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# Congressional Record

## PROCEEDINGS AND DEBATES OF THE 92d CONGRESS
## FIRST SESSION

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PROCEEDINGS AND DEBATES OF THE 92$^{d}$ CONGRESS, FIRST SESSION

## HOUSE OF REPRESENTATIVES—*Tuesday, November 9, 1971*

The House met at 12 o'clock noon.

Rev. Sears F. Riepma, retired, Christ Church Parish, Springfield, Mo., offered the following prayer:

O Thou Infinite and Solemn Spirit before whom the nations rise and pass away, Thou art the Lord of Hosts, Thou art the King of Glory and yet Thou dost listen to the simple prayer of an humble child and not a sparrow falls to the ground but Thou art present at its burial.

Men of old trusted in Thee. To their children the world over of whatever race or class be Thou a pillar of cloud by day lest its garish lights blind them and a pillar of fire by night lest darkness overcome them and they are sore afraid.

Grant to Thy servants in this Chamber of debate, resolution, and decisionmaking a hopeful and quiet mind that they may see clearly, plan spaciously, and execute courageously.

To us citizens of this land grant an increased will to do justly, to love mercy, and to walk humbly with God.

To that end we pray as the fisherfolk of the yesteryears, "Help us, O God, for our boats are too small and Thine ocean is so large." Amen.

### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 7072) entitled "An act to amend the Airport and Airway Development Act of 1970 to further clarify the intent of Congress as to priorities for airway modernization and airport development, and for other purposes."

The message also announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 986. An act to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes.

### REV. DR. SEARS F. RIEPMA, GUEST CHAPLAIN FOR TODAY

The SPEAKER. The Chair recognizes the gentleman from Missouri (Mr. HALL).

Mr. HALL. Mr. Speaker, we are indeed indebted to you and to our Chaplain for the arrangements which brings us our Chaplain of the Day, Rev. Dr. Sears F. Riepma, retired, of the Christ Episcopal Church, in my hometown.

In spite of our actions of yesterday and this Nation's judiciary, he will never address a prayer or supplication "To Whom It May Concern."

Mr. Speaker, he is a personal friend. He is a onetime patient, the pastor emeritus of all "sky pilots" of Missouri, as well as an adviser to those in government. He is an indestructible nonagenarian, the father of a lady lawyer in New York, of a fashion expert and magazine publisher in Richmond, and a lady colonel in the Air Force stationed at Eglin Air Force Base; and a son—Siert—whom most of us know as president of the National Margarine Association, in this city.

Mr. Speaker, the worth of his supplication is apparent to all. But in addition to this, Mr. Speaker, he is a great father, a wonderful family man, and an outstanding community citizen who is still dynamic and outgiving in filling parish pulpits and civic gatherings all over the United States. Our last personal contact was at the combined church-public Easter noonday services in a Springfield theater.

We welcome him to these Chambers today.

### DR. THOR HEYERDAHL TESTIFIES BEFORE HOUSE PUBLIC WORKS COMMITTEE ON CONDITION OF OUR OCEANS

(Mr. RONCALIO asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. RONCALIO. Mr. Speaker, I have just come to the floor of the House today from a meeting of the House Public Works Committee at which the noted anthropologist, Dr. Thor Heyerdahl delivered a very sobering warning to all men of all nations on the conditions of the oceans today.

The oceans, being mankind's first source of oxygen, are in danger of ultimate destruction. I know of nothing more important to man than the contents of Dr. Heyerdahl's remarks today and I ask unanimous consent, Mr. Speaker, that they may be included in the appendix of the RECORD.

The SPEAKER. Is there objection to the request from the gentleman from Wyoming?

There was no objection.

### MAN RIDES BIKE FROM UNIVERSITY TO CAST BALLOT

(Mr. MYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. MYERS. Mr. Speaker, much has been said about the newly franchised 18-year-old voters. There apparently was much apathy among the 18- to 21-year-olds this year as many did not vote. One young man from Indiana did take this privilege seriously as the enclosed article from the Commercial-News reports. Riding a bicycle more than 50 miles to cast his first ballot displays the kind of dedication to the importance of voting that is refreshing and welcome.

I am especially proud of this young man because he is my nephew.

The article follows:

MAN RIDES BIKE FROM UNIVERSITY TO CAST BALLOT

COVINGTON, IND.—Joe Omahen, 19, of Covington, considered his new voting privilege so important that he took to his bicycle and rode all the way home from Indiana State University to cast his first ballot in the city elections.

Omahen, a sophomore, majoring in art at Indiana State, covered the 50-mile distance in approximately 5 hours, leaving early Friday morning. He voted absentee on Saturday.

Omahen is the son of Mr. and Mrs. Harold Hanley of Covington and also is the nephew of Indiana Seventh District Congressman John Myers.

Omahen hitched a ride back to school on Sunday evening, as his bike was not in condition for the ride back.

### PROVIDING FUNDS FOR COMPUTER SERVICES FOR THE HOUSE OF REPRESENTATIVES

Mr. THOMPSON of New Jersey. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 601 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 601

*Resolved*, That during the Ninety-second Congress, the Committee on House Administration is authorized to incur such expenses (not in excess of $1,500,000) as the committee considers advisable to provide for maintenance and improvement of ongoing computer services for the House of Representatives and for the investigation of additional computer services for the House of Representatives, including expenditures for the employment of technical, clerical, and other assistants, for the procurement of services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)), and for the procurement of equipment by contract or otherwise. Such expenses shall be paid out of the contingent fund of the House on vouchers authorized and approved by such committee, and signed by the chairman thereof. Not to exceed $1,000,000 of the total amount provided by this resolution may be used to procure the temporary or intermittent services of individual consultants or organizations thereof pursuant to section 202(i) of the Legislative Reorganization Act of 1946 (2 U.S.C. 72a(i)); but this monetary limitation on the procurement of such services shall not prevent the use of such funds for any other authorized purpose.

SEC. 2. No part of the funds authorized by this resolution shall be available for expenditures in connection with the study or investigation of any subject which is being investigated for the same purpose by any other committee of the House.

SEC. 3. Funds authorized by this resolution shall be expended pursuant to regulations established by the Committee on House Administration in accordance with existing law.

Mr. THOMPSON of New Jersey (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the resolution be dispensed with, and that it be printed in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

Mr. HALL. Mr. Speaker, reserving the right to object, does the gentleman from New Jersey intend to take time after unanimous consent is given in order to explain the resolution, and its purpose?

Mr. THOMPSON of New Jersey. Mr. Speaker, if the gentleman will yield, I will say to my friend, the gentleman from Missouri, that I do.

Mr. HALL. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

### COMMITTEE AMENDMENT

The SPEAKER. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 4, strike out "$1,000,000" and insert "$200,000".

The committee amendment was agreed to.

Mr. THOMPSON of New Jersey. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, House Resolution 601, which was reported unanimously out of the Committee on House Administration, comes to the floor after long and careful consideration by the Committee on House Administration and by its subcommittees namely, the subcommittee chaired by our distinguished colleague, the gentleman from Pennsylvania (Mr. DENT), and the Subcommittee on Accounts, which I have the honor to chair.

This resolution provides funds in the amount of $1,500,000 to the Committee on House Administration in support of computer activities for the House of Representatives during the final 15 months of the 92d Congress.

Heretofore, Mr. Speaker, computer operations of the House were handled by the Data Processing Office of the Clerk principally in support of several clerical tasks entrusted to his direction. Without being critical of the Clerk or his operations, because he, in my judgment, has done a splendid job, the Committee on House Administration decided some time ago to hire staff to study the computer system and to implement additional developments on it.

Dr. Frank Ryan has come aboard the committee staff, and with the assistance of the Stanford Research Institute and other groups, has done a comprehensive study.

I might point out, Mr. Speaker, that the $1.5 million represents only approximately $770,000 more than is currently being spent. The computer which we have available to the House of Representatives is one which has a much greater capacity than is now being used. The House of Representatives is so far behind in modernizing itself with respect to the use of computers that really it is almost an embarrassment. In contrast, most departments of the Federal Government already spend large sums on computers and staff people to operate them.

For instance, House Resolution 601 provides enough money for the House of Representatives to continue renting only one computer and employing the necessary staff to operate it.

I might point out that AID has four computers. The Veterans' Administration has 41 computers and, believe it or not, the Department of Defense has 2,668 computers.

Our computer already handles the House payroll, the Member's allowance report, the Clerk's semiannual report, the office equipment inventory, and the vote history system. Our projections include inventories for the House restaurants so that we can continue to supervise them. Our projections also include computer services for data retrieval and legislative information of various sorts, for mailing lists, for bill status information, and a number of other important uses.

The capability of the computer which we have now is, as I said, much greater than now being used. We estimate that the effective use of the computer which we now have is only 10 percent approximately of its capacity. It is a 360–50 IBM computer. The House is renting it and associated hardware such as magnetic disc storage units currently for $22,000 a month; in other words, about $700 a day. Yet, the computer is being used to only 10 percent of its capacity.

The committee determined that it is in the interest of the institution and of the Members that our present computer be used more effectively. We have a highly sophisticated, well-trained staff available and I am certain that within a very short time all of us would benefit infinitely by the passage of this resolution and subsequent action.

Mr. Speaker, I yield to the distinguished gentleman from Alabama (Mr. DICKINSON) for purposes of debate only.

Mr. DICKINSON. Mr. Speaker, I thank the gentleman for yielding. I appreciate it very much. Mr. Speaker, I would like to emphasize what the distinguished gentleman from New Jersey has said.

It was said in the committee that none of us has the expertise, training, and background to be able to say that this is what we should do or this is what we should not do when we get into the highly technical field of computers. For this reason, we have assembled as good a professional staff as we possibly could. We have Dr. Ryan and a very competent staff and this is what they have recommended as to how we can get the most for our dollar.

At some point we have to travel on faith and we have to take the advice of our experts whom we have hired to assist us in this field.

As the gentleman just pointed out, we have an obligation to legislate and we are asking to have one computer to assist us here in the House for data retrieval in order to give us the background information and so forth to enable us to pass on legislation setting up the entire spectrum of Government. If you compare our obligations in the House to other areas of Government and look at what we are trying to do and are responsible for, you can really see the need of this bill. We create AID, we fund it, we have oversight, but AID for instance, has four computers that they have already on the line and are using. The Veterans' Administration has 41 computers. Yet, we must oversee and appropriate for the Veterans' Administration.

The Department of Defense has 2,688 computers and we, in turn, must make the decisions as to what the Department of Defense is going to do and what they are going to spend. We must provide for this.

So I think, Mr. Speaker, in all fairness we will be doing ourselves here in the House a disservice if we do not get somewhat modern and if we do not keep abreast of the technology that is available to us. I certainly do support this and I think we in the House are going to fall short of what we should be doing if we do not pass this resolution.

Mr. THOMPSON of New Jersey. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from New Jersey.

Mr. THOMPSON of New Jersey. I was really astounded, as I know the gentleman was, by the extent to which the Department of Defense has and uses computers. I might point out that the salaries alone for the operation of those computers total $715 million.

Mr. DICKINSON. What the gentleman has pointed out is impressive when we consider that we are asking for only $1.5 million to enable the House to oversee every department of the Government. Without belaboring the point, the record is clear that the equipment is needed, it is justified, and if we do not get it I think we are selling ourselves short.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. DICKINSON. I yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman's yielding. I wish to associate myself with his remarks and those of my colleague from Alabama, and compliment the Committee on House Administration for bringing this resolution to the floor as speedily as they have; and with as good a report as they have accompanying the resolution, which is in keeping with the Reorganization Act of 1970. I am in strong support of this first long step toward modernizing the House of Representatives. I thank the gentleman.

Mr. HAYS. Mr. Speaker, will the gentleman yield?

Mr. THOMPSON of New Jersey. I thank the gentleman, and I yield to the distinguished chairman of the Committee on House Administration, the gentleman from Ohio (Mr. HAYS).

Mr. HAYS. I thank the gentleman. I just want to say that one of the things that has come to my attention in the last couple of days is the fact that the Sergeant at Arms wants some kind of computerized machine with which to do his bookkeeping, and we have found in a preliminary exploration that the machine we now have will do this job. It is a matter of providing a system so it can have simultaneous terminals running instead of the system we have now, which can have only one terminal run at a time, which makes the computer fairly ineffective.

I have instructed the staff to get on a crash basis and get this thing in line with the computer which we are already renting and already paying a pretty healthy sum for and which, as the gentleman from New Jersey has so rightly pointed out, is only being operated usefully about 10 percent of the time.

Mr. THOMPSON of New Jersey. I thank the gentleman.

Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

### GENERAL LEAVE

Mr. THOMPSON of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 3 legislative days in which to revise and extend their remarks on the resolution just agreed to, and to include extraneous material.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

## PHOTOGRAPHIC DISPLAY ON CANCER RESEARCH AND TREATMENT

(Mr. DULSKI asked and was given permission to revise and extend his remarks at this point in the RECORD.)

Mr. DULSKI. Mr. Speaker, in room 210 of the Cannon Building, we have arranged a photographic display on cancer research. Very shortly we will be voting for the cancer research legislation. The exhibit that we now have in room 210 has been assembled at my request by the staff of Roswell Park Memorial Institute, Buffalo, N.Y., which, founded in 1898, is the oldest and one of the largest cancer institutes in the world.

I hope that all Members will have an opportunity to visit this exhibit.

Dr. Gerald P. Murphy, the institute director, and other officials will be there to give guidance or answer any questions that anybody cares to ask.

## DISMISSING THE ELECTION CONTEST IN THE 38TH CONGRESSIONAL DISTRICT OF THE STATE OF CALIFORNIA

Mr. ABBITT. Mr. Speaker, by direction of the Committee on House Administration, I call up House Resolution 507 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 507

*Resolved,* That the election contest of David A. Tunno, contestant, against Victor V. Veysey, contestee, Thirty-eighth Congressional District of the State of California, be dismissed.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## CONFERENCE REPORT ON H.R. 8629, COMPREHENSIVE HEALTH MANPOWER TRAINING ACT OF 1971

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (H.R. 8629) to amend title VII of the Public Health Service Act to provide increased manpower for the health professions, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 19, 1971.)

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I rise in support of the conference agreement on H.R. 8629, providing increased manpower for the health professions.

This bill passed the House by an overwhelming vote on July 1, and passed the Senate similarly on July 14 of this year. The bill was sent to conference on July 19, and the conferees met several times prior to the August recess in an attempt to reach an agreement, but the differences between the two Houses were too large for us to reach agreement prior to the recess.

Immediately upon returning from the recess, the conferees met again at every available opportunity, and we now present to the House a report filed by all the conferees, which in my opinion is a better bill than originally passed by either body.

The House originally passed a 3-year bill with authorizations totaling $2,764,600,000. The Senate bill was a 5-year program but over the first 3 years of that authorized $3,354,700,000.

The conferees substitute is a 3-year bill authorizing a total of $2,890 million for the program set forth in the bill.

All existing programs are continued and expanded. The program of grants for construction of teaching facilities is expanded to include health research facilities, as well as teaching facilities, and also authorizes a new program of loan guarantees and interest subsidies.

Existing law authorizes capitation grants, which have averaged a little over $500 per student per year. The capitation grant program is revised very substantially, to provide more realistic higher levels of support, with bonuses for schools which graduate students early, and for schools which increase enrollment above certain minimum amounts. The program of special project grants for medical schools in financial distress is continued and broadened, and a new program of health manpower education initiative awards is added to the legislation.

Startup assistance is provided for new schools of medicine as well as assistance to accredited 2-year schools which propose to convert to schools of 3 or 4 years which grant the M.D. degree.

The existing program of loans and of scholarships to students is continued and expanded, with programs for students studying abroad, and a special scholarship program is established for residents of certain low-income areas.

Loan forgiveness features designed to encourage students to practice in shortage areas are strengthened and expanded, and the Emergency Health Personnel Act machinery is beefed up to provide more physicians for rural areas and having a shortage of health professionals.

The program provides for grants for support of training, traineeships, and fellowships in family medicine, as well as a program of grants for support of postgraduate training for physicians and dentists in specialties where there is a very short supply. The bill also authorizes grants for computer technology programs, and grants to encourage full utilization of educational talent for the health professions.

Mr. Speaker, the conference with the Senate was a long and difficult one, but as I said before, in my opinion we have brought to the House a better bill than passed either of the two bodies.

I urge the adoption of the conference report.

Mr. KYROS. Mr. Speaker, would the gentleman yield for a question?

Mr. STAGGERS. I yield.

Mr. KYROS. There is considerable interest in Maine in the possible establishment of a medical school, or a facility for training health personnel. I would like to clarify the intent of the proposed new section 772(b) of the Health Manpower Act, which authorizes the making of grants and contracts for the planning, development, or establishment of special projects, which can include training programs for health personnel, and programs for cooperative interdisciplinary training.

I wonder if it is intended that a grant may be made under section 772 for the planning of special training programs to be conducted in Maine, or in any other State, under this section?

Mr. STAGGERS. Yes, if the applicant is a medical school.

Mr. KYROS. Section 774(a) of the proposed new law permits the Secretary to make grants or contracts for projects to encourage the establishment or maintenance of programs, to alleviate shortages of health personnel through training such personnel in facilities located in areas designated by the Secretary. Would the gentleman agree with me that this section would authorize grants or contracts to an organization such as a local regional medical program, or other health or educational entity, to plan for the establishment of a medical school or other facility for training health personnel in Maine or any other area having a shortage of health personnel?

Mr. STAGGERS. Yes.

Mr. ROGERS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Florida, the chairman of the subcommittee.

Mr. ROGERS. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I rise to urge the adoption of the report of the committee of conference on the differing versions of H.R. 8629, the Health Manpower Training Act of 1971, as passed by the House and the Senate. By far, the major provisions of the House bill were maintained.

Mr. Speaker, this measure extends for 3 years the legislation which expired on June 30, 1971. H.R. 8629 originally was passed by the House on July 1 and the Senate-amended version was passed by that body on July 15. Since that time, the House and Senate conferees met in 10 lengthy sessions in arriving at this conference reported measure. Because this legislation authorizes support which is so vital to health professions schools, it is urgent that the House take swift action in adopting the provisions of the conference report.

I am pleased to note that a large number of the provisions of this bill are from the original House bill and this report was agreed to by the Senate on October 19, 1971. This measure would give programs of aid to schools of medicine, dentistry, osteopathy, veterinary medicine, optometry, podiatry, and pharmacy, and their students, totaling $2.9 billion over a 3-year period.

While the conferees may have disagreed on certain methods and approaches to health professions education, they concur in recognizing these schools as a national resource which can only respond to the Nation's critical need for more and new types of health personnel if the Federal Government offers them predictable, stable, and increased support.

This conference-reported bill is aimed at every facet of health professions education. It offers grants for producing new kinds and levels of health care personnel through basic awards to the institution and special project grants for new or innovative approaches to the delivery of health care.

Every effort is made in this bill to encourage health professionals to work in underserved areas, one of the major health problems in the Nation. Scholarships, loan forgiveness, and efforts to attract people from shortage areas are all part of the planned effort to help distribute our health professionals to the areas where they are needed most.

The system of capitation grants to schools, based on their enrollment, is a much more equitable basis of meeting the needs of schools and the incentives for increasing enrollment.

Shortening the curriculum and the mandatory enrollment increases are all part of the plan which has as its goal the elimination of massive shortages of health manpower by the end of this decade.

This measure is the end result of extensive hearings by the Public Health and Environment Subcommittee of the Interstate and Foreign Commerce Committee. The authorization levels in this measure were proposed after careful deliberation and computations using present and projected enrollment figures for future years based on the required enrollment increases called for in the measure adopted by the conference committee. If the planned effort to meet the health manpower needs of the country and to eliminate the critical shortage which we presently face, which was envisioned during the drafting of this legislation is to succeed, then it will require funding at the levels set forth in this measure.

Mr. Speaker, this bill is vital to the health of this Nation. Partial funding will not do. Partial funding means partial good health. The spotlight is today on the Office of Management and Budget and the Congress is waiting. We have heard initial reports that OMB plans to recommend funding of this bill and the Nurse Training Act at a level of 50 percent or less. I can tell the accountants at OMB right now that in my judgment the responsibility of determining the amount of Federal support of the health needs of this Nation is the responsibility of the Congress and I do not feel that the Congress will stand idly by while OMB manipulates and undercuts this country's health programs. Our Subcommittee on Public Health and Environment has spent months in developing a plan to erase the health personnel shortage in this country by 1978. This plan is based on full funding and we on the subcommittee plan to fight for full funding, and for full health of our citizens.

Mr. Speaker, I urge the adoption of the conference report.

Mr. DEVINE. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Ohio.

Mr. DEVINE. Mr. Speaker, I urge adoption of the conference report. The only thing I would like to point out is when this bill passed the House some time ago, the total appropriation was $2.76 billion, and the Senate bill was for $3.35 billion, and as a result of the conference, we have $2.89 billion, which is much closer to the House bill than to the Senate bill.

Mr. Speaker, I, therefore, urge adoption of the conference report.

Mr. TIERNAN. Mr. Speaker, I rise in support today of the conference report on H.R. 8629, the Comprehensive Health Manpower Training Act of 1971. This landmark legislation is a product of long and detailed hearings in both Chambers and lengthy and arduous conferences as well. I believe that a special word of praise and thanks should go to our colleagues, the distinguished gentleman from West Virginia (Chairman STAGGERS), the distinguished gentleman from Florida (Mr. ROGERS) and the distinguished gentleman from Illinois (Mr. SPRINGER). Along with Senators KENNEDY, PELL, and JAVITS, our colleagues were able to produce a historic piece of legislation. They have labored diligently and purposefully, and we all stand in debt to their perserverance and resolution.

I would like to single out for note, the exceptional work of my congressional colleague from Rhode Island, the junior Senator, Mr. PELL. Senator PELL, chairman of the Senate Subcommitte on Education and a legislator for far-reaching vision and perception, is responsible for establishing a new financial assistance program for the education of medical students. Under his proposal, adopted in the Senate and agreed to in conference, 2-year schools of basic medical science will now be eligible for grants equal to $50,000 per student enrolled in its first third-year class. The effect of Senator PELL's plan is to encourage the expansion of these limited facilities into full-fledged 4-year medical schools at a time when they are sorely needed.

Hopefully, the State of Rhode Island will now realize its first medical school. Fortunately, Brown University in Providence, R.I., will be a beneficiary of this legislation if it chooses to expand its present 2-year basic medical science school. The need is great not only for the prospective students, but for the well-being of the Rhode Island community as a whole. With a medical school in our midst, Rhode Island will begin to realize its salutary effect, specifically in the higher quality of medical research, technology, and application that is the experience of other medical school communities.

Finally, this act will now enable us to meet, somewhat, the urgent and critical need of additional professional health personnel. I urge adoption of the conference report.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The conference report was agreed to.

A motion to reconsider was laid on the table.

## CALL OF THE HOUSE

Mr. KYL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 367]

Alexander
Barrett
Bevill
Blatnik
Broomfield
Buchanan
Caffery
Celler
Clark
Clawson, Del
Clay
Collins, Tex.
Conyers
Crane
Derwinski
Diggs
Dingell
Dowdy
Drinan
Edwards, La.
Frelinghuysen
Galifianakis
Gallagher
Gray
Gubser
Halpern
Hays
Hébert
Landgrebe
Lloyd
Long, La.
McCloskey
McFall
McKinney
McMillan
Macdonald, Mass.
Metcalfe
Moss
Murphy, N.Y.
Nedzi
Patman
Pelly
Purcell
Railsback
Scheuer
Schwengel
Stanton, J. William
Steed
Vigorito
Whitten
Wilson, Bob
Wright

The SPEAKER. On this rollcall 378 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## PERMISSION FOR COMMITTEE ON RULES TO FILE PRIVILEGED REPORTS

Mr. COLMER. Mr. Speaker, I ask unanimous consent that the committee on Rules may have until midnight to file certain privileged reports.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

## CONFERENCE REPORT ON H.R. 8630, NURSE TRAINING ACT OF 1971

Mr. STAGGERS. Mr. Speaker, I call up the conference report on the bill (H.R. 8630) to amend title VIII of the Public Health Service Act to provide for training increased numbers of nurses, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of October 19, 1971.)

Mr. STAGGERS (during the reading). Mr. Speaker, I ask unanimous consent that the statement be considered as read.

The SPEAKER. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

Mr. STAGGERS. Mr. Speaker, I rise in support of the conference report on H.R. 8630, a bill providing support for programs designed to increase the supply of nurses in the United States.

The bill passed the House July 1, the Senate July 14, and was sent to conference on July 19.

We conferred with the Senate on health manpower legislation for a considerable period of time before beginning our consideration of this bill. It was necessary to do so, because many of the issues of philosophy as between the two Houses were reflected in each bill, and we needed to resolve these differences first. Once we had completed action on the health manpower bill, the conferees went quite speedily on this bill, since we followed through consistently in this bill in the areas in which decisions had been made earlier. As passed by the House, H.R. 8629 established a 3-year program to increase the supply of nursing manpower at a total cost of $710 million. The Senate amendment provided a 3-year program, authorizing $1,113.5 million. The conference substitute is a 3-year program, authorizing $855.5 million.

The bill provides a continuation of all existing programs of assistance to schools of nursing, together with a new program of startup grants for schools of nursing; a guaranteed loan with interest subsidies program for construction assistance, and revised authority for capitation grants to schools of nursing. The first two of these programs are new, and for all practical purposes the program of capitation grants is new, since notwithstanding the authority in existing law to have such a program, appropriations have never been requested in amounts sufficient to fund this program.

The conference agreement authorizes $120 million in matching grants to aid in the construction of teaching facilities for the training of nurses, along with the loan guarantees program I had mentioned.

The existing program of project grants is broadened to include a number of new authorities which experience has shown to be desirable, and authorizes a continuation of the existing program of grants for schools in financial distress.

The existing program of traineeships for advanced study is continued at a total authorization of $66 million, and the existing programs of loans and scholarships to students are continued and broadened, with additional loan for forgiveness features authorized for nurses who practice in areas having a shortage of nursing manpower.

Mr. Speaker, all the conferees signed the conference report, and we are in agreement that this is an excellent bill and one that should be passed speedily. I urge the adoption of the conference report.

Mr. SPRINGER. Mr. Speaker, I think if the Members will go through this item by item, they will find the authorization in this report is a good compromise with the recommendation of the Senate. We originally started out with $710 million in our bill, and the Senate had $1,113,000,000 in its bill. We arrived at a compromise figure of $855.5 million for the 3-year program. The compromises to a great extent follow those compromises in the Health Manpower Act which we agreed to a few moments ago.

The many compromises all along the line tend to follow the House figures rather than the Senate figures, so we think we did get a good settlement.

The main issue in this bill probably was the size of the capitation grants to be given to nursing schools. The House provided for $200 per student. The Senate provided $550 per student. Naturally the conference was limited to a figure of $550, and we did agree on $250 per student, which is very close to the original House figure. There are added amounts for bonus payments of $100 per student for any class which accomplishes extraordinary expansion over and above that required to qualify for capitation payments.

I believe one of the most important features of this bill is that at the present time we have roughly 700,000 nurses in the country and we will increase this number to more than a million 10 years from now, by roughly 1980.

Nurses, like doctors, are encouraged to practice in shortage areas and to increase their skills and ability to train others.

These six features I believe are distinct. Each one of them is an improvement over the present.

It is a substantial amount of money which we are authorizing, but in view of the testimony we had in the subcommittee I believe this amount of money is deserved and it is needed if we want to increase the number of nurses by roughly a quarter million in the next 10 years.

It appeared to me all this was in the public interest, and for this reason I believe the conference report ought to be approved.

Mr. STAGGERS. Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from Florida (Mr. ROGERS).

Mr. ROGERS. Mr. Speaker, I urge approval of this conference report. As stated, it does follow basically the House position.

Mr. Speaker, nurses are among our Nation's most valuable resources. Any casual student of the financing of nursing education over the past few years will readily agree that in terms of Federal support, nurses have been at the bottom of the heap. This legislation is designed to correct this inequity and to supply our country with an adequate number of trained nurses by the end of this decade. This is a goal shared in by our subcommittee, the full Committee on Interstate and Foreign Commerce, the House of Representatives, and the other body when we passed our differing versions of H.R. 8630. By passing this legislation this goal can be achieved.

Mr. Speaker, in many ways the Nurse Training Act of 1971 tracks the Health Manpower Act. It provides for special project grants, financial distress grants, institutional support by means of a capitation formula, grants for the establishment of new nurse training programs, traineeships for advanced training, scholarship grants, and other innovative features. Each of these features is essential if our country is to achieve an adequate supply of highly skilled nurses.

Mr. Speaker, what I stated to this body earlier in connection with the necessity of full funding for the health manpower bill holds true with respect to this bill. If we are to fulfill the promises this legislation holds for our nurses and for the good health of this Nation, the Office of Management and Budget must present a request for proper funding in line with the authorizations in this bill.

One point of clarification I would like to make is in the capitation grants section of the Nurse Training Act. The bonus to schools preparing pediatric nurse practitioners, nurse midwives, or family health nurses is meant to be for educational programs in schools of nursing that provide broad preparation leading to baccalaureate as well as to advanced degrees for specialization.

Mr. Speaker, I believe this is a good report. It will significantly advance the cause of good health in this Nation by insuring a more adequate supply of trained nurses. I urge its adoption.

**Mr. STAGGERS.** Mr. Speaker, I should like to take this opportunity publicly to thank the Subcommittee on Public Health and Environment for the great work it has been doing in this House. The members have been working every week since we have been in session, constantly, and have turned out, I believe, tremendous legislation on behalf of the individual and the national health. I want to extend my thanks to them and also the able and hard-working staff members, who have rendered invaluable service.

Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

A motion to reconsider was laid on the table.

### GENERAL LEAVE

**Mr. STAGGERS.** Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the two conference reports considered today.

**The SPEAKER.** Is there objection to the request of the gentleman from West Virginia?

There was no objection.

### FEDERAL ENVIRONMENTAL PESTICIDE CONTROL ACT OF 1971

**Mr. POAGE.** Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H.R. 10729) to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes.

**The SPEAKER.** The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

#### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H.R. 10729, with Mr. HUNGATE in the chair.

The Clerk read the title of the bill.

**The CHAIRMAN.** When the Committee rose on yesterday, the Clerk had read through the first section, ending on page 1, line 4 of the bill.

The Clerk will read.

The Clerk read as follows:

#### AMENDMENTS TO FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

SECTION 2. The Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135 et seq.) is amended to read as follows:

"SEC. 1. SHORT TITLE AND TABLE OF CONTENTS.

"(a) SHORT TITLE.—This Act may be cited as the 'Federal Insecticide, Fungicide, and Rodenticide Act'.

"(b) TABLE OF CONTENTS.—

"SECTION 1. Short title and table of contents.
"(a) Short title.
"(b) Table of contents.
"SEC. 2. Definitions.
"(a) Active ingredient.
"(b) Administrator.
"(c) Adulterated.
"(d) Animal.
"(e) Certified pesticide applicator, etc.
"(1) Certified pesticide applicator.
"(2) Private pesticide applicator.
"(3) Commercial pesticide applicator.
"(f) Defoliant.
"(g) Desiccant.
"(h) Device.
"(i) District court.
"(j) Environment.
"(k) Fungus.
"(l) Imminent hazard.
"(m) Inert ingredient.
"(n) Ingredient statement.
"(o) Insect.
"(p) Label and labeling.
"(1) Label.
"(2) Labeling.
"(q) Misbranded.
"(r) Nematode.
"(s) Person.
"(t) Pest.
"(u) Pesticide.
"(v) Plant regulator.
"(w) Producer and produce.
"(x) Protect health and the environment.
"(y) Registrant.
"(z) Registration.
"(aa) State.
"(bb) Substantial adverse effects on the environment.
"(cc) Weed.
"SEC. 3. Registration of pesticides.
"(a) Requirement.
"(b) Exemptions.
"(c) Procedure for registration.
"(1) Statement required.
"(2) Data in support of registration.
"(3) Time for acting with respect to application.
"(4) Notice of application.
"(5) Approval of registration.
"(6) Denial of registration.
"(d) Classification of pesticides.
"(1) Classification for general use, restricted use, or both.
"(2) Change in classification.
"(e) Products with same formulation and claims.
"(f) Miscellaneous.
"(1) Effect of change of labeling or formulation.
"(2) Registration not a defense.
"(3) Authority to consult other Federal agencies.
"Sec. 4. Use of restricted use pesticide; certified applicators.
"(a) Certification procedure.
"(1) Federal certification.
"(2) State certification.
"(b) State plans.
"Sec. 5. Experimental use permits.
"(a) Issuance.
"(b) Temporary tolerance level.
"(c) Use under permit.
"(d) Studies.
"(e) Revocation.
"Sec. 6. Administrative review; suspension.
"(a) Cancellation after five years.
"(1) Procedure.
"(2) Information.
"(b) Cancellation and change in classification.
"(c) Suspension.
"(1) Order.
"(2) Duration of order.
"(3) Judicial review.
"(d) Public hearings and scientific review.
"(e) Judicial review.
"Sec. 7. Registration of establishments.
"(a) Requirement.
"(b) Registration.
"(c) Information required.
"(d) Confidential records and information.
"Sec. 8. Books and records.
"(a) Requirement.
"(b) Inspection.
"Sec. 9. Inspection of establishments, etc.
"(a) In general.
"(b) Warrants.
"(c) Enforcement.
"(1) Certification of facts to Attorney General.
"(2) Notice not required.
"(3) Warning notices.
"Sec. 10. Protection of trade secrets, etc.
"(a) In general.
"(b) Disclosure.
"Sec. 11. Standards applicable to pesticide applicators.
"(a) In general.
"(b) Separate standards.
"Sec. 12. Unlawful acts.
"(a) In general.
"(b) Exemptions.
"Sec. 13. Stop sale, use, removal, and seizure.
"(a) Stop sale, etc., orders.
"(b) Seizure.
"(c) Disposition after condemnation.
"(d) Court costs, etc.
"Sec. 14. Penalties.
"(a) Civil penalties.
"(1) In general.
"(2) Private pesticide applicator.
"(3) Hearing.
"(4) References to Attorney General.
"(b) Criminal penalties.
"(1) In general.
"(2) Private pesticide applicator.
"(3) Disclosure of information.

"(4) Act of officers, agents, etc.
"Sec. 15. Indemnities.
"(a) Requirement.
"(b) Amount of payment.
"(1) In general.
"(2) Special rule.
"Sec. 16. Administrative procedure; judicial review.
"(a) Application of Administrative Procedure Act.
"(b) Judicial review.
"(c) Jurisdiction of district courts.
"(d) Notice of judgments.
"Sec. 17. Imports and exports.
"(a) Pesticides and devices intended for export.
"(b) Cancellation notices furnished to foreign governments.
"(c) Importation of pesticides and devices.
"(d) Cooperation in international efforts.
"(e) Regulations.
"Sec. 18. Exemption of Federal agencies.
"Sec. 19. Disposal and transportation.
"(a) Procedures.
"(b) Advice to Secretary of Transportation.
"Sec. 20. Research and monitoring.
"(a) Research.
"(b) National monitoring plan.
"(c) Monitoring.
"Sec. 21. Solicitation of public comments.
"Sec. 22. Delegation and cooperation.
"Sec. 23. State cooperation, aid, and training.
"Sec. 24. Authority of States and political subdivisions.
"(a) Cooperative agreements.
"(b) Contracts for training.
"Sec. 25. Authority of Administrator.
"(a) Regulations.
"(b) Exemption of pesticides.
"(c) Other authority.
"Sec. 26. Severability.
"Sec. 27. Authorization for appropriation.

"Sec. 2. Definitions.

"For purposes of this Act—

"(a) Active Ingredient.—The term 'active ingredient' means—

"(1) in the case of a pesticide other than a plant regulator, defoliant, or desiccant, an ingredient which will prevent, destroy, repel, or mitigate any pest;

"(2) in the case of a plant regulator, an ingredient which, through physiological action, will accelerate or retard the rate of growth or rate of maturation or otherwise alter the behavior of ornamental or crop plants or the product thereof;

"(3) in the case of a defoliant, an ingredient which will cause the leaves or foliage to drop from a plant; and

"(4) in the case of a desiccant, an ingredient which will artificially accelerate the drying of plant tissue.

"(b) Administrator.—The term 'Administrator' means the Administrator of the Environmental Protection Agency.

"(c) Adulterated.—The term 'adulterated' applies to any pesticide if:

"(1) its strength or purity falls below the professed standard or quality as expressed on its labeling under which it is sold;

"(2) any substance has been substituted wholly or in part for the pesticide; or

"(3) any valuable constituent of the pesticide has been wholly or in part abstracted.

"(d) Animal.—The term 'animal' means all vertebrate and invertebrate species, including but not limited to man and other mammals, birds, fish, and shellfish.

"(e) Certified Pesticide Applicator, Etc.—

"(1) Certified pesticide applicator.—The term 'certified pesticide applicator' means any individual who is certified under section 4 as authorized to use or supervise the use of any pesticide which is classified for restricted use.

"(2) Private pesticide applicator.—The term 'private pesticide applicator' means a certified pesticide applicator who uses or supervises the use of any pesticide which is classified for restricted use for purposes of producing any agricultural commodity on property owned or rented by him or (if applied without compensation other than trading of personal services between producers of agricultural commodities) on the property of another person.

"(3) Commercial pesticide applicator.—The term 'commercial pesticide applicator' means a certified pesticide applicator (whether or not he is a private pesticide applicator with respect to some uses) who uses or supervises the use of any pesticide which is classified for restricted use for any purpose or on any property other than as provided by paragraph (2).

"(f) Defoliant.—The term 'defoliant' means any substance or mixture of substances intended for causing the leaves or foliage to drop from a plant, with or without causing abscission.

"(g) Desiccant.—The term 'desiccant' means any substance or mixture of substances intended for artificially accelerating the drying of plant tissue.

"(h) Device.—The term 'device' means any instrument or contrivance (other than a firearm) which (1) is intended for trapping, destroying, repelling, or mitigating any pest or any other form of plant or animal life (other than man and other than bacteria, virus, or other micro-organism on or in living man or other living animals), and (2) is within a class of devices in respect of which the Administrator has made the determination referred to in section 25(c)(4).

"(i) District Court.—The term 'district court' means a United States district court, the District Court of Guam, the District Court of the Virgin Islands, and the highest court of American Samoa.

"(j) Environment.—The term 'environment' includes water, air, land, and all plants and man and other animals living therein, and the interrelationships which exist among these.

"(k) Fungus.—The term 'fungus' means any non-chlorophyll-bearing thallophyte (that is, any non-chlorophyll-bearing plant of a lower order than mosses and liverworts), as for example, rust, smut, mildew, mold, yeast, and bacteria, except those on or in living man or other animals and those on or in processed food, beverages, or pharmaceuticals.

"(l) Imminent Hazard.—The term 'imminent hazard' means a situation which exists when the continued use of a pesticide during the time required for cancellation proceeding would likely result in substantial adverse effects on the environment.

"(m) Inert Ingredient.—The term 'inert ingredient' means an ingredient which is not active.

"(n) Ingredient Statement.—The term 'ingredient statement' means a statement which contains—

"(1) the name of each active ingredient in the pesticide;

"(2) if all the uses of the pesticide are classified for general use, then either—

"(i) the total percentage of all inert ingredients, and of all active ingredients, in the pesticide; or

"(ii) the percentage of each active ingredient, and the total percentage of all inert ingredients, in the pesticide; and if all the uses of the pesticide are not classified for general use, then the information required under (ii); and

"(3) if the pesticide contains arsenic in any form, a statement of the percentages of total and water soluble arsenic, calculated as elemental arsenic.

"(o) Insect.—The term 'insect' means any of the numerous small invertebrate animals generally having the body more or less obviously segmented, for the most part belonging to the class insecta, comprising six-legged, usually winged forms, as for example, beetles, bugs, bees, flies, and to other allied classes of arthropods whose members are wingless and usually have more than six legs, as for example, spiders, mites, ticks, centipedes, and wood lice.

"(p) Label and Labeling.—

"(1) Label.—The term 'label' means the written, printed, or graphic matter on, or attached to, the pesticide or device or any of its containers or wrappers.

"(2) Labeling.—The term 'labeling' means all labels and all other written, printed, or graphic matter—

"(A) accompanying the pesticide or device at any time; or

"(B) to which reference is made on the label or in literature accompanying the pesticide or device, except to current official publications of the Environmental Protection Agency, the United States Departments of Agriculture and Interior, the Department of Health, Education, and Welfare, State experiment stations, State agricultural colleges, and other similar Federal or State institutions or agencies authorized by law to conduct research in the field of pesticides.

"(q) Misbranded.—

"(1) A pesticide or device subject to this Act is misbranded if—

"(A) its labeling bears any statement, design, or graphic representation relative thereto or to its ingredients which is false or misleading in any particular;

"(B) it is contained in a package or other container or wrapping which does not conform to the standards established by the Administrator pursuant to section 25(c)(3);

"(C) it is an imitation of, or is offered for sale under the name of, another pesticide or device;

"(D) its labeling does not bear the registration number assigned under section 7 to each establishment in which it was produced;

"(E) any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or graphic matter in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

"(F) if the labeling accompanying it does not contain directions for use which are necessary for effecting the purpose for which the product is intended and if complied with, together with any requirements imposed under section 3(d) of this Act, is adequate to protect health and the environment; or

"(G) if the label does not contain a warning or caution statement which may be necessary and if complied with, together with any requirements imposed under section 3(d) of this Act, is adequate to protect health and the environment.

"(2) A pesticide is misbranded if—

"(A) the label does not bear an ingredient statement on that part of the immediate container (and on the outside container or wrapper, if there be one, through which the ingredient statement on the immediate container cannot be clearly read, of the retail package) which is presented or displayed under customary conditions of purchase, except that a pesticide is not misbranded under this subparagraph if:

"(i) the size or form of the immediate container, or the outside container or wrapper of the retail package, makes it impracticable to place the ingredient statement on the part which is presented or displayed under customary conditions of purchase; and

"(ii) the ingredient statement appears prominently on another part of the immediate container, or outside container or wrapper, permitted by the Administrator;

"(B) the labeling does not contain a statement of the use classification under which the product is registered;

"(C) there is not affixed to its container, and to the outside container or wrapper of the retail package, if there be one, through which the required information on the immediate container cannot be clearly read, a label bearing—

"(i) the name and address of the producer, registrant, or person for whom produced;

"(ii) the name, brand, or trademark under which the pesticide is sold;

"(iii) the net weight or measure of the content: *Provided*, That the Administrator may permit reasonable variations; and

"(iv) when required by regulation of the Administrator to effectuate the purposes of this Act, the registration number assigned to the pesticide under this Act, and the use classification; and

"(D) the pesticide contains any substance or substances in quantities highly toxic to man, unless the label shall bear, in addition to any other matter required by this Act—

"(i) the skull and crossbones;

"(ii) the word 'poison' prominently in red on a background of distinctly contrasting color; and

"(iii) a statement of a practical treatment (first aid or otherwise) in case of poisoning by the pesticide.

"(r) Nematode.—The term 'nematode' means invertebrate animals of the phylum nemathelminthes and class nematoda, that is, unsegmented round worms with elongated, fusiform, or saclike bodies covered with cuticle, and inhabiting soil, water, plants, or plant parts; may also be called nemas or eelworms.

"(s) Person.—The term 'person' means any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.

"(t) Pest.—The term 'pest' means (1) any insect, rodent, nematode, fungus, weed, or (2) any other form of terrestrial or aquatic plan or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other micro-organisms on or in living man or other living animals) which the Administrator declares to be a pest under section 25(c)(1).

"(u) Pesticide.—The term 'pesticide' means (1) any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest, and (2) any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.".

"(v) Plant Regulator.—The term 'plant regulator' means any substance or mixture of substances, intended through physiological action, for accelerating or retarding the rate of growth or rate of maturation, or for otherwise altering the behavior of plants or the produce thereof, but shall not include substances to the extent that they are intended as plant nutrients, trace elements, nutritional chemicals, plant inoculants, and soil amendments.

"(w) Producer and Produce.—The term 'producer' means the person who manufactures, prepares, compounds, propagates, or processes any pesticide or device. The term 'produce' means to manufacture, prepare, compound, propagate, or process any pesticide or device.

"(x) Protect Health and the Environment.—The terms 'protect health and the environment' and 'protection of health and the environment' means protection against any injury to man and protection against any substantial adverse effects on environmental values, taking into account the public interest, including benefits from the use of the pesticide.

"(y) Registrant.—The term 'registrant' means a person who has registered any pesticide pursuant to the provisions of this Act.

"(z) Registration.—The term 'registration' includes reregistration.

"(aa) State.—The term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Trust Territory of the Pacific Islands, and American Samoa.

"(bb) Substantial Adverse Effects on the Environment.—The term 'substantial adverse effects on the environment' means any injury to man or any substantial adverse effects on environmental values, taking into account the public interest, including benefits from the use of the pesticide.

"(cc) Weed.—The term 'weed' means any plant which grows where not wanted.

"Sec. 3. Registration of Pesticides.

"(a) Requirement.—Except as otherwise provided by this Act, no person in any State may distribute, sell, offer for sale, hold for sale, ship, deliver for shipment, or receive and (having so received) deliver or offer to deliver, to any person any pesticide which is not registered with the Administrator.

"(b) Exemptions.—A pesticide which is not registered with the Administrator may be transferred if—

"(1) the transfer is from one registered establishment to another registered establishment operated by the same producer solely for packaging at the second establishment or for use as a constituent part of another pesticide produced at the second establishment; or

"(2) the transfer is pursuant to and in accordance with the requirements of an experimental use permit.

"(c) Procedure for Registration.—

"(1) Statement required.—Each applicant for registration of a pesticide shall file with the Administrator a statement which includes—

"(A) the name and address of the applicant and of any other person whose name will appear on the labeling;

"(B) the name of the pesticide;

"(C) a complete copy of the labeling of the pesticide, a statement of all claims to be made for it, and any directions for its use;

"(D) if requested by the Administrator, a full description of the tests made and the results thereof upon which the claims are based, except that data submitted in support of an application shall not, without permission of the applicant, be considered by the Administrator in support of any other application for registration;

"(E) the complete formula of the pesticide; and

"(F) a request that the pesticide be classified for general use, for restricted use, or for both.

"(2) Data in support of registration.—The Administrator shall publish guidelines specifying the kinds of information which will be required to support the registration of a pesticide and shall revise such guidelines from time to time. If thereafter he requires any additional kind of information he shall permit sufficient time for applicants to obtain such additional information. Except as provided by subsection (c)(1)(D) of this section and section 10, within 30 days after the Administrator registers a pesticide under this Act he shall make available to the public the data called for in the registration statement together with such other scientific information as he deems relevant to his decision.

"(3) Time for acting with respect to application.—The Administrator shall review the data after receipt of the application and shall, as expeditiously as possible, either register the pesticide in accordance with paragraph (5), or notify the applicant of his determination that it does not comply with the provisions of the Act in accordance with paragraph (6).

"(4) Notice of application.—The Administrator shall publish in the Federal Register, promptly after receipt of the statement and other data required pursuant to paragraphs (1) and (2), a notice of each application for registration of any pesticide if it contains any new active ingredient or if it would entail a changed use pattern. The notice shall provide for a period of 30 days in which any Federal agency or any other interested person may comment.

"(5) Approval of registration.—The Administrator shall register a pesticide if he determines that, when considered with any restrictions imposed under subsection (d)—

"(A) its composition is such as to warrant the proposed claims for it;

"(B) its labeling and other material required to be submitted comply with the requirements of this Act; and

"(C) it will perform its intended function without substantial adverse effects on the environment.

The Administrator shall not make any lack of essentiality a criterion for denying registration of any pesticide.

"(6) Denial of registration.—If the Administrator determines that the requirements of paragraph (5) for registration are not satisfied, he shall notify the applicant for registration of his determination and of his reasons (including the factual basis) therefor, and that, unless the applicant corrects the conditions and notifies the Administrator thereof during the 30-day period beginning with the day after the date on which the applicant receives the notice, the Administrator will refuse to register the pesticide. Whenever the Administrator refuses to register a pesticide, he shall notify the applicant of his decision and of his reasons (including the factual basis) therefor. Upon such notification, the applicant for registration shall have the same remedies as provided for the registrant in section 6.

"(d) Classification of Pesticides.—

"(1) Classification for general use, restricted use, or both.—

"(A) As a part of the registration of a pesticide the Administrator shall classify it as being for general use or for restricted use, provided that if the Administrator determines that some of the uses for which the pesticide is registered should be for general use and that other uses for which it is registered should be for restricted use, he shall classify it for both general use and restricted use. If some of the uses of the pesticide are classified for general use and other uses are classified for restricted use, the directions relating to its general uses shall be clearly separated and distinguished from those directions relating to its restricted uses.

"(B) If the Administrator determines that the pesticide, when applied in accordance with its directions for use, warnings and cautions and for the uses for which it is registered, or for one or more of such uses, will not cause substantial adverse effects on the environment, he will classify the pesticide, or the particular use or uses of the pesticide to which the determination applies for general use.

"(C) If the Administration determines that the pesticide, when applied in accordance with its directions for use, warnings and cautions and for the uses for which it is registered, or for one or more of such uses, may cause, without additional regulatory restrictions, substantial adverse effects on the environment, including injury to the applicator, he shall classify the pesticide, or the particular use or uses to which the determination applies, for restricted use.

(i) If the Administrator classifies a pesticide, or one or more uses of such pesticide, for restricted use because of a determination that its acute dermal or inhalation toxicity of the pesticide presents a hazard to the applicator or other persons, the pesticide shall be applied for any use to which the restricted classification applies only by or under the direct supervision of a certified pesticide applicator.

(ii) If the Administrator classifies a pesticide, or one or more uses of such pesticide, for restricted use because of a determination that its use without additional regulatory restriction may cause substantial adverse effect on the environment, the pesticide shall be applied for any use to which the determination applies only by or under the direct supervision of a certified pesticide applicator, or subject to such other restrictions as the Administrator may determine.

"(2) CHANGE IN CLASSIFICATION.—If the Administrator determines that a change in the classification of any use of a pesticide from general use to restricted use is necessary to prevent substantial adverse effects on the environment, he shall notify the registrant of such pesticide of such determination at least 30 days before making the change and shall publish the proposed change in the Federal Register.

"(e) PRODUCTS WITH SAME FORMULATION AND CLAIMS.—Products which have the same formulation, are manufactured by the same person, the labeling of which contains the same claims, and the labels of which bear a designation identifying the product as the same pesticide may be registered as a single pesticide; and additional names and labels shall be added by supplemental statements.

"(f) MISCELLANEOUS.—

"(1) EFFECT OF CHANGE OF LABELING OR FORMULATION.—If the labeling or formulation for a pesticide is changed, the registration shall be amended to reflect such change if the Administrator determines that the change will not violate any provision of this Act.

"(2) REGISTRATION NOT A DEFENSE.—In no event shall registration of an article be construed as a defense for the commission of any offense under this Act.

"(3) AUTHORITY TO CONSULT OTHER FEDERAL AGENCIES.—In connection with consideration of any registration or application for registration under this section, the Administrator may consult with any other Federal agency.

"SEC. 4. USE OF RESTRICTED USE PESTICIDE; CERTIFIED APPLICATORS.

"(a) CERTIFICATION PROCEDURE.—

"(1) FEDERAL CERTIFICATION.—Subject to paragraph (2), the Administrator shall prescribe standards for the certification of pesticide applicators. Such standards shall provide that to be certified, an individual must be determined to be competent with respect to the use and handling of pesticides, or of the use and handling of the pesticide or class of pesticides covered by such individual's certification.

"(2) STATE CERTIFICATION.—If any State, at any time, desires to certify pesticide applicators, the Governor of such State shall submit a State plan for such purpose. The Administrator shall approve the plan submitted by any State, or any modification thereof, if such plan in his judgment—

"(A) designates a State agency as the agency responsible for administering the plan throughout the State;

"(B) contains satisfactory assurances that such agency has or will have the legal authority and qualified personnel necessary to carry out the plan;

"(C) gives satisfactory assurances that the State will devote adequate funds to the administration of the plan;

"(D) provides that the State agency will make such reports to the Administrator in such form and containing such information as the Administrator may from time to time require; and

"(E) contains satisfactory assurances that State standards for the certification of pesticide applicators conform with those standards prescribed by the Administrator under paragraph (1).

"(b) STATE PLANS.—If the Administrator rejects a plan submitted under this paragraph, he shall afford the State submitting the plan due notice and opportunity for hearing before so doing. If the Administrator approves a plan submitted under this paragraph, then such State shall certify pesticide applicators with respect to such State.

"SEC. 5. EXPERIMENTAL USE PERMITS.

"(a) ISSUANCE.—Any person may apply to the Administrator for an experimental use permit for a pesticide. The Administrator may issue an experimental use permit if he determines that the applicant needs such permit in order to accumulate information necessary to register a pesticide under section 3. An application for an experimental use permit may be filed at the time of or before or after an application for registration is filed.

"(b) TEMPORARY TOLERANCE LEVEL.—If the Administrator determines that the use of a pesticide may reasonably be expected to result in any residue on or in food or feed, he may establish a temporary tolerance level for the residue of the pesticide before issuing the experimental use permit.

"(c) USE UNDER PERMIT.—Use of a pesticide under an experimental use permit shall be under the supervision of the Administrator, and shall be subject to such terms and conditions and be for such period of time as the Administrator may prescribe in the permit.

"(d) STUDIES.—When any experimental use permit is issued for a pesticide containing any chemical or combination of chemicals which has not been included in any previously registered pesticide, the Administrator may specify that studies be conducted to detect whether the use of the pesticide under the permit may cause substantial adverse effects on the environment. All results of such studies shall be reported to the Administrator before such pesticide may be registered under section 3.

"(e) REVOCATION.—The Administrator may revoke any experimental use permit, at any time, if he finds that its terms or conditions are being violated, or that its terms and conditions are inadequate to avoid substantial adverse effects on the environment.

"SEC. 6. ADMINISTRATIVE REVIEW; SUSPENSION

"(a) CANCELLATION AFTER FIVE YEARS.—

"(1) PROCEDURE.—The Administrator shall cancel the registration of any pesticide at the end of the five-year period which begins on the date of its registration (or at the end of any five-year period thereafter) unless the registrant, before the end of such period, requests in accordance with regulations prescribed by the Administrator that the registration be continued in effect.

"(2) INFORMATION.—If at any time after the registration of a pesticide the registrant has additional factual information regarding substantial adverse effects on the environment of the pesticide, he shall submit such information to the Administrator.

"(b) CANCELLATION AND CHANGE IN CLASSIFICATION.—If the Administrator determines that registration of a pesticide should be canceled or that the classification of a pesticide should be changed, he shall notify the registrant of such notice, the registrant may, within 30 days (A) registration or change the classification and of his reasons (including the factual basis) therefor in writing. Upon receipt of such notice, the registrant may, within 30 days (A) make the necessary corrections and so notify the Administrator, or (B) file objections and request a public hearing. If the registrant does not take any such action, the notice shall, at the end of 30 days from its receipt by the registrant, constitute a final order of cancellation or change in classification. If the registrant files objections and requests a public hearing, the order of cancellation or change in classification may only be issued after completion of such proceeding.

"(c) SUSPENSION.—

"(1) ORDER.—If the Administrator determines that such action is necessary to prevent an imminent hazard during the time required for cancellation proceedings, he may, by order, suspend the registration of the pesticide immediately. No order of suspension may be issued unless at the same time the Administrator issues notices of his intention to cancel the registration of the pesticide. Any remedy elected by the registrant under section 6(a) shall be held as expeditiously as possible.

"(2) DURATION OF ORDER.—Any suspension order shall remain in effect only until 90 days after the completion of the administrative remedies provided for under section 6(a) or until the Administrator issues his final order either canceling or denying cancellation of the registration, whichever is sooner.

"(3) JUDICIAL REVIEW.—Any order of suspension shall be subject to immediate review in any actions by the registrant in an appropriate district court, solely to determine whether the order of suspension was arbitrary, capricious or an abuse of discretion, or whether the order was issued in accordance with the procedures established by law. This action may be maintained simultaneously with any administrative review proceeding under section 6.

"(d) SCIENTIFIC REVIEW.—Whenever application for registration is refused or a registration is cancelled or suspended, the registrant within 30 days after service of notice of such action may file a petition requesting that the matter

"(d) PUBLIC HEARING AND SCIENTIFIC REVIEW.—In the event a hearing is requested pursuant to subsection (a) or (d) or determined upon by the Administrator pursuant to subsection (d), such hearing shall be held after due notice for the purpose of receiving evidence relevant and material to the issues raised by the objections filed by the applicant or other interested parties, or to the issues stated by the Administrator, if the hearing is called by the Administrator rather than by the filing of objections. Upon a showing of relevance and reasonable scope of evidence sought by any party to a public hearing, the Hearing Examiner shall issue a subpena to compel testimony from any person. Upon the request of any party or when in the hearing officer's judgment it is necessary or desirable, the hearing officer shall refer to a Committee of the National Academy of Sciences all relevant questions of scientific fact arising in the course of the public hearing. The Committee of the National Academy of Sciences shall report in writing to the officer within 60 days on these questions of sicentific fact. The report shall be made public and shall be considered as part of the hearing record. The Administrator shall enter into appropriate arrangements with the National Academy of Sciences to assure an objective and competent scientific review of the questions presented to Committees of the Academy and to provide such other scientific advisory services as may be required by the Administrator for carrying out the purposes of this Act. The Hearing Examiner shall be guided by the principles of the Federal Rules of Civic Procedure in making any order for the protection of the witness and shall order the payment of reasonable fees and expenses as a condition to requiring his testimony. On contest, the subpena may be enforced by an appropriate United States District Court in accordance with the principles stated herein and the Administrative Procedure Act. As soon as practicable after completion of the hearing but not later than 90 days thereafter, the Administrator shall evaluate the data and reports before him and issue an order either revoking his notice of intention issued pursuant to this section, or shall issue an order either cancelling the registration, changing the classification, denying the registration, or requiring modification of the labeling or packaging of the article. Such order shall be based only on substantal evidence of record of such hearing and shall set forth detailed findings of fact upon which the order is based.

"(e) JUDICIAL REVIEW.—Final orders of the Administrator under this section shall be subject to judicial review pursuant to section 16.

### "SEC. 7. REGISTRATION OF ESTABLISHMENTS.

"(a) REQUIREMENT.—No person shall produce any pesticide or device subject to this Act in any State unless the establishment in which it is produced is registered with the Administrator. The application for registration of any establishment shall include the name and address of the establishment and of the producer who operates such establishment.

"(b) REGISTRATION.—Whenever the Administrator receives an application under subsection (a), he shall register the establishment and assign it an establishment number.

"(c) INFORMATION REQUIRED.—

"(1) Any producer operating an establishment registered under this section shall inform the Administrator within 30 days after it is registered of the types and amounts of pesticides and devices—

"(A) which he is currently producing;

"(B) which he has produced during the past year; and

"(C) which he has sold or distributed during the past year.

The information required by this paragraph shall be kept current and submitted to the Administrator annually as required under such regulations as the Administrator may prescribe.

"(2) Any such producer shall, upon the request of the Administrator for the purpose of issuing a stop sale order pursuant to section 13, inform him of the name and address of any recipient of any pesticide produced in any registered establishment which he operates.

"(d) CONFIDENTIAL RECORDS AND INFORMATION.—Any information submitted to the Administrator pursuant to subsection (c) shall be considered confidential and shall be subject to the provisions of section 10.

### "SEC. 8. BOOKS AND RECORDS.

"(a) REQUIREMENT.—The Administrator may prescribe regulations requiring producers to maintain such records with respect to their operations and the pesticides and devices produced as he determines are necessary for the effective enforcement of this Act. No records required under this subsection shall extend to financial data, sales data other than shipment data, pricing data, personnel data, and research data (other than data relating to registered pesticides or to a pesticide for which an application for registration has been filed).

"(b) INSPECTION.—For the purposes of enforcing the provisions of this Act, any producer, distributor, carrier, dealer, or any other person who sells or offers for sale, delivers or offers for delivery any pesticide or device subject to this Act, shall, upon request of any officer or employee of the Environmental Protection Agency or of any State or political subdivision, duly designated by the Administrator, furnish or permit such person at all reasonable times to have access to, and to copy: (1) all records showing the delivery, movement, or holding of such pesticide or device, including the quantity, the date of shipment and receipt, and the name of the consignor and consignee; or (2) in the event of the inability of any person to produce records containing such information, all other records and information relating to such delivery, movement, or holding of the pesticide or devices. Any inspection with respect to any records and information referred to in this subsection shall not extend to financial data, sales data other than shipment data, pricing data, personnel data, and research data (other than data relating to registered pesticides or to a pesticide for which an application for registration has been filed).

### "SEC. 9. INSPECTION OF ESTABLISHMENTS, ETC.

"(a) IN GENERAL.—For purposes of enforcing the provisions of this Act, officers or employees duly designated by the Administrator are authorized—

"(1) to enter, at reasonable times, any establishment; and

"(2) to inspect and obtain samples of any pesticides or devices, packaged, labeled, and released for shipment, and samples of any containers or labeling for such pesticides or devices.

Before undertaking such inspection, the officers or employees must present to the owner, operator, or agent in charge of the establishment, appropriate credentials and a written statement as to the reason for the inspection, including a statement as to whether a violation of the law is suspected. If no violation is suspected, an alternate and sufficient reason shall be given in writing. Each such inspection shall be commenced and completed with reasonable promptness. If the officer or employee obtains any samples, prior to leaving the premises, he shall give to the owner, operator, or agent in charge a receipt describing the samples obtained and, if requested, a portion of each such sample equal in volume or weight to the portion retained. If an analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner, operator, or agent in charge.

"(b) WARRANTS.—For purposes of enforcing the provisions of this Act and upon a showing to an officer or court of competent jurisdiction that there is reason to believe that the provisions of this Act have been violated, officers or employees duly designated by the Administrator are empowered to obtain and to execute warrants authorizing—

"(1) entry for the purpose of this section;

"(2) inspection and reproduction of all records showing the quantity, date of shipment, and the name of consignor and consignee of any illegal pesticide or device found in the establishment and in the event of the inability of any person to produce records containing such information, all other records and information relating to such delivery, movement, or holding of the pesticide or device; and

"(3) the seizure of any pesticide or device which is in violation of this Act.

"(c) ENFORCEMENT.—

"(1) CERTIFICATION OF FACTS TO ATTORNEY GENERAL.—The examination of pesticides or devices shall be made in the Environmental Protection Agency or elsewhere as the Administrator may designate for the purpose of determining from such examinations whether they comply with the requirements of this Act. If it shall appear from any such examination that they fail to comply with the requirements of this Act, the Administrator shall cause notice to be given to the person against whom criminal proceedings are contemplated. Any person so notified shall be given an opportunity to present his views, either orally or in writing, with regard to such contemplated proceedings, and if in the opinion of the Administrator it appears that the provisions of this Act have been violated by such person, then the Administrator shall certify the facts to the Attorney General, with a copy of the results of the analysis or the examination of such pesticide for the institution of a criminal proceeding pursuant to section 16, when the Administrator determines that such action will be sufficient to effectuate the purposes of this Act.

"(2) NOTICE NOT REQUIRED.—The notice of contemplated proceedings and opportunity to present views set forth in this subsection are not prerequisites to the institution of any proceeding by the Attorney General.

"(3) WARNING NOTICES.—Nothing in this Act shall be construed as requiring the Administrator to institute proceedings for prosecution of minor violations of this Act whenever he believes that the public interest will be adequately served by a suitable written notice of warning.

### "SEC. 10. PROTECTION OF TRADE SECRETS AND OTHER INFORMATION.

"(a) IN GENERAL.—In submitting data required by this Act, the applicant may (1) clearly mark any portions thereof which in his opinion are trade secrets or commercial or financial information, and (2) submit such marked material separately from other material required to be submitted under this Act.

"(b) DISCLOSURE.—Notwithstanding any other provision of this Act, the Administrator shall not make public information which in his judgment contains or relates to trade secrets or commercial or financial information obtained from a person and privileged or confidential, except that when necessary to carry out the provisions of this Act, information relating to formulas of products acquired by authorization of this Act may be revealed to any Federal agency consulted and may be revealed at a public hearing or in findings of fact issued by the Administrator.

### "SEC. 11. STANDARDS APPLICABLE TO PESTICIDE APPLICATORS.

"(a) IN GENERAL.—No regulations prescribed by the Administrator for carrying out the provisions of this Act shall require any private pesticide applicator to maintain any records or file any reports or other documents.

"(b) SEPARATE STANDARDS.—When establishing or approving standards for licensing or certification, the Administrator shall establish separate standards for commercial and private applicators.

### "SEC. 12. UNLAWFUL ACTS.

"(a) IN GENERAL.—

"(1) Except as provided by subsection (b), it shall be unlawful for any person in any State to distribute, sell, offer for sale, hold for sale, ship, deliver for shipment, or receive and (having so received) deliver or offer to deliver, to any person—

"(A) any pesticide which is not registered under section 3;

"(B) any registered pesticide if any claims made for it as a part of its distribution or sale substantially differ from any claims made for it as a part of the statement required in connection with its registration under section 3;

"(C) any registered pesticide the composition of which differs at the time of its distribution or sale from its composition as described in the statement required in connection with its registration under section 3;

"(D) any pesticide which has not been colored or discolored pursuant to the provisions of section 25(c)(5);

"(E) any pesticide which is adulterated or misbranded; or

"(F) any device which is misbranded.

"(2) It shall be unlawful for any person—

"(A) to detach, alter, deface, or destroy, in whole or in part, any labeling required under this Act;

"(B) to refuse to keep any records required pursuant to section 8, or to refuse to allow the inspection of any records or establishment pursuant to section 8 or 9, or to refuse to allow an officer or employee of the Environmental Protection Agency to take a sample of any pesticide pursuant to section 9;

"(C) to give a guaranty or understanding provided for in subsection (b) which is false in any particular, except that a person who receives and relies upon a guaranty authorized under subsection (b) may give a guaranty to the same effect, which guaranty shall contain, in addition to his own name and address, the name and address of the person residing in the United States from whom he received the guaranty or undertaking;

"(D) to use for his own advantage or to reveal, other than to the Administrator, or officials or employees of the Environmental Protection Agency or other Federal executive agencies, or to the courts, or to physicians, pharmacists, and other qualified persons, needing such information for the performance of their duties, in accordance with such directions as the Administrator may prescribe, any information acquired by authority of this Act which is confidential under this Act;

"(E) who is a registrant, wholesaler, dealer, retailer, or other distributor to advertise a product registered under this Act for restricted use without giving the classification of the product assigned to it under section 3;

"(F) to make available for use, or to use, any registered pesticide classified for restricted use for some or all purposes other than in accordance with section 3(d) and any regulations thereunder;

"(G) to use any registered pesticide in a manner inconsistent with its labeling;

"(H) to use any pesticide which is under an experimental use permit contrary to the provisions of such permit;

"(I) to violate any order issued under section 13;

"(J) to violate any suspension order issued under section 6;

"(K) to violate any cancellation of registration of a pesticide under section 6;

"(L) who is a producer to violate any of the provisions of section 7;

"(M) to knowingly falsify all or part of any application for registration, application for experimental use permit, any information submitted to the Administrator pursuant to section 7, any records required to be maintained pursuant to section 8, any report filed under this Act, or any information marked as confidential and submitted to the Administrator under any provision of this Act;

"(N) who is a registrant, wholesaler, dealer, retailer, or other distributor to fail to file reports required by this Act; or

"(O) to add any substance to, or take any substance from any pesticide in a manner that may defeat the purpose of this Act.

"(b) EXEMPTIONS.—The penalties provided for a violation of paragraph (1) of subsection (a) shall not apply to—

"(1) any person who establishes a guaranty signed by, and containing the name and address of, the registrant or person residing in the United States from whom he purchased and received in good faith the pesticide in the same unbroken package, to the effect that the pesticide was lawfully registered at the time of sale and delivery to him, and that it complies with the other requirements of this Act, and in such case the guarantor shall be subject to the penalties which would otherwise attach to the person holding the guaranty under the provision of this Act;

"(2) any carrier while lawfully shipping, transporting, or delivering for shipment any pesticide or device, if such carrier upon request of any officer or employee duly designated by the Administrator shall permit such officer or employee to copy all of its records concerning such pesticide or device;

"(3) any public official while engaged in the performance of his official duties;

"(4) any person using or possessing any pesticide as provided by an experimental use permit in effect with respect to such pesticide and such use or possession; or

"(5) any person who ships a substance or mixture of substances being put through tests in which the purpose is only to determine its value for pesticide purposes or to determine its toxicity or other properties and from which the user does not expect to receive any benefit in pest control from its use.

"SEC. 13. STOP SALE, USE, REMOVAL AND SEIZURE.

"(a) STOP SALE, ETC., ORDERS.—Whenever any pesticide or device is found by the Administrator in any State and there is reason to believe on the basis of inspection or tests that such pesticide or device is in violation of any of the provisions of this Act, or that such pesticide or device has been or is intended to be distributed or sold in violation of any such provisions, or when the registration of the pesticide or device has been canceled by a final order or has been suspended, the Administrator may issue a written or printed 'stop sale, use, or removal' order to any person who owns, controls, or has custody of such pesticide or device, and after receipt of such order no person shall sell, use, or remove the pesticide or device described in the order except in accordance with the provisions of the order.

"(b) SEIZURE.—Any pesticide or device that is being transported or, having been transported, remains unsold or in original unbroken packages, or that is sold or offered for sale in any State, or that is imported from a foreign country, shall be liable to be proceeded against in any district court in the district where it is found and seized for confiscation by a process in rem for condemnation if—

"(1) in the case of a pesticide—

"(A) it is adulterated or misbranded;

"(B) it is not registered pursuant to the provisions of section 3;

"(C) its labeling fails to bear the information required by this Act;

"(D) it is not colored or discolored and such coloring or discoloring is required under this Act; or

"(E) any of the claims made for it or any of the directions for its use differ in substance from the representations made in connection with its registration;

"(2) in the case of a device, it is misbranded; or

"(3) in the case of a pesticide or device, when used in accordance with the requirements imposed under this Act and as directed by the labeling, it nevertheless causes substantial adverse effects on the environment. In the case of a plant regulator, defoliant, or desiccant, used in accordance with the label claims and recommendations, physical or physiological effects on plants or parts thereof shall not be deemed to be injury, when such effects are the purpose for which the plant regulator, defoliant, or desiccant was applied.

"(c) DISPOSITION AFTER CONDEMNATION.—If the pesticide or device is condemned it shall, after entry of the decree, be disposed of by destruction or sale as the court may direct and the proceeds, if sold, less the court costs, shall be paid into the Treasury of the United States, but the pesticide or device shall not be sold contrary to the provisions of this Act or the laws of the jurisdiction in which it is sold: *Provided*, That upon the payments of the costs of the condemnation proceedings and the execution and delivery of a good and sufficient bond conditioned that the pesticide or device shall not be sold or otherwise disposed of contrary to the provisions of the Act or the laws of any State in which sold, the court may direct that such pesticide or device be delivered to the owner thereof. The proceedings of such condemnation cases shall conform, as near as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in any case, and all such proceedings shall be at the suit of and in the name of the United States.

"(d) COURT COSTS, ETC.—When a decree of condemnation is entered against the pesticide or device, court costs and fees, storage, and other proper expenses shall be awarded against the person, if any, intervening as claimant of the pesticide or device.

"SEC. 14. PENALTIES.

"(a) CIVIL PENALTIES.—

"(1) IN GENERAL.—Any registrant, commercial pesticide applicator, wholesaler, dealer, retailer, or other distributor who violates any provision of this Act may be assessed a civil penalty by the Administrator of not more than $5,000 for each offense.

"(2) PRIVATE PESTICIDE APPLICATOR.—Any private pesticide applicator who violates any provision of this Act subsequent to receiving a written warning from the Administrator or following a citation for a prior violation, may be assessed a civil penalty by the Administrator of not more than $1,000 for each offense.

"(3) HEARING.—No civil penalty shall be assessed unless the person charged shall have been given notice and opportunity for a hearing on such charge in the county, parish, or incorporated city of the residence of the person charged. In determining the amount of the penalty the Administrator shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person's ability to continue in business, and the gravity of the violation.

"(4) REFERENCES TO ATTORNEY GENERAL.—In case of inability to collect such civil penalty or failure of any person to pay all, or such portion of such civil penalty as the Administrator may determine, the Administrator shall refer the matter to the Attorney General, who shall recover such amount by action in the appropriate United States district court.

"(b) CRIMINAL PENALTIES.—

"(1) IN GENERAL.—Any registrant, commercial pesticide applicator, wholesaler, dealer, retailer, or other distributor who knowingly violates any provision of this Act shall be guilty of a misdemeanor and shall on conviction be fined not more than $25,000, or imprisoned for not more than one year, or both.

"(2) PRIVATE PESTICIDE APPLICATOR.—Any private pesticide applicator who knowingly violates any provision of this Act shall be guilty of a misdemeanor and shall on conviction be fined not more than $1,000, or imprisoned for not more than 30 days, or both.

"(3) DISCLOSURE OF INFORMATION.—Any person, who, with intent to defraud, uses or reveals information relative to formulas of products acquired under the authority of section 3, shall be fined not more than $10,000, or imprisoned for not more than three years, or both.

"(4) ACTS OF OFFICERS, AGENTS, ETC.—When construing and enforcing the provisions of this Act, the act, omission, or failure of any officer, agent, or other person acting for or employed by any person shall in every case be also deemed to be the act, omission, or failure of such person as well as that of the person employed.

"SEC. 15. INDEMNITIES

"(a) REQUIREMENT.—If—

"(1) the Administrator notifies a registrant that he has suspended the registration of a pesticide because such action is necessary to prevent an imminent hazard;

"(2) the registration of the pesticide is canceled as a result of a final determination that the use of such pesticide will create an imminent hazard; and

"(3) any person who owned any quantity of such pesticide immediately before the notice to the registrant under paragraph (1) suffered losses by reason of suspension or cancellation of the registration,

the Administrator shall make an indemnity payment to such person.

"(b) AMOUNT OF PAYMENT.—

"(1) IN GENERAL.—The amount of the indemnity payment under subsection (a) to any person shall be determined on the basis of the cost of the pesticide owned by such person immediately before the notice to the registrant referred to in subsection (a)(1); except that in no event shall an indemnity payment to any person exceed the fair market value of the pesticide owned by such person immediately before the notice referred to in subsection (a)(1).

"(2) SPECIAL RULE.—Notwithstanding any other provision of this Act, the Administrator may provide a reasonable time for use or other disposal of such pesticide. In determining the quantity of any pesticide for which indemnity shall be paid under this subsection, proper adjustment shall be made for any pesticide used or otherwise disposed of by such owner.

"SEC. 16. ADMINISTRATIVE PROCEDURE; JUDICIAL REVIEW.

"(a) APPLICATION OF ADMINISTRATIVE PROCEDURE ACT.—Except as provided by subsection (b), subchapter II of chapter 5 of title 5 of the United States Code (sec. 551 and following, relating to administrative procedure), and chapter 7 of title 5 of the United States Code (sec. 701 and following, relating to judicial review) apply in respect of rules, rule making, orders, adjudication, licensing, sanctions, agency proceedings, and agency actions (as such terms are used in subchapter II of chapter 5 and in chapter 7 of title 5 of the United States Code).

"(b) JUDICIAL REVIEW.—In the case of actual controversy as to the validity of any order issued by the Administrator following a public hearing, any party at interest may obtain judicial review by filing in the United States court of appeals for the circuit wherein such person resides or has a place of business, within 60 days after the entry of such order, a petition praying that the order be set aside in whole or in part. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administrator or any officer designated by him for that purpose, and thereupon the Administrator shall file in the court the record of the proceedings on which he based his order, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition the court shall have exclusive jurisdiction to affirm or set aside the order complained of in whole or in part. The court shall consider all evidence of record. The order of the Administrator shall be sustained if it is supported by substantial evidence when considered on the record as a whole. The judgment of the court affirming or setting aside, in whole or in part, any order under this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code. The commencement of proceedings under this section shall not, unless specifically ordered by the court to the contrary, operate as a stay of an order. The court shall advance on the docket and expedite the disposition of all cases filed therein pursuant to this section.

"(c) JURISDICTION OF DISTRICT COURTS.—The district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of, this Act.

"(d) NOTICE OF JUDGMENTS.—The Administrator shall, by publication in such manner as he may prescribe, give notice of all judgments entered in actions instituted under the authority of this Act.

"SEC. 17. IMPORTS AND EXPORTS

"(a) PESTICIDES AND DEVICES INTENDED FOR EXPORT.—Notwithstanding any other provision of this Act, no pesticide or device shall be deemed in violation of this Act when intended solely for export to any foreign country and prepared or packed according to the specifications or directions of the foreign purchaser.

"(b) CANCELLATION NOTICES FURNISHED TO FOREIGN GOVERNMENTS.—Whenever a cancellation of the registration of a pesticide becomes effective, the Administrator shall transmit through the State Department copies of each notice of cancellation of a registration of a pesticide to the governments of other countries and to appropriate international agencies.

"(c) IMPORTATION OF PESTICIDES AND DEVICES.—The Secretary of the Treasury shall notify the Administrator of the arrival of pesticides and devices and shall deliver to the Administrator, upon his request, samples of pesticides or devices which are being imported into the United States, giving notice to the owner or consignee, who may appear before the Administrator and have the right to introduce testimony. If it appears from the examination of a sample that it is adulterated, or misbranded or otherwise violates the provisions set forth in this Act, or is otherwise injurious to health or the environment, the pesticide or device may be refused delivery to the consignee and shall cause the destruction of any pestciide or device refused delivery which shall not be exported by the consignee within 90 days form the date of notice of such refusal under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That the Secretary of the Treasury may deliver to the consignee such pesticide or device pending examination and decision in the matter on execution of bond for the amount of the full invoice value of such pesticide or device, together with the duty thereon, and on refusal to return such pesticide or device for any cause to the custody of the Secretary of the Treasury, when demanded, for the purpose of excluding them from the country, or for any other purpose, said consignee shall forfeit the full amount of said bond: *And provided further*, That all charges for storage, cartage, and labor on pesticide or device which are refused admission or delivery shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against any future importation made by such owner or consignee.

"(d) COOPERATION IN INTERNATIONAL EFFORTS.—The Administrator shall, in cooperation with the Department of State and any other appropriate Federal agency, participate and cooperate in any international efforts to develop improved pesticide research and regulations.

"(e) REGULATIONS.—The Secretary of the Treasury, in consultation with the Administrator, shall prescribe regulations for the enforcement of this section.

"SEC. 18. EXEMPTION OF FEDERAL AGENCIES.

"The President by executive order may exempt any Federal Agency from any provision or all provisions of this Act if he determines that emergency conditions exist which require such exemption.

"SEC. 19. DISPOSAL AND TRANSPORTATION.

"(a) PROCEDURES.—The Administrator shall, after consultation with other interested Federal agencies, establish procedures and regulations for the disposal or storage of packages and containers of pesticides and for disposal or storage of excess amounts of such pesticides, and accept at convenient locations for safe disposal a pesticide the registration of which is canceled under section 6(c) if requested by the owner of the pesticide.

"(b) ADVICE TO SECRETARY OF TRANSPORTATION.—The Administrator shall provide advice and assistance to the Secretary of Transportation with respect to his function relating to the transportation of hazardous materials under the Department of Transportation Act (49 U.S.C. 1657), the Transportation of Explosives Act (18 U.S.C. 831–835), the Federal Aviation Act of 1958 (49 U.S.C. 1421–1430, 1472 H), and the Hazardous Cargo Act (46 U.S.C. 170, 375, 416).

"SEC. 20. RESEARCH AND MONITORING.

"(a) RESEARCH.—The Administrator shall undertake research, including research by grant or contract with other Federal agencies, universities, or others as may be necessary to carry out the purposes of this Act, and he shall give priority to research to develop biologically integrated alternatives for pest control. The Administrator shall also take care to insure that such research does not duplicate research being undertaken by any other Federal agency.

"(b) NATIONAL MONITORING PLAN.—The Administrator shall formulate and periodically revise, in cooperation with other Federal, State, or local agencies, a national plan for monitoring pesticides.

"(c) MONITORING.—The Administrator shall undertake such monitoring activities, including but not limited to monitoring in air, soil, water, man, plants, and animals, as may be necessary for the implementation of this Act and of the national pesticide monitoring plan. Such activities shall be carried out in cooperation with other Federal, State, and local agencies.

"SEC. 21. SOLICITATION OF PUBLIC COMMENTS.

"In addition to any other authority relating to public hearings and solicitation of views, in connection with the suspension or cancellation of a pesticide registration or any other actions authorized under this Act, the Administrator may, at his discretion, solicit the views of all interested persons, either orally or in writing, and seek such advice from scientists, farmers, farm organizations, and other qualified persons as he deems proper.

"SEC. 22. DELEGATION AND COOPERATION.

"(a) DELEGATION.—All authority vested in the Administrator by virtue of the provisions of this Act may with like force and effect be executed by such employees of the Environmental Protection Agency as the Administrator may designate for the purpose.

"(b) COOPERATION.—The Administrator shall cooperate with the Department of Agriculture, any other Federal agency, and any appropriate agency of any State or any political subdivision thereof in carrying out the provisions of this Act, and in securing uniformity of regulations.

"SEC. 23. STATE COOPERATION, AID, AND TRAINING.

"(a) COOPERATIVE AGREEMENTS.—The Administrator is authorized to enter into cooperative agreements with States—

"(1) to delegate to any State the authority to cooperate in the enforcement of the Act through the use of its personnel or facilities, to train personnel of the State to cooperate in the enforcement of this Act, and to assist States in implementing cooperative enforcement programs through grants-in-aid; and

"(2) to assist State agencies in developing and administering State programs for training and certification of pesticide applicators consistent with the standards which he prescribes.

"(b) CONTRACTS FOR TRAINING.—In addition, the Administrator is authorized to enter into contracts with Federal or State agencies for the purpose of encouraging the training of certified pesticide applicators.

"SEC. 24. AUTHORITY OF STATES.

"(a) A State may regulate the sale or use of any pesticide or device in the State, but only if and to the extent the regulation does not permit any sale or use prohibited by this Act or restrict by license or permit the use of a pesticide registered for general use;

"(b) such State shall not impose or continue in effect any requirements for labeling and packaging in addition to or different from those required pursuant to this Act; and

"(c) a State may assist the Administrator in the registration of pesticides formulated for intrastate distribution to meet specific local needs if that State is certified by the Administrator as capable of exercising adequate control.

"SEC. 25. AUTHORITY OF ADMINISTRATOR.

"(a) REGULATIONS.—The Administrator is authorized to prescribe regulations to carry out the provisions of this Act. Such regulations shall take into account the difference in concept and usage between various classes of pesticides.

"(b) EXEMPTION OF PESTICIDES.—The Administrator may exempt from the requirements of this Act by regulation any pesticide which he determines either (1) to be adequately regulated by another Federal agency, or (2) to be of a character which is unnecessary to be subject to this Act in order to carry out the purposes of this Act.

"(c) OTHER AUTHORITY.—The Administrator, after notice and opportunity for hearing, is authorized—

"(1) to declare a pest any form of plant or animal life (other than man and other than bacteria, virus, and other microorganisms on or in living man or other living animals) which is injurious to health or the environment;

"(2) to determine any pesticide which contains any substance or substances in quantities highly toxic to man;

"(3) to establish standards (which shall be consistent with those established under the authority of the Poison Prevention Packaging Act (Public Law 91–601)) with respect to the package, container, or wrapping in which a pesticide or device is enclosed for use or consumption, in order to protect children and adults from serious injury or illness resulting from accidental ingestion or contact with pesticides or devices regulated by this Act as well as to accomplish the other purposes of this Act;

"(4) to specify that any class of devices shall be subject to this Act if he determines that the application of this Act in respect of such class is necessary to effectuate the purposes of this Act;

"(5) to prescribe regulations requiring any pesticide to be colored or discolored if he determines that such requirement is feasible and is necessary for the protection of health and the environment; and

"(6) to determine and establish suitable names to be used in the ingredient statement.

"SEC. 26. SEVERABILITY

"If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Act which can be given effect without regard to the invalid provision or application, and to this end the provisions of this Act are severable.

"SEC. 27. AUTHORIZATION FOR APPROPRIATIONS

"There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act for each fiscal year ending June 30, 1972, June 30, 1973, and June 30, 1974. The amounts authorized to be appropriated for any fiscal year ending after June 30, 1974, shall be the sums hereafter provided by law."

Mr. POAGE. Mr. Chairman, I ask unanimous consent that section 2 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. DOW. Mr. Chairman, I offer an amendment in the nature of a substitute for section 2.

The Clerk read as follows:

Amendment offered by Mr. Dow: Page 1, strike out line 7 and all that follows down through line 20 on page 58, and insert in lieu thereof the following:

SEC. 2. The Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135 et seq.) is amended to read as follows:

"SEC. 1. SHORT TITLE AND TABLE OF CONTENTS

"(a) Short Title.—This Act may be cited as the 'Federal Insecticide, Fungicide, and Rodenticide Act'.

'Federal Insecticide, Fungicide, and Rodenticide Act'.

"(b) TABLE OF CONTENTS.—

"Section 1. Short title and table of contents.
"(a) Short title.
"(b) Table of contents.
"Sec. 2. Definitions.
"(a) Active ingredient.
"(b) Administrator.
"(c) Adulterated.
"(d) Animal.
"(e) Certified pesticide applicator, etc.
"(1) Certified pesticide applicator.
"(2) Private pesticide applicator.
"(3) Commercial pesticide applicator.
"(f) Defoliant.
"(g) Desiccant.
"(h) Device.
"(i) District court.
"(j) Environment.
"(k) Fungus.
"(l) Imminent hazard.
"(m) Inert ingredient.
"(n) Ingredient statement.
"(o) Insect.
"(p) Label and labeling.
"(1) Label.
"(2) Labeling.
"(q) Misbranded.
"(r) Nematode.
"(s) Person.
"(t) Pest.
"(u) Pesticide.
"(v) Plant regulator.
"(w) Producer and produce.
"(x) Protect health and the environment.
"(y) Registrant.
"(z) Registration.
"(aa) State.
"(bb) Substantial adverse effects on the environment.
"(cc) Weed.
"Sec. 3. Registration of pesticides.
"(a) Requirement.
"(b) Exemptions.
"(c) Procedure for registration.
"(1) Statement required.
"(2) Data in support of registration.
"(3) Time for acting with respect to application.
"(4) Notice of application.
"(5) Approval of registration.
"(6) Denial of registration.
"(d) Classification of pesticides.
"(1) Classification for general use, restricted use, or both.
"(2) Change in classification.
"(e) Products with same formulation and claims.
"(f) Miscellaneous.
"(1) Effect of change of labeling or formulation.
"(2) Registration not a defense.
"(3) Authority to consult other Federal agencies.
"Sec. 4. Use of restricted use pesticide; certified applicators.
"(a) Certification procedure.
"(1) Federal certification.
"(2) State certification.
"(b) State plans.
"Sec. 5. Experimental use permits.
"(a) Issuance.
"(b) Temporary tolerance level.
"(c) Use under permit.
"(d) Studies.
"(e) Revocation.
"Sec. 6. Administrative review; suspension.
"(a) Cancellation after five years.
"(1) Procedure.
"(2) Information.
"(b) Cancellation and change in classification.
"(c) Suspension.
"(1) Order.
"(2) Duration of order.
"(d) Public hearings.
"(e) Judicial review.
"Sec. 7. Registration of establishments.
"(a) Requirement.
"(b) Registration.
"(c) Information required.
"(d) Confidential records and information.
"Sec. 8. Books and records.
"(a) Requirement.
"(b) Inspection.
"Sec. 9. Inspection of establishments, etc.
"(a) In general.
"(b) Warrants.
"(c) Enforcement.
"(1) Certification of facts to Attorney General.
"(2) Notice not required.
"(3) Warning notices.
"Sec. 10. Protection of trade secrets, etc.
"(a) In general.
"(b) Disclosure.
"Sec. 11. Standards applicable to pesticide applicators.
"(a) In general.
"(b) Separate standards.
"Sec. 12. Unlawful acts.
"(a) In general.
"(b) Exemptions.
"Sec. 13. Stop sale, use, removal, and seizure.
"(a) Stop sale, etc., orders.
"(b) Seizure.
"(c) Disposition after condemnation.
"(d) Court costs, etc.
"Sec. 14. Penalties.
"(a) Civil penalties.
"(1) In general.
"(2) Private pesticide applicator.
"(3) Hearing.
"(4) References to Attorney General.
"(b) Criminal penalties.
"(1) In general.
"(2) Private pesticide applicator.
"(3) Disclosure of information.
"(4) Act of officers, agents, etc.
"Sec. 15. Indemnities.
"(a) Requirement.
"(b) Amount of payment.
"(1) In general.
"(2) Special rule.
"Sec. 16. Administrative procedure; judicial review.
"(a) Application of Administrative Procedure Act.
"(b) Judicial review.
"(c) Jurisdiction of district courts.
"(d) Notice of judgments.
"Sec. 17. Imports and exports.
"(a) Pesticides and devices intended for export.
"(b) Cancellation notices furnished to foreign governments.

"(c) Importation of pesticides and devices.
"(d) Cooperation in international efforts.
"(e) Regulations.
"Sec. 18. Exemption of Federal agencies.
"Sec. 19. Disposal and transportation.
"(a) Procedures.
"(b) Advice to Secretary of Transportation.
"Sec. 20. Research and monitoring.
"(a) Research.
"(b) National monitoring plan.
"(c) Monitoring.
"Sec. 21. Solicitation of public comments.
"Sec. 22. Delegation and cooperation.
"Sec. 23. State cooperation, aid, and training.
"Sec. 24. Authority of States and political subdivisions.
"(a) Cooperative agreements.
"(b) Contracts for training.
"Sec. 25. Authority of Administrator.
"(a) Regulations.
"(b) Exemption of pesticides.
"(c) Other authority.
"Sec. 26. Severability.
"Sec. 27. Authorization for appropriations.

"Sec. 2. Definitions

"For purposes of this Act—

"(a) Active Ingredient.—The term 'active ingredient' means—

"(1) in the case of a pesticide other than a plant regulator, defoliant, or desiccant, an ingredient which will prevent, destroy, repel, or mitigate any pest;

"(2) in the case of a plant regulator, an ingredient which through physiological action, will accelerate or retard the rate of growth or rate of maturation or otherwise alter the behavior of ornamental or crop plants or the product thereof;

"(3) in the case of a defoliant, an ingredient which will cause the leaves or foliage to drop from a plant; and

"(4) in the case of a desiccant, an ingredient which will artificially accelerate the drying of plant tissue.

"(b) Administrator.—The term 'Administrator' means the Administrator of the Environmental Protection Agency.

"(c) Adulterated.—The term 'adulterated' applies to any pesticide if:

"(1) its strength of purity falls below the professed standard or quality as expressed on its labeling under which it is sold;

"(2) any substance has been substituted wholly or in part for the pesticide; or

"(3) any valuable constituent of the pesticide has been wholly or in part abstracted.

"(d) Animal.—The term 'animal' means all vertebrate and invertebrate species, including but not limited to man and other mammals, birds, fish, and shellfish.

"(e) Certified Pesticide Applicator, Etc.—

"(1) Certified pesticide applicator.—The term 'certified pesticide applicator' means any individual who is certified under section 4 as authorized to use or supervise the use of any pesticide which is classified for restricted use.

"(2) Private pesticide applicator.—The term 'private pesticide applicator' means a certified pesticide applicator who uses or supervises the use of any pesticide which is classified for restricted use for purposes of producing any agricultural commodity on property owned or rented by him or (if applied without compensation other than trading of personal services between producers of agricultural commodities) on the property of another person.

"(3) Commercial pesticide applicator.—The term 'commercial pesticide applicator' means a certified pesticide applicator (whether or not he is a private pesticide applicator with respect to some uses) who uses or supervises the use of any pesticide which is classified for restricted use for any purpose or on any property other than as provided by paragraph (2).

"(f) Defoliant.—The term 'defoliant' means any substance or mixture of substances intended for causing the leaves or foliage to drop from a plant, with or without causing abscission.

"(g) Desiccant.—The term 'desiccant' means any substance or mixture of substances intended for artificially accelerating the drying of plant tissue.

"(h) Device.—The term 'device' means any instrument or contrivance (other than a firearm) which (1) is intended for trapping, destroying, repelling, or mitigating any pest or any other form of plant or animal life (other than man and other than bacteria, virus, or other micro-organism on or in living man or other living animals), and (2) is within a class of devices in respect of which the Administrator has made the determination referred to in section 25(c)(4).

"(i) District Court.—The term 'district court' means a United States district court, the District Court of Guam, the District Court of the Virgin Islands, and the highest court of American Samoa.

"(j) Environment.—The term 'environment' includes water, air, land, and all plants and man and other animals living therein, and the interrelationships which exist among these.

"(k) Fungus.—The term 'fungus' means any non-chlorophyll-bearing thallophyte (that is, any non-chlorophyll-bearing plant of a lower order than mosses and liverworts), as for example, rust, smut, mildew, mold, yeast, and bacteria, except those on or in living man or other animals and those on or in processed food, beverages, or pharmaceuticals.

"(l) Imminent Hazard.—The term 'imminent hazard' means a situation which exists when the continued use of a pesticide during the time required for cancellation proceeding would likely result in substantial adverse effects on the environment.

"(m) Inert Ingredient.—The term "inert ingredient' means an ingredient which is not active.

"(n) Ingredient Statement.—The term 'ingredient statement' means a statement which contains—

"(1) the name of each active ingredient in the pesticide;

"(2) if all the uses of the pesticide are classified for general use, then either—

"(i) the total percentage of all inert ingredients, and of all active ingredients, in the pesticide; or

"(ii) the percentage of each active ingredient, and the total percentage of all inert ingredients, in the pesticide; and if all the uses of the pesticide are not classified for general use, then the information required under (ii); and

"(3) if the pesticide contains arsenic in any form, a statement of the percentages of total and water soluble arsenic, calculated as elemental arsenic.

"(o) Insect.—The term 'insect' means any of the numerous small invertebrate animals generally having the body more or less obviously segmented, for the most part belonging to the class insecta, comprising six-legged, usually winged forms, as for example, beetles, bugs, bees, flies, and to other allied classes of arthropods whose members are wingless and usually have more than six legs, as for example, spiders, mites, ticks, centipedes, and wood lice.

"(p) Label and Labeling.—

"(1) Label.—The term 'label' means the written, printed, or graphic matter on, or attached to, the pesticide or device or any of its containers or wrappers.

"(2) Labeling.—The term 'labeling' means all labels and all other written, printed, or graphic matter—

"(A) accompanying the pesticide or device at any time; or

"(B) to which reference is made on the label or in literature accompanying the pesticide or device, except to current official publications of the Environmental Protection Agency, the United States Departments of Agriculture and Interior, the Department of Health, Education, and Welfare, State experiment stations, State agricultural colleges, and other similar Federal or State institutions or agencies authorized by law to conduct research in the field of pesticides.

"(q) Misbranded.—

"(1) A pesticide or device subject to this Act is misbranded if—

"(A) its labeling bears any statement, design, or graphic representation relative thereto or to its ingredients which is false or misleading in any particular;

"(B) it is contained in a package or other container or wrapping which does not conform to the standards established by the Administrator pursuant to section 25(e)(3);

"(C) it is an imitation of, or is offered for sale under the name of, another pesticide or device;

"(D) its labeling does not bear the registration number assigned under section 7 to each establishment in which it was produced;

"(E) any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or graphic matter in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

"(F) if the labeling accompanying it does not contain directions for use which are necessary for effecting the purpose for which the product is intended and if complied with, together with any requirements imposed under section 3(d) of this Act, is adequate to protect health and the environment; or

"(G) if the label does not contain a warning or caution statement which may be necessary and if complied with, together with any requirements imposed under section 3(d) of this Act, is adequate to protect health and the environment.

"(2) A pesticide is misbranded if—

"(A) the label does not bear an ingredient statement on that part of the immediate container (and on the outside container or wrapper, if there be one, through which the ingredient statement on the immediate container cannot be clearly read, of the retail package) which is presented or displayed under customary conditions of purchase, except that a pesticide is not misbranded under this subparagraph if:

"(i) the size or form of the immediate container, or the outside container or wrapper of the retail package, makes it impracticable to place the ingredient statement on the part which is presented or displayed under customary conditions of purchase; and

"(ii) the ingredient statement appears prominently on another part of the immediate container, or outside container or wrapper, permitted by the Administrator;

"(B) the labeling does not contain a statement of the use classification under which the product is registered;

"(C) there is not affixed to its container, and to the outside container or wrapper of the retail package, if there be one, through which the required information on the immediate container cannot be clearly read, a label bearing—

"(i) the name and address of the producer, registrant, or person for whom produced;

"(ii) the name, brand, or trademark under which the pesticide is sold;

"(iii) the net weight or measure of the content: *Provided*, That the Administrator may permit reasonable variations; and

"(iv) when required by regulation of the Administrator to effectuate the purposes of this Act, the registration number assigned to the pesticide under this Act, and the use classification; and

"(B) the pesticide contains any substance or substances in quantities highly toxic to man, unless the label shall bear, in addition to any other matter required by this Act—

"(i) the skull and crossbones;

"(ii) the word 'poison' prominently in red on a background of distinctly contrasting color; and

"(iii) a statement of a practical treatment (first aid or otherwise) in case of poisoning by the pesticide.

"(r) NEMATODE.—The term 'nematode' means invertebrate animals of the phylum nemathelminthes and class nematoda, that is, unsegmented round worms with elongated, fusiform, or saclike bodies covered with cuticle, and inhabiting soil, water, plants, or plant parts; may also be called nemas or eelworms.

"(s) PERSON.—The term 'person' means any individual partnership, association, corporation, or any organized group of persons whether incorporated or not.

"(t) PEST.—The term 'pest' means (1) any insect, rodent, nematode, fungus, weed, or (2) any other form of terrestrial or aquatic plant or animal life or virus, bacteria, or other micro-organism (except viruses, bacteria, or other micro-organisms on or in living man or other living animals) which the Administrator declares to be a pest under section 25(c)(1).

"(u) PESTICIDE.—The term 'pesticide' means (1) any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest, and (2) any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.

"(v) PLANT REGULATOR.—The term 'plant regulator' means any substance or mixture of substances, intended through physiological action, for accelerating or retarding the rate of growth or rate of maturation, or for otherwise altering the behavior of plants or the produce thereof, but shall not include substances to the extent that they are intended as plant nutrients, race elements, nutritional chemicals, plan inoculants, and soil amendments.

"(w) PRODUCER AND PRODUCE.—The term 'producer' means the person who manufactures, prepares, compounds, propagates, or processes any pesticide or device. The term 'produce' means to manufacture, prepare, compound, propagate, or process any pesticide or device.

"(x) PROTECT HEALTH AND THE ENVIRONMENT.—The terms 'protect health and the environment' and 'protection of health and the environment' means protection against any injury to man and protection against any substantial adverse effects on environmental values, taking into account the public interest, including benefits from the use of the pesticide.

"(y) REGISTRANT.—The term 'registrant' means a person who has registered any pesticide pursuant to the provisions of this Act.

"(z) REGISTRATION.—The term 'registration' includes reregistration.

"(aa) STATE.—The term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Trust Territory of the Pacific Islands, and American Samoa.

"(bb) SUBSTANTIAL ADVERSE EFFECTS ON THE ENVIRONMENT.—The term 'substantial adverse effects on the environment' means any injury to man or any substantial adverse effects on environmental values, taking into account the public interest, including benefits from the use of the pesticide.

"(cc) WEED.—The term 'weed' means any plant which grows where not wanted.

"SEC. 3. REGISTRATION OF PESTICIDES.

"(a) REQUIREMENT.—Except as otherwise provided by this Act, no person in any State may distribute, sell, offer for sale, hold for sale, ship, deliver for shipment, or receive and (having so received) deliver or offer to deliver, to any person any pesticide which is not registered with the Administrator.

"(b) EXEMPTIONS.—A pesticide which is not registered with the Administrator may be transferred if—

"(1) the transfer is from one registered establishment to another registered establishment operated by the same producer solely for packaging at the second establishment or for use as a constituent part of another pesticide produced at the second establishment; or

"(2) the transfer is pursuant to and in accordance with the requirements of an experimental use permit.

"(c) PROCEDURE FOR REGISTRATION.—

"(1) STATEMENT REQUIRED.—Each applicant for registration of a pesticide shall file with the Administrator a statement which includes—

"(A) the name and address of the applicant and of any other person whose name will appear on the labeling;

"(B) the name of the pesticide;

"(C) a complete copy of the labeling of the pesticide, a statement of all claims to be made for it, and any directions for its use;

"(D) if requested by the Administrator, a full description of the tests made and the results thereof upon which the claims are based;

"(E) the complete formula of the pesticide;

"(F) a request that the pesticide be classified for general use, for restricted use, or for both; and

"(G) any data in the possession, custody, or control of the applicant which may tend to indicate any substantial adverse effects on the environment, or lack of any such effects, which may be caused by such pesticide when used for any intended use.

"(2) DATA IN SUPPORT OF REGISTRATION.—The Administrator shall publish guidelines specifying the kinds of information which will be required to support the registration of a pesticide and shall revise such guidelines from time to time. If thereafter he requires any additional kind of information he shall permit sufficient time for applicants to obtain such additional information. Except as provided by subsection (c)(1)(D) of this section and section 10, within 30 days after the Administrator registers a pesticide under this Act he shall make available to the public the data called for in the registration statement together with such other scientific information as he deems relevant to his decision.

"(3) TIME FOR ACTING WITH RESPECT TO APPLICATION.—The Administrator shall review the data after receipt of the application and shall, as expeditiously as possible, either register the pesticide in accordance with paragraph (5), or notify the applicant of his determination that it does not comply with the provisions of the Act in accordance with paragraph (6).

"(4) NOTICE OF APPLICATION.—The Administrator shall publish in the Federal Register, promptly after receipt of the statement and other data required pursuant to paragraphs (1) and (2), a notice of each application for registration of any pesticide if it contains any new active ingredient or if it would entail a changed use pattern. The notice shall provide for a period of 30 days in which any Federal agency or any other interested person may comment.

"(5) APPROVAL OF REGISTRATION.—The Administrator shall register a pesticide if he determines that when considered with any restrictions imposed under subsection (d)—

"(A) its composition is such as to warrant the proposed claims for it;

"(B) its labeling and other material required to be submitted comply with the requirements of this Act; and

"(C) it will perform its intended function without substantial adverse effects on the environment.

"(6) DENIAL OF REGISTRATION.—If the Administrator determines that the requirements of paragraph (5) for registration are not satisfied, he shall notify the applicant for registration of his determination and of his reasons (including the factual basis) therefor, and that, unless the applicant corrects the conditions and notifies the Administrator thereof during the 30-day period beginning with the day after the date on which the applicant receives the notice, the Administrator will refuse to register the pesticide. Whenever the Administrator refuses to register a pesticide, he shall notify the applicant of his decision and of his reasons (including the factual basis) therefore. Upon such notification, the applicant for registration shall have the same remedies as provided for the registrant in section 6.

"(d) CLASSIFICATION OF PESTICIDES.—

"(1) CLASSIFICATION FOR GENERAL USE, RESTRICTED USE, OR BOTH.—

"(A) As a part of the registration of a pesticide the Administrator shall classify it as being for general use or for restricted use: *Provided*, That if the Administrator determines that some of the uses for which the pesticide is registered should be for general use and that other uses for which it is registered should be for restricted use, he shall classify it for both general use and restricted use. If some of the uses of the pesticide are classified for general use and other uses are classified for restricted use, the directions relating to its general uses shall be clearly separated and distinguished from those directions relating to its restricted uses.

"(B) If the Administrator determines that the pesticide, when applied in accordance with its directions for use, warnings and cautions and for the uses for which it is registered, or for one or more of such uses, will not cause substantial adverse effects on the environment, he will classify the pesticide, or the particular use or uses of the pesticide to which the determination applies for general use.

"(C) If the Adminstrator determines that the pesticide, when applied in accordance with its directions for use, warnings and cautions and for the uses of which it is registered, or for one or more of such uses, may cause, without additional regulatory restrictions, substantial adverse effects on the environment, including injury to the applicator, he shall classify the pesticide, or the particular use or uses to which the determination applies, for restricted use.

"(i) If the Administrator classifies a pesticide, or one or more uses of such pesticide, for restricted use because of a determination that its acute dermal or inhalation toxicity of the pesticide presents a hazard to the applicator or other persons, the pesticide shall be applied for any use to which the restricted classification applies only by or under the direct supervision of a certified pesticide applicator.

"(ii) If the Administrator classifies a pesticide, or one or more uses of such pesticide, for restricted use because of a determination that its use without additional regulatory restriction may cause substantial adverse effect on the environment, the pesticide shall be applied for any use to which the determination applies only by or under the direct supervision of a certified pesticide applicator, or subject to such other restrictions as the Administrator may determine.

"(2) CHANGES IN CLASSIFICATION.—If the Administrator determines that a change in the classification of any use of a pesticide from general use to restricted use is necessary to prevent substantial adverse effects on the environment, he shall notify the registrant of such pesticide of such determination at least 30 days before making the change and shall publish the proposed change in the Federal Register.

"(e) PRODUCTS WITH SAME FORMULATION AND CLAIMS.—Products which have the same formulation, are manufactured by the same person, the labeling of which contains the same claims, and the labels of which bear a designation identifying the product as the same pesticide may be registered as a single pesticide; and additional names and labels shall be added by supplemental statements.

"(f) Miscellaneous.—

"(1) Effect of change of labeling or formulation.—If the labeling or formulation for a pesticide is changed, the registration shall be amended to reflect such change if the Administrator determines that the change will not violate any provision of this Act.

"(2) Registration not a defense.—In no event shall registration of an article be construed as a defense for the commission of any offense under this Act.

"(3) Authority to consult other Federal agencies.—In connection with consideration of any registration or application for registration under this section, the Administrator may consult with any other Federal agency.

### "Sec. 4. Use of Restricted Use Pesticide; Certified Applicators

"(a) Certification Procedure.—

"(1) Federal certification.—Subject to paragraph (2), the Administrator shall prescribe standards for the certification of pesticide applicators. Such standards shall provide that, to be certified, an individual must be determined to be competent with respect to the use and handling of pesticides, or of the use and handling of the pesticide or class of pesticides covered by such individual's certification.

"(2) State certification.—If any State, at any time, desires to certify pesticide applicators, the Governor of such State shall submit a State plan for such purpose. The Administrator shall approve the plan submitted by any State, or any modification thereof, if such plan in his judgment—

"(A) designates a State agency as the agency responsible for administering the plan throughout the State;

"(B) contains satisfactory assurances that such agency has or will have the legal authority and qualified personnel necessary to carry out the plan;

"(C) gives satisfactory assurances that the State will devote adequate funds to the administration of the plan;

"(D) provides that the State agency will make such reports to the Administrator in such form and containing such information as the Administrator may from time to time require; and

"(E) contains satisfactory assurances that State standards for the certification of pesticide applicators conform with those standards prescribed by the Administrator under paragraph (1).

"(b) State Plans.—If the Administrator rejects a plan submitted under this paragraph, he shall afford the State submitting the plan due notice and opportunity for hearing before so doing. If the Administrator approves a plan submitted under this paragraph, then such State shall certify pesticide applicators with respect to such State.

### "Sec. 5. Experimental Use Permits

"(a) Issuance.—Any person may apply to the Administrator for an experimental use permit for a pesticide. The Administrator may issue an experimental use permit if he determines that the applicant needs such permit in order to accumulate information necessary to register a pesticide under section 3. An application for an experimental use permit may be filed at the time of or before or after an application for registration is filed.

"(b) Temporary Tolerance Level.—If the Administrator determines that the use of a pesticide may reasonably be expected to result in any residue on or in food or feed, he may establish a temporary tolerance level for the residue of the pesticide before issuing the experimental use permit.

"(c) Use Under Permit.—Use of a pesticide under an experimental use permit shall be under the supervision of the Administrator, and shall be subject to such terms and conditions and be for such period of time as the Administrator may prescribe in the permit.

"(d) Studies.—When any experimental use permit is issued for a pesticide containing any chemical or combination of chemicals which has not been included in any previously registered pesticide, the Administrator may specify that studies be conducted to detect whether the use of the pesticide under the permit may cause substantial adverse effects on the environment. All results of such studies shall be reported to the Administrator before such pesticide may be registered under section 3.

"(e) Revocation.—The Administrator may revoke any experimental use permit, at any time, if he finds that its terms or conditions are being violated, or that its terms and conditions are inadequate to avoid substantial adverse effects on the environment.

### "Sec. 6. Administrative Review; Suspension

"(a) Cancellation After Five Years.—

"(1) Procedure.—The Administrator shall cancel the registration of any pesticide at the end of the five-year period which begins on the date if its registration (or at the end of any five-year period thereafter) unless the registrant, before the end of such period, requests in accordance with regulations prescribed by the Administrator that the registration be continued in effect.

"(2) Information.—If at any time after the registration of a pesticide the registrant has additional factual information regarding substantial adverse effects on the environment of the pesticide, he shall submit such information to the Administrator.

"(b) Cancellation and Change in Classification.—If the Administrator determines that registration of a pesticide should be canceled or that the classification of a pesticide should be changed, he shall notify the registrant of his intention and of whether he intends to cancel the registration or change the classification and of his reasons (including the factual basis) therefor in writing. Upon receipt of such notice, the registrant may, within 30 days (A) make the necessary corrections and so notify the Administrator, or (B) file objections and request a public hearing. If the registrant does not take any such action, the notice shall, at the end of 30 days from its receipt by the registrant, constitute a final order of cancellation or change in classification. If the registrant files objections and requests a public hearing, the order of cancellation or change in classification may only be issued after completion of such proceeding.

"(c) Suspension.—

"(1) Order.—If the Administrator determines that such action is necessary to prevent an imminent hazard during the time required for cancellation proceedings, he may, by order, suspend the registration of the pesticide immediately. No order of suspension may be issued unless at the same time the Administrator issues notices of his intention to cancel the registration of the pesticide. Any remedy elected by the registrant under section 6(a) shall be held as expeditiously as possible.

"(2) Duration of Order.—Any suspension order shall remain in effect only until 90 days after the completion of the administrative remedies provided for under section 6(a) or until the Administrator issues his final order either canceling or denying cancellation of the registration, whichever is sooner.

"(d) Public Hearings.—In the event a hearing is requested pursuant to subsection (a) or (b) or determined upon by the Administrator pursuant to subsection (d), such hearing shall be held after due notice for the purpose of receiving evidence relevant and material to the issues raised by the objections filed by the applicant or other interested parties, or to the issues stated by the Administrator, if the hearing is called by the Administrator rather than by the filing of objections. Upon a showing of relevance and reasonable scope of evidence sought by any party to a public hearing, the Hearing Examiner shall issue a subpena to compel testimony from any person. The Hearing Examiner shall be guided by the principles of the Federal Rules of Civil Procedure in making any order for the protection of the witness and shall order the payment of reasonable fees and expenses as a condition to requiring his testimony. On contest, the subpena may be enforced by an appropriate United States District Court in accordance with the principles stated herein and the Administrative Procedure Act. As soon as practicable after completion of the hearing but not later than 90 days thereafter, the Administrator shall evaluate the data and reports before him and issue an order either revoking his notice of intention issued pursuant to this section, or shall issue an order either canceling the registration, changing the classification, denying the registration, or requiring modification of the labeling or packaging of the article. Such order shall be based only on substantial evidence of record of such hearing and shall set forth detailed findings of fact upon which the order is based.

"(e) Judicial Review.—Final orders of the Administrator under this section shall be subject to judicial review pursuant to section 16.

### "Sec. 7. Registration of Establishments

"(a) Requirement.—No person shall produce any pesticide or device subject to this Act in any State unless the establishment in which it is produced is registered with the Administrator. The application for registration of any establishment shall include the name and address of the establishment and of the producer who operates such establishment.

"(b) Registration.—Whenever the Administrator receives an application under subsection (a), he shall register the establishment and assign it an establishment number.

"(c) Information Required.—

"(1) Any producer operating an establishment registered under this section shall inform the Administrator within 30 days after it is registered of the types and amounts of pesticides and devices—

"(A) which he is currently producing;

"(B) which he has produced during the past year; and

"(C) which he has sold or distributed during the past year.

The information required by this paragraph shall be kept current and submitted to the Administrator annually as required under such regulations as the Administrator may prescribe.

"(2) Any such producer shall, upon the request of the Administrator for the purpose of issuing a stop sale order pursuant to section 13, inform him of the name and address of any recipient of any pesticide produced in any registered establishment which he operates.

"(d) Confidential Records and Information.—Any information submitted to the Administrator pursuant to subsection (c) shall be considered confidential and shall be subject to the provisions of section 10.

### "Sec. 8. Books and Records

"(a) Requirement.—The Administrator may prescribe regulations requiring producers to maintain such records with respect to their operations and the pesticides and devices produced as he determines are necessary for the effective enforcement of this Act. No records required under this subsection shall extend to financial data, sales data other than shipment data, pricing data, personnel data, and research data (other than data relating to registered pesticides or to a pesticide for which an application for registration has been filed).

"(b) INSPECTION.—For the purposes of enforcing the provisions of this Act, any producer, distributor, carrier, dealer, or any other person who sells or offers for sale, delivers or offers for delivery any pesticide or device subject to this Act, shall, upon request of any officer or employee of the Environmental Protection Agency or of any State or political subdivision, duly designated by the Administrator, furnish or permit such person at all reasonable times to have access to, and to copy: (1) all records showing the delivery, movement, or holding of such pesticide or device, including the quantity, the date of shipment and receipt, and the name of the consignor and consignee; or (2) in the event of the inability of any person to produce records containing such information, all other records and information relating to such delivery, movement, or holding of the pesticide or devices. Any inspection with respect to any records and information referred to in this subsection shall not extend to financial data, sales data other than shipment data, pricing data, personnel data, and research data (other than data relating to registered pesticides or to a pesticide for which an application for registration has been filed).

### "SEC. 9. INSPECTIONS OF ESTABLISHMENTS, ETC.

(a) IN GENERAL.—For purposes of enforcing the provisions of this Act, officers or employees duly designated by the Administrator are authorized—

"(1) to enter, at reasonable times, any establishment; and

"(2) to inspect and obtain samples of any pesticides or devices, packaged, labeled, and released for shipment, and samples of any containers or labeling for such pesticides or devices.

Before undertaking such inspection, the officers or employees must present to the owner, operator, or agent in charge of the establishment, appropriate credentials and a written statement as to the reason for the inspection, including a statement as to whether a violation of the law is suspected. If no violation is suspected, an alternate and sufficient reason shall be given in writing. Each such inspection shall be commenced and completed with reasonable promptness. If the officer or employee obtains any samples, prior to leaving the premises, he shall give to the owner, operator, or agent in charge a receipt describing the samples obtained and, if requested, a portion of each such sample equal in volume or weight to the portion retained. If an analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner, operator, or agent in charge.

"(b) WARRANTS.—For purposes of enforcing the provisions of this Act and upon a showing to an officer or court of competent jurisdiction that there is reason to believe that the provisions of this Act have been violated, officers or employees duly designated by the Administrator are empowered to obtain and to execute warrants authorizing—

"(1) entry for the purpose of this section;

"(2) inspection and reproduction of all records showing the quantity, date of shipment, and the name of consignor and consignee of any illegal pesticide or device found in the establishment and in the event of the inability of any person to produce records containing such information, all other records and information relating to such delivery, movement, or holding of the pesticide or device; and

"(3) the seizure of any pesticide or device which is in violation of this Act.

"(c) ENFORCEMENT.—

"(1) CERTIFICATION OF FACTS TO ATTORNEY GENERAL.—The examination of pesticides or devices shall be made in the Environmental Protection Agency or elsewhere as the Administrator may designate for the purpose of determining from such examinations whether they comply with the requirements of this Act. If it shall appear from any such examination that they fail to comply with the requirements of this Act, the Administrator shall cause notice to be given to the person against whom criminal proceedings are contemplated. Any person so notified shall be given an opportunity to present his views, either orally or in writing, with regard to such contemplated proceedings, and if in the opinion of the Administrator it appears that the provisions of this Act have been violated by such person, then the Administrator shall certify the facts to the Attorney General, with a copy of the results of the analysis or the examination of such pesticide for the institution of a criminal proceeding pursuant to section 16, when the Administrator determines that such action will be sufficient to effectuate the purposes of this Act.

"(2) NOTICE NOT REQUIRED.—The notice of contemplated proceedings and opportunity to present views set forth in this subsection are not prerequisites to the institutions of any proceeding by the Attorney General.

"(3) WARNING NOTICES.—Nothing in this Act shall be construed as requiring the Administrator to institute proceedings for prosecution of minor violations of this Act whenever he believes that the public interest will be adequately served by a suitable written notice of warning.

### "SEC. 10. PROTECTION OF TRADE SECRETS AND OTHER INFORMATION

"(a) IN GENERAL.—In submitting data required by this Act, the applicant may (1) clearly mark any portions thereof which in his opinion are trade secrets or commercial or financial information, and (2) submit such marked material separately from other material required to be submitted under this Act.

"(b) DISCLOSURE.—Notwithstanding any other provision of this Act, the Administrator shall not make public information which in his judgment contains or relates to trade secrets or commercial or financial information obtained from a person and privileged or confidential, except that, when necessary to carry out the provisions of this Act, information relating to formulas of products acquired by authorization of this Act may be revealed to any Federal agency consulted and may be revealed at a public hearing or in findings of fact issued by the Administrator.

### "SEC. 11. STANDARDS APPLICABLE TO PESTICIDE APPLICATORS

"(a) IN GENERAL.—No regulations prescribed by the Administrator for carrying out the provisions of this Act shall require any private pesticide applicator to maintain any records or file any reports or other documents.

"(b) SEPARATE STANDARDS.—When establishing or approving standards for licensing or certification, the Administrator shall establish separate standards for commercial and private applicators.

### "SEC. 12. UNLAWFUL ACTS

"(a) IN GENERAL.—

"(1) Except as provided by subsection (b), it shall be unlawful for any person in any State to distribute, sell, offer for sale, hold for sale, ship, deliver for shipment, or receive and (having so received) deliver or offer to deliver, to any person—

"(A) any pesticide which is not registered under section 3;

"(B) any registered pesticide if any claims made for it as a part of its distribution or sale substantially differ from any claims made for it as a part of the statement required in connection with its registration under section 3;

"(C) any registered pesticide the composition of which differs at the time of its distribution or sale from its composition as described in the statement required in connection with its registration under section 3;

"(D) any pesticide which has not been colored or discolored pursuant to the provisions of section 25(c)(5);

"(E) any pesticide which is adulterated or misbranded; or

"(F) any device which is misbranded.

"(2) It shall be unlawful for any person—

"(A) to detach, alter, deface, or destroy, in whole or in part, any labeling required under this Act;

"(B) to refuse to keep any records required pursuant to section 8, or to refuse to allow the inspection of any records or establishment pursuant to section 8 or 9, or to refuse to allow an officer or employee of the Environmental Protection Agency to take a sample of any pesticide pursuant to section 9;

"(C) to give a guaranty or undertaking provided for in subsection (b) which is false in any particular, except that a person who receives and relies upon a guaranty authorized under subsection (b) may give a guaranty to the same effect, which guaranty shall contain, in addition to his own name and address, the name and address of the person residing in the United States from whom he received the guaranty or undertaking;

"(D) to use for his own advantage or to reveal, other than to the Administrator, or officials or employees of the Environmental Protection Agency or other Federal executive agencies, or to the courts, or to physicians, pharmacists, and other qualified persons, needing such information for the performance of their duties, in accordance with such directions as the Administrator may prescribe, any information acquired by authority of this Act which is confidential under this Act;

"(E) who is a registrant, wholesaler, dealer, retailer, or other distributor to advertise a product registered under this Act for restricted use without giving the classification of the product assigned to it under section 3;

"(F) to make available for use, or to use, any registered pesticide classified for restricted use for some or all purposes other than in accordance with section 3(d) and any regulations thereunder;

"(G) to use any registered pesticide in a manner inconsistent with its labeling;

"(H) to use any pesticide which is under an experimental use permit contrary to the provisions of such permit;

"(I) to violate any order issued under section 13;

"(J) to violate any suspension order issued under section 6;

"(K) to violate any cancellation of registration of a pesticide under section 6;

"(L) who is a producer to violate any of the provisions of section 7;

"(M) to knowingly falsify all or part of any application for registration, application for experimental use permit, any information submitted to the Administrator pursuant to section 7, any records required to be maintained pursuant to section 8, any report filed under this Act, or any information marked as confidential and submitted to the Administrator under any provision of this Act;

"(N) who is a registrant, wholesaler, dealer, retailer, or other distributor to fail to file reports required by this Act; or

"(O) to add any substance to, or take any substance from any pesticide in a manner that may defeat the purpose of this Act.

"(b) EXEMPTIONS.—The penalties provided for a violation of paragraph (1) of subsection (a) shall not apply to—

"(1) any person who establishes a guaranty signed by, and containing the name and address of, the registrant or person residing in the United States from whom he purchased and received in good faith the pesticide in the same unbroken package, to the effect that the pesticide was lawfully registered at the time of sale and delivery to him, and that it complies with the other requirements of this Act, and in such case the guarantor shall be subject to the penalties which would otherwise attach to the person holding the guaranty under the provision of this Act;

"(2) any carrier while lawfully shipping, transporting, or delivering for shipment any pesticide or device, if such carrier upon request of any officer or employee duly designated by the Administrator shall permit such officer or employee to copy all of its records concerning such pesticide or device;

"(3) any public official while engaged in the performance of his official duties;

"(4) any person using or possessing any pesticide as provided by an experimental use permit in effect with respect to such pesticide and such use or possession; or

"(5) any person who ships a substance or mixture of substances being put through tests in which the purpose is only to determine its value for pesticide purposes or to determine its toxicity or other properties from which the user does not expect to receive any benefit in pest control from its use.

### "Sec. 13. Stop Sale, Use, Removal and Seizure.

"(a) Stop Sale, Etc., Orders.—Whenever any pesticide or device is found by the Administrator in any State and there is reason to believe on the basis of inspection or tests that such pesticide or device is in violation of any of the provisions of this Act, or that such pesticide or device has been or is intended to be distributed or sold in violation of any such provisions, or when the registration of the pesticide or device has been canceled by a final order or has been suspended, the Administrator may issue a written or printed 'stop sale, use, or removal' order to any person who owns, controls, or has custody of such pesticide or device, and after receipt of such order no person shall sell, use or remove the pesticide or device described in the order except in accordance with the provisions of the order.

"(b) Seizure.—Any pesticide or device that is being transported or, having been transported, remains unsold or in original unbroken packages, or that is sold or offered for sale in any State, or that is imported from a foreign country, shall be liable to be proceeded against in any district court in the district where it is found and seized for confiscation by a process in rem for condemnation if—

"(1) in the case of a pesticide—

"(A) it is adulterated or misbranded;

"(B) it is not registered pursuant to the provisions of section 3;

"(C) its labeling fails to bear the information required by this Act;

"(D) it is not colored or discolored and such coloring or discoloring is required under this Act; or

"(E) any of the claims made for it or any of the directions for its use differ in substance from the representations made in connection with its registration;

"(2) in the case of a device, it is misbranded; or

"(3) in the case of a pesticide or device, when used in accordance with the requirements imposed under this Act and as directed by the labeling, it nevertheless causes substantial adverse effects on the environment. In the case of a plant regulator, defoliant, or desiccant, used in accordance with the label claims and recommendations, physical or physiological effects on plants or parts thereof shall not be deemed to be injury, when such effects are the purpose for which the plant regulator, defoliant, or desiccant was applied.

"(c) Disposition After Condemnation.—If the pesticide or device is condemned it shall, after entry of the decree, be disposed of by destruction or sale as the court may direct and the proceeds, if sold, less the court costs, shall be paid into the Treasury of the United States, but the pesticide or device shall not be sold contrary to the provisions of this Act or the laws of the jurisdiction in which it is sold: *Provided,* That upon the payments of the costs of the condemnation proceedings and the execution and delivery of a good and sufficient bond conditioned that the pesticide or device shall not be sold or otherwise disposed of contrary to the provisions of the Act or the laws of any State in which sold, the court may direct that such pesticide or device be delivered to the owner thereof. The proceedings of such condemnation cases shall conform, as near as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in any case, and all such proceedings shall be at the suit of and in the name of the United States.

"(d) Court Costs, Etc.—When a decree of condemnation is entered against the pesticide or device, court costs and fees, storage, and other proper expenses shall be awarded against the person, if any, intervening as claimant of the pesticide or device.

### "Sec. 14. Penalties

"(a) Civil Penalties

"(1) In general.—Any registrant, commercial pesticide applicator, wholesaler, dealer, retailer, or other distributor who violates any provision of this Act may be assessed a civil penalty by the Administrator of not more than $5,000 for each offense.

"(2) Private pesticide applicator.—Any private pesticide applicator who violates any provision of this Act subsequent to receiving a written warning from the Administrator or following a citation for a prior violation, may be assessed a civil penalty by the Administrator of not more than $1,000 for each offense.

"(3) Hearing.—No civil penalty shall be assessed unless the person charged shall have been given notice and opportunity for a hearing on such charge in the county, parish, or incorporated city of the residence of the person charged. In determining the amount of the penalty the Administrator shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person's ability to continue in business, and the gravity of the violation.

"(4) References to attorney general.—In case of inability to collect such civil penalty or failure of any person to pay all, or such portion of such civil penalty as the Administrator may determine, the Administrator shall refer the matter to the Attorney General, who shall recover such amount by action in the appropriate United States district court.

"(b) Criminal Penalties.—

"(1) In general.—Any registrant, commercial pesticide applicator, wholesaler, dealer, retailer, or other distributor who knowingly violates any provision of this Act shall be guilty of a misdemeanor and shall on conviction be fined not more than $25,000, or imprisoned for not more than one year, or both.

"(2) Private pesticide applicator.—Any private pesticide applicator who knowingly violates any provision of this Act shall be guilty of a misdemeanor and shall on conviction be fined not more than $1,000, or imprisoned for not more than 30 days, or both.

"(3) Disclosure of information.—Any person, who, with intent to defraud, uses or reveals information relative to formulas of products acquired under the authority of section 3, shall be fined not more than $10,000, or imprisoned for not more than three years, or both.

"(4) Acts of officers, agents, etc.—When construing and enforcing the provisions of this Act, the act, omission, or failure of any officer, agent, or other person acting for or employed by any person shall in every case be also deemed to be the act, omission, or failure of such person as well as that of the person employed.

### "Sec. 15. Indemnities.

"(a) Requirement.—If—

"(1) the Administrator notifies a registrant that he has suspended the registration of a pesticide because such action is necessary to prevent an imminent hazard;

"(2) the registration of the pesticide is canceled as a result of a final determination that the use of such pesticide will create an imminent hazard; and

"(3) any person who owned any quantity of such pesticide immediately before the notice to the registrant under paragraph (1) suffered losses by reason of suspension or cancellation of the registration,

the Administrator shall make an indemnity payment to such person.

"(b) Amount of Payment.—

"(1) In general.—The amount of the indemnity payment under subsection (a) to any person shall be determined on the basis of the cost of the pesticide owned by such person immediately before the notice to the registrant referred to in subsection (a)(1); except that in no event shall an indemnity payment to any person exceed the fair market value of the pesticide owned by such person immediately before the notice referred to in subsection (a)(1).

"(2) Special rule.—Notwithstanding any other provision of this Act, the Administrator may provide a reasonable time for use or other disposal of such pesticide. In determining the quantity of any pesticide for which indemnity shall be paid under this subsection, proper adjustment shall be made for any pesticide used or otherwise disposed of by such owner.

### "Sec. 16. Administrative Procedure; Judicial Review.

"(a) Application of Administrative Procedure Act.—Except as provided by subsection (b), subchapter II of chapter 5 of title 5 of the United States Code (sec. 551 and following, relating to administrative procedure) and chapter 7 of title 5 of the United States Code (sec. 701 and following, relating to judicial review) apply in respect of rules, rule making, orders, adjudication, licensing, sanctions, agency proceedings, and agency actions (as such terms are used in subchapter II of chapter 5 and in chapter 7 of title 5 of the United States Code).

"(b) Judicial Review.—In the case of actual controversy as to the validity of any order issued by the Administrator, any person adversely affected may obtain judicial review by filing in the United States court of appeals for the circuit wherein such person resides or has a place of business, within 60 days after the entry of such order, a petition praying that the order be set aside in whole or in part. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administrator or any officer designated by him for that purpose, and thereupon the Administrator shall file in the court the record of the proceedings on which he based his order, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition the court shall have exclusive jurisdiction to affirm or set aside the order complained of in whole or in part. The court shall consider all evidence of record. The order of the Administrator shall be sustained if it is supported by substantial evidence when considered on the record as a whole. The judgment of the court affirming or setting aside, in whole or in part, any order under this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code. The commencement of proceedings under this section shall not, unless specifically ordered by the court to the contrary, operate as a stay of an order. The Court shall advance on the docket and expedite the disposition of all cases filed therein pursuant to this section.

"(c) JURISDICTION OF DISTRICT COURTS.—The district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of, this Act.

"(d) NOTICE OF JUDGMENTS.—The Administrator shall, by publication in such manner as he may prescribe, give notice of all judgments entered in actions instituted under the authority of this Act.

"SEC. 17. IMPORTS AND EXPORTS

"(a) PESTICIDES AND DEVICES INTENDED FOR EXPORT.—Notwithstanding any other provision of this Act, no pesticide or device shall be deemed in violation of this Act when intended solely for export to any foreign country and prepared or packed according to the specifications or directions of the foreign purchaser.

"(b) CANCELLATION NOTICES FURNISHED TO FOREIGN GOVERNMENTS.—Whenever a cancellation of the registration of a pesticide becomes effective, the Administrator shall transmit through the State Department copies of each notice of cancellation of a registration of a pesticide to the governments of other countries and to appropriate international agencies.

"(c) IMPORTATION OF PESTICIDES AND DEVICES.—The Secretary of the Treasury shall notify the Administrator of the arrival of pesticides and devices and shall deliver to the Administrator, upon his request, samples of pesticides or devices which are being imported into the United States, giving notice to the owner or consignee, who may appear before the Administrator and have the right to introduce testimony. If it appears from the examination of a sample that it is adulterated, or misbranded or otherwise violates the provisions set forth in this Act, or is otherwise injurious to health or the environment, the pesticide or device may be refused admission, and the Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any pesticide or device refused delivery which shall not be exported by the consignee within 90 days from the date of notice of such refusal under such regulations as the Secretary of the Treasury may prescribe: *Provided*, That the Secretary of the Treasury may deliver to the consignee such pesticide or device pending examination and decision in the matter or execution of bond for the amount of the full invoice value of such pesticide or device, together with the duty thereon, and on refusal to return such pesticide or device for any cause to the custody of the Secretary of the Treasury, when demanded, for the purpose of excluding them from the country, or for any other purpose, said consignee shall forfeit the full amount of said bond: *And provided further*, That all charges for storage, cartage, and labor on pesticide or device whch are refused admission or delivery shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against any future importation made by such owner or consignee.

"(d) COOPERATION IN INTERNATIONAL EFFORTS.—The Administrator shall, in cooperation with the Department of State and any other appropriate Federal agency, participate and cooperate in any international efforts to develop improved pesticide research and regulations.

"(e) REGULATIONS.—The Secretary of the Treasury, in consultation with the Administrator, shall prescribe regulations for the enforcement of this section.

"SEC. 18. EXEMPTION OF FEDERAL AGENCIES

"The President by executive order may exempt any Federal Agency from any provision or all provisions of this Act if he determines that emergency conditions exist which require such exemption.

"SEC. 19. DISPOSAL AND TRANSPORTATION

"(a) PROCEDURES.—The Administrator shall after consultation with other interested Federal agencies, establish procedures and regulations for the disposal or storage of packages and containers of pesticides and for disposal or storage of excess amounts of such pesticides, and accept at convenient locations for safe disposal a pesticide the registration of which is canceled under section 6(c) if requested by the owner of the pesticide.

"(b) ADVICE TO SECRETARY OF TRANSPORTATION.—The Administrator shall provide advice and assistance to the Secretary of Transportation with respect to his functions relating to the transportation of hazardous materials under the Department of Transportation Act (49 U.S.C. 1657), the Transportation of Explosives Act (18 U.S.C. 831–835), the Federal Aviation Act of 1958 (49 U.S.C. 1421–1430, 1472 H), and the Hazardous Cargo Act (46 U.S.C. 170, 375, 416).

"SEC. 20. RESEARCH AND MONITORING.

"(a) RESEARCH.—The Administrator shall undertake research, including research by grant or contract with other Federal agencies, universities, or others as may be necessary to carry out the purposes of this Act, and he shall give priority to research to develop biologically integrated alternatives for pest control. The Administrator shall also take care to insure that such research does not duplicate research being undertaken by any other Federal agency.

"(b) NATIONAL MONITORING PLAN.—The Administrator shall formulate and periodically revise, in cooperation with other Federal State, or local agencies, a national plan for monitoring pesticides.

"(c) MONITORING.—The Administrator shall undertake such monitoring activities, including but not limited to monitoring in air, soil, water, man, plants, and animals, as may be necessary for the implementation of this Act and of the national pesticide monitoring plan. Such activities shall be carried out in cooperation with other Federal, State, and local agencies.

"SEC. 21. SOLICITATION OF PUBLIC COMMENTS.

"In addition to any other authority relating to public hearings and solicitation of views, in connection with the suspension or cancellation of a pesticide registration or any other actions authorized under this Act, the Administrator may, at his discretion, solicit the views of all interested persons, either orally or in writing, and seek such advice from scientists, farmers, farm organizations, and other qualified persons as he deems proper.

"SEC. 22. DELEGATION AND COOPERATION.

"(a) DELEGATION.—All authority vested in the Administrator by virtue of the provisions of this Act may with like force and effect be executed by such employees of the Environmental Protection Agency as the Administrator may designate for the purpose.

"(b) COOPERATION.—The Administrator shall cooperate with the Department of Agriculture, any other Federal agency, and any appropriate agency of any State or any political subdivision thereof, in carrying out the provisions of this Act, and in securing uniformity of regulations.

"SEC. 23. STATE COOPERATION, AID, AND TRAINING

"(a) COOPERATIVE AGREEMENT.—The Administrator is authorized to enter into cooperative agreements with States—

"(1) to delegate to any State the authority to cooperate in the enforcement of the Act through the use of its personnel or facilities, to train personnel of the State to cooperate in the enforcement of this Act, and to assist States in implementing cooperative enforcement programs through grants-in-aid; and

"(2) to assist State agencies in developing and administering State programs for training and certification of pesticide applicators consistent with the standards which he prescribes.

"(b) CONTRACTS FOR TRAINING.—In addition, the Administrator is authorized to enter into contracts with Federal or State agencies for the purpose of encouraging the training of certified pesticide applicators.

"SEC. 24. AUTHORITY OF STATES

"(a) A State may regulate the sale or use of any pesticide or device in the State, but only if and to the extent the regulations does not permit any sale or use prohibited by this Act;

"(b) Such State shall not impose or continue in effect any requirements for labeling and packaging in addition to or different from those required pursuant to this Act; and

"(c) A State may assist the Administrator in the registration of pesticides formulated for intrastate distribution to meet specific local needs if that State is certified by the Administrator as capable of exercising adequate controls.

"SEC. 25. AUTHORITY OF ADMINISTRATOR

"(a) REGULATIONS.—The Administrator is authorized to prescribe regulations to carry out the provisions of this Act. Such regulations shall take into account the difference in concept and usage between various classes of pesticides.

"(b) EXEMPTION OF PESTICIDES.—The Administrator may exempt from the requirements of this Act by regulation any pesticide which he determines either (1) to be adequately regulated by another Federal agency, or (2) to be of a character which is unnecessary to be subject to this Act in order to carry out the purposes of this Act.

"(c) OTHER AUTHORITY.—The Administrator, after notice and opportunity for hearing is authorized—

"(1) to declare a pest any form of plant or animal life (other than man and other than bacteria, virus, and other micro-organisms on or in living man or other living animals) which is injurious to health or the environment;

"(2) to determine any pesticide which contains any substance or substances in quantities highly toxic to man;

"(3) to establish standards (which shall be consistent with those established under the authority of the Poison Prevention Packaging Act (Public Law 91–601)) with respect to the package, container, or wrapping in which a pesticide or device is enclosed for use or consumption, in order to protect children and adults from serious injury or illness resulting from accidental ingestion or contact with pesticides or devices regulated by this Act as well as to accomplish the other purposes of this Act;

"(4) to specify that any class of devices shall be subject to this Act if he determines that the application of this Act in respect of such class is necessary to effectuate the purposes of this Act;

"(5) to prescribe regulations requiring any pesticide to be colored or discolored if he determines that such requirement is feasible and is necessary for the protection of health and the environment; and

"(6) to determine and establish suitable names to be used in the ingredient statement.

"SEC. 26. SEVERABILITY

"If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Act which can be given effect without regard to the invalid provision or application, and to this end the provisions of this Act are severable.

"SEC. 27. AUTHORIZATION FOR APPROPRIATIONS

"There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act for each fiscal year ending June 30, 1972, June 30, 1973, and June 30, 1974. The amounts authorized to be appropriated for any fiscal year ending after June 30, 1974, shall be the sums hereafter provided by law."

Mr. DOW (during the reading). Mr. Chairman, I have sent copies of the amendment to the desk. I ask unanimous consent that the amendment be considered as read and printed in the RECORD, inasmuch as I have made copies available.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. DOW. Mr. Chairman, I offer an amendment to the bill H.R. 1072 seeking to amend the Federal Insecticide, Fungicide, and Rodenticide Act.

For the convenience of Members this substitute embodies six individual amendments that I am convinced we must adopt in order to perfect this pesticide legislation. It should be easier to perfect the bill by one amendment than by six put individually to this House. In the general debate of this bill before us, I covered the essentials of all the amendments I believe to be necessary. These have the support of at least seven of the national organizations and the International Association of Game, Fish, and Conservation Commissioners which are dedicated to preserving our environment and preventing the excesses in usage of pesticides that becomes more alarming all the time.

For the benefit of those Members who did not hear the general debate, I will summarize the six component amendments that make my substitute different from, and I believe preferable to, the committee bill:

First. The first amendment, on page 17, would strike language permitting pesticide manufacturers to restrict the use of data submitted in support of an application for registration—a procedure that is more restrictive than present law. The objectionable provision would require, in effect, that the environmental protection agency join with manufacturers in restrictive trade and in violation of the Freedom of Information Act outside the bounds of patent protection.

Second. My second amendment, on page 17, adds language requiring the manufacturer to disclose data which tends to prove an environmental effect of lack of effect. The committee bill omits such requirement and leaves the Administrator, believe it or not, to assume the burden of proof in any denial of pesticide application.

Third. The third amendment, on page 19, strikes out a clause new in the committee bill which makes any lack of essentiality irrelevant for denying registration to a pesticide. Heretofore, the Administrator of the Environmental Protection Agency has developed a doctrine of essentiality, that is, the need for the pesticide in the Agency analysis of applications for registrations. My amendment restores this instrument to his use.

Fourth. The fourth amendment, on page 28, would strike the section requiring the Federal examiner hearing pesticide cases to submit questions of scientific fact to a scientific committee. The provision bottles up questions, delays procedures, excludes the public and was not in the original Administration proposal.

Fifth. My fifth amendment, page 49, would continue the present application of law which allows persons adversely affected to challenge the Administrator's orders in the U.S. Court of Appeals. The new committee bill limits court challenge to manufacturers, and bars States which wish to intervene and other groups who might be vitally concerned. The National Governors Conference has been particularly concerned because this section restricts State intervention.

Sixth. My sixth amendment, page 56, is one that has enlisted support from a number of commissioners of conservation in a number of States. It would strike from the committee bill the new proviso that would bar a State from restricting in its own way the use of pesticides registered for general use. This would gut the laws of such States where such laws are stricter than the Federal registration. I can see no good purpose served by preventing States from running their own affairs in a tidy fashion where they deem it essential.

Accordingly, Mr. Chairman, the Members have an opportunity in supporting this comprehensive amendment to strike from the bill all those legal snares and pitfalls that would trap the Administrator of the Environmental Protection Agency and tie his hands as regards regulation in the public interest. I urge the passage of my amendment as a substitute for the bill.

Mr. HELSTOSKI. Mr. Chairman, I shall address myself to the preemption of State authority authorized by lines 5 and 6 of section 24 of the bill before us this afternoon. In my opinion, this section constitutes a crippling blow to pesticide control programs underway in a number of States, including my own, New Jersey.

The language of these lines "or restrict by license or permit the use of a pesticide registered for general use" sounds harmless enough until we examine its impact on existing State laws. We would also do well to consider this language in the context of the evolution of this legislation from a strong proposal to the weak, watered-down bill before us today.

Under H.R. 10729, in the words of the committee report, "State authority to change Federal labelling and packaging is completely preempted." Also, pesticides classified for "general use" by the Environmental Protection Agency are presumed by the committee bill to be safe and States are prohibited from regulating them more strictly than the Federal Government does.

Mr. Chairman, no one knows which pesticides will be classified by the EPA for "general use" or for "restricted use" or for both. Additionally, the definition upon which such classification is based—"substantial adverse effects on the environment"—is vague and weak. Thus, States may find that a pesticide which EPA classifies for "general use" actually requires stricter regulation. But, under this bill, the States will have their hands tied and may go no further in pesticide regulation that the EPA allows.

On the basis of the Federal Government's past performance in pesticide regulation, many people are skeptical of how tough EPA will be in drawing up its restricted list. In addition, the possibility of dual classification fuzzes the meaning and purpose of the two categories. As noted by the Agricultural Extension Service entomologist at North Carolina State University:

> Enforcement of any restrictions on users will be difficult at best, but enforcement of a dual classification at the user level in my opinion will be impossible.

Richard J. Sullivan, commissioner of the New Jersey Department of Environmental Protection, commented:

> Pesticides are to be classified as "restricted use" under this bill only if they are acutely toxic or if they may cause substantial adverse effects on the environment. We simply are not always aware of the vast dangers which can be caused by pesticides over the long term, and thus many dangerous substances may be included in the general use category of registration since a clear case of substantial immediate environmental damage will not be apparent. For over 25 years states have restricted such general use pesticides. These restrictions are important because varying crop, soil, or climatic conditions can affect the severity of the environmental impact of pesticides.

Another crucial problem with the preemption of State authority in section 24 is the specific reference to licenses and permits, which the States are forbidden to use on "general use" pesticides.

As a matter of fact, a great many States do use a permit system to control pesticides. According to the National Association of State Departments of Agriculture, 23 States have already taken steps to develop lists of restricted pesticides and to allow their use by permit only.[1]

For example, New York State has 15,000 outstanding permits issued to major users of pesticides. New York totally bans several pesticides and sharply restricts some 60 others which are considered to be highly toxic or potential environmental contaminants, according to Henry Diamond, commissioner of the New York Department of Environmental Conservation.

The preemption of State authority in section 24 seems to be clearly aimed at the heart of these strong State programs.

If one examines the history of this bill as it moved through markup in committee, it seems apparent that this gutting of strong State programs is intentional.

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[1] Testimony in House Ag. Committee hearing, page 480, by Dr. Charles P. Ellington, Director, Maryland State Board of Agriculture, representing the NASDA.

Initially, the administration proposed in H.R. 4152 a system of classifying pesticides into three categories in order to control their use. Simply stated, the three categories were:

First. General use—for those pesticides which can be used safely by following the label;

Second. Restricted use—those which required some special precautions and could only be applied by an "approved pesticide applicator," who could be anyone who could pass a State test established in cooperation with EPA;

Third. Use by permit only—this would be for pesticides highly dangerous—toxic—to people or hazardous to the environment. These could only be used with written approval of an "approved pest management consultant" who would be a highly qualified specialist. This category would be akin to a prescription system.

During the House hearings, some users and manufacturers objected strongly to the "use by permit" category, and during markup this category was promptly dropped by the committee.

Having thus prevented EPA from setting up a use by permit system, the committee ultimately limited the States' right to do so in section 24. The specific preemption in lines 5 and 6 did not appear in the legislation until the committee reported out the clean bill, H.R. 10729. This preemption had not been in the administration's proposal and, in fact, the administration testified strongly in favor of retention of State authority. During the House committee hearings, John Quarles, General Counsel and Assistant Administrator for Standards and Enforcement of EPA, said:

> I would like to emphasize that the States have played a major role in pesticides regulation. To date, 48 states have programs covering the registration and/or use of pesticides. We wish to encourage and not supplant these efforts by providing that States may prohibit the use of a particular pesticide within their jurisdiction even if the pesticide is registered under the Federal authority. States are not precluded from imposing stricter standards or added requirements, but they may not permit any sale or use of a pesticide which is prohibited under the authority of this Act.

Apparently in order to insure that EPA and the States would not use another method of establishing permit systems, the committee report states:

> The legislation grants no authority for a third classification nor does it grant any authority to the Administrator to establish by regulation or agreement with a state the position or similar function of a licensed or approved pest management consultant.

By forbidding the States to have pest management consultants, who are the people who give out permits, the committee has further threatened the whole permit concept.

If the language of section 24 of this bill is adopted, then passage of H.R. 10729 will represent a step backward in pesticide regulation for many States. It will punish States which have had the wisdom and courage to set up their own pesticide regulatory programs.

Already, State officials from New Jersey, New York, Massachusetts, Connecticut, California, Utah, Missouri, Michigan, Colorado, and Minnesota have expressed opposition to the preemption of State authority authorized by section 24. Officials from other jurisdictions may have done so as well, and, doubtless, many more would do so if all States had the opportunity to review and comment on this language.

Mr. Chairman, lines 5 and 6 of section 24 of this bill must be deleted.

Under unanimous consent I include at this point in the Record, several letters and a telegram relevant to section 24.

State of New York, Department
of Environmental Conservation,
*Albany, September 30, 1971.*

Dear Congressman Dow: It has come to my attention that the House Committee on Agriculture has completed deliberations on HR 10729 (a bill to amend the Federal Insecticide, Fungicide and Rodenticide Act, by Mr. Poage). Indications are that the bill will be reported out in the very near future.

We generally agree with the intent of the legislation and are particularly encouraged by the prospect that it holds out for eventual federal funding to assist in our pesticide control program. However, there is one provision of the bill which could gut the outstanding work New York State is accomplishing to restrict pesticides within the states. Section 24 will undercut our existing, effective pesticide program and preclude needed local authority for all states. I therefore urge HR 10729 be amended to delete Section 24.

In the 1970 session of the Legislature, Governor Rockefeller signed a bill which gave the Department of Environmental Conservation the authority to ban completely or restrict the use of pesticides in New York State. Under this authority the Department held hearings in the fall of 1970 and, following those hearings, promulgated a series of regulations which prohibit entirely the use of such devastating environmental contaminants as DDT, Endrin and BHC. It also restricts sharply the use of some 60 other pesticides which are considered to be highly toxic or potential environmental contaminants.

Our restricted pesticide program now has 15,000 outstanding permits issued to major uses of pesticides. We have found that generally the agricultural and chemical industries are in favor of this program and have cooperated fully since its inception on January 1 of this year.

I believe that Congressional action, which would destroy this outstanding program and replace it with a federal program which might be unsuited to the needs of New York State, would be most unfortunate and an environmental step backwards.

Sincerely,

Henry L. Diamond,
*Commissioner.*

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State of New Jersey,
Department of Environmental
Protection,
*Trenton, October 7, 1971.*

Hon. Henry Helstoski,
*House of Representatives,*
*Washington, D.C.*

Dear Congressman Helstoski: On September 25 the House Agriculture Committee reported out a bill, HR 10729 which provides for Federal regulation of pesticides. While I have not completely reviewed the bill, one section of it seems to me to be particularly ill-conceived and in need of amendment.

The section I refer to is Section 24 on page 56 of the bill. When the Committee was considering the bill, it accepted an amendment which authorizes the States to regulate the sale or use of any pesticide or device within the State if such State regulation does not permit a sale or use prohibited by the act. The same amendment also forbids the state to "restrict by license or permit the use of a pesticide registered for general use."

Pesticides are to be classified as "restricted use" under this bill only if they are acutely toxic or if they may cause substantial adverse effects on the environment. We simply are not always aware of the vast dangers which can be caused by pesticides over the long term, and thus many dangerous substances may be included in the general use category of registration since a clear case of substantial immediate environmental damage will not be apparent. For over 25 years states have restricted such general use pesticides. These restrictions are important because varying crop, soil, or climatic conditions can affect the severity of the environmental impact of pesticides.

If this bill is passed as presently drafted it will cripple New Jersey's pesticide regulations, and not allow any state to draw up regulations which fit its own particular needs. I therefore strongly urge that you work to amend HR 10729 by deleting line 5 following the word "act" and all of line 6 on page 56 in Section 24. If so amended the State of New Jersey can continue to exercise the controls needed over pesticides.

Very truly yours,

Richard J. Sullivan,
*Commissioner.*

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Telegram From Daniel W. Lufkin to All Connecticut Congressmen:

As Connecticut Commissioner of Environmental Protection I request your vigorous opposition to HR 10729 because it removes from Connecticut and other States the power to regulate pesticides more stringently than the Federal Government. The States have primary responsibility for the health of their citizens, and the environmental impact of pest control methods strikes the local community. The States must have the power to have their own standards on pesticides whether or not they exceed the Federal standards. Another objectionable feature is the shifting of the burden of proof to the environmental protection agency to prove "substantial" environmental effects from pesticide use. This is exactly opposite to the way it should be. The manufacturer and user should have the burden to prove the contrary. States fighting to protect their environment should not be undercut by laws such as this.

Mr. HARRINGTON. Mr. Chairman, the scientific community, environmental groups, consumer groups, and the general public vividly realize the great need for revision of existing law in the areas of strengthening controls on the uses and users of pesticides. So too must Congress. I, therefore, rise in support of the substitute legislation introduced by Congressman Dow.

It must be acknowledged that the wise use of pesticides have benefited the farmer and the Nation as a whole. It has been estimated, for instance, that without pesticides farmers would suffer a total yearly crop loss of $20 billion. Additionally, by controlling insect caused diseases such as malaria and typhus, millions of lives have been saved. Intelligent pesticide use has benefited man. However, evidence has proven that there is a drastic decrease in our ability to control the use of pesticides and that the proliferation and increased use of pesticides has resulted in undesirable effects on human health. In 1970 the production of pesticides in the United States totaled 1.03 million pounds. Currently 60,000 chemical products are registered with the Federal Government.

Such extensive use of pesticides with weak controls and potential hazardous effects has caused widespread concern. According to the National Product Safety Commission, 75,000 acute pesticide poisonings occur each year. Eight hundred to 1,000 people die each year and another 80,000 to 90,000 people are injured from pesticide poisonings according to the Food and Drug Administration. DDT presents long-term hazards to the environment. It remains in the air, in the soil, and in the water for 50 years. DDT thus enters the food chain, accumulates in human tissue and has the potential to cause liver damage or possibly even cancer. Because of exposure to pesticides, many species of wildlife are endangered.

In the report by the Committee on Agriculture the need for new control measures and procedures was noted:

> Pesticides are valuable to our naton's agricultural production . . . but it is essential to the public health and welfare that they be regulated closely to prevent adverse effects on human life and the environment.

The committee bill, in its attempt to prevent these adverse effects, rewrites the Federal Insecticide, Fungicide, and Rodenticide Act of 1947 which regulates the labeling and sale—but not the use of pesticides in interstate commerce. However, the committee bill fails to provide the sufficient controls or the "close" regulation which it promised to do and announced as its goal. Without such controls we will continue to endanger both human life and the total environment.

The committee bill, in attempting to be a composite of a farmer's bill, a manufacturer's bill, and an environmentalist's bill, becomes in effect, nobody's bill. The primary value that must be given priority is the health of all of the American people, both now and for the future. A substitute bill, H.R. 11169, offered by Representative JOHN G. DOW, reflects this concern for health.

There are several serious weaknesses in H.R. 10729 concerning, first, registration of a pesticide, second, administration and scientific review, third, judicial review, and fourth, the authority of the States. Congressman Dow's substitute bill seeks to correct these failings.

One of the weaknesses of the committee bill concerns the provisions for registration of pesticides. In the committee bill the applicant is given power to classify information—section 3(c)(1)(D)—page 17. The Dow substitute would correct this by striking the data restriction language. Thus the burden of proof is not shifted to the Administrator. The Dow substitute also requires that data in the possession of the applicant which would indicate a substantial adverse effect on the environment or the lack of such an effect should be available to the Administrator of the Environmental Protection Agency. Thus the Administrator would have sufficient information on which to base his decisions.

A second major weakness of H.R. 10729 is under section 6, administrative review, (c)(3) and (d), scientific review. In the past the referral of questions of a scientific nature has been used as a delaying tactic. It could continue to serve that purpose. However, the Dow substitute eliminates the section on scientific review, thus strengthening the power of the Administrator. The Administrator may seek outside advice for a public hearing when and if he feels this essential need. Delaying manipulations are thus eliminated in the Dow substitute.

A third weakness of the committee bill concerns the sections on judicial review. The committee bill would prevent public-interest law firms and environmental and consumer groups from bringing suits to ban dangerous pesticides and herbicides. The Dow substitutes would put back into the judicial review section on page 49 the words "any person adversely affected" which appeared in the original administration bill, H.R. 4152.

A fourth weakness of the committee bill concerns the authority of the States under section 24(a) page 56. States which have stricter requirements than Federal regulations are prohibited from enforcing anything stricter than the Federal regulations for general use pesticides. New York, Michigan, and Wisconsin, among other States, have effective State pesticide programs that could be jeopardized. The Dow substitute changes this to permit States to further regulate general use pesticides.

Four failings of the committee bill have been discussed—although other additional weakenesses exist. These failings are of such magnitude so as to nullify the progress that has been made to protect the health and indeed the survival of the human being. Congressman Dow's substitute bill seeks to correct the failings of the committee bill. It clearly places the value of health and survival of all of us on a top priority level.

I recently signed a letter urging Members of Congress to be present on the floor, to vote for the Dow substitute bill.

I reiterate that statement. We owe the consumer, the farmer, and the American public a decent pesticide control bill. Mr. Dow's bill gives us the opportunity to pay that debt.

Mrs. ABZUG. Mr. Chairman, H.R. 10729 is entitled the "Federal Environmental Pesticide Control Act," but this label is a false one, for it neither controls pesticides nor protects the environment. It should be called the "Federal Pesticide Promotion Act." The act by any name makes no contribution to protecting us from the hazards of pesticide misuse. In fact, it increases the risk of pesticide poisoning. Some of its provisions set environmental protection back at least 10 years.

The pending bill effectively prohibits citizen input into environmental decisionmaking. It limits standing to challenge a decision on pesticide licensing to those whose economic interests are directly affected by the decision, that is, the pesticide manufacturer. The law presently in effect, allows parties "adversely affected" to challenge the validity of pesticide registration. This standing requirement has been interpreted by the courts as allowing challenge and input by environmental groups. Some major pesticide protection victories in the last decade—including Wellford against Ruckelshaus, Environmental Defense Fund against Ruckelshaus, and EDF against Hardin—have come in lawsuits initiated by environmental groups and other citizens concerned about their health. The pending bill would halt all such input, leaving the Administrator with no point of view but that of industry. It would be inexcusable, in this day of increasing danger from pesticides, for us to narrow the standing criteria.

The bill prohibits the Administrator, when deciding whether to register a pesticide, from consulting toxicity data he has received in connection with the registration of other pesticides. In making a decision on a subject as important as entrance of a pesticide into our environment, he may not even use all the scientific information in his file cabinet. He would be limited to the data that the pesticide manufacturer submits to him, plus whatever data, of a general nature, he happens to have at hand. Existing law, on the other hand, allows the Administrator to use whatever data he has or can obtain. This is indisputably better for the public health, and I could not support a bill which would do what this one does.

The pending bill would put the burden of disallowing a pesticide registration on the Administrator, if he determined that a pesticide was unsafe. That is, he would have to make a determination that the pesticide had a substantial adverse effect on the environment before he could refuse registration. The standard of "substantial adverse effect" is a heavy burden to meet. The burden of proof on this issue should rest not with the Administrator, whose aim is to protect the public, but with the manufacturer, whose aim is to make a pecuniary profit. Under present law, the manufacturer bears the burden of proof. He must show that he has a product that can be used safely within the limits of the instructions on the label. The pending bill would require the administrator to prove nonsafety and I cannot endorse it in that form.

The pending bill prohibits the Administrator from using the criterion of "essentiality" in determining whether a pesticide should be registered. The doctrine of "essentiality" means that the Administrator may consider whether the pesticide is essential—that is, whether other, less toxic pesticides are already available to perform the same function—in determining registration. The essentiality standard has been one of the major victories won by environmentalists' lawsuits. It is crucial in deciding whether or not the environment and the public are to have yet another pesticide. Without the essentiality doctrine, the sole criterion will be the persuasiveness of the pesticide manufacturer in marketing it to the farmer. This, too, is unacceptable.

The bill before us commands the Administrator to keep data relating to toxicity of pesticide products secret until after the decision on registration is made. It also grants the pesticide industry the right to decide what data will or will not ultimately be available, since it lets the industry decide which portion of its data is to remain secret. The result is that even when the Administrator releases the toxicity data—he cannot release data which the registrant has determined should be secret. Existing law does not give the manufacturer the right to determine what the public should know, but that places that decision under the terms of the Freedom of Information Act. Until recently, some toxicity data has been secreted under the trade secrets exception, that act, but recently, the Environmental Protection Agency has determined that toxicity data does fall within this exception, and that it will be available to the public as an aid in poison protection. The bill before us would overrule that wise decision, and bind the Administrator to shield toxicity data from the public eye on a permanent basis.

The pending bill sets up a balancing test when temporary suspension of a harmful pesticide is considered. The administrator would have to balance the potential injury to the public against the potential benefit. Such a test may be acceptable in a leisurely, full-dress consideration, but not in an emergency.

Further, the bill would indemnify manufacturers whose pesticide is removed from the market because it is unsafe. Do we indemnify a bank robber if we catch him and take away his ill-gotten loot? If not, then why should we indemnify a manufacturer when we catch him with his ill-gotten "loot"?

In all these cases, the pending bill is regressive. It denies protections which the public now enjoys. The public deserves better than this.

We need stronger legislation, not weaker.

We need an administrative procedure which is fully open to public scrutiny and which operates with sufficient speed to protect the public against newly-discovered dangers.

We need legislation which does not give unbridled discretion to the administrator, making him constantly vulnerable to the army of industry lobbyists who infest the halls of Government agencies.

We need legislation which assures the public that it is not the guinea pig in safety experiments for pesticides.

We need a standard for removing dangerous pesticides from the market which protects the public while scientific data is being reviewed in the agency.

We need a category of pesticide use which allows use by license only, as the original administration bill prescribed.

We need stringent qualifications for pesticide applicators.

We will get none of these things with this bill. This bill encourages thoughtless pesticide use. It is riddled with lowered standards, wider discretion, and gaping loopholes.

Pesticides are poisons. They are designed to kill living things. They require the utmost care at all levels, lest they kill the wrong things.

In 1970, the production of pesticides totalled over 1 million pounds. The National Product Safety Commission estimates that there were 75,000 acute pesticide poisonings in that year. The Food and Drug Administration estimates that 800 to 1,000 people die every year from pesticide poisoning and that 80,000 to 90,000 are injured by pesticides, not to mention injuries to wildlife populations and to domestic animals.

Pesticides are useful to man only when they are applied with utmost caution. The bill discourages such application. It promotes the expansion of pesticide use by those who seek short-run gain—the chemical companies who sell pesticides. The bill seeks to obscure the dangers of poisons, minimizing the need for care and judiciousness in their use. We are dealing here with poisons, and this bill increases our chance of being poisoned.

I support the Dow substitute. It erases the clause which would preempt stronger state pesticide legislation. It speeds up agency action by erasing immediate, interim appeal to the district court and automatic appeal to the National Academy of Sciences. It changes the standing requirement for initiating judicial review of agency registration decisions to parties adversely affected, which would allow people other than chemical companies to go into court. It would allow the administrator to use all data in his files when he makes safety decisions.

This substitute makes some contribution toward protecting the public, the farmer, the farmworker, and the consumer, from misuse of economic poisons. I urge its adoption.

Mr. ROSTENKOWSKI. Mr. Chairman, I rise in strong support of the amendment in the form of a substitute offered by the gentleman from New York (Mr. Dow). This amendment is a much needed attempt to rectify some of the many faults present in the bill reported by the Agriculture Committee.

As the committee bill presently stands, the Environmental Protection Agency would be virtually powerless to carry out its task of regulating the manufacture, distribution and use of pesticides. For, as drafted by the committee, H.R. 10729 would be no better than the old Federal Insecticide, Fungicide, and Rodenticide Act. In fact, it would provide even weaker protection of the environment and the public than does the present law, while strengthening the hands of the makers and users of harmful chemical poisons.

When we consider that under the present system of controls, it is estimated that 800 to 1,000 people died each year and 10 times that number are acutely poisoned from intake of chemical pesticides, we must strive for more stringent regulations of these potentially harmful products and not accept weaker conditions as provided for in the current bill.

Provisions incorporated in the committee bill such as "no State could impose stricter regulations than those approved at the Federal level" and "the burden of proof of the safety of a chemical falls on the Government, rather than on the company promoting the product" are just two examples of how this bill would in fact promote less control of pesticides rather than the stricter supervision that is needed.

With the Dow amendment, however, this bill could serve a valuable purpose of strengthening what is now a weak and easily avoided statute. It is agreed by most that the bill's effect on the individual small farmer would not differ if the Dow amendment was accepted. Major effects of the Dow amendment would fall upon the manufacturers of the chemical pesticides. It would make them prove that a new product is safe and useful before it is allowed on the market for public consumption. This is not, in my opinion, too great a burden for the chemical manufacturers to bear in light of the alarming increase in chemical-related poisonings in recent years.

I shall, Mr. Chairman, support the Dow amendment as a constructive alternative to the committee bill and hope that my colleagues will do likewise.

Mr. ANDERSON of California. Mr. Chairman, I rise in support of the amendments offered by the gentleman from New York (Mr. Dow).

The committee bill does not correct the current situation regarding the use and control of pesticides. Instead, the bill, as reported by the Agriculture Committee, restricts the authority of the Environmental Protection Agency. In addition, and most objectionable to me, the committee bill severely restricts the authority of the States to take the necessary action to protect its local environment.

The Dow substitute would correct the deficiencies in the committee bill by, first, placing the protection of the environment as a priority coequal to the production of food and fiber and, second, the substitute would permit the States to set higher standards for pesticides than those set by the Environmental Protection Agency.

Often, we witness a Federal law superseding a State law. In California, we are all too familiar with Federal laws and practices that invalidate our State laws—laws designed to meet the special needs of the community.

The Federal Government—the Government of all the States—must consider the problems of Cold Bay, Alaska, or Summit Point, W. Va. In doing so, the Federal Government must enact a law which is acceptable to the people in Alaska as well as West Virginia.

In many instances, the law which would eliminate say—a pollution problem in Los Angeles—might be too stringent for the people in Alaska, a State which may not have our complex problems. Thus, in order to reach a compromise, the Federal laws, in some instances, have not met the requirements of those of us from States such as California.

Instead, Federal laws, such as the Clean Air Act of 1970, have invalidated certain provisions of California's more restrictive laws. In those cases, we have fought to preserve our stronger local laws.

Mr. Chairman, the Federal law must establish a floor. That is to say, California and Alaska must meet certain minimum Federal standards, but if the situation exists, the State and local governments may enact more stringent requirements.

At this point, Mr. Chairman, I would

like to insert a telegram that I received from Mr. Ray Arnett, the director of the California Fish and Game Department:

> The Calif. Dept. of Agriculture is opposed to wording in H.R. 10729 under section 24 (a), p. 56 of committee bill which would prevent the State from adopting more restrictive measures than those adopted by the Administrator of EPA as "pesticides classified for general use". Since the Dept. of Fish and Game depends on the regulatory authority of the State Dept. of Agriculture for quick action to control and alleviate pesticide problems involving significant conflicts between pesticides and fish and wildlife, we strongly support the retention of the State's rights concept as recommended by the Calif. Dept. of Agriculture and as reflected in the alternative amendments of Rep. Dow's proposed H.R. 11169.

In 1970, production of pesticides in the United States totaled over 1 billion pounds. The National Product Safety Commission estimates that 75,000 acute pesticide poisonings occur each year. The Food and Drug Administration estimates that 800 to 1,000 people die each year from pesticide poisons.

We know that some persistent pesticides have taken their toll among such wildlife as eagles, pelicans, and falcons.

We know that most of the world's production of DDT ends up in the ocean where it has contaminated fish and, as a result, the FDA has removed those fish from the market.

Mr. Chairman, I favor the substitute amendments which would, first, allow the EPA to stringently control the use of pesticides and, second, allow the more stringent State laws, which are designed to meet the local needs, to remain in effect.

Mr. WOLFF. Mr. Chairman, I rise today in support of an amendment to H.R. 10729, the Federal Environmental Pesticide Control Act of 1971, which is being offered by my distinguished New York colleague (Mr. Dow). I urge my colleagues in the House to give careful consideration to the merits of this amendment and to join with me in supporting this measure.

H.R. 10729, as reported from committee, substantially weakens the straightforward provisions of the present law without offering adequate safeguards in return. For example, the bill will preempt the setting of stronger requirements and safeguards by the individual States. I point to my own State of New York as a case in point.

In addition, the Pesticide Act as it now stands would require the Administrator of the Environmental Protection Agency to prove that a pesticide product is environmentally unsound. The burden of proof to demonstrate that the pesticide will not adversely affect the environment, I think, rightfully belongs with the manufacturer. The amendment before us today would make this necessary change.

This amendment would also remove from the present bill some of the procedural obstacles that could prevent the Environmental Protection Agency from acting most effectively in the public interest, and it would remove the requirement that indemnities be paid to manufacturers, thus encouraging more careful and thorough product research before a compound is placed on the market.

I think none of us would dispute the importance and the need for careful regulation of pesticides. Time and again we are told of the dangers inherent in these poisons when used improperly. In a larger sense, we are likewise concerned with any substance that has the potential to alter the basic structure of the ecology, and as we hear of wild animals being poisoned to death, of insects growing immune to the effects of the chemicals we use to protect our crops, and of accumulations of the various substances in the human body, we cannot help but wonder what long-term effects these pesticides might have on the environment.

Therefore, I again urge my colleagues to give careful consideration to the provisions contained in this amendment, provisions which would only strengthen and in no way diminish the effectiveness of this legislation, and to join in support of this substitute measure.

Substitute amendment offered by Mr. Kyl for the amendment in the nature of a substitute offered by Mr. Dow.

Mr. KYL. Mr. Chairman, I offer a substitute amendment for the amendment offered by the gentleman from New York (Mr. Dow).

The Clerk read as follows:

Substitute amendment offered by Mr. Kyl for the amendment offered by Mr. Dow: In lieu of the matter proposed in the amendment insert the following:

AMENDMENTS TO FEDERAL INSECTICIDE, FUNGICIDE, AND RODENTICIDE ACT

SEC. 2. The Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. 135 et seq.) is amended to read as follows:

"SEC. 1. SHORT TITLE AND TABLE OF CONTENTS

"(a) SHORT TITLE.—This Act may be cited as the 'Federal Insecticide, Fungicide, and Rodenticide Act'.

"(b) TABLE OF CONTENTS.—

"Section 1. Short title and table of contents.
"(a) Short title.
"(b) Table of contents.
"Sec. 2. Definitions.
"(a) Active ingredient.
"(b) Administrator.
"(c) Adulterated.
"(d) Animal.
"(e) Certified pesticide applicator, etc.
"(1) Certified pesticide applicator.
"(2) Private pesticide applicator.
"(3) Commercial pesticide applicator.
"(f) Defoliant.
"(g) Desiccant.
"(h) Device.
"(i) District court.
"(j) Environment.
"(k) Fungus.
"(l) Imminent hazard.
"(m) Inert ingredient.
"(n) Ingredient statement.
"(o) Insect.
"(p) Label and labeling.
"(1) Label.
"(2) Labeling.
"(q) Misbranded.
"(r) Nematode.
"(s) Person.
"(t) Pest.
"(u) Pesticide.
"(v) Plant regulator.
"(w) Producer and produce.
"(x) Protect health and the environment.
"(y) Registrant.
"(z) Registration.
"(aa) State.
"(bb) Substantial adverse effects on the environment.
"(cc) Weed.
"Sec. 3. Registration of pesticides.
"(a) Requirement.
"(b) Exemptions.
"(c) Procedure for registration.
"(1) Statement required.
"(2) Data in support of registration.
"(3) Time for acting with respect to application.
"(4) Notice of application.
"(5) Approval of registration.
"(6) Denial of registration.
"(d) Classification of pesticides.
"(1) Classification for general use, restricted use, or both.
"(2) Change in classification.
"(e) Products with same formulation and claims.
"(f) Miscellaneous.
"(1) Effect of change of labeling or formulation.
"(2) Registration not a defense.
"(3) Authority to consult other Federal agencies.
"Sec. 4. Use of restricted use pesticide; certified applicators.
"(a) Certification procedure.
"(1) Federal certification.
"(2) State certification.
"(b) State plans.
"Sec. 5. Experimental use permits.
"(a) Issuance.
"(b) Temporary tolerance level.
"(c) Use under permit.
"(d) Studies.
"(e) Revocation.
"Sec. 6. Administrative review; suspension.
"(a) Cancellation after five years.
"(1) Procedure.
"(2) Information.
"(b) Cancellation and change in classification.
"(c) Suspension.
"(1) Order.
"(2) Duration of order.
"(3) Judicial review.
"(d) Public hearings and scientific review.
"(e) Judicial review.
"Sec. 7. Registration of establishments.
"(a) Requirement.
"(b) Registration.
"(c) Information required.
"(d) Confidential records and information.
"Sec. 8. Books and records.
"(a) Requirement.
"(b) Inspection.
"Sec. 9. Inspection of establishments, etc.
"(a) In general.
"(b) Warrants.
"(c) Enforcement.
"(1) Certification of facts to Attorney General.
"(2) Notice not required.
"(3) Warning notices.
"Sec. 10. Protection of trade secrets, etc.
"(a) In general.
"(b) Disclosure.
"Sec. 11. Standards applicable to pesticide applicators.
"(a) In general.
"(b) Separate standards.
"Sec. 12. Unlawful acts.
"(a) In general.
"(b) Exemptions.
"Sec. 13. Stop sale, use, removal, and seizure.
"(a) Stop sale, etc., orders.
"(b) Seizure.
"(c) Disposition after condemnation.
"(d) Court costs, etc.
"Sec. 14. Penalties.
"(a) Civil penalties.
"(1) In general.
"(2) Private pesticide applicator.
"(3) Hearing.
"(4) References to Attorney General.
"(b) Criminal penalties.
"(1) In general.
"(2) Private pesticide applicator.
"(3) Disclosure of information.
"(4) Act of officers, agents, etc.

"Sec. 15. Indemnities.
"(a) Requirement.
"(b) Amount of payment.
"(1) In general.
"(2) Special rule.
"Sec. 16. Administrative procedure; judicial review.
"(a) Application of Administrative Procedure Act.
"(b) Judicial reviews.
"(c) Jurisdiction of district courts.
"(d) Notice of judgments.
"Sec. 17. Imports and exports.
"(a) Pesticides and devices intended for export.
"(b) Cancellation notices furnished to foreign governments.
"(c) Importation of pesticides and devices.
"(d) Cooperation in international efforts.
"(e) Regulations.
"Sec. 18. Exemption of Federal agencies.
"Sec. 19. Disposal and transportation.
"(a) Procedures.
"(b) Advice to Secretary of Transportation.
"Sec. 20. Research and monitoring.
"(a) Research.
"(b) National monitoring plan.
"(c) Monitoring.
"Sec. 21. Solicitation of public comments.
"Sec. 22. Delegation and cooperation.
"Sec. 23. State cooperation, aid, and training.
"Sec. 24. Authority of States and political subdivisions.
"(a) Cooperative agreements.
"(b) Contracts for training.
"Sec. 25. Authority of Administrator.
"(a) Regulations.
"(b) Exemption of pesticides.
"(c) Other authority.
"Sec. 26. Severability.
"Sec. 27. Authorization for appropriations.

"SEC. 2. DEFINITIONS

"For purposes of this Act—

"(a) ACTIVE INGREDIENT.—The term 'active ingredient' means—

"(1) in the case of a pesticide other than a plant regulator, defoliant, or desiccant, an ingredient which will prevent, destroy, repel, or mitigate any pest;

"(2) in the case of a plant regulator, an ingredient which, through physiological action, will accelerate or retard the rate of growth or rate of maturation or otherwise alter the behavior of ornamental or crop plants or the product thereof;

"(3) in the case of a defoliant, an ingredient which will cause the leaves or foliage to drop from a plant; and

"(4) in the case of a desiccant, an ingredient which will artificially accelerate the drying of plant tissue.

"(b) ADMINISTRATOR.—The term 'Administrator' means the Administrator of the Environmental Protection Agency.

"(c) ADULTERATED.—The term 'adulterated' applies to any pesticide if:

"(1) its strength or purity falls below the professed standard or quality as expressed on its labeling under which it is sold;

"(2) Any substance has been substituted wholly or in part for the pesticide; or

"(3) any valuable constituent of the pesticide has been wholly or in part abstracted.

"(d) ANIMAL.—The term 'animal' means all vertebrate and invertebrate species, including but not limited to man and other mammals, birds, fish, and shellfish.

"(e) CERTIFIED PESTICIDE APPLICATOR, ETC.—

"(1) CERTIFIED PESTICIDE APPLICATOR.—The term 'certified pesticide applicator' means any individual who is certified under section 4 as authorized to use or supervise the use of any pesticide which is classified for restricted use.

"(2) PRIVATE PESTICIDE APPLICATOR.—The term 'private pesticide applicator' means a certified pesticide applicator who uses or supervises the use of any pesticide which is classified for restricted use for purposes of producing any agricultural commodity on property owned or rented by him or (if applied without compensation other than trading of personal services between producers of agricultural commodities) on the property of another person.

"(3) COMMERCIAL PESTICIDE APPLICATOR.—The term 'commercial pesticide applicator' means a certified pesticide applicator (whether or not he is a private pesticide applicator with respect to some uses) who uses or supervises the use of any pesticide which is classified for restricted use for any purpose or on any property other than as provided by paragraph (2).

"(f) DEFOLIANT.—The term 'defoliant' means any substance or mixture of substances intended for causing the leaves or foliage to drop from a plant, with or without causing abscission.

"(g) DESICCANT.—The term 'desiccant' means any substance or mixture of substances intended for artificially accelerating the drying of plant tissue.

"(h) DEVICE.—The term 'device' means any instrument or contrivance (other than a firearm) which (1) is intended for trapping, destroying, repelling, or mitigating any pest or any other form of plant or animal life (other than man and other than bacteria, virus, or other micro-organisms on or in living man or other living animals), and (2) is within a class of devices in respect of which the Administrator has made the determination referred to in section 25(c)(4).

"(i) DISTRICT COURT.—The term 'district court' means a United States district court, the District Court of Guam, the District Court of the Virgin Islands, and the highest court of American Samoa.

"(j) ENVIRONMENT.—The term 'environment' includes water, air, land, and all plants and man and other animals living therein, and the interrelationships which exist among these.

"(k) FUNGUS.—The term 'fungus' means any nonchlorophyll-bearing thallophyte (that is, any non-chlorophyll-bearing plant of a lower order than mosses and liverworts), as for example, rust, smut, mildew, mold, yeast, and bacteria, except those on or in living man or other animals and those on or in processed food, beverages, or pharmaceuticals.

"(l) IMMINENT HAZARD.—The term 'imminent hazard' means a situation which exists when the continued use of a pesticide during the time required for cancellation proceeding would likely result in substantial adverse effects on the environment.

"(m) INERT INGREDIENT.—The term 'inert ingredient' means an ingredient which is not active.

"(n) INGREDIENT STATEMENT.—The term 'ingredient statement' means a statement which contains—

"(1) the name of each active ingredient in the pesticide;

"(2) if all the uses of the pesticide are classified for general use, then either—

"(i) the total percentage of all inert ingredients, and of all active ingredients, in the pesticide; or

"(ii) the percentage of each active ingredient, and the total percentage of all inert ingredients, in the pesticide; and if all the uses of the pesticide are not classified for general use, then the information required under (ii); and

"(3) if the pesticide contains arsenic in any form, a statement of the percentages of total and water soluble arsenic, calculated as elemental arsenic.

"(o) INSECT.—The term 'insect' means any of the numerous small invertebrate animals generally having the body more or less obviously segmented, for the most part belonging to the class insecta, comprising six-legged, usually winged forms, as for example, beetles, bugs, bees, flies, and to other allied classes of arthropods whose members are wingless and usually have more than six legs, as for example, spiders, mites, ticks, centipedes, and wood lice.

"(p) LABEL AND LABELING.—

"(1) LABEL.—The term 'label' means the written, printed, or graphic matter on, or attached to, the pesticide, or device or any of its containers or wrappers.

"(2) LABELING.—The term 'labeling' means all labels and all other written, printed, or graphic matter—

"(A) accompanying the pesticide or device at any time; or

"(B) to which reference is made on the label or in literature accompanying the pesticide or device, except to current official publications of the Environmental Protection Agency, the United States Departments of Agriculture and Interior, the Department of Health, Education, and Welfare, State experiment stations, State agricultural colleges, and other similar Federal or State institutions or agencies authorized by law to conduct research in the field of pesticides.

"(q) MISBRANDED.—

"(1) A pesticide or device subject to this Act is misbranded if—

"(A) its labeling bears any statement, design, or graphic representation relative thereto or to its ingredients which is false or misleading in any particular;

"(B) it is contained in a package or other container or wrapping which does not conform to the standards established by the Administrator pursuant to section 25(c)(3);

"(C) it is an imitation of, or is offered for sale under the name of, another pesticide or device;

"(D) its labeling does not bear the registration number assigned under section 7 to each establishment in which it was produced;

"(E) any word, statement, or other information required by or under authority of this Act to appear on the label or labeling is not prominently placed thereon with such conspicuousness (as compared with other words, statements, designs, or graphic matter in the labeling) and in such terms as to render it likely to be read and understood by the ordinary individual under customary conditions of purchase and use;

"(F) if the labeling accompanying it does not contain directions for use which are necessary for effecting the purpose for which the product is intended and if complied with, together with any requirements imposed under section 3(d) of this Act, is adequate to protect health and the environment; or

"(G) if the label does not contain a warning or caution statement which may be necessary and if complied with, together with any requirements imposed under section 3(d) of this Act, is adequate to protect health and the environment.

"(2) A pesticide is misbranded if—

"(A) the label does not bear an ingredient statement on that part of the immediate container (and on the outside container or wrapper, if there be one, through which the ingredient statement on the immediate container cannot be clearly read, of the retail package) which is presented or displayed under customary conditions of purchase, except that a pesticide is not misbranded under this subparagraph if:

"(i) the size or form of the immediate container, or the outside container or wrapper of the retail package, makes it impracticable to place the ingredient statement on the part which is presented or displayed under customary conditions of purchase; and

"(ii) the ingredient statement appears prominently on another part of the immediate container, or outside container or wrapper, permitted by the Administrator;

"(B) the labeling does not contain a statement of the use classification under which the product is registered;

"(C) there is not affixed to its container, and to the outside container or wrapper of the retail package, if there be one, through which the required information on the immediate container cannot be clearly read, a label bearing—

"(i) the name and address of the producer, registrant, or person for whom produced;

"(ii) the name, brand, or trademark under which the pesticide is sold;

'(iii) the net weight or measure of the content: *Provided*, That the Administrator may permit reasonable variations; and

"(iv) when required by regulation of the Administrator to effectuate the purposes of this Act, the registration number assigned to the pesticide under this Act, and the use classification; and

"(D) the pesticide contains any substance or substances in quantities highly toxic to man, unless the label shall bear, in addition to any other matter required by this Act—

"(i) the skull and crossbones;

"(ii) the word 'poison' prominently in red on a background of distinctly contrasting color; and

"(iii) a statement of a practical treatment (first aid or otherwise) in case of poisoning by the pesticide.

"(r) NEMATODE.—The term 'nematode' means invertebrate animals of the phylum nemathelminthes and class nematoda, that is, unsegmented round worms with elongated, fusiform, or saclike bodies covered with cuticle, and inhabiting soil, water, plants, or plant parts; may also be called nemas or eelworms.

"(s) PERSON.—The term 'person' means any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.

"(t) PEST.—The term 'pest' means (1) any insect, rodent, nematode, fungus, weed, or (2) any other form of terrestrial or aquatic plant or animal life of virus, bacteria, or other micro-organism (except viruses, bacteria, or other micro-organisms on or in living man or other living animals) which the Administrator declares to be a pest under section 25(c)(1).

"(u) PESTICIDE.—The term 'pesticide' means (1) any substance or mixture of substances intended for preventing, destroying, repelling, or mitigating any pest, and (2) any substance or mixture of substances intended for use as a plant regulator, defoliant, or desiccant.".

"(v) PLANT REGULATOR.—The term 'plant regulator' means any substance or mixture of substances, intended through physiological action, for accelerating or retarding the rate of growth or rate of maturation, or for otherwise altering the behavior of plants or the produce thereof, but shall not include substances to the extent that they are intended as plant nutrients, trace elements, nutritional chemicals, plan inoculants, and soil amendments.

"(w) PRODUCER AND PRODUCE.—The term 'producer' means the person who manufactures, prepares, compounds, propagates, or processes any pesticide or device. The term 'produce' means to manufacture, prepare, compound, propagate, or process any pesticide or device.

"(x) PROTECT HEALTH AND THE ENVIRONMENT.—The terms 'protect health and the environment' and 'protection of health and the environment' means protection against any injury to man and protection against any substantial adverse effects on environmental values, taking into account the public interest, including benefits from the use of the pesticide.

"(y) REGISTRANT.—The term 'registrant' means a person who has registered any pesticide pursuant to the provisions of this Act.

"(z) REGISTRATION.—The term 'registration' includes reregistration.

"(aa) STATE.—The term 'State' means a State, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, the Trust Territory of the Pacific Islands, and American Samoa.

"(bb) SUBSTANTIAL ADVERSE EFFECTS ON THE ENVIRONMENT.—The term 'substantial adverse effects on the environment' means any injury to man or any substantial adverse effects on environmental values, taking into account the public interest, including benefits from the use of the pesticide.

"(cc) WEED.—The term 'weed' means any plant which grows where not wanted.

"SEC. 3. REGISTRATION OF PESTICIDES

"(a) REQUIREMENT.—Except as otherwise provided by this Act, no person in any State may distribute, sell, offer for sale, hold for sale, ship, deliver for shipment, or receive and (having so received) deliver or offer to deliver, to any person any pesticide which is not registered with the Administrator.

"(b) EXEMPTIONS.—A pesticide which is not registered with the Administrator may be transferred if—

"(1) the transfer is from one registered establishment to another registered establishment operated by the same producer solely for packaging at the second establishment or for use as a constituent part of another pesticide produced at the second establishment; or

"(2) the transfer is pursuant to and in accordance with the requirements of an experimental use permit.

"(c) PROCEDURE FOR REGISTRATION.—

"(1) STATEMENT REQUIRED.—Each applicant for registration of a pesticide shall file with the Administrator a statement which includes—

"(A) the name and address of the applicant and of any other person whose name will appear on the labeling;

"(B) the name of the pesticide;

"(C) a complete copy of the labeling of the pesticide, a statement of all claims to be made for it, and any directions for its use;

"(D) if requested by the Administrator, a full description of the tests made and the results thereof upon which the claims are based, except that data submitted in support of an application shall not, without permission of the applicant, be considered by the Administrator in support of any other application for registration;

"(E) the complete formula of the pesticide; and

"(F) a request that the pesticide be classified for general use, for restricted use, or for both.

"(2) DATA IN SUPPORT OF REGISTRATION.—The Administrator shall publish guidelines specifying the kinds of information which will be required to support the registration of a pesticide and shall revise such guidelines from time to time. If thereafter he requires any additional kind of information he shall permit sufficient time for applicants to obtain such additional information. Except as provided by subsection (c)(1)(D) of this section and section 10, within 30 days after the Administrator registers a pesticide under this Act he shall make available to the public the data called for in the registration statement together with such other scientific information as he deems relevant to his decision.

(3) TIME FOR ACTING WITH RESPECT TO APPLICATION.—The Administrator shall review the data after receipt of the application and shall, as expeditiously as possible, either register the pesticide in accordance with paragraph (5), or notify the applicant of his determination that it does not comply with the provisions of the Act in accordance with paragraph (6).

"(4) NOTICE OF APPLICATION.—The Administrator shall publish in the Federal Register, promptly after receipt of the statement and other data required pursuant to paragraphs (1) and (2), a notice of each application for registration of any pesticide if it contains any new active ingredient or if it would entail a changed use pattern. The notice shall provide for a period of 30 days in which any Federal agency or any other interested person may comment.

"(5) APPROVAL OF REGISTRATION.—The Administrator shall register a pesticide if he determines that, when considered with any restrictions imposed under subsection (d)—

"(A) its composition is such as to warrant the proposed claims for it;

"(B) its labeling and other material required to be submitted comply with the requirements of this Act; and

"(C) it will perform its intended function without substantial adverse effects on the environment.

The Administrator shall not make any lack of essentiality a criterion for denying registration of any pesticide.

"(6) DENIAL OF REGISTRATION.—If the Administrator determines that the requirements of paragraph (5) for registration are not satisfied, he shall notify the applicant for registration of his determination and of his reasons (including the factual basis) therefor, and that, unless the applicant corrects the conditions and notifies the Administrator thereof during the 30-day period beginning with the day after the date on which the applicant receives the notice, the Administrator will refuse to register the pesticide. Whenever the Administrator refuses to register a pesticide, he shall notify the applicant of his decision and of his reasons (including the factual basis) therefor. Upon such notification, the applicant for registration shall have the same remedies as provided for the registrant in section 6.

"(d) CLASSIFICATION OF PESTICIDES.—

"(1) CLASSIFICATION FOR GENERAL USE, RESTRICTED USE, OR BOTH.—

"(A) As a part of the registration of a pesticide the Administrator shall classify it as being for general use or for restricted use, provided that if the Administrator determines that some of the uses for which the pesticide is registered should be for general use and that other uses for which it is registered should be for restricted use, he shall classify it for both general use and restricted use. If some of the uses of the pesticide are classified for general use and other uses are classified for restricted use, the directions relating to its general uses shall be clearly separated and distinguished from those directions relating to its restricted uses.

"(B) If the Administrator determines that the pesticide, when applied in accordance with its directions for use, warnings and cautions and for the uses for which it is registered, or for one or more of such uses, will not cause substantial adverse effects on the environment, he will classify the pesticide, or the particular use or uses of the pesticide to which the determination applies for general use.

"(C) If the Administrator determines that the pesticide, when applied in accordance with its directions for use, warnings and cautions and for the uses for which it is registered, or for one or more of such uses, may cause, without additional regulatory restrictions, substantial adverse effects on the environment, including injury to the applicator, he shall classify the pesticide, or the particular use or uses to which the determination applies, for restricted use.

(i) If the Administrator classifies a pesticide, or one or more uses of such pesticide, for restricted use because of a determination that its acute dermal or inhalation toxicity of the pesticide presents a hazard to the applicator or other persons, the pesticide shall be applied for any use to which the restricted classification applies only by or under the direct supervision of a certified pesticide applicator.

(ii) If the Administrator classifies a pesticide, or one or more uses of such pesticide, for restricted use because of a determination that its use without additional regulatory restriction may cause substantial adverse effect on the environment, the pesticide shall be applied for any use to which the determination applies only by or under the direct supervision of a certified pesticide applicator, or subject to such other restrictions as the Administrator may determine.

"(2) Change in classification.—If the Administrator determines that a change in the classification of any use of a pesticide from general use to restricted use is necessary to prevent substantial adverse effects on the environment, he shall notify the registrant of such pesticide of such determination at least 30 days before making the change and shall publish the proposed change in the Federal Register.

"(e) Products With Same Formulation and Claims.—Products which have the same formulation, are manufactured by the same person, the labeling of which contains the same claims, and the labels of which bear a designation identifying the product as the same pesticide may be registered as a single pesticide; and additional names and labels shall be added by supplemental statements.

"(f) Miscellaneous.—

"(1) Effect of change of labeling or formulation.—If the labeling or formulation for a pesticide is changed, the registration shall be amended to reflect such change if the Administrator determines that the change will not violate any provision of this Act.

"(2) Registration not a defense.—In no event shall registration of an article be construed as a defense for the commission of any offense under this Act.

"(3) Authority to consult other Federal agencies.—In connection with consideration of any registration or application for registration under this section, the Administrator may consult with any other Federal agency.

"Sec. 4. Use of Restricted Use Pesticide; Certified Applicators.

"(a) Certification Procedure.—

"(1) Federal certification.—Subject to paragraph (2), the Administrator shall prescribe standards for the certification of pesticide applicators. Such standards shall provide that to be certified, an individual must be determined to be competent with respect to the use and handling of pesticides, or of the use and handling of the pesticide or class of pesticides covered by such individual's certification.

"(2) State certification.—If any State, at any time, desires to certify pesticide applicators, the Governor of such State shall submit a State plan for such purpose. The Administrator shall approve the plan submitted by any State, or any modification thereof, if such plan in his judgment—

"(A) designates a State agency as the agency responsible for administering the plan throughout the State;

"(B) contains satisfactory assurances that such agency has or will have the legal authority and qualified personnel necessary to carry out the plan;

"(C) gives satisfactory assurances that the State will devote adequate funds to the administration of the plan;

"(D) provides that the State agency will make such reports to the Administrator in such form and containing such information as the Administrator may from time to time require; and

"(E) contains satisfactory assurances that State standards for the certification of pesticide applicators conform with those standards prescribed by the Administrator under paragraph (1).

"(b) State Plans.—If the Administrator rejects a plan submitted under this paragraph, he shall afford the State submitting the plan due notice and opportunity for hearing before so doing. If the Administrator approves a plan submitted under this paragraph, then such State shall certify pesticide applicators with respect to such State.

"Sec. 5. Experimental Use Permits.

"(a) Issuance.—Any person may apply to the Administrator for an experimental use permit for a pesticide. The Administrator may issue an experimental use permit if he determines that the applicant needs such permit in order to accumulate information necessary to register a pesticide under section 3. An application for an experimental use permit may be filed at the time of or before or after an application for registration is filed.

"(b) Temporary Tolerance Level.—If the Administrator determines that the use of a pesticide may reasonably be expected to result in any residue on or in food or feed, he may establish a temporary tolerance level for the residue of the pesticide before issuing the experimental use permit.

"(c) Use Under Permit.—Use of a pesticide under an experimental use permit shall be under the supervision of the Administrator, and shall be subject to such terms and conditions and be for such period of time as the Administrator may prescribe in the permit.

"(d) Studies.—When any experimental use permit is issued for a pesticide containing any chemical or combination of chemicals which has not been included in any previously registered pesticide, the Administrator may specify that studies be conducted to detect whether the use of the pesticide under the permit may cause substantial adverse effects on the environment. All results of such studies shall be reported to the Administrator before such pesticide may be registered under section 3.

"(e) Revocation.—The Administrator may revoke any experimental use permit, at any time, if he finds that its terms or conditions are being violated, or that its terms and conditions are inadequate to avoid substantial adverse effects on the environment.

"Sec. 6. Administrative Review; Suspension

"(a) Cancellation After Five Years.—

"(1) Procedure.—The Administrator shall cancel the registration of any pesticide at the end of the five-year period which begins on the date of its registration (or at the end of any five-year period thereafter) unless the registrant, before the end of such period, requests in accordance with regulations prescribed by the Administrator that the registration be continued in effect.

"(2) Information.—If at any time after the registration of a pesticide the registrant has additional factual information regarding substantial adverse effects on the environment of the pesticide, he shall submit such information to the Administrator.

"(b) Cancellation and Change in Classification.—If the Administrator determines that registration of a pesticide should be canceled or that the classification of a pesticide should be changed, he shall notify the registrant of such notice, the registrant may, within 30 days (A) registration or change the classification and of his reasons (including the factual basis) therefor in writing. Upon receipt of such notice, the registrant may, within 30 days (A) make the necessary corrections and so notify the Administrator, or (B) file objections and request a public hearing. If the registrant does not take any such action, the notice shall, at the end of 30 days from its receipt by the registrant, constitute a final order of cancellation or change in classification. If the registrant files objections and requests a public hearing, the order of cancellation or change in classification may only be issued after completion of such proceeding.

"(c) Suspension.—

"(1) Order.—If the Administrator determines that such action is necessary to prevent an imminent hazard during the time required for cancellation proceedings, he may, by order, suspend the registration of the pesticide immediately. No order of suspension may be issued unless at the same time the Administrator issues notices of his intention to cancel the registration of the pesticide. Any remedy elected by the registrant under section 6(a) shall be held as expeditiously as possible.

"(2) Duration of Order.—Any suspension order shall remain in effect only until 90 days after the completion of the administrative remedies provided for under section 6 (a) or until the Administrator issues his final order either canceling or denying cancellation of the registration, whichever is sooner.

"(3) Judicial Review.—Any order of suspension shall be subject to immediate review in all actions by the registrant in an appropriate district court, solely to determine whether the order of suspension was arbitrary, capicious or an abuse of discretion, or whether the order was issued in accordance with the procedures established by law. This action may be maintained simultaneously with any administrative review proceeding under section 6.

"(d) Public Hearings and Scientific Review.—In the event a hearing is requested pursuant to subsection (a) or (d) or determined upon by the Administrator pursuant to subsection (d), such hearing shall be held after due notice for the purpose of receiving evidence relevant and material to the issues raised by the objections filed by the applicant or other interested parties, or to the issues stated by the Administrator, if the hearing is called by the Administrator rather than by the filing of objections. Upon a showing of relevance and reasonable scope of evidence sought by any party to a public hearing, the Hearing Examiner shall issue a subpena to compel testimony from any person. Upon the request of any party or when in the hearing officer's judgment it is necessary or desirable, the hearing officer shall refer to a Committee of the National Academy of Sciences all relevant questions of scienific fact arising in the course of the public hearing. The Committee of the National Academy of Sciences shall report in writing to the officer within 60 days on these questions of scientific fact. The report shall be made public and shall be considered as part of the hearing record. The Administrator shall enter into appropriate arrangements with the National Academy of Sciences to assure an objective and competent scientific review of the questions presented to Committees of the Academy and to provide such other scientific advisory services as may be required by the Administrator for carrying out the purposes of this Act. The Hearing Examiner shall be guided by the principles of the Federal Rules of Civil Procedure in making any order for the protection of the witness and shall order the payment of reasonable fees and expenses as a condition to requiring his testimony. On contest, the subpena may be enforced by an appropriate United States District Court in accordance with the principles stated herein and the Administrative Procedure Act. As soon as practicable after completion of the hearing but not later than 90 days thereafter, the Administrator shall evaluate the data and reports before him and issue an order either revoking his notice of intention issued pursuant to this section, or shall issue an order either canceling the registration, changing the classification, denying the registration, or requiring modification of the labeling or packaging of the article. Such order shall be based only on substantial evidence of record of such hearing and shall set forth detailed findings of fact upon which the order is based.

"(e) Judicial Review.—Final orders of the

Administrator under this section shall be subject to judicial review pursuant to section 16.

### "Sec. 7. Registration of Establishments.

"(a) Requirement.—No person shall produce any pesticide or device subject to this Act in any State unless the establishment in which it is produced is registered with the Administrator. The application for registration of any establishment shall include the name and address of the establishment and of the producer who operates such establishment.

"(b) Registration.—Whenever the Administrator receives an application under subsection (a), he shall register the establishment and assign it an establishment number.

"(c) Information Required.—

"(1) Any producer operating an establishment registered under this section shall inform the Administrator within 30 days after it is registered of the types and amounts of pesticides and devices—

"(A) which he is currently producing;

"(B) which he has produced during the past year; and

"(C) which he has sold or distributed during the past year.

The information required by this paragraph shall be kept current and submitted to the Administrator annually as required under such regulations as the Administrator may prescribe.

"(2) Any such producer shall, upon the request of the Administrator for the purpose of issuing a stop sale order pursuant to section 13, inform him of the name and address of any recipient of any pesticide produced in any registered establishment which he operates.

"(d) Confidential Records and Information.—Any information submitted to the Administrator pursuant to subsection (c) shall be considered confidential and shall be subject to the provisions of section 10.

### "Sec. 8. Books and Records.

"(a) Requirement.—The Administrator may prescribe regulations requiring producers to maintain such records with respect to their operations and the pesticides and devices produced as he determines are necessary for the effective enforcement of this Act. No records required under this subsection shall extend to financial data, sales data other than shipment data, pricing data, personnel data, and research data (other than data relating to registered pesticides or to a pesticide for which an application for registration has been filed).

"(b) Inspection.—For the purposes of enforcing the provisions of this Act, any producer, distributor, carrier, dealer, or any other person who sells or offers for sale, delivers or offers for delivery any pesticide or device subject to this Act, shall, upon request of any officer or employee of the Environmental Protection Agency or of any State or political subdivision, duly designated by the Administrator, furnish or permit such person at all reasonable times to have access to, and to copy: (1) all records showing the delivery, movement, or holding of such pesticide or device, including the quantity, the date of shipment and receipt, and the name of the consignor and consignee; or (2) in the event of the inability of any person to produce records containing such information, all other records and information relating to such delivery, movement, or holding of the pesticide or devices. Any inspection with respect to any records and information referred to in this subsection shall not extend to financial data, sales data other than shipment data, pricing data, personnel data, and research data (other than data relating to registered pesticides or to a pesticide for which an application for registration has been filed).

### "Sec. 9. Inspection of Establishments, Etc.

"(a) In General.—For purposes of enforcing the provisions of this Act, officers or employees duly designated by the Administrator are authorized—

"(1) to enter, at reasonable times, any establishment; and

"(2) to inspect and obtain samples of any pesticides or devices, packaged, labeled, and released for shipment, and samples of any containers or labeling for such pesticides or devices.

Before undertaking such inspection, the officers or employees must present to the owner, operator, or agent in charge of the establishment, appropriate credentials and a written statement as to the reason for the inspection, including a statement as to whether a violation of the law is suspected. If no violation is suspected, an alternate and sufficient reason shall be given in writing. Each such inspection shall be commenced and completed with reasonable promptness. If the officer or employee obtains any samples, prior to leaving the premises, he shall give to the owner, operator, or agent in charge a receipt describing the samples obtained and, if requested, a portion of each such sample equal in volume or weight to the portion retained. If an analysis is made of such samples, a copy of the results of such analysis shall be furnished promptly to the owner, operator, or agent in charge.

"(b) Warrants.—For purposes of enforcing the provisions of this Act and upon a showing to an officer or court of competent jurisdiction that there is reason to believe that the provisions of this Act have been violated, officers or employees duly designated by the Administrator are empowered to obtain and to execute warrants authorizing—

"(1) entry for the purpose of this section;

"(2) inspection and reproduction of all records showing the quantity, date of shipment, and the name of consignor and consignee of any illegal pesticide or device found in the establishment and in the event of the inability of any person to produce records containing such information, all other records and information relating to such delivery, movement, or holding of the pesticide or device; and

"(3) the seizure of any pesticide or device which is in violation of this Act.

"(c) Enforcement.—

"(1) Certification of facts to attorney general.—The examination of pesticides or devices shall be made in the Environmental Protection Agency or elsewhere as the Administrator may designate for the purpose of determining from such examinations whether they comply with the requirements of this Act. If it shall appear from any such examination that they fail to comply with the requirements of this Act, the Administrator shall cause notice to be given to the person against whom criminal proceedings are contemplated. Any person so notified shall be given an opportunity to present his views, either orally or in writing, with regard to such contemplated proceedings, and if in the opinion of the Administrator it appears that the provisions of this Act have been violated by such person, then the Administrator shall certify the facts to the Attorney General, with a copy of the results of the analysis or the examination of such pesticide for the institution of a criminal proceeding pursuant to section 16, when the Administrator determines that such action will be sufficient to effectuate the purposes of this Act.

"(2) Notice not required.—The notice of contemplated proceedings and opportunity to present views set forth in this subsection are not prerequisites to the institution of any proceeding by the Attorney General.

"(3) Warning notices.—Nothing in this Act shall be construed as requiring the Administrator to institute proceedings for prosecution of minor violations of this Act whenever he believes that the public interest will be adequately served by a suitable written notice of warning.

### "Sec. 10. Protection of Trade Secrets and Other Information.

"(a) In General.—In submitting this data required by this Act, the applicant may (1) clearly mark any portions thereof which in his opinion are trade secrets or commercial or financial information, and (2) submit such marked material separately from other material required to be submitted under this Act.

"(b) Disclosure.—Notwithstanding any other provision of this Act, the Administrator shall not make public information which in his judgment contains or relates to trade secrets or commercial or financial information obtained from a person and privileged or confidential, except that, when necessary to carry out the provisions of this Act, information relating to formulas of products acquired by authorization of this Act may be revealed to any Federal agency consulted and may be revealed at a public hearing or in findings of fact issued by the Administrator.

### "Sec. 11. Standards Applicable To Pesticide Applicators.

"(a) In General.—No regulations prescribed by the Administrator for carrying out the provisions of this Act shall require any private pesticide applicator to maintain any records or file any reports or other documents.

"(b) Separate Standards.—When establishing or approving standards for licensing or certification, the Administrator shall establish separate standards for commercial and private applicators.

### "Sec. 12. Unlawful Acts.

"(a) In General.—

"(1) Except as provided by subsection (b), it shall be unlawful for any person in any State to distribute, sell, offer for sale, hold for sale, ship, deliver for shipment, or receive and (having so received) deliver or offer to deliver, to any person—

"(A) any pesticide which is not registered under section 3;

"(B) any registered pesticide if any claims made for it as a part of its distribution or sale substantially differ from any claims made for it as a part of the statement required in connection with its registration under section 3;

"(C) any registered pesticide the composition of which differs at the time of its distribution or sale from its composition as described in the statement required in connection with its registration under section 3;

"(D) any pesticide which has not been colored or discolored pursuant to the provisions of section 25(c)(5);

"(E) any pesticide which is adulterated or misbranded; or

"(F) any device which is misbranded.

"(2) It shall be unlawful for any person—

"(A) to detach, alter, deface, or destroy, in whole or in part, any labeling required under this Act;

"(B) to refuse to keep any records required pursuant to section, or to refuse to allow the inspection of any records or establishment pursuant to section 8 or 9, or to refuse to allow an officer or employee of the Environmental Protection Agency to take a sample of any pesticide pursuant to section 9;

"(C) to give a guaranty or undertaking provided for in subsection (b) which is false in any particular, except that a person who receives and relies upon a guaranty authorized under subsection (b) may give a guaranty to the same effect, which guaranty shall contain, in addition to his own name and address, the name and address of the person residing in the United States from whom he received the guaranty or undertaking;

"(D) to use for his own advantage or to reveal, other than to the Administrator, or officials or employees of the Environmental Protection Agency or other Federal executive agencies, or to the courts, or to physicians, pharmacists, and other qualified persons, needing such information for the performance of their duties, in accordance with such directions as the Administrator may prescribe, any information acquired by authority of this Act which is confidential under this Act;

"(E) who is a registrant, wholesaler, dealer, retailer, or other distributor to advertise a product registered under this Act for restricted use without giving the classification of the product assigned to it under section 3;

"(F) to make available for use, or to use, any registered pesticide classified for restricted use for some or all purposes other than in accordance with section 3(d) and any regulations thereunder;

"(G) to use any registered pesticide in a manner inconsistent with its labeling;

"(H) to use any pesticide which is under an experimental use permit contrary to the provisions of such permit;

"(I) to violate any order issued under section 13;

"(J) to violate any suspension order issued under section 6;

"(K) to violate any cancellation of registration of a pesticide under section 6;

"(L) who is a producer to violate any of the provisions of section 7;

"(M) to knowingly falsify all or part of any application for registration, application for experimental use permit, any information submitted to the Administrator pursuant to section 7, any records required to be maintained pursuant to section 8, any report filed under this Act, or any information marked as confidential and submitted to the Administrator under any provision of this Act;

"(N) who is a registrant, wholesaler, dealer, retailer, or other distributor to fail to file reports required by this Act; or

"(O) to add any substance to, or take any substance from any pesticide in a manner that may defeat the purpose of this Act.

"(b) Exemptions.—The penalties provided for a violation of paragraph (1) of subsection (a) shall not apply to—

"(1) any person who establishes a guaranty signed by, and containing the name and address of, the registrant or person residing in the United States from whom he purchased and received in good faith the pesticide in the same unbroken package, to the effect that the pesticide was lawfully registered at the time of sale and delivery to him, and that it complies with the other requirements of this Act, and in such case the guarantor shall be subject to the penalties which would otherwise attach to the person holding the guaranty under the provision of this Act;

"(2) any carrier while lawfully shipping, transporting, or delivering for shipment any pesticide or device, if such carrier upon request of any officer or employee duly designated by the Administrator shall permit such officer or employee to copy all of its records concerning such pesticide or device;

"(3) any public official while engaged in the performance of his official duties;

"(4) any person using or possessing any pesticide as provided by an experimental use permit in effect with respect to such pesticide and such use or possession; or

"(5) any person who ships a substance or mixture of substances being put through tests in which the purpose is only to determine its value for pesticide purposes or to determine its toxicity or other properties and from which the user does not expect to receive any benefit in pest control from its use.

"Sec. 13. Stop Sale, Use, Removal and Seizure.

"(a) Stop Sale, Etc., Orders.—Whenever any pesticide or device is found by the Administrator in any State and there is reason to believe on the basis of inspection or tests that such pesticide or device is in violation of any of the provisions of this Act, or that such pesticide or device has been or is intended to be distributed or sold in violation of any such provisions, or when the registration of the pesticide or device has been canceled by a final order or has been suspended, the Administrator may issue a written or printed 'stop sale, use, or removal' order to any person who owns, controls, or has custody of such pesticide or device, and after receipt of such order no person shall sell, use, or remove the pesticide or device described in the order except in accordance with the provisions of the order.

"(b) Seizure.—Any pesticide or device that is being transported or, having been transported, remains unsold or in original unbroken packages, or that is sold or offered for sale in any State, or that is imported from a foreign country, shall be liable to be proceeded against in any district court in the district where it is found and seized for confiscation by a process in rem for condemnation if—

"(1) in the case of a pesticide—

"(A) it is adulterated or misbranded;

"(B) it is not registered pursuant to the provisions of section 3;

"(C) its labeling fails to bear the information required by this Act;

"(D) it is not colored or discolored and such coloring or discoloring is required under this Act; or

"(E) any of the claims made for it or any of the directions for its use differ in substance from the representations made in connection with its registration;

"(2) in the case of a device, it is misbranded; or

"(3) in the case of a pesticide or device, when used in accordance with the requirements imposed under this Act and as directed by the labeling, it nevertheless causes substantial adverse effects on the environment. In the case of a plant regulator, defoliant, or desiccant, used in accordance with the label claims and recommendations, physical or physiological effects on plants or parts thereof shall not be deemed to be injury, when such effects are the purpose for which the plant regulator, defoliant, or desiccant was applied.

"(c) Disposition After Condemnation.—If the pesticide or device is condemned it shall, after entry of the decree, be disposed of by destruction or sale as the court may direct and the proceeds, if sold, less the court costs, shall be paid into the Treasury of the United States, but the pesticide or device shall not be sold contrary to the provisions of this Act or the laws of the jurisdiction in which it is sold: *Provided,* That upon the payments of the costs of the condemnation proceedings and the execution and delivery of a good and sufficient bond conditioned that the pesticide or device shall not be sold or otherwise disposed of contrary to the provisions of the Act or the laws of any State in which sold, the court may direct that such pesticide or device be delivered to the owner thereof. The proceedings of such condemnation cases shall conform, as near as may be, to the proceedings in admiralty, except that either party may demand trial by jury of any issue of fact joined in any case, and all such proceedings shall be at the suit of and in the name of the United States.

"(d) Court Costs, Etc.—When a decree of condemnation is entered against the pesticide or device, court costs and fees, storage, and other proper expenses shall be awarded against the person, if any, intervening as claimant of the pesticide or device.

"Sec. 14. Penalties.

"(a) Civil Penalties.—

"(1) In general.—Any registrant, commercial pesticide applicator, wholesaler, dealer, retailer, or other distributor who violates any provision of this Act may be assessed a civil penalty by the Administrator of not more than $5,000 for each offense.

"(2) Private Pesticide Applicator.—Any private pesticide applicator who violates any provision of this Act subsequent to receiving a written warning from the Administrator or following a citation for a prior violation, may be assessed a civil penalty by the Administrator of not more than $1,000 for each offense.

"(3) Hearing.—No civil penalty shall be assessed unless the person charged shall have been given notice and opportunity for a hearing on such charge in the county, parish, or incorporated city of the residence of the person charged. In determining the amount of the penalty the Administrator shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person's ability to continue in business, and the gravity of the violation.

"(4) References to attorney general.—In case of inability to collect such civil penalty or failure of any person to pay all, or such portion of such civil penalty as the Administrator may determine, the Administrator shall refer the matter to the Attorney General, who shall recover such amount by action in the appropriate United States district court.

"(b) Criminal Penalties.—

"(1) In general.—Any registrant, commercial pesticide applicator, wholesaler, dealer, retailer, or other distributor who knowingly violates any provision of this Act shall be guilty of a misdemeanor and shall on conviction be fined not more than $25,000, or imprisoned for not more than one year, or both.

"(2) Private pesticide applicator.—Any private pesticide applicator who knowingly violates any provision of this Act shall be guilty of a misdemeanor and shall on conviction be fined not more than $1,000, or imprisoned for not more than 30 days, or both.

"(3) Disclosure of information.—Any person, who, with intent to defraud, uses or reveals information relative to formulas of products acquired under the authority of section 3, shall be fined not more than $10,000, or imprisoned for not more than three years, or both.

"(4) Acts of officers, agents, etc.—When construing and enforcing the provisions of this Act, the act, omission, or failure of any officer, agent, or other person acting for or employed by any person shall in every case be also deemed to be the act, omission, or failure of such person as well as that of the person employed.

"Sec. 15. Indemnities.

"(a) Requirement.—If—

"(1) the Administrator notifies a registrant that he has suspended the registration of a pesticide because such action is necessary to prevent an imminent hazard;

"(2) the registration of the pesticide is canceled as a result of a final determination that the use of such pesticide will create an imminent hazard; and

"(3) any person who owned any quantity of such pesticide immediately before the notice to the registrant under paragraph (1) suffered losses by reason of suspension or cancellation of the registration,

the Administrator shall make an indemnity payment to such person.

"(b) Amount of Payment.—

"(1) In general.—The amount of the indemnity payment under subsection (a) to any person shall be determined on the basis of the cost of the pesticide owned by such person immediately before the notice to the registrant referred to in subsection (a)(1); except that in no event shall an indemnity payment to any person exceed the fair market value of the pesticide owned by such person immediately before the notice referred to in subsection (a)(1).

"(2) SPECIAL RULE.—Notwithstanding any other provision of this Act, the Administrator may provide a reasonable time for use or other disposal of such pesticide. In determining the quantity of any pesticide for which indemnity shall be paid under this subsection, proper adjustment shall be made for any pesticide used or otherwise disposed of by such owner.

### "SEC. 16. ADMINISTRATIVE PROCEDURE; JUDICIAL REVIEW.

"(a) APPLICATION OF ADMINISTRATIVE PROCEDURE ACT.—Except as provided by subsection (b), subchapter II of chapter 5 of title 5 of the United States Code (sec. 551 and following, relating to administrative procedure) and chapter 7 of title 5 of the United States Code (sec. 701 and following, relating to judicial review) apply in respect of rules, rule making, orders, adjudication, licensing, sanctions, agency proceedings, and agency actions (as such terms are used in subchapter II of chapter 5 and in chapter 7 of title 5 of the United States Code).

"(b) JUDICIAL REVIEW.—In the case of actual controversy as to the validity of any order issued by the Administrator following a public hearing, any party at interest may obtain judicial review by filing in the United States court of appeals for the circuit wherein such person resides or has a place of business, within 60 days after the entry of such order, a petition praying that the order be set aside in whole or in part. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Administrator or any officer designated by him for that purpose, and thereupon the Administrator shall file in the court the record of the proceedings on which he based his order, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition the court shall have exclusive jurisdiction to affirm or set aside the order complained of in whole or in part. The court shall consider all evidence of record. The order of the Administrator shall be sustained if it is supported by substantial evidence when considered on the record as a whole. The judgment of the court affirming or setting aside, in whole or in part, any order under this section shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code. The commencement of proceedings under this section shall not, unless specifically ordered by the court to the contrary, operate as a stay of an order. The court shall advance on the docket and expedite the disposition of all cases filed therein pursuant to this section.

"(c) JURISDICTION OF DISTRICT COURTS.—The district courts of the United States are vested with jurisdiction specifically to enforce, and to prevent and restrain violations of this Act.

"(d) NOTICE OF JUDGMENTS.—The Administrator shall, by publication in such manner as he may prescribe, give notice of all judgments entered in actions instituted under the authority of this Act.

### "SEC. 17. IMPORTS AND EXPORTS

"(a) PESTICIDES AND DEVICES INTENDED FOR EXPORT.—Notwithstanding any other provision of this Act, no pesticide or device shall be deemed in violation of this Act when intended solely for export to any foreign country and prepared or packed according to the specifications or directions of the foreign purchaser.

"(b) CANCELLATION NOTICES FURNISHED TO FOREIGN GOVERNMENT.—Whenever a cancellation of the registration of a pesticide becomes effective, the Administrator shall transmit through the State Department copies of each notice of cancellation of a registration of a pesticide to the governments of other countries and to appropriate international agencies.

"(c) IMPORTATION OF PESTICIDES AND DEVICES.—The Secretary of the Treasury shall notify the Administrator of the arrival of pesticides and devices and shall deliver to the Administrator, upon his request, samples of pesticides or devices which are being imported into the United States, giving notice to the owner or consignee, who may appear before the Administrator and have the right to introduce testimony. If it appears from the examination of a sample that it is adulterated, or misbranded or otherwise violates the provisions set forth in this Act, or is otherwise injurious to health or the environment, the pesticide or device may be refused admission, and the Secretary of the Treasury shall refuse delivery to the consignee and shall cause the destruction of any pesticide or device refused delivery which shall not be exported by the consignee within 90 days from the date of notice of such refusal under such regulations as the Secretary of the Treasury may prescribe: *Provided,* That the Secretary of the Treasury may deliver to the consignee such pesticide or device pending examination and decision in the matter on execution of bond for the amount of the full invoice value of such pesticide or device, together with the duty thereon, and on refusal to return such pesticide or device for any cause to the custody of the Secretary of the Treasury, when demanded, for the purpose of excluding them from the country, or for any other purpose, said consignee shall forfeit the full amount of said bond: *And provided further,* That all charges for storage, cartage, and labor on pesticide or device which are refused admission or delivery shall be paid by the owner or consignee, and in default of such payment shall constitute a lien against any future importation made by such owner or consignee.

"(d) COOPERATION IN INTERNATIONAL EFFORTS.—The Administrator shall, in cooperation with the Department of State and any other appropriate Federal agency, participate and cooperate in any international efforts to develop improved pesticide research and regulations.

"(e) REGULATIONS.—The Secretary of the Treasury, in consultation with the Administrator, shall prescribe regulations for the enforcement of this section.

### "SEC. 18. EXEMPTION OF FEDERAL AGENCIES.

"The President by executive order may exempt any Federal agencies from any provision or all provisions of this Act if he determines that emergency conditions exist which require such exemption.

### "SEC. 19. DISPOSAL AND TRANSPORTATION.

"(a) PROCEDURES.—The Administrator shall, after consultation with other interested Federal agencies, establish procedures and regulations for the disposal or storage of packages and containers of pesticides and for disposal or storage of excess amounts of such pesticides, and accept at convenient locations for safe disposal a pesticide the registration of which is canceled under section 6(c) if requested by the owner of the pesticide.

"(b) ADVICE TO SECRETARY OF TRANSPORTATION.—The Administrator shall provide advice and assistance to the Secretary of Transportation with respect to his functions relating to the transportation of hazardous materials under the Department of Transportation Act (49 U.S.C. 1657), the Transportation of Explosives Act (18 U.S.C. 831–835), the Federal Aviation Act of 1958 (49 U.S.C. 1421–1430, 1472H), and the Hazardous Cargo Act (46 U.S.C. 170, 375, 416).

### "SEC. 20. RESEARCH AND MONITORING

"(a) RESEARCH.—The Administrator shall undertake research, including research by grant or contract with other Federal agencies, universities, or others as may be necessary to carry out the purposes of this Act, and he shall give priority to research to develop biologically integrated alternatives for pest control. The Administrator shall also take care to insure that such research does not duplicate research being undertaken by any other Federal agency.

"(b) NATIONAL MONITORING PLAN.—The Administrator shall formulate and periodically revise, in cooperation with other Federal, State, or local agencies, a national plan for monitoring pesticides.

"(c) MONITORING.—The Administrator shall undertake such monitoring activities, including but not limited to monitoring in air, soil, water, man, plants, and animals, as may be necessary for the implementation of this Act and of the national pesticide monitoring plan. Such activities shall be carried out in cooperation with other Federal, State, and local agencies.

### "SEC. 21. SOLICITATION OF PUBLIC COMMENTS

"In addition to any other authority relating to public hearings and solicitation of views, in connection with the suspension or cancellation of a pesticide registration or any other actions authorized under this Act, the Administrator may, at his discretion, solicit the views of all interested persons, either orally or in writing, and seek such advice from scientists, farmers, farm organizations, and other qualified persons as he deems proper.

### "SEC. 22. DELEGATION AND COOPERATION

"(a) DELEGATION.—All authority vested in the Administrator by virtue of the provisions of this Act may with like force and effect be executed by such employees of the Environmental Protection Agency as the Administrator may designate for the purpose.

"(b) COOPERATION.—The Administrator shall cooperate with the Department of Agriculture, any other Federal agency, and any appropriate agency of any State or any political subdivision thereof, in carrying out the provisions of this Act, and in securing uniformity of regulations.

### "SEC. 23. STATE COOPERATION, AID, AND TRAINING

"(a) COOPERATIVE AGREEMENTS.—The Administrator is authorized to enter into cooperative agreements with States—

"(1) to delegate to any State the authority to cooperate in the enforcement of the Act through the use of its personnel or facilities, to train personnel of the State to cooperate in the enforcement of this Act, and to assist States in implementing cooperative enforcement programs through grants-in-aid; and

"(2) to assist State agencies in developing and administering State programs for training and certification of pesticide applicators consistent with the standards which he prescribes.

"(b) CONTRACTS FOR TRAINING.—In addition, the Administrator is authorized to enter into contracts with Federal or State agencies for the purpose of encouraging the training of certified pesticide applicators.

### "SEC. 24. AUTHORITY OF STATES

"(a) A State may regulate the sale or use of any pesticide or device in the State, but only if and to the extent the regulation does not permit any sale or use prohibited by this Act;

"(b) such State shall not impose or continue in effect any requirements for labeling and packaging in addition to or different from those required pursuant to this Act; and

"(c) a State may assist the Administrator in the registration of pesticides formulated for intrastate distribution to meet specific local needs if that State is certified by the Administrator as capable of exercising adequate controls.

"SEC. 25. AUTHORITY OF ADMINISTRATOR

"(a) REGULATIONS.—The Administrator is authorized to prescribe regulations to carry out the provisions of this Act. Such regulations shall take into account the difference in concept and usage between various classes of pesticides.

"(b) EXEMPTION OF PESTICIDES.—The Administrator may exempt from the requirements of this Act by regulation any pesticide which he determines either (1) to be adequately regulated by another Federal agency, or (2) to be of a character which is unnecessary to be subject to this Act in order to carry out the purposes of this Act.

"(c) OTHER AUTHORITY.—The Administrator, after notice and opportunity for hearing, is authorized—

"(1) to declare a pest any form of plant or animal life (other than man and other than bacteria, virus, and other micro-organisms on or in living man or other living animals) which is injurious to health or the environment;

"(2) to determine any pesticide which contains any substance or substances in quantities highly toxic to man;

"(3) to establish standards (which shall be consistent with those established under the authority of the Poison Prevention Packaging Act (Public Law 91-601)) with respect to the package, container, or wrapping in which a pesticide or device is enclosed for use or consumption, in order to protect children and adults from serious injury or illness resulting from accidental ingestion or contact with pesticides or devices regulated by this Act as well as to accomplish the other purposes of this Act;

"(4) to specify that any class of devices shall be subject to this Act if he determines that the application of this Act in respect of such class is necessary to effectuate the purposes of this Act;

"(5) to prescribe regulations requiring any pesticide to be colored or discolored if he determines that such requirement is feasible and is necessary for the protection of health and the environment; and

"(6) to determine and establish suitable names to be used in the ingredient statement.

"SEC. 26. SEVERABILITY

"If any provision of this Act or the application thereof to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Act which can be given effect without regard to the invalid provision or application, and to this end the provisions of this Act are severable.

"SEC. 27. AUTHORIZATION FOR APPROPRIATIONS

"There is authorized to be appropriated such sums as may be necessary to carry out the provisions of this Act for each fiscal year ending June 30, 1972, June 30, 1973, and June 30, 1974. The amounts authorized to be appropriated for any fiscal year ending after June 30, 1974, shall be the sums hereafter provided by law."

Mr. KYL (during the reading). Mr. Chairman, I ask unanimous consent that the substitute amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Iowa?

There was no objection.

Mr. KYL. Mr. Chairman, the substitute amendment which I have offered does one thing. It makes one change in the committee bill. That change regards an item on which I am sure most of you have been receiving a considerable number of communications.

Mr. Chairman, under this bill all pesticides are classified as general use or restrictive chemicals. The committee thought that those which were classified for general use, the Federal Government should preempt because, after all, these are relatively safe chemicals. However, a big problem does not exist in that category.

I think most members of the committee agreed that it really does not make that much difference to accept that one amendment to give the States the right to add some restrictions on general use pesticides, and that is fine. We will accept that one amendment.

But, Mr. Chairman, I want to go back a little bit. I have been in Congress for only 6 terms, but I can say with honesty that I do not recall any instance in which any committee of this House has given more studious, more serious or more complete attention than was given to this bill by the Committee on Agriculture.

We began working on this bill in February. We held exhaustive hearings. We studied and analyzed the reports and journals, analyzed research, and developed an acquaintance with chlorinated hydrocarbons, organophosphorous synthesis, with the dichlorophenory acetic acids, esters and salts

We studied the buildup of residues in the lipides of fish, and examined the alleged carbonic enzyme anhydrase in raptors and the opposite effect in gallinaceous birds. We studied chemical effects on fucoids.

We looked at the possibilities for alternate controls such as utilization of sex attractants, and hormonal control as well as the gamma treatment.

We labored 6 months and we brought forth a bill, a fresh new committee print, and even then we went back for further review because the Environmental Protection Agency wanted one provision added and the State Department wanted one subtracted, and we did those two things. Then, the committee said that this is a good bill. The Environmental Protection Agency said this is a good bill and the administration said this is a good bill, and I believe that the House will concur that this is a good bill by accepting this one amendment on State regulation of general use pesticides and then turn back the others because this is actually a balanced piece of legislation.

Mr. Chairman, this balance was difficult to obtain. We add a pinch here and take a little away there and the first thing you know we have a bill which has lost the balance which is so essential to this kind of regulatory system. We will accept this one amendment which appears critical to a number of us and which gives the State the right to further restrict the general use pesticides but with the rest of the amendments we cannot agree.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. KYL. Yes, I yield to the gentleman from California.

Mr. TEAGUE of California. If I understand correctly what the gentleman is doing by his substitute is in a different form accepting a proposal similar to what is known as the "Foley amendment" or the "States rights amendment" which would give each and any State which wishes to do so to prescribe more rigid requirements than those laid down by the Federal Government.

Mr. KYL. That is correct.

Mr. TEAGUE of California. It has my full support, and I heartily recommend it to my colleagues.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Texas.

Mr. POAGE. Mr. Chairman, of course I cannot speak for the committee as a whole because obviously this matter has come up without any chance of having been discussed by the full committee, but speaking for myself, and I am sure for some of my colleagues on the committee, I would suggest that it seems apparent that this amendment does achieve that which most of the Members would like to achieve. Certainly no harm can come from its adoption. Therefore, as far as I am concerned, I would accept the amendment.

Mr. DOW. Mr. Chairman, will the gentleman yield so that I may interrogate him?

Mr. KYL. I will yield to the gentleman from New York.

Mr. DOW. In other words, let me say that the amendment would go to one of the six amendments that I offered, namely, to enlarge the ability of the States to regulate pesticides of general use in their own area?

Mr. KYL. That is correct.

Mr. DOW. The other five amendments that I detailed in my amendment, or in my substitute, rather, are left out. I then inquire of the gentleman from Iowa are you paying no regard to this concept that I have explained which would give the administrator——

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent, Mr. KYL was allowed to proceed for 3 additional minutes.)

Mr. KYL. I yield further to the gentleman from New York.

Mr. DOW. In other words, your substitute would ignore the point that I have been making; namely, that the bill contains too many snares and pitfalls for the Administrator to properly administrate the bill, and to do so in an efficient and easy manner?

Mr. KYL. If the gentleman will permit me to respond to that, the committee labored on this bill for 6 months. We do not believe—that is, the general membership of this committee does not believe—there are snares and pitfalls. The EPA has approved this bill. The administration has approved this bill. The committee has given overwhelming support to this bill.

In one of his amendment the gentleman says, for instance, that the Administrator of the EPA has the burden of determining whether a pesticide should be used or not. We do not know how he can interpret the language of the bill in this respect because he strains the language beyond belief. It places the responsibility for whether a pesticide is safe for use on the Administrator. It does not place any burden on the Administrator to prove the pesticide is safe for use. The Administrator has the determination as to whether a pesticide is safe or not. I do not know how the language in the bill could be made more strong. Certainly when we have labored as long as we did on this bill, and when we have reached unanimity of opinion and when we have reached the balance that we have in this legislation, we do not want to destroy the whole piece of legislation by adding something that some Member might want to put in clause 1 on page 10 of the bill.

This is a good bill. The committee approved the bill. The administration approved the bill, and the bill ought to be adopted in the form that it is with the exception of this one amendment which my provision makes clear.

Mr. MIZELL. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from North Carolina.

Mr. MIZELL. Mr. Chairman, I thank the gentleman from Iowa for yielding. Also I want to congratulate the gentleman for offering this amendment. Within this legislation there is a Federal-State partnership. I see no reason why a State should not have the right to regulate insecticides. The substitute amendment offered by the gentleman in the well, Mr. Kyl, would preserve this authority for the States and make it a better bill.

So, Mr. Chairman, I urge the adoption of the substitute amendment offered by the gentleman from Iowa (Mr. Kyl).

The CHAIRMAN. The time of the gentleman from Iowa has again expired.

Mr. GOODLING. Mr. Chairman, I rise in support of the Kyl amendment and in opposition to the Dow amendment.

For the information of the Members, I was responsible for inserting in the committee bill, the section which Mr. Kyl now proposes to delete. I still think it is a good section, put in there more or less to protect farmers.

In the interest of harmony, and this entire bill is built around harmony, I have agreed that this section should come out.

In accord with what Mr. Kyl said—in 23 years of legislative service, I have never seen a bill, any bill, in any House that has been given as much consideration as this particular bill. It is definitely a compromise bill. There is no individual, no organization, no chemical company, no conservation group and no Commission or board in the Federal Government that receives everything it wanted in this bill, but all are pretty well agreed that this is now a good compromise bill.

I think I can assure the Members of this House, if we accept the Dow amendments, we will have absolutely no bill and then we will have nothing but mass confusion. I support the Kyl amendment and urge the House to vote in favor of the Kyl amendment and vote down the amendments offered by the gentleman from New York (Mr. Dow).

Mr. OBEY. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 368]

Alexander
Anderson, Tenn.
Archer
Ashley
Barrett
Belcher
Bevill
Blanton
Boggs
Brotzman
Brown, Mich.
Buchanan
Carey, N.Y.
Celler
Clark
Clawson, Del
Clay
Collins, Tex.
Colmer
Conyers
Crane
Dellenback
Derwinski
Diggs
Dingell
Dowdy
Dulski
Eckhardt
Edwards, La.
Erlenborn
Ford, William D.
Fraser
Frelinghuysen
Gallagher
Gray
Griffiths
Gubser
Gude
Halpern
Hébert
Horton
Keith
Landgrebe
Lloyd
Long, La.
McCloskey
McDade
McEwen
McFall
McKinney
Metcalfe
Mollohan
Monagan
Morse
Mosher
Moss
Nedzi
Nelsen
O'Hara
Patman
Pelly
Pepper
Pettis
Railsback
Rees
Reid, N.Y.
Riegle
Rodino
Ruppe
Scheuer
Schwengel
Seiberling
Smith, Calif.
Smith, N.Y.
Stanton, J. William
Steed
Steele
Symington
Teague, Tex.
Thompson, N.J.
Vigorito
Whitten
Wilson, Bob
Wilson, Charles H.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. Hungate, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 10729, and finding itself without a quorum, he had directed the roll to be called, when 346 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

### AMENDMENT OFFERED BY MR. EVANS OF COLORADO TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. KYL FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. EVANS of Colorado. Mr. Chairman, I offer an amendment to the substitute amendment offered by the gentleman from Iowa (Mr. Kyl).

The Clerk read as follows:

Amendment offered by Mr. Evans of Colorado to the substitute amendment offered by Mr. Kyl: Page 47, strike out line 13 and all that follows thereafter through page 48, line 17.

Mr. EVANS of Colorado. Mr. Chairman and Members of the Committee, the indemnity section of the Federal Environmental Pesticide Control Act should be stricken from the bill.

If this section becomes law the U.S. Government will be insuring all manufacturers, wholesalers, retailers, and users of hazardous pesticide products against any loss suffered because a particular pesticide product has been found to constitute an imminent danger to the public or to the environment.

Permission to sell and use a pesticide product should mean only that the particular product has passed the minimum safety requirements set by the Government. Such permission to sell and use pesticides, however, should not amount to a blanket endorsement of the product or a guarantee to the manufacturer or user of its safety in the future.

If this sound public policy of mere permissive manufacture and use is to be substituted by a policy of complete insurance to all against loss, as is contemplated in the indemnity section of this bill, I believe we should now take a frank look at the consequences.

First. Manufacturers will lose a powerful incentive to test thoroughly in the first instance and will have no reason to continue testing once a product is cleared for the market. Why? Because Uncle Sam will pay for all loss the manufacturer may suffer if further tests disclose the product constitutes an imminent hazard.

Second. As the indemnity section is written producers will gain the profits while the risk of loss is underwritten by the Government. This is certainly not in keeping with the free enterprise system.

Third. The money for indemnities will come out of EPA's budget. Therefore, the reluctance to declare a product an "imminent hazard" will be increased a thousandfold as indemnities in certain circumstances could account for millions of dollars that would have to be added to EPA's budget.

Fourth. Indemnities in this bill are to be paid even if the Government was not at fault or in error in certifying the product initially or negligent in stating a product is an "imminent hazard."

Fifth. This indemnity section would constitute precedence for amending other laws for the purpose of extending this principle of full insurance to all manufacturers of drugs, food additives, cosmetics, flammable fabrics, toys, and so forth—and this list will inevitably be extended in the future as the Government increasingly requires regulation of hazardous products to protect the environment and the consumer.

Sixth. The unlimited scope of the indemnity section of this bill is unprecedented. Congressman Foley in his minority report to this bill underscored this point when he stated:

> I do not believe that it is wise to undertake so broad and far reaching a policy of indemnity for the imposition of government prohibitions on hazardous substances. I find it particularly difficult to support this section of the bill when the committee rejected what seemed to me to be an imminently reasonable limitation on the amount of pesticides or devices indemnity might be claimed; namely, no more than a twelve month supply.

There may be limited circumstances where Government negligence or error would require the paying of an indemnity, but this is no warrant for the general and open-ended indemnity provision contained in this bill. This section will cost the taxpayers millions of dollars, while in fact leading to less safety for the public and environment. Therefore it must be rejected.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I yield to the distinguished chairman.

Mr. POAGE. Mr. Chairman, can the gentleman give us the authority for the statement that this will cost the public millions of dollars? What estimates have you got? What are your figures?

Mr. EVANS of Colorado. We have seen in the last several months products that have been taken from the market in the United States that have been manufactured by various manufacturers. There have been estimates in the newspapers which I cannot vouch for, but which have been emanating from the manufacturers themselves on the cost of withdrawing this product or others and it runs into the hundreds of thousands of dollars.

Mr. POAGE. Can the gentleman name one single pesticide that has been suspended within the last 9 months?

Mr. EVANS of Colorado. No, sir.

Mr. POAGE. I do not think there has been one.

Mr. EVANS of Colorado. No, sir; but looking into the future, and that is what we are doing when we are talking about a policy that is as important as this, we have to understand what the taxpayers are going to be liable for.

We have heard about the recent Stokely case where the Government said that there may have been botulism and required the recall of thousands of cans of beans.

The CHAIRMAN. The time of the gentleman from Colorado has expired.

(Mr. EVANS of Colorado asked and was given permission to proceed for 2 additional minutes.)

Mr. EVANS of Colorado. Mr. Chairman, as I understand the situation, the Government declared that there was botulism in a certain batch of, I believe it was, green beans of the Stokely Co. At the request of the Government, Stokely withdrew, I think it was, in excess of 50,000 of these cans or cases. Shortly thereafter the Government admitted that it had not found botulism.

This is a perfect example, I believe, of where the Government is liable and should be liable, and the company can, and I think they should recover, because the Government itself made a mistake. But that is an entirely different situation than what we are talking about here. Pesticides that may be used but which are later found to constitute an imminent danger to persons and to the environment in the situation now before us. I think the distinction can be clearly made. For these reasons I think the section should be stricken from the bill.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. EVANS of Colorado. I am happy to yield to the gentleman from Indiana.

Mr. MYERS. The gentleman mentioned the Stokely-Van Camp Co. and the botulism threat. The broadcast news media covered the impending threat, it will be recalled, quite extensively. I know I heard it announced a number of times, that a certain brand or a certain number of their output had been recalled. I wonder how many consumers in this country destroyed all of their canned beans only to find out later by reading the newspapers that it was unnecessary to do so. Does the gentleman know how much time was devoted by the news media to announce that the recall had been canceled? Is the gentleman familiar with that at all?

Mr. EVANS of Colorado. No.

Mr. MYERS. I never heard that the recall of all this material had been canceled until I read it in the newspaper in the last 2 or 3 days.

Mr. EVANS of Colorado. The point which the gentleman has made is illustrative of how, when the Government has been negligent, the damage can be hard to estimate because it goes far beyond the wholesaler who has a certain supply on hand.

Of course, none of us can be held responsible for the news media. I would hope there would be greater emphasis on correcting such mistakes.

Mr. TEAGUE of California. Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Colorado.

The CHAIRMAN. The gentleman from California is recognized for 5 minutes.

Mr. TEAGUE of California. I shall try not to take the 5 minutes. But I think this ought to be put in perspective. We are talking about authorizing indemnification for a manufacturer or a dealer or a farmer who has purchased or has manufactured a pesticide after that pesticide had been authorized and certified by the Federal Government as being safe. I can well imagine one of Mr. SISK's large growers up in the San Joaquin Valley of California having $50,000 or $100,000 invested in a pesticide in his warehouse. He is not negligent. The Government has said itself it is a perfectly safe chemical to use. He has invested his money in it.

I can imagine dealers throughout the country with hundreds of thousands or even millions of dollars invested in pesticides which are in their storehouses. Then the Government comes along and changes its mind. It says, "No, this is not safe"—after perfectly good-faith action by the manufacturer, the dealer, or the farmer.

It seems to me under those circumstances certainly the innocent party should be indemnified.

Mr. FOLEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. PRICE of Illinois. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Illinois.

Mr. PRICE of Illinois. Mr. Chairman, the pesticide bill reported out by the House Agriculture Committee—H.R. 10729—is out of step with the times. It fails to reflect the deep concern of the American people over the vast quantities of chemicals being poured into the environment every year and the tragic effects of these chemicals. It fails to establish procedures that will properly control the use of pesticides.

It is clear that in the past our Government has not had adequate regulations concerning pesticides to protect health and the environment. But I regret to say that H.R. 10729 does not help the situation. In fact, a number of provisions in the bill, such as the preemption of States' authority and the limitations on judicial review, are a step backward from present law.

We must face up to the fact that tough regulations are needed to protect not only public health and the environment, but also the farmer. The committee's bill bends over backward to protect the manufacturers' data, to the point where competition is restrained, which will result in higher prices for pesticides for the farmer.

The whole concept of the administration's original proposal has been altered and watered down. Their bill would have classified pesticides in three categories: "general use"—for safe products that anyone could use; "restricted use"—for products that had some risk and could only be applied by a "licensed pesticide applicator" who would be licensed by the State; "use by permit only—for the very dangerous products which are toxic to humans or severely damaging to the environment. This would have been a prescription type system.

Unfortunately, the committee chose to throw out this "permit" category, thereby weakening the entire concept. Further, the bill allows pesticides to be registered as both general use and restricted use, and as a final blow to the entire concept and workability, the bill forbids the States from continuing their own permit systems. Although the bill says that it is illegal to use a pesticide for a purpose for which it is not registered, as long as dangerous chemicals are available they can be misused and there will be accidents.

We must not forget that we are talking about highly dangerous substances. For example, according to Russell Train, Chairman of the Council on Environmental Quality, last year pesticides were involved in the death of an estimated 200 people in the United States.

There is no exact data on nonlethal poisonings due to pesticides, but in 1969, the latest year for which figures are available, the Poison Control Center in the Food and Drug Administration reported 5,747 cases of accidental ingestion or poisoning due to pesticides. The Center estimates that this probably represents only 10 to 15 percent of the cases which actually occur.

The toxic effects of pesticides on wildlife have also been widely documented.

Therefore, in our efforts to rewrite a major Federal statute we should be responsive to the needs of the public. By adopting the amendments which Mr. Dow is offering we can meet our obligations. I urge my colleagues to vote for the amendments.

Mr. VANIK. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Ohio.

Mr. VANIK. Mr. Chairman, the Federal Environmental Pesticide Control Act of 1971, which we are considering today, has been called regulatory legislation to protect the environment. In reality, the act creates loopholes for those who manufacture and use pesticides. It fails to make more stringent qualifications for registration. If this bill is passed in its present form, it would be a severe setback for those who are concerned for our environment and the health of our citizens.

There are three serious defects in this bill which will seriously hinder effective regulation of these dangerous chemicals.

First, it excludes the public from the decisionmaking process of pesticide registration and permits. In the past 10 years, the strong support for the public interest in this area has consistently been expressed by environmental and consumer groups in public hearings. This bill, however, would leave the registration process for pesticides solely up to the chemical manufacturer—who has an obvious economic interest—and the Environmental Protection Agency, who has to act as both the public defender and the judge of the entire proceeding. The general public would be denied any opportunity to make an input into registration decisions. I can only see this as a step backward in environmental responsibility.

Second, this bill lowers the standards for protection of public health and the environment and places more emphasis on economic analysis and impact. When we place economic factors ahead of the health hazard factors for people, our priorities need serious reevaluation. In the bill, the Administrator is tempted to favor certain economic benefits to the companies, rather than dealing with indefinite health hazards. Thus pressure is put on the Administrator to register certain pesticides despite speculation about long-range health hazards and damage to the environment that could be caused by the widespread use of that chemical.

Third, and this is the most blatantly regressive feature of the bill, it shifts the "burden of proof" concerning safety, from the manufacturer to the Environmental Protection Agency. Under this bill, the Administrator of the Environmental Protection Agency has the duty and the burden of finding out if every chemical that the industry is using is environmentally unsound. With the current production of nearly 60,000 pesticide products and derivatives, this is an unfeasible and ineffective provision.

The bill in its present form is an emaciated piece of legislation that will have little effect in controlling the registration of pesticides. H.R. 10729 substantially weakens strong clear-cut approaches incorporated in the laws of many States.

I would like to see pesticides treated in the same way as prescription drugs, which are controlled over the counter. This bill fails to set up any mechanisms for registration and use, relying on a loosely drawn procedure for licensing applicators, and in effect abolishes existing procedures on the State level.

I support my colleague from New York (Mr. Dow) in his amendment to H.R. 10729 to strengthen this bill.

This amendment will preserve the authority of the States to further restrict the general use of pesticides.

In this amendment, the language of the bill would be changed on the restriction of data submitted in support of an application for registration. This provision would place the "burden of proof" back onto the chemical manufacturers. The amendment would require complete disclosure of data which tends to prove a substantial environmental effect or lack of effect of a pesticide. This is the only way the technological burden of this problem of registration of pesticides could be reasonably accomplished. In this same area, the amendment also would allow consumer and environmental groups to challenge an Administrator's orders or an application for registration.

Many of the pesticides now used are not essential to the agricultural or industrial output of our Nation. The substitute measure would be a major step forward by permitting the Environmental Protection Agency to deny registration of a pesticide on the grounds that its use is not essential.

Unless this bill is strengthened to control the needless use of these environmental poisons, I will have to oppose it.

We have poisoned the land. We have poisoned the water. We are destroying the oceans of the world with runoff pesticides. Soon, unless we bring rational controls to this problem, we will poison ourselves.

Mr. FOLEY. Mr. Chairman, I rise in support of the Evans amendment. I cannot support the indemnity section of the bill as reported. The committee bill requires full indemnity by the Government to all manufacturers, wholesale and retail distributors as well as to farmers and other private users of pesticides whenever a registration is suspended or canceled. The committee refused to accept any limitations on the Government's indemnity obligation. An eminently reasonable amendment was offered in the committee to limit the indemnity obligation to a level no greater than the value of the holder's normal supply—in no case more than a 12-month supply. The committee rejected even this modest limitation so that the bill as reported would indemnify the holder of a canceled pesticide for any amount of stock he might have on hand.

Actually, I believe the danger of economic loss from wasted stocks is grossly exaggerated. First, there is little likelihood that cancellations or suspensions would be numerous or sudden. The rigorous registration process itself will minimize cancellations. Moreover, the time required, even in those limited cases, to conclude administrative action would be more than sufficient to make the risk of economic damage from unused stocks very remote, indeed. The farmer or private user does not typically retain large, long-term stocks of pesticides. Such stocks would probably long be exhausted by the time cancellation was concluded. For the same reasons, I also frankly doubt the gravity of the risk to distributors or even manufacturers.

In any event, the real risk posed by suspension or cancellation to a manufacturer is surely not primarily the supposed unusable inventory of the product. Is it not the loss of the investment in the more important areas of research, promotion, market development, and all the related interests that a company has in product identification and acceptance? I would be surprised if indemnification of the stocks on hand would be that meaningful in most forseeable cases.

Why then should we be concerned with the indemnity provision? If the risk of loss is not great why worry about the cost of indemnity? It is not the dollar cost of this provision that worries me. I believe it is a matter of grave concern because its adoption would establish a precedent that is bound to be confusing and troublesome in all those areas in which the Government acts to protect the public health and safety. Food products, cosmetics, drugs, fabrics, toys, automobiles, mechanical devices, aircraft, ships—there is hardly a category of products sold or used in commerce over which the Government does not assume important jurisdiction where there is the need to protect the public health of safety. The means by which the Government extends its protection vary from the moderate and temporary to the punitive and permanent. In extreme cases plants can be closed, products seized, property destroyed—all without compensation.

The committee bill introduces a new and startling principle, that acting in a similar area of jurisdiction to that of food and drug regulation, the Government must automatically and without limit pay indemnity. Negligence or even fault on the part of the manufacturer would not excuse the Government's obligation to pay.

The Government can only buy and buy and buy the products it declares unfit to sell. In the worst cases it may prosecute the manufacturer but at the same time it must indemnify him.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Texas.

Mr. POAGE. Mr. Chairman, the language on page 47, section 15, part II of the bill, reads—and this is one of the requirements before anybody can get any indemnity:

> "(2) the registration of the pesticide is canceled as a result of a final determination that the use of such pesticide will create an imminent hazard;

That is for the protection of the public and not of the manufacturer.

Mr. FOLEY. But I suggest to the chairman that the committee bill would establish in its indemnity provisions a remarkable and dangerous precedent—the precedent that, when the Government acts with the highest responsibility to protect the public health and safety, it must indemnify those adversely affected, even when they are negligent or at fault.

If there are cases of severe hardship or compelling equity based on misconduct or fault by the Government or other special circumstances which would appear to need indemnity, Congress is fully competent to make those special judgments or authorize judicial remedy. Bills can be introduced to indemnify, as in the case of bottlers, canners, users of cyclamates, and others.

Mr. COLLIER. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Illinois.

Mr. COLLIER. Can the gentleman explain, if we are supposed to handle it individually, then why do we have so much difficulty with arranging for passage of individual bills retrospectively?

Mr. FOLEY. I would say if we have difficulty in passing single case indemnification bills, it is probably because the Members may have doubts about a bill's merits and if that is true how can we turn around today and pass a prospective general indemnification that covers unknown situations and obligations.

If individual indemnification bills are difficult to pass when we know all the facts and circumstances, I should think it would be unthinkable that we approve so unrestrained and uncertain an indemnification proposal as that before us today.

The Agriculture Committee was obviously well intended but the consequence of following the committee in this instance will be a result seriously adverse to the formulation of any intelligent and equitable policy in the critical area of public health and safety.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. FOLEY. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, we have to deal with this bill as it is brought to us on the floor today. They are the ones who will be giving this indemnification. It is a matter of principle. I would be very concerned about an extension of this principle in the case of drugs. Many drugs are lawfully on the market that may be found to be harmful in the future. If we are talking about indemnifying drug companies, for instance, in the case of thalidomide, it would have been necessary to indemnify producers of that drug after it was found to be harmful to health.

Mr. FOLEY. Exactly. If we are to be consistent with the principle established in the committee bill we will be led down not one but many twisted paths in an attempt to reconcile pesticide indemnity policy with the radically different procedures used to protect the public in other areas of commerce. At the very minimum, we should set aside the indemnity provisions of this bill for further consideration until we have had a chance to review its application to this entire area of Government policy, responsibility and procedure in some intelligent and consistent way. If in this most sensitive and critical area of Government policy, namely the safety and health of our citizens and the protection of our natural environment, we establish a questionable, dangerous, and confusing precedent such as the committee indemnity section would do, I believe we have undone any benefit that the early enactment of this bill might provide with its early positive features. The adoption of the Evans amendment and several offered by Mr. Dow are key corrections necessary if this legislation is to be a step forward and not a step backward.

Mr. KYL. Mr. Chairman, I move to strike the requisite number of words, and I rise in opposition to the Evans amendment.

Mr. Chairman, all this indemnification provision in this bill says is that if the Government, having approved a product for use and having approved it for distribution and having approved the manufacture, if that same Government then on a day certain says, "Thou shalt not any further use this product which we said was all right to use," then the individual who owns some of this product shall be indemnified. It is through the action of the Government in the interest of the public we are protecting, and this Government says we should take that product off the market, there should be indemnification.

Now, there is more involved than that. Actually, under normal circumstances, in the majority of times, the Department undoubtedly would say, "We are investigating product X. Do not manufacture any more of this because we are thinking of taking it off the market. We will approve its use to a certain period, and then we will stop its use."

But we still are not getting to the real heart of the discussion. This bill is not designed to protect manufacturers of chemicals. This bill is not designed to protect farmers. It is designed to protect consumers and the enviromnent.

Why do we say we should idemnify manufacturers or users of those pesticides if taken off the market? This is why. It costs from $4 million to $12 million to synthesize any new pesticide for use. That is $4 million to $12 million.

If a company on which we have to rely for the development of alternative controls for insects has spent $4 million to $12 million, risks losing not only its investment but all of its manufacture, what company in good sense is going to try to develop any new product?

We have tried all kinds of alternatives to chemical uses. We have now all kinds of chemical uses, like chlordane, lindane, methoxychlor, dieldrin, aldrin, toxaphene, and dozens of others.

We do not like those methods as a permanent solution to the control of insects, so this Government is experimenting with alternate controls. Our colleges are experimenting. Our Ag experiment station is working.

But what entity has put the most money into this reesarch? It is the private economy. I know of one laboratory which has spent millions of dollars trying to develop a hormonal control of insects. The control would work only on one specific insect. It would have great specificity. It will not kill any bug you do not want to kill.

Fourteen companies already have stopped putting any money into alternate controls for insects because of the fear of having the product removed from the market, because they might get caught in an untenable situation. They cannot justify that kind of research to their stockholders.

There has to be some provision in this bill which will keep from killing the goose that has to lay the egg of alternative controls. We do not have them. It is the private companies that are going to have to develop them.

Whether this indemnification becomes a bad thing or a good thing depends entirely on how the administration uses it, and Congress certainly has oversight over it.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. KYL. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. I thank the gentleman for yielding. I think the discussion is certainly on the point and brings into better light the very point I am trying to direct attention to; that is, the precedent we are starting here.

The gentleman talks about an expenditure of $4 million plus for just one product. This could be a fact, surely, but the situation points up what could be applied one hundred times over in the drug industry, where millions and millions of dollars of private enterprise money are spent already in the search for better drugs for Americans. We have not offered this indemnification to them. If we offer it to the pesticide companies, how can we refuse to offer it to the drug companies?

Mr. KYL. The gentleman asks a question to which I shall gladly respond.

When this Government, in the interest of the public generally, takes an action which costs certain individuals money I do not believe it is conscionable not to pay them, any more than it would be conscionable to take a man's property from him for a road or a dam or anything else without compensation. If for the public good the Government takes an action which injures someone there should be a matter of recourse on the part of that individual to recoup the loss which was made possible by the Government action in the interest of the public.

Mr. EVANS of Colorado. I concur.

Mr. KYL. That is not a precedent. We have done that since the beginning.

Mr. EVANS of Colorado. The gentleman says "When the Government takes an action that results in an injury to someone," and I agree with that.

Mr. GOODLING. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, let me first say that I trust the applegrowers in the State of Washington were tuned in during the last 10 minutes.

I would like to put this matter in its proper perspective. I happen to know something about fruitgrowing. More than any other branch of farming, probably. When I want to spray tomorrow, I do not wait until this afternoon to buy my insecticide. Most of the insecticides are bought early in the spring and are there in the packinghouse ready to be used when necessary.

I want to say this further—and Mr. Kyl has already brought this out—that companies spend millions and millions of dollars to put these pesticides on the market. Not a single one is ever put on the market unless it is first thoroughly tested. I am certain that practically every experiment station in the entire United States does exactly what we do at our experiment station at Arendtsville. Every new pesticide which has to do with fruitgrowing is thoroughly tested by the people in the Department of Agriculture at the Penn State University. That is done all over the country, not only my people at Arendtsville. Every experiment station gets it. It is thoroughly tested before a request to register goes to EPA. When my fruitgrowers in Pennsylvania and the fruitgrowers in the State of Washington and in every other State buy a pesticide they buy it in good faith. They know that it has been tested probably by their own experiment station and that it has also been cleared by the Federal Government.

If overnight, as has been said, the Federal Government decides that it is a bad pesticide, then who is responsible for that? If we continue to do this sort of thing, sooner or later the chemical companies are simply not going to experiment. As a result, we will have no pesticides.

Mr. DICKINSON. Mr. Chairman, will the gentleman yield?

Mr. GOODLING. Yes. I yield to the gentleman.

Mr. DICKINSON. I would like to ask a question of the gentleman in the well. I am usually in accord with him on every piece of legislation that comes along, but I am confused in this, because we probably have interference on this issue.

Is it your contention that none of the pesticides that have been used in the past were ones that were approved initially but somewhere down the line it was found that they had effects that were not anticipated and were withdrawn from the market? This is a fact, and it has happened in the past, has it not?

Mr. GOODLING. If that does occur, then the Federal Government should be responsible for that loss if the Federal Government cleared it originally.

Mr. DICKINSON. This is not predicated on negligence, as I understand it. If some side effect or injury occurs through a buildup in the system through the use of these materials, such as in the case of DDT, for instance, do you think then that the Federal Government should be in the position of absolutely insuring every effect of a product when it puts its stamp of approval on it even though it cannot be anticipated at the time the Government approves it that this will happen?

Mr. GOODLING. I am not willing to admit that everything the Federal Government does is right in the first place. I am thinking primarily of things of this nature. The latest thing that I think of is the cyclamates coming into the picture. Practically overnight the Food and Drug Administration said that you can no longer use cyclamates. In a warehouse in my own congressional district in Pennsylvania a California company had $2 or $3 million worth of canned fruit. To the best of my knowledge, it is still standing there. That fruit was packed in good faith. The right was given by the Food and Drug Administration. I am asking you, is that particular company responsible for something it did in good faith? I do not think so.

Mr. DICKINSON. I think to carry it to its logical conclusion, then, that you are going to make the Federal Government the absolute insurer of all the food that goes on the store shelves.

If it turns out that some product is possibly dangerous, is the Federal Government going to idemnify every manufacturer? I do not know how far they are going to carry this. However, it seems to me we are going to the extreme on this particular issue.

Mr. GOODLING. I want to carry this one step further.

The gentleman from Iowa (Mr. Kyl) talked about biological control. In the State of Washington they have been working on biological controls for codling moths for a good many years. They are still using pesticides. They are going to continue to use them. Probably, biological controls will come into the picture, but they are not in it now very successfully.

Mr. OBEY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in support of the amendment which has been offered by the gentleman from Colorado (Mr. Evans).

I think it is important that it be made clear just what we are facing here today.

This bill as it came from the committee would prohibit States from enacting stricter regulations for general use pesticides than the Federal Government may eventually provide. That provision is shortsighted and dangerous and unnecessary. The amendment which has been offered by the gentleman from Iowa (Mr. Kyl) takes care of that problem.

However, Mr. Chairman, there are a good many other problems to which the Kyl amendment does not address itself but to which the Dow amendment does.

The Kyl amendment, for instances, does not require the manufacturer to prove that his product will not have a substantial adverse effect on the environment. Instead, it places the burden of proof on the Federal Government. Clearly, this puts the monkey on the wrong back.

There is no reason whatsoever to treat chemical manufacturers any differently than drug manufacturers who under the food and drug law must file information to show beyond a reasonable doubt that their drug is safe for public use. Yet, if the amendment of the gentleman from Colorado is not adopted we will be setting up that precise dichotomy. We will be giving it both ways to pesticide manufacturers. What we will be saying, in effect, if this amendment does not pass is the manufacturer will be given an overwhelming advantage in the question of whether or not its pesticide should be approved. Yet, afterward, if new evidence comes to light, in spite of the efforts of the pesticide manufacturers, which shows that that chemical is dangerous, the chemical manufacturer would still be reimbursed for his trouble and expense.

What this means is that the chemical manufacturer will be able to lobby the Environmental Protection Agency like crazy. It will be able to get its chemical registered. Yet, later on, if new evidence comes to light that the chemical is not acceptable, it will still be paid for their trouble. I think that is wrong.

Mr. Chairman, there are a great many other problems that I think we ought to understand. Under this bill and under the Kyl amendment only those attempting to register pesticides would be able to obtain court review or a decision to register or not to register a pesticide. No such opportunity would be available to those trying to stop registration.

I think in considering the amendment of the gentleman from Colorado we ought to keep that in mind.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. OBEY. I yield to the gentleman from Iowa.

Mr. KYL. The gentleman is forgetting, when he talks about the registration of pesticides, the fact that we have laws already on the books. The burden of proof remains with the applicant as under the law with reference to insecticides, fungicides, and rodenticides. The applicant must substantiate the claims of the pesticide and otherwise support the registration. The burden of proof is under the present law and under this proposed legislation it would be the same.

Where is the language that changes that law, may I ask the gentleman?

Mr. OBEY. That is not the way I read the bill.

Mr. KYL. Mr. Chairman, if the gentleman will yield further, the gentleman has not read the law. There is other law besides this act.

Mr. OBEY. I think I have read the law. However, Mr. Chairman, before my time expires, I want to make this statement. There seems to be an understanding around here that the pesticide law somehow will protect the farmer. That just is not so.

I represent some 30,000 farmers in my congressional district which is as rural a district as you will find in the State of Wisconsin. Yet, my farmers know that if we do not provide some kind of reasonable control over pesticides now, the day will come when reason will be out the window and the curtain will be wrung down on all pesticides, good or bad.

I think my farmers are smart enough to know that that is not in their interest. I suggest to you that the amendment being offered by the gentleman from Colorado (Mr. Evans) is in the interest of the farmers and in the interest of the public. If you do not adopt the amendment what you will do is eliminate any possibility of any economic incentive to insure that whatever pesticides are registered are going to be safe for the public. I think you ought to adopt the amendment offered by the gentleman from Colorado (Mr. Evans).

Mr. POAGE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, it has been the ambition of man since the earliest days to find some ways to get a free lunch. There is no such thing. Somebody has to pay the bill. Now, uncertainty adds to the bill.

If there is a probability that a substantial portion of these pesticides will be found dangerous or unfit for use, and if that uncertainty is large, it will add substantially to the cost. I do not think it is as large as the gentleman from Colorado thought that it was, because the gentleman could not point and I could not point to any instance this year where there has been any pesticide, the registration of which has been canceled. Therefore, I cannot believe that this thing is going to cost the millions of dollars per year that have been ascribed to it. Also I think the gentleman from Colorado clearly suggested that the only way to know about the future is to judge by the past. Yet neither he nor I can tell you of any such cancellation in the recent past. I do not think there have been any this year, nor do I think that they occur regularly, so I think the amount here involved will be rather small.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Colorado.

Mr. EVANS of Colorado. Mr. Chairman, may I ask the distinguished chairman if it is not true that in the last several years several pesticides have been withdrawn from the market?

Mr. POAGE. Over a period of years there have been several pesticides that have been withdrawn, but they have not run into the magnitude suggested by the gentleman.

I think that many of the speakers have recognized that this legislation does not of itself involve many millions of dollars a year, and, therefore, they have succeeded in dragging in the red herring of what somebody else's program was going to cost, what we are going to have to pay to the drug manufacturers or to somebody else.

Mr. EVANS of Colorado. Mr. Chairman, if the gentleman will yield further, then subject to the statement made by the gentleman may I ask why the committee felt it was so important to put indemnification in if it has not been a problem?

Mr. POAGE. Because it is important, and tremendously important to the farmer who has only a few thousand dollars involved. For instance, say he has $1,000 invested in pesticides. Then the U.S. Government tells him that he cannot use them when the time comes. And if his ability to feed his family depends on the use of that chemical—it becomes tremendously important regardless of the fact that no great amount of money is involved.

The gentleman seems to be concerned only about the manufacturers, whereas the committee was concerned equally with the man who had bought that product and who was relying upon it as a means of making a livelihood for his family in the next year. Likewise we are concerned with the merchant who has stocked the commodity.

As the gentleman from Pennsylvania so well pointed out, pesticides are something that are purchased early in the year. Actually, about one-third of the total of all of the pesticides in use at any one time is in private ownership, and by private ownership I mean the farmers' ownership.

So at least one-third of the total loss that would be sustained where a pesticide is found to be injurious to the environment would fall not upon the Dow Chemical Co., but would fall upon the farmers all over this country. That is why we are so concerned about these smaller items, because it does not take but a few hundred dollars out of that poor fellow's pocket to break him completely. That is why the committee and I are concerned even though there may not be hundreds of millions of dollars involved.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. The facts are that that person did not buy that pesticide until his Government had assured him that it was safe to use.

Mr. POAGE. That is exactly right. There is no indemnity provided under the terms of this bill for any pesticide except those that have been licensed by the U.S. Government as being something that could be used without danger to man or to his environment.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. EVANS of Colorado. Then the principle that you are enunciating here for the protection of the farmer—and I am not against farmers because I have a healthy rural section in my district—is one which would extend to every single person who buys any drug which sometime later on is stricken from the GRAS list as being detrimental to the health of human beings.

Mr. POAGE. I would not confine payments to drugs or to pesticides. But this bill relates only to pesticides. We have gone somewhat far from my discussion. When we started I wanted to call attention to the fact that someone must pay for uncertainty.

What I am trying to say is that those Members of this House who do not want to pay for the mistakes of our Government are following the philosophy that you can have a free lunch and you can have all of these environmental advantages. I am not trying to find fault with them—if I had we would not have brought this bill out.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(Mr. POAGE asked and was given permission to proceed for 5 additional minutes.)

Mr. POAGE. I started out here to point out that what some Members are trying to do is to get a free ride—a free lunch. You cannot have all of these environmental advantages without somebody paying the bill. They cost—they cost lots of money. I am not suggesting that we should not spend the money. I am suggesting that we should take a good look to determine whether the advantages are greater than the costs. I am suggesting there is a cost. Just to make it real plain, I bought a Chevrolet automobile not long ago. It has some straps up here that I have never unbuckled. But I paid for those straps. That was in the cost of the car.

General Motors and Ford are able to pass these costs on to the consumers—and that is where they go—the purchasers of these automobiles pay for all these safety devices whether they use them or do not use them. But somebody has to pay for these safety devices whether they are used or whether they are not used. In the case of an automobile, it is presumed that if I do not use these shoulder straps that is largely my trouble. In the case of a pesticide, it is presumed that if a wrong pesticide is used that can involve not only the user but it can involve society as a whole. It is to protect society and not the producer that we have brought this bill in. The producer does not need this bill. It is not for his protection—it is for the protection of all society. We believe that is sound or we would not have brought the bill in. We think it is sound to protect society, but we know there is a cost and somebody has to pay that cost and that cost is either going to be paid by the farmers of eastern Colorado or central Texas or somewhere else—or it is going to be paid by society at large—the same society for whose benefit those regulations are imposed—those, in all kindness, on whom you want to impose the burden. The burden is there, and all of your wishes cannot escape the fact that there is a cost involved. We are not trying to shirk the cost. We are simply raising the question of who should pay the cost. The ones for whose protection the cost was levied or somebody who is not involved.

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman.

Mr. EVANS of Colorado. I would agree with the gentleman from Texas, the distinguished chairman of the committee—if it was correct, as he alleged a moment ago, that his bill provided for the paying for governmental mistakes. But the committee's bill does not so provide. The committee bill, as it stands provides that the Government is the insurer of any loss—mistake or no—is not that correct?

Mr. POAGE. No, you are not correct.

Mr. EVANS of Colorado. Then show me where in the bill it provides that indemnity occurs only where the Government is at fault.

Mr. POAGE. No, you are not correct—let me answer.

If the gentleman will take his seat, I will answer his questions, but only one at a time.

Mr. EVANS of Colorado. I had just one.

Mr. POAGE. The gentleman asked me if we are not trying to become the insurer. No, we are not trying to become an insurer. We are merely providing that when the U.S. Government acts contrary to its previous decision, whether we call that previous decision a mistake or not, that the Government should pay. It might be a mistake in light of later information. The Government acts the best it can with the information available and decides that a certain pesticide is not harmful to anyone and licenses the use of that pesticide, and in effect says, "This is all right; with the information we now have we think this is good for everybody."

It may be a mistake or a matter of additional information—the mistake may have been a result of lack of information, or a mistake in issuing this license a year or 6 years ago. The committee did not want to tie the hands of the Government and say, "You cannot protect the public now." So we say, "You can cancel this registration now, even though you have been approving this item for 5 years. The Government did think it was all right, we now think it is wrong." To that extent the Government must have made a mistake. Whether it was a mistake that could have been avoided or whether it was an unavoidable mistake makes no difference. The Government erred—possibly because it did not have adequate information—but the Government erred in every instance where we authorize indemnity. The question is, Who should be liable for injury? The one who erred, even though it was unintentional, or the one who had nothing to do with it and had no power over it? Where in private law——

Mr. EVANS of Colorado. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Just a second. The gentleman asked me a question and I want to answer it. If the gentleman will sit down, I will answer it.

Mr. Chairman, I wonder who has the floor?

The CHAIRMAN. The time of the gentleman from Texas has expired.

Mr. POAGE. Mr. Chairman, I ask unanimous consent that I may be permitted to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. EVANS of Colorado. Mr. Chairman, reserving the right to object, I am anxious to get the chairman's answer. I believe he is being given ample time. I would just hope that if he gets this additional time he will yield to some of us who have questions.

Mr. POAGE. The gentleman asks two complicated questions that take a long time to answer.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. COLLIER. Mr. Chairman, reserving the right to object, I merely wish to make this observation because I think it has to be made. The gentleman from Colorado, in drawing a parallel to drugs and pharmaceuticals in terms of pesticides held by a farmer is just not a logical parallel, for the obvious reason that what is involved in one instance is the serious economic problem which the farmer who has a stock would face as compared to an individual holding some drug or pharmaceutical. I contend it is not a logical parallel in terms of what we are really trying to get at in the indemnity provision of the bill.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Texas for 5 additional minutes.

Mr. TEAGUE of California. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from California.

Mr. TEAGUE of California. Some reference has been made to the fact that we are really providing insurance. If so, it is only in a limited and far-fetched way. We have provided in the bill indemnity for persons suffering losses resulting from a suspension or cancellation of the registration. It has nothing to do with losses they might have suffered because of any damage done by the pesticides through food and fiber to their neighbors or someone down the street.

Furthermore, the amount of indemnity is limited to the amount based on the cost of the pesticide owned by such person immediately before the notice of suspension, except that in no event shall it exceed the fair market value of the pesticide as of that date.

Mr. POAGE. I thank the gentleman. I would come back to the proposition that when we say we are not going to be responsible for the errors of the Government, we must then say that in this whole idea of trying to improve the environment, trying to protect the ecology, all the costs must fall upon those who happen to be in the area at the time. I do not think any of us agree that is sound. I think we all agree that this problem of protecting the environment is something in which the whole of the citizenship of the United States is involved, and the whole of the citizenship of the United States should pay the bill.

I repeat, somebody has to pay the bill.

This committee suggests that it should be those for whose benefit the provision is placed in the bill, and that benefit falls to all of the American citizens. We are simply trying to be fair about this thing and say that everybody who gets the benefit should pay the bill. We do not believe that a few struggling wheat farmers, with their grasshopper problems and drought, ought to have to pay the bill. We do not believe that a few dairymen whose milk happened to get poisoned with some kind of pesticide should pay the losses. On the contrary, this committee brought out and passed some years ago legislation to take care of those dairymen, and now I am much surprised to see their spokesmen appear before this Congress and suggest that since they got theirs, nobody else should get anything. We are trying to treat everybody alike and say that they all share in paying for that from which they all benefit.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from North Dakota.

Mr. ANDREWS of North Dakota. Mr. Chairman, the point has been made that a farmer in good faith, using a pesticide certified good for use by the Federal Government, finds the Federal Government reverses itself, and that farmer should not have to pay for that, and I agree, but I think my friend, the gentleman from Colorado, is bringing up another point, which is that we want the regulatory bodies of the Federal Government to be extremely careful when they issue this registration in the first place.

The idea occurs to me that if this indemnity clause is in the bill, then the bureaucrats will be more careful with what they certify is OK in the first place, so they do not end up with egg on their faces if they have to withdraw the registration later on, if they find that perhaps there is something poisonous.

Perhaps they will be making doubly sure in the first place, and this will serve the farmer and his economic situation and needs and also the citizen and his concern about the environment.

Mr. POAGE. The committee would agree with that. The gentleman is correct.

Mr. EVANS of Colorado. Mr. Chairman, if the gentleman will yield further, I will say in response that the fellow who has the responsibility to decide to certify has to make the decision to withdraw. That is something else. If we compound that decision with the problem of what it will cost to make that decision, this may discourage him from finding that a certain pesticide should be withdrawn.

Mr. ANDREWS of North Dakota. The fellow who makes the decision to withdraw is the fellow who makes the decision to register in the first place.

Mr. EVANS of Colorado. We have talked about the responsibility of the Government, and I think it is true the Government has a responsibility, but I do not want us to back away from the responsibility of the manufacturer, and I think, if we strike this indemnity section, we call to the attention of the manufacturer that he has responsibility.

Mr. POAGE. The gentleman overlooks the fact that the cost must be passed on to someone, either the public or the producer. Since the public benefits, I think they should pay.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. POAGE. I yield to the gentleman from New York.

Mr. RYAN. Mr. Chairman, the gentleman from North Dakota suggested that one of the objectives of the indemnity clause is to require the Government to exercise greater care in registering pesticides. If so, then that is a strong argument for the Dow amendments which would eliminate the bills' restriction on the use of research data without the applicant's permission and require the submission of any data in the control of the applicant which may tend to indicate any substantial adverse effects on the environment. The doctrine of essentiality should also be continued, as provided in the Dow amendments. I would suggest also that the burden should be on the manufacturer in the first place to establish that the pesticide would not have an adverse environmental effect.

Mr. BERGLAND. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I seek recognition to direct a question to the distinguished chairman of our committee, the gentleman from Texas (Mr. POAGE).

Mr. Chairman, in the summer of last year an unknown quantity of a very devastating chemical, known as Dieldrin, was dumped down a drain and into a stream in my hometown, and killed all the fish for a 15-mile reach down river.

With the passage of an indemnity provision, is it likely that if one of these devastating chemicals were suspended by the Government, because it proved to be harmful to mankind or the environment, and an indemnity were offered, that in all probability the dealer or the farmer would bring that chemical back to a point designated by the EPA to be disposed of in a safe and harmless fashion, rather than to dump it down the river in an irresponsible fashion to do great damage to Americans?

**Mr. POAGE.** Mr. Chairman, will the gentleman yield?

**Mr. BERGLAND.** I yield to the gentleman from Texas.

**Mr. POAGE.** I believe the gentleman's question answers itself. If a man can figure—I believe most farmers can figure, and know most chemical companies can figure—and knows it is going to cost him extra money to dump these condemned products, of course he is not going to dump them. He is going to accept the indemnity, and the commodity will be delivered to the Environmental Agency under the terms of this bill and society will be protected.

Of course, if we are not going to pay an indemnity, if we are going to try to get that loss out of the farmer's hide, he is likely to dump it in any creek he can find.

**Mr. BERGLAND.** I thank the chairman very much for his explanation.

**Mr. KYL.** Mr. Chairman, will the gentleman yield?

**Mr. BERGLAND.** I yield to the gentleman from Iowa.

**Mr. KYL.** I thank the gentleman for yielding.

The gentleman from New York (Mr. Dow), the gentleman from Wisconsin (Mr. Obey), and the gentleman from New York (Mr. Ryan) have three times now made the flat statement that the burden of proof in the registration is with the administrator rather than with the manufacturer. This bill we present today is an amendment to current law. We do not change that law. The burden of proof is on the manufacturer. I defy any of these people to show us any language in this bill which changes that law.

**Mr. GOODLING.** Mr. Chairman, will the gentleman yield?

**Mr. BERGLAND.** I yield to the gentleman from Pennsylvania.

**Mr. GOODLING.** I just want to make one observation. When a dealer dumps a pesticide down the drain he is not following directions. If he does not follow directions printed plainly on the label he is not entitled to any indemnity but is subject to a fine.

**Mr. ABERNETHY.** Mr. Chairman, I move to strike the requisite number of words.

Members of the Committee, those who manufacture the chemicals used today in our households and in American agriculture are good, sensible business people. They have no desire to put on the market a chemical that will kill somebody or injure the health of our citizens.

A few months ago a group from our committee visited the Shell Chemical Co., Research Laboratory in Modesto, Calif. Shell is expending multiplied thousands of dollars at this magnificent research center for the purpose of coming up with chemicals that, at a fair profit to them, will benefit the consumers of this Nation, not the dealers but the consumers. That is the object of their business.

After a few years when they have reached the point where they think a chemical will be safe and good for the public, they apply to the Federal Government for the purpose of registering that chemical and for the purpose of gaining the privilege to market same.

As the gentleman from Iowa (Mr. Kyl) just said, the burden is upon the chemical company to prove to the satisfaction of our Government that the chemical is safe; that it can be used in a manner that will benefit mankind or benefit the animal life or bird life or any other form of life it is designed to benefit and not to their damage.

If those who are serving in Government determine that the product is in the best interests of the public and that the burden has been met, then they grant a license authorizing the distribution of the product.

After this chemical has been registered and its use authorized, and it is later determined that it might be or is dangerous, the Government then moves in and orders it taken off the market.

The Government in ordering these people to take their product off the market says, "You have a certain amount on hand, and you will be reimbursed for it." Why should they not be reimbursed? Were they not in lawful possession of it? Did they not manufacture it in a lawful manner? Did they not manufacture it in keeping with the laws of the Nation under which they live? Why should the Government take it away from them and require them to lose their investment even though the Government had theretofore authorized its use? Such would be very unfair.

Did you ever own a piece of land and have the Government come along and condemn a part of it for a public road? If you did, then you know that the Government pays for it. You were in lawful possession of the land. The Government is not obliged, under our system at least, to take the land away from you without just compensation.

If you are in lawful possession of a chemical that my chairman and my friend from Iowa (Mr. Kyl) just described to you and the Government requires you to destroy it, then you should be compensated for it.

A further point that my chairman made is this: why does the Government say it is taking it away from you? It is taken, or you are ordered to destroy it, for the benefit of the 200 million people who live in this country. It is for their benefit that it is taken off of the market. It is not taken off for the purpose of doing injury to the investor or to the manufacturer or to the farmer. It is done to perform a service to the consumer and the general public.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent, Mr. Abernethy was allowed to proceed for 1 additional minute.)

**Mr. ABERNETHY.** It is done to perform a service to mankind. In performing a service to mankind our Government has not yet, I hope, reached the low level where it will do serious damage to one who has invested his money in something which his Government has heretofore said he might safely manufacture and market, or use.

**Mr. EVANS of Colorado.** Will the gentleman yield for a brief observation?

**Mr. ABERNETHY.** Yes. I am happy to yield to the gentleman.

**Mr. EVANS of Colorado.** One thing which is overlooked by you and the chairman of the committee and others who oppose my amendment is the fact, where a pesticide is withdrawn, that there has been a mistake made by two people, the manufacturer and the agency.

**Mr. ABERNETHY.** I will answer. If you are going to put it on that basis, you will completely stop all research in this field.

Do you think that the Shell Chemical Co. in California will continue the operation of that expensive and worthwhile research facility if we put this amendment on their back? With all deference, this amendment would force all companies to discontinue further research and the consumer and the public would be the losers.

I trust the amendment will be defeated.

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

(By unanimous consent, Mr. Abernethy was allowed to proceed for 1 additional minute.)

**Mr. ABERNETHY.** Mr. Chairman, I have great respect for my friend, the gentleman from Colorado (Mr. Evans). I can understand his concern. I am going to be frank with you and say that his point also concerned me when we had the bill in committee. It finally got through to me that full compensation should be made for chemicals ordered destroyed under Government order.

**Mr. DOW.** Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, my colleague from Iowa (Mr. Kyl) made a point that we have not convinced the House in regard to the burden of proof; but where they have placed the burden of proof it lies with the Administrator more than it does with the applicant for registration.

I would like to refer the gentleman to page 17 of the bill, and we will just run over it quickly. It lists the data that the applicant is required to file as follows:

> The name and address of the applicant.
> The name of the pesticide.
> A complete copy of the labeling.
> A full description of the tests made.

And note the following:

> except that data submitted in support of an application shall not, without permission of the applicant, be considered by the Administrator in support of any other application for registration.

Here you see there is a limitation on the ability of the Administrator to handle this situation which does not appear in the present law.

The applicant must also present a complete formula of the pesticide and request that the pesticide be classified for general use, for restricted use, or for both.

But, Mr. Chairman, there is nothing in the bill to require the applicant to meet other needs such as the essentiality of the pesticide or the danger that it might pose.

I propose later on to offer an amendment that will go to these points. I will have one amendment on the essentiality of the pesticide and another one to require the applicant to disclose any adverse effects which may be present in the pesticide insofar as he knows.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. DOW. Yes, I yield to the gentleman from Iowa.

Mr. KYL. Now, the gentleman has again quoted from page 17 of this bill that portion which reads as follows:

> except that data submitted in support of an application shall not, without permission of the applicant, be considered by the Administrator in support of any other application for registration.

This has nothing to do with the burden of proof. When a company goes before the Administrator he has to present his whole detailed proof that the product should be certified and registered. All this says is if John Kyl goes before the Administrator, having spent a half million dollars to prepare his case, then John Dow cannot go before that same Administrator with another product to be registered and use the material which the first party submitted in support of his registration. That is all.

Mr. DOW. It would be beneficial and helpful when Mr. Dow, the second applicant, comes before the Administrator that the proof of the data supplied by the first applicant would be used. This would contribute to the analysis of the product and to the merits of the product and it would certainly ease the burden on the Administrator to prove adverse effects from the pesticide and it would make it infinitely easier more or less to shift the burden.

I think the gentleman from Iowa has ignored the point I just made; namely, that there should be in the bill another clause which would require the applicant to indicate any substantial adverse effects on the environment, or lack of such effects which may be caused by such pesticides when used for any intended use. This will be presented in a later amendment, and it amplifies the proviso here, and I think it supports my claim that the burden of proof upon the applicant is not sufficient.

The CHAIRMAN. The time of the gentleman has expired.

### MOTION OFFERED BY MR. POAGE

Mr. POAGE. Mr. Chairman, we have been discussing other matters than those pertinent to the bill. I believe that all of the Members have discussed this amendment sufficiently, and for that reason, if there are no requests for further discussion, I move that all debate on the Dow substitute and all substitutes and amendments thereto close.

### PARLIAMENTARY INQUIRY

Mr. DOW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DOW. Mr. Chairman, the distinguished chairman knows there are several amendments pending here to the substitute amendment offered by the gentleman from Iowa (Mr. Kyl). Now, will the motion of the gentleman from Texas foreclose introduction of further amendments to the Kyl substitute?

The CHAIRMAN (Mr. Hungate). The Chair will state in response to the inquiry of the gentleman from New York (Mr. Dow) that, if the motion of the gentleman from Texas is agreed to, it will not foreclose the introduction of additional amendments, but they will not be debatable.

Mr. DOW. Mr. Chairman, I object.

The CHAIRMAN. The Chair would ask the gentleman from Texas (Mr. Poage) whether the gentleman is making a motion or whether the gentleman is asking for unanimous consent?

Mr. POAGE. Mr. Chairman, I move that all debate do now close on the Kyl substitute, and all amendments and substitutes thereto.

### PARLIAMENTARY INQUIRY

Mr. DOW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DOW. Mr. Chairman, may I have assurances that this does not foreclose the introduction and the debate upon subsequent amendments?

The CHAIRMAN. The Chair will state in response to the parliamentary inquiry of the gentleman from New York that the motion will not foreclose the introduction of amendments, but it would preclude further debate.

The Chair will ask the gentleman from Texas if the gentleman is moving to conclude all debate at the present time.

Mr. POAGE. Mr. Chairman, my motion was to close debate at the present time, because there seemed to be no one who indicated a desire that he wanted to speak further, but if there are those who want to speak further then I would change my motion—

Mr. DOW. Mr. Chairman, will the gentleman yield?

Mr. POAGE. Certainly I will yield to the gentleman from New York.

Mr. DOW. Mr. Chairman, we have other amendments here, and at the desk, and there is a desire to debate these amendments. Therefore I would certainly strenuously object to any attempt to foreclose debate on those subsequent amendments.

Mr. POAGE. Mr. Chairman, in the hope that we may get to an agreement here, I ask unanimous consent that all debate on the amendment offered by the gentleman from Colorado (Mr. Evans) and all amendments thereto do now close.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Colorado (Mr. Evans) to the substitute amendment offered by the gentleman from Iowa (Mr. Kyl), for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. Dow).

The question was taken; and the Chairman announced that the Chair was in doubt.

Mr. EVANS of Colorado. Mr. Chairman, I demand tellers.

Tellers were refused.

Mr. EVANS of Colorado. Mr. Chairman, on that I demand a division.

Mr. GERALD R. FORD. Mr. Chairman, I object. The gentleman did not ask for the division timely.

The CHAIRMAN. The Chair has not announced the result of the vote, and the gentleman from Colorado (Mr. Evans) can demand a division.

The question was taken; and on a division (demanded by Mr. Evans of Colorado) there were—ayes 28, noes 65.

So the amendment to the substitute amendment was rejected.

Mr. EVANS of Colorado. Mr. Chairman, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The CHAIRMAN. That parliamentary procedure is not in order in Committee of the Whole.

### AMENDMENT OFFERED BY MR. BINGHAM TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. KYL FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. BINGHAM. Mr. Chairman, I offer an amendment to the substitute amendment offered by the gentleman from Iowa (Mr. Kyl).

The Clerk read as follows:

> Amendment offered by Mr. Bingham to the substitute amendment offered by Mr. Kyl: On page 47, line 21, strike out "person" and insert "user".

Mr. BINGHAM. Mr. Chairman, if I may have the attention of the chairman of the committee, I would appreciate it.

I have listened attentively to the debate on the amendment offered by the gentleman from Colorado (Mr. Evans) and it seemed to me that the principal opposition, at least the opposition to that amendment that was most persuasive, was the case made for the farmer who had bought pesticides and who had them in stock and then found that he could not use them because they had been ruled out.

So I have offered this very simple amendment which would protect the farmer but which would not go beyond that.

Mr. Chairman, I do not want to pursue the matter and I do not want to debate it extensively. This amendment would at least meet the argument that the farmer needs protection. The amendment simply substitutes for the word "person" in line 21, on page 47, the word "user".

In other words, any user who owns any quantity of such pesticide would be identified. That, it seems to me, would go a long way toward meeting the objections raised in the Evans amendment.

Mr. RYAN. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from New York.

Mr. RYAN. Mr. Chairman, I commend the gentleman on his amendment. I think it is most useful and is consistent with the law which now indemnifies producers of milk, if milk is taken off the market because of contamination by a registered chemical, to which the chairman referred. The amendment limits indemnification to farmers. It does not blanket in manufacturers who should have the burden themselves of establishing that the product will not adversely affect the environment and should assume the risk.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman.

Mr. KYL. Mr. Chairman, I do not know if the gentleman realizes what he does here.

The original provisions of this act covered more than just the ultimate user of the pesticide. For instance, suppose you have a dealer in your community who has a pesticide which is registered and for which he has paid. He, in turn, intended to sell it to a user who would be eliminated by your substitution of the word "user". It also would not then cover the person who had manufactured the product or who warehoused the product.

Actually, what your amendment does, of course, is to eliminate the main purpose of the amendment which is to provide some incentive for trying to find maximum alternate controls.

I certainly could not accept the amendment at all.

Mr. BINGHAM. I would point out to the gentleman that the case was very eloquently made here by the gentleman from Pennsylvania and the gentleman from Mississippi, I believe, that it was the farmer who was the person who most needed protection because the farmer might go out of business if he lost large amounts invested in pesticides thinking at the time that they were perfectly all right to use and then finding that they are not.

Mr. ANDREWS of North Dakota. Mr. Chairman, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman.

Mr. ANDREWS of North Dakota. Mr. Chairman, the farmer has to go not only to his stock, but the farmer has to go to the stocks held in the farming community by a dealer. The thrust of the gentleman's amendment, I am afraid, would be to discourage the local dealer from maintaining stocks of pesticides or herbicides where the farmer could get them when he needed them. So I think the gentleman's amendment would do damage to the farmer by virtue of not encouraging the chemical to be stocked in the area.

Mr. BINGHAM. The case that has been made now for the protection of the dealer was not made earlier. I was trying to meet the appealing case, calling for the protection of the farmer. I yield back the remainder of my time.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from Texas is recognized.

Mr. POAGE. This is just some of the same stuff, just an effort to escape responsibility for a change in judgment on the part of the Government. I think that if you take the property of the National City Bank, you owe the National City Bank the value of that property, just the same as if you take the property of BOB POAGE, or somebody who has even less property than he. I think we owe an obligation to do right by every citizen of the United States, regardless of his economic status. I cannot believe that it is moral to take the property of the Dow Chemical Co. and immoral to take the property of JOHN DOW. I think that it is clear that this is just an attempt to try to have the Government destroy values without paying for them. It does not make any difference whose hands the property is.

Mr. BRASCO. Mr. Chairman, will the gentleman yield for a question?

Mr. POAGE I yield the floor.

Mr. BRASCO. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. BRASCO. I want to ask a question of the chairman of the committee (Mr. POAGE). I have served on the committee and I know the gentleman today in his approach is trying to present an argument which is fair and equitable, and it does seem fair and equitable. But he confines it to products that are used in the farming area.

I am wondering whether or not the gentleman supports the theory on a broader basis. Very simply, it is this: In my district in New York there was a small company that employed about 75 to 100 people that had been in business making foods for the last 50 years.

Some months ago the Pure Food and Drug Administration reversed itself on the question of cyclamates that the company was using in their food products. The ban caused the company to take its products off the market causing substantial loss so that they are now in such bad financial condition that they are on the verge of bankruptcy.

I understand what the gentleman is trying to do, but I am wondering whether or not this equity that he is holding forth to people who use pesticides that are first sponsored by the Government as being safe and then recalled would be applied in a broader fashion to people I have described.

Mr. POAGE. Mr. Chairman, will the gentleman yield?

Mr. BRASCO. I yield to the gentleman from Texas.

Mr. POAGE. I am sorry I did not make myself clear. I attempted to. I think we have to pay the cost. I think the Government should pay the cost when the Government is responsible. If the gentleman will offer an amendment to the Food and Drug Act to reimburse or to pay for such losses as he described, I will support it.

Mr. BRASCO. That is what I wanted to know.

Mr. POAGE. Absolutely. I believe in going across the board, and when the Government is responsible for the loss, the Government should pay the bill. The Agriculture Committee does not have jurisdiction over the matters the gentleman is describing. We are trying to treat everybody alike.

Mr. BRASCO. I understand that. I wanted to get the gentleman's opinion on it.

Mr. SMITH of Iowa. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from Iowa is recognized.

Mr. SMITH of Iowa. The gentleman from New York has just indicated that this bill applies only to farmers. I think that idea should be dispelled at this point. As I understand it, this bill applies to a lot of chemicals that are under the housewife's kitchen sink at the present time. If after this bill passes—and I am not speaking in opposition to the bill—a Member happens to carry a couple cockroaches home in his pocket from the House restaurant, they are free to multiply in a crack in the Member's house until one of three things happens: Either he burns the house down, or he secures an applicator's license and applies chemicals now available, or else he hires some commercial exterminator company to spray the cracks. Homeowners will no longer be permitted to use some of the chemicals they are now using to keep cockroaches out of their houses.

We should be aware of what we are doing here. Everybody who applies chemicals which are toxic enough to be called "restricted," would have to have an applicator's license. Perhaps some of these chemicals should not be in general use but the provisions of this bill are not of concern just to farmers. This bill applies to the housewife who has a green thumb or to the housewife who is just trying to keep her house clean. It applies to everybody who uses these chemicals.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. SMITH of Iowa. I yield to the gentleman from Iowa (Mr. KYL).

Mr. KYL. Mr. Chairman, I am glad the gentleman makes this comment, because obviously those who are offering these amendments do not understand what is involved. When we talk about pesticides general use and fungicides we are talking about moth balls and chlorox and germicidal floor waxes, the material used in air conditioners to keep the algae content down and so forth.

This bill is not written to protect farmers or manufacturers. It is written to protect the consumers and the environment—in other words, the public.

Mr. SMITH of Iowa. But somehow the people have gotten the idea that the only people who use these chemicals are the farmers. It is not so.

Mr. KYL. And when the farmers use them, it is not because they hate the worms, but because the consumers like to eat apples without worms.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. BINGHAM), to the substitute amendment offered by the gentleman from Iowa (Mr. KYL) for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. DOW).

The amendment to the substitute amendment was rejected.

AMENDMENT OFFERED BY MR. RARICK TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. KYL FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. RARICK. Mr. Chairman, I offer an amendment to the substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. RARICK to the substitute amendment offered by Mr. KYL: Redesignate paragraph (e) as (f) and add a new section (e) as follows:

"(e) IMPORTATION OF AGRICULTURAL PRODUCTS.—Notwithstanding any other provision of law, whenever the use of any pesticide in connection with the producing, processing, or handling of any agricultural commodity is prohibited or limited under any Federal statute, the President shall prohibit importation of such commodity from any country if he determines that—

"(1) such country does not have at least equal restrictions with respect to the use of such pesticide, and

"(2) such commodity is produced in substantial quantities in the continental United States.

The provisions (including penalties and forfeitures) of section 545 of title 18, United States Code, shall apply in enforcing the provisions of this subsection. The President may prescribe rules and regulations to carry out the purposes of this subsection, including but not limited to, provisions for the deferral of the effective date thereof with respect to particular pesticides or agricultural commodities for not more than three years.

Mr. RARICK. Mr. Chairman, this amendment was considered in the Agriculture Committee. In fact, I take no pride in authorship since the amendment is the chairman's language and was in the original bill until deleted by pressures and influences from outside our committee.

What the amendment proposes is simply to remove the threat of another of the double standards so common in our country today; that is to remove a double standard from American agriculture by applying the provisions of the pesticide control bill to agricultural imports by extending some degree of control over foreign farmers as well as those American farmers who can be expected to escape pesticide banning and regulations by moving their food and fiber producing capabilities from our country to foreign nations.

The bill as it now exists provides that the agricultural sector of our country can be handicapped by being banned from the use of some pesticides or limited in the use of restrictive pesticides, regulations which will have a distinct impact on the food-producing ability of our country as well as food prices and supply.

Yet these same bans and restrictions, as the bill now stands, do not extend to agricultural imports from foreign countries. As the bill presently stands: If we ban or restrict pesticide use only in American agriculture, the chemical companies are still allowed to sell the same banned and prohibited pesticides to foreign countries to be used in food-growing production, which same food can be imported to the United States bearing the banned pesticides prohibited from use in our country.

I feel if we are going to place American agriculture under bans on pesticides or restricted use of chemicals, fairness demands that we apply the same treatment to imported farm commodities, goods, and foodstuffs coming into this country.

If we authorize pesticide bans and controls over U.S. agriculture in the name of safeguarding our environment, only to allow these same pesticides to be brought in on our foodstuffs can it not be said we are defeating the purpose of the bill before us by creating a loophole to the advantage of foreign agriculture?

Those members of the Committee on Agriculture will recall the history behind the deletion of this proposed amendment from the bill. The committee was promised that if this section were removed, it would be later brought up as a separate bill. My feelings are that if we are going to vote pesticide controls on U.S. agriculture today the place for extension of the law to foreign agricultural imports is in the same bill. If there are fears we cannot pass a pesticide bill today which does not discriminate against U.S. farmers, then we are not going to be able to pass a separate bill to protect U.S. consumers from foreign imports tomorrow.

To those who answer all fears of where the bill is going, because of assurances from Mr. Ruckelshaus, the head of EPA, I can but suggest that there is nothing as unassured these days as politics. Next year the seat of Director of the Environmental Protection Agency could well be Mr. Ramsey Clark, or perhaps Ralph Nader, or a militant environmentalist. What is not put in the law today to safeguard our farmers and consumers may have less support in another year.

It is only fair and reasonable that we abolish dual standard by applying the same laws to the foreign imports of food and agricultural commodities that we expect our farmers to operate under in order to protect the environment of the American people.

I recommend that the amendment be adopted.

Mr. POAGE. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, this amendment, if in the form of a bill, would be a good bill. It is word for word what I introduced. I believe I originated the idea, as the gentleman from Louisiana suggested. I offered it separately. Later I offered it as a part of this bill.

The administration bitterly opposes this amendment, just as I am sure the previous administration opposed the idea. In fact, every State Department seems to oppose everything that would require foreigners take some action that would be comparable to the action we require of our own citizens. What the State Department always believes is that we must give some special treatment to foreigners. It still believes that, and made it rather plain that if we are going to have a pesticide bill we are not going to have this provision in here.

Perhaps they did not convince others that that would be the case. They did convince me. They convinced me that if we want a bill we must keep this provision out. Most Members have been complaining we were not going far enough, rather than we were going too far, but we are trying to pass a bill. We are trying to do the thing we believe the American people want done, to pass a bill that will give some control over these pesticides and still allow some reasonable use of them.

I am convinced that if you put this amendment on this bill, this good provision—and I say it is a good provision and I think it is a sound and a fair provision—but if you put it on here, then I do not think you will have any bill and you will not have achieved anything at all toward helping either the American farmer or the American consumer.

The farmer will get no assurance of the right to use pesticides—no matter how badly they are needed.

So it is with the environmentalists. When they get all of nothing, they will still have exactly nothing if you put this on here, and we all still wind up with nothing.

I think it would be a whole lot better to take something. You have legislation here that will give some reasonable degree of protection to everybody concerned. That is the reason why I am opposing what I think it is a good, sound provision.

Separate and apart from this legislation I am for it. I want the gentleman to know it and I want the State Department to know it. But this is just not the place to put it. I have not noticed any one of those who felt they wanted this kind of a bill coming in here urging this amendment. They do not come in and urge it because they know what it will do to the bill.

Mr. KYL. Will the gentleman yield?

Mr. POAGE. Yes. I yield to the gentleman from Iowa.

Mr. KYL. I want to commend the chairman for the action he is taking here. This is his bill. He wants this bill passed. And yet, because his interest is in getting a good pesticide bill passed, he puts his own feelings in the background and says that the amendment should not be adopted and that we should get on with passing the bill.

Mr. POAGE. I thank the gentleman.

Mr. SISK. Will the gentleman yield to me?

Mr. POAGE. Yes, I yield to the gentleman.

Mr. SISK. I, too, want to commend the chairman.

I want to say that I am a strong supporter of his bill. I believe in the legislation he proposed and which is now proposed by the gentleman from Louisiana. However, I also agree with the chairman's present position that, unfortunately, apparently we cannot pass a good pesticides regulatory bill with this on it. Therefore, I go along with the chairman, although somewhat reluctantly, to oppose this amendment.

I thank the gentleman for yielding.

Mr. TEAGUE of California. Will the gentleman yield to me?

Mr. POAGE. Yes. I yield to the gentleman.

Mr. TEAGUE of California. I, too, support the position that the chairman has taken. In a case where we have any doubt or any question, here is a letter which came from the Assistant Secretary, Mr. Palmby, within the last 2 weeks. He says:

> Our opposition is based on the fact that this provision will have a serious impact on our agricultural exports and thus work hardships on our farmers.

Well, that is arguable, but, in any event, I offer that as evidence so that there may be no misunderstanding on the Republican side that this suggestion or this proposed amendment is very much opposed by the administration and, in my opinion, it would undoubtedly work out to a veto of the bill.

Mr. GROSS. Will the gentleman yield?

Mr. POAGE. I yield to the gentleman from Iowa.

Mr. GROSS. I have listened attentively, but I have not yet heard, except for the Department of Agriculture, who is opposed to this amendment. Is it somebody above and beyond the Department of Agriculture?

Mr. POAGE. I am sorry the gentleman did not hear my statement. The State Department is opposed to it.

Mr. GROSS. I would expect the State Department to be opposed to it.

Mr. POAGE. Well, then you have heard who is opposed to it.

Mr. GROSS. I expected the striped pants crowd would. Do they want to import food under circumstances where local producers and distributors are not permitted to sell it to people in this country?

Mr. POAGE. I cannot tell the gentleman the thinking of the State Department, but I think I know something of the practicalities of passing this bill, and I do not think that you can pass the bill if you put this amendment on it.

Mr. GROSS. Will the State Department veto it, or who will?

Mr. POAGE. The President of the United States.

Mr. GROSS. The President of the United States?

Mr. POAGE. That is Mr. Nixon.

I yield to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. I thank the chairman for yielding to me.

It is my feeling that this provision, instead of eliminating a double standard, would actually establish one because other countries do not require that our country have the same pesticide control laws that they do. I think that would be the effect of this amendment. And yet, that is the effect of this amendment.

I would like to cite the commodity of corn as an example and how this might affect our market. About 90 percent of all overseas sales of corn go to countries that would be adversely affected by this amendment. They might not strike back, but there is that possibility.

Mr. MELCHER. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I shall not take the full 5 minutes of my time, but I must tell you, and the Members of the House, that I very much regret that this section was removed from the bill.

I shall vote for the amendment which has been offered by the gentleman from Louisiana (Mr. RARICK) to replace the section in the bill.

Congress, rightly, should take the leadership in these matters that have to do with the protection of the health of our consumers. We should not kowtow to the feelings and beliefs of the State Department, or the Department of Agriculture, or anyone else, when we see a serious need to protect the human health of the people of this country. The quality standards which we now have as pertain to the effect on the health of the people should apply to the imported foreign food that we purchase and bring into this country. The standards and requirements on the imported food and that food which we produce here in our country as supplied by our domestic producers should be one and the same. There should not be a double standard. I have offered for the advice of the Members of the House additional views covering this subject. It is printed in the report and, rather than taking the time to discuss it in more detail, I trust everyone who is interested in it has already read it, and if you have not read it and are still interested, I hope you will take the time to do so now.

Those views are as follows:

### ADDITIONAL VIEWS OF CONGRESSMAN JOHN MELCHER

H.R. 10729, the Federal Insecticide Act of 1971, fails to close a loophole where chemicals on imported foodstuffs are used that may have harmful effects on consumers. We depend on domestic food producers, or livestock, not to use chemicals on their products that science has found to be injurious to the health of consumers. H.R. 10729 continues this requirement for domestic producers, but fails to apply the same safeguard to food products that are imported into the U.S.

With the everwidening use of chemicals in food production, there is increasing need to protect the wholesomeness of dairy, fruit, vegetable, cereal, or meat products by avoiding application of chemicals that would leave residues injurious to health. It is fraudulent to tolerate a double standard between imported and domestic food supplies. Chemical pesticides or herbicides banned for use on domestic food products because their residue would be injurious to consumers, should not be allowed on imported foodstuffs. In most cases, there is no way for the consumer to know which products are imported and which are of domestic origin. But in neither case should we take the chance with the health of our consuming public.

Testimony before the Committee from Food and Drug Administration officials, outlining surveillance for harmful residues was not reassuring. The testing of chemicial residues on ready-to-eat meats, poultry, and fish was haphazard and raised doubts as to any effective control on residues, on imported foods. As a result, the Committee approved a section in the bill requiring producers of imported foods to follow the same procedures as we do in this country to avoid contamination with toxic chemicals. (A copy of this section follows my views.) The State Department objected saying it would interfere with good relations with countries that export foods to us. The Department of Agriculture objected, stating it would interfere with agricultural trade. The Environmental Protection Agency, in sympathy with these two Cabinet Departments, also objected. But obviously the health of our consumers should be paramount to the speculation conjured by the two Departments which have little basis for their arguments. Their pale objections based on anemic judgments should not be allowed to jeopardize the health of American consumers. Exporting countries are interested in the health of their own consumers as well as the health of their customers abroad; and when our scientists determine that a chemical leaves a harmful residue in foodstuffs, this fact should be noted and observed by all countries. It is of mutual beneficial interest which is on a level higher than mundane trade policy or profits.

Nevertheless, the pressure applied by the Administration through the State Department and the Department of Agriculture caused the deletion from the bill of what I believe to be a very important section to apply the same standards to imported food products that we apply to domestic supplies.

The argument is made that consumers have adequate protection through the surveillance of the Food and Drug Administration and the Department of Agriculture. That is not the case. Very little sampling is done. I am including at the end of my views tables provided by the Food and Drug Administration and by the Department of Agriculture. Examination of their tables prompts the following conclusions:

(1) In the case of meat, fish and poultry, residues for only 13 pesticide compounds in a very few samples are examined. These are pesticides available in this country, but banned for use in production of these foods or allowed only with strict limitations found to be safe.

(2) The incidence percent and the average parts per million are greater in the imported food samples than from the domestic products. Improvement in the presence and amounts of residues found in domestic food products as compared to imported food products in the years 1967, 1968 and 1969 was much better on the domestic side as compared to the imported products. This argues strongly for the banning or limiting uses of the objectionable pesticides as has been done in the U.S. for our domestic producers with a like extension to all producers in other countries who wish to sell products in this country.

(3) Residue sampling is decreasing. The bulwark of consumer protection continues to be reliance on producer compliance not to use banned or limited use chemicals. Even if sampling were increased a hundredfold, it would still only be spot checks which without compliance by producers on banned chemicals offer little assurance to consumers that an adequate job was being done to guard against harmful residues.

(4) There was very little sampling done in 1970, and rejections of shipments of im-

ported meat because of residues in excess of tolerance levels only totaled 23 for the year. However, imports showed the incidence of benzene hexachloride, DDT, dieldrin, and heptachlor epoxide residues are all on the increase indicating a much more extensive use by the producers of the countries of the imported meat. These chemicals are all banned or require strict limitations on use for livestock in this country.

The only valid conclusion in the face of these facts is that H.R. 10729 can only assure consumers adequate protection from harmful residues from pesticides or herbicides when every means is taken to prevent the use of these chemicals on food products consumed by our people. Not to apply these same standards based on scientific evaluations to imported foods may give us, as our State and Agriculture Departments have implied, an open door trade policy, but it is an open door invitation to abuse imported food supplies inviting residues that may harm the health of untold numbers of our people. There can be no justification in taking that chance. Decisions to limit chemicals used by our domestic producers are not decisions lightly made but are made after long and careful study and evaluation. The results should not be ignored by any producers anywhere in the world. Their health and our health is at stake. If the House does not include a section such as Section 17(e) in the Committee print or similar protection, H.R. 10729 has a serious, damaging flaw.

JOHN MELCHER,
*Member of Congress.*

(Committee Print No. 3, dated July 13, 1971, was used by the committee in the preparation of H.R. 10729. Section 17(e) of Committee Print No. 3 is as follows:)

"(e) IMPORTATION OF AGRICULTURAL PRODUCTS.—Notwithstanding any other provision of law, whenever the use of any pesticide in connection with the producing, processing, or handling of any agricultural commodity is prohibited or limited under any Federal statute, the President shall prohibit importation of such commodity from any country if he determines that—

"(1) such country does not have at least equal restrictions with respect to the use of such pesticide, and

"(2) such commodity is produced in substantial quantities in the continental United States.

The provisions (including penalties and forfeitures) of section 545 of title 18, United States Code, shall apply in enforcing the provisions of this subsection. The President may prescribe rules and regulations to carry out the purpose of this subsection, including but not limited to, provisions for the deferral of the effective date thereof with respect to particular pesticides or agricultural commodities for not more than three years.

PESTICIDE RESIDUES IN MEATS (FAT BASIS); FISCAL YEARS 1965–69 (BEEF, PORK, ETC.)

[Total diet samples—ready-to-eat food, meat, fish, and poultry (roast beef, ground beef, pork chops, chicken, fish fillets, eggs, frankfurters, etc.)]

| Specific compound | Domestic samples, 12,146 | | Import samples,[1] 3,674 | | Total diet samples (meat, fish, and poultry), 134 composites | |
|---|---|---|---|---|---|---|
| | Incidence percent | Average p.p.m. | Incidence percent | Average p.p.m. | Incidence percent | Average p.p.m |
| DDT [2] | 75.4 | 0.33 | 83.9 | 0.41 | 88.1 | 0.182 |
| DDE [2] | | | | | 92.5 | .168 |
| TDE [2] | | | | | 80.6 | .092 |
| Dieldrin | 31.3 | .05 | 46.7 | .10 | 61.9 | .026 |
| Heptachlor epoxide [3] | [4] 21.6 | .02 | 10.2 | .01 | 53.7 | .016 |
| Heptachlor [3] | 9.6 | .01 | 1.1 | (5) | 3.0 | (6) |
| Lindane | 6.6 | .01 | 12.4 | .01 | 19.4 | .006 |
| BHC | [7] 20.2 | .02 | [7] 63.2 | .15 | 50.0 | .018 |
| Aldrin | .1 | (5) | [7] 1.4 | (5) | .7 | (6) |
| Endrin | .4 | (5) | 1.0 | (5) | 1.5 | (6) |
| Methoxychlor | 1.8 | .01 | .6 | (5) | | |
| Toxaphene | 1.4 | .01 | .1 | (5) | 1.5 | .004 |
| MCP | [8] 11.8 | .02 | [4] 45.1 | .10 | .7 | (6) |

[1] Import samples for fiscal years 1967, 1968, and 1969 only.
[2] DDT includes DDE and TDE.
[3] Heptachlor includes heptachlor epoxide except fiscal year 1967 (domestic samples only).
[4] Fiscal year 1967 only, 3,098 domestic samples, 1,901 import samples.
[5] Less than 0.005 p.p.m.
[6] Less than 0.001 p.p.m.
[7] Fiscal year 1968 and 1969 only, 4,012 domestic samples and 1,733 import samples.
[8] Fiscal year 1965, 1966, and 1967 only, 8,134 domestic samples.

Source: Food and Drug Administration.

NUMBER OF SAMPLES

| Range (parts per million) | Domestic | | | | | | Imported | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1965 | 1966 | 1967 | 1968 | 1969 | Total | 1967 | 1968 | 1969 | Total |
| Methyl chlorophenoxy acetic acid (MCP): | | | | | | | | | | |
| None found | 3,200 | 1,614 | 2,357 | 0 | 0 | 7,171 | 1,044 | 0 | 0 | 1,044 |
| Trace to 0.10 | 51 | 134 | 621 | 0 | 0 | 806 | 564 | 0 | 0 | 564 |
| 0.11 to 0.50 | 1 | 35 | 90 | 0 | 0 | 126 | 214 | 0 | 0 | 214 |
| 0.51 to 1.00 | 0 | 1 | 15 | 0 | 0 | 16 | 52 | 0 | 0 | 52 |
| 1.01 to 1.50 | 0 | 0 | 6 | 0 | 0 | 6 | 14 | 0 | 0 | 14 |
| 1.51 to 2.00 | 0 | 0 | 2 | 0 | 0 | 2 | 5 | 0 | 0 | 5 |
| 2.01 to 3.00 | 0 | 0 | 3 | 0 | 0 | 3 | 3 | 0 | 0 | 3 |
| Above 3.00 | 0 | 0 | 4 | 0 | 0 | 4 | 5 | 0 | 0 | 5 |
| Total | 3,252 | 1,784 | 3,098 | 0 | 0 | 8,134 | 1,901 | 0 | 0 | 1,901 |

| Range PPM | Domestic | | | | | | Imported | | |
|---|---|---|---|---|---|---|---|---|---|
| | 1965 | 1966 | 1967 | 1968 | 1969 | Total | 1968 | 1969 | Total |
| Aldrin: | | | | | | | | | |
| None found | 3,252 | 1,783 | 3,098 | 2,709 | 1,298 | 2,140 | 1,264 | 484 | 1,748 |
| Trace to 0.10 | 0 | 0 | 0 | 3 | 1 | 4 | 9 | 13 | 22 |
| 0.11 to 0.50 | 0 | 0 | 0 | 1 | 0 | 1 | 1 | 2 | 3 |
| 0.51 to 1.00 | 0 | 1 | 0 | 0 | 0 | 1 | 0 | 0 | 0 |
| 1.01 to 1.50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1.51 to 2.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.01 to 3.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Above 3.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3,252 | 1,784 | 3,098 | 2,713 | 1,299 | 2,146 | 1,274 | 499 | 1,773 |
| Benzene hexachloride (BHC): | | | | | | | | | |
| None found | | | | 2,070 | 1,130 | 3,200 | 446 | 206 | 652 |
| Trace to 0.10 | | | | 576 | 146 | 722 | 370 | 178 | 548 |
| 0.11 to 0.50 | | | | 49 | 17 | 66 | 382 | 98 | 480 |
| 0.51 to 1.00 | | | | 10 | 3 | 13 | 60 | 14 | 74 |
| 1.01 to 1.50 | | | | 4 | 1 | 5 | 11 | 3 | 14 |
| 1.51 to 2.00 | | | | 2 | 0 | 2 | 0 | 0 | 0 |
| 2.01 to 3.00 | | | | 2 | 1 | 3 | 2 | 0 | 2 |
| Above 3.00 | | | | 0 | 1 | 1 | 3 | 0 | 3 |
| Total | | | | 2,713 | 1,299 | 4,012 | 1,274 | 499 | 1,773 |

| Range PPM | Domestic | | | | | | Imported | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | 1965 | 1966 | 1967 | 1968 | 1969 | Total | 1967 | 1968 | 1969 | Total |
| DDT: | | | | | | | | | | |
| None found | 1,148 | 568 | 644 | 472 | 161 | 2,993 | 300 | 216 | 76 | 592 |
| Trace to 0.10 | 1,245 | 513 | 925 | 728 | 383 | 3,794 | 522 | 365 | 129 | 1,016 |
| 0.11 to 0.50 | 435 | 386 | 1,106 | 1,080 | 572 | 3,579 | 638 | 499 | 201 | 1,338 |
| 0.51 to 1.00 | 203 | 129 | 241 | 253 | 103 | 929 | 236 | 113 | 45 | 394 |
| 1.01 to 1.50 | 67 | 59 | 76 | 60 | 43 | 305 | 78 | 30 | 24 | 132 |
| 1.51 to 2.00 | 70 | 38 | 25 | 34 | 13 | 189 | 39 | 22 | 6 | 67 |
| 2.01 to 3.00 | 41 | 42 | 38 | 37 | 20 | 178 | 50 | 16 | 6 | 72 |
| Above 3.00 | 43 | 49 | 43 | 40 | 4 | 179 | 38 | 13 | 12 | 63 |
| Total | 3,252 | 1,784 | 3,098 | 2,713 | 1,299 | 12,416 | 1,901 | 1,274 | 499 | 3,674 |
| Dieldrin: | | | | | | | | | | |
| None found | 3,220 | 1,713 | 1,054 | 1,561 | 798 | 8,346 | 1,017 | 636 | 304 | 1,957 |
| Trace to 0.10 | 30 | 50 | 827 | 963 | 434 | 2,304 | 481 | 267 | 139 | 887 |
| 0.11 to 0.50 | 2 | 20 | 1,186 | 181 | 63 | 1,452 | 366 | 326 | 52 | 744 |
| 0.51 to 1.00 | 0 | 0 | 13 | 6 | 3 | 22 | 29 | 38 | 4 | 71 |
| 1.01 to 1.50 | 0 | 1 | 4 | 1 | 0 | 6 | 3 | 4 | 0 | 7 |
| 1.51 to 2.00 | 0 | 0 | 8 | 1 | 1 | 10 | 3 | 3 | 0 | 6 |
| 2.01 to 3.00 | 0 | 0 | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| Above 3.00 | 0 | 0 | 4 | 0 | 0 | 4 | 2 | 0 | 0 | 2 |
| Total | 3,252 | 1,784 | 3,098 | 2,713 | 1,299 | 12,146 | 1,901 | 1,274 | 499 | 3,674 |
| Endrin: | | | | | | | | | | |
| None found | 3,248 | 1,782 | 3,096 | 2,692 | 1,279 | 12,097 | 1,886 | 1,271 | 481 | 3,638 |
| Trace to 0.10 | 2 | 0 | 1 | 17 | 20 | 40 | 8 | 3 | 17 | 28 |
| 0.11 to 0.50 | 2 | 2 | 1 | 4 | 0 | 9 | 6 | 0 | 1 | 7 |
| 0.51 to 1.00 | 0 | 0 | 0 | 0 | 0 | 0 | 1 | 0 | 0 | 1 |
| 1.01 to 1.50 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 1.51 to 2.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.01 to 3.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Above 3.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3,252 | 1,784 | 3,098 | 2,713 | 1,299 | 12,146 | 1,901 | 1,274 | 499 | 3,674 |
| Heptachlor: | | | | | | | | | | |
| None found | 3,241 | 1,709 | 3,020 | 1,970 | 1,044 | 10,984 | 1,896 | 1,243 | 494 | 3,633 |
| Trace to 0.10 | 11 | 50 | 64 | 628 | 213 | 676 | 5 | 13 | 2 | 20 |
| 0.11 to 0.50 | 0 | 25 | 4 | 109 | 42 | 180 | 0 | 18 | 3 | 21 |
| 0.51 to 1.00 | 0 | 0 | 0 | 5 | 0 | 5 | 0 | 0 | 0 | 0 |
| 1.01 to 1.50 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| 1.51 to 2.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.01 to 3.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Above 3.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3,252 | 1,784 | 3,098 | 2,713 | 1,299 | 12,146 | 1,901 | 1,274 | 499 | 3,674 |
| Lindane: | | | | | | | | | | |
| None found | 3,202 | 1,680 | 2,831 | 2,462 | 1,171 | 11,346 | 1,747 | 1,091 | 382 | 3,220 |
| Trace to 0.10 | 26 | 56 | 217 | 202 | 106 | 607 | 116 | 144 | 104 | 364 |
| 0.11 to 0.50 | 15 | 34 | 40 | 43 | 22 | 154 | 29 | 38 | 13 | 80 |
| 0.51 to 1.00 | 6 | 6 | 5 | 5 | 0 | 22 | 4 | 1 | 0 | 5 |
| 1.01 to 1.50 | 1 | 3 | 4 | 1 | 0 | 9 | 4 | 0 | 0 | 4 |
| 1.51 to 2.00 | 0 | 2 | 1 | 0 | 0 | 3 | 1 | 0 | 0 | 1 |
| 2.01 to 3.00 | 2 | 3 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 0 |
| Above 3.00 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Total | 3,252 | 1,784 | 3,098 | 2,713 | 1,299 | 12,146 | 1,901 | 1,274 | 499 | 3,674 |
| Toxaphene: | | | | | | | | | | |
| None found | 3,104 | 1,773 | 3,093 | 2,709 | 1,298 | 11,977 | 1,899 | 1,274 | 499 | 3,672 |
| Trace to 0.10 | 56 | 3 | 0 | 0 | 1 | 60 | 0 | 0 | 0 | 0 |
| 0.11 to 0.50 | 45 | 4 | 2 | 0 | 0 | 51 | 0 | 0 | 0 | 0 |
| 0.51 to 1.00 | 23 | 3 | 1 | 0 | 0 | 27 | 0 | 0 | 0 | 0 |
| 1.01 to 1.50 | 5 | 0 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 0 |
| 1.51 to 2.00 | 12 | 1 | 0 | 0 | 0 | 13 | 0 | 0 | 0 | 0 |
| 2.01 to 3.00 | 4 | 0 | 2 | 1 | 0 | 7 | 0 | 0 | 0 | 0 |
| Above 3.00 | 3 | 0 | 0 | 3 | 0 | 6 | 2 | 0 | 0 | 2 |
| Total | 3,252 | 1,784 | 3,098 | 2,713 | 1,299 | 12,146 | 1,901 | 1,274 | 499 | 3,674 |
| Heptachlor epoxide: | | | | | | | | | | |
| None found | | | 2,429 | 0 | 0 | 2,429 | 1,714 | 1,161 | 426 | 3,301 |
| Trace to 0.10 | | | 600 | 0 | 0 | 600 | 161 | 94 | 60 | 315 |
| 0.11 to 0.50 | | | 60 | 0 | 0 | 60 | 26 | 19 | 13 | 58 |
| 0.51 to 1.00 | | | 3 | 0 | 0 | 3 | 0 | 0 | 0 | 0 |
| 1.01 to 1.50 | | | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| 1.51 to 2.00 | | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| 2.01 to 3.00 | | | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| Above 3.00 | | | 2 | 0 | 0 | 2 | 0 | 0 | 0 | 0 |
| Total | | | 3,098 | 0 | 0 | 3,098 | 1,901 | 1,274 | 499 | 3,674 |
| Methoxychlor: | | | | | | | | | | |
| None found | 3,157 | 1,780 | 3,076 | 2,658 | 1,260 | 11,931 | 1,888 | 1,271 | 492 | 3,651 |
| Trace to 0.10 | 46 | 1 | 8 | 6 | 16 | 77 | 8 | 1 | 3 | 12 |
| 0.11 to 0.50 | 21 | 1 | 9 | 38 | 23 | 92 | 3 | 0 | 3 | 6 |
| 0.51 to 1.00 | 19 | 0 | 4 | 10 | 0 | 33 | 1 | 2 | 1 | 4 |
| 1.01 to 1.50 | 4 | 0 | 0 | 0 | 0 | 4 | 1 | 0 | 0 | 1 |
| 1.51 to 2 .00 | 3 | 2 | 0 | 0 | 0 | 5 | 0 | 0 | 0 | 0 |
| 2.01 to 3·.00 | 2 | 0 | 1 | 0 | 0 | 3 | 0 | 0 | 0 | 0 |
| Above 3 00 | 0 | 0 | 0 | 1 | 0 | 1 | 0 | 0 | 0 | 0 |
| Total | 3,252 | 1,784 | 3,098 | 2,713 | 1,299 | 12,146 | 1,901 | 1,274 | 499 | 3,674 |

Source: Food and Drug Administration.

PESTICIDE RESIDUES IN IMPORTED MEATS, CALENDAR YEARS 1967–70 (BEEF, PORK, SWINE, SHEEP)

[Number of samples]

| Range (parts per million) | 1967 | 1968 | 1969 | 1970 |
|---|---|---|---|---|
| **DDT** | | | | |
| Total samples analyzed | 1,928 | 1,414 | 1,033 | 995 |
| None found | 112 | 23 | 18 | 26 |
| 0.01 to 0.10 | 413 | 266 | 299 | 333 |
| 0.11 to 0.50 | 534 | 498 | 438 | 453 |
| 0.51 to 1 | 196 | 116 | 95 | 85 |
| 1.01 to 1.50 | 86 | 32 | 36 | 14 |
| 1.51 to 2 | 51 | 20 | 9 | 2 |
| 2.01 to 2.50 | 27 | 9 | 2 | 4 |
| 2.51 to 3 | 19 | 10 | 5 | 5 |
| 3.01 to 3.50 | 13 | 2 | 3 | 3 |
| 3.51 to 4 | 5 | 5 | 4 | 1 |
| 4.01 to 4.50 | 6 | | 5 | |
| 4.51 to 5 | 1 | 2 | 1 | |
| 5.01 to 6 | 6 | | 3 | 1 |
| 6.01 to 7 | 3 | | 1 | |
| 7.01 to 8 | | 1 | 2 | |
| 8.01 to 10 | | | 2 | 2 |
| 10 to 15 | 2 | | | |
| 15 and over | 1 | | 1 | |
| Total positives | 363 | 961 | 906 | 903 |
| Violations of total positives | 7 | 1 | 7 | 2 |
| Total samples in violation | 302 | 377 | 107 | 77 |
| **DIELDRIN** | | | | |
| Total samples analyzed | 1,928 | 1,414 | 1,033 | 995 |
| None found | 112 | 23 | 18 | 26 |
| 0.01 to 0.10 | 467 | 334 | 411 | 592 |
| 0.11 to 0.50 | 370 | 414 | 95 | 42 |
| 0.51 to 1 | 29 | 39 | 5 | |
| 1.01 to 1.50 | 2 | 4 | | |
| 1.51 to 2 | 3 | 2 | | |
| 2.01 to 2.50 | | | | |
| 2.51 to 3 | | | | |
| 3.01 to 3.50 | 1 | | | |
| 3.51 to 4 | | | | |
| 4.01 to 4.50 | 1 | | | |
| 4.51 to 5 | | | | |
| 5.01 to 6 | | | | |
| 6.01 to 7 | | | | |
| 7.01 to 8 | | | | |
| 8.01 to 10 | | | | |
| 10.0 to 15 | | | | |
| 15.0 and over | | | | |
| Total positives | 873 | 793 | 511 | 634 |
| Violations of total positives | 174 | 193 | 11 | 21 |
| Total samples in violation | 302 | 377 | 107 | 77 |

| Range (parts per million) | 1967 | 1968 | 1969 | 1970 |
|---|---|---|---|---|
| **BENZENE HEXACHLORIDE** | | | | |
| Total samples analyzed | 1,928 | 1,414 | 1,033 | 995 |
| None found | 112 | 23 | 18 | 26 |
| 0.01 to 0.10 | 540 | 508 | 435 | 523 |
| 0.11 to 0.50 | 290 | 423 | 188 | 200 |
| 0.51 to 1 | 50 | 77 | 15 | 4 |
| 1.01 to 1.50 | 15 | 12 | 4 | 1 |
| 1.51 to 2 | 6 | 2 | 1 | |
| 2.01 to 2.50 | 4 | 2 | 1 | |
| 2.51 to 3 | 1 | 2 | | |
| 3.01 to 3.50 | 1 | 1 | | |
| 3.51 to 4 | 1 | 1 | | |
| 4.01 to 4.50 | | | | |
| 4.51 to 5 | 1 | | | |
| 5.01 to 6 | | | | |
| 6.01 to 7 | 2 | | | |
| 7.01 to 8 | | | | |
| 8.01 to 10 | | 1 | | |
| 10.0 to 15 | | | | |
| 15.0 and over | | | | |
| Total positives | 911 | 1,029 | 644 | 728 |
| Violations of total positives | 173 | 263 | 64 | 68 |
| Total samples in violation | 302 | 377 | 107 | 77 |
| **HEPTACHLOR EPOXIDE** | | | | |
| Total samples analyzed | 1,928 | 1,414 | 1,033 | 995 |
| None found | 112 | 23 | 18 | 26 |
| 0.01 to 0.10 | 137 | 127 | 121 | 203 |
| 0.11 to 0.50 | 26 | 29 | 28 | 26 |
| 0.51 to 1 | | | 1 | |
| 1.01 to 1.50 | | | | |
| 1.51 to 2 | | | | |
| 2.01 to 2.50 | | | | 1 |
| 2.51 to 3 | | | | |
| 3.01 to 3.50 | | | | |
| 3.51 to 4 | | | | |
| 4.01 to 4.50 | | | | |
| 4.51 to 5 | | | | |
| 5.01 to 6 | | | | |
| 6.01 to 7 | | | | |
| 7.01 to 8 | | | | |
| 8.01 to 10 | | | | |
| 10.0 to 15 | | | | |
| 15.0 and over | 1 | 1 | | |
| Total positives | 164 | 157 | 150 | 230 |
| Violations of total positives | 5 | 2 | 8 | 2 |
| Total samples in violation | 302 | 377 | 107 | 77 |

Source: U.S. Department of Agriculture.

Mr. DENHOLM. Mr. Chairman, will the gentleman yield?

Mr. MELCHER. I yield to the gentleman.

Mr. DENHOLM. Mr. Chairman, I associate myself with the remarks of the gentleman from Montana and I join in support of the amendment.

I believe that the existing provision of the proposed legislation imposes an obligation on the people of this country that it does not impose on the foreign producers that deliver and trade in our domestic market. Therefore, I join with the gentleman in support of the amendment.

Mr. RYAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, speaking of a double standard, I would call the attention of the members of the Committee to the exemption which the bill grants for exports in section 17, page 50, where there appears the following language:

> Notwithstanding any other provision of this Act, no pesticide or device shall be deemed in violation of this Act when intended solely for export to any foreign country and prepared or packed according to the specifications or directions of the foreign purchaser.

Mr. Chairman, when the bill does not require pesticides manufactured for export to be registered and to meet the requirements imposed upon pesticides in our own domestic market, then I ask how can we justify barring the importation of farm commodities which may have been treated abroad with the very substance which has been exported from the United States and is not subject to the bill?

Our concern for health and environmental protection should extend beyond our own shores, and the exemption for exports should be stricken.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Louisiana (Mr. RARICK) to the substitute amendment offered by the gentleman from Iowa (Mr. KYL) for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. DOW).

The question was taken; and on a division (demanded by Mr. RARICK) there were—ayes 36, noes 43.

Mr. RARICK. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment to the substitute amendment was rejected.

Mr. POAGE. Mr. Chairman, again I wonder if we cannot agree upon a time limitation. I note that the Members are getting impatient, and we seemed to be voting down most of these amendments, so I wonder if we might agree that all debate and all amendments to the Dow amendment in the nature of a substitute and the Kyl substitute amendment and all amendments thereto close in 20 minutes.

The CHAIRMAN. Is the gentleman from Texas making a unanimous-consent request?

Mr. POAGE. I am, Mr. Chairman.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mr. DOW. Mr. Chairman, I object.

The CHAIRMAN. Objection is heard.

MOTION OFFERED BY MR. POAGE

Mr. POAGE. Mr. Chairman, I move that all debate on the Dow amendment in the nature of a substitute, the Kyl substitute amendment, and all amendments thereto close in 20 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas (Mr. POAGE).

The motion was agreed to.

Mr. DOW. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count.

PARLIAMENTARY INQUIRY

Mr. DOW. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. DOW. Mr. Chairman, if there is a

rollcall will this come out of the time limitation?

The CHAIRMAN. The Chair will state in response to the inquiry of the gentleman from New York (Mr. Dow) that the motion that was agreed to, that was offered by the gentleman from Texas (Mr. POAGE) was for 20 minutes of debate, and the Chair will advise the gentleman from New York that there will be 20 minutes allotted for debate.

Mr. DOW. I thank the Chairman.

The CHAIRMAN. One hundred twenty-six Members are present, a quorum.

### AMENDMENT OFFERED BY MR. KASTENMEIER TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. KYL FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. KASTENMEIER. Mr. Chairman, I offer an amendment to the substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. KASTENMEIER KYL: On page 17, strike out all that comes after "based" on line 12, strike out lines 13 through 15, and strike out all that precedes the semicolon on line 16.

Mr. KASTENMEIER. Mr. Chairman, if my understanding of committee bill section 3, subparagraph (c) (1) (D) is correct, this provision effectively subverts existing patent laws by extending indefinitely through the registration requirements the rights of exclusive production of a pesticide material. I am aware, of course, that the bill does not intrude directly into existing patent law, but its infringement is effectively accomplished by proposed changes in registration procedures.

Let me explain the situation more fully.

Under existing patent law, an inventor is rewarded for ingenuity and effort by being granted exclusive rights over reproduction of the invention. This protection affords financial returns to the inventor beyond those that would ordinarily accrue in a fully competitive market situation. However, that exclusive reproduction protection is granted for a period of only 17 years. The basic value judgment here is that while an inventor should be financially rewarded for his ingenuity, at some point this special benefit must cease and the competitive forces of a free and open market allowed to operate to bring the invention to users at the lowest possible cost. This reflects the constitutional requirement that patents shall be "for limited times."

In this bill, we have language which I believe would give an unlimited right of exclusive protection for patentable pesticides beyond the usual 17-year period. Section 3 of the bill covers the registration of pesticides and section 3 (c) provides procedures for registration, and subparagraph 3(c) (1) specifies the statement required of an applicant. Subparagraph 3(c) (1) (D) provides that if requested by the Administrator, a full description of the tests made and the results upon which the claims are based must be included. This seems clear. Now reading further on page 17, line 12 of the bill, it provides further as an exception that "data submitted in support of an application shall not, without permission of the applicant, be considered by the Administrator in support of any other application or registration."

This exception, narrowly interpreted, could mean that the original developer of the patented and registered pesticide could foreclose the use of similar test data even after the patent has expired by any later registration.

However, even with a broader interpretation of the language, allowing a later submission of original and separate scientific data demonstrating the efficacy and safety of a registered pesticide material, there are strong economic forces which will prevent such later submissions for registrations. The scientific data required to support an application for registration of a pesticide material are extremely costly to generate. Without the patent protection enjoyed by the original application, it is unlikely that a secondary applicant for registration of the same material would undertake the costly research effort required. Therefore, even with the more generous interpretation of the language in this provision, the patent holder and registrant of a pesticide can effectively prevent market entry of new producers of that pesticide by simply refusing to give permission to the Administrator to use the scientific data already available in registering subsequent applications. With no time limit, this provision could very effectively operate to make the original registrant of a patentable pesticide material the only registrant. The subversion of the statutory 17-year patent protection limit is obvious.

Existing patent laws offer ample protection and financial reward to the developers of new pesticide materials, and I am strongly opposed to language in the committee bill which offers such developers further protection by establishing registration procedures giving exclusive rights of manufacture beyond the 17-year patent law limit.

The CHAIRMAN. Does any Member care to be heard on the amendment offered by the gentleman from Wisconsin (Mr. KASTENMEIR)?

Mr. KYL. Yes, Mr. Chairman.

The CHAIRMAN. The gentleman from Iowa (Mr. KYL) is recognized.

Mr. KYL. Mr. Chairman, the gentleman from Wisconsin and others have tried to make something appear which does not appear, in seeking to amend this provision of the act.

This is what the bill says in effect.

The Government has the right to require any information it wants. All information must be given to the Government so the Government can make a decision.

But if manufacturer "A" asks to register a chemical and another manufacturer, manufacturer "B," comes in and wants to register its own chemical then "B" cannot use the information developed by the first applicant.

The Government gets all the information it needs and the public gets all the information it needs. All the committee language does is to prevent one industry from pirating another industry's secrets. That is all it does.

The CHAIRMAN. Does any Member wish to be heard on the Kastenmeier amendment? If not, the question is on the amendment offered by the gentleman from Wisconsin (Mr. KASTENMEIER), to the substitute amendment offered by the gentleman from Iowa (Mr. KYL), for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. Dow).

The amendment to the substitute amendment was rejected.

### AMENDMENT OFFERED BY MR. DOW TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. KYL FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. DOW. Mr. Chairman, I offer an amendment to the substitute amendment offered by the gentleman from Iowa (Mr. KYL).

The Clerk read as follows:

Amendment offered by Mr. Dow to the substitute amendment offered by Mr. KYL: Page 19, strike out lines 12 and 13.

(By unanimous consent, Mr. RYAN yielded his time to Mr. Dow.)

The CHAIRMAN. The gentleman from New York (Mr. Dow) is recognized.

Mr. DOW. Mr. Chairman, the essentiality of a pesticide is, of course, highly important to establish in this day when every economic poison is suspect. Yet section 3(c) (5), page 19, lines 12 and 13 of the committee's bill, says that the "Administrator shall not make any lack of essentiality a criterion for denying registration of any pesticide."

In order to evaluate the impact of this provision, some definition of "essentiality" is a prerequisite. The word itself is part of an administrative procedure used in several agencies and departments, including the EPA, the Departments of Interior, Agriculture, and Health, Education, and Welfare. The policy is used when dealing with certain chemicals that have systematically proven to be persistent in the environment. To date, these chemicals have included benzene, hexachloride, chlordane, lindane, strobane-T, toxaphene, and compounds containing lead and arsenic. The policy prescribes that proposals from manuafcturers for uses of these persistent pesticide chemicals include arguments to show the need for the chemicals in use. This need becomes a part of the benefit-cost analysis in whether to permit certain uses of the persistent chemicals.

For an example of its use, authorization for the use of DDT by agencies of the U.N. in the control of malaria would take into consideration arguments relating to the persistence of the chemical as well as consideration of the arguments that DDT is the singularly most effective chemical for fighting malaria on a large scale. This latter argument amounts to an "essentiality" argument.

The problem of duplicate chemicals enter here, and my amendment is not intended to limit them. However, if a poison is proposed for a need already met by an earlier and less harmless chemical, then the lack of essentiality of the new chemical certainly suggests that it should not be approved.

My amendment would eliminate the

waiver of essentiality from the bill. The substitute is a response to an established need. To specifically eliminate need is an arbitrary effort in favor of chemical manufacturers. It ties the hands of agency administrators who have established a workable and important doctrine.

The CHAIRMAN. Does any Member desire to be heard on the amendment?

Mr. McCLURE. Mr. Chairman, I wish recognition.

The CHAIRMAN. The Chair recognizes the gentleman from Idaho.

Mr. McCLURE. Mr. Chairman, I yield to the gentleman from Iowa (Mr. KYL).

Mr. KYL. Mr. Chairman, in the first place, the Environmental Protection Agency already has what it calls an essential use doctrine in connection with restricted use pesticides. It in effect does what the gentleman wants to be done, but in a logical fashion. Therefore, this amendment is unnecessary. Furthermore, if we apply this doctrine economywide, the Federal Government would say, "We have a Ford automobile; therefore we do not need a Chevrolet, a Plymouth, a Dodge, or a Chrysler." We could say that in relation to any field in which there is more than one product in competition. We already have what the gentleman desires. To carry it further would make it ludicrous.

Mr. Chairman, the amendment should not be adopted.

The CHAIRMAN. Does any other Member wish to be heard on the amendment? If not, question is on the amendment offered by the gentleman from New York (Mr. DOW), to the substitute amendment offered by the gentleman from Iowa (Mr. KYL), for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. DOW).

The question was taken; and the Chairman announced that the noes appeared to have it.

### TELLER VOTE WITH CLERKS

Mr. DOW. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. DOW. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. DOW, KYL, POAGE, and TEAGUE of California.

The Committee divided, and the tellers reported that there were—ayes 152, noes 221, not voting 58, as follows:

[Roll No. 369]

[Recorded Teller Vote]

AYES—152

Abourezk
Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Begich
Bennett
Biaggi
Biester
Bingham
Boland
Bolling
Brademas
Brasco
Brown, Ohio
Buchanan
Burke, Mass.
Burton
Byrne, Pa.
Carey, N.Y.
Carney
Celler
Chisholm
Collins, Ill.
Conte
Corman
Cotter
Coughlin
Culver
Daniels, N.J.
Danielson
Delaney
Dellums
Dingell
Donohue
Dow
Drinan
Dulski
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Fascell
Fish
Flood
Foley
Ford, William D.
Fraser
Frey
Fulton, Tenn.
Gallagher
Gaydos
Giaimo
Gibbons
Goldwater
Gonzalez
Grasso
Green, Pa.
Griffiths
Gude
Hamilton
Hanna
Hansen, Wash.
Harrington
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Hicks, Mass.
Hicks, Wash.
Howard
Jacobs
Karth
Kastenmeier
Kemp
Kluczynski
Koch
Kyros
Lent
Long, Md.
McCormack
McDade
McKay
Macdonald, Mass.
Madden
Mazzoli
Meeds
Mikva
Miller, Calif.
Minish
Mink
Mitchell
Monagan
Moorhead
Morse
Mosher
Moss
Murphy, Ill.
Nedzi
Nix
Obey
O'Hara
O'Konski
O'Neill
Patten
Pike
Podell
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Rangel
Rees
Reid, N.Y.
Reuss
Riegle
Rodino
Roe
Roncalio
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ryan
St Germain
Sarbanes
Saylor
Scheuer
Seiberling
Snyder
Stanton, James V.
Steele
Stokes
Sullivan
Symington
Thompson, N.J.
Tiernan
Udall
Van Deerlin
Vanik
Waldie
Whalen
Wolff
Yates

NOES—221

Abbitt
Abernethy
Albert
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Archer
Ashbrook
Aspinall
Baker
Baring
Belcher
Bell
Bergland
Betts
Blanton
Blatnik
Boggs
Bow
Bray
Brinkley
Brooks
Broomfield
Brotzman
Broyhill, N.C.
Broyhill, Va.
Burleson, Tex.
Burlison, Mo.
Byrnes, Wis.
Byron
Cabell
Caffery
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Clark
Clausen, Don H.
Cleveland
Colmer
Conable
Daniel, Va.
Davis, Ga.
Davis, S.C.
de la Garza
Dellenback
Denholm
Dennis
Dent
Dorn
Downing
Duncan
Edmondson
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Findley
Fisher
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Fuqua
Galifianakis
Gettys
Goodling
Gray
Green, Oreg.
Griffin
Gross
Grover
Hagan
Haley
Hall
Hammerschmidt
Hanley
Hansen, Idaho
Harsha
Harvey
Henderson
Hillis
Hogan
Holifield
Hosmer
Hull
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Kazen
Keating
Keith
King
Kyl
Landrum
Latta
Leggett
Lennon
Link
Lujan
McClure
McCollister
McCulloch
McDonald, Mich.
McEwen
McKevitt
McMillan
Mahon
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Melcher
Miller, Ohio
Mills, Md.
Mizell
Mollohan
Montgomery
Morgan
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Passman
Pepper
Perkins
Pettis
Peyser
Pickle
Pirnie
Poage
Poff
Powell
Price, Tex.
Quie
Quillen
Randall
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Rooney, N.Y.
Rousselot
Roy
Ruppe
Ruth
Sandman
Satterfield
Scherle
Schmitz
Schneebeli
Scott
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Ullman
Vander Jagt
Veysey
Waggonner
Wampler
Ware
Whalley
White
Whitehurst
Widnall
Wiggins
Williams
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—58

Alexander
Arends
Barrett
Bevill
Blackburn
Brown, Mich.
Burke, Fla.
Chappell
Clancy
Clawson, Del
Clay
Collier
Collins, Tex.
Conyers
Crane
Davis, Wis.
Derwinski
Devine
Dickinson
Diggs
Dowdy
Dwyer
Edwards, La.
Garmatz
Gubser
Halpern
Hastings
Hébert
Heckler, Mass.
Horton
Jones, Ala.
Kee
Kuykendall
Landgrebe
Lloyd
Long, La.
McClory
McCloskey
McFall
McKinney
Mailliard
Metcalfe
Michel
Mills, Ark.
Minshall
Patman
Pelly
Purcell
Railsback
Schwengel
Smith, Calif.
Springer
Stanton, J. William
Teague, Tex.
Vigorito
Whitten
Wilson, Bob
Wilson, Charles H.

So the amendment to the substitute amendment was rejected.

Mr. NIX. Mr. Chairman, on this vote I voted "no." I wish to be recorded as having voted "aye."

The CHAIRMAN. Without objection, it is so ordered.

There was no objection.

### AMENDMENT OFFERED BY MR. DOW TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. KYL FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. DOW. Mr. Chairman, I offer an amendment to the substitute amendment offered by Mr. KYL.

The Clerk read as follows:

Amendment offered by Mr. Dow to the substitute amendment offered by Mr. KYL:

On page 49, line 7, strike out "following a public hearing, any party at interest" and insert in lieu thereof ", any person adversely affected", and on page 28, strike out lines 11 through 19.

(By unanimous consent, Mr. BINGHAM yielded his time to Mr. Dow).

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. DOW).

Mr. DOW. Mr. Chairman, this amendment as it applies to page 49 goes to the question of those who may take the Administrator of the Environmental Protection Agency to court.

In the committee the original bill granted that right to any person adversely affected could take the Administrator to court. But in the committee they changed these words to read, "Following a public hearing any party at interest."

Mr. Chairman, "any party at interest" is a very definite restriction. It means that only the manufacturer can take the Administrator to court.

My amendment would revert to the original language reading that "any person adversely affected." That might be a State, if you please, it might be a State that wanted to do it. It would also include all those organizations which are concerned with the condition of our environment and the public good.

Certainly, Mr. Chairman, we ought to revert to that wording.

The CHAIRMAN. Are there any other Members on the list who wish to speak to this amendment?

Mr. CARNEY. Mr. Chairman, I wish to address the Committee on this amendment.

The CHAIRMAN. The gentleman's name is not on the list.

Are there any Members on the list who wish to be heard on this amendment?

The Chair recognizes the gentleman from Pennsylvania (Mr. GOODLING).

(By unanimous consent Mr. GOODLING yielded his time to Mr. KYL.)

Mr. KYL. Mr. Chairman, the amendment which is offered here really changes nothing because in the final analysis the Court will decide the question of the designation of "party at interest" as compared to the designation "person adversely affected." Our language does not narrow the scope of judicial review nor does it limit review to registrants, applicants for registration, on the Environmental Protection Agency. This question has been definitely decided by Court decisions establishing a broad concept of standing as in the cases of *Association of Data Processing Service Organizations* v. *Camp,* 397 U.S. 150 (1970) and *Barlow* v. *Collins* 397 U.S. 159 (1970), and National Automatic Laundry and Cleaning Council against Shultz.

Mr. Chairman, the amendment should not be adopted because all it does is confuse the issue.

The CHAIRMAN. Are there any other Members whose names are on the list who wish to be heard on this amendment?

If not, the question is on the amendment offered by the gentleman from New York (Mr. DOW) to the substitute amendment offered by the gentleman from Iowa (Mr. KYL) for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. DOW).

The question was taken; and on a division (demanded by Mr. DOW) there were—ayes 64, noes 125.

### TELLER VOTE WITH CLERKS

Mr. DOW. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. DOW. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. DOW, KYL, POAGE, and TEAGUE of California.

The Committee divided, and the tellers reported that there were—ayes 167, noes 209, not voting 55, as follows:

[Roll No. 370]

[Recorded Teller Vote]

AYES—167

Abourezk
Abzug
Adams
Addabbo
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Begich
Bennett
Biester
Bingham
Blatnik
Boland
Bolling
Brademas
Brasco
Broomfield
Brown, Mich.
Buchanan
Burke, Mass.
Burton
Byrne, Pa.
Byron
Carey, N.Y.
Carney
Celler
Chisholm
Collins, Ill.
Conte
Corman
Cotter
Coughlin
Culver
Daniels, N.J.
Danielson
Dellenback
Dellums
Dent
Dingell
Donohue
Dow
Drinan
Dulski
du Pont
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Esch
Fascell
Fish
Flood
Foley
Ford, William D.
Fraser
Frelinghuysen
Frenzel
Galifianakis
Gallagher
Gaydos
Giaimo
Gonzalez
Grasso
Green, Pa.
Griffiths
Gude
Hamilton
Hanley
Hanna
Hansen, Wash.
Harrington
Harvey
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Hicks, Mass.
Hicks, Wash.
Howard
Jacobs
Karth
Kastenmeier
Keating
Kluczynski
Koch
Kyros
Lent
Link
Long, Md.
Lujan
McCormack
McDade
Macdonald, Mass.
Madden
Matsunaga
Meeds
Mikva
Minish
Mink
Mitchell
Moorhead
Morse
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Hara
O'Konski
O'Neill
Patten
Perkins
Pickle
Pike
Podell
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Quie
Rangel
Rees
Reid, N.Y.
Reuss
Riegle
Robison, N.Y.
Rodino
Roe
Roncalio
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roybal
Ryan
St Germain
Sarbanes
Saylor
Scheuer
Seiberling
Shipley
Snyder
Stanton, James V.
Steele
Steiger, Wis.
Stokes
Stratton
Sullivan
Symington
Thompson, N.J.
Tiernan
Udall
Van Deerlin
Vander Jagt
Vanik
Waldie
Whalen
Wolff
Yates
Yatron

NOES—209

Abbitt
Abernethy
Albert
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Archer
Ashbrook
Aspinall
Baring
Belcher
Bell
Bergland
Betts
Biaggi
Blanton
Boggs
Bow
Bray
Brinkley
Brooks
Brotzman
Brown, Ohio
Broyhill, Va.
Burleson, Tex.
Burlison, Mo.
Byrnes, Wis.
Cabell
Caffery
Camp
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Clark
Clausen, Don H.
Cleveland
Conable
Daniel, Va.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Denholm
Dennis
Devine
Dickinson
Dorn
Downing
Duncan
Edmondson
Edwards, Ala.
Eshleman
Evans, Colo.
Evins, Tenn.
Findley
Fisher
Flowers
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frey
Fulton, Tenn.
Fuqua
Garmatz
Gettys
Gibbons
Goldwater
Goodling
Gray
Green, Oreg.
Griffin
Gross
Grover
Hagan
Haley
Hall
Hammerschmidt
Hansen, Idaho
Harsha
Henderson
Hillis
Hogan
Holifield
Hosmer
Hull
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Kazen
Kee
Keith
Kemp
King
Kyl
Landrum
Latta
Leggett
Lennon
McCollister
McCulloch
McDonald, Mich.
McEwen
McKay
McKevitt
McMillan
Mahon
Mailliard
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Melcher
Miller, Ohio
Mills, Md.
Mizell
Mollohan
Monagan
Montgomery
Morgan
Myers
Natcher
Nelsen
Nichols
Passman
Pepper
Pettis
Peyser
Pirnie
Poage
Poff
Powell
Price, Tex.
Quillen
Randall
Rarick
Rhodes
Roberts
Robinson, Va.
Rogers
Rooney, N.Y.
Rousselot
Roy
Runnels
Ruppe
Ruth
Sandman
Satterfield
Scherle
Schmitz
Schneebeli
Scott
Sebelius
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Steed
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Ullman
Veysey
Waggonner
Wampler
Ware
Whalley
White
Whitehurst
Widnall
Wiggins
Williams
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Young, Fla.
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—55

Alexander
Anderson, Tenn.
Arends
Baker
Barrett
Bevill
Blackburn
Broyhill, N.C.
Burke, Fla.
Clancy
Clawson, Del
Clay
Collier
Collins, Tex.
Colmer
Conyers
Crane
Delaney
Derwinski
Diggs
Dowdy
Edwards, La.
Gubser
Halpern
Hastings
Hébert
Heckler, Mass.
Horton
Jones, Ala.
Kuykendall
Landgrebe
Lloyd
Long, La.
McClory
McCloskey
McClure
McFall
McKinney
Metcalfe
Michel
Miller, Calif.
Mills, Ark.
Minshall
Patman
Pelly
Purcell
Railsback
Schwengel
Springer
Stanton, J. William
Teague, Tex.
Vigorito
Whitten
Wilson, Bob
Wilson, Charles H.

So the amendment to the substitute amendment was rejected.

Mr. McMILLAN. Mr. Chairman, I ask unanimous consent that I may change my vote from "yea" to "nay."

The CHAIRMAN. Is there objection to the request of the gentleman from South Carolina?

There was no objection.

### AMENDMENT OFFERED BY MR. DOW TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. KYL FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. DOW. Mr. Chairman, I offer an amendment to the substitute amendment.

The Clerk read as follows:

> Amendment offered by Mr. Dow to the substitute amendment offered by Mr. KYL: Page 28, line 24, strike out "and scientific review", and page 29, line 10, strike out "Upon", strike out lines 11 through 23, and strike out all that precedes the period on line 24.

Mr. DOW. Mr. Chairman, this amendment would strike out the privilege given in the committee bill to any manufacturer, party to a hearing, on suspension of his product to request referral of the issue to a scientific committee.

This is an example of the manner in which a party to an EPA hearing can complicate and divert the proceedings.

At a point in the testimony before the House Committee on Agriculture, the EPA addressed itself to this point, and to the point that a committee of the National Academy of Sciences—NAS—shall conduct this scientific review. Said EPA:

> We strongly believe that such mandatory committee should not be included in the regulatory process on pesticides which the Administrator has the responsibility to administer. We believe our testimony and other statements submitted to the Committee provide strong support for not having a mandatory advisory committee.
>
> The NAS has stated that statutory functions required of it as in FIFRA might tend to erode its independent advisory relation-

> ship to Federal Agencies as granted to it in the original Federal charter to the Academy. The NAS has further stated that it believes that participation by the NAS in the regulatory process of controlling the use of pesticides is an inappropriate assignment of a governmental role to a private organization. At the same time, the NAS strongly indicates its willingness to provide scientific assistance and advice to the Administrator of EPA and to assist informally in the provision of appropriate agency advisory committees.
>
> As we have indicated, we strongly oppose any type of mandatory advisory committee in the pesticides regulatory process.

I might add that there is nothing in the legislation to prevent EPA from asking for such scientific aid as it may desire, from any quarter.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. TEAGUE).

Mr. TEAGUE of California. Mr. Chairman, I rise in opposition to the amendment. I cannot understand the purpose of this amendment which is designed to knock out the provision which was inserted at the insistence of the EPA. What it provides is that a committee of the National Academy of Sciences shall report in writing regarding the matter at issue. It does not preclude the use of any other scientific persons within the United States. It is designed to bring about a more fair and scientific judgment on the application pending.

Mr. KYL. Mr. Chairman, will the gentleman yield?

Mr. TEAGUE of California. I yield to the gentleman from Iowa.

Mr. KYL. Mr. Chairman, I emphasize this is the language the Environmental Protection Agency wanted in the bill, and the committee came back into special session to include it at the insistence of EPA.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. DOW), to the substitute amendment offered by the gentleman from Iowa (Mr. KYL), for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. DOW).

The amendment to the substitute amendment was rejected.

AMENDMENT OFFERED BY MR. ECKHARDT TO THE SUBSTITUTE AMENDMENT OFFERED BY MR. KYL FOR THE AMENDMENT IN THE NATURE OF A SUBSTITUTE OFFERED BY MR. DOW

Mr. ECKHARDT. Mr. Chairman, I offer an amendment to the substitute amendment offered by Mr. KYL.

The Clerk read as follows:

> Amendment offered by Mr. ECKHARDT to the substitute amendment offered by Mr. KYL: Page 47, line 21, immediately after "person" insert unless the producer shows that the adverse environmental effects which caused the suspension of the registration were not known and could not with reasonable research or investigation have been known to the producer. If such facts were known, or should have been known to the producer, the United States shall be subrogated to the rights of any purchaser to whom a payment has been made against the producer.

Mr. ECKHARDT. Mr. Chairman, I would like to have the Members listen to what I have to say. Under the bill as presently drawn, there is an absolute guarantee to the producer of the pesticide that he will not lose money once the United States registers that pesticide. All this amendment says is that the producer cannot recover from the United States for the value of that pesticide in his own hands if he knew or with reasonable research could be expected to have known that the pesticide and a detrimental environmental effect such as to cause it to be withdrawn. It does not deny to the farmer complete recovery where the United States prevents his using pesticides in his hands, and it does not deny to the producer the right to recover from the U.S. Government the value of the pesticide if the producer is innocent, that is, if the producer did not know the environmental effects and could not with reasonable diligence have found out.

The CHAIRMAN. The time of the gentleman from Texas has expired.

(By unanimous consent, Mr. SEIBERLING yielded his time to Mr. ECKHARDT.)

Mr. ECKHARDT. Mr. Chairman, I submit if we do not pass this amendment we are guaranteeing to the producer an absolute governmental guarantee of no loss of funds. It is as if, for instance, the manufacturer of castor oil for infants advertises that it will stop constipation and makes a medicine that induces fatal infant diarrhea, and the medicine in his hands is then paid for by the United States because it is banned for its bad side effects.

We do not guarantee such reparation to anybody else, and I submit we should not guarantee it with regard to environmentally harmful pesticides.

Mr. ABERNETHY. Mr. Chairman, I will take 30 seconds of my time.

This is a rehash of the Evans of Colorado amendment we voted on a few minutes ago. These chemicals are not manufactured except under supervision of the Federal Government and only after the Federal Government has issued an authorization so to do. The amendment ought to be voted down.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Texas (Mr. ECKHARDT), to the substitute amendment offered by the gentleman from Iowa (Mr. KYL), for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. DOW).

The question was taken; and on a division (demanded by Mr. ECKHARDT) there were—ayes 82, noes 130.

TELLER VOTE WITH CLERKS

Mr. ECKHARDT. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. ECKHARDT. Mr. Chairman, I demand tellers with clerks.

Tellers with clerk were ordered and the Chairman appointed as tellers Messers. ECKHARDT, KYL, TEAGUE of California, and SEIBERLING.

The Committee divided, and the tellers reported that there were—ayes 168, noes 203, not voting 60, as follows:

[Roll No. 371]

[Recorded Teller Vote]

AYES—168

Abourezk
Abzug
Adams
Anderson, Calif.
Annunzio
Ashley
Aspin
Badillo
Begich
Bennett
Biester
Bingham
Blanton
Boland
Bolling
Brademas
Brasco
Buchanan
Burke, Mass.
Burton
Byrne, Pa.
Carney
Celler
Chisholm
Clark
Clausen, Don H.
Cleveland
Collins, Ill.
Conte
Corman
Cotter
Coughlin
Culver
Daniels, N.J.
Danielson
Dellenback
Dellums
Denholm
Dent
Dingell
Donohue
Dow
Drinan
Dulski
du Pont
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Fascell
Fish
Foley
Ford, William D.
Fraser
Frenzel
Fulton, Tenn.
Galifianakis
Gallagher
Gaydos
Giaimo
Gibbons
Gonzalez
Grasso
Green, Pa.
Griffiths
Gude
Hamilton
Hanna
Harrington
Harsha
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Hicks, Mass.
Howard
Jacobs
Karth
Kastenmeier
Kazen
Keating
Kluczynski
Koch
Kyros
Lent
Long, Md.
Lujan
McCormack
McEwen
Madden
Mailliard
Matsunaga
Mazzoli
Meeds
Metcalfe
Mikva
Miller, Calif.
Minish
Mink
Minshall
Mollohan
Monagan
Moorhead
Morgan
Morse
Moss
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nix
Obey
O'Hara
O'Konski
O'Neill
Patten
Pickle
Pike
Podell
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Rangel
Rees
Reid, N.Y.
Reuss
Riegle
Robison, N.Y.
Rodino
Rogers
Roncalio
Rosenthal
Rostenkowski
Roush
Roybal
Runnels
Ruppe
Ryan
St Germain
Sarbanes
Saylor
Scheuer
Seiberling
Shriver
Snyder
Stanton, James V.
Steele
Stokes
Symington
Thompson, N.J.
Tiernan
Udall
Van Deerlin
Vander Jagt
Vanik
Waldie
Whalen
White
Wilson, Charles H.
Wolff
Wright
Wydler
Yates
Yatron
Young, Fla.

NOES—203

Abbitt
Abernethy
Addabbo
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Archer
Ashbrook
Aspinall
Belcher
Bell
Bergland
Betts
Biaggi
Boggs
Bow
Bray
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Burleson, Tex.
Burlison, Mo.
Byrnes, Wis.
Byron
Cabell
Caffery
Camp
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Chappell
Colmer
Daniel, Va.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dennis
Devine
Dickinson
Dorn
Downing
Duncan
Edmondson
Edwards, Ala.
Erlenborn
Esch
Eshleman
Evins, Tenn.
Findley
Fisher
Flood
Flowers
Flynt
Forsythe
Fountain
Frelinghuysen
Frey
Fuqua
Garmatz
Gettys
Goldwater
Goodling
Gray
Green, Oreg.
Griffin
Gross
Grover
Hagan
Haley
Hall
Hammerschmidt
Hanley
Hansen, Idaho
Harvey
Hastings
Henderson
Hicks, Wash.
Hillis
Hogan
Holifield
Hosmer
Hull
Hungate
Hunt
Hutchinson
Ichord
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Kee
Keith
King
Kyl
Landrum
Latta
Leggett

Lennon
McClure
McCollister
McCulloch
McDade
McDonald, Mich.
McKay
McKevitt
McMillan
Mahon
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Mayne
Melcher
Miller, Ohio
Mills, Md.
Mizell
Montgomery
Mosher
Myers
Natcher
Nelsen
Nichols
Passman
Pepper
Perkins
Pettis
Peyser
Pirnie
Poage
Poff
Powell
Price, Tex.
Quie
Quillen
Randall
Rarick
Rhodes
Roberts
Robinson, Va.
Roe
Rooney, N.Y.
Rousselot
Roy
Ruth
Sandman
Satterfield
Scherle
Schmitz
Schneebeli
Scott
Sebelius
Shipley
Shoup
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Spence
Staggers
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Sullivan
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Ullman
Veysey
Waggonner
Wampler
Ware
Whalley
Whitehurst
Widnall
Wiggins
Williams
Winn
Wyatt
Wylie
Wyman
Young, Tex.
Zablocki
Zion
Zwach

NOT VOTING—60

Alexander
Anderson, Tenn.
Arends
Baker
Baring
Barrett
Bevill
Blackburn
Blatnik
Brooks
Broyhill, N.C.
Burke, Fla.
Clancy
Clawson, Del
Clay
Collier
Collins, Tex.
Conable
Conyers
Crane
Derwinski
Diggs
Dowdy
Edwards, La.
Ford, Gerald R.
Gubser
Halpern
Hansen, Wash.
Hébert
Heckler, Mass.
Horton
Jones, Ala.
Kemp
Kuykendall
Landgrebe
Link
Lloyd
Long, La.
McClory
McCloskey
McFall
McKinney
Macdonald, Mass.
Michel
Mills, Ark.
Mitchell
Patman
Pelly
Purcell
Railsback
Rooney, Pa.
Schwengel
Springer
Stanton, J. William
Stuckey
Teague, Tex.
Vigorito
Whitten
Wilson, Bob

So the amendment to the substitute amendment was rejected.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. SCHMITZ).

(By unanimous consent, Mr. SCHMITZ yielded his time to Mr. KYL.)

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. KYL).

Mr. KYL. Mr. Chairman, I thank the gentleman from California for yielding me his time, and I take this time to acquaint the House with the vote which will occur on my amendment.

We have now disposed of the other items which were included in the original amendment, and therefore what remains is the substance of my amendment, and that is the amendment on which most Members were most concerned.

Under the bill, pesticides are classified as general- or restricted-use pesticides. In the case of general-use pesticides in the bill, we had preempted the States from acting beyond the Federal law.

The CHAIRMAN. The time of the gentleman has expired.

The Chair recognizes the gentleman from North Dakota (Mr. ANDREWS).

(By unanimous consent, Mr. ANDREWS of North Dakota yielded his time to Mr. KYL.)

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. KYL).

Mr. KYL. Mr. Chairman, I thank the gentleman for yielding me his time.

My amendment does give to the States the right to impose more strict regulations than are included in the Federal law. I know that this is in accordance with the wishes of most of the Members of the House.

Again I thank the gentlemen for yielding me their time.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. POAGE).

Mr. POAGE. Mr. Chairman, I just want to take this time to make it perfectly clear that the really effective vote is the vote that we are about to take on the Kyl substitute to the Dow amendment. If the Kyl substitute is adopted, as I hope it will be, that will in effect be the passage of the bill. I do not believe there is anything else controversial about it. So I am going to urge the Members of the House to support the Kyl substitute.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Iowa (Mr. KYL), for the amendment in the nature of a substitute offered by the gentleman from New York (Mr. DOW).

The question was taken; and on a division (demanded by Mr. DOW) there were—ayes 167, noes 56.

So the substitute amendment was agreed to.

The CHAIRMAN. The question recurs on the amendment in the nature of a substitute offered by the gentleman from New York (Mr. DOW), as amended.

The question was taken; and on a division (demanded by Mr. DOW) there were—ayes 189, noes 41.

So the amendment in the nature of a substitute, as amended, was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

### AMENDMENTS TO OTHER ACTS

SEC. 3. The following Acts are amended by striking out the terms "economic poisons" and "an economic poison" wherever they appear and inserting in lieu thereof "pesticides" and "a pesticide" respectively:

(1) The Federal Hazardous Substances Act, as amended (15 U.S.C. 1261 et seq.);

(2) The Poison Prevention Packaging Act, as amended (15 U.S.C. 1471 et seq.); and

(3) The Federal Food, Drug, and Cosmetic Act, as amended (21 U.S.C. 301 et seq.).

### EFFECTIVE DATES OF PROVISIONS OF ACT

SEC. 4. (a) Except as otherwise provided in the Federal Insecticide, Fungicide, and Rodenticide Act, as amended by this Act, and as otherwise provided by this section, the amendments made by this Act shall take effect at the close of the date of the enactment of this Act, provided if regulations are necessary for the implementation of any provision that becomes effective on the date of enactment, such regulations shall be promulgated and shall become effective within 90 days from the date of enactment of this Act.

(b) The provisions of the Federal Insecticide, Fungicide, and Rodenticide Act and the regulations thereunder as such existed prior to the enactment of this Act shall remain in effect until superceded by the amendments made by this Act and regulations thereunder: *Provided*, That all provisions made by these amendments and all regulations thereunder shall be effective within four years after the enactment of this Act.

(c) (1) Two years after the enactment of this Act the Administrator shall have promulgated regulations providing for the registration and classification of pesticides under the provisions of this Act and thereafter shall register all new applications under such provisions.

(2) After two years but within four years after the enactment of this Act the Administrator shall register and reclassify pesticides registered under the provisions of the Federal Insecticide, Fungicide, and Rodenticide Act prior to the effective date of the regulations promulgated under subsection (c) (1).

(3) Any requirements that a pesticide be registered for use only by a certified pesticide applicator shall not be effective until four years from the date of enactment of this Act.

(4) A period of four years from date of enactment shall be provided for certification of pesticide applicators.

(A) One year after the enactment of this Act the Administrator shall have prescribed the standards for the certification of pesticide applicators.

(B) Within three years after the enactment of this Act each State desiring to certify pesticide applicators shall submit a State plan to the Administrator for the purpose provided by section 4(b).

(C) As promptly as possible but in no event more than one year after submission of a State plan, the Administrator shall approve the State plan or disapprove it and indicate the reasons for disapproval. Consideration of plans resubmitted by States shall be expedited.

(5) One year after the enactment of this Act the Administrator shall have promulgated and shall make effective regulations relating to the registration of establishments, permits for experimental use, and the keeping of books and records under the provisions of this Act.

(d) No person shall be subject to any criminal or civil penalty imposed by the Federal Insecticide, Fungicide, and Rodenticide Act, as amended by this Act, for any act (or failure to act) occurring before the expiration of 60 days after final regulations (relating to such penalty) under the Federal Insecticide, Fungicide, and Rodenticide Act, as amended, are published in the Federal Register.

(e) For purposes of determining any criminal or civil penalty or liability to any third person in respect of any act or omission occurring before the expiration of the periods referred to in this section, the Federal Insecticide, Fungicide, and Rodenticide Act shall be treated as continuing in effect as if this Act had not been enacted.

Mr. SEBELIUS. Mr. Chairman, I appreciate this opportunity to discuss H.R. 10729, the Environmental Pesticide Control Act of 1971.

At the outset, I would like to emphasize that this legislation is the compromise product of environmentalists, farm groups, State and Federal officials, the chemical industry, and the public. It is a sincere effort by the Committee on Agriculture to approach this issue on the basis of reason and sound judgment, rather than emotion and sensationalism. The committee has the responsibility to protect the interests of the farmers, the consumer, and the environment.

In hearings before our committee, some witnesses proposed a virtual ban on all agricultural chemicals. However, without pesticides to control disease-spreading insects and other defoliating pests, food supplies could be substantially reduced, both in quantity and quality, and food costs could soar as much as 300 percent.

Without pesticides, our annual harvest of grains such as corn and rise, and fruits and vegetables would be reduced an estimated 20 to 30 percent. Commercial fertilizers add an estimated 20 percent to crop production.

I would like to briefly mention two points. First, I want to emphasize the committee's intent in section 11:

> No regulations prescribed by the Administrator for carrying out the provisions of this Act shall require any private pesticide applicator to maintain any records or file any reports or other documents.

Too many times a well-intentioned Congress has passed restrictive and regulatory legislation which has resulted in unrealistic and burdensome demands on the individual citizen.

Worse, regulations without regard to local situations and subject to enforcement and penalty have created situations where the effect of a well-intentioned law created more problems than the problem it was enacted to solve. Put in another way, realistic pesticide control will not come about by placing unnecessary recordkeeping requirements and restrictions on the farmer or individual citizen.

Second, I want to express the resolve of the committee in the establishment of standards for licensing or certifying private applicators. Prior experience and expertise must be given every consideration and requirements for the licensing or certification of new applicants must be reduced to an absolute minimum. In this environmental effort, let us recognize the farmer has been a pioneer in soil stewardship and we should utilize his practical experience and common sense, rather than create unrealistic and unnecessary restrictions.

I feel that H.R. 10729 with these qualifications is a reasonable approach for controlling the harmful effects of essential pesticides without destroying the benefits. I am hopeful that the administration of this legislation will allow us to protect our environment while balancing the necessary and lawful use of pesticides to satisfy farmer and consumer interests.

Mr. McKINNEY. Mr. Chairman, with the publication of Rachel Carson's book, "Silent Spring" and the subsequent scientific verification of the dangers of indiscriminate pesticide use, it would have seemed incumbent upon Congress to develop an effective Pesticide Control Act. H.R. 10729, in my judgment, fails to meet the criteria which such a program demands. My opposition to this bill rests in four areas.

First, by preempting individual States from enacting tougher regulations on "general use" pesticides, this bill negates the excellent initiatives displayed by States like New York. Section 24 of H.R. 10729, by posting overall Federal standards, fails to recognize that particular needs created by local conditions such as climate, pest population, and population density are best handled by State and local agencies.

Second, the committee bill by classifying pesticides in two categories, "general use" and "restricted use" eliminates a third category proposed by the Nixon administration, "use by permit only," which would have established more effective control over the use of especially dangerous pesticides.

Third, a major change effected by H.R. 10729 is the shifting of the burden of proof. Under current Federal Insecticide, Fungicide, and Rodenticide Act regulations, the manufacturer has the duty to prove that his product meets EPA standards. If H.R. 10729 becomes law, just the reverse will occur. The EPA will have the burden of finding out if the product is environmentally unsound. Such a shift in my judgment is inconsistent with reasonable Federal regulatory practices and is wholly unacceptable.

Fourth, under H.R. 10729 the Administrator of the Environmental Protection Agency is required to indemnify registrants whose registrations are suspended or canceled because of action taken to prevent imminent hazards. The amount of payment is not limited in time and is based on the cost of the pesticide before it was removed from the market. While I recognize that a manufacturer in good faith can produce and market a product which might later prove harmful, I fail to understand how the Agriculture Committee wrote an open-ended indemnity clause into H.R. 10729. A much sounder approach would have placed a time limitation on any indemnities.

The Dow amendment to H.R. 10729 displays a far more suitable approach to pesticide control and has my support.

Mr. RARICK. Mr. Chairman, I did not vote to favorably report the pesticide control bill when it left the committee. Nothing transpiring since has changed my views that the provisions of H.R. 10729 delegates such overwhelming powers to the office of the Administrator of the Environmental Protection Agency that if arbitrarily applied they would constitute a threat to the food producing ability of the American people. Perhaps typical of the power and control herein being given to the Environmental Protection Agency was a problem discussed by the mainland sugarcane producers today at lunch. They feel that this same Environmental Protection Agency may ban all open field burning, including cane burning under the Federal Clean Air Act. Such a ruling would so greatly handicap the farmer in harvesting his cane by increased labor costs that the U.S. cane farmer would be put out of business. The result would be the creation of a monopoly in the hands of foreign sugar producers. I do not disagree with the announced purpose of this legislation, "to protect the public health and welfare and the environment through the improved regulation of pesticides."

My opposition rather goes to the unnecessary creation of another Federal bureaucracy and increased centralization of governmental control over the food and fiber needed to feed and clothe the American people. No one can explain the full thrust of the powers herein granted and no one should doubt that EPA would be given the potential for absolute control of food production in the United States. Control of food by a powerful centralized government has long been considered a threat to the people because he who has the power to control the food can most effectively control the people. Nowhere in the purpose of this bill is the farmer or the food requirements of the American people protected or given any consideration. The entire purpose of the bill is for control of the farmers and protection of ecologists.

Today's farmer already faces tremendous odds—not in supplying our people with an abundance of food stuffs; he has done a superb job in this field—but rather in staying in business, making a profit while using the most advanced machinery and agricultural chemicals that science can devise. The farmer's principal battle centers around the labor shortage—not that labor does not exist, but that people will not work at farmer's wages or they feel that farm labor is beneath their status. In the absence of farm labor our food production has been maintained through the use of increased mechanization and agricultural chemicals, pesticides, herbicides, and defoliates. Only in this way has American agriculture been able to keep the supermarket shelves stocked and our food storehouses full. We are one of the few countries in the world able to feed its own people and have enough left over to sell, if not give, to the socialist countries where governmental interference has denied the farmers the incentive or the ability to feed their own people.

Perhaps this is the cause of the problem we face from the emotional hysteria of the ecologists and environmentalists who do not seek a reasonable balance between continuing our food production capabilities and any dangers to our environment. Some seek immediate solutions by bans and prohibitions because they have never known what it is to go to the grocery store or the supermarket and find the shelves bare or not offering multiple choices of food from which to select. In the United States we have raised several generations of city dwellers who are so accustomed to an abundance of readily available food that they take for granted that the supply is limitless and that the grocers produce the food in the back room.

H.R. 10729 if passed today may well become a law. If so, it will remain a law until the trials and tribulations of future generations repeal it. Passage of this law certainly gives the Agency something to grow on in the way of guidelines and the usual bureaucratic expansion. In extreme hands, the position of Administrator of EPA could be arbitrarily used to all but tie the hands of American farmers and, in the name of curbing pollution and preserving ecology, produce a food shortage; or, under severe leadership, a famine in the United States. Under such conditions the slogans of some environmentalists clamoring for population control and living room would be rapidly brought into focus. Those of us who sat in on the extended hearings given this bill should remember the calloused disregard expressed by some scientists toward the human population which they felt was the problem anyway.

The present Director of EPA is personally known to some and there appears little fear of misuse of his authority. But nothing is as susceptible to change as politics itself, and I wonder if the lack of present unconcern would continue under a new administration when a Ralph Nader or perhaps a Ramsey Clark or some other militant environmentalist were named Director. This bill grants such extensive powers that theoretically the director of EPA could stop the majority of the American people from taking a bath if he suddenly decided that fluoridated water was harmful and banned its use.

Enactment of the pesticide control bill can only result in further collectivization of American agriculture. The small farmer being denied the use of some agricultural chemicals and facing the additional expense of restricted chemicals can not be expected to operate at a loss. They can be expected to be taken over by bigger farmers doing business on a large scale operation.

Consider, for example, that section 14 under penalties states that any private pesticide applicator who violates any provision of this act subsequent to receiving a written warning from the Administrator or following a citation for a prior violation may be assessed a civil penalty by the Administrator of not more than $1,000 for each offense. This is a civil penalty assessed by the Administrator—not by a judge or a court—and this is in addition to the penalty of a $1,000 and/or 30 days in jail under the criminal section.

Another astounding provision of this bill is the complete exclusion of imported foreign agricultural products from the effects of the Pesticide Control Act. In other words, pesticides and chemicals banned from use or given restricted use in the United States, will continue to be manufactured here and exported to foreign nations whose farmers, including Americans who have transferred their farming operations to foreign soil, can use the banned and restricted pesticides on agricultural commodities and then import the food into the United States for our domestic markets. What a double standard this establishes, to give foreign farmers even an additional advantage over the American farmer.

One need not be a genius to reasonably conclude that the long-range effect of this bill will be to deagriculturalize the United States and make our people dependent upon foreign imports for food.

Those on the floor will recall that I had earlier offered an amendment to the bill which would have provided for applying the same pesticide control standards to foreign agricultural imports as those under which U.S. farmers would be expected to operate. Tragically for our farmers and consumers, the amendment failed and this double standard of discrimination against U.S. farmers remains. This, despite the deniable fact that if imported foreign agricultural products have been treated with banned chemicals, any residue could be expected to constitute the same threat to our environment as would have been experienced by domestically grown food using the same chemicals.

I find no quarrel with the announced intent of the bill, but I do question the necessity of creating a new powerful bureaucracy and the tremendous authority which would here be made law.

Like the overwhelming number of our farmers, I am a conservationist and was one long before this bill was envisioned or many of our ecologists found it profitable to worry about the dangers civilized man has inflicted on nature. But, I feel any solution can only come through balance—reasoned discipline and intelligent limitations. I am firmly convinced that the American people have the intelligence and the ability to control every ecological threat on the local and State level by use of the laws now on the books. In the final analysis, people, and not laws, will conserve the environment. Most people are pollution conscious today, and they are entitled to a chance to solve their problems with reason and moderation rather than being forced to submit to more controls under a centralized bureaucrat.

I cannot support the bill merely to satisfy someone else's commitments, nor am I satisfied that passage of this bill is progress merely because it creates another gigantic bureaucracy to be turned loose over the lives and liberties of the American people.

Time will prove my reservations on this bill justified, and my opposition to another Federal control bill as well founded. I must cast my people's vote against the bill.

Mr. HANNA. Mr. Chairman, on June 18, 1970, I addressed the House on H.R. 10729 seaweed, the natural fertilizer. I pointed out that seaweed, a natural product of the sea, merits increased attention and use because of its nonpollutant qualities. I am, therefore, particularly pleased to note the language in the committee report on page 15, item 6, entitled "Seaweed and Other Organic Materials." I commend the great Agriculture Committee for giving its careful attention to this matter, and I sincerely trust that the Administrator of the EPA will carry out the clear legislative intent expressed in the report.

Mr. MIZELL. Mr. Chairman, I rise at this time to add my support for the Environmental Pesticide Control Act now being considered.

This bill is the product of months of investigation by the Committee on Agriculture, on which I am privileged to serve, and I believe it provides a thorough, far-reaching and effective system for the control of the manufacture, distribution, and use of pesticides.

While providing for the protection of our environment, the bill also recognizes the need for farmers and ranchers to provide the public with safe, reasonably priced foods and fiber, and the necessity for protecting public health against pests of all kinds.

The key provisions of this bill are:

The establishment of a coordinated Federal-State administrative system to control the application of pesticides, with the Federal Government setting nationwide program standards and the States certifying and supervising pesticide applications;

Expanded research and monitoring to find new and better methods and materials for controlling pests; and

Revision of administrative procedures for pesticide registration, cancellation, or suspension.

The Environmental Pesticide Control Act represents a major advance in the protection of our environment while balancing the necessary and lawful use of pesticides for agricultural needs, public health, and animal disease control.

Considering the complicated nature of this legislation, I believe a good job has been done in striking that balance. We have tried at every step to protect the small farmer from unrealistic regulations or cumbersome paperwork, and I believe we have been as successful as possible under these circumstances.

The farmer is more interested in preserving a quality environment than most people realize. His family eats the food he grows, and he can certainly be counted on to adhere to the responsible controls this legislation provides.

It is the purpose and the promise of this bill to insure a continuing good food supply while protecting our environment, and I urge my colleagues to join with me in voting for this valuable legislation.

Mr. POAGE (during the reading). Mr. Chairman, I ask unanimous consent that the remainder of the bill be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. DOW. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from New York is recognized.

Mr. DOW. Mr. Chairman, I am not going to take any time. I am delighted to have a vote of confidence from across the aisle. I will say this, that for my part I am going to vote against this bill because it is not adequate. It is no better than the present law as it stands. Therefore, I advise all of my colleagues to vote against it. There may be a motion to recommit, and I would certainly vote in favor of such a motion.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Hungate, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 10729) to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes, pursuant to House Resolution 626, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the amendment.

The amendment was agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

### MOTION TO RECOMMIT OFFERED BY MR. CONTE

Mr. CONTE. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. CONTE. In its present form I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Conte moves to recommit the bill H.R. 10729 to the Committee on Agriculture.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The question was taken; and the Speaker announced that the noes appeared to have it.

Mr. DOW. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. Two hundred forty-nine Members are present, a quorum.

So the motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. KYL. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 289, nays 90, not voting 51, as follows:

[Roll No. 372]

YEAS—289

Abbitt
Abernethy
Addabbo
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Ashbrook
Aspinall
Baring
Belcher
Bell
Bennett
Bergland
Betts
Biester
Blanton
Blatnik
Boggs
Bow
Brasco
Bray
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, Va.
Buchanan
Burleson, Tex.
Burlison, Mo.
Byrne, Pa.
Byrnes, Wis.
Byron
Cabell
Caffery
Camp
Carney
Carter
Casey, Tex.
Cederberg
Celler
Chamberlain
Chappell
Clark
Clausen, Don H.
Cleveland
Collins, Ill.
Colmer
Cotter
Coughlin
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dennis
Dent
Devine
Dickinson
Dorn
Downing
Duncan
du Pont
Dwyer
Edmondson
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Gaydos
Gettys
Gibbons
Goldwater
Gonzalez
Goodling
Gray
Green, Oreg.
Griffin
Griffiths
Gross
Grover
Hagan
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harsha
Harvey
Hastings
Hathaway
Hays
Heinz
Henderson
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Hosmer
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Kazen
Keating
Kee
Keith
King
Kluczynski
Kyl
Kyros
Landrum
Latta
Leggett
Lennon
Lent
Long, Md.
Lujan
McClure
McCollister
McCulloch
McDade
McDonald, Mich.
McEwen
McKay
McKevitt
McMillan
Macdonald, Mass.
Madden
Mahon
Mailliard
Mann
Martin
Mathias, Calif.
Matsunaga
Mayne
Mazzoli
Miller, Calif.
Miller, Ohio
Mills, Md.
Mizell
Mollohan
Monagan
Montgomery
Morgan
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Nix
O'Konski
O'Neill
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Poage
Poff
Powell
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Quie
Quillen
Randall
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Rousselot
Roy
Ruppe
Ruth
Sandman
Satterfield
Saylor
Scherle
Schmitz
Schneebeli
Scott
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Staggers
Stanton, James V.
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Ullman
Vander Jagt
Veysey
Waggonner
Wampler
Ware
Whalen
Whalley
White
Whitehurst
Widnall
Wiggins
Williams
Winn
Wright
Wyatt
Wydler
Wylie
Wyman
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—90—

Abourezk
Abzug
Adams
Anderson, Calif.
Ashley
Aspin
Badillo
Begich
Biaggi
Bingham
Boland
Bolling
Brademas
Brinkley
Burke, Mass.
Burton
Carey, N.Y.
Chisholm
Clay
Conte
Corman
Culver
Danielson
Dellums
Denholm
Dingell
Donohue
Dow
Drinan
Dulski
Eckhardt
Edwards, Calif.
Foley
Ford, William D.
Fraser
Giaimo
Grasso
Green, Pa.
Gude
Harrington
Hawkins
Hechler, W. Va.
Helstoski
Howard
Karth
Kastenmeier
Koch
McCormack
Mathis, Ga.
Meeds
Melcher
Metcalfe
Mikva
Minish
Mink
Mitchell
Moorhead
Morse
Moss
Nedzi
Obey
O'Hara
Podell
Rangel
Rarick
Rees
Reid, N.Y.
Reuss
Riegle
Rodino
Roe
Rosenthal
Roybal
Runnels
Ryan
St Germain
Sarbanes
Scheuer
Seiberling
Steele
Stokes
Thompson, N.J.
Tiernan
Udall
Van Deerlin
Vanik
Waldie
Wilson, Charles H.
Wolff
Yates

NOT VOTING—51

Alexander
Arends
Baker
Barrett
Bevill
Blackburn
Broyhill, N.C.
Burke, Fla.
Clancy
Clawson, Del
Collier
Collins, Tex.
Conable
Conyers
Crane
Derwinski
Diggs
Dowdy
Edwards, La.
Ford, Gerald R.
Gubser
Halpern
Hébert
Heckler, Mass.
Horton
Jones, Ala.
Kemp
Kuykendall
Landgrebe
Link
Lloyd
Long, La.
McClory
McCloskey
McFall
McKinney
Michel
Mills, Ark.
Minshall
Patman
Pelly
Purcell
Railsback
Schwengel
Springer
Stanton, J. William
Stuckey
Teague, Tex.
Vigorito
Whitten
Wilson, Bob

So the bill was passed

The Clerk announced the following pairs:

Mr. Hébert with Mr. Gerald R. Ford.
Mr. Barrett with Mr. Diggs.
Mr. Vigorito with Mr. Conyers.
Mr. Dowdy with Mr. Baker.
Mr. McFall with Mr. Michel.
Mr. Purcell with Mr. Pelly.
Mr. Whitten with Mr. Springer.
Mr. Teague of Texas with Mr. Horton.
Mr. Stuckey with Mr. Collins of Texas.
Mr. Jones of Alabama with Mr. Clancy.
Mr. Bevill with Mr. Gubser.
Mr. Alexander with Mr. Railsback.
Mr. Link with Mr. Clawson.
Mr. Mills of Arkansas, with Mr. Arends.
Mr. Patman with Mr. Bob Wilson.
Mrs. Heckler of Massachusetts with Mr. Minshall.
Mr. Broyhill of North Carolina with Mr. Lloyd.
Mr. Crane with Mr. Kemp.
Mr. Kuykendall with Mr. McClory.
Mr. McKinney with Mr. J. William Stanton.
Mr. Landgrebe with Mr. Blackburn.
Mr. Derwinski with Mr. Halpern.
Mr. McCloskey with Mr. Burke of Florida.
Mr. Collier with Mr. Conable.

Mr. ASHLEY changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. DOW. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks in the Record on the legislation and the amendments thereto that we have just considered.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 2559. An act to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans.

## PROVIDING FOR CONSIDERATION OF H.R. 9212, BLACK LUNG BENEFITS

Mr. BOLLING. Mr. Speaker, I call up House Resolution 658 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 658

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9212) to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Education and Labor, the bill shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Missouri is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the gentleman from California (Mr. Smith). Pending that I yield myself such time as I may consume.

Mr. Speaker, the bill that would be made in order by this 1-hour open rule is controversial. I know of no great controversy over the rule.

Mr. Speaker, I yield to the gentleman from West Virginia.

Mr. HECHLER of West Virginia. Mr. Speaker, I strongly support this resolution, and also express the hope that the bill will receive overwhelming support in the House. The bill will furnish much-needed clarification of certain provisions of the Federal Coal Mine Health and Safety Act which cover benefits for pneumoconiosis. Even so, there are other improvements which are needed in the bill and when the occasion arises I intend to offer two amendments to the committee bill, as follows:

Amendment A to H.R. 9212, as Reported, Offered by Mr. Hechler of West Virginia

Page 1, line 3, insert "(1)" after "That (a)".

Page 2, after line 14, insert the following new paragraph:

(2) Section 412(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) If an individual's benefits would be increased under clause (4) of this subsection because he or she has one or more dependents, and it appears to the Secretary that it would be in the interest of any such dependent to have the amount of such increase in benefits (to the extent attributable to such dependent) certified to a person other than such individual, then the Secretary may, under regulations prescribed by him, certify the amount of such increase in benefits (to the extent so attributable) not to such individual but directly to such dependent or to another person for the use and benefit of such dependent; and any payment made under this clause, if otherwise valid under this title, shall be a complete settlement and satisfaction of all claims, rights, and interests in and to such payment."

Amendment B to H.R. 9212, as Reported, Offered by Mr. Hechler of West Virginia

Page 7, after line 11, insert the following new subsection (and redesignate the succeeding subsection accordingly):

(f) The third sentence of section 413(b) of such Act is amended by inserting before the period at the end thereof the following: ": *Provided*, That where a deceased miner had been employed in a mine for ten or more years and there are no available medical records that reasonably establish the cause of death, determination as to entitlement of his widow shall take account of information obtained from any persons who had a close relationship to him during his life".

Mr. Speaker, I also include a table which indicates the status of black lung applications and payments through October 22, 1971:

BLACK LUNG STATISTICS (CUMULATED TO OCT. 22, 1971)

| | National | Kentucky | Pennsylvania | West Virginia | 4th Congressional District |
|---|---|---|---|---|---|
| Claims filed | 331, 203 | 35, 994 | 104, 780 | 62, 937 | 10, 390 |
| Claims processed | 309, 377 | 33, 525 | 98, 774 | 58, 811 | 9, 709 |
| Claims paid | 151, 948 | 10, 734 | 67, 643 | 26, 486 | 2, 999 |
| Miners | 84, 238 | 6, 154 | 36, 551 | 16, 137 | 1, 971 |
| Widows | 67, 710 | 4, 580 | 31, 092 | 10, 349 | 1, 028 |
| Additional dependents paid | 88, 263 | 9, 132 | 30, 033 | 21, 414 | 2, 996 |
| Total beneficiaries paid (miners, widows and dependents) | 231, 812 | 19, 338 | 93, 068 | 46, 695 | 5, 895 |
| Total monthly payment amount [1] | $26, 864 | $1, 987 | $11, 326 | $5, 042 | $584 |
| Total cumulative payment amount [1] | $437, 137 | $33, 567 | $190, 620 | $85, 413 | $10, 436 |
| Denials | 157, 429 | 22, 791 | 31, 131 | 32, 325 | 6, 710 |
| Miners | 120, 559 | 18, 968 | 20, 578 | 26, 096 | 5, 432 |
| Widows | 36, 870 | 3, 823 | 10, 553 | 6, 229 | 1, 278 |
| Percentage figures: | | | | | |
| Claims allowed: | | | | | |
| Miners | 39. 5 | 23. 4 | 62. 1 | 37 | 26. 7 |
| Widows | 65 | 54. 8 | 75 | 62. 7 | 44. 6 |
| Overall | 48. 1 | 31. 3 | 67. 6 | 44. 2 | 30. 9 |
| Claims denied: | | | | | |
| Miners | 60. 5 | 76. 6 | 37. 9 | 63 | 73. 3 |
| Widows | 35 | 45. 2 | 25 | 37. 3 | 55. 4 |
| Overall | 51. 9 | 68. 8 | 32. 4 | 55. 8 | 69. 1 |

[1] Rounded to nearest thousandth.

Mr. Smith of California. Mr. Speaker, I yield myself such time as I may use.

Mr. Speaker, House Resolution 658 does provide an open rule with 1 hour of consideration of the bill H.R. 9212. As I understand it, the purpose of the bill is to extend to a new class of beneficiaries—orphans whose father died of pneumoconiosis—the Federal cash benefits payments provide for by the Federal Coal Mine Health and Safety Act. Further, the bill provides that no cash-benefit recipient under the act shall have his social security payments reduced because of his receipt of such benefits, and prohibits the use of chest X-rays as the sole basis for a denial of claim for disability due to pneumoconiosis. Finally, the bill postpones for a 2-year period, until 1975, the time when the States and mine operators will be required to assume the responsibility for future cash benefit payments under the program created by the act.

The bill extends for 2 years the existing program for payment of black lung benefits by the Federal Government. Under the act, in 1973 and thereafter, the burden of making payments to disabled miners and their dependents was to be borne by the States and mine operators. Most States are not moving quickly enough to have their own programs operational by the end of next year. The bill postpones until 1975 this responsibility.

Cost estimates for the 5-year period 1972–77 are as follows:

| | |
|---|---|
| Payments to orphans | $5, 500, 000 |
| Payment of claims now denied solely on X-ray evidence | 50, 000, 000 |
| Extend Federal payment responsibility | 646, 000, 000 |
| Total | 701, 500, 000 |

No departmental letters are contained in the report. I understand the administration opposes the bill, except for the provisions making orphans eligible for benefits.

Mr. Quie and six other members have filed minority views. They support the benefits for orphans but oppose the remainder of the bill.

As stated by the gentleman from Missouri, I know of no objection to the rule, though there is some objection to the bill itself.

Mr. Speaker, I yield 2 minutes to the gentleman from Illinois (Mr. Erlenborn).

(Mr. ERLENBORN asked and was given permission to revise and extend his remarks and to include extraneous matter.)

Mr. ERLENBORN. Mr. Speaker, I do not oppose this rule. I am happy that the bill is now out on the floor under a rule where amendments will be in order, rather than the procedure that was attempted before to try to pass it under suspension of the rules where amendments are not in order.

As the gentleman from California has stated, a portion of this bill is not opposed by this administration. The Department of Health, Education, and Welfare, Social Security Administration, has made it clear that they support the principle of the extension of benefits to the so-called double orphans. However, as far as eliminating the use of the X-ray as a diagnostic tool in the denial of claims, the administration does oppose this provision. I have put matters in the record concerning this in the past.

The administration opposes the elimination of the social security disability offset because such action would treat one group of workers receiving industrial disease compensation differently from all other workers under social security disability who are receiving industrial or workmen's compensation benefits. In addition, the extension of the obligations of the Federal Government for an additional 2 years is objected to by the administration.

General debate will show that this has nothing to do with resolving those claims that have been filed and are unresolved at this point, but merely will extend as a full-time obligation of the Federal Government such claims as may be filed within the next 2 years rather than putting the burden on the States and the coal mine operators, as was contemplated in the original passage of the act.

Mr. Speaker, I have received a letter today from Robert M. Ball, Commissioner of Social Security, in which he again expresses the opposition of the Social Security Administration, backed by HEW, which I will place in the Record.

The letter follows:

DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
SOCIAL SECURITY ADMINISTRATION,
*Washington, D.C., November 8, 1971.*

Hon. JOHN N. ERLENBORN,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. ERLENBORN: You have asked for the comments of the Social Security Administration on certain statements that have been made concerning H.R. 9212 and the administration of the black lung benefit program.

The point has been made that a miner whose social security disability benefits are reduced because of simultaneous entitlement to black lung benefits may get less than he would otherwise receive in social security benefits alone. There were a few cases where the rounding of the figures in the computation process resulted in a reduction of few cents in total income. This has been corrected so that, as a result of eligibility to black lung benefits, no one gets less in combined benefits than he previously received.

Actually, this provision for reducing social security benefits when the combined benefits exceed 80 percent of the individual's usual earnings has resulted in a reduction in social security benefits in less than 5 percent of the cases where black lung benefits are paid. Moreover, H.R. 1, which passed the House of Representatives some time ago and is now pending before the Senate Finance Committee, contains a provision that would liberalize this rule so that the combined benefits could be somewhat higher than they are under present law. This liberalization would apply also to the black lung cases.

There is considerable doubt whether it is desirable to have an offset apply to all other social security disability beneficiaries who receive workmen's compensation payments from a State or Federal program, but not have it apply to social security disability beneficiaries who receive payments under the black lung program, particularly since H.R. 9212 does not continue this exemption when the payment of claims for black lung becomes the responsibility of the States and the mine operators.

You have also asked for the Social Security Administration's reaction to the provision of H.R. 9212 which prohibits the denial of black lung benefits solely on the basis of a negative x-ray. Dr. DuVal has written you a letter on this point which reflects the position being followed by the Social Security Administration. It is quite clear that the overwhelming consensus of expert medical opinion is that there is no medically-acceptable means other than x-ray (except lung biopsy in very unusual cases) for diagnosing coal worker's pneumoconiosis in the living miner.

If the agency is prohibited by H.R. 9212 from denying claims on the basis of a negative x-ray, there would be no sound medical way to tell which miners have breathing trouble due to black lung and which have similar trouble arising from some other lung condition. Numbers of people in every part of the country have breathing trouble due to emphysema, chronic bronchitis, or other respiratory disorders not peculiar to coal miners.

To pay black lung benefits on the basis of such non-occupational diseases would be altogether inconsistent with the expressed purpose of the law. At least of equal importance, it would be inequitable to provide the special payments to miners on the basis of non-occupational kinds of impairment—payments over and above social security disability benefits—when no such additional payments would be available to the great many nonminers suffering from similar problems.

Paying the black lung benefits on this non-occupational disease basis would give benefits to about 35,000 additional claimants. The estimated first-year cost is $182 million, and the total over the next 6 years could run to more than $800 million.

Let me repeat again that the Administration fully supports those provisions of H.R. 9212 which would extend benefits of the program to 2,000 orphaned children, the so-called double orphans.

Sincerely yours,
ROBERT M. BALL,
*Commissioner of Social Security.*

Mr. DENT. Mr. Speaker, the following statement answers quite adequately the arguments of the gentleman from Illinois:

THE CHILDREN'S HOSPITAL
MEDICAL CENTER,
*Boston, Mass., September 24, 1971.*

Representative JOHN H. DENT,
*House Office Building,*
*Washington, D.C.*

DEAR SIR: I have recently seen a copy of HR9213 and of Report No. 92–460 concerning proposed amendments to the Federal Coal Mine Health and Safety Act of 1969.

The extension of benefits to "double orphans" of fathers who died with pneumoconiosis can only be applauded. The extension of the period during which federal benefits will be given also deserves support.

I write with particular reference to the medical criteria for determining the presence of pneumoconiosis. As the enclosed article indicates, this issue has been of some concern to me and to a number of other doctors.

As testimony led your committee to conclude, the use of rigid xray criteria to determine pulmonary disability in coal miners cannot be supported medically, and has prevented large numbers of disabled miners from receiving benefits to which Congress felt they were entitled by virtue of decades of hard work in the mines.

Accordingly, Section 4 of HR9212, barring the denial of benefits solely on the basis of a chest roentgenogram, deserves full support, and the Committee deserves credit for bringing this important reform before the whole Congress.

There is a further problem with the administration of the 1969 law, however, which HR9212, as reported out by the Committee, will not rectify.

Many miners and former miners have disabling pulmonary impairment which cannot properly be called "coal-dust pneumoconiosis." They are presently being denied benefits under the same thrifty but narrow interpretation of the law which gave rise to the x-ray requirement. These hundreds and thousands of men are too short of breath to get about, let alone work, but they will still be turned down for federal benefits, even if HR9212 is enacted, unless Congress spells out that it intends this legislation to benefit *all* miners with work-related pulmonary impairment, not just those with the more spectacular "black-lung" pneumoconiosis. This is not just a medical word game, nor is it as complicated as it seems at first.

Many physicians who have cared for and studied coal miners have found them susceptible to a *variety* of lung conditions which a single term like "pneumoconiosis" does not encompass. Some of these have been recognized for decades, like silicosis; others, like difficulty in moving oxygen from the lungs to the bloodstream, have only been described more recently. They are not so uniquely related to coal-mining as is the characteristic "black-lung," proverbially (and often literally) full of coal dust, but they occur in coal miners in proportion to the years they spend underground, and so are a work-related condition. Their causes, too, involve other factors besides coal dust, like silica dust from sand, and harmful gases from cable and motor fires; these affect the miners' lungs in ways still to be precisely defined. Medical science still has many unanswered questions in this area.

One former miner, who grew short of breath just standing and talking and who has been denied black lung benefits, expressed his own bewilderment in terms many doctors would agree with, when he told me, "I don't know where it came from, but I know what I've got."

The point is simply that many such breathless men are presently incapacitated by pulmonary insufficiency which is just as disabling and just as related to their exposure underground as is the specific entity coal-dust pneumoconiosis, but they will still be excluded from benefits under HR9212 unless Congress instructs those administering the law to include them.

I prepared the enclosed review of this topic as background for a group of doctors who traveled to Beckley, West Virginia, two weeks ago to examine such men. The group released the enclosed statement. The names of the members of the group are attached. Rather than try to establish a list of specific diseases for which miners should be compensated, the group avoided that morass and concluded that benefits should reflect how much a man is impaired, not what diagnosis we can fit him into. Otherwise, he (and his family) would be paying for the incompleteness of our knowledge. What we *do* know now, without further study, is that many men are too short of breath to work after decades in the mines; medical advice hardly seems necessary to decide that they deserve benefits.

The Black Lung program, we feel, will remain both medically unjustified and cruel and arbitrary to the nation's miners until it makes benefits go to men according to how limited their lungs are, and not according to the presence of that one of the several kinds of pulmonary impairment which miners acquire underground which we decide is the "right" one.

Yours truly,
GORDON HARPER, M.D.

Mr. PERKINS. Mr. Speaker, debate on H.R. 9212, the black lung benefits bill amending the Federal Coal Mine Health and Safety Act of 1969, provides for the payment of benefits to so-called double orphans—the orphans of a miner who has died of pneumoconiosis, whose spouse has pre-deceased him or has died after establishing her entitlement to benefits. When both the miner and his spouse have died, dependent surviving children are not presently entitled to benefits. This is in spite of the fact that the act permits augmented benefits to the miner or his widow for the support of such dependent children.

Section 2 of the act provides that the black lung benefits program shall not be considered a workmen's compensation law or plan for purposes "of the disability insurance provisions of the Social Security Act."

If there is anything that was established in the legislative history of the Coal Mine Health and Safety Act, it was that we did not intend the black lung benefits program to be a workmen's compensation program.

Section 3 of the bill extends for 2 years the existing program for payment of black lung benefits. Under the act, the program responsibility is to be shifted from the Federal Government to the States and mine operators in 1973. No State at this point has modified their workmen's compensation law to provide adequate coverage for pneumoconiosis. Several have bills pending in their legislature but it is evident that the vast majority will not have time to legislate on this problem.

Section 4 of the bill prohibits the use of chest X-rays as the sole basis for denial of claims under the act. This is apparently necessary to clarify the congressional intent with respect to the determination of total disability due to pneumoconiosis. This act was passed and expressly intended by the Congress to be liberally and generously interpreted. The administration has not so interpreted it, and it is necessary for the Congress again to act.

To show you the extent of the default of the Social Security Administration, I am inserting in my remarks a copy of a letter from Dr. Roy Neal Calhoun of Hopkinsville, Ky., which he directed to FRANK A. STUBBLEFIELD, our colleague. It shows the utterly heartless and unconscionable extremes to which the administration has gone to deny benefits to black lung sufferers. I am inserting also in the RECORD an article by Dr. Donald L. Rasmussen, the director of the Pulmonary Laboratory of the Beckley Appalachian Regional Hospital in West Virginia entitled "Breathlessness of Appalachian Coal Miners." My colleagues will be able to learn about black lung, about its rehabilitating character, and about the difficulty of diagnosis which motivated the Congress to leave flexibility to those who were to interpret the law and administer it in the hope that they could use that flexibility to the benefit of the black lung sufferer.

The letter follows:

OCTOBER 9, 1971.

Hon. FRANK A. STUBBLEFIELD,
*House of Representatives,*
*Washington, D.C.*

DEAR FRANK ALBERT: I called you yesterday about Wesley Fox of Mortons Gap, Kentucky. We discussed the fact that I recently prepared his application, which in essence is a first-appeal application, for "Black Lung" benefits. Mr. Fox's Social Security number is [redacted]. In my opinion, Mr. Fox certainly has chronic lung disease that was caused by his occupation as a coal miner for 51 years. Recently, every application that we have sent to the Social Security Administration for Black Lung Benefits has been turned down. I believe that I can explain to you why this is true, and this is certainly not fair, and if this procedure is going to continue, I think that Congress should repeal the Coal Miners Health and Safety Act that was passed in 1969.

Mr. Fox is 73 years old. He worked underground in the coal mines for 51 years, and at the present time, he is practically dead with chronic lung disease. By chronic lung disease, I mean asthma, emphysema, pulmonary fibrosis, atelectasis, bronchiectasis, and pneumoconiosis. The Social Security Administration, however, refuses to grant these people their pneumoconiosis benefits unless they have drastic reduction of their pulmonary function and typical findings of pneumoconiosis on the chest x-ray. This is perfectly ridiculous and insulting to anyone who has seen and worked with these patients.

Your not being a doctor, let me explain some of the terms that we are using. *Pneumoconiosis* means scarring of the lungs because impurities which could not be excreted or coughed out while the applicant was working in the coal mines, and scar tissue was laid down by the body around this foreign particle. The lung further goes on to try to compensate for this injury, and it tries to compensate by enlargement of the chest. Instead of improving itself, it damages the pulmonary system by forming *emphysema,* which in lay terms means that the small cavities of the lung that you breathe with have been replaced by scar tissue and large cavities which cannot exchange oxygen well. The patient will get air into these cavities, and it does not get out quickly, and a small surface is exposed to the air which he inhales. Consequently, the patient cannot obtain enough oxygen in order to continue doing work other than very light work.

Charles Howell of Dawson Springs, Kentucky, whose Social Security number is [redacted] A, was turned down twice for his Black Lung Benefits while he was alive. He died on my service here at Jennie Stuart Hospital recently, and at autopsy, the patient was found to have pneumoconiosis.

Finis Johnson of St. Charles, Kentucky, had been turned down twice by the Social Security Administration for Black Lung Benefits. By doing an open lung biopsy, it was found that the patient had pneumoconiosis, and then the Social Security Administration grudgingly gave him his benefits. His Social Security number is [redacted].

Now we are being faced with a large number of applicants who have worked "at the face of the coal," who have been cutters and pinners, and worked in the mines years before there was any control of the dust particles. Only common sense dictates that these patients have breathed in particles of sand, limestone rock, carbon, which is the main element of coal, and this has produced silicosis, pneumoconiosis with its scarring, decreased ability to exchange air, and of course, making the patient "a sitting duck" for recurrent lung infections.

These people, to describe them more fully, have a barrel-shaped chest, which is nature's way of trying to increase their breathing capacity. They have widened ribs; whereas, a man like you can expand his chest approximately three inches with inspiration, these poor individuals do well to go anywhere from 1½" to ½". Therefore, they literally are "gasping for breath." They are forever developing pneumonia, attacks of asthma. They develop heart disease as a result of the increased resistance, where the heart has to pump blood through the lungs, and they develop *bronchiectasis,* which is a complete change and distortion of the bronchi in the lungs, which fills with mucous, pus, and other materials that are infected and cause the individual to be a *"pulmonary cripple."*

The Social Security Administration refuses to accept the clinical impression of the patient's family physician; they refuse to accept anything except drastic reduction of pulmonary functions and pneumoconiosis on the chest X-ray, or autopsy findings, or biopsy findings. This prevents thousands of people from obtaining their benefits which are justly due them. I have several patients who have such poor pulmonary functions that they cannot undergo open lung biopsy because they would die with pneumonia from such a minor procedure. The people in the Social Security Administration know this, and consequently they feel safe in rejecting these individuals, knowing that their physician will not jeopardize their lives in order to obtain their benefits. Therefore, we, the practicing physicians, and the patients are forced to wait until he dies and get an autopsy.

It is my opinion and the opinion of numerous other physicians that the "Black Lung Law" of the Social Security Administration should be repealed unless Congress takes a new look at it and changes some of the methods of its administration and allow the benefits that are due the patient to reach the patient who qualifies for the benefits.

At the present time, it is only keeping a horde of bureaucrats on the payroll, and only a few individuals are receiving any benefits. Of course, the people who are administering this program can furnish you all kinds of statistics showing how many people they have processed and how many people who have gained benefits after processing, and how they are so short of help that they cannot possibly process these applicants' benefits any faster.

Your being an old Western Kentucky boy, remember the saying in our area: "Figures don't lie, but liars do figure."

In summary, I believe Congress should intervene in the Black Lung situation. Applicants have scarred lungs, decreased breathing capacity, foreign bodies infiltrated into their lungs that precipitated this decreased breathing capacity, but this cannot be proven until the patient dies because of the rigid standards the Social Security Administration has placed upon the applicant and the medical profession. If this cannot be changed or modified, the law should be abolished, because no one except those who have open lung biopsies, autopsies at death, and only a very few who happen to be lucky enough to show pneumonconiosis on their chest X-rays and marked decreased pulmonary function studies, can obtain these benefits.

It would be only reasonable and appropriate to evaluate the history and physical of the individual who is applying; to evaluate the pulmonary function studies, or breathing studies, which gives the figures on what per cent of normal a patient can still breathe, and the chest x-ray interpretation with comments from the physician should be instituted in place of the rigid standards that are now enforced.

Mr. Fox, who I have mentioned previously, has chronic lung disease, only one kidney, and it has a stone and cyst on it, diverticulosis of the colon, arteriosclerotic heart disease, and he is grossly underweight and extremely frail. An open-lung biopsy, in my opinion, would cause this patient to develop pneumonia and die. If it is necessary to die in order to obtain Black Lung benefits, the tax payers should be relieved of this unreasonable burden.

I am asking you to intervene with the Social Security Administration for Mr. Fox. I will be in contact with you about others. The present program and the rejection of the applicants is not in keeping with the purpose of the act passed by Congress in 1969, and something has to be done.

Your consideration of this is highly appreciated, and I hope that you will talk to your friends in Congress who will activate some type of movement that will bring sense and stability out of chaos.

We look forward to seeing you the next time you are at home and Congress is in recess. We appreciate all that you have done for us in the past.

Sincerely and gratefully yours,
NEAL CALHOUN, M.D.

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[From Appalachia Medicine, September, 1969]

## BREATHLESSNESS IN SOUTHERN APPALACHIAN COAL MINERS

(By Donald L. Rasmussen, M.D.)

Most authorities on occupational respiratory diseases believe disabling pulmonary impairment among bituminous coal workers is limited to cases of complicated pneumoconiosis ("Progressive Massive Fibrosis or PMF") or to those miners who develop chronic, nonspecific, obstructive, bronchopulmonary disease. In either case, significant obstructive ventilatory insufficiency is felt to be a major factor leading to disabling symptoms. The simple nodular forms of coal workers pneumoconiosis are thought to be responsible for dyspnea only rarely. Simple pneumoconiosis is considered significant only as a precursor to PMF, by many. Our experience in performing physiologic studies in 4,087 bituminous miners from southern West Virginia and adjacent areas of Virginia and Kentucky, leads us to differ in some respects with these conclusions.

### BACKGROUND

Since our observations began in 1962 and 1963, we have regularly encountered miners who complained of effort dyspnea of varying degrees, whose roentgenograms revealed only minimal abnormalities and whose ventilatory capacities were normal. In the majority of such cases, no evidence for non-pulmonary causes of dyspnea could be found. It seemed unlikely that anxiety or other functional causes could be responsible for the symptoms in the majority. For these reasons, we endeavored to evaluate more thoroughly additional parameters of respiratory function. In addition to the routine pulmonary function testing (ventilatory capacity) and lung volume determinations, we have investigated the mixing of inspired gas, the mechanical properties of the lung, alveolar gas exchange, blood gases, diffusion and the response to exercise. The complete studies have been performed on all patients referred for evaluation, regardless of roentgen findings, severity of complaints, ventilatory capacity or reasons for referral.

### SUBJECTS

The more than 4,000 miners evaluated in this laboratory were referred mainly from southern West Virginia, eastern Kentucky and southwestern Virginia. Approximately 10 per cent denied effort dyspnea. Some of these were referred because of the incidental finding of pneumoconiosis on a chest roentgenogram alarmed the patient or his physician. A few subjects sought medical evidence of good health in an effort to obtain re-employment in the mines, since this had been denied them because of X-ray abnormalities. Other asymptomatic men were curious about the status of their lungs. Many men with minimal effort dyspnea were referred for the same reasons.

More than one-half were referred in connection with claims for disability or compensation benefits.

Slightly more than 60% were currently employed in the mining industry. Almost all were ambulatory out-patients.

One outstanding characteristic of the entire group was the high level of cooperation shown.

The subjects studied are not a representative sample of miners in this region. They have, however, provided us with the opportunity to observe a wide range of symptomatology of all degrees of severity.

### OBSERVATIONS

Roentgenographic evidence of definite pneumoconiosis was present in four-fifths of the subjects. Abnormally increased linear markings ("nonspecific fibrosis") were noted in most of the remaining cases. Complicated pneumoconiosis (PMF) was noted in fewer than 10%.

Ventilatory insufficiency was detected in fewer than 45% of the total patients studied. In no more than one-fourth of these could the ventilatory abnormalities be classified as severe. It should be noted, however, that many physicians and agencies refrained from patients with obvious severe obstructive disease.

We have consistently observed a lack of correlation between ventilatory function and x-ray categories of pneumoconiosis.

While abnormalities of gas exchange, on the average, are slightly greater in men with advanced x-ray categories, severe gas exchange impairment may occur in the presence of only minimal roentgen abnormalities.

Among those men who denied effort dyspnea, impaired oxygen transfer, slight hypoxia and reduced diffusing capacities were noted in nearly one-half. Ventilatory function and response to moderate to moderately heavy exercise were usually normal, however. We consider these findings evidence of preclinical pulmonary insufficiency. Serial studies have yet been too few for conclusions, but we suggest that evidence of impaired oxygen transfer may be the earliest detectable physiologic abnormality in our miners.

In those patients who complain of moderate to severe dyspnea in the presence of normal ventilatory function, impaired oxygen transfer and increased dead space ventilation are almost always more marked than in the asymptomatic group. Inappropriately increased ventilatory response to exercise is almost invariably noted as well. There is a poor correlation between oxygen tension values per se and dyspnea or exercise intolerance. The hyperventilation is often sufficient to maintain oxygen tension at only minimally to moderately reduced levels. Alveolar-arterial oxygen tension gradients are significantly abnormal, however. The degree of hyperventilation is variable, and no doubt affected by conditions other than pulmonary disease. Apprehension, lack of familiarity with exercise apparatus, poor physical conditioning, and possibly musculoskeletal abnormalities may contribute to the increased ventilatory response. Efforts to reduce or eliminate some of these extraneous factors often result in a considerable reduction in ventilation in our subjects. This is invariably followed by a decline in arterial oxygen tension, not infrequently to very low levels.

Somewhat greater impairment in oxygen transfer is observed in those subjects with impaired ventilatory capacity. There is, however, a poor correlation between the degree of impairment in oxygen transfer and ventilatory dysfunction.

Significant physiologic abnormality can be demonstrated in the majority of our miners who complain of effort dyspnea. Tests of ventilatory capacity alone fail to detect abnormalities in many of our subjects. The poor correlation between functional impairment and x-ray category leads us to conclude, that while the roentgenogram is an essential part of the evaluation of each case, it is of little value in determining the degree of incapacity. It is of interest, however, that the roentgenogram is abnormal in almost all of our impaired subjects. In those subjects who are severely disabled, but whose roentgenograms fail to reveal diffuse abnormalities, obstructive bronchopulmonary disease is usually present.

We regard the respiratory diseases of coal miners as falling into two major categories. One is characterized predominantly by obstructive airway disease, indistinguishable from the chronic nonspecific obstructive respiratory disease which affects many men and women in all areas. At the opposite end of the spectrum are those patients without ventilatory insufficiency, but who exhibit impaired oxygen transfer, increased dead space ventilation and inappropriately increased ventilation with exercise. Encountered between these major groups are cases showing varying degrees of ventilatory disturbances plus impairment in gas exchange. Most often increased dead space ventilation and impaired oxygen transfer are out of proportion to the degree of ventilatory impairment.

In serial studies of a limited number of cases, we have noted the appearance of mild obstructive ventilatory impairment in cases originally presenting with disturbances in gas exchange only. We have no information to indicate the ultimate course of these patients, however.

### DISCUSSION

Our data does not allow us to predict the incidence of respiratory impairment in coal miners in this region, nor does it allow us to predict the relative predominance of primary gas exchange versus ventilatory impairment. Judging by the constant flow of cases with significant symptoms, the incidence of respiratory impairment in general must be very high.

The question of etiology cannot be answered from our data. However, the average age and years of employment among our impaired subjects are about five years lower among face workers in mechanized mining operations than all other workers. In addition, those miners who smoke show greater impairment than nonsmokers. This distinction is very clear with regard to impairment of oxygen transfer even in those subjects with normal ventilatory functions. There can be no doubt that cigarette smoking is very deleterious to men who engage in coal mining.

That our observations do not support some of the generally held concepts regarding pulmonary impairment among coal workers is obvious from the above. Others have also taken exception to these conclusions, pointing out that neither roentgen findings nor tests of ventilatory capacity alone are adequate for assessment of disability among coal workers. Impairment in oxygen transfer and impaired diffusion have been reported by a number of European observers among patients with only simple forms of pneumoconiosis of coal workers.

This single definitive study, from which most authorities derive the presently held concepts, is that of Gilson and Hugh-Jones. This monograph is a classic in terms of the physiologic investigations performed. There is a grave and readily recognized error in sample selection, however, which throws serious doubt as to the validity of the conclusion of these authors regarding the relationship between X-ray abnormality and impaired function. The cases selected for study were obtained from two entirely different populations. Those subjects with no pneumoconiosis and those with simple pneumoconiosis were drawn from the largely non-symptomatic miners activity working. Their subjects with complicated pneumoconiosis (PMF), on the other hand, were selected from men attending a clinic and from men hospitalized because of respiratory symptoms. It is not surprising that their cases of PMF resembled patients with chronic bronchitis. Their failure to encounter significantly impaired men from the active working force may have been the result of selective removal of symptomatic men from the mining industry.

It is recognized that many miners with simple pneumoconiosis may continue working for years before symptoms occur or abnormalities of function can be detected. The time of earliest x-ray appearance of diffuse abnormality is unknown in our miners. In our very limited experience with miners whose x-ray were diagnostic of pneumoconiosis 15 to 25 years earlier, we have not been impressed with a marked change in x-ray corresponding to the onset or progression of symptoms.

Efforts to reduce dust levels in European coal mines contrasted sharply with the situation in coal mines of Southern Appalachia. We believe this factor, along with the failure to examine our miners at intervals, can largely account for any difference in functional capacities between European and American miners.

There is no reason to conclude that coal miners are less subject to nonspecific obstructive respiratory diseases than are other segments of the population. Whether occupational exposure in the mines causes or aggravates these conditions is unsettled. It is not unreasonable to presume that both are true. It must be concluded, however, that other mechanisms are operational in the causation of impairment in gas exchange.

We have previously suggested that the periarterial pigment mantles around the smallest muscular arteries of our miners may be responsible for the impaired function which we observe. Further evidence for this concept has recently been reported by Naeye, Laqueur and Wells. They have demonstrated significant pathologic changes in small muscular arteries in cases of uncomplicated, simple, coal workers pneumoconiosis. The lesions are localized to the segments surrounded by pigment mantles. These lesions are believed capable of causing the physiologic disturbances in our miners. The physiologic findings in our breathless miners are very similar to those reported by Nadel and others in dyspneic patients with pulmonary vascular lesions.

#### SUMMARY

Studies of more than 4,000 bituminous coal miners in the laboratory lead us to conclude that disabling pulmonary insufficiency is common among bituminous coal miners. Chronic nonspecific obstructive bronchopulmonary disease, similar to that seen in the general population, is encountered frequently. Breathlessness is also often associated with abnormalities of oxygen transfer, increased dead space ventilation, and inappropriately increased ventilation with exercise, in the absence of reduced ventilatory capacity. We believe the latter disturbances may be the result of primary vascular damage.

There is a poor correlation between roentgen categories of pneumoconiosis and functional loss. Disabling impairment is a frequent finding in miners with only minimal x-ray abnormalities. Roentgenographic abnormalities may exist for many years in working miners before symptoms or abnormal function tests are manifest. Impaired oxygen transfer may be demonstrated in some miners, prior to the onset of symptoms.

Definite abnormalities of function can usually be detected in dyspneic miners providing appropriate methods of study are employed.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

## GENERAL LEAVE TO EXTEND

Mr. BOLLING. Mr. Speaker, I ask unanimous consent that all Members may extend their remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

## THE PRINCETON CONFERENCE ON THE FEDERAL BUREAU OF INVESTIGATION

The SPEAKER pro tempore (Mr. KEE). Under a previous order of the House, the gentleman from New Jersey (Mr. HUNT) is recognized for 60 minutes.

#### GENERAL LEAVE

Mr. HUNT. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks and include extraneous matter on the subject of this special order.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

Mr. HUNT. Mr. Speaker, the much publicized conference on the role of the Federal Bureau of Investigation in American life, announced last spring during the height of the spleen-venting charges against the FBI, drew some 50 plus radical lawyers, journalists, scholars and former Justice Department staff members to the Princeton University campus on October 29 and 30.

Cosponsored by the New York-based Committee for Public Justice and Princeton's Woodrow Wilson School of Public and International Affairs, the 2-day anti-FBI conference was billed as a "nonpartisan, scholarly effort to understand the structure of the FBI and its powers and role in American society." Among the organizers who represented the committee for public justice, it was indicated that the committee was formed about a year ago as an organization of private citizens concerned that the Nation "had entered a period of political repression," and was reported that the conference was held at Princeton University "in an atmosphere removed from the pressure of politics." Despite the oft-repeated use of the words "scholarly," "serious," and "objective," it was evident from the character of the participants and the nature of their presentation that the FBI was to be dismembered and discredited as an effective and efficient law enforcement agency. In the fact of this obvious bias, there was no choice but for FBI Director J. Edgar Hoover to decline the invitation for an FBI representative to "strongly defend the Bureau and its role." In the words of the Director:

> We are declining in view of our serious doubt that any worthwhile purpose could be served by an FBI representative attending an inquiry casting him in the role of defendant before even the first fact is brought out, and condemned by the "judges" before trial begins.

The three conference chairmen presiding over the conference sessions were Dr. W. Duane Lockard, chairman of Princeton's Department of Politics, and two members of the Executive Council of the Committee for Public Justice, Dean Burke Marshall, deputy dean of the Yale University Law School, and Prof. Norman Dorsen, professor of law at the New York University Law School. All of these men are characterized by their leftist politics. For example, showing his predilection for new left "scholarship," Professor Lockard had his two daughters go to Cuba with the admittedly pro-Communist, radical venceremos brigade. He was the "guy with the idea" for the conference. Burke Marshall, on the other hand, was a liberal pawn of the Kennedy administration and Norman Dorsen is the general counsel for the "anything goes" American Civil Liberties Union.

The credentials of these men, which do nothing to inspire confidence as to their objective abilities, are overshadowed, however, by the actual participants who prepared papers for presentation to the conference who were rewarded by the handsome sum of $1,000 each.

Among them was Frank Donner, a New York lawyer, who professed to be a professional in the use of informers. Donner has defended numerous Communist party functionaries tried for violations of the Smith Act of 1940 and, in 1956, he invoked the fifth amendment against self-incrimination 33 times when questioned regarding his past Communist affiliations or whether he knew certain people as Communists.

Robert Sherrill was reported in the press as having given "a semi-hysterical account of J. Edgar Hoover" in his presentation on "the Selling of the FBI." Among the list of Sherrill's credentials is his position as the Washington editor of the Nation and original editor of Mayday, a magazine self described as "dedicated to revolutionary journalism" and described by the New York Times as "a four-page weekly tabloid oriented toward muckraking and radical politics." Sherrill also distinguished himself as the author of unflattering biographies of President Johnson—"the accidental President"—and Vice President Humphrey—"the drug store liberal".

The credibility of Fred Cook, who prepared a paper on the FBI and organized crime might be judged in light of Cook's past as a reporter for the New York World-Telegram and Sun when he was discharged for fabricating a newsstory with respect to the alleged corruption of a New York City official.

Vern Countryman, now a professor of law at Harvard University, has a past which reflects upon his ability to be objective and detached from a political approach to the issues. A past member of the National Lawyers Guild, cited by the former House Un-American Activities Committee and the Senate Internal Security Subcommittee as a Communist front. Countryman once urged clemency for Ethel and Julius Rosenberg, convicted and executed Soviet spies. He has also been an official of the national committee to abolish the House Un-American Activities Committee, now known as the House Internal Security Committee, and has been active in behalf of the Angela Davis legal defense fund.

The FBI as a Political Police was prepared by none other than "Izzy" Stone, also publisher of his own independent and radical newsletter. Stone has frequently criticized moves to curb subversive activities in the United States and has been active in movements to abolish the former House Committee on Un-American Activities.

Among the so-called "Insiders", former FBI agent, William Turner prepared a paper on An Insider's View of the FBI. Turner, still bitter about his dismissal from the FBI on the grounds that he lacked the truthfulness, accuracy, and responsibility required of an FBI agent, can hardly be looked to as a fountain of truth. He might have been vindicated had the courts ordered his reinstatement, but after a long legal battle, the U.S. Supreme Court refused to hear his case after his dismissal had been affirmed by the Court of Appeals for the District of Columbia.

I could go on and on citing the credentials of the conference participants, but as reflected by this sampling, it would only serve to fortify my view that the conference could scarcely approach this sensitive subject, controversial as it is, with the scholarly, serious, or objective nonpartisan interest claimed by its organizers. In fact, of the 55 participants, only two were admitted to be in defense of the FBI. In short, there was no balance; the conference was a flop in terms of putting the powers and role of the FBI in American life in perspective. I would caution, however, that the record being built by these subscribers to the radical politics of the new left is devisive; it is designed to undermine public confidence in the finest law enforcement agency in this country, and it can be counted on to be used time and time again by radical sympathizers in the hope that the repetition of the fiction will eventually come to be recognized as the truth. In essence, it is the purpose of this special order today to put this conference in its proper perspective so that the rantings and ravings of the committee for public justice that can be expected to continue will not be the only basis upon which our citizens can make their own independent judgment.

Mr. Speaker, there is yet another aspect of this conference that is deserving of mention: namely, student reaction. Undergraduates for a Stable America—U.S.A.—is an organization of responsible Princeton University undergraduates dedicated to protecting and maintaining an atmosphere of academic freedom and academic balance at Princeton. Viewing the FBI conference as a "biased condemnation of the bureau under the guise of nonpartisan, objective scholarship," the U.S.A. group expressed its deep concern that "Princeton is doing an injustice to its prestigious name and the scholarly pursuit of truth by cosponsoring such a biased convocation."

As if to add insult to injury, the conference was apparently well financed and at least partially subsidized by the taxpayers in the form of income tax deductions. From the October 30 issue of the Washington Post, I quote verbatim:

> Authors of the 13 individual papers that form the basis for the conference were paid $1,000 each. They are also included among the 55 participants who were paid travel and living expenses for the meeting.

One organizer said:

> The total budget for the conference is $30,000, two-thirds of which was donated by an anonymous New York couple. He said their $20,000 donation was tax deductible because it went to Princeton but was earmarked for conference expenses. The balance of the funding came from two $5,000 grants by the Field and New World foundations, New York-based groups which usually fund liberal study groups.

Mr. Speaker, while ostensibly a scholarly effort to study the powers and role of the FBI in American society, it is evident from the nature of the materials presented that their authors intended to castigate the FBI and its Director. Perhaps the real purpose served by the conference, however, was to alert people to the increasingly sophisticated nature of divisive elements within our society which purport to speak for the general public. The voice of such dissident, radical groups has been heard, to be sure, but it would be a mistake to let it be the only one.

Mr. DEVINE. Mr. Speaker, I want to express to my colleague from New Jersey my appreciation for his having taken this special order to discuss the Princeton conference on the FBI.

I am deeply concerned about this conference because of the irresponsible attacks on the FBI and its Director, J. Edgar Hoover, which occurred there. I am even more concerned, however, because this conference represented an attack, not merely on the FBI as it presently exists and operates, but, more fundamentally, an attack on the right of a nation to have a surveillance organization of this type at all.

As Frank G. Carrington, executive director of Americans for Effective Law Enforcement and one of the two observers present who were FBI defenders, put it, the conference was—

> an attack on the country's right to have intelligence on subversives . . . We felt that a country has a right and a duty to protect its citizens from people who want to tear down the fabric of society.

I agree with Mr. Carrington as regards both the thrust of this conference and his observation on why we cannot permit such a concept to gain general currency.

A thread of opposition to FBI surveillance of dissident groups ran through the dissertations of the generally leftwing, FBI-hating participants. All were clearly politically motivated. Witness the following examples: Prof. Thomas I. Emerson of Yale Law School was quoted as saying the FBI's "political warfare against dissident groups raises the specter of a police state."

Prof. Frank Donner, also of Yale Law School, reportedly said that political informers used by the FBI are "intended as a restraint on free expression, as a curb on movements for change."

He continued:

> It can hardly be denied that the self-censorship which it (surveillance by informers) stimulates is far more damaging than many expressed statutory or administrative restraints.

Former FBI Agent Robert Wall charged that:

> Anyone who would say something against the Vietnam war had to be watched and watched closely. The chilling effect was very real.

Yet such criticism was plainly politically motivated. Most of the participants would not have agreed that this sort of surveillance carried the same onus when directed against such elements as the Ku Klux Klan.

Indeed, John Doar, former Assistant Attorney General for Civil Rights during the Kennedy administration, was described as expressing the strong feeling that the use of informants was necessary in protecting civil rights workers and combating organized crime.

Perhaps he was aware that it was FBI informants who enable the FBI to capture the bombers of the Birmingham church where several small children were killed and informers who led law enforcement officials to the murderers of civil rights workers in Mississippi.

The long history of FBI monitoring of the Klan and its individual members, in their private lives as well as in their organization activities, has never led to public outcries of repression, or police state, or the chilling effects of surveillance.

But in the eyes of the participants in this conference, when the same methods are applied against radicals of the left—the S.D.S., Weathermen, Black Panthers and the like—whose violent acts and divisive activities threaten our peace and liberty, and play into the hands of our external Communist enemies, they suddenly become evil, repressive, and chilling.

What these people seek is not an impartial agency devoted to ferreting out crime and subversion, evenhandedly, wherever it exists, but an agency with political blind spots which will fight organized crime, protect civil rights workers, and ignore the protestors and demonstrators of the left while ruthlessly repressing the Ku Klux Klan, the Minute Men, or anyone else who gets in the way of their kind of progress.

The irony of this position is that, while the right is accused of a warped love of country, the destructiveness of the radical left grows out of a warped hatred for America and her institutions. Thus, if they do wreak havoc in the country and help to create conditions that enemies—particularly those of a Communist bent—may exploit, still the right would never overtly encourage a foreign enemy and, indeed, can be expected to consistently oppose our foreign enemies.

The radical left, on the other hand not only wreaks havoc within the country, but since the advent of the Communist conspiracy, often deliberately cooperates with foreign subversive elements.

Anyone not predisposed to a radical political position knows that a free society has an inherent right to protect itself against those enemies, whether foreign or domestic, who seek by violent or illegal means to change or destroy that society.

Professor Donner provides an example of the way in which participants ingeniously tried to cloud the real issue when he suggested that:

> Thoughtful Americans must begin to ask themselves whether 'national security . . . really requires that we corrupt and bribe our youths, blacks, professors, students and others to betray friends and associates; whether there is no other way to defend ourselves . . . than to institutionalize the surveillance of non-violent protest activity.

Such a statement requires us to accept the undocumented assertion that FBI informers are bribed and corrupted individuals or that the betrayals to which he refers are worse than the betrayals of our society in which the betrayed are themselves engaged. It further requires acceptance of an implied premise—that nonviolent protest activity bears no relationship to violent protest and that the two forms can be successfully and universally distinguished in advance. Such a premise is obviously false.

Perhaps the most frightening assertion of the concept that the country has no right to an FBI came from Harvard Prof. Vern Countryman who argued that the FBI "should be confined to the enforcing of criminal statutes" and abandon its work of compiling intelligence dossiers that deal with political organizations. Asked by Mr. Carrington if he would rather have people killed in a bombing than have a bureau informant in a political group, Countryman reportedly answered:

> There are worse things than having some persons killed—for example having a whole society intimidated.

"Talk about people who don't value human life," commented Carrington of Professor Countryman's reply. And I agree. When a university professor can subordinate human life to a constitutional abstraction which is premised on the false idea that our whole society is intimidated, we are in real danger. He is, in my opinion, walking evidence of the need for the work the FBI is doing.

Mr. WAGGONNER. Mr. Speaker, the FBI as an organization and its Director were the objects of biased scrutiny by the self-appointed citizen participants at the recent Princeton Conference. It is safe to say, however, that the great majority of Americans do not share the paranoiac concerns of these leftwing vigilantes. To the contrary, our society is the more secure from erosion from within because of the efficiency and effectiveness with which the FBI has carried out its responsibilities mandated by the Congress and supervised by the U.S. Attorney General. Even the U.S. Supreme Court under Chief Justice Warren, during the period of the Court's liberal extension of the protections accorded individual liberties, recognized the exemplary record compiled by the FBI in its law enforcement activities. Speaking for the majority in the now famous case of Miranda against Arizona, 1966, the Chief Justice reflected upon the role of the FBI and the safeguards its agents were required to observe to protect the rights of criminal suspects.

Mr. Speaker, I include at this point in the RECORD the pertinent excerpt from Miranda decision:

### MIRANDA AGAINST ARIZONA

Over the years the Federal Bureau of Investigation has compiled an exemplary record of effective law enforcement while advising any suspect or arrested person, at the outset of an interview, that he is not required to make a statement, that any statement may be used against him in court, that the individual may obtain the services of an attorney of his own choice and, more recently, that he has a right to free counsel if he is unable to pay.[54] A letter received from the Solicitor General in response to a question from the Bench makes it clear that the present pattern of warnings and respect for the rights of the individual followed as a practice by the FBI is consistent with the procedure which we delineate today. It states:

"At the oral argument of the above cause, Mr. Justice Fortas asked whether I could provide certain information as to the practices followed by the Federal Bureau of Investigation. I have directed these questions to the attention of the Director of the Federal Bureau of Investigation and am submitting herewith a statement of the questions and of the answers which we have received.

"'(1) When an individual is interviewed by agents of the Bureau, what warning is given to him?

"'The standard warning long given by Special Agents of the FBI to both suspects and persons under arrest is that the person has a right to say nothing and a right to counsel, and that any statement he does make may be used against him in court. Examples of this warning are to be found in the *Westover* case at 342 F. 2d 684 (1965), and *Jackson* v. *U.S.*, 337 F. 2d 136 (1964), cert. den. 380 U.S. 935.

"'After passage of the Criminal Justice Act of 1964, which provides free counsel for Federal defendants unable to pay, we added to our instructions to Special Agents the requirement that any person who is under arrest for an offense under FBI jurisdiction, or whose arrest is contemplated following the interview, must also be advised of his right to free counsel if he is unable to pay, and the fact that such counsel will be assigned by the Judge. At the same time, we broadened the right to counsel warning to read counsel of his own choice, or anyone else with whom he might wish to speak.

"'(2) When is the warning given?

"'The FBI warning is given to a suspect at the very outset of the interview, as shown in the *Westover* case, cited above. The warning may be given to a person arrested as soon as practicable after the arrest, as shown in the *Jackson* case, also cited above, and in *U.S.* v. *Konigsberg*, 336 F. 2d 844 (1964), cert. den. 379 U.S. 933, but in any event it must precede the interview with the person for a confession or admission of his own guilt.

"'(3) What is the Bureau's practice in the event that (a) the individual requests counsel and (b) counsel appears?

"'When the person who has been warned of his right to counsel decides that he wishes to consult with counsel before making a statement, the interview is terminated at that point, *Shultz* v. *U.S.*, 351 F.2d 287 (1965). It may be continued, however, as to all matters *other* than the person's own guilt or innocence. If he is indecisive in his request for counsel, there may be some question on whether he did or did not waive counsel. Situations of this kind must necessarily be left to the judgment of the interviewing Agent. For example, in *Hiram* v. *U.S.*, 354 F.2d 4 (1965), the Agent's conclusion that the person arrested had waived his right to counsel was upheld by the courts.

"'A person being interviewed and desiring to consult counsel by telephone must be permitted to do so, as shown in *Caldwell* v. *U.S.*, 351 F.2d 459 (1965). When counsel appears in person, he is permitted to confer with his client in private.

"'(4) What is the Bureau's practice if the individual requests counsel, but cannot afford to retain an attorney?

"'If any person being interviewed after warning of counsel decides that he wishes to consult with counsel before proceeding further the interview is terminated, as shown above. FBI Agents do not pass judgment on the ability of the person to pay for counsel. They do, however, advise those who have been arrested for an offense under FBI jurisdiction, or whose arrest is contemplated following the interview, of a right to free counsel *if* they are unable to pay, and the availability of such counsel from the Judge.'"

The practice of the FBI can readily be emulated by state and local enforcement agencies. The argument that the FBI deals with different crimes than are dealt with by state authorities does not mitigate the significance of the FBI experience.

Mr. HOGAN. Mr. Speaker, when the Committee for Public Justice gathered in Princeton, N.J., 2 weeks ago they did so amid the public utterances that their only purpose was to review objectively through "a scholarly effort * * * the structure of the FBI and its powers and role in American society." This assertion of scholarship and objectivity was made several times.

About the only way one could consider this "investigation" reasonable scholarship and objectivity is by believing what the committee said and ignoring what it did. I should like to address myself to one of the papers presented, that given of Prof. Thomas Emerson of the Harvard Law School. Having been an FBI agent myself and knowing first-hand how zealous the FBI is in protecting the rights of citizens, I was particularly interested in this paper, the title of which was, "The Federal Bureau of Investigation and the Bill of Rights." To say that the title is misleading is an understatement. It is misleading because, hidden in the cloak of scholarship and academic inquiry is an exercise in illogic and a rather straightforward "hatchet job." Professor Emerson poses the question: To what degree has the FBI affected the openness of society, particularly its system for the free exchange of ideas?

The professor announced that his evidence consists of two items—the famous Judith Coplon spy trial of 1949 and the records stolen from the Media, Pa., office of the FBI. Now, one should pause right here. Do you mean the professor is announcing that he is going to undertake a rather complex investigation of the FBI and its relationship to our society on the basis of those two items? That, Mr. Speaker is what the professor did, and did admittingly.

But that should not come as much of a surprise because in reading and analyzing the Emerson paper, one quickly comes to the conclusion that evidence plays very little role in the academic method of Professor Emerson. His style is assertion, his criteria for truth or falsity is his own beliefs. What it comes down to is that Professor Emerson is using his academic title to give his unsupported opinions undeserved credibility. All that can be said is that it is not scholarship—no matter how many times the Committee for Public Justice calls it scholarship.

The thesis of Professor Emerson is more intriguing than the lack of academic method. The professor sees the FBI as primarily a political organ, shaped by the rule and ideology of the Director, J. Edgar Hoover. He contends that the FBI has been shaped by the Director's view of the world and his ability to scare everybody to death. By and large this ideology—Hoover's—Emerson claims, "has consisted of a primitive anti-Communism, a messianic dedication to the 'American way of life', a hard-nosed view of law and order, and similar features." He continues—

> The concept of "loyality" and "subversive activities," as developed by the Bureau, carry it very far in the direction of viewing all militant or radical dissent as a threat to the national security.

The professor uses the proposition as proof to support the following conclusion—

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[54] In 1952, J. Edgar Hoover, Director of the Federal Bureau of Investigation, stated:

"Law enforcement, however, in defeating the criminal, must maintain inviolate the historic liberties of the individual. To turn back the criminal, yet, by so doing, destroying the dignity of the individual, would be a hollow victory.

"We can have the Constitution, the best laws in the land, and the most honest reviews by courts—but unless the law enforcement profession is steeped in the democratic tradition, maintains the highest in ethics, and makes its work a career of honor, civil liberties will continually—and without end—be violated. . . . The best protection of civil liberties is an alert, intelligent and honest law enforcement agency. There can be no alternative.

". . . Special Agents are taught that any suspect or arrested person, at the outset of an interview, must be advised that he is not required to make a statement and that any statement given can be used against him in court. Moreover, the individual must be informed that, if he desires, he may obtain the services of an attorney of his own choice."

Hoover, Civil Liberties and Law Enforcement: The Role of the FBI, 37 Iowa L. Rev. 175, 177–182 (1952).

> The FBI conceives of itself as an instrument to prevent social change in America.

It should be noted how the professor has taken a proposition regarding radicals and militants to come up with a totally diffierent conclusion regarding the objectives of the FBI. Absolutely no evidence was offered.

After concluding that Alice-in-Wonderland journey through the world of logic, the professor turns his attention to the role the FBI plays in collecting data. Emerson charges, in indignant terms, that the FBI has been busy collecting data "that could conceivably be relevant to national security." Also, that the Bureau is a "general guardian of the national security." If I understand the professor correctly he is somewhat upset that: first, the FBI does what he says it does and second, does it for the stated reason. The professor is apparently quite confused.

What, pray tell, is wrong with the FBI's collecting data which could be helpful to protecting the national security? That happens to be one of the FBI's responsibilities.

The Emerson charge makes sense only if the individual doing the charging does not accept any idea of need for national security precautions. This, Mr. Speaker, is the key to understanding Professor Emerson. Any activity which is premised on the notion that society, through its government, can organize to frustrate and stop those subversive to its continued existence is, in Emerson's view not appropriate.

Approximately halfway through the 53-page paper, Professor Emerson introduces the Bill of Rights into the discussion, although it will be remembered that the title of his paper indicated that this was going to be the main topic. Regarding "constitutional limits on political surveillance," Emerson begins with the statement:

> There can be little doubt that the operations of the Federal Bureau of Investigation, in their present form, infringe upon rights guaranteed by the first amendment.

The only supportive statement to justify this claim is: "The details could be spelled out at length." However, Emerson does not bother with such details. Apparently, the world is supposed to accept his word for it because he is a Harvard law professor.

This is again the recurring problem. In drawing the picture of the FBI as a monster, Emerson has done the job with the use of unsupported charges and unevidenced assertions. This I might add is typical of charges leveled against the FBI.

Mr. Speaker, it is all rather sad that some in our midst find it necessary to try to build within the consciousness of America fear of an institution which was created in their interests and whose record has been unblemished. Men like Professor Emerson should be repudiated because their "scholarship" is not scholarship at all, it really is pretense.

Mr. Speaker, one of the things that amazes me in these tirades against the FBI is that for the FBI to have done all the terrible things attributed to it, it would have been necessary to have had the concurrence and collusion of numerous Presidents and Attorneys General of both parties, and the thousands of employees who work for the FBI. To think that all of these Americans would stand by and silently witness the things these carping critics claim the FBI has done, is absurd. Unsubstantiated charges ought to be dismissed outright even when the purveyor of the hogwash is a college professor.

Mr. COLMER. Mr. Speaker, recently the Federal Bureau of Investigation has been under attack, generally from those optimists in our society who are conveniently blind to the need of the Nation for protection from domestic foes. Behind their rose-tinted lenses, every face seems friendly, every intention innocent. They are sure that if we only opened our hearts the world would love us in return. Unfortunately they ignore some hard facts. One of those facts is that there is a real need for the job the FBI is doing.

The critics of our intelligence and investigative offices berate those offices for creating wrong impressions and hard feelings. Yet what do these critics themselves do? They frame their criticisms in insulting language. Their complaints are aimed at the emotions of their audience. They indulge royally in the same faults they condemn.

Mr. Robert Sherrill is an example of this. This former editor of Nation magazine read a paper at a recent Committee for Public Justice meeting in Princeton, N.J. This was supposed to be an intelligent, thoughtful critique of the FBI. But it devoted itself entirely to personal attacks on J. Edgar Hoover and Efrem Zimbalist, Jr., the star of the television series, "The FBI."

Not only does he insult those two men; Mr. Sherrill insulted generations of Americans who, in the 1930's and 1940's were thrilled by the exploits of the national investigative agency and admired it for its role in defending the country. Really, Sherrill says they were bored by the depression and then scared by the war. During the 1930's, life was dull and their sympathies were really with the courageous gangsters who dared express their individuality. In the 1940's we were anxious, and willing to believe anything, so we transferred our frustration to imaginary foes. "And then came the 1950's" writes Mr. Sherrill. "Some of us let down our guard—we were willing to tolerate the dangerous radicals in our midst, excusing their perfidious ideologies in the name of Freedom of Speech. Not J. Edgar Hoover." Not the American people, either, Mr. Sherrill, though you might like to think so. Most people know that, just because a country has managed to survive 20 years of subversion does not mean it will survive another 20, or even another 10.

Mr. Sherrill charges that it is only the personality of J. Edgar Hoover that keeps the television series "The FBI" on the air. I disagree. The American television audience are the ones who keep the shows on the air. A show would not make money without a base of popular support. And if the show becomes financially unsuccessful, it goes off the air. Maybe it is no masterpiece of art. But it is a good TV show. It is exciting and it is interesting. And the good guys usually win, and that is nice for a change especially when you watch it to relax and enjoy yourself.

So these are the substance of Mr. Sherrill's criticisms—personal insult, disparagement of the Nation's citizen, invalid complaints. Arguments like this do not show up any glaring faults of the Bureau—they merely betray the author's own illogical, sentimental, poorly thought-out liberal prejudices.

Fortunately, Mr. Speaker, I believe, as I am sure most of my colleagues believe, that Mr. Sherrill is not representative. He does not speak for the people of our great country. He speaks as a frustrated quasi-intellectual who needs something to complain about. The American people do have things to complain about, real things, like the economic difficulties and the decline of morality and the popularization of negative values in our society. We worry about things like this because only we can solve problems like this. But we worry too, because we have to worry, about foreign enemies and their domestic sympathizers and agitators. We have seen them fomenting internal dissension and disruption, creating hatred and bitterness. We know that such things exist and that something must be done about them if order is to be preserved.

Unlike Mr. Sherrill, who is so comfortably insulated in his intellectual fog the American people see reality. They know, as most of us here know, that absolutes are unrealistic. And, unlike over-educated, discontented liberals, they are willing to settle for what is better than nothing.

A little more sense of reality borrowed from our constituents might fit nicely in this Chamber, gentlemen. Yes, perfection is nice. But until the end of the world and the return to Eden, we are not going to have it. As long as America is America we are going to be hounded by people and nations who hate us and who will do everything they can to bring us down. We might as well adjust ourselves to that reality. We do not need to be obsessed by it; we need to recognize its existence and act accordingly. We can recognize, too, that perfection should not be ignored. We should work toward the balancing of all elements in the spirit of compromise between reality and perfection for which this Government is justly famous. And in the process of adjusting, let us be sure we protect our Nation's interest and existence.

Mr. Speaker, in reply to the reckless unjust criticism of Mr. J. Edgar Hoover, permit me to say in conclusion that I just happen to be one of those ordinary commonplace Americans who is grateful to the FBI and the years of dedicated, unselfish devotion and contribution of Mr. Hoover for perpetuating this Republic.

Mr. DICKINSON. Mr. Speaker, the last weekend in October was the occasion of a gathering at Princeton University of what was billed as a "scholarly effort to understand the structure of the FBI and its powers and role in American society." Such a scheme is certainly in accord with academic freedom as we now understand it, but a number of questions immediately come to mind: How scholarly, indeed, was the meeting? Was it really unbiased?

Supposedly, the conference was sponsored by the Committee for Public Justice—a group whose leaders include such prominent, convinced leftists as Robert Silvers, formerly a national councilman of the National Conference for New Politics; Norman Dorson, general counsel of the American Civil Liberties Union, and Ramsey Clark—all of whose sympathies are notoriously hostile to the Federal Bureau of Investigation.

This meeting, ostensibly, was called to clear up some issues about the FBI. And perhaps it did. The left orthodoxy has now spoken; the line of approach will undergo only slight modifications from here on. The conference says it was going to provide an opportunity for congressional evaluation of the Bureau—but there is an annual evaluation of the Bureau by Congress, when appropriations are considered.

But an examination of the leaders of the conference, and of the participants makes quite clear that the purpose of the conference was nothing so objective or scholarly as pretended. As Alice Widener, the publisher of U.S.A. magazine has said:

> Obviously it is a move by a leftist coalition among Democrats to try to stick the Nixon administration with an unfounded charge of using the FBI to create "political repression" in our Nation.

Political repression after all, is getting to be quite a rallying cry these days, among those revolutionaries whose persecution complexes find satisfaction in the efforts of decent society to maintain itself.

The rest of Alice Widener's article is worth reading, and, in my estimation, quite valuable. I would ask unanimous consent that it be inserted in the Record at this time.

### Professor With a Sticky Idea

(By Alice Widener)

New York City.—It isn't at all surprising that Professor W. Duane Lockard, Chairman, Department of Politics, Princeton University, told the press, "I was the guy with the idea" for the upcoming Conference on the FBI to be sponsored jointly at Princeton, October 29–30, by the Woodrow Wilson School and the ultra-liberal Committee for Public Justice.

Both of Prof. Lockard's daughters, Leslie Katherine and Janet Frances went to Cuba with the pro-Communist, radical New Leftist Venceremos Brigade; Leslie in December 1969, and Janet from March to May, 1971. Of course it may be that Prof. Lockard disapproves of his daughters' radical activities. But his sanction of the so-called "scholars" and "experts" invited to submit papers on the FBI shows his definite predilection for New Left "scholarship."

Among the papers scheduled to be presented at the Princeton kangaroo court hearing on the FBI are "Political Uses of the FBI" by longtime radical Leftist I. F. Stone; "Informers" by Frank Donner, notoriously pro-Communist New York lawyer who has taken the Fifth Amendment about his Communist Party activities again and again during Congressional investigations; "Selling of the FBI" by Robert Sherrill, writer for the radical Nation magazine and an editor of "Mayday," which described itself as dedicated to revolutionary guerrilla journalism. Another "scholar" scheduled to present an "Insider's View" of the FBI is William Turner. A special FBI agent for ten years, Turner was dismissed from the FBI in 1961 for "lack of truthfulness" among other charges. He sought reinstatement through the Civil Service Commission and lost; he took his case through the U.S. courts all the way to the Supreme Court and lost.

That gives you an idea, dear readers, of the kind of objective political scholarship concerning the FBI that will be offered at Princeton this month.

The co-sponsor of the Conference on the FBI is the Committee for Public Justice formed in November 1970 by prominent ultra-liberal and radical Democrats alleging that our nation has entered "a period of political repression" under the Nixon Administration. On April 28, 1971, the Washington, D.C. Evening Star reported that spokesmen for the Committee for Public Justice held a press conference to announce that the "private group" would meet at Princeton to conduct "a scholarly serious study of the FBI." They chose the university as a meeting place, they said, because the conference would be held "in an atmosphere removed from the pressures of politics."

But politics, in my opinion, is exactly what the conference is all about—ultra-liberal and Democratic New Left politics mixed with pro-Communist politics.

Two of the leading spokesmen for the Committee for Public Justice are Burke Marshall and Roger Wilkins, both former Kennedy Administration aides. On the Committee's executive council are radical Leftists such as Lillian Hellman, playwright; Robert B. Silvers, formerly on the national council of the notorious and discredited National Conference for New Politics in 1967; Norman Dorsen, general counsel of the "anything goes" American Civil Liberties Union. The politically ambitious left-leaning Democrat former U.S. Attorney General Ramsey Clark is on the Committee's executive council. The Committee's membership list is star-studded with radiclibs such as Leonard Bernstein, musician who raised funds for the Black Panthers; G. Van Woodward, a Socialist Scholar; Ronnie Dugger and Martin Peretz, both former members of the executive board of the Communist-collaborating National Conference for New Politics in 1967.

What really is the underlying motive for the Conference on the FBI at Princeton this month?

Obviously it is a move by a Leftist coalition among Democrats to try to stick the Nixon Administration with an unfounded charge of using the FBI to create "political repression" in our nation. In my judgment, the phony charge won't stick. Neither regular Democrats nor the vast majority of Americans will go along with it. They know the FBI never has and does not now play party politics. We also know the FBI is justly world famous for its efficiency, integrity and decency.

Prof. Lockard of Princeton will soon find out he has a sticky idea that won't stick.

Mr. PETTIS. Mr. Speaker, during this curious conference on the FBI, which my colleagues have been discussing a colloquy took place which, I believe, is indicative of the absolutist antilaw-enforcement views which permeated the affair.

On the morning of the second day of the conference, Prof. Vern Countryman of the Harvard Law School, an official of the National Committee To Abolish the House Un-American Activities Committee and a member of the National Lawyers' Guild, presented a paper dealing with the "History of the FBI." This was, however, Vern Countryman's eyeview of the history of the FBI, somewhat less than objective, virulently critical of the Bureau and of Mr. Hoover, and condemnatory of the intelligence gathering activities of the Bureau. Professor Countryman may consider himself quite familiar with the intelligence gathering of the FBI through his activities in the Angela Davis Legal Defense Fund.

At the conclusion of Professor Countryman's paper, Mr. Frank Carrington, the executive director of Americans for Effective Law Enforcement, Inc., who was one of the very few people present at the conference who spoke in favor of the FBI and of the law-enforcement position, pointed out to Mr. Countryman that the recent bombing of school buses had been solved by the FBI because they had infiltrated the Klan with an undercover agent.

The following conversation then took place:

> Countryman. Well, my judgment would be that if the only way to detect that bombing is to have the FBI infiltrating political organizations, I would rather the bombing go undetected.
>
> Carrington. No matter whether somebody was killed?
>
> Countryman. Yes. Yes, there are worse things than having people killed. When you have got the entire population intimidated, that may be worse. We put some limits on law-enforcement in the interests of preserving a free and open society or at least we try to, and every time we do that—things like the privilege against self-incrimination things like the Fourth Amendment—every time we do that, that involves a judgment that even though some crimes and some crimes involving the loss of life will go undetected, it is better in the long run to have a society where there is some protection from police surveillance.
>
> Carrington. I'm not really sure that the family of Robert Fassnacht, who was blown up at Wisconsin, or the families of the kids that were killed in the Birmingham church bombing would agree with that.
>
> Countryman. I'm sure that the families of the victims would not agree in any of the instances that I've mentioned but I don't believe that most of us would say that for that reason we should repeal the fourth and fifth amendments.

Mr. Speaker, I am amazed at the position taken by a professor at one of this Nation's leading law schools that the value of human life is so insignificant that it must be subordinated to his notions of constitutional abstractions. That is a heartless position, yet no one at the Committee for Social Justice Conference except Mr. Carrington made a real challenge of Professor Countryman on this point. I believe that this absolutist view typifies a great deal of the anti-FBI and antilaw-enforcement bias of the conference. It certainly destroys, in my opinion, what little credibility the conference had.

## THE INCIPIENT CONFERENCE ON THE FBI AT PRINCETON

The SPEAKER pro tempore (Mr. Kee). Under a previous order of the House the gentleman from South Carolina (Mr. Spence) is recognized for 60 minutes.

Mr. SPENCE. Mr. Speaker, on October 28 I placed in the Record a column by William F. Buckley, Jr., reporting on the incipient conference on the FBI to be held at Princeton, which was billed as an "inquiry into the role of the Bureau in American life." Mr. Buckley vividly described the background of various members of the executive council of the so-called Committee for Public Justice, principal sponsor of the conference.

One look at that executive council and the list of participants lined up for the conference convinced me it was designed and intended as a further effort to undermine the credibility and effectiveness of the FBI. The vast majority of them were clearly longtime, vocal FBI foes, extreme liberals, or former agents and informers who left the Bureau under some sort of cloud; people like Ramsey Clark, Lillian Hellman, Fred Cook, I. F. Stone, Shirley MacLaine, Arthur Schlesinger, Jr., Jules Feiffer, Frank Donner.

On the basis of eyewitness reports and the taped transcript of the proceedings, I am convinced, too, that charges and insinuations of the most irresponsible sort were made against the FBI and its Director in the course of the conference.

Naturally, therefore, I was puzzled by the press coverage of the event when it actually occurred. The general press reaction might best be summarized in the words of columnist Joseph Kraft:

> Nobody can say with confidence what emerged from the conference in the end. But plainly the FBI was discussed in a normal way—not as some outlandish fiend.

That, of course, is not an accurate description of much that was said at the conference. The transcript and the remarks of many of my colleagues who have preceded me make this clear. Still, it is a fairly accurate description of the remarks on which most of the press chose to concentrate.

Indeed, if the newspaper reports of what happened at Princeton really represented the tone and content of the meeting, it might almost be considered a corroboration of the excellence of the Bureau and its performance.

Listen to some of the press accounts of the conference:

> From Jeremiah O'Leary of the Washington Evening *Star*—". . . John Elliff, of the Brandeis University faculty suggested the main problem with the FBI is that it had gone 50 years without a public accounting . . . .* * *
>
> " 'If fault is to be found, it would not be sought in the bureau and in its director but in . . . attorneys general, presidents and Congresses who have given power and responsibility to the FBI but who have failed to give it guidance, direction and control.' * * *
>
> "He said one of FBI Director J. Edgar Hoover's greatest achievements has been establishment of an objective politically neutral system for processing intelligence data."

One need not agree with this liberal professor to admit that this is a relatively mild criticism.

Or again from O'Leary, regarding the paper by Victor Navasky, an FBI foe and Robert Kennedy apologist, and Nat Lewin, on FBI electronic surveillance:

> They said the FBI in many areas has been commendably ahead of the rest of the nation's law enforcement establishment in respecting the rights of American citizens.

And

> Their joint presentation suggested it is not Hoover or the FBI the nation has to worry about but the system by which the government decides who is to be tapped or bugged.

Would not you think avowed critics could do better than that?

Or we find this from Alex Michelini in the New York Daily News writing of Vincent Broderick, former New York City Police Commissioner who criticized the statements of several self-styled former FBI informants who appeared as panelists:

Broderick . . . condemned the statements of the onetime informers. "It seriously impairs the credibility and validity of the conference," Broderick declared. "I have no way of knowing whether the charges are true or false."

One of the informers, David Sannes, had charged without substantiation that he was ordered by an FBI agent to murder a member of a radical group he had infiltrated. No wonder Broderick felt they impaired the credibility of the conference.

And again from Michelini, writing in the New York Sunday News of Broderick's criticizing the FBI for, of all things, not doing enough:

> Broderick chided the FBI for refusing at times to cooperate with local police. "You got to drag them in kicking and screaming," said Broderick, who added that one of the reasons for the resistance was the limitations of the bureau's law enforcement powers.

To what purpose does one criticize in on breath and destroy the basis for the criticism in the next?

From Joseph Kraft in the Washington Post, we had this:

> Anybody interested in the cooling national temperature should examine the conference on the FBI, which took place here in Princeton last weekend. For what shaped up as an exercise in radical chic attack turned out to have a story line a good deal less predictable than the Efrem Zimbalist show.
>
> * * * * *
>
> At one point, what had started as a congress of militant oppositionism was warned by John Doar (former Assistant Attorney General for civil rights in the Kennedy Administration) not to attack the FBI simply because "we feel more comfortable criticizing bureaucracy than criticizing ourselves."

In short, the press dwelt on the statements of the most moderate spokesmen at the conference and those statements quoted were, as often as not, constructively critical if not downright laudatory of the FBI.

Even where radical criticism was quoted it was frequently placed in a context which made it clear that it was ludicrous or blatantly political. For example, from Charles Krause writing in the Washington Post:

> The participants in the conference questioned whether all surveillance should be ended or only that concerned with political dissent. There was a strong feeling, expressed by John Doar * * * that the use of informants was necessary in protecting civil rights workers and combating organized crime.

The implication is that surveillance becomes justified if used against organizations like the Ku Klux Klan or the American Nazi Party but not if used against those on the radical left like the SDS or the Black Panthers—a blatantly political point of view.

Robert M. Smith, writing in the New York Times, quoted Prof. Thomas I. Emerson of Yale Law School:

> He (Emerson) suggested that the bureau be enjoined from actions like photographing peaceful demonstration in "compiling political dossiers on people not charged with a crime or reasonably suspected of a violation of the law."

But Smith went on to quote the following exchange between Richard Wright, one of the two defenders of the FBI present at the conference, and Professor Emerson:

> Richard Wright, the associate executive director of Americans for Effective Law Enforcement, said he thought 'the FBI has a basic duty to make sure the radicals don't get away with intimidating the rest of us' and asked if surveillance of some political groups was not justified if they were involved in violence.
>
> Professor Emerson conceded that this was 'the key question' and said it would be 'a major step forward if we could draw that line' between general intelligence-gathering and legitimate surveillance.

Here we have an admission that the critics really had no answers to the hard questions they found it so easy to raise.

Another particularly noticeable factor was the mass media's failure to give any coverage to the student reaction to the conference. When a handful of students disagrees with the "establishment," the media is quick to seek them out and present their case to the people.

In this case, a group of Princeton students, styling themselves Undergraduates for a Stable America—USA—mounted a campuswide campaign using the university radio station and the Daily Princetonian to call attention to the inherent bias of the conference sponsors and participants.

They said that—

> Princeton is doing an injustice to its prestigious name and the scholarly pursuit of truth by co-sponsoring such a biased convocation.

Much work and research went into the effort to present facts as to the nature of the conference. Yet the press gave no indication that one iota of student opposition to the conference existed.

It would be an easy matter to continue with quotes in this vein. But the point is made. With critics like these, who needs friends? When you stack the deck and cannot provide a basically sympathetic press any more to report than did these critics, it seems clear that the FBI must be doing something right.

Unfortunately, this is a dangerous conclusion. Perhaps to the credit of the press, it did not dignify many of the wild and irresponsible things said at the conference by giving them wide publication. Most reporters concentrated on the normal criticism rather than the outlandish.

But the danger is that this organization and its participants will achieve credibility in the eyes of the public by virtue of the very fact that the extreme and incredible statements were not reported.

Prior to the conference Stephen Gillers, director of the committee for Public Justice characterized his group as serving as an "early warning system" for what its members thought was political repression in America. And Doubleday Co. of New York plans to produce a book from the conference, based on the individual papers and panel discussions presented there.

Clearly, we have not heard the last of this "potshoting" from the left. But we are in danger of its future activities and pronouncements being received with undue attention, simply because of the things that were not reported about the conference proceedings.

That is why I am glad to join with my colleague from New Jersey in providing time today to explore behind the facade of this kangaroo court on public justice.

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## TAX BREAK FOR THE ELDERLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. FINDLEY) is recognized for 5 minutes.

Mr. FINDLEY. Mr. Speaker, today I am introducing a bill to give senior citizens of limited income a Federal income tax credit to offset State and local taxes they pay on their home property.

Those whose annual income is under $6,500 would be eligible, whether they own their own house or not. If they rent, the portion of rent which covers taxes will be computed. If their Federal income tax is $300 or less, they will be eligible for a payment from the U.S. Treasury instead of a tax credit.

The maximum tax credit, or payment, would be $300.

Early this year an elderly man I have known most of my life wrote these touching words to me:

> I worked hard all my life until I retired a few years ago. I've never been on relief. I've always been a taxpayer. Over the years my wife and I scrimped and saved to pay off the mortgage on our house. It's clear of debt but real estate taxes are getting so high, and our retirement income buying so much less each year, that we simply can't afford to stay in the house that has been so much a part of our lives. Can't something be done for us and others like us?

As I reflected on his letter, it struck me that this couple, and hundreds of thousands of others throughout the Nation face an agonizing decision in their twilight years. For them, the principal invest of a lifetime is their home. It is more than an investment in dollars. Its rooms and grounds hold cherished memories of marriage, children, the moments both sad and happy which make up family life.

Old age is difficult enough in familiar surroundings. It can be unbearable for people torn from these surroundings by the rising burden of real estate taxes.

The man who wrote to me must have wondered if the years of scrimping and saving to pay off the mortgage on his house were really worthwhile. Were he and his wife any better off, really, than some other couples who have been on public welfare in one form or another most of their lives?

The facts are that two-thirds of those persons over 65 own their own homes.

Yet many are being forced to sell their homes and move to small, cramped, unfamiliar quarters because they cannot afford to pay high State and local property taxes. Others must liquidate precious retirement assets to pay property taxes—assets which should be used sparingly only to provide for the necessities of old age.

Unlike the Federal income tax, property taxes are not related to the income of the person taxed, but rather to the value of this property. That value has been achieved only through years of making mortgage payments.

In recent years, property taxes have increased phenomenally. In many areas they have doubled in the last decade, and in some places they have gone up even more. The largest single bite of the property tax dollar goes for education, which no thoughtful citizen would begrudge. Nevertheless, it is an ironic fact that senior citizens probably benefit least from improved educational facilities and doubtless are sorely tempted to vote against badly needed local school bond issues if the only result for them will be increased property taxes.

The bill which I am introducing would give each person over 65, whose annual income is under $6,500, a Federal income tax credit of up to $300 for State and local property taxes. Where the person does not own his home, but is renting, the bill provides a tax credit equal to 25 percent of the annual rent paid, up to $300. If a person's income is so low that no income taxes are due the Federal Government, my bill provides for a payment from the U.S. Treasury equal to the amount of property taxes paid, up to $300.

Until now, Federal tax relief for property taxes paid to State and local governments has been largely ineffective. There is, of course, a Federal tax deduction for such taxes available to anyone who itemizes his deductions, regardless of his age.

Most senior citizens, however, do not itemize their deductions and therefore lose any benefit from that provision of the law. There is no similar provision for those older Americans who rent their residence, although they certainly pay property taxes each month as a part of their rent.

There are more than 1 million citizens over 65 years of age in Illinois. Most of them have worked hard for their entire lives. For many, their most satisfying investment of time and money has been their home.

It is a cynical government taxing policy which forces them to abandon the house of their dreams just as they reach the age of retirement—the age when they will spend the most hours of the day in their home.

I urge the Congress to grant older Americans the tax break contained in this bill. I hope hearings will be scheduled at an early date and that this bill will be passed by the 91st Congress.

Text of bill follows:

### H.R. 11640

A bill to allow a credit against Federal income tax or payment from the United States Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by renumbering section 40 as 41, and by inserting after section 39 the following new section:

"SEC. 40. RESIDENTIAL REAL PROPERTY TAXES OR EQUIVALENT RENT PAID BY INDIVIDUALS WHO HAVE ATTAINED AGE 65

"(a) GENERAL RULE.—In the case of an individual who has attained the age of 65 before the close of the taxable year, there shall be allowed as a credit against the tax imposed by this chapter the amount of real property taxes paid by him during the taxable year which were imposed by a State or political subdivision thereof on property owned and used by him as his principal residence, or the amount of rent constituting such taxes, as defined in subsection (c)(6). To the extent that the tax imposed by this chapter is less than such real property taxes, said individual shall be allowed a payment from the United States Treasury equal to the difference between the amount of the tax credit allowed and the amount of such real property taxes paid.

"(b) LIMITATIONS.—

"(1) IN GENERAL.—The total tax credit and payment from the Treasury under subsection (a) for any taxable year shall not exceed $300 ($150, in the case of a married individual filing a separate return).

"(2) AJUSTED GROSS INCOME OVER $6,500.—The credit otherwise allowable under subsection (a) for any taxable year (determined with the application of paragraph (1)) shall be reduced by an amount equal to the amount by which the taxpayer's adjusted gross income for the taxable year exceeds $6,500 ($3,250, in the case of a married individual filing a separate return).

"(3) JOINT OWNERSHIP.—In the case of property owned and used by two or more individuals (other than a husband and wife) as their principal residence, the limitations, provided by paragraphs (1) and (2) shall, under regulations prescribed by the Secretary or his delegate, be applied collectively to such individuals.

"(4) APPLICATION WITH OTHER CREDITS.—The credit under subsection (a) for any taxable year shall not exceed the tax imposed by this chapter reduced by the credits allowable under sections 33, 35, 37, and 38 for the taxable year.

"(c) SPECIAL RULES.—

"(1) HUSBAND AND WIFE.—In the case of a husband and wife who file a single return jointly under section 6013, the age requirement contained in subsection (a) shall, with respect to property owned jointly and used by them as their principal residence, be treated as satisfied if either spouse has attained the age of 65 before the close of the taxable year.

"(2) PROPERTY USED IN PART AS PRINCIPAL RESIDENCE.—In the case of property only a portion of which is used by the taxpayer as his principal residence, there shall be taken into account, for purposes of subsection (a), so much of the real property taxes paid by him on such property as is determined, under regulations prescribed by the Secretary or his delegate, to be attributable to the portion of such property so used by him. For purposes of this paragraph, in the case of a principal residence located on a farm, so much of the land comprising such farm as does not exceed 40 acres shall be treated as a part of such residence.

"(3) COOPERATIVE HOUSING.—For purposes of subsection (a), an individual who is a tenant-stockholder in a cooperative housing corporation (as defined in section 216(b))—

"(A) shall be treated as owning the house or apartment which he is entitled to occupy by reason of his ownership of stock in such corporation, and

"(B) shall be treated as having paid real property taxes during the taxable year equal to the portion of the deduction allowable to him under section 216(a) which represents such taxes paid or accrued by such corporation.

"(4) CHANGE OF PRINCIPAL RESIDENCE.—If during a taxable year a taxpayer changes his principal residence, subsection (a) shall apply only to that portion of the real property taxes or rent paid by him with respect to each such principal residence as is properly allocable to the period during which it is used by him as his principal residence.

"(5) SALE OR PURCHASE OF PRINCIPAL RESIDENCE.—If during a taxable year a taxpayer sells or purchases property used by him as his principal residence, subsection (a) shall apply only to the portion of the real property taxes with respect to such property as is treated as imposed on him under section 164(d), and, for purposes of subsection (a), the taxpayer shall be treated as having paid such taxes as are treated as paid by him under such section.

"(6) RENT CONSTITUTING PROPERTY TAXES.—The term 'rent constituting property taxes' means an amount equal to 25 percent of the rent paid during a taxable year by a taxpayer for the right to occupy his dwelling during that year, exclusive of any charges for utilities, services, furnishings, or appliances furnished by the landlord as a part of the rental agreement.

"(d) ADJUSTMENT FOR REFUNDS.—

"(1) IN GENERAL.—The amount of real property taxes paid by an individual during any taxable year shall be reduced by the amount of any refund of such taxes, whether or not received during the taxable year.

"(2) INTEREST.—In the case of an underpayment of the tax imposed by this chapter for a taxable year resulting from the application of paragraph (1), no interest shall be assessed or collected on such underpayment if the amount thereof is paid within 60 days after the taxpayer receives the refund of real property taxes which caused such underpayment.

"(e) DEDUCTION NOT AFFECTED.—The credit allowed by subsection (a) shall not affect the deduction under section 164 for State and local real property taxes."

(b) The table of sections for such subpart A is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 40. Residential real property taxes or equivalent rent paid by individuals who have attained age 65.

"Sec. 41. Overpayments of Tax"

(c) The amendments made by subsections (a) and (b) shall apply to taxable years beginning after the date of the enactment of this Act.

## REPRESENTATIVE MIZELL PROPOSES RURAL ECONOMIC DEVELOPMENT ACT

The SPEAKER pro tempore. Under a previous order of the House the gentleman from North Carolina (Mr. MIZELL) is recognized for 30 minutes.

Mr. MIZELL. Mr. Speaker, I rise at this time to introduce what I consider to be the most important and most comprehensive legislation I have sponsored during my tenure as a Member of this House.

The legislation to which I refer is the Rural Economic Development Act, a bill that holds the promise of revitalizing the whole of rural America, promoting the cooperation of Federal, State, and local governments, and enhancing the quality of life for all Americans.

The measure I am introducing today is the product of months of careful consideration and study of the problems and potentials facing rural America today, and of additional months of research to determine the best methods of solving those problems and realizing those potentials.

I first announced my intention of introducing this legislation in a speech I delivered in North Carolina last February. Since that time, I have consulted with State and local government officials, regional development specialists, various officials within the administration, several learned and distinguished colleagues in the Congress, and with others outside the sphere of government whose cooperation has helped immeasurably in the preparation of this legislation.

It is significant that this spirit of cooperation which was so essential in drafting this legislation is also the single most important component in the execution of this legislation's stated purposes.

Those purposes are as follows:

To create a partnership between the United States and the several States for the development of rural America's resources and capacities in transportation, industrial growth, education, housing, health, environmental protection, and planning;

To establish a Rural Development Commission, employing the principle of that partnership, to be composed of one Federal member, to be designated as the Federal Cochairman, appointed by the President by and with the advice and consent of the Senate, and one member from each of the several States. The State member shall be the Governor of that State, or his designee, or such other person as may be provided by the law of the State which he represents. The State members of the commission shall elect a cochairman from among their members;

To develop, on a continuing basis, comprehensive and coordinated plans and programs for rural development, and establish priorities thereunder;

To conduct and sponsor investigations, research, and studies, including an inventory and analysis of the resources of rural America, and in cooperation with Federal, State, and local agencies, sponsor demonstration projects designed to foster rural economic development and growth;

To review and study, in cooperation with the agency involved, Federal, State, and local public and private rural economic development programs and, where appropriate, recommend modifications or additions which will increase their effectiveness in rural America;

To encourgae the formation of local rural development districts;

To encourage private investment in industrial, commercial, and recreational projects;

To serve as a focal point and coordinating unit for rural programs;

To provide a forum for consideration of problems of rural America and proposed solutions and establish and utilize, as appropriate, citizens and special advisory councils and public conferences; and, above all,

That the efforts herein undertaken shall be, to the fullest and most conscious extent possible, made in the pursuance of attaining more balanced population growth and economic growth throughout the Nation, and encouraging full cooperation in these efforts between urban and rural governments, as well as between the Federal Government, the several States and their local government subsidiaries.

I believe these stated purposes offer a general outline of ways in which we can reach a quite specific goal—the restoration of rural America as a region of vitality, opportunity, and progress.

The portrait of much of rural America today presents a strikingly different picture. It is a portrait painted in desolation and despair and lack of opportunity. Too often, Government has tried to cover that portrait with a piecemeal quilt of Federal assistance, but there are gaping holes in this approach, and the shameful plight of much of rural America shows through as a national disgrace.

There is a serious shortage of jobs and housing and industry in rural America, and in general, the level of education and health in rural America is far below the national plane.

The Nation has come to realize the inseparability of the problems of the cities and the plight of many rural citizens. We cannot afford to have prosperity in much of the land while large numbers of Americans go without the sound shelter, good schools and medical care, and job opportunities that a rising national income can provide.

The ultimate costs of such neglect far outweigh the investments in housing, education, health, manpower training and other needs essential to decent life and to both urban and rural development.

It has been estimated that there is a 10-to-1 ratio between the cost of remedial and welfare programs required to help rural-oriented citizens live in large cities, and the cost of developing rural areas to the point that young people do not have to migrate to the cities to find jobs and new lives.

We know that millions of people now live in despair in the burned-out hearts of America's cities, because fate and this Nation's lack of vision—not their own choice—have separated them from the rural setting that was their heritage and would gladly have been their future, had opportunity presented itself.

The legislation I am proposing would help to strike a healthy balance between urban and rural growth, while providing the services and facilities that rural America so badly needs.

The specific areas of concern I have identified in this legislation are mentioned, not merely as fields in which progress is desired, but as components of a definite and organized plan for rural development.

The first of these components is the improvement of rural transportation systems. No development program can succeed until we open isolated areas to trade routes. This is the first enticement for industries to locate in underdeveloped areas, and because this is true, road construction should be one of the highest priorities in any development program.

Until the transportation problem in rural America is at least partially cured, there can be little hope of achieving full social and economic development in the region. The new roads will get products to markets, people to jobs, children to schools, and families to hospitals.

That first step in renovating rural America is closely followed by a second: industrial development. Bringing industry into an area should be a top priority in the rural development scheme, since it has been proven time and time again that a new industry can serve as a revitalizing force for communities that have become little more than ghost towns.

New industry in a rural area can provide the job opportunities that young people are seeking, the opportunities that have been too hard to find in rural America. I believe, and I think my colleagues would agree, that despite all the promises of adventure leaving home can hold, most of our young people would much rather live among their families and friends than migrate to a cold, unfriendly city in search of a career.

Industrial development of all kinds is essential to the expansion of the rural economy, and it is a very important second step because it can provide a basis for every other element in a rural development program.

The third step is education, or more specifically, vocational education. Mastering a skill is perhaps the most underrated route there is to earning a sizable income. As American industry becomes more technical and specialized, the need for skilled labor will continue to grow, and skilled laborers will continue to make good money.

Vocational education, for young and older citizens alike, is an excellent means of learning a valuable trade. In fact, it is probably the best kind of manpower training there is. The cost is relatively low, but the dividends can be very high.

The fourth step in my rural development plan is housing. Once the roads are built, the industries have located and the people are trained, the steady exodus of our young people from their homes to some distant "promised land" will begin to reverse itself, and we will have to have places for them to stay.

A growing rural population necessitates concern for the last three components of my rural development plan—adequate health facilities, environmental protection and intelligent land use planning.

A healthy population is essential to rural development for obvious reasons. To insure the good health of the rural population, Federal, State and local Governments must work together to provide the facilities and manpower needed to maintain a high level of health care, from home health services to the most specialized surgical needs.

Environmental protection is just as important as any other element in this rural development plan. Today, the Nation must look to rural America to see even a remnant of the glories that nature showered on our land. We are proud that so many of these glories abound in our region, and that pride will make the citizens of rural areas the jealous guardians of what remains of nature's beauty.

The growth of industry in rural America does not have to mean that the region will suffer the same fate that pollution has brought upon our urban neighbors.

Federal laws now in effect severely limit the amount of pollution an industry can inflict upon a community. These laws were not on the books during America's first industrial revolution, and we are now paying the awful price of environmental neglect.

But we have the laws now, and more importantly, we in rural America have time. Time to plan, time to build adequate water and sewage treatment plants, time to make an area grow up the way we want it to, rather than having the outcome forced upon us.

Those of you who are familiar with the Congress' economic development efforts of the past will recognize in my program a great similarity with the Appalachian Regional Commission, both in structure and in purpose.

But the Rural Development Commission I am proposing would sponsor a much broader program than the one the Appalachian Commission has so successfully pursued.

I have taken the proven ability of the regional approach to get things done, and applied the same principles to this more comprehensive legislation.

One of the most important elements of that approach, and one that has met with great success under the Appalachian program, is the provision of supplemental assistance funds that would help local governments participate to a far greater extent in the Federal grant-in-aid programs than their fiscal capabilities currently permit.

In order to enable the States and local rural communities, including rural development districts, to take maximum advantage of all the Federal grant-in-aid programs for which they are eligible, the Rural Development Commission would be authorized to make grants of funds to be used as supplemental matching shares required under the categorical aid concept.

As I mentioned earlier, this practice has proven highly successful under the Appalachian Commission, and I am confident it could reap even greater rewards for rural Americans under the Rural Development Commission.

This is true in part because of the broader scope and greater funding level I am proposing, but more important, it is because, unlike the Appalachian Commission, the RDC would be free to appropriate all its funds under this supplemental grant program, if that were the desire of the State and local officials involved.

It is important to stress the role that State and local governments and planning agencies will play in the program I am proposing.

All projects will be initiated at the local level, where the need and the means of meeting that need can best be identified. These projects will be submitted to the State, which must give its approval through the Governor before projects are included in an overall State rural development plan. The purpose of this plan is to establish priority ratings for the various projects, and provide coordination and general direction for rural development efforts within that State.

Development plans will then be submitted to the commission at large, and only here does the Federal Government enter the picture. The commission, with the Federal and State repersentatives I mentioned earlier, will be responsible for final approval of projects, making sure that the nature of the project is within the spirit of this act and promotes general rural development.

Projects will not be strictly limited to "rural" areas, as those areas are defined in the bill. Assistance can be provided to small communities which serve more rural areas, or even to standard metropolitan statistical areas if a rural development district finds such assistance appropriate and necessary.

Projects of this nature could include airport improvements, expansion of a hospital serving rural patients, et cetera. But the principle thrust of the program will be to revitalize and enhance the quality of life in rural areas, not in the cities.

The Rural Development Commission, while working toward the same goals as the Appalachian Commission and other economic development and rural programs, would neither replace nor incorporate nor abolish any of them. It would be a completely new Government entity, utilizing completely new funds.

I have often said that the last thing the Federal Government needs is another bureaucratic agency. But, as I have noted, this is not a bureaucratic agency in the traditional sense, since it relies so heavily on local initiative and State cooperation and since its professional staff could be held to an absolute minimum.

But it is important that we in the Federal Government establish a new structure solely dedicated to solving rural problems on a comprehensive basis.

Completely new funds will be required, obviously because no other funds will be channeled into this program through incorporation, but more importantly, to provide the financial base that will insure significant and meaningful improvement in rural life.

The funding level I have initially proposed for authorization to the RDC is $1 billion. Estimates of how much the job of fully developing rural America will eventually cost have been, and will remain, subjects for extended speculation and matters of opinion.

I have chosen the $1 billion figure because I feel it represents an adequate base for beginning this massive effort and will provide for a significant improvement in the financial situations of State and local governments throughout rural America.

As most of my colleagues know, I have not been one who favors great expenditure of the public funds. I have exercised such careful scrutiny over such expenditures, in fact, that last year I was awarded a "Watchdog of the Treasury" award from a reputable national organization.

So it is not lightly or extravagantly that I propose such a relatively high funding level. My proposal stems from a profound sense of what is needed in rural America, and from the knowledge of the record of the Appalachian Regional Commission, which has proven that funds allocated under this type of program can be wisely and effectively and efficiently spent.

I am estimating that this program will take a minimum of 5 years to succeed, and I am asking for an initial 5-year authorization.

I introduce this legislation today in the sincere and fervent hope that it will be considered as soon as possible in the appropriate committee, that the committee's deliberation will be thorough but swift, and that the legislation may be brought to the floor and enacted before the 92d Congress adjourns.

I call for the support of my colleagues from both sides of the aisle, and I look forward to working with them toward the final enactment of this vital legislation.

The text of the bill follows:

### H.R. 11678

A bill to create a partnership between the United States and the several States for the development of rural America's transportation, industrial growth, education, health, housing, environmental protection, and planning resources and capacity

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Rural Economic Development Act of 1971".

SEC. 2. (a) There is established the Rural Development Commission (hereinafter referred to as the "Commission"). The Commission shall be composed of one Federal member (hereinafter referred to as the "Federal Cochairman") appointed by the President by and with the advice and consent of the Senate, and one member from each of the several States. The Federal Cochairman shall be one of the two Cochairmen of the Commission. Each State member may be the Governor, or his designee, or such other person as may be provided by the law of the State which he represents. The State members of the Commission shall elect a Cochairman from among their number.

(b) Except as provided in section 5, decisions by the Commission shall require the affirmative vote of the Federal Cochairman and of a majority of the State members (exclusive of members representing States delinquent under section 5). In matters coming before the Commission, the Federal Cochairman shall, to the extent practicable, consult with the Federal departments and agencies having an interest in the subject matter.

(c) The Federal Cochairman shall be compensated by the Federal Government at level II of the Federal Executive Salary Schedule of section 5313 of title 5, United States Code, and he may appoint such staff and at such salaries as will enable him effectively to carry out his responsibilities under this Act. Each State member shall be compensated by the State which he represents at the rate established by the law of such State.

SEC. 3. In carrying out the purposes of this Act, the Commission shall—

(1) develop, on a continuing basis, comprehensive and coordinated plans and programs and establish priorities thereunder, giving due consideration to other Federal, State, and local planning for rural America;

(2) conduct and sponsor investigations, research, and studies, including an inventory and analysis of the resources of rural America, and, in cooperation with Federal, State, and local agencies, sponsor demonstration projects designed to foster rural economic development and growth;

(3) review and study, in cooperation with the agency involved, Federal, State, and local public and private rural economic development programs and, where appropriate, recommend modifications or additions which will increase their effectiveness in rural America;

(4) encourage the formation of rural development districts.

(5) encourage private investment in industrial, commercial, and recreational projects;

(6) serve as a focal point and coordinating unit for rural programs;

(7) provide a forum for consideration of problems of rural America and proposed solutions and establish and utilize, as appropriate, citizens and special advisory councils and public conferences; and

(8) encourage more balanced population and economic growth throughout the Nation, and encourage full cooperation between urban and rural governmental authorities, and between the Federal, State, and local governments.

SEC. 4. The Commission may, from time to time, make recommendations to the President and to the State Governors and appropriate local officials with respect to the expenditure of funds by Federal, State, and local departments and agencies in rural America in the fields of housing, environmental protection, education, health, transportation, industrial development, and planning.

SEC. 5. (a) For the period ending on June 30 of the second full Federal fiscal year following the date of enactment of this Act, the administrative expenses of the Commission shall be paid by the Federal Government. Thereafter, such expenses shall be paid equally by the Federal Government and the States. The share to be paid by each State shall be determined by the Commission. The Federal Cochairman shall not participate or vote in such determination. No assistance authorized by this Act shall be furnished to any State or to any political subdivision or any resident of any State, nor shall the State member of the Commission participate or vote in any determination by the Commission while such State is delinquent in payment of its share of such expenses.

(b) Not to exceed 2.5 percent of the funds authorized in section 18 of this Act shall be available to carry out this section.

SEC. 6. To carry out its duties under this Act, the Commission is authorized to—

(1) adopt, amend, and repeal bylaws, rules, and regulations governing the conduct of its business and the performance of its functions.

(2) appoint and fix the compensation of an executive director and such other personnel as may be necessary to enable the Commission to carry out its functions, except that such compensation of any individual on the staff shall not exceed the minimum scheduled rate for grade GS–18 of section 5332 of title 5, United States Code. No member, alternate, officer, or employee of the Commission, other than the Federal Cochairman of the Commission, his staff, and Federal employees detailed to the Commission under paragraph (3) shall be deemed a Federal employee for any purpose.

(3) request the head of any Federal department or agency (who is hereby so authorized) to detail to temporary duty with a Commission such personnel within his administrative jurisdiction as the Commission may need for carrying out its functions, each such detail to be without loss of seniority, pay, or other employee status.

(4) arrange for the services of personnel from any State or local government or any subdivision or agency thereof, or any intergovernmental agency.

(5) make arrangements, including contracts, with any participating State government for inclusion in a suitable retirement and employee benefit system of such of its personnel as may not be eligible for, or continue in, another governmental retirement or employee benefit system, or otherwise provide for such coverage of its personnel. The Civil Service Commission of the United States is authorized to contract with the Commission for continued coverage of Commission employees, who at date of Commission employment are Federal employees, in the retirement program and other employee benefit programs of the Federal Government.

(6) accept, use, and dispose of gifts or donations of services or property, real, personal, or mixed, tangible or intangible.

(7) enter into and perform such contracts, leases, cooperative agreements, or other transactions as may be necessary in carrying out its functions and on such terms as it may deem appropriate, with any department, agency, or instrumentality of the United States or with any State, or any political subdivision, agency, or instrumentality thereof, or with any person, firm, association, or corporation.

(8) take such other actions and incur such other expenses as may be necessary or appropriate.

SEC. 7. In order to obtain information needed to carry out its duties, the Commission shall—

(1) hold such hearings, sit and act at such times and places, take such testimony, receive such evidence, and print or otherwise reproduce and distribute so much of its proceedings and reports thereon as it may deem advisable, a Cochairman of the Commission, or any member of the Commission designated by the Commission for the purpose, being hereby authorized to administer oaths when it is determined by the Commission that testimony shall be taken or evidence received under oath;

(2) arrange for the head of any Federal, State, or local department or agency (who is hereby so authorized to the extent not otherwise prohibited by law) to furnish to the Commission such information as may be available to or procurable by such department or agency; and

(3) keep accurate and complete records of its doings and transactions which shall be made available for public inspection, and for the purpose of audit and examination by the Comptroller General or his duly authorized representatives.

SEC. 8. (a) Except as permitted by subsection (b) hereof, no State member or alternate and no officer or employee of the Commission shall participate personally and substantially as member, alternate, officer, or employee, through descision, approval, disapproval, recommendation, the rendering of advice, investigation, or otherwise, in any proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter in which, to his knowledge, he, his spouse, minor child, partner, organization (other than a State or political subdivision thereof) in which he is serving as officer, director, trustee, partner, or employee, or any person or organization with whom he is serving as officer, director, trustee, partner, or employee, or any person or organization with whom he is negotiating or has any arrangement concerning prospective employment, has a financial interest. Any person who shall violate the provisions of this subsection shall be fined not more than $10,000, or imprisoned not more than two years, or both.

(b) Subsection (a) hereof shall not apply if the State member, alternate, officer, or employee first advises the Commission of the nature and circumstances of the proceeding, application, request for a ruling or other determination, contract, claim, controversy, or other particular matter and makes full disclosure of the financial interest and receives in advance a written determination made by the Commission that the interest is not so substantial as to be deemed likely to affect the integrity of the services which the

Commission may expect from such State member, alternate, officer, or employee.

(c) No State member or alternate shall receive any salary, or any contribution to or supplementation of salary for his services on the Commission from any source other than his State. No person detailed to serve the Commission under authority of paragraph (4) of section 6 shall receive any salary or any contribution to or supplementation of salary for his services on the Commission from any source other than the State, local, or intergovernmental department or agency from which he was detailed or from the Commission. Any person who shall violate the provisions of this subsection shall be fined not more than $5,000, or imprisoned not more than one year, or both.

(d) Notwithstanding any other subsection of this section, the Federal Cochairman of the Commission, his staff, and any Federal officers or employees detailed to duty with it pursuant to paragraph (3) of section 6 shall not be subject to any such subsection but shall remain subject to sections 202 through 209 of title 18, United States Code.

(e) The Commission may, in its discretion, declare void and rescind any contract, loan, or grant of or by the Commission in relation to which it finds that there has been a violation of subsection (a) or (c) of this section, or any of the provisions of sections 202 through 209, title 18, United States Code.

SEC. 9. In order to enable the States, and rural people and local rural communities, including local rural development districts, to take maximum advantage of all the Federal grant-in-aid programs for which they are eligible but for which, because of their economic situation, they cannot supply the required matching share, whether or not such programs are authorized on, before, or after the date of the enactment of this Act, the Commission may make grants, within the allocations to each State under section 18 of this Act, of funds appropriated to carry out this Act to the States and local rural communities, including rural development districts, to be used as such required matching share. Funds granted under this section shall be considered eligible to be such matching share by the department, agency, or other instrumentality of the Federal Government administering the Federal grant-in-aid program involved.

SEC. 10. No State and no political subdivision of any State shall be eligible to receive assistance under this Act unless the aggregate expenditures of State funds, exclusive of Federal funds, for the benefit of the area within the State eligible for such assistance are maintained at a level which does not fall below the average level of such expenditures for its last two full fiscal years preceding the date of enactment of this Act. In computing the average level of expenditure for its last two fiscal years, a State's past expenditure for participation in the National System of Interstate and Defense Highways shall not be included. The Commission may substitute a lesser requirement when it finds that a substantial population decrease in the portion of a State eligible for assistance under this Act would not justify a State expenditure equal to the average level of the last two years or when it finds that a State's average level of expenditure, within an individual program, has been disproportionate to the present need for that portion of the State which is eligible for assistance under this Act.

SEC. 11. Nothing contained in this Act shall be interpreted as requiring any State to engage in or accept any program under this Act without its consent.

SEC. 12. (a) In developing recommendations on the programs and projects to be given assistance under this Act and in establishing within those recommendations a priority ranking of the requests for assistance presented to the Commission, the Commission shall follow procedures that will insure consideration of the following factors:

(1) the relationship of the project or class of projects to overall rural economic development including its location in an area determined by the State to have a significant potential for growth;

(2) the population and area to be served by the project or class of projects including the relative per capita income and the unemployment rates in the area;

(3) the relative financial resources available to the State or political subdivisions or instrumentalities thereof which seek to undertake the project;

(4) the importance of the project or class of projects in relation to other projects or classes of projects which may be in competition for the same funds; and

(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than temporary basis, the opportunities for employment, the average level of income, or the economic and social devolopment of the area served by the project.

(b) No financial asistance shall be authorized under this Act to be used (1) in relocating any establishment or establishments from one area to another; (2) to finance the cost of industrial plants, commercial facilities, machinery, working capital, or other industrial facilities or to enable plant subcontractors to undertake work theretofore performed in another area by other subcontractors or contractors; (3) to finance the cost of facilities for the generation, transmission, or distribution of electric energy; or (4) to finance the cost of facilities for the production, transmission, or distribution of gas (natural, manufactured, or mixed).

SEC. 13. For the purposes of this Act, a "rural development district" shall be an entity composed of counties or similar political subdivisions each one of which has either a population density of less than one hundred persons per square mile or is not included in a standard metropolitan statistical area as defined in section 17(d) of this Act. Each such rural development district shall be certified to the Commission either by the Governor of the State in which such entity is located, or by the State officer designated by the appropriate State law to make such certification, as having a charter or authority that includes the economic development of counties within such rural development district. No entity shall be certified as a rural development district for the purposes of this Act unless it is one of the following:

(1) a nonprofit incorporated body organized or chartered under the law of the State in which it is located;

(2) a nonprofit agency or instrumentality of a State or local government; or

(3) a nonprofit association or combination of such bodies, agencies, and instrumentalities.

SEC. 14. An application for a grant or for any other assistance for a program or project under this Act shall be made only by a rural development district, or a political subdivision which is not within a rural development district but which, in the judgment of the State member, is of a distinctly rural, and not suburban, character. Each such application shall be made through the State member of the Commission representing such applicant, and such State member shall evaluate such application for approval. Only applications for programs and projects which are approved by a State member as meeting the requirements for assistance under the Act shall be approved for assistance by a Commission.

SEC. 15. Not later than six months after the close of each fiscal year, the Commission shall prescribe and submit to the Governor of each State and to the President, for transmittal to the Congress, a report on the activities carried out under this Act during such year.

SEC. 16. (a) The Commission is authorized to make grants to entities within a State which is eligible under section 14 of this Act to make applications for grants or other assistance under this Act, up to the amount allocated to such State under section 18 of this Act, in order to fund projects which are—

(1) consistent with the rural economic development plans of that State and of the rural development district, if any, by which application for such grants was made; and

(2) aimed at rural problems in one or more of the following areas: transportation, industrial growth, education, health, housing, environmental protection, and planning resources and capacity.

No more than 5 percent of each State's allocation shall be used for projects originating from entities other than rural development districts within such State.

(b) The Commission may make grants to any rural development district, out of any portion of that rural development district's State's allocation under section 18 of this Act, for administrative expenses of such rural development district which arise from its responsibilities and activities under this Act, but in no event shall the total of such grants to the rural development districts of any one State during any one fiscal year exceed 2.5 percent of such State's allocation for that year.

(c) It shall be the responsibility of the Commission to see that all projects funded under the provisions of this Act are for the benefit of rural, as distinguished from urban and suburban, areas, whether or not such projects are geographically centered in such rural areas.

SEC. 17. (a) The amounts provided from appropriations for the purposes of this Act for any fiscal year shall be allocated by the Commission among the States in accordance with their entitlement as determined by subsections (b) and (c) of this section.

(b) One per centum of the amount required to be allocated under subsection (a) shall be divided among the States in equal proportion.

(c) Each State shall be entitled to a portion of the remainder of the amount required to be allocated under subsection (a), which portion shall be determined as follows:

(1) each State shall be entitled to receive an amount equal to 50 per centum of such remainder multiplied by a fraction the numerator of which is the rural population of such State at the most recent point in time for which appropriate statistics are available and the denominator of which is the sum of the rural populations of all States at the same point in time;

(2) each State shall be entitled to receive an amount equal to 25 per centum of such remainder multiplied by a fraction the numerator of which is the average of per capita incomes of all the States at the most recent point in time for which appropriate statistics are available less the rural per capita income of such State at the same point in time, such difference to be multiplied by the rural population of such State at the same point in time, and the denominator of which is the sum of such positive differences for each State multiplied by that State's rural population; except that, if the rural per capita income of a State is greater than the average of per capita incomes of all States, the differences above shall be considered zero; and

(3) each State shall be entitled to receive an amount equal to 25 per centum of such remainder multiplied by a fraction the numerator of which is the percentage change in population of all the States less the percentage change in rural population of such State, such difference to be multiplied by the rural population of such State during

the most recent and appropriate time period of which statistics are available, and the denominator of which is the sum of such positive differences for each State multiplied by that State's rural population; except that, if the percentage rate of change of rural population of a State during such period is greater than the percentage rate of change of the populations of all States during the same period, the differences stated above shall be considered zero.

(d) For the purposes of this section—

(1) the term "rural population" means the total resident population, as defined and used by the United States Bureau of the Census, of any county or similar political subdivision which either has a population density of less than one hundred persons per square mile or is not included within a standard metropolitan statistical area;

(2) the term "rural per capita income" means the average personal income of the rural population of a State;

(3) the term "fiscal year" means the fiscal year of the Government of the United States;

(4) the term "standard metropolitan statistical area" is used as that term is used and defined by the Office of Management and Budget; and

(5) the term "personal income" is used as that term is used and defined by the Office of Business Economics of the Department of Commerce.

(e) All computations and determinations by the Commission under this section shall be final and conclusive.

SEC. 18. For the first fiscal year after the date of the enactment of this Act there is authorized to be appropriated the sum of $1,000,000,000. There are thereafter authorized to be appropriated such sums as shall be necessary to carry out the purposes of this Act.

SEC. 19. This Act shall cease to be in effect five years after the date of its enactment

*State-by-State authorization under Rural Economic Development Act*

| | |
|---|---|
| Alabama | $33, 419, 929 |
| Alaska | 2, 192, 549 |
| Arizona | 8, 528, 740 |
| Arkansas | 25, 000, 185 |
| California | 30, 283, 456 |
| Colorado | 9, 382, 084 |
| Connecticut | 3, 767, 582 |
| Delaware | 1, 514, 765 |
| Florida | 22, 896, 579 |
| Georgia | 35, 236, 998 |
| Hawaii | 1, 990, 610 |
| Idaho | 8, 554, 920 |
| Illinois | 31, 569, 873 |
| Indiana | 23, 041, 922 |
| Iowa | 30, 288, 187 |
| Kansas | 21, 382, 635 |
| Kentucky | 36, 624, 075 |
| Louisiana | 24, 021, 254 |
| Maine | 11, 785, 087 |
| Maryland | 5, 098, 871 |
| Massachusetts | 5, 988, 871 |
| Michigan | 22, 310, 688 |
| Minnesota | 31, 254, 947 |
| Mississippi | 36, 544, 886 |
| Missouri | 30, 179, 788 |
| Montana | 9, 507, 250 |
| Nebraska | 14, 054, 372 |
| Nevada | 3, 445, 122 |
| New Hampshire | 5, 037, 984 |
| New Jersey | 14, 221, 395 |
| New Mexico | 11, 972, 382 |
| New York | 26, 415, 060 |
| North Carolina | 49, 988, 535 |
| North Dakota | 10, 866, 343 |
| Ohio | 32, 966, 077 |
| Oklahoma | 23, 988, 725 |
| Oregon | 10, 579, 170 |
| Pennsylvania | 40, 026, 216 |
| Rhode Island | 1, 331, 160 |
| South Carolina | 27, 818, 662 |
| South Dakota | 10, 521, 808 |
| Tennessee | 31, 186, 531 |
| Texas | 53, 998, 917 |
| Utah | 4, 595, 083 |
| Vermont | 4, 045, 254 |
| Virginia | 29, 056, 535 |
| Washington | 10, 733, 609 |
| West Virginia | 26, 896, 299 |
| Wisconsin | 23, 966, 160 |
| Wyoming | 4, 907, 341 |

## RESOLUTION CALLING FOR THE EXPULSION OF BYELORUSSIA AND THE UKRAINE FROM THE UNITED NATIONS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. BURKE) is recognized for 20 minutes.

Mr. BURKE of Florida. Mr. Speaker, the Congress and the people of America have been deeply distressed by the expulsion of Nationalist China from the United Nations. Official and popular support for the United Nations has fallen in the wake of the ouster of Taiwan.

This world body has not been subjected to widespread public scrutiny in many years, but now the eyes of the entire world are focused on it. The eyes of most Americans look in anger and disillusionment at the U.N.'s failure to recognize the reality of two Chinas. As a body that supposedly represents all the nations on earth, the U.N. has shown itself to be a petty group of self-serving diplomats more interested in self-aggrandizement than in world peace and harmony. Americans are shocked and dismayed.

The United States has been the primary backer of the U.N. since its inception, paying at the present time 31.52 percent of the regular U.N. budget. Still, despite our heavy contribution, the U.N. is virtually in a state of financial collapse. This is because a lot of members either do not pay their dues at all or are far behind in their annual assessments—the Soviet bloc nations owe $118 million. Then, too, two-thirds of the votes in the General Assembly belong to countries together paying only 4½ percent of the regular U.N. budget which, to me, is a gross inequity.

Various ways to ease this imbalance have been proposed: Weighted voting, coalitions on particular issues, establishment of nonvoting associate status for members who do not pay much, a new Assembly rule that the total vote from which majorities are made include abstentions—this rule would have saved Taiwan—and so on.

All in all, I believe that the responsible course now is to try to change the high feelings generated by the China vote into support for rational voting procedures and reform of the finances of the U.N.

The legislation I am introducing today involves correcting an inequity in the voting strength of the U.S.S.R. that has existed since the United Nations was established in 1945. This legislation is a sense of Congress resolution that would urge the President, acting through our Ambassador to the U.N., to "take such steps as may be necessary to bring before the General Assembly the question of the legitimacy of the Byelorussian S.S.R., and the Ukrainian S.S.R. membership in the United Nations, and seek their expulsion."

Byelorussia and the Ukraine are two of the 16 republics that make up the U.S.S.R. They relate to the U.S.S.R. roughly in the same way that Florida and California relate to the United States. If carried to its logical conclusion Russia would have 16 votes under this system—as they originally sought—and the United States would have 48—as President Roosevelt jokingly pointed out during the early discussion of the subject.

In October 1945, at the time of the founding of the United Nations, the U.S.S.R. was accorded three votes and the United States was accorded only one. Byelorussian S.S.R. and the Ukrainian S.S.R. came in with a "separate and equal" vote with the U.S.S.R.'s.

Byelorussia is the westernmost portion of the U.S.S.R. and is bounded on the west by Poland. It is 200 miles west of Moscow. South of Byelorussia is the Ukraine. It is bounded on the west by Czechoslovakia, Hungary, Rumania and on the south by the Black Sea. On a map of the U.S.S.R., they take up a small but populous segment of the European portion of Russia.

The Ukraine and Byelorussia were conquered by the Tsars over five centuries ago. The only chance the people of the Ukraine and Byelorussia ever had for independence came prior to the Bolshevik revolution, when it appeared for a brief period that a democratic form of government might succeed. These hopes were shattered when the Red Army took complete command of former Tsarist Russia.

Lenin, on taking office, prepared a constitution which purportedly gave supreme power to a legislature, but in truth gave all real power over the provinces, including the Ukraine and Byelorussia, to the Central Politburo located in the Soviet capital. The provinces adopted the Russian Constitution as their own, and by 1920 were completely absorbed as part of the Union of Soviet Socialist Republics. The Ukraine suffered the most during those years, as Bolshevik leaders sensing the strong nationalist feeling for independence, crushed Ukraine with great brutality.

The Soviet Union claims to have formed a true federation, but once again, it is a matter of Communist semantics. According to western definitions, a federation is where local governments run local affairs, while the central government makes treaties with other countries and provides for national defense and exercises power over matters that affect the country as a whole. But, according to the Soviet view a federation is a dictatorship of the proletariat run by the Communist Party from Moscow.

Despite this obvious fact, the Soviets persuaded our war-weary political leaders in 1944 and 1945 it was recognized that the Ukraine and Byelorussia were separate states, perhaps in the same sense as India and several other members of the British Commonwealth were states, then, and as such, deserved a separate vote in the United Nations.

Twenty-six years have passed since then. All of the British Commonwealth nations have gained independence, and become full-fledged members of the United Nations in their own right. The Ukraine and Byelorussia, on the contrary, have become more and more an integral part of the U.S.S.R. They have never been allowed to carry on their own sovereign foreign relations, nor have they any semblance of a nation-state which is the criteria for acceptance into the U.N. for all other members. Yet, they are still allowed to vote as independent countries. This is wrong, especially in view of the recent U.N. exhibit on the China issue wherein Byelorussia and the Ukraine voted for the expulsion of Nationalist China. Any body of nations that expels from its membership an independent nation like Nationalist China, which has defended its borders from intruders for more than 25 years, and at the same time countenances the retention of Byelorussia and the Ukraine as full-fledged members with an equal vote is practicing the most gross form of hypocrisy. Now is the time to start making the U.N. a truly representative body. This is one instance where reform is necessary.

Since Byelorussia and the Ukraine, like Nationalist China, were charter members of the U.N., they too can be expelled by the same method as was used to eliminate the Nationalist Chinese. To this end I have written the Secretary of State, Mr. William P. Rogers, asking that he initiate action to implement the expulsion of Byelorussia and the Ukraine from the U.N.

I am glad to see that 53 of my colleagues in the House have cosponsored this resolution. We need another 165 to give it a meaningful voice, and I would appreciate the cooperation of our Members on this. Surely, their constituents are both aware of this inequality in voting representation in the United Nations, and are seeking some recourse. I believe this resolution may offer that.

If the U.N. is to be a meaningful and useful body of world states, it must have integrity. It must deal justly with all the nations of the world. There must be no repetition of the Nationalist China outrage, and we must begin working now to insure this.

I include herewith the resolution and my letter to Secretary of State William P. Rogers, together with a list of my colleagues who have cosponsored my resolution:

### RESOLUTION

Whereas the Charter of the United Nations specifies that the Organization shall be composed of "states", and

Whereas the Byelorussian S.S.R. and the Ukrainian S.S.R. are not "states" incorporating sovereignty and independence, the criteria for all other nation-states in the United Nations; and

Whereas the above noted "Republics" have not established, nor maintained separate, sovereign diplomatic relations with any other sovereign state since 1920: Now, therefore; be it

*Resolved*, That it is the sense of the House of Representatives that the President, acting through the United States delegation to the United Nations, should take such steps as may be necessary to bring before the General Assembly of the United Nations the question of the eligibility of the Byelorussian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic for membership in the United Nations and seek their expulsion.

### COSPONSORS OF U.N. RESOLUTION TO ELIMINATE BYELORUSSIAN S.S.R. AND UKRAINIAN S.S.R.

Watkins M. Abbitt (Va.), Mark Andrews (N. Dak.), Bill Archer (Tex.), Tom Bevill (Ala.), Ben B. Blackburn (Ga.), Jack Brinkley (Ga.), John Buchanan (Ala.), Del Clawson (Calif.), James M. Collins (Tex.), R. Lawrence Coughlin (Pa.).

Philip M. Crane (Ill.), Edward J. Derwinski (Ill.), John D. Dingell (Mich.), John Dowdy (Tex.), Thaddeus J. Dulski (N.Y.), O. C. Fisher (Tex.), Walter Flowers (Ala.), John J. Flynt (Ga.), Don Fuqua (Fla.), George A. Goodling (Pa.).

Edith Green (Oreg.), Charles H. Griffin (Miss.), James A. Haley (Fla.), Craig Hosmer (Calif.), Edward Hutchinson (Mich.), Jack F. Kemp (N.Y.), Carleton King (N.Y.), Dan Kuykendall (Tenn.), Earl F. Landgrebe (Ind.), Clarence D. Long (Md.).

Dawson Mathis (Ga.), Robert H. Michel (Ill.), Joseph G. Minish (N.J.), Wilmer Mizell (N.C.), Bertram Podell (N.Y.), Robert Price (Tex.), William J. Randall (Mo.), John R. Rarick (La.), Fernand St Germain (R.I.), John P. Saylor (Pa.).

William J. Scherle (Iowa), John G. Schmitz (Calif.), Robert L. F. Sikes (Fla.), M. G. (Gene) Snyder (Ky.), Robert H. Steele (Conn.), Robert O. Tiernan (R.I.), Victor Veysey (Calif.), William G. Whitehurst (Va.), Lawrence G. Williams (Pa.), Larry Winn, Jr. (Kans.), Gus Yatron (Pa.), C. W. (Bill) Young (Fla.), Roger H. Zion (Ind.).

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HOUSE OF REPRESENTATIVES,
*Washington, D.C., October 27, 1971.*

Hon. WILLIAM P. ROGERS,
*Secretary of State,*
*Washington, D.C.*

DEAR MR. SECRETARY: I share your public statement of concern by the explusion of the Republic of China from the United Nations and demand that efforts be exerted to correct some of the gross inequities which exist today in the United Nation's Membership.

1. The United States initiate a move to immediately expel Byelorussia and the Ukraine, integral entities of the Soviet Union, each of which has held General Assembly votes for these past many years.

2. Review and possibly expel member nations guilty of repeated violations of the United Nations Charter, including lack of dues payments to the organization, and

3. Reduce the American contribution to the World Body in line with the populations of other nations such as Red China, Russia and India.

I think the people of the United States were willing to accept the admission of Red China to the United Nations, but not at the price of expelling the Taiwan Government.

I feel strongly that the gross inequities of this Body, such as allowing participating members to fall behind on their payments and arbitrarily imposing economic sanctions—such as the restrictions on the purchase of Rhodesian goods—should be examined and brought to light immediately.

I feel that the cost of maintaining the United Nations should not be borne exclusively by American taxpayers, especially since the United Nations has, in my opinion, failed in its original purpose as a Body to preserve peace. It has descended to the role of a debating society of international representatives who espouse the virtues of world communism.

With best wishes.

Sincerely,

J. HERBERT BURKE,
*Member of Congress.*

## TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. America produces more coal—including lignite—than the Soviet Union, almost one-third more iron ore, almost twice the aluminum ore, almost three times the copper, two-thirds more lead, two times the zinc, and almost five times the petroleum.

## AGENCY FOR INTERNATIONAL DEVELOPMENT FISCAL YEAR 1971 EXPENDITURES BY CITY AND STATE

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. SHRIVER) is recognized for 5 minutes.

Mr. SHRIVER. Mr. Speaker, tomorrow, the House will consider House Joint Resolution 946, the continuing appropriations for fiscal year 1972. Included in this resolution are funds for the Agency for International Development.

For the interest of all Members, I request permission to insert into the RECORD at this point several tables which show AID's expenditures during fiscal 1971 for commodities and technical contracts. The tables follow:

*AID-financed commodities—fiscal year 1971 dollar value by state of production*

| | |
|---|---|
| Alabama | $16, 305, 583 |
| Alaska | 3, 524, 513 |
| Arizona | 343, 778 |
| Arkansas | 4, 954, 181 |
| California | 80, 508, 640 |
| Colorado | 3, 766, 199 |
| Connecticut | 10, 985, 821 |
| Delaware | 11, 588, 213 |
| District of Columbia | 531, 404 |
| Florida | 6, 963, 013 |
| Georgia | 10, 257, 543 |
| Hawaii | 92, 750 |
| Idaho | 56, 824 |
| Illinois | 73, 541, 642 |
| Indiana | 13, 760, 298 |
| Iowa | 4, 902, 240 |
| Kansas | 724, 410 |
| Kentucky | 5, 306, 139 |
| Louisiana | 22, 260, 826 |
| Maine | 203, 679 |
| Maryland | 20, 572, 073 |
| Massachusetts | 12, 054, 228 |
| Michigan | 50, 791, 742 |
| Minnesota | 6, 278, 615 |
| Mississippi | 6, 723, 432 |
| Missouri | 7, 715, 066 |
| Nebraska | 1, 558, 041 |
| Nevada | 211, 067 |
| New Hampshire | 726, 671 |
| New Jersey | 51, 733, 490 |
| New Mexico | 839, 566 |
| New York | 178, 829, 271 |
| North Carolina | 9, 688, 882 |
| North Dakota | 1, 454 |
| Ohio | 46, 644, 037 |
| Oklahoma | 3, 524, 695 |
| Oregon | 6, 493, 725 |
| Pennsylvania | 77, 081, 159 |
| Rhode Island | 2, 245, 999 |
| South Carolina | 8, 761, 659 |
| South Dakota | 91, 359 |
| Tennessee | 8, 350, 951 |

*AID-financing commodities—fiscal year 1971 dollar value by state of production*—Con.

| | |
|---|---|
| Texas | $54, 930, 416 |
| Utah | 463, 148 |
| Vermont | 844, 396 |
| Virginia | 10, 162, 141 |
| Washington | 32, 072, 205 |
| West Virginia | 5, 817, 772 |
| Wisconsin | 24, 763, 247 |
| Wyoming | 32, 040 |
| Total | 900, 580, 243 |

*Ten cities receiving highest dollar value for orders of AID-financed commodities—fiscal year 1971*

| | |
|---|---|
| 1. New York, N.Y | $144, 810, 186 |
| 2. Detroit, Mich | 33, 457, 232 |
| 3. Peoria, Ill | 24, 560, 815 |
| 4. Houston, Tex | 23, 596, 083 |
| 5. Tacoma, Wash | 18, 784, 586 |
| 6. Chicago, Ill | 16, 289, 847 |
| 7. Sparrows Point, Md | 12, 875, 916 |
| 8. Stockton, Calif | 11, 691, 187 |
| 9. Milwaukee, Wis | 11, 531, 249 |
| 10. Pittsburgh, Pa | 9, 599, 716 |

*Technical service contracts*

(In effect as of December 31, 1970)

Total value: $679,282,565.

Total value in U.S.: $642,038,186.

Total foreign: $37,244,379.

Top 20 states in value of contracts:

| | |
|---|---|
| New York | $190, 009, 364 |
| District of Columbia | 123, 457, 255 |
| Massachusetts | 50, 589, 568 |
| California | 49, 965, 733 |
| Illinois | 28, 865, 769 |

*Technical service contracts—Continued*

| | |
|---|---|
| Washington | $21, 214, 658 |
| Ohio | 18, 199, 534 |
| North Carolina | 17, 340, 451 |
| Texas | 15, 291, 605 |
| Michigan | 14, 421, 422 |
| Wyoming | 11, 341, 990 |
| Colorado | 10, 485, 230 |
| Wisconsin | 9, 782, 822 |
| Kansas | 8, 352, 018 |
| Indiana | 7, 549, 020 |
| Pennsylvania | 6, 524, 551 |
| Maryland | 5, 000, 365 |
| Hawaii | 4, 494, 416 |
| West Virginia | 4, 108, 827 |
| Utah | 3, 807, 921 |

*AID technical service contracts*

Top 15 Cities in value of contracts:

| | |
|---|---|
| New York, N.Y | $183, 146, 086 |
| Washington, D.C | 126, 833, 966 |
| Newton, Mass | 22, 072, 037 |
| Seattle, Wash | 21, 029, 218 |
| Los Angeles, Calif | 19, 185, 175 |
| College Station, Tex | 12, 198, 686 |
| Chicago, Ill | 11, 693, 682 |
| Columbus, Ohio | 10, 772, 417 |
| Raleigh, N.C | 9, 723, 512 |
| Urbana, Ill | 9, 376, 859 |
| Boston, Mass | 8, 233, 128 |
| Manhattan, Kans | 8, 154, 476 |
| San Francisco, Calif | 8, 077, 280 |
| Fort Collins, Colo | 7, 613, 884 |
| Chapel Hill, N.C | 7, 037, 704 |

*AID technical service contracts*

Top 20 Institutions in value of contracts:

| | |
|---|---|
| Air America, Mc | $83, 324,200 |
| American University of Beirut | 61, 176, 819 |
| Columbia University | 24, 575, 326 |
| African-American Institute | 23, 388, 613 |
| Education Development Center | 22, 072, 037 |
| MWK International, Ltd., Gibbs & Hill, Inc., Fischbach & Moore | 20, 847, 198 |
| Continental Air Services, Inc. | 16, 247, 000 |
| Texas A&M | 12, 198, 686 |
| The Population Council, Inc | 10, 946, 655 |
| North Carolina State University | 9, 706, 512 |
| University of Illinois | 9, 376, 899 |
| Kansas State University | $8, 154, 476 |
| International Executive Corps | 8, 132, 622 |
| Colorado State University | 7, 613, 844 |
| American Institute for Free Labor Development | 7, 593, 606 |
| The Asian Foundation | 7, 218, 440 |
| Battelle Memorial Institute | 7, 039, 281 |
| University of North Carolina | 7, 037, 704 |
| American ORT Federation | 6, 299, 666 |
| The Pathfinder Fund | 6, 174, 500 |

## PLOT AGAINST THE CHILDREN

The SPEAKER pro tempore. Under a previous order of the House the gentlewoman from New York (Mrs. Abzug) is recognized for 10 minutes.

Mrs. ABZUG. Mr. Speaker, the movement for federally subsidized high quality comprehensive child care programs that would make it possible for welfare mothers and low- and middle-income women to hold jobs is in serious jeopardy

Existing as well as hoped for programs are threatened by moves by the Nixon administration and New York Governor Rockefeller to restrict child care services to the very poor and to make welfare mothers a source of cheap, forced labor.

Instead of recognizing that child care facilities are a necessity for working mothers, of whom there are now more than 12 million in our Nation, the Nixon-Rockefeller moves would place the welfare stigma on child care programs, segregate them, and undermine standards.

Several recent developments make this objective clear.

The Nixon administration is threatening to veto the child development bill, now in a Senate-House conference, unless it limits aid to families with less than an annual income of $4,300 and gives priority to welfare mothers.

The Senate-approved bill would provide free child care for families with less than $6,900 annual income, the Bureau of Labor Statistics figure for a minimum adequate standard of living for an urban family. The figure varies in different parts of the country. This was the same standard proposed in the Abzug-Chisholm child care bill and in the bill voted out by the House Education and Labor Committee, but pared down by the House to $4,300.

The House-Senate conferees have agreed on a compromise figure of $5,250—or 75 percent of the BLS minimum figure—only to be informed by Health, Education, and Welfare Secretary Elliot Richardson that this will produce a veto from the White House.

Left out in the cold by this approach will be millions of working women who are neither very poor nor very rich.

About 6 million children of preschool age have working mothers, yet there are only about 700,000 day care slots available in child care centers with Government funding. As a result, in our Nation, which prides itself on being the most advanced in the world, millions of children are "latch key" children with no adult supervision or are victims of haphazard arrangements under which they are left with friends, neighbors or relatives. Only a small number of working women can afford expensive private day care centers or the luxury of hiring a maid or housekeeper. Many have no choice but to scrimp on food, clothing or other necessities to pay for child care.

Does it make sense for the Nixon administration to attack welfare mothers as loafers, as the President has repeatedly done, and at the same time deny child care facilities to women who earn very modest salaries—and that is what most women earn—or insist that they will have to pay fees for such services.

The administration's "for welfare mothers only" child care approach is also evident in the House-approved welfare bill under which a welfare mother could get day care for her children only by taking a job, but only a very low paying job.

The same trend is evident in New York where Governor Rockefeller's department of social services has eliminated the State's 10-percent quota of child care places for families earning above $7,500 and raised child care fees for families who are not on welfare or who do not meet the very low income eligibility standards of medicaid. Again, the irony of this approach is that it penalizes women who are working and makes it so costly for them to hold jobs that they may decide their only alternative is to join the welfare rolls.

Governor Rockefeller's latest assault on child care is his proposed public service work opportunity project, which appears to have been approved by HEW. Under this plan, welfare mothers would be forced to work at government jobs to qualify for welfare benefits; their children would be sent to child-care centers. Since existing centers are already filled to capacity, presumably their children would either displace children from nonwelfare families or would get priority over children of working mothers on waiting lists. Welfare mothers who cannot leave their homes to work would be required to care in their own homes for children of employed welfare mothers.

The Citizens Committee for Children of New York, Inc., has aptly described this plan as "a plot against the children." Its implications are truly horrifying. In an analysis of this Rockefeller plan, Prof. Elizabeth Wickenden, an authority on welfare programs, warns that there are no provisions for the quality of child care that would be available in these welfare mother homes. She points out:

> The "Public Service Work Opporunity Project" says nothing about home licensing, selection of "provider" mothers, or about supportive services. Do we really intend to allow (require) any woman who does not wish to go out to work, no matter what her background and circumstances, to look after another's children? Do we really intend to other AFDC (Aid for Depending Children) mothers who go to work to leave their children with unknown, unsupervised "caretakers"?
>
> Who would decide whether a 40-year-old AFDC mother (now defined as employable) who lives with three children, ages 6 to 10, in a rat-infested, firetrap hovel on a fourth floor walkup with shared toilet facilities, should be required to provide home care?
>
> . . . For any mother hit by these new rules it can only add insult to injury to be told that they are instituted because "our welfare system must become a symbol of hope rather than a reservoir of despair."

Governor Rockefeller's public service work opportunity project has already been denounced by welfare groups and organized labor as a forced labor scheme. Instead of providing people on welfare with the dignity of paying jobs, the State would turn them into indentured servants and require them to "earn" their welfare benefits by working at jobs that compete with workers who have been hired under normal procedures. This is unsatisfactory from every point of view.

Those people on welfare who are able to work are entitled to jobs that pay wages and provide other benefits. They should not be used to compete with or replace workers, most of whom are covered by union contracts.

The Rockefeller scheme is a threat to the security of government workers. It exploits and humiliates people on welfare. If they can work, they should be given an opportunity to work under the same conditions of employment that other working people enjoy. If they cannot work, they should receive help that allows them to retain their dignity as human beings.

The Nixon-Rockefeller moves to transform child care facilities into an adjunct of the despised welfare system must be defeated. In New York City and around the country a broad coalition of women's groups, child care, welfare, community, and political organizations has been developing broad support for the forward-looking concepts of the Senate-approved child development bill.

I have been pleased to work closely with these groups, and I hope that the Congress as a whole will recognize that the time has arrived for this Nation to have a comprehensive child care program open to all families that require such care. This is a necessity for the millions of women who are wage earners. It is necessity for single-parent families, whether they are men or women. It is a necessity for the many women who want to return to school or to work. I hope, too, that the Senate-House conferees will agree on the proposed $2 billion authorization for child care, which would provide high-quality care for about 2 million children. That is, in fact, a minimal figure. We should do more. We must not do less.

## PERSONAL ANNOUNCEMENT

The SPEAKER pro tempore. Under a previous order of the House the gentleman from California (Mr. DANIELSON) is recognized for 5 minutes.

Mr. DANIELSON. Mr. Speaker, on Wednesday, November 3, 1971, I was absent from the floor from 12 noon until 2 p.m. while filming an interview by NBC television to be shown in my district relative to legislation pending before the Congress.

Two rollcall votes were taken during that time, both related to the bill, H.R. 2, to establish a Uniformed Services University of the Health Sciences—or, what has been called a "West Point for doctors."

I support this plan and would have voted yea on final passage of the bill on roll No. 343, which passed with a vote of yeas 351, nays 31.

On roll No. 342, an amendment which proposed to strike out the requirement that the university be established within 25 miles of the District of Columbia, I would have voted yea. I feel that this would be an opportunity to encourage the decentralization of Federal facilities to assist in providing employment and development in an area where it is needed more. That proposed amendment was not agreed to by a vote of ayes 148, and nays 215.

## ISRAEL'S REQUEST FOR PHANTOM JETS

The SPEAKER pro tempore. Under a previous order of the House the gentleman from Rhode Island (Mr. ST GERMAIN) is recognized for 10 minutes.

Mr. ST GERMAIN. Mr. Speaker, I am concerned about the steady erosion of U.S. Mideast policy in recent months. Once again, the administration is putting pressures on the wrong party in the Arab-Israel conflict.

Early this year, after the Jarring mission reached a deadend because of Egypt's insistence on prior Israeli commitment to total withdrawal, the Nixon administration undertook an initiative to bring about an interim Suez Canal agreement. Now, although the obvious advantage—indeed, the raison d'être—of an interim rather than an overall settlement is that it would provide a means of defusing the tension without requiring the parties to agree on the final extent of Israeli withdrawal, the Suez talks themselves are deadlocked primarily on the same sticking point as the Jarring talks: Egypt refuses to accept partial withdrawal unless it is in the context of a timetable for total withdrawal. And the Egyptians further demand that their military forces be permitted to cross the reopened canal to replace departing Israeli troops in the Sinai.

While all the demands and the threats to go to war if they are not met come from Egypt, all the concessions have come from Israel. The very fact that Israel is willing to go along with an interim settlement is a concession of major proportions, a retreat from her longheld and perfectly understandable position of no withdrawal without peace. Israel has agreed to give up a major de-defense line in return for Egyptian good will or, more precisely, for American expectations of Egyptian good will. It is the Soviet Union and Egypt, not the United States or Israel, which stand to gain militarily and economically from the reopening of the Suez Canal. Yet the insatiable Soviet-Egyptian combine is trying to turn what is in effect a something-for-nothing Israeli offer into an everything-for-nothing proposition.

For some inexplicable reason the Nixon administration ignores the Israeli concessions and heeds only the Egyptian demands. The administration now insists that Israel settle for a limited cease-fire, that Israel agree to a "compromise" on Egypt's demand for a troop crossing; and that the interim agreement, which was originally presented as a separate one, entail Israeli commitments on specific points of a final settlement, including complete withdrawal from Sinai.

It is sadly ironic that the United States has placed itself at loggerheads with Israel over how far Israel must go to get Egypt and the Soviet Union to agree to a settlement which is to their advantage in the first place. And it is appalling that the administration's ill-advised pressure campaign extends to depriving Israel of the Phantom jets she so urgently needs in face of the threat posed by the Soviet fortification of Egypt with men, missiles, and planes.

By withholding planes from Israel in order to wrest further concessions from her the administration is penalizing her for the significant concessions she has already made, increasing the risks she has already agreed to take, and encouraging the Egyptians in their resistance to making any concessions at all.

The Russians and Egyptians are no doubt as emboldened by the U.S. hesitation to provide Israel with the Phantoms as they are amused by the frantic U.S. diplomatic efforts to open the canal for them. For their part, they solidified their military alliance with a treaty in June. And last month, when Egyptian President Anwar Sadat visited Moscow, the Soviets publicly promised to take "measures aimed at further strengthening the military might of Egypt."

Many Members of Congress, including myself, deeply concerned by this state of affairs, have cosponsored resolutions expressing alarm at the ever-increasing Soviet military involvement in Egypt and urging the administration to reply affirmatively "without further delay" to Israel's request for Phantom jets. The resolutions also note the fact that it is the official policy of the United States, as often stated by President Nixon himself, that the balance of power between Israel and the Arab States must be maintained if war is to be deterred. It is imperative that the President take immediate action consistent with this policy.

## PANAMA CANAL: "GENERAL TORRIJOS DEMANDS OPPORTUNIST'S SHAKEDOWN"

(Mr. HALL asked and was given permission to extend his remarks at this point in the RECORD, and to include extraneous material.)

Mr. HALL. Mr. Speaker, on October 11, 1971, following a major campaign of propaganda against the United States there was a massive demonstration of Panamanians in the 5th of May Plaza, in Panama City close to the boundary of the United States owned Canal Zone territory, Brig. Gen. Omar Torrijos, commander of the National Guard of Panama, was the principal speaker. He proved himself a provocative demagog threatening to invade the Canal Zone at the head of 6,000 rifles as the means of establishing Panamanian sovereignty over the zone in the event of failure of the current treaty negotiations.

Fortunately, our authorities, warned of the danger of violence, were fully prepared to meet whatever situation that might have arisen, and the demonstration took place without incident.

As all who have studied the Isthmus situation know, Panama is a small weak and unstable country. Its independence depends solely upon the United States remaining in the Canal Zone, which has often served as a haven of refuge for Panamanian leaders seeking to escape assassination. During a revolt against General Torrijos when he visited Mexico, his wife did flee to the Canal Zone for safety, but he never mentioned this fact. Should he be overthrown, he would no doubt be among the first to flee there for protection despite the fact that he has been endeavoring to terminate U.S. sovereignty over the zone.

While the main news media of the United States has not been reporting developments on the Isthmus in an objective manner, small papers in various parts of the Nation are doing so; and, I shall quote a column from a Florida paper, the Sun-Sentinel, that foresees the dangers at Panama in a realistic manner.

Mr. Speaker, I would stress that under no circumstances should Canal Zone sovereignty be surrendered to Panama, or any other nation or agency. Certainly, the time has come for this body to adopt, without further delay, the pending Panama Canal sovereignty resolutions.

The indicated column follows:

[From the (Pompano Beach, Fla.) Sun-Sentinel, Oct. 13, 1971]

### Gen. Torrijos' Demands Opportunist's Shakedown

(By Budd W. Boyer)

The Republic of Panama, through its strongman dictator Gen. Omar Torrijos, is the latest in what is getting to be a tiresome line of two-bit agitators trying to tweak the nose of Uncle Sam.

In the standard fashion of those who rule by abolition of individual rights, General Torrijos waved the banner of freedom at the United States in demanding that it prove its status as a "true leader of freedom," by handing complete control of the Canal Zone over to him and his junta.

Since 1964, the United States has been actively negotiating with Panama on the matter of a new treaty to replace one made in 1903 and revised to Panama's advantage in 1955.

Just for the record, it might be well to review the general aspects of how Panama came into being as a republic, and the basis for the treaty on which the United States controls the disputed Canal Zone.

Panama was part of the revolt against Spanish domination made by Central America in 1821. The little country joined with Colombia, and then spent the next 82 years trying to extricate itself from this union. In 1903, it finally succeeded with backing by the United States.

Rights to the 10-mile-wide Canal Zone were granted to the United States for a payment of $10 million and an annual fee that was set at the time at $250,000. This was increased to $430,000 in 1933 to more than $1.9 million when the treaty was revised in 1955.

Territorially speaking, Panama has 29,208 square miles. Most of this area is unoccupied. The population is about 1.5 million, of which more than one-fourth is centered in the two cities of Colon and Panama City. The Canal Zone accounts for only 500 square miles of the country.

The economy of Panama is directly responsive to American markets with bananas (58 per cent), refined petroleum (19 per cent) and shrimps (10 per cent) the leading exports. The United States received 79 per cent of the exports and the Canal Zone five per cent according to the most recently available figures.

It seems clear that General Torrijos has one thing uppermost in mind in his demand that control of the Canal and the Canal Zone be handed over to the government of Panama, which not so incidentally is in fact himself, and that is the financial power it represents.

The junta long since suspended legislative power guaranteed in the Constitution of Panama, and is setting machinery in motion for drafting a new constitution that will decide the "type of government to rule the country."

Just for openers, the muscleman of Panama has directed implementation of a new labor code in January that will set up a labor court for rural areas, collective bargaining and compulsory union dues to be deducted by employers. Guess who will control the union treasury?

During his diatribe of threat and bluster, General Torrijos talked of sending the country's National Guard, some 6,000 members who are trained, equipped and financed by the United States, to seize the Canal Zone if talks now under way fail. But since even he must realize the ludicrous nature of such a threat, he slipped an obvious pitch to the doves of Washington into the speech. This came when he referred to ". . . mercenaries who want to convert this into a Vietnam."

General Torrijos is no more than a common hood in the American vernacular, and he should be treated in the same way a second-rate shakedown artist would be handled in this country. We saw what happened when another of his ilk gained control of the Suez Canal, and our representatives had better take a hard fast look at what this blackmailer is attempting.

Until or unless we get another canal, the one through Panama is of substantial importance to our security and to the economic well-being of ourselves and other nations of the world. Under no circumstances should it be entrusted to the whims of a military opportunist, who has extended his blackmail to the point of trying to use the two-China issue in the United Nations as a bargaining point. As with Cuba, the odds are good that the next major flag to fly over the Panama Canal if we give it up, will be the one bearing the hammer and sickle.

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## THE FARMERS HOME ADMINISTRATION'S VALUABLE SERVICE IN RURAL AREAS

(Mr. HANSEN of Idaho asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. HANSEN of Idaho. Mr. Speaker, no State could be more concerned with the problems of rural communities than our State of Idaho. Some 70 percent of our land area is in farms, ranches, and forests, and all but 10 of the towns and cities qualify as rural within terms of the National Housing Act.

According to the forecasts of many economists and sociologists of the past decade—those who have predicted that the family farm and rural town are doomed to disappear in the United States—most of Idaho should be sinking back into its primeval state of emptiness and wilderness.

But on the contrary, Idaho is gaining in people, in industry, and in the development of its agriculture.

The explanation lies primarily in the energy and resourcefulness of our people—their will to preserve their way of life in the smaller town and open country.

However, they need, and they have found, important new sources of support for community enterprise in some agencies of Government, and especially in programs of the Farmers Home Administration.

This credit agency of the Department of Agriculture has the right kind of organization for effective service to rural people, that is, a system of local offices in the rural counties of every State. It has been given the responsibility to deliver financial resources into rural areas for a wide variety of development purposes. These programs emphasize opportunity for the family-size farm and ranch to prosper, for better rural housing, and for modernization of community water and waste disposal systems.

Farmers home services totaled more than $47 million in the State, of which $30 million was realized in our Second Congressional District, during the fiscal year 1971 just past. Nearly 1,000 farms in our district found $13 million of essential credit available through Farmers home. More than 1,000 new homes, representing $15 million of housing credit, have been produced for rural families of low- and moderate-income since July of last year. A score of projects for community and farm water and sewer systems and similar improvements also were funded last year in our district.

The value of the rural FHA has been demonstrated many times over in the rural counties of Idaho. One example is found in the recent history of Teton County. This is one of the smallest and most rural counties of eastern Idaho. It lies in a high, picturesque valley bordered on the east by Wyoming and the Teton Mountains, and on the other sides by gentler mountains.

In the mid-1960's, Teton County's agriculture, the economic mainstay of the area, was fading because of a short growing season, lack of variety in cash crops, and inadequate irrigation. Other water problems and lack of waste disposal facilities plagued the area and held back community development. Young people were deserting the county. Its towns were in the downhill slide.

Action against the multitude of problems began with the local people's decision that they would first deal with farm irrigation. Enlisting advice and financial support from the Department of Agriculture, they set about to equip underirrigated farms with gravity-flow sprinkler systems which would prevent loss of water from evaporation and percolation, fulfill the need for water for most crops, and be adequate even in the drier years.

Eight such systems have been installed, serving more than 100 farms in Teton County, and several others are planned. Costs that must be borne by the local people are financed through long-term loans from the Farmers Home Administration to associations of farm families who benefit. The loans are repaid from proceeds of water service.

In Teton's newly irrigated areas, farmers who would have been forced off the land have more than doubled their production with little change in equipment and labor. They are now prosperous enough to stay in Teton County and contribute to the rising economy of their home communities. Even the maintenance of irrigation systems is a new source of employment.

Irrigation water supply will be increased by improvement of Trail Creek watershed through a $3 million project of the small watershed program overseen by the U.S. Soil Conservation Service. Here again, Farmers Home provides a vital ingredient—loans totaling $967,800 since 1969 to meet local costs of completing this project by 1972.

While agriculture has always been the main economic support of Teton County, recreation also is on the rise as a major resource. A fine natural site for a winter sports resort in Targhee National Forest, 12 miles from the county seat town of Driggs, has been developed by a nonprofit association of Teton County citizens after it was passed over for years by outside private developers. After 2 years of operation this popular Grand Targhee Sports Center has stimulated new motels, new businesses and new employment. This new central attraction for tourist trade in Teton County was made possible by Farmers Home loans to the community association.

The sum total of progress in Teton County is reflected both in statistics and the upswing of activity and living standards evident in its towns and farmlands.

Driggs has a modern sewer system financed through Farmers Home and has built a new hospital and an enlarged and improved county airport. Victor is developing water and sewer systems through the FHA community facilities program. Some three dozen new homes have been financed through Farmers Home rural housing credit. Tetonia has improved its city park. Two fine campgrounds for tourists and sportsmen have been built on the Teton River. Farmers Home has helped potato farmers of the county establish a new cooperative center for marketing their seed potatoes.

In statistics, sales tax revenues were up 34 percent from 1969 to 1970. Land values are up 50 percent since 1966. Local bank deposits rose $1.5 million over a 2-year period. Employment is up, outmigration checked, the tax base greater, living standards improved.

Teton County still has problems to solve and higher goals to attain, but its climate has changed from stagnation and decline to healthy, progressive growth.

We have seen how often the name of Farmers Home recurs in this record of progress in Teton County. This testifies to the unique effectiveness of the Farmers Home Administration as an instrument of rural progress, and the able leadership provided by my good friend, its national Administrator, James V. Smith, and our State director for Idaho, Donald L. Winder.

## PERSONAL EXPLANATION

(Mr. CARNEY asked and was given permission to extend his remarks at this point in the Record.)

Mr. CARNEY. Mr. Speaker, last Thursday and Friday, November 4 and 5, I was absent from the House on official business for the Veterans' Affairs Committee, of which I am a member. Had I been here, I would have voted for final passage of H.R. 7248, the Higher Education Act of 1971.

## PERSONAL ANNOUNCEMENT

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, on Thursday, November 4, at 6 p.m., I had to leave the floor to go to New York where I was scheduled to meet with constituents at a town hall meeting on crime I was sponsoring. I, therefore, was absent when some of the amendments were offered to H.R. 7248, the Higher Education Act. I supported H.R. 7248 and had I been present, I would have voted "yea" on final passage.

## HESSEN SOCIAL DEMOCRATIC PARTY IN WEST GERMANY CALLS FOR A REPUDIATION OF THE DEFENSE PARTNERSHIP WITH THE UNITED STATES

(Mr. WAGGONNER asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. WAGGONNER. Mr. Speaker, it has come to my attention this week that the Social Democrats in West Germany are taking the next logical step in the implementation of the Brandt government's policy in Eastern Europe. A news report of the recent meeting of the Hessen Social Democratic Party in West Germany announced the Hessen party's demand for the adoption by the Social Democratic Party at the national party meeting to be held later this month, of a resolution which, in effect, calls for a complete repudiation of the defense partnership with the United States.

Specifically, the suggested resolution demands the following:

First. Reduction in defense expenditures of the Federal Government in Germany.

Second. Complete cessation of offset payments to the United States for the stationing of U.S. troops in West Germany.

Third. Utilization of the funds obtained by these reductions for cultural and other developments in West Germany.

Surley, the Hessen party must realize the disastrous effects such a position, if taken, would have on the security of Europe at a time when the Soviet Union is engaged in a massive arms buildup. I shudder to think what could happen if such a policy were adopted. However, aside from the dangers inherent in pursuing such a policy of appeasement, I personally resent the unprecedented vituperation and slander leveled against the United States by the Hessen party. At its meeting, the Hessen party stated that—

> The United States keeps its troops in the Federal Republic of Germany not for the defense of the population but and only for the defense of its own interest as a world power.

And that "the United States supports fascists regimes in Greece, Spain, and Portugal" and thus "helps the suppression of Greek and Spanish nations as well as the exploitation of the third world." Of course, none of these statements or the inferences made in them could be further from the truth, and the Hessen party should know as much.

The Hessen party is convinced that "only by the decisive reduction in armament expenditures can the new German peace policy become credible."

In continuation of their "peace policies," they have also demanded the creation of a commission for a strategy of disarmament. This commission would prepare plans for the 1973 political campaign and for the strategic forces of West Germany with the view toward reducing the armaments and the size of the German Armed Forces. These plans of the Social Democrats appear to coincide with Brandt's Ostpolitik. Unfortunately, they also appear aimed at reducing American influences in Western Europe and potentially enhancing the Soviet position there.

I hope that Chancellor Brandt will renounce the irresponsible statements made by members of his own party and reassure the West in a clear-cut statement that he wants to prevent the further disintegration of Western defense policies in the center of Europe. Such a statement by Brandt would go a long way in advancing the cause of real peace in the world.

## H.R. 9212 BLACK LUNG BENEFITS

(Mr. KEE asked and was given permission to extend his remarks at this point in the Record and to include extaneous matter.)

Mr. KEE. Mr. Speaker, when H.R. 9212, was brought up under suspension of the rules on October 18, 1971, I rose on the floor of the House and strongly urged my colleagues to support it. When the roll was called, I voted for its passage. The vote was 227 ayes and 124 nays. Under the parliamentary rules a two-thirds majority was required, therefore, the bill failed of passage by seven votes.

Once again it will be before the House for consideration. This time the Rules Committee has recommended an open rule with 1 hour of debate. Once again I strongly urge my colleagues to support this badly needed legislation.

In my remarks on October 18, 1971, I stated as the Representatives from the largest coal producing congressional district in the United States I had felt for some time that some of the provisions of the Federal Coal Mine Health and Safety Act of 1969 needed clarification to make it more equitable. In my judgment, H.R. 9212 does correct some of the inequities that we have found in this act.

I supported enthusiastically the Federal Coal Mine Health and Safety Act of 1969, which is now Public Law 91–173. I had long been an advocate of legislation to give the disabled miner relief from the rigors of his hazardous employment and it was for this reason that

I introduced H.R. 9850, the very first bill introduced in the Congress for those suffering from black lung, and their families.

We have since learned that the black lung disease benefit program as established by title IV, does not always give the coal miners with this disease the benefits to which they are entitled. In some instances it is found that this injustice is caused by placing too much emphasis on X-rays. It seems to me that to deny claims for black lung benefits solely on an X-ray examination was never intended by the Congress, and it is a most unfortunate situation insofar as justice is concerned to the coal miners in this country.

At the time I testified during the hearings on this legislation in May 1971, I stated that in my own State of West Virginia, there were claims filed amounting to 58,300. According to the latest black lung statistics that figure has now risen to 59,234. About 32,981 of these claims were made in my district. Claims paid for the entire State of West Virginia are 24,491. The claims paid in my district amount to 14,501.

On the other hand, the statistics show that there were 15,513 denials. I have no way of knowing whether or not all of these denials would be approved, but I do state that under this new legislation which prohibits the use of chest X-rays as the sole basis for denial of claims, I am reasonably sure that quite a few of them would.

Likewise, a third of the black lung benefit claims which have been turned down to date have been disallowed, because the miner was not totally disabled. In fact, what the Federal Government is saying to these miners is that they do not qualify because they are not totally dead. I have contended from the very beginning that the requirements for determining "total disability" should be made more realistic. It seems to me that any miner who is rendered incapable of performing his usual mining job should be considered "disabled" under the Federal black lung compensation provision. I feel that this bill recognizes this phase.

I am also pleased that under this legislation the Federal Coal Mine Health and Safety Act will be amended to extend black lung benefits to orphans whose fathers died of pneumoconiosis; that the existing black lung program shall not be considered a workmen's compensation law or plan for purposes of the disability insurance provisions of the Social Security Act; and, that the existing program for payment of black lung benefits will be extended for 2 years.

With these thoughts in mind, and on behalf of the deserving coal miners, I strongly endorse the passage of this bill, which will rectify some of the inequities that have arisen over the past 2 years.

I am glad to have had a part in developing this legislation.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. GOODLING (at the request of Mr. GERALD R. FORD) from 6 p.m. today through November 17 on account of official business.

Mr. BARRETT (at the request of Mr. GREEN of Pennsylvania) for Tuesday, November 9, and Wednesday, November 10, on account of illness.

Mr. LINK for November 9 to November 20 on account of official business as a member of House Agriculture Committee.

Mr. PATMAN (at the request of Mr. O'NEILL) for today on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. MCCOLLISTER) to address the House and to revise and extend their remarks and include extraneous matter:)

Mr. FINDLEY for 5 minutes today.

Mr. MIZELL for 30 minutes today.

Mr. BURKE of Florida for 20 minutes today.

Mr. MILLER of Ohio for 5 minutes today.

Mr. SHRIVER for 5 minutes today.

(The following Members (at the request of Mr. ANNUNZIO) and to revise and extend their remarks and include extraneous matter:)

Mrs. ABZUG for 10 minutes today.

Mr. GONZALEZ for 10 minutes today.

Mr. DANIELSON for 5 minutes today.

Mr. ST GERMAIN for 10 minutes today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

(The following Members (at the request of Mr. MCCOLLISTER) and to include extraneous matter:)

Mr. FREY.
Mr. SPRINGER.
Mr. RHODES in five instances.
Mr. MCCLORY.
Mr. FINDLEY.
Mr. BRAY in three instances.
Mr. SEBELIUS in two instances.
Mr. MCKINNEY.
Mr. REID of New York.
Mr. ZWACH in two instances.
Mr. WYMAN in two instances.
Mr. HOSMER.
Mr. COLLIER in three instances.
Mr. BROYHILL of Virginia.
Mr. BROOMFIELD.
Mr. VEYSEY.
Mr. CRANE in five instances.
Mr. SCHERLE in 10 instances.
Mr. KEITH.

(The following Members (at the request of Mr. ANNUNZIO) and to include extraneous matter:)

Mr. BEGICH in five instances.
Mr. LINK.
Mr. SLACK in two instances.
Mr. EILBERG in three instances.
Mr. WOLFF in two instances.
Mr. HAGAN in three instances.
Mr. ROGERS in five instances.
Mr. RARICK in three instances.
Mr. BRASCO.
Mr. SCHEUER in two instances.
Mr. CARNEY.
Mr. RANGEL.
Mr. ABOUREZK in five instances.
Mr. UDALL in six instances.
Mrs. GRIFFITHS in two instances.
Mr. MILLER of California in five instances.
Mr. JOHNSON of California in two instances.
Mr. RYAN in three instances.
Mr. RONCALIO in six instances.
Mr. JACOBS.
Mr. BINGHAM in four instances.
Mr. MURPHY of Illinois in two instances.
Mr. ROE in two instances.
Mr. EDWARDS of California.
Mr. BURTON.
Mr. FOUNTAIN.
Mr. HELSTOSKI.
Mr. WAGGONNER.

## SENATE BILLS REFERRED

Bills of the Senate of the following titles were taken from the Speaker's table and, under the rule, referred as follows:

S. 986. An act to provide disclosure standards for written consumer product warranties against defect or malfunction; to define Federal content standards for such warranties; to amend the Federal Trade Commission Act in order to improve its consumer protection activities; and for other purposes; to the Committee on Interstate and Foreign Commerce.

S. 2559. An act to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans; to the Committee on Agriculture.

Mr. HAYS, from the Committee on House Administration, reported that that committee had examined and found truly enrolled bills of the House of the following titles, which were thereupon signed by the Speaker:

H.R. 8629. An act to amend title VII of the Public Health Service Act to provide increased manpower for the health professions, and for other purposes.

H.R. 8630. An act to amend title VIII of the Public Health Service Act to provide for training increased numbers of nurses.

## BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the President, for his approval, bills of the House of the following titles:

H.R. 1680. An act to extend for an additional temporary period the existing suspension of duties on certain classifications of yarn of silk.

H.R. 5060. An act to amend the Fish and Wildlife Act of 1956 to provide a criminal penalty for shooting at certain birds, fish, and other animals from an aircraft.

## ADJOURNMENT

Mr. ANNUNZIO. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 5 o'clock and 54 minutes p.m.), the House adjourned until tomorrow, Wednesday, November 10, 1971, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1274. A letter from the General Sales Manager, Export Marketing Service, Department of Agriculture, transmitting a report of agreements signed providing for foreign currencies during September and October 1971, pursuant to Public Law 85–128; to the Committee on Agriculture.

1275. A letter from the Assistant Secretary of the Interior, transmitting 11 projects selected for funding through grants, contracts, and matching or other arrangements with educational institutions, private foundations or other institutions, and with private firms, under section 200(a) of the Water Resources Research Act of 1964, pursuant to section 200(b) of the act; to the Committee on Interior and Insular Affairs.

1276. A letter from the President, National Railroad Passenger Corp., transmitting an audit of the financial statements of the Corporation as of June 30, 1971, pursuant to section 805 of the Rail Passenger Service Act of 1970; to the Committee on Interstate and Foreign Commerce.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. ABBITT: Committee on House Administration. House Resolution 507. Resolution dismissing the election contest in the 38th Congressional District of the State of California (Rept. No. 92–626). Ordered to be printed.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 950. A bill to designate a Veterans' Administration hospital in Bedford, Mass. as the Edith Nourse Rogers Memorial Veterans' Hospital; with amendments (Rept. No. 92–627). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 9096. A bill to amend chapter 19 of title 38 of the United States Code, to extend coverage under servicemen's group life insurance to cadets and midshipmen at the service academies of the Armed Forces; with amendments (Rept. No. 92–628). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 9097. A bill to define the terms "widow", "widower", "child", and "parent" for servicemen's group life insurance purposes (Rept. No. 92–629). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 11220. A bill to designate the Veterans' Administration hospital in San Antonio, Tex., as the Audie L. Murphy Memorial Veterans' Hospital; with amendments (Rept. No. 92–630). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 11334. A bill to amend title 38 of the United States Code to provide that dividends may be used to purchase additional paid-up national service life insurance; with amendments (Rept. No. 92–631). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 11335. A bill to amend section 704 of title 38, United States Code, to permit the conversion or exchange of national service life insurance policies to insurance on a modified life plan with reduction at age 70 (Rept. No. 92–632). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 489. A bill to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Modoc Point unit of the Klamath Indian irrigation project, Oregon (Rept. No. 92–633). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 2185. A bill to declare that certain federally owned land is held by the United States in trust for the Lac du Flambeau Band of Lake Superior Chippewa Indians (Rept. No. 92–634). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 3337. A bill to authorize the acquisition of a village site for the Payson Band of Yavapai-Apache Indians, and for other purposes; with amendments (Rept. No. 92–635). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 5068. A bill to authorize grants for the Navajo Community College, and for other purposes; with amendments (Rept. No. 92–636). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 6291. A bill to provide for the disposition of funds arising from judgments in Indian Claims Commission dockets No. 178 and 179, in favor of the Confederated Tribes of the Colville Reservation, and for other purposes; with amendments (Rept. 92–637). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7701. A bill to amend the act of August 9, 1955, to authorize longer term leases of Indian lands located outside the boundaries of Indian reservations in New Mexico; with an amendment (Rept. 92–638). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 7742. A bill to provide for the disposition of funds to pay a judgment in favor of the Yankton Sioux Tribe in Indian Claims Commission docket No. 332–A, and for other purposes; with amendments (Rept. No. 92–639). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 8381. A bill to authorize the purchase, sale, and exchange of certain lands on the Kalispel Indian Reservation, and for other purposes; with amendments (Rept. No. 92–640). Referred to the Committee of the Whole House on the State of the Union.

Mr. HALEY: Committee on Interior and Insular Affairs. H.R. 10352. A bill to provide for the disposition of judgment funds on deposit to the credit of the pueblo of Laguna in Indian Claims Commission, docket No. 227, and for other purposes; with amendments (Rept. No. 92–641). Referred to the Committee of the Whole House on the State of the Union.

Mr. COLMER: Committee on Rules. House Resolution 696. Resolution providing for consideration of the conference report on H.R. 8687 (Rept. 92–642). Referred to the House Calendar.

Mr. MATSUNAGA: Committee on Rules. House Resolution 697. Resolution providing for the consideration of H.R. 11589. A bill to authorize the foreign sale of certain passenger vessels (Rept. No. 92–643). Referred to the House Calendar.

Mr. YOUNG of Texas: Committee on Rules. House Resolution 698. Resolution providing for the consideration of H.R. 11341. (Rept. No. 92–644). Referred to the House Calendar.

Mr. PEPPER: Committee on Rules. House Resolution 699. Resolution providing for the consideration of S. 18. An act to amend the United States Information and Educational Exchange Act of 1948 to provide assistance to Radio Free Europe and Radio Liberty (Rept. No. 92–645). Referred to the House Calendar.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. RODINO: Committee on the Judiciary. S. 389. An act for the relief of Stephen Lance Pender, Patricia Jenifer Pender, and Denese Gene Pender (Rept. No. 92–646). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. S. 559. An act for the relief of Albina Lucio Z. Manlucu (Rept. No. 92–647). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. S. 629. An act for the relief of Chen-Pai Miao (Rept. No. 92–648). Referred to the Committee of the Whole House.

Mr. McKEVITT: Committee on the Judiciary. H.R. 2792. A bill for the relief of Juanita Savedia Varela; with amendments (Rept. No. 92–649). Referred to the Committee of the Whole House.

Mr. SEIBERLING: Committee on the Judiciary. H.R. 3093. A bill for the relief of Mrs. Crescencia Lyra Serna and her minor children, Maria Minde Fe Serna, Sally Garoza Serna, Gonzalo Garoza Serna, and James Garoza Serna (Rept. No. 92–650). Referred to the Committee of the Whole House.

Mr. DENNIS: Committee on the Judiciary. H.R. 4319. A bill for the relief of Josephine Dumpit; with amendments (Rept. No. 92–651). Referred to the Committee of the Whole House.

Mr. MAYNE: Committee on the Judiciary. H.R. 5179. A bill for the relief of Soo Yong Kwak; with an amendment (Rept. No. 92–652). Referred to the Committee of the Whole House.

Mr. FLOWERS: Committee on the Judiciary. H.R. 6506. A bill for the relief of Mrs. Hind Nicholas Chaber, Georgette Hanna Chaber, Jeanette Hanna Chaber, and Violette Hanna Chaber; with amendments (Rept. No. 92–653). Referred to the Committee of the Whole House.

Mr. DENNIS: Committee on the Judiciary. H.R. 6912. A bill for the relief of William Lucas (also known as Vasilios Loukatis) (Rept. No. 92–654). Referred to the Committee of the Whole House.

Mr. RODINO: Committee on the Judiciary. H.R. 7316. A bill for the relief of Mrs. Norma McLeish; with an amendment (Rept. No. 92–655). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ABBITT:

H.R. 11633. A bill to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans; to the Committee on Agriculture.

By Mrs. ABZUG:

H.R. 11634. A bill to amend the Economic Stabilization Act of 1970 to permit the maintenance of wages and salaries at levels contracted for prior to August 15, 1971; to the Committee on Banking and Currency.

H.R. 11635. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C. to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BADILLO:

H.R. 11636. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C. to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BEGICH:

H.R. 11637. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C. to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI (for himself, Mr. Peyser, Mr. Addabbo, Mr. Brasco, Mr. Murphy of New York, Mr. Rodino, Mr. Dent, Mr. Vigorito, Mr. Mazzoli, Mr. Mollohan, Mr. Burton, Mr. Rosenthal, Mr. Hathaway, Mr. Yatron, Mr. Nedzi, Mr. Sarbanes, Mr. Helstoski, Mr. Wolff, Mr. Pepper, Mr. Ryan, Mr. Price of Illinois, Mr. Horton, Mr. Mikva, Mr. Fraser, and Mr. Hansen of Idaho):

H.R. 11638. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of a man of science, Enrico Fermi; to the Committee on Post Office and Civil Service.

By Mr. BIAGGI (for himself, Mr. Peyser, Mr. Scheuer, Mr. Dingell, Mr. Kemp, Mrs. Abzug, Mr. Clark, Mr. Rhodes, Mr. Badillo, Mr. Forsythe, Mr. McCormack, Mr. Murphy of Illinois, Mr. Pike, Mr. Biester, Mr. Matsunaga, Mr. Aspin, Mr. Donohue, Mr. Terry, Mr. Anderson of Illinois, Mr. Annunzio, Mr. Harrington, Mrs. Grasso, and Mrs. Hicks of Massachusetts):

H.R. 11639. A bill to provide for the issuance of a special postage stamp in commemoration of the life and work of a man of science, Enrico Fermi; to the Committee on Post Office and Civil Service.

By Mr. FINDLEY:

H.R. 11640. A bill to allow a credit against Federal income tax or payment from the U.S. Treasury for State and local real property taxes or an equivalent portion of rent paid on their residences by individuals who have attained age 65; to the Committee on Ways and Means.

By Mr. FOLEY:

H.R. 11641. A bill to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans; to the Committee on Agriculture.

By Mr. HELSTOSKI:

H.R. 11642. A bill to amend the National Flood Insurance Act of 1968 to increase flood insurance coverage of certain properties, to authorize the acquisition of certain properties, and for other purposes; to the Committee on Banking and Currency.

By Mr. MATHIS of Georgia:

H.R. 11643. A bill to amend the Agricultural Adjustment Act of 1938 to authorize the sale, lease, and transfer of Flue-cured tobacco acreage-poundage marketing quotas between farms in the same State; to the Committee on Agriculture.

By Mr. MOLLOHAN:

H.R. 11644. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. RANGEL:

H.R. 11645. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C., to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. REID of New York:

H.R. 11646. A bill to ban the usage of diethylstilbestrol (DES) as a growth promotant; to the Committee on Interstate and Foreign Commerce.

By Mr. ROBERTS:

H.R. 11647. A bill to modify the project at Lavon Reservoir, Tex.; to the Committee on Public Works.

By Mr. ROSENTHAL:

H.R. 11648. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C., to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. RYAN:

H.R. 11649. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C. to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. STRATTON:

H.R. 11650. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. TEAGUE of Texas (for himself, Mr. Baring, Mr. Carney, Mr. Danielson, Mr. Dorn, Mr. Dulski, Mr. Edwards of California, Mrs. Grasso, Mr. Haley, Mr. Hammerschmidt, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mrs. Hicks of Massachusetts, Mr. Hillis, Mr. Montgomery, Mr. Pucinski, Mr. Roberts, Mr. Satterfield, Mr. Saylor, Mr. Scott, Mr. Teague of California, Mr. Winn, Mr. Wolff, Mr. Wylie, and Mr. Zwach):

H.R. 11651. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and for other purposes; to the Committee on Veterans' Affairs.

H.R. 11652. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency and indemnity compensation; to the Committee on Veterans' Affairs.

By Mr. YOUNG of Florida (for himself, Mr. Gibbons, and Mr. Haley):

H.R. 11653. A bill for the relief of certain cities, counties, and government agencies of the State of Florida to compensate them for costs in connection with a "red tide" occurrence; to the Committee on the Judiciary.

By Mr. ABOUREZK (for himself, Mr. Link, Mr. Denholm, Mr. Kastenmeier, Mr. Mikva, Mr. Obey, Mr. Andrews of North Dakota, Mr. Burlison of Missouri, Mr. Burton, Mr. Helstoski, and Mr. O'Konski):

H. R. 11654. A bill to amend section 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly, and for other purposes; to the Committee on the Judiciary.

By Mr. BINGHAM:

H.R. 11655. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C., to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. BRAY:

H.R. 11656. A bill to amend the Internal Revenue Code of 1954 to encourage higher education, and particularly the private funding thereof, by authorizing a deduction from gross income of reasonable amounts contributed to a qualified higher education fund established by the taxpayer for the purpose of funding the higher education of his dependents; to the Committee on Ways and Means.

By Mr. BROYHILL of Virginia:

H.R. 11657. A bill to provide incentives for establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. DELLUMS:

H.R. 11658. A bill to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes; to the Committee on Education and Labor.

H.R. 11659. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on House Administration.

H.R. 11660. A bill to amend the age and service requirements for immediate retirement under subchapter III of chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11661. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C., to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11662. A bill to increase the contribution of Federal Government to the costs of employees' health benefits insurance; to the Committee on Post Office and Civil Service.

By Mr. FORSYTHE (for himself, Mrs. Abzug, Mr. Addabbo, Mr. Dellums, Mr. Dent, Mr. Esch, Mr. Garmatz, Mrs. Green of Oregon, Mr. Harrington, Mrs. Heckler of Massachusetts, Mrs. Hicks of Massachusetts, Mr. Hungate, Mr. Mayne, Mr. Roush, Mr. Stokes, Mr. Williams, Mr. Yatron, and Mr. Denholm):

H.R. 11663. A bill to amend the Self-Employment Contributions Act of 1954 to provide that an election to be exempt from coverage under the old-age, survivors, and disability insurance program, made by a minister, a member of a religious order, or a Christian Science practitioner, may be revoked at any time; to the Committee on Ways and Means.

By Mr. HATHAWAY (for himself and Mr. Steiger of Wisconsin):

H.R. 11664. A bill to amend the Consolidated Farmers Home Administration Act of 1961; to the Committee on Agriculture.

By Mr. HÉBERT (for himself and Mr. Arends) (by request):

H.R. 11665. A bill to amend section 552(a) of title 37, United States Code, to provide continuance of incentive pay to members of the uniformed services for the period required for hospitalization and rehabilitation after termination of missing status; to the Committee on Armed Services.

By Mr. MATSUNAGA:

H.R. 11666. A bill to extend the Consolidated Farmers Home Administration Act of 1961, as amended, to American Samoa; to the Committee on Agriculture.

H.R. 11667. A bill to amend the Internal Revenue Code of 1954 to provide income tax simplification, reform, and relief for small business; to the Committee on Ways and Means.

By Mr. NIX (for himself, Mr. Barrett, Mr. Byrne of Pennsylvania. Mr. Eilberg, and Mr. Green of Pennsylvania):

H.R. 11668. A bill to amend the Postal Reorganization Act of 1970, title 39, United

States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PEPPER:

H.R. 11669. A bill to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes; to the Committee on Education and Labor.

H.R. 11670. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on House Administration.

H.R. 11671. A bill to amend the age and service requirements for immediate retirement under subchapter III of chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11672. A bill to increase the contribution of the Federal Government to the costs of employees' health benefits insurance; to the Committee on Post Office and Civil Service.

By Mr. ROONEY of Pennsylvania:

H.R. 11673. A bill to amend the Postal Reorganization Act of 1970, title 39, U.S.C., to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. ROSTENKOWSKI:

H.R. 11674. A bill to restore and maintain a healthy transportation system, to provide financial assistance, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. ST GERMAIN:

H.R. 11675. A bill to encourage national development by providing incentives for the establishment of new or expanded job-producing and job-training industrial and commercial facilities in rural areas having high proportions of persons with low incomes or which have experienced or face a substantial loss of population because of migration, and for other purposes; to the Committee on Ways and Means.

By Mr. JAMES V. STANTON:

H.R. 11676. A bill to amend the age and service requirements for immediate retirement under subchapter III of chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11677. A bill to provide death benefits to survivors of certain public safey and law-enforcement personnel, and public officials concerned with the administration of criminal justice and corrections, and for other purposes; to the Committee on Ways and Means.

By Mr. MIZELL:

H.R. 11678. A bill to create a partnership between the United States and the several States for the development of rural America's transportation, industrial growth, education, health, housing, environmental protection, and planning resources and capacity; to the Committee on Agriculture.

By Mr. FINDLEY:

H.J. Res. 954. Joint resolution authorizing the President to proclaim the second full week in October each year as "National Legal Secretaries' Court Observance Week"; to the Committee on the Judiciary.

By Mr. WYMAN:

H.J. Res. 955. Joint resolution proposing an amendment to the Constitution of the United States with respect to participation in silent prayer or meditation in public schools; to the Committee on the Judiciary.

By Mr. BURKE of Florida (for himself, Mr. Abbitt, Mr. Andrews of North Dakota, Mr. Archer, Mr. Bevill, Mr. Blackburn, Mr. Brinkley, Mr. Buchanan, Mr. Del Clawson, Mr. Collins of Texas, Mr. Coughlin, Mr. Crane, Mr. Derwinski, Mr. Dingell, Mr. Dowdy, Mr. Dulski, Mr. Fisher, Mr. Flowers, Mr. Flynt, Mr. Fuqua, Mr. Goodling, Mrs. Green of Oregon, Mr. Griffin, Mr. Haley, and Mr. Hosmer):

H. Con. Res. 449. Concurrent resolution expressing the sense of the House of Representatives objecting to the eligibility of the Byelorussian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic for membership in the United Nations; to the Committee on Foreign Affairs.

By Mr. BURKE of Florida (for himself, Mr. Hutchinson, Mr. Kemp, Mr. King, Mr. Kuykendall, Mr. Landgrebe, Mr. Long, of Maryland, Mr. Mathis of Georgia, Mr. Michel, Mr. Minish, Mr. Mizell, Mr. Podell, Mr. Price of Texas, Mr. Randall, Mr. Rarick, Mr. St Germain, Mr. Saylor, Mr. Scherle, Mr. Schmitz, Mr. Sikes, Mr. Snyder, Mr. Steele, Mr. Tiernan, Mr. Veysey, and Mr. Whitehurst):

H. Con. Res. 450. Concurrent resolution expressing the sense of the House of Representatives objecting to the eligibility of the Byelorussian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic for membership in the United Nations; to the Committee on Foreign Affairs.

By Mr. BURKE of Florida (for himself, Mr. Williams, Mr. Winn, Mr. Yatron, Mr. Young of Florida, and Mr. Zion):

H. Con. Res. 451. Concurrent resolution expressing the sense of the House of Representatives objecting to the eligibility of the Byelorussian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic for membership in the United Nations; to the Committee on Foreign Affairs.

By Mr. RANGEL (for himself, Mr. Addabbo, Mr. Badillo, Mr. Biaggi, Mr. Blackburn, Mr. Brasco, Mr. Brinkley, Mr. Burke of Florida, Mrs. Chisolm, Mr. Clay, Mr. Collier, Mr. Collins of Illinois, Mr. Denholm, Mr. Derwinski, Mr. Diggs, Mr. Eilberg, Mr. Forsythe, Mr. Gude, Mr. Halpern, Mr. Hechler of West Virginia, Mr. Helstoski, Mrs. Hicks of Massachusetts, Mr. Horton, Mr. Hosmer, and Mr. Kuykendall):

H. Con. Res. 452. Concurrent resolution expressing the sense of Congress that there should be a boycott in the United States of French-made products until the President determines France has taken successful steps to halt the processing of heroin an its exportation to the United States; to the Committee on Ways and Means.

By Mr. RANGEL (for himself, Mr. Leggett, Mr. Matsunaga, Mr. Metcalfe, Mr. Minish, Mr. Pucinski, Mr. Rosenthal, Mr. Roy, Mr. Schwengel, Mr. Stokes, Mr. Waggonner, and Mr. Yatron):

H. Con. Res. 453. Concurrent resolution expressing the sense of Congress that there should be a boycott in the United States of French-made products until the President determines France has taken successful steps to halt the processing of heroin and its exportation to the United States; to the Committee on Ways and Means.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BROYHILL of Virginia (by request):

H.R. 11679. A bill for the relief of Robert Harris; to the Committee on the Judiciary.

By Mr. DOWNING:

H.R. 11680. A bill for the relief of Samuel E. Weinberg; to the Committee on the Judiciary.

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# SENATE—*Tuesday, November 9, 1971*

The Senate met at 9:45 a.m. and was called to order by the President pro tempore (Mr. Ellender).

### PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O God, our Father, Thou searcher of men's hearts, guide of the Nation's destiny, help us to draw near to Thee in sincerity and truth. Strengthen us moment by moment that we may live above the common levels of life in that higher realm of righteousness which exalts a nation. When the way is hard and the decision difficult, may we, with patience and in prayer, perceive what is Thy will and do it. When the day is long and wearisome, the hours tense and tiring, keep the minds and spirits of Thy servants here alert and strong. Guard us against all flippancy and irreverance in the sacred things of life. Hear the imperfect prayers which our lips frame and those deeper unuttered prayers of our hearts and answer them, not according to our wills, but in accord with Thy higher will and purpose for all mankind. Amen.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Monday, November 8, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 420 and 421, in that order.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## INSURED EMERGENCY LOANS

The bill (S. 2559) to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Consolidated Farmers Home Administration Act of 1961 is amended by adding at the end of subtitle C a new section as follows:

"SEC. 328. Loans meeting the requirements of this subtitle and any amendatory or supplementary Act may be insured, or made to be sold and insured, in accordance with and subject to sections 308 and 309 and the last sentence of section 307 of this title."

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–426), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### EXPLANATION

This bill authorizes the Secretary of Agriculture to make insured emergency loans of the type now authorized to be made as direct loans under subtitle C of the Consolidated Farmers Home Administration Act of 1961. This would assure that funds would always be available for these loans from the Agricultural Credit Insurance Fund provided for by section 309 of the Consolidated Farmers Home Administration Act of 1961 and from private investors. At present these loans can be made only from the Emergency Credit Revolving Fund provided for by sections 326 and 327 of that act, which must be replenished from time to time by appropriation, and which may be inadequately funded at the time an emergency arises.

### COST ESTIMATE

In accordance with section 252 of the Legislative Reorganization Act of 1970 of committee estimates the costs which would be incurred in carrying out the bill at about $800,000 for the current fiscal year and about $875,000 for each of the 5 fiscal years following the current fiscal year. This estimate is based on the estimate contained in the attached letter from the Acting Secretary of Agriculture which shows a cost of about ⅝ percent on a loan volume of $140 million for fiscal 1972. The ⅝ percent represents the estimated difference between the cost of direct Treasury borrowings to provide funds for the Emergency Credit Revolving Fund and the cost of funds raised by the sale of FHA insured notes under the insured loan program. The Department advises informally that the $140 million figure represents a full year's loan program.

About $9.2 million worth of loans have already been made from the Emergency Credit Revolving Fund this year, and it is probable that additional loans will be made from that fund before the pending bill is enacted and becomes operative. Consequently the committee estimate is based on something less than a loan volume of $130 million for fiscal 1972, and is based on a loan volume of $140 million for subsequent years.

Emergency loans under subtitle C, pursuant to section 234 of the Disaster Relief Act of 1970, bear interest at rates below the cost of the funds to the Government. Since this cost is already borne by the Federal Government, it would not represent an additional cost incurred in carrying out the pending bill.

## INCREASING AUTHORIZATION FOR INTERNATIONAL PEACE GARDEN

The bill (S. 588) to increase the authorization for the appropriation of funds to complete the International Peace Garden, North Dakota, was considered, ordered to be engrossed for a third reading, read the third time, and passed, as follows:

*Be it enacted by the Senate and House o, Representatives of the United States of America in Congress assembled,* That the first section of the Act entitled "An Act to authorize an appropriation to complete the International Peace Garden, North Dakota", approved October 25, 1949 (63 Stat. 888), as amended, is amended by striking out "$400,000" and by inserting in lieu thereof "$1,454,000".

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–427), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### PURPOSE

The purpose of S. 588 is to increase the authorization for the appropriation of funds to complete the International Peace Garden, North Dakota.

The increase in authorization, amounting to $1,045,000, would be in fulfillment of the Federal Government's responsibility with respect to the cost of completion of the garden. This cost is being shared by the State of North Dakota and the Government of Canada.

### BACKGROUND

The International Peace Garden commemorates what now been more than 150 years of peace and friendship between the United States and Canada. The overall area is approximately 2,340 acres. Eighty acres in each country are part of the formal garden which is bisected by the international boundary line; the remaining acreage makes up the surrounding informal woodland park. This informal park includes picnic areas, campgrounds, administrative buildings and an amphitheater. The entire area is administered by International Peace Garden, Inc., for the State of North Dakota and the Province of Manitoba.

This development has been financed by the U.S. Government, by the State of North Dakota, the Province of Manitoba, Canada, and the Government of the Dominion of Canada. In addition to the joint efforts of these governments, many private groups have also contributed both money and monuments to the International Peace Garden. It is one of the most beautiful areas in the United States. The fine relationship and cooperation which exists on the Board of Directors of the International Peace Garden is indicative of the relationships which exist between the citizens of our two countries.

### INCREASED USE BY PUBLIC

As with all of our parks and recreation areas, public use and enjoyment of the International Peace Garden is increasing annually. In 1969, during the period of May to September, when the garden is open and has tour guides available, 66,000 motor vehicles entered the garden. During the same period this year, some 90,000 vehicles, including 140 buses, entered the garden. The National Park Service advises the committee that a factor of 3.5 persons per car could be applied to these figures to obtain an estimate of the number of visitors to the garden. This would be 231,000 in 1969 and 315,000 in 1970. Without question, the number of visitors to this beautiful spot will continue to increase in future years.

### COST

Under the approved plan, Federal funds will be used to defray one-half of the cost to complete the formal area, with the remainder of the cost of the formal area and the entire cost of the informal area to be by other non-Federal sources.

At the hearing held last year by the committee, the Department of the Interior testified that the U.S. share of the cost of the peace tower, which is a central feature of the project, was estimated to be approximately $500,000. The cost to the United States for the remainder of the formal area is estimated to be approximately $554,000, which would increase the appropriation limitation of $400,000 in the existing law by $1,054,000. The Interior Department testified that this additional amount will be all that is necessary to complete the project.

### COMMITTEE RECOMMENDATION

Committee action in recommending enactment of S. 588 was unanimous. S. 588 is identical to S. 233 of the 91st Congress as it was amended by the committee and passed by the Senate.

The PRESIDENT pro tempore. Does the assistant Republican leader (Mr. GRIFFIN) wish to be recognized? If not, the Senator from California (Mr. TUNNEY) is recognized, under the previous order, for not to exceed 15 minutes.

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## THE OKINAWA REVERSION TREATY

Mr. TUNNEY. Mr. President, I have already testified before the Foreign Relations Committee on the importance of the Okinawa Reversion Treaty, but I believe that the urgency of the need for ratification requires me to expand upon those remarks.

Mr. President, America's political, military, and economic interests require the U.S. Senate to ratify promptly the Okinawa Reversion Treaty.

World War II has been over for more than a quarter of a century. Yet, the United States continues to occupy the territory of Okinawa, and an American general exercises executive authority over 1 million Japanese people.

That occupation is the last vestige of a wartime relationship. It continues to affect detrimentally the relations between two close friends—the United States and Japan.

We cannot allow that relationship to continue to suffer because of Okinawa, because to do so would produce continued deterioration in the political and economic relationships between our two countries. That result is hardly necessary, especially since there is no sound military reason for our retaining Okinawa. The fact that the Joint Chiefs of Staff have recommended ratification should be sufficient evidence that the reversion agreement is in America's security interest and does not threaten our ability to meet our commitments.

Although the reversion of Okinawa will have no adverse military consequences for us, the retention of Okinawa might threaten our military position in the Far

East. The United States can effectively maintain an overseas base in Japan only so long as Japan herself perceives our presence to be in her own interests. It makes no political or military sense to attempt to occupy a base in another sovereign nation against the will of that nation. Such a course of action would require force and would destroy amicable relations between the two countries.

Yet, such a posture would be necessary if we were to attempt to continue to occupy our bases in Okinawa in the absence of reversion. That posture, Mr. President, would be untenable.

It is particularly important for the Senate to ratify promptly the reversion treaty in light of the deleterious manner with which President Nixon has treated our Japanese friends in the past several months. In that period of time, this Nation has witnessed a classic example of how not to deal with Japan. First of all, there was a callous disregard for our Japanese friends when the President failed to consult with Japan prior to announcing his trip to Peking, and then there was another failure to consult with the Japanese prior to the time of announcing the new economic policy on August 15. This is the sort of insensitive style of diplomacy that is inappropriate and counterproductive.

Consequently, Mr. President, I believe that a new diplomacy is necessary in the Far East. This diplomacy requires a recognition that American policy in the Far East affects Japanese interests as dramatically as it affects American interests.

This diplomacy requires a recognition that—if stability in Asia is to be maintained—the cooperation of four nations is absolutely essential. These four nations are the United States, Japan, the Soviet Union, and the People's Republic of China.

This diplomacy requires a recognition that we have made a profound moral commitment to Japan; that we have dissuaded Japan from developing an independent nuclear deterrent; and that, consequently, in the quadrangle of four Asian superpowers, three of which possess nuclear weapons, the United States assumes the role of military and nuclear linchpin between Japan, on the one hand, and Russia and China, on the other hand.

Accordingly, Mr. President, this diplomacy requires a recognition that to ignore our relationship with our Japanese ally is to ignore the security, stability, and peace of the Far East. It is deleterious to our own interests to take actions which jeopardize our relations with Japan and which threaten the stability of Asia.

Therefore, I believe that this new diplomacy requires that the United States should take no action which affects the security of the Far East without close consultation with Japan; that the United States should consult fully with Japan on all matters of vital interest to her; and that, if possible, the United States should move in those areas only in full agreement with Japan.

That policy, Mr. President, would demand that the Senate promptly ratify the reversion treaty and that both sides begin anew to put forever to rest the postwar area.

This new diplomacy of ours also suggests a new diplomacy for Japan. Japan must recognize that America's military protection contributes not only to Japan's security but also to her prosperity. Accordingly, the Japanese should divert a greater proportion of their resources to the development of Asia and should become a more active partner of ours in the growth as well as the security of Asia.

Japan contributes a very small portion, relatively speaking, of her gross national product to defense. There is no reason at all why Japan should not make at least a 2-percent contribution of her GNP—in the neighborhood of $5 billion—eventually to the economic development of the underdeveloped countries of that area of the world.

It is in Japan's interest as well as ours to divert some of her resources into aid for developing nations; for stability in Asia will contribute to maintaining the peace in Japan, and will enable Japan to continue to have a very limited allocation of resources to defense. In my opinion, Japan has an opportunity to play a unique role in Asia. It could be known as a nation of development and a nation of peace, a nation which does not feel that it is necessary to become engaged in the arms race, but a nation which feels that, instead of becoming so involved in the arms race, it will continue to devote a considerable amount of its resources to peace and to economic and social development.

Thus, Mr. President, this new diplomacy should be inaugurated both by the United States and by Japan—a new diplomacy which will contribute to political stability and to military security.

That diplomacy should begin with the prompt ratification of the Okinawa reversion treaty. It should be expanded by Japan's increased economic assistance to the developing nations of Asia. It should be nurtured by the closest of consultations between the United States and Japan on matters of mutual interest. And it should be maintained by both the United States and Japan continuously exercising the greatest care when dealing with matters which concern the other.

Mr. President, this diplomacy—and sound international policy—requires that the Senate promptly ratify Okinawa Reversion Treaty.

One further thought: It seems to me very important that Japan treat American business on Okinawa fairly and that the Aichi letter, which indicated that there would be fair treatment of American business, should be lived up to.

There is some concern in the American business community that perhaps once this treaty is ratified, American business will not be treated fairly by Japan. It is my sincere hope that during the course of the debate on this treaty, other Senators besides myself will point out the fact that they feel it is of critical importance that, once this treaty is ratified, American business interests be given the same kind of even-handed treatment that the Senate and the United States will have given to Japan by the ratification of this treaty.

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## ORDER OF BUSINESS

The PRESIDENT pro tempore. Under the previous order, the Senator from Virginia (Mr. SPONG) is recognized for not to exceed 15 minutes.

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## NEEDED: MORE ATTENTION TO CANADA

Mr. SPONG. Mr. President, to the north of our country lies a nation of 20 million people.

We share almost a 4,000-mile border with that nation.

It is by far our largest trading partner in the world.

It is, therefore, particularly tragic and ironic to see relations with that country deteriorating and to hear the Prime Minister, in a nationwide television address, tell his people of us:

> I don't think that they know much or care much really about Canada.

This, however, is what has happened.

And, unfortunately, there is some basis for this feeling.

Today, in our State Department, we have five Assistant Secretaries: for African Affairs, East Asian and Pacific Affairs, European Affairs, Inter-American Affairs, and Near Eastern and South Asian Affairs.

There is a country director for Canada, under the Assistant Secretary for European Affairs.

The country to the north of us, the country with which we have more trade than we have with the Common Market countries and Britain combined does not apparently rate an Assistant Secretary.

I believe this is questionable policy and I am making inquiries to the administration and Department of State concerning it.

It is, also, I believe, unfortunate that most of our colleges and universities, in their political science and government classes, have paid little attention to Canada.

Only about 10 institutions in our country, including Duke, Harvard, and Michigan State University, offer Canadian studies.

The result is that among both laymen and professionals there really is a lack of understanding of the Canadian Government or an appreciation for the problems it faces.

We might have continued along our current path, ignoring State Department organization and emphasis.

We might need not be concerned over the paucity of academic attention to our northern neighbor, were it not for the fact that the imposition of the 10-percent import surtax has brought the differences between the United States and Canada into focus.

In 1970, Canadian-United States trade totaled some $20 billion, compared, for example, with $15 billion with the Common Market countries and $4.7 billion with Great Britain.

Canadian exports to the United States amounted to $11.1 billion, in comparison to Japanese exports of $5.9 billion.

Canadian imports from the United States totaled more than the combined British and Japanese imports from the United States.

Furthermore, 65 to 70 percent of all Canadian exports are sent to our country.

Canada's exports represent 20 percent of her gross national product, exports to the United States represent about 13 percent.

This contrasts, for example, with the 5 percent of GNP which U.S. goods shipped to all other nations comprise.

Of the $11.1 billion in Canadian exports to the United States, about one-fourth, or between $2.5 and $3 billion, will be affected by the surtax.

Another $300 million to $1 billion in equipment exports to the United States will be affected by the tax credit.

In view of this, it appears that some of the concern over the effect of the economic measures on Japan and Western Europe has been misplaced, that greater attention might be given to the repercussions in Canada, which with a 7.1 percent unemployment is having its own financial problems.

I have been to Canada on several occasions, both in connection with NATO meetings and with the United States-Canadian interparliamentary meetings.

I am aware of the Canadian sensitivity to our insensitivity to their problems and needs.

I cannot picture a world in which relations between our two nations are not the best we can make them.

Yet, that is the situation which is developing under the existing circumstances.

During a recent trip to Ottawa, I was questioned about the surcharge.

At that time, I, along with the distinguished Senator from Alabama (Mr. SPARKMAN) and others, reminded the Canadians that they had resorted to similar actions in the past.

In addition, they have pursued a number of foreign policies which could be interpreted as contrary to the best interests of our country.

As a sovereign nation, that, of course, was their right.

As a neighbor, we reacted in these situations with considerable maturity and restraint.

Now I hope we will continue to act in such a manner.

As a sovereign nation, we, of course, have the right to take actions to protect our economy.

Recently, we have had no choice but to move to resecure the dollar.

We might have, however, been more sensitive to the Canadian problems, especially at a time when their economic difficulties, too, are not small.

We might have sought more discussion of policy differences, such as those over the Amchitka test.

Absent this, we could at least have been more aware of the problems, internally and externally, of our neighbor to the North.

There are actions that our Nation must sometimes take, regardless of extenuating circumstances.

There are reasons and excuses for that.

But there is little reason or excuse for a continuing blindness to the situation north of our border.

Continuation of a course of blindness could, I believe, be both dangerous and detrimental to our Nation.

## TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed 15 minutes, with statements therein limited to 3 minutes.

Is there morning business?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## OUR FEDERAL FUNDS DEFICIT KEEPS INCREASING

Mr. BYRD of Virginia. Mr. President, the Joint Committee on Internal Revenue Taxation estimates that the Federal funds deficit for the current fiscal year will be $35 billion.

That is a smashing deficit.

It comes on the heels of a $30 billion deficit for the fiscal year which ended this past June.

Thus, Mr. President, the Government is faced with a back-to-back deficit in 2 years of $65 billion.

This is a matter that should be of major concern to the Senate and Congress as a whole.

## QUORUM CALL

Mr. BYRD of Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, how much time remains for the conduct of morning business?

The PRESIDENT pro tempore. Nine minutes remain.

Mr. MANSFIELD. Mr. President, is there further morning business?

Mr. ALLEN. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House insisted upon its amendment to the bill (S. 1483) to further provide for the farmer-owned cooperative system of making credit available to farmers and ranchers and their cooperatives, for rural residences, and to associations and other entities upon which farming operations are dependent, to provide for an adequate and flexible flow of money into rural areas, and to modernize and consolidate existing farm credit law to meet current and future rural credit needs, and for other purposes, disagreed to by the Senate; agreed to the conference asked by the Senate on the disagreeing votes of the two Houses thereon, and that Mr. POAGE, Mr. McMILLAN, Mr. JONES of Tennessee, Mr. BELCHER, and Mr. TEAGUE of California were appointed managers on the part of the House at the conference.

## TRIBUTES TO VICE PRESIDENT AGNEW ON HIS 53D BIRTHDAY ANNIVERSARY

Mr. ALLEN. Mr. President, today marks the 53d birthday anniversary of the distinguished Vice President of the United States, the President of the U.S. Senate. As the junior Senator from Alabama, I should like to extend congratulations and felicitations to the distinguished Vice President on this, his birthday, and to commend him as a great American, to commend him for having the courage of his convictions, to commend him for his rugged individualism, to commend him for his unswerving loyalty to the President, to commend him for his self-abnegation, to commend him for his patriotism, and to commend him for his dedication to America and to the principles that have made this country the great Nation that it is.

Mr. President, the Vice President of the United States is immensely popular in the State of Alabama. He adds strength to the National Government. He gives the National Government identity as a conservative force in this Nation. And certainly there has been a great absence of conservatism in the direction in which the United States is proceeding.

Mr. President, it is to be hoped that the Vice President of the United States will continue in office as long as he desires, because he is a great American, he is a credit to the administration, and he is a credit to the United States of America.

So on this occasion I should like, on behalf of the people of Alabama, to pay tribute to the Vice President of the United States, the Honorable SPIRO T. AGNEW.

The PRESIDING OFFICER. Is there further morning business?

Mr. GRIFFIN. Mr. President, I wish to extend to the Vice President not only a happy birthday today but the hope that he will have many more happy birthdays in the future.

The Vice President is a very able and distinguished American, one who is loved throughout the country, in all the States of the Union. He has proved himself to be a very articulate spokesman of the party with which he is affiliated, which happens to be my party. He has done an outstanding job, I think, in sharpening the issues and providing the country in many respects with a perspective that needs to be presented.

I also think today, on his birthday, of his wonderful and lovely wife Judy, who is a great asset to the Vice President and who is loved and admired by all who know her. He has a wonderful family.

I think that not only the Senate but also the whole country can be very proud of the fact that we have Vice President AGNEW serving us in the capacity in which he is serving.

I join in extending hearty best wishes and congratulations to him on this, his birthday.

The PRESIDENT pro tempore. Is there further morning business?

## EXTENSION OF PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the period for the transaction of routine morning business be extended for not to exceed 4 minutes.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## TRIBUTES TO VICE PRESIDENT AGNEW ON HIS 53D BIRTHDAY ANNIVERSARY

Mr. MANSFIELD. Mr. President, I wish to join my colleagues in their bipartisan congratulations of the Vice President of the United States on his birthday. I wish to him and his wife Judy and to his entire family the best of everything in the years ahead.

I speak at this time only because the Vice President's name has been brought up; and I do so in relation to an article entitled "Inside the White House 1971," published in Look magazine sometime last month.

In that article the Vice President is very frank in some of the comments he makes. I commend him for his frankness, but I think the record should be set straight.

The Vice President was interviewed by Allen Drury, and this is what he said in response to a question:

> I went up to the Senate my first day here, all full of idealism and sentiment. I had spent five or six sessions with the parliamentarian trying to learn the rules of the Senate; I knew the senators by name and I knew their faces; I was prepared to go in there and do a job as the President's representative in the Senate. I even prepared a little four-minute talk to express my pleasure at being there on the first day. When the session opened, the majority leader spoke in a perfunctory way for about a minute to welcome me to the Senate and this was followed by the minority leader doing the same thing.
>
> After that the majority leader said "Mr. President, I move that the Vice President be given two minutes to reply." I was then faced with cutting down a prepared four-minute speech to two minutes, which was awkward in itself. It was like a slap in the face.

Mr. President, I said I wanted to clear the record. May I say that if the Vice President, who did do a lot of his homework on parliamentary matters, in getting to know the Senators and in getting to know the Senate, had indicated in any way, shape, or form to the minority or majority leaders that he would have liked to speak for 4 minutes, he would have been given that opportunity, because we welcomed him with open arms. He did apply himself to his new job, and it was a difficult one for him, coming from the governorship of Maryland.

Our remarks were not perfunctory but were heartfelt because we wanted to make him feel at home, and I am sorry he looked upon the greetings which we extended in our capacity, speaking for both sides, as perfunctory; and I am sorry that when he thought we were extending a privilege to the Vice President to speak for 2 minutes, not knowing that he wanted to speak at all, that he took it the way he did. So I hope the record would be straight.

May I say we have missed the Vice President as our Presiding Officer. He belongs as much to the Senate as he does to the executive branch. I personally would like to see him here more often because I appreciate his personality, his diligence, and his interest, and I would like to see him become a part of the Senate, so far as a Vice President can.

So I am somewhat disturbed, and I am sure the whole Senate shares my feelings, because nothing was further from the thoughts of the joint leaders than to be courteous, than to be generous, than to give recognition, and to do what we could to make the Vice President feel at home.

There is a good deal of merit in this candid article entitled "Inside the White House 1971," written by Allen Drury. There are certain segments I would like to call to the Senate's attention before my time expires. For example, here are some statements by Daniel Patrick Moynihan, a Democrat who worked for a Republican President for a number of months and who did, I think, an outstanding job. He said in the article—and I will quote only excerpts:

> To me, it is vital to the way our democracy operates that you respect the office and the institutions of the country.

Further on, he said:

> Perhaps the fundamental issue of our time is the erosion of the authority of our American institutions.

Quoting again, he said:

> The danger is, however, that if the authority of institutions is eroded enough, it may be succeeded by a power society in which democratic rights and freedoms will ultimately disappear.

I agree with those remarks. I have a great respect for the office of the Presidency regardless of who occupies it. I have great respect for the Office of the Vice Presidency.

In order that this candid, frank commentary by a well-known political writer may be brought to the attention of the Senate, as it has to probably 20 million or 30 million Americans, I ask unanimous consent that the article in toto be printed in the RECORD at this point.

May I say before the President pro tempore renders his decision that if there is any apology forthcoming for the treatment of the Vice President by the joint leadership, the joint leadership desires to apologize, because, I repeat, we had nothing but good thoughts. What we did, we did in good heart; we wanted to make the Vice President feel at home. We hope he will be, and and we would like to see him once in a while so that he can exercise his most important duties as President of the Senate.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### INSIDE THE WHITE HOUSE, 1971

(By Allen Drury)

Sometimes, if you approach the White House at dusk, you hear a strange screeching sound that seems to be coming from all around you. Startled, you think for a moment that it may be the starlings, which have for so long been the curse of Washington, come to roost in the giant trees. Then you realize the sound is coming from loudspeakers set high in the branches, repeating over and over the high, agonized distress cry of the ubiquitous birds, its purpose to drive away any that might be tempted to tarry here. The strange sound goes on, shrieking over and over again into the cold, misty, luminous evening. Let the imagination run and you are back to the crows cawing ominously over the Capitol in Rome, the Harpies, the Witch of Endor and other dark, foreboding things. The sound goes on and on, frantic, beseeching, agonized, protesting, over and over and over, above the haunted, harried house and all who live and work within it.

Power in a President's house has many faces, many voices. Some candidly for quotation, some candidly for quotation but not for attribution, tell the story of an Administration seeking answers to questions never ending:

Dwight Chapin, the President's appointments secretary, is 30, dark-eyed, dark-haired, rosy-cheeked, good-looking, earnest, intent; he gives the impression that he has so many things on his mind that he simply can't relax for a moment. This is probably true.

"We're responsible for the general scheduling of the President's time and also the daily schedule. I also act as advance man, or send out members of my staff as advance men, when the President is traveling. In addition, I participate with Herb Klein and various public affairs officers at a regular Saturday meeting in which we take up things that might help the President in dealing with the public and decide whether they are worth his taking the time to do them. We are already considering what we want to do on television and radio next year; we are also considering how we want to involve the First Family in the holiday season next year. This year's schedule was already locked up a long time ago. This group is involved, in other words, in the whole merchandising part of the operation.

"The President averages about 12 appointments a day. He also does a lot of telephoning. It's all on the same sheet, a log which is kept by our office and his secretary's office.

"The President says he really works two days in one. He comes to work between eight and eight-fifteen and usually works steadily until 2 p.m. Then after a lunch break, he resumes at three-thirty and works until seven. Then frequently he will return to the office after dinner and work until 10 or 11 p.m.

"Of course, he can do this because, unlike the ordinary businessman, he has everything scheduled for him. He doesn't have to stop and decide whom he's going to telephone or see because his secretary knows already who it will be, or maybe someone has been told to call in at a given time. Bob Haldeman is my boss, and we try to see that whatever the President puts his time on will be worth doing.

"When we get a request for an appointment, we staff it out by sending a memo to the President and to others concerned describing what is to be covered in the appointment, who favors the appointment and who opposes it. That way we make sure his time is not wasted. He has recently established what we call an 'open hour' once a week, during which eight or ten people may see him for as much as five or ten minutes apiece. In addition, we have the 'congressional half hour' once or twice a month in which congressmen who want to talk to him personally can make an appointment for five or ten minutes.

"The President has a real warmth about him. He's very considerate of others. To my knowledge he has never once yelled or gotten boisterous. He also is very quick to think of things to make people happy. For instance, the other day I went in and saw two Rose Bowl tickets [for the Stanford-Ohio State game] lying on his desk. I said, 'Isn't there somebody we could give those to who would appreciate them? Somebody, for instance, who was born in Ohio but grew up in California?' He thought for just a minute and then he said, 'You go find some wife of a prisoner of war who was born in Ohio and grew up in California and I bet she'd like to have them.' So we did find one and the letter has gone out. I don't know whether she'll like them or not, but at least we're starting it through the mill."

"One thing that annoys me a little with the staff," says the President's longtime campaign associate Murray Chotiner, "is that all they release of the President's schedule each day are the formal things, greeting visiting firemen or the medal-giving ceremony in the Rose Garden. There are about three of these, maybe less, each day. This goes right in the paper alongside Congress, with maybe 25 committees at work in the House and another 20 in the Senate. It makes him look almost frivolous compared to Congress. I wonder what the tourists must think who come here and know only his ceremonial schedule that they read in the papers."

Daniel Patrick Moynihan has gone back to his former love, teaching at Harvard, but he maintains his quiet ties with the President. In the White House, he was the principal agitator for the Nixon welfare plan, the idea of guaranteed income, the idea of reducing public hysteria in the approach to social problems. Flamboyant, voluble, well-spoken, decent, he believes he sees in the President a man as good hearted as himself and says so with a forceful and unabashed vigor which brings much criticism from those who were friends of his when he worked for the Kennedy and Johnson administrations. He doesn't care, maintaining his position with a zest that would do credit to a Harry Truman in his younger days.

"Perhaps the principal thing that has struck me during my time here has been the way in which the Presidency has been devalued, degraded and even insulted. There has been a steady decline in respect for it, and this shows itself in many ways. For instance, there was that girl today who got an award from the President and then told him she didn't believe he was sincere in trying to get out of Vietnam. To me, it's vital to the way our democracy operates that you respect the office and the institutions of the country.

"I had another example coming back from a speech last night. A young man on the plane recognized me and asked if he could make a 'citizen's complaint.' I said, 'Are you a citizen?' He said he was and then proceeded with the usual comments about the war, the minorities and so on. Among other things, he said that he had read somewhere that some friend of the President had called him 'Dick' before he took office but since he became President has called him 'Mr. President.' This young fellow said this indicated to him that the President was an egomaniac surrounded by some sort of Oriental court. I tried to point out that George Washington made the decision that he was not to be addressed as 'Your Majesty' but simply as 'Mr. President,' and that this has been one of the fundamental features of our democracy ever since. But I could see that he was not really convinced and that's typical of the attitude a lot of these kids have toward our institutions. They're just plain ignorant of history, of respect, of fundamental knowledge and common sense.

"Perhaps the fundamental issue of our time is the erosion of the authority of our American institutions. Authority relations are consensual, power relations are based on force. If we had a power society and somebody challenged the President, he could say, 'Off with your head!' But in a society resting on the authority of institutions by consent, this can't be done. The danger is, however, that if the authority of institutions is eroded enough, it may be succeeded by a power society in which democratic rights and freedoms will ultimately disappear.

"Another aspect of the erosion of the Presidency, it seems to me, can be found in the way in which it is subjected to political attack and the President's purposes thwarted for partisan reasons.

"The President's political task is made extra difficult because he represents a group which is not fashionable or popular with the major elements of the media. The silent majority is silent because it has nothing to say. It has no popular intellectuals speaking for it, it represents no major cultural breakthroughs, and so everything it says is ridiculed and put down.

"I do think the President has claimed the country substantially. When he came into the White House after a bitter campaign, we were handed forms whereby the President could call out the National Guard to handle riots. He could just fill in the date and the name of the city. That's how bad things were at that point. His inaugural was the first in which Federal troops were brought into Washington in fear of disturbances. It was really something, it gave you an eerie feeling to see troop carriers and tanks roll in here alongside the Executive Office Building, where a command post was set up. Every major presidential aide had a phone connected directly to riot control headquarters of the District of Columbia police. Two years later, no National Guard is mobilized anywhere, no troops are in Washington, we no longer have our riot phones, and as a matter of fact, we have a lot more law and order in the country now than when we walked in two years ago.

"The President is very calm about personal attacks and urges us to be too. This can be a weakness, however, because he and the people around him just assume automatically that the press is going to attack things they proposed, so they don't defend them—they don't seek even the modest support which I believe they could get if they weren't so sure they were going to be attacked. Admittedly the major elements have been and usually are very unfair. But I still think the Administration could get more support than it does get if it had a different approach and a different feeling toward the press than it does have.

"One area, of course, in which there has been great unfairness is the area of his commitment to helping the Negroes. This Administration has been more serious on the Negro than any in history. It has carried through on a rising projection of laws and directives aiding the Negro. I think there is a very genuine compassion on his part—'I was poor, I know what it's like, it's lousy'—yet they have managed to label him anti-Negro.

"He has had the least generous press of anyone I have ever known in the White House. It has been one long presumption of malfeasance, sinister intent, trickery and double-dealing.

"The Vietnam war is killing the American Presidency. [Henry] Kissinger is extraordinarily brilliant, but he is stuck, and the President is stuck, with the end result of other people's mistakes. Personally, I think we should get out of Vietnam even faster than we are, because the stakes involved in world affairs now are so high. I'm a pessimist—I think we really may blow ourselves up. The man you're writing about can literally push the button and destroy the world. And so, of course, can the others on the other side."

Former Eisenhower Administration official, Washington veteran, longtime Nixon friend: "How is Nixon doing? I think he is doing very poorly. He's afraid to be tough and ruthless on issues where a President has got to be tough and ruthless, and where the country would applaud him if he were. He is afraid he will live up to the press attacks about his ruthlessness, but that is exactly what is needed. They have him buffaloed so he doesn't do what he should do to provide strong leadership. I find this very disturbing."

Nixon intimate No. 1: "As of now"—that favorite politician's phrase—"there is no strong dump-Agnew movement. But a lot will depend on how the Vice President conducts himself as we come into the homestretch before the convention. He has a lot going for him, but there is a razor-thin line between a voice which points out things that a lot of people agree with and a voice that becomes strident by talking too much. Of course, the Vice President also has going for him the President's vivid memories of the sort of treatment he received when he was Vice President. There was a dump-Nixon movement in those days, remember." Nixon intimate No. 2: "There are four reasons against a dump-Agnew movement. The first is that the possibility is raised in columns and news stories out of an obvious, and to the President, offensive, hope that it will occur. The second is that even the hope is premature, because Presidents make that kind of decision in the spring of an election year, or maybe in the summer just before, or even during, the convention. Thirdly, I know of no disposition on the part of the President's staff or advisers to do such a thing. And fourth, Mr. Agnew has a rather devoted following among some elements of the Republican party, and an attempt to get rid of him could have quite interesting results. Having talked to him many times, I know that he is very philosophical and is not worried about it. I really think he would be happy either way—and after all, what else can a Vice President do?"

None of which means, of course, that these two suave gentlemen would not gladly and eagerly assist in the political execution of Spiro T. Agnew if their boss asked them to; or that their boss, bound by the imperatives of Presidents, which are sometimes less subject to conscience and friendship than those of ordinary men, might not perfectly calmly and logically decide to order such a thing at the coming national convention. An Agnew aide sums up the perils of being No. 2, an office in which you do not necessarily, if you wish to retain it, try harder:

"We have received excellent cooperation from the White House staff, partly, I think, because the President is so wholeheartedly for Agnew. However, I think that if they got the word, or if they felt he was a detriment to the President, they would ax him in a minute.

"One interesting episode occurred when the Vice President was speaking to The Associated Press Managing Editors' convention in Honolulu recently. He had about a page and a half in which he specifically named people like the New York Times, Newsweek, Time, Look and Life, NBC, ABC and CBS as those he meant when he talked about the Eastern press establishment. This caused great excitement in the White House staff. They were horrified that he would name these people.

"His point of view was that he wanted to say specifically whom he was criticizing, and not make it just the press in general. However, there was great upset about this in the staff, and they took it to Nixon. He overruled Agnew and asked him to take it out of the speech, which he did.

"I don't really understand this attitude of the President or of some of the White House staff in this, because the way I look at it, these people are your enemies for life. They are not going to change, there is nothing to be gained by appeasing them, and you might just as well sail into them with everything you have. However, the President is apparently still trying to make some points with people who are bitterly critical of him and are never going to change. That could be a factor in what he does about the Vice President next time. . . . It could be a factor."

Sitting quietly in their Sheraton-Park apartment with Mrs. Agnew after a relaxed and intimate family dinner, the storm center of all these battles, pressures and controversies speaks quietly and shrewdly about himself and the perils of his country as he sees them.

QUESTION. What do you think of the Vice Presidency as an office now that you have been in it for a while?

"I think it's the most flexible office in the Government"—sudden laugh. "Certainly it has given me, I think, more opportunity than any other Vice President—to do things in the Government. I didn't really want to get so far away from the Senate, where constitutionally I'm president of the Senate and presiding officer, but it's worked out that way.

"I went up to the Senate my first day here, all full of idealism and sentiment. I had spent five or six sessions with the parliamentarian trying to learn the rules of the Senate; I knew the senators by name and I knew their faces; I was prepared to go in there and do a job as the President's representative in the Senate. I even prepared a little four-minute talk to express my pleasure at being there on the first day. When the session opened, the majority leader spoke in a perfunctory way for about a minute to welcome me to the Senate and this was followed by the minority leader doing the same thing.

"After that the majority leader said, 'Mr. President, I move that the Vice President be given two minutes to reply.' I was then faced with cutting down a prepared four-minute speech to two minutes, which was awkward in itself. It was like a slap in the face.

"However, I tried hard to get to know the senators and to work with them in those first months. Then, unfortunately, the President was called away to Europe at the time of the ABM fight. I was given the job of helping to get that legislation through. When it got to a vote, I went up to Len Jordan [Republican, Idaho] during the vote and just said casually, 'Len, how are you going to vote?' He drew himself up, stared at me accusingly, and said, 'You can't tell me how to vote! You can't twist my arm!' Within a minute he was off the floor calling in the press for a press conference, saying that I was going around the Senate twisting arms.

"It seemed to go on from there after that. And so, after trying for a while to get along with the Senate, I decided I would go down to the other end of Pennsylvania Avenue and try playing the Executive game.

"Down here, the President has found many things for me to do, and on the whole I have been much happier working here with him in the Executive Branch. I still go up to the Senate and preside. And when I preside, I make very sure I impose the rules, and if somebody is talking too long I gavel him down, and if somebody does something he shouldn't do, why, I gavel him down and force him to obey the rules. I've decided that if that's the way they want me to be, that's the way I will be.

"However, I find up there, as I do in the Executive Branch, that I have no real power. It's a damned peculiar position to be in, to have authority and a title and responsibility with no real power to do anything. I think this is the hardest adjustment for a man to make, both coming to the Vice Presidency and coming to the Senate. He has been, as many of us were, a governor, say, in an administrative position, and suddenly he finds he can't do anything effectively. It's a strange sort of limbo, particularly for Vice President. In the early days I used to say to myself, 'Now, tomorrow I'm going to do so and so' . . . and then I would stop and think, 'You aren't going to do anything, you don't have the power.'

"I find the Senate very exclusive and withdrawn into itself . . . almost an arrogance in the club feeling up there. It makes it difficult to deal with them, even in the rather remote fashion that I now do. And yet, you know"—dreamily—"the Senate might not be such a bad place to be, someday. . . .

"I am very much disturbed by the trend of American policy under which, prodded on by the press and the liberals, we are steadily withdrawing from commitments around the world. It is not so much that this reduces our power militarily to a dangerous level as it is that it erodes the faith other nations have that we are strong enough to do something should a crisis arise. When I went to Asia, I found that they said, "You can't do anything, really, if a pinch comes, because you are withdrawing.'

"In the same way, when we sometimes appear to be retreating before the Soviets in some other areas, this erodes the world's confidence that the United States will really do what it says it will do. Frankly, it scares me."

QUESTION. Then how do you explain why the President appears to be withdrawing our power around the world?

"He's in a hell of a position. He has the press and the media and the liberals and the academic community and all the rest after him all the time. He is forced to take that into account. No one who doesn't sit in the catbird seat can really understand his problem. It is all very well for people to criticize, but until you are there, you don't know the pressures he must operate under.

"I find these fellows on the Hill very disturbing, particularly the attitude of the Senate Foreign Relations Committee. Of course, Fulbright is going to get away free. Events will never catch up with him. He'll be dead by the time the results of what he advocates afflict this country. We're talking now about our grandchildren, or at least about the next generation. Then is when the blow will come from the Soviets. By that time, we will be so weak that we will not be able to respond unless we are willing to launch a massive retaliation that could blow up the world. They have been extremely clever in never forcing a crisis. Their method is to work around us and weaken us on every side without forcing a confrontation. Again I say that scares me, because these fellows in the Senate and in the House who oppose our foreign policy are doing things to this country which cannot possibly be reversed unless we start soon to do them. They will soon be irreversible.

"There is an almost masochistic desire on the part of the liberal community to surrender and to back away from any confrontation with Russia—for us to be twice as fair in dealing with them as with anybody else, twice as long-suffering, twice as permissive as we are with anyone else. I find this almost impossible to understand, but I know it exists among many in the liberal community.

"I wish there were some way to create a conservative newspaper in New York and also a conservative television and radio network. It is very hard to get people who have the money to cooperate with one another. It is an example of the difficulty of getting people on the conservative side to organize to combat this intensive liberal drive all the time on the other side.

"I really love foreign policy. I have thoroughly enjoyed my trips abroad and I am looking forward to making more. It is getting now so that they stop by to see me when they come through here. I spent an hour today with King Hussein, whom I had met before. The first time is a formal visit, the second time they get more relaxed, and about the third time they really begin to talk to you. You can begin to understand the signals in their diplomatic language. You know their situation and you know what they are saying. I find it very interesting and I'm glad the President has seen fit to give me this kind of responsibility.

"I'm standing the gaff pretty well. I keep in good shape, and they aren't getting to me. When I first began the '68 campaign, there was a terrific drive to destroy me as a candidate, and at first I took it very seriously. For a little while I thought, 'Well, I've got all those marbles out there. Am I going to be able to keep control of them?' But the President was a tower of strength to me in that situation. 'Ignore them, they're going to be after you all the time anyway. It's a political campaign and there isn't much we can do to stop it, so just say to hell with them and just keep right on doing what you're doing.' And presently I realized when I read the attacks that they were so extreme and exaggerated that they simply were ridiculous. They simply did not make sense. Once I understood that, I got to the point where I could shrug them off and then they didn't bother me any more. Now I'm just going to go ahead and do what I want to do.

"But I do find that one has to be very specific in one's comments, because if not, the press immediately shreds away all the qualifications that you put in. For instance, I said originally that those who *encouraged* the student riots were 'effete snobs.' Within two or three days it had become, in the press, not the people who had *encouraged* the students, but the students themselves. Then presently it became *all* students. Then presently it became *all youth*. And that is the way it goes.

"People asked me why I attacked Kingman Brewster of Yale and I said, 'Well, if I don't make it specific, within a week I will be accused of having attacked *all* college presidents instead of just one college president.' This is a very dangerous thing that the press does, and they do it all the time."

Mrs. Agnew, when asked how she thinks her husband is standing it: "I think he's doing all right. He manages to keep himself in good shape and seems to be in reasonably good spirits. We've learned to roll with the punches and we don't let it bother us any more."

He seems genuinely unconcerned about his political future. He seems to be really, completely philosophical about whether he stays on the ticket in '72 or leaves it. At one point when we were discussing the Vice Presidency I said humorously, "Anyway, you're stuck with it."

He raised a finger with a sudden smile.

"Not forever," he said quickly. "Not forever."

Former high Nixon staffer, amicably resigned, still friendly and concerned: "There seems to be a reluctance in the White House to come to grips with certain problems, both of personnel and of policy. Consequently, a lot of people are still hanging on who are diametrically opposed to the Nixon program and they simply can't seem to get up the guts to get rid of them. Bob Halderman and John Ehrlichman have gotten too far too fast. They have not really been tested in getting where they are. They don't have the experience. They don't really have the backbone about various things. Also, there seems to be a reluctance on Nixon's part really to go after some of these people who are obstructing him. It is a curious thing, which extends also, it seems to me, to foreign policy and what seems to be a reluctance, sometimes, to come to firm grips with the challenges that face him as President from the Russians and elsewhere around the world."

Tricia Nixon talks about her parents—and the press: "How do I regard the press? Well, I think they're a necessary evil—no, I won't say that, because they aren't really evil. They have their job to do and I suppose that without them the public would not be informed, and in a way a President could not really do what he wants to do because he couldn't get public opinion behind him. However, I do think that sometimes the questions in the press conference are not so much questions as they are an indictment. I don't think that is so good. . . .

"How do I regard my parents? I suppose that's the most impossible question for any child to answer. I am glad they are my parents. I love them. They've been very understanding and patient with both Julie and me. They've always been there when it counted. It's true my mother has always said she felt guilty because they had to be away so often when my father was Vice President, when we were growing up. But in a way that's contributed to our independence too.

"If there was ever a disciplinarian in the family—and there never was very much of a one—it was my mother. My father is a real soft touch, from letting the dogs come to the table and feeding them when my mother doesn't want him to, to everything else. He has always been there to give advice but he has always wanted to be asked. He has felt that we were on our own, in a sense—that we should be on our own. . . .

"As for how my father is standing the Presidency . . . if he didn't have the conviction that he was contributing something to the country, and the feeling that he can accomplish something for all Americans, I think that it would be almost too great for him to bear—I suppose too great for any President to bear, because they all must have felt that. . . ."

H. R. "Bob" Haldeman, chief executive officer of the White House, is in his forties, crewcut, with deep-set dark eyes; youthful-looking, trim, frank, straight-talking, obviously intelligent and efficient. He received me in his comfortable office, done in Williamsburg style with dark green paint and heavy drapes. A fire burned in the grate. (Outside the window we could hear King Timahoe, the Nixons' Irish setter, barking as I heard him barking on many occasions during these interviews. He does not like being confined and seems to be ever hopeful that someone will come out and let him run. Haldeman says the Nixons quite frequently let him run on the south lawn and he is constantly reminding them of it.)

"You ask what I do. It's a monumental problem to tell you because I don't exactly know. A little bit of everything, I suppose. My function is basically to be a sort of commander in chief of the White House, basically the administrative manager of the office of the President.

"The President needs one person he can turn to quickly to cover anything he wants to cover. I, of course, will turn to someone else down the staff, but it saves him having to take the time to determine who to send things to and who to contract. He makes wads of little notes to himself about things and I am the beneficiary of that. I send his requests and desires out through the staff and make sure that someone reports back to him as soon as possible with the answer or the result.

"I keep myself free I am always available to the President so that any time he wants to turn a problem over to me he can do so and I can arrange for somebody to work on it as quickly as possible. He is an amazing guy to work with—has a great sensitivity not to interfere with other people's feelings. He is very considerate of the staff—very demanding of results and expects that things be done right, but he is very thoughtful about the people who work for him. Of course, he has so much stuff under way that he has to keep putting it out just to stay abreast of it. He can't afford to slow down for a minute.

"We started out trying to keep political coloration as much as possible out of policy and hiring matters. However, we realize that these things make for variety in decision-making, and so within reasonable limits we have tried to keep a spread of opinion on the staff, so that no one is to the left of the President at his most liberal or to the right of the President at his most conservative. In a staff such as the speech-writing staff, someone like Ray Price could be categorized as 'liberal,' someone like Bill Safire could be categorized as being in the middle, and Pat Buchanan could be categorized as being on the right.

"This type of spread is not accidental. The President goes on the theory that a person's philosophy can be contributive to the ideas around here, that there has to be a counterbalancing, that you don't want people thought of as 'house conservatives' or 'house Jews' or 'house blacks'—but you do need that type of person in each of those areas in order to contribute ideas to the Administration.

"Ehrlichman, Kissinger and I do our best to make sure that all points of views are placed before the President. We do act as a screen, because there is a real danger of some advocate of an idea rushing in to the President or some other decision-maker, if the person is allowed to do so, and actually managing to convince them in a burst of emotion or argument. We try to make sure that all arguments are presented calmly and fairly across the board.

"I'm aware that there has been criticism in Congress that relations have been bad but I don't think Congress is supposed to work with the White House—it is a different organization, and under the Constitution I don't think we should expect agreement. I feel that we have developed a situation in which the President is too much responsible for developing initiatives for Congress, and consequently it has become too much a measure of his Presidency whether his initiatives succeed in Congress or not.

"We find that Nixon is measured by a totally different standard in the press, the academic community and elsewhere than either Johnson or Kennedy was measured. We are told that if he gets something through it doesn't mean anything, because it should have gone through anyway. But if he fails in getting something through, then this is a big mark against him. I don't think there is much we can do about this. I often find it fascinating to ponder by what standards Nixon is going to be judged by history when all the partisan battles we face now are over.

"We are trying to get our case over to the country. Our getting it over has a direct relation to our ability to govern. We hope that things will be understood by some intelligent and effective segment of the population because this is necessary to govern. If this is not perceived by them, then it becomes very difficult.

"However, we don't intend to lie down just because the general run of analysts don't like what we do. I think we have had a pretty darned good two years, in terms of where we were when we came in and where we are now. Nixon is now fighting, in the Family Assistance Plan, for the most far-reaching piece of social legislation perhaps any President has ever proposed. He says we don't know how it will work, but we do know that if we don't try it, we may never know if it will work or not. We are almost at the point in welfare where some change is better than no change and where a change has to be made. . . .

"Has the President changed in office? He may be more no-nonsense than before, but the thing that has impressed me is apparently a great inner feeling of self-confidence in the job. He likes being President. He moved right in and he obviously enjoys it now. There are times, of course, when he gets fed up with petty annoyances, and he works and worries hard over the big decisions. But he likes stepping up to decisions, particularly hard ones. Occasionally, being human, he will get annoyed with the way things are going. But usually he manages to conceal this and to keep going himself in a calm and effective manner."

The press (columnist, male, veteran, longtime friend of the President): "I am very puzzled by Nixon. He does things that an experienced politician wouldn't do. It seems to me that there's almost a feeling that he just isn't interested somehow, almost as though he doesn't want to run again. I can't believe this, but look at some of the things he's done. The Carswell nomination—Carswell's a nice little guy, but he has no more business on the Supreme Court than I do. Firing Wally Hickel from the Interior Department—the only man in the Cabinet who has any kind of reputation for being a conservationist—and then appointing Rogers Morton, who has no interest in it, when the Democrats are making hay over the conservation issue. Some of the things he has done in foreign policy also seem very puzzling to me.

"I'm disappointed because I like Nixon, I want him to succeed, and I think it is vital to the country that he do so. And yet I feel in a sense that he is letting down his country and his party because there's just this curious lack of political smartness about doing things it seems obviously necessary to do—things that a smart politician would not overlook if he were really on top of the job. . . . I find many things the President does very puzzling these days. It just doesn't seem to hang together, somehow."

He was running very late: our interview had originally been set for 4 p.m., then been delayed until 4:15. I was accompanied from the EOB to the West Wing by Herb Klein and Jeb Magruder, Herb's top assistant. The President was closeted with Dr. Arthur Burns, chairman of the Federal Reserve Board. Time passed. His receptionist, Steve Bull, became more and more apologetic, knowing that the President had a reception for members of Congress over at the Mansion at 5 p.m. At approximately 4:45, the buzzer sounded and I was taken into the Oval Office. The huge room is now almost devoid of furniture except for the President's massive desk and a few chairs and sofas along the walls. "The first thing I'm going to do," he told me soon after his election in 1968, "is take those damned television sets out of the Oval Office." He has done so.

The windows were opened to the cool winter evening and the curtains billowed out from time to time with the wind. Photographs were taken for the first couple of minutes while we chatted about innocuous things. Then the photographer and the others left. He leaned his head in his hands, rubbed his eyes, stayed that way for a moment. But when he looked up he did not look tired, and that was the only time during our talk that he gave any sign of being tired. Mostly he looked, and talked, and appeared to be, entirely relaxed, comfortable and as though he did not have a care in the world. It was perhaps the single most impressive thing about him at that moment. Tiredness and strain are easy to spot: they were not present here this particular late afternoon.

We began with his suggestion that I submit questions in writing and that he take occasion when at Camp David or San Clemente or Key Biscayne to dictate extended answers into his tape recorder. After that, he suggested, I might want to come back and question further on certain points. He said that if he could go to the tape recorder first he would be able to be more relaxed, frame his answers more intelligently and contribute more substantially to what he hoped would be "a thoughtful and worthwhile book."

I told him this would be fine with me, and then expected him to boot me out, since congressmen and their ladies were gathering at the Mansion and the clock was moving on. Instead he sat back and chatted for half an hour, ranging from the press, on which he has some definite and occasionally acrid ideas, to the nature of the questions I wanted to ask.

I said that some of them might be critical in nature, but that I didn't intend to offer hookers: I would simply be seeking answers to some of the opinions I was running into around town.

"Don't worry about that for a minute," he said. "Give me any hookers you want. Be the devil's advocate, make them just as tough as you like. After all, it's my job to answer these criticisms, and if you simply ask me bland questions without any bite to them—'Mr. President, what did you do to save the world today?'—the interview won't add up to very much. I'd prefer to have you make them tough whenever you feel it is justified."

I ask him if he wished to impose any restriction that his answers be paraphrased rather than quoted directly and he said no, he would be perfectly willing to turn them over to me and let me use them in direct quotes as I pleased—with the exception that on some extra-sensitive subjects it might perhaps be wise to paraphrase. In that case he would do it himself, dictating, "It is known that the President believes—" or, "The President is understood to feel—" or some such protective, if easily detected, formula.

He was very curious as to whether I was getting sufficient cooperation from the staff and suggested that I be sure and talk to such people as the chef and others on the domestic staff as well as the professional and political staffs. He said both Julie and Tricia would be good sources about White House operations, as both were very thoughtful and perceptive young ladies.

"You should try to talk to a lot of people and not just these gray men around here"—and from his tone it was impossible to determine whether he meant the description as it stood or was dryly mimicking the press attacks upon them.

I said I would.

Aside from a couple of minor items, I did not ask him anything particularly vital, since he had suggested written questions and I intended to ask them in that form; but I was impressed with how fluently and easily he did talk about things. Earlier in the day I had received intimations that various people on the staff were very concerned that I might be going to ask his opinion of other political leaders and they did not want me to do so.

"You won't ask him about Muskie and Kennedy, will you?" asked one earnest staffer with a real anxiety, as though this were an unsuspecting innocent who could be trapped instead of a 58-year-old political veteran perfectly capable of taking care of himself. Even if I had, I am sure he would have responded directly or sidestepped gracefully. Top men are almost always more relaxed about themselves than their staffs are, and this seems particularly true of the President of the United States.

After a pleasant and comfortable half hour, already 15 minutes late for the congressional reception, but not really seeming to mind so very much, he rose and started toward the door: "Now I have to go and shake hands with four hundred congressmen."

Confused a little by the Oval Office's several hidden doors and thinking he was showing me out, I followed him, for he gave no formal farewell but simply moved along still talking. In a moment, we found ourselves outside in the arcade along the Rose Garden and I realized he was on his way to the Mansion. I asked directions to Steve Bull's office, he told me, I said, "Good night, Mr. President," and turned back into the empty office. He waved and walked away, all by himself in the chill winter night: a suddenly lonely and touching moment.

Back in the hallway outside Steve Bull's office, I found some consternation on the part of Steve and the Secret Service. "Where is he? Is he gone? Has he left for the Mansion? Is he by himself?"

This was apparently against all the rules. It was hard to escape the feeling that he had taken one of those small, secret delights known only to Presidents, in going off, thus unescorted and unannounced, to where he wanted to go.

Intimate comments from one in a position to know:

The President is "usually inhibited by strangers," but once he gets used to someone on the staff, "it is very comfortable, and he hardly pays any attention to the routine work we do for him around here. . . .

"I find this job a very strange one and this house a very strange place to work. I expect a good many of us do too, because actually, here we are and many of us have a lot of talent, many much more than I do, and yet we are all geared to simply helping one man get through his day. Many of us may sit around doing little chicken things such as I do most of the time, and yet you have to figure that you're helping the President and that is what makes it worthwhile, I guess. There are so many small details that have to be handled and they get split up in so many different hands that a lot of us find ourselves sort of spinning our wheels and not accomplishing a great deal in any sense of personal satisfaction or achievement. I guess in the long run it will all add up, but sometimes you wonder what the purpose is, and what you're doing here. . . .

"Sometimes he is under strain, and when he is, he shows it in ways that those of us around him can tell. On the whole, however, he remains very calm. One thing that struck me about him when I first came here is that he is quite profane. This startled me when I first heard him speaking but I've gotten used to it now.

"Most of the good ideas that originate here come from him. He does take much staff advice, but usually the ideas are his own. When he does something, it will be on the basis of his own thoughts and those of many others on the staff. The opinion really flows in from the staff. He solicits the staff's advice on every point. Sometimes he is overruled by the staff —which means that when the weight of evidence or the weight of argument is against him, be will sometimes yield to the advice. Then if the staff is wrong, he will not say anything in particular, but he will let us know by his manner or his way of saying things to us what he thinks of us for having given wrong advice.

"He does not like to bawl people out and he gets upset when he has done something or said something harsh to us. I remember that on a couple of occasions when he has chewed me out, which I deserved, he has never apologized for temper the next day but he has done some little extra, thoughtful thing, which is his way of saying that he is sorry for the argument and hopes that it will not happen again.

"I have been struck here at how easy going some people are in replying to his requests. Of course, many of them have been with him for many years and maybe that's why: they know he's not going to fire them, and he knows them and knows he will keep on depending on them as he has in the past. However, I have heard him say many times, 'I want this or that on my desk by eight o'clock tomorrow morning'. Well, it isn't on the desk by eight o'clock the next morning and frequently it isn't there for several days. Except for a couple of very conscientious people around here, there is a rather slow method of replying to the President's requests. However, as I say, they know he is not going to fire them, so he just grits his teeth and goes along with it."

The press (male, veteran, many years' experience covering Presidents, longtime friend of Nixon): "Nixon is like all Presidents—he can be brutal about people sometimes. Maybe it's the Merlin complex or something, but he thinks he can use you for something and then go away for three years and when he comes back you're supposed to be standing there waiting and still be just as much of a friend as you were before. He expects you to maintain your loyalty to him regardless of whether he's shown any loyalty or interest in you in the meantime. They all do it, it's a funny thing. . . . I've talked to him several times and I've generally found him so serene and untroubled that I sometimes wonder a little whether he really knows what's going on, or what could hit him if things go wrong. I think he does, but I really wonder sometimes. . . . They give you this picture of everybody loving everybody else on the White House staff, and it's probably truer in this Administration than in any other I've known in four decades. But when you get up near the top, there's a lot of jockeying for position behind the scenes. I don't think it's erupted into any real feuds like we've had in some Administrations—yet—but there are frictions there, though they try to hide them. You can't avoid it when people are human beings—and these, although they seem a little bland and faceless sometimes, are human beings. There's this great desire to get near the President, to be the one who's always seeing the great man—they can't help it. If they can't do it, they pretend it. I remember the other day, X started to say to me, 'When I saw the President the other day—' I interrupted, 'Now, X, don't give me that crap. When did you actually see the President last? He grinned a bit sheepishly and said, 'Well, actually, it was about six months ago.' But to hear him tell it, and to read how the press tells it, you'd think he was in there every other day. Among those who really are, there's a lot of competition for the great man's smile. I think it amuses him. He's an intelligent man. I think he rather enjoys it, like all Presidents. They're really all sons of bitches, in some ways. They enjoy being President and they secretly enjoy what the Presidency does to other people."

He is back in private law practice now, but Murray Chotiner is never far from the Nixon White House. A political associate since the President's early days in public life, he looks exactly what he is—a political associate. There is about him the aspect and the air of one who has handled many campaigns, made many deals, attacked and been attacked by many enemies, entered and survived many battles. Against the youthful earnestness, brisk efficiency and glittering good looks of many of the Nixon crew, he stands out like some battled, experienced old badger, claws extended and always at the ready. He is giving behind-the-scenes advice on how to run the reelection campaign in '72, and if he has his way, it will obviously be a rough one.

"You ask me what the issues will be in '72. The war should be in excellent shape. The boys are coming home, the Vietnamization program is moving forward. If we go on as we are now doing to wind it down, the public is going to realize that the President did have a plan to end the war, and that he has succeeded.

"The economy, of course, also is a big issue, but as present signs magnify themselves and prove out, the interest rate is going to go down, inflation is going to drop and the stock market is going to go up. Housing starts are increasing, the auto industry is gearing up for a better year. The unemployed are going to go back to work and there will be a noticeable upswing. By '72 we should either have good times in which people can see that he is cleaning up the mess that he inherited, or really bad times, in which case there wouldn't be any hope for him. But I am sure that we will be having good times.

"He also has cooled off the temper of the campuses and the streets and I really don't see how you're going to beat him. What are they going to run on if they don't have an issue? If you don't have one, you're dead. If there is nothing to complain about, they're going to have nothing to go on. About all they can do is say that they can do what we're doing, only better than Nixon. But that is hardly a real issue or a real campaign.

"The Democrats have a real disadvantage because there is nothing they can really advocate. They had the Government since 1960 and all the crises and errors that we have had occurred in their administrations. So it is very hard for them to complain about what has been going on. Also, they don't have any outstanding personality. There is no one to get a glint in the eye of the public. They just can't get a glint in the public's eye. Ted Kennedy gets a rather bloodshot look—because everybody knows about him. Muskie is not exciting. The same thing applies to Birch Bayh. McGovern doesn't turn anyone on at all. Proxmire is a lot better but still not very good. Jackson won't get moving, he's too opposed by some of his own people on ideological grounds. If we get any kind of team at all on our side, we'll be all right.

"I think Agnew should be on the ticket. The Republicans can lose an election if they sit on their hands. Agnew is one who will get them off their hands and get them working. He represents what a lot of people have been thinking and I don't think the President is unfriendly to him at all. The President remembers that there was a movement in 1956 to remove him from the ticket. He has a good memory and is a sensitive person and he sympathizes with the Vice President now in these publicized efforts to get rid of him. I don't think that these people who are writing that the President wants to get rid of Agnew have checked with the White House, because I don't think that is true. There are a great many Republicans who might even vote against Nixon if Agnew were dumped from the ticket.

"I think the President is amazing in his self-control. I have seen him over the years when he has been uptight about things, but somehow he has learned over the years to control and subdue his emotions. After losing the Presidency in '60 and the governorship of California in '62, he seems to have become completely relaxed. That seemed to settle something inside him.

"It's amazing to me how a man like President Nixon, with all the problems he has and with his past history of political defeats, can sit back with his feet on the desk, so to speak, and be as relaxed as he is. But now he doesn't have to shoot from the hip—he doesn't have to make snap decisions.

"The White House staff operates efficiently. I think sometimes they are a little overprotective, but as far as his being isolated, that's malarkey and a lot of baloney. I don't see any isolation. I think people who want to get answers can get them either from him or from Bob Haldeman. And when he wants to see any of us he can. So I don't think there is any real isolation."

The President's press secretary, Ronald Ziegler, is 32, efficient, effective—and nice when it suits him, which it often does not. It did not suit him to be pleasant to photographer Fred Maroon, and after treating him to a series of broken appointments, false starts and occasionally downright, blatant obstruction of what he referred to sarcastically as "this commercial project," he decided not to be pleasant to me. I had an appointment with him one dark winter afternoon and waited for 55 minutes without even the courtesy of a secretary's hello, after which I picked up my marbles and went home and did not try to see him again. Next morning, after I had mentioned to others on the premises that I now thought I had found out all I needed to know about the character of Ron Ziegler, he called with loud apologies and a long tale beginning "Jesus, I just didn't know you were out there, Al." I told him not to worry, these things will happen. I was told by his colleagues later that indeed they do, and often to people who come to him in good faith for the help he is theoretically supposed to provide on projects basically friendly to the President.

But—those magic words in this or any other White House—"the President likes him." So he stays. And, of course, he does have his troubles. And on the whole he handles them well, under often extreme and deliberate provocation. A sampling of excerpts from the press briefings he holds morning and afternoon on almost every working day gives some of the flavor of the White House press corps and his own flavor:

Tuesday, January 5, 1971, morning—

Question. "Can you give us a rundown on what happened at the Cabinet meeting?"

Ziegler. "The Cabinet meeting lasted for an hour and a half. When the President walked into the Cabinet meeting he received a standing ovation, I think marking the Cabinet's approval of how well the President did last night in the conversation [with four television commentators]. Then before the President could get into any topic of discussion, they generally went around the room to express their views as to how the President covered the many areas he covered last night. . . ."

Question. "Did anyone at the Cabinet table say that the President's answer to any questions were lousy?"

Ziegler. "No. They didn't."

Question. "Is that the first time the President has received a standing ovation in a Cabinet meeting, Ron?"

Ziegler. "No. He has after other—[Laughter]—are you going to ask me about what went on in the Cabinet meeting and then chuckle among yourselves, or do you want to know? The President has received standing ovations in Cabinet meetings following addresses that he has given on television. I have recalled the Cambodian speech and also others that he has given on family assistance, when he introduced the Family Assistance Plan and other speeches that he has given no nationwide television explaining United States policy in South Vietnam. . . ."

Tuesday, February 2, 1971, morning—

Question. "Can you say whether the President had any contact with Souvanna Phouma [Prince Souvanna Phouma, Prime Minister of Laos] in thet past several days?"

Ziegler. "No, I wouldn't take that question. . . ."

Question. "Why won't you taken Helen's question, Ron?"

Ziegler. "I just am not prepared to do that."

Question. "When do you expect the news blackout in Southeast Asia to be lifted, Mr. Ziegler?"

Ziegler. "I have no comment on that."

Question. "Ron, when the American and South Vietnamese troops entered Cambodia last April, the Administration said this was not an invasion because it was done with the assent of the government of Cambodia. Would that definition apply also to Laos, since the head of the government says they have not approved any entry of foreign troops?"

Ziegler. I am not prepared to take hypothetical questions such as you put forth and will have no comment on it. . . ."

Wednesday, February 3, 1971, morning—

Question. "Ron, there is an AFP [the French news agency] report which is datelined Quang Tri which says, 'Thousands of military trucks moved bumper to bumper along two highways. Along the sides of the roads, troops with full field packs and arms were also moving in uninterrupted columns. Hundreds of helicopters passed overhead, airports throughout the northern provinces were buzzing with activity.'

"Is that story true?"

Ziegler. "As you know, Dan, we don't address [that subject] from the White House and it would be inappropriate for us to talk about details of movements of forces. So, I can't answer your question."

Question. "Could you explain to us why we have to learn from the French and the Japanese what—this question was asked in good spirit—what American soldiers are doing?"

Ziegler. "You have read a portion of a report to me, Dan. It related to movement of forces. I assume you were referring to what forces? You didn't say, the portion that you read."

Question. "I don't know whose forces. If they aren't ours, I would be interested in that as well."

Ziegler. "That goes to the thrust of my point. Anything regarding movement of forces within South Vietnam, United States forces, would, of course, come from MACV [Military Assistance Command, Vietnam] or come from Saigon. . . ."

Question. "Ron, do you mean to say that if there is an entry into Laos, that this would be merely details of movements of forces that the White House would not address?"

Ziegler. "I don't think he raised that point in his question. You raised Laos and I assume—"

Question. "That is right, but you were asked several times in the last couple of days for information about possible entry into Laos and you have referred us to the Defense Department in essentially, the same way."

Ziegler. "I have no information to give you from here this morning. I think all of you are aware of the fact that correspondents on the scene and in South Vietnam are being regularly briefed under the basis which you are familiar with. I have no information to give you."

Question. "Have you had the opportunity to discuss your views on the value of an [information] embargo that applies only to one kind of correspondent in situations like this?"

ZIEGLER. "No, I haven't."

QUESTION. "Do you have any views on that?"

ZIEGLER. "None to express here at this time."

QUESTION. "Do you think that is a fair situation."

ZIEGLER. "I have no comment on that."

QUESTION. "Ron, this is a question that you were asked yesterday. I would like to ask it again. Has President Nixon been in touch with Prince Souvanna Phouma?"

ZIEGLER. "Gentlemen, I am just not prepared to get into any discussion regarding Indochina with you at this time."

QUESTION. "Do you plan to coordinate any activity in Laos with a successful landing [by Apollo 14] on the moon? . . ."

ZIEGLER. "Let me just go on Deep Background with you for a moment. In the questions that have come, both from several of you this morning, you have drawn certain assumptions and so forth. I obviously can't address those. But I would caution you as to some of those assumptions. . . ."

QUESTION. "Deep Background means what, Ron?"

ZIEGLER. "Administration officials indicated some of these assumptions. . . ."

QUESTION. "Ron, going back on Deep Background, you said that you have drawn certain assumptions and cautioned us against those assumptions. Are you referring to the assumptions based on foreign press reports that there have been entries of South Vietnamese troops in Laos?"

ZIEGLER. "You will have to determine, without my assistance, what assumptions I was referring to."

QUESTION. "Back on the Deep Background remark, it seems a little silly to me that you won't define the assumptions we are supposed to have made. Why won't you do that? It seems nonsense."

ZIEGLER. "I didn't mean it to be, as you say, nonsensical. I was referring to the premises put forth in some of the questions which were remembered from previous stories, Pete I wasn't relating it to a question that some here asked on their own"

QUESTION. "Would you consider this question, Ron: Because of the confusion and the embargo and silence and everything, which is a very distorted ball of wax, is there anything on a positive note that you can tell us with that in mind?"

ZIEGLER. "I could probably give you some positive answers to some questions, but I can't bring one to mind yet."

QUESTION. "I am asking you whether you can tell us. It is a constructive question."

ZIEGLER. "I really have no information to provide you."

Wednesday, ebruary 3, 1971, afternoon—

QUESTION. "Does the President feel this operation is going well?" [*Laughter*]

ZIEGLER. "I would not comment on that."

And so on—and on—every morning and every afternoon of almost every working day—issue after issue—crisis after crisis—for as long as the Administration stays in power and the press continue to pry and the press secretary to defend.

Earnest young staffer, forehead creased with worry: "We literally have to fight for everything we get from the media. The day we stop fighting, we won't get elected. It's a sad fact, but it's a hard, cruel world. It's very hard to get press and TV to treat us objectively, let alone give us a plug."

He is young, shrewd, sharp: more knowledgeable and more philosophical than most who fit that description—and they are many—around the White House; able to sit back and appraise the operation with the candor and objectivity that the operation needs.

"Probably 1970 is the best thing that could have happened to us, because if we had won that election we would have sailed into '72 thinking that everything we were doing was right, while ignoring various problems in the country and various weaknesses in our own approach.

"The fiasco of the President's God awful final speech on election eve came down basically to the fact that when it is originally taped in Phoenix there was no thought of its being replayed, so it wasn't lighted or recorded or photographed very well. The staff was warned of the poor nature of the tape, but it was finally decided to go ahead and use it anyway, because there was a great time pressure involved—or so it was thought. NBC had agreed to set aside 15 minutes in their L.A. studios that night if the President wanted it, but the President had an engagement in Riverside.

"So after lots of conferring it was decided by one or two top members of the staff that the Riverside engagement had to take precedence. So the lousy Phoenix tape was used, and you know the effect it made alongside Muskie's calm and statesmanlike address for the Democrats.

"I doubt if the matter was ever brought up to the President when the decision was made, so I don't think he can be blamed for it. And while disappointed in the result, I don't believe he has punished anyone who was concerned, and has not even reprimanded them very strongly.

**"This indicated, I think, a real weakness of ours, which is that we are so dedicated to getting him where he is supposed to be on time that we are not flexible enough to take advantage of the opportunities that arise, or to do the things we should do to put him and the Administration in the best possible light. This really is one of our problems, but I think we are getting better and I think you are going to see some major changes in that area before too long."**

**The "Plans Committee" meets every Saturday morning and it is, as Dwight Chapin had told me, the public relations council of the White House—the image factory. It is held in Herb Klein's office, and he asked that the specifics of its discussions be off the record except in limited paraphrase. The committee works from a formal agenda which it sometimes adheres to and sometimes does not. Its debates range from solemn to profane as it struggles with the problem of how best to present more favorably an Administration that nine-tenths of the White House press corps is absolutely and adamantly determined to present in a harsh, suspicious and hostile light.**

On this day the first item on the agenda was a memo from Bob Haldeman—signed with a large and imperial "H"—requesting the consensus on possible presidential participation in a satellite conversation with Prime Minister Heath. The consensus was that this would be great if it could be tied to a major event, otherwise it would look contrived and phony.

Second item was a request by the Canadian photographer Karsh to take pictures of the President. Decision was deferred.

Third item was requests from various magazines for information on the President's reading habits. It was agreed that this must be handled with great care, because if the President were disclosed to read anything even remotely frivolous, somebody would be sure to pick it up and make it the basis for snide criticism that would be used against him forever after.

Fourth item was the possibility of the President appearing on various types of informal television shows other than straight press conferences or talks. This too was considered a matter for further study.

Next came a discussion of the proper time for airing the President's State of the Union Message to Congress in January. Should it be at noon, Washington time, the traditional hour? Or should it be in the evening, when it would reach the widest possible television audience, a practice increasingly followed by occupants of the White House? The discussion grew heated as the traditionalists battled the let's-make-the-most-of-it group. Finally someone remarked with some disgust that he thought the idea was to strengthen the President's image and help him get reelected, and he didn't see why in hell it was so important what Congress said about his timing. It was the President's right to go up there when he pleased and talk when he wanted to. It was finally decided to place all the options before the President.

(In the event, he talked in the evening in prime time, which is exactly what all astute Presidents since the advent of television have done and will continue to do.)

Sixth item on the agenda was "how to counter the theme that the President is heartless and cold," and the discussion very quickly got down to a specific: the recent episode in which a little black poster girl had been turned away without having her picture taken with the President, an incident that had brought in its wake great and probably abiding rancor in the Negro community. Those who deplored the incident's effect on the President's image were explosive and blasphemous in their criticism of the way it had been handled. Those who were responsible said crisply that the President was working on a speech and it was decided it was best not to bother him: "It was a judgment. (It was admitted, however, that it was a judgment the President had known nothing at all about until the media went into full cry that night. It had not even been brought to his attention at the time.) Those who were responsible said defensively that the President can't see everybody who comes in. Those who objected said he had damned well better take half an hour, if necessary, to be photographed with a little black poster girl—especially since just a few days later he had been photographed with a little white poster boy. Those who were responsible said well, anyway, the little girl and her parents were going to be invited to a Sunday worship service in a couple of weeks, and maybe he could be photographed with her then. Those who criticized said that of course an apology could be made after an incident like that, but if it were made weeks after the event, "Nobody will hear, nobody will know and nobody will give a damn." Those who were responsible reiterated in a tone that showed they were not to be budged: "It was a judgment." And that ended that.

The discussion began at nine-thirty and ran to twelve-twenty. It was laced throughout, on every topic, with the Administration's obsession with the media—understandable, but in its way as crippling as the media's obsession with the Administration.

There were several in the meeting who remarked with considerable asperity that criticisms could not be evaded or avoided, that they would come even without fair grounds for them, that they were part of the burden this Administration carried and so to hell with it—let the President do what he thought best and stop worrying. But the dominant mood was a fretful obsession which, translated into action down the staff, successfully seem to thwart any presidential action or reaction that might be based on the simple justice of a situation, or the simple response to it that he might make it he were given the option that really counts most in the image of a President—the option to be human.

**"I have known Richard Nixon for 20 years,"** he says thoughtfully, from his vantage point as one of the most independent, and most likable, men on the Hill," and I like him very much. I think he has done a good job in foreign affairs.

"In domestic policy I am damned if I know where he is driving.

"A year ago he said the Federal Government had to balance the budget. Now he submits a budget which will be very badly out of balance. LBJ's unbalanced budgets became a major cause of the inflation we have now. I don't see how Nixon thinks he can unbalance the budget and control the inflation.

"It appears the President has changed direction radically.

"I still think the most important thing is to put the Government's financial house in order. I don't think the Government in the long run can continue to operate at a deficit. Sooner or later somebody has got to pay. I am afraid this new budget is strictly politics. It is such a sudden change from just a year ago. It just doesn't make sense to me, what he is attempting to do now. I think he has reversed his field completely, and I am afraid it is for political reasons.

"I don't think the President is going to have much success with revenue sharing, and there are great problems involved in the reorganization of the Cabinet. There again, he has offered us only a broad outline with no details, and it is difficult to understand what he is driving at.

"I have to confess this whole change baffles me."

Dick Kleindienst, deputy attorney general, is in his mid-forties; large, round face, large blue eyes that can stare at one blankly but are usually full of considerable humor and life; very strong, very determined, a tough man. If he could get past the Senate, he might conceivably be head of the FBI someday.

"In a sense, I am executive officer for the department under the Attorney General. I see that the policies of the President and the Attorney General are effectuated by the 17 divisions of the department.

"In the area of civil disturbances, the President traditionally delegates to the Attorney General rather than the Secretary of Defense the responsibility of recommending when Federal troops should be used and how they should be used to quell civil disturbances, both in the District of Columbia and in the states. We have a pretty complete operation now, and I am, you might say, in a sense chief of staff of that operation.

"We haven't had the problems in that area that the Democrats had, such things as Watts, Detroit, Washington, Newark. Logically they would occur in a Democratic Administration and logically they should not occur under our Administration, because the Democrats are obligated for a lot of their political support to the black groups which vote overwhelmingly for them, and therefore they hesitate about putting things in order when these groups create disturbances. We don't have that kind of relation and therefore we are able to respond more promptly and more efficiently without hanging back because of political considerations.

"When one of these situations has arisen, it has caused a great outcry from the black leadership because of the pressure on the Democratic President not to do much about it at the start for fear he will be charged with 'repression' and 'attack on black rights.' This has usually been accompanied by the threat that, "if you do take strong measures, we'll go back to our people and suggest that the Democrats are as bad as the Republicans and they might as well vote Republican.' Ramsey Clark, the last Democratic Attorney General, under Johnson, was particularly susceptible to this kind of pressure—as susceptible to pressure as anyone has ever been in the United States Government.

"Our approach is based on plans, intelligence, quick response. We have people in place, we serve notice that disturbances are not going to be permitted to get out of hand and if they do get out of hand they're going to be stopped right now. The whole atmosphere on that changed at once on Inauguration Day, 1969. I was down here within a couple of minutes after the swearing in of President Nixon and I immediately put plans into operation to control any possible disturbances at Inauguration or after. There could have been disturbances on the first anniversary of the death of Martin Luther King and they did not occur. There could have been violent disturbances at the time of Cambodia and they did not occur. This is because we advised people in advance that preparation of Federal troops was being undertaken, and we said to them in effect, 'You can speak, but beyond that, when you get into violence we are going to stop it right now.'

"They can't threaten us because they vote against us anyway.

"At the same time, we have cooperated in every possible way with all these dissenting groups, working with them to determine how they can march, what units will be on hand to control violence and what elements in their own ranks can be depended upon to help us control violence. Our purpose is to make it easier for them, not more difficult, and the fact that we have made it easier is proved by the record and it is one reason why riots and disturbances have not come back. [This was pre-Mayday '71.] We've used a reasonable, evenhanded approach.

"On the race issue as it involves these disturbances and law and order in the country, whether we get credit or not I firmly believe that we turned the corner to end the demonstrations. I think we have gained credibility in winding down the war, revising the draft and providing opportunity for young blacks to make their way economically.

"In the areas of street crime and general city crime, 23 cities of a hundred thousand or more have been having a steady decrease in crime in the last two years. Statistics generally over the country have seemed to be going up a bit, but our statistics here in D.C., which is kind of a pilot project on what can occur, show that crime can be controlled and is being controlled.

"As for political crime such as assassination and kidnapping, in terms of numbers and impact, the effect on society is minuscule. It's only important as it is dramatic.

"Organized crime is another area where in motive power, determination and organization, more is being done by this Administration than was ever done before.

"As far as fighting crime, if you use traditional techniques, you're going to get no place. A gangster or criminal who is brought to the stand can always intimidate or buy other witnesses and just subvert the judicial process.

"Congress provided that we could go to electronic surveillance, which Ramsey Clark again refused to use before passage of the bill, and announced he would not use if the bill became law. This was an open invitation to them to know that the Government was not going to do anything. We have straightened out that situation too. The Attorney General has authorized 250 electronic surveillances. This has brought the indictment in 18 months of between five hundred and six hundred major criminals.

"The court order which covers electronic usages requires that the Attorney General must state specifically what the need is, must specify what is going to be used. The court then grants authority for a given number of days. If you are not able to get what you want in that time, then you can go back and get the time extended. Upon indictment, all the evidence secured by wiretapping and other electronic means is immediately made available to the defendant and his attorney so that they know what is going to be used against them.

"I predict that in a reasonably short time, the narcotics problem will be stabilized and then reduced down to a normal irritant, rather than the major one that it is now. Congress has given every dollar we have asked for in this area. A great deal of this is due to the personal confidence that Congress has in John Mitchell and in this department. Congress has given us all the money we asked, clean across the board.

"Given a few years when the full impact of these revisions and these new programs and planning and all this money can be felt all across the land, there's going to be a strong resultant effect on the statistics of crime.

"These civil libertarian bastards complain about what we are doing, but the fact remains that we are clearing up many of these problems.

"In all of these areas you have to do it with vigor and determination and honest people who don't care for the political consequences but go ahead and fight crime. You can't do it with weak, opportunistic, chicken-hearted bastards."

He is in his mid-thirties, dark, stocky, round faced, soft-spoken; a former White House staff member who left because of a gradual disillusionment with the way the political side of the operation was being run, particularly in the area of press and congressional relations.

"I am really disturbed by the general inflexibility of the staff and its unwillingness to allow the President to deal with Congress in a spontaneous fashion . . . although, of course, if the impetus for this kind of approach doesn't come from the top, then maybe one shouldn't blame the people down the line too much.

"I feel the President could do a great deal with a few corny gestures toward members of Congress—that is, what people who don't understand the human nature of politics might consider corny. Sometimes a quick handshake, or a call about some personal matter, or a joke about some problem in a man's district or state can really make a member feel good toward the President. I think he should do more of this, particularly with his own Republicans. After all, as somebody has said, 'You want to keep your own troops turned on.' I don't think the President has succeeded in doing this.

"In the same fashion, I find quite disturbing the attitude of the President and the top staff toward the press corps. Even if they are bastards who are constantly looking for excuses to attack the Administration, still I think they could be mollified a bit by personal contact. I feel that the President is basically shy about this, having been hurt so often by the press, but even so, he should be able to overcome this to some extent and be a little more cordial toward them. The attitude is reflected all through the staff, particularly in the press office. It makes things more difficult than they need to be for the Administration, in my opinion.

"At the same time, of course, I will concede that the press is so hostile that the Administration has simply got to be right on everything. It can't afford, for instance, to have a phony witness in the Berrigan case. It can't afford any personal or economic scandal on the part of any member of the Administration, for the simple reason that the press tolerance which is accorded to Democrats simply does not exist toward Nixon. Now, I know Ed Muskie, for instance: he's a man of somewhat limited grasp and somewhat limited intelligence, who is frequently banal, indecisive, short-tempered and generally inconsiderate with the press. But somehow there is a built-in tolerance toward Democratic candidates which prevents the press from letting these things really get out to the public with the sort of consistent hammering they devote to Nixon's shortcomings. They are so anxious to find an alternative to Nixon that they will build up almost anyone and give him all the benefit of the breaks in the process.

About ten days before I was scheduled to leave town I began asking the staff to find out what had become of the President's answers to my questions. Margita White reported that she was telephoning various people about it. Days passed without an answer.

Two days before my departure she said she thought she was making progress: Alex Butterfield was going to be seeing the President, and had agreed to ask. The next day she called back: the President said he was very sorry, he had been too busy to answer as fully as he would like, he was working on it, he hoped I would understand, it would be along by mail in due course. I said fine, no hurry.

Apparently the lengthy delay in finding this out was caused by the fact that everybody assumed that he had already given the answers to someone. The universal question then became: Who's to blame? And if I am, how can I find a suitable excuse? When someone finally got to a direct man with a direct question he got a direct answer and the mystery was solved in half a minute.

In this, as in all administrations, a straight line, in the White House, is sometimes not the shortest distance between two points. Staffs become very timid about treating a President as though he were a reasonable man. Which is not a good thing; for them, for him, or for the country.

The press (bull session with old friends): "He is the most complex man who has ever been in the White House. He doesn't have any intimate friends. Nobody is close to him. He should have at least somebody, but all he seems to have is Bebe Rebozo.

"He definitely tries to get away from the press. The anti-press feeling permeates the whole Administration. He is the first President to duck out of parties early to avoid the press. He deliberately avoids us. He wants to stay away from us." When I pointed out that the press, after all, had been extremely harsh with him over the years, this was conceded. "But the majority of publishers are Republican."

"And the majority of reporters are Democrats and 'liberals.'" Reluctantly this was conceded, too. "But—Nixon has no sense of style. No grace. He is always escaping from us. Why is he always escaping?"

I saw him for the second time in San Clemente, on March 30, 1971. The SST had been defeated in the Senate; in Laos, the unhappy invasion had surged in and limped back. It was a typical overcast Southern California day, the sun trying vainly to break through the persistent light clouds. Off in the distance the cold Pacific curled in upon the shore. In the corridors and offices there was an air of quiet, the pace obviously slower, more relaxed, more comfortable than it is in Washington.

The President looked tanned and rested. He apologized for not having taped answers to my questions as he had promised, but explained that he had been rather busy: it was obvious from his comments throughout that he had studied them very closely before deciding on what the staff likes to call his "one-to-one" method. I showed him my newspaper horoscope for the day: "Consulting with bigwigs opens the door to greater opportunity now but don't try to criticize them in any way." He laughed and said, "Oh no! Oh, no! Don't worry about that!" He played with a single silver cuff link the entire hour and a half that we talked, but otherwise seemed as calm as ever, and as convinced that the course he had chosen was right.

We began, as my written questions had begun, with the Presidency itself. It had held for him, he supposed, "fewer surprises than it does for most. I had been Vice President for eight years, I knew what a President could do and couldn't do. The main thing I had learned was that Presidents come and go, but the bureaucracy goes on forever. I knew that no President who is not in tune with the mood and the ideological bent of the bureaucracy can bend it to his program without a great deal of difficulty and hard work. I also knew how difficult it is to deal with Congress, particularly with both houses in control of the other party, and no such bipartisanship as Eisenhower was fortunate enough to have when Lyndon Johnson was majority leader of the Senate. That bipartisanship is so fragmented now that it practically no longer exists. Mike Mansfield is a responsible majority leader now, very responsible in his disagreement about Southeast Asia—but he does disagree, and in fact disagreed with Johnson and with Kennedy too on that subject.

"So now it has crumbled away and now we have partisanship—or perhaps not so much partisanship as what you might call a new isolationism, in which the old internationalists and interventionists, who supported World War II, the Korean War, the Alliance for Progress and the rest of the war and postwar programs, are now turning away and trying to turn America inward again.

"They are concentrating now on America's internal problems, the alienation of groups and generations, the economy and all those things which our so-called "intellectual elite'—self-appointed and self-described—have made their top priorities.

"We now have what could be termed basically a new 'America First' doctrine, not in the sense of 'look to America's defenses and forget the rest of the world,' but in the sense of 'forget the rest of the world and concentrate on our own domestic problems and social commitments.'

"But I don't feel frustrated or disillusioned—I really don't. I went in with my eyes wide open. I knew Congress was against us, I knew we were in a period of great domestic torment, I knew we had Vietnam to face and many social problems. Essentially, of course, those problems would be here whatever happened internationally, and they will continue to be with us long after Vietnam ends. But I want to make sure Vietnam ends in such a way that it does not leave us with disenchantment, bitterness, even greater alienation of one group from another. If it ends that way, it will not end, in a sense—it will go on to plague us for many, many years to come.

"I think we are at one of the great watersheds of American history—where America, having acquired world leadership really without consciously seeking it or wanting it, having met that role as best she could since World War II, is now determining whether she will continue to play the part of a leader in world affairs or would prefer to abdicate her responsibility and let it go. If she does, freedom and democracy will go, we all will go. I am convinced that what has happened in Laos will prove in the long run to be as sound as Cambodia. After all, what really matters is what actually happens, not what instant analysts have to say about it. They jump to conclusions, and then a few weeks or months later, they prove to be wrong. Cambodia was an enormous success, and yet you go back and look up what our friends in the press and television were saying about it at the time it ended, and you'll see they weren't about to concede it was any success.

"You have to be quite fatalistic about these things. After all"—with a sudden sharp, direct look—"I know more than they do or you do about it. I know what has happened to the enemy. I know he has taken enormous losses. I know how the South Vietnamese as a whole really behaved, in spite of what three or four units may have done. They proved they could hack it. Everybody ought to wait awhile and see how Laos affects our continuing withdrawal. The enemy will not be able to launch another offensive this summer. He will not be able to interfere with the timetable for the ending of our involvement.

"I know when American involvement will end, though I can't state it, because to do so would be to give up certain tactical advantages, and also to remove whatever chance—little, not big—may remain to have meaningful negotiations in Paris.

"I think we're going to make it, in this situation—I think withdrawal is going to work, Vietnamization is going to work—not in the sense that 'Vietnamization' would mean the withdrawing of all of the American presence, but in the basic sense of South Vietnam being able to handle its own affairs. In the sense of 17 million people having a chance to decide their own destiny and their own future, which is what we will have achieved for them with our help and our sacrifice.

"If we can do this, it will be one of the major achievements of this nation in all its long history—to keep a Communist enemy from conquering our friends, to give a nation the right to live as it wants to live.

"If we fail in that, and if South Vietnam goes Communist in spite of all we've done, then Communism will indeed be the wave of the future in Asia. But I don't think it is, and I don't think that is what will happen. . . .

"Critical to all of this is the way the Vietnam war ends. If it ends in a way that can be interpreted as an American defeat—a retreat, a bugout—inevitably those in the world who are inclined to use force to gain their aggressive or imperialistic ends will be encouraged to do so. And all our friends will be in disarray. The world will say, 'Look at Vietnam. If the United States could not be counted on there, where can she be counted on?' The way to avoid more Vietnams is to be sure that this Vietnam ends in a way that will not dismay our friends and encourage future aggressors. . .

"The press?" His expression changed, became earnest, stubborn, close to contemptuous. "I probably follow the press more closely and am less affected by it than by other Presidents. I have a very cool detachment about it. I read it basically to find out what other people are reading, so that I'll know what is being given the country and what I have to deal with when I talk to the country and try to influence people for my programs. And of course I read it also because sometimes there will be a very thoughtful article on some subject that is enlightening and of value to me. Presidents are like other people: they don't know everything, it's good to get another point of view on something. Providing, that is, that it's a matter of substance and not just something somebody has dreamed up because he doesn't like Nixon or wants to make points with his own boss or bureaucracy, who don't like Nixon.

"I'm not like Lyndon as regards the press—we're two different people. The press was like a magnet to him. He'd read every single thing that was critical, he'd watch the news on TV all the time, and then he'd get mad. I never get mad. I expect I have one of the most hostile and unfair presses that any President has ever had, but I've developed a philosophical attitude about it. I developed it early. I have won all my political battles with 80 to 90 percent of the press against me. How have I done it? I ignored the press and went to the people.

"I have never called a publisher, never called an editor, never called a reporter, on the carpet. I don't care. And you know?—a grim but rather pleased expression—that's what makes 'em mad. That's what infuriates 'em. I just don't care. I just don't raise the roof with 'em. And that gets 'em.

"Anyway, that isn't my style. I don't stomp around. I don't believe in public displays of anger. I don't raise hell. I'm never rough on the staff about things just for the sake of being tough, or making an effect. But they know how I feel. The things we've faced in this Administration have taken a lot of hard decisions and I've had to be firm about things, but I've *been* firm—I haven't shouted about it. There are some people, you know, they think the way to be a big man is to shout and stomp and raise hell—and then nothing ever really happens. I'm not like that, with the staff or with the press.

"I never shoot blanks.

"I respect the individual members of the press—some of them, particularly the older ones—who have some standards of objectivity and fairness. And the individual competence of many of the younger ones, I respect that too, though nowadays they don't care about fairness, it's the 'in' thing to forget objectivity and let your prejudices show. You can see it in my press conferences all the time. You read the Kennedy press conferences and see how soft and gentle they were with him, and then you read mine. I never get any easy questions—and I don't want any. I am quite aware that ideologically the Washington press corps doesn't agree with me. I expect it. I think the people can judge for themselves when they watch one of my press conferences. It's all there.

"I can tell you this,"—and his eyes narrowed, he swung his chair around and stared out across the distant gray Pacific—"as long as I am in this office the press will never irritate me, never affect me, never push me to any move I don't think is wise. . . ."

What kind of a country would he like America to be when he leaves the Presidency? What would he like history to say Richard Nixon had done for America? His face sobered, he fell silent, stared again out the window at the restless ocean, turned back, spoke slowly and thoughtfully, repeating, refining, rephrasing

"What kind of country?

"I would like first to get this war ended in a way that Americans can look back upon not ashamed, not frustrated. not angry, but with a pride that in spite of our difficulties we have been totally unselfish—that we have enabled 17 million people to choose their own destiny, and in so doing have preserved and strengthened the chance for peace in the Pacific basin, and probably the world.

"I would like to leave with a new relationship between the U.S. and the U.S.S.R. It will be intensely competitive, of course. We are different peoples with a different history and we want different things—but I believe we are at the critical point where we can finally decide that we must have a live-and-let-live relationship I think we are making some progress in that direction. I hope we may have achieved it when I leave. I would like to leave some structure on which at least the beginnings of genuine world peace can be built.

"Domestically, this nation is never going to be wholly at one. But I would hope that we can reduce the tensions, reduce the demonstrations, reduce the dissent—not the constructive dissent that is the yeast of a free society, but the destructive dissent that wants only to tear down the system.

"I want everybody in this country to recognize that our system provides for peaceful change—to get people to work within the system and find better methods to make the system work.

"You said something in your questions about how could I, a basically conservative President, propose such 'liberal' things as revenue sharing and the Family Assistance Plan. That isn't 'liberal.' It's common sense. I believe revenue sharing is one way to make the system work better, because it means decentralization of government—and I think decentralization of government is the key. The modern twentieth-century liberal is for big government. He likes concentration of power—he like power. I don't go with him in that. I hope to give more people a chance to participate in the action—to believe that what they do counts. I want to restore as much as we can the concept that this country has grown great by adhering to the principle of shared responsibility and peaceful change.

"I would like to make some progress in restoring some sense of understanding and of pride in this country and in its greatness—get away from this idea that America's foreign policy is rotten, its domestic policies are rotten, the whole damned thing is rotten. I know that because of slavery, black Americans have not had an equal chance; I know that there are many injustices in other areas. But we are working, we are trying, we are making progress. I know these things can be changed, and in a peaceable and constructive way, through the system we have. When you look at the United States with all its pockmarks, you realize that, nonetheless, a person born in this country has more freedom and more genuine opportunity than a person born in any other country.

"I would like to leave a renewed conviction in America that the system does work, that democratic government is better than the alternatives, that reforms can be made through peaceful change, I would like to leave reestablished the idea that in this system things can be achieved and made better. In foreign policy, the greatest contribution a President could make would be to leave a world in which the United States is at peace with every nation—and has the strength and the will to guarantee that peace.

"In a sense"—hitting the desk firmly with his hand—"it's all right here in this room—right here in this chair. Whoever is President of the United States, and what he does, is going to determine the kind of world we have. His leadership must be strong—and firm—and, we hope, wise.

"But more than that. He must be supported by the belief and the conviction and the faith of the American people, in themselves and in their country. That's why I want to restore some sense of balance, of perspective, of understanding and pride in America's role in the world, and in her institutions.

"This is a noble country in many ways, and somehow we must restore the feeling that we should take pride in it—that we should believe in its system and its policies and its future.

"The important thing is not our capacity to do things—we have that. The important thing is our will. It is not going to be there unless we restore to Americans more faith in themselves and their country.

"The problem now is the American spirit. This is a crisis of the spirit that we face. The most important thing of all is to restore the American spirit.

"That is what I would like to do before I leave this office."

On that day the headlines were full of post-Laotian backbiting, of Lieutenant Calley and My Lai, and of Leonid Bezhnev, calling with a fine, stern, moral righteousness for world peace, in the city whose leaders have done, are doing and will continue to do, more than any other members of the planet to destroy it.

The sky was still gray, the sea cold, the air chilly when I left. From the doorway, King Timahoe wagged amicably one last time, and at the gates, the guards smiled, saluted and waved me through to the roaring freeway and the hastening world.

Mr. PACKWOOD. Mr. President, it is with great pleasure that I ask to associate myself with the nonpartisan remarks made this morning by the distinguished assistant minority leader (Mr. GRIFFIN) and the distinguished Senator from Alabama (Mr. ALLEN) on the occasion of the birthday of the President of the Senate and the Vice President of the United States, SPIRO T. AGNEW.

This Senator would like to extend his congratulations to the Vice President and his family on the occasion of his 53d birthday.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letters, which were referred as indicated:

### REPORT OF COMPTROLLER GENERAL

A letter from the Comptroller General of the United States, transmitting, pursuant to law, a report entitled "Opportunity For Savings in Providing War Risk Insurance For Contractor Property and Employees," Department of Defense, Department of State, Department of Commerce, dated November 9 1971 (with an accompanying report); to the Committee on Government Operations.

### REPORT ON PROJECTS SELECTED FOR FUNDING THROUGH GRANTS WITH EDUCATIONAL INSTITUTIONS

A letter from the Assistant Secretary of the Interior, transmitting, pursuant to law, a report on projects selected for funding through grants, contracts, and matching or other arrangements with educational institutions, private foundations or other institutions, and with private firms (with an accompanying report); to the Committee on Interior and Insular Affairs.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McGEE, from the Committee on Post Office and Civil Service, with amendments:

S. 2574. A bill to amend title 13, United States Code, to establish within the Bureau of the Census a National Voter Registration Administration for the purpose of administering a voter registration program through the mail (Rept. No. 92–436), together with minority views.

By Mr. LONG, from the Committee on Finance, with amendments:

H.R. 10947. An act to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes (Rept. No. 92–437), together with additional views.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. PEARSON:

S. 2825. A bill to amend chapter 19 of title 38, United States Code, to authorize the issuance of National Service Life Insurance to veterans of the Vietnam era. Referred to the Committee on Veterans' Affairs.

By Mr. SCOTT:

S. 2826. A bill for the relief of Susan A. Quillin. Referred to the Committee on the Judiciary.

By Mr. SAXBE:

S. 2827. A bill to amend the Public Health Service Act to provide assistance for improving health services and to alleviate shortages and maldistribution of personnel and facilities, and for other purposes. Referred to the Committee on Labor and Public Welfare.

By Mr. NELSON (for himself, Mr. McGOVERN, Mr. BURDICK, Mr. MONDALE, and Mr. HUGHES):

S. 2828. A bill to amend sections 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly and for other purposes. Referred to the Committee on the Judiciary.

By Mr. BAYH (for himself and Mr. COOK):

S. 2829. A bill to strengthen interstate reporting and interstate services for parents of runaway children; to conduct research on the size of the runaway youth population; for the establishment, maintenance, and operation of temporary housing and counseling services for transient youth, and for other purposes. Referred to the Committee on the Judiciary by unanimous consent.

By Mr. HUMPHREY:

S. 2830. A bill for the relief of Mr. Ponnambalam Suddiah. Referred to the Committee on the Judiciary.

By Mr. HUMPHREY (for himself, Mr. YOUNG, Mr. MCGOVERN, Mr. MONDALE, and Mr. HARTKE):

S.J. Res. 172. A joint resolution to provide emergency measures to improve farm income. Referred to the Committee on Agriculture and Forestry.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PEARSON:

S. 2825. A bill to amend chapter 19 of title 38, United States Code, to authorize the issuance of national service life insurance to veterans of the Vietnam era. Referred to the Committee on Veterans' Affairs.

### VIETNAM VETERANS LIFE INSURANCE ACT

Mr. PEARSON. Mr. President, I introduce today for appropriate reference the Vietnam Veterans Life Insurance Act. Quite simply, this bill would provide a $10,000 life insurance policy, administered by the Government at greatly reduced rates, to any Vietnam era veteran who can meet certain minimal qualifications.

Those of us who participated in wars previous to the Vietnam conflict will recall that one of the benefits available to us upon separation from active duty was a Government-administered life insurance policy. The impressive response to this program has been attributed to the low premium rates, evidenced by the 4.5 million veterans who continue to take advantage of this most worthwhile aspect of the G.I. Bill.

In 1951, Congress discontinued this program, and replaced it with a Serviceman's Indemnity policy, providing individuals on active duty with a policy payable upon death to his dependents in monthly installments. In 1965, serviceman's group life insurance—SGLI—was instituted, which gave a $10,000 policy to members of the armed services, a figure later increased to $15,000. Then, as now, veterans had 120 days from their date of discharge to exercise the option of converting that policy to one administered by any of approximately 600 private insurance companies approved by the Veterans' Administration, without having to take a physical examination.

Mr. President, that today's veterans have not been included in this extremely beneficial program in an oversight I would like to see corrected. For it is becoming increasingly apparent that the nearly 5 million veterans of the Vietnam era have become one of the most neglected products of the Indochina conflict. Having honorably served his country in an increasingly unpopular cause, the recently discharged veteran has returned home to a society which is now just beginning to understand his problems and his needs.

In this regard, I am gratified to note that some of my colleagues have offered legislation to provide educational and health benefits equal to those received by veterans in World War II and the Korean conflict. I am also gratified that Congress approved legislation, which I cosponsored, to authorize the Administrator to sell at prices reasonable under prevailing mortgage conditions, direct loans made to veterans.

I have also cosponsored legislation increasing unemployment insurance to Vietnam returnees unable to find jobs. Justification for this proposal should be clear in view of the fact that available statistics place the total number of unemployed Vietnam-era veterans at approximately 270,000. In my native State of Kansas, unemployment among returning veterans has increased some 130 percent in a little over 1½ years.

Confronted with this very serious problem, few recently discharged veterans feel that they can spare the expense of purchasing insurance protection, a situation which works undue hardship both upon themselves and their dependents. The legislation I introduce today is designed to help these individuals purchase adequate coverage. If enacted, this bill would extend the insurance benefits of national service life insurance policies to all veterans of the Vietnam era, retroactive to August 1, 1964, the officially declared date marking the beginning of the Vietnam era.

National service life insurance coverage is issued to all participants in military service to the United States. It is a Government-administered agency and the price level and payment of premiums is set by this agency and no other. Maximum coverage is set at $10,000 per carrier and issued in multiples of $500, with a minimum coverage of $1,000.

There are eight separate plans in this coverage, ranging from short-term and long-term convertible policies to full policy endowments at various ages. Mr. President, I ask unanimous consent that a list outlining these programs be inserted at this point in my remarks.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

PLANS FOR RH INSURANCE (ADMINISTERED BY NSLI)

a. 5-Year Level Premium Term.
b. Modified Life.
c. Ordinary Life.
d. 30-Payment Life.
e. 20-Payment Life.
f. 20-Year Endowment.*
g. Endowment at age 60.*
h. Endowment at age 65.*

Mr. PEARSON. Mr. President, the basis for this plan, Policy RH, was drawn from present NSLI coverage available only to service-disabled veterans, and amended so as to make it applicable to all veterans being released from the service, with the retroactive date in effect. It is a nonparticipating policy, effective only after release from service, with a grace period of 120 days from the release date during which time application may be made without requirement of a physical examination. Any time after this period, certification of good health, contingent upon any further requirements stated by the Administrator, would be necessary.

This Government coverage is offered as an alternative to the SGLI policy available to all members of the Armed Services. As I mentioned earlier in my remarks, current law allows the recipient to convert this coverage to a private policy anytime within the 120 days subsequent to his release from active duty without taking a physical examination. But in so doing, he incurs the necessary higher cost and rate of payments charged by all carriers. My bill would retain this provision and allow the veteran to acquire both plans, if he so desired.

Mr. President, an additional advantage of my proposal is that with the exception of initiating costs, little additional funding would be necessary. With the number of policies currently in effect, the VA is spending only $3.28 per policy each year, principally on administrative functions. Premiums provide the balance of the needed income. I have been assured that with additional participation, this figure would not appreciably increase.

Mr. President, I believe that the provisions outlined in my bill are sound and point to the need for providing equal benefits to all veterans of all wars. Enactment of this legislation would also, in my judgment, assist in a very real way those veterans who are struggling to finish school or begin their civilian careers and who cannot afford to provide adequate insurance protection for their dependents. In a time of serious unemployment and economic distress, helping these individuals now would dramatically demonstrate to both veterans and the Nation that the Federal Government stands solidly behind them in their efforts to develop their civilian talents. Based on their record thus far, I believe that my proposal and others designed to help Vietnam era veterans are a solid investment in this Nation's future.

By Mr. SAXBE:

S. 2827. A bill to amend the Public Health Service Act to provide assistance for improving health services and to alleviate shortages and maldistribution of personnel and facilities, and for other purposes. Referred to the Committee on Labor and Public Affairs.

### MEDICAL RESOURCES DEVELOPMENT ACT

Mr. SAXBE. Mr. President, at a time when the health care debate has reached a peak and when a national health insurance program seems a certainty, I would like to introduce legislation designed to improve and expand the present health care system in order to meet the demands of the future.

In the past our medical system has developed in a laissez-faire manner. The great stress has been on scientific expertise and specialties, with the resultant overbuilding of some specialties and the continuing decline of general practitioners. The once-familiar GP is fast disappearing from the scene and with him, the primary care that every family needs. American doctors are the best trained technological physicians in the world, but paradoxically, Americans do not receive optimal medical care. Why? Because of the basic lack of organization, a "no system."

It is important now to reverse this

trend and to put some organization into our fragmented system. We should move away from the costly fee-for-service, solo medical practice and toward a prepaid comprehensive group practice with emphasis on preventive, rather than acute care. We should establish ambulatory care centers which can provide a full range of health services on an outpatient basis, especially in the underserved areas of the rural and urban poor. We must better organize and redistribute existing resources with an eye to reduction in costs and more effective delivery. In short, we must now try new and innovative ways of providing health care, and not remain chained to an outdated and inefficient delivery system.

There is a health care crisis—recognized and acknowledged by the President of the United States and the medical profession itself. It is a crisis precipitated largely by the skyrocketing medical costs which have become staggering, not only to the poor, but even to the more affluent sectors of our society. The health industry is the fastest growing segment of our economy, representing 6.9 percent of our gross national product. In the past fiscal year, $67 billion was spent on health care, $25 billion of which was public expenditure. And it is estimated that by 1974, the total costs will be $105 billion, with $38 billion on the public sector. When we talk about spending $25 and $38 billion of our taxpayers' dollars, we can no longer remain passive, leaving full and final control solely in the hands of health-care providers. It is essential that we now insure that our Government dollars are well spent—that the system is operating as efficiently as possible in providing high quality care.

The health care crisis has brought on a heated debate, and scores of proposals have been advanced as the ultimate solution to the problems. One thing is certain: there is going to be a national health insurance plan of some sort, enacted in the near future. My wish is that we prepare now for the programs of the future. My plea is that we do not commit another "medicare-medicaid" fiasco which just poured more Government billions into an already overburdened system. National health insurance alone—just pure coverage—would only make matters worse unless it would provide for sensible allocation of medical resources in relation to medical needs. If we increase the purchasing power without increasing and redistributing the supply, it will only add to existing inflation. I recommend that we begin now to shore up the system for the demands of the future health insurance programs. I recommend that we act now to protect our $25 billion investment in health care.

For this reason, I am introducing a bill entitled, "Medical Resources Development Act." It is patterned after a section of the Health Security Act, and is designed to improve and expand the health care delivery system. It authorizes the Secretary of Health, Education, and Welfare to initiate an innovative program for the next 5 years, to strengthen the Nation's health resources. The program would be carried out in the following way:

First, by expanding the health planning process throughout the United States with an emphasis on preparing for increased demand.

Second, by providing financial and technical assistance in alleviating shortages and maldistribution of health personnel and facilities.

Third, by improving the organization of health services to increase effective delivery and cost control.

Mr. President, I ask unanimous consent that the text of the bill and a summary of its content be printed in the RECORD.

There being no objection, the summary and bill were ordered to be printed in the RECORD, as follows:

### MEDICAL RESOURCES DEVELOPMENT ACT

I

*Purpose:* To launch an innovative program to strengthen the nation's health resources—improve services, enhance organization of health-care delivery systems, and alleviate shortages of personnel and facilities, in order to meet the rising demand and future needs of our health care system.

II

*Authority:* The Secretary of Health, Education and Welfare is authorized to spend such sums as may be necessary for the next five years, to carry out the purposes of this act through a program of grants and contracts.

III

*Planning:* The Secretary directs state and regional planning agencies to initiate a plan to prepare for new demands of future national health programs, with special attention to medically underserved areas. Planning agencies will identify acute shortages or maldistribution of medical manpower and facilities; and the serious deficiencies in the organization and delivery of health services.

IV

*Health Care Services:* To provide help, both financial and technical, for the creation or the enlargement of organizations providing comprehensive care to ambulatory patients—either organizations with a prepaid enrollment like HMO's, or other organizations that provide comprehensive care like Health Care Corporations or Academic Health Centers, with varying financial arrangements. Grants will be available for start-up costs and the deficit costs for the first 5 years of operation.

V

*Manpower:* To establish a program for the recruitment and training of professional and non-professional personnel to alleviate the health manpower shortages and to staff ambulatory-care centers. Special emphasis will be placed on (A) the development of new kinds of health personnel—physician assistants, specialty nurses, health educators, etc.—to assist in providing health services; (B) the development of health personnel for urban and rural poverty areas. Education and training to be carried out through contracts or grants to appropriate institutions.

VI

*Improvement Grants:* This section authorizes special improvement grants to any public or nonprofit institution or agency to establish improved coordination and linkages with other providers of health services. Grants for improvement of comprehensive care organizations in areas such as information retrieval systems, special equipment for mass screening or other diagnostic procedures.

### S. 2827

A bill to amend the Public Health Service Act to provide assistance for improving health services and to alleviate shortages and maldistribution of personnel and facilities, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Medical Resources Development Act of 1971".

SEC. 2. (a) Section 1 of the Public Health Service Act is amended by striking out "Titles I to X" and inserting in lieu thereof "Titles I to XI".

(b) The Act of July 1, 1944 (58 Stat. 682), as amended, is further amended by renumbering title XI (as in effect prior to the enactment of this Act) as title XII and by renumbering sections 1101 through 1114 (as in effect prior to the enactment of this Act), and references thereto, as sections 1201 through 1214, respectively.

(c) The Public Health Service Act (42 U.S.C., ch. 6A) is further amended by adding after title X the following new title:

"TITLE XI—ASSISTANCE TO DEVELOP COMPREHENSIVE HEALTH-CARE ORGANIZATIONS, TO IMPROVE HEALTH SYSTEMS, AND TO INCREASE THE SUPPLY OF ALL HEALTH-CARE PERSONNEL

"PURPOSE

"SEC. 1101. The purpose of this title is to inaugurate a program to strengthen the nation's resources of health personnel and facilities and its system of delivering health services, in order to meet the present and future rising demand for health care and to that end—

"(a) to expand and intensify the health planning process throughout the United States, with primary emphasis on identifying acute shortages and deficiencies in the delivery of health services, and

"(b) to provide financial and other assistance (1) in alleviating shortages and maldistributions of health personnel, (2) in establishing ambulatory care centers in order to increase the supply of services, and (3) in improving the organization of health services in order to increase their effective delivery.

"PLANNING

"SEC. 1102. (a) In consultation with State comprehensive health planning agencies approved under section 314(a) of the Public Health Service Act, and with regional medical programs and other health planning agencies, the Secretary shall promote, support, and as necessary, conduct within the Department of Health, Education, and Welfare, an intensified and continuous process of health service planning for the purpose of improving the supply and distribution of health personnel and facilities and the organization of health services, in order to meet the future demands of new health programs. The planning shall proceed primarily on a State-by-State basis, but without excluding more particularized planning for portions of States or for metropolitan or interstate areas.

"(b) The planning process shall give first consideration to identification of the most acute shortages and maldistributions of health personnel and facilities, and the most serious deficiencies in the organization for delivery of health services; and to determining means for the speedy alleviation of these shortcomings.

"(c) The Secretary may make grants to appropriate State agencies to carry out the purposes of this section.

"PRIORITIES

"SEC. 1103. (a) In providing assistance under this title, the Secretary shall give priority to improving and expanding the available resources for services to ambulatory patients which are furnished as part of coordinated systems of comprehensive care. To this end the Secretary shall encourage and assist in (1) the development of prepaid comprehensive health service organizations defined in section 1107(a); (2) the development or expansion of other qualified health service systems defined in section 1107(b) which would furnish services to persons in urban or rural areas who lack ready access to such services; (3) the recruitment and training of professional, sub-professional, and personnel to staff such organizations, including the development of new kinds of health personnel to assist in the furnishing of comprehensive health services.

"(b) In administering financial assistance under this title, the Secretary shall be guided so far as possible by findings and recommendations of appropriate health planning agencies described in section 1102.

### "ORGANIZATIONS FOR THE CARE OF AMBULATORY PATIENTS

"SEC. 1104. (a) The Secretary is authorized to assist, in accordance with this section, the establishment, expansion, and operation of (1) comprehensive health service organizations defined in section 1107(a) of this title; and (2) other qualified health service systems defined in section 1107(b) of this title, which furnish or will furnish care to ambulatory patients.

"(b) The Secretary is authorized to make grants (1) to any public or nonprofit agency or organization (whether or not it is a provider of health services), for not more than 90 per centum of the cost (excluding costs of construction) of planning, developing, and establishing an organization or agency described in subsection (a) of this section; (2) to an existing organization or agency described in subsection (a), for not more than 80 per centum of the cost (excluding costs of construction) of planning and developing an enlargement of the scope of its services or an expansion of its resources to enable it to serve more enrollees or clientele; or (3) in exceptional cases to grantees under (1) or (2) of this subsection, for as much as 100 per centum of the cost (as described in (1) or (2)), when the Secretary, after taking all relevant factors into consideration, finds that local funding is not possible and that the purposes of this title would be served by such grant. In addition to grants under this subsection, or in lieu of such grants, the Secretary is authorized to provide technical assistance for the foregoing purposes.

"(c) The Secretary is authorized to contract with an organization or agency which is described in subsection (a) of this section and which has been either newly established or substantially enlarged, to pay all or a part of any operating deficits, for not more than five years. Any such contract shall condition payments upon the contractor's making all reasonable effort to avoid or minimize operating deficits and making reasonable progress toward becoming self-supporting.

### "RECRUITMENT, EDUCATION, AND TRAINING OF PERSONNEL

"SEC. 1105. (a) In consultation with State comprehensive health planning agencies, and with regional medical programs, the Secretary shall establish schedules of priority for the recruitment, education, and training of personnel to meet the most urgent needs of the rising demand for health care.

"(b) The Secretary is authorized to provide, to physicians and medical students, training for the general or family practice of medicine and training in any other medical specialty in which the Secretary finds that there is, for the purposes of this title, a critical shortage of qualified practitioners.

"(c) The Secretary shall provide education or training for those classes of health personnel (professional, subprofessional, or nonprofessional) for whom he finds the greatest need, if other Federal financial assistance is not available for such education or training; and if other assistance is available but the Secretary deems it inadequate to meet the current or future needs of the nation, he may provide such education or training pending action by the Congress to provide such additional assistance as is required adequately to meet such needs.

"(d) The training of personnel authorized by this section includes the development of new kinds of health personnel to assist in the furnishing of comprehensive health services, and also includes the training of persons to provide education for personal health maintenance, and the training of persons to provide liaison between the residents of an area and the health organizations and personnel serving them. The Secretary may make grants to public or other nonprofit health agencies, institutions, or organizations to a part or all of the cost of testing the utility of new kinds of health personnel.

"(e) Education and training under this section shall be provided by the Secretary through contracts with appropriate educational institutions or such other institutions, agencies, or organizations as he finds qualified for this purpose. The Secretary may provide directly, or through the contractor for the payment of stipends to students or trainees in amounts not exceeding the stipends payable under comparable Federal education or training programs.

"(f) The Secretary shall undertake to recruit and train professional practitioners who will agree to practice, in urban or rural areas of acute shortage, in comprehensive health service organizations referred to in section 1107(a) or in agencies, organizations, or centers referred to in section 1107(b). A practitioner who agrees to engage in such practice for at least five years may be paid a stipend of an amount which the Secretary deems to be appropriate to supplement his professional earnings, and in an exceptional case the Secretary may make a commitment to compensate a practitioner for a period after the first five years of professional practice when necessary to assure the availability of professional services in such an area of acute shortage.

### "SPECIAL IMPROVEMENT GRANTS

"SEC. 1106. (a) The Secretary is authorized to make grants to public or other nonprofit health agencies, institutions, and organizations to pay part or all of the cost of establishing improved coordination and linkages among institutional services, among noninstitutional services, and between services of the two kinds.

"(b) The Secretary is authorized to make grants to organizations, agencies, and centers described in section 1107 to pay part or all of the cost of installation of improved utilization review, budget, statistical, or records and information retrieval systems, including the acquisition of equipment therefor, or to pay part or all of the cost of acquisition and installation of diagnostic or therapeutic equipment.

### "DEFINITIONS

"SEC. 1107. For the purposes of this title—

"(a) the term 'comprehensive health service system' means a system providing health care to an identified population, living in or near a specified service area and enrolled as members in the organization, through arrangements which embody prepaid group practice (or other definitive arrangements which the Secretary finds will provide to enrollees the benefits of prepaid group practice) so as to: (1) provide comprehensive health services, (2) assure continuity of care and the ready referral and transfer of patients where medically appropriate, and (3) to the extent practicable and consistent with good medical practice, employ allied health personnel in the furnishing of services; and

"(b) the term 'other qualified health service systems' includes (1) public or other nonprofit agencies or organizations (including hospitals) which furnish a full range of comprehensive health services to ambulatory patients; or (2) public or nonprofit centers (including satellite centers established by hospitals, professional foundations sponsored by city, county, or State medical societies, or any organization approved by the Secretary) which (A) furnish, as a minimum, the services of two or more physicians engaged in general or family practice, the services of nurses and supporting personnel, and basic laboratory services, which the Secretary finds sufficient for the primary medical care of a substantial population living in the vicinity of the center, and (B) have arrangements with other providers of services which the Secretary finds assure to the population served by the center, all the components of comprehensive health care.

### "APPROPRIATIONS

"SEC. 1108. There are authorized to be appropriated for the fiscal year ending June 30, 1972, and for each of the four fiscal years thereafter, such sums as may be necessary to carry out the purposes of his title."

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By Mr. NELSON (for himself, Mr. McGOVERN, Mr. BURDICK, Mr. MONDALE, and Mr. HUGHES):

S. 2828. A bill to amend sections 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly and for other purposes. Referred to the Committee on the Judiciary.

### THE FAMILY FARM ACT OF 1972

Mr. NELSON. Mr. President, I am introducing, for appropriate reference, the Family Farm Act of 1972. This legislation will declare, and put into effect, a national policy to provide for the continuance—and enhancement—of the family farm.

It is with a sense of special urgency that this legislation is introduced. Because of what is taking place in agriculture today, and what has been taking place with increasing tempo in rural America for the past 20 years, managers of large corporations and conglomerates have descended on agriculture. From their carpeted offices far from the land they control, and armed with favorable depreciation rates on machinery and equipment, tax writeoffs and long-term capital gains advantages, these managers can manipulate losses on the farm into profits for the absentee investors and still expand land holdings. The Internal Revenue Service tells us that of the 17,578 corporations reporting farming as their principal business in 1965, only 9,244 reported a profit for tax purposes. Of their gross receipts of $4.3 billion, only $199 million was considered taxable income—a mere 4.5-percent tax rate. For the family farmer who remains on the land, the losses remain a loss. And with the artificial market created by the corporation, the losses to the resident farmer have become greater and more frequent.

Combined with other incentives for bigness, the family farmer has found himself in an unfair competitive position. That there has been a large-scale exodus from the farm to the city has been amply documented, discussed, debated—and grieved. Since 1950, more than 15 million Americans have left the farm in hopes of salvaging a livelihood in the great metropolitan centers.

For many, however, the promise of security in the city proved a delusion. Even those who were successful in the transition only left others without work. Overcrowding, unemployment, soaring relief rolls—tension and frustration.

The opening pages of the 1967 President's National Advisory Commission on Rural Poverty reports:

> The urban riots during 1967 had their roots in considerable part in rural poverty.

The McCone commission report on the Watts riot in Los Angeles and the Kerner report on civil disorders reinforced that report.

Rural out-migration is not a problem confined to the rural areas. It is a national problem—and a critical one—that affects every economic and social sector.

The displacement of rural Americans did not manifest itself in sagging economies and poverty in the cities alone. Seven percent of this country's people live on farms, while 16 percent of the poor in America live on farms and 32 percent of the poor in America are rural nonfarmers.

But the economic, social and cultural consequences of the trend to big corporate farms is more insidious than the cold statistics of poverty.

Such businesses as implement dealers, hardware stores, lumber yards and feed stores must have a good number of prosperous farmer-customers to stay in business. The number of farm families in a trade area also is an important factor because of its direct effect on such businesses as grocery stores, drug stores, newspapers and filling stations.

It is also easy to see the effect a sharp cutback in farm family numbers would have on obtaining, or retaining, such professionals as doctors, dentists, pharmacists, and lawyers.

Experience shows, in areas where corporations have moved in, that one of the first moves made by farm managers is to tear down farmbuildings to cut real estate taxes. Then they truck in seed, fertilizer and other inputs purchased direct from manufacturers to avoid buying locally at retail, they import migrant farm laborers on an intermittent basis to cut labor costs, and they bypass the local farm supply and marketing cooperatives.

The surviving farmers and small town merchants are left to pay the social costs.

Probably the best existing study of this problem was published in 1946—"Small Business and the Community Effects of Scale of Farm Operations," December, 1946, Senate Committee on Small Business.

Although 25 years old, this study probably reflects, better than anything published before or since, the kind of problem that is involved.

The study, by Walter Goldschmidt, involved the social organization of two towns in California in land areas of equal productivity. The only difference in the two communities was in the type of agriculture in the areas they served.

Arvin, Calif., served a corporate farming area worked predominantly by hired labor. It was a town of honky-tonks, poor housing, a few weak service clubs, shaky businesses, a single elementary school, and one playground loaned by a local industry.

Dinuba, Calif., served an area of family farms. It was a town of attractive residential streets, permanent churches, three parks, three elementary schools and a high school, strong service clubs, lodges and veterans organizations, furniture and household furnishings stores, implement dealers, and hardware and clothing stores.

The town serving the family farm area had twice as many business establishments, nearly twice as much annual trade—$4.4 million versus $2.5 million for Arvin—and three times the volume of trade in household supplies and building materials and equipment.

Goldschmidt's summary of findings added:

> The investigation disclosed other vast differences in the economic and social life of the two communities and affords strong support for the belief that small farms provide the basis for a richer community life and greater sum of those values for which America stands, than do industrialized farms of the usual type.

The social and cultural consequences of the trend to big corporate farms is easily recognized. The rural towns suffer a population loss that is in almost direct proportion to the loss of farm families from the community.

Churches, schools, and other social service groups wither and disappear for lack of people to use their services and for inability to hold the type of community leaders needed to make them effective.

The Goldschmidt study of the California towns provides some data in the people-oriented aspect, too, of differences between communities in trade areas with family farms and those with corporate farms.

More than one-half of the breadwinners in the small farm community are independent businessmen, persons in white-collar employment or farmers; in the corporate farm community the proportion is less than one-fifth.

Less than one-third of the breadwinners in the small farm community are agricultural wage laborers—characteristically landless and with low and insecure income—while the proportion of persons in this position in the corporation farm community is about two-thirds.

Schools are more plentiful and offer broader services in the small farm community.

The small farm community has more than twice the number of organizations for civic improvement and social recreation than its corporation farm counterpart.

Provision for public recreation centers, Boy Scout troops, and similar facilities for enrichment of people is much greater in the small farm community.

The small town community supports two newspapers, each with many times the news space carried in the single paper of the corporate farm community.

Facilities for making decisions on community welfare through local popular elections are available to people in the small farm community while the corporate farm community's decisions are made through a county government setup.

Goldschmidt's study sums up the relationships and what they mean in this way:

> The small farm community is a population of middle-class persons with a high degree of stability in income and tenure, and a strong economic and social interest in their community. Differences in wealth among them are not great and the people generally associate together in those organizations which serve the community.
>
> Where farms are large, on the other hand, the population consists of relatively few persons with economic stability, and of large numbers whose only tie to the community is their uncertain and relatively low-income job. Differences in wealth are great among members of this community and social contacts between them are rare.
>
> Indeed, even the operators of large scale farms are frequently absentees; and if they do live in Arvin, they as often seek their recreation in the nearby city. Their interest in the social life of the community is hardly greater than that of the laborer whose tenure is transitory.
>
> Even the businessmen of the large farm community frequently express their own feelings of impermanence; and their financial investment in the community, kept usually at a minimum, reflects the same view.
>
> Attitudes such as these are not conducive to stability and the rich kind of rural community life which is properly associated with the traditional family farm.

All that was 25 years ago. Yet, the invasion of agriculture by large, absentee corporate interests continues unabated. All of which is aided by the U.S. Department of Agriculture which often finances research with taxpayer dollars that is aimed at ways to make farms bigger, rather than ways to make small farms sustain families who can compete economically in dignity and reasonable living standards.

Nick Kotz, in his recent excellent series in the Washington Post, emphasizes this point. He tells us that the Department apparently would rather finance development of a new, tough strawberry that can be harvested by machine than a strawberry that tastes better or is more nutritious. This is the same department, according to Mr. Kotz, that has given little or no comfort and aid to a small, new cooperative organized by former migrant laborers to get into the strawberry cultivation business themselves.

But the mere entry of corporations into agriculture has not been enough, especially for the conglomerates that have honed their managerial prowess into widely diversified interests that control a broad spectrum of agriculturally-related businesses.

They buy seed from one of their own subsidiaries to plant in machinery manufactured by another to plant on the land owned by another to be tendered by laborers with pesticides, fertilizers, and machinery manufactured by still others within the same corporate structure. The produce is shipped in trucks owned by yet another subsidiary, packed in cartons manufactured by another and marketed by still another.

Now, some conglomerates reportedly are beginning to enter the restaurant and supermarket business to complete the vertical chain from seed to supermarket.

Mr. President, not long ago the proud products of rural America were good food and fiber, free men and women, and healthy children with happy futures on the land cared by their fathers and forefathers. There were exceptions, of course. But the ideal and in large measure the attainment were there: to raise all those products on the American land—the food, the fiber and the strong, free people.

Tragic changes have occurred, and there are many and complex causes for this tragedy which is still building and even accelerating.

But the largest cause, I think, is the development of public policies that have equated goodness with bigness, quality with size. These policies have led to the emergence of giant corporations as the dominant force in manufacturing. Dominance of the few at the expense of the many who have been unable to compete against the preferential treatment this country accords big money. Unless the policies are dramatically reevaluated and changed, they will lead to like dominance of agriculture.

The Family Farm Act of 1972 provides the Congress with the means to preserve free, private enterprise, to protect small business and prevent insidious monopolistic tendencies in agriculture.

Mr. President, I ask unanimous consent that the Family Farm Act of 1972 be printed at this point in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 2828

A bill to amend Sections 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* that Sec. 9 of the Clayton Act (38 Stat. 730; 15 USCA, Sec. 12) is amended by adding the following:

"FINDINGS AND PURPOSES

"SEC. 9. (a) The Congress finds that it is desirable to preserve free, private enterprise, to protect small business and prevent monopoly, and to protect opportunity for family farmers in interstate commerce, as well as to protect consumers. Vertical integration of the agricultural industry by the processing, distributing and retailing industries and conglomerate businesses has created situations of unfair, monopolistic competition for the family farmer. This situation has contributed to the decline of rural populations and the consequent crowding of metropolitan centers. It has resulted in a noticeable decline in competition in some phases of agricultural production and threatens others. It is the national policy to restore competition to the agricultural industry and to provide for the continuance of the family farm.

"(b) This Act shall be known as the Family Farm Act of 1972.

"(c) No person, partnership, corporation, trust or conglomerate business entity engaged in non-farming business in or affecting commerce and owning or controlling assets amounting to more than $3,000,000, or owning or controlling stock or other share of capital in one or more business entities in commerce with a total value of $1,000,000 or more, such as those corporations engaged in the meat or poultry packing business or the wholesaling or retailing of red meat, poultry or livestock products, including dairy products; or engaged in the processing, purchasing, selling or handling of grain or other field crops, including fruits, vegetables, pulses, or animal feeds; or engaged in the production, sale or distribution of agricultural chemicals and fertilizers or petroleum products; or engaged in the manufacture, sale or distribution of farm supplies, including machinery, buildings, fencing or other equipment; or engaged in the business of insurance banking, money lending or extension of real estate or production credit or selling goods to or providing services to farmers; or engaging in other similar business activities or in buying agricultural products except farmer-owned and controlled cooperatives, corporations and associations which meet the conditions of the Capper-Volstead Act (42 Stat. 388) shall directly or indirectly engage in farming or production of agricultural products, or control, or attempt to control, agricultural production through the ownership or leasing of land for agricultural purposes or by contracts with others or by integration, merger or any other means of acquisition or control; provided that the foregoing prohibition shall not apply in the case of any one or more of the following:

"(1) charitable institutions which engage in agricultural production for other than income purposes as part of their charitable function;

"(2) education institutions engaged in research as part of academic and extension activities; and

"(3) non-profit institutions engaged in agricultural production solely for purposes of research.

"(d) Every person, partnership, corporation trust or conglomerate business entity subject to the prohibitions of Section 9(c) of this Act that is lawfully engaged in agricultural production or controls agricultural production prior to the enactment of this Act shall be required to devist all holdings, assets and other interests in such production within five years after enactment of this Act.

"(e) Nothing in any provision of this Act shall be construed to prevent any creditor, legatee, beneficiary, or interstate successor subject to Section 9(c) of this Act from lawfully acquiring pursuant to forfeiture or laws of succession land or other means of agricultural production provided that they shall divest themselves of such property within two years of acquisition.

"(f) Section 11 of the Clayton Act (38 Stat. 730) is hereby amended to include Section 9 within the enforcement provisions of Section 11."

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By Mr. BAYH (for himself and Mr. COOK):

S. 2829. A bill to strengthen interstate reporting and interstate services for parents of runaway children; to conduct research on the size of the runaway youth population; for the establishment, maintenance, and operation of temporary housing and counseling services for transient youth, and for other purposes. Referred to the Committee on the Judiciary by unanimous consent.

### THE RUNAWAY YOUTH ACT

Mr. BAYH. Mr. President, I introduce with the Senator from Kentucky (Mr. COOK) the Runaway Youth Act. As members of the Subcommittee to Investigate Juvenile Delinquency, we have become increasingly concerned with the problem of children who leave home without parental permission. Our bill is designed to deal with that problem—a problem which is not well known to the Nation but which every year touches the lives of 1 million families. That is the best estimate of how many children under the age of 18 run away each year.

The problem of runaways is another problem of our cities. A recent study in Minneapolis showed that several thousand children ran away in 1969. Every year 10,000 young people run away from homes in the Washington area. And, it is now an accepted part of the urban scene to see hundreds of young street people in the hip areas of most of our major cities. Many of these children are away from home without permission.

These children have for the most part committed no crime, although in most jurisdictions the very act of running away may be sufficient to result in detention as a juvenile delinquent. They are more of a danger to themselves than to society. On the street away from parental supervision and direction, these children are vulnerable. Although statistical records are not kept, it appears that many of these children live in the suburbs and are white. In our cities, such youngsters—most of whom are under 16—are easy marks for the pusher, the hustler, or the street thug.

Many runaways are picked up by the police and eventually returned home. However, the vast majority never have any contact with the police and eventually come home on their own. The problem is that return by the police or voluntary return when street life becomes too hard usually solves nothing. The problems of home, of school and of growing up which caused the child to run away in the first place are still there. What these children need are effective community services which can help them and their families resolve the underlying problems.

Although insufficient, there are a few underfunded, understaffed, but highly effective halfway houses in several of our large cities. They get the kids off the street before they are physically harmed. They contact the parents and give counseling to the child so that he may better understand some of the problems that caused him to run away. The counselors in these houses bridge the gap between parent and child in an effort to make the return home as untraumatic as possible. Though limited by lack of funds and staff, these programs occasionally offer followup counseling to child and family to help resolve the family or personal problems which caused the run initially.

These houses are the models for which I consider the most important part of my program to deal with runaway youth. They were brought to my attention as part of a Runaway Youth Act introduced by Congressman KEATING. However, they were only a relatively small part of his bill, since most of the money was authorized to be spent by the Law Enforcement Assistance Administration to buy Teletype and other police communications equipment. I believe what we need to deal with the problems of youth are hard programs, not hardware. Runaway houses staffed with concerned, competent, and dedicated counselors are vital in developing a solution to the problem of runaway youth.

Such houses, placed in the communities where runaways tend to congregate, can be an effective means of voluntarily getting kids off the street and back to their homes. They should be equipped to give temporary shelter, intensive short-term counseling, and should be capable of calling on the medical and psychological services of the local community when needed. Most importantly, they should be capable of providing followup counseling. While the fragmented statistics now available show that a substantial minority of runaways travel great distances, the majority still tend to run from surrounding suburbs into our major cities. This group of children could be effectively served by a trained staff capable of traveling back to the suburbs to counsel the families of runaways or to suggest more highly specialized psychological or psychiatric help.

The problem of runaways is part of the larger problem of juvenile delinquency with which I have long been concerned. My experience has taught me two things: first, the younger we identify and begin to aid the potential delinquent, the greater the likelihood that he will respond favorably; and, second, contact with the present juvenile justice system is more likely to be damaging than helpful for the majority of youngsters.

The Runaway Youth Act takes account of both these factors. Today's runaway may be tomorrow's delinquent. If we can aid him while he is young and before he has been in serious trouble, future delinquency may be avoided. My bill attempts to provide a useful alternative to the juvenile justice system. By keeping these youngsters out of the system, we may be able to insure that they will be more effectively helped. The system will also be less overburdened and more able to deal with really serious offenders.

Mr. President, these are the hopes I have for the success of the Runaway Youth Act. If we act now some of the senseless tragedy which befalls many of our Nation's families can be more effectively dealt with or avoided altogether. My bill would achieve this by doing two things:

First, the Secretary of Health, Education, and Welfare is authorized to fund a major halfway house program in areas where runaways tend to congregate. Unlike the traditional halfway houses, these runaway houses would be designed to shelter youngsters for a short length of time and not on a permanent basis. Their purpose would be to remove runaways from the street and to give them the counseling needed to allow them to return home voluntarily. Professional medical and psychological help would be available from the community on an as-needed basis.

Most importantly, these houses would be equipped to do field counseling for the children and their families after the runaways have returned home. This could prove an effective means of reaching the underlying problems that caused the run in the first place. If field counseling were not appropriate, information on where to seek more comprehensive professional help could be supplied. In short, these houses would serve as a highly specialized alternative to the traditional law enforcement or juvenile justice method of dealing with runaways.

Ten million dollars would be authorized each year for this purpose. While this sum does not appear large in comparison to the size of the problem, it should make a significant impact. Runaway houses, because their residential care is of short duration, can handle large numbers of children at a low cost. I estimate that a runaway house with a maximum capacity of 20 children could serve 1,000 children a year on an annual operating budget of $50,000. This is based upon the actual operating experience of the runaway house here in Washington. If we assume that the average capital cost of such a house would be $150,000, then my bill could finance the purchase and operation of 100 runaway houses that could serve 100,000 runaway children each year.

Second, the Secretary of Health, Education, and Welfare would be authorized to finance research to develop national statistics on the runaway youth population. While many officials are aware of the problem, there has been very little research done on who runs away, where they run to, how long they stay, and related questions. Such information is vitally necessary to gain a better, more comprehensive understanding of the problem. For this purpose, my bill authorizes $500,000 and requires the Secretary to report to Congress by June 30, 1973.

Mr. President, as the means of rapid travel continue to improve, the problems of runaway children and their families will grow more serious. I hope that Senators will give speedy consideration to my bill so that we can begin to deal more sensibly with the problem of runaway youth. I ask unanimous consent that the text of the bill and the summary be printed in the Record.

There being no objection, the bill and summary were ordered to be printed in the Record, as follows:

### S. 2829

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Runaway Youth Act."

### FINDINGS AND DECLARATION OF POLICY

Sec. 2. The Congress hereby finds that—

(1) the number of juveniles who leave and remain away from home without parental permission has increased to alarming proportions, creating a substantial law enforcement problem for the communities inundated, and significantly endangering the young people who are without resources and live on the street;

(2) that the exact nature of the problem is not well defined because national statistics on the size and profile of the runaway youth population are not tabulated;

(3) that many of these young people, because of their age and situation, are urgently in need of temporary shelter and counseling services;

(4) that the anxieties and fears of parents whose children have run away from home can best be alleviated by effective interstate reporting services and the earliest possible contact with their children;

(5) that the problem of locating, detaining, and returning runaway children should not be the responsibility of already overburdened police departments and juvenile justice authorities; and

(6) that in view of the interstate nature of the problem, it is the responsibility of the Federal government to develop accurate reporting of the problem nationally and to develop an effective system of temporary care outside the law enforcement structure.

### TITLE I

Sec. 101. The Secretary of Health, Education, and Welfare is authorized to make grants and to provide technical assistance to localities and nonprofit private agencies in accordance with the provisions of this title beginning July 1, 1972, and ending June 30, 1975. Grants under this title should be made for the purpose of developing local facilities to deal primarily with the immediate needs of runaways in a manner which, wherever possible, is outside the law enforcement structure and juvenile justice system. The size of such grants should be determined by the number of runaway children in the community and the existing availability of services. Among applicants priority should be given to private organizations or institutions who have had past experience in dealing with runaways.

Sec. 102. (a) To be eligible for assistance under this title, an applicant must propose to establish, strengthen, or fund an existing or proposed runaway house, a locally controlled facility providing temporary shelter, and counseling services to juveniles who have left home without the specific permission of their parents or guardians.

(b) In order to qualify, an applicant must submit a plan to the Secretary of Health, Education, and Welfare meeting the following requirements and including the following information. Each house:

(1) shall be located in an area which is demonstrably frequented by or easily reachable by runaway children;

(2) shall have a maximum capacity of no more than 20 children, with a ratio of staff to children of sufficient proportion to insure adequate supervision and treatment;

(3) shall develop an adequate plan for contacting the child's parents and insuring his safe return according to the best interests of the child;

(4) shall develop an adequate plan for insuring proper relations with law enforcement personnel, and the return of runaways from correctional institutions;

(5) shall develop an adequate plan for aftercare counseling involving runaway children and their parents within a 25-mile radius of the House;

(6) shall keep adequate statistical records profiling the children and parents which it serves;

(7) shall submit annual reports to the Secretary of Health, Education and Welfare detailing how the House has been able to meet the goals of its plans and reporting the statistical summaries required in Sec. 102(b)(6);

(8) shall demonstrate its ability to operate under accounting procedures and fiscal control devices as required by the Secretary of Health, Education and Welfare; and

(9) shall supply such other information as the Secretary of Health, Education and Welfare deems necessary.

Sec. 103. An application by a State, locality, or non-profit private agency for a grant under this title may be approved by the Secretary only if it is consistent with the applicable provisions of this title and meets the requirements set forth in section 102.

SEC. 104. Nothing in this title shall be construed to deny grants to non-profit private agencies which are fully controlled by private boards or persons but which in other ways meet the requirements of this title and agree to be legally responsible for the operation of the runaway house. Nothing in this title shall give the Federal Government and its agencies control over the staffing and personnel decisions of facilities receiving Federal funds, except as the staffs of such facilities must meet the standards under this title.

SEC. 105. The Secretary of Health, Education, and Welfare shall annually report to Congress on the status and accomplishments of the runaway houses which were funded with particular attention to:

(1) their effectiveness in alleviating the problems of runaway youth;

(2) their effectiveness in insuring an early return to the children's homes and in encouraging the resolution of intrafamily problems through counseling and other services;

(3) their effectiveness in reducing drug abuse and undesirable conditions existing in areas which runaway youth frequent; and

(4) their effectiveness in strengthening family relationships and encouraging stable living situations for children.

SEC. 106. As used in this title, the term "State" shall include Puerto Rico, the District of Columbia, Guam, and the Virgin Islands.

SEC. 107. (a) The Federal share for the construction of new facilities under this title shall be no more than 50 per centum. The Federal share for the acquisition and renovation of existing structures, the provision of counseling services, staff training, and the general costs of operations of such facility's budget for any fiscal year shall be 90 per centum.

(b) The Secretary of Health, Education, and Welfare shall pay to each applicant which has an application approved 90 per centum of the cost of such applications.

(c) Payments under this section may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on accont of overpayments or underpayments.

(d) There is authorized to be appropriated for each of the fiscal years 1973, 1974, and 1975 not to exceed $10,000,000 to carry out this title.

### TITLE II

SEC. 201. The Secretary of Health, Education and Welfare shall gather information and carry out a comprehensive statistical survey defining the major characteristics of the runaway youth population and determining the areas of the country most affected. Such survey shall include, but not be limited to, the age, sex, socio-economic background of runaway children, the places from which and to which children run, and the relationship between runniing away and other illegal behavior. The Secretary shall report to Congress not later than June 30, 1973.

SEC. 202. There is authorized to be appropriated a sum not to exceed $500,000 to carry out this title.

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### SUMMARY OF THE RUNAWAY YOUTH ACT

Title I authorizes the Secretary of Health, Education, and Welfare to make grants to establish local institutions to deal primarily with runaways outside the traditional law enforcement, juvenile justice system.

Section 101 requires that grants be made on the basis of the number of runaways in the community and the present availability of services for runaways. Additionally, it requires that priority be given to private organizations who have had experience dealing with runaways.

Section 102 establishes the requirements which runaway houses must meet to be eligible to receive grants. These include: (1) location in an area frequented or reachable by runaways; (2) a maximum capacity of no more than 20; and (3) the development of adequate plans to insure proper contact with the police, safe return of the runaway, and adequate after-care counseling. Additionally, each proposed grantee must keep statistical surveys of their clients and report them annually to the Secretary. This is intended to aid in the research financed through title II.

Section 103 requires that a plan meet the requirements of Section 102 before it may be approved by the Secretary.

Section 104 insures that the Federal government will have no direct control over the staffing of the runaway houses.

Section 105 requires the Secretary to report annually to Congress on the effectiveness of runaway houses.

Section 106 includes Puerto Rico, the District of Columbia, Guam, and the Virgin Islands in the term "State".

Section 107 authorizes $10,000,000 for fiscal years 1973, 1974, and 1975. Additionally, it requires that the Federal share of the cost of constructing such houses be no more than 50 percent. The Federal share of the cost of renovating existing structures, providing counseling services and staff training, and general operating expenses is established at 90 percent.

Title II authorized the Secretary of Health, Education and Welfare to conduct research on all aspects of the runaway problem. It authorizes $500,000 to be spent for this purpose and requires the Secretary to report to Congress no later than June 30, 1973.

Mr. COOK. Mr. President, it is with great pleasure that I join with my distinguished colleague from Indiana, Senator BAYH, in introducing the Runaway Youth Act of 1971, a bill designed to insure adequate temporary shelter and adult counsel to the increasing number of youths who feel pressured at one time or another during adolescence into running away from home.

Growing up in today's world is a demanding and confusing experience. Pressures from home, school, family and friends quite often come into conflict with one another. Learning to resolve these pressures is just another aspect of the gradual process of growing up.

But growing up is not easy. Growing up involves much trial and error. We forget that our young people require our patience and understanding in working through even their most ordinary sorts of problems.

All of us have felt the need, when pressures mount, simply to get away. For most of us this involves little more than retreat to another room or a brisk walk around the block. We have learned to cope with our problems on our own. For many of our young people, however, the solution is not so simple. And quite often, in confusion, an adolescent will leave home.

Running away is a juvenile offense and, as such, falls under the jurisdiction of our criminal justice system. But running away is not a criminal offense, it is simply a crime of status. As the Senator from Indiana so aptly pointed out, the runaway is more a danger to himself than he is to society. He is in need of our help and understanding, not criminal detention.

This bill is intended to promote reasonable and useful alternatives to existing juvenile justice facilities. It encourages the establishment of emergency shelters for truant youths, temporary homes where young people are urged to work through their personal problems, to counsel, and to contact their friends and talk with their peers and with adult family. Such homes would bridge the gap between the child, his family and his community which our law enforcement system is unable to fill. It would approach the root causes of delinquent behavior rather than just their manifestations.

In my own State of Kentucky some 7 percent or 1,565 of the juvenile arrests recorded in the 1970 Kentucky uniform crime reports represent runaways. And these figures shed little light on the total number of youth leaving home for brief periods who go unreported. The vast majority of reported arrests involved children between the ages of 13 and 16 who left home for no more than a day or two and who remained within their home county. The need, then, is temporary and local, but nonetheless urgent and important.

The adolescent with a behavioral or an emotional problem is often seeking attention and help through his delinquent behavior. I believe we owe our children this time and support, both in the home and in the community. As ranking minority member of the Senate Subcommittee to Investigate Juvenile Delinquency and the father of five. I am deeply concerned with the problems of today's youth. I am convinced that this legislation is one step toward a more socially responsible and workable approach to juvenile delinquency.

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By Mr. HUMPHREY (for himself, Mr. YOUNG, Mr. MCGOVERN, Mr. MONDALE, and Mr. HARTKE):

S.J. Res. 172. A joint resolution to provide emergency measures to improve farm income. Referred to the Committee on Agriculture and Forestry.

### FARMERS INCOME IMPROVEMENT ACT OF 1971

Mr. HUMPHREY. Mr. President, I am today introducing a resolution to provide emergency measures to improve farm income both in 1971 and in 1972. Last year wheat and feed grain producers were asked to increase their production to meet expected utilization demands for the current marketing year. The so-called set-aside program provided for these crops, resulting in substantial overproduction of both commodities.

Now unless something is done before the end of this session of Congress, producers of these commodities may not be around next year to see if the 1972 programs work better than those in 1971. Prices paid by wheat and feed grain farmers for production supplies, interest, taxes, and farm wage rates are 6 percent higher this year while the prices they receive for their products are down substantially from what they were last year. A year ago the U.S. average farm price of wheat was $1.43 per bushel. Today it is $1.30—and much less at most country points throughout the wheat regions of the country. Last year, the U.S. average farm price of corn was $1.34 per bushel.

Today it is $1 per bushel—and again, much less at most country points throughout the Midwest.

Mr. President, the resolution I am introducing today would accomplish basically three things:

First. It would establish a base acreage program for the 1972 feed grain crop,

Second. It would establish an additional voluntary acreage diversion program for the 1972 wheat program, and

Third. It would raise the loan levels for both the 1971 crops of wheat and feed grains by 25 percent.

Because of the inadequacy of the current and announced administration programs for 1972, I introduced earlier, S. 2729, a bill to authorize a strategic storable agricultural food commodity reserve, to be made up of up to 30 million tons of feed grains, 300 million bushels of wheat, 100 million bushels of soybeans and dairy and poultry products at levels determined by the Secretary of Agriculture. Enactment of this bill, supplemented by the enactment of the resolution I am introducing today, would bring both immediate and long-term income relief to wheat and feed grains producers. Taken together, these proposals would not involve extra costs for the Government, yet would increase the farm value of the 1971 and 1972 grain crops about $1.5 billion each year or a total of $33 billion for both years.

Mr. President, the 1971 set-aside programs for wheat and feed grains clearly demonstrated the failure of this approach in keeping production in line with utilization demands. Yet, Secretary Hardin has announced that he intends to once again rely upon the acreage set-aside program approach for the 1972 crops of wheat and feed grains. They are expected to be the most costly programs to date and will likely do nothing to reduce carryover of stocks created this year. In fact, there is a good chance that they will result in adding further to the carryover stocks again next year.

The need for a return to the base acreage system for feed grains and the need for the establishment of an additional acreage diversion program for wheat is clearly evident. Therefore, we should move to these programs for the 1972 crops of feed grains and wheat respectively supplemented by enactment of S. 2729, or similar legislation to remove the carryover stocks created as a result of the 1971 set-aside programs.

I invite the other Members of the Senate to join me as cosponsors of this resolution as well as S. 2729, my strategic reserve bill. I hope that the Senate can take early action on these measures. The future economic well being of our Nation's wheat and feed grains producers depends upon it.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 2467

At the request of Mr. HOLLINGS, the Senator from Kentucky (Mr. COOK) was added as a cosponsor of S. 2467, a bill to amend the Natural Gas Act.

### SENATE JOINT RESOLUTION 67

At the request of Mr. HART, the Senator from Maryland (Mr. BEALL) was added as a cosponsor of Senate Joint Resolution 67, to authorize the President to issue a proclamation designating the last full calendar week in April of each year as "National Secretaries Week."

## SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971—AMENDMENTS

### AMENDMENT NO. 629

(Ordered to be printed and to lie on the table.)

Mr. JAVITS (for himself, Mr. TUNNEY, Mr. KENNEDY, Mr. PERCY, Mr. MCGEE, Mr. CASE, and Mr. HUMPHREY) submitted amendments, intended to be proposed by them, jointly, to the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

## REGULATION OF DUMPING OF CERTAIN MATERIALS—AMENDMENTS

### AMENDMENT NO. 630

(Ordered to be printed, and referred to the Committees on Commerce and Public Welfare, jointly.)

Mr. NELSON submitted amendments, intended to be proposed by him, to the bill (H.R. 9727) to regulate the dumping of material in the oceans, coastal, and other waters, and for other purposes.

## SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1971—AMENDMENTS

### AMENDMENT NO. 631

(Ordered to be printed and to lie on the table.)

Mr. STENNIS. Mr. President, I will discuss the amendment which I am now submitting in more detail later in this debate. For the moment, I would like to say, however, that this amendment proposes modest increases in the military aid and supporting assistance programs of the foreign aid bill.

Concerning military aid, the amendment increases the authorization to a total of $452 million. This is the level of assistance which was included in the bill as it was finally defeated on the Senate floor. In other words, my amendment would raise military assistance from $350 million to $452 million, the level which would have been authorized after the Church amendment on the floor of the Senate—and, as you all know, the Church amendment was the second of two 20 percent cuts in this authorization. The level I am proposing is well below the $705 million requested by the administration, below the $705 million authorized by the House, and below the $565 million originally proposed by the Foreign Relations Committee.

On supporting assistance, my amendment proposes a total of $566 million. This is an increase from the $350 million proposed most recently by the Foreign Relations Committee, but it is below the $715 million authorized by the House and below the $614 million which would have been authorized by the Senate bill as it was rejected on the floor. It marks a reduction of approximately 8 percent below the figure in the former Senate bill. All of the above figures exclude $85 million in supporting assistance for Israel which is listed in a separate category of the bill.

I offer this amendment—to increase military assistance to the level in the Church amendment and to increase supporting assistance to a level 8 percent below that in the earlier Senate bill—because I believe that although prudent cuts in the foreign aid program and a redirection of the program were called for this year, the reductions proposed in the current Senate bill are unreasonable. It is simply impossible, Mr. President, to reduce programs by about 50 percent in a single year in view of the funds which have already been spent under a continuing resolution for more than one-third of that fiscal year. Cuts of this magnitude and suddenness are not examples of responsible legislating. As I shall discuss later, the bill as reported would seriously undermine our efforts to permit the countries of Southeast Asia to become self-sufficient, in terms both of defending themselves and of maintaining viable economies. In a word the cuts in the new bill simply go too far.

## ADDITIONAL COSPONSORS OF AMENDMENTS

### AMENDMENTS NOS. 576 THROUGH 581

At the request of Mr. ERVIN, the Senator from Utah (Mr. BENNETT) was added as a cosponsor of amendments Nos. 576, 577, 578, 579, 580, and 581, to the bill (S. 2515) to further promote equal employment opportunities for American workers.

### AMENDMENTS NOS. 622 THROUGH 627

At the request of Mr. ERVIN, the Senator from Utah (Mr. BENNETT) was added as a cosponsor of amendments Nos. 622, 623, 624, 625, 626, and 627, to the bill (S. 659) to amend the Higher Education Act of 1965, the Vocational Education Act of 1963 and related acts, and for other purposes.

## NOTICE OF HEARING ON 10-YEAR RECORD OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

Mr. METCALF. Mr. President, a joint hearing to evaluate the 10-year record of the Advisory Commission on Intergovernmental Relations and to assess its future role is scheduled to be held on November 16, room 2154 of the Rayburn House Office Building, beginning at 10 a.m. The hearing will be conducted before the Senate and House Subcommittees on Intergovernmental Relations.

Persons interested in testifying or submitting statements for the record should contact the chief clerk of the Senate subcommittee, Mrs. Lucinda T. Dennis—telephone: 225-4718.

## ADDITIONAL STATEMENTS

## DEDICATION OF PERCIVAL STERN HALL, TULANE UNIVERSITY—ADDRESS BY DR. D. W. McELROY, DIRECTOR, NATIONAL SCIENCE FOUNDATION

Mr. ELLENDER. Mr. President, Dr. W. D. McElroy, Director of the National Science Foundation, was in New Orleans recently to dedicate Percival Stern Hall, a new science building on the campus of Tulane University. The new complex represents an investment of nearly $7 million and it houses the departments of biology, chemistry, physics, and psychology.

The National Science Foundation's recognition of Tulane as a center of scientific thought and research is evidenced by the fact that the university was the recipient of a $3,685,000 science development award in 1966 and was again honored with a supplemental award of $1,035,000 in May of this year.

With this kind of support from the Federal level and with the interest that has for many years been manifested by the institution's president, Dr. Herbert Longenecker, and its administration, alumni, and friends, I am certain that we can look to Tulane for continued leadership in what has become a world so dependent on science and research.

Dr. McElroy's remarks at the dedication ceremony for the new Tulane facility stressed that scientists must make clear the dynamic relationship between basic research and social progress. His thesis about the role of modern science and the necessity of impressing upon the common man the impact of science on his daily life is both interesting and thought provoking. I invite the attention of my fellow Senators to these remarks, and I ask unanimous consent that they be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

### Remarks by W. D. McElroy Director, National Science Foundation Dedication of Percival Stern Hall, Tulane University, October 8, 1971

### SCIENCE AND MAN'S FUTURE

Members of the Tulane Board, Dr. Longenecker and other administrative officers of the University, members of the faculty, students, and alumni . . . and friends of Tulane . . . .

A visiting speaker is sometimes guilty of exaggeration when he describes in his opening remarks his happiness at being invited to some particular function. I can assure you, however, that today this expression of pleasure on my part is genuine.

Few things can be more rewarding for the Director of the National Science Foundation than to be able to take part in the dedication of a magnificent center for the sciences—especially when the Foundation was so intimately involved for so long in its development.

This is a magnificent building being dedicated today—

Spacious enough to enable the University to bring together under one roof its Departments of Biology, Chemistry, Physics and Psychology.

Arranged and equipped to provide ideal conditions for the mature and the neophyte scientist to work together in their pursuits of knowledge.

As magnificent as this structure is, I would like to believe that what Tulane is doing here today is not simply dedicating a building, but rededicating, or *reinforcing* a dedication to an idea, to a commitment, to a search for knowledge for the betterment of man.

I think "reinforcing" is the better term, because Tulane's long-term commitment is the reason this building stands here today.

And it is the reason, too, why I am here today.

For obviously I am here because of my position with NSF and because NSF clearly recognized Tulane's commitment. In May, 1966, NSF granted Tulane a $3,685,000 University Science Development Award. In May of this year, it granted the University a supplemental development award of $1,035,000.

A commitment of $4.7 million by NSF, I think you will agree, constitutes very clear reinforcement of Tulane's commitment.

These grants were not made as the result of application for funds to build new structures—though the major portion of Tulane's were used for construction and equipment—but rather to support a carefully considered academic program.

This and similar grants were made, rather, to institutions which already had relatively strong science programs and which demonstrated in their proposals that they could, with some assistance, develop into—and continue as—centers of high scientific quality. In Tulane's case, both grants included funds for your excellent Department of Mathematics, as well as for the four departments to be housed here.

This structure, then, is only the physical manifestation of Tulane's determination to be in the forefront and of NSF's recognition that it believes the University is capable of achieving its announced goals in the sciences.

This new science facility is the product of many forces and people working together.

This structure is a particular testimony to the critical importance of private gifts in the life of a private university. Without the great generosity of Percival Stern, of corporations, of private foundations, of alumni, and of a large number of Tulane's friends, this building would have never become a reality.

And while the financial assistance of so many was so vital, we cannot forget those individuals here at Tulane who worked diligently to improve the scientific capability of the University.

The first name that comes to mind is that of the late Joe Morris who, as a Tulane faculty member and administrative officer, served for years as a member of the National Science Board.

The second—and one more intimately involved with this particular building and with Tulane's recent scientific advance—is that of the late Fred Cagle. As the University's Coordinator of Research and later its Vice-president for Planning and Development, he nurtured and prepared Tulane's proposal to NSF for this award.

Dr. Longenecker's leadership and the support of the Tulane Board of Administrators are especially noteworthy in that they, thought faced with economic problems, decided to develop and strengthen Tulane's graduate science programs—a decision which, although costly, has proven to be a wise one when one considers how effective these programs have become. In terms of a recent rating by the American Council on Education, positive progress has been achieved within a specific period of time by each department covered by the award.

Because this building is also a symbol of how Tulane has communicated its needs and hopes to others, today it seems most appropriate to consider the topic of public understanding of science.

Let me outline some recent history to offer a historical perspective on the problem of interpreting science to the public. Before World War II, there was little incentive for the average citizen and scientist to communicate. But, as you know, the war precipitated a rapid rise in our national investment in science, which was later accelerated by the launching of Sputnik. Public interest in science rose concurrently with the increased investment. Today, thanks to this heightened level of public interest and investment, the United States is preeminent in scientific productivity and achievement. But it is increasingly clear, however, that interest and understanding do not necessarily go hand in hand.

The climate of public opinion has changed perceptibly since the mid-1960's, and one clear result of this change has been a greater need for people to understand where science is headed and what this will mean to them. The American citizen, living now in a post-industrial society, is increasingly aware of the impact of science and technology on the kind of world he lives in and the quality of his life. He feels change without completely understanding it. And yet seemingly he has little choice but to assimilate and tie it to his present problems and future aspirations. And to a few individuals, science is the tyranny of the modern age—more pervasive, more restrictive, and less human than political tyranny.

In his particular way, Ogden Nash perhaps anticipated these doubts in a long poem attacking progress—in which he noted in part:

"Somebody, bored with rural scenery,
Went to work and invented machinery,
While a couple of other mental giants
Got together
And thought up Science."

In addition to individual anxieties about science, there are governmental concerns, too. Because the Federal Government is the major financial supporter of scientific research, the size of the science budget and its relation to national goals has become a matter of growing Executive and Legislative inquiry.

It is my belief that the scientific community today is faced with a major new challenge: to justify scientific expenditures as a means for society to overcome some of its vexing problems. The key to an enlightened response to this challenge is deeper public understanding and greater public involvement in science policy issues.

Just as basic scientific research is the foundation of our technological strength, so an informed electorate is the foundation of our system of government. And most of us are now aware that a scientifically-knowledgeable electorate is increasingly critical to the future support of research.

The level of scientific literacy that served well just a few years ago no longer meets today's requirements. When science was remote, when its consequences in the form of new technology were assumed to be uniformly beneficial, a comparatively low level of scientific literacy was adequate. Now, such fields as ecology, genetics, and systems theory are tied to everyday problems and issues, and fairly sophisticated scientific literacy is called for in coping with such matters. But what should this higher level of scientific literacy provide?

—First, the new literacy should provide the citizen with an overview of science and a feel for the essential continuity of scientific change. When scientific ideas can be related to previous ideas and to related scientific facts and principles, science can be viewed as an evolutionary development rather than as a series of unpredictable and threatening bolts from the blue.

—Second, the new literacy should provide the citizen with an understanding about the scientist as a human being. How scientists think and work, the way in which the mosaic of science is pieced together, and what values scientists accept are important to an understanding of the scientific process.

Third, the new literacy should provide the citizen with help in assessing and using scientific information and thus absorbing it into the social fabric. When scientific experts disagree, the man in the street may tune them out. As long as the content of the dispute is purely scientific fact, it is the affair of the scientific community. But social concerns are involved when value judgments with scientific components—not simply questions of fact—are at stake. How clean is clean? How safe is safe? These are not purely scientific questions. Scientists may be able to tell us what the danger to organisms is as a result of different levels of radiation. But the decision as to an acceptable level of risk is a public decision, made by government. The layman needs help in sorting out fact from interpretation, and truth from cant.

In our effort to achieve a greater public understanding of science, what is the principal message that we want to carry to the citizens of this country? We live in a pragmatic age, an era in which people want to see results. Even the idealism of our young people is strongly interlaced with pragmatism.

So our most meaningful message is utility—the utility of science. Though in the past most scientists have never questioned the pursuit of new knowledge for its own sake, this philosophy is now open to question by the general public and by many scientists themselves. We must make clear the dynamic relationship between basic research and social progress. As a biologist, let me draw on some examples from my own discipline.

For the scientist, it is an article of faith that wherever good biology is practiced—or taught—benefits will accrue to society. It is an article of faith, but the past—over and over again—has proved that faith to be justified. In biological research, of course, social utility most often means medical progress. Examples of basic research in biology that have led to improvements in medical treatment are abundant. Let me cite just a few from the broad sweep of biological research. Because the examples are well-known to the biologists and medical scientists in the audience, I will not dwell on the details.

First, vaccines to prevent poliomyelitis were made possible because of the extensive fundamental research in virology and in developing tissue culture techniques.

Studies in nucleic acid metabolism have advanced to the stage where the development of immuno-suppressants for successful implantation of organs and tissues seems likely.

Research into the metabolism of biogenic amines in the brain—epenephrine and the catechol amines—have led to the synthesis of many valuable drugs now used for the treatment of mental illnesses.

Fundamental research into the physiological and biochemical changes that occur in diabetes has vastly improved therapy in diabetic acidosis.

Finally, to note a very recent example: The discovery that iodoxuridine inhibits the reproduction of viruses containing DNA has led to successful trials of that compound as treatment for viral infections of the eye, and it may prove effective in treatment of other viral diseases, such as viral meningitis and smallpox.

I do not mean, by these examples, to give undue credit to biology. It is well to remember that many different fields of research have contributed to the revolution taking place in medical science during the past two decades.

I am highly optimistic that we can make our message of science's utility better understood to most citizens. Despite those latter-day Luddites who would negate science and its accomplishments, I view wisely-utilized science as man's principal tool of survival in an ever more complex and heavily-populated world.

And because science—and its derivative technology—is so vital to our future, those who work in this and similar buildings accept a special responsibility to examine the purpose and the results of their labors, a responsibility which, if fulfilled, will better enable man to live in harmony and peace with his fellow-man and his environment.

For permitting me to be a part of this important day in Tulane history, I thank you.

## HOUSE VOTE ON SCHOOL PRAYER AMENDMENT

Mr. SCHWEIKER. Mr. President, I was deeply disappointed to learn of the vote Monday in which the House defeated House Joint Resolution 191, the constitutional amendment to allow prayer in public schools.

Because of the vast number of Americans who support the school prayer amendment, particularly in Pennsylvania, I think we in the Senate should revive the bill and bring it to a vote.

The amendment simply allows brief observances of nondenominational prayer or meditation in public schools. It does not violate the first amendment language prohibiting an establishment of religion.

Many government meetings and functions are begun with prayer. Chaplains and representatives of organized religions participate in many governmental activities. And in none of these examples is the first amendment violated.

Our Nation was first settled in the name of religious freedom and diversity. The prayer amendment is being urged by the people of the country in the same spirit of religious freedom.

A nondenominational prayer can be an important part of the overall educational climate to those communities that desire it. It does not teach any one religion, but can help instill a sense of respect for forces greater than the individual, whether these forces are considered to be religious or social.

I am deeply concerned with the moral degeneration in society today. Respect for other persons, respect for individual integrity, and respect for our institutions has diminished. I disagree with the Supreme Court decisions barring any prayer observances in our schools. My mail, and my travels throughout Pennsylvania, convince me that the majority of Pennsylvanians also disagree with these opinions. Therefore, it is proper for us to amend the Constitution to restore the rights of prayer to our citizens, and I urge swift action and eventual approval of the amendment by the Senate.

## CONSUMER NEWSWEEK

Mr. MOSS. Mr. President, a new publication with important consumer information is now available. Published by Consumer News, Inc., and a successor to the biweekly U.S. Consumer, Consumer Newsweek is a newsletter, filled with Washington-type information useful for consumers and consumer organizations throughout the country.

The publisher of Consumer Newsweek is Arthur Rowse, formerly staff director of the President's Committee on Consumer Interests; the editor is Thomas De Baggio, a veteran reporter; and the director of syndicated services is Howard Frazier, past president of the Consumer Federation of America.

The October 18 issue contains a feature story concerning the Federal Trade Commission's advertising impact hearings which began on October 20 and will continue through November. The gist of the story is that the Commission hearings will be dominated with advertising industry presentations. I realize that industry participation will be the keystone of successful hearings for the Commission; however, the inference that strong pressures were put on the agency, documented in a confidential report, certainly does add some intrigue to the Commission's hearings.

The Consumer Subcommittee of the Committee on Commerce, which is considering several advertising bills, looks forward to the conclusions and inferences which can be drawn from the hearings upon their completion. We will try to build our legislation using the Commission's efforts as a platform from which to further investigate.

I recommend Consumer Newsweek to the Senate, and ask unanimous consent that the article, entitled "FTC Ad Hearings Tailored to Industry Wishes," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### FTC AD HEARINGS TAILORED TO INDUSTRY WISHES

*Madison Avenue is set to dominate the Federal Trade Commission hearings on advertising's impact* beginning here on Wednesday (Oct. 20). Elaborate industry planning and many advance contacts with FTC officials have wrung concessions unprecedented for such affairs.

*A confidential report circulated among industry leaders reveals that strong pressures were put on the agency,* resulting in an unusually heavy schedule of industry spokesmen, timing designed to offset critics for headline purposes, and auxiliary hoopla that threaten to turn the whole affair into little more than a government-sanctioned commercial for the advertising business.

The secret memo discloses that the principal industry planning was done by a joint committee of officials from the Association of National Advertisers and the American Association of Advertising Agencies. *A nationwide public relations and advertising campaign has been planned to coincide with industry testimony.*

*Admen got the FTC to allot 4½ days of hearings to what the industry calls a "first class" pitch.* This is more than one-fourth of the total scheduled time. "Rebuttal" testimony by industry spokesmen has also been arranged to match critical comments in time for news deadlines, according to an article in Advertising Age, a trade publication.

*In addition, FTC reportedly agreed to rule out any discussion of advertising's influence on industrial concentration,* a burning issue at the agency and elsewhere. Agency staff aides had suggested the expanded topic but were overruled by higher officials.

To the admen's delight, the FTC has decided to focus on getting "empirical information." FTC Chairman Miles Kirkpatrick told a Senate committee Oct. 4 that he was already willing to conclude "that in many instances, scientifically sound information does not yet exist and must await further research."

*In recent months, the industry has become deeply worried over the increasingly tough stance of the FTC.* Their main concerns are the FTC demands for documentation of questionable claims and orders that false statements be corrected in future advertisements.

*Admen fear the possibility of further industry-wide regulation.* In his confidential memo, ANA President Peter W. Allport emphasizes this theme . . . He deplores what he sees as an FTC staff view "that advertising's only economic and social justification is to provide 'information' from which consumers can make 'rational purchasing decision.'" Industry leaders obviously see the hearings as a vehicle to improve government and public understanding of advertising.

*Also worrying admen is growing evidence of a sharp decline in advertising credibility.* A survey reported in the Harvard Business Review indicated that two-thirds of U.S. executives do not feel ads present a true picture of products and services.

Recent formation of National Advertising Review Board, a self-policing scheme, was in response to growing criticism and demands for industry action.

*The first of 24 industry witnesses before the FTC* will be C. W. Cook, chairman of General Foods Corp., itself a recent target of an FTC complaint of deceptive advertising. Other industry spokesmen will be John Crichton, president of the American Association of Advertising Agencies; Andrew Heiskell, board chairman of Time Inc.; Herbert E. Krugman, public opinion research manager for General Electric Co., and Norman Cousins, editor of the Saturday Review.

*In another response to industry requests,* the FTC has agreed to sit through them as a full commission *with at least three commissioners always present.* Ordinarily for such hearings, the job of presiding is delegated to a staff official such as a department head.

All but one hearing will begin at 10 a.m. in FTC room 532, with extra rooms held for public and press overflow . . . Dates are Oct. 20, 21, 22, 26, 28, 29, Nov. 1, 4, 5, 8, 10, 11, 12, 15 and 17. The morning session on Oct. 22 will be at 3620 S. 27th Street, Arlington, Va.

### DOCUMENTATION OF AUTO CLAIMS MADE PUBLIC

Automakers have responded to an FTC demand for substantiation of advertising claims with 1,171 pages of documents . . . *They are available for public inspection* in room 551 of the FTC building here.

Here again, FTC officials have soft-pedaled agency action with Chairman Kirkpatrick assuring manufacturers that the demand for substantiation *"is not intended to cast any doubt upon the continued propriety of 'puffing' in advertising."*

Documentation of claims by makers of air conditioners and electric razors are now coming in to the FTC and will also be opened up to the public. On Oct. 14, the agency said it had made the same demands to television set manufacturers.

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## CONFIRMATION OF SUPREME COURT NOMINATIONS

Mr. BAYH. Mr. President, Hon. Nicholas de B. Katzenbach, the distinguished former Attorney General and Assistant Secretary of State, wrote a perceptive article entitled "The Roles of the Executive and Legislative Branches in Judicial Appointments," which was published in the New York Law Journal of November 3, 1971. I commend the article to the Senate, for soon we shall all be confronted with the question whether to advise and consent to President Nixon's latest nominations, namely, of Lewis Powell and William Rehnquist.

Mr. Katzenbach explores the different role the Senate plays as a practical matter when Supreme Court, rather than lower court, nominees are presented. He also astutely points out that—

> Whatever kind of legal constructionist or reconstructionist a justice is, he cannot avoid the political consequences of profound political questions.

For this reason, the personal and political philosophy of the nominee is of utmost importance to the Senate. This is especially true, as Mr. Katzenbach points out, when the President himself challenges "the Senate to give or refuse its advice or consent to his judicial philosophy as he sees it embodied in his nominations."

Mr. President, I ask unanimous consent that the article by Mr. Katzenbach be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE ROLES OF EXECUTIVE AND LEGISLATIVE BRANCHES IN JUDICIAL APPOINTMENTS

(By Nicholas de B. Katzenbach)

Section 2 of Article II of the Constitution provides that the President "shall nominate, and by and with the Advice and Consent of the Senate, shall appoint . . . Judges of the Supreme Court . . . and all other officers of the United States," including federal judges. There can be no question from the language of the Constitution, or the history of Article II, that the power of the President to "nominate" is absolute and unfettered. He only needs the "Advice and Consent" of the Senate to "appoint." But he cannot "appoint" without it.

Alexander Hamilton stated ("Federalist Papers," Beard ed. 1948, No. 66, p. 282) that:

"It will be the office of the President to *nominate,* and, with the advice and consent of the Senate, to appoint. There will, of course, be no exertion of *choice* on the part of the Senate. They may defeat one choice of the Executive, and oblige him to make another; but they cannot themselves *choose*—they can only ratify or reject the choice of the President."

### POLITICAL FACTORS

Nobody, I believe, argues with that reading of the Constitution. That the nominating and appointing power was placed in the President was explained by Hamilton on the ground that the President was less likely to have political debts, personal attachments or trading inclinations which might result in bad appointments.

But, as Mr. Justice Byron White once remarked, it is difficult to take the politics out of politics. Political considerations did indeed crop up when the first Senate rejected President Washington's nomination of Benjamin Fishbourn to be the naval officer for the Port of Savannah as a courtesy to the two Senators from Georgia who had a nominee of their own. Thereupon, President Washington nominated the Senators' candidate who was promptly confirmed.

"Senatorial courtesy" has been with us ever since, to the frustration of many Presidents and probably to the occasional and perhaps considerable detriment of professional quality. Despite the clear langauge of the Constitution, Senators of the same party as the President do in fact "nominate" officers of the United States who serve in their own state—judges, U.S. Attorneys, Marshals, Postmasters (until recently)—and it is the President who gives his "Advice and Consent" by formalizing the nomination.

### HISTORICAL POINT

I make this historical point because I regard it as important to understanding how the judicial appointment process really works. I would like to describe that process as it has operated in recent years and, I believe, operates today.

Where there is a Senator of the same party as the President it is he who in fact nominates federal District Court judges in his state. (If there are two Senators of the same party, they will either jointly make their recommendation, or will have worked out the particular nomination among themselves—whose "turn" it is.) The President, through the Attorney General or his deputy, may make suggestions to the Senator, and he will try to get as many names of acceptable appointees as he can so that his choice and role is enlarged.

Sometimes he succeeds; more often the Senator knows exactly who it is he wants. The President can refuse to nominate that person and his reasons may be sufficiently persuasive to elicit another "nomination." If they are not, a statemate ordinarily ensues and the post remains vacant. If the vacancy endures, the Senator is put under some pressure from local lawyers and perhaps local politicians. He is also a pretty irritated fellow. As President Polk observed in his diary:

### FLY INTO PASSION

Indeed many members of Congress assume that they have the right to make appointments, particularly in their own states, and they often . . . fly into a passion when their wishes are not gratified. . . ." That is also my experience.

Now the President can, of course, submit his own nominee. If the Senator is opposed, he can defeat that nomination by invoking senatorial courtesy. Indeed, the nomination hearing will likely never take place since the Senator will not submit his no objection "blue slip" and neither the chairman of the Judiciary Committee nor its members will have a hearing without it. If the nominee is one who, for political reasons, the Senator cannot afford to oppose, the President will prevail. The political cost will be considerable; not one angry Senator, but many; he has broken the traditional rules on which all Senators in a non-partisan fashion agree. And serious problems on future nominations. Confrontation politics is seldom good politics—or good government—from the Presidential perspective.

All Senators are interested in preserving this system. Because they are interested in the process—not the nominee—they rarely exercise any independent judgment in the confirmation process. The nominee's sins or lack of qualifications have to be extraordinarily grievous (perhaps a known racist background) to defeat confirmation. Senators must feel that their vote for confirmation will not politically embarrass *them* at home, and this virtually never occurs. Who judges in Arkansas is not important to the citizens of Massachusetts.

Where there is no senator of the President's party, the President has a relatively free hand. He will probably consult political leaders of the state involved—efforts of the House to substitute for the Senate have never succeeded—and the President exercises a pretty free judgment in his own, or his party's interest.

### POLITICS A FACTOR

Senators may or may not feel that they have a stake in the quality of the federal judiciary; some do and some don't. Political considerations are often overriding, just as the Founding Fathers feared. The President (in part freed from political considerations precisely because the political mileage on such appointments is claimed by the senator) has an interest in the professional qualifications of the federal judiciary, and the Attorney General has an interest in the respect of his peer group, the organized Bar, who are occasionally useful for other purposes.

Out of these concerns, an alliance with the American Bar Association was entered into under President Eisenhower and followed by his successors in office whereby a special committee was formed to determine the professional qualifications of Judicial candidates. That committee was enjoined to act only on names submitted by the Attorney General and no one else; to initiate no recommendations individually or collectively to the Attorney General or anyone else; to be rigorously nonpolitical; to operate secretly and to keep in strict confidence its investigation; to pass only on the professional qualifications of the candidate; and to reveal their judgment only to the Attorney General unless the candidate was in fact nominated by the President.

I have not always agreed with conclusions of the ABA committee but I have every reason to believe it has strictly adhered to its defined role to the best of its ability. (There have been very few "leaks" to the press, despite the usual temptations.) The gentlemen appointed to it are distinguished lawyers well above partisan politics and the politics of local Bar associations. They believe, as I do, that the Bar has a stake in fostering professional competence and I have no doubt that the quality of the federal district Bench and courts of appeal has been improved as a result of their efforts.

The purpose of this alliance between the Attorney General and the ABA was, of course, to strengthen the hand of the President in securing professional qualified appointees to the Bench, primarily to the District Court. When—and only when—the President submits a nomination, the committee publicly informs the chairman of the Senate Judiciary Committee whether or not the candidate is "qualified," "well qualified," "exceptionally well qualified"—or not qualified." But the system does not really depend upon this public statement; it gives the Attorney General an objective reason for refusing to recommend a nomination to the President. If the President nominates a candidate who is 'not qualified" it is he who pays a political price as much as the senator. The more he publicly commits himself to the ABA process, the more stake he can plausibly claim in refusing to go along with an "unqualified" candidate.

### A NEW FACTOR

The point, of course, is not the political power of the ABA. The Senate has little hesitation in confirming unqualified candidates. (Judge Morrissey is no exception; his difficulties stemmed from his lack of candor, not his lack of qualifications.) The point is that the President has introduced a new factor into the system which gives him an apparent political stake in the appointment of professionally competent judges—a fact senators do not welcome but cannot influence, Senatorial courtesy remains as potent as ever—but at a higher level of professional competence.

What is true of District Court judges is also, but less acutely, true of Circuit Court judges. It is less acute because a Circuit Court covers more than a single state, and so the President has a little more maneuvering room in making his nomination. The nomination may come from any one of from three to six states, and he can to a degree conquer and divide the politically relevant senators. He does not have to nominate the Mississippi senator's choice if the senator for Florida or Texas has a better candidate. More often than not the appropriate senators wish to promote "their" District Court judge to the Circuit Court, thus giving them a double (or, if their District Court candidate is the U.S. Attorney, a triple) parley. This essentially political process is thought of as a merit "promotion."

The President may or may not have much freedom of action. He is constrained by the fact that the courts of appeal should have some "Balance" geographically in the eyes of the Bar and the Senators, who feel—often by mutual agreement—that it is a particular state's "seat" on any given occasion. But these practices are sufficiently imprecise to permit the President some leeway—and even more "bluff"—and his freedom is increased by the fact that it is very nearly as impossible for a senator to find a sitting District Court Judge "personally obnoxious" as it is for the ABA to find him "not qualified." Within a pretty narrow field of choice, the President, not the senator, can "nominate."

### CONFIRMATION SURE

Normally—almost without exception—the President's nomination will, as in the case of the District Court, be uncritically confirmed. The Senate's focus of attention remains upon the process, not the candidate. The senator from whose state the candidate comes will not object, and the senators who thought the "nomination" was theirs have no customary standing to object. Once again all senators have a stake in preserving the prerogatives of senatorial courtesy, but rarely does it arise. Again, they have little political stake in terms of their constituency.

Now let us come to the Supreme Court of the United States, and let us approach it in the same essentially political terms. No senator feels that in any sense whatsoever is this "his" nomination. If he makes suggestions to the President he does so deferentially and without claim of right. At long last the Constitution does operate. The President has a free hand to "nominate"; the Senate has no institutional stake in its own political processes other than that prescribed in the Constitution, to either give or deny its "advice and consent." It can, without destroying any senatorial or presidential prerogative, do so totally on the merits of the candidate, although members of the President's party will feel the normal pressures to support him. The ABA feels it has a role to pass on the candidate's "professional qualifications." Perhaps it should, but the President whose hand is at long last freed no longer cares much about the ABA he was, after all, in fact tying the hands of the senators before, not his own. It is now a new ball game.

### COMPETENCE IMPORTANT

It is, of course, important that the justices of the Supreme Court be professionally competent. But as President Nixon has said professional competence is not a sufficient qualification. As a nation we are concerned, as the President candidly acknowledges, with other considerations. And the reason we are is that the Supreme Court in our political system cannot and does not play a neutral political role. It claims—and nobody challenges—a role as the ultimate voice in interpreting the Constitution. It cannot, even if it would, avoid making decisions with extraordinary political consequences.

To take only one example, the *Brown* case: The Supreme Court was faced with the issue of whether or not racially segregated schooling was constitutional. However, it had decided that case—with whatever professional competence or scholarship—the result was unavoidably profoundly political. Whatever kind of legal constructionist or reconstructionist a justice is, he cannot avoid the political consequences of profound political questions. Another example: The apportionment cases. Can one say that how the Congress and the state legislatures are apportioned for election purposes does not have political consequences, whether or not the court invokes a Constitutional standard? One can say this is none of the court's business: political consequence "A," or it is: political consequence "B." But there is no such thing as political neutrality.

### NIXON POSITION

President Nixon deserves more credit than he is likely to receive—or even want—in candidly recognizing this political function and challenging the Senate to give or refuse its advice or consent to his judicial philosophy as he sees it embodied in his nominations. He recognizes, as should the Senate, that qualities in addition to professional competence are what is important. He has made his nominations squarely on those grounds. He seeks the advice and consent of the Senate squarely on those grounds. By nominating clearly professionally able lawyers he has wisely avoided questions of "professional competence"—the role of the ABA is thus irrelevant.

(Were there a question, it would, of course, be relevant. But we are not trying to put a floor under professional standards as the President quite properly is in appointments to lower courts where the issue is both relevant and material. We are talking about the Supreme Court of the United States, where professional qualification is a necessary but not sufficient condition.) He seeks endorsement of his nominees on the basis not of professional competence, but of judicial philosophy.

My point is simple. Neither the Senate nor the ABA should be confused about their function. The ABA should not be offended that its committee was not consulted. Any President (or Attorney General) who has doubts as to the professional qualifications of a nominee for the Supreme Court of the United States is not for real. He knows. He does not need the ABA to tell him—or any senator. Nor does the Senate. Of course, the ABA should give its opinion. But that opinion will not be decisive; nor should it.

### PRESIDENTIAL CHOICE

In the case of a Supreme Court appointment the Senate—each senator—should give or refuse to give advice and consent. No senator has a political stake in patronage or senatorial prerogative. There is nothing in reason or logic or history or precedent—or the Constitution—which requires him to vote yea or nea. He is not protecting his office or his institution. He is joining with the President—or not joining—in the choice of a member of an equal and coordinate branch of government. He must accept the fact that this—and other—choices are those of the President, not the Senate. Is this nominee better than a hypothetical and confirmable next one? But—unlike most other appointments—that is the only constraint upon each senator's judgment.

I think the President is to be congratulated on making so clear the basis for his nominations. I hope the Senate will meet in good faith and good conscience its constitutional obligation as the Founding Fathers intended. Because senators have moulded the Constitution more to their liking in the appointment of lower court judges is no reason to give the President a free hand where the Supreme Court is concerned. The Constitution is clear in both circumstances. But there is no constitutional or political reason why any senator must accept the President's judgment. Whether he chooses to give or not give his advice and consent is his decision—and he is answerable only to his conscience and constituents who may have views.

One final point. Supreme Court nominees are usually men of obvious professional capacity and intelligent distinction, whatever their judicial or political philosophy. A single appointment by a President is unlikely to affect the institution for any considerable period of time, obviously since the court thrives on diversity of view and approach. When a President by chance is able to make several appointments this fact is no longer present, and the possibility of changing the institution for many years beyond the President's term of office is raised. In such circumstances the Senate's obligation to advice and consent is no mere formality, but a judgment or crucial importance to the judicial branch of government.

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## HUMAN GUINEA PIGS

Mr. McINTYRE. Mr. President, we are all deeply concerned about cancer. And we are actively committed to searching for ways to combat it. But I feel we are overlooking a large source of the problem: drugs on the market which have been inadequately screened for cancer-producing potential.

I invite the attention of Senators to an excellent article entitled "The Guinea Pigs," published in the Washington Post of October 24. Written by Morton Mintz and Tim O'Brien, the article takes a hard look at drug testing on humans and finds the situation appalling.

In numerous cases, they say, cancer has developed in animals after tests have been made on humans. For this alarming development, the article blames Food and Drug Administration regulations and the drug companies.

According to FDA regulations, the article states, a new drug may be administered to humans for up to 2 weeks as soon as 2 weeks of animals testing have been completed. Further animal testing extends the time allowed for testing the drug on humans. Mr. Mintz and Mr. O'Brien charge in their article that this has led to animal testing being conducted "on the side as a facade" while serious testing on humans continues.

The damage this can cause is obvious. While it is true that proof a drug being cancer-producing is hard to obtain, due to the time needed for conclusive evidence, 2 weeks of animal testing hardly seems adequate. In light of our fight against cancer, this laxness is shocking.

The drug protection bill S. 2812 I have cosponsored with the distinguished Senator from Wisconsin (Mr. NELSON) attempts to rectify this situation. The bill contains a provision prohibiting testing on humans until the Food and Drug Administration affirmatively approves it.

Because I believe that Senators will be interested in this excellent article, as well as in the short case history of a drug which accompanied it, I ask unanimous consent that both articles be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

### THE GUINEA PIGS—NOBODY KNOWS IF DRUGS TESTED ON HUMANS WILL CAUSE CANCER

(By Morton Mintz and Tim O'Brien)

Pharmaceutical manufacturers are testing potent new medicines in thousands of humans every year even before they complete experiments designed to show if the same chemicals may cause cancer in laboratory animals.

In numerous cases, cancer has developed in animals after tests. The Food and Drug Administration has publicly disclosed only one such case, that of MK–665 compound—an experimental birth control pill given to more than 400 women and belatedly reported in January, 1966, to have caused cancer in the breasts of beagles.

All told, more than 1,000 chemical substances, out of some 20,000 in our environment, have been shown to be carcinogenic—cancer-producing—in animals. And several individual chemicals or mixtures among them have also been shown conclusively to produce cancer in men.

Many cancer specialists apply a rule of thumb: If a chemical is reliably and definitely carcinogenic in one or two species of animal, it is very likely to be similarly active in other species—including humans.

But proof that a substance produces cancer in humans is hard to obtain. This is because such a substance takes approximately 10 years—and sometimes as much as 30 years—to bring a human cancer to the point of development where it can be detected.

Bladder cancer, for instance may be present for 20 or even 30 years before it is detected. Thus we will not know for a long, long time whether cyclamates, the synthetic sweeteners found in 1969 to be causing bladder cancer in rats, also cause it in humans.

Most always, companies experimenting in humans while animal tests are still under way are complying fully with FDA's regulations. The FDA's General Guidelines for Animal Toxicity Studies require a company starting human testing to notify the agency that it is doing so, but neither to have first completed animal testing nor first to have obtained approval before moving to humans.

The regulations permit a drug that has been used in animals for two weeks to be administered to humans, sick or well, for up to two weeks (the regulations do not apply to estrogen, progestogen and the oral contraceptives, which in every case contain these synthetic hormones).

After four weeks' use in animals, the rules permit an experimental drug to be used in humans, sick or well, for up to three months; and after a medicine has been tried in two species of animals for three months, a manufacturer is free to give it to humans for an unlimited period of time.

What all of this adds up to, one disillusioned FDA scientist told a reporter, is that "the drug companies, with the collaboration and collusion of the FDA, are really doing their experimentation, with new drugs on humans while simultaneously carrying on limited and minimal animal studies on the side as a facade. That is it, pure and simple."

#### NINE-TENTHS OF CANCERS

In the view of leading scientists, no amount of a substance that is carcinogenic in animals should be presumed safe in humans. Last January, for example, Dr. David Rall of the National Institute of Environmental Health Sciences said that it is "essentially impossible to suggest a safe dose in humans of a chemical that is carcinogenic in animals."

That view is consistent with the 1958 legislation, sponsored by Rep. James J. Delaney (D-N.Y.), which forbids the use of any food additive that has been demonstrated to cause cancer in either animals or man.

And that view is consistent, too, with an appeal made last winter by the Surgeon General of the Public Health Service, Dr. Jesse L. Steinfeld. Calling for controls on production of all known carcinogens that man has introduced into the environment, he said exceptions should be limited to substances offering "a well-defined health benefit" that "outweighs their risk."

Chemicals cause the great bulk of cancers in man; viruses and radiation together cause possibly only 10 per cent of them.

Chemical carcinogens have been shown to act by inhalation (cigarette smoking alone is blamed for most of the 68,000 deaths a year from cancers of the respiratory system), by ingestion (the foods, beverages, drugs, additives and other chemicals we take in are believed responsible for possibly most of the 45,000 fatal cancers in the intestinal tract), by surface contact with the skin and mucous tissues, and occasionally by injection or implantation.

The risks and the difficulty of control are illustrated in a hypothetical example offered by Dr. Umberto Saffiotti, an associate scientific director of the National Cancer Institute, in testimony last April before the Senate Subcommittee on Executive Reorganization and Government Research.

Suppose, he said, that thalidomide, instead of producing deformities which were obvious at birth, had produced a form of cancer which would not become manifest until adulthood.

"The lethal effects of the drug would probably still be undetected, women would possibly still be taking it during their pregnancy, and a large number of people would have been born with a built-in sentence to early death by cancer," he said.

While a chemically induced cancer escapes detection for possibly two decades or longer, it can be administered "under the false appearances of harmlessness," Dr. Saffiotti warned.

"If the effect is then detected and properly attributed to the specific chemical, and this is then removed from the environment, the cancers it induced will continue to appear for the next 20 to 30 years," he testified.

#### POTENTIALLY PREVENTABLE

Rather than seeing all of this as a cause of despair, Saffiotti expresses a view held by many cancer experts: "The majority of human cancers are potentially preventable."

The work of preventing cancer, he has suggested, can be sensibly concentrated on the "maybe just a few dozen" new environmental chemicals that, on testing, will be shown to be carcinogenic in humans.

In most cases, Saffiotti told the Senate Subcommittee, pursuit of such proof requires "extremely complex and lengthy epidemiological studies."

And in some cases, he continued, such proof actually may be "impossible to obtain . . . because of the complexity of controls that would be needed for a satisfactory demonstration."

The birth-control pills illustrate the problem. The steroid substances they contain have caused cancer in five species of laboratory animals. Millions of women, in an uncontrolled mass experiment, take them daily (and more millions have taken them and given them up, for one or another reason).

Yet controlled studies to determine if the pills do—or do not—cause, say, breast cancer have not been done. Such studies would have to enlist tens of thousands of women for approximately a decade.

In 1969, the FDA's expert outside advisers on contraception issued a report saying that "the major unsolved question" about the pill is their relation to the induction of cancer. Consequently—nine years after the FDA pronounced the pioneer pill safe and let it go on sale—the advisers were pleading that well designed studies be initiated "to elucidate or eliminate" the relation between such products and cancer of the breast and uterus.

For Dr. Saffiotti, among other experts concerned with the whole range of cancer problems, the "only prudent course of action at the present state of knowledge is to assume that chemicals which are carcinogenic in animals could also be such in man, although the direct demonstration in man is lacking."

Another prudent course, emphasized by scientists including Sir John Eccles of the State University of New York, is to exploit our ever greater proficiency in conducting animal carcinogenicity tests meaningful to man.

". . . there will be progressively less necessity for human experimentation," Eccles said. "We must plan to minimize human experimentation and maximum animal experimentation, and we must define quite rigorously the conditions under which human experimentation can be carried out."

This was one of the major goals of the Kefauver-Harris amendments to the drug laws, which Congress, suddenly motivated by the thalidomide episode, enacted in 1962, in hopes of averting any future drug catastrophes.

With this mandate, the FDA, in January, 1963, adopted implementing regulations. Their high purpose, as expressed by the Department of Health, Education, and Welfare, was "to eliminate all unnecessary risk to the public that may attend the development of new drugs and to impose only necessary restrictions on the conduct of investigational drug research."

For about three years, so far as the public and most of the medical profession were aware, the regulations were working well.

### THE MK–665 CASE

But in early 1966, serious doubts surfaced. First came the case of MK–665 compound, the experimental birth control pill, that led then FDA Commissioner James L. Goddard to make the one and only agency announcement that an investigational drug used in human beings had caused cancer in animals.

On Jan. 21, 1966, Merck & Co. had notified the FDA of the finding of breast cancer in beagles that were sacrificed after receiving large doses of MK–665 compound for 12 months.

An "alarming finding," William W. Goodrich, then FDA's general counsel, called this in hearings on the case held by the House Intergovernmental Relations subcommittee in March, 1966. And, he testified, such a finding must, under the regulations, be reported to the agency "immediately."

Merck scientists had sacrificed the dogs on July 30, 1965, but did not make microscopic examinations of tissue sections until four months later—a precedent of sorts for the Triflocin case detailed in the accompanying article.

Explaining the delay, the firm said the findings from another group of dogs sacrificed in February, 1965, had been negative, and that the tissues from the July group had become available during an inconvenient period, vacation time.

If reasons of this sort can immunize a company from the requirement to report "alarming findings" at once, W. Donald Gray, then a subcommittee investigator, told Goodrich, "a company could do animal studies and not make final tissue examinations and reports for years."

The FDA did refer the case to the Justice Department for a possible criminal prosecution, but the department declined to act.

In November, 1965, while the July tissues still were awaiting evaluation, Merck had notified the FDA that it was beginning large-scale testing in women.

The notification—legally, an application to be exempted from the requirements that any drug in interstate commerce be demonstrated to be safe and effective—cited the negative February results of six months' testing. The July results, covering a full year, not having been analyzed, were ignored.

On Dec. 9, 1965, however, the July tissues were analyzed and cancer was found. Merck "should have reported the results . . . immediately," but, instead, was "getting in touch with their consultants," Goodrich testified.

Not until 43 days later did the company notify the FDA. "That was a violation," the counsel told the subcommittee. Merck said it had acted "responsibly and as promptly as warranted." Soon after receiving the notification, then Commissioner Goddard announced the cancer finding at a press conference.

Merck said it had halted testing in 340 women who had been receiving the experimental birth control pills from authorized medical investigators, and in 127 others who had been getting MK–665 from two other investigators who had not been cleared by Merck.

### THE NEEDED REFORMS

At the time, the FDA said Merck had initiated a program of followups for the 340 women who had gotten MK–665 through proper channels.

But in replying to a recent inquiry, the FDA said that while no adverse effects in the users had been found, Merck had "lost track of many of the women." In addition, some of the follow-up tests were "inconclusive" because the women took other oral contraceptives abandoning MK–665, the spokesman said. He added that the whole matter has been referred to an FDA advisory committee.

In a follow-up of its own, the FDA ordered manufacturers of all of the marketed oral contraceptives to undertake studies of up to seven years' duration in monkeys, the species closest to man, as well as in dogs. Each of the pills contain synthetic estrogen, which, under certain conditions, can be carcinogenic.

Yet the FDA has demanded no counterpart of the monkey-beagle tests for numerous non-hormonal medicines, many of which have not been shown to provide a therapeutic advance that outweighs their hazards.

The House subcommittee also investigated the case of DMSO, an industrial solvent built by almost hysterical publicity into a "wonder drug" useful for most any affliction from arthritis to headaches. One of the distressing revelations was that several drug firms had failed to report adverse (though non-cancerous) reactions in animals, and that the FDA had failed to enforce its own experimental drug rules.

The subcommittee hearings, led by Chairman L. H. Fountain (D-N.C.), prodded the FDA to make some improvements in its investigational drug regulations, but fundamental deficiencies nonetheless went uncorrected.

The needed reforms are, in some areas, obvious: tougher regulations to implement the law, and tougher enforcement of those regulations; more congressional oversight of the FDA, and the use of substitutes for carcinogens (which is often possible), or the outright abandonment of such chemicals unless there are truly compelliing justifications to use them.

A larger question arises from the legislation approved by the Senate to create a Conquest of Cancer Agency, finance it generously, and have it report directly to the President—an idea to which Mr. Nixon and the American Cancer Society attach importance.

The question is, can the conquest be achieved so long as the FDA does not routinely require that drugs be adequately screened for cancer-producing potential, and so long as it permits drugs that are carcinogenic in animals to be administered to humans?

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## TRIFLOCIN: CASE HISTORY OF A DRUG

(By Morton Mintz and Tim O'Brien)

In February, 1968, Lederle Laboratories, the pharmaceutical division of American Cyanamid Co., began experimenting with a medicine that rids the body of excess fluids.

Such products are called diuretics. Approximately two dozen of them long have been available to physicians.

Lederle says that Triflocin held promise of offering special advantages over rival products.

At the Food and Drug Administration, however, some scientists say that the diuretic market is saturated. "We need another diuretic like a hole in the head," one FDA scientist said.

Initially, Lederle administered Triflocin to rats and dogs. Some time after that—both the company and the FDA are vague about precisely when—medical investigators working with Lederle began administering Triflocin to human beings here and abroad.

The number of patients is uncertain. The FDA says it was "about 205," but Lederle says it was 253. The FDA says that "at least 63 non-Americans" got Triflocin; Lederle says that "98 foreign humans" were involved in the Triflocin studies.

The date when human beings began to take Triflocin has not been disclosed, but FDA regulations for "INDs"—investigational new drugs—permit clinical trials to begin after animals have received them for two weeks.

In September, 1969, some of the first rats given Triflocin were killed and autopsies performed.

In the urinary bladders of some of the rats, the FDA said, Lederle found "abnormalities." The company, replying to written questions from The Washington Post, said that it detected no cancerous tumors at that time, but neither it nor the FDA disclosed exactly what the "abnormalities" were.

According to the account Lederle gave the newspaper, the next important development came when dogs given Triflocin experienced kidney effects "unrelated to cancer." On the basis of these findings, the letter said, Lederle on Jan. 22, 1970, instructed Triflocin investigators to discontinue human trials.

The FDA made no mention of the January development and, indeed, there are signs it did not know of it.

After the rat studies disclosed unspecified "abnormalities" the obvious next step was to examine the animal tissues under a microscope to find out if the "abnormalities" were cancers. This process takes two weeks to a month, according to FDA scientists.

But the microscopic examination actually were not completed for seven months, and during this time Triflocin was being administered to human beings. The possibility that the "abnormalities" were cancers not having been excluded, the delay was "inexcusable," one FDA scientist said.

The precise date Lederle gave the FDA for completion of the microscopic examinations was April 15, 1970. At that time, Lederle said, four out of 13 rats had developed cancer 18 months after being treated with Triflocin; seven out of 12 got the disease after 22 months. In all, 11 out of 24 became cancerous. None of the control rats—those not given the drug—developed cancer.

Lederle reported these findings to the FDA not by phone or with some other sign of urgency, but in a letter dated April 27, 1970, or 12 days later.

"During routine evaluation of slides from our chronic toxicity study in rats, we discovered changes in the urinary bladder which appear to be drug related," Lederle told Dr. Henry E. Simmons, director of the FDA's Bureau of Drugs.

Because the "changes" were cancers, "We immediately discontinued clinical studies and requested return of all outstanding drug supplies," the Lederle letter said.

The statement that "we immediately discontinued human trials" did not seem to suggest that these trials were going on in only two human beings. Yet, Lederle, in its subsequent letter to The Washington Post, said that all but two persons "had been off Triflocin for several months," as a consequence of the January, 1970, dog kidney findings "which were unrelated to cancer."

In dealing with the finding of bladder cancer in rats, Lederle proceeded differently with its eight foreign investigators than with its 10 domestic Triflocin investigators, the FDA said.

"Copies of letters to the domestic investigators, dated June 18, 1970, identified the adverse finding as papillary carcinoma," the agency said. "Foreign investigators, however, were advised in letters dated April 27, 1970, of ". . . lesions with occasional malignant degeneration."

Asked for an explanation of the April-to-June delay in notifying American investigators, Lederle said that the June 18 letter "transmitted further detailed reports of the rat bladder cancer findings . . . as a follow-up to prior notification" of these physicians "by letter and/or visit."

Between September, 1969, when the "abnormalities were found in the test rats, and late April, 1970, when this finding was reported to the FDA, "about 205" or 253 persons—depending on whether the agency's count of Lederle's is correct—had taken Triflocin.

The conflicting statistics raise questions as to how the FDA can monitor the human subjects' reaction to Triflocin if uncertainty exists about precisely how many persons got it.

Asked how many of the human subjects were informed of the suspected toxicity of Triflocin—information which would encourage them to undergo regular examinations—the FDA said the number was "indeterminable."

The FDA made "specific recommendations" to Lederle as to procedures that would be appropriate in following up the effects the drug may have had on patients, Dr. Simmons said.

But Lederle officials "rejected some of the recommendations, stating that they would consult a 'panel' for advice," the FDA officials reported.

Lederle, in its reply to The Washington Post's inquiries, said nothing about having rejected some of the follow-up procedures recommended by the FDA. Instead, the company said its recommendations were "communicated to investigators" who conducted clinical trials with Triflocin.

The Lederle panel—said by the company to be made up of scientists from an unidentified but "outstanding" medical school—concluded that Triflocin patients "are at little risk of developing bladder tumors," because the amount of the diuretic given and the duration of exposure to it "are not at all comparable to the animal dosages or durations."

The panel concluded that "no follow-up is necessary for those individuals who received the drug for less than two weeks."

The FDA disagreed, saying that all persons who got Triflocin should be followed up. And until the company panel made its recommendations, Lederle had undertaken to inform its investigators of its discussions with the FDA and had supplied them with patient follow-up sheets listing specific tests to be made.

The Triflocin case first came forcibly to the attention of FDA Commissioner Charles C. Edwards thanks to Dr. John O. Nestor, an agency medical officer and pediatric cardiologist.

Nestor told Dr. Edwards of a situation he considered "scandalous": Animals treated with an unnamed experimental drug (later publicly identified as Triflocin by a drug trade paper) had developed cancer after human testing had begun. He also questioned the adequacy of the FDA guidelines for experimental drugs, as well as the adequacy of follow-up on persons exposed to such medicines.

Nestor used the "Critical Pathway," an administrative channel specially created by the Commissioner to enable FDA personnel to slash red tape and bring urgent situations directly and promptly to his attention.

Edwards replied two months later. He implicitly recognized that drugs were being tested in humans before adequate animal studies were completed and evaluated, but said no policy changes by FDA were required. The letter mentioned neither Lederle nor Triflocin.

## PROPOSED STUDY OF TERMINATION OF NATIONAL EMERGENCIES

Mr. JAVITS. Mr. President, my good friend the distinguished senior Senator from Maryland (Mr. Mathias) on May 17, submitted Senate Concurrent Resolution 27, of which I am pleased to be a cosponsor. It provides for a commission to study the effects of terminating the state of national emergency declared by President Truman in 1950.

On Saturday, October 30, the Baltimore Sun published an excellent editorial concerning Senator Mathias' resolution. I commend this editorial to the Senate and ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### Optional Congress

In 1933 Congress passed a law allowing Presidents to assume broad wartime powers even in peacetime if a national emergency existed. It was left up to the President to decide if a national emergency existed—and one has ever since. First the depression, then World War II, then the Korean war were used as excuses for declaring national emergencies. The "emergency" caused by the Korean war still exists, and many presidential decisions and activities are lawful only because that emergency has not been officially ended.

Senator Charles Mathias is leading an attempt to try to change this state of affairs. As he says, the existence of such unchecked presidential powers makes Congress optional. It makes constitutional rights of Americans optional, too. For instance without consulting Congress, the President can keep men in the Army beyond the terms of their enlistments or detail them to the governments of other countries. He can also act unhindered in dealing with private property, suspending leases, control credit, etc.

Mathias wants a congressional study of the present national emergency and recommendations regarding the termination of it. Something of that sort ought to be done, at the very least. Upon investigation, Congress might decide to do more, for instance write into law some sort of time limit on emergencies requiring Presidents to get approval from Congress for any extensions.

## OUR MIRACLE BABIES

Mr. MOSS. Mr. President, I invite the attention of Senators to an article published in the National Observer of November 13. It tells the story of the Intermountain Newborn Intensive Care Unit at the University of Utah Medical Center in Salt Lake City, Utah. This facility is one of 25 centers across the country specializing in neonatal care—that is, caring for infants through the first 28 days of life.

The article tells how "hopeless babies," babies that would otherwise die, are saved through the work of intermountain unit. It tells of the dedication of the men and women at the center, and of the dramatic effectiveness of the facility in saving the lives of young infants and reducing infant mortality in the intermountain area. In fact, despite the special problems of medical practice in the wide-open spaces of our country, the intermountain area now has one of the lowest infant mortality rates in the Nation.

I have visited the newborn intensive care unit and have observed the dedication of these men and women. I commend the concept of these centers. Truly, we must expand the network so that there will be facilities like this one to serve every area of our country.

I ask unanimous consent that the text of the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Our Miracle Babies

(By Nelson Wadsworth)

We cinched our seat belts tighter as our chartered twin-engine plane bumped through a storm and headed north to Montana. Three hours away, in a hospital in Helena, an infant lay near death.

His heartbeat was irregular and he was having trouble breathing. His best hope now was an unusual type of intensive care available in Salt Lake City. So Dr. George Murillo and nurse Christine Knight would bring him back in the portable incubator wedged next to our knees in the narrow cabin.

I had come along on this special flight to witness the way that sick babies from throughout the West are rushed to Salt Lake City for a kind of lifesaving process that is being established in other cities across the country.

Dr. Murillo and Miss Knight work at the Intermountain Newborn Intensive Care Unit here at University Hospital. It is one of a growing number of such centers where specially trained physicians and nurses use newly miniaturized intensive-care equipment to save the lives of infants who once would have been regarded as hopelessly ill.

The specialists, called neonatologists, concentrate on infants' illnesses in the neonatal period, the first 28 days of life. Though there is at least one neonatology center in almost every major American city, only about 25 centers are as thoroughly equipped and staffed as the one here in Salt Lake City.

Many of the better intensive-care units for infants are at medical teaching and research institutions and in cities such as New York, Philadelphia, Washington, D.C., and Los Angeles. The Intermountain center here is the only one of its scope between Denver and San Francisco.

The facility's neonatal specialists are aided by "foster grandmothers' who provide the motherly, rocking-chair kind of care that helps an infant thrive. A follow-up clinic monitors the progress of infants made well enough to go home. And the center has formed a network of ambulances, helicopters, and airplanes that can be chartered quickly to rush sick infants here from almost anywhere within five Rocky Mountain states.

Some sick infants get well because they are brought here quickly, hours after their birth. And some do not survive. The baby boy we carried back from Helena suffered cardiac arrest six times during the flight to Salt Lake City that night. In the ambulance from the airport to the intensive-care center, he died.

Yet there is no dispute that every attempt is worth it. Three out of four of the critically ill infants brought to the 22-crib pediatrics nursery live to become what the doctors and nurses call "our miracle babies." In the first nine months of this year, 193 sick infants were admitted to the center and 147 eventually went home healthy.

#### THREE "MIRACLE BABIES"

Consider Daryl Lytle of St. George, a small southern Utah community. Daryl's was a breech birth, 12 weeks premature. He weighed just two pounds, three ounces, and had trouble breathing. He stopped breathing altogether when he was 4 days old, but doctors and nurses revived him. In later attacks his breathing again stopped; his weight fell below two pounds.

It became evident that Daryl would die without intensive care. An airplane rushed him to the center here, and the doctor and nurse aboard had to restore his breathing several times during the flight. Once at the center he was placed on a respirator and hooked up to an electronic vital-signs monitor. Whenever he stopped breathing an alarm summoned nurses. They had to help him breathe for 10 of every 30 minutes for several days.

Gradually Daryl recovered. After two months at the center he was well enough to be taken home. His father, Stanley Lytle, a home builder who is starting a furniture business in St. George, expects the hospital bill to be about $10,000. "You bet it was worth it," says Mrs. Lytle. "Our baby never would have made it without those people in Salt Lake City."

Mr. and Mrs. John Daniel Dusek of Pocatello, Idaho, say the same. Their son John Charles, born two weeks prematurely, seemed normal for two hours. Then he developed the bluish color symptomatic of hyaline membrane disease and showed signs of respiratory failure. An air ambulance flew him to Salt Lake City. After 36 hours on the respirator he began to improve gradually. Several days later he was home again, out of danger.

### SAVING "HOPELESS" BABIES

The center's files include case after case in which scaled-down models of instruments used to treat critically ill adults have provided the margin of life for sick babies. But sometimes an infant is saved mainly by the neonatologists' special skills.

David J. Grant, Jr., was born with his intestines protruding from a hole in his abdominal wall. He was rushed here from Idaho Falls, Idaho, for surgery and intensive care. "They performed a miracle," says his mother, whose husband is in the Navy. "I understand that most of the babies born with this condition die."

"The infants we work with are those who would have had no hope for survival a few years ago," Dr. August L. Jung, who founded the center in 1968 and is one of the nation's few specialists in neonatology. "They are so critically ill that everyone else has given up on them."

An intensive-care unit usually produces a decline in the region's infant-death rate as physicians learn about the center's special care and begin referring more of their most seriously ill infants in their first hours of life.

"There can be no question about the fact that our center is cutting down the infant mortality rate in this area," adds Dr. Jung, the center's director. "At a small hospital in the western part of the Salt Lake Valley, which regularly sends us its sick babies, the death rate has been cut in half since the center started." The hospital had 20 infant deaths for every 1,000 live births several years ago, slightly below the national average. It now has only 10 deaths per 1,000 births.

Last year the nationwide mortality rate for babies under a year old fell to its lowest level ever—an estimated 19.8 deaths for every 1,000 live births, down from 20.7 in 1969. Yet to many health authorities the figure remains disappointingly high. The United States still ranks below at least a dozen other industrialized nations in preventing infant deaths.

Even though the infant-mortality rate declined 4.3 per cent in 1970 below 1969's record low, nearly 74,000 babies died in the United States last year. It is estimated that 40 per cent of the 25,000 who die after their first week of life die from preventable illnesses.

### SOME ILL BEFORE BIRTH

A major factor in infant deaths is regional disparities in "delivery" of health care. The infant-death rate in some Southern States is almost twice as high as it is in some Northern states. And the rate of deaths among babies born to blacks and to Indians in the United States is nearly twice as high as it is for white infants.

Presumably, the wider availability of medical care in other countries contributes to their better infant-mortality rates. And infant-death statistics may not be exactly comparable among some nations because of varying reporting procedures and definitions of live birth.

Yet for some infants, even the fastest and best of medicine in the first hours of life is too late. Many infants who die after they are a week old are victims of congenital problems. That factor may underlie many of the mysterious and sudden "crib deaths" that account for about 10 per cent of all infant deaths. And in one study there was evidence that 70 per cent of infants who died in their first few days of life had been suffering their fatal illnesses for more than a week before they were born.

In a report of a conference of national experts on infant mortality, sponsored by the National Institute of Child Health and Human Development, the imminent problem was summed up: "The critical issue is no longer whether we can salvage another 35,000 live infants each year. We do not want simply survivorship with lifelong handicaps. We need to direct the greatest force of our research and our program efforts toward the factors that encourage the intact survival of wellborn infants."

### TREATING HIGH-RISK PREGNANCIES

In short, the next step in lowering the infant-death rate may have to come from saving those who have to be diagnosed—perhaps even cured—before they are born if they are to be cured at all. Neonatal medicine is focusing more of its concentration on the critical hours just before, during, and following birth. Here at the Utah newborn-care center there is hope for establishing a unit for treating the problems of a fetus in a high-risk pregnancy.

The chance of death is greater in a person's first year of life than at any time until he is past 65, but the risk is not spread evenly. Two out of every three infants who die in their first year of life die in the first week. The key factors in those deaths generally are prematurity and low birth weight.

Here in the Intermountain area, which includes Utah, a state with one of the nation's lowest infant-death rates, nearly 2 per cent of all newborn children require intensive care, says Dr. Jung, and at least 75 per cent of them can be saved.

At the core of the treatment is specialized equipment, long used for adults and only lately made small enough for use on infants' tiny bodies.

Babies are placed on the equipment with sensors attached to the skin and a catheter fastened to the umbilical artery. Doctors liken the catheter to the umbilical cord, which links the fetus to the placenta during pregnancy.

The umbilical catheter is a tiny, hollow tube that is passed through the infant's umbilical artery into the aorta, the body's main artery. In normal births the umbilical artery closes after a few days. But pediatricians have discovered that it can be opened again by such a catheter. The catheter draws blood from the baby without puncturing veins, which are almost impossible to locate in newborns. Tests of the blood determine oxygen requirements for the child.

### HEARTBREAK AND REWARDS

The equipment monitors blood pressure, blood gases, blood sugar, and the amount of oxygen in the blood. Maintenance of proper oxygen flow is essential: Too much oxygen can cause blindness, insufficient oxygen can cause brain damage. When trouble develops in any of the isolettes, alarms sound, bringing doctors and nurses to give immediate attention.

One of the most important kinds of care for the sick babies comes from the specially trained nursing staff, and from the foster grandmothers hired to rock, comfort, and feed sick babies.

"The nurses do get emotionally involved with the infants and their parents," says Dr. Robert W. Allen, chief pediatric resident on Dr. Jung's team. "It is pretty difficult to live with these babies to breathe every breath with them, to pull them through, and then not feel bad when one expires. The nurses cry openly when this happens.

"You never know about these little people," says Dr. Allen. "Some are here one minute and gone the next. Others are so sick you wonder why they are still alive, yet they stubbornly cling to life. Some babies just give up and others have a great tenacity to live.

"Even though there is a greater challenge here than in any field of medicine and you sometimes have to work around the clock to keep one of them alive," Dr. Allen adds, "it is very satisfying to know that helping one of these tiny people over a rough spot is probably helping someone to 80 or more years of a healthful, useful life. It's just not the same with a sick adult."

### A CASE HISTORY

Among those who came to the follow-up clinic is Jane Kay Ballard, almost 3, daughter of Mr. and Mrs. Roger Ballard of Granger, Utah. Shortly after birth, Jane developed hyaline membrane disease in her lungs, a disease that results in thousands of infant deaths every year. She spent the first days of her life on pure oxygen and on a respirator at the newborn-care center and was not able to go home until she was nearly 2 months old.

The Ballards, who have three other children, say Jane is regarded as "exceptionally smart" by testing doctors at the clinic. "That's the real reward from this kind of work," says Dr. Allen, "when you see kids like little Janie Ballard running around here like any other normal 3-year-old girl. We are forever shaking our heads that these children could have been so sick."

The center recently was expanded with the help of a $30,000 grant from the state and two Federal grants totaling $140,000 from the Department of Health, Education, and Welfare.

But finances continue to be a problem. Dr. Jung worries about the costs of parents, even though the room rate of $80 per day is probably among the lowest in the country for intensive care.

Some insurance companies pay most of the charges, Dr. Jung continues, but others will not pay for long-term infant care. One child remained in an isolette here for nine months, and then died. The parents had run up a bill in excess of $40,000.

According to Dr. Jung, the center's biggest problem is paying for transportation costs. Since sick children are transferred in everything from ambulances to helicopters, the charges often are high. A commercial helicopter, for example, costs about $225 per hour. "Yet transportation is important to us," Dr. Jung explains. "If we can get these children here quickly, we can save many more lives."

Dr. Jung first became interested in neonatology while he was in the Army. At a hospital in Georgia he noted that a premature baby died because there was no equipment to save its life. Later, while at the University of Utah in 1967, he received a fellowship to work at a newborn-intensive-care center in Denver. He returned to Utah in 1968 and established the newborn center in Salt Lake City, the first in the Intermountain West. Working with private contributions, he began to organize the team.

### REFERRALS SOUGHT

Dr. Jung says the next step is to start an education program to set up satellite centers in the larger cities and to persuade small rural hospitals to refer sick babies to the intensive-care center. As a first step, a pilot course was held at the center last summer to train nurses from outlying areas to care for critically ill infants. Infants like Cathleen Vail of Bennion, Utah.

She was brought here after she was born 2½ months premature. She went home when she gained over five pounds. Says Mrs. Vail: "We know that without the people at the center, we would not have our little daughter."

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## PROPOSED CATV COMPROMISE

**Mr. BAKER.** Mr. President, last week Clay T. Whitehead, Director of the Office of Telecommunications Policy, presented a possible compromise of the issues raised by the FCC proposed CATV rules to representatives of copyright owners, the National Association of Broadcasters. Because of the widespread interest in this proposal and the importance to our national communications policy of resolving this controversy, I ask unanimous consent that articles about the proposal, published in Broadcasting and TV Digest this week, and the text of the proposal be printed in the RECORD.

### NAB, NCTA, MST Boards To Meet on Cable Plan

"If there's ever to be a settlement of the telecasters' and cablemen's positions on CATV, this just has to be the week. They won't get another chance." This was view of govt. official Nov. 5 after feverish week of activity centering around OTP Dir. Clay T. Whitehead's proposed compromise—which has endorsement of FCC Chmn. Burch. We gave you essentials of proposal week ago (Vol. 11:44 pl), full text is printed on p. 5.

NCTA Board meets Nov. 10 on Whitehead plan in Washington; NAB same day in New Orleans; MST Nov. 11 in Atlanta. Whitehead has asked all parties to accept or reject compromise by 6 p.m., Nov. 11—and there was guarded optimism that "everybody just might buy enough of it that we can deal," according to govt. official. Another added:

"Copyright? they'll go for it. Cable operators are getting 90% of the FCC's Aug. plan [Vol. 11:32 p3]. If they don't take this, they'll prove once and for all that they are rather greedy individuals . . . If the broadcasters don't accept, then they aren't going to get any help either. TV just won't get a better deal than this."

"We're hopeful," said a broadcast executive who favors acceptance. "I'd say the chances of us going for it are better than 50–50. This is a result of an awful lot of give & take and much pressure from government . . . It's not what we would have written, but it represents a legitimate compromise." Major stumbling blocks to TV acceptance: "The limited exclusivity in 51–100 markets [and] we'd like more restrictions on where distant signals could originate."

Our discussions with cable people at Cal. CATV Assn. convention (see p. 4) last week who were familiar with OTP's pitch produced about a 50–50 guess that cable industry would accept it, albeit very reluctantly. We're also told there's a pretty good chance that, if NCTA as a whole doesn't buy the package, some major system operator will. NCTA Chmn. John Gwin introduced some startling statistics, through NCTA staffer Don Andersson, showing devastating effect exclusivity could have on cable under some conditions. NCTA found, for example, that in Charlotte, N.C., if a CATV had to protect local stations against imports from independents in Atlanta & Hickory, it could import only about 30 min. of programming daily. In Fort Wayne, system would have to black out WGN–TV Chicago 8½ hours. Mon.–Fri., 7 hours Sat., 2 hours Sun. It would have to protect against WTTV Indianapolis 5 hours weekdays, 7 hours Sat., 5 hours Sun. in Clarksburg, W. Va., however, protection against WTTG Washington would run only 2 hours weekdays, one hour Sat., one hour Sun. (Said CATV Bureau Chief Sol Schieldhouse, wryly of Andersson's charts: "Atrocity pictures.") Another major stumbling block to cable agreement, we're told, is requirement that all parties to compromise join "to seek early copyright legislation" which would write into law exclusivity provisions. MST—and probably NAB—on other hand, is uncompromising on insisting that this be kept in.

We received strikingly similar predictions from 2 prominent lawyers who represent both cable & TV clients. Said one: "Copyright, I'd bet 10–1 they'll accept. In the cable industry, there's a better than 50–50 chance they'll go for it. I'd say the broadcasters are a toss-up. My own feelings is that the NAB will want to do it, and the MST will scream like murder." Lawyer No. 2: "Copyright will accept the plan, in essence . . . Very likely, the cable people will go for it . . . As for the broadcasters, I just wouldn't predict what they'll do because they are so divided within their own ranks. If I were advising them, I'd tell them to accept it because if they don't they'll get something worse."

Some MST members reportedly were lobbying on Hill against Whitehead proposal within hours after it was presented Nov. 5 to NAB representatives—Pres. Wasilewski, MST Pres. Jack Harris, MST Dir. & NAB TV Chmn. A. Louis Read. At NAB Exec. Committee meeting previous day, MST Dir. Bill Walbridge spoke against compromise, expressed opinion that NAB is likely to lose many members if it approves compromise. He was disputed by Read, who along with Harris, is expected to back proposal.

"MST is very badly split," one member who favors compromise told us. "But if we reject it in Atlanta a day after NAB & NCTA both accept it, we will put ourselves in an impossible position. I just can't see that happening, despite the claims of some that we'd be 'selling out.'"

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### Heat's on Cables for Compromise: Whitehead, Resuming Mediation with Burch's Assent, Meets All Three Disputants—With CATV in the Middle

The pressure has been building for weeks. The time for decision has arrived. And it is the 25-member board of the National Cable Television Association that is being looked to—by the administration and by members of Congress—to break the impasse over the FCC's proposed CATV rules.

Clay T. (Tom) Whitehead, director of the Office of Telecommunications Policy, on Tuesday (Nov. 2) handed John Gwin, NCTA board chairman, a proposed compromise that has been endorsed by FCC Chairman Dean Burch. To Mr. Gwin, it was "not all beauty," but he circulated it among his board members and will discuss it with them in a special meeting in Washington on Wednesday.

It is on the reaction of the NCTA board that the fate of this third effort at compromise—Mr. Whitehead tried once before, as did Mr. Burch—hangs, according to OTP officials. Mr. Whitehead met on Monday with representatives of the copyright owners and on Friday with spokesmen for the broadcasters. But it is the NCTA that OTP is concerned about. "If cable doesn't buy the plan," an official said, "there is no point in going forward."

The proposed compromise would:

Leave the commission's distant-signal proposals untouched but would tame the "wildcard" provision, under which CATV systems could import a signal from any market, by adding an antileapfrogging regulation.

Provide exclusively protection for nonnetwork programing in markets 1-100, though more in the top-50 markets, and reduce from same-day to simultaneous the time of exclusivity protection given network programs.

Raise the standard for determining whether an out-of-market independent station is local.

Pave the way for congressional action on copyright legislation by committing the parties to the dispute to support of separate copyright legislation. The proposal outlined would establish copyright liability for all CATV except existing systems with fewer than 3,500 subscribers and would grant compulsory licenses for local and distant signals authorized under the commission's initial package.

Afford radio a measure of protection; a CATV system that imported a distant radio signal would, on request, be required to carry the signals of all local AM or FM stations.

Grandfather existing systems as to present rules regarding signal carriage. Generally, this would permit systems to expand currently offered service through their franchised areas.

NCTA officials have yet to comment on the proposal in any detail. But Mr. Gwin last week said "there are some things in the proposed agreement we have to take a long look at." And in an appearance on Thursday at the fall convention of the California Community Television Association, in Coronado, he seemed pessimistic about the chances for compromise. He said he was uncertain as to the outcome of the "battle."

But he made it clear that, in his view, the broadcasters were adamant on four points—the number of distant signals cable operators could import, restrictions on leapfrogging, stringent regulations on service from overlapping markets, and insistence on exclusive protection. These are among the points the National Association of Broadcasters, in a letter to Chairman Burch last month, said are essential to any compromise (BROADCASTING, Oct. 25). Mr. Gwin warned that "it will be impossible for cable to grow" if the cable industry gives too much on those four points. Distant signals, he said were the single most important issue; the others "are just vehicles to erode our right to use distant signals."

The proposed compromise would not reduce the number of distant signals CATV systems could import. But it does favor broadcasters, to a degree, at least, on the other points, Mr. Gwin says most concern them.

CATV systems, under the compromise, would still be entitled—indeed required—to provide minimum service of three network and three independent signals in the top-50 markets; three network and two independent signals in markets 51-100, and, three network and one independent signals in the smallest markets. A system would import distant signals if it could not fill out its minimum quota with local stations.

Out-of-market network stations would still be considered local if they had a 3% share of audience and a net weekly circulation of 25%. Independents, however, would have to do a little better under the compromise plan than under the commission proposal to be considered local—2% share of audience and 5% net weekly circulation, instead of 1% and 5%.

In addition, systems in the top-100 markets would still be able to import two distant signals, regardless of local availabilities, as under the commission's plan. However, where the commission would have permitted the system to import one of the signals from any market, the compromise does not allow that freedom if the signals are to be imported from the top-25 markets. The system would be limited to the two closest such markets. However, a system would not be required, as under the commission's plan, to select a UHF signal as one of its two bonus picks. And the wild-card spirit, at least, would survive in an exception: When a system blacked out programming from a distant, top-25 market station it normally carries, it could substitute any distant signal without restriction.

The exclusivity provision would be expected to impede CATV growth in the major markets, since it would prohibit cable systems from carrying any syndicated material for one year after its first appearance in any market and then for the life of the contract under which it is sold to a local station. In markets 51–100, various nonnetwork material would be protected for varying lengths of time, up to two years.

Whatever the virtues of the plan, it is clear that NCTA is under considerable pressure to accept it. For a collapse of the talks would shift the locus of the controversy to Congress, particularly the Senate, an event that officials in Congress and the White House have been trying to avoid since July, when Mr. Whitehead made his initial effort to bring the contending parties into agreement (BROADCASTING, July 26).

CATV is a highly charged political issue in Congress, where both the NAB and the NCTA have been vigorously lining up support for their respective sides. Senator John O. Pastore (D-R.I.), chairman of the Senate Communications Subcommittee, who has asked OTP for its comments on the commission's proposed rules, is said to have been inundated recently with mail from senators urging on him the position of one side or the other. And it would be in that atmosphere that he would be expected to hold hearings if the talks fail.

Indeed, various sources say that Mr. Whitehead might make hearings virtually unavoidable, if the compromise effort fails, by writing a letter sharply critical of the commission plan. (He is scheduled to deliver his views on the commission's plan by next week.)

This would probably not be difficult for him, since he is said to feel the commission, since he is said to feel the commission should not in any case proceed without policy guidance from Congress. He is chairman of a high-level administration committee that is preparing policy recommendations—presumably including legislative proposals—for President Nixon.

If an agreement is reached, however, he would not be expected to torpedo it—although he would probably make no secret of his feelings as to where policy should be set.

The possibility that the failure of the Whitehead mission could result in Senate hearings has been pointed out to Mr. Gwin as a reason for accepting the compromise. For hearings could, as one Hill source put it last week, "muddy the waters" and possibly result in a delay in the adoption of the commission's rules. The commission's present timetable calls for a completion of the rulemaking proceeding by March 1. And it is the broadcasters who would be expected to benefit most from delay.

In addition, Mr. Whitehead is understood to have made it clear to Mr. Gwin that the compromise agreement has "wide support" within government—including Congress and FCC Chairman Burch. And Mr. Burch has been the cable industry's brightest hope in Washington.

What may be another element in the pressure being applied to NCTA is the circulation being given views attributed to Mr. Whitehead by those around him. Mr. Whitehead, normally low key in his approach, is said to feel that the proposed compromise is not only "fair and equitable" but that "if cable turns it down, it would be a flagrant disregard for public policy and a demonstration of greed."

"The same goes for broadcasters," a source said. But OTP officials appear confident that broadcasters will accept the proposal if NCTA does. And this is based on more than the view that the proposal meets some of their objections. It is assumed that broadcasters would not deliberately frustrate an important government official who has initiated a movement to restructure—in a manner many find generally appealing—the regulation of broadcasting.

Mr. Whitehead met Friday with Vincent Wasilewski, president of NAB; A. Louis Read (WDSU–TV New Orleans), chairman of NAB's television board, and Jack Harris (KPRC–TV Houston), chairman of an NAB committee that had attempted to negotiate with CATV and copyright interests. They had met with Mr. Burch in his effort last month to bring the sides together—and earlier with Mr. Whitehead in his first effort.

In spite of the pressure, Mr. Gwin last week was talking bravely. "We're not about to crack under pressure," he said. "We've had our backs to the wall in the past, and come out in style."

He said that the commissions letter of intent represents NCTA's position, as it has since August. He also indicated what might be NCTA's reason for hope it could withstand the pressure, if it decides on that course. Mr. Burch, he noted, "is not opposed to arrangement, but he never said that, in the absence of an agreement, he would not go ahead with the commission's plans."

The effort at persuading NCTA to accept the Whitehead compromise was even being made last week at Coronado. Sol Schildhause, chief of the FCC Cable TV Bureau and regarded by cable operators generally as sympathetic to their cause, made a direct and strong appeal for compromise.

He acknowledged that "it's no secret that we're dealing down in our negotiations." But he said acceptance of compromise would establish a firm and secure starting place for cable. "Stability is essential," he said.

The uncertainties generated by the negotiations in Washington dominated every discussion at the convention of the largest state CATV association. And Henry R. Goldstein, president of the association, captured that mood in his keynote address, at the ornate Del Coronado hotel, across the bay from San Diego. The cable industry, he said, is on the brink—but on the brink of what, he confessed, he did not know.

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### PROPOSED COMPROMISE

Local Signals: Local signals defined as proposed by the FCC, except that the significant viewing standard to be applied to "out-of-market" independent stations in overlapping market situations would be a viewing hour share of at least 2% and a net weekly circulation of at least 5%.

Distant Signals: No change from what the FCC has proposed.

Exclusivity for Non-Network Programming (against distant signals only): A series shall be treated as a unit for all exclusivity purposes

The burden will be upon the copyright owner or upon the broadcaster to notify cable systems of the right to protection in these circumstances.

A. Markets 1–50: A 12-month pre-sale period running from the date when a program in syndication is first sold any place in the U.S., plus run-of-contract exclusivity where exclusivity is written into the contract between the station and the program supplier (existing contracts will be presumed to be exclusive).

B. Markets 51–100: For syndicated programming which has had no previous non-network broadcast showing in the market, the following contractual exclusivity will be allowed:

(1) For off-network series, commencing with first showing until first run completed, but no longer than one year.

(2) For first-run syndicated series, commencing with first showing and for two years thereafter.

(3) For feature films and first-run, non-series syndicated programs, commencing with availability date and for two years thereafter.

(4) For other programming, commencing with purchase and until day after first run, but no longer than one year.

Provided, however, that no exclusivity protection would be afforded against a program imported by a cable system during prime time unless the local station is running or will run that program during prime time.

Existing contracts will be presumed to be exclusive. No pre-clearance in these markets.

C. Smaller Markets: No change in the FCC proposals.

Exclusivity for Network Programming: The same-day exclusivity now provided for network programming would be reduced to simultaneous exclusivity (with special relief for time-zone problems) to be provided in all markets.

Leapfrogging: A. For each of the first two signals imported, no restriction on point of origin, except that if it is taken from the top-25 markets it must be from one of the two closest such markets. Whenever a CATV system must black out programming from a distant top-25 market station whose signal it normally carries, it may substitute any distant signal without restriction.

B. For the third signal, the UHF priority, as set forth in the FCC's letter of August 5, 1971, p. 16.

Copyright Legislation: A. All parties would agree to support separate CATV copyright legislation as described below, and to seek its early passage.

B. Liability to copyright, including the obligation to respect valid exclusivity agreements, will be established for all CATV carriage of all radio and television broadcast signals except carriage by independently owned systems now in existence with fewer than 3500 subscribers. As against distant signals importable under the FCC's initial package, no greater exclusivity may be contracted for than the Commission may allow.

C. Compulsory licenses would be granted for all local signals as defined by the FCC, and additionally for those distant signals defined and authorized under the FCC's initial package and those signals grandfathered when the initial package goes into effect. The FCC would retain the power to authorize additional distant signals for CATV carriage; there would, however, be no compulsory license granted with respect to such signals, nor would the FCC be able to limit the scope of exclusivity agreements as applied to such signals beyond the limits applicable to over-the-air showings.

D. Unless a schedule of fees covering the compulsory licenses or some other payment mechanism can be agreed upon between the copyright owners and the CATV owners in time for inclusion in the new copyright statute, the legislation would simply provide for compulsory arbitration failing private agreement on copyright fees.

E. Broadcasters, as well as copyright owners, would have the right to enforce exclusivity rules through court actions for injunction and monetary relief.

Radio Carriage: When a CATV system carries a signal from an AM or FM radio station licensed to a community beyond a 35-mile radius of the system, it must, on request, carry the signals of all local AM or FM stations, respectively.

Grandfathering: The new requirements as to signals which may be carried are applicable only to new systems. Existing CATV systems are "grandfathered." They can thus freely expand currently offered service throughout their presently franchised areas with one exception: In the top 100 markets, if the system expands beyond discrete areas specified in FCC orders (e.g., the San Diego situation), operations in the new portions must comply with the new requirements.

Grandfathering exempts from future obligation to respect copyright exclusivity agreements, but does not exempt from future liability for copyright payments.

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## ACCOMPLISHMENTS OF PRESIDENT JOHN F. KENNEDY

**Mr. PELL.** Mr. President, there are fashions and fads in the world of political science and analysis, and we appear now to be in a period when it is fashionable to denigrate the accomplishments of President John F. Kennedy.

I think, however, we would do well to remember that the idealism, the sparkle, and the inspirational leadership that President Kennedy gave our Nation prepared the soil for the great flowering of positive legislation in the 1960's, after his death.

The landmark legislation of that period, achieved by a partnership of Congress and President Johnson, had its genesis in the days of Camelot. This was innovative legislation, now accepted as a vital part of the effort to improve the quality of life of our people—health and education legislation, arts and humanities programs, and civil rights legislation.

Most important, let us remember that President Kennedy never permitted the Armed Forces of the United States to be used in an aggressive operation. Instead, when he saw violence escalate, as at the Bay of Pigs, he acknowledged error and withdrew support rather than commit the United States to a draining and possibly disastrous policy.

In the Cuban missile crisis, he sought to conciliate, to find peaceful solutions, to avoid embarrassing our foes; and he tried to hold out the palm of peace to our foes rather than to precipitate the world conflict that could have then occurred.

William Shannon recently wrote for the New York Times a sensitive appraisal of President Kennedy's record. I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 19, 1971]

### J. F. K. IN RETROSPECT

(By William V. Shannon)

WASHINGTON, October 18.—Every day of the year under rainy skies or sunshine, ordinary Americans and visitors from overseas come by the hundreds to a hillside in Arlington to visit the grave of John F. Kennedy.

But among the intellectuals, it is open season on Kennedy. The old men of the Establishment and the young men of the new revisionism agree that his reputation as a President is much inflated. Dean Acheson before his death tells a British interviewer that Kennedy was out of his depth in the White House. In an interview with Ronald Steel the other day, Walter Lippmann agrees with Acheson. Columnist Garry Wills writes of his pleasure that at last the country is becoming "disenthralled" with the Kennedy myth.

In books and critical journals and newspaper interviews, the downgrading of Kennedy proceeds. This indictment deserves examination.

Kennedy, it is said, set the pattern for the kind of foreign policy carried out by Lyndon Johnson with all its disastrous divisive consequences here at home. Furthermore, it was the Kennedy appointees—Rusk, McNamara, the Bundys—who carried out that foreign policy. More broadly speaking, Kennedy's soaring rhetoric and ambitious policies intensified the globalism, the image of America as the world's policeman and social worker, which is so out of fashion today.

A passage is often cited from Kennedy's inaugural address: "Let every nation know, whether it wishes us well or ill, that we shall pay any price, oppose any foe to assure the survival and the success of liberty."

But who is to say that John Kennedy would have deemed a major land war in South Vietnam necessary "to assure the survival of liberty"? Lyndon Johnson made that decision in 1965 some fifteen months after Kennedy was in his grave.

Nobody forced Johnson to make that decision. He entered office convinced that Vietnam was worth fighting for and he acted on his own convictions. It is absurd to picture him in foreign affairs as the ignorant puppet of his dead predecessor's policies. When it suited him, Johnson changed them. Immediately upon taking office, for example, he placed Thomas Mann in charge of both the Alliance for Progress program and of all Latin-American affairs and rapidly changed the tone and direction of Kennedy policies in the hemisphere.

But what about Rusk, McNamara, the Bundys? In assuming that Kennedy would have followed their Vietnam advise as Johnson did, critics conveniently forget that at his death, Kennedy was disenchanted with Rusk whom he planned to replace after the 1964 election. More important, they ignore the departure of the two men who were Kennedy's most trusted counselors in foreign as well as domestic affairs—Robert Kennedy and Theodore Sorensen.

Kennedy had planned to visit Japan and Russia in the spring of 1964. He had major initiatives in foreign policy in mind for his second term. Precisely because he was a globalist, he would probably not have become overcommitted in one small corner of Southeast Asia.

Yet what Kennedy would have done in Vietnam if he had lived, no man can say. What can be said, however, is that if he had intervened massively and found the war going badly, he would not have dug his heels into wet concrete and stood fast while his party and his country blew up around him. Kennedy was much too sensitive to the currents of opinion to have stayed inflexible for so long.

The only time Kennedy used force was at the Bay of Pigs. When the raid miscarried, he chose the embarrassment of withdrawal rather than try to cover his mistake with air strikes and Marine Corps reinforcements. Throughout his Administration, whether he was dealing with Congress or Khrushchev, with Southern racist Governors or steel company executives, Kennedy followed a consistent pattern of trying to narrow differences, to conciliate rather than confront, to seek face-saving compromises.

When he was alive, liberals criticized him because he was not aggressive enough in fighting his adversaries in Congress. Cold warriors criticized him for selling wheat to Russia, for not bombing the Russian missile bases in Cuba, for making an unenforceable settlement in Laos in 1962, for taking too big a risk in signing the Nuclear Test Ban Treaty. They recognized him for what he was—a peacemaker.

Kennedy was an intellectually gifted man and the most skillful national politician of his day. He had his weaknesses and made his mistakes, but when death cut him off, he was on his way toward becoming a great man and a great President. The crowds who wind their way to his grave site are not mistaken in their admiration. They are wiser than his latter-day critics and their judgment will outlast today's disparagement.

## AFL–CIO COMMITTEE ON POLITICAL ACTION—SALARIES OVER $10,000

Mr. FANNIN. Mr. President, the AFL–CIO Committee on Political Education reported to the Clerk of the House of Representatives that it spent $969,328 in 1970.

This almost $1 million is a lot of money for COPE to spend on political activities during a year in which there is no presidential election. But this figure obviously does not really tell the full story.

The $969,328 reported to the Clerk of the House does not include the salaries of COPE officials. To ascertain the 1970 salaries of the top COPE workers, one must go to the Department of Labor.

A check of records at the Department of Labor reveals that higher echelon COPE officials were paid $443,862.95 in salaries and expenses for 1970.

Mr. President, I ask unanimous consent to have printed in the RECORD the list of COPE salaries over $10,000 as shown in reports filed with the Department of Labor.

There being no objection, the list was ordered to be printed in the RECORD, as follows:

| | Salary | Expenses | Total |
|---|---|---|---|
| Director, C.O.P.E.: Alexander Barkan | $30, 510. 00 | $9, 583. 98 | $40, 093. 98 |
| Deputy director, C.O.P.E.: Jospeh Rourke | 22, 950. 00 | 2, 383. 52 | 25, 333. 52 |
| Assistant director, C.O.P.E.: John Perkins | 18, 234. 00 | 11, 026. 48 | 29, 260. 48 |
| National field director, C.O.P.E.: W. C. Young | 16, 676. 40 | 12, 737. 44 | 29, 413. 84 |
| Campaign director, C.O.P.E.: William Gilbert | 16, 225. 00 | 5, 584. 19 | 21, 809. 19 |
| C.O.P.E. area directors: | | | |
| Clement Dowler | 15, 574. 00 | 10, 177. 93 | 25, 751. 93 |
| Richard Fallow | 17, 172. 50 | 8, 072. 25 | 25, 244. 75 |
| Frank McGrath | 17, 122. 50 | 8, 288. 67 | 25, 411. 17 |
| Charles McMahon | 15, 361. 50 | 9, 137. 20 | 24, 498. 70 |
| Raymond Alvarez | 15, 814. 80 | 6, 529. 51 | 22, 344. 31 |
| Research director, C.O.P.E.: Mary Zon | 19, 791. 00 | 2, 730. 32 | 22, 521. 32 |
| Assistant research director, C.O.P.E.: Margaret Cronin | $15, 366. 50 | | $15, 366. 50 |
| Research employee, C.O.P.E.: Frances Kanin | 10, 786. 20 | | 10, 786. 20 |
| Publicity director, C.O.P.E.: Bernard Albert | 19, 791. 00 | $2, 353. 54 | 22, 144. 54 |
| Minorities representative, C.O.P.E.: Fannie Neal | 17, 685. 00 | 11, 123. 05 | 28, 808. 05 |
| Staff representative, C.O.P.E.: Walter Bartkin | 17, 685. 00 | 63. 56 | 17, 748. 56 |
| Field representative, C.O.P.E.: Severiano Merino | 15, 549. 00 | 7, 824. 25 | 23, 373. 25 |
| Accounting employee, C.O.P.E.: Margaret Laddbush | 11, 155. 60 | | 11, 155. 60 |
| Data processing director, C.O.P.E.: Walter Markham | 19, 791. 00 | 3, 005. 06 | 22, 796. 06 |
| Total | | | 443, 862. 95 |

Mr. FANNIN. Mr. President, these COPE salaries are included in the reports that the AFL–CIO and all labor unions are required to file with the Department of Labor. I emphasize that this includes only salaries of more than $10,000. COPE workers earning less than that are not included in the reports. These salaries do not include legislative representatives which are political and perhaps should be considered with COPE.

Mr. President, these two sets of figures raise very serious questions.

If these 19 employees shown on the Labor Department reports were working full time for COPE, why were their salaries not listed in the report filed with the Clerk of the House?

Even more important, just where are the funds coming from to pay the salaries of these 19 COPE officials and other COPE employees who earn less than $10,000 per year?

One can only assume that the salaries

are coming from the AFL–CIO general fund. And the AFL–CIO general fund comes from the dues of the labor union members. Most of these dues are compulsory. Workers are forced to contribute if they want to work and support their families.

Mr. President, the unions are not living up to the letter or the spirit of our laws regulating the use of union dues and the reporting of funds used in political activities.

The reporting system is a sham.

Union members are being denied the right to know how their contributions to unions are being spent. Instead of spending less than $1 million as the COPE report to the Clerk of the House would indicate, the political arm of the AFL–CIO spent at least $1.5 million.

It is illegal to use involuntary union dues for political purposes, yet we have ample evidence that union bosses are ignoring the law. Union members are being forced to contribute funds that are used to support political candidates that they may oppose.

In addition to supplying millions of dollars for campaigning, union bosses are also misusing the other vast resources of their unions.

This is the most serious threat to our political system today. It must be corrected by the passage of effective legislation to stop the misuse of union money and resources for political purposes.

## EMERGENCY SCHOOL ASSISTANCE PROGRAMS

Mr. GRIFFIN. Mr. President, on behalf of the distinguished Senator from Tennessee (Mr. Brock), who is necessarily absent, I ask unanimous consent to have printed in the Record a statement by him on the subject of emergency school assistance programs and items related thereto.

There being no objection, the statement and other items were ordered to be printed in the Record, as follows:

### Emergency School Assistance Programs

(Statement by Senator Brock)

Mr. Brock. Mr. President, I am concerned, as are my fellow Tennesseans, over proposed programs, applications for which have been made under the Emergency School Assistance Program. Some of these programs would seem not to be the kinds of activities calculated to contribute to the well being of the communities for which they are designed. For this reason I have written Secretary Richardson to request that funding be delayed until full investigation can be made. I ask a letter addressed to Secretary Richardson, as well as the series of articles to which the letter refers, written by Grady Gallant and published recently in the Nashville Banner be printed in the Record.

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U.S. Senate,
*Washington, D.C., November 5, 1971.*

Hon. Elliot Richardson,
*Secretary, Department of Health, Education, and Welfare, Washington, D.C.*

Dear Mr. Secretary: I am much disturbed over reports of projected programs with a cost of $1.8 millions of dollars for the State of Tennessee ostensibly with the objective of easing the process of integration. I refer to a summary of a series of articles on this matter by Grady Gallant in the *Nashville Banner*, which I am sending you under separate cover.

Particularly disturbing is the possibility that these programs are proposed to be funded *outside* regular community channels. I cannot urge too strongly that this not be allowed. It is imperative that any such programs be approved by the school board as well as the governing body of the urban community involved. Only by so doing can we avoid what at best could be mischievous results and at worst tragic consequences for children and our community.

Since I am most familiar with the Chattanooga scene, I cite as one example a proposed privately operated program for Chattanooga which would spend $372,970 ($320,080 of which would be used for salaries). This program is vigorously opposed by our local government.

Even before court ordered desegregation of schools, Chattanooga desegregated peacefully. I was privileged to know the inside story since my father worked tirelessly (without pay) to achieve the results of which we were so proud. I attempted to help as well. The entire community, each person in his own way, contributed to this effort (without pay).

It may be that this new program has some justification, but I can be excused if I have serious reservations. I certainly feel the people of Chattanooga have earned a right to say through their locally elected representatives whether they believe this will contribute to the peace and tranquility of the community or otherwise. At this point, they do not support it.

In short, it is my considered opinion that most of these activities might well better be carried on under local volunteer organizations, but in no case should they be funded without local approval or over local objections. Perhaps these are not as bad as they sound. I don't know, but I do urge you withhold funding until we find out.

I would be most grateful for your consideration of the above.

Very truly yours,

Bill Brock.

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[From the Nashville Banner, Oct 19, 1971]

### Busing, Social Adjustment Projects To Cost $1.8 Million

(By Grady Gallant)

Eleven new "social adjustment" projects to attune public school children to massive busing and other "life experiences" encountered in the modern school environment are in the works for Tennessee at a cost to the federal government of $1,829,067.35.

Of this sum, the project budgets show that $1,230,795.40 would be dissipated in salaries for those laboring in the 11 adjustment projects, many of whom are open advocates of busing.

Travel expenses for these workers would eat up another $92,160.

Total cost for salaries and travel of the project workers is $1,322,955.40.

This leaves only $506,111.95 for child adjustment and to attune them to sociological development.

The budgets show that most of this $506,111.95 would be devoured by telephone bills, office rental and equipment.

Applications to implement the adjustment programs under the Emergency School Assistance Program (ESAP) have been sent to Gov. Winfield Dunn.

He approved seven of the proposals. The other four were neither approved nor disapproved by the governor. The Department of Health, Education, and Welfare, which administers ESAP, will now approve or disapprove them.

A spokesman in the Governor's office said that Dunn relies on recommendations from the various communities involved as to what action he should take on these projects.

The spokesman said it was his personal belief that HEW will fund all 11 of the projects.

The projects present a community social problem and outline a plan designed to solve or reduce it.

For example, Memphis Community Education Project (MCEP) discloses that it is "a non-profit, tax-exempt, free-standing corporation of community-minded persons who are attempting to effectively improve the social conditions of Memphis and Shelby County."

To this end it has "four main foci of activity—housing, health, education and law."

"We have focused on these activities, not to provide separate service systems, but to help the black society become a true human community with the ability to relate to the white community as peers and, therefore, bring about the sine qua non (essential) condition for true friendship and a stable society."

To accomplish this and other things, MCEP needs $413,410 in federal funds under ESAP of which $251,100 will go for salaries and $37,800 for travel expenses.

The list of projects includes three to be conducted in Nashville:

1. Concerned Citizens for Improved Schools, 1922 Church Street, Second Floor Rear, requesting $259,626.35.
2. University Council for Educational Administration, 29 West Woodruff Avenue, with offices in Columbus, Ohio, requesting $78,741.
3. The Social Action Committee of Christians and Jews, Inc., 6401 Harding Road, requesting $60,000.

The Concerned Citizens for Improved Schools states it has "functioned successfully and uniquely for the last two and a half years as a bi-racial group dedicated to affirmative community involvement toward ending all vestiges of a dual school system and the results of its accumulative patterns of discrimination."

The organization was "spontaneously created" in March 1969. Concerns in regard to "application of criteria for zoning the proposed attendance area for a newly created junior high school" and "racial isolation of all pupils in the Nashville-Davidson County schools" were the spurs which caused spontaneous organization of the group, according to the funding application.

Mrs. Kitty Smith, wife of Dr. William O. Smith of Nashville, is project director for Concerned Citizens. Dr. Joseph Yeakel, general secretary of the board of evangelism of the United Methodist Church is listed as the authorized representative of Concerned Citizens, not to be confused with Concerned Parents Association, Inc.

The University Council for Educational Administration under Dr. Jack Culbertson, Columbus, Ohio, proposes to "develop and test a simulation program for urban administrators, particularly as related to education and race," according to Dr. Elbert Brooks, Metro school director, in a letter endorsing the project.

The proposed program "promises much in relation to the development of reality-oriented materials for the upgrading of in-service training, professional growth and development opportunities for practicing administrators, and for the training of new administrators," he observed in a letter to Culbertson dated Sept. 21, 1971.

The project proposes to help school leaders in Nashville "deal effectively with desegregation problems," Culbertson says.

The Social Action Committee of Christians and Jews, 6401 Harding Road, proposes to establish two early-morning, free child care centers to help take care of children of working mothers between the time when the mothers must go to work and the children must leave to go to schools opening at 10 a.m.

Charles B. Myers, an assistant professor of history and social science education at George Peabody College for Teachers, is the project contact person with HEW.

All 11 projects plan to spend their funds in a year or less.

The organizations requesting ESAP funds and their cities are:

1. Concerned Citizens for Improved Schools, 1922 Church Street, Second Floor Rear, Nashville. Request: $259,626.35.

2. University Council for Educational Administration, 29 West Woodruff St., Columbus, Ohio. Request: $78,741 for work in Nashville.

3. The Social Action Committee for Christians and Jews, Inc., 6401 Harding Road, Nashville. Request: $60,000.

4. The Unity Group Fund, Inc., 1348 Grove Street, Chattanooga Request: $372,970.

5. Memphis Education Project, Inc., 740 Court, Memphis. Request: $413,410.

6. Memphis Urban League, 546 Beale Street, Memphis. Request: $236,242.

7. Community Youth Playhouse, Inc., 1185 South Bellevue, Memphis. Request: $61,580.

8. Memphis Panel of American Women, 5503 Gwynne Road, Memphis. Request: $19,971.

9. Williamson County Citizens for Human Dignity, P.O. Box 423, Franklin, Tenn. Request: $58,203.

10. The Civic Action Council of Jackson, P.O. Box 3002, Jackson, Tenn. Request: $89,725.

11. The General Board of Christian Education, Christian Methodist Episcopal Church, 1474 Humber Street, Memphis. This organization requested a total of $814,176, but proposes spending $178,599 on a Chattanooga, Tenn., project, with the remainder being spent in cities of states other than Tennessee.

The other communities included in the proposal are Tupelo, Miss.; Phenix City, Ala.; Savannah and Chatham County, Ga.; and Morehouse Parish, La.

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### Federal Grant of $259,626 Sought for Busing Propaganda Campaign

(By Grady Gallant)

An intensive propaganda campaign using a "mobile van," week-end retreats, mass indoctrinational meeting and other devices is planned by Concerned Citizens for Improved Schools to attune public school children and their parents to "a new way of life" here.

To mount this "determined and creative campaign against negativism," the organization has applied for $259,626.35 in federal funds, of which $208,294.40 would be drained into employe salaries, services and benefits.

The mass media assault against "white ghetto mentalities" and for "integrating the desegregated schools" would include $60,000-worth of monthly television specials and $25,000-worth of billboards, radio and television spot announcements, all to be paid for from taxpayers' money.

Workshop consultants would be brought in at $100-a-day and a "media consultant" would be hired at $100-a-day for 96 days, for a total expenditure of $9,600 for about 19 weeks of work, if he works a five-day week.

A community newsletter to be distributed monthly as planned will cost $3,600 for circulation of its 5,000 copies. A monthly newsletter aimed at students would be circulated to 30,000 of them at an annual cost of $8,400.

Students texts and handbooks would cost $380 and students' workshop proceedings will dissipate, if the plan is approved, another $1,250. The parents' workshop preceedings would cost another $500, and telephone and postage costs are forecast to be $3,275 for the year.

Application for the more than a quarter million dollars in federal tax money was made through the Emergency School Assistance Program (ESAP: Pronounced E-SAP).

ESAP is administered by the Department of Health, Education and Welfare. Funds are given to groups and organizations which wish to help in the busing and integration of public school children.

Concerned Citizens for Improved Schools (CCIS) has existed for 2½ years. It is a bi-racial group "dedicated to affirmative community involvement toward ending all vestiges of a dual school system and the results of its accumulative patterns of discrimination," the organization notes in its request for tax refunds.

It was "spontaneously created," according to a description of its origin in the project application. Its membership is 75 per cent white, and includes some open advocates of busing.

Following spontaneous creation, the group became active in promotion of "community action for social change."

With its help, Clergy United for School Integration (CUIE), College and University Professors United for Integrated Education (CUPUIE) and (White) Nashvillians for Integrated Education were organized.

The application has cleared Gov. Winfield Dunn's desk, without his approval or veto, and has been sent on to federal officials.

"Invited members of CCIS testified on behalf of the plaintiff in the case finally adjudicated before (U.S. District) Judge L. Clure Morton (Kelley vs. Board of Education)," it is noted by the tax funds applicant.

Last June, ESAP gave $39,581 for CCIS to form what it called Volunteers in Action (VIA), an activity which involves 26 high school students who "inform the students, their own peers, about the indispensability and justice of school integration."

In explaining the need for expansion and continuation of the VIA program, CCIS notes that the "tense atmosphere" resulting from the busing issue of the recent race for mayor and "the transfer of senior students" from schools from which they would have been graduated "will make it somewhat difficult to secure understanding and acceptance of an integrated, unitary school system."

Being the "main beneficiaries of the opportunities for quality integrated education" the students "must be reached on a one-to-one basis and must have the opportunity for input to diffuse the tensions and create more genuine interaction within their own schools."

Reaching students on a one-to-one basis with Volunteers in Action in expensive. In the second application for federal tax money in less than a year, CCIS wants $48,000 to pay 80 such volunteers $600 annually. A week-end retreat for 50 volunteer trainees will cost another $1,300. And a two-week training program for 50 VIAs at $5 a week will cost still another $500, according to CCIS figures.

"In an out-of-school atmosphere where students will feel free to express their ideas candidly and honestly, we will use the workshop format for a two-day (week-end) discussion (just as soon as possible . . . within 30 days) on racism led by experts in the field, from several frameworks of reference," the application for federal tax money states.

"We will reach for an attendance of 600 or at least 30 students from 20 high schools.

"The curriculum would include information on how to distinguish between individual prejudice and institutional racism; racism as it manifests itself in America, as well as European and Latin American history documents; other serious literature; information on ghetto life and culture (black); about black in a white society; about white ghetto mentalities and how our society has caused and perpetuated racist patterns, etc.," the proposal states.

Volunteers in Action use such methods in achieving objectives as developing materials to "establish rapport with their own peer group," participating as speakers bureau panels and "dialogue groups" and "low key mobilizing of students who are supportive of integration and those who believe in affirmative involvement in projects."

They also implement "buddy systems within the school in order to diffuse tensions and establish (long range) more genuine relationships among all the students."

The volunteers also serve as "communications links" in the Urban League sponsored Unitary School System Assistance Center Rumor Control Center (USSACRCC).

Under its plan for intensive propaganda activities for busing and elimination of the neighborhood school, there would be a project director paid $14,000 annually who would be assisted by an associate director making $10,000 annually. 'A "media specialist" would be paid $10,000.

A part-time "community organizer would receive $6,000 based on an annual salary of $12,000, should he be fulltime.

An administrative assistant would be paid $7,000 annually, a secretary would get $6,000 and a clerk typist would receive $4,800.

Staff travel expenses are set at $1,200 annually.

State-wide delegates to a workshop on Parents Organization—50 delegates—would cost $7,500.

CCIS has budgeted $5,000 for rental of four offices for a year, $600 for workshop site rental for two days and $450 for the week-end retreat site for VIA trainees.

The group also proposes to buy $8,276-worth of equipment such as a 16-mm projector ($353), an electrostatic copier ($1,345), a Polaroid camera and case ($280), projection table ($52.95), record player ($50) and mailing meter ($96). To lease and operate the mobile van for the community organizing teams will cost $4,000.

Another $2,100 would be spent for office equipment for three offices at $700 for each office. The organization now has only one office.

Five hundred dollars will be paid to contract services of an auditor.

The bi-racial advisory committee of Concerned Citizens for Improved Schools are listed in the request for tax money from HEW as Dr. Thomas Ogletree, 3212 West End; Mrs. W. A. O'Leary, 5334 Overton Road; Mrs. Carol C. O'Neill, 1809 Morena Street; Inman Otey, 905 Lischey Ave.; Mrs. Rice Pierce, 5013 Stillwood Drive; Mrs. Prince Rivers, 1803 Morena St.; Dr. J. Tarleton, 1714 Windover Drive; Dr. Eugene Teselle, 2007 Linden; Donna Vaughn, 1818 Beech Ave.

Mrs. Elmer West, 3515 Granny White Pike; William White Jr., 1107 Kellow St.; Mrs. E. L. Whitmore, 3613 Batavia; Dr. Joseph Yeakel, 1014 Woodmont Boulevard; Steve Barefirld, 540 Richman Drive; the Rev. William Barnes, 1503 16th Ave. S.

Don Beisswenger, 235 Lauderdale Road; Mrs. David A. Bergmark, 922 17th Ave. North; Mike Bonnell, 4510 Granny White Pike; Isaac Crosby, 920 Marengo Lane; James Curry, 1003 Battlefield Drive; Mrs. Leslie A. Falk, 1417 Clairmont Place; Mrs. John M. Frase, 1015 Noelton Lane.

Dan Graves, 302 Elmington Ave.; Nancy Holloman, 815 Ramsey; Julius Jones, 3906 Kings Lane; Amy Kurland, 1805 Kingsbury Drive; Theodore Lewis, 1400 Acklen Ave.; Joyce A. Long, 1409 Chester Ave.

Mrs. Johnella Martin, 1704 Villa Place; Warner L. McCreary, 1820A Delta Ave.; and Mrs. Richard M. Morin, 812 Clematis Drive.

Thursday's article will report project plans of other Nashville groups.

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### Educators Seek Funds for Adjustment, Too

(By Grady Gallant)

Not only is adjustment necessary for parents and public school children involved in massive busing under the order of U.S. District Court Judge L. C. Morton, school administrators also feel acute adjustment needs as they face problems thrust upon them by radical school changes.

Tax money for sociological adjustment is obtained by various private groups and organizations wishing to help with public school children from the Emergency School Assistance Program (ESAP) of the Department of Health, Education and Welfare.

One of three ESAP project proposals for Nashville now pending before HEW has been submitted for funding by the University Council for Educational Administration, with offices located at 29 West Woodruff Ave., Columbus, Ohio. Jack A. Culbertson is executive director of this organization.

With the help of several staff members of Nashville Metro school system, "who have been involved in its development at all stages," Culbertson has come up with a proposal to develop and test a simulation program for urban administrators, "particularly as related to education and race."

### GAVE ENDORSEMENT

In a letter to Dr. Culbertson dated Sept. 21, 1971, Dr. Elbert Brooks, director of Nashville schools, noted his endorsement of the proposal.

Dr. Brooks then wrote that this project "promises much in relation to the development of reality-oriented materials for the upgrading of in-service training, professional growth and development opportunities for practicing administrators, and for the training of new administrators."

In plain language, the program intends to develop simulated (or imitation) situations and problems of the kind actually being experienced by school administrators and other leaders in Nashville.

Once these situations and problems are developed, they would be used in a series of workshops to illustrate incidents happening in the schools. Workshop participants would then discuss how they would handle such "problems of desegregation."

"The problems which have major implications for training will be selected, classified and related to significant administrative functions central to the Emergency School Assistance Program (that is: developing community programs; giving leadership to special curriculum revision programs; undertaking special comprehensive planning, and so forth)," the project outline reveals.

### TO COST $78,741

The creation of these artificial situations and problems in order to learn how to deal with the real things happening daily in the public schools will cost $78,741, according to the project request for federal tax funds.

Salaries, consultants, travel back and forth between consultants, honoraria for directors and personnel benefits dissipate more than $28,400 of the sum sought.

The heavy cost of administration of such a simple program as the one projected by the University Council for Educational Administration is reflected in employe salaries budgeted in the proposal to be paid by federal taxpayers:

"Director (1–5 time, 12 months at $36,000 annually), $7,200.

"Assistant director (1-3 time, 12 months at $14,000 annually), $4,700.

"Assistant (1–3 time, 12 months at $10,800 annually), $3,600.

Assistant (1–4 time, 12 months at $11,200 annually), $2,800.

"Secretary (1–2 time, 12 months at $6,000 annually), $3,000.

This is a total of $21,300 for five part-time workers.

In addition to this, they are budgeted to cost an additional $3,608 for such personnel benefits as retirement, disability and hospital insurance—plus travel and per diem to Nashville and Columbus, Ohio, in the amount of $3,500.

Added to their total of $21,300 in salaries, the additional expenses just cited bring their cost up to $28,408.

They plan to use only $1,000 worth of office supplies and materials, however.

These workers would require the services of "consultants" to "plan, design and block-out simulation materials." This consultant service will cost $3,500.

### NEXT IN COST

The next most expensive item on the budget for this simulation program is the $11,250 required for the filming "of six critical incidents."

Three one-week workshops, which include "per diem for 75 participants, honoraria for directors, plus travel and other expenses," whatever these "other expenses" might be—for they are not specified—costs $8,000.

"Creation of 30 in-basket items" will drain off $2,000. An "in-basket item" is described by a school official as written material describing a problem or situation which is placed "in the basket" on an administrator's desk.

The administrator then removes it, reads it and gives his comment as to how he would have handled the problem described.

Production of 12 "audiotaped simulations" would cost $2,750, and another $5,000 is requested to produce "six problem-centered group exercises."

To plan and produce "support content" would cost $3,000, and another $3,000 tax dollars would be spent to "develop instructors manual, evaluation procedures and related materials."

Production of written materials and negatives for workshop use would require expenditure of $5,000 more.

### INDIRECT COSTS

A mystery "indirect costs," which are not itemized, are given under "other costs" as $5,833. This heavy expenditure—more than that required for consultants to block-out and design simulation materials ($3,000) and for creation of 30 inbasket items ($2,000)—is just explained as being 8 per cent of $72,908.

The $72,908 figure is the cost of the project until 8 per cent (8% of $72,908) or $5,833, is added to it.

When $5,833 is added to $72,908, you get $78,741, which is the figure given as the total cost of the project.

The funds are scheduled to be spent and the project completed in a year.

The proposal gives 11 stages through which the project would advance to its completion. Events "associated with desegregation" will first be monitored to "identify major problems encountered by school administrators," if the project receives the funds.

Instructional objectives then would be decided and the simulated situations to be developed would be determined. Backgrounds facts needed for the simulations will be gathered and the simulated situations and problems will be developed, under the proposal.

### TRIED OUT

The materials would then be tried out "with selected personnel" from Metro schools. The materials would be revised, plans would be completed for the workshops and materials would be packaged for use.

By Sept. 1, 1972, the project is designed to "conduct comprehensive continuing education programs" involving Metro school personnel and "community."

"An analysis of evaluation data" will follow "by Sept. 30, 1972," and by "Oct. 30, 1972, development of recommendations for refining the materials and for extending their use to other urban settings" will be done.

This appears to mean that the products of this year-long effort will be shown in other cities.

In its appeal for tax funds, the University Council for Educational Administration claims it has had "substantial experience in the development of simulated situations and other types of materials during the last 10 years."

### MADE AVAILABLE

"It is estimated," the group states, "the during this period more than 30,000 practicing school administrators have experienced one or more of the 24 different simulations now made available for use for continuing education purposes.

"A number of professors have expressed an interest in developing the projected simulations bearing upon desegregation and equal learning opportunities.

"Since the University Council for Educational Administration is made up of 59 major universities, it is able to draw upon a wide range of training resources, not only in materials development, but also in the planning and implementation of workshops," the organization states.

### FIRST GRANT

Local school officials say that this project was initially part of the $9,098,864.72 Metro school 1971–72 ESAP grant proposal. It, along with other proposals, was denied, and of the total sum sought only $1,418,368 was approved.

It has been resubmitted through the Unisity Council for Educational Administration in a second try for the money.

The proposal lists the Biracial Advisory Committee of the Metro School System of the Emergency School Assistance Program here. This committee, unlike in other project proposals, is a committee which is a part of the Metro school system and functions as a committee in other Metro projects.

The committee membership is given as follows; along with the name of the organization which appointed them to the committee:

Mrs. Zenoch G. Adams, 1024 Kellow St., Metro PTA Council; Dr. Charles E. Kimbrough, 2600 Walker Lane, NAACP; Frank Bailey, 1116 Eighth Ave. South, ESEA, Title 1, Advisory Committee; Mrs. James P. Carter, 1000 Gale Lane, League of Women Voters; Dr. Roy Clark, 2130 West End Ave., Ministerial Association; Mrs. Beverly Bass, 1314 Fifth Ave. North, Model Cities Agency; Phil Eakes, 2609 Crump Drive, Inter-High Council; Dr. Dana Swick, Box 514, Peabody College.

Lloyd H. Griffin, 401 Union St., Nashville Area Chamber of Commerce; Mrs. Alexander Heard, 211 Deer Park Drive, Council of Community Services; Robert Horton, 107 Metro Court House, Metro Government (Mayor's office); Julius Jacobs, 105 Leake Ave., Metro Action Commission.

Ted Martin, 1710 Hayes St., Metropolitan-Nashville Education Association; C. E. McGruder, 908 32nd Ave., North Nashville Citizens Coordinating Committee; Dr. Nicholas Sieviking, 300 Oxford House, Urban Observatory; William Stifler, 614 Lynnwood Blvd., Committee for Unitary School Plan; Dr. G. J. Tarleton Jr., 1714 Windover Drive; and Dr. M. D. Williams, Tennessee State University, Nashville Urban League.

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## LEAGUE PLANS FORUMS, PAPER WITH U.S. FUNDS

(By Grady Gallant)

A request for federal tax money to start "forums" for "extreme and polarized views" concerning a unitary school system, to "work with" sociology and American history classes in Metro high schools, and to publish a biweekly newsletter for high school students has been made by the Nashville Urban League Unitary School System Assistance Center.

The request for $94,138 in public money has been made through the Emergency School Assistance Program (ESAP), which is administered by the U.S. Department of Health, Education and Welfare.

It brings to four the number of private groups and organizations in Nashville seeking ESAP funds to help with the problems created by the massive busing order of U.S. District Court Judge L. C. Morton. There are now 12 proposals seeking ESAP grants of more than $1.8 million in tax funds for Tennessee private groups.

Unitary School System Assistance Center (USSAC) is located at 1922 Church St.

Under the section of its proposal entitled "Attitude Change Through Participation," the Unitary School System Assistance Center outlines a plan to place its members in the classroom "to help the teacher set up and run this program through helping the teacher devise his curriculum and through participating in the classroom itself."

The Center proposes to "work with sociology and American history classes in the Metropolitan high schools to formulate classroom situations in which students would examine the sociology and history of race relations in the U.S."

The proposal goes on to state that:

"This thurst for new race relations study in the schools would be set up as a system of consultation in which USSAC staff members would visit a high school teacher and talk to them (sic), informally, about the need for these type studies as a part of the teacher's yearly curriculum.

"Although the ESAP proposal of the Metropolitan school board contains plans for researching multi-ethnic textbooks and for classroom adjustment," the Unitary School System Assistance Center observes, "it is felt this proposed program is more directly attuned to the current needs of Nashville high school students as it is specifically designed to use a variety of existing resource materials and to involve the students in the determination of the directions the program will take in the classroom."

In addition to taking part in running American history and sociology classes, the Center members wish to bring "the message of equity and brotherhood" into the community and the schools "through presenting an entertainment which imparts a message through what it verbalizes and the spirit which it symbolizes."

To accomplish this adjustment, the Unitary School System Assistance Center proposes to use tax funds for "a sing-out group."

"A sing-out group composed of black and white students visiting areas of tension within the Nashville community and its high schools could serve to ease hostility and provide a link of cooperation between reluctant persons and-or groups," the proposal observes.

The Center's proposal for tax funds claims "a newsletter would fill a communication need among those students involved in the desegregation process in Nashville and act as a valuable aid to changing modes of discriminatory thought."

To solve this problem and "meet this need," the USSAC proposal seeks to publish a biweekly newsletter financed by the federal government which would be "distributed to the students of Nashville's high schools.

"This newsletter would contain information about the concept of the unitary school system at work in Nashville, and parables, essays, and histories relevant to race relations in the U.S. The material published would be partly written by Unitary School System Assistance Center and partly solicited from high school students."

Concerning the need it sees for a forum "for the most 'extreme' and/or polarized points of view emanating from public and private debate concerning implementation of a unitary school system, the Center says such forums would "allow these diverse points of view to be expressed in a manner allowing for orderly opinion and idea sharing among attending groups."

There could possibly be trouble, however, the proposal states.

"The emotional factors involved in this type of meeting may initially lead to periods of disruption, but with further communication on the level of this forum a meaningful appreciation of different persuasions could be initiated and sustained," the project proposal claims.

The individual group would not only contribute "its shared opinions to the while, but would obtain an awareness of the diversity of the urban and suburban community, and come to know each other as human beings rather than stereotypes."

The forums would function "as vehicles of information at the community level and at the high school level," it was noted.

"The method of exchange between the groups would follow the same pattern in either dichotomy but the community forums will be discussions between members of organized groups, whereas the high school forums would be an exchange between the students through either existing school group or individual students," the Center's proposal states.

Employe salaries, services and benefits would cost $43,500 under this proposal, including $6,000 for fringe benefits for the five employes.

A full-time "assistant director" would be employed by the Center at $10,000 annually; a full-time "educator specialist" at $11,000 annually, a music teacher full-time at $5,000 annually, a typist and layout employe at $5,500 and a secretary at $6,000.

In addition, "administrative overhead" could cost $17,478.

The "newsletter and advertising" cost is given in the proposal as $8,000. Resource material would cost $5,000 and "pupil expense" would be $14,400.

"Pupil expense" is not detailed.

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## FOR 200 STUDENTS: $60,000 CHILD CARE FUNDS ARE REQUESTED

(By Grady Gallant)

The Social Action Committee of Christians and Jews, Inc., 6401 Harding Road, has requested $60,000 in federal tax funds under the Emergency School Assistance Program (ESAP) to establish two "early morning, free child care centers" here.

These centers, which would be located at Howard United Church of Christ, Buchanan at 28th Ave. North, and at the Fifteenth Avenue Church of Christ, 2127 Fifteenth Avenue North, would "help care for children of working mothers." Each would be designed to accommodate 100 children.

The children would be cared for between the time the mothers must leave home for work and when the children must leave for schools which open as late as 10 a.m. under Federal Judge L. Clure Morton's massive busing order.

During this time, the children will be served "a simple but nourishing breakfast: juice, milk, rolls, cereal" and will participate in "creative activity," study or reading, as well as indoor or outdoor play.

The program is planned for the period beginning Oct. 15, 1971 and ending June 15, 1972, eight months. However, the budget shows pay scales figured on a 9-month basis.

### HEAVY COST

As in other ESAP proposals, this one reflects the heavy cost of operating any project involving children under the project planning of ESAP fund seekers.

Only $12,837, which is budgeted under "other costs," would be required for the "children's meals, insurance, etc."

On the other hand, employe salaries, services and benefits consume $37,901, or more than half, of the money requested.

A full-time executive director for the early morning centers will cost $7,500. His pay for the nine months is based on an annual salary of $10,000.

A typist-clerk (annual scale of $6,000) would get $4,500. There would be four food specialists (on an annual rate of $3,650 each) who would get $2,730 each for a total cost of $10,920.

There would be four "program specialists" at a cost of $2,730 each for the nine months, or a total of $10,920.

Personnel fringe benefits would require an additional $4,061.

The 36,000 "nourishing breakfasts" would cost only 36 cents each for a total of $11,520.

### EQUIPMENT COSTS

To operate the office of the early morning day care centers would require such equipment as secretary desk and chair ($198), IBM Selectric typewriter ($456), file cabinet ($55), executive desk and chair ($275) and two storage cabinets at $100 each ($200).

There would also be purchased two television sets at $150 each ($300), two record players at $50 each ($100), two 16-mm projectors at $353 each ($706), and two recorder casettes at $46 each ($92).

Program materials for the children would be less expensive than the office equipment. Two hundred units at a unit charge of $3.75 would cost the taxpayers $750—or only $19 more than the combined cost of the IBM typewriter and the executive desk and chair.

These program materials include:

"Indoor play supplies, games, blocks, puzzles, construction toys, etc." at $1.50 per child.

"Outdoor play supplies: includes balls, ropes, etc." at 25 cents per child.

"Enrichment program supplies: Includes books, records, art and creative supplies, etc." at $2 per child.

The unit costs total $3.75 per child.

Travel would cost $900 and office supplies would cost $250. Postage and stationery are budgeted at $250 and telephones would cost $500.

Rental for the facilities located in the two churches would cost $2,400.

Equipment rental is given as $1,080 and contracted services would cost $1,500.

"Other expenditures," a mystery item in all ESAP project proposal budget projections, would require $367.

### INNER CITY

The proposal notes that the two church buildings selected for the centers are "within the inner-city, largely black community served, under the desegregation plan, by three elementary (grades 1 to 4) schools, Westmeade, Parmer and H. G. Hill, all located in the general West Nashville suburban, white, area."

The center locations are easily accessible from all parts of the neighborhood served and "will serve as pick-up points for the buses taking the children to their assigned schools (details are being worked out by a member of the SACCJ and Mr. Carlisle Beasley, Metro transportation director."

The centers are also accessible "for suburban parents from the three elementary school areas driving to work in mid-town (being not far from 40)."

The proposal states that "a number of such parents expressed interest in using the service, no matter where it was located."

Personnel employed at the centers "will be selected on the basis of the qualifications required by the State Department of Public Welfare licensing standards," the proposal states.

### ALSO VOLUNTEERS

A minimum of six volunteers per day would also serve in each center. These will be recruited by members of Social Action Committee of Christians and Jews, Inc. through the social action committees of their churches. These churches include The Temple and West End Synagogues, St. Henry's and St. Ann's Catholic Churches, St. David's and St. George's Episcopal Churches, West End, Belmont and Edgehill United Methodist Churches, Brookmeade and Howard United Church of Christ-Congregational, Fifteenth Avenue Church of Christ and the Society of Friends. Volunteers would also be sought in the neighborhood.

Among those listed in the proposal as SACCJ members "having experience in the field of education or in that of race relations" are:

Mrs. Zensch G. (Bettye) Adams, member of

Metro School Board ESAP advisory committee and co-chairman of Metro Council of PTA.

Larry S. Crist, associate professor at Vanderbilt University and member of the board of advisors of Fisk University Afro-American Research Center ESAP program.

The Rev. Charles N. Fulton III, associate priest at St. George's Episcopal Church and past director of an interracial camp program at Poughkeepsie, N.Y.

Attorney John Gannon, chairman of the Industrial Advisory Council, Nashville Opportunities Industrialization Center.

Rabbi Randall M. Falk, rabbi of The Temple and chairman of Metro Human Relations Commission. He is also listed as a member of Tennessee State University ESAP program.

The Rev. Wilson Q. Welch Jr., associate professor of religion and philosophy at Fisk University, member of the board of advisers of Afro-American Research Center's ESAP program.

Listed as members of the advisory committee of the proposed ESAP project are:

Mrs. Bettye Adams, 1024 Kellow St., who is also listed on the bi-racial committee on the University Council for Educational Administration ESAP project described in Thursday's article.

Mrs. E. J. Miller, 118 Taggart Ave.; Robert Moore, Box 834, Fisk University; Charles B. Myers, 1050 Percy Warner Boulevard; the Rev. Wilson Q. Welch Jr., 3959 King's Lane; John S. Gannon, 216 Jackson Boulevard; and Rabbi Falk, 1209 Canterbury Drive.

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## EYES TOTAL INTEGRATION: CHATTANOOGA UNITY GROUP SEEKS $372,970 FUNDING

(By Grady Gallant)

The Unity Group Fund, Inc., Chattanooga, has applied for $372,970 in federal tax funds "for counseling, negotiating and other activities" in the field of school integration and community race relations.

Almost all of the money requested—$320,080 of the total $372,970—will be used in payment of salaries, employe benefits and travel. Travel and per diem would cost $21,600 under the plan. Salaries and employe benefits would cost $290,480.

Application for tax money has been made to the Emergency School Assistance Program (ESAP), which is administered by the U.S. Department of Health, Education and Welfare. It is one of 12 such proposals by private groups and organization in Tennessee. The four applications by Nashville groups were reported last week in the Nashville Banner.

Headquarters of The Unity Group Fund, Inc., is in the office of the pastor of Second Missionary Baptist Church, the Rev. Paul A. McDaniel.

### NONPOLITICAL

The Rev. Mr. McDaniel said The Unity Group Fund, Inc., is a "non-political" organization and that he is "acting chairman."

The Unity Group Fund, Inc., according to the EASP proposal, grew out of The Unity Group, which was organized in the fall of 1970.

The primary purpose of The Unity Group, which was active politically, was "to get black representation on the City Commission of Chattanooga."

John P. Franklin, a Negro, was elected to the commission and assumed the post of commissioner of health, education and welfare last April.

"Being successful in this venture," the ESAP proposal for tax money states, "the group decided to continue its existence and broaden its concerns to include housing, education and inter-group relations.

"The Unity Group is composed of leaders of civic, civil rights, religious, social and political groups of the black community and other interested citizens."

### BALANCED COMMITTEE

The proposal lists three white persons and five Negroes on the bi-racial committee, with "two additional white members" still to be selected.

On the bi-racial committee are James Williams, 5326 Dorsey St., (chairman of 19th Ward, 1st Precinct in Chattanooga) representing The Informers Club of Alton Park; Irvin Overton, 2712 Glenwood Parkway, (campaign manager for the successful Negro city commission candidate) John Franklin, representing Unity Group.

Richard J. Ramsey, 3124 Rose Terrace, chairman of the Clearinghouse on Public Education; Ben Miller, 2009 Kirby Ave., representing the Community Action Program.

Miss Willie L. McClendon, 4804 Oakland Ave., representing Action Coordinating Council; Mrs. B. T. Crombie, 2419 East 3rd St., representing the Orchard Knob-Glenwood Area Advisory Council.

Robert E. Brown, 424–B Gillespie Road, representing the NAACP; and William Harris, 514 Biltmore Drive, president of the Chattanooga Chapter of the Tennessee Council on Human Relations. He is also pastor of Fairview Presbyterian Church, 913 East 9th St.

### MESSAGE QUOTED

In a message accompanying the proposal entitled "Reactions to the ESAP Proposal Submitted by the Unity Group," The Rev. Mr. Harris writes:

"The people who oppose desegregation of the schools have much more ready access to the mass media than is the case in most communities. This makes it doubly hard for the school board and staff to act responsibly in this regard.

"The problem is so significant that the public relations component of the proposal should be expanded from a mere line in the budget into one of the major thrusts of the proposal.

"After all," the minister writes, "the purpose of the proposal is to change public opinions and attitudes in order that desegregation may be carried out in a smooth and orderly manner. Any proposal having this purpose would be silly not to pay greater attention to the mass media.

"This component of the proposal should be expanded by at least 600 per cent, including a fulltime staff person and plans for specific use of FCC (Federal Communications Commission) public service time and press releases."

### TO COST $4,500

Public relations, "TV, radio, newspaper" is listed under "Other Cost" in the proposal as to cost $4,500.

The Unity Fund Group, Inc., outlines numerous activities mainly consisting of identifying people and recording information about them and their problems, holding meetings, making talks and getting medical and legal aid for students.

"The possibility of an outbreak of violence will haunt the (school) system for several months to come. To meet this problem, the proposal for ESAP tax money plans to get cooperation of medical personnel "in the event that a school altercation would result in injury to any student" and to "provide medical services needed in the event that an injured student was not covered by accident insurance and/or his family was not able to cover the cost of medical treatment."

It is also planned to provide cost of ambulance service to students requiring it as the result "of school altercations."

In addition, it is proposed that cooperation of legal "personnel" be obtained "in the event that any student was accused of violating civil law."

The group proposes to work with school officials "in identifying low achievers" and to work to have an out-of-school tutorial program for them. A "special out-of-school counseling service to chronic problem students in cooperation with parents and teachers" would be provided.

The group also wants to help find students part-time work and to bring students and families "into contact with those community resources that can provide food, clothing and shelter on an emergency basis."

A bi-racial speakers' bureau is planned "to present the status of school integration at any period through the school year."

With the $372,970 in tax funds, the group proposes to "identify those in-school youth leaders who are dedicated to working within the system," as well as "identify those out-of-school youth leaders who are protagonistic of the system."

"The out-of-school leaders will work with the hard core drop-outs, the isolationists who feel integration is a racial injustice."

Employe salaries, services and benefits are broken down on the proposed budget as $12,000 annually for the director and $8,000 for his assistant director. Two clerk-typists at $4,000 annually would cost $8,000. Fringe benefits for these employes would be $4,080.

There would be seven "coordinators" at $750 a month for 10 months, or a total of $52,500.

Twenty-five "community workers" at $500 a month for 10 months would cost a total of $125,000; 11 more community workers (designated as Community Workers II) at $500 would total $55,000. Fringe benefits for these workers would require an additional expense of $27,900.

Travel and per diem figured in the proposed budget at 1,200 miles at 9 cents a mile for 20 workers for 10 months equals a $2,000 expense.

An interesting budget item is "inter-com system in motor vehicles" at a cost of $3,000. A second interesting budget item is "6 typewriters at $500 for a total of $1,000" (sic).

A calculator at the cost of $500 and a mimeograph machine at $500, as well as two "conference tables" at $100 each are budgeted.

The ever needed consultants, who are so often listed in ESAP proposals, have not been forgotten here, though they work cheaper than some, being budgeted at $25 a day, rather than the usual $100 daily. In any case, there are six of these on the proposed budget at $25 for a total of $150.

An expensive budget item, requiring $10,000 in tax funds, are "medical expenses at $100 per student times 100 students."

Legal fees at $10 per student for 100 students come out to the same $10,000 cost.

"Janitorial service at $100 per month times 12 months for $1,000" total appears to be $200 short of the amount of tax money needed to keep the office clean.

"Up Keep Contracts" cost $150 under the proposal of this group for ESAP funds.

"Release time payment and supportive pay for parents for 200 days at $20 a day" adds up to $4,000 under the proposal. Utilities at $100 a month for 12 months will cost $1,200.

Rental of a "portable loud speaker" at $5 daily for 120 days costs $600, whether it is needed or not.

Office space is to cost $200 a month for a year for a total of $2,400. Three desks at $100 each cost $300 and the 85 folding chairs budgeted cost $450.

The group plans to lease four station wagons at $150 a month for 10 months for a total of $6,000.

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## MEMPHIS GROUP ASKING $413,410

(By Grady Gallant)

Memphis Education Project, Inc. (MCEP), 740 Court, Memphis, has requested $413,410 in Emergency School Assistance Program Funds (ESAP) for a double project which proposes an ombudsman system for the city and further funding of the existing Parents Action Corporation for Education (PACE) set-up.

Memphis Education Project, Inc., lists the same address as the University Interfaith Center, a building located on the University of Tennessee campus at Memphis.

The University Interfaith Center was built on university property by private funds subscribed in the city.

A Roman Catholic Priest, Robert Dempsey, a chaplain at the University Interfaith Center, served as MCEP director until a few weeks ago, according to an education official.

The priest, however, resigned that post, though he is still active in MCEP affairs. There is no MCEP director at this time.

### ATTORNEY LISTED

An attorney, Phillip E. Kuhn of the Memphis law firm of Finley, Stein, Kuhn and Sisson, is listed on the project proposal as the official representative of the group to ESAP. He is also listed as chairman of MCEP board of directors.

Asked whom to contact concerning activities of MCEP, both Kuhn and the Catholic priest said either of them would be the one to talk with.

In the introduction to "A Comprehensive Plan of National Significance to Accomplish and Maintain an Integrated School System in Memphis," the project proposal states:

The only way to end segregated education in Memphis is simply to end it.

Education programs "should not be imposed on the Black community but evolved out of it," the plan proposal goes on. "This can be accomplished by a process of rational and systemic coooperation of the Neighborhood Education Ombudsman, the Minority Consumer Agency and the L.E.A. (Local Education Agency). This process should end the duality of Memphis education and move the city closer to stability and harmony.

### QUICK WAY

The proposal for tax money says "the ombudsman plan is simply a way to quickly and effectively raise the black community's ability to dialogue (sic) to the level of the School Board and simultaneously lower their frustrations and consequent hostile feelings."

The "Ombudsman Plan" envisions 13 ombudsman units at a cost of $23,220 a unit—or a total cost of $303,860 in tax money.

Each unit would have an ombudsman at $8,000 annually and a secretary for him at an additional cost of $5,500, for a total of $13,500. Social security payments would bring the cost for the two up to $15,120.

Travel would be necessary and mileage at 10 cents a mile times 150 miles a month for 12 months would cost $1,800 for each of the 13 units.

Office space, according to the project plan, would cost $3,000, including utilities. Office equipment per unit would be $700, office supplies, $1,000; printing, $500; telephone $300 and desk top supplies, $100.

Postage for each of the 13 units would cost $200 and fiscal controls for each unit another $500. In addition, fiscal control over the entire grant would cost $2,000.

It would all add up to $303,860 for the ombudsman plan.

The Parents Action Corporation for Education (PACE) budget would total $109,550.

It would include a director for $8,500 annually, a deputy director for $7,500, plus a staff of seven persons.

These include, according to the proposal for tax funds, a research and development person at $7,500, two community educator and race relations trainees at $7,500 each—a total of $15,000. There would be three community liaison persons at $7,500 each for a total of $22,500 annually, and a secretary at $6,500 annually. This totals $67,500. Social security payments for them brings the total to $75,600.

Consultant fees, a heavy expense in most ESAP projects would cost $5,000 in this one. Fiscal controls could cost $1,000.

Office space would cost $4,000 annually, plus $3,600 for utilities. Office equipment would cost $600 and printing would drain off $2,000. Office supplies would cost $1,000 and telephones would cost $1,400 annually. Postage would be $500 for the year and desk top supplies would be $450.

Mileage at 10 cents a mile times 1,500 miles a month times 12 months times 8 persons adds up to a cost of $14,400-worth of riding around.

Non-personnel costs would come to a total of $27,950.

MCEP, a group called Mid Town Action, Legal Defense Fund and "community leaders brought PACE into existence in order to help end segregation in the schools and upgrade the level of education for all," according to the proposal seeking federal tax money from ESAP.

Growth to this point has been rapid. However, if potential effectiveness is judged by what must be accomplished, then this volunteer participation must be effectively focused by paid professional staff. With paid professional staff, minority educational needs can be discovered and described from a minority viewpoint.

### NEW METHODOLOGIES

New investigative methodologies can be evolved to do on going and in depth studies. Such mechanisms as IQ, reading and aptitude tests designed by and for whites can be redesigned for blacks.

"The graded school system evolved from white cultural circumstances, can be altered for children with ghetto backgrounds," the proposal for federal tax money claims.

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## CHURCH ASKS $814,176 U.S. DESEGREGATION AID

(By Grady Gallant)

The General Board of Christian Education of the Christian Methodist Episcopal Church, 1474 Humber St., Memphis has requested $814,176 in federal tax funds from the Emergency School Assistance Program (ESAP) of which $178,599 would be spent in Chattanooga.

The remainder of the money to be used "to aid in the desegregation process" would be expended in Tupelo, Miss.; Phenix City, Ala.; Savannah, Ga.; and Bastrop, La.

The three objectives of the ESAP proposal are to "assist in acquiring public support of the desegregation plan in each community . . . to ensure operationalizing of the desegregation plans with the least amount of conflict and disruption . . . and to gain support of and actively involve students, parents and other members of the community in interracial activities whereby a quality education for all students can be assured."

As can be seen from the amount of money requested, this sort of thing is expensive for the taxpayers, especially in outlays for salaries and travel expenses of those laboring in the ESAP vineyards.

The project for Chattanooga would require that $134,363 of the $178,599 sought in tax funds be dissipated in salaries and travel costs.

Personnel working for the Chattanooga project would get a total of $129,143 during the year in salaries and employee benefits—social security, hospitalization and workmen's compensation.

Travel costs would be $5,220 for them. Local travel alone is figured at 2,100 miles per month at 10 cents a mile, for a total of $2,500 for the year.

### AIR AND GROUND

Training conferences in Memphis for the Chattanooga project director-coordinator, community worker and five youth workers would cost in "air and ground" travel a total of $1,900—and per diem would add another $650. The project director would have to return to Memphis for a "compilation session" at a cost of $75 for "air and ground" travel and $25 per diem, for a total of $100.

"The program for Chattanooga would entail activities of students and youth. The aims of these activities are to ease present and potential conflict between students and youth as a result of the desegregation plan, and to provide opportunities for students and youth to participate in meaningful activities whose purposes are beneficial to the entire communtiy."

To this end, the program would operate in seven areas of Chattanooga with an activity "designed for each area."

In the East Lake area of Chattanooga, "students will seek to involve the entire area in meaningful activities." Such activities will include "student-family and student-administration forums, debates, panel discussions, etc."

Door-to-door canvassing would identify parents, according to the project proposal, who have both "pro and anti-feelings toward the plan; ministers will be contacted to lend their support, to encourage their youth and to offer their facilities for group meetings. Area social and political organizations will be contacted in a like manner."

For the Alton Park, St. Elmo and Brainerd-Shepherd area "an interracial student club is proposed." This club will solicit membership from both black and white students with proportionate representation where possible.

The club will "sponsor forums, panel discussions, debates and seminars dealing with subjects related to race. It will have social affairs such as dances, outings, retreats, etc. (at least once per month) to ensure active participation and interest by the students."

"Occupational counseling and guidance" is proposed for the Riverside and North Chattanooga area. Students in the area who have become drop-outs would be found and given "guidance and counseling" in depth. There would be speeches, forums, discussions, movies and slides presented to those attending the meetings.

Plans for the West Side and Central City area of Chattanooga, a "predominately black area," is proposed a "tutorial clinic to which students who are inadequately prepared, academically, can be recommended or who can select to come for remedial and compensatory classes."

In the Avondale-Bustown area there "is proposed an information center for disseminating positive information concerning the desegregation plan and of those groups participating in the plan. Grievances will be investigated and opportunities for correcting the grievances will be offered."

Under this activity, a "rumor control" center will be established.

In the East Chattanooga-Boone Hysinger area a "program of leadership development" is planned. This activity would provide "training in interracial relations to those formal and informal leaders on the campuses whereby they can become instrumental in breaking down the walls of segregation within the school."

To this end, there will be interracial social events, forums, discussions "and the like." There would also be pre-school breakfasts, a "buddy system," "interest groups," "school social affairs" and "role playing."

Other than these area activities, there would be "citywide activities to aid in solving the overall problem found in Chattanooga."

These will include "a student newspaper published once a month . . . operated by and for students." Each area would have an advisory committee and each area would provide two persons to serve on the city-wide youth advisory committee, which would, with the adult advisory committee, give "directions to the entire program."

Fifty-three persons would be on the project payroll drawing a total of $116,345 in salaries for the year, plus $12,798 in employe benefits.

The project director would get $12,000 annually. Seven coordinators—who would be under 25 years of age—would get $3 an hour for 12 months, working 75 per cent of the time, for a total of $32,760.

Fifteen community workers under 25 years of age would get $2 an hour for 10 months working 75 per cent of the time for a cost of $36,900.

Eight community workers under the age of 25 years would get $2 an hour for 10 months for work 20 per cent of the time for a total of $5,248. Fourteen youth workers, all under age 25 would receive $1.65 an hour for 10 months for work 20 per cent of the time for a total cost of $7,577.

An "administrative assistant" would get $6,500 annually for full time work, two clerk typists would be paid $5,000 each annually for a total of $10,000 and a janitor would get $2,000 annually for working halftime.

Four "teacher-counselors" would receive $5 an hour for 10 months for working 20 per cent of the time for a total of $3,860.

A "main office" would have to be rented at $400 monthly for 12 months at a total cost of $4,800. Seven branch offices would be necessary at $100 monthly each for a total of $8,400. In addition, four meeting places would be rented at $25 monthly each for a total cost of $1,200.

This would all total $14,400.

Office supplies and materials would cost a total of $8,400. Equipment rental would cost $8,139, including rental of one school bus and its upkeep and operation at $4,800 for the year, or $400 a month.

A total of $2,990-worth of equipment would be purchased including projectors, cameras, tape recorders, folding chairs and file cabinets.

"Consultant fees ($100 a day for 20 days)" would cost $2,000.

There would be $8,300 "other costs," such as student-parent events ($1,600), students breakfasts ($600), "social events, outings, dances, etc." ($1,200), student newspaper publication ($2,400) and educational materials—books, films, slides, magazines, pamphlets and other items—$2,000.

The Chattanooga committee membership is listed in the project proposal as: The Rev. William M. Harris, 913 East 9th St.; Raymond Taylor, 406 Glenwood Drive; Mrs. Charlene Kilpatrick, 510 Kilmer St.

Walter C. Tate, 848½ East 5th St.; James E. Baldwin, 1723-A Wilcox Boulevard; and The Rev. H. R. Delaney, 757 Vine St.

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### PRIVATE FRANKLIN, JACKSON GROUPS ALSO HAVE REQUESTED ESAP FUNDS

(By Grady Gallant)

Private organizations in both Franklin and Jackson have applied for tax funds from the Emergency School Assistance Program (ESAP) to help achieve integration in these two cities.

Applications by the Williamson County Citizens for Human Dignity, P.O. Box 423, Franklin, and the Civic Action Council of Jackson, P.O. Box 3002, Jackson, are among the 12 ESAP requests filed recently in Tennessee.

Williamson County Citizens for Human Dignity wants $58,203 of which $33,028 would be used for salaries and travel costs.

The Civic Action Council of Jackson requests $89,725 in tax money of which $70,425 would be consumed in salaries and travel expenses.

The Williamson County Citizens for Human Dignity states in its project introduction that "at the outset, the rationale for the program must be clear, since the proposed effort will have two goals: i.e., the 'real goal' and the 'publically (sic) stated goal.'"

"The black and white communities in Williamson County suffer severely from lack of communication and cooperation, especially in the area of black-white relations," the proposal notes.

The recent court order to desegregate the Franklin County School System has not improved the situation, but has "intensified" it.

"Thus, the real and only goal of the proposed program is to improve the dialogue between these two groups and thereby enable the individual members of the community, both black and white, to rid themselves of destructive attitudes that are largely based on lack of understanding, which rob from everyone the opportunity to his full potential as a person," the proposal observes.

The proposal states that the two groups cannot have "a meaningful dialogue" so long as the subject is limited "to black-white problems."

"Instead, the proposed approach is to attack the problem more obliquely by focusing attention on a problem both groups have and must deal with, and by organizing a community program to solve it."

The "stated goal" chosen for the program is to "reduce or help eliminate the problem of high school 'drop outs.'"

Desegregation can be expected to increase the number of drop outs in Williamson County, the proposal states. This is because:

"1. The relatively small percentage (15%) of black students causes a strong dilution of black focus, a loss of black contact and a loss of identity of the black student.

"2. White teachers are, or are perceived to be less tolerant of black 'anti-social behavior.'

"3. All the extra stresses created in the process of desegregation, such as busing, learning to deal with whites, and adjusting to a new environment, push the potential drop-out closer to the time when he cannot conduct himself in a manner acceptable to that the school supervision requires.

"4. In some cases, white students who leave the public schools to avoid desegregation may later try to return, but with inferior private school training, may find themselves as drop-outs."

A study of the drop-out problem in Williamson County shows that "in line with national trends, the great majority of those leaving the school system are actually 'push-outs'—students who, because of their unacceptable behavior, have been forced out," the proposal claims.

The proposed program to deal with the drop-out problem, and through it the desegregation-integration problem, is to use "a specially trained social worker" and also involve the community through "a Big Brother type of program emphasizing supportive, one-to-one relationships between potential problem children and concerned individuals. A recreation program during the summer is also planned."

The summer program, from June 14 to Aug. 13, 1972, involves music, drama, art, swimming, tennis, badminton, volleyball, softball, dancing and group games.

The recreation program would cost $10,000, or about $5,000 a month.

The entire program, beginning Nov, 1, 1971, and ending Oct. 31, 1972, would require a "coordinator" at $12,000 for the year.

The social worker would also cost $12,000. A clerical assistant would cost $5,000.

Contributions toward the retirement of the coordinator and social worker would cost $720 for their one year of work. Social security payments for the coordinator and clerical worker would amount to $1,508.

Travel and per diem, a costly item in ESAP proposals, would be $25 a month for the coordinator, "plus two appropriate conferences at $300 each," which would amount to a total outlay of $900. The social worker would get the same amount, another $900.

Thus, the salaries and travel amount to a total of $33,028.

"Facilities for the housing of the coordinator, social worker and drop-out program at $200 a month for 12 months" would total $5,400 in tax money. Electricity, water, gas and telephone would add another $2,500, for a total of $6,550.

Office equipment—typewriters, adding machine, filing cabinet, ditto machine and two desk and chair sets—would cost $2,000.

Office supplies, "drop-out program supplies for the recreation program would cost $2,500.

To evaluate what had happened, a consultant would be employed at a cost of $1,000.

A workshop would be necessary. It would involve 25 teachers times $15 times 3 days, or a total of $1,125.

A certified Public Accountant to keep up with all this would cost $2,000, compared to auditor's fees listed in other ESAP proposals of $500.

The advisory committee is listed on the proposal as Bobby Greathouse, College Grove, Tenn.; Lillian Hamilton, Rt. 4 Dabney Drive, Franklin; Emily McCarty, 2101 Crestmoor Rd., Nashville; Mrs. Robert Mitchell, Rt. 3, Brentwood, Tenn.; Robert Murdic, Rt. 4 Dabney, Franklin; John Pope, Rt. 4 Hardison Drive, Franklin.

Mrs. Floyd Sandlin, Sandlin Drug Co., Franklin; William Smith, no address given; Jimmy Hastings, Wilson Pike, Franklin; and Mrs. Arron Smith, Peytonville Road, Franklin.

In its request for $89, 725 in ESAP tax funds, The Civic Action Council of Jackson claims it has two objectives: to give direct assistance to students whose academic work "and other activities" have suffered "because of school desegregation," and to "facilitate a change in the attitude of the community toward integration and thereby aid the students who live in two separate worlds even though they attend classes together."

These objectives will be "pursued through a series of activities, each aimed at a specific of the over-all problem related to desegregation of the Jackson High and junior high schools."

The organization proposes to conduct a survey of drop out problems and determine the drop-out rate. If desegregation has caused an increase in this, "an experiment program would be developed" to involve recent drop-outs "in a non-graded educational situation away from the school buildings."

A "Youth Theater Program" is planned for students to develop their talents "in an integrated context after school hours."

A monthly newsletter to keep the community informed as to what "is really happening in the schools" is planned "to facilitate a positive change of attitudes toward integrated education."

There would also be workshops on school integration problems for "faculty, administrators and parents upon request."

"The Jackson City School System received ESAP funds last year and have been refunded this year. No private or public non-profit organization in the Jackson area has received ESAP funds," the proposals points out.

To carry the heavy burden of this program requires four directors, two secretaries, and consultants. They are:

Director (one-fourth time at $20,000 for 12 months), $5,000; Director of Communications (full time), $14,000; Director of Youth Theater and related interest groups (full time), $14,000; Director of Drop-out Survey and Follow-up (full time), $14,000; Secretarial services (two fulltime secretaries at $5,000 each), $10,000; Consultants and speakers for all components of the program, $2,500.

This adds up to a total of $59,500. Fringe benefits of 15 per cent cost $8,925, making a grand total of $68,425 for these leaders.

The monthly newsletter to every resident of Jackson for 12 months would cost $12,500. Advertisement of the program and brochures would cost $2,000. Office rent would be $2,-400. Regular mailing costs would require $400, the telephone would cost $500 and "expendable supplies" would cost $1,500. This totals $9,300.

Staff travel expenses are listed at $2,000.

And that takes up the proposal request of $89,725 in tax money.

No bi-racial committee was included. Paul F. Blankenship, P.O. Box 3002, Jackson, is given as the authorized representative of the group.

"Since we heard about the possibility of applying for these funds less than a week ago, there has not been sufficient time for organizations to respond to our invitation to select a member," the proposal states.

"The following are individuals who have not been confirmed by their organizations as of yet, but are willing to serve: John A. Werthing, 94 Labelle St., Jackson and The Rev. Fred Bean, 15 Harmony, Jackson.

The group also states it plans to hire Dr. Wesley McClure, assistant to the president of Lane College in Jackson, as director of the project on a one-fourth time basis.

### Three Small Memphis Groups Seek ESAP Aid Funds

(By Grady Gallant)

A self-described "shoestring" operation, advised by an Office of Education official of the Department of Health, Education and Welfare to apply for Emergency School Assistance Program (ESAP) funds, is among three private Memphis groups to ask for a total of $317,793 in federal tax money to help establish "total integration" of the races.

The funds are spent by private groups to help in community adjustment to problems created by masive busing of public school children and the establishment of a unitary school system.

The three Memphis groups are:

1. Memphis Urban League, 546 Beale St., seeking $236,242 in tax money.

2. Community Youth Playhouse, Inc., 1185 South Bellevue, which asks for $61,580 for "role-playing."

3. Memphis Panel of American Women, with a headquarter address in a private home at 5503 Gwynne Road, and self-described as a "shoestring" operation, seeking $19,971 for bi-racial panel programs.

The Memphis Panel of American Women, asking for $19,971 in tax money from ESAP, plans to spend $7,030 on salaries and travel.

This entire activity consists of conducting bi-racial adult group panel discussion before students, participation in human relations seminars, attending meetings, training volunteers to hold panel discussion and "subscribing to appropriate journals and newsletters and local black newspapers."

To do all this would require a director on half-time at a cost of $3,500 and a half-time secretary at a cost of $1,800. Their employe benefits would cost $530, for a total of $5,830.

"Travel and per diem for staff (local and non-local)" would cost $600. Travel for panelists would cost another $600.

Rental of office space and a conference room would cost $1,600. A telephone at $25 a month for 12 months would cost $300. A Code-A-Phone would require expenditure of another $720.

Desks, chairs, typewriter, dictating and transcribing equipment, including the Code-A-Phone, would total $2,450.

"Human relation training" would require $4,800 and "auditing" would cost $300, for a total of $5,100. Educational materials, books and subscriptions would drain away $700. "Handouts, news media advertising and pamphlets would cost $850.

"Lodging and food for panelist training" would expend $940. This would be lodging and food for 44 persons at $10 per couple per night for two nights at $440. Coffeebreaks would be held four times at an expenditure of $12 a coffeebreak.

Breakfasts would be the cheapest meal at at $1.35 each for the 44 persons, a total of $119. Lunch would cost $1.45 each, or $127 and dinner would be $2.35 each, or a total of $207.

In an attached letter to Preston Torrence, director of ESAP in Atlanta, Ga., the Memphis Panel of American Women states:

"Dear Mr. Torrence:

"The idea of applying for this grant was conceived just days age when I met Mr. James Lockhart from your Washington Office at our LEA Adult Advisory Committee of which I currently serve representing the Memphis Panel of American Women.

"He urged that we apply for this grant even though I explained the 'shoestring' operation under which we have previously functioned.

"Locally we are not incorporated and our attorney had advised not to bother with getting a tax exempt status since we handled such small amounts of money to spend in the state. Any contribution that anyone wanted to deduct from federal income tax was sent to our national office in Kansas City. Nationally we are incorporated and each local chapter in good standing is chartered yearly. The federal tax exempt number for the National Panel of American Women, Inc., is ST L–EO–64–140.

For three years now we have merely maintained a bank account and a home style set of books that I carry to every meeting so that any interested member might examine them.

"We have never dealt with more than a few hundred dollars locally.

"As of yesterday, I have engaged the services of an attorney to set into motion our local incorporation and state tax exempt status. Also, a CPA (certified public accountant) has our books and will set up a functional set of books to be kept by a qualified bookkeeper. Statements of assurances will be forwarded immediately."

No date or signature is shown on the copy of the letter to Torrence accompanying the ESAP proposal for funds by this group.

However, Mrs. Jocelyn Dan Wurzburg, 5503 Gwynne Road, the same address as given for the Memphis Panel of American Women, is listed on the proposal as the authorized representative of that organization with ESAP.

The Memphis Urban League in its request for a grant of $236,242 proposes to spend $134,446 for salaries and travel and travel expenses.

The major objectives of its plan would be to "operate eight centers in the Memphis School District's defined area known as the Central Area; to serve both black and white communities through integrated staff; to demonstrate ways in which the polarization of school and community can be diminished; to disseminate information regarding the school desegregation process; and to train students, parents and community members for leadership roles in implementing the desegregation process."

"Parent involvement activity" will be to "involve parents in meaningful relationships designed to stimulate dialogue between them concerning their children's education."

The results of this proposal would be to "involve 3,200 families in dialogue with one another, increase the leadership skills of 32 parents, aid the Memphis School District in becoming a unitary system, and disseminate positive information of the desegregation progress to the residents of Memphis."

Such results are not achieved cheaply and without highly paid staff members who must travel and confer. For example:

The "parent involvement" plan would require one project director at $12,000 annually; one program coordinator at $10,000 a year; 16 full time community workers at $5,000 each annually for a total cost of $80,000.

In addition, there would be three student aides hired for 20 per cent of the time at $2 an hour for a total cost of $2,496. A bookkeeper full time would cost $7,500 annually, and one secretary would cost $6,000 annually.

This adds up to $118,096. In addition, fringe benefits for these people—social security, hospitalization, workmen's compensation—would cost an additional $12,990.

Local travel would cost 10 cents a mile times 1,800 miles a month times 12 months, or a total of $2,160. Per diem charges for conferences would add another $1,200.

Program consultants, evidently a necessary item in all ESAP proposals, would be $50 a day for 100 days, or $5,000.

"Training consultants at Lemoyne-Owen College" would cost $8,000.

There would be a "main office" at $150 a month as well as a "branch office at $8 times 100 times 12," which the proposal states would cost a total of $9,600. Office supplies would cost $4,240. Printing and duplication being the most expensive item at $2,500.

Equipment rental would cost $2,724, including nine desks at a total cost of $1,080, nine chairs at $540, two typewriters at $384, a duplicating machine at $240 a year and one calculator to add up to $480 a year.

Nine work tables would be bought for $450, then there would be a tape recorder ($150), 45 folding chairs ($180), a 16-mm camera ($780) and a movie screen ($50).,

Under "other costs" there is listed "babysitter service" at $3 times 64 persons times 12 meetings, or $2,304.

"Transportation to meetings of parents" would cost $2 times 64 times 12 meetings, or a total of $1,536.

Those attending the meetings they have been transported to would be paid "64 persons times 15 times 18 meetings", or $17,280. Evidently there will be six meetings for which there will be neither transportation nor babysitter service.

Telephones would cost $5,460.

An "induct cost" of 22.8 per cent would require $43,862. All this adds up to the $236,242 Memphis Urban League needs for its proposed program.

Community Youth Playhouse, seeking $61,580 in ESAP tax funds, plans to spend $44,400 for salaries and $3,480 for travel.

"Purpose of the project is to employ the technique of role-playing as an effective means of exploring, identifying and hopefully altering attitudinal difficulties between the black and white races so as to aid in accomplishing smooth and realistic desegregation of the Memphis School System."

To do this, the group proposes to "involve parents and other adults" in the "total preparation and presentation" of plays "dealing with race relations."

In these plays will be demonstrated "the nature and results of race prejudice."

Another objective is to "increase parental involvement in the efforts of the school system to bring about a smooth transition from a totally segregated school system to a total and realistically desegregated school system."

The proposal notes that the "Black Knights, Inc." chose drama "as the technique to deal with attitudinal differences" between the races, and as the result of Black Knight activities, Community Youth Playhouse, Inc., came into being.

This proposal would require a director at $7,200, a technical director at $6,000, a public relations director at $8,400, three coordinators at a total cost of $18,000 and a secretary at $4,800 annually.

"Administration and accounting" would cost a flat $5,000, with no detailed breakdown as to how this would be spent.

A sound system and lights would cost $1,100. "Production allowances" would cost $4,000, with no itemization given in the proposal.

Rental of space would cost $2400, telephone would cost $600, and gas, lights and water would also cost $600.

Car allowance for the public relations agent would cost $480, and the allowance for all the directors and coordinators would cost $1,800.

Rental of trucks would come to $1,200.

## U.S. WORLD OBLIGATIONS

Mr. JAVITS. Mr. President, for some time I have been concerned about a growing attitude in the United States to cut back on many of our legal obligations throughout the world. It is essential that we recognize the changing U.S. role in the world but it is still necessary in our own security to support international organizations and increased economic cooperation with other countries in the world.

Such a view is expressed in an editorial published in today's New York Times which deplores the failure to pay assessments to the ILO, the attempts to reduce the level of the United States regular U.N. assessment, the resumption of imports of chrome from Rhodesia and the 10-percent import surcharge. These are the areas where the U.S. role should not be diminishing and I believe the New York Times is correct in its assessment that the credibility and the moral basis of the U.S. role in the world could be undermined by the net effect of these actions.

I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 9, 1971]

### UNITED STATES AND WORLD LAW

The American role as world policeman has been a subject of debate since the large-scale escalation of the Vietnam war. The issue has been whether it was the responsibility of the United States to oppose aggression everywhere and to take it upon itself to uphold the rule of law in the world. Few challenged the theoretical desirability of upholding international law.

Now, however, a new phenomenon seems to be beginning to characterize American behavior in the world: disregard for the law. Apparently without being clearly aware of it, the Nixon Administration, supported by a bipartisan bloc in the Congress, is increasingly ignoring this country's moral or legal obligations outside its borders. The United States, which has frequently taken the lead in challenging treaty violations of other countries, is in danger of becoming a lawbreaker itself.

The move under way in Congress to cut back payment of the United States' regular United Nations assessment, as well as its voluntary conributions, is a case in point. Secretary of State Rogers has opposed retaliation against the United Nations for the expulsion of Taiwan, but he and President Nixon have in effect endorsed a reduction in American contributions. A unilateral reduction in the regular assessment would be a violation of the U.N. Charter. But even a negotiated reduction, if made as an expression of pocketbook pressure, would violate the spirit of the American commitment to the U.N.

Policy disagreements have already put the United States in violation of its legal obligation to the International Labor Organization. With the earlier support of A.F.L.–C.I.O. president George Meany, who has now reversed himself, Representative John Rooney of Brooklyn and his House Appropriations subcommittee are blocking payment of half the 1970 and all of the 1971 I.L.O. assessments on the United States. The State Department has protested and the White House has warned that the United States is "in default" and is violating binding legal obligations. But President Nixon has failed to bring to bear the kind of pressure that would permit the United States to practice the law-abiding behavior it preaches.

A new threat of treaty-breaking lies in the Senate move, just approved by the Congressional conference, to require the United States to resume imports of chrome from Rhodesia in violation of the economic sanctions against Rhodesia voted by the United Nations Security Council with American support. This would mean a violation of the U.N. Charter unless President Nixon takes advantage of a loophole pointed out by Prof. Stephen Schwebel of Johns Hopkins University. Mr. Nixon could win time to turn Congress around by halting imports of chrome from the Soviet Union as well as Rhodesia, releasing chrome instead from the nation's defense stockpiles, a three-year supply.

Most potentially dangerous of all the American treaty-breaking moves, however, is the 10 per cent import surcharge imposed by President Nixon Aug. 15 in violation of American obligations under the GATT treaty. The economic and psychological damage done by Treasury Secretary Connally's vague, outsized demands for worldwide concessions in return for eliminating the surcharge has dominated attention, along with the threat of a worldwide recession. But the legal violation on top of the pressure tactics now threatens to deprive the United States of the world agreement it needs to correct its payments imbalance without a trade war.

American credibility and the whole moral basis of the American role in the world could be undermined unless the country returns to the rule of law it has sought for so long to establish and uphold.

## THE UNITED NATIONS AND THE CHINESE VOTE

**Mr. SYMINGTON.** Mr. President, since the vote which resulted in the expulsion of Taiwan from the United Nations, a great many people have expressed interest in just what contributed to that vote against the position of the United States.

One of the more informed people about the United Nations sent me an analysis of this development which I believe would be of interest to Members of the Senate; therefore, I ask unanimous consent that the analysis be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

### ANALYSIS

For the first time in UN history, the U.S. suffered a humiliating defeat on an issue to which it had committed its full power and prestige.

The U.S. plan for "two Chinas" in the UN might have been muscled through the General Assembly during the 1970 or 1969 session, but by the 1971 session it was impossible to even put together a majority for the "important question" concept. It is even doubtful if the U.S. could have carried its position if the "important question" resolution had been successful, in view of the final vote on the Albanian resolution—76 in favor to 35 against, with 17 abstentions.

As one analyzes the voting pattern for the Albanian resolution the loss of the traditional allies of the U.S. is shocking (copy attached). All of the NATO countries, as well as Western Europe voted for the Albanian resolution except Greece, Luxembourg and Spain who abstained. The only major Latin American countries voting against the Albanian resolution were Brazil, Venezuela, Bolivia, Paraguay and Uruguay; the Central American countries voting against were Dominican Republic, El Salvador, Guatemala, Haiti and Honduras. Abstaining were Argentina, Barbados, Colombia, Jamaica and Panama.

Looking at the African vote one notes that most of the mini-states, plus the Central African Republic, Democratic Republic of the Congo, the Ivory Coast and Liberia, joined the U.S. in voting against the Albanian Resolution. The remaining big states voted against the U.S.

The U.S. was more successful in attracting support among the important Asian powers, Japan, Australia, New Zealand, and the Philippines. However, Thailand and Indonesia abstained.

When one analyzes the voting pattern on the "important question" resolution (copy attached) one finds the same pattern—the desertion of the U.S. traditional allies (even though the vote was closer, 55 in favor to 59 against). Here one does find two NATO countries, Greece and Portugal, voting with the U.S. and Spain with Western Europe.

The outcome was not surprising in view of the tenor of the comments and reactions of many delegates as expressed in the delegates' lounge, receptions and in casual conversations. In fact one could sense an increasing resentment as the time to vote approached. Many delegates from the smaller countries felt that they were being unduly pressured to satisfy U.S. domestic political requirements.

The most often expressed source of resentment flowed from the fact that the U.S. provided the impetus for the rush to admit the People's Republic of China, starting with the President's dramatic announcement of July 15 that Kissinger had visited China to prepare his visit. It was pointed out that the President advised the world that he would be going to China "to seek the normalization of relations" with a regime—in the view of five different administrations, including his own—that compelled Americans to fight and die in Korea and Vietnam. It is apparent that this announcement had a major impact on a vast range of foreign and domestic issues in most countries that were participating in the UN debate. The U.S. position in the UN lost additional credibility when Kissinger's second visit to Peking was announced at the same time that the U.S. delegation was trying to round up votes. To exacerbate the credibility of the U.S. delegation, Kissinger's four-day visit was extended to six days and he was still in Peking when the UN voted, persuading some wavering delegations that the U.S. was not really serious in its campaign to save Taiwan's seat.

It must also be remembered that following the President's July 15 announcement, there was a rush by many countries to establish diplomatic relations with Peking—each of whom cast their ballots for Peking. The Peking government was also very busy, i.e., offering to buy fish meal from Peru; additional rubber from Malaysia, etc. Another important factor was Peking's declared position that she would not occupy China's seat as long as Taiwan was in the UN.

In addition to the foregoing, one sensed in talking to members of delegations of U.S. traditional allies such as Canada, members of NATO and Latin America, that other deep-seated resentments were a factor. There were repeated references to the refusal of the administration to consult on important issues such as the sudden announcement of the new China policy; the administration's policy on Greece and Pakistan; the 10% surcharge, etc.

### ASSEMBLY PLENARY—TAKE 32

The "important question" draft resolution (document A/L.632) was then put to the vote by roll-call.

Mr. Bush (United States) asked for the floor on a point of order, but the roll-call had already begun.

The draft resolution was rejected by a vote of 55 in favor to 59 against, with 15 abstentions.

The result of the roll-call vote was as follows:

#### IN FAVOUR

Argentina, Australia, Bahrain, Barbados, Bolivia, Brazil, Central African Republic, Chad, China, Colombia, Costa Rica, Dahomey, Democratic Republic of the Congo, Dominican Republic, El Salvador, Fiji, Gabon, Gambia, Ghana, Greece, Guatemala, Haiti, Honduras, Indonesia, Israel, Ivory Coast, Jamaica, Japan, Jordan, Khmer Republic, Lebanon, Lesotho, Liberia, Luxembourg, Madagascar, Malawi, Mauritius, Mexico, New Zealand, Nicaragua, Niger, Panama, Paraguay, Philippines, Portugal, Rwanda, Saudi Arabia, South Africa, Spain, Swaziland, Thailand, United States, Upper Volta, Uruguay, Venezuela.

AGAINST

Afghanistan, Albania, Algeria, Bhutan, Bulgaria, Burma, Burundi, Byelorussia, Cameron, Canada, Ceylon, Chile, Cuba, Czechoslovakia, Denmark, Ecuador, Egypt, Equatorial Guinea, Ethiopia, Finland, France, Guinea, Guyana, Hungary, Iceland, India, Iraq, Ireland, Kenya, Kuwait, Libyan Arab Republic, Malaysia, Mali, Mauritania, Mongolia, Nepal, Nigeria, Norway, Pakistan, People's Democratic Republic of Yemen, People's Republic of Congo, Peru, Poland, Romania, Sierra Leone, Singapore, Somalia, Sudan, Sweden, Syrian Arab Republic, Trinidad and Tobago, Uganda, Ukraine, USSR, United Kingdom, United Republic of Tanzania, Yemen, Yugoslavia, Zambia.

ABSTAINING

Austria, Belgium, Botswana, Cyprus, Iran, Italy, Laos, Malta, Morocco, Netherlands, Qatar, Senegal, Togo, Tunisia, Turkey.

ABSENT

Maldives, Oman.

After the vote, there was rhythmic clapping by delegations which had voted against the draft resolution.

ASSEMBLY PLENARY—TAKE 41

The President said the draft resolution contained in document A/L.630 would now be put to the vote by roll-call.

The draft resolution co-sponsored by Albania and others was adopted by a vote of 76 in favour to 35 against, with 17 abstentions.

The President said that the Government of the People's Republic of China would be notified accordingly.

The results of the roll-call were as follows:

IN FAVOUR

Afghanistan, Albania, Algeria, Austria, Belgium, Bhutan, Botswana, Bulgaria, Burma, Burundi, Byelorussia, Cameroon, Canada, Ceylon, Chile, Cuba, Czechoslovakia, Denmark, Ecuador, Egypt, Equatorial Guinea, Ethiopia, Finland, France, Ghana, Guinea, Guyana, Hungary, Iceland, India, Iran, Iraq, Ireland, Israel, Italy, Kenya, Kuwait, Laos, Libyan Arab Republic, Malaysia, Mali, Mauritania, Mexico, Mongolia, Morocco, Nepal, Netherlands, Nigeria, Norway, Pakistan, People's Democratic Republic of Yemen, People's Republic of Congo, Peru, Poland, Portugal, Romania, Rwanda, Senegal, Sierra Leone, Singapore, Somalia, Sudan, Sweden, Syrian Arab Republic Togo, Trinidad and Tobago, Tunisia, Turkey, Uganda, Ukraine, USSR, United Kingdom, United Republic of Tanzania, Yemen, Yugoslavia, Zambia.

AGAINST

Australia, Bolivia, Brazil, Central African Republic, Chad, Costa Rica, Dahomey, Democratic Republic of the Congo, Dominican Republic, El Salvador, Gabon, Gambia, Guatemala, Haiti, Honduras, Ivory Coast, Japan, Khmer Republic, Lesotho, Liberia, Madagascar, Malawi, Malta, New Zealand, Nicaragua, Niger, Paraguay, Philippines, Saudi Arabia, South Africa, Swaziland, United States, Upper Volta, Uruguay, Venezuela.

ABSTAINING

Argentina, Bahrain, Barbados, Colombia, Cyprus, Fiji, Greece, Indonesia, Jamaica, Jordan, Lebanon, Luxembourg, Mauritius, Panama, Qatar, Spain, Thailand.

ABSENT

Maldives Oman.

## CANNIKIN TEST ON AMCHITKA

Mr. BENNETT. Mr. President, I should like to comment on the Cannikin test conducted on Amchitka by the Atomic Energy Commission over the weekend.

From all reports I have received the test was successful, and it was conducted with complete safety by a skilled and highly dedicated team of scientists.

Despite all the controversy over this test, one thing remained clear, and that was that the test was vital for the security of our Nation. It means a weapon will be available for this Nation which will enable it to build a symmetrical ABM system. This will serve to guarantee that the United States will be able to negotiate from a position of strength rather than one of weakness. I believe this test will do much to stabilize the situation between ourselves and the Soviet Union at the SALT talks and encourage additional efforts toward arms control.

I think it would also be appropriate to mention the fact that virtually none of the calamities predicted by opponents of the test have materialized thus far.

First there was the contention that the test would trigger a large natural earthquake. The fact is that the Richter scale reading 7 was substantially identical to the reading of 6.99 predicted by the AEC. There were aftershocks, most being recorded within the first 15 minutes after detonation; after that the number began decreasing and have continued at a decreased rate.

There were also those who predicted the test would unleash a massive tidal wave, often referred to as a "tsunami," which would carry as far as Hawaii, Japan, and the west coast of the United States. There was no tidal wave, and the tidal wave warning was closed 25 minutes after the test. There were also those who contended that radioactive gases could be emitted which would contaminate marine and eventually human life. There were no radioactive releases from the test. The possibility of such releases is constantly being monitored, but I think we can be assured no radioactive materials will be released into the atmosphere during future months.

In summary, the test has been conducted in a most carefully planned and deliberate manner with complete safety always the prime objective. This Nation has a new weapon available for its defensive arsenal. There has been no earthquake; no tidal wave and no radioactive material released.

There were some who contended that the test would irreparably harm the wildlife on the island. As of 4:30 p.m. eastern standard time, November 7, the test personnel, after carefully patrolling the test area, reported that there had been virtually no harmful effects to any of the wildlife.

Mr. President, I am proud that the will of Congress, the courts, and the American people have prevailed, so that the groundless concerns of the prophets of doom have not weakened the Nation's security.

## REQUIREMENT FOR SMALL BUSINESSES TO MAKE WATER POLLUTION IMPROVEMENTS

Mr. SPARKMAN. Mr. President, on November 2, in the course of approving the Federal Water Pollution Control Act Amendments of 1971, the Senate also adopted amendment 442, which will allow many small business firms affected by the strict new standards of this bill to make the required improvements and thus remain in business.

The amendment would add a new subsection under section 7 of the Small Business Act which would authorize the Small Business Administration to make long-term—up to 30 years—and low-interest loans—now approximately 5⅝ percent—to small companies who will be forced to augment or improve their plant or facilities—including preprocessing equipment and interceptor sewers—under the new law. The Senate directed in the amendment that the SBA consult with the Environmental Protection Agency and, within 6 months of the bill's enactment, publish guidelines and regulations so that these funds will be available promptly enough to meet the time requirements for improvements that are duly established.

The loans will be available to firms defined as "small business" under the Small Business Amendments Act of 1953 as amended. An amount of $800 million was authorized to be added for the loan fund available for such economic disaster loans.

I am gratified at the Senate's passage of this legislation, particularly since I helped to write and was the principal cosponsor of the bills in 1968 and 1969 which laid the foundation for amendment 442. It has been my pleasure to work with the Senator from Nevada (Mr. BIBLE), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Wisconsin (Mr. NELSON), and the Senator from Maine (Mr. MUSKIE), whose cooperative efforts made it possible for the Senate to act in this manner. I want to commend all who played a part in incorporating this small business amendment in the bill.

### EFFECTS OF PENDING POLLUTION CONTROL LEGISLATION

The impact of the new water pollution control law in my own State of Alabama will be significant. This is so for three reasons; first, the 1971 Water Pollution Control Amendments constitute landmark legislation; second, Alabama has one of the most extensive waterway systems in the country; and third, the overwhelming majority of business firms in Alabama are small business.

To explain further: First, the legislation just passed by the Senate adopts the national policy that the discharge of pollution of any kind be completely eliminated by 1985; and that the interim goal of sufficient water quality for fish, wildlife, and recreation be achieved by 1981. Although there were Federal pollution statutes passed in 1899 and 1948, and major steps forward in 1965 and 1966, the 1971 legislation promises to set the definitive standards in this field, and to give us the prospect that these standards will be enforced for the benefit of all the citizens of the Nation.

Clearly, we have much work to do if these deadlines are to be met. The Committee on Public Works, which deliberated these matters for the past 2 years, mentions—in Senate Report 92-414—a need for $14 billion in grants to States and cities for construction of sewage treatment plants over the next 5 years.

Second, as these new standards are applied, they will fall upon those States and sections of the country where our water resources are concentrated. My own State of Alabama is fortunate in this respect. We have over 1,700 miles of navigable or potentially navigable waterways, as well as lakes and streams which are immensely valuable for commerce and for recreation. There will thus be much activity in our part of the country.

### ALABAMA A SMALL BUSINESS STATE

Third, more than 97 percent of the firms in my State on which information is available employ less than 100 people. About 95 percent of Alabama businesses have sales of less than $1 million. I have a table which indicates the relative size of Alabama businesses by employment, sales volume, and net worth, and ask unanimous consent that it be printed in the Record. These figures show that the great majority of companies in Alabama, by number, are small business, and on the basis of national estimates, would supply about 40 percent of the jobs in the State.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. SPARKMAN. These small firms should be given a fair chance of making the improvements that will be called for, and thus maintaining a share in the future. Often, small business cannot borrow money as readily as their larger competitors who may be able to go into the bond market, or the stock market, or commercial paper market to obtain long-term funds. Our amendment No. 442 will allow these smaller firms to borrow the needed capital and pay it back to the Treasury, with interest, over a long enough term so that the earnings of the business may be sufficient to cover the payments.

Accordingly, this small business amendment can be of great value. I certainly hope there will be early action by the House of Representatives so that Congress can finish its work on this important legislation. I think it would be regrettable if there were inordinate delay or obstacles to hinder the pollution control bill from becoming the law of the land.

It is also my hope that when the Senate-House conference takes place, the small business amendment will be accepted. I will be doing all that I can to bring about this result so that Alabama small business firms and smaller communities can share in the progress of our Nation and the expanding business of the Southeast.

EXHIBIT 1.—BUSINESS PROFILE FOR THE STATE OF ALABAMA

| Industry group (SIC) | By employment | | | | | | | | By sales volume | | | | | | By net worth | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Under 10 | 10 to 19 | 20 to 49 | 50 to 99 | 100 to 499 | 500 to 999 | Over 1,000 | N/A | Under $100M | $100M to $500M | $500M to $1MM | $1MM to $10MM | Over $10MM | N/A | Under $50M | $50M to $200M | $200M to $500M | $500M to $1MM | Over $1MM | N/A |
| 01-09: Agriculture, forestries and fisheries | 336 | 81 | 34 | 12 | 3 | 0 | 0 | 86 | 225 | 149 | 25 | 22 | 2 | 86 | 8 | 14 | 6 | 2 | 1 | 478 |
| 10-14: Mining | 69 | 43 | 42 | 7 | 2 | 0 | 0 | 43 | 23 | 51 | 12 | 7 | 0 | 61 | 24 | 24 | 9 | 2 | 3 | 92 |
| 15-17: Contract construction | 2,064 | 459 | 286 | 85 | 61 | 2 | 2 | 328 | 1,157 | 1,067 | 173 | 176 | 8 | 633 | 516 | 545 | 125 | 39 | 23 | 1,966 |
| 19-39: Manufacturing | 1,353 | 512 | 536 | 285 | 421 | 60 | 36 | 435 | 806 | 807 | 275 | 355 | 40 | 561 | 981 | 573 | 214 | 72 | 97 | 907 |
| 40-49: Transportation, communications, and public utilities | 566 | 172 | 135 | 38 | 24 | 3 | 3 | 241 | 333 | 249 | 64 | 61 | 11 | 250 | 291 | 181 | 48 | 15 | 37 | 396 |
| 50: Wholesale trade | 2,178 | 464 | 270 | 55 | 34 | 0 | 1 | 520 | 681 | 1,076 | 341 | 416 | 23 | 511 | 19 | 26 | 19 | 7 | 4 | 2,973 |
| 52-59: Retail trade | 15,790 | 1,301 | 558 | 99 | 44 | 3 | 3 | 2,645 | 10,691 | 4,556 | 565 | 382 | 33 | 3,206 | 60 | 69 | 23 | 6 | 3 | 19,270 |
| 60-69: Finance, insurance and real estate | 229 | 33 | 15 | 11 | 6 | 1 | 2 | 73 | 39 | 86 | 15 | 17 | 6 | 164 | 4 | 5 | 2 | 0 | 1 | 315 |
| 70-89: Business services | 2,481 | 291 | 127 | 39 | 24 | 2 | 3 | 445 | 2,140 | 479 | 45 | 19 | 3 | 572 | 20 | 10 | 4 | 0 | 1 | 3,223 |
| State total | 25,072 | 3,355 | 2,003 | 631 | 621 | 71 | 50 | 4,832 | 16,095 | 8,521 | 1,515 | 1,456 | 126 | 6,048 | 1,923 | 1,447 | 450 | 143 | 170 | 29,628 |

Source: Dun & Bradstreet, Inc., 1971.

## FOREIGN AID

Mr. KENNEDY. Mr. President, as we begin the debate on a revised foreign aid bill, I would urge upon the Senate a moment of reflection on the role of the United States in world affairs.

While we seek to emphasize our commitment to law and our moral commitment to assist nations in their development, others are questioning our sincerity.

Our recent actions, as today's editorial in the New York Times emphasize, contradict our assertions.

The pressure to punish the United Nations, the holdup in payments to the International Labor Organization, the 10-percent surcharge and the possible violation of the United Nations sanctions against Rhodesia—all of these represent an unsettling new image for this country.

I would add to the list of questionable actions, the trend evident in many of the votes on the foreign aid bill last week. Thus, the decision to raise interest rates on all development loans comes in the wake of unanimous opinion against such a step expressed by the underdeveloped nations of the world as well as by international development economists. Effectively, we would be saying to the world, "We are offering you reduced assistance and we are setting the price for that money at a rate we know that many of you cannot afford."

Not only are we already 12th on a list of 16 industrialized nations in the amount of money we provided for development assistance, but we would become virtually the only nation which does not provide for concessionary lending. The Pearson Commission on International Development noted that the average U.S. loan rate had increased to 3.5 percent by 1968 while the worldwide rate was 3.3 percent. Now we would be totally turning our backs on the capabilities of the developing nations by pushing our development assistance to 6 percent or more.

All of these facts point up a disturbing trend in this country to react to the actions of other nations by withdrawing into a shell.

I hope that we will recall the words of President Kennedy:

> Our job, in its largest sense, is to create a partnership between the northern and southern halves of the world, to which all free nations can contribute, in which each free nation must assume a responsibility proportional to its means.

That responsibility still exists, and it is in our interests and the interests of world peace for us to meet it.

Mr. President, I ask unanimous consent that the New York Times editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### United States and World Law

The American role as world policeman has been a subject of debate since the large-scale escalation of the Vietnam war. The issue has been whether it was the responsibility of the United States to oppose aggression everywhere and to take it upon itself to uphold the rule of law in the world. Few challenged the theoretical desirability of upholding international law.

Now, however, a new phenomenon seems

to be beginning to characterize American behavior in the world: disregard for the law. Apparently without being clearly aware of it, the Nixon Administration, supported by a bipartisan bloc in the Congress is increasingly ignoring this country's moral or legal obligations outside its borders. The United States, which has frequently taken the lead in challenging treaty violations of other countries, is in danger of becoming a lawbreaker itself.

The move under way in Congress to cut back payment of the United States' regular United Nations assessment, as well as its voluntary contribution, is a case in point. Secretary of State Rogers has opposed retaliation against the United Nations for the expulsion of Taiwan, but he and President Nixon have in effect endorsed a reduction in American contributions. A unilateral reduction in the regular assessment would be a violation of the U.N. Charter. But even a negotiated reduction, if made as an expression of pocketbook pressure, would violate the spirit of the American commitment to the U.N.

Policy disagreements have already put the United States in violation of its legal obligation to the International Labor Organization. With the earlier support of A.F.L.–C.I.O. president George Meany, who has now reversed himself, Representative John Rooney of Brooklyn and his House Appropriations subcommittee are blocking payment of half the 1970 and all of the 1971 I.L.O. assessments on the United States. The State Department has protested and the White House has warned that the United States is "in default" and is violating legal binding obligations. But President Nixon has failed to bring to bear the kind of pressure that would permit the United States to practice the law-abiding behavior it preaches.

A new threat of treaty-breaking lies in the Senate move, just approved by the Congressional conference, to require the United States to resume imports of chrome from Rhodesia in violation of the economic sanctions against Rhodesia voted by the United Nations Security Council with American support. This would mean a violation of the U.N. Charter unless President Nixon takes advantage of a loophole pointed out by Prof. Stephen Schwebel of Johns Hopkins University. Mr. Nixon could win time to turn Congress around by halting imports of chrome from the Soviet Union as well as Rhodesia, releasing chrome instead from the nation's defense stockpiles, a three-year supply.

Most potentially dangerous of all the American treaty-breaking moves, however, is the 10 per cent import surcharge imposed by President Nixon Aug. 15 in violation of American obligations under the GATT treaty. The economic and psychological damage done by Treasury Secretary Connally's vague, outsized demands for worldwide concessions in return for eliminating the surcharge has dominated attention, along with the threat of a worldwide recession. But the legal violation on top of the pressure tactics now threatens to deprive the United States of the world agreement it needs to correct its payments imbalance without a trade war.

American credibility and the whole moral basis of the American role in the world could be undermined unless the country returns to the rule of law it has sought for so long to establish and uphold.

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## PERSONNEL POLICIES OF THE DEPARTMENT OF STATE

Mr. MILLER. Mr. President, last Friday's Des Moines Register contains an excellent article by the Register's Washington Bureau, setting forth the charges of discriminatory practices being aired before the Foreign Relations Committee in connection with the pending nomination of Howard Mace, former director of personnel for the Department, to be Ambassador to Sierra Leone.

Also, the November 15 issue of Time contains, on page 20, an article covering some of the criticisms of personnel policies and actions within the State Department.

All of this points up the need for action by the Foreign Relations Committee on the bill—S. 2662—introduced by the Senator from Utah (Mr. Moss) and myself, to establish a fair and equitable grievance procedure within the Department for our 3,000 Foreign Service officers. We do not wish to deprive the Department of the power of "selection out" in order to maintain loyalty and efficiency. But such a drastic personnel action should be limited by equally drastic protective procedures for the officers concerned.

I ask unanimous consent that the articles be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Des Moines Register, Nov. 8, 1971]

### DELAYS ACTION ON ENVOY POST

WASHINGTON, D.C.—The Senate Foreign Relations Committee last week passed over President Nixon's nomination of Howard Mace as ambassador to Sierra Leone pending completion of an investigation of charges that he gave false and inaccurate testimony before the Senate Committee.

Indications are that Chairman J. William Fulbright (Dem., Ark.) considers the charges to be of considerable importance.

Mace, former director of personnel for the State Department, was nominated by President Nixon as ambassador to Sierra Leone in July on the recommendation of deputy undersecretary of state William P. Macomber. They had worked together at the State Department for more than 12 years.

The State Department and White House have been told that the Mace nomination probably will die in the Foreign Relations Committee unless it is withdrawn by President Nixon.

There are charges that under Mace's direction the State Department personnel division has engaged in manipulation of rating boards, engaged in forgery and other falsification of personnel records, and permitted perjury in State Department and Civil Service Commission grievance hearings to go unchallenged.

In the Mace hearings, Macomber, who is in charge of State Department administration, has been forced to admit that a large number of cases resulted in injustices, but he has argued that Mace should not be held accountable for the faults in the system.

But critics say a review of four of the most publicized cases indicate some allegations of direct responsibility for Mace as well as Macomber:

Allison Palmer, a 30-year-old foreign service officer reportedly was discriminated against because of her sex. Now, Mace admits sex discrimination exists on assignments, but denies that he had any role in the illegal discrimination found by an Equal Employment Opportunities (EEO) board. The recommendations of that EEO board was held out of the file by Mace despite a specific recommendation that it be made a part of the file.

Miss Palmer says the story Mace told the Senate Foreign Relations Committee is untrue on a number of points. She said Mace had an active role in discrimination against her, and that she had personal conversations with him in connection with his decision to refuse to sign the findings of the EEO recommendations, and the refusal to make those recommendations part of her file.

John Hemenway, a 46-year-old honor graduate of Annapolis and a Rhodes scholar, currently is involved in the only State Department grievance hearing permitted by Mace to challenge the decision to fire Hemenway. Hemenway contends that Mace gave untruthful and inaccurate testimony in connection with the handling of his case.

He charges Mace acted illegally to remove two members of the three-man panel that had indicated a willingness to permit Hemenway to call State Department witnesses over the objection of Mace's office.

Stephen Koczak, a 54-year-old former foreign service officer now employed by the American Federation of Government Employees, was denied a grievance hearing, but was subject to a special panel made secret to former Secretary of State Dean Rusk. Koczak was barred from having an open hearing, cross examining witnesses, or even communicating with other State Department employes during the hearing.

A letter he wrote to the panel pointing out some of the discrepancies in his file was not entered into the official record. Mace reportedly has continued to refuse Koczak access to his hearing record and reportedly has permitted forged and postdated documents to be made a part of his record.

Charles W. Thomas, 47-year-old foreign service officer, killed himself last April as a result of his frustration in seeking a hearing. He had no promotion in eight years and was refused a hearing by Mace despite admissions that a highly laudatory report by an inspector general was misfiled under another Charles Thomas.

This report recommended immediate promotion for Thomas and assignment to the National War College, in line with the opinions of two ambassadors under whom Thomas had served.

The Thomas case has raised the greatest number of problems for Mace and raises some of the most serious questions about the inconsistency of the rulings that have been revealed in the personnel division while Mace and Macomber have been in charge.

Action on Mace's nomination to the ambassadorial post will await an investigation by the Senate Foreign Relations Committee.

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[From Time magazine, Nov. 15, 1971]

### THE STATE DEPARTMENT—UNDIPLOMATIC REFORMS

Charles W. Thomas was a desperate man. A lawyer and a career diplomat, Thomas, 45, had been "selected out" of the Foreign Service. Reason: he had not been promoted from the Class 4 level to Class 3 within the mandatory eight years. He was dismissed with only one year's salary and $323 a month (money he had himself put into a retirement fund) to support a wife and two children. In nearly three dispiriting years Thomas endured nearly 2,000 job rejection letters; he was "too old" or "too qualified," and anyway, he had been fired by the State Department. Finally on an April afternoon in Washington, Charles Thomas took up a gun and shot himself to death.

There is a Kafkaesque cast to the Thomas tragedy. Try as he might, Thomas could not get his day in court to determine whether his selection-out was based on the fact that he had received poor performance ratings or that the State Department had somehow failed to consider his highly favorable ratings. In fact, it was the latter. Thomas had carved a distinguished career in posts such as Tangier, Port-au-Prince and Mexico City, where he became a specialist in Mexican radical politics. Indeed, he had high marks from his superiors and colleagues alike; the explicit blemish on his record was an observation by a Mexico City superior that Thomas did not exercise proper "control" over his secretary.

In contrast, a laudatory report from the Foreign Service Inspector, Ambassador Robert McClintock, was accidentally misfiled under the name of another Charles W. Thomas, then Consul General in Antwerp. The report was eventually logged into its proper place, two days after Thomas had been turned down by the promotion board. The board deemed it too much bother to reopen the case.

### FANG AND CLAW

The Thomas affair is certainly the most shocking to occur within the labyrinth of Foggy Bottom personnel practices, but it is by no means the only one of its kind. Willard Brown, a Class 2 officer, discovered after his selection-out that the State Department had lost all of his personnel records and that consequently his name had not been considered for promotion for several years. Nor are good men being passed over just for clerical errors. The selection process in the department has traditionally been the last word in Darwinistic elitism. McClintock, although a highly regarded professional, had a reputation for sending overly favorable reports on many officers. With little negative to go on, promotion boards used the tiniest criticisms as justification for passing over a candidate. Hence Thomas' dismissal.

There are 3,000 field officers and aides serving in the Foreign Service, and around 100 are weeded out every year. Two hundred more resign annually. The process follows a fundamental Government pattern. Every man is rated at least once a year by his superior, who then passes his reports on to a departmental review officer, who in turn presents his recommendations to the reviewing boards. While no one in the department argues that incompetents should not be winnowed out, the feeling is that the rating system has deteriorated into an endless round of pettifoggeries and petty jealousies, where too frequently the men who do not play up to their superiors' vanities wind up on the short end.

This fang-and-claw attitude has prompted a thorough reappraisal of the State Department's personnel system. Rather belatedly, Deputy Under Secretary William Macomber Jr., the department's top administrative officer, called in Thomas' widow Cynthia and offered her virtually any job she wanted. More broadly, the selection-out rules have been changed to prevent the flagrant injustice in the systems. Now an officer who achieves Class 5 cannot be fired until he has reached age 50 or served 20 years. This way, at least, he is entitled to requirement pay.

### SCORNFUL

Further, the State Department has set up new, formidably titled Interim Grievance Procedures, the first major amendment to the Foreign Service Act since it was passed in 1946. These procedures are to last until employee-management relations are reformed under a plan projected by President Nixon. However, many officers are scornful of Macomber's new measures, since they stipulate that an employee must first take up his grievance with his superior—against whom the grievance is usually brought in the first place—and can only appeal to a board picked by the department. Says one legal official at State: "I don't care if a grievance panel is headed by Charles Evans Hughes or Jesus Christ, it still remains an in-house procedure without any chance of outside appeal."

Help is forthcoming from the outside. The Senate Foreign Relations Committee last week refused to report the confirmation of Howard P. Mace, 55, as U.S. Ambassador to Sierra Leone, which is tantamount to defeat of his nomination. As director of personnel for four years, Mace was the source of much of the department's interior turbulence. He was known behind his back as the "executioner," the man primarily responsible for the selecting-out process. Officers also noted that under his aegis men with high diplomatic potential were often bypassed for plush jobs in favor of men little experienced in diplomacy from his department. Congress is also taking more direct measures. There are two bills pending before Congress that would overhaul and codify the grievance system.

Concerned DOS officers are seizing their own initiative. A group has banded together to launch a class action against the Secretary of State; to raise money for this expensive exercise, they have instituted the Charles W. Thomas Fund. One junior officer invoked a more primitive grievance procedure. Furious over what he considered an unfair performance rating, he stopped his superior in a corridor of the State Department and cut loose a smacking right cross to the nose.

Mr. President, according to the congressional grapevine, today is the 53d birthday of Vice President AGNEW. I am sure I speak for all of us when I wish him a very happy birthday and many more to come.

In the ecumenical spirit, I trust that the TV networks, the New York Times and the Washington Post will join in the wish for many happy returns.

## OKINAWA REVERSION TREATY

Mr. KENNEDY. Mr. President, just as the recent U.N. vote to admit mainland China to the United Nations 2 weeks ago symbolizes the beginning of a new era of U.S. relations in Asia, so the Senate vote on the Okinawa Reversion Treaty symbolizes the long overdue end of the bitter passions of the World War II era. Rarely, I think has the juxtaposition of two major events so clearly dramatized the current position of the United States at a major crossroads in our foreign policy.

Perhaps the strongest initial reaction by many Americans to the treaty is the new reminder that today, in 1971, this small island of Japan is still under American occupation. A generation of young Okinawans has now grown to maturity with their land still relegated to the status of occupied territory. Long after the United States made its peace with Japan, we have clung unconscionably to this relic of war.

A more lasting reaction to the treaty however, must be the awareness that, however much symbolic significance it may have, its practical impact is likely to be quite marginal. Under the terms of the treaty, the United States is retaining so many military bases and facilities on the island that a number of experts are calling it a treaty of retention, not a treaty of reversion.

Surely, it is not news to any of us who has followed the period of confrontation and negotiation over Okinawa in recent years that the treaty is the result of a hard bargain driven by the United States on Japan—a document barely acceptable from the Japanese view, and almost entirely satisfactory from the U.S. view. It is no surprise, therefore, that the terms of the treaty—especially the retention of American bases, but also the continuation of the Voice of America relay station and the failure of the treaty to deal specifically with the question of nuclear weapons—have generated massive criticism in Japan. It is no surprise that Chobyo Yara, the leader of the reversion movement on Okinawa and the popularly elected local chief executive on the island, refused to attend the signing ceremony for the treaty. It is no surprise that for Premier Sato, the debate over the treaty has been another in the long line of ordeals arising out of deteriorating Japanese-American relations in recent months, including the announcement of President Nixon's trip to Peking and his imposition of the 10 percent import surcharge—both without prior consultation with Japan—the strong pressure on Japan to cosponsor our two-China resolutions in the United Nations, and our recent heavy-handed ultimatum to Japan on textile exports. We know how much a strong and friendly and peaceful Japan means to the long-term best interests of America and the world community. It is long past time for these insults to halt, and for the American foreign policy to abandon the new arrogance we have shown toward Japan in recent months.

One other point needs to be made. It is unfortunate that a veil of secrecy hangs over the question of the transfer of nuclear weapons from Okinawa. The recurring rumors that the present treaty may become the occasion for the shift of such weapons to Taiwan has never been completely dispelled. There is perhaps no single step we can take that would more seriouly jeopardize our newly emerging relations with mainland China than to allow the Okinawa Treaty to become the excuse for such a transfer. I urge the President to dispel these persistent rumors categorically, and to calm the fears that will exist as long as the issue remains shrouded in secrecy.

Tomorrow, with the vote on the Okinawa Treaty, the Senate has the opportunity to pledge its strong support for a progressive and effective future alliance with Japan. In spite of the controversy that surrounds it, the treaty is a minimum but essential step forward toward the generation of peace the President and all of us desire in Asia and the world. I urge the Senate to give its overwhelming approval for ratification.

## GROWING SUPPORT FOR BALANCED NATIONAL GROWTH IN THE UNITED STATES

Mr. HUMPHREY. Mr. President, the goal of trying to bring about a more balanced national growth pattern in this country is of prime concern to the Rural Development Subcommittee of which I am privileged to serve as chairman. The development and revitalization to our Nation's rural areas and smaller communities can play a key role in achieving that objective. Our larger cities and metropolitan centers are saturated today with people, problems and pollution of all kinds. The cost of providing the basic social services that people living in these population centers need continues to skyrocket upward on a per capita basis while their general quality continues to deteriorate.

In the course of the hearings conducted by our Rural Development Subcommittee this year it has become increasingly apparent that more and more people in this Nation want more aggressive action taken at all levels of government to achieve a more balanced growth pattern in the United States. Further evidence of this appeared on October 31, 1971, in the Denver Post. Mr. Richard D. Lamm and Michael Strang authored an excellent article in that edition of the Post about the need to redirect the growth that is occurring along the front range of the Rocky Mountains in Colorado to other less populated regions of the State. And, in that same edition of the Post, Mr. Lewis Gordy Smith had an article about new towns for Colorado's future residents.

I commend both of these articles to the attention of my Senate colleagues. I also would like to call to their attention another small news story which appeared in the Washington Post about Boulder, Colo., citizens' approval of a city council proposal to conduct a study to determine an optimum population level for the Boulder Valley, while holding the city's population growth below the rate of the 1960's. The city of Boulder's population, which now is about 700,000, doubled during the 1960's. Although an amendment to the city charter of Boulder to establish an absolute ceiling on the city's population level was defeated, the November 2 vote on it was reasonably close.

Mr. President, I would like to ask for unanimous consent to insert these three articles into the Record and I wish to urge the Members of the Senate to take whatever time is required to review them carefully. The country is ready for some action on this subject of balanced growth and I can assure my colleagues here in the Senate and the people of this country that I am prepared to do whatever I can to take whatever action is needed in this regard.

There being no objection, the material was ordered to be printed in the Record, as follows:

### NEED TO REDIRECT GROWTH FROM FRONT RANGE TO SPARSELY POPULATED AREAS

(By Richard D. Lamm and Michael Strang)

In Colorado, the Denver metropolitan area counties of Adams, Arapahoe, Boulder, Denver, Douglas and Jefferson have average per capita incomes of $3,129. The corresponding figure for the rest of the state is $2,152. Conejos and Costilla counties in southern Colorado have average per capita incomes of $929.74 and $701.79, respectively.

Without immediate forceful action there is no hope that either trend will be reversed. Current efforts, such as the attempt to direct the "Sell Colorado" program to the benefit of the rural parts of the state, however praiseworthy, are plainly inadequate to deal with the problem.

Gov. John A. Love, testifying to the Subcommittee on Rural Development of the United States Senate Agriculture and Forestry Committee on April 29, 1971, stated:

"The traditional American ethic that bigger is better seems to have run its course. It is increasingly apparent that tremendous concentrations of people create economic problems, social problems, psychological problems and perhaps even biological problems. It seems clear to me that the states and the federal government need to devise policies of population dispersal."

Historic, traditional "solutions" to urban sprawl and rural stagnation promise little more in the future than they have in the past. As a matter of fact, some such "solutions" are suspected of causing the problem to get worse.

Four such "solutions" are:

1—The creation of jobs by busing the unemployed to the suburbs, or by making the government itself, as a last resort, the employer.

2—Providing training programs to increase the skills of the lowest income group.

3—Offering financial aid to the depressed city, as by federal subsidy.

4—The construction of low-cost housing.

Prof. Jay Forrester of the Sloan School of Management, Massachusetts Institute of Technology (MIT), is one expert who finds no merit in these steps. Writing in *Technology Review*, he concludes that they range from ineffective to outright harmful to the economic health of the cities themselves and to the low-income population of the cities as well.

Faced with such badly distributed growth, we feel Colorado should develop an alternative plan for the future; a plan which discourages and limits growth along the Front Range and directs that growth to those parts of the state which need and want additional population.

This program will need more than lofty intentions. It will require statewide agreement, *plus* the land use controls needed to make it work. If we do nothing, we have a policy which inevitably will lead to the fulfillment of predictions which show one massive metropolitan area from Cheyenne, Wyo., to Pueblo, Colo., with most of the rest of Colorado empty of both people and hope.

Building an agreement to limit growth in the Denver Metropolitan area will be the first difficulty. Population growth and economic growth have always seemed interrelated.

However, some economists contend that economic growth can well continue and perhaps even grow faster with a stable population. General Electric Company's center for advanced studies at Santa Barbara, Calif., recently produced a study which concludes that if population growth levels off by about the year 2050, per capita income of the average U.S. resident will be considerably higher than if the population growth continues. This study indicates that a leveled-off economy does not necessarily follow a leveled-off population.

Still, more people do mean higher per capita costs of government. The Advisory Commission on Intergovernmental Relations issued a report Sept. 16, 1970, entitled Size Can Make a Difference. It shows that beyond a certain population (250,000) economies are dissipated and services cost more per capita to provide. These figures show why planners have been saying "The faster we run, the behinder we get." Economists call these increased per capita costs "diseconomies of scale." Taxpayers call them "higher taxes."

This rise in cost is seen for virtually every municipal service. R. J. Smeed, a traffic systems analyst, has shown that the more commuters a town has, the more highways per capita it must build. Where there are 10,000 commuters in a town, they require eight square feet of roadway per person; 100,000 commuters require 28 square feet per person, and 1 million commuters require 97 square feet of roadway per person. Smeed thus shows that a 100-fold increase in population requires not a 100-fold increase in roadway, but a 1,200-fold increase.

A Ford Foundation study, which produced the table below, shows how crime rates increase as population rises:

| Population size of cities in 1960 | Number of crimes per 100,000 per year | | | |
|---|---|---|---|---|
| | Murder | Rape | Robbery | Assault |
| Over 250,000 | 6.8 | 15.2 | 117.6 | 154.1 |
| 100,000 to 250,000 | 5.6 | 7.6 | 56.5 | 83.3 |
| 50,000 to 100,000 | 3.3 | 5.5 | 36.6 | 58.9 |
| 25,000 to 50,000 | 2.9 | 4.7 | 22.6 | 39.9 |
| 10,000 to 25,000 | 2.4 | 4.0 | 15.7 | 35.2 |
| Under 10,000 | 2.7 | 3.3 | 12.8 | 28.9 |

There is evidence that concentrating people also increases their susceptibility to disease, even non-communicable disease. For instance, California has shown its most crowded counties have the highest emphysema death rates.

We thus see that public needs rise faster than public revenues. Growth may, in some or many cases, be counter-productive, that is, as you grow you pay more and more and more. It appears, judging by these studies, that the Denver metropolitan area is beyond economies on most costs of government—police protection, power, water, waste disposal, fuel and highways.

Boulder, Colo., 30 miles northwest of Denver, has about 70,000 population. A group of citizens made a study which proves to them that beyond a population of 100,000 growth will be counter-productive in per capita water expenditures, bonded debt, in sewer expenditures and fire and police expenditures.

(Boulder chapter of Zero Population Growth has succeeded in getting enough signatures on petitions to get a proposal on the November 1971 ballot to limit population growth in the city to 100,000.)

However impressive the argument is for limiting Denver's growth, there is another factor working against Colorado's Front Range growing into another Los Angeles.

We simply do not have the water in Colorado to become another California.

Colorado is semi-arid. We have available in Colorado 16 million acre feet of surface water, of which 12 million is the Colorado River system. Compare this to 45 million acre feet that flows past St. Louis in the Mississippi and 172 million acre feet delivered by the Columbia. Colorado's entire yearly water supply would flow past a given point in the lower Amazon in a few hours.

We do not even get to keep all our water. Colorado retains only 35 per cent of the water in the Colorado River system. Eighteen other states get their water from rivers that rise in Colorado and have rights to that water superior to Colorado's. All this water—ours and theirs—is allocated either by interstate compact or Supreme Court decision. We must face the fact that the West's water supply is limited and we must begin to make policy decisions on how we want our water to be distributed and used.

It takes three acre feet in most of Colorado to irrigate one acre of land. That three acre feet of water (967,000 gallons) can support approximately 10 people. We thus have a choice: We can continue our balanced economy of which agriculture is an important part, or we can devote more of that water supply to municipal and industrial use. Denver uses 225.5 gallons of water a day per capita. Felix Sparks, head of the Colorado Water Conservation Board, estimates that we could possibly support 5 to 10 million people—if we would pay the price of drying up agriculture and using all our water for municipal and industrial purposes.

"Much of the water being used today in

Colorado cities was originally decreed for agricultural purposes," says Sparks. "It was either condemned or purchased by the cities. Virtually all future municipal increases in water usage will come about at the expense of the agricultural economy. Agriculture is a major business in Colorado and accounts for a very significant portion of the state's economy. When we speak therefore of supporting a much larger urban population, we must realize that we will be slowly destroying an agricultural and rural society in favor of an industrial and urban society. This process, while it appears to be economically desirable at this time, must eventually face a point of diminishing returns, and perhaps an undesirable change in our way of life."

The headlong withdrawal of agricultural lands for residential purposes flies in the teeth of our knowledge that within a matter of decades it is likely that there will not be enough food to feed the world population.

Thus we cannot afford to continue the conversion of agricultural water to municipal and industrial water. The amount of water used in agriculture is too often overlooked. The production of one pound of wheat, for instance, uses 300 to 500 pounds of water; one pound of milk requires 10,000 pounds of water; and one pound of meat requires between 20,000 and 50,000 pounds of water. To retain agriculture we must start now to plan an eventual halt of the conversion of agricultural water to municipal and industrial water. This will require us to come to grips with the ultimate number of people we can support in Colorado and still retain our balanced economy.

Similarly, water limitations force choices on where we want growth to continue in Colorado. We can substantially reduce the water available to the Western Slope—that part of Colorado lying west of the Continental Divide. If we do, we reduce the Western Slope potential. We can bring large additional quantities of water in the Denver area or we can leave the water where it is to be available to the people in areas which need both water and growth.

The Denver Water Board has long range projections of a threefold increase in its service area by 2008. Other areas along the Front Range, if allowed to "develop," will multiply this demand a hundredfold. The Front Range can become a giant metropolitan sponge, drying up both agriculture and economic activity in other geographic areas of the state.

The diversion of water away from its natural origin and drainage disrupts ecological balance at both ends of the diversion. It affects trout streams and fish and wildlife in general at the point of origin and causes massive sewage and drainage expense at the point of delivery. This affects our amenities and recreational resources. One-third of Colorado's streams have been—to use the highly descriptive word used by the Department of Game, Fish and Parks—"dewatered." More important, this diversion is awesomely expensive. The Denver Water Board estimates a need for $800 million in additional projects to meet demand by 2000.

There is, thus, a mutually beneficial relationship between the Front Range (particularly Denver), which is finding growth counter-productive, and the remainder of the state, which needs growth.

To accomplish this we'll need a massive redirection of policy. Discussing a similar policy nationwide the National Goals Research staff reported:

"The choice of no change in public policy would run the high risk of bringing about the kind of future in which the communities of both urban and rural America would further deteriorate. It means that hundreds of American towns will continue to lose young people and economic opportunity; and that the large metropolitan areas, already burdened with social and fiscal problems and characterized by fragmentation of governmental responsibility, may reach a size at which they will become socially intolerable, politically unmanageable and economically inefficient."

Once a community consensus is formed to direct growth in Colorado, the laws, inducements, zoning, and other tools will emerge. However unprecedented, people can accomplish what they agree upon. The Colorado Environmental Commission last session proposed legislation which would have set a maximum metropolitan size at 1.5 million and established a distance between a metropolitan area and new cities of at least 35 miles. Skeptics scoffed, but in the absence of a state population dispersal policy with teeth in it, we will never solve either urban sprawl or rural decay. Strong land use controls, aggressive acquisition of open space, and strong zoning are indispensable to such a policy.

In addition to seeking to correct the maldistribution of growth, we must seek ways to halt population growth altogether. Limitless growth is not in the best interest of any Colorado citizen. Yet without immediate action that growth is on its way. A recent Field Research Poll of California found nearly one-third of California's residents disillusioned with overcrowding and pollution, and that they would like to leave California. If they did, their first choice for a new home was Oregon, followed by Colorado. This would not be in Colorado's interest.

The Ford Foundation, in a study of urban sprawl in the San Francisco Bay area, found that taxwise it would be cheaper to leave the area surrounding the Bay Area cities in open space. Similar studies in other locations confirm that development can often be more costly to taxpayers than leaving open space undeveloped. The summary of the Ford Foundation report states:

"How will our generation be judged by those living in the Bay Area in 1990? Will we be remembered as the generation with the vision and foresight to preserve our natural heritage, or will we be remembered as the generation whose "do nothing" attitude permitted urban sprawl to engulf the environment?"

Colorado has similar choices. We suggest action, remembering the words of Aristotle:

"Exprience shows that a very populous city can rarely, if ever, be well governed. . . . To the size of states there is a limit, as there is to other things, plants, animals, implements; for none of these retain their natural power when they are too large or too small."

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[From the Denver Post, Oct. 31, 1971]

## New Towns for Colorado's New Residents

(By Lewis Gordy Smith)

There is a growing and timely awareness that Colorado must move rapidly on long range planning to accommodate the state's expected population increase over the next 30 years. The increase can be absorbed without undue environmental stress to the land, or to present inhabitants—if we act in time.

Colorado State Senator John R. Bermingham, R–Denver, in his perceptive article, "Where Should We Put the People?" (Denver Post, Perspective, Sept. 26, 1971), raised the question whether the anticipated growth should continue to be haphazard concentrated in the Denver metropolitan area, as it will be without a planned alternative; or whether the state should legislative "controls" to divert growth to other parts of the state. He suggested the greatest increase will likely occur along the Front Range, and that to carry its proportionate share, the area would have to accommodate some 1,800,000 additional persons over the next 30 years.

The desired dispersion of anticipated future growth is likely to be achieved more advantageously by planning newly built or rebuilt small communities away from the Denver metropolitan area, employing modern city-design measures which make them attractive to people, than through legislative controls which would seek to place physical limits on the peripheral expansion of Denver. The new development sites would be determined on the basis of what we know about locating towns with respect to natural terrain, regional water supplies, the nature of the soil, the prospects for systematic control of water quality on a regional basis, and the possibility of adequate disposal of waterborne wastes.

From a standpoint of preserving the quality of water at its source, and for other environmental reasons, most of us can agree that it is best to minimize future development within the mountainous headwater areas. We should instead look to the open valleys of the West Slope and to the flatter, more adaptable areas on the East Slope. As a matter of principle, our mountainous areas should be looked upon increasingly as recreational sanctuaries where people visit but do not, in great numbers, live continuously.

With the foregoing in mind, I would like to suggest a concept for the systematic regional planning of new communities within that part of the East Slope which might be called the plains section of the South Platte River. It includes the valley region between Denver and the northern part of the East Slope where agriculturally-developed land begins to give way to drier, little-used rangeland, and thence down the Platte Valley to the Colorado-Nebraska border. This concept is advanced as an alternative to the "haphazard sprawl and poorly-planned subdivisions" to which Bermingham alluded. A similar concept may also hold for the Arkansas Basin downstream from Pueblo.

Accepting Bermingham's estimate that within the next 30 years the Front-Range might have to absorb an additional 1,800,000 persons; and, accepting a widely-held consensus that a town of about 50,000 persons makes a good target figure for well-balanced, low-pressured community living, this would mean about 36 new communities, assuming the Denver metropolitan area ceased to expand. Allowing that Denver will continue to expand, howsoever hopefully at a slower rate, we still could see a need for 25 to 30 new towns. (When the term "New City" is used hereafter, it also implies the redevelopment of some smaller old towns.)

As a matter of principle for future new city design, we should think in terms of organically structured communities, taking our cue from the highly successful town of Tapiola, Finland, built in 1952 near Helsinki. Its form was utilized in the design of Columbia, Md., situated between Washington, D.C., and Baltimore, Md. Columbia is now one of the most widely acclaimed new towns in America.

This organic structure employs the neighborhood-village-town configuration. The neighborhood unit, of fixed size, has the necessary schools and convenience stores at its center to minimize travel distances involved in the daily rounds of elementary schooling and fetching the family groceries. The neighborhoods are clustered around a village center containing a higher order of civic and business facilities, in proportion to the number of neighborhoods. The villages are, in turn, clustered around a town center where an even higher order of cultural, civic and administrative facilities are provided.

This same system could be extended to have centers for clusters of towns in a sort of satellite or galaxy fashion, but always maintaining the basic neighborhood of fixed, readily identifiable boundaries, and with green or open spaces intertwined among the various units in the town systems. Industry would have its zoned place off to one side, with access to intercity transportation.

Monotony among the towns would be avoided through the use of diversified architecture. Yet a certain harmony of architecture within a neighborhood would be sought. Forsaking the ubiquitous rectangular street grid system, layouts of towns would vary according to the topography of the site, which should be the guiding consideration in the effort to minimize the cuts and fills for streets. Good traffic circulation, designed to meet all future needs of the city, would provide the skeleton on which a town is built. To speed construction in the initial stages of a new town, the residences might consist largely of mobile and/or factory-built houses. These in time might be replaced with more permanent homes, or new housing forms which would take advantage of the revolutionary technological practices which are being introduced into the building industry today.

The various units of the towns would have zoned control against lateral expansion. Part of the control would be the inviolate green or open spaces between units, whether these spaces be parks or farmland. Greenery would also be prominently featured within the neighborhoods. Once a town had been populated to its designed size, that would be it: no further expansion! Rather, another town would be started in another location with open spaces between, and in accordance with a long range regional plan. The goal would be to retain the human scale within the cities by making them organically efficient, and at the same time beautiful, attractive gardens of life which would be sought by business and the people who would work and live there.

We are talking about new cities with their own economic base, mostly of light industry but some agricultural processing.

Here are some of the factors which should influence the location of new cities or the selection of older ones for rebuilding:

The sites should be on high ground within the rolling topography of the valley region, primarily for vista, good drainage and good air flow, and from the standpoint of consuming only that agricultural land which is now less attractive for irrigation.

They should be located with respect to natural streams so that water could be supplied from underground stores within the alluvium forming the stream bed, thus minimizing the treatment required.

The sites should be located fairly well down from the head of the drainage on the various tributaries of the South Platte River so that holding dams might be constructed upstream from the sites. The purpose of these dams would be primarily to retard the run-off of a storm and to recharge the ground water upstream from the town water intake. A corollary water development would be the complete treatment of the town's sewage so that its water effluent might be used either for ponds within the town, for possible re-use within the distribution system, or for returning to the stream in as pollution-free a state as is technically possible. The sludge, or solid portion of the sewage, could be rendered odorless and used agriculturally as a soil conditioner.

There has been some discussion about cleaning up Denver's sewage water to the point where it could be recycled within its own distribution system. Rather than encouraging further growth in the Denver area by such re-use, it would appear wiser to clean the water for further use in new communities downstream, avoiding the pump-back costs, and encouraging the growth elsewhere.

Chatfield Dam, upon completion, will hold back Plum Creek and South Platte flood waters above Denver, and the trapped flood waters will be released gradually within the capacity of the channel through Denver. It might prove beneficial, under a regional plan for new communities downstream, to construct another holding reservoir on the South Platte downstream from Denver in order to conserve the flood waters for use in the region.

Some contemporary "environmentalists" have questioned the wisdom of undertaking new water supply development in certain instances, claiming it to be part of a vicious "water development-economic growth-more water development-more economic growth cycle."

With respect to specific large, overbuilt, high density areas, where there is growing concern about the quality of living, their wariness is plausible. This should not, however, lead them to condemn all water supply development proposals, particularly regional ones with objectives of population dispersion. The latter can become the very means by which we break out of the old cycle; long range water supply planning and incremental development can become one of the main factors influencing the patterns of population growth within newer, more desirable regional configurations.

What the environmentalists should be saying is that the time has come when it is more in the nation's interest to supply new water to potentially habitable areas than it is to bring more water into already overpopulated regions.

Regional water augmentation and management form the deciding issue whether the whole western half of the nation will ever support its proportionate share of the nation's people. There are vast expanses of land in the West which have been passed over because of lack of water.

Some western environmentalists have questioned the wisdom of making more land in the West habitable through water development. They also have questioned the wisdom of watering lawns and shrubbery in western cities, calling this a waste and abuse as if they were wholly unaware of the environmental satisfactions derived from that practice.

They seem to forget that the growing of trees, bushes, and lawns improves the quality of air through the process of photosynthesis; that lawn watering has a cooling effect on summer temperatures; that it prevents wind and water erosion of the soil; that it provides an opportunity for healthful exercise in maintaining the greenery; and that it provides a special psychological uplift which comes from seeing and tending growing things—if only just for beauty.

Environmentalists should support what might be called "environmental irrigation"—the backbone of attractive western cities like Denver. They should recognize that the benefits which accrue in social wellbeing far outweigh the disruptions of natural situations caused by the building of reservoirs and delivery systems to enable better conservation of highly seasonal water flows and to permit more uniform distribution throughout the year.

Moreover, multi-year dry cycles occur, and we need to prepare for them by means of holdover storage. The fact of recurring droughts, combined with population expansion, should impel the whole nation to broader regional studies of water management where the basic objective would be to effect better population accommodation through dispersion into more attractive living and work opportunities.

What is needed in Colorado is an overall regional study for new city siting, water treatment and re-use, water availability and ground water storage capabilities of the alluvium of the Platte River and its various tributaries.

Studies already have shown that there is enough South Platte surface water now flowing past Fort Morgan to justify building the proposed Narrows Dam for irrigation. In lieu of building Narrows Reservoir, if it should come to that, the same amount of water might be conserved and used upstream for new city growth under a higher priority and as a more important use. Under large scale water re-use arrangements the restraining factor to population growth will not be so much the amount of water available but the quality of the water for successive users.

Included in the regional studies also would be consideration of transportation systems, possibly involving rapid transit to Denver or to some new new-town center within the basin. A new regional airfield, central to all of the new towns, might be part of a transportation plan.

An entirely new appreciation and understanding of the basic function of urban land also are required if we are to overcome the "freedom" to build toward congestion and ugliness. Edward Higbee in his book, "A Question of Priorities," states that we should no longer treat urban land as personal "property" as does the farmer who depends upon land for production and security. Rather, he says, urban land should be regarded for its civic function in supporting institutions, with long term management performed by powerful public land utilities which would lease the land for an approved use but not "sell" to individual developers. In this way land would not be frozen into private ownerships so as to preclude large scale redevelopment in later years.

Higbee points out that under the present system, functional urban land use with new rational space allocation becomes impossible because urban land values increase as population density increases. He states further that this is the reason why it is cheaper and easier in the long run to turn to new urbanized land and build whole new cities than try to redevelop core areas of older cities.

The Irvine communities development in southern California is a case in point where the urbanized land has ceased to become a *commodity* and has become a *function* instead. It can be used under approved planning but it cannot be bought or sold.

These land and water control issues, including water rights, are such to test the souls and guts of our state legislators. Our future success in regional planning for population accommodation hinges on our legislative capacity.

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### VOTERS OPPOSE POPULATION CEILING IN COLORADO CITY

BOULDER, COLO.—Voters here decided against a 100,000 population ceiling, but approved a resolution to slow Boulder's growth rate.

The proposed charter amendment to clamp a ceiling on Boulder's population, supported by the local Zero Population Growth organization, lost 12,156 to 8,605 in yesterday's voting.

Approved by a 16,364–6,171 vote was a city council proposal calling for a study to determine an optimum population level for the Boulder Valley while holding the city's population growth below the rate of the 1960s. Boulder's population, now about 70,000 doubled in the 1960s.

A proposal to limit the height of new buildings to 55 feet also was successful, 11,577 to 10,273.

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## ENABLING LEGISLATION FOR THE GENOCIDE CONVENTION

Mr. PROXMIRE. Mr. President, one of the articles of the Genocide Convention which is objected to is article V which states:

> The Contracting Parties undertake to enact, in accordance with their respective Constitutions, the necessary legislation to give effect to the provisions of the present Convention and, in particular, to provide effective penalties for persons guilty of genocide . . .

The argument is made that the Senate does not have the authority to bind Congress to have to enact subsequent legislation. It is argued that this would be an unprecedented and unwarranted concentration of power in one branch of Congress.

Mr. President, the Interim Convention on Conservation of North Pacific Fur Seals, which was approved by the Senate on August 8, 1957, by a vote of 86 to 0, is similar in many respects to the Genocide Convention, and it can shed some light for us on this issue. Article X of the Fur Seal Convention says:

> Each Party agrees to enact and enforce such legislation as may be necessary to guarantee the observance of this Convention and to make effective its provisions with appropriate penalties for violation thereof.

The obligations entailed upon the United States under each convention is identical. In enacting the Fur Seal Act of 1966, 16 U.S.C. 1151–1159, the United States fulfilled its obligation under the Fur Seal Convention. This act establishes the procedure for taking seals. At no time during the debate in either House or the Senate was any objection expressed that this legislation was being forced on the Congress.

Thus we can see, Mr. President, that it is not unusual for the United States to be party to a treaty that obliges us to enact subsequent enabling legislation. This objection to article V of the Genocide Convention is not well taken. I urge the Senate to ratify the Genocide Convention as soon as possible.

## PRISON REFORM IN CALIFORNIA

Mr. HUMPHREY. Mr. President, the distinguished majority leader of the California Assembly, Walter Karabian, has written an extremely interesting article in the University of California's Black Law Journal. Entitled "California's Prison System: We Must Bring It Into the 20th Century," the article explores the current need for close scrutiny of our State and Federal prison systems which are badly in need of reform.

Assemblyman Karabian is concerned with the basic question of the effect of the length of a prison inmate's stay on the rates of recidivism and the cost to the State. He examines in detail what seem to be serious flaws in the parole system and rehabilitation system of a State which operates the largest penal system in the Nation and which is regarded by experts as one of the most advanced in providing rehabilitation services to its inmates. However, California's prison system is, in the majority leader's words, "critically close to failure" and "in dire need of rehabilitation."

The questions that Assemblyman Karabian raises are significant ones. I would like to recommend that Senators read this article carefully. Mr. President, I ask unanimous consent that Assemblyman Walter Karabian's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### California's Prison System: We Must Bring It Into the 20th Century

(By Walter Karabian)

California operates the largest penal system in the nation, and the best. Yet, if you were to enter this progressive system as a misfit in 1971, you would be virtually certain to emerge in 1975 not only less able to function on the outside, but much more defeated and dangerous than you were when you entered.

The California correctional system, praised by no less a penal authority than Kark Menninger as "far out in the lead among the states, with excellent programs of work, education, vocational training, medical services, group counseling, and other rehabilitative activities,"[1] is critically close to failure. If it does indeed represent the optimum to be found in the 50 states, one despairs to imagine what conditions are like in the other 49.

Anyone remotely connected with criminal justice in California will tell you that the system itself is in dire need of rehabilitation. The only question is how—and how quickly—this can be done. Can we solve the problems besetting our criminal and correctional procedures with money, more trained personnel, a more humane and far-sighted treatment program for the men in our prisons? Of course we can. But given the temper and priorities of the times, these resources are not likely to be forthcoming. Yet, from a purely pragmatic point of view, much can be done by simply beefing up existing programs and putting into practice inexpensive but highly promising ideas for penal reform.

There are nearly 30,000 felony offenders in California's prisons. Roughly half this number are non-white. The prototypal inmate is young, undereducated and was chronically unemployed on the outside. His life experiences have been predominantly negative. His self-image is low, his sensitivity to injustice high. He is vulnerable at every point and he knows it.

From this man and his counterparts behind bars, one hears an almost unanimous litany of trouble. Facilities are 50 percent overcrowded. To survive at all, he must endure a pitiless assault on the last vestiges of his identity and individuality: homosexual rape, hours of idleness, inadequate or nonexistent medical and psychiatric care, smouldering racial tensions often fired to flashpoint by untrained and openly hostile guards, bad food, filth—the list is long. But, as degrading as these conditions are, the overwhelming concern of this man is the unyielding and mindless nature of the bureaucracy that manipulates his life, not only while he is in custody, but after he has been released on parole.

For him, the twin symbols of this bureaucracy are the indeterminate sentence and a wholly deficient rehabilitation program.

California pioneered the adoption of the indeterminate sentence, whereby a felony offender is remanded to prison for "the time prescribed by law" rather than a time certain. The Legislature sets minimum and maximum terms for each offense. As conceived by early reformers the indeterminate sentence was basic to rehabilitation and early release, providing the flexibility necessary for weeding out of the prison population those persons who, but for the time certain of their commitment, could be leading useful lives on the outside. In theory, at least, it transfers the sentencing function from the courts to the professional prison staff, persons trained to observe the inmate at close range and make a judgment as to his fitness for parole not on the basis of his crime, but on the circumstances surrounding it and the subsequent "modification of anti-social behavior" he demonstrates in prison. It allows the "rehabilitated" inmate to be released sooner than would be possible under a fixed sentence.

In practice, however, prison administrators have found the indeterminate sentence to be a formidable disciplinary weapon, a weapon against which there is virtually no defense. As applied today, the indeterminate sentence assures much longer sentences than would be imposed by the courts for all but the most docile inmates. It comes down hardest, of course, on "trouble-makers," a group variously described as religious and political nonconformists, ethnic "leaders," psychotics, "writ-writers" in pursuit of due process, and behavioral deviants, depending upon the bias of the decisionmaker. "From the vindictive guard who sets out to build a record against some individual, to the parole board, the indeterminate sentence grants Corrections the power to play God with the lives of inmates."[2]

That prison officials should seek discretion over sentencing is not surprising. They are, after all, saddled with the job of managing the prisons, and "from the official's point of view a first requisite is effective influence over inmate conduct. So long as inmates desire freedom, restrictions on freedom—threatened or actual—will provide a possible strategy for control, for effective influence; and the Correctional Establishment as a whole is premised on the desire of inmates for freedom."[3]

In fact, of course, the actual length of an individual's sentence is determined by the Adult Authority, a nine-member board consisting of the Director of the Department of Corrections and eight gubernatorial appointees. While the Penal Code states that members should "have a varied and sympathetic interest in corrections, sociology, law, law enforcement, and education,"[4] the present board is made up primarily of former policemen, prosecutors, FBI and Corrections personnel. This body serves as the parole board, charged to "determine and re-examine" the length of time a man must serve. It has the power to make a judicial determination of sentence, to retract that determination and refix sentence, to grant parole and to revoke parole, and its decisions are rarely subject to review or appeal.

Dividing into two-member panels, assisted by case-hearing representatives, the Adult Authority renders 30,000 to 40,000 determinations yearly. The inevitable result of this crushing caseload is that an inmate's hearing before the Adult Authority, the outcome of which will determine whether or not to fix sentence and grant parole,[5] generally lasts a scant 10 minutes. And these 10 minutes are not exclusively his—while one member listens to the proceedings, the other is reading the dossier on the next inmate.

The panel's decision is based on information to be found in the prisoner's file,[6] a collection of material, little of it sworn, consisting of whatever the authorities know about the man: comments of the trial judge and the prosecutor, the probation officer's report, psychiatric evaluation, reports by guards of "deviant" behavior (which can run the spectrum from refusal to eat breakfast to attempted suicide)[7] and disciplinary infractions. While the guards and other prison personnel are encouraged to familiarize themselves with the prisoner's folder, the prisoner is at no time permitted to see it. Further, if parole is denied, the prisoner is not entitled to know why it is denied, nor is his attorney. No transcript is made of the hearing; family members, the press and legal counsel are all excluded from the proceedings.

Should an inmate's case for parole survive an examination of his folder, it remains vulnerable to the whims and biases of the

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Footnotes at end of article.

parole panel. Lacking any guidelines of an official nature, California's parole policy is subjective rather than scientific. Inmates find that as the parole panels rotate, so do the indicia of "rehabilitation."[8]

Thus, determination of sentence parole is almost totally discretionary, and its arbitrary exercise has resulted in abuses of every kind. Examples abound of parole denials in clear violation of constitutional guarantees.

The result of the indeterminate sentence has been that the median time served in prison has risen dramatically in the past decade. In 1960, the median time served in California was 24 months; by 1968 it had risen to 36 months, an increase of 50 percent in eight years, and it continues to rise.[9] Yet, the 1970 report of the Assembly Select Committee on the Administration of Justice confirms what modern criminologists have been saying for years, that the character of convicted felons does not alter appreciably from one year to the next, that "persons committed to prison in 1960 . . . were essentially the same type of person as those committed for a similar offense in 1968."

The man committed to prison today is no more dangerous, hostile or menacing to society than the felon committed last year or the year before. There is, therefore, no logic to justify the increase in time served. It should be noted that the reluctance of the Adult Authority to release men from custody has not reduced California's increasing crime rate.

Longer sentences are costly to the State;[10] but far worse, they do not result in good behavior after release. On the contrary, persons serving longer terms are less likely to readjust on the outside than those serving short terms.

In fact, studies show that persons serving longer terms recidivate at a rate 10 percent higher than short termers.

In effect, California's parole policy acerbates the problems it was designed to solve. It operates as a mindless, moving conveyor belt upon which our felons are tossed with total disregard for the human pileup at the other end.

The cost to the individual in prison, however, is beyond measure. He does not know how much time he will serve until the end of his sentence, since his sentence is not fixed until that time. If parole is denied he has no recourse. The meting out of an indeterminate sentence amounts to summary injustice to him, a major source of anger, resentment, bitterness and defeat. Psychologically, he faces more uncertainty than most in our society. He cannot plan or prepare for the future. He is in every way the pawn of a swollen bureaucracy. It is no wonder that a crisis in our prisons is upon us.

The legislation I introduced in the 1971 Session of the Legislature will buy time, time to devise and expedite criminals and correctional procedures to reduce permanently our prison population, an essential first step to long-range penal reform. It includes a measure that would require parole of most prisoners at the completion of the minimum sentence.[11] Under this proposal, the Adult Authority would continue to determine sentence length, but a felon would serve only the legal minimum behind bars, and the balance on parole. Further, if parole were denied, the burden of proof would rest with the parole board, and grounds for denial would be reduced to clearly discernible facts relating to the nature of the original crime and the prisoners' history of excessive criminality or violence. This proposal also reduces to five the members of the Adult Authority and specifies that, in addition to the Director of Corrections, they shall consist of an experienced criminal attorney, a behavioral scientist, a person trained in the education of disadvantaged persons, and a law enforcement administrator, all "with substantial records of achievement."

A second measure[12] provides that the Adult Authority officially "show cause" whenever the automatic parole is denied by submitting a written report of each denial which meets specifications to be determined by the Bureau of Criminal Statistics.

This proposal would bring our parole policy under critical scrutiny and eliminate irregularities inherent in any purely arbitrary exercise of authority.

An equally important component of this legislative package seeks to put some economic bone and tissue on the Department of Correction's rehabilitative arm, California Correctional Industries.[13] Established to provide "training in work habits and work skills to the inmates as a means of improving employment opportunities after release" and "prevent idleness," this program is self-supporting and even modestly profitable. Yet, the entire program employs barely 10 percent of the State's prison population.

According to a recent estimate, there is at least a nine-month waiting period to get into Industries. And, for the fortunate few who make it, many of the jobs are sadly ill-suited to prepare them for life on the outside. At Soledad prison, for instance, where more than half of the 2,787 inmates will be returned to the urban centers, only 400 are working. Of the 400, nearly half work in dairy and hog ranch programs. At Folsom, about 150 inmates of the 600 employed are learning to make license plates, a skill which cannot be utilized outside prison.

In addition, many jobs being done on prison equipment by inmates are automated on the outside; thus, men train for obsolete work. But to automate in prison would further reduce the number of jobs in Correctional Industries, so inmates continue to do busy work on outdated equipment for an outrageously low pay scale that ranges from two cents to 16 cents an hour.

Finally, prison-made goods are often inferior to those manufactured in private industry. Recently, the State requested clothing manufacturers to submit, along with their bid, assessments as to the durability of their shorts, T-shirts and denims. These estimates revealed that the quality of prison-made clothing was so low and frequency of replacement so high that the State paid 12 percent more because it used Correctional Industries clothing.

Since the Correctional Industries program must be self-supporting, and the productivity per inmate is as little as one-sixth of that of a worker in private industry, the profit margin is slim indeed. At that, where private industry might use a portion of its profits to expand operations or purchase new equipment, much of the Correctional Industries are turned over to the States' General Fund.

Recently the textile mill at San Quentin was closed; so was the cannery at Folsom. Yet, the most innovative proposal in last year's Correctional Industries report, was for a "vast plan for providing several new laundries consistent with the long-range needs of Mental Hygiene."

Corrections officials are not unaware of the deficiencies of the Industries program. They know that there are too few jobs. But, they also know that inmate participation in other rehabilitative programs, such as vocational training and academic courses, is also woefully inadequate. These efforts, well-intended though they are, are failing. They reach only a fraction of the State's inmates. They occupy less than four hours a day of the prisoners they reach.

The inadequacy of Correctional Industries reflects both political pressure and economic reality. Within the 103 million dollar prison budget, there is no allocation for the subsidy of this program. (Only five cents of every prison dollar is now spent on rehabilitation.) Even if the economy were stronger and funds available, it is unlikely that the non-voting prison population would receive them.

To make matters worse, private industry has generally opposed measures which might increase Industries' production or place Industries on a more competitive footing—this in spite of the fact that the total Industries output comprises only 0.1 percent of total manufacturing and wholesale sales in California.

As it is, prison-made products may be sold only to tax-supported agencies, and total production is limited by law. Yet, when Folsom sought to reduce losses in its metal-stamping industries by expanding to metal desks, private industry lobbied against it so vigorously that it succeeded in limiting the sale of those desks to State offices only. Similarly, fear of competition has prompted organized labor to lobby against efforts to develop prison industry.

The legislation I have proposed would neutralize the conflict between Correctional Industries and private industry. It would expand employment and training opportunities for inmates by providing financial incentives to private industries to expand their operations to include the State's prisons. Among these incentives are tax deductions to participating firms for a percentage of the training costs and wages of inmates; payment by the State of a portion of inmate wages for a fixed period of time while training; and a provision entitling a participating firm to a 10 percent price preference over out-of-state businesses on purchases made by the State.[14]

Participating firms would be required to hire their inmate employees upon their release if their performance while in prison had been satisfactory.

Products and profits from a participating firm's prison branch would, of course, belong to the firm, but inmates would be included within any labor contract between the private firm and its other employees. Inmates would also be entitled to join unions as dues-paying members.

Inmates in the program would reimburse the State from their earnings for the reasonable cost of their confinement. The balance of an inmate's earnings would be applied to pay any personal debt or other obligations, the remainder to be held in trust in a savings account until the inmate is released.

This plan would create a productive environment within the prisons. It would revitalize the concept of rehabilitation by providing inmates with realistic training for work on the outside, a marketable skill, the capability of providing for his family while he is confined, and money in the bank when he is released.

Nearly 80 percent of California's convicts go to prison for non-violent crimes. Before their prison experience, they are not unlike their counterparts on the outside. But, once in prison, dehumanizing pressures rapidly corrode any ties that remain with the outside, to the end that most convicts re-enter civilian life full of rage and bitterness toward the system that locked them up.

If we can begin to stimulate in the men inside the walls the rhythm and routine of life and work on the outside,[15] we might be able to restore some semblance of balance and reason to life inside. At the very least, the system will cease to destroy men as inexorably as it does now.

Currently, there are nearly 100 bills pending in the California Legislature, touching almost every aspect of prison reform. But in the final analysis, the most enlightened measures can only bring cosmetic relief to a system which has simply grown too large to be adequately or intelligently administered.

We are, as I have said, buying the time

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Footnotes at end of article.

necessary to achieve fundamental prison reform. A basic requisite to that reform is a reduction in the prison population.

Ironically, while there is little disagreement among penal experts that prisons fail as a means of punishment or as instruments with which to change criminal behavior, prison overcrowding, rather than humanitarian concern, emerges as the most compelling liberalizing force in the correctional field.

Nationwide, new programs are being developed to relieve the crush of prison population by the treatment and control of offenders in the community rather than in prison. (In Los Angeles County, 2,000 probation officers supervise 61,300 adults and juveniles in the community, and the results, in terms of recidivism, have been impressive.)[16] In addition to release under supervision, reformers are advocating—and trying—weekend leaves, work-release programs, outside classes and halfway houses as alternatives to simple incarceration.

In my view, however, a permanent reduction in prison population can only come about through a careful redefinition of the criminal law to exclude offenses against private morality and taste. Assuming the essential function of the criminal law to be the protection of our persons and property, the American tradition of using it also to regulate the moral conduct of the individual citizen is a major cause of prison overpopulation. Worse, this "overreach" of the criminal law has so overloaded our entire criminal justice system, that it is wholly defective as a means of protecting us against those activities which are the proper concern of the criminal law—crimes of violence, serious depredations of property, and the exploitation of the defenseless and the young.

Judges, corrections officers and policemen agree that they could serve with far greater efficiency if the system were relieved of that class of offense known as "victimless crime," offenses such as prostitution, abortion, homosexuality, drunkenness, vagrancy, gambling and drug use. According to the President's Commission on Law Enforcement and the Administration of Justice, these offenses account for fully half of the six million non-traffic arrests of adults per year in the United States. Because these crimes lack victims, that is complainants who seek the protection of the criminal law, there is growing sentiment among the experts that they are not the legitimate concern of the criminal law.

In his excellent book on the control of crime, Norval Morris states, "In this country we have . . . a long tradition of using (the criminal law) as an instrument for coercing men to virtue. It is a singularly inept instrument for that purpose. It is also an unduly costly one, both in terms of harm done and in terms of the neglect of the proper tasks of law enforcement."[17]

Most of our legislation concerning narcotics, gambling and sexual behavior is based on the erroneous assumption that the criminal law has the capacity to alter human proclivities. Yet, there is no evidence that the incursion of the criminal law into the spheres of social welfare and private morality has brought about the Millenium. We do not drink less alcohol or take less drugs, nor are we sexually more strait-laced by dint of criminal sanction.[18]

**As a case in point, examine what happened in California after the Legislature had imposed a mandatory sentence of one to 10 years in prison for the possession of marijuana. In 1961, the Legislature removed the sentence of 0-12 months in county jail as an optional penalty for possession, and imposed the stiffer sentence. At the same time, it also increased penalties for sale and for offenders with prior convictions.**

**Did these sanctions limit the sale or possession of marijuana? On the contrary. In 1961, the year the sanctions were imposed, there were 3,500 arrests for marijuana offenses. By 1966 this figure had increased to 18,000, a rise of 400 percent.**

**By 1970, 43 percent of *all* felony arrests in California were drug arrests.**

**Statistics relating to arrests and convictions for other "victimless" crimes seem to support the proposition that criminal sanctions serve almost no deterrent purpose. In fact, the overreach of the law contributes to the crime problem. We have only to remember that the "Noble Experiment" of 1913 spawned more than the romantic era of bathtub gin and speakeasies. It also helped to finance the largest criminal industry in the modern world.**

**I am not unmindful of the fact that a review of the criminal law raises many legal and administrative issues; there are legitimate objections to the repeal of certain criminal statutes. My point is that inevitably we will have to undertake such a review as an alternative to the penal approach, which is both wasteful and futile. As Myrl Alexander, director of the Federal Bureau of Prisons noted, "We all recognize that the trational institutions of the past haven't produced the desired results . . . imprisonment is failure."[19]**

**Our resources in manpower and money are by no means infinite. We have a clear responsibility to apprehend and confine the dangerous offender, and tu rehabilitate him when possible. We cannot hope to succed in even this limited pursuit if we remain wedded to a concept of criminal law which does not distinguish between the felon who steals property and endangers lives, and the non-violent offender who violates private codes of social conduct. Imprisonment is not the answer to the national problems such an offender creates or the social displacements which spawn his behavior. We can no longer afford to pay the heavy concomitant costs of perpetuating a system which fails to come to grips with this reality.**

FOOTNOTES

[1] At a recent news conference, however, following his address before a NAACP Legal Defense Fund seminar in Los Angeles, Menninger referred to all American prison systems as a "shambles—beastly, unworkable and expensive." Their sole effect, he said, is "to degrade and humiliate people and rob them of their human dignity." *Los Angeles Times*, May 23, 1971.

[2] Jessica Mitford, "Kind and Usual Punishment in California," *The Atlantic Monthly*, May, 1971.

[3] Sheldon Menninger, *Strategies of Control*, University of California, Center for the Study of Law and Society, 1968.

[4] California Penal Code, Section 5705.

[5] The Adult Authority is under no legal obligation to set the sentence and generally does not do so until it is ready to grant parole.

[6] There is no procedural guarantee that the parole board will review all the facts concerning an individual case: "At present, a counselor spends from five to 15 minutes with the inmate in evaluating his 'progress' of the previous year. (Inmates) wonder, what kind of an accurate evaluation even a qualified person could make in that length of time?" Institute for the Study of Crime and Delinquency. (45) p. 78.

[7] The Caucus of Black Elected Officials of the California State Legislature, in its 1970 report on conditions at Soledad, made the following recommendations: "We strongly urge that accusations of improper behavior brought against inmates for minor offenses—like refusal to shave when no mirror is available—*be excluded from an inmate's permanent dossier and that no indication of such accusations reach the eyes of the Adult Authority* (emphasis theirs). Black Caucus Report, "Treatment of Prisoners at California Training Facility at Soledad Central," The California Legislature, p. 11, 1970.

[8] ". . . the time an individual spends in prison seems to depend on three factors: (1) The values and feelings of individual parole board members. (2) The 'mood' of the public. (3) Institution population pressures." California Legislature, Assembly Criminal Procedure Committee, *Deterrent Effects of Criminal Sanctions*, p. 40, May, 1968.

[9] See Adult Authority Manual of Statistics for 1945 through 1966, March, 1967, Table 1, and *Analysis of the Budget Bill, 1969–70*, p. 131.

[10] According to the California Assembly Office of Research, the institutional cost per year of maintaining an inmate is $3,012. As we have noted, the average sentence is 36 months, which raises this figure to $9,036, per commitment episode. (These figures represent the saving to the State per inmate if the institution were closed.)

More compelling, since 30 percent of this population returns to prison within two years, the cost of an average "unsuccessful" commitment episode, based upon a return to prison for 18 months on a technical violation, is more than $13,000. The average cost for those returned to prison from parole with a new felony conviction is more than $18,000. Such offenders usually spend 36 months in prison before being re-paroled.

[11] Assembly Bill 2064. A similar provision is included in Assembly Bill 483, introduced by Assemblyman Leo J. Ryan.

[12] Assembly Bill 2816.

[13] Assembly Bill 2062.

[14] By judicial determination, the California Preference Law, Section 4330, which entitled California firms to a five percent price preference over out-of-state businesses, was declared unconstitutional in 1970 (53 Ops. Atty. Gen. 72, 2/11/70), but contracts entered into by the State of California prior to this ruling are legal and binding on all the parties to the contract.

[15] Another proposal in this legislative package, AB 2063, would provide facilities to enable inmates to spend two-day visits, at least three times a year, with those persons who have been approved on the inmate's visitation or correspondence list. The inhuman sexual deprivation endured by prison inmates has produced a prison environment where homosexual rape is commonplace; in addition, prolonged separation has resulted in the destruction of the marriages of countless convicts.

[16] "Justice on Trial," *Newsweek*, March 8, 1971.

[17] Morris, Norval and Gordon Hawkins, *The Honest Politician's Guide to Crime Control*, Page 5.

[18] There is some evidence that the extensive use of criminal sanctions may actually *decrease* the public safety. A recent study by Herbert Packer concluded, in a chapter on drug use, abortion, gambling, alcoholism and "white-collar" crime, that, "It is by no means clear that we can persuade the public to view conduct as wrongful by making it criminal. Law, even criminal law, simply is not that potent a weapon for social control. Our experience with the use of the criminal sanction during the Prohibition period suggests that the reverse is true . . . There is indeed some reason to fear that sensitivity toward the criminal sanction has decreased as the formal apparatus of the criminal law has been called on to deal with a wide variety of morally neutral conduct . . ." Packer, Herbert L., *The Limits of the Criminal Sanction*, page 359, 1968.

[19] *Los Angeles Times*, November 17, 1968.

## CONCLUSION OF MORNING BUSINESS—EXECUTIVE SESSION

The PRESIDENT pro tempore. Under the previous order the period for the transaction of routine morning business is now concluded, and the Senate will go into executive session.

The Senate proceeded to consider executive business.

## AGREEMENT WITH JAPAN CONCERNING THE RYUKYU ISLANDS AND THE DAITO ISLANDS

The PRESIDENT pro tempore. Under the previous order, the Chair lays before the Senate Executive J, 92d Congress, first session.

The Senate, as in Committee of the Whole, proceeded to consider Executive J, 92d Congress, first session, the agreement with Japan concerning the Ryukyu Islands and the Daito Islands, which was read the second time as follows:

### AGREEMENT BETWEEN THE UNITED STATES OF AMERICA AND JAPAN CONCERNING THE RYUKYU ISLANDS AND THE DAITO ISLANDS

The United States of America and Japan,

Noting that the President of the United States of America and the Prime Minister of Japan reviewed together on November 19, 20, and 21, 1969 the status of the Ryukyu Islands and the Daito Islands, referred to as "Okinawa" in the Joint Communique between the President and the Prime Minister issued on November 21, 1969, and agreed that the Government of the United States of America and the Government of Japan should enter immediately into consultations regarding the specific arrangements for accomplishing the early reversion of these islands to Japan;

Noting that the two Governments have conducted such consultations and have reaffirmed that the reversion of these islands to Japan be carried out on the basis of the said Joint Communique;

Considering that the United States of America desires, with respect to the Ryukyu Islands and the Daito Islands, to relinquish in favor of Japan all rights and interests under Article 3 of the Treaty of Peace with Japan signed at the city of San Francisco on September 8, 1951, and thereby to have relinquished all its rights and interests in all territories under the said Article; and

Considering further that Japan is willing to assume full responsibility and authority for the exercise of all powers of administration, legislation and jurisdiction over the territory and inhabitants of the Ryukyu Islands and the Daito Islands;

Therefore, have agreed as follows:

### ARTICLE I

1. With respect to the Ryukyu Islands and the Daito Islands, as defined in paragraph 2 below, the United States of America relinquishes in favor of Japan all rights and interests under Article 3 of the Treaty of Peace with Japan signed at the city of San Francisco on September 8, 1951, effective as of the date of entry into force of this Agreement. Japan, as of such date, assumes full responsibility and authority for the exercise of all and any powers of administration, legislation and jurisdiction over the territory and inhabitants of the said islands.

2. For the purpose of this Agreement, the term "the Ryukyu Islands and the Daito Islands" means all the territories and their territorial waters with respect to which the right to exercise all and any powers of administration, legislation and jurisdiction was accorded to the United States of America under Article 3 of the Treaty of Peace with Japan other than those with respect to which such right has already been returned to Japan in accordance with the Agreement concerning the Amami Islands and the Agreement concerning Nanpo Shoto and Other Islands signed between the United States of America and Japan, respectively on December 24, 1953 and April 5, 1968.

### ARTICLE II

It is confirmed that treaties, conventions and other agreements concluded between the United States of America and Japan, including, but without limitation, the Treaty of Mutual Cooperation and Security between the United States of America and Japan signed at Washington on January 19, 1960, and its related arrangements and the Treaty of Friendship, Commerce and Navigation between the United States of America and Japan signed at Tokyo on April 2, 1953, become applicable to the Ryukyu Islands and the Daito Islands as of the date of entry into force of this Agreement.

### ARTICLE III

1. Japan will grant the United States of America on the date of entry into force of this Agreement the use of facilities and areas in the Ryukyu Islands and the Daito Islands in accordance with the Treaty of Mutual Cooperation and Security between the United States of America and Japan signed at Washington on January 19, 1960 and its related arrangements.

2. In the application of Article IV of the Agreement under Article VI of the Treaty of Mutual Cooperation and Security between the United States of America and Japan, regarding Facilities and Areas and the Status of United States Armed Forces in Japan signed on January 19, 1960, to the facilities and areas the use of which will be granted in accordance with paragraph 1 above to the United States of America on the date of entry into force of this Agreement, it is understood that the phrase "the condition in which they were at the time they became available to the United States armed forces" in paragraph 1 of the said Article IV refers to the condition in which the facilities and areas first came into the use of the United States armed forces and that the term "improvements" in paragraph 2 of the said Article includes those made prior to the date of entry into force of this Agreement.

### ARTICLE IV

1. Japan waives all claims of Japan and its nationals against the United States of America and its nationals and against the local authorities of the Ryukyu Islands and the Daito Islands, arising from the presence, operations or actions of forces or authorities of the United States of America in these islands, or from the presence, operations or actions of forces or authorities of the United States of America having had any effect upon these islands, prior to the date of entry into force of this Agreement.

2. The waiver in paragraph 1 above does not, however, include claims of Japanese nationals specifically recognized in the laws of the United States of America or the local laws of these islands applicable during the period of United States administration of these islands. The Government of the United States of America is authorized to maintain its duly empowered officials in the Ryukyu Islands and the Daito Islands in order to deal with and settle such claims on and after the date of entry into force of this Agreement in accordance with the procedures to be established in consultation with the Government of Japan.

3. The Government of the United States of America will make ex gratia contributions for restoration of lands to the nationals of Japan whose lands in the Ryukyu Islands and the Daito Islands were damaged prior to July 1, 1950, while placed under the use of United States authorities, and were released from their use after June 30, 1961 and before the date of entry into force of this Agreement. Such contributions will be made in an equitable manner in relation to the payments made under High Commissioner Ordinance Number 60 of 1967 to claims for damages done prior to July 1, 1950 to the lands released prior to July 1, 1961.

4. Japan recognizes the validity of all acts and omissions done during the period of United States administration of the Ryukyu Islands and the Daito Islands under or in consequence of directives of the United States or local authorities, or authorized by existing law during that period, and will take no action subjecting United States nationals or the residents of these islands to civil or criminal liability arising out of such acts or omissions.

### ARTICLE V

1. Japan recognizes the validity of, and will continue in full force and effect, final judgments in civil cases rendered by any court in the Ryukyu Islands and the Daito Islands prior to the date of entry into force of this Agreement, provided that such recognition or continuation would not be contrary to public policy.

2. Without in any way adversely affecting the substantive rights and positions of the litigants concerned, Japan will assume jurisdiction over and continue to judgment and execution any civil cases pending as of the date of entry into force of this Agreement in any court in the Ryukyu Islands and the Daito Islands.

3. Without in any way adversely affecting the substantive rights of the accused or suspect concerned, Japan will assume jurisdiction over, and may continue or institute proceedings with respect to, any criminal cases with which any court in the Ryukyu Islands and the Daito Islands is seized as of the date of entry into force of this Agreement or would have been seized had the proceedings been instituted prior to such date.

4. Japan may continue the execution of any final judgments rendered in criminal cases by any court in the Ryukyu Islands and the Daito Islands.

### ARTICLE VI

1. The properties of the Ryukyu Electric Power Corporation, the Ryukyu Domestic Water Corporation and the Ryukyu Development Loan Corporation shall be transferred to the Government of Japan on the date of entry into force of this Agreement, and the rights and obligations of the said Corporations shall be assumed by the Government of Japan on that date in conformity with the laws and regulations of Japan.

2. All other properties of the Government of the United States of America, existing in the Ryukyu Islands and the Daito Islands as of the date of entry into force of this Agreement and located outside the facilities and areas provided on that date in accordance with Article III of this Agreement, shall be transferred to the Government of Japan on that date, except for those that are located on the lands returned to the landowners concerned before the date of entry into force of this Agreement and for those the title to which will be retained by the Government of the United States of America after that date with the consent of the Government of Japan.

3. Such lands in the Ryukyu Islands and the Daito Islands reclaimed by the Government of the United States of America and such other reclaimed lands acquired by it in these islands as are held by the Government of the United States of America as of the date of entry into force of this Agreement become the property of the Government of Japan on that date.

4. The United States of America is not obliged to compensate Japan or its nationals for any alteration made prior to the date of entry into force of this Agreement to the lands upon which the properties transferred

to the Government of Japan under paragraphs 1 and 2 above are located.

ARTICLE VII

Considering, inter alia, that United States assets are being transferred to the Government of Japan under Article VI of this Agreement, that the Government of the United States of America is carrying out the return of the Ryukyu Islands and the Daito Islands to Japan in a manner consistent with the policy of the Government of Japan as specified in paragraph 8 of the Joint Communique of November 21, 1969, and that the Government of the United States of America will bear extra costs, particularly in the area of employment after reversion, the Government of Japan will pay to the Government of the United States of America in United States dollars a total amount of three hundred and twenty million United States dollars (U.S. $320,000,000) over a period of five years from the date of entry into force of this Agreement. Of the said amount, the Government of Japan will pay one hundred million United States dollars (U.S. $100,000,000) within one week after the date of entry into force of this Agreement and the remainder in four equal annual installments in June of each calendar year subsequent to the year in which this Agreement enters into force.

ARTICLE VIII

The Government of Japan consents to the continued operation by the Government of the United States of America of the Voice of America relay station on Okinawa Island for a period of five years from the date of entry into force of this Agreement in accordance with the arrangements to be concluded between the two Governments. The two Governments shall enter into consultation two years after the date of entry into force of this Agreement on future operation of the Voice of America on Okinawa Island.

ARTICLE IX

This Agreement shall be ratified and the instruments of ratification shall be exchanged at Tokyo. This Agreement shall enter into force two months after the date of exchange of the instruments of ratification.

In witness whereof, the undersigned, being duly authorized by their respective Governments, have signed this Agreement.

Done at Washington and Tokyo, this seventeenth day of June, 1971, in duplicate in the English and Japanese languages, both equally authentic.

For the United States of America:
WILLIAM P. ROGERS.
For Japan:
KIICHI AICHI.

Mr. MANSFIELD. Mr. President, in view of the fact that a number of Senators will be missing from the Chamber later today and in view of the statement made by the majority leader to the Senate on yesterday, I ask unanimous consent that the vote on ratification occur at the hour of 3 o'clock tomorrow, without any debate at that time.

The PRESIDENT pro tempore. Does the Senator ask that rule XII be waived?

Mr. MANSFIELD. That is correct.

The PRESIDENT pro tempore. Without objection, rule XII is waived, and, without objection, the vote will take place tomorrow at 3 p.m.

Mr. MANSFIELD. The purpose of this is to be as accommodating as possible to Senators on both sides of the aisle and hopefully to obtain as large a representation of the Senate as is feasible at that time. It is hoped in the meantime we will dispose of the debate and discussion of the measure, and get to final reading so that tomorrow there will be no further debate but only the vote itself.

If we get through at a reasonable time this afternoon in the consideration and the debate of the treaty which is now the pending business, it is the intention of the joint leadership at that time to lay before the Senate one of the foreign aid bills and at least get their consideration underway.

Mr. BYRD of West Virginia. Mr. President, just for the sake of the record, unless there be a precedent created, does rule XII require, in paragraph 3, a mandatory call of a quorum prior to the setting of a time or date for a final vote on ratification of a treaty? It is my understanding that it applies only to the final passage of a bill or joint resolution.

The PRESIDENT pro tempore. The Senator is correct.

Mr. BYRD of West Virginia. I thank the Chair.

Mr. MANSFIELD. Therefore, the previous request will be vitiated.

Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ALLEN). Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, what is the business before the Senate?

The PRESIDING OFFICER. The business before the Senate is the Okinawa Treaty.

Mr. FULBRIGHT. Mr. President, I support Senate advice and consent to ratification of the agreement with Japan concerning the Ryukyu Islands and the Daito Islands, which provides for the reversion of rights of administration over Okinawa to Japan. This treaty will fulfill a promise made by every administration, Democratic and Republican alike, since 1951. More than 25 years after World War II, it will formally terminate the American occupation of Japan. This treaty represents the logical conclusion of American policy following the occupation which has been designed to encourage the emergence of an economically strong and politically stable Japan.

That policy has succeeded well and the result has been two decades of mutually satisfactory and productive relations between our countries. With the world's most dynamic economy, Japan has become the world's third largest economic power, and, after Canada, the largest customer of the United States. In 1970 U.S. exports to Japan were valued at $4.7 billion, almost twice as much as our next largest market, Germany. Japan is also the largest importer of U.S. agricultural products. And in the decade ending in 1970, U.S. exports to Japan expanded by 247 percent, making Japan our fastest growing market.

The rapid growth of trade and the expansion of our two competitive economies have naturally produced tensions, some of great significance. Nevertheless, Japan has recently taken a number of steps to alleviate these tensions. It has reduced import quotas illegal under GATT from a 1969 level of 122 to the current level of 40. It has also increased the amount of permissible imports under existing quotas and has stated its intention of reducing various tariffs. In addition, Japan has concluded a four-stage liberalization program covering foreign investment which, while not completely satisfactory from the point of view of U.S. business, still opens the door to 5 percent investments in most industries. In addition to limiting textile exports, Japan has implemented restraints on 73 categories of goods, covering approximately 25 percent of its exports to the United States, including iron and steel. On October 15 the President announced a further agreement to limit manmade and wool textile exports, providing for a growth rate of Japanese textile exports of 5 percent per year for a 3-year period—slightly higher than the growth rate of the U.S. market but well below the growth rate of nearly 70 percent achieved earlier by Japanese textile exports. Although imported synthetic textiles account for less than 2 percent of the total U.S. consumption, this agreement will provide a benefit to the U.S. textile industry and the U.S. balance of payments. Finally, and possibly most important of all, steps have been initiated which will ultimately lead to a more realistically valued yen.

This summary of adjustments made by Japan in its economic relationship with the United States illustrates, I believe, an approach to economic issues which is dedicated to the preservation of the fundamental community of interests between the United States and Japan. It reflects an ability of both sides to make adjustments on the many inevitable economic issues in the interest of the more fundamental political alliance between the two countries.

It is the maintenance of this basic political relationship on which, I believe, we must focus attention today. In the midst of great flux in U.S. foreign policy, it is easy to lose sight of the more durable, and more important, aspects of our policy. For example, the President's proposed trip to Peking and the seating of the People's Republic of China in the United Nations are radical changes which are not any the less welcome for being long overdue. The President's policy of normalization of relations with the People's Republic of China is an objective which the Senate has endorsed. At the same time, the necessity of preserving a viable relationship with Japan must not be overlooked in the process. President Nixon has stated:

> A close and friendly relationship between Japan and the United States is vital to building the peaceful and progressive world both of us want for all mankind. The problems involved in strengthening the fabric of peace in Asia and the Pacific will undoubtedly be challenging. But if Japan and the United States go separate ways, then this task would be incomparably more difficult. Whatever differences may arise between our nations on specific policy questions, it is essential that the basic nature of our relationship remain close and cordial.

Because of the economic importance of Japan and its enormous potential in the context of East Asia, the United States cannot afford to pursue policies without consideration of their implications for Japan. The prime immediate objective in East Asia is the maintenance of a viable, friendly relationship with that country. An indispensable step in the realization of this objective is the expeditious reversion of Okinawa to Japan.

Of course, it is impossible to predict the results of the changes in U.S. policy in Asia, such as the new attitude toward China and the diminishing war in Southeast Asia. As Deputy Secretary of Defense David Packard stated before the Foreign Relations Committee:

> We are going through a period of substantial change. . . .
>
> And that involves substantial change in relation to a friendly country like Japan. Our President, in opening the door to the People's Republic of China, is taking a new step. I don't think we can assess at this time the level or the length of time that our military presence will be required there.

While there inevitably may be considerable uncertainty over the next few years, the Department of Defense and the Joint Chiefs of Staff have made unequivocally clear that the Okinawa Reversion Treaty will not adversely affect present U.S. security interests in Asia. Secretary Packard informed the Foreign Relations Committee:

> The Joint Chiefs of Staff have been consulted fully during the Okinawan negotiations and have participated fully in these negotiations. Admiral Moorer, the Chairman of the Joint Chiefs of Staff, who is away from Washington today, asked me to assure you that the Joint Chiefs of Staff support the agreement and urge your favorable consideration of it.

Indeed, there is considerable doubt that the United States could maintain its base structure at the level proposed if the treaty were not ratified. Political pressure has been severe both in Japan and on Okinawa in favor of reversion, which has been promised in principle by the United States for two decades. The elected chief executive on Okinawa and the local legislature are uniformly dedicated to reversion. The consequence of failing to ratify the treaty would not only affect the ability of the United States, as a practical matter to operate its bases there, but it could also set off an unpredictable chain of events causing fundamental damage to United States-Japan relations.

In reporting this treaty, the Foreign Relations Committee has made clear that it does not imply approval of the existing level of U.S. troops and bases on Okinawa for the indefinite future. The U.S. military presence on Okinawa, as well as in other areas of Asia, has been largely directed at a presumed threat from China. As the situation in Asia changes, particularly in response to the President's initiative, we must constantly reassess the continued need for this military presence. The changes are already evident. North and South Korea have taken tentative steps toward resuming talks with each other. The Philippines and Thailand are reassessing their attitude toward China in view of the U.S. initiative. And, of course Japan itself is moving rapidly toward a new basis for its governmental relations with Peking. It is too early to foresee all the steps which may be taken. Nevertheless, it should be noted that, in addition to the 50,000 troops maintained on Okinawa, we keep 30,000 in Japan, 43,000 in Korea, 18,000 in the Philippines, 32,000 in Thailand, and 9,000 in Taiwan. As a new set of relationships emerges in Asia, we must be prepared to develop a new set of priorities. One of the first items to be questioned should be the necessity of this pervasive U.S. military presence.

Finally, Mr. President, a word should be added concerning nuclear weapons. The treaty contemplates that after reversion the United States will not be permitted to store nuclear weapons in Okinawa. This is a matter of great concern to Japan and, while security classifications preclude any discussion of these matters in open session, I point to the Foreign Relations Committee's approval, noted in the committee report, of this effect of the treaty.

In conclusion, let me reiterate the fundamental importance of this treaty to future United States-Japan relations. The treaty embodies a settlement of the last political issue beween the two countries growing out of World War II. It places our relationship for the future on a basis of true equality and opens the door for the continuation of our political alliance on the basis of mutual interest and respect. By consenting to the ratification of this treaty, the Senate will responsibly discharge its constitutional role in this area and will demonstrate to the world the depth of the U.S. commitment to continued close relations with Japan.

Mr. President, I think the report of the committee is very thorough; but the distinguished Senator from Louisiana has suggested that perhaps I should invite attention to certain financial aspects of the hearings, simply to highlight it for the benefit of those who may not have an opportunity to study the transcript.

It is estimated that there will be an annual budgetary saving to the United States of $65 million. That is, under the treaty, after the reversion takes place, these are the estimated costs we have been paying which will be saved by the United States: $20 million for the cost of administering civil administration, $10 million for land rental cost, and $35 million for the cost of local defense. This makes a total of $65 million annual U.S. budgetary savings, or a total of $325 million over a 5-year period.

There will be additional labor costs, however, of $23 million the first year, plus $20 million additional severance pay obligation, after the reversion. This is the cost that we will incur because of the necessity to pay the wage scale which prevails in Japan. The gap between labor costs in Japan and on Okinawa has been closing and is expected to close by 1977–78. Hence, the $23 million annual increase will not recur in that amount.

So to summarize that aspect, we will save $65 million a year, and there will be additional costs for different purposes of not more than $23 million a year, the difference being a net saving to the budget of the United States.

The treaty provides for a payment of $320 million over a period of 5 years. $175 million of this amount covers the civil assets, such as the public utilities and highways which the United States built and which are being turned over to the Japanese. The remaining $145 million covers a variety of things, including the cost of increased labor costs, relocating facilities, and other items, the specifics of which are available in classified material in the committee file. This makes a total of $320 million.

It might be interesting to invite attention to the economic aid to Okinawa which we have given since 1947. This amount is estimated at $408,722,605, plus $8,705,415 of Public Law 480 loans during fiscal 1963–1967, and a loan of $10,247,000 for a powerplant in fiscal 1963. The U.S. estimated economic aid in fiscal 1972 would be $11,265,000. Since fiscal 1960 Japan has contributed economic aid of $338,189,559, plus loans of $98,061,000.

The estimated value, at investment, of the facilities retained and surrendered might be of interest to the Senate. Under the treaty, we have retained some 70,000 acres, with a value estimated at $610 million. Under the treaty, we have released 13,000 acres, at an estimated value of $56 million.

Mr. President, if there are any questions, we will be glad to respond to them; but I think the information that is necessary is contained in the hearings transcript and the report. The treaty is relatively simple and it seems inevitable.

I believe the administration has done a very creditable job in negotiating this treaty. I again compliment the Secretary of State and the President for submitting this reversion document in the form of a treaty instead of agreeing to it as an executive agreement. This is a hopeful sign of better relations—and more respect, I should say—by the executive branch for the Senate; and I am very much encouraged that this will be a precedent to be followed in the future.

I yield the floor.

Mr. AIKEN. Mr. President, the chairman of the Foreign Relations Committee has described the situation accurately.

This treaty was signed nearly 5 months ago. As a member of the committee, I do not recall having received any communication in opposition to its being approved by the Senate.

The committee held hearings last month. To the best of my recollection, we had no requests from anyone asking to appear at the hearing in opposition to the treaty.

As the chairman has pointed out, perhaps the large savings in costs to the United States, which will be one effect of approving the treaty, will strike many Americans favorably at this time.

Let me reiterate that, having had no indication of opposition to the treaty—and the committee had no requests, so far as I know, to be heard in opposition—the committee voted unanimously to approve the treaty. The Senate should approve this treaty without further delay.

That is all I have to say.

The PRESIDING OFFICER (Mr. ALLEN). At this time, if there be no objection, Executive J, 92d Congress, first session, will be considered as having passed through its various parliamentary stages up to and including the presentation of the resolution of ratification, which will be read for the information of the Senate.

The legislative clerk read as follows:

*Resolved, (Two-thirds of the Senators present concurring therein)*, That the Senate advise and consent to the ratification of the Agreement between the United States of America and Japan concerning the Ryukyu Islands and the Daito Islands, signed at Washington and Tokyo on June 17, 1971 (Ex. J, 92-1).

The PRESIDING OFFICER. The Senator from Delaware (Mr. ROTH) is now recognized.

Mr. ROTH. Mr. President, I rise in support of ratification of the Okinawa Treaty. There are many sound reasons why it makes good sense to return Okinawa to Japan, but none is more important than the basic fact that future peace in the Far East and our best interests depend upon an era of close cooperation between the United States and Japan.

I am a strong supporter of the new initiatives taken by the President in the area of foreign policy. These new initiatives—the Nixon doctrine, SALT and the promised mutual balance reduction talks, the visits to Moscow, and especially to Peking—have given the American people cause to hope that perhaps we are entering a period of bona fide negotiations and moving away from an era of continuous confrontation. The possibility of renewed friendship with the great mass of Chinese people has created considerable interest here in America. Yet, as important as that possibility is, I think it crucial that the United States—Congress as well as the people—recognize that China does not represent an alternative to United States-Japan cooperation but that our national interests depend in large measure on strengthening and expanding the bonds of friendship and cooperation between the United States and Japan. China has neither the economic strength to play the dominant role that Japan shall enjoy in the Far East nor should we be overly optimistic at the beginning as to the concrete measures that shall result from improved relations with Peking.

I spoke of the friendship and cooperation that have characterized relations between Japan and the United States in recent years. I would like to discuss this relationship more fully. What I have to say is neither original nor unsaid. In fact, much of it has been better said by Far Eastern experts, such as Frank Gibney, George W. Ball, and Edwin O. Reischauer; nevertheless, I believe it to be important that it be said on the Senate floor.

His Excellency, Nobuhiko Ushiba, Ambassador of Japan to the United States, in a memorable address at Georgetown University on July 9, 1971, correctly pointed out that the postwar period of world politics is at an end; that the United States and Japan are now at a crossroad in their relations with one another and with the world as a whole. With this, I agree. The question is, in which direction shall we turn and that, in turn, largely depends upon the will of the Japanese and the American people.

As Ambassador Ushiba pointed out in his address, this crossroad is both an opportunity and a danger, depending upon the intelligence with which we face the future, shedding—as we say—many of the cliches of the past. We run the danger of going our separate and independent ways. That could result not only in instability in the Far East, but in the proliferation of world nuclear powers. I believe both Japan and the United States shall gain through genuine cooperation and can only lose if we permit current difference to part our ways.

History is often said to be a lesson for the future. This is certainly true in the case of United States-Japanese relations. Once before, our countries had the choice of working together or going alone. Tragically, the latter course was chosen.

United States-Japanese relations began with the arrival of Admiral Perry's "black ships" in 1853, which were met by a militia at Kurihama bearing matchlocks and pikes. It was the exposure of Japan to western culture and technology begun by Perry's visit which moved Japan rapidly towards the Meiji Restoration, a period which brought not only an awareness of the world of the 19th century, but developed the political, military and social institutions with which to participate with the West as a partner. All of this was accomplished in 75 years. The unfortunate misunderstandings between the United States and Japan which led to World War II closed an era of warm relations between the two countries and ended the thrust of Japan toward a position of world leadership.

The growth of Japan from 250 years of peaceful isolation during the Feudal Tokogawa period to a modern, Western nation occurred with wrenching rapidity and moved Japan into a world which was truly a diplomatic jungle with European powers bent on the acquisition and colonization of Asian territories. The weapons and technology of the industrial revolution were used to intimidate and subvert the less developed and weaker Asian countries.

By selectively westernizing the Japanese military, political, economic and social cultures, Japan by the turn of century fielded a military establishment which was able to defeat decisively the Russian Baltic fleet, to defeat China, to participate with the western powers in the suppression of the Boxer Rebellion, and to conclude a naval alliance with Great Britain.

During the four decades prior to 1895, when Japan defeated China, the United States viewed Japan as a "willing student," capable of assimilating modern Western ways, and took the role of a "benevolent teacher." Japan viewed the United States as the most friendly of the Western powers with little or no colonial intentions.

The 10 years from 1895 to 1905 marked a period of transition between the United States and Japan. The United States acquired the Philippines and the Hawaiian Islands in 1898, declared an "open door" policy on China in 1899, and promoted a peace treaty between Russia and Japan in 1905. Thus, both nations emerged simultaneous as "Pacific powers" with substantial military, economic, and political interests involved. From 1905 the relations between the two countries assumed a competitive status. The United States began to view Japan as a rival for the newly developing China markets, as Japan pursued a policy of economic expansion in southern Manchuria. This uneasiness was intensified by the U.S. realization that Japan had the military capability to defeat a Western navy, such as Russia, and could possibly challenge U.S. supremacy in the Pacific. Japan, on the other hand, had achieved with its victory over Russia, the goal which it had pursued since Perry had "opened" Japan 50 years earlier—equal status with Western powers.

Much has been written concerning the seeds of hostility which resulted in the fateful decision of Japan to attack the United States. In retrospect it now seems clear that both countries were guilty of gross miscalculation and of a misunderstanding of each other's aims and purposes.

The catastrophic defeat of Japan in World War II thrust it back into a position of uncertainty, fear, and insecurity where it had to depend upon the United States to assist it to become, once again, an important member of the family of nations.

Following World War II, Japan reassumed the role of a willing and capable student of the United States, and painfully began the task of rebuilding its shattered economy. The vast effort of the United States to rebuild markets and industry in those areas of the world ravaged by war created an environment for Japan and other nations free of the picketed protectionist walls of the 1930's and of the Western colonialism which dominated the later part of the 19th century. By the end of the occupation by U.S. forces in 1952, Japan aided by U.S. material, financial, and technological assistance, was beginning to compete in world markets.

During the postwar period, and as a result of the traumatic shock of defeat, Japan had withdrawn constitutionally and psychologically from participation in international affairs; indeed it showed no desire to participate in any way in the affairs of the world or, for that matter, of Asia. Foremost in the minds of the Japanese people was economic recovery. "Increase production" was the slogan of the fifties. The racehorse characteristic of the Japanese economy in the sixties is well known. In gross national product it ranks second only to the United States in the free world, and may overtake Russia by 1980. Indeed, some projections show Japan exceeding the United States in gross national product by the year 2000.

The United States has also encouraged Japan to rebuild its modest military establishment under a liberal interpretation of the postwar "peace" constitution, which restricted Japan to nonnuclear "self-defense forces." Today, there is a fundamental repugnance among the Japanese people toward the concept of a strong military force. They appear at this time to be unalterably opposed to a nuclear capability, apparently satisfied to depend upon the U.S. deterrent as long as it remains credible. However, some Japanese commentators feel this anti-military feeling is dying out and foresee the rearming of Japan as a logical extension of its economic growth and of the Nixon doctrine.

In any event, United States-Japanese relations are at a transition point, as they were 70 years ago. Then the transition resulted in a period of strain characterized by misunderstanding and culminating in conflict. Relations are strained again today, both by world events and by economic collision. It is tragic that economic events have combined with international developments to strain our traditional ties of friendship, but such are the facts of this changing world.

Our Nation is no longer the world economic colossus of the 1950's and 1960's. It has found it necessary to adopt strong measures to stave off economic disaster. Because of past liberal trade policies, competition from abroad, in particular from Japan, has made serious inroads into the American market. These inroads have contributed to unemployment and have aggravated other economic difficulties. This has given rise to adverse criticism of Japan within the United States, especially in light of Japan's failure to liberalize its trade and investment policies on a rapid enough scale.

Conversely, the U.S. steps—steps which I support—to strengthen its domestic economy and its balance-of-payments position, have created shock-waves in the Japanese economy. These, in turn, have understandably created concern about the United States.

It would indeed be tragic if the strong competition developing between our two economies should cause irreconcilable rifts in the relations of our two nations. Yet, realistically, this could happen if ways and means are not found to establish a balanced trade relationship. Certainly, the two countries with the greatest economies in the Free World should be capable of finding means of developing fair trade measures. I think there is too little recognition both in Japan and the United States that our economies are in large measure interdependent. In any event, I should warn my Japanese friends that failure to develop promptly fair trade measures will only result, in my judgment, in an increase in protectionist sentiment in America. I recognize that many of our monetary and trade problems require multilateral action.

Beyond the realm of economics, changing international relationships have also led to uncertainty and uneasiness between our two nations. Through the Nixon doctrine, the United States seeks to lower its profile in the Far East. As we lighten our burden, many of us hope that Japan, with its economic strength, will assume a greater share of the responsibility for the development and stability of the Far East. The Japanese are concerned because they do not understand precisely what the Nixon doctrine means. They are uncertain concerning both our intentions and the credibility of our defense umbrella.

Other events have greatly stirred international waters, especially the Nixon visit to China. The new China policy, announced without prior consultation with Japan, has caused the Japanese people to question the closeness of our ties.

I personally support both the new economic policy and the new China policy. But coming as they did, unanticipated and one upon the other, they have particularly contributed to instability in the relations between Japan and the United States.

The question is where do we go from here. There are conceivably several routes Japan may go, if she should decide to reevaluate her close ties with America. Some commentators fear Japan may scrap its peace constitution, abrogate its mutual security pact with the United States and enter full blown into an arms race to provide herself with the military capability to protect her economic growth. Senator GOLDWATER, for example, has predicted on the Senate floor that Japan is destined to become one of the world's greatest military powers within the next two to three decades. Clearly, she has the potential to do so and only needs a threat to her economic security to provide the impetus. Others foresee her moving away from the United States to some kind of accommodation with China or even with Russia; or in the alternative turning back into herself, renouncing, as in the Tokagawa period, any role in the development of Asia and relying on a strong defensive military force and economic protectionism to protect her way of life.

I have no crystal ball and no means of foreseeing the future. I do believe, however, that it is of the greatest importance to both nations and to world peace that we continue along the road of cooperation. This is true because not only do our security interests largely coincide with those of Japan, but indeed our economic interests are largely interdependent. Failure to cooperate can only create an instability in Asia that would enhance the possibility of armed conflict there and would help bring about economic warfare or protectionism between the world's greatest trading areas. The road of cooperation will not be easy, as our national interests are not always coextensive. Both sides—the United States and Japan—will have to proceed with greater skill and sensitivity than has characterized past dealings. The relationship of the future will have to be that of full partners, neither party taking the other for granted. As I have stated, Japan is today economically a super power. She will have a major voice in world events, especially in Asia. It is doubtful that any other Asian power will have the economic viability during this century to influence Asian developments to the extent that Japan can.

I believe the United States should look upon this dynamic country as an ally and not as a rival. We must reverse the recent trend that abets those in Japan who do not favor a close relationship with the United States. Prime Minister Sato has demonstrated by his actions that he believes the best interests of his nation are served by close relations with the United States. He supported the United States on Taiwan in the United Nations even though it was at the risk of great personal loss of prestige and public support. The Senate can help strengthen our basic relationship by ratifying the Okinawan Treaty, which is in large measure the product of Prime Minister Sato's diplomacy.

There are, in addition, a number of steps that should be taken by our two countries to help ensure an era of close alliance and cooperation.

First, we should recognize and acknowledge the dominant role which Japan will play in the drama of the Pacific and its continued importance to the United States as an ally. Prof. Edwin O. Reischauer has written of the "triangular" relationship between the United States-Japan and China:

> The Key relationship in East Asia once again is that between China and Japan; the crucial issue is how it affects relations between the United States and Japan, the number one and number three economic powers in the world, whose hitherto close cooperation suddenly seems threatened by a number of serious problems.

Second, we should take steps to restore the confidence of the Japanese people and the Japanese Government that, in the pursuit of a detente with the "other leg of the triangle"—Sino-United States relations—the more important leg—United States-Japanese relations—will not be neglected, but strengthened. Several means are available to illustrate that this is a firm commitment.

First. The President should visit Japan if at all possible prior to his trip to China; at least he should consult Japan with regard to his intentions. His visit with the Emperor in Alaska was a step in the right direction. Further invitations to Premier Sato and the Emperor to visit the continental United States give continuity to a good start.

Second. The United States should maintain close consultation with Japan on its foreign and economic policies for Asia. This should be especially so in matters concerned with Taiwan and Korea and with foreign aid to those countries.

Third. The United States should move to help Japan and the world recognize that Japan is not only an Asian power, but a power with considerable impact on other nations of the world. We should recognize that Japan qualifies for a seat on the Security Council of the United Nations, support her candidacy, and in so doing encourage her to participate more fully in the commonwealth of the free world.

Fourth. Procedures and a structure should be instituted to allow for productive bilateral economic cooperation. No other step could create greater good-will in America for Japan than prompt Japanese action to bring our trade into balance. As I proposed during my recent visit to Japan, I would establish a joint committee to establish sound trade relations. On the negative side, I would hope such a committee could avoid or minimize trade conflicts before they develop into political disputes. On the positive side, a primary purpose of the committee should be to find areas where trade could be expanded to our mutual benefit. As part of this program, the committee could seek areas for both the public and private sectors of America and Japan to cooperate in the sound development of the underdeveloped nations of Asia. Finally, many of our monetary and trade problems are multilateral in scope. A part of the trade problem—both Japan and the United States—is caused by the European discriminatory provisions against Japanese products. We should work together in seeking multilateral solutions.

Fifth. Perhaps most importantly the United States and Japan should recognize that many of the differences in the past have been caused by differences in culture and language barriers. Consequently, there needs to be an expanded program of cultural and student exchanges to permit better understandings among our peoples.

Mr. President, in closing I want to reemphasize that I believe the United States and Japan are on the threshold of a new relationship. The direction this new relationship takes depends to a large part upon the wisdom displayed by our two Governments. We can, as we did once before, move apart to a period of uncertainty and even hostility, or we can move together as two nations who despite different cultural origins, today share a common belief—representative government and private enterprise; who have the ability, working together, of helping bring about stability in the Pacific and bringing other undeveloped countries into the 20th century. Cooperation can be the keynote to peace in the Far East. We will take the first step toward a sound relationship by ratifying the Okinawan Treaty today.

Mr. MANSFIELD. Mr. President, I wish to express my wholehearted support and approval of Executive J, 92d Congress, the agreement with Japan concerning the Ryukyu Islands and the Daito Islands.

Well over a century ago, an American naval officer, Commodore Perry, arrived at the port of Shimoda with a number of vessels which, I believe, the Japanese referred to as the black ships. I am going on my memory. I have not had a chance to do any research or reading on this matter.

Sometime during the latter part of the last century, the Japanese acquired full dominative control from China of what was then known as the Loo Choo Islands, now known as the Ryukyu Islands, that comprise the prefecture of Okinawa.

About 20 years ago, a treaty of peace was signed between this country and Japan, and at that time one of the American delegates, John Foster Dulles, and others indicated that Okinawa was in the residual sovereignty of the Empire of Japan.

That has been emphasized and reiterated by every President since then. It is over a quarter of a century since the end of the Second World War, and during that period of time Japan, like us, has had its ups and downs.

The Japanese accepted the so-called MacArthur constitution which called for a greatly reduced military force. Notwithstanding the Japanese adherence to that particular clause in that particular constitution, there are those among us today who seem to think that the Japanese should rearm to a greater degree than they have. But I would emphasize the fact that this was a constitution drawn up for and by General MacArthur which the Japanese adopted. As a result Japan has a very small home defense force at the present time, comprising about 250,000 troops, a small navy, and a small air force.

This was one factor, I believe, in making it possible for Japan to devote its energies to economic development, so much so that Japan today ranks third, if not second, among the industrial powers of the world.

Japan has had excellent relations with this Nation since the end of the Second World War. It would be my hope that the United States and Japan would remain friends not only in the decades ahead, but also in the centuries to come.

The Japanese Government and people have received some shocks in recent months from the policies of this Nation. The imposition of the 10-percent surcharge was one. The textile agreement, which was worked out finally, was another. The detonation on Amchitka Island in the Aleutians last Saturday or Sunday was still another. During all of this period, however, the Government of Japan remained steadfast in the friendship, even going so far as to join in a major way in the policy of the administration in trying to bring about not only the admission of Peking into the United Nations, but also the retention of Taiwan as well. The Japanese Government went all the way in support of the position of this country in the U.N. on the question of the admission of Peking and the retention of the Government of China on Taiwan.

The close Japan-United States relationship covers a long time in this day and age, but a short time in the pages of history. It is, I think, to the credit of President Nixon that he met with the Japanese to work out the treaty which is now pending before the Senate. It is a further fulfillment of what has been this Government's position, that the sovereignty of the Ryukyu Islands was residual in Japan. It is a mark, I think, of the growing awareness of each country of the needs of the other. It is a mark of a continued partnership. It is a mark of a continued friendship.

I would hope, there would again be a full return to the traditional friendship between our two peoples and our two Governments which began a century ago. I would hope that this treaty would be approved overwhelmingly and I would express the hope that in the not too distant future we would go the rest of the way.

Mr. CASE. Mr. President, I supported the Okinawa reversion treaty in committee and I shall vote in favor of it tomorrow. The admirable report—and I can say that without reservation because I did not draft it—which our committee submitted on this matter, covers all important and salient points.

I rise only to express what was the unanimous feeling of the committee of our satisfaction that there was no effort to dispose of this matter by executive agreement which would not have required Senate approval. The correct course was taken here. I commend the administration for proceeding in this fashion, and I express the hope, that submission to the Senate will become the guiding rule and normal procedure in all matters of substance in regard to agreements with other countries.

The Senate has a clear constitutional responsibility to pass on agreements with other countries, but in recent years the Senate has often been ignored. This Senate responsibility to give its advice and consent to international agreements must again be recognized, as the administration has done in this case.

Mr. BYRD of Virginia. Mr. President, I think it is important that there be a close cooperation and friendship between the United States and Japan. I agree with practically all of the remarks made by the distinguished majority leader except the conclusion that he draws.

I agree also that the Ryukyus and Okinawa should eventually revert to Japan. I question, however, the timing of the proposed treaty on which the Senate will vote tomorrow.

Okinawa was given to the United States by the Treaty of Peace of 1951.

The United States since that time has had unrestricted right to use this great military base complex in the Pacific as it feels best. The United States now has great commitments throughout the Far Pacific.

We are obligated by treaty to defend and guarantee the security of a large number of nations in that area. When these commitments were made they were made on the assumption that the United States would have the unrestricted right to the use of our military bases on Okinawa.

As I mentioned earlier, this unrestricted right to use Okinawa was obtained by the United States under the Treaty of Peace between the United States and Japan in 1951. Now, the proposed change in the Treaty of Peace, the pending business before the Senate, would give Japan a veto power, a veto as to the use of U.S. military forces on Okinawa. The United States would no longer have the unrestricted right to use this base.

As I mentioned earlier, I feel that eventually the Ryukyus and Okinawa should revert to Japan but I question whether that should be done so long as we have the tremendous commitments which the United States does now have in the Far Pacific.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. BYRD of Virginia. I am glad to yield to the distinguished Senator from Wyoming.

Mr. HANSEN. Mr. President, I would like to ask my distinguished colleague from Virginia if what he is saying in his judgment would handicap our forces in discharging their responsibilities under the treaty commitments we have with different nations in Southeast Asia—this requirement that we must have prior consultations under the terms of the Mutual Security Treaty. Will that handicap, in the Senator's judgment, our discharging our responsibilities we have to other nations around the world?

Mr. BYRD of Virginia. Mr. President, I say to the distinguished Senator from Wyoming that in my judgment it will handicap the United States in carrying out its commitments in that area. Those who favor ratification of the proposed agreement or treaty with Japan lay great stress on the fact that the government of Premier Sato has made known its desire to cooperate with the United States and has indicated it will keep to a minimum any restrictions which might be put upon that base.

But, Mr. President, none of us know when the government of Premier Sato may no longer be the Government of Japan. As a matter of fact, my information is it will not be so very long before there will be a new Premier in Japan.

So my belief is, in answer to the question of the distinguished Senator from Wyoming, that it will put the United States at the mercy, so to speak, of another nation in carrying out the responsibilities which this country has assumed toward many other countries in the Far Pacific.

The Senator mentioned prior consultation. All of us remember so well the *Pueblo* incident. Adm. Frank L. Johnson, who was senior naval officer in command in Japan at that time, gave as one of the reasons why the United States did not send aircraft to the aid of the *Pueblo* was that it would have required prior consultation with the Japanese Government. Those aircraft were based on Japan—not Okinawa but Japan.

Under the mutual security arrangement of 1960 between Japan and the United States, prior consultation must be sought in regard to certain use of aircraft from Japan itself. At the present time there is no requirement for prior consultation insofar as the use of aircraft from Okinawa is concerned; but once this new agreement is ratified, then Okinawa becomes the same as Japan in that it would require prior consultation before our forces could be used in certain matters of a military nature in that area.

Mr. HANSEN. Mr. President, if the distinguished Senator from Virginia would yield further, I would like to ask him if it is not a fact that the United States is committed to the defense not only of Japan but of South Korea, Taiwan, the Philippines, Australia, New Zealand, Pakistan, and Thailand.

Mr. BYRD of Virginia. Yes; almost that whole area in that part of the world.

Mr. HANSEN. Is it not a fact that military strategists are in general agreement that the presence of our nuclear weapons in that part of the world constitutes a pretty effective umbrella that contributes much to the defense of those nations insofar as our commitments are concerned?

Mr. BYRD of Virginia. Yes. I believe that certainly is the prevailing view, and I think an accurate one.

Mr. HANSEN. I am wondering how, if nuclear weapons are withdrawn from Okinawa, we will maintain an adequate nuclear umbrella for disarmed Japan.

Mr. BYRD of Virginia. I am frank to say I do not know the answer to that question. I assume that such weapons would need to be stored somewhere else in that area of the world. Where that would be, I am not in a position to say, but most certainly, the change in the status of Okinawa will have an effect on the nuclear umbrella which the Senator from Wyoming mentions.

Mr. HANSEN. Does my distinguished colleague know if Japan has ratified the treaty dealing with the nonproliferation of nuclear weapons?

Mr. BYRD of Virginia. My understanding is that Japan has not ratified such treaty.

Mr. HANSEN. I do not know whether my distinguished colleague would care to speculate as to the reasons why Japan has not ratified that treaty. If he has opinions he would care to state, I would be much interested.

Mr. BYRD of Virginia. I would not care to speculate. I would hope—and I have hoped before this—that Japan would ratify the nonproliferation treaty. I supported that treaty in the Senate. I think it is a very desirable one. I would not want to speculate as to why Japan has not ratified it.

Mr. HANSEN. I know we have all been concerned about the imbalance of payments that the United States has had over the last several years. As members of the Senate Finance Committee, I think it can be said that the Senator from Virginia and I supported generally those efforts taken by the administration in order to bring the balance-of-payments picture into a nearer balance so that the United States will not have a continuing outflow of money.

In that regard, I understand that we have invested over $2 billion in military facilities in Okinawa, and that, under the terms of this treaty, Japan would be buying those installations for around $320 million. Is that the information the Senator from Virginia has?

Mr. BYRD of Virginia. The $320 million is the understanding the Senator from Virginia has as to the amount that Japan would be paying. As to the exact amount which the United States has put into Okinawa in the way of dollars, I am not certain of the $2 billion figure. In seeking to pin the figure down, I have received varying answers. But I would guess that it is not too far off and probably it is rather accurate.

I might say that, whatever the figure is, the replacement value would be substantially higher—perhaps two to three or four times as much as whatever the original amount might have been.

Mr. HANSEN. I think there is some confusion today, as nearly as I can gather. We have the 1951 peace treaty with Japan, and then we have another treaty or agreement that we entered into in 1960. Am I right about that?

Mr. BYRD of Virginia. The Senator from Wyoming is correct. There are two separate treaties, one a treaty of peace, ratified in 1951, and the other the mutual security agreement, entered into in 1960; but they are two entirely separate arrangements.

Mr. HANSEN. I would like to ask my distinguished colleague if there is anything in the terms of the 1951 peace treaty which requires us to return Okinawa to the Japanese.

Mr. BYRD of Virginia. Nothing whatsoever. The United States was given the unrestricted use of Okinawa under that treaty.

There is nothing in the treaty itself that in any way requires the United States to give up what was obtained by that treaty of peace. I want to say, however, as I mentioned earlier, that I feel eventually the Ryukyus and Okinawa should revert to Japan, and I would favor that at some subsequent time. But I am doubtful as to the wisdom of doing it now so long as we have these vast commitments which our Nation does have.

Now that we are giving up the right to use Okinawa, at the same time we are not lessening our commitments. I would like to see us have far fewer commitments throughout the world, and fewer commitments throughout the Far Pacific, for that matter. But this treaty does nothing about our commitments.

Mr. HANSEN. As I recall, the Senator made that point when he spoke yesterday. The Senator said then:

> I agree that eventually Okinawa and Ryukyu Islands will revert to control of Japan. But I think it unwise to turn over such control at a time when the United States remains committed so deeply to the defense of Asia and the West Pacific.

As I recall further, the Senator from Virginia pointed out that about 1 percent of Japan's gross national product now goes into its defense budget, underscoring the point that the Senator has just now made—that the responsibility of defense should be shared and borne more equitably by the nations which are benefiting from it, looking forward to the time when we can share these burdens more equitably with our friends in Southeast Asia—and most certainly Japan is a very strong and a very good friend there—so that our obligations thereby will be proportionately less.

I understand the Senator to say that that would be a more appropriate time to take the action which is now contemplated.

Mr. BYRD of Virginia. Yes, that is the way it appears to me. What we are doing now is continuing our commitments but reducing our ability to meet those commitments—as a matter of fact, not only reducing the ability to meet the commitments but making the ability to meet the commitments contingent on another nation.

Japan, as the Senator from Wyoming has mentioned, is a splendid friend. We want to maintain that close friendship and close spirit of cooperation.

But I doubt the wisdom of any country putting itself in the position of being dependent on another country for the ability to carry out commitments which presumably this country intends to keep.

Mr. HANSEN. Mr. President, I ask one final question. As I understand the Senator from Virginia, he makes the point that despite the assurances given by Prime Minister Sato, like all persons in the political arena, the time may come when he does not speak with the full backing of Japan to the degree that characterizes his present position.

My question is: Must we not rely upon what our treaty commitments are, on the terms of the various treaties that we have entered into with Japan, for guidance as to our future activity and the extent of that activity, rather than depend upon the assurances of someone in an elective office?

Mr. BYRD of Virginia. Yes, that is the more reliable course, it seems to me. All of us in political life in a democracy know how quickly a political life can be shortened. I like to feel that in these great matters—and this is a great matter—we have something a little more durable to rely on. I think a treaty is far more durable than would be the political life of any individual, however able and fine that individual might be.

Mr. HANSEN. Mr. President, I thank my distinguished colleague from Virginia. He is a member, as well all know, of the Armed Services Committee. I appreciate the response that he has made to my questions. I would just like to observe that, underscoring the thrust of our response to the question of the approval of the treaty, I think it must be noted that we have commitments in Europe; and how well and how faithfully we discharge our responsibilities to our Asian friends, I think, will be studied closley by our European friends. If we keep and discharge fully and faithfully all of those responsibilities to nations in Southeast Asia, I should think that the European countries, the NATO countries, would have far greater reason to believe completely in the assurances that we have given them, and that I suspect we will continue to give them, insofar as our support to them goes in case they, too, might have trouble.

I thank my colleague.

Mr. BYRD of Virginia. I think the Senator from Wyoming is quite right, and I am grateful for his participation in this discussion.

Mr. President, I hope that time will prove the Senator from Virginia in error in casting his vote, as he intends to do tomorrow, in opposition to this new treaty. I fear, however, that it is likely to prove him correct.

I prefer to be proved in error. It is not pleasant to be casting one of the lone votes in the Senate against this matter of our treaty with our friend Japan. But I have not persuaded myself that it is logical to have these great, vast commitments that we do have, and then to voluntarily give up the unrestricted right to the greatest military base complex in the Far Pacific.

I ask unanimous consent, Mr. President, that extracts from the report on the hearing before the Joint Committee on Atomic Energy, Congress of the United States, 92d Congress, first session, on the Naval nuclear propulsion program, of testimony of Vice Adm. H. G. Rickover on March 10, 1971, be printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. BYRD of Virginia. Mr. President, the gist of this testimony—and this goes back to March—is that Japan prevented American naval vessels from using certain port facilities in Japan. They had the right to do that. I point out to the Senate, however, that this right to prevent American naval vessels from using Japanese ports, which right they have always had, will now extend to the Island of Okinawa. Just to read one sentence from Admiral Rickover's testimony:

> On one occasion, the Navy was asked to postpone for several weeks the entry into port of a submarine returning from an arduous patrol, for the convenience of the Japanese monitoring boat and its crew.

As I say, the gist of Admiral Rickover's testimony is that the Japanese have, for various reasons of their own, prevented U.S. military vessels from using their ports, or have delayed them from using the ports, or suspended their right for certain periods of time to use the ports. The same condition can exist with respect to the facilities on Okinawa, if the Senate ratifies the agreement which will be voted on by the Senate tomorrow.

Mr. President, my only purpose in rising today is to make my own position clear on this matter. I conclude by asserting, as I did at the beginning of my remarks, that I feel it is very important that there be a continuation of friendship and cooperation between our two great countries, the United States and Japan. Japan is a fine ally. I think that all of us appreciate the support which Japan gave to the United States on the crucial vote in the United Nations 2 weeks ago. I hope that as the years go by, this friendship and cooperation will survive and be strengthened.

### Exhibit 1

### Japanese Monitoring of U.S. Nuclear Warships

(Extracts from Report on the Hearing before the Joint Committee on Atomic Energy, Congress of the United States, 92d Congress, 1st Session on Naval Nuclear Propulsion Program, Testimony of Vice Adm. H. G. Rickover, March 10, 1971)

In classified testimony, Admiral Rickover covered in detail the problems which the Navy has experienced as a result of false "contamination" allegations raised against U.S. nuclear-powered warships in Japan, and described the extreme measures being applied by the Japanese authorities to these ships at U.S. naval bases in Japan. Some of these measures appear to go well beyond what is reasonable and proper for their stated purpose. They have resulted in the loss of essential U.S. base facilities in Japan to our nuclear warships for extended periods of time, and have caused other interferences to the operations of these important ships. This situation has been allowed to develop despite the overwhelming evidence of the safety of these ships, and the truly remarkable record Admiral Rickover has achieved in the control of radioactive waste.

Although very little of Admiral Rickover's testimony on this subject involves military security information, the departments of State and Defense have requested that the full text not be published at the time in the interest of negotiations now in progress to secure satisfactory access by U.S. nuclear-powered warships to essential U.S. base facilities in Japan on a stable and realistic basis. While complying with this request, the committee regards the situation described by Admiral Rickover as unwarranted and inconsistent with good relations. If the problem cannot be resolved in the current negotiations, or if U.S. nuclear-powered warships should again be subjected to sensationalized false charges in Japan, the committee feels all the facts of the situation should be made available to the public as a matter bearing on the relationship between the United States and Japan. The Joint Committee has asked Admiral Rickover to keep the committee advised of further developments relative to this problem.

#### NAVAL NUCLEAR PROGRAM HAS OUTSTANDING RECORD IN PROTECTING ENVIRONMENT

Representative Holifield. I want to say that I have had an opportunity to review this report briefly, and I feel Admiral Rickover and his people deserve a great deal of credit for this effort. That Admiral Rickover has been able to take a program as big and complex as the Navy's nuclear fleet—some 100 operating reactors—and all of their support facilities, shipyards, and so forth, and operate them without affecting the environment is a truly remarkable achievement. It is particularly remarkable since the procedures and controls he uses were not installed as an afterthought, in response to laws or political pressures. They have been built into the program since its inception because of Admiral Rickover's own personal concern for the environment we live in.

#### FALSE CONTAMINATION INCIDENT IN JAPAN

Senator Baker. What happened in the big flap over contamination in Japan?

Admiral Rickover. I believe you are referring to the incident which occurred in May 1968, in which it was alledged that one of our nuclear submarines had contaminated Sasebo Harbor by releasing radioactivity. However, there was never any contamination; that was a phony issue. The investigation conducted at that time by the Navy and the AEC showed conclusively that the allegation was without foundation, that the submarine had not released any radioactivity. In fact, the reactor had been shut down for 4 days.

Representative Price. As I recall, the problem appeared to be more or less inherent in the kind of monitoring system used by the Japanese. I would also be interested in learning how this matter was resolved, and whether there are currently any problems in this aspect of our nuclear submarine visits to Japan.

#### CONTINUING PROBLEMS WITH JAPANESE MONITORING SYSTEM

Admiral Rickover. It has not been resolved, sir; we are still having serious difficulties in Japan. Although our nuclear warships visiting Japan have adhered scrupulously to our safety assurances, and no levels of radioactivity have ever been observed which could be considered significant from the standpoint of public safety, the Japanese monitoring system has grown progressively more [deleted]. Since the political crisis generated at Sasebo in 1968, which, as I have said, was in no way attributable to our nuclear-powered warships, the monitoring system employed by the Japanese has created a continuing atmosphere of suspicion and fear surrounding these visits. Because of this, the Navy in 1968 and 1969 had to suspend nuclear warship visits to our naval bases in Japan for periods totaling 11 months, and has experienced numerous other disruptions of essential Navy work to facilitate pointless investigations of irrelevant and untraceable electronic phenomena. Since early 1970, we have been deprived altogether of the use of the U.S. Naval Base at Sasebo for these ships, and have lost access to all facilities at Yokosuka except one drydock. [Deleted.]

I am deeply concerned that another Sasebo-type incident could occur at any time, creating more sensational allegations against our nuclear ships [deleted.]

### UNREASONABLE CONDITIONS IMPOSED ON U.S. SUBMARINES

I would emphasize here that I do not challenge the right of the Japanese Government to monitor our nuclear-powered warships or impose conditions on their entry into their ports. They have the right, in fact, to keep them out altogether. This is true of any warships, however they may be propelled.

But let us bear in mind that the context in which U.S. nuclear-powered warships visit Japan is that of a cooperative defense relationship between our Governments in which the United States has undertaken to defend Japan in certain circumstances, and the Japanese in turn have agreed to grant us certain base rights in Japan. They have specifically consented to the use of these bases by our nuclear-powered warships. In practice, however, the Japanese Government has imposed onerous, unnecessary, and unreasonable conditions on these visits at an administrative level [deleted.]

It is not as if Japan were a backward nation, imposing these unreasonable restrictions out of ignorance or superstition. They are highly sophisticated in the atomic energy field, and are, in fact, building a nuclear-powered ship of their own. They understand perfectly [deleted] that there is no technical justification for the onerous conditions being imposed on our nuclear warships. What they are doing, however, is building up false fears and anxieties regarding nuclear power in the minds of their own public, as a political expedient. These fears will not be easily overcome in future years. [Deleted.]

This is an involved and complicated issue, sir, but it is one on which I believe this committee should be fully informed, for I feel it could potentially do us great harm. With your permission, I will provide a complete report on this for the record.

Representative **Price**. We would be very much interested in having that in the record.

### WATER-COOLED REACTORS RELEASE MINIMUM RADIOACTIVITY

Senator **Baker**. Mr. Chairman, may I ask one more question in that connection? This really was behind my question a minute ago about whether there was any new or radical type powerplant in the offing.

As you know, there is this concern of the environmentalists who want us to stop building reactors and stop the breeder program and wait until we get controlled thermonuclear fusion. I don't advocate this for a second. I think it is very shortsighted and as unrealistic as the Japanese episode was unrealistic. It is important, I think, from the standpoint of public relations as well as from the standpoint of efficiency to make sure we not only have new techniques but that we advertise them well and carry our point.

Admiral **Rickover**. There are no reactors that I can envisage which are capable of producing less radioactivity into the environment than water-cooled reactors. The issue then becomes how well you operate and maintain them and the care you take of radioactive emissions. What I told you about the 110 naval reactors shows that it can be done.

With your permission, sir, I will include greater details on the Japanese episode.

Representative **Price**. Please include it in the record.

(The information referred to follows:)

### SASEBO INCIDENT A NONINCIDENT

Admiral **Rickover**. I believe it is important that the members of this committee be aware of this situation, not only because of its effects on the nuclear Navy, but also because this is precisely the sort of thing which undermines public confidence in and acceptance of nuclear power, both in the United States and abroad.

To see this issue in perspective, you must bear in mind that the so-called incident at Sasebo in 1968 was, in fact, a nonincident, consisting entirely of a brief series of spurious low-level readings registered on radioactivity monitoring instruments operated by Japanese Government personnel in a small boat about 100 yards from the U.S. nuclear-powered submarine moored in the harbor. These readings were transitory in nature; they were not reproducible even 10 minutes after the peak reading was recorded. No contamination existed; no radioactivity was ever found, nor was cobalt-60 detectable in the harbor bottom sediment, as it would have been if reactor plant effluent from the submarine had been the cause of the readings.

### NUMEROUS CONDITIONS COULD CAUSE READINGS

A U.S. Navy repair ship was located between the submarine in question and the monitoring boat when the peak readings were registered, masking the submarine from the monitoring instruments completely. The repair ship was operating a number of welding machines in open doors in a direct, unobstructed line with the position of peak readings, and several other U.S. Navy ships were operating radar and other electronic gear in the vicinity. Any of these, or any combination of them, could easily have caused the slight instrument aberrations recorded by the Japanese monitoring boat. Such electronic interference to radioactivity monitoring instruments is a common phenomenon.

I would also note that the readings themselves were so low as to be inconsequential from the standpoint of public safety. Even if one assumes that the abnormal readings were, in fact, caused by radioactivity—and I emphasize there was no evidence whatever that this was the case—the radiation levels and radioactivity concentrations would have been about 1,000 times less than those considered acceptable for the general public by such authorities as the International Commission on Radiological Protection.

### UNITED STATES DEMONSTRATES SUBMARINE NOT RESPONSIBLE

The U.S. Government went to great trouble and expense to demonstrate to the Japanese Government and public that the submarine had not caused the instrument aberration. At the request of the Japanese Prime Minister, three of my senior people were immediately sent to Japan to investigate the incident and attempt to find the cause of the readings. In addition, a legally constituted joint AEC-Navy examining board was dispatched to conduct an independent audit of the submarine. These groups, on the basis of official records, logs, and personal interviews with personnel of both the submarine and the facilities which supported it during its stay in Sasebo, established beyond doubt that the ship's reactor had in fact been shut down for some 96 hours prior to the recording of the abnormal readings, and that the ship had not discharged any radioactivity of any kind to either the harbor or the surrounding atmosphere. In short, they established that the U.S. submarine in question was in no way to blame for the small aberration which comprised this incident. The ship had scrupulously complied with all the assurances we had given the Japanese Government, as have all other U.S. nuclear-powered warships in Japan, both before and since.

### JAPANESE GOVERNMENT IGNORES FACTS

However, the Japanese Government did not accept the evidence, but proceeded as if the investigation had shown the submarine to be at fault. They greatly intensified their atmospheric monitoring during visits by U.S. nuclear-powered warships and asked us to give them additional assurances with respect to the discharge of effluent. These actions inevitably conveyed to the Japanese public the impression that the ships were dangerous, and that our assurances were questionable.

### INCIDENT DISRUPTS USE OF VITAL BASES

Access by nuclear-powered warships to our naval bases in Japan was interrupted for over 7 months while the Japanese installed additional air monitoring equipment. After visits were resumed, in December 1968, it soon became apparent that transitory, low-level aberrant readings of the type that occurred at Sasebo were frequently being caused by interference from nearby U.S. Navy electronic equipment entirely unrelated to our nuclear propulsion plants. We repeatedly urged that the Japanese authorities disregard these phenomena, since they are virtually impossible to trace, and are so small as to be negligible in any case. However, they adopted the policy of attempting to track down the cause of each of these small aberrations, and undertook progressively elaborate measures in these attempts.

### JAPANESE MAKE UNREASONABLE DEMANDS

In April 1969, the Japanese Foreign Minister submitted a list of equipment which they asked the Navy not to use while nuclear-powered warships were in port, in order to reduce interference to their monitoring instruments. This list included radar, radiography and X-ray machinery, and other radiating equipment. This, in effect, would have closed down a large portion of these naval bases, interrupting essential work for no purpose except to facilitate the investigation of trivial electronic phenomena. For obvious reasons, the Navy did not accede to these requests; however, the fact that such measures were seriously suggested by the Japanese Government demonstrates how far these monitoring policies had departed from reality. On one occasion, the Navy was asked to postpone for several weeks the entry into port of a submarine returning from an arduous patrol, for the convenience of the Japanese monitoring boat and its crew.

[Deleted.]

I will keep the Joint Committee informed of further developments in this matter.

Mr. BYRD of Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. **Bentsen**). Without objection, it is so ordered.

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## QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded

The PRESIDING OFFICER. Without objection, it is so ordered.

## RECESS

Mr. BYRD of West Virginia. Mr. President, I move that the Senate stand in recess, subject to the call of the Chair, with the understanding that the recess not go beyond 12:30 p.m. today.

The motion was agreed to, and (at 12:04 p.m.) the Senate took a recess subject to the call of the Chair.

The Senate reassembled at 12:30 p.m. when called to order by the Presiding Officer (Mr. BYRD of West Virginia).

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had passed the bill (S. 659) to amend the Higher Education Act of 1965, the Vocational Education Act of 1963, the General Education Provisions Act (creating a National Foundation for Post-secondary Education and a National Institute of Education), the Elementary and Secondary Education Act of 1965, Public Law 874, Eighty-first Congress and related acts, and for other purposes, with an amendment, in which it requested the concurrence of the Senate; that the House insisted upon its amendment, asked a conference with the Senate on the disagreeing votes of the two Houses thereon, and that Mr. PERKINS, Mrs. GREEN of Oregon, Mr. THOMPSON of New Jersey, Mr. DENT, Mr. PUCINSKI, Mr. DANIELS of New Jersey, Mr. BRADEMAS, Mr. HAWKINS, Mr. SCHEUER Mr. MEEDS, Mr. BURTON, Mr. MAZZOLI, Mr. QUIE, Mr. BELL, Mr. REID of New York, Mr. ERLENBORN, Mr. DELLENBACK, Mr. ESCH, Mr. STEIGER of Wisconsin, and Mr. HANSEN of Idaho were appointed managers on the part of the House at the conference.

The message also announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 10344. An act to authorize the District of Columbia to enter into the Interstate Compact on Mental Health;

H.R. 10677. An act to incorporate in the District of Columbia the Gold Star Wives of America;

H.R. 11489. An act to facilitate the amendment of the governing instruments of certain charitable trusts and corporations subject to the jurisdiction of the District of Columbia, in order to conform to the requirements of section 508 and section 664 of the Internal Revenue Code of 1954, as added by the Tax Reform Act of 1969; and

H.R. 11490. An act to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia.

## HOUSE BILLS REFERRED

The following bills were severally read twice by their titles and referred, as indicated:

H.R. 10344. An act to authorize the District of Columbia to enter into the Interstate Compact on Mental Health;

H.R. 10677. An act to incorporate in the District of Columbia the Gold Star Wives of America; to the Committee on the Judiciary;

H.R. 11489. An act to facilitate the amendment of the governing instruments of certain charitable trusts and corporations subject to the jurisdiction of the District of Columbia, in order to conform to the requirements of section 508 and section 664 of the Internal Revenue Code of 1954, as added by the Tax Reform Act of 1969; and

H.R. 11490. An act to regulate the location of chanceries and other business offices of foreign governments in the District of Columbia.

## AGREEMENT WITH JAPAN CONCERNING THE RYUKYU ISLANDS AND THE DAITO ISLANDS

The Senate, in executive session continued with the consideration of Executive J—92d Congress, first session—the agreement between the United States of America and Japan concerning the Ryukyu Islands and the Daito Islands.

Mr. PERCY. Mr. President, on June 17, 1971, the United States and Japan signed an historic treaty providing for the reversion of the Ryukyu Islands to Japan. This agreement lays the foundation for a new Japanese-American relationship which can benefit both Asia and the entire world.

The Senate, in determining whether or not to ratify the treaty, must bear in mind that U.S. control over Okinawa and the Ryukyus arose out of a situation far different from that which exists today. In 1945, when the United States assumed formal control of the islands, Japan was defeated and under American occupation. By the time the Korean war broke out, the American occupation of Japan was nearing an end; but because of the Korean war and the emergence of Communist China as an ally of the Soviet Union, Okinawa had become important to the United States as its major military base in the Far East. So American administration of the Ryukyus was continued and was formalized in the 1951 Treaty of Peace with Japan. By the time of the peace treaty, Japan had only just begun to reestablish itself as a viable political and economic entity. Given Japan's weakness and the presumed dangers in the area, the United States concluded that it could not afford to give up control over the Ryukyus at that time.

Nevertheless, the United States never intended to keep the islands permanently. While the peace treaty admitted the possibility of transforming the islands into a United Nations trust territory, John Foster Dulles, chief U.S. delegate at the peace conference, pointed out in a letter to the Government of India on August 25, 1951, that Japan still possessed sovereignty over the islands and that the Government of India was presumptuous in believing "that future arrangements regarding the Ryukyu and Bonin Islands, the terms of which are not yet formulated, will hereafter 'be a source of dissatisfaction to large sections of the Japanese people.' " Dulles was suggesting eventual reversion of the islands to Japanese control.

Subsequent administrations gave firmer commitments that the United States would one day return the Ryukyus to Japan. President Eisenhower's joint communique with Japanese Prime Minister Kishi of June 21, 1957, declared that "Japan possessed residual sovereignty over these islands," but that the United States would continue to administer them "so long as the conditions of threat and tension exist in the Far East."

The first explicit statement of American intent to return administrative rights to Japan came from President Kennedy. He said on March 19, 1962:

> I recognize the Ryukyus to be a part of the Japanese homeland and look forward to the day when the security interests of the free world will permit their restoration to full Japanese sovereignty.

President Johnson reaffirmed that position. A joint communique issued by the President and Japanese Prime Minister Sato on November 16, 1967, stated that—

> The President and the Prime Minister agreed that the two Governments should keep under joint and continuous review the status of the Ryukyu Islands, guided by the aim of returning administrative rights over these islands to Japan. . . .

President Nixon has moved boldly to fulfill these past pledges. In November 1969, the President and Prime Minister Sato agreed to enter into negotiations with a view toward reversion of the Ryukyus in 1972. The treaty of June 17 is the culmination of his efforts.

The reversion treaty stems from new circumstances which differ vastly from those of 20 years ago. By agreeing to return the Ryukyus to Japan, the United States recognizes that Japan can no longer be dealt with as a client State. As the world's third greatest industrial power with a gross national product that may overtake the Soviet Union's by the end of this century, Japan will exercise an important influence throughout Asia and the world in the years ahead. The United States must now seek a new relationship with Japan based on a mutuality of interests and operating on the principle of equality between the two Nations.

Elimination of the vestiges of World War II is an essential first step in forging a new Japanese-American partnership. The return of Okinawa and the other Ryukyus to Japan will demonstrate to the Japanese people that the United States seeks such a relationship in good faith.

If the Senate should fail to ratify this treaty, it will have to bear a heavy responsibility for future events. I have no doubt that rejection of the treaty would so damage our relations with Japan that the moderate government of Prime Minister Sato would fall and be replaced by anti-American elements of the Japanese left at the next parliamentary elections which must be held no later than December 1973. If these elements should gain power in Japan, we could expect a sharp shift in Japanese foreign policy away from cooperation with the United States.

Moreover, we could also expect serious problems with the 800,000 residents of Okinawa. All major political parties on

Okinawa favor reversion to Japanese control. On occasion, violent demonstrations against the occupation have occurred. If the Senate rejects this treaty, we could expect increased violence on Okinawa and an upsurge in hostility toward American military personnel. We should ask ourselves now whether we would want to confront the antagonism of 800,000 Okinawans who wish to be reunited with Japan. In such a situation we would appear as a colonial power suppressing the legitimate aspirations of the Okinawan people. In such a situation our military bases on Okinawa would become targets of militant elements and lose their effectiveness.

I have felt so strongly about this situation and about our relations with Japan that, I think approximately 2½ years ago, while in Japan, I went to a conference in Shimoda, a conference of 50 or 60 Japanese legislators and ministers, and spent 3 days talking with them, together with such Americans as Edwin Reischauer, our former and very able Ambassador to Japan, and General Lampert.

It was perfectly clear in conversation with those Japanese, most of whom have a very strong desire to have good ties with the United States, that any kind of precipitate action which looked as though we were not fulfilling the implied commitments we had made over a period of years would have very grave consequences.

On that same trip I also went to Okinawa. I was rather surprised to learn that during the past, I would say, 2½ years, the commanding general in Okinawa had a recollection that I was the only Member of the Senate, besides the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), who had stopped in Okinawa. I spent a number of overnights in Okinawa and visited members of the Naha City Council and its committees. I visited the mayor. I personally visited, by helicopter, the entire island area, and then drove in many parts of it.

It would be absolutely inconceivable to me that we could in any way attempt to maintain the degree of security necessary for our forces, as well as for our equipment, if we were in the midst of 800,000 hostile people.

We have not made a special provision for the security of our aircraft or helicopters. The planes are generally parked in very close proximity to the roadways that run through Okinawa. The goodwill of the Okinawans is absolutely essential—a large number of whom are employed by us on the island—in maintaining the missions that are carried out in Okinawa.

So I feel this treaty is not only a practical realization of conditions as they now exist, but also is the fulfillment of the moral commitment that has been made by several Presidents of the United States in the past and which now President Nixon is fulfilling.

Finally, we must remember that the primary purpose of our Okinawa bases has been to support our policies in Asia. If United States-Japanese relations deteriorate because of failure to resolve the reversion question, our entire Asian policy will be in serious jeopardy. Without Japan's cooperation, it is going to be increasingly difficult for the United States to achieve its objectives in the Far East. With a hostile Japan, it will be impossible.

The government of Prime Minister Sato seeks to sustain the Japanese-American alliance. The Prime Minister has indicated time and time again that he does not wish to see U.S. bases on Okinawa reduced to the point of ineffectiveness. The treaty permits the United States to retain its bases subject to the provisions of the United States-Japanese Security Treaty. There is good reason to believe that ratification of the treaty will not rob them of their usefulness. As I have tried to point out, the greater danger to the bases may lie in refusing to ratify the treaty.

It is wrong to consider the return of Okinawa to Japan as a setback for the United States. Actually it is the culmination of a successful policy this country has followed since the end of the Second World War. When we began the occupation of Japan in 1945, we set out to turn the talents and energies of the Japanese people toward the reconstruction of their country. We succeeded. We also sought to establish a stable and workable democratic system of government in Japan. We succeeded in this, too. Japan has become one of the world's most dynamic democracies.

Now it is time to end our occupation of an island group that has belonged to Japan for a century and is populated by Japanese-speaking people who consider themselves part of the Japanese nation. By doing so, we will show the world that two of the world's great democracies can solve their problems in a spirit of good will.

There has been talk of linking the treaty with some of the economic problems we have with Japan. I will not downplay these problems, for they are serious. Japanese imports in some cases have hurt U.S. domestic industries, and the U.S. trade deficit of over $2 billion annually with Japan places a severe strain on our balance of payments. We should continue to negotiate the economic problems, but it would be a mistake to withhold ratification with some kind of economic blackmail in mind. Any such tactic could produce a backlash in Japan which would jeopardize prospects for any agreement on the economic issues.

In recent months we have shocked Japan politically with the surprise announcement of the Kissinger trip to Peking; we have shocked Japan economically with the surprise imposition of the 10-percent border tax; and we have shocked Japan emotionally with the nuclear test at Amchitka.

Rejection of the reversion treaty could be the straw to break the back of the Japanese-American alliance. Ratification of the treaty is clearly in our national interest.

Mr. President, I have considered myself, over a period of many years, one of the stanchest supporters of a freer trade policy and of a full alliance between the United States and Japan. I have been critical of certain actions taken by Japan, or the lack of certain actions by that government. I feel that friends can be critical of each other. But certainly, I speak today with strong feeling and with the deep belief that this is not only in the national interest of the United States, but also certainly in the interest of Japan, and in the interest of Japanese-American relations in the future.

I, therefore, trust that the Senate will overwhelmingly vote "yea" on the vote tomorrow on the Okinawa Reversion Treaty.

Mr. JAVITS. Mr. President, I know of few things which we will be doing here, notwithstanding the fact that other things will be surrounded by storm and fury, which can be more important to the future of mankind and the peace of the world than the ratification of the Okinawa Treaty as recommended by the Committee on Foreign Relations, of which I have the honor to be a member.

I have been in Japan a number of times. I am considered to be rather close to developments between the United States and Japan, and I feel it my duty to lay before the Senate the points which I think are critically important with respect to this treaty, and why I regard this moment as a true watershed in the relationships between the United States and Japan.

First, the most important political issue in Japan today is the return of Okinawa to Japanese administration. The successful negotiation of the agreement on the reversion of Okinawa is one of the major postwar accomplishments of U.S. diplomacy in Asia. It is also an accomplishment of overriding political significance to the Liberal Democratic Party of the Government of Japan. In many respects, the basic policy of the LDP government—Premier Sato's government—in alining itself in close cooperation with the United States, in both security and economic affairs, was crucially related to the peaceful reversion of Okinawa to Japan through cooperative negotiation.

In the eyes of the Japanese voters the success of the Okinawa reversion treaty determines whether this policy was successful or not. I am confident that the success of this policy will be demonstrated in the vote tomorrow, ratifying this agreement to return Okinawa to Japan in a generous and statesmanlike way.

It is critically important to the United States, in my judgment, that that policy succeed. I do not believe it an exaggeration to say that failure to implement the United States-Japan agreement on the return of Okinawa—because of Senate failure to ratify the implementing treaty, or any other reason—would have the most profound consequences in Japan. I think it could bring about a rupture in United States-Japanese relations which might prove too deep for reconciliation over any short period of time.

The basic premise of the Nixon doctrine, and the underlying U.S. strategy for peace, security, and progress in Asia—which rest on the assumption of a close and cooperative United States-Japan relationship—could be nullified. A new government of quite different orientation—perhaps left-neutralist, perhaps right-wing nationalist—could come to power on the heels of any collapse of the agreement on Okinawa reversion.

Accordingly, in my judgment, the Senate's handling of the Okinawa Reversion Treaty will be a major test of our statesmanship and sense of responsibility respecting U.S. foreign policy and the security interests of both the United States and Japan.

Mr. President, I believe it critically important to point out that the real issue at stake is this: Surely, there are still differences with Japan, though we have settled, and I think satisfactorily, one of our very major differences, in respect to "manmade" textiles, in the well-starred and auspicious "manmade" textile agreement. But we still have a tremendous area of difficulty in respect to currency realinement.

To some it might seem an easy temptation, Mr. President, to hold the Okinawa Treaty hostage for some agreement on the realinement of currency. I know of nothing more likely to be counterproductive in terms of achieving that objective or of our relations with Japan and the people of Asia than any such action as that—to wit, holding the Okinawa Treaty hostage to other problems which we have with Japan. There was this danger in the absence of a textile agreement.

Mr. President, we have seen two faces of Japan in the last 40 years. We have seen a Japan which threatened the world. This was the ugly menacing face of extreme nationalism and militarism of the 1930's and the 1940's, a memory burned deeply into the psyche of the 750 million inhabitants of China, the other peoples of Asia and the people of the United States and Europe as well.

Then we have seen Japan's peaceful and democratic face of the 1950's, the 1960's, and now the 1970's. This is one of those great historic transformations which seem at times almost miraculous. The close United States-Japan tie of the past two decades has been a vital factor in this transformation. I believe that a continuing close United States-Japan tie is a precondition to the security of Asia and the world. It is critically important that Japan remain dedicated to peaceful productivity, with the tremendous dynamism which Japan has shown within the last two decades. We feel this competition, of course, but we certainly welcome this kind of competition rather than military or nationalistic competition.

The prime task in Asia in the 1970's will be the productive channeling of Japan's economic "miracle" and productivity. This amazing thrust represents and expresses an extraordinary national drive, discipline, capacity for organization, and irrepressible determination to excel and to enjoy a place in the sun.

Mr. President, we talk often now about what will be done with mainland China, and we must realize that, though Taiwan is going to be a difficult issue and nonproliferation of nuclear arms is going to be a difficult issue—and there will be other issues, including Vietnam and Indochina, in which we will find it difficult to agree with mainland China—in my judgment, the overriding issue of all is Japan. I can foresee a genuine community of interest between China and the United States with respect to Japan's role in Asia based on quite a different approach. A major challenge for the United States and industrialized Europe is to devise means for a mutually agreeable channeling and absorption of Japan's fantastic productive capacity. Clearly, the upper limits of absorption of Japanese exports into the U.S. economy have been reached—and Europe is not anxious to increase its role as a trading partner for Japan. On the other hand, China's economy is hungry for credits and industrial imports—as are the economies of most other Asian nations, including even Australia and New Zealand.

The ingredients are present for a grand concert in Asia, in which China could play a leading role—for the purpose of channeling and absorbing the great thrust and productive capacity of Japan's ever-growing economy for the benefit of the development of Asia. There lies a true community of interests. And, it does not mean excluding Western Europe or the United States—or self-help by a dynamic and developing Asia, it means only a theater for Japanese effort.

The other direction—that of isolating Japan and thwarting Japan's capacity and determination to excel—is the route best calculated in my judgment to bring about the very results which Peking—and Washington—have the greatest interest in preventing. A Japan which is isolated and thwarted is a Japan more likely to become vengeful and militantly nationalistic. Such a seething and rootless Japan could turn to the path of militarism, which it followed so disastrously in the 1930's and 1940's. This time a militaristic Japan would be equipped with a nuclear capacity.

So the ingredients are present for a grand concert in Asia in which the United States, mainland China, and Japan could all play very leading roles, and which could be of tremendous benefit to all mankind.

Mr. President, a word about the outstanding problem we still have with Japan, and that is the revaluation of the Japanese yen. The revaluation to date has not yet been adequate. So far, the float—or what is called the dirty float—of the Japanese yen has brought it under the 10-percent range in relation to the U.S. dollar. However, Japan has indicated that it is willing to revalue its yen up to 12½ percent if the 10-percent import surcharge of the United States is lifted. If we add this revaluation of 12½ percent to some devaluation of the dollar in terms of a change in the gold parity—which I favored and which I joined Representative Royce, of Wisconsin, to bring about by congressional action and which I believe the Congress would favor—this would effectively realine the yen to the dollar in a range in excess of 15 percent. If that is coupled over the long term with the action of the International Monetary Fund in going to wider bands, from 1 to 3 percent in respect of the relationship between currencies, then the revaluation will come into the very realistic level which ought to be highly acceptable to the United States and to our trade position with Japan which remains very much to Japan's advantage. This would clear the way for the early lifting of the import surcharge before this becomes imbedded in concrete doing great harm to our economic relations with the free world and jeopardizing international flows of trade and investment.

In addition, it is very noteworthy that Japan has agreed to approximately double its military procurement from the United States. This has been running about $100 million a year for the past 5 years. The Japanese hope to increase it to $200 million a year or $1 billion over 5 years, and this is a very good figure.

Finally, Mr. President, Japan was with the United States all the way on the two-China policy in the U.N. The fruit of this for the Sato government has been very bitter; and we hope that the fruit of the ratification of the Okinawa Treaty, plus the new sense of cooperation in the development of Asia about which I have spoken, will be a sweet fruit for the Sato government, and will make up for some of the difficulties it has encountered in respect of following our lead on the China policy in the United Nations.

Mr. President, in my judgment, relations between the United States and Japan have reached a psychological watershed of great importance. The style of relationship forged during the postwar occupation and reconstruction days is obviously obsolescent. Japan has emerged as the second strongest economic power of the free world. That is a new reality which we are accommodating in the tone of our relationship, in its nature, and in the agreements which we are beginning to reach—as, for example in the manmade textile agreement and now in respect of the reversion of Okinawa.

The United States must not be diverted in terms of its domestic troubles, in view of our tragic experience in Vietnam, from the overriding importance of stability and peace in Asia. So, while we require both tact and hardheadedness in equal measure, if there is to be the kind of creative United States-Japan partnership in concert with other multinational efforts which I have described, and which is indicated by the wonderful way in which this treaty was negotiated, we could inaugurate an era of unprecedented growth, prosperity, and peace in all of Asia.

Mr. President, this treaty has a remarkable quality about it which is evident in its very text and texture. It is obviously the product of a close, cooperative, collaboration between friends of mutual good will and common purpose. It is pervaded by an atmosphere of mutual understanding, and considerateness for the varying interests of the two sides. It is prudent and businesslike in its substance as well as its style. In many respects, it could be cited as a model for the successful conduct of affairs between two great and friendly nations.

It is all the more remarkable in this

regard when we remember that it deals with an issue which derives from the heat of fierce battle and deep antagonism less than three decades ago—World War II and the bloody struggle on Okinawa itself. The Okinawa Treaty is evidence of, and a tribute to, the capacity of men to bury the hatreds of the past and forge a new and cooperative future together.

The negotiators on both sides are to be commended for their skill and their success. In this regard, I am especially proud of the key role played by Minister Richard L. Sneider of the U.S. Embassy in Tokyo. Mr. Sneider is one of our most skilled and experienced diplomats in Asia. He was the prime negotiator on the U.S. side. Mr. Sneider is a New Yorker and I want the record of the Senate debate to make note of the credit he deserves in this historic matter.

On our side, it is important that we give Japan every feeling that it is not going to be crowded, thwarted, or restricted in its drive for a place in the sun through economic growth. Japan needs a place—and is entitled to a place—commensurate with the extraordinary vitality, ingenuity, and creativity of her people. If Japan is not made to feel that the developed world is prepared to accept an honorable and leading role for Japan, achieved through peaceful, nonmilitary means, Japan could again turn to the path of militant nationalism and seek its place in the sun through nuclear armament.

On Japan's side, I feel, as an American, that it will be necessary for it to develop great tact and statesmanship in its drive for commercial ascendency. Resistance has grown strongly, in both the developed and undeveloped worlds, to what often seems to others to be the aggressive, almost single-minded Japanese pursuit of profit and commercial advantage. Japan can and should do a great deal itself to avoid creating the external conditions of reactive stifling which could in turn rechannel Japanese energies into negative patterns.

In short, Mr. President, I regard the Okinawa Treaty ratification as a most auspicious landmark on a long and difficult road, a good deal of which we have already travelled, in which both we and Japan—and now mainland China—may, by this means, be encouraged to play the great role in the future development of what is the center of world attention as a continent today—Asia.

Asia's history in this century has not been happy. On the contrary, we have experienced World War II, the Korean war and now the great tragedy of Vietnam.

Out of tragedy has often emerged a golden day for the world.

I hope very much that Senators may recognize, as they vote to ratify the Okinawa treaty—as I hope and trust they will, and as there is every indication they will—that we are all part of a historic process which has the capacity for putting the continent of Asia on a road of development and peace which can be the gratification, not the ending, of all mankind.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. INOUYE). Without objection, it is so ordered.

## RECESS

Mr. BYRD of West Virginia. Mr. President, I move that the Senate stand in recess subject to the call of the Chair, with the understanding that the recess not extend beyond 1:45 p.m. today.

The motion was agreed to, and at 1:20 p.m. the Senate took a recess, subject to the call of the Chair.

The Senate reassembled at 1:44 p.m., when called to order by the Presiding Officer (Mr. INOUYE).

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## FOREIGN MILITARY, ECONOMIC, AND HUMANITARIAN ASSISTANCE AUTHORIZATIONS, 1972—UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, as in legislative session, I make the following unanimous consent requests, at the direction and with the approval of the distinguished majority leader, after having consulted with the distinguished minority leader, the distinguished assistant Republican leader, the distinguished Senator from Mississippi (Mr. STENNIS), and other Senators who are known to be interested in certain amendments. The requests are as follows:

I ask unanimous consent that with respect to both S. 2819 and S. 2820, the two foreign aid measures, time for debate on each of the measures be limited to 6 hours, the time to be equally divided between and controlled by the distinguished manager of the bill and the distinguished minority leader or his designee; that time on any amendment thereto be limited to 1 hour, with the exception of an amendment by the Senator from New York (Mr. JAVITS) to S. 2820, the so-called concessional amendment, in connection with which there be 2 hours; provided further, that if the distinguished Senator from Mississippi (Mr. STENNIS) should decide to offer an amendment to S. 2819, time on that amendment be limited to 4 hours; the time on any amendment to be equally divided between the mover of the amendment and the distinguished manager of the bill; provided further, that if the manager of the bill supports such amendment, time in opposition thereto then be under the control of the minority leader or his designee; provided further, Mr. President, that Senators in control of the time on the bill may yield therefrom to any Senator on any amendment, motion, or appeal, with the exception of nondebatable motions; ordered further, that time on any amendment in the second degree, any motion or appeal, with the exception of nondebatable motions, be limited to 30 minutes, the time to be equally divided in each case between the mover of such amendment, motion, or appeal, and the manager of the bill; and in the event that the manager of the bill supports such amendment, motion, or appeal, the time in opposition thereto be under the control of the distinguished Republican leader or his designee; provided further, Mr. President, that amendments not germane may be in order; and provided that any rollcall votes on any amendments not occur prior to the vote on the treaty which is scheduled to occur at 3 p.m. tomorrow.

Mr. SCOTT. Mr. President, I accept and agree to the unanimous-consent request which has been taken up with the members of my party at a policy session now in progress.

While I personally would prefer the rule of germaneness, this requires unanimous-consent request, and therefore, in order to obtain unanimous consent we have had to include the provision on nongermane amendments being offered. I express the hope that they will not; but, in any event, I accept the unanimous-consent request and thank the assistant majority leader.

Mr. BYRD of West Virginia. I thank the distinguished Republican leader.

Mr. JAVITS. If I may interject, just to be sure, we have taken care of amendments to amendments, have we not?

Mr. BYRD of West Virginia. Yes.

Mr. JAVITS. I thank the Senator.

The PRESIDING OFFICER (Mr. INOUYE). Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I thank the Chair. I also thank the distinguished Senator from Mississippi (Mr. STENNIS) for his patience and his courtesy in waiting. I also thank the distinguished Republican leader and all other Senators.

It is the understanding of the joint leadership that when debate on the treaty has come to an end this afternoon, the Senate will then proceed to the consideration of the first of the two foreign aid measures. By the first, I mean S. 2820.

Mr. President, I ask unanimous consent that time on that bill not begin running today.

The PRESIDING OFFICER. Without objection, it is so ordered.

The unanimous-consent agreement reads as follows:

*Ordered*, That commencing Wednesday, November 10, 1971, during the further consideration of the bills, S. 2819, a bill to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes, and S. 2820, a bill to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes, debate on any amendment (except an amendment to be offered by the Senator from New York (Mr. Javits) to S. 2820 on which there shall be 2 hours, and an amendment to S. 2819 if offered by the Senator from Mississippi (Mr. Stennis) on which there shall be 4 hours) shall be limited to 1 hour to be equally divided and controlled by the mover of the amendment and the manager of the bill. *Provided*, That debate on any amendment to an amendment (an amendment in the second degree), motions or appeals (except non-debatable motions) shall be limited to 30 minutes to be equally divided and controlled between the mover of any such amendment or motion or appeal and the manager of the bill. *Provided further*, That in the event that the manager of the bill is in favor of the amendment, motion or appeal, the time in opposition thereto shall be controlled by the Minority Leader or his designee.

*Ordered further*, That on the question of final passage of the two bills, there shall be 6 hours of debate on each, to be equally divided and controlled, respectively, by the manager of the bill and the Minority Leader or his designee: *Provided*, That the manager of the bill or the Minority Leader, from the time under their control on the passage of said bills, may allot additional time to any Senator during the consideration of any amendment, motion (except non-debatable motions) or appeals.

*Ordered further*, That no vote occur on either bill, amendment, motion or appeal relative thereto until after the vote on Executive J at 3:00 p.m. on November 10, 1971.

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## AGREEMENT WITH JAPAN CONCERNING THE RYUKYU ISLANDS AND THE DAITO ISLANDS

The Senate, in executive session, continued with the consideration of Executive J (92d Congress, 1st session), the agreement between the United States of America and Japan concerning the Ryukyu Islands and the Daito Islands.

Mr. STENNIS. Mr. President, what is the pending matter now before the Senate?

The PRESIDING OFFICER. The pending matter before the Senate is the proposed agreement between the United States of America and Japan concerning the Ryukyu Islands and the Daito Islands.

Mr. STENNIS. I thank the Chair.

Mr. President, as I understand it, this matter has been agreed to for a vote tomorrow afternoon at 3 o'clock. As I have to be away tomorrow afternoon, regrettably, I have tried to rush preparation of this statement so that I might make it this afternoon.

Preliminary, let me say that each member of the Committee on Armed Services has understood, as I announced last week, that we would not try to have a formal report on the treaty. We did want to develop the evidence and particularly take testimony relating to the military phases of the treaty; but I said we would not try to have a formal report. I have had this course of action in mind all the while. I did not want to delay the treaty, as the Committee on Foreign Relations has the primary responsibility. Then, when the treaty was reported, I wanted it to come to debate soon—even last Friday.

I appreciate the leadership's agreeing to put it over until we could have our hearings which, by the way, were quite profitable. I think a valuable record has been made.

Now, Mr. President, the Armed Services Committee has held hearings in executive session on the pending treaty. We did not ask that it be referred to us formally, as I have said, but we wanted to discharge our responsibilities to the Senate. We inquired especially into the military implications of transferring control of Okinawa to Japan and how this relates—as provided under the treaty—to our future problems.

Reversion is, of course, a highly important question for the United States and Japan. It is a difficult matter for any Senator—to pass on, I emphasize that—especially for a Senator who has the responsibility as chairman of the Armed Services Committee.

Our committee heard from General Westmoreland, who is the Army Chief of Staff and spoke for the Joint Chiefs of Staff, Admiral Moorer, the Chairman of the Joint Chiefs, being out of the country. We also heard the High Commissioner of Okinawa, Lt. Gen. James B. Lampert. We also questioned Mr. V. Alexis Johnson, the Under Secretary of State for Political Affairs, along with other experts on the treaty. We of course had our own general knowledge of the treaty. Some of us had special knowledge of it when it was announced by the executive department. I have concluded, Mr. President, that while there are military implications for the United States, the fundamental question here is one of sovereignty.

For 25 years we have had unlimited use of Okinawa bases under treaty provisions—that is, our treaty with Japan—following World War II.

I believe that our administration there has been even-handed, but it is, nevertheless, a fact that the High Commissioner has had the power to veto any bill of the local government, to annul any law, or to remove any official. In short, we have had broad powers on Okinawa while Japan has had the unquestioned residual sovereignty there.

This goes to the point that when we have a military base which is not on our own sovereign territory, but on the sovereign territory or the semisovereign territory of another nation, we just have to deal with that nation about it. That is all. It is not like having a base on your own soil.

I questioned General Westmoreland very closely with respect to the views of the Joint Chiefs of Staff on the reversion treaty. He said that, putting political considerations aside, he would prefer the status quo on Okinawa. But he felt that we would realize more under the treaty than without it, when all things are considered. In other words he felt, and he said—the Joint Chiefs concluded, that they would prefer the status quo now, putting political considerations aside, but that when those elements were considered, they really thought that over the years they would get more out of Okinawa under the treaty than without it.

That was a very significant statement to me. I am not following anyone blindly. However, when considered with my ideas concerning sovereign powers, that was a very influential point with me.

General Westmoreland recognized that failure to ratify the treaty would create an unfavorable political climate in Japan. He said that reversion under the treaty would be a plus for relations between the United States and Japan as Japan takes on new responsibility in the Western Pacific.

We have to remember, too, that we have other bases on what we would ordinarily say is the mainland. However, in this case they are on the main islands of Japan. For this question not only involves bases on Okinawa, but also involves the whole relationship with respect to all of those bases in Japan.

In this connection, General Westmoreland told our committee:

> The Joint Chiefs of Staff understand and accept the judgment that political considerations in this case outweigh the partial loss of military flexibility entailed in reversion. We will find other ways to get the job done so as to minimize any loss of capability.

That was in his formal statement. I have been quoting him in his answers to my questions, and that is where we get down closer to the nub of things.

It is important to understand that, within the terms of our mutual security treaty with Japan, the Japanese self-defense forces will be strengthened to assume the primary defense role for Okinawa. I believe this is as it should be.

That means that the local government, as well as the self-defense for Okinawa itself, will now be the responsibility of Japan.

I think it is entirely proper that Japan assume an increasing responsibility for security and stability in Asia and in Asian waters. I believe that unless Japan does assume a role, both with money and manpower, the prospects for peace and economic growth in the area are grim indeed.

That is what I believe. In fact, I believe that Japan's aid and manpower are necessary for the operation of free nations in the Pacific.

Senators should understand that, while we will retain base rights and most of our bases in Okinawa, we will lose some of our military flexibility when Okinawa becomes a part of Japan.

There is no question about Okinawa having belonged to Japan before the war. There is no question about our being there now under the retained power that we kept when that was over. The island has been under the charge of the United States, so far as its administration was concerned, under a high commissioner, who is a military officer of our Armed Forces.

As I have said, while we would retain base rights under the treaty, we would lose some of our military flexibility if Okinawa becomes part of Japan.

We will not be able to make major additions to the U.S. forces there without consulting the Japanese Government. We will not be able to mount combat operations—air strikes, for example—from the bases on Okinawa without prior consultation.

Mr. President, finally, we will not be able to store nuclear weapons in Okinawa without approval, if we should wish to do so.

Generally, however, we will have the

continued use of the Okinawa bases for staging of forces and for logistic purposes.

In one important respect we will be better off both in Okinawa and Japan when the Japanese assert their full sovereignty in Okinawa. A high ranking Pentagon official told me recently that our overall position will be improved if the Japanese Government is responsible for handling disorder and unrest on Okinawa rather than having this responsibility of our own military forces.

Developing further the use of Okinawa, as it will continue under the treaty; if we should fly from Okinawa to bases in South Korea, as an intermediate landing point, we would not have to have any consultation. This is the way I understand it. If we have marines on Okinawa that we want to use, they would probably be embarked on a ship which would cruise for a time and then put the marines ashore. That would be permitted, as I understand the explanations. That is the ordinary way an amphibious force is handled. But, as I have said, everything that might come up cannot be pinpointed exactly.

I understand why we keep the bases there. We are going to have tremendous use for them and, while their use will be limited from what it is now, Okinawa will be very powerful in the Pacific area, beyond question, and will have tremendous uses.

I believe continuing Okinawa under these conditions would be better than letting the situation fall apart altogether as I believe it would do in 3 to 5 years.

Senators should understand that while our base rights are continued by the treaty, there is no guarantee that they will always be continued. In our hearings in the Committee on Armed Services we discussed this aspect of the reversion question. Twenty-five years after the United States gained control of Okinawa, it is surely not possible to say what situation will prevail 25 years hence.

Without trying to delve into the politics of another nation, it is certainly fair to say that there has still been anti-American sentiment in Japan among the minority parties. If that sentiment should, at some future date, change the attitude of the Japanese Government, we might be forced to take our Okinawa bases and those in the home islands to some other locations.

I think that is a highly significant fact. I am convinced we cannot sail on and on forever on these Okinawa bases with free and unlimited use under the High Commissioner as we have for the last 25 years.

The President, in particular, convinced me of this. I was impressed with a statement he made, in the course of a briefing months ago, with reference to what we are up against in our future operations there. I find the same sentiment echoed by the military witnesses, and others.

I say again, for emphasis, that we make a mistake if we think we have a choice between continuing as we are and continuing under reversion or the treaty. I do not think there is a chance for us to continue as we are for but a few more years. Therefore, it is better to establish this new relationship, and better to put our position more in line with those who have the responsibility of power in Japan—in other words, the Government, the administration in office.

I emphasize again that I will not be greatly surprised if, in the future, we are asked to provide alternative sites elsewhere in the Pacific for some of the activities which are to continue on Okinawa under the terms of the treaty.

The security of Japan is only a portion of the U.S. commitment in that part of the world. As Senators know, we have troops in South Korea and close ties to Taiwan, the Philippines, Australia, and other nations. Unless these commitments are somehow reduced, they might have to be discharged from bases other than those in Japan and on Okinawa, and the Senate should understand that.

On balance, however, I am persuaded that we should recognize Japan's sovereignty and approve the reversion treaty. I hope that this will serve to continue an era of cooperation with Japan and that the contingencies that I have mentioned need not materialize. In any event, however, I think the interests of the United States are best served by approval of the treaty. This is my considered judgment based on the facts now existing and likely to exist in the future. When a nation has a military base beyond its own sovereignty, that nation has to deal with the nation which has sovereign power at the site of the base. In this instance it is Japan.

A good deal has been said about storage of nuclear weapons. I am not going into any detailed discussion of that. There is time to take whatever steps are necessary with respect to nuclear weapons, wherever the problem arises.

As I said, I would have spoken on this matter tomorrow—I assume it is going to be open to debate—but, regrettably, I shall have to be away tomorrow afternoon, and I thought I had better discharge my responsibilities here today.

Mr. GOLDWATER. Mr. President, I was present at the hearing on yesterday. The hearings only bolster my fear about this treaty. I will very reluctantly vote against it.

I feel basically as all Americans do, in opposition in effect to colonization or our keeping of lands that we occupy through war.

The Senator from Mississippi mentioned what to me is the main objection in a broad sense, that we would be prohibited from launching any military operations from Okinawa without consultations with the Japanese Government. This came through to me yesterday as I listened to the representatives of the military and the State Department. For example, it is my belief—and correct me if I am wrong—that if we still have troops in South Korea or on the DMZ and the North Koreans attack and we require air operations, which are not available on the mainland of China or in South Korea, that under the language I heard yesterday, we would have to have consultations with the Japanese Government before we could help our own troops. Am I correct on that?

Mr. STENNIS. Mr. President, I do not remember that particular representation. Is the Senator in his illustration talking about an attack by North Vietnam or North Korea on Okinawa bases?

Mr. GOLDWATER. No. I am just using an example. It could apply to any other instance. If North Korea decided to disregard the so-called armistice and open active operations against our troops and South Korean troops that would require air support above that which we could furnish from our South Korean bases, would we be able to operate B-52s from Okinawa or would we first have to get permission of the Japanese Government?

Mr. STENNIS. I did not hear such an illustration in our testimony.

Mr. GOLDWATER. The illustration given was in the Southeast Asian theater. I am assuming the Southeast Asian theater will have been concluded before this treaty goes into operation. I understand the Japanese Government did not yet authorize it. I use Korea only as an example of what we might have in that part of the world where North Korea could attack our troops or South Korean troops. If the Japanese Government by that time wanted to do so, for political reason such as an alliance with the Soviet Union—which I do not put past the possibility of happening—they could deny us or delay cooperation with us to the point that we could not get what we wanted by launching such an attack.

Mr. STENNIS. In such situations, the "cans" and "cannots" are not always crystal clear in advance, but Prime Minister Sato has said—in November 1969—that the security of South Korea was essential to the security of Japan, and that the security of Taiwan was most important to Japan. That serves as a very strong lead, indicating the spirit in which this arrangement has been made by the President and by the Prime Minister.

I do not think our situation is anything like an absolute, because we are on someone else's property and they could intervene and cause us to get off whenever they wanted, like the French did a few years ago concerning NATO.

The theme of this statement by Prime Minister Sato is that their interest lies with our interest. Of course, that might not always be true in years ahead.

Mr. GOLDWATER. The Senator is getting very close to my basic feeling about this. I am not opposed to the idea. A month ago I would not have been opposed to ratifying the treaty but this is a different world this week than it was 2 weeks ago. World power has shifted from the United States. Our alliances are beginning to weaken. While I have great faith and trust in Japan, if Japan joins those countries which begin to feel the United States has no desire to retain its world leadership, she could very well tell us to get off Okinawa, or stay there, but she might say, "You cannot do anything in a military way."

One other question bothers me and I will not delay the Senator.

Mr. STENNIS. That is all right.

Mr. GOLDWATER. I have a California cold, as we call it in Arizona.

We are going to have to remove our nuclear weapons from Okinawa. There is no other place immediately available without further treaty that would put these missiles within the range of possible enemies—Red China or the very remote possibility of the Soviet Union. Somebody is going to have to provide that nuclear umbrella over there and that somebody is going to be Japan.

The question that comes up secondly in my mind, in addition to the limitations placed on our military operations from the island, is a speeding up by Japan of their rearmament, the creation of not just another power but the creation of a fifth world power. The more powers we have in this world seeking world domination, the more certain to me war becomes. I think history will bear me out on that.

So, Mr. President, I conclude by saying I appreciate the Senator permitting me to use a little of his time. We rarely disagree and I think in this case we disagree just a little. I am going to have to vote against this treaty, not that I am going to like to do so, but I have grave appprehensions about its result.

I think if our State Department and the Government of Japan were able to work out a little more leniency toward us on what we could retain over there in the way of forces and how we could use those forces I would see nothing wrong with this, but I am fearful of what can happen.

I thank the Senator for yielding.

Mr. GRIFFIN. Mr. President, will the Senator yield to me?

Mr. STENNIS. Yes, I yield.

Mr. GRIFFIN. Mr. President, I wish to commend the distinguished chairman of the Armed Services Committee for his statement, to which I was privileged to listen. I want to make reference to one fact which, it seems to me, ought to be included in the RECORD.

From time to time I have heard some who are critical of our Government, both within our country and outside the country, refer to the United States as an "imperialistic" Nation.

I intend to vote for the pending treaty. But I believe it should not be overlooked that the Soviet Union, since the conclusion of World War II, has been occupying some islands near Japan that were part of the country of Japan. It is my understanding that there has been no flexibility whatsoever, so far as the Soviet Union is concerned, in terms of turning those islands back to Japan.

I believe that this situation presents an interesting contrast, one that ought not go unnoticed as we vote on this treaty and as we enter into a new era of relationships with our friends the Japanese.

I thank the Senator from Mississippi for yielding.

Mr. STENNIS. I thank the Senator for his contribution. He certainly has made a splendid point.

The matter of occupation in a self-respecting nation, whose people are in a period of growth and expansion, is no small matter. I come from a part of the country which was occupied, and to a degree, completely occupied, for some years. I inherited some knowledge of the attitude of such people. I can understand it better than I otherwise would. It does not make any difference about the color of the skin or the nationality or anything else. The people are a part of the sovereign government, and they just dread the thought of ever being occupied.

I think we have been fortunate to have had this uninterrupted freedom for 25 years, and I believe by this adjustment we will perhaps have it 25 years more; but if we let an extreme, radical group get in control of Japan, we are not going to have it 15 minutes after they get in control.

Mr. President, I yield the floor.

Mr. FONG. Mr. President, the Senate is today deciding whether it should give its advice and consent to ratification of the agreement between the United States and Japan concerning the Ryukyu Islands and the Daito Islands. This treaty provides for the return of the Ryukyu Islands and the Daito Islands to the administrative control of Japan.

After reading and studying the statements that were given before the Senate Foreign Relations Committee on this matter, and after pondering all the ramifications and repercussions that could result from either acceptance or rejection of this treaty, I have concluded that ratification of the Okinawa Reversion Treaty is indeed in the best interest of the United States.

I firmly believe that this agreement will soon be seen as a historic and significant document because it would not only resolve the last major United States-Japanese issue arising from World War II, but it would also allow "the continuation of friendly and productive relations between the United States and Japan."

As President Nixon recognized in his letter of transmittal to the Senate:

> Japan's phenomenal economic growth represents a most significant development for us and for the other nations of the Pacific. Japan is now the third largest producer in the world and has developed with us the greatest transoceanic commerce in the history of mankind. The potential for cooperation between our two economies, the world's most productive and the world's most dynamic, is clearly immense. For this among other reasons, Japan and the United States have a strong mutual interest in the peace and security of the Pacific area. This interest is recognized in our Treaty of Mutual Cooperation and Security, which both our countries recognize as a keystone of our security relationships in that part of the world. I think all Americans also realize that a close and friendly relationship between Japan and the United States is vital to building the peaceful and progressive world both of us want for all mankind. The problems involved in strengthening the fabric of peace in Asia and the Pacific will undoubtedly be challenging. But if Japan and the United States go separate ways, then this task would be incomparably more difficult. Whatever differences may arise between our nations on specific policy questions, it is essential that the basic nature of our relationship remain close and cordial.

I agree with the President's assessment that it is in our country's interest to maintain a strong and positive partnership with Japan. I will vote for ratification because I believe that this treaty will contribute much to strengthening and improving the ties that bind us in our common pursuit for peace, economic development, and human betterment.

Mr. President, before closing, I wish to call my colleagues attention to an issue that has been stirring as a result of our decision to return the administrative rights over these islands to Japan. The question that is on the mind of many people is: Who has the legal and sovereign rights over the Tiao-Yu Tai Islands?

While testifying before the Senate Foreign Relations Committee regarding this matter, Secretary of State William P. Rogers conceded that:

> This treaty does not affect the legal status of those islands at all. Whatever the legal situation was prior to the treaty is going to be the legal situation after the treaty comes into effect.

Likewise, the report issued by the Committee left unresolved the question of legal sovereignty over the Tiao-Yu Tai Islands. On page 5 of its report the Foreign Relations Committee stated that:

> The Republic of China, the People's Republic of China and Japan claim sovereignty over these islands. The Department of State has taken the position that the sole source of rights of the United States in this regard derives from the Peace Treaty under which the United States merely received rights of administration, not sovereignty. Thus, United States action in transferring its rights of administration to Japan does not constitute a transfer of underlying sovereignty nor can it affect the underlying claims of any of the disputants. The Committee reaffirms that the provisions of the Agreement do not affect any claims of sovereignty with respect to the Senkaku or Tiao-Yu Tai Islands by any state.

The Tiao-Yu Tai Islands are a group of eight small uninhabited but oil-rich islands that are intimately related to the Chinese mainland and Taiwan. They are located about 120 miles from Taipei and 240 miles from Okinawa. Likewise, the surrounding waters are less than 200 meters deep while the water which separates these islands from the Ryukyus is over 1,000 meters deep.

Besides the geographical arguments favoring its exclusion from the present treaty, both the People's Republic of China and the Republic of China on Taiwan claim that the Tiao-Yu Tai Islands are historically and politically part of the territory of Taiwan, which both governments agree is a province of China.

Mr. President, in addition to the above reasons arguing against the inclusion of the Tiao-Yu Tai Islands into the Okinawa Reversion Treaty, I have in my possession a facsimile of an Imperial Edict which shows that in 1893 the Empress Dowager Tzu Hsi awarded the three small islands of Tiao-Yu Tai, Huang Wei Yu, and Chih Yu "to Sheng Hsuan Huai as his property for the purpose of collecting medicinal herbs."

One of Mr. Sheng's lawful descendants, Mrs. Grace Yi Hsu, a citizen of the United States, has the original of this document and therefore claims ownership to the three islands in behalf of herself and the other descendants of Mr. Sheng. It is my sincere hope that she be allowed every consideration in proving her family's claim to the three islands.

Mr. President, I ask unanimous consent that a translated copy of the Imperial Edict of Empress Dowager Tzu Hsi regarding the Tiao Yu Tai Islands be printed in the RECORD at this time.

There being no objection, the edict was ordered to be printed in the RECORD, as follows:

### TRANSLATION

(Imperial Edict of Empress Dowager Tzu Hsi issued on the 10th month of the 19th year of Emperor Kuang Hsu, *1893*)

The medicinal pills submitted by Sheng Hsuan Huai, *Tai Chang Szu* Cheng* have proved to be very effective. The herbs used in making the pills are said to have been collected from the small island of Tiao Yu Tai, beyond the seas of Taiwan. Being made of ingredients from the sea, the prescription is more effective than that available in the Chinese mainland. It has come to my knowledge that the said official's family has for generations maintained pharmacies offering free treatment and herbs to destitute patients. This is really most commendable. The three small islands of Tiao Yu Tai, Huang Wei Yu, Chih Yu are hereby ordered to be awarded to Sheng Hsuan Huai as his property for the purpose of collecting medicinal herbs. May the great universal benevolence of the Imperial Dowager Empress and of the Emperor be deeply appreciated.

(SEAL OF QUEEN MOTHER TZU HSI.)

The PRESIDING OFFICER. What is the pleasure of the Senate?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Is it correct to state that the pending treaty covering the Ryukyu and the Daito Islands has now gone through all the stages up to and including the presentation of the resolution of ratification?

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. And that it has been decided by the Senate that the vote will occur at 3 o'clock tomorrow, without further debate tomorrow on the pending business?

The PRESIDING OFFICER. The Senator is correct.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the resolution of ratification.

The yeas and nays were ordered.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

The PRESIDING OFFICER. Without objection, it is so ordered.

## THE REVENUE ACT OF 1971

Mr. LONG. Mr. President, I ask unanimous consent to submit at this time, on behalf of the Committee on Finance, a report on H.R. 10947, the Revenue Act of 1947.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. I ask unanimous consent to have printed in the RECORD an announcement of committee decisions reached in executive session, released to the press today, so that Senators may know the recommendations of the Senate Committee.

There being no objection, the press release was ordered to be printed in the RECORD, as follows:

### FINANCE COMMITTEE REPORTS REVENUE ACT OF 1971

Honorable Russell B. Long (D., La.), Chairman of the Committee on Finance, today announced that the Committee on Finance had finished its work on H.R. 10947, the Revenue Act of 1971 and that it had ordered the bill reported to the Senate. The principal features of the bill involve restoration of the investment tax credit, a codification of the asset depreciation rules of the Treasury Department, a speed-up of individual income tax cuts, repeal of the Federal excise tax on automobiles and light-duty trucks, and enactment of tax incentives to spur exports.

The Chairman reported that he was pleased the Committee had seen fit to agree to his amendment to upgrade the tax deduction for child care and housekeeping expenses of working mothers and single parents. He said that mothers who must work in order to provide an adequate living for their family should not be penalized by a tax statute which denied them reasonable deductions for these costs which they must incur when they work.

He also indicated his regret that the Committee on Finance was not willing to increase the personal exemption from $750 to $800. He stated that he was sure this was what the Senate itself would want to do, and he would have preferred that the amendment be added to the bill in Committee. Senator Long said that "without this amendment, the bill still suffers an imbalance as between the tax relief its offers business and the tax relief provided for individuals as compared to existing law."

Senator Long also reported his understanding that the Senate would begin consideration of this bill on Wednesday November 10, 1971.

Before completing its work on the legislation, the Committee on Finance amended the House bill in several important respects. These amendments and the revenue impact of the bill as ordered reported are described in the following paragraphs.

### REVENUE IMPACT

In general the Committee bill is slightly more expensive from a revenue standpoint than was the House version. In 1972 the Committee bill involves a revenue reduction of approximately $8.0 billion compared to a loss under the House bill of about $7.8 billion. Most of this difference is accounted for by the amendment to upgrade the deduction for child care and housekeeping expenses in the case of single parents and working wives. A comparison of the revenue impact of the House bill and of the Committee bill for 1971, 1972, and 1973 follows:

REVENUE ESTIMATES OF HOUSE VERSION AND SENATE FINANCE COMMITTEE VERSION OF H.R. 10947

[In millions of dollars]

| | 1971 | 1972 | 1973 |
|---|---|---|---|
| Individual income | −1,370 | +3,230 | −1,090 |
| Investment credit | −1,500 | −3,600 | −3,900 |
| ADR (¾ year) | +2,100 | +1,700 | +1,500 |
| DISC | | −100 | −200 |
| Total of lines 2, 3, and 4 | +600 | −2,000 | −2,600 |
| Excises | −900 | −2,560 | −2,260 |
| Total | −1,670 | −7,790 | −5,950 |

SENATE FINANCE COMMITTEE

| | 1971 | 1972 | 1973 |
|---|---|---|---|
| Individual income | −1,370 | −3,460 | −1,305 |
| Investment credit | −1,510 | −3,610 | −3,910 |
| "WIN" credit | | −25 | −30 |
| ADR (¾ year) | +2,100 | +1,700 | +1,500 |
| DISC | | −100 | −170 |
| Total of lines 2 to 5 | +590 | −2,035 | −2,610 |
| Excises | −930 | −2,540 | −2,240 |
| Total | −1,710 | −8,035 | −6,165 |
| Change from House | −40 | −245 | −215 |

### INVESTMENT TAX CREDIT

(a) *Restoration of the Tax Credit.*—The Committee agreed to the proposed restoration of the 7 percent investment tax credit and approved the effective date rules in the House. Under these rules, property ordered after April 1, 1971, or property delivered after August 15, 1971 (regardless of when ordered) would qualify for the credit.

The Committee amendments will clarify that railroad track (and installation costs), certain storage facilities (primarily those used on farms) and other structures closely related to the property they house, and coin-operated laundry machines used in lodging facilities are eligible for the credit.

(b) *Property Used Outside the United States.*—The Committee agreed to the provision in the House bill with respect to tax credits for communication satellites. In addition, it added amendments to the bill to assure that the tax credit will apply also to undersea telephone communication cables manufactured in this country, including cases where the cable connects points outside the United States if it is part of a link with the United States.

Also, the Committee added an amendment to the bill to extend the application of the 7 percent tax credit to special-purpose structures used on the high seas or on the continental shelf of foreign countries for exploration and extraction of underseas minerals.

Finally, the Committee approved an amendment to assure that financial institutions which make financial leases relating to vessels and aircraft used in the foreign trade of the United States would not suffer a reduction in their foreign tax credit by virtue of the transaction. In essence, the Committee amendment will provide that income under such a lease will be treated as income from domestic sources rather than income from foreign sources. This will facilitate arrangements under which lessors will obtain the benefit of the investment tax credit.

(c) *Buy America.*—The Committee generally agreed to the provision in the House bill denying the tax credit to property manufactured abroad for the period within which the import surcharge remains effective. However, this portion of the bill was amended to authorize the President to defer the restoration of the investment tax credit beyond the day on which the import surcharge is terminated. The Committee also agreed to the House provision which authorizes the President, in the public interest, to extend the credit to a class of foreign products, but amended it to allow him to make the credit applicable in such cases on a retroactive basis of up to two years.

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*Tai Chang Szu had control of the Imperial Court Infirmary. Tai Chang Szu Cheng was an official in Tai Chang Szu.

In addition, it is provided in the Committee amendments that foreign property ordered after March 31 and before the President's State of the Economy Message on August 15 will be eligible for the tax credit. As under the House bill, foreign property acquired thereafter will be ineligible.

It was also agreed that the report of the Committee on Finance will indicate that the President may find that it would be in the public interest to extend the investment tax credit to foreign property, such as agricultural implements, which has long been duty-free under the tariff laws.

(d) *Livestock.*—The Committee agreed to provisions in the House bill extending the investment tax credit to livestock, but it modified the House bill in two important respects. First, horses would not be eligible for the credit in any case. Second, livestock purchased within six months before, or six months after, the sale of similar livestock would be ineligible for the credit unless the investment tax credit on the livestock being sold has been subjected to the recapture rules. For this purpose, young breeding stock acquired to replace animals culled from a herd at the end of their useful life for that purpose would not be "similar" and the credit on the new animals would not be denied.

(e) *Used Property.*—Under the House bill, used property purchases of up to $65,000 would be eligible for the tax credit, but the $65,000 limitation would be reduced or offset by the amount of investment in new property during the year. The Committee deleted the offset feature and reduced the limitation from $65,000 to $50,000.

(f) *Regulated Utilities.*—The Committee agreed to eliminate an inequity between regulated communication utilities which qualify for a 4 percent tax credit and nonregulated communications systems owned by private business which, under the House bill, qualify for a 7 percent credit. The Committee decision equates the two situations by allowing only a 4 percent credit in both cases.

The Committee agreed to restore the full 7 percent tax credit to international telegraph companies. The House bill had cut them back to a 4 percent credit, as if they competed with domestic utilities. Actually, they compete with foreign government-supported international telegraph companies.

The House bill provides that if a utility commission acts contrary to the flow-through rules, and rate base rules, in the bill, the utility would be denied the tax credit for all open years in the past and all future years. The Committee modified the House bill so that the credit would be denied only with respect to the particular commission's area—not nationwide—and only for the period the commission does not follow these rules—not forever.

The House bill exerted a pressure on regulatory agencies to comply with the flow-through, and rate base, rules in the bill by April 1, 1972. The Committee amended the House bill to eliminate the April 1 deadline, and to provide instead that the new rules must be complied with in all final determinations of regulatory agencies after the effective date of the bill.

In addition, the Committee clarifies the House bill to prevent avoidance of the flow-through rules by regulatory agencies insisting on one rule for ratemaking purposes consistent with the bill, and a different rule for accounting purposes. Under the bill, the same rules would be required for ratemaking purposes and in the utilities' "regulated books of account."

Finally, the Committee bill makes the flow-through rules inapplicable in those instances where a regulatory body determines that the natural domestic supply of the product furnished by the regulated company is insufficient to meet present and future needs of the domestic economy.

(g) *Lessee-Lessor.*—The House bill provides that the investment tax credit is not to apply in the case of individuals who are lessors of property unless they are manufacturers or lease on short-term bases. The Committee clarifies the House bill so that corporate partners of a partnership will not be denied the credit.

The Committee also agreed that a lessor may pass through the full tax credit to a lessee only if the lease is for a period in excess of 80 percent of the "class life" of the property. In the case of short-term leases not qualifying for the pass-through of the full investment credit, a proportionate part of the credit—related to the period of the lease as a percentage of the class life for the property—may be passed through, but only to the *first* lessee.

(h) *Carryover of Pre-1971 Tax Credits.*—Under existing law, there is a special limitation under which not more than 20 percent of accumulated tax credits could be used in a year subsequent to 1969. The House bill repeals this limitation effective January 1, 1972. A Committee amendment accelerates the repeal of the 20 percent limitation so that it (as well as the regular 50 percent limitation on use of tax credits) would apply with respect to only five-eights of a calendar year taxpayers' liability for 1971, and the 50 percent limitation (but not the 20 percent limitation) would be applied to the remaining three-eighths of tax liability for 1971.

(i) *Accounting Principles and the Tax Credit.*—The Committee agreed to include in its report language to indicate that nothing in the bill should be construed to preclude the use of "flow through" in the financial reporting of net income in non-regulated industries, but that taxpayers should indicate on their financial reports the methods they used to account for the investment tax credit.

### ASSET DEPRECIATION RANGE (ADR)

The Committee generally agreed to the provisions in the House bill which incorporate into the statute the basic rules (other than the first-year convention) of the ADR system announced by the Treasury Department in January, 1971. Among the new statutory rules is one calling for a "class life" system for all assets.

In order to provide time for the Treasury Department to determine class lives for real property (and for so-called subsidiary assets, such as jigs, dies, textile mill cam assemblies, returnable containers, glassware and silverware), the Committee agreed to permit taxpayers to continue to use, for up to three years, shorter useful lives for those types of property if the shorter life is one which can be justified under the 1962 depreciation guidelines. Under this amendment, the transition period would end sooner than three years if the Treasury promulgates class lives for the property in question.

The Committee also agreed that railroads would be given an option, on a year-by-year basis, to use the repair allowance rules in existing law as added by the Tax Reform Act of 1969 or those under the ADR rules being codified by the bill.

### PERSONAL TAX PROVISIONS

(a) *Withholding Changes.*—The House bill makes changes in the withholding taxes to reflect higher personal exemptions and low income allowances and to reduce underwithholding. The new rules would become effective under the House bill in two steps. The first occurring November 15, 1971; and the second occurring on January 1, 1973. The Committee bill makes the entire change in the withholding rates effective January 1, 1972.

(b) *Deduction for Child Care-Housekeeping Expenses.*—The Committee agreed to an amendment under which (i) single parents—those who are widows or widowers, divorced or separated, (ii) taxpayers with disabled spouses, and (iii) married couples whose combined income does not exceed $12,000 per year, would be allowed to deduct up to $400 per month of the expenses involved in obtaining care, including housekeeping services, for children under age 14 or for disabled dependents in the taxpayer's home in order for the person to become gainfully employed. If the taxpayer chooses to have his children cared for in a child care center or in other child care facilities outside his home he could apply up to $200 per month of this deductible amount toward the expenses of caring for one child, $300 if two children are involved and the full $400 if more than two children are so cared for. In such a case, the remaining amount not used for outside child care would be available as a deduction with respect to amounts paid as housekeeping expenses.

Where a disabled dependent is being cared for, the amount of the deduction under this amendment must be offset by disability benefits received with respect to the dependent. In the case of married couples, the amendment would provide for a reduction in the total deduction that may be claimed so that for each $1 of additional earnings the amount deductible would be reduced by $.50.

### EXCISE TAX ON AUTOMOBILES, TRUCKS, ETC.

(a) *General.*—The Committee generally agreed with the features in the House bill providing for repeal of the 7 percent excise tax in the case of passenger automobiles and the 10 percent excise tax in the case of light trucks, those having a gross vehicle weight of 10,000 pounds or less. However, the Committee amended the House bill in a number of relatively minor respects.

First, it provided that the effective date of the repeal of the tax on light trucks will be fixed at August 15, 1971, thus conforming with the effective date provided by the House bill with respect to repeal of the automobile tax. Under the House bill, repeal of the light truck tax would have been September 22, 1971.

Second, the Committee agreed to impose a tax on original equipment tires on imported automobiles, trucks and other equipment and implements conforming the treatment of these tires with the treatment of tires for domestically produced vehicles.

Third, the Committee amended the House bill to repeal the 10 percent tax on light trailers generally used in connection with the light trucks the tax on which would be repealed by the bill. The trailers eligible for this tax exemption are those having a gross vehicle weight of 10,000 pounds or less. The Committee understands that the savings from repeal of the tax on these trailers will be passed on to the ultimate purchase of the trailers.

(b) *Foreign Automobiles and Light-Duty Trucks.*—In addition to the repeal of the excise tax on domestic automobiles and light-duty trucks, the Committee agreed to suspend the tax on *foreign* automobiles and light trucks, also effective August 16, 1971. However, the President would be authorized after the date of enactment of this Act to terminate the suspension and in effect to reimpose the excise tax on imported cars and light-duty trucks from any foreign country which discriminates against automobiles of U.S. manufacturers. The President's authority will be limited by the provisions in existing law which provide for a progressive reduction and ultimate repeal of the automobile excise tax by 1982, and a reduction of the 10 percent tax on trucks to 5 percent on October 1, 1977. After 1981, his authority with respect to both automobiles and light-duty trucks would terminate.

This amendment could be applied by the President, for example, to automobiles imported from those countries which impose special horsepower or weight taxes which discriminate against U.S. automobiles, or which impose higher consumption taxes on U.S. automobiles than are imposed on domestic cars, unless the discrimination is removed.

(c) *Truck Parts.*—The Committee *declined* to approve an amendment which would have repealed the tax on parts suitable for use on light-duty trucks. In making its decision, the Committee was aware that today there is no tax on automobile parts and, in many instances, parts used on automobiles are interchangeable with those used on light-duty trucks, the tax on which is repealed by this bill. Thus, in many situations, the truck part involved will not be subject to tax. Where the part involved is not interchangeable with an automobile part, the Committee felt it unwise to write an exemption which might apply to parts used on larger, taxable trucks.

(d) *Highway Trust Fund—Alcoholic Beverage Tax.*—The proposed repeal of the excise tax on light-duty trucks and trailers reduces the amount of revenues flowing into the highway trust fund for use in construction of the interstate highway system by about $350 million.

In order to restore an approximately equivalent amount to the highway trust fund so that the highway construction schedule will not be impaired, the Committee agreed to divert 7 percent of the revenues from the Federal excise tax on alcoholic beverages to the highway trust fund.

Under this amendment these revenues will be made available to the highway trust fund for each year through 1977.

Fourth the Committee will clarify the tax exemption of demonstrator vehicles and cars made available by dealers to schools for driver training prior to August 15 but which are returned to the dealer and sold by him subsequent to that date. Under this Committee decision, a refund of the tax on demonstrator automobiles and cars will be available if more than 50 percent of the mileage remaining under the warranty is unexpired on the date the vehicle is sold (under the House bill more than 80 percent of the warranty mileage must have been unexpired).

### STRUCTURAL IMPROVEMENTS

(a) *Standard Deduction and Personal Exemption—Trust Income.*—Under the House bill, the beneficiary of a reversionary trust would not be allowed to use his personal exemption or standard deduction to offset the trust income if he is related to the grantor of the trust. The Committee substitutes for this provision in the House bill a new rule under which the standard deduction (but not the personal exemption) would be denied with respect to unearned income of a child entitled to be claimed as a dependent of another taxpayer.

(b) *Hobby Losses.*—The Committee approved the provisions in the House bill relating to farm losses incurred by subchapter S corporations but added to the bill an amendment to clarify the treatment of hobby losses under the Tax Reform Act of 1969. Under the Act there is a presumption that an activity is engaged in for profit if the taxpayer realizes a profit in two out of the last five years (two out of seven if the activity relates to the racing of horses). Under the 1969 Act, this presumption would not apply if the loss year preceded the profit year during the first five (or seven) years of a trade or business or during the transition period following the effective date of the 1969 Act. The Committee amendment makes it clear that the presumption does a apply regardless of the order in which the profit years occur in these transition periods.

(c) *Western Hemisphere Trade Corporations.*—The House bill contained an amendment to make the Western Hemisphere Trade Corporations provision inapplicable if less than 95 percent of a corporation's gross income was derived from sources outside the United States and the Virgin Islands. Under existing law, Virgin Island income was treated as qualifying income. The Committee approved the provision in the House bill in principle with a relatively significant modification.

The Committee narrowed the scope of the House provision so that for Virgin Island tax purposes, the Western Hemisphere Trade Corporation provisions would be inapplicable. Thus, income taxable in the Virgin Islands would not be eligible for the 14 point tax reduction.

(d) *Capital Gains—Minimum Tax.*—The House bill provided that foreign capital gains and stock options would be treated as tax preferrence items for purposes of the minimum tax if the foreign country imposes no significant tax with respect to them. Under the House bill, this treatment applied retroactively to the effective date of the minimum tax, January 1, 1970. The Treasury Department had originally issued proposed regulations to the effect that if a country imposed no or a very small tax on all income, the amounts in question would not be tax preferences under the minimum tax. On June 24, 1971, the regulations were reproposed to indicate that these items would involve preferential income. The Committee bill clarifies the past by treating the items as tax preferences for minimum tax purposes from June 24, 1971. It also agreed to clarify that foreign non-taxable transactions, such as corporate reorganizations are not to cause a capital to be treated as a tax preference if it is considered to arise for United States tax purposes because of an allocation of income or a deemed distribution under the corporate reorganization provisions.

(e) *Net Leases-Real Estate.*—The Committee generally agreed to the provision in the House bill regarding the determination of excess interest for purposes of the minimum tax and, effective in 1972, the denial of a deduction for one-half of net investment interest. However, the Committee modified the House bill (and the existing law) in three significant respects. First, it amends the definition of excess investment interest so that to the extent the taxpayer incurs an "economic loss" as contrasted to a "tax loss," the interest involved would not be "excess investment interest," and therefore would remain deductible. In addition, the Committee bill will provide that in determining "excess investment interest" under the so-called 15 percent method taxpayers may elect to aggregate their leases in a single property making it unnecessary to characterize each lease separately as a business lease (the interest on which would be deductible) or as an investment lease (the interest on which would be a preference).

Finally, the Committee agreed to omit properties five years or older from the calculation of excess investment interest unless the taxpayer elects to include all such properties as investment properties.

(f) *Capital Gains Income of Trusts-Throwback Rules.*—The Tax Reform Act of 1969 included a provision to become effective in 1972 under which capital gain income of trusts would be subjected to an unlimited throwback, just as other income of the trusts. A Committee amendment to the bill would defer for one additional year until January 1, 1973, the effective date of the 1969 provision.

(g) *Bribes and Kickbacks.*—Under the Tax Reform Act of 1969 certain bribes and kickbacks (which under the prior law had been deductible) inadvertently were made deductible. The Committee amended the House bill to restore the prior law by denying the deduction for bribes and kickbacks or other illegal payments where the payment involved was in violation of a State statute which is being generally enforced, or in violation of a Federal law. In addition, the Committee bill makes medical referral fees (bribes or kickbacks) illegal under the Medicare-Medicaid Program and other Federal health programs.

(h) *Dividend Distribution to Foreign Corporations.*—Present law limits the portion of a non-cash distribution from one corporation to another which may be treated as a dividend to the lower of the fair market value of the property or its adjusted basis. In the case of distributions to foreign corporations this rule may permit avoidance of U.S. tax on the gain when the property (on which dividends were limited to adjusted basis) is later sold by the foreign corporation. To deal with this possibility, the Committee bill includes an amendment under which the taxable amount of a dividend in property to a foreign corporation will be the fair market value of the property distributed.

(i) *Original Issue Discount.*—The Tax Reform Act of 1969 provided rules for taxing original issue discount on bonds, but makes no provision for collecting tax on this discount in the case of bonds held by a nonresident alien. The Committee bill includes amendments under which the issuer of bonds (with a maturity of more than six months) to a non-resident alien individual would withhold tax (at the regular rate of 30 percent), not only on the interest paid on such bonds, but also on the original issue discount attributable to the period to which the interest relates.

(j) *Foreign Beneficiary of Domestic Trust.*—The Committee bill changes the rules for taxing rental income received by a foreign beneficiary of a U.S. trust (such as a real estate investment trust) to correct a situation under which the 30 percent withholding tax has been diluted by assessment against a "net" income of the trust rather than a "gross" income. Under the Committee decision, the amount of trust income taxed to the foreign beneficiary will be "grossed-up," by in effect adding back in the foreign beneficiary's share of deductions taken by the trust.

### DOMESTIC INTERNATIONAL SALES CORPORATION

(a) *General.*—The Committee on Finance agreed to the provisions of the House bill relating to Domestic International Sales Corporations (DISC) with three important amendments:

(1) In lieu of the approach of the House bill to allow deferral only with respect to profits on sales above base-period sales (the base period would be 75 percent of export profits in the three-year period 1968–1970), the Committee amendment permits tax deferral on 50 percent of the export profit of the DISC.

(2) Whereas the DISC provisions of the House bill were written as permanent law, the Committee amendment would terminate the deferral privilege after 1982. Under this Committee amendment, income deferred during the intervening ten years could remain deferred beyond the termination of the DISC legislation.

(3) Deferral is not to be allowed to the extent DISC profits are invested in foreign plant or equipment. Under this "fugitive capital" feature, a DISC's profits will be considered invested in foreign plant or equipment to the extent foreign plant and equipment investments of the DISC's parent (and affiliates) are in excess of (a) 50 percent of the group's foreign earnings, plus (b) the amount of funds raised by the group in the form of debt or equity.

(b) *Export Trade Corporations.*—The Committee also approved an amendment which would retain in the law provisions authorizing tax deferral in the case of Export Trade Corporations. Under the House bill, these deferral provisions would have been terminated with the enactment of the DISC. Under the Committee amendment, existing Export

Trade Corporations may continue to be used as an alternative to Domestic International Sales Corporations.

### JOB DEVELOPMENT—WORK INCENTIVE PROGRAM

The Committee approved an amendment (the text of S. 1019) to develop job opportunities for welfare recipients through a job development tax credit and through improvements in the existing Work Incentive Program for Welfare recipients.

As an incentive for employers in the private sector to hire individuals placed in employment through the Work Incentive Program, the amendment would provide a tax credit equal to 20 percent of the wages and salaries paid to these individuals. The credit would only apply to wages paid to these employees during their first 12 months of employment. It would be recaptured if the employer terminated employment of an individual during the first 12 months of his employment or before the end of the following 12 months.

The amendment would also make a number of structural improvements in the existing Work Incentive Program for welfare recipients. First, it would require that 40 percent of the funds spent for the WIN Program be for on-the-job training and public service employment. Second, it would require the Secretary of Labor to establish local labor market advisory councils whose functions would be to identify present and future local labor market needs. These findings would have to serve as the basis for local training plans under the WIN Program to assure that future training was related to actual labor market demands. Third, it would simplify the financing and increase the Federal share of the cost of public service employment (special work projects) by providing 100 percent Federal funding for the first year and 90 percent Federal sharing of the costs in subsequent years.

### BALANCE OF PAYMENTS EMERGENCY AMENDMENT

The Committee approved an amendment to provide the President with discretionary authority to protect the balance of trade and balance of payments of the United States by allowing him to: (1) impose selective or general import quotas, or (2) impose an import surcharge of up to 15 percent of the value of the imported article, during a "balance of payments emergency."

Under the amendment, the "national emergency" proclaimed by the President on August 15 under Proclamation numbered 4074 is deemed to be a balance of payments emergency for the purpose of this amendment. In addition, for future emergencies, the President may, from the date of enactment until December 31, 1976, proclaim a balance of payments emergency whenever he determines that—

(1) The balance of payments has been in deficit for four consecutive calendar quarters;

(2) The United States has suffered a serious decline in its international monetary reserves; and

(3) There is a serious threat to the international financial or international trade position of the United States.

The President could terminate a balance of payments emergency period at any time. In any event, it would terminate three years after he initially proclaims it, unless within that period, he proclaims it is necessary to continue the authority, in which case it may continue until December 31, 1976.

The quota and surcharge authority may be used selectively with respect to countries and products, except that the President may not impose a quota and surcharge on the same product, and must relate any quota to a recent representative base period of imports. The surcharge may not be applied to duty-free products. The President may increase, or decrease, or terminate the quotas or surcharges in effect or impose new ones, in accordance with the criteria specified above.

In general, the quota features of this amendment are patterned after Article XII of the General Agreement on Tariff and Trade, which permit countries suffering balance of payments difficulties to protect their external monetary reserves by imposing quotas. The amendment would make it unnecessary for the President to invoke the broader authority included in the "Trading With the Enemy Act" against friendly trading partners. The authority granted by this amendment with respect to surcharges clarifies the President's authority to impose surcharges on imported goods, enabling him to impose a uniform surcharge without regard to the amount of prior tariff concessions. The surcharge he proclaimed on August 15 was less than 10 percent in some cases because the authority under which he acted limited his action to a termination of suspension of past concessions. The Committee felt that the flexibility afforded the President by this provision to impose surcharges and quotas selectively is necessary in the light of the continuing balance of payments crisis and the negotiations over trade and monetary matters which are likely to continue over the next several years.

### GENERAL

Provisions of the House Bill Not Described Herein were generally approved by the Committee without substantive change.

## SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate turn to the consideration of Calendar No. 425, S. 2820. I do this so that the bill may become the pending business.

The PRESIDING OFFICER (Mr. HANSEN). The bill will be stated by title.

The ASSISTANT LEGISLATIVE CLERK. A bill (S. 2820) to provide for an economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

The PRESIDING OFFICER. Is there objection to the present consideration of the bill?

There being no objection, the Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, for the information of the Senate, the introductory statements will be made on this bill this afternoon. There will be no votes today. The distinguished assistance majority leader has indicated the procedure which will be followed; I make this statement only to corroborate what he has said, and to put the Senate on notice as to what the situation will be for the rest of the day.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Mr. President, I believe that the Senates' rejection of the omnibus foreign aid bill was a salutary development which should lead to a more rational foreign aid policy and a more realistic view of America's role in the world. The Senate's 41-to-27 vote was a rejection of the old; the bill before us is the beginning of the new. This bill represents the first, irrevocable step toward reordering our foreign aid priorities.

The Committee on Foreign Relations has reported two interim bills which provide reduced funds for a phaseout of the old economic and military aid programs pending the drafting of a new long-range program by the committee next session. Each of the two revised bills begins with a statement of policy which states that:

> The bill looks to the phaseout of the current program and to the establishment of a new one which will command the respect and support of Congress and the American people.

Obviously, the old programs did not.

The defeat of H.R. 991 by the Senate was the result of a number of factors. One was the fact that, traditionally, authorizations for foreign economic development, humanitarian, and military programs have been lumped into one bill, forcing members of the Senate to take—or reject—the bad with the good, according to how he viewed each category. The Senate's rejection of H.R. 9910 reflected the growing dissatisfaction by Members with one or more components of foreign aid. Some support bilateral economic and humanitarian aid but oppose military aid. Many Members support military aid and oppose economic assistance. Others support multilateral and humanitarian aid but oppose bilateral aid, as presently constituted. And so it goes. Members of the Senate have not been accorded the opportunity to vote on the merits of each major aid category—bilateral economic aid, military aid, and multilateral and humanitarian aid.

In order to insure that each of the three major categories stood, or fell, on its own merits, I offered in committee three bills which separated the present hodge-podge of programs and allowed authorizations at reduced levels during the phaseout period. Three bills, instead of two, would have provided a sharper delineation of the purposes and objectives of each aid category, and given guidance on how the Senate wanted the new foreign aid programs to be shaped for the future. But, to my regret, the committee decided to combine the bill for bilateral economic aid with that for humanitarian and multilateral programs. The Senate will still be prevented from expressing itself clearly on each of the three categories.

In the past the Foreign Relations Committee has urged passage of separate bills for economic and military assistance. But, thus far, it has failed to persuade the House of Representatives on the merits of separating the two programs, primarily, I believe, because of tactical considerations in getting aid legislation through the House. The committee last tried to separate the economic and military programs in 1966. Its report on the economic aid bill had this to say:

> A majority of the committee believes that handling programs by separate bills will allow each to stand on its own merits and that the public will gain a better understanding of the distinctions between the two programs. It has been argued that the economic aid program may be emasculated by the Congress if military assistance is not a part of the package. If the economic aid program is so distasteful to the public and the Congress, it should not continue to have a free ride on the back of military aid. Congress should have the opportunity to consider the program as a separate measure and shape it to more acceptable proportions if it is that unpopular.

The committee has again decided to report two separate bills which will permit Senators to weigh military and economic aid on their respective merits. No longer will either of these categories ride on the back of the other. Each will stand or fall by itself.

Together, the two bills approved by the committee contain all of the policy provisions in the omnibus foreign aid bill defeated by the Senate. These provisions appear in whichever of the two new bills is most appropriate for the subject matter. For example, the Cooper-Church amendment and the prohibition on aid to Greece do not appear in either bill, since they were stricken from H.R. 9910 by vote of the Senate. However, the requirement for the phaseout of development loans is in this bill; the Mansfield amendment, and the $341 million ceiling on aid to Cambodia are carried over in the military aid bill. The only substantive change added in the committee is an amendment relating to the administration of the program for relief of Pakistani refugees.

The pending bill authorizes a total of $1.1 billion for economic and humanitarian assistance programs in fiscal 1972. Of this amount, $695 million is for bilateral economic assistance programs, $154 million is for multilateral programs—primarily under United Nations auspices—and $295 million is for humanitarian relief programs. This is a reduction of $160 million from the amounts in the omnibus bill defeated by the Senate.

In addition to these money authorizations, the bill makes the following policy changes:

First, calls for shifting more of our economic aid to a multilateral basis and requires a phasing-out of the bilateral loan program;

Second, ties the release of funds appropriated for foreign aid and military sales funds to prior release of impounded funds for domestic programs;

Third, provides for annual authorization of appropriations for the Department of State and the U.S. Information Agency;

Fourth, suspends all assistance and military sales to Pakistan, except humanitarian relief. The President must make certain findings before aid could be resumed;

Fifth, tightens the Hickenlooper amendment relative to prohibiting assistance to countries which expropriate American-owned property without fair compensation;

Sixth, authorizes assistance for purposes of controlling the international drug traffic and provides for a cutoff in assistance to countries which do not take adequate steps to control the production, processing, and distribution of drugs; and

Seventh, calls upon the President to take appropriate action to bring about a reduction of the United States regular assessments for the United Nations to not more than 25 percent of the total U.N. budget, and requires annual authorization of U.S. contributions to United Nations programs.

Mr. President, the handwriting has been on the wall for foreign aid for years. On the basis of the reaction of my own constituents, and from what I have heard from my colleagues, the public seems to look upon the Senate's defeat of the aid bill as one of the few constructive things Congress has done in recent years. Perhaps it was inevitable that a foreign aid bill had to go down to defeat before real reforms could be made. No foreign policy can be successful unless it has the support of the American people. Both foreign aid and the war in Vietnam are prime examples. Foreign aid squeaked through Congress each year only because it was constantly being sweetened up with something for everybody—exports for business and labor, investment guaranties for the bankers, fighting communism with arms aid for the conservatives; building schools and hospitals for the liberals; and so on down the list. Foreign aid bills have become a grab bag, a grab bag for everyody but the American people who pay the bills.

I think it is fair to say that the public neither supports nor understands the rationale for much of the foreign aid program. Humanitarian aid, yes. But the programs for which the great bulk of the aid money goes have yet to make a valid case in the public mind. If the new approach to foreign aid is to succeed in the long run, it must be one which the people understand and support. It will not be easy to create a sensible program out of the present chaotic situation but that is the challenge for the committee in the coming months. We will do our best to develop a new concept which will command the support of both Congress and the public.

I believe we are now at a critical turning point and that the Senate is in the position to initiate a major revision in American foreign policy.

Mr. President, the report on this bill, of course, carries a detailed analysis of the provisions of each of the aid categories. As I have said, I think it is better to have two bills than one, but it is not as good as three.

In view of the situation on the floor at present, I think it would be useful at this time to make the statement on the military aid bill although it is not pending; it will however follow this bill. This will, I think, prove useful by having the two statements together in the RECORD.

Therefore, I will proceed to make a short statement on the military aid bill, which I understand is scheduled to follow the economic aid bill.

### THE MILITARY AND RELATED AID BILL

I will be brief in explaining the committee's recommendations for military and related aid. The Senate is already aware of the committee's objectives in separating the omnibus foreign aid package into two bills.

This bill authorizes a total of $1,185,000,000 for military aid and related programs in fiscal year 1972. This is a reduction of $425 million from the same programs in the bill as defeated on October 29. The total is broken down as follows:

[In millions]

| | |
|---|---|
| Military grant assistance | $350 |
| Military credit sales | 400 |
| Supporting assistance—general | 350 |
| Supporting assistance—Israel | 85 |

A ceiling of $550 million is authorized for military credit sales and, of that amount, not less than $300 million is earmarked for Israel.

In addition to the authorizations I have listed, the bill carries over the pertinent policy provisions from H.R. 9910. The most significant of these are:

First, declare a national policy that all U.S. forces be withdrawn from Indochina within 6 months, subject to release of prisoners of war;

Second, imposes a ceiling of $341 million on obligations and expenditures in or for Cambodia in fiscal year 1972 and puts a ceiling of 200 on the number of American civilian and military government personnel in Cambodia;

Third, requires the President to submit to Congress a country-by-country list of foreign aid allocations within 30 days after passage of the appropriation bill and permits a maximum 10-percent increase in aid in each category and country by transfer of funds from other countries or program without advance notice to Congress;

Fourth, requires advance notice to Congress before use by the President of the transfer, waiver, and certain other special authorities available to him under the Foreign Assistance Act;

Fifth, requires a 25-percent cutback by September 30, 1972, in the number of U.S. military personnel assigned abroad to military advisory missions or similar groups;

Sixth, requires 25-percent payment in foreign currency for U.S. military grant aid; and

Seventh, prohibits waiving by the President of the ceilings on military aid and sales to Latin America and Africa.

Mr. President, the military assistance to be authorized by this bill is only a small part of the money and arms the United States plans to give this fiscal year to other countries for military purposes. The conference report on the defense authorization bill, which will be before us shortly, contains an authorization of $2.5 billion in military aid for Southeast Asia; $454 million in surplus weapons and materials will be given away under authority of the pending bill and other legislation—not counting the vast amounts to be given to South Vietnam, Thailand, and Laos; $90 million in naval ships will be transferred to other countries; and so it goes. All components add up to a total military aid program of nearly $5 billion. And that does not include military aid channeled through the CIA or cash and commercial sales of arms.

There is still about $1.4 billion in the pipeline for the regular military grant aid and credit sales programs, which are to receive additional funds under this bill. We will be dispensing arms through these programs for a long time, even if no additional money is provided this year.

I believe that the amounts the committee approved are much too generous and I hope that they will be reduced by action on the floor. The $1.2 billion in this bill is $370 million more than Congress appropriated for the same purposes in fiscal 1970. With a $30 billion-plus deficit facing us, an unprecedented balance-of-payments deficit, and continued deterioration of our domestic situation, especially in the big cities, I think that

Congress should not approve a military aid program above the 1970 figure.

In closing, Mr. President, I wish to say a few words about the many dire predictions we have been hearing from the vested foreign aid interests about the terrible things that will happen—both here and around the world—if we stop, or seriously reduce the aid program. They differ only in degree from the predictions of calamity we get from the executive branch each year that Congress cuts back a bit on an administration request. Congress has heard cries of "wolf, wolf" for many years. Yet, the world still turns and it will continue to turn if we do not pass any military aid bill at all.

Whether we have a military aid program, and, if so, how large, is a matter on which the Senate should exercise its independent judgment. The track record of the last several Presidents in the use of military aid as a foreign policy tool is not a persuasive one. I think the Senate is capable of doing better and the reductions made by this bill are a good start, although not so much of a start as I would like.

Mr. President, recently there have been two or three other things I want to call to the attention of the Senate which I believe are relevant to these bills.

### THE AIR WAR IN INDOCHINA

Mr. President, most Americans appear to hope and believe that American involvement in Southeast Asia and direct American participation in fighting in Vietnam are coming to an end. These hopes and beliefs are constantly reinforced by an endless series of official announcements dealing with projected troop withdrawals, the deactivation of military units and comparisons of past and present trop strengths and casualty figures. Moreover, day after day we are reminded that combat responsibility is being handed over to the Vietnamese.

Due perhaps to the extraordinary success of this thought conditioning process, relatively little public attention has been devoted to the continuing intensity of the U.S. air war in Indochina. It will come as a surprise, therefore, to most Americans to read that "in 1971 as much bombing is being done in Indochina as was done in all theaters in World War II." Similarly, it will surprise many to read that the Nixon administration, which promised us an end to the war "will have deployed in 3 years as much bomb tonnage as the Johnson administration did in 5."

The foregoing statements, supported by extensive documentation, appear in a research document entitled "Air War in Indochina" release today by a group at Cornell University. I commend this report to the attention of my colleagues. The air war report not only renders a detailed accounting of the tragedies and failures connected with the Southeast Asia air war in the past 7 years but, more importantly, it underscores the need for a clear cut statement of policy on the part of the President regarding the future of U.S. air operations in Indochina.

It is obvious to me after examining this report that the answer to the question of whether American involvement in the war is to be ended—as the American people hope and believe—or whether the administration will continue to deal in illusions, is bound up in the President's future plans with regard to American air combat units in Southeast Asia.

While acknowledging that U.S. air activity in South Vietnam has been significantly reduced in the past 3 years, the air war report makes it abundantly clear that "as U.S. troops are withdrawn, massive aerial firepower remains to substitute for manpower." On the basis of the analysis presented in the report it appears that direct U.S. combat air support is of even greater importance in the ongoing conflicts in Cambodia and Laos than it is in South Vietnam.

Thus far the administration has not evidenced any credible interest in negotiating a political settlement in Indochina or in reaching an agreement which would secure the release of American prisoners in return for setting a complete withdrawal date. It is difficult to escape the conclusion, therefore, that the President is still determined to control the future of Southeast Asia by the application of force. As time passes and U.S. troop withdrawals continue in the absence of compromise, I fear that the administration will find itself, as the air war authors suggest, "still boxed in by the enemy's military initiatives" with retaliation from the air as the only remaining available response.

In light of the facts and analysis presented in the air war report, such a strategy would appear to be unacceptable both in terms of its indiscriminate and destructive impact on the people of Southeast Asia, and in terms of the political and military risk involved.

I hope that my colleagues in the Senate will study the air war report and reflect upon its findings. When one considers the futility and the tragedy of the air war one can well ask, as the authors of the report do, Why was it done? A more timely question, and one which the President should be expected to answer a week from today is, Will it continue?

Mr. President, I ask unanimous consent to have the press release bearing on this research report printed in the Record.

There being no objection, the press release was ordered to be printed in the Record, as follows:

### Air War in Indochina

A research report released today by a group at Cornell University presents for the first time detailed statistical data on the American air war in Indochina. The report contains both a historical account and a technical analysis of the problems connected with air missions. This provides the basis for an accurate interpretation of the present level of deployment of American air power and for a study of the trends for the immediate future. The data reveal that, contrary to reports and impressions, the air war in Indochina is not being "wound down" like the ground war. As U.S. troops are withdrawn, massive aerial firepower remains to substitute for manpower. The Administration's policy of withdrawal-without-political-compromise leaves it still boxed in by the enemy's military initiatives; the only response available is massive retaliation from the air.

The study, sponsored by the Center for International Studies at Cornell University, found that in 1971 as much bombing is being done in Indochina (which is about the size of Texas) as was done in all theaters in World War II. In the first 8 months of this year, over half a million tons of air-dropped munitions were used, 17 times the total amount used by the British in 10 years of successful counterinsurgency in Malaya. By the end of this year, the Nixon Administration will have deployed in three years as much bomb tonnage as the Johnson Administration did in five.

In South Vietnam alone, the U.S. has already dropped 3.6 million tons of bombs, almost four times as much as it used in the Korean war. The report presents a study of the impact of an air war conducted on such a scale. Only 5% to 8% of the air sorties flown in South Vietnam were in direct support of American or allied troops in battle; the rest were for interdiction, harassment, and retaliation—missions which, in a country being defended not attacked from the air, result in widespread civil destruction among the population whose allegiance is being sought. The motivation for many of the air strikes is documented by the leaflet drops which preceded them; the texts of several such leaflets are cited. In South Vietnam to date, it is estimated that there have been over one million civilian casualties, including 325,000 deaths, while over 6 million people (one-third of the population) have become refugees.

U.S. air activity in South Vietnam itself has been cut back, with the South Vietnamese Air Force taking up some of the tactical bombing assignments. U.S. emphasis is now more on saturation bombing by B–52 Stratofortresses. A typical mission of six B–52s drops 300,000 pounds of high explosive in a fraction of a minute. (A hand grenade contains less than one pound.) Such bombing without a detailed target demolishes an area corresponding to 200 city blocks. Over half the tonnage dropped in South Vietnam has been in such massive saturation raids.

Bombing of the North between 1965 and 1968 failed to yield significant results. Economic damage inflicted was about $500 million, with casualties reaching 100,000, 80% of whom were civilians. (Equivalent damage in the U.S. would have been $200 billion and 1.2 million casualties.) In spite of the intensity of the air effort, CIA and Defense Department studies at the time showed no measurable reduction in North Vietnam's will or capability for contributing to the war in the South. The statistics cited in the report show that the 1968 bombing "halt" did not actually reduce air activity in Indochina, but only shifted the focus—first to below the 20th parallel, and then to Laos and the Ho Chi Minh Trail.

Despite Nixon Administration denials, a major air effort has been carried out in northern Laos to support ground activities of the Royal Laotian Government totally unconnected with the conflict in Vietnam. U.S. bombing there during 1969, the study reveals, was as intense as that during the attack on North Vietnam (200,000 tons per year in an area the size of Kentucky), and even fewer restrictions were placed on the use of air power than in Vietnam. The recurring reports of widespread devastation of Laotian society are credible in the light of these facts. Despite this massive bombing effort the Pathet Lao now control more territory than ever before.

In Cambodia, American air operations have been conducted with sustained intensity since 1970. They have included not only interdiction missions against supply and troop concentrations in the northeast, but also close-support operations for Cambodian and South Vietnamese troops. At present Cambodia has joined the list of Indochinese countries totally dependent on the U.S. for their military and economic survival.

The air war over the Ho Chi Minh Trail in southern Laos has been steadily escalating since 1966, with 400,000 tons of munitions dropped this year. This interdiction campaign has become the focus of the U.S. air war in Indochina; it has also served as a laboratory for the improvement of air-war technology. Elaborate and expensive electronic devices are being developed as instrumentation for an "electronic battlefield," the goal of which is automated and computerized warfare, providing an all-weather, day-night interdiction capability. This development is a further step in the depersonalization of war: "machines fight the gooks, and no human beings are involved on either side!"

The direct budgetary costs of the air war thus far have been about $25 billion, or about one-quarter of the cost of the Indochina war, with the total U.S. economic costs estimated at more than $50 billion. The immense cost to the people of Indochina cannot be put in such precise figures, but it must be taken into account in evaluating the air war.

The air war has also resulted in a direct and massive onslaught on the ecology of Indochina. More than one-third of the forest area of South Vietnam has been sprayed with defoliants, one-half of the country's mangrove forests have been killed off, and enough food has been destroyed by herbicides to feed 600,000 people for one year.

In terms of military effectiveness, the study finds that although air power has been able to achieve narrowly defined military missions, such mini-successes have not added up to yield an overall position of strength. U.S. political aims in Indochina are hardly more secure today than ten years ago. Indiscriminate destruction resulting from the use of air power amidst civilian populations contributes to the continuing weakness of friendly regimes in Indochina.

Various examples point to the paradox inherent in the mechanized American response to guerrilla warfare. For instance, one Defense Department analysis showed that the massive American bombing gave the enemy more than enough explosives from dud bombs, 27,000 tons in 1966 alone, to make his mines and booby traps. Such devices killed over 1,000 U.S. soldiers that year, while the air strikes were estimated to have killed no more than 100 of the enemy.

The credibility of U.S. government statements about the air war is called into question by numerous discrepancies. The Pentagon Papers have now revealed developments through early 1968; this report draws attention to events since that time. In 1969, when 200,000 tons of bombs were dumped on northern Laos, Washington officially admitted only to flying "reconnaissance" missions. B-52 raids in northern Laos went on for more than a year before official acknowledgement. It was stated that U.S. planes were not giving close support to Cambodian troops when in fact they were. "Protective reaction" raids against North Vietnam strike a wider range of targets than their official description implies.

In surveying the present trends in the air war, the report finds that there has indeed been a significant withdrawal of American air power from Southeast Asia. Despite this relative decrease in the number of U.S. aircraft deployed in the theater, more than enough remain to permit a continuation of the air war on a massive scale. American attack planes are being withdrawn primarily from bases within South Vietnam, substantial numbers remain in operation from bases in Thailand and carriers in the South China Sea. At the same time, the South Vietnamese Air Force is being built up to take over many of the in-country operations, while relying however, on U.S. aircraft for the maintenance of air superiority and for missions in other parts of Indochina.

Aerial bombing has undeniable military advantages in conventional warfare with massed troop concentrations; but in guerrilla warfare, the study concludes, the American capital-intensive response, substituting lavish firepower for manpower, is both inefficient and indiscriminate. Military gains, which at most buy time, are mitigated by heavy civilian damage from air war, the consolidation of enemy morale which frequently results, and the unfavorable image of the U.S. projected abroad. Close air support of friendly troops has definite advantages—but only a small fraction of the U.S. air effort has been devoted to that mission. Interdiction is a valid objective—but it has yet to be shown that air power under Indochinese conditions can reduce the flow of men and material enough to curtail guerrilla activities.

This study of the air war in Indochina was undertaken by 20 researchers from the fields of government, economics, Southeast Asian studies, international law, ecology, history, and the natural sciences. It is based on interviews with over 80 experts and a survey of available literature. The work was sponsored by the Peace Studies Program of the Cornell Center for International Studies and the Program on Science, Technology, and Society, with financial support from the D.J.B. Foundation of New York.

Mr. FULBRIGHT. Mr. President, one other document that I thought was revelant relates to the Harris survey published in the Washington Post on November 8, entitled, "Public Backs Viet Pullout by May, 3 to 1."

It reads:

By nearly 3 to 1, the American people favor "getting completely out" of Vietnam by next May. The public is looking for an intent to liquidate U.S. involvement rather than an immediate withdrawal.

Between Oct. 26 an Oct. 31, a cross section of 2,004 households was asked:

If it meant keeping the communists from taking over Vietnam, would you favor or oppose the following?

[In percent]

| | Favor | Oppose | Not sure |
|---|---|---|---|
| Leaving 50,000 noncombat U.S. troops there | 32 | 55 | 13 |
| Continuing to use U.S. bombers and helicopters to support the South Vietnamese Army | 29 | 57 | 14 |
| Continuing to send over $1,000,000,000 a year in military aid to the South Vietnamese | 16 | 70 | 14 |

Even at the risk of a Communist takeover, sizable majorities of the public want the United States out completely from Vietnam.

For the first time, a clear majority of Americans say they feel that the pace of withdrawal of U.S. troops from Vietnam is "too slow." The cross section was asked:

Do you feel the pace of withdrawal of U.S. troops from Vietnam is too slow, too fast, or at about the right pace?

[In percent]

| | Too slow | Too fast | About right | Not sure |
|---|---|---|---|---|
| Late October 1971 | 53 | 3 | 38 | 6 |
| July | 42 | 4 | 48 | 6 |
| April | 45 | 5 | 45 | 5 |
| March | 34 | 3 | 53 | 10 |
| February | 46 | 4 | 42 | 8 |
| January | 33 | 5 | 55 | 7 |
| July 1970 | 32 | 8 | 48 | 12 |
| May | 27 | 13 | 46 | 14 |
| April | 34 | 8 | 47 | 11 |
| December 1969 | 26 | 5 | 56 | 13 |
| October | 30 | 9 | 51 | 10 |

The main segments of the public where the pressure is greatest to disengage from the war as opposed to a further "winding down" of the war are in the East, among women, among young people under 30 and among blacks.

By contrast, the last-ditch supporters of the war, now a distinct minority, are most often located in the South in small towns and areas, and among persons 50 years of age and older.

Asked if they favored or opposed the United States "getting completely out of Vietnam by May, including all combat and non-combat troops," the vote was 62 per cent in favor and 21 per cent opposed.

The significance of this, to me, is that it relates especially to our military aid program to Cambodia of $341 million, which was discussed at length on the floor during the earlier foreign aid debate. I believe the $341 million ceiling was approved by a very narrow vote. It was very close. Of course, the Record speaks for itself.

I have been and I still am very deeply concerned about this item, and not solely because of the amount of money, although it is a vast amount.

Two years ago, we supplied little, if any, aid to Cambodia. At the time Sihanouk was overthrown, we had no Ambassador there. If there was any aid, it was a minimal amount. There may have been something for Cambodia by way of the multilateral aid programs, but our bilateral aid did not amount to anything. In view of this, I am very concerned about the sudden and rapid increase to $341 million in aid to Cambodia.

I raised the question in the committee with the Secretary of State concerning the policy significance of this. I asked what the ultimate objective of the program was to justify such an enormous increase in this item for Cambodia, a small country with a population of about 6.5 million.

I did not get a satisfactory reply from the Secretary with regard to my question concerning the policy significance of this large amount of money for Cambodia.

I was told, as usual, that this amount would be needed to protect the withdrawal of our soldiers. To me this is a nonsequitur. I do not see how this very large increase in aid to Cambodia would have any particular bearing on our withdrawal policy. I think it has some other significance.

In this connection, I want to draw attention to an article published recently in the paper about an alleged recommendation of the Joint Chiefs to the Secretary of Defense. The article states that our Government plans a major increase, which we will pay for, in the size of the Cambodian Army from its present 180,000 to 300,000 by 1977.

This article is from the New York Times of October 13. I will read some selected paragraphs and I ask unanimous consent that the entire article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### JOINT CHIEFS SAID TO DEVISE COSTLY CAMBODIA WAR PLAN

Washington, October 12.—The Joint Chiefs of Staff are said to have designed a

> costly program of "pacification" and other unconventional warfare for Cambodia to protect South Vietnam's western flank as Americans continue their withdrawal from Indochina.
>
> They have also proposed a series of budget devices to augment the funds that Congress will be asked to provide for expanding the Cambodian Army over the next five years.
>
> The Chiefs submitted their program last month to Secretary of Defense Melvin R. Laird, according to Congressional sources Mr. Laird, who has been bargaining with the Chiefs since June about the cost of the effort, is described as still reluctant about the latest version, which would double spending to about $500-million a year by 1977.
>
> The final decision, however, will rest with a senior policy review group run by Henry A. Kissinger, the President's adviser on national security affairs.
>
> How to protect Cambodia from the North Vietnamese forces and deny them the use of Cambodian territory for attacks against South Vietnam's population centers has become a major problem for Pentagon planners. As the American forces in Vietnam are reduced to 50,000 men, at the most, and come to rely on air power for operations in the rest of Indochina, the planners are looking to indigenous forces to carry the burden in ground combat.
>
> With a first-year grant of $185-million in military aid and $70-million in economic aid, the Cambodian Army has already been expanded from 30,000 men in April, 1970—when American forces invaded the North Vietnamese "sanctuaries" in Cambodia—to a current strength of about 180,000. The Cambodians are said to have fought well, but most of them are no match yet for the 60,000 North Vietnamese in their country, mostly east of the Mekong River.
>
> ### SAIGON'S TROOPS UNPOPULAR
>
> South Vietnamese troops have periodically moved into Cambodia to help out, but they are no more popular among Cambodians than the Communists forces from the north and will in any case be needed for the defense of their own territory.
>
> When the Joint Chiefs of Staff first considered the problem last June, they proposed a 1971–72 military aid program of $350-million, Congressional informants report. Secretary Laird said that he could not afford that much and that Congress would not support such an increase.
>
> The chiefs said that with $200-million in military aid they could not increase the size of the Cambodian Army, but for $275-million they could expand it to 225,000 men. Mr. Laird's budget pruners said that such an increase in strength could probably be achieved with $252-million.
>
> But as finally submitted to Congress, the Cambodian aid program called for $200-million in military aid, $110-million in economic assistance and $15-million worth of agricultural commodities, for a total of $325-million. This was a net increase of $61-million over last year's allocations.
>
> ### ALTERNATE PLANS OFFERED
>
> Nonetheless, in explaining their elaborate military plans to Mr. Laird, in a memorandum dated Aug. 30, the Joint Chiefs indicated that they could get around the limit on military spending and proceed with the build-up.
>
> According to informants, the Chiefs offered four different ways of generating an additional $52-million so as to add 40,000 troops to the Cambodian Army and also raise the "paramilitary" force of armed civilians to 143,000.
>
> The first way would be simply to transfer $52-million from the economic aid program to military spending, which can be done later in the fiscal year simply by the Administration's notifying Congress. The second way would be to use the economic aid fund for the purchase of all "common use" items such as trucks and jeeps, which have military as well as civilian value, thus freeing other military funds.
>
> A third way would be to increase procurement for the United States Army by $52-million and give the materiel to the Cambodians, for "repayment" later. The fourth way would be to make some exceptions in Defense Department supply regulations, declaring additional equipment to be "excess" and delivering it to the Cambodians.
>
> The Pentagon planners said they were looking ahead to further increases in the Cambodian Army so that it would number 256,000 men by mid-1973 and more than 300,000 men by 1977. The paramilitary units, they believe, must be augmented to nearly 200,000 by mid-1973 and more than 500,000 in 1977. This would mean arming about 10 per cent of Cambodia's population of 7 million, or nearly half the adult male population.
>
> The Joint Chiefs would provide for a mechanized brigade, an artillery brigade and coastal patrol units, as well as ground troops and extensive logistic support. They would look to the Agency for International Development to help finance the paramilitary defense forces, including the police. The Central Intelligence Agency would be asked to mount additional programs and to provide airlift support.
>
> The program of activity drawn up by the Joint Chiefs is divided into four headings, labeled "Pacification," "Unconventional Warfare," "Psychological Operations" and "Civil Affairs." The country would be divided into eight pacification areas and this program would be supervised by a new United States Deputy Ambassador—as in South Vietnam—in a new embassy structure.
>
> The Pentagon would also establish a three-nation military committee with the Cambodians and South Vietnamese, in which the Defense Department would be represented through Gen. Frederick C. Weyand, the deputy commander of American forces in Vietnam.

Mr. FULBRIGHT. The article reads in part as follows:

> The Chiefs submitted their program last month to Secretary of Defense Melvin R. Laird, according to Congressional sources. Mr. Laird, who has been bargaining with the Chiefs since June about the cost of the effort, is described as still reluctant about the latest version, which would double spending to about $500 million a year by 1977.

This is for Cambodia.

I continue to read from the article:

> Nonetheless, in explaining their elaborate military plans to Mr. Laird, in a memorandum dated Aug. 30, the Joint Chiefs indicated that they could get around the limit on military spending and proceed with the build-up.
>
> According to informants, the Chiefs offered four different ways of generating an additional $52 million so as to add 40,000 troops to the Cambodian Army and also raise the "para-military" force of armed civilians to 143,000.
>
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The request for $341 million is, of course, quite consistent with this plan, submitted by the Joint Chiefs to the Secretary of Defense. It is not consistent with the idea of withdrawal. This is why I raised the question of the purpose and objective of this administration in Southeast Asia, and especially the purpose of asking for $341 million for Cambodia this year.

It strikes me that the only proposal I can think of that is consistent with this amount is the plan of the Joint Chiefs as reported in the New York Times article, that the administration plans to stay in Southeast Asia indefinitely. That could mean anything from 2 to 20 years or longer, in Cambodia, Laos, and Thailand—not to mention South Vietnam.

The tremendous air bases in Thailand, together with the combined naval and air bases at Sattahip, would be the central strength of the strategic forces of the American military, supported of course by the local Thai army.

Thailand already has a substantial army, to which we have contributed a great deal. We, of course, built the bases.

I believe there was a $350 million ceiling in the military procurement bill for Laos. The pending bill contains $341 million for Cambodia. It seems to me this all adds up to a policy of considerable permanence on our part in that area. What the objective of this is is not clear. It is certainly not clear from anything that the administration has said. It may well be that it is justifiable to pursue the policy of maintaining a very strong and powerful American military presence in that area, supported by a satellite army, such as the one being created in Cambodia and the one which we have already created in Laos. It may be that this policy has some justification. What I would quarrel with is not making it clear, not putting it on the record for both the Congress and the American people to judge whether it is justifiable.

I complained, because they refuse to give any justification other than the quite irrelevant one, that it is to protect the withdrawal of our soldiers from Vietnam.

This is why I was particularly interested in the $341 million for Cambodia. My interest was increased by the fact that the administration went to such lengths to refuse to give to the Committee on Foreign Relations their 5-year military aid plans, including their plans for Cambodia and the other aid-receiving countries in Southeast Asia.

This has all been reported in the press. Senators know what finally happened: The President resorted to a plea of Executive privilege in order to deny to the committee the 5-year plans for military aid around the world.

At that time I did not realize they were going to ask for so much money for Cambodia. The original ceiling for this item was $250 million, as introduced by the Senator from Missouri, but under the influence of arguments from various people he raised that amount to $341 million.

This disturbs me very much. I think the least we can expect and the least the American people can expect is some rational and reasonable explanation of what our policy is—some explanation of why so much money is required for Cambodia, Laos, and Thailand.

Therefore, until such an explanation is made I expect to vote against the military aid bill. I do not wish to be a party to the initiation of a policy which has not been explained, and about which I am not certain.

It is regrettable that the administration cannot take the Congress and the American people into its confidence with respect to what its real objective in Southeast Asia is.

I believe this poll I mentioned in the Washington Post and many other things indicate that the American people generally have been sold the idea that our policy is a total military withdrawal from Indochina. I think that is what they believe and expect. They support it; I support it. But that is not the policy which we are being asked to support in this military assistance program.

Therefore, there is a high degree of misunderstanding present in this program, and I regret that there has been a failure of the administration to supply as the law requires—unless we accept executive privilege—to the Senate relative to planning data on this program.

I very much regret this and I am willing to guess or prophesize—I guess predict is the word—that if we go down this road of supplying these funds to Cambodia and Laos, it will not be long, 2 or 3 years, until we have what will be a total commitment to the support of these small countries; that we will be so committed militarily that it will be extremely difficult to withdraw; and that it will cause us enormous expense in money and materials.

Parenthetically, I think such would be a hindrance in the long run to the announced goal of this country to seek relations with China. So I very much regret we have not been informed more specifically about the administration's objectives in Southeast Asia in connection with this military aid bill.

### PRIVILEGE OF THE FLOOR

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that Mr. Carl Marcy, Mr. Norvill Jones, and Mr. Robert Dockery of the staff of the Committee on Foreign Relations be allowed on the floor during the debate and rollcall votes on the two foreign aid bills.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. I yield the floor.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8629) to amend title VII of the Public Health Service Act to provide increased manpower for the health professions, and for other purposes.

The message also announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8630) to amend title VIII of the Public Health Service Act to provide for training increased numbers of nurses.

## ORDER FOR RECOGNITION OF SENATOR HARRIS ON THURSDAY, NOVEMBER 11, 1971, INSTEAD OF TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order previously entered by which the distinguished Senator from Oklahoma (Mr. HARRIS) would have been recognized tomorrow morning be vacated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the recognition of the two leaders, under the standing order, on Thursday the distinguished Senator from Oklahoma (Mr. HARRIS) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## QUORUM CALL

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## ORDER FOR ADJOURNMENT TO 9 A.M. ON THURSDAY, NOVEMBER 11, 1971, FRIDAY, NOVEMBER 12, 1971, AND SATURDAY, NOVEMBER 13, 1971

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business tomorrow and when it completes its business on Thursday, it stand in adjournment until 9 o'clock a.m. on Thursday and 9 o'clock a.m. on Friday, respectively.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that when the Senate completes its business on Friday it stand in adjournment until 9 o'clock a.m. on Saturday.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. Mr. President, reserving the right to object, is that absolutely an irreversible and irrevocable decision?

Mr. BYRD of West Virginia. No, theoretically; yes, pragmatically.

## SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971

The Senate continued with the consideration of the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

### MILITARY AID

Mr. NELSON. Mr. President, I would like to ask the chairman of the Committee on Foreign Relations a question or two about the authorization of some $341 million in military aid for Cambodia. I did not have the opportunity to hear all of the remarks of the committee chairman who may have covered some of this, but what puzzles me is the posture of the administration in asserting that they are withdrawing from Vietnam while we are expanding our military investment in Laos in the procurement bill, and now in Cambodia in this military aid bill which has just come out of the Foreign Relations Committee.

How does the Senator reconcile the rhetoric of the administration in saying that they are withdrawing from Indochina, from Vietnam, while we are dramatically expanding our military investment there?

Mr. FULBRIGHT. The Senator raises the question which bothers me most about the military aid bill. As the Senator knows, this was the item that precipitated more arguments and more vigorous disagreement than any other single item during the earlier foreign aid debate.

The military procurement bill has a blanket or overall authorization of $2.5 billion, excluding Cambodia, for military assistance to Southeast Asia. When this authority was given to the Armed Services Committee, we were at peace with Cambodia. It was a neutral country. We had no AID program there. This program started only a couple of years ago and that is why it is under the jurisdiction of the Foreign Relations Committee, whereas Laos and Thailand and Vietnam are under the jurisdiction of the Armed Services Committee.

Out of the overall authorization of $2.5 billion, the Senate set a ceiling of $350 million for Laos, a country with a little over 2 million people—$350 million in another bill——

Mr. NELSON. That is, in the military procurement bill?

Mr. FULBRIGHT. That has already been done. The conference report has not been approved, but the Senate set the ceiling in the bill it passed. Then came the foreign aid bill with the $341 million ceiling for Cambodia.

What is the explanation of this? I asked the Secretary of State, as a policy matter, "What is the objective? What do you seek to achieve by this kind of enormous enlargement of the military aspects of our program in Indochina?" He talked a great deal around the answer, but he finally ended up with the usual statement that it was for the protection of the withdrawal of our troops in Vietnam.

To me, it just does not fit. To me, it does not make sense. We do not need this kind of involvement in Laos and Cambodia to protect the withdrawal of our troops. It must mean something else. That something else is indicated by the 5-year plan of the Joint Chiefs, as reported in the New York Times, to build up an enormous army in Cambodia, with us paying for all of it.

Mr. NELSON. Let me ask if the distinguished chairman of the Foreign Relations Committee put that plan in the RECORD at the time of the debate on the foreign aid bill, before it was defeated?

Mr. FULBRIGHT. I mentioned it then, and I put the Times article in again today.

Mr. NELSON. Did I understand the Senator to say that it is a 5-year plan to build up the Cambodian army to 300,000?

Mr. FULBRIGHT. We are not sure of the exact period. It is apparently a long-range plan, covering the period through 1977. We are not privy to it. This is a proposal by the Joint Chiefs that was given to Secretary Laird. It was not given to us, but it was reported in the New York Times. Quite often this is the only way we can get information.

To refresh the Senator's mind, we requested DOD's 5-year plans for military assistance which it makes and which it has made for many years, and which would include Cambodia. The Pentagon flatly refused to comply with our request. When we pressed it to the point of asking the General Accounting Office to cut off the funds, the President, at the last moment, invoked Executive privilege. Does the Senator remember that?

Mr. NELSON. Yes.

Mr. FULBRIGHT. In those documents would have been the plan for Cambodia. At the time I wondered why in the world they were so reluctant to give the Senate, even on a classified basis, an indication of what they had in mind. Now it begins to come through a little. It makes some sense, because they do have plans that are contrary to what I think the American people believes to be the administration's policy in Southeast Asia.

Mr. NELSON. Did the Secretary address himself to the New York Times article or the proposal that they are building an army of 300,000 in Cambodia?

Mr. FULBRIGHT. He dismissed that. I think he pleaded ignorance of it.

Of course, it was not his plan. He could say he was not privy to it, and I could not challenge his statement.

Mr. NELSON. The Senator means that——

Mr. FULBRIGHT. The Secretary of State.

Mr. NELSON. The Secretary of State is not privy to the demands of the Pentagon, the Defense Department, for massive activities in foreign countries?

Mr. FULBRIGHT. Well, strange things happen in our Government. This whole business has a long history, and things are just now beginning to fall into place.

I think it is quite interesting to recall the following from which is not quite a year ago, the committee's report of December 14, 1970, on the supplemental foreign assistance bill, page 8. If the Senator will recall, this was just before the invasion of Cambodia by the U.S. Army. Does the Senator remember that? We had the Secretary of State before the committee 3 days prior to the invasion. I read from that report:

> When Secretary of State Rogers appeared before the Committee on Foreign Relations last April 23 to discuss Cambodia, he expressed his concern about initiating a large aid program for Cambodia.

Mr. NELSON. Does that mean interest?

Mr. FULBRIGHT. Oh, no; he was worried. "Concerned" in the sense that one would be concerned for the health of his daughter or son.

This was just 3 days before the invasion of Cambodia. The Secretary told the committee at that time:

> Undoubtedly, even though the request is for military assistance now, it would lead to a request for military advisors and if the going got tough after we had military advisors undoubtedly we would be confronted with a request for military aid in the form of troops, and it might well be that we would have a repetition of what happened in South Vietnam which, of course, would be, I think a very serious and unfortunate situation.

Mr. NELSON. Was he expressing his concern or worry about the level of the aid we were already giving to Cambodia in the spring of 1971?

Mr. FULBRIGHT. We did not have a big program in Cambodia there. We were just discussing the situation.

Mr. NELSON. This was a year ago last spring?

Mr. FULBRIGHT. A year ago last spring—April 27, 1970. The report I am reading from is dated December 14, 1970.

Mr. NELSON. Will the Senator advise me about this; maybe my memory is bad. I have no recollection about any debate or any authorization in any bill on the floor of the Senate.

Mr. FULBRIGHT. Prior to that?

Mr. NELSON. Anything that authorized us to put $100 million, or thereabouts, into Cambodia, which the administration did starting a year and a half or 2 years ago.

Mr. FULBRIGHT. There was no authorization. The administration transferred $110 million and spent it in Cambodia without an iota of authorization. They later came forward—I think this is what the Senator is talking about—5 or 6 months later and asked, as I recall, for $250 million; $110 million of that amount was to repay the money they transferred from other sources earlier. There had been no authority to spend anything at all in Cambodia. We ended by giving $282 million last year, but it was in large part authorized retroactively.

Mr. NELSON. Is the Senator saying that the expenditure by the executive branch was in violation of the law?

Mr. FULBRIGHT. It was in violation of the spirit of the law, because the uniform practice with respect to foreign aid bills has been that when the administration gives a justification for a program, it usually indicates the countries that are to be assisted—A, B, C, D, and E.

The President did have transfer authority under the Foreign Assistance Act. So I should say that, strictly and technically speaking, it was not a violation of the law, but it certainly violated the customary way in which these programs have been conducted in the past.

In the old days, there used to be a high degree of trust between the legislative and executive branches. When I first came to the Senate, the executive used to have confidence in the legislative branch; and Congress reciprocated by giving broad discretionary authority in order to give the executive some flexibility.

Now, what we run into more and more is just what I am complaining about in this bill, a reluctance or a refusal on the part of the executive to inform Congress of what it has in mind, what its policy is, what it is we are being asked to vote this money for, or what objective it is sought to achieve.

I would say that started in the old days, for reasons that I suppose came out of the war and the controversy over the war, and has developed until the bureaucracy and the executive branch just do not wish to tell Congress anything. The most extreme example was their refusal to give the Senate committee the relevant documents in connection with the executive department's so-called 5-year military aid plans, despite the fact that the law specifically requires the executive to make such information available to the relevant committees of Congress. Without it, we are voting blind.

We asked for these plans. They did not answer. Finally we invoked the law that would cut off the funds if we did not get the information.

The only response they made was to plead Executive privilege. I cannot imagine how one can reasonably call a document in the Pentagon, which the President probably never saw, to come within the purview of Executive privilege. But nevertheless, the President exercised that power, however inappropriate, at least to me it was, and therefore we did not get these plans.

A similar document, or a part of these plans, I would say, is what is reflected in the article in the New York Times.

This is a situation which disturbs me very much. It is not just the money, though I will admit it is a lot of money, but the real issue is where we are going in Southeast Asia? The country thinks we are getting out. These facts are, to me, utterly inconsistent with getting out, I mean really removing our military presence from that area.

Mr. NELSON. This is the issue that concerns me: my suspicion that we are really not getting out, and that we are making substantial commitments and expanding them in Cambodia, Laos and Thailand, with the likelihood that we will be there a long time.

I am wondering, what are the establishments? What are we spending in Thailand, and what is the infrastructure there?

Mr. FULBRIGHT. We will have to look that up. Thailand, as I said a moment ago, is not in this military aid bill, because it is under the jurisdiction of the Armed Services Committee. It will get its money out of the DOD authorization bill, the $2.5 billion we have already authorized. It is not in this bill; in total, Thailand is getting $139 million this year.

Mr. NELSON. Is that in military aid?

Mr. FULBRIGHT. That is military, and economic supporting assistance.

However, this amount does not include such sums as accrue to them from expenditures by our forces in Thailand.

Mr. NELSON. That is what I meant to ask.

Mr. FULBRIGHT. We have 40,000 or more troops, Air Force people, and supporting personnel at our big air bases, of which I believe there are a number, plus the Sattahip Naval and Air Base, a very large installation.

The $139 million is the direct aid; $77 million of this is strictly military. It does not include the peripheral costs of our forces there.

Mr. NELSON. But that is to the Government of Thailand itself?

Mr. FULBRIGHT. That is correct.

Mr. NELSON. So our expenditures on our bases there and those of our personnel, and our substantial expenditures on that very large bomber force in Thailand, are all in addition to this?

Mr. FULBRIGHT. That is correct. These are the direct items, the military assistance and what they call economic supporting assistance.

Of course, as the Senator knows, we give them military assistance, and then we give them economic assistance in order to help to pay for the military.

Mr. NELSON. Back to Cambodia for a moment. What was the year in which the administration, without notice, consultation, or advice to Congress, spent that $110 or $120 million in Cambodia?

Mr. FULBRIGHT. It began in fiscal 1970 and ran into 1971. I would like to finish what I was saying earlier with reference to some of the Secretary of State's remarks about the time of our invasion of Cambodia. I read this one paragraph, and got diverted.

Mr. NELSON. Yes.

Mr. FULBRIGHT. Let me read that paragraph again, to show the Secretary's thinking about aid to Cambodia at that time.

The Secretary said, as I noted earlier:

> Undoubtedly, even though the request is for military assistance now, it would lead to a request for military advisors and if the going got tough after we had military advisors, undoubtedly we would be confronted with a request for military aid in the form of troops, and it might well be that we would have a repetition of what happened in South Vietnam which, of course, would be, I think, a very serious and unfortunate situation.

Mr. NELSON. Quite obviously, the Secretary had no notion that there was going to be an invasion at the time he was testifying before the committee.

Mr. FULBRIGHT. The Senator asked me a while ago, could I believe the Secretary was not privy to the proposals of the Joint Chiefs. It is quite evident that he was not privy to the invasion plans at the time he made the statement to the committee. The President made his announcement 3 days later.

Let me now read from a committee statement issued shortly before the invasion began:

> In a meeting with the Secretary of State last Monday, members of the Foreign Relations Committee were virtually unanimous in expressing their deep concern over the possibility of any action by the United States that might involve our Nation further, directly or indirectly, in the changing situation in Cambodia.

This is a direct indication of the committee's attitude at that time. The committee met and was virtually unanimous. I think there may have been one Member who had some reservations.

The rest were unanimous in saying, in effect, "We do not want to become involved in Cambodia."

I do not wish to drag up old ghosts, but the Senator from Wisconsin happens to have been one of the men who I think were most sensitive to the Tonkin Gulf situation in August 1964—certainly much more sensitive than I was. I was more trusting of the then Johnson administration, and I was taken in to a greater extent, I believe, than was the Senator from Wisconsin. At least, he raised some very pertinent questions.

Under the influence of the statements—assurances—of the Johnson administration, I assured the Senator from Wisconsin—because I had no sources of knowledge other than what I had been told by the administration—that, no, there was no purpose of expanding the war, that the purpose was not to have a war, that the purpose of the Tonkin Gulf resolution was to show unity between the executive and the legislative branches and to strengthen the President's hand, so that he could persuade them not to proceed with the war, and thereby be able to persuade the North Vietnamese to stop their support of the war in the south. "No wider war" was the slogan then, and the resolution was presented in that fashion.

The Senator from Wisconsin, much to his credit, raised the question and considered offering an amendment. I said that I was in sympathy with that amendment, that I thought it expressed what I understood to be the policy of the Government, but that if we approved it, we would have to go to conference on it. That would delay passage, and we would lose the psychological effect of the quick action to show our support for the President.

I think we are both entitled—I am—to learn from that experience. The Senator really does not have to learn. He already, I think, has some skepticism about what this policy is, and I am very glad he does, because I think it is healthy for us to be skeptical about such matters.

Take all things together: The refusal to submit the 5-year plan. Such documents used to be available to us. The refusal is unusual. Then the exposure of the plan, as in the New York Times, together with the vast amounts, from nothing to $341 million in 2 years in Cambodia, $350 million in Laos. Put these things together, and what does it mean? It seems to me that this is what we are entitled to know. If we are going to vote on this matter, are we not at least entitled to know what it is for? What is it really for? Obviously, it is not just to protect the withdrawal of the remaining troops in Vietnam. It must have some other purpose, because they do not need it for troop withdrawals.

With respect to the story of the bombing that I put in, they are now bombing at an enormous rate. Of course, they do not call it bombing any more. The administration does not call it bombing. They call it protective reaction strikes. But in these protective reaction strikes, they drop the same kind of bombs that they used to drop in a bombing raid.

The administration says that it is not sending advisers into Cambodia, because the law prohibits it. Rather, they send in equipment delivery teams. The law does not use the term "delivery teams." I imagine they are still human beings, American citizens, who work for the U.S. Government; but they are delivery teams, and, therefore, the administration says they are not covered by the existing restrictions on advisers.

So, really, with this kind of relationship, it is almost impossible to know what is being planned. I am raising this question because it does seem to me that we ought to know where this administration is headed in Southeast Asia. Apparently, the only way you are going to know is for you to figure it out for yourself.

I remind the Senator that the distinguished Attorney General said:

> Judge us by what we do, not by what we say.

I believe this approximates his words.

From what they do, I am trying to figure out what they really have in mind as to the policy in Southeast Asia.

Mr. NELSON. I am concerned because I think there may very well be a parallel between what happened, how the executive branch proceeded in the Vietnam situation in 1964, 1965, and 1966, and what the executive branch is now doing by expanding our involvement—in expenditures, at least—in Laos, and expenditures and advisers and assistance in Cambodia, and maintaining a large operation in Thailand.

I do not think that the Senator from Arkansas was misled by the Tonkin Gulf resolution. I think that what the administration was saying was what they thought at the time, unless we are to say that it was a massive, calculated defeat.

The disturbing thing to me is that very able writers, who are writing about that period, are now saying that Congress gave a blank check in August of 1964 to the President to commence a ground war in Vietnam, if he thought that had to be done. If one reads the broad language of the resolution, as the Senator pointed out—and it was discussed on August 6 and 7, 1964—it would authorize an assault on the moon, for that matter. But the point that the Senator from Arkansas has made is that they were trying to show the unity in this country.

When I offered an amendment to specifically delineate the language in such a way as to make it clear that it did not authorize a change in our role in Vietnam from one of technical aid and assistance to a military commitment, it was because of the interpretation of the intent of the administration, by the Senator from Arkansas, that that was all the resolution really meant.

Looking at the circumstances of the day, and the time, and the political campaign, and what the President was saying to the Nation, and the attacks that were being made upon Senator GOLDWATER for advocating an expansion of the war, I concluded that this was really a kind of cheerleader's resolution; and, therefore, if the President needed some cheerleaders cheering to convince them in Vietnam that the country was unified and that they should not be attacking us in the Gulf of Tonkin—if, in fact, they did—and we thought they did—then, fine, if that would help prevent an involvement in the war. Then I would vote for the resolution, but not to authorize the President to commence a ground war.

I did not hear anybody say that they favored a ground war at that time. In fact, within a day after that, on the floor of the Senate, I pointed out that that was not what we authorized. I stated in February, 1965, that you could not win a war over there with a million troops, and I voted against the $700 million appropriation in the spring.

What happened was that the President took a resolution which he was using to show unity in 1964, and then later decided that he would use it to prove that Congress authorized him to do what he was then doing, which had become quite unpopular.

I might say to the Senator from Arkansas that if he had stood on the floor of the Senate on August 6 and 7, when the Tonkin Gulf resolution was pending, and said, "Yes, this is the purpose, and this authorizes an all-out ground war in Vietnam," the President of the United States would have repudiated the chairman of the Foreign Relations Committee.

We were saying that Mr. GOLDWATER was going to get us into trouble, and the President was saying that. He was also saying, before and after the resolution, as the Senator well knows, that he was not going to send American boys to fight a war that Asian boys should fight for themselves. I recall that the Senator from Arkansas put in the RECORD four or five or six statements of that kind made before and after, so that if legislative intent or history mean anything, we judge the responsibility in the context of the times. If the Senator had been speaking for the administration, as he was, and said this authorized a war, President Johnson would have repudiated him out of hand because that was contrary to the political campaign he was making at that time.

Mr. FULBRIGHT. I think the Senator is quite right in his observations but I would like to suggest one correction, when he said I was not misled in the second instance, which looks as if it were minor, but what it did do was to create an emotional background which prevented the kind of discussion we are having now, which is more or less an unemotional description and analysis of what happened then, after the Johnson administration made the case that we had been attacked on the high seas. Everyone was stirred up, everyone said it was intolerable. But those reactions were based on deception.

It is quite possible—I agree with the Senator—that the Senator believed, however misguided I was in that belief, that such a resolution would strengthen the President's hand at that time, but he did not believe the President would use it to engage in a massive ground war. That I would not argue with. The only real deception created was the atmosphere which inhibited if not prevented a rational discussion of the policy involved—at least on my part it did, because I thought it was intolerable that we should be subjected to attacks on the high seas. The newspapers played this up so dramatically, as the Senator knows, about how those dastardly people dashed out when we were peacefully going our own way on the high seas. But in my opinion there were no such attacks in the second instance. I wonder what the Senator thinks——

Mr. NELSON. What I meant by that, the Senator not being misled, was, in fact, the Gulf of Tonkin resolution at the time it was asked for by the administration was not for the purpose the President claimed it was a year or two later——

Mr. FULBRIGHT. That is right.

Mr. NELSON. It was for the purpose of showing unity and not for the purpose of starting a ground war.

Mr. FULBRIGHT. That is right.

Mr. NELSON. I thought of that reason later, and that is my only point about it.

Mr. FULBRIGHT. While I think that is relevant, here we are faced with these unusual circumstances of an enormous increase in our involvement in Cambodia, together with the refusal to supply the basic information which we requested but later made public by the New York Times. All of this leads to the question—What is the purpose of this authorization of so much money for Cambodia? Is it really to protect the withdrawal of troops, or is it preparatory to the establishment of a permanent military presence there, permanent in the sense of being indeterminate—I mean by that, 5, 10, 20 years—or however long, which I do not know, but not consistent withdrawal within the foreseeable future, the next 2 or 3 years, which is what I think the people want.

This is very important. It may be justified. It may be a good idea that we have a permanent military presence in Thailand, and a half a dozen more places with these enormous strategic bases in the two buffer states of Cambodia and Laos. Maybe that is a good idea. If it is, it seems to me it is up to the administration to sell the idea, and then for us to vote the money, with our eyes open. We can accept that as a proper principle. This is the real point I am making.

If it is not a good idea—as I happen to think it is not, with all the information I have—I should be entitled to make the argument, "Look, this is what they are up to. I do not approve of it," and the Senate should vote on that basis rather than do it in the dark.

Mr. NELSON. I agree with the Senator that if it is in fact a good idea to make these large investments and build an army in Cambodia of 300,000 troops and spend $350 million in Laos maintaining a big establishment in Thailand, and staying there with a strong physical presence for some years to come, I would like to hear the justification of the idea.

I think it is a bad idea. I am against it. I do not believe that they can give me any reason sufficient to cause me to support that. But it should be above board. I think the constituents in my State think we are just getting out of Vietnam, and we are all happy about that. It is believed that whatever little amounts we are spending, in Laos, Cambodia, and Thailand—and most of the people in this country do not know what those amounts are—that they are for the purpose of protecting our withdrawal; whereas I suspect, however, it is quite another matter——

Mr. FULBRIGHT. That is right.

Mr. NELSON. And that what is going to happen, as has always happened, as the Senator from Arkansas has said before, we spend and spend and spend and pretty soon the country is entirely dependent upon the United States, and we are soon deeply involved there. Then we want to withdraw and they say, "You cannot do that. You build us up. You are our only support. Now you are going to double cross us and pull out." We see many articles in the newspapers about that now.

Mr. FULBRIGHT. That is right.

Mr. NELSON. That by voting against a foreign aid bill we are cutting the ground from under our clients. So it becomes an argument for us not to withdraw. Whether a good policy or not, that is what should be out in the open, discussed, and debated, and then settled on its merits.

Mr. FULBRIGHT. The Senator is quite correct. There are one or two other things that support the thesis. Here is an article published in Newsweek for October 18 entitled "Instant Replay."

It reads in part:

> Since late last year, the U.S. Embassy staff in Phnom Penh has jumped from fewer than 60 officials to more than 150. And despite a Congressional resolution specifically forbidding the use of American military advisers in Cambodia, many more U.S. officers appear to be on their way there.

The Senator sees what I meant when I said the administration does not call them advisers but rather equipment delivery teams, a term not used in the law.

Continuing to read from the article:

> Among other things, Mataxis favors expansion of last year's $180 million aid package and full U.S. backing for Cambodian assaults on Communist sanctuaries and supply lines.

Mr. President, I ask unanimous consent to have the entire article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### INSTANT REPLAY

In one official pronouncement after another, the Nixon Administration has earnestly proclaimed its determination to avoid any major commitment in Cambodia. But for all that, the American presence in the once-sleepy capital of Phnom Penh has grown dramatically. Since late last year, the U.S. Embassy staff in Phnom Penh has jumped from fewer than 60 officials to more than 150. And despite a Congressional resolution specifically forbidding the use of American military advisers in Cambodia, many more U.S. officers appear to be on their way there. As a result, a bitter dispute has broken out in the U.S. Embassy—a clash between U.S. civilians and military men that could well determine the shape of American involvement in Cambodia for years to come.

At the root of the debate is the question of America's military role in that beleaguered country. Arguing for a minimal military-aid program, the civilians, led by chief political counselor Jonathan F. Ladd (himself a former Special Forces commander in South Vietnam), contend that the U.S. should train an elite force of Cambodian guerrillas to harass the Communists, but should not get bogged down in support of large-unit operations. By contrast, Brig. Gen. Theodore C. Mataxis, who heads the Military Equipment Delivery Team (MEDT) in Phnom Penh, has fought for a more activist U.S. policy. Among other things, Mataxis favors expansion of last year's $180 million aid package and full U.S. backing for Cambodian assaults on Communist sanctuaries and supply lines.

IGNORED

As of now, Mataxis & Co. seem to be in the lead. When Ladd balked at giving the relatively unsophisticated Cambodian forces expensive M-16 rifles, Mataxis pushed the M-16 order through, contending that the Cambodians should be as well armed as possible. And civilian complaints about the growing U.S. military establishment in Phnom Penh have been pointedly ignored. Just two months ago, Mataxis—who used to spend most of his time in Saigon—moved to the Cambodian capital, bringing with him his aide de camp and personal staff. At the same time, the number of MEDT personnel, whose job is to see that U.S. aid is being "properly used." has more than doubled. Many observers, in fact, believe that, despite the Congressional ban, some MEDT members are fulfilling advisory roles with the Cambodian Army.

To some experts, the growing influence of the military is an inevitable outgrowth of the slackening war in Vietnam. "The pressure to increase the military presence here is really strong," said one American diplomat in Phnom Penh. "There are simply too many officers losing their jobs in Saigon. These men are worried about their careers, and you don't become a general sitting behind a desk in Washington." Others place the blame directly on U.S. Ambassador to Cambodia Emory C. Swank. For although Swank, a 49-year-old career diplomat, is said to favor what he jokingly refers to as a "medium profile," critics have charged that he has knuckled under to the generals. "Swank claims he's not competent to assess the needs of the military," said one embassy official. "But in Fred Ladd, he's got the best adviser in Southeast Asia. By throwing up his hands, Swank is just trying to keep himself off the hook in case everything goes wrong."

Whatever the reason for the growing primacy of the military, the betting is that it will increase. For despite a pending amendment to the foreign-aid bill calling for a 150-man ceiling on U.S. personnel in Cambodia, the Defense Department is reportedly going ahead with plans to expand MEDT forces to an estimated 500 by the end of next year. And there are signs that the military men already in Cambodia are getting more directly involved in the fighting there. American helicopters have reportedly begun transporting Cambodian troops into battle areas and supplying them with ammunition. And at Pochentong Airport in Phnom Penh, U.S. forces recently opened a radio center (officially called a "navigation aid") to coordinate air support for Cambodian troops.

Though no one seriously suggests that the U.S. is about to slip into another Vietnam-scale involvement in Cambodia, the momentum of the buildup appears strikingly familiar. "The military are already falling all over themselves at the embassy," said one U.S. official. "Within a year, the Pentagon will have taken over our operations in Cambodia—and Swank and all the other civilians will be sitting on the sidelines just like the civilians in Saigon."

Mr. FULBRIGHT. Mr. President, it is interesting that the law forbids us from sending in U.S. advisers and training the Cambodians ourselves. This is in the article published in the Washington Post on the 11th and the 7th——

Mr. NELSON. Is the Senator referring to the resolution passed here last year?

Mr. FULBRIGHT. In the supplemental aid bill, a restriction upon our sending in ground troops and advisers into Cambodia.

Does the Senator remember that?

Mr. NELSON. I remember it very well. What is their explanation for the Thailand troops that are fighting in Cambodia and being supported by our money?

Mr. FULBRIGHT. They are called local forces. It is playing with words. The distinction is the same as between a bombing raid and a protection strike. How does the Senator from Wisconsin explain it? It seems to me it is semantic trickery.

This dispatch is dated November 7, 1971. I shall read what Adm. Thomas H. Moorer said, in the face of Cooper-Church restriction:

> Adm. Thomas H. Moorer, Chairman of the U.S. Joint Chiefs of Staff, said in Phnom Penh the Joint Chiefs planned to hire foreigners, known officially as third country nationals, to train Cambodians in American logistical systems.

I read further from the dispatch:

> At a news conference at Pochentong Airport, Moorer commended the Cambodians for progress in developing their armed forces from a prewar force of only 30,000 to an army of roughly 200,000 today.

That is the phase-in. That is the Chairman of the Joint Chiefs of Staff applauding the Cambodians for an army that is now up to 200,000. Putting all those items together from the story in the New York Times, we can see that the military hopes to have the number of troops in Cambodia up to 300,000. This is the only logical explanation of the $341 million request.

In addition, there is another article from Phnom Penh, published in the Washington Evening Star of October 15, 1971:

> The U.S. Army plans to get around the Cooper-Church amendment's ban on American military men in Cambodia by paying $200,000 to hire foreigners for noncombat work, American officials report.
>
> "They are people who can do under contract what we are forbidden to do," a U.S. source declared. Another source said they would cost less than American civilians.
>
> Cooper-Church, passed by Congress last year, bars American military advisers, training personnel and combat troops from Cambodia.

Further the article states:

> The foreigners would be employed in supply depots and maintenance shops behind front lines, although the sources did not rule out an eventual role as combat advisers.
>
> The sources said the use of foreigners had been recommended by teams of military experts who visited Cambodia to study supply snarls.
>
> The sources noted that a handful of foreigners are already being paid by the American Military Assistance Program to Cambodia. They include about 10 Air America maintenance crewmen who keep Cambodia's T-28 fighter bombers flying, a representative from Bell Helicopters, and 3 Filipinos brought here from Laos to set up an English language school.

So the program is already underway. What is the objective of it?

Mr. President, I ask unanimous consent that the two articles in their entirety be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Washington Star, Oct. 15, 1971]

### THE ARMY FINDS A LEGAL WAY

PHNOM PENH.—The U.S. Army plans to get around the Cooper-Church amendment's ban on American military men in Cambodia by paying $200,000 to hire foreigners for noncombat work. American officials report.

"They are people who can do under contract what we are forbidden to do," a U.S. source declared. Another source said they would cost less than American civilians.

Cooper-Church, passed by Congress last year, bars American military advisers, training personnel and combat troops from Cambodia.

LIMIT OF 50 VOTED

The sources said the foreigners, known in official circles as "third country nationals," would supplement the American military equipment team which is responsible for handing over arms and ammunition to the Cambodians but is forbidden to show the Cambodians how to use the equipment.

Headed by Brig. Gen. Theodore Mataxis, the team's current strength is 113 men, with 50 officers and enlisted men assigned to the Cambodian capital and the rest in Saigon.

The Senate Foreign Relations Committee on Thursday voted to limit to 50 the number of foreigners hired in Cambodia. Most likely they will be Koreans, Nationalist Chinese, Australians or New Zealanders experienced in dealing with the American military in South Vietnam or Laos, where some have been engaged in hazardous undercover work for the Americans.

MAY ADVISE ON COMBAT

The $200 million U.S. military assistance program for fiscal 1972, now the subject of congressional hearings, includes an item for third country nationals, a source said. He said salaries for foreigners in Cambodia might total $200,000 a year.

The foreigners would be employed in supply depots and maintenance shops behind front lines, although the sources did not rule out an eventual role as combat advisers.

The sources said the use of foreigners had been recommended by teams of military experts who visited Cambodia to study supply snarls.

The sources noted that a handful of foreigners are already being paid by the American military assistance program to Cambodia. They include about 10 Air America maintenance crewmen who keep Cambodia's T28 fighter-bombers flying, a representative from Bell Helicopters and three Filipinos brought here from Laos to set up an English language school.

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### UNITED STATES TO PAY OTHERS TO TRAIN CAMBODIANS

Adm. Thomas H. Moorer, chairman of the U.S. Joint Chiefs of Staff, said in Phnom Penh the Joint Chiefs planned to hire foreigners, known officially as third country nationals, to train Cambodians in American logistical systems.

American military men have been barred from giving Cambodians any advice or training here by the Cooper-Church amendment passed by Congress last year.

At a news conference at Pochentong Airport, Moorer commended the Cambodians for progress in developing their armed forces from a prewar force of only 30,000 to an army of roughly 200,000 today.

Moorer, who has been accompanying Secretary of Defense Melvin R. Laird, flew into the Cambodian capital today from Danang, South Vietnam. After calling on Marshal Lon

Nol, Cambodia's semi-invalid premier, and acting Premier Lt. Gen. Sisowath Sirik Matak, Moorer flew to the seaport of Kompong Som for a brief visit and then to Udorn, Thailand.

The U.S. Navy said today it is sending home the last Seabee construction batallion left in Vietnam. The U.S. Army said it was closing down operations of an engineer battalion that had been assigned to the Americal Division.

On battlefronts, U.S. Command spokesmen said at least one American was killed when a unit of the 3rd Brigade of the 1st Cavalry Division came under mortar barrage today 4 miles east of Saigon.

American B-52 bombers blasted a North Vietnamese truck depot near Khesanh this morning, destroying a number of vehicles. The bombing raid was the second attack on the depot this week and followed a rocket attack by helicopter gunships on Wednesday which destroyed 10 trucks.

Mr. FULBRIGHT. What is the objective of the policy? What do we seek to accomplish? It seems to me that the Senate ought to know this before it votes. I tried to get the answer last Wednesday or Thursday when the Secretary of State was before the committee. I did not get it any more than I got when I asked for the 5-year plans.

It is not my place to advise other Senators. However, it seems to me that Senators ought not to vote in the dark. If they want us to support the measure, they ought to be willing to stand up and say what it is for.

Mr. NELSON. Mr. President, I hope that by the time we come to a vote on the military aid bill we will get an answer. I believe it is anticipated that we will vote on the day after tomorrow or that we will take up the economic assistance first and the military aid second.

Mr. FULBRIGHT. The scheduling in the Senate is beyond my responsibility. I thought today that we were going to have some votes and proceed to do business. However, for reasons that I do not understand, we stayed here last night under the pressure, I thought, of getting things done. What will happen tomorrow or the next day, I do not know. I wish I could assure the Senator of what will happen.

I have heard it discussed, without any assurance whatever, that we were going to vote on the Okinawa treaty tomorrow and that we would then be ready to vote on the economic aid bill. When that is passed, we will then proceed on to the military aid bill.

Mr. NELSON. Mr. President, in any event, it is likely that there will be no vote on the military aid before tomorrow or perhaps the day after tomorrow?

Mr. FULBRIGHT. That is a probability.

Mr. NELSON. That would give the administration time to furnish the answers to the questions we have been discussing here so that perhaps someone could explain it on the floor and give us some better justification than the mere assertion that the purpose of being in Cambodia is to protect the withdrawal of our troops.

I do not understand that answer, since the troops that are in Cambodia are Cambodian troops and are not our troops.

Mr. FULBRIGHT. Of course, recently the activity has been primarily between the South Vietnamese and whoever went into Cambodia, and they are attacking the North Vietnamese. I remind the Senator of a little history relative to this. In the old days, there has always been great rivalry between the North Vietnamese and the South Vietnamese. They are a more aggressive people than the Cambodians. The Cambodians have been a relatively quiet people. The traditional enemies have been the Vietnamese and the Cambodians. It was the same way with the Thais.

In the old days there were periodic excursions into one country or the other by the Cambodians and the Thais. They had a long fight over a border problem that went to the International Court.

I believe that the real contest is between North and South Vietnam as to which one will get Cambodia. That is the problem at the present time. Of course, one thing that the Cambodians want above everything else is to get both the North Vietnamese and the South Vietnamese out of there. They are being overrun and occupied by those two countries.

As the Senator knows, when a fight nears the end, it is like two dogs fighting over a bare bone. They fight over the remains. That is what is going on there. We are getting in the middle of it. It is much like what was going on in Vietnam. There were two different factions. There were the South Vietnamese and the North Vietnamese, the Communist and the non-Communists, remnants of the old French regime. They were fighting as to who would be the inheritor of the colonial empire. Now we have a fight in Cambodia between the North Vietnamese and the South Vietnamese as to who will inherit Cambodia. The Cambodians, of course, want to see both get out.

I hate to see us get involved. All of it is beyond our capability to deal with except by this massive military might which does not solve anything.

It of course destroys a country, as we have been destroying Vietnam and Laos.

The situation over there is something our military is not designed to cure, in my opinion. That is why we ought to know the purpose and the objective of the administration's policy.

If my experience is any guide, all the administration will say is that whatever we do in Cambodia, Thailand or Laos is to protect the withdrawal of our troops. If the Senator thinks that is a satisfactory answer, he can vote to support it. In my opinion the policy indicates a military buildup over there which I do not want to support any more than I would have supported the Gulf of Tonkin joint resolution, had I known then what I know now.

Mr. NELSON. Mr. President, I do not think it is a very convincing argument. That is why I voted against the military procurement bill.

Mr. President, I want to thank the Senator for his observation about the issue of our authorization for appropriations in Cambodia. It simply reinforces my belief that our purposes there are other than what have been publicly stated. I therefore cannot support the appropriation.

I thank the Senator from Arkansas.

The PRESIDING OFFICER. What is the pleasure of the Senate?

## QUORUM CALL

Mr. FULBRIGHT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. McGEE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HANSEN). Without objection, it is so ordered.

## PROPOSED CHANGE OF REFERENCE—S. 2574

Mr. McGEE. Mr. President, this afternoon I have agreed to join the Senator from Nebraska (Mr. HRUSKA) and the Senator from North Carolina (Mr. ERVIN) in a colloquy concerning a Senate bill reported from the Post Office and Civil Service Committee, S. 2574.

The bill was reported after having been referred to the committee by the Parliamentarian; and jurisdiction rests with this committee, in his judgment, even though, as most of us understand, almost any bill that comes before this body can be divided, like Gaul, into at least three parts, and maybe more, in terms of where its bits and pieces lie.

Nonetheless, I have agreed, as we have reported the bill from the committee, to respond to questions that the ranking minority member of the Committee on the Judiciary has manifested an interest in raising, that we might discuss the matter more fully, and to questions from the senior Senator from North Carolina.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. HRUSKA. Mr. President, the Committee on Post Office and Civil Service was assigned the bill because it contained references to the U.S. Postal Service and the Bureau of the Census. But the real thrust of the bill, and the primary thrust of it, is to establish a national voter registration system.

That subject has generally been within the jurisdiction of the Committee on the Judiciary, starting with the Civil Rights Voting Act of 1957, to my personal recollection, and, of course, including the civil rights act amendments of the 1960's, the Voting Rights Act of 1965, and the Voting Rights Act of 1970. All of these were considered by the Committee on the Judiciary.

It just seems to members of the committee that a reference to that committee for a reasonable time in which to get at least some official and systematic analysis of it, and perhaps a little additional testimony in the light of the committee bill, would be desirable.

Mr. McGEE. I would say to my friend from Nebraska that we are all familiar with the multiple referrals latent in any measure that is introduced. In our committee, we raised no particular question on this matter.

The distinguished senior Senator from North Carolina is chairman of the subcommittee of the Committee on the Judiciary which examines the rights of Federal employees. A case could be made that we had some interest there. We felt that, however, he was doing an excellent job on the point of it that was the relevant one, and we have applauded his efforts.

At present, the Finance Committee, in a current measure which it will soon report, is considering new salary levels for supergrade Federal employees. That would be regarded, I think, as specifically within the prerogative of the Post Office and Civil Service Committee; but it was a part of a larger finance measure that was coming out, and we raised no particular point on that, simply trying to understand the multiple parts of the legislation.

Likewise, then, on S. 2574, we have not proceeded along the lines of the Voting Rights Act of 1970, which was considered by the Judiciary Committee; and we have simply sought to set up a mechanism, a mechanical operation, that would remove some of the remaining obstacles to the process of registration in Federal elections—and only Federal elections.

I would point out that as a consequence of our very extended hearings and the long deliberations of the members of the committee, there were many differences as to whether we should strip out of the original legislation a great many of the provisos in an attempt to keep it as close to the mark as possible. I think we have a barebones bill here, one that simply provides that the Bureau of the Census would be responsible for distributing the necessary forms for applying for registration; that the postcard would be handled by the U.S. Postal Service in returning that information to the county clerk or the State authority responsible for it; and that in that context the responsibility for this measure, as assigned by the Parliamentarian, lay within the jurisdiction, in that category, of this particular committee, from the way that the bill was structured.

I would only add, as to one or two other measures introduced earlier, that when one of them was referred to our committee by unanimous consent—not by the Parliamentarian—the minority whip, Mr. GRIFFIN, at that time made the point——

(Mr. GRIFFIN entered the Chamber at this point.)

Mr. McGEE. I ask the Senator from Michigan, How is that for timing?

He made the point that he thought that in the future, in such matters, the reference ought to be made by the Parliamentarian and this bill was referred to our committee by the Parliamentarian's judgment, namely, that the main substance of the content of the bill lay within the jurisdiction of our committee.

Thus, on that ground, we proceeded in good faith, with very careful attention being paid to avoiding transgressions into the jurisdictions of other committees, and we were hopeful that the courtesies and the understanding that we have extended in similar matters on other bills would be reciprocated in this case.

That is the essence of our position on the matter.

Mr. ERVIN. Mr. President, I would say that if I had known anything about these bills being there, I would have wanted to come and testify about them, because I would consider that anything connected with Federal elections is alien both to the Post Office and to the Bureau of the Census.

One time before in the Nation's history they undertook to let the Federal Government have supervision of certain elections, and the country was filled with fraud and scandals almost throughout the Nation.

I think this bill belongs in the Judiciary Committee. As a precedent, ever since I came to the Senate, every bill having to do with elections has been sent to the Judiciary Committee except one bill on one occasion, which was referred to the Rules Committee.

We have had before us in recent years two voter registration bills, the Voting Rights Act of 1965 and the bill to suspend all literacy tests throughout the United States. Both of those came through the Judiciary Committee.

There is a provision of law that aliens have to register with the post office. By the same token, they could say, "We have charge of the immigration laws, since aliens have to register with us." And they might also say, "Since the Bureau of the Census takes a farm census, we could also take jurisdiction of all matters committed to the Department of Agriculture."

I think this whole procedure is alien to the purposes of the Bureau of the Census and alien to the Post Office Department. But that is beside the point at the present time. I should like to have an opportunity to study the bill. I think it makes a drastic change in the election laws of the country, and I think that some committee that has had some experience on that matter ought to have a chance to look at the bill and see whether it needs amendment.

I have not seen a recent edition of the bill; but I read the first one, and absolutely, under the first bill—the one I read—in my judgment there would be no way to protect the people of the United States against monumental frauds, because the person who registers to vote for President, Representative, or Senator would never be seen by the local registrar. He would be required, as I read the bill, to put the applicant on the books without any opportunity to ask him any questions whatever. We might as well not be so naive as to believe that there are not many people in this country who would steal elections. A few years ago—meaning no harmful reference—it was discovered, after an election in the State of Missouri, that hundreds and hundreds of people were registered and voted there whose addresses in many cases were filling stations.

If this bill is passed without some stringent amendments, there is going to be a general resurrection of the dead throughout the United States on every election day.

We cannot hope that everybody will be as honest as the two men who went to a cemetery in a county in my State to get names from the gravestones. One of them was reading the names off the gravestones, and the other was writing them down.

One man read: "Sacred to the memory of Israel Sherinstein."

The other man said: "Wait a minute. That's a long name. We can divide that into two parts and have two votes here.

The other fellow said: "No, sir. If I'm going to have anything to do with this, it's going to have to be honest." [Laughter.]

That is the kind of election law—with all due respect to my good friend and the committee—that shows that the Committee on Post Office and Civil Service does not know much about elections.

Mr. McGEE. I would say to my friend the Senator from North Carolina that at this point I think we are less concerned about the substance of the bill, which he has not yet had a chance to study—and thus the allegations about where potential fraud might come in ought not parallel that—but, rather, whether we have some jurisdiction over this matter.

I must say that I again applaud the Senator from North Carolina for his efforts with respect to looking into the rights of Federal employees. We are jealous about Federal employees. The Committee on Post Office and Civil Service has jurisdiction over Federal employees. We think the Senator has rendered a service in that connection. We do not think we are the only ones who are concerned about Federal employees and what their rights are.

I think this question lends itself to some knowledge that we on the Committee on Post Office and Civil Service have some considerable knowledge that relates to the feasibility of this process in carrying out the broad lines laid out in the Voting Rights Act of 1970. That is all we really need to submit in regard to it. At this stage, it is a jurisdictional matter, not a substantive matter, as I understand it.

Mr. ERVIN. In fact, referring to the bill of rights for Federal employees, when I first drew that bill and before I introduced it, I went to the distinguished predecessor of the distinguished Senator from Wyoming, the Senator from Oklahoma, Mr. Monroney, and called his attention to the bill. I stated that while I was trying to protect their constitutional rights, a field in which the Committee on the Judiciary has jurisdiction, I recognized that the Committee on Post Office and Civil Service could also take jurisdiction. So I got his consent to introduce the bill and to make a unanimous consent request—which was suggested to me by the distinguished Parliamentarian—that the bill be referred to the Judiciary Committee, and that was done originally.

Then, after the distinguished Senator from Wyoming succeeded to the chairmanship of the Committee on Post Office and Civil Service, I had a similar conversation with him, and he and I agreed that that would be the procedure to follow. That has been done.

In this case, I do not think the Judiciary Committee was told in advance about this proposal. I now want adequate time to read at least the latest version of the bill. I understand that the bill has been revised drastically since I read it, and I have not had an opportunity to see that. I have 5 days of hearings scheduled in the immediate future. I cannot be here.

Mr. McGEE. I appreciate the point the Senator makes.

At no time on this measure and its reference did I ask unanimous consent that it be referred to the Committee on Post Office and Civil Service. The Senator was kind enough to consult on the other bill and to ask unanimous consent that it be referred. But this is a question that has come up in terms of how the bill got to the Committee on Post Office and Civil Service, and that is the point that was raised in the Record by the Senator from Michigan.

Mr. GRIFFIN. I should like to recall what happened, because I remember it very well. It was late in the day. My attention was distracted at a time when the Senator from Massachusetts (Mr. Kennedy) who is in the Chamber now—presented, from the well, a bill at the desk and asked unanimous consent that it be referred to the Committee on Post Office and Civil Service. There was no objection, and that was it. He left the Chamber.

Then I had the opportunity to go to the desk and take a look at the bill. I realized that it was an election registration bill which, in my humble judgment, should not have been referred to the Committee on Post Office and Civil Service.

Of course, if it were properly to go there, unanimous consent would not have been required. Even though the distinguished Senator from Massachusetts was not then on the floor of the Senate—and I hesitated to do this—I felt so strongly about it at the time that I made a request that if and when the bill should be reported by the Committee on Post Office and Civil Service, to which it was being referred by unanimous consent, it should thereafter be referred to the committee which would have had jurisdiction if the request had not been made.

Frankly, it seems to me that this bill should have gone to the Committee on the Judiciary, and at that time I thought my request would accomplish that result. If it did not, I would certainly join with the Senator from North Carolina in urging now that it be referred to the Judiciary Committee, after having had the benefit of the study of the Committee on Post Office and Civil Service.

Mr. McGEE. Let me say to the Senator from Michigan that that is not the bill about which we are talking.

Mr. GRIFFIN. I see.

Mr. McGEE. That bill was not reported by the committee. That was the bill that was introduced by the Senator from Massachusetts. This is an entirely different bill, the McGee bill, that was reported at a later date. So it is not the same sequence of events about which the Senator was concerned.

Mr. GRIFFIN. Was this the origin of the bill?

Mr. McGEE. No. We had four bills actually submitted and referred to the committee, one way or another—one of them by unanimous consent—in the same way that the bill concerning the constitutional rights of Federal employees was submitted to the Judiciary Committee—by unanimous consent.

But the McGee bill, in its approach in this matter, through the Bureau of the Census and the Post Office Department, was submitted about 10 days later, in its own right among those bills, and was submitted by reference from the Parliamentarian, not by a unanimous-consent request. So I think it still lives up to what I understand the intent or the interest to have been on the part of the Senator from Michigan.

I yield to the Senator from Massachusetts.

Mr. KENNEDY. I thank the Senator.

First of all, I want to extend my warm congratulations to the Senator from Wyoming for the work he has done on the bill, the series of hearings he has held, and the wide range of witnesses that have been heard on the proposed legislation. I think he and his committee deserve the commendation of all Members of the Senate.

As one who has long been interested in the expansion of the right to the franchise, I have been very much aware of the voices that have been raised, time and time again, questioning both the jurisdiction and the substance of legislation in this area. I think we have made significant progress in this body in expanding the right to the franchise, and I believe the present legislation is an important addition to the long line of matters that have drawn the attention of the Senate.

I can think of a recent time when the Senate considered the question of redistricting congressional districts. That was a hotly contested debate. There were efforts to keep it in committee, to study it further, and to examine its various implications over and over.

I can think of a recent time when the Senate considered the poll tax. I remember the hue and cry against our efforts to abolish the poll tax and the injustice it meant for those who were poor or black; we heard all kinds of reasons why the Senate should not abolish the poll tax.

Then I remember the debate on the 18-year-old vote. It was a Senate floor amendment, and its opponents said it had not been given consideration in the committee. Nonetheless, the Senate acted.

In each area, the action of the Senate has been supported by the Supreme Court. On the present bill, there have not been any serious constitutional questions that have been raised. As a matter of fact, two of the most outstanding constitutional scholars on the question of the 18-year-old vote, Professor Pollak of Yale and Professor Freund of Harvard, as well as many other constitutional authorities, are unanimous in supporting the constitutionality of the bill that has been reported.

So I supported and commend the Post Office and Civil Service Committee for its work. As a member of the Judiciary Committee and as one who has been in on some of these past battles, I believe that the Post Office and Civil Service Committee is performing a special service here.

We can talk about these matters of jurisdiction on into the night. The Senator from Wyoming has already touched on some of the various experiences he has had on jurisdictional questions. If we were to consider the whole range of Senate committee jurisdiction over elections, we can think of the Committee on Commerce, which has jurisdiction over broadcast spending in elections. We can think of the Committee on Rules and Administration which has jurisdiction over reporting and disclosure.

We think of the Committee on Finance which has jurisdiction over tax credits for political contributions. It is clear that many different committees have an interest in this area, and I think we should respect the interest of the Post Office Committee, just as we respect the interest of all the other committees.

This is not to say that we are all not jealous of the different matters over which our committees have jurisdiction. We know that there is frequently an overlap in jurisdiction between the Foreign Relations Committee and the Armed Services Committee.

I know the problem firsthand. For instance, as chairman of the Health Subcommittee, I realize that the Finance Committee will work its will in the area of financing health care. There are two essential parts in providing health care. One is delivery, and the other is the financing. They should not be separate, but in this particular matter, that is the way the Senate system works.

Financing of health care goes through the Finance Committee, and the delivery system goes through the Health Subcommittee.

We could spend a great deal of time wrestling around on this bill, but we all recognize that we work our will in terms of what goes on on the floor of this great body.

Last year, the Senate acted on the floor to accept Senator Goldwater's residency requirement of 30 days for presidential elections, and we acted on the floor of the Senate in terms of the 18-year-old vote. This bill is much less complicated. It involves a much simpler kind of question. It is trying to provide opportunities for young and old alike to participate in a more meaningful way in the election process.

I do not believe that we should tarry long. As a member of the Judiciary Committee, I know its many current duties and assignments, including the consideration of the two Supreme Court nominations. I am very much aware that on the present bill, a substantial record has been made by the Post Office and Civil Service Committee, and I am aware of its fairness in conducting the hearings. They had a variety of opinions that were received. The fact is, this is a limited piece of legislation in terms of application. I would certainly hope, with the degree of urgency on this kind of legislation, that the chairman will continue to stand firm in his viewpoint, to insure that we do have the opportunity to debate these issues and act on them before the end of this year.

Mr. GRIFFIN. Mr. President, will the distinguished Senator from Massachusetts yield?

Mr. McGEE. I am glad to yield to the Senator.

Mr. GRIFFIN. Since the Senator from Massachusetts serves on the Judiciary Committee, he indicated there were no constitutional questions. I do not think he really meant to say that. I would imagine that there are some, because I am aware of the fact that there were constitutional questions raised in the hearings before the Post Office and Civil Service Committee.

I wonder whether the Senator from Massachusetts would object if a unanimous-consent request were made that the bill now be referred to the Judiciary Committee, which I think, if it did not have primary jurisdiction, certainly would have equal jurisdiction with the Post Office and Civil Service Committee.

Mr. McGEE. The chairman of the committee would object.

Mr. KENNEDY. Is the Senator a member of the Judiciary Committee?

Mr. GRIFFIN. No; my understanding is——

Mr. HRUSKA. Mr. President, will the Senator from Massachusetts yield?

Mr. KENNEDY. If I may take just a moment, I would like to finish my question with the Senator from Michigan first. What is the basis for the constitutional questions that were raised?

Mr. GRIFFIN. I am relying on the advice of the Senator from Nebraska, which I always find to be pretty good advice.

Mr. KENNEDY. The Senator from Nebraska is one who opposed the question of congressional redistricting, who opposed the 18-year-old vote, and who opposed the action of this body in terms of the poll tax. I do not question his advice, but——

Several Senators addressed the Chair.

The PRESIDING OFFICER (Mr. HUGHES). The Senator from Wyoming has the floor.

Mr. KENNEDY. The point I was raising is that in the committee hearings on the present bill, no substantial constitutional questions were raised. Obviously, any lawyer worth his salt can raise a constitutional question. The issue is whether the constitutional question is substantial. Am I not correct in my understanding that no substantial constitutional questions were raised?

Mr. McGEE. The question did come up in the same way in the committee deliberations, as well as in the hearings, but I would be willing to yield some time, as requested by the Senator from Nebraska, to raise a question with the Senator from Massachusetts.

Mr. HRUSKA. Mr. President, I suppose I could have the floor on my time, but I will be glad to take advantage of the Senator's yielding. Representation was made that I opposed the 18-year-old vote as well as the poll tax. The facts are to the contrary. The facts are that I approved of and supported the 18-year-old vote—

Mr. KENNEDY. As an amendment to the Voting Rights Act?

Mr. HRUSKA. To get down to the matter of whether constitutional questions were raised, they were not raised by me, they were raised by Ralph E. Erickson, Deputy Assistant Attorney General, who appeared before the committee for the Department of Justice, and gave a well-reasoned and well-documented presentation of the subject on constitutionality. Here we have the bland and unsupported statement that no constitutional problems or questions were raised. They have been raised. There were constitutional considerations on matters of State laws, on the matter of enforcement, which always resides in the Department of Justice, and of course the Judiciary Committee is the natural home for the consideration of a measure of that kind.

What are the serious constitutional questions which were raised? They begin on page 270 of the committee hearings—20 pages of consideration of that—together with practical considerations of why this proposal should be looked at carefully.

Mr. KENNEDY. Mr. President, will the Senator from Wyoming yield?

Mr. McGEE. If I may first respond to set the record straight about the hearings, because I sat in on them during every minute and remember when Mr. Erickson testified. He was drafted at the last minute. He had been in the Department of Justice only 3 days. He had not really had a chance to get into this subject. He ended by testifying to a measure that has been very, very considerably changed from his suggestions. I think that he made some very helpful ones. We changed some of the phrases he used and tightened up the bill. His private observation, as a matter of fact, was that he thought we were on the right track. It was a case of his trying to acquaint himself with the problems as we went along. We worked along together with him.

Mr. HRUSKA. Mr. President, he testified on four bills. There were four bills. He testified on each of them. And at the conclusion of his statement, I find by a hurried reading—and this is the first time I saw the printed hearings——

Mr. McGEE. But not the November bill.

Mr. HRUSKA. No. But that is all the more reason why he should be called back and we should say: "Here is a clean bill. Do any of these constitutional questions apply to the clean bill?" They are raised, and it is right here.

Mr. McGEE. He was called up in such a hurry, and he was new on the job. We gave him the November print, the last print of the bill all cleaned up, and asked him to take it back and review it. He was kind enough to do that and he sent up his general observations.

There was no attempt to bypass or to duck the issue or to go ahead with the basic questions on this. And the constitutional question after the Oregon against Mitchell case was a secondary rather than a primary matter after it was developed by Mr. Erickson in the testimony.

Mr. HRUSKA. Inherent in the proposition is still the question whether there are constitutional questions, and plainly there are.

Mr. McGEE. I would challenge the Senator on that statement. I think that there are no basic constitutional questions. An 8-to-1 vote of the Supreme Court settled that issue in the Oregon against Mitchell case.

Mr. HRUSKA. Mr. President, I am not so sure.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. KENNEDY. Mr. President, it seems to me that we are getting somewhat selective as to when we shall ask the Judiciary Committee to take these matters. The same thing could be said with regard to other bills. It seems to me that whether we are asked to send a bill to the Judiciary Committee depends upon whose ox is being gored.

Obviously, the fact that a bill contains a constitutional question does not automatically give the Judiciary Committee jurisdiction over it. A few months ago, the Senate passed a major election reform bill that contained a number of first amendment issues, but there was no claim then that the Judiciary Committee had jurisdiction.

This is an extremely basic and fundamental bill of legislation. It deals with the availability of registration, and the Post Office Committee has clear jurisdiction.

The chairman of the committee has stated the constitutional question entirely correctly by his references to Oregon against Mitchell.

However, I did not know we were going to take the bill up and debate it tonight.

I am sure that the Senator would agree that we could have a reasonable amount of time to acquaint ourselves with the bill, before it is called up for floor debate. The Senator from North Carolina and the Senator from Nebraska are great constitutional authorities, and we look forward to their participation in the debate.

Mr. McGEE. We all agree with that statement, having had a fast look at the RECORD.

Mr. ERVIN. Mr. President, the Constitution of the United States still states that each State shall appoint, in such manner as the legislature thereof may direct, a number of electors, equal to the whole number of Senators and Representatives to which the State may be entitled in the Congress. It says that the electors shall elect the President.

This bill says that the Post Office Department and the Bureau of the Census, as I read the first draft, would determine that instead of the States. I think that is a serious constitutional question.

Mr. McGEE. Mr. President, I do not want to go into the subsistance of the question. It is a jurisdictional one, according to my recollection of the hearings. And I have to do this very roughly because I am not a constitutional lawyer, although once I thought I was a constitutional historian. Article I, section 4, does in specific language suggest that Congress should be the judge of the elections in the case of its membership. It was upon that basis that we have the decision in the Oregon against Mitchell case. That is in the Constitution.

We cannot content ourselves by reading a part of the Constitution that proves our side.

Mr. ERVIN. Mr. President, it refers only to Representatives in the House. It says their qualifications are to be prescribed by the States. The part I read refers to the presidential electors.

Mr. KENNEDY. Mr. President, the committee was on sound ground in its view of the constitutional issue. The chairman has already referred to Oregon against Mitchell, which decided the issue of residence requirements. On Smiley against Holm, decided in 1932 by Chief Justice Charles Evans Hughes for a unanimous court, the Supreme Court clearly held that Congress has plenary power under the Constitution to legislate in the area of voter registration.

We know that in the past, Congress has acted on the 18-year-old vote, the question of redistricting, and the question of the poll tax. They were all much closer constitutional issues than the one we have here. Ultimately that matter will be decided on the floor of the Senate, and there is no need for further reference of the bill to any other committee. But, I would think that the Senator from Wyoming would give us a reasonable time for preparation, so that by the time this matter comes up, we can avail ourselves of the necessary study.

Mr. McGEE. Mr. President, the purpose of this colloquy was to spell out the various ramifications and the jurisdictional question on this matter, rather than pressing for a vote on the matter right now.

I am advised by the leadership that the measure will likely follow immediately in the wake—I guess the only guarantee I can make is before adjournment. I will modify the generalization I have made.

Mr. HRUSKA. That gives a little latitude.

Mr. McGEE. The Senator is correct. In the interest of accuracy, I will modify my statement to that extent. I would say again to my friend the Senator from North Carolina that I did not come here to debate the substantive issues in the bill. However, as I read section 4 of article I of the Constitution, it provides:

> The Time, Places and Manner of holding Elections for Senators and Representatives, shall be prescribed in each State by the Legislature thereof; . . .

That is as the Senator said. However, it goes on and says:

> . . . but the Congress may at any time by Law make or alter such Regulations, except as to the Places of choosing Senators.

It was the opinion in the Oregon against Mitchell case that made this a legitimate factor and an area for the consideration of this body. Thus, it was not a relevant constitutional matter in the light of that opinion. That was my opinion of it during the hearings when we had a spokesman from the Attorney General's office addressing us.

That is the essence of all I have to say here to my friend the Senator from Nebraska.

Mr. HRUSKA. Mr. President, the Senator from Michigan has inquired as to whether it would be possible to get a unanimous-consent agreement to refer the bill to the Judiciary Committee. I understood the chairman of the committee to indicate that he would object to such a request. What suggestion would the Senator have as an alternative?

Mr. McGEE. Mr. President, I think that the case for the Post Office and Civil Service Committee having jurisdiction of this particular bill and the terms on which it is drawn are very strong. I am not prepared to yield on that in any sense.

As a matter of courtesy, I would be interested in working out some sort of an understanding so that the Judiciary Committee would have a chance to look at the bill, but not a unanimous-consent agreement to refer the bill to it unless that agreement is accompanied by the requirement that it come back to the floor at a time certain in the condition in which we have reported the bill. In other words, the committee would be given a chance to look the bill over and to look at the hearing record, and that sort of thing. However, I am not about to relinquish jurisdiction of the bill.

Mr. HRUSKA. That would not be the purpose of the unanimous-consent request, because jurisdiction having been resident in the Post Office and Civil Service Committee, that would be the primary jurisdiction.

But it seems to me there should be some period of time given to the Committee on the Judiciary because of its interest and its primary interest in the thrust of the bill and because of constitutional considerations and the enforcement and criminal penalty section, and a number of other things. It seems to me they should have some opportunity to analyze and officially report to the Senate their judgment and appraisal of the section.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. KENNEDY. I always enjoy listening to my good friend from Nebraska on these procedural questions.

I hope that when the gun legislation comes from the Committee on Finance, he will be willing to argue jurisdiction of the Committee on the Judiciary as strongly as he argues the question of this bill being referred to the Committee on the Judiciary.

Mr. HRUSKA. There is no difficulty on that score. The Senator knows it.

Mr. KENNEDY. I hope he will take the same position with respect to the gun legislation. I wish that when we came here to debate sending the gun legislation to the committee, my friend had argued that it go back there and stay for a period of time, when we talked about relaxing the 1968 act.

I think there is no reason in the world why the chairman or the majority leader should not call up this bill at the end of the week, or early next week, to give us all an opportunity to study the full and complete record on this, and to consult with whomever we wish.

As a member of the Committee on the Judiciary, I am sure that committee is extremely busy now. We have witnesses on the two Supreme Court nominations, and a great deal of work is before that committee. To give that committee a week or 10 days for deliberation on this bill is meaningless. The chairman of the Committee on Post Office and Civil Service has done an extraordinary job, and his bill should now go before the Senate.

If we start moving in this direction of further referral, it is a dangerous precedent. Are we going to have health legislation from the Committee on Finance referred to the Health Committee? Are we going to rearrange and adjust the jurisdiction of all the other committees? This matter has been given due deliberation. The record has been made. I hope the chairman will stand firm.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. HRUSKA. I yield.

Mr. GRIFFIN. Mr. President, I have before me a copy of the bill that has been reported. As I read it, this act may be cited as the National Voter Registration Act, which is the title of the act. Although I have not read the bill—I do not know whether I would be for or against it—I take it that the primary purpose has to do with the registration of voters in elections.

I know it is not necessary to read for the benefit of the chairman of the committee the jurisdiction of the Committee on Post Office and Civil Service as it appears in Senate rule XXV, but I would like to read it for the RECORD in light of our discussion because the jurisdiction is very limited and does not involve very much reading. I will read the jurisdiction of the Committee on Post Office and Civil Service from rule XXV of the rules of the Senate. It reads:

> (n) Committee on Post Office and Civil Service, to which committee shall be referred all proposed legislation, messages, petitions, memorials, and other matters relating to the following subjects:
>
> 1. The Federal civil service generally.
>
> 2. The status of officers and employees of the United States, including their compensation, classification, and retirement.
>
> 3. The postal service generally, including the railway mail service, and measures relating to ocean mail and pneumatic-tube service; but excluding post roads.
>
> 4. Postal-savings banks.
>
> 5. Census and the collection of statistics generally.
>
> 6. The National Archives.

That is the extent of the jurisdiction of the Committee on Post Office and Civil Service. There is nothing in the rule that gives the committee jurisdiction over a national registration program.

If any committee other than the Committee on the Judiciary has jurisdiction it would be the Committee on Rules and Administration, which does have some jurisdiction relating to Federal elections. I think that would be very clear. Those two committees might jointly have considered this bill. But it is difficult for me to understand, other than the fact that the mails will be used, which is generally the case with almost anything that happens, that the bill would have any relationship whatever to the Committee on Post Office and Civil Service.

Mr. McGEE. I did not hear the Senator read the "Bureau of the Census."

Mr. GRIFFIN. Yes, I did.

Mr. McGEE. I was busy talking. I want to go back to that. There is a certain carrying factor involved. It is the Bureau of the Census that would have the job to get this distributed. That decision has been made.

We have acted in good faith. We have held extensive hearings in depth on these questions. I feel very strongly about the whole jurisdictional factor here because of the extremes we went to in respect to the other areas, realizing it always is a mixed bag, but the preponderance of the mix, in the judgment of the Parliamentarian, is due to the method we have prescribed for carrying out this segment of voter registration.

I think it is as elementary as that. The jurisdictional question has been raised. Maybe we shall have to resolve that question again.

I have discussed this matter with the Senator from North Carolina and the Senator from Nebraska. I have discussed it with the chairman of the Committee on the Judiciary, the Senator from Mississippi (Mr. EASTLAND). They manifested real concern with regard to the claim that we are busy and are trying to get out at the end of the session.

I note here a copy of a letter that most Senators received from the leadership. It is dated October 20, 1971, and it states that following the disposition of the economic tax proposals the following items will then be considered. This is responsive to the question raised earlier, on which I had to remain ambiguous until I could get the masterpiece itself: Phase II, voter registration, narcotics, 2 Supreme Court nominations, and the Okinawa reversion treaty. That is the program spelled out in the letter from the joint leadership.

I stand firm on the jurisdictional question. We are running out of time. I do not know of any other possibility available. The more we discuss this question, the more I think we are being crowded and are going to have to make a decision on the matter, up or down.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. KENNEDY. I understand the Senator utilized the post card form with regard to jurisdiction as a means.

Mr. McGEE. That is just a means.

Mr. KENNEDY. Who is the principal administrator of it? Is it the Census Bureau?

Mr. McGEE. The Census Bureau. It is within the Census Bureau that the national voter registration administration would be set up.

Mr. KENNEDY. It seems to me that the Senator's committee clearly has jurisdiction.

Mr. McGEE. That was my understanding. That is why I have been surprised about the jurisdictional question raised here.

Mr. KENNEDY. I agree with the Senator from Wyoming. I think he is completely within his rights, and I agree with the Parliamentarian in referring the bill to his committee.

Mr. McGEE. We did this in good faith because of the judgment made and the equity, on balance, of it all. We introduced no new areas or guidelines. We just followed legislation until now that has been reported by the Committee on the Judiciary. In this process we have arrived at a mechanism totally within the jurisdiction of this committee to permit it to be carried out, and still respecting, in a very stringent way, the rights and responsibilities of the States in this process.

Mr. HRUSKA. Mr. President, will the Senator yield for a question?

Mr. McGEE. I yield.

Mr. HRUSKA. I come back to my first question. Inasmuch as a unanimous consent agreement would be objected to, what alternative suggestion has the Senator from Wyoming?

Mr. McGEE. What would the Senator propose? I imagine we would talk about a possible date in which to give somebody time to look at it. We cannot find that time. Senators are going to be gone, making speeches. The Senator's committee is having hearings on the nominations of two justices to the Supreme Court, which may extend some time yet, and we are running out of the projected time left in this session.

I have some responsibility to protect the actions of this committee and to make sure we are not running out the back door.

Mr. ERVIN. Mr. President, as I understand it, the only way the question of jurisdiction could be raised would be when the bill was called up and became the pending business. Then a motion would lie to refer to a committee that any Senator felt had jurisdiction. I would like to make a parliamentary inquiry to that effect.

The PRESIDING OFFICER. The Senator from North Carolina is correct. The bill has to be before the Senate before a motion to that effect can be made.

Mr. ERVIN. It seems to me there is a considerable amount of work already on the agenda, which is going to take some days. I would only make a request of the distinguished majority leader and the distinguished assistant majority leader and the distinguished Senator from Wyoming that whenever this bill is called up, I be notified in advance; and also I request that I be assured that no motion or unanimous-consent request will be made with respect to this bill until the Senator from Nebraska, the chairman of the Judiciary Committee, the minority whip, and I are all given notice, so that we will have an opportunity to be present at any time a motion or a unanimous-consent request is made with respect to it.

Mr. KENNEDY. Mr. President, may I be included in that request?

Mr. ERVIN. Yes.

Mr. HRUSKA. Mr. President, the Senator from Hawaii (Mr. FONG), who is the ranking Republican member of the Committee on Post Office and Civil Service, should be notified.

Mr. BYRD of West Virginia. Mr. President, who has the floor?

Mr. McGEE. Mr. President, I have the floor. I am glad to yield.

Mr. BYRD of West Virginia. Mr. President, if I may respond to the distinguished Senator from North Carolina, I will give him that assurance—and I am sure I can speak for the majority leader—to the extent that the Senator from North Carolina (Mr. ERVIN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Hawaii (Mr. FONG), the Senator from Nebraska (Mr. HRUSKA), the Senator from Wyoming (Mr. McGEE), and the Senator from Mississippi (Mr. EASTLAND) will be notified prior to the calling up of the measure that has been discussed, and that no time agreement will be entered into without the approval of those several Senators whose names have been mentioned.

Mr. ERVIN. Will the Senator from Wyoming agree to that, because there is a great difficulty on the Senator's part and any other Senator's part on agreeing to a time?

Mr. McGEE. The Senator is correct. I would agree. Apparently the Senator from Nebraska would agree to the agreement made by the distinguished assistant majority leader on this matter. I would be willing to let it rest at that point.

Mr. ERVIN. At what point?

Mr. McGEE. At the point just described by the Senator from West Virginia (Mr. BYRD) as a commitment to us.

Mr. HRUSKA. Mr. President, would there be any disposition on the part of the Senator from Wyoming to agreeing to a date, say November 22, which is a week from this coming Monday? It would give the committee some chance to assess the situation and respond to the Senate, and then have it automatically returned to the calendar.

Mr. McGEE. As the Senator knows—and we were discussing this earlier—the 22d gets a bit late in terms of other schedules that are also intruding. November 18 was the date the Senator from Mississippi and I had tentatively discussed informally, without giving any commitment on it. By the time we get to Monday, November 22, we are getting into rather deep commitments that follow there shortly. I think the 22d would be extremely difficult.

Mr. ERVIN. November 18?

Mr. McGEE. I was taken by the suggestion of the Senator from North Carolina as to the parliamentary procedure and the consideration that is guaranteed. That still is the forthright way to get at it, because those issues can be raised at that time, as well as the judgment from the report and the November printing.

Mr. ERVIN. The Senator from Wyoming, as I understand, is willing to let the matter go for consideration by the Judiciary Committee until the 18th, on the understanding that the Judiciary Committee will return the bill by that time.

Mr. HRUSKA. On or before the 18th?

Mr. ERVIN. Yes.

Mr. McGEE. I think we are getting into a little disagreement over the question of referral, on the jurisdiction question. I thought the 18th was the time we could bring it up, but I also thought the suggestion was that we were going to discuss the bill, if we could clear that time, on the ramifications, including the jurisdictional question, on the floor of the Senate. That is what I understood the Senator from North Carolina to say.

Mr. ERVIN. So far as I am concerned, I would not want to agree now to bringing it up on the 18th for action.

Mr. McGEE. I misunderstood. The Senator would leave that to the leadership?

Mr. ERVIN. Yes; it would be up to the leadership.

Mr. McGEE. After notifying all of us?

Mr. ERVIN. Yes.

Mr. McGEE. That is right.

Mr. ERVIN. I agree that the Senator from Wyoming does not refer to "referral" in the technical sense.

Mr. McGEE. In the technical sense. I could not agree to that.

Mr. ERVIN. But is willing to agree that the members of the Judiciary Committee may consider the bill informally, with the understanding that the matter can be motioned up on the 18th or thereafter by the majority leader, subject to the notice we discussed.

Mr. McGEE. If the leadership did not choose to call it up before; but I would gather there would be no break beforehand on that score.

Mr. HRUSKA. That is satisfactory with me. I had no reference to the formal reference to the Judiciary Committee, but to the consideration or a report it might want to make.

Mr. KENNEDY. Mr. President, I would object to that. This measure is on the calendar now. The bill has been reported. Are we going to open up questions of jurisdiction on every matter that is going to come before the Senate?

I understood the Senator from Wyoming and the assistant majority leader to indicate that other Senators would be notified and that we could decide this matter in accordance with the Senate rules. I do not know what is meant by informal or formal committee reference. I think we ought to go by the rules. We often hear statements here about running such situations by the rules. The matter has been referred to the committee. It is on the calendar now. Certainly, at the time when it is going to be called up, all of us ought to have an opportunity to know about it.

And all of us ought to have an opportunity for informal study of it. Nobody would object to that. But I have doubts about an informal report or study. The bill is on the calendar now. Let us have the Senate work its will and not have further delay in the matter.

Mr. HRUSKA. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. HRUSKA. Reference to the committee, whether formal, informal, or otherwise, is for the purpose of having the committee jointly consider it, just as it passes on any similar measure, in order, on the basis of whatever limited study it can give to the bill, that it can favor the Senate with its sentiments.

We are not going to get to the bill before that, in any event, according to all practical computations; and unless it is just a dog in the manger proposition, Mr. President, I do not see what objection could flow against that kind of situation.

Mr. McGEE. I think our disagreement is over the terminology and the effect of this, but referring it to the leadership, for it to take its place in their judgment, as they see fit, as a question, gives everybody a chance to look at it, whether it is formal or informal, because there is disagreement over whether it should be a formal or an informal referral, would assure that they have access to the hearing record, that they have access to the November print of the bill as it is laid before the Senate, and that the judgments of all concerned can be shared with the Senate in that interval, which will be the interval presently laid out.

Mr. HRUSKA. That is not giving anybody any consideration on the basis of there being some merit to the proposition in view of the fact that virtually in every major voting rights measure since 1957, going right on through, has gone to the Committee on the Judiciary.

Mr. KENNEDY. Mr. President, if the Senator will yield, that is not——

Mr. HRUSKA. I do not yield at this time. All we ask is that it be sent to the Committee on the Judiciary, so that that committee may communicate to the Senate officially before the 18th and say, "We have had this little more time to study it; here are some of our thoughts on it."

If the Senator does not want the Judiciary Committee to have even that courtesy extended to it, let him say so, and we will fold our tents and go on to the Judiciary Committee hearing, where we are still considering the nominations of Mr. Rhenquist and Mr. Powell.

Mr. FONG. Mr. President, will the Senator yield?

Mr. McGEE. I have promised to yield first to the Senator from Massachusetts.

Mr. KENNEDY. I have nothing to add at this time.

Mr. FONG. Mr. President, the Post Office and Civil Service Committee has filed its report on the bill, and three of the four minority members have stated, in minority views, under the heading "Jurisdiction of Post Office and Civil Service Committee," as follows:

> JURISDICTION OF POST OFFICE AND CIVIL SERVICE COMMITTEE
>
> A severe indictment can be made of this bill on the basis of committee jurisdiction and expertise.
>
> Rule 25–1 "l" states that matters relating to civil liberties shall be referred to the Committee on Judiciary. Bills dealing with voting rights and registration for Federal elections have in the past been referred to and considered by the Committee on the Judiciary.
>
> The Senate Committee on Post Office and Civil Service received this bill on voter registration because contained in it were references to the United States Postal Service and Bureau of the Census. These two Federal agencies were to produce, distribute, monitor and deliver Federal voter registration cards. However, the primary thrust of the bill was to establish a national voter registration system.
>
> The debate that will take place on the floor and the discussions in the Committee on Post Office and Civil Service on this measure will center not around the participation of the United States Postal Center or the Bureau of the Census in the National Voter Registration system but rather whether or not such a system should be established.
>
> It is essential in considering legislation of this importance that the Committee which has the expertise arising out of many years experience in the field consider such legislation. Constitutional questions, impact on state laws, imposition of criminal penalties and a multitude of other questions attending the establishment of a national voter registration system should be given much greater consideration in committee than the Post Office and Civil Service Committee gave S. 2754.
>
> The Civil Rights Act Amendments of the 1960's, the Voting Rights Act of 1965, the Voting Rights Act of 1970, all of these were considered by the Senate Judiciary Committee. The Federal agency charged with overseeing voting rights is the Justice Department. Here the bill seeks to establish a National Voting Rights Administration in the Bureau of the Census, Commerce Department. This appears to be setting up a system without coordination between Federal agencies and is inviting problems that can and must be avoided.
>
> The Committee staff has drafted five or more different versions of this bill. Even after the Committee had acted, substantive changes were being made in the bill. We understand that very substantive floor amendments will also be made by the majority of the Committee during debate on this bill in order to correct deficiencies that have been raised after the Committee voted on the bill.
>
> There may be very many more pitfalls contained in the bill even after adding floor amendments. The Post Office and Civil Service Committee had one executive session of less than an hour's duration on this bill.
>
> With all due respect to the expertise of the Committee members and staff of the Post Office and Civil Service Committee in attempting to write legislation on voter rights and registration, the bill continues in many deficiencies and should be re-referred to the Judiciary Committee for further refining consideration.

As the ranking Republican member of the Post Office and Civil Service Committee, which worked on the bill, I still do not understand the bill too well yet. It is a real hodge-podge, and it should be referred to the Committee on the Judiciary which, after all, has jurisdiction over voter registration.

The main thrust of the bill is voter registration; it is not the use of the U.S. Postal Service nor of the Census Bureau. The only reason why it was referred to the Post Office and Civil Service Committee was that it was tied to the Postal Service in that the Service was going to deliver the cards to the voters; and the only reason another bill was sent to this committee was that it was similarly tied to the Census Bureau.

These are really the only reasons the bills were sent to our committee—because the instrument used getting the forms out was the Postal Service and the Census Bureau.

But there are real, vital questions here, dealing with constitutional rights, and with the impact of the law if we enact this bill, on the registration laws of the States. There are questions of criminal penalties; we have a provision in the bill for a fine of $10,000 for fraud, or 5 years imprisonment, or both, and a fine of $5,000 if one interferes with the rights of a voter.

We have in this bill many, many questions dealing with the judiciary, with justice, and with the judicial process, and I think that the bill should be referred to the Committee on the Judiciary, so that that commitee can look it over.

Mr. BYRD of West Virginia. Mr. President, the subject of committee jurisdiction with respect to the voter registration bill has been discussed pretty thoroughly, I think, this afternoon. It is clear at this time, that no unanimous-consent request to refer the bill to the Committee on the Judiciary would meet with the approval of all Senators present. Moreover, no motion would be in order today to that effect, by virtue of the fact that the bill is not before the Senate. Consequently, in view of the fact that the leadership is now on notice and has assured certain Senators here that no agreement will be entered into with respect to this bill without prior consultation with those Senators; and second, that the bill will not be called up until those Senators have been properly notified and consulted with, it would seem to me that it would be useful now to proceed to other matters. I do not wish to cut off debate, of course.

Mr. KENNEDY. Mr. President, will the Senator yield for just one final question?

Mr. BYRD of West Virginia. I yield.

Mr. KENNEDY. As I understand, this measure was introduced in September?

Mr. McGEE. Yes; in fact, on the 16th of September.

Mr. KENNEDY. At any time prior to this, has jurisdiction been challenged?

Mr. McGEE. At no time that I am aware of. At no time were we ever aware of its being challenged.

Mr. KENNEDY. And now that it is on the calendar, this question arises?

Mr. McGEE. The challenge has come as we prepared to act.

Mr. ERVIN. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield to the able Senator from North Carolina.

Mr. ERVIN. On that point, the time for raising the challenge has not arisen yet. It cannot arise until the bill is called up and made the pending business.

Mr. BYRD of West Virginia. The Senator is correct.

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## ORDER FOR RECOGNITION OF SENATOR SYMINGTON TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that immediately following the recognition of the two leaders tomorrow, the distinguished Senator from Missouri (Mr. SYMINGTON) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. I ask unanimous consent that upon the conclusion of the remarks of the Senator from Missouri (Mr. SYMINGTON) tomorrow, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes, and that at the conclusion of that period the Chair lay before the Senate S. 2820, a bill to provide foreign economic and humanitarian assistance authorization for the fiscal year 1972.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## ORDER FOR REFERENCE OF THE RUNAWAY YOUTH ACT

Mr. BYRD of West Virginia. I ask unanimous consent that a bill introduced today by the Senator from Indiana (Mr. BAYH) for himself and the Senator from Kentucky (Mr. COOK), to be known as the Runaway Youth Act, be referred to the Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## PAY BOARD DECISION INDICATES WHY CONGRESS MUST LEGISLATE STANDARDS AND POLICIES FOR STABILIZATION ACT

Mr. PROXMIRE. Mr. President, yesterday the Pay Board made three significant decisions affecting the lives and fortunes of millions of Americans. This group of 15 men, elected by no one and not even confirmed by the Senate of the United States, took far-reaching and even unprecedented actions.

First, they determined that future standards for pay raises during phase II of the program should be set at 5.5 percent.

Second, where pay increases have been negotiated, they can be put into effect after November 13 provided that are not unreasonably inconsistent with the Pay Board's standards. Most deferred increases will, therefore, go into effect.

Third, and highly significant, they determined that raises bargained for or determined before August 15, but which were to have gone into effect during the freeze, would not be paid retroactively except in unusual circumstances.

### ACTION RAISES IMPORTANT QUESTIONS

The latter action, especially, raises grave questions and indicates why it is so important for Congress not only to legislate specifically on these matters rather than to leave them to the arbitrary decisions of appointed bodies, but also why it is imperative that Congress review the powers granted in the stabilization act itself after there has been 2 or 3 months of experience under the act.

There are a whole series of questions raised by the refusal of the Pay Board, by a 10-to-5 vote, to grant the retroactive increases previously agreed to. Among the most important ones are these.

### ABROGATION OF CONTRACTS

First. These agreements represent contracts bargained for in good faith between management and labor. Like all contracts they include offers acceptances, and considerations. They are compromises which are the results of give and take.

Now the Pay Board has ruled that certain provisions of these contracts cannot be honored. Agreements reached through private collective bargaining in good faith for wage increases in the period August 15–November 13 are abrogated by the Pay Board.

This not only raises grave questions about labor contracts, but what about other contracts?

Is the Pay Board or the Price Commission going to do the same with respect to other contracts? Most interest rates fell during the pay period. But what about the interest rate on those individual bonds which rose during the freeze period? What about mortgages where the cost of the new homeowner determined during the period of the freeze was increased above the cost of a prior period? While it is true that interest rates and mortgage rates in general declined during the period, or at least did not go up, the general level of rates is composed of thousands of individual transactions, some of which up and some of which went down.

Imagine the hue and cry if the President of the United States or a board acting on his behalf should abrogate a contract involving interest payments. Congress would be overwhelmed with petitions from angry people who feel that this is a sacred contract they entered into and that they have a right to expect payment in full. No more sacred, however, than a wage contract which is negotiated in good faith.

These, too, are contracts. What is to happen to contracts of all kinds if the Pay Board can arbitrarily determine that labor contracts already entered into are not to be carried out?

This is a vast power to be exercised by the Pay Board. In this case the principle is far more important, than the specific consequences.

### WAS IT NECESSARY?

Second. Was it really necessary to exercise the power to abrogate contracts in order to fight inflation? Was it worth it?

Wage and salary disbursements for the entire economy were at the annual rate of $580.9 billion in the months of August and September.

Far less than 1 percent of this amount was involved in retroactive contracts—I think probably less one-half of 1 percent. This Pay Board decision, could not significantly affect the basic principle the President is trying to achieve—namely, to reduce the rate of price increases to below 3 percent by the end of next year. For all practical purposes, the amount of money involved in granting retroactive pay provisions was not enough to have any significant effect on the inflation battle.

This is a very strong reason to argue that the Pay Board, as a practical matter, should have honored the contracts.

I can think of only one significant reason against such action. There may have been some cases—especially in the case of small or marginal employers—where granting the pay increases retroactively, while not allowing the employer to raise prices to cover the added costs, would work an unfair hardship on the employer.

On the other hand, there must be dozens of municipal and State governments which had already raised taxes or cut other expenditures to provide for pay increases for teachers, police, sanitary workers, and others scheduled to go into effect during the freeze. Surely, most private employers who had pay increases scheduled for the August 15–November 13 period had already taken action through price increases or other means to meet the scheduled pay increases.

Now, it is true that the Board's exception recognizes this. But the burden of proof—and it is a very hard burden—is on the worker.

In these cases where proof cannot be adduced, working people will be unfairly denied the increase. On the other hand, it is true that in a few cases, there would be a genuine hardship on the employer, if we go the other way.

There is one possible way to both grant the retroactive increases and to meet the genuine grievances of a small employer. Instead of denying any retroactive increases except where the union proves that the employer raised prices in anticipation of wage increases scheduled to occur during the freeze, why not allow the retroactive increases except where the employer proves that he did not take action in anticipation of the scheduled wage increases?

In other words, why not let the contracts stand except where it can be shown that a hardship resulted?

Instead of taking this course, the Pay Board's action will mean thousands of contracts are abrogated and the burden of proof is thrown on the wage-earner to prove that the employer raised prices in anticipation of the scheduled increases. Since the wage earner does not have access to the employer's books, he is now asked to perform an almost impossible task.

The Pay Board has this matter upside down. This is especially true in view of the extreme seriousness of the power exercised by the Board to abrogate contracts.

### NO CONTRACT—NO WORK

Third. Even if the labor members of the Pay Board reluctantly accept this decision—I am talking about their leaders—the rank and file of the labor movement may be entirely unwilling to do so. If the pay provisions of contracts are abrogated, then working men and women may well consider that they have no contract. We may be facing a period of labor unrest and strife entirely out of proportion to the importance of this decision. Last Sunday I spent several hours—I expected to spend perhaps less than an hour, but I ended by spending several hours—with about 500 working men and women in Milwaukee, and I can report that the feeling on this matter runs far deeper than the public or Congress is aware. They deeply resent what has happened to their pay increase. The sentiment at that meeting—there were 500, and they represented a great number of unions—was very powerfully against this kind of action which, of course, had not been made at that time but was anticipated.

A contract is the result of free collective bargaining. It is not only pay rates which are bargained for, but also hours, working conditions, working rules, and hundreds of other matters. A labor contract represents the results of all these matters. When the pay provisions are abrogated, the question becomes whether working men and women are obligated to abide by the remaining provisions of the contracts which represent a compromise between pay raises and working conditions.

But, on balance, there was little or nothing to be gained in the fight on inflation by failing to grant retroactive increases. And there has been a great deal to lose in abrogating the sanctity of contracts. The refusal to honor these contracts, in light of their relatively minor consequences for price stability, could cause the entire stabilization program to break down by destroying working men and women's confidence in the fairness of the program. That risk does not seem to be worth the price.

### WHO GETS THE WINDFALL?

Finally, who is to get the money saved by companies or public bodies as a result of the failure to pay out wages already agreed to? There are some cases where taxes have been increased to pay for teachers' pay raises. Now the teachers are not to get the raises for the August 15 to November 13 period. Who gets the windfall?

Meanwhile, some companies will now save tens of thousands of dollars of the costs of doing business. In the absence of direct price decreases to consumers, these savings may merely be transferred from the pockets of the men and women working for these companies into the coffers of the company treasury or to the stockholders as increased equity in the company.

### CONGRESS MUST LEGISLATE INTELLIGENTLY

Because of what happened yesterday, it is now even more important than before that the Senate and House of Representatives should not only legislate carefully and in detail on these matters, leaving very little in the nature of general or vague directions to the President and the Pay Board and Price Commission, but also we should refuse to grant authority now beyond April 30, 1972, when this act expires. We ought to have some experience; we ought to know what we are doing. We will have very little knowledge of what we are doing or what the Pay Board and Price Commission is going to do if we act in the next couple of weeks to extend the authority.

The decisions of the Pay Board and Price Commission are just now being made. Before we extend the Stabilization Act another year beyond April 30, 1972, we should wait until there has been some experience under the program.

We have plenty of time. In February or March we can reopen this matter, review what has happened, and legislate after having had some experience under the law.

If we extend the act now until May 1, 1973, there will be no occasion on which Congress will be required to review the act. In view of this tremendous grant of power—power which Arthur Burns, Chairman of the Federal Reserve Board, referred to as "dictatorial"—this is the very least we can do.

I would remind my colleagues that the fundamental authority under which the President is acting is limited to only five lines in the stabilization act. Those five lines read as follows:

> The President is authorized to issue such orders and regulations as he may deem appropriate to stabilize prices, rents, wages, and salaries at levels not less than those prevailing on May 25, 1970. Such orders and regulations may provide for the making of such adjustments as may be necessary to prevent gross inequities.

That is all. That is it. That is the whole thing. No standards, no restraints. The President is given the most massive economic power that Congress has delegated to any Chief Executive since I came to the Senate. I think it is among the most massive powers ever given. At this time, there have been no guidelines at all set forth by Congress.

It is now time for Congress to legislate responsibly. And to legislate responsibly we need to spell out the precise powers and standards we are granting to the President, and to make provision for reviewing these powers after there has been 2 or 3 months' experience under the act.

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## TRIBUTE TO THE LATE RICHARD BREVARD RUSSELL, SENATOR FROM GEORGIA

Mr. BYRD of West Virginia. Mr. President, on October 19, 1971, in Newport News, Va., the very distinguished Senator from Mississippi (Mr. STENNIS) honored the memory of his predecessor as chairman of the Armed Services Committee when he spoke at the keel-laying ceremonies for the nuclear attack submarine, U.S.S. *Richard Brevard Russell*.

The eulogy given by Senator STENNIS on that day serves to remind us—though I know that a reminder would be unnecessary—that the late senior Senator from Georgia was a man dedicated to the concept that a free America must always be a strong America. To that end he lent his immense strength and incomparable skills for many years in this distinguished body.

Mr. President, as I read the words spoken by Senator STENNIS for our late colleague, I was struck by the fact that much of the language, the admiration and respect that the tribute contained could be applied without change to the distinguished junior Senator from Mississippi (Mr. STENNIS) who now lends his distinction and skill to the chairmanship of the committee so long graced by a Senator and an American of such very high stature—Richard Brevard Russell—a man whom I admired more than any other man in Washington and who once said:

> The United States has more than is worth protecting than has any other nation, and I am thankful that our citizens are willing to pay the price for its defense.

I ask unanimous consent to have printed in the RECORD the tribute paid by Senator STENNIS to the memory of a great patriot, Richard Brevard Russell.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### KEEL LAYING OF THE "RICHARD B. RUSSELL" (SSN 687) NEWPORT NEWS, VA., OCTOBER 19, 1971

(By Senator JOHN C. STENNIS)

Mr. Secretary, Mrs. Stacy and other members of the Russell family, ladies and gentlemen:

For me, my friends, this is a sacred hour. I feel we have the personification here today of much of the fine dedication in our Navy. Too, we honor a man who represented the ultimate in dedication to his country; so, we look to the future with confidence in our system and in our ability to carry it on. So it is with pride and with humility that I speak. Just as I am proud to participate with you in the initiation of another link in the chain of America's defensive armor, so, too, am I humble in the thought that in this dedication we are paying tribute to the memory of that great American for whom this ship will be named—Richard Brevard Russell.

No small part of his service was his own dedication to the concept that this nation must remain strong if it would remain free. And one of the keystones of this philosophy was that America must maintain a Navy that is second to none. To these ends he bent his energies, his will, his skill for almost four-score years in major Senate positions.

During all that span of time he was foremost among the legislators in urging national defense. I doubt that any man during that period worked harder to preserve peace, yet, at the same time, to prepare for the wars that might come and did come.

He was one of those who took an early lead in 1939, and this is significant, when war clouds darkened on the world horizon, arguing for greater preparedness, even to insisting that an inadequate defense budget be returned for desperately needed increases.

He vigorously supported every effort during World War II.

He feared the dismemberment of our defense machine after that war, for he could see the threat of the Cold War even then.

He stood firmly behind the President at the time of the Korean War, convinced that the forces of aggression must be repelled.

During all that time he recognized, too, the needs of our fighting men and those of their families, and was in the foremost in seeking legislative means to alleviate the hardships, the sacrifices, and the lonely vigils that are by-products of that great calling.

Six Presidents of the United States turned to Senator Russell for advice and counsel on matters dealing with the country's defense. He gave it freely, frankly, without an echo of partisanship, always in the nation's interest.

And, finally, although he opposed our commitment in Southeast Asia from its inception, once the dye was cast, he used every means at his command to bring that war to a successful conclusion:

I want to quote from him four and one-half years ago these words of wisdom:

As for me, my fellow Americans, I can never knowingly support a policy of sending even a single American boy overseas to risk his life in combat unless the entire civilian population and wealth of our country—all that we have and all that we are—is to bear a commensurate responsibility in giving him the fullest support and protection of which we are capable."

In retrospect, you and I can only marvel at his perceptive judgment, take to our hearts his unerring message, and vow to support such a precept in the future.

For the past 25 years this country has been the bastion of defense for the whole free world. Often expressed, repetition has dulled the colossal magnitude of this undertaking. Our farflung commitments, our bounteous economic largesse, our constant and immediate willingness to back the cause of freedom wherever the gauntlets were thrown—these are unparalleled in history and would, indeed, have brought on the collapse of any other nation.

But during that period of 25 years, our Navy has provided the sinews of strength necessary to implement our foreign policy. When called upon, the Navy has always been prompt to act to blunt the aggressor's sword, to maintain order, to succor those in direct need. On the beaches of Lebanon, as backup to the relief of beleaguered Berlin, as a containment force in the conflicts between Israel and the Arab states, in massive support of Korea ad Vietnam, as a major factor in the Cuban crisis—all these and more have proved the mettle of our Naval forces and their priceless value to our nation and to the free world. They have always been found ready.

Now, my friends, I feel this way. People ask me what keeps you going, what keeps you going during the debates (the debatees this year). I had one seldom-expressed, abiding feeling at the very bottom of my soul that without an effective military power we actually have no foreign policy.

We are just fooling ourselves if we think that we can have a meaningful foreign policy or a meaningful self-defense in the world in which we live unless we have this adequate military power, and I'm not talking merely of machines, and guns, and other weapons, although they are necessary. But let us not make the mistake—we must look to the manpower—the dedication, the very soul and courage of the men that are behind our weapons.

Now, no small part of this readiness to which I referred can be attributed to the foresight and wholehearted assistance over those years given by Richard Russell. During the '50s and '60s, he supported the augmentation of our fleet of aircraft carriers—carriers that aided and still are aiding in stilling the troubled waters of the Mediterranean. He was among the first to recognize the invaluable contribution that nuclear energy could make to undersea warfare. He fought hard and successfully to increase the size of our Polaris fleet in time to neutralize the forces of nuclear blackmail or aggression. He encouraged—he did more, he insisted—on a more rapid increase in our high-speed nuclear attack submarine force, because he early saw in the sudden expansion of the Soviet fleet a threat of worldwide proportions. At the time, I was chairman of the Preparedness Subcommittee, studying the subject with grave concern. I advocated that course, and I welcomed his invaluable assistance; in fact, I was the assistant to him.

In the long history of our country, it has been a tendency—one might almost call it a tradition to neglect our armed forces between major wars.

I mention it with emphasis because, as a layman—a civilian, I want to try to help you understand more about an unfortunate present situation which I believe is getting better. But we, as a people, reject aggression on our own part and, probably as a result, we also reject a proper defense posture. We assume a benevolent attitude toward the world at large with a sort of benign and innocent hope that the forces of aggression will reciprocate with similar benevolence. How ill-founded has been this hope, I need hardly remind those here today. At one time this was permissible, however ill-advised, since a two-ocean moat protected fortress America. But with the crossing of oceans or over poles reduced to computer-calculated nuclear minutes, we no longer can afford the luxury of unpreparedness. It takes five years to build a carrier and almost twice as long to devise and produce new aircraft or a new missile system. We started building a more modern Navy two years prior to Pearl Harbor. But this was not enough time, and it took almost two more years before we could engage the enemy. Today we cannot buy that time. When an aggressor strikes, we must be ready, or suffer a devastating and perhaps a final defeat.

So I hold with Senator Russell—to use his own words—that "we owe it to ourselves and to succeeding generations to work fervently toward peace and understanding among nations." But I hold with him that unilateral disarmament is tantamount to national suicide in our present climate of international aggression. Within the past few days, we have had renewed warnings of a massive Soviet buildup in nuclear weaponry. It would be foolhardy to ignore this portent.

Yet, even as we gather here today, there are Americans—well-meaning Americans—who attack our Army, our Navy, our Air Force on the grounds of size, power, influence and cost. One might excuse this as an inevitable offshoot of the winding down of the conflict in Asia. Or one might attribute it to our pressing economic needs in other areas. One might even attribute the disenchantment with the present war as a source of dissatisfaction with the defense establishment, forgetting that the military carries out our policy, but does not forge it. Let me make this fact clear to all Americans: To wear the American military uniform is a distinct privilege and an honor. An active military career is a highly honorable profession. From the very moment our national independence was declared, but had not been won, the man in the military uniform has been on the front line, winning our independence first, and since then, and until this very moment, maintaining the security and safety of our people.

And, in the larger sense, let us remember it is both fitting and proper that control over the defenses of our country should rest in civilian hands. The Constitution makes this clear. It is of vital importance to the future welfare and strength of our armed forces that we constantly remind ourselves of this, or to act otherwise, would fester the dichotomy of thinking that presently exists, and, in the long pull, weaken that which you and I wish to strengthen.

I have a firm and abiding faith, my friends, in the ultimate judgments of the electorate of this nation. And I know that was true of the man that we honor here today. Given the facts, clearly and impartially stated, I have no doubt as to their unselfish ability to choose—as the phrase has it—between guns and butter. But this requires patience, understanding, and patriotism of the highest order on the part of our military personnel. So be patient! Richard Russell with that wonderful prescience of his, stated it so well when he said several years ago:

"Among the nations of the earth, each attaches an importance to defense that is proportionate to its valuation of its institutions, resources, traditions, and individual rights. The United States has more that is worth protecting than has any other nation, and I am thankful that our citizens are willing to pay the price of its defense. I trust this will always be true."

In my own work there is the Senate, I was singularly fortunate to be able to partake of his profound wisdom, experience, and knowledge. I was proud to be his friend, and proud of the trust that he placed in me, as we found in each other a mutual respect, a common philosophy, and a similar understanding of the basic needs.

I mention these things today in gratitude—to assure you, and others, that so far as my power and energy and ability will go, I propose to maintain those same principles, those same ideals for strength, ability and confidence in our military that he so well personified.

Just as men of such stature as John Paul Jones and David Farragut symbolize the ideal of the patriot in uniform, so, too, does the figure of Richard Russell opitomize that spirit of unselfish patriotism in mufti. And when the nuclear attack submarine *USS Richard Brevard Russell* slips down the ways and assumes its station on patrol in the far reaches of the ocean depths, I confidently believe that this spirit of patriotism that so marked the ship's namesake will be imparted to those brave men who will man the ship—and to other Americans—that they will be imbued with the same type of courage that enabled him to face odds unflinchingly; the same type of almost instinctive, yet reasoned, vision that enabled him unerringly to choose the right course; the same type of unselfish devotion to duty that American needs in this hour.

Those qualities—as long as they remain—for a thousand years and more, a free America will remain. When one sums up this matchless man and his wonderful career in a word, he has to choose the word "Patriot." And when I try to sum up the strength of the Navy in one brief clause, I would say it is the dedication of the man in the Navy and the Marine Corps to our country, to their purposes, to their God. So God bless the memory of Senator Russell. God bless the Navy. God bless the people of the United States.

### QUORUM CALL

Mr. HUMPHREY. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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### MESSAGE FROM THE HOUSE—ENROLLED BILLS SIGNED

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the Speaker has affixed his signature to the following enrolled bills:

H.R. 8629. An act to amend title VII of the Public Health Service Act to provide increased manpower for the health professions, and for other purposes; and

H.R. 8630. An act to amend title VIII of the Public Health Service Act to provide for training increased numbers of nurses.

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### SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971

The Senate continued with the consideration of the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

#### AMENDMENT NO. 632

Mr. HUMPHREY. Mr. President, I send to the desk an amendment and ask that it be printed and lie on the table.

The PRESIDING OFFICER. Without objection, the amendment will be received and printed and will lie on the table.

Mr. HUMPHREY. Mr. President, this amendment is designed to prevent any reduction in foreign assistance authorization being used as an excuse to curtail the already too meager support given to humanitarian assistance, particularly food aid.

I have offered this amendment, Mr. President, because I am convinced those seeking reductions are concerned over the direction of "big money" programs, not the little programs for mothers and children that have already been to often neglected in many instances. I feel such an amendment is necessary, despite the overwhelming legislative history of the Senate concerning the direction of such aid. Why? Because too often in the past, I have seen agencies of our Government apply such reductions in authorization or appropriation exactly the opposite to what the Congress has indicated.

I ask unanimous consent that at this point the text of my amendment be printed in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

#### AMENDMENT NO. 632

On page 2, between lines 4 and 5, insert the following new section:

#### FOOD FOR PEACE PROGRAM

SEC. 3. It is the sense of the Congress that funds to administer the Food for Peace Program should not be reduced as the result of any reduction in the authorizations provided to carry out the Foreign Assistance Act of 1961.

Mr. HUMPHREY. Mr. President, during the past 2 weeks many of my colleagues have emphasized that, despite differing viewpoints on some aspects of foreign aid, they did not want to curtail humanitarian aid, particularly food aid. I certainly agree. One of the great successes of the past two decades has been the effective, constructive use of America's abundant food and fiber production to benefit humanity throughout the world under our food for peace program.

It has been one of the most popular programs with the Congress, with true bipartisan support. Repeatedly, Public Law 480, the legislative basis for food for peace, has been extended by overwhelming majorities. Over the years since this program was originally enacted, based primarily on a desire to make better use of our ability to produce—rather than just shut down rural America through curtailment of farm production, we have seen the original "surplus disposal concept" replaced with nutritional and self-help emphasis.

Mr. President, my work in the Senate over the years of my service has in large measure been directed toward the implementation of food for peace. I am one of the original cosponsors or coauthors of this legislation. During my service in the Senate in the fifties and sixties I offered a number of amendments that I believe improved the food for peace program, extended its coverage, and helped to develop it into a program of nutritional aid and self-help.

We have seen food become the incentive to agricultural production improvements in other countries, instead of just a crutch. We have seen work for development replace perpetual relief handouts. We have seen the donation phases of programs, whether through America's great voluntary agencies like CARE, Catholic Relief Services, Church World Service, Lutheran World Relief, and the American Jewish Joint Distribution Committee or on a government-to-government basis, concentrated more on maternal and child health care, along with school lunch programs, and less on direct family dole. We have seen new products designed and developed to meet nutritional needs of children, and help eliminate the world's protein shortage. And, right now, we are seeing some of these new low-cost high protein products originally developed through this program become the mainstay of saving lives among Pakistani refugee, just as they did in Nigeria before peaceful conditions were restored in that country.

What concerns me, in the face of concern over other phases of our foreign assistance effort, particularly military assistance, is that all of our colleagues may not realize how crucial AID funds are to the effective operation of food for peace.

It is true that the financing of the food purchases in the United States for this program are handled under other appropriations—through the Commodity Credit Corporation in USDA. But the Agency for International Development handles the overseas implementation of the food-for-peace program, and the Washington programing end of the food donation phases for maternal and child health care, for school lunch programs, for work for development projects, for the world food program of FAO and for UNICEF, and for contributions to refugee programs such as in Nigeria and India and East Pakistan. As a result, the administrative funds for the food-for-peace program come out of the Foreign Assistance Act appropriation—a very limited amount—too limited, in my opinion—but a very necessary amount to assure the food gets to the people who need it, and is wisely and construcitvely used. Thus a very small investment in administrative dollars to the Agency for International Development is protecting the effective use of billions of dollars of food aid financed from another source.

My concern, Mr. President, is that nothing in the changes recommended by the Senate Foreign Relations Committee in authorizing continued foreign assistance at a lower level shall be construed by officials of AID as a mandate to cut the already limited funds going in support of the food-for-peace program.

The amendment I offer really states simply that there shall be nothing in the Foreign Assistance Act that shall in any way jeopardize these administrative funds for pursuing the objective and the purpose of food for peace. After all, if the Department of Agriculture budget can sustain the major share of the food-for-peace costs, the least that AID can do is to maintain an effective administrative group to assure continued constructive use of the food.

Mr. President, I do not want my remarks to be interpreted as a criticism of Dr. Hannah, the Director of the AID program or of the AID agency. I want to make sure that when Congress acts on foreign assistance—and I believe it will, and I am sure there will be reductions in the foreign assistance program—there shall be no diminution, no dilution, and no cutting back in the food for peace program, because all that the AID agency does is to help in the administrative costs and to provide help in the form of other developmental loans which may relate to that program.

I am sure there is no intent in this body, in the current debate on certain aspects of our foreign assistance, to minimize the continued effectiveness of the food for peace program, so important to children of the world and yet at the same time so important to American agriculture as well. Once again we have bumper crops in our farm areas, and most of us, I am sure, would rather see a share of this production wisely used for humanity instead of seeing it pile up once more as an unwanted surplus bulging from our storage bins while much of the world goes hungry.

For my colleagues whose constituents, like mine, include farm producers, may I remind them of the volume of U.S. farm products being moved into export markets or contributed under donation programs through the food for peace program, under either title I credit sales or title II food donations. During fiscal year 1971, shipments amounted to over $1 billion worth of cotton and cotton products, condensed milk, nonfat powdered milk, tallow, barley, corn, sorghums, rice, wheat and wheat flour, vegetable oil, tobacco, bulgur, cornmeal, rolled oats, CSM, wheat-soy-blend or WSB, rolled wheat, and soya flour.

Mr. President, I have just received from AID's food for peace office a summary listing these shipments by commodity, quantity, and value. I ask unanimous consent to have these tables, covering title I and title II Public Law 480 shipments, printed at this point in the RECORD.

There being no objection, the tabulations were ordered to be printed in the RECORD, as follows:

FISCAL YEAR 1971, PUBLIC LAW 480, TITLE I SHIPMENTS BY COMMODITY QUANTITY AND VALUE

| Commodity | Quantity (thousand units) | Value (millions)[1] |
|---|---|---|
| Cotton (bales) | 872 | $121.0 |
| Cotton products[2] (pounds) | 6,121 | 4.2 |
| Condensed milk (pounds) | 41,817 | 11.6 |
| Nonfat powdered milk (pounds) | 20,244 | 3.8 |
| Tallow (pounds) | 21,462 | 1.8 |
| Barley (pounds) | 13,567 | 3.7 |
| Corn (pounds) | 72,302 | 22.1 |
| Sorghums (pounds) | 99,988 | 23.5 |
| Rice (pounds) | 2,054,210 | 148.1 |
| Wheat and wheat flour (pounds) | 11,667,090 | 309.0 |
| Vegetable oil[3] (pounds) | 661,496 | 87.5 |
| Tobacco (pounds) | 24,750 | 24.6 |
| Total |  | 760.1 |

[1] Export market value.
[2] Mostly cotton yarn.
[3] Mostly soybean oil.

FISCAL YEAR 1971, PUBLIC LAW 480, TITLE II SHIPMENTS BY COMMODITY QUANTITY AND VALUE

| Commodity | Total |  |
|---|---|---|
|  | Pounds (thousands) | Dollars (thousands) |
| Barley | 171,888 | 4,816 |
| C.S.M | 361,899 | 30,845 |
| Bulgur | 518,821 | 21,986 |
| Corn | 228,982 | 6,964 |
| Cornmeal | 181,075 | 8,814 |
| Cotton |  | 2 |
| Cotton products | 197 | 286 |
| Sorghum | 202,524 | 5,765 |
| Nonfat dry milk | 311,627 | 97,688 |
| Rolled oats | 67,616 | 4,141 |
| Oats | 77,216 | 1,991 |
| Vegetable oil | 189,746 | 34,986 |
| Wheat | 1,132,463 | 39,278 |
| Wheat flour | 952,524 | 41,979 |
| W.S.B | 31,064 | 2,520 |
| Soya flour | 250 | 25 |
| Rolled wheat | 10,772 | 487 |
| Total | 4,438,664 | 302,573 |

Mr. HUMPHREY. Mr. President, let me make clear that these commodities are not paid for out of foreign assistance money; they are paid for out of USDA money. But the machinery that guides their programing and use, the administrative forces that make sure they are used as intended and not diverted into black markets or wasted, all come out of AID financing. It is these minimal administrative expenses that I want to make sure are protected.

Above all, we must make sure the donation programs are not wiped out, in the heat of concern over doubts about military assistance. Do any of my colleagues want to be responsible for taking food away from the 1,710,000 mothers and newborns now being serviced almost daily by the food for peace maternal and child care programs?

Does any Senator want to say the 12,375,000 children now receiving food for peace commodities in school lunch programs in 21 countries should suddenly go hungry, while we have surpluses that would otherwise go to waste?

By the same token, does any Senator want to shut off the 2,515,000 recipients participating in work front programs—not relief programs—where they are providing free labor on development projects in return for food for their families, a way of preserving their dignity by creating jobs instead of making them just dole recipients?

These are the kind of programs—currently reaching 16,600,000 people, mostly children, with daily rations—developed by the food for peace staff of AID, here in Washington and in our AID missions abroad. They are sound programs, designed to help people help themselves. They are the "regular" programs, designed to help people help themselves. They are the "regular" programs conducted by food for peace, in contrast to the more publicized emergency programs such as Biafra relief or Pakistani relief—or relief at the time of any natural disaster like the earthquakes, floods, and typhoons that hit the world from time to time.

Yet without proper administrative machinery, under foreign assistance funds, we could not have these programs, either the emergency programs or the regular child health and maternal care programs and work-for-development programs.

Mr. President, I urge Senators to see that they are protected; I urge the chairman of the Foreign Relations Committee to see that these programs—involving but a pittance of all that goes under the name of "foreign aid" yet vastly more important in human terms than much of the rest—are not the victims of any reduction this body imposes on foreign aid funds.

Mr. President, I regret that the Agency for International Development—and, yes, most of its predecessor foreign aid agencies—have become so enamoured with the "big money" programs, so captive of the macro-economists building models, that they have neglected to think and speak in the human terms of people—of mothers, of children, of the hungry. Perhaps one of their troubles in holding the support of Congress has been too much concern for "big money" projects, and too little concern for these humanitarian projects of which I am speaking today.

In addition to seeking to prevent any reduction in the small amount of administrative funds devoted to the Food for Peace program, I suggest to AID that it should seriously consider establishing within its organization a Bureau for Food and Humanitarian Assistance, so that the programs like food for peace, voluntary agency support, refugee relief, and similar efforts which do have mass public support are not hidden away in the basement, while all the public attention is focussed on trying to get money for big projects that cannot be interpreted in terms of people, at home or abroad. Such a bureau should be in whatever agency handles other foreign economic assistance—not just in State Department—because we should keep humanitarian assistance away from short-term political influences, and food assistance relates to both economic development and humanitarian assistance. The bulk of humanitarian assistance involves food, yet it would be wrong to categorize all food aid as just humanitarian as many food programs make a solid contribution to economic development. I would hope the chairman of the Foreign Relations Committee would join me in supporting such an effort to make sure the distinction is made to Congress about where foreign assistance money is going, and for what purpose, so that Congress in turn can express itself on the type of programs it approves and the type it opposes.

Mr. President, I am also a cosponsor with the Senator from New York (Mr. JAVITS) of an amendment which would strike out the so-called Goldwater-Stevens amendment on concessionary loans. I have reviewed the impact of the Goldwater-Stevens amendment on our AID program and particularly as it relates to Public Law 480.

I asked the Administrator of the AID program, the Agency for International Development, Dr. John Hannah, to share with me his observations as a result of our conversations. I have a letter that was directed to me by Dr. Hannah at my request so that I would have the information in writing. I ask unanimous consent that the complete text of that lettter be printed at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE,
AGENCY FOR INTERNATIONAL DEVELOPMENT,
*Washington, D.C., November 8, 1971.*
HON. HUBERT H. HUMPHREY,
*U.S. Senate,*
*Washington, D.C.*

DEAR HUBERT: The revised foreign assistance bills are expected to be considered by the Senate this week. We feel strongly that the amounts proposed for economic development and humanitarian assistance are far below the minimum necessary if we are to make a responsible contribution to the international effort to help the less developed countries. We hope that the amounts reported by the Senate Foreign Relations Committee can be increasea, but I am writing to you to draw your attention to another matter.

Under the Foreign Assistance Act we have been authorized to lend money to developing countries at concessionary rates—that is, the loans are made for 40 years with a 3% interest rate. Since the beginning of the program, the reason for a favorable rate has been the poverty of the borrowing countries and their obvious inability to repay if funds had to be borrowed at market rates. However, this has never meant that the individual farmer or industrialist in the borrowing country gets such a favorable rate. When our funds are relent to them, the appropriate commercial rate is charged. Not only has our policy led to an almost faultless repayment record—less than one-fourth of one percent of A.I.D. dollar loans are in default—but the U.S. now receives about $250 million annually in dollar repayments of previous development loans.

I would also point out that our terms are by no means the softest available. Canada makes aid loans for 50 years with an interest rate of 0.3%; Britain and Sweden charge 1%; Denmark charges no interest. Most other aid donors have an interest rate about the same as ours.

An amendment to the Foreign Assistance Act during the floor debate on October 29, and retained by the Foreign Relations Committee in its revised interim bill, raises the minimum interest on aid loans to the Treasury borrowing rate. This will negate the very purpose of development lending and put us out of step with other industrialized countries. It will have the effect of vitiating the Development Loan program.

It does even more than this—it will seriously and adversely affect the U.S. farmer. Section 106 of the Agricultural Trade Development and Assistance Act (PL 480) as Amended, provides that terms of sales of agricultural commodities on credit shall not be less than the terms of development loans under the Foreign Assistance Act. Thus by raising the interest on development loans, we would automatically raise the interest rate on PL 480 credit sales. Nor is this link an accident. The Congress and outside experts have long felt that the cost of food assistance from the U.S. should not be cheaper than the cost of loans with which to buy fertilizer and other production inputs. To do otherwise, would be to create permanent dependence on the U.S.

We estimate that FY 1972 shipments under PL 480 would amount to

5,126,000 tons of wheat
1,197,000 tons of feedgrains
778,000 tons of rice
420,000 tons of vegetable oil
15,000 tons of tobacco
800,000 bales of cotton, and
90,000 tons of cotton products.

Most of these shipments will not be affected by the proposed change in terms since they derive from sales agreements already signed. However, some shipments in the second half of 1972 and nearly all shipments in subsequent years will be affected.

The full extent of the impact is hard to predict but it is clear that in today's world market, terms are vital to the sale of agricultural products. Japan, facing a large rice surplus, is already offering terms which are competitive with our present terms—if our interest rate were raised, there would be no competition. Japan has a 5 million ton rice surplus to dispose of. Similar developments could be expected in other products such as wheat, oils, cotton and dairy products.

The purpose of PL 480 is both to promote trade in agricultural products and to assist the poor countries by providing basic necessities. By raising the interest rate on A.I.D. development loans—and thus on PL 480 credits—we defeat both purposes. I therefore hope that the interest rate provision of Section 201(d) of the present Foreign Assistance Act can be restored.

Our first priority must be an extension of the Concurrent resolution under which we are currently operating that expires next Monday, November 15. This extension will give time to the Congress to consider the revisions and changes now being given consideration. I hope you will want to take some leadership on this item.

Sincerely,

JOHN A. HANNAH.

Mr. HUMPHREY. Mr. President, what I am concerned about in the Goldwater-Stevens amendment, as it relates to Public Law 480, is stated so well by Dr. Hannah that I would like to read this paragraph:

> An amendment to the Foreign Assistance Act during the floor debate on October 29, and retained by the Foreign Relations Committee in its revised interim bill, raises the minimum interest on aid loans to the Treasury borrowing rate. This will negate the very purposes of development lending and put us out of step with other industrialized countries. It will have the effect of vitiating the Development Loan program.

Dr. Hannah gave me the information that I was looking for. However, I wanted to have it verified. He said:

> It does even more than this—it will seriously and adversely affect the U.S. farmer. Section 106 of the Agricultural Trade Development and Assistance Act (PL 480) as Amended, provides that terms of sales of agricultural commodities on credit shall not be less than the terms of development loans under the Foreign Assistance Act. Thus by raising the interest on development loans, we would automatically raise the interest rate on PL 480 credit sales. Nor is this link an accident. The Congress and outside experts have long felt that the cost of food assistance from the U.S. should not be cheaper than the cost of loans with which to buy fertilizer and other production inputs. To do otherwise, would be to create permanent dependence on the U.S.
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> The purpose of PL 480 is both to promote trade in agricultural products and to assist the poor countries by providing basic necessities. By raising the interest rate on A.I.D. development loans—and thus on PL 480 credits—we defeat both purposes.

Mr. President, we have millions of pounds of surplus rice.

I want to place in the RECORD, so that the Senator from Louisiana (Mr. ELLENDER), who is so deeply concerned about this matter, the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from Louisiana (Mr. LONG), who represent States where rice is produced, will know that we are cutting our rice producers' throats in the interest rate provided in the Goldwater-Stevens amendment. I want Senators from the grain-producing States and the wheat-producing States of the West—and in the Midwest; the Dakotas, Nebraska, Oklahoma, Texas, Colorado, Wyoming, Washington, and Oregon, to mention a few—whose States today produce millions of bushels of grain for shipment under Public Law 480, to know how seriously their States would be affected. Millions of dollars in sales would be affected by the Goldwater-Stevens amendment.

We are going to be giving the Soviet Union better terms on the purchase of wheat than we are going to be able to give more friendly countries if the Goldwater-Stevens amendment remains in the bill.

There are still a few Senators who speak up for farmers today. Thank goodness. The present Presiding Officer, the Senator from Iowa (Mr. HUGHES), is among them. But if there is one group of Americans today who have been forgotten by both the Congress and the President, it is the American family farmer. I sometimes feel like an oddity in this body even speaking up for them.

This administration can blink its eyes at the possibility of a $300 million drop in net farm income this year. That is the estimate. If that were to happen to the automobile industry, every member of the Cabinet would be over here wrestling us to the floor to get relief. When Lockheed was in trouble they practically put the old double whammy on us. I guess I am one of those that yielded under pain and duress. But when something happens to those who produce our Nation's food and fiber—those who are getting only 2 percent above what they were getting in the depths of the depression—this administration, the Cabinet, and most of Congress pretend it is not even happening.

The Senator from Minnesota is not about ready to see the farmers get another dagger in the back. I am not ready to see rural America get another dagger in the back. There are not more than one, two, three, or four that I can think of around here who are ready to stand up and be counted. As long as I am a Member of this body—and I intend to be one—I intend to speak up for the man who is producing the food and fiber that all Americans depend upon.

If our bankers made money available as cheaply as our farmers make food available, we would be in good shape. Many Members of Congress worry about railroads and banking, but not too many worry about farmers.

I am one of the sponsors of Public Law 480, and I do not want to see one of my legislative children suffocate. That is about what we are up to unless we put on a real battle to take care of some of the more important things in the foreign aid bill.

I am not satisfied with all the aspects of the foreign aid bill by a long shot, but I am very much devoted to what we call Public Law 480, the food for peace program. And anything that may have an adverse impact upon it, I am going to be against it. I feel in this case like the father or a mother of a son in that anything that hurts him, I am against. I know what is going to hurt farmers and our foreign assistance program as it involves humanitarian purposes.

It is difficult to fathom how we act around here with people all over the world starving when we do not have enough storage space in the Midwest to take care of our surplus commodities. We have a 60-million-ton surplus of feed grains and one of our biggest wheat crops. We have so much feed grain that we do not know where to store it, so we are dumping it on the ground—and the administration does not even know it is happening. At least we show some concern.

I do not want to be too unkind about this. Voices are being raised, but they do not get into the newspapers, or on the radio or on television. What we call the media cannot even spell "farmer."

The Farmers Union national convention came to Washington, D.C., and there was not a single television, radio, or newspaper report on it. Farmers forgot to demonstrate. If they had been lying down in front of the White House or picketing Congress, they would have made it, but they came here as decent, thoughtful, God-fearing, taxpaying citizens. It seems that somehow we have forgotten how people like that look or act. But I am not going to forget them. I came here to represent the unrepresented, the handicapped, the sick, the poor, the minorities, the farmers, the kind of people who do not get in the news. The rest of them can take care of themselves pretty well. That has been my philosophy. That is the way I am going to act. I would not have worked for a loan for Lockheed if I did not worry about workers and their jobs.

I am worried about farmers and their income; I am worried about kids and their education. This country today does not seem to know what comes first.

I offer my amendment and, Mr. President, you just heard the first of a series of comments about it until it is adopted. I hope and pray we will be able to do something about the amendment offered by the Senator from Arizona and the Senator from Alaska. I know their purpose. I understand their interest in having the interest on development loans at not below the rate of interest that the Treasury pays. I understand that, and I appreciate that. I find not too much fault with it; but when it comes to our agricultural sales, which is the only thing that bails this country out in foreign trade, I am opposed to any change of law that will adversely affect that.

Let the Senate and the House know, and let the public know, that if it were not for the American farmer and his production, this country would have a trade deficit that would be colossal, and totally destructive to our country. How in the name of commonsense is the Nation going to have a balance of trade without it I do not know. The American economy cannot be revived with an adverse balance of trade. If they do not know that much, they should go back to school and study economics I and II, for even a freshman knows that.

Mr. President, having delivered myself of a few of my emotions tonight, I have no objection if the distinguished majority whip, who has been so tolerant of me, suggests we go over to another day.

Mr. BYRD of West Virginia. Mr. President, the Senator from West Virginia now speaking thoroughly enjoyed the remarks of the distinguished Senator from Minnesota (Mr. HUMPHREY). He is glad to listen to the Senator from Minnesota at any time and is always educated, informed, and inspired by his remarks.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. BYRD of West Virginia. I yield.

Mr. HUMPHREY. Mr. President, I want to include the fine and good Senator from West Virginia as one of those concerned people that I was speaking about. When I have stood on the floor of the Senate in years past and needed an ally, all I needed to do was to walk over to the distinguished Senator from West Virginia, and if he had two votes, I would have gotten them.

Mr. BYRD of West Virginia. I thank the distinguished Senator.

## PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 a.m. Following the recognition of the two leaders, under the standing order, the distinguished senior Senator from Missouri (Mr. SYMINGTON) will be recognized for not to exceed 15 minutes.

There will then be a period for the transaction of routine morning business not to exceed 30 minutes, with statements limited therein to 3 minutes. At the conclusion of that period the Chair will lay before the Senate S. 2820, a bill to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972.

A time agreement has been entered into with respect to that measure, and the majority leader has asked me to state again that any rollcall votes on amendments to that bill will not occur until after the rollcall vote on the Okinawa treaty, which is scheduled to take place at 3 p.m. tomorrow. So there will be rollcall votes tomorrow afternoon.

It is anticipated that the Senate will complete its action on the foreign economic and humanitarian assistance measure tomorrow—even if the Senate has to stay in late—and that it will then proceed to take up the second of the foreign aid measures, S. 2819, a bill to provide foreign military and related assistance authorizations, in connection with which there is also a time agreement entered into.

## ADJOURNMENT UNTIL 9 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 31 minutes p.m.) the Senate adjourned until tomorrow, Wednesday, November 10, 1971, at 9 a.m.

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# EXTENSIONS OF REMARKS

## FLORIDA'S DEMOCRATIC WOMEN

### HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. PEPPER. Mr. Speaker, it is my privilege to call to the attention of my colleagues the installation speech of Mrs. Margaret H. Cobbe upon her acceptance of the presidency of the Democratic Women's Club of Florida. Mrs. Cobbe, of Gulfport, Fla., is a distinguished member of the Democratic Party in my State, and I am confident she will prove to be an outstanding leader of our Democratic women.

I cite this speech here because it expresses the new spirit of women in politics. It conveys clearly and simply the determination of dedicated women to make our political system work, to make it work for women and for all Americans.

I believe my colleagues of both parties will be interested in Mrs. Cobbe's remarks, which were delivered on October 9 at the annual convention of the Democratic Women's Club of Florida in Miami Beach, in my congresisonal district, and which follows:

INSTALLATION SPEECH OF MRS. MARGARET H. COBBE

Today the Democratic Women's Club of Florida chartered a new course for the future. I feel humble and proud and a little awed to have been selected as your leader. I don't kid myself into thinking it will be smooth sailing. I'm sure we'll make our share of mistakes but we'll learn from them and we'll pick ourselves up again and row all the more vigorously. With everyone pulling together, I feel confident we'll weather the storms and reach our destination.

You have elected some strong officers here today. I want the Committee Chairmen to be just as strong. For this reason, I will delay appointments until I have consulted with many of you. We must have the most capable people in the state to make our reorganizaiton work and I invite you to give me your recommendations.

I am just so proud of our organization and I hope that during these two years I can project that pride to each of you, and to the small and the mighty throughout the state. We must not only feel affection for our local clubs but we must learn to think regionally and state-wide so that we can multiply our strength and influence and recognition.

Our past presidents have been ladies of the highest order. Their dignity and integrity have been beyond reproach. I promise to work very hard to maintain the high standards they have set and, hopefully, move ahead in other ways:

First, I would like to see a closer liaison with other Democratic organizations. We've made progress, particularly with the State Executive Committee, but there is room for improvement. I believe we should cultivate our Democratic youth; take them under our wing and nourish them. Our Junior Executive Committee project, which we instituted last year, is an excellent opportunity for us to guide our young. Some of their viewpoints may seem radical to us, but with tolerance and vision, they can be tempered with the wisdom of age and experience, and made into workable ideas for us all. They have much to offer and we too can learn. We could use some of their idealism, their enthusiasm and their fresh concepts. The Party is big enough and broad enough to blanket all: the old and young, conservative and liberal, and all the in-betweens. A woman's organization is the perfect vehicle for unifying all Democratic forces—we have the temperament, the patience and the discipline to do it. For years we've bolstered the egos of our men by letting them take the credit for what we've done, and perhaps that's the reason for lack of progress in my next point:

Recognition. Some sources think we're the best-organized Democratic group in the state. Others barely acknowledge our existence. We must take action to alter the thinking of the latter group. We can be aggressive and still remain feminine. We can let them know we're alive without the marching, sign-waving and chanting. We have opinions and we should express them. We should not have to attend a Special Women's Caucus or a Liberation group for fulfillment. We have a ready-made organization right here and we must exercise its full potential. Gone are the days when a candidate can come to town and meet with a group of men only, if he's smart. When a sponsor arranges such a meeting, he does a disservice to the candidate. Women are capable of policy-making, of organizing, of planning. And we should protest when we're excluded from such a gathering. I attended a meeting on the East Coast recently where only three women were present, two of us from out of town. And even though I'd travelled three hours to get there, I'm sure I would've been turned away, as other women were, had it not been for the formidable presence of our National Committeewoman. The power of this organization can and should be used to correct such inequities.

Now we come to a most important point: involvement in the issues, and this becomes intermingled with recognition. No longer is a woman content to follow blindly along just because a candidate or officeholder is a registered Democrat. The coffees and luncheons and little courtesies are nice. We appreciate them; but they are no substitute for good government. We should not have to worry about stepping on the toes of a candidate or officeholder; our main concern should be whether the issue is good for the people. If thorough study convinces us it is not good for the people, then we should wield our influence. An officeholder should be responsive to his constituents and should gracefully receive constructive criticism, especially from those who played a major role in placing him in office, because we too become accountable for his actions.

The Democratic Women's Club of Florida believes strongly in party organization. It is the alternative to power and special interests. Our motivation is completely unselfish—it is simply placing good candidates in office. It isn't enough for us to say, "I got a Democrat elected." The proud moment comes when we can say, "I got a good Democrat elected who's good for the people of Florida." I'd like to see our organization take the lead in this type of party endeavor. We can be the guide—the very conscience—of our party.

As we activate the Regional Councils, more leadership roles will open up; untapped talent will be discovered. There will be more opportunity to voice your opinions; more occasion to study the issues. It will be a training ground for higher office. You will find yourself more involved than ever before and it is my opinion that increased club membership will naturally follow.

The immediate task before us is to do everything in our power to assure the success of the proposed amendment to allow a tax on corporate profits. Florida has a regressive and inelastic tax base which needs to be corrected, and this will be a good beginning. Reubin Askew came to the woman in the early days when he was struggling for recognition. And the women responded. We did the missionary work by answering the question, "Reubin Who?" We endorsed his corporate tax proposal because it is right that everyone should pay his fair share. We must go the rest of the way now and produce the winning vote. This should be our first priority when we return home.

The year ahead will be a strenuous one, but I know we'll find the Democratic Women's Club of Florida equal to the challenge. Not since the suffragettes marched for the vote have women's voices been so loud in the land. This is a new era of Women Power. I am confident that the voice of the Democratic Women will be heard.

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## REVENUE SHARING—A BOON TO APPALACHIA

## HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. BAKER. Mr. Speaker, it was recently my pleasure to have Mr. Donald W. Whitehead, Federal Cochairman of the Appalachian Regional Commission, speak in my district on revenue sharing and Appalachian development.

Mr. Whitehead, who heads the very successful Appalachian regional development program, explained in a speech to some of my constituents at the Downtown Civitan Club in Chattanooga how the Appalachian Regional Commission is paving the road toward the new federalism.

I believe that Don Whitehead's comments are valuable, and I welcome this opportunity to share them with my colleagues.

The article follows:

### REVENUE SHARING AND APPALACHIAN DEVELOPMENT—A PRESENTATION BY DONALD W. WHITEHEAD, FEDERAL COCHAIRMAN APPALACHIAN REGIONAL COMMISSION

President Nixon in his 1971 State of the Union Address advanced Six Great Goals for America.

Perhaps the most significant of these from the standpoint of the structure of the Federal system was his revenue sharing program. The Appalachian portion of America will be greatly affected by this program when it is enacted into law.

I am grateful for this opportunity to lay before you at some length our thinking on the critical subject of the relationship between revenue sharing and Appalachian develpment. We at the Appalachian Commission in Washington, working through the Appalachian offices in the states, have for some six years been addressing many of the questions which revenue sharing will raise.

#### OVERVIEW

Let me initially outline for you an overview of my remarks here today. There are three major topics I would like to discuss.

First, while recognizing that an extensive explanation of the history and the provisions of revenue sharing programs is not needed for this audience, I would like briefly to review both those points, as well as to discuss some general reasons for and general impacts of revenue sharing.

Second, after completing that, I would like to elaborate in some detail how the Appalachian Regional Commission is paving the road, so to speak, towards the New Federalism. I hope those remarks will serve to illustrate why Appalachia should be the best prepared region in all America to utilize effectively the revenue sharing programs.

The third portion of today's remarks will deal with some plans and prospects for Appalachia under revenue sharing.

#### BRIEF HISTORY OF REVENUE SHARING

Conditional grants in aid are not a new phenomenon on the American political scene; indeed, they may be said to antedate the Constitution itself. From the time of the Confederation Government, when the sixteenth section of every township in the Northwest Territories was set aside for the support of public education, until this very day, Federal grants of one sort or another have played a significant role in the American political process. Under the present Constitution of the United States, the practice may be said to have begun with the assumption of the state debts by the Federal Government.

Hamilton's Funding Act implemented Federal policy on this matter together with the somewhat related and extremely sensitive problem of the Continental debts. During the Jackson Administration, the Surplus Distribution Act disbursed some $28 million from the Federal Treasury to the states. Ostensibly, a loan, these payments were, in effect, outright gifts.

There are several landmark legislative actions in this general policy area. The Morrill Act of 1862 gave to each state large tracts of land for establishment and support of state universities and colleges. The Smith-Lever Act of 1914 is unique in that it was the first grant to have a matching requirement and the first to require prior Federal approval of the plans involved.

Its substantive content dealt with agricultural extension programs at land grant colleges. The Social Security Act of 1935 had the then unique provision of making grants directly to individuals.

The Federal Highway Act of 1965 set the 90:10 ratio program which is building the nation's Interstate Highway System. Model Cities, Medicare, and OEO are further examples. The late 50's and the decade of the 60's saw the blossoming of a plethora of grants-in-aid—literally hundreds of them—eventually distributing more than 30 billion dollars of federal aid last year.

A tremendous amount of dissatisfaction has grown up in recent years among a variety of groups with the effects of the Federal grant system. Although more often than not couched in economic terms, the basis of the arguments seems to rest in political policy decisions and consequences which surround the grants. So beginning perhaps as early as 1958 there began to come calls for alteriing the grants-in-aid system. In the 1960's Dr. Walter Heller, the noted economist, and Joseph Pechman of the Brookings Institution advanced the concept of "revenue-sharing." Shortly thereafter the idea entered the political arena.

It was within this context that President Nixon has advanced both his general revenue sharing program as well as his six special revenue sharing packages. For a moment if I might, let me recap the broad outlines of those plans.

The general revenue sharing proposal would be a $5 billion fund for the first fiscal year of operation and would grow each year as its personal income tax base rises. It would be set at 1.3% of such base. The two factors determining what portion of the total allocation each state would receive will be population and revenue effort, or how well a state utilizes its own resources to raise revenue.

Only states and general units of local government would participate in the program. There would be no programatic requirements for the use of general revenue sharing funds.

Six special revenue sharing programs, totaling $11 billion, have been proposed by the Administration: (1) Urban Community Development; (2) Rural Community Development; (3) Law Enforcement; (4) Education; (5) Manpower; and (6) Transportation. Basically the approach here is to consolidate some 130 existing narrowly defined categorical grant programs, add some $1 billion in new funds, and to combine all this into the six broad areas I mentioned. Within the purposes set out by those broad categories, states and their localities would be free to spend the money as their own needs dictated.

Three special provisions about revenue sharing are worthy of mention. Later in discussing the impact of revenue sharing on Appalachia, additional aspects of the plans will be outlined. First, all revenue sharing plans, except the Urban Development and the Rural Development ones, have a "pass-through" requirement which insures that local units of government will have decision-making power over how a portion of the shared revenues are spent. Urban Development Revenue Sharing has what might be called a "pass-around" requirement, which makes it mandatory for all parts of an urban area, central city and environs alike to share funds. Rural Development Revenue Sharing is limited by its nature to the rural parts of a state, and such funds must be spent for the benefit of rural residents.

Second, all revenue sharing plans have firm safeguards to insure that no American of any race, color, or creed will be denied benefits of programs funded by shared revenues.

Third, the President has pledged for the six special revenue sharing programs a "hold harmless" guarantee. Quite simply this means that no state will receive less money under special revenue sharing programs than it currently receives in the Federal grant programs which are collapsed into that special revenue sharing program. Pure, plain, and simple. The figures are available for inspection. From the perspective of a broad overview, that is what President Nixon has proposed.

### GENERAL ANALYSIS OF REASONS FOR AND IMPACT OF REVENUE SHARING

Ladies and gentlemen, all across America today in metropolis and hamlet alike, among citizens old and young, growing numbers of people are fed up with government as usual. For government as usual too often has come to signify governmental institutions and practices which have failed to keep pace with the times. Plurality and diversity are the twin cornerstones of American democracy. Plurality and diversity are the fundations upon which the entire concept of revenue sharing rests.

I reject at the outset the patronizing notion that the government and government officials in Washington are necessarily more talented, more wise, more efficient, or more dedicated than their counterparts at other levels. And at all levels, but especially at state and local levels, government often lacks the ability or the tools to serve the people. Bear in mind if you will that the heavy burdens of services in this country, such things as education, police and fire protection, welfare, etc., are borne primarily by state and local governments, not by the Federal government.

The preemption of the personal income tax base by the Federal level of government has effectively denied to all other jurisdictions the most growth-elastic source of revenue. Property taxes, sales taxes, and the like are the source of practically all state and local tax revenues.

It is not in my estimate an exaggeration to assert that states and municipalities face a fiscal crisis. But all too often the debate concerning the grant-in-aid system or the revenue sharing proposals has centered on these economic questions. It is understandable that this would be the case. The dollar is an economic unit. But in my estimate the arguments about revenue sharing and the possible impact of that program range far beyond national fiscal policy. Those arguments go to the heart of the political nature of the Federal system, to the keystone of the relationship between the national government and the states and between the states and their subsidiary governmental units. President Nixon squarely addressed this question in one of his revenue sharing messages:

> . . . (State and local governments) are placed in the position of having to accept Federal money with its concomitant restrictions on state funds or receive no Federal money at all. Thus we may find states and local governing units pursuing projects which may be of low priority to them simply because money for these projects is available, but the matching requirements for such grants may have to be met at the expense of programs of higher priority to the community.

Continuation of such a policy clearly is not in the best interest of good government at any level. No one benefits; everyone loses. While political pressure forces state and local leaders one way, financial pressure drives them in another direction. The result? People lose. They lose faith most of all, faith in the ability of government to cope with public problems.

What would be some of the effects of a program of revenue sharing such as President Nixon has offered to America? Not only in Appalachia but also throughout all America, several come to mind.

The introduction of revenue sharing is likely to alter the patterns of differential access to decision-makers. Public policy in the United States is shaped largely by the downward pressure of Federal expenditures and the upward thrust of legislative intervention on behalf of local interests. This factor, when coupled with the structure and the function of the American Federal system provides a wide variety of channels to decision-making centers of government. Pressure groups have exploited these opportunities for differential access by lobbying directed at various critical points in the decision-making process. And with the nationalization of major policy issues, local and state public officials have organized for political action. With power to make decisions on particular issues moved from Washington to state capitals and to city halls patterns of influence will also change. The real point is such decisions will be made closer to home and decision makers will be more accessible to the people. The role of special purpose local government units such as sanitary and water districts is going to change under revenue sharing. Such units cannot receive general revenue sharing funds. As states and localities gained additional revenue, they might take over the function which the special units now provide. Local general governmental units may then choose to work in cooperation to solve their problems. At any rate, for the most part, such special units operate by virtue of state permissive authority under the general concept of Dillon's Rule (local governments are the creations of the State and derive all their powers from the State).

Shared revenues will have some impact on the fiscal efforts of state and local governments. Such a statement seems self-evident, but assessing such impact is a little more difficult. Three alternatives seems plausible to me. Such impact could be *stimulative* in nature. By that I mean that the added revenue would spur a recipient government to new activity, with perhaps additional state financing. In the second place, the impact of revenue sharing funds might be *additive* in nature. That is, the funds might be used to increase the size of a particular program of function already in operation. It is anticipated that much of the money from the special revenue sharing funds will be used to continue many of the programs in that particular subject area. Third, shared revenues might have a *substitutive* impact on fiscal effort. State and local governments might substitute shared funds for those raised locally thus freeing the latter funds for other uses, or for reducing regressive local tax burdens.

For the last several minutes I have tried to outline briefly the history, some of the underlying thinking, and some of the possible impacts of revenue sharing. All this has been done on a general broad scale. For a few minutes now, let us think together in some detail about Appalachia and revenue sharing.

### APPALACHIA: PAVING THE ROAD TOWARDS THE NEW FEDERALISM

Several months ago a White House official noted that Appalachia was "leagues and leagues ahead" of the rest of the country in community development cooperation. And it is not surprising that this should be so. Since 1965 the thirteen Appalachian states and the Appalachian Regional Commission have been attempting to foster just that particular climate. Notable success has been evidenced; much remains, however, to be accomplished.

When revenue sharing becomes law, the Appalachian portion of this country should be the most prepared area in all America to utilize effectively those shared revenues. There are at least two major reasons for this.

First: *Area Cooperation*. Through the creation of multi-county organizations controlled by local governments operating under state direction, the Appalachian states have been able to strengthen local government's ability to plan for and to utilize area-wide services. This experience upon further refinement will have prepared the states to plan for and to control effective use of the *state share* of new revenues. But equally as significant, it has taught the localities to work together in planning and in using the *local* "pass-through" *portion* of shared revenues. Several local jurisdictions working together will therefore be able to accomplish goals which each working separately could not hope to achieve.

A second reason why Appalachia will be well prepared to utilize shared revenues is that the Appalachian experience has heavily stressed the development of comprehensive planning and the improvement of management capabilities of government to be able to implement those plans. The Appalachian Regional Commission is concentrating major attention on efforts to improve the caliber of management at state and local levels of government. Concurrently, we are reinforcing our attempts to encourage states to develop broad-gauge plans and budgets to meet stipulated objectives.

Management and planning will be vital to the success of revenue sharing. President Nixon, as part of his Urban Community Development Sharing, has offered a special supplementary proposal for Planning and Management Assistance to the States. For the current fiscal year this project is budgeted at $100 million.

Focused on political executives at state and local levels the implementation of this program will enhance the utilization not only of any shared revenues but also of the remaining $20 billion in Federal grant programs as well as state and local programs.

What about the Appalachian Regional Commission and its role in paving the road towards the New Federalism? The Commission is the major experiment in force today for innovations in the Federal system. At the Commission, we have a partnership. Not a partnership of theoretical objectives, but a real partnership of decision-making. President Nixon's representatives and the representatives of the thirteen Appalachian Governors sit at the Commission table, decide priorities and set policy. We do not always agree, and states disagree among themselves.

From that political process emanate viable, workable political decisions. Political decisions which are translated into action to benefit the people of Appalachia. This is the new wave of Federalism.

At the Commission we are also trying to achieve a flexibility of Federal assistance for the thirteen states of the Region. As the quality of planning in Appalachian states has improved, the Commission has moved towards less restricted block grants for broad purposes. This is the true essence of special revenue sharing. It is the next step along the road towards an expanded general revenue sharing program. The unbelievable fragmentation of categorical grants and the lack of control at the local level over how these grants are used are two things this Administration is determined to change. Perhaps the really unfortunate thing about this rag-tag system is that it renders nearly impossible any rational community planning about available needs, resources, and capabilities.

In those dark days of the early 1940's just after the Battle of Britain, Winston Churchill called upon America and her people: "Give us the tools and we will finish the job." President Nixon made the same plea when he offered the most sweeping and comprehensive reorganization of American Government in all our history. We at the Commission will continue to encourage reforms at the state and local levels which will complement the President's initiatives. To do this we will continue to provide funds and technical assistance to states and to their localities. Thereby we will seek to aid them in their quest to modernize administrative operations and to consolidate categorical departments and bureaus along functional lines. Without these tools, revenue sharing and all the benefits that program will bring will be seriously impaired as we seek to pass those benefits along to the people of this nation.

Let me turn now to some specific plans and prospects for Appalachia once revenue sharing becomes a reality.

### APPALACHIA UNDER REVENUE SHARING: PLAN AND PROSPECTS

The special revenue sharing program which will have the most immediate impact on Appalachia and the program which is designed especially for that and for similar regions is Rural Community Development Revenue Sharing. What is a "rural" area? About as many definitions exist as one would want to find. In the revenue sharing legislation, however, rural areas are defined as counties or similar political subdivisions which either have a population density of less than 100 persons per square mile OR are not parts of a standard metropolitan statistical area. Over 2800 counties in the nation fit this category.

In his March 10 message the President noted:

> It takes many different kinds of activities to create rural development—to create opportunity. One must start with the individual—his education, his skill training and his health. Next the individual needs to be linked to resources and markets through transportation. Public sector infrastructure . . . is needed to encourage industry to locate in new areas. The environment is also becoming an increasingly important factor in industrial location.

Under this program some $1.1 billion, over 15 percent of which is new money, would be available for revenue sharing. Moreover, the President has requested an added $100 million for cities between 20,000 and 50,000 which would not be eligible for Urban Community Development Revenue Sharing. This would be only for cities in that size and would not be part of the formula share. Rural Revenue Sharing will remove barriers and streamline efforts for development not only in Appalachia but also in all America as well.

As well-intentioned as past rural development programs have been strict requirements and guidelines have often severely hampered states and localities in efforts to attract industry and services for their people. Elimination of inflexibility is a key goal for Rural Revenue Sharing.

Narrow Federal project definitions can force states to spend scarce revenues on "matching funds" thereby distorting their own priorities. It is difficult for local jurisdiction to say "no" when Federal funds are available. More urgent community priorities may fall by the wayside. Revenue sharing will end this practice to a large degree—as there are no matching requirements.

Political accountability is made difficult by the present system. Elected officials should in my estimate have both the authority to set priorities, the requisite power to implement projects flowing from those priorities, and the accountability to be held responsible for those decisions. Revenue sharing will make this possible.

Conversion of the existing development programs into Rural Development Revenue Sharing is both logical from the standpoint of rational policy and consistent with the aims of those programs. Diversification of the economic life of rural America to meet the challenge of producing a better life for her citizens is our goal. All America, urban and rural alike, has a critical stake in the success of rural development. Progress has been made towards achieving that goal, especially in Appalachia. But we and the country as a whole have much left to do.

As I mentioned earlier one of the critical aspects of revenue sharing and a requirement common to all the President's proposals is the necessity for the development of statewide planning for public policy purposes. Statewide planning has as its goal rational coordinated policy. Under the proposed legislation, the Governor has the responsibility for the preparation and filing of the plan resulting from a consultative process between Governor, planners, and the local, multijurisdictional bodies. The Governor will have the final responsibility, part of the particular agony of that office.

What about the Appalachian Regional Commission itself? Much speculation has appeared about what would happen to the Commission after the passage of Rural Development Revenue Sharing. Several things emerge in answering such a question.

The Administration bill continues Federal participation in and Federal support of the Commission as well as support for staff established pursuant to the original Appalacian Act, though all its present program funds would go directly to the States.

The Appalachian state could continue all projects and programs of the Commission which they elect. The Appalachian Governors have assured me that this is precisely their invention. Of course, this is the way things are now since each Governor must give approval to every Appalachian dollar spent in his state.

Will Appalachian states be short-changed? The answer is no. No state will receive less under any special revenue sharing program than it did under all the present programs which are folded into that revenue sharing package. This is the concept of "hold harmless," a baseline below which a state cannot fall. Many states will receive more than the minimum, however.

This in a nutshell is the Rural Development Package which will so basically affect the country will benefit from all the revenue sharing programs, so will Appalachia. How so? Let me briefly explain some key provisions of the other five special revenue sharing programs which will have special interest to Appalachia.

1. Urban Community Development. Twelve percent of the Appalachian people live in urban areas, cities over 50 thousand and their surrounding environs. New ways are needed to rebuild our cities. Federal grant programs for urban development have not achieved the purposes for which they were established. Delay, duplication, waste, rigidity, and inconsistency have frustrated the noblest of goals. Appalachian cities are no exception. Urban development funds would be available to aid these cities. Eight percent of Appalachian people live in cities of 20–50,000 population. They will benefit from the special $100 million fund I mentioned earlier plus a portion of the $2 billion fund.

2. Transportation Revenue Sharing. The lion's share of that program, some $2.04 billion, is for general transportation needs. Appalachia will receive its share of these funds.

3. Education Revenue Sharing. A significant portion of the $3 billion set aside for education will be in the area of vocational education. Appalachia has been a pioneer in that field, and will continue to be so. Just as any other portion of the nation, Appalachia will benefit from all the programs outlined in education revenue sharing.

4. Law Enforcement Revenue Sharing. This particular program makes changes in the Omnibus Crime Control Act of 1968, to give full measure to the President's promise that "The wave of crime will not be the wave of the future." The plan will assist both enforcement and judicial agencies at state and local levels to wage the war on crime.

Appalachia has much need for modernized police and judicial systems. This half billion dollar program will be a giant step forward towards achieving the great American ideal of equal justice under law. Both comprehensive planning and operational activity would be eligible for assistance.

5. Manpower Revenue Sharing. Manpower is an area, the President has noted, where ". . . the need to adapt to diverse and changing local conditions is especially compelling . . ." The goal is deceptively simple: move men and women to productive employment. But to do this, major programs of recruitment, testing, placement, and training are required, to name only a few. The need for this training in Appalachia is acute. The Administration has tagged $2 billion for this type revenue sharing. State and local governments in Appalachia will have a portion of this amount.

Not to be overlooked of course is general revenue sharing, the $5 billion fund for general governmental purposes. A state or a locality could spend any portion of its share of this money for any purpose I have previously outlined or for any other legitimate purpose. The important factor of course is that again, the decisions about the use of that money will be made by the people at the state and local levels. This will enhance the ability to make effective decisions for they will have the resources to implement their plans.

We have looked for the last several moments at how Appalachia and Appalachians will benefit from revenue sharing. Both general revenue sharing and the six special revenue sharing programs will have tremendous impact on the area. But in conclusion, let us think together for a minute about the larger questions raised by my remarks here today.

### FINAL PHASE: THE NEW FEDERALISM

What then is the final goal, the ultimate aim of all the revenue sharing proposals? Woodrow Wilson called it the "cardinal question" of American constitutional law—the balance of power between national and state governments.

There is just too much to be done in America today for the Federal Government to try to do it all. Remember this central point: the purpose of revenue sharing is not to prevent action but rather to promote action, not to fight power but rather to focus that power for the benefit of all America. "Good people," the President has noted, "cannot do good things with bad mechanisms. But bad mechanisms can frustrate even the noblest aims."

One of the best things about the American Constitution and the system of government which has grown up around it, is that so much room is left for change. Thomas Jefferson summarized the problem we face in his usual incisive fashion:

> I am certainly not an advocate for frequent and untried changes in laws and constitutions . . . but laws and institutions must go hand in hand with the progress of the human mind. As that becomes more developed, more enlightened, as new discoveries are made, new truths disclosed, and manners and opinions change with the change of circumstances, (then) institutions must advance also, and keep pace with the times.

The President's revenue sharing proposals will focus new power and responsibility on all levels of government. And the ultimate beneficiaries will be America's people. But all public power is a trust; we who exercise it are responsible to our people. For in our system it is from the people and for their benefit that all power must spring. Our forefathers had a clear vision and the fruit of their vision was a new nation. It is for us now, if our vision can match that of the men of Philadelphia, to renew the Government they created and thereby give new life to our common dreams.

## COMMENDING J. EDGAR HOOVER, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

### HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. YOUNG of Florida. Mr. Speaker, in this period of time when it seems that we are continually confronted with turmoil and strife and protests from within the country against America, it is indeed heartening to find an organization which is totally dedicated to our country and which holds true the guiding principles upon which our Nation was founded. The American Legion is a national organization of people who have made it their responsibility to stand up for America. Because of the selfless dedication of these patriots, I am pleased to have the honor of introducing the following resolutions adopted this year at their national convention, and I commend the Legionnaires for their support of and adherence to the principles embodied in these resolutions. I hope that others, too, might follow their leadership for the benefit of our Nation and its future.

The resolutions follow:

COMMENDING J. EDGAR HOOVER, DIRECTOR, FEDERAL BUREAU OF INVESTIGATION

(Origin: Department of Louisiana; Res. No. 90—Wisconsin; Res. No. 261—Nevada; Res. No. 267—Maryland; Res. No. 345—North Dakota; Res. No. 389 using No. 19 and text of No. 261.)

Whereas, J. Edgar Hoover has been a staunch defender of the rights and freedoms of the citizens of this great Republic without regard to race, creed or color; and

Whereas, Mr. Hoover being a faithful servant of the people of this Nation, has through his untiring efforts exposed the enemies of the United States of America from within; and

Whereas, The attempted downgrading of, and clamor for forced retirement of Mr. Hoover must be held in contempt by the overwhelming majority of the people of this Nation; and

Whereas, Former Presidents John F. Kennedy and Lyndon B. Johnson and President Richard M. Nixon have continued J. Edgar Hoover as Director of the F.B.I.; now, therefore, be it

Resolved, By The American Legion in National Convention assembled in Houston, Texas, August 31–September 1, 2, 1971, that The American Legion hereby commends J. Edgar Hoover for his untiring efforts, for his devotion to duty, and for the vigorous and impartial manner in which the F.B.I. conducts its business; and, be it further

Resolved, That a copy of this resolution be forwarded to the President of the United States, the Attorney General, the President of the Senate, the Speaker of the House of Representatives and Mr. Hoover.

PROHIBIT DISPLAY OF ENEMY FLAG

(Origin: Res. No. 268—Maryland; Res. No. 433—Virginia; Res. No. 566—New York were consolidated, using Number and text of 268.)

Whereas, The flags or banners of hostile countries or revolutionary groups, holding Americans as prisoners of war, are permitted to be flown in these United States; now, therefore, be it

Resolved, By The American Legion in National Convention assembled in Houston, Texas, August 31–September 1, 2, 1971, that The American Legion seek to have laws enacted by the Congress of the United States making it a penal offense for anyone flying the flag of any country or revolutionary group hostile to the United States of America and holding Americans as prisoners of war.

## EASY AND INEXPENSIVE TRAVEL TO FLORIDA

### HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. CHAPPELL. Mr. Speaker, within a few weeks the Auto-Train will begin carrying passengers along with their cars down to central Florida. This is an exciting new travel service that is catching on with the public and we want to commend Auto-Train for their innovativeness.

Just this week, Time magazine commented on the Auto-Train service and I would like to quote their article:

> Driving the 1,340 miles of Highway 95 from New York to Florida is at best a tiresome two-night, nine-meal trek. Its costs about $150 for a group of four. But thousands of vacationers continue to make the grim odyssey rather than opt for relatively cheap air flights, for the simple reason that a Florida holiday virtually demands an automobile, and rentals there during peak seasons are prohibitive.
>
> Now that trip will no longer be necessary, thanks to the new Auto-Train. Modeled on the excellent auto-bearing passenger trains of Europe and Canada, the Auto-Train will begin running daily from the Washington suburb of Alexandria, Va., to Sanford, Fla., on Dec. 6. The train will carry 90 to 104 vehicles in several enclosed carrier cars for a flat fee of $190 per car and group of four passengers. It will leave the new Alexandria station at 8 p.m., stop only for brief crew changes, and arrive at 11 o'clock the following morning in Sanford, a pleasant 3½ hour drive from Fort Lauderdale or Miami.

Mr. Speaker, while the Time writer mentions a drive on to other areas of Florida, I would like to point out that when a passenger arrives in Sanford, Fla., he is right in the middle of the most interesting and exciting section of the entire State. Intercoastal waterways, beautiful tropical attractions, the beaches, great citrus groves, horse farms, and sports activities—the world's finest are all within a few minutes' drive from the termination of the train. Additionally, the visitor will find the friendliest and most wonderful people in the world in this section.

Mr. Speaker, we are proud of the new Auto-Train and know it will see many years of success on trips to central Florida.

## AIR TRAVEL, CHICAGO TO ISRAEL

### HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. McCLORY. Mr. Speaker, the interest in air travel from Chicago to the State of Israel is increasing—and it appears that additional service could be made available for direct flights from Chicago to Tel Aviv by El Al Airlines.

Mr. Speaker, application for such service was recently denied by the Civil Aeronautics Board with the result that a resolution was adopted by the House of Representatives of the Illinois General Assembly urging the President and Civil Aeronautics Board to review and reconsider this application—and recommending that the flight route requested by El Al Airlines for service between Chicago and Israel should be granted.

Mr. Speaker, I am calling to the attention of the House of Representatives this significant action by the Illinois House of Represenatives, and would urge other Members of this body—particularly from the great Midwestern area of our Nation—likewise to express their interest in the need for this additional air service. Mr. Speaker, the principal sponsor of the Illinois resolution is my longtime friend and respected counterpart, Representative John H. Connolly, of Waukegan. I am attaching the copy of this resolution for the benefit of all the Members of this body.

The resolution follows:

HOUSE RESOLUTION 396

Whereas, The Civil Aeronautics Board of the United States has denied the application of El Al Airlines for an approved direct flight route from Chicago to Israel; and

Whereas, Untold thousands of Illinois citizens and midwestern Americans fly to Israel each year for business, pleasure or to visit relatives or the many holy places and shrines of deep significance for the Jewish and Christian religious faiths; and

Whereas, Existing air travel patterns necessitate, for travelers departing Chicago, a change of air craft at either Kennedy International Airport or Montreal, with all the hardship, inconvenience and expense caused thereby, such stop-overs being especially burdensome on the many elderly air passengers; and

Whereas, Shameful congestion of air traffic already exists over Kennedy Airport, with all the hazards inherent in such conditions, and delays both landing and departing, and a direct Chicago-Israel route would by-pass this congestion; and

Whereas, The Civil Aeronautics Board has approved direct flights from Chicago to many other European, Middle European and Mediterranean countries, and in this light denial of El Al's application appears unjustified; therefore, be it

Resolved, by the House of Representatives of the Seventy-seventh General Assembly of the State of Illinois, that this body strongly urges the President of the United States and the Congress to inquire into the decision of the Civil Aeronautics Board denying El Al's application: to recommend to the Civil Aeronautics Board that it reconsider its prior decision and grant approval for the flight route requested by El Al Airlines; and, be it further

Resolved, That a suitable copy of this resolution be forwarded by the Secretary of State to the President of the United States; the Speaker of the House of Representatives of the United States; the President of the Senate of the United States; each member of the congressional delegation from Illinois; and to the Chairman of the Civil Aeronautics Board.

Adopted by the House, October 11, 1971.

## PRAYER IS A PRIVATE MATTER

### HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. SCHWENGEL. Mr. Speaker, another indication of the widespread concern about the so-called prayer amendment is an editorial which appeared in the Friday, October 29 issue of the Miami Herald.

As the dangers of the amendment become better known, people are becoming more vocal in their opposition to the amendment. This editorial pointedly shows the divisiveness which could come about if the amendment was passed.

The editorial follows:

PRAYER IS A PRIVATE MATTER; HOUSE SHOULD LEAVE IT SO

The issue of prayer in the schools has the odd result of stirring up irreverent anger, and mostly for the wrong reasons.

A constitutional amendment to permit "nondenominational prayer" in the public schools is expected to go before the U.S. House of Representatives for a vote next month.

What passage of this amendment would create is a new layer of confusion and emotion for no good reason.

For one thing, the amendment apparently assumes that the U.S. Supreme Court has forbidden prayer in the schools, which it has not. In its famous decision, the court went to great lengths to explain it forbade officially led or prescribed prayer, not voluntary prayer.

For another, the notion of licensing a nondenominational prayer creates the necessity for the government to get into the business of determining when a prayer is or is not denominational.

Not only does the government have uniquely poor qualifications for this exercise, but such a move would run contrary to the historic separation of church and state provided in the Constitution. We oppose any weakening of that provision.

Besides, we wonder how satisfying a nondenominational prayer might be. A political cartoonist aptly commented on this recently when he pictured a classroom scene with a teacher leading a prayer. It began: "To whom it may concern . . ."

The proposed constitutional amendment reads:

"Nothing contained in this Constitution shall abridge the rights of persons lawfully assembled, in any public building which is supported in whole or in part through the expenditure of public funds, to participate in nondenominational prayer."

The Supreme Court this year reinforced the 1962 and 1963 decisions which held that organized prayers and Bible readings were unconstitutional. In a decision involving state aid to parochial schools, Chief Justice Warren E. Burger said for the 8–1 majority:

"The Constitution decrees that religion must be a private matter for the individual, the family and the institution of private choice, and that while some (government) involvement and entanglement is inevitable, lines must be drawn."

The new amendment has unlimited potential for divisiveness. The questions it raises to be answered are nearly endless. We think they would harm the good motives sincerely expressed by the prayer advocates.

Prayer, it seems to us, must remain an individual thing. By its very nature it is not something to be imposed. If it is not a voluntary personal expression, is it a real prayer?

We know of no person who does not have ample opportunity to pray in church or home or whatever silent private moment and place he chooses.

If he is not praying, it is not the fault of the Supreme Court, and not the business of the Constitution to make him do so.

## WETLANDS ARE NOT WASTELANDS

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. DINGELL. Mr. Speaker, pursuant to permission granted I insert into the CONGRESSIONAL RECORD an article appearing in the Washington (D.C.) Post of Saturday. October 30, 1971 entitled "Wetlands Are Not Wastelands" which speaks clearly for itself.

The need to preserve the Nation's wetlands is becoming critical and an appreciation for that need is clearly manifest in the article.

The article follows:

WETLANDS ARE NOT WASTELANDS

The ocean is far too vast and stormy a place for the hatching and nurturing of numerous species of fish and other marine life. The re-creation of that life depends on the wetlands—the shallow areas of beach, marshes, swamps, open creeks and ponds, sand dunes, bogs, salt meadows or even woods that are sometimes flooded. Neither could ducks, rails, snipe and many other birds survive without them. They are also the habitat of muskrat, otter, beaver and mink. Only thoughtless or ignorant men consider the wetlands wastelands to be dredged, filled or polluted.

A good many pepole, too, depend on the wetlands for their livelihood. In Virginia the wetlands, both above and below the low water mark, represent only one per cent of the total state territory. Yet 95 per cent of Virginia's annual harvest of commercial and sport fish depends on their marshes in one way or another. So does a good part of the tourist industry and much recreation. Dr. William Hargis, head of the Virginia Institute of Marine Science, estimates that Virginia's seafood industry yields a catch of about $20.5 million a year. The value of saltwater sport fishing to the economy, he says, is about $40.2 million per year. Wetland hunting is estimated to pump some $1.4 million annually into the economy.

Preserving the wetlands is therefore not only a matter of ecological sentiment but also of clear-cut, measurable economic gain. A growing number of Virginia legislators, it appears, are beginning to understand this and are now more inclined than they have been in the past to pass effective legislation such as Maryland recently enacted to protect its wetlands. We urge them on.

## AMERICAN OIL SCORES FIRST IN PROTECTING THE ENVIRONMENT AGAINST PETROLEUM SPILLS

### HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. COLLINS of Texas. Mr. Speaker, American Oil is one of the leaders in the petroleum industry's continuing development of programs to guard against pollution. In recognition of American Oil's development of a skimmer that recovers all types of spilled oil at high rates in both calm and rough water, the company was awarded first place in Petroleum Engineer's environmental control development program in the category of transportation.

With such developments as this, American Oil and the entire petroleum industry are leading the way for the rest of America in protecting our environment. American Oil was cited by judges as follows:

AMERICAN OIL CO.

Since early 1967, one of the goals of American Oil Co.'s Research and Development Dept., has been to provide the petroleum industry with more effective oil recovery equipment. The initial objective was to develop an oil skimmer that would recover all types of oil at a high rate, would function efficiently in both calm and rough water, and would minimize the water content of the recovered oil. Subsequent operating experience indicated that a truly effective skimmer should also be capable of recovering oil-soaked debris and oil-soaked straw.

Two unique oil recovery devices were developed as a result of this program.

The first device—called the Absorption Oil Skimmer—uses a sock of flexible, open-celled, polyurethane foam on a rotating drum to soak up the spilled oil. Rollers squeeze the foam, selectively rejecting water and recovering oil. A small experimental model was tested before the end of 1967. A working skimmer was constructed consisting of a 1-ft. diam drum 4 ft. long, mounted between hulls of a 20-ft self-propelled pontoon boat. Unit was delivered to the company's Yorktown, Va., refinery in February, 1968. This unit was capable of recovering 2100 gal of liquid containing 95% oil. Although intended primarily for use in relatively calm water, craft recovered oil efficiently in waves of 2-ft nominal height.

In March of 1968, the U.S. Coast Guard borrowed the skimmer and flew it to San Juan, Puerto Rico, where it helped clean up the spill from the tanker Ocean Eagle. Three identical units were constructed and delivered to American Oil marine terminals by August, 1968. Subsequently, the Absorption Oil Skimmer was made available to others through licensees in the U.S. and Japan. The largest commercial version is a 40-ton oil skimming ship currently in use in Tokyo Bay.

The second device—called the Brush Belt Oil Retriever—was developed during 1970 to handle oil-soaked debris and straw as well as oil. It uses a brush-like belt of polypropylene bristles mounted on an inclined conveyor. Debris and straw are removed by a rake and oil is removed by a wiper bar. A small experimental model with a 1-ft wide belt was tested and found capable of recovering 2100 gal/hr/ft width. Recovered liquid contained 95% oil. A unit using a conveyor with a length of 10 ft between pulleys can recover oil efficiently in waves having a nominal height of four ft. The Brush Belt Oil Retriever was selected by Industrial Research Inc. as one of the top technical developments of 1971. A commercial version capable of recovering up to 12,600 gal/hr of oil is being constructed.

The Absorption Oil Skimmer is covered by U.S. Patent No. 3,546,112. Patent is pending on the Brush Belt Oil Retriever.

American Oil is in the vanguard of the petroleum industry in environmental control development. One of the judges in the awards program noted that being a judge has been an education. We commend the judges on completion of a difficult task of choosing between the many progressive innovations. The following judges on the Awards Committee reflect quality and depth of perspective in their review of petroleum environmental control development:

### List of Judges

Jules Bergman, Science Editor, ABC News.

Bob Chandler, National President, Sigma Delta Chi professional journalism society.

Professor James A. Fay, Professor of Mechanical Engineering, Massachusetts Institute of Technology.

Duane L. Gregg, Assistant Managing Editor, Better Homes and Gardens.

Phil Herrera, Environmental Writer, Time Magazine.

Tom Kimball, Director, National Wildlife Federation.

Dr. Henry Linden, Director, Institute of Gas Technology.

John T. Middleton, Air Pollution Control Office, Environmental Protection Agency.

Burt L. Schorr, Environmental Writer, Wall Street Journal.

Thomas R. Shepard, Jr., Publisher, Look Magazine.

Dr. Dale Straughn, Allen Hancock Foundation, University of Southern California.

Peter C. Stuart, Environmental Writer, Christian Science Monitor.

Dr. Claude E. Zobell, Marine Biologist, Scripps Institute of Oceanography; University of California.

John Scott, Editor, Petroleum Engineer, Awards Program Coordinator.

## U.S. WITHDRAWAL FROM VIETNAM

### HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. JACOBS. Mr. Speaker, I was wondering, in view of the events of the past few weeks in Saigon, if any Member of Congress or any member of the executive branch would care to say he or she is willing, from this day forward, to give his or her life, limb, sanity or freedom—POW even for another day—further to prop up the Saigon dictatorship.

Other Americans are being ordered to do so today.

Following is the language of House Resolution 630, which I introduced on September 30, 1971:

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madame Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on July 1, 1971, that the policy of her government is: "If the United States Government sets a terminal date for the withdrawal from South Vietnam in 1971 of the totality of United States forces and those of the other foreign countries in the United States camp, the parties will at the same time agree on the modalities:

A. Of the withdrawal in safety from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp;

B. Of the release of the totality of military men of all parties and the civilians captured in the war (including American pilots captured in North Vietnam), so that they may all rapidly return to their homes.

These two operations will begin on the same date and will end on the same date.

A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the Armed Forces of the other foreign countries in the United States camp, as soon as the parties reach agreement on the withdrawal from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp.

Resolved, That the United States shall forthwith propose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from South Vietnam within sixty days following the signing of the agreement: Provided, That the agreement shall contain guarantee by the Democratic Republic of Vietnam and the Provisional Revolutionary Government of the Republic of South Vietnam of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

## PULLER ANECDOTES

### HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. MORSE. Mr. Speaker, it was from Charles W. Colson, now special counsel to the president, who served as a company commander in the 2d Marine Division under Gen. Lewis B. (Chesty) Puller, that I first learned of the truly extraordinary qualities of this distinguished American.

Few men, in my opinion, more rightly deserve the title of "hero" than Chesty Puller. His career was marked by professional valor, bravery, and leadership to his country, combined with a deeply thoughtful and humanitarian spirit for the men he led.

Chuck Colson has often told me that General Puller taught him much more about men and about life than he ever learned in his 4 years of undergraduate schooling studying under brilliant professors—a luxury General Puller himself never had. He has also related to me that Chesty Puller taught him, and thousands of other marines, that the most powerful force in the world is a man's own determination and that the word "can't" simply doesn't exist in the English vocabulary.

Another friend of mine who knew General Puller was Mr. Wendell Pigman, of Washington, who served in the 1st Marine Regiment when it landed at Inchon and later during the capture of Seoul in the Korean war. I am pleased to share with my colleagues a letter, written by Mr. Pigman, which appeared in the Washington Post of October 26, in which he recalls some of his memories of Chesty Puller that typify the character and spirit of this Marine Corps leader.

### Puller Anecdotes

(By Wendell H. Pigman)

Those who served with Gen. Lewis B. (Chesty) Puller, USMC, admired that salty scrapper. He was the enlisted man's hero. His death opens a gap in my pantheon.

A few anecdotes give some of the flavor of the man. Shortly after landing the 1st Marine Regiment at Inchon, Korea, Puller was guiding the attack from the top of a hill next to the Inchon-Seoul highway. General MacArthur appeared with an entourage at the foot of the hill. Word was sent to the top of the hill that General MacArthur was at the bottom. Word came back down that Colonel Puller was at the top. The two did not meet.

Shortly after the First Marine Division had come out from the hard-fought battles at Chosin Reservoir and was resting at a camp west of Pusan, Colonel Puller held an awards ceremony. After pinning medals on a number of men, Puller said: "I understand that some of you men are worried; that you are afraid that you will not be taken care of. Well, don't worry. I'm going to get you back in the fight right away." There was no cheering but morale took a definite upturn.

Just before the Cuban missile crisis, recently retired General Puller was attending a wedding reception in Arlington. When asked what he was doing, he replied: "I'm staying in shape by chopping wood every day. They're going to need me. They say it will take three divisions to take Cuba. It will only take one Marine division and I'm going to command it." Little wonder that Headquarters didn't want him in Washington.

He was a colorful and able field Marine. His indomitable spirit will be missed.

I am deeply grateful to men like Chuck Colson and Wendell Pigman, and our colleague, Lawrence Coughlin, who have known Chesty Puller well, and have shared their memories of him with me. I join with them in extending my deepest sympathies to Mrs. Puller and her family.

## MAN'S INHUMANITY TO MAN—HOW LONG?

### HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

## ON THE PRAYER AMENDMENT, THE DENVER POST SAYS "NO"

### HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. SCHWENGEL. Mr. Speaker, the Denver Post called attention to the issue of religious liberty which has too often been ignored in the debate over the prayer amendment. That is, the supporters of the amendment would rather that it not be discussed.

Yet, this is what is at issue. In this editorial which appeared on October 31, the Denver Post does a public service by pointing out how the so-called prayer amendment would infringe on the freedom of religion so deeply engrained in our system of government.

The editorial follows:

[From the Denver Post, Oct. 30, 1971]

IF IT FAVORS FREEDOM OF WORSHIP, CONGRESS SHOULD KEEP HANDS OFF

Nine years ago, the Supreme Court ruled that the First Amendment to the Constitution made it none of government's business "to compose official prayers for any group of the American people to recite as a part of a religious program carried on by government."

The court did not, as some people rather excitedly concluded at the time, make it illegal for anyone to pray, in school or anywhere else, nor did it outlaw references to God in American public life.

The decision, written by the late Justice Hugo Black—who was an authority on James Madison—was clearly in accord with the views of Madison and the other drafters of the First Amendment. It rejected an attempt by a New York school board to prescribe for public school pupils a prayer written by the state board of regents.

The decision was not, of course, in accord with the views of those who put great store by officially-sanctioned, lowest common denominator expressions of public piety.

Hence, there have been several attempts since that 1962 *Engel* case decision to amend the First Amendment to specify that the clause banning the official establishment of religion by the state does not preclude public non-denominational worship.

So far, these attempts have failed.

The latest is a resolution submitted by Rep. Chalmers Wylie, R-Ohio, which could come up for a vote of the House of Representatives by Nov. 8.

Representative Wylie's resolution contains this wording:

"Nothing contained in this Constitution shall abridge the right of persons lawfully assembled, in any public building which is supported in whole or in part through the expenditure of public funds, to participate in non-denominational prayer."

What is wrong with that?

In the first place, as the National Council of Churches of Christ has pointed out, Americans already have the right to participate in prayer, non-denominational or denominational, in public or private buildings, under the free exercise of religion clause of the First Amendment as it presently exists and as it has NOT been diminished by the Supreme Court.

Conceivably, Wylie's reference to non-denominational prayer could actually narrow down the freedom to worship.

But even more to the point is the implication—made explicit every time some government body in this country decides to authorize official worship—that the agency that authorizes a prayer also sets the terms for what sort of prayer is permissible. It is at that point that government intrudes, however cautiously, on the individual's rights of conscience.

During congressional debate in 1789, Daniel Carroll of Maryland very wisely observed in behalf of the proposed First Amendment that "the rights of conscience are, in their nature, of peculiar delicacy, and will little bear the gentlest touch of governmental hand."

Madison himself was asked to interpret the words referring to religion in the proposed amendment and he said they meant "that Congress should not establish a religion, and enforce the legal observation of it by law, *nor compel men to worship God in any manner contrary to their conscience.*"

That, to us, is the essence. Prayer is an individual matter of conscience, and the best thing government can do—for prayer, and for religious observance generally—is keep its hands off.

The individuality of prayer, the privateness of prayer, is something that Christians, particularly, should seek to affirm. For it was Jesus who told His disciples (as reported in the sixth chapter of St. Matthew) that they should not pray as the hypocrites do, standing in public places, "that they may be seen of men," but that they should pray in their own rooms, "to thy Father which is in secret."

He also warned them, when they prayed, to avoid using "vain repetitions, as the heathens do." It is almost as if He was referring to one of those non-denominational devotions composed by an agency of government.

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## PIG BOWL

### HON. MARVIN L. ESCH

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. ESCH. Mr. Speaker, on November 7, 1971, football fans across my district flocked to Eastern Michigan University's Rynearson Stadium to watch the classic Pig Bowl—the annual battle between the "Goats" of the Ann Arbor Police Department headed by Chief Walter E. Krasney, and the "Pigs" of the Washtenaw Sheriff's Department headed by Sheriff Douglas Harvey. Beyond viewing one of the truly great football games of the season those in attendance contributed to a Christmas fund for needy children in Washtenaw County.

The Pig Bowl began in 1969 when Deputy William Gilless voiced his concern for the needy children of Washtenaw County. He contacted the Ann Arbor police and proposed a charity football game between the two departments. This was the first time that a police group had tried this sort of project, and since then many other police departments have picked up the idea.

With somewhat greater advance planning, the second year's gridiron contest drew a record crowd of 7,500. More than $9,000 was raised to buy toys for needy children at Christmas and to support organizations throughout the county who were involved with youth activities.

The success of the first two games is due to many hours of work and effort by many segments of the community. Business places through the county sell tickets and encourage their patrons to attend the game. The University of Michigan and Eastern Michigan University have lent their support and equipment for the game. Off-duty officers from both departments donate their time on patrol for their colleagues who are playing in the game.

The coordinators for this year's game were Jan Suomala and Duane Weber representing the Ann Arbor police and Ron Ritter representing the sheriff's department. All three coordinators, of course, predicted victory in this the third game. Regardless of the outcome however, the real winner was again the children of Washtenaw County who will have a merrier Christmas than they might have had.

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## RUSSIAN FLOTILLA IN CUBA

### HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. PEPPER. Mr. Speaker, we have seen further evidence of the determined and expanding development by the Russians of a military and naval base in Cuba. Not only are many thousands of Russian soldiers in Cuba but naval flotillas with increasing frequency now come to Cuba. One arrived recently just after Premier Kosygin left. An item about this flotilla appeared in the Miami Herald of November 1. I am gravely concerned that the administration seems to be indisposed to have a confrontation with Russia about this growing base it is establishing in Cuba. We may, if we wait very much longer, find that Russia with her increased strength will not back down in a confrontation.

Mr. Speaker, I include in the RECORD, following my remarks the item that appeared in the Miami Herald of November 1:

[From the Miami (Fla.) Herald, Nov. 1, 1971]

RUSSIAN FLOTILLA IN CUBA

A Five-ship Soviet Navy task force arrived in Havana Sunday and was received by thousands of Cubans who lined up on the waterfront and waved Soviet flags.

The force, composed of two sub chasers, two conventional-powered submarines and a tanker, are on an "instructional cruise" and will remain in Cuba until Nov. 9, Havana Radio said.

The ships arrived a day after Soviet Premier Alexei Kosygin returned to Moscow after a four-day Cuban visit.

Soviet warships have been making periodic visits to Cuba for the past two years in what United States officials regard as a continuing Soviet policy to show the flag in areas of their interest.

A report of reconnaissance sightings by U.S. planes and ships had earlier described two of the Russian vessels as a modern guided missile cruiser and a guided-missile destroyer.

## CFR AND ITS TOP SECRET DOCUMENTS

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. RARICK. Mr. Speaker, according to local news reports, top secret Pentagon papers are more accessible to the public than a "confidential paper delivered to a Council on Foreign Relations seminar by Daniel Ellsberg," self-confessed thief of the Pentagon papers.

Exactly why the highly influential Council on Foreign Relations is able to maintain such secrecy while being privy to highly classified Government information is not made clear, nor is it clear why the Council on Foreign Relations would want to suppress information that may be vital to our Nation's security.

I ask that related news articles be inserted in the RECORD at this point.

The articles follow:

[From the Washington Post, Nov. 6, 1971]

#### ELLSBERG PAPER CRITICIZED ESCALATION

The confidential paper delivered to a Council on Foreign Relations seminar last year by Daniel Ellsberg that was handed over to the Federal Bureau of Investigation contains Ellsberg's frequently repeated criticism of the U.S. policy of gradual escalation in Vietnam.

The paper was delivered on Nov. 17, 1970, to a study group that included Morton H. Halperin, a former member of the Pentagon's Office of International Security Affairs and chief editor of the now-famous Pentagon papers about the Vietnam war, Paul C. Warnke, who was assistant secretary of defense in charge of ISA, and Helmut Sonnenfeldt, then and now a senior member of Henry Kissinger's National Security Council staff.

Ellsberg later admitted leaving to the press the Pentagon papers.

Discussion held regularly at the Council on Foreign Relations in New York are meant to be confidential. A "discussion meeting report" made available to The Washington Post along with the copy of the Ellsberg paper is marked "confidential—not for publication."

The Council on Foreign Relations is one of the most prestigious organization dealing with foreign affairs in the United States. Its members include leading figures in the East Coast foreign policy establishment in and out of government.

There was no indication from the contents of the Ellsberg paper why it should become the object of a subpoena in connection with an investigation of how the Pentagon papers reached the press. The Council's surrender of the paper has raised criticism from some members.

In his seminar paper, Ellsberg draws an analogy between the graduated response that characterized U.S. policy in the Cuban missile crisis and the progressive escalation of involvement in Vietnam. But in Cuba, he said, there was clear public support for the President, and Americans could see a direct threat. Furthermore, he noted, unilateral American power could wipe out the Soviet missiles in Cuba. These conditions did not exist in Vietnam. Nor did the essential matter that in Cuba the stakes were smaller for the adversary than for the United States.

Ellsberg said that Lyndon B. Johnson's 1964 campaign provided the clear signal to Hanoi "that it was politically rewarding for him in 1964 to imply to the public he was not leading them toward a large war in Asia."

Ellsberg said, "They knew they could assure him a large, long war, if he chose to start one at all . . . The mood of the public, foretold by Johnson's tactics and confirmed by his success, could only reassure them on the ultimate outcome: or at the very least, on the relative merits of holding on under pressure and prolonging the war, while raising its costs for America."

In the confidential summary of the discussion that followed Ellsberg's presentation—a digest on which it is clearly noted that it was not edited by the participants—Warnke is said to have noted that the Vietnam case did not warrant "general conclusions about the efficacy of a policy of gradual escalation."

The digest said, "The only lesson Mr. Warnke drew was: don't commit force on an all-out or limited basis unless you are prepared to pay more than what the other side is willing to pay."

Another participant sought to summarize some points for William Bundy, who was absent. "Bundy points to calculations of beneficial side effects elsewhere in Southeast Asia." Bundy has been appointed head of Foreign Affairs, the quarterly magazine of the council. He was Assistant Secretary of State for Asian Affairs during the Johnson administration.

[From the Washington Post, Nov. 5, 1971]

#### U.S. SUBPENA UNITARIAN FUND RECORDS

(By Sanford J. Ungar)

The FBI, armed with a grand jury subpoena, is inspecting the bank records of the Unitarian-Universalist Association in Boston.

The FBI inspection, covering eight separate bank accounts of the religious association and its non-profit publishing arm, Beacon Press, is part of the Justice Department's investigation into disclosure of the Pentagon papers.

Sen. ——— who learned of the bank inspection last night, said he will fly to Boston this morning to ask the First U.S. Circuit Court of Appeals to hold the Justice Department in contempt of court.

——— contends that the FBI action violates the appellate court's order suspending the grand jury investigation, pending the outcome of the senator's legal effort to place permanent restrictions on the probe of the Pentagon papers.

Beacon Press last month published an edition of the secret Pentagon study on the Vietnam war from material made public by ——— during a midnight Senate subcommittee session June 29.

As ——— planned his new court action for today, the religious organization announced in Boston that it would send representatives to New England Merchants National Bank—where the records inspection has been taking place—"to register our strenuous objections."

Attorneys for the Unitarian-Universalist Association and Beacon Press were also reportedly considering their own moves in federal court in Boston.

Statements from both the association and ——— last night indicated that the new issue had been injected into the continuing furor over the Pentagon papers investigation—the constitutional separation of church and state.

Robert West, president of the religious organization, which represents some 200,000 Unitarian-Universalists across the country, said, "We perceive grave danger in the subpoenaing by the government of the checks of a religious denomination, particularly as it relates to the publication of a controversial book."

He charged that "serious questions of church-state separation and freedom of the press are raised, in addition to the general issues of government intimidation and repression of dissent."

———, for his part, said, "I think it's wrong. I will use everything in my power to stop them from what they are doing."

The senator has already contended in federal court that the government investigation threatens his own congressional immunity as well as the constitutional separation of powers among the three branches of government.

Sources said the bank records under examination by the FBI cover the period between June 1 and Oct. 1 of this year, during which arrangements were made for Beacon's republication of the Pentagon papers.

The grand jury subpoena was originally issued on Oct. 28 and covers all checks deposited into and issued from the eight bank accounts in excess of $5,000.

According to the subpoena, those checks are to be presented before the grand jury next Wednesday, the same day as the scheduled argument on ——— appeal before the circuit court in Boston.

The subpoena came to light only yesterday, when bank officials informed the association and Beacon that FBI agents had already begun inspecting the records.

Attorney David R. Nissen of Los Angeles, who is supervising the government's investigation of the Pentagon papers reached in Boston last night, said he had no information about the FBI's activities at the bank.

But Nissen said that as long as grand jury proceedings are not resumed, "the FBI is perfectly free to interview anyone" without violating the outstanding appellate court order.

Bank officials could not be reached last night for comment.

Meanwhile, members of the Council on Foreign Relations have reacted angrily to the organization's decision to make available to the FBI a confidential seminar paper by Daniel Ellsberg.

James C. Thomson, a professor of history at Harvard University, yesterday labeled the council's action "outrageous."

"It is counter to normal ethics and to the printed by-laws of the organization," Thomson said after learning that the document had been turned over to FBI agents in response to a subpoena from a grand jury in Boston investigating disclosure of the Pentagon papers.

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## THE LATE HONORABLE A. WILLIS ROBERTSON

### HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 4, 1971*

Mr. ROONEY of New York. Mr. Speaker, the United States and the Commonwealth of Virginia have lost a truly distinguished citizen with the passing of the Honorable A. Willis Robertson who served for over 30 years in this House of Representatives and in the other body. He had a keen mind and combined it with great integrity. He was a fair man and a gentleman admired by all, regardless of political persuasion. He was a man that the Commonwealth of Virginia, which he loved so much and spent almost his entire life serving, could be duly proud. Willis Robertson spent almost half a century in public service. Those many of us who knew him with admiration and respect are deeply saddened by his passing. To his family I extend my deepest sympathy.

## ISRAEL'S ECONOMIC CRISIS

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## HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. HAMILTON. Mr. Speaker, Israel is now facing a grave economic crisis which was mainly brought about by the massive defense needs and the resulting huge foreign debt. Clyde Farnsworth's articles in the November 7 New York Times describe the staggering dimensions of Israel's economic problems and I commend his comments to my colleagues:

### ISRAEL: "THE IMPOSSIBLE"

(By Clyde H. Farnsworth)

JERUSALEM, ISRAEL.—The three million citizens of Israel face economic problems of staggering dimensions, but Government and business leaders believe that whatever happens, the future can never be as grim as the past.

Daniel Rekanati, head of the largest private bank in the country, put it this way: "I remember back in 1952 an American banker came over for a visit and asked me whether I thought the State of Israel would still exist in three years. Nobody asks that question today."

The way Yigael Brod sees his life may be indicative of prospects at large. He is a 22-year-old machinist's helper just mustered out of the army after his compulsory three years of service, seven months of which were in the trenches along the East Bank of the Suez Canal.

Mr. Brod, married and the father of a three-week-old daughter, lives with his family in a one-room apartment in South Jerusalem. He makes $125 a month at the factory and has been told by his boss that if he works hard he can count on doubling his pay over the next seven years. The young man is already deeply in debt.

Life in Israel is hard, he told a foreign visitor recently. "To make it, you have to work, because nobody gives you anything. I'm not afraid of hard work. We have a saying in Israel that if you have a lot of money, it's not good money."

Although she depends heavily on aid from the United States and the support of world Jewry, Israel, like Yigael Brod, has found no substitute for hard work in the deadly serious matter of progressing economically.

It's not a question of survival but of raising living standards, said Shimon Peres, former Deputy Defense Minister, who is now Minister of Communications and Transport.

This is a working man's society, said Yitzhak Ben-Aharon, head of the National Labor Federation. It marks a unique appearance in Jewish history. Three-quarters of the working population of one million are industrial workers.

What are the problems?

The country's foreign debt is probably unparalleled in the history of any nation, representing the equivalent of $1,000 for each citizen. It takes $500-million a year, or 10 per cent of the gross national product, just to service the debt.

Defense spending is wildly disproportionate, eating up resources that could be used for better homes, schools and public transport. Defense takes up to 27 per cent of the G.N.P., against 10 per cent in the United States.

Israel is practically without natural resources and, according to Agriculture Minister Haim Gvati, is in danger of running out of water in the next five to 10 years.

Although the country is in the economic growth league of Japan, inflation, abetted by last August's devaluation, is dangerously pushing up costs.

Because everything is being sacrificed for growth, the Jewish land is in the midst of a fierce labor shortage and is coming increasingly to depend on Arab labor. One-tenth of the work force is Arab, and regularly scheduled buses now bring Arab day labor from the occupied territories on the west bank of the Jordan and from Gaza to jobs in Tel Aviv. There are youth protests because pent-up social demands are not being met quickly enough.

"We are trying in this country to do almost the impossible," said Mr. Rekanati, chairman of the 129-branch Israel Discount Bank, from his Tel Aviv office. "In addition to defense, we have to absorb immigration running to 50,000 persons a year and build homes and schools for these people. And simultaneously we are trying to be a welfare state and to insure that standards of living of the population are continuously rising. They say this is a country of miracles."

Israel's total foreign expenditures for military hardware, raw materials and other needs are running at an annual rate of $3-billion. Earnings from industrial and farm exports and from tourism, shipping and financial services amount to $1.5-billion. This is the dimension of the balance-of-payments problem.

The deficit is financed by loans and gifts, by the capital input of foreign companies, by war restitution payments to Israeli citizens from the West German Government (running at $200-million a year) and if necessary, by the $400-million pool of foreign-currency reserves of the Israeli national bank.

"It is a hand-to-mouth monetary existence. Last year two great miracles befell us—the armaments from the United States and the aid from the United States," said Pinhas Sapir, Minister of Finance, Commerce and Industry and a likely successor to Premier Golda Meir.

"To many Israeli officials the only way to get out of the bind is to export more. To export more the base of the economy has to be broadened. To broaden the base of the economy more debt has to be incurred.

"We're not worried so long as our exports and the general economy continue to expand by 10 per cent or more," said Mr. Rekanati, the banker.

Finance Minister Sapir is confident exports will reach $2-billion by 1973, a 40-fold increase over 1949.

But practically every country in the world wants to export more, which means that competition will be much tougher than in the past. The United States with its new imports surcharge and monetary initiatives signalled the beginning of what some economists see as a new mercantilist era.

While the terms of competition toughen, Israel faces the possible contraction of markets as a result of the expected widening of the European Common Market to include Britain, Ireland, Denmark and Norway.

The larger customs union would tend to increase trade among the members at the expense of those outside.

The six Common Market countries are Israel's biggest market, buying $250-million of products a year. The United States comes next with $170-million.

In line with her export drive Israel badly wants to get under the European tariff walls. A preferential commercial agreement went into effect a year ago under which customs duties on industrial products will be progressively lowered by one-half over five years, while duties on farm products will be cut by 40 per cent.

Israel is far from satisfied with the Common Market agreement, according to Avraham Agmon, director general of the Finance Ministry. "The agreement has done us little good," he said, pointing to the competition with developing countries, which, under still another accord, ship manufactured and semi-manufactured goods into the Common Market duty free.

In the struggle for markets Israel has gained some important advantages, however, by specializing in the high-technology fields in industry and concentrating on profitable, capital-intensive sectors in agriculture.

Europe is now cultivating a taste for avocados from the western Galilee area and the Israeli coastal plain. None were produced 10 years ago. The market last year was worth $2-million.

Similarly $2.5-million worth of strawberries were sold from Israel to Europe last year. The strawberry crop began only five years ago. Celery, peanuts and melons are among the new crops grown in the irrigated semi-desert lands, earning altogether some $30-million a year in foreign currency.

Perhaps the most technologically exciting agricultural venture involves flowers. Freshly picked carnations, roses, gardenias and other flowers are flown to European centers daily under a computerized marketing setup. Agents in European centers transmit data on the specific needs, even to the shapes and sizes of flowers demanded, and within hours the shipment arrives from Lydda Airport.

All of this is in addition to the main staples—oranges, lemons and grapefruits. Israeli citrus exports last year totaled $115-million.

But Israel is chiefly counting on industrial exports to pay its way in the world The large defense outlays have stimulated metal and electronic developments. In addition to finding some peacetime applications for defense spending, Israel has become an arms exporter.

A sophisticated sea-to-sea missile, the Gabriel, already operational in the Israeli Navy, has been sold to some foreign countries, according to sources in the Defense Ministry.

Koor Industries (Koor means melting pot in Hebrew) is the country's biggest industrial enterprise. It is actually a conglomerate of 50 manufacturing companies owned by the industrial offshoot of the National Labor Organization, the Histadrut. Some of the companies are jointly owned with foreign enterprises such as General Telephone and Electronics and the big Belgian glass producer, Glaverbel. The 50 companies do an annual business of about $300-million.

Koor is run by Israel's former defense chief Meir Amit, who likes to point out to visitors that in relative terms Koor is bigger than General Motors. "We account for 9 to 10 percent of total output in Israel—General Motors for only 3½ percent of output in the United States," he said.

To meet the national goals, said Mr. Amit, Koor is determined to triple its volume of foreign sales by 1975.

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### MIDEAST PEACE IN OIL DRILLING

(By Clyde H. Farnsworth)

TEL AVIV.—On the Western Sinai Peninsula and offshore in the Gulf of Suez oil is being drilled for both by Egypt and Israel, with no regard to the hostilities between the two countries.

"Four or five frogmen could easily destroy the installations on both sides," a high Israeli petroleum official said. "They leave us alone and we leave them alone. So what we have now is an oasis of peace."

The former Egyptian wells in the Balayim Field, halfway up the Gulf of Suez, are pumping more than 100,000 barrels daily, enough to make Israel completely self-sufficient in oil for the first time.

Israel took the wells in the six-day war between June 5 and June 11, 1967, when all the Sinai peninsula was occupied. The war left Israel in possession of 34,000 square miles, four times the land occupied after the 1948 war of independence and one-half the area ruled by Solomon.

Thirty or forty miles south of Balayim are the offshore wells of the El Murgan Field, pumping about 300,000 barrels daily for Egypt. The Standard Oil Company of Indiana's subsidiary, the Pan American Oil Company, holds the concession.

Tankers from both sides ply the Gulf of Suez with their much-valued cargo in business-as-usual fashion. The Israeli tankers round the sandy peninsula and churn up the Gulf of Eilat on the eastern side of the Israeli port of Eilat. The crude oil is then refined into gasoline, diesel oil and other products for Israeli consumption.

The Belayim Field had been operated for the Egyptians by Enter Nazionale Idrocarburi (E.N.I), the Italian state oil company.

The Israeli authorities have told E.N.I. that it would be compensated for the oil acquired by Israel on the basis of the normal shareout in the Middle East—25 percent usually goes to the operator and 75 percent to the state.

Israeli technicians have run the operation since the six-day war. Fresh capital has been ploughed into the field.

Until there is a Middle East settlement, the Israeli authorities maintain, Israel will continue to take the oil as the spoils of war. There is no question, they say, of compensation for Egypt.

Until 1967 Israel, which produces inside her 1948 frontiers only 3 percent of her oil needs, was able to get around Arab oil boycotts against the Jewish state by purchasing oil indirectly from Iran and other sources.

Even with the oil from Sinai, Israel continues to purchase from the same sources to build up her reserves.

Israeli companies are also actively engaged in a search for oil outside the Middle East, but as yet have made no important strikes.

### Foreign Debt Mounts

Israel's over-all foreign debt has risen nearly three times since the end of 1968 to $3.4-billion.

Fifteen-year bonds sold to the world Jewish community at relatively low interest rates—4 per cent—comprise $1-billion of the debt. About 80 percent of the money has been raised in the United States and 10 percent in Canada.

The Israeli Ministry of Finance says there is a high proportion of renewals when the bonds mature.

The largest portion of the debt to governments is carried by the United States, chiefly to finance purchases of American military hardware. Last year Israel was given a $545-million loan to pay for American aircraft.

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## CONCERN OVER THE PROPOSED PRAYER AMENDMENT

### HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. PEYSER. Mr. Speaker, I have been deeply concerned over the proposed prayer amendment. I have spent many hours reading, thinking, and praying for guidance in reaching a decision on this matter. I signed the petition to bring this matter to the floor of the House of Representatives in order that it could be debated publicly and not remain locked up in committee. I personally see no reason that a group of young people cannot gather together voluntarily in a school or any public building and pray together or discuss religious thoughts they may have—nor do I see anything in the Constitution of the United States that prohibits this kind of action. I guarantee that if any attemps are made to limit the freedom to pray in my congressional district, I will personally join the fight to make it possible for people to gather together for this purpose.

However, I feel, as do the leaders of every organized religion whom I have been in contact with who represent the overwhelming majority of the people in my district, that we do not want the State to dictate the type of prayers that we and our children must say.

I have long been active in the Episcopal Church as a vestryman and as superintendent of the church school. I have talked with people of the Catholic, Protestant, Jewish faiths, and people of other persuasions and have found very few who want their children to be exposed to a State prayer. This type of action is similar to the steps taken by the Communist Party in the Soviet Union to control the innermost lives of their people and particularly their children.

It is for these reasons, coupled with a love for this great country of our and a love of the freedom which our Constitution and particularly the Bill of Rights have given all of us, that I have voted against this misleading amendment.

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## NOT TO BLAME FOR ATTICA OR OTHER ILLS

### HON. JOHN J. DUNCAN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. DUNCAN. Mr. Speaker, I read a very moving, very true, letter which I wish every Member of Congress would read—would heed. Who is to blame for the ills of our society?

The letter follows:

[From the Knoxville News-Sentinel, Oct. 2, 1971]

### Not To Blame for Attica or Other Ills, She Declares

*Editor, The News-Sentinel:*

Well, it's finally happened. Once again, I've been blamed for another incident in this country. I sat tonight and listened to a man on television blame me for the tragedy at Attica.

My little brain is working overtime in writing this letter. I say little brain, because anyone with common sense would have been hollering long ago.

I've been blamed for the riots on the college campuses.

I've been blamed for the war in Vietnam.

I've been blamed for oppressing the Negro race.

I've been blamed for the generation gap.

You name it; I've been blamed for it.

There's not a single prisoner at Attica that I helped put there. And it's a great possibility had they lived by my ideas and standards, they wouldn't be there either. But my ways of living are a little old-fashioned. Instead of stealing, I worked for what I have. Instead of murder, I've tried to follow the Golden Rule. Instead of trying to tear down this country, I've tried to stand behind it. I haven't demanded a single thing in return.

Demands, demands, demands. That's all I hear anymore. I'm sick to death of it.

Attica is a prison for hardened criminals. These men didn't just rob somebody's piggy bank. Some of them were two and three time losers. If they could have been rehabilitated, they would have learned a lesson the first time.

And you actually expect me to sit and take the blame? Me, the society, the country?

No, fella, you pushed me too far. I refuse to be held responsible for Attica. I refuse to be blamed for being the "society" that put these man behind bars. I refuse to be held accountable for the environment of these men.

But I will take the blame for the country being too lenient with a criminal. I will take the blame for allowing laws to pass that protect the guilty rather than the innocent. I will take the blame for letting courts and Justice Department make it so easy on a lawbreaker that he's not afraid to commit his crimes.

To the families of the slain hostages, I owe my deepest sympathy. To the surviving prisoners at Attica, I owe nothing.

Mrs. Carl Valentine.

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## PRICE OF FREEDOM

### HON. LARRY WINN, JR.

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. WINN. Mr. Speaker, my esteemed colleague from western Kansas, Mr. Keith Sebelius, recently addressed a group of young people in his district concerning the price of freedom.

A Great Bend, Kans., radio station, KVGB, was so impressed with what he had to say that they devoted an editorial to his remarks. I felt the entire House would find this brief editorial and Congressman Sebelius' ideas of timely interest.

### KVGB Editorial

Kansas' First District Congressman Keith Sebelius addressed more than 100 young people from Northwest Kansas last week-end regarding youth's role in today's business world.

His comments are an impressive commentary on our economic system, and they deserve quotation.

Under free enterprise, Congressman Sebelius said, the individual citizen or the customer is the boss. Despite the claims of socialism, fascism, communism or any "ism," Sebelius pointed out, no other system exists where the man in the street can discipline management.

The Congressman continued: "Nothing is free in this world. Everything in our economic life has a source, a destination and a cost that must be paid. Government is not a source of goods or money. Everything that is produced by government is produced by the people, and most important, what the government gives to the people it must take from the people.

"The only money government has to spend is the money that is taxed or borrowed out of the people's earnings. If the government decides to spend more than it takes in—and it has been doing a lot of that for too many years—that money, when it is spent, reduced the value of the people's money and their savings.

"Employment and job security do not come from the government or from business. They come from the customer. If there are no customers there can be no business and no payroll and no jobs."

Congressman Sebelius concluded with these comments, which we heartily applaud: "Our American system of free enterprise rests firmly on the belief that you know what is best for yourself. It also assumes the individual will assume the responsibility to safeguard this freedom. Most young citizens I visit with buy that concept. It is time a lot more of us began selling it."

## MILAN ARMY AMMUNITION PLANT GETS ARMY'S TOP AWARD FOR EXCELLENCE

### HON. ED JONES

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. JONES of Tennessee. Mr. Speaker, recently it was my pleasure to attend ceremonies presenting the Department of Army's most coveted "Sustained Craftsmanship Award" to the Harvey Aluminum Sales, Inc., operating contractor of the Milan Army Ammunition Plant, Milan, Tenn., a shell loading and storage facility under the command of Maj. F. T. Mullens.

Making the presentation, the first to be awarded, was Lt. Gen. J. M. Wright, comptroller, Department of Army, at ceremonies conducted at the plant on Tuesday, October 26, 1971. General Wright was accompanied to the plant by Brig. Gen. P. G. Olenchuk, commanding general of the 26 Plant Ammunition Procurement and Supply Agency—APSA—having direct control of the Milan, Tenn., facility. The award was the result of the Harvey Co.'s effective Zero Defects program, which General Wright commended highly. The general pointed out that the company won the Achievement Award in 1969 and the Craftsmanship Award in 1970. Quoting him further:

> Having fought in three wars and been a customer of yours, I express my sincerest appreciation for your dedication and endless motivation in your work.

Receiving the distinguished award was plant manager F. C. Bryant, who literally grew up in the industry. Said Mr. Bryant:

> Our employees wanted this award, for it represents the crowning honor to the impressive list of awards already earned.

He stated further:

> You must remember that our plant has a most impressive record of meeting production schedules and shipping dates.

The list of honors for the plant includes the following:

> The National Safety Council's Industry-wide Safety Record of 9,160,000 manhours without a lost-time injury. Quite an achievement for an explosives industry.
>
> The Cogswell Industrial Security Award. Milan was the only Plant in the APSA Complex to receive the award and vied with more than 20,000 defense plants for the honor.
>
> Annual recognition for the results of its Cost Reduction Program from 1964 through fiscal year 1971. A total savings of over $13,225,000 has resulted from employee actions and suggestions.

S. P. Huntley, zero defects manager for the Harvey Co. stated:

> The Sustained Craftsmanship Award was the big one, our people wanted it, we've got it, and our flag clearly shows that we're Number One.

The award is a fitting tribute to the west Tennessee employees of the plant, who compose more than 98 percent of the supervisory and production personnel. It is also a tribute to Mr. Leo Harvey, founder of the Harvey Co., who had great faith in west Tennesseans, and the continuing faith of J. Donald Rauth, current president and chief executive officer of the company. The company, an equal opportunity employer, has an employment total in excess of 3,000 with 30 percent of this total composed of minority group personnel. Mr. Bryant further pointed out:

> We are what you might call an isolated industry in this agricultural area. Our employees have no long history of industrial know-how, the fact is, we're scarcely one generation removed from almost total economic dependence on agriculture.

I have always had a strong interest in the Milan plant and want to express personal congratulations to the officers and employees for their continuous record of outstanding performance in craftsmanship, efficiency, and safety.

## WEST COAST OF FLORIDA BLIGHT

### HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. YOUNG of Florida. Mr. Speaker Florida's west coast is scenically set on miles of beautiful white sand beaches bordering the clear waters of the Gulf of Mexico. It is this beauty which has lured thousands of tourists to choose the gulf area as their permanent home. This picture, however, was destroyed last summer by an outbreak of the dread "red tide." This is a natural phenomenon which results from the rapid multiplication of rust-colored marine micro-organisms which stain the sea and release a toxin which is fatal to fish. It is not caused by any known act of man and so far is not controllable by man. It came and went solely as a result of the mysterious workings of nature. It did, however, leave its devastating mark on the area—miles and miles of beaches littered with millions of putrefying fish, the sand and water barely visible because of the density of their decaying carcasses. It took many days and nights of continuous labor to repair this damage and thousands of man-hours of labor at a final cost of over $200,000 to the local governments involved.

To this section of Florida's west coast, the "red tide" is now only a horrible memory, but they are still struggling to recoup from the financial burden it placed upon them. For this reason, I am introducing today, with my two distinguished colleagues, Mr. Haley and Mr. Gibbons, a private relief bill which will guarantee payment of losses sustained by each city, county, and State agency involved in the cleanup of this terrible blight.

## UNEMPLOYMENT IS UP IN THE NATION

### HON. THOMAS P. O'NEILL, JR.

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. O'NEILL. Mr. Speaker, the problem of unemployment in our Nation is a matter of great concern to every Member of Congress. This resistant strain of unemployment, which has inflicted the country, has hit white and blue-collar workers, executive, and laborer, scientist, and municipal employee.

I am placing in the Record the remarks of Mr. Albert J. Kelley, dean, school of management, Boston College and chairman of the Board of Economic Advisors, Commonwealth of Massachusetts, given before members of the New England delegation some weeks ago. Mr. Kelly directs his comments to a very particular problem facing the Northeast area, the highly skilled unemployed scientist and technician. It is pointed out by Mr. Kelly that not since the great depression has this country seen such a high percentage of highly educated professionals in the unemployed sector.

I request that all Members interested in finding a solution to the growing problem of technical unemployment read with care the astute comments contained in Mr. Kelley's statement.

The statement follows:

#### Government Incentives for Technology Transition and Innovation

(By Albert J. Kelley)

#### BACKGROUND

> Defense and space cutbacks during the last two years have had a unique effect upon the U.S. economy. While considerable attention has been given to unemployment and job aspects of these cutbacks, there are more subtle technological implications which impact the long-range economic health of the United States.
>
> Manifestation of the deeper underlying technological problem is given by the large number of engineers and technical professionals who have been disemployed by these cutbacks. We have not seen as high a percentage of highly educated professionals in the unemployed sector since the Great Depression.
>
> To date, solutions to defense cutbacks have been concentrated on personal and humanitarian factors, that is to get people back to work. Let us look for a minute at the underlying economic factors that currently face us.
>
> The technology base in this country has been largely supported since World War II by the Defense Department and NASA. The projects they sponsored were important to the national interest; they were glamorous and it was indeed patriotic and financially lucrative for individuals and corporations to join in these endeavors. As a result, a very significant proportion of the quality and quantity of the science and technology community was attracted into DOD/NASA sponsored activities, whether working for the government, private corporations, or univer-

sities. This situation, of course, peaked markedly during the 1967/68 time period when the Viet Nam buildup compounded by the NASA Apollo program caused a large temporary bubble in demand for high technology products and services.

This dramatic buildup had two major effects. First, it pulled in a lot of engineers and scientists and trained them in the government way of doing business with its own procedures for management, technical specifications, procurement, and financial incentives. Second, by pulling in these large numbers of technical personnel, a vacuum was created in the civilian technology sector into which foreign competition and products moved and captured major market shares. As a result, foreign competitors are deeply entrenched in what would be "natural" conversion markets for many previously DOD/NASA oriented personnel and companies. For example, a "natural" area of conversion for the defense electronics industry would be in home radio, T.V., hi-fi, etc. This market is already heavily saturated by foreign companies largely Japanese.

The DOD/NASA approach, in fact our historic governmental approach, to technology has been on a project-by-project basis. That is, individual projects were circumscribed and specified by the sponsoring government agencies and competed for by private organizations. This was considered to be the free enterprise competitive way of doing business and, by and large, worked quite well since there was always a continuous stream of projects. Even though it was theoretically a winner-take-all system, there were sufficient projects to go around so that many companies were able to prosper in the DOD/NASA sector. Government sponsorship of technology was basically project-oriented rather than institution-oriented. Ideally, at least in theory, the military-space-industrial complex was openly competitive, the strong prevailed, the weak were eliminated. With reduced technology dependence on DOD/NASA, we may now have to reshape government support more along institutional rather than strictly project lines.

Many new high technology companies were started during the 1950's and 1960's, some with resounding financial and investment success. A major factor in the early success of these new technology enterprises was the advantage they had in starting-off immediately with government contracts. Very often, in fact in a very high percentage of these start-ups, the entrepreneur-managers started their new company with a contract in hand either from their old organization or from a government agency with whom they had developed rapport. As a result, the new technology companies were often able to get a a year head start with guaranteed income while going through the different embryonic stage. The company started off in a familiar area of business with minimum risk, the entrepeneur's dream.

Many of these smaller companies have been hard hit by recent cutbacks particularly if they have assumed the role, as many have, of major subcontractor. In a cutback they are in double jeopardy since they receive not only their proportionate share of prime contract cutbacks but are further hit by the prime contractor keeping in-house a higher percentage of the contract work and putting less out to subcontract. Thus the "make or buy" decision in a decreasing market becomes increasingly easier for the prime contractor to the detriment of the subcontractor. Further, many prime contractors have delayed payments to subcontractors even though progress payments have been made by the Government.

High technology subcontractors were the first to feel the effects of defense and space cutbacks for these reasons. They are undoubtedly suffering the most, though heard the least, since they do not have the resources and political sophistication of larger prime contractors. Many are now concerned that we are in danger of seriously undermining, if not eliminating, our subcontractor structure, a vital element in our industrial base for national security.

Since the DOD and NASA financial props have been pulled out from under the technology segment of our economy, there is a new awakening to the importance of technology in the private sector. We have always believed that technology was important to our international pride and prestige. More recently, we have come to realize that it is indeed important in our total economic posture and strength including international trade. Secretary of Commerce Stans' testimony to the House Science and Astronautics Committee of July 27, 1971 documents some of the interrelation between technology and international economics.

No easy solution to our current technology problems has emerged but the techniques employed to solve these problems have by their very nature been inefficient and, therefore, not too effective. For example, the problem has been attacked by Federal and State Governments as an unemployment situation, on an individual basis. While this is indeed humanitarian, it is relatively inefficient to approach the problem on a person-by-person basis particularly when there are so many disemployed. What is needed is not more training, not more unemployment assistance, but jobs. These are created by healthy segments of the economy manned by healthy corporations. However, the technology industry itself has not generally approached the problem in a sophisticated manner. This is probably due to inexperience in commercial business areas more than any other cause. The DOD/NASA supported technology organizations have often approached new market areas with solutions looking for problems. By experience many have operated in DOD/NASA—as a result they have become product rather than market oriented. This attitude has slowed conversion and in many instances turned away potential but unsophisticated customers for technology goods and services.

This paper is largely concerned with assistance and incentives which can be provided to *organizations* to convert their business and personnel *in situ*. The action which the Federal Government can take can be broken down into three basic areas:

(1) Sponsored Technology Projects
(2) Direct Assistance
(3) Passive Incentives

GOVERNMENT ACTIVITIES RE INNOVATION

### *I. Sponsored technology projects*

Government sponsored technology projects take the form of a major project involving *national goals*. While the peaceful national technology project in the 1960's was landing on the moon, in the 1970's it could be something like environmental and pollution control (backed up by sufficient funds and personnel).

Alternatively, or in parallel, there could be several smaller technology projects which provide seed money or government sponsored project incentives to move the high technology community into specific areas such as medical technology, the environment, urban problems, etc. A method of accomplishing desired civilian R&D projects could be government sponsorship of R&D and prototype competitions, that is, the government sponsorship of civilian R&D projects such as DOD sponsors Defense R&D projects.

In any case, it is important that some technology projects in desired conversion areas be backed by the government to provide a continuum for the technology community and private corporations. In this way, they can make the transition to new technical areas and applications while, in the interim, doing business the government way. As they move into new technology areas, they can acquaint themselves with new ways of doing business in the private sector and be on the look-out for civilian market applications of the projects they are executing under government contract. In other words, the government can provide transition assistance to ease the conversion of technology organizations into the private sector. There is, of course, a danger that government projects once started never stop and then these new technology market areas would continue under government subsidization rather than the government serving as a catalyst to assist the transfer.

### *II. Direct assistance*

Under the hypothesis that it is more efficient to convert an operating organization than to convert the unemployed individual-by-individual, a *Corporate G.I. Bill* is proposed. A Corporate G.I. Bill would have many of the same features provided for individual veterans phasing out of the Armed Services. The problem for defense contractors is, in many ways, analogous to the individual veteran. The Corporate G.I. Bill would include loans or loan guarantees by the government to help finance the transition into the private sector, it would also provide education funds for re-orientation which could consist of on-the-job training or outside development courses. A subsidiary concept within the Corporate G.I. Bill is the proposal to subsidize approximately one-half of one year's salary for supplementary corporate personnel during the transition phase. Many companies have already cut to the bone to stay alive and do not have a sufficient cushion in personnel or financial resources to move into new business areas. The ability to hire additional personnel during the transition phase could help these companies break out of their current trap.

We should continue to search out the possibilities extant in already established programs and agencies, for example, the Small Business Administration. The SBA has several instruments already well established which, if fleshed out, could serve as valuable conversion vehicles. The SBIC program, if properly funded would become popular again and play an important role in the formation of new technology companies.

Many feel that the formation of new technology companies is the best way to effect conversion. Whether or not, they undoubtedly provide incentives for entrepreneurial minded technical personnel and are an avenue which should be vigorously supported. New business formation is one of the proven instruments for technology transfer. However, conditions are not the same as in the 50's and 60's. It is now more difficult and may require new or different government support.

We should increase the use and activity of the Title 501 concept within the Small Business Administration authority. The Title 501 Company is a state industrial development company which can receive matching funds from the Small Business Administration.

There are several avenues through which state and local governments could provide active assistance with or without federal support or subsidy. At the very least, the federal government could standardize or upgrade to the highest common denominator the various state programs already available.

Examples of state and local government assistance are:

(a) Standardize and upgrade loan guarantees provided by state governments. For example, some states (e.g. Vermont) guarantee 100% loans for facilities and equipment for new companies or companies they desire to attract. Others provide none.

(b) Provide consistency and loosen government regulations on industrial revenue bonds. These are tax exempt bonds supported by a state authority but issued by a private corporation. These have met with great success in some states (e.g. Alabama, Massachusetts). However, IRS restrictions for tax recovery now limit these to 5 million dollars.

(c) Local Technical Assistance Programs (sometimes called conversion corporations) could be instituted with government support. These would provide business assistance and a loan bank similar to RFC to help corporations convert. Many high technology defense supported companies do not know how to move into new market areas. They don't even know what new types of people to hire if they had the resources. A local technical assistance program at the state or local level could provide market surveys and identify new product areas. It could help companies to locate new government contracts with agencies different from those they may have been working with in the past. It could include a Washington liaison office to help locate government contracts in emerging technology areas which are peculiarly suitable to a particular State or region. A Washington office could provide assistance to the corporations in its region such as an information service to help locate government contracts or lands. The federal government procurement scene is a maze and a puzzle to most small companies, even those who have been doing business with a particular agency for many years. A local technical assistance program could also provide other peripheral business services, consulting and advice to help small to medium size companies make the transition into the civilian sector.

### *III. Passive incentives*

The Federal Government can provide many passive incentives, primarily financial, to attract capital and therefore increased attention and resources to high technology areas. Examples are:

(a) Investment tax credit for research and development. This could include accelerated depreciation allowances for facilities and equipment supporting high technology development.

(b) Investment tax credit for high technology products made in the U.S. and sold overseas.

(c) Tax holidays (full or formula basis) for new emerging high technology companies for specified periods of time. This could include tax holidays for corporate divisions or whole corporations converting from defense to other business areas.

(d) Investment tax credits to encourage foreign licensing arrangements whereby a credit is given to the U.S. corporation which manufactures in the U.S. under a foreign license.

(e) Investment tax credit for upgrading or retreading personnel in a company through education to enable the company to move out of defense/space into new business.

(f) Reshaping of policies on Independent Research and Development whereby the independence is broadened not reduced (such as the Mansfield Amendment). IR&D policy could be recast to permit such research unrelated to defense but related to conversion.

(g) It has been suggested that a change in the patent protection period policies could encourage increased high technology cross fertilization. This could consist of reducing the patent protection period to some time period less than 17 years or providing the government with authority to buy out some patent rights where technical turnover would be enhanced.

In reviewing patent policy some procedure should be established whereby the government can grant exclusive licenses on certain ideas or products. While this is contrary to a concept of open competition and free enterprise, on the other hand, many government patents lie fallow and untouched.

(h) The government, as a matter of policy, should review its antitrust attitudes with respect to joint corporate ventures for research and technical development. For example, while it has been argued by many renowned economists that the SST should have been built by private enterprise, no single company has the resources to go it alone. Under our antitrust policies, a consortium of private corporations, the only way it could be done without government support, would be immediately attacked by the government.

(i) In some way we must find mechanisms to reduce the pressure for short range corporate financial performance on the part of high technology companies. This is a fact of life in investment and stock market dealings. While investors formerly looked at annual earnings, now they look at quarterly earnings and even are searching for monthly financial information. The high technology corporation which needs time to develop new ideas and products unfortunately falls into the same pit as other companies when being analyzed by the investment community. Because of the increasingly short-range investor outlook, we have in many companies directly or indirectly suppressed technological developments. This has resulted in a preponderance of commercial product *variations* coupled with energetic marketing rather than true development or research.

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## MAKING DEMOCRACY WORK

## HON. BILL CHAPPELL, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. CHAPPELL. Mr. Speaker, Alexander Wolcott once stated:

> I am tired of hearing it said that democracy doesn't work. Of course it doesn't work. It isn't supposed to work. We are supposed to work it.

I am very proud that the students and faculty of Stetson University in DeLand, Fla., will engage in an innovative program to learn how democracy works. Stetson has invited representatives from 35 colleges across America to join with its students in a 4-day model U.S. Senate program in an effort to duplicate the legislative atmosphere of Washington. The students will participate in committee work, party caucuses, and full Senate debate on legislation now pending before the upper house of this Congress.

Stetson University and the citizens of the Fourth Congressional District will welcome Senators ROBERT BYRD, LAWTON CHILES, and EDWARD GURNEY as speakers during the 4-day program commencing November 11.

I am impressed that this model Senate program originated with, and is being planned and coordinated by, students. To those who decry the negative role of the college student in American society, I say, look to the students of Stetson University as indicative of the caliber of the vast majority of youth today. These students are determined to learn how they can make democracy work.

In undertaking this program, Stetson University is making a significant contribution to the Nation, the Congress, and the American way of life.

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## THE INAUGURAL ADDRESS OF FORMER ASSISTANT SECRETARY OF THE TREASURY MURRAY L. WEIDENBAUM

## HON. BILL FRENZEL

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. FRENZEL. Mr. Speaker, the inaugural address of former Assistant Secretary of the Treasury, Murray L. Weidenbaum, on assuming the Mallinckrodt Distinguished University Professorship at Washington University in St. Louis, was published in the Washington Post on November 7, 1971.

This address by a respected academician gives some interesting insight into the workings of the Nixon administration. Especially interesting to me was Weidenbaum's affirmation that the administration never put him in the position of saying anything he did not believe in.

The address follows:

### INAUGURAL ADDRESS

(By Murray L. Weidenbaum)

My initial inclination was to entitle this lecture "Two Years With the Enemy," in the spirit of Richard Dudman's recent book. *Forty Days With the Enemy*. As you may know, that distinguished correspondent of the St. Louis Post-Dispatch was referring to his experiences as a capitive of the Cambodians.

However, I do not want to draw close parallels, particularly since my two years with the Nixon Administration were quite voluntary. In any event, upon reflection, I felt that an accurate title for this report on a leave of absence would be "Confessions of a Republican Academic."

As a starter, I should like to recall the very first college lecture that I gave after I joined the Nixon administration in 1969. At this Eastern college, I presented what I meant to be a very straightforward and low-key account of the extent to which college professors had been appointed to policy positions in the new Administration. I recited a long list of intellectuals, ranging from members of the Cabinet to key White House advisors, and extending through the subcabinet and operating agencies.

However, I was unprepared for and thrown by the very first question that was tossed at me during the question and answer period—"How can you stand it in that administration?" I believe that I responded in a flippant manner to the effect that I stopped beating my wife two weeks earlier. I think that I am somewhat better prepared now and I would like to offer a delayed response to that nasty but thought-provoking question.

The passage of time tends not only to heal wounds but, more treacherously, leads to our remembering more of the pleasant than the unpleasant. Hence, let me say at the outset that these were not two years of uninterrupted joy or success. Truly, rather, it was an experience, and some of the lessons are quite ambivalent.

For example, I came away with the strong belief in the need to change the way in which the Congress does its work. The often times excessive concern with detail and trivia is hardly conducive to high level decision-making. More fundamentally, the notion of one man-one vote needs to be truly implemented in the deliberations of the Congress itself, particularly at the crucial committee and subcommittee levels, which tend to be so dominated by a few senior members.

Yet, simultaneously, I came away with indelible impressions of many men of integrity, instances of quiet courage, and an overall atmosphere of just plain hard work and dedication. I believe that it is pertinent to note that my main, although not sole, relationship with the Congress was unsuccessful; it was in connection with my responsibility for revenue sharing, a program that I was not able to see enacted during my tour of duty.

Similarly, I know that it is fashionable to lambaste the upper reaches of the Nixon administration. Now, certainly, the cast of characters does not exclusively consist of lovable or self-effacing men and women. However, I must bear witness to the fact that the dominant impressions that I bring back with me after more than two years of working with them, sometimes in very close relationships, are positive—an abiding loyalty, intelligence, industry, and dedication to the public interest (of course, as they see it).

To those of you who may be skeptical, I can only repeat the immortal words attributed to Henry IV, "Hang yourself, brave Crillon. We fought at Arques and you were not there."

Incidently, conjuring up the image of fighting at Arques may be more than a matter of poetry. It was no secret in Washington that at times I strongly disagreed with some of the policies of the Administration. Maybe that in itself was more than enough reason to make it all worth while. I did have ample opportunity to present my views, to argue for the things that I believed in, in the policy councils of the Administration.

What I consider memorable about my experience in the Nixon administration is that I was never put in the position of having to say, in public or in private, anything I did not believe in. The other side of that coin is that I never, in public, attacked the policies of the administration. I must admit that sometimes that took a little self-restraint. But these two interrelated rules of conduct, I believe, enable you simultaneously to maintain your integrity and your effectiveness.

Perhaps, the biggest surprise was to find a juxtaposition of roles. In representing a supposedly conservative administration, often I found myself on the side of progress vis-a-vis the status quo. Certainly, that was our position in promoting welfare reform, revenue sharing, a cleaner environment, and stimulative budget deficits.

Let me cite a case in point, the concern about a cleaner environment. Economists—regardless of political persuasion—generally do not view the problem solely in terms of appealing to our sense of moral outrage. Rather, we tend to think of practical changes in our economic system that would result in the creation of less pollution. A favorite method is to make the very act of polluting more expensive than not polluting. The assumption we follow here is that most people and organizations pollute not because they are nasty and enjoy messing up the environment but, rather, they pollute because it is easier or cheaper or more profitable.

Well, the Nixon administration acted on that approach. We suggested a tax on the lead going into gasoline. This would have encouraged motorists to switch to nonleaded gasoline, which should have helped reduce a major pollution problem.

Believe me, the initial public reaction was an eye opener. Aside from the environmentalists in the administration, the friends of the environment generally sat on their hands. After all, they seemed to reason, what did the Nixon administration and particularly the green eyeshade types in the Treasury care about the environment?

But the industries that would have been affected by the tax quickly saw the point of our efforts. They launched a strong counterattack. Only then, belatedly, did some of the more open minded environmentalists realize that there must be something good in the Administration's approach. But by the time they saw the light and started to support us, it was too late and the proposed tax on leaded gas did not pass.

I want to share with you something that I learned about economists and economic policy, which may have wider application. Despite the sophistication of their mathematics and theoretical constructs, I have concluded that those with a rigid, all-purpose cure for our economic ailments have done us a great disservice. At times, they remind me of the old Steve Allen TV routine—"Here is the answer, now what is the question?"

Models can be useful pedagogical and analytical devices, but their practitioners can fall into the trap of assuming that the real world just has to conform to their model. "After all who has a better model?", is often the stock response of the cavalier model builder.

Perhaps unfortunately, the first two years of the Nixon administration tended to coincide with the hey day of the monetarist approach to national economic policy. In any event, some of the practitioners of the monetarist doctrine seemed to say that making necessary changes in the stock of money in the economy would suffice to attain the desired goals of economic policy, such as reducing inflation or increasing employment. Thankfully, at least I recall no claims for curing baldness or altering fertility.

It will take a considerable passage of time for me to forget the many occasions on which I heard true believers tell me, "The inflation just has to slow down. Look what's been happening to the money supply." And later, "The economy just has to turn up rapidly. Look what's been happening to the money supply." Wasn't it Gertrude Stein who said that the trouble with Americans is that we always try to simplify things instead of attempting to understand complexity?

Before concluding, I do need to dispose of two questions that I frequently get: "Would you have gone to Washington if you knew then what you know now?", and "Would you recommend that any of us take a post in the government?"

The first question is the easier to answer. Of course I'm glad that I went and had a chance to observe, participate in, and hopefully influence government policy-making. As to the second question, it is always harder to answer for someone else. I do hope that many of you get the opportunity for a government position and that you take it. Beyond this apologia por vita mea, I can only recall for you a visit from one of Ralph Nader's "Raiders" shortly before I left the Treasury.

He came to tell me that, after seeing how we performed our duties, he was changing his mind about government service. He now thought that it was possible to try to do some good without compromising yourself. At some point in his career, he added, he'd like to work at the Treasury.

My friends, perhaps I can sum up this report by saying that maybe all I have learned from my recent stay in Washington is that Pogo may be right after all. I have met the enemy and he is us.

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## PRAYER AMENDMENT DEFEATED

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. RARICK. Mr. Speaker, the 240-to-162 rollcall vote on the prayer amendment did not supply the two-thirds majority—268—of those present and voting to pass the constitutional amendment, but it did show the American people that there are more Members in Congress who believe in voluntary prayer for children in public schools than those who oppose it.

The spectacle that followed the announcement of the vote defeating the prayer amendment—Members jumping to their feet and applauding—was reminiscent of the recent display of disrespect following the defeat that the American people suffered in another deliberative body, the United Nations General Assembly, when Red China was seated and Nationalist China expelled.

This vote and the disgusting spectacle which followed should impress upon the minds of the people back home what is wrong with their governmental leaders who gleefully used the power of their office to deny little children the right to voluntary prayer as a part of their school activities.

While no photographers were allowed in the Chambers, as there were at the United Nations, the recorded vote will let the American people know the philosophy and caliber of men who represent them in Congress.

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## THE FEDERAL BUREAUCRACY

## HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. COLLIER. Mr. Speaker, one of my basic concerns during the 15 years that I have spent in this body has been the abuse of power by an arrogant bureaucracy, the continual increase of the bureaucracy's power, and the apparent indifference among many of my colleagues to the shift of power from the people's elected representatives to an unelected bureaucracy.

Hopefully the Supreme Court of the United States will soon have a majority that realizes that our Government is one of laws and not of men. Why should we not at the same time have administrative employees who will work in accordance with the Constitution and the laws passed by Congress?

One of the most thoroughgoing, devastating, and factual indictments of the Federal bureaucracy that I have ever read recently appeared in the newspapers published by Eugene C. Pulliam. In "Will the Federal Bureaucracy Destroy Individual Freedom in America?", the publisher of the Indianapolis Star and News and the Phoenix Republic and Gazette has issued a solemn warning that we in the Congress cannot afford to let pass unheeded.

The bureaucratic monstrosity that has become an almost sacrosanct elite began its long period of growth from a relatively modest establishment to its present gargantuan size in 1933, when the radical New Deal elements came to power under Franklin D. Roosevelt. World War II helped to stimulate its growth, but the real impetus came in 1961, when John F. Kennedy and another army of planners began to bombard the Congress with a never-ending stream of legislative proposals.

Many of these proposals were stalled in legislative bottlenecks, but the most vicious campaign of hate ever directed against a presidential candidate rescued the planners. The defeat of Barry M. Goldwater, whose millions of adherents wanted to have the bureaucracy reduced, streamlined, and brought under control, was accompanied by a gain of 36 Democrats in the House of Representatives. The Kennedy schemes that had been stalled became law during the administration of Lyndon B. Johnson, not because the new President had any greater ability to sway legislators, but simply because he had the votes that his predecessor lacked.

Two years later President Johnson's party lost 47 seats in the House and many of the spenders returned to the oblivion from which they had sprung, but the damage had already been done. Most of the financial problems that plague us today and make it difficult for President Richard M. Nixon to restore stability to the economy had their origins in the Congress that rubberstamped approval to numerous new programs. Each of these invasions into territory traditionally reserved to the States and local communities or to private enterprise required its billions of dollars, thousands of employees, and hundreds of regulations.

What is the remedy? The obvious one is to replace those in Congress who jump through hoops whenever the bureaucracy issues a demand for legislation that inevitably increases the power of the intrenched bureaucrats. Instead of creating new agencies and increasing the number of bureaucrats, who already multiply like rabbits, we ought to repeal a few laws, reduce the number of Federal offices, save a few billion dollars, and lessen the power of these arrogant bureaucrats.

Whichever party controls the executive branch should have the authority to hire and fire in all positions of consequence. While I would not go so far as one of Shakespeare's characters, who said, "The first thing we do, let's kill all the lawyers," I would fire the lawyers who write the complex and devious regulations that frustrate the intent of Congress.

It would also be a good idea to replace the public relations officials with employees whose duties would be strictly limited to the issuance of necessary information. A coordination of research activities would undoubtedly unearth a tremendous amount of duplication and make-work activity that does tremendous harm to legitimate and worthwhile research.

Much could be accomplished by ending the system of annual salary increases that furnishes momentum to the spiral of inflation, by weeding out employees who have struck against the Government, by reducing the amount of annual leave, by ending the abuse of sick leave, and by demanding the use of labor-saving devices.

Many people defend the excess jobs in the executive branch as a form of glorified relief. If such jobs actually constitute relief, then they should be limited to one per family, however, I most emphatically reject this justification for make-work, especially in times of great prosperity.

Mr. Speaker, inasmuch as Mr. Pulliam's remarks deserve the widest possible audience, I am submitting them for the Record at the conclusion of my remarks:

### Will the Federal Bureaucracy Destroy Individual Freedom in America?

The most serious threat to freedom in America today—including freedom of the press—comes from a Federal bureaucracy which seems determined to gain control over every facet of American life.

This is not a partisan issue. As a matter of fact, there are now three great parties in America—the Democratic party, the Republican party and the Federal bureaucracy. Of the three, the Federal bureaucracy is the strongest and most powerful because it is the best organized and is protected from political reprisal by civil service.

When a new administration comes in, less than 10 percent of the bureaucrats go out; the other 90 per cent keep their jobs regardless of which party is in power.

The U.S. State Department is probably the most bureaucrat-infested agency in the entire government. A small coterie of career men who are protected and immune from discipline by civil service constantly harass and embarrass whoever is secretary of state. They did it to Dean Rusk and are doing it now to Secretary Rogers. Secretary John Foster Dulles had some very terrible experiences with this group. These State Department parasites don't want any secretary to succeed. They want to run the State Department in their image. They never want to get tough with any nation, whether friend or foe. They just want to be personally popular in all capitals of the world, no matter what their actions do to the prestige of our foreign policy. It's a hell of a way to run a State Department but that is the way it is being run now. If President Nixon is re-elected, he should ask Congress for the right to abolish civil service in the State Department and clean house from the first under secretary to the brocaded janitors.

Entrenched behind the safety of civil service tenure, the bureaucrats always proclaim that they are acting in the public interest and proceed to issue decree after decree, having the full force and effect of law, whereas not 20 per cent of the bureaucratic rules and regulations and orders are ever voted on by the Congress.

There are thousands of honest and dedicated men and women in the government civil service but their leaders and department heads make life unbearable for anyone who dares speak out against the arrogant plan for government by bureaucratic decree.

#### PRESIDENT STYMIED

The American people don't realize just how terrifically strong this bureaucracy is. At the present time there are 2,911,000 Federal employes; when President Nixon came to office, out of 4,000 and some employes in the Office of Economic Opportunity he could only change 16! Think of it. The President of the United States was absolutely overwhelmed, to the tune of 4,000 to 16.

Another instance of the arrogant determination of the bureaucracy developed recently in the Interior Department. The United States government has a treaty with the Navajo nation. The treaty is just as binding as any treaty we have with Canada or Mexico, yet the bureaucrats in the Interior Department paid no attention whatever to its stipulations. President Nixon promised the Indians he would do something about it. When he tried to do so this summer, the Bureau of Indian Affairs paid no more attention to the President of the United States than they had to the chief of the Navajo Indians. The bureaucrats in the Bureau of Indian Affairs are determined to run all matters pertaining to Indians in this country—regardless of treaties, presidents or the welfare of the Indians themselves.

Bureaucrats seldom get mixed up in financial scandals. They are not interested in money; they are interested only in power, and the American people have permitted them to take over, often without legislation.

Robert Finch, one of President Nixon's closest friends, was literally driven out of the Department of Health, Education and Welfare because the career bureaucrats in HEW just weren't about to let anyone else run that department, which is one of the largest and most important and spends more money than any other department except Defense. And things haven't changed one iota since Finch left.

Just how far they will go in expressing contempt for the people to whom they are supposed to be responsible is suggested by protest demonstrations in defiance of the President staged by employes of this department.

Senator Barry Goldwater observes that "several hundred employes of the Department of HEW—none of whom was elected by the people who pay them—could hold a mass meeting to protest policy decisions reached by the White House and by the Secretary of HEW."

The bureaucracy dominates the Federal Trade Commission, the Food and Drug Administration and countless other agencies. Prof. Yale Brozen of the University of Chicago recently called attention to the fact that because of these regulatory bodies free enterprise in this country is only half alive. He cited as evidence government's control of the mail, of water supplies, schools, airlines, railroads, highways, banks, farms, utilities and insurance companies.

#### JOB DESTROYERS

Government regulation has driven the railroads to the point of near extinction, hampered the small businessman with a network of controls, created problems in our cities with ill-conceived programs which have caused a net loss of at least half-a-million units of low cost housing since the 1930s. Yet the same bureaucrats and regulators who have created these problems now say they are going to cure them—and that for this purpose they must have still more authority over our lives.

The regulators talk a great deal about unemployment, and the need for still more government power to cure it. Yet Prof. Brozen has shown at length that government wage regulation has caused unemployment, pricing youthful and other marginal workers out of the labor market. Federal wage minimums have caused a doubling of unemployment levels among minority youth since 1954—from 16.5 per cent to well over 30 per cent.

In their effort to control everything, the regulators are trying to dictate virtually every phase of the business process—from the content of peanut butter and breakfast cereals to the packaging of soap flakes and the advertising of tooth paste. The Federal Trade Commission has recently decided it has the right to halt "special" sales in stores and back its decrees with a $5,000 fine.

In a similar move, attorneys for the Equal Employment Opportunity Commission have argued that businessmen cannot relocate if this would deprive minority workers of employment—claiming such relocation would violate the 1964 Civil Rights Act. Examination of the act shows it contains no such sweeping provision, and that this interpretation is purely something dreamed up by the bureaucrats to extend their own arbitrary power over business.

Members of Congress are helping the bureaucrats by holding hearings, spending government money by the millions to prove we probably shouldn't be eating cranberries at the wrong time and that cyclamates might poison your neighbor's dog. Think of the time, effort and money that have been wasted on just those two things alone, which accomplished nothing whatever.

Perhaps the clearest example of the way in which the regulators achieve the opposite of what they say they are going to may be seen in the current controversy over pollution. In one case regulatory fever brought the closing of a plant in Northern California which was not in violation of pollution standards and whose termination meant the loss of 800 jobs. A similar story was written in Marietta, Ohio, where Federal pollution standards if enforced would require the closing of a key industrial plant and the loss of 625 jobs. In the most serious case of all, senseless regulation threatened the closing of a Connecticut plant where some 40 per cent of the nation's supply of penicillin is produced.

### TIPPING THEIR HAND

The arrogance of the bureaucrats was blatantly emphasized when they proposed a special tax break for themselves. These bureaucrats already enjoy job pay increases more frequently than most Americans and they have all sorts of benefits and special privileges which put them in a class apart from and above the average citizen. The plan now being studied to give them special tax exemption is the last straw. Special exemptions from Federal taxes on the top $3,000 of salaries paid to bureaucrats in the highest of three civil service classifications are proposed. These salaries range from $28,000 to $38,000 a year. A diminishing scale of tax breaks is provided for the lower classes. All bureaucrats will get a tax break if this plan is accepted, while we know of no other group of Americans who are going to receive any such tax breaks.

As their control over our economic life has grown, the bureaucrats and regulators have shown their intentions more and more openly. In a wide variety of cases they are advancing the idea of "social engineering"—the notion that government "experts" should take children away from their parents, break the ties of family life, and mold American youngsters into the image of the bureaucrats themselves. In the dispute over "busing," for example, we have seen Federal regulators disrupting the life of local communities, ordering children transported to schools far from their homes, overriding the wishes of parents and city officials.

The motive behind this is spelled out clearly by spokesmen who say "disadvantaged" children have to be taken away from the influence of their parents and placed increasingly under the influence of the bureaucratic experts. "It is important," says one spokesman, "to replace this family environment as much as possible by an educational environment—by starting school at an early age, and by having a school which begins very early in the day and ends very late."

Busing is opposed by 76 per cent of the American people, including black, white and yellow. It has become a national headache and a national scandal. This never would have happened had it not been for the zealots among the career people in HEW, who are determined to demonstrate their power.

How far the problem of bureaucracy and dictatorial control of American economic life can be carried is suggested by the case of Ralph Nader. Here is a man without any official authority or credentials of any kind, forcing American industry into submission, threatening Federal prosecution if industry doesn't agree with his plans, bullying his way toward being the supreme dictator of all industrial production in this country. I want to quote here from a speech made by Thomas R. Shepard Jr., publisher of Look Magazine, regarding Nader's program and objectives.

Mr. Shepard says, "I have heard many businessmen dismiss Ralph Nader and his associates as well-meaning fellows who sincerely want to help the American consumer by improving business methods. Forget it. Mr. Nader isn't interested at all in seeing American industry clean house. What he wants is the house—from cellar to attic. His goal is a top-to-bottom takeover of industry by the government, with Mr. Nader, himself, I would guess, in charge of the appropriate commission.

"Find it hard to believe? Then listen to this Associated Press report of a speech he made last September: 'Consumer advocate Ralph Nader has proposed that corporations that abuse the public interest should be transferred to public trusteeship and their officers sent to jail.' "

Among the proposals Nader favors are having "publicly elected" members imposed on corporation boards of directors to serve the "public interest" as defined by Nader, abolishing corporate trade secrets on the grounds that "a corporation doesn't have the right of privacy" and making all corporate tax returns public on the same grounds.

Still more incredible are Nader's proposals that corporate executives be suspended from their jobs through "sanctions" he wants to impose and that entire companies be driven out of business if they don't live up to what he calls a "social cost test."

### NADER'S FINANCES

Who has appointed this man to play God over American business? Who has given him and the bureaucrats who are helping him the right to destroy the investment and effort of thousands of Americans who have entered into the voluntary associations of corporate endeavor? Who has commissioned them to dictate, suspend, or bankrupt organizations in which the resources and energies of countless American citizens have been invested?

Unbelievably enough, many of his assaults on our business system are financed by elements in the business community itself. He receives a good deal of money from foundations—including the prestigious Carnegie Foundation. He is also supported by the Philip M. Stern family fund, the Norman Fund, the Jerome Levy foundation, and Gordon Sherman of the Midas muffler company, among others.

Even so, Nader never would have gotten to first base with his crusades if he had not had the help of the bureaucrats.

Recently Professor C. Northcote Parkinson, noted for his numerous laws governing human behavior, predicted that, if the present trend toward government employment continues, everyone in Britain will be working for the government by the year 2195. Following this prediction by Dr. Parkinson the Morgan Guaranty Trust Company of New York prophesied that if this trend in America goes on, every American will be working for the government by the year 2000.

The significance of all this for the American press should be apparent. The collectivists and regulators like to say they are in favor of freedom of expression, and that the controls they have placed over our economic lives will not endanger other aspects of our liberty like the free press and freedom of speech.

The argument they use is that "human rights" can be separated from "property rights" and that economic controls do not mean political controls. The whole record of what has been happennig in this country shows such an argument to be false. Those of us in the newspaper business have long argued, and correctly, that the rest of the nation cannot remain free unless the press is free.

By the same token, it is impossible to have a society and economy supervised in every detail by Washington regulators and at the same time expect the press to be free.

The mission of the American press always has been to keep this country free and never before has there been a time when the American press should give first priority, regardless of other considerations, to the job of keeping a free press functioning in this country. The networks are having a very serious battle with the bureaucracy. They cannot fight their own fight because they have one hand tied behind them by bureaucratic controls. We do have an obligation to fight their battle for them because the networks have the same basic right of free expression as we do. The right of free expression is the fundamental right of liberty and we should remember always that America is the greatest country only because America is free.

The bureaucrats have been able to bully and blackmail television into accepting all kinds of unfair regulations. They attempted the same thing with the press. They realize their goal cannot be accomplished until they have control of the press, and now they are using the FCC to do that very thing. They are also using the office of the Attorney General, frequently without his knowledge or consent, to send out threats, directives and regulations unsanctioned by Congress, but with the full force and effect of law nonetheless.

Take two or three of the most recent cases. In 1968 Congress, after two years of debate, passed Senator Carl Hayden's failing newspaper bill. President Nixon signed that bill. Yet two months ago, the same crowd in the Attorney General's office who were there when they made such a terrific fight against the bill and were holdover Civil Service employes—most of them Socialists at heart who believe in statism and state control—sent out letters to a group of 50 newspapers, demanding all kinds of reports and statements under threat of being hauled before the Senate and anti-trust division for violation of the anti-trust laws.

That law was passed by Congress. It hasn't been repealed. It hasn't been violated. And yet these bureaucratic lawyers in the Attorney General's office go right ahead and cause unmitigated annoyance and expense to the newspaper industry, their one object being to get the newspapers to agree to some form of government regulation. Well, thank God, most of the newspapers ignored the Justice Department.

### FCC DECREES

Then the FCC gets into the act again by issuing a decree, without the consent of Congress, simply on its own volition, telling the networks they must devote so much time to this and so much time to that and so much time to public broadcasts which are put out by the NEA, hardly a source of unbiased information. And what do the television people do? They must comply or else. Now the FCC had no authority to make such a decision and thank God one judge told the FCC to go jump into the lake until it got authority from Congress to issue such a decree. But that didn't stop the bureaucrats. The Justice Department has jumped onto the agreement which was made by the New York Times and the Chicago Daily News wire services. The cost of the wire tolls was increased and the two companies decided to split a day and night wire in order to save money.

The irony of this situation is that in April of 1970 the Federal Communications Commission told the two wire services that they would have to do just exactly what they are doing if they wanted to use the services of the AT&T, and the Commission itself proposed that the two services share the wire with another user simply as an economical manner in which to serve their clients. And the New York Times and the Chicago Daily News entered into an agreement positively dictated and approved by the FCC.

Now along comes the Justice Department and says, "You can't do this. It is a violation of the anti-trust laws."

Let's take the case of tobacco. The FCC, without the consent of Congress—which it later obtained—told the television stations they could not advertise cigarettes. Yet the very same government which the FCC represents is spending $660,000,000 a year to promote, encourage and carry on the sale of tobacco. This order of the FCC is clearly unconstitutional unless the United States government absolutely prohibits the growing and sale and manufacture of tobacco and its products.

From the other direction, the U.S. government is subsidizing programs over the Public Broadcasting Service network which are often slanted to the radical side. The nature of this bias came to light in an "educational" TV attack on the FBI which was cancelled from its regular broadcast slot after J. Edgar Hoover protested. The Corporation for Public Broadcasting will receive an estimated $35 million from the taxpayers this year, some $9.2 million going to PBS. Why should bureaucrats force the taxpayer to underwrite one-sided propaganda?

A related case involving abuse of the regulatory power of the Federal Communications Commission is the interpretation that has been given the so-called "fairness doctrine." A memorandum prepared by the Reuther brothers in 1961 urged that this doctrine, which is supposed to insure balanced programming, be used as a device for attacking conservative broadcasters, most of whom appear on a local and not a network basis. Over the past 10 years the "fairness doctrine" has repeatedly been invoked against broadcasters and station owners whose views are different from those of the collectivists, but has not been invoked against network figures whose views are more in keeping with the Reuther memorandum outlook.

### PRESS IS NEXT

Two years ago a member of the Federal Communications Commission urged that this dictatorial formula be used against newspapers as well. In an August 1969 speech in Dallas, Tex., Kenneth Cox of the FCC said that "Congress could constitutionally apply counterparts of our equal time and rights of reply obligations to most newspapers, since they move in, or clearly affect, interstate commerce, and since the public interest in their providing their readers with both sides of important questions is clear."

Give these bureaucrats the right of regulation over the American press and you have lost America to bureaucratic statism.

This country was founded as a republic with a representative government, but has degenerated into a democracy run by organized minorities, the strongest of which is the Federal bureaucracy. Never in the history of man has a democracy survived more than 200 years, and ours will not survive unless we make it a representative government and abolish the power of the Federal bureaucrats.

Most democracies have been destroyed by centralized bureaucracies—or at least by the rule of organized minorities. The newspapers of this country owe it to America and to the world to make sure that representative government survives in this country—that freedom of the press and the right of free expression are never destroyed by a bureaucracy or any minority group. If we prove here that representative government can work, then freedom will spread to all corners of the world in time.

The United States spends billions of dollars every year to oppose Russia's determination to impose its autocratic rule of complete domination on other countries and to control individual freedom, industrial production, education and everything that approaches freedom of speech and freedom of expression. Here in America the bureaucrats are forcing the United States, step by step, to accept a system of government that will destroy free enterprise, local control of our educational system and, most important of all, the right of free expression, the fundamental right of liberty. If the bureaucrats succeed, freedom as we know it in America will be lost—maybe forever.

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## THE SURPRISING MOON

## HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

**Mr. TEAGUE of Texas. Mr. Speaker, in a recent editorial of Aviation Week, Robert Hotz reviews the achievements and contributions of the Apollo program and particularly the highly successful scientific investigation of the Moon on the Apollo 15 flight. Mr. Hotz decries the views of those who sneered at the benefits of the Apollo program in its early days. He cautions those who make decisions on the space shuttle not to discount its significance and value as was often done in the Apollo program. I commend this important editorial to my colleagues and to the general public.**

### THE SURPRISING MOON

For as long as man has been on this planet, he has gazed at the varying luminous shapes of the moon with intense curiosity, aware almost from the beginning that this heavenly body was linked somehow with his own destiny. For several hundred years man struggled to magnify the power of his eyes to study the surface of the moon in an attempt to discern something of its true nature. Finally, in July, 1969, man solved this problem by successfully transporting his own eyeballs to the lunar surface and beginning the genuine exploration of that body. Along with himself, man brought an ingenious array of scientific instrumentation to the moon, capable of measuring various physical phenomena and transmitting data back across a quarter million miles. In the two years since man fulfilled his age-old longing to go to the moon, he has learned some strange and wondrous things. The moon proved full of surprises.

Very few of the pre-Apollo theories about the moon have survived even the first few years of manned exploration. The vision of a cold, dead planet has given way to an amazing variety of geological activity detected and measured by the Apollo instrumentation. Perhaps the most astonishing and interesting discovery is the possibility that water exists in sizeable quantities in some form below the lunar surface. There is enough evidence pointing in this direction to merit an experiment aboard Apollo 17 to probe for confirmation.

Two Rice University scientists, Dr. John Freeman and Dr. H. K. Hills are "80 per cent certain" that water vapors are issuing through cracks in the lunar surface during periods of frequent small moonquakes. Confirmation of the existence of significant quantities of water or ice below the lunar surface would add a completely new dimension to the scope of lunar exploration.

But there have been many other surprising discoveries on the nature of the moon since Apollo 11. Far from being dead, the moon has considerable seismic activity in moonquakes of regular frequency and of a type that does not occur on earth. Heat has also been detected toward the core of the moon estimated as high as 800F. The moon has a greater magnetic field than estimated. It is a mineral storehouse of tremendous magnitude with some elements in combinations rarely or never found on earth.

Beneath its surface are both a rubble or honeycomb type of structure and massive concentrations of solid material. There is growing evidence that the moon at one time had volcanic activity and there are gases other than water vapor that vent to the surface during periods of large moonquakes. These may account for the orange colorations observed for more than 150 years by earthbound astronomers.

All of these major surprises have resulted from the first four manned explorations of the moon. In addition there is a sizable accumulation of other scientific data to be refined from the instrumentation still functioning on the moon and the nearly 400 lb. of lunar rocks and soil samples returned by the four Apollo crews. The moon has already proved to be a scientific bonanza regardless of what more material benefits may be realized eventually.

All of this must be a cause for considerable chagrin and embarrassment to that segment of the scientific community that led the sneering section during the early stages of the Apollo program when flight testing of operational hardware was of necessity its primary concern. Even though the history of aircraft development showed clearly that flight testing of hardware was necessary before a vehicle could perform either its military or commercial mission successfully, this faction of scientists clamored like a group of spoiled brats for scientific passengers and scientific activity before the operational integrity of the lunar transportation system was established. In fact, it was their snide and persistent clamor that helped the budgeteers snip the last three Apollo lunar missions from the program. The budgeteers, who are interested only in eliminating costs and care nothing for achievement, were more than ready to use the excuse provided by these yapping scientists that Apollo was really not a scientific program but just a gigantic stunt flight. Thus, according to their logic, once man had gone to the moon a few times there would be no further point or value in continuing the Apollo missions. With the bountiful scientific harvest of Apollo 15 and the opportunity to fly scientist-astronauts on Apollo 17 and beyond, the scientific community now finds itself running out of Apollo missions. Apollo 18, 19 and 20 have been scrapped to save money, despite the fact, now obvious, that they would offer the maximum opportunity for scientific lunar exploration.

We think this bit of scientific pettifoggery is worth noting because we see signs that it is being repeated as the development of the space shuttle moves forward. The scientists that sneered at Apollo are beginning to cast the same type of darts at the space shuttle. Thus, it is appropriate that they be reminded of how their unscientific and short-sighted behavior helped to curtail the real scientific potential of Apollo. Consequently, their growing criticism of the space shuttle should be thoroughly discounted in advance. Actually, the space shuttle will provide scientists with an unprecedented opportunity to extend their laboratories and themselves into the working environment of space. But the shuttle must go through the same rigorous engineering development and flight testing stage during which scientists are best left at home. We hope they will spend this inevitable period in interested silence and graciously await the opportunity that the space shuttle will ultimately offer them instead of trying to kill it for their own stupid, selfish reasons.

It is no longer the same old moon smiling down on us that it was before Apollo. It is a moon that is full of surprises. Having piqued his own curiosity with the initial discoveries there, it is certain that man can never again ignore its lure.

## THE PRAYER AMENDMENT

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## HON. FRED SCHWENGEL

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. SCHWENGEL. Mr. Speaker, the Washington Post this morning spoke convincingly on behalf of the position I have taken on the so-called prayer amendment.

The editorial states the case against the amendment concisely and clearly.

It is my earnest hope that the House, in its wisdom, will defeat this dangerous attack on religious freedom in this country.

### THE PRAYER AMENDMENT

Sometime today, the House of Representatives will vote on a proposed constitutional amendment designed, according to its sponsors to put prayer back into the public schools. The vote will come at the end of a short debate—the House has allotted only one hour for discussion of this attempt to change the First Amendment—but at the end of a long campaign. Ever since the Supreme Court first spoke on this matter in 1962 there has been agitation throughout the country for such an amendment. It is agitation which, in our view, has been based on a misunderstanding both of what the Court did and of why this country's history and traditions compelled it so to rule. Thus, while we fully respect the sincerity and good intentions of those who have labored so long for this amendment, we hope the House will reject it firmly today.

As we noted last week, the prayer amendment has produced a remarkable division inside many of the nation's religious groups. A campaign by individual citizens and churches who believe prayer in the schools is needed to stop the moral deterioration of the nation was largely responsible for bringing this matter to the House floor on a discharge petition. On the other hand, the leaders of many of the country's religious organizations have been at the center of the campaign to defeat the proposal once it was set for a vote. As a result of this conflict, deep emotions are loose inside some denominations; we note, for instance, that the Southern Baptist conventions of North Carolina and Texas are on opposite sides of this fight. Such splits suggest the controversial nature of the amendment and the threat it holds of igniting religious strife. That, alone, is sufficient reason for the House to reject it today but there are other, more persuasive reasons.

Some of these reasons rest deep in America's history, springing from the fears that existed when a new nation was founded and a First Amendment was written. Others grow directly from the practical consequences that the adoption of this currently proposed constitutional amendment would bring. It is to these that we turn first.

The framers of the prayer amendment drafted it to overcome to some extent the Supreme Court decisions on Bible reading and prayer in the public schools, by making possible the daily recitation in the schools of nondenominational prayers. But it is on this point that a question of vagueness arises. The text of the amendment says:

"Nothing contained in this Constitution shall abridge the right of persons lawfully assembled, in any building which is supported in whole or in part through the expenditure of public funds, to participate in nondenominational prayer."

This language misses entirely the point of the Supreme Court decisions. The Court has never said an individual cannot *participate* in prayer—denominational as well as nondenominational—in a public building. What it has said, in 1962 and again in 1963, is that government officials, including teachers, cannot *sponsor* such a prayer when their sponsorship brings pressure to bear on individuals either to participate or to be branded as outsiders. Nothing in the proposed amendment deals with the question of sponsorship, so that conceivably the language may add nothing and may change nothing—though that plainly is not the intent of its sponsors. In other words, it deals with the real question involved in the prayer cases only by indirection and through vagueness.

The second question to be raised about this proposal is how a "nondenominational prayer" is to be defined. The principal proponent of the prayer amendment, Rep. Chalmers P. Wylie, recently addressed himself to this question in an exchange of correspondence with Rep. Sam Gibbons. Mr. Wylie wrote:

". . . An example of an appropriate nondenominational prayer would be the New York State Regents' Prayer, which was composed by a Jewish rabbi, a Catholic priest, and a Protestant minister . . .

"It is fair to say, also, that a prayer could be nondenominational in the context of the overall school program even if it would be regarded as sectarian if considered in isolation. It would seem to be legitimate for the appropriate authorities to permit the different religions represented in the school or other vicinity to take turns in offering a prayer of their respective religions . . ."

Contrast the first part of that with the recent statement signed by the leaders of several national religious organizations, including the Baptists, Episcopalians, Methodists, Presbyterians and Jews. They said.

"The major faiths themselves have never been able to achieve consensus on a definition of prayer, much less a definition of 'nondenominational' prayer. . . . If such a proposed amendment should become a part of the Constitution of the United States, a new religion of 'nondenominationalism' would in a measure become established which could destroy the integrity of both church and state."

A third question raised by the proposal is who would decide what prayer is to be used in the schools. Mr. Wylie says that "the composition or selection of the prayer would be the function of the local school authorities." We cannot help wondering what this would do to local school board elections in a community sharply divided along religious lines. Or what it would do to the federal courts which would have to decide whether a particular prayer was nondenominational any time a parent wanted to complain.

Overriding these drawbacks, however, is the philosophical argument against the proposed amendment. This is an argument based on the need for strict separation of church and state, for complete religious freedom without the slightest impingement by government. It is an argument we have made many times in many contexts and will not belabor again. It should suffice to say now that we believe the proposed amendment would alter the arrangement of our liberties which led Mr. Justice Jackson to write almost 30 years ago:

"If there is any fixed star in our constitutional constellation, it is that no official, high or petty, can prescribe what shall be orthodox in politics, nationalism, religion, or other matters of opinion or force citizens to confess by word or act their faith therein. If there are any circumstances which permit an exception, they do not now occur to us."

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## THE THREAT TO OUR MILITARY SUPERIORITY

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## HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. CRANE. Mr. Speaker, it has taken a long time for many Americans to become aware of the fact that our military superiority is no longer a real fact of life in international affairs. By June of 1971 the number of Soviet ICBM's are estimated to have increased sixfold over what it was in 1965. Adm. Thomas Moorer, Chairman of the Joint Chiefs of Staff, projects a Soviet ICBM force numbering 1,500 at that time, a force 50 percent larger than that possessed by the United States.

Numbers alone, however, do not tell the whole story. The 300 SS–9 missiles now deployed, a weapon which far overshadows our Minuteman ICBM, by themselves possess several times the destructive capability of our entire land- and sea-based missile force. Recently, Secretary of Defense Melvin Laird noted that the Soviets have started a "new—and apparently extensive—ICBM construction program." These new ICBM's will be at least as large if not larger than the SS–9's. Weapons of this size are not designed to destroy cities, but rather to be used as counterforce weapons; that is, used to knock out our Minuteman force and help preclude a U.S. response to a Soviet attack.

Writing in the Chicago Tribune, William Anderson reported of a talk given by Gen. Raymond G. Davis, assistant Commandant of the Marine Corps. Said General Davis:

> It is my conviction that wars are begun by aggressors who consider their intended victims militarily weak. . . . Power is a cause of war only when it is one-sided. Strength neutralizes strength. Effective defense is on strength.

General Davis reminded his audience that—

> Just because Americans have grown weary of war other nations are not diminishing their power to make war . . . those that pose the greatest threat are rapidly increasing their war making capacity.

Columnist Anderson points out that General Davis was "talking about Russia. Since 1965 the Russians have increased their missile capacity—some with 25-megaton warheads—from 220 to 1,500—ahead of the United States for the first time. The Soviet Navy should pass the American Navy in all numbers in 2 more years."

This is the perilous state of the national defense. Only those who fail to understand the gravity of the current situation would argue that the Nation is secure and that the current level of defense spending and research and development is adequate. It is inadequate, and unless dramatic changes are made our country's military superiority will become simply a memory of the past.

I share William Anderson's column from the Chicago Tribune of September 28, 1971, with my colleagues, and insert it in the RECORD at this time:

### The Threat to Our Military Superiority

(By William Anderson)

SAN DIEGO.—This second largest California city has a national reputation for being superdefense minded. It may be because many military people retire in its near-perfect climate after initially sampling the weather at Navy and Marine installations.

There is also a myth that San Diego County is solid Republican, right-wing, and strongly in favor of World War III to keep the economy and the boats of the admirals running at full speed ahead.

But like so many other myths that obtain currency elsewhere in the nation, there is more fiction than fact to these tales told about this big military-industry complex. As one example, the latest registration figures for the county show a near tie between the number of Republicans and Democrats now registered to vote.

And the tone of the military leaders is to tell it the way it is.

#### A MORE LIBERAL NAVY

The Navy, making up a large part of this city, is in the midst of a more liberal way of life for the enlisted man—allowing beards, fairly long hair, and more shore leave with families.

The Marine Corps is keeping its tough-minded reputation with the slogan, "We need a few good men"—a logical recruiting device for an elite, small military group that has built a legend over nearly 200 years with pride and valor.

As expected, there is opposition to both military approaches—both in and out of the services. Even some Navy enlisted men don't like the "new Navy" and it is possible to find some younger Marine officers who would like to see a more relaxed corps.

But there is a sharing here of concern in the top ranks of both services over what is going to happen to the United States if it continues to slip in military strength. It is not a popular thing to talk about in public because it is now more fashionable to be in favor of the environment or quick withdrawals from Viet Nam.

However, some military leaders do discuss the strength of the United States, both here and on the college campuses around the nation, and one of them happens to be Gen. Raymond G. Davis, assistant commandant of the Marine Corps. Davis, a Medal of Honor winner, has appeared at schools around the country, and in some cases has been called a "war monger" or "murderer."

More recently he spoke at the annual meeting of the Marine combat correspondents convention here and presented a theory on the cause of wars.

#### WHY WARS BEGIN

"It is my firm conviction," he said, "that wars are begun by aggressors who consider their intended victims militarily weak. Hitler certainly wouldn't have started his drive thru Western Europe unless he thought the Allies were too impotent to stop him. The North Koreans would not have invaded the South if we had not portrayed weakness.

"Power is a cause of war only when it is one-sided. Strength neutralizes strength. Effective defense is based on strength.

"Just because Americans have grown weary of war other nations are not diminishing their power to make war . . . those that pose the greatest threat are rapidly increasing their war-making capacity."

Davis, of course, was talking about Russia. Since 1965 the Russians have increased their missile capacity [some with 25 megaton warheads] from 220 to 1,500—ahead of the United States for the first time.

The Soviet navy should pass the Amercian navy in all numbers in two more years—and plans are being made to increase the merchant fleet of that nation by about 10 times its current 1,700-ship total.

"In just the markets of the world," Davis said, "they can underbid us. They can carry more cargo, at a better rate, than we can. This alone could present a major challenge to our national economy because of our dependence on world trade."

Davis throws down the theories that it is wrong to work for a living—or that we are a police state, aggressive and imperialistic. He holds, however, that money and technical knowledge alone cannot shore America's defense, "without popular spiritual and moral support."

Hang in there, general, help may be on the way.

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## NIXON GOES TO SUMMIT TO GAIN WORLD PEACE

## HON. JOHN DELLENBACK

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. DELLENBACK. I call the attention of my colleagues to an editorial in the Portland, Oreg., Oregonian which concludes that:

> Every President of the United States since World War I has sought without major success to break down the barriers to world understanding. President Nixon is nearer than any of them to achieving this long step for mankind.

The editorial makes the point in its introduction that:

> The President's decision to be the first U.S. President to visit the Soviet Union, as well as the first to visit Communist China, certifies his inaugural pledge to substitute discussion and negotiation for confrontation among the powerful nations.

This thoughtful and thought-provoking editorial follows:

### Nixon Goes to Summit To Gain World Peace

President Richard M. Nixon's decision to be the first U.S. President to visit the Soviet Union, as well as the first to visit Communist China, certifies his inaugural pledge to substitute discussion and negotiation for confrontation among the powerful nations.

More importantly, his acceptance of the Russian invitation for a summit meeting with the heads of government and party in Moscow, set for late May next year, certifies that the President's tenacity in pursuing the goal of reducing tensions of the Cold War has made an impact on Soviet leaders.

In refutation of the caterwauling of anti-war Democrats who try to pin the hawk label on President Nixon, his program is and has been a peace program. Instant peace is not an attainable goal, but every move the Nixon Administration has made has been in the direction of ending conflicts in all parts of the world.

The President is ending American participation in the Indochina war. His intervention in the Middle East brought a cease-fire in the Arab-Israeli war and some degree of Soviet and Arab restraint in renewing it. He has completely altered U.S. policy toward Communist China by breaking the communications and travel barrier, accepting Peking's invitation to visit and supporting admission of Red China to the United Nations, but with retention of a seat for Taiwan. He has broken the Berlin deadlock and made progress toward a strategic arms limitation treaty with the Soviet Union.

In these and many other areas of conflict, President Nixon has become the leader this powerful nation needs in foreign affairs. Because of his dedication to negotiation of major world issues, because of the preparatory work that has been done, and because leaders of other nations recognize his sincerity, the time is ripening for meetings at the summit.

If the Strategic Arms Limitation Talks (SALT) can be concluded successfully before the May meeting date in Moscow, this will indeed be a historic conference. Even if there continue to be differences, however, the summit meetings in Peking and Moscow, rival capitals of the Communist world and ideological opponents in this era, could be tremendously important in furthering international understanding and preventing future wars.

Every President of the United States since World War I has sought without major success to break down the barriers to world understanding. President Nixon is nearer than any of them to achieving this long step for mankind.

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## A PROBE OF NADER

## HON. GEORGE A. GOODLING

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. GOODLING. Mr. Speaker, the news comes to us that Mr. Ralph Nader, the self-styled consumer champion, is going to conduct an investigation of Congress, feeling that this legislative body is an "underachiever."

For a long time I have wondered what are Mr. Nader's credentials for being both an expert and a judge on a wide variety of subjects. I am a director of the American Automobile Association, and just recently an article appeared in the AAA's October issue of its American Motorist publication. This article reverses things by making Mr. Nader the subject of the spotlight, an exercise he apparently does not relish; hence, I feel it is quite timely, and I submit it to the CONGRESSIONAL RECORD and commend it to the attention of my colleagues:

### AAA Row Now Demands: A Probe of Nader

Challenged by an arrogant and high-handed Ralph Nader, the American Automobile Association recently countered with the novel suggestion that if AAA was to be grilled by Nader, the AAA should in turn get a chance to inquire thoroughly into Nader's objectives, motives and goals.

Nader, however, refused to be interviewed by a trained staff of AAA newsmen, thus violating the logic by which he justifies his own investigations into big business and big government. After all, he has become Big Nader.

Nader has spread himself around like an oil slick, covering such areas of interest as auto safety, air safety, railway efficiency, land use policies, nursing home practices, monopolies, bank management, water pollution and the manufacture of hot dogs. He has accused the Air Force of flying too low near nuclear plants, the fish canners of putting foreign objects in canned fish, the citrus folk of watering down their orange juice.

As the self-appointed defender of consumer interests, Nader has become a national, semi-public institution wielding enormous influence over the minds of millions of Americans. The public therefore deserves a look into Nader's own organization and methods.

How can one man be an authority in so many fields? What kind of control does he exert over the young men and women who form the task forces known as "Nader's Raiders"? What are their qualifications? How do they operate? How carefully do they check their facts?

Since he unmercifully exposes others in behalf of the public's right to know, Nader should be the first to agree to an inquiry into Ralph Nader Crusades. When we say inquiry, we mean something more than a superficial, Nader-oriented TV panel show or an audience-participation interview which covers many subjects but permits no continuous line of questioning on any.

Nader had a right to object when General Motors conducted an undercover investigation of him but there was nothing secret or offensive about the AAA proposal. If he simply objects to being investigated by a business firm, we have an alternative suggestion: an investigation—upon his approval, of course—by an appropriate committee of Congress, by a reputable and objective foundation or by a team of trained reporters given time to follow up their points of inquiry in depth.

The American public does need protection against unscrupulous business firms and negligent government. In some cases Nader has served as a useful gadfly. But honest firms and reliable government officials deserve protection, too, against the reckless shotgun blasts of publicity-seeking crusaders.

The public deserves an assessment of the quality of the information Ralph Nader furnishes and the methods by which he obtains it. Therefore, it is disturbing when the investigator, himself, refuses to be interviewed.

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## HIGHER EDUCATION ACT OF 1971

## HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. BAKER. Mr. Speaker, last Wednesday the House granted me an official leave of absence, and it was my privilege and duty to attend the National Highway Safety Conference on behalf of my State of Tennessee.

On Thursday last, during the consideration of the Higher Education Act of 1971, the House debated and agreed to amendments to reaffirm the intent of Congress that busing should not be used to overcome racial imbalance in any school or school system.

I sincerely subscribe to the purpose of these amendments. I oppose the busing of our schoolchildren under such circumstances.

For the record, I would like to express my support for the Broomfield amendment to grant relief from court decrees prior to final appeal; the Green amendment to prohibit bureaucratic harassment of local school districts; and the Ashbrook antibusing amendment.

I hope these amendments will soon be the law of the land.

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## PESTICIDE LEGISLATION

## HON. JOHN G. DOW

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. DOW. Mr. Speaker, the current business before the House on pesticide legislation has raised the question of State activity in this area.

In my efforts to examine the full impact of the pesticide amendment, H.R. 10729, I have sought an analysis of the present level of State regulation restricting or banning pesticide use.

The only summary of State action on pesticides that I have found helpful was prepared by Dr. Rollin M. Dennistoun, administrative supervisor for the Minnesota Department of Agriculture. His report, which is up to date through the early part of 1971, has been most beneficial to me in evaluating the Pesticide Control Act amendments.

Since the House Agriculture Committee "intends for the Federal law to preempt the States from restricting or licensing any 'general use' pesticide," I am sure that our colleagues will want to know the status of their State's particular pesticide regulations. The thrust of the Dennistoun report is a concentration on agricultural uses, rather than on home or industrial use. Since the report was written I am further informed that two States have changed their procedures. Minnesota has a new regulation for dealer licensing on restricted use pesticides, and Indiana has a new pesticide control law.

It is my hope that the State information will be helpful to Members who are evaluating the Dow substitute and the committee bill for its effect on their State, both now and at some time in the future. The summary follows:

### SUMMARY OF MINNESOTA PESTICIDE QUESTIONNAIRE RELATING TO THE BANNING OR RESTRICTING THE USE OF PESTICIDES

The first basic question asked each state was: Has your state banned (meaning completely outlawed—without any qualifications) any pesticides? If the question was answered affirmatively, subsequent questions requested the state to indicate how the action was taken and to list the pesticide materials banned.

Five states replied affirmatively to the first basic question, and the information obtained is summarized as follows:

(1) Michigan—by administratve order has banned the use of Thallium Sulfate. (See Page 3)

(2) New Mexico—by legislation has banned the use of DDT and DDD (TDE). (See Page 3)

(3) New York—by regulation has banned the use of Bandane, BHC, DDD (TDE), DDT, Endrin, Mercury Compounds, Selenites and Selenates, Sodium fluoroacetate, Strobane and Toxaphene. (See Page 3)

(4) Texas—by administrative order has banned the use of Thallium Sulfate. (See Page 4)

(5) Vermont—by legislation has banned the use of DDT. (See Page 4)

The second basic question asked each state was: Has your state restricted the use of any pesticides? If the question was answered affirmatively, subsequent questions requested the state to indicate how the action was taken, to list the pesticide materials restricted and to state whether or not dealer or user permits are required.

The information received from each state in reply to the above questions is summarized by states on the following pages.

SUMMARY OF INFORMATION AS TO THE RESTRICTED USE OF PESTICIDES

| | Pesticide use restrictions | | | | | Restricted use pesticides | | | | | | | | | | | | | Permits required | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | By— | | | | | | | | | | | | Others | | | | Dealer | | User | | |
| State | Yes | No | Legislation | Regulation | Administrative order | DDT | DDD | Dieldrin | Endrin | Heptachlor | Lindane | Aldrin | Chlordane | Toxaphene | Thallium sulfate | Compound 1080 | Phosphorus paste | Alkyl mercuries | Yes | No | Yes | No | Comments |
| Alabama | | × | | | | | | | | | | | | | | | | | | | | | |
| Alaska | | | | | | | | | | | | | | | | | | | | | | | Are considering. |
| Arizona | × | | × | | × | × | | | | | | | | | | | | | × | | × | | |
| Arkansas | × | | × | | | | | | | | | | | | | | | | ×* | | | × | Notification or minimum distance required for use of: volatile esters of 2,4-D and 2,4,5-T; oil soluble amines and diamines of 2,4-D and 2,4,5-T; invert 2,4-D and 2,4,5-T; and low volatile esters of 2,4-D and picloram (Tordon) near susceptible crops. * Required for distributing 2,4-D, 2,4,5-T and similar products in containers of 1 gallon or more and/or user case lots. |
| California | × | | | × | | ×* | ×* | (*) | (*) | (*) | | | | (*) | × | × | | × | | × | × | | * Use permit for these materials has been required since 1964. For further information write the Department of Agriculture. |

SUMMARY OF INFORMATION AS TO THE RESTRICTED USE OF PESTICIDES—Continued

| | Pesticide use restrictions | | | | | Restricted use pesticides | | | | | | | | | | | | | Permits required | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | By— | | | | | | | | | | | | Others | | | | Dealer | | User | | |
| State | Yes | No | Legislation | Regulation | Administrative order | DDT | DDD | Dieldrin | Endrin | Heptachlor | Lindane | Aldrin | Chlordane | Toxaphene | Thallium sulfate | Compound 1080 | Phosphorus paste | Alkyl mercuries | Yes | No | Yes | No | Comments |
| Colorado | X | | X | | | | | | | | | | | | | X* | | | | | | | * For sale only to agencies of State or Federal Government. Restricted to recommended uses only. |
| Connecticut | X | | X | | | X | X | X | X | X | | X | | X | | X | | | | X | X* | | * For aerial and aquautic pest control. |
| Delaware | | X | | | | | | | | | | | | | | | | | | | | | No such legislation pending. |
| Florida | X | | X | X | | X | X | X | X | X | X | X | X | X | X | | | X | X* | | X | | * Dealers must be licensed. |
| Georgia | X | | | X | X | | | | | | | | | | | X | | | | X | | X | |
| Hawaii | | X | | | | | | | | | | | | | | | | | | | | | |
| Idaho | X | | | X | | | | | | | | | | | | | | | | X | X* | | * Use of all chlorinated hydrocarbons by aerial applicators is restricted in one county. |
| Illinois | X | | | X | | X | | | | | | | | | | | | | X | | X | | |
| Indiana | | X | | | | | | | | | | | | | | | | | | | | | |
| Iowa | X | | | | | | | | | | | | | | | | | | | | | | Use of 2,4–D H.V. esters prohibited in all of 4 counties and in part of one county. |
| Kansas | | X | | | | | | | | | | | | | | | | | | | | | Will not register Lindane vaporizers. |
| Kentucky | X | | X | | X | X | | | | | | | | | | | | | | X | | X | Fertilizer-pesticide mixtures for tobacco. |
| Louisiana | X | | X | X | | | | | | | | | | | X | | | | | X | | X | Hormone type 2,4–D and arsenical acid. |
| Maine | X | | | X | | X | X | X | X | X | | X | | X | | | | | | X | X | | |
| Maryland | X | | | X* | | X | X | X | X | X | X | X | X | | | X | | | X | | X | | *Also parathion, phosdrin, sodium arsenite and TEPP. |
| Massachusetts | X | | | X | | X | X | X | X | X | X | X | X | X | | | | | | X | X | | Permits for dieldrin only. Other restricted materials prohibited for out-of-doors use. |
| Michigan | X | | | | X | X | | | | | X | | | | | | | | | X | | X | (See page 1.) |
| Minnesota | X | | | X | | X | X | X | X | X | X | X | | | X* | X* | | | X | | X | | *Restricted by structural pest control regulations. |
| Mississippi | | X | | | | | | | | | | | | | | | | | | | | | |
| Missouri | | X | | | | | | | | | | | | | | | | | | | | | |
| Montana | | X | | | | | | | | | | | | | | | | | | | | | |
| Nebraska | | X | | | | | | | | | | | | | | | | | | | | | |
| Nevada | | X | | | | | | | | | | | | | | | | | | | | | Will not register products if USDA has not established a finite tolerance. |
| New Hampshire | X | | | X | | X | X | X | X | X | X | X | X | X | | | | | | X | X | | Sodium arsenite. |
| New Jersey | | X | | | | | | | | | | | | | | | | | | | | | |
| New Mexico | | X | | | | | | | | | | | | | | | | | | | | | (See p. 1.) |
| New York | X | | | X* | | | | X | | X | X | X | X | | | | | | X | | X | | (See p. 1.) *Contact Department of Agriculture. |
| North Carolina | X | | | | X | X* | X* | X* | X | X* | X* | X* | X* | X | X | | | | | X | | X | *Not permitted for use around tobacco. |
| North Dakota | | X | | | | | | | | | | | | | | | | | | | | | |
| Ohio | X | | X | X | | X | X | | | | X | X | | | | | X | X | X | | X | | New pesticide use and application law and regulations effective Mar. 1, 1971. |
| Oklahoma | | X | | | | | | | | | | | | | | | | | | | | | Have proposal up for restriction of some pesticides and permit requirements. |
| Oregon | | X | | | | | | | | | | | | | | | | | | | | | Action pending. |
| Pennsylvania | | X | | | | | | | | | | | | | | | | | | | | | |
| Rhode Island | X | | X | | | X | X | X | X | X | X | X | X | X | | | | | | | X | | Written authorization required to purchase and use restricted insecticides. |
| South Carolina | X | | | | | | | | | | | | | | | | | | | | | | All restricted same as USDA. |
| South Dakota | | X | | | | | | | | | | | | | | | | | | | | | |
| Tennessee | | | | | | X | X | X | | X | X | X | X | | X | X | X | | | X | | X | All restricted same as USDA and also arsenic compounds and 2,4,5–T. |
| Texas | | X | | | | | | | | | | | | | | | | | | | | | (See p. 1). |
| Utah | X | | | X | | | | X* | | X* | | | | | | | | | | X | | X | *Restricted use on hay and forage crops only. |
| Vermont | X | | | X | | | | | | | | | | | X | X | X | | | X | | X | (See p. 1.) |
| Virginia | X | | | X | | X | X | X | X | X | X | X | X | | X | X | X | | | X | | X | Labels may include only the permitted uses. |
| Washington | X | | | X | | X | X | X | X | X | X | X | X | X | X | X | X | X | | X | X | | Pesticide dealers must be licensed. Certain restricted pesticides can be sold only to users with permits. |
| West Virginia | | X | | | | | | | | | | | | | | | | | | | | | |
| Wisconsin | X | | X | X | | X | X | X | X | X | X | X | | | | | | X | | X | X* | | *Permit required for all uses except those published by the Department. Department publishes no uses for DDT or endrin. |
| Wyoming | X | | | X | | | | | | | X | | | | | | | | | X | | X | |
| Puerto Rico | X | | | X | X | X | X | X | X | X | X | X | | | X | X | X | X | | X | | X | All restricted same as USDA and also 2,4,5–T and sodium arsenite. |
| Canada | X* | | | | | X | X | X | X | X | X | X | X | X | | | | | | X | X | | *Federal position. Some provinces have placed further restrictions on the listed compounds. |

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## PETROLEUM'S ROLE IN THE AMERICAN DREAM

### HON. J. J. PICKLE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, October 26, 1971*

Mr. PICKLE. Mr. Speaker, Richard Gonzalez is a well-known economist and former professor at the University of Texas and a noted petroleum expert. In a recent speech before the Governor's Conference on Meeting Energy Needs, Dr. Gonzalez gave his analysis of the problems facing the petroleum industry. Much of this statement is in accord with earlier statements I have made on the effect of the pending energy shortage.

The statement follows:

### A GREATER PROSPERITY AND EASIER LIFE REALIZED THROUGH PRODUCTS OF OIL INDUSTRY

For 200 years the American dream has been to create greater prosperity and an easier life for each succeeding generation. The material welfare that we now enjoy with a shorter work-week and less manual labor than ever before—demonstrates the success of our forefathers in making that dream a reality.

Concentration on material goods and services has brought problems as well as benefits. In major metropolitan areas, where 70 percent of our population now resides, life has become more hectic and less pleasant than we would like. Our determination to reduce poverty further makes it clear that we want more of the advantages of a highly productive industrial society. However, our improvement in income and wealth now allows us to think about and want something else as well. What most of us want is better progress, with progress defined to include a better, healthier environment and regard for protection of natural beauty so that we may have an opportunity to enjoy readily an escape back to nature in the leisure time made possible by industry.

The dismal view that a satisfactory environment requires a reduction in population, in industrial production and in use of the mineral energy that makes us more productive and comfortable is wrong. The myth about the "good old days" will not bear critical examination. Backbreaking work from sunup to sundown for the bare subsistence characteristic of the life of most mankind in the past is not what we want now or for the future. On the contrary, the current revolution in economic expectations rests on the belief that life can be made better promptly for all mankind.

We have the resources, the intelligence, and the ability to realize better progress in terms of both economic welfare and the quality of the environment. Fortunately, with rising productivity we can afford to spend more money on reducing the undesirable side effects of industrialization and urban concentration without reducing our material welfare or giving up our great cities with their variety of cultural advantages.

### PETROLEUM AND ECONOMICS PROGRESS

The extraordinary economic progress of this century has been based on the products of the petroleum industry—oil and natural gas. In agriculture, in industry, and in transportation, liquid fuels have brought about revolutionary changes. The gains in productivity are illustrated by our ability to produce more food than ever before with a small fraction of the workers required in the days before tractors and other new farm machinery. In the home, oil, gas, and electricity provide heat, cooling, light, and the power for many household appliances that make life healthier as well as more comfortable.

In the past 50 years, oil and gas have provided practically all of the additional energy used in the U.S. These fuels now supply three-fourths of the vast quantities of energy that we use each year. For 1970, our consumption of mineral fuels consisted of 230 billion gallons of petroleum products, nearly 220 billion therms of dry natural gas, and 1,050 billion pounds of coal. Average consumption per capita exceeded 1,000 gallons of liquid fuels, 1,000 therms of dry gas, and 5,000 pounds of coal. Of all the energy we used last year, liquid fuels supplied 43.4 percent, gas 32.5 percent, coal 20 percent, hydroelectric power 3.8 percent, and nuclear power only 0.3 percent.

Our economy now produces goods and services valued at more than a trillion dollars a year. Our total consumption of energy is equivalent to more than 500 billion gallons of oil. Those numbers mean that a gallon of oil—or its equivalent of about 140 cubic feet of gas or 12 pounds of coal—provides the power required for and associated with $2 of gross national product. They also mean that with the technology available now and for the rest of this century, rising income per capita for an increasing population will depend on increasing supplies of energy.

### FUTURE PETROLEUM REQUIREMENTS

Looking ahead for the next 20 years relevant to decisions that must be made now about new investments affecting future energy consumption and production, it appears that plans should be made on the basis of energy requirements continuing to increase at a rate of about 4 percent a year, doubling in about 20 years. Such expansion will be necessary in order to increase productivity by 3 percent per year and real output by 4 percent if living standards are to continue doubling each generation for a population rising one percent per year.

Part of the growth in energy demand will be met by nuclear power, coal, and fuels extracted from shales and synthesized from coal. At best, however, the environmental problems incident to these forms of fuel and the time required to improve processes and make huge new investments limit their potential growth over the next 20 years. Therefore, the nation will need much larger supplies of liquid fuels and of gas.

Gas is a very attractive fuel, clean burning and with little risk of pollution. If sufficient supplies were available, the demand would continue to grow at a very rapid rate, at least 6 percent to 8 percent per year . . . however, such expansion is unlikely even if expensive liquified natural gas is imported and if expensive gas is manufactured from coal.

How much natural gas will be available will be influenced to a great extent by how much oil national policies encourage from internal sources, including Alaska. The joint nature of exploration for and development of oil and gas has kept the relation of new gas to new oil in the range of 6–7 mcf per barrel. At this rate, gas supplies will continue to fall short of current domestic use if only 3 billion barrels of new oil are developed annually in the U.S. With development of 4 billion barrels of new oil per year, new U.S. gas supplies would probably increase enough to allow for some further expansion in use of natural gas.

### PETROLEUM SUPPLY PROSPECTS

U.S. production of crude oil and natural gas liquids now averages about 4.3 billion barrels a year, about 77 percent of the consumption of 5.7 billion barrels. Known U.S. reserves, including 10 billion barrels on the North Slope of Alaska not available to meet demands until transportation facilities are approved and completed, total less than 50 billion barrels. Production of oil as well as gas is currently near the limits of capacity. Consequently, additional domestic supplies depend on producing more oil in Alaska and on finding and developing new reserves at a faster rate in the lower 48 states.

About 23 percent of U.S. supplies are now derived from foreign sources, principally from overseas areas. The cost of this oil has risen sharply within the past year as a result of higher taxes imposed by the exporting countries. It will continue to increase at least 5 percent a year through 1975 under existing contracts. After 1975, the cost of foreign oil can be expected to escalate still further. The very rapid growth of foreign demands plus the obstacles to large investments required to expand production sharply caused by threats of nationalization without adequate compensation for the value of reserves may limit available supplies of foreign oil to less than potential demand. Therefore, the U.S. is faced with the prospect that its own rate of development of energy resources at home may determine the adequacy of its energy supplies for desired economic progress as well as the price paid for foreign oil.

While the rate of development of U.S. oil and gas resources has fallen behind consumption during the past decade, this adverse development has been caused by economic and political forces and does not result from a shortage of potential domestic resources remaining to be developed. In the opinion of geological experts, the U.S. can find and develop more oil and gas in the future than it has in the past. Therefore, the adequacy of domestic supplies will depend on stimulating investment enough for development of new reserves to allow for a further substantial increase in production in keeping with rising demands.

Experience in the period 1946–57 showed that rising real prices for oil and gas encouraged rapid expansion in exploration and drilling and resulted in a marked gain in oil and gas reserves and productive capacity. By contrast, declining real prices thereafter contributed to a sharp decrease in exploration and drilling and brought about the present tight supply situation. In the normal course of economic events, this situation would bring about higher prices to stimulate additional investment and supply until the needs of consumers for oil and gas could be met with ease. Economic forces are not entirely free to work, however, and are only part of the picture. Political forces and environmental problems complicate the task of assuring adequate petroleum supplies.

### PETROLEUM SUPPLY PROBLEMS

The problems that may cause this nation to find itself short of oil and gas at times during the next decade arise from governmental policies and actions. The principal problems are that federal regulation of the price of gas and oil has discouraged new investments and that environmental regulations will adversely affect the supply and cost of new oil and gas.

Investors have been discouraged from expanding outlays for new oil and gas in the U.S. by the following developments:

1) Regulation of the price of natural gas by the Federal Power Commission at artificially low levels in relation to rising costs and to additional demands created for gas by air pollution regulations.

2) Declining real prices for crude oil under federal "surveillance" of prices under oil import controls adopted for reasons of national security and intended to encourage rather than discourage development of increased domestic capacity.

3) Liberalization of oil imports under continuing political pressures from consuming areas without regard for the consequences on supplies of attractively priced domestic natural gas, for the risks incident to dependence on insecure overseas oil, and for national security.

4) The recommendation of a Cabinet Task Force, fortunately not adopted, that oil import controls be changed in a manner designed to cut the price of crude oil by 30 cents in 1970 and up to 80 cents by 1975.

5) The Tax Reform Act which cut percentage depletion and raised taxes by an amount equal to 5 percent of the gross value of oil and gas, thereby creating fears about further cuts which may be made later. This added risk could have been avoided if the cuts had applied only to production from wells drilled after the Tax Reform Act was adopted.

Environmental regulations have also had an effect on the supply of oil and gas, and will continue to influence costs as well as supply. The most promising areas for development of large new domestic supplies of petroleum at reasonable costs are on the Continental Shelf and in Alaska, where the environmental problems encountered have served to delay drilling and construction of transportation facilities.

Operating in deep waters and in Alaska presents difficult problems. The problems can be solved, however, provided that environmental regulations are reasonable and not unduly expensive. They must be solved reasonably and promptly because without supplies from these areas the U.S. is likely to face serious shortages of both oil and gas. The record of effective control of oil and gas wells with little pollution under difficult circumstances has been good, contrary to the public impression created by the emphasis in the press on a few accidental spills. Out of 14,000 offshore oil wells drilled, less than two out of 1,000 have blown out, and only a handful have caused enough trouble to attract public attention. Pipelines also have an excellent record, with very few breaks and extremely low losses, even in areas subject to earthquakes.

Pollution caused by discharge of oil from tankers is another problem about which the public is not adequately informed. The report on the Study of Critical Environmental Problems sponsored by Massachusetts Institute of Technology, entitled "Man's Impact on the Global Environment," notes that the tankers with 80 percent of the capacity of the world's fleet using a simple technique known as "Load on Top" are responsible for only 30,000 of the 520,000 metric tons of oil discharged into oceans annually. If all other tankers were required to use this technique, tanker oil discharges could be reduced by more than 90 percent. This problem is not one of technology but of enforceable international agreements.

Refineries, docks, and storage plants are necessary facilities to process crude oil and deliver refined products to consumers. The prevailing attitude toward these facilities has become that they are things we cannot do without but wish they could be located where no one would be bothered in any way by their operation! Perhaps the criterion will become that each geographic area must take care of all the facilities required to meet its own demands. In that case, the East Coast, accounting for 40 percent of U.S. consumption of petroleum products, will have to expand refining capacity sharply, as the major portion of its refined products now come from the Gulf Coast and foreign refineries.

Pollution problems cannot be solved on either a national or global basis by exporting them from one area to another. The environmental costs are properly the responsibility of the consumers involved. These consumers must be informed as to the immediate and long-range costs arising from environmental regulations in order that they may decide how much they are willing to pay for improvements. Without such information, we may all find out too late that the cost of marginal improvements exceeds their benefits.

### BETTER PROGRESS FOR THE FUTURE

The level of concern about our environment appears to be directly related to average levels of income. At the lower end of the scale, the greatest beneficial improvement in environment is in economic terms of better jobs and rising living standards. Families with high incomes find economic problems less important and can afford to pay more for a good environment. The national problem is to achieve improvement of the environment for the general public without interfering with our social goals of reducing poverty and raising levels of income for the vast majority of our people.

Gov. Mandel (of Maryland) has expressed the purpose of this conference well in focusing attention on "the problems we all face in ascertaining that we can meet the economic growth goals of our citizens for adequate fuel and energy at reasonable cost in the coming decades while improving the quality of our environment." My analysis of the situation with respect to petroleum leads to the conclusion that we can have increasing supplies of domestic oil and gas for economic growth and national security consistent with a better physical environment. To achieve this desirable objective we must approach the future with understanding that our multiple goals should all be taken into account simultaneously so that we do not lose perspective of the general public interest by undue emphasis on only one goal.

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## STOKELY-VAN CAMP AND THE BOTULISM SCARE: THE CRISIS THAT WAS NOT

### HON. WILLIAM G. BRAY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. BRAY. Mr. Speaker, for the third time this year a major food company has had the dread and highly toxic poison of botulism linked to its name. The charge was false, but the damage that has been done to the company—over 100 years old and one of the best-known and most respected names in food processing in the United States—is incalculable.

As the following story from the November 8, 1971, National Observer shows, it seems a good deal of this has been totally unnecessary. To be sure, consumers have a right to protection from poorly prepared foods that could be lethal. But at the same time—and all too often overlooked—is the equal right of the companies concerned to have their good names and reputations considered, as well. As the story points out, since 1920, 750 billion cans or jars of food have been turned out; there have been only 40 botulism incidents, and four deaths, in all that tremendous volume. I believe this says a great deal for the canning industry that these false alarms will badly damage. This is vastly unfair to an industry that has bent over backwards, and then some, to look out for consumer welfare.

[From the National Observer (Ind.) Nov. 13, 1971]

### THIS TIME, A BOTULISM SCARE WINDS UP AS A COSTLY FALSE ALARM

#### A CAN OF BEANS, SUSPECTED OF DEADLY TAINT, IS FINALLY, CLEARED, BUT A MAJOR CANNER FEARS FOR ITS GOOD NAME

(By August Gribbin)

The news flashed first from Tallahassee, Fla.:

Botulism—a rare, lethal poison that had become a household word in recent months after some persons died from eating food tainted with it—seemed to have contaminated yet another respected food processor's product.

Stokely-Van Camp, Inc., the company that first canned pork and beans 110 years ago and makes the "thirst quencher" Gatorade, became the third major food manufacturer this year to have botulism linked to its name.

The Florida Agriculture Department had initiated an alert, warning consumers that tests indicated botulinum poison in the blood of a 4-year-old boy who had eaten Stokely green beans. Hours later, the U.S. Food and Drug Administration (FDA) issued "an urgent warning" against the product and announced that the company was recalling it.

Concern spread through the food-processing industry. The FDA, the Center for Disease Control (CDC) in Atlanta, and various state agencies readied for emergency.

But there wasn't any botulism in the Stokely beans. In fact, there never had been firm evidence that any of the beans were tainted. Ultimately, the FDA was forced to admit it was a false alarm and that Stokely-Van Camp was the victim.

What went wrong?

Though Stokely executives at company headquarters here eschewed "Monday-morning quarterbacking," one lamented: "It's this climate of consumer hysteria. Things have gone so far that a panicky housewife can catapult the nation into a phony crisis."

And a costly crisis that could happen again tomorrow. In addition to the company's expenses in emergency measures such as recalling suspected green beans, Stokley may have suffered incalculable undeserved loss of reputation and public confidence. And even as segments of the food industry press for tighter Federal regulations to restore confidence in their products, the risk remains: The consumer-warning system's ability to react to food-poison suspicions may never preclude possibility of false alarms like the one that started in northern Florida.

On Wednesday, Oct. 27, Capt. William C. Cleveland, Jr., 27 a Marine flight instructor at the Pensacola Naval Air Station, and his 4-year-old son forked down some Stokely Finest French Style Sliced Green Beans. The captain complained the beans were bad. Tasted "like sauerkraut," he told his wife.

At that, Mrs. Cleveland recalled she had heard the can "hiss" when she opened it. In itself the sound could mean little. But she also thought the can might have been swollen or distorted. Together, these signs could indicate the presence of botulism or some other food poison. The captain and his son hustled to Sauffley Dispensary on the Pensacola base.

Both were feeling fine, but they wanted to be sure. It can take more than 18 hours for the first symptoms of botulism to appear. And then it can be fatal. Besides, fast treatment for food poisoning is recommended.

So the attending Navy physician phoned the Center for Disease Control in Atlanta and spoke to Dr. Eugene Gangarosa, a bacteriologist. He recommended that the Navy doctor induce vomiting then administer a purgative to the suspected victims. Dr. Gangarosa also asked that samples of the suspect beans and of the patients' blood be rushed to the center in Atlanta. That night he notified the FDA of the incident.

At noon Thursday the first blood samples arrived in Atlanta for testing. At about that time Captain Cleveland and his son, feeling fine, left the dispensary where they had been under observation.

Tests for the presence of botulism are intricate and time-consuming. They involve making serums from the suspect materials and injecting the serums into mice. The injections must be given to a number of mice, including some protected by botulinum antitoxin and others that are not protected. The tests often are made in sequence. Normally there's a waiting period after injections, and autopsies often are necessary. The process can take many hours.

Because of the time required to prepare the suspect beans, tests on them couldn't begin until Friday at noon. But on Thursday, the Center for Disease Control began tests using the patients' blood. The father's blood checked out fine. Ultimately the tests on the beans showed they were totally free of botulism too.

Thursday evening, however, one of two mice injected with the child's blood serum died. The other was ailing. Dr. Gangarosa called Pensacola for more blood to test. He also passed the news to the FDA, whose agents had spent Thursday checking the Pensacola Commissary for swollen or suspicious-looking cans of the green beans. They had found none.

By Friday morning the child's blood had killed a second mouse. Dr. Gangarosa told the Navy physician and recommended antitoxin for the youngster.

This time, officials in Atlanta told the FDA it had obtained "tentatively positive" findings that the child had been poisoned by botulinum toxin. Through its regional office in Atlanta, the FDA notified the Florida Agriculture Department. The FDA then told Stokely-Van Camp what had happened and asked for the recall. The agency also notified the National Canners Association, a research and public-relations group for the industry in Washington, D.C. Up until then, there had been no public announcement of botulism suspected in the Stokely beans.

Says George Rose, a veterinarian and bureau chief in the Agriculture Department's inspection division: "We got the word from FDA at 10:30 a.m. Friday. We checked the facts. We knew that the suspect beans were publicly available in stores, and they were in homes. We decided we could not afford to take chances with people's health."

So Florida issued its warning against Stokely-Van Camp's green beans coded SB72/E213 D. The botulism scare was on.

Stokely officials say they were certain at the time that there had been some mistake. The beans had been packed on Aug. 1, 1970. If anything had been wrong with them it would have become apparent much sooner, they said.

Another mouse had died by Saturday, however, and autopsies on the mice proved Stokely right. There was no botulism. Specialists in Atlanta say the mice might have been killed by the residue of medicines left in the lad's blood following treatment for a cold the week before.

The recall continued through Sunday. On Monday the FDA stopped the recall, exonerated Stokely, and praised the company for its co-operation.

Still, company and canning-association officials were miffed. "We can't tell how much this incident will cost us," explains David McVey, a Stokely vice president. "Out-of-hand expenses for travel, telegrams, and overtime amounted to about $25,000. From Friday through Monday the top executives of this company and many others did nothing but work on the recall—day and night. But in the long run the insult to our product could cost us millions."

Adds Vigen Babayan, vice president in charge of research, development, and quality control: "It's like a libel trial. Adverse statements about the victim get maximum publicity for days. Then, when the statements are shown up as lies, nobody hears about it. People tend to remember only the dirt."

Officials of both Stokely-Van Camp and of the canners' association say that that if they had been notified of the botulism scare sooner, they could have rushed microbiologists to the scene and provided helpful data. They say they might have helped establish more quickly whether there was a real emergency.

After several food-contamination incidents in recent months, particularly the death of a Manhattan banker from botulism and the discovery of botulism in Campbell's chicken-vegetable soup, the canning industry has been searching for ways to re-establish public confidence in its products.

In fact, four days before the green-beans affair, the association, which represents 550 companies producing 90 per cent of the nation's canned food, had asked the FDA to impose new and tougher requirements on all food-processing companies. No one could remember an industry asking for more regulation.

The association asked that the Government require every canner to register with the FDA and to mark its products with codes indicating who processed the product and when. Companies like Stokely, which now do this, do it voluntarily.

The association also suggested the FDA demand that certain processing records be filed with the Government. It wants mandatory training programs and certification for company supervisors. Significantly, it wants the Government to demand that companies report to the FDA all discoveries of spoilage in shipped products. That's not legally required at present.

The canners hope their willingness to accept increased monitoring and regulation will demonstrate their sincerity. Since 1920 the industry has turned out 750 billion containers of food. There have been just 40 botulism incidents and 4 deaths from all of them.

The canners declare they're not content with that record. Even so, they insist the consumer is 100 times more likely to be hit by lightning than to become ill with botulism from their products.

## BUSH DEFENDS TWO-CHINA POLICY

### HON. WILLIAM A. STEIGER

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. STEIGER of Wisconsin. Mr. Speaker, the chief U.S. spokesman at the United Nations, George Bush, wrote a thoughtful article which appeared in the Sunday Star yesterday.

This article represents an unusual step for Ambassador Bush to take but one which I believe is useful and helpful in pointing out the problems contained in the analysis of a former U.S. official, Charles Yost.

I urge my colleagues to read this piece:

BUSH REPLIES TO YOST: IN DEFENSE OF THE TWO-CHINAS POLICY

(By George Bush)

Recent comments of my predecessor at the United Nations, Ambassador Charles W. Yost, regarding the outcome of the U.N. vote on the China admission question need rebuttal, Although I am normally reluctant to engage in this sort of debate.

The ambassador has offered his analysis of the vote and a number of arguments as to why the United States was on the losing side of the issue. I cannot agree with many of his reasons and I am unable to draw the same conclusions as to the results.

The ambassador asserts that the reaction of the Nixon administration and others to the ouster of the Republic of China tasted of sour grapes. While conceding that a feeling of disappointment over the expulsion was a "natural" reaction and to be expected, he accuses the supporters of the Nationalist Chinese seat in the United Nations of overreacting to its elimination. In a word, the ambassador seems to be saying that it wasn't worth all the fuss.

The United Nations was formed out of the ashes of World War II as a forum for the peaceful settlement of international disputes. Today there are more than twice as many nations holding membership in the organization as there were when it was established over two decades ago. The more nations that recognize its validity and join its ranks, the greater are its chances of accomplishing its goals. It was precisely this proposition that moved President Nixon to seek more normal relations with the People's Republic of China and to encourage its admission to the United Nations.

Ambassador Yost's intimation that the President's decision to go to Peking, and Dr. Kissinger's timing of his second visit to that country were a signal to the U.N. membership to deliver the final blow to Taiwan's hopes, is incredible. The President reiterated his policy with respect to his visit to the People's Republic of China in July, August and again in September. At the same time our policy with respect to Taiwan's membership in the United Nations has been consistent from the outset. The U.N. issue and Dr. Kissinger's trip were totally unrelated and represented the continued implementation of our overall policy. The trip was planned when we had every reason to believe that the U.N. vote would take place well afterwards. The coincidence was probably as difficult for the People's Republic of China as it was for us.

In short, our cards were played in the open through every step in the evolution of this issue. In fact, the case can be made that Dr. Kissinger's presence in Peking at the time of the U.N. debate can more easily be interpreted as confirmation of, rather than challenge to, the consistency of our policy with respect to the China issue.

The United States did everything it possibly could do to convince the members of the United Nations of our earnest desire to see the Taiwan seat retained in the General Assembly. Our position was fully consistent with the desire for all peoples of the world to be represented in the United Nations.

I simply can't agree with the three arguments advanced by Ambassador Yost as to why America's friends voted against us on the China question. His first was that United States resistance to the admission of the People's Republic of China for 20 years precluded a favorable vote on our dual-representation formula. This nation had opposed the admission of Communist China not because we preferred her people to be represented by the Taiwan government but due to other historic imperatives well known to all.

The fact that circumstances and conditions have changed vis a vis China, and the United States now supports its admission to the UN, is, in our view, unrelated to the question of whether the Taiwan government should retain its seat. The crux of the issue in last week's vote was that these two questions should be separate.

His second argument that dual-representation would not have brought the People's Republic into the U.N. because Peking considered it an implicit recognition of the legitimacy of the Taiwan government, again shows a misunderstanding of the American position. The President was fully aware of the possibility that the People's Republic of China might not have entered the United Nations had Taiwan been allowed to remain, and was fully prepared to deal with that question when it arose: *But neither the President nor I felt at any time that that was a legitimate basis to vote for the expulsion of the Nationalist Chinese.* We made every effort to make that point clear to the membership.

We felt that Peking should be invited into the U.N.—but on the U.N.'s terms, not Peking's terms. If we are to condone the expulsion of a small member-nation to make room for a large non-member nation, we immediately expose the U.N. to the possibility of diplomatic blackmail. For example, it is now not inconceivable that a major nation will condition its future participation in the U.N. on the expulsion of some less significant adversary nation. That would be a disaster.

The third, and according to Ambassador Yost, the most important reason for the ouster of Taiwan, is simply that, since the U.S. was re-establishing relations with Peking, we could not expect other nations to vote in favor of an issue anathema to the Communist Chinese. They too would now be interested in bettering relations with the PRC.

The inconsistency of this argument is self-evident. The United States while re-establishing its relations with Chinese government, not only voted for the retention of the Nationalist Chinese but worked actively to gain support for it among other nations as well. This we felt demonstrated (1) that we were serious and (2) that others might well be able to do the same thing—if these two positions are not inconsistent for us, why must they be inconsistent for our friends? The United States was not asking any government to do something that we ourselves were unwilling to do.

Ambassador Yost and I share the same view that the United Nations is a beneficial instrument of world peace and that it should be preserved and supported. Where we obviously disagree is in the significance of expelling a member-nation. Mr. Yost apparently feels (1) that the expulsion of a smaller nation is not of great importance if it facilitates the admission of a larger nation, and (2) that in the instance of the Taiwan government, the expulsion was justified by the facts in the case. I believe he is wrong on both counts, and that this will soon become apparent to all.

## CENTRE 6, HARVARD 0

### HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. MAZZOLI. Mr. Speaker, but for the regrettable and untimely death of my good friend and esteemed colleague, John C. Watts, I am sure that it would be he who would exercise the great privilege of calling the attention of the House of Representatives to an event long cherished in the memories of Kentuckians.

I speak of the achievements on the afternoon of October 29, 1921, of a stalwart band of athletes from tiny Centre College, located in Danville, Ky., a scant 20 miles from John Watts' birthplace and lifelong home.

On that Saturday afternoon 50 years ago, little Centre College humbled mighty Harvard on the football field at Cambridge, Mass. The stars of that memorable upset victory are many and legendary. They include such names as Alvin "Bo" McMillin, James "Red" Roberts, and, of course, the great coach, Charles "Uncle Charley" Moran.

As a Kentuckian, it is with great pride that I include the following account of Centre College's 6-to-0 triumph over Harvard in the RECORD. This article, written by Mr. Larry Boeck, appeared in Louisville's Courier-Journal & Times magazine of October 24, 1971. It is entitled "Centre 6, Harvard 0":

### CENTRE 6, HARVARD 0

(By Larry Boeck)

The stars of the team—perhaps the most famous squad in Kentucky gridiron history—were known almost as much for their respective skills at shooting dice and pool as they were for playing football. One, a back, had been a potential juvenile delinquent, a neighborhood gang member in then rugged Fort Worth, Tex. Another, an end and blocking-back, was a country boy from isolated Somerset, Ky. And the coach, a onetime major-league baseball umpire, doubled as team cobbler, tailor, trainer and groundskeeper.

That this trio, and this team, captivated sophisticated, proper Bostonians was, perhaps, a reflection of that anything-goes decade known as "The Roaring Twenties."

The star back was shrewd Alvin "Bo" McMillin, not only an artful runner but also so adroit at crap shooting that fellow gamblers eventually insisted he shake the cubes in a water glass, hurl them over a stretched string and bank them against a wall.

Then there was playful James "Red" Roberts, the bullish defensive end and blocking-back who tucked $100 bills between his ears while shooting pool at $5 per game in a Danville billiards emporium.

The dedicated coach was Charles "Uncle Charley" Moran, who once told a reporter watching him repairing cleats on game shoes: "Know who bought these shoes? Me. I ain't going to wear 'em, but they'll carry me places, I'm thinking." As, indeed, they did.

These men spearheaded the 1921 Centre College football team that was to repeat its 1920 invasion of the Boston suburb of Cambridge, Mass., for a return game with Harvard. The Centre Praying Colonels' wide-open offensive heroics in a losing 31-14 cause the season before had captured the fancy of New England gridiron enthusiasts. Centre prepared for the game at Danville, Ky., on a dusty field carved out of unused pasture land and accommodating perhaps 1,000 spectators, or so.

Meanwhile, the urbane gentlemen of Harvard, with a stadium seating 50,000, awaited the return of the rustics from Kentucky in a hospitable, friendly but perhaps condescending mood. After all, next after the Centre game, they were to play arch-rival Princeton. They planned for the Praying Colonels from Kentucky to provide them with a solid scrimmage, with injured first-stringers getting a chance to mend and rest in preparation for that important Ivy League contest. Prospects were that the colorful Colonels, in view of their valiant effort of the previous season, would fill the stadium. The event, therefore, would be a financial as well as artistic athletic success.

Thus was set the stage for what is widely regarded as the most monumental—or, at least, most romantic—upset in the annuals of intercollegiate football. This week, then, assumes special significance as the golden anniversary of that surprise. For on Oct. 29, 1921—in the era of the racoon coat and the prohibition hip flask—Centre College, a tiny yet picturesque school cuddled cozily in the rural Bluegrass of Kentucky, confounded an academically and athletically mighty Harvard, striking down the cultural and economic giant of metropolitan Boston, by 6-0.

True enough, many Boston writers and fans respected Centre. They were enthralled, in fact, by the emergence of the hitherto unheard-of school, buried in the Kentucky hinterlands, as a football adversary worthy of consideration. But, perhaps, of not much more. For while there was a color and a dash about the Colonels. Boston—although not Harvard—may have been a bit patronizing about it all.

Just days before the game, for instance, the Boston Transcript said: ". . . the game with the Kentuckians hardly will be more than an incident for Harvard, as during the next fortnight every effort will be put on preparing the team for the Princeton contest Nov. 5. . . . Harvard looks for a brilliant aerial display and formations of an open order from the Kentucky 'Colonels,' but hardly the punishing assaults that Penn State provided." The Boston Herald recorded: ". . . Harvard expects a hard game from Centre but does not believe the Colonels will furnish anything like the opposition generated by the whirlwind Penn State team." Harvard and Penn State had struggled to a 21–21 tie the week before the Centre invasion of Cambridge. It was a body-bruising game that left at least five Harvard starters in such a battered physical condition that Harvard Coach Bob Fisher had decided to rest them against Centre—barring an unforeseen emergency—and get them ready for Princeton.

That was a mistake in football logic. But, in retrospect, it is understandable, for this was not the football age we know: of scouting sleuthing that has attained James Bond or Central Intelligence Agency perfection, of revealing game movies, of speedy communication of bits of information that, when put into the mosaic of the whole, allow coaches to make almost computerized decisions (indeed, present-day teams, especially the professionals, are using computers).

To understand what happened in that upset and paved the way for it, it's necessary to know something of the Centre College dynasty that was constructed immediately after World War I and continued through 1924, at least. Louisvillian John Y. Brown Sr., in his book "Legend of the Praying Colonels," tells how Robert L. "Chief" Myers, the Centre coach who put together the team that Moran developed, recruited the talent that was to make the Colonels a legend.

Myers, coach at Northside High School in Fort Worth, "discovered" McMillin literally in the grasp of police, recounts attorney Brown, a onetime "scrub" on Centre's team. Sherman Minton, Myers's friend who later became a United States senator and then a justice on the Supreme Court, and Myers went to a baseball game one summer afternoon. At the entrance, they heard a commotion, looked around, and saw two policemen holding a 13-year-old youngster struggling to get loose. Myers asked the policemen what had happened.

"We caught the boy attempting to slip in," said one of the officers.

Myers mulled things over. "I'll buy him a ticket," the coach told the police, "if you'll turn him over to me."

They agreed. The youngster was Bo McMillin, a kid from across the tracks in Fort Worth where he was a member of a juvenile gang. Myers took an interest in Bo and talked him into playing high-school football for him. Eventually, when Myers went to Centre College, he took along Bo, as well as future All-American center and kicker James "Red" Weaver, Matty Bell, later in life to become one of the nation's great football coaches at Southern Methodist University, Bob Mathias and Thad McDonald.

Unfortunately, McMillin, Weaver and McDonald were half-credits short of academic eligibility to enter Centre. Undaunted, Myers arranged for the young men to enter Somerset High School to make up the credits. To cover their expenses, he set up a "pressing club" with 30 men in town each agreeing to have one suit a month pressed by the boys. At $1 per suit, this netted the players $30 per month—enough to defray living expenses. A story is told that McMillin scorched the seat of the pants of one black suit and, to cover up, applied shoe polish to it. When the owner wore the suit, the seat of the pants fell out while he was at work.

McMillin had better luck at Danville. The home of Centre College then was an important railroading terminal. And when railroaders cashed their paychecks, McMillin was certain to be in town for the inevitable crap games. He was a consistent winner—a combination of exquisite skill and, no doubt, fabulous luck. Attorney Brown, a classmate and friend of Bo, recalls, "Bo broke every gambler in the Bluegrass shooting craps."

Meanwhile, cut-up Roberts, with the $100 tucked under his ears and another $100 tossed on the floor in a corner as a gag (although he kept a wary eye on it), was doing well at playing pool for $5 a game.

When "Uncle Charley" Moran took over the team, he worked around the clock. And at a school which had an enrollment of around only 200, he produced three All-Americans in McMillin, Roberts and Weaver.

At the same time, he was his own equipment manager, something that stunned a former Harvard star who had gone to Danville to scout the Colonels before their first meeting with Harvard.

"When I arrived at Centre College," the scout recalled, "as is now customary in the scouting game, I started to look up the head coach to introduce myself and to announce my mission. Going into the gymnasium, I asked one of the students where I would find Coach Moran. He told me in a small room at the end of the hall. Arriving there, I noticed a man nailing cleats on some football shoes, and looking for the world like a cobbler; I asked him where I could find Moran. Keeping busy, the man answered, 'Talking to him.' It took me about a minute to recover, get my bearings, and recover my speech. Finally, I made myself known. Moran greeted me cordially, apologized for his cobbler attire, and explained how different things were at Centre than Harvard. Incidentally, he asked my further indulgence while he repaired a couple of uniforms."

Despite the lack of an impressive staff, a scanning of the records for previous seasons would have indicated to Boston fans that Centre, in reality, was no country-bumpkin football team. Two seasons before, for example, in 1919, it had tamed a mighty West Virginia by 14–6 in compiling a 9–0 record. And in 1920 the Praying Colonels were 8–2, the only defeats having been inflicted by Harvard 31–14 and Georgia Tech 24–0, that in a game in which McMillin was knocked out and lost to the team.

In 1921, Centre had prepared for Harvard by defeating Clemson 14–0, Virginia Polytechnic Institute 14–0, St. Xavier of Cincinnati 28–6 and Transylvania by an unbelievable 98–0.

Then came the train ride to Boston amid a gay, carnival atmosphere. Festooning the train were signs which read: "Oct. 23, 1920: Harvard 31 Centre 14. Let's Reverse the Score Oct. 29" . . . "The Prayin', Fightin' Colonels From Danville to Boston" . . . "Centre Fights! Down Harvard!"

When the Twentieth-Century Limited pulled into Boston, a crowd of 1,000 greeted the visitors. Among them was a Kentuckian studying law in Boston, A. B. "Happy" Chandler. "I had gotten to know Coach Moran while I was at Transylvania," Chandler recalled, "and so I scouted Harvard for him when the Crimson beat Georgia 10–7 and then tied Penn State 21–21." (Harvard also had defeated Boston University 10–0, Middlebury 16–0, Holy Cross 3–0 and Indiana 19–0.)

Boston's greeting was reported in a newspaper: "The same hospitality and enthusiasm that was accorded old Centre last October still is in evidence. All Boston seems to be pulling for the Danville boys. A ticket broker of long standing announced this afternoon that the demand for seats far exceeded the call for pasteboards to the Yale and Princeton contests."

There was little indication of anxiety or tension among the Colonels in the big city. Or, at least, it didn't show as they attended a performance of the Ziegfield Follies. The coaching staffs of both schools, and other officials from Harvard and Centre, dined together at the Belmont Springs Country Club. Harvard, meanwhile, was a battered team and still planned to rest many of the injured regulars. But R. Keith Kane, captain of that Harvard team and now a New York attorney and executive, doesn't recall that the Crimson players were complacent.

"The 1921 season was a very, very trying one," said Kane. "The schedule actually was too severe and the number of injuries we had was appalling. The Princeton game of the following week was, of course, in our minds. It was, on our schedule, the second game of importance to us, Yale being the big rivalry. Yet, from the previous season's game against Centre, we realized Bo McMillin was a big threat, and so was Red Roberts. What surprised us, however, and completely befuddled us, was the 'Penitentiary Shift' Centre used in lining up for offensive plays."

In that shift, the Colonels reminded observers of prisoners marching, the linemen trailing one another and also the backs. Sometimes the end became the center.

"The shift allowed Centre to take advantage of the terrific blocking of Roberts," said Kane. "He played end, blocking back, tackle or center!"

And McMillin was "terrific," said Kane.

Bo's 32-yard run resulted in the first defeat for Harvard in five years—since 1916, when Yale had triumphed over the Crimson. And the ubiquitous Roberts was very much in evidence during Bo's scamper.

The upset made for dramatic sportswriting. One paper reported:

"Those literary gents who have been writing football romances for prep schoolboys for 20 years, have not seen or imagined a thing. Let them try this one on their typewriter: Centre College 6, Harvard 0. Give Captain 'Bo' McMillin credit for the touchdown.

"Once in a long time something happens in real life which completely outdoes the wildest imagination of fiction or the movies. Harvard's great horseshoe stadium jammed with 50,000 spectators saw such a scene enacted when Centre College triumphed over Harvard."

The Boston Globe story said of the winning run: "McMillin had been smothered in most of his previous attempts to gain, but this time he came through. His play was through the Harvard left wing and Roberts was ahead of him. Red spilled at least three men and was looking for more action when McMillin, seeing the chance, reversed and then was off to his left and straight for the corner of the field."

After the game—in which Harvard finally used all but three regulars—Huntington R. Hardwick of the Globe credited Centre blocking for the victory. He wrote:

"The clean-cut manner in which they (the Colonels) took out Harvard men was a revelation. Red Roberts was particularly noticeable in this role. He is a character on the field. On one-half the plays, he loafed fearfully, frequently never touching a soul and apparently watching with indifference what was going on; then suddenly he would change into a raging interferer and sweep his opponent completely off his feet, or defensively charge in and smash a Crimson back behind the line of scrimmage. End on the offense, tackle on the defense, punting and even carrying the ball on line plunges, he most conclusively proved his versatility and power. If Roberts would 'stick to his knitting' throughout the entire game what a marvelous player he would be!"

Centre, after that historic victory, and a warm welcome back home at Danville, remained undefeated the remainder of the season to end with a 10-0 record including a 55–0 triumph over Kentucky. (The Colonels lost a post-season game on Jan. 2, 1922, by 22–14 to Texas A. & M. at Dallas.) Harvard meanwhile, lost that game to Princeton, 10–3, the following week but beat Brown and Yale.

The Colonels continued powerful through 1924. By then, however, the dice-shooter and the pool-player were gone and Coach Moran had departed to coach elsewhere. And, gradually, Centre College eased out of the major-college football picture.

The Centre upset over Harvard, nonetheless, lives on—and probably will be rehashed as long as intercollegiate football is played.

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## CUBAN POLITICAL PRISONERS

## HON. CLAUDE PEPPER

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. PEPPER. Mr. Speaker, I wish to bring to the attention of my colleagues a series of articles which appeared in the Miami News earlier this month and brought to my attention by reporter Hilda Inclan.

As you will see, these articles tell the story of atrocities, brutality and murder committed by the Cuban Communist government against its political prisoners.

The details these articles reveal have never been made public before and they disclose most vividly the continuing cruelty and ruthlessness of the Castro Communist regime.

I have written to Secretary-General Thant at the U.N. to bring this situation to the attention of all U.N. members and to these conditions about which decent men everywhere are vitally concerned. I believe we should also have the benefit of the following articles:

### MASSACRE ENDED CUBA JAIL TERM

(By Hilda Inclan)

A sugar mill worker who would have walked out of a Cuban political prison in December will not be able to do so.

Jose Oriol Acosta Garcia is dead.

He was shot to death by Cuban soldiers Aug. 5, inside Prison Camp Number 4, Manacas, Las Villas Province.

He was unarmed. He had been given a 10-year sentence for alleged anti-Castro activity. His sentence would have been up Dec. 31.

Cuban soldiers began shooting against Acosta and his comrades in the Manacas jail when the prisoners tried to intercede in favor of a few others being transferred from the Santa Clara jail.

After Acosta fell to the ground, dead, the other prisoners picked up stones and threw them at the soldiers.

Other political prisoners were wounded as a result. Rafael Ibanez Turino was hit in the mouth; Eliel Viamonte Espin, in the neck; Enrique Borges Rodriquez was beaten all over.

Cuban Prime Minister Fidel Castro and his government-run news media have kept a tight silence on the Manacas jail incident. But letters smuggled out by various prisoners in that jail are already reaching their relatives in Miami.

Enraged Cuban exiles here, most of whom have an acquaintance—if not a relative or close friend—inside Cuba's political prisons are already referring to the incident as "the Manacas massacre."

The News is publishing a letter smuggled out by a Manacas prisoner, describing what happened Aug. 5.

The letter was addressed to Humberto Medrano, former executive director of Prensa Libre, a popular daily newspaper in Havana's pre-Castro days. Medrano is today a car salesman and a Diario Las Americas guest columnist who's been publicizing the prisoners' plight for many years.

At least three letters from other Manacas prisoners addressed to their relatives here have been located in the Miami area. They say essentially the same thing.

Acosta was a worker in the Sugar Mill Constancia in Las Villas Province. During the mill's idle time, he taxied passengers from the mill to nearby Cienfuegos.

He was arrested by Castro authorities January 1, 1962. The Revolutionary Court of Las Villas Province gave him a 10-year sentence.

His wife, Martha Perez Garcia, and his sons Jose, 14; Tomas, 11, Alberto, 9, still live at the Constancia sugar mill.

They were already anticipating spending New Years' Eve with Acosta this year. Their excitement has now been drowned in sorrow.

### TRANSLATED LETTER TELLS OF BLOODTHIRSTY ENEMY IN CUBA PRISON

CONCENTRATION CAMP 4,
*Manacas, Las Villas, August 9, 1971.*

Mr. HUMBERTO MEDRANO,
*Miami*

DEAR FRIEND: How many things have happened in this Concentration Camp of Manacas since the last letter I sent you! What a bloodthirsty enemy we've got! How much blood has been shed and for pure pleasure!

Today this penitentiary is in mourning. Once more, the homicidal bullet's lead has vented its fury on this mass of defenseless men.

It was August 5, 1971. It must have been three in the afternoon when a prison van stopped in front of the interior door of our "alambradas." (The word means "wire mesh." Prisoners refer to that jail in those terms because of the great amount of barbed wire on top of the fences surrounding it.)

Tens of militiamen stood behind and around the van, escorting it. Instinctively or mechanically all of the prisoners started closing in. Without knowing why, a tremendous fear, an inexplicable anguish tortured our throats.

At last the van stops, enveloped in great mystery. The penitentiary director who was coming in front of the van, gets in it and from below, we can hear a loud argument going on. Then he comes down and with an arrogant gesture walks into the garrison headquarters.

That is when the people in the van start yelling to tell us that they were refusing to get out of the van because they had been taken by force from their partners who were staging a hunger strike in the prison of Santa Clara. They ask us also not to get involved in anything since the director has told them that he is ready to do anything and assume all responsibility.

At that time, we see more than 400 soldiers coming in through the main door, carrying the most modern weapons and getting ready to charge against us.

They position themselves behind various available parapets, leaving us uncovered, but with our dignity very high. A group of soldiers goes into the van and tries to get the prisoners out, pushing them and hitting them with the butts of their guns.

Upon seeing such an injustice, we wanted to intercede, but the cowardice of the director and the other officers reached the heights of ordering their men to shoot against us.

Upon the first discharge, Jose Oriol Acosta Garcia fell to the ground with a wound on his head. Far from frightening us, this had the effect of enraging us to such a point that we gathered every stone that was handy and blindly, we charged against the enemy troops.

The murderous bullets hit the ground upon which we crawl until we finally reach the point where the director and the officers are standing. There was a hand-to-hand combat, but the bullets were not as threatening any more since the soldiers didn't want to hit their chiefs.

Then upon seeing that most of us had gone by the point dominated by his machine guns and fearing a carnage of incalculable proportions, the "brave" director asks us yelling that we help him stop the combat.

When he saw that we weren't listening, he ran among his own men asking them to stop the fire. This was the same man that moments before had said he would assume "all responsibility" for what happened.

Finally, after about half an hour of unequal fighting in which fists were smashed against sharp bayonets and in which murderous bullets wounded our defenseless flesh, we see the van leaving again with its glass windows broken and its sides dented. Four comrades that they hadn't been able to take out were taken away in it.

The final result was: one dead comrade, Jose Oriol Ascosta Garcia and several men wounded like Eliel Viamonte Espin, Ibanez Turino and Enrique Borges Rodriguez. This last one, who was seriously beaten, can count on his body 18 bullet wounds, scars, which he carries with pride, from his anti-Communist fight.

Now then who is the assassin of Jose Oriol Acosta? Who is responsible for such a massacre? Those who gave the orders to shoot, that is, the officers Orestes Moya, chief of prisons in this Province; Abraham Claro Cruz, director of this jail; the lieutenants Almanza Lulo, Adalberto Rodriguez, who in addition to giving the orders, happily discharged their caliber US 1 guns?

Or are the guilty ones, on the other hand, the Julian Herreras, the Sacarias Sequeiras, the Granelas, the Saldivars, the fantomas and tens and tens more that cowardly discharged their rifles and machine guns to massacre with impunity a defenseless multitude whose only weapons were their dignity as political prisoners and their firm decision to triumph? To us, all of them have the same degree of responsibility.

Everybody here shot at us, from the chief of the kitchen and construction to the male nurses who first make the wounds that their fine hands will heal later.

Tell the world then, that between Auschwitz and Manacas, between the Nazi concentration camps and those of Fidel Castro, there is no difference:

That the 20th Century continues producing monsters, mocking shamelessly the forces of democracy.

That this small group of men will continue opposing communism even if the Fulbrights will argue in favor of relations with Cuba and even if Nixon will back China's entrance into the United Nations.

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### "TIGER CAGE" PRISONS REVEALED

(By Hilda Inclan)

Thousands of persons locked in tiny, airless cells in Communist Cuba, wasting away, waiting to die. . . .

Their only "crimes," in many cases: Their political inclinations.

This is the gist of letters smuggled into this country from prisoners in those jails; from prisoners in the 1971 version of the infamous "Tiger Cages" of the Vietnam War, where thousands of prisoners of war were herded together like animals.

They are men and women from all walks of life; sugar cane cutters, blue-collar workers, peasants, clerks, doctors, teachers, technicians, newspapermen.

The Miami News today is publishing from one of these prisoners a letter that reveals details never before made public in English. He is in the Boniato jail.

Prisoners in this jail, in Oriente Province, have been kept incommunicado for two years. Their entire dinner fits in a small can of condensed milk.

Plagued by scurvy and other diseases, they are denied medical attention. The windows in their tiny 5′ by 10′ cells are securely boarded up with steel plates. They are allowed no sunshine or exercise. Their bathroom is a hole in the floor.

Two persons are in each cell.

"It seems impossible that what we are telling is actually happening here," the Boniato prisoner wrote. "Only you, those that were here, the Frenchmen that were prisoners of the Communist in Indochina, the North Americans taken prisoner in Korea; only they know that we are not lying."

Pictures of German concentration camps after World War II shook the world. But no pictures can be taken of Cuba's camps.

In Boniato, no outsiders can enter.

In another prison camp—in Manacas—conditions are slightly better. Isolation is not as complete.

Still, a sugar mill worker who would have been freed in December was murdered Aug. 5.

He fell to the ground, a gunshot wound in his head, a victim of the rage of the Prison Camp Director.

He was shot during a flurry that occurred when prisoners from another jail were being transferred to Manacas. Other prisoners were wounded.

In Boniato, three other political prisoners were killed by guards during an alleged escape attempt.

The letter, and others, being smuggled out by the prisoners at great personal risk, are the only way they have of communicating their plight to the outside world.

The method of smuggling the letters out cannot be told.

Some of the prisoners in Boniato, Manacas and other jails have been there virtually since Fidel Castro came into power in 1959.

All are accused of anti-Castro activity and opinions.

They all share the same cells, the same fate.

Estimates as to the number of prisoners run as high as 100,000. No one seems to know for sure exactly how many jails there are.

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### BONIATO: TIGER CAGE PRISONS REVEALED

(By Hilda Inclan)

"The terror and the physical tortures of these years have been too much . . . Many of us have reached a crisis point and gone mad.

"Fernando Lopez del Toro hung himself."

These are excerpts from one of many letters being smuggled out at great risk by men inside Castro's political prisons.

The News today is reproducing a letter written by a prisoner inside the worst of all Cuban jails, the Boniato Prison in Oriente Province.

Men in that jail have been kept incommunicado for two years, living in 5′ by 10′ "tiger cages," two men to a cage. A hole in a corner on the floor is their bathroom. They get no sunshine or exercise.

These men are known as the "tapiados." Their cell windows have been "tapiadas" or boarded up with steel plates to insure no sunshine gets in.

The letter being reproduced today was written by a prisoner lying on the floor to get whatever light sneaks in beneath the doorway. He couldn't find paper so he scribbled on the white space around the nameplate of Havana's main government-run daily, Gramma.

He addressed his letter to a friend of his, a former political prisoner, now in freedom.

The names of both men are being withheld to protect the one still in prison from possible reprisal from Cuban authorities.

"The living conditions described in the letter are authentic," Dr. Jaime Suchlicky said today. He is associate director of the Latin American Institute of the Center for Advanced International studies, University of Miami.

#### TRANSLATION: "WE ARE SUBJECT TO EXTERMINATION"

"Tiger Cages" of Cuba, Boniato Prison, June 10, 1971. My dear brother . . . !

This letter is not an outcry, it isn't a call for help. We know that we are alone. We know about the apathy of international bodies, of the press of the free world, that which appears to be so dynamic in denouncing injustices but doesn't say one word about what is going on in the prisons of Cuba. What do they want, that we send them photographs? The communist jails are not the jails of democratic countries. Nobody can enter here. This is the only piece of paper that I have been able to get to write to you. The Physical integrity of many prisoners will be risked to try to get these lines out to you.

Our situation is very difficult. These are the "Tiger Cages" of Cuba. All of the political prisoners of Boniato are being subjected to the most brutal and inhumane plan of physical extermination that America has heard of in all its history.

We've already been here for two years incomunicado in cells with windows and doors hermetically walled up with steel plates. The total lack of light has made many of us almost blind. I am writing this letter lying down on the floor, using the very soft light that comes in through the small space underneath the bottom of the door . . .

The cells are five feet wide and ten feet long. That's the way political prisoners here live, two for each cell, without getting out of their cells for years. As a bathroom we have a hole in one corner and a faucet that never has any water. Our excrement and our urine accumulate constantly in fetid puddles. We lack any articles of personal hygiene. Our food doesn't reach 900 calories per day. Everything served is carefully weighed. One lunch fits inside an empty can of condensed milk; one dinner, the same; that is our plate, one of those cans. Our breakfast: hot water with sugar and one ounce and a half of bread.

#### LOOK LIKE PRISONERS IN CONCENTRATION CAMP

Our diet is composed solely of corn flour and boiled noodles and white rice, all of it served with tiny spoons. The absence of proteins and other foods is total. There are men here whose weight has gone down to 70 pounds. I must weigh 115 pounds. The last time they came over to weigh us with a portable scale my weight was 120 pounds. I have lost 35 pounds. My thighs measure

15 inches, my biceps 10. My legs, 11, my waist, 26. All of us look like the prisoners in the concentration camps at the end of the Second World War. Those photographs shocked the world. But here, no pictures can be taken.

Our fate is that of every prisoner of the communists that will not accept their "rehabilitation" plan: physical extinction and biological experimentation is our destiny.

There is no medical assistance. All of us are sick. Scurvy is creating havoc here. Our bodies are full of some dark pustules, our gums are swollen, our teeth are loose, bloody. Hemorrhages through the nose follow every sneezing spell. Our ankles, in many of us, are a hodgepodge of varicose veins. It's been more than ten years already, and you've been more than ten in communist jails.

Skin illnesses, ulcerations of all mucous tissues, mouths full of sores, constant diarrhea. It seems impossible that some of the men here be alive. They are ghosts. The government promised in this type of imprisonment to "punish" us for our decision not to go into the "rehabilitation" plan, and to reduce us to rags. They have already accomplished that. A.—We are already rags. Physically, we will never again be men. Many of us will die here.

We are being subjected, scientifically, to a plan of mental and physical liquidation directed by Czech, Cuban Communist and Russian doctors. They experiment biologically with us, observe us constantly, and subject us to diverse stimuli.

Many of us have reached a crisis point and gone mad. There's been several suicide attempts. The terror and the physical tortures of these years have been too much.

Fernando Lopez del Toro hung himself. We are under the constant threat that the people in the garrison may come over and beat us savagely; the constant pressures, the total isolation. For two years, our families have known absolutely nothing about us. The government denies to them our real situation. That is why I'm telling you, our situation is very difficult.

But we expect nothing from Democracy or from the Latin American governments that have ignored us and turned their backs on our sacrifice.

To denounce this situation to the world is useless. We have become disillusioned about the reception given these letters. It seems impossible to the outside world that what we are telling them is actually happening here. Only you, those that were here, the Frenchmen that were prisoners of the Communists in Indochina, the Northamericans taken prisoner in Korea; only they know that we are not lying.

We are here, in the "Tiger cages of Cuba," dying for Democracy, defending the principles of the free nations. But it is sad to fight defending freedom and justice and be forgotten by the free and just men of the world!

Long Live Free Cuba!
Long Live Democracy!
Down with communism!
Your brother,
A.
Tiger Cages of Cuba
Political Prison of Boniato, Oriente, Cuba.

## MAN'S INHUMANITY TO MAN—HOW LONG?

### HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

## TESTIMONY ON ECONOMIC STABILIZATION

### HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. RYAN. Mr. Speaker, during this period of economic stabilization, I would like to point out that there are millions of hard-working, industrious people who are not able to earn nearly enough to attain an acceptable standard of living. Hence, I have introduced H.R. 11406—along with House Concurrent Resolutions 414, 423, and 434 with cosponsors—to exempt low-paid workers from Government restrictions on wage increases until their wages reach the point where they are no longer substandard.

I am pleased that the House Banking and Currency Committee recognized the need for exempting the wages of the working poor by adopting the language of my bill when it was offered as an amendment to the Economic Stabilization Act by our distinguished colleague from Maryland (Mr. Mitchell) during the markup session on November 4.

David Livingston, executive vice president of Distributive Workers of America, Alliance for Labor Action, and president of District 65, DWA–ALA, testified before the House Committee on Banking and Currency on November 5, 1971. He presented a very persuasive case for exempting substandard wage earners, not only pointing to past precedent during World War II and the Korean war, but also pointing to present statistics which show that in New York City alone 25 percent of the work force earns less than $100 per week. As David Livingston said so well, to place controls on the earnings of the working poor and near poor—would be to condemn them to permanent poverty.

His cogent testimony follows:

TESTIMONY OF DAVID LIVINGSTON

I appreciate the opportunity to appear before this distinguished Committee to testify concerning economic stabilization legislation. The Committee has already heard testimony directing attention to fundamental inequities in the current program, especially the absence of any controls on profits, interest rates and dividends. Also we are certain that the Committee has already observed that there are hundreds of thousands of volunteers, employers, who are eager to enforce the wage control aspects of economic stabilization. Price control is another matter.

Our special concern, however, is the threatened application of wage controls to the working poor and near poor, to those who just don't make a living. Unless there is an exemption from wage controls for such people, a national disaster impends. Already 6% of the working population are without jobs according to the Bureau of Labor Statistics figures. The Bureau will tell you that this percentage does not take into account certain groups. Our estimate is that the actual number of unemployed in the country is somewhere between eight and nine percent—close to eight million workers.

In September of this year, the Manpower Administration of the U.S. Department of Labor published a report indicating that the number of major labor areas in the categories of substantial unemployment had climbed to 64—the highest total since October 1961. Likewise the Government has published figures showing that the absolute number of persons below the poverty line increased last year for the first time in the twelve years that the statistics have been maintained. The number of persons in this category exceed twenty-five million. This bleak picture is likely to continue since the job producing aspects of the current economic plan is only a hope to provide approximately half a million new jobs. This is the background in which many workers are striving to hold on to their jobs and provide for their families. This is the situation in which the working poor are battling to stay out of the ranks of the unemployed and off the welfare rolls. They are fighting to improve their jobs and their earnings—to win wage increases, to keep up with rising living costs and to improve their standard of living—if only a little.

I speak today on behalf of our members in Metropolitan New York and also for thousands in the States of Florida, South Carolina, North Carolina, Georgia, Virginia, Tennessee, Arizona, Connecticut, Missouri, California, Illinois, Pennsylvania, Ohio, Texas. Our observation is that the overwhelming majority of the working poor and the near poor are white Americans, although Blacks and other minorities appear in the working poor out of proportion to their share of the population.

In New York City alone, approximately 25% of the work force earns less than $100 per week and throughout the Country, the numbers run into many millions. Among non-union workers, about 75% of the work force, the number whose earnings are substandard is even greater. Their earnings do not permit them to keep their families in safety and health, to educate their children and to supply the bare necessities of life.

The Bureau of Labor Statistics publishes three budgets for a family of 4—an employed husband at age 38, a wife, an 8 year old girl and a 13 year old boy. One of the budgets is called the high budget, the second is called an intermediate budget and the third is called a lower budget for a 4 person family.

In the spring of 1970, the lower budget for urban United States was $6,960. For New York and North Eastern New Jersey—$7,183. By now these figures would have to be adjusted upward by approximately 8% or 9% to take into account increases in the cost of living since the Spring of 1970. Lest anyone think this budget is "frilly", it allots $2,091 a year for food. We would like to find the housewife who could feed her husband, herself and two growing children on $40 a week considering what is happening to food prices. It is perhaps significant that the higher budget for the same size family allotted $3,551 for food.

To place controls on the earnings of workers below these wage levels would be to condemn them to permanent poverty. We are accompanied this morning by some workers who earn salaries from $91 to $101 per week. Before the freeze, they were scheduled by contract to receive automatic increases of $7 to $10 per week. In addition, they were scheduled for a cost of living increase of $5 per week. Thus over all they were slated for about a 12% increase—much greater than the highest allowable rate reported under consideration. With these increases, these workers will still be only making about $5800 a year, well below the minimum budget. It is not inflationary to permit these workers the increases coming to them. So long as a worker is at such wage levels, so long as he is of the working poor or near poor, he should be exempt from any regulation until his earnings are no longer sub-standard—until he is no longer poor or near poor.

This is, of course, not the first time that the United States has dealt with economic stabilization. It occurred during World War II and during the Korean War. In both cases, legislation did not leave to the President alone the power to control wages. Even during the time of greatest peril, the Congress retained its authority over the economic life of our country. In both cases, the legislation permitted wage increases to workers whose earnings were sub-standard or who were suffering from a gross inequity. The Congress did not limit increases to the legal minimums established by statute and defined sub-standards at levels well above the statutory minimums.

During World War II, regulations specifically exempted from any control, even from the necessity of seeking approval, any wage increases to workers whose earnings were at or below 50¢ per hour. At that time, the Federal Minimum Wage was 30¢ an hour. Thus the automatically approvable rate was 66⅔% above the legal minimum. Now the legal minimum is $1.60 per hour and the rate in New York State is $1.85. Using the same approach would lead to exempting from regulation any worker (union or non-union) whose earnings were about $3 to $3.50 per hour.

In brief, we urge that this Committee recommend legislation to the Congress that there be no freeze or controls applied against workers who do not make a living—that they should be specifically exempt from limitations on their earnings. Our members and many, many workers like us, union and non-union, appeal to the Congress and to this Committee. We urge that you do not permit regulations to be adopted that control whether our members eat or do not, whether they educate their children or do not, whether they can hold their heads high or do not. Our members earnings are low, but they are on the way to a decent living. Slowly, painfully through collective bargaining, they are gradually approaching the point where perhaps they will not need supplementary relief and where their families, their children can have a small share of the good things of life. Until our members make a living, we urge that wage increases to them not be limited or controlled. We urge statutory exemption of those whose earnings are sub-standard. We seek your help, the help of Congress—so that the working poor and near poor not be confined to permanent poverty.

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## PRAYER AMENDMENT

## HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. PRICE of Texas. Mr. Speaker, I have introduced legislation which would allow prayer in our schools—I have pushed for it and supported it all the way because of my firm belief in the right of the people to offer prayers to God in our public institutions.

There have been certain objections raised regarding the prayer amendment that is now up for consideration, some of the opposition being expressed by those who are simply against prayer, while most, I am sure, has come from well-intentioned persons and organizations who question certain wording and phraseology as contained in the resolution. I do not quarrel with those who, for example, might wish to insert the term "voluntary" or "extemporaneous" or remove the term "nondenominational" from the language of the resolution, if this would alleviate fears that the resolution as presently written in some way narrows the meaning of the first amendment freedom of worship.

However, whether we are for or against this resolution, two things seem abundantly clear. First, through the vehicle of the discharge position we have at last brought to the House floor for debate, an issue which has been uppermost in the minds of our people for years. It is by this debate that we shall be able to consider all the pros and cons and to decide once and for all, the direction to be taken regarding prayer in public buildings. And second, and even more important, we are exercising one of the great strengths of our Constitution in turning this matter over to the people of the various States for their final decision. For it is by the process of ratification by three-fourths of the States that the people will be able to speak directly and to decide the fate of the prayer amendment. Only recently we witnessed a similar action in lowering the voting age to 18 in all elections—in this case, there was a groundswell of popular support for extending the right to vote to a new sector of the population, and our constitutional process of ratification provided for an orderly way to dispose of the confusion and contradiction that had surrounded this issue.

Mr. Speaker, in summary it is my firm conviction that every citizen has the right to pray whatever he pleases, wherever he pleases, and whenever he pleases, so long as his activities do not constitute an unreasonable infringement upon the rights of others not to participate. Furthermore, I oppose any procedure whereby government, at any level, may interpret, modify, require, or prohibit this individual right to prayer. While I am not wedded to any particular bill, I strongly support a prayer amendment which will broaden the right to pray beyond the purview of any governmental agency or instrument.

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## CANNIKIN CONSEQUENCES STILL TO COME

## HON. JOHN G. DOW

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. DOW. Mr. Speaker, my friend and constituent, David Sive, who led the attorneys on Saturday seeking to stay the Cannikin megaton test at Amchitka, has made available to us some of the very telling data on which appeal to the Supreme Court was made. This consists of affidavits of expert witnesses, largely scientific. They point out that serious consequences of the Cannikin test may yet occur. For example, contents of the water table at Amchitka becoming contaminated in the chimney above the blast cavern, may introduce dangerous concentrations into the sea.

The papers supplied by Mr. Sive and appended here include first an affidavit by a legal associate of Mr. Sive, James A. Burke. This is Mr. Burke's precis of papers by several scientific experts which contest claims of relative safety asserted by the environmental impact statement of the Atomic Energy Commission.

In addition, I append three other affidavits by recognized scientific authorities, which challenge the safety of the Cannikin test. These three affidavits are ones by M. Nafi Toksöz, Robert Muller, and David Evans—the latter preceded by an affidavit of Mr. James A. Burke in lieu of a signature by Mr. Evans, which it was not practical to obtain. The several documents appear below:

[U.S. Court of Appeals for the District of Columbia, Civil Action No. 71–1732]

AFFIDAVIT BY JAMES A. BURKE

The Committee for Nuclear Responsibility, Inc., et al., Plaintiffs-Appellants versus Glenn T. Seaborg, et al., Defendants-Appellees.

James A. Burke, being duly sworn, deposes and says:

1. I am associated with the firm of Winer, Neuburger & Sive who, along with Harold P. Green, Esq., Suite 1000, The Watergate Six Hundred, 600 New Hampshire Avenue, N.W., Washington, D.C. are attorneys for the plaintiffs in this action.

2. Mr. Sive and I, alone, have read the four documents which the U.S. District Court made available to plaintiffs' attorneys, but which were not released to the public. These documents are:

(a) Pages 1 through 6 of a seven-page statement with two attached maps or diagrams, by J. W. Hadley, which statement is part of 1b of Annex B to the Larson Affidavit (Gov. Ex. 18), (hereinafter referred to as the "Hadley Memo");

(2) A ten-page paper by Dr. W. G. Van Dorn, dated December 15, 1970, and entitled "Probability of Tsunami Generation and Connection with Cannikin", which paper is part of 1b of Annex B to the Larson Affidavit (Gov. Ex. 18), (hereinafter referred to as the "Van Dorn Memo");

(c) A statement by Mr. M. L. Merritt consisting of four pages, entitled "The Ground Water Problem at Amchitka", which statement is part of 1b of Annex B to the Larson Affidavit (Gov. Ex. 18) (hereinafter referred to as the "Merritt Memo");

(d) That portion of page 2 beginning with the paragraph entitled "Earthquake Generation", and carrying through the last four words on page 6, item 3A, of the Train Affidavit (Gov. Ex. 11), (hereinafter referred to as the "Train Memo").

3. Deponent believes that it might aid this Court in considering the significance of these documents and their relationship to both the Environmental Impact Statement and to the claims of the plaintiffs in this action if your Deponent were to indicate what he considers to be some of the more significant aspects of this relationship.

4. In the Impact Statement, the Atomic Energy Commission (hereinafter referred to as the "Commission") states that, based on the experience gained at the Nevada Test Site and in the previous detonation of Milrow at Amchitka, "It is expected that the only observable effect from Cannikin will, again, be a cluster of small aftershocks in the vicinity of the explosion site." (See pages 54–55).

In the Train Memo, whose subject matter is "Potential Environmental Hazards Associated with Cannikin", it is stated that extrapolation from the Nevada Test experience is uncertain at best due to the differing geologic structure of the Amchitka area, and that Milrow itself can provide "no sure basis" for prognostication as to Cannikin (page 4, paragraph one).

The Milrow experience may not be applicable not only because that detonation took place eight Km. away from the proposed Cannikin detonation (see Toksoz Affidavit), but also because there may be a threshold value of strain that must be exceeded prior to the initiation of a large earthquake, such as in the recent earthquakes in Chile and Alaska (Page 4, Train Memo) In other words, the energy released by the one-megaton Milrow detonation may not have been sufficient to initiate a large earthquake, whereas the five-megaton Cannikin may well be.

As is stated in the same paragraph in the Train Memo, once one "lock point" is broken, sufficient energy may be resealed to break other lock points; if the stored strain energy is large, the triggered earthquake can be of much greater magnitude than the triggering event, as though the first lock point where the first domino of a row dominoes leading to a major earthquake. Neither this process of triggering an earthquake, nor the possibility of triggering a major earthquake that this process presents, is at all discussed in the Environmental Impact Statement.

The Train Memo continues, noting that the major fault in the general region of Amchitka is thought to be some forty Km. beneath the test site, and "the strain field will certainly be altered at this depth by the underground explosion". This, it is submitted, is not a "negligible" chance of triggering a major earthquake, and it is certainly not "a cluster of small aftershocks".

Prefatory to the above discussion in the Train Memo, it is stated that it has been said that there is ". . . no cause for apprehension with regard to the Cannikin test. Unfortunately, this is not the case".

5. On page 2 of the Train Memo, it is stated in paragraph one that if fractional forces are overcome through raising the underground fluid pressures, an earthquake may result. This is also the first of the three "well-documented ways of triggering an earthquake" discussed in pargraph three on the same page, and also discussed in the last paragraph of the Train Memo. This process, as well as the above-mentioned domino theory, is also set forth on page 3 of the Hadley Memo.

This increase in underground fluid pressure is the same mechanism for triggering a major earthquake that is postulated in the affidavit of David Evans, submitted by plantiffs to the District Court. It is not at all discussed in the Environmental Impact Statement, and it clearly increases the likelihood of a major earthquake.

Page 3 of the Train Memo refers to an earthquake being caused in Koyna, India, by means of this mechanism. As is stated in the Train Memo, the Koyna area is not normally seismic. Therefore, as is stated in the Evans affidavit, there is no reason to believe that an earthquake would have been imminent at the site. This is contrary to the suppositions made on page 54 of the Environmental Impact Statement.

6. It is also stated on page 3 of the Train Memo that the creation of a large cavity by the detonation of Cannikin will cause permanent changes in the strain field of the Amchitka region. The effects of this are not presented or discussed in the Impact Statement.

On the same page, it is also noted that no accurate prediction of the seismic results of the Cannikin detonation is possible, because detailed geology is largely unknown at any given location. The extent of this ignorance is not indicated in the discussion of the geological studies at page 19 of the Impact Statement.

7. With reference to the lack of discussion in the Impact Statement of responsible, opposing scientific opinion, the following comments in the Hadley Memo should be noted:

"Qualified scientific opinion is in good agreement that the possibility of triggering a large earthquake by Cannikin is remote, but real. . . . Variation of technical opinion from this position is minor". (Page 6)

This "real" possibility of a large earthquake and the differing "technical opinion" are not presented or discussed in the Impact Statement.

The Hadley Memo goes on to note that:

"The advice of scientists as to whether or not the seismic hazards of Cannikin are acceptable has been somewhat more diverse. . . . ". (Page 6)

8. One would not surmise this diversity of advice from a reading of the Impact Statement. There is no indication that such diversity exists, much less a discussion of the opposing points of view. (See page 54, Impact Statement.) With reference to the lack of presentation of responsible opposing scientific opinion, the statement made by Dr. Van Dorn in paragraph 2 of the first page of his document entitled "The Possibility of Tsunami Generation in Connection with Cannikin" ("Van Dorn Paper") should be noted. Dr. Van Dorn states that he is as deeply concerned with the safety aspects of the underground nucelar explosion at Amchitka as the well-qualified geophysicists in the Train Memo. While attorneys for plaintiffs in this action have not been permitted to see the above-mentioned Train Memo, the next paragraph of the Van Dorn paper indicates that these "well-qualified geophysicists" believe that the risks are great.

There is no indication in the Impact Statement of any "well-qualified" opinion expressing the existence of substantial risk.

9. Subsequent to the discussion at page 4 of the Irwin Memo of the possibility of triggering a major earthquake, it is stated that the "real danger" from the triggering lies in the generation of a tidal wave or tsunami. The Memo goes on to note that it is not possible to assess quantitatively the probability of such generation at this time.

However, it appears from these documents that the risk is certainly greater than the "negligible risk" discussed at pages 57–59 of the Impact Statement. On page 5 of his paper, Dr. Van Dorn refers to the one-three megaton potential energy of the earthquake which fostered the last major tidal wave in the Alaskan area, and continues by noting that "similar volumetric displacements" were all that were needed to create the huge tsunamis of 1946, 1957 and 1960. This one-three megaton potential energy is only one-fifth to one-half of the energy of the proposed Cannikin detonation.

In discussing the impact of these tsunamis, Dr. Van Dorn notes that tsunamis generated in the Aleutians by earthquakes have had damaging effects at great distance. The 1946 tsunami that was so damaging in Hawaii was felt as far away as Peru. (The recent earthquake in Chile generated a tsunami that caused loss of life as far distant as Japan. Wave heights actually increase at greater distances, notes Dr. Van Dorn.)

At the beginning of his paper, Dr. Van Dorn observes that in view of these hazards, he has made a number of recommendations for improving public safety, only a few of which have been adopted. He ends his paper by saying that further studies are highly desirable.

It does not appear that the risk of a tsunami is as negligible as is stated in the Impact Statement, and it is clear that the environmental damage which may be created by such a tsunami can be immense. Such damage has not been discussed or evaluated in the Impact Statement.

10. On pages 18 through 22 of the Impact Statement, the Atomic Energy Commission claims that the radioactive by-products of the Cannikin detonation will be incorporated into and trapped in the rock melt or will be absorbed onto the sources of rock material. On pages 22 and 50 of the Impact Statement, it is claimed that the chimney above the cavity will be filled with broken and partially recompacted rock after the collapse, and that this collapse and subsidence does not provide open paths for the escape of radioactivity through the chimney rubble.

However, on page 5 of the Train Memo, it is noted that the chimney will be permeable and that radionuclides will be mixed throughout.

Dr. Merritt, in his paper entitled "Ground Water Problems at Amchitka", the Merritt Memo, also states on page 2 that "Nevertheless, the worrisome suggestion is made that there may be mixing back up the chimney". This chimney, as stated above, is highly permeable and intersects zones of permeable rock between the surface and the detonation cavity. It is in reference to this that Dr. Merritt states on pages 1 to 2:

"On the other hand, it must also be admitted, and this is the basis for the Counsel on Environmental Quality's comments on Cannikin, the the rubble chimney constitutes a highly permeable vertical short circuit of the groundwater system, and that the hydrological measurements indicate zones of fairly permeable rock higher in the section."

11. Dr. Merritt then continues, on page 3 of his Memo, to consider what impact these facts will have on the containment problem:

"Nevertheless, if tritiated water did mix up even in part, what then? *If* this zone is continuous out to and up to the sea, and *if* its permeability is all or largely due to fracture porosity . . . then tritiated water would reach the sea very rapidly."

12. It should be noted at this point that on pages 23 to 24 of the Impact Statement, the Commission postulates three possible mechanisms and time scales for which radioactive by-products of the detonation might migrate to the surface. The third mechanism, on page 24, involves the "very unlikely" assumption that the water within the cavity chimney system becomes mixed. The documents disclosed to plaintiffs' attorneys, as well as the submitted affidavits of Dr. Robert M. Mueller and David Evans, indicate that this not only is a "very unlikely assumption, but the most probable occurrence. This assumption states the Commission, combined with another "unlikely" assumption, would cause contaminated water to reach the sea "in about two or three years after the cavity was filled—or some three years after the explosion." However, on page 5 of the Train Memo, it is noted that, contrary to the assumption of the Commission, the USGS estimates one to two years for the migration of water in the chimney to the sea, with this migration being anticipated, not "very unlikely."

13. In paragraph 3 of page 24 of the Impact Statement, the most extremely negative prospect mentioned by the Commission, it is stated that this migration "would introduce tritiated water into the ocean with an initial concentration about 1,200 times that of the RCG for water." The USGS Report, cited in the Train Memo states that the contaminated water would reach the ocean with a concentration "in excess of 10,000 to 100,000 times" the permissible concentration for water. This is 100 times greater than the Commission indicates is possible under the most adverse conditions, and the Commission was aware of this at the time they published the Impact Statement.

14. A further example of the lack of candor of the Impact Statement involves the statement on page 25 that even if this extreme case were to exist (1,200 RCG), "oceanographers have estimated that there would

be an effective dilution factor of about 100,000 within a few hours." They neglect to mention the context of that statement, which is indicated in the last paragraph of page 5 of the Train Memo, where it is stated that even if the dilution is as great as 100,000, concentrations well above background levels will appear in the food chain, resulting in fish being caught and sold containing radioactive concentrations higher than the RCG (Recommended Concentration Guideline).

There is no discussion of this factor anywhere in the Environmental Impact Statement.

15. It should be noted at this point that the USGS, in one of the documents made public on Monday, entitled "Effects Evaluation Report—Cannikin Event", stated in reference to a water migration time scale considerably faster than the "worst" example postulated by the Commission in the Impact Statement, that

"It should be emphasized that the foregoing analysis is heavily weighted in favor of the worst case. However, it is difficult to conceive of conditions which might improve the outlook significantly."

16. The documents discussed above in this Affidavit strongly corroborate the responsible opposing scientific opinions set forth in the affidavits of David M. Evans, Dr. Robert Mueller and Dr. M. Nafi Toksoz, submitted by plaintiffs in this action. Although the affidavit is directed only to the four documents revealed solely to the attorneys or plaintiffs, and not to those documents made public by the District Court, it should be emphasized here that the public documents also corroborate the above-mentioned affidavits, although less dramatically. (For example, on page 18 of the Effects Evaluation document, it is stated that the collapse of the cavity after the Greeley event did not occur for a period of nine months, although that detonation took place in the same type of rock as encountered at Amchitka. The significance of any delay in the collapse of the cavity and subsequent cooling of the said cavity is discussed in detail in the affidavit of Dr. Mueller. Basically, a failure to collapse results in sustained high temperatures within the cavity which greatly enhance the dissolution of radionuclides in water and facilitates their escape to the surface.)

The legal significance of the failure of the Commission to include the opposing scientific opinions discussed in their own documents, as well as in the affidavits submitted by plaintiffs in this action, is discussed in plaintiffs' brief on their current appeal.

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## AFFIDAVIT BY NAFI TOKSÖZ

[U.S. District Court for the District of Columbia, Civil Action No. 1346–71]

The Committee for Nuclear Responsibility, Inc., et al., Plaintiffs, against Glenn T. Seaborg, et al., Defendants.

M. Nafi Toksöz, being duly sworn, deposes and says:

1. I am presently a professor of geophysics at the Massachusetts Institute of Technology, and have held this position since 1965. My primary area of specialization is in the fields of geophysics and seismology, in which area I have published about fifty papers in various scientific journals. Six of these papers have been directly concerned with seismic wave generation by nuclear explosions. My educational background includes a Bachelor of Science degree from the Colorado School of Mines, and an M.S. and Ph.D. in Geophysics from the California Institute of Technology.

2. I began studying the relationship between underground nuclear detonations and tectonic strain release in 1962, and since that time I have analyzed the characteristics of approximately twenty-two underground nuclear explosions detonated in this country. I am familiar with the seismicity and general tectonics of the Aleutians and the Amchitka area.

3. For purposes of clarification, the release of tectonic strain is normally defined as an earthquake when it occurs suddenly, and in the case of nuclear explosions, we have reason to judge that this release occurs concurrently with the explosion, induced by the explosion, so that one might consider it an explosion plus an earthquake occurring simultaneously. Explosions have the capability of releasing varying degrees of tectonic strain energy. This essentially means that the explosion triggers an earthquake with after-shocks of varying degrees of energy, and the intensity of the earthquake and after-shocks is determined by the geologic properties of the medium and the tectonic stress characteristics. The latter is related to general tectonic framework and the plate tectonics.

4. The Environmental Impact Statement for Cannikin states at page 3 that, ". . . an explosion at Amchitka will not trigger a large earthquake (defined as one releasing as much or more seismic energy as the explosion itself) unless the occurrence of such an event is imminent, very near to the test site." The above quotation implies that no major earthquake will be triggered by the detonation of Cannikin unless such an earthquake would have happened in the immediate future irrespective of the detonation. However, tectonic stresses in an area may remain the same for a very long time without being released as an earthquake unless this stress field is disturbed. In other words, while it is true that a major earthquake would not be triggered by Cannikin if there were no existing tectonic stresses, it does not necessarily follow that these stresses would be released as an earthquake without the triggering force of the Cannikin detonation.

Examples of this type of phenomenon are numerous: the Rocky Mountain Arsenal and Denver earthquakes; the recent earthquakes in Koyna, India, and Kremasta, Greece, considered to be caused by the filling of reservoirs; and, of course, the after-shock activity and tectonic strain release associated with underground nuclear explosions in Nevada.

5. It is to be noted that the above quotation from page 3 of the Environmental Impact Statement was directed to large earthquakes, defined as ones releasing as much or more seismic energy as the explosion itself. The Impact Statement notes that the possibility of such an occurrence is "very unlikely" (page 3). While the probability of such a large earthquake being triggered by Cannikin is not great, it is certainly not inconsiderable and the use of the words "very unlikely" overly minimizes the danger of such an event occurring.

The Pile Driver and Hardhat detonations in Nevada both caused a release of tectonic strain energy ten times greater than the seismic surface wave energy of the explosions. While these detonations took place in a harder medium than that which surrounds the proposed Cannikin detonation, they indicate the extent to which a given underground nuclear detonation may trigger earthquakes of considerably greater energy than the seismic energy of the explosion. There have also been several explosions that were detonated in Nevada in tuff or rhyolite, geological materials similar to Amchitka volcanics. Among these explosions, Greeley released 3.4 times as much seismic surface wave energy due to tectonic release as due to the explosion. In other words, the earthquake associated with the Greeley explosion had 3.4 times as much surface wave energy as did the seismic surface waves generated by the explosion itself. With this scaling, Cannikin could release as much or more tectonic strain energy as the explosion-generated seismic energy in the surface wave spectral range.

On page 55, the last sentence of the first paragraph of the Environmental Statement states that, "This type of event differs from the premature triggering of a large natural earthquake (having more seismic energy than the explosion itself) which has never been observed from an underground nuclear test." However, on the basis of the Nevada experience, it is clearly possible to have an earthquake with larger energy than the explosion itself in a medium similar to that of Amchitka Island. To provide an idea of what this means with reference to Cannikin, the estimated surface wave magnitude of Cannikin would be approximately equal to that of the Los Angeles earthquake of 9 February 1971. If we apply our factor of 3.4 obtained from the Greeley detonation, we are talking about a possible earthquake with 3.4 times more energy than the Los Angeles earthquake.

6. Throughout the Environmental Statement, the experience gained from the Milrow detonation is relied upon in predictions of the seismic aftereffects and environmental impact of Cannikin (see, e.g., pages 32–34, 55). On page 55 of the Environmental Statement, it is stated that, "It is expected that the only observable effect from Cannikin will, again, be a cluster of small after-shocks in the vicinity of the explosion site."

In addition to the unreliability of attempting to extrapolate from a 1-megaton detonation to one of 5 megatons, the Milrow detonation occurred approximately 8 kilometers from the Cannikin site and, even at this distance, the tectonic release characteristics and seismic effects may differ significantly. This is primarily due to the existence of geologic and stress variations in the earth's crust from one place to another.

To give several relevant examples, two shots were detonated less than 1 kilometer (2,000 feet) to the north and east of Baneberry (see page 17, Environmental Statement). Despite these detonations in the immediate vicinity, large-scale venting occurred upon the detonation of Baneberry because the A.E.C. was unaware that the geologic substructure at the Baneberry site was water-saturated. Thus, two detonations in the immediate vicinity of Baneberry were insufficient to provide the data necessary for a safe detonation. It should be noted that Cannikin is over eight times more distant from the Milrow test site.

With reference to the above-mentioned Greeley detonation, the site for that explosion was approximately 5 kilometers from another test site, that of Boxcar. Greeley released over three times as much tectonic strain energy as the explosion surface wave energy, while Boxcar released less than one-half. Detonations were in volcanics, the size was approximately the same, and there is nothing that would differentiate these explosions as to yield, over-all location, and general characteristics. Yet the tectonic strain energy and release characteristics were altogether different. If from this experience we extrapolate to Amchitka, I do not think there is any assurance that Cannikin will have the same tectonic strain release characteristics as Milrow. As the estimate of environmental damage due to seismic activity has been projected from the data gained from Milrow experience, and since, as mentioned above, this data is limited both in extent and relevance, it is vital that the effects of a significantly differing tectonic strain release pattern be considered.

7. As was shown by the studies conducted in Nevada, the fault length and after-shock area of explosion-induced seismic waves generally depends on the size (yield) of the explosion. (F. A. McKeown and D. D. Dickey, "Fault Displacements and Motion Related to Nuclear Explosions," Bulletin of the Seismological Society of America, Vol. 59, pp. 2253–2269 (1969).) From the experience of the explosions in Nevada, it is reasonable to predict faulting with maximum linear dimensions of between 10 and 35 kilometers as a result of the Cannikin event. This means that the faulting could extend well beyond

the limits of the Island and into the sea floor. The displacements across these faults, the exact length and the exact location cannot be predicted beforehand. However, most of the faulting that has been mapped in Amchitka Island runs more or less perpendicular to the structure of the Island. Since the Island is approximately 3 to 7 kilometers wide, the resultant faulting that is to be expected from Cannikin would clearly extend well beyond the land boundaries of Amchitka. While the effects of these faults cannot be evaluated with certainty, they raise problems relating to containment which have not been evaluated in the Environmental Impact Statement.

In addition, the Atomic Energy Commission, in its Environmental Impact Statement, on page 19, says that "In order to assure adequate containment of radioactivity, it is necessary to provide . . . adequate distance from faults . . ." However, there could be faults undetected by the surface geological mapping (note reference to suspected faults, pp. 19-20, Environmental Impact Statement), and there is no assurance that such faults do not exist. There is also no assurance that faulting at or near the detonation point may not take place due to subsequent natural earthquakes.

8. The Aleutians are one of the most active seismic areas of the earth. Large numbers of earthquakes of different magnitudes occur in most parts of the island chain. As a result of these, it is reasonable to assume that tectonic stresses are being accumulated and released by these earthquakes in the general area. The Atomic Energy Commission, in the Environmental Impact Statement, recognizes that, "That Aleutian Island chain is a region of intense seismic activity. In a typical year, several earthquakes of magnitude 6 or greater occur . . . with a great number of small quakes."

However, in the absence of reliable techniques of measuring stresses in situ, it is not possible to determine the stress characteristics of the general region where Cannikin will be detonated. Stresses due to the Cannikin explosion (which could be as much as 20 bars at a distance of 25 kilometers from the explosion point) would interact and modify the existing stress patterns in the general area. Even if this did not result in immediate occurrences of major earthquakes it could still alter the future seismicity of the region, the effects of which are not discussed in the Environmental Impact Statement.

Because of the above-mentioned active seismic nature of the general area, there is always the likelihood of intermediate and large earthquakes in the general region of Cannikin. The ground displacements and faulting associated with these natural earthquakes could interfere at any time during a period of years with the containment of radioactive products produced by the Cannikin explosion, creating faults which could provide migration paths for the radionuclides to the ocean. The problems relating to containment caused by the admitted occurrence of frequent natural earthquakes in the Amchitka area, earthquakes unrelated to the occurrence of the detonation itself, were not at all considered by the Atomic Energy Commission in the Environmental Impact Statement. Since such earthquakes, with the accompanying faults, occur frequently in the Aleutians, this element has a direct bearing on the likelihood of successful containment and the time scales estimated in the Impact Statement for the migration of radionuclides to the surface.

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[U.S. District Court for the District of Columbia, Civil Action No. 1346-71]

### AFFIDAVIT BY ROBERT MUELLER

The Committee for Nuclear Responsibility, Inc., et al., Plaintiffs, against Glenn T. Seaborg, et al., Defendants.

Robert Mueller, being duly sworn, deposes and says:

1. I am presently a Senior Scientist at the Goddard Space Flight Center in Greenbelt, Maryland, a research center for the National Aeronautics and Space Administration. My primary fields of research at Goddard are planetology and geochemistry, with emphasis on physical chemistry as applied to natural systems.

2. Prior to my work with NASA, I taught and did research in the areas of petrology and mineral chemistry at the University of California and the University of Chicago. My Ph. D. in geology was received from the University of Chicago.

3. During the past decade, deponent has published more than 50 papers in various professional journals, among them *The American Journal of Science, Journal of Geology, Science, Geochemica et Cosmochemica Acta, The Journal Encyclopedia of Earth Sciences* and *The Encyclopedia of Chemistry*.

4. I have read the final Environmental Statement written by the Atomic Energy Commission for project Cannikin, and believe that there exist serious omissions and incorrect assumptions made relative to the geochemical aspects of the containment of the underground detonation. (See pages 18 to 25 of the Environmental Statement.)

5. The basic principles of physical chemistry would seem to contradict the Environmental Statement's assumption that "Most of the radioactive material associated with the detonation will be incorporated into and trapped in rock melt, or will be adsorbed onto the surfaces of rock material. Most material will therefore be essentially retained in the bottom of the explosion zone." (p. 22).

6. In addition to the vagueness of terms such as "material" and "essentially," the geochemistry of the thermodynamic aspects of the stability and solubility of minerals and constituents does not appear to have been seriously considered. The bald statements that adsorption will take place and that radioactive isotopes will combine with the gaseous compounds and condense to form a glass-like material inside the cavity (pp. 18-19) are made with no attempt to justify such a conclusion. There is no support for this contention in the literature referred to by the A.E.C. in the Environmental Statement; indeed, no references are made in their 10-page bibliography to any pertinent articles in the field. This is unsettling at best, since there would appear to be an excellent chance that containment will not occur in the manner contemplated by the Environmental Statement.

7. In a chemical sense, containment has two aspects: (1) the degree of mobilization of the radionuclides in the sense of their dissolution from the rock or melt into the aqueous fluid and (2) the transport of this radionuclide-containing fluid away from the detonation site. While the second aspect, the transportation away from the site, is poorly treated, the first aspect of the problem involving dissolution of the radionuclides is virtually ignored in the Environmental Statement.

8. There are two principal mechanisms which have to be considered in relation to the aspect of the containment problem mentioned above: (1) dissolution of all the elements of the crystal, and (2) exchange of the radionuclides in the rock minerals and the aqueous fluid.

The first mechanism involves the dissolution of all the components of feldspar mineral which are the major constituents of the Amchitka rocks. The components are potassium, sodium, alumina, silica, oxygen, also calcium. In dissolution of the minerals, all these components go into the solution in the aqueous phase. This dissolution is enhanced by high temperatures and pressures such as will prevail at the point of detonation.

Adsorption on rock surfaces is significant only at low temperatures (room temperature or lower). At high temperatures (800° C), equilibrium is rapidly achieved between the water phase and the body of the rock. At such temperatures, all rock constituents including the radioactive material will go into solution in the water phase. This tendency to dissolve increases with temperatures and water pressure (Morrey & Hesselgesser, *Econ. Geol.* 46, 821, 1951; Ellis & Mahon, *Geochimica Acta,* 28, 1323, 1964—and others) and will occur both for glass and for crystalline rocks. Thus the mechanism of adsorption it totally erroneous applied here (p. 22, Environmental Statement) and only the term solubility should be used. The quantity of radioisotopes adsorbed by rock surfaces will be negligible compared to those dissolved within the phases. At 800° C. or greater (basalt melts at 110° C), the glass predicted at Pages 18-19 of the Environmental Statement is rapidly converted to crystals and equilibrium with respect to solubilities is achieved on a time scale of hours to months in most silicate systems in the presence of water. It must be kept in mind that if glass does not form and the melt crystallizes, most constituents will be less soluble in the crystals than in the glass. If glass forms initially and then devitrifies this material (including the radioisotopes) will be rejected into the water phase. (Nobel, Smith and Peck, Geochimica et Cosmochimica Acta, 31, 215, 1967. There is a voluminous body of literature in experimental physical chemistry and geochemistry on the solubility of radionuclides such as potassium and cesium in heated aqueous solutions such as will prevail at the test site. In addition to those works already mentioned above are such examples as Orville, 1963; Garrels and Howard, 1959; Gruner, 1944; Hemley, 1959, Morey and Chen, 1955; O'Neil, 1948; Wyart and Jabatier, 1956, and numerous others.)

9. The second mechanism is operative in saline waters such as are postulated to be present at the point of detonation by the A.E.C. at page 22, para. 1, of the Environmental Impact Statement. This mechanism involves the exchange of radionuclides in the rock, glass or melt with the aqueous solution. As saline solutions come in contact with the rock or melt, typical radionuclides such as potassium and cesium will exchange. In the exchange, potassium or cesium ions move out of the mineral rocks and pass into the surrounding saline solutions. Sodium ions in the solutions pass into the crystal minerals of the rock and the potassium and cesium go into solution.

This exchange reaction results in net displacements of radionuclides from the minerals into the surrounding solutions. The radionuclides are thus made available for transport out of the systems or away from the site of detonation.

10. The mechanism of exchange is well documented in the scientific literature. The pertinent experiments have been conducted over a broad range of temperatures and pressures which completely bracket conditions which will prevail after the detonation. For example, the works of J. W. Gruner, 1944, "Hydrothermal alternation of feldspar in acid solution between 300 and 400° C": *Econ. Geology,* vol. 39, pp. 578-589, and T. F. O'Neil, 1948. "The hydrothermal alteration of feldspars at 250-400° C": *Econ. Geology,* vol. 43, pp. 167-180; found that natural alkali feldspar react with aqueous alkali salt solutions.

11. Other references and documental experiments that bear on this problem are that of R. M. Garrels, and Peter Howard, 1959, "Reactions of feldspar and mica with water at low temperature and pressure": *Nat. Conference on Clays and Clay Minerals,* 6th, Proc., pp. 66-68; J. J. Hemley, 195. "Some mineralogical equilibria in the system $K_2O$-$Al_2O_3$–$SiO_2$-$H_2$)": *Am. Jour. Sci.,* vol. 257, pp. 241-270; G. W. Morey, and W. T. Chen (1955). "The action of hot water on some feldspars": *Am. Mineralogist,* v. 40, pp. 996-1000; Jean

Wyart and G. Sabatier 1956a, "Mobilities des ions alkalins at elcalino-terraux dans les feldspaths:" *So. Franc. Mineralogie Bull.*, vol. 79, p. 444–448; 1955. "Transformations mutuelles des feldspars alkalins; reproduction du microcline et de l'albite:" *Soc. Franc. Mineralogie Bull.*, vol. 79, p. 574–581. Two references 56A and 56B. One of the most recent documents is the comprehensive work of Philip M. Orville entitled, *Alkali Ion Exchange Between Vapor and Feldspar Phases.*

12. The experiments to which I refer here are parts of the great body of scientific literature and have withstood the severe critical scrutiny of the scientific community. The experiments described are so difficult and far-reaching that they would be extremely difficult for the A.E.C. to duplicate in the allotted time. Also, these experiments represent the highest order of experimental work since they involve the obtainment of chemical equilibrium values. They are thus set apart in quality from the experiments cited by the A.E.C.

The importance of equilibrium vs. nonequilibrium experiments is that equilibrium experiments provide a baseline for evaluating phenomenon which occur under a variety of conditions other than those of the experiment. They thus have a high degree of prediction value because equilibrium implies that their experiment can be repeated under the same physical conditions. This does not mean that their predictive value is confined to equilibrium conditions; they provide the direction in which all systems trend spontaneously.

In the experiments cited by A.E.C., the time scale is short and equilibrium was not established, consequently they have small predictive value for situations different from those of the experiment. For example, as a certain quality of radionuclide is leached in 16 hours in a leaching experiment, it is difficult or impossible to predict the quantity which will be leached in 16 days or 16 months. The latter time scales are of greater significance in the case of CANNIKIN than the short time scales cited in the A.E.C. experiments. At that, the leaching experiments fail to support the A.E.C., but actually show substantial leaching of radionuclides.

13. Although the mechanisms of dissolution and of exchange of the radionuclide components are effective at the relatively low temperature of 200° C, these mechanisms are greatly enhanced as the temperature increases. For example, if typical sodium chloride saline solution is in contact with a feldspar crystal, an increase in temperature will require that more potassium move out of the crystal into the saline solutions. This effect is particularly marked between 500° and 900°C. (Orville [1963]) Since the temperatures which will prevail at the point of detonation are those of molten basalt which is approximately 1100° C, it can be seen that temperatures will be ambiently high for a substantial movement of radionuclides such as those of potassium and cesium into the associated saline solutions. Reference: Eugster (1955), the exchange of cesium and potassium between $H_2O$ vapor and feldspar crystals.

14. The chief failing of the Environmental Impact Statement is that it fails even to mention any of the many references to this great body of literature, nor does it describe equivalent experiments by the A.E.C. The field of geochemistry is virtually ignored, and there is a great void in the discussion of containment in the Environmental Impact Statement. This body of knowledge is vitally important to the problem of containment, not only because it brackets the temperatures and pressures which will prevail after detonation, but also because of the feldspar minerals in major components of the basaltic rocks present at the test site.

The cited equilibrium experiments are also important in fixing the time scales under the exchange, and chemical dissolutions can occur. Time scales carefully determined through experiments, refute the A.E.C.'s contention that the radionuclides will be trapped in the rock or melt (p. 22, Environmental Impact Statement). For example, in the work of Orville (1963), it was found that equilibrium was usually obtained in less than 300 hours. It should be noted first, that this time scale is long relative to the time scale of leaching experiments cited by the A.E.C. This means that the experiments were relatively much more difficult than the leaching experiments. However, it should be noted that the time scale of 300 hours or less is short when compared to the probable time scale of cooling of the molten rocks at detonation point. In other words, although the A.E.C.'s experiments cannot tell, then, what will happen during the time scale of cooling the equilibrium experiments, some of the referenced literature can tell us this very precisely.

15. In the matter of adsorption which is invoked by the A.E.C. to trap the radionuclides in the vicinity of the detonation (see p. 22, Environmental Impact Statement), it is interesting that adsorption phenomenon are never taken into account in the equilibrium experiments cited. The reason that adsorption is not considered in evaluating those experiments is that there is no evidence that it is operative to any sufficient degree. There just is not enough adsorption at temperatures above 200° C to show up. In fact, the phenomenon at adsorption is not significant in the A.E.C.'s own leaching experiments. Furthermore, adsorption is a mechanism which is never deemed significant in high temperature silicate experiments.

16. The high temperatures necessarily incurred as a result of the detonation of a nuclear warhead underground also mitigate against the formation of "a glass-like material inside the cavity" (pp. 18–19, Environmental Impact Statement).

Briefly stated, the formation of glass demonstrates rapid cooling. Cannikin is to be exploded at a greater depth and will be larger than any previous blast; both features contribute to a slower rate of cooling, assuming communication with the surface is restricted. Thus no glass may form, or if it does form initially it may devitrify in a short time, perhaps in hours or days. If, on the other hand, rapid cooling does occur in such a deep hot cavity, the A.E.C. is faced with explaining how this happens. Almost certainly rapid cooling of such a large mass would require fluid transfer to move the heat since conduction is too slow. But this again implies rapid movement of fluids through the rock and probably exchange with the surface. This is especially significant since the fluids (water solutions) accomplishing this heat transfer would have heavy radioactive content due to the dissolution and exchange mechanisms described above. See paragraphs 7–9, 13, *supra.*

17. It should be emphasized again that, although the A.E.C. insists that the radionuclides will be trapped inside of the rock, or glass, or on the surfaces of the rock and glass fragments, the cited experiments, including the A.E.C. leaching experiments, show just the opposite. They show, in fact, that when other saline or non-saline aqueous solutions are in contact with silicate rocks or glass on a time scale of the order of 300 hours or less, chemical equilibrium exchange of radionuclides takes place between the aqueous solutions and the deep interiors of the mineral crystal, such as feldspar and other phases, making those constituents available to the aqueous phase for subsequent transport away from the detonation site. Reference: American Journal of Science—May 1968—K. L. Currie, *On the Solubility of Albite in Supercritical Water in the Range 400 to 600° C and 750 to 3500 Bars*, and experiments and articles cited above.

18. While this brief outline of some of the most basic questions and problems is necessarily limited and incomplete, it may serve to emphasize the extent to which the Atomic Energy Commission has failed to discuss even the most obvious variables in the problem of containment. An unlikely conclusion is stated in the Environmental Statement with no evidence or documentation presented in support of it, while the great weight of scientific opinion has reached differing conclusions as a result of extensive and carefully controlled equilibrium experiments. These experiments indicate that rather than remaining trapped, radionuclides will either be dissolved directly in the water or, through the mechanism of exchange, be removed from the interior of the crystals or glass (if any) and pass into the water solution. This is especially significant, since migration of radionuclides to the surface is greatly enhanced when they are in water solution.

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[U.S. District Court for the District of Columbia, Civil Action No. 1346–71]

AFFIDAVIT BY ROBERT MUELLER

The Committee for Nuclear Responsibility, Inc., et al., Plaintiffs, against Glenn T. Seaborg, et al., Defendants.

Robert Mueller, being duly sworn, deposes and says:

1. That deponent's background and qualifications are set forth in paragraphs 1–3 of deponents' annexed Affidavit of this same date.

2. This Affidavit is in reply to the Affidavit of Gary H. Higgins dated October 13, 1971, and received by plaintiffs in this action on October 23, 1971.

3. In response to Dr. Higgins' statement that he does not believe deponents' contentions have appeared in any scientific or other publications (paragraph 2), deponent respectfully refers this Court to the annexed Affidavit in particular, to paragraphs 3, 8, 10, 11, 13 and 17 thereof. Deponent believes that he need not make separate reference to his prior Affidavit of August 25, 1971, as the content of that Affidavit has been incorporated almost in toto in the annexed Affidavit for the convenience of this Court.

4. With reference to paragraphs 4 through 8, Dr. Higgins' Affidavit, I believe it is necessary to clarify for the Court the significance of the estimated time scales involved. Dr. Higgins is quite correct when he states that the temperature of the cavity will eventually cool to a temperature in the vicinity of 250° C. The crucial question is when this will happen and what will take place before it happens.

5. Immediately after detonation, the cavity will contain a vapor with a temperature in the one million-degree range. This temperature will cool through the mechanism of radiation fairly rapidly until it reaches the 2000–3000° C range. The cooling then becomes progressively slower as the temperature lowers approaching equilibrium.

6. In paragraph 8 of his Affidavit, Dr. Higgins states that, "Temperatures of 250° C rather than 800° C are probably representative of actual cavity conditions a few hours after the explosion." However, in paragraphs 4 and 5 of his Affidavit, Dr. Higgins states that lowering the temperature to this range is dependent upon the collapse of the cavity and the filling of the cavity with cold rock from above. The time when this collapse will occur is quite uncertain, and could well be a matter of days. On page 50 of the Environmental Impact Statement for Cannikin, the Atomic Energy Commission states, "Eventually, after a period which cannot be predicted exactly but which may be a day or so the unsupported rock arch above the cavity will collapse, . . ."

7. A day is an immense amount of time if considered relative to the question of whether radionuclides will go into water solution through the mechanisms of either dis-

solution or exchange (see my annexed Affidavit, paragraphs 8 and 9). As stated above, temperature reduction from 2000° C to 1000° C range will take a significant amount of time, and will almost certainly remain above the 1100° C point throughout a period such as the day postulated by the Atomic Energy Commission. If the cavity collapse is delayed beyond this period, as the Atomic Energy Commission indicates is certainly possible, the temperature will remain in the 750° C to 1000° C range for a matter of days. This decline in temperature could be accelerated by the admission of a large volume of water to the cavity, but such an event would facilitate and enhance the processes of dissolution and exchange referred to in the annexed Affidavit.

8. The chemical reaction to effect the exchange of potassium and cesium with the sodium in the water solution or water vapor will take place in a fraction of a second at the very high temperatures which will be present in the cavity after the detonation. The time required for this chemical reaction will gradually increase into seconds as the temperature of the cavity drops and cools. However, in the 1000° to 2000° C range, which will be present in the cavity prior to collapse, the mechanisms of exchange and dissolution of radioisotopes into water solution will occur in a matter of seconds. The vapor itself, which the Atomic Energy Commission claims will fill the cavity immediately after detonation, will consist of a vaporization of the water that had been in the rocks. Many of the radioactive ions will remain in the water that condenses from this vapor.

9. Thus it can be seen that the mechanisms of dissolution and exchange can and will take place for a considerable length of time before the cavity has collapsed and the temperature cooled to the 250° C postulated by Dr. Higgins. However, it should be pointed out that even at 250° C, the same mechanisms of dissolution and exchange will still take place. The significance of this drop of temperature is that the chemical reactions will take a considerably longer length of time to occur than was the case prior to such a drop in temperature. A reaction that was a matter of minutes or seconds at the extremely high temperatures prior to collapse will still occur at the lower equilibrium temperatures indicated by Dr. Higgins, but the chemical reactions would then be effected on a time scale on the order of a month or months, depending upon the temperatures prevailing and the nature of the solutions. As some of the radionuclides involved in the above-mentioned mechanisms of dissolution and exchange have half-lives which may be measured in terms of decades rather than months, the fact that these chemical reactions may take a month or months to take place at the lower ambient temperatures mentioned in Dr. Higgins' Affidavit certainly does not preclude their possible migration and escape.

10. With reference to paragraphs 8 and 9 of the Higgins Affidavit, Dr. Higgins states at the beginning of paragraph 8 that my belief that adsorption on rock surfaces will be very slight is based on the conclusion that cavity temperatures will remain high. In this, Dr. Higgins is partially correct. I do believe that cavity temperatures will remain high, certainly high enough to completely inhibit the mechanism of adsorption which does not take place to any significant degree at temperatures above room temperature. As stated in the annexed Affidavit at paragraph 15, the mechanism of adsorption was not only not considered significant in the experiments cited throughout the annexed Affidavit, but was also not considered significant in the Atomic Energy Commission's own leaching experiments. A cavity temperature of 250° C, such as postulated by Dr. Higgins in his Affidavit, would prohibit all but a negligible and insignificant amount of adsorption.

11. In addition, the mechanism of adsorption, while dependent upon cooling to room temperature levels, also requires pervasive penetration of the porous spaces of the rock by fluid. This process requires prolonged and intimate contact by the fluid with the grains in the rock. The Atomic Energy Commission's theory of adsorption is thus dependent upon an extremely slow diffusion of the water solution involved, a slow filtering through porous rock, a process whose time scale is measured in terms of years. Such a process is not at all consistent with the cracks and fissures which the Atomic Energy Commission admits will exist around the cavity after detonation (see, e.g., page 22, Environmental Impact Statement). A water solution enhancing the migration of radionuclides will not achieve the prolonged and intimate contact necessary for adsorption if such cracks and fissures are available for it to move through. These same cracks and fissures also permit the escape of the water solution long before temperatures in and around the cavity have an opportunity to cool to a range permitting any significant degree of adsorption.

12. With reference to paragraph 11 of Dr. Higgins' Affidavit, deponent respectfully refers this Court to the clear delineation of the adverse effects on containment set forth in the annexed Affidavit, as well as in the present one.

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### Certificate of Service

I certify that on the 28th day of October, 1971, I hand delivered a copy of the annexed Affidavits of Dr. Robert Mueller to: Thomas McKevitt, Esq., Department of Justice, 9th Street and Constitution Avenue, who is attorney for the Defendants in this action.

James A. Burke.

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[U.S. District Court for the District of Columbia, Civil Action No. 1346–71]

### Affidavit by James A. Burke

The Committee for Nuclear Responsibility, Inc., et al., Plaintiffs, against Glenn T. Seaborg, et al., Defendants.

James A. Burke, being duly sworn, deposes and says:

1. That he is associated with the firm of Winer, Neuburger & Sive who, along with Harold P. Greene, Esq., Suite 1000, The Watergate Six Hundred, 600 New Hampshire Avenue, N.W., Washington, D.C. are attorneys for the plaintiffs in this action.

2. The annexed affidavit of David M. Evans is being submitted to this Court at this time without his signature. Mr. Evans is presently at the Colorado School of Mines in Boulder, Colorado. This affidavit was prepared from extensive notes left with your deponent by Mr. Evans, with changes from the form of his draft having been made solely for the sake of presentation to this Court in affidavit form. A copy of this affidavit was read slowly and carefully to Mr. Evans over the telephone and Mr. Evans then proposed and dictated any and all changes in wording and content that he felt were desirable. The affidavit now being presented to this Court incorporates all of the above-mentioned changes in wording and content desired by Mr. Evans. The affidavit in its present form was then again read in its entirety to Mr. Evans over the telephone, and Mr. Evans has authorized its presentation to this Court in its present form.

3. The original of this affidavit is, at this moment, in the process of being hand-delivered by air messenger to Mr. Evans to obtain his notarized signature. It will then be returned by air messenger to the attorneys for plaintiffs in this action, immediately thereafter to be delivered to this Court.

4. Your deponent believes that, in view of the intense time pressures now existent in the present action, it is both necessary and desirable to avoid, if possible, any further delay which would be occasioned by waiting until we have received a signed and notarized copy of the original affidavit. Deponent is therefore submitting the affidavit of Mr. Evans to this Court in its present form and attests that a subsequent identical copy with the notarized signature of Mr. Evans subscribed will be before this Court as soon as your deponent receives it upon its return from Colorado.

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[U.S. District Court for the District of Columbia, Civil Action No. 1346–71]

The Committee for Nuclear Responsibility, Inc., et al., Plaintiffs, against Glenn T. Seaborg, et al., Defendants.

### Affidavit by David M. Evans

David M. Evans, being duly sworn, deposes and says:

1. Deponent is a Certified Professional Geologist with thirty-five years of experience in locating the situs and tracing the movement of underground fluids throughout the United States, Canada and Mexico. Your deponent received a degree in Geological Engineering in 1936 from the Colorado School of Mines.

2. Deponent is the author of numerous geological papers published by, among others, the Geological Society of America, the American Geological Institute, the Colorado School of Mines, the Rocky Mountain Association of Geologists, and the American Association for the Advancement of Science.

Deponent is also a member of the American Institute of Professional Geologists, the American Association of Petroleum Geologists, the Rocky Mountain Association of Geologists (past president), the Wyoming Geological Association, and the American Association for the Advancement of Science, as well as being listed in *American Men of Science*.

3. It has been demonstrated that earthquakes can be triggered by raising subsurface groundwater fluid pressure. This subsurface fluid pressure may be raised through varying mechanisms. Damaging earthquakes, for example, have been triggered by raising underground fluid pressures through the filling of reservoirs, as in Kremasta, Greece, in 1966, and Koyna, India, in 1967. The Baldwin Hills Dam disaster in Los Angeles was caused by pumping into a nearby oil field. Your deponent demonstrated in 1965 that it was rising underground fluid pressures caused by pumping into a deep well which was causing the series of about 750 earthquakes which had occurred throughout the Denver area since 1962.

4. In view of the proven ability of increased subsurface fluid pressure to cause earthquakes, your deponent disagrees with the quotation on page 54 of the Environmental Impact Statement which states that, "An explosion will not trigger a large earthquake (defined as one releasing as much or more seismic energy than the explosion itself) unless the event is detonated near such a fault on which an earthquake of this magnitude is imminent." A significant rise in underground fluid pressure may cause an earthquake where none was imminent prior to such a rise in pressure (see, for example, Koyna and Kremasta, paragraph 3 above). This phenomenon comes about through the operation of the Hubbert-Rubey pore pressure effect; that is, as underground fluid pressure is raised, the frictional resistance between blocks of rock approaches zero.

"The rock medium surrounding Cannikin is fully water-saturated . . ." (page 18, Environmental Impact Statement), and this volcanic geologic substructure is replete with "faults", "fissures", "cracks" and "crevices" (pp. 19–24, Environmental Impact Statement).

In Denver, raising the fluid pressure 500 pounds per square inch triggered crustal movement recorded as earthquakes. The underground detonation of Cannikin is projected to create a cavity containing rock vapor at a pressure of 15,000,000 pounds per square inch (Dr. James E. Carothers, Lawrence Radiation Laboratories, "Hearings on Amchitka Nuclear Tests, Anchorage, Alaska, CONGRESSIONAL RECORD, June 4, 1971, p. 18095. After the Milrow event of 1 megaton, water geysers were seen 4,300 feet from ground zero along streams and lakes, and along the shore of the island (Ballance and Dudley, "Hydrologic Effects of the Milrow Event," U.S.G.S. 474–71; page 51, Environmental Impact Statement). These geysers were the result of underground fluid pressure created by the 1-megaton Milrow event.

5. The Aleutian Island chain is a region of intense seismic activity (see, e.g., page 52, Environmental Impact Statement) with the geologic substructure of the Amchitka area under significant tectonic stress due to the constant ground movement in the area. The operation of the above-mentioned Hubbert-Rubey pore pressure effect (see paragraph 3, *supra*) as a result of the immense underground fluid pressures created by the 15,000,000 psi within the cavity created by the Cannikin detonation could very well trigger crustal movement beneath Amchitka resulting in an earthquake of significantly larger magnitude than the explosion. An earthquake caused in this manner need not have been imminent immediately prior to the detonation. The above-mentiond earthquakes in Denver and Koyna, India, took place in very stable areas, where there is no reason to suspect that an earthquake would take place due to natural causes.

It should be noted at this point that your deponent is differentiating between a discussion of "triggered" earthquakes involving the instantaneous release of tectonic strain energy occurring simultaneously with the detonation, and the lack of discussion of a drastic rise in underground fluid pressure causing crustal movement and resulting in a large (magnitude 7.4-plus) earthquake after the event.

6. The Atomic Energy Commission, in the Environmental Impact Statement, states that they believe the risk of a damaging tsunami (popularly referred to as "tidal wave") is negligible. However, this prognostication is based upon a belief that "The principal mechanism of wave generation is uplift or subsidence of the sea floor directly involved in earthquake source motion" (page 57, Environmental Impact Statement). Since the Atomic Energy Commission apparently believes that this type of motion is unlikely to occur to any great extent, they follow this assumption to its logical conclusion, namely, that the possibility of a damaging tsunami is negligible.

However, in a report on marine geophysical aspects of the Milrow event, it is stated that "... large tsunamis may be generated by slumping of unstable sediment or by movement along faults, and because both of these events might be triggered by a nuclear test ..." (vonHuene and Carr, "Summary of Marine Geophysical Studies for the Milrow Event," *Geologic and Hydrologic Effects of the Milrow Event, Amchitka Island, Aleutian Islands, Alaska,* U.S.G.S. 474–71, page 66). The above mentioned report also sets forth evidence of sediment on the Aleutian Terrace and Trench which might become involved in large submarine slumping and resultant tsunamis after the detonation. References throughout the Environmental Impact Statement to such events as "rockfalls and earthslides" (page 2), "vertical displacement of the flat marine terrace" (page 51) and "sea floor displacement" (page 51), indicate that the slumping of such unstable sediment is quite likely.

8. In 1946, the worst tsunami on record to strike the Hawaiian Islands occurred following an earthquake in the Aleutian Islands of magnitude 7.4. It is considered that this earthquake involved movement on a thrust fault which broke the ocean floor, thus creating an extremely damaging tsunami. Von Huene and Carr, at page 70 of the report, mentioned above in paragraph 7, state that a seismic profile indicates the possibility of such thrust faults in the Aleutian Terrace or Trench offshore from Amchitka.

Since the Milrow event triggered fault movement (U.S.G.S. 474–71, *supra*) and movement along faults is predicted to take place upon the detonation of Cannikin (page 51, Environmental Impact Statement), and since movement along faults emerging into the Aleutian Trench and offshore from Amchitka has been established by seismic profiles and lineations in aerial photographs following Milrow (U.S.G.S. 474–71, *supra*), I believe there is a definite possibility that crustal movement triggered by the enormous fluid pressure rise caused by the Cannikin detonation will involve movement along these thrust faults. The result of such movement could be a damaging tsunami such as the 1946 event triggered by an earthquake of magnitude 7.4.

9. In view of the above considerations, your deponent is convinced that the degree of probability that a tsunami will follow and be caused by the detonation of Cannikin is greater than is indicated in the Environmental Impact Statement, and that there should be discussion in the Impact Statement of the above features as they relate to tsunamis.

10. In considering the transport and migration of radionuclides in groundwater from the cavity to the surface and, in particular, to the ocean, the Environmental Impact Statement states on page 24, paragraph 3: "A third mechanism involves the very unlikely assumption that the water within the cavity-chimney system becomes completely mixed, coupled with a second unlikely assumptions indicate contaminated water occurs only through a system of interconnecting fractures. Estimates using these assumptions indicate contaminated water would reach the sea in about two or three years after the cavity was filled—or some three years after the explosion."

The time scales estimated in the above quotation necessarily assume some particular size in the fractures leading away from the post-detonation cavity. The above estimate of two to three years far radionuclide—contaminated water to reach the sea is not only not "very unlikely", it may be an extremely conservative estimate. There is no method which enables prediction of the size of the fractures that will be available for the migration of the radionuclides to the surface. The volcanic geological substructure surrounding the proposed detonation chamber for Cannikin contains many fissures and cracks (see paragraph 4 above). The existence of known and suspected faults near the proposed detonation site has been referred to above (see paragraph 8 above) and is discussed with reference to the migration of radionuclides in Essington, Fenske, and Nork, *Radioactivity in Water, Project Milrow,* p 3 NVO—1220–135, March, 1970: "These lineations may point out locations in the ocean floor where groundwater preferentially discharges from the island." They suggest that, with reference to the migration of radionuclides in groundwater through these faults and fractures, further work be done "to better estimate the location of radioactive materials. p 17

The Hubbert-Rubey pore pressure effect mentioned above in paragraph 4 presents the possibility of the opening of fracture systems along which contaminated groundwater could move rapidly into the ocean. The significance of the above-noted geysers and lineation (see paragraph 4, *supra*) is that they indicate possible movement along either existing or newly-created fractures.

Edward J. Lynch, in an Atomic Energy Commission publication entitled, *Transport of Radionuclides by Groundwater: Some Theoretical Aspects,* HNS—1229–61, November, 1964, noted that under conditions prevailing at the Nevada Test Site, the migration of contaminated water through fractures .05 inches in width would travel approximately one-tenth of a mile per day, and 16 miles per day through a fracture 6 inches in width. It should be noted here that the highly fractured volcanic substructure of the Nevada Test Site is geologically similar to the highly fractured volcanic substructure of Amchitka.

11. Deponent is convinced, in view of the above considerations, that sizeable fractures and fissures will be available after the detonation of Cannikin for the conduction of contaminated groundwater away from the detonation site at a rate and in a concentration considerably greater than the most negative model proposed in the Environmental Impact Statement (page 25, paragraph 3). The likely existence of such cracks and fissures, combined with the sharply increased underground fluid pressure should result in water movement away from the cavity at a rate which would almost completely inhibit the absorption mechanism proposed by the Atomic Energy Commission for the containment of radionuclides. The Environmental Impact Statement is thus seriously deficient in that it fails to consider the harmful effects to the environment of radionuclides migrating to the surface far more rapidly and in much greater concentrations than is estimated in the Statement.

CERTIFICATE OF SERVICE

I certify that on the 29th day of October, 1971, I hand delivered a copy of the annexed Affidavits of David M. Evans and James A. Burke to: Thomas McKevitt, Esq., Department of Justice, 9th Street and Constitution Avenue, who is attorney for the Defendants in this action.

JAMES A. BURKE.

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## AN ANALYSIS OF THE NEW FEDERAL NATIONAL MORTGAGE ASSOCIATION CREDIT AND PROPERTY GUIDELINES

### HON. PARREN J. MITCHELL

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. MITCHELL. Mr. Speaker, it is with a sense of urgency that I introduce into the RECORD the following article and correspondence. The article is an analysis by the Center for National Policy Review of the new Federal National Mortgage Association credit and property guidelines. The guidelines discriminate flagrantly against the black and poor, the aged and women.

I commend the Center for National Policy Review for undertaking this analysis, and I thank Mr. Daniel W. Spaulding of Baltimore for bringing this information to my attention. I hope that all of my colleagues will find the time to read this worthwhile and knowledgeable critique of the new Fannie Mae guidelines.

In addition, I have also included several letters and statements of position from organizations opposed to the new Fannie Mae position:

### FNMA DOCUMENT—OUR REVISIONS AND COMMENTS

This document is an analysis of credit and property guidelines for the conventional mortgage market prepared by the Federal National Mortgage Association (FNMA) and dated December 2, 1970. The guidelines in their present form flagrantly discriminate against minorities, blue collar workers, families with working women, and senior citizens. If these guidelines remain in effect when FNMA is authorized to begin purchasing conventional loans, they will threaten to make it difficult or impossible for many of the people in these groups to obtain conventional mortgages.

What follows is Section 311 and 312 of FNMA's Conventional Selling Contract Supplement, with parenthesis enclosing portions we would delete, and with our suggested alternative language noted by italic.

### SECTION 311. CREDIT AND PROPERTY UNDERWRITING

.01 General. FNMA believes that a quality underwriting program is an absolute necessity, not only to its stockholders but also to its goal and stimulating the flow of funds to housing through the development and continuation of an effective national secondary conventional mortgage market. Thus, FNMA will expect that the overall credit of the borrower and the property offered as security will be carefully evaluated by the Seller and that the Seller will not recommend any mortgage for purchase by FNMA unless the Seller (, through its own conventional lending experience,) believes the mortgage to be *an* acceptable *risk* to (prudent lenders) *private institutional mortgage investors* (generally) *in the context of these guidelines*. This recognizes that the Seller has interviewed the borrower(,) *so as to counsel the borrower on the rights and responsibilities of homeownership and on financial planning*, taken the loan application from the borrower, inspected the property offered as security, selected the appraiser, ordered and received the necessary borrower's credit documentation directly from the original sources and made an underwriting determination of the entire credit and property package prior to recommending the mortgage to FNMA for purchase.

To assure maximum understanding of these goals, FNMA will have a statistical spot-check system on credit and property through which FNMA and the Seller will know that the quality underwriting program is producing marketable mortgages. If FNMA's judgment is significantly different from that of the Seller, the matter will be discussed with the Seller. If FNMA determines that the Seller's loan production is inconsistent with the over-all FNMA objectives, prompt corrective action will be taken.

#### COMMENT

The phrase "through its own conventional lending experience" has been deleted because it tends to reinforce any past biases of the lender. The purpose of these FNMA guidelines is to set minimum standards, not to reinforce any reasonable or arbitrary standards the particular mortgage lender has previously used.

We have substituted the phrase "acceptable risk to private institutional mortgage investors in the context of these guidelines" for the phrase "acceptable to prudent lenders generally." The phrase "private institutional mortgage investors" appears in the FNMA Charter Act. The word "prudent" does not. Present standards in the conventional market vary widely. These FNMA guidelines will play an important role in standardizing what constitutes an acceptable risk to private mortgage investors.

FNMA has maintained that the interview is essential to assure that the borrower has been informed of his rights and responsibilities as a homeowner (although under current practices, such interviews often do not take place). This should be explicitly stated in the Guidelines. There is strong evidence that with proper counseling, the credit risk can be significantly reduced.

#### .02 CREDIT GUIDELINES

(a) General. As indicated elsewhere in this supplement, Seller must submit basic credit documentation, as typically required by other (prudent) *private institutional* mortgage investors. In addition, the Seller should submit any other helpful information or exhibits which might assist FNMA in promptly underwriting the application and avoiding unnecessary correspondence or delays. The following guidelines will be used by FNMA in underwriting the borrower's ability to repay the mortgage debt, unless the Seller's exhibits indicate a valid reason for departure from normal underwriting procedures because of meritorious circumstances.

#### COMMENT

The word "prudent" has been deleted and substituted with the words "private institutional," which conforms with the language of the FNMA Charter Act. The repeated use of the word "prudent" throughout this FNMA document is unnecessary and may serve as a signal to lenders to be overly conservative.

(b) Stability of Income. The borrower's application and supporting exhibits must (clearly) demonstrate stability of the mortgagor's income. If the mortgagor is not self-employed, a Request for Verification of Employment, FNMA Form 1005, or its equivalent, covering a period of (at least) three prior years must be submitted. *If the mortgagor is self-employed, he or she may submit, in place of FNMA Form 1005, financial statements on his or her income, the related profit and loss statements if applicable, copies of the Federal and/or State income tax returns, and a currently dated credit report on the borrower's business.*

#### COMMENT

The requirements for self-employed borrowers have been included in this section instead of (e) where they now appear. The FNMA document sets the standard in .02 (b) for the case where "the mortgagor is not self-employed." It is logical at this point to also describe the procedure if the mortgagor is self-employed.

In addition, we have deleted the words "clearly" and "at least" which appear in the FNMA document, because they do not change the substance of the standard, but merely serve as additional code words signaling the lender to be overly cautious.

(c) Secondary Income. (Secondary Income from overtime pay, bonuses, part-time jobs, etc., will generally not be considered as effective income unless special circumstances justify considering it as a future certainty and evidence of past earnings is established by providing three prior year's tax returns or W-2 forms.) *In determining whether or not income from overtime pay and bonuses qualifies as effective income, the key determination to be made is whether or not it is reasonable to conclude that such secondary income will probably continue during the early period of mortgage risk. The early period of mortgage risk is generally the first third of the total term of the loan. Pay from part time jobs should be counted only if it is reasonable to conclude that the mortgagor can and will continue part time activities during the early period of mortgage risk. Special consideration should be given to a borrower holding a second job for the express purpose of improving his living environment by developing the financial resources to purchase a home.*

#### COMMENT

Since nothing can be considered as a "future certainty," the FNMA document effectively excludes almost all secondary income as described in this section. This is arbitrary and unreasonable, and will have a discriminatory impact on minority citizens who often rely on such income as a regular part of their income.

We have made use of the operative language in FHA's underwriting manual. (See FHA underwriting—Mortgage Credit Analysis—Section 71927.)

The phrase "will probably continue during the early period of mortgage risk" is taken directly from FHA. (The definition of early period of mortgage risk is also taken from FHA.)

As for part time jobs, the phrase "can and will continue part time activities during the early period of mortgage risk" is also taken directly from FHA. We have included a sentence describing special consideration, because if a borrower is holding a second job for the purpose mentioned, this is an indication of his determination and of the kind of "character" that private institutional mortgage investors often are looking for in a potential mortgagor.

((d) Wife's Income. Generally an allowance will be made for a wife's earnings equal to 50% of her gross income provided her Request for Verification of Employment, FNMA Form 1005, indicates stability and continuity, special circumstances involving professional occupations, a history of several years of uninterrupted employment, etc., may warrant consideration of higher percentages, depending upon the circumstances.)

*Income in the Case of More Than One Mortgagor. In the case of joint title to the property, the effective income of each mortgagor is computed separately, then added together to provide a sum for total family effective income. The key determination to be made is whether there are circumstances indicating that such income may normally be expected to continue during the early period of mortgage risk. Where such a determination can be made for a wife's income, it is best procedure to count it fully as effective income. The incidence of wife employment, as a characteristic of family life, has increased very substantially in recent years. Particularly where the wife's income has become necessary to maintain the family's standard of living, there is usually a reasonable expectation that the wife will continue to be employed. The principal element of mortgage risk in counting the income of working wives as effective income is the possibility of its interruption by maternity leave. Most employers recognize this possibility and provide for maternity leave, with job retention, as an inducement of employment. With strong motives for returning to work, and failure to do so after maternity leave would probably be due to causes which would be unpredictable and would represent such a very small percentage of volume that it would be an acceptable risk.*

#### COMMENT

Setting an arbitrary percentage of 50% is unreasonable and without basis, and will have a serious discriminatory impact on minority families and blue collar families where the wife's income is often a significant and crucial factor in the family's income and standard of living. Using such an arbitrary percentage also disregards changing social conditions and the trend toward increased employment of women, and it is an unfair discrimination against families where the wife works.

FHA handles the determination of how to count a wife's income in a more realistic and less discriminatory manner. (See FHA underwriting—Mortgage Credit Analysis—Section 71924.) The phrase "circumstances indicating that such income may normally be expected to continue during the early period of mortgage risk" is taken directly from FHA. FHA's underwriting manual discusses changing social trends in some detail. Also described is how "in some of the low income groups, the wife's employment is a necessity for maintenance of an acceptable standard of living." The discussion in the last three sentences of this section in our revised version concerning maternity leave, employer's attitude, and the risk of the wife not returning to work, is taken word for word from the FHA underwriting manual.

FHA's practical experience with its standard should be noted. In 1969 in new single family homes in the section 203 program, the wife's income was counted in 89% of the cases where the wife worked. (See HUD Statistical Yearbook for 1969.)

((e) Self-Employed Borrowers. Income from commissions, fees, proprietorships, partnerships, businesses owned, etc., must be substantiated with supporting exhibits covering at least a three-year period of stable or increasing earnings. Such exhibits must include the financial statements on such income, the related profit and loss statements if applicable, copies of Federal and/or State income tax returns, and a currently dated credit report on the borrower's business.)

### COMMENT

See comments to (b) Stability of Income.

(f) (Ratio of Income to Debt. Total monthly first mortgage payment of the borrower should generally not exceed 25% of allowable gross income. The borrower's total monthly obligations (which is defined to mean the total monthly first mortgage payments plus any other monthly installment obligations which extend beyond ten (10) months) should not exceed 33% of allowable gross monthly income except in special circumstances involving professional occupations, borrowers with unusual investments, unusual future potential income possibilities, etc., which may justify consideration of a slightly higher ratio.)

*Ratio of first mortgage payment to income. Total monthly first mortgage payment should generally not exceed 25% of effective gross income. However this 25% figure should not be considered a strict rule. Particularly in the lower income ranges of the conventional market, it is reasonable to expect a situation where a greater percentage of family income is allotted to housing expense. One possible indication as to whether or not a greater percentage should be allowed may be found in some cases by a comparison of the proposed housing expense with the family's previous housing expense. If the family in the recent past has been spending greater than 25% of effective gross income and has been able to maintain a satisfactory credit record while so doing, or if the family has been paying 25% while at the same time building substantially on its savings, then allowance for a significantly greater percentage will be justified.*

### COMMENT

It is a well established fact that using a flat percentage of first mortgage payment to family income has no basis in practical experience. The lower the family income, the higher is the percentage of family income normally allotted to basic expenses such as housing. According to the FHA underwriting manual (Section 71963.3), "As income increases higher living standards and other financial obligations may demand a larger proportion of the family budget. It is also evident, that while a mortgage payment amounting to 25% of the mortgagor's income might be a burdensome housing expense for the higher income groups, it could be too conservative even if burdensome for the lower income groups who do not have so wide a market selection."

FHA recognizes the fact that local conditions, as well as conditions relating to the specific family, must play a role in determining the allowable percentage. Our revisions recognize this fact also, and we have included a discussion of some of the factors that can be taken into consideration.

The 33% guideline for total obligations has been deleted because we could find no basis for justifying the use of this figure.

(g) Age of Borrowers. Generally borrowers subject to mandatory retirement in the early (years of the) *period of* mortgage *risk* will not be favorably considered if the repayment of the mortgage debt depends upon continued employment. (In addition, the age of the borrower plus the term of the mortgage should not usually exceed 80 years. Exceptions to the foregoing might be warranted in special) *Where there are* circumstances involving sufficient guaranteed income from cash-on-hand, investments, continuing life insurance benefits, retirement benefits, etc., which reasonably assure an adequate ratio of retirement income to debt(.), *impending retirement should not be considered a disqualifying factor.*

### COMMENT

The requirement that age plus term not exceed 80 years has been deleted because it will unreasonably discourage lenders from making loans to individuals who have saved or otherwise invested their earnings with a view toward purchasing a retirement home.

The phrase "early years of the mortgage" has been changed to "early period of mortgage risk" in order to standardize its meaning, since the early period of mortgage risk has been defined earlier in our revised version as constituting the first third of the total term of the loan.

(h) Borrower's Past Credit Ratings. The credit report, which must indicate a rating for all debts listed in the loan application, must establish a proper regard for repayment of contractual obligations; any reports of foreclosures, slow payments, collections, court suits, or other adverse ratings will usually disqualify the mortgagor from further consideration unless valid and verified reasons therefor can be established to eliminate the probability of recurrence.)

*Borrower's Credit Rating. The manner in which the mortgagor has paid his obligations is an important criterion in determining acceptability. However, the existence of an occasional slow account in the record of the mortgagor does not necessarily indicate an unsatisfactory attitude. It is necessary to look for the general pattern of credit behavior rather than the existence of isolated delinquencies. Likewise, a period in the past containing financial difficulty does not necessarily make the risk unacceptable if subsequent thereto the subject has maintained a good record on credit extended. Anyone may get into a difficult situation through illness in the family, job layoff and many other unpredictable causes. If the subject has re-established his credit, he or she is not forever debarred because of past credit difficulties. However, numerous reports of adverse ratings in the recent past such as unsatisfactory accounts, court suits, unpaid bills at the point of former residence, collection accounts, etc., may disqualify the mortgagor unless extenuating circumstances (such as temporary illness) were present or until the mortgagor has re-established his or her credit rating.*

### COMMENT

The FNMA document is particularly rigid and unreasonable, with its reference to *any* reports of foreclosures, slow payments, collections, court suits, etc., as usually disqualifying the mortgagor. The burden for any previous credit problem, no matter how slight, or no matter how long ago, is squarely placed on the potential mortgagor.

Because the standard set by FNMA is so unreasonable, it would likely lead to discriminatory enforcement against minorities and families in the lower income ranges.

FHA's underwriting manual, in a long discussion of the problem, stresses the *pattern* of credit behavior as opposed to isolated difficulties. (See FHA underwriting manual—Mortgage Credit Analysis—Section 71944.) FHA also stresses the borrower's *current* credit rating, not past credit difficulties.

We have sought to capsulize the meaning transmitted in FHA's discussion. Most of the language is taken word for word from the FHA underwriting manual.

.03 Property Guidelines. The mortgaged premises must be located within the United States, the District of Columbia, the Commonwealth of Puerto Rico, or the Virgin Islands.

(a) General. Property securing an eligible mortgage must (be in a well maintained neighborhood which evidences a long term marketability and must) consist of one dwelling unit designed for single-family occupancy. The unit may be detached, semi-detached, row, or townhouse, with the underlying real estate owned in fee simple or an acceptable leasehold estate.

(To be acceptable, a leasehold estate (1) must have a remaining term running or renewable at the option of the lessee, for a period of not less than 21 years from the maturity of the loan, or to any earlier date at which the fee simple title will vest in the lessee, which is assignable or transferable if the same be subjected to the lien, and (2) the term of the mortgage must not exceed 4/5ths of the term of the lease, and (3) the leasehold estate must otherwise be acceptable to FNMA.)

*FNMA believes that the key to the acceptability of a property is based upon satisfactory appraisal procedures and whether or not the property can be deemed marketable. (See .03(b) and .03(c).) FNMA does not have under any circumstances a "redlining" policy. FNMA will accept mortgages in all price ranges, in all locations where a market exists. However, FNMA expects Sellers to use whatever influence they may have in a given situation to encourage good planning, so that homes provide to the extent possible, access to employment centers and to educational, recreational and health facilities.*

### COMMENT

The requirement in the FNMA document that a property be in a "well maintained neighborhood" (undefined) runs directly counter to FNMA's stated policy that it will not "redline" any area. Our revised version makes explicit this ban against "redlining."

Our revisions to these property guidelines are based upon the assumption that the proper framework for evaluating adverse influences should be in relation to the appraisal of the property. On the other hand, while prohibiting "redlining," FNMA should not be in the position of discouraging good planning.

((b) Favorable Factors. Generally, to be acceptable to FNMA, the property must possess the following qualities:

((1) A neighborhood evidence pride of ownership and comparable values which indicates a stable or upward trend in overall acceptability and property values.

((2) Free from adverse influences caused by zoning, land use, nearby commercial or industrial uses, busily traveled streets, offensive odors or noises, etc.

((3) Served by public utilities or private facilities adequate to service the premises.

((4) Improvements to the premises which are functionally designed for residential living and constructed of quality materials and standards of workmanship as are generally acceptable to typical home owners in the area.

((5) A site which is properly zoned, acceptable for residential use and improved with a dwelling adapted to the subject site.

((6) Convenient to schools, shopping, churches, employment centers, areas of recreation, transportation arteries, etc.

((c) Unfavorable Factors. FNMA has no rigid requirements defining acceptable or unacceptable properties, but certain characteristics will generally render the property unacceptable as a mortgage risk unless the

Seller (through its appraiser or otherwise) can provide satisfactory evidence that such apparent characteristics will not affect the value nor the marketability. Among the unfavorable factors are the following.

((1) Homes in declining neighborhoods.

((2) Homes that have depreciated excessively, physically, functionally, or economically.

((3) Over or under improvements affecting value and marketability.

((4) Neighborhood influences detrimental to enjoyment of the premises as residential use, e.g., airports, noise, odors, heavily traveled streets or expressways, industrial or commercial areas, etc.

((5) Neighborhood zoning or land use patterns inconsistent with residential use of the premises.

((6) Lack of vehicular access from the mortgaged premises to a public road or street.

((d) Older Properties. Any older property meeting the general requirements will be considered provided the bath(s), kitchen, heating, plumbing, and electrical facilities have been, or will be, sufficiently modernized to be acceptable to typical home owners in the area.

((e) Rural Properties. Property in outlying rural areas will be given consideration provided:

((1) The land value is equal generally to no more than 25% of the total appraised value of the property offered as security; and

((2) Seller has determined that adequate sewerage and water facilities and other utilities are available and in service on the premises; and

((3) The property is located within a community of homes or is in a strip development and the community or strip development abuts a federal, state or county highway or a well-traveled secondary road; and

((4) The Seller has determined that there are zoning or deed restrictions to protect against encroachments or adverse zoning influences or land usages of adjacent real estate; and

((5) The property otherwise meets FNMA's general eligibility requirements.

((f) Military or Other Limited Industry Areas. Geographical areas dependent primarily upon one, or a limited diversification of employers, will be subject to close scrutiny because of the impact on the stability of housing in the area should such industry (ies) curtail or discontinue operations.)

### COMMENT

We have deleted sections (b) Favorable Factors, (c) Unfavorable Factors, (d) Older Properties, (e) Rural Properties and (f) Military or Other Limited Industry Areas, and substituted (See pp. 12–13) the sections (b) Appraisal, (c) Marketability of the Property, (d) Danger to Health and Safety, and (e) Vehicular Access.

The sections (b) Favorable Factors and (c) Unfavorable Factors are internally inconsistent, confusing arbitrary, and unreasonable.

The statement that "FNMA has no rigid requirements defining acceptable and unacceptable properties" is inconsistent with the statement in (b) Favorable Factors that "the property *must* possess the following qualities:" (Emphasis added.)

Secondly, the requirements concerning neighborhood influences such as noise, odors, heavily traveled streets or expressways, nearby commercial or industrial uses, etc., if interpreted literally would rule out a great proportion of the properties in the country. With such obviously unenforceable guidelines, there is a strong likelihood of discriminatory enforcement.

Thirdly, some of the phrases such as "a neighborhood evidencing pride of ownership" and "Homes in declining neighborhoods" represent a clear attempt at "redlining" in direct violation of stated FNMA policy. The phrase "a neighborhood evidencing pride of ownership" is particularly objectionable not only because of its "redlining" aspects, but because it plays on all the discredited myths and prejudices concerning the attitude and practices of minorities in maintaining their property. Thus it serves as a code phrase discouraging lenders from lending to minorities.

In addition the references to "typical home owners in the area" are objectionable because they run counter to stated national policy to encourage economic integration.

Furthermore, what justification is there for setting special requirement for rural areas? (e)(3) may be interpreted so as to "redline" many rural areas in many states.

Finally, .03 (f), relating to areas with a limited diversification of employers, is not only not a standard, but it has the elements of a "redlining" policy.

In contrast to the FNMA document, with its emphasis on "favorable" and "unfavorable" factors, our revised version sets realistic and useful standards. (See below.) If a property meets the standards set for appraisal and marketability, and if there are no specific hazards to the property endangering the health and safety of prospective occupants, the any use of additional standards involving location can effectively set up a "redlining" policy.

(b) *Appraisal. The appraisal shall be deemed satisfactory if it is in conformance with the requirements set forth in section 205, 307, and 310 of this Conventional Selling Contract Supplement.*

### COMMENT

To whatever extent neighborhood influences have a role to play in these property guidelines, such as convenience to schools, or adverse influences such as odors, they will be reflected in the appraiseal. If the appraisal still meets the standard set (and if the marketability of the property is satisfactory) then excluding the property because of such influence is clearly a case of "redlining."

In our revised version, it is explicitly stated that the appraisal must be in conformance with the requirements of sections 205, 307, and 310 of FNMA's Conventional Selling Contract Supplement. Section 205 concerns FNMA's procedures for designating an appraiser as an "Acceptable Appraiser." Section 307 concerns the loan to value ratio. (By law, the loan to value ratio can not exceed 75%, except in circumstances involving private insurance, repurchase agreements, or where the Seller retains a participation.) Section 310 sets additional standards, including requiring the use of FNMA Form 1004, the Residential Appraisal Report.

(c) *Marketability of the property. The property shall be deemed marketable if it is reasonable to conclude that its value will not decline at a rate faster than the rate of scheduled decline of the outstanding balance of the loan.*

### COMMENT

This standard recognizes that if it is reasonable to conclude that the value of the property will not decline at a rate greater than the scheduled decline of the outstanding balance of the loan, then the loan to value ratio of the mortgage is *not* threatened, and the mortgage is acceptable for purchase by FNMA.

(d) *Danger to health and safety. A property will be ineligible if a specific physical or environmental influence seriously endangers the health and safety of prospective occupants. Such conditions may arise from unsafe construction, serious danger of flooding, excessive smoke or chemical fumes, excessive noise endangering health, danger from fire or explosion, or inadequate water and sewerage facilities or other utilities.*

### COMMENT

Even though such adverse influences as mentioned here will be reflected in the Appraisal and Marketability, FNMA should not be encouraging conventional mortgages on properties which pose a serious threat to the health and safety or prospective occupants.

(e) *Vehicular access. With the exception of properties in planned unit developments, the mortgage premises must be provided with vehicular access to a public road or street.*

### COMMENT

The FNMA document (Sec. .03 (c) 6) can be interpreted as ruling out planned unit developments. Our revised document allows for this exception.

(g) Living area. Generally a property must contain a minimum of (1,000) *500* square feet of improved living area to be acceptable to FNMA; however, property with less square feet might warrant special consideration if customs of long standing in the area have indicated continued market acceptance and the property otherwise meets FNMA's underwriting requirements.

### COMMENT

The requirement in the FNMA document of 1,000 square feet of improved living area is extremely conservative and would rule out much of the conventional mortgage market in the country. A 500 square foot home is not an unreasonable small home, and if a property meets the Appraisal and Marketability requirements set forth in our revised document, it should not be disqualified, as long as it meets a reasonable size standard. FHA's size standards are considerably more liberal than even this 500 square foot standard. (See FHA's Minimum Property Standards for one and two living units, Chapter VI, Section 602, SPACE STANDARDS.)

Section 312. Marketability. The marketability of a mortgage (should not be materially restricted (a) by any circumstances of, or condition affecting the mortgagor, present owner or their affairs, that would cause the mortgage to become delinquent, or (b) by any circumstances of, or condition affecting, the mortgaged premises that adversely affects the value or marketability of the mortgage or that would cause private investors to regard the mortgage as unacceptable for prudent investment) *shall be satisfactory if it meets the conditions set forth in Section 311 of this Conventional Selling Contract Supplement.*

### COMMENT

In the FNMA document, Section 312 is not only redundant, but encourages extreme conservatism in part (b) by use of the phrase "any circumstances" and the word "prudent." Clearly if a mortgage meets the credit and property standards set forth in Section 311 in our revised version of this document, then its marketability is satisfactory.

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## STATEMENT OPPOSING FNMA'S GUIDELINES RESTRICTING MORTGAGE CREDIT

Westchester Residential Opportunities, Inc. is a non-profit organization which has assisted more than 150 black, white and Puerto Rican families to purchase homes in Westchester County, New York. In so doing, WRO has had intensive contact with mortgage lenders respecting both conventional and government-insured mortgages.

The minority families who have bought homes with aid from WRO clearly have expended great effort to better their quality of life.

In a clear majority of these cases, the wife was working and the lender gave credit to the wife's income where it was reasonably sure that she would continue to work. In a substantial percentage of families, the husband either earned overtime or held a part-time job, sometimes even a second full-time job. If this had been the family's employment pattern, such income was counted.

Finally, in some instances WRO has been called upon to investigate past credit problems, including judgments. We found that some derogatory information was mistaken, and that often problems occurred for nonrecurring reasons such as illness or marital estrangement and therefore did not affect present credit worthiness.

Based on this on-the-spot experience, WRO supports the "Joint Statement in Opposition to FNMA's Guidelines Restricting Mortgage Credit" drafted by the Center for National Policy Review, and requests that our field experience as outlined above be given consideration.

WRO's program is integration-oriented. We provide the opportunity for black and Puerto Rican families to move out of the ghetto into white or integrated neighborhoods. If banks had literally followed the FNMA's guidelines in the past, virtually no integration would have occurred in Westchester County at all.

Respectfully submitted,
Dr. Kenneth B. Clark,
*Chairman of the Board,*
*Westchester Residential Opportunities, Inc.*

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League of Women Voters of
the United States,
*Washington, D.C., October 4, 1971.*

Hon. George Romney,
*Department of Housing and Urban Development, Washington, D.C.*

Dear Secretary Romney: During the past several years, the League of Women Voters has been working at both the national and local levels to expand housing opportunities for poor and minority groups.

We were pleased that the Emergency Home Finance Act of 1970 authorized FNMA to buy and sell conventional mortgages in order to facilitate the flow of credit for home mortgage financing. We thought this action would improve the access to these groups to mortgage credit. However, we are now distressed to discover that proposed guidelines formulated by the Federal National Mortgage Association for use by lending institutions will severely limit just these people from qualifying for needed mortgage credit.

This situation is particularly serious because the ability to purchase a home can determine a family's access to good schools, jobs, and a suitable living environment. These guidelines will therefore restrict minority groups, blue collar workers, and families with working women from obtaining not only decent housing but also other important "amenities" that affect present and future life opportunities.

We call your attention to the statement which has been released to the press today by the League as part of a coalition of civil rights, labor, consumer and other public interest groups. This statement contains a detailed criticism of the guidelines. It is most important that the guidelines be reconsidered in light of the issues we raise. The proposed guidelines, we believe will seriously impede attainment of our national goal of " a decent home and a suitable living environment for every American."

Sincerely,
Mrs. Bruce B. Benson,
*President.*

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### Statement of September 23, 1971

FNMA's proposed credit and property guidelines reflect a vision of America that has always been a myth for most Americans: neat homes on tree-lined streets, Dick and Jane playing on the lawn with Spot, Father puffing on his pipe behind a newspaper after a productive day at the office, Mother occupied solely with making home warm and cozy for all. Most of the people in most of our cities—working people, black, white, brown or yellow—lead far different lives, but their aspirations to home ownership are no less deserving of respect and support by this country's financial institutions. We urge that the guidelines be withdrawn and redrafted in conjunction with a group of Americans who can reflect the diversity that has always been this nation's hallmark and pride.

Ralph J. Perrotta, Executive Director, The New York Project, New York, New York.
Mrs. Mary Sansone, President, the Congress of Italian Amer. Organizations, New York, New York.
Mrgr. Geno Baroni, Director, The Center for Urban Ethnic Affairs, Washington, D.C.

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### Statement of Nelson H. Cruikshank on FNMA Mortgage Guidelines

The FNMA mortgage guidelines limiting loans to cases where the age of the borrower plus the term of the loan does not exceed 80 years, will have a crushing effect on people over 55. The National Council of Senior Citizens deplores this unnecessary discrimnation. There is no legitimate reason for arbitrarily denying mortgages to a large segment of the elderly population. Experience has shown that these people can live up to their obligations and that they do so with greater consistencey than the average borrower. The guideline ignores this experience and plants doubt in the minds of lenders who have had no previous hestitation. Many older people who would have had no trouble obtaining mortgages in the past can no longer be assured financing. Those who might have been able to demonstrate their ability to meet payments will no longer be considered at all, due to an arbitrary age limitation.

The purpose of national action to back up mortgaging is to encourage homeownership among people who might find it difficult by other means to finance a home purchase. Along with the other guidelines, the age limitation serves only to constrict the housing market and make homeownership more difficult, if not impossible, for groups who already face obstacles to participation in national life.

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### Statement of the National Organization for Women Concerning the Guidelines of the Federal National Mortgage Association on Credit and Property for the Conventional Market

The National Organization for Women, with more than 200 chapters and 15,000 members throughout the United States, is in full support of the *Joint Statement in Opposition to FNMA's Guidelines Restricting Mortgage Credit*. We are deeply concerned that the guidelines as promulgated set standards for lendings institutions which will discriminate against women homebuyers and against homebuying families with working wives.

Particularly offensive is Section 311.02(d) headed "Wife's Income" and calling for a 50% allowance for a wife's earnings in determining the financial stability of a potential mortgagor. No where do the guidelines establish the possibility that a woman might be the principal mortgagor, fully entitled to apply for and receive credit as a borrower in the same way a male borrower would qualify. It is insulting to all women and clearly discriminatory to set an arbitrary rule that her earnings are worth only fifty cents on the dollar in the mortgage market. The concept implicit in this rule is that working women are only half-persons when it comes to dealing in the morgage market. The rule is based on the fallacious reasoning that all women are only casual participants in the labor market. Nothing could be further from the truth; 37% of the entire workforce is female and nearly 60% are married. Nine out of ten women will work at some time during their lives and most working wives will spend anywhere from twenty to thirty-five years in the job market. It is clear that the rulemakers at FNMA are relying on antediluvian attitudes about women in setting forth their guidelines.

The National Organization for Women demands that the guidelines be revised to incorporate the concept that either the husband or the wife can be designated as the principal mortgagor and that the income of either spouse will be counted fully towards establishing credit. NOW also demands that the language of the guidelines be revised to establish clearly that women are considered qualified mortgagors—e.g. where the male pronoun appears in the text, the female pronoun should also appear. Wherever the word "wife" or "husband" appears, it should be changed to read "spouse."

These changes are fundamental because they get at the deeply-rooted sexism in American institutions and because the changes will expand the opportunity for more Americans to secure decent housing in a decent environment.

Aileen C. Hernandez,
*Chairone, National Advisory Committee.*

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### Statement of the Southern Christian Leadership Conference on the Federal National Mortgage Association Credit and Property Guidelines Given by David A. Clarke, Director, Washington Bureau, October 4, 1971

We at SCLC find the proposed FNMA Credit and Property Guidelines to be especially discriminatory to the black and poor. We find that these guidelines make it impossible to obtain mortgages to purchase homes for the people who work the hardest and are most deserving, the blue collar workers, the families with working wives, the senior citizens, the urban and rural poor. We find that these guidelines in their present form are intended to aid only the relatively young families with husband with white collar jobs who intend to live in distant suburbs.

These guidelines direct mortgage-lenders not to count overtime, part-time jobs and bonuses as effective income, and to count only fifty per cent of working wives income as such. This is clear and blatant discrimination against those families who depend on secondary income to maintain any standard of decent living.

FNMA's twenty-five percent rule calls for a family to have an effective annual income of four times that of the first years mortgage payments. By not counting secondary income and only fifty per cent of working wives income, this rule combines with the ones previously mentioned to omit the black and poor. FNMA completely overlooks the fact that most lower income families spend over twenty five percent of their income for housing and in many cases have sacrificed and saved with the intent of buying a home.

Another guideline instructs mortgage-lenders not to make loans when the borrower plus the loan terms exceed eighty years. This unjustly excludes those who have worked and skimped for years to purchase a retirement home. FNMA here overlooks the fact that persons over fifty years old generally have excellent records of paying mortgage debts.

Perhaps the most unfair of these guidelines is the one which excludes applicants who have had previous credit problems, without regard to when or whether these problems have been cleared. FNMA does this without studying the causes of such problems, even though they may be due to temporary illnesses, unfair credit procedures, or errors of the credit bureau. For example, a person who felt that sometime in his life a claim was unjust, litigated it, lost and then paid can not receive a mortgage loan. He is in effect being penalized for exercising his civil right to a day in court.

While FNMA's stated policy calls for no redlining of any neighborhoods, the proposed guidelines run counter to this policy. FNMA rules as unacceptable those areas which are near airports, heavily traveled streets and expressways, industrial and commercial areas and areas which have offensive odors and noises. This clearly omits the black and poor in the central cities and many in industrial areas where assistance is most desperately needed.

We find that the FNMA guidelines run counter to the expressed intent of Congress to provide a secondary conventional mortgage market for all people. We find the words and promises of the Federal Government again negated by its actions and inactions to fulfill past and present commitments. The black and poor are again the victims and, on viewing national policy, as being a "watch what we do and not what we say" policy, find it all the more wanting.

Integration does not mean assimilation. If we are to have an integrated society, then different cultures, sexes, classes and races must be treated equally. The proposed guidelines not only aid only one culture, sex, class and race, they also punish the remainder of our citizenry by driving, the wedge of separation deeper.

We urge HUD Secretary Romney and all other influential and interested parties to intervene and force FNMA to fulfill a national commitment in the interest of all Americans.

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### Organizations Issuing Joint Statement in Opposition to FNMA's Guidelines Restricting Mortgage Credit

Public Interest Research Group (Ralph Nader).

AFL–CIO.

United Automobile Workers.

National Association for the Advancement of Colored People.

National Urban League.

Southern Christian Leadership Conference.

National Organization for Women.

National Council of Senior Citizens.

National Retired Teachers Association–American Association of Retired Persons.

National Council on the Aging.

League of Women Voters of the United States.

National Urban Coalition.

Congress of Italian American Organizations.

The New York Project.

National Center for Urban Ethnic Affairs.

Center for National Policy Review.

National Council of Churches.

Housing Opportunities Council of Metropolitan Washington.

NAACP Legal Defense and Education Fund.

Mexican American Legal Defense and Education Fund.

Puerto Rican Legal Defense Fund.

Suburban Action Institute.

Center for Community Change.

Nonprofit Housing Center.

Westchester Residential Opportunities, Inc.

Potomac Institute.

National Association of Real Estate Brokers.

National Tenants Organization.

National Committee Against Discrimination in Housing.

Citizen's Advocate Center.

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### Joint Statement in Opposition to FNMA's Guidelines Restricting Mortgage Credit

The signatories to this statement represent a coalition of groups concerned with protecting the rights and interests of racial and ethnic minorities, working people, consumers, women and senior citizens.

All of us have a major concern with expanding housing opportunities for all citizens. In seeking greater housing opportunities, the terms and conditions under which credit is made available for the purchase of homes are a critical matter for many people in this country.

The ability to obtain a mortgage to purchase a home determines whether or not a family is able to own their own home. It may directly bear on whether or not a wage earner has access to a good job. For young families, it may mean access to good schools and a decent environment for their children. For older people, it may provide an environment conducive to the enjoyment of their retirement years.

The Federal National Mortgage Association (FNMA) has taken action relating to home ownership that we believe will seriously limit the availability of mortgage credit for the people we represent.

The Emergency Home Finance Act of 1970 authorized FNMA, with the approval of the Secretary of the Department of Housing and Urban Development, to buy and sell conventional mortgages in order to facilitate the flow of credit for home mortgage financing. In anticipation of its entry into this secondary market FNMA has formulated and distributed credit and property guidelines for use by lending institutions which would be the sources for its mortgage purchases.

We have carefully analyzed these guidelines prepared by FNMA, and find that they flagrantly discriminate against members of minorty groups, blue collar workers, families with working women, and senior citizens.

If allowed to go into effect in their present form (as found in Section 311 of a document entitled Conventional Selling Contract Supplement), the guidelines threaten to make it difficult or impossible for many of the people in these groups to obtain conventional mortgages.

Our fundamental objections to the guidelines are that their effect:

(1) is to treat harshly and unjustly the very people who are working the hardest to secure a decent life for themselves. The discriminatory impact of the guidelines falls heaviest on people whose income depends on overtime and bonuses, families with working wives, people who have overcome a previously unfavorable credit rating, and people who have struggled to accumulate savings only to find that they would be barred from obtaining a mortgage due to an arbitrary age limitation.

(2) is to encourage lenders to write-off areas of the central cities most in need of investment and revitalization. This amounts to redlining, a discredited practice that was officially repudiated as national policy years ago.

Accordingly, we have joined together to demand:

That FNMA recall its credit and property guidelines for the conventional market, and redraft them so that they are fair to all citizens.

That the Secretary of the Department of Housing and Urban Development refuse permission to FNMA to purchase conventional mortgages until the guidelines have been purged of their discriminatory effect.

As the first attempt by a government-sponsored agency to write credit and property standards for use in the conventional mortgage market, the negative consequences of FNMA's restrictive criteria indeed may be staggering. Lenders will want to comply strictly with the criteria in order to retain their option of selling mortages to FNMA.

Instead of encouraging lenders to make conventional loans to a broad range of people, FNMA's criteria as they now stand are likely to have the reverse effect of standardizing arbitrary practices that will deny home financing opportunities to millions of our citizens.

We are convinced that in granting FNMA the authority to set up a secondary market for conventionals, Congress had no intention of limiting the conventional mortgage market to a narrowly defined class of people in carefully selected communities.

#### FINDINGS

We find that FNMA's guidelines are unacceptable for many reasons, and among the most flagrant are:

1. *Mortgage lenders are directed not to count pay from overtime, bonuses, and part time jobs as effective income.* This is not only blatant discrimination against blue collar workers in general, but will have a discriminatory impact on minorities who often rely on such pay as a necessary part of their income to maintain their standard of living.

2. *Mortgage lenders are directed not to count a wife's income more than 50%.* Setting such an arbitrary percentage is unreasonable and without basis. It amounts to an unfair discrimination against more than 17 million American families where there are working wives. It completely disregards changing social conditions and the sharp trend toward increased employment of women.

We are particularly concerned about the serious discriminatory impact of this rule on minority and blue collar families where the wife's income often represents a significant and crucial contribution to the family's income and standard of living. All the evidence indicates that minority families would bear the largest burden if FNMA's archaic policy is not revised. A significantly greater percentage of wives in minority families work as compared to wives in white families. A recent survey conducted by the Office of Economic Opportunity indicated that for urban black families, the percentage of family income earned by secondary workers is 1½ times as much as the percentage earned by secondary workers in urban white families.

Our position is this:

A wife's income should be counted fully as long as it has been stable and circumstances indicate that it can normally be expected to continue during the early years of the mortgage. This procedure is already in use by the Federal Housing Administration. In 1969, in its regular insurance program for new single family homes, *all* of the wife's income was counted in 89% of the cases where the wife worked.

3. *FNMA's rule that the ratio of first mortgage payment to the family's effective income should not exceed 25%.* This completely disregards the well established principle that the lower the family income, the higher is the percentage of family income normally allotted to basic expenses such as housing.

To illustrate how this 25% rule would combine with the guidelines on overtime, bonus, part time pay, and wife's income to deny a family a loan, take the case of a family seeking a loan on a house where the total first mortgage payment would be $200 a month, or $2400 per year. To qualify for the loan, the family would need to have an annual effective income of 4 times $2400, or $9600. Suppose the husband makes $8000, of which $1500 comes from overtime and/or bonus pay and the wife has an annual income of $5000. Their combined income of $13,000 clearly should be substantially more than enough to qualify. However, under the FNMA guidelines, only $6500 of the husband's income and only $2500 of the wife's would count. The combined total of $9,000 would be insufficient and the family would be denied the loan.

4. *Mortgage lenders are instructed that loans generally should not be made in cases where the age of the borrower plus the term of the loan exceeds 80 years.* This will unreasonably discourage lenders from making loans to people who have saved or otherwise invested their earnings with a view to purchasing a retirement home. It is especially unjustified in view of the fact that citizens more than 50 years of age have traditionally had a very favorable record in paying their mortgage debts.

5. *FNMA's treatment of the borrower's credit rating.* This is one of the most ob-objectionable features of the guidelines. Any report of a previous credit problem, such as a slow payment, would generally disqualify the borrower, no matter how slight the problem, or no matter how long ago the problem

existed. This guideline particularly will work a hardship against those who have been subjected to harsh credit practices.

The key to a borrower's credit rating should be the general pattern of recent credit behavior, not reports of isolated delinquencies which may be the result of disputed accounts, temporary illness, or actual errors by the credit bureau or others.

6. *FNMA's property guidelines revive the discredited practice of redlining.* This is revealed in such questionable statements as that the property must be in a "well maintained neighborhood," that it must be in "a neighborhood evidencing pride of ownership" and that "homes in declining neighborhoods" will be generally unacceptable. Although left undefined, these phrases may well be applied by lenders to withhold credit from areas of central cities which need assistance most desperately.

We also take exception to FNMA's statement that a property will be generally unacceptable if there are "neighborhood influences detrimental to enjoyment of the premises as residential use, e.g., airports, noise, odors, heavily traveled streets or expressways, industrial or commercial areas, etc." Interpreted literally, these criteria could conceivably rule out a great proportion of the properties in the country. With such obviously unworkable guidelines, there is a strong likelihood that the exercise of individual discretion will lead to discriminatory results.

7. *FNMA's requirement that a property generally must contain a minimum of 1000 square feet of improved living area.* This figure is extremely conservative and would rule out much of the conventional mortgage market in the United States. At a time when the Department of Housing and Urban Development is encouraging technological breakthroughs to increase efficiency in the use of space, this restriction is anachronistic.

In addition to the above objections, we are disheartened by the complete absence in FNMA's document of any mention of the civil rights responsibilities of mortgage lenders. Each seller of mortgage loans to FNMA should be required to provide a warranty that it does not discriminate in the making of mortgage loans and that it has not discriminated against individual mortgagors in the fixing of the terms of loans, because of the race, color, religion, sex or national origin of the mortgagor or potential mortgagor or any person associated with him in connection with the loan or the purposes of the loan, or prospective occupants of the dwelling. The same type of warranty should be provided in connection with the servicing of the mortgage.

### NECESSITY OF CHANNELING MORTGAGE MONEY WHERE IT IS MOST NEEDED

The legislative history preceding the passage of the Emergency Home Finance Act of 1970 indicates that providing FNMA with the authority to purchase and sell conventional mortgages was intended to facilitate the flow of housing credit for such mortgages. The legislative history also indicates the anticipation that FNMA's entry into the secondary market would be preceded by efforts to standardize conventional mortgage lending in the United States, which has heretofore operated under a wide diversity of practices and procedures. Although we have no quarrel with these goals, one often expressed fear has been that funds might be diverted from those segments of the housing market most in need. In fact, Secretary Romney in his testimony before Congress last year, while supporting the establishment of a secondary market for conventionals, stated that one of the major problems would be to assure that funds not be diverted from the low- and moderate-income segments of the housing market, whether conventionally financed or not. But paradoxically, FNMA's guidelines, as presently written, will assure the diversion of such funds. That is why the Secretary's intervention at this time is an absolute necessity.

### CONCLUSION

We have been forced to intervene in this way at this time because of the insensitivity shown by FNMA to the needs for expanded housing opportunities. It seems to us elementary in a democratic society that an action affecting the aspirations of such a large segment of the population should have been preceded by some opportunity for public scrutiny and consideration.

FNMA's status as a quasi-public agency cannot be used to shield it from its public responsibility. It is answerable for what it does, and we mean to hold FNMA accountable for its lack of concern for the public interest.

FNMA has been advised of the objections raised in this statement. The Center for National Policy Review, with the assistance of the Public Interest Research Group, prepared a document specifying objections to the guidelines and suggesting alternative language to FNMA's credit and property criteria. Although no opportunity was provided for a discussion of our revisions in a public hearing, several of the signatories met with officers of FNMA and our proposed changes served as the basis for the discussion. However, we have had no evidence to date that this attempt at private negotiations has had any meaningful impact.

The promise of decent housing has long been expressed as one of this nation's priority objectives. Twenty-two years ago, the Congress declared as basic national policy the realization "of a decent home and a suitable living environment for every American family." In 1968, faced with the failure to fulfill this commitment, Congress enacted the most far reaching housing legislation in our history.

The critical housing situation again prompted Congress to act in 1970 by passing the Emergency Home Finance Act. Title II of that act provides FNMA with a mechanism to broaden the base of home ownership. FNMA's action, however, subverts the very spirit and purpose of the legislation and represents a retreat from our national commitment.

### National Committee Against Discrimination in Housing (NCDH)

Washington, D.C., October 4.—U.S. Secretary of Housing and Urban Development George Romney has been urged to withhold his approval for Federal National Mortgage Association purchase of conventional mortgages "until Fanny Mae revises the blatantly and retrogressively discriminatory credit regulations it has proposed."

The appeal to Romney was made in an October 1 letter (released today) from Edward Rutledge, chief executive officer of the National Committee Against Discrimination in Housing (NCDH), the nation's only public interest organization concerned wholly with civil rights aspects of housing.

NCDH warned Romney that the Fanny Mae proposals "would turn the credit clock back more than a generation for the nation's racial minorities and for the poor. It is frankly incredible that a responsible federally regulated agency could in 1971 propose discriminatory regulations that another Federal agency—FHA—had eliminated years ago.

"Approval of Fanny Mae mortgage purchases under the proposed guidelines would directly contradict the President's June 11 policy statement. It would also contradict recent steps taken by HUD under your leadership to rewrite regulations governing federally subsidized and insured programs so that minority citizens have the same housing choices enjoyed by whites," the letter continued.

"Further, for you to concur in Fanny Mae operations under the guidelines would be to concur in Fanny Mae contravention of Title VIII of the 1968 Civil Rights Act, as well as the 1968 U.S. Supreme Court decision outlawing all racial discrimination in housing everywhere," NCDH pointed out.

"The process of mortgage financing is at the core of the operation of the entire housing market. If Fanny Mae is permitted to operate under regulations that so clearly deny opportunities to racial minorities, whatever progress we have made to date in opening any area of the market would be in jeopardy," NCDH emphasized.

NCDH, which counts some 50 national groups as cooperating organizations, has been since 1950 the leading force in nationwide challenges to racially discriminatory Federal policies and practices that have forced segregated residential patterns on the nation's cities and suburbs.

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## MORE ON THE CASE OF OPERATION KEELHAUL

## HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. ASHBROOK. Mr. Speaker, on a number of occasions I have inserted in the Congressional Record information on Operation Keelhaul, a project in which the United States cooperated to return to the Soviet Union against their will over a million Russian prisoners and displaced persons at the end of World War II. As pointed out before, this depressing tale has been brought to public attention mainly through the efforts of Prof. Julius Epstein of the Hoover Institution at Stanford University who has for years sought to publicize the details of this tragic betrayal in which the United States played a part. In order to have the Operation Keelhaul files released to the public, Mr. Epstein finally went to court to compel the Department of the Army to declassify the material only to be denied certiorari by the U.S. Supreme Court. Because of the Supreme Court's decision in the so-called Pentagon Papers case, Mr. Epstein has again initiated legal proceedings and hopes finally to overturn the Army's position and bring the whole story to public view.

Mr. Allan C. Brownfeld, whose study on the New Left was published by a Senate subcommittee several years ago, looked long and carefully into the Operation Keelhaul case and has covered the many facets and ramifications of this episode in an extensive article for Human Events, appearing in the October 2, 1971, issue. Mr. Brownfeld's articles have appeared in a variety of publications, and his law background combined with this talent in investigative reporting qualify him highly to handle the Keelhaul affair. I include the above-mentioned article, "Operation Keelhaul" by Mr. Brownfeld in the Record at this point:

### Operation Keelhaul

(By Allan C. Brownfeld)

When the New York *Times* came under fire publishing the Pentagon Papers, it made quite a fuss about freedom of the press and the public's right to know. The Supreme Court, then, upheld the right of the *Times* to publish the stolen papers without prior restraint.

Since both the *Times* and the court have come down on the side of "freedom," it would be only natural to expect that this belief would find some expression not only in the case of stolen documents, but also in the case of documents now unavailable but being sought by a reputable historian using all of the proper administrative procedures.

The almost unbelievably shocking facts in the case of Operation Keelhaul (keelhauling: hauling a man under the keel of a ship), however, show this not to be the case. In what is believed to be the first citizen's suit seeking to declassify a government document under the Freedom of Information Act, the *Times* remained silent and the Supreme Court refused to hear the case.

Operation Keelhaul was the name given the forced repatriation of nearly a million anti-Communist Russian prisoners and displaced persons from Germany to the Soviet Union at the end of World War II.

Prof. Julius Epstein of the Hoover Institution of Stanford University—who has done extensive research on the subject—estimates that between two and five million people in prison camps in Germany, Great Britain, Canada and the United States were forcibly shipped back to the Soviet Union against their wishes to face death or concentration camps at the hands of Soviet leaders.

What the fate of these anti-Communist Russians would be if returned to the Soviet Union was clear. Stalin, upon learning of the large numbers who were surrendering, had issued a top secret order in which he admitted that "on all fronts there were people given to panic, going over to the enemy and throwing away all their weapons."

In a later order he declared that all Soviet soldiers who became German prisoners were judged to be traitors. Stalin is reported to have said, in response to a request for an exchange of postal arrangements for prisoners, that "There are no Russian prisoners of war. The Russian soldier fights on till death. If he chooses to become a prisoner, he is automatically excluded from the Russian community. We are not interested in a postal service only for Germans." Thus, for Stalin the words "prisoner" and "traitor" were synonymous.

United States officials, by even the most generous estimate, had every reason to know what fate was in store for Russian prisoners of war. A member of the International Red Cross delivered to the United States delegation in Switzerland in 1944 a lengthy memorandum relative to the problem which Russians and others of Soviet citizenship would face after the impending allied victory.

Being of Baltic parentage and having good contacts with both the Germans and the Soviets, the Red Cross official was able to present a very astute analysis which proved to be a remarkably accurate forecast of what actually took place. In his memorandum he gave a figure of 1.5 million as the number of Soviet citizens who had been recruited for service with the Germans. He further expressed the opinion that the NKVD or secret police would deal harshly with these persons, based upon their performance in areas liberated from the Germans up until that time.

He went on to state that these people "have been told again and again that, should they surrender, they risk being delivered by the Anglo-Saxons into the hands of their Soviet ally."

The memorandum ends with a plea that the International Red Cross work through the Allied governments in order to save these people. In his doctoral dissertation on Operation Keelhaul, Fred Smith of Georgetown University wrote, "Obviously, this memorandum was ignored or not properly considered. I can say, however, that it was seen by those responsible for policy in this regard, as I did observe their initials on the communication."

Svetlana Alliluyeva (Stalin's daughter), in her book *20 Letters to a Friend,* commented on the treatment of the families of Russian soldiers taken by the Germans: "Yakov's little girl Gulia was reunited with her mother, who had spent two years in prison under the statute providing for punishment of relatives of those who had been taken prisoner. Everyone who was taken prisoner, even if they had been wounded (Yakov was), was considered to have 'surrendered voluntarily to the enemy.' Is it any wonder that when the war ended many of them didn't want to come home?"

One large group of Soviet nationals who had additional reasons for not returning to the Soviet Union were the more than two million who had joined the so-called Vlasov Army, organized by Gen. Andrei Vlasov, who, before his capture by the Germans in 1942, had been decorated by Stalin for his role in the successful defense of Moscow.

With the help of the Nazis, Gen. Vlasov publicly proclaimed a Russian national liberation movement and invited other of his compatriots to join in overthrowing the Stalin regime. With other Soviet nations, Gen. Vlasov, in his Smolensk manifesto, made 13 demands on the Soviet regime which included the abolition of forced labor, collective farms, freedom of religion, conscience, speech, assembly and press, among other things.

After the German capitulation in May 1945, Gen. Vlasov marched south toward the American forces in response to the Allies' declaration that surrender would result in fair treatment according to the Geneva Convention. Before the downfall of the Nazis, the Americans and British had dropped millions of leaflets and so-called safe-conducts signed by Gen. Eisenhower inviting the Germans and those who had fought with them to lay down their arms in exchange for fair treatment.

Prof. Epstein notes that in its leaflets the War Department at first promised the Vlasov troops "speedy return to your beloved fatherland"—the very fate they feared most. Later other leaflets were dropped on Vlasov's troops promising that "we shall never return you to the Soviet Union." Vlasov's troops, however, were among those Russians later forcibly repatriated to the Soviet Union.

At the beginning, American policy on this question was firm and understandable. Secretary of State Cordell Hull, in a telegram to Ambassador Averell Harriman in Moscow, dated Sept. 15, 1944, stated: "In order to avoid the risk of reprisals against American nationals in enemy hands, no person taken as German prisoners of war have been delivered to Allied governments against their will."

The policy of Great Britain is also relevant to the unfolding story of Operation Keelhaul. The American political adviser on the staff of the Supreme Allied Commander of the Mediterranean, Kirk, pointed out to the secretary of state that information reaching him from the War Office in London indicated that an agreement had been made by the British with the Soviets to repatriate all Soviet prisoners of war from the Middle East, ". . . irrespective of whether the individuals desired to return to Russia or not." Evidently, this was a unilateral decision on the part of the British.

In an airgram on the same day he reported that the American forces in Italy had turned over to the British four officers and 3,754 enlisted men who claimed Russian nationality, and in southern France two officers and 2,682 enlisted men claiming Russian nationality had been captured by Americans.

"The evidence available to me," wrote Fred Smith, "shows that very few of those unfortunate people who were returned were ever put to work in the Soviet war effort, except in forced labor camps. Many were summarily shot and a prison term was the least that most of them suffered. All prisoners were processed through 'filtration camps' as a matter of routine, where their individual degree of treason was determined."

In his article, "From the Gallery of Wartime Disaffection," Alexander Dallin had described the tragic fate of a high-ranking Soviet officer, Lt. Gen. Mikhail Fedorovich Lukin, who was captured on the field of battle, after having been seriously wounded in the so-called Vyazma Encirclement in 1941.

Gen. Lukin resisted all the tempting offers of the Germans, including an offer from Gen. Vlasov himself, to join in anti-Soviet efforts. Lukin resisted these lures, in spite of the fact that his anti-Stalinist views were well known. Immediately after his capturre, in fact, Lukin asked that his capture be announced and that if it had been, he wanted the Germans to state for the record that he was both wounded and without arms when captured.

However, Lukin's valiant behavior was to no avail. When he was returned to the Soviet Union he was imprisoned and died in a Smolensk prison in 1947. As Dallin put it, "He had wanted to be a patriot in spite of Stalin. Stalin made him a traitor in spite of himself."

The United States government abandoned its own policies concerning political asylum, and did so only with regard to those who sought asylum from communism.

Evidence of this is contained in a memorandum by Mr. Gufler of the Special War Problems Division dated Oct. 17, 1944 and addressed to the chief of the Division of Eastern European Affairs, Charles Bohlen. It stated:

"The new policy toward Soviet nationals differs from the policy hitherto followed with regard to them and with the policy which it is proposed to continue to follow with regard to other Allied nationals. The most noticeable difference is that no persons claimed by other Allied governments are delivered to the custody of those governments against their will. The adoption of this new policy towards the Soviets will result in the delivery to the Soviet authorities of persons hitherto withheld from them because they were unwilling to return to the Soviet Union."

On Dec. 20, 1944, this policy was made firm by Secretary of State Stettinius, who stated: "The policy adopted by the United States government in this connection is that all claimants to Soviet nationality will be released to the Soviet government irrespective of whether they wish to be so released." In his dissertation Fred Smith writes that "my research indicates that the fate of these people was sealed at this early date." Julius Epstein estimates that the United Staets eventually forcibly repatriated some two million people.

There is an apparent conflict between Secretary of State Edward R. Stettinius' view and that of Acting Secretary of State Joseph Grew. Grew goes on to explain the department's view of the Geneva Convention: ". . . This action has been taken because the Geneva Prisoner of War Convention does not specifically provide for situations such as that which has arisen from the incorporation by the Germans of captured persons of foreign nationality into German military formations.

"It appears to the appropriate American military authorities, who have given most careful consideration to this situation, that the clear intention of the Convention is that prisoners of war shall be treated on the basis of the uniform they are wearing when captured and that the detaining power shall not look behind the uniform to determine ultimate questions of citizenship or nationality. . . ."

This, of course, was precisely what the Soviet Union was asking the United States to do. They were insisting that all possible claimants to Soviet citizenship be sorted out, not just to facilitate their return to the Soviet Union, but in order to see that none of them went unpunished.

Acting Secretary Grew goes on to make even clearer the fact that the American motive in this was very selfish, that our primary concern was the welfare of American prisoners who were still in German hands. He further states:

"There are numerous aliens in the United States Army, including citizens of enemy countries. The U.S. government has taken the position that these persons are entitled to the full protection of the Geneva Convention and had informed the German government over a year ago that all prisoners of war entitled to repatriation under the Convention should be returned to the custody of the U.S. regardless of nationality.

"In view of the fact that the United States has taken this position with regard to American prisoners of war in German hands, it is the opinion of the competent American authorities that, if we should release from a prisoner of war status persons who claim protection under the Geneva Convention because they were captured while fighting in German uniform as members of German formations, the German government might be afforded a pretext to subject to reprisal American prisoners of war in German hands."

At this point, while the Germans still held American prisoners, our government seemed to know exactly what the issues were.

The actual stories of the forced repatriation of anti-Communist Russians to the Soviet government by American authorities is a sad chapter in our country's history, for it marks a retreat from all of our traditional standards.

For example, various recalcitrant ex-Soviet soldiers had been collected at Fort Dix, N.J. They numbered 154. On June 29, 1945, an attempt was made to take them to a ship bound for the Soviet Union. The next day The New York *Times* reported that three of the men had committed suicide rather than return.

It seems that when these men had learned of the American intentions, they had barricaded themselves in their barracks and a riot ensued. The American soldiers had fired tear gas. The prisoners in turn had rushed out of the building wielding knives and clubs. The American soldiers opened fire, wounding some of the men. After the riot had been quelled, the three suicides were discovered in the barracks.

Another source states that the group which rioted at Fort Dix was composed mainly of prisoners who had refused to board a ship on the West Coast for the Soviet Union and were subsequently brought to Fort Dix for shipment over the Atlantic route. The same source states that there had been one prior attempt to load them aboard ship on the East Coast, but that the prisoners succeeded in disabling the ship's engines with their bare hands in order to prevent the sailing. This same author states that the men were finally fed drugs with their food and were got aboard the ship in that manner.

As one might suspect, some Allied officers developed a strong distaste for this whole business, which was certainly not in the tradition of political asylum of either the United States or Great Britain. Many officers became very defensive about the matter, as indeed is the Department of the Army even today.

One British officer was reportedly court-martialed for refusing to obey an order from Russian agents. The story is told by David Dallin in his article, "The Repatriation Crime of World War II," in *The New Leader* of April 21, 1952, of another British officer who went insane as a result of participating in these events.

At Kempton in southern Germany, some 410 former Soviet citizens were repatriated against their will on Aug. 12, 1945. Thousands of Russian refugees were located in this camp and complete panic ensued when the American camp authorities announced on the day before that these people were to be repatriated. The people to be sent back took refuge in their church and their removal was particularly brutal; American soldiers literally broke into the church and demolished it while dragging these people out. Some escaped, some were suicides and there were a number of wounded on both sides.

Evidently, the raising of this topic at the meeting of the Council of Foreign Ministers resulted in some queries being sent to Washington. On September 29, Acting Secretary of State Dean Acheson sent a fairly lengthy telegram to Secretary of State James F. Byrnes summarizing the American policy dilemma as regards repatriation.

Acheson stated that the State-War-Navy Coordinating Subcommittee for Europe had proposed the following two resolutions: "(a) Interpret the Yalta agreement as meaning that all Soviet citizens should be repatriated by force if it contains no provision whatsoever for the use of force in the repatriation of Soviet citizens and was in fact an agreement to facilitate the return of all liberated Soviet citizens who desire to return, there is no obligation on either signatory to use force to bring about repatriation of the citizens of the other party. Therefore, it might be held that the U.S. government will have fulfilled the agreement if it facilitates the return of all liberated Soviet citizens who desire to return."

The remainder of the telegram, however, is quite contradictory in nature. Acheson mentions the reluctance of both the British and American troops to use force, and how the whole affair violates the traditional policy of political asylum. However, he places those Russians found in a German uniform in a different category who should be returned by force if necessary and specifically mentions that some 500 Cossacks being held in Italy should be sent back, using force if necessary, citing the precedent of the Fort Dix incident.

One of the most noteworthy incidents to take place early in 1946 was the forced repatriation from Dachau, of all places.

The New York *Times* broke the story on January 20. Here the forced repatriation of some 271 former Soviet citizens ended in a riot. Ten of the men committed suicide. All this happened in spite of the efforts of 500 American and Polish guards. When ordered to board the trains at gunpoint, they had refused to do so.

The main group, according to the press account, that resisted the repatriation barricaded themselves in one of the barracks and linked arms and defied tear gas for awhile. When the guards finally burst into the barracks and secured them, 10 of the men were already dead and many more were suffering from self-inflicted wounds.

On January 22, the New York *Times* further reported that one of the 21 who had attempted suicide had died. *The heading of the story was, "Russian Traitor Dies of Wound," which in itself says something of the* Times' *view of such matters.* Actually, according to an emigre account, over 100 men were wounded in addition to the 21 seriously injured and the 11 deaths.

Very strangely at this point, Mr. Kirk, the political adviser to the Supreme Allied Commander, Mediterranean Theater, asks the secretary of state about the divergence of the United States and British policy on the question of forcible repatriation.

In the Mediterranean, both nations operated under a combined staff concept and he mentions that no agreement had ever been reached on the question of the forcible repatriation portion of the Yalta agreement. This message of February 6 indicates that Britain wishes U.S. concurrence in the use of force, which is strange as the evidence indicates that both nations had been applying force, the only difference being that the British were perhaps a bit more indiscriminate in its use.

At any rate, the Soviet observers continued to compile their lists and probably to answer insistent messages from Moscow. A screening commission working in the camp at Plattling stayed only five days to talk with some of the survivors of the Dachau forced repatriation. The unrest among the remaining Russians only increased as a result of such activities.

The American camp commander, Col. Gillis, is reported to have told them: "Tell your people not to become excited; after the verifications the releasing will start and for as long as I am commandant of the camp, no one will be forcibly repatriated."

As late as February 10 he is said to have reassured them again. Unfortunately, Col. Gillis was not able to keep his word. By the night of February 23, all the camp knew that something was afoot. The following morning at 5 a.m., soldiers backed by tanks rushed into the camp and burst into the barracks. Names were called and some men were rushed off under guard, and others stayed, standing in the cold waiting. Ten men were injured enough in their abortive attempts at suicide so as to require hospitalization. But the planning of the American Army was better this time and the fiasco at Dachau was not repeated.

In this forced repatriation, it is estimated that 1,575 men were sent back to the Soviet Union. An Army Signal Corps film recorded the scene of these frightened men being loaded on trains as a Soviet officer called out their names. It also recorded several American officers restraining a Russian who had slashed his chest many times and was grimacing in pain. This picture appeared in the European edition of *Stars and Stripes* for March 6.

According to Fred Smith, "It is now impossible to find a copy of this issue and the official picture is classified for 'Official Use Only' and is not available to the public. This particular issue has even been removed from the bound volume in the Library of Congress. Nor does the Army Library in the Pentagon have a copy available for public viewing."

The caption under the photo states: "Hurt: Russian repatriate Constantine Gustonen grimaces with pain after he slashed himself on the chest some 17 times in suicide attempt to avoid being returned to Russia." The film which is not available is designated AFCR-3M-2122 and is entitled "Return of Russian Prisoners to Russia, Army Pictorial Center, 35-11 35th Avenue, Long Island City, New York, filed card ADC 5824." The picture appears in the *Star and Stripes* of March 6, 1946, on page 3.

Even after all this, Col. Gillis attempted to reassure the remaining men that there would be no further forced repatriations and that they would all be released shortly with Displaced Person documents marked "not subject to repatriation." Several days later Col. Gillis disappeared. He would not be present when the next repatriation took place.

There remains a great deal of mystery about the entire subject of Operation Keelhaul. Gen. Eisenhower's role, for example, remains unclear. In his book *Crusade In Europe*, he expresses great sympathy for the displaced persons. He stated: "The truly unfortunate were those who, for one reason or another, no longer had homes or were persecutees' who dared not return home for fear of further persecution. The terror felt by this last group was impressed on us by a number of suicides among individuals who preferred to die rather than return to their native lands."

Gen. George Marshall, secretary of state, also testified very forcefully against forcible repatriation as a solution to the displaced persons problem. He stated: "To adopt the alternative of forcible repatriation would therefore be violating not only our American traditions but also standards of international conduct." But by now it was 1947, and most of the damages had already been done.

Since 1954 Julius Epstein has been studying the forced repatriation of antiCommunist Soviet nationals by the United States, Great Britain and France. He has written more than 50 articles on the subject. At the start of his research, he came across a file card in the catalogue of the Army Historical Records Branch in Alexandria, Va. It read: "Forcible Repatriation of Displaced Soviet Citizens—Operation Keelhaul." Its file number was: 383.7-14.1.

Prof. Epstein notes that "The moment I saw the file card in the catalogue in Alexandria, I knew that this was the decisive document, compiled by the American Army itself. The fact that the Army itself chose the code word 'Operation Keelhaul' did not leave any doubt in my mind that it has been aware of the fact that Operation Keelhaul was a crime against humanity under the law, established at Nuremberg."

Mr. Epstein proceeded to fill out a library slip to get the Army document. Within a few minutes the librarian at the archives came back to tell him that the dossier was "closed" to the public; in other words, that it was classified "Top Secret," the highest grade in the American system of classification.

Since that time, April 1954, Prof. Epstein has tried on innumerable occasions to get the document—without the slightest success. In May 1956 he testified about forced repatriation before the Senate Internal Security subcommittee and told the senators about the "Operation Keelhaul" document. Sen. William Jenner, who was in the chair, immediately sent one of the subcommittee's investigators to the Pentagon to get the document. The investigator, Mr. McManus, returned empty-handed.

On July 4, 1967, a new law, the "Freedom of Information Act," was passed. This law provides that every American citizen has the right, in the event that the government denies him access to a document, to bring legal action against the government in the district courts. According to this law, the government must prove to the satisfaction of the judge that the document has been properly classified.

A document is "properly classified" only when the government can prove that release of the classified document would seriously endanger American national defense, security, or foreign policy. This has already been spelled out in an Executive Order signed by President Eisenhower.

Prof. Epstein points out that ". . . up to now, the scholar who needed a document could not question the government whether it was properly or improperly classified. But every American scholar knows that there are thousands of historically important documents overclassified 'Top Secret,' 'Secret,' or 'Confidential' not because release would endanger national security, defense or foreign policy, but for one reason only: that publications might embarrass a statesman or politician, a present or past Administration. . . . But embarrassment is no sufficient reason for maintenance of classification."

On May 22, 1968, Julius Epstein filed suit in the District Court of San Francisco for the declassification and release of Operation Keelhaul. Rep. John Ashbrook (R.-Ohio) has said that "The importance of the Epstein case stems from the fact that it is the first test case to be carried to the U.S. Supreme Court concerning the Freedom of Information Act of 1967. Journalists, historians, legislators, lawyers and government officials have an interest in the workability of the act and whether amendments to enhance its utility are in order."

In the San Francisco trial the Army lawyers contested the right of the court to deal with the matter. They denied the jurisdiction of the court and alleged that disclosure of "top secret" documents is exempt by the law itself. Congressman John Moss (D.-Calif.), the author of the Freedom of Information Act, disagreed. He stated that "It is not exempt and that is not the way we spelled it out in the report to the committee. One thing I fought for was the total preservation of the judicial autonomy of the court in reviewing any action of the executive."

Despite all this, the lower courts refused to release the documents, and the Supreme Court refused even to consider the case. The New York Times and the Washington Post, publications which today claim the right to publish stolen classified documents at will, had nothing to say in Prof. Epstein's behalf.

The Supreme Court, which now sanctions the theft and publication of stolen, classified material, would not even hear the case of an historian who sought to find out the facts of history by obeying the law and the machinery set up, supposedly, to provide the public with "Freedom of Information."

On April 22, 1971, Rep. Ashbrook introduced House Resolution 399, asking for the creation of a Select House Committee to investigate forced repatriation, past and present and especially the unwarranted secrecy classification of the Operation Keelhaul file.

At that time Rep. Ashbrook stated that "Mr. Epstein, as far back as 1956, tried to call public attention to this case before the Internal Security subcommittee of the U.S. Senate. Through his efforts it was learned that the U.S. Army possessed a file title 'Operation Keelhaul' which detailed pertinent information but which had a security classification which denied the public access to it. To have the given information made public, Mr. Epstein went all the way to the Supreme Court where he was denied certiorari.

"He appealed to the White House and was successful in having the national security and foreign policy arguments for the secret classification removed. There now remains but one objection to having the information released—the co-authorship of some of this information by our British allies, whose approval the Department of the Army and the White House contend are necessary before release of the Operation Keelhaul file."

The text of the resolution pointed to the fact that the President of the United States has removed the main obstacles to the declassification of Operation Keelhaul files by declaring that "The U.S. government has absolutely no objection to the declassification of the 'Operation Keelhaul' files; however, given the point origin of the documents, British concurrence has not yet been received. Thus we have no alternative but to deny your request."

Operation Keelhaul consists to a large extent of American documents, classified by American military authorities. Rep. Ashbrook states that "No foreign government should have the power to deprive the American people of the opportunity to learn their own history based upon documentary evidence concerning events which occurred more than 25 years ago."

Operation Keelhaul is a sad chapter in our nation's history, and the silence of such alleged friends of free speech and a free press as the New York *Times*, the Washington *Post* and the Supreme Court itself holds open to question the sincerity of their action in the publication of the Pentagon Papers. One might conclude that the commandment of a free press only relates to those documents and pieces of information which fit into a particular value structure, namely that of the *Times* and the *Post* themselves.

The American people have a right to know what really happened at the end of World War II to the millions of Russians who did not want to return to the Stalinist tyranny of their homeland, but were forced to do so by our own government.

The Nixon Administration has the power to declassify these papers, and it owes it to the people of the United States to do so at the earliest possible date. The Congress, through the Ashbrook resolution, has the opportunity to launch its own investigation.

In the meantime, Julius Epstein waits for the material which will enable him at last to tell the full story of America's retreat from its own principles of humaneness and political asylum. It is a lonely fight when there is no assistance from the nation's most vocal defenders of the "people's right to know." Or, do such defenders not really want the people to know about the kinds of truths Operation Keelhaul reveals?

Julius Epstein must wonder a great deal about this, and what it means for the future of freedom in American if it is true.

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## PRAYER AMENDMENT

## HON. HAROLD R. COLLIER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. COLLIER. Mr. Speaker, permit me to address these remarks to those who earlier today in this debate have expressed their concern with the constitutional question involved in the interpretation of "nondenominational" in section 1 of this resolution. Now that we have amended it to substitute "voluntary," failure to approve this resolution becomes a flagrant denial of the civil rights of those who wish to pray in any public building.

It is absolutely inconceivable to me that this Congress would be opposed to permitting any citizen or group of citizens lawfully assembled in a public building to participate in a voluntary prayer. That is singularly the only question to be resolved at this point in voting on this resolution.

When a court decides that a group of citizens violates the first amendment to the Constitution merely by meeting voluntarily in the high school gymnasium to read a prayer before school even begins, I contend that it is a brazen violation of the constitutional right of these students to do so. I contend further that it is the responsibility of this Congress to make certain that no person is ever required to participate in any prayer against his will or through authoritative coercion. But I contend it is also the solemn responsibility of this Congress to make certain that no person is denied the right to voluntarily participate in a prayer which is not part of a school or other public activity. Purely and simply, the right to pray voluntarily in a public building must be given the same protection under law as the right not to be forced at any time to participate in prayer. Only in this way can the rights of every citizen be provided the individ. ual protection which is the function and purpose of the Constitution of the United States.

It is regrettable that so many of the opponents of this resolution read into it that which is just not present. Were we to accept interpretation based upon fear, whether sincere or demagogic, it would be simple enough to take any amendment of the Constitution and repeal it on the basis of fear growing from misinterpretation rather than fact or logic. Constitutional rights are not worth a tinker's dam if they are denied to one person to achieve the desire or satisfy the whim of another.

## THE 25TH ANNIVERSARY OF CANONIZATION OF ST. FRANCIS CABRINI

### HON. RICHARD S. SCHWEIKER

OF PENNSYLVANIA

IN THE SENATE OF THE UNITED STATES

*Tuesday, November 9, 1971*

Mr. SCHWEIKER. Mr. President, on November 16, 1971, Cabrini College, of Radnor, Pa., will celebrate the 25th anniversary of the Canonization of St. Frances Xavier Cabrini, the first American citizen to be canonized.

In recognition of that very special event, and in recognition of the humanitarian and charitable works of Mother Cabrini and the order she founded, I ask unanimous consent that an address made by Mother Ursula, M.S.C., former president of Cabrini College, on September 26, 1971, at the National Shrine of the Immaculate Conception in Washington be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

### Address by Mother Ursula, M.S.C.

In the seat of Christendom, midst the splendor of St. Peter's Basilica, three solemn ceremonies were held within in the short space of nine years in honor of St. Frances Xavier Cabrini. First, her solemn Beatification by Pope Pius XI on November 13, 1938; then her Canonization on July 7, 1946, by Pope Pius XII; and thirdly, the Unveiling of her marble statue with unusual solemnity in the presence of the American Ambassador to Rome, and our President's representative to the Holy See, as well as, Cardinals, prelates, members of the diplomatic corps and religious congregations. This took place on December 8, 1947, a day on which Mother Cabrini assumed a position of honor among the great founders of religious orders.

Today, at the National Shrine of the Immaculate Conception, the Catholic Church in the United States gives Mother Cabrini a place of honor among the American Saints; and richly does she deserve this recognition! For she truly loved America, the land that had been shown to her by Pope Leo XIII. In her letters to her spiritual daughters she repeatedly described the beauty, the charm, and the spiritual and material treasures that God had showered upon the United States of America—"the land of wonders," she called it. In the same way that St. Paul became a Jew with the Jews, a Greek with the Greeks, and a Gentile with the Gentiles, so Mother Carbini became an American with the Americans. She adopted the language, the customs, the patriotism, and even the citizenship of the United States. More than that! She gave a luster, a glory to our country—she became a Saint! The first citizen of the United States to have been raised to the honors of the altar.

Within a matter of minutes, His Excellency Egidio Ortona, Ambassador of Italy and Mother Josephine Migliore will unveil Barbarossa's agate statue of St. Frances Xavier Cabrini, Patroness of Immigrants—a tribute to her greatest work in the United States, her total involvement in the problem of Italian Immigration.

Immigration was then at its height. Between 1870 and 1920 half of the Italian population, 15,000,000 to be exact, deserted Italy, a country then being torn apart by the politics of prestige and conquest, of power and empire. Whole villages moved almost en masse as peasants and artisans hurried to the nearest port and took passage in the steerage. They were going to America, the land of opportunity. They believed in those words inscribed at the base of our Statue of Liberty:

> Give me your tired, your poor,
> Your huddled masses yearning to breathe free,
> The wretched refuse of your teeming shore,
> Send these, the homeless, the tempest-tossed to me.
> I lift my lamp beside the Golden Door.

If ever there was a social problem so complex as to seem hopelessly insoluble, and so many-sided as to perplex and bewilder the best intentioned, it was the welfare of the Italian immigrant in this country. Yet Mother Cabrini with a virility of mind that was uncommon, felt inspired to tackle this problem in all its vastness and dimensions—human, social, and religious.

She became an exile with the exiled. She familiarized herself with the longshoremen of Brooklyn, with the factory workers in New York, with the miners in Scranton and Denver, with the street vendors in New Orleans. She met them in the slums, she visited them in the prisons, she pleaded for them in the courts of justice. She brought them not only corporal aid, but the consolation of religion and the love of a compatriot. Mother Cabrini did not argue with them about returning to their country; she spoke about their heavenly Father, their true home, heaven. She spoke to them in the language they had learned from their mothers; and when she was sure she was understood, because she was already loved, she discoursed in the language of another mother—the Catholic Church.

She proceeded at once to found a series of hospitals, schools, and nurseries for these immigrants; and in spite of much discouragement and bitter opposition, Mother Cabrini achieved a wonderful success. She became the mother of immigrants, the mother of the dispersed, of the derelicts, of the forgotten people. At a time when Women's Liberation was not the cry of the hour, Mother Cabrini, having liberated herself from the shackles of earthly attachments by her complete dedication to God, was truly free to spend her life in the service of the poor. No woman of our time accomplished more for social service, in the truest sense of the word, than this quiet and unostentatious worker. Nor was her contribution forgotten with her death in 1917.

On October 30, 1952, Judge Juvenal Marchisio of New York at a testimonial dinner in the presence of Cardinal Spellman, presented the Institute of the Missionary Sisters of the Sacred Heart with the Award of the American Committee on Italian Migration to the Italian immigrant of the century—St. Frances Xavier Cabrini—in which Award she is proclaimed Mother of the Immigrant, Servant of the poor, Consoler of the sick, Guardian of the orphan, Friend of the laborer, Messenger of peace, and Citizen of the United States!

And as such, what did Mother Cabrini do for America? . . . The resources of the generous people that came into her hands were transformed into wonderful institutions—chapels, playgrounds, kindergartens, boarding schools, orphanages, hospitals and clinics. By word and example Mother Cabrini made America loved and esteemed by all with whom she came in contact. As an educator, she aimed at developing good Christians and good American citizens. More than anyone else, Mother Cabrini helped the Italian immigrant to find his place in the American way of life. Some have become full-fledged members of American society, even members of our government, contributing their share and fully participating in all that our country has to offer. So if many of the immigrants and their offspring are well on their way to future happiness and good citizenship, they owe it chiefly to St. Frances Xavier Cabrini.

"Not to the East, but to the West" was the commission entrusted to her by Pope Leo XIII. In compliance with that command, O Mother, you came to the West; you saw it, you loved it you conquered the hearts of the immigrants. This beautiful and majestic statue in the National Shrine of Mary Immaculate is a tribute of the West, a monument of devoted gratitude to you. Here, may you continue to listen to the prayers of the needy, and may you obtain peace for America and hope for all mankind.

## NOTICE OF HEARING TO REVIEW THE WORK OF THE ADVISORY COMMISSION ON INTERGOVERNMENTAL RELATIONS

### HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. FOUNTAIN. Mr. Speaker, on November 16 the House Intergovernmental Relations Subcommittee and the Senate Subcommittee on Intergovernmental Relations will jointly hold a hearing to review and evaluate the performance of the Advisory Commission on Intergovernmental Relations during the past 5 years. The two subcommittees previously held joint hearings in May 1965 to review the work of the Commission in the first 5 years of its existence.

The ACIR was established by Public Law 86–380, in September 1959, as a unique, permanent bipartisan body that is broadly representative of all levels of government. The basic purpose of the Commission is to strengthen the ability of our Federal system to meet the problems of an increasingly complex society by promoting greater cooperation, understanding, and coordination of activities among the separate levels of government—National, State, and local.

Senator Muskie, chairman of the Senate subcommittee, and I are both strong advocates of the principle that Congress should periodically review the programs that it creates. It is in this light that our subcommittees plan to examine the work of the ACIR since our last review.

The hearing will be concerned with the past performance of the Commission in relation to its assigned duties and with the future role of the Commission in the context of changing conditions in our Federal system.

I want to invite all of my colleagues, as well as interested organizations and individuals, who are familiar with the work of the Commission to assist the subcommittees in evaluating the ACIR's performance. Those wishing to testify or to submit statements are requested to contact the House Intergovernmental Relations Subcommittee office.

## TESTIMONY OF DR. THOR HEYERDAHL BEFORE THE HOUSE COMMITTEE ON PUBLIC WORKS

### HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. RONCALIO. Mr. Speaker, under leave to extend my remarks in the RECORD, I include the following:

### Testimony of Dr. Thor Heyerdahl Before the House Committee on Public Works

There are times when an observation is made by someone who is looking for something else. This was the case when the present speaker experimented with prehistoric types of watercraft to travel back into man's past, and yet stumbled upon three practical observations which have a bearing upon man's future:

1. The ocean is not endless.
2. There is no such thing as territorial waters for more than days at a time.
3. Pollution caused by man has already reached the farthest section of the world ocean.

It may seem superfluous to state that the ocean is not endless, something the world has known since Columbus crossed the Atlantic in 1492. Yet I dare insist that this fact has not sufficiently penetrated our minds, we all subconsciously act as if the ocean has horizons running into the endless blue sky. When we build our city sewers in pipes far enough into the sea, when we dump poisonous refuse outside territorial borders, we feel we dispose of it for ever in a boundless abyss. We have known for centuries that our planet has no edges and that the oceans interlock in a never-ending curve around the world, but perhaps it is this uninterrupted curve that gives us the feeling of endlessness, this feeling that the ocean somehow continues to curve into space. From all continents we keep on sending our refuse into the presumably endless ocean almost with the impression that we send it away into space. Rarely do we stop and think of the fact that the ocean is nothing but a very big lake, landlocked if we go far enough in any direction. Other than being the largest body of water on earth, its main distinction from other lakes is that they usually have an outlet to carry away excessive natural solutions and pollution, whereas the ocean has none. Through a world-wide, non-stop flow, all the excess, waste, and refuse that run from lakes and land assemble in the ocean, and only clean water evaporates back into the atmosphere. There were days not far back when our ancestors would laugh at the idea that man could pollute and kill a lake so big that nobody could see across it. Today Lake Erie is only one of a long series of lakes destroyed by man in the most different parts of the world. Place ten Lake Eries end to end and they span the ocean from Africa to America. True, the ocean is deeper than any lake, but we all know that due to photosynthesis the bulk of life is restricted to the thin upper layer, and we also know that an estimated 90% of all marine life happens to be on the continental shelves which represent only 10% of the total ocean area. Add to this that if half a dozen towns send their refuse into Lake Erie, all the cities, all the farmlands, all the rivers and ships of the world channel their refuse into the ocean, directly or in a round-about way. No wonder then, that a time has come when even the world ocean has begun to become visibly polluted.

This discovery, which was first forced upon me while drifting at surface level in the mid-Atlantic in 1969, helped to open my own eyes to the fact that the ocean has its limits, and the closer one gets to know it the more easily this can be perceived. When we rush across it with engine-driven craft we feel that it is thanks to the modern travelling speed that the continents seem to be not so immensely far apart. But when you place yourself on a primitive raft and find that, entirely without engine or modern means of propulsion, you drift across the largest oceans in a matter of weeks, then you realize that you made it, not because of modern technique but quite simply because the ocean is not at all endless. With a speed slightly faster than that of average surface pollution, I crossed the Pacific from South America to Polynesia on nine balsa logs in 1947, and, on bundles of reeds, from Africa to the Caribbean Islands almost twice within a year in 1969–70. Each of these oversea voyages on an aboriginal type of watercraft was intended as an eye-opener for fellow anthropologists who, like the average layman, have retained the universal concept of the ocean as an endless waste, unsurmountable by pre-Columbian craft because of its boundless dimensions. This concept is wrong, and we run the risk of harming ourselves dearly unless we abandon this Medieval concept of the endless sea and accept the fact that the ocean itself is nothing more than a big, salt lake, limited in extent and vulnerable as all the smaller bodies of water.

A second dangerous illusion equally hard-die is the image of territorial water. We draw a line parallel to the coast, three miles, ten miles, or a hundred miles off shore, and declare the inside as territorial water. There is no such thing as territorial water, the ocean is in constant motion, like the air. We can draw a line on the ocean floor and lay claims to the static land on the bottom, but the body of water above it is as independant of the map as is the atmosphere above dry land: wind and currents disregard any national border lines. Refuse dumped inside Peruvian territorial waters equals refuse dumped around the shores of Polynesia; refuse dumped inside Moroccan territorial waters equals refuse dumped in the Caribbean sea. Any liquid piped into the port of Safi in Morocco, just where our papyrus bundle-boat was let adrift, will run along as on a river straight to tropic America where some will wash against the beaches and some will move on up along the east coast of the United States. Moroccan territorial waters in a matter of weeks or months become American territorial waters, with all the good and evil this may involve. The salt sea is a common human heritage, we can divide the ocean floor between us, but we shall for ever be deemed to share the common water which rotates like soup in a boiling kettle; the spices one nation puts in will be tasted by all the consumers.

Only when we abandon the almost superstitious awe for the immensity of the sea, and the misconception of coastal water as a stagnant body, can we fully understand what is happening when visible pollution is scattered the full length of the North Atlantic surface current which flows perpetually from northwest Africa to tropical America. This entire span of the ocean, from continent to continent, contain among other modern refuse an immeasurable quantity of small drifting oil clots. They were accidentally noticed during the crossing with the papyrus raft-ship Ra I in 1969 and deliberately surveyed and sampled the next year during the crossing with Ra II.

In fact, in organizing our marine experiment with the first papyrus vessel ever to be tested at sea in modern times, our expedition group was initially unprepared for pollution studies. The objectives of the enterprise were to investigate the sea-going abilities and geographical range of the oldest type of watercraft used by man's earliest civilizations in the Mediterranean world as well as in Mexico and Peru, and furthermore to test the effects of multi-national cooperation in cramped quarters and under stress. We were seven men from seven nations on Ra I and eight from eight nations on Ra II. At sea, however, early in the voyage of Ra I, pollution observations were forced upon all the expedition members by its conspicuous presence and undoubtedly also because of our own proximity to the ocean surface with a slow progress through the water.

Departing from the Moroccan port of Safi on the northwest coast of Africa on May 25th, 1969, the seven men on board Ra I became aware of travelling in polluted water for the first time on June 6th, at 24°38′ N and 17°06′ W, or about a hundred miles (160 km) off the coast of Mauritania. The sea was now rolling calmly and we noticed the surface to be densely scattered with brownish to pitch-black lumps of asphalt-like material as big as gravel and floating at close intervals on and just below the surface. The clots were drifting with the surface current in our direction, but benefiting more from the tradewinds we moved considerably faster, averaging a speed of about 2 to 2.5 knots. The local current speed is about 0.5 knots. Knowing that our reed-vessel was near the circum-African shipping-lane, we climbed the mast and began to scout for ships, being convinced that we had entered the wake of some nearby oil tanker that had just cleaned its tanks. No ship was seen. On June 8th, having advanced about a hundred miles farther to the south-west, we found ourselves again sailing through similarly polluted water, still without any ship in sight. The following day we sailed into an area of the ocean where the same flotsam included pieces of larger size, some appearing as thick, black flakes of irregular shape up to 5–6 inches in diameter. The local ocean water itself gradually turned into an opaque and greyish-green color instead of being transparent and clear blue; it was recorded in the expedition journal as resembling harbor water at the outlet of city sewers.

Although sporadic lumps were noted, no specific entry was made in the expedition log until June 30th, when our position was at 15°45′ N and 35°08′ W, that is virtually in the mid-Atlantic with Africa and America almost at the same distance. Here once more we suddenly entered an area so polluted that we had to be attentive in washing ourselves or dipping our tooth-brush into the water, to avoid the seemingly endless quantities of oil-clots of sizes ranging from that of a grain of rice to that of a sandwich.

Ra I covered 2,700 nautical miles (*ca* 5,000 km) in 54 days, and on July 15th and 16th, shortly before abandoning the test vessel we found ourselves again in the same general type of polluted water. Our position was now 13°32′ N and 47°20′ W, or some six hundred miles (960 km) east of the island of Barbados and slightly closer to the mainland coast of South America. Many of the clots had an eroded or pitted surface, and small barnacles as well as Algae were occasionally seen growing on them.

Some samples were collected and at the end of the voyage delivered with a brief report to the permanent Norwegian Delegation at the United Nations. Although no deliberate or preconceived observations were made, the voyage with Ra I resulted in the involuntary recording of six day's travelling through visibly strongly polluted water in the course of eight weeks of trans-Atlantic sailing. Thus, more than 10% of the surface water traversed by Ra I was visibly polluted by a rich flotsam of non-organic material of rather homogenous appearance and undoubtedly resulting from modern commercial activity.

Our report to the United Nations in 1969 aroused a general interest, not least among scientists and shipping authorities, and prepared for what we might again encounter, we decided to keep a systematic record of daily observations when we embarked on the voyage of Ra II the following year. Ra II was again launched outside the breakwaters of the same ancient port of Safi in Morocco, this time on May 17th, 1970. As the water along the west coast of Africa and in the latitudes where we were to undertake the Atlantic crossing is not at all stagnant, but moves towards America with a speed of 0.5 knots or more, it is clear that we did not voyage through the same surface water this second time. In fact, the surface water observed by us from Ra I had been displaced more than four thousand miles during the year that had passed between the departures of the two consecutive raft expeditions. In other words, the water which we traversed along the African coast in May 1969, had long since deposited its flotsam along the Caribbean shores or else carried it into the initial part of the Gulf Stream, by the time we embarked on the second voyage in 1970. Correspondingly, the water seen around us as we abandoned Ra I short of Barbados in July 1969, would this subsequent year be on its return flow with the Gulf Stream back across the North Atlantic, heading for Europe. Nothing could impede this eternal circulation of ocean water, westwards near the Equator and eastwards in the far north, caused by the rotation of the earth itself. Thus the pollution we saw during Ra II was wholly independent of anything we observed on Ra I.

During our experiment with Ra II, in addition to the regular entries in the expedition log, a special pollution record was kept by Madani Ait Ouhanni, who also at reasonable intervals collected samples of the asphalt-like clots which towards the end of the voyage, were handed to the United Nations' research vessel *Calamar* for subsequent transfer to the Norwegian UN Delegation. The samples were taken by means of a fine-meshed dip-net. It should be noted that in the rippled seas oil-clots were difficult to detect unless washed on board or drifting past very close to our papyrus deck. Only when the wave surface was smooth, or the floating objects were of conspicuous size, was it possible to detect and record pollutants passing more than six or eight feet away from the Ra. Thus, the considerable quantities of oil-clots and other floating refuse which were found to float close alongside our papyrus bundles reflect the true dimensions of the problem if estimated in a broader geographical scope. It should also be noted that the route followed by Ra II was straighter and somewhat more northerly than that of Ra I which constantly broke the rudders and was forced on a drift voyage down beyond the latitude of the Cape Verde Islands.

On the background of these facts, it is disheartening to report that drifting oil clots were observed forty out of the fifty-seven days it took Ra II to cross from Safi to Barbados. This is 72% of the travelling time spent in water where oil clots could be seen. From May 17, 1970 when we left the port in Morocco (at 32°20′ N and 9°20′ W) until and including June 28 when we had reached 15° 54′ N and 45°56′ W, we recorded oil pollution on forty days out of forty-three. On the three days when pelagic oil lumps were not seen, Ouhanni's entries in the pollution record state that the sea was too rough for proper observation. It may thus be safely assumed that the 2,407 nautical miles (4,350 km) covered by Ra II during the initial 43 days of its voyage represented an uninterrupted stretch of polluted surface water, the degree of visible pollution varying from slight to very grave. It is slightly encouraging to note, however, that with the exception of some sporadic lumps observed on July 30th, no record of such particles was made during the remaining 700 miles to Barbados. This curious fact should not delude us though, since this was the very area where we noted extreme pollution the previous year. Also, on our arrival in Barbados, the owner of our east-coast hotel reported that oil clots were sometimes so common on his beach that it was a problem to keep carpets clean from lumps that had stuck to his clients' feet.

Perhaps the sudden disappearance of oil clots in front of the Caribbean Islands during the 1970 crossing can be ascribed to a temporal irregularity in the local movement of water. The disappearance of the clots coincided with the sudden arrival of feeders from northbound branches of the South Equatorial Current, which were noticed both in our own displacement and simultaneously indicated by sudden changes in water temperature. Nevertheless, although the seemingly ever-present oil lumps disappeared this time, plastic containers and other imperishable manmade objects were observed sporadically until the last day of our crossing.

The average extent of oil pollution recorded during the voyage of Ra II amounted to lumps of asphalt-like material the size of finger-tips or smaller, scattered far apart in otherwise clean water. There would be days when only a very few such lumps could be seen from sunrise to sunset, whereas in exceptional cases the water was so polluted that a bucket could not be filled without some floating clots being caught at the same time.

The first very seriously polluted water was entered by Ra II four days after departure, on May 21st, at 29°26′ N and 11°40″ W, about 100 nautical miles off the African coast before we entered the passage between the Canary Islands and Morocco. From early that morning until the evening of the following day, Ra II was drifting very slowly through calm water that was thickly polluted by clusters of solidified oil lumps commonly of the size of prunes or even potatoes. Many of these lumps were dark-brown, mousy, and pitted, more or less covered by marine growth, whereas others were smooth and black, with the appearance of being quite fresh. For a duration of two days, the surface water, containing large quantities of these lumps, was also covered intermittently by a shallow white foam such as develops from soap or synthetic washing powder, while occasionally the ocean's surface was even shining in rainbow-colors as from gasolene. The sea was smooth and a vast quantity of dead coelenterates could be seen for considerable distances on both sides of our track. The expedition journal recorded that "the degree of pollution is shocking."

The following week only sporadic lumps were noticed, until on May 29th, at 25°43′ N and 16°23′ W, when our records again show that "the pollution is terrible". During the previous night oil lumps, of which the biggest were the size of a large fist, had been washed on board during darkness, to remain as the water filtered through the papyrus like through the fringes of whalebone. Barnacles, marine worms, crustaceans, and sometimes bird feathers, were found attached to the oil lumps. The high degree of pollution was this time witnessed for three consecutive days, when swimming inevitably meant colliding with the sticky clots. On May 31st, at 25°00′ N and 17°07′ W, the expedition journal has the following entry: "An incredible quantity of shell-covered asphalt lumps today, big as horse-droppings and in clusters everywhere. One plastic bottle and one metal oil-can also observed, plus a large cluster of greenish rope, and nylon-like material besides a wooden box and a carton. It is shocking to see how the Atlantic is getting polluted by Man." No ships were seen in the vicinity.

The next entry into seriously polluted waters was on June 16th. At 18°26′N and 34°28′ W, again virtually in the mid-Atlantic, the surface of the waves and as far as we could see below contained endless quantities of large and small oil lumps.

Ra II completed its Atlantic crossing on June 12th, 1970, landing on Barbados after covering 3,270 nautical miles (*ca* 6,100 km) in fifty-seven days. Although pelagic oil clots represented the most consistently recurring type of visible pollution during the two Ra voyages, it should be made clear that other debris from man of a rather heterogeneous kind was also common, even where oil was absent. Thus, in 1970, pollution in the form of plastic containers, metal cans, glass bottles, nylon objects, and other perishable and nonperishable products of man, representing refuse from ships and shores, passed close by the sides of our raft at intervals from the day of departure to the day of landing.

This was in marked contrast to our experience during the voyage of the raft Kon-Tiki two decades earlier. A noted aspect of that voyage, which then took place in the Pacific, was that not a single oil clot, in fact not a single sign of Man's activities, was seen during the 4,300 mile crossing. From the day we left Callao in Peru until we landed on Raroia atoll in Polynesia 101 days later, we were constantly impressed by the perfect purity of the sea. The first trace of other human beings observed was the wreck of an old sailing vessel thrown up on the reef where we landed. Although, in fact, the contrast refers to two different oceans, the currents rotate between them and the difference between observations in 1947 and 1970 is so marked that it probably has some bearing on the rapidity with which we pollute the sea.

Through the State Department of Norway, a meeting was arranged between representatives from different scientific institutions and the oil industry who were invited to discuss an analytic program for the oil clot samples collected by the Ra II expedition. The analytic program was designed to determine whether the samples represented crude or refined oil, and also to estimate the origin, whether it could be leakage from drill, scattered oil from a single wrecked super-tanker like Torrey Camion, oil from marine organisms, or mixed discharges from many different vessels. The analytic work was carried out by The Central Institute for Industrial Research in Oslo, and their findings can be summarized as follows:

The results of the infrared spectras show that the samples consist mainly of saturated hydrocarbons or mineral oil. Some samples seem to contain compounds from decomposed crude oil or heavy fuel oil. Vegetable and animal oils are apparently absent. According to the results of a gas chromatographic analysis the saturated hydrocarbons were normal paraffins (n-paraffins) with 14 to 40 carbon atoms in each molecule with maximum around 20 and 30 carbon atoms. Such n-paraffins are generally, but not exclusively, the major fractions in mineral oil from the USA and North Africa. The samples showed a wide range in their contents of nickel and vanadium which indicate that they have derived from geographically different sources. In short, the conclusion was that the countless oil clots drifting about from continent to continent represent crude oil pollutants not from one leakage or one wreck, but from different origins. We are hardly far off then if we suspect the major part of the oil clots to be the scattered refuse from the numerous tankers which daily discard their ballast water at sea before entering port of loading.

It was not an objective of the Ra expeditions to draw biological or ecological conclusions from our observations. Our aim is merely to call attention to observations that were virtually forced upon us by our prolonged proximity to the surface of the sea. Yet, one cannot refrain from certain deductions. Clearly, the time has passed when ocean pollution was a mere offence to human aesthetics because the surf throws oil and scrap up on the holiday-makers beaches. Much has been written about the tendency of oil molecules to expand in thin layers over wide areas of water, thus impeding the photosynthesis needed by the oxygen-producing phyto-plankton. Those of us who sat on the two Ras observing fishes, large and small, nibbling at any floating particle wonder how the almost ever-present oil clots can avoid affecting the metabolism of the marine fauna and flora; not least the filter-feeding fishes and whales which swim with open mouth and, like the reed-bundles of Ra, let the water sieve through whereas plankton and oil clots alike get stuck in gills, whalebones or intestines. Small fish may get wise to the presence in their own element of unpaletable oilclots, but larger marine species have no way of gaping over plankton without getting in non-organic material floating alongside as well. In addition, the oil lumps examined showed that they very frequently provided a foothold for live organisms which ride along as a sort of bait attracting the attention of bypassing fish. I am referring here to the fact that small *Cirripedia*, or edible barnacles (identified as *Lepas pectinata*) were very commonly sitting in regular clusters on the lumps. Various edible crustaceans were also frequently found clinging to the lumps, notably an isopod (*Idothea metallica*) and a small pelagic crab (*Planes minutus*). Marine worms hid in the pitted surface, and the shell of a tiny dead cuttle-fish (*Spirula spirula*) was found in one sample.

In closing, I may be permitted a personal remark. A much more far-reaching study than our improvised sampling will be needed before we can judge the durability and effects of this steadily increasing flotsam of oil and debris. Perhaps bacterial activity and disintegration will finally sink or efface the oil from the ocean's surface, but certainly not before a large percentage is washed up against the continental and island shores. Having first personally witnessed the almost uninterrupted host of clots rotating about in the mid-ocean, I have subsequently visited some shorelines on the three continents bordering on the land-locked Mediterranean Sea and found a belt ranging in color from grey to black along the waterline of cliffs exposed to the polluted surf. In certain areas, like on the otherwise attractive island of Malta, it is as if the entire coastline to a height of six or eight feet above water-level has been smeared by a black impregnation. Where the invisible marine paintbrush has been at work there is no sign of life, neither Algae nor molluscs, crustaceans or any other marine species naturally at home on such rocks. The coastal cliffs and reefs represent, as we know, a major breeding place for pelagic plankton and a necessary stepping-stone in the life cycle of a great many of the species of paramount importance to Man.

I stress again, there are few things as illusive as the concept of territorial waters. What others dump at sea will come to your shores, and what you dump at home will travel abroad irrespective of national legislation. We must start at the national level, but we must quickly move on to international agreements if we shall be able to protect our common ocean for future generations.

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## CAPT. REGINALD B. DESIDERO—KOREAN HERO

### HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. GAYDOS. Mr. Speaker, recently the U.S. Army dedicated an airfield in Korea in honor of a young officer who lost his life fighting for that country's freedom more than 20 years ago.

Airfield A511 at Seoul now has a name. It is "Desiderio Army Airfield," named after the late Capt. Reginald B. Desidero, who was born in Clairton, Pa., in my 20th Congressional District; who lived in California as a man and who died on a hilltop in Ipsok, Korea, as a hero.

The airfield's dedication service was impressive. The ceremonies were conducted by Gen. J. H. Michaels, commanding officer of the U.S. 8th Army, and attended by high-ranking military officials of the United States and South Korea. Also on hand were members of Captain Desiderio's family, including his widow and two sons, Timothy and David. These young men, one a naval lieutenant and the other an Army captain like his father, were just 7 and 3 years of age when Captain Desiderio was killed, but they know his story well.

In view of the Army's recent tribute, however, I believe it would be appropriate to relate that story to my colleagues for Captain Desiderio's gallantry and heroism earned him our Nation's highest military decoration—the Congressional Medal of Honor.

On the morning of November 27, 1950, Captain Desiderio was commanding Easy Company of the 27th Infantry Regiment, the "Wolfhounds." His mission was to hold a command post against an enemy breakthrough. In the early morning hours the Red Chinese began a series of attacks against the position. The enemy fire was intense and twice Captain Desiderio was wounded—once by mortar fragments and again by small arms fire. He refused evacuation and, instead, continued to move among his men, checking their defenses and preparing them for the next onslaught. It came in a final, fanatical charge which penetrated Easy Company's position and Captain Desiderio personally met it with carbine rifle and grenades. He inflicted many casualties until he was hit by machinegun fire and mortally wounded. His men, spurred on by their captain's example of courage and leadership, beat back the Chinese attack.

A detailed account of that battle is carried in the November, 1951, issue of the U.S. Army Combat Journal. In it, the author, Col. S. L. A. Marshall, describes how at one point during a lull in the bitter fighting Captain Desiderio, sensing the weariness of his men, sounded a rallying call that was picked up and echoed along the battle line: "Hold till daylight and you've got it made."

Ironically, it was at dawn's first light that the men of Easy Company broke the back of that last Chinese charge.

Captain Desiderio was buried in the United Nations Cemetery, north of the 38th Parallel, in Pyongyang, North Korea, until 1955 when his body was returned home and interred at the national cemetery in San Francisco.

On June 21, 1951, Gen. Omar Bradley presented the Congressional Medal of Honor to Captain Desiderio's widow, now Mrs. Patricia Becker. It was the last of many decorations he had which attested to his courage and bravery. The others, most of which were won fighting in Europe during World War II, include the Silver Star, the Bronze Star with two clusters, the Belgium Croix de Guerre with palm, the Purple Heart, the Combat Infantry Badge and the State of California's Medal of Valor.

It was not, however, the last honor bestowed on this hero. On May 17, 1956, at Pasadena, Calif., the Honorable Wilber M. Brucker, then Secretary of the Army, dedicated the armory at the Army Reserve Training Center in Captain Desiderio's name. He had served there as an adviser prior to being assigned to Korea.

And, in the spring of 1961, the city of Clairton, where several of the captain's brothers and sisters still reside, established a public park in his memory. A small monument, containing a description of Captain Desiderio's final actions, has been erected at the site.

Mr. Speaker, it is no easy thing to speak of men such as Captain Desiderio. I cannot find the words to express the emotions I feel. Pride and admiration become entangled with deep respect and a sense of sadness that such men must die in war. I can only say I believe with all my heart that as long as America has such men, she, at least, will remain free.

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## ANNUAL POLL RESULTS

### HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. EILBERG. Mr. Speaker, each year I conduct an annual poll by mail of my constituents. I continue to find this technique a valuable and useful tool in helping me to better represent the people of my district.

Last July I mailed my annual questionnaire to every household in my Northeast Philadelphia district. The results have been tabulated and studied and I am now mailing them to the more than 141,000 households in my district.

With the unanimous consent of my colleagues, I would like to enter this most recent report to my district in the RECORD:

The report follows:

REPORTS TO THE PEOPLE

DEAR FRIEND: The results of the questionnaire I mailed to you during the summer have been tabulated and, as I promised, I am sending the results to every home in the Northeast. The outstanding fact of this year's poll is that you now consider crime and drug abuse the most pressing problems facing the Northeast and the country.

THE DRUG PLAGUE

This year drug abuse has finally been recognized as a lethal epidemic which threatens to destroy our country. I have asked the President to declare the major cities—where addicts account for about half of all crimes committed—"national disaster areas" and to provide emergency funds so we can deal with the problem. In addition, I sponsored eight bills dealing with drugs, including treatment of addicted servicemen and veterans and sanctions for foreign countries which help prevent narcotics from entering the United States. This summer, as the representative of the Judiciary Committee, I went to England, France, and Italy to study drug treatment programs and to discuss international narcotics law enforcement problems with European and American officials.

THE ECONOMY

As your representative in Congress, I have sponsored five pieces of legislation which call for Federal revenue sharing with the cities. During the current wage price freeze, I have joined with other Congressmen in calling on the Administration to permit raises, especially those provided in existing labor contracts to be granted retroactively.

YOUR VOICE IS HEARD

Following you will find the results of the questionnaire, reported by percentage. I want to thank all of you who took the time to respond and all of those who added their own thoughtful observations.

With best wishes,

Sincerely,

JOSHUA EILBERG.

CONGRESSMAN JOSHUA EILBERG REPORTS YOUR VIEWS

| (Rounded off to nearest percentage) | Percent Yes | Percent No | Percent Undecided | Percent No response |
|---|---|---|---|---|
| 1. (a) Do you believe that inflation is under control? | 2 | 95 | 2 | 1 |
| (b) Do you believe that the recession has eased? | 11 | 79 | 7 | 3 |
| (c) Do you believe that unemployment is in check? | 6 | 87 | 5 | 2 |

2. If you were writing the Federal Budget, which program would you cut 1st?

| | Percent |
|---|---|
| Crime | 1 |
| Defense | 12 |
| Education | 1 |
| Foreign aid | 45 |
| Health | 0 |
| Highways | 3 |
| Housing | 1 |
| Pollution control | 0 |
| Space | 16 |
| Welfare | 13 |
| No response | 8 |

| | Percent Increase | Percent Decrease | Percent Leave same | Percent No response |
|---|---|---|---|---|
| 3. Would you increase, cut or leave the same aid to: (a) Elementary and secondary public schools | 62 | 5 | 26 | 7 |
| (b) Private and parochial schools | 40 | 26 | 27 | 7 |
| (c) Colleges and universities | 34 | 22 | 34 | 10 |

| | Percent Yes | Percent No | Percent Undecided | Percent No response |
|---|---|---|---|---|
| 4. Do you support Federal revenue sharing? | 70 | 13 | 14 | 3 |
| 5. (a) Are you in favor of a national health plan? | 62 | 24 | 12 | 2 |
| (b) Are you a member of a private health insurance plan? | 92 | 7 | 0 | 1 |
| (c) If you are a member, are you satisfied with the services? | 53 | 32 | 8 | 7 |
| (d) If you are a member, are you satisfied with the costs? | 27 | 61 | 4 | 8 |
| 6. (a) Do you think the present level of social security benefits is adequate? | 21 | 67 | 10 | 2 |
| (b) Do you favor my proposal to include prescription drugs under Medicare? | 83 | 11 | 5 | 1 |

| | Percent Yes | Percent No | Percent Undecided | Percent No response |
|---|---|---|---|---|
| 7. (a) Do you feel personally threatened by crime on the streets? | 77 | 18 | 4 | 1 |

(b) What is the best approach to dealing with the narcotics problem?

| | Percent |
|---|---|
| Education | 35 |
| Rehabilitation | 12 |
| Law enforcement | 45 |
| No response | 8 |

| | Percent Yes | Percent No | Percent Undecided | Percent No response |
|---|---|---|---|---|
| (c) Would you reduce 1st offender penalties for possession of marihuana? | 46 | 45 | 8 | 1 |
| (d) Do you favor economic sanctions against countries that refuse to cooperate with the United States in dealing with illicit drugs? | 95 | 3 | 1 | 1 |
| (e) Do you favor a proposal to purchase Turkey's opium crop and destroy it? | 36 | 50 | 12 | 2 |
| 8. (a) Do you feel some progress has been made in the past year in cleaning up our air and water? | 52 | 36 | 11 | 1 |
| (b) Are you satisfied with the progress toward cleaning up our environment? | 12 | 79 | 8 | 1 |
| (c) Are you prepared to bear some of the cost of cleaning up the environment? | 58 | 31 | 9 | 2 |
| 9. Are you concerned about the development of North Philadelphia Airport? | 51 | 36 | 12 | 1 |
| 10. (a) Do you feel that the nuclear powerplant facility is dangerous? | 32 | 45 | 21 | 2 |
| (b) Do you believe that such facilities can provide power without polluting the water or air? | 42 | 29 | 27 | 2 |
| (c) To assist in conserving power would you be willing to sacrifice some of your electrical appliances? | 46 | 42 | 9 | 3 |
| 11. (a) Do you think the present draft system is fair? | 33 | 53 | 12 | 2 |
| (b) Should the present draft system be abolished in favor of an all-volunteer army? | 44 | 43 | 11 | 2 |
| (c) Should the draft system be abolished even if n all-volunteer army is not available? | 22 | 66 | 9 | 3 |
| 12. (a) Do you support the present U.S. policy in Vietnam? | 25 | 64 | 9 | 2 |
| (b) Do you think that the Laos and Cambodia campaigns will end American involvement more quickly? | 22 | 62 | 14 | 2 |
| (c) Do you support a fixed time-table for American withdrawl from Southeast Asia? | 49 | 38 | 11 | 2 |
| 13. (a) Do you think that Israel should withdraw from all territories it occupied during the 6-day war? | 17 | 64 | 17 | 2 |
| (b) Do you think it should withdraw from some of these territories? | 44 | 30 | 19 | 7 |

| | Percent Before | Percent After | Percent Undecided | Percent No Response |
|---|---|---|---|---|
| (c) Should Israel withdraw before or after it negotiates an agreement? | 15 | 68 | | 17 |

| | Yes | No | Undecided | No response |
|---|---|---|---|---|
| (d) Should the U.S. continue to lend money to Israel | 60 | 26 | 13 | 1 |
| (e) Should the U.S. continue to sell arms to Israel? | 67 | 21 | 10 | 2 |
| (f) Should U.S. troops participate in a middle-eastern peace keeping force? | 30 | 58 | 10 | 2 |

14. What do you think are the three most pressing problems facing America today? Please list in order of urgency. (Using a weighted point system, the following results were tabulated.)

| | Percent |
|---|---|
| 1. Crime and drug abuse | 25 |
| 2. Economy and unemployment | 24 |
| 3. Vietnam | 17 |
| 4. Environment | 6 |

The remaining 38 percent included welfare, education, taxes, racial problems, government operations, and foreign policy.

15. What one problem in the Northeast is of the most concern to you? (Using a weighted point system, the following results were tabulated.)

| | Percent |
|---|---|
| 1. Crime and drug abuse | 33 |
| 2. Mass transit | 12 |
| 3. Education | 12 |
| 4. Bicentennial at Byberry (solved) | 11 |

The remaining 32 percent went to a wide range of problems.

## MODEL STATE ACT FOR THE CIVIL COMMITMENT OF NARCOTIC ADDICTS FOR TREATMENT AND REHABILITATION

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### HON. LOUIS FREY, JR.

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. FREY. Mr. Speaker, recently I had the opportunity to address the National Society of State Legislators Conference in Philadelphia. I presented to them a model State statute for a comprehensive approach to the drug problem facing us today. Following is a copy of my remarks on this subject:

#### MODEL STATE ACT FOR THE CIVIL COMMITMENT OF NARCOTIC ADDICTS FOR TREATMENT AND REHABILITATION

#### DECLARATION OF POLICY

It is the intent of the Legislature that persons charged with or convicted of violating state criminal laws (with certain enumerated exceptions) or persons not charged with a criminal offense, who are determined to be addicted to narcotic drugs and who require medical treatment should be civilly committed for confinement and treatment for such condition and its underlying causes. Such treatment shall be carried out for nonpunitive purposes not only for the protection of the addict against himself, but also for the prevention of contamination of others and the protection of the public.

It is further policy of the Legislature that individualized treatment taking into account the degree of addiction, age of the addict, and behavior and criminal record of the addict, will be provided to those committed under this program so that they may be treated and rehabilitated in the shortest possible period of time and once again become functioning members of society. Such treatment will include assistance in developing job skills, securing employment, and finding suitable housing.

#### *Title I: Civil Commitment of Persons Charged with or Convicted of a Crime*

#### SECTION 101. DEFINITIONS

For the purposes of this title—

(a) "Addict" means any individual who habitually uses any narcotic drug as defined by section 102(16) of the Controlled Substances Act so as to endanger the public morals, health, safety, or welfare, or who is so far addicted to the use of such narcotic drug as to have lost the power of self-control with reference to his addiction.

(b) "Treatment" includes confinement and treatment in an institution and supervised aftercare in the community and includes, but is not limited to, medical, educational, social, psychological, and vocational services, corrective and preventive guidance and training, and other rehabilitative or maintenance services designed to protect the public and benefit the addict by correcting his antisocial tendencies and ending or controlling his dependence on addicting drugs and his susceptibility to addiction.

(c) "Felony" includes any offense in violation of a law of the State which at the time of the offense was classified as a felony by the law of the State.

(d) "Conviction" and "convicted" mean the final judgment on a verdict or finding of guilty, a plea of guilty, or a plea of nolo contendere, but do not include a final judgment which has been expunged by pardon, reversed, set aside or otherwise rendered nugatory.

(e) "Eligible individual" means any individual who is charged with an offense against the State, but does not include those determined unsuitable due to one or more of the following factors—

(1) Previous convictions of murder, assault with intent to commit murder, attempt to commit murder, kidnapping, arson, robbery, burglary in the 1st degree, mayhem, felonies involving bodily harm or attempt to inflict bodily harm or offense for which the minimum term is more than 5 years in state prison.

(2) Excessive Criminality. Persons whose histories include criminality of any nature which is evaluated as chronic and/or extensive are considered unsuitable for the civil addict program.

(3) Sale of Narcotics, Dangerous Drugs or Marijuana. Persons who are involved in a large-scale trafficking operation, or persons who are found to be trafficking or in possession of narcotics, marijuana, or dangerous drugs beyond that which might be reasonably necessary to support their own need for narcotics.

(4) Assaultive Behavior. Persons with a history of assaults, battery and other offenses against the person, including—a) those with a pattern of aggressive and assaultive behavior. This pattern may be developed either by acts committed over several years with periods of nonviolent adjustment in between or it may demonstrate itself in a series of acts preceding the instant arrest; b) those who have a pattern of aggression which precedes their narcotic addiction and continues after their addiction; c) those for whom it is adjudged that long-term institutionalization is indicated because of the seriousness of their behavior. Single acts of aggression may warrant exclusion when the act was of such nature that it demonstrates aggression which was aggravated or vicious, or when the individual was involved in using dangerous or deadly weapons in the commission of the instant or prior offenses.

(5) Other Relevant Reasons: a) Extreme Recalcitrance: Case history shows subject can reasonably be classified as an escape risk or is recalcitrant to the extent that he unduly threatens the good order and the security of the minimum security facilities of the civil addict program; b) Unresponsive to Program: Case history shows that while the person is a narcotic addict, he has been previously exposed to therapy and rehabilitation programs without significant gains; c) Other Medical or Psychiatric Disorders: Those who, while they may be addicted to narcotics, have major behavior or medical disorders distinguishable from narcotics addiction, and which would need treatment (in addition to treatment for addiction) which the civil addict program is not able to provide, including—I. Sex deviates—case history or diagnosis shows person to be a sex deviate who needs treatment for this pathology in order that he may be controlled and that he becomes less of a threat or menace to society; II. Chronic psychotics—persons who would require treatment or their psychosis before the addiction problem could be approached. III. Serious medical disorders—A. Persons with such serious medical problems that treatment for their narcotic addictions is secondary and B. Persons whose medical problems are severe and may be deemed irreversible.

(f) "Patient" means any individual with respect to whom a petition has been filed by the district attorney (or his equivalent) as provided in section 105 of this title.

#### SECTION 102

(a) If the district attorney (or his equivalent) or judge has reason to believe that an individual charged with or convicted of a criminal offense against the State is an addict, then the district attorney (or his equivalent) or judge will request the State Rehabilitation Center to determine if there is reasonable cause to believe such. If the State Rehabilitation Center determines that there is reasonable cause, the district attorney (or his equivalent) will file a petition with the court to have such person examined to determine if he is, in fact, addicted.

(b) Upon the filing of any such petition by a district attorney, the court may order the individual to appear before it for an examination as provided in subsection (d) of this section. The court shall cause a copy of such petition and order to be personally served upon the defendant.

(c) The court shall advise the individual to be examined of his right to have his own physician present for consultation during any examination conducted under this section, but in no event shall such physician be entitled to participate in any such examination or in the making of the report required under this section with respect to such examination.

(d) The court shall then appoint 2 qualified physicians, one of whom shall be a psychiatrist, to examine the patient. For the purpose of the examination the court may order the individual committed for a period not to exceed 72 hours to the custody of the Director of the State Rehabilitation Center for confinement in a suitable hospital or other facility designated by the Director of the State Rehabilitation Center.

Each physician appointed by the court shall, within such 72 hour period, examine the individual and at the end of the examination file with the court a written report with respect to such examination. The examination shall consist of a physical examination and a psychiatric examination, except the psychiatric examination shall not be administered, and the individual shall be immediately returned to the court for such further proceedings as it may direct, if the physical examination indicates that the individual is not a narcotic addict. Each such report shall include a statement of the examining physician's conclusions as to whether the individual examined is a narcotic addict and requires medical treatment. Upon the filing of such reports, the individual so examined shall be returned to the court for the completion of the criminal proceedings. Copies of such reports shall be made available to the individual and the district attorney (or his equivalent).

#### SECTION 103

(a) If both examining physicians (referred to in section 102(e)) conclude in their respective written reports that the individual is not a narcotic addict, or is an addict not requiring medical treatment, the court shall immediately enter an order discharging the individual and the pending criminal proceeding shall be immediately resumed. If the written report of either such physician indicates that the individual is a narcotic addict who requires medical treatment, or that the physician submitting the report is unable to reach any conclusion by reason of the refusal of the individual to submit to a thorough examination, the court shall promptly set the case for completion of the criminal proceedings.

#### SECTION 104

(a) Any individual who has been examined and found to be a narcotic addict in need of medical treatment under this title may be detained by the court for a reasonable period of time in a suitable hospital or other facility designated by the State Rehabilitation Center until after the criminal proceeding has been concluded, and such hospital or facility may administer to the patient such interim medical treatment as is necessary.

(b) An individual committed for examination shall not be released on bail or on his own recognizance.

#### SECTION 105

(a) At the completion of the criminal proceedings, the district attorney (or his equivalent) will petition for the commitment or an individual who was found guilty of the criminal charge and who was examined and determined to be an addict in need of medical treatment if the Director of the State Rehabilitation Center certifies that appropriate facilities and trained personnel are available for the treatment of the person and that such person is an "eligible individual" as defined in section 101(e). After such petition has been filed the individual will be transferred to the court of competent jurisdiction (referred to in section 401) located at the State Rehabilitaton Center.

(b) The court shall advise the patient appearing before it pursuant to subsection (a) of this section of his right to have counsel at every stage of the civil judicial proceedings under this title and, if he is unable because of financial reasons to obtain counsel, the court will, at the patient's request, assign counsel to represent him;

(c) The court shall also advise the patient that if, after hearing as provided in this title, he is found to be a narcotic addict who requires medical treatment and an "eligible individual" as defined in section 101(e)—

(1) he may be civilly committed to the State Rehabilitation Center for treatment;

(2) he may not voluntarily withdraw from such treatment;

(3) the treatment will last for an indeterminate period of time not to exceed 5 years but in no event shall it exceed the sentence which would otherwise have been imposed.

(4) during treatment, he may be confined in an institution;

(5) the imposition or execution of the sentence will be stayed, pending the successful completion of treatment.

### SECTION 106

(a) The court of competent jurisdiction located at the State Rehabilitation Center will promptly set the case for civil hearing to review the report of the examination conducted by the director of the State Rehabilitation Center and other information coming to its attention to determine if the patient is an addict and if he is an "eligible individual" as defined in section 101(e) of this title. The court shall cause a written notice of the time and place of such hearing to be served personally upon the patient and his attorney. Such notice shall also inform the patient that upon demand made by him within fifteen days after has has been served, he shall be entitled to have all issues of fact with respect to his alleged narcotic addiction determined by a jury. If no timely demand for a jury trial is made, the court, in conducting such hearing, shall determine all issues of fact without a jury.

(b) In conducting any civil hearing under this title, the court shall receive and consider all relevant evidence and testimony which may be offered, including the contents of the reports referred to in section 102. Any patient with respect to whom such hearing is held shall be entitled to testify and to present and cross-examine witnesses.

### SECTION 107

Whenever an individual is committed to the custody of the Director of the State Rehabilitation Center for treatment under this chapter the sentence shall be continued without final disposition and shall be dismissed if the director of the State Rehabilitation Center certifies to the court that the individual has successfully completed the treatment program. On receipt of such certification, the court shall discharge the individual from custody and waive the sentence. If prior to such certification the director of the State Rehabilitation Center determines that the individual cannot be further treated as a medical problem, he shall advise the court. The court shall thereupon terminate the commitment and the patient shall be returned to the court for execution of the sentence.

### SECTION 108

An individual committed for treatment shall not be released on bail or on his own recognizance.

### SECTION 109

Whoever escapes or attempts to escape for examination or treatment, or whoever rescues or attempts to rescue or instigates, aids or assists the escape or attempt to escape of such a person is guilty of a crime punishable by imprisonment in the state prison for not exceeding 7 years. This section does not apply to unauthorized absence from a halfway house or other outpatient facility or program.

### SECTION 110

The total period of treatment for any individual committed to the custody of the director of the State Rehabilitation Center shall not exceed 5 years, but in no event shall it exceed the maximum sentence that could otherwise have been imposed. If, at the expiration of such maximum period, the director of the State Rehabilitation Center is unable to certify that the individual has successfully completed his treatment program, the pending criminal proceeding shall be resumed.

### SECTION 111

An individual committed under this title may not be conditionally released until he has been treated for 6 months following such commitment in an institution maintained or approved by the Director of the State Rehabilitation Center for treatment.

### SECTION 112

Nothing in this title shall preclude a person who has been discharged from the program from being recommitted under the program, irrespective of the periods of time of any previous commitments.

### SECTION 113

Whenever a pending criminal proceeding against an individual is resumed under this title, he shall receive full credit toward the service of any sentence which may be imposed for any time spent in the institutional custody of the director of the State Rehabilitation Center or any other time spent in institutional custody in connection with the matter for which sentence is imposed.

### SECTION 114

The determination of narcotic addiction and the subsequent civil commitment under this chapter shall not be deemed a criminal conviction. The results of any tests or procedures conducted by the director of the State Rehabilitation Center or the supervisory aftercare authority to determine narcotic addiction may only be used in a further proceeding under this chapter. They shall not be used against the examined individual in any criminal proceeding except that the fact that he is a narcotic addict may be elicited on his cross-examination as bearing on his credibility as a witness.

## *Title II: Civil commitment of persons not charged or convicted of any criminal offense*

### SECTION 201. DEFINITIONS

For the purpose of this title—

(a) "Addict" means any individual who habitually uses any narcotic drug as defined by section 102(16) of the Controlled Substances Act, so as to endanger the public morals, health, safety, or welfare, or who is or has been so far addicted to the use of such narcotic drugs as to have lost the power of self-control with reference to this addiction.

(b) "Treatment" includes confinement and treatment in an institution and supervised aftercare in the community and includes, but is not limited to, medical, educational, social, psychological, and vocational services, corrective and preventive guidance and training, and other rehabilitative or maintenance services designed to protect the public and benefit the addict by correcting his antisocial tendencies and ending or controlling his dependence on addicting drugs and his susceptibility to addiction.

(c) "Related individual" means any person with whom the alleged narcotic addict may reside or at whose house he may be, or the husband or wife, father or mother, brother or sister, or the child or the nearest available relative of the alleged narcotic addict.

(d) "Patient" means any individual with respect to whom a petition has been filed by a district attorney (or his equivalent) as provided for in section 202 of this title.

(e) "Eligible individual" means any individual who volunteers for treatment himself or who is volunteered by another, but does not include those determined unsuitable due to one or more of the following factors—

(1) Previous convictions of murder, assault with intent to commit murder, attempt to commit murder, kidnapping, arson, robbery, burglary in the 1st degree, mayhem, felonies involving bodily harm or attempt to inflict bodily harm or offense for which the minimum term is more than 5 years in state prison.

(2) Excessive Criminality. Persons whose histories include criminality of any nature which is evaluated as chronic and/or extensive are considered unsuitable for the civil addict program.

(3) Sale of Narcotics, Dangerous Drugs or Marijuana. Persons who are involved in a large-scale trafficking operation, or persons who are found to be trafficking or in possession of narcotics, marijuana, or dangerous drugs beyond that which might be reasonably necessary to support their own need for narcotics.

(4) Assaultive Behavior. Persons with a history of assaults, battery and other offenses against the person, including—a) those with a pattern of aggressive and assaultive behavior. This pattern may be developed either by acts committed over several years with periods of nonviolent adjustment in between or it may demonstrate itself in a series of acts preceding the instant arrest; b) those who have a pattern of aggression which precedes their narcotic addiction and continues after their addition; c) those for whom it is adjudged that long-term institutionalization is indicated because of the seriousness of their behavior. Single acts of aggression may warrant exclusion when the act was of such nature that it demonstrates aggression which was aggravated or vicious, or when the individual was involved in using dangerous or deadly weapons in the commission of the instant or prior offenses.

(5) Other Relevant Reasons: a) Extreme Recalcitrance: Case history shows subject can reasonably be classified as an escape risk or is recalcitrant to the extent that he unduly threatens the good order and the security of the minimum security facilities of the civil addict program; b) Unresponsive to Program: Case history shows that while the person is a narcotic addict, he has been previously exposed to therapy and rehabilitation programs without significant gains; c) Other Medical or Psychiatric Disorders: Those who, while they may be addicted to narcotics, have major behavior or medical disorders distinguishable from narcotics addiction, and which would need treatment (in addition to treatment for addiction) which the civil addict program is not able to provide, including—I. Sex deviates—case history or diagnosis shows person to be a sex deviate who needs treatment for this pathology in order that he may be controlled and that he becomes less of a threat or menace to society: II. Chronic psychotics—persons who would require treatment for their psychosis before the addiction problem could be approached. III. Serious medical disorders—A. Persons with such seri-

ous medical problems that treatment for their narcotic addiction is secondary and B. Persons whose medical problems are severe and may be deemed irreversible.

### SECTION 202

(a) Except as otherwise provided in subsection (b) of this section and in section 211 of this title, whenever any narcotic addict desires to obtain treatment for his addiction, such addict may file a petition with the State Rehabilitation Center requesting that he be admitted to the State Rehabilitation Center for treatment of his addiction. Any such petition filed by a narcotic addict shall set forth his name and address and the facts relating to his addiction.

(b) Except as otherwise provided in subsection (a) of this section and in section 211 of this title, whenever a related individual, or any law enforcement officer or health official or judge has reason to believe that any person is a narcotic addict, such related individual law enforcement officer, health official or judge may file a petition with the director of the State Rehabilitation Center requesting that such person be admitted to the State Rehabilitation Center for treatment of his addiction. Any such petition filed by a related individual, law enforcement officer, health official or judge with respect to a person believed by such related individual, law enforcement officer, health official or judge to be a narcotic addict shall set forth the name and address of the alleged narcotic addict and the facts or other data on which the petitioner bases his belief that the person with respect to whom the petition is filed is a narcotic addict.

### SECTION 203

(a) The director of the State Rehabilitation Center will after receiving the request for treatment and rehabilitation of a suspected addict under section 202 (a) or (b) of this title shall, if it is determined that there is reasonable cause to believe that the individual is a narcotic addict, that appropriate facilities and trained personnel are available for the treatment of the person, and that the person is an "eligible individual" as defined in section 201(e), advise the district attorney or his equivalent, to file a petition with the court of competent jurisdiction to commit such individual to the State Rehabilitation Center for treatment.

(b) Upon the filing of any such petititon by a district attorney or his equivalent, the court may order the individual to appear before it for an examination by physicians as provided under section 204 of this title and for a hearing, if required, under section 205 of this title. The court shall cause a copy of such petition and order to be served personally upon the patient.

### SECTION 204

The court shall immediately advise any patient appearing before it pursuant to an order issued under subsection (b) of section 203 of his right to have (1) counsel at every stage of the judicial proceedings under this title and that, if he is unable because of financial reasons to obtain counsel, the court will, at the patient's request, assign counsel to represent him; and (2) present for consultation during any examination conducted under this section, a qualified physician retained by such patient, but in no event shall such physician be entitled to participate in any such examination or in the making of any report required under this section with respect to such examination. The court shall also advise such patient that if, after an examination and hearing as provided in this title, he is found to be a narcotic addict who requires medical treatment, he will be civilly committed to the State Rehabilitation Center for treatment; that he may not voluntarily withdraw from such treatment; that the treatment (including post-hospitalization treatment and supervision) may last 36 months; that he may be confined in an institution for up to, but not exceeding, 6 months for treatment or, in the alternative, he may be placed in an outpatient program established by the State Rehabilitation Center for treatment and supervision; that if he is confined in an inpatient facility he will, following his release, be placed under the care and custody of the director of the State Rehabilitation Center for treatment and supervision under a posthospitalization program established by the State Rehabilitation Center; and that should he fail or refuse to cooperate in such posthospitalization program or be determined by the director of the State Rehabilitation Center to have relapsed to the use of narcotic drugs, he may be recommitted for additional confinement in an inpatient facility followed by additional posthospitalization treatment and supervision. After so advising the patient, the court shall appoint two qualified physicians, one of whom shall be a psychiatrist, to examine the patient. For the purpose of the examination, the court may order the patient committed for such reasonable period of time as it shall determine, not to exceed 10 days in the case of a patient described in section 202(a) of this title, or not to exceed 72 hours in the case of a patient described in section 202(b) of this title. The examination shall consist of a physical examination and a psychiatric examination, except the psychiatric examination shall not be administered, and the patient shall be immediately returned to the court for such further proceedings as it may direct, if the physical examination indicates that the patient is not a narcotic addict. Each physician appointed by the court shall, within such period so determined by the court, examine the patient and file with the court, a written report with respect to such examination. Each such report shall include a statement of the examining physician's conclusions as to whether the patient examined is a narcotic addict and is likely to be rehabilitated through treatment. Upon the filing of such reports, the patient so examined shall be returned to the court for such further proceedings as it may direct under this title. Copies of such reports shall be made available to the patient and his counsel.

### SECTION 205

(a) If both examing physicians (referred to in section 204) conclude in their respective written reports that the patient is not a narcotic addict, or is not an addict who requires medical treatment, the court shall immediately enter an order discharging the patient and dismissing the proceedings under this title. If the written report of either such physician indicates that the patient is a narcotic addict who requires medical treatment, or that the physician submitting the report is unable to reach any conclusion by reason of the refusal of the patient to submit to a thorough examination, the court shall promptly set the case for hearing. The court shall cause a written notice of the time and place of such hearing to be served personally upon the patient and his attorney. Such notice shall also inform the patient that upon demand made by him within fifteen days after he has been served, he shall be entitled to have all issues of fact with respect to his alleged narcotic addiction determined by a jury. If no timely demand for a jury is made, the court, in conducting such hearing, shall determine all issues of fact without a jury.

(b) In conducting any hearing under this title, the court shall receive and consider all relevant evidence and testimony which may be offered, including the contents of the reports referred to in section 204. Any patient with respect to whom a hearing is held under this title shall be entitled to testify and to present and cross-examine witnesses.

(c) Any patient with respect to whom a hearing has been set under this title may be detained by the court for a reasonable period of time not to exceed 30 days in a suitable hospital or other facility designated by the director of the State Rehabilitation Center until after such hearing has been concluded.

### SECTION 206

If the court determines after a hearing that such patient is a narcotic addict who requires medical treatment, the court shall order him committed to the care and custody of the director of the State Rehabilitation Center for treatment in an inpatient facility or outpatient program to be established by the State Rehabilitation Center. The director of the State Rehabilitation Center shall submit to the court written reports with respect to such patient at such times as the court may direct. Such reports shall include information as to the health and general condition of the patient, together with the recommendations of the director of the State Rehabilitation Center concerning the continued confinement of such patient.

### SECTION 207

Any patient committed to the care and custody of the director of the State Rehabilitation Center pursuant to section 206 of this title shall either be committed for a period up to six months in an inpatient facility subject to such posthospitalization program as may be established pursuant to section 208 of this title, or in the alternative, he may be placed in an outpatient program established by the State Rehabilitation Center for treatment and supervision. After the director of the State Rehabilitation Center certifies that the individual has recovered from addiction to the extent that release on an outpatient status is warranted, the Narcotic Addict Evaluation authority (see section 307) in its discretion may conditionally release the individual under supervision.

### SECTION 208

If, at any time during such three year period, any patient (1) fails or refuses to comply with the directions and orders of the director of the State Rehabilitation Center in connection with such patient's posthospitalization treatment and supervision, or (2) is determined by the director of the State Rehabilitation Center to be again using narcotic drugs, the director of the State Rehabilitation Center may order such patient's immediate return to the committing court which may recommit such patient to the State Rehabilitation Center for additional treatment for a period of not to exceed six months, and may require such patient thereafter to submit to a posthospitalization program.

### SECTION 209

Nothing in this title shall preclude a person who has been discharged from the program from being recommitted under the program, irrespective of the periods of time of any previous commitments.

### SECTION 210

Any determination by the court pursuant to this title that a patient is a narcotic addict shall not be deemed a criminal conviction, nor shall such patient be denominated a criminal by reason of that determination. The results of any hearing, examination, test or procedure to determine narcotic addiction of any patient under this title shall not be used against such patient in any criminal proceeding.

### SECTION 211

Any physician conducting an examination under this title shall be a competent and compellable witness at any hearing or other proceeding conducted pursuant to this title and the physician-patient privileges shall not be applicable.

### SECTION 212

The provisions of this title shall not be applicable with respect to any person against whom there is pending a criminal charge—whether by indictment or by information, which has not been fully determined or who is on probation or whose sentence following conviction on such a charge, including any time on parole or mandatory release has not been fully served, except that such provision shall be applicable to any such person on probation, parole, or mandatory release if the authority authorized to require his return to custody consents to his commitment.

### SECTION 213

Notwithstanding any other provision of this title, no patient shall be examined pursuant to section 204 of this title unless the director of the State Rehabilitation Center certifies that adequate facilities or personnel for treatment of such patient are available.

### SECTION 214

Whoever escapes or attempts to escape while committed to institutional custody for examination or treatment under this title, or whoever rescues or attempts to rescue or instigates, aids, or assists the escape or attempt to escape of such a person is guilty of a crime punishable by imprisonment in the state prison for not exceeding 7 years. This section does not apply to unauthorized absence from a halfway house or other outpatient facility or program.

### SECTION 215

Any person who knowingly makes any false statement to the district attorney or his equivalent in any petition under section 202(b) of this title shall be guilty of a misdemeanor.

## *Title III: State Rehabilitation Center*

### SECTION 301

There is hereby established an institution and branches thereof under the jurisdiction of the Department of Corrections to be known as the State Rehabilitation Center. The principal purpose of such Center shall be the evaluation, receiving, control, confinement, employment, education, treatment and rehabilitation of patients who have been committed to it by a court of competent jurisdiction as narcotic addicts who require medical treatment.

### SECTION 302

(a) A Director shall be appointed by the Governor for the State Rehabilitation Center who in turn shall appoint, subject to civil service, such other officers and employees as may be necessary.

(b) The Director shall acquire or construct, and equip, in accordance with law, suitable buildings, structures, and facilities for the State Rehabilitation Center.

(c) The Director shall be responsible for the supervision, management, and control of the State Rehabilitation Center and for the care, custody, training, discipline, employment, and treatment of the patients confined therein.

(d) The Director shall make all rules and regulations for the administration of the State Rehabilitation Center.

### SECTION 303

The director of the State Rehabilitation Center shall assist the district attorney or his equivalent in making his decision to petition an individual for commitment by—

(a) Receiving the request from a person seeking to commit himself or another suspected to be an addict under title II of this Act;

(b) Determining that there is reasonable cause to believe that a person is a narcotic addict and advising the district attorney or his equivalent as to such; and

(c) Determining that adequate facilities and trained personnel exist to treat the person for whom the petition was filed and advising the district attorney or his equivalent as to such.

### SECTION 304

The director of the State Rehabilitation Center should exercise complete flexibility in dealing with addicts committed to the Center and attempt, in all cases, to provide individualized, multi-modality treatment including, but not limited to, medical, educational, social, psychological, and vocational services, corrective and prevention guidance and training, and other rehabilitative or maintenance services designed to protect the public and benefit the addict by correcting his antisocial tendencies and ending or controlling his dependence on addicting drugs and his susceptibility to addiction.

### SECTION 305

The director shall establish separate treatment and rehabilitation programs for persons under 21 years of age and for men and women. Separate facilities will also be provided so that each group can be segregated for specialized treatment. Such facilities and programs will not be isolated but will be integrated in communities in the State. The State Rehabilitation Center is authorized to subcontract with existing community programs for the referral of addicts committed under titles I and II of this Act.

### SECTION 306

Treatment for the maintenance or control of dependence on addicting drugs by the use of methadone and other heroin substitutes shall be strictly controlled, limited to narcotic addicts who are over 21 years of age and who have failed on two previous occasions to respond to treatment designed to end dependence on addicting drugs, and shall not be administered to pregnant women.

### SECTION 307

(a) There shall be established in the State Rehabilitation Center a Narcotic Addict Evaluation Authority, hereafter referred to in this Section as the Authority. The Authority shall be composed of five members, each of whom shall be appointed by the Governor, for a term of four years and until the appointment and qualification of his successor. Members shall be eligible for reappointment. The chairman of the Authority shall be designated by the Governor from the 5 members from time to time. The terms of the members first appointed to the Authority shall expire as follows: one on January 15, 1973, one on January 15, 1974, one on January 15, 1975, one on January 15, 1976, and one on January 15, 1977. Their successors shall hold office for terms of four years, each term to commence on the expiration date of the term of the predecessor. The Governor shall fill every vacancy for the balance of the unexpired term. Insofar as practicable, persons appointed to the Authority shall have a broad background in law, sociology, law enforcement, medicine, or education, and shall have a deep interest in the rehabilitation of narcotic addicts.

(b) Each member of the Authority shall devote such time to the duties of his office as required for performance of his duties and shall be entitled to an annual salary of ——— for attendance upon business of the Authority. The chairman shall be entitled to an annual salary of ———. In addition, each member shall be allowed actual expenses incurred in the discharge of his duties, including travel expenses.

(c) The Authority shall maintain its headquarters at the State Rehabilitation Center and shall be provided with necessary office space, equipment and services from funds appropriated to the State Rehabilitation Center.

(d) The Authority shall meet at the Center or its branches at such time as may be necessary for a full and complete study of the cases of all patients who are certified by the director of the State Rehabilitation Center to the Authority as having recovered from addiction or to such an extent that release in an outpatient status is warranted. Other times and places of meetings may also be fixed by the Authority. The Authority panel shall consist of at least two members of the Authority. Three members of the Authority shall constitute a quorum for the transaction of business. No action shall be valid unless concurred in by a majority of the members present.

(e) After an initial period of observation and treatment, whenever a person committed under this Act has recovered from his addiction to such an extent that, in the opinion of the director of the State Rehabilitation Center, release in an outpatient status is warranted, the director shall certify such fact to the Authority. If the director has not so certified within the preceding 6 months, his case shall automatically be referred to the Authority for consideration of the advisability of release in outpatient status. Upon any such certification by the director or such automatic certification, the Authority may release such person in an outpatient status subject to being retaken and returned to inpatient status by the committing court as described in section 208 of this Act. The supervision of such persons while in an outpatient status shall be administered by the State Rehabilitation Center in conjunction with the Department of Corrections.

A single member of the Authority may by written or oral order suspend the release in outpatient status of such a person and cause him to be retaken, until the next meeting of the Authority. The written order of any member of the Authority shall be sufficient warrant for any peace officer to return such persons to physical custody.

It is hereby made the duty of all peace officers to execute any such order in like manner as ordinary criminal process.

### SECTION 308

An addict parole program will be established in the Department of Corrections. Rules and regulations governing the operation of the program will be established by the Director of Corrections with the director of the State Rehabilitation Center to closely supervise the patient after release from the facility, to make periodic and surprise testing for narcotics use, to counsel the patent and assist him in securing employment and a place to live, to recommend to the Director of the State Rehabilitation Center if it is in the best interests of the patient and society that a patient should be returned to inpatient status at the State Rehabilitation Center, and to limit the caseload of each parole officer so that he can effectively assist the individual addict.

### SECTION 309

The State Rehabilitation Center is authorized to establish one or more halfway houses in metropolitan areas to assist the addict in locating and maintaining employment, finding a place to live, and in adjusting to society without the aid of drugs. Rules and regulations governing the operation of such halfway houses shall be established by the Director of the State Rehabilitation Center and shall provide for control of the earnings of persons assigned to such halfway houses during their residence there, from which shall be deducted such charges for maintenance as the director of the State Rehabilitation Center may prescribe.

## *Title IV: Civil Commitment and the Courts*

### SECTION 401

It is the intent of the Legislature that, if possible, all hearings to be held pursuant to titles I and II of the Act for the civil commitment of alleged addicts will be held in a division of the court of competent jurisdiction to be located in the State Hospital designated by the State Rehabilitation Center where such alleged addicts are confined for treatment and examination pending the hearing in order to facilitate the proceedings.

### SECTION 402

The Attorney General of the State is authorized and directed to establish training programs for the judges of the courts of competent jurisdiction who sit on the court referred to in section 401 of this title, and probation and parole officers under the addict parole program created in title III of this Act to better acquaint them with all aspects of the problems relating to drug addiction and dependency, and to enable them to carry out their duties and responsibilities regarding narcotic addiction in a manner that will best serve the interests of justice, safety, and humanity.

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## ADDRESS OF CONGRESSMAN LOU FREY, JR., BEFORE THE NATIONAL SOCIETY OF STATE LEGISLATORS, OCT. 21, 1971

### MODEL STATE ACT FOR THE TREATMENT AND REHABILITATION OF NARCOTIC ADDICTS

Ladies and Gentlemen, I am honored to have the opportunity to participate on this panel this morning to discuss the growing menace of drug addiction and possible legislative solutions to it.

Narcotic addiction is a national epidemic and something must be done immediately to stop the contagion of disease and crime sweeping this country. We cannot wait for long, drawn-out, philosophic studies to be completed. Heroin is a "now" problem. A new approach and the commitment of substantial resources is required if we are to prevent the loss of an entire generation of young Americans.

The number of narcotic addicts has been estimated at being between 250,000 and 500,000. The recently released FBI crime report stated that arrests for Narcotic Drug Law violations for 1970 were 44% above those for 1969 and 741% above those for 1960. Over 1,000 persons died in 1970 in New York City alone, where over half the nation's drug addicts reside. It is the greatest single cause of deaths among young people between the ages of 15 and 35 in New York City. More lives have been lost to drugs in the last 8 years in New York City than the entire state of New York has lost in the war in Vietnam.

There is, moreover, a direct correlation between addiction and crime. An addict may need from $50 to $150 a day to buy heroin to support his habit, and thus must steal goods worth 5 times the cost of his habit. Thus, an addict with a $50 a day habit would have to steal over $90,000 worth of goods per year to maintain his habit. It is estimated that $8.1 billion per year is required to support the habits of drug addicts nationwide. Moreover, organized crime reaps between $2 and $5 billion from the illegal sale and distribution of drugs.

Consequently, 98% of the addicts in New York City resort to crime to support their habit. In the District of Columbia, 60% of funds obtained to support addiction are obtained through burglary, robbery, and larceny; 15% through prostitution; and 10% from other illegal activities. In addition, at least 20% of all addicts obtain heroin by pushing drugs.

Jerry Wilson, Chief of Police in Washington, D.C., in a letter dated September 3rd, informed me that 3,668 persons arrested in D.C. last year were determined to be addicts either because they volunteered the information or there was physical evidence of such. Of these, 2,628 were arrested for crimes against property; 1,972 for burglary I and II, 197 for attempted burglary, 409 for grand larceny and 50 for arson.

In addition to the huge economic costs due to narcotic addiction, there are substantial social costs. The entire criminal justice system (the police, courts and correcting institutions) has an enormous burden placed on it. Additional costs include the lost productivity of addicts, costs due to personal injury and property destruction incurred in crime, and illnesses and premature deaths brought on by addiction.

Moreover, families are destroyed, young lives have been ruined, and large segments of our society live in fear of becoming the victims of addiction-related crimes.

Present programs—Federal and state—are not working. Under the Narcotic Addict Rehabilitation Act of 1966, only 7860 persons had been admitted for examination and evaluation in 4½ years, and 57% of those who volunteered for treatment were rejected as "not being rehabilitatable."

And state programs, except for a few—such as California and Illinois—are even less adequate. In my own state of Florida, there are no state-funded treatment facilities; an addict who desires treatment is referred to one of 75 community programs which are locally or federally-funded. The community programs, for the most part preexisted the creation of the State Office of Drug Abuse, are scattered throughout the state, and provide different kinds of treatment.

Furthermore, there isn't a state-operated or directed halfway house program, an addict parole program, or methodone or other maintenance program. Consequently, even if there are openings in some of the community programs, and most are running at full capacity, there is only a remote possibility that an addict will receive individualized treatment.

After several months of hearings and field trips, the Republican Task Force on Drug Abuse, of which I am the Chairman, drafted legislation entitled "The Omnibus Narcotic Addict Control, Rehabilitation, and Research Act of 1971". The House Judiciary Committee is now holding hearings on this bill which, in my opinion, deals more comprehensively than any other with the "demand" side of the drug problem. It has received the endorsement of, among others, the National District Attorneys Association.

Based upon this legislation and on the statutory authority for some of the well-run state programs, especially California, which I have observed, I have drafted a model state act which I believe will provide the framework to effectively deal at the state level with the demand side of the drug problem.

Comparable to the civil commitment of the mentally ill, this act provides for the civil commitment of drug addicts who have either been charged or convicted of a crime or not charged or convicted. These new involuntary civil commitment procedures, which includes numerous safeguards to prevent violations of due process, will have the following results: 1) put substantially more addicts in a therapeutic climate; 2) protect the addict against himself; 3) prevent the contamination of others and protect society against criminal acts; and 4) reduce the demand for narcotics by placing any known addict under medical supervision and control.

There are two separate commitment procedures—one for the criminal addict and one for the non-criminal addict.

In the case of the criminal addict, the Act is designed to commit for treatment in lieu of sentencing those addicts who, for the most part committed crimes to support their habit; and who, with external motivation, can be rehabilitated to the point where they can, once again, function in society without having to commit crimes to support their habit or spreading the contagion of addiction. The procedures set forth in the Act will also result in addicts charged with a crime being confined in a suitable facility for treatment pending the outcome of both the criminal and civil proceedings. Since a large portion of the street crimes are committed by addicts on bail, it is important that we place those charged with a crime in a treatment facility.

Addicts with excessive criminality histories, who have committed offenses with a minimum term beyond 5 years or involving bodily harm, who were involved in the trafficking of drugs beyond that necessary to support their habit, or for other relevant reasons will not be eligible for treatment in lieu of sentencing.

The criminal addict may be committed for treatment to last up to 5 years, including 6 months of inpatient treatment, but it cannot exceed the period of time to which he would have been sentenced to. He may, however, be released to an outpatient program after the initial 6 months of inpatient treatment, if he has improved sufficiently. If he successfully completes the program, the sentence will be dismissed. If he does not or if he resists treatment, he will be returned to the court for execution of the sentence. Full credit toward the service of the sentence will be allowed for the time spent in institutional custody.

In the case of the non-criminal addict, the addict himself may volunteer for treatment or a petition may be filed by a related individual (which includes any person with whom the addict lives), a law enforcement officer, health official, or judge who has reason to believe that the person is an addict. Any false statements made under this act are a misdemeanor.

If it is determined by the State Rehabilitation Center, which I shall refer to shortly, that there is reasonable cause to believe an individual is an addict who is eligible for treatment and that there are adequate facilities and trained personnel to treat the person, the district attorney (or his equivalent) will file a petition for commitment with the court of competent jurisdiction. The alleged addict will be advised of his right to have an attorney present at all stages of the proceedings, his right to a jury trial, right to have his own physician, and what is involved in being committed.

Within 72 hours after the petition is filed, the person will receive both a psychiatric and physical exam to determine if, in fact, he is an addict. The physical exam is administered first and may be given within several hours. If there is no trace of narcotics in his system, the person will be immediately released. Any patient with respect to whom a hearing has been set may be confined in a suitable facility to receive treatment pending the hearing.

If the court determines that the individual is a narcotic addict who requires medical treatment, he shall be committed to the care and custody of the Director of the State Rehabilitation Centers for treatment in either an inpatient or outpatient facility for up to 36 months, with a maximum of 6 months in an inpatient facility.

Release to an outpatient facility or readmittance to an inpatient facility for both the criminal and non-criminal addict will be determined by a 5-member Narcotic Addict Evaluation Authority. Three months after a person has been committed to an inpatient facility, he may petition to be released on an outpatient basis. After 6 months, the Narcotic Addict Evaluation Authority will automatically review the case for release.

These procedures will result in putting substantially more addicts in a therapeutic climate and, thereby, prevent the contamination of others and reducing drug-related crime. Volunteer programs by themselves are simply not sufficient. The hard fact is that heroin addicts are basically sick people with tremendous psychological problems. They are both physically and psychologically addicted. Motivation is the key to recovery and in 95 percent of the cases the motivation must be imposed by an outside force on the individual.

The most important aspect of this proposed Act is, however, not the commitment of addicts, but the provisions in the Act which provide for the flexible handling of the heroin addicts committed. One of the great dangers is dealing with heroin addicts is to assert and believe generalities. Each is an individual and, as such, presents peculiar problems. There is no one cure for all heroin addicts.

For some, methodone or even perhaps heroin maintenance is the only solution because they simply lack the psychological capacity to kick the habit. For others, outpatient clinics or halfway houses might be more important. The most we can hope for is to make many of their lives useful for varying lengths of time until an antagonist is developed.

This Act suggests that the court in which civil commitment hearings are held be located, if possible, at the state hospital where the addicts are examined, tried, and committed. A State Rehabilitation Center (SRC) is created which has the flexibility to provide individualized, multi-modality treatment for the addicts committed. The SRC will advise the court and the district attorney (or his equivalent) as to 1) whether there is reasonable cause to suspect that a person is an addict; 2) whether there are adequate facilities and trained personnel to treat him; and 3) what treatment is best suited to the individual addict based upon his degree of addiction, age, and criminal record. There is no prescribed period of confinement or method of treatment.

Thus, some addicts will be referred directly to an outpatient program, including halfway houses established in metropolitan areas, others to inpatient facilities for medical treatment and group therapy. Carefully-controlled methodone maintenance programs will be utilized for hard-core addicts, while a separate program will be established for the young addict whose problems differ from the older, hard-core addict. Moreover, each addict upon being released on an outpatient status will be given the opportunity to develop job skills and receive assistance in securing employment and housing.

The State Rehabilitation Center will have the power to subcontract with existing community programs and create new ones, if necessary, so that the treatment programs will be integrated with the local communities in order to assist the addict in readjusting when he is released.

This Model Act does not provide all the answers to the enigma of drug abuse, but, it does, I believe, offer a framework which, if adequately funded, would enable each of your various states to make giant strides in reducing the spread of addiction, reducing drug-related crime, and returning many young people back to society as healthy, functioning citizens.

The social and economic costs of drug addiction far outweigh the commitment of public resources, both federal and state, which the enactment of this proposed legislation would require. It is up to us as legislators to educate our constituencies to the severity of the problem and the need for immediate measures, such as this Model Act, and the commitment of substantial resources. Thank you.

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## POW EVEN FOR ANOTHER DAY

## HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. JACOBS. Mr. Speaker, I was wondering, in view of the events of the past few weeks in Saigon, if any Member of Congress or any member of the executive branch would care to say he or she is willing, from this day forward, to give his or her life, limb, sanity or freedom—POW even for another day—further to prop up the Saigon dictatorship.

Other Americans are being ordered to do so today.

Following is the language of House Resolution 630, which I introduced on September 30, 1971:

### HOUSE RESOLUTION 630

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madame Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on July 1, 1971, that the policy of her government is: "If the United States Government sets a terminal date for the withdrawal from South Vietnam in 1971 of the totality of United States forces and those of the other foreign countries in the United States camp, the parties will at the same time agree on the modalities:

"A. Of the withdrawal in safety from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp;

"B. Of the release of the totality of military men of all parties and the civilians captured in the war (including American pilots captured in North Vietnam), so that they may all rapidly return to their homes.

"These two operations will begin on the same date and will end on the same date.

"A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the Armed Forces of the other foreign countries in the United States camp, as soon as the parties reach agreement on the withdrawal from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp."

*Resolved,* That the United States shall forthwith propose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from South Vietnam within sixty days following the signing of the agreement: *Provided,* That the agreement shall contain guarantee by the Democratic Republic of Vietnam and the Provisional Revolutionary Government of the Republic of South Vietnam of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

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## A RURAL WYOMING CITIZEN DEFENDS LABOR UNIONS

## HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. RONCALIO. Mr. Speaker, in the difficult adjustment of the new economic policy, a certain regrettable bias toward the labor movement has been expressed by those who seek easy answers to complex problems.

The Torrington Telegram in Torrington, Wyo., recently carried a letter from Barbara Givens, daughter of the late Dave Givens, an able and active leader in Wyoming's labor force.

Her defense of collective bargaining and expression of an idealism which goes beyond economic interest is most timely and I recommend it to my colleagues as a balance to some of the discriminatory antilabor publicity which has lately been in evidence.

Her letter follows:

### WOMAN WRITES VIEWS ON LABOR UNIONS

(By Barbara Givens)

After reading an article in the Sept. 2, issue of the Torrington Telegram about unions, I felt a strong need for a rebuttal. It appears to me, that this man has never been a union member, nor has he any true knowledge of their functions.

A union is a group of workers united to provide and to protect the interests, welfare and rights of its members. Too much propaganda is spread about such an organization, when only a small portion of it is correct. This holds very true of the letter to which I am referring. Where this information was gathered, I do not know, but I hope this letter will verify what unions are all about. Since Wyoming is not a strong union state, it will be hard for some of you to comprehend the true meaning of a union. But, if I am not one to sit back, and let the truth to go unsaid. If this person would read a copy of the Taft-Hartley Act, then he would know exactly the limits of a union.

Since the beginning of the Labor movement in America, our members have been involved in projects of charity and benevolence. The reason for all unions has been the promotion of the well being of people. In a strong union state, you find the employer more than happy to be a union, rather than non-union. The reason for this is very simple. The employer knows that unions are more apt to be concerned about production, than non-union employees.

Unions are not strong because they have unlimited tax exempt funds to block anyone who opposes them at the polls, nor are members forced to pay any undue monies for any such political activities. Unions canvass each and every candidate on the local county, state and national basis. They review each candidate's stand on strong issues and this information is then passed onto its members. They only recommend, who they feel would be better for labor. Then, and only then, does labor approach its members on political activities. Unions do, and always will support any candidate they feel is worthy of their support. Members are in no way, shape or form, forced to vote or take part in any political activities against his own wishes. Organized labor does not have any more force at the polls, than big business, N.F.O., church organizations, foundations, or other so-called civic organizations. If organized labor is as strong, as the letter stated, I'll assure you, there are a number of people in office today, and have been in the past, who would never make it to first base.

This country has always been reluctant to recognize, that organized labor has a legitimate place in its economic status. It is very true that organized labor has gained strength over the years. But Labor has gained its power only through the growth of collective bargaining, both of which are strongly supported by our government. It has taken a long time, but labor has developed leaders, who are intelligent, understanding of the issues, and persuasiveness can match those of management. Unions do not run its members. Union leaders do not enter into your job, unless they are called upon to do so. If trouble arises, and if you call them, then only do they come at your beck and call. Our union leaders negotiate on a contract with the management through collective bargaining. When both sides reach a tentative agreement, this agreement goes before the union membership for ratification. If the membership refuse this agreement, it is our leaders who go back to the drawing board for us.

Some people feel it is very wrong to force or compel a person to join a union to secure a job. But, as a member of one of the largest unions in the country, I am one who does not. In a union shop, you have 30 days in which to decide, as to whether or not to join a union. This is more than ample time for one to decide, if he likes the wages, benefits, working conditions, and the support that a union shop gives. If one feels that it is not worth a little extra a month to secure a job, usually a good one, and to grow and prosper with the rest of the country, then this person belongs elsewhere.

I am very much aware of Wyoming's so-called "right-to-work" law, because I am the daughter of a man, who fought long and hard to keep Wyoming free of such a law. In case you do not know to whom I am referring, my father was, God rest his soul, Dave Givens. He was also president of the local union in Torrington for 15 years, and president of the Intermountain Region. He was also organizer of the now and present Torrington Community Federal Credit Union.

Any state, that has shown little interest in positive labor relation laws, have bestirred themselves to enact this law. It may also be of interest to know, most of the states that have enacted this law, are rural and southern states. This, in my books, is a leeches paradise, because it allows a person, who does not wish to join the union, to receive all benefits. It's a dirty rotten shame a union man has to put up with a man who is lazy and just wants to rake in all the goodies.

Free enterprise must be truly free for labor as well as for management, and without free enterprise, we have no economy. Organized labor is the economic backbone of our country, and if it were not for organized labor, wages, benefits, working conditions, and production would be far below what it is today.

Anyone who can sit back, let the world go around, and let others do his work, belongs on the old homestead, miles from civilization, sitting on a creek bank, under an old oak tree, and thinking of nothing or no one but himself.

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## HOWARD CHERNOFF AND HIS IMPRESSIVE ACCOMPLISHMENTS

### HON. JOHN M. SLACK

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. SLACK. Mr. Speaker, upon occasion we encounter an outstanding example of the way in which the enterprise management spirit can be directed toward a public service responsibility.

These examples show that it can be done. Redtape can be cut. A proud and impressive showing of the American heritage can be organized, even though all of the appropriated funds are not spent.

In this connection I speak of Howard L. Chernoff, whose work I have admired both during his service with the Federal Government and while with private industry in numerous capacities. He has again gained recognition and well-merited praise, and the praise he has earned is of the kind that reflects to some degree on all his countrymen. I am pleased to have the opportunity to call to your attention a summary of his most recent accomplishment and recognition, as reported in the Honolulu Sunday Star-Bulletin & Advertiser on October 24, 1971:

EWC: CHERNOFF WHITE HOUSE HONOREE

(By Gene Hunter)

Ambassador Howard L. Chernoff, a Senior Fellow at the East-West Center Communication Institute, was one of 15 Americans honored last week for helping the Federal government save money.

Chernoff was the man chosen to plan and build the U.S. pavilion at Japan's Expo '70—and he did it for $1,350,000 less than the $10.1 million Congress appropriated for the job.

Chernoff received the award from President Nixon Monday at the White House in conjunction with the Federal Management Improvement Conference. The awards were established by Nixon to recognize those who contribute improved operating effectiveness and help cut the costs of the executive branch of the government.

Chernoff, a resident of San Diego, is in Hawaii to organize and conduct a seminar for high-level government information officers from 12 Asian countries. The program is the first of its kind, and the 64-year-old Chernoff said:

"I like that, because nobody can tell me, 'You can't do it that way because last year it didn't work.' "

Chernoff said the seminar will not attempt to propagandize the Asian officials, or to tell them how to operate a government information office. Instead, it will provide for an exchange of ideas.

One effect of such a seminar might be closer understanding of government by the people, because of new ideas developed by the information experts, Chernoff said. In his letter to those being invited to the seminar Chernoff expressed the hope that "each of us might go away with one new idea, and to my mind this would make it worthwhile."

The seminar is planned for Feb. 6–18, and Chernoff will return to San Diego about March 1.

The Cleveland-born Chernoff has spent most of his life in communications. He joined the Lorain (Ohio) Journal in 1928 as a reporter, but soon switched from the editorial department to the business office, becoming advertising manager.

"That was before the American Newspaper Guild (the newspaperman's union), and I felt I had to eat," Chernoff said, recalling the low salaries paid reporters at that time.

Chernoff also has been an executive with the Clarksburg (W. Va.) Exponent-Telegram, the West Virginia Network, the San Diego Daily Journal, KFMB radio and television in San Diego and the Sioux Falls (S. Dak.) Argus-Leader.

Among the major honors he has received in the communications field are the Peabody Award for the Most Outstanding Use of Radio in the U.S. (1943), the Variety Award for Expanding Radio's Social Usefulness (1944) and the New York Times Award for Civic Responsibility (1960).

Asked his opinion of the print and broadcast media today, Chernoff replied: "In many respects newspapers are far better than when I started out in the business. Newspaper reporting is being done by a higher type, better educated person now."

But he added that in some ways the news media "have failed miserably."

Frequently, newspapers do not cover the "positive aspects" of government, Chernoff said. The Washington Post ignored the recent White House ceremony in which 15 persons were honored for saving the government millions of dollars, he said, adding:

"If 15 men in government had stolen money, it would have been a hell of a story."

Chernoff said Honolulu radio is "just about at its worst," in both news and general programming. "The news you hear is obviously a rewrite of the morning or evening papers," he said.

Chernoff said he watches almost no television here, and cannot comment on that medium.

He said he did, however, watch the recent World Series on television—then grabbed the newspapers the next day to read about what he had seen. "I think many people do that," he said.

Chernoff helped former Gov. H. Rex Lee of American Samoa establish the pioneer educational television network in that South Pacific territory and was the man who conceived and started the famed San Diego Children's Zoo. Chernoff then was president of the San Diego Zoo, the world's largest zoo—and one of the few that is self-supporting.

In 1965 Chernoff was named executive assistant to the director of the U.S. Information Agency, the No. 2 post in that office, and from there was chosen by President Johnson to develop the Expo '70 pavilion.

Chernoff first was called Commissioner General of the United States Pavilion, a title that Nixon changed to Ambassador. Chernoff said this title change was not made to honor him, but as a compliment to the Japanese people since it upgraded him in their eyes.

He and his wife, Melva, and the 29 members of his staff lived in Japan from August, 1969, until December, 1970, on the pavilion project.

The Chernoffs, and all members of his staff, took 10 months of tutoring in the Japanese language before they moved to Japan. They lived in a middle-class neighborhood in Toyonaka, midway between Osaka and the site of Expo '70, and were the only Americans in that city of 400,000.

"At first they didn't know what to make of us but we became very good friends with our neighbors," Chernoff said.

He said Japanese seldom visit each others' homes, but that their Toyonaka neighbors accepted invitations to the Chernoffs. When some of those friends in turn entertained the Chernoffs, they invited neighbors who had lived beside them for 20 years but who had never been in their home.

After social formalities and amenities are observed, Japanese businessmen enjoy hard-nosed bargaining, Chernoff said. In dealing with contractors and others involved in the construction of the pavilion, he said, there were "many tedious, tough negotiations—but I found the Japanese respected that."

In recognition of his Expo '70 work, Chernoff recently was named a Grand Officer of the Imperial Order by Japanese Emperor Hirohito. The Emperor also sent the Chernoffs three large silver cups, used for New Year's sake drinking.

When the Emperor visited the American pavilion at Expo '70, the Chernoffs were briefed on how to act, what to say and what Hirohito might say. While things didn't go exactly as planned, Chernoff found the Emperor relaxed and friendly.

The Emperor's 11-year-old grandson Prince Hiro, had visited the pavilion two weeks before and Chernoff told Hirohito that the boy probably could explain the space exhibit better than anyone working there.

Hirohito replied jokingly that Hiro well might become the first Japanese astronaut and both men laughed. A photographer took a picture at that moment, which one Japanese newspaper ran eight columns wide. The Imperial household said that photograph was the most informal picture of the Emperor ever printed.

## A CALL FOR A NATIONAL COMMITMENT TO PROVIDE ADEQUATE AND QUALITY TREATMENT FOR KIDNEY DISEASE SUFFERERS

### HON. ROBERT A. ROE

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. ROE. Mr. Speaker, I wish to call attention to you and our colleagues here in the House the desperate need in our country to provide for the necessary services and treatment to aid sufferers of the dread diseases of the kidney which not only carry heart-breaking circumstances during the end stage renal disease, but also place heavy financial burdens upon the families of its victims.

No parallel situation exists in the medical profession today where techniques have been developed for the diagnosis and prevention of disease which would save lives, and yet, at the same time, people continue to progress to chronic kidney disease and death, because of the lack of trained medical technicians, available facilities, research and equipment for the diagnosis, evaluation, treatment and prevention of kidney disease.

Just recently in my congressional district, Carl Salamensky, a dedicated husband, father, eminently qualified and capable college administrator with the William Paterson College of New Jersey, and the victim of chronic kidney failure passed away prematurely after a valiant fight, due in large measure to the desperate need for an improved quality of treatment and the lack of a truly concentrated national commitment to cure and control this exceedingly lethal crippling disease. The ravages of this disease not only destroys the physical body, but erodes the emotional and psychological capacities of its victims destroying the will to survive.

The untimely death of Carl Salamensky identifies an area of medical concern that must receive the immediate, assiduous attention of this Congress. Statistics portend that chronic kidney disease will strike and kill 8,000 to 10,000 persons each year; many, like Carl Salamensky, will be forced to die prematurely, because the facilities, the supplies, and the services necessary for their very life's sustenance will not be available.

It is clear to all of us that the medical profession is now equipped to assist these people to lead normal working lives, but it is a tragic moral and social failure that funds are not available to permit the implementation of the medical profession's developed techniques to save these lives.

There is indeed an urgent need for the implementation of a comprehensive program to combat kidney disease through the coordinated efforts of the Federal, State, and local governments, the medical professions, universities, nonprofit organizations, and individuals throughout our Nation. On Friday, November 5, I was pleased to join with Senator HARRISON A. WILLIAMS, Jr., of New Jersey, Senator JOHN G. TOWER, of Texas, and Senator J. CALEB BOGGS, of Delaware, in introducing a bill for consideration by the Congress to amend the Vocational Rehabilitation Act to provide special services, artificial kidneys, and supplies necessary for the treatment of individuals suffering from end stage renal disease. This measure authorizes $25 million for grants in aid on a 90 to 10 percent Federal-State matching fund basis for an expanded coordinated kidney disease treatment program. This legislation would achieve a major step forward in providing immediate assistance to individuals suffering from end stage renal disease.

On January 22, 1971, I cosponsored with Congressman HOGAN et al., H.R. 817, to establish a national catastrophic illness insurance program under which the Federal Government acting in cooperation with State insurance authorities and the private insurance industry, would reinsure and otherwise encourage the issuance of private health insurance policies which make adequate health protection available to all Americans at a reasonable cost. This measure would help those people who find themselves unable to take out proper medical, hospital, or surgical insurance or health plan protection, because the cost is prohibitive.

On March 17, 1971, I introduced H.R. 6302, to establish a National Kidney Disease Act of 1971 providing Federal grants in aid to encourage and develop education, research, training, and demonstration projects to seek out mass testing procedures for the early detection of kidney disease, more effective and economical devices for blood purification, and to generally help improve the health manpower and facilities available to the Nation in combating this dread disease.

The earliest possible enactment of the foregoing proposals will provide a truly concentrated major step forward toward a comprehensive national commitment dedicated to the establishment of long overdue adequate and quality treatment for kidney disease sufferers during this decade of our history when one of the most important national goals with the highest priority should be that every American receives the finest quality medical and health services possible.

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## IS VIETNAM SAFER THAN NEW YORK CITY?

### HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. WOLFF. Mr. Speaker, the availability of the so-called "Saturday Night Special"—cheap, small handguns, selling at about $5 or even less—has created a murder nightmare in most urban areas, especially in New York City. WABC, an ABC-owned radio station in New York City, regularly presents editorials on topics of public interest, delivered by its vice president and general manager, George H. Williams. Recently, WABC broadcast an editorial comparing the death rate in the city from these Saturday Night Specials to the death toll in Vietnam. It is a shocking comparison and I commend WABC for its editorial.

I have supported legislation to achieve what the editorial seeks—an end to senseless killings. I also have introduced legislation, backed by 80 of my colleagues, to ban the manufacture and distribution of switchblade knives, the tools of silent death. One appropriate way to reduce the incidence of crime and violence is to make it more difficult for people to secure the weapons of violent crimes.

The WABC editorial makes the point that with more than 800 persons slain in New York City this year, the city's death rate may exceed that of Americans in Vietnam. The editorial follows:

IS VIETNAM SAFER THAN NEW YORK CITY?

There is a very good possibility that by the end of this year . . . the death toll in New York City might be higher than the American death rate in Vietnam.

Already more than 800 people have been slain here . . . this is far ahead of last year's rate.

And the average for murdered police is already more than one a month. Gun registration is apparently not the answer. The sale of guns must be controlled.

Maybe we should bring some of those small-town congressmen into New York for a weekend to see all the senseless killings. Those cheap handguns can be picked up for a few dollars . . . yet they can kill quickly . . . even if they don't fire a second time.

Do we need a Gulf of Tonkin incident here before congress declares war on handguns? As Mayor Lindsay has pointed out . . . the combat on our city's streets can only be stopped . . . by the national control of gun sales.

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## JAMES G. FULTON

### HON. GEORGE P. MILLER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. MILLER of California. Mr. Speaker, expressions of sorrow still come to the committee lamenting the passing of our colleague, James G. Fulton. Jim's dedication to maintaining vigorous and progressive scientific research and development programs of the Nation is known far and wide in Government and in the civilian areas. Full recognition of that dedication is expressed in the following letter which I would like to insert for the RECORD. This letter is the expression of the highest levels of the National Science Foundation, the agency that has done so much since 1950 to make our country worthy of world leadership:

NATIONAL SCIENCE FOUNDATION,
NATIONAL SCIENCE BOARD,
*November 2, 1971.*

Hon. GEORGE P. MILLER,
*Chairman, Committee on Science and Astronautics, House of Representatives, Washington, D.C.*

DEAR MR. CHAIRMAN: During our October meeting in Washington the Members of the National Science Board expressed sadness upon learning of the death of Representative James G. Fulton of Pennsylvania, and asked that I convey the sympathy of the Board to you as Chairman of the Committee on Science and Astronautics, on which Mr.

Fulton served so ably as ranking minority member.

The importance of the support of science to national and international welfare was exceptionally well understood and clearly articulated by Mr. Fulton. The Congress and the scientific community have indeed lost an informed spokesman for the cause of science. Perhaps the most fitting memorials to Mr. Fulton's dedicated efforts in the Congress in support of scientific advancement are the record of the outstanding accomplishments of the United States space program and the increased communications among nations for international cooperation in science and space.

The Members of the National Science Board who have had the privilege of working with the Committee on Science and Astronautics express to you and the other Members of your Committee our condolences upon the death of your distinguished colleague.

Sincerely yours,

H. E. Carter,
*Chairman.*

## A PILOT PROGRAM FOR THE NATIONAL SERVICE ACT

## HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. BINGHAM. Mr. Speaker, while the Congress has extended the draft for 2 more years, it is clear that the system must be revised. Earlier this year, I introduced legislation, the National Service Act, which I believe reflects the needs of the Nation and the desires of its youth. It would provide for civilian service as an alternative to military service. Writing in the September issue of Teachers College Record, Mr. Donald J. Eberly outlines a workable pilot project to study the impact of a national service system.

In his article, Mr. Eberly takes the 10-point statement on National Volunteer Service of the National Service Secretariat, as a delineation of the assumptions for his proposal. Expanding on that theme, he devises a profile of the needs of service fields and educational background of volunteers. Then, he directs himself to the pivotal questions which a pilot program must answer:

First. What are the needs?

Second. Who will meet them?

Third. What will be accomplished?

Mr. Eberly's proposal offers a thoughtful and intriguing approach which would test the feasibility of a national service system and its potential impact. The idea deserves the Congress' critical attention.

Following is the text of Mr. Eberly's article:

### A National Service Pilot Project

(By Donald J. Eberly)

"Overnight, you'll have a million kids on your hands, and it will be the biggest boondoggle in history." So goes one of the more eye-catching arguments against national service. What this criticism fails to consider, however, is that most serious proponents of national service advocate not a crash program but a transition period of three to five years to build up enrollment to a plateau of one to two million persons. The need at present centers on designing a true pilot project to test the feasibilities of a full-scale national service.

Experience with youth service programs over the past decade has permitted an acceleration of the recommended developmental period, but as yet there has been no true national service pilot project. The Peace Corps, VISTA and the Teacher Corps are small programs (none enrolls as many as 10,000 participants), widely dispersed, and highly selective. The Neighborhood Youth Corps and Job Corps are exclusive programs (participants must be educationally and financially poor) with underdeveloped service components.

Still these programs have helped to pave the way for national service. Skeptics who thought young people were not wanted or could not perform competently in overseas assignments were proved wrong by the work of thousands of Peace Corps volunteers. Hundreds of thousands of applicants for the Job Corps destroyed the myth that only a compulsory program could reach poor, uneducated young people, and the effective tutorial services of the Neighborhood Youth Corps demolished the thesis that such young people were suitable only for menial tasks.

These programs are also teaching us where they fall short of the national service ideal. For example, many VISTA volunteers have felt frustrated with their inability to effect the reforms which they want and society needs. Some have concluded that the necessary reforms could never be achieved through service; an overthrow of the system was required. What has not been tested is the potential of a full-scale service program. Suppose, for example, the Teacher Corps, in cooperation with the local school board, teachers' union, parents, students, and colleges, were to recruit young people to augment the teaching staff of city schools to bring the teacher-pupil ratio to the level of private schools. The ratio might drop from, say, 1:30 to 1:12. Until we know the true impact of this approach, and similar ones in such fields as health, environment, and protection, we cannot rule out the national service idea as an agent of change.

The longer the United States delays experimentation with national service, the more rapidly does it approach the time when a crash program may be needed. Our record is less dismal than one might guess. The Civilian Conservation Corps was our major successful mobilization program of youthful manpower for nonmilitary purposes. Within three months of the day it became law in 1933, some 275,000 young men were enrolled in CCC camps.

Although unemployment figures have not reached the crisis level of 1933, the combined effect of rising unemployment, youthful alienation, societal needs, and the lock-step of education appears to be leading us toward a crisis of similar proportions. While there is still time, it is only common sense to test a program designed to meet the basic needs of youth and society and which, as a byproduct, might avert the looming crisis. Moreover, such a test is long overdue. National service pilot projects were recommended in 1967 by the National Advisory Commission on Selective Service and by the National Service Conference, in 1969 by the Joint Commission on Mental Health of Children, and in 1970 by the President's Commission on Campus Unrest.

Skeptics of national service probably will look upon such projects as test cases, the results of these pilot projects to determine whether or not a full-scale program should be undertaken. National service proponents, on the other hand, will likely consider the results as a demonstration of the enormous potential of the national service concept.

Whatever the pilot projects prove to be, this paper looks upon them primarily as empirical research. A theoretical basis for national service has been defined. A national service concept has been put forward and examined, the expected benefits tabulated, the costs estimated, the probable impact on the draft, on education, on society, considered. Viewed as a seed, national service has been quite thoroughly analyzed. Now it is time to plant seed, several of them, in different kinds of soil, and in various types of weather. Then, when the fruit has been harvested, we can determine what next for national service.

Before designing test projects, we must first ask what it is we want to discover. Then we can design the projects to most efficiency meet our objectives.

#### ASSUMPTIONS

This paper is based on the kind of national service program outlined in a ten-point *Statement on National Volunteer Service,*[1] which has drawn the endorsement of many of the strongest advocates of national service. The statement reads as follows:

The zeal of young people to build a better society has never been clearer than it is now. Yet opportunities to work constructively for a better society are limited. Compared to national needs, relatively few jobs in the service fields are available to young men and women.

Still, the service needed by society—in such fields as education, health, conservation and municipal services—is enormous. Many of these needs could be met by young people, those who are asking for relevance in education, for a chance to meet their service responsibility outside the armed forces, and for first-hand experience with problems whose outcomes will determine the kind of world to be passed on to their children.

In order to meet many of our most pressing needs and to permit young men and women to become engaged in the building of a better society, We endorse a program of national volunteer service, which would have these basic features:

1. Service opportunities would be available to all young people. The main criterion for admission would be willingness to serve.

2. Each participant would both serve and learn. Learning would range from development of specific skills to growth in self-knowledge, problem-solving, and working with people.

3. Service activities would be directed and financed at the local level to the extent permitted by available resources, and would include projects organized and directed by young people. Thus, maximum local initiative would be encouraged.

4. Service activities would be underwritten by a public foundation at the national level. Such a foundation, which should be removed from political pressures but which would receive both Congressional appropriations and private contributions, would assure support for all needy projects.

5. The basic *raison d'être* for national volunteer service is the need society has for the service of youth. Main areas are tutoring, health and mental health, conservation, and various kinds of community and family service. By serving in these fields, young people would be able to test themselves through service to society and would receive valuable experience for their careers.

6. Young people who seem poorly qualified by conventional standards could serve effectively. High school dropouts are today serving as tutors, and doing a good job; others are receiving specialized training for responsible hospital positions. Each participant would be given the training and supervision needed for the assignment.

7. There would be a transition phase. Growth of national volunteer service would be constrained by identification of useful tasks, finding enough trainers and supervisors, and obtaining sufficient funding. The

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[1] *Statement on National Volunteer Service,* Washington, D.C.: National Service Secretariat, August 3, 1970.

transition phase would permit experimentation with various techniques and activities.

8. Participation would be by means of a contract, voluntarily entered into by all parties. The contract would spell out the responsibilities of the participant, the sponsoring agency and the funding agency.

9. Duration of service would range from a minimum of one year to a maximum of four years. The normal contract period would be one or two years, renewable.

10. Participation in national volunteer service would be viewed as fulfillment of a person's service obligation. Thus, satisfactory completion of national volunteer service—for the same period of time as needed to complete one's military service obligation—would place participants in the same draft category as veterans of military service. Also, if armed forces manpower requirements were to be met solely by volunteers, there would be no need to relate civilian service to military service since both would be manned by volunteers.

### PROFILE OF NEED

How many tutors are needed? How many to work on health projects? How many conservationists? How many to assist city officials in the delivery of human services?

In the absence of more recent data, major reliance for theoretical estimates of need is placed on two six-year-old reports, one prepared by the National Commission on Technology, Automation, and Economic Progress, the other by Greenleigh Associates for the Office of Economic Opportunity. Both reports estimated the need for sub-professional workers in public service fields, as shown in Tables I[2] and II.[3]

Based on these estimates, a subsequent reordering of national priorities (e.g. beautification must now be subsumed under environmental concerns), and my experience with youth service programs, such as, the Atlanta Urban Corps, I compiled in 1970 a revised estimate of needs, as shown in Table III.[4] For purposes of planning pilot projects, it is suggested that Table III serve as the profile of need until harder data become available.

TABLE I

| Source of Employment: | *Job Potential (in millions)* |
|---|---|
| Medical institutions and health services | 1.2 |
| Educational institutions | 1.1 |
| National beautification | 1.3 |
| Welfare and home care | 0.7 |
| Public protection | 0.35 |
| Urban renewal and sanitation | 0.65 |
| Total | 5.30 |

TABLE II

| Field of Service: | *Theoretical Potential* |
|---|---|
| Health, including hospitals and mental health | 1,355,000 |
| Education | 2,016,900 |
| Day care | 14,000 |
| Recreation and beautification | 136,000 |
| Libraries | 62,700 |
| Public welfare | 65,000 |
| Probation and parole | 16,000 |
| Institutions, dependent and delinquent children | 38,500 |
| Public works | 150,000 |
| Police and fire | 50,000 |
| Prisons | 24,000 |
| Defense | 350,000 |
| Total | 4,278,100 |

### WHO WILL SERVE?

What young people will choose to participate in national service, Will they be rich or poor? Black or white? Male or female? High school dropouts or college graduates?

Survey data are available on these questions from three polls taken in recent years. Poll Number 89 of the Purdue Opinion Panel asked a representative sample of high school students this question:

TABLE III.—ESTIMATED NEEDS AND EDUCATIONAL REQUIREMENTS FOR NATIONAL SERVICE PARTICIPANTS

[In thousands]

| | | Minimum academic background | | | |
|---|---|---|---|---|---|
| | Need | High school dropouts | High school graduates | Some college | College graduates |
| Total | 4,030 | 1,340 | 1,470 | 935 | 285 |
| Educational services | 1,000 | 205 | 420 | 270 | 105 |
| Tutors | 600 | 100 | 300 | 180 | 20 |
| Teacher aids | 300 | 100 | 100 | 80 | 20 |
| Teachers | 60 | | | | 60 |
| Public media aids | 40 | 5 | 20 | 10 | 5 |
| Health services | 900 | 215 | 405 | 230 | 50 |
| Health aides | 800 | 200 | 350 | 210 | 40 |
| At hospitals | 600 | 150 | 250 | 170 | 30 |
| Outside hospitals | 200 | 50 | 100 | 40 | 10 |
| Mental health aides | 100 | 15 | 55 | 20 | 10 |
| At institutions | 50 | 10 | 25 | 10 | 5 |
| Outside institutions | 50 | 5 | 30 | 10 | 5 |
| Environmental services | 800 | 600 | 110 | 50 | 40 |
| Conservation aides | 500 | 400 | 50 | 30 | 20 |
| Pollution and sanitation aides | 100 | 60 | 20 | 10 | 10 |
| Beautification aides | 100 | 70 | 20 | 5 | 5 |
| Park development aides | 100 | 70 | 20 | 5 | 5 |
| Social services | 560 | 110 | 210 | 210 | 30 |
| Day care aides | 200 | 30 | 100 | 65 | 5 |
| Welfare aides | 200 | 30 | 50 | 110 | 10 |
| Parole and probation aides | 20 | 5 | 10 | 5 | |
| Prison aides | 20 | 5 | 10 | 15 | |
| Geriatric aides | 50 | 20 | 20 | 10 | |
| Settlement house aides | 50 | 20 | 20 | 10 | |
| Legal aides | 20 | | | 5 | 15 |
| Protection services | 300 | 60 | 155 | 65 | 20 |
| Police aides | 200 | 25 | 120 | 45 | 10 |
| Fire aides | 50 | 20 | 15 | 10 | 5 |
| Highway safety aides | 50 | 15 | 20 | 10 | 5 |
| Other services | 470 | 150 | 170 | 110 | 40 |
| Public works aides | 200 | 100 | 70 | 25 | 5 |
| Recreation aides | 100 | 20 | 50 | 25 | 5 |
| Library aides | 50 | | 15 | 30 | 5 |
| Mayor's aides | 20 | 5 | 5 | 5 | 5 |
| Others | 100 | 25 | 30 | 25 | 20 |

Instead of being drafted into the armed forces, suppose every person, male or female, could spend one year working in some way for his country to solve its problems. For which of these would you be willing to work a year? (Answer only one.)

A. Poverty: slums, ghettoes, welfare programs, housing, etc.

B. Conservation: air, water, pollution, etc.

C. Education: improve and expand

D. Race problems: provide equal opportunity

E. Some other than above; or would not be willing to work a year[5]

Four years earlier, in April 1966, the Gallup Organization asked college students this question:

VISTA is a federal program made up of volunteers who live and work among the poor in depressed areas of the nation. Do you think you would have any interest in working in this program, either on a full-time or a part-time basis?[6]

Results for a selected group of teen-age girls are found in a survey conducted for *Seventeen* magazine in February 1969. It asked a sample of their subscribers this question concerning voluntary national service:

Would you personally volunteer to serve for a year in such a program?[7]

These and related questions in the three surveys yielded responses which suggest theoretical answers to several questions that pilot projects could be expected to answer empirically:

1. All three polls indicate a majority interest in national service quite apart from draft considerations, and a somewhat stronger interest as a draft alternative. The surveys also indicate that more young women than young men would volunteer for a program of national service.

2. By age and educational levels, the surveys suggest that the largest group of entrants into national service would be high school graduates, ages seventeen or eighteen. Some would choose to finish college before entering, while others would interrupt high school or college studies to enlist.

3. The racial composition of national service participants would reflect the larger society, with minority group representation falling no lower than from 11 percent to 10 percent. On project choice, the percentage of minority group volunteers working in poverty programs would be substantially over 11 percent, while the percentage working on conservation projects would be substantially under 11 percent.

4. The surveys reveal a slight lessening of interest at the two extremes of the economic spectrum. Also high school students with very low grades are somewhat less interested in national service than those with average or high grades. When the surveys are examined regionally, it is clear that young peo-

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[2] "Technology and the American Economy," in *Report of the National Commission on Technology, Automation and Economic Progress*. Washington, D.C.: U.S. Government Printing Office, Vol. I, February, 1966, p. 36.

[3] *A Public Employment Program for Unemployed Poor*. New York: Greenleigh Associates. November, 1965, pp. 28–29.

[4] Donald J. Eberly. *The Estimated Effect of a National Service Program on Public Service Manpower Needs, Youth Employment, College Attendance and Marriage Rates*. New York: Russell Sage Foundation, 1970.

[5] A. C. Erlick, "People Problems: Populalation, Pollution, Prejudice, Poverty, Peace." *Report of Poll 89*. Purdue University: The Purdue Opinion Panel, 1970.

[6] *Attitudes of College Students Toward VISTA*. Princeton, New Jersey: The Gallup Organization, Inc., 1966.

[7] "National Service Survey," *Seventeen* Magazine, March 1969, p. 5.

ple would volunteer for national service in very nearly the same proportions from all regions of the country.

The surveys are not helpful in forecasting how many men would opt for civilian service as against military service. At any rate, the major determinants, such as, war and level of unemployment, would not be controllable by pilot project administrators.

Should the nation decide to commit itself to the draft and to national service, then pilot projects should test the influence on enrollment of such controllable variables as rates of pay, duration of enlistment, and postservice benefits.

Should the nation decide to commit itself to a volunteer military force and a standby draft only, the pilot projects should test the option plan for national service to discover how much money in incentive pay and amenities for persons in the military could be saved by instituting a program of national service.

WHAT WILL BE ACCOMPLISHED?

This is the most difficult area to take measurements. What is the value to a person learning at age twenty, instead of age fifty, that a career in which he serves his fellow man would be more rewarding? What is the value to society of motivating 1,000 young people to enter legitimate careers instead of the world of crime? What is the value to the economy of looking after 4,000,000 infants of working mothers?

The direct financial aspects of these acts could be estimated fairly accurately. The social and personal benefits, however, do not lend themselves to easy quantification. One approach is to compare the cost of national service benefits to the cost of the same benefits obtained through alternative means.

Consider, for example, a National Service Highway Safety Patrol Corps. Although Corps members would carry no guns and have no power of arrest, it is postulated that their presence on the highways would deter speeders and reduce fatalities. Corpsmen would administer first aid to accident victims and with the aid of helicopters attached to each Corps unit assist in rushing victims to hospitals.

Benefits to participants would include training in auto mechanics, first aid, electronic equipment maintenance, helicopter operation, and career guidance. Attitudinal changes on such subjects as age, race, nationality, education, and family income could also be examined.

The total benefits accruing from the Patrol Corps and comparable programs in other major areas, such as, education, health, and conservation, would be quantified, and the cost compared with the cost of achieving the same benefits through alternate methods. The results would indicate those areas in which national service was the most economical means to a set of objectives and those in which it was the most costly.

To be useful, project goals must be fairly specific. With the highway safety project, for example, the objectives might include the items in Table IV.

Clearly, if goals are to be measured with a fair degree of accuracy and have significance, the test projects would have to be concentrated. It would be very hard to measure the impact of 1,000 highway safety patrolmen spread throughout the country, but relatively easy to measure their impact if confined to one state.

DESIGNING A PILOT PROJECT

Although numerous questions have been posed on the national service concept, they cannot be answered independently of each other. National service is not simply the provision of manpower, such as, the assignment of a highway safety patrolman to a dangerous intersection. It is not simply the education offered to participate. Nor is national service simply an opportunity offered young people to experiment with public service careers, to travel, to find alternatives to the draft and the lock-step of education. National service is all of these things, and the profile of motivations and benefits of a national service experience would be unique to each participant. So, if national service is to be tested properly, the experiment must be comprehensive and conducted on a fairly large scale.

*Table IV*

1. Number of lives saved.
2. Number of injuries avoided.
3. Reduction of damages to automobiles (dollar value).
4. Provision of training:
   (a) In first aid.
   (b) In auto mechanics.
   (c) In radio.
   (d) In helicopter operation.
5. Facilitation of career choice:
   (a) As highway patrolmen.
   (b) As helicopter pilots.
   (c) As medical personnel.
   (d) As auto mechanics.
   (e) As electronic technicians.
6. Reduction of societal costs resulting from Corps participation:
   (a) Penal system.
   (b) Welfare system.
   (c) Unemployment.
   (d) Educational system.
   (e) Health system.

As indicated earlier, the main thrust of this empirical research project appears to fall into the following three categories:

What are the needs?
Who will meet them?
What will be accomplished?

Sequentially, these topics are interrelated as shown below:

[Chart referred to not printed in the RECORD.]

In practice, then, an integrated pilot project can be designed in which the persons who enroll in the Resources Project can fill the positions identified in the Needs Project, and their accomplishments measured in the Results Project.

Before designing a pilot program to test our hypotheses, however, we have to recognize three possible limiting factors.

First, all national service projects will involve the interaction of national service participants and other human beings. Hence it will be important for the participants not only to be needed, but also to be wanted by the local residents. Ideally, a community would initiate a request for a test project, would design the project, would provide for training and supervision of participants, and would evaluate the completed project. The actual sponsor, which might be the board of education, a local hospital, or a new consortium, would have to demonstrate broad-based community support.

Proper receptivity to national service cannot be overstated. For this reason our test criteria cannot be too rigid. It would be preferable, for example, to test national service in an area that is 25 percent black and receptive than one that is precisely 11 percent black and hostile. This factor is not simply the hope of a national service protagonist. Testing national service in a hostile area means a built-in negative bias, probable failure, and the likelihood that the national service researchers will never have their questions answered.

The second constraint concerns finding an adequate number of competent, middle-level personnel to fill positions created by a test project. In our highway safety project, for example, we would need a helicopter instructor and a number of other supervisory personnel. No doubt they can be found, but if we have to go outside the test area to locate such individuals, it is likely that we would not yet be ready to launch the highway safety program on a nationwide basis.

A third constraint arises if the number of positions and the number of applicants are unequal. To permit a need to go unfilled, or an applicant to be rejected for lack of opportunity, would damage the credibility of the whole operation. Reservoirs should be established. If needs exceed participants, the project should be able to recruit outside persons and to include them in the project. If participants exceed needs, similar projects elsewhere should be started.

These fringe considerations probably would entail higher unit costs, but they are, nevertheless, essential to a thorough test of the idea. For they are what differentiates national service from VISTA and other limited programs. Young people must be guaranteed a chance to serve. And public service agencies must be assured the help they request. Without such guarantees the project degenerates into another token effort. With them, we can discover whether national service is as powerful a program as it is an idea.

THE RESOURCES PROJECT

Several possibilities exist for the Resources Project. To determine the size and nature of the universe of persons who would enroll, national service could be open to all whose birthdays fell on a specified date, or whose last name began with a certain letter. Either of these approaches would assure recruits from all over the country. In terms of local impact, however, either alternative would dilute the pilot project. So few persons would enroll from any single area that it would be difficult to measure the effect on schools, business, crime rate, and so on

The most useful approach from a research viewpoint would open the pilot project to all young people in a given geographic area. By mean of the gerrymander principle, a standard metropolitan area could be expanded to include some rural areas, thereby defining a population whose socioeconomic characteristics typify the United States as a whole. Not only would such an approach facilitate studying the impact of national service, but it would also reduce the costs of recruitment and otherwise add to the efficiency of the test project.

The minimum population of the test area should be 1,000,000. This writer has earlier suggested that a national service program would enroll some 2,000,000 young people, or about 1 percent of the total population.[8] Let us assume that we could expect to enroll 1 percent of the population in the pilot project. With some 10,000 participants, the project should yield results that would be predictive of a nationwide national service program.

Do the prescribed test areas exist? They certainly do. According to the 1970 census, 15 states and 54 metropolitan areas have population totals between the suggested limits of 500,000 and 2,000,000. These examples are cited not to rule out other test sites, such as multistate regions and individual city boroughs, but merely to indicate the number of options within a fairly narrow population range.

A firm decision on the test project would have to be made a year before the operation begins. Even before the decision is made, however, cooperation with the local citizenry would have to be secured and the funds appropriated. In the year after the decision, the staff would set up the necessary machinery, an independent research team organized to make measurements, and positions found for the estimated 10,000 participants.

In designing and implementing the pilot projects, it will be helpful for planning purposes to have some national figures. A solely qualitative approach would result in great variations in the assumptions of staff members as to the number of participants. A possible breakdown for the Resources Project is given in Table V.

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[8] Eberly, *op. cit.*

### THE NEEDS PROJECT

By definition, the Needs Project must be concentrated. Places for 2,500 educational aides could easily be found throughout the country, but that experience would tell us little about total nationwide demand. Hence the Needs Project should be undertaken in an area comparable in size to the Resources Project.

Unlike the Resources Project, however, the Needs Project can be divided by category. In fact, more accurate estimates of nationwide demand probably would result from conducting sub-projects in separate localities than from having all projects in the same place.

TABLE V

| | | Variation (percent) | |
|---|---|---|---|
| | Number | Increase | Decrease |
| Total population of area | 1,000,000 | +100 | −50 |
| Minority group population | 110,000 | +100 | −20 |
| Number of applicants, 16 to 30 | 25,000 | +100 | −50 |
| Number rejected | 250 | +100 | −50 |
| Number opting out | 14,750 | −100 | −50 |
| Number of participants | 10,000 | ±50 | |
| Number of dropouts | 500 | ±50 | |
| Age of participants: | | | |
| 16 to 17 years | 1,500 | ±35 | |
| 18 to 19 years | 4,000 | ±25 | |
| 20 to 21 years | 2,500 | ±30 | |
| 22 to 25 years | 1,500 | ±35 | |
| 26 to 29 years | 500 | ±50 | |
| Educational background of participants: | | | |
| High school dropouts | 2,500 | +20 | |
| High school graduates | 4,000 | ±15 | |
| Some college | 2,000 | ±20 | |
| College graduates | 1,500 | ±25 | |
| Sex of participants: | | | |
| Male | 4,000 | ±30 | |
| Female | 6,000 | ±25 | |

By having each of the Needs Projects tested in different communities, different administrative approaches could be tried, and it will not be an all-or-nothing proposition. By encouraging local officials to use the administrative procedures that seem best for their needs, it would be possible to examine the similarities and differences in procedure, and to determine which matters should be made a condition of participation in national service projects and which should be set locally. Furthermore, project dispersal would place less strain on the communities where the sub-projects took place. If all were concentrated in one locality, it would be comparable to launching a nationwide program of 2,000,000 participants with no build-up period!

One of the Needs Projects should be tested in the same area as the Resources Project. In doing so, we should be able to determine the number and types of young people who opt for local service, and to examine the comparative results of such service.

Just how the projects would be divided would depend heavily on the nature of the proposals. An advisory board to the pilot project could review the proposals and award contracts in a manner to most nearly achieve a nationwide program in miniature.

[Figure I chart referred to not printed in RECORD.]

Participation in each sub-project should cover the socioeconomic spectrum, although individual sub-projects would often show distortions from the norm. For example, the average educational level of participants in an educational project would likely be somewhat higher than in a conservation project.

### THE RESULTS PROJECT

While the sponsoring organization in each participating community would be responsible for basic recordkeeping, an independent agency should be engaged to audit such records and otherwise to evaluate and interpret the results.

Such an agency would conduct its research in accordance with the project objectives. It would fully describe the resources and needs and explain in detail the extent to which the objectives were met. Evaluation studies would begin when the sites were chosen and would continue throughout the life of the project.

In addition, provision should be made for other persons wishing to evaluate the national service pilot project. The aforementioned advisory board could rule on the legitimacy of such requests and minimize the effect of the Heisenberg Uncertainty Principle by keeping research studies from seriously affecting the project itself.

In summary, we have designed a pilot project to test the national service concept. Always difficult to define simply, the three components of the project are shown graphically in Figure 1. Such a three-dimensional matrix suggests the interrelationships among the components and could be an informative way of presenting data on the project.

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## PRAYER AMENDMENT

## HON. ARTHUR A. LINK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. LINK. Mr. Speaker, on Monday, November 8, 1971, I voted against House Joint Resolution 191, the prayer amendment. I voted against the amendment because of my faith in the wisdom of the founders of our Nation, who knew oppression and hungered for freedom. Through the Bill of Rights they sought to establish and preserve the freedoms they felt were fundamental to a new kind of democratic society.

Some of their most bitterly felt oppression resulted from the combined authority of church and state. Under the guise of religious teachings and beliefs, government officials were able to direct the lives of citizens. The fact that the very first article of the Bill of Rights states, "Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof;" is a positive statement of their desire to insure this basic freedom.

The measure that was defeated on Monday severely threatened this freedom. Many citizens responded to this threat by urging Members of Congress to vote against the proposal. The comments by one of the pastors in my State of North Dakota came to the very crux of the matter:

> Present laws permit a time for silent meditation which is all that should be permitted in a pluralistic society such as our own. . . . If this opposition to prayer in school seems strange on the part of the church, you need only reflect on why there were large groups of people immigrating to this country years ago for religious reasons: it was not because of a lack of religion in their homelands, but because well meaning rulers thought they could make people good by enslaving their consciences.

The proponents of the resolution severely weakened their case, when only minutes before the end of debate, they offered an amendment to change the wording from "nondenominational prayer" to "voluntary prayer or meditation." We should not tamper, on a spur-of-the-moment decision, with our Nation's most precious heritage, the Bill of Rights. In this case, I believe I voted to preserve one of its most fundamental principles.

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## BUSH REPLIES TO YOST: IN DEFENSE OF THE TWO-CHINAS POLICY

## HON. WILLIAM L. SPRINGER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. SPRINGER. Mr. Speaker, some days ago, Charles W. Yost, former U.S. Ambassador to the United Nations made comments with reference to the outcome of the vote on the admission of Red China to the U.N.

George Bush, our present Ambassador to the U.N., replied to Mr. Yost in an editorial in the Washington Evening Star of Sunday, November 7. I am sure that all of my colleagues will want to read this editorial:

### Bush Replies to Yost: In Defense of the Two-Chinas Policy

(By George Bush)

Recent comments of my predecessor at the United Nations, Ambassador Charles W. Yost, regarding the outcome of the U.N. vote on the China admission question need rebuttal, although I am normally reluctant to engage in this sort of debate.

The ambassador has offered his analysis of the vote and a number of arguments as to why the United States was on the losing side of the issue. I cannot agree with many of his reasons and I am unable to draw the same conclusions as to the results.

The ambassador asserts that the reaction of the Nixon administration and others to the ouster of the Republic of China tasted of sour grapes. While conceding that a feeling of disappointment over the expulsion was a "natural" reaction and to be expected, he accuses the supporters of the Nationalist Chinese seat in the United Nations of overreacting to its elimination. In a word, the ambassador seems to be saying that it wasn't worth all the fuss.

The United Nations was formed out of the ashes of World War II as a forum for the peaceful settlement of international disputes. Today there are more than twice as many nations holding membership in the organization as there were when it was established over two decades ago. The more nations that recognize its validity and join its ranks, the greater are its chances of accomplishing its goals. It was precisely this proposition that moved President Nixon to seek more normal relations with the People's Republic of China and to encourage its admission to the United Nations.

Ambassador Yost's intimation that the President's decision to go to Peking, and Dr. Kissinger's timing of his second visit to that country were a signal to the U.N. membership to deliver the final blow to Taiwan's hopes, is incredible. The President reiterated his policy with respect to his visit to the People's Republic of China in July, August and again in September. At the same time our policy with respect to Taiwan's membership in the United Nations has been consistent from the outset. The U.N. issue and Dr. Kissinger's trip were totally unrelated and represented the continued implementation of our overall policy. The trip was planned when we had every reason to believe that the U.N. vote would take place well afterwards. The coincidence was probably as difficult for the People's Republic of China as it was for us.

In short, our cards were played in the open through every step in the evolution of this issue. In fact, the case can be made that Dr. Kissinger's presence in Peking at the time of the U.N. debate can more easily be interpreted as confirmation of, rather than challenge to, the consistency of our policy with respect to the China issue.

The United States did everything it possibly could do to convince the members of the United Nations of our earnest desire to see the Taiwan seat retained in the General Assembly. Our position was fully consistent with the desire for all peoples of the world to be represented in the United Nations.

I simply can't agree with the three arguments advanced by Ambassador Yost as to why America's friends voted against us on the China question. His first was that United States resistance to the admission of the People's Republic of China for 20 years precluded a favorable vote on our dual-representation formula. This nation had opposed the admission of Communist China not because we preferred her people to be represented by the Taiwan government but due to other historic imperatives well known to all.

The fact that circumstances and conditions have changed vis a vis China, and the United States now supports its admission to the UN, is, in our view, unrelated to the question of whether the Taiwan government should retain its seat. The crux of the issue in last week's vote was that these two questions should be separate.

His second argument that dual-representation would not have brought the People's Republic into the U.N. because Peking considered it an implicit recognition of the legitimacy of the Taiwan government, again shows a misunderstanding of the American position. The President was fully aware of the possibility that the People's Republic of China might not have entered the United Nations had Taiwan been allowed to remain, and was fully prepared to deal with that question when it arose. *But neither the President nor I felt at any time that that was a legitimate basis to vote for the expulsion of the Nationalist Chinese.* We made every effort to make that point clear to the membership.

We felt that Peking should be invited into the U.N.—but on the U.N.'s terms, not Peking's terms. If we are to condone the expulsion of a small member-nation to make room for a large non-member nation, we immediately expose the U.N. to the possibility of diplomatic blackmail. For example, it is now not inconceivable that a major nation will condition its future participation in the U.N. on the expulsion of some less significant adversary nation. That would be a disaster.

The third, and according to Ambassador Yost, the most important reason for the ouster of Taiwan, is simply that, since the U.S. was re-establishing relations with Peking, we could not expect other nations to vote in favor of an issue anathema to the Communist Chinese. They too would now be interested in bettering relations with the PRC.

The inconsistency of this argument is self-evident. The United States while re-establishing its relations with the Chinese government, not only voted for the retention of the Nationalist Chinese but worked actively to gain support for it among other nations as well. This we felt demonstrated (1) that we were serious and (2) that others might well be able to do the same thing—if these two positions are not inconsistent for us, why must they be inconsistent for our friends? The United States was not asking any government to do something that we ourselves were unwilling to do.

Ambassador Yost and I share the same view that the United Nations is a beneficial instrument of world peace and that it should be preserved and supported. Where we obviously disagree is in the significance of expelling a member-nation. Mr. Yost apparently feels (1) that the expulsion of a smaller nation is not of great importance if it facilitates the admission of a larger nation, and (2) that in the instance of the Taiwan government, the expulsion was justified by the facts in the case. I believe he is wrong on both counts, and that this will soon become apparent to all.

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## STALEMATE AT SUEZ

## HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. WOLFF. Mr. Speaker, Kenneth J. Pezrow, a friend and constituent, has called my attention to an excellent editorial column by William Randolph Hearst, Jr., editor in chief of the Hearst newspapers, titled "Stalemate at Suez." It is a fine assessment of the travail Israel has encountered and still faces in attempting to achieve peace in the Middle East.

I have introduced in this session of Congress legislation, supported by my colleagues on both sides of the aisle and from all parts of the country, expressing the sense of Congress that the United States should sell to Israel aircraft necessary to Israel's defense against the takeover of the entire Middle East.

That is what the Middle East crisis is all about. Russia is giving military support to Egypt. If a balance of power is to be preserved—which is the only way peace can be preserved—Israel must receive equal military support, and it can only come from us. Five successive U.S. Presidents have seen the relationship between Israel's integrity and survival, and U.S. national interests.

Editor Hearst points out that the United States advocates as a first step toward a peace settlement an agreement for the reopening of the Suez Canal, but that all that Israel has gotten from Egypt in exchange for its conciliatory attitude are impossible demands and threats of renewed warfare by the first of the year.

Mr. Hearst's comments follow:

### Stalement at Suez

(By William Randolph Hearst, Jr.)

New York.—Every time the continuing Mideast crisis is discussed in this column—which is often, since it is so important to so many people of the world—invariably a number of largely unprintable letters come in accusing me of being biased in favor of Israel.

My pro-Arab correspondents can spare themselves the risk of writer's cramp today. I admit in advance what my regular readers know every well—that Israel has been a special interest of mine since its very beginnings, and that its national goals and aspirations have always had my sympathy and support.

Having said that, I contend that what you are about to read here today is as objectively fair an assessment as can be presented from the situation today.

That assessment, in a word, is that it is Israel which thus far has sincerely opened the door to a possible Mideast peace settlement. Egypt, by provable contrast, has offered nothing but unreasonable demands.

Before getting into the subject, which has preoccupied the United Nations and my own attention most of the week, an apology may be in order for not giving column priority to the flood of domestic news recently emanating from Washington.

No slight is intended. President Nixon's post-freeze program, the latest developments on his China visit, congressional action on his tax bill and the military appropriation measure—all are important and inviting subjects.

My general comment is that the President, by and large, has had a pretty good week.

Speaking specifically, I note that opposition to the tax bill and criticism of the post-freeze program mostly springs from political or similarly predictable points of view.

The major objection is that the Nixon Administration allegedly is doing more for industry than it is for labor and my reaction to this is—why not?

You don't need to be an economist to know that labor can only prosper if industry does. Or that a healthy industry is the only real cure for unemployment. Or that the government already—rather effectively—"controls" profits by taking 50 percent of them, if any there be.

So—let's get back to those Arab-Israeli quicksands.

It is not my nature to be pessimistic. You can find reason for hope in almost any dismal situation. Yet there seems very little cause for optimism in the current status of the Mideast peace negotiations being led by the United States.

The position of the U.S. was outlined in a complicated, six-point program urged by Secretary of State Bill Rogers in his UN address last Monday. Unfortunately, Israel and Egypt cannot agree on its most basic proposals.

What the U.S. advocates as a first step toward a final peace settlement is—quite sensibly—an agreement whereby the Suez Canal might be cleared and restored to operation as the waterway of immense value it once was.

Israel has made a major concession to this end. It has indicated it is willing to withdraw its troops some 10–15 miles back from the canal on two conditions: (A) That no Egyptian military forces move across the canal into that bank area, and, (B) that its ships be guaranteed passage through the reopened facility.

To this, to date, Egypt has given a big fat no. It insists that its military forces be given access to the east bank. It hedges on the idea of giving Israel immediate use of the reopened waterway. Most important, it demands a written pledge from Israel that any Suez settlement will mean that Israel agrees to return all Arab territory it took in the 1967, six-day war.

You can forget all the side issues in that six-point program of Mr. Rogers. The crux of the problem right now is whether Israel and Egypt can ever agree on such a relatively simple first step as getting the Suez Canal open.

The big stumbling block is that Egypt refuses to accept the fact that it lost the 1967 war it provoked. Having lost, it wants its marbles back and takes the position that Israel has no right to the territory it conquered.

In this it has the support of the UN. The contention is that Israel technically started the war and thus was the aggressor—a view which ignores the fact that Israel HAD to act to save itself from the imminent mass destruction prepared and announced by Nasser, the late Egyptian president.

The technicality is basically irrelevant to reality since it also ignores the most fundamental rule of warfare—that to the victor belong the spoils.

Israel thus may agree to return some holdings in the interests of peace—as it has—but it has no more intention of returning all of them than Russia has of giving up the Eastern European nations it took over in World War II.

Russia, for its own safety, occupied and established those nations as satraps whose chief function is to serve as a buffer zone between itself and any attack from the West. Israel has done much the same thing.

Before the 1967 war, for example, Egyptian bombers were only five minutes away from Tel Aviv while Israel's planes were a half hour or so from Cairo. Today the tactical advantage is reversed.

The point is that land ownership has changed hands because of an armed conflict which Egypt caused and lost. That is an accomplished fact, and no amount of pressure is going to force Israel to return anything it considers vital to its security.

All of this, to me, underscores the fundamental importance of Israel's offer to withdraw some 10 to 15 miles so the Suez Canal might be reopened under wholly reasonable conditions.

The offer is a major concession, obviously made because Israel earnestly wants to help solve the deadlock. Any way you look at it, the proffered withdrawal entails a calculated risk.

In exchange for its conciliatory attitude, Israel has gotten precisely nothing from Egypt except impossible demands and threats of renewed warfare by the first of next year.

According to Cairo, Israel will have to pull back nearly 30 miles instead of 10 or 15. As mentioned earlier, it will have to permit Egyptian troops in the vacated territory. It will have to wait and see under what circumstances it may use the Suez Canal.

Above all—and here we repeat the nuts and bolts of the whole problem—Israel will have to agree in advance that any settlement on Suez automatically means its agreement to return every single inch of conquered Arab territory.

Israel simply will never do this.

Egypt, in turn, shows not the slightest sign of easing up on its total withdrawal demands.

It would seem to be a wholly insolvable problem if it were not for the fact that Israel has made its first step offer toward a potential compromise.

The next step is up to Egypt.

Until Egypt responds in a similar spirit of cooperation, the Mideast powder keg will sit there in constant danger of a truly catastrophic new explosion.

## CORNELIUS J. HAGGERTY

## HON. CHARLES J. CARNEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. CARNEY. Mr. Speaker, it is with deep regret that I learned of the death of Cornelius J. Haggerty, who had retired last May as president of the Building and Construction Trades Department of the AFL–CIO.

Mr. Haggerty had served in that position for 11 years, during which time he represented 17 unions with a total membership of 3.5 million. His election to the presidency of this great union climaxed a long and fruitful career in the labor movement, which he joined in 1915 as a member of the Lathers Union. He became president of his local and finally president of the California AFL–CIO. He served in this position from 1937 to 1943, when he became the secretary-treasurer of the AFL–CIO.

In addition to these offices, Mr. Haggerty was a member of the Advisory Committee of the Office of Price Administration and the Manpower Commission, and was appointed by California Gov. Earl Warren to the Board of Regents of the University of California. He thus became the first representative of organized labor to serve on the Board of Regents.

Mr. Haggerty's tenure as president of the Building and Trades Department was marked with a dedication to the highest standards of equity and fair play. He had opposed wage controls unless price and profit controls were also imposed. He advocated a program for the hiring and training of Negroes and other minority group members. Mr. Haggerty had also worked against the use of poor quality materials in construction projects and had urged his workers to give a fair day's work for their pay.

Mr. Speaker, this outstanding American demonstrated unusual leadership abilities while working for the right of the people he represented. In recognition of his total dedication to these high goals, the Building and Construction Trades Department Executive Council passed a resolution in his honor at their recent general convention in Chicago, and I include this resolution in its entirety in my remarks:

RESOLUTION

Whereas, the Executive Council and the Officers of the Building and Construction Trades Department, AFL–CIO, the General Presidents of the seventeen International and National Unions affiliated with the Department and their more than 3,000,000 members have learned with profound sorrow of the death October 10, 1971 of Cornelius J. (Neil) Haggerty; and

Whereas, C. J. Haggerty served with distinction and dedication as President of the Building and Construction Trades Department from 1960 until May 6, 1971, when, for reasons of health, he resigned to become President Emeritus of the Department; and

Whereas, C. J. Haggerty was a faithful, industrious, intelligent member and leader of the trade union movement from the start of his career as a building tradesman, when he joined Lathers Local Union No. 72 in Boston in 1915; and

Whereas, C. J. Haggerty spent his adult life in furthering the aims and objectives of the trade union movement as a business manager of his local union, a Vice President of the Wood, Wire and Metal Lathers International Union; Secretary of the Los Angeles, California, Building and Construction Trades Council; Vice President of the California State Federation of Labor, AFL; Secretary of the California State Federation of Labor, AFL; Secretary-Treasurer of the merged California Labor Federation, AFL–CIO, and President of the Building and Construction Trades Department, AFL–CIO; and

Whereas, C. J. Haggerty devoted himself to many civic, cultural and educational causes, including the Federal Advisory Council on Employment Security, the Board of Directors of the National Housing Conference, the National Planning Association, the Latin-American Unit of the International Confederation of Free Trade Unions and the Joint United States-Mexican Trade Union Committee; and

Whereas, this warm, friendly, courteous, sincere gentleman was the first labor man in the history of the University of California to be named a member of the Board of Regents of that great University; and

Whereas, the federal government recognized the talents of C. J. Haggerty by calling him to service on a variety of important Presidential Committees and Commissions, including missile sites, traffic safety, youth employment, fine arts, peace corps, rehabilitation of the industrially injured and apprenticeship and training; and

Whereas, C. J. Haggerty embodied the finest type of leader in his unstinting efforts to provide equal employment opportunities for trained citizens of his nation, regardless of race, religion or creed; and

Whereas, the trade union movement and the United States of America have suffered a loss in the passing of this splendid labor leader now, therefore

Be it resolved that the Officers, the Executive Council and the General Presidents of the Building and Construction Trades Department, AFL–CIO, in behalf of the men and women they represent, extend to Margaret Kelleher Haggerty, his lovely wife; their two sons, Cornelius J. Haggerty, Jr., and Donald P. Haggerty, and their seven grandchildren and six great grandchildren the most sincere sympathy and, further,

Be it resolved that a copy of this resolution be sent to his wife, sons and all state and local councils and the Building and Construction Trades Department, AFL–CIO.

Mr. Speaker, I would like to express my sympathy at this time to Mr. Haggerty's widow and family. Their sorrow in his passing will certainly be shared by all his many friends in the labor movement.

## SENSIBLE ACTION ON FOREIGN TRADE

## HON. ROBERT H. MOLLOHAN

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. MOLLOHAN. Mr. Speaker, 2 months ago, this Nation finally took some sensible actions on the question of foreign trade. We recognized that the relative strengths of the economies of the major nations of this world had changed over the last 25 years, and we insisted that there be a change in the valuations of currencies to reflect the present day, where there are several highly industrialized and highly skilled trading countries which have experienced enormous growth in the past two decades.

I hope, Mr. Speaker, that this is just the beginning of our search for the realities of today's international trade picture. Over the past few months and years, when we have sought to work out a more realistic trade policy, we have thought almost exclusively in terms of quotas and tariffs, of goods and services, and of trade balances and deficits.

Yet, today we must be talking about capital exportation, about the transfer of vast technologies to other countries, of relative tax structures, and above all about jobs and the equities on behalf of American workingman and consumer.

For, today, we are a major exporter of capital—in the 20 years between 1950 and 1970 our overseas investment increased from $19 billion to $108 billion. And because of this, we have lost jobs not only because foreign goods which come into the United States compete against goods manufactured here, but because U.S. capital has gone abroad to manufacture goods in foreign lands with the result that foreign goods produced with American capital compete against

American-made goods in foreign markets.

Our steel industries, for instance, are hurt not only when raw steel is imported competing for orders in American firms, they are also hurt when foreign cars are sold here instead of American models, because those cars have foreign, not domestic steel. But they are hurt yet another way—when the American auto manufacturer goes to Germany or Britain and manufactures cars to sell in those nations which compete against American-made cars. The injury goes yet another step as well—when an American auto manufacturer produces cars abroad to be brought back to the United States for sale.

The problems we face, Mr. Speaker, are not limited to protecting our industries against the inflow of foreign products though that certainly is one of the key questions. It also involves the question of the exports of capital and jobs. For when capital which could be used at home to produce jobs is exported overseas, we lose the jobs which that capital could have generated.

And for that reason I am introducing legislation today which will address itself to both problems. It would impose quantitative restraints on imports by establishing a quota level based on the average annual imports during 1965–69. Where there is a voluntary government-to-government agreement in effect, the provisions would not apply. It would change the way in which we deal with dumping problems as well.

Presently, there are two departments involved in any antidumping case. The Treasury Department must find the existence of dumping—the practice of selling products in the United States at less than the price they were sold in the producing country. Then the Tariff Commission investigates the extent of the injury.

The bill I am introducing would establish a three-man commission to determine both within 4 months of the time the complaint was filed.

Another provision would change the requirements for receiving relief from imports. This legislation would require that increased imports contribute substantially to causing or threatening severe injury instead of requiring that the injury be the result of trade agreement concessions.

This legislation would also impose limitations on the flow of both investment and patented technology overseas. It would give the President the power to regulate the outflow of funds for private investment and would prohibit any holder of a U.S. patent from producing the patented product abroad at the risk of making the patent unenforceable in the U.S. courts.

This legislation would also change the tax treatment of American operations overseas to bring the treatment in line with their domestic operations.

Mr. Speaker, there are several things that must be done on the question of foreign trade, and this legislation attempts to accomplish those things. We must stop dumping practices, and we must halt the increasing rate of imports in some industries.

We must encourage American industry to strengthen its investments here in the Nation and discourage the flight of capital to other countries. We have more than 5 million people looking for jobs in this Nation, and yet the capital which could create those jobs continues to move overseas. Foreign goods continue to flood our markets in certain categories and eliminate even more jobs. It is time to put a stop to this, and I hope my colleagues will join with me in the formulation of an effective and comprehensive trade policy that will meet the needs of this country throughout this decade.

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## VIETNAMESE TRAINEES GIVEN SOMETHING EXTRA BY SPONSORS

### HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. HAGAN. Mr. Speaker, war uproots many people and creates unusual situations. One of these has to be the experiences of fighting men who are sent to faraway places to fight or get ready to fight.

Hunter Army Airfield in my district is the training ground for Vietnamese who are preparing to fly helicopters in the war back home. The manner in which the people in the area of the airfield have taken into their lives these young pilots is highly commendable. When they return to Vietnam they will not only know how to maneuver helicopters, but will be well informed about things American, especially the home life of our country. Over 1,400 Savannahians have participated in sponsoring cadets.

I include in the Record the following account from a special section of the Savannah Evening Press of October 29, 1971:

Discovering the United States, Too—Vietnamese Learn More Than Flying

Every two weeks a new group of eager Vietnamese Air Force Cadets arrives at Hunter Army Airfield to begin their final phase of rotary wing flight training. Each student will spend 20 weeks at Hunter learning and perfecting new skills before returning to the Republic of South Vietnam as a qualified helicopter pilot.

While undergoing their final phase of flight training, these students also participate in two programs very different from their flight training. These are the Department of Defense Informational Program and the Vietnamese Sponsorship Program.

The average Vietnamese student is 23 years old and comes from one of the metropolitan centers in Vietnam (Can Tho, Dalat, Saigon, Da Nang, and Hue). Their social backgrounds are as varied as a comparable group of American students. About 10 per cent are married and about 15 to 20 per cent are Christians (mostly Catholic). All students speak English.

The Department of Defense (DOD) Information Program familiarizes the students with the American way of life, including government, education, business and the news media. This program is implemented through formal classes and through local tours in the Savannah area. Vietnamese students are currently enjoying local tours to such establishments as Armstrong State College, Grumman Aircraft Company, WKL–TV, and National Gypsum Company. In addition to the local tours of Savannah, students are taken on a three-day visit to our nation's capital. These tours are invaluable in helping the Vietnamese students to understand our country, our economics and our way of life.

The Sponsorship Program brings the students into contact with the American home life, something which cannot be taught in the classroom. Potential sponsors are contacted by the Foreign Liaison Office (352–5426, 352–5922) at Hunter. Those persons who want to act as sponsors are paired with students for the 20-week period. Normally two students will be paired with one sponsor couple.

The Sponsorship experience is probably the most important period in the students' learning process. The benefits to the students are two-fold. They are given an opportunity to obtain much relaxation from their strenuous course of training and to learn something of the non-military aspects of our way of life on a person-to-person basis.

On the other hand, the sponsors and their families are afforded the opportunity to learn much about an older and very different culture. In fact, many sponsors feel that they and their children gain a great deal more from their family's participation than the students, and many lasting friendships are formed before the students return to their homeland.

If you are interested in the Sponsorship program, please call the Foreign Liaison Office at any time. The Sponsorship Program has received strong support from the Savannah population in the past. (To date over 1400 Savannahians have participated in this worthwhile experience). With the holiday season fast approaching, why not share your holiday spirit with two young men far away from home? You can be an ambassador right here in your own community.

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## THE VOTES AGAINST BUSING

### HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. MURPHY of Illinois. Mr. Speaker, the reaction to the House decision last week to prohibit the use of Federal funds for busing to achieve racial balance has been loud and varied. The controversy surrounding this issue has been one filled with deep and often bitter emotions. I think an editorial in the Chicago Tribune published this past Monday contained a very sensible and rational analysis of the problem.

This editorial pinpoints the overriding issue in this area: the quality of our public education system. This must always be our primary concern. I believe it is not feasible to place the entire burden of integration on our schools, especially at the expense of the quality of education our children receive.

The editorial notes there were some congressional votes motivated by racial prejudice and opposition to integration. Sadly, this is probably true. But I am convinced that the majority of the Members of this body are committed to solving the critical problem of racial isolation in our country. The rejection of busing was, therefore, a rejection of the means rather than the end.

Let us remember that on the same day we disapproved busing we approved $1.5 billion to aid in the desegregation of public schools. We must continue to be receptive to new proposals aimed at achieving racial harmony. Busing was not the answer but that should not be a signal to discontinue the search for a more comprehensive solution.

I insert a copy of the editorial for the benefit of my colleagues. I believe it is a timely statement in light of our recent actions:

THE VOTES AGAINST BUSING

By decisive votes of 235 to 125, 233 to 124, and 231 to 126, the House of Representatives added to a pending bill riders taking the federal government out of the business of busing students to achieve school integration. The approved measures not only prohibit use of federal money for that purpose but also restrain federal officials from making such busing by states or districts a condition of receiving federal grants. As Elliot L. Richardson, secretary of health, education, and welfare, said, "The House was expressing an attitude."

In fact, the House was expressing several attitudes. One attitude, no doubt, was unworthy racial prejudice in general and a yearning for racially segregated schools in particular. But no one should think that that was the only attitude expressed. There are good reasons, entirely free from racial animus, for wanting to minimize moving school pupils about the landscape.

Busing is tremendously expensive in terms of money, time, and energy—all of which can be better used than by making premature commuters out of school children. As long ago as July 31, 1969, Rep. Edith Green [D., Ore.], in a notable speech in the House, questioned busing as an effective means to good ends. Speaking as a legislator who had "voted for every civil rights act that has been before this House," Mrs. Green said: "Emphasis on integration and housing unaccompanied by a demand for academic excellence is worthless. This is what we ought to be concerned about—the quality of the programs." She deprecated "placing the major responsibility for integration on one institution," the public schools, and suggested that busing between black and white neighborhoods can discourage rather than promote integrated housing. Events since 1969 have done much to confirm what Mrs. Green said.

In the old dual school systems of the Deep South, the contrast between schools for whites and schools for blacks was often extreme. Some busing there no doubt was required to give black pupils access to adequately funded schools. Inequitable contrasts between schools exist in the North, too, even if they have been less deliberate and less emphatic than in the South. But a strong, unprejudiced case can be and has been made, by President Nixon and others, against calling on the schools and their pupils, bus drivers, and teachers to undertake the whole job of preventing calamitous racial isolation in this country.

The House approved appropriating $1.5 billion to help schools desegregate. With or without busing, applicants for grants will be active. The bill in question, sponsored by Illinois Rep. Roman Pucinski, speaks of many undertakings—programs and projects and personnel to counsel, guide, teach, organize extracurricular and community efforts for the sake of reducing racial segregation and isolation. Part of the intent is to discourage the flight to the suburbs by strengthening city schools.

Once the $1.5 billion appropriation, which is for several years, goes into action [if it does], Illinois will be getting $70 million a year, and Chicago $42 million of that. With busing eliminated, all of this money will be available for improving the quality of education. We hope the money will be well spent. It could be.

But the basic message of the antibusing votes is that Congress has turned away from the idea that the schools can be expected to be the sole agency for increasing racial integration in American society. The schools never should have been burdened with this expectation, and it is good that they are being relieved of it.

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## THE CHANGING ROLE OF THE CALIFORNIA MILITARY FORCES: AIR AND ARMY NATIONAL GUARD

## HON. HAROLD T. JOHNSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. JOHNSON of California. Mr. Speaker, for the past several decades, since World Wars I and II, the different branches of the armed services have been, quite naturally, associated with wartime activities, both in action and in reserve, during times of combat as well as peacetime. More recently, they have been brought into focus during times of violent social unrest as a force to quell civil disturbances, by force or merely by their presence, on our college campuses and in the streets of our cities. As a result, through no fault of their own in most cases, the branches of the Armed Forces have come to be looked upon by a great number of the civilian population with particular emphasis on the young, as an arm of the "establishment" reaching out with an iron fist to stifle dissent and quiet voices calling for a new course in human events.

Recently, however, I have had occasion to note a new direction which has been taken by a branch of the Armed Forces in my own Golden State, under the direction of Commanding Maj. Gen. Glenn C. Ames, the California Army and Air National Guard. I would like to cite for you now, Mr. Speaker, their participation in domestic action programs, ranging from ecology and reclamation projects to human service programs directed at the needy and underprivileged, not to mention a substantial list of special projects such as the support of community and governmental agencies, including Project Headstart, and very frequently, the many Scout posts throughout the State. I would like to insert in the RECORD some examples of the Guard's new activities.

In ecology and reclamation projects, some 216 California National Guardsmen and 8,529 community volunteers participated on 24 separate occasions in such activities ranging from "river bottom" cleanups and junk car removals to planting pine tree seedlings. These projects have been coordinated with and in support of various ecology collection centers in California in recycling waste material and removal of litter.

In the category of support to the Needy and Underprivileged, there were 308 participants of the National Guard, 61 of whom sustained varied programs in this category during the period 1 January through 30 June 1971. Projects included collecting and repairing toys, holding picnics and arranging to take needy children to a circus. The Guard maintains the organizational structure of the Army Champs program which was fostered during this period primarily for the underprivileged.

Perhaps the greatest National Guard involvement can be cited on behalf of their support to community service organizations. The variety of civic, religious and educational organizations extends to lodges, churches, teams, associations, post and troops. On 91 occasions throughout the state of California, a total of 442 Guard personnel participated along with 15,398 townspeople in activities with these service organizations. The community service organization supported most frequently were the Scouts (Cub, Girl, Boy, Posts) with 25 separate activities, many on a continuous year-round basis. Some National Guard units sponsor and run their own troops. The largest number of people at a single event, other than Scouts, was the Guard support to a Walk-a-thon for the March of Dimes. Over 2,000 people were involved with the Guard providing drivers, buses, ambulances, medics and five manned rest stations.

On 42 different occasions during the period 1 January through 30 June 1971, which this report covers, the California National Guard was requested to assist governmental agencies which were instituted to provide educational, protective, utility and medical services for local communities and surrounding areas throughout the State. Requests from all levels of government involved 376 guardsmen assisting 11,156 people. Projects included Guard medical teams treating and consulting inmates in the San Francisco City Jail, Guardsmen patrolling the community with law enforcement personnel, construction projects requested through municipal agencies, and the provision of food for families in the Head Start Program.

Guard-initiated Service Programs also merit considerable recognition. While these involve some slight overlapping with other divisions due to coordination which may be necessary with either a civil or governmental organization, the essential difference is that the program or project is Guard inspired, initiated and promoted. These activities involved over 9,500 local citizens and Guardsmen on 149 separate occasions. The largest and most frequent activities are tours conducted by the National Guard Missile and Air base personnel. This was done on 122 occasions and involved over 8,000 people. Other programs included providing range facilities and instructors for hunter safety classes, equipment displays and aid to needy children.

Mr. Speaker, I am gratified to be able to testify for the extensive and comprehensive efforts being made by these State military forces to bridge the gap which has been created through the years with respect to the men in uniform, and through these commendable actions, allow for a new concept of "keeping the peace" to be born.

The times call for men of reason and moral courage to work together to attain the same goals which are vital for the national interest and of significance to each of us, student, soldier, the businessman, farmer, and laborer, all of whom are brothers, each seeking to live out their lives in peace and contentment, achieving what fulfillments they can.

Through the efforts of the Army and Air National Guard in lending a hand in domestic programs which constructively touch the lives of so many, the tragic memories of confrontations and discord of the past can be pushed aside, and this "peacekeeping" league can begin to create and share the tranquility and amity which comes to a city, State, and nation whose citizens combine their energies to instill reason, understanding, and a common passion for unity and brotherhood. And, while one must always respect the duties of the National Guard during times of social unrest and states of emergency as they risk and even spend their lives for protection of the citizenry, I believe the rapport which is being established by this new direction will overcome, to a great extent, the course of events which posed the men in uniform and much of the civilian population in contention through the crossfire of social change. I am confident that my colleagues here in the House of Representatives will agree that to see this fellowship and participation in these activities and programs is to realize that this is truly the meaning of "peacetime," a calm and public quiet which can maintain itself without the use of force.

Mr. Speaker, I submit that the California National Guard should be commended and encouraged in their course of action.

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## PALO ALTO TIMES SUPPORTS EQUAL RIGHTS AMENDMENT

## HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. EDWARDS of California. Mr. Speaker, as you will recall, on October 12 the House of Representatives passed the equal rights amendment by an overwhelming majority of 354 to 23. This large vote in favor of the amendment demonstrates the widespread recognition that discrimination against women is inconsistent with the basic principles of our democracy and should be eliminated.

During the course of our debate on the proposal, opponents of the equal rights amendment attempted to confuse the issues before us by raising the question of so-called protective labor laws that purport to benefit women and children. In addition, they also raised the question of the effect of the equal rights amendment on compulsory military service. I believe that during the course of our debate both of these issues were dealt with effectively.

Mr. Speaker, as floor manager of the equal rights amendment, it was gratifying to me to read in the Palo Alto Times of October 15, 1971, an excellent editorial summarizing our debate and commenting on the significance of the issues that were raised. The Palo Alto Times should be commended for this editorial.

So that all of our colleagues may have the benefit of the editorial, I include it in the RECORD at this point.

### ON WITH WOMEN'S RIGHTS AMENDMENT

For the second consecutive year the House of Representatives has approved and sent to the Senate a constitutional amendment to guarantee equal rights to women.

Last year, the proposed amendment was allowed to die in the Senate, never getting out of committee. It should not meet a similar fate again.

Despite a favorable House vote, 354 to 23, the amendment is expected to meet stronger opposition in the Senate. Opponents argue that approval would not only wipe out protective labor laws for women but would also make women subject to military draft. Both these arguments need review in light of modern developments.

Protective labor laws were adopted to benefit women and children in the era of sweat shop industry. With today's technological advances, physical strength and endurance are less important on most jobs. Many "protective laws" have become tools for discrimination, prohibiting women from doing work that provides higher income and opportunity for promotion.

The debate over drafting women for military service has received more attention than it deserves. It may even be a moot point. The peacetime draft itself is an issue which Congress will have to take up again in two years.

Should there be a national emergency, women could be drafted to serve in a variety of capacities—as they did voluntarily and well in World War II.

The Senate is not expected to take action on the equal rights amendment until some time next year. Then, it should receive immediate, affirmative action so it can be sent to the states for ratification.

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## THE SCHOOL PRAYER VOTE

## HON. HASTINGS KEITH

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. KEITH. Mr. Speaker, yesterday, the House defeated House Joint Resolution 191 which would have permitted prayers in public schools. I was among those who voted against it.

I had felt for some time that there was considerable merit to the proposed amendment. I had thought, "What harm could come from such a change?"

As yesterday's debate developed, however, I asked my self: "Who, or what agency of Government, would make the decision concerning the propriety of an acceptable "nondenominational prayer?"

For example, I could conceive of three or four separate prayers being authorized simultaneously, of divisions of the student body into denominational groups, and of rosters and room assignments being published on bulletin boards.

I believe that the administration of the act could promote more dissension than Divinity; so I agree with the logic of the distinguished Speaker of the House, who said:

> Any interference by any official at any level is a violation of freedom of religion. I am not prepared to let the meddling hand of government at any level in any degree be placed on any man's alter.

My logic was quite similar to that expressed in a splendid lead editorial which appeared in today's Washington Daily News. I commend it to the attention of my colleagues:

### THE SCHOOL PRAYER VOTE

Despite heavy pressure from some well-meaning but ill-informed people, the House has rejected a constitutional amendment that would have jeopardized religious freedom in America.

As it came before the House yesterday, the proposed amendment would have added these words to the Constitution:

"Nothing contained in this Constitution shall abridge the right of persons lawfully assembled in any public building which is supported in whole or part thru the expenditure of public funds to participate in non denominational prayer."

Rep. Chalmers P. Wylie, R-Ohio, sponsor of the amendment, said its sole purpose was to make it possible for school children voluntarily to take part in nonsectarian prayer.

But the innocent-sounding phrase "non denominational prayer" actually was loaded with danger. Religious bodies never have been able to agree on a definition of "non denominational prayer" and never will, for the simple reason that there is no such thing.

The very act of praying presupposes the existence of a God who hears prayers, and that in itself, from the viewpoint of an athiest or agnostic, is a sectarian belief.

In the absence of consensus, the final decision on which prayers were sufficiently "nondenominational" to be prayed in public buildings obviously would have had to rest with some government agency. And that would have given government precisely what government must never have—authority in the realm of religion.

When this pitfall was pointed out in House debate, Rep. Wylie made a last minute attempt to salvage his amendment by substituting the word "voluntary" for "nondenominational." This had the effect of making the proposed amendment meaningless.

The U.S. Supreme Court has never denied public school children—or anyone else—the right to engage in voluntary prayer at any place or at any time.

All the court did in its widely misunderstood rulings of 1962 and 1963 was to hold that a school or other governmental body may not require any child to pray or prescribe the form of prayer to be used in a public school classroom.

The existing First Amendment has safeguarded religious liberty in America for nearly two centuries by maintaining a wall of separation between church and state. Tampering with this precious guarantee, in the name of "restoring" a right that has never been lost, would have been an act of folly.

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## PRESIDENT NIXON IS KEEPING HIS WORD

## HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. McCLORY. Mr. Speaker, last week the President of the United States withdrew an additional 5,500 soldiers from Vietnam.

On January 20, 1969, there were 532,500 Americans enduring the perils of an Asian war. Today, there are 191,100 Americans in Vietnam who are planning to come home.

Mr. Speaker, President Nixon is keeping his word.

## PEOPLE SHOULD HAVE PRIORITY OVER PAPERWORK IN MEDICAL CARE

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### HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. SEBELIUS. Mr. Speaker, in enacting health care legislation, congressional intent has been to improve health care and to expand the scope of our health care delivery system.

However, for some time now, we in rural areas have experienced a decline in health care services, and I am most concerned over a most ironic situation. Part of our problem in rural and small town America stems from the Federal health programs conceived to answer our problems.

The situation has become so acute and severe that those who have to live with the situation have even labeled Federal health care regulations and restrictions as "bureaucratic harassment."

I am sure that administrative regulations to implement Federal health care programs are conceived by well intentioned career officials who unfortunately are not aware of the practical and realistic situation confronting our beleaguered rural doctors.

The blunt fact of the matter is that these arbitrary and unrealistic regulations threaten the very existence of established health care services in many areas. These regulations have also forced an unnecessary escalation of health care costs.

The problem really seems to be reduced to one basic premise: We must reaffirm the priority of patient care over paperwork in our health care programs. Physicians and local health care officials must be given latitude to satisfy local health care requirements with local resources.

We must begin to reduce the bureaucratic redtape and burdensome reports and, most important, we should replace the negative attitude on the part of our Federal agencies and bureaucrats and implement positive programs of advice, flexibility, and technical assistance.

Mr. Speaker, in my congressional district, the community of Medicine Lodge is gratified to have the services of a young doctor, Larry Ball. Dr. Ball has launched a one-man fight to publicize what should be obvious—that people should have priority over paperwork in medical care.

To clearly illustrate the urgency of this problem that confronts all family practitioners in our rural areas, I insert the following article in the RECORD. The article is by Gary Noland, a knowledgeable and enthusiastic editor of the Barber County Index. This well-written article, entitled "A Doctor Protests Bureaucratic Interference With Patient Care" clearly states our problem. I submit to my honorable colleagues it is time for some answers:

PAPERWORK VERSUS PATIENT CARE—A DOCTOR PROTESTS BUREAUCRATIC INTERFERENCE WITH PATIENT CARE

(By Gary Noland)

A young doctor here is taking a stand against "bureaucratic" red tape, paper work, and controls that he feels threatens the ability of physicians to provide proper patient care.

Dr. Larry Ball feels bureaucratic harassment is such a threat to his ability to function as a physician that he is personally taking a public stand against what he considers the arbitrary authority of bureaucrats to stifle his attempts to provide adequate patient care.

"Patients care above paper work" is the creed the young doctor has adopted in his fight against bureaucracy in the health field.

"They'll have to give me something I can live with, or I cannot practice private medicine," Dr. Ball stated during an interview in which he complained of the increasing burden of paper work, much of which he feels is unnecessary.

Dr. Ball, one of three physicians in this community, has a fine record of compliance with required paper work and records. This is the opinion of Gene Shirley, hospital administrator, and Lloyd Clarke, chairman of the Medicine Lodge Memorial Hospital Board.

But for years Dr. Ball has been troubled by the increasing load of paper work and feels that it has reached the point where it interferes inordinately with the time he needs for patient care.

I've let the community become aware of this problem, a problem particularly encumbersome to rural physicians as opposed to their urban counterparts, Dr. Ball explained.

Indeed he has undertaken a campaign, almost single-handedly, to alert local citizens of what he feels is a threat to adequate health care and the existence of hospitals in rural areas.

He has spoken before the congregation of the Methodist Church here and before a county meeting of Farm Bureau members. In addition, he has fired off letters to public officials and state health officers protesting the encroachment of bureaucrats in his private practice. Pending, but not yet mailed, are letters to rural physicians across the state seeking their support against the problem.

A letter from the Kansas State Administrator of Medicare citing deficiencies in medical records and threatening decertification of the local hospital for Medicare if compliance was not immediately forthcoming prompted Dr. Ball to take up his campaign.

Many of the deficiencies cited pertained to records Medicare requires the physician to keep.

In a letter to the state administrator, W. J. Burns, Dr. Ball replied: "To do this (what Medicare requires) will require a great deal more physician time. Since we are already swamped with more patient care than we want, this means we will either have to give less time to our patients and thus cause a deterioration in patient care, or else, more likely, we will be forced to tell patients we can't take care of them.

"How do you tell a wife whose husband is having chest pain that you can't see him because you have records to fill out? Also since fewer patients are seen this means that charges have to be increased for each patient.

"Thus, for the patient it means higher charges and the possibility of less personal care so that everything can be recorded . . ."

Dr. Ball concedes that record requirements are more sensible for physicians in larger urban hospitals.

There with more teamwork and coordination of specialists, the need for more detailed records is apparent. Also city hospital administrators can exert more pressure on doctors to keep records by threatening to bar them from practicing in the hospital.

In a rural community with only three doctors the requirement to keep so many detailed, and, in his opinion, many useless records, is senseless and only deprives the physician of time for real patient care.

Dr. Ball came here 10 years ago from Wesley Hospital in Wichita. "I came to a small town to escape someone constantly breathing down my neck, and I've escaped it for 10 years," he said alluding to the present tightening of regulations on rural doctors.

The problem, the doctor explained, is that if the physicians do not meet all Medicare requirements on records, the hospital will not be eligible to receive federal payment for Medicare patients. Without the federal payments, the hospital might cease to function, unable to meet financial costs.

Hospital administrator Shirley confirmed that the normal patient load runs from one-third to one-half Medicare patients.

The problem is one directly confronting physicians, Dr. Ball said. "The hospital administrator and board are trapped," he explained. "They are interested in keeping the hospital open, as they should be."

Local administration can only exert pressure on the doctors to comply. This they have to do to comply with state and federal pressure.

There is no battle here with local officials or persons, Dr. Ball explained. The fight is with state and federal bureaucracy.

What measure would make it possible for him to function as he feels he must?

"Let's just put patient care above paper work" is Dr. Ball's answer.

There is a definite need for some records. Without medical histories and physicals a doctor is helpless, he added. But bureaucrats are insisting on extensive, detailed accounts for patient admittance, frequent detailed progress reports, consultation reports, dismissal accounts and on and on, he complained.

The problem is economics to a great extent, he said. The Medicare program is costing much more than anticipated and now bureaucrats are tightening reporting procedures and forcing doctors to become policemen in an attempt to cut costs.

"If I thought perusal of these records would save the government money, it would not be so disturbing, but you are not going to make people honest by passing laws," he said.

What does Dr. Ball hope to gain by a one-man stand against the medical bureaucracy?

He hopes to gain some public support and support from more physicians. But he does not delude himself. The possibility of a physician in a small rural town speaking out against state and federal bureaucracies with any success is almost nil.

But for Dr. Ball, the conflict has required him to make a personal decision, one of deep conscientous conviction . . . a decision that compels him to speak out against the system as it is and as it threatens to become.

"This is not a good solution for me. I enjoy Medicine Lodge and my practice here. But I have to live with myself. The way things are is not morally right (in my mind)," he stated.

"I feel the only way this can be fought is by taking the issue to the consumer (of medical services) who faces the problem," he added.

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## CONGRESS SHOULD ACT ON BEHALF OF SOVIET JEWRY

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### HON. JAMES H. SCHEUER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. SCHEUER. Mr. Speaker, the plight of three and a half million Jewish citizens of the Soviet Union is a source of continuing concern to many Americans.

Soviet citizens of the Jewish faith are denied the rights guaranteed to them by the Soviet Constitution and the United Nations Universal Declaration of Human Rights, to which the Soviet Government is a signatory. They are the victims of a deliberate, Government-sponsored policy which denies them far less cultural and religious freedom than virtually any other of the 120 officially recognized nationality or religious groups in the Soviet Union.

Today, the Subcommittee on Europe of the House Committee on Foreign Affairs held one of a series of hearings designed to inquire into the problem. I was privileged to testify at this hearing and I wish to include my statement at this point:

STATEMENT OF REPRESENTATIVE JAMES H. SCHEUER BEFORE THE SUBCOMMITTEE ON EUROPE OF THE HOUSE COMMITTEE ON FOREIGN AFFAIRS ON THE SOVIET GOVERNMENT'S TREATMENT OF ITS JEWISH CITIZENS, NOVEMBER 9, 1971

Mr. Chairman, many times throughout our history, we, as Americans, have expressed our sympathy for oppressed citizens of other countries. Examples from our early days as a nation include American sympathy for and support of the French Revolution. More recently, we have voiced concern and support for the people of Greece and Vietnam, and for the minorities in Rhodesia and South Africa.

It is true that these expressions of sympathy have been made at times when here at home we have failed to live up totally to our deeply held ideals of freedom, opportunity, equality, cultural diversity, and justice under law. Nevertheless, it is the policy of all branches of our government—legislative, executive, and judicial—to abide, at times more closely than at others, by these ideals at home and we have done much to ensure a greater enjoyment of these rights in other lands.

In light of this history, it is perfectly appropriate and consistent for the United States to express its sympathy for Soviet citizens of the Jewish faith.

There is no doubt that the three and a half million Jewish citizens of the Soviet Union are suffering from a policy of oppression and discrimination which denies them certain basic human freedoms and the full package of rights and privileges enjoyed by the other 120 officially recognized minority groups in the Soviet Union.

While it is true that many Jews in the Soviet Union are placed in physical danger solely because of their ancestry, they in no way appear to be in the danger that Jews all over Europe faced during the infamous holocaust of the Third Reich.

Rather, today, Soviet Jewry suffers from a policy of forced assimilation—a deliberate, government-sponsored effort to stamp out all vestiges of Jewish religious and cultural heritage.

Synagogues have been systematically closed down for the past 30 years. Less than 70 synagogues remain to serve a population of three and a half million Jews. This compares with the 120 synagogues in Chicago which serve a Jewish population of only 200,000. Moreover, through the use of police informers, those Jews who wish to attend the remaining synagogues are intimidated and made afraid to do so.

The study of Hebrew is consistently and forcibly discouraged. Recently, Moscow's only Hebrew teacher was imprisoned on vague charges of "hooliganism."

The Soviet government informally, but nonetheless rigorously imposes a ban upon the manufacture or importation of Jewish religious objects.

Jews who manifest a desire to emigrate to Israel are fired from their jobs and harassed both officially and unofficially.

Mr. Chairman, I could go on, but you will no doubt hear more on the specific manifestations of Soviet policy from others who are more expert than I. The broad outlines of the situation are clear, however. Jews are the subject of intense cultural, religious, and job discrimination in the Soviet Union not visited on any other single minority group.

In many respects, this fact is not new. The Soviet Union has a long history of anti-semitism which has been manifested in years past by bloody pogroms in all sections of Russia and Eastern Europe.

What is new today, however, is that peoples of all nations are viewed as possessing rights which were unthought of years ago. This new consciousness of human dignity is exemplified by the UN Charter, the Universal Declaration of Human Rights, and the constitutions of many nations including that of the Soviet Union. World opinion will no longer tolerate violations of these rights, let alone the murderous pogroms of a hundred years ago in Russia and Poland, and a generation ago in Germany.

It is also true that discrimination against all forms of religion in the Soviet Union is not particularly new. Beginning with the Bolshevik Revolution, the Soviet Union has discriminated against those who are religious or otherwise viewed as dissenters from official policy.

But, here again, what is new is the changed state of affairs. Shortly after the Six Day War in the Middle East, Jews in the Soviet Union experienced a tremendous heightened interest in Israel and in Jewish religious culture and tradition. In part, the Soviet government viewed this increased interest in the same threatened way as it views any expression of dissent. In part, the government viewed this revived interest as contrary to the government's policy of support for the Arabs in the Middle East.

These two forces converged and led to an intensified campaign of discrimination against Jews so that today they are victims of far more intensive discrimination than that experienced by any other religious or cultural group in the Soviet Union.

Jews, unlike other minority groups, are not permitted to establish their own schools. Jews, unlike Muslims, for example, are not permitted to leave the Soviet Union for religious study. Jews, unlike other minority groups, have been placed on trial for "hooliganism," and other crimes. All of these facts indicate that the Jews have been singled out for "special treatment."

At a crucial point in Russian history, Lenin wrote a tract entitled, "What is to be Done?" We ask the very same question today.

I have spoken with a number of Jews who recently left the Soviet Union, who indicate that the Soviet government *is* sensitive to world opinion and that unofficial expressions of concern *do* have a beneficial effect upon the policy of that government if they are peaceful and lawful, and do not involve violence or destruction of property. It is unmistakably clear that *official* expressions of concern would be even more meaningful.

The time has come, therefore, for the United States to make known its disapproval of the Soviet policy towards Russian Jews. The President should make his personal concern known through both formal and informal channels. I have written the President to this effect together with 41 of my colleagues. The response of the President to this letter was less than encouraging. In fact, the President simply noted that he had issued a statement last January 11th to American Jewish leaders expressing this country's commitment to freedom of religion, cultural diversity, and the right to emigrate. The President should make this commitment known in frequent and forceful public statements addressed to the Soviet government and to Soviet officials.

Moreover, the United States should express its concern through the Voice of America by means of Yiddish language broadcasts to the Soviet Union. Again, I have joined in letters to this effect sent by a number of my colleagues to Mr. Frank Shakespeare, Director of the United States Information Agency. And, again, the response has not been encouraging. It fact, the Agency has refused to broadcast in Yiddish.

Voice of America broadcasts in Yiddish could have a great beneficial effect upon the morale of the Jews in the Soviet Union. Moreover, broadcasts of this nature would be a clear signal to the Russians that our country is deeply concerned about Soviet treatment of its Jewish citizens.

Mr. Chairman, these are only two actions which our government can take to help ameliorate the plight of Soviet Jewry. There are many other ways in which our country could make its concern known. I therefore support the resolutions before this committee which call upon the President to take appropriate, forceful steps immediately.

The Soviet Union must be made to realize that, as an established power which does not face any real external threat, it need not fear competitive ideas; it need not fear those who criticize Soviet society or those who seek to recall their cultural heritage.

Finally, it must be made to realize that the detente it apparently seeks with the United States can only be furthered, not stymied, by granting to Soviet Jewry as well as others in the Soviet Union, the full rights of worship, cultural diversity, and migration enjoyed by citizens in all freedom-loving nations.

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## SOVIET STRENGTH IS GROWING

## HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. CRANE. Mr. Speaker, at the very moment when Soviet leaders were visiting in such Western countries as Canada and France, and at a time when the Soviet Union is preparing for the visit to that country of President Nixon, the fact is that the U.S.S.R. is, by its actions, showing its commitment, not to peace, but to war.

Consider these facts, for example, with regard to naval power. Since the Soviet navy launched a massive buildup after the Cuban crisis, it has become, as "Jane's Fighting Ships" notes, "the supernavy of a superpower." Moscow's growing strength at sea has long since been observed in the Mediterranean and in the Indian Ocean. The northern fleet, the smallest in the Soviet navy at the end of World War II, is now the biggest, and looks forward to the time when it will be in control of the North Atlantic.

Operating out of Murmansk, the northern fleet has an estimated 560 ships, including 160 submarines, more than 65 of them nuclear powered. By contrast, the entire U.S. Atlantic Fleet has 358 ships, of which 40 to 50 are assigned to the 6th Fleet in the Mediterranean. Since 1968, the U.S. command has been cut back 25 percent in ships and 19 percent in men, and it is scheduled to lose another 10 ships by next summer. Norway's Rear Adm. Magne Braadland states that:

> The threat to the United States is not coming from Vietnam and not from Central Europe either. It is sailing from Murmansk.

The same facts are true with regard to missile strength. By 1973, according to Secretary of Defense Melvin Laird, Russia will have a fleet of missile-firing submarines the equal of our 41 nuclear-powered Polaris submarines. A recent editorial in the Chicago Tribune points out that:

> Their arsenal of intercontinental ballistic missiles (ICBM's), many of them packing more nuclear potency than ours, is now more than half again as large as the 1,054 figure stabilized during the early Johnson Administration by former Defense Secretary Robert S. McNamara.

The Tribune also commented about the dangerous situation facing us in the North Atlantic:

> Soviet superiority on NATO's northern flank is even more crushing. There the alliance is outnumbered four to one on the ground, seven to one in aircraft and six to one in ships . . . In effect, the Soviet Navy is demonstrating that Norway, without any land connection to its NATO partner, is at the mercy of whoever controls the waves.

While the Soviet Union speaks of peace, while we negotiate at the SALT talks for an arms limitation agreement, and while President Nixon prepares to visit Moscow, the Soviet Union is itself rapidly moving ahead of us in all strategic areas. Our own country, more and more, appears to speaking and negotiating from weakness, a perilous position for any country.

I would like to share with my colleagues this important editorial from the Chicago Tribune of October 18, 1971, and insert it into the Record at this time.

[From the Chicago Tribune, Oct. 16, 1971]

### The Political Power of Missiles

Despite Moscow's efforts to portray the Soviet Union as a peace-loving nation interested only in detente with the non-Communist West, there is little evidence of any slackening of the Soviet surge for military superiority.

Far from easing up on the strategic arms race, the Soviets have stepped up their production of land-based and sea-based missiles, even while the Strategic Arms Limitation Talks [SALT] are in progress. Secretary of Defense Melvin Laird told a press conference recently that the Russians are "far outdistancing" the generous estimates of their missile production he gave Congress in March.

By 1973, a year earlier than his prediction of seven months ago, he says Russia will have a fleet of missile-firing submarines the equal of our 41 nuclear-powered Polaris submarines. Their arsenal of intercontinental ballistic missiles [ICBMs], many of them packing more nuclear potency than ours, is now more than half again as large as the 1,054 figure stabilized during the early Johnson administration by former Defense Secretary Robert S. McNamara.

Numbers, of course, are not the only criterion of military supremacy. Technological quality is equally or more important. Even more pertinent in today's world is the leverage Soviet military power provides in reaching political objectives. As Secretary Laird has said:

"If the Russians have a superior military force, they can gain their political objectives throughout the world without the use of weapons. There is no military advantage to overkill, but the political gains are tremendous."

No one is more aware of these facts of life than members of the North Atlantic Treaty Organization [NATO], particularly those who face Communist ground and air power in Central Europe and Russia's immensely powerful Northern Fleet on NATO's vulnerable northern flank.

In Central Europe, where the NATO alliance has reduced its force 25 per cent in the past five years, the Communists have beefed up theirs. They now weigh in with 58 military divisions [31 Soviet], 855,000 men and 13,650 tanks as against the Western forces in West Germany and Denmark of 26 divisions [4½ U.S.], 703,000 men and 6,600 tanks.

Soviet superiority on NATO's northern flank is even more crushing. There the alliance is outnumbered four to one on the ground, seven to one in aircraft and six to one in ships. Russia's Northern Fleet, based on the ice-free port of Murmansk, totals 400 ships and 160 submarines, 65 of them nuclear. This far outnumbers the entire U.S. Atlantic Fleet, including the 6th Fleet in the Mediterranean. Moscow also counts on the 1,045 ships and 65 submarines in its Baltic Fleet and those of East Germany and Poland.

These are formidable Communist naval forces. When they put to sea for naval exercises in the Norwegian Sea or adjacent NATO waters, as they frequently do, the Soviet warships carry an unspoken message that carries far more import than the usual "show the flag" maneuver.

In effect, the Soviet Navy is demonstrating that Norway, without any land connection to its NATO partners, is at the mercy of whoever controls the waves. The obvious implication is that Norway might do better to consider the advantages of neutrality, at least to the point of remaining outside of Europe's Common Market, whose growing economic power is feared by Moscow.

The greater Russia's military superiority in the North Sea area, the more unmistakable—and perhaps inescapable—this message will become, not only on Norway but on other European countries as well.

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## DRUG ABUSE TREATMENT

## HON. PHILLIP BURTON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. BURTON. Mr. Speaker, with the ever increasing concern about drug dependency and abuse in our society, I was pleased recently to read a report entitled, "Evaluation of Current Approaches to Drug Abuse Treatment" which outlines a new approach and offers new rays of hope. This report deals with advances made in this area by Mr. Harlan Antler.

Mr. Antler is presently the director of the Orange County Training and Counseling Center and was most recently commended for his outstanding work in a resolution adopted by the California State Senate.

I am pleased to place in the Record at this time the full text of both the resolution and the report.

The articles follow:

### The Senate, California Legislature

### Resolution of the Senate Rules Committee

(By Senator Mervyn M. Dymally)

Whereas, Harlan Antler is one of California's foremost experts on drug rehabilitation and training of adolescents; and

Whereas, Mr. Antler's leadership and expertise in working with youth has been recognized by the officers of the Community Delinquency Control Project, who lauded him for outstanding management of the California Youth Authority "Half-Way House" where the recidivism rate was reduced 50 percent; and

Whereas, He has served as a delegate to the California Council on Children and Youth, and has directed an experimental Continuation High School Program for the City of Antioch, which has resulted in several former high school dropouts returning to the regular public school system; and

Whereas, Mr. Antler has been praised for his direction of the experimental Training-Furlough Program in the Rehabilitation Center at Clayton, under which inmates received extensive basic education, attitudinal training, and job placement; and

Whereas, In addition to his many other constructive activities he developed and conducted statewide training seminars for parole officers, probation officers, and teachers dealing with "hostile youth"; and

Whereas, He is a member of the Vocational Counselors of California, and has coauthored group training and therapy texts used nationally in federally funded manpower training programs; and

Whereas, Mr. Antler has been honored by appointment as "Special Deputy Sheriff" in Contra Costa County; now, therefore, be it

Resolved by the Senate Rules Committee, That the Members commend Harlan Antler for his valuable contributions to the public good and for his outstanding and constructive community involvement in working with youth and inmates of penal institutions; and be it further

Resolved, That a suitably prepared copy of this resolution be transmitted to Harlan Antler.

Senate Rules Resolution No. 439 adopted August 16, 1971.

James R. Mills,
*Chairman.*
Mervyn M. Dymally,
*Senator, 29th District.*

### Evaluation of Current Approaches to Drug Abuse Treatment

This is the first in a series of evaluations of current alternative solutions to social problems prepared by the research team from the Central California Applied Social Research Organization. This study, under the direction of Robert Weber, Associate Professor of Sociology at Fresno State College, was initiated to assist interested individuals and organizations carrying on the struggle against the ever-increasing menace of drug abuse.

#### WHAT IS DRUG ABUSE?

Lack of sufficient historical data makes it difficult to accurately determine when or where man first started using drugs for purposes other than medical. Data does show that beer was produced as far back as 7000 B.C.[1] and the effects of the poppy plant (heroin and morphine source) were described in the pharmacology text of Doiscorides in the first century A.D.[2]

While we know that man has used drugs for thousands of years, it is interesting to note that not until recent times has this use reached epidemic proportions. It is no longer just an "interesting social problem." President Nixon recently concluded that the magnitude of drug abuse requires that this problem be given top national priority. Drug abuse is clearly a modern crisis.

We have defined "drug abuse" as the use of any synthetic or organic compound which threatens the physical, mental, or emotional well being of the individual. The "drug abuse problem" is defined as the inordinate amount of drug abuse which threatens the well being of our society.

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Footnotes at end of article.

The inordinate amount of drug abuse is indicated by the following statistics:

Between 1960 and 1965 the drug abuse crime rate rose 36%.[3] In New York City between 1965 and 1966 the drug abuse crime rate rose 40%.[4]

In California between 1958 and 1967 the crime rate for drug abuse among juveniles rose 1,528.9%.[5]

With these rises in drug abuse come rises in related crimes. This includes crimes committed to support habits and crimes committed because of the effects of dangerous drugs.[6]

Since 1966 drug abuse has become widespread. It is no longer limited to the ghettos of our country.[7] Drug abuse reaches every segment of our society. For example, a startling survey done by the San Francisco Chronicle in 1970 indicated that one in every four business executives had tried drugs.[8] Studies done at almost every high school and college campus in California show that 40 to 80% of all students have at least tried drugs.

Not only are many more people in more walks of life using drugs today than just five years ago, but more varieties and greater quantities of drugs are available. Barbiturates and amphetamines (depressants and antidepressants), virtually unheard of 25 years ago, are now mass produced and have, according to recent medical opinion, replaced heroin and opium as the two most dangerous drugs.[9]

Taken together this data points to a hard fact: until a few years ago a few thousand people were taking a handful of different types of drugs, now several thousand people from all segments of society are taking hundreds of different types of drugs.

To further emphasize just how widespread drug abuse is consider the fact that at no other time has drug abuse been so great a problem among military personnel that soldiers leaving a battle zone had to be checked for addiction and many placed in rehabilitation programs. This has happened in 1971 to the military personnel in Viet Nam.

The increased use of drugs among our youth has reached staggering proportions in the last few years. The use of amphetamines, barbituates, hallucinogens, opiates and marijuana is not only common practice, it has become acceptable behavior among the young. If a child is not a regular user himself then he is a part time user, experimenter or is adversely affected by the drug culture.

Even private industry, the bulwark of American economic strength, suffers from drug abuse. It is difficult to find entry level employees who are not victims of drug abuse. Turn-over rates among entry level employees in industry are staggering and very costly to business. Industry has been searching desperately for methods of obtaining or developing reliable employees. Although industry is not trying to attack the drug problem per se, it is trying to find methods for developing positive attitudes among employees. Drug abuse is a major barrier to the development of such attitudes.

## TREATMENT METHODS CURRENTLY USED IN THE FIELD OF DRUG ABUSE

In our attempts to find the most effective techniques for rehabilitating people affected by drug abuse, the research group studied three basic methods: chemical therapy, individual therapy, and group therapy.

### *Chemical therapy*

Chemical therapy for drug abuse is used strictly for heroin addiction. The methadone treatment is the most popular. This treatment allows for the heroin addict to have his physical craving satisfied without leaving him in a "doped up" state that prevents him from being a constructive member of society. This treatment costs only a few cents a day.

But methadone itself is addictive. In fact reports from drug abuse facilities in New York and Lexington indicate that methadone is a more difficult addiction to cure. The Lexington facility also reports that nine out of every ten patients return to heroin after leaving that treatment center.[10]

Cyclazocine is the other drug used to combat heroin addiction. This chemical is a long acting opium antagonist that blocks the effects of heroin. It has been used effectively in Europe and, unlike methadone, is non-addictive. Cyclazocine has been used on a pilot basis in New York City.[11]

### *Individual therapy*

Although all therapy is to some extent individualized, the one to one doctor-patient relationship is totally individualized. But those patients who can afford the cost of such attention are faced with another dilemma: whom to see? The medical profession is already over-burdened with treatment of the physical ailments of the population. Psychologists and psychiatrists are relying more and more on the group methods of therapy to handle their enormous case loads.[12]

### *Group therapy*

One of the first breakthroughs in the field of group therapy for drug abusers came with the opening of Synanon in 1958. Charles E. Dederich started Synanon with the aid of a handful of heroin addicts, whom he led out of "their formerly encapsulated lives of drug addiction, crime and prison.[13]

Synanon has focused mainly on hard-core heroin addicts. "Attack therapy," good food, a bed, and a peer group to which the addict can relate comprise the Synanon picture.[14]

The major technique employed by Synanon is the foster reliance on the Synanon group—a group which advocates "staying clean." [15] By March, 1964 there were 400 drug-free persons affiliated with Synanon.[16]

For the extremely tough, hard-core, criminal addict the equally tough approach of "attack therapy" seems to be effective. Whether these attack methods could be used on a confused 14-year-old child who is an occasional user remains doubtful.

(Note: The following group therapy approach has been extensively documented, as it is the approach our researchers found to be most capable of handling almost all areas and degrees of drug abuse.)

The plight of industry, described earlier in this paper, demanded that techniques be developed to turn destructive, negative individuals into creative, positive individuals who could hold down a job. The problem here was not only drug abuse but also basic attitude.

In 1969 Mr. Harlan Antler, working in conjunction with United States Research and Development Corporation (a New York-based management corporation which handles adult education projects throughout the country) developed a new group therapy approach to changing negative attitudes to positive ones, taking into account the problem of drug abuse.[17]

"Because most of the trainees at the center (a U.S.R.&D. adult education center in Antioch, California) were drug users, any techniques which we developed for handling general attitude problems also had to cope with drug addiction." [18]

The formula Mr. Antler developed was based on the assumption that drug abuse and other negative behavior in individuals began with the individual's belief that he was "worth nothing, couldn't compete in society and had no alternatives." [19]

Mr. Antler designed an attitudinal training package which concentrated specifically on individual attitudes. One of our researchers attended a group training session held in Sacramento in April of 1970 to train people in the use of these new techniques. Our researcher reports that he went to the session "expecting to be lectured to about the new methods of group training. But in three days I learned that I was there as a teacher myself. No one person, including Mr. Antler, pretended to have all the answers.

"This attitude pervaded the entire session. I quickly learned that this only served to reinforce the idea that I was an individual with a great deal of positive information. This was more than my personal fears had allowed me to believe of myself previously." [20]

Mr. Antler's techniques do not cause the individual to become reliant on the group, but rather to become self-reliant. The process of achieving this self-reliance takes three steps:

**1. The group is used to reinforce the positive strengths of each individual.**

**2. The idea that each individual can be positive and creative is reinforced.**

**3. Each individual begins to believe he is positive and creative and doesn't have to remain in the negative environment he has created for himself. Thus negative attitudes are replaced with positive ones.**

**As simple and straight-forward as these techniques are, they had tremendous impact at the Antioch Center and in the community. This unprecedented success is verified by a superlative Bank of America evaluation of the Antioch program:**

**"Unquestionably, the results are unparalleled in this area of California and by any standard are extraordinary, bordering on unbelievable. To move a person destined for a life of poverty and misery to a college career in ten weeks is an achievement without comparison. And to continue on the basic mission of providing a formerly skeptical industrial community with productive workers while cooperating with the school system to reduce drop-outs, is a demonstration that private industry can successfully apply its techniques to the problems of society. That the results are replicable is perhaps the most significant aspect of the program." [21]**

Mr. Antler strongly believes that this technique can be used in other community problem areas. For example, the people in the center used all kinds of drugs to varying degrees. Mr. Antler's techniques proved capable of getting these people off of drugs. Since the clients at the Antioch center were mainly from a single socio-economic level, our researchers were interested in the impact of this basic attitudinal training method on other socio-economic levels in the community. Because Mr. Antler was able to apply his techniques to some other community problem areas letters from many people affected by the training were made available to us through U.S. R&D.

Mr. Antler's training methods were used at Delta High School in Pittsburgh, California, a continuation high school and junior high school program. Mr. Eugene Douthit, principal of that school commented:

"The pilot study is a booming success. The IMC (Antioch center) approach and philosophy couple to bring about positive changes in attitudes and performance educators in continuation programs have sought after: a program which works!" [23]

Letters from members of the Diablo Valley College staff who participated in a three day training session in Mr. Antler's techniques are also enthusiastic:

"I think it will be useful to me as a department chairman, father and human being. It has helped me to learn how to be more open to information and to look for other alternatives of thinking and behaving." (Vince Custodio, counseling department, Diablo Valley College)[24]

"This is written on behalf of Messrs. Custodio, Henstrand and Lindsey who were par-

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Footnotes at end of article.

ticipants in the Supervisory-Management Training Program conducted by you and your staff. These three men expressed great enthusiasm for the program and were high in praise of the personal and professional growth which resulted." (William P. Niland, President, Diablo Valley College)[25]

Verle C. Henstrand, Dean of Students at Diablo Valley College, saw clearly the problem of bringing "together people from different occupations and responsibilities," and praised the training session for accomplishing just that.[26]

City officials and employees were also very favorably impressed by the program:

"Your endeavors and accomplishments with the trainees enrolled at IMC are certainly to be commended. If either the Antioch police department or I can be of any service to you . . . please do not hesitate to call us." (E. A. Carlson, Chief of Police, Antioch, California)[27]

"I asure you that I have learned more about communicating with people in the last three short days than at any other time previously." (Edward Cavelli, Assistant Fire Chief)[28]

Favorable comments were also received from social welfare supervisors, city administrators and many from industry. The following letter indicates the type of comments received from these groups.

"At the outset, I thought the value of the training session would be questionable. However, it has been difficult for me to do anything since the training ended without thinking of the Industrial Manpower Center and the people associated with the center. Needless to say, I find myself enlightened and enthusiastically seeking "new alternatives" to the standard way of doing things." (T. G. Matosian, Supervisor, Education and Training, United States Steel Corporation)

### CONCLUSION

No other program we have investigated has had the multifaceted success of the Antioch program. It was industry's need for an employee with a positive attitude that gave impetus to the search for an answer—an answer that could either help people off of heroin or turn them away from violence, poverty or a general negative self-image.

Since the Antioch project, Mr. Antler's techniques have been put into effect in other adult education projects througout the nation, as well as at group homes for boys, continuation schools, regular public schools and college programs. All segments of the community have been aided by these techniques—fire department, police department, social welfare workers, banks, industry, city administration, college students, high school and junior high school students from all socio-economic backgrounds.

Though the other treatment methods discussed in this report are effective, they are oriented toward narrower goals that do not allow for a diversified approach to the diversified problem of drug abuse. For example, the methadone treatment could not possibly be used on a barbiturate user or a child who does not take drugs, but is adversely affected by the drug culture. It also does not seem feasible to teach Synanon's "attack therapy" to parents for use in dealing with their children.

A diversified problem needs a diversified approach. Mr. Antler's approach has proven effective with virtually all segments of the community and on many different types of problems. Probably the most important aspect of these techniques is that they can be transmitted easily from individual to individual, thus aiding many people, from parents to police, in handling the problem of drug abuse.

### FOOTNOTES

[1] Blum, Richard H. and Associates. *Society and Drugs*. 1969.

[2] *Ibid.*

[3] President's Commission on Law Enforcement and Administration of Justice. *The Challenge of Crime in a Free Society*. 1967

[4] Hentoff, Nat. *A Doctor Among the Addicts*. 1968.

[5] California Council on Criminal Justice. "Patterns of Juvenile Justice in California." *Report of the Task Force on Juvenile Delinquency.*

[6] Presidents Commission on Law Enforcement and Administration of Justice. *Op. cit.*

[7] Louria, Donald B., M.D. *The Drug Scene*. 1968.

[8] San Francisco Chronicle. File on Drug Abuse: Information from news articles of 1969–1970.

[9] McGrath, John H. and Scarpitti, Frank R. *Youth and Drugs*. 1970.

[10] President's Commission. *op cit.*

[11] *Ibid.*

[12] Interviews by CCASR researchers in three California counties. 1971.

[13] Yablonski, Professor Lewis, *Synanon: The Tunnel Back*. 1967.

[14] *Ibid.*

[15] *Ibid.*

[16] ***President's Commission***, op. cit.

[17] Bank of America. *Achievement Analysis: An analysis of the pilot training cycle of the Pittsburgh-Antioch Industrial Manpower Center, Antioch, California*. December, 1969.

[18] Comment by Mr. Harlan Antler in response to researcher question about the inception of the program. Letter dated March 13, 1970.

[19] Comment by Mr. Harlan Antler, training of trainers session held in Sacramento in May, 1970.

[20] Analysis of training session held in Sacramento, May, 1970.

[21] Bank of America, *op. cit.*

[22] Letter to United States Research and Development (U.S.R&D) from Eugene Douthit. November 20, 1969.

[23] Letter to U.S.R&D from Vince Custodio. September, 1969.

[24] Letter to U.S.R&D from William P. Niland. October 20, 1969.

[25] Letter to U.S.R&D from Verle C. Henstrand. January 12, 1970.

[26] Letter to U.S.R&D from E. A. Carlson. May 5, 1969.

[27] Letter to U.S.R&D from Edward Cavelli. September 26, 1969.

[28] Letter to U.S.R&D from T. G. Matosian. September 29, 1969.

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## CO-OP MONTH

## HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. OBEY. Mr. Speaker, as many of my colleagues know, during the month of October we celebrated Co-op Month. What many might not know is that the Cooperative League of the U.S.A. has declared the 1970's as the "Cooperative Development Decade," a time in which cooperatives across the Nation will work to make their services available to more people.

I would like to offer my congratulations to the cooperative movement and to the thousands of cooperative members in Wisconsin and throughout the country. I certainly wish them success in the future.

For many years, of course, those in rural areas have known the importance of cooperatives. Now they are becoming increasingly important to those in urban and suburban areas as well. It is clear also that co-ops have entered into a new stage of development. They are emphasizing the fact that co-ops care, and by this they mean that co-ops care about tomorrow and the changes it will bring to co-ops and cooperators.

Cooperatives have taken it upon themselves to evaluate their relation to the socioeconomic problems of our decade problems like education, housing, and rural poverty. The movement has made it clear they intend to become more concerned with our total environment. They have recognized the need to provide more than improved prices and business services, and they are trying to identify community and member problems which co-ops can solve.

This expanding cooperative concern is not the result of Government mandate but a self-initiated effort to bring added relevancy to America's cooperatives. Furthermore, it includes an assessment by cooperatives of themselves.

Our cooperatives have moved forward largely through the leadership of the Cooperative League of the U.S.A. While individual co-ops have been trying individually to demonstrate the responsiveness of farm co-ops to the plight of urban and suburban areas, the league has brought this effort together. It has given urban co-ops a chance to develop under the protection of their established rural counterparts. In serving America, the combination of rural marketing and urban consumer co-ops will provide an increased income for the farmer while decreasing the product cost in the city. This urban-rural cooperation has long been needed in an economy faced with declining farm prices and increasing food costs.

But cooperative face serious challenges in the years ahead. Above all, it is obvious that co-ops cannot be satisfied with the successes they have known in the past.

During Co-op Month celebrations, Art Danforth, secretary-treasurer of the cooperative league spoke of these challenges to cooperatives. His speech was a thought-provoking testimonial to the qualities of cooperatives coupled with an appeal for self-examination. He highlighted the problems of leaving cooperatives down on the farm, and he carefully spelled out the role cooperatives must and should accept in the future. His address was a thoughtful interlude in a gigantic success story, and I ask that it be printed below so my colleagues will have the opportunity to read it.

The address follows:

### CHALLENGE TO CO-OPS

Let me tell you something in strictest confidence: I have a disease. I hope it's contagious, but not fatal. But so you'll understand, let me describe a symptom: my wife and I will be sitting in a restaurant, paying no particular attention to conversation at other tables. Then someone two or three tables away uses a word. And I hear that one word, without having heard anything that went before. And my ears begin to strain.

You get only one guess as to what that word is.

Well, so much for my cooperative credentials. On to co-op development and the co-op development decade. But first let's make one honest admission:

We may not make it!

We may remain so fragmented and provincial and segregated that we die of self-induced anemia. We may give so little attention to member and employee co-op information and orientation that our spirits and our brains die from lack of blood. We may be so self-satisfied with internal accomplishments that we die of corpulence between the ears. We may be so unaware of changes in the social and economic environment around us that we might as well be dead—as indeed we soon would be.

Let me put it more brutally.

If our farmer co-ops remain unconcerned about urban co-op development, content to continue their excellent service to the 5% of Americans who are farmers, they will become increasingly irrelevant in our changing society. If our urban co-ops cannot learn to work with farm co-ops toward common co-op development objectives, they will never have the strength to grow. If independent local co-ops do not recognize in time—and we don't have much time—the need for consolidation and merger, major competitive forces will overwhelm them. If our cooperative leadership is primarily concerned with security and status, they will insist on maintaining weak parochial structures. If, within our larger co-ops, we do not develop sound representative structures so that member participation continues to be an "available option" (to use John Gardner's phrase), we become indistinguishable from other businesses. In short, for self-preservation we need growth, consolidation, and participation. And for all three we need a national co-op development program with major emphasis on developing user-owned cooperatives where they don't now exist: in the towns and suburbs and cities. Inner cities, by the way, included.

This doesn't for a moment suggest that we don't still have a job to do in strengthening the bargaining power of farmer-owned off the farm business. We need to find new sources of capital, of skilled managment—and of member support—to move all farm co-ops into positions of greater market strength. And we need to do it in these first years of the decade of the 70's.

As an aside, one comment: farmers are losing their political clout to the increasing urban-suburban vote. As key Congressional chairmen, who hold on through seniority, are replaced, this clout will become weaker. Farmers need allies in the cities and suburbs. And there is no better way for farm co-ops to develop allies in the cities than to help develop user-owner co-ops there. End of nonpartisan political speech.

So what do we do about it? Of course the jury is still out. But if we wait for action until all the evidence is in, we will surely be attending our own hanging. What we need to do is bring together the best we know, the best we have—and move forward today—ready to modify our course of action as new information develops. And that, really, is what the Co-op Development Decade is all about.

But how come this "Development Decade" develops within the League? Well, as you probably know, the League has within its membership nearly all kinds of cooperatives. We have more financial and membership support from farm co-ops than from any other kind because there are, in this country, so many more strong co-ops in rural areas. But we also have many other kinds in our membership: consumer goods, housing, insurance, credit unions, group health, student, consumer services, parents preschool, fishery, handcraft. Bound toegther by user-ownership principles we hold in common, in spite of some differences in language and interpretation. So, we get feedback from all these different kinds of co-ops.

One service we provide our members is our membership in International Cooperative Alliance—and ICA launched, about two years ago, plans for an International Cooperative Development Decade. Returning from the ICA Central Committee, Stanley Dreyer, our President, wondered: maybe this idea, implemented within the United States, modified to suit our own needs, was that we needed to help us move forward in a really significant way. He proposed this to our Board, and to our 1970 Biennial Congress meeting in New York City. And received solid endorsement.

To make this mean anything, we had to have a feed-in of background and ideas from many different kinds of co-ops. We also needed to tap various kinds of expertise in communications, social sciences, operations. So we developed a kind of grid structure that combined representation from a wide variety of co-ops with professional expertise in a wide variety of fields. And from this, our Co-op Development Decade Council.

First steps, after appointment, was to develop some background appreciation of current and future social and economic trends—for we are looking to the 1980's not to today's world. And we brought in speakers who could describe for us these trends, improve our understanding of the world we are moving toward: a world with more youth—and yet with more retirees; a world with more working wives—and yet with more leisure time; a world with the ability to provide health and housing for all—but with continuing maldistribution of these and other goods and services; a world with increasing concentration in large cities and their suburbs—but with a threatening and dying core at the center of each; a world needing far greater attention to mass transit and housing and ecological problems—but with a fragmented political structure that makes attention to these problems extremely difficult.

Two brief quotes from Dr. Roger Blackwell, one of the consultants we brought in, will illustrate:

"The strategic target of the '70s will be people in the 25–34 age group. There will be more of them and in many cases both members of the family will be working. Education will give more income at an earlier age. More than half of high school graduates are going on to college. Firms have to work hard to keep older employee salaries above the level of newer, younger employees."

"Five trends are noticeable in family influence: An earlier school age, children live in different parts of the world from their parents, grandparents can't easily influence grandchildren, men and women roles are being redefined, and the weekend father. (Ninety-two per cent of drug users came from homes where the father was not around.)

"These trends can be a disaster for many types of co-ops because of the mobility they reflect in our society. However, they may be a positive force if they mean that the co-op may be able to replace the family in the eyes of some.

"If co-ops had a national identity, the problem could be a strength. (This is one reason why national brands are important.) Personal recommendation is most important, when such national identification is lacking. (How does one carry one's AAA membership from one city to another?)"

In short, we sought a clearer understanding of the world to which cooperatives must become relevant, if they are to survive as significant user-owned organizations.

From all this, emerged four sub-councils; their names generally indicate their functions:

Growth components needed for cooperatives

Education and communication

Member relations

Relations between established and emerging cooperatives

Each of these has developed a brief preliminary report, sort of a thinkpiece, as a basis for further discussion.

The first subcommittee report, on *Growth Components*, headlines these factors:

Feasibility, Favorable Climate,
Financing, Research,
Training, Technical Assistance,
Informed membership.

The second, on *Education and Communication*, suggests as objectives:

Greater teacher awareness and understanding of cooperatives

Programs of study leading to a degree in "cooperativism"

Greater general public acceptance of co-ops as a way to fulfill unmet needs

Greater *member* understanding of co-op principles—and of their rights and responsibilities

Formalized training programs within co-ops, to improve supply of qualified board members and managers.

And the third subcommittee, on *Member Relations* suggests:

"The challenge to cooperatives is to operate on sound economic policies while developing the cooperative as a vehicle through which members may mold a desirable environment rather than being forced to adapt to changing circumstances."

To implement this, we'll need more adequate ways to gather accurate information on member desires and needs. We'll need a vehicle through which members can improve factors other than prices and business service—we must be concerned for the *total environment*. We'll need more emphasis on identifying the community and member problems co-ops can help resolve. We'll need more co-op mergers, more employment of community organization experts, more intercooperative relationships.

And that's where we stand today.

What will it all mean? Maybe nothing. Maybe a set of reports that are embalmed in mimeo ink buried on the shelves. This sometimes happens, has happened before. But we intend to do what we can to provide life and vigor for them so long as we have it ourselves.

More hopefully, these reports can be the small beginning of the revolution in concept that our American cooperatives need to survive, to become really significant in that world of the future. Out of this League effort, can emerge a new American cooperative movement—a new cooperative moving together and a new cooperative moving ahead.

We have the resources, the skills, the leadership ability. It remains to be seen whether we have the vision to look beyond the confining walls we have at times erected between us. And the dedication to move out beyond them.

I am convinced that there is no activity, no purpose more important to the healthy future development of our country.

As I said at the start: We may not make it. But I am convinced that we Can!

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## SOUTHERN GOVERNORS CONFERENCE HAILS CONGRESS FOR NATIONAL EFFORTS TO CONTROL WATER POLLUTION

## HON. JOE D. WAGGONNER, JR.

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. WAGGONNER. Mr. Speaker, the Southern Governors Conference recently sponsored a Spotlight Conference on the Environment. And at this conference, Congress was hailed for national efforts to control water pollution, and a statement was adopted that encourages continuance of indepth study of performance in the field of water pollution control at both the State and National levels.

In view of the scope and clarity of the statement, and knowing my colleagues would have a deep-seated interest in this topical matter, Gov. John J. McKeithen of Louisiana sent me a copy of the statement that I might somehow bring it to the attention of the Congress. Therefore, I would like to insert it in the RECORD so all my colleagues might study and consider its proposals and position on this most timely topic:

STATEMENT ON NATIONAL WATER POLLUTION CONTROL LEGISLATION ADOPTED BY THE SPOTLIGHT CONFERENCE ON THE ENVIRONMENT, SPONSORED BY THE SOUTHERN GOVERNORS CONFERENCE

The Conference lauds Congress for the importance it has attached to the national effort to control water pollution, and encourages the Congress to continue its in-depth study of performance at both the State and Federal levels.

Very significant accomplishments have been made during the past five years under current Federal and State legislation. The Conference urges Congress to move forward by building on those accomplishments. It is unlikely that new laws with different goals and different strategies will speed progress. Rather, it is more likely that such action will destroy the momentum that has finally built up after years of effort.

The Conference is convinced that neither the federal government nor the individual states embarked on independent programs will be able to conduct separate water pollution control programs which will in an effective and efficient manner meet public expectations. We believe that improvement in federal-state relationships is desirable and that Congress could provide the avenue for that improvement through modifications of existing federal laws.

In light of the foregoing, the Conference is concerned that the thrust of current proposals under consideration in the Congress will inadvertently lead to further deterioration of relationships. Unless the underlying structure of government in the United States is changed drastically, it is evident that the states must play a very significant role in water pollution control. Exercising their police and welfare powers, the states are uniquely endowed with the necessary sovereign authorities. This, coupled with knowledge of local mores and priorities, indicates a primary role in such functions as the administration of permit systems, the establishment of receiving water and effluent standards, the determintion of waste water purification requirements and the basic enforcement duties.

The magnitude of projected expenditures coupled with the need for concerted and effective action dictate a strong planning role for both state and federal governments. However, there is little likelihood that plans will be adopted unless they are developed with full participation of local governments.

On the other hand, the federal government is better equipped to serve in the role of supporter and overseer. The federal government should provide high level technical assistance, provide a national system for storage and retrieval of basic data, support research in government and universities, provide for training of scientists and technicians, provide adequate financial assistance, and enforce interstate standards.

It is desirable and inescapable that the states follow the course set by the federal government. Therefore, it is extremely important that the federal government advocates efficient goals and policies, and follows a dependable and consistent course of action.

The Conference believes that the national effort will be furthered if the federal government uniformly monitors states' activities to insure that they are effective and the Conference supports the concept that the federal government should step in when a deficiency cannot otherwise be satisfied.

We believe that a fair appraisal of the national water pollution control effort during the past few years would lead to the conclusion that many major delays and shortcomings can be traced in large measure to the failure of the federal government to perform in the functions narrated above. We are concerned that some of the proposals coming to our attention would move the federal government deeper into the front line responsibilities of the states while intending to ignore the major responsibilities that only the federal government can efficiently fulfill.

The weight of the legislative proposals coming to the attention of the Conference do not attain the proper balance between state and federal efforts. In our opinion many of the proposals place the federal government in a dominant role with the states relegated largely to the role of puppet. That position does not provide the freedom necessary for the states to make the valuable contributions that they are uniquely capable of making.

The most serious objections are the reduction of the state's role and the vesting of sweeping powers granted to the administrator of the Environmental Protection Agency. Rather than strengthening the nationwide effort, these moves would demoralize the states and place in the administrator far more authority and responsibility than could be assimilated within any reasonable time frame. The result would be unwarranted delay in achieving the goal of effective control and enhancement of water quality.

The Conference believes that the administration of discharge permits, or the equivalent thereof, is one of the most critical issues that Congress should face in connection with the amendments to the Federal Water Pollution Control Act. We believe that this issue has extremely important consequences in terms of federal-state relationships and also in terms of the longer range aspects of state water pollution control programs. The intrusion of the 1899 Act administered by the U.S. Corps of Engineers has created difficulties, increased work, and in some instances promoted delay in implementing schedules. Proposals to perpetuate a federal permit system by simply transfering the 1899 authority to the Environmental Protection Agency, while laudatory in the sense that one federal agency is eliminated, does nothing to reduce or correct the present dilemma. Instead of basing the permit system on the Refuse Act of 1899, the Conference proposes that a fresh start be initiated through the establishment of a waste disposal permit system administered by the states and backed up by the federal government.

The system would function through programs established under state laws with the provision that the state programs meet minimum standards set forth in the federal legislation establishing the system. Each state would administer a permit program except where a state refuses to do so or where its program would not meet the requirements of the federal legislation. In those situations, the Environmental Protection Agency would be required to implement a system meeting the requirements of the legislation.

This alternative approach is contained in the proposal submitted to the staff of the Senate Public Works Committee through the office of Daniel J. Evans, Governor of the State of Washington. The Conference endorses Governor Evans' proposal in principle and urges the members of the Southern Governors' Conference to support the permit system proposed by Governor Evans by appropriate communication with their respective congressional delegations.

While this statement has singled out the permit issue, many other proposals coming to the attention of the Conference cause concern and in some instances, strong opposition. It is recognized that these proposals have not yet been embodied in proposed legislation and, in fact, some of the proposals in themselves are self-contradictory.

The pollution control administrators in the states comprising the Southern Governors Conference stand ready to work with and assist the Committee staffs and the members of Congress in the development of crucially important water pollution control legislation.

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## PRICE URGES U.N. EXPULSION OF BYELORUSSIA AND THE UKRAINE

## HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. PRICE of Texas. Mr. Speaker, I rise today to cosponsor a resolution calling on the President to take the steps necessary to seek the expulsion of the Byelorussian Soviet Socialist Republic and the Ukrainian Soviet Socialist Republic from membership in the United Nations General Assembly.

It is often said that truth is stranger than fiction, but I know of no more perfect example of this than the continuous perpetuation of the myth that somehow the Ukraine and Byelorussia are eligible for membership in the United Nations. The fact is that their presence arose out of a political deal cooked up during World War II when President Roosevelt, Prime Minister Winston Churchill, and Soviet boss Joe Stalin laid out plans for the postwar years. Stalin, who was continuously throwing roadblocks and curves into allied efforts during the war, had proposed giving a General Assembly seat to each of the 16 Soviet provinces, attempting to justify such a move on the basis that the Soviet constitution allowed each state to maintain independent diplomatic relations with other nations, and also as a "consolation prize" for the great wartime sacrifice of the people living in the various Soviet provinces. Although Churchill supported the multiseat formula, because of Britain's own imperial system, Roosevelt threatened to counter the Russian proposal by demanding a seat in the General Assembly for each of the 48 American States. Of course, to maintain that our American States are sovereign entities in the field of diplomacy would be an utter absurdity, and yet Roosevelt eventually agreed to giving Stalin two extra seats in the General Assembly, one each for Byelorussia and the Ukraine.

Mr. Speaker, the point so obvious here is that by the furthest stretch of the imagination, Byelorussia and the Ukraine have never been and are not now rightfully eligible for the seats they have continued to occupy in the United Nations. It is a well-known fact, that Soviet claims notwithstanding, neither the Ukraine nor Byelorussia has been sovereign since the Communist takeover in 1918; neither has diplomatic relations with any other nation in the world, nor does either of these provinces conduct foreign relations separate from those of the U.S.S.R.'s.

If ever a case more clearly underlined the need for expelling the Ukraine and Byelorussia from the United Nations, it is the incredible action taken a few weeks ago by the General Assembly in expelling the Government of the Republic of China. For if the General Assembly by the very furthest indulgence in fantasy could somehow justify expelling a charter member of the United Nations, a member which has abided by the principles of the charter, then there is no way possible to rationalize the legitimacy of the continued presence of Byelorussia and the Ukraine which were never deserving of membership in the first place.

Mr. Speaker, I strongly support this resolution. If the United States is to continue its participation in the United Nations, let us correct the glaring inequities which undermine our relative position of strength within that mischievous organization.

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## A BILL TO FORBID INTERSTATE TRANSPORTATION OF ANIMALS INJECTED WITH DIETHYLSTILBESTROL

### HON. OGDEN R. REID

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. REID of New York. Mr. Speaker, I am introducing in the House today a bill making it unlawful to transport in interstate commerce any animal that has been fed or injected with diethylstilbestrol—DES—or any food product thereof.

DES is an artificial female sex hormone used in the United States to promote rapid weight gain in cattle. Its usage can increase the market weight of an animal by almost 20 percent. Under current regulations, farmers are required to comply with an established 7-day withdrawal period before slaughter, and an established maximum dose of 20 milligrams per pound of feed.

Earlier this year, the Committee on Government Operations of the House of Representatives held hearings on whether or not the usage of DES in the United States should be outlawed, since there is increasing medical evidence that DES can cause cancer. No action was taken as a result of these hearings, and beef cattle growers have been allowed to continue feeding DES to steers. There are a variety of reasons for this. According to a recent study by the Department of Agriculture, if DES were banned from beef feeds, retail prices would probably increase 2½ cents to 3½ cents per pound. Dr. C. D. Van Houweling, Director of the FDA's Bureau of Veterinary Medicine, sets a higher price tag on banning DES, and has stated that "people would rather eat a little of a carcinogenic chemical than pay the extra 20-percent cost of beef" that would incur if DES were totally banned.

The other reason given at the time for not outright banning DES is that the livestock producers had agreed to participate in a voluntary, nationwide program "designed to further assure consumers of consistently safe and wholesome meats." I admit I was skeptical at the time that such a program was being entered into with the proper spirit by cattle producers when I read an article in The American Beef Producer called "Drug Withdrawal, If We Don't Do It, The Government Will," in which it was stated that "the same society that 'pops pills' from morning to night does not want drugs in its meat." I feel that the fact the withdrawal period has had to be increased from 2 days to 7 days is conclusive evidence that this program was a failure. I do not have evidence at this time as to how closely this program was monitored by the Department of Agriculture, but it was pointed out at the hearings that during the latter 6 months of 1970 approximately 540,000 cattle were slaughtered each week, yet only 90 samples of cattle tissue were examined for DES residues.

During the hearings that I mentioned, Dr. William B. Buck, an Iowa State University professor who raises cattle stated that many farmers tend to ignore the original required 48-hour withdrawal period regulation. He stated that within 12 hours after a farmer decides the price is right, his cattle are likely to be at the slaughterhouse, and also that most farmers feel it is too much trouble to clean out for a 48-hour period the elaborate feeding machinery already stocked with DES supplemented feed. Twenty-one countries, including Argentina, Australia, Denmark, Ireland, West Germany, France, Italy, Poland, South Africa, Sweden, and Switzerland, have outlawed the usage of DES as a growth promotant.

For the past 15 years, a number of medical experts have been claiming that DES can induce cancer. Uterine tumors have frequently been found in guinea pigs given as little as 1.5 mg. of DES in subcutaneously implanted pellets, and it has been learned by extensive animal experimentation that intermittent administration of very large doses of DES is far less effective in inducing tumors than is a continuing exposure to an extremely minute dose. As far back as 1956, during the Symposium on Medicated Feeds in New York City, it was brought out that—

A great body of evidence shows that cancer-inducing chemicals can exert their effects on catalytic quantities, inducing changes in cells which are mediated by unknown substances transmitted from cell to cell long after the original cancer-inciting material ceases to be demonstrable in the tissues. No assurance of the absence of such substances can be offered consumers of tissues from animals treated with or fed a carcinogen, such as diethylstilbestrol.

Only recently, a most pertinent example of the possible aftereffects of this hormone was pointed out in the New England Journal of Medicine 1 month after the March 1971 hearings were held. A very rare form of cancer in young women—adenocarcinoma of the vagina—clear-cell or endometrial type—was found in eight young women between the ages of 14 and 22 in Vincent Memorial Hospital between 1966 and 1969. The unusual occurance of this tumor led to an investigation into possible causative factors, and it was found that seven of the eight mothers of patients with carcinoma had been treated with DES early in their pregnancies in order to ward off possible miscarriages. From the results of their investigations, the medical researchers reached the conclusion that "it is possible that stilbestrol—DES—alters fetal vaginal cells in utero, with changes that do not become manifest in a malignant form until years later."

Thus far, medical evidence has determined only that direct ingestion by human beings, mice and guinea pigs can induce cancer. There has been insufficient time to acquire evidence as to whether or not the indirect ingestion of DES—that is, by eating meat products from animals which were fed with DES fortified feed—can induce cancer in human beings. However, from the evidence which does exist there would appear at least a substantial possibility that such indirect ingestion could cause cancer. This risk requires legislation to protect the American consumer.

My bill provides that any individual, partnership, corporation or association knowingly acting in violation of its provisions shall be fined not more than $50,000 or imprisoned not more than 5 years, or both. In light of the potential cancer causing properties of DES, I do not feel that this penalty would be excessive.

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## COLONIAL PIPELINE RECOGNIZED AS PACESETTER IN ENVIRONMENTAL CONTROL

### HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. COLLINS of Texas. Mr. Speaker, among the foremost leaders of research and innovations for environmental control in the petroleum industry is Colonial Pipeline. Colonial has been recognized with a first-place award in Petroleum Engineer and Pipeline and Gas Journal for its program to eliminate contaminants from the discharge at pump stations and tank farms.

The subject of environment is of vital importance to all Americans. We salute Colonial Pipeline for their developments toward protecting our country against pollution. Innovations in environmental control development from the petroleum industry plus the Nixon administration's progressive policies of cooperation with industry spell a bright future for pollution control in our country.

The award to Colonial Pipeline states:

> Elimination of contaminants from the discharge at pump stations and tank farms was the objective of this program planned and executed by Colonial Pipeline Co. To accomplish this, equipment has been installed and drainage revised at all major locations.
>
> Contamination usually resulting from withdrawing water from the sumps of storage tanks was eliminated by discontinuing the use of the tank water draw-off line and installing a closed piping tank line stinger system.
>
> All tank switching manifolds were original-

ly constructed on a lower elevation than the tank bottoms and the tank lines are sloped on an even uphill grade from the manifold to the tanks. Stingers were installed adjacent to the manifold or at the low point in the tank line, and were inserted through the top of the tank line pipe to extend down inside the pipe to within an inch of the bottom where any water in the tank or line will accumulate. Weight of the product in the tank causes the water to be pushed out through the stinger and into an oil-water separator.

Any oil present is skimmed off and returned to a tank while the water flows by gravity to a concrete retention basin for inspection. Outlet from this concrete basin is 2½ ft below the liquid surface to insure that only water will leave the basin.

To insure that all water leaving a tank farm contains no contaminants, retention ponds varying in size from a fraction of an acre to several acres have been constructed at major facilities to retain all water, including that from tank dikes, oil/water separators and surface drainage. Some facilities required considerable grading, terracing and the installation of large diameter drain lines to divert the flow into a retention pond for inspection before leaving the property.

Bottom or baffled drain lines from the ponds are designed to maintain a constant liquid level and hold several feet of product on top of the water should an accidental discharge into the pond occur. Most of these ponds have been stocked with game fish and ducks to prove the purity of the water.

Pump stations and smaller facilities are being equipped with a compartment-baffle type of oil/water separator, or a retention pond, or both, depending on the calculated risk and terrain.

Total cost of Colonial's water reclamation program has been about $1.000.000.

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## POLISH PRIEST ON WAY TO SAINTHOOD

### HON. ROMAN C. PUCINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. PUCINSKI. Mr. Speaker, recently Pope Paul VI conducted a ceremony in Rome to beatify a Polish Franciscan priest, Father Maksymilian Kolbe, thus paving the way for this humble man to become a Catholic saint.

Father Kolbe is a saint indeed. He sacrificed his life so that another could live, and inspired a multitude of others around him.

During World War II at the Auschwitz concentration camp, the Nazis selected 10 men to die as a reprisal for those who had escaped. One man selected, Franciszek Gajowniczek, opined that it was a pity to leave his wife and children. Father Kolbe stepped forward and asked to replace Mr. Gajowniczek.

Father Kolbe and the nine other prisoners died slow and painful deaths. He gave solace and comfort to the other prisoners. He was the last to die.

Mr. Gajowniczek attended the beatification ceremonies in Rome. He is 70 years old today, and has recounted for us the very stirring story of the supreme sacrifice made by Father Kolbe on his behalf.

Mr. William Willoughby, of the Washington Evening Star, recounts Mr. Gajowniczek's heartrending story, which I place in the RECORD today.

The story follows:

### NAZI VICTIM REMEMBERS—POLISH PRIEST ON WAY TO SAINTHOOD

(By William Willoughby)

VATICAN CITY.—Franciszek Gajowniczek has been carrying around one big regret for the last 30 years. Back at Auschwitz concentration camp, the Pole had been selected as one of the 10 men to die. A Polish Franciscan priest stepped forward, offering to die in Gajowniczek's place.

Things happened so quickly that day in August, 1941, and prison regulations were so tight that the man who got this most unlikely reprieve could not indicate his thanks even with his eyes to the priest.

Franciszek is a visitor in Rome today—a man of 70. He was one of the many thousands watching Pope Paul VI conduct a ceremony beatifying Father Maksymilian Kolbe for the extreme sacrifice in behalf of his fellow countryman. Kolbe thus is on his way toward becoming a Catholic saint.

Gajowniczek told the Associated Press in Brzeg, Poland, his hometown, that he prays to the saint every night. The man understandably could have made the priest a saint in his own mind even if the Catholic Church had never taken steps to do it.

Franciszek tells the story this way: Some prisoners had escaped from the prison which eventually was to claim the lives of four million persons. The prisoners always cringed when there were escapes. The Nazis would select from a lineup 10 persons at random to die. It was a slow, agonizing death in which the victims starved.

While the Nazis were searching for the escapees, the prisoners were made to stand from 6 in the evening, on through the night and until 11 a.m. the following day. In the heat of it all, they were given no food, no water. Some died while going through this ordeal. Guards beat some who had trouble standing.

Then came the moment of truth. The SS officer stepped forward and announced 10 were to be selected to die. He would come to one and then another and guards would jerk the ill-fated ones from the line for their slow, merciless doom.

Four had been picked when the SS officer stood by No. 5659.

"When he stood facing me, I knew that was the end," Franciszek said.

"It's a pity I must leave my wife and children," the doomed man said. That's all that came out.

Father Kolbe had been standing nearby and heard Franciszek's words. There was no hesitation. He broke the line and stood, smiling, in the face of the officer.

"What does this Polish swine want?"

Kolbe put it simply. "I am a Catholic priest, rather elderly. I want to go instead of that chosen prisoner. He has a wife and children and is needed by his family."

Franciszek couldn't believe it first of all, that the priest had made a selfless offer and second, that the officer actually accepted it. There was no way the grateful man could show his appreciation.

Kolbe and the nine others were put in a cell without furniture or without windows to starve to death. The priest inspired the dying to sing hymns and he consoled them in the words of Christ. After two weeks had passed, six had died. The Nazis needed the building for another purpose and shot poison into the rest. Kolbe, at 47, was the last to die.

"Kolbe never once tried to shirk his priestly duties in those nightmare days," Franciszek said. "He was very often beaten for it and the guards would laugh at him, but he regularly held prayer services for prisoners and heard their confessions."

What did it do for Franciszek once he was released? He had an intense desire to help unfortunates. He did voluntary work for the poor.

If one ever wants to know what made the early Christians such fanatics for Jesus, the answer lies to an exemplary degree in this touching story out of the hell of Auschwitz. Those who came to understand the Gospel could see the guard staring them in the face. They knew "This is the end."

Then, as their Gospel beliefs taught them, out of this hopeless situation of the soul, Christ stepped forward, putting His life on the line for them.

Kolbe preached his most profound sermon that day in August. His words became flesh—his very own.

They carried echoes of an even more profound message made flesh one Good Friday afternoon.

For all the No. 5659s of the world.

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## DC–10: A REAL SMOOTH BIRD

### HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. HOSMER. Mr. Speaker, when the first McDonnell Douglas DC–10's began rolling off the line in Long Beach, Calif., and taking to the skies, pilots were almost unanimous in their praise and admiration for this big new bird.

Its instant acceptance and success augers well for the U.S. aviation industry, the company, and for my congressional district.

For a pilot's eye view of the DC–10, I call attention to an article in the November issue of Air Line Pilot magazine, reporting on a trip by the Air Line Pilots Association evaluation team from San Francisco to Washington.

The article follows:

### WHAT PILOTS WANT TO KNOW ABOUT THE DC–10

There on the Long Beach, Calif., ramp, it looked big as a mountain to pilots of DC–8 and DC–9 class of jets. Each step closer created that feeling of being at the bottom of a canyon looking up to the rim. With three DC–10s on the line, the first impression of size was magnified threefold.

Airplane number 8, painted in the red, white and blue stripes of the McDonnell Douglas Co. has flown 290 hours since rollout last year. This was the third ALPA's DC–10 evaluation team that would fly to end its Phase Two evaluation of the aircraft since it began work with Douglas and the wide-bodied jet concept three years ago.

To the DC–8 and DC–9 pilots there were similarity and familiarity features to which they have long been accustomed; to some pilots of brand-X jet transports, it was a whole new formula. It had been easy to comprehend paper plans and even the mock-up, but upon meeting the real DC–10, the size was still a surprise and there was an inner thrill knowing they had been associated with its birth. Team members felt some modest pride in having contributed a little something to its being a better airplane than the state of the art has produced to date.

The 11-man team, headed by Captain Ray Lahr, was accompanied by Douglas flight executive A. G. Heimerdinger and test pilots Don Mullin, Cliff Stout and Jim Stuart. The group had completed detailed progress and flight test briefings the day before. Now on Aug. 13, it would fly. Three days later, ALPA President John J. O'Donnell, First Vice President Al Bonner and Captain Don McBain would fly it too. Their assessment would echo the reactions of the ALPA team.

With Cliff Stout occupying the right seat, they took turns at flying during the three-hour period. Whether at the controls or kibitzing from the flight deck, they checked every major feature of the 50-ton bird: approaches to full stalls, landing and takeoffs with engine idle (engine out) conditions, in taxi operations, control-navigation-pressure systems checks, fuel system operations, etc. They did everything the line pilot needs to do to gain an honest, comfortable feel of a new jet slated for service.

The most immediate feature that drew accolades from all, was cockpit visibility. Compared to in-service jets, the DC–10 is a veritable greenhouse. Up, down, forward and backward, the sky can be swept visually from both sides of the flight deck with easy, comfortable movements. Since the wing sweep back is 37 degrees, however, the tips of the wings cannot be seen from the cockpit.

To an observer, watching pilots take over the left seat for the first time with ease and confidence while flying in the Marine fighter base airspace surrounding Yuma, Ariz., it was obvious that this single feature will improve terminal area eyeballing efficiency many times over that of present day jets. Even on high attitude climbouts, forward visibility is impressive.

Perhaps the most outstanding high praise, next to visibility, had to do with handling on the ground and in the air.

Numerous other comments and recommendations have been reported by the team. A few are reported here:

Engine starting is as automatic as it can be. Two manual actions are required: twisting the ignition knob and momentary depressing of the "start" switch on the overhead panel. The next move is to set fuel control lever on the throttle quadrant, holding it in open position until the engine fan speed reaches 10% or more.

Pretaxi and pretakeoff check-list items have been reduced.

Nosewheel steering is the answer to a pilot's prayer. The technique is easy to grasp. Steering is a little on the sensitive side but this is considered desirable. Nosewheel effectiveness, when coupled with the 10-degree rudder-steering capability, provides for safe and smooth roll-out and turn control. First timers at the controls encountered little difficulty with turns because of the pilot's perch being 20 feet ahead of the nosewheel.

Weighing in at 370,000 pounds, the DC–10 requires about 31% power to start the taxi roll. It can be maintained with engine idle thrust. Some carriers suggest saving the third engine until reaching the run-up position at takeoff.

There's very little lag between throttle advancement and delivered thrust. It takes less than 5 seconds to accelerate from idle to full power. Takeoff power on the flight was 102.7% $N_1$ at 23°C. Cruise power used was 98.3% $N_1$ at 19°C.

Shortly after breaking ground, climb speed stabilized well at 2,500 feet per minute. And at 8,000 feet, with flaps retracted, and 250 knots airspeed, rate of climb was 3,000 feet per minute.

During cruise operations—380 knots at 15,500 feet, the Mach beeper horn sounded as the gait nudged past Mach 0.85. A Dutch-roll recovery without yaw dampener on was demonstrated; although dampening was slow, recovery was firm. The autopilot was engaged and the auto throttle action held the speed at 320 knots. Spoilers worked smoothly and delivered relatively little vibration at low settings.

Approaches to the stall were made with the aircraft clean at 14,000 feet. The stick shaker became effective at 177 knots. The combination of lights, noise and physical vibration in the steering wheel makes it inconceivable that the stall warning could ever be ignored. Slats were deployed automatically. With 18 degree flaps, the near point of stall was 130 knots. Although full stalls were not made, the aircraft handled well to the point of fall off. Aileron and rudder-elevator control was effective. Except for the stick shaker action, each pilot could have easily been stalling a Cessna 172. The flight deck feel was the same.

Landing approaches: In this area, the big craft was exceptional, that solid feel denoting excellent stability. At 200 knots, flaps were set at 20 degrees and power setting was about 60%. Small adjustments in power to hold approach speed were easy for the first-time DC–10 pilot. Without exception, each ALPA pilot made the first touchdown with ease, despite the higher perch of the cockpit—15 feet as compared to 20½ feet for the DC–8 and 11 feet for the DC–9.

On final to Yuma's 21R, approach power rounded out at 73% to hold a steady 145 knots and a 600 feet-per-minute rate of descent. The temperature was 100° F and the wind was 270 degrees at 8 knots. The usual rough air surrounding Yuma at midday had little effect upon the DC–10's level flight stance.

During several touch and go takeoffs Douglas's Stout or Mullins would pull outboard engines and only a small amount of rudder pressure was needed to hold direction; in one case a 5-degree bank into the good engine compensated for rudder pressure to maintain straight flight. Center engine out caused no-marked change in trim. There was no noticeable change in cockpit noise or flight conditions as power was retarded.

Direct lift control, a Douglas innovation to provide precise speed, attitude and rate-of-descent control, was used on several landing approaches. To the observer, there was no improvement apparent. Each pilot, however, expressed satisfaction with its function and, of course, the real value will accrue when CAT II and III systems are operative.

Other landings were made with various systems inoperative to demonstrate redundancy and the high degree of selectivity available to the pilot during emergencies or equipment failure.

Since it is difficult to observe wing tips from the cockpit, ground guidance is essential while taxiing in tight places. The center windshield is expected to be a good ice collector and indicator for wing icing.

Alternate system operation with regard to environmental control was demonstrated. An emergency descent was made at 300 to 330 knots, at the rate of 10,000 feet per minute.

Fuel system operation with fuel boost pumps off on outboard engines demonstrated many options available for fuel transfer and trim in case of pump failure.

No-flap approaches and landings were made. All pilots expressed satisfaction with performance in this department. In fact, a two-engine out approach with no flaps, but with slats extended, was made at 184 knots. Speed at the threshold for landing was 160 knots.

Without question, the team's response to the five hours of flying, praised Douglas for the many improvements and innovations that enhance flight safety and comfort for the crew as well as the passengers. Some items suggested for further study or improvement included:

Better identification of the various beeps and warning horns that require instant recognition by the flight crew.

Hot air blast from the auxiliary power unit is questioned as a possible problem for the ramp areas.

Reduction of sound in the cockpit air-conditioning system is desirable and Douglas indicates action is underway at this time.

Some other specific cockpit items praised included engine-failure lights that activate when 10% differential in power exists between engines; the aircraft operated well under crosswind conditions; brakes are adequate and very smooth in operation; the Goodyear wheel, brake and antiskid system produced an average stopping distance of about 2,200 feet at landing weight of 360,000 pounds. The aircraft is certificated for operation on airports with runways as short as 5,200 feet, the same as the DC–9.

This rundown, at best, is a summary of some of the more detailed items pilots noticed during their first exposure to the DC–10. Further flying, of course, will give a finer assessment of its performance and capabilities, which are due to make this aircraft one of the most productive jet transports ever placed into operation.

Flight checks of the autoland system were not possible since this equipment was not installed in number 8. In addition to the autoland system, the company offers some intriguing extras: an automatic engine trim system that holds power trim between the three engines to within plus or minus 1%. This is far more precise than can be set manually.

Under development is a performance and failure assessment monitor, a small cathode ray screen that shows an imaginary runway and predicts the touchdown point on the runway.

In the cabin, reaction of the stewardess representative, Mya Shelton, was excellent. Operational use has already demonstrated the value of Douglas' human factors research. As with any new automobile, boat or airplane, however, there are a few items recommended for attention. Removable type lights are needed near doors. The front hatch where the ladder exists from the lower galley requires a hinge or tether on it. Exit doors require two different operations to open and the front door seems to require more muscle than the others.

There is a question about the possibility of doors being opened in flight when cabin pressure is 0.4 inches or less. A window would be a welcome addition in the galley to guard against possible crew claustrophobia. The noise level in the galley, especially with gear down, is higher than desired. It is recommended that all carts be stowed in the galley for landings. The jump seat appeared to be good for the time available to check it.

At the time of the ALPA team's flight, there were five test aircraft in the program. They had completed 929 flights for total time of 1,554 hours 40 minutes. Number one DC–10 completed 455 hours of flight to certification in 10½ months—120 hours less than the DC–9 program, which required 14 months.

An immediate payoff, a surprise to everyone, is the substantial reduction in pilot checkout time. Through the use of DC–10 simulators, flight time for type rating has been reduced to less than two hours. This is a savings of more than three hours from the 747 average of five hours.

During its first two months of service, daily utilization rate for American Airlines and United exceeds 14 hours.

The Big Bird from Mc-D has a great future. Every pilot who has flown it, walks away with a broad grin and an "I don't believe it" shake of the head. They call it a real s-m-o-o-t-h bird.

## EFFORTS OF CREW OF U.S.S. "RANGER" TO SAVE LEUKEMIA VICTIM

### HON. WILLIAM S. MAILLIARD

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. MAILLIARD. Mr. Speaker, under the leave to extend my remarks in the Record, I include the following:

I am sure my colleagues will be pleased to note the efforts of the crew of the Alameda, Calif., based U.S.S. *Ranger* to save the life of a 4-year-old leukemia victim.

Four-year-old Christopher Campbell of Phoenix, Ariz., has been undergoing treatment for leukemia at St. Joseph's Hospital in Phoenix.

In addition to two visits per month to the hospital to receive intravenous medication, the child must have a blood transfusion at least once a month, depending on his current condition and response to treatment. Christopher's mother, Mrs. G. L. Campbell, said that she had received little help from residents of Arizona in getting blood donations for her son.

Quite unexpectedly, the Irwin Blood Bank of the San Francisco Medical Society began collecting blood donations. The blood drive was spearheaded by a former crewman of the U.S.S. *Ranger* who learned of the child's plight through a friend of Mrs. Campbell's family in San Francisco.

As of September 15, *Ranger* men have donated 88 pints of blood in San Francisco.

Following is a letter from Mrs. Campbell expressing her deep appreciation to the *Ranger* men:

> Up until a couple weeks ago, it was my feeling that compassionate acts of one man for his neighbor were only to be found in history books. It seemed to me that today's world was too fast and cold for these acts to exist. Then I learned of a group of men, whom I have never met, spearheaded by a Mr. Vance M. Olliver, who had begun a drive for blood donations for my son Christopher who was stricken by leukemia last year.
>
> I don't really know how these men knew of our plight with medical expenses, etc., nor why they went so far to help a family they had never heard of before, but I thank God for everyone. In this day and age, such acts of genuine love and kindness are all too few and far between, and it is refreshing to know that at least the act of compassion is still free.
>
> In our hearts there will always be a place of special significance for the men of the U.S.S. *Ranger*. I know in my heart you will all be richly rewarded when the material things of this world have long passed. May God bless you all abundantly and send help to you in your time of need.

## THE LATE HONORABLE SPESSARD L. HOLLAND

## HON. JOHN J. ROONEY

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. ROONEY of New York. Mr. Speaker, I was saddened to learn of the passing of the Honorable Spessard L. Holland, who for almost a quarter of a century so ably represented the people of Florida in the U.S. Senate. Senator Holland served on the Senate Appropriations Committee and over the course of the years we had many a discussion at House-Senate conference meetings. We did not always agree on things, yet we became good friends and I had nothing but respect and admiration for Spessard Holland. He was a man who spent his entire life in public service, first as county prosecutor, as a judge, as a member of the Florida State Senate, as Governor of Florida, and for 24 years as Senator from Florida, leaving the other body finally, because of ill health. He was a gentle but forceful man, a dedicated man, a man with many friends. He will be sorely missed by all who knew him.

To his lovely wife and family I extend my deepest sympathy.

## YOUNG VOTERS LOOKING FOR COMMON POLITICAL GROUND

## HON. WILLIAM J. GREEN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. GREEN of Pennsylvania. Mr. Speaker, young Philadelphia voters looking for common political ground met recently to explore the possibility of establishing a forum for action and discussion of the issues affecting their lives. Under leave to extend my remarks, I wish to insert the following story related to their activites and a copy of the position paper on pollution control prepared by the Young Philadelphians:

[From the Philadelphia Tribune, Oct. 23, 1971]

### TEMPLE CONVENTION HOPES TO SPUR YOUTHFUL VOTERS

The voice of the young voter will be heard for most of the day at Temple University's Thomas Hall, Broad and Norris Sts., tomorrow (Saturday, October 23rd).

The occasion will be a conference sponsored by the Young Philadelphians, an organization which has formed to maximize the political leverage of youthful voters.

Co-chairmen of the organization are Johnson Collins, a center-city resident, and Ken Platt, of West Philadelphia. Collins, 28, and Platt, 27, outlined the aims of the convention in a Tribune interview this week.

"The Young Philadelphians will attempt to develop some sort of common ground among young voters. Through its permanent organization, we will work on voter education, direct political activity, lobby in Harrisburg, Washington and City Hall and monitor City departments with our own expert people," they said.

One of the goals of Saturday's conference is to attract at least 1,000 young voters. During the convention, which is scheduled to run from 9 A.M. until 9 P.M., a platform on the November 2nd election will be hammered out and voted on.

Both major mayoralty candidates have been invited to speak and make their appeal for the youth vote.

Collins, Platt and Bob Mulligan, co-director for public relations, emphasized that the convention was not directed for or against any political candidate.

#### WARNING

However, Collins added that there was little sense in a candidate claiming that he has the majority of the youth vote if that candidate is not concerned enough to come forward and make an appeal for it.

The question that the candidates will be asked to respond to is "why should the young people of Philadelphia vote for you and not your opponent?"

Following the hoped for question and answer session with the candidates, the delegates will relax for two hours of entertainment.

Registration for the convention will cost $2. The registration period will be from 9–10 A.M. Following the close of registration, the delegates will be welcomed by a spokesman from the Young Philadelphians. After that, a nationally prominent speaker will discuss the role of young people in urban change. From 11 A.M. until 2 P.M., a series of workshops on various topics of concern to youth will be held.

The platform will be debated and adopted or amended by the general assembly shortly after. Following a dinner break at 6 P.M., the candidates for mayor will be heard.

#### DIRECTORS

Task force directors for the convention are Miriam Gafni—Criminal Justice system; Henry Stein—Drugs; Debra Wiener—Education; Jack McCormick—environment; Gangs—Harold Haskins; Allen Beckman, Joan Ferreira—Government-Community Relations and Political Action; Health and Social Services—Dr. Edward Foulks; Housing—Shirley Dennis; Vietnam and its impact locally—Pat O'Reilly; Recreation and Culture—David Katzive, Roger O'Dell; Taxation, Employment and Economic Development—Carl Francis, Paul Oldroyd, and Transportation—John Schumann.

Collins, Platt and Mulligan said that the concerns of the Young Philadelphians reach far beyond the November election.

"Philadelphia is at a turning point. The young people have a stake here. Most of us are ready to spend our lives in this city. However, the city is suffering from a 'brain-drain' which will continue as long as we have to bang our heads up against a stone wall of indifference and powerlessness. The city can grow or it can become an Appalachia bcause it has driven its youth out," they said.

### POSITION PAPER ON AIR POLLUTION CONTROL IN PHILADELPHIA

(Presented by Olivia Hall)

#### INTRODUCTION

I am Olivia Hall, Co-Director of The Task Force on Environment of The Young Philadelphians.

The Young Philadelphians has as its prime objective the maximization of the political leverage of the young people of Philadelphia. To accomplish this goal, our organization has established twelve Task Forces. The function of these Task Forces is to develop and advocate solutions to the major problems which are of concern to the young people of our City.

#### DEFINITION OF THE CONCEPT

As you are, of course, aware, young people have been largely responsible for bringing to the attention of the American people the urgent need to conserve and improve our environment. We, The Young Philadelphians, are concerned with the totality of man's environment.

The environment consists of much more than just the air we breathe and the water we drink. We are concerned not only about the natural environment, but also the human environment and the made-made environment. We are concerned with the gang violence and drug addiction which are making waste of the lives of hundreds of young Philadelphians each year. We are concerned about the 40,000 vacant and abandoned houses in this city. We are concerned about the absence of adequate public transportation. We are concerned about the unavailability of jobs. We are concerned about the deplorable conditions in our schools. In short, we, The Young Philadelphians, are concerned about the quality of life in our City and we are working to help achieve for Philadelphia the quality of life which our people deserve.

Air pollution is definitely having a detrimental effect on the quality of life in our City.

#### DESCRIPTION OF THE PROBLEM(S)

Air pollution adversely affects health. Daily levels of air pollution—measured in terms of levels of particulate matter accompanied by sulfur dioxide—have been positively correlated with indices of mortality and morbidity. The effects, which are most noticeable in persons who are suffering from cardiac or respiratory conditions, are observed within a few hours after a deterioration in atmospheric conditions and are frequently evident even with small increases of pollution.

Air pollution has a number of significant adverse effects on the economy. Some of the more obvious ones are the soiling of materials by dustfall, which necessitates additional expenditures for cleaning; and corrosion of materials, which necessitates replacement and application of protective coatings. Particulate matter suspended in the atmosphere contributes to the haze and turbidity which reduce sunlight; thereby decreasing illumination and reducing visibility. Reduced visibility can create transportation hazards. Oxides of sulfur together with fine grain particulate matter necessitates extra expenditures for medical care and result in lost workdays, reduced productivity and sometimes loss of life. Automobile exhaust emissions contain poisonous carbon monoxide. They also contain hydrocarbons and oxides of nitrogen and contribute to the production of smog. Oxidants formed by various combinations of pollutants in the atmosphere can be detrimental to humans and damaging to plants and animals.

Air pollution, like war, is unhealthy for children and other living things.

### DISCUSSION OF THE CAUSATION OF THE PROBLEM(S)

Some degree of air pollution is an inevitable and unavoidable concomitant of an industrial society. The preponderance of air pollutant emissions is the result of (1) transportation, (2) industrial operations, and (3) power generation facilities.

In Philadelphia during 1966, approximately 720 tons of sulfur dioxide, 190 tons of particulate matter, 310 tons of nitrogen oxides, 570 tons of organics and 2,600 tons of carbon monoxide were discharged into the air daily. Of this, about 60%, mostly carbon monoxide, was due to automotive sources.

### RECOMMENDED NEW APPROACHES TOWARD SOLVING THE PROBLEM(S)

Philadelphia's major air pollution problem is caused by automobiles, trucks and buses. This problem *can* be solved; but the present City Government is doing very little to deal with the problem of automotive exhausts. Under a program instituted approximately two months ago, one or two Air Managament Service Inspectors are on the streets at all times—riding around with policemen—issuing citations to the drivers of vehicles emitting excess pollutants. So far, approximately 125 citations have been issued.

In view of the fact that automotive vehicles are responsible for about 60% of the pollutants emitted into Philadelphia's atmosphere, this program is almost ludicrously inadequate.

The only ways to make a serious impact against automotive pollution, at the present time, is to reduce the number of cars in use and to require the installation of the best available air pollution control devices.

We must cut down on the number of, and the need for, cars in the City by improving the mass transit system.

We must break up the Highway Trust Fund which channels all of our gasoline tax revenues into highway building and, instead, spend our tax money to create efficient, clean and safe public transportation. Last year, Pennsylvania spent $500 million on highways and $12 million on mass transit.

Furthermore, Pennsylvania does not require the installation of pollution-control devices on automotive vehicles and the Commonwealth does not inspect them to check their efficiency. Obviously, this must be changed.

The Air Pollution Control Board and Air Management Services must make certain fundamental changes in their policies and procedures with respect to private, quasi-public and public industrial polluters.

Greater use must be made of the leverage held by the Air Pollution Control Board and Air Management Services.

In insuring pure air for our citizens, it is neither necessary nor desirable to drive industry away from our City. However, a stronger, more affirmative posture must be adopted by these City agencies. These agencies must monitor, on a continuous day-in, day-out basis. Philadelphia's major polluters. Furthermore, the major polluters must be persuaded to take significant action to reduce their pollution emissions in the shortest time possible.

This type of posture would, of course, require more air management personnel. But in view of the fact that the City's Budgetary appropriations for the Management of Air Resources has increased by nearly 200 percent in the past two years (Fiscal 1970—$655,079; Fiscal 1972—$1,731,904, Air Management Services has the fiscal capability to hire the necessary personnel immediately.

Finally, the victims of air pollution—the citizens of Philadelphia—must be brought directly and actively into the process of managing our City's air resources.

One afternoon of public hearings, given once a year, during "Clean Air Week" is obviously grossly inadequate as a method of insuring significant citizen participation.

Why can't housewives be employed as Air Pollution Inspectors?

Why can't high school students be employed in Air Pollution Work-Study Programs?

Why can't programs be established in area colleges and universities to train Air Pollution Control para-professionals?

Why can't these steps be taken?

### CONCLUSION

In 1802, when England was in the midst of the Industrial Revolution, the poet, William Wordsworth, wrote the following lines concerning the City of London:

"Earth has not anything to show more fair:
Dull would he be of soul who could pass by
A sight so touching in its majesty:
This City now doth, like a garment, wear
The beauty of the morning; silent, bare,
Ships, towers, domes, theatres and temples lie
Open unto the fields, and to the sky;
All bright and glittering in the smokeless air."

Ladies and Gentlemen, I ask you: "Will anyone ever be able to describe our City as: 'All bright and glittering in the smokeless air.'"

Thank you.

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## THE LATE WINFIELD K. DENTON

### HON. JOHN BRADEMAS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 3, 1971*

Mr. BRADEMAS. Mr. Speaker, I take this time to pay tribute to a warm friend and outstanding public servant, our late colleague, Winfield K. Denton, of Indiana.

Mr. Speaker, I had the privilege of serving in Congress during several of the eight terms which Mr. Denton served in this body.

I have met few persons in public life more hard working or more devoted to the public good than Winfield Denton.

Mr. Denton gave outstanding service on the Appropriations Committee of the House of Representatives and was chairman of the Subcommittee on Appropriations for the Department of the Interior and related agencies.

A man of great personal warmth, Winfield Denton was characterized by a deep sense of responsibility as a Member of Congress. Along with all who had the privilege of serving here with him, I shall miss him.

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## CONGRESS MUST TAKE CLOSE LOOK AT PENDING OEO LEGISLATION

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. ASHBROOK. Mr. Speaker, an editorial in the Washington Star of November 8 made reference to legislation now working its way through Congress, namely the extension of the Office of Economic Opportunity Act, as "social legislation of monumental nature." As a member of the House Education and Labor Committee which handled this legislation and now as a member of the House-Senate conference presently considering the OEO package I have had ample opportunities to closely scrutinize this proposal.

From my vantage point the Star's reference to this legislation as "monumental" is no ill-considered exaggeration. The Child Development Act, which is now part of the package and to which the Star editorial has reference, of itself deserves serious consideration. But combined with the other controversial provision in the package, that of the Legal Services Corporation, the scope and seriousness of this legislation can hardly be overestimated.

In my Washington report of November 10, I attempted to bring to public attention the potential danger to parental rights and responsibilities which could accrue from Federal abuses in the area of child development. As indicated, some amendments have been worked into the legislation, but I still view it as dangerous legislation.

Also apprehensive about the ramifications of the Child Development Act is Human Events, the Washington newsweekly which oversees and reports on congressional activities with an eagle eye. From the standpoint of financing the program, Human Events in its November 13 issue provides some projected figures which the taxpayer might well face in future years as an added feature of his tax burden.

In the same issue of November 13, Human Events gives reasons and cases to support the premise that the legal services provisions of the OEO package could be just as big a headache as the child development proposals. Past experiences in the legal services field make it mandatory that a tight rein by Congress be exerted to prevent radicals and extremists from establishing a ready beachhead in this highly vulnerable program. It is generally conceded here in Congress, but not appreciated outside, that the oversight duty of Congress, which is to monitor and correct abuses in congressional programs, is rarely exercised adequately due to a shortage of both time and personnel. Thus, the administration of programs by executive agencies does not have the congressional supervision originally intended. For this added reason, adequate safeguards at the outset are necessary in the legal services area if a sophisticated, legalistic chaos is to be avoided.

I include at this point the four items mentioned above; the Star editorial, the Washington report of November 10, and the two items from Human Events:

[From the Washington Star, Nov. 8, 1971]

### DAY-CARE DILEMMA

Once again this week, House-Senate conferees will try to settle their differences over the Child Development Act, which is now part of legislation to extend the life of the Office of Economic Opportunity Act. If they can't do any better than they have so far, they might as well give up. Which is to say. President Nixon would have ample reason to veto the whole package.

No one should underestimate the potential impact of the child-care bill. It is social legislation of monumental nature. It promises to alleviate the lot of millions of American women who work but have no suitable arrangements for care of their children. It promises a national commitment to comprehensive early childhood education. In light of the estimate of some six million preschoolers whose mothers work, and in light of the further estimate, thought to be conservative by some, that it will cost about $1,600 per child for adequate full-time care, it is easy to see that the total price tag of such a program would run into billions of dollars annually.

Congress, then, might have been expected to approach the subject with a measure of caution, at least to the point of trying to create the best possible administrative mechanism for guiding where the money will go, and how the new child-care centers will take shape. No such thing happened. What has emerged instead threatens an administrative mess. This occurred in part because the biases of the child-care lobbying groups fit in so neatly with the political instincts of so many congressmen. The chief example: Liberal groups tend to distrust state governors; fine, said Congress, and it pork-barreled the child-care bill to the point that thousands of large and small communities will be able to get money directly from the federal government to run day-care centers. It's as if no one has learned anything from the failures of similarly-constructed social welfare programs of the past.

The conference committee can do little about these defects. But it does have great discretion over what kind of families will be eligible for full or partial subsidies. So far, the conferees have tentatively decided that free day care should go to children of families of four with incomes of less than $5,250 annually. Reasonable enough, but then the formula goes from there to provide partial subsidies to families making up to and, in some cases, well beyond $20,000 a year. It's this kind of thing that should be corrected.

No one can disagree with the statement of Senator Mondale that "in a country where more and more women are working, we better start worrying about what's happening to their children." It's precisely because this issue is so important that an extraordinary effort should be made to construct a program that is both feasible and defensible.

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### AS THE TWIG IS BENT

(By JOHN M. ASHBROOK)

As if the federal government did not have its nose in enough of our affairs, we are now faced with a federal bid to take over control of our children. The threat to the family of the child development programs now being considered by a House-Senate conference committee on which I sit cannot be overstated.

Strangely, up until recently this proposal had not received much attention outside of the Congress. But as more and more people realize the breadth and ramifications of the child development plans, they have become increasingly alarmed at how this program could undermine the structure of family life.

At the outset, I think most Members of Congress believed this was nothing more than a plan to establish day-care centers for working mothers. It is far more than that, however. The bill contemplates, ultimately, federal support of the entire range of services bearing on the development of our children.

As a member of the Education and Labor Committee and a House conferee on this legislation, I have directed by efforts to insuring that—since it seems we cannot prevent passage of the bill—adequate safeguards are included to protect the family unit, the sanctity of the American home and the traditional domain of parents.

Three amendments I offered which I think significantly improve the child care provisions were adopted by the Education Committee. These amendments provide safeguards to insure that the child care sections will not be interpreted to infringe upon the moral and legal rights and responsibilities of parents or guardians in the upbringing of their children.

Nevertheless, even with the inclusion of my amendments, the Child Development Act is very dangerous legislation. We have seen what has happened over the past decade as educators have determined it is their business to correct mistakes they feel are made in the home. Now we would have child-care "experts"—who think they know much better than the parent how the child should be treated—using the child development programs as vehicles to reach their social objectives.

By regarding our children almost as wards of the state, what the government feels to be adequate medical, educational, social, psychological, nutritional, and who knows what other kind of care would be available to each and every child in the Nation.

No one has any wish to deprive a child of every advantage possible. But a child who already has a home environment which provides him with love, care and the spiritual and moral guidance deemed in order by his parents has no need to be remolded in a mass-assembly government cast.

What do we need to do is provide for those children who do, in fact, need help while at the same time protecting the homes and families of those who are now receiving adequate parental care from unsolicited federal intervention.

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[From Human Events, Nov. 13, 1971]

### MULTI-BILLION-DOLLAR PROGRAM FOR BABY SITTERS

Pending legislation in a House-Senate conference committee would create a federal system of day care centers at astronomical cost.

Under the conference "compromise" proposal—more expensive than the already costly Nixon Administration plan—the cost of federal baby-sitting would be a soaring $31.9 billion, if all 40 million eligible children participated. Even under the Administration's program, a 100 per cent participation rate would require $20.3 billion.

While the Administration only wants children from families with incomes of $4,300 or less to be eligible for free care, the conference committee would like the cutoff boosted to $5,230. Earlier, the more generous Senate bill, sponsored by liberal Walter Mondale (D.-Minn.), would have given free day care to families of four making less than $6,900.

Because the compromise bill authorizes that only $1.2 billion be spent this year, just 3 per cent of the children eligible could take part in the day care scheme at first. But liberal lawmakers and social reformers would likely pressure Congress into raising the funds available to the centers so that a much larger percentage of children could participate. Mondale himself said: "The measure we have introduced contemplates a buildup over several years. . . ." Thus, fears of a $30-billion day care system are not unrealistic.

The Administration's aim is to permit welfare mothers to go to work while their children are being cared for and influenced by a staff that receives orders from Washington. However, the cost to society of providing this day care would be greater than if the mothers were employed and no longer receiving federal welfare payments, according to a report by the President's Commission on Income Maintenance Programs published in November 1969. The panel, therefore, rejected the idea of providing federal day care centers for welfare mothers.

Moreover, the number of mothers who do work has increased 800 per cent in the last 30 years and now exceeds 12 million. Yet these women have managed without a multibillion dollar baby-sitting program. Statistics show that more than half of the mothers with children between six and seven are working and about one-third with preschool children hold jobs.

Because of the unjustifiable costs and strong federal control involved, no national day care program seems reasonable. Local communities grappling with the indeed important problem of working mothers with children perhaps can devise a more realistic solution.

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### CONGRESS VERGES ON OK OF LEGAL SERVICES SLEEPER

While many members of Congress have been deeply concerned over the child development portions of the anti-poverty package before a Senate-House conference (see page 13), a number of lawmakers are now taking a closer look at an equally ominous feature attached to the same measure: the Legal Services Corp.

Bad as the present OEO-run legal services program is, say its detractors, the corporation threatens to become a high-octane engine for federally funded radical activity, a vehicle far more dangerous than the current setup.

Under the legal services program as now constituted, the governor of every state is at least equipped with a partial veto, but this veto is out the window in the proposed new legislation. Congress also has greater control over the current program—weak though that control is—than it would have under the independent corporation.

Just as disturbing is the fact that Congress, for some curious reason, repeatedly rejected or watered down efforts to establish important guidelines for lawyers funded through the new corporation.

The Nixon Administration, for instance, tried to limit the corporation's activities to "non-criminal matters," require that full-time legal services attorneys "refrain from any outside practice of law," forbid "partisan political" activity and establish "disciplinary action" for those violating the rules. But the bill that is likely to emerge from conference, say some observers, will probably be shorn of virtually any of these meaningful safeguards.

While the corporation set up would relax the present rules regarding legal services attorneys, the hard fact is that even the *current* rules have failed to prevent many legal services programs from developing into havens for radical activists.

Disturbing information from California, where an investigation of violence in state prisons is now going on, suggests, for instance, that the very same lawyers who are attracted into the federally funded legal aid program are the ones who are aiding and abetting convulsions in the penal system such as occurred this past summer at Attica, N.Y., and at San Quentin.

In a report to Gov. Ronald Reagan, the California Board of Corrections notes that members of the OEO-funded California Rural Legal Assistance program (CRLA) were among a group of activist lawyers who have initiated various legal actions on behalf of militant prisoner groups.

These legal actions, the Board of Corrections says, were "presumably intended to generate unfavorable publicity." The board notes that "one such action, filed on behalf of an inmate by a CRLA attorney, charged negligence and incompetence on the part of the medical staff at Folsom [prison]. The inmates charges of improper medical practice has been previously investigated by outside consultants and found to be false or inaccurate."

The Board of Corrections reports that CRLA also filed a federal court civil action for the conspiracy to commit murder, charging three Soledad employes with trying to get one inmate to murder another. It developed that two of the three employes named in the suit were not in the prison on the day when the murder was supposed to have occurred. The suit was later dropped.

There is additional evidence, still being further documented, which indicates that some of California's federally funded young legal eagles have been involved in encouraging strikes, riots and other disruptions in California prisons.

Supposedly, these "idealistic" young lawyers are pocketing federal paychecks in return for offering legal aid to the poor in civil matters ranging from divorce to consumer fraud to property disputes. They are required by law to steer clear of criminal cases. But in fact they have shown an alarming proclivity to inject themselves into cases involving radical violence and civil disruption.

Thus, for example, after a police raid on the headquarters of a militant group in the Los Angeles area, law enforcement officials were surprised to see a well-known lawyer from an OEO-funded program popping up in defense of the militants. "Oh, I'm doing this on my own time," was the attorney's explanation. "It's amazing how much of 'their own time' these guys have," says one Los Angeles law officer. "They must open their office to the poor a few hours a week . . . late at night."

Yet CRLA is only one of many controversial legal services projects that have blossomed across the country. The OEO in Washington, for instance, was forced to crack down on the Florida Rural Legal Services (FRLS) program which played a major role in chartering COBY, a militant youth organization steeped in radical activities. The FRLS not only provided assistance to COBY, but published its revolutionary newsletter. *Muck Rake*. Printed on FRLS equipment, *Muck Rake* has portrayed police as "pigs" and printed inflammatory cartoons of police officers beating up blacks.

As another random case in point, the Los Angeles Neighborhood Legal Services program (LANLS) was allowed to function at length until publicity forced Washington to put a halt to its revolutionary activism.

Particularly disturbing was that Kenneth Cloke, who had been closely associated with Communist and Communist-front groups, was an attorney on loan to LANLS. Cloke traveled to Tucson, Ariz., in November 1970 to represent Teri Ann Volpin, a friend who had been jailed for refusing to testify about a matter involving the transportation of dynamite by Weathermen. Miss Volpin had been the Venice area representative to the LANLS board. Other attorneys connected with LANLS had similarly unsavory records.

Indeed, the legal services program seems to be a magnet for revolutionaries and radicals.

Stephen Bingham, who had been deeply involved with OEO activities, including Berkeley Neighborhood Legal Services programs, has now been indicted on five counts of murder in connection with the San Quentin prison violence in August.

Julian Tepper, a Washington anti-poverty lawyer who was on the negotiating committee during the Attica convulsion, is now justifying the prisoner revolt in speeches across the country. Speaking in Providence, R.I., recently, Tepper was quoted as saying it is impossible to condemn the prisoners for the revolt if one is for prison reform.

The prisoners, he went on, could no more be condemned for turning to violence to improve their living conditions than men of the Boston Tea Party. Tepper not only condemned the decision to use force to retake the prison, but strongly defended radical lawyer William Kunstler, who has applauded the prisoners for taking hostages at knife point.

Tepper, incidentally, is an official of one of the legal aid societies that would help govern the legal services corporation.

Federally funded attorneys, moreover, are also known to be cooperating closely with Fay Stender, a member of the pro-Communist National Lawyers Guild. Mrs. Stender is no stranger to left-wing and revolutionary causes. Her clients have included such Movement people as Jerry Rubin and Mario Savio, and it was her brief that recently obtained a retrial and release on bail for Black Panther Huey Newton.

Thus the current federally funded legal services program has become a cradle for revolutionary action. Yet the Congress now seems on the verge of passing a new legal services program possessing less restrictions on it than the present one. The new corporation, if not vetoed, will turn into a lethal revolutionary weapon aimed at bringing down the Republic—and the weapon will be financed with the taxpayers' dough.

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## DEVELOPMENTS REGARDING THE COMPREHENSIVE CHILD DEVELOPMENT ACT

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. RARICK. Mr. Speaker, regarding the child development legislative programs, Dr. Edward P. Zigler, President Nixon's appointee to head the Office of Child Development, is reported to have said:

> People don't recognize the monumental nature of this legislation and what effect it can have on the country in 20 years.

This incredible legislative proposal known as the Comprehensive Child Development Act has already passed both Houses but has not been reported back from the conference committee.

I feel certain that if this Comprehensive Child Development Act were fully explained to the American people and a referendum on it were held, the bill would be ovrewhelmingly rejected.

Why was this bill sneaked through in such haste? Why were no concerned parents groups called to testify at the hearings? After all, parents have the most to lose should the bill be passed and implemented. But, as usual with many bureaucrats, parents are just supposed to provide the money and the children and to be satisfied with what the new American revolution is doing "for their own good."

And now we see more pressure from below in the form of a large half-page advertisement appearing in this morning's Washington Post urging that the Comprehensive Child Development Act be passed. The ad was sponsored by a so-called "Children's Lobby". The following names appeared below the ad:

> Robert Aldrich, M.D., Vice Pres., Health Affairs, University of Colorado; Joyce Black, Pres., New York City Day Care Council; Arnita Boswell, Prof., Social Work, University of Chicago; Urie Bronfenbrenner, Prof., Human Development and Family Studies, Cornell University; Jerome Bruner, M.D., Director, Center for Cognitive Studies, Harvard University; Ricardo Callejo, Attorney, Spanish Speaking, Sur-Named Political Assn., San Francisco; Eli E. Cohen, Exec. Sec., Natl. Committee on Employment of Youth; and Raymond Cohen, M.D., Past President, Texas Pediatric Society.
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> Manuel Diaz, Jr., Vice Pres., New York City Urban Coalition; James Dumpson, Dean, School of Social Work, Fordham University; Marion Edelman, Washington Research Project Action Council; Donald Fink, M.D., Former, Dir., American Academy of Pediatrics Consultation Service; Marcus Foster, PhD., Superintendent, Oakland Public Schools; Glenn Gibson, M.D., Pediatrician, Baton Rouge; Elinor C. Guggenheimer, Policy Council, National Political Women's Caucus; and Dorothy I. Height, Pres., Natl. Council of Negro Women.
>
> Francis Keppel; Reginald Lourie, M.D., Pres. Joint Commission on Mental Health of Children; Sanford Matthews, M.D., Regional Pediatric Medical Coordinator, Atlanta; Joseph Monserrat, Member, Board of Education, New York City; John Niemeyer, Chairman, Day Care and Child Development Council of America; Josephine Nieves, Dir., Puerto Rican Studies, Brooklyn College; Julius Richmond, M.D., Dir., Judge Baker Guidance Center, Harvard University; and Mrs. Alexander Ripley, Vice Pres., California Children's Lobby.
>
> This advertisement sponsored by The Children's Lobby; Jule M. Sugarman, President, New York, N.Y.

One wonders who elected this vested interest group of social workers, youth directors, pediatricians, mental health and human development experts to lobby for America's children. I wonder how many of them even have children of their own. What is their real reason for being so vitally interested in the Federal Government's assuming the role of rearing America's children?

Another development in this area of Nixon's children is a little publicized amendment to the Higher Education Act of 1971, which passed the House after 2 o'clock last Friday morning, is the amendment to establish a National Institute of Education. While paying lip-service to the U.S. Constitution by admitting that "the direction of the education system remains primarily the responsibility of State and local governments," the amendment proposes that the Director of the Institute be separate from the Office of Education and be responsible directly to the Secretary of HEW, who is authorized to establish child development programs and services as follows: Specially designed health, social, and educational programs—including afterschool, summer, weekends, vacation, and overnight programs. The times indicated include every hour of every day of the year.

Now what is this National Institute of Education? The "think-tank" command post for the comprehensive child development program? And what is it to do? It is to conduct educational research—basic and applied—and experiments. And who will be the human guinea pigs for the experimentation and to whom the research will be applied? No doubt they will be your children and grandchildren and mine as well as those of other American parents. And we can expect the experimentation with our children to begin at birth or perhaps age 1. We are told by a proponent of the amendment that "we are just beginning to learn of the critical importance of early childhood education between the ages of 1 and 5 when the rate of learning may be at its peak."

Or, it is possible that international experiments may be conducted with children from Russia, China, and Israel—countries where children are already controlled by the government from infancy.

Section 1407 of the amendment authorizes the Director of the Institute to enter into contracts or cooperative agreements with any international organization or agency—the United Nations, I might suggest, is such an organization—to carry out the purposes of the amendment.

So that our colleagues may refresh themselves on the amendment providing for a National Institute of Education, which passed the House by a 210–153 vote, I insert the amendment at this point in my remarks:

### TITLE XIV—NATIONAL INSTITUTE OF EDUCATION

#### SHORT TITLE

SEC. 1401. This title may be cited as the "National Institute of Education Act".

#### FINDINGS AND DECLARATION OF POLICY

SEC. 1402. (a) (1) The Congress hereby declares it to be the policy of the United States to provide to every person an equal opportunity to receive an education of high quality regardless of his race, color, religion, sex, national origin, or social class. Although the American educational system has pursued this objective, it has not attained it. Inequalities of opportunity to receive high quality education remain pronounced. To achieve quality will require far more dependable knowledge about the processes of learning and education than now exists or can be expected from present research and experimentation in this field. While the direction of the education system remains primarily the responsibility of State and local governments, the Federal Government has a clear responsibility to provide leadership in the conduct and support of scientific inquiry into the educational process.

(2) The Congress further declares it to be the policy of the United States to—

(i) help to solve or to alleviate the problems of, and promote the reform and renewal of American education;

(ii) advance the practice of education, as an art, science, and profession;

(iii) strengthen the scientific and technological foundations of education; and

(iv) build an effective educational research and development system.

(b) The purpose of this title is to establish a National Institute of Education to conduct and support educational research and development and disseminate educational research and development findings throughout the Nation.

#### ESTABLISHMENT OF NATIONAL INSTITUTE OF EDUCATION

SEC. 1403. There is established in the Department of Health, Education, and Welfare a National Institute of Education (hereinafter referred to as the "Institute"). The Institute shall be headed by a Director who shall be appointed by the President with the advice and consent of the Senate. The Director shall perform such duties as are prescribed by the Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") and shall be responsible to such Secretary and not to or through any other officer of that Department. The Director shall not delegate any of his functions to any other officer who is not directly responsible to him. The Director shall receive compensation at the rate prescribed for the Commissioner of Education.

#### FUNCTIONS OF THE INSTITUTE

SEC. 1404. (a) The Director, through the Institute, shall conduct educational research; collect and disseminate the findings of educational research; train individuals in educational research; assist and foster such research, collection, dissemination, or training through grants of technical assistance to, or jointly financed cooperative arrangements with, public or private organizations, institutions, agencies, or individuals; promote the coordination of such research and research support within the Federal Government; and may construct or provide (by grant or otherwise) for such facilities as he determines may be required to accomplish such purposes. As used in this Act the term "educational research" includes but is not limited to research (basic and applied), planning surveys, evaluations, investigations, experiments, developments, and demonstrations.

(b) Not less than 90 per centum of the funds appropriated under section 1408 for a fiscal year shall be expended to carry out this title through grants or contracts with qualified public or private agencies and individuals.

#### EMPLOYMENT OF PERSONNEL

SEC. 1405. The Secretary may appoint and fix the compensation of such officers and employees as may be necessary to carry out such purposes. Such officers and employees shall be appointed in accordance with chapter 51 of title 5, United States Code.

#### NATIONAL ADVISORY COUNCIL ON EDUCATIONAL RESEARCH AND DEVELOPMENT

SEC. 1406(a). The President shall appoint a National Advisory Council on Educational Research and Development which shall—

(1) review and advise the Secretary and the Director on the status of education, educational research and the prospective educational needs of our society;

(2) advise the Secretary and the Director of the Institute on development of programs to be carried out by the Institute and on matters of general policy arising in the administration of this Title;

(3) present to the Secretary and the Director such recommendations as it may deem appropriate for the strengthening of educational research, the improvement of methods of collecting and disseminating the findings of educational research and of ensuring the implementation of educational renewal and reform based upon the findings of educational research;

(4) conduct such studies as may be necessary to fulfill its functions under this section; and

(5) prepare an annual report to the Secretary on the current status and needs of educational research in the United States;

(6) submit an annual report to the President on the activities of the Institute, and on education and educational research in general, (A) which shall include such recommendations and comments as the Council may deem appropriate, and (B) shall be submitted to the Congress not later than March 31 of each year; and

(7) meet at the call of the Chairman, except that it shall meet (A) at least four times during each fiscal year, or (B) whenever one-third of the members request in writing that a meeting be held.

(b) The Council shall be appointed by the President and shall consist of fifteen members appointed for terms of three years; except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term, and (2) the terms of office of the members first taking office shall begin upon enactment of this title and shall expire as designated at the time of appointment, five at the end of three years, five at the end of two years, and five at the end of the first year. One of such members shall be designated by the President as Chairman. Members of the Council who are not regular full-time employees of the United States shall, while serving on the business of the Council, be entitled to receive compensation at rates to be determined by the Secretary, but not exceeding the per diem equivalent for GS–18 for each day so engaged, including travel time and, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. The Director of the Institute and the Commissioner of Education shall serve on the Council ex officio.

(c) The Secretary shall provide to the Council such professional, clerical, and other assistance as may be required to carry out its functions.

(d) The President may also appoint other Federal officials as non-voting ex officio members.

(e) The Council is further authorized to obtain services in accordance with the provisions of section 3109 of title 5, United States Code, and it may enter into contracts for the conduct of studies and other activities necessary to the discharge of its duties.

#### GENERAL PROVISIONS

SEC. 1407. (a) The Director, in order to carry out the purposes of this title, is authorized—

(1) to make, promulgate, issue, rescind and amend rules and regulations governing the manner of operation of the Institute;

(2) to accept unconditional gifts or donations of services, money or property, real, personal or mixed, tangible or intangible;

(3) without regard to section 529 of title 31, United States Code, to enter into and perform such contracts, leases, cooperative agreements or other transactions as may be necessary for the conduct of the Institute's work and on such terms as he may deem appropriate with any agency or instrumentality of the United States, or with any State, territory or possession, or with any political subdivision thereof, or with any international organization or agency, or with any firm, association, corporation or educational institution, or with any person, without regard to statutory provisions prohibiting payment of compensation to aliens;

(4) to acquire (by purchase, lease, condemnation or otherwise), construct, improve, repair, operate and maintain laboratories, research and testing facilities, computing devices, communications networks and machinery and such other real and personal property or interest therein as deemed necessary.

(5) to acquire (by purchase, lease, condemnation or otherwise), and to lease to others or to sell such property in accordance with the provisions of the Federal Property and Administrative Services Act, patents, copyrights, computing programs, theatrical and broadcast performance rights or any form of property whatsoever or any rights thereunder; and

(6) to use the services, computation capacity, communications networks, equipment, personnel and facilities of Federal and other agencies with their consent, with or without reimbursements. Each department and agency of the Federal Government shall cooperate fully with the Director in making its services, equipment, personnel and facilities available to the Institute.

(b) All laborers and mechanics employed by contractors or subcontractors on all construction projects assisted under this title shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–5a). The Secretary of Labor shall have with respect to the labor standards specified in this section the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z–15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276(c)).

### JOINT FUNDING WAIVER AUTHORITY

SEC. 1408. Where funds are advanced for a single project by more than one Federal agency for the purposes of this title, the National Institute of Education may act for all in administering the funds advanced and any such agency may waiver any technical grant or contract requirement which is inconsistent with the similar requirements of the National Institute or which the National Institute does not impose.

### APPROPRIATIONS AUTHORIZED

SEC. 1409. There are authorized to be appropriated for the fiscal year 1972, and for each fiscal year thereafter, such sums as may be necessary to carry out this title, which shall remain available until expended.

As information about the ramifications and the impact of the Comprehensive Child Development Act are more widely disseminated among the general public, more and more concerned Americans are speaking out against it. Much of the publicity being given to the Comprehensive Child Development Act can be credited to concerned grassroots citizens groups in various sections of America. I might add that mothers are taking the lead in this matter.

As additional evidence of concern by American citizens over the Comprehensive Child Development Act, I insert at this point in the RECORD a resolution passed and approved by the American Legion, Department of Washington, and sent to me by its commander, Mr. William J. Fortson; and a commentary on S. 2007 by Mrs. William J. Coonley, of Parents Involved in Legislative Action of El Paso, Tex.

### Resolution 71–2

Whereas, the bills for the Parent Replacement Program, mainly the Comprehensive Child Development, Day-Care, and Child Advocacy, usurps the parent's God-given rights and the parents authority to control, educate and direct their children, and are therefore unconstitutional, and

Whereas, these and other such programs emphasize the rights of the child rather than the needs of the child and the teaching of his responsibilities, and

Whereas, these programs are designed to bring about social change and changes of moral attitudes, and

Whereas, these bills involve the expenditure of astronomical amounts of the taxpayer's money, thus increasing the national economic problem and causing greater inflation, and

Whereas, there is an insufficient number of qualified and trained personnel to implement the programs, and

Whereas, these programs are in fact experimental and use children in part, or in total (through pilot programs) as human guinea pigs, and

Whereas, these programs will supplant all other authority, (the parents, the church school, and the law enforcement agencies) and

Whereas, these programs will destroy the family unit and promote a "new society" that is detrimental and contrary to our American Christian-Judeo concepts upon which this nation was founded; Now therefore, be it resolved that The American Legion, Department of Washington, strongly urge:

a. All legislation and expenditures be stopped on these "Parent Replacement Programs".

b. All funding for progressive, (permissive), innovative, and social changing education of today, (eg. sex education, sensitivity training, alternate schools, etc.) be stopped.

c. The Department of Health, Education and Welfare be investigated thoroughly to list those promoting these programs and said promoters be permanently removed from office.

And it be further resolved that The American Legion, Department of Washington request National Headquarters of the American Legion to initiate the action requested above.

Passed and approved in regular meeting, quorum present, 18th day of October, 1971.

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### The Freedom of America's Children

Bill S. 2007 provides for the "continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes." Read the bill carefully. Halfway through the bill, there is a reference to the Program *Head Start*. The program, Follow Through is also mentioned, along with Family Planning.

*The important fact to recognize about bill S. 2007 is that it contains facets of the Child Advocacy/Child Development Program.* The entire Child Advocacy/Child Development program should be consolidated so that it can be properly examined. In a sense, it has been consolidated in S. 1414 (Sen. Ribicoff, D. Conn) but as the proposed Child Advocacy/Child Development Program now exists, *it will be implemented through the passage of a series of bills.* The unsuspecting will not realize what has been implemented until the damage is done and the HEW sponsored program is in.

S. 2007 is one of this series of bills designed to usher in the "brave new world." At present, various facets of the Child Advocacy/Child Development Program exist and they need only be drawn into a cohesive whole, through the ratification of various bills, to implement an entire new social order for America. If an entire revolutionary social order is to be considered it must not be concealed within numerous bills.

These programs, which are particles of the greater whole, exist virtually unrecognized by most Americans. The concept is far-reaching and is the dream of various behavorial scientists, sociologists, psychologists, psychiatrists and social workers all headed up under the Department of Health, Education, and Welfare. Dr. Edward Zigler of the Department of Health, Education, and Welfare has stated that the Administration's children's program will consist of . . . "revolutionary new day-care centers developing into programs for *all children between the ages of one and six . . . serving children from all social and economic backgrounds* . . . bringing these children together at an early stage in life (first six years) is *one of the best ways to achieve socio-economic integration.*" (Seattle Post-Intelligencer 10/22/70)

Our society has many ills which need rectifying. This cannot be done overnight when we are dealing with America's children . . . America's future. Anyone who is a parent or who has a love and understanding for the young, knows the fragile ego of a child and the nurturing it needs. There *are* those children within our society who need shelter and it should be provided for them. However, the program should *not* be mandatory for all children.

Much of the source material pertaining to Child Advocacy/Child Development consistently states, "*all of the children from all social and economic levels.*" This amounts to one thing . . . *the collective society.*

Some Americans would foster the malignant growth of the so-called collectivist and "classless society." Those who foster this society are divided between the well-meaning but not politically knowledgeable and those who seek to create a tremendous new bureaucracy of jobs, departments and positions at the *expense of the American citizen as an individual and as a taxpayer.*

The source material pertaining to Child Advocacy/Child Development constantly stresses a child's *rights*. The *freedom* of the American child is never mentioned. For decades we have witnessed the slow erosion of *freedom*. The Child Advocacy/Child Development program, *which is slated to ride into our society on the shoulders of the Head Start Program is the greatest threat to our freedom today*. The seeds of the collectivist society are planted.

Our nation is deluged with propaganda. One cannot determine whether he is reading *Good Housekeeping* or the official Communist publication, *Political Affairs*, when he reads of "Day Care Centers," and begins to glimpse the gargantuan hovering figure of bureaucratic "big government" smothering our children in a maze of Dewey-inspired education and social welfarism.

The push for government-controlled children has been advancing for a long time. In June 1969, *Political Affairs*, "Journal of Marxist Thought and Analysis-Theoretical Journal of the Communist Party, U.S.A." observed, ". . . what is now required in addition is a coordinated national effort for federal legislation that would make the nursery and child-care system *an extension of the public school system*. Such an endeavor could and should have the active support of the unions and the broadest range of community, civic and religious organizations."

The recent torrent of writing on Child Advocacy/Child Development and more particularly Day Care was best expressed by *The Humanist* (July/August 1971) in an article which stated, "Another question is, should day care be available to *all*, or only to low-income and welfare recipients? If it is made available to only the welfare recipient and working poor, *it may acquire the stigma attributed to present public assistance programs.*"

In the official Communist newspaper, *The People's World* (World Magazine section, July 24, 1971) is an article entitled, "Nixon's Family Destruction Plan." The writer observes, "A leader of the independent forces at the White House Conference was Mrs. Therese Lansburgh, President of the *Day Care and Child Development Council of America* . . . she said 500,000 new day care spaces are needed annually between now and 1980—a total of 5.6 million. Mrs. Lansburgh urged nationwide support for a new movement called the "Children's Lobby' with offices at 110 Riverside Drive, New York City."

Again—the advocates of the collectivist society.

"The family, however, is not a psychological necessity . . . Today people are disturbed when the family is criticized or said to be declining because they see in it the only possibility for human warmth or sociability . . . the *myth* of the family blinds us to the dangers of our normal child-care practices." . . . states an article captioned, "Families Can be Unhealthy for Children and Other Living Things." (*Psychology Today,* August 1971)

Even *Good Housekeeping* (September 1971) has joined the chorus of those who would restructure life for American youth and following generations. An article describing, "Day Care Centers," states: "A portion of the article is devoted to the Women's Lib activists who advocate the working mother liberated from her children . . . Dr. Urie Bronfenbrenner (states). 'Nobody should have to live in the crazy world the modern woman with young children lives in without help.' Day Care, he believes, is part of the answer."

The article continues, "As the new day-care movement has gained momentum, there has been an upsurge of interest in operating chains of franchised centers for profit. Expectations that Congress might vote money for subsidizing construction and operating costs only increased the enthusiasm. One economist predicted Day Care might become as big a business as the automobile industry. At least 20 companies are currently involved in developing franchised centers . . . says a pediatrician, 'The plight of our elderly citizens in nursing homes that are run for profit provides a frightening example of what might happen to our children.' . . . franchisers cannot be expected to fade away. *With large sums of money involved and the stakes high, battles will be fought by their supporters both in Washington, D.C. and on state and community levels* . . . Some authorities believe that the expansion of national *Head Start* programs that are currently available only to children of lower-income families may offer the simplest and most practical solution. . . They provide for the participation of neighborhood people and as public programs, are open to all children. In Washington, the Office of Child Development in the Department of Health, Education, and Welfare has assumed the task of setting standards for what Day Care should be . . . the director Dr. Edward F. Zigler, one of the original *Head Start* planners, admits that, 'We can't really set up more day-care centers overnight. I assure you that we can expand within *existing framework* as fast as funds and facilities become available.' "

The radical Chicano publication *Regeneracion,* Vol I, No. 10 entered the propaganda assault with an article entitled, "For All Women—A Proposal for Child Care," remarking, "In California there are a variety of child care programs; private, federal-state-community financed and children's *Head Start* centers . . . there is a jumble of programs . . . It seems clear to us that what must be done is to try to sort out the tangle and organize parents statewide to set up *one* child care program . . . We propose one agency representative of and responsible to the individual centers."

Norman Cousin's *Saturday Review of Literature* joined the hue and cry for the mass-produced child. In the August 21, 1971 issue in an article headed, "Who Raises Russia's Children?" the author cites the studies of the psychologist Dr. Urie Bronfenbrenner ("Two Worlds of Childhood: U.S. and U.S.S.R.) and compares Project *Head Start* to the Russian pre-school projects. The article hastens to point out an interview with the director of a nursery-kindergarten, "She seemed genuinely puzzled when I asked her for ideas on the problem of how to provide an *equal* educational opportunity for the child of a scientist and the child of an unskilled worker . . . . Waving a manual of instructions from the Soviet Education Ministry, she replied: 'All of our children are taught in the same way, according to carefully laid out principles. There is *no difference* in the way children respond to school; I worked in a factory neighborhood before I came to this nursery, and the children *were exactly the same*. Every child has the same chance, especially if he comes to the nursery when he is two or three years old . . . . It would only confuse a child to see the person next to him doing something different. *Children learn by imitating* . . . The kindergarten has to offer excitement for a child's mind as well as *training for collective life.*"

It is apparent that the United States is being inundated with a torrent of propaganda in order to "soften up" and prepare the people of this nation to surrender their children and deliver them into the hands of psychologists, psychiatrists, educators, behavorial scientists and even a large body of poorly trained personnel. It is obvious that there are not enough trained personnel to fill the posts of the gigantic program espoused by HEW.

Most American families give their children the proper care, love and training. Conversely, there *are* children within our society who suffer neglect, deprivation and even abuse. Perhaps the Child Advocacy Program would keep these children from becoming the derelicts and delinquents of tomorrow's society. Parents, citizens and legislators of the nation must work towards a tempering of the Child Advocacy/Child Development Program. With the aid of revisions, we must plug the legal loop-holes which constitute a possible threat to the equilibrium of American family life and leave a structure that would shelter the children who are in *need* of help.

First of all, anything pertaining to our nation's 50,000,000 children *should not be concealed within a bill.* Any proposed program should be made clear to our legislators and to the people of this country. Many of the *hundred-odd bills* pertaining to Child Advocacy/Child Development stress a child's *rights*—none of these bills mention the word *freedom* of America's children. Is the freedom of our children to be turned over to the "master planners?"

Today's adults are responsible for the future of today's defenseless children. Bills pertaining to our children must be *out in the open and carefully studied.* We must scan every line of every bill regarding our children, their education and their futures.

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## TWENTY-SIX DISASTROUS YEARS

## HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mrs. ABZUG. Mr. Speaker, the Senate's action last week to defeat the foreign aid bill points up the reality of acknowledged consensus concerning American foreign policy. Americans are communicating to their duly elected officials their desire to restructure and reorient American goals and appropriations in order to sort out a foreign policy shrouded in inconsistencies and inundated with cold war strategies now long outdated. This change of attitude is not limited to youth groups, or antiwar groups but is found within the military as well.

I insert into the Record an article by retired Brig. Gen. Hugh B. Hester of the U.S. Army who points up the disaster of our foreign policy, not in the past 5 years of the past decade, but a policy riddled with deception for the past 26 years. I think my colleagues will find this article of considerable interest.

The article follows:

### Twenty-Six Disastrous Years

(By Hugh B. Hester, brigadier general, U.S. Army, retired)

As a result of the recent Pentagon disclosures, even the most extreme supporter of the military and foreign policy of the United States can no longer successfully deny the charge that successive Washington administrations since World War II (WWII) have deliberately deceived the American people and the Congress, particularly in matters pertaining to war and peace. These disclosures denote progress, but they are not enough. A disclosure of the deceptions of the Truman Administration must be promptly added, for these laid the foundation for the deceptions that followed. And those of the Nixon Administration must be kept current by constant and energetic probing.

Actually, nothing new of very great importance has been disclosed by the Pentagon Papers. Many competent students and some of the mass communication media had previously reported the facts. The basic trouble has been an uninterested or lethargic public and an elite class of leaders, civil, military, and business, who do not trust the people. What is new and shattering, however, to the uninformed and silent majority is that the king's own diaries have disclosed how horrible and shoddy they really look without clothes. The following will, I hope, give a glimpse of the present and past not covered by the Pentagon Papers.

One aspect of the tragedy of our genocidal war in Vietnam is disclosed in this comment by Dr. Stephen E. Ambrose, now the Eisenhower Professor of War and Peace, Kansas State University:

"We have dropped more bombs on that tiny land (Indochina) than all the (other) targets in the whole of human history put together . . ."

And Professor Ambrose continues, "Indochina contains enough bomb craters to occupy an area greater than Connecticut's 5,000 square miles . . . We have released more than 100 million pounds of chemical herbicides over more than 4 million acres . . . some experts speculate that Vietnam can never recover from the ecological effects of the American bomb and chemical air offensive . . .".

Professor Ambrose says further, "Two American medical doctors, recently returned from Vietnam, estimate that South Vietnam has suffered 4 million casualties . . ."

If this not genocide, then you name it.

The ugly tragedy occurring in Indochina has its roots in the past. Each succeeding President in turn has contributed his share toward that disaster. An all-too-brief analysis of what I choose to call "Twenty-Six Disastrous Years," makes this clear.

Gar Alperovitz, a distinguished American scholar, in his book, Atomic Diplomacy: Hiroshima and Potsdam, completely demolished the Truman claim that dropping the atomic bombs on Japan, August 6 and 9, 1945, saved a million American lives. This book discloses that the top military leaders of Great Britain and the United States are on record as stating there was no military necessity for dropping the bombs, as Japan was already trying to surrender. The conclusion is, therefore, inescapable that the decision to drop them was a political one: a warning to the Soviet Union. This marked the renewal of the Cold War which had been swept under the rug for the duration of WWII. (See also, Yalta, Prelude to the Cold War, by Diane Shaver Clemens, Oxford Press.)

The late Korean expert and American scholar, George McCune, born in Korea of American missionary parents, in his book, Korea Today, describes how Korea was united and then divided shortly after the war in the Pacific ended, August 15, 1945. McCune, because of his Korean expertise, was sent to Korea very early. Upon arrival, he found that a provisional Korean Government had been set up in Seoul immediately after the war ended, representative of every important Korean group, and that they had disarmed the Japanese military forces and were actually governing all of Korea when he arrived. General Hodge, however, according to McCune, dismissed this government upon his arrival in mid-September 1945, and turned the administration of South Korea back to the Japanese and their Korean collaborators, pending the arrival of Truman's puppet, Syngman Rhee.

This ended Korean unity for an indefinite period and cleared the way for the Korean Civil War, June 1950, a war which the Truman Administration immediately converted into a U.S. war to "contain communism," camouflaged under the name of the United Nations. Immediately thereafter, it also intervened in China's Civil War by placing the Seventh U.S. Fleet in the Formosa Strait, under the pretext of protecting the southern flank of its military forces. This was also in violation of the United Nations Charter. Having succeeded in forcing the United Nations to intervene in a civil war in violation of its own Charter, the Truman Administration then forced the United Nations to accept its puppet, Chiang Kai Shek, located on the tiny island of Taiwan, as the U.N. representative of all of China. These stupid acts finally forced the real China into the Korean War in defense of her core interest, North Korea.

This writer was stationed in Berlin, Germany, September 1945 to November 1947, as head of a program designed to provide the German people in the U.S. Zone with enough food to prevent starvation and unrest which might threaten the security of U.S. forces. From this observation post, I watched at close range the disastrous results of Truman's revived Cold War, which were: A divided Berlin, Germany, and Europe, and a rearmed Germany. These tragic errors, when combined, in my opinion, not only threatened the peace of Europe, but also the peace of the world. In addition to this, I would like to record two very interesting personal experiences which I consider germane to my German assignment.

On January 30, 1947, at Stuttgart, Germany, the late former President, Herbert Hoover, told a group of Germans which I had assembled to discuss food import requirements for the U.S. Zone, "We are counting upon your support in the coming war against the atheistic barbarians of the East." At the time, Mr. Hoover was on an economic mission to Germany for President Truman. The above quote was Mr. Hoover's only comment to my suggestion that the Germans might be interested in his reaction to the above requirements report.

The other incident occurred a few days before I left Germany for my new assignment as U.S. Military Attache to Australia. The occasion was a discussion of German currency reform with one of the top advisors to the U.S. Military Governor. In answer to my inquiry as to how the negotiations were going, he replied that the United States was imposing conditions that the Soviets could not accept. Apparently in reaction to my obvious surprise, he stated, "We are going to drive the Russians not only out of Germany, but out of Europe." It was the introduction of the new German mark which "the Soviets could not accept," into the three Western sectors of Berlin that provoked the Soviet ground and water blockade and the U.S. Berlin air lift response.

Space limitations prevent a detailed analysis of the Cold and Hot War acts which have marked the past twenty-six years. Reporter readers wishing to read a comprehensive and scholarly discussion of the fateful years of the Truman Administration which laid the basis for the tragic eighteen years which have followed should carefully study, How We Got Where We Are, by Robert Lash, a distinguished member of the editorial staff of the St. Louis Post-Dispatch, and Pulitzer Prize winner, carried in the July 1971 issue of the Progessive Magazine, Madison, Wisconsin.

The eight Eisenhower years in the White House have come to represent a period of relative national rest from the previous 30-odd years of war, Hot and Cold, depressions, and maddening world tensions. On the positive side: he ended Truman's Korean War; refused to enter the French Colonial War in Indochina in spite of the urgings of his Vice President Richard M. Nixon, his Secretary of State John Foster Dulles, and the recommendations of all the members of the Joint Chiefs of Staff save that of General Matthew B. Ridgway, the Army Chief of Staff; and he reduced the annual military budget to the manageable amount of $40 billion. It is now twice that amount.

On the negative side, General Eisenhower permitted Dulles to organize SEATO, which proved to be the entering wedge by which the Kennedy, Johnson, and Nixon Administrations later converted the French Colonial war in Indochina into an American Imperial war; and permitted the CIA to begin its massive expansion into a government inside the government, with power to overthrow foreign governments and make limited warfare upon them, clandestinely make foreign policies, and actually engage in massive espionage and sabotage programs. None of these, however, gained anything remotely resembling their present massive power during his eight-year stewardship.

The One Thousand Days of the Kennedy Administration were dominated, in my view, by strife, turmoil, and near national disaster during the missile crisis, October 1962, and ended in the personal tragedy of the Kennedy assassination, November 22, 1963. The most interesting and informative narrative of this period which I have seen is contained in an article, "The Kennedy Private War," the New York Review of Books, June 22, 1971, issue. The article does not give a flattering account of the Kennedy Administration, but it nevertheless deserves wide readership and discussion. Even if a small fraction of the material contained in this article is proven correct, the popular conception of the young President will be radically changed. It pictures him as just as full of deception, duplicity and Machiavellian characteristics as typifies his two successors. It contains no official evidence whatsoever that the personable young President had plans to extricate the nation from the Indochinese quagmire into which John Foster Dulles first placed us, as claimed by Kenneth O'Donnell, his friend, and the former Senator Wayne Morse. If Kennedy had reversed his initial policy of expanding U.S. involvement in Indochina and ordered substantial withdrawal of troops, only to have these orders cancelled by his successor, surely this should be verified and officially made known. If these orders were given, they must have been recorded somewhere.

The widely circulated and much-discussed Pentagon Papers, disclosing the colossal and calculated character of the deception imposed upon the Congress and the American people by the Johnson Administration as to why and how it catapulted this nation into the Indochinese jungle, makes unnecessary, it seems to me, further discussion here. I would add one caveat, however, and urge Congress, the press and people to examine closely at all times the activities of the Nixon Administration, which seem to me to be based on the same false assumptions, myths, and objectives as those of its predecessors.

The solid fact remains that successive Washington Administrations have pursued a global grab for power policy since WWII under the euphemistic term of "Communist containment." This term has been used, in my opinion, as a fig leaf to cover up their real purpose, which is, World Domination by the United States.

Along with many millions of the most dedicated, best-informed and most patriotic Americans, I have characterized successive Washington Administration wars of aggression upon the Indochinese people as illegal, immoral, and genocidal. Vietnam was one nation before the United States was discovered, and the 1954 Geneva Agreements confirmed that she was still one nation. A nation cannot commit aggression against itself. It was the Eisenhower Administration that violated the Geneva Agreements by instructing its Saigon quisling agent, Ngo Dinh Diem, not to permit elections throughout Vietnam in 1956, as scheduled at the Geneva Conference 1954. (See Eisenhower's book, Mandate for Change; and General Ridgway's book, Soldier: Memoirs of Matthew B. Ridgway; and also see the article, "Vietnam Lobby," Ramparts Magazine, July 1965, written by Robert Scheer and Walter Hinkle.)

For proof of the illegality of the Johnson and Nixon Administration wars of aggression, imposed upon the Indochinese people, I suggest that Reporter readers study the pamphlet "America Vis-A-Vis Vietnam," prepared by an ad hoc committee of distinguished national and international lawyers. (This report was inserted in the Congressional Record by Senator Wayne Morse, February 25, 1966. Copies can be secured by writing your Congressman) A much larger and more detailed study is now available in book form, Vietnam and International Law: The Illegality of the U.S. Military Invasion, prepared by a Consultative Lawyers Committee on American Policy Toward Vietnam, with John H. E. Fried, Rapporteur. (See O'Hare Books, Inc. publication, 10 Barkley Road, Flanders, N.J. 07836.) The facts and the law contained in these two sources proclam in irrefutable logic, I believe that these wars are illegal.

There are scores of books testifying to the immorality of the Indochinese War as conducted by the Johnson and Nixon Administrations. I strongly urge that Reporter readers ponder a book, In the Name of America, a Study Commissioned and Published by Clergy and Layman Concerned About Vietnam, because of the high intellectual quality and unquestioned moral character of those sponsoring and those collecting the material, which shows that almost every law contained in International Conventions Relating to the Conduct of War, and signed by our government, have been violated by our forces in Indochina. This book may be obtained at many book stores, or by sending a check or money order for $2.95 per copy for paperback, or $4.95 for hard cover, to Clergy and Laymen Concerned, Rm. 547, 475 Riverside Drive, New York, N.Y. 10027. I urge its wide readership. There will be few readers indeed of this collection of war crimes who will not cry, "In the Name of God, Stop This War!"

In support of a charge that the Johnson and Nixon Administrations have committed genocide in this war upon the Indochinese people, I suggest a study of Ecoside in Indochina by Barry Wiesberg, Canfield Press-Harper & Row, paperback $3.95; Chemical and Biological Warfare, by Seymour N. Hersh, Boggs Merrill, $7.50; "Chemical and Biological Warfare Hearings of U.S. Senate Committee for Foreign Relations," (Free).

As a wrap-up for the illegal, immoral, and genocidal characteristics of these wars which I charge successive Washington Administrations with having waged in Indochina, I strongly urge Reporter readers to study Neil

Sheehan's Article, "Shall We Have War Crime Trials?", New York Times Book Review, March 28, issue, 1971. The author discusses in depth the war crime issue and thirty-three books, pamphlets and reports on this subject.

It may surprise Reporter readers for a former Brigadier General of the U.S. Army to express these views. Admittedly, they anger Cold War Warriors and War Hawks. Honest discussions, however, are vital to a free society. Opposition to harmful and dangerous government policies at every level is not only the right of every citizen, but a duty as well. And failure to exercise this duty is, in itself, a form of subversion.

I opposed the Cold War between the two World Wars, and its revival by the Truman Administration after WWII, because I feared this would fuel the flames of war and violence generally, and it has. Certainly I am as aware, as most others are, of the crimes committed by other nations and their people. I have been criticized for not concentrating on these crimes at least equally with those of our own. The answer, to me, is quite simple: my relations with, and responsibility to other nations and people, and to my own country and people, are quite different. Hopefully, I may have some wholesome influence upon the latter. Besides, I cannot see how condemning the crimes of the Viet Cong or of other foreign countries can reduce or expiate the crimes of our so-called leaders and our own people.

Anyway, I am prepared to state that I have never written an article, or letter, or made a speech in opposition to U.S. Government policies that I did not sincerely believe would serve the best interests of our people, to whom I owe my principal loyalty. To me this is the true test of a patriot. Otherwise, those who served Hitler and Tojo loyally and well would be the real German and Japanese patriots.

To the charge that I support the United Nations, I proudly plead guilty. I do so because I believe that international cooperation must replace conflict, which means war. And war is now outmoded because of the existence of thermo-nuclear and other weapons of mass destruction. I also believe the world is ONE and that we are all children of the same GOD. Albert Szent Gyorgyi, the distinguished Hungarian scientist and Nobel Laureate of Medicine, now a U.S. citizen, put it this way: "Distance has vanished and we are living, now, all in the same cave in which there is room for one family only, the family of man (therefore) we can have but one moral code for our behavior, the one for life inside the group, there being no outside group anymore." (May, 1964, Bulletin of Atomic Scientists.)

### ABOUT THE AUTHOR

Gen. Hugh B. Hester, the author of this article, brings unique competence to the subject. He has served with distinction in both World Wars, retiring with the rank of Brigadier General, U.S. Army, at the end of 1951 after more than 34 years continuous service in the U.S. Army.

Born in North Carolina on August 5, 1895, he graduated from the University of North Carolina. He was commissioned a Second Lieutenant of Field Artillery on August 15, 1917; graduated from the Field Artillery School, Samur, France, in December 1917, and served with the Second Division throughout the war in all its engagements, five major operations in all. Both the U.S. and French Governments decorated him for gallantry in action. Following the Armistice, he served in the German Occupation from December 1918 to August 1919.

Between World War I and II, he attended various military schools, and was assigned to the War Department from 1938 to 1942. Thereafter, he served under General MacArthur in the Pacific from 1942 to the end of World War II. At the end of the war, he was assigned to the military government in Germany, September 1945 to November 1947, following which he was U.S. military attaché to Australia from 1947 to 1948, and completed his military career by commanding Army supply depots in Philadelphia, Pa. from 1948 through 1951. For his service in World War II, he was awarded both the United States Distinguished Sevice Medal (the highest U.S. Army award for non-combat service) and the French Legion of Honor.

After his retirement from the U.S. Army in 1951, he did graduate work at the University of Pennsylvania for 3½ years, specializing in U.S. Foreign Policy and International Relations, and has been a lecturer and writer on both subjects since 1955. He is co-author of "On the Brink" (Lyle Stuart, publisher, 1959, New York, N.Y.). He is now writing a book of which the present article is a preview.

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## THOUGHTFUL COMMENTS BY A STUDENT

## HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. FRASER. Mr. Speaker, an address given by a college student in my State contains many valid points about our educational system.

Education can be improved if we will listen to the comments of alert and perceptive students.

The address follows:

VALEDICTORY ADDRESS DELIVERED BY MICHAEL J. GLENNON, COLLEGE OF ST. THOMAS, ST. PAUL, MINN.

Archbishop Byrne, Dr. Moos, Msgr. Murphy, members of the faculty, fellow students, ladies and gentlemen:

I consider it a great privilege to represent our class here today.

In years past, it would have been sufficient, in remarks such as these, to mention hallowed halls, bumpy roads, and uncharted seas; to make some abstruse reference to Plato's Cave, Don Quixote's windmills, and Feuerbach's irrelevance; and to mix them all together into precisely the right blend of scholastic unintelligibility.

But the time for comforting platitudes is over. I want to talk today about something that concerns me very much.

The summer before last I walked through Resurrection City, the village of plywood shanties built by poor people assembled in Washington. It was a memorable walk. The temperature was 90. The place smelled like a pig sty. There were flies everywhere, and everywhere you walked your shoes sank in mud. When it rained—and it rained a lot that summer—water, dripping through the plywood, fell on sleeping children.

### FORMS OF MANIPULATION

The people of Resurrection City came to Washington for a number of reasons—poverty, discrimination, disease. But it seems to me that, behind it all, they were saying something that many students have been saying this past month; something that blacks have been saying for the past decade; and something that every one here has at least thought at one time or another. They were saying that they were tired of having their lives callously manipulated.

Manipulation comes in many forms. There is the manipulation of the draft. There is the manipulation of some employees by their bosses. There is the manipulation of small countries by larger ones.

But what I want to talk about, in these few minutes, is an invisible form of manipulation aimed at every one of us—students, housewives, salesmen and professors. It is an assault on freedom more dangerous than any wiretap and more frightening than any midnight policy raid—that is, the manipulation of the human mind—the elimination of alternative choices through psychological coercion.

### AGE OF TRANSITION

Thought control is not completely new, but it has never been easier than it is today. For this is a transitional age. Agreement on basic assumptions is no longer universal. The press reported recently that a student filled out a form that asked, "Do you favor the overthrow of the United States government by force or violence?" Thinking it a multiple choice question, the student circled "violence." When we were freshmen, Dr. Shannon, in a Vatican II lecture, referred to the "arsonistics"—those who demand reform at the price of violence—and the "immobilistics"—those who demand comfort at the price of stagnation. Today, the gulf between those two groups is growing wider. Their numbers are growing larger. We have discovered that many of the ladders that take a lifetime to climb are against the wrong walls. And so, what would be lives of quiet desperation have become noisy excursions into uncertainty and frustration. So many values have been devaluated within our own lives that we hesitate to adopt new ones. As Marshall McLuhan said, we always back into the future by looking into the past.

As a result, in this context of confusion, there is little need for the manipulators to restrict the right to choose—undesired alternatives are erased by subtle appeals to fear, pride and patriotism. The solution to perplexing social turmoil is "law and order." The answer to an "effete corps of impudent snobs" is "love it or leave it." And the only way to halt communism is for the United States to become a global Wyatt Earp.

### SIMPLICITY IS NOT VALIDITY

Of course, it's hard to judge after only 22 years, but I sometimes have the suspicion that the validity of solutions presented to us may not be proportionate to their simplicity and emotional appeal.

We live in a complex age. Psychologists tell us that complexity breeds anxiety, anxiety fear, and fear desperation. And desperation can cause some strange, strange distortions. In an age of totalitarian communism, American liberty must be preserved. How do we preserve it? By tapping telephone conversations, by opening mail without permission, by bursting into private homes without a knock or a search warrant—and by intimidating newspapers and TV commentators that have the audacity to criticize such patriotism. The double-think slogans—war is peace, slavery is freedom—were not supposed to arrive until 1984. But already we are faced with the curious intelligence that to benignly neglect is to helpfully correct; that to destroy is to save; that to escalate is to de-escalate. It's hard to believe. It's really hard to believe that those things can be said—and accepted! —in the best educated country in the world.

A good part of the reason for this susceptibility to mental manipulation lies in the educational system. For too long education has been merely a passport to a bankbook. For too long the goal of American education has been to shoehorn people into society with as little pinch as possible. We are called to fight in a war without meaning or morality, and what do we study? Iambic pentameter. Our children may be born into a world where the greatest health hazard is *air*, and what do we study? Conjugation of the French subjunctive.

### NICETIES OR NECESSITIES?

These are, of course, valid subjects for study.

It's just that there have not been that many sonnets written or verbs conjugated in graveyards and cemeteries. When the study of niceties excludes the study of necessities, there is something sadly lacking in an education. For education's first task must be to create a social climate in which the niceties can be studied. This means, today, that it must be at the vanguard in man's fight for survival. Education must encourage creativity rather than conformity, innovation rather than tradition, and above all, questioning rather than acceptance.

Questioning is never easy. It requires the boldness to speak out, the courage to stand alone, and the integrity to debate rationally. The questioning mind recognizes that silence and majority membership are *not* the ultimate civic virtues; that to be content is often to be insensitive; and that, as Brandeis said, "The greatest menace to freedom is an inert people . . . public discussion is a political duty."

Few chains have been broken, however, by ideas alone. Ideas have to be translated into action—and that's where the trouble starts. How many of us will retain our moral judgment when the payments on our splitlevels and second cars are affected? How many of us will dare to bring forth the wrath of our wives bridge clubs by speaking out against bigotry and repression? And how many of us will demand an end to senseless murder if it also means an end to Christmas bonuses?

### COMFORT AND EXPENSE

Of course, we can always take the easy road. We can always say, "Well, the president knows more about it than I do," and then bury out heads in the sand of Gilligan's Island. We can always say, "There's nothing I can do about it anyway," and retreat to the quiet safety of the golf course.

The escape from freedom is usually comfortable. But that comfort can be expensive. We may have to dull our hearing to avoid the cries of starving children. We may have to blur our vision so we won't see our sons and brothers dying before our eyes on a TV screen. Then when we've deadened all our senses we can be truly comfortable—nothing more can touch us. We need never be moved to take an unpopular stand that might threaten that comfort.

But if we do choose that course, we'd better do our best to forget the disquieting warning of Dante. For it's as true today as it was 700 years ago. He said: "The hottest places in hell are reserved for those who, in time of moral crisis, preserve their neutrality."

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## THE FAMILY FARM ACT OF 1972

## HON. JAMES ABOUREZK

OF SOUTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. ABOUREZK. Mr. Speaker, today I am introducing the Family Farm Act of 1972, an act designed to prohibit conglomerate farm operations which constitute unfair, monopolistic competition for the family farmer. Over the past decade family farmers have been driven off the land by unfair competition from vertically integrated conglomerates that write off production losses against huge profits made in their manufacturing and distribution operations. This kind of writeoff is a luxury that is denied to the family farmer, and it is a luxury that is the direct result of monopoly in the agricultural industry. Supermarkets, for example, now receive a 23-percent return on every dollar invested, while farm operators get only about 1 percent. Clearly, a large corporation which owns a supermarket chain can use the 23-percent return to offset some pretty large losses in its actual farming operations. What family farmer or rancher could do that?

In his recent series of articles in the Washington Post, Nick Kotz, a Washington Post staff writer, provided us with an excellent and detailed study of this problem. In the first article of that series he looked at Tenneco, Inc., the 34th largest U.S. corporation. In its own report to its stockholders, the conglomerate states:

> Tenneco's goal in agriculture is integration from seedling to supermarket.

To help meet its goal Tenneco has 1970 profits of $324 million acquired in such fields as oil production, manufacturing, and shipbuilding.

There is no reason why farm and ranch families should have to compete with huge corporations such as this that produce their own machinery, buy fertilizers from their own subsidiaries and distribute and market their produce in their own packing and supermarket facilities. This is unfair competition that is crowned by the final irony that it has nothing whatsoever to do with efficiency of production. Agricultural conglomerates are not more efficient than a reasonable size family farm. In fact, the really large conglomerates often suffer from bureaucratic hardening of the arteries that makes them less efficient than a good family operation. Unfairness lies in the fact that even the most efficient family operation can be undersold by a conglomerate whose actual farming operation is less efficient than that of the family farm.

When this happens, everybody loses. The family farmer loses because he is forced from his chosen occupation and evicted from his lifelong home. The consumer loses because the cost of his food supply is placed more and more in the hands of a few large conglomerates who will soon control prices across the country. Our urban areas lose because they must pay the taxes to provide roads, and schools, and often welfare for the displaced farmer. And the Nation as a whole loses because conglomerate farming only accelerates the trend toward overpopulated cities and barren rural areas.

There is no excuse for pretending that it is the inevitable law of the market place that all family farms should be replaced by corporate producers. This is bad economics, and it is terrible public policy for a nation that already has far too much of its population crowded into a few metropolitan centers. I am pleased that a number of my colleagues have joined me today by cosponsoring this vital legislation. If others are interested, I would be happy to reintroduce the bill at a later date. A copy of the legislation follows:

### H.R. 11654

A bill to amend sections 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 9 of the Clayton Act (38 Stat. 730; 15 U.S.C.A., sec. 12) is amended by adding the following:

"FINDINGS AND PURPOSES

"SEC. 9. (a) The Congress finds that it is desirable to preserve free, private enterprise, to protect small business and prevent monopoly, and to protect opportunity for family farmers in interstate commerce, as well as to protect consumers. Vertical integration of the agricultural industry by the processing, distributing and retailing industries and conglomerate businesses have created situations of unfair, monopolistic competition for the family farmer. This situation has contributed to the decline of rural populations and the consequent crowding of metropolitan centers. It has resulted in a noticeable decline in competition in some phases of agricultural production and threatens others. It is the national policy to restore competition to the agricultural industry and to provide for the continuance of the family farm.

"(b) This Act shall be known as the Family Farm Act of 1972.

"(c) No person, partnership, corporation, trust or conglomerate business entity engaged in non-farming business in or effecting commerce and owning or controlling assets amounting to more than $3,000,000 or owning or controlling stock or other share of capital in one or more business entities in commerce with a total value of $1,000,000 or more, such as, but not limited to, those corporations engaged in the meat or poultry packing business or the wholesaling or retailing of red meat, poultry or livestock products, including dairy products; or engaged in the processing, purchasing, selling or handling of grain or other field crops, including fruits, vegetables, pulses, or animal feeds; or engaged in the production, sale or distribution of agricultural chemicals and fertilizers or petroleum products; or engaged in the manufacture, sale or distribution of farm supplies, including machinery, buildings, fencing or other equipment; or engaged in the business of insurance banking, money lending or extension of real estate or production credit or selling goods to or providing services to farmers; or engaging in other similar business activities or in buying agricultural products from farm producers except farmer-owned and controlled cooperatives, corporations and associations which meet the conditions of the Capper-Volstead Act (42 Stat. 388) shall directly or indirectly engage in farming or production of agricultural products, or control, or attempt to control, agricultural production through the ownership or leasing of land for agricultural purposes or by contracts with others or by integration, merger or any other means of acquisition or control; *Provided,* That the foregoing prohibition shall not apply in the case of any one or more of the following:

(1) charitable institutions which engage in agricultural production for other than income purposes as a part of their charitable function;

(2) educational institutions engaged in research as a part of academic and extension activities; and

(3) non-profit institutions engaged in agricultural production solely for purposes of research.

"(d) Every person, partnership, corporation, trust or conglomerate business entity subject to the prohibitions of Section 9 (c) of this Act that is lawfully engaged in agricultural production or controls agricultural production prior to the enactment of this Act shall be required to divest all holdings, assets and other interests in such production within five years after enactment.

"(e) Nothing in any provision of this Act shall be construed to prevent any creditor, legatee, beneficiary, or intestate successor subject to Section 9(c) of this Act from lawfully, acquiring, pursuant to forfeiture or laws of succession, land or other means of agricultural production or of control of such means of agricultural production provided that they shall divest themselves of such property within two years of acquisition.

"(f) Section 11 of the Clayton Act (38 Stat. 730) is hereby amended to include Section 9 within the enforcement provisions of Section 11.

"(g) This Act shall become effective upon its enactment."

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## A REAL HERO—WINFORD STINSON

## HON. LOUIS C. WYMAN

OF NEW HAMPSHIRE

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. WYMAN. Mr. Speaker, in these times of seeming public indifference to tragedy and crime, it is positively refreshing to learn that there are citizens who will risk their lives to protect innocent victims from vicious criminals. Such a man is Winford Stinson from Lynn, Mass., who battled a knife-wielding assailant in a Stoneham home Stinson was delivering milk to.

I know all Members of Congress would join me in commending Mr. Stinson for his unselfish and heroic conduct. Americans everywhere have reason to be proud of Winford Stinson.

So that others may know of Mr. Stinson's heroism, I include the following account from a recent issue of the Boston Herald:

### HERO MILKMAN "DIDN'T KNOW I WAS FIGHTING FOR MY LIFE"

(By Joe Purcell)

A Lynn milkman who decided to get "involved," sat upright yesterday in a bed at New England Memorial Hospital in Stoneham, his left lung deflated, his left arm checkered with teeth bite marks, his condition listed as "satisfactory."

"I didn't know I was fighting for my life until it was all over," said 32-year-old Winford Stinson, the father of two.

On Wednesday, Stinson was stabbed in the chest and bitten while battling with a knife-wielding man who had invaded a Stoneham home, trussed up two women, one of them elderly, and allegedly was attempting to rob the house.

One of the women is a customer of Stinson's, 87-year-old Mrs. Emily Nesmith, and the other her daughter, Mrs. Helen Rand of Cedar Lane, Merrimack, N.H., who was visiting her mother.

Stinson said that when he pulled his truck into the Nesmith driveway at 16 Sunset Rd., the intruder apparently had been inside for some time. The house was ransacked. Mrs. Nesmith and Mrs. Rand sat in terror on a living room-dining room sofa, electric cord in tight loops around their wrists.

"I put the milk down on the breezeway floor and the door opened," Stinson said. This guy appeared. He had a knife and he motioned me inside and I said, 'Oh, no,' and I motioned to him to come outside into the breezeway.

"Then he tried to pull me in, and I lunged at him and pulled him into the breezeway. There was a stirring inside the house and out of the corner of my eye I could see Mrs. Nesmith.

"This guy was strong as a bull. I grabbed him and I kept warding off the knife and we waltzed around in the breezeway. There was a lot of banging around."

Stinson said he liked Mrs. Nesmith very much because she had been "nice to me" and "used to give me coffee when it was cold."

"Anyway, there was a lot of yelling and I felt myself getting weak—I had been stabbed at the time I guess but didn't know it—and then I gave a hard push and this guy went right through a panel of glass in the breezeway."

Dr. Morton H. Healfitz interrupted Stinson's recital and said he was going to do a "thoracotomy"—re-inflate the left lung. Stinson said, "Don't go away, I'll be with you in a minute."

A half-hour later, Stinson, a tube sticking from his chest, picked up the narrative and said: "I couldn't get the knife away from him and now he was bleeding from the glass I rammed him through and I called to Mrs. Rand to get something and give him a belt or two.

"She came out with a sauce pan and whacked him a few times over the head, but I was close to him and I was afraid she was going to hit me by mistake. Anyway the pan was too light and was all dented in no time."

The milkman broke off to rub his left arm near the bicep which was bandaged too. He said, "He bit me twice, big teeth marks, and if this guy ever needs false teeth, the dentist can get a good impression from my arm."

Stinson, steered the story back to the breezeway and he said that "now I was getting awfully tired and he still had the knife and I knew something had to be done. I pulled him free of the shattered glass figuring I'd push him through another one of the big panes there.

"One of the chairs crumpled and I saw a yellow piece of wood and I told Mrs. Rand to pick it up and hit the guy again. She did and and as she did I pushed down and he wacked his head against something and he just folded up under the table. I took the knife away from him."

Someone delivered a tray of food and Stinson spotted a carton of milk and pushed it away in a hurry. He said: "It's the wrong brand. I work for another outfit, (H. P. Hood & Sons). Returning to his story, he said.

"The guy was out cold. I looked at the knife. It was good craftmanship, bone-handled and a sleek five-inch blade. Then I saw another knife. It was in his back pocket and I took it out. Then I sat on him. I was getting real tired, and a man, a neighbor I guess, looked in, frightened-like and I told him to get some help and soon everybody and his brother was showing up and the police were everywhere. It was very confusing."

Stinson said: "I got up. I guess I needed some air and I walked outside." He didn't realize it but he bumped against a pole and stained it with his blood, then brushed against Mrs. Rand's car and left red smudges on the fender.

"I sat down on the grass and the whole thing hit me. I was bleeding, my shirt and jacket were red in spots and I felt hazy and I began to think and I said to myself: That guy was trying to kill me. Funny, I didn't think about that at the time we were barrelling around inside. I was concentrating on getting the knife. I had to have it. I didn't think of anything else. A couple of times though, Mrs. Nesmith entered my mind and I knew it wouldn't do to have this man loose in her company."

"You know there are a lot of nice people around. The people on my route are great. They are just great people. They are considerate and nice."

Stinson looked up at the door in the hospital and he said "Caroline, that's my wife, should be here soon" and in the same breath he mentioned his children's names, Mike, 8, and Susan 7.

Then he said, "I knew I was pretty weak sitting on the grass and I began to worry about the money I had in my pocket, company money, and the truck. The cops came and they wanted to know if I'd go to the hossital in an ambulance or a cruiser and I got up and walked over to the truck and secured it and gave the cops the name of my boss and told them to call him. Then I came here. They're nice here but I hope I get out soon."

Police said Stinson deserves "a lot of credit" and said that suspect, Dennis P. Murray, 21, formerly of Stoneham, was with another youth earlier in the day. Their stolen car crashed and Murray ran into the woods—eventually showing up at the Nesmith place. The other youth, 19-year-old Lawrence Ginewicz of Charlestown was taken into custody. Murray has been charged with assault with a dangerous weapon, assault with intent to murder and assault in a dwelling.

Yesterday Mrs. Nesmith said, "I'm still nervous. She showed the breezeway where the fight took place and she asked about Stinson and when he would be back on his feet.

She said, as an afterthought, "Tell him I got the milk, okay."

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## A CONFERENCE

## HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. ZWACH. Mr. Speaker, one of the biggest boosters for countryside America is O. B. Auguston, editor of the West Central Daily Tribune of Willmar, in our Minnesota Sixth Congressional District.

Most of his life he has spent in our rural west-central region of Minnesota. He lived through the big depression of the 1930's. He has watched the rural economy rise and fall. He is probably as much of a practical expert in this field as you will find.

The other day, he printed an editorial to which I would like to call the attention of all who read the CONGRESSIONAL RECORD.

Mr. Augustson very aptly points out:

If farm income is right, rural America will take care of all its problems, but if the income is not there, there will be less and less family farms which are the backbone of the average rural town.

The editorial follows:

### A CONFERENCE

A few years ago we participated in a Rural Economic Conference. It was held at Mankato. We served on one of the committees, even got in on some of the planning. As to the latter when we saw the agenda we noted with amazement that the income of agriculture, the basic industry of the rural areas was completely forgotten. Instead they talked about everything else. Like salve on a boil that needed far greater treatment. Upon our insistence farm income was finally placed on the agenda with other members of the agenda committee agreed with us. We were about to quit the outfit at that time.

Well—the conference was held and really came to naught because the basic problem of rural America, even tho on the agenda, only got cursory attention.

Now we note another similar one held recently at Montevideo. Loaded with the usual good intentions but again perhaps a mountain laboring but producing only a mouse. Have read an account of this conference and in the report find not a word about farm income. Not the real surgical thing that has to be done—and that is farm income—but more salve on the symptoms or the after effects.

A lot of these city boys can talk all they want but they forget that if farm income is right—rural America will take care of all its problems. They also overlook that if that income is not there—there will be less and less family farms which are the backbone of the average rural town. When they are only the big farmer or corporate ones, these big fellows will bypass the little town and deal with the big town. It has always been that the big deal with the big. Guess there is plenty of evidence to support that statement.

True there are some areas where some regional services could save something. But such will be peanuts compared to the coconut lost when the real economy is lost. Like the old adage, saving at the spiggot but losing at the bunghole.

Just wonder if a big metro city was in trouble. Their income in big industries is way down and they are in trouble. Also the ranks of unemployment is growing with increasing concern. Rural folks would then go down there and tell them what salves they might put on some petty things. And what would they tell us? Of course we know. They would be quick to say—give our industries and the like decent incomes so we can employ more people and we will take care of ourselves. Right? For there is our problem they would say. Correct. And it is the same problem that we have in rural America—our main industry is in trouble.

So a big conference was held but the big result was not there.

## EUROPEAN COMMON MARKET TARIFFS GRAVELY DAMAGE U.S. CITRUS EXPORTS

## HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. VEYSEY. Mr. Speaker, on September 29, 1971, I inserted into the RECORD an article by James Cary of the Copley News Service, "Common Market Creates Threat."

Mr. Cary discussed the upsetting effects on U.S. agricultural exports over the past few years from the Common Market's variable tariffs and the preferential agreements it has entered into with 27 other nations, mainly Mediterranean countries and former French colonies.

The loss in exports of fresh citrus fruits alone will rise to $8 million, according to estimates by the Department of Agriculture. At a time when we are trying to encourage American manufacturers to seek foreign markets in order to correct our imbalance of payments, it would seem that we should fight harder to preserve those markets we already have due to the extraordinary productivity of our farmers and ranchers.

I am inserting below a letter from Mr. D. F. McMillen, assistant general manager of the Sunkist Growers, elaborating on precisely how the Common Market's preferential agreements, which are in violation of the GATT agreements we and the EEC countries have signed, have seriously damaged our long established market in the Western European countries.

The letter follows:

SUNKIST COOPERATING CITRUS
GROWERS OF CALIFORNIA AND
ARIZONA,
*November 1, 1971.*

Hon. VICTOR V. VEYSEY,
*House of Representatives,*
*Washington, D.C.*

DEAR CONGRESSMAN VEYSEY: This is in reply to your letter of October 4 addressed to Mr. D. M. Anderson, general manager of Sunkist Growers.

We are very appreciative of your interest in and concern over the protectionist policies of the European Common Market, and particularly your reference in your statement in the Congressional Record to the preferential agreements with the Mediterranean countries. As you are well aware, the California-Arizona Citrus League has been pressing the Administration for more than a year to bring an end to the discrimination by the Common Market against exports of U.S. fresh citrus. The reduction of 80% granted to Tunisia and Morocco and 40% granted to Israel and Spain thru the preferential agreements to which you refer has seriously damaged our long established market in the Western European countries.

You have inquired concerning any information which we might have on how these variable tariffs of the Common Market have affected us. I am enclosing a copy of a chart showing sales of oranges, by country of origin, in the Rotterdam market for the summer months during the three years, 1969, 1970 and 1971. You will note the serious decline in a share of that market acounted for by sales of California-Arizona oranges, declining from an approximate 25% share in 1969 to a 15% share in 1970 and a 10% share in 1971. The Department of Agriculture now estimates that the loss in volume to exporters of fresh citrus from the United States as a result of these preferential tariff agreements will reach $8,000,000 dollars annually.

The Common Market has taken action, unilaterally, to reduce the duty from 15% to 8% for the four months of June, July, August and September in an effort to "improve the climate" between the United States and the EEC. While this action by the EEC has been of some assistance to the citrus industry, it has not removed the discrimination since the 80% and 40% reductions apply to the lower rates of duty. Furthermore, the action taken by the EEC as it now stands terminates on June 30, 1972. Accordingly, the California-Arizona Citrus League is continuing to press for a satisfactory resolution of this problem which can be achieved simply by according Most Favored Nation treatment to the United States as provided for in the GATT contracts to which the Common Market countries and the United States are signatory.

Again, may I express our appreciation for your interest in and concern for this very important problem. We will continue to keep you informed concerning developments and hope that we may feel free to call upon you for assistance at any time.

Very truly yours,
D. F. McMILLEN,
*Assistant General Manager.*

## MINUS "ZPG" NEXT?

## HON. JOHN M. ZWACH

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. ZWACH. Mr. Speaker, it was not many months ago that Members of this body were introducing legislation designed to discriminate, taxwise, against parents of more than two children because they feared the population explosion would overpopulate America.

Today we get the news from the Census Bureau that the World War II "baby boom" has been replaced by the greatest decline in the Nation's under-5 population in the entire 120-year history of the Bureau.

Mr. Speaker, Bernard Casserly, editor of the Catholic Bulletin, in St. Paul, Minn., recently wrote an enlightening editorial on this matter, which, with your permission, I would insert in the CONGRESSIONAL RECORD:

### MINUS "ZPG" NEXT?

It was inevitable.

The large headline on the top of the front page said "U.S. 'Baby Bust' Replaces 'Boom'." The Associated Press story disclosed that the "baby boom" of World War II had been replaced "by the greatest decline in the nation's under-five child population during the 120 years for which statistics have been kept," according to the 1970 census. Children under 5 years of age decreased 15.5 per cent in 1970 from the 1960 total. The possibility of "zero population growth" is now real, according to a study made by the Washington Center for Metropolitan Studies under a grant from several foundations.

Even if the "baby bust" does not continue, the fact of a 15 per cent reduction in the number of children under five is going to have a critical impact on the social economy. The census figures only confirm what school administrators have been trying to deal with for several years now. Empty classrooms are soon going to become as common as locked delivery rooms and maternity wards in hospitals—with Catholic institutions no different from the rest.

The development of the "pill" is not the sole reason for this unparalleled drop in the nation's pre-school population—although it is probably the most important. The responsibility for the new shape of American society lies chiefly in the hands of the Planned Parenthood—World Population groups and their auxiliary agencies. Planned Parenthood has been leading the field with its anti-life program for many decades. It cried "wolf" about the "population explosion" long before others took it up; it opposed large families and sued to have contraception laws wiped from the books, and it has moved from promoting contraception to advocating abortion and sterilization as legitimate means of family planning.

The Planned Parenthood philosophy would have gone whistling in the wind had it not been picked up by the public communications media which made the population issue their special thing. Rarely has there been a more demonstrable case of the impact of the media upon public opinion. The "wanted child" syndrome, the "standing room only on planet earth" theme, the distorted population statistics extrapolated from selected baby boom periods, all these concepts became household bywords. And Catholics bought most of the package—despite the efforts of their religious leaders—just as their friends and neighbors did.

One of the few voices to speak out with vigor and authority on the threat of the anti-life forces in this generation has been that of Pope Paul VI. His much attacked encyclical, "Humanae Vitae," ("On Human Life") foresaw the victory of the contraception forces, the successes of the abortion seekers, and the dangers of the euthanasia planners. Pope Paul's encyclical, challenged in Catholic circles as well as where opposition was expected, has much to say to us today in the light of the new population statistics.

Cardinal John Wright, Prefect of the Sacred Congregation of the Clergy, talked about the validity of "Humanae Vitae" today in a forthright article, "Reflections on the Third Anniversary of a Controverted Encyclical," in the English edition of "Osservatore Romano" on July 29. Pope Paul "echoes the witness of Pope John, almost his very words," the cardinal wrote, when the Pope stressed the natural law and the person, and the "vanity of seeking solutions to population problems 'in expedients which offend against the divinely established moral order and which attack human life at its very source (rather than) in a renewed scientific and technical effort in man's part to deepen and extend his dominion over nature' to quote John XXIII."

"The encyclical remains then, much more than a negative pronouncement on artificial contraception," Cardinal Wright said. "It is a positive, though admittedly incomplete, presentation of marriage morality; it says no only to negative concepts of man's vocation. In an age when almost all the means of social communication are used in greater or lesser degree to debase sexual love to (the level of) erotic techniques or diversions, the Pope proclaims anew the positive values of love, marriage, parenthood and family life. He does so against the authentic Christian background of the Cross, which all followers of Christ must carry, and the destiny of life everlasting to which all who love are called."

Will the success of the anti-life forces, and their allies, the public communications media, now slow down their campaigns for abortion, sterilization, the two child family, zero population growth? Will the fact that 85 pre-school children now play where 100 boys and girls romped a decade before bring a halt to their efforts? We pray that it will, but we are not optimistic.

Just getting underway is a concerted effort to make zero population growth (ZPG) national policy. A Coalition for a National Population Policy has been formed to achieve a "stable population" in the U.S. The Coalition is seeking Congressional adoption of a Joint Resolution on "population stabilization." In the light of the new census figures on the decrease of pre-school children, the Coalition should be told to close up shop.

But it won't. Neither will all the other groups which seek to solve the world's crises by eliminating people instead of problems. If only the shrill pessimists who look at planet earth from the wrong end of their telescopes would have spent their time and money solving problems of food supply, transportation, marketing and storage, we might well have been on our way to solving the real problems of overproduction and underconsumption.

We fear, however, that the anti-life forces will only redouble their efforts to control the "population explosion," electing to ignore the 1970 census figures as well as the earlier advice of God the Father, as recorded in Genesis, Chapter I, Verse 28, to our first parents: "Be fertile, and multiply; fill the earth, and subdue it."

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## CONSIDERATION OF THE HUMAN ASPECT IN THE DELIBERATION OVER HEALTH CARE LEGISLATION

### HON. MARTHA W. GRIFFITHS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mrs. GRIFFITHS. Mr. Speaker, the discussion currently taking place in the Congress over national health care has focused on many aspects of the proposed legislation—and all aspects need scrutiny. But one aspect—a very important aspect—sometimes has been overlooked. That is the human aspect—the feelings and attitudes of working people all over the country who believe that this Nation should have an efficient health care delivery system. On November 4, Mr. Louis B. Knecht, executive vice president of the Communications Workers of America, testified before the Ways and Means Committee, and emphasized this aspect.

I urge my colleagues to read this gentleman's testimony:

STATEMENT OF L. B. KNECHT

My name is Louis B. Knecht, and I am an Executive Vice President of the Communications Workers of America, a union which represents approximately a half-million communications and other workers. Joseph A. Beirne, our President, has asked me to appear on the union's behalf, and we appreciate being allowed to give our views to the Committee.

I think we all agree that health care delivery in America today is poor. In some areas . . . and for some people . . . it is miserably poor.

President Nixon has said so.

Experts have said so.

And our members in big cities as well as in little towns and villages all across the country, tell us so.

Methods which would provide real improvements in health care delivery are available in pending legislation. But spokesmen for major components of the health industry—the practitioners and the insurors—are locked in an alliance to thwart legislation which would produce a health care delivery system that meets the needs of the time . . . and the needs of the future.

The opposition is inciting a confrontation which concerns the Communications Workers of America deeply.

That confrontation is between the narrow, special interest of the health industry, and the broad, general interests of the average American.

We feel that if the narrow, special, but powerful. interest is allowed to dominate the needs of the vast, working American public, a situation will result which can be even more serious than abysmal health care delivery.

That situation would be the conscious decision by American workers that whenever the worker-citizen's interest comes up against a special interest—the special interest wins. Consequently, representative government as they know it, and wish to preserve it, will not work.

The average working man's frustration about government's ability to solve problems and his anxiety about getting good health care delivery for himself and his family are combining now to produce this attitue which I have described. It is the attitude Chairman Mills called "increasingly resentful," on the day these hearings started.

Because of that attitude . . . and because of the merits of H.R. 22 the Communications Workers of America urges the Committee and the Congress to support the Griffiths-Corman Bill.

We believe that H.R. 22's concept of what health care should be—its benefit structure, its administrative procedures, its financing, its provisions concerning providers of health services, its programs for building resources to deliver health care—all answer the need which exists in America.

We also believe that it would be a serious mistake if Congress adopts half-steps in the right direction.

The problem has reached the point where half-steps would be little better than no steps at all.

To the people—to the workers who discuss this with us—half-steps would be only another example of government generating an expectation of performance, without delivering it.

HEW Secretary Elliot L. Richardson's testimony here, on behalf of the Nixon Administration, looked to us like a clear example of the erroneous idea that a new facade of health care delivery is acceptable . . . but we know that a facade won't do. A new health care delivery structure is needed.

He told this committee that improvements can be made without disturbing the historic division that finds government taking care of the health needs of the elderly and the indigent; while the private sector takes care of the rest of the people

That just isn't working now, and it won't work anymore.

We would like to ask the committee to give special attention to this comment by the Secretary, and I quote:

"We believe the comprehensive health care services should be provided as rapidly as possible for the entire population. However, it will take time to develop sufficient manpower, facilities and managerial skills to fulfill this goal." . . . end of quote.

Medical and health manpower training should be expanded and streamlined, but we will fool ourselves if we think that is the way to solve the country's health care delivery problem.

The way to solve it is to pass HR 22, which recognizes the needs in manpower and planning and facilities, as well as the need to change a cottage industry to a technologically efficient system . . . and provides the methods for solutions.

The President of our union, Joseph A. Beirne, served on the National Advisory Committee on Health Manpower, and I would like to mention a recommendation made by the committee, because it helps illustrate a current aspect of the problem.

In 1967, the Advisory Committee said, and I quote:

"The productivity of physicians should be increased beyond presently planned levels by a substantial expansion in the existing medical schools, and by continued expansion of new schools."

But, as recently as October of 1971, the American Medical Association testified before the House Armed Services Committee against a bill to set up a military medical academy, which would provide a supply of physicians for the military.

The AMA did not prevail—the Armed Services Committee reported the bill out unanimously.

But the AMA attitude has made it plainly obvious that this organization should no longer influence vital health legislation.

The real demands and needs of Americans should prevail.

We are aware of the fact that a national advertising campaign has been inaugurated to beat HR 22, and we do not question the right of any interest group to try to sell its message.

But we do not believe that the campaign will be successful.

The average working American we meet knows that something is wrong with the health delivery system, and the average working American knows those who control that system have created the problem.

They are looking to Congress to enact the solution, and Congress should enact it, in the form of HR 22.

Thank you.

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## BREAD AS A MAJOR SOURCE OF PROTEIN

### HON. KEITH G. SEBELIUS

OF KANSAS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. SEBELIUS. Mr. Speaker, today, as every citizen knows, we are becoming more and more aware of good nutrition as a means to fight our malnutrition and hunger problems as well as the worth and merit of physical fitness. This new awareness has led to many nutrition and diet programs to the point our entire Nation has become "calorie and nutrition conscious."

Good health and physical fitness are, of course, basic to our individual and collective interests, but lately I have been concerned over what I consider to be an unjustified prejudice against one of our basic foods and one of our basic industries. I am talking about the popular, but untrue, belief that bread should not be eaten if you are trying to watch your weight, and that it is not nutritious.

Bread is one of our basic four food groups. Bread's low-fat, low cholesterol, low sugar, low salt profile, in fact, make it one of the most nutritious and healthful foods available to the consumer. And, bread has the necessary properties to become a major source of protein.

Dr. Jean Mayer, professor of nutrition in the School of Public Health of Harvard University, and an adviser to the White House on nutrition matters, recently told baking executives at the 74th annual meeting of the American Bakers' Association that increased bread consumption—at the expense of high-fat, sugar, and salt-laden products—could alleviate many national health problems.

Mr. Speaker, I think Dr. Mayer's comments should be brought to the attention of all who are concerned with nutrition and physical fitness. I insert a summary of his remarks which appeared in the October 26 edition of the Southwestern Miller, in the RECORD:

### DR. MAYER'S COMMENTS

BAL HARBOUR, FLA.—America is in trouble, nutritionally, Dr. Jean Mayer, noted nutritionist, told baking executives at the opening of the 74th annual meeting of the American Bakers Association, and increased bread consumption—at the expense of high-fat, sugar and salt-laden products—could alleviate the problems in the national dietary.

Dr. Mayer, professor of nutrition in the School of Public Health of Harvard University and an adviser to the White House on nutrition matters, was the lead-off speaker at the A.B.A. general sessions on Monday, Oct. 25, at the Americana hotel in Bal Harbour, Fla.

He criticized bakers for not telling the nutritional story about bread in a more convincing way when their product is, indeed, under attack. "Extraordinary prejudices about bread have been built up," he said, "and your advertising has not dealt with these effectively."

Among the public prejudices Dr. Mayer listed are "gross overestimation of the calorie content of bread" and a misconception that "meat is the only source of protein."

### BLIND TO PROMOTION OPPORTUNITY

"The bread industry as a whole has not taken advantage of the fact that it has an answer to many of the nation's health problems," he said. "The industry has been blind as to what could be done to promote bread in a nutritional context," Dr. Mayer added. He urged the industry to "more enlightened self-interest" to point out the value of bread's low-fat, low cholesterol, low sugar, low salt profile, compared with other foods. This will require, he said "a more intelligent marketing effort" in an attempt to "recapture the market share of market you have lost." As a nutritionist, Dr. Mayer said he would be happy to see a successful recapturing of the market by bread.

### FALLACY IN BASIC FOUR FOODS

It is up to the baking industry, he said, to take the lead in dispelling the common fallacies about bread. One of these fallacies, he pointed out, lies in the very promotion of bread and cereal products as one of the four basic food groups. Stating he never thought the Basic Four food groups served a good teaching aid, Dr. Mayer pointed out that under the grouping vegetables and fruit are classified as vitamin and mineral sources, milk as calcium-giver and meat as protein source. But bread and cereal products are said to be energy-producing. "To most people, energy means fat. In effect, you are saying bread is fattening," Dr. Mayer said.

Quite the contrary is true, he declared. Still, the effect of promoting bread as one of the Basic Four foods is that "every woman in America thinks she needs only to look at a slice of bread to get fat."

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## AFTER THE BOTULISM SCARE, SOME HARD QUESTIONS NEED ANSWERING

## HON. JONATHAN B. BINGHAM

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. BINGHAM. Mr. Speaker, the latest episode in the perplexing task of providing the American consumer with wholesome food is discussed in an article which appeared in the Washington Post on November 7, 1971. Although the Food and Drug Administration rescinded its order warning consumers against eating canned beans made by the Stokely-Van Camp Co., which had been believed to contain a deadly botulism infection, Stokely—the Nation's third largest canning company—expects the reverberations to last for some time. These shock waves result from the shaking of public confidence in its products. Managers of the company believe that during a 48-hour period, 2 weeks ago, the fate of their company hung in the balance. If they had to recall the canned beans, shoppers would undoubtedly avoid its other products. In an industry noted for a large inventory and financed principally by short-term notes, such loss of public confidence could have caused the company to go bankrupt.

The incident raises some very important problems for the canning industry and the Federal Government: What procedures should be established for inspecting and approving food processing plants? What steps should be prescribed before a company or the FDA warns the public against any food? How can food manufacturers effectively protect their operations in the event the public is warned? How can "false alarms" be avoided? These and other questions must be discussed and resolved in the coming months if the American consumer and the canning industry is to have full confidence in the food market in this country.

The text of the Washington Post article follows:

### SCARE OVER BOTULISM LEAVES STOKELY-VAN CAMP SHAKEN

(By Philip Greer)

INDIANAPOLIS.—Ten days ago, Marine Capt. William Cleveland, Jr., told his son across the dinner table, "These beans taste like sauerkraut."

Cleveland was to spend the next four days apologizing for that remark, which triggered a botulism scare. Stokely-Van Camp, Inc., may need years to get over it.

"I knew it was a false alarm as soon as I heard it," Senior Vice President David McVey said. "Those people ate the beans on Wednesday night. By the time we got the call on Friday, they would have been dead if it was botulism. At least they would have been sick as hell."

McVey was in his office on the third floor of Stokely's white stone headquarters on the north side of this midwestern capital, just beginning to add up the damage that the company feels is bound to come. It will be weeks, he said, before the effect on consumer acceptance can be measured "and it could cost a lot of money to get that confidence back."

On Oct. 29, acting on a request from the Food and Drug Administration, Stokely recalled 15,792 cans of string beans—french cut, 8 oz. can, lot numbered SB 72-E213D—because of "presumptive evidence" that they were contaminated with deadly botulism toxin, a poison which can grow in canned products that have not been properly sterilized.

Botulism effects can be deadly, not only for people but also for corporations. Last summer, a Bedford Hills, N.Y., banker died of botulism poisoning after eating soup canned by Bon Vivant Soup Co. of Newark, N.J. Bon Vivant has gone out of business and the government has filed charges against its owners.

In September, Campbell Soup recalled some chicken vegetable soup after its own laboratory found traces of botulism contamination.

Last Monday, the FDA rescinded the Stokely recall, announced that neither Cleveland nor his son had botulism poisoning and praised Stokely for its quick action. All that was left, apparently, was for Stokely to pick up the pieces.

McVey is clearly angry about the way the case was handled, but he refuses to say so.

"If they had waited one more day to Saturday, they would have known it wasn't botulism" is about all he will say about the way the case was handled by the FDA and the Florida Department of Agriculture.

After Cleveland's complaint, his wife—who later told a Stokely officer that she was sensitive because of the Bon Vivant and Campbell cases, called the family doctor at Pensacola Naval Air Station, where Cleveland is stationed. Father and son were taken to the infirmary and samples of their blood serum and the beans were flown to the Center for Disease Control in Atlanta. The Clevelands, showing no ill effects, were sent home.

On Friday morning, a mouse that had been injected with blood serum from the son died and another with the same serum showed signs of respiratory illness. Mice injected with the father's blood showed no symptoms.

"That's a presumptive indicator of botulism," said Vigen K. Babayan, a Stokley vice president and chemist." But it is not a positive indicator. There are lots of things that can make a mouse die."

Soon after, the telephone rang in Stokely's legal department, McVey recalls. "It was the FDA saying they had a suspected case of botulism and that was all. They wanted to know where the beans had been packed and where they were shipped."

The beans were packed in Scottsville, Mich., on Aug. 1, 1970, and shipped to warehouses in Tipton, Ind., and Newport, Tenn. FDA agents went to both warehouses searching for cans from the suspect lot, but found none. The two warehouses service the entire southeastern U.S., as far north as Pennsylvania. Beans in the suspect lot were shipped out of the warehouses last April and May.

"Around noon we got another call," McVey said. "They said, 'It looks like we'll have to ask for a recall.' I was sure it wasn't botulism, but who was I going to buck? So we ordered the recall."

Friday afternoon, Cleveland and his son were ordered into the hospital for observation, although neither had yet displayed any signs of illness.

On Saturday morning, Babayan was dispatched to Pensacola, arriving around noon. "They were all lined up waiting for me," he says. "They" were Capt. Hugh Pratt, chief of medicine at the hospital, two staff physicians and Dr. Stanley Music of the Florida Department of Health.

"Capt. Cleveland was there, too," Babayan recalls. "He said the whole thing happened because his wife was being cautious. He said he'd eat Stokely products any day."

On Sunday, Babayan flew to the Center for Disease Control in Atlanta, where tests confirmed the absence of botulism. "On Saturday night, I started getting calls from the press telling me we had been cleared," McVey says, "but the recall went right on until we heard from the FDA."

While the tests were being made, Stokely's headquarters was busy trying to find the remnants of the lot. The entire data-processing staff, all the company executives and a number of other employees worked through the weekend. "We had 500 invoices for beans from April to now," McVey says, "and we had to follow them all up."

The suspect lot consisted of 568 cases. In an average year, Stokely sells about 100,000 cases of 8-ounce cans of green beans, of the best selling "seasonal" products. To make the job more difficult, the lot number is not printed on the case, only on the cans themselves. Wherever we had sent 8-ounce french green beans, they had to tear open the cases and check the numbers," McVey explained.

McVey has no idea how many cases were actually found, because none of them has been returned to the company.

"Most, will never be found," he says. "They were shipped last spring and in a high-turnover business like this, they've probably been eaten. That's another reason I didn't think it was botulism. We'd have heard long before this."

By Sunday, it was pretty clear that the beans were not tainted. At 5:30 in the afternoon, 48 hours after another pair of mice had been injected with a second blood sample from Cleveland's son, the Center for Disease Control was sure the beans were safe.

Babayan called the FDA to ask about an announcement and was told it would come from Washington on Monday. Babayan flew to the capital.

Along with representatives of the National Canners Association, he arrived at FDA headquarters in Rockville around 9 a.m., then waited until a staff meeting ended at 10:45. At 12:30 the announcement was released and Babayan went home.

Looking back, McVey admits he was worried, despite his confidence that the company would be cleared. "When we got that recall, everybody from the office boy to the company president had butterflies in his stomach," he says.

If the beans had been contaminated, Stokely faced the probable ruin of its business, the third largest canning company in the country and second in domestic sales. Like all food processors, Stokely depends heavily on short-term loans to finance the purchase, processing and storage of seasonally grown products. The company has a $93 million line of credit and, at the end of 1970, nearly half its current liabilities were made up of short-term notes.

"If you find yourself with inventory you can't sell, it could wipe the company out," McVey said.

Stokely has no contingency plan for a botulism scare. "In the last 45 years, there have only been four deaths from botulism in this country," Babayan explained.

"And it's in the back of your mind any time you hear of a botulism scare," McVey added. "You think, there but for the grace of God go I."

Stokely's laboratories check samples from every lot of the company's more than 400 products. Stokely has never previously had a botulism scare in its 101-year history, McVey said, but he added, "Certainly in the canning business you keep your fingers crossed."

McVey and Babayan think the current national nervousness over botulism requires immediate attention from both the FDA and the National Canners Association.

"Things like this affect the whole industry," Babayan says. "People associate these things with all companies. The canners and the government have to set up procedures for when this happens.

"Should they wait until they're positive about the facts or should they announce it right away? If you destroy confidence, you're going to live in a jungle."

With the scare over, Stokely is making a survey of its distributors to get an idea of the marketing and advertising problem it faces now. But it still doesn't know why Capt. Cleveland's green beans tasted like sauerkraut.

"The FDA wouldn't let us test the beans at first," McVey says. "They've told us now that they're sending them to us."

Adds Babayan: "when the botulism was ruled out, the Center for Disease Control looked into medicines and drugs that Cleveland's son might have taken. They found that the boy had a cold about a week before and was taking antibiotics. Antibiotics in human blood can kill a mouse."

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## NOT-SO-FREE ENTERPRISE

## HON. MORRIS K. UDALL

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. UDALL. Mr. Speaker, the always interesting Wall Street Journal came up with one of its more provocative pieces on November 5, 1971.

In essence, the article suggests that American business, particularly big business, for all of its "free enterprise" rhetoric, is rushing pell-mell to a system of state socialism—asking for it, in fact.

I commend to my colleagues the column by Alan L. Otten entitled, "Not-So-Free Enterprise."

The column follows:

### NOT-SO-FREE ENTERPRISE

(By Alan L. Otten)

WASHINGTON.—Amtrak tells Congress it needs another large injection of federal funds to keep its passenger trains operating.

U.S. airlines ask for lots more government help, too, and find a sympathetic listener in Civil Aeronautics Board Chairman Secor Browne.

Defense contractors lobby the Pentagon to boost profit margins and extend other aid to lift them from their current depressed state.

More and more, American industry—linchpin of the great free enterprise economy—seeks succor from the government. There's always some perfectly valid reason, of course. Industrial capacity must be saved for national defense. Thousands of jobs have to be preserved. The public must continue receiving some service that industry can offer only at a loss. Foreign firms are competing unfairly with cheap labor and government subsidies.

Regardless of the reason, though, the end result is always the same—and maybe its time to stop and think it all through a little more rationally.

Consider some examples that indicate just how addictive the habit has become. Lockheed gets special big federal loan guarantees and extra government business to help it out of its troubles. The Navy probably will sweeten its existing F-14 aircraft contract to bail out beleaguered Grumman. The Pentagon cuts back the number of assault ships it wants from Litton Industries, but earmarks more than $100 million to ease Litton's pain.

Why don't defense and aerospace companies move more aggressively to take up their current slack with more work on mass transit, pollution control, waste disposal and other newly expanding areas? The technology is different, they claim; they lack the know-how; the market is uncertain. Yet these are precisely the problems that aggressive capitalism is supposed to specialize in overcoming. Obviously many of these companies prefer to avoid the risks, and to wait instead for a new cycle of defense or some special bail-out, a la Lockheed.

Or look at the railroads. The Penn Central received major federal help and more may be coming. Amtrak knew from the start that the initial government financing wouldn't be nearly enough. Congress and the Department of Transportation prepare broad new aid for freight carriers. The rails' complaints are legitimate enough: They are forced to pay big wage increases, to continue serving unprofitable routes, to compete with tax-subsidized bus and truck companies and airlines. Yet efforts have been notably limited to meet the problem though better service, lower rates, greater productivity.

Now, after several lush years, airlines feel the pinch—and bee-line for Washington. Pan Am and TWA ask government intervention to keep international air fares high. Domestic lines and plane makers urge government aid in developing new planes.

The pattern is by no means confined to defense, space, transportation. The White House considers private industry's research and development efforts so inadequate that it discusses new tax breaks and other financial incentives to spur them. When brokerage houses became wobbly and Congress and the public clamored for protection for investors, industry argued that it couldn't set up an insurance corporation to do the job without $1 billion of stand-by credit from the Treasury.

The housing industry lobbies for ever-greater federal funds for homebuilding. Despite the possibility of eventually whopping profits, most firms refuse to move into the highly touted "new towns" area unless they get almost complete government guarantees against loss.

The recent intense drive for government protection against import competition is essentially just a different aspect of the same picture. Steel, textiles, autos and all the other import-hit firms find quota or tariff protection far more attractive than the supposedly traditional answers of American capitalism—modernized plants, greater efficiency, product innovation, higher quality, lower prices.

The new economic policy announced by President Nixon on Aug. 15 contains a basic inconsistency in this regard. Wage and price controls were ordered to check rising prices in the United States. Yet the import surcharge levied at the same time pushes up prices on imported goods; these imports in the past have served as a major constraint on prices of domestically produced items and as one of the strongest spurs to modernization and innovation by U.S. industry.

There has been far too little attention, too, to the buy-American provisions in the pending tax bill, which allows a new 7% investment tax credit only on American-made machinery and equipment. This provision will keep many U.S. companies from buying more efficient and possibly cheaper foreign machinery—and thus permanently freeze into the U.S. price structure the higher costs of the American equipment.

A particular bit of irony: The textile industry, after finally winning its long battle for greater government protection against foreign-made textiles, promptly turns around and lobbies for permission to buy foreign-made textile machinery—and still get the 7% investment credit. The reason the industry advances is that high-quality textile machinery simply isn't available in this country.

Clearly, there's a crying need for some sort of serious national discussion and debate on just how far and fast the administration, Congress and the country want to continue down this road to some modified form of state socialism. Maybe all the government help—loans and special contracts and subsidies and import quotas and the rest—are indeed necessary to protect U.S. companies and preserve U.S. jobs. Or maybe it would be better to let traditional free-market forces make the decisions, even at some cost and damage to individual workers and industries.

In any event, though, government policy in so vital a matter should be more than merely reacting to emergencies, bailing out one company or industry and then another. Whichever way the policy is to go, it certainly should be more carefully considered, more precisely planned than it is now or has been recently.

And perhaps in the meantime, too, there could be a little less preaching about the wonderful principles of the free-enterprise system by businessmen who frequently find these principles so difficult to practice.

## JEWISH LEADERS AND PENNSYLVANIA CONGRESSIONAL DELEGATION DISCUSS ISRAEL'S NEED FOR PHANTOM JETS

### HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. EILBERG. Mr. Speaker, on Tuesday, November 9, seven rabbis from the Philadelphia and Pittsburgh areas met with members of the Pennsylvania congressional delegation to discuss Israel's critical need for the F-4 Phantom jet aircraft.

Israel needs the planes, as everyone knows, for her defense, but so far the Nixon administration has refused to sell them.

The discussion was frank and open and all of the representatives who spoke expressed their support for the arms sales to Israel.

Attending the meeting with me were: Senator Richard Schultz Schweiker, and Congressmen Robert N. C. Nix, Edward G. Biester, Jr., John H. Ware, Joseph Michael McDade, Daniel J. Flood, J. Irving Whalley, Lawrence Coughlin, William S. Moorhead, Fred B. Rooney, Herman T. Schneebeli, Joseph M. Gaydos, John Phillips Saylor, Albert W. Johnson, Frank M. Clark, Thomas E. Morgan, and H. J. Heinz.

The rabbis who were there are: Jerome Bass, Morris Dembowitz, Arnold Feldman, Harold Goldfarb, Seymour Panitz, Nathan Reisner, and William Sajowitz.

The statement for the clergymen was delivered by Rabbi Dembowitz, vice president of the Board of Rabbis of Greater Philadelphia.

It is a clear and cogent statement of what I feel are the beliefs of the majority of Jewish Americans, and, in fact the majority of all Americans.

At this point I enter his statement into the Record:

Statement by Rabbi Morris V. Dembowitz

My name is Rabbi Morris V. Dembowitz. I am the Vice President of the Board of Rabbis of Greater Philadelphia which comprises more than 100 Rabbis who serve a Jewish community of some 330,000.

We represent the three main religious groupings characteristic of American Judaism: Orthodox, Conservative and Reform.

What I have to say is not new but it is articulated here because we see an erosion of relationships between our country and Israel that must inevitably react not only upon the American Jewish community of 6,000,000, but also upon the American people itself, whose tradition is so interwoven with Hebraic strands of ethnics, conceptions of justice and ideas of religion which derive from that unique land we call Israel.

1. At the outset I wish to assure you that we do not represent a lobby for Israel.

2. Our specific purpose is to express to the Senators of Pennsylvania and to the Commonwealth's representatives our deep gratitude for the Senate Resolution, signed by 78 Senators, and for the identical House Resolution so overwhelmingly supported by Pennsylvania Congressmen, which calls on the Administration to take immediate affirmative action on Israel's request for Phantom jets to maintain her "deterrent capability and to re-affirm" the importance of secure and defensible borders as a vital element in a peace settlement to be negotiated by the parties themselves. This resolution takes on an added sense of immediacy in the light of the recent Soviet MIG-23 Overflights on Israeli territory, most likely manned by Russian pilots.

3. We are also deeply appreciative of your graciousness in meeting with us during these busy days. We have not come impelled by a sense of crisis—but as religious leaders, desiring to share with you, our elected representatives, a pervasive gnawing concern, which not alone we, but our people feel as to the outcome of the Middle-East situation and what lies in store for Israel.

4. We want you to understand what causes our concern and to have you catch the depth of feeling from which it emanates. It comes from a vivid and never to be exorcized horror which was the holocaust. The deaths of those 6,000,000 of our kinsmen and co-religionists, the very flower of European Jewry, constitute a giant black spectre that that is always with us.

5. This spectre conjures up before us, as we look out upon our world, a series of smaller, yet, taken one by one, unbelievable horrors.

a. We read of 7500 Jews from Russia, permitted to leave. Where can they go—except to Israel? For little beleaguered Israel is their only refuge—and who knows how many more will soon be coming? We thank God that there is an Israel to go to. At the same time, we wonder about other Jews in the U.S.S.R., languishing in Soviet jails, some exiled to Siberia, many deprived of livelihood and means because they were brave enough to ask for permits to leave the Soviet Paradise. How much less than a holocaust or a pogrom is their fate?

b. Turning to the Middle East we are told of tortures, of expropriations, of jailing of the small remnant, only 4500 Jews who are still held hostage in Syria. When they will be able to leave, only Israel can be their refuge.

c. What about the Jews in Iraq, the few still in Egypt, the 100,000 Jews in North Africa? Each one constitutes not a holocaust but a living death. Only Israel gives them a gleam of hope. Only Israel will take them willingly. Only Israel will absorb them, and restore them to the human family.

6. We reject as false and cruel, the Soviet accusation that Israel needs Russian Jews only as cannon fodder in her army. The few thousands that have been able to leave Russia have to under-go the same process of absorption, of finding jobs, of acculturating to a free way of life, of learning Hebrew. Like all who come to Israel, it will be years before they can make their way and stand on their own feet. When they do qualify for military service, it is that they can undertake the rigorous, pressure cooker training, which will fit them for civilian life, as well.

7. Were Israel interested only in cannon fodder, she would not be sending her own peace corps of young men and women, educated, trained, all of them army reservists, to nearly 90 different countries in Asia, Africa, and Latin America, less developed than Israel, to help them in economics, industry, agriculture and medicine. Despite her position in a sea of enemies, despite her own immigration and absorption problems, despite the heaviest taxes of any democracy in the world, Israel encourages students from these underdeveloped states to study in Israel. And, when they have been trained in Science, Agriculture and Medicine, they return to their home countries to lead in their construction and development.

8. With all its own external and internal problems, Israel had enough energy and sympathy to offer food and medicine to East Pakistan, and was rebuffed for her pains. Despite the hostility of the Arab world Israel has established installations for health and education in the administered territories, and has taught these Arabs in the area new techniques of agriculture and industry, thereby raising their standard of living. This last summer 106,000 Arabs, from various Arab countries, visited relatives in Israel and in the administered sectors. Some 2000 of these applied for permanent return to the West Bank. There were no flare-ups. All was calm.

9. We had thought that our State Department knew all these things, understood the uniqueness of Israel, appreciated and admired her achievements. Instead we have further cause for concern in the erosion of the close and friendly relationships that recent State Department activities reveal.

10. We are greatly distressed by the suggestion of the Department that Israel withdraw from the Suez some distance to the east in Sinai, that Egyptian forces cross over to the side evacuated by Israel, and thus destroy the effectiveness of the Bar Lev defense line, fortified by Israel at great cost of life and treasure. What would Egypt's quid pro quo be for this Israeli surrender? The promise of a limited cease-fire. What the Egyptian promise is worth we know from the missile installations that were brought close to the Suez in violation of the cease-fire terms arranged by the U.S. in June, 1970. If the past is any indication of the future, a limited cease-fire is an open invitation to war.

11. We are told by State Department spokesmen that we should regard the threats by Egyptian leaders that Israel will be destroyed or driven into the sea, as only so much rhetoric, only typical Arab hyperbole. This only invokes in us the ghost of Hitler proclaiming to all the world that he would rid Germany and indeed, all Europe, of its Jews. That, too, was rhetoric, effective rhetoric, for it became grim reality in the holocaust.

12. This is our overriding concern, today

and for the future. It is always with us. We who have experienced, even at a distance, the fate of the Jewish people, its destruction in Europe, are afraid, are obsessed by a dark fear that Israel's friends, after so many years of aid, become tired and impatient. That is why we share with you our emotional concern.

13. None the less we take this opportunity of thanking you most profoundly for supporting the Resolution, both in the Senate and the House, which indicates that the people's representatives are still Israel's best friends. We hope that the Resolution will be as overwhelmingly endorsed by the members of the House as it was by the members of the Senate.

14. I close by mentioning the question of the Foreign Aid Bill that Congress will be considering. We naturally feel that Israel's economic viability must not be shaken, especially when the military threat from Egypt and her allies is a real one. It has been Egypt's boast that Israel cannot long withstand either military or economic attrition. Twenty-three years of Israel's existence shatters this Egyptian boast. But we know well that without the support of our country, both in military and economic supportive assistance, Israel could not have endured. Our faith in this country and in its commitment to constitutional democracy has often been fortified by the evidence of our fellow-citizens' sympathy for and even identity with the hopes and destiny of the reborn State of Israel. Like America at its best, Israel, too, is dedicated to the democratic and ethical ideal of nationhood. We have faith that you and the overwhelming majority of Congress will continue your support of Israel and will help her to remain a bulwark of responsible democracy in the Middle East. A Foreign Aid Bill that will keep Israel materially and economically strong is the means of attaining this goal.

15. It was Lloyd George, I believe, who said some years after the first World War when disillusion and general unrest was sweeping the world, that the only lasting achievement of that war would be seen to be the establishment of the Jewish National Home in Palestine. That Home is now the State of Israel. It is our belief that in defending and straightening it, we are advancing not only the cause of justice and democracy in the Middle East—but also, so our faith would have it, the cause of the future peace of the world.

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## DRUG UNIT SHEDS IMAGE OF PRISON

## HON. MORGAN F. MURPHY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. MURPHY of Illinois. Mr. Speaker, I am inserting a November 2, New York Times article describing the narcotics rehabilitation center of the National Institute of Mental Health in Lexington, Ky.

This facility is a good example of the approach we must take in dealing with narcotic addiction. The story notes that the facility's recommitment rate dropped drastically since the center began to resemble a hospital rather than a prison.

Some criticize that such programs are soft on criminals. I would argue that we can no longer imprison addicts without treatment, allowing them to return to the streets in a more desperate condition than when imprisoned. Our criminal justice system must be truly committed to rehabilitation.

Narcotic addicts, for the most part, are not hardened criminals. The uncontrollable craving for a fix leads them to crime to support their habit. It makes a great deal more sense to pursue programs like the one at Lexington in an attempt to rehabilitate the addict so that he may return as a productive member of society.

The need for more community-based facilities is apparent since access to large centers presents difficulties for many addicts. The main point is that we must continue to pursue new and innovative programs in this area. Our past experience shows that simple incarceration does not alleviate the problem, only postpone it. I insert a copy of the Times' article as an example of the type of facility which merits our continued support:

### DRUG UNIT SHEDS IMAGE OF PRISON—REFORMS ARE INSTITUTED AT A HOSPITAL IN KENTUCKY

LEXINGTON, KY.—For 32 years, the United States Public Health Service ran a drug-treatment hospital here like a prison, with guards and iron bars. The facility had a recommitment rate of 90 per cent.

Now the bars are off the windows, bright colors decorate the walls, the inmates are called residents, and they have a swimming pool. The current recommitment rate is 27 percent.

The change came with passage by Congress of the Narcotic Addict Rehabilitation Act in 1966. The center began changing its treatment program, its philosophy toward addicts and its operation of the physical plant. About four years ago, the National Institute of Mental Health took over administration of the hospital.

The thousand-acre center, a complex of four-story and five-story buildings, is still surrounded by a high wire fence. But inside, the treatment program now deals in psychotherapy, group and occupational therapy, social services, special training, academic and nonacademic education and general health care.

#### 5 TREATMENT UNITS

There are five semiautonomous treatment units—three male, one female and an experimental self-help group patterned after California's Synanon. Residents are permitted to decorate their own living quarters and their paintings embellish the walls.

The new approach has also been criticized. United States Attorney Charles Anderson of Nashville, Tenn., has called the center a "failure and waste of the taxpayers' money." He said that the center merely took criminals and released them from custody.

But Dr. Harold T. Conrad, chief of the center, says: "We deliberately don't have a jail-type facility because that did not work for 35 years."

Dr. Conrad said he would like those charged with drug-related crimes to be tried and sentenced, then given the opportunity to participate in the program instead of a prison term, but he added: "We don't advise district attorneys to drop charges against addicts because they want treatment."

#### VOLUNTARY ADMISSION

Addicts can also seek voluntary admission to the center through a United States Attorney.

The second criticism came from Representative Don Edwards, Democrat of California, who charged that addicts were being turned away "by the busload" from Lexington.

Mr. Edwards, chairman of a House Judiciary subcommittee considering drug rehabilitation legislation, said he was quoting from a General Accounting Office report that stated that Lexington and other treatment facilities were turning away addicts while operating at only 50 per cent of capacity.

"I haven't seen any such report and we haven't turned anyone away for lack of space," Dr. Conrad said. He said that addicts admitted to the center must stay at least 30 days. After this "evaluation" period, during which addicts are withdrawn from drugs and undergo orientation, it is determined if the addict wants help and is suited to therapy.

"Our staff spends most of its time trying to persuade the patient to stay," Dr. Conrad said. "Rather than turning him away, the usual sequence involves the physician having to put up with a patient who is knocking on his door demanding to be released."

The patients who do stay undergo six months of intensive treatment and then enter aftercare programs for 36 months in their home communities.

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## TROOP PRODUCES 37 EAGLE SCOUTS

## HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. GAYDOS. Mr. Speaker, I know every American is aware of the contribution the Boy Scouts of America have made to our Nation and its heritage. We are all proud of this organization and the type of men it has produced. Many of them have become leaders of men in every field of endeavor.

I am particularly proud of a troop in my 20th Congressional District of Pennsylvania. Among its many accomplishments, St. Robert Bellarmine Troop 85 of East McKeesport, has produced 37 Eagle Scouts in an 8-year period.

The adult leaders of this troop include David Edwards, scoutmaster; Joseph Capezzuto, Joseph Filicky, Chris Hoke, John Hoke, Richard Kellar, and Joseph Merritt, assistant scoutmasters; Joseph Capezzuto, campmaster; Chris Hoke, advancement chairman; Francis Mullen, committee chairman; John Hoke, secretary; Paul Gates, treasurer; and James Peppler, institutional representative.

Mr. Speaker, it is a pleasure and privilege to insert into the RECORD the names of the young men from troop 85 who have attained the rank of Eagle Scout, and I invite the attention of my colleagues to this outstanding achievement on the part of a single troop.

The names follow:

1961—John Galla and John Hathway.

1964—Jerome Males.

1965—David Edwards, Robert Brannan, and William Bird.

1966—Edward Deenihan, Gary Litwin, Alfonse Wezorek, Roy Ferrence, Ron Simko, and Robert Bird.

1967—Charles Beckett, John Hoke, Chris Hoke, Daniel Edwards, Edward Edwards, John Dern, and Richard Kellar.

1968—Joseph Merritt and Patrick Deenihan.

1969—James Males, Dale Edwards, Patrick Edwards, Richard Wiley, Francis Mullen, Anthony Verrico, John Filicky, and David Malicki.

1971—Gerry Musinsky, David Stickel, Richard Welesko, Joseph Anselmo, Jeffrey Balogh, William Krumenaker, Michael Miller, and Glenn Gates.

## WILDLIFE—WHO NEEDS IT?

### HON. TENO RONCALIO

OF WYOMING

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. RONCALIO. Mr. Speaker, on Thursday, September 23, I submitted to the CONGRESSIONAL RECORD two winning essays from the Wyoming Wildlife magazine published by the Wyoming Game and Fish Commission which were tailored to the national theme: "Wildlife—Who Needs it?"

Today I submit the third in this series of articles, the first place winning essay in the junior division. "Why We All Need Wildlife" was written by an eighth grader from Lander, Wyo., Master Ron Reesy. Ron's clear and forthright message is one that we who have long since passed the 8th grade would do well to ponder.

The article follows:

WHY WE ALL DO NEED WILDLIFE

Each individual should consider what wildlife does for him. Wildlife, like the miners' canaries, can indicate to us whether our environment is fit for our survival. The effects of DDT and other pesticides were discovered through studies of what they were doing to the wildlife. A few species of wildlife were analyzed after death and the scientists found that the wildlife had gotten the DDT from plants they had been eating. From further research, the scientists found that some people had already absorbed the harmful chemicals by eating the meat from the wildlife.

If a person were out in the wilderness and came upon a waterhole where dead animals or birds were close around he may be pretty sure that something was wrong with the water. If the wildlife was not there it may be the human who would drink the water and die. This is only one example but the same can apply to our food and the air we breathe. The miners used to have canaries fly down into the mines to test for dangerous gases in the shafts. If the canaries came back safe then the miners would know that the air was safe for them to breathe. If the canary did not come back the miners would know that it was unsafe for them to go down in the mine shaft.

Many people who live in big cities and towns don't get out of town very often; most of these people cannot see the need for wildlife and they don't understand what the wildlife does for mankind. They take wildlife for granted, and if they do think about it at all they will probably think that there will always be wildlife somewhere but it just doesn't concern them enough to really think about the advantages of having wildlife in our lives.

I would like to take any person who doesn't really care about the wildlife and ask him to go for a walk through a field, a desert, or a forest where he could listen to the sounds of the birds and animals—the chattering of chipmunks and the rustle of leaves when a deer walks by—and be able to see all of the wildlife. Then I would ask the same person what he thinks it would be like to walk through the same places with me when everything was still and silent—and no wildlife at all to be seen. After this the person could choose which way he likes best and I do think he would like the wildlife way best.

When roads and housing projects are built many different types of wildlife habitats are destroyed. For example, when a tree is cut down it will destroy the home of some animals or birds. And acres of forest are being cut down all over the country and there are many homes and habitats of different wildlife species which are destroyed. The more hardy birds and animals may move and adapt to new environments and make new homes; others are just left to die. We can make substitutes for materials but there are no substitutes which can be made for wildlife. The wildlife of the country should be considered when building projects are planned.

Wildlife is also used as a great source of food. Hunting wildlife is a great sport for many people and besides the sport, many people hunt wildlife as a source of food for their families to eat. Indians still use animal hides for making clothes for themselves and also to sell as a means of making a living.

Wildlife is a major part of the web of life. Without the wildlife in the web of life insects would eat Man out of his house and home. Many birds and animals eat insects and bugs which are harmful to humans and their crops and source of food.

It doesn't take much time and thinking to know that the answer to the question "Wildlife: Who needs it?" is we ALL DO, whether all of us realize it or not. Just stop what you are doing for a few moments and think about what your life would be like with no wildlife at all any where!

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## COUNCILMAN ZAZYCZNY DEFENDS KOSCIUSZKO HOME AT CITY COUNCIL

### HON. JOSHUA EILBERG

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Tuesday, November 9, 1971*

Mr. EILBERG. Mr. Speaker, as one of the original sponsors of legislation (H.R. 6759) to make Thaddeus Kosciuszko's last American home, located in Philadelphia, a national historic site, I was very pleased with the recent remarks of City Councilman Joseph L. Zazyczny, made in behalf of this effort. It is with singular pleasure that I call the eloquent statement of Mr. Zazyczny, who represents the section of Philadelphia in which I reside, to the attention of my colleagues.

The remarks follow:

Mr. President, I rise to speak specifically on a point of personal privilege that has touched the hearts of millions of people throughout the country for quite some time. We in this Council have also taken an active role with regard to the subject about which I intend to remark, when just a short time ago this Council passed a resolution, and that wasn't the first time, appealing to the government of the United States, through the United States Department of the Interior, National Park Service, recommending that the Thaddeus Kosciuszko House at 301 Pine Street in Philadelphia, as it has become known, be made a historic site by the suggestion of the advisory board of the National Park Service.

For many years this item has been bouncing about the halls and corridors of government, and despite all the public requests and historical facts presented, the United States Department of Interior Advisory Board recommended against the appeals to make this a national historical landmark.

I call this the worst Polish joke ever expounded upon in these United States, and an insult not only to the millions of Americans of Polish descent but also the governmental agencies and elected officials who are supporting the naming of 301 Pine Street and designation of it as a national historical site. It is a disgrace that after so many years of contributions by many ethnic Americans to the greatness of this country, that a top federal agency would lend itself to such a low position in an effort to justify what I claim is their prejudices.

Many of us may not know who Thaddeus Kosciuszko was. Some of us are probably well aware of who he is, or who he was. He is best remembered for his engineering skill in erecting the fortifications at West Point during the colonial wars. His choice of battlefields and the erection of fortifications at Saratoga greatly contributed to the American victory there. He later distinguished himself as an officer in the cavalry in the Carolina campaign.

Kosciuszko recommended the present location for the establishment of the military academy which today is known as West Point, and where today there is a monument and garden to his memory. Military historians also name him the father of American artillery for his publication of the first effective system for the organization of the American artillery.

Kociuszko was not a mercenary, and came to this country because of the colonists' quest for freedom. He used all of his own personal funds during his stay in this country. His devotion to liberty and Polish independence has made him one of the great Polish heroes but also his tremendous knowledge and sacrifices as well as his contributions have won him recognition as a great hero of our own American Revolution.

Mr. President, this is why I am appalled at the recent decision of the Advisory Board of the National Park Service to refuse Thaddeus Kosciuszko's home in Philadelphia as a national historical site. The board's reasoning is as specious as its decision is unwise. The board reasons that the house did not qualify as a national historical site because Kosciuszko lived there for only six months. To refuse a house for such a reason is to fault Kosciuszko for being a soldier and for living the life of a soldier. In his fight for American freedom Kosciuszko seldom stayed in any one place for a long time.

We in Philadelphia have done our part. This particular body has done more than can be asked of any body to preserve this site. We have done everything possible, both through ourselves and through the Redevelopment Authority, and I believe Philadelphia is to be complimented for its efforts.

But it seems that the men in Washington, D.C., wish to turn their backs not only on Kosciuszko but, as is quite obivous, to the millions of Americans of Polish descent, ignoring their contributions to the greatness of these United States and spitting on their blood that has flowed in the wars of this country's existence. For they too paid the supreme sacrifice, following in the footsteps of Kosciuszko, whose philosophy always was, "For God and country."

It must be remembered also, Mr. President, that at this Pine Street address Kosciuszko wrote and delivered to Thomas Jefferson his will and testament in which he bequeathed his fortune for the freedom of enslaved blacks. In a day when men are proclaiming the principle that all men are created equal, while holding other men in bondage, Kosciuszko by his will gave living proof of his dedication and belief in this principle.

I appeal to everyone, not only in this room but Philadelphia, to set upon their elected officials in Washington, D.C., and to definitely have this site in Philadelphia designated as a historical site under the guidance of the Federal government, and that it really does belong in the Society Hill area, and it is a tribute not only to a man but a philosophy, a belief, and a man's love of freedom for which we are well known.

# SENATE—*Wednesday, November 10, 1971*

The Senate met at 9 a.m. and was called to order by Hon. JAMES B. ALLEN, a Senator from the State of Alabama.

### PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

God of our fathers and our God, we thank Thee this morning for Thy kindly providence which has watched over this land from the beginning even until now. For the patriot, the soldier, the statesman, and for the work of hand and pen and speech by which the Nation has been enriched and made strong, we thank Thee. In these turbulent times give us wisdom and strength to mobilize our moral and spiritual forces for the making of a better world. Imbue the people with a genius for compassion and mercy, for goodness and brotherhood. Enable Thy servants here and elsewhere in the Government to enact such measures as will create great and good people in a righteous nation from which will radiate ameliorating strength for all mankind.

In the name of Him who went about doing good. Amen.

## DESIGNATION OF THE ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. ELLENDER).

The legislative clerk read the following letter:

> U.S. SENATE,
> PRESIDENT PRO TEMPORE,
> *Washington, D.C., November 10, 1971.*
>
> *To the Senate:*
>
> Being temporarily absent from the Senate on official duties, I appoint Hon. JAMES B. ALLEN, a Senator from the State of Alabama, to perform the duties of the Chair during my absence.
>
> ALLEN J. ELLENDER,
> *President pro tempore.*

Mr. ALLEN thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Tuesday, November 9, 1971, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## FOREIGN AID

Mr. SCOTT. Mr. President, last Thursday, Mr. George Meany, president of the AFL–CIO, made a statement in regard to the Senate's defeat of the foreign aid authorization bill.

He said:

> The crisis created by the Senate's rejection of the Foreign Aid bill is intolerable.
>
> The United States can ill afford the posture of isolationism or even the appearance of isolationism. The United States does not live in a vacuum and it would be folly to pretend America can. The United States just cannot run away from its world responsibilities.
>
> We urge the Congress to immediately pass a continuing resolution at current expenditure levels in order that the program not die.
>
> Immediately thereafter the Congress should proceed to draft a new measure designed to promote the welfare of the people in free developing nations, primarily directed toward alleviating conditions of human deprivation, establishing democratic institutions, providing economic and technological know-how, and insuring adequate military assistance to defend and preserve national independence and promote international peace.
>
> We in the AFL–CIO have long believed and we continue to believe that the foreign assistance program is a sound, worthwhile and valuable instrument that serves the national and international interests of the United States.
>
> We believe it has had and continues to have the support of the people of the United States.
>
> It is incumbent upon the President and the leadership in the Congress to end this crisis immediately and forthrightly.

Mr. MANSFIELD. Mr. President, I listened with appreciation to the statement made by Mr. Meany of the AFL–CIO, as relayed to the Senate by the distinguished minority leader.

It is always good to hear from organized labor, especially from the president of the AFL–CIO, who takes an active and worthwhile interest in the affairs of the Nation.

We appreciate his views on Vietnam, although we do not necessarily agree with them.

We appreciate his views on the President's new economic policy.

We appreciate his views on foreign aid, even though some of us do not necessarily agree with them. I would suggest that this is a matter which the Senate has faced up to and has already decided in its wisdom. It is now considering the matter again.

The need for reform in the aid program is not only present but is long overdue. Too much money has been wasted both in the economic and the military fields.

I would hope that the Senate would be aware of all of the facets in the bills which will be under consideration and are now the pending business, and will exercise its own judgment as to what should be done. After all, we do happen to be the representatives of the people of the States from which we come. We do have a certain amount of responsibility which we must face up to. It would appear that when we consider foreign aid measures we should keep in mind that the two bills reported from the Committee on Foreign Relations retain all the actions taken by the Senate during the course of the consideration of the previous aid bill.

So far as the administration is concerned, all I can see is another adversary proceeding. Every time the Senate tries to do something and tries to do it cooperatively in the form of a resolution or an amendment, the people downtown, for some reason or other, take the opposite tack. There is no "give." There is no "budge." What they say is gospel. They are not open to compromise.

A good aid program is in the best interest of this country. But with the kind of aid programs, grab bags, and gimmicks which we have had to contend with during the past 4 or 5 years, especially this year, I think those programs have outlived their usefulness. A new concept must be developed which seeks to help people, not governments; one which does not go out to try to revive currencies, as is the case in Laos, Cambodia, and Vietnam. AID right now is pouring in funds to beef up those currencies. That is not a function of AID.

Mr. SCOTT. Mr. President, I agree that the foreign aid program needs a very careful review next year, when we reconvene.

I also agree that certain things need to be done. I agree that there should be reform. Meanwhile, I want a program that will help people.

Ninety-three percent of the funds spent in the foreign aid program are spent within the United States. They involve the labors of 5,000 companies and over 60,000 people, many of whom would be out of work by the ending of such a program arbitrarily or by its excessive diminution.

This is a program to help people. That is why the AFL–CIO is interested in it and has long been interested in it.

It is a program to help people, too, in the other countries of the world. It is a program to help children through UNICEF. It is a program to help the developing countries by means of the developing funds, the multilateral funds, and many of the bilateral funds.

It is a program by which we are enabled to keep our promises and our treaties. It is a program by which we have undertaken to see that, as we withdraw from a long and unpopular war, we do not leave those who remain totally abandoned, utterly unprovided for, and, further, embittered at the ingratitude of the United States.

As a nation, we have made our covenants. We have given our bonds. We have furnished our assurances to the other peoples of the world. If, for no other reason, we will have to continue the program. Then after we do, let us, by all means, review it. After all, any program that has been in existence for 25 years can stand review.

Let us see if we cannot get one which is less expensive, one which is less costly in the misunderstandings it brings about, one which is more fully in the enlightened self-interest of America, and one which does more fully meet the modern problems of the rest of the world, rather than being structured on the basis of the problems of the world as they were 25 years ago.

I think that the Senate in a spirit of conciliation and compromise is about ready to adopt the proposed new foreign aid program. I think the Senate is perfectly capable of writing a good and a new one. I think we can write it on Capitol Hill. I think that we know our job and are prepared to perform in accordance with it.

Mr. MANSFIELD. Mr. President, what the Committee on Foreign Relations reported was a less expensive program. What the administration wants is a continuing resolution, which would be a more expensive program. Furthermore, the program has turned into an arms sales and an arms grant program, by means of which we shift, to a large extent, obsolete weapons of various kinds to various countries and, in that way, build up a dependency, a process which I think is open to question. This country has become the largest arms dealer in the world.

I think it is about time to put a stop to this kind of program and to call it what it is. That is the purpose of the two bills which will be before the Senate today and tomorrow. I am only sorry that the proposals were not broken down into three parts—economic, humanitarian, and military. This was attempted. Unfortunately, the votes were not present to operate on that basis.

I hope, and I am very sure, the Senate will take a close and a hard look at the proposals now before it.

Mr. SYMINGTON. Mr. President, I should like to associate myself with the words of the distinguished majority leader.

In listening to the news media last night and this morning, many high officials in this administration were lecturing the Senate as to its recent actions on foreign aid. I, for one, do not intend to be sandbagged by any heavy onslaught against the decisions of the Senate.

I also believe it is about time we recognize that the American taxpayer cannot afford to spend tens of billions of dollars to destroy many of these countries—only recently we started on another one, Cambodia—and then spend tens of billions of dollars bringing them back to some form of reasonable economic stability.

I would like to also associate myself with the remarks of the majority leader with respect to the continuing resolution. In my opinion, at this point and under these circumstances, a continuing resolution would be an abandonment on the part of the legislative branch of its prerogatives and responsibilities under the Constitution.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. In accordance with the previous order, the distinguished Senator from Missouri is now recognized for not to exceed 15 minutes.

## CONGRESSIONAL OVERSIGHT OF INTELLIGENCE ACTIVITIES

Mr. SYMINGTON. Mr. President, last Friday the White House announced that the President had ordered a reorganization of the intelligence community. I ask unanimous consent that their press release to this end be printed in the RECORD at the conclusion of these remarks.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. (See exhibit 1.)

Mr. SYMINGTON. Mr. President, as reported by the press, the administration's plan creates an "enhanced leadership role" for the Director of the Central Intelligence Agency, turns more of the operating responsibility for that Agency over to the Deputy Director, who is a lieutenant general in the Marine Corps, and creates or reconstitutes a variety of boards, committees, and groups who are charged with important responsibilities within the intelligence community.

The reported aim of the reorganization is to improve the "efficiency and effectiveness" of U.S. intelligence activities and press comments on this move include references to alleged concern over the size and cost of intelligence operations; also to general unhappiness about various specific intelligence estimates. Such reports have been officially denied, but it is acknowledged that this reorganization is the result of "an exhaustive study" of the U.S. intelligence activities.

It could be that the reorganization announced last week by the White House is a constructive move. In recent years there has been a growing belief that there was heavy duplication and therefore waste within the overall intelligence community. Unfortunately, however, it has been impossible for the public, or even concerned Members of Congress, to obtain enough information on this subject for informed judgment.

By the same token, it is equally impossible to determine, at least at this time, whether the organization changes now decreed will accomplish their stated purposes, or to determine what will be their practical effect.

One thing is clear, based on the manner in which the reorganization was handled and announced; namely, the executive branch does not consider either the organization, or the operation, of the intelligence community to be matters of concern to the Congress. To my knowledge there was no advance consultation whatever with the Congress regarding this reorganization, or even any advance notice of what had been decided.

In 1947 the Central Intelligence Agency was established by act of Congress. Its powers and duties are specified by law. Its Director and Deputy Director are subject to confirmation by the Senate.

Last year the Congress appropriated an amount estimated by the press to be between $5 and $6 billion for the activities of this Agency and the other component parts of the intelligence community.

As one Member of the Senate, I will not accept the proposition that the role of Congress in organizing the intelligence community ended 24 years ago with the passage of the National Security Act, or that our only current and continuing responsibility is to appropriate whatever number of billions of dollars the executive branch requests so as to handle this work.

Last Saturday, when I learned from the press about this intelligence reorganization, as ranking member of the Committee on Armed Services, I wrote the chairman of that committee, requesting hearings either by the full committee or by the CIA subcommittee, of which I have been a member for some 15 years. In that letter I presented the fact that this subcommittee has not met once this year.

This latest reorganization on the face of it raises questions about past, present, and future performance of our multibillion dollar annually intelligence community; questions such as:

If it has been inefficient, what and where were its deficiencies?

In what sense does it need to be more "responsive?"

What is implied about the past by the reference in the press release to the objective of insuring "strengthened leadership" in the future?

The White House announcement offers neither answers to these questions nor explanations of the remedies which have now been unilaterally decreed.

In order to understand properly, said action by the executive branch, Congress should know the answers to such questions as the following:

How is the leadership role of the Director of the Central Intelligence Agency "enhanced" by the creation of a new and obviously more powerful supervisory committee chaired by the Adviser to the President for National Security Affairs, on which new Board not only sits the Attorney General but also the Chairman of the Joint Chiefs of Staff?

In this connection, Mr. President, in reading over the Pentagon papers one is impressed with the fact that in the majority of cases the assessments of the situation by the CIA have since proven to have been most accurate. We hope that such independent intelligence assessments will be maintained and that this new reorganization will not result in the intelligence community's conforming to the administration viewpoints from a political standpoint or from the standpoint of what the military services want.

Of particular concern is that those so associated with the administration who have a tendency to see a Communist behind every bush will have an opportunity to suppress any intelligence data which is an effort to prove the opposite. It is a fact that the analyses of the Central Intelligence Agency were proven to have been better than those of DIA and

State or the political judgment of many in the White House during the past administration.

I might add that in the recent critical article about the Central Intelligence Agency, published in U.S. News & World Report, one of the chief criticisms of the Agency was that already the intelligence is being unduly influenced by the military. It is rather ironical that in the reply by a member of the intelligence establishment to this criticism the statement was made:

> I submit there is no Federal agency of our Government whose activities receive closer scrutiny and control than the CIA.

But, as mentioned a moment ago, the subcommittee having oversight of the Central Intelligence Agency has not met once this year.

Another question that should be asked is, Has this new White House committee been given authority or/and responsibility which heretofore was the responsibility of the CIA; and which the Congress, under the National Security Act, vested in the Agency?

How can the integrity of the intelligence product be assured when responsibility for the most critical aspects of intelligence analysis is taken out of the hands of career professionals and vested in a combination of military professionals and the White House staff?

How will the access of Congress to information concerning intelligence activities and products, already severely restricted far more than any other aspect of the Federal budget, be affected by bringing the most important aspects of intelligence production and coordination directly under the White House; and thus within the scope of what the President believes he can deny to the Congress through the exercise of executive privilege?

The answers to these questions are not to be found in the press release issued from the White House last Friday. Accordingly, and inasmuch as a large part of the Federal budget is based primarily on intelligence estimates, let us hope that hearings with respect to this announced reorganization of the intelligence community take place at the earliest opportunity.

Mr. President, I shall have more to say on this subject at a future date. In the meantime, I ask unanimous consent that a pertinent article entitled "Recasting Intelligence," by Mr. Joseph Kraft, and published in the Washington Post of November 9 be printed in the RECORD.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

(See exhibit 2.)

### EXHIBIT 1

### THE WHITE HOUSE

The White House announced today that the President has directed a number of management steps to improve the efficiency and effectiveness of the U.S. foreign intelligence community.

The President's objectives are to ensure:

Continuing review of the responsiveness of the U.S. intelligence effort to national needs.

Strengthened leadership for the community as a whole.

More efficient use of resources in the collection of intelligence information.

Elimination of less efficient or outmoded activities.

Improvement in the quality, scope and timeliness of intelligence information.

The improvements directed by the President follow an exhaustive study conducted at his direction by the staffs of the National Security Council (NSC) and the Office of Management and Budget (OMB) with contributions from the President's Foreign Intelligence Advisory Board (PFIAB), the President's Science Advisor, and the Intelligence community.

The major management improvements include:

An enhanced leadership role for the Director of Central Intelligence (DCI) in planning, reviewing, coordinating, and evaluating all intelligence programs and activities, and in the production of national intelligence.

Establishment of a National Security Council Intelligence Committee, chaired by the Assistant to the President for National Security Affairs. Its members will include the Attorney General, the DCI, the Under Secretary of State, the Deputy Secretary of Defense, and the Chairman of the Joint Chiefs of Staff. The Committee will give direction and guidance on national intelligence needs and provide for a continuing evaluation of intelligence products from the viewpoint of the intelligence user.

*Establishment of a Net Assessment Group within the National Security Council Staff.* The group will be headed by a senior staff member and will be responsible for reviewing and evaluating all intelligence products and for producing net assessments.

*Establishment of an Intelligence Resources Advisory Committee,* chaired by the DCI, including as members a senior representative from the Department of State, the Department of Defense, the Office of Management and Budget, and the Central Intelligence Agency. This Committee will advise the DCI on the preparation of a consolidated intelligence program budget.

*Reconstitution of the United States Intelligence Board* chaired by the DCI, including as members the Deputy Director of Central Intelligence (Vice Chairman); Director of Bureau of Intelligence and Research, State Department; Director of National Security Agency, Director of the Defense Intelligence Agency; representatives of the Secretary of the Treasury and of the Director of the Federal Bureau of Investigation and the Atomic Energy Commission. The Board will advise and assist the DCI with respect to the production of national intelligence, the establishment of national intelligence requirements and priorities, the supervision of the dissemination and security of intelligence material, and the protection of intelligence sources and methods.

The President has also directed certain changes in the Department of Defense's intelligence organization.

A National Crytologic Command will be set up under the Director of the National Security Agency. Under this command will be consolidated activities now carried out by separate agencies. A further change is the consolidation of all Department of Defense personnel security investigations into a single Office of Defense Investigations. The President has also directed that a Defense Map Agency be created by combining the now separate mapping, charting and geodetic organizations of the military services in order to achieve maximum efficiency and economy in production.

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### EXHIBIT 2

### RECASTING INTELLIGENCE

(By Joseph Kraft)

The reorganization of the intelligence community announced last week looks at first glance like a mere administrative tightening. The producers of the raw intelligence are simply being made more responsive to the needs of the consumers in the White House.

But the Nixon administration is no more free than most others of the itch to enforce conformity. Unless very carefully watched, the new set-up could be one more device for destroying independent centers of analysis and information inside government.

The reorganization has two main components. For one thing, Richard Helms, the director of the Central Intelligence Agency, has been given authority to coordinate his own budget with those of the intelligence units within the Defense and State Departments.

Since Helms as CIA director is a member of most of the high-level policy committees in government he is alert to the intelligence needs of the President and his closest advisers. Presumably he will be able—perhaps with considerable saving of money—to make the work of such intelligence outfits as the National Security Agency and the Defense Intelligence Agency more relevant to White House needs. His part of the reorganization seems relatively straightforward.

The second part of the reorganization involves what is called "net assessment." That is a fancy term for the answer to the question: How does the strategic balance stand between Russia and the United States? That question, with deep ramifications in politics and economics as well as foreign policy, is to the various private and public interests that come to a head in government what a piece of red meat is to a pack of starving dogs.

Under the Eisenhower administration the net assessment was handled by a secret subcommittee of the National Security Council headed by a general officer and working out of the Pentagon. In the Kennedy and Johnson Administrations, the net assessments were essentially made under the direction of Secretary Robert McNamara in the Systems Analysis Division of the Department of Defense.

Under the Nixon administration there has been no central responsibility for net assessment. The result has been a chaotic battle featuring many protagonists. In general, Secretary of Defense Melvin Laird, with the backing of his director of research John Foster and to the delight of congressional hawks, has tended to rate the Soviet threat very highly. The CIA, to the delight of congressional doves, has been more skeptical about the Communist menace.

Under the new reorganization, responsibility for making the net assessment will be vested in a group working under the head of the National Security Council staff, Dr. Henry Kissinger. The official immediately responsible for the net assessments will be Andrew Marshall, who now leaves the Rand corporation where he has been serving as an analyst to take a place on the NSC staff.

Mr. Marshall is by all accounts an extremely good man—experienced, reliable and discriminating in judgment. Presumably he can do a serious job of pulling together the vast range of complicated data required for making the net assessment.

But it is a serious question whether that office should be performed in such close range to the White House. For the atmosphere in the White House is heavily political. There is not great disposition toward detached analysis, still less to hear news out of keeping with prejudices and commitments.

A nice case in point is the defense program review committee set up under Dr. Kissinger back in 1969. The purpose of that group was to cast a cold, analytic eye on the defense budget, and some of the best analysts in and out of government signed on to do the staff work.

But the President has backed the big spending program of Defense Secretary Laird. The review committee has been allowed to wither on the vine. Half a dozen of the analysts connected with it have resigned, and the senior official presently concerned, Dr. K. Wayne Smith, is rumored to be leaving soon.

No serious high level critique of the defense budget is now being made anywhere in government. That is one of the reasons the Congress, and those of us in the press are floundering so when it comes to defense expenditures.

What all this means is that the new intelligence set-up should be watched with great care. It looks like a sensible arrangement. But it could easily become one more instrument for restricting information and criticism to the disadvantage of all of those on the outside of government.

## TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore (Mr. ALLEN). In accordance with the previous order, there will be a period not to exceed 30 minutes for the transaction of routine morning business, with speeches by Senators limited to 3 minutes.

## QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. ALLEN) laid before the Senate the following letters, which were referred as indicated:

### REPORT ON CONTRACTS NEGOTIATED BY THE NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

A letter from the Administrator, National Aeronautics and Space Administration, Washington, D.C., transmitting, pursuant to law, a report on contracts negotiated by that Administration, for the period January 1, 1971, through June 30, 1971 (with an accompanying report); to the Committee on Aeronautical and Space Sciences.

### REPORT ON TITLE I AGREEMENTS UNDER AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954

A letter from the General Sales Manager, Export Marketing Service, Department of Agriculture, transmitting, pursuant to law, a report on Title I Agreements Under the Agricultural Trade Development and Assistance Act of 1954 (with an accompanying report); to the Committee on Agriculture and Forestry.

### REPORT ON VIETNAMESE SUPPORT COSTS

A letter from the Assistant Secretary for Defense, transmitting, pursuant to law, a confidential report relative to Vietnamese Support Costs (with an accompanying report); to the Committee on Armed Services.

### FINANCIAL STATEMENTS OF THE NATIONAL RAILROAD PASSENGER CORPORATION

A letter from the President, National Railroad Passenger Corporation, Washington, D.C., transmitting, pursuant to law, financial statements of the Corporation, as of June 30, 1971 (with an accompanying report); to the Committee on Commerce.

### REPORT ON U.S. CONTRIBUTIONS TO INTERNATIONAL ORGANIZATIONS

A letter from the Secretary of State transmitting, pursuant to law, a report on the extent and disposition of U.S. contributions to international organizations for the fiscal year 1970 (with accompanying report); to the Committee on Foreign Relations.

## ENROLLED BILLS SIGNED

The ACTING PRESIDENT pro tempore (Mr. ALLEN) announced that on today the President pro tempore (Mr. ELLENDER) signed the following enrolled bills, which had previously been signed by the Speaker of the House of Representatives:

H.R. 8629. An act to amend title VII of the Public Health Service Act to provide increased manpower for the health professions, and for other purposes; and

H.R. 8630. An act to amend title VIII of the Public Health Service Act to provide for training increased numbers of nurses.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MOSS, from the Committee on Interior and Insular Affairs, without amendment:

H.R. 10203. An act to amend the Water Resources Research Act of 1964, to increase the authorization for water resources research institutes, and for other purposes (Rept. No. 92–438).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. BEALL:

S. 2831. A bill for the relief of Arnaldo Sandro Vendemmia and wife. Referred to the Committee on the Judiciary.

By Mr. ALLOTT (for himself and Mr. DOMINICK):

S. 2832. A bill to change the name of the Department of Commerce Laboratories in Boulder, Colorado to the Dwight David Eisenhower Laboratories. Referred to the Committee on Commerce.

By Mr. BAKER:

S. 2833. A bill for the relief of Americo Rivas-Elvira. Referred to the Committee on the Judiciary.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ALLOTT (for himself and Mr. DOMINICK):

S. 2832. A bill to change the name of the Department of Commerce Laboratories in Boulder, Colo., to the Dwight David Eisenhower Laboratories. Referred to the Committee on Commerce.

Mr. ALLOTT. Mr. President, I am pleased to once again introduce legislation on behalf of myself and Senator DOMINICK to allow an institution in our State to honor a great American. I might note that companion legislation is being introduced in the House of Representatives today by Congressman BROTZMAN.

Under the terms of this legislation, the laboratories maintained by the Department of Commerce in Boulder, Colo., shall hereafter be known as the Dwight David Eisenhower Laboratories.

Mr. President, it is altogether fitting and proper that we honor President Eisenhower in this way. As President, "Ike" was a great friend of science and learning. Under his leadership, America placed great resources at the disposal of the scientific community. This helped the American scientific community to become the most advanced and productive in the world.

President Eisenhower was especially interested in the peaceful uses of science. It is not hard to understand why he was interested in this.

As a great soldier—among the greatest this Nation has produced—General Eisenhower saw the devastating destruction that can be wrought by modern science and technology when they are harnessed to the engines of war.

In the peacetime, for which he fought as a general, and which he preserved as a statesman, President Eisenhower was devoted to the cause of sharing the benefits of knowledge with peaceful peoples everywhere.

Thus, I am pleased to be able to help bring about this honor to a man who deserves to be remembered as a great friend of American science. He deserves a large share of the credit for the scientific achievements which have materialized since he passed from public life. He deserves the honor of being remembered as a great friend of American science. He deserves the honor of being remembered through the Dwight David Eisenhower Laboratories.

Mr. President, it is my fervent hope that the Senate will act favorably on this bill during this session of the Congress.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 740

At the request of Mr. CRANSTON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 740 the Veterans Advance Education Payment and Work-Study Act of 1971.

### S. 2108

At the request of Mr. CRANSTON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 2108, the Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1971.

### S. 2219

At the request of Mr. CRANSTON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of S. 2219, the Veterans' Administration Health Manpower Training Act of 1971.

### S. 2354

At the request of Mr. CRANSTON, the Senators from Minnesota (Mr. MONDALE and Mr. HUMPHREY) were added as cosponsors of S. 2354 The Veterans Health Care Reform Act of 1970.

### S. 2355

At the request of Mr. CRANSTON, the Senators from Minnesota, (Mr. MONDALE and Mr. HUMPHREY) were added as cosponsors of S. 2355, the Veterans' Administration Continuing Medical Education Act.

#### S. 2509

At the request of Mr. SCOTT, the Senator from New Jersey (Mr. CASE), the Senator from Oklahoma (Mr. HARRIS), the Senator from Minnesota (Mr. HUMPHREY), and the Senator from New Hampshire (Mr. MCINTYRE) were added as cosponsors of S. 2509, to incorporate Pop Warner Little Scholars, Inc.

#### S. 2709

At the request of Mr. HATFIELD, the Senator from Nebraska (Mr. CURTIS) was added as a cosponsor of S. 2709, to permit American citizens to hold gold in the event of the removal of the requirement that gold reserves be held against currency in circulation.

#### S. 2767

At the request of Mr. THURMOND, the Senator from South Carolina (Mr. HOLLINGS), the Senator from New York (Mr. JAVITS), the Senator from Texas (Mr. TOWER), the Senator from Maryland (Mr. BEALL), and the Senator from Utah (Mr. BENNETT) were added as cosponsors of S. 2767, to authorize nonregular military service personnel to elect retirement as early as age 50.

#### S. 2796

At the request of Mr. MCGOVERN, the Senator from California (Mr. TUNNEY) was added as a cosponsor of S. 2796, the Foreign Assistance Act of 1971.

### REVENUE ACT OF 1971—AMENDMENTS

#### AMENDMENTS NOS. 633 AND 634

(Ordered to be printed and to lie on the table.)

Mr. ALLEN, for Mr. HOLLINGS, submitted two amendments intended to be proposed to the bill (H.R. 10947) an act to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### EQUAL EMPLOYMENT OPPORTUNITIES ENFORCEMENT ACT OF 1971—AMENDMENTS

#### AMENDMENTS NOS. 635 AND 636

(Ordered to be printed and to lie on the table.)

Mr. ERVIN submitted two amendments, intended to be proposed by him, to the bill (S. 2515) to further promote equal employment opportunities for American workers.

### SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1971—AMENDMENTS

#### AMENDMENT NO. 637

(Ordered to be printed and to lie on the table.)

Mr. NELSON submitted amendments, intended to be proposed by him, to the bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

### SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971—AMENDMENTS

#### AMENDMENT NO. 638

(Ordered to be printed and to lie on the table.)

Mr. HARTKE submitted an amendment, intended to be proposed by him, to the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

### ADDITIONAL COSPONSORS OF AMENDMENTS

#### AMENDMENT NO. 252

At the request of Mr. CRANSTON, the Senator from Minnesota (Mr. HUMPHREY) was added as a cosponsor of amendment No. 252, to the bill (S. 2108) the "Veterans Drug and Alcohol Treatment and Rehabilitation Act of 1971."

#### AMENDMENT NO. 563

At the request of Mr. HUMPHREY, the Senator from Utah (Mr. MOSS) was added as a cosponsor of amendment No. 563, to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

#### AMENDMENT NO. 601

At the request of Mr. HUMPHREY, the Senator from North Dakota (Mr. BURDICK), and the Senator from Kansas (Mr. PEARSON) were added as cosponsors of amendment No. 601, to House bill 10947, supra.

#### AMENDMENT NO. 630

Mr. RIBICOFF. Mr. President, I am pleased to add my name as a cosponsor of amendment No. 630 to H.R. 9727, the Marine Protection and Research Act.

This amendment, introduced by the Senator from Wisconsin, (Mr. NELSON), would prohibit Federal leases for oil drilling in the Atlantic Ocean off the east coast for 2 years until the designation of marine sanctuaries is made by the Government.

It has become all too clear that the Interior Department and the oil companies have their eyes on possible oil and gas deposits off the east coast. If we who live on the east coast hope to prevent its spoilation, now is the time to act. Before a single exploratory well is drilled the most thorough examination possible must be made of the area in order to protect the vital recreational and environmental resources which still exist.

I hope my other colleagues will give this amendment their support when the Senate considers House Resolution 9727.

### NOTICE OF HEARINGS ON THE FEDERAL COURT JURISDICTION ACT

Mr. BURDICK. Mr. President, as chairman of the Subcommittee on Improvements in Judicial Machinery of the Committee on the Judiciary, I wish to announce the continuation of hearings on S. 1876—the Federal Court Jurisdiction Act, on proposals for dealing with litigation involving multiple-parties and multiple-States and provisions for resolving certain choice-of-law questions.

The hearing is scheduled for Wednesday, November 17, 1971, at 10 a.m., in room 6202 of the New Senate Office Building.

Any person who wishes to testify or submit a statement pertaining to this subject should communicate with the Subcommittee on Improvements in Judicial Machinery, room 6306, New Senate Office Building—202/225-3618.

### NOTICE OF HEARINGS ON PROPOSED DEPARTMENT OF COMMUNITY DEVELOPMENT

Mr. RIBICOFF. Mr. President, the Committee on Government Operations will hold public hearings on November 16, 17, and 18, 1971, on S. 1430, which would create a Department of Community Development.

The hearings will be held each morning at 10 o'clock in room 3302, New Senate Office Building.

## ADDITIONAL STATEMENTS

### JUSTICE FOR THE VICTIM OF CRIME

Mr. MANSFIELD. Mr. President, I have long advocated the concept of establishing at the Federal level a program designed to compensate the innocent victims of crime. My bill, S. 750, is now pending before the Committee on the Judiciary, and before too long I hope to see action completed there so that the Senate itself can face this most important issue.

Earlier this year I was honored by the request of the Law Review at the University of Houston School of Law to prepare an article on this subject and to set forth my views on victim compensation. I did so; and the article, entitled "Justice for the Victims of Crime," has been published in the Houston Law Review, volume IX, No. I, dated September 1971. I read from the concluding remarks the following statement:

> In the last one hundred years, the criminal and the State have dominated the arena of crime and punishment to the injurious exclusion of the victim. To revive at this time the proposition that citizens are entitled to protection and such protection failing, that citizens at least are entitled to be compensated for the losses they suffer from violent criminal action, can only serve to strengthen the social fiber of our Nation.

It is time, Mr. President, that the attention of the Nation be focused on the innocent victim of crime, on his loss and suffering. It is to him that my bill, S. 750, is addressed.

Mr. President, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

## JUSTICE FOR THE VICTIMS OF CRIME

(By Senator MIKE MANSFIELD*)

> *If the brigand has not been caught, the man who has been despoiled shall recount before God what he has lost, and the city and governor in whose land and district the brigandage took place shall render back to him whatever of his was lost.*
>
> *If it was a life [that was lost], the city and the governor shall pay one mina of silver to his people.*[1]

Just as violence in our society has continued from times past so, too, does the concept of compensating victims of violence find its roots planted firmly in the early history of mankind. It is out of a deep personal concern for violence and its effects upon our society today that I seek to revive the concept of victim compensation. In doing so, I have not approached this issue as a lawyer or as a student of the law. I have endeavored to view the matter as one who is concerned that recent efforts to stimulate new approaches for stemming, and even reversing, the ever-rising rate of crime and violence have focused too little attention upon the innocent victims. It is to these victims that my compensation legislation, Senate bill 750, is directed.[2]

To be sure, societies have always suffered the ravages of violent crimes. The earliest reported was Abel's murder at the hands of his brother, Cain. Chronicled daily by the press are crimes of the most heinous nature. In the days of old, punishment was meted out under the dubious rationale of "an eye for an eye, a tooth for a tooth." Presently, our system of justice seems to translate this form of retribution into the consistent abstraction of the state versus the criminal, which often leaves the victim unappeased, the government bogged down in court and the criminal more expert at his trade. At one time, retribution was the fashion and strength—the rule. As social order became more sophisticated, retribution yielded to the action of the group, but the concept of satisfaction for insult or injury remained based on revenge.

By the laws of our society today, the accused is prosecuted for his crime, and if found guilty, punished by the state. The victim, whose cooperation is often essential to the prosecution process, is precluded from inflicting any type of physical revenge. That is at it should be. But his sole recourse within our federal jurisdiction is to seek damages by instituting civil action against the guilty criminal. At best, this has been an inadequate remedy considering the financial condition of most perpetrators of violent crime. In fact, a recent survey of victims of violent crimes indicated a bare 1.8 percent of the victims ever collect anything from their attackers. Yet 74.2 percent of the victims experience economic loss, not to mention the physical damage and suffering involved.[3]

The economic loss and physical pain which accompanies crime is no small matter. Indeed, the President's Commission on the Causes and Prevention of Violence documents the alarming increase in the rate of violent crime. Between 1958 and 1967, for example, violent crimes increased for all ages by 65.7 percent. An even more alarming aspect of these statistics shows that, when the arrest rates for violent crimes are broken down into age groups, there are increases of 222.0 percent among the 10–14 year-olds and 102.5 percent among the 15–17 year-olds.

With the crime rate continuing to rise in such immense proportions, the vociferous cry for law and order has not gone unheeded at the federal level. The United States Senate in the last Congress passed at least 18 major crime proposals.[4] In doing so, it increased substantially the assistance to local law enforcement agencies. This assistance helped provide more training for policemen and more and better police equipment. In short, it afforded to the police some badly needed tools in their fight against crime and violence. However, in spite of all its efforts to provide a safer society, Congress failed miserably to consider those citizens injured by crime.[5]

Focusing more attention on the criminal and less on his victim is an inequity of modern society. The origin of this phenomenon is interesting and telling of our English heritage. In early Saxon England there was a two-fold process whereby a criminal was required to compensate his victim and pay a fine to the king as well. Such a system seems to have been a well-balanced recognition of crime as affecting both society generally and the victim individually. Gradually a system was substituted which put the defendant's life totally at the king's mercy and removed the victim's right to reparation.

Without entering into a detailed recitation of judicial history, this brief explanation is offered to demonstrate that where once the individual victim was the primary force behind the process of redressing private wrongs, he ultimately yielded his responsibility to the state. The state in the form of the king and his ministers willingly accepted this role deciding, apparently, that doing so limited acts of revenge. This permitted a more effective suppression of unplanned or non-state violence and social strife. Secondly, the state's expanded authority offered wider protection.

Whatever the reason, however, the modern result has established the combination of state versus criminal, to the virtual exclusion of the victim. Such a policy abrogates any social contract that is thought to exist between the citizen and his society. The average citizen pays his taxes and obeys the laws imposed by society. In return he expects, some would argue on a contractual basis, to be protected by those laws from illegal acts which result in injury and suffering to him. In short, if society fails in its efforts to provide basic protection, then the social contract has been breached; the citizen has suffered. To him there is no particular non-punishable recourse available other, perhaps, than overt apathy. Reflective of this growing apathy has been the significant increase in the number of cases where victims refuse to become involved; not witnesses, not to assist the prosecution, not in preventing the crime, not in assisting a police officer. It should be added that this reaction is not limited to the immediate victim but is extended to witnesses, to the victim's relatives, to his friends, and neighbors. This is not surprising, if you recognize the fact that less than 2 percent of the victim population ever received any type of restitution.

Overt apathy or non-participation by citizens in regulatory functions of society may become a critical problem during the last quarter of the 20th century. Whereas our technology has grown, our interactions have increased, and our communications have expanded, an increased need for recognized social responsibility by *all* citizens has become a necessity. In the past Horace Greeley's admonition to the reckless and irresponsible to go West was an attempt at alleviating social tensions. But today, citizens must recognize that through their plain apathy, they commit crimes against society. The elected representatives need to become cognizant of the need for legislation that would encourage, in fact reward, acts that were socially responsible. Social contracts, as has been the case with most contracts, are much more complicated today than at any time in the past; but if those contracts are to be weakened and violence is to spread at the rate it is speeding presently, it is my strong feeling that our society will help bring about its own downfall. As Thomas Babington Macauley inferred in a letter to an American friend during the 19th century, the United States will not fall by external invasion, but instead will fall by internal dissent, division, and violence.[6]

It has been said that the institutions of justice have become more concerned with the protection of the rights of the criminal than with the need for law and order in society. To an extent, I would agree. But I feel the major emphasis is misplaced. To me, a major liability within the present system of criminal justice is its utter failure to consider the innocent victim. This is the whole basis for my interest in reviving the concept of victim compensation. Though employed in the past to inhibit the practice of revenge, I believe the concept is equally applicable in today's society where the citizen has come to rely so greatly upon safety and police facilities, as furnished at the local, state, and federal levels.

Another aspect of the problem concerns the government's task of rehabilitating criminals. Though these efforts have been totally inadequate, it is government's failure to succeed in this endeavor which certainly has aggravated, if not generated, the whole problem of recidivism. How much violent crime, it should be asked, is committed at the hands of the recidivist who has been released upon society from a penal institution that served only to mold him into a more hardened and bitter criminal than he was when first incarcerated? His innocent victim has been doubly cheated by society. Not only has society failed to protect him with sufficient police and safety facilities, but its penal institutions have actually created a more serious threat to law and order by serving as graduate schools for criminals.

As a matter of public policy, social compensation programs are not revolutionary notions. Indeed, there is great similarity in rationale and origin between the notion of compensating workers, assuring them of a reasonably safe place in which to work, and compensating victims of crime, assuring them a reasonably safe society in which to live. Just as rapid industrialization increased hazards for the worker, so did the rapid urbanization of the 20th century create social conditions which set the stage for the substantial increase in recent crime statistics. Furthermore, just as the worker was frustrated in his attempts to recover damages, so, too, has the victim of crime today been frustrated. In many cases the offender is not apprehended. When he is, he is often destitute. Further complicating this latter difficulty is the fact that present penal methods deprive the offender of his ability to make restitution, as he is deprived of any means of obtaining a gainful livelihood.

Along with the worker compensation concept, other steps have been taken in the past 30 years which manifest society's abandonment of laissez faire attitudes when facing matters of collective community need. Social security, medicare, aid to dependent children, assistance for the handicapped, the aged and the blind, ideas of no-fault insurance, and national health insurance all reflect a recognition of collective societal responsibility. Fulfilling this responsibility with regard to victims of crime is no easy task. Senate bill 750 attempts to face the problem. If adopted, it would by no means represent the first such step taken within today's family of nations. Within the last ten years, New Zealand, England, and some provinces in Canada and Australia have all enacted governmental programs of compensation for innocent victims of violent crimes. In addition, our States of California, Hawaii,

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Footnotes at end of article.

Nevada, Maryland, Massachusetts, and New York all have enacted some type of compensation program. My colleague, the former Senator from the State of Texas, Ralph Yarborough, introduced a crime compensation bill in both the 89th and 90th Congresses.

The main features of my bill currently before the Senate deserve some explanation. First of all, the bill would create a three-man Violent Crime Compensation Commission. The Commission would compensate innocent victims for injury or death resulting from any one of 18 offenses. The 18 offenses could be grouped generally under the headings of homicide, assault, and sexual offenses, all occurring within the federal criminal jurisdiction. There would be a maximum limit of $25,000 for each award. It would be the Commission's duty to examine the evidence presented, both to determine what level of compensation should be granted and whether in fact the person making the claim is an innocent victim.

With some limitation, the Commission could order the payment of compensation on behalf of the injured victim to the person responsible for his maintenance, to his dependents or closely related survivors. The authority of the Commission to award compensation would not be dependent on prosecution or conviction of the accused for the offense giving rise to the injury.

As far as what types of losses are covered, the proposal would provide compensation for expenses incurred as a result of the victim's injury or death, for the loss of his earning power, for pain and suffering and for any other pecuniary losses which the Commission deems reasonable. Compensation would be denied where the victim was, the time of the injury or death, living with the offender or in any case where the Commission finds that unjust enrichment would result to or on behalf of the offender. Decisions and orders of the Commission would be reviewed by the appropriate Courts of Appeals. A most important provision would allow the Commission, where possible, to recover from a convicted assailant the amount of any awards granted as a result of his crime.

There is also provided a grant program which would encourage States to establish crime compensation systems within their individual criminal jurisdictions. At this stage, the provisions of S. 750 are by no means final. Indeed, at an appropriate time during the legislative process, many of its features will undergo close examination, and undoubtedly, changes will be made. This is an essential purpose of the legislative process.

Recently, President Nixon recommended a special compensation program for survivors of policemen killed in the line of duty. It would seem appropriate that such a program be considered along with, and as a part of, S. 750. There are additional aspects of victim compensation that deserve greater examination and clarification. For example, the whole matter of the projected costs for implementing crime compensation on the federal level must be examined. The possibility of tying rehabilitation and restitution to compensation also has been raised. That, too, should be explored.

Indeed, many questions need to be clarified before a federal program allowing the compensation of innocent victims of violent crimes can be established. The objective in introducing this proposal is to begin the process. Before this Congress adjourns in 1972, it is my hope that the process will be complemented, and there will be established on the federal level the principle that violent crime is a three-party affair which includes the victim, the criminal and the state. In the last 100 years the criminal and the state have dominated the arena of crime and punishment to the injurious exclusion of the victim. To revive at this time the proposition that citizens are entitled to protection, and such protection failing, that citizens at least are entitled to be compensated for the losses they suffer from violent criminal action can only serve to strengthen the social fibre of our nation.

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FOOTNOTES

[*] U.S. Senator (D., Montana).

[1] The Code of Hammurabi, §§ 23–24, *cited* in C. Johns, The Oldest Code of Laws in the World 6–7 (1903).

[2] S. 750, 92d Cong., 1st Sess. (1971). A similar bill was introduced on December 10, 1970. S. 4576, 91st Cong., 2d Sess. (1970).

[3] *Hearings on S. 2936 Before the Senate Committee on the District of Columbia*, 91st Cong., 1st Sess., at 127 (1969), *quoting* A. Linden, The Report of the Osgoode Hall Study on Compensation for Victims of Crime 11 (1968.)

[4] Crime bills passed by the 91st Congress include: Omnibus Crime Control Act of 1970, Pub. L. No. 91–644, 84 Stat. 1880 (Jan. 2, 1971); Comprehensive Drug Abuse and Control Act of 1970, Pub. L. No. 91–513, 84 Stat. 1236 (Oct. 27, 1970); Organized Crime Control Act of 1970, Pub. L. No. 91–452, 84 Stat. 922 (Oct. 15, 1970); Criminal Justice Act of 1970, Pub. L. No. 91–447, 84 Stat. 916 (Oct. 14, 1970); Postal Reorganization Act of 1970, Pub. L. No. 91–375, 84 Stat. 719 (Aug. 12, 1970); District of Columbia Court Reform and Criminal Procedure Act of 1970, Pub. L. No. 91–358, 84 Stat. 473 (July 29, 1970); Omnibus Judgeship Bill of 1970, Pub. L. No. 91–272, 84 Stat. 294 (June 2, 1970).

[5] Actually, the Senate passed a victim compensation program for the District of Columbia, including it as a part of the District of Columbia Court Reform Bill. 116 Cong. Rec. S. 4387 (daily ed. March 24, 1970). The provision was dropped by the Conference Committee on the matter and never became law.

[6] Letter from Thomas B. Macauley to Henry S. Randall, May 3, 1857, on file in the Library of Congress, Macauley said:

"Your republic will be as fearfully plundered and laid waste by barbarians in the 20th century as the Roman Empire was in the Fifth, with this difference: that the Huns and Vandals who ravaged the Roman Empire came from without and your Huns and Vandals will have been engendered within your own country, by your own institutions."

## URBAN MASS TRANSIT

Mr. CASE. Mr. President, last week, 37 Members of this body, myself included, joined in writing to the President to urge speedy allocation of the $900 million Congress provided for urban mass transit in fiscal 1972.

It was most gratifying to have so many Senators sign the joint letter. I am confident the President will be impressed. More important, however, we hope he will act promptly to make the $900 million available to the urban mass transit program.

Mr. President, I ask unanimous consent that a press release listing the names of the cosigners and carrying the text of our letter be printed in the Record.

There being no objection, the press release was ordered to be printed in the Record, as follows:

Thirty-seven members of the U.S. Senate joined today in asking President Nixon to speedily allocate the $900 million Congress provided for urban mass transit in fiscal 1972.

Led by Senators Clifford P. Case (R-N.J.) and Harrison A. Williams, Jr. (D-N.J.), the 37 senators made their views known in a letter to the President.

The senators said that after years of neglect the cost of revitalizing and expanding urban and suburban transportation systems will be substantial. They cited as one measure of the cost the $2.6 billion backlog of applications for Federal mass transit assistance.

"That the states and cities will not be able to undertake the job on their own is beyond question," the letter stated. "They understandably must look to the Federal Government as their principal source of financing."

The senators said they had been advised that the full $900 million could be committed during the present fiscal year, and that a substantial portion could be used "quickly" to create jobs in the present period of high unemployment.

Last March, 28 senators signed a letter urging the Administration not to go through with plans to reduce the fiscal 1971 mass transit program from the $600 million provided by Congress to $400 million. The 37 signing the current letter were:

Gordon Allott, Birch Bayh, J. Glenn Beall, Jr., Lloyd Bentsen, Edward Brooke, James L. Buckley, Clifford P. Case, Frank Church, Alan Cranston, Thomas F. Eagleton, David H. Gambrell, and Robert P. Griffin.

Fred R. Harris, Philip A. Hart, Vance Hartke, Mark O. Hatfield, Harold E. Hughes, Hubert H. Humphrey, Jacob K. Javits, Edward M. Kennedy, Warren G. Magnuson, Charles McC. Mathias, Jr., George S. McGovern, and Walter F. Mondale.

Edmund S. Muskie, Gaylord Nelson, Robert W. Packwood, Claiborne Pell, Charles H. Percy, Jennings Randolph, Abraham Ribicoff, Richard S. Schweiker, Hugh Scott, Adlai E. Stevenson, III, Stuart Symington, Lowell P. Weicker, Jr., and Harrison A. Williams, Jr.

The text of the joint letter follows:

The President,
*The White House,*
*Washington, D.C.*

Dear Mr. President: We urge the speedy allocation of the $900 million provided by Congress for the urban mass transit program in fiscal 1972.

There is ample justification for committing the full amount of this appropriation.

After years of neglect, the cost of revitalizing and expanding our urban and suburban transportation systems will be substantial.

One striking measure of the cost is the backlog of applications for Federal assistance placed with the Urban Mass Transit Administration. It presently totals $2.6 billion.

That the states and cities will not be able to undertake the job on their own is beyond question. They understandably must look to the Federal Government as their principal source of financing.

Under the 1970 law, which expanded the mass transit program, it will be possible to provide $3 billion over a five-year period to help finance mass transit improvement. However, if the program is to meet the need, as well as live up to the expectations it has created, it must be adequately funded.

The Administration request for a $600 million program level is a step in the right direction. Under this approach, $510 million would be allocated to capital grants, the heart of any effort to replace, improve and expand local bus, rail and subway systems.

Yet we believe that at least the full $900 million appropriated by Congress is needed. Under the Congressional figure, the allocation to capital grants will be $810 million.

The Urban Mass Transit Administration advises that it can commit the appropriated amount between now and the end of the present fiscal year next June 30. In addition, it believes a substantial portion of the $810 million can be put to use quickly on existing construction projects and thereby create jobs in this period of high unemployment.

Mass transit stands at a critical juncture. Without adequate support from the Federal Government it surely will fail in the vital job which only it can perform.

The Federal Government has made a commitment to help the thousands upon thousands of people living in our metropolitan areas deal with their serious transportation problems. We must meet that commitment.

It is essential that the $900 million be made available promptly.

## ADDRESS BY GOV. GEORGE C. WALLACE OF ALABAMA

Mr. ALLEN. Mr. President, at a Veterans Day observance on October 25, 1971, Alabama's Gov. George C. Wallace spoke to members of the Medal of Honor Society at a world peace luncheon in Birmingham, Ala. The State of Alabama was honored by the presence at the luncheon of 135 Medal of Honor winners along with distinguished members of the Armed Forces. It was my pleasure to be in attendance together with Senator SPARKMAN and other members of the Alabama congressional delegation.

Today, as never before, the Armed Forces and the Military Establishment in general are under continuous bombardment in the form of demeaning faultfinding which, by reason of its scope, intensity, and virulent nature, impairs the effectiveness of our Armed Forces and thus threatens the security of the United States. For this reason it was refreshing to hear Governor Wallace speak out in his characteristically forceful and forthright manner in defense of our veterans and on critical aspects of our national defense posture.

Mr. President, I commend Governor Wallace's address to the thoughtful consideration of Members of the Senate and the public in general. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### ADDRESS BY GOV. GEORGE C. WALLACE

Members of the Medal of Honor Society, Mr. Chairman, Mr. Secretary, General Doolittle, Dr. Whitely, General Davis, General Haines, distinguished members of the Armed Forces, Senator Allen, Senator Sparkman, members of the congressional delegation, and veterans of the wars in which our Nation has participated. As Governor of this State, let me extend to you a sincere and warm welcome, especially to you who are from without Alabama, and to the Secretary of the Air Force, the Honorable Robert Seamans. We are very grateful that you decided to come or could come here to participate in this affair in Alabama. We are grateful to you and thank you for your visit. Of course, we saw General Doolittle last night at the municipal auditorium—his heroic exploits of a few years ago in World War II will always be remembered in the history of our country. I'm sure that as we pause here a moment on this Veteran's Day, we should think about those who are missing in action in the Vietnam war and those who are prisoners of war as their plight, of course, is with us. It is with those who are in official positions in Washington and let us continue to think and pray for them to soon return to their families.

I said last night and I'll say it again to the television audience and you who are present today that I can think of no other visit that has brought honor and credit to our State and to the city of Birmingham and Jefferson County than to have had in our midst some 135 Medal of Honor winners. I think that this is the most distinguished group that has ever visited the State of Alabama. I had the pleasure of meeting a great number of you in Daytona Beach, Florida, a few years ago and told you that I hoped some day you would come to this State. I had the pleasure of seeing General Haines in Southeast Asia some time ago in Taiwan, in the city of Taipei in free China.

There's an inscription on a monument at one end entrance of our state capitol which ends with "The Name of Patriot Stands Alone". I think today in this liberal, dubious world in which we live, especially among some hue of our leadership in the country, we should understand and recognize, and we do in Alabama, that the name "patriot" still stands alone. Surely these medal of honor winners who have gone beyond the call of duty have honored us by coming here to Alabama.

My brief part on this program not only is to welcome you to the state of Alabama and to thank the secretary of the air force and others for being here, but also to talk briefly on Alabama's military role. I think that all of those in the armed forces who are here today know that for the record that Alabama has participated in all of the wars in which this nation has been involved from its inception. So, I'm not going into detail about that. I think that the people of Alabama are as patriotic as the people of any state. Not that we are any more patriotic, but at least when we are involved, the question of right or wrong in this involvement dissipates in Alabama, and we stand with our servicemen.

In the few moments that I have here, I'm going to say what I believe is Alabama's feeling about the present status of the thinking in the country about armed services and to say that I am grateful to the armed services, and I sometimes deploy and sometimes I'm frustrated at the attitude in certain circles among those whose slogans seem to be to disarm the United States. I'm one who believes in peace through negotiation and that is the belief of Alabamians, but we also believe that you cannot negotiate for peace unless you negotiate in strength, and when you sit down with the enemies of the free world, unless you are strong, nothing in my judgment comes of the negotiations.

We in this country have been told that strength is weakness and weakness is strength—but this is not true. We have been told that parity rather than superiority in military weapons and munitions is sufficient to assure the keeping of the peace and the protection of this country—but this is simply not true. We have been told that a "deterrent" capability in maintaining peace and assuring freedom from attack, and we have also been led to believe that the commitment of our military forces need not always be followed by a quest for victory—this is not true.

I strongly disagree with the concept of parity and in its stead call for superiority in order that any President of the United States, whoever he might be, can walk, not crawl, to the negotiating table.

Let me hasten to say that I can be placed among those numbers who look forward to the day when effective bilateral and multilateral disarmament takes place. But until that day comes, and I pray to God that it comes soon, we must constantly evaluate and upgrade our national defenses. There are those in high places in this country today who would relegate this nation to a second-rate military power. And I am fearful that many of our citizens do not realize how close we are to being a second-rate power now. The respected institute of strategic studies in London tells us that as of September 1, 1971, the Soviet Union not only achieved parity in land based intercontinental ballistic missiles with the United States, but that its strength in that area exceeds ours by 45%. In the five years from 1965 to 1970, the Soviet Union virtually quadrupled its strategic missile force. During that same period, the United States reduced its megatonnage by more than 40%. I might also point out that during the same period when it was recommended that the United States construct many silo-type missile sites for intercontinental ballistic missiles, the voice of those doves in Washington rose loud and above all the others to say that we ought not to spend the money and were able to effectively block the construction of ICBM sites which would have probably given us an effective ballistic missile defense.

I say that we must improve and upgrade our national defense system.

It is good to talk for disarmament. It is good to hope for disarmament. But those who advocate disarmament above national security are in for a rude awakening if they think the Communist nations have lessened their quest for more complex, more sophisticated, and more destructive weapons. The best way to insure peace is to maintain a posture of defense so strong that any nation will be fearful of the thought of promoting war.

We need strong new emphasis on research and development in the area of weaponry and mobility as well as other areas vital to our security. We need to proceed with the upgrading and installation of an anti-ballistic missile defense for the protection of our Nation and its citizens.

Yes, we need all of this and even more, we need to guarantee that American troops will never again be committed with less than total support of all available resources, moral and material—and with a commitment and desire for victory by the leaders and people of this country.

In the words of Donald E. Johnson, administrator of Veteran Affairs, Veterans Administration, "the future security of our Nation demands that the attitude of the American people toward our Armed Forces be changed. It is true that our service men in Vietnam, and our veterans returned from Vietnam, have fought not only the longest war in American history, but the loneliest and most personally tragic as well.

"Not only because their service and sacrifice are unappreciated, but even more because their service and sacrifice have been largely ignored.

"Their return home has been marked, not by parades and banquets and bands, but too often by indifference and even hostility.

I think that the indifferent and hostile attitude toward the military by some in this country is shameful—and I want you to know that we in Alabama and in Birmingham do appreciate the many sacrifices that those who have served in our military have made for us. I am proud to have had the opportunity to serve during World War II and I think it is a great honor to serve.

As I conclude, I want to leave you with the words of a great veteran poet of some 250 years ago:

"God and the soldier we adore,
In time of danger, not before
The danger past and all things righted,
God is forgotten and the soldier slighted."

## THE CANNIKIN TEST

Mr. ALLOTT. Mr. President, in a warm editorial in the Saturday edition of the New York Times, the editors waxed theological on the subject of the Cannikin test.

They concluded with these words:

> However, if the Supreme Court fails to intercede today, an underground explosion 250 times greater than Hiroshima will take place as planned. Let us pray.

Indeed, let us pray frequently, and for a variety of purposes. It is a pleasure to see the New York Times, which has spilled much ink in the effort to keep prayers out of school, praying vigorously.

And their prayers, like the Cannikin test, seem to have worked. There were none of the earthquakes, tidal waves, and sundry other calamities which some apocalypticians predicted would result from the test.

Let us hope that Cannikin yielded the information that we needed, and that such tests will be of diminished importance in an increasingly peaceful world. Meanwhile, let us just enjoy the spectacle of the New York Times worshiping something other than itself.

## FORT HUNT HIGH SCHOOL SYMPHONIC AND MARCHING BAND

Mr. BYRD of Virginia. Mr. President, we hear much these days of young people with problems, but I wish to salute today a group of young people who have made an outstanding record for themselves.

They are the members of the Fort Hunt High School Symphonic and Marching Band. Under the direction and leadership of Mr. Frank B. Wickes they have established themselves as one of the best high school bands in the Nation.

The Fort Hunt High School band has won numerous awards in the last 2 years. Now the band has received an invitation to participate in the International High School Band Festival in Vienna, Austria, in July 1972. Less than 2 percent of all of the high school bands in the United States were even considered by the Festival Invitation Committee, and the Fort Hunt band will be the only high school band representing Virginia.

The International Band Festival, conceived by the Austrian Government to highlight its "Youth Year—1972," has the official endorsement and cooperation of the Government of the Republic of Austria, and is under the patronage of the Federal Minister of Education. The Festival Committee has invited bands from more than 50 countries in the free world.

While in Austria the Fort Hunt band will join the other festival bands in the presentation of open-air concerts in the city's parks, compete for festival awards and the prize of the city of Vienna, and enjoy the cultural and entertainment attractions of one of the world's most musically historical capitals.

I wish them every success, and I am proud that this fine group of young people will be representing Virginia in Vienna.

## ENFORCEMENT POWERS OF THE EQUAL EMPLOYMENT OPPORTUNITY COMMISSION

Mr. BAKER. Mr. President, when the Senate considers S. 2515, whether in the remaining days of this session or in the early days of the next, it will have to make a fundamental decision with respect to the operation of the Equal Employment Opportunity Commission. That fundamental decision is whether enforcement powers should be vested in the EEOC itself or in the Federal courts. I, for one, believe strongly that such authority should be left to the judiciary.

Perhaps the most prominent and effective spokesman for such a course is the able Senator from Colorado (Mr. DOMINICK) who succinctly stated his views on the matter in an article published in the journal Nation's Business of October 1971. I ask unanimous consent that the article, entitled "Let's Be Fair About Equal Employment," be printed in the RECORD.

[From Nation's Business, October 1971]

### LET'S BE FAIR ABOUT EQUAL EMPLOYMENT

(By Senator PETER H. DOMINICK)

Picture yourself as an employer visited one day by an investigator from the Equal Employment Opportunity Commission.

His agency, he says, has received a complaint that you have discriminated against a job applicant. From then on, everyone you're up against is a member of the same team.

The first man goes on to investigate, and to file a formal complaint—with the EEOC.

The same agency arranges a hearing at which another EEOC employee is the prosecutor and still another is the trial judge. When a decision is handed down, other EEOC employees proceed to act as a reviewing authority.

If you're dissatisfied with their judgment, you can—after the time and expense of that drawn-out process—embark on new, lengthy and costly litigation in a U.S. Court of Appeals. But only after the EEOC has finished.

Many situations like that could come about under the approach urged by some members of Congress.

There is no doubt that the time has come for Congress to provide an enforcement procedure which would give substance to the purposes of the legislation that established the Equal Employment Opportunity Commission.

But the key to reaching this goal is a workable structure that would be fair to both employee and employer.

That is why I believe the enforcement powers should be vested in the federal courts and not be turned over to the EEOC itself in the form of "cease and desist" authority.

Under the latter arrangement, to which I have strongly objected, the Commission would be empowered to go around the country issuing orders to employers, after the type of proceeding described above, to refrain from alleged discrimination in hiring and on the job.

When Congress established the EEOC under the Civil Rights Act of 1964, it was given authority to investigate complaints of discrimination in employment and to try to resolve grievances through conciliation procedures.

While the EEOC had no mandate to enforce fair employment practices, there were immediate demands for legislation to give it those powers.

However, Congress has been divided over who should have the enforcement powers—the EEOC itself or the courts. The House last month passed an Administration-backed bill to turn the job over to the courts. But some Senators favoring the "cease and desist" approach hope to revise the legislation along those lines when the Senate considers it later this year.

#### POLICY INTO REALITY

I strongly believe in translating the policies embodied in the Civil Rights Act into concrete realities for working men and women in this country who have been denied employment opportunities because of race, color, religion, sex or national origin.

In my opinion, the way to do it is through a plan such as the one passed by the House.

Under this plan, the Commission would first seek to obtain voluntary compliance with the law by specifying immediately the nature of the complaint and advising the employer that he was violating the law.

If a satisfactory agreement could not be reached through negotiations in this manner, the Commission would be free to bring its own direct action against the employer in a U.S. District Court.

Using established judicial procedures, the Commission could—pending a final ruling—request a preliminary injunction or temporary restraining order.

If a court, after hearing the case, decided a violation had occurred, it could enjoin the employer from engaging in the unlawful practices. The court also could order whatever relief was considered appropriate, including hiring of employees, or reinstatement with or without back pay.

There are many reasons why the judicial approach is superior to administrative "cease and desist" procedures.

The principal objection to the administrative approach is that it harkens back to the "Star Chamber" proceedings outlawed in England more than 300 years ago. That is, the EEOC would, in effect, become investigator, prosecutor, trial judge and judicial review board—all before you ever got to the Court of Appeals!

I do not believe this is appropriate for any Executive agency of government.

Furthermore, as a practical matter, EEOC Chairman William H. Brown III has told the Senate Committee on Labor and Public Welfare that his agency has a case backlog of 18 to 24 months. If it is unable to handle the load under the present arrangement, there seems little likelihood it could begin issuing cease and desist orders for quite some time.

Chairman Brown estimated it would take almost two years to set up a trial examiner procedure, and substantial staffing of trial examiners and new lawyers would be needed to conduct the adjudication procedures before the Commission itself.

We already have over 90 federal district courts and nearly 400 judges for those courts.

Under the judicial approach, where there was a legitimate case, the Commission could take it right into one of those courts—already set up, staffed and paid for.

Naturally, use of the existing court system would mean more immediate action than the cease and desist method, which would be more than two years down the road, even after a bill had been signed into law.

#### OTHER WORRIES

And the judicial approach, course, would bring together and preserve both the expertise of the EEOC in investigating, processing and conciliating unfair employment cases and the expertise and freedom from shifting political winds of the federal courts.

There are other matters of concern to many businessmen in proposals for changes in the law.

For example, Chairman Brown indicated in testimony last year that remedies for discriminatory practices should reach back to the effective date of the Civil Rights Act—July 2, 1965.

Consider the threat of the enormous back pay liability that would confront employers! A fairer solution would be limiting liability to two years prior to the date a complaint is filed. This is not an unprecedented procedure—the Fair Labor Standards Act has followed it to the satisfaction of most parties for many years.

Of equal concern to many businessmen is the Commission practice of conducting full-scale personnel audits of an employer's company-wide employment practices whenever a charge is filed against him.

Unfortunately, in too many cases, little attention is paid to the specific charge, and the Commission engages in fishing expedition, looking for evidence to support allegations of a "pattern of practice" of discrimination. This type of action is of no direct benefit to the individual filing the original complaint, because action on his limited grievance more often than not is abandoned or delayed while the Commission is engaged in the broad investigation of the entire company.

So the employee suffers and the company suffers. This inequity should be corrected in any new legislation.

### DOING THE JOB—PROPERLY

In summary: There is a need to put some teeth into the equal employment section of the 1964 Civil Rights Act—and to avoid inequities.

The EEOC cannot do its job unless there are some enforcement powers behind it. Because of this immediate need, and because of my belief in the separation of powers among the three branches of this government, I maintain that use of the courts is the proper way.

That approach would give the EEOC the power it must have and, at the same time, insure that the procedures would be workable—and fair to all.

## NEW CITIES FOR THE SEVENTIES

**Mr. MOSS.** Mr. President, it is important that the Nation direct its technical talents toward its real needs, the resolution of our urgent social problems. This morning the Senator from Massachusetts (Mr. KENNEDY), spoke on this issue to the northeast electronics research and engineering meeting of the Institute of Electrical and Electronics Engineers.

I ask unanimous consent that his statement entitled, "New Cities for the Seventies," be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### ADDRESS BY SENATOR EDWARD M. KENNEDY

I welcome this opportunity to address the Northeast meeting of the IEEE. As Chairman of a Senate Subcommittee on Science since 1968, I've had more opportunity than most members of Congress to get to know the members of the technical community—to understand your problems and to appreciate your boundless potential to contribute to the public good.

Each year that I've steered the National Science Foundation budget through the Senate I've been enormously impressed with the untapped ability of engineers to tackle the nation's problems. At the same time, as I've led the fight in Congress to maximize utilization of technical manpower, I've been appalled at the shocking waste of talent and resources which the Administration has permitted.

This laissez faire approach is unacceptable. The nation must have a strong science policy. We cannot continue to bury our technical talent under a cloak of official apathy.

My work on these issues makes one point abundantly clear: America's strength springs from the skill of its people. Scientists and engineers possess a large measure of those skills. The nation needs all the talent it can muster to surmount its present problems.

Yet at this time of maximum need, between one and two hundred thousand technical personnel across the country are out of work, or employed in jobs below their skills. Since each working engineer generates six to ten other jobs, this means a potential loss of over a million jobs throughout the nation. And it means that it will take us that much longer before we can bring our social problems under control.

We must put our engineers back to work, and we must direct their efforts toward the nation's real needs. Technical innovation must become as vital a part of the civilian economy as it has been in defense and space. This is the way to create jobs, strengthen our international economic position, and improve the quality of our lives.

Over the long-run, the key to technical innovation lies in the private sector. But industry will use technology to innovate only to the extent it finds it profitable to do so.

Government has the responsibility to set the framework of tax laws, patent policies, and other incentives which determine the profitability of technical ventures. I am currently developing such measures, and intend early in the next session of Congress to introduce legislation designed to foster technical innovation in the civilian economy.

But our present problems cannot wait on long-term solutions. Strong government action is needed now to put our technical talent back on track.

For the past two years, I have been engineering a legislative program on economic conversion—to put over technical talents where our problems are. In August 1970 I introduced the first bill on Conversion Research and Education. By January 1971, the bill had been strengthened and re-introduced as the Conversion Research, Education, and Assistance Act. Last March I added the Economic Conversion Loan Authorization Act. And last month I introduced the New Cities Research and Experimentation Act.

Taken together, these bills can provide the propulsive thrust needed to get our technical work force moving again.

Most of you in this audience chose a career in engineering with confidence in your job security and the contribution you would be able to make to society. National leaders and career counselors urged you to enter engineering to serve your nation, fulfill your potential, and achieve a rewarding life for yourselves and your families.

Yet today engineering jobs are on the decline and the profession is on the defensive. Last week I held hearings on my conversion bills and was deeply distressed at the witnesses' testimony.

A 59 year old engineer from Lincoln, Massachusetts testified that he had been out of work for 16 months. After 14 years with his last employer, he received 4 days notice before separation. But although the human being was discarded, his ideas remained the property of the firm. The company has since received patents on two applications he had pending before his dismissal.

A communications engineer from Cherry Hill, New Jersey led the team which designed the antenna for the Lunar Rover vehicle on Apollo 15. As you know, this antenna permitted the astronauts to transmit their findings as they explored the surface of the moon. The design was so successful that the engineer received a special commendation from NASA for his leadership. He also received a layoff notice from his firm shortly before he watched his antenna in action on the surface of the moon.

Another unemployed engineer from Newton, Massachusetts told of his experience leading a self-help group of unemployed engineers. He described the severe impact on the individuals and their families—the suicides, nervous breakdowns, and broken families which were all too prevalent.

And a 59 year old aeronautical engineer from Seattle, unemployed for 13 months, told how earlier in his career he had turned down an opportunity for a tenured professorship at a leading university because he did not want to give up his work on government sponsored aerospace programs.

These are typical of the countless examples with which all of you are familiar. Other witnesses at the hearings showed the extent of technical unemployment and corroborated the experience of these individuals.

These are not people who have lost their jobs through any fault of their own. They are highly competent individuals who have performed successfully over the years, and have now been placed on the shelf because of shifting national programs far beyond their control.

For many of them it is impossible to find professional employment in the present market. And when they try instead to become cab drivers, construction workers, or shoe salesmen, they are told they are too old or too well qualified.

And current government assistance programs are not addressed to their needs. Normal unemployment compensation, health insurance, welfare and food stamp programs are not designed for the families of professionals who have been earning $15,000 a year or more.

But the most important point which emerged from the hearings was the great potential this group possesses to contribute to the nation's needs. Engineers who can produce patents for their former employers can provide ideas which will benefit society. Engineers who can transmit data from the moon can help meet the data processing needs of our technological economy. And engineers who could have taught at our leading universities must have some lessons to offer of benefit to all of us.

The problem is not with the engineers, but with the lack of Government policy for engineering. The economic conversion bills which I have introduced in the Senate attempt to fill that gap and meet four basic goals: First, we must establish a framework of national science policy which assures the nation the maximum benefit from its technical resources. Second, we must create 200,000 technical jobs which tackle the real problems of our society. Third, we must aid communities, companies, and individuals in making the difficult transition into those jobs. And fourth, we must provide interim financial aid to unemployed technical personnel until the new programs are operational.

My proposal for creating many of the necessary jobs is the New Cities Research and Experimentation Act, which authorizes $1 billion for the design and development of much needed new cities.

Lately it has become fashionable to say that our cities are ungovernable, that their problems are insoluble. I cannot accept this pessimistic view. Surely, the scientific skills and organizational knowhow which carried us to the surface of the moon can teach us to move expeditiously over the face of the earth. Surely, the nation that produced the most powerful industrial system in history can learn to adapt its technology to present problems and future needs. Surely, the people who tamed a wilderness and created our modern civilization can unsnarl our cities and make them livable, once again, for man.

The Conversion Research, Education, and Assistance Act meets two of the other basic goals. For the first time in our history, it establishes a civilian science policy for the nation:

Full-employment for scientists and engineers, in positions commensurate with their skills.

Parity in Federal expenditures for civilian and military research and engineering.

Annual growth in the Federal investment in science and technology, in proportion to the growth in the GNP.

This Act also authorizes $500 million for aid to communities, companies, and individuals in making the difficult transition to civilian, social programs. Such aid would encompass financial, technical, and educational assistance.

Key programs include: $63 million to establish Community Conversion Corporations; $45 million to enable State and local governments to employ scientists and engineers, and to plan technical programs for their regions; $45 million to help small technical firms convert to civilian projects; and $225 million to provide unemployed technical personnel with placement, and relocation assistance, and reorientation and on-the-job training.

The remaining goal of my proposed conversion program is met by the Economic Conversion Loan Authorization Act. This bill authorizes $200 million to provide government guarantees and interest assistance payments for long-term, low-interest, loans to unemployed scientists and engineers. They would be able to borrow up to $12,000 and have ten years to repay the loans after they were reemployed in high paying jobs.

They would, in effect, be mortgaging their future earnings to meet their present commitments. This measure is financially sound because we know the nation cannot let this reservoir of talent remain unemployed. As a whole this group must return to work, and its members must once again earn high salaries.

But the crux of my conversion legislation is the New Cities Bill. This is the means to create the civilian market for technical personnel and to direct their talent toward our real problems.

The New Cities Research and Experimentation Administration would function in much the same way as NASA; except that it would focus on the problems of the cities rather than outer space. The new Administration would sponsor the design, testing and demonstration of urban systems in: transportation, communication, housing, water supply, energy supply, public safety, fire fighting, health services, education, and environmental systems.

Thus, for example, the transportation systems contract could stipulate a mass transit system which would pick up and deliver 75% of the city's population from within ¼ mile of their home to ¼ mile of their job while meeting acceptable standards of cost, time, cleanliness, comfort, and impact on pollution levels. Similar contracts could be awarded for solid waste disposal systems, power systems, communication networks, and health services.

The resulting systems would be publicly demonstrated for use in new cities and in improving the conditions within existing cities. The new agency would catalyze technical innovation throughout civilian industry.

Thus the New Cities Program can serve as the dramatic focus for science in the decade of the Seventies, in much the same way as the space program did in the decade of the Sixties. But the results will be of direct benefit to all our citizens here and now—not at some future date.

Whether our present situation is remembered as a crisis, or a new beginning depends on what we do with it. For the first time in history our nation has a vast surplus of unused technical talent which can and must be put to work. If we seize that social opportunity and meet that technical challenge, we can redirect our extraordinary scientific imagination to our real problems. We can resolve the crisis of the cities, restore the integrity of the environment, and enhance the quality of our lives.

In the spring of 1961, President Kennedy challenged the technical community to place a man on the moon within a decade. The nation's engineers responded magnificantly, and the race was won.

But now ten years later, the team is marking time while we search for a new target. The target I propose is New Cities for the Seventies.

Before this decade is up, let the nation's engineers design and demonstrate a totally new city—one that shows us what is possible for all Americans in all cities. This is a goal which will test our technical talent to the fullest. This is a goal which is relevant to our real problems. This is a goal which, I am confident, we can meet.

## THE DEBATE ON NATIONAL HEALTH INSURANCE

**Mr. DOMINICK.** Mr. President, I have a recent article from Modern Medicine which I think merits the attention of Senators who are interested in the current debate on national health insurance. It was written by Dr. Gunnar Biörck, a medical educator in Sweden. Many critics of medical care in the United States are fond of citing statistics purporting to show that it is inferior to health care in Sweden, which operates under a socialized system. Dr. Biörck comments on that comparison are interesting.

He starts by making the point that due to the disparities in population and other factors, comparisons between health statistics in the United States and Sweden are not very meaningful, and suggests that a better comparison would be between the State of Minnesota and Sweden. He goes on to make several criticisms of the Swedish system. He questions whether a health program controlled entirely by the Federal Government—like the Swedish system—will result in lower costs or better quality of care. He believes that the private sector has an important role to play in the delivery of health care, and observes that its elimination in Sweden has resulted in depersonalization of health care and inadequate incentives for doctors, causing many of them to migrate to the United States.

I think this article is worth considering, not just because I share Dr. Biörck's opinion that domination of our health care system by a massive, expensive, innovation stifling Federal bureaucracy would be unfortunate, but also because his views are based on actual experience in such a system. I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Modern Medicine magazine, Aug. 9, 1971]

### AN INSIDER'S VIEW OF MEDICINE IN SWEDEN

(How does medicine in Sweden compare to medicine in the United States? Dr. Gunnar Biörck, a leading medical educator who has worked within the Swedish system for thirty years, was asked for his opinion. Here is his reply.)

In a letter to me you have asked my opinion on some statements made in an article in which Swedish medicine was compared with American. In particular, you wanted to know whether Swedish medicine was far superior to American medicine because it is socialized—as allegedly stated by Senator Kennedy—whether the Swedish system offers substantial incentives for doctors to do a superior job, whether the waiting lists are short to get into hospitals and a doctor will see patients at any time, whether socialized medicine lowers hospital costs, and, finally, whether the only thing against the Swedish system is that its patients are kept in experimental hospital beds for too long a time.

Before commenting on these statements I would like to say that I adhere to the old concept that a visitor to a foreign country should abstain from involving himself in the internal (or foreign) politics of that country, and, likewise, that he should abstain from belittling his own country, even though at home he may voice independent and nonconformist views in matters of public interest. I would like to add that I do consider U.S. senators generally to be quite well informed, and I have great respect for their judgment in public affairs.

However, I have been invited to this country on the occasion of the 200th anniversary of the New York Hospital and asked to participate in open discussions concerning the tasks of a university medical center in the future health care organization in your country. Against this background, and the information I have got over the years on your system of medical care, I venture to answer your letter to the best of my knowledge.

As you know, I have been working within the Swedish system for more than thirty years, of which the last twenty have been in university hospitals. For all practical purposes, I have been a civil servant, employed full time by government or local authorities, although up to Jan. 1, 1970, as a university professor and head of a department of medicine. I had the right of seeing a few private patients in consultation in the hospital. I have been serving on many committees, appointed both by the government and by professional organizations, and in our last big "reform" in Greater Stockholm, as of this year, I am a kind of "regional director" of medicine in the Stockholm area in addition to the tasks as professor and head of a big department of medicine. I tell you this some personal experience of the "inside" of the Swedish system and maybe a little more so than representatives of the government and their public relation interpreters, who do not practice medicine themselves.

I think it is necessary to begin with some general statements. Sweden is a country with a population of 8 million, which is less than the New York metropolitan area. Furthermore, it is a country with a homogenous population, as regards race, religious, or cultural values; many of its social institutions have old traditions, and we have not been in war for almost one hundred sixty years. It is obvious that comparisons of the actual state of health in our two countries (such as infant mortality, life expectancy, etc.) *cannot* relate only to differences in *systems* of medical care *delivery*, but must be viewed against a complicated "anthropological" background and also take into account the difficulties created by numbers in your case. Rather than comparing Sweden with the U.S., one might select for comparison perhaps the State of Minnesota, to get the proportions straight.

Against this background, which should be almost self-evident, I do not think that "Swedish medicine" is far superior to "American medicine," and even though "delivery" may be somewhat better at home than it is here for many groups in the society, I doubt if this is due mainly to its being "socialized."

Let us get things straight: if you think in terms of economics and management (which are only in part applicable to medicine, by the way) "protection," delivery, and consumption must be considered. As for "production," I sincerely believe that the achievements of American medical science over the years have been—and still are—outstanding in the world. I know it, from many visits to the excellent medical schools and research institutes in this country. The medical profession in my country is profoundly grateful for all opportunities for learning that you have provided us for so long. The impressive number of American Nobel prize winners in the biomedical sciences should convince yourself of how the world outside the U.S. recognizes your achievements. I find it utterly deplorable that in the present era or guilt feelings, bad conscience, and self-accusations, in which I am surprised to find so many medical men (who should know better) in this country, the *morale* of the centers of learning and study seems to be weakening. The American medical school and university hospital, as I know them, have a good cause and a clean record and, by Jove, they should be worth fighting for in the upright position.

Now, to the delivery system. This is a part of the American medical system I personally know less about. My own experience tells me that an insurance system would be the logical solution of the economical and practical difficulties that arise subsequent to disease as well as to loss of earning capacity for other reasons: unemployment, childbirth, etc. It is also obvious that because not all men are rational creatures, not all are middleclass wage earners, and some are stricken very much more than others, *individual* insurance schemes may not suffice, and the burden may have to be shared by all. In essence, part of the "welfare" money may have to be channeled into "health" money.

I do not know your system (sometimes referred to as a nonsystem) well enough to go into further detail. But it is my strong belief that a system based on the insurance concept, and with some mechanisms that make it worthwhile for the individual citizen to try to keep in good health and not to lean on—and abuse—a community service organization, is far better than a system in which access to medical services on demand and without cost to the individual at the moment is being promised. No such organization has as yet been able to live up to the expectations—and is not likely to do so. The Treasury will eventually refuse to pay the bill.

Up to Jan. 1, 1970, I would have denied that Swedish medicine was "socialized." We had a compulsory health insurance, paid together with our taxes; we had free hospital care, discounts on expensive or lifesaving drugs, cash money for sick wage earners, and three-fourths of doctors' fees being reimbursed to the patient by the insurance for visits to private practitioners, hospital physicians, and outpatient departments. This system did in fact work well and it did minimize medical bureaucracy and permit a fairly free choice of doctors. The private sector was responsible for one-third of the delivery of ambulant medical care, which is, I believe, a reasonable green belt priority, fresh air and possibilities for doctors and patients alike.

On Jan. 1, 1970, there was a political shutdown on this state of affairs. *All* hospital physicians were deprived of their right to see private patients in consultation; with the exception of professors, they all got working-hour schedules of about fifty hours a week in the hospitals. By means of other legislation, their security on the job is lessened, and the avenue to political appointments instead of appointments based on evaluation of training and competence is being opened.

Attempts are being made to buy out the private practitioners by providing so many posts in the community-run ambulant health services that no market will be left for the private initiative. In short, the medical profession in Sweden is soon likely to become what epidemiologists refer to as "a captive population." No wonder that a number of our best young doctors are feeling their way to the U.S.

Against this background I venture to say that the "delivery" system in Sweden between 1955 and 1970 was not "socialized" and did work well. What we have got after 1970 is very much more socialized—and intended to become fully socialized in due time—and what we have seen of it as yet has not worked as well as before. And that is precisely because this new system does not offer substantial incentives for doctors to do a superior job. There are, no doubt, a few physicians who feel that the absence of "economic transactions" between them and their clients make life easier, but I believe that in the majority of cases the doctor-patient relationship has become weaker in a situation where the patient is no longer seeing the doctor of his or her choice, but an impersonal institution, in which one cannot be assured of meeting one's "own" doctor. My feeling is that incentives are being reduced in a socialized system, and unless you introduce incentives other than economic, you are going to get a service that is worse, and not better, than what we used to have.

A reflection of this situation is the fact that—contrary to what is stated in the article you refer to—waiting lists have been substantially increased during 1970 for admission to hospital outpatient departments and so useless for admission to certain clinical departments (such as departments of medicine) that they are almost not in use. Two-thirds to three-fourths of all admissions to departments of medicine take place as emergencies, in many instances emergencies among those who were on the waiting list. Waiting time in our outpatient department has doubled in 1971, and this is true also of other departments.

One of the reasons for this is precisely that "socializing" of physicians in ambulant care makes them less interested in the work-up of the more difficult patients, who are, instead, increasingly being referred to the hospitals. It is, of course, equally true of the Swedish system as it is of the American that patients will be seen by a doctor "at any time," inasmuch as this refers to emergency units in hospitals. Otherwise, it is, of course, not true. Doctors in both countries are increasingly unwilling to work outside office hours or to make house calls. This is a consequence of the present trends in the affluent society at large, where—as taxes rise—leisure becomes a more and more valued commodity.

As for the statement that "socialized medicine" lowers hospital costs, I doubt it and can see no sensible reason why this should be so. Hospital costs *as such* are mainly salaries, which make up 80% of the average Swedish hospital budget. It is, in fact, obvious that the use of full-time salaried staff must be more expensive than your way of soliciting a good deal of unpaid or little-paid medical manpower by means of "visiting physicians." However, what ultimately is of importance is, of course, bed occupancy rates and results of treatment relative to running costs. I have no impression at all that we should be better off than you are in these respects, and if this could be shown to be the case, I believe it has nothing to do with the financing of the system, but with medical priorities and the general organization of care in our countries.

And last, the notion that we should be keeping patients in "experimental hospital beds" for longer periods than you do appears to me to be completely erroneous, to say the least. It is hard to understand where it comes from. I am convinced that there are far more "experimental beds" in this country than in mine, and we are envious of you for the possibilities that such beds have given you to study with extreme care and in depth, e.g., diseases of metabolism and endocrine diseases. We wish we had more and better beds of this kind.

On the contrary, the increasing demand of beds for vascular catastrophes in the aged is so great in our hospitals that we have to send back to their homes many patients, in whom we could not complete the proper program of study, just because of lack of space for those with less acute needs.

It may be that the "Swedish system" is a game of chess, where some more moves have been made than in the corresponding American chess game. Then, you should really try to evaluate the inherent consequences of our game.

With this, I believe to have commented on the issues you brought before me. In conclusion, I would like to give a personal view of some of your problems, without reference to the "Swedish system," but with reference to what I have seen and heard in connection with my present visit to your country.

In every system of medical care, the medical schools and the university hospitals constitute the fortresses and the armories of the system. The American medical schools I know of have produced the finest physicians in the world, both as regards knowledge *and* professional ethics. You should be very careful not to sacrifice these virtues—and the support of them!—in a well-meaning but foolish attempt to conform to new ideas. I am working in a largely service-oriented medical system, also at the university level, and I know that that means you never get time to think. In the words of Yale president Kingman Brewster: you are compelled to *meet today's needs now*. In my opinion, this is the task of the overall medical care system, but not of the university medical center. The tasks of the latter are to foresee and work on tomorrow's problems and their solutions, today. You cannot easily do both things at the same time. What I have said does not, of course, exclude the notion of the university engaging in experiments in what is labeled here "community medicine." The crucial question is, whether the university shall attempt this on the size of 15,000 people, 150,000 people, or 1,500,000 people.

It is my firm conviction that while the university might handle successfully a community of 15,000, the medical coverage of 150,000 or 1,500,000 is the task of local public health authorities. Quite another thing is, of course, that the university should aid in all possible ways, in a consultant capacity, to developments within the organization of medical care within its area of influence.

Let us, however, not forget that many of the health problems of today are not within the area of competence of medicine proper. Poverty, bad housing, and unemployment are basic factors in many diseases, but these problems cannot be solved by doctors. Drug abuse, alcoholism, and excessive cigarette smoking lead to severe diseases; yet they are part of our culture, morbid solutions of states of dissatisfaction with life, against which medical efforts so far have been remarkably unsuccessful. I think it is timely to try to decide what medicine and doctors *can* do, and what they *cannot* be expected to do, if we are to avoid the rising dissatisfactions that will result from unduly rising expectations on the side of the consumers. Crime is not the fault of law schools, nor is a deficient health situation the fault of the medical school. That responsibility rests with the government—local, state, or federal.

It seems not unlikely that you need more physicians and a better congruency between the location of your health resources, including all kinds of health personnel, and the populations most in need of health services. The latter can be achieved either by command or by attraction. It will probably not be achieved without some action by your governments. It should be possible to capitalize on the idealism of certain young people, to a limit. I see a cause of concern in some plans to double the intake of medical students and at the same time shorten medical schools from four to three years. It is unlikely that with larger classes, fewer teachers per student, and a somewhat lower average scholastic level of students one should be able to produce the same quality as today. Some may, of course, possibly consider the present quality well too high in meeting the needs of the community. I do not share that view. I think a bad doctor may be more expensive to the community in the long run than a good doctor.

Finally, in looking toward the future, let me warn you on one score where you should not fool yourselves.

In epidemiological studies from this country, one seems always to be dealing with "men 40 to 64" years of age. Above and besides this, the rest is silence. But with improved general health—not least through efforts within the area of preventive medicine—you may gain those five, six, seven years of life expectancy in which you differ from us, and you may increasingly have to face the *repeated acute episodes* from one or more chronic diseases in your retired population, men and *women*, 65 to 90+ years of age. These people *cannot* be taken care of during conventional office hours in health centers, and they will not be helped by multiple health screenings; they remain the task for emergency services, intensive care units, and wards of large hospitals and competent institutions for the chronically ill.

These are the people who during their active lives made this country prosper and provided the means upon which the present American "health empire" (to use a phrase from a wicked and vicious pamphlet) was built. They should have the right of being properly—which means well—taken care of, and not discarded as useless and non-productive. Therefore, do not demobilize your hospitals in a wave of enthusiasm for "health centers." You will need both.

And in order to support both, I believe that you—and we—must do away with the easy dreams of futurologists: that paradise will come to us without effort, only as a product of technology and self-perpetuating economic growth. With present-day emphasis on values other than material gain and productivity, we may easily run into a situation with diminishing or discontinuing growth, contracting budgets, and less money available for health purposes.

Medical men may well be playing *two* roles—and those who are fit to do so *should* do so—namely, one *professional* role and one role as *citizen*. It is in the latter capacity, more than in the first, that a medical man may have to attack and try to solve major problems in the society which may cause ill health. These two tasks and two roles should not be confused with each other.

To decide upon priorities in a rising economy is difficult, but to do it in a declining one is worse. I feel we should all remember—and the youth "movement" in particular—what William Osler once said: "The master word in medicine is work."

## SENATOR SPESSARD L. HOLLAND

Mr. BIBLE. Mr. President, I wish to join Senators in expressing the profound sadness we all share in the passing of Senator Spessard Holland. He was, as the majority leader phrased it, a U.S. Senator in the best meaning of the term.

I knew and grew to respect Spessard Holland as a member of the Appropriations Committee, where we often worked together on money matters. He was always a hard and extremely effective worker, and it is on that committee, I believe, that he will be missed most sorely in the years ahead.

But it was in our common interest in the conservation of natural resources and in the preservation and development of recreation lands that we were most closely associated. As chairman of the Subcommittee on Parks and Recreation, I found his wisdom and guidance an essential element in the development of the Everglades National Park and in the many other programs so important to land, water, and wildlife resources in Florida.

Spessard Holland was a patriot and an inspired leader who has left a brilliant mark on the history and progress of his State and Nation. I offer my deepest sympathy to Mary Holland, whose personal grief may be lessened in some measure by the knowledge of her husband's great contributions and the pride she must have in his wide range of accomplishments.

Mr. ALLOTT. Mr. President, all Senators were deeply grieved by the news Saturday of the death of Senator Spessard L. Holland, of Florida.

Senator Holland served his State with distinction during 4 years as Governor. He served his State and the Nation with equal distinction during 24 years in the Senate.

He was a Senator's Senator—attentive to his duties, respectful of the needs of the entire Nation, a sensitive and prudent statesman in dealing with the most divisive issues of the tumultuous times in which he lived.

While I have many warm memories of service with Senator Holland, I cherish most the memory of his courageous steadfast efforts on behalf of the 24th amendment to the Constitution. This struck down the poll tax, which had been one device effectively used to deny the franchise to black voters in the South.

Mrs. Allott and I extend to Senator Holland's wife, Mary, our deepest sympathy in her loss.

Mr. McGEE. Mr. President, I wish to pay to the memory of a former colleague—Spessard L. Holland—who was taken from our midst last Saturday.

It is with a sense of tragedy that I mark the passing of Senator Holland, for I came to know him very well while working with him on the Appropriations Committee. As chairman of the Agriculture Appropriations Subcommittee, his contributions to the farmers and ranchers of the Nation were many and significant in scope.

But perhaps the greatest recognition this body and the Nation paid to Senator Holland related to his long and difficult struggle to outlaw the poll tax in Federal elections. His efforts culminated in the passage of the 24th amendment to the Constitution in 1962 and State ratification in 1964. This, in itself, can only be recognized as the highest legislative achievement any Senator can render his country.

It is, therefore, with a deep sense of loss that I pay my final tribute to a man I held in great esteem.

## THE FORMIDABLE MIND OF DANIEL P. MOYNIHAN

Mr. ALLOTT. Mr. President, with customary charity, and with a disdain for wordmincing that is rare in the diplomatic circles in which he is currently sojourning, Mr. Daniel P. Moynihan, currently a delegate to the United Nations, has spoken his formidable mind on the subject of that organization.

I can think of no more salutary reading for Senators than the interview with Mr. Moynihan in this morning's New York Times. So that all Senators may profit from it, I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Moynihan, a Delegate, Finds the U.N. With Head Lost in a Cloud of Ideals

(By Israel Shenker)

United Nations, N.Y.—"Words may be weapons," said Daniel P. Moynihan, "but at the United Nations they wound exceeding slow."

The Harvard professor who set up shop in the White House basement in 1969 and served two years as President Nixon's resident intellectual has now surfaced as a United States delegate.

Mr. Nixon, it is known, wanted to make Dr. Moynihan the permanent United States representative, but he decided that he did not want the job. He is one of five delegates instead of the first among them.

Daily he steps out jauntily from the mission, crosses First Avenue and plunges into the basement of Unted Nations headquarters.

#### UNHERALDED AND UNSUNG

There is yet another meeting of yet another committee, its work unheralded and unsung, and underground; the United Nations' undying messages to humanity seldom rise to the threshold of public consciousness.

"The agenda seems to go on forever, and so do the committees, and so does the talk," Dr. Moynihan said in an interview between plunges.

"People caught up in the League of Nations system attached enormous importance to agreement on texts stating certain general principles and shared aspirations and understandings—not on specific undertakings but rather on the way the world ought to be. It turned out not to be a very productive enterprise—and it continues here."

However hard he tries, Dr. Moynihan grows testy at that enterprise. Americans see laws as instruments to be enforced, he suggested, while many others consider them documents to be admired. When Americans resist efforts merely to formulate ideals, others see it as resistance to the ideals themselves.

The United Nations has become a forum where nations try to agree on the nature of truth, Dr. Moynihan complained, adding: "The term 'truth' is not comprehended under the category 'government.' Intellectuals scholars, individuals, churches seek truth. Governments seek agreements, they seek order or perhaps disorder. They are most decent when they are simply trying to arrange compromises which are, by definition, an imperfect version of truth.

"What I think we could usefully have less of at the U.N. is this quest for large pronouncements about things which are difficult for anyone to understand and impossible for governments to agree upon."

"We've been going through an endless misery with the totalitarian states about which of us is nastiest and meanest," he continued. "Nothing is achieved by our exchanging epithets. No one's view of himself or the other is ever changed."

What would be more realistic, he said, would be "sitting down to reach compromises with totalitarian countries not about how we view the world but how we behave in it—compromise, agreement, contract."

"I am not willing to sit down and try to reach an agreement about which of us is the best country and what is true and beautiful and good and decent," he went on. "There are not categories appropriate to the U.N. forum or subject to negotiation."

"One begins to get a feeling for what Americans are good at and what we're not good at," Dr. Moynihan said.

"I don't think we're very good at ideological argument. Nuance and subtlety and quiet thrust are not taught at American universities, and it's not what we learn in American government.

"At the U.N. we find ourselves up against theoreticians, and I think we're a little bit over our depth. We have a lot of experience about how you run a decent country, but surprisingly little experience at describing the process. This is a weakness of our foreign policy and the strength of our democracy.

Dr. Moynihan is upset by the United Nations' quadrennial report on the world social situation, which attempts to assess the quality of cultures by measuring protest and by measuring protest and dissent. A hopeless undertaking, Dr. Moynihan insisted, his voice shifting from low to high dudgeon:

"There are those societies that permit no dissent internally and those which not only permit it but even, as in the United States, occasionally finance it. Along the spectrum you will never get agreement about what is the right way to organize yourself, and we mustn't get into the business of splitting the difference.

"I will not split the difference between a totalitarian society and an open one, or suggest that there's good to be said on both sides. Neither the U.N. nor even the Scandinavians were put on earth to split the difference between a totalitarion society and a democratic one."

### RIGHT OUT OF ENGELS

Reading in the report that American youth, "feeling powerless to effect social change," had become hippies and addicts, his fury increased: "That's a statement which at one or two or three or four removes comes straight out of Friedrich Engels's 'The Condition of the English Working Classes,' which he published in 1844 and which dealt with such problems as drink in Manchester."

"If you can't recognize an argument from Engels, don't get in that poker game," Dr. Moynihan advised. "Instead, talk about how we feed people in West Bengal. There has been a disaster there of proportions the world has no name for yet. Who rushed to the scene with help? We did. Why? Because we're such a no-good, genocidal, imperialist, rotten, fascist regime, that's why!"

Enlarging the theme, he said: "We're simply good at getting things done, and most of the world knows that. To be sure, intellectuals here and elsewhere profoundly distrust our society. But the United Nations must not reflect the intellectuals' view of the world. We'll always lose in that encounter."

"The ordinary people of the world see in the United States an enormously rewarding society for people like themselves," he added, "and it doesn't seem to matter how much their intellectuals and their governments try to prevent them from seeing it."

At this stage of United Nations experience, Dr. Moynihan would like to think that a brave new world organization is possible.

## TRIBUTE TO DR. HAROLD E. HYDE

Mr. McINTYRE. Mr. President, I wish to congratulate Dr. Harold E. Hyde on the occasion of his 20th anniversary as president of Plymouth State College in Plymouth, N.H. Twenty years ago this fall, this State college, then Plymouth Teachers College, inaugurated Dr. Hyde as its 10th president.

The "Hyde years" at Plymouth State College have been marked by a tenfold expansion in enrollment, a diversification of programs, and a vastly improved campus. Equally as impressive is Dr. Hyde's personal recognition among college presidents and education leaders.

Since 1934 he has worked untiringly to make our schools better centers of learning for our children. During these many years, Dr. Hyde has served as chief of the New Hampshire Division of Educational Research, director of the New Hampshire Council for Better Schools, and chairman of the New Hampshire Commission on Teacher Education and Professional Standards.

Presently, Dr. Hyde serves on the board of trustees of the University of New Hampshire, is a member of the Commission on Higher Education of the New England Association of Colleges and Secondary Schools, and serves on the New Hampshire Coordinating Board of Advanced Education and Accreditation.

Dr. Hyde has also found the time to be active in civic affairs. He is a past president of the Plymouth Rotary Club and presently serves as director of the Sceva Speare Memorial Hospital in Plymouth.

The honors bestowed on Dr. Harold E. Hyde over the years are many. I would like to call special attention, however, to several of his recent achievements.

In November 1970, he was one of six college and university presidents appointed to an advisory council which met with White House Counselor Robert Finch, Secretary Laird, and other key Nixon administration officials to provide input on "selected problems facing higher education in the 1970's."

This year he has been elected vice president of the eight-member New Hampshire College and University Council.

But most importantly, Dr. Hyde will be announced today as the newly elected president of the prestigious American Association of State Colleges and Universities, which represents the presidents of 275 State colleges and universities.

This is truly a distinguished record. Few leaders of education in our Nation can match it. Few leaders of education have devoted so much of themselves to strengthening our knowledge, our understanding of man, our pursuit of wisdom.

I know I speak for all New Hampshire in expressing our pride in Dr. Hyde's accomplishments and the impressive achievements of Plymouth State College under his able guidance.

In these days of academic stress, when many of his colleagues are averaging only 5 to 6 years in office, President Hyde's continued tenure is a tribute to a total commitment and devotion to higher education. I would like to extend to him my warmest congratulations.

Robert Frost, who once was a teacher in Plymouth, wrote these lines about men like Harold E. Hyde:

There is a call to life a little sterner,
And braver for the earner, learner, yearner.
Less criticism of the field and court
And more preoccupation with the sport.

Harold Hyde has met this call. He has displayed this kind of bravery throughout his life. And we await the next addition to his superior record of achievement.

## H.R. 10947—THE REVENUE ACT OF 1971

Mr. HATFIELD. Mr. President, preceding the publication by the Finance Committee of the official committee report on H.R. 10947, the committee isssued a summary of the bill, treating the substantive material in a lucid manner.

I now see that the bill itself is 209 pages long, and the report is 154 pages long. That makes this 17-page summary all the more useful.

Mr. President, because of the brief overview presented in the committee summary, I ask unanimous consent that the summary be printed in the Record.

There being no objection, the summary was ordered to be printed in the Record, as follows:

### Finance Committee Reports Revenue Act of 1971

Honorable Russell B. Long (D. La.), Chairman of the Committee on Finance, today announced that the Committee on Finance had finished its work on H.R. 10947, the Revenue Act of 1971 and that it had ordered the bill reported to the Senate. The principal features of the bill involve restoration of the investment tax credit, a codification of the assets depreciation rules of the Treasury Department, a speed-up of individual income tax cuts, repeal of the Federal excise tax on automobiles and light-duty trucks, and enactment of tax incentives to spur exports.

The Chairman reported that he was pleased the Committee had seen fit to agree to his amendment to upgrade the tax deduction for child care and housekeeping expenses of working mothers and single parents. He said that mothers who must work in order to provide an adequate living for their family should not be penalized by a tax statute which denied them reasonable deductions for these costs which they must incur when they work.

He also indicated his regret that the Committee on Finance was not willing to increase the personal exemption from $750 to $800. He stated that he was sure this was what the Senate itself would want to do, and he would have preferred that the amendment be added to the bill in Committee. Senator Long said that "without this amendment, the bill still suffers an imbalance as between the tax relief it offers business and the tax relief provided for individuals as compared to existing law."

Senator Long also reported his understanding that the Senate would begin consideration of this bill on Wednesday, November 10, 1971.

Before completing its work on the legislation, the Committee on Finance amended the House bill in several important respects. These amendments and the revenue impact of the bill as ordered reported are described in the following paragraphs.

### REVENUE IMPACT

In general the Committee bill is slightly more expensive from a revenue standpoint than was the House version. In 1972 the Committee bill involves a revenue reduction of approximately $8.0 billion compared to a loss under the House bill of about $7.8 billion. Most of this difference is accounted for by the amendment to upgrade the deduction for child care and housekeeping expenses in the case of single parents and working wives. A comparison of the revenue impact of the House bill and of the Committee bill for 1971, 1972, and 1973 follows:

REVENUE ESTIMATES OF HOUSE VERSION AND SENATE FINANCE COMMITTEE VERSION OF H.R. 10947

[In millions of dollars]

| | 1971 | 1972 | 1973 |
|---|---|---|---|
| Individual income | −1,370 | −3,230 | −1,090 |
| Investment credit | −1,500 | −3,600 | −3,900 |
| ADR (¾ year) | +2,100 | +1,700 | +1,500 |
| DISC | | −100 | −200 |
| Total of lines 2, 3, and 4 | +600 | −2,000 | −2,600 |
| Excises | −900 | −2,560 | −2,260 |
| Total | −1,670 | −7,790 | −5,950 |
| SENATE FINANCE COMMITTEE | | | |
| Individual income | −1,370 | −3,460 | −1,305 |
| Investment credit | −1,510 | −3,610 | −3,910 |
| "WIN" credit | | −25 | −30 |
| ADR (¾ year) | +2,100 | +1,700 | +1,500 |
| DISC | | −100 | −170 |
| Total of lines 2 to 5 | +590 | −2,035 | −2,610 |
| Excises | −930 | −2,540 | −2,240 |
| Total | −1,710 | −8,035 | −6,165 |
| Change from House | −40 | −245 | −215 |

### INVESTMENT TAX CREDIT

(a) *Restoration of the Tax Credit.*—The Committee agreed to the proposed restoration of the 7 percent investment tax credit and approved the effective date rules in the House. Under these rules, property ordered after April 1, 1971, or property delivered after August 15, 1971 (regardless of when ordered) would qualify for the credit.

The Committee amendments will clarify that railroad track (and installation costs), certain storage facilities (primarily those used on farms) and other structures closely related to the property they house, and coin-operated laundry machines used in lodging facilities are eligible for the credit.

(b) *Property Used Outside the United States.*—The Committee agreed to the provision in the House bill with respect to tax credits for communication satellites. In addition, it added amendments to the bill to assure that the tax credit will apply also to undersea telephone communication cables manufactured in this country, including cases where the cable connects points outside the United States if it is part of a link with the United States.

Also, the Committee added an amendment to the bill to extend the application of the 7 percent tax credit to special-purpose structures used on the high seas or on the continental shelf of foreign countries for exploration and extraction of undersea minerals.

Finally, the Committee approved an amendment to assure that financial institutions which make financial leases relating to vessels and aircraft used in the foreign trade of the United States would not suffer a reduction in their foreign tax credit by virtue of the transaction. In essence, the Committee amendment will provide that income under such a lease will be treated as income from domestic sources rather than income from foreign sources. This will facilitate arrangements under which lessors will obtain the benefit of the investment tax credit.

(c) *Buy America.*—The Committee generally agreed to the provision in the House bill denying the tax credit to property manufactured abroad for the period within which the import surcharge remains effective. However, this portion of the bill was amended to authorize the President to defer the restoration of the investment tax credit beyond the day on which the import surcharge is terminated. The Committee also agreed to the House provision which authorizes the President, in the public interest, to extend the credit to a class of foreign products, but amended it to allow him to make the credit applicable in such cases on a retroactive basis of up to two years.

In addition, it is provided in the Committee amendments that foreign property ordered after March 31 and before the President's State of the Economy Message on August 15 will be eligible for the tax credit. As under the House bill, foreign property acquired thereafter will be ineligible.

It was also agreed that the report of the Committee on Finance will indicate that the President may find that it would be in the public interest to extend the investment tax credit to foreign property, such as agricultural implements, which has long been duty-free under the tariff laws.

(d) *Livestock.*—The Committee agreed to provisions in the House bill extending the investment tax credit to livestock, but it modified the House bill in two important respects. First, horses would not be eligible for the credit in any case. Second, livestock purchased within six months before, or six months after, the sale of similar livestock would be ineligible for the credit unless the investment tax credit on the livestock being sold has been subjected to the recapture rules. For this purpose, young breeding stock acquired to replace animals culled from a herd at the end of their useful life for that purpose would not be "similar" and the credit on the new animals would not be denied.

(e) *Used Property.*—Under the House bill, used property purchases of up to $65,000 would be eligible for the tax credit, but the $65,000 limitation would be reduced or offset by the amount of investment in new property during the year. The Committee deleted the offset feature and reduced the limitation from $65,000 to $50,000.

(f) *Regulated Utilities.*—The Committee agreed to eliminate an inequity between regulated communication utilities which qualify for a 4 percent tax credit and nonregulated communications systems owned by private business which, under the House bill, qualify for a 7 percent credit. The Committee decision equates the two situations by allowing only a 4 percent credit in both cases.

The Committee agreed to restore the full 7 percent tax credit to international telegraph companies. The House bill had cut them back to a 4 percent credit, as if they competed with domestic utilities. Actually, they compete with foreign government-supported international telegraph companies.

The House bill provides that if a utility commission acts contrary to the flow-through rules, and rate base rules, in the bill, the utility would be denied the tax credit for all open years in the past and all future years. The Committee modified the House bill so that the credit would be denied only with respect to the particular commission's area—not nationwide—and only for the period the commission does not follow these rules—not forever.

The House bill exerted a pressure on regulatory agencies to comply with the flow-through, and rate base, rules in the bill by April 1, 1972. The Committee amended the House bill to eliminate the April 1 deadline, and to provide instead that the new rules must be complied with in all final determinations of regulatory agencies after the effective date of the bill.

In addition, the Committee clarifies the House bill to prevent avoidance of the flow-through rules by regulatory agencies insisting on one rule for ratemaking purposes consistent with the bill, and a different rule for accounting purposes. Under the bill, the same rules would be required for ratemaking purposes and in the utilities' "regulated books of account."

Finally, the Committee bill makes the flow-through rules inapplicable in those instances where a regulatory body determines that the natural domestic supply of the product furnished by the regulated company is insufficient to meet present and future needs of the domestic economy.

(g) *Lessee-Lessor.*—The House bill provides that the investment tax credit is not to apply in the case of individuals who are lessors of property unless they are manufacturers or lease on short-term bases. The Committee clarifies the House bill so that corporate partners of a partnership will not be denied the credit.

The Committee also agreed that a lessor may pass through the full tax credit to a lessee only if the lease is for a period in excess of 80 percent of the "class life" of the property. In the case of short-term leases not qualifying for the pass-through of the full investment credit, a proportionate part of the credit—related to the period of the lease as a percentage of the class life for the property—may be passed through, but only to the *first* lessee.

(h) *Carryover of Pre-1971 Tax Credits.*—Under existing law, there is a special limitation under which not more than 20 percent of accumulated tax credits could be used in a year subsequent to 1969. The House bill repeals this limitation effective January 1, 1972. A Committee amendment accelerates the repeal of the 20 percent limitation so that it (as well as the regular 50 percent limitation on use of tax credits) would apply with respect to only five-eighths of a calendar year taxpayers' liability for 1971, and the 50 percent limitation (but not the 20 percent limitation) would be applied to the remaining three-eighths of tax liability for 1971.

(i) *Accounting Principles and the Tax Credit.*—The Committee agreed to include in its report language to indicate that nothing in the bill should be construed to preclude the use of "flow through" in the financial reporting of net income in nonregulated industries, but that taxpayers should indicate on their financial reports the method they used to account for the investment tax credit.

### ASSET DEPRECIATION RANGE (ADR)

The Committee generally agreed to the provisions in the House bill which incorporate into the statute the basic rules (other than the first-year convention) of the ADR system announced by the Treasury Department in January, 1971. Among the new statutory rules is one calling for a "class life" system for all assets.

In order to provide time for the Treasury Department to determine class lives for real property (and for so-called subsidiary assets, such as jigs, dies, textile mill cam assemblies, returnable containers, glassware and silverware), the Committee agreed to permit taxpayers to continue to use, for up to three years, shorter useful lives for those types of property if the shorter life is one which can be justified under the 1962 depreciation guidelines. Under this amendment, the transition period would end sooner than three years if the Treasury promulgates class lives for the property in question.

The Committee also agreed that railroads would be given an option, on a year-by-year basis, to use the repair allowance rules in existing law as added by the Tax Reform Act of 1969 or those under the ADR rules being codified by the bill.

### PERSONAL TAX PROVISIONS

(a) *Withholding Changes.*—The House bill makes changes in the withholding taxes to reflect higher personal exemptions and low income allowances and to reduce underwithholding. The new rules would become effective under the House bill in two steps. The first occurring November 15, 1971; and the second occuring on January 1, 1973. The Committee bill makes the entire change in the withholding rates effective January 1, 1972.

(b) *Deduction for Child Care-Housekeeping Expenses*—The Committee agreed to an amendment under which (i) single parents—those who are widows or widowers, divorced or separated, (ii) taxpayers with disabled spouses, and (iii) married couples whose combined income does not exceed $12,000 per year, would be allowed to deduct up to $400 per month of the expenses involved in obtaining care, including housekeeping services, for children under age 14 or for disabled dependents in the taxpayer's home in order for the person to become gainfully employed. If the taxpayer chooses to have his children cared for in a child care center or in other child care facilities outside his home he could apply up to $200 per month of this deductible amount toward the expense of caring for one child, $300 if two children are involved and the full $400 if more than two children are so cared for. In such a case, the remaining amount not used for outside child care would be available as a deduction with respect to amounts paid as housekeeping expenses.

Where a disabled dependent is being cared for, the amount of the deduction under this amendment must be offset by disability benefits received with respect to the dependent. In the case of married couples, the amendment would provide for a reduction in the total deduction that may be claimed so that for each $1 of additional earnings the amount deductible would be reduced by $.50.

### EXCISE TAX ON AUTOMOBILES, TRUCKS, ETC.

(a) *General.*—The Committee generally agreed with the features in the House bill providing for repeal of the 7 percent excise tax in the case of passenger automobiles and the 10 percent excise tax in the case of light trucks, those having a gross vehicle weight of 10,000 pounds or less. However, the Committee amended the House bill in a number of relatively minor respect.

First, it provided that the effective date of the repeal of the tax on light trucks will be fixed at August 15, 1971, thus conforming with the effective date provided by the House bill with respect to repeal of the automobile tax. Under the House bill, repeal of the light truck tax would have been September 22, 1971.

Second, the Committee agreed to impose a tax on original equipment tires on imported automobiles, trucks and other equipment and implements conforming the treatment of these tires with the treatment of tires for domestically produced vehicles.

Third, the Committee amended the House bill to repeal the 10 percent tax on light trailers generally used in connection with the light trucks the tax on which would be repealed by the bill. The trailers eligible for this tax exemption are those having a gross vehicle weight of 10,000 pounds or less. The Committee understands that the savings from repeal of the tax on these trailers will be passed on to the ultimate purchase of the trailers.

(b) *Foreign Automobiles and Light-Duty Trucks.*—In addition to the repeal of the excise tax on domestic automobiles and light-duty trucks, the Committee agreed to suspend the tax on *foreign* automobiles and light trucks, also effective August 16, 1971. However, the President would be authorized after the date of enactment of this Act to terminate the suspension and in effect to reimpose the excise tax on imported cars and light-duty trucks from any foreign country which discriminates against automobiles of US manufacturers. The President's authority will be limited by the provisions in existing law which provide for a progressive reduction and ultimate repeal of the automobile excise tax by 1982, and a reduction of the 10 percent tax on trucks to 5 percent on October 1, 1977. After 1981, his authority with respect to both automobiles and light-duty trucks would terminate.

This amendment could be applied by the President, for example, to automobiles imported from those countries which impose special horsepower or weight taxes which discriminate against US automobiles, or which impose higher consumption taxes on US automobiles than are imposed on domestic cars, unless the discrimination is removed.

(c) *Truck Parts.*—The Committee *declined* to approve an amendment which would have repealed the tax on parts suitable for use on light-duty trucks. In making its decision, the Committee was aware that today there is no tax on automobile parts and, in many instances, parts used on automobiles are interchangeable with those used on light-duty trucks, the tax on which is repealed by this bill. Thus, in many situations, the truck part involved will not be subject to tax. Where the part involved is not interchangeable with an automobile part, the Committee felt it unwise to write an exemption which might apply to parts used on larger, taxable trucks.

(d) *Highway Trust Fund—Alcoholic Beverage Tax.*—The proposed repeal of the excise tax on light-duty trucks and trailers reduces the amount of revenues flowing into the highway trust fund for use in construction of the interstate highway system by about $350 million.

In order to restore an approximately equivalent amount to the highway trust fund so that the highway construction schedule will not be impaired, the Committee agreed to divert 7 percent of the revenues from the Federal excise tax on alcoholic beverages to the highway trust fund.

Under this amendment, these revenues will be made available to the highway trust fund for each year through 1977.

Fourth, the Committee will clarify the tax exemption of demonstrator vehicles and cars made available by dealers to schools for driver training prior to August 15, but which are returned to the dealer and sold by him subsequent to that date. Under this Committee decision, a refund of the tax on demonstrator automobiles and cars will be available if more than 50 percent of the mileage remaining under the warranty is unexpired on the date the vehicle is sold (under the House bill more than 80 percent of the warranty mileage must have been unexpired).

### STRUCTURAL IMPROVEMENTS

(a) *Standard Deduction and Personal Exemption-Trust Income.*—Under the House bill, the beneficiary of a reversionary trust would not be allowed to use his personal exemption or standard deduction to offset the trust income if he is related to the grantor of the trust. The Committee substitutes for this provision in the House bill a new rule under which the standard deduction (but not the personal exemption) would be denied with respect to unearned income of a child entitled to be claimed as a dependent of another taxpayer.

(b) *Hobby Losses.*—The Committee approved the provisions in the House bill relating to farm losses incurred by subchapter S corporations but added to the bill an amendment to clarify the treatment of hobby losses under the Tax Reform Act of 1969. Under the Act there is a presumption that an activity is engaged in for profit if the taxpayer realizes a profit in two out of the last five years (two out of seven if the activity relates to the racing of horses). Under the 1969 Act, this presumption would not apply if the loss year preceded the profit year during the first five (or seven) years of a trade or business or during the transition period following the effective date of the 1969 Act. The Committee amendment makes it clear that the presumption does apply regardless of the order in which the profit years occur in these transition periods.

(c) *Western Hemisphere Trade Corporations.*—The House bill contained an amendment to make the Western Hemisphere Trade Corporations provision inapplicable if less than 95 percent of a corporation's gross income was derived from sources outside the United States and the Virgin Islands. Under existing law, Virgin Island income was treated as qualifying income. The Committee approved the provision in the House bill in principle with a relatively significant modification.

The Committee narrowed the scope of the House provision so that for Virgin Island tax purposes, the Western Hemisphere Trade Corporation provisions would be inapplicable. Thus, income taxable in the Virgin Islands would not be eligible for the 14 point tax reduction.

(d) *Capital Gains—Minimum Tax.*—The House bill provided that foreign capital gains and stock options would be treated as tax preference items for purposes of the minimum tax if the foreign country imposes no significant tax with respect to them. Under the House bill, this treatment applied retroactively to the effective date of the minimum tax, January 1, 1970. The Treasury Department had originally issued proposed regulations to the effect that if a country imposed no or a very small tax on all income, the amounts in question would not be tax preferences under the minimum tax. On June 24, 1971, the regulations were reproposed to indicate that these items would involve preferential income. The Committee bill clarifies the past by treating the items as tax preferences for minimum tax purposes from June 24, 1971. It also agreed to clarify that foreign non-taxable transactions, such as corporate reorganizations are not to cause a capital gain to be treated as a tax preference if it is considered to arise for United States tax purposes because of an allocation of income or a deemed distribution under the corporate reorganization provisions.

(e) *Net Leases—Real Estate.*—The Committee generally agreed to the provision in the House bill regarding the determination of excess interest for purposes of the minimum tax and, effective in 1972, the denial of a deduction for one-half of net investment interest. However, the Committee modified the House bill (and the existing law) in three significant respects. First, it amends the definition of excess investment interest so that to the extent the taxpayer incurs an "economic loss" as contrasted to a "tax loss," the interest involved would not be "excess investment interest," and therefore would remain deductible. In addition, the Committee bill will provide that in determining "excess investment interest" under the so-called 15 percent method taxpayers may elect to aggregate their leases in a single property making it unnecessary to characterize each lease separately as a business lease (the interest on which would be deductible) or as an investment lease (the interest on which would be a preference).

Finally, the Committee agreed to omit properties five years or older from a calculation of excess investment interest unless the taxpayer elects to include all such properties as investment properties.

(f) *Capital Gains Income of Trusts—Throwback Rules.*—The Tax Reform Act of 1969 included a provision to become effective in 1972 under which capital gain income of trusts would be subjected to an unlimited throwback, just as other income of the trusts. A Committee amendment to the bill would defer for one additional year until January 1, 1973, the effective date of the 1969 provision.

(g) *Bribes and Kickbacks.*—Under the Tax Reform Act of 1969 certain bribes and kickbacks (which under the prior law had not been deductible) inadvertently were made deductible. The Committee amended the House bill to restore the prior law by denying the deduction for bribes and kickbacks or other illegal payments where the payment involved was in violation of a State statute which is being generally enforced, or in violation of a Federal law. In addition, the Committee bill makes medical referral fees (bribes or kickbacks) illegal under the Medicare-Medicaid Program and other Federal health programs.

(h) *Dividend Distribution to Foreign Corporations.*—Present law limits the portion of a non-cash distribution from one corporation to another which may be treated as a dividend to the lower of the fair market value of the property or its adjusted basis. In the case of distributions to foreign corporations this rule may permit avoidance of US tax on the gain when the property (on which dividends were limited to adjusted basis) is later sold by the foreign corporation. To deal with this possibility, the Committee bill includes an amendment under which the taxable amount of a dividend in property to a foreign corporation will be the fair market value of the property distributed.

(i) *Original Issue Discount.*—The Tax Reform Act of 1969 provided rules for taxing original issue discount on bonds, but makes no provision for collecting tax on this discount in the case of bonds held by a non-resident alien. The Committee bill includes amendments under which the issuer of bonds (with a maturity of more than six months) to a non-resident alien individual would withhold tax (at the regular rate of 30 percent), not only on the interest paid on such bonds, but also on the original issue discount attributable to the period to which the interest relates.

(j) *Foreign Beneficiary of Domestic Trust.*—The Committee bill changes the rules for taxing rental income received by a foreign beneficiary of a US trust (such as a real estate investment trust) to correct a situation under which the 30 percent withholding tax has been diluted by assessment against a "net" income of the trust rather than a "gross" income. Under the Committee decision, the amount of trust income taxed to the foreign beneficiary will be "grossed-up," by in effect adding back in the foreign beneficiary's share of deductions taken by the trust.

### DOMESTIC INTERNATIONAL SALES CORPORATION

(a) *General.*—The Committee on Finance agreed to the provisions of the House bill relating to Domestic International Sales Corporations (DISC) with three important amendments:

(1) In lieu of the approach of the House bill to allow deferral only with respect to profits on sales above base-period sales (the base period would be 75 percent of export profits in the three-year period 1968–1970), the Committee amendment permits tax deferral on 50 percent of the export profit of the DISC.

(2) Whereas the DISC provisions of the House bill were written as permanent law, the Committee amendment would terminate the deferral privilege after 1982. Under this Committee amendment, income deferred during the intervening ten years could remain deferred beyond the termination of the DISC legislation.

(3) Deferral is not to be allowed to the extent DISC profits are invested in foreign plant or equipment. Under this "fugitive capital" feature, a DISC's profits will be considered invested in foreign plant or equipment to the extent foreign plant and equipment investments of the DISC's parent (and affiliates) are in excess of (a) 50 percent of the group's foreign earnings, plus (b) the amount of funds raised abroad by the group in the form of debt or equity.

(b) *Export Trade Corporations.*—The Committee also approved an amendment which would retain in the law provisions authorizing tax deferral in the case of Export Trade Corporations. Under the House bill, these deferral provisions would have been terminated with the enactment of the DISC. Under the Committee amendment, existing Export Trade Corporations may continue to be used as an alternative to Domestic International Sales Corporations.

### JOB DEVELOPMENT—WORK INCENTIVE PROGRAM

The Committee approved an amendment (the text of S. 1019) to develop job opportunities for welfare recipients through a job development tax credit and through improvements in the existing Work Incentive Program for welfare recipients.

As an incentive for employers in the private sector to hire individuals placed in employment through the Work Incentive Program, the amendment would provide a tax credit equal to 20 percent of the wages and salaries paid to these individuals. The credit would only apply to wages paid to these employees during their first 12 months of employment. It would be recaptured if the employer terminated employment of an individual during the first 12 months of his employment or before the end of the following 12 months.

The amendment would also make a number of structural improvements in the existing Work Incentive Program for welfare recipients. First, it would require that 40 percent of the funds spent for the WIN Program be for on-the-job training and public service employment. Second, it would require the Secretary of Labor to establish local labor market advisory councils whose function would be to identify present and future local labor market needs. These findings would have to serve as the basis for local training plans under the WIN Program to assure that future training was related to actual labor market demands. Third, it would simplify the financing and increase the Federal share of the cost of public service employment (special work projects) by providing 100 percent Federal funding for the first year and 90 percent Federal sharing of the costs in subsequent years.

### BALANCE-OF-PAYMENTS EMERGENCY AMENDMENT

The Committee approved an amendment to provide the President with discretionary authority to protect the balance of trade and balance of payments of the United States by allowing him to: (1) impose selective or general import quotas, or (2) impose an import surcharge of up to 15 percent of the value of the imported article, during a "balance of payments emergency."

Under the amendment, the "national emergency" proclaimed by the President on August 15 under Proclamation numbered 4074 is deemed to be a balance of payments emergency for the purpose of this amendment. In addition, for future emergencies, the President may, from the date of enactment until December 31, 1976, proclaim a balance of payments emergency whenever he determines that—

(1) The balance of payments has been in deficit for four consecutive calendar quarters;

(2) The United States has suffered a serious decline in its international monetary reserves; and

(3) There is a serious threat to the international financial or international trade position of the United States.

The President could terminate a balance of payments emergency period at any time. In any event, it would terminate three years after he initially proclaims it, unless within that period, he proclaims it is necessary to continue the authority, in which case it may continue until December 31, 1976.

The quota and surcharge authority may be used selectively with respect to countries and products, except that the President may not impose a quota and surcharge on the same product, and must relate any quota to a recent representative base period of imports. The surcharge may not be applied to duty-free products. The President may increase, or decrease, or terminate the quotas or surcharges in effect or impose new ones, in accordance with the criteria specified above.

In general, the quota features of this amendment are patterned after Article XII of the General Agreement on Tariff and Trade, which permit countries suffering balance of payments difficulties to protect their external monetary reserves by imposing quotas. The amendment would make it unnecessary for the President to invoke the broader authority included in the "Trading With the Enemy Act" against friendly trading partners. The authority granted by this amendment with respect to surcharges clarifies the President's authority to impose surcharges on imported goods, enabling him to impose a uniform surcharge without regard to the amount of prior tariff concessions. The surcharge he proclaimed on August 15 was less than 10 percent in some cases because the authority under which he acted limited his action to a termination of suspension of past concessions. The Committee felt that the flexibility afforded the President by this provision to impose surcharges and quotas selectively is necessary in the light of the continuing balance of payments crisis and the negotiations over trade and monetary matters which are likely to continue over the next several years.

### GENERAL

Provisions of the House Bill Not Described Herein were generally approved by the Committee without substantive change.

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## WHAT DID WE GAIN IN THE CHINA VOTE

Mr. HUMPHREY. Mr. President, I invite the attention of Senators to an article written by Robert S. Elegant, and published on October 27 in the Los Angeles Times. Mr. Elegant points out what the world stands to gain from the admission of mainland China to the United Nations. Instead of calling the U.N. vote a "moment of infamy," Mr. Elegant stresses the positive results which we can expect with active Chinese participation in the United Nations and all its specializd agencies. He notes that "Peking's admission will not only strengthen the U.N. peacekeeping capacity, but will, at the least, open the door to Chinese participation in extra-U.N. activities like arms limitation and nuclear test ban talks."

In addition, the admission of China, followed by a successful visit by the President to Peking, could mark the opening of a new era in Sino-American relations: an era of normalization and understanding. While the President responded appropriately to a trend of change developing in international relations by planning a trip to China, his response in the United Nations has been far less appropriate. He has deliberately failed to stress the positive elements of the China vote, and has succeeded in undermining American support for the U.N.

I want to make certain that the American public is not misguided, that they do not think that the U.N. vote marked "a day of infamy." I think, despite the unfortunate explusion of Taiwan, that it marked a day of hope for the stabilization of world relations. In this context, I ask unanimous consent that the article by Robert Elegant be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### United States Did Not Really Lose When U.N. Voted To Admit Peking, Expel Taiwan

(By Robert E. Elegant)

Munich.—The long arm of coincidence can stretch only so far. It was hardly coincidence that placed Dr. Henry Kissinger, the President's guru for foreign affairs, in Peking at the precise moment the United Nations was voting to admit Communist China and expel Taiwan.

The vote opened a major new phase in international relations. China will play an effective and "normal" role in the affairs of nations, and Sino-American cooperation will grow. The adroit orchestration of Kissinger's visit, American maneuvering at the United Nations and Peking's ritual denunciation of that maneuvering revealed a high level of practical cooperation. Equally important, those events revealed a sophisticated mutual understanding about the domestic and foreign political pressures that each nation feels. Such understanding is the necessary basis of joint action to attain common purposes.

The United States appeared to be striving to save Taiwan's seat in the General Assembly, while admitting Peking to the Security Council. That appearance was almost—but not quite—believable. After all, Washington knew Peking would not accept half a loaf.

Once the President announced his intentions of visiting China, it was a foregone conclusion that Peking would get in and Taiwan be expelled. The Administration simply could not imperil the visit and the burgeoning Sino-American relationship by excluding Peking.

Actually, Washington's ostentatiously warmer attitude toward Communist China insured her admission. Wavering nations knew that voting for Peking would not really offend the United States.

For the United States to have seemed to champion Taiwan's residual rights while advocating Peking's admission may have been hypocrisy. But it was the kind of creative hypocrisy that is, unfortunately, often necessary in diplomacy. Washington avoided blatantly selling out Taiwan, but attained the greater purpose of gaining the U.N. seats for the People's Republic, which actually administers the vast mainland and some 750 million Chinese.

Both the abstract principles of the United Nations and the already tarnished American reputation for straightforwardness have undeniably been impaired by the charade.

But the United Nations' chief purpose is preserving the peace, not pursuing the chimera of ideal justice. In time, Peking's admission will not only strengthen the U.N. peacekeeping capacity, but will, at the least, open the door to Chinese participation in extra-U.N. activities like arms-limitation and nuclear-test-ban talks.

So China's belated entry into the world community, assisted by a developing "special relationship" with the United States, half justifies the American sacrifice of absolute rectitude. Besides, a reputation for skillful diplomacy, which the United States has emphatically not enjoyed recently, is enhanced by precisely such devious maneuvering as has occurerd in Washington, Peking and New York. The formulation may appear cynical, but diplomacy is cynical.

It is, one hopes, not cynical to caution that the immediate transition could strain the United Nations.

Peking may seek vindication by demanding reexamination of many previous decisions, not least the resolution condemning the People's Republic as the aggressor in Korea. Communists have consistently maintained that all decisions taken while Taiwan occupied their "legal and rightful position" in the United Nations were automatically illegal. Peking may also lay down a barrage of vetoes, as the Russians did in the early days.

But chances are slightly better than even that the altered Chinese regime, just attaining "normal" international respectability and influence, will refrain from excessive disruption.

The consequences of China's belatedly joining the world will profoundly alter all existing international relationships. But that, as Conan Doyle would say, is another story. The immediate discernible effects are sufficiently profound—and hopeful:

Gaining U.N. membership was one of Peking's major immediate foreign policy objectives. The others were nuclear capability, already attained, and possession of Taiwan, where Peking will be somewhat patient.

Admission to the United Nations has resulted directly from the pragmatic, moderate policies of the realistic faction in China represented by Premier Chou En-lai. Admission, therefore, greatly strengthens the realists' hand, while weakening the extremist faction of Field Marshal Lin Piao, which poses the threat of international or civil war.

U.N. membership will compel China to accept concomitant responsibilities. Peking must, in time, take a reasoned stand on many world issues it now can dismiss with doctrinaire statements.

Moreover, senior officials will be exposed to a variety of views in the corridors of the United Nations. They must realize, as the vote for admission indicates, that the world does not seek their destruction. China should, therefore, continue her progress toward reasonable assessments and policies.

The Sino-American relationship can now develop unimpeded. Peking's support of Hanoi's "liberation" of South Vietnam will decrease, stalemate will allow accelerated American withdrawal without defeat. Having fought two semi-proxy wars, Peking and Washington now pursue more peaceful interests.

Despite its often maladroit performance, Washington has already gained much from applying the stick in Vietnam and belatedly displaying the carrot of reconciliation to China.

## NATIONAL VOTER REGISTRATION BILL

Mr. MOSS. Mr. President, as the Senate prepares to vote on a national voter registration bill sponsored by the Senator from Wyoming, (Mr. McGee), I urge that we give consideration to the comments contained in Milton Viorst's column which appeared in Tuesday's, November 8 edition of the Washington Evening Star.

As Mr. Viorst pointed out:

> This proposal is hardly controversial. The provision of the McGee bill that has generated quiet opposition on Capitol Hill is the one clearly aimed at encouraging the participation of people who have hitherto taken little or no interest in the democratic process.

While most of us do not delude ourselves into thinking that easier registration procedures will facilitate a substantial increase of Americans participating in the election process, we should keep in mind that the central issue is the establishment of procedures which encourage eligible voters to register.

As Mr. Viorst further remarked:

> It's a dashing idea, and it conceivably could change the character of American elections. At the least, it's a step forward a sounder democracy.

I ask unanimous consent that Mr. Viorst's column be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the Washington Star, Nov. 8, 1971]

### Would A Law Get Out Nonvoters?

(By Milton Viorst)

It's one of the long-standing flaws of our democratic system that a relatively small percentage of Americans actually casts ballots in our elections.

In most presidential contests, no more than 60 percent of adults go to the polls. For senatorial and congressional races, the figure is lower. In other Western democracies, 90 percent or more normally vote in major elections.

Within the next week, the Senate will take up an important bill by Sen. Gale McGee, D-Wyo., to help correct this flaw. It is designed to eliminate some of the major obstacles to widespread voter participation.

First, it would deal with the large number of Americans disenfranchised by state residency requirements. The Census Bureau figures that one American family in five moves each year. In 1970, Congress eliminated residency requirements for presidential elections. The McGee bill would extend this ban to all federal elections.

But this proposal is hardly controversial. The provision of the McGee bill that has generated quiet opposition on Capitol Hill is the one clearly aimed at encouraging the participation of people who have hitherto taken little or no interest in the democratic process.

It's no secret that the rich and the middle-class—with a sophisticated understanding of how elections affect their interests—find their way to the polls on election day.

The non-voters are those who feel alienated from society's machinery, who consider themselves powerless to help themselves through the electoral process. Chiefly, they're the poor and often the black and other minorities.

The cynics would say that the ruling class likes it this way. Indeed, there is some evidence that that's true. Perhaps black disenfranchisement in the South is a special problem—but it's not the only instance of conscious disenfranchisement by far.

In Virginia, for example, the profoundly conservative Byrd organization ruled for decades by limiting the electorate—both black and white—through the poll tax and other devices. Since the poll tax was abolished, the Byrd organization has fallen apart, and Virginia politics have become substantially more liberal.

In many states, North and South, the electorate's size—and composition—is kept under control by the complexity of getting on the voting rolls. In 1968, it was found that two-thirds of the 47 million adult Americans who failed to vote were not registered.

In most jurisdictions, registration offices are open from 9 to 5, Monday to Friday. This means working people must take time off from their jobs to register. Ideally, perhaps, they ought to take the time. But if they're dubious about the electrical process anyway, they probably won't bother—and the "will of the people" gets badly distorted.

What McGee proposes is the establishment of a Voter Registration Administration within the Bureau of the Census to send to every citizen a simple form that would provide automatic registration when forwarded to the local election board.

The Nixon administration—which, presumably, stands to lose by the change—has greeted the bill coldly. When it objected to the enforcement provisions that McGee proposed, McGee changed them. But the administration is still cold.

Yet it would be unfair to suggest that all Republicans are opposed. Americans have a strong commitment to the right of suffrage, which conservatives—sometimes against their interests—tend to share. A few Southerners, after all, even supported legislation to guarantee the black vote in the South.

To be sure, when the bill came out of McGee's committee last week, all but one Republican, were in opposition. But unless the White House puts on a massive drive, enough Republicans are expected to support the measure on the Senate floor to assure passage.

McGee is not deluding himself into thinking his proposal will make a miracle. A Census Bureau survey indicated recently that, in a majority of cases, indifference is at the root of non-voting. Easier registration may not change that.

But it's a dashing idea, and it conceivably could change the character of American elections. At the last, it's a step toward a sounder democracy.

## PROBLEMS IN THE MIDDLE EAST

Mr. PACKWOOD. Mr. President, for more than a year the United States has been trying to suggest or impose, call it what you will, a solution to the problems of the Middle East which is not to the liking of the nations in that area. It does not behoove the United States to tell Israel or the Arab countries what form of settlement they should achieve between themselves to settle their varying problems. It is just that kind of an attitude that projected the United States into Vietnam. The United States should simply realize that, first, Israel is a nation which has a right to exist; second, that no peace will come in the Middle East until the parties themselves agree to it; and third, the United States should make sure that Israel has sufficient economic and military help to be able to bargain for peace from a position of parity.

The views I have expressed above have never been more cogently or succinctly stated than in an editorial published in the Washington Post of Wednesday, November 10, 1971. I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 10, 1971]

### THE PACE OF MIDEAST DIPLOMACY

"I shall not allow 1971 to pass without the battle (with Israel) being resolved, either by war or by peace," Egypt's President Sadat said July 23. But of course he will. Peace by year's end is out of the question: nobody's ready to compromise. And there is, by Mideast standards, no more than routine danger of war.

Israel, enjoying both the possession of Egyptian territory and an American-made cease-fire, simply has no logical incentive for war. Some partisans of President Sadat insist that he is the prisoner of his rhetoric and cannot much longer hold his champing army back, but his record belies that belittling judgment. Since replacing Gamal Nasser, he has undone a serious political challenge, turned his people's attention toward domestic reform, and made more effective arrangements with Russia for the defense of Egypt against Israeli air strikes. The result is that he is freer than ever from a compulsion to lead Egypt to a fourth defeat, as the experts agree another war would be. A policy combining ardent slogans and prudent acts seems to suit his diverse political needs. Certainly that's better than the other way around.

The attitude of the superpowers is also relevant. Moscow, by agreeing to receive Mr. Nixon next May, has in effect said it won't precipitate a Mideast collision before then. Moreover, the deeper the Russians penetrate into the Egyptian military, the more they presumably discover its inadequacies relative to Israel. Moscow could compensate by assuming an even larger direct combat role than it had before the cease-fire started in August, 1970, but that would involve political and military risks it can hardly wish to accept before next May. Soviet policy comes down to waiting.

Waiting for what? For the United States to force Israel to withdraw to pre-1967 borders on terms acceptable to Egypt. The U.S. wants a settlement in a hurry: there lie easier relations with the Kremlin, political rewards in 1972. To a settlement pressed by Washington, however, Israel prefers a peace fashioned with Egypt. In pursuit of a made-in-America settlement, Secretary Rogers is trying to compromise Egyptian-Israel differences. The Egyptians stand firm, so the compromises now all involve Israeli concessions. In an interim settlement, Mr. Rogers argues, Israel should let Egyptians forces cross the Suez Canal, accept a certain time limit on the cease-fire, and agree to move on to complete withdrawal from Sinai. To overcome Israel's reluctance to accept these points, the United States is withholding Phantoms, which are militarily, politically and psychologically Israel's critical weapon.

The pressure is not working. American undercutting of its negotiating position while cutting off its Phantoms has stirred Israel's deepest fears and alarms and has frozen its Mideast diplomacy. The way to thaw it is for the United States to open the Phantom pipeline—what goes through it may not be so important as Israel's knowing that it's open—and to back off and let Egypt and Israel reach toward each other at their own pace.

## WORK-AT-HOME SCHEMES SWINDLE THE ELDERLY

Mr. CHURCH. Mr. President, for many Americans, working at home has become a way of life. And I have no complaints to make against those legitimate work-at-home offers which provide income. But as chairman of the Special Committee on Aging as well as its Subcommittee on Consumer Interests of the Elderly, I cannot help being very much concerned about the mounting volume of questionable schemes directed at older people who need to earn an income.

Such schemes involve a wide variety of products and/or services to be manufactured, sold or performed in the home; such as sewing baby shoes, addressing envelopes and postal cards, clipping news items and even starting one's own work-at-home business through a referral plan. Large profits are claimed for small monetary investment but the only profits usually realized are to the swindlers. According to the U.S. Postal Service, two such swindlers selling baby shoe kits to be made at home filched an estimated $150,000 in Michigan and $30,000 in Canada. The Postal Inspection Service concluded a record 224 investigations and discontinued 190 operations in fiscal year 1971. At present, some 159 investigations are underway. This is some indication of the volume of the work-at-home frauds. At least, it is an indication of the volume which fortunately came to the attention of the Postal Inspection Service; we can only guess at the overall volume.

The experience of the Postal Inspection Service has shown that there is no profit for the homeworker" in addressing envelopes and postal cards, clipping newspapers, sewing baby shoes, and the like. There is simply no market for this kind of service.

At my request, the Postal Inspection Service provided the following questions which would-be homeworkers would be wise to ask:

First, will you be a salaried employee of the firm? If so, what is the salary offered?

Second, if no salary is offered, what will be the source of claimed "earnings" stated in the offer?

Will you be buying instructions which, through your own resources and by your own energy, you put to use in your own community in an attempt to establish a small business? First, will you have to seek your own market in your community to sell your services or to sell your material which you buy and assemble? Second, what demand exists for such goods or services?

Will you be buying an instruction kit and sales kit to use in an attempt to sell a firm's products to other persons as an independent agent? If this is the arrangement, what specific provision is made to assure that commissions due you as a result of any sale will be fulfilled?

Will you be buying an instruction manual and envelopes which you are to mail others in an attempt to sell others the same instruction manual? Does this operate in a "chain letter" manner?

Third. Ask the firm making the offer to provide you with the names of other persons who have bought its kit of instructions or sales manual so that you may contact such individuals for the benefit of their experience. Have they made an amount of money claimed in the literature?

Postal inspectors need the cooperation of postal customers in gathering evidence that the promoters knowingly made false claims. All potential homeworkers should hold all letters and other correspondence, including envelopes and other evidence related to the work-at-home business. If he suspects that he is being defrauded, he should contact the seller, the publication which carried the advertising, the Better Business Bureau and the State consumer protection agency. If he is not satisfied with the results of these contacts, he should make a written report to his postmaster or nearest postal inspector explaining his concern.

It is especially disheartening to realize that these schemes are not new. Most of the work-at-home schemes are the same as they were 10, 20, or 30 years ago. It is unfortunate that there has been no all-out effort to eliminate this kind of fraud which is particularly vicious, as it preys on the sick and the elderly who are attempting to supplement their meager incomes by working at home.

Mr. President, I ask unanimous consent to have printed in the RECORD an article on this subject, written by Sylvia Porter, and published in the Washington Star of June 20, 1971.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE WORK-AT-HOME TRAPS

(By Sylvia Porter)

Have you been bombarded recently with extravagant lures on new ways to earn thousands of dollars by working at home? No particular talents needed . . . Not much work . . . Just push a button . . . Or make a few phone calls . . . Or launch a simple mail order operation.

For many Americans, working at home has become a way of life. Some three million today work at home part or full-time; the list of jobs which can be performed at home is lengthening by the day. Many workers at home are professionals—artists, writers, advertising people—who have created significant careers which can be pursued from a card table. All these have learned how great can be the savings in commuting costs, babysitting fees, other overhead expenses—on top of the fat tax deduction arising from the use of a part of the home as an office.

This gripe is not with the legitimate work-at-home offers. Rather it is with the mounting volume of gyps aimed at exploiting the yearnings of people to earn money at home.

All these schemes follow the same pattern and, in fact, most of the traps are the same as they were 10, 20, or 30 years ago. For instance, you see an ad in the help wanted section of the paper telling you that you can earn an alluring total "in your spare time and stay at home too." If you answer, you're asked to send $2 or more to get "instructions" for the job you are to perform. Then, when you receive the instructions, you learn it will cost another $37.50 to get the materials you must have for the job. Then when you submit your finished work (whatever it is), you are told it is not acceptable—or perhaps you are told nothing at all.

Or an ad promises to finance your investment in, say a $900 floor waxing machine from which you can earn $1, $2, $5 will earn $6 or more an hour with your home-based floor waxing business. However, the "employment papers" you are persuaded to sign turn out to be promissory notes binding you to buy the machine for an exorbitant sum—and without any assurance you'll ever get your money back in the business.

Or the lure may be a clipping service scheme under which you can earn $1, $2, $5 or whatever for each clipping of a certain type of item in the local papers. But the catch is you must pay $2 or so for "instructions" on how to start a home clipping bureau and then you find nobody wants to buy the articles you clip.

The list of traps is dismally varied as well as long. How do you avoid them? By getting the answers to these questions about any home work operation which tempts you:

1. Will you be paid by the firm, and if so, how much? If not, where will the promised earnings come from?

2. Are you expected to pay any fair-size sum to buy "instructions"? If so, steer clear of the deal.

3. Who will be your customers and who is supposed to line them up?

4. Is there a ready market for the product or service? Or are you supposed to invest time or money or both in developing one?

5. If commissions are promised as payments for your efforts, what assurance do you have that the commissions actually will be paid? A vague promise coming through the mail from a company unknown to you is scarcely adequate assurance.

6. Is the company willing to give you names and phone numbers of others who have invested in its instructions or products so you can query them on their experiences and what they earned?

To sum it all up, if you are offered "fantastic profits" for "easy work" in combination with a requirement that you invest substantial sums of money for instructions and materials, watch out! Stop. Get in touch with the nearest Better Business Bureau, Federal Trade Commission office or consumer protection agency. Do not take one further step toward the deal without their assurance it's okay.

## PROPOSAL TO REDESIGN FOREIGN AID PROGRAM

Mrs. SMITH. Mr. President, a most meritorious proposal for a total redesign of the Foreign Aid program has been made by the editor of the Maine Sunday Telegram in the November 7, 1971, issue of that paper.

The author of the proposal, William Caldwell, discussed his proposal recently with me, and I immediately passed it on to the President for his consideration.

Because of its great merit and interest, I commend it to the Members of this body for their consideration and ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### A BOLD PLAN FOR REVAMPING FOREIGN AID SHAMBLES

Here is a suggestion for a total re-design of the so-called Foreign Aid program.

The Foreign Aid program, as set up today, suddenly and unexpectedly hit the skids in the Senate. The Senate voted to kill the bill in its entirety—kill all military aid, all technical assistance, all economic development programs in one fell swoop. Such a sudden death would be grossly unwise.

There is a parallel between this vote in the Senate on foreign aid and the Maine vote on income taxes. Both issues were laden with emotional prejudice. But Maine voters were not swept away by emotion. The Senate was. Reason prevailed in Maine. Emotion won in the Senate.

Now to survive at all, the foreign aid program must be revamped and overhauled. For years, Congress has been demanding a revamp. But for years, successive administrations have done nothing more than change the name of the agency running foreign aid. Now the axe has fallen suddenly on Nixon, undercutting his foreign policy. What should be done now?

We suggest the following complete reorganization of the Foreign aid program.

1. All military programs be taken out of the foreign aid bill and put into the Defense budget, where they belong.

In this way, the planes, tanks, weapons and military support of all kinds which we provide to allies and friends would have to be clearly justified as contributing to the greater security of the United States. The programs proposed would have to show they provide more free world and U.S. security at less cost and less risk to American lives than if we did the job alone with U.S. troops or weapons. Foreign military assistance would then be less a lever or a bribe to bail out the foreign policy of our diplomats and more a tool of national security.

2. Simultaneously there should be a total change in economic aid. All economic development programs should be financed from here on only by the capital and interest repayments coming back to the U.S. each year from previous economic development programs. No new money need be appropriated.

The United States should state that we cannot keep dipping anew every year into our own resources to finance other nations' development, when we must do so much at home.

Instead, we should finance all foreign economic aid programs only from the funds being repaid by foreign nations. Billions have been lent out by the U.S. to help ourselves and others since the days of the Marshall plan. This money has done its work well. Economic development has resulted. The loans are being repaid, and including capital repayments and the interest being paid, the total coming back amounts to hundreds of millions a year.

We suggest now that the President propose, and the Congress authorize, that such monies will be available to go out to work again. But that we will make no new money available. All future foreign economic aid will be financed by repayments of earlier aid.

Such a policy would spotlight those many nations who are making their repayments on schedule, and the same spotlight would prod the laggards to make their payments.

This kind of program would demonstrate clearly that U.S. aid works: that foreign aid has not been a rathole. And to the degree it has worked well, repayment money will be "rolled over," and be sent out to work well again, according to current needs and current policy.

3. The Technical Assistance programs, small in cost and big in popular and congressional support, can stand on their own feet as a separate measure and earn their own appropriations.

4. Blocked currency, the so-called counterpart funds, which today are piled up in foreign banks in such nations as India, Yugoslavia, Morocco etc. should be released and productively used to finance the purchase of equipment or material to back up the loans made through the revolving fund suggested above.

This clear-cut, understandable separation of the conglomerate foreign aid program, as suggested here, would demonstrate to the American people and to the world, the specific purposes and specific limits of foreign aid. If this new approach to foreign aid is adopted, then the program's accomplishments might be more widely understood and supported.

Reform is overdue. We need reform which will clarify, rather than cloud, the purposes and dimensions of this essential instrument of foreign policy and national defense. The proposals made here today, we hope, do both.

## REMARKS OF SENATOR HUBERT H. HUMPHREY BEFORE INTERNATIONAL CITY MANAGERS ASSOCIATION

Mr. HUMPHREY. Mr. President, on Monday of this week, I was privileged to speak before the International City Managers Association at their annual convention in Miami, Fla.

The city managers are engaged in one of the most difficult and trying tasks facing our country: The management of the modern city. And, the 57th annual convention reflected in every way the diverse demands placed on managers. Panels were held on the use of data in small and large cities, on law enforcement assistance, on service goals, on drug addiction, and on financing city services.

The convention was both practical and theoretical. New concepts, new ideas were developed, and ways of putting those ideas into operation were explored.

It was an honor to address these professionals.

I ask unanimous consent that the text of my remarks be printed in the Record.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

### REMARKS BY SENATOR HUBERT H. HUMPHREY

For many years, Americans thought they knew what a community or a city was . . . tall buildings, concrete, automobiles, street cars, baseball games, parks . . . and people, moving, pushing, hustling, doing.

But, the sights and the sounds are not the essence of the city. The tall buildings are there, of course. And there are plenty of cars and people.

But in all too many instances, the spirit has gone out of our cities. And no matter how hard we try, we cannot seem to replace it.

Look at the statistics. People move out of—not into—the cities. And they move away from—not to—the rural areas. They move increasingly to the suburbs, creating larger and larger mass metropolitan areas.

And, those who leave the city are often the young, those with education, will, spirit, and those with earning potential.

The result is predictable: The gap between rich and poor, between the haves and the have-nots grows wider, seemingly unbridgable, and frightening.

We wonder why and what can be done about it.

I'll not recite to you the usual litany about the urban and the rural crises. They are all too familiar.

What I want to do is give you my thoughts, perceptions about how to change life in American cities—cities of all sizes with all kinds of problems.

And, this is not gospel. It is just one man's analysis and one man's desperate hope that we can do better. I believe we can. I know we must.

Government means different things to different people. To the government workers, it means his desk, his bureau, his department. To the governor, it is his state. To the Senator, it is the Congress.

But, what does it mean to the people?

The average citizen does not differentiate among the various levels of government—he thinks about the government.

And, when things do not work, he blames the government. If he is disillusioned, if he is angry, if he is bitter, if he is frustrated, it is the government.

And, we are all part of it.

But, too often, we pretend that it is someone else's responsibility—the President's, the Senator's, the Mayor's, the Councilman's, or the City Manager's.

And government becomes alien, foreign, remote from the people.

What we must learn is that the government must serve people, not a system, or a board, or an authority, but people.

It is not an academic institution.

Government exists because of and for people.

I believe we need a refocus on the fact. We need to refocus on "street level government" and the essentials of public service.

People must be able to call city hall and have their sidewalks fixed, their apartments inspected, their garbage collected, snow removed, dependable electricity, enough heat.

And, no one knows this better than you—you who are on the front lines, making the decisions, taking the heat and making it go.

You are professional and competent.

Yet, we both share a frustration about the fact that local government seems to have become a holding operation—a custodian of dreams rather than a cutting edge of social progress.

Our challenge is this: We must couple responsibility with resources to make "street level" government work.

And, our challenge is great.

Within the next thirty years, over 70 percent of our population will be concentrated in three major metropolitan areas:

One stretching from Boston to Virginia.

Another from Chicago to Detroit.

A third from San Diego to San Francisco.

Each a megalopolis of over 60 million people—stretching for hundreds of miles.

What kind of life will these people have? What kind of government will they have? How are they going to live?

We have a great disparity in this nation. Government services are unequal in quality and availability.

Our people—no matter where they live—should have certain basic standards of service—standards of education, of health, of hospitals, of social services, of public services.

This is their basic right.

We are a mobile people. But our standards of service must be constant. We should have the same fundamental standards in Seattle as we have in Mississippi, in Albuquerque as in Miami.

This is but a first step in restoring the people's confidence in government.

So we have two principles now:

First, a government that focuses centrally on its people—that provides the citizens with the best of street level government.

Second, a minimum floor of services for all Americans.

There is a third principle: development.

America today is a nation that is privately wealthy but publicly poor.

There is a $12 billion poverty gap.

There is a $70 billion waste disposal and sewage gap.

There is a $15 billion clean air gap.

And, we could spend billions more on transporation, education, and housing.

What it points to is this:

The 1970's should be a decade of dynamic domestic development.

How are we going to do it?

The fundamental answer is a new credit mechanism, long term credit, and massive investment in public works.

Our communities desperately need money. Call it what you will—revenue assistance, revenue sharing, bloc grants, grants-in-aid—the name isn't important. What is important is where the money goes and what it does.

I am pleased that your organization broke a long-established precedent and endorsed the principle of revenue sharing.

We need it. Our communities need it. And I am strenuously opposed to the President's delay in helping our cities and states.

But revenue sharing is just a short term aid—a temporary infusion.

We need long term credit.

In May of this year, I introduced the National Domestic Development Bank Act of 1971.

The objective of my bill is to provide an alternative source of funds for new schools, medical and hospital centers, day-care centers, parks, waste disposal plants, playgrounds, and much more.

Many of you here have used municipal bonds.

And you know how hard it is to sell a 40-year bond at any reasonable rate of interest.

Yet, the government of the United States, through such institutions as the Inter-American Bank makes loans for people you and I have never met.

I say to you that if we can make loans to Rio de Janeiro, at low rates of interst for 40 years, then we can make loans to Miami, to Williamsport, to Minneapolis, or anywhere else right here at home.

We simply must change our financing system.

We are trying to build new community facilities on credit terms that were designed for the 1900's. And, it simply won't work.

We must have a credit structure that will eliminate the present stop-start method of public finance.

The National Domestic Development Bank emphasizes community planning—planning that results in decisions, to move on projects, not to have another study.

It is a bank that emphasized multi-year financing so that longer-term projects are completed.

And, it is a system they can ensure that government *does* reach the people.

The National Domestic Development Bank can help large cities and counties—but what about rural areas?

Millions of people are leaving rural America for the cities, compounding the urban crisis, adding the problems of poverty and joblessness, and welfare.

It was with this in mind that I introduced companion legislation to the National Domestic Development Bank—a supplementary program specifically for communities under 35,000 population.

The Rural Development Bank bill can give our smaller towns new hope.

Credit financing will enable us to build the public projects that are so vital and so necessary. They can provide jobs. They can infuse the economy of a town with money, with enterprise. They can put people to work.

Long term credit and investment in public projects and services can help end the stagnation of our economy—help end the hopelessness.

There is a fourth principal: We must have professionalism, management, and progressive leadership in our communities.

And this is where you are vitally important.

At one time it was the custom for the city manager to be only the guider of policy, the administrator, the detached professional.

But things have changed.

You are still the professional. You are using the new techniques of modern city management—techniques of operations research, critical path analysis, simulation, modeling, and network programming.

You are using information to its fullest. And, you, better than anyone, are adapting the new techniques of computer technology to budgeting and decision making.

But, you are more than just a professional. Your role is more difficult. Aggressive progressive community leadership is now required.

And, I applaud this trend. For I firmly believe that the administration of a community cannot be separated from the life blood of a community.

Passive leadership has no place in the contemporary community.

The stakes are too great, too awesome.

So what do we need?

A government that serves people.

A nation that has a floor of services for its people.

A financing strategy that provides the resources for local people to design their own solutions.

And positive, forward-thinking leaders.

These are the elements—the fundamentals—that will allow us to improve the human condition.

As Lincoln said, "We must disenthrall ourselves of the past. The times are new, and the times call for new ideas."

## LEGISLATIVE RESPONSE TO "SOFT SOAP" ON DETERGENTS

Mr. McINTYRE. Mr. President, the environmental concern of our friend and colleague, the distinguished Senator from Wisconsin (Mr. Nelson) has been translated into many thoughtful and prescient legislative initiatives during the 8 years he has been in the U.S. Senate.

In the case of controlling detergent pollution, Senator Nelson's awareness of the problem and efforts to develop a coordinated, comprehensive program to provide safe nonpolluting detergent ingredients stems from his experiences and Governor of Wisconsin.

In his first year as a Senator, in 1963, Senator Nelson joined me and four other Senator in the 88th Congress in sponsoring S. 1183, the first legislative proposal in this body which focused on the national problem of detergent pollution. In each of the succeeding four Congresses, as this issue has persisted unresolved and unabated, the Senator from Wisconsin has responded legislatively and enunciated a Federal program to bring an orderly institutional response to the ongoing question of detergents, environment, and health.

Last week Senator Nelson testified before the Commerce Committee's Environmental Subcommittee on the persistent problem of detergent pollution. In his testimony, Senator Nelson concluded:

> It is time that we take the experimentation on the safety and environmental impact of detergents out of the marketplace and put it in the laboratory.

The Wisconsin Senator went on to articulate a "First Time Safe" philosophy for all detergents sold in this country.

This "First Time Safe" concept for detergents would be specifically implemented by a Federal detergent program containing these three elements: First, a limitation for the present time on phosphate content in detergents with a clear mandate for their eventual total removal; second, establishment of test protocols, standards, and regulations for all detergent ingredients; and third, an intensified Federal program for the development of substitutes for phosphates in detergents which are safe to health and will not harm the environment. This program would in no way diminish efforts to institute the control of all nutrients at the municipal treatment stage, but would complement it.

Mr. President, so that the Senator from Wisconsin's long experience with this issue and his suggestion on how to legislatively implement a reasonable detergent pollution control program can be brought to the attention of the Senate, I ask unanimous consent that his tesimony of October 15, 1971, be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

### Statement of Senator Gaylord Nelson Before the Subcommittee on the Environment, Committee on Commerce, U.S. Senate, October 15, 1971

Mr. Chairman and Members of the Environment Subcommittee, I appreciate the opportunity to appear before this Subcommittee to discuss the legislative proposals dealing with the control of toxic and hazardous chemicals entering the environment, and, in particular, to testify on the subject of synthetic detergent pollution.

Eight years ago tomorrow, on October 16, 1963, the Senate was debating S. 649, the Federal Water Pollution Control Act. At that time my remarks on a specific portion of that legislation, which dealt with the control of detergent pollution, were prefaced with the following statement:

"In an age of almost continual cold war crisis, with a civil rights revolution exploding in our backyards, with serious economic and social problems all around us, it may seem easy and convenient to postpone solutions to a problem which we always have with us—the problem of our own destruction of our natural resources."

"But the solution to this problem cannot be postponed. It grows worse every day and every hour. And if we continue to delay facing up to it, we may discover some day that it is too late—that our natural resources have been destroyed to such an extent that they can never be restored again."

Eight years later, on October 15, 1971, these thoughts are still an accurate assessment of the manner in which we continue to approach the degradation of our nation's lakes and waterways. This is particularly true in our attitudes and actions regarding detergent pollution.

As growing amounts and varieties of pollutants and waste products foul the waters of America—adding toxic poisons and excessive nutrients—we placidly continue to play environmental "brinkmanship" with this critical natural resource. After yet another summer of bacterially contaminated bathing beaches and floating masses of foul algal blooms in our lakes and rivers, we still have refused to take the prohibitive and the preventive actions that are necessary to insure that the nation's water supplies are not irretrievably damaged.

Of primary importance is the fact that we are still without the institutional capability of taking any appropriate preventive or prohibitive actions. In the case of our capability to deal with long-standing problems of detergent pollution, we are still solely dependent upon industry's (quote) "voluntary" (unquote) efforts while the federal government conducts a rotating series of government press conferences as this unpleasant subject is passed like a hot potato from agency to agency.

Recognized sources of water pollution continue unabated in 1971. Consequently, even less is being done to anticipate future harmful or toxic substances before they enter the environment. As a result, we remain unable to take prospective preventive action, but must react to a series of crisis situations. It would also seem that our governmental agencies are only begrudgingly moved to activity on problems of environmental contamination after the damage has been done.

This is an extremely short-sighted and costly method of public administration of our natural resources. The safety and environmental integrity of our natural resources cannot remain dependent upon eleventh hour ad hoc decisions.

The past and present history of industry and federal government efforts to control the adverse health and environmental effects of synthetic detergents is a glaring and acute example of the failure to provide measured institutional structures and procedures capable of developing answers for a known, specific, reoccuring and chronic environmental problem.

It should be noted that the detergent controversy has been sputtering and foaming for over a decade without resolution and the issue involves the health and environmental safety of *all* synthetic detergent ingredients, not only the present serious controversy over phosphates and their replacements.

My concern about this problem began a little over ten years ago when, as Governor of Wisconsin, it was brought to my attention that almost one third of the shallow wells in Wisconsin were polluted by detergents. Subsequently a special investigation by several agencies of the State of Wisconsin revealed a vast amount of information on this problem.

In each of the five Congresses since I entered the Senate in 1963, I have sponsored legislation to control detergent pollution, and, of course, here we are again today discussing what has become a very familiar subject over the years.

In 1963, this country was faced with mountains of foam floating on the surface of our rivers and lakes, giving dramatic evidence to the vast quantity and persistent nature of synthetic detergents which were polluting the nation's surface and underground water supplies. Developed about the time of World War II, the soap and detergent industry and the American public did not investigate or recognize the polluting potential of synthetic detergents when they were first put on the market. The rush to capitalize upon the cleaning power of synthetic detergents was the primary goal and by 1963 the industry was marketing close to 4 billion pounds a year.

It was discovered in the late 1950's that because of the particular molecular structure of a component of this first generation of synthetic detergents, the cleaning agents were not easily attacked by the bacteria in sewage treatment systems and broken down into harmless byproducts. Instead, synthetic detergent chemicals passed through our municipal sewage disposal plants and household septic tanks into lakes, streams, underground water supplies and wells. As a result of these non-degradable detergents, foaming rivers, contaminated wells, and fears of damage to recreational resources, aquatic life, and possibly human health became a cause for concern throughout the entire United States.

In the 88th Congress I joined the distinguished Chairman of the Commerce Committee, Senator Magnuson, and several other Senators concerned with this problem in sponsoring S. 1183. This legislation, which was introduced on March 25, 1963, directed the Secretary of Health, Education, and Welfare to study the problems of detergent pollution and develop standards of decomposability which must be met by all synthetic detergents by June 30, 1965. This proposal was incorporated into S. 649, the Clean Water Act of 1963, which passed the Senate by a vote of 69–11 on October 16, 1963 but which was not acted on by the House of Representatives.

A little more of this frustrating legislative history should be detailed to the Subcommittee as the patterns of industry actions will have a familiar ring.

The soap and detergent industry reacted to the 1963 legislative proposal by denying that the mountains of foam presented any kind of a pollution problem which affected the public interest. In fact, statements were made that the foaming might even have some value in acting as a visual tracer for other sources of pollution.

While the industry admitted that detergents did cause some but not all the foaming on lakes, rivers, and at sewage plants, they argued that the problem was basically one of esthetics and denied that the detergents posed any threat to public health or aquatic life.

Claims were also made that legislation to bring detergent pollution under control would impede scientific progress, that the costs of control would exceed several hundred million dollars, and that the legislative deadline of June 30, 1965, could not be met.

In spite of these claims, on April 18, 1963, just three weeks after our bill had been introduced in the Senate, and while similar legislation was before the Wisconsin legislature, the Soap and Detergent Association announced at a public hearing before a committee of the Wisconsin State Legislature that the industry would (quote) "voluntarily" (unquote) undertake to change over to a new kind of detergent by December 31, 1965.

The Soap and Detergent Association was to later inform me that the changeover which earlier had been strenuously opposed as unnecessary and impossible could be achieved by June 30, 1965—the date set in the original Senate bill and the deadline which the industry itself had opposed as unrealistic.

Unfortunately, the detergent pollution problem was not solved by the rapid substitution of the "hard" original component of synthetic detergents known as ABS with a new "soft" detergent chemical known as LAS. While this new formulation was accompanied by impressive claims as to its biodegradability, by March of 1965, when a substantial portion of the changeover from the ABS formulation to the LAS formulation had already taken place, there was growing evidence that the new LAS formulation did not live up to its advertised pollution-free biodegradability.

Thus, on March 10, 1965, I introduced an updated detergent control bill in the Senate, S. 1479. This legislation called for a national advisory committee of experts, including representatives of the detergent industry, to recommend national standards of biodegradability to be met by the cleaning component of all detergents. The express intent of the legislative approach enunciated in S. 1479 was to establish a principle of thoroughly considering the environmental and health implications of a new chemical formulation before it is mass produced and introduced into our environment and to avoid the costly belated reactions after the damage has been done.

As Senator Spong, the sponsor of Amendment No. 338 to the Administration's proposed Toxic Substances Control Act, well knows, we are still fighting in the Congress, and particularly with the Senator's efforts here in this Subcommittee to legislatively establish the principle of thorough premarket testing of environmental and health aspects of chemicals and products which enter commerce at an ever-expanding rate. I refer to this concept as "First Time Safe".

As we discovered in our experience with the first generation of "hard" synthetic detergents in the early 1960's, an environmental or health protection system that is unable to look prospectively but merely allows the substitution of new problems to pose as the solution for old ones is no system at all.

In the last five years of the 1960's attention became focused upon the role of phosphate based detergents in the over-fertilization and accelerated eutrophication of our waterways. And now, as we fumble into the 1970's with the problem of phosphates, we also stumble into the known and unknown dangers of replacing phosphates with chemicals or compounds which have not been thoroughly considered for their health effects or long range impact upon the environment. And still there is no comprehensive or coordinated national effort to bring a systematic scientific approach to the problem of formulating laundry products which are safe and do not harm the environment.

When research published in 1966 by scientists of the U.S. Public Health Service and the report of the Lake Erie Enforcement Conference Technical Committee early the next year confirmed in my mind the critical role of detergent phosphates in water pollution and the accelerated eutrophication of lakes and other standing bodies of water, the legislation which had been introduced in the preceding two Congresses was expanded and strengthened.

S. 1343, which was introduced March 21, 1967, would have directed the development of national detergent standards to describe the biodegradability, decomposability and water eutrophication ability that must be met by all the constituents of synthetic detergents regardless of their chemical nature or function in the detergent. Once again, these standards would have governed the composition of detergents before they entered the public market place and are introduced into the national water system.

Furthermore, this legislation would have involved the cooperative efforts of the detergent industry in helping to develop the systematic and orderly progression of test protocols and procedures necessary to any rational and fair system of standards and regulations.

Recognizing the serious national need for safe non-polluting detergents this 1967 proposal would have also provided financial assistance to the public and private research efforts to develop synthetic detergents which will break down readily and will not impair the efficiency of any sewage treatment processes and whose residues will not be toxic or harmful to humans, fish, or plant life. The research program would also have been directed toward finding methods of improving existing sewage treatment processes so as to remove nutrients and developing new methods of control.

Needless to say, two Congresses and two more pieces of legislation later, the country still needs a systematic coordinated federal effort of research into the development of safe non-polluting detergent ingredients and formulations, backed up by a system of standards and regulations which must be met by all detergents before they enter the market place.

National annual detergent sales now exceed some 5.5 billion pounds or approximately 27.5 pounds for every man, woman, and child in this country. The detergent builder is usually sodium tripolyphosphate and this compound amounts to some 2.2 billion pounds annually. This is a $1.5 billion sales market that involves some degree of competition between over 50 nationally marketed brands and an uncounted number of locally packaged and marketed brands.

The point which must be stressed, Mr. Chairman, is that with a business this large and widespread, touching every home and corner of this country, we cannot begin our experimentation on health and environmental safety in the market place, and expect to have other than chaos. Chaos for the consumer who must try and wend his way through rows of supermarket shelves informally blindfolded and trying to balance health interests, against environmental interests, against cost interests against cleaning efficiency interests. Chaos for the business community which has no idea which detergent ingredient or product is going to be on the market for how long. And chaos for the governmental administrators who must continually prepare a new press statement, or a clarification of a previous statement, as another problem in the continuing detergent debate emerges.

*Mr. Chairman, it is time that we take the experimentation on the safety and environmental impact of detergents out of the marketplace and put it in the laboratory.*

A "First Time Safe" philosophy for detergents sold in this country implemented by a national program of subjecting all ingredients and formulations to standards and regulations based on thorough laboratory testing before national marketing is a reasonable goal. This policy, backed by a major development program to find safe substitutes for phosphates, would end the present market, consumer, governmental, and environmental chaos.

In large measure, this situation derives from the absence of strong coordinated authority in one federal agency to deal with this issue. At the present time, federal authority to deal with detergents is almost nonexistent, and what mandate exists is scattered among a variety of agencies.

At this point in my testimony, Mr. Chairman, I would like to submit for the hearing record a study which was prepared at my request earlier this year by the Library of Congress on the authority of certain agencies to regulate detergents:

THE LIBRARY OF CONGRESS,
CONGRESSIONAL RESEARCH SERVICE,
*Washington, D.C., March 31, 1971.*

To: Honorable Gaylord Nelson.

From: Harold Berkson, Specialist in Environmental Policy Environmental Policy Division.

Subject: Authority of certain agencies to regulate detergents.

In response to your request concerning the regulation of detergents the following is submitted.

There appears to be constitutional basis for such legislation in the commerce clause, art. I, sec. 8, cl. 3.

The report "Phosphates in Detergents and the Eutrophication of America's Waters" (House Report 91–1004) indicates that the Fair Packaging and Labeling Act already authorizes the Federal Trade Commission to require package labels of consumer products containing two or more ingredients to bear the names of the ingredients. The F.T.C. may require this listing of ingredients after first finding such regulation "necessary to prevent the deception of consumers or to facilitate value comparisons as to any consumer commodity." 15 U.S.C. 1454(c). That section might be utilized to require that detergent labels reveal the presence of phosphates and other ingredients, but does not appear to authorize a requirement that the amount or percentage of ingredients be listed.

The report on phosphates in detergents (House Report No. 91–1004) indicates at page 65, footnote 51, that the definition of "cosmetic" found in the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. 321 (i), and incorporated in the Fair Packaging and Labeling Act, 15 U.S.C. 1459, includes products "intended for cleansing the human body and which are not soap." The footnote then concludes that "products labeled as 'detergents' are covered by the Federal Food, Drug and Cosmetic Act, and therefore, by the Fair Packaging and Labeling Act." It would appear, however, that detergents are "cosmetics" only if "intended for cleansing the human body" and that those detergents intended for use as laundry or dishwashing cleaners only would not fall within the definition. The distinction may have some importance because 21 U.S.C. 362 (a) defines as "misbranded" a cosmetic with labeling which is "false or misleading in any particular." The act prohibits the introduction into interstate commerce of "misbranded" cosmetics. As the report on phosphates in detergents points out, much of the labeling on laundry and dishwashing detergents can be considered "misleading" in the characterization of ingredients. If the Federal Food, Drug and Cosmetic Act were applicable to Laundry and dishwasher detergents, then the Federal Trade Commission might be able to issue regulations which go beyond those authorized by the Fair Packaging and Labeling Act.

Laundry and dishwasher detergents are apparently covered by the Fair Packaging and Labeling Act, because the definition of "consumer Commodity" continues, after incorporation of the definition from the Food, Drug and Cosmetic Act, to include:

> "Any other . . . product . . . of any kind . . . which is customarily produced . . . for use by individuals . . . or in the performance of services ordinarily rendered within the household, and which usually is . . . expended in the course of such . . . use."

The Federal Hazardous Substances Labeling Act, 15 U.S.C. 1261, might also be invoked to require a labeling warning of the polluting effect of commodities such as detergents. That law defines as "hazardous" any substance which is "toxic," "corrosive," or an "irritant," if such substance may cause substantial personal injury or substantial illness during or as a proximate result of any customary or reasonably foreseeable handling or use.

Excepted are foods, drugs and cosmetics as defined by the Federal Food, Drug and Cosmetic Act. Detergents could be considered "toxic" within the meaning of the law:

"Any substance . . . which has the capacity to produce personal injury or illness to man through ingestion, inhalation, or absorption through any body surface."

Although it is questionable whether such toxicity could often be considered to proximately cause substantial personal injury or illness through pollution of waters from which drinking water is taken and treated, Suffolk County, Long Island, has recently found a threat to the public health in the presence of detergents in the ground water supply. See p. 5, *infra*. It may be that a detergent could be found "hazardous" because of its corrosive or irritating effect on human skin, but that water pollution would not be considered a "principal hazard" requiring specific mention on the label. If a substance is "hazardous" within the meaning of the act, then its label must contain the word "Warning" or the word "Caution", and "an affirmative statement of the principal hazard or hazards."

The above summary of existing laws possibly related to a pollution warning on labels of consumer products reveals no clear authorization for any federal agency to require such a warning. Any of the three laws noted—the Fair Packaging and Labeling Act, the Food, Drug and Cosmetic Act, and the Hazardous Substances Labeling Act—might be appropriate sections of the Code to amend to require a labeling warning of the polluting effects of products.

The Environmental Protection Agency has authority and jurisdiction over detergents only as water quality might be degraded to below that existing or as their presence may prevent improvement of water quality to comply with established standards. The EPA may also take action if it can be demonstrated that the presence of detergents degrades or damages the water resource. In most cases EPA jurisdiction is restricted to interstate waters and their tributaries (standards violation) or to navigable waters (damage). The more effective role of EPA in regulating detergents might be manifested in the approval and awarding of various grants for treatment facilities or for state and local programs. To the best of my knowledge, there currently is no Federal legislation specifically regulating detergents.

Several bills were introduced in the 91st Congress to regulate pollution by packaging and by detergents, but it appears that no bill was introduced to require a warning on the labels of detergent packages. These bills were:

H.R. 12435, a copy of which appears in Appendix I of the *Hearings on Phosphates in Detergents and the Eutrophication of America's Waters*, would amend the Water Pollution Control Act to require that detergents manufactured or imported into the United States contain no phosphorus.

H.R. 19278 would amend the Water Pollution Control Act to prohibit discharge into the navigable waters of substances listed by the Secretary of Interior as "hazardous" to public health or welfare.

H.R. 6751 the "Detergent Pollution Control Act of 1969" would amend the Water Pollution Control Act to establish standards of "bio-degradability, decomposability, and water eutrophication ability which must be met by all synthetic detergents."

State and local governments have also passed legislation to control pollution caused by detergents.

New York State law now requires that labeling of soaps and detergents plainly reveal the phosphate content.

After finding detergents in ground water at public-supply well fields, Suffolk County, Long Island, has recently passed an ordinance barring the sale and exchange of detergents on and after March 1, 1971.

Wisconsin has banned the sale and use of nondegradable detergents containing alkyl benzene sulfonate. Wisc. Stats. Ann. § 144.14.

Chicago has enacted a municipal ordinance requiring all detergents to be limited to 8.7% phosphorous by February 1, 1971 and prohibits all phosphorous by June 1972.

In Akron, a local ordinance requires labeling as to content by February 1, 1971 and complete ban of all phosphorous by June 30, 1972. This law is currently being contested by the Association of Soap and Detergent Manufacturers who have recently won an injuction against the city enforcing the law.

The city of Duluth, Minnesota, is considering an ordinance which would require retail merchants to post a list of the phosphate content of detergents offered for sale in their stores.

These and other state and local laws which may be enacted to attempt to control pollution caused by detergents raise the question of whether federal legislation proposed to regulate detergents should pre-empt the field or whether state and local regulations should be permitted to impose standards different from those of federal law. It was in order to prevent "chaotic marketing conditions and consumer confusion" which might be caused by a "multiplicity of state and local regulations" that Congress inserted a pre-emption clause in the Federal Cigarette Labeling and Advertising Act. House Report No. 449, 89th Congress, 1st Session (1965). Any pre-emption clause should precisely specify what is pre-empted; the cigarette labeling pre-emption clause states:

"No statement relating to smoking and health, other than the statement required by section 1333 of this title shall be required on any cigarette package." 15 U.S.C. 1334.

A similar clause pre-empting state and local regulation of detergent labeling would not prohibit ordinances such as Suffolk County's banning sale of detergents altogether.

The result of this diluted and scattered authority to deal with detergent pollution has been a continued reliance on the "voluntary" efforts of the soap and detergent industry to make costly investments that are sure to disrupt a lucrative market, a "pass-the-buck" attitude within the federal structure as they attempt to deal with a difficult subject involving powerful interests with only partial administrative tools and a weak Congressional mandate, a growing number of state and local government actions as they respond to a rising public demand for an end to water pollution from this source.

The role of detergent phosphates in water pollution and the need for their removal was firmly established by the end of 1970. The Twenty-third Report of the House Committee on Government Operations, issued April 14, 1970, and entitled "Phosphates in Detergents and the Eutrophication of America's Waters" (House Report 91–1004), recommended an eight point program concentrated upon the removal of phosphates in detergents.

As a result of studies of the eutrophication in the lower Great Lakes carried out by the Advisory Boards to the International Joint Commission, the IJC confirmed in their interim report in April and in their final report of December 1970 the recommendations of the Advisory Boards for effective phosphate controls: a) phosphates in detergents would be replaced by environmentally less harmful substances by 1972; b) a nutrient removal program would be implemented at sewage treatment plants in all large cities discharging into the Great Lakes; and c) the input of agricultural phosphates from the drainage basins would be brought under control.

The IJC recommendations were paralleled in the First Annual Report of the President's Council on Environmental Quality in August 1970. At that time CEQ considered eutrophication as perhaps the single-most difficult water pollution control problem; they concluded that phosphates are the most important nutrient to control if eutrophication is to be successfully attacked, and recommended three actions: 1) Phase phosphates out of detergents as soon as possible; 2) Find better methods to control agricultural run-off; and 3) Remove more of the nutrients from wastes generated by towns and cities, particularly in urban centers and in critical areas such as the Great Lakes.

Now let's us take a quick look at the vagaries of government and industry's actions with regard to detergent pollution in the last two years. Let us measure what has been said with what has been done.

When attention was given to finding substitutes for detergent phosphates, NTA (nitrilotriacetic acid) was considered the most likely replacement. By May of 1970, Procter and Gamble was making public announcements that they would be replacing 25% of the phosphates (by weight) in its detergents with NTA.

This industry effort was communicated later in the year directly to the Administration in the October 1970 Report of the Detergent Sub-Council of the National Industrial Pollution Control Council. Chaired by Howard J. Morgens, President of Procter and Gamble, the nation's largest detergent maker, the Sub-Council reported to the Department of Commerce in their summary: "The detergent industry has undertaken a massive voluntary program to reduce the phosphate content of its laundry products." . . . and "This reduction is being achieved by the substitution of new ingredients for phosphates."

Unfortunately for the public, the substitution was made without the thorough public testing which could give assurances as to the safety of NTA. During hearings before the Subcommittee on Air and Water Pollution of the Senate Public Works Committee, Dr. Samuel Epstein presented testimony on "Potential Biological Hazards Due to Nitrates in Water and Due to Proposed Use of Nitrilotriacetic acid (N.T.A.) Detergents".

The initial questions by Dr. Epstein in May 1970 sent the Federal Water Quality Administration scrambling to do some testing. FWQA (now the Federal Water Quality Office under the Environmental Protection Agency) requested studies on NTA to be conducted by the National Institute of Environmental Health Sciences.

On December 19, 1970, at the urging of the Environmental Protection Agency and following a joint statement that previous day the EPA Administrator and the Surgeon General, the major detergent manufacturers "voluntarily" agreed to discontinue the use and production of NTA as a detergent builder pending further study.

In a Staff Report to the Public Works Committee released at the same time as the NTA announcement and resulting from his May testimony raising questions about the degree of testing conducted on NTA, Dr. Epstein recommended: "The present use of high-level phosphate detergents should be disallowed to prevent further eutrophication and to reverse existing eutrophication." In referring to the experience with NTA replacement, however, the report said: "Concern for the protection of environmental quality is no reason to replace a relatively defined and otherwise controllable ecologic problem by a solution posing potential hazards to human health and environmental safety or undefined and unpredictable dimenson."

The methods by which industry was forced to halt the replacement of phosphates with NTA in 1970 are under a great deal criticism, and the NTA controversy is not yet ended. In particular, the criticism focuses on the experimental design and significance of the statistical data obtained by the admittedly rapid governmental tests.

One thing is certain from this experience.

The situation with NTA replacement of phosphates is exemplary of the continuing problem in detergent pollution control and the marketing of a safe, efficient and economical detergent which is not harmful to health or does not degrade the environment:

(1) detergents are marketed without the date and knowledge as to its impact upon human health and environmental safety;

(2) neither the industry nor the federal government has an established on-going coordinated public program to test detergent ingredients;

(3) the rapid replacement of phosphates with NTA or any other ingredient does not automatically assure the reduction of the rate of eutrophication; and

(4) the costs of rapid replacement of phosphates with unknown, untested ingredients may greatly exceed the benefits—environmentally, financially, and in the loss of public confidence in industry and government capability or desire to solve the problem.

Despite the experience with NTA, we seem to be repeating the same industry-government merry-go-round this year. Following the discontinuance of NTA as a replacement there has been a rush of detergent products upon the market claiming to be "non-polluting" alternatives to phosphate detergents. In many instances, these new detergents have played upon environmental themes in their advertising and in their brand names. As with NTA, however, these alternatives are being suggested as replacements for phosphate detergents without comparable knowledge of their potential environmental or public health effects.

Thus, on March 8, 1971, the Food and Drug Administration seized two detergents manufactured by the Ecolo-G Corporation of America because tests showed them to be highly alkaline and toxic and corrosive to the skin and the cause of severe eye irritation. The FDA authority, however, is restricted to the requirements of the Federal Hazardous Substances Act. These requirements were satisfied by the manufacturer with the labeling of the products to warn of the hazardous nature of the product.

Even labelling requirements as a means of promulgating information about detergent formulations have produced controversy between federal agencies, and confusion among the public. On January 25, 1971, the Federal Trade Commission proposed a trade regulation rule which would require manufacturers of detergents to list all ingredients on packages, and to disclose clearly that their phosphate-containing products contribute to water pollution and should not be used excessively and that it is unnecessary to use phosphates in soft water areas.

When Administration witnesses appeared at a hearing on the FTC proposal on April 26, 1971, they asked the Commission to defer action pending further studies. The officials agreed that "We must continue and intensify our efforts to obtain reduction or elimination of phosphates in detergents as soon as assurance is available that the material or materials to be used as a substitute will not cause equal or worse problems and will not endanger human health" (Russell Train, Chairman of CEQ). Still, they argued, no labeling action should be taken presently by the FTC because the present alternatives to phosphate detergents, the growing number of nonphosphate detergents may not be safe.

The Surgeon General concluded his testimony on April 26, 1971 by saying: "Finally, because scientifically much is still unknown, we must conduct additional research on phosphate substitutes to ascertain their place and the place of labelling in an effective overall program."

"The U.S. Public Health Service therefore urges the Federal Trade Commission to defer making a decision regarding labelling at this time."

The Chairman of the President's Council on Environmental Quality echoed the Surgeon General's comments about the rethinking going on in the Administration on detergents: ". . . We are also in the process of developing legislative and administrative proposals which would limit the use of phosphates in detergents and ensure protection of public health."

"Once this review is completed which will be prior to the scheduled conclusion of these proceedings, we will be in a position to advise the Commission both on the Administration's program to deal with environmental and health problems from detergents and to indicate how labelling requirements fit into the overall program."

"Accordingly we recommend that the Commission not make a decision on its proposed rule at this time."

If the right hand washes the left hand in this Administration, it apparently does not do so with detergents, for eleven days after the Administration spokesman testified for no action on the Federal Trade Commission's proposed phosphate labeling ruling, I received a written response from the Environmental Protection Agency to a question regarding EPA's discontinuance of listing phosphate contents of detergents. Let me quote the May 7, 1971 letter from the Environmental Protection Agency:

"At one time such a listing was published. However, because of this industry's continuing awareness of consumer interest, and the introduction of new research into the products, it became impossible to keep such a listing current and thus accurate."

"A far better approach is one which requires clear labeling on detergent products and we understand that the Federal Trade Commission has had a great deal of success in achieving voluntary labeling among various manufacturers of these detergents . . ."

Well, that "far better approach which requires clear labeling" was opposed by spokesmen for two offices of the federal government less than two weeks previously, and it appears that the FTC was having such a success with the "voluntary" efforts of the industry that they proposed a mandatory program.

Mr. Chairman, at this point in the record let me submit the full text of the May 7, 1971, letter from the Environmental Protection Agency:

ENVIRONMENTAL PROTECTION AGENCY,
*Washington, D.C., May 7, 1971.*

Hon. GAYLORD NELSON,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR NELSON: This is in response to a telephone request from Miss Anderson of your office concerning the questions of EPA's failure to publish a listing of phosphate contents of detergents.

At one time such a listing was published. However, because of this industry's continuing awareness of consumer interest, and the introduction of new research into the products, it became impossible to keep such a listing current and thus accurate.

A far better approach is one which requires clear labeling on detergent products and we understand that the Federal Trade Commission has had a great deal of success in achieving voluntary labeling among the various manufacturers of these detergents. Should you have additional questions on this subject, you will want to contact the FTC about them.

Thank you for your interest.

Sincerely yours,

GRAHAM W. McGOWAN,
*Director of Congressional Affairs.*

Mr. Chairman, the strong stance on the labeling of phosphate detergents of this Administration was also the subject of editorials in the May 1st edition of the Minneapolis Tribune and the May 8th edition of the Milwaukee Journal and I would like to submit the text of the two editorials for the record at this point:

[From the Minneapolis Tribune, May 1, 1971]

WHY WAIT TO LABEL DETERGENTS?

Representatives of the Nixon administration appearing before the Federal Trade Commission this week set up a straw man. The FTC was conducting hearings on a proposal to require detergent manufacturers to tell consumers the phosphate levels of their products and to warn them that phosphates contribute to water pollution. The information would be printed on the products' labels.

Jesse L. Steinfeld, the surgeon general, and Russell E. Train, chairman of the Council on Environmental Quality, agreed that phosphates are a major cause of the rapid aging of lakes. "It has also been generally agreed," Steinfeld said, "that the principal controllable source of those phosphates is sewage, and that the principal source of phosphates in sewage is detergents."

Yet the two administration spokesmen asked the FTC to delay action on the labeling proposal. Why? Because some phosphate substitutes have been found to be potentially harmful to humans. And, as the president of Procter & Gamble, the nation's largest detergent maker, told the FTC, "The industry would have to replace the phosphates with other materials before those other materials have been proved to be safe for people and the environment."

There's only one thing wrong with that argument: It's directed at something other than the proposal under consideration. The regulation the FTC is considering wouldn't require manufacturers to halt the use of phosphates, thus forcing them to use untested substitutes. All it would do is to have them tell consumers the amounts of phosphates in their products and remind them of the substance's role in water pollution. Consumers concerned about water pollution could use the information to help them select a detergent with a low phosphate level. Those who were unconcerned could ignore the warning.

If, after all, phosphates contribute to pollution, but no satisfactory substitutes have been found, then it would seem desirable for the government to encourage the use of detergents with low levels of phosphates as an interim measure, at the same time encouraging the industry to continue its search for safe alternatives. That's all the proposed labeling requirement would do. By asking the FTC to delay action on it, the administration, in effect, is seeking to postpone efforts to cut back on the use of phosphates and is reducing the industry's incentive to eliminate them entirely.

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[From the Milwaukee Journal, May 8, 1971]

STRANGE STANCE ON DETERGENTS

The Nixon administration puts itself in an untenable position in opposing a proposed Federal Trade Commission rule requiring manufacturers to warn consumers that phosphate detergents speed water pollution.

Russell Train, chairman of the Council on Environmental Quality, and Surgeon General Jesse Steinfeld said at recent FTC hearings that phosphate substitutes not in themselves dangerous to health should be found first. They agreed that phosphates are a serious factor in water pollution.

In fact, Train's agency last August pointed out that most phosphates speeding eutrophication of lakes and streams come from municipal sources, and 50% of that amount comes from phosphate detergents. It then recommended phasing out phosphates, a step that Canada, Chicago and some other places have since ordered.

The FTC is not proposing an outright ban on phosphate detergents. It is only proposing that each package carry this message:

"Warning: Each recommended use level of this product contains (whatever number of) grams of phosphorus, which contributes to water pollution. Do not use in excess. In soft water areas use of phosphates is not necessary."

Detergent makers don't like this because printing new labels would be costly. And it might lead to consumers' using less detergent, as some experts say they should do, and could do without any adverse effect on their laundry. Raising the specter of untested phosphate substitutes in an effort to block a sensible warning to housewives about excess phosphate detergent use is a scare tactic. The administration should have no part of it.

Then, a little more than one month later, the Food and Drug Administration announced on June 28, 1971 that it ". . . will require a number (25) of manufacturers to improve labeling on household laundry and dishwashing detergents to warn against eye and skin irritations and injury from ingestion . . ." The press release went on to say that the need for this labeling was confirmed by FDA on the basis of tests performed by Agency scientists on 39 detergent products, out of the 200 or so in common use in this country.

The exact nature of the harmful ingredients, however, or whether it was just nonphosphate detergents which needed additional labeling because of hazards was not revealed in the June 28th release. The public had to wait for another three months to find out any more information about the relative merits of the 39 detergents tested by FDA.

On September 15, 1971, one month ago, the Council on Environmental Quality, the Department of Health, Education, and Welfare, and the Environmental Protection Agency jointly announced a number of conclusions with respect to health and environmental problems associated with detergents.

These three agencies concluded that the NTA controversy remains unresolved and therefore it was not a suitable substitute at the present time, that there was cause for serious concern about the health hazards of caustic substitutes for phosphates, and that EPA was launching an extensive study to identify bodies of water in the country subject to eutrophication problems and will assist local governments in reducing phosphates through municipal waste treatment.

Apparently this was intended to clarify the Administration's position on phosphates and detergents. I doubt if that modest goal was obtained, or if the position was indeed clear, it was certainly not accepted without opposition.

Mr. Chairman, at this point in the record I should like to submit three editorial comments on the Agencies' September 15, 1971 announcement: (1) an editorial in the September 22, 1971 New York Times entitled "Whitewash for Phosphates"; (2) an editorial from the October 2, 1971 Washington Post entitled "Ring Around the Government's Collar"; and (3) an opinion page article by Peter Vanderpoel from the October 7, 1971, issue of the Minneapolis Tribune entitled "Washington's Poor Advice":

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[From the New York Times, Sept. 22, 1971]

### WHITEWASH FOR PHOSPHATES

The Federal Government succeeded last week in undoing several years of public education on the harm that detergents do to the nation's waters. In an act as unnecessary as it was sudden and confusing, four of its top health and environmental officials urged a return to phosphate detergents on the ground that alternative cleansers were worse.

Nothing in the Government's explanation justified its panicky reversal. Its explanation, it may be pointed out, followed closely the line of reasoning advanced by leading elements in the soap and detergent lobby. Whether or not it was industry pressure that accounted for the change, people who have been accurately warned of how much damage phosphates can do to lakes and streams will find it difficult to take on faith the next warning that issues from the guardians of the environment.

Admittedly, a dilemma has been building up in the matter of how America should wash its clothes. With the spreading knowledge that phosphates can choke the life out of a lake by nourishing destructive algae and vegetation, alternative cleansers came into use—but they, too, presented problems.

Some contained NTA, a chemical compound that might possibly cause cancer. Other detergents, including some of the biggest sellers at the supermarket, contained caustic soda, though not in its free form; these pose just enough threat of damage to the eyes, nose and throat, not to mention the innards of children, for the Surgeon General to talk of having them banned, though he has so far refrained from directly recommending that course. Old-fashioned soap, it might be added, is not adapted to dishwashers, leaves a scum in laundry machines and is impractical for use on synthetic fabrics designed to be cleaned only by the chemical action of detergents.

The Environmental Protection Agency suggests now that the solution must lie in the building of special sewage treatment facilities, or the adaptation of existing plants, with a view to ridding effluents of all harmful phosphates, not just those from detergents. Such a program, if carried out immediately, would be ideal, since phosphate detergents account for only part of the phosphorus which induces eutrophication in our waters. The rest comes from agricultural fertilizers, animal feeds and industrial products. Phosphorus can be precipitated at a treatment plant without difficulty. The trouble is that governments move at the pace of a leisurely snail; by the time essential equipment is installed, untold damage may be done.

The question, then, is what to do in the meantime. And here the Government's position is untenable. Instead of rescinding bans on phosphate detergents, as the Federal officials now urge, states and localities that have such bans should keep them in force—at least until the E.P.A. completes a proposed study that will identify those endangered waters that might be saved from decay by appropriate sewage treatment.

Less harm would be done for the time being if housewives continued, with reasonable care, to use so-called caustic sodas, especially in combination with regular soap. A nation that suffers the lethal automobile and allows handguns is not likely to be overwhelmed by the presence of washing sodas in the home—along with a dozen other potentially risky substances such as drain cleansers, dangerous drugs or even kitchen matches. Time, moreover, gives promise of producing really harmless detergents, several of which are reported to be well on the way.

A holding pattern of this sort, rather than the implausible course the Government has chosen, would allow a continuing effort to save the nation's waters without causing more than a minimal risk to health. There would perhaps be some social risk in wearing clothes with a touch of tattle-tale grey. But then again, that just might be viewed as a badge of honor.

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[From the Washington Post, Oct. 2, 1971]

### RING AROUND THE GOVERNMENT'S COLLAR

Choosing between the lesser of two evils is always, like the daily washload, messy business. Especially so when the choice involves detergents. The federal government's recent reversal of environmental policy—go back to phosphates, they are safe for human health, said the Surgeon General to houseworkers—may have delighted the detergent industry (Procter & Gamble, Lever Brothers, Stauffer Chemical, Monsanto, among others), but it has only confused the women and men who load the wash. If anything useful has resulted from this policy shift, it is another lesson in the hard truth that caring for the environment at this late date is an enormous complexity involving politics, vested interests, profits and social customs.

The government's original stricture against phosphates was correct. Lakes and waterways were being choked to lifelessness when phosphates—fresh from the washing machine—flowed into them. When the detergent industry saw both public and legal sentiment awakening to the danger of this touted cleaner, it cleared away the phosphate suds and came up with substitutes. The government examined these substitutes—alkaline compounds known as caustics—and found them less desirable than the original product; instead of harming the nation's waterways, they could harm the nation's human beings. The caustics are health hazards to the eyes, nose and throat, and are especially dangerous to children; officials reported the death of an infant who swallowed a mouthful of caustics.

The logic of the government's latest decision is, much like many of the vanishing streams it once worried about, clear but shallow. Instead of reversing its original phosphate decision—and thereby confusing the public, which is awash with enough confusion about cyclamates, tuna fish, swordfish, vichyssoise—why not inform the houseworker that caustics are dangerous, to be kept away from children and to be used with great care, like iodine, matches, sharp knives, the automobile? The government's concern for children who might ingest caustics is fine; it is a strangely sudden concern, though, if you examine the government's careless record on protecting children from such proven and often deadly threats as flammable nightwear, lead poison or dangerous toys. Or is the concern really for the detergent industry? At any rate, the latter assuredly has a warm feeling for the government, now that the latter has come around to the industry view. Instead of away with phosphates, it is now phosphates away.

Looking back to the days of clear water and clear thinking, much of this wash problem could have been avoided if the advertising agencies had not over-rinsed the public with whiter-than-white pitches. To achieve a washday miracle, powerful phosphates were introduced. So, mistakenly conned, we became a nation of super-clean shirts but super-dirty lakes. What is needed now is a return to the reality that clean, not super-clean, garments are just fine, and your neighbor or boss won't mind if your shirt or dress is merely white rather than whiter-than-white. The detergent industry should have no trouble supplying us with cleaners for that modest goal, and spare us our lakes and our health. If they don't there is the advice Jerome Kretchmer, New York City's Environmental Protection Administrator, gave to New Yorkers; use a combination of soap and washing soda instead of detergents. "Your clothes," he said, "may not glow in the dark, but they will be clean and fresh at lower cost and without adding phosphates to our waters."

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[From the Minneapolis Tribune, Oct. 7, 1971]

### WASHINGTON'S POOR ADVICE

(By Peter Vanderpoel)

Federal officials dealing with environment, food and health offered some poor, and surprisingly short-sighted, advice to Americans in the last several weeks.

First came the about-face on phosphate

detergents. The government has discouraged their use for several years because phosphates feed algal growth, which contributes to the stagnation and death of lakes. Detergents contribute the largest share of phosphorus from man-made sources to water in the country—between 1.5 and 1.8 billion pounds a year. In 1970, a U.S. House Government Operations Committee report recommended that all phosphates be ordered removed from detergents by 1972.

Soap-makers, as a result of the government position, had begun to replace phosphates in their detergents with a chemical, NTA, or caustic soda. But NTA may have harmful effects on both the environment and human health, and caustic soda (which is harmful to the eyes, nose and throat) can be fatal if ingested.

So federal officials, in what Rep. Reuss of Wisconsin termed a "capitulation to soap and detergent-makers" (who had been exerting heavy pressure in Washington), urged housewives to return to phosphate detergents as the least harmful alternative.

Maybe, they suggested, the water-pollution problem could be solved by spending between $1 billion and $1.5 billion on sewage-treatment plants capable of removing phosphates. (That kind of treatment can double the capital and operating costs of such plants.)

The government had at least three better options:

Require that detergents containing caustic soda be marked with a warning that they are potentially harmful and should be kept out of the reach of children—the procedure used with countless household products now allowed on the market. As Edward B. Osborn, president of Economics Laboratory, Inc., said at the company's annual stockholders meeting Tuesday in St. Paul, "literally dozens of common household products are dangerous if ingested."

Return to the use of soap. Detergents are the most effective product in automatic washers, but they don't get clothes much cleaner—only "whiter and brighter"—than old-fashioned soap.

Allow only low-phosphate detergents on the market. The amount of phosphates in some products now reaches above 70 percent, up to perhaps 10 times as much as necessary.

The second example of poor advice came last week, when officials criticized public concern about PCBs, the DDT-related chemicals recently found in large amounts in chickens, eggs, turkeys, salmon and fish meal. The government position was based on findings that PCBs pose only a "potential, but not immediate, (human) health hazard," said Dr. Charles Edwards, head of the federal Food and Drug Administration.

It's reassuring to hear this. But Edwards was short-sighted in concentrating on the public health question to the exclusion of advocating a more balanced, long-term concern for the environment. Until such a traditional "public health" approach ("It's no problem until someone becomes sick or dies") was superseded in this country by a broader ecological view, very little progress was made against pollution.

A panel of Nobel laureates, meeting in Sweden, concluded recently that PCB concentrations may "damage ecosystems irreversibly on a worldwide scale before the damage is recognized." It recommended that "their entry into the environment be curtailed to every practical extent, even if this requires constrictions on production and use." England has banned PCBs.

The lesson in both cases is that far too many new chemicals are being manufactured and introduced into the environment without regard for, or knowledge of, their ultimate effects on people or the environment.

William Ruckelshaus, head of the federal Environmental Protection Agency, said in a recent speech: "Each year thousands of new chemical compounds are put into use. The way we consume and dispose of these goods has become a major environmental problem and a potential threat to the health and comfort of the human race, if not to its survival."

He recommended much stricter government control of new chemical products—a position shared by members of the President's Council on Environmental Quality.

If Ruckelshaus and the council are right—and the evidence indicates they are—then the ultimate threat to humans posed by products such as phosphate detergents and PCBs is far too "potential" (Dr. Edwards' word). And it's Ruckelshaus' perspective that the government should have reflected in its two announcements.

Part of the confusion created by the September 15th announcement stems from the fact that simultaneously the Food and Drug Administration made public the list of 39 detergents it had analyzed and assessed for potential health hazards in June. The FDA also revealed a health safety rating system for these 39 detergents which ranges from "(1) Caution, harmful if swallowed" to "(5) Danger, may cause burns to skin and eyes, harmful if swallowed".

Mr. Chairman, I ask that a listing of the FDA's list of 39 detergents and their ratings according to the FDA's assessment of their safety as reported in the September 16, 1971 issue of the New York Times be printed at this point in the RECORD:

[From the New York Times, Sept. 16, 1971]

### THIRTY-NINE DETERGENTS ASSESSED

WASHINGTON, September 16.—Following is a list made public today by the Food and Drug Administration of 39 detergents it has analyzed and assessed for potential health hazards:

The rating system is: 1. Caution, harmful if swallowed. 2. Caution, harmful if swallowed, eye irritant. 2A. Caution, eye irritant. 3. Warning, injurious to eyes, harmful if swallowed. 4. Warning, injurious to skin and eyes, harmful if swallowed. 5. Danger, may cause burns to skin and eyes, harmful if swallowed.

The 39 products, which are only a sampling of some 200 detergents in common use, are:

[Product, phosphate content and rating]

| | |
|---|---|
| Par, none | 3 |
| M-W Lo Suds, none | 1 |
| B-70, none | 4 |
| Crystal Clear, yes | 2 |
| Concern, none | 4 |
| Amway SA-8, yes | 2 |
| T-Rif, none | 1 |
| Pure Water, none | 3 |
| Giant OW, yes | 5 |
| Phosphate Free, none | 3 |
| Klean, yes | 5 |
| Miracle White, none | 3 |
| Kink Kullen, none | 3 |
| Arm and Hammer, none | 2 |
| Basic L, none | 3 |
| Controll, none | 3 |
| Burst, yes | 2A |
| Cascade, yes | 2 |
| All, yes | 2 |
| Tide XK, yes | * |
| Drive, yes | ** |
| Phos-Free, none | † |
| Bio-D, none | 3 |
| Amway SA-8, none | 2 |
| Sears, none | 4 |
| Fab, yes | 4 |
| Breeze, yes | 2 |
| Cheer, yes | 2 |
| Logic, none | 4 |
| Cold Power, low | # |
| Ecolo-G, none | 4 |
| Triumph, none | 3 |
| Acme, none | 4 |
| Balance, none | 5 |
| Un-Polluter, none | 3 |
| Trend, none | 2 |
| Cold Water, low | 2 |
| PFD, none | 4 |
| Spring Clean, none | 2 |

* Eye and skin irritant.

** Toxic, eye and skin.

† Eye and skin.

# Eye, skin.

The F.D.A. list contains one duplicate name, that of Amway SA-8. In the two references it was said, without explanation, that the product both contained phosphate and was free of it.

On the one hand, three agencies were stating "Certain of the non-phosphate detergents now on the market contain ingredients that, if accidentally ingested, aspirated, or introduced into the eyes, may be extremely injurious to humans, particularly to children. These particular products utilize materials as a substitute for phosphates that are highly caustic and that clearly constitute a health hazard, *which phosphates do not* (emphasis mine)."

At the same time, the FDA listing of detergents gave the non-phosphate product M-W Lo Suds a (1) rating, that is the least harmful in a rating system of (1) to (5). At the same time the phosphate-containing product Giant OW was rated (5), that is the most dangerous in the FDA's testing system. Other phosphate-containing products in the FDA's list scored (5) (the product called Klean) and (4) (Fab), yet the Surgeon General was quoted as generally recommending phosphate detergents for families with small children precisely because of the caustic dangers that could be associated with some non-phosphate detergents.

Unfortunately, the term "caustic" was made the equivalent of "non-phosphate" in statements about the announcement by some Administration officials while others were announcing that the problem is not quite that simple. In an attempt to simplify a complicated scientific concept—that is explaining about alkalinity and pH, as well as the effects of concentration upon causticity—understanding and clarity were lost.

There is also some confusion as to the alternate solutions proposed by the agencies and amplified by the Administrator of EPA in his testimony here two weeks ago. In particular, the Administrator of EPA mentioned that instead of wringing the phosphates out of detergents before they enter the laundry water, EPA would be supporting programs for the construction of municipal waste treatment facilities which will remove phosphates at the 80% level or above.

Now, there is no argument about the need to remove nutrients from waste water at the sewage treatment stage. What is arguable is that this has never been viewed by anyone other than the soap and detergent industry as a substitute for the removal of phosphates from detergents. As the Council on Environmental Quality stated in their First Annual Report in August of 1970, nutrient removal at the sewage treatment plant stage is only one part of a three-pronged program which also includes phosphate replacement in detergents and control of agricultural runoff.

Thus, it is not the enunciation of the goal which is important, it is the amount of commitment in hard dollars that counts. When viewed in this way, a $500 million phosphate removal program in this Administration's $12 billion national program for waste treatment facilities soon becomes glaringly inadequate when it is unsupported by the other two prongs of the CEQ program.

That $12 billion program really is only a $6 billion Federal program and this is to be spread over 3 years. With the National League of Cities and the U.S. Conference of Mayors estimating that the country's water pollution control needs over the next 5 years will be between $33 billion and $37 billion, with a

Federal program of $3 to $4 billion required each year to meet these needs, construction of nutrient control facilities appears to be a long distance away.

The program for rescuing the Great Lakes alone is estimated to cost the United States $1.5 billion for treating the sewage that goes into the lakes and the St. Lawrence River. And there the chief culprit is phosphates.

Mr. Chairman, at this point I should like to include in the record an editorial from the January 28, 1971 issue of the Washington Evening Star entitled "Rescue Mission" which comments on the control of prosphates entering the Great Lakes:

[From the Washington Star, Jan. 28, 1971]

### RESCUE MISSION

The proposal by a joint United States-Canadian commission for rescuing the Great Lakes offers a shocking clue of what man is up against in the struggle to cleanse the environment of the poisons he has put there.

The proposed expenditure—$1.5 billion for the United States, $250 million for Canada—just for treatment of the sewage that goes into the lakes and the St. Lawrence River, gives an indication of the tab for the total environment. And the difficulty entailed in trying to save the lakes offers a hint of the overwhelming obstacles that face a planetary rescue mission.

The Great Lakes is the right place to start, for it is there that the deep wounds inflicted by man's thoughtless ravagement of the environment are most obvious. Lake Erie is moribund. Lake Ontario is on the critical list. Throughout the lower lakes and the St. Lawrence, the complex system of aquatic and animal life has been poisoned and is dying.

The commission identifies the chief culprit as the phosphates that form an important part of modern detergents. It is not the only villain; the lakes have long been used as a dumping ground for a variety of poisons. But the phospate problem is the place to start.

Phosphates, it is now known, do their deadly work by promoting the wild-fire growth of algae. This primitive plant life is produced in quantities greater than the lake can naturally support. It dies and decays, and the process of eutrophication—the elimination of oxygen from the water—sets in. Finally the water is unable to support life and the lake, quite literally, dies.

Canada has announced that phosphates must be eliminated totally from all detergents used in that country by the end of 1972. The Nixon administration has let it be known that it will neither recommend nor support such an action until a suitable replacement for phosphates can be found.

The administration's position is economically sound and ecologically outrageous. The ban should be imposed by Congress—over a presidential veto if necessary—to take effect no later than 1972. If a safe substitute can be found before the deadline, everyone will be happy. If not, the detergent industry will be hurt and the rest of us will have to get along with less-white whites and less snap in our colors. But it is time for us all to face the fact that the environmental crisis cannot be overcome by talk, that survival is going to require some real sacrifices, a lot of money and an infinite determination.

That the current situation concernnig the control of detergent pollution is in a state of muddled confusion is an understatement. The soap and detergent industry still promotes phosphate detergents as highly desirable to the maintenance of health safety and laundering, yet these products are recognized as a major contributor to the eutrophication of our waters and are considered unnecessarily in soft water regions of our country.

At the same time, questionable substitutes for these phosphate detergents are being introduced into the market and promoted as environmentally safe nonpolluting laundry agents. However, none of these product claims can be supported by an accepted program of pre-market testing for the ingredients' impact upon health and environment.

Much has been said about the research drive by industry and the government into the development of safe substitutes for phosphates. Two weeks ago the Administrator of the Environmental Protection Agency said to this Subcommittee ". . . we will continue our efforts to stimualte the detergent industry to increase its research on the development of a safe non-phosphate detergent. We will also continue our research on substitutes for phosphates." When asked by this Subcommittee to give a dollar estimate of industry's research efforts into the deevlopment of phosphate replacements, the EPA spokesmen said that the industry figures were unavailable. When asked by this Subcommittee about the level of federal government effort into the development of phosphate replacements, the EPA spokesmen quoted one contract with the Gillette Company Research Institute. This contract was awarded in June of last year and involves a mighty research effort of $250,000 this year.

Finally, even though effective control of eutrophication is recognized to require not only the elimination of phosphates and other nutrients from municipal and industrial effluent, little is being done to upgrade sewage treatment plants. More than a paper commitment to nutrient removal is necessary. This is a bricks and motar program that requires hard cash and which must compete with programs to obtain the most basic forms of treatment in some metropolitan areas.

In this murky situation, it is the public that is losing. They are receiving little assistance from either the soap and detergent industry or the government, yet they are expected to make important informed consumer decisions about complex matters of health, environment, and economics.

It is in this situation that it is appropriate and necessary for the Congress to offer some sensible leadership and, instead of throwing up its hands, map out a reasoned program for attacking the problem.

First of all, let the Congress put some financial muscle into the program for catching up with the backlog of waste treatment plant construction in this country. We are not going to take care of the backlog and achieve any acceptable level of nutrient removal—no matter how extensive the technology which is available—if we are unwilling to commit the funds required to construct and operate the equipment. $2 billion of Federal funding a year for three years is not adequate. I have suggested a $25 billion program covering five years and involving a Federal-State sharing ratio that is the same as the Highway program, 90–10. It is not known for sure what will emerge from the Senate Public Works Committee when it reports its Clean Water legislation, but it is expected that the Senate will soon be voting on a construction grant program for municipal treatment facilities which more closely approaches the needed level of financial commitment.

This Administration must be commended for offering S. 1478, the proposed Toxic Substances Control Act. The recognition of the need for pre-market testing of chemicals entering the environment—that is, a First Time Safe philosophy—is vitally important. I believe, however, that Senator Spong's amendment #338 to S. 1478, is a necessary improvement for any meaningful First Time Safe legislation. The concept of pre-market testing must be broadly applied, not only to any new chemicals, but as Senator Spong's amendment directs, to "potentially hazardous existing chemical substances" as well.

This coverage also cannot just be limited to those substances which are *found* to be toxic, which is merely taking retrospective action, but should apply prospectively to those substances which may be harmful to human health and the environment.

While a broad program of pre-market testing of all chemicals which may be harmful to health or the environment is a desirable legislative goal, this legislation should specifically focus on the chemicals in detergents. As a singular national problem which has existed unabated for over ten years, legislative attention to this issue is long overdue.

Both goals certainly could be achieved in a Toxic Substances bill. By directing attention to the issue of replacing phosphates with safe substitutes, an exemplary program would be established for the broader range of substances which may prove harmful to health or the environment.

To achieve this specific goal, the replacement of phosphates in detergents with safe substitutes, a limitation should be placed upon the phosphate content in detergents. While a program of development of phosphate substitutes continues, while these substitutes are being tested, and while municipal treatment plants capable of removing a broad range of nutrients are being constructed, it is perfectly reasonable to set a ceiling upon the phosphate content in detergents. The City of Chicago and Canada have recognized that we cannot wait until the ultimate solution is found to take action. The phosphate problem exists now and the restricton against high-phosphate detergents will provide some measure of relief, yet not unduely inhibit laundry efficiency, or pose a danger to health.

I personally feel that a legislative deadline should be placed on the removal of *all* phosphates from detergents. Considering the amount of damage which is occurring to our waterways, this must remain our goal. After ten years of frustration and industry foot-dragging, the message should be spelled out loud and clear. However, the complete removal of phosphates from detergents should not be required unless *all* ingredients including the phosphate replacement are subjected to adequate testing and an agreed system of standards and regulations.

The establishment of standards of water eutrophication ability, biodegradability, toxicity and effects upon public health and welfare which must be met by *all* synthetic detergents was the first step in the legislative proposal, S. 75, which I offered this past January.

In addition to the establishment of standards and regulations covering all detergent ingredients, S. 75 called for a specific program of federal assistance to accelerate the development and manufacture of detergents that are free of phosphorus and whose other ingredients, including the phosphorus substitute, are pollution free. The safe detergent R & D program in S. 75 calls for a $10,000,000 effort for each of six years. If the Congress is going to exercise a greater degree of control in calling for the elimination of phosphates in detergents and subjecting all ingredients to testing protocols, standards, and regulatons, then in all fairness to the industry it should complete its commitment by a much greater federal participation in the research and development of pollution free safe phosphate substitutes.

A specific federal detergent program containing these three elements: (1) a limitation for the present time on the phosphate content with a clear mandate for their eventual total removal; (2) establishment of test protocols, standards, and regulations for *all* detergent ingredients; and (3) an intensified federal program for the development of safe substitutes for phosphates—would be a firm and decisive step in ending the confusion and the environmental and health insults that we continue to suffer as a direct cause of phosphate detergents.

S. 1478 is, I believe, an appropriate legislative vehicle for implementing the federal detergent program which was enunciated in S. 75. In directly applying a measured First Time Safe program to the known and chronic hazards of detergents, a strong precedent would be achieved for the type of anticipatory approach to all chemicals which may be harmful which is stated in amendment # 38 to S. 1478.

Mr. Chairman, I would like to conclude my remarks by offering three editorial comments for the record from the Minneapolis Tribune, the Capital Times of Madison, Wisconsin, and television station WITI-TV, Milwaukee, Wisconsin, which discuss the need for a First Time Safe program for detergents and other chemicals entering the environment:

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[From the Madison (Wis.) Capitol Times, Mar. 13, 1971]

### Price of "Whiter Than White"

The continuing controversy over phosphates in detergents—which peaked here in Wisconsin last week at legislative hearings on a number of phosphate-ban bills—is a symptom of a larger problem. It is one that goes far beyond a housewife's vexation over grey wash.

The real issue, it seems to us, is how long this country can continue to revere such meaningless symbols of affluence as "whiter than white" laundry, at the expense of a clean environment.

Housewives have been brainwashed into thinking they will be social misfits if their laundry is not at least as white as that of the woman next door. Meanwhile, the phosphates which produces that whiteness go into our lakes and streams, and nourish the growth of oxygen-consuming algae.

Many of those who testified at last week's hearings indicated that, if forced to choose between whiter-than-white laundry and a clean lake, they'd choose the latter.

That they are prepared to make that choice indicates that people are becoming more and more concerned about the quality of their lives and their surroundings. They are questioning whether our population and Gross National Product can continue to soar, while the resources which support us all are being depleted by our gluttonous, wasteful consumption patterns.

The soap and detergent manufacturers are a part of the industrial complex which stimulates those consumption patterns by creating an artificial "need" (in this case, whiter-than-white laundry) in the minds of consumers, and then proceeding to satisfy it.

We need whiter-than-white wash about as much as we need electric can openers.

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[From the Minneapolis Tribune, Oct. 7, 1971]

### Regulating New Products

Federal officials concerned about the environment warn that far too many new substances are put on the market in this country without any assessment of their ultimate effects.

An article on this page discusses some examples. No one considered the possible damage to lakes when soapmakers began producing phosphate detergents in the 1940s, although phosphorous had been identified before 1900 as a cause of dying lakes. The effects on humans and the environment of the chemical NTA, a phosphate substitute in detergents, are still unknown, although it was introduced commercially five years ago.

PCBs, which closely resemble DDT, came into use in 1929; until a few years ago, scientists were unable even to distinguish them from DDT in laboratory samples. Now, some researchers have found that PCBs act as do DDT and "hard" (long-lasting) pesticides—they accumulate in wildlife, move up the food chain in increasing concentrations and are harmful to birds and other wildlife. (DDT and pesticides are themselves examples of products introduced without full knowledge of their effects.)

The President's Council on Environmental Quality pointed out last year that the nation became aware of mercury pollution only after "it had become critical in some areas." Add cadmium and lead to the list. Add, too, the "large and rapidly increasing number of harmful and potentially harmful chemicals that are commercially used and eventually enter the environment," as the council said in August.

William Ruckelshaus, head of the federal Environmental Protection Agency (EPA), and council members are correct, we believe, in calling for federal controls over new substances put on the market. "People," Ruckelshaus says, "no longer want benefits promised without due regard to the detriments they may produce . . ."

The risks and benefits should be weighed *before* a decision is made to market new products that may harm the environment. Manufacturers should be required to provide EPA with information on the makeup and expected effects of new chemical products; the agency should have authority to test and to hold questionable products off the market.

A government procedure requiring the careful assessment of all new chemicals would not impinge harshly on technological development, as some fear. But it would result in a better understanding of the ultimate impact of technology. And, as Ruckelshaus points out, in the long run this promises to be far cheaper than undoing mistakes after the fact.

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### Be Sure Phosphates Not Replaced With Dangerous Ingredients

There's little doubt that scientific investigation has proved that phosphorus can bring rapid deterioration to our lakes, rivers and streams. So one would suppose the only logical step would be to ban all phosphorous from our waters. Order all detergent makers who insist on using phosphates to take their product off the market. Apparently, though, it's not quite that simple. Most of us are willing to give up our "whiter than white" shirts and bed sheets . . . but we find now that may not be the only sacrifice we could be forced to make.

At a public hearing in Madison last week, Milwaukee Health Commissioner, Dr. E. R. Krumbiegel, said that 64% of the phosphate detergents sold are for home laundry and could be safely banned. But, detergents with special uses, particularly in food processing and health institutions, could not be banned immediately. So, we could be faced with serious problems in some areas if we move too quickly.

An interesting moment occurred during the Madison public hearing. A woman produced a box of widely advertised no-phosphate detergent as "proof" that suitable substitutes are already available. At the same time, the federal food and drug administration was ordering the withdrawal of the product from the market, because lab tests showed that it is "highly dangerous, toxic, corrosive and upon contact, it creates severe eye irritation, open wounds and sores on the skin." She wanted that product to replace phosphate detergents.

TV6 feels it is extremely important that both sides know what they're talking about. Much of the argument in this battle against phosphate detergents is based more on emotion than on solid fact. We're as anxious as anyone to clean our rivers, lakes and streams of damaging phosphates. But, let's follow the advice of unemotional, unbiased experts . . . like Milwaukee's Dr. Krumbiegel whose only interest is the health and welfare of the people of the state. He stresses caution. Before we ban phosphates in detergents, let's be absolutely sure we're not replacing them with even more dangerous ingredients.

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## URBAN TRANSPORTATION

Mr. SCOTT. Mr. President, the Department of Transportation's very able Administrator of Urban Mass Transit, Carlos Villarreal, recently addressed the Fifth International Conference on Urban Transportation in Pittsburgh. Because his comments would be applicable to the problems and solutions of urban centers all over the Nation, I ask unanimous consent to place his remarks in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### Remarks by Carlos C. Villarreal, Administrator, Urban Mass Transportation Administration, at the Fifth International Conference on Urban Transportation, Pittsburgh Hilton Hotel, Pittburgh, Pa., September 9, 1971

I wish to compliment the Conference Committee and take particular note of the important contribution this series of international conferences on urban transportation has made to better public understanding and support for mass transit. Not only is this true in this community, but in the State of Pennsylvania (particularly in the formation of the Pennsylvania Department of Transportation), and in Washington where we have been able to obtain the kind of Federal legislation mass transit has needed for so long.

Quite frankly, the U.S. Department of Transportation is very pleased to sponsor jointly this conference with Carnegie-Mellon University and Pittsburgh industry. Secretary Volpe and I feel we can only make progress in mass transit if we use *every* resource available to us. I can assure you ours is not a job for government alone. Make no mistake. Transit needs American industry—all industry.

However important various government programs and legislation may be, it is our *industry* that will design and build the things government merely helps to finance. In DOT and in UMTA, we are very much aware of this and remember well the important role industry has to play.

As I travel from city to city around this great country of ours, and as I meet and talk with people about transit and how to make progress in public transportation, more often than not I find myself summing up things this way: Get the *community and political leadership* of your city together; agree to, and *adopt a regional transportation plan* that makes technical and economic sense; have the *courage of your convictions;* arrange the financing for the local share—do these things, and your city will have a new public transportation system—because *now* the Federal Government has the agency and funds to help it come about.

Take note of the elements requisite to success and progress in mass transit: *community and political leadership—in all* segments of the community, in city hall, with the county commissioners, manufacturers and large employers; and with the people—your riders, and potential riders; every city that has a new transit system has had a strong community leader committed to it; Adrian Falk in San Francisco, Mayor Drapeau in Montreal, to name just two; *adoption of a regional plan* for balanced and integrated transportation development; your plan must make *technical sense* and it must make *economic sense,* it has to work and also be capable of being financed; the *courage of your convictions*—the willingness and interest to lead your community to saying "Yes" to transit; and lastly, you need the *local* *share,* the city, county, State, special district—whatever—your share of the cost to be matched by the Federal share.

I want to speak for a moment about Federal mass transit legislation, what we are doing in the Urban Mass Transportation Administration, and the approach we have taken to our program.

I think perspective is essential to understanding.

Looking back helps us understand as we look forward.

By that I don't mean nostalgia, but rather a look at where we have come from, where we are going in the immediate future, as well as where we *need* to be going in the long run.

In the Sixties we began by paying more attention to the urban problem and solutions now no longer perceived as building highways and parking lots for an increasing number of automobiles, but as *both* an urban and human problem embracing the whole urban scene. It was recognized that the use to which land was put was the source of movement, the generator of travel. The two were indivisible, and the intelligent planning of the one could influence the demand for the other. But planning alone was not the answer, it was a means for finding the answer.

Just as there are many uses for land, there are many means of movement; *all* have to be considered, and those selected have to be fitted into a pattern and an overall balanced urban plan in which transportation is an integral part. This is a fundamental break with the past and provides the conceptual basis for multimodal urban transportation development.

This change in the perceived form and need for public transportation, a new public attitude, and a willingness to support mass transit, resulted in legislation to provide the required program and funds.

There have been several major pieces of Federal legislation in urban transportation.

The Housing Act of 1961 reflected Congress's first interest in urban mass transit by providing for two programs: demonstration funds for the development and testing of new urban transit techniques, and capital loan funds for facilities. The Act also made it clear that urban planning assistance was available for transportation planning under Section 701. Although the loan program proved to be ineffective, the demonstration program in part led to the enactment of legislation in 1964 providing for a permanent capital grants program.

The 1964 legislation also broadened the demonstration program to include research. In 1966, further amendments expressed the interest of Congress and provided funding for new systems, technical studies, managerial training and university research and training grants.

Reorganization Plan No. 2 in 1968 transferred the Urban Transportation Program to the Department of Transportation, and in 1970 the Congress passed President Nixon's Urban Mass Transportation Assistance Act.

This landmark legislation provides significantly larger long-term continuing financing for transit system improvements. For the first time, mass transit was pledged the kind of Federal resources necessary to turn-around the down-spiral of public transportation service.

Few pieces of major legislation can boast favorable voting margins so one-sided as the 1970 mass transit legislation, due in this case to a better general public understanding of the mass transit issue.

It has also become clear that better public transit is good for everybody—whether or not you use it; whether or not you are from the city or the suburbs; whether or not you own a car; whether or not you are rich or poor, young or old. Public transportation is an essential public service. Increasingly, the public realizes this and Congressional interest and action on legislation bears this out.

With very significant bi-partisan and industry support, we have been able to get the needed legislation and Congress has authorized $10 billion over twelve years to improve bus and subway systems, to design and build new stations and terminals, to build surface lines, elevated lines, finance commuter railroads, ferries, and to otherwise finance the planning, development and construction of a great variety of transit facilities.

When the Fourth International Conference was held in 1969, the Federal mass transit program had annual funding of $175 million—the following year, $175 million; and last year, $400 million. The House and Senate have both indicated still further substantial increases for the current fiscal year.

Whereas less than one billion Federal dollars have been spent on mass transit during the ten-year period 1961 to 1971, we now expect to obligate during the eighteen-month period for January 1971 through June 1972, $1 billion.

But legislation is not enough. It seems to me that three things have been needed at the Federal level to bring about the development and implementation of a national program to bring urban mobility to our cities: *legislation, program management,* and *innovation.* Quite frankly, I have directed my own personal time and efforts to these three things:

—*Legislation* to provide an adequate amount of long-term assured Federal financing for high-capital-cost-transit investments;

—*Program management;* staff and organization to obligate and expend funds in such a way as to achieve the maximum benefit and effect for both the transit riding public and urban people generally; and

—*Innovation;* research and development in components, systems, and equipment; directing our best talent and resources in the traditional transit industry and from elsewhere—to give us vehicles, stations, controls; the design, esthetics and architectural features of the newest and best in transit systems. A strong but balanced research and development program.

I have already spoken about legislation.

I have deliberately given time and effort toward developing a strong program management team in our agency. I feel we must be on top of our projects, administer them well and wring out of them every dollar of transit improvement value. This means a management information system, strong audit capabilities, and transportation representatives up on their projects.

New transit systems take a long time to build. Old ones take a long time just to upgrade, rebuild, improve and re-equip. The capital cost is high. The lead time is long. And construction and transit equipment costs are rising—perhaps faster than the national average for this very costly work.

So the way in which *we*—and by that I mean *all of us*—manage, direct, supervise and oversee projects has everything in the world to do with the results and how successful we are in providing the public with better transportation.

Currently, we have more than $2 billion in active, on-going projects. Our dilemma is that we need to help cities make up for years of transit neglect and to overcome the long-range debilitating effect of decades of inadequate funding, while at the same time make immediate short-range progress today with transit systems carrying passengers in yesterday's transit cars and buses.

Compounding the challenge is the need for us to manage our program so as to make progress with new systems, the development and installation of which have high cost in time and capital, and also to coordinate with the Federal Aviation Administration and the Federal Highway Administration in these innovations.

Secretary Volpe has used dynamic leadership in encouraging all the Administrations in the Department to work as a team and have their programs complement each other. The projects calling for interrelated departmental activity become larger and more important every day. Two very important projects come immediately to mind: Airport Access and Exclusive Busways.

We are working very closely with the FAA and several major airports on the growing need for high speed, high performance airport access and airport circulation transportation. In many cases, the airport access route has become an important component of the future Regional Transportation System—as in Los Angeles; on both sides of San Francisco Bay; in Philadelphia and in New York, both to JFK and to Newark Airport.

Exclusive busways and express bus lanes offer great promise as is evident from several of our on-going projects; the I-495 Lincoln Tunnel approach from New Jersey to New York City; the Shirley Highway approach to Washington from suburban Virginia (now carrying 19,000 daily commuters on a single freeway lane), and the Blue Streak Project in Seattle. In these, as well as in other cases, while working with the Federal Highway Administration we are able to use the resources from both UMTA and FHWA to build and equip high capacity freeway lanes and provide immediate relief of commuter congestion.

Some cities will be able immediately to benefit from bus transit improvement projects. Our basic policy is that each city or region should decide on the type of transit system it needs and can afford. We believe that bus systems should be optimized in every community. Existing rail rapid and rail commuter systems should be improved and extended in accordance with the Regional Plan.

As I said earlier, new systems take a long time to build and have a high capital cost even though they do have the advantage of high capacity and high speeds, and are well suited to high density, large metropolitan areas.

UMTA has a technical studies program and other initiatives to enable cities to determine for themselves the type of system that best meets their needs and urban transportation requirements. Our responsibility is to provide the Federal financial assistance and program management capabilities to help implement these local decisions.

Above I have spoken about legislation and program management. We have also directed much of our efforts to innovation—our research and development program. Innovation has a special importance in the Federal mass transit program. The need for a bold and imaginative research and development program is obvious. All you have to do is go for a ride on the bus or the subway.

When President Nixon signed our new legislation last Fall, he spoke to the matter of mass transit innovation and research. He said, "(This Bill) provides a very significant financial commitment on the part of the Government to mass urban transportation systems. And it will mean that *we will find the methods* whereby in the future we can move into the cities and through the cities of our country in a way that will enable life in those cities to be much more attractive than would be the case when the cities are jammed with traffic . . . this, we believe, is an historic step to meet that challenge."

Right now we are in need of vastly improved transit and commuter railroad cars. We need a new city transit bus. We need a better bus for very promising express bus lane projects. We need a whole family of related vehicles for feeder lines, for short distance circulation and distribution systems to service transit stations, park-and-ride facilities. We have a systems manager now going out for bids for a new family of buses, and we have accelerated the bus program to give us a new prototype bus in fifteen months.

Earlier I mentioned our working with the FAA and FHWA on joint projects.

Within the last few weeks, we dedicated a portion of the Department of Transportation's test facility in Pueblo, Colorado, which with the Federal Railroad Administration we will use for the evaluation and test of railroad commuter cars, rail rapid transit cars and urban tracked air cushion vehicles.

This transit car testing and development effort is another example of departmental cooperation and involves the DOT Transportation Systems Center in Cambridge, Massachusetts. In addition, transit properties have already furnished transit cars and technical assistance. We have every hope and expectation that this test facility will become a center for rail vehicle development and advancement. A test center can easily become a hobby shop and laboratory for the pet ideas and theories of those who manage it. It takes careful program management to keep the work on the track, so to speak. We hope it will be *sooner* rather than *later* that you ride in a commuter car or a transit car, some part of which was developed or tested at Pueblo. There is some reason to be confident in this prediction. The test track at BART—a much smaller effort than Pueblo—produced specifications, design data and a new transit car we can all ride on early next year in San Francisco.

In the long run, I would expect that about five percent of our total program funds over the next ten years will be spent on new bus, rail and transit systems development. Last year we had a budget of $45 million for R&D, and this year we will have $65 million.

Secretary Volpe and I are in complete agreement that our research program should be balanced as to short and long-term objectives, balanced in development of bus, rail and new systems, and balanced in funding so as to provide sufficient funds for promising projects and advancing capital grant candidate systems in a realistic time frame.

Quite frankly, I am very much flattered to be on this conference program with that great engineer-designer philosopher, Buckminster Fuller.

He has written a remarkable little book entitled "Operating Manual for Spaceship Earth." You may be more familiar with Mr. Fuller's remarkable geodesic domes, but listen to what he says: "If you are in a shipwreck and all the boats are gone, a piano top buoyant enough to keep you afloat that comes along makes afortuitous life preserver. But this is not to say that the best way to design a life preserver is in the form of a piano top. I think that we are clinging to a great many piano tops in accepting yesterday's fortuitous contriving as constituting the only means for solving a given problem."

Too often public officials and community leaders cling to yesterday's transportation systems while attempting to provide mobility for today's urban people, with their special needs for ever-increasing access, mobility and freedom in getting around, this just can't be done. For that reason I think our research program is especially important.

I further think we tend to accept our cities as they are, built on a land-use pattern most closely associated with its historic shape and developed along railroad and highway transportation lines. In all too many cases we tend to feel that only past solutions are the answers to be sought. Needless to say, I disagree. Our legislation, program management and research efforts bear this out.

To summarize, the Federal report on mass transit is that we now have the legislation, the program management and the research effort to make a significant impact on the very significant transit needs of this country. I feel certain the results to be achieved are only limited by how well we use the resources now available to us, the leadership in the States and local communities give to their transit improvement programs, and the extent to which we make the most of the opportunities before us.

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## HAPHAZARD APPROACH TO FOREIGN AID

Mr. McGEE. Mr. President, although I sincerely believe there is little inclination on the part of the U.S. Senate to completely dispense with a foreign aid program, I am fearful that the haphazard manner in which we are approaching this problem could produce that disastrous result.

As I advocated last week, I think it would behoove us to pass a continuing resolution to fund our foreign aid program at the fiscal 1971 levels to provide us with the necessary time to come up with a restructuring of this program which would be the outgrowth of our best thinking.

In this morning's Washington Post, an editorial entitled "Foreign Aid Reform" scored a legitimate point that—

> The case for slowing down the pace—by putting off big reforms and simply passing a resolution continuing the program near current levels for, say, three or four months—therefore becomes very strong.

John Hannah, Administrator of the Agency for International Development, also had some very pertinent comments in his article appearing in the same edition of the Post.

Hannah builds a very rational case warning of the dangers inherent in recommendations already arrived at by the Foreign Relations Committee. Here again, the haphazard manner in which we are attempting to achieve foreign aid reform has certainly been detrimental to the development of a truly workable and realistic program.

Marquis Childs, in his column also in this morning's Post, scores similiar points also valid in their scope.

I ask unaimous consent that the editorial, Dr. Hannah's article, and Mr. Child's column, be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

### Foreign Aid Reform

The administration and Congress are both pushing for quick action on foreign aid but in opposite directions and if they keep at it the result is likely to be no foreign aid bill at all. The case for slowing down the pace—by putting off big reforms and simply passing a resolution continuing the program near current levels for say three or four months—therefore becomes very strong.

A key fact is that Mr. Nixon intends to make a major report on the Indochina war in the next week. It would seem to be a matter of self-interest for his critics on the war issue to give him a hearing before venting further spleen on aid. On the President's part he sould realize that his Vietnam report gives him the means to sweeten considerably the atmosphere in which a new aid bill will be debated. So at both ends of Pennsylvania Avenue, delay has its reasons.

Moreover, the only aid legislation extant, the "two" bills reported out by the Senate Foreign Relations Committee, are inadequate. As John Hannah notes elsewhere on this page, the committee's snap decision last week to split economic/humanitarian aid from military aid was the very same step it refused to take last spring on grounds that the matter required more study—as it does. In fact, it is not the "same step": the administration would truly have split the programs but the committee would split merely the voting on them, not the administering of them. To split the voting, of course, fragments the two-decade pro-aid coalition to the point where, in the current sour and erratic mood on Capitol Hill, neither economic or military aid may be able to muster enough votes for survival. If Congress is to kill aid, then at least it should soberly calculate the costs.

After months of deliberation on the old bill, the Senate had said that $2.9 billion is appropriate; suddenly it switches to $2.3 billion. The new economic bill would increase interest rates on development loans (and food credit sales) to a level where no country which needed them could afford them. The bills make no effort to relate aid for Indochina either to the war expenses that would be required by its Mansfield amendment (fight until the prisoners are returned) or to the civilian needs that would unfold pursuant to its Cooper-Church amendment (withdraw). Haste make sloppy drafting.

The administration, using scare talk loosely, wants the whole existing program extended indefinitely. That ship obviously won't sail. The better way is that indicated by the House, which is scheduled to vote today on a resolution to continue aid spending at current levels until the end of this session of Congress. The only trouble with that is that once the Thanksgiving and Christmas recesses are subtracted, not enough time is left for careful drafting or for assembling the political support necessary to enact a new bill. The House should provide a bit more time.

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### Administrator Examines Arguments: What Sort of Aid "Reforms"?

(By John A. Hannah)

Some in the Senate have explained the Oct. 29 defeat of the foreign assistance bill as a mercy killing. The old program, they say, was diseased by vestiges of the cold war, weighed down by bureaucracy, devoid of ideas. Better to let it die, they said. The Senate wants a "new concept." It wants a "fresh start" consistent with the non-interventionist temper of the times. I want "new proposals to redirect our Foreign Assistance Program."

As diagnosticians of foreign assistance the Senate committed two errors. It failed to examine the patient closely enough to find out that the diseases it decries have been under successful treatment for some time. It failed to remember that the administration has proposed major reforms of the program which make it eminently worth saving.

On April 21 this year, the President sent two completely new foreign assistance bills to the Congress. One bill covered economic and humanitarian aid, the other military and related security aid. This legislation—138 pages long—was the culmination of 19 months of study by the Peterson Commission, a panel of experts headed by Rudolph Peterson, Chairman of the Board of the Bank of America, and by the Executive Branch.

The legislation contained most of the remedies for foreign aid now being advanced in the Senate as new concepts. It proposed:

Separating economic development and humanitarian assistance programs from military and security assistance programs; a stronger emphasis on technical assistance programs directed toward alleviating the mass unemployment, malnutrition and poverty problems which rapid population growth has brought to the developing countries; channeling more aid through multilateral institutions to lower the political profile of bilateral aid; reducing the size of AID's overseas missions and staffs; eliminating many of the restrictions which make aid procedurally difficult to administer and reduce its effectiveness. (The current AID list of provisions which Congress requires us to meet before we can make a loan runs to 75 items.)

The House Foreign Affairs Committee held six weeks of hearings on the new legislation. As the hearings unfolded, it was apparent that Congress held widely differing opinions as to how foreign assistance should be reformed. Many in the Senate favor increased use of multilateral programs and separation of military and economic assistance, but many in the House do not.

These differences and the far reaching nature of the reforms prompted the Foreign Affairs Committee to decide that more time was needed to study the proposals. The Committee decided to recommend reauthorizing AID as it is for two more years. In the Committee's words, "a two-year authorization would enable the Legislative Branch to approach the problem of foreign aid reorganization with greater deliberation without jeopardizing the continuation of the program."

Senator Fulbright's Senate Foreign Relations Committee accepted this decision. They held only three days of hearings on the new legislation, then recessed to wait for the House to act. The House passed its bill on August 3. The Foreign Relations Committee sent this bill with amendments to the Senate floor on October 22 where it was defeated Friday night, Oct. 29.

The two "new" bills reported out by the Foreign Relations Committee last Thursday purport to separate military and security assistance from economic and humanitarian assistance. But in fact they leave matters exactly as they are. The authority for administering both security assistance and dedevelopment assistance remains with the Administrator of AID; the authority to transfer funds between them is unaffected; and authority to establish a Coordinator for Security Assistance in the State Department to administer and coordinate these programs is not included in the bills.

The bills still contain the restrictive amendments so vigorously contested in the Senate two weeks ago.

Development loans, which have been the backbone of AID's program, are vitiated by a requirement that they bear interest rates of six per cent or more. Poor countries with few natural resources and low levels of exports cannot take the basic steps toward development without foreign exchange for raw materials, machinery, fertilizer, pesticides and other imports needed for agricultural and industrial growth. For many years AID's policy has been to provide foreign exchange, not through grants, but through low interest loans.

Since these countries cannot afford high interest loans, the Senate's action, if sustained, will take us back to the time when the U.S. could only "give away" its assistance. The new bills provide no funds for population programs, but require these to be funded from the greatly reduced authorizations for other programs. The new bills provide levels of funding for military assistance and supporting assistance for Vietnam, Laos, Cambodia, Thailand, Jordan and Korea far below the firm commitments that have been made to all these countries.

The facts of life are that the Senate and House have many different views about foreign aid. We should not try to resolve these views and pass new bills in a week. We believe Congress should pass a continuing resolution which keeps the entire program together and permits time to discuss the reforms which are now on the table. The Senate need not fear that taking time for discussion will leave the country with a tired old AID program.

The administration has been working to put more aid through multilateral channels for several years. The amount proposed for multilateral institutions this year is almost double that of two years ago.

Channeling more funds to multilateral institutions has to be a step-by-step process. Immediately turning over all AID funds to institutions like the World Bank and Asian Development Bank would overload their administrative capacities and, more importantly, violate their international character. The "Anglo-Saxons" are already accused of playing an excessive role in several of them. The nature of these institutions requires that we move in concert with others to increase their resources. One cannot build international institutions unilaterally. We must help the U.N. agencies develop the routines and management techniques required to satisfy our Congress and the American people that funds we provide are effectively used.

The process of sharing the aid burden is well advanced. The U.S. share of world-wide aid has dropped from 64 per cent to less than 40 per cent in fifteen years. Measuring aid as a per cent of GNP, the U.S. ranks 12th among the 16 major aid-giving countries. Those ranked above us in order are: France Netherlands, Australia, Belgium, Portugal Canada, Denmark, Sweden, England, Norway and Germany; those countries below us are Japan, Italy, Switzerland and Austria.

AID's bilateral program is not widely scattered. More than 80 per cent of our aid goes to ten countries. AID's technical assistance program is concentrated in four critical areas: agricultural, population and health, education and public administration.

AID is lowering its presence abroad. We reduced our overseas staff by 10 per cent in fiscal year 1970 and 10 per cent more last year to the lowest levels in AID history. We plan further reductions this year. Increasingly, our projects are implemented by personnel from U.S. universities or other private organizations—not AID personnel. Of the more than $14 million dollars AID and its predecessors have loaned abroad, less than one-fourth of one per cent is in default.

Aid is not a drain on the U.S. balance of payments. The aid program sends U.S. goods and services abroad, not dollars. In FY 1970, aid funds bought more than $1.5 billion in commodities and services from more than 5000 U.S. companies in all 50 States.

Most importantly, the aid program works. In the last decade, the economies of the less developed countries grew almost twice as fast as the United States did at comparable stages of its history. They are expected to accelerate this rate of growth in the 1970s. This growth would not have been achieved without aid from the U.S. and other countries. The world is a better place to live in than it would have been without President Truman's Point 4, and its successor agencies through U.S. AID since 1961.

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### ONLY COMPROMISE CAN SAVE AID PLAN

(By Marquis Childs)

The test just ahead on foreign aid is hardly less a test of whether the system of divided powers works or not. To chop down the whole foreign aid program is a disaster. This is far more than scoring political points, since so much turns on the continuity of many of the programs.

The growing imbalance between military and economic aid was the root cause of the Senate defeat of the administration's foreign study by the staff of the Senate Foreign Relations Committee showing that of the total to be dispensed over the next five years, $27 billion would go for military aid and $24 billion for economic assistance.

In the measure voted down a total of $1.723 billion went for all military purposes against less than half that for various forms of economic help. The result was to unite conservatives, who have long felt foreign aid spending was excessive, with opponents of the administration military policy such as Chairman J. Fulbright of the Senate Foreign Relations Committee who calls it "American imperialism."

Now a compromise has been put together with military assistance in one package and economic aid in another. This will presumably wind up with the support of active opponents such as Fulbright, Sens. Mike Mansfield, Frank Church and other Democrats, together with skeptical Republican moderates such as Sens. George Aiken and Clifford Case. In short, it would be a coalition insuring passage of those parts of the package essential for the continuity of aid programs in developing countries even though there have been radical cuts.

Soundings by this observer indicate that the compromise is the only chance for survival of foreign aid in the Senate. Will the White House go along? If the decision is to accept it, then passage can be fairly swift, although inevitably when the separate military phase comes up the debate will be prolonged. To fight the compromise, using all the pressure tactics in the White House arsenal, will mean no foreign aid for an indefinite time as the Senate wrangles over the dry bones of past errors and present hostilities.

The administration has a lot on its side in the current dispute. As originally sent to Congress in April, the whole aid structure was to be reorganized, with the military separated from the economic. Outright military grants, the funding of military sales and support assistance for maintaining large military establishments would go into one package labeled "security assistance."

This was an overhaul long overdue. But the House Foreign Affairs Committee fell back on the format of the Foreign Aid Act of 1961. Two years, the committee reported, would be required to study reorganization of the system.

Obviously that was not good enough, so when the tired, old bundle reached the Senate the result could have been predicted. Fifteen Republicans, including Sen. Robert Dole of Kansas, chairman of the Republican National Committee, joined 26 Democrats to make the score 41 to 27.

Foreign aid has no constituency. That has been increasingly clear as the military share increases year by year.

Rep. Wilbur Mills, the grand panjandrum of the House Ways and Means Committee, is saying privately that the deficit this fiscal year will be not $30 billion, as has been widely reported, but $35 billion. For a Republican administration bringing out of the past an inherent faith in budget balancing, that is a staggering figure. This may jazz up the economy as President Nixon, a very recent convert to Keynesianism and the spur of a deficit, apparently believes it will.

But the claims of developing peoples, already suffering from the Nixon new economics with the commodity prices falling, rate low as against the claims of the powerful constituencies pressing for housing, school lunches, improved medical care. For the United States, the richest nation, to be a dropout on foreign aid is intolerable.

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## LAKE HINKLE—POEM BY CHESTER A. BRADLEY

Mr. McCLELLAN. Mr. President, recently I was honored to participate in the dedication of Lake Hinkle, a part of the Jones Creek Watershed Development in Arkansas. A poem entitled "Lake Hinkle" and composed by Chester A. Bradley of North Little Rock, Ark., was read there. I think this poem captures part of the spirit and determination of my State of Arkansas with respect to our treatment of the earth itself and of its abundant natural resources. I am happy to ask unanimous consent that the poem be printed in the RECORD.

There being no objection, the poem was ordered to be printed in the RECORD, as follows:

### LAKE HINKLE

(By Chester A. Bradley)

This region here, so beautiful and wild,
Has changed but little with the march of time.
While other spots on earth have been defiled,
Their loveliness defaced by soot and grime,
These hills and valleys still reflect the love
That God poured out upon the planet's face.
Here creatures of the wilderness—the dove,
The turkey and the deer—can still find space
To live their lives without man's harsh restraint.
Here streams flow from the mountains as of yore,
Their waters clear as cloudless skies; no taint
Has touched a drop; we know they hold in store
Refreshment for a thirsty countryside.
And now a dam is here upon this creek,
A lake is formed that we can view with pride,
A place where visitors can come and seek
The soothing power of nature at its best;
And it is good to know that they will find
Much loveliness, and exercise and rest,
And something more important—peace of mind.
My parents both were born near where we stand,
And here also, is where I got my start.
The changes that were made upon this land
Are welcome to my eyes and to my heart;
The many days of work that have been done
Have saved the heritage for everyone.

## THE F-111 PERFORMANCE RECORD

Mr. BENTSEN. Mr. President, in the course of the congressional and public debate in the past over the development of the F-111A aircraft many questions were raised as to its potential effectiveness as a vital part of our strategic air forces. Those questions are now being answered over the skies of Europe by the performance of the F-111 as an integral part of our NATO forces.

The 20th Tactical Fighter Wing, stationed at Oxfordshire, England, presently deploys some 72 F-111A's in performing its support mission for NATO forces in Europe. The men of this unit, many of them veterans of Vietnam combat service, have given the F-111 a resounding "A-OK" for its performance in repeated sorties over the European staging area.

The testimony of the pilots who fly the F-111 along with the unblemished performance record it has established in use by the 20th Tactical Fighter Wing make for a strong endorsement of the decision to continue deployment of the F-111 and to include it as a major part of our airstrike forces.

Mr. President, I ask unanimous consent to have printed in the RECORD a newsstory from the Sdyney Morning Herald, Sydney, Australia, that reports the performance of the F-111 in its NATO assignment and details the plans of the Royal Australian Air Force to continue with its purchases of the F-111C.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### F-111 BACKING FOR NATO

UPPER HEYFORD, OXFORDSHIRE.—The U.S. Air Force can now put a large number of its F111 long-range strike bombers over Europe from this base in support of its NATO commitment.

Day in day out, nine of the 72 F111As making up the crack USAF 20th Tactical Fighter Wing are stationed in an alert area ready to be flown into the NATO immediate alert system.

Each of three squadrons of 24 aircraft is flying 12 sorties a day with an average of three hours 20 minutes a flight.

Each aircraft averages 20 flying days and 18.6 flying hours each month.

The aircraft can fly at supersonic speed at sea level and mach 2.5 speed at altitude over training grounds covering large areas of Britain and the western part of France, down to the Spanish border.

This is the aircraft which the RAAF will have to wait another year to acquire.

Almost 100 Americans pilots and navigators, most of them with extensive service in Vietnam, are loud in their praise of the F111.

Senior American airmen were unwilling to buy into the politics surrounding the F111, but were obviously puzzled over the slowness of the Australian Government to make a final decision to acquire the 24 F111C aircraft ordered for the RAAF.

Federal Cabinet is expected to make a decision to this effect late this month following a favourable report from the RAAF's own experts.

Even then the 24 RAAF F111Cs will have to undergo extensive modifications before delivery can start, probably in 12 months.

Twentieth Tactical Fighter Wing men said today that two of their three squadrons, 79 and 77, had become fully operational since they started flying from this base late last year. The third, 55, is now coming to operational pitch.

No pilot can start the conversion course to fly the F111 in this wing unless he has had 1,000 hours service on jet aircraft.

The upshot is that most of them are veteran captains, and even lieutenant-colonels, in spite of their seeming youth.

Today, a hard-faced and obviously taciturn USAF "bird," Colonel Robert McIntosh, deputy commander for operations of the wing, was deeply sincere in his praise of the aircraft.

A USAF veterans, he said he felt far more secure flying the F111 in normal missions and in facing combat than he had ever felt in any other type of aeroplane.

Colonel McIntosh said wryly that if anyone was privy to the "Russian warbook," he would find the 20th Tactical Fighter Wing high up on its target priorities.

One of his more junior, but still highly experienced pilots, described flying conversion from other highly rated aircraft to the F111 as "like passing from riding a bicycle to driving a Jaguar."

The American pilots to a man swear by its terrain-following radar which gives them the confidence to fly over set courses down to 200 feet with absolutely no visual reference to the ground.

It is this ability to deliver nuclear or conventional bombs at very low level in all weathers or in the absolute darkness of night which gives the F111 its real and vital importance.

"It can do better on any strike mission than any other aircraft flying in the world today," Colonel McIntosh said.

He paid particular attention to the tanker refueling training being given men of his wing although the conversation revealed that the F111 can fly from the Atlantic seaboard of the United States to this base without any refueling or even emergency tanker standby.

This means that the USAF is obviously training to give its F111s a huge range to anywhere in eastern Europe.

The tankers which carry out the training runs, at least one or two a week for each squadron, operate from the huge USAF base at Torrejon, Spain.

The 20th Tactical Fighter Wing has more than 3,600 men at this base as part of its only F111 operation over Europe.

## NORTHERN IRELAND TODAY

Mr. RIBICOFF. Mr. President, recent events have underscored the timeliness and cogency of Senate Resolution 180, calling for an end to the bloodshed in Northern Ireland, which I cosponsored with the distinguished senior Senator from Massachusetts (Mr. KENNEDY).

This morning's New York Times carries a front page story headlined "Ulster, Torn by Guerrilla War, Faces Major Political Change." Two specific changes mentioned in the article—the abolition of the Northern Ireland Parliament and the end of internment—are contained in our resolution.

More people are becoming aware of the depth and the nature of the causes of the growing violence in Northern Ireland. While there may still be genuine differences over solutions to this conflict, I am certain most Americans would agree that an increase in the use of military force and the continuation of discriminatory practices against a minority in Northern Ireland are not the answers.

I ask unanimous consent that the entire article by Bernard Weinraub, published in the New York Times of November 10, be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### ULSTER, TORN BY GUERRILLA WAR, FACE MAJOR POLITICAL CHANGE

(By Bernard Weinraub)

BELFAST, NORTHERN IRELAND.—Torn by a new surge of urban guerrilla warfare, Northern Ireland is confronting the major social and political crisis of its 50-year history.

Government officials, Roman Catholics and Protestants, moderates and extremists on both sides agree that Ulster faces a dramatic political shift that will result in London's assuming new initiatives and powers in the tormented province of the United Kingdom.

At the highest level of the Protestant-dominated provincial Government there is growing anxiety that the semi-independent Parliament at Stormont Castle will be suspended and some form of direct rule from London will take its place. With that the precarious dominance of the million Ulster Protestants over the half-mission Catholics will topple.

"It is now a crunch situation," a senior official here said today. "There is a feeling among Protestants—a real feeling—of the possibility of betrayal by Westminster."

The current crisis is the culmination of the wave of killings, bombings and arson that followed the Government's internment of suspected terrorists to root out the Irish Republican Army, which seeks to end the partition of Ireland. In the three months since then 96 persons—61 civilians, 28 soldiers and 7 policemen—have been killed. The most recent incident occurred today when a British soldier, on foot patrol near the Bogside in Londonderry was shot and killed by a sniper.

Belfast, with a population of about 400,000, is a stricken city. Wooden barriers protect the new skyscraper Europa Hotel and downtown office buildings, where security guards inspect packages, are boarded up. At dusk shops and pubs are also boarded and at 9:30 p.m. the buses stop running. By night the darkened main street, Royal Avenue, is eerily silent except for the rumble of armored cars and voices crackling over military radios.

### LEGACIES OF TERROR

The barbed wire, the smoking hulks of pubs, the funerals that clog traffic, the shattered shops, the restaurant windows of plywood and corrugated iron—all these are the visible legacies of terror in this 19th-century industrial city.

Voicing the Catholic minority's view, Tom Conaty, chairman of the Central Citizens Defense Committee, a powerful group in the Catholic ghetto, said: "This thing's going to break. It won't go on. We're sick of violence but it's going continue unless Stormont is abolished."

"Northern Ireland is like a 50-year toothache," he continued. "Direct rule would be like going to the dentist. It will hurt for a while but we'll get used to it."

Although the Catholics yearn for unification with the largely Catholic Republic of Ireland to the south, the immediate aim of Catholic leaders is to eradicate the Parliament, which most Catholics view as merely dedicated to Protestant dominance.

The Protestants, who fear that the Republic will eventually engulf them, view direct rule as a first step toward unification.

### SAD DAY FOR ULSTERMEN

The Rev. Ian Paisley, the extremist Protestant, said that he has learned "on the highest authority" that direct rule was imminent. "This is a sad day for Ulster and a sad day for Ulstermen," he said.

The possibility of direct rule evokes uncertainty and anger, especially among Protestants.

Prime Minister Brian Faulkner said over television last night: "I believe that the imposition of direct rule would produce a far more violent holocaust in Northern Ireland than anything we've ever had."

His associates speak in even blunter, almost frightened terms saying that direct rule would be a betrayal by the British Government.

What form direct rule may take remains uncertain. There is some discussion of a commission of Catholics and Protestants appointed by London, to run Northern Ireland and plan a new government and constitution, possibly in three years' time.

Although the terrorists would oppose such a move, the feeling among Catholic leaders is that the rank and file would support direct rule as long as Parliament and internment ended.

John Hume, who has emerged as the most influential figure in the predominantly Catholic opposition, said: "The first and essential step, whatever the agreed solution to emerge from the current situation, must be the abolition of the present system of government."

Mr. Conaty was equally adamant: "Ending internment and abolishing Stormont would give us a chance to turn the community against violence. You can't do that now. Stormont was the institution for most of the problems we have. And internment is a disaster."

### ARMY INTELLIGENCE SPOTTY

A total of 882 persons have been seized since the imposition of internment on Aug. 9. More than half—476—have been released.

Although the army maintains that many hard-core terrorists have been seized, the large number of those released points to a spottier flow of intelligence than the army had been claiming. Critics also point out that the efficacy of internment has been undermined by the wave of terror and killings that it provoked.

Internment has been turned into an even more emotional issue by charges that prisoners have been tortured. Yesterday the widely respected London-based organization, Amnesty International, reported internees' allegations of torture and brutality.

In the Catholic community leaders have asserted that internment is an anti-Catholic measure and that Protestant gunmen have been ignored. This was denied by Mr. Faulkner, who said:

"I can't tell you, in fact, whether there are any Protestants who have been interned but I would accept, certainly, that at least 90 percent of those who have been interned are Catholics. This is because the I.R.A. has such a grip in the Catholic community. But I say this—that the vast majority of the Catholic community, probably 90 per cent of them, are totally opposed to the thugs and murderers in the I.R.A."

### ECONOMY IS LAGGING

Intensifying the old antagonism between Protestant and Catholic is a lagging economy that has entrenched the disadvantages of the Catholics.

Business in Belfast has dropped more than 40 per cent in three months. Three of the city's 11 dance halls are closed and the others are open only once or twice a week. Stores advertise "bomb damage sales."

A visitor returning after only a month discerns the decline. One of the best-known hotels, the Grand Central, is closed. The best Chinese restaurant is protected with wooden sheets, the result of a recent blast. Airline service has been curtailed.

Last week a recruiting campaign for teachers in Australia brought a flood of applicants.

"We're losing not only teachers but doctors and businessmen and some of our best skilled craftsmen," said Brian Walker, chairman of the moderate New Ulster Movement, set up two years ago to spur a Catholic-Protestant dialogue.

"When the skilled carpenter or toolmaker leaves for England or Australia or South Africa, we're not just losing a man but 20 and 30 years of training and experience. It's heartrending to see the drain. It's a hemorrhage on our national resources and far more shattering to our community than the bombing of a store."

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## THE FOREIGN AID MESS

Mr. McGEE. Mr. President, the present dilemma with which we are faced concerning the issue of our foreign aid program can most probably be laid at the feet of both the Senate and the administration. In my estimation, this dilemma could have been avoided.

In the Washington Evening Star of Thursday, November 4, columnist Crosby S. Noyes discussed the events which led to this unfortunate set of circumstances. I feel his assessment of the situation is worth noting.

I believe it is time for the Senate and the administration to set aside their animosities which have, in effect, substantially deteriorated the ability of the Nation to pursue a reasonable foreign aid program. It would behoove us all to put our best foot forward in arriving at a constructive, ongoing program to meet our international challenges.

I ask unanimous consent that Mr. Noyes' column, entitled "Playing Games Leaves Foreign Policy in Mess," be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### PLAYING GAMES LEAVES FOREIGN POLICY IN MESS

(By Crosby S. Noyes)

The administration and the Senate have both been playing games and between them they have the foreign policy of this country in a mess which is going to be very difficult to sort out.

At this point, naturally, each side is blaming the other. The administration is charging the Senate with blatant irresponsibility in killing off the foreign aid program and jeopardizing President Nixon's foreign policy at a particularly delicate moment of transition. The senators, quite unabashed, accuse the administration of having contributed greatly to the mess by inept leadership and a congenital hostility to the Congress in the area of foreign affairs.

Both sides, in the immediate context, are right. The Senate revolt Friday night was mindless and blind and extremely damaging to American interests. The performance of the administration in successive crises over the last two weeks has been marked by an inability to assess the strength of its opposition and an uncanny knack of making the worst of a bad situation.

In the space of a single week, the administration demonstrated dramatically that it had lost control in the United Nations and the United States Senate. Its reaction to these events has served to strengthen the impression that the administration also has lost control of its own foreign policy. And this could have the most disastrous consequences, not only for the administration and the country, but for the world as a whole.

The saddest part is that none of this was really necessary.

It wasn't necessary—though it may well have seemed politically expedient—for the administration to exaggerate the extent of its defeat Oct. 25 in the U.N. General Assembly.

In voting to expel the Nationalist Chinese and to seat the government of mainland China, the U.N. membership did no more than follow Nixon's own China policy to its logical and inevitable conclusion. Whatever anti-American overtones there may have been in the final vote, the American case for seating two governments, both claiming to represent China, involved contradictions that could not be ignored.

The same thing can be said of the administration's handling of the foreign aid bill in the Senate.

It wasn't necessary—though again perhaps expedient—for the President to have made a quite gratuitous connection between the U.N. vote and the future of "foreign aid allocations" which at that very moment were being bitterly debated in the Senate. The fact that some of the delegates who had voted against the American position came from countries that had received aid from the United States was wholly irrelevant.

The effect was to alienate support for the foreign aid program both by those who approved of it as a means of buying votes and by those who did not. Either way, the administration was the main loser.

It wasn't necessary for the President to make it clear before the Senate vote that he would take no position on proposed cuts in foreign aid or American support for the United Nations. In particular, his threat to veto the foreign aid bill if it included amendments opposed by the administration encouraged both opponents of the program and opponents of the administration.

The net result was to alienate, perhaps permanently, a large group of liberal senators who have always supported foreign aid authorizations in the past. The quite accidental coalition of this group with conservatives and isolationists who have traditionally voted against foreign aid succeeded in killing the whole program.

It is quite unlikely, in the long run, that this coalition will hold together in preventing a revival of the program by one means or another. The strong probability is that the administration will get congressional approval for all essential parts of the program, including continuing military and economic support for Indochina, South Korea and Israel.

Although liberal senators are talking boldly at this point of eliminating all of the military aspects of foreign aid and restoring selectively only those programs of purely humanitarian purpose, they know that their victory Friday was something of a fluke that is likely to be short-lived.

And this, finally, raises the question of why it was necessary for all administration spokesmen to react to the Senate action in such apocalyptic terms, implying that this nation's whole foreign policy had gone down the drain and that an effort of 25 years had been undone by a single vote. The effect, once again, was to increase the damage to the prestige and authority of the administration before the nation and the world and to shake the confidence of every country that relies on the United States for support.

## MOBILE HOME MAIL DELIVERY

Mr. CRANSTON. Mr. President, early this year, it came to my attention that the U.S. Post Office Department—which has since become the U.S. Postal Service, under the Postal Reform Act—had made a policy decision not to deliver mail to individual mobile homes. Instead, they said, they would deliver to management offices, to central receptacles, and to centralized clusters with a minimum of 20 users at all newly developed mobile home parks.

I was concerned that this policy discriminated against people who have chosen mobile homes as an alternative to high-cost permanent dwellings and who want to live in individual housing.

Low-cost, comfortable, and decent housing continues to be in major shortage in our country. Mobile homes are playing a larger and larger role in the solution to this problem.

In several letters to Postmaster General Winton Blount, I wrote that the type of new mobile homes found in California in no way fits the description of "concentrated housing areas"—the rationale behind the Post Office action. In meetings between post officials and members of my staff, I urged that the Post Office reconsider this policy.

I am pleased to announce that the Postmaster General's office today advised me that a policy change has at last been made.

Under the new regulations each local postmaster will have the authority to choose among four alternative plans for mobile home park mail delivery in his area. The plans are:

Delivery to the management offices.

Delivery to central receptacles such as those found in apartment buildings.

Delivery to cluster boxes of two or more.

Curbside delivery to each mobile home with the boxes placed between every two mobile homes on a shared pillar.

I commend and thank the U.S. Postal Service for the flexibility and fairness they have displayed in this matter. At the same time, I urge residents, management, and developers of new mobile home parks to contact their local postmasters requesting that the fourth alternative of curbside delivery to each residence be implemented in their mobile home parks.

## MINORITY HIRING IN THE CONSTRUCTION INDUSTRY

Mr. HARTKE. Mr. President, an article published in the Wall Street Journal of September 7, 1971, indicates that a new approach to minority hiring plans in the construction industry is being discussed within the Department of Labor. A major feature of this new approach is the elimination of any representatives of minority groups from the formulation of hiring plans.

The construction industry has long been recognized as a sensitive area for minority employment. Recognizing this, the Department of Labor has been diligent in its pursuit of training programs and hiring plans which held out a reasonable promise of a substantial increase in minority employment in the construction industry.

Under the present system, representatives of labor unions and the construction industry get together with representatives of minority groups and government to formulate a hiring plan for the community. The new approach which the Department of Labor intends to implement on an experimental basis would eliminate representatives of minority groups from the formulation of these hiring plans.

Mr. President, I find it difficult to understand the reasoning behind this so-called new approach. I understand that it is similar to the process now used in formulating hiring plans for nonconstruction industries. Nevertheless, the success of any plan depends on its acceptance by those who will be asked to abide by its terms. To exclude the very groups which the hiring plan is supposed to assist is to seek failure where success is so badly needed.

In a letter which I recently received from John Wilks, Director of the Office of Federal Contract Compliance, I was informed that the new approach views the minority hiring problem as an industry problem, and that minority workers are beneficiaries of the hiring plan but should not participate in the administrative process of formulating that plan.

Surely this is shallow reasoning and poor logic. Minority hiring is a community problem which should be solved by the community—not by a mere segment of that community. This so-called new approach threatens to turn back the clocks to a time many years ago when there was little if any progress in promoting minority employment in the construction trades.

This new plan must not be implemented—even on an exprimental basis. If it is implemented, it threatens to destroy the confidence of blacks, Puerto Ricans, Mexican Americans, and others throughout the country who have looked to the Federal Government as a source of hope and as a source of remedial action.

Mr. President, I ask unanimous consent that the Wall Street Journal article and three relevant letters be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

[From the Wall Street Journal, Sept. 7, 1971]

### New Minority Hiring Plan for Contractors Said To Be Weighed by Labor Department

(By Byron E. Calame)

Washington.—Labor Department officials are mapping a new approach to the promotion of minority hiring by construction contractors working on federally aided projects.

The "prototype" of the new approach is being hammered out in Boston, where a tripartite voluntary hiring plan involving union, contractor and minority community representatives has encountered major problems; sources in the department indicate. It may be unveiled as early as mid-month, according to sources in Boston.

Under the new approach being contemplated, contractor and union officials in a city would be required by the department's Office of Federal Contract Compliance to come up with their own specific minority hiring goals and timetables. This is essentially the same "affirmative action" requirement the OFCC imposed on federal contractors outside the construction industry in its so-called "Order No. 4" issued last year.

Only last May, top Labor Department officials had said the OFCC intended to start imposing specific minority hiring goals on federal contractors in a number of cities, as it had first done in 1969 in Philadelphia, because voluntary, or "hometown," solutions such as Boston's weren't working. In the ensuing weeks, so-called "Philadelphia plans" were imposed in San Francisco, St. Louis and Atlanta. And some OFCC officials predicted similar plans would be imposed in up to a dozen more cities, including Chicago, during the next year.

The imposition of government-prescribed goals and timetables in Chicago and other cities is being held up until the new approach can be developed, sources in the department say. One major problem with the Philadelphia-plan approach, they concede, is that the OFCC simply doesn't have the manpower to move into a significant number of cities fast enough to gather the extensive data needed to set the specific goals and timetables for such plans.

A Labor Department official notes that "the obligation of resources required to start an imposed plan and to make sure it's implemented is fantastic." Another source concedes somewhat ruefully that the idea of getting union, contractor and minority community representatives to come up with workable voluntary plans has proved to be "like throwing three cats in the same sack—there's sure to be a fight."

"When you try the tripartite approach, they're always squabbling over the money" that federal manpower officials usually funnel to train minority building tradesmen, observes one department policy maker. "So we decided to try a new approach . . . and Boston will be the prototype."

The department's effort to get contractor and union officials to come up with a two-party affirmative action plan seems likely to trigger an angry reaction from minority group leaders in some communities. "There is going to be trouble, possibly even demonstrations and violence," if the government decides to leave the minority community representatives out of the development of the new plan, predicts one source close to the Boston situation.

One high Labor Department official stresses that "the big hurdle" will be getting the officials of building trades unions to join with the contractors on federally aided construction projects in formulating an affirmative-action plan with specific minority hiring goals. The executive order under which the OFCC operates technically covers only the contractors and subcontractors on such projects.

Government attacks on alleged job discrimination by unions must usually be based on the broader provisions of the Civil Rights Act of 1964.

Nevertheless, Labor Department officials contend the OFCC has enough clout in the construction industry to wrangle "a commitment from the unions." Adds one source: "If you get a commitment from the contractors and the unions, it's going to be easier to get results" than it has been under the voluntary approach.

Although the details aren't clear, the OFCC has apparently convinced the building trades in Boston to participate with contractors in the formulation of specific minority hiring goals.

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October 8, 1971.

Mr. John Wilks,
*Director of Office of Federal Contract Compliance, Department of Labor, Washington, D.C.*

Dear Mr. Wilks: A newspaper article early last month indicated that a new approach to minority hiring plans was being discussed within the Department of Labor.

That approach would emphasize the role of contractors and union officials at the apparent expense of community involvement.

I would very much like to know if my impression of this proposal is accurate.

Sincerely,

Vance Hartke,
*U.S. Senator.*

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U.S. Department of Labor,
Employment Standards Administration,
*Washington, D.C.*

Honorable Vance Hartke,
*U.S. Senate,*
*Washington, D.C.*

Dear Senator Hartke: This is in response to your October 8th letter concerning the Department's new approach to minority hiring plans in the construction industry.

The Department has approved an experimental affirmative action program for the construction industry in Boston which excludes the participation of the minority community in the administration of the plan. The approach is similar to the affirmative action program for non-construction industries, where the problem is viewed as an "industry problem," and minority workers are beneficiaries of the plan but do not participate in the administrative process. A copy of the program for non-construction industries is enclosed.

I would like to reiterate that this is an experimental program that will be monitored closely for results.

Your continued interest in equal employment opportunity is appreciated.

Sincerely,

John L. Wilks,
*Director, OFCC.*

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The Indianapolis Plan for
Equal Employment, Inc.,
*Indianapolis, Ind., October 28, 1971.*

The Honorable Vance Hartke,
*United States Senate,*
*Senate Office,*
*Washington, D.C.*

Dear Senator Hartke: Over the past three years there has been a lot of attention directed toward the building trades and their lack of minority participation. Whether this under-representation has been the result of overt discrimination or from a de facto arrangement cannot be adequately demonstrated. At any rate, 1970 and 1971 have seen the proliferation of voluntary home town plans and imposed plans to increase the level of minority participation in these skilled and high paying positions.

We of The Indianapolis Plan have always maintained that voluntary plans such as ours represent the best hope for relatively quick and smooth rectification of the problem. Through working together toward a common goal, building contractors, union representatives and representatives of the minority community have been able to put life and spirit into a concept. Although we have a signed Memorandum of Understanding and Supplemental Agreements from all the crafts in the Marion County Building Trades Council, all those printed words would be meaningless if it were not for cooperation from all three groups.

Lately we have heard that in terms of the Federal Government's thrust, a new direction is about to unfold. That emphasis is alleged to be toward bipartite agreements, leaving out the minority community. It is our conviction that such agreements could not work. A cursory review of the history of the building trades should make that painfully obvious. Generally, contractors say that they have never discriminated against blacks and other minorities, but rather have tried to secure them for their work forces with no success. Union will tell us that their doors have been open, but no minorities have applied for entrance or membership. If that is the case, then it does not seem to me that either group could be considered competent with respect to minority recruitment. A quick look at the lack of minority representation in the building trades will prove that. If the reverse is true, that contractors and especially unions have aggressively excluded minorities, then the situation is clear. Conditions have not changed to the point that these two groups could implement a viable minority employment program. It is only when the minority community is involved, as is the case of The Indianapolis Plan, that adequate numbers of minorities can be recruited for the building trades.

I hope that you will consider these points and support the concept of tripartite home town plans. We are not speaking for The Indianapolis Plan so much as the other cities in Indiana, because our Plan has demonstrated that it is workable and, in fact, is working. I write this more for the many communities in Indiana that are currently putting together home town plans. At the present time Fort Wayne, South Bend, Evansville, Richmond and the tri-city area of Muncie, Anderson and New Castle are composing proposals to present to the Department of Labor for funding.

Thank you for any support given to this issue.

Sincerely yours,

Albert R. Butler,
*Project Director.*

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## AEC'S RELATIONSHIP TO REACTOR CONTRACTORS

Mr. ANDERSON. Mr. President, Mr. Chris FitzGerald, editor of Nuclear News, published monthly by the prestigious American Nuclear Society, has written an incisive editorial concerning the Atomic Energy Commission's relationship to its reactor contractors, and its responsibility to the American public under the provisions of the Atomic Energy Act of 1954. Mr. FitzGerald has pinpointed a number of important questions that need to be examined in depth in order to determine the direction that the AEC may be taking if the speech delivered by AEC Chairman James R. Schlesinger at the American Nuclear Society industrial forum meeting in Miami Beach, Fla., on October 20, 1971, is any indication of a change in the AEC-industry relationship.

I ask unanimous consent that Mr. FitzGerald's editorial entitled "Memorandum From the Editor," published in the November 1971, volume 14, No. 11, issue of Nuclear News, be printed in the Record. I also ask that "Excerpts from the Remarks by USAEC Chairman James R. Schlesinger at the ANS–AIF Banquet, Bal Harbor, Fla., October 20, 1971" published in the above-mentioned issue of Nuclear News, be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

[From Nuclear News, November 1971]

### Memorandum From the Editor

The Atomic Energy Commission as it is presently constituted has been called the "post-Calvert Cliffs Commission." And in his speech at the ANS–AIF Banquet in Miami Beach last month, the new Chairman James R. Schlesinger, referred to the Calvert Cliffs decision as a watershed event in the history of nuclear power. After hearing his remarks (see pages 18 and 32), one may well agree that a turning point has been reached in the relationship between the Commission and industry, but it is less clear whether this has come about because of the Court's decision or because of the possibly independent desire on the part of the Nixon administration, the new AEC Chairman, or the full Commission to alter the role of the AEC.

Schlesinger made his position clear: As far as light water technology is concerned, the industry is "rapidly approaching mature growth," and it should now be "self-reliant." He added, "It is not the responsibility of the Atomic Energy Commission to solve industry's problems which may crop up in the course of commercial exploitation. . . . The AEC's role is a more limited one, primarily to perform as a referee serving the public interest." He has thus, at least as far as light water reactor technology is concerned, nicely separated out the "promotional" role of the AEC and has retained its regulatory role—just the opposite of the solution usually suggested.

The main question is: Even if one accepts the idea that light water reactor technology and the utilities' application of it amounts to a mature industry (which, in many respects, it is not), is this limited view of the AEC's role consistent with the provisions of the Atomic Energy Act of 1954, which calls for "a program to encourage widespread participation in the development and utilization of atomic energy for peaceful purposes to the maximum extent consistent with the common defense and security and with the health and safety of the public" and "a program of conducting, assisting, and fostering research and development in order to encourage maximum scientific and industrial progress"?

The existence of a flourishing reactor manufacturing industry does not of itself relieve the AEC of its job of giving active assistance in the implementation of light water reactor technology at the user level. In the same speech, in fact, Schlesinger mentioned some of the problems facing the industry—e.g., the development of standards, the assurance of reactor safety, quality assurance, and the development of the right kind of manpower to design, construct, and operate nuclear power plants. All of these objectives deserve attention from the AEC not only from a regulatory standpoint, but also from a development standpoint, consistent with the requirements of the Atomic Energy Act.

This assessment leads to other questions: To what extent does the Chairman's expression represent the views of the full Commission? (He is, after all, only the first among equals.) And what is the JCAE's position on a reduced role for the AEC? These are questions that require elucidation.

In connection with the Calvert Cliffs case, Chairman Schlesinger has said that the AEC has no intention to evade its responsibilities under the law (NEPA). There should be no disagreement with that statement. At the same time, the Commission should have no intention to evade its responsibilities under another law: the Atomic Energy Act.

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[From Nuclear News, Oct. 20, 1971]

EXCERPTS FROM REMARKS BY USAEC CHAIRMAN JAMES R. SCHLESINGER AT THE ANS–AIF BANQUET, BAL HARBOR, FLA., OCTOBER 20, 1971

Some of you may feel that Calvert Cliffs was a watershed event . . . that the Court's decision should have been fought, that by failing to appeal the decision and by issuing regulation in conformity with the Court's decision the Atomic Energy Commission was admitting that it was wrong, that the whole set of events was tantamount to the AEC's abandoning the industry. In light of the historical climate in the industry, this is an understandable response. From its inception the Atomic Energy Commission has fostered and protected the nuclear industry. Looking back one can, I think, say that this was the right policy for that historical epoch. That policy permitted a new and vital technology to be exploited; it created an industry and then protected the industry as it grew to relative maturity. But that industry, insofar as it involves the exploitation of light water reactor technology, should now be on a self-sustaining basis. Those of you who regard the response to the Calvert Cliffs as indicating a climatic change in the relationship between the industry and the AEC could well be right, though perhaps for the wrong reason. The move toward greater self-reliance for the industry had a certain historic inevitability. Such a process is always painful. It is, however, necessary. One result will be that you should not expect the AEC to fight the industry's political, social, and commercial battles. These are your tasks—the tasks of a self-reliant industry. . . .

In this regard the thrust of the Atomic Energy Act of 1954 can readily be misconstrued. The concept of "promoting," implicit in the act, is an elastic one. It can be interpreted quite properly, to mean that the AEC has responsibility aggressively to develop new or improved technical options which may be exploited for public use. It can be interpreted, quite improperly, I believe, to suggest that the Atomic Energy Commission should indulge in promotional activities on behalf of well-established industrial sectors. Perhaps the phraseology is obsolescent. In any event the word "promotional" has served to confuse some sections of the government, the industry, and the public regarding the proper role of the Atomic Energy Commission in this mature stage of the industry's development.

It is the responsibility of the Atomic Energy Commission vigorously to develop new technical options and to bring those options to the point of commercial application. It is not the responsibility of the Atomic Energy Commission to solve industry's problems which may crop up in the course of commercial exploitation. That is industry's responsibility, to be settled among industry, Congress, and the public. The AEC's role is a more limited one, primarily to perform as a referee serving the public interest. I might add that it is to industry's long-run advantage that the public has high confidence that the AEC will appropriately perform its role in this regard. . . .

You have every right to demand that the AEC perform its duties efficiently. If extraordinary costs are incurred because of the unduly slow functioning of AEC procedures, that is our problem and our responsibility to solve it. It is not our responsibility, however, if a utility encounters unanticipated costs because of a failure to do its job properly, failure to comply with the procedures, or because of a change in the law. We are sympathetic; we understand your problem, but it is your problem.

Finally—and let me underscore this point—it is not the AEC's rseponsibility to ignore in your behalf an indication of Congressional intent, or to ignore the courts. We have had a fair amount of advice on how to evade the clear mandate of the federal courts. It is advice that we did not think proper to accept. If you regard the legislative or judicial framework as extreme or unworkable, you have a clear remedy through the seeking of legislative relief. We sympathize with the difficulties that you are facing, but we have no intention of evading our responsibilities under the law. . . .

Dealing with intervenors is a time-consuming process. Most intervenors ask appropriate questions, albeit somewhat repetitiously. Some intervenors are deliberately exploiting existing procedures in order to cause delay. To the extent that delaying tactics have been used as a tool to force the provision of information that the intervenors may feel that they have been improperly denied, it is understandable. There is a direct way of dealing with this problem. To the exent that delaying tactics have been employed sheerly for the purpose of delay, to put off month-by-month or year-by-year the operation of plants and imposing costs on industry and the public, it cannot be condoned.

Environmentalists have also been raising questions that transcend the issues involved in individual plants. The question has been raised, by Michael McCloskey of the Sierra Club among others, whether our society for environmental reasons viewed broadly ought not curb its appetite for energy and for electric power. It is a legitimate social question. It is not unreasonable to question whether neon signs or even air conditioning are essential ingredients in the American way of life. More fundamentally, it is not unthinkable to inquire whether energy production should be determined solely in response to market demand. Some of you, I suspect, have strong views on this matter. You should be prepared, whenever the necessity arises, to present your position to the public just as the Sierra Club does—and I suspect that at this reading you are likely to have the public with you.

Whatever the private views of the Commissioners, it would seem to me inappropriate for the Atomic Energy Commission to take a position on this issue. The AEC should be officially neutral. It is the AEC's mission to provide energy options that will serve public needs—in whatever manner the public prescribes those needs. The AEC lacks authority and consequently should avoid becoming entangled in the determination of broad social issues of this type. . . .

I have heard the charge that the AEC has been "over-reacting." The new regulations are tough; you will agree, however, that they comply with the spirit of the Court's decision. While they are tough, they are workable. I am surprised and concerned therefore by the attitude of discouragement to which I referred previously. These new regulations present no insuperable difficulties, if you will get on with your part of the job and we get on with ours. . . . A suitable cost-benefit study can normally be developed on the order of two months, particularly if there is a suitable format. . . . You will need guidelines for such studies and you shall have them.

## TRIBUTE TO SENATOR WINSTON L. PROUTY

Mr. CRANSTON. Mr. President, Winston Prouty was a friend and respected colleague to many of his fellow Senators. During his years in the House and Senate, we learned to respect his fairness, his good judgment, and his compassion for his fellow man. I was privileged to serve with him on the Committee on Labor and Public Welfare, where his deep interest in and knowledge of issues basic to the Nation's well-being was evident in his contributions to our work. He left his imprint on the many pieces of landmark legislation developed by that committee over his 12 years of service as a committee member.

His amendments to the Employment and Training Opportunities Act of 1970 indicate his concern for the right of each individual to a life of dignity; one would provide special consideration to jobless heads of households with dependents; another would provide special consideration in job referral to those who need it most—the unemployed, underemployed, or the unskilled; a third amendment would emphasize training in skills that would lead to long-term employment and career opportunities, rather than just dead-end jobs meeting a short-term crisis.

This same concern for human dignity extended to the many reform measures he introduced to benefit the elderly. I was aware of his leadership in this area prior to my joining the Senate, and I was deeply impressed to see him pleading for benefits and programs that were well ahead of their time. For years he urged a minimum annual income for all Americans over 65 and argued for increased social security benefits at a level which would come closer to meeting the realities of rising prices. He fought for liberalized social security earnings tests and a waiver of coverage for workers over 65. He sponsored legislation to expand medicare benefits by eliminating deductible and coinsurance features; extending coverage to prescription drugs, eyeglasses, and dental work; lowering women's eligibility from the age of 65 to 62; and permitting easier access to extended care facilities. This legislation has not yet been enacted, but undoubtedly will become law in the future due, in large part, to the groundwork laid by Senator Prouty.

In the health care area, his commitment to finding new approaches to solving the problems besetting the Nation is evident in the leadership role he played in the historic health legislation passed by Congress in the past 10 years. The Health Professions Educational Assistance Act and the Nurse Training Act, which were just extended by Congress, were originally developed with Senator Prouty playing a major role in establishing the basic underlying philosophy.

He saw future weaknesses in the health-care system before they became readily apparent to others. He was a cosponsor of the Family Practice Act of 1970, which passed the Senate but on which action was never completed in the House. This year, comparable provisions were included in the bill extending the

Health Manpower Act. These provisions will encourage young men and women to enter the field of family medicine, and will encourage schools and hospitals to develop more programs for training in these specialities.

He was an early supporter of the legislation developing Federal programs for research, teaching, and demonstrations in the fields of heart, cancer, and stroke—the regional medical programs—and was very active in his support of the northern New England regional medical program. This program has an outstanding record in establishing coronary care units throughout the area. Senator Prouty was a leader in efforts to strengthen the role of the regional medical programs in local initiatives to improve and coordinate the provision of health care, a role now generally accepted, but rejected in many areas only a few years ago.

He lead in the development of other health-care legislation providing answers to current problems, such as the first comprehensive approach to treating mental retardation and mental health—the Mental Retardation Facilities and Community Mental Health Centers Construction Act. When that act came up for extension in 1970 he was active in amendments which would make the benefits of this legislation especially available to poverty areas through increased financial assistance.

Senator Prouty also participated actively in the expansion of the community mental health center program to include specific projects for alcoholism. He was also deeply involved in the enactment of legislation to authorize programs for the prevention, treatment, and rehabilitation of drug addiction.

Since coming to the Senate, I have been privileged to Chair the subcommittees having jurisdiction over legislation affecting medical care for veterans. Senator Prouty always provided the greatest support to me in my efforts to insure that the Nation's veterans receive the high quality health care the citizens of this Nation wish them to receive.

He was one of the first to recognize the potential of the veteran who had received training as a medic in military service and call for programs to utilize his experience and skills in the civilian community. He introduced legislation in 1969 which would have established a program to recruit and train veteran medics for civilian health positions. These provisions were incorporated in 1970 in the extension of the Allied Health Professions Education Act, and just recently the Comprehensive Health Manpower Training Act of 1971 also included provisions to encourage the utilization of these valuable young men in civilian medical careers. I feel this is an answer to many problems in the health field, and have myself introduced legislation to encourage the Veterans' Administration in its medical facilities, as well as medical schools and other medical education institutions, to take full advantage of the training these men have received and adjust and expand their training for utilization in the civilian sector. Thus again, Senator Prouty's vision is becoming reality.

Senator Prouty, who prior to his service in the Senate was a Member of the House and had served there on the House Veterans' Affairs Committee, consistently supported moves to create a standing Committee on Veterans' Affairs in the Senate, and in this session of Congress such a committee was born.

It would be impossible to cite all the reforms Senator Prouty took a leadership role in achieving. I have been able to touch upon only a few. But as we take on new matters in Congress, we are constantly reminded of the stands he has taken and the leadership he has provided in earlier discussions in the Senate and the House. We already miss his good counsel, his judgment, and his constant dedication to principle and we miss him as a close friend and associate. Our loss will seem greater as time passes. But his ideas are still with us, and the contributions he has made to the Nation's laws will remain as the foundation for many future innovations.

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## INDIAN EDUCATION

Mr. McGOVERN. Mr. President, for many years American Indians have been striving for a measure of community control of their own schools. Despite assurances from the administration, to date, none of the 10 Indian-controlled school boards who have applied for Government contracts to operate their own schools have been given commitments. One of the schools involved is an Oglala Sioux facility at Pine Ridge, S. Dak., whose board has been waiting, not too patiently, to get on with the business of educating its children.

The Washington Post published an excellent article entitled "Indian Runaround," which details the frustrating foot dragging and delay in connection with Federal contracting for Indian school boards. I ask unanimous consent that the story be printed in the RECORD and commend it to the attention of Senators who are concerned with Indian education.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### Indian Runaround—How the Bureaucracy Vetoes a Nixon Vow on Schools

(By William Greider)

On the Wind River reservation in Wyoming, which the Shoshone share with the Arapahoe, about 40 or 50 Indian children did not go back to boarding school this fall.

Most of them were under the impression that a new high school would be operating on their reservation, controlled by an Indian school board, supported by the federal government. They were misled by what they heard from Washington. Some of them are still waiting.

The children at Wind River, when they reach high school age, are scattered across the map. About 300 or so go to two public high schools off the reservation in the towns of Lander and Riverton. An additional 150 or so are sent to government boarding schools in six states. Still others, perhaps a couple of hundred, don't go to school any more.

"What we're trying to do," says Allison Sage, an Arapahoe who is president of the Wind River Education Association, "is bring our kids back home and attack the drop-out problem or, rather, the push-out problem."

He and the other parents at Wind River have been trying to get their own community high school, which, after all, is not exactly a radical proposal. They are encouraged by words from the President himself and by a letter from the commissioner of Indian affairs. But so far they have encountered mostly frustration and postponement.

The educational problems at Wind River are a small matter compared to the tens of thousands of Indian young people already lost, but the situation is noteworthy because the parents there have tried—and so far failed—to do something dramatic to "bring back" their kids.

In the process, they have discovered what any seasoned Washington lobbyist could have told them—that the President makes the grand declarations of government policy, but that he is not there when bureaucrats draft the regulations or negotiate the contracts or keep the project proposals shuffling back and forth from one office to another. The people from Wind River have become convinced that this process, in the end, can twist the President's words or perhaps even veto his ideas.

#### COALITION FORMED

Among Indian leaders, there was general applause and even some cheering when President Nixon first announced his new goals for Indians: The Indians themselves would begin to run things. The paternalism of non-Indian bureaucrats would be replaced with self-determination contracts through which tribal leaders could take over the operation of government programs.

As the President envisioned it, these contracts might cover any of the variety of federal programs on the more than 300 Indian reservations, from real-estate management to police protection. The heart of it, however, was to be education—where people shape their own image of themselves and determine whether their culture will survive in their children.

Mr. Nixon declared: "Consistent with our policy that the Indian community should have the right to take over the control and operation of federally funded programs we believe every Indian community wishing to do so should be able to control its own Indian schools."

That was July 8, 1970. Since then, only one tribe—the small band of Miccosukee in South Florida—has managed to wrestle out of the Bureau of Indian Affairs the kind of contract which gives the Indians control over their school. They accomplished that in part because their tribal chairman, Buffalo Tiger, waded through repeated tangles of red tape and in part because the tribe had a Washington lawyer lending his time and expertise to the struggle.

Three other tribal groups—the one at Wind River, an Oglala Sioux community at Pine Ridge, S.D., and the Crow reservation at Busby, Mont.—have also waded into the thicket with firm proposals, but so far they have not come out with contracts. Instead, the process has created a lot of legal back-and-forth between them and the bureau. They have felt the need to form a "coalition" of some 10 fledgling Indian-controlled school boards, united to prod the BIA into doing what the President said to do.

#### THIRTY-TWO YEARS LATER

The coalition was in Washington last week, lobbying at the bureau, the Interior Department and Congress. Its "position paper" expressed considerable skepticism about the future of self-determination contracts:

"Each day's procrastination endangers at least four Indian community school projects and retards the education of our children. Our belief in the good faith of this administration as regards self-determination for Indians in education is fast dwindling and only immediate fulfillment of prior commitments can restore our support."

The commissioner of Indian affairs, Louis R. Bruce, an Indian himself, and Secretary of Interior Rogers C. B. Morton periodically reaffirm their devotion to the idea. But the

Indian skepticism is based solidly on the history of reform—initial enthusiasm buried by bureaucratic delays and diversions. The official policy of the BIA, for instance, is to phase out government boarding schools. That has been the official policy for more than 35 years, yet the percentage of Indian children who must leave home for their schooling has dropped only modestly since 1930.

The current few who are trying to get self-determination contracts fear that their experience will be a negative object lesson for other tribes who will see the frustration and won't bother to try.

"It's trying desperately to get off the ground," says Mrs. Barbara Sinclair, a Shoshone from Wind River, "but the bureau is saying, Oh, we don't know if that's right. They're so expert in everything. They won't give up anything."

### QUITE IRRESPONSIBLE

For their part, the BIA officials insist that their caution is merely prudent, that contracts must be carefully drawn to insure accountability, that hastily launched projects might fail and injure the children, that the government must be satisfied that the school-control proposals are what the reservation parents really want.

Elizabeth H. Skelly, an education officer who has done much of the negotiating, says the accusations of foot-dragging are "quite irresponsible." The Wind River sponsors, she says, "just rant and rave on. It's really a political maneuver on their part to build up the pressure and barrel through a loose contract."

She expects that as many as six Indian-controlled schools may be operating with BIA contracts by next fall, though how many follow beyond that is less certain. Even six would represent dramatic progress compared with the past.

"However, in the last six months," Mrs. Skelly says, "we've met with tribal groups that are interested but a great deal of doubt and concern has been expressed. They like the idea, but they see all the problems they are getting into. They have a feeling they might get out on a limb by cutting off the bureau. There's much more reluctance than one might think. After all, this is a big step for these people to take."

Mrs. Skelly contends that each step of delay has involved a legitimate problem, often a requirement which the sponsoring group had failed to meet. The way the sponsors tell it, each time they meet one objection they are given a new one to contend with.

### THE BRUCE LETTER

At Wind River, for instance, Sage, Mrs. Sinclair, and the others spread the word in April that a new high school could be opened in September, using the facilities of an Episcopal mission. Their confidence was based on a letter from Commissioner Bruce expressing "our firm intent" to contract for a high school in the fall with at least $250,000.

"This is the kind of local initiative by Indian tribes which I wish to encourage, and I intend to give this matter personal attention until a contract has developed," Commissioner Bruce said.

The Wind River group set out to demonstrate the community support required by the bureau with petitions signed by more than 900 parents and students, in contrast to an opposition petition signed by fewer than 100, mainly Shoshones. A series of referendums held at local elementary schools produced better than 2-to-1 support. The Arapahoe Tribal Council passed a resolution endorsing the proposal—though the Shoshone council did not, a fact which BIA officials consider an obstacle to a contract.

The sponsors did not hear any more encouragement from Bruce, but they heard lots of questions from his subordinates in the Indian agency. A negotiation meeting was set for May, but according to Michael Gross, lawyer for the Wind River association. "We were sitting around the table waiting for the BIA and nobody showed up."

The problem, it seems, was that influential congressmen and departmental contract officers were upset by the new Indian contracts which tribes were seeking and which some BIA officials (mainly Indians brought into office by Bruce) were promoting. They questioned the format, the legal authority, the procedures for audit control. The flap inside the BIA made cautious officials even more timid. All negotiating was suspended while a contract team worked on a "model" contract that would apply to the Ramah, N.M., Navajo school started in 1970 as the first of its kind.

The new "model" contract wasn't completed until mid-September and, when they saw it, the Indian school boards objected strenuously, but unsuccessfully. It was 39 pages long and loaded with fine-print prescriptions on how the Navajo parents at Ramah should operate their school, down to the lunch rations of fruit and corn muffins. It was essentially a procurement contract, like those for buying paper clips or pencils.

By contrast, the bureau signs contracts every year with state governments for the distribution of federal aid to educate Indian children—and these agreements are brief and generalized. The state schools get their money in two advance payments, with no requirement for advance proof of expenditures; the Indian schools will have to submit monthly invoices detailing their expenditures before they can get the federal money.

Lawyer Gross contends that the BIA could draw similar contracts with the Indians, giving them more leeway to make their own decisions. "Educational services are not commodities," the school-boards coalition protested. The BIA insists, however, that it must follow the long contract form or run into new objections from Congress or the auditors.

### OUT OF FAITH

While the "model" contract was still being drafted, the Wind River group met with bureau officials in July and were told that the proposal which the BIA commissioner endorsed in April was impractical. The proposed contract of $250,000 was not enough to finance a decent high school and, besides, there was not enough time.

"These people," Mrs. Sinclair complains, "are all Eastern and they think in terms of two or three thousand kids for a high school. I pointed out to them that Chugwater, Wyoming, graduated seven kids."

Nevertheless, the Wind River group reluctantly accepted the idea that it would not get a high school this fall, but would try instead for an "education resources center," a euphamism for a special school to deal with 9th and 10th grade children who have left school.

No progress has been made so far on this plan. But, according to Mrs. Skelly of the BIA, any delay can be blamed on the Wind River group because it did not promptly submit the new proposal. In any case, she suggested last week that the Indians may have to produce evidence of community support all over again—since their original petitions and resolutions were in support of a high school, not a special center.

"What's so sad," says Mrs. Sinclair, "is that people were really steamed up about this last spring. We simply can't go back to the community any more and say there's something going to happen in two weeks, then it's three months and nothing. People are out of faith."

The sponsors like Sage and Mrs. Sinclair feel that the opposition has been inspired by whites who do not want to see an independent school district established on the reservation for fear of losing tax revenues which the off-reservation schools draw from oil fields on the Indian lands. In any case, both of Wyoming's senators agree that the Wind River proposal does have strong support among the Indians and they are pressuring the bureau to reach an agreement when they meet again this week.

### THE BUREAU'S RECORD

Meantime, the school coalition members take a glum view of the bureau's insistence on "good management." Frank LaPointe, representative from the Rosebud Sioux reservation in South Dakota, complains: "They have a mentality that goes something like this—that we can do it better than Indian people can. It goes like this, too—Indian people can't do it."

There is no question that some of the BIA's caution stems from fears that turning over money and school children to Indian parents will risk wasting both. The irony is that the BIA has managed in the past to waste quite a lot itself without involving Indian control.

A harshly critical internal audit of BIA contracts by the Interior Department recently concluded:

"Most of the things we found wrong represent a continuation of long-standing practices. While the new thrusts of bureau programs toward tribal involvement have added to the problems, a conclusion identifying policy changes as the principal cause is, in our opinion, incorrect."

Among other things, the auditors found an area director who bought six cars but neglected to get title to the vehicles. In another instance, a bureau employee took over a contract when the contractor died. In another, a training school was advanced $113,000 but only spent $67,000—and had use of the extra money interest-free before the bureau got it back. A relocation and training project proposed a contract to handle 77 Indian families for $216,000, then revised it a month later—reducing the number of families 48 per cent and the price 9 per cent.

The Indians think they can match that record for fiscal responsibility—and maybe even do a little better.

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## GREAT LAKES SHIPPING CRISIS

Mr. GRIFFIN. Mr. President, yesterday the Administrator of the St. Lawrence Seaway Development Corporation, Mr. David Oberlin, announced that restrictions would be placed on ships entering the seaway after November 12. This drastic action was necessary in order to minimize the possibility of ships being trapped in the seaway after the December 12 closing date.

At present, there are 215 vessels in the seaway system—nearly a 100-percent increase over the number at this time last year. The Administrator has concluded that unless the number of incoming ships is limited now, there is the distinct possibility that as many as 100 ocean freighters could be locked in for the winter.

This unprecedented increase in seaway shipping, due in part to dock strikes on the east coast, is both welcome and disheartening. It is welcome to those of us in the Great Lakes region who recognize the economic potential of the seaway and have been striving to develop this potential.

It is most disheartening, however, to see shipping growth limited because our Nation's most important inland waterway is out of service approximately 4 months each year.

The present crisis serves to underscore the urgent need to extend the shipping season on the Great Lakes and the seaway. Despite the completion of the seaway in 1959, despite improvements in locks and ships design, and despite increased ice-breaking capabilities, it is still necessary to be concerned about a possible repeat of the great ice blockade of 1926. In December of that year 150 ships were frozen in the Great Lakes below the Soo locks. Twenty-six vessels remained frozen in for the entire winter.

Last year, with the support of Great Lakes Senators and Congressmen, Congress authorized $6.5 million for a 3-year program to demonstrate the feasibility of extending the navigation season on the Great Lakes and the St. Lawrence Seaway. Thereafter, the administration budgeted only $300,000 for the first year of this program. However, again with strong bipartisan support of Great Lakes Senators and Representatives, Congress appropriated more than double the administration's budget request. And a much higher level of funding will be required during the next 2 fiscal years if this demonstration project is to be successfully completed.

Despite the reluctance indicated by the administration with respect to the first year funding, there are encouraging signs that the importance of season extension is recognized by the administration—particularly by the Department of Transportation. For example, the Coast Guard has announced that the polar icebreaker, *Edisto*, will be assigned to the Great Lakes this winter to assist the icebreaker *Mackinaw* in winter shipping tests.

Furthermore, in a recent article written by the Secretary of Transportation, entitled "Extension of the Seaway Navigation Season Is Essential To Halt Present Economic Erosion," which appeared in the summer issue of Seaway Review, Secretary John Volpe emphasized the importance of increasing Seaway capacity not only for the Great Lakes region, but also for the entire Nation. In the article, he said:

> One fact is all important in understanding the Seaway. The industry and businesses served by this waterway account for an incredible 43 percent of our gross national product. This is, indeed, the industrial heart of America. And the prosperity and good health of the seaway states depends upon the prosperity and good health of the whole Nation.
>
> This area and its industrial capacity is a national asset. And there's the rub. We find indications, unfortunately, that the economic health of this area is suffering. There are traces of economic erosion. This erosion must be halted. This is the basic premise of our transportation planning in the area.
>
> It is the ability of the Seaway to give added value to the products of this midwest area. Any enlargement of Seaway capacity—through extending the season, for example—will contribute more to the economic well being of this area. This, then, is our purpose—to expand the economy of this area and thereby, increase the standard of living of those who live here and work here.

In that same article the Secretary concluded as follows:

> I predict we shall be seeing a tremendous increase in the usage of the Great Lakes-St. Lawrence Seaway . . . far greater than we dare dream about now.

I suspect the Secretary did not have in mind that the increase would come so quickly.

Mr. President, the Great Lakes-St. Lawrence Seaway system, the gateway to and from the industrial heartland of America, is a vital national asset. Full development of the shipping potential of this great transportation artery is essential to the administration's goal of a balanced transportation network.

Too often in the past the efforts of Great Lakes Senators and Representatives to improve Seaway shipping have been discounted as being merely a natural consequence of local and regional interest. It is time for the national significance of the Seaway to be recognized. Hopefully, the present crisis will be beneficial in the long run by focusing attention on the needs of this important waterway system.

Mr. President, I ask unanimous consent that the Seaway Review article to which I referred, as well as a release issued by Administrator Oberlin be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### RELEASE ISSUED BY ADMINISTRATOR OBERLIN

The St. Lawrence Seaway Authority of Canada and the U.S. St. Lawrence Seaway Development Corporation announced jointly today that 11:59 p.m., EST, November 12, has been fixed as the conditional cut-off date for the entrance of ocean vessels into the St. Lawrence Seaway-Great Lakes system.

The action was taken in an effort to prevent the trapping of ocean vessels in the Great Lakes by the closing of the Seaway now scheduled for December 12. The U.S. and Canadian Seaway officials said that unless steps were taken to limit the number of ships entering the system, approximately 100 ocean freighters could be trapped for the duration of the winter. They said that at the present time approximately twice as many ocean vessels are in the Great Lakes as were there at the same period last year.

Under the joint action taken today ocean vessels entering the Seaway after the November 12 cut-off time must do so subject to the following conditions:

(1) Ocean vessels that entered after the cut-off time must yield to vessels that entered before the cut-off time; (2) Late Entries will be afforded a Sequential priority among themselves according to their date of entry and in a manner consistent with the efficient operation of the system. This priority will not take account of the port of call of vessels in the Great Lakes so that the last in, if it is not trapped, will probably be the last out; (3) Should an ocean vessel insist upon entering the system after the cut-off date, written assurance will be required from the vessel owner or agent that the conditions of entry are understood and the vessel owners accept the possibility of being trapped.

The decision to limit entrance into the Seaway by ocean ships was announced in a Notice to Mariners issued jointly from Cornwall, Ontario, and Massena, New York. The Notice to Mariners is attached.

In spite of this cut-off notice a number of ocean vessels may as a business risk insist on entering after November 12th. Even the application of a qualified restriction cannot substantially guarantee the safe exit of all ocean vessels in the system on November 12th. Unbalanced downbound ocean vessel arrivals at locks, excessive bad weather, mechanical failures, major accidents or any unexpected shortage of pilots can destroy the capability of the system to get all of these vessels out.

The Entities said that the application of the restriction will probably prevent about 100 vessels from making a final trip into the Seaway. The possibility of such a situation has been followed by the Seaway Entities since mid-October. The situation began to appear critical with a rapid acceleration of the ocean vessel arrival rate in late October and early November. Late in October shipping agents were canvassed for details of projected arrivals from foreign ports and a similar canvass was made on the 2nd of November. The data gathered indicated that a saturation of the system's capacity to clear ocean vessels before the announced closing date might arise around mid-November. However, arrival rates so exceeded the projections that the saturation point was advanced. The problem is not related solely to the capacity of the locks to pass the ships, but it incorporates a number of complex factors including weather conditions, installation of ice booms by Hydro Commissions, inland vessel traffic and the availability of pilots. All of these have been taken into account.

There are 215 vessels above St. Lambert today as compared to 112 in 1970. This morning there is a queue of 13 ocean vessels waiting at Montreal to enter St. Lambert Lock, and there are 22 upbounds and all downbounds waiting at the Welland Canal.

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### NOTICE TO U.S. MARINERS

Seaway Notice No. 15, further to Seaway Notice No. 14.

At present, there are 215 ocean vessels above St. Lambert as compared with 112 on this date in 1970. Of these there are 167 above Port Weller as compared to 85 last year. There is a queue of 13 ocean vessels waiting at Montreal to enter St. Lambert Lock; and 22 upbounds and 11 downbounds waiting at Welland. Effective tomorrow, November 10, daily radio messages outlining the current situation will be broadcast to the trade.

A further analysis based on the latest updated information on upbound ocean vessel arrival rates clearly indicates that unless active steps are taken to relieve the situation, there will be approximately 100 more ocean vessels in the system than could be cleared from the Seaway by the closing date of December 12th.

Therefore, the entrance of ocean vessels at St. Lambert should not be contemplated after the cut-off time of 2359 hours. November 12th and can only be undertaken subject to the following conditions: (1) Ocean vessels that entered after the cut-off time must yield to vessels that entered before the cut-off time; (2) Late entries will be afforded a sequential priority amongst themselves according to their date of entry and consistent with efficient operation of the system. This priority will not take account of the port of call of ocean vessels in the St. Lawrence-Great Lakes so that the last in, if it is not trapped, will probably be the last out; (3) Should an ocean vessel insist upon entering the system after the cut-off date written assurance will be required from the vessel owner or agent that the conditions of entry are understood and the vessel owners accept the possibility of and responsibility for being trapped.

This decision has been reached after taking into account a number of complex factors which have an effect on the capability of the system to pass the vessels such as adverse weather conditions, installation of ice booms by Hydro Commissions, inland vessel traffic, lockage reliability, and availability of pilots. The establishment of the cut-off time does not inferentially guarantee the exit of ocean vessels now in the system or of those entering between the date of this Notice and the cut-off time. Unbalanced downbound ocean vessel arrivals at locks, excessive bad weather, mechanical failures, major accidents or any unexpected shortage of pilots can affect or destroy the Seaway's ability to exit transit all vessels.

### EXTENSION OF THE SEAWAY NAVIGATION SEASON IS ESSENTIAL TO HALT PRESENT ECONOMIC EROSION

(By Secretary John A. Volpe)

One fact is all important in understanding the Seaway. The industry and businesses served by this waterway account for an incredible 43 percent of our gross national product. This is, indeed, the industrial heart of America. And the prosperity and good health of the seaway states depends upon the prosperity and good health of the whole Nation.

This area and its industrial capacity is a national asset. And there's the rub. We find indications, unfortunately, that the economic health of this area is suffering. There are traces of economic erosion. This erosion must be halted. This is the basic premise of our transportation planning in the area.

The essential fact of transportation is that it adds value to services and products. The tons and tons of orange juice in Florida would have little value if it could not be moved to the markets of the Nation. The wheat in the fields of Kansas, and the petroleum products of Texas all are worth more because of the availability of transportation.

It is the ability of the Seaway to give added value to the products of this midwest area. Any enlargement of Seaway capacity—through extending the season, for example—will contribute more to the economic well being of this area. This, then, is our purpose—to expand the economy of this area and, thereby, increase the standard of living of those who live here and work here.

Our Nation is growing and growing by leaps and bounds. Our population increases by about 6,000 persons per day. This growing population, moreover, is constantly increasing its standard of living. This average growth of 6,000 persons per day is accompanied, for example, by an average net increase of over 12,000 automotive vehicles per day. Projecting all these figures into the 1980's we see a tremendous booming economy. To meet the needs of this economy we shall, in the next 18 years, almost double the capacity of our transportation network.

This is a staggering challenge—to provide as much transportation in 18 years as we have built up in the past 350 years.

I can tell you right now we are not going to meet this goal simply by building more of everything—more highways, more railroads, airports or more seaways. We are going to achieve this increased capacity, by more efficient utilization of our present systems. We are, consequently, going to need the Great Lakes-St. Lawrence Seaway System and we are going to need all the seaway capacity we can get.

The most immediate way of increasing capacity is, of course, extending the Seaway season, and that is the business at hand.

I have in my own mind no doubt whatsoever that we shall one day see year round operations of the system. We have the know-how and the technology. This achievement, however, lies in the future, and will come about as a result of achieving our more immediate objective—our objective of gradually increasing the Seaway season.

There may be skeptics who will see little value in merely opening the season a few days earlier in the Spring and shutting down a few days later in the Winter. The most obvious answer is that we have to make a beginning and this is the way we are beginning. But I am also aware that in human activities mere habits—patterns—and routines—customary ways are mighty important. Because we make it possible for a few more trips both at the beginning, and at the end of the season, there will be more trips in between. Use begets use. This is the essence of growth.

This extension of the Seaway season is going to require contributions from a lot of people: industrial users, shippers, port authorities, city, state, and Federal officials, steamship operators and right down the line.

#### PREPARE FOR CHANGES

This extension of the Seaway season will, in time, also involve certain changes that must be prepared for and certain challenges that must be met. Let me deal with one of those challenges right here.

There is concern in this Great Lakes region that the lengthening of the Seaway season and the ultimate year round operations of the waterway will have a number of decisive effects on the surrounding environment. The power people are concerned; conservationists are worried, and individuals living near the shores of the lake are skeptical.

Let me set the record straight. My job is transportation. But by law—and by my own nature—I am violently opposed to any project that unalterably harms our environment. We have already stopped a number of projects throughout the Nation that posed potential threats to the environment. We put a halt to construction of the international jet port which threatened the ecology of the Everglades. We stopped a highway that endangered the beauty of the area surrounding the old man of the mountain in New Hampshire. And we stopped construction of a freeway that would have walled off the historic old French quarter of New Orleans.

I assure you here and now consequently, we shall undertake no action that will endanger the ecology of this Great Lakes area. We are mindful of the challenges we face. The extension of the Seaway season—and the ultimate potential goal of year round operations—involves altering the course of nature. But before we begin we shall know precisely how much altering must be done and precisely what the effects of these changes will be.

These questions will be the subject of the many studies we shall be undertaking in the next few years.

#### A GREAT NATIONAL RESOURCE

You will appreciate our feelings toward the environment of this Great Lakes area when I remind you that one of the largest administrations in our Department of Transportation is the United States Coast Guard. And the Coast Guard is not merely interested in preserving the status quo. The Coast Guard—through its limnology studies and anti-pollution activities—is aiming at a cleanup—not just a halt of further pollution. Yes, these Great Lakes are a great national resource and they must not be despoiled.

And so in conjunction with the great nation of Canada we are going to move out on a new adventure—an experiment of great magnitude and daring. I have no doubt about the outcome. We shall succeed.

It is essential to our ultimate success that we begin with a proper appreciation of the worth of our task. This appreciation must rest on the knowledge that the St. Lawrence Seaway is already a success—that it has proven its worth—and that any increase and addition to its productivity will pay its own way. I am displeased with those critics who compare, unfavorably, the Seaway with some idealized hypothetical abstraction. The Seaway cost/benefit ratio may suffer when compared with the ideal, but this cost/benefit ratio compared with the standards of transportation-American style 1971, the St. Lawrence Seaway is a highly successful operation. And what other standards *are* there?

I would also like to note that extending the season will involve more than contributions and work by just the Federal government.

Local ports and port authorities are going to have to step up their activities and supporting transportation systems are going to need attention. It is highly likely—thanks to President Nixon's new proposal on transportation revenue sharing—that we will be able to work closely with you on this. This proposed legislation—if passed into law—could have a great bearing on this Great Lakes area.

We must all be ready to change and grow. Our population is growing and changing. The institutions and the governments which serve this population must also change. And we must face this change and growth with confidence. I have no fear of the future and I look forward to it with eagerness. We are nearing the good times—the best days of all.

I predict we shall be seeing a tremendous increase in the usage of the Great Lakes-St. Lawrence Seaway . . . for greater than we dare dream about now.

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## FOREIGN AID FAILINGS CONCEDED

Mr. CHURCH. Mr. President, over the past week I have brought to the attention of the Senate several newspaper columns and editorials, as well as radio and television commentary, dealing with the Senate's defeat, on October 29, of the administration's foreign aid bill.

The latest column that has come to my attention was written by Tom Braden and published in the Washington Post of November 9.

I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### FOREIGN AID FAILINGS CONCEDED

(By Tom Braden)

Members of the Nixon Administration are privately less concerned about the defeat of the foreign aid bill than their public outcries are suggesting.

For example, Henry Kissinger told Sen. Frank Church (D-Idaho) that he thought there was much to be said for the arguments Church put forward in his definitive Senate speech "Farewell to Foreign Aid." And Federal Reserve Board Chairman Arthur Burns actually congratulated Church on the speech.

These private attitudes reflect more than the knowledge that foreign aid now in the pipeline will last a year and a half or the hope that some substitute will replace the defeated program. They reflect a large measure of agreement with Church's thesis that foreign aid is "a proved failure."

A failure, Church argued, in terms of its stated objectives—the containment of communism, the promotion of economic development and the advancement of freedom.

"We have been thrown for losses across the board," Church said. "In the name of preserving peace we have waged an endless war; in the guise of serving as sentinel for the Free World, we have stood watch while free governments gave way to military dictatorships in country after country; 10 years of foreign aid have failed to narrow the gap between rich nations and poor or between rich elite and impoverished masses; in most underdeveloped lands it has widened."

It is an indictment which can't be argued. Nor is it easy to quarrel with the Church analysis of the reasons why foreign aid has failed.

First, because the belief that American capital and know-how worked economic wonders has turned out to be irrelevant and unworkable in poor countries. A wag in the Peace Corps once defined the problem by reversing Winston Churchill's famous peroration: "Give us the job," he said, "and we will furnish the tools."

Second, because in the poor rural societies of the world, the concepts of "communism" and "capitalism" are meaningless.

Third, because in the futile effort to shape the development of poor Third World countries, we have built a vast and wasteful bureaucracy. Relative to population, the senator pointed out, we have twice as many people administering our aid program in Brazil today as the British once required to govern India.

Sen. Church was more kindly to the bureaucrats of AID than are most reporters who have inspected American aid programs abroad. Any of them can testify that the Agency for International Development (AID) is largely staffed by retired teachers and professors who spend their time drawing up "feasibility studies" and inhabit corridors down which it would be possible to fire a cannon any evening after five without endangering a living soul.

Church was also a little less candid than he might have been about the American myth that foreign aid is for the sole benefit of foreign nations.

About 93 per cent of the dollars we make available to foreigners though our aid program must be spent with American business. In Brazil alone, American companies, their risks insured by AID for a small premium, their profits nourished by the law which requires that recipient nations buy the law which requires American, have withdrawn since 1964 more money than they have invested. For Brazil it is a net drain.

So it is hard to argue for the present program. Its demise will not affect the South Vietnamese army which gets its supplies directly from the Pentagon. It will force the Administration to come to Congress and ask for a separate appropriation for Cambodia. Perhaps this is the reason for the public cries of alarm. If so, senators are willing to bear the outcry in order to discover the facts.

## CALIFORNIA MARINE SANCTUARY LEGISLATION

Mr. TUNNEY. Mr. President, my colleague from California (Mr. CRANSTON) has introduced S. 1446–1452, legislation which I have cosponsored to create California Marine Sanctuaries. On November 1, 1971, Senator CRANSTON and I testified before an Interior subcommittee urging that prompt action be taken on these bills. Subsequent testimony by the Department of Interior was disappointing to say the least and demonstrated a lack of understanding of the issue.

I ask unanimous consent that a November 7, 1971, Los Angeles Times editorial, endorsoing the need for the enactment of California Marine Sanctuary legislation, be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, and follows:

### CRANSTON'S OFFSHORE OIL PROPOSALS

U.S. Sen. Alan Cranston (D-Calif.) is convinced that the Department of Interior is deliberately misunderstanding efforts to extend state oil-free sanctuaries into federal waters off the California coastline.

From the standoff ending of a stormy meeting of the Senate Interior Committee, we believe Cranston is right.

Shortly after the Santa Barbara Channel oil blowout in 1969, Cranston and former Sen. George Murphy sponsored a bill that would have required the automatic establishment of federal sanctuaries seaward of existing state sanctuaries. The Administration, however, objected that the bill would erode federal authority in deciding how federal lands were to be administered.

To meet the objections, Cranston this year introduced a new packet of seven sanctuary bills. The new bills eliminate the automatic feature on existing and future state oil-free zones. They even drop a restriction, one especially alarming to the oil industry, against exploration in the federally controlled outer continental shelf.

And the new legislation, as it should, gives the President the right to grant oil leases in the event of national emergency. Still the Interior Department remains opposed.

Basically, the bills (SB 1446–1452) would permit Congress to ban oil activity in federal tidelands seaward from six present state oil-free zones, and, in the process, protect 250 miles of California's priceless 1,000-mile coastline. They do not bind the federal government on future state action. They do not even affect the contested federal oil zone off Santa Barbara.

As to lossening federal control of oil lands of other states, a specter raised by the Interior Department, that is an argument between the Administration and other states.

If the citizens of California are willing to forgo tidelands oil revenue to protect their beaches, Congress should grant them that right.

What California's senior senator contends is the deliberate inability of Interior Department officials to understand the beneficial intent of the proposal should not be permitted to kill off the legislation in committee.

## YOUNG ALABAMA POETS

Mr. SPARKMAN. Mr. President, again this year the National Poetry Day Committee's autumn festival has honored the outstanding young poets and artists of my State of Alabama. In mid-October, the National Poetry Day Committee, headed by Dr. Frances Clark Handler of Miami Beach, Fla., and the Alabama chairman, Mr. Joe Mitchell Pilcher, paid tribute to four young poets from Alabama. These young people were awarded both State and national prizes in the annual student poetry contest. The contests in Alabama were conducted under the auspices of Mr. Carl P. Morton and Mr. Richard G. Beyer, of Birmingham and Florence respectively, and by Mr. Joe Mitchell Pilcher. Mr. Morton is president and Mr. Beyer is a past president of the Alabama State Poetry Society. Mr. Pilcher, who is a poet and musicologist from Montgomery, is the Alabama chairman of the National Poetry Day Committee.

Serving as cochairmen and judges on the student poetry contest panel with Alabama Chairman Pilcher were Mrs. Virginia Farnell, William Young Elliott, Morton D. Prouty, Isabel Morton, Frances Durham, and Corinne Demetropolis.

Young Alabama poets honored by the committee were Tom Pilcher, an alumnus of Auburn University; Kathie Farnell, a sophomore at Montevallo University, Montevallo, Ala.; Terry Willis, a ninth grader from Bellingrath, Ala.; and Jean Shelton, a senior at Robert E. Lee High School in Montgomery, Ala.

Mr. President, the national award winning poem was written by Tom Pilcher and is entitled "Jasmine Hill." The poem is as follows:

### JASMINE HILL

(By Joseph Thomas Pilcher)

In gardens of summer evenings
Where wandering winds move the soul
To Temples of long ago,
In gardens of moonlight memories
Where perfumed breezes engulf the soul
And the hound of love howls from the hill.
Nature steals the heart
And you are a child once more.

Mr. President, it gives me a great deal of pleasure to invite the attention of Senators to the activities of the National Poetry Day Committee, and I take pride in the recognition given to these young writers from my State.

## THE YAKIMA INDIAN NATION AWAITS JUSTICE

Mr. KENNEDY. Mr. President, recently my Subcommittee on Administrative Practice and Procedure held hearings relating to the protection of Indian natural resources.

I conjectured in my opening statement that the hearings would attempt to expose in the clearest terms the Federal Government's flagrant abdication of its trust responsibilities to the Indian people.

Mr. President, that was an understatement. The testimony of the Indian leaders—young and old, educated and traditional—unwound before the subcommittee a scroll revealing the shameful role of our Government, which by treaty and statute, is the guardian of the Indian people and protector of their rights, in participating in the abrogation of those rights.

Since the signing of the last treaty in the 19th century, the Indian land base has dwindled by almost 90 million acres. Much of that land has been slipped quietly into the public domain, and the decisions of Federal courts, findings by the Indian Claims Commission, and congressional enactments have time and again highlighted the illegal taking of Indian land by the United States by mistake, fraud, and even force.

One case in point, illustrative but not unique, clearly points up a continuing breach of trust and treaty by our Government. Chairman Robert Jim, of the Yakima Nation, testified before my subcommittee on an issue of primary importance to his tribe today, and I ask unanimous consent that his testimony be included in the RECORD at the end of my remarks.

Mr. President, the efforts of the United States to wrench from the Yakima Indians of Washington State 21,000 acres of their lands, including their religious mountain, Mt. Adams, is a clear example that our Government still clings to the bureaucratic and oppressive attitudes which in the first instance drove these people from their lands.

The Yakima Indian Nation contends that the United States is today trespassing on 21,000 acres of Yakima lands.

A charge of trespass is serious indeed; but perhaps there is no milder term to describe our presence on their 21,000 acres.

A careful review of the Yakima Indian Nation's rights clearly indicates that there is substantial merit in their contentions.

In 1855, our Government dispatched its agent and then Governor of the Oregon Territory, Isaac Stevens, to make treaties with the Northwest Indians in preparation for pacing a peaceful entry for the on-rushing mass from the East. With the absence of the kinds of hostilities encountered in the Plains and the Southwest, these treaties were made in peace. The force of the Government's position came not from guns and cavalries, but from deception and devisive maneuverings.

The wise chiefs at that treaty gathering, particularly Kamiakin, chief of the Yakima Nation, chose to reserve for future generations lands which were engulfed by natural ridges and streams. These were peaks and shorelines they could see and thus relate to the treaty map. These were boundaries our Government recognized and guaranteed to protect against all intrusion from outsiders. But what about intrusion by the United States itself?

Alas, when the United States sent its surveyors forth they did not bother to follow the treaty language. And for whatever reason the treaty map which had accompanied the treaty was mysteriously lost or misplaced in Government files and not found until 1930—75 years later.

Without regard for the natural peaks and ridges and rivers, straight line surverys were conducted, chopping off large sections of Yakima lands.

In an effort to regain their lands, the Yakimas suffered the lengthy struggle of argumentation and testimony before our courts and Indian Claims Commission, a labyrinth from which Indians have never gained their rightful due.

Twenty years after they entered their first plea, the Yakimas won a decision from the Indian Claims Commission in 1968 establishing the southwestern outer boundary, including a total of 121,000 acres of land as having been erroneously excluded from the reservation.

Without regard for the Yakima's rights, the United States appropriated 98,000 acres of these lands to homesteaders and other third parties. The Commission, ruling these lands to have been taken, paid a typically low unconscionable sum per acre for the lost lands, 2,000 acres of unpatented lands were returned to the Yakima. Of the 21,000 acres remaining, now illegally under Forest Service jurisdiction, the United States has refused, to date, to move positively in the erasure of this shame from our archives.

In 1968, the Indian Claims Commission allowed a stipulation in the Yakima case regarding the 21,000 acres, permitting the Yakima a period of time to "enable the Yakima Tribe to seek restoration of these lands to the Yakima Reservation." A stipulation was necessary because the Congress empowered the Indian Claims Commission, regardless of merits in each case, to make only cash settlements with Indian tribes.

Since that time, the Yakima have been attempting to bring this matter to the attention of the President of the United States. A concerted effort was begun in March of this year to reach the President. The Yakima wrote the President on May 10, 1971, requesting his consideration and intervention.

The Commissioner of Indian Affairs, Mrs. Louis Bruce, responded to that letter on June 29 of this year stating:

> We agree that the Tribe's request for this property is fully justified and the adjustment of the reservation boundary would right a wrong of long standing.
>
> The President is very much aware of the importance of the Yakima Indians' claim to some 21,000 acres of land; however, this is within the purview of the Secretary of the Interior.
>
> You may be assured that this Bureau as well as the Secretary will assist the Yakima Tribe as much as possible in its efforts to have this land made a part of this reservation.

This assurance by the Commissioner appears so far to be as useful to the Yakima as the assurance by Governor Stevens that the land embraced by the treaty recitations would be an inviolate home and abiding place for them.

In the 1904 Supreme Court decision of United States against Winans, the Court, after reviewing the legal status of the treaty, declared the dignity of Yakima title:

> The treaty was not a grant of rights to the Indians, but a grant of rights from them—a reservation of those not granted.

In the same decision the Court declared:

> The construction of the treaty disposes of certain subsidiary contentions of respondents. The land department could grant no exemptions from its provisions. It makes no difference, therefore, that the patents issued by the Department are absolute in form. They are subject to the treaty as to the other laws of the land.

The precedent which arises from the Winans decision is that the Yakima Indian Nation retained title to all the lands and appurtenances embraced within its treaty of 1855.

Another case before the Supreme Court involved patents erroneously granted to the Northern Pacific Railroad. The Court annulled those patents, stating in a 1913 decision:

> The Foundation of the bill is that the patents were issued by mistake as public lands.

Because the patented lands were private Indian lands and not public lands, the Supreme Court held they were not subject to disposition by the United States.

Indeed, the 21,000 acres of land, including Mount Adams, are not available to the United States for disposition for and unto itself. It is against all principles of law and morality that the United States, trustees for these people, should take its ward's lands for itself. Expropriation by erroneous survey of Indian lands cannot be in the interest of the United States.

The Supreme Court, again in the Northern Pacific decision, enunciated the danger of such takings:

> If the Government may control the cession and control the survey and by the action of its agent foreclose inquiry or determine it, an easy means of rapacity is afforded, much quieter but as effectual as fraud. We should hesitate to put the Government in that attitude.

For the United States to do less than justly restore the 21,000 acres to the Yakima would bring dishonor upon this Nation.

Restoration of these lands is totally within the authority of the President of the United States. The congressionally created Indian Claims Commission has found in favor of the Yakima, but is not empowered to restore the 21,000 acres to them.

Although the Yakima have not been formally informed of the White House response to this issue, it has been reported that the White House has referred this issue to the Attorney General for a determination of the status of the 21,000 acres.

What shall the Justice Department say? That an erroneous survey provides a legal vehicle for the expropriation of Indian lands.

A rather complete legal memorandum concerning the Yakima Indian nation's title to the 21,000 acres was written by Mr. William Veeder of the Bureau of Indian Affairs. In that memorandum it is pointed out that these lands were under judicial decisions considered private—not public—lands and therefore could not legally be included by Executive order as national forest. Mr. President, I ask unanimous consent that this memorandum be included in the RECORD in its entirety at the end of my remarks.

But I believe, Mr. President, that one need not rely on compelx legal reasoning to see the merits of this matter.

Mused Yakima Chairman Jim:

> If a man builds his fence in the wrong place, no court in the land will say that this error gives him title to his neighbors land. The administration is our trustee, legally, and it should not steal from its wards.

The Forest Service indicated in a letter to me that it would rather have the Yakimas compensated for their land. Compensation, of course, would be computed at the time of the taking, which started in 1897. This of course would be the easy—and the cheap—way out for the Government. But the Yakima people will not, and should not, stand for it. As Chairman Jim indicated:

> But all of the land is special to us. We have worshipped it. You have to be an Indian to really understand why and how, but the land is our Mother Earth. It is the source of life, and they are not going to make any more land. They may keep making new money, but our Creator put the land here, and He made us the keepers of the land—not the owners. We had to accept money for some of our stolen lands, but that makes no more sense than accepting money for the air. We are not going to rest until we get this land back.

The sanctification of illegal takings of Indian land through the inaction of the administration cannot and should not continue.

Is it not enough that the Yakima have, of their own initiative and expense, paid heavily in time and funds to establish their rights.

Is it not enough that the Yakima granted to the United States the full rights to 11 million acres in the fertile heartland of Washington State.

Is it not enough that the Yakima are not asking, because of broken treaty, that all the 11 million acres be returned to them. They have broken no promises; yet, in spite of our breach of promise, they remain hopeful that there is still justice in America.

Let us act with honor and move to restore these lands immediately. Let us live up to the hope and faith expressed by Kamiakin, chief of the Yakima, as he proclaimed to the treaty makers before he signed the treaty:

> Perhaps you have spoken straight, that your children will do what is right. Let them do as they have promised.

We are those children of whom Kamiakin spoke; we can do what is right. So that, for a moment of truth, we can tell our children that their forefathers have spoken straight.

I ask unanimous consent that certain statements be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

### STATEMENT, IN PART-LAND RIGHTS, BY ROBERT B. JIM, CHAIRMAN, YAKIMA TRIBAL COUNCIL, YAKIMA INDIAN NATION, TOPPENISH, WASH., BEFORE THE SENATE SUBCOMMITTEE ON ADMINISTRATIVE PRACTICE AND PROCEDURE, OCTOBER 19, 1971

Mr. Chairman and Honorable Senators: The need to protect Indian land rights is of greater importance today than it ever has been; for we face not the obvious barrels of guns to force a takeover of our lands, but the selfishly designed law of men who are ever destroying the little earth they retain and are out to get the little lands that we, Indian Nations, have left.

It took extreme patience, my honorable Senators, for the Yakima to fight through your courts and commissions to establish land boundaries we always knew to be correct by Treaty outlining our lands.

I will not call upon your patience now, to listen to the grueling years, months and hours it took to have our rightful lands recognized.

But as you well know, Gentlemen, recognition of rights is not always land in hand. The Indian Claims Commission, in 1967 determined that in the Southwestern portion of our Reservation, 121,465.69 acres had been excluded by erroneous surveys conducted by the government, known as Tract D. In the meantime, from erroneous survey to 1968, the government had patented out of Tract D, nearly 98,000 acres to third parties, the government thus giving itself the argument of a taking. So we were paid a pitiful sum of 50c an acre for the lost acreage. Another 2,000 acres of unpatented lands in that tract were returned to our jurisdiction. *Now* 21,000 acres remains in government hands, and we have been facing frustrating maneuvers and devices keeping these lands from being restored to the Yakima Indian Nation.

That 21,000 acres happens to include one-half of our religious mountain, Mt. Adams. The mountain is of significance to us because in our religion it is the symbol of life's renewal: Throughout the year, beginning in Spring, we celebrate the gifts of life as provided through the mountain. For, from the mountain comes the water which gives life to all living things—the grass for the deer; the roots for our strength; the streams for the fish.

And at the end of life, it is to the mountain that the spirit of the Yakima returns.

Because it has always been a part of my people and their religion, our wise chiefs reserved that mountain for the Yakima in the Treaty of 1855. They needed no surveyors because Mt. Adams stood in might for all to see.

In 1907 however, President Theodore Roosevelt, extended the boundaries of what is now the Gifford Pinchot National Forest. It embraced (quote) "Public Lands bearing Forest" (unquote) and because of the erroneous survey, embraced Mt. Adams and our 21,000 acres, which were private lands reserved for and by the Yakima.

These lands remain within the Gifford Pinchot National Forest today, under the jurisdiction of the United States.

In effect, the United States, Trustee for the Yakima Indian Nation, is attempting to take from its wards, for its own benefits, against all sound principles of law.

We are often asked, "why didn't the Indian Claims Commission restore the 21,000 acres to the Yakima?"

Because, we are told, the Congress, in its wisdom, in creating the Indian Claims Commission, limited its authority, regardless of its findings, to cash settlements with Indian Tribes.

In our case, regarding the 21,000 acres, the Indian Claims Commission allowed a stipulation permitting us time to pursue other avenues of government for the restoration of these lands, which are truly ours.

After following many hopes for restoration in many directions, we finally began a concerted effort to bring this national wrong to attention of our Chief Trustee, President Nixon, who has the Executive authority to right this injustice. We were immediately met, however, with a conspiracy by silence, our letter of plea for the President's intervention of May 10, 1971 was not answered until June 29, 1971—and not from the President or much less his staff, but from the Bureau of Indian Affairs.

Indeed, for some time, in an effort to ignore our rights, the White House staff was referring the multitude of letters of tribal and national support, to the Bureau of Indian Affairs for response.

We cannot believe that the President would knowingly permit such treatment of Indian people. The national shame in depriving us of our rightful lands for over a century, is added to today by staff, by a people we do not elect, but who take it upon themselves to make administrative decisions regarding the constitutional rights of the Indian.

There is an attempt to pursue the old Bureaucratic line of forcing us to accept cash for the 21,000 acres; we will have nothing to do with money for this land. The United States can make money every day in all the denominations it wishes, but it cannot make land; except perhaps, by the illicit takings of Indian lands.

The 21,000 acres the United States trespasses on today is ours; it has been ours since time immemorial and legally belongs to the Yakima today.

We will not accept any alternative but the restoration of our lands.

It is a sad documentary that the United States, which set itself up as the Trustee for American Indians, has not established the tools nor the avenue for the Indian people to be protected from its Trustee—for we are victims of our Trustee's whims and sometimes, greed. All the Indians have today to protect their rights, are lawyers and staff who also represent the adversary of the Indian. How well they write their briefs on our behalf depends upon how committed they are to another branch or department or bureau of government, not upon their commitment to their profession.

I wish to commend the Senate Sub-Committee on Administrative Practice and Procedure for its interest in the protection of American Indian Rights as established by treaties between the United States and the Nations of Indians. The United States is solemnly committed by contract to protecting our rights. That responsibility has been for too long, carelessly observed.

Not only do we need a new commitment to the protection of Indian land and other rights, but a vehicle—a body of legal minds, unhampered by conflict of interest and the interference of government, to recommend and move in behalf of the American Indian, for the protection and continued enjoyment of rights, reserved by the Indians themselves, when they gave to this powerful nation, the earth and wealth from which it gathered strength to become great.

### YAKIMA INDIAN NATION'S TITLE TO THE 21,000 ACRES OF LAND HERE INVOLVED IS OF THE HIGHEST DIGNITY—GUARANTEED BY THE SUPREME LAW OF THE LAND [1]

Title of the 21,000 acres of land which resides in the Yakima Indian Nation is of the highest dignity which can be ascribed to a property right or interest. That immemorial title dates back to antiquity. Dominion—not *title*—passed to the United States of America over the lands in question by the Treaty dated June 15, 1846, with Great Britain.[2] Long prior to that date—when, no one knew—the Yakimas had invested in them their aboriginal title to the 21,000 acres of land.

Essential to this consideration is brief reference to the history of the relationship between the United States of America and the Yakima Indian Nation. The immemorial title of the Yakima Indian Nation is protected by the Constitution of the United States of America for when the President's representative, Governor Isaac I. Stevens, met with the Confederated Tribes and Bands of Indians, "considered" as one nation under the name of "Yakima", the Treaty-making power under the Constitution was invoked with all the moral dignity attendant upon it.

Important likewise is this precept of law as enunciated by the source of sovereignty: "This Constitution * * *; and all Treaties made, or which shall be made, under the Authority of the United States, shall be the supreme Law of the Land * * *."[3]

It was pursuant to the "supreme Law of the Land" that this country through its authorized representatives addressed itself to negotiating a treaty of peace and friendship with the Yakimas. That council of peace and friendship was held May 22 through June 11, 1855.[4] One must recoil at the present trespass and illegal occupancy of the 21,000 acres of Yakima land by the Agriculture Department's agents, or ascribe to this Nation and its representative, Governor Stevens, an immoral, transcendent wrong perpetrated in the name of friendship upon the Yakimas.

In addressing the Yakimas, Governor Stevens in apparent sincerity—albeit highly paternalistic—assured them in substance that the lands embraced within the boundaries described by the Treaty would be an inviolate home and abiding place for them.[5] When Stevens recited all the good things that the "Great Father" had in mind for them, he was either engaging in hypocritical drivel in regard to the intentions of the Chief Executive of this Nation, or he was covenanting that the Presidents of this country, then and in perpetuity, would not violate the solemn obligations being entered into with the Yakima Indian Nation. As a result of the negotiations briefly alluded to above, the Treaty of 1855 was entered into between the Yakima Nation and the United States. It was ratified March 8, 1859, and proclaimed by the President on April 18, 1859.[6] In the succeeding paragraphs there will be reviewed the legal principles which establish beyond successful contest the title of the Yakima Indian Nation to the 21,000 acres of land which are the subject matter of this consideration.

(a) *Nature, character and dignity of the Yakima Indian Nation title declared by the Highest Court:*

Discussed briefly above is the historical and constitutional dignity of the Yakima Treaty of 1855. Great stress must be placed upon the decisions of the Supreme Court in its declarations of the legal consequences of that Treaty as it pertains to the Yakimas' title to the 21,000 acres.

In the 1904 *Winans Decision* the Supreme Court enunciated the legal relationship of the Yakima Nation and the United States under the Treaty as that relationship pertains to the title of the lands here involved, indeed,

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Footnotes at end of article.

all lands, rights, appurtenances and hereditaments embraced within the Yakima Indian Reservation. In detail the Treaty was analyzed and from it extensive excerpts were set forth. Having quoted the initial clause of the Treaty pursuant to which a vast empire was ceded, relinquished, and conveyed by the Indians to the United States, the Court quoted the following crucial clause of the covenant between this Nation and the Yakimas insofar as here pertinent:

"Article II. There is, however, reserved from the lands above ceded for the use and occupation of the aforesaid confederated tribes and bands of Indians, the tract of land included within the following boundaries: . . .[7]

Included in the lands described are the 21,000 acres now occupied by agents of Agriculture's Forest Service. Respecting the 21,000 acres and all the lands of which they are a part, the National Government and the Yakima Indian Nation further covenanted:

"All of which tract shall be set apart, and, so far as necessary, surveyed and marked out, for the exclusive use and benefit of said confederated tribes and bands of Indians as an Indian reservation; nor shall any white man, excepting those in the employment of the Indian Department, be permitted to reside upon the said reservation without permission of the tribe and the superintendent and agent."

This quoted proviso of the Treaty gave rise to the *Winans Case* by reason of the attempted violation of that right of fishery retained by the Indians:

"The exclusive right of taking fish in all the streams where running through or bordering said reservation, is further secured to said confederated tribes and bands of Indians, as also the right of taking fish at all usual and accustomed places, * * *."[8]

Summarizing the controversy between the Yakimas, Winans and the State of Washington, the Supreme Court had this to say:

"The right to resort to the fishing places in controversy was a part of larger rights possessed by the Indians, upon the exercise of which there was not a shadow of impediment, and which were not much less necessary to the existence of the Indians than the atmosphere they breathed."[9]

In denying that either the issuance of the patents to private individuals in the fishing area or the issuance of a license to operate a fishing wheel to the patentee by the State of Washington, could violate the Yakimas' Treaty rights of fishery, which are interests in real property of the highest order,[10] the Supreme Court said this:

"* * * *the treaty was not a grant of rights to the Indians, but a grant of rights from them—a reservation of those not granted.* And the form of the instrument and its language was adapted to that purpose."[11] (Emphasis supplied)

Let this fact be emphasized for it is the precept of law governing here:

It was the Yakima Nation at the time of the 1855 Treaty that held title to the 21,000 acres of land—title was not in the United States; the Yakima Nation under the Treaty was the grantor to the United States, and not the grantee from the United States.

Underscoring the fact that it was the Yakima Nation that held the title to the 21,000 acres and the rights of fishery then before the Court, it expressed this additional conclusion:

"* * * the right [retained by the Yakima Nation] was intended to be continuing *against* the United States and its grantees as well as against the State and its grantees."[12]

Dignity of the Treaty as a guarantee of the Yakima title to the real property retained pursuant to it, against Federal encroachment was succinctly stated in these terms:

"The construction of the treaty disposes of certain subsidiary contentions of respondents. The Land Department could grant no exemptions from its provisions. It makes no difference, therefore, that the patents issued by the Department are absolute in form. They are subject to the treaty as to the other laws of the land."[13]

Key precedent, as stated, which emerges from the *Winans Decision* is the express declaration that the Yakima Indian Nation retained title—did not grant title to the United States—of all of the lands and appurtenances embraced within its Treaty of 1855.

Applying the precedent of *Winans* the Supreme Court of the United States again[14] reviewed the Yakima Treaty of 1855. It further buttressed—if that were possible or required—the *Winans* concepts of Yakima title. Harsh nature of the remedy prayed for and the relief correctly granted in the *Northern Pacific Decision* above cited, is an important aspect of that decision. Involved was real property title to which had been retained by the Yakima Indian Nation by its Treaty of 1855, as in *Winans*. Patents had erroneously been granted to the Northern Pacific Railway. The National Government brought an action to have those patents annulled. In the words of the Highest Court, "The foundation of the bill is that the patents were issued by mistake as public lands * * *."[15] In truth and in fact, as the evidence proved, the lands thought to be "public lands"—a term of art—were Indian lands title, as stated, having been retained by the Yakima Nation by its Treaty of 1855.

In the phase of the consideration which follows the distinction between the lands title to which resides in the Yakima Indian Nation, and "public lands"—as stated, a term of art—will be analyzed in detail.

Throughout the *Northern Pacific Decision* the Supreme Court—as in *Winans*—distinguishes between the properties "reserved" by the Yakima Nation and those "ceded, relinquished and conveyed to the United States."[16] It alludes to the fact that although the Treaty of 1855 contains a description of the tract reserved which is "* * * very confident and seems to assure certainty by prominent and unmistakable natural monuments", nevertheless, "Controversies, * * * almost immediately arose, the Indians contending for one location of the calls and enterprising settlers contending for another."[17]

On that background the Court reviewed conflicting surveys made by the United States. Stressed here is the fact that the controversy between the Agriculture Department and the Yakima Indian Nation stems from occupancy by the former of 21,000 acres of Indian lands predicated upon an admittedly erroneous survey made by another agency of the United States. Hence, in simplest terms, this travesty: An agency of the Federal Government—Trustee for the Indians and a party to the Treaty—is knowingly occupying land which by reason of the solemn between the Indians and the United States, was reserved by the Yakima Indian Nation.

Sustaining the finding of facts by the trial court that the lands of the Yakima Indian Nation has been patented by mistake as "public lands" due to the erroneous survey, the Supreme Court annulled the patents as prayed for, declaring the title in the Yakima Nation in these terms:

"The controversy in the case, therefore, turns upon which of the surveys, Schwartz or Barnard's, correctly marks the boundaries of the reservation. The difference in the surveys amount to 293,837 acres. The Circuit Court accepted the Barnard survey and entered a decree cancelling the patents. The decree was affirmed by the Circuit Court of Appeals."[18]

In affirming the decree annulling and cancelling the patents the Supreme Court enunciated the controlling principles:

The lands mistakenly patented were "reserved" by the Yakimas "for their own use. We must keep in mind their situation—what they gave and what they reserved. * * * They gave up a principality."[19]

Reiterating and reaffirming the *Winans* principles and those set forth above, the Supreme Court continued:

"It must be borne in mind that the Indians had the primary right. *The rights the Government has are derived through the cession from the Indians.*"[20] (Emphasis supplied.)

Due to the basic fact that erroneously patented lands were Yakima Indian Nation lands—not "public lands"—the Supreme Court held they were not subject to "disposition" by the United States.[21]

As recently as 1964 the Yakima Treaty of 1855 was again the subject of judicial analysis as to the legal principles flowing from it respecting interests in real property to which it pertained.[22] There the title of the Yakima Indian Nation to rights to the use of water retained by them under the Treaty of 1855 was at issue. Those rights have all the dignity of a freehold interest in the Treaty lands of which they are part and parcel.[23] Applying the legal concepts of the *Winans* and *Northern Pacific Decisions* in regard to the Treaty of 1855, the Court of Appeals for the Ninth Circuit, and certiorari was twice denied, said this:

"That the Treaty of 1855 reserved rights in and to the waters of this stream for the Indians, is plain from the decision in Winters v. United States, * * *."[24]

Referring to the *Winans Decision* the Court quoted the legal and moral rationale of it:

"When the Indians agreed to change their nomadic habits and to become a pastoral and civilized people, using the smaller reservation area, it must be borne in mind, as the Supreme Court said of this very [Yakima] treaty, that 'the treaty was not a grant of rights to the Indians, but a grant of rights from them—a reservation of those not granted.' United States v. Winans, 198 U.S. 371, 381."[25]

Dignity of the title of the Yakima Nation to the 21,000 acres of land, residing in it from time immemorial, is most impressive. Three landmark decisions adhering to the sound and moral precepts of the *Winans Decision* and the *Northern Pacific Decision* attest to that conclusion. As the unassailable authorities respecting the Yakima title under its Treaty of 1855 demonstrate, it pertains not only to the land itself but to its rights of fishery and rights to the use of water.

At all times down to date that immemorial title has resided in and now resides in the Yakima Indian Nation in regard to the 21,000 acres, all as will be more fully discussed.

(b) *Title of the Yakima Nation to the 21,000 acres is private in character held in trust for it by the United States—those 21,000 acres are not now nor have they ever been "public lands":*

Authorities have been analyzed and the substance of them set forth in the paragraphs which immediately precede. Emphasized there is the fact that title to the 21,000 acres was retained by the Yakima Nation when it ceded, conveyed and relinquished to the United States a vast "principality" pursuant to its Treaty of 1855. Two aspects of the title retained by the Yakima Indians—not conveyed—are of extreme importance: (i) Status under the Constitution of the *United States as it relates to the title of the Yakima Nation* to the 21,000 acres; (ii) Status of those 21,000 acres, title to which has been retained.

(i) *Yakima Nation's title to 21,000 acres of land private in character held in trust for Yakima Indians by the United States under the Constitution:*

Response to the first aspect—the status of the United States in regard to the 21,000 acres, title to which was "reserved" by the

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Yakima Indians for themselves—is free from doubt. Since the formative years of this Nation the United States has occupied the status of a Trustee for the American Indians and their properties.[26] Chief Justice Marshall, having observed the unique status of the American Indians, declared it to be a "* * * relation to the United States" which "resembles that of a ward to his guardian."[27] Repeatedly the courts have reaffirmed that relationship: The United States, Trustee; the American Indians, the beneficiaries, under a trust the genesis of which is the Constitution itself.[28] In fulfilling that trust to the Indians the United States owes "the most exacting fiduciary standards."[29] Those exacting standards demand from this Nation, its agencies, officers and employees the highest degree of loyalty, fidelity, care, skill and diligence.[30]

These 21,000 acres, title to which was reserved by the Yakima Indians, and held in trust for them under the Constitution, are *"private"*—not "public"—in character. Seizure of them under the powers of *eminent domain* when authorized by the Congress, entails the payment of just compensation, likewise under the Constitution, identically with any other lands held in "private" ownership when "taken."[31]

(ii) *Yakima Nation's 21,000 acres are not now and never were "public lands":*

Crux of the issue here presented is the very basic distinction between this Nation's "public lands" and the "private" lands of the Yakima Nation, including the 21,000 acres here involved, held in trust by the United States for the benefit of the Yakima Indians.

As stated earlier, the term "public lands" is a term of art in the contemplation of the law, with far ranging implications. Few tenets of the law pertaining to natural resources are more firmly established. The Supreme Court has repeatedly held that lands of the United States which are reserved are severed from the public lands. In *United States v. O'Donnell,*[32] the Court said: "It is a familiar principle of public land law that statutes providing generally for disposal of the public domain are inapplicable to lands which are not unqualifiedly subject to sale and disposition because they have been appropriated to some other purpose." There has been consistent judicial acceptance of that principle.[33]

The Congress, in passing the Federal Power Act, ascribed to the term "public lands" the same connotation which has been adopted by the Supreme Court. That Act specifically states[34] that " 'public lands' means such lands and interest in lands owned by the United States as are subject to private appropriation and disposal under public land laws. It shall not include 'reservations', as hereinafter defined; (2) 'reservations', means national forests, tribal lands embraced within Indian reservations, * * * withdrawn, reserved, or withheld from private appropriation and disposal under the public land laws; * * *."

With great clarity and quite recently the Supreme Court in the *"Pelton Decision"* enunciated the principle that "public lands" are those title to which is in the United States which "* * * are unqualifiedly subject to sale and disposition * * *"[35]

Most assuredly the lands "reserved" by the Yakima Nation under its Treaty of 1855, including the 21,000 acres, are not "public lands." That statement is predicated upon the *Northern Pacific Decision*—controlling here—in which, in declaring the applicability of an Act of Congress pertaining to "public lands", the Supreme Court distinguished the lands, title to which was reserved to themselves by the Yakima Nation in its Treaty of 1855, from lands held by the United States "unqualifiedly subject to * * * disposition":

"The act was one of a series of acts and manifestly applies only to the *public lands of the United States* subject to acquisition under the laws enacted for the disposition of the public domain."[36]

On the background of fundamental law declaring with precision that the lands embraced within the Yakima Treaty of 1855 are not and have never been "public lands", the pertinent facts and law respecting the establishment of the Gifford Pinchot National Forest will be reviewed.

### INTEGRITY OF THE YAKIMA TREATY OF 1855, AND THE TITLE OF THE YAKIMA NATION TO THE 21,000 ACRES HERE INVOLVED WERE NOT AND HAVE NOT BEEN VIOLATED BY THE PRESIDENT OF THE UNITED STATES

Supreme Court and Congressional declarations have made abundantly manifest the meaning of the term "public land." Definition of that term of art has been dwelt upon above. As a consequence the Congress was well aware of the lands to which it had reference when it passed the March 3, 1891 Act which was in part as follows:

"Sec. 24. That the President of the United States may, from time to time, set apart and reserve, in any State or any Territory having *public land* bearing forests, in any part of the *public land* wholly or in part covered with timber or undergrowth, whether of commercial value or not, as *public reservations,* and the President shall, by public proclamation, declare the establishment of such reservation and the limits thereof."[37]

Yakima Indian lands described in the Treaty of 1855 are not within the purview of that quoted excerpt from the Congressional Act, which related only to "public land" subsequently to be embraced within what is now known as the Gifford Pinchot National Forest. That fact is manifested by the Proclamation dated February 22, 1897,[38] issued by President Grover Cleveland when he established the Mount Rainier Forest Reserve. Quoted verbatim in that Proclamation is the above set forth Section 24. In accordance with that Section, the Proclamation is strictly limited to "public lands" and to "tracts, pieces or parcels" of it within the described area.

President Theodore Roosevelt, in a Proclamation dated March 2, 1907, as set forth below amended the Proclamation of February 22, 1897, by declaring that "additional lands" would be within the Mount Rainier Forest Reserve. The exterior boundaries of the "additional lands" included the 21,000 acres of Yakima Indian land. Let this fact be emphasized:

That 21,000 acres of Yakima land, although within the exterior boundaries set forth in the diagram made a part of the 1907 Proclamation, were excluded from the Forest Reserve in these terms: "* * * excepting all lands which at this date are embraced within any withdrawal or reservation for any use or purpose to which this reservation for forest uses is inconsistent."

It is understood that by subsequent action, in no sense affecting the Yakima title, a portion of the National Forest has been designated the "Mount Adams Wild Area."

*Congress—the Presidents—excluded the 21,000 acres from the Gifford Pinchot National Forest, so designated in 1908:*

Coalescence of Congressional and Executive actions gave rise to these legal consequences:

(i) Congress exercised its powers over the "public lands"—in no way affecting the Yakima lands;

(ii) The 1897 Presidential Proclamation conforming to the Congressional Act pursuant to which it was issued, did not pertain to Yakima Treaty lands, but only to "public lands * * * within the limits * * * described" in the Proclamation;

(iii) In amending the 1897 Proclamation to include "additional lands" the 1907 Proclamation expressly excepted Yakima Indian Reservation lands which were obviously inconsistent with the reservation proclaimed "for forest use * * *."

There is no room for construing either the Congressional Act or the Presidential Proclamations. They pertain only to "public lands." Chief Justice Marshall stated the principles of law which govern here; "Affirmative words are often, in their operation, negative of other objects than those affirmed; * * *."[39] Yakima lands are excluded.

Emphasis has been placed on the fact that the phrase "public lands" is a term of art. It is an elemental proposition of law that:

"In the absence of a legislative intent to the contrary, legal terms in a statute are presumed to have been used in their legal sense.[40]

Based upon the express language of the Congressional Act and the Proclamation, violence is done to very basic principles of jurisprudence to attempt to include the 21,000 acres of lands, title to which is in the Yakima Indian Nation, within the purview of the term "public lands."

Integrity of the Yakima Indian Nation's Treaty of 1855 and of their title to the 21,000 acres of land here involved, was very obviously maintained by both the Congressional Act authorizing, and the Presidential action proclaiming, the exclusive use of "public lands" for what is now known as the Gifford Pinchot National Forest—excluding Yakima Treaty lands.

### CONGRESSIONAL AND PRESIDENTIAL INTENTION CONTINUES TO MAINTAIN—NOT VIOLATE—THE YAKIMA INDIAN NATION TREATY OF 1855 AND ITS TITLE TO 21,000 ACRES HERE UNDER CONSIDERATION

(a) *Bad faith is not to be imputed to Congress or the office of the President of the United States:*

History of the Yakima Treaty of 1855 has been set forth above. Its objectives have been underscored. Legal consequences of the Treaty have been declared by the Supreme Court and reaffirmed by it, all as reviewed above. Succinctly stated: Title to all lands not ceded, conveyed or relinquished to the United States, was reserved by the Yakima Indian Nation, including the 21,000 acres. They are not "public lands."

Congress, when it invested the President with the plenary power of the Nation over "public lands" covered with forest; the President, when exercising the power under that Congressional authorization to establish the presently designated Gifford Pinchot National Forest, limited the Proclamation to "public lands", did not violate this Nation's solemn Treaty with the Yakimas by attempting in a manner *unauthorized* by Congress to seize the privately reserved lands of the Yakima Indian Nation held in trust for it by the United States.

Imputation of bad faith to the Congress or to the Office of the President is rejected out of hand. There is not a scintilla of fact or authority to support it.

It is understood there has been reliance upon a different legal-factual situation than here presented, to justify seizure and occupancy of the lands of the Yakima Indian Nation. To do so is most assuredly reliance upon a slender reed.[41] To sustain the seizure of the 21,000 acres of Yakima land there must be Congressional authorization. No strained construction of precedents respecting the President's "great powers over the public lands" suffices to justify that seizure.[42] Quite obviously the quoted statement and the tenor of the decision from which it is taken are in error. As reviewed, the 21,000 acres are not now and have never been "public land." Continuing in the mistaken concept that Congress authorized and the President proclaimed, a violation of the Yakima Treaty of 1855, it is stated in the case last cited that, although there was an erroneous survey bringing Flathead Indian lands there in-

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volved, within an area thought to be "public lands" the "Presidents acted within their powers even though they were wrong * * *." [43]

That statement is rejected as precedent here, much less controlling. It is, as observed, a fallacy to apply the precepts respecting Presidential power over "public lands" to the lands reserved by the Yakima Indian Nation. Continuing with the fallacy that Congress and the President acted in regard to other than "public lands" it is erroneously stated that: "* * * because the Presidents were within their authority, their actions effected the taking of the plaintiffs' [Flatheads'] land. * * * the Indians cannot now claim that the lands have always remained theirs." [44]

Final rejection of the erroneous concepts contained in the last cited authority, are these facts and principles of the law:

1. The title of the 21,000 acres of land is in the Yakima Indian Nation under the Treaty of 1855. That lands thus reserved by the Yakimas are *not* "public land" has been declared, adjudicated and decreed by the Supreme Court in the *Winans* and *Northern Pacific Decisions.*[45] Adherence by the Trustee of the Yakimas to those precedents is mandatory. Acceptance of the last cited Court of Claims decision as controlling here is violative of that trust.

2. Title of the Yakima Indian Nation to the 21,000 acres of land has not in any way been denigrated through the issuance of patents to private individuals. Moreover, Congress neither authorized nor ratified its seizure. Hence, the facts are vastly different from the *Creek Nation Decision* heavily relied upon in the decision of the Court of Claims.[46] To be reviewed is the inapplicability of the *Creek Nation Decision* as a precedent in regard to the 21,000 acres unpatented of Yakima land seized by the Forest Service.

Under the circumstances agents of the Forest Service originally trespassed upon those 21,000 acres and are now in illegal occupancy of them as will be more fully reviewed.

(b) *Integrity of the Treaty with the Yakima Indian Nation was not violated by the United States; title to the 21,000 acres of their land seized by erroneous survey:*

An error in a Department of the Interior survey resulted in the erroneous encompassing of Yakima Indian lands within the National Forest. That error in survey is admitted by the parties, recognized by the Indian Claims Commission. Violation of the Treaty of 1855; seizure of the 21,000 acres of Yakima Indian land does not ensue from the mistake of the Trustee United States in fulfilling the clause of the Treaty which specifically provided for the survey. That the erroneous survey does not affect the title of the Yakima Indian Nation has been specifically and finally ruled upon by the Supreme Court in the *Northern Pacific Decision* and is here controlling. On the subject the Highest Court, in rejecting the assertion that the Yakima title could be affected by an error in survey, adopted these caustic terms:

"If the Government may control the cession and control the survey and by the action of its agents foreclose inquiry or determine it, an easy means of rapacity is afforded, much quieter but as effectual as fraud. We should hesitate to put the Government in that attitude." [47]

Subsequently in *Creek Nation*, the Highest Court rejected the frivolous assertion that a trustee's error in survey could result in the seizure of the lands of the Indian beneficiaries:

"Plainly the appropriation [of the land involved] was not in 1873, when Darling's survey was approved by the Commissioner of the General Land Office. That survey did not effect any change in the existing ownership; nor was it intended to do so." [48]

Two Supreme Court decisions establish the rationale to which this Nation adheres in regard to assertions that erroneous surveys could constitute a seizure of Indian lands:

1. A "rapacity" in regard to the Indians would be practiced upon them if an erroneous survey by the Trustee could consummate a seizure of their lands;

2. An erroneous survey does "not affect any charge in the existing ownership."

On that background the immutable criterion essential for seizure of the Yakima Indian Nation's 21,000 acres of land, a criterion which is here totally lacking, will be considered.

### CONGRESSIONAL INTENTION TO VIOLATE YAKIMA TREATY OF 1855 AND TO SEIZE THROUGH THE EXERCISE OF EMINENT DOMAIN THE 21,000 ACRES OF LAND, AN IMMUTABLE CRITERION TO THE EXERCISE OF THE POWER OF CONDEMNATION WHICH IS WHOLLY ABSENT

Congressional and Presidential intention to encompass only "public lands" within the Gifford Pinchot National Forest has been established. That intention, as stated, excludes an intent to seize the 21,000 acres of Yakima Indian land for use as a public national forest.

Intent by Congress is an imperative condition precedent to action by the United States which would intrude itself upon the Treaty lands of the Yakimas, violate the Treaty, condemn title to the 21,000 acres it guaranteed to the Yakima Nation, and seize them for National Forest purposes.

In the words of the Supreme Court in regard to the authority of the Chief Executive of the United States to take property:

"The President's power, if any, to issue the order [to seize private property] must stem either from an Act of Congress or from the Constitution itself. There is no statute that expressly authorizes the President to take possession of property as he did here. Nor is there any Act of Congress to which our attention has been directed from which such a power can fairly be implied." [49]

That principle of Constitutional law is, of course, applicable to the Treaty lands of the Yakimas.

Indispensable nature of the Congressional intent antecedent to the "taking" of property is too well established sensibly to challenge.[50]

Ratification of a trespass, of course, requires an intent by Congress. There is no evidence whatever, indeed, evidence is to the contrary, that Congress ratified the trespass and illegal occupancy of the lands in question.[51]

*Creek Nation,* just cited, is a key decision on the subject of the requisite elements for the seizure of Indian lands through this Nation's soverign power of *eminent domain.* Controlling precepts of that case were correctly recited in these words: "* * * if the putting of such treaty-reservation tracts in national forests was *authorized* or *ratified* by Congress, the Federal Government thereby took the Indians' property * * *." [52] (Emphasis supplied) Indispensable nature of Congressional intention—antecedent to Federal seizure, or subsequent ratification by Congress of illegal seizure—is abundantly manifest. A different rule would partake of anarchy. As the *Youngstown Decision, supra,* underscores—the Chief Executive may exercise the power of *eminent domain only* when that power is authorized by the Constitution or an Act of Congress.

Congress authorized withdrawal of "public lands" in the State of Washington; exercising that conferred power of withdrawal of "public lands" the Chief Executive proclaimed the establishment of an area to become the Gifford Pinchot National Forest.[53]

Congress, having expressed its *intent* in regard to the withdrawal of "public land"; having refrained from expressing an interest to authorize the seizure of the 21,000 acres of Yakima Indian Nation lands, the President could not seize the lands, but rather, as reviewed in detail, limited his proclamation to "public lands". To reiterate—an erroneous survey by an agency of the Trustee United States of America "* * * did not effect any change in the existing ownership;" of the Yakima Nation "* * * nor was it intended to do so." [54]

Let this fact be emphasized: Congress did not authorize the seizure of the 21,000 acres of Yakima Nation land; the President did not purport to seize those lands; there was no authority to seize; no act of purported seizure by the President; no seizure to ratify. Hence, this is the prevailing circumstance: Agents of the Forest Service trespassed upon the 21,000 acres and they are presently in illegal occupancy of those 21,000 acres of Yakima Indian Nation land.

*Reliance upon the Salish and Kootenai Decision wholly unwarranted; erroneous:*

Probing the correctness of the *Salish and Kootenai Decision* transcends the scope of this consideration. As stated in the *Yakima Decision,* different facts may require application of different legal principles. Failure to take cognizance of an element frequently results in a different conclusion. In the *Yakima Decision* by the Court of Claims respecting the boundary here involved, that court had this to say:

"* * * *individualized boundary calls which have to be read in the light of varying surveys, personal and tribal recollections, and comparable individualized materials" frequently render inapplicable the rulings of other cases.[55]

Basic and fundamental distinctions exist between the facts and the law relative to the 21,000 acres of Yakima Indian Nation lands, controlling in this consideration, which were not applied or relied upon in the *Salish and Kootenai Decision,* rendering that decision inapplicable here. They are in part as follows:

(a) Controlling here is Section 24 of the March 3, 1891 Act discussed above in detail.[56] That Section authorized withdrawal of "public lands" title to which was in the United States—not seizure of Yakima Indian Nation lands;

(b) Likewise controlling here is the Presidential Proclamation restricted strictly to "public land * * * within the limits hereinafter described, * * *"—not Yakima Indian Nation lands, private in character, held in trust for the Indian Nation;

(c) In the *Salish and Kootenai Decision* the controlling distinction of "public lands" from those of the Yakima Indian Nation land, was not considered in rendering the decision.

Rather, as reviewed above, the court—in error—referred to the "great powers over the public lands" of the Presidents to support its conclusion that Congress authorized the seizure of the Salish and Kootenai lands or subsequently ratified the seizure, which it most assuredly did not in regard to the 21,000 acres of Yakima land.

(d) Failure to apply the law respecting "public lands" referred to in the authorizing Section 24 of the Congressional Act, and the Presidential Proclamation in the *Salish and Kootenai Decision,* strips away all elements of controlling precedent respecting that decision in regard to the Yakima 21,000 acres. Speculation is not permissible as to what the decision would have been if Section 24 had been viewed as controlling. To be noted: Section 24 of the March 3, 1891 Act is alluded to in the *Salish and Kootenai Decision* but Section 10 which relates to "disposal" of Indian lands was primarily relied upon by the Salish and Kootenai and hence principally considered by the court.[57] Indeed, the court completely confused the law respecting "public lands" and in grave error applied it to the Indian lands.[58]

(e) Facts respecting the Yakima lands are drastically different than those recited in the *Salish and Kootenai Decision.* From the outset the Yakimas had strenuously contested

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the erroneous surveys as being violative of their Treaty of 1855. They had proceeded to the Supreme Court in regard to other errors, and controlling law in regard to their Treaty boundaries, and relied upon here was enunciated by the Supreme Court in the *Northern Pacific Railway Case*. That all-important Supreme Court precedent is in itself a factor which obviously distinguishes it from the *Salish and Kootenai Decision*. At all times important here the United States was considering, reconsidering and changing the Reservation boundaries based upon Yakima complaints. There were no Congressional Acts authorizing seizure of the lands in question, and no Acts by Congress in ratification of the erroneous boundaries. Again it is to be noted that in the *Salish and Kootenai Decision* the Court failed fully to consider the basis of the *Creek Nation Decision*. Congress ratified the seizure and disposition of the Indian lands—the key issue in that decision.[59] It was the Congress—having the exclusive power—which acted to ratify the seizure of the Creek Nation land; the President was powerless to do so, a fact not recognized in the Salish and Kootenai Decision.[60]

The basic distinction between the Yakima Nation factual situation, the established precedents, the failure of the Court of Claims to distinguish between "public lands" and Indian lands, preclude reliance upon the *Salish and Kootenai Decision* as grounds for seizing the Yakima Indian Nation's 21,000 acres. Indeed, as stated, the Forest Service trespassed upon those lands and is now in illegal occupancy of them.

FOOTNOTES

[1] Summary of facts regarding the 21,000 acres of land set forth above. See also Senate Calendar No. 860, Report No. 91–857, 91st Congress, 2d Session, S. 3337, May 12, 1970—pages 4–5.

[2] In Regard To The Rocky Mountains (9 Stat. 869).

[3] Constitution of the United States, 1787, Article II, Clause 2, Section 2; Article VI.

[4] 14 Ind. Claims Comm. 536, 537, Finding 56 (February 25, 1966).

[5] Id. at 538 et seq. See also Official Record of Proceedings.

[6] Treaty of June 9, 1855 (12 Stat. 951); ratified March 8, 1859, and proclaimed by the President April 18, 1859. Northern Pacific Railway Company v. United States, 227 U.S. 355, 356 (1913).

[7] United States v. Winans, 198 U.S. 371, 377 (1904).

[8] Id. at 378.

[9] Id. at 381.

[10] In Thompson on Real Property, per. ed., vol. 1, sec. 250, this statement appears: "It is held that fishing rights are incorporeal hereditaments, since they issue out of, * * * or are annexed to things corporeal." It is also stated in 22 Am. Jur., Fish and Fisheries, sec. 7: "The right to fish at a certain place is a property right constitutionally protected from confiscatory legislation, * * *. It is an interest in real estate in the nature of an incorporeal hereditament, * * *."

[11] United States v. Winans, 198 U.S. 371, 381 (1904).

[12] Id., at 382.

[13] United States v. Winans, 198 U.S. 371, 382 (1904).

[14] Northern Pacific Railway Company v. United States, 227 U.S. 355 (1913).

*Note:* The Northern Pacific Decision was rendered antecedent to the finding of the map of the Yakima Indian Reservation which fully confirmed the descriptions in the Treaty. Hence the factual situation immensely strengthens the title of the Yakima Indian Nation to the lands here involved. Those additional facts, however, and the change of circumstances must be viewed as strengthening the legal precedents enunciated by the Highest Court in the Northern Pacific Decision.

[15] Northern Pacific Railway Company v. United States, 227 U.S. 355, 356 (1913).

[16] Id., at 356–357.

[17] Id., at 357.

[18] Id., at 358.

[19] Id., at 360–361.

[20] Northern Pacific Railway Company v. United States, 227 U.S. 355, 366 (1913).

[21] Id., at 367.

[22] United States v. Ahtanum Irr. Dist., 236 F.2d 321 (CA9, 1956); Appellees' cert. denied 352 U.S. 988 (1956); 330 F.2d 897 (1965); 338 F.2d 307; cert. denied 381 U.S. 924 (1965).

[23] United States v. Winters, 207 U.S. 564 (1908); Arizona v. California, 373 U.S. 546 (1963); United States v. Walker River Irr. Dist., et al., 104 F.2d 334 (CA9, 1939); United States v. Ahtanum Irr. Dist., 330 F.2d 897 (CA9, 1964); United States v. Winans, 198 U.S. 371; United States v. Powers, 305 U.S. 527 (1939).

[24] United States v. Ahtanum Irr. Dist., 236 F.2d 321, 325 (CA9, 1956).

[26] Worcester v. Georgia, 31 U.S. 515, 548 (1832).

[27] Cherokee Nation v. Georgia, 30 U.S. 1, 15 (1831).

[28] United States v. Kagama, 118 U.S. 381 (1886); Seminole Nation v. United States, 316 U.S. 286 (1942); Oklahoma Tax Commission v. United States, 319 U.S. 598, 607 (1943); United States v. Tillamooks, 329 U.S. 40, 47 (1946).

[29] Navajo Tribe of Indians v. United States, 364 F.2d 320, 322 (Ct. Cls. 1966).

[30] American Law Institute, Restatement, Trusts, Sections 174, 175, 176. The Menominee Tribe of Indians v. The United States, 101 Ct. Cls. 22, 23 (1944); American Law Institute, Trusts, Sec. 187, pp. 479, 480–1 III Scott on Trusts, 3d ed., Sec. 187, p. 1501; American Law Institute, Trusts, Section 170.

[31] Chippewa Indians v. United States, 305 U.S. 479 (1939); United States v. Shoshone Tribe, 304 U.S. 111 (1937); United States v. Klamath & Moadoc Tribes, 304 U.S. 119 (1938). Cf. United States v. Algoma Lumber Co., 305 U.S. 415 (1939).

[32] 303 U.S. 501, 510.

[33] United States v. Minnesota, 270 U.S. 181; Leavenworth, Lawrence and Galveston R. R. Co. v. United States, 92 U.S. 733, 742; Cameron v. United States, 148 U.S. 301, 309–310; United States v. O'Donnell, 303 U.S. 501, 510, and cases cited.

[34] 16 U.S.C. 796 (1), (2).

[35] Federal Power Comm. v. Oregon, 349 U.S. 435, 448 (1954).

[36] Northern Pacific Railway Company v. United States, 227 U.S. 355, 367 (1913).

[37] 26 Stat. 1091, 1103.

[38] (a) "Whereas, it is provided by *section twenty-four* of the Act of Congress, approved March third, eighteen hundred and ninety-one, *** 'That the President *** may *** set apart and reserve, *** *public land* bearing forests, in any part of the *public lands* wholly or in part covered with timber ***

"And whereas, the *public lands* *** *within the limits hereinafter described*, are in part covered with timber ***

"Now, therefore, I, GROVER CLEVELAND, President of the United States, *by virtue of the power in me vested by section twenty-four of the aforesaid Act of Congress*, do hereby * * * proclaim that there is hereby reserved *** all those certain tracts, pieces or parcels of land lying and being situate in the State of Washington, and within the boundaries particularly described as follows, to-wit:

*** [description] (Emphasis supplied.)

(b) March 2, 1907 Proclamation:

"Whereas, The Mt. Rainier Forest Reserve, in the State of Washington, was established by proclamation dated February twenty-second, eighteen hundred and ninety-seven;

* * * * *

"Now, therefore, I, Theodore Roosevelt, President *** do proclaim that the aforesaid Mt. Rainier Forest Reserve is hereby enlarged to include the said additional lands, and that the boundaries of the reserve are now *as shown on the diagram forming a part hereof;*

"*** excepting all lands which at this date are embraced within any withdrawal or reservation for any use or purpose to which this reservation for forest uses is inconsistent ***." (Emphasis supplied.) (30 Stat. 36 authority for inclusion.)

[39] Marbury v. Madison, 5 U.S. 137, 173 (1803).

[40] Sutherland *Statutory Construction*, 3d ed., p. 438, Sec. 4919—see also Sec. 4915 *Expressio unius et exclusio alterius*.

[41] Confederated Salish and Kootenai Tribes v. United States, 401 F. 2d 785 (1968).

[42] Id. at 789.

[43] Id. at 789.

[44] Id. at 789.

[45] See above, pages 1 et seq.

[46] Confederated Salish and Kootenai Tribes v. United States, 401 F. 2d 785, 788 (1968).

[47] Northern Pacific Railway Company v. United States, 227 U.S. 355, 366 (1913).

[48] United States v. Creek Nation, 295 U.S. 103, 111 (1934).

[49] Youngstown Sheet and Tube Co. v. Sawyer, 343 U.S. 579, 585 (1951).

[50] Jackson v. United States, 27 Ct. Cls. 74, 83 (1891); International Paper Co. v. United States, 282 U.S. 399, 408 (1931); Portsmouth Harbor L & H Co. v. United States, 260 U.S. 327, 329–330 (1922).

[51] United States v. Creek Nation, 295 U.S. 103, 108–111 (1934).

[52] Confederated Salish and Kootenai Tribes v. U.S. 401 F. 2d 785, 787 (1968).

[53] See above, pages 10 et seq.; pages 14 et seq.

[54] United States v. Creek Nation, 295 U.S. 103, 111 (1934).

[55] The Yakima Tribe v. United States, 158 Ct. Cls. 672 (Opinion, page 8, Court of Claims, October 3, 1962).

[56] See pages 14, et seq.

[57] Confederated Salish and Kootenai Tribes v. United States, 401 F. 2d 785, 788 (1968).

[58] Id. at 789; See *Midwest Oil Decisions* relied upon, proving the error.

[59] United States v. Creek Nation, 295 U.S. 103, 108–109 (1934).

[60] See erroneous statement "* * * the Presidents acted within their powers * * * because the Presidents were within their authority their actions effected the taking of plaintiffs' lands."

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## AN ALTERNATIVE ECONOMIC POLICY

Mr. McGOVERN. Mr. President, I have issued today a statement which represents a series of alternative economic proposals to the policy followed by the Nixon administration.

The main points of this program are:

First. Federal investment of $10 billion to create 2.6 million jobs by the end of 1972;

Second. Inflation insurance in the form of Government bonds with cost-of-living features for those on fixed incomes;

Third. Exemption of low-wage occupations from controls and full application of the wage provisions of existing collective bargaining agreements;

Fourth. A Senate investigation of price-fixing by industry under cover of the price freeze and selective, rather than general, application of controls to prices and wages;

Fifth. An excess profits tax for windfall profits;

Sixth. Interest subsidies for agriculture, education, and housing loans;

Seventh. Rejection of all major proposed administration fiscal measures; and

Eighth. Increases in farm income supports.

Mr. President, I ask unanimous consent that the complete text of my introductory remarks and the statement be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

### INTRODUCTORY REMARKS

I am offering proposals today which I believe are real and viable alternatives to Mr. Nixon's so-called New Economic Policy.

For many months, we saw that Mr. Nixon's original and continuing Economic Game Plan bore a distinct similarity to his so-called Secret Plan to End the War. Neither one worked.

Now that the Nixon Administration has belatedly offered a program to halt inflation and to put people back to work, we find in the fine print the essence of what it's all about:

Namely, the new Nixon Economic Game Plan is a plan which will penalize and hurt the working man and women . . . the middle-class taxpayer . . . the disabled and elderly . . . and little people in general.

It is a plan which does *not* call on big business and the economically-powerful to sacrifice much of anything. Indeed while controlling wages, it offers a tax bonanza to the rich.

To borrow Mr. Nixon's words, let me make myself perfectly clear: I support the strong position taken by organized labor on the recommendations of the Pay Board in view of the lack of effective controls on either prices or profits. I intend to fight for, and defend, that position in the Senate and in the country.

We need a Phase III in economic policy—and that's to phase Mr. Nixon out of office and back to private life.

In the meantime, I mean to resist his discriminatory and thinly-disguised program to benefit the kind of people who contributed $5 million to his campaign coffers last night, while penalizing the ordinary citizen.

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### A PROGRAM FOR FULL EMPLOYMENT AND INFLATION INSURANCE

(Proposals by Senator George McGovern)

For almost three years, we have seen the American economy steadily deteriorate. While it is true that the Nixon Administration inherited an inflationary situation, it has not taken satisfactory action to control that inflation. In fact, the measures adopted by the Administration have brought new harm to the economy.

The Administration's economic policy has passed through three stages. Under the original "game plan," inflation was to be fought by slowing down the economy and increasing unemployment. When satisfactory results were not achieved, the New Economic Policy was announced. Phase I was supposedly devoted to reducing inflation, unemployment and international speculation. Oddly, when Phase II was announced, no further reference was made to the fight against unemployment. Actually there was no substantive difference among the three stages—all have been based upon an effort to reduce inflation by keeping millions of Americans out of work.

The greatest potential gainers from this policy are the major corporate enterprises. Considerable tax benefits for them have been built into the Administration's program. But instead of a renewal of confidence in the economy as a result of this action, we have seen the stock market fall sharply. The public has not moved to display confidence in those who are supposed to gain from the policy and by implication has shown its doubts about the policy.

The proposals contained in this program relate only to the domestic impact of the present economic policy. A separate statement relating to the balance of payments will be issued later.

1. *Unemployment*. There are presently about 84 million people in the civilian labor force in the United States. Approximately 5 million (or 6 percent) of these people are unemployed. The data on unemployment and the labor force are compiled from monthly surveys of households. A person is counted as in the labor force if he is employed or if he has made a specific effort to find a job within the previous 4 weeks. When the economy slows down and job opportunities become scarce (as at the present time), some people get so discouraged from ever finding a job that they quit looking for one. These people are then not counted as being in the labor force, which means that they are not counted as being unemployed. When the economy picks up and job opportunities become more plentiful, these people begin looking for jobs again and are then again counted as being in the labor force.

Because of the present economic slowdown, there are thus more than 5 million people who are unemployed and who would like to have a job. There are probably between about 500,000 and 1 million people who do not have a job and are not counted as being unemployed, who would like to work if jobs were available. This means that there are really about 5.5 to 6 million people unemployed in the United States and that the actual unemployment rate is not 6 percent, but between about 6.5 and 7 percent. (The 7 percent figure, for example, is derived by adding 1 million to the present labor force of 84 million and 1 million to the present unemployment figure of 5 million and then dividing 6 million by 85 million to get the percent unemployed.) The job picture is thus worse than the published unemployment data indicate.

It is also the case that in an economic slowdown the average number of hours that each person works and is paid for per week falls, which means that many people are underemployed when the economy is sluggish. This underemployment is not distributed evenly, but tends to fall more heavily on low-skilled workers. For the economy as a whole, we can estimate that the average work week is between about 15 and 30 minutes less than it would be if the economy were at full employment. With an employed labor force of about 79 million people, this means that between about 20 and 40 million hours are not worked per week that would be worked if the economy were at full employment. Given the uneven distribution of these hours, this in turn means that many workers are being seriously hurt by having to work much less than full time. This loss is not reflected in the published unemployment rate data since a person is counted as employed even if he worked only a few hours during the survey week. Taking an average figure, we can say that the equivalent of an additional 800,000 unemployed are represented by those underemployed. Adding this figure to the unemployment rate above would put the total rate at 7.9 percent.

It should be noted that when the unemployment rate rises by, say, 50 percent (from, say, 4 percent to 6 percent), the number of people who have been unemployed for 27 weeks or longer rises by a much larger percentage. There are presently about 550,000 people who have been unemployed 27 weeks or longer, whereas in 1969 the number was only 133,000. These people, along with those who quit looking for a job altogether, are the ones who tend to be affected most by an economic slowdown.

Finally, there are millions of young people about to join the labor market after graduation from high school or college. In addition, there are those workers who have seen people in their own plants laid off. Although these people are not among the unemployed, they constitute a growing group that is deeply worried about the threat of unemployment.

In summary then, the present unemployment picture in the United States is worse than even the rather high published unemployment rate of 6 percent indicates.

It is important to note that in addition to all of the factors which drive up the unemployment rate is the Administration's decision to reduce Federal employment by 5 percent. That is an unusual way to reduce unemployment.

Because of population growth, the labor force in the United States grows on average about 1.5 percent per year (i.e., on average by about 1.2 million workers per year). Also, productivity (output per worker) grows on average about 2.5 percent per year. This means that on average output (GNP in constant dollars) must grow at 4.0 percent to absorb the new workers entering the labor force. If the economy is operating below full employment, then for a time output must grow faster than 4.0 percent to absorb not only the new workers entering the labor force but also the existing workers who are unemployed.

The Nixon Administration's statement that the New Economic Policy will create 500,000 additional jobs is thus somewhat vague. The Administration presumably means that 500,000 more jobs will be created than would otherwise be the case without the plan, but this can never be observed directly. What will be true, of course, is that even if the unemployment rate remains at the present level of 6 percent, about 1.2 million jobs will be created during the next year because of the growth of the labor force. Many more jobs than this are needed to drive the unemployment rate down. The Nixon plan doesn't even come close to adding this many jobs in 1972. Under the Nixon plan, the unemployment rate should still be about 5.8 percent by the end of 1972.

It should be noted that the labor force grows faster during an economic expansion than during an economic slowdown. During an economic expansion, people who were before discouraged from finding a job and quit looking for one begin again to look for a job, and these people are then again counted as being in the labor force.

The way to reduce unemployment is through fiscal action. We must close the gap between actual output and the economy's potential. The Federal government should apply an additional fiscal stimulus amounting to about $10 billion above the current budget level in fiscal 1972. This money could be invested in any one of a number of ways, although the most preferable would be through public service employment and government contracting with the private sector for new housing, mass transportation and pollution control equipment. This kind of direct investment is preferable to a reduction in personal taxes or a speed-up in the already legislated increases in personal tax exemptions. Although acceptable, they would act on the economy significantly more slowly. This is because stimulus through tax cuts depends crucially on consumers spending a significant fraction of the increase of disposable income. Such a result is much less certain than the effect of my proposal.

Under this plan, if it had been adopted at the time of the New Economic Policy, output would have grown 5.0 percent in the third quarter of 1971, at 5.7 percent in the fourth quarter of 1971, and then at about 7.0 percent throughout 1972. This growth would lead to a fall in the unemployment rate to 4.5 percent or less by the end of 1972. Beyond the end of 1972, the unemployment rate would reach the full employment level (3.5 to 4.0 percent) and output growth should slow down to about 4.0 percent per year.

This plan would add 2.6 million jobs in 1972, far surpassing the number of jobs that would have to be added just to keep pace with the growth of the labor force.

The fiscal stimulus would cause an increase in real output, rather than an increase in inflation, because labor is now readily available and more than 20 percent of our productive capacity is unused.

The immediate effect of this full employment proposal on the Federal Budget would be relatively small. The current budget outlook for fiscal 1972 is a deficit of almost $26 billion. Had this full employment plan been adopted at the time of the New Economic Policy, one-half of the added $10 billion would have been recovered as tax receipts in fiscal 1972. The remainder would have been recovered in later months. This principle would still apply if the plan were implemented now.

Accompanying this action should be steps to reallocate funds within the existing budget. If significant sums were diverted from unnecessary military spending—in Vietnam, in Europe and in weapons procurement—we could devote them to activities in the civilian sector which are more useful socially and which would create more jobs than do military expenditures. That is why action on economic conversion, which I have proposed since 1963, is more urgent now than ever. Increases in unemployment benefits and adoption of my proposal for additional educational aid to Vietnam veterans would also be helpful now.

2. *Inflation*. It has been clear for some time that the Nixon Administration policy of attempting to reduce the rate of inflation by increasing the rate of unemployment would achieve some success. The maintenance of the high unemployment rate is the best indication that this policy would work, at least to a limited extent. Even before the President announced Phase I of his New Economic Policy, I indicated that the inflation rate would fall from the 4.1 percent level of the second quarter of this year to about 3.1 percent at the end of next year. With all the added force of the New Economic Policy, the rate of inflation can be expected now to fall somewhat below that projection.

Bringing inflation under control is a laudable objective, and vigorous government action was clearly required. A reduction in unnecessary and nonproductive military spending would be a major step in the right direction. Some form of wage and price restraints, as part of an intelligent overall policy, would also have been acceptable.

The Administration has chosen to trade off jobs for a reduction in the rate of inflation. This is a high cost to pay for the accomplishment of that objective.

Instead I suggest that a prudent antiinflationary policy be followed. In cases where inflation causes serious harm to individuals, the government should employ "inflation insurance" measures rather than relying exclusively on creating unemployment. Even if that meant that a small degree of inflation remained, most people would prefer to get any dollar—even an inflated one—in their pay envelope rather than no envelope at all.

I propose a series of measures to protect people against inflation. These are:

a. Savings bonds with purchasing power guarantees. These would be available to individuals, with the same quantity limitations and redemption rules that apply to current savings bonds. Their dollar value would increase quarterly with the consumer price index. In addition, a modest interest rate would be paid or credited, say a third or a half of the rate offered on ordinary savings bonds.

b. Medium-term (2–5 year) non-marketable notes with purchasing power guarantees for banks and thrift institutions. These are to enable these institutions to offer escalated savings accounts and savings certificates to individuals. Otherwise they might object that the savings bonds under (a) are unfair competition.

c. Long-term non-marketable bonds with purchasing power guarantees designed for pension funds and insurance companies. These bonds would also bear a lower rate of interest than ordinary federal bonds of equivalent maturity—perhaps half or two thirds. They would enable private and state and local pension funds to offer similarly guaranteed pension rights, and insurance companies to offer their policyholders and beneficiaries annuities of constant purchasing power. The funds would take no risk because they would have government guaranteed bonds of the proper maturities to cover their commitments.

For people now drawing private pensions and annuities fixed in dollar amounts, the best thing might be for the government to offer an exchange which would protect these people from further erosion. The government would exchange purchasing power bonds of suitable maturities for the securities on which the funds and companies are now relying to pay the pensions and annuities.

d. Automatic cost-of-living increases in government pensions and welfare payments. This is obvious and has already been proposed for social security. I have also proposed it for Vietnam veterans educational benefits.

The point of these suggestions is that people who want to hedge against inflation, and are willing to sacrifice the chances of larger gains for such security, should be able to do so. The only way that has been available is to hold common stocks; they are by no means a foolproof hedge and they are not easily or cheaply available to low and middle income people.

3. *Wages*. The freeze has been most effective in keeping wages from increasing, because no employer has an incentive to violate the wage regulation. With wage controls likely to remain the most effective portion of the Administration program, ample opportunity is created for serious inequities when wage earners are compared with others in the population.

There are three major injustices in the present direction of Federal wage controls.

First, workers in low wage occupations should be exempted from the freeze or similar controls. As it now stands, these workers are condemned to the bottom of the economic ladder. Increases in their wages would not contribute to inflation so much as they would stimulate increased consumer purchasing.

Second, the White House has announced that wages for Federal blue-collar workers will be frozen until February 15, 1972, and that other Federal pay should not be increased until July 1, 1972. This discrimination against Federal employees is unwarranted and no such penalty should be placed on those who have dedicated themselves to public service. The Congress should reject the White House proposal.

Third, whatever controls are applied must allow for the full implementation of existing collective bargaining agreements. Not only does the present policy violate the sanctity of contracts, but it is another example of the rank discrimination which exists between labor and the corporations. Under this policy, management is able to extract the fulfillment of contractual obligations, while workers are not compensated for whatever additional effort they make. Of course, wage increases must be allowed to reflect increases in productivity. But negotiated wage increases often represent payment for past inflationary effects and for labor's acceptance of new working conditions. In the name of fairness, the government must permit the full application of previous collective bargaining agreements. This was the practice during the Korean War wage-price freeze, and it caused no severe damage.

4. *Prices*. Every American has seen some price go up in the period since August 15. The freeze has not been effective, because it was impossible for a small Federal bureaucracy to monitor the infinite number of prices set by millions of firms and sales outlets.

For that reason, any wage and price controls should be applied only on a selective basis. When such controls were applied on an overall basis in the past, the Nation was engaged in war and could count on a high degree of voluntary compliance based on patriotism. However, even in these past instances, there were numerous cases of violation of controls.

Selective controls, affecting perhaps the 1000 largest corporations, could be effectively administered by the Federal Government. The impact of these leading firms on the total economy is so great that controls on their prices and wages would be felt throughout the economy. Small producers would have an incentive to keep their prices competitive with those of industry leaders. Many are suppliers of the large firms and this would act to keep their prices down. Admittedly, there would be an element of discrimination in this policy, but the corporate giants would be in a far better position to bear this additional burden than would small businessmen and others whose economic survival is not so assured.

The corollary of allowing prices of the smaller firms to remain uncontrolled would be to allow wages in this sector also to remain free of controls. This would permit the relatively minimal overall effect of increased prices in this sector to be compensated by wage increases.

The existence of Federal price controls may appear to permit price-fixing arrangements among private firms. Yet government-sanctioned cartels were declared unconstitutional at the time of the NRA and should not be allowed to contravene the Sherman Anti-Trust Act now.

Accordingly, I urge that the Senate Anti-Trust Subcommittee hold hearings immediately on pricing arrangements now being concocted in wholesale and retail trade.

Finally, we must undertake the kind of institutional reform which will keep the prices of vital services within reasonable limits. For this reason, I have advocated that the Price Commission be authorized to supersede all other agencies related to regulated industries. In this sector, price increases have far surpassed the inflation rate. By the same token, action is required in such fields as medical care and education to insure that they are available to all levels of society.

5. *Profits*. The greatest inequity in the Nixon Administration's wage-price program has been caused by the absence of limitations on profits. There has been some discussion of holding down dividend payments, but that measure could be accomplished without affecting profits, which would be retained. A freeze on profits is inappropriate because, if prices and wages are frozen then profits, the residual between sales and costs, will have to rise if productivity and output are to rise.

An excess profits tax would hold down profits after taxes. This step is required in the name of equity. This tax should be applied in a manner to insure that profits resulting from windfalls should be recaptured. Such windfalls would result from excessive price increases, beyond those authorized or desirable, and from cost savings resulting from wage limitations.

But an excess profits tax should not be allowed to contribute to a slowing down of economic activity. For that reason, adequate provision should be made to allow for three specific profit situations:

a. a cyclical profit picture in which profits in the year or years immediately preceding the tax were low;

b. a rising profit curve of a steadily growing enterprise;

c. profits in the excess profits tax year which are due to innovation not present in the base period.

The revenue from an excess profits tax should be specifically earmarked in advance. While the resources would probably not be sufficient to justify the creation of a trust fund, the revenue should be allocated to those socially important programs where appropriations have fallen short of authorizations. Among these programs are funding for the OEO and for elementary and secondary education.

It is clear that an excess profits tax can recapture unauthorized gains. The Administration proposal to oblige those who have made windfall profits subsequently to lower their prices is unworkable and unjust. It would be impossible to determine which prices should be lowered and by how much.

6. *Interest*. Interest rates should come down if there is a return of dollars from abroad, as inflation slows and if the Federal Reserve maintains an adequate money supply. In the absence of such developments, an interest freeze could have undesirable effects. Lending institutions would tend to favor those borrowers for whom interest rates were not limited, probably corporations. That would make less credit available to small borrowers, those who merit special consideration.

An alternative course is for the Federal government to offer direct subsidies for certain kinds of loans. In particular, such subsidies should go for agricultural loans, housing loans (with a ceiling on the value of the property) and education loans.

7. *Fiscal policy*. Virtually all aspects of the Administration program relating to fiscal policy are harmful or useless, and they should be abandoned.

The investment tax credit was originally called a "job development credit." Within one day of its announcement, that myth fell away, revealing the proposal as a boon to big business. There may have been some incentive for business to step up its purchase of capital equipment in the first year of the credit under the Administration proposal which provided a 10 percent credit in that year followed by a permanent 5 percent credit. But with the credit at a uniform level of 7 percent, that incentive is removed. As a "job development credit," there was adequate reason to exclude foreign-made capital goods, but that exclusion is no longer valid, because it results in discrimination against American producers who depend on such goods. As such, the credit is a protectionist measure.

It is proposed that this credit should be accompanied by accelerated depreciation allowances. Like the credit, these allowances simply represent a pay-off to big business, whose only possible impact would be through the discredited trickle-down process.

It is highly questionable that either of these methods would work, given the operation of the Nation's productive resources at between 70 and 80 percent of capacity. There is little or no need for additional capital goods in a situation where so much capacity lies idle.

Certainly the only possible justification for the investment tax credit would be if it were applied only to that portion of capital investment higher than in the preceding year. Otherwise we will be spending $5 billion to create a few thousand jobs.

These two proposals, taken together, represent a bonanza to big business worth between $7 billion and $8 billion. It will do little to stimulate the economy. It will certainly boost profits.

The proposal of a tax break for Domestic International Sales Corporations (DISC) is supposed to help exports. But it is merely a reward to present exporters. It would do nothing to encourage new exports or exporters. Yet it would result in a $600 million net fiscal loss at a time when the budget deficit is high. This makes no sense other than as a reward to big business.

The automobile excise repeal is intended to aid both consumers and production. This is constructive to the degree that it increases real purchasing power by lowering prices. But it is questionable whether the automobile industry is the proper place to apply this technique. It offers most help to the relatively wealthy who buy most of the new cars. And it offers a large subsidy to an industry which is known to cause significant pollution. Finally, the first results of the expected impact of the tax repeal indicate that very few jobs have been created, although hours of work have been lengthened.

Another feature of Administration fiscal policy which is aimed at inflation is the impoundment of about $12 billion of funds already appropriated by the Congress. Release of these funds would stimulate the economy and promote activity in the most desirable sectors. Release of these funds would be an effective stimulus to create new jobs. Delay of this step until next year means that hundreds of thousands will be kept out of work simply for political reasons.

8. *Farm income*. The American farmer has been the greatest victim of the Nixon Administration's economic policies. While other prices rose because of inflation, farm prices actually fell from the 74 percent that Mr. Nixon deplored during the 1968 campaign to about 67 percent.

Phase I of the wage-price freeze guaranteed that farm prices could fluctuate—only downward.

Farm prices were allowed to fall too low during the previous Administration. But they have been forced even lower as a result of all stages of the present Administration's economic policy.

The American farmer deserves a higher parity rate now. Yet all the Administration has done is to tamper with the parity ratio calculations. Price supports should be increased by 25 percent in years of oversupply such as 1971. We should also build an emergency food reserve.

Impoundment of Federal funds and high interest rates have hit farmers especially hard.

Action is urgently needed to provide aid in the form of better prices to our farmers.

### CONCLUSION: AN INDICTMENT OF THE NIXON ECONOMIC POLICY

The Administration's economic policies are a failure. A bill of particulars must include:

The unemployment rate has gone up 65 percent between the time the Nixon Administration came to office and July 1971;

The use of our productive capacity has fallen 12 percent;

The total loss to the GNP as a result of Administration policies amounts to $90.5 billion;

Real GNP per capita has made no gains whatsoever;

There are now 5.3 million unemployed;

Unemployment among non-white teenagers is 31.6 percent;

When Mr. Nixon came to office 409,000 were unemployed for more than 15 weeks, now there are 1,239,000;

The balance of payments has gone from a surplus of $2.7 billion to a deficit of $22 billion; and

The Bureau of Labor Statistics has been turned into a Ministry of Propaganda as a result of personnel shifts, gagging the impartial interpretation of data, and the suspension of reports on urban unemployment.

The time for enlightened action has come. Further delay can bring catastrophe to the economy and the Nation.

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## JUDGE EDWARD D. RE

Mr. HUMPHREY. Mr. President, I have just had the occasion to examine the National Italian-American News for October 1971, published in New York and circulated throughout the country. It contains a series of tributes paid to a great American, the Honorable Edward D. Re, judge of the U.S. Customs Court, former Chairman of the Foreign Claims Settlement Commission, and former Assistant Secretary of State.

An editorial in that newspaper discussing the highly desirable appointment of an Italian-American lawyer to the Supreme Court of the United States recommends Judge Re for that distinguished nounced his appointments for the exist- post. The President has, of course, an- ing vacancies of the Court, but I feel that it would be appropriate for me, as one of Judge Re's friends and admirers, to quote at this time from the editorial as it comments on Judge Re's qualifications:

> A great judge, a great scholar, a great teacher, an Italian by birth, an American by choice, a patriot of devotion, a parent extraordinary, a dedicated public servant, a superb orator, a model for all our young people: an immigrant boy who rose to some very high positions because he carries the key to America's Promise within him.

Judge Re is a great American, and I am immensely pleased at the recognition that he is receiving.

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## GENOCIDE: NEW FIELD FOR LEGISLATION

Mr. PROXMIRE. Mr. President, article V of the Genocide Convention states that each party will enact legislation to outlaw genocide. It is argued that the United States should not ratify the Convention because this article infringes upon the police power of the States.

Article X of the Interim Convention on Conservation of North Pacific Fur Seals is similar to the Genocide Convention's article V, and provides a useful precedent. At the time the Fur Seal Convention was ratified by the United States, no objection was made in either the House or the Senate that the Fur Seal Convention infringed upon the powers of the States. The Congress said that this was a new field for legislation. The power could not have been taken from the States because it was never there to begin with.

The same point holds true with the Genocide Convention. The treaty creates a new field for legislation, and it defines a new crime. Therefore it does not take from the power of the States. The several States still retain their powers with respect to the crime of homicide. Nothing is proposed which would infringe on that power.

Mr. President, the Genocide Convention is to prevent a recurrence of the horrors of Nazi Germany. The time has come for the United States to do its share. The Senate should ratify the Genocide Convention.

## SENATOR FRED HARRIS' SENSE OF COMMITMENT

Mr. HUMPHREY. Mr. President, in the brief time that Senator Fred Harris was an announced candidate for the Democratic nomination for President, he brought to this Nation a new sense of commitment and responsibility which must be an integral part of any Democratic nominee's campaign in 1972.

Senator Fred Harris spoke eloquently and thoughtfully about a nation that seems to have forgotten its commitment to the poor of all races. I know that it was his sincere hope that his campaign would ignite a new national concern for people which an affluent society has left behind.

I want to assure my good friend from Oklahoma that what he has done has not been in vain. The issues that he has raised and the problems he has identified are not about to be forgotten or cast aside because he has stepped out of the race. They cannot be and the Democratic Party must confront these issues. It is my sincere hope that he will continue to speak out forcefully in the future as he has done in the past.

The statement of Senator Harris this afternoon is eloquent testimony to his devotion to the people, his commitment to social and political and economic reform.

I ask unanimous consent that the statement be printed at this point in the Record.

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement of U.S. Senator Fred R. Harris, November 11, 1971

These campaign days have been days of listening and learning.

I have listened to affection-starved runaways crowded into a Miami detention jail.

Old people who feel put away in high-rise loneliness.

Black people who still do not feel fully American.

Farmers crushed by corporate giants.

American Indians who still cannot control their lives.

Women who feel the American dream is still a man's dream.

Chicanos whose children are called retarded.

Workers who cannot pay their medical bills.

Students who desperately want to believe in their country.

I now know for sure America is ready for fundamental change. There is *a* New Populist coalition which can turn this country around.

They believe in the need for the redistribution of income, for breaking up the inordinate concentrations of economic and political power, for idealism as the basis of foreign policy.

They want to put America back together again around these principles. They want the political process to work. They see 1972 as the crucial year.

But I'm broke.

And I cannot continue to campaign actively for President. The campaign office is closing.

Those good people who have enlisted in this effort and the principles we have sought to further should not be hurt by an under-financed campaign.

With others, I will seek—in the Senate and elsewhere—to discuss the real issues that can redeem America and give our people new hope.

## SENATOR MILWARD L. SIMPSON: HE SURMOUNTED ADVERSITIES

Mr. HANSEN. Mr. President, a number of U.S. Senators know Milward L. Simpson of Wyoming well. They remember his warm friendliness and absolute sincerity. They became fast friends with Milward Simpson and a number of them fondly recall his years of service in the Senate—from 1963 to 1967—and inquire about him on frequent occasions.

The former U.S. Senator is doing fine, I am happy to report, and I am pleased to say that in the last 24 months or so he has made a most remarkable recovery from some very real health problems—problems that would have crushed a lesser man.

Just recently, one of Senator Simpson's longtime friends and stanchest supporters, James Flinchum, managing editor of the Wyoming State Tribune in Cheyenne, Wyo., wrote an outstanding editorial pointing up the strides—and I use that word advisedly—that Senator Simpson has made.

Because his many friends in this body will be interested in knowing how he is getting along, I ask unanimous consent that the editorial, which presents a classic case on the surmounting of real adversity, be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Last weekend, Milward Lee Simpson, 23rd governor of Wyoming and one of the 17 men who have served this state in the United States Senate, stood up on a platform at Laramie and received a resounding ovation.

It was the first time Simpson, who will be 74 on Nov. 12, had ridden the Treagle football special of the Wyoming State Tribune and Wyoming Eagle since 1965, and one of the few rare public appearances he has made since he was stricken with serious illness that forced his retirement from the Senate in January, 1967.

The tribute to the former governor and senator was not only because of his tremendous personal popularity throughout Wyoming but also in recognition of the valiant struggle he has made against not one but two ailments, either of which by any means of measurement would have probably meant the end of an ordinary man.

When Simpson left the Senate seat to which his longtime friend, then Gov. Cliff Hansen, was elected to succeed him, almost five years ago, he was a very ill man, how ill few people really knew.

He had been stricken with a particularly crippling form of arthritis that seemed to be concentrated in one hip. But as bad, perhaps worse, than that, he also was suffering from Parkinson's disease, a baffling ailment of the nervous system that sometimes leaves its victims almost helpless, phyically as well as mentally.

The pain from the arthritis was excruciating; the effects of Parkinsonism terribly depressing.

The other night, Simpson recounted how his wife Lorna, insisted that he keep moving, even if to try to walk around the room of their homes in Cody, and in Sun City, Ariz., where the Simpsons spend the winters.

But finally he became so ill that he was confined to a wheelchair, and unable to move even that under his own power.

But he never gave up the fight, and finally a couple of years ago, he found a surgeon willing to make an experimental operation on his hip which resulted, Simpson says now, in the implantation of more hardware there than an ordinary plumbing shop holds.

Further than that, he found a physician who had heard about a radical new drug called L-Dopa for the treatment of Parkinsonism which had virtually defied all medical effort before that.

Thanks to both, and also thanks to Lorna Simpson and to his own indomitable will, Milward Simpson has been able to discard his wheelchair and get moving again.

Last weekend he drove with his son, Alan, a Cody lawyer and state representative, to Cheyenne for the Treagle, rode the train to Laramie, and then drove home to Cody that afternoon after the football game.

This weekend, he came to Laramie again for a class reunion of the University of Wyoming Class of 1921, at which he was to preside as luncheon toastmaster.

Of the latter trip, Simpson wrote: "I must be a glutton for punishment."

But it was plain also he relished every bit of an experience that meant a new life for a man who had been doomed to a life of confinement and constant care.

Milward Simpson probably is even more popular now than he was as president of the University of Wyoming Board of Trustees, as governor and as a U.S. Senator—a classic case of a fight back against great odds that all the world can admire.

## TRANSMITTAL OF INTERNATIONAL AGREEMENTS TO CONGRESS

Mr. CASE. Mr. President, on October 20 and 21, 1971, the Committee on Foreign Relations held hearings on S. 596, a bill which I have introduced to require the transmittal of all international agreements to the Congress within 60 days of their execution.

While the executive branch has admitted that the present informal method of informing the Congress of classified agreements is inadequate, what they have proposed in its stead is yet another informal arrangement.

The ability of the Senate to fulfill its constitutional responsibilities in the area of foreign policy depends upon its knowledge of the commitments entered into by the executive branch by means of these agreements. I continue to believe that a formal remedy to this most serious problem is essential.

I believe each Member of the Senate will wish to inform himself on this issue. I ask unanimous consent that the prepared statements presented at these hearings be printed in the Record.

There being no objection, the statements were ordered to be printed in the Record, as follows:

### Opening Statement by Senator J. W. Fulbright

#### S. 596—EXECUTIVE AGREEMENTS

The Committee is in the somewhat unusual position today of taking up for consideration a legislative proposal which was first put forth over 17 years ago. This proposal, first offered by Senator Homer Ferguson of Michigan in 1954, and again by Senator William Knowland of California in 1955, is modest in scope but significant in its connotations. The bill would simply require the Secretary of State to transmit the texts of all executive agreements to the Congress within 60 days of their coming into force. The bill, as re-introduced by Senator Case this year, also specifies that, if the President judges any agreement to be too sensitive for disclosure, it may be transmitted to the Congressional foreign affairs committees under an injunction of secrecy. The bill would require too that all executive agreements in force prior to its enactment would also have to be submitted to the Congress.

In one respect this is a modest piece of legislation. Its modesty stems from the fact that it does not attempt in any way to deal with the basic question of whether and to what degree the President possesses constitutional authority to enter into binding agreements with foreign powers. Traditionally that authority was confined to matters of a routine or administrative nature, while significant, substantive matters were thought to require treaties consented to by the Senate. As matters have developed in recent years, I think it no exaggeration to say that this distinction has been substantially reversed: matters of a routine, administrative, or essentially non-political nature—an agreement, for example, for the recovery of lost archaeological objects in Mexico—are regularly submitted to the Senate for its advice and consent. Matters of weight and substance, on the other hand, such as the stationing of troops in a foreign country, or the conduct of clandestine warfare on another government's behalf have in recent years been contracted by secret executive agreement, without the consent or even the knowledge of the Senate.

Without prejudice to the basic constitutional question of the President's authority, or lack thereof, when it comes to negotiating foreign agreements, the Case bill, as I understand it, purports to resolve the prior, more elemental, question of secrecy. Before undertaking to re-examine, and then perhaps to reassert, its proper constitutional authority in the area of the treaties, Congress must first ascertain that at least it knows of the existence and content of agreements with foreign governments by the Executive. The Case bill would require that this information be provided to the two houses of Congress. In so doing, it would represent a long first step toward the recovery of that constitutional authority which we have allowed to erode away over the years.

The bill is substantially the one which was introduced by Senators Ferguson and Knowland 17 years ago. The circumstances under which we consider it, however, could hardly be more different. At that time all but a few Senators were caught up in what we must now recognize as the shortsighted cult of Presidential predominance in foreign policy. Many Senators and Congressmen at that time were bemused with the notion that the President knew best in foreign policy, and that the Congress showed its "responsibility" by playing a compliant role. Since that time, through costly experience, we have discovered that the President does not always know best, and that, indeed, the country would be far better off today if the Congress had been more assertive in the exercise of its constitutional role—a role which consists at least as much in assertion and criticism as it does in compliance.

The Committee is privileged to take counsel on these matters this morning with a distinguished historian, Professor Ruhl J. Bartlett of the Fletcher School of Law and Diplomacy; and a distinguished lawyer, Professor Alexander M. Bickel of the Yale Law School. Both witnesses have appeared before the Committee before, Professor Bartlett testifying on the National Commitments Resolution in 1967, Professor Bickel only three months ago in connection with the still-pending war powers legislation.

Professor Bartlett, will you please proceed, after which we will hear Professor Bickel's statement.

### SENATOR CASE EXPLAINS THE EFFECT OF HIS BILL ON EXECUTIVE AGREEMENTS

Last December I introduced a bill requiring the transmittal of all "executive agreements" to the Congress within 60 days of their execution.

Fifteen years ago a similar bill introduced by Senator Knowland was adopted by the Senate without objection as an alternative to the so-called Bricker amendment.

At that time, the Eisenhower Administration cooperated with the Senate Foreign Relations Committee in drawing up the Knowland legislation. The opportunity is at hand for a similar initiative by President Nixon.

Although the House did not act on this legislation in 1956, subsequent history has demonstrated how right the judgment of the Senate and the President was. The need for such legislation is even greater today.

So, I am happy that the Senate Foreign Relations Committee is opening hearings on my bill. I am pleased that Professor Ruhl J. Bartlett of the Fletcher School of Law and Diplomacy at Tufts University and Professor Alexander M. Bickel of the Yale Law School are today appearing in its behalf.

The terms of the bill are self-explanatory, but there are several important points I would like to emphasize.

First, access by the Congress to the terms of all international agreements is a Constitutional right requiring no legislation to be established.

These agreements are as binding upon the United States as treaties. As confirmed by Supreme Court ruling, they equally are "the law of the land".

A requirement for the disclosure of international agreements already is codified in law. Section 112a of Title I of the United States Code presently requires the Secretary of State to compile and publish all international agreements other than treaties concluded by the United States during each calendar year. But all agreements which the Executive Branch stamps secret have been withheld from the publication provided for by Section 112a.

I am not now challenging the President's authority to make executive agreements, although I believe that a strong case can be made that all agreements with foreign nations should be subject to Senate confirmation. But I do claim that all such agreements should be made available to Congress—publicly, if possible—and, where security considerations dictate, under an appropriate injunction of secrecy. My bill so provides.

In failing to insist on the right of Congress to information as to all international agreements, Congress has been almost as much at fault as the Executive. Be that as it may, the principle is clear, as I said at the outset, that Congressional access to these documents is a Constitutional right. It is not a new right to be established.

The second point I would like to comment upon briefly is the retroactivity of my bill.

While it might seem obvious that the general right of Congress to access to these agreements implies access to all those now in force, as well as to those hereafter to be made, no opportunity for misunderstanding must be permitted to exist. Accordingly, I have introduced an amendment to my original bill (S. 596) adding the following additional language.

In the case of any such agreement entered into force with respect to the United States prior to the date of enactment of this section and still in force on such date with respect to the United States, the text of such agreement shall be transmitted to the Congress not later than sixty days after such date of enactment.

The third and final aspect of this bill which I think should be clearly understood is that it applies to all international agreements. No agreement or commitment entered into by the United States should be withheld by the Executive Branch.

Congress cannot, for example, tolerate the position taken by the Executive Branch that Senator Symington's subcommittee investigating U.S. commitments overseas could not have access regarding the deployment of nuclear weapons abroad since "this subject is of such high classification that it could not be discussed before this Foreign Relations subcommittee under any circumstances".

Regarding the stationing of nuclear weapons abroad or any other subject matter of a U.S. agreement, a September 9 editorial in the St. Louis Post-Dispatch was entirely to the point regarding the bed-rock necessity for Congressional access:

> Congress has the constitutional authority to investigate any matter within its legislative competence and the deployment of nuclear arms which may have a direct relation to acts of war or treaty fulfillments, is well within its purview.

There are those who will be made uneasy by the apparent "adversary" nature of this legislation. They will emphasize the importance of voluntary and informal cooperation to the efficient operation of government.

Mutual good will, a readiness to cooperate, are of course necessary to the effective relationship between the Executive and the Congress.

But friendliness and a cooperative spirit alone are not sufficient.

In an age of instant communications and U.S. military deployment abroad in the eye of potential conflict, all commitments, which can commit or involve this country in possible hostilities, must be formally and systematically examined both by Congress and the Executive before they are triggered by events. Failing such prior examination, the United States Congress—as increasingly has been the case since World War II—is reduced to postmortem reviews of accomplished facts.

It is not necessary to renew the old controversy about Yalta to cite example of cases in which the Congress was deliberately excluded from knowledge of agreements. Much more recently, the Symington subcommittee uncovered contemporary examples of such agreements withheld from the Congress; 1960—with Ethiopia; 1963—with Laos; 1964—with Thailand; 1966—with Korea; 1967—with Thailand; and the secret annexes to the Spanish Bases Agreement of 1953.

Throughout the course of the Symington subcommittee hearings, Executive Branch witnesses described some of the above cited agreements as "contingency plans" or extensions of already existing treaties. Whatever they are called, they are international agreements which the Congress has a right to see.

This bill is not offered as the complete answer to the problems of relations between the Executive and Congress. But it does represent a necessary step.

Clearly, previous practices have proved wanting. We are today living with the consequences.

I am sure these hearings will confirm the essential wisdom of former Senator Homer Ferguson in arguing for enactment of the 1954 bill.

"I think that this is a responsibility that the United States Senate and this committee must assume.

"If under the present law, (executive agreements are) to be the supreme law of the land, then, being a government of law and not of men, we ought to have them filed here in the Senate. If they are secret, they ought to be in this committee, so that this committee could act, if they desire to act, to protect the rights of citizens."

### STATEMENT BY RUHL J. BARTLETT

In April 1817, the British Minister to the United States, Charles Bagot, and the Acting Secretary of State, Richard Rush, exchanged notes providing for a limitation of naval armaments on the Great Lakes and Lake Champlain. A year later President James Monroe submitted this agreement to the Senate and inquired whether it "is such an arrangement as the Executive is competent to enter into, by the powers vested in it by the Constitution, or is such a one as requires the advice and consent of the Senate. . . ." The Senate "approved of and consented to" the arrangement and thus by implication decided it was in the nature of a treaty. A student of executive agreements, in commenting on this matter, suggests that if one of the founding fathers was uncertain about the authority of the Executive in this instance, modern students vessels from the Great Lakes except those needed for execution of the revenue laws. Nevertheless, Secretary of State John Quincy Adams said the failure of the President to should approach the subject with becoming modesty. Although President Monroe mentioned his Constitutional authority, it may well be that he believed he had legislative sanction for the arrangement under an act of the Congress of February 27, 1815, which gave him the power to remove armed submit the relevant documents to the Senate had resulted in "some inconvenience," and that the British Minister had inquired whether the exchange of notes had been communicated to the Congress.

This incident serves to indicate the long history of the problem of executive agreements and suggests as well the need for modesty on my part in considering them. I have, however, more compelling reasons for modesty because the subject of executive agreements has been extensively examined during recent years by committees of the Congress. Several members of the present Committee on Foreign Relations were members of the Committee when a bill similar to the one before us was introduced in the Senate by Senators William F. Knowland and Homer Ferguson in 1954. The subject was a part of the lengthy hearings on the so-called Bricker Amendment, which will be mentioned later, and was considered in 1967 in connection with the Senate Resolution on National Commitments. It was a part of the discussion in the Subcommittee on "United States Agreements and Commitments Abroad" under the chairmanship of Senator Stuart Symington and of the Subcommittee of the Judiciary Committee on "The Separation of Powers" under the chairmanship of Senator Sam J. Ervin. It was considered also by the Committee on Government Operations headed by Senator John L. McClelland and a Sub-committee under the chairmanship of Senator Henry M. Jackson. It formed a part of the discussion in a Sub-committee of the Committee on Foreign Affairs of the House of Representatives on "Congress, the President and War Powers," and perhaps was examined by other committees of the Congress. In addition the subject had attracted an extensive bibliography of scholarly writing. Under these circumstances I will attempt only a brief introduction to the subject.

The Constitution of the United States contains no explicit provision authorizing the conclusion by the President of executive agreements, but they began under the first President and have grown greatly in number in recent years. During the year 1930, 25 treaties and 9 executive agreements were concluded by the United States, but during 1968 more than 200 executive agreements were made in comparison with 16 treaties. The Department of State estimated as of January 1, 1969, that 909 treaties to which the United States was a party were in force while the number of executive agreements was 3,973. The latter number is minimal, however, if all executive agreements concluded by the United States government are considered because it does not include executive agreements of a routine nature, frequently temporary, made perhaps daily by military commanders or other officers of the United States at home or abroad. Secretary of State John Foster Dulles estimated that such agreements made under the aegis of the North Atlantic Treaty during the first four years of its existence amounted probably to 10,000. It is not supposed that this Committee is concerned with these routine acts which might be more properly called administrative arrangements.

As the Committee well knows it is customary to separate executive agreements into several categories; (1) those made under the authority of a legislative act, (2) those made prior to legislation but expressly subject to later congressional approval or implementation, (3) those made pursuant to a treaty, and (4) those which are derived directly from the President's constitutional powers. Regarding executive agreements authorized by the Congress either prior to an agreement or subsequently, the constitutional issue is mainly, in the words of Chief Justice Charles Evans Hughes, whether the Congress has abdicated or transferred to others "the essential legislative functions with which it is . . . vested." The Chief Justice went on to say that while the Congress could not delegate its essential legislative functions, it was not denied the right to perform its functions "in laying down policies and establishing standards, while leaving to selected instrumentalities the making of subordinate rules within precise limits and the determination of facts to which the policy as declared by the legislature is to apply." (*Panama Refining Company* v. *Ryan*, 293 U.S. 388. 1935) As far as I know, this view of congressional authority to authorize a wide variety of executive agreements is generally accepted. It seems probable, however, that in recent years the Congress in authorizing executive agreements has not always been careful to establish guide lines, policies, and standards under which the Executive may act. Nevertheless, limitations on the right of the Congress to delegate its essential legislative functions exist and whether the essential legislative function has been protected may be a proper matter for judicial determination. It follows logically that if the Congress cannot delegate its essential legislative functions, it cannot delegate authority to the Executive which it does not itself possess under the enumerated powers granted to it by the Constitution.

In this connection I would like to lay at rest, as far as it is possible for me to do so, a famous theory of Federal authority in dealing with foreign affairs. This theory was advanced in an opinion of the Supreme Court of the United States in the well known case, *The United States* v. *Curtiss-Wright Export Corporation, et al.* (299 U.S. 304) of 1936. In that opinion, written by Justice George Sutherland, it was stated:

> As a result of the separation from Great Britain by the colonies acting as a unit the powers of external sovereignty passed from the Crown not to the colonies severally, but to the colonies in their collective and corporate capacity as the United States of America. . . . It results that the investment of the Federal Government with the powers of external sovereignty did not depend upon the affirmative grants of the Constitution. The power to declare and wage war, to conclude peace, to make treaties, to maintain diplomatic relations with other sovereignties, if they had never been mentioned in the Constitution, would have vested in the Federal Government as necessary concomitants of nationality.

The fallacy of this historical argument is not difficult to determine. It is necessary only to read the Declaration of Independence which declared that the United Colonies were "Free and Independent States." But if doubt remains on this point, reference can be made to The Articles of Confederation. Although Article I provided that the "style" of the Confederacy was to be "The United States of America," Article II provided that "Each State retains its sovereignty, freedom and independence, and every Power, Jurisdiction and Right, which is not in this Confederation expressly delegated to the United States in Congress assembled."

There were individuals in the Second Continental Congress, and in the Constitutional Convention as well, who advocated the creation of a centralized national state, but James Madison made it clear in *Federalist* 36 and 48 that the states under the Confederation were sovereign states, and Alexander Hamilton conceded the fact in *Federalist* 15 when he wrote, referring to the Confederation: "In our case the concurrence of thirteen distinct sovereign wills is requisite under the Confederation to the complete execution of every important measure that proceeds from the Union." John Adams had written prior to the Declaration of Independence that the colonies had the choice of declaring themselves "a sovereign state or a number of confederated sovereign states." (Merrill Jensen, *The Articles of Confederation . . . 1774–1781*, Madison, 1940, p. 167.) The most basic premise of the American Revolution was the right of revolution, that sovereignty resided in the people. What was created by the Constitution was a constitutional, federal, republic with limited powers vested in the federal government and distributed among its branches. The United States is a sovereign state and may do anything a sovereign state may do under international law, but the federal government as distinguished from the United States is a creature of the Constitution. It is true that the Congress frequently passes resolutions, as in the case of the Cuban Resolution of 1962, or the Middle East Resolution of 1958, which state what the "United States" is prepared or pledged to do, but this surely means only what the Congress is prepared to do under its constitutional powers, and even then such statements of policy or intention have no legal binding effect upon successive Congresses.

Justice Sutherland confused *exclusive* jurisdiction of the federal government in foreign relations with *absolute* and unlimited jurisdiction. He said that "a political society cannot endure without a supreme will someplace." This is probably true, but the supreme will in the United States is the American people. The federal government cannot pass a law or make a treaty in contradiction to the Constitution. The doctrine of the succession of sovereignty from the Crown to the federal government has no basis in American history. Under the Confederation the several states were *de facto* and *de jure* sovereign and while this fact may be obscured or denied, it cannot be changed. The historical argument of Curtiss-Wright is without historical validity.

In the same Curtiss-Wright decision, Justice Sutherland went on to state what has been quoted many times in the hearings mentioned above and in treatises on the presidency. He said:

> It is important to bear in mind that we are here dealing not alone with an authority vested in the President by an exertion of legislative power, but with such an authority plus the very delicate, plenary and exclusive power of the President as the sole organ of the federal government in the field of international relations—a power which does not require as a basis for its exercise an act of Congress.

And then he continued in the same sentence:

> But which, of course, like every other governmental power, must be exercised in subordination to the applicable provisions of the Constitution.

It should be noted that the second part of this statement cancels the first because one of the most far reaching and applicable parts of the Constitution with which this Committee is undoubtedly familiar, is Article I, Section 8 which provides that the Congress shall have power "To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof."

It is often remarked that in the interpretation of legal documents they must be examined as a whole and therefore that this provision of the Constitution must be considered in relation to all other grants of power.

This is true and it is precisely because it is true that Article I, Section 8 is so transcendent. It covers all other powers granted in the Constitution. The President is assigned certain duties and rights but none of them can be carried into effect without legislative sanction whenever the Congress chooses to exercise its constitutional power. The solid fact is that the Congress is the authoritative organ of the government in the *determination* of foreign policy. The President is the agent of the Congress, the spokesman of the United States is diplomatic relations, or, as Mr. Jefferson said, "the channel of communication between this country and foreign nations," an expression that was rightly used by Senator Ervin when he said that the Constitution intended "that the President should be the channel of communication between the United States and foreign nations, but, in fulfilling that function, he should be merely the executor of a power of decision that rests elsewhere, that is in the Congress." (*Hearings* on Senate Resolution 151, 90th Cong. 2d Sess., p. 191. Aug. 23, 1967.)

A distinguished student of Congressional politics wrote in 1960:

The Curtiss-Wright decision . . . has been neither watered down nor distinguished away during the past two decades. Instead, the Roosevelt, Vinson, and Warren Courts have made it the cornerstone of a massive edifice of Executive discretion in the conduct of foreign affairs. As the chief of state, the President's fiat has become absolute law, beyond effective challenge in the courts, because in this area he does not share constitutional power as an equal of the Congress as he does in the case of the war power of the national government. In the making of foreign policy the President is either the primary or the exclusive organ of governmental power." (Glendon A. Schubert, *Constitutional Politics*. New York, Holt, Rinehart and Winston, Inc. 1960, pp. 353–354.)

I would not attempt to decide whether this is true as far as the courts are concerned, but it is certainly not necessarily true as far as the Congress, is concerned. As far as the authority of the Congress is concerned, the Curtiss-Wright decision, or anything derived from it, has only one validity: The Court decided that in the particular case before it the Congress had not delegated its essential legislative functions. It did not and could not make the President's fiat law beyond effective challenge of the Congress nor make the Executive either the primary or the exclusive organ of the Government in the *making* of foreign policy. The authority of the Congress to delegate to the Executive the power to make executive agreements is restricted only in the two ways already noted. It cannot delegate its essential legislative functions or authority it does not itself possess.

I have dwelt at some length, perhaps greater than needed, on this matter because the assertions of presidential power have become great and because of the frequency of the reference to Curtiss-Wright in the courts and in presidential pronouncements. One of our successful candidates for the Presidency said in an address: "He (The President) must be prepared to exercise the fullest powers of his office—all that are specified and some that are not. . . . However large its (Congress's) share in the formation of domestic programs, it is the President alone who must make decisions in our foreign policy . . . . only the President represents the national interest." (Quoted in Robert S. Hirshfield, *The Power of the Presidency*, New York: Atherton Press, 1968, pp. 128–133.)

With reference to executive agreements made in pursuance to treaties the problem is more complicated because it involves the President's duty to see that laws are faithfully executed, the question whether a treaty is or is not self-executing, and the right of the Congress to delegate authority conferred upon it by treaty. The first of these problems is not difficult because the Congress can determine the way or ways in which the President may execute laws whether they are made by treaties or by legislation. I have not found a satisfactory rule to determine whether a particular treaty is self-executing unless the treaty itself contains a provision on that subject. I must leave this question to the consideration of constitutional lawyers or to the courts. I scarcely need, however, to remind the Committee that at one time or another the United Nations Treaty and the several treaties of mutual defense have been considered as self-executing and that this interpretation combined with the broad interpretation of the President's powers as Commander-in-Chief of the armed forces, the supremacy clause of the Constitution, and the duty of the President to see that the laws are faithfully executed which is frequently exercised without congressional guidance, opens an opportunity for executive agreements almost without limit.

The problem of executive agreements authorized by legislation enacted in the pursuance of treaties is best illustrated by a case known to this Committee and almost as famous as Curtiss-Wright, namely that of *Missouri* v. *Holland* (252 U.S. 416) of 1920. In that case the Supreme Court asserted the principle that when the United States makes a treaty under the treaty power, the Congress may implement the treaty by legislation which it would not have authority to enact under the Constitution in absence of the treaty. Thus the Court asserted, in effect, that the Constitution can be amended by treaty at least to the extent of the powers reserved by the Constitution to the states.

If executive agreements made in pursuance of treaties either with or without implementing legislation are considered to be potentially dangerous to the national interest and in need of restraint, remedies are available to the Senate or the Congress without the need for constitutional amendment. The Senate does not need to advise and consent to treaties that infringe the reserved rights of the states. It can attach to a resolution of advice and consent a provision making any treaty non self-executing. Of course the President could refuse to ratify the treaty. And the Congress can provide guidelines with regard to any executive agreement made under a treaty.

However extensive and complicated these problems are of executive agreements made under legislative or treaty authority, the greatest problem arises regarding agreements made presumably under the President's direct constitutional mandate. These stem from the powers or duties or position assigned to the Executive by the Constitution, are too familiar to need enumeration, and are difficult to consider in general terms. It is not always easy to determine what constitutes an agreement unless it is formal in character and labeled as such. Is a joint communique issued after a conference with other heads of states an executive agreement, and does a series of Presidential pronouncements declaring a policy of the United States constitute an agreement? Unless it is stated in the agreement, it is sometimes difficult to determine whether it is intended to bind the President alone and is therefore only a declaration of Presidential purpose which the President has a right to state or is intended to bind the United States. Secretary of State Robert Lansing said the Lansing-Ishii Agreement of 1917 bound only President Wilson, but Secretary Charles Evans Hughes thought it bound the United States and negotiated an agreement declaring the Lansing-Ishii Agreement void. This agreement defined the policies of the United States and Japan toward China and denied that either signatory intended to infringe the "independence or territorial integrity" of China. The agreement contained, however, a secret protocol which declared that the two powers would not seek "special rights or privileges" in China which would abridge the rights of citizens of other friendly states. The agreement nullifying the Lansing-Ishii Agreement was also secret, and this question of secrecy is another aspect of the general problem. An even more difficult problem arises when an agreement contains military arrangements during an authorized armed conflict but includes also items clearly applicable to postwar peace terms which clearly should be concluded in a treaty.

In many respects the problem of secrecy is the most disturbing, and I am not referring to secret military arrangements in time of war. The Taft-Katsura Agreement of 1905 under which President Theodore Roosevelt agreed to Japan's control over Korea in return for a statement that Japan was satisfied with American control over the Philippine Islands determined American policy regarding Korea in succeeding years, and violated certainly the spirit and probably the letter of the Korean-American Treaty of 1882. It is generally supposed that President John F. Kennedy made some sort of agreement with Russia during the Cuban Missile Crisis of 1962, but as far as I know the full documentation of this incident has not been published. In that instance the President cited as his authority to act the Congressional Resolution known as the Cuban Resolution, the Charter of the Organization of American States, his powers as Commander-in-Chief of the armed forces. Yet the Cuban Resolution was a statement of policy and not an authorization of action, the Charter of the Organization of American States is not a self-executing treaty and cannot confer power on the President, and whatever are the powers of the President as Commander-in-Chief, they surely do not supplant the war making powers of the Congress. How many secret agreements have been made by the President through the operational aspects of the Central Intelligence Agency is unknown. How important this can be has been shown in recent revelations about the activities of the Central Intelligence Agency in Vietnam prior to August 1964 and the episode involving the USS Destroyer *Maddox*. The non-military parts of the agreements reached at the Cairo Conference of November 1943, were published in the form of a statement issued by the three heads of government participating in the Conference, but the provisions of the Yalta Agreement concerning China and which altered the Cairo Agreement were not revealed to China at the time and not published until 1946, and the whole agreement was not published until 1947.

It seems clear that the problem of secret agreements and indeed the whole problem of the powers of the President to make executive agreements under his direct constitutional grants is only one element in the wider problem of the separation of powers which has been considered by this and other committees of the Congress. If the Executive possesses all the powers that have been claimed under direct grants broadly interpreted, the authority to make a great variety of executive agreements is almost unlimited. Reference needs only be made to the so-called Litvinov Assignment under which the Soviet Government transferred certain of its American assets to the United States was made in connection with an agreement establishing diplomatic relations between the two nations in 1933. The agreement was made under the broad interpretation of the President's power to receive foreign diplomats and which was held by the Supreme Court to be the same as a treaty which superseded state laws. The agreement between President Franklin Roosevelt and Winston Churchill at Quebec on August 19, 1943, dealing with atomic energy dealt not only with wartime arrangements but provided that postwar advantages of a commercial nature would be determined by the President of the United States and the Prime Minister of Great Britain. No mention was made of the Congress as having any authority in the matter. This secret agreement was not printed by the Department of State until 1954.

The most extensive effort of the Senate to deal with most of the problems referred to here was the attempt initiated by Senator John Bricker to secure what has been called the Bricker Amendment to the Constitution. This effort began in the 82d Congress in 1952 and extended through the first session of the 85th Congress in 1957. Since the "amendment" passed through various forms and was connected with other and slightly different proposals, it is better to refer to the Bricker movement, but since this movement was so extensive in time and since some Senators supported one part of the movement but not another or had different purposes in mind, it is difficult to speak of the movement briefly and in general terms. If, however, I may make a general precis of the movement as a whole, its purposes were these. It sought by constitutional amendment to prevent a treaty or any international agreement from becoming effective which is in conflict with the Constitution, to prevent a treaty becoming effective in domestic law except through legislation which would be valid in absence of the treaty, to enable the Congress to regulate all executive agreements with any foreign power or international organization, to make all treaties non self-executing, and to require a rollcall vote in the Senate in approving treaties.

It may well be that the supporters of the movement exaggerated the need for it as a constitutional amendment and it is certainly true that its opponents made excessive claims for the difficulties its enactment would create in executing an effective foreign policy. It was said, among other things, it would return the United States to isolationism, would render the government as ineffective in foreign relations as the government had been under the Confederation, and would require the approval of many treaties by all the states severally. I do not intend to discuss this movement in detail. It seems to me however, that most of its provisions could be effected by the Senate or the Congress through powers already granted to them by the Constitution as I have already indicated. If there has been an improper expansion of Executive power in foreign relations it has occurred because the Congress has failed to exercise its full authority as the principal organ of the government in the determination of foreign policy.

So far, Mr. Chairman, I have not referred to Senate Bill 596 that has been introduced by Senator Clifford P. Case because it has seemed to me useful to place this bill into the broad perspective of the larger problems of executive agreements and because they encounter at every turn the still larger problems of constitutional limitations on federal power and the distribution of powers. In view of this perspective, it seems to me that this proposed measure is so limited in its scope, so inherently reasonable, so obviously needed, so mild and gentle in its demands, and so entirely unexceptionable that it should receive the unanimous approval of the Congress.

I would like, however, to request the indulgence of the Committee for a brief general comment. It seems to me that solutions for the great problems of executive agreements depend upon the view of the Congress of the proper role the United States should play in world affairs and the authority under which this role should be fulfilled. If it is believed the United States should play a leading role, sometimes dominating, to the extent it has been doing in the past two and a half decades, should have alliances—some of them secret—with many nations and large numbers of its armed forces stationed abroad, and should interfere at will in the domestic affairs of other sovereign states, and if it is believed that the principle of federalism should fall into decay, and the principle of the separation of powers in the federal government should gradually be whittled down and power over foreign policy should be allowed to slide into Executive control, then there would seem to be no compelling reason for Senate Bill 596, or for any change in direction of foreign policy, or cause for alarm. Certainly some people in the United States hold this view and believe that the real problem over the control of foreign policy is not that the Executive has become too powerful and too unrestricted but that he has not been given power enough and is too greatly restrained by Congressional action, no matter what the Constitution provides.

There is, however, another possible view of the proper role for the United States in foreign affairs and of the proper control over it. Under this view it is believed that the principle of federalism and the separation of powers is still the best safeguard to American freedom and democracy, that the role of the United States in foreign affairs should be one of cooperation and leadership but not dominance, that the United States should have no secret agreements, no large armed forces stationed abroad in peacetime, and should not try to determine the domestic arrangements of other sovereign states. Under this view, every major foreign policy and every contemplated action concerning it would be submitted to the Congress for discussion and known to the American people, and such policy and action should be defensible before the court of world opinion and based on principles which the United States would be willing to have applied to itself. This view does not suggest the United States should be weak and feeble in its own defense or unwilling to cooperate with other nations against aggression, or that great power in itself is an evil. It suggests that the exercise of power and the determination of the national interest should not be the responsibility and the privilege of the few but should be determined and shared by the many.

It is probably obvious that I am an advocate of this second view. It is a commonplace truism, but nevertheless valid, that democratic processes are often cumbersome, sometimes frustrating to leadership, and may lead to error. But they are the only processes consonant with a free society. It would be fortunate if changes in American foreign policy and its control could be effected through Executive leadership, but the history of the United States and of governments throughout the world is against that prospect. If change is to be made it is almost inevitable that it will have to come through the leadership of the Congress. I believe that Senate Bill 596 is a proper step in this direction.

## STATEMENT BY ALEXANDER M. BICKEL

I appear at the invitation of the Committee, which I appreciate greatly, as it gives me a valued opportunity to try to assist in endeavors that I consider of the utmost importance to the future well-being of our country.

In my judgment, S. 596, now reintroduced by Senator Case, makes eminent good sense today, no less than it did fifteen years ago, when its predecessor was introduced by Mr. Knowland of California, and passed by the Senate. S. 596 is the more important today, however, since it complements other measures this Committee has under consideration, which are intended to reassert the proper role of Congress in the formation of the nation's foreign policy.

When I was last before this Committee on July 26 of this year, testifying on the Javits, Stennis, Eagleton and like bills, I indicated that while a declarative statute generally defining and limiting the President's independent power to commit American forces to combat was, in my view, a most useful step, it was only a first step. What has to follow, I believe, is active assumption by Congress of its share of responsibility for the making of our foreign policy, as that policy is manifested in the disposition of our forces throughout the world, and in various commitments and understandings about the mission of those forces. Congress must reassess present deployments, I believe, and make specific decisions authorizing them or, in other instances, causing our forces to be withdrawn. This is, of course, a lengthy process, but before it can ever hope to undertake such a task, Congress must first inform itself with precision about the present state of our understandings with other nations. This is where S. 596 comes in, and this is why it is such an important proposal.

So long as American forces are deployed in various parts of the world—and I am far from suggesting that they were in all or most cases unlawfully deployed in the absence of contrary statutory provisions, or that they should all be withdrawn; rather I suggest only that Congress should review their deployments, and participate in decisions whether or not to deploy them, and where—so long as our forces are deployed outside our borders, occasions when the President may believe them to be in danger of attack can arise, and on such occasions, the President's power to act to protect our forces can scarcely be doubted. Hence if Congress is to share meaningfully in making decisions on issues of war and peace, it must share in decisions about the deployment of our forces, and it must be informed about such deployments, and about the conditions under which they are made. The latter include, of course, executive agreements concluded by the President with other governments.

In requiring, as S. 596 would do, that international agreements other than treaties to which the United States is a party to be transmitted to it, Congress would be exercising a power that, in my opinion, clearly belongs to Congress under the Constitution. I have no answer to the conundrum of when an international agreement must be a treaty, and when it can be a congressional-executive or just plain executive agreement. I do know this, however. It is too late in the day for a purist insistence on treaties as an exclusive instrument in our intercourse with other nations. But on the other hand, the grandiose conception, the almost regal conception of the President's independent role in foreign affairs suggested by Justice Sutherland's dicta in *United States* v. *Curtiss-Wright Corporation*[1] and widely taken up in the first flush of the enthusiasm with which we assumed the world in the mid-1940's[2]—this grandiose conception never had any warrant in the Constitution, is wrong in theory, and unworkable in practice.

The President's independent power to conclude executive agreements with other nations, like other of his powers, can exist only in context, and subject to the limitations, of our singular American doctrine of the separation and joinder of powers, the chief modern authoritative statement of which came from the Supreme Court in the famous *Steel Seizure Case* of 1952.[3] In a concurring opinion in that case that has become a classic, the late Justice Robert H. Jackson wrote as follows:

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Footnotes at end of article.

While the Constitution diffuses power the better to secure liberty, it also contemplates that practice will integrate the dispersed powers into a workable government. It enjoined upon its branches separateness but independence, autonomy but reciprocity. Presidential powers are not fixed but fluctuate, depending upon their disjunction or conjunction with those of Congress. . . .

1. When the President acts pursuant to an express or implied authorization of Congress, his authority is at its maximum, for it includes all that he possesses in his own right plus all the Congress can delegate. . . .

2. When the President acts in absence of either a Congressional grant or denial of authority, he can only rely upon his own independent powers, but there is a zone of twilight in which he and Congress may have concurrent authority, or in which its distribution is uncertain. Therefore, Congressional inertia, indifference or quiescence may sometimes, at least as a practical matter, enable, if not invite, measures on independent presidential responsibility. . . .

3. When the President takes measures incompatible with the expressed or implied will of Congress, his power is at its lowest ebb, for then he can rely only upon his own constitutional powers minus any constitutional powers of Congress over the matter.

The President does, of course, possess some independent powers both as Commander-in-Chief and as Chief Executive, which are beyond the reach of Congress. It may be, though I doubt it, that the power to recognize a foreign government, as exercised in the Roosevelt-Litvinov Agreement of 1933, is such power.[4] I feel certain, however, that the vast bulk of executive agreements falls in what Justice Jackson characterized as the "zone of twilight."[5] Even the Destroyers-for-Bases Agreement executed by President Roosevelt in 1940 with Great Britain was justified by Attorney General Jackson, as he then was, on carefully limited grounds. The acquisition of bases, said Attorney General Jackson, was within the independent powers of the President as Commander-in-Chief and as the organ of the government in international relations because it was a transaction "without express or implied promises on the part of the United States to be performed in the future." The constitutional position would obviously have been differently viewed by the Attorney General if promises of future performance had been involved. And the disposal by the President of unneeded overage destroyers in exchange for the bases was valid because the President's power to dispose of unneeded naval materials had found "clear recognition in at least two enactments of the Congress." But certain "mosquito boats" then under construction could not be disposed of by the President, because such action was forbidden by statute.[6]

Executive agreements which lie in the "zone of twilight" between Presidential and legislative powers are of obvious concern and legitimate interest to Congress in the exercise of the function assigned to it by the Constitution. For the "zone of twilight" may be occupied by Congress at will. It exists, and independent Presidential power can exist within it, only by Congress' leave, or because of the inertia of Congress. It is redefined or it vanishes when Congress chooses to act. What Congress may act on, it can require to be informed about.

The only possible difficulty I can see with S. 596, therefore, is that the President might decline to transmit an agreement which he views as executed in exercise of his own independent power, and as, therefore, beyond the reach of Congressional power, and of no proper concern to Congress. I would seriously doubt the wisdom of a President taking such a position in any circumstances I can now imagine short of full-scale hostilities, but I should suppose that if his function as commander responsible for the safety of troops was involved, he might well be on sound constitutional ground in invoking executive privilege and withholding a document from Congress. Yet I see no need to attempt to write the doctrine of executive privilege into S. 596, and I don't know that there is a draftsman who would be equal to the task of putting that shadowy doctrine into acceptable words. It would seem to me that without now attempting prospectively to settle some future case that might arise in circumstances not now easily foreseeable, the legislative history might make clear the understanding of the Congress that nothing in S. 596 was intended to deny the President the benefit of the doctrine of executive privilege in the conditions in which he would be constitutionally entitled to invoke it.

I believe, as I said when I was last here, that Congress has too long tolerated, indeed cooperated in, a diminution of its role in the conduct of foreign affairs and in the decision of questions of war and peace—a diminution that approaches the vanishing point. In my judgment, the balance of power between Congress and the President ought to be redressed in this respect. It is up to Congress to redress it. S. 596, if enacted, would be an important step in that direction.

FOOTNOTES

[1] 299 U.S. 304 (1936), but cf. *Kent* v. *Dulles*, 357 U.S. 116 (1958).

[2] See *e.g.*, McDougal and Lans, "Treaties and Congressional-Executive or Presidential Agreements: Interchangeable Instruments of National Policy," 54 *Yale L.J.* 181, 534 (1945).

[3] *Youngstown Sheet and Tube Co.* v. *Sawyer*, 343 U.S. 579 (1952).

[4] See *United States* v. *Belmont*, 301 U.S. 324 (1937); *United States* v. *Pink*, 315 U.S. 203 (1942).

[5] See *United States* v. *Capps*, 204 F.2d 655 (4th Cir. 1953), *affirmed on other grounds*, 348 U.S. 296 (1955); Sutherland, "The Bricker Amendment, Executive Agreements, and Imported Potatoes," 67 *Harvard L. Rev.* 281 (1953).

[6] 39 *Opinions of the Attorney General* 484, 487, 489 (1940).

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## OPENING STATEMENT BY SENATOR J. W. FULBRIGHT

### S. 596—EXECUTIVE AGREEMENTS

The Committee welcomes the opportunity today to hear the Administration's views on S. 596, a bill sponsored by Senator Case which would require the Executive to notify Congress of all arrangements it enters into with foreign governments by executive agreement.

Yesterday we heard testimony by a distinguished lawyer, Professor Alexander M. Bickel of the Yale Law School, who said that he thought the bill an "important proposal" which, if enacted, would represent a desirable step toward redressing the balance of power between Congress and the President. We also heard the testimony of a distinguished historian, Professor Ruhl J. Bartlett of the Fletcher School of Law and Diplomacy, who provided the Committee with an historical perspective on executive agreements, from which he concluded that ". . . this proposed measure is so limited in its scope, so inherently reasonable, so obviously needed, so mild and gentle in its demands, and so entirely unexceptionable that it should receive the unanimous approval of the Congress."

In view of the significance of this measure and the constitutional issue to which it relates, we have no doubt that the Administration will have turned its finest legal minds to the study and analysis of Senator Case's proposal. So far, however, we have no hint of the Administration's view except that contained in a brief letter from Mr. Abshire—evidently composed in haste—in which it is suggested that, in lieu of this legislation, Congress should be satisfied with something to be called a "working arrangement."

Our witness today is Mr. John R. Stevenson, Legal Adviser to the Department of State, who we know will wish to resolve our perplexity over the Administration's position. Please proceed.

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DEPARTMENT OF STATE,
*Washington, D.C., October 15, 1971.*

Hon. J. W. FULBRIGHT,
*Chairman, Committee on Foreign Relations, U.S. Senate*

DEAR MR. CHAIRMAN: The Secretary has asked me to reply to your letter of February 11, 1971, requesting our comments on a bill, S. 596 which would require the transmission to the Congress of international agreements other than treaties to which the United States becomes a party.

The Executive Branch agrees fully with the general purpose of this bill as we understand it—to ensure that the Congress is properly informed of the conclusion by the United States of international agreements in a manner that will enable it to carry out its constitutional responsibilities.

In order to accomplish that purpose, however, the Department of States does not believe that legislation is either necessary or desirable. Instead, the Department believes that practical arrangements can be worked out with the Congress and the Committees concerned that will meet the needs of the Congress in this area. We are prepared to discuss the establishment of such arrangements with the Committee and its staff.

The Department of State believes that if a working arrangement could be made, experience over a reasonable period of time, for example one year, would demonstrate that the needs of Congress can thus be met. At the least, such a trial arrangement would permit Congress and the Executive Branch better to determine whether any legislation is actually needed or whether the proposed legislation is best designed to meet the needs of Congress. Representatives of the Department of State and of the Senate and House Committees could review the working arrangements from time to time with a view to improving them wherever necessary.

I know you will agree that the need for a steady flow of information between the Executive and Legislative Branches of our Government is a continuing one and is not limited to international agreements. In keeping with our basic approach toward constitutional issues involving the separation of powers, we believe that this need can be met best by mutual cooperation between the two branches, not by mandatory legislation.

The Office of Management and Budget advises from the standpoint of the Administration's program that there is no objection to the submission of this report.

Sincerely yours,
DAVID M. ABSHIRE,
*Assistant Secretary for Congressional Relations.*

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## STATEMENT OF HON. JOHN R. STEVENSON, LEGAL ADVISER OF THE DEPARTMENT OF STATE

I welcome the opportunity to discuss Senator Case's bill, S. 596, with the Committee on Foreign Relations. The bill would require the Secretary of State to transmit to the Congress the text of any international agreement other than a treaty to which the United States is a party no later than 60 days after such agreement has entered into force with respect to the United States. An amendment to the original bill provides that agreements already in force at the time of enactment of the bill shall be transmitted within 60 days of such enactment. If, in the opinion of the President, the immediate public disclosure of such an agreement would be prejudicial to the national security, the bill provides that it shall be transmitted only to the Senate Committee on Foreign Relations and the

House Committee on Foreign Affairs under an appropriate injunction of secrecy to be removed only upon due notice from the President.

As a starting point for our discussion of this bill, let me state two general propositions upon which I feel confident we can all agree. First, I believe we can take it as well-settled that Congress is not legally required to enact legislation in order to have a basis for obtaining information from the Executive Branch. The power of Congress to inform itself in aid of its legislative function inheres directly in and has no less constitutional stature than the legislative powers themselves. Requests of the Congress for such information, through any duly authorized representative or committee, thus have the same force, legally and constitutionally, as legislation, at least insofar as we are concerned here.

Second, it seems clear that in the area of international agreements the flow of information to Congress can be improved in order to meet the Congressional need for full and timely information on agreements concluded by the Executive Branch in the continuing conduct of foreign relations. The present situation can be improved by having a systematic procedure for providing information about international agreements to the Congress.

Starting from these two premises, then, the bill you are considering would deal with this problem by establishing what would amount to a standing request of the Congress, based on its constitutional powers, for the transmission of international agreements other than treaties on a regular basis as they are concluded. It is thus intended, as I understand it, to ensure that Congress will be adequately informed of the conclusion of such agreements so that it will be able to carry out its constitutional responsibilities. I am in full agreement with this objective.

Therefore, I think the real question before us is what is the best way to achieve that objective. It may be helpful, in looking at that question, for me to outline some of the basic facts regarding United States adherence to international agreements other than treaties and the State Department's practice with respect to our entering into and publishing such agreements as well as our providing them to the Congress. As you know, the number of international agreements other than treaties to which the United States is a party has grown over the years, reflecting the expansion of the international community and the role of this nation in the affairs of that community as well as the increasing complexity of problems which require transnational solutions. The United States is a party to over 4,000 international agreements other than treaties and enters into approximately 200 new international agreements of this kind each year. There are close to 1,000 treaties in force for the United States, and we enter into approximately 15 new treaties per year.

The process of entering into agreements is carefully supervised and subject to standards established by the Department of State. Since May 1953, the Department has had specific regulations (11 FAM 700 et. seq.), referred to generally as the Circular 175 procedure, under which authorization must be obtained from the Secretary of State, Under Secretary or a Deputy Under Secretary for the negotiation and signature of a new treaty or other international agreement. The regulations state that so-called executive agreements are not to be used when the subject matter is of such a nature that it should be covered by a treaty. (11 FAM 722) They also provide that whenever circumstances permit, consultations are to be held with appropriate Congressional leaders and Committees to determine the most suitable way of handling such international agreements (11 FAM 723.1).

In 1964 the Treaties Affairs staff of the Legal Adviser's Office prepared a statement setting forth standards involved in determining whether an international agreement should be concluded as a treaty. These standards remain generally valid today. Under these standards, the treaty form is used:

a. When the subject matter and treatment thereof is traditionally handled by a treaty. This is not necessarily controlling in all instances but requires careful consideration before any departure therefrom.

b. When the subject matter and treatment thereof is not wholly within the delegated powers of the Congress and is not solely within the Constitutional authority of the President.

c. When the agreement itself is to have the force of law without legislative action by the Congress, and the action contemplated is not solely within the President's constitutional authority.

d. When the agreement involves commitments affecting the nation as a whole.

e. When it is desired to give the utmost formality to the commitment with a view to requiring similar formality on the part of the other government concerned, in the interest of long continued respect for its terms.

The Department's regulations provide that the executive agreement form is used only for agrements which fall into one or more of the following categories:

a. Agreements which are made pursuant to or in accordance with existing legislation or a treaty;

b. Agreements which are made subject to Congressional approval or implementation; or

c. Agreements which are made under and in accordance with the President's constitutional power. (11 FAM 722).

Of course one question that lawyers are always faced with is whether a particular exchange amounts to an agreement. Here a judgment factor as to whether the documents constitute an international commitment of a substantive character enters into the picture. We do not, for example, ordinarily consider an exchange of diplomatic notes agreeing to undertake negotiations on some subject, or constituting administrative working details for carrying out a treaty or agreement, as an international agreement to be published or registered with the United Nations.

The process of publishing an international agreement in the Department's Treaties and Other International Acts Series is undertaken only after all the measures required for the entry into force of the agreement have been completed. Most international agreements other than treaties enter into force as soon as they are signed. In the case of diplomatic notes, the signature of the notes and their exchange is ordinarily all that is required. In some instances, however, the signature of an agreement must be followed by further action on the part of one or both of the governments concerned.

Most international agreements other than treaties are concluded pursuant to legislative authority granted by the Congress or subject to Congressional approval or implementation. Others are entered into in implementation of treaties which have received the advice and consent of the Senate. Over 95 percent of so-called executive agreements—probably as high as 97 or 98 percent—fall into these categories. The remainder are based on the President's own constitutional authority. The Executive Branch, by virtue of the President's constitutional powers as Chief Executive, Commander-in-Chief and in the field of foreign relations, actually negotiates and concludes international agreements. But apart from the relatively few cases in which the President relies solely on his own constitutional powers, the authority to enter into the vast majority of such agreements derives in part from Congressional statutes or treaties approved by the Senate.

Also with respect to the vast majority of international agreements other than treaties the practice has been automatically to provide copies of these agreements to the Senate and the House of Representatives. This is presently done through the Government Printing Office which, once it prints the texts of treaties and other international agreements sends copies of them to the Document Rooms of the Senate and the House as well as to the Senate and House Libraries and to the Library of Congress. As far as I am aware, this procedure has worked well over the years. It has almost invariably provided Congress with the texts of treaties and other international agreements within 60 days of their final conclusion. This practice, I believe, should be continued since it is the most direct way of providing the texts of treaties and agreements to the Congress. If the Committee on Foreign Relations and the House Committee on Foreign Affairs would prefer the Department of State to transmit such texts once we receive copies from the Government Printing Office, we would, of course, be happy to do so as an alternative or a supplement to the present arrangement.

As S. 596 recognizes, there are also some sensitive agreements which must be handled differently. It is in this area, I suppose, that the authors of the bill believe the present practice to be inadequate.

I have given considerable thought to how this concern might best be satisfied. It seems to me that a systematic procedure is required for keeping Congress informed. The elements of such a procedure, in my view would include the following:

First, the Department of State should keep the Senate Foreign Relations Committee and the House Foreign Affairs Committee adequately informed of the conclusion of sensitive agreements on the part of the United States on a regular and prompt basis. This might be done through the Committee chairman or otherwise.

Second, the texts of particular agreements could be made available under appropriate security safeguards. I am, of course, aware that differences have occurred in the past between the Executive and Legislative Branches concerning transmittal to Congress of information regarding certain very sensitive executive agreements. Such differences are unlikely to disappear completely in the future. In my opinion, these differences can only be resolved on a case by case basis through cooperation and accommodation between the two Branches. Mutually satisfactory solutions have almost always been possible in the past, and I am confident they can be worked out in the future. However, I believe the number of problems which will have to be resolved in that way will be very significantly reduced by the establishment, as I have suggested, of a regular procedure for keeping Congress informed of sensitive international agreements.

Practical arrangements to implement these principles could, I am certain, be worked out between the Department and the Committees. We are prepared to discuss such arrangements with you at your convenience. My thought is that if a working arrangement along the lines is made, experience over a reasonable period—say one year—would show that the needs of Congress for information about international agreements could be met. I would envision that the Department and the Committees would keep any practical arrangements worked out under continuing review in an effort to improve them wherever necessary.

In conclusion, Mr. Chairman, it seems to me we are dealing with a question of practical arrangements, not with a question of right or authority which would in any way be altered by statute. We are cognizant of the committee's desire to be informed of international agreements and quite willing to work out with the Committee and its staff working arrangements and procedures which will enable us to meet the needs of the Congress as well as those of the Executive Branch. I do not see any way in which the proposed bill would facilitate our arriving at a mutually acceptable procedural arrangement. After all, we are dealing here in an area involving constitutional powers of the President and the Congress. These are shared powers flowing from the separation of powers under the Constitution. The best approach to resolving issues in this area is through mutual cooperation and accommodation between the two Branches of Government.

That is why, even apart from the lack of legal necessity for legislation, I believe a practical arrangement for providing information to the Congress on international agreements other than treaties is preferable to legislation. At the least, such a practical approach, on a trial basis, will permit Congress and the Executive Branch better to determine whether any legislation is needed or whether the legislation now before the Committee is best designed to meet the needs of both Executive and Legislature.

For these reasons, I recommend that the Congress not adopt legislation on this subject at this time but instead that the Department of State and the Committees concerned meet to work out mutually acceptable practical arrangements.

## ENGLEWOOD, N.J., VOTES ON THE VIETNAM WAR

Mr. CASE. Mr. President, the citizens of Englewood, N.J., went to the polls on election day to choose local, county, and State officials, and to vote on the following question: "Shall the Council of the City of Englewood petition the U.S. Congress for the removal of all American troops from Southeast Asia and for the termination of all appropriations for the prosecution of American involvement in the war in Southeast Asia no later than December 31, 1971?"

By a margin of nearly 2 to 1, Englewood's voters approved this referendum, as I have been officially notified of the outcome by the Englewood City Council.

I believe the clear sentiment of the Englewood voters in calling for a deadline on American participation in the war reflects the views of a large majority of the people of New Jersey and of the country as a whole. Both the Gallup and Harris polls have recorded similar results in nationwide surveys.

Mr. President, I ask unanimous consent that the resolution unanimously adopted by the Englewood City Council on November 4, 1971, calling for a Southeast Asia withdrawal date, and the June 15, 1971, resolution of the Englewood City Council putting this question on the ballot be printed in the Record.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

### Resolution

Whereas, the Council of the City of Englewood, by resolution duly adopted on June 15, 1971, caused to be placed on the ballot for the General Election held on November 2, 1971, the following referendum question:

"Shall the Council of the City of Englewood petition the United States Congress for the removal of all American troops from southeast Asia and for the termination of all appropriations for the prosecution of American involvement in the war in southeast Asia no later than December 31, 1971?"

And

Whereas, the official tally of the balloting on said question has been reported by the Clerk of the City of Englewood as: 4,573, in favor; 2,347, opposed.

Now, therefore, be it resolved by the Council of the City of Englewood, in accordance with the directive set forth in said adopted referendum question, as follows:

1. The City of Englewood by this Resolution hereby petitions the United States Congress for the removal of all American troops from Southeast Asia and for the termination of all appropriations for the prosecution of American involvement in the war in southeast Asia no later than December 31, 1971;

2. The Resolution adopted June 15, 1971, hereinabove referred to, directing the placement of the referendum question on the ballot, is hereby annexed hereto and made a part hereof by reference;

3. The Clerk of the City of Englewood shall forthwith transmit a certified copy of this Petition by Resolution, together with the resolution annexed, to United States Senators Harrison A. Williams, Jr., and Clifford P. Case, and to Representative Henry Helstoski, with the request to each of them that he spread this Petition and Resolution annexed hereto upon the Senate and House records respectively;

4. The Clerk of the City of Englewood shall forthwith transmit a copy of this Resolution to each United States Senator; to each member of the House of Representatives; to the President of the United States; and to each member of the Joint Chiefs of Staff of the United States of America.

Whereas, the Council of the City of Englewood has been requested, both formally and informally, by citizens, residents and taxpayers of the City of Englewood to express to the federal government, as the elected representatives of the citizens, residents and taxpayers of the City of Englewood, the sentiment of said citizens, residents and taxpayers against the present American involvement in the war in southeast Asia; and

Whereas, the Council of the City of Englewood has from time to time adopted resolutions for the purpose of bringing the public sentiment of the City of Englewood on various public questions to the attention of the state and federal governments; and

Whereas, American involvement in the war in southeast Asia affects the citizens, residents and taxayers of the City of Englewood in that they and their relatives and friends are required to serve a period of military service in southeast Asia, thereby disrupting their lives and the lives of their families in fulfilling a commitment which they believe to be in violation both of their consciences and the best interests of national policy; and

Whereas, all citizens, residents and taxpayers of the City of Englewood are affected by the American involvement in the war in southeast Asia by reason of the fact that substantial federal funds representing, in large part, federal revenue obtained from payment of federal income taxes are being diverted for the prosecution of said involvement from a multitude of urgent and high priority domestic needs; and

Whereas, the City of Englewood has many public and social problems, the solution of which require federal financial assistance; and

Whereas, the Council of the City of Englewood deems it appropriate that it should make no expression of municipal sentiment with respect to the continued American involvement in the war in southeast Asia without first having determined the sentiments of a majority of the voters of the City of Englewood; and

Whereas, N.J.S.A. 19:37–1 et seq. provides a mechanism whereby the Council of the City of Englewood can determine public sentiment on the question of whether or not such an expression should be made by the governing body of the City of Englewood to the federal government; and

Whereas, the proponents of the point of view that American involvement in the war in southeast Asia should be terminated at the earliest possible time have requested the seeking of the expression of public sentiment on the question of whether or not all American troops should be withdrawn from southeast Asia and all federal appropriations for prosecuting American involvement in said war should cease no later than December 31, 1971

Now, therefore, be it resolved by the council of the city of Engelwood, pursuant to N.J.S.A. 19:37–1 et seq.:

That the Clerk of the County of Bergen is hereby requested to print upon the official ballot, to be used at the General Election to be held on November 2, 1971, in the City of Engelwood, the following proposition:

"Shall the Council of the City of Englewood petition the United States Congress for the removal of all American troops from southeast Asia and for the termination of all appropriations for the prosecution of American involvement in the war in southeast Asia no later than December 31, 1971?"

## "TRAGIC MISCHIEF" IN ECONOMIZING ON HEALTH RESEARCH

Mr. BIBLE. Mr. President, the Federal Government has made significant advances in the support of health research, thanks mainly to strong congressional support. But the picture is not so bright as one might expect. Health still ranks low on our list of spending priorities, and the Federal medical research effort has actually lost ground—despite the widely publicized Conquest of Cancer and other important programs.

As a member of the Appropriations Committee and its Labor-Health, Education, and Welfare Subcommittee, I am proud the congressional record on health appropriations. For the research activities of the National Institutes of Health alone we added some $142 million to the President's budget for fiscal 1972, over and above the $100 million funded earlier for the accelerated cancer research effort.

Many thought Congress went too far. I contend Congress did not go far enough. Indeed, when considering the impact of inflation, we have been losing ground.

The administration's budget policies have been of little help to the program. As a matter of fact, without congressional action to expand the President's spending recommendations, this country might well be facing a health research crisis.

An outstanding authority on medical research, Dr. Michael E. DeBakey, contends budget-cutting in this area is creating "tragic mischief" which could have far-reaching effects on the nation's health. In a recent Saturday Review article, Dr. DeBakey and his sister, Lois DeBakey, discuss the problem of medical research dollars at length and point a critical finger at national spending priorities that channel $400 per person to

**defense, $30 per person to highways and just $7 per person to all medical research.**

**Dr. DeBakey is a recognized expert in this field and a valued witness before our subcommittee. He is president of the Baylor College of Medicine and director of the cardiovascular research and training center, among other responsibilities. His sister is equally well qualified to speak on the health research issue. She is professor of scientific communications at Baylor and a lecturer at Tulane University School of Medicine.**

**I ask unanimous consent that their article, "Medical Research Is Hurting," published in the Saturday Review of October 16, be printed in the RECORD.**

**There being no objection, the article was ordered to be printed in the RECORD, as follows:**

### Medical Research Is Hurting

(By Michael E. DeBakey and Lois DeBakey)

Why so little public outcry against the recent disastrous slashes in medical research and education? Average Americans are quiescent, one suspects, because they have bought the notion that from now on we will be spending money on here-and-now patient care, as opposed to "irrelevant" medical research.

This widespread notion is, of course, dangerous nonsense, for like it or not, research, education, and medical care are completely bound up in one another. Any attempt to split them apart is specious, illusory, and the worst sort of false economizing. The sad fact is that in slashing medical-research budgets by many millions of dollars the administration is creating tragic mischief, the effects of which will sooner or later touch every man, woman, and child in this country—as well as unborn generations of Americans.

Is this an extravagant claim? Scare talk? Not really. Consider the unhappy recent memory called tuberculosis. In 1900 TB, "the white plague," was as common a fact of life as mosquitoes. Hospital wards overflowed with TB's wasted victims, and emaciated "lungers" walked the streets wracked by contagion-spreading coughing spells.

If TB as we knew it in 1900 were abroad today, full force, our already overburdened hospitals would have to cope with several million more patients. Fortunately, medical researchers several decades ago developed isoniazid and streptomycin; since the general introduction of these drugs after World War II, the TB death rate in the United States has dropped by 95 per cent. Some foundation ought to do a "cost-benefit" study comparing the expense of developing anti-TB drugs with the cost of maintaining, at today's going hospital rates, several million "phthisical persons." The ratio would be eye-opening.

The virtual elimination of TB by medical research is only one instance among many of the central principle of medical advance: Research, teaching, and patient care go hand in hand. If you cut one, you damage all three. That is why it is no exaggeration to say that the slashes in the funding of medical research over the past few years will almost certainly cause a regression from which it will take American medicine many years to recover—a regression, incidentally, that will also heavily aggravate many of the troublesome social problems now at a racing boil just under the surface of American life.

Since full, free, scientific inquiry is, then, indispensable to human welfare, it is appalling that an enlightened people should take retrogressive steps in this sphere of activity. Certainly, medical science, the branch dedicated to the prevention of disease, the relief of suffering and disability, and the lengthening of productive life, has obvious practical dividends to offer humanity. A people debilitated or incapacitated by infectious, nutritional, parasitic, cardiac, malignant, or other disease suffers a real handicap in developing the skills and acquiring the knowledge needed for the economic, educational, industrial, sociocultural, and scientific advancement of a nation.

The attitude of society toward scientific research and education directly governs the expansion of medical knowledge and the direction of medical research. It is difficult to imagine that an affluent society such as we have in this country, possessed of the facts about the productivity of the great research enterprise we have built in a relatively short period, would not give wholehearted support to the continued growth and development of that enterprise. Alexis de Tocqueville, in *Democracy in America*, gave this sage advice:

"You may be sure that the more a nation is democratic, enlightened, and free, the greater will be the number of interested promoters of scientific genius. . . . Possessing education and freedom, men living in democratic ages cannot fail to improve the industrial part of science; and . . . henceforward all the efforts of the constituted authorities ought to be directed to support the highest branches of learning and to foster the nobler passions for science itself." But perhaps the scientific community has failed to communicate adequately the fruits of research—or our present and future needs—to the general public, partly because of its habit of modesty and partly because of the assumption that these benefits are self-evident. Yet, modesty and poor communications or no, it is still hard to believe that there are officials in high positions who actually think we can make America a healthier nation by altering the delivery of health services while de-emphasizing research on the grounds that it is an esoteric activity of medical school faculties and unrelated to practical social needs. Without continued research, the most extravagant appropriations for delivery of health care can produce no better quality than the application of *current scientific* knowledge permits; without further research into new ways of treating, curing, and preventing unconquered human ailments, the system will remain at a plateau. Without education and training of future scientists, medical educators, and physicians, there will be no one to innovate and administer the health services when the current pool of health manpower dries up.

Without exception, the major medical discoveries since World War II, whether spectacular, like organ transplantation and the artificial heart, or less dramatic, like effective diabetic drugs, can be traced to the research laboratory. It was there that vaccines, antibiotics, and other "miracle" drugs were developed for the control of previously fatal or disabling infectious diseases, including poliomyelitis, diphtheria, pneumonia, mumps, measles, and rubella. The nearly 100 per cent decline in the death rate from poliomyelitis since 1952 is due to poliomyelitis vaccine—the result of years of laboratory research. The tranquilizers and antidepressants developed in the research laboratory have removed thousands of mentally and emotionally ill patients from mental health institutions and returned them to gainful places in society. The anti-hypertensive drugs, such as reserpine, have drastically reduced the death rate from high blood pressure during the past two decades or so. Better methods for detection and treatment of rheumatic heart disease and stroke, particularly among persons below the age of sixty-five, have impressively lowered the fatality rates from these diseases.

The spectacular feats of open-heart and vascular surgery, in which the heart and circulatory system are directly manipulated for repair and correction of diseased or anomalous parts, are possible today only because dedicated scientists spent years in the laboratory diligently working on the heart-lung machine, synthetic prostheses, and related concepts. The remarkable electronic medical devices, such as the cardiac pacemaker, and the wide range of monitoring equipment, which enhances the reliability of diagnosis and the efficacy of treatment, are all products of medical research and technology. The news media notwithstanding, a new lifesaving operation, machine, or drug is not discovered overnight. Rather, these techniques and devices usually represent decades of zealous, unspectacular scientific inquiry.

The achievements of medical research are too numerous—and too well known—to recount here, but they include, in addition to the spectacular discoveries, a better understanding of sundry disease processes, which in turn has led to more efficient patient care. Provocative studies in genetics, molecular biology, virology, immunology, and biochemistry, and probings into the still obscure mechanisms of the human mind and body are providing vital information that will one day be applied to the treatment and, ultimately, the prevention of human defects and diseases.

Because medical education, research, and patient care are intimately interlinked, robbing Peter to pay Paul will not do the job at hand. A few months ago the administration budgeted $100-million for a crash program in cancer research, over and above the budget for the National Cancer Institute for 1972. This special sum was actually less than the amount recommended by the National Panel of Consultants on the Conquest of Cancer for the *first year* alone. In making this allocation, the administration failed to heed the panel's specific admonition: "It is of utmost importance that the financing of this program not result in cutbacks in other health programs." During the past few years, the entire federal medical research effort has been cut back disastrously. To help regain lost ground and to allot to medical research an adequate percentage of the health dollar, we should indeed consider *doubling* the present budget of the National Institutes of Health, rather than reduce it.

Despite the sound recommendation of the cancer consultants, the administration sliced heavily into the budgets of other institutes, presumably to pay for the crash program in cancer. It did not provide new funds to fight cancer—it merely *reshuffled* existing medical-research funds. The administration's overall budgetary reduction for medical research and the Regional Medical Programs for heart disease, cancer, and stroke for fiscal year 1972 was about $75-million. If cost-of-living increases are added to this sum, the reduction would amount to about $100-million—the same amount by which the budget for cancer research is being increased. At today's prices, the administration's fiscal 1972 research-support budget was $232-million less than that which supported the fiscal 1969 level of research activity. Fortunately, Congress, recognizing the serious threat of such a budget to the entire research and health enterprise, has insisted on increasing it; for example, the budget for the Regional Medical Programs was increased to $103-million. However, that figure is still $8-million below the 1971 funding.

The level of research activity has been substantially eroded by inflation. The cost of research increases by at least 6 per cent per year, without any expansion at all in activities; yet the proposed budget made no allowance for such inevitable increases. Grants requested for new research of known merit were cut by almost $10-million and those for the general research support program by more than $11-million. The budget for training grants and fellowships was slashed by $37-million below that of the fiscal year 1971 Congressional level. Programs of key institutes were also cut sharply below 1971 Congressional levels; as a result, laboratories in medical schools, hospitals, and research institutes all over the country have been faced with closure, and the brillant young graduates, who represent the hope for tomorrow's cures, have been forced to abandon careers in research. The loss to society will reverberate through many generations.

Anyone with simple human feelings knows how important it is that we find a cure for cancer. Yet, ironically, the current emphasis on cancer research at the expense of other needy health budgets does little to advance the total research cause. Going all-out on cancer is in many ways counter-productive, since research is far from ideal when conducted in isolation and is most prolific when a broad spectrum of mutually reinforcing scientific activities flourishes. Certainly it seems unwise to transfer funds to cancer research from research in stroke—one of the leading causes of death—and from the Regional Medical Programs, which are dedicated to the delivery of the latest products of research to the bedside of the patient. Yet the budget for Neurological Diseases and Stroke was reduced by the administration. Fortunately, Congress again insisted that this budget be increased.

All Americans would rejoice if a cure for cancer, the second leading cause of death in America, were found or, better yet, if a method of preventing the disease were discovered. Unquestionably, the recommended effort to search vigorously for the cause of this hideous disease is highly commendable. But we also need, now more than ever, to push forward in our studies of heart disease, which are beginning to show promising clues to underlying mechanisms. And yet the administration's budget of $195.4 million for the National Heart and Lung Institute was at the same level as the appropriation for fiscal 1971. The budget therefore did not accommodate for a cost-of-living increase; it would not even have allowed the maintenance of the present level of research activity. Moreover, $5 million of it was earmarked for new research in sickle-cell anemia. Once again, Congress wisely increased this item in the budget to $232 million.

The curtailment of research in any health field is difficult to justify, but it is especially puzzling in the field of heart disease, since this is *the* leading cause of death in America. Heart disease accounts for more than one mililon deaths annually—more than half of all deaths—many during the most productive years of life. Every ninety seconds someone—a relative, co-worker, friend, or acquaintance—dies needlessly from heart disease. With adequate support for research in this field, it is entirely possible that we could extend the lives of fifty million Americans who are currently doomed to die prematurely from heart disease. About 1.4 million Americans have already had one or more heart attacks, and each year more than 125,000 people below the age of sixty-five die of heart attacks. Each year, too, people below the age of sixty-five waste 141 million days because of cardiovascular and pulmonary illness, and those sixty-five and above waste an additional 110 million days. The resultant loss to the national economy is staggering.

These figures, along with a review of the advances made during the past decade in prevention and treatment of heart disease, make it difficult to understand or justify what amounts to an actual reduction in support of research and training in cardiovascular disease. Risk factors for premature heart attacks have been identified and documented, and this information is now ready to be disseminated to the population at large. Although we have not yet discovered cures for many of the underlying disorders, we are now able to correct surgically certain congenital malformations of the heart and to relieve some forms of acquired heart disease by coronary arterial surgery. We have also developed pacemakers, artificial heart valves, prosthetic vascular grafts, and cardiac assistors, which, along with such new drugs as the anti-hypertensive agents, and better methods of treatment for cardiogenic shock, have increased not only the *length* but also the *quality* of life for patients with heart disease. The thousands of patients alive and productive today—who would have been dead a number of years ago but for the products of cardiovascular research—testify to the *practical* dividends from this investment.

Just as ill-advised as the curtailment of funds for research is any reduction in support of medical education and training, especially in light of our current serious deficit in health manpower. The education of more and better-trained doctors, nurses, and other allied health professionals will obviously cost money. Yet both fellowships and training grants for graduate level training are suffering serious cuts from 1970 to 1972. Some 440 *fewer* researchers and physicians of advanced training will be available at the end of 1972 than would have been available had the fellowship funding remained at the 1970 level. Nor is the decrease in fellowship support offset by an increase in support available through training grants to specialty teachers; rather the reduction is substantial here too.

All those involved in the operation of a medical school, both professional and lay persons, are acutely aware of the ever-escalating costs of training well-qualified medical practitioners, much of which can be attributed to general inflation. Almost every medical school in the country is dependent on alumni support, not only to build new facilities and equip them suitably but to establish what, in the best judgment available, is thought to be a balanced portfolio of stocks and bonds. As we all know, such portfolios have not provided capital gains or reasonable dividends during the past several years. It will take some time, even if the economy recovers with miraculous speed, for these investments once again to help underwrite the costs of medical education. Until they do, and if our medical schools are not to go into bankruptcy, some emergency funds must be found. Furthermore, since the population as a whole profits from medical education and research, the allocation of federal money for such support is more than justified.

Because research is an essential activity in maintaining and advancing the quality of teaching, some schools have been able to help pay the salaries of some of the teaching faculty from research funds, but now that these funds are in ever shorter supply, support of our teaching faculties becomes a critical matter. Some members of Congress have tried to offer emergency aid to medical schools, but the $100-million that had been earmarked for this emergency effort disappeared in the course of the Senate-House conference on the authorizing legislation, despite concerted efforts by various facets of the medical community to explain the plight of medical schools to Congress.

By its attitude and actions, the administration is magnifying the present jeopardy to an important American enterprise—medical research—the enterprise that holds the key to the future health of the nation. Congress, aware that the administration's health budget was creating a crisis and, indeed, was courting disaster, has restored some of the cuts, but what is yet to be determined is whether the administration will apportion the money and allow its full expenditure. Even these Congressional increases, however, will only mitigate, not completely remove, the threat to the research enterprsie caused by several years of retrenchment.

At the moment, most of the increases recommended by Congress are still being withheld, and there are signs that the administration may frustrate the will and the efforts of Congress to resuscitate the health budget. According to the September 15, 1971, issue of *Drug Research Reports*, ". . . the biomedical community will have to fight for every penny it gets" from the government. The report further notes that "fiscal '73 is now viewed by the White House as another good year in which to cut back research," and suggests that the National Institutes of Health may be ordered to start these cutbacks "by nibbling away at ongoing projects."

The average citizen, who is both the potential victim of ill health and the potential beneficiary of medical research, can play a significant, positive role in maintaining the productivity of biomedical research and training. To do so, however, he needs to understand better some of our current health problems—for example, that some of the high cost of health care today is due to the often cumbersome and complex equipment, the lengthy hospitalization, and the extensive health manpower needed in palliative treatment and the prolonged care and rehabilitation of patients with obscurely understood diseases. To restrict additional funds to the delivery of this same kind of empirical treatment, invaluable though it is at our present level of knowledge, is penny-wise and pound-foolish when we could simultaneously be uncovering the underlying causes of these disorders and eventually their prevention. The annual savings accrued as a result of the virtual elimination of poliomyelitis, for example, amounts to about one-third of a billion dollars, a sum that far exceeds the amount invested in the research that led to its elimination. Added to the tangible dividends that accrue from the conversion of polio patients to useful citizens are the intangible benefits of a happier, and therefore a more creative, society.

Prevention, whether by use of vaccines, diet, or pharmacologic agents, is always more economical to the nation than disability and treatment. We are spending $70-billion annually for sickness, disability, and death. According to a national health survey made several years ago, more than half the people in the labor force (71.3 million) had one or more chronic conditions. As a result, during one year alone, 250 million work days were lost because of acute illness of persons seventeen years of age and older. The loss in wages and productivity is enormous. Yet, we continue to skimp on funds to support the search for the cause of these illnesses and methods of preventing them.

From a purely economic standpoint, it is to the country's advantage to transfer as much of our population as possible from the ranks of the disabled and handicapped, where they constitute a tax burden, to the ranks of the productive and employable, where they can contribute as taxpayers. A report of a study undertaken at the request of Mrs. Mary Lasker indicated that more than two-and-a-half-million wage earners whose lives had been saved in 1967 as a result of the declining death rate paid $1.69-billion in federal income and excise taxes. By contrast, the appropriation for that year for the National Institutes of Health (which at that time included the National Institute of Mental Health) was only $1.4 billion. The figures for the period 1945–1967 similarly show that the federal government gains more in taxes from persons whose lives have been saved as a result of better health knowledge than it appropriates for the National Institutes of Health.

Most citizens would, if they knew the facts, consider as awry national priorities that expend about $400 per person for defense, $125 per person for the Vietnam War, $40 per person for highways, $30 per person for space exploration, but as little as $7 per person for all medical research. Our tax-dollar priorities seem ever more imprudent when we consider that it cost our nation $70-billion (7 per cent of our Gross National Product) last year to support all health activities, an amount exceeded only by the cost of our defense activities. In other words, our lack of knowledge of health matters costs us about $315 per person, but we have been willing to spend only about $7 per person on medical research to help rid ourselves of this economic burden. Mental health services cost our nation $4-billion, or $20 per person, but we spend only 70 cents per person on mental health research. Hospital, nursing home, and physician care, along with drugs and other health services and supplies, cost more than $6 billion for heart disease alone ($30 per person); yet we allocate less than $1 per person for heart research.

We should regard medicine as a large industry with an evolving research base. To remain viable, such a science-dependent industry must expend substantially more than 10 per cent of its total operational costs for research and development. The pharmaceutical and electronic industries, in fact, spend about twice that much, whereas medical research spends less than 3 per cent of national health costs on research and development.

Press accounts of "breakthroughs" during the past few years have suggested that a scientist, working in isolation, suddenly comes upon a miraculous discovery. As dramatic and exciting as this suggestion may be, it is simply untrue. New scientific knowledge involves years of laborious effort and the most disciplined perseverance; blind alleys, disappointments, and frustrations are numerous. The spectacular discoveries announced to the world at large are often a synthesis of accumulated bits and shreds of seemingly impractical information obtained from many previous years of basic and applied research. Findings that may be considered trivial or impractical today may provide just the fragment of knowledge that can be combined tomorrow with another fragment to advance human understanding or improve human life. An extremely esoteric contribution may be the crucial link in the synthesis of scientific data leading to a major discovery. Once the general populace grasps this, they will recognize the imprudence of demanding instant practical results from federally supported research projects and will support a policy of allowing scientists to pursue research freely and imaginatively.

Society obviously has many other needs and desires besides those relating to health, but fulfillment of the other needs and desires will be futile, if indeed it is at all possible, unless our population is healthy enough to enjoy our resources. We cannot afford to let short-term goals eclipse long-rang benefits. Training and medical research are basically long-range projects, but unless something is done now to rectify the proposed drastic reductions in training funds and the crippling cutbacks in research money, we will have neither short-term gains nor long-term profits. Louis Pasteur aptly expressed the humanitarian goal of research when he said, "If conquests useful to humanity touch your heart, . . . take interest, I beseech you, in those sacred institutions that we designate under the expressive name of laboratories. Demand that they be multiplied and adorned; they are the temples of . . . the future. There it is that humanity grows, becomes stronger and better." If indeed our hearts are touched by conquests useful to humanity, we must turn from inspiring rhetoric to positive action—and now.

## NATIONAL COMMISSION ON FIRE CONTROLS

Mr. TOWER. Mr. President, many Americans may not know that approximately 12,000 of their countrymen died by destructive fire in 1970. In 1970 an estimated 210 firemen—paid and volunteer—died in the line of duty in the United States. Property damage from fire totaled more than $2½ billion in spite of the heroic efforts of the Nation's 1 million volunteer firemen and 195,000 paid firemen who render a fine public service at a considerable personal risk.

An excellent article entitled "E.P. Fireman on Federal Commission for Fire Prevention," written by the able Scripps-Howard correspondent, Mr. Seth Kantor, and published in the El Paso Herald Post, of October 19, 1971, is a real public service because it helps to inform the public about the fire problem in America and the work which the President's National Commission on Fire Prevention and Control is doing to help meet this critical need which affects all of us.

The purpose of the National Commission on Fire Prevention and Control is to undertake a study and investigation to determine practicable and effective measures for reducing the destructive effects of fire in life and property throughout the country. The Commission will submit to President Nixon and to the Congress a report of its findings and recommendations.

I would also like to cite the work in the human relations area which a distinguished member of the El Paso Fire Department has done, the Honorable Tommy Arevalo, a fire lieutenant of the El Paso Fire Department. He is a Commissioner of the National Commission on Fire Prevention and Control.

Such dedicated men as Fire Lieutenant Arevalo constantly enter the hostile environment of fire to save our lives and property.

When Mr. Arevalo joined the El Paso Fire Department in April of 1953, he was one of the first three Spanish-speaking men to be taken into the fire service there. He is an outstanding example of the contributions to public service to this country of the Nation's 15 million people of Spanish-speaking ethnic background. Because of the productive work of Mr. Arevalo and others like him, the ethnic composition of the El Paso Fire Department has grown from about three Spanish-speaking people in 1953 to approximately 45 percent of the department's force of about 420 people as of November 1971. Mr. Arevalo is a member of El Paso's Council 110 of the League of United Latin American Citizens. The League of United Latin American Citizens is a national organization of Spanish-speaking Americans which has done much through the efforts of such concerned men and women as Mr. Arevalo to improve the opportunities for America's Spanish-speaking people.

I ask unanimous consent that Mr. Seth Kantor's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the El Paso Herald Post, Oct. 19, 1971]

### E.P. Fireman on Federal Commission for Fire Prevention

(By Seth Kantor)

Washington.—One hundred years ago this month, in the wake of the great Chicago fire, there was a public outcry for Congress to establish a special commission to find a way to prevent fires.

The commission finally has been organized and is holding its first meeting here today.

El Paso Fire Lt. Tommy Arevalo of 4827 Sierra Madre drive was among the 18 commission members holding their initial meetings here today and tomorrow.

Arevalo is the only member of the commission from the Southwest.

He told the Herald-Post Washington Bureau today that one way to improve fire prevention in El Paso would be to make mandatory the installation of automatic sprinkler systems in the city's new high-rise buildings.

Richard E. Bland, chairman of the National Commission on Fire Prevention and Control and a college teacher from Pennsylvania, said the threat of national tragedies caused by fire has risen steadily since those blazes in the late 19th century which razed whole cities.

"The cost of fire equipment and fire insurance have become critical problems," said Bland, a part-time fireman. "Pay scales for firemen have become large municipal investments.

"Cost effectiveness is now involved in the matter of fighting flames," he said, "and there are so many more people in the country. That means more fires. It finally has come to the attention of Congress that a bad problem exists, which needs federal attention."

Bland heads an 18-member presidential commission with a two-year assignment from Congress to find solutions. Its budget this fiscal year is $300,000.

One of the problems is that an estimated 18 people a day in the United States die from fires in dwellings for one or two families. Fires in such houses account for almost 30 per cent of the nation's $2.6-billion annual loss in fires.

"People picture the problem in terms of a shiny fire truck racing to a big burning building," said Bland. "But often it's someone getting killed in a residence."

About one per cent of the 12,000 people who will die in fires this year in the United States will be firemen.

"The profession now ranks first in the nation in terms of hazardous duty, ahead of mining," said Bland, an associate professor of engineering at Pennsylvania State University.

Bland is one of the nation's one million volunteer fire department members. There are about 195,000 paid firemen in the United States.

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## CIGARETTES AND CANCER

Mr. PROXMIRE. Mr. President, on September 13 a letter from an art teacher to a former pupil appeared in the San Francisco Examiner. The art teacher was dying of lung cancer, and the letter contained a stark warning against the smoking habit.

A brief commentary following the letter indicated that its indictment of smoking might well be considered a part of the legacy of its author, Mr. Wallace McDonald. It is in this spirit that I ask unanimous consent to have printed in the Record the text of the letter with its warning that "cigarettes are really killers."

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

### THE LAST LETTER

(By Guy Wright)

He had been her high school art teacher, and now he lay dying. When she heard, she wrote to him.

An expression of gratitude, the letter was, also bubbling with the plans and proclamations of youth.

Back across the generation gap came his reply, from the old to the young, from the dying to the very much alive.

"DEAR NAIRN. Thank you so much for the beautiful letter and the sketches. My advice is: Keep at it!

"I must admit there is a great gap between my concept of art and the globs, blobs, smears, drips, blanks and doodles I see exhibited and accepted as art.

"I do not believe in instant art. Or accidential art. 'Just doing your thing' is not art.

"Your command of your medium, your integrity, the intensity of feeling toward your subject, your overwhelming urge to share a beautiful moment, a deep conviction, these seem to me to be the important things.

"Keep painting, Nairn! Live up to the hilt! Paint now! Anyone with your intelligence and creative ability can't go wrong.

"I'm glad you are happily married, and I hope permanently so. Older people who are single are always particularly lonely.

"The six weeks I have spent in the hospital have taught me much about loneliness.

"My having been stricken so suddenly and without warning has been a shock to me that I find hard to accept as fact. Here I am flat on my back dying of lung cancer when only a few weeks ago I was planning on a long retirement with many years ahead of me to do all the creative things I had postponed.

"I do not regret my years of teaching art. I just feel cheated. It's sort of like reading a novel and discovering that the book was bound with the last three chapters missing.

"What a penalty to pay for my ignorance and stupidity! My habit of smoking cigarettes, which was a habit of compulsion rather than pleasure, has cost me dearly.

"If you or your husband smoke, for God's sake quit!

"Cancer strikes with no warning. Suddenly you are a living death with your breath getting shorter and shorter. You die slowly of suffocation. I have lost 47 pounds in five weeks and cannot stand on my feet for more than two seconds.

"The doctors drain great quantities of liquid out of my lungs by puncturing a hole between my ribs. The pain is excruciating.

"I am embarrassed to burden you with this morbid business, but if I can convince you, or if you can spread the word and convince others, I will feel justified. Cigarettes are really killers!

"The weather here is beautiful. I can think of few places with as much natural beauty as there is here in Marin. This last year I painted a few landscapes (oils) and quite a few watercolors, and sold most of them.

"Love and best regards to both you and your husband. Tell your husband for me that if he can get music out of a banjo he is truly an artist. It's sort of like trying to paint a picture with a baseball bat.

"I hope this letter finds you well and at the easel.

"Love,

"WALLACE MCDONALD."

Fourteen days later Mr. McDonald, art teacher in Marin County schools for 22 years, died at Kaiser Hospital in San Rafael.

Along with his paintings and pupils, perhaps his letter to Mrs. Nairn Rasmussen Williams, now living in Niagara Falls, should be part of his legacy.

## MANY RESIDENTIAL FACILITIES NOT MEETING NEEDS OF MENTALLY RETARDED CITIZENS

Mr. HUMPHREY. Mr. President, some 275,000 mentally retarded persons in this country presently live in public and private residential facilities.

Too often in the past these facilities have been constructed to isolate, rather than to integrate these people into our communities. They were simply repositories for human beings, offering little or no opportunity to learn the skills or patterns of living which would equip them to live outside the institution.

The President's Committee on Mental Retardation reported in 1968 that the "average age of institutions is 44 years old. Some have reached the century mark. At least 50 percent are functionally inadequate for the care, growth, learning, and rehabilitation programs that can be successfully carried out with the retarded."

And in May of last year the President's Committee once again called attention to the inadequacies of residential care for the retarded by reporting that—

> Many residential services and programs, as they exist within the 50 States, comprise a tragic paradox for the wealthiest nation in the world.
>
> On the one hand, our knowledge of environmental design and care for the retarded has never been greater and increases daily. On the other hand, the gap between what we know how to do and what we actually are doing seems to increase at an even more rapid rate.

However, despite this bleak picture, there are heroic efforts being made by residential facilities to provide a warm, stimulating environment for the retarded.

One such facility is the Denton State School, Denton, Tex., which I recently visited. It serves some 1,700 mentally retarded residents. Many problems still exist, as in any large State facility, but it is obvious that every effort is being made to solve them with innovative programs and approaches.

The purpose of my visit was to participate in the Volunteer Council's annual recognition banquet honoring some 500 to 600 volunteers who work with the staff in serving the needs of the retarded.

It was an inspiring evening. I was deeply impressed by the dedication of these outstanding workers and will never forget the residents of the school who performed at the banquet.

I ask unanimous consent that my remarks on that occasion be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

### REMARKS BY SENATOR HUBERT H. HUMPHREY, VOLUNTEER COUNCIL'S ANNUAL RECOGNITION BANQUET, DENTON STATE SCHOOL, DENTON, TEX., OCTOBER 18, 1971

I am happy to join this evening in this warm expression of tribute and thanks to the men and women who are volunteers for the retarded at Denton State School.

You know that I have an active volunteer for the retarded in my own family—my wife, Muriel. And she shares fully your dedication, your deep involvement, your love for this noble work.

You who work and serve at the Denton State School, as volunteers or as regular staff, have a tremendous responsibility. You are attempting to provide a home along with the care and training that are needed, for some 1700 residents.

Some of these 1700 people may reside here many years—and they may only know or remember life as it was experienced here.

Your kindness, your attention to their individual needs, your attitude toward their handicap, your encouragement in achieving new goals will have a significant effect on their lives. And, how you interpret them and their needs to others can also have a decisive effect on community acceptance, program development, and the type of educational, health and other services that citizens in your area will be willing to support.

There is no one who is better prepared to be ambassadors or spokesmen—and, yes, lobbyists, for the retarded than you. I strongly encourage you to speak out on their behalf, to make certain that their rights are protected; that they have what other people want and seek—equality of opportunity.

A survey by the President's Committee on Mental Retardation has revealed that ignorance of the potential of those with this handicap, plus public misinformation are the major reasons why communities fail to provide adequate programs and services for the retarded. They are also the reasons why many parents do not come forward for help for their children.

Those making the survey wisely urged that the potential achievement of the retarded as independent members of the community and as economically productive persons should be the primary focus of a public information campaign.

I heartily concur and applaud efforts in this direction.

As Muriel often reminds me; it is time to cease talking about what the retarded cannot do and concentrate on what they can do!

At least one-third of the 6 million persons who are actually retarded today are capable of earning a living and being self-supporting, productive members of the community if adequate training and residential facilities are provided for them.

For whatever reason; we have been slow to acknowledge every child has the fundamental right to educational opportunity and the right to health. This applies to all children—gifted, normal, and handicapped.

If the child is handicapped; then he and his family have all the more need for this type of supportive assistance.

Without good health and training, he will forever be denied the equality of opportunity that should be and is his birthright.

Experts in child development advise us that the range of an individual's intelligence is determined during the very early years of life.

And yet, because of the lack of early childhood educational and health services, the majority of children who are mentally retarded are not discovered until they reach school age.

This simply means some very valuable years are lost.

Because of our inaction, we find children lingering in classrooms ill prepared to serve them and often unnecessarily handicapped by such disorders as vision and hearing difficulties which could have been corrected had they been discovered in a good health screening program.

I know that you here at Denton State School are concerned about the need for day care services for the retarded.

For all childern, the availability of modern day care help is no longer an individual convenience. It has become a community and a national necessity.

One-third of mothers with children under the age of six, some four-and-one-half million, are working today.

This means that there are several million preschool children in need of developmental day care services while their mothers are out of the home.

Yet there are less than 700,000 licensed day care opportunities available. And Headstart presently serves only about 263,000 children in full-year programs and 208,000 in summer programs.

A day care program is especially important to the family with a handicapped child.

Not only is urgently needed training provided, but it permits the mother a respite from 24-hour care of a retarded child which may make the difference between whether he can remain at home or must live in a residential facility.

I commend your innovative effort here to offer temporary care for a retarded person—whose family care may need such a respite.

And among the nation's poor, malnutrition, crowded and dilapidated housing and a generally inadequate level of living take their toll, too.

The Citizen's Board of Inquiry into Hunger and Malnutrition estimates that 10 million Americans are "slowly starving." Many are children. Without assistance, these children will be dull, listless and poor throughout their entire lives.

How great the toll has been in the past is reflected in the startling statistic—that in the poor neighborhoods of this country is found 75 per cent of all the mental retardation.

So it is vital that those working on behalf of the retarded concern themselves as well with related social problems and human needs.

Such involvement can significantly influence the course of mental retardation in this country.

No one knows better than I that the fight against retardation will not be won in Washington. Washington can and must take the lead to help make victory possible. But, the day-to-day fight will be waged and won as always on the local front.

It will be won where teachers teach retarded children—where researchers study the organic causes of mental retardation—where parent associations toil to build community awareness and activities. It will be won where residential facilities are available to the retarded and organize programs to serve them—where community action workers strive to overcome the conditions of deprivation that create so much of the mental retardation that exists in urban and rural America.

These are the front lines in the fight against mental retardation. And one of the continuing challenges of those working on all levels is to assure that the logistics effort works well and smoothly.

We must assure that current knowledge reaches the public and those who can put it to use.

Stafford Warren, President Kennedy's assistant for mental retardation, maintained that the toll of mental retardation could be reduced by fully one-half if all we know today could be applied successfully everywhere.

It is, of course, essential to plan, to study, to review, to analyze problems and programs for the retarded.

But, this is for naught, in my judgment, if all of this activity does not affect the lives of the mentally retarded and their families in a positive way.

You who are working on behalf of the retarded are doing so during an exciting time.

So many breakthroughs have been made and are being made in the care and treatment of the mentally retarded.

The growing public awareness of this problem is itself a major victory.

And I am especially encouraged by the fundamental changes and improvements that I see being made in residential facilities.

Your work here at the Denton State School is an outstanding illustration of what can be accomplished when there is a unified effort to assure the retarded resident the opportunity to develop his physical, intellectual and social capacities to the fullest extent possible.

You are certainly an inspiration to me and I know you are to many others who are concerned about the needs of the retarded.

We are a rich country, but we are not so rich that we can be wasteful with any human resource.

Our handicapped must be able to participate as fully as possible in every phase of society. We simply cannot afford to be deprived of their talents and skills. We cannot afford the loss of their wasted ability.

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## THE GAS SHORTAGE—LIMITATION OF NEW GAS SALES BY WASHINGTON GAS LIGHT CO.

Mr. HANSEN. Mr. President, the announcement by Washington Gas Light Co. of the limitation of new gas sales should come as no surprise to those who are familiar with the facts. This is certainly not to say that those of us who have warned of an impending gas shortage and nationwide energy crisis are exulting over the harsh and sad realities of the gas situation. Rather, we are hopeful that the Washington announcement and others that have been or will be made in other cities in the North and East may result in some long overdue changes in Government policies and the enactment of legislation to reverse the suicidal course the United States is now pursuing.

Mr. President, it is a sad day when the suppliers of one of the Nation's principal and cleanest fuels must ban new gas sales to businesses, industry, Government, and even apartment houses. In discussing the gas situation with the head of one of the largest distributors of gas recently, I was told that many cities in the Northeast and even the Midwest would face a critical gas shortage this winter and that there was just no alternatives to the curtailment of service.

In some areas, it may be impossible to meet the demand of residential customers, and industrial use will almost certainly be curtailed or cut off as it was in some areas last winter. On top of the personal hardships that will result, the added unemployment will compound the Nation's economic woes.

Mr. President, we who have warned of the dangers of wellhead price-control of natural gas and the dangers inherent in the rising dependence on foreign oil have based our assumptions and opinions on what we consider reliable sources—both Government, industry, and qualified professional sources that are available to anyone who wants to know.

Yet, others have not only questioned the integrity of such sources but have repeatedly impugned the integrity of the oil and gas industry and accused them of contriving an artificial shortage to increase prices.

It is amazing to me, Mr. President, that the accusers and self-proclaimed experts who make such wild charges are accorded the forum of bold headlines in newspapers and the credibility of prominent coverage in radio and TV newscasts.

It is also distressing because of the false feeling of security such an approach generates, in that somehow the Federal Government or Congress will be able to conjure up the needed gas and with a wave of its magic wand dissolve the chimera of a gas shortage.

The critics and doubters do not mention the fact that U.S. gas distribution companies are paying substantially higher prices for Canadian gas than U.S. producers are receiving or that intrastate gas users are paying almost twice as much for the gas they use compared with the diminishing supplies that are committed to interstate use—the gas that Washington Gas Light Co. is now unable to furnish. Nor do they mention the plans to spend billions of dollars to liquefy and import gas from Algeria at prices more than double the present delivered price of gas to the east coast.

Mr. President, were the situation not so serious, most of these allegations, charges, and accusations would be not only ridiculous but comical.

A front-page, bold headline story in Monday's Washington Post described another major oil discovery in Alaska, whereas the facts of the case are that not a single well has been drilled in the area described nor are there any plans for even offering the offshore area for leasing, according to Department of the Interior officials.

A denial by the American Petroleum Institute of the report that "large deposits of oil have been discovered" off the Gulf of Alaska gave the Post an opportunity to reiterate the claims of the author of the first report, a Senate aide who has made an avocation of harassing the petroleum industry.

Another self-proclaimed consumer advocate joined the head of the Sierra Club in claiming that the energy crisis is a conspiracy. The perennial critic, Ralph Nader, said the "energy crisis" was merely a promotion of the oil firms and departments—which also urge the public to consume fuel in every way possible.

Mr. Michael McClosky, executive director of the Sierra Club, testified before a Senate Interior Committee symposium on energy policy and national goals that the energy crisis is a conspiracy generated by energy "monopolists" and the banks.

Both Secretary of the Interior Rogers Morton and Assistant Secretary for Mineral Resources Hollis Dole have repeatedly warned of an impending energy crisis.

President Nixon in his energy message to Congress last June 4 also questioned the assumption that sufficient energy will always be available and announced a broad range of actions to insure an adequate supply of clean energy for the years ahead.

Senator JENNINGS RANDOLPH said:

> My objective in introducing Senate Resolution 45 (A study of National Fuels and Energy Policy), was to insure that crisis not repeat itself. The immediate goal of the President's Domestic Council is to formulate

our energy goals for the 1970's. The charter of the study under Senate Resolution 45 is to define and provide a definite national fuels and energy policy for the next 20 or 30 years, where none now exist.

We are so prone to act after the fact in America. A crisis comes and we attempt to go in and plug the holes. Planning is not a bad word; it is a good word. It is one that I believe in. I think that is what you are saying here, that we must be prepared through programs that are broadbased and that are understood if we are to meet a crisis in our fuels and energy programs.

Mr. President, the Senate authorized that study which is now underway in the Committee on Interior and Insular Affairs. The testimony we have already heard emphasizes the urgency of new policy decisions that have been avoided too long already. Further delay will seriously jeopardize U.S. national security and could be very costly in terms of unreasonable prices to the consumers of oil and natural gas and the economy in general.

Mr. President, I wish the unfounded claims of withheld reserves of gas and vast new discoveries of oil were true and that these sources could be called on in such an emergency as we now face in gas supplies. Even the proven reserves of the Alaskan North Slope discovery lie dormant in the ground almost 3 years after discovery and may remain undeveloped 5 more years until the environmental issues of the Alaska pipeline are resolved.

Mr. President, these absurd claims of conspiracy and nonexistent energy and fuel shortages were answered in an honest and forthright manner last week by C. Howard Hardesty, Jr., Continental Oil Co.

Mr. Hardesty, in a speech to the South Carolina Petroleum Council, said that—

> Ralph Nader is having trouble discerning the difference between fact and opinion.

Hardesty said:

> The reality and scope of the prospective energy crisis has been recognized by many leading authorities, Hardesty said, including President Nixon, the Senate Interior Committee, and the National Petroleum Council. The Nation is now approaching the time when concerned citizens demand and deserve more than criticism which is not supported by fact or aided by constructive solutions.

Mr. President, Mr. Hardesty clearly summarizes and analyzes our energy problems and points the way to solutions. He said:

> This nation desperately needs the energy from all reservoirs, including offshore opportunities. This Nation needs the coal and minerals including those which must be surface mined. We need oil terminals, refineries, and LNG plants on our eastern seaboard. We need nuclear plants, and lots of them, and unless you want to wither on the vine, intelligently plan for and make adequate provision for them. These needs cannot be ignored with the hope that they will go away. We must engage in the kind of planning which will permit their development in a way which will still preserve for us an adequacy of nature undisturbed. This planning must result in action now, not tomorrow.

Mr. President, because of the urgent need for answers to those who attempt to delude Americans into believing this very real energy crisis is a fabrication and his novel approach to broaching the generation gap, I ask unanimous consent that the text of Mr. Hardesty's speech be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

### ADDRESS BY C. HOWARD HARDESTY, JR.

This past week, my wife Doris and I had the opportunity to visit our children at their schools. We were anxious to do so before leaving tomorrow morning on a business trip to the Middle East and North Africa. Our trips to Mercerburg Academy and Duke University may—or may not—have augered well for this distinguished audience because they prompted me to discard an original draft of my remarks for this occasion and direct my thinking to some very relevant issues which were raised at the schools.

I discovered—if I had ever forgotten it—how easily we are intimidated by our youngsters. After a few visitations with advisors and teachers, our 16 year old son approached me with the observation: "Dad, I really don't think you are unreasonable all the time."

With such obvious idolatry, I could hardly wait for his next remark: "Come on in and visit with some friends of mine and find out what really concerns us."

He added that what they wanted to talk about were attitudes they had about business. I felt that if I refused—or if I couldn't answer their questions—I ought to cancel my appearance here tonight. So we adjourned to his room, decorated with *Playboy* foldouts and scattered clothes. There wasn't a minute's hesitation before they spoke up in simple, direct language, and I couldn't fault their intensity even if I found their sideburns and hair too long by my standards or my ability to compete with them on that particular level.

It didn't take long to hear a familiar name dropped with perhaps a touch of reverence: "Ralph Nader says the nation doesn't face a fuel crisis, and he says that the 'energy crisis' is just a promotion of the fuel companies' advertising departments."

Before I could start to answer, one of the other boys added: "Also he says that the ad the industry is publishing that claim the oil companies are working toward improvement of the environment are especially misleading."

Well, I had been prepared for a blast, but suddenly I felt I was standing on the North Slope in a tropical suit. I think it was Alec Waugh who once said: "If we knew where opinion ended and fact began, we should have discovered the absolute." And it seemed to me that this burst of charges demonstrated clearly that someone by the name of Ralph Nader was having trouble discerning the difference between fact and opinion.

We were just getting into the discussion two hours later when the boys rushed off to suit-up for an afternoon football game with the Hill School. I'm not sure I fared better than their team—which lost—but I think, or at least hope, that we had the beginning of an understanding.

No sooner had we arrived in Durham, North Carolina, than our daughter, while enthusiastically describing her afternoon work with the local newspaper stated, "Dad, I'm just finishing an editorial urging that all coastal states follow Delaware's lead and outlaw industry on all this nation's shore lines." Several moments of silence transpired before my bood pressure returned to normal and I could quietly reply, "Good, let's talk about it." We did and maybe—just maybe—we, too, had the beginning of an understanding.

Flying home that night, happy that the children were moving forward with their education, but frustrated in my efforts to resolve all the issues they had raised, I wrote them a letter responsive to their concerns.

Let me impose on you by reading parts of a letter which I have written to them.

Dear Sally and Kim: Your mother and I are very pleased with how you are progressing. Keep it up. Your clear minds which rightly questioned our use of cigarettes and predinner cocktails, raised several questions which deserve more of an answer than I could extemporaneously serve up. So I will favor or inflict you with a few thoughts which time has permitted me to pull together. In case you want to sign off early and give this the deep six, I'm going to tell you that we live in a pretty good country—a country with a deep commitment by our people—including business and industry to improve our environment. With a little common sense on the part of all of us, you'll be a proud citizen, as I have been, of a country which is the leader among nations.

I believe we start on a common ground. Both the goals of your generation and my generation are similar. We want social progress for *all* citizens and we want to advance human knowledge in broad areas. We want an advanced standard of living available to all our fellow men and women. We want to live and work in an environment that is better than just satisfactory and which supports the physical and mental well-being of all of us. We want a sense of security so that the goals we achieve cannot be disturbed by forces beyond our control.

Kim, I suppose I should rest better because Ralph Nader says there is no fuel crisis. But, if, as he says, the so-called "energy crisis" is solely the product of advertising, then we have just witnessed the most successful advertising campaign ever conducted in the history of man. It is not that simple and I recognize that it's always dangerous to take on a person like Nader after his reputation is established. It's hard for me—for two reasons:

First: If I didn't publicly quarrel with him when he attacked other segments of business, then why do I raise my voice now? Is it a matter of "whose ox is being gored?" I'd rather think it is because he is addressing himself to an area where I have some knowledge of the facts.

Second: I happen to believe in the role of the critic when he supports himself with facts. I also believe in the role of muckrakers—however prejudicial that term sounds—as long as he remains responsible. Let me make sure you understand how I use the term "muckraker" by quoting from its originator, Theodore Roosevelt.

"The men with muckrakes are often indispensable to the well-being of society, but only if they know when to stop raking the muck and to look upward to the celestial vision above them, to the crown of worthy endeavor.

"There are beautiful things above and around them and if they gradually grow to feel that the whole work is nothing but muck their power of usefulness is gone."

Nader has in the past rendered a service to this country. In his way, he and his troops have provoked all of us to re-examine our approach to problems. The business community was made to recognize that reasons behind their conduct and their approach to problem-solving had to be laid before the American public. Unfortunately—and too often—incomplete and inaccurate data combined with innuendo are used as the tool. We are now approaching the time when concerned citizens demand and deserve more than criticism which is not supported by fact or aided by constructive solutions.

This most recent blast of Nader's moves me toward the position of Thomas R. Shepard, Jr., publisher of Look Magazine, who calls them a Disaster Lobby which is basically opposed to the free enterprise system and will do anything they can do to bolster their case for additional government controls over industry.

With this in mind, I can tell you that I would be willing to meet Mr. Nader any time to discuss the realities of the energy problems this nation faces. I ask merely that he bring his facts and leave his conjectures at home.

Is this unfair? Do we really have a fuel shortage? Who says that we are facing an "emergency crisis"? The people who have studied the problem in depth are lined up against Mr. Nader.

President Nixon said in his Energy Message: ". . . in the last four years it (energy consumption) has been growing at a faster pace and forecasts of energy demand a decade from now have been undergoing significant upward revisions . . .

"In the years ahead, the needs of a growing economy will further stimulate this demand."

A spokesman for the Department of the Interior has found that: "After years of supposing that we could count on all the energy we needed, we are now finding that the focus of our concern has suddenly moved from the disposal of abundance to the rationing of scarcity."

The Senate Interior Committee began their study of a National Fuels and Energy Policy with this observation:

"There have been numerous symptoms in recent years of failures in our energy system. A few examples of the energy crisis will serve to illustrate an ominous picture.

"The number of summer blackouts in the United States has increased from eight in 1966 to 34 in 1969. In 1970 it rose to 54.

"During the past winter, 39 of the Nation's 181 largest utilities were seriously short of power and had dangerously low reserves of generating capacity."

The National Petroleum Council recently pulled together more than 200 experienced people from all the energy industries—oil, gas, coal, nuclear—to study our energy requirements and supplies—and here are a few highlights of what they said:

Assuming no change in government policies, by 1985 our nation will be confronted by:

(1) a 45% short supply in natural gas as compared to demand

(2) a required doubling of coal production

(3) an increase in nuclear power generation by 100 times

(4) the importation of about 15 million barrels of oil per day.

Are the implications clear to you? Can you imagine the numbers of tankers, refineries, terminals, employees, coal mines, railroad cars, generating stations that all this will involve?

These conclusions have also been accepted by other responsible groups. G. J. Tankersley, President of the American Gas Association, whose main goal is keeping the pipelines full, recently stated:

"There's really no mystery as to how the deliverability gap developed in the gas industry. It is simply a case of demand increasing faster than our ability to develop new sources of supply. Gas has, for example, provided over 50 percent of our nation's new energy requirements over the past 25 years. Supply, on the other hand, has been unable to keep pace with rising demand, and in 1968, we started on a 'deficit spending' course—since that time, our proved reserves in the lower 48 states have regularly declined."

No one who earnestly searches for the truth can run from the fact that for the past three years—1968, 1969 and 1970—new gas supplies discovered in the lower 48 states have only been about one-half of the total gas produced and used. By 1973, South Louisiana (which produces about one-third of the gas used in the United States) will not be able to meet gas deliverability requirements on an annual basis.

No, Sally and Kim, Ralph Nader has just committed an injustice to this nation. Now more than ever before we need intelligent, rational decisions. More than ever before we need a cooperative effort between all positive forces in our life—government, industry, labor, conservationists and consumers to plan for our future. Misstatements—inaccuracies and half-truths critically delay this process. In his haste to muckrake—to make a headline—he ignores the efforts of those who devote their lives to finding and producing the energy requirements of this nation. In all the days ahead let us remember Mr. Nader's statement made on October 29, 1971, that the "energy crisis" was merely a promotion of the fuel firms' advertising departments. Let us also judge his other pronouncements accordingly.

Without facts but armed with opinions, Nader is now creating a dark and brooding sense of doubt—doubt about the extent and the sincerity of the commitment by government and industry to solve one of the most serious problems of our decade. The challenge of providing adequate fuel for our nation is great. We will have to accelerate our exploratory efforts, search in hostile environments, conserve whenever we can and greatly improve our efficiency of use. Attainment of our goals will flow from the muckrakers, but from the cooperative efforts of all of us who want this nation to move forward.

As Chairman of the American Petroleum Institute's Committee on Air and Water Conservation, I deeply resent his statement that ads that oil companies are working toward the improvement of the environment are especially misleading. A few facts will label this the big lie.

Is not the expenditures of $2 billion dollars in 5 years working toward an improved environment? That's what our industry has spent on pollution abatement.

Is not $500 million dollars a year a contribution of some sort toward a better country? That's what the oil and gas companies are spending this year to clean up their house. This one industry is spending more in one day than all the municipalities in this country are spending in a month. How can it be said that we are ignoring our responsibilities?

Is not more than 75 current and completed projects funded in 1971 by the oil industry and the Environmental Protection Agency including 36 research and demonstration projects funded by the industry alone a step in the right direction?

What we are really looking for is a reasonable balance—call it a parity—between what our super technology can produce and what our not-so-super bank balances can afford. If three years ago someone had guaranteed Detroit that they could sell all their 1972 models at twice their current price, then we would be a lot closer to a non-polluting car. That doesn't mean manufacturers would have made a dollar more. But by using special metal alloys and perhaps platinum in a catalystic muffler we could be far ahead of today. But is it right—does it make sense to produce a desired product at prices we can't afford and which does not reflect a balance of our societal means?

The free enterprise system has stood for an important balance: the superior product at the most competitive price. I happen to believe we cannot afford to lose that kind of parity.

We're making progress. Don't sell this country and the free enterprise system short. Even the amount of gases in urban air is dropping sharply. New York City's Department of Air Resources reports year by year decreases in sulfur oxide, nitric oxide, carbon monoxide and aldehydes since the Department began monitoring the air in 1965. Similar declines have been recorded in other big cities. In a recent New York Times article, Professor Matthre Creason of Johns Hopkins University states: "There has been a general decline in all pollution during the past thirty or forty years. In some cities the sulfur dioxide content of the air is only one-third or one-fourth of what it was before World War II."

That may seem hard to believe because most of us hear only about the current problems and we don't take time to make comparative judgments.

But professionals like Harold Gotaas, Dean of the Technological Institute of Northwestern University decry what he calls "emotional and exaggerated views of water pollution." Dean Gotaas stated that "never in history has the quality of water supplies been better. Today's concern over water pollution stems from aesthetic rather than health considerations," the Dean said, and because it does we should study carefully any extravagant counter measures.

You may both have heard that the industry is the cause of all pollution and therefore we must turn from the capitalistic system. Do you really believe that pollution is the creation of capitalism? Recently, Anthony Wayne Smith, President of the National Parks and Conservation Association and Chairman of Environmental Coalition for North America states that "the problems of the poisoning of air, water and soil, which Fromm and others think may prove lethal, are universal, not the fruit of any single economic or political system." Mr. Smith went on to describe the trying problems which the Russians have in preventing and reversing the pollution of Lake Baikal in Siberia, the largest body of fresh water in the world. Journey around the world and you will find that people, not their form of government, create pollution.

Don't misunderstand me. The environmental challenges are large, they cannot be ignored, but they can and will be conquered. The cost is enormous—hundreds of millions of dollars—which our generation, your generation and all future generations will have to pay. We can cry for a cleaner world, but let's not cry when we get the bill in increased prices and taxes. But it is counter-productive to assert—as Nader did—that one industry is ignoring its responsibilities.

Now, Sally, about your editorial to insulate America's shorelines: I must say that outlawing industry on our shorelines is an understandable "knee-jerk" reaction. It's so easy when we are faced with a problem to say "let's pass a law—let's make it illegal." Laws, alone, will not solve the great problems of society whether they deal with equality, segregation, drugs or pollution. The right state of mind is far more important.

In my opinion, Delaware will repeal its industrial prohibition passed more in response to emotion than logic. What special right does one state have to pass its problems on to its neighbor? In the long run, can it say "Yes, we need energy to build our economy, but build a stable for our horse-power in the yard of our neighboring states. Yes, we want the wheels of commerce to roll but someone else must turn the crank." Can we enjoy the shade of the tree without raking up the leaves?

These conflicts will be resolved when sane minds, divorced from emotionally charged atmospheres, recognize that we need natural resources to maintain our economic progress and that they can be harvested and used in a planned way which does not undermine our environment.

This nation desperately needs the energy from all reservoirs including offshore opportunities. This nation needs the coal and minerals including those which must be surface-minded. We need oil terminals, refineries and LNP plants on our eastern seaboard. We need nuclear plants, and lots of them, and unless you want to wither on the vine, intelligently plan for and make adequate provision for them. These needs cannot be ignored with the hope that they will go away. We must engage in the kind of planning which will permit their development in a way which will still preserve for us an adequacy of nature undisturbed. This planning must result in action now, not tomorrow.

Wouldn't it be nice if we had two worlds? One for our life of progress, social and technological achievement, business, space, industry, factories, coal mines, oil wells, housing and cities. The other would be just on the other side of the door where we could step into the peace, the quiet and the beauty of nature untouched by human hand. To provide a power balance between this need for energy and progress and this need for an undisturbed environment is a challenge which all of us—your generation and mine—must face—and must resolve. The time is upon us to find and to build on the truth. I have no fear but that you will find answers in your time—as we are finding them today—which will move people and society forward. That's really the only direction any of us can tolerate.

In closing, if you have not already turned to more interesting reading, your parents won't apologize for the world in which you live. Our half century has been a good one and when you have traversed more than fifty percent of your material existence, I hope you and your generation will have:

Built as many hospitals;

Erected and staffed as many schools and colleges;

Opened the exciting doors of education to as many people;

Cured as many ills and conquered as many new fields in medicine;

Made as much progress in communications;

Opened as many opportunities for minorities;

Given as unselfishly of yourself for the protection of your nation from aggression;

Aided as many sick and starving people around the world;

Traveled beyond the moon both in reality and in hopes;

Provided a balance—a parity—in the forces which propel us forward, and

Please be ever mindful of and devoted to the one almighty power—God—which guides the destiny of all mankind.

I am confident you will.

Love,

DAD.

## CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

## SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971

The ACTING PRESIDENT pro tempore. At this time, in accordance with the previous order, the Chair lays before the Senate the unfinished business, S. 2820, which the clerk will please state by title.

The second assistant legislative clerk read as follows:

> A bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged equally to both sides on the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, will the distinguished manager of the bill yield time to me?

Mr. FULBRIGHT. I yield to the distinguished Senator from West Virginia.

Mr. BYRD of West Virginia. I thank the Senator.

## FOREIGN AID SHOULD BE REVIEWED, REVISED, AND REDUCED

Mr. BYRD of West Virginia. Mr. President, in keeping with my past record over the years, I shall again vote against foreign aid. I think the American people should know that the net cost of the foreign assistance program from 1946 through 1971, including interest on what we have borrowed to give away, amounts to about $213 billion. In other words, this amounts to about $213 for every minute since Jesus Christ was born. During this worldwide spending spree, our gold holdings have been reduced from $23 billion to roughly $10 billion, while short-term dollar claims against the United States—now due—have increased from $8 billion to more than $40 billion. This does not include other U.S. indebtedness abroad.

I am advised that unexpended balances in the pipeline from prior years, including appropriated funds and borrowing authority, amount to more than $18 billion.

Since the inception of this global spending binge, our balance-of-payments situation has placed our fiscal affairs in jeopardy. We have paid to foreign nations $50 billion more than they have paid to us, and the U.S. public debt, which is almost $420 billion, constitutes a figure which is roughly $150 billion above the combined public debt of all the other nations of the world.

I am not opposed to helping, on a selective basis, a few of the other countries of the world. I also believe that foreign aid during the Marshall plan era was vital to our own national security, and for several years following my first becoming a Member of the House of Representatives, I voted for the foreign aid program.

However, in recent years I have voted against foreign aid authorizations and foreign aid appropriations. I am convinced that the kind of foreign aid programs we have been financing so promiscuously all over the world in recent years have long since outlived their usefulness and, in many instances, have been counterproductive. We have been giving away our wealth, destroying the value of the American dollar—which is the equivalent of confiscating the savings of the taxpayers—and we have placed an unbearable public debt upon the shoulders of our children, our grandchildren, and unborn generations. It is unconscionable that we would continue to add to that burden by perpetuating handouts to scores of emerging nations whose impact upon the stream of history will be no more than the splash created by the dropping of a grain of sand into a mighty river. We are foolish if we have ever believed that we could buy friends, and this was proved in the recent U.N. vote on the two-China question. The Bible says—

> Be not surety for a stranger.

And Shakespeare said—

> Loan oft loseth both itself and friend.

It is appropriate, in this context, also to refer to a quotation from Patrick Henry's speech in the Virginia Convention at Richmond on May 23, 1775:

> I have but one lamp by which my feet are guided and that is the lamp of experience.

Mr. President, we have had enough experience in giving away the taxpayers' money and in playing the role of sucker to the rest of the world, and we should have learned our painful lesson by now.

The dire predictions of what will happen if we stop throwing away money overseas as though it were going out of style are to be expected from those who have become addicted to the making of such predictions. If we are ever going to stop this colossal giveaway, we should do it now. The American taxpayer, who is in debt to every other country on this planet, would then, for once, be in our debt.

Mr. President, I suggest the absence of a quorum, with the same understanding as before.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The time will be charged against both sides.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BENTSEN). Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, I yield myself 15 minutes on the bill.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 15 minutes.

Mr. FULBRIGHT. Mr. President, I should like to comment on several items in the economic assistance bill.

I regret that I did not understand that we were foreclosed from having any amendments voted on prior to the vote on the Okinawa treaty at 3 o'clock. I had understood that we were to proceed to the consideration of the pending bill this morning and I had hoped to have some amendments voted on. However, I now understand the unanimous consent agreement forbids votes prior to 3 o'clock.

The PRESIDING OFFICER. The Chair would like to state to the Senator from Arkansas that only rollcall votes are precluded. Voice votes are not.

Mr. FULBRIGHT. Mr. President, I misunderstood the order as it reads on page 2 of today's legislative calendar. It reads:

Ordered further, That no vote occur on either bill, amendment, motion or appeal relative thereto until after the vote on Executive J at 3:00 p.m. . . .

The PRESIDING OFFICER. The Senator is reading the text correctly. However, the text is incorrectly printed.

Mr. FULBRIGHT. Oh, really? Then am I to understand that so long as a vote is not a rollcall vote we can vote on any amendment; so long as it is not a formal rollcall vote?

The PRESIDING OFFICER. The Senator is correct, according to the terms of the agreement.

Mr. BYRD of West Virginia. Mr. President, will the distinguished Senator yield?

Mr. FULBRIGHT. I yield.

Mr. BYRD of West Virginia. Mr. President, I have asked the Senator to yield merely that I, as the Senator who propounded the unanimous-consent request yesterday at the request of the majority leader, may verify the situation as stated by the Presiding Officer.

The understanding at the time was that there could be voice votes before 3 p.m., but that any rollcall votes would be put over until after the treaty vote, which will occur at 3 p.m. today.

Mr. FULBRIGHT. Mr. President, I wish to make some comments about the economic aid bill. It has now developed, especially with reference to the activities of the Office of Public Affairs of the Agency for International Development, that this bill is being promoted and sold not so much as an aid to foreign countries but rather an aid to the domestic economy.

For example, I hold in my hand the press releases from the Agency for International Development in which the Office of Public Affairs has gone to great trouble to estimate what each State receives from the foreign aid bill.

In the case of my own State of Arkansas, for example—which, of course, is one of the smaller recipients—AID says that the State of Arkansas received orders for $3,982,757 during the first 6 months ending June 30, 1971. Then they go to the trouble of even breaking down this amount to show the amounts that the large and small communities would receive. For example, during this period, Forrest City, Ark.—a very fine city in eastern Arkansas—would receive orders of $121 from the Yale Hoisting Equipment Co., which has a plant there.

This is supposed to encourage the citizens of Forrest City to write to their Senators to support the AID bill.

Bauxite-Alcoa would receive orders amounting to $4,302 during this period. It goes on down to Columbian Carbon International Co., $7,709; and Ledbest, Inc., at Springdale, Ark., which will receive $3,400. It even lists the Cloyes Gear Co., at Paris, Ark., which received all of $20 as a contribution of foreign aid.

Mr. President, I ask unanimous consent to have printed in the RECORD a statement entitled "U.S. Foreign Aid Creates Business in Arkansas."

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### U.S. FOREIGN AID CREATES BUSINESS IN ARKANSAS

WASHINGTON, D.C.—Manufacturers in Arkansas received orders financed by the Agency for International Development totaling $3,982,757 during the six months ending June 30, 1971.

AID, which conducts U.S. economic assistance programs overseas, reported the commodities purchased from companies participating in the foreign aid program were shipped to developing countries in Asia, Africa and Latin America.

Approximately 98 percent of all AID-financed commodities came from the United States during fiscal year 1971.

In addition, AID announced that two open technical service contracts with institutions in Arkansas were in effect at the end of December 1970. The holders of such contracts as of that date were:

Agricultural, Mechanical and Normal College, Pine Bluff, dollars open.

University of Arkansas, Fayetteville, dollars open.

A list of Arkansas manufacturers (by county and city) is attached, showing the amount of AID-financed orders placed with them from January through June 1971. The tabulation is based on reports to AID by exporters and usually includes the cost of ocean freight. Thus, the amounts are approximate in some cases.

| | Amount this period | Total amount to date |
|---|---|---|
| Arkansas: | | |
| Stuttgart: | | |
| Arkansas Grain Corp | $113,955 | $113,955 |
| Riceland Foods | 3,034,710 | 3,034,710 |
| City of Stuttgart | 3,148,665 | 3,148,665 |
| County of Arkansas | 3,148,665 | 3,148,665 |
| Harrison: | | |
| Barrett Robinson | 4,797 | 4,797 |
| City of Harrison | 4,797 | 4,797 |
| County of Boone | 4,797 | 4,797 |
| Jonesboro: | | |
| General Electric | 10,995 | 10,995 |
| City of Jonesboro | 10,995 | 10,995 |
| County of Craighead | 10,995 | 10,995 |
| Paris: | | |
| Cloyes Gear Co | 20 | 20 |
| City of Paris | 20 | 20 |
| County of Logan | 20 | 20 |
| Lonoke: | | |
| Jacuzzi Export Sales Co | 5,200 | 5,200 |
| City of Lonoke | 5,200 | 5,200 |
| County of Lonoke | 5,200 | 5,200 |
| Helena: | | |
| Riceland Foods Inc | 164,860 | 164,860 |
| City of Helena | 164,860 | 164,860 |
| County of Phillips | 164,860 | 164,860 |
| Little Rock: | | |
| Arkla Chemical Co | 565,000 | 565,000 |
| Armstrong Rubber Co | 16,850 | 16,850 |
| City of Little Rock | 581,850 | 581,850 |
| County of Pulaski | 581,850 | 581,850 |
| Forrest City: | | |
| Yale Hoisting Equipment | 121 | 121 |
| City of Forrest City | 121 | 121 |
| County of St. Francis | 121 | 121 |
| Bauxite: | | |
| Alcoa | 4,302 | 4,302 |
| City of Bauxite | 4,302 | 4,302 |
| City of Saline | 4,302 | 4,302 |
| Fort Smith: | | |
| Baldor Electric Co | 44,748 | 44,748 |
| Baldor Electric Co | 6,090 | 6,090 |
| City of Fort Smith | 50,838 | 50,838 |
| County of Sebastian | 50,838 | 50,838 |
| El Dorado: | | |
| Columbian Carbon Intl Inc | 7,709 | 7,709 |
| City of El Dorado | 7,709 | 7,709 |
| County of Union | 7,709 | 7,709 |
| Springdale: | | |
| Ledbest Inc | 3,400 | 3,400 |
| City of Springdale | 3,400 | 3,400 |
| County of Washington | 3,400 | 3,400 |
| Arkansas | 3,982,757 | 3,982,757 |

Mr. FULBRIGHT. Of course, most of the AID money to Arkansas was for food. The Riceland Foods Co. received $3,034,710, practically all of which is for rice.

Actually that is a distortion, because normally the AID money in the bill is not used to purchase grain. It was only because of the very special set of circumstances, which was more or less of a one-shot deal, that the rice was ordered from the Arkansas Grain Co. for Korea. They were short of money in the AID bill because of the exorbitant division of the money primarily to Southeast Asia.

What I object to is the high pressure of the Public Affairs Office to sell the bill as being a bill not to aid the development of foreign countries, but as a subsidy to domestic business.

I have in my hand a listing of every State and any number of local communities which shows amounts as small as $20.

AID press releases have been sent out all over this country to build up a domestic constituency. People say that one reason the foreign aid bill does not do better is that it does not have any constituency in the United States. Now they are undertaking to build a constituency in the United States, and attempt to show people that this program really subsidizes our own economy.

I think it is an absurd waste of money for the AID people to engage in this kind of high pressure advertising. It is misleading. It is a funny way to subsidize our business, by spending money to buy something to give away.

I understand, for example, that AID officials make much of the fact that a large percentage of our steel exports is accounted for by the AID program. What apparently has happened is that all of our steel companies have become noncompetitive not only abroad, but also within the United States. They cannot compete even in the United States with Japanese steel.

For the construction of big buildings in New York and elsewhere, the builders are buying structural steel from Japan. That is done because of a better quality and a price cheaper than can be obtained from our own steel companies.

We use the foreign aid money to buy steel to export abroad at whatever price they wish to pay. We subsidize our own economic system at home under the guise of the foreign aid bill.

I think this is a disgraceful way to carry on our business here at home. It is a great reflection not only upon our business acumen and efficiency, but also upon our commonsense.

This is one reason why I think this whole program should be reworked and the development loan part of it placed under a multilateral agency so that it will not any longer be a crutch for an inefficient industrial system which we have allowed to degenerate or deteriorate because of our exhorbitant expenditures abroad, not only in economic aid but also in military aid.

We have devoted so much of our wealth to supporting wars that sufficient capital has not been reserved for the modernization of our own economic system. We have made these so-called development loans abroad, and the recipients have built new steel plants and new automobile plants, and we have helped them do it. If we have not done it directly we have done it indirectly by furnishing the money to various countries to purchase the products needed to build these industries.

It is interesting that in Saigon the Japanese automobile companies and the Japanese motorcycle companies do a tremendous business as a result of the pouring in of money—$600 million at a time. Who is the principal beneficiary? It is the Japanese companies. We furnished them customers for their business, and in the early days we furnished it directly to Japan. Japan is now acknowledged to have the most efficient industrial plants in the world, including the most efficient steel plants, the very things in which this country excelled a few years ago. Before we became completely devoted to the military aid program, this country was the most efficient industrial nation there was. We could make all of these products as cheaply and could compete with manufacturers abroad. Now we cannot even compete with them at home.

In this connection, I will read for the record a typical editorial from Latin America. This one has a Quito dateline. The editorial states:

> Quito, 1 Nov.—Today's El Comercio editorial states that it hopes that the bilateral foreign aid program suspended by the United States Senate will be changed to a multilateral aid program channeled through international credit organizations and UN organizations. The influential daily recalls that the suspended aid had been severely criticized by recipient countries, especially since the loans for development and strengthening armed forces were granted in a bilateral manner and, in some cases, under onerous conditions, such as the amount of interest and the compulsory purchase of capital goods and equipments in the United States, including contracting experts at a very high cost.

That is another gimmick, because they must buy from us at our high prices under the loan program.

The editorial further states:

> Also, it adds, there was the mistaken belief on the part of most Americans that the granting of foreign aid automatically meant that recipient countries had to support the White House's foreign policies regardless of what they were. If this did not happen, said the daily, the North Americans felt offended and considered this dissident countries ungrateful.

This helps to describe very well the reaction in this country and among some of the Members of this body to the vote in the United Nations on the Taiwan matter. I think that is a typical reaction of people in many recipient countries. They would like to see us return to a nonpolitical AID program, rather than an AID program for this country disguised as an aid program to promote economic development abroad.

Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "AID—A Two-Way Road," written by Mr. Murrey Marder, a most respected writer, dated November 6. He makes very clearly and in considerable detail the point that, after all, this program is to aid our constituents, and we should vote for it, because it is for the economic benefit of this country.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 6, 1971]

### AID—A Two-Way Road

(By Murrey Marder)

In its struggle to survive, the Agency for International Development is pointedly reminding U.S. senators that business profits and jobs in their home states will feel the pain of foreign aid cuts.

Money, jobs, and by clear implication, votes, can be more tangible weapons in a political fight than lofty arguments about World stability and aid to underdeveloped nations. The appeal to domestic interests to rally to the defense of balance sheets and payrolls could carry double weight in the present depressed state of the U.S. economy.

A generation ago, the concept of foreign aid was scoffed at by its many critics as "milk for the Hottentots." The time came when the condition of the Hottentots and other distant peoples came to be recognized to be not so totally remote from the condition of world order, but the attitude associated with foreign aid remained: "handouts," "give-aways."

To carry foreign economic aid through the Congress—"pure" foreign aid, that is, as distinct from direct, or roundabout support for foreign regimes whose continuance in office was judged to be of direct value to American security interests—economic aid allocations were linked legislatively with military aid. In the name of containment of communism, military assistance could win the votes to override the guffaws about "foreign aid."

The paradox has been that both forms of "foreign" and were, in a real sense, also domestic aid—spent in, and supporting, the U.S. economy.

According to AID, 98 per cent of its funds for the purchase of industrial goods and agricultural commodities is spent in the United States.

In addition, AID estimates that 86 per cent of all money allotted to it, for services, cash grants, salaries and goods and commodities are spent in the United States.

This is not just happenstance, or a result of foreign preferences for made-in-America labels. These funds are generally mandated to be spent in the United States by "tied" loans—meaning loans with strings on them—or other legislative requirements.

U.S. policymakers have been ambivalent about how much they should talk about the tied-to-America quality of American foreign aid. To stress the tie dims the aura of altruism, compassion, and humanitarianism which policymakers would prefer to portray to the world. The result has been that although AID routinely publishes lists of contracts awarded to U.S. firms or organizations, there is normally no great stress on the dollar-tied nature of most foreign aid, leaving the non-military portion of the program adrift without any aroused constituency to defend it.

Only now, with its life on the congressional chopping block, has AID been encouraged, indeed stimulated, by the administration, to mount a major public display of the domestic consequences that can result from slashing "foreign" economic aid funds.

Item: Between 1964 and 1969, AID money financed from 22 to 30 per cent of all cargo shipped on U.S.-flag vessels.

Item: In 1971, AID loans and grants financed U.S. exports totaling $972 million. While this represented only 2.3 per cent of total U.S. exports, it included 25 per cent of all American fertilizer exports; 16.4 per cent of U.S. iron and steel exports; 15.7 per cent of all exports of railroad equipment; 8.5 per cent of basic textile exports; 8.5 per cent of rice exports; 7.3 per cent of all exports of non-ferrous metals and products.

Item: To make the point even clearer politically on Capital Hill, AID statistics now being circulated there show that in the same 1971 fiscal year, $178,829,271 was spent in New York State; $80,508,640 in California; $77,081,159 in Pennsylvania; $73,541,642 in Illinois, and with lesser amounts listed for other states, including $20,572,073 in Maryland and $10,162,141 in Virginia.

Item: Other "fact sheets" being showered on Congress report cumulative totals for many years of AID research contracts to universities, and service contracts to other organizations, including Air America Inc. of Washington, D.C., the organization which operates with the Central Intelligence Agency in Southeast Asia. It is listed for accumulated contracts with AID alone totaling $83,324,200.

This is "self-help" for "deserving nations" with a double entendre; one of them is the United States.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD an article written by Charles W. Corddry, which was published in the Baltimore Sun. It is along the same line as the previous article.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Baltimore Sun, Nov. 4, 1971]

### Federal Agencies Say Aid Is Not Only Foreign

(By Charles W. Corddry)

WASHINGTON.—In their battle to save foreign aid, administration agencies began yesterday to publicize the claimed effects that the program's demise would have on the domestic pocketbook.

The Defense Department said original plans called for contracts totaling well over $720 million this year to companies producing arms and other defense equipment for military aid and credit sales abroad. The plans were knocked awry when the Senate voted to kill foreign aid, and a restored program is likely to provide for considerably less.

#### COMMODITY EXPORTS

The Agency for International Development called attention to its financing of close to $1 billion a year in commodity exports under overseas aid programs—for example, 25 per cent of fertilizer exports, more than 15 per cent of railroad equipment, 3.7 per cent of chemicals and more than 16 per cent of iron and steel mill products.

The State Department distributed a sheaf of papers concerning the assertedly damaging effects of any failure to extend foreign aid promptly. These emphasized not only foreign policy but the domestic value of programs such as those carried on in American universities for the benefit of other countries.

All the agencies are acutely sensitive to claims that foreign aid is a "give-away" and by implication not beneficial to the American economy.

The Pentagon said 95 per cent of grant-aid money is spent at home and most funds that finance credit sales to other countries similarly stay in the U.S.

The Agency for International Development said 86 per cent of all the money it spends is spent in the U.S. For commodity exports alone, it said, the figure is 98 per cent.

The State Department's documents amounted to a lengthy list of dire warnings against delay in getting foreign aid back on the books. For example, they said:

1. "Our major programs in Southeast Asia will be aborted." The $565 million sought for economic aid in South Vietnam amounts to more than half that country's imports. "Without it the Vietnamese war effort will grind to a halt and the economy will be

thrown into utter chaos." Similar consequences were foreseen for Cambodia and Laos.

2. Regarding provision of money for disaster relief for 9.5 million Pakistani refugees in India, "the U.S. can not stand idly by in the face of the world's greatest disaster."

3. Major programs in nutrition, child feeding, population control, education and agricultural production around the world depend on the appropriation of new money this year.

4. Failure to provide contributions to United Nations organizations would lead members to assume such failure was related to the American defeat on the China question. "Members who stuck by the U.S. and the Republic of China [Taiwan], as well as those . . . opposed, would be affected adversely."

The Defense Department said the contracts it tentatively had planned included $220 million for outright aid and "well over" $500 million for credit sales of arms and equipment.

Some of the plans for financing credit sales called for $175 million for McDonnell-Douglas aircraft, $93 million for General Electric engines, $51 million for Lockheed aircraft, and $110 million for Northrop aircraft and target drones.

For grant aid, there were plans for ordering $100 million in Army equipment, $24 million Navy and $96 million Air Force from a long list of companies throughout the United States.

The PRESIDING OFFICER. The Senator's 15 minutes have expired.

Mr. FULBRIGHT. I yield myself an additional 10 minutes on the bill.

The PRESIDING OFFICER. The Senator is recognized for 10 additional minutes on the bill.

Mr. FULBRIGHT. Mr. President, this proves the real nature of the assistance program and how far away it has strayed from its original purpose of assisting underdeveloped countries. I do not want to be misunderstood. I object to doing this program in this manner. We ought to cut this program out or eliminate it and use the same money for direct development to do the things we need to do here, such as urban renewal, mass transportation, housing, water control projects, sewer and water projects, and so forth. It would be much more efficient to do it directly rather than doing it in a roundabout fashion through the aid program. If it is no longer a program to assist underdeveloped countries, but rather our own country, we would get a lot more for our money if we purchased the materials and put the money directly into projects in the United States. The way we are doing it through the aid program is very inefficient.

Mr. President, another subject has come up on which I should like to comment at this time, since there will not be a vote until 3 o'clock. This subject is raised all the time by almost every supporter of the bill.

It is said that our GNP is so big, and the foreign aid amount is so small. It has been stated that we are only 12th among the developed countries in the amount we give for aid relative to the GNP. It is always the GNP. The GNP has been built up as a criterion of the wealth of this country and our capacity to sustain and service the aid program.

I want to say a few words about the GNP as a criterion by which to judge the capacity of a country to give away its resources, as a realistic yardstick to measure what we ought to give.

As a starting point, it should be noted that in actual dollar amounts this country gives far more than any other country in the world. The administration wanted a $3.5 billion aid bill, but even that would be only one-third of the aid for this year. This fact is often overlooked but what irritates me most is to be confronted with the GNP as the proper yardstick.

### PUTTING THE GNP IN PERSPECTIVE

We deal in such large figures in discussing the Nation's economic affairs that it is extremely difficult to grasp their real significance. Further, I fear that some of the measurements used to evaluate the state of the economy make it even more difficult to get a true picture.

The primary standard by which the Nation's economic well-being is usually measured is the gross national product. Although little consideration seems to be given to what constitutes the GNP and what it really means, it has become a sort of national totem or idol—and, as long as it grows higher, the belief apparently is that we have nothing to worry about.

We have been subjected to considerable ballyhoo about the GNP having passed the trillion dollar mark—$1,000 billion. Earlier this year we were treated to a great deal of euphoric talk about the GNP reaching $1,065 billion this year. Already, there are predictions of $1,145 billion for next year.

Inevitably, some public relations man dreamed up a "GNP Clock," which President Nixon launched last December. The clock, in the Department of Commerce, was supposed to tick off the ever-increasing GNP, a symbol of the Nation's economic advance. However, as was pointed out at the time, what the clock was actually recording was inflation—not a real increase in the Nation's economic strength.

A trillion-dollar economy sounds impressive—especially when we are told that the United States GNP is greater than the combined gross national products of Japan, West Germany, France, the United Kingdom, Italy, and Canada; or that the GNP has more than doubled in the last dozen years.

But I am afraid that all the talk of a trillion dollar economy and our burgeoning GNP has deluded us and misled others about the true status of our economy. Although ours is a Nation with great resources and unprecedented economic capacity, it does not take an erudite economist to determine that the economy is not in a sound condition. Among other things, we face a Federal budget deficit of more than $30 billion for this fiscal year, and that by the most optimistic account method.

Dare I suggest that we have been worshipping a false god? Certainly I am not the first to make such a suggestion, but somehow the myth seems to prevail that so long as we have an astronomical and ever-increasing GNP all is well and there is not much that this Nation cannot afford.

Frequently, when I have expressed doubt about our ability to undertake certain expenditures—for example, the large foreign-military aid program—I have been met with replies citing the trillion-dollar GNP as evidence of our ability to afford whatever might be in question.

I think we are making a serious error of self-delusion if we continue to rely so heavily on the GNP as the indicator of our economic status. It is not my intention to discredit the GNP or suggest that it is of no validity or utility. I recognize that many economists look upon the GNP as a useful yardstick. What I would hope to do is simply to put the GNP into perspective and stimulate consideration of other methods of evaluating our economic position.

I have heard the claim that, after all, our military spending is not really that significant because it accounts for only 7 to 10 percent of the GNP. This is certainly misleading. Since World War II, we have spent more than a trillion dollars for military purposes—an amount greater than the value of all residential and business structures in the United States. Currently the military budget of nearly $80 billion, plus another $25 billion in related costs—including military assistance—accounts for more than 60 percent of that portion of the Federal budget which can be controlled.

Some have even made the ludicrous assertion that our involvement in Vietnam has had no detrimental impact on the economy, despite ample evidence to the contrary. For example, Prof. Walt W. Rostow, who served as special assistant to former President Johnson, recently said of the war:

> It has never been an economic problem at home. The peak cost was $25 billion—that was out of a near trillion-dollar economy and now it's way down—$16 or $17 billion.

I submit that the real cost of the war has been immeasurable. The $200 billion estimated by the Library of Congress to be the cost of the war accrued thus far does not begin to tell the story. No one has been able to quantify the effects of this experience on the American people. Nor has anyone really been able to measure the economic costs realized through inflation, high-interest rates, and balance-of-payments deficits, or the vital domestic programs which have gone unfunded while we poured billions into Vietnam. Furthermore, no one has been able to add up the intangible costs which accompany the tragic figures of 300,000 wounded Americans and 50,000 killed. I refer not only to the psychological effects of war on the 2 million who have been there, and their families and friends, but the intangible costs in terms of erosion of respect for the law, further disruption of the constitutional system of checks and balances, increased distrust of Government and the growing use of violence as a political tool.

These dramatic consequences cannot be dismissed by glib references to a trillion dollar economy.

Much has been made of the fact that the Soviet Union spends more of its GNP on the military—about 11 percent—than we do. However, recent figures from the International Institute for Strategic Studies in London indicate that total U.S. military expenditures as well as per capita expenditures are considerably higher than the Soviet figures.

I am firmly convinced that we cannot continue to spend on this scale for military and military related purposes and maintain any real degree of national security. We must consider what this imbalance is doing to the quality of our lives and our true economic capability. In his book entitled "What Price Vigilance?" Prof. Bruce Russett shows that investment in consumer durable goods and in new industrial production equipment is especially diminished by military spending. An added dollar spent by the Pentagon means, among other losses, $0.163 less for consumer durables, $0.114 less for residential structures, and $0.110 less for new production equipment. On the basis of these calculations, this meant $24.5 billion less for consumer durables, $17.1 billion less for 450,000 homes, and $16.5 billion less for new production equipment during the 1960's.

Prof. Seymour Melman offered a very cogent summary in an article entitled, "All the Muscle at One-Third the Cost" in the Saturday Review of October 9:

> In the American Northeast, supplies of power, transportation and communication have ceased to be reliable. A widening network of American industries is becoming technically and economically depleted, incompetent not only in the world market, but unable to hold even domestic markets. This is true in steel, shoes, machine tools, civilian electronics, shipbuilding, typewriters, automobiles and other industries. For more than a century, American technical know-how produced new product designs and production techniques. High U.S. wages could be offset by efficiency in the production of excellent products at a low unit labor cost. This vital capability has been diminished by the long and lavish concentration of research talent and capital on military technologies—in which cost minimization is not a basic criterion. The bitter lesson, especially of the 1960s, is that the security of American society is diminished by policies that aim at worldwide hegemony based upon military power, with the assumption that the wealth of this country is virtually unlimited and that military spending of an unproductive sort is no different from productive economic growth.

I believe Professor Melman's comments merit out careful consideration. These are the kinds of things that GNP figures do not reveal. The deteriorating conditions in our large urban areas, for example, are not reflected in the GNP. Nor are the deficiencies by any means confined to those areas which call for public expenditures. As Mr. Melman points out, in addition to shortcomings in power supplies, transportation, and communications:

> A widening network of American industries is becoming technically and economically depleted, incompetent not only in the world market, but unable to hold even domestic markets . . .

### COMPARISON WITH JAPAN

In a column published in the Washington Post of October 7, 1971, Rowland Evans and Robert Novak discussed the success of Japanese industry. They reported on a steel mill in Japan:

> This Mizue mill's modern equipment, all purchased during the 1960s, provides a shiny contrast to American steel mills. As at nearly all Japanese mills, Mizue's steel is produced by the modern oxidization method while most American producers still use the obsolete, inefficient open-hearth method. Following Japanese custom, steel sheets produced at Mizue are two hours by barge from the port of Yokohama and export shipment.

The columnist also raised an additional important point:

> One top U.S. policymaker recently lectured the U.S. Embassy in Tokyo that Japanese prosperity is the product of cheap child labor (though Japan, in fact, bars such exploitation). Official Washington simplistically views the Japanese economic miracle as unfairly concocted of sweat-shop labor and high tariff walls.

The truth of the matter is that in many cases Japanese working conditions are better than those in this country. Although pay rates may seem low to us, the large Japanese corporations take good care of their employees. Normally, a Japanese worker will join a company directly from school and stay with that company throughout his career, being treated as if he were the member of a large family.

We seem to have developed remarkable capacity for self-deception. We rationalize Japanese success by labeling them as "unfair," and claim that they use cheap labor or we accuse them of "dumping" their products into world markets. Yet, as Mr. William V. Rapp, of the Boston Consulting Group, Inc., recently pointed out:

> It is clear that if Japanese companies were in fact persistently dumping, they could hardly continue to exist for long periods, much less finance their rapid and continued growth.

As for the lower wages, the lower price for Japanese steel is not attributable only to wage differences. A recent report on CBS News "60 Minutes" noted that Nippon Steel has the most modern and automated steel mill in the world. Surveys have shown that metalworking machine tools in the United States are the oldest among all major industrial nations.

### INADEQUACIES OF THE GNP

One of the reasons for our self-deception is our reliance on the stupendous GNP figure as a measure of our economic health.

Economist C. Lowell Harriss has pointed out one of the inadequacies of the GNP in his textbook "The American Economy." Noting that a company's factories and machinery add value to products, he writes:

> Much of the equipment was there when the year started and when it ended. The Company did not pay suppliers for this machinery during the year. Over time, however, machinery wears out. During the year it was partly used up; some of its value became part of the value of the company's output in the year. In other words, a portion of the value of the goods (final and intermediate products) shipped from factories in 1966 was, in an economic sense, created (and counted in GNP) in earlier years. It was not this year's accomplishment. The GNP, then, includes double-counting: economic values produced this year along with some produced, and counted, in earlier years. The latter is this year's depreciation.
>
> For periods of a few years, such as during a war, our major concern may properly be our potential gross production. For a time the equipment produced earlier can be used without replacement. Clearly, however, such ignoring of depreciation cannot go on indefinitely. We would be stupid to plan for a very long period on the basis of gross product; some of that product must be devoted to replacing the facilities which wear out in creating it. A net figure is more significant.

Mr. Harriss notes that depletion is even harder to judge:

> Parts of what we pay for oil, copper and the fruits of the good earth go to the owners of the natural resource. Such receipts are logically treated as a return of investment of capital, not as income. Yet because of difficulties in measuring such values, no deduction for depletion is made in computing net national product.
>
> When depreciation has been deducted from GNP, net national product—NNP—remains. It is generally about 8 per cent less than GNP. Although NNP seems a better measure than GNP for most purposes, it is used rarely. One reason is the unsatisfactory nature of the estimate of depreciation. Another reason is that both the services of government and the taxes to pay for them are handled crudely. Anyone wanting a true net measure must look farther.

A major part of the problem with the GNP, as someone has phrased it, is that it indiscriminately includes "bads" on the same basis with "goods." For example, the cost of bullets used in a gangster's gun goes into the national accounts with the same weight as the price of computers or pencils. It could even be claimed that crime is a stimulus to the GNP, since we have to spend more on law enforcement. Nothing is subtracted from the value of gasoline or automobiles because they contribute to atmospheric pollution, or from agricultural output because some fertilizers or agri-chemicals may pollute the air or water.

The National Bureau of Economic Research, which was once headed by Arthur Burns, Chairman of the Board of the Federal Reserve System is reportedly trying to revise the system of economic accounting so that it will gage the cost of noxious factories, landscape wreckers, noise, and other "disproducts."

Earlier this year, Chairman Burns told the Joint Economic Committee:

> I look forward to the day when statisticians add up the national accounts to take account of the depreciation of the environment. When we learn to do this, we will discover that our Gross National Product has been deceiving us.

### WHAT THE GNP REALLY IS

The GNP is a naked measure of the value of goods and services produced in a society. Although it includes everything from gambling to garbage disposal, it is definitely not a measure of the social welfare or quality of life.

During recent hearings of the Committee on Finance, I asked Secretary of the Treasury Connally to have his staff prepare an analysis of the components of the GNP and its value as a measurement of the national economic health.

The memorandum produced by the Department of the Treasury in response to my inquiry states:

> . . . the GNP should not be regarded necessarily as a measure or index of general welfare or "economic health", but simply as the total of dollars spent by consumers, business, and government.

The Treasury Department takes note of the GNP's inadequacies as a measurement of social welfare, particularly in relation to detrimental factors of growth, such as pollution and waste. The Treasury memo says:

> Gross national product may not be ideal as a measure of social welfare. Along with economic growth, there may be increased air and water pollution and environmental hazards. Increasing generation of garbage and other such items, congestion in the cities, depletion of natural resources, and similar apparently detrimental factors affecting individuals and social welfare.

The Treasury memorandum points out that there are possible deductions and additions which could be made to the GNP, but adds:

> It would be most difficult to draw a line between what are allowable deductions from the GNP as against those expenditures which surely provide satisfaction and add to social welfare.

Although the Treasury concedes that the GNP "is not a very good measure of social welfare," it notes that "it is difficult to determine how an alternative and comprehensive aggregate intended for this purpose could be developed." The Treasury suggests that perhaps an index could be constructed of some specifications such as expenditures for environmental protection, employee protection and the like. According to the Treasury—

> This would be useful in the interpretation of the growth of the GNP aggregates and productivity as well as in its own right in knowing the trend in these expenditures.

Mr. President, I ask unanimous consent that the memorandum from the Department of the Treasury and some accompanying tables supplied at my request be printed in the RECORD at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. FULBRIGHT. Mr. President, these tables point up the continuing shift of the Nation from a manufacturing to a service economy. According to this information, personal consumption expenditures account for 63.2 percent of the GNP, with 26.9 percent of this going for services. Although the GNP is not affected proportionately, there is considerable significance in this changing emphasis and its concurrent reduction in output per man-hour.

One of the questions I asked the Treasury was how much of the GNP was attributable to such things as alcoholic beverages, tobacco, cosmetics. These figures indicate that the GNP includes about $18 billion in consumer expenditures for alcoholic beverages, $11 billion for tobacco and $6 billion for toilet articles and preparations. Together these items account for 3.5 percent of the GNP. I suspect that still more is attributable to expenditures related to these. Additionally, of course, a substantial amount is spent on advertising of these products. It is interesting to note that in describing the functional components of the GNP, the 1971 Economic Report of the President lists tobacco under "basic necessities."

Other items included in the GNP—not all of them listed in these tables—are jewelry and watches, $4 billion; new and used car purchases, $31.5 billion; tires and auto accessories, $5.6 billion; auto repair $8.7 billion; $23 billion for gas and oil; and $3 billion for auto insurance. Highway expenditures by Government at the three levels is about $20 billion.

Recreation amounts to almost $40 billion, and foreign travel and air transportation are more than $7 billion. We spent $3.7 billion to stabilize farm prices, and, according to the figures supplied by the Treasury, we spend $5 billion on sanitation.

The "counterbudget" of the Urban Coalition estimates total air pollution costs at $13.5 billion annually in property damage from soiling, corrosion, and abrasion. Similarly water pollution costs $12 billion annually and we spend $4.5 billion on solid waste disposal. Of course, these totals are not necessarily reflected in the GNP.

Let me quote briefly from the 1971 Economic Report of the President:

> The case for production is not necessarily the case for a particular statistic of production such as the gross national production, and the case for economic growth is not necessarily a case for increasing the gross national product. The GNP is not a perfect measure of all the activities comprehended in the idea of economic output. This has long been recognized, and it has most recently taken on new meanings and a new sense of urgency through growing concern for the environment. Many deteriorations or improvements of the environment are not accounted for in the gross national product, even when they are incidents of the production process. This is only a newly conspicuous example of those limitations of the GNP statistic which have been well known for a long time.

I wou'd like to cite one more example of the difficulties posed by trying to relate everything to the GNP. In the case of Government, Government-produced goods are valued at market price if they are sold; otherwise they are measured at cost of production. Likewise, Government services are measured at cost to the Government. This in itself gives rise to a problem for the obvious reason that cost and value are not necessarily equal.

For example, when we brag about how much greater our gross national product is than that of China, we may be overlooking the fact that a school teacher in China may get a salary equal to about 5 percent of the average American salary, whereas, the productivity of the Chinese teacher might be far closer to that of the American teacher. I cite this merely as an example, not as an exact case.

### ECONOMIC REALITIES

All the talk in the world about a trillion-dollar GNP cannot obscure the fact that there are some basic unmet needs in this society. I think we must get back down to earth and to some hard economic realities.

It is ironic that while we boast of the trillion-dollar economy and cite it as evidence of our ability to engage in mammoth military and foreign assistance projects, in Arkansas and other States many vital projects remain unfunded. An example of this irony is the fact that the State of Arkansas is without any passenger rail service whatsoever, while many of the nations whose GNP is dwarfed by ours are providing their citizenry with excellent rail and public transportation service. And while Arkansas is particularly deprived of rail service, mass transit throughout the Nation is in need of vast improvement and suffers by comparison with many other nations.

On September 29, I placed in the RECORD a summary of some of the unfunded projects in Arkansas. It is a rather lengthy list. For example, we have 133 unfunded applications for $20 million in Farmers Home Administration grants and loans for the development of water and sewer systems in small communities. Such systems are the backbone of the growth of our smaller towns. We have to provide these communities with the amenities that will make them attractive places to live and work, and which will cut down on the massive migration to our already glutted urban areas.

One of our major needs, both in Arkansas and nationally, is sufficient housing. We are not meeting the need, despite a number of ambitious programs approved by the Congress. In Arkansas alone, there are pending applications for some $100 million in assistance for housing programs.

The 10-year goal set in the Housing Act of 1968 would require an annual production of 2.6 million housing units. However, as the National Urban Coalition reports:

> Housing starts have averaged only 1.5 million annually since 1960, and we have produced as many as 2 million units in only 1 year in the last two decades. Indeed, fixed investment in residential structures in constant dollars has not significantly increased over the last two decades and has fallen precipitously as a percentage of the GNP. During the past 5 years, housing investment has averaged about 3.2 percent of the GNP. It has fallen below 3 percent in the current year. Housing investment of 4 percent of the GNP will be necessary to generate production of over 2.5 million units annually.

I could cite many other areas where we are not meeting the needs of the American people. Our cities are in dire need of revitalization. Our GNP may have doubled in a decade, but during the same period many of our major cities have been deteriorating.

Health service and medical care are extremely costly and many of our citizens cannot pay for and do not receive adequate health care.

We are clearly in need of improved law enforcement, and an improved criminal justice system and correctional system.

We must upgrade the quality of education and improve and expand educational facilities.

The list is a long one and I have hit only a few of the high points. We are overcommitted abroad and not doing the job at home.

Surely these realities should help us to put the GNP into perspective. The GNP may give some indications about quantity, but it tells very little about human values and the quality of life, and that is what we must be concerned with.

As economist Paul Samuelson has stated so succinctly:

Man cannot live by GNP alone . . .

I think we must challenge the omnipotence of the GNP. This idiomatic idol must fall.

If used properly, the Gross National Product probably will remain a useful general measure for economic analysis. However, I believe we must keep it in perspective and not look upon the GNP as a true indicator of the national welfare.

I am not an economist nor an expert in the matter, and I do not have any ready alternatives to propose. I have raised this matter in the Joint Economic Committee and have asked its staff to give it further consideration. Clearly, we need to develop some measure of the national welfare and there should be far more effort both in academic communities and in the Government to evolve such measures. The Gross National Product, by its very nature, cannot serve this purpose.

This, I think, is very relevant to what I was saying before—that our industrial infrastructure, our plants, are not more efficient. It is because during this period we have not invested in our plants the amount that we should have invested to make them efficient. Instead, the money has been used for military programs.

So I submit that the figures which I have included in my statement sustain the thesis that the foreign aid bills, the tremendous Military Establishment which we maintain abroad, and the war have done much to undermine the security of this country—much more than any other single development, I think, during these past 10 years.

So, it seems to me, that the GNP, used as a measure of our capacity to support this bill, is a very misleading yardstick, and I just wanted to raise this question for further consideration.

As I said, I do not profess to be an expert economist. I do not say the GNP has no significance; but I do say it is an utterly irrelevant, erroneous, and misleading measure to judge whether or not we are doing our part in foreign aid.

I want to say something further about what constitutes the GNP. I asked the Secretary of the Treasury, when he was before the Finance Committee, to submit a memorandum on the matter of the GNP. I think it is very revealing. The memorandum shows that the GNP is made up of such items, among others, as alcoholic beverages, tobacco, and cosmetics. The figures indicate that the GNP includes about $18 billion in consumer expenditures for alcoholic beverages, $11 billion for tobacco, and $6 billion for toilet articles and preparations; in other words, items that we call luxuries, which we think we can afford; but I say that is irrelevant to our capacity to service a foreign aid program.

I was reminded of the irrelevance of it with regard to our budget deficit. We have a $30 billion deficit. It is, of course, spent for, we will say, ammunition, guns, or what have you. It shows up in increases in the GNP, so it makes us feel very good. Well, if the GNP is compiled on that basis, and if we had a deficit of $100 billion, that amount would be put into the economic stream, and it would increase our GNP that much more.

Inflation increases the GNP. And, of course, garbage disposal, of which the cost has now skyrocketed, goes into the GNP. But I submit that this is utterly irrelevant to our capacity to support giveaway substantive programs.

We do not give away our garbage to foreign countries. We cannot give to them the cost of water pollution control. We cannot give to them the increased cost of crime control. I am reminded every day in Washington—you see all these new executive protective automobiles—of the vast increase in the local cost of police protection. This increases the GNP, because their salaries are a part of our total production, a part of the cost of government, which itself goes into the GNP.

So the more trouble we have, the more crime we have, the richer we are, according to the GNP standard. This, I say in all deference, is simply an erroneous way to look at our overall economic status, and I do not think it is anything but misleading for those who support this bill to use the GNP as the criterion of the capacity of our country to pay for foreign aid.

The Secretary of the Treasury's memorandum, of course, does make this quite clear, if people will take the trouble to read it. The memorandum states that it is not a very appropriate way to measure the welfare and the well-being of a country, including this one. It is simply a naked measurement of the amount of money we spend for all purposes.

The PRESIDING OFFICER. The Senator's additional time has expired.

Mr. FULBRIGHT. I yield myself 2 additional minutes. A tremendous part of our economy, because we have at least a degree of affluence, goes into things of either a luxury nature or—I do not know how to describe garbage disposal and crime control; they are necessities, of course, but they grow out of the excessive affluence of our country. They have no absolute relation, in my opinion, to the capacity to service the foreign aid program.

So, for this reason and many others, I feel it is a great mistake to increase this bill as it was increased in the committee over my objection, or to increase it at all over what was in the bill for 1970.

When I introduced the three separate bills in the committee, I hoped that we would have an opportunity to vote upon the aid categories separately, to judge each on its own merits. The overall objective of those bills was to keep the amount as nearly as possible to the amount provided in 1970, instead of increasing it.

But the committee, in its wisdom, increased it about $300 million, and that has made it very difficult for me to support even the economic aid bill, although there are parts of this bill which I am very much in favor of. All those parts one could call the humanitarian and multilateral aspects of the bill are generally useful; they are not subsidies to our faltering and inefficient business community.

I do not mean to say that all American producers are inefficient. The rice producers, as a matter of fact, do very well competitively. They do very well in competition with foreign producers. I think probably the agricultural community in this country is the most efficient, relative to other countries, of any. But it is very sad that our industrial production of such things as steel, automobiles, radios—the things that, 10 or 15 years ago, we excelled in, and could compete with anyone in those fields—today have become noncompetitive. For many reasons, we are not competitive generally in those areas of industrial capacity, not only abroad, as I have said, but we are not even competitive here within our own borders. Our own steelmakers cannot compete in many areas with Japanese steel. Japan, all the way across the Pacific Ocean, having to purchase ore in South America or Austraila, ship it to Japan, make steel, and then ship it all the way to New York, can still undersell our steel.

I think this is a very serious symptom of a kind of leukemia which afflicts our economic system, and I think it is high time we begin to give thought to the rehabilitation of our domestic economy.

Mr. President, I yield the floor.

EXHIBIT 1

### THE GNP AS A MEASURING ROD

(Memorandum supplied to the Committee on Finance by the Department of the Treasury in response to a request from Senator Fulbright to Secretary Connally, October 7, 1971).

Conceptually, gross national product (or expenditures) has as its objective a measure of the value of newly produced final goods and services over a specified interval of time. As such, the GNP should not be regarded necessarily as a measure or index of general welfare or "economic health" but simply as the total of dollars spent by consumers, business, and government. Accordingly, the GNP represents a measure of the preferences of consumers and businesses as expressed in market prices, while in the government sector, expenditures measure the outcome of decisions made in the political process. (Tables 1 and 2 show broad categories of expenditures made by these sectors. Table 3 shows some special categories which relate to so-called "welfare" aspects of measurements.)

On the basis of this official definition, the transactions (aside from some imputations) which are generated in the production and exchange of newly produced goods and services are summed in value terms, that is to say by prices. These provide the weights by which all the physical units are summed for a specified time period. Indeed, prices represent the only means by which the physical units of a nation's output can be valued and totaled in order to obtain a measure of GNP.

These prices reflect the demand and supply influences in the market place, the degree of competition, and the adaptability of the economy to respond to consumer or business preferences—all these are involved in calculating the value of GNP. Accordingly, prices represent a means by which consumer and business preferences are expressed and they explain why more or less of a particular good or service is produced. (The concept of "real" gross national product, i.e., gross national product deflated for price changes, also uses prices as weights.)

### GNP AS A MEASURE OF SOCIAL WELFARE

Gross national product may not be ideal as a measure of social welfare. Along with economic growth, there may be increased air and water pollution and other environmental hazards increasing generation of garbage and other such items, congestion in the cities, depletion of natural resources, and similar apparently detrimental factors affecting individuals and social welfare.

POSSIBLE DEDUCTIONS FROM THE GNP TOTAL

Accordingly, it has been urged by some that such costs be deducted from the gross national product to obtain an improved measure of economic growth, as adjusted for social welfare loss. The criterion would be that they represent "costs" rather than adding to the health and welfare of a country. However, if that position were taken, it would bring a host of uncertainties to the computation of the GNP. Among the items which would also fall into this category of costs to be deducted from GNP might be: physicians' services and other medical care; much of governmental activities, including police and fire protection, as well as sanitation; perhaps legal services and all repair services. In a certain sense, it has been pointed out that even food might be considered a regrettable necessity. In short, it would be most difficult to draw a line between what are allowable deductions from the GNP as against those expenditures which surely provide satisfaction and add to social welfare.

POSSIBLE ADDITIONS TO THE GNP TOTAL

On the other hand, if social welfare is the criterion, it is clear that much would need to be added to the calculation of the GNP dollar total. As progress in economic growth is made, more has been produced with fewer people, thereby creating for most people increased leisure, as compared with former years. The valuation of such leisure as a benefit of economic growth would be very difficult and, indeed, that is one reason why they do not show up in the national accounts. Its quantification would present a most difficult problem, because it does not bear a price tag upon which such a valuation could be made.

Another example of benefits which are not measured by the GNP are those provided in the development of public parks and other recreational areas, which surely adds more to social satisfaction, than their costs of production. But there is no easy way to measure this. Again, a greater selection of products which become available to consumers through increased economic growth surely is of great social benefit, but equally unmeasurable.

SOME ALTERNATIVES

The gross national product is not a very good measure of social welfare, but it is difficult to determine how an alternative and comprehensive aggregate intended for this purpose could be developed. Perhaps an index could be constructed of some specifications such as expenditures for environmental protection, employee protection, and the like. This would be useful in the interpretation of the growth of the GNP aggregates and productivity, as well as in its own right in knowing the trend in these expenditures.

TABLE 1.—MAJOR CATEGORIES OF GROSS NATIONAL PRODUCT

| | Amount, 1970 (billions) | Percent of GNP |
|---|---|---|
| Total GNP | $974.1 | 100.0 |
| Personal consumption expenditures | 615.8 | 63.2 |
| Durable goods | 88.6 | 9.2 |
| Nondurable goods | 264.7 | 27.2 |
| Services | 262.5 | 26.9 |
| Gross private domestic investment | 135.3 | 13.9 |
| Fixed investment | 132.5 | 13.6 |
| Nonresidential | 102.1 | 10.5 |
| Structures | 36.8 | 3.8 |
| Producers' durable equipment | 65.4 | 6.7 |
| Residential structures | 30.4 | 3.1 |
| Nonfarm | $29.7 | 3.0 |
| Farm | .6 | .1 |
| Change in business inventories | 2.8 | .3 |
| Nonfarm | 2.5 | .3 |
| Farm | .3 | [1] |
| Net exports of goods and services | 3.6 | .4 |
| Exports | 62.9 | 6.5 |
| Imports | 59.3 | 6.1 |
| Government purchases of goods and services | 219.4 | 22.5 |
| Federal | 97.2 | 10.0 |
| National defense | 75.4 | 7.7 |
| Other | 21.9 | 2.2 |
| State and local | 122.2 | 12.5 |

[1] Less than 0.1 percent.

Source: Calculated from data of the U.S. Department of Commerce, Office of Business Economics.

TABLE 2.—MAJOR CATEGORIES OF CONSUMER EXPENDITURES

| | Amount 1970 (millions) | Percent of GNP |
|---|---|---|
| Personal consumption: Expenditures | $615,840 | 63.2 |
| Food | 131,757 | 13.5 |
| Tobacco products | 11,188 | 1.1 |
| Clothing accessories, and jewelry | 62,278 | 6.4 |
| Personal care | 10,101 | 1.0 |
| Housing | 91,224 | 9.4 |
| Household operation | 85,618 | 8.8 |
| Medical care expenses | 47,268 | 4.9 |
| Personal business | 35,497 | 3.6 |
| Transportation | 77,871 | 8.0 |
| Recreation | 39,049 | 4.0 |
| Religious and welfare activities | 8,286 | .9 |
| Foreign travel and other, net | 4,810 | .5 |
| Private education | 10,353 | 1.1 |

Source: Calculated from data of the U.S. Department of Commerce, Office of Business Economics.

TABLE 3.—SELECTED CATEGORIES OF EXPENDITURES IN THE GNP

| | 1970 (millions) | Percent of GNP |
|---|---|---|
| Commerce, Office of Business Economics. | | |
| Consumer expenditures: | | |
| Alcoholic beverages | $17,714 | 1.8 |
| Tobacco | 11,188 | 1.1 |
| Toilet articles and preparations | 6,059 | .6 |
| Education: | | |
| Public | 54,131 | 5.6 |
| Private | 10,353 | 1.1 |
| Sanitation: | | |
| Public | 2,696 | .3 |
| Private | 2,362 | .2 |
| Highways | 16,418 | 1.7 |
| Government expenditures on welfare and social security: | | |
| Public assistance and relief | 16,646 | 1.7 |
| Unemployment benefits | 3,930 | .4 |
| Old age and retirement benefits | 41,325 | 4.2 |
| Other | 4,048 | .4 |

Source: Calculated from data of the U.S. Department of Commerce, Office of Business Economics.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. Mr. President, I had hoped someone would bring up an amendment which we could dispose of. There are some amendments; I am ready to vote on them.

Mr. MANSFIELD. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MANSFIELD. Are there any amendments at the desk?

The PRESIDING OFFICER. There are amendments at the desk.

Mr. MANSFIELD. Is there an amendment pending?

The PRESIDING OFFICER. There is no amendment pending.

Mr. MANSFIELD. Could the Presiding Officer give the Senate some idea as to how many amendments there are at the desk?

The PRESIDING OFFICER. There are two amendments at the desk.

Mr. MANSFIELD. I thank the Chair. Mr. President, I understand that the distinguished Senator from New York (Mr. JAVITS) has an amendment, the distinguished Senator from Minnesota (Mr. HUMPHREY) has an amendment, and the distinguished Senator from Alaska has an amendment.

I wonder if it would be possible for attaches on both sides of the aisle to contact those distinguished Senators and ask them if they are prepared to call up their amendments at this time. If we are to get out by the first of December, we will have to get hopping.

Mr. BYRD of Virginia. Mr. President, will the distinguished Senator from Arkansas yield me 2 minutes, to make several comments and to inquire of the Senator on certain matters?

Mr. FULBRIGHT. How much time does the Senator want, 5 minutes?

Mr. BYRD of Virginia. Five minutes.

Mr. FULBRIGHT. I yield the Senator from Virginia 5 minutes.

Mr. BYRD of Virginia. Mr. President, I have read the supplemental views of the Senator from Arkansas, the chairman of the Committee on Foreign Relations. It seems to me that what he says in his supplemental views makes a great deal of sense.

I concur in his assertion that three bills instead of two would have provided a sharper delineation of the purposes and objectives of each aid category. I, too, am sorry that the views of the Senator from Arkansas did not prevail in committee.

There are aspects of these proposals that I favor, but there are others that I feel, in this time of high inflation, we probably are not justified in authorizing.

So I certainly concur in the supplemental views of the chairman of the Committee on Foreign Relations.

May I ask the distinguished chairman if I accurately understand the figures? As I understand them, the two proposals brought to the Senate by the Committee on Foreign Relations provide a total of $444 million over the amount appropriated by Congress for foreign aid during fiscal year 1970. Is that correct?

Mr. FULBRIGHT. That is correct.

Mr. BYRD of Virginia. I judge from the supplementary statement of the Senator from Arkansas that it is about $444 million.

Mr. FULBRIGHT. $444 million above the 1970 figure. That was increased in the committee—not with my support.

Mr. BYRD of Virginia. But the figures that have been brought in for Senate consideration total $444 million above what was appropriated for 1970?

Mr. FULBRIGHT. Of the two bills. That is correct.

Mr. BYRD of Virginia. The bill dealing

with economic assistance mentions development loans worldwide and puts that figure at $250 million. Does the bulk of that go to one or two countries, or is it pretty well spread over the world?

Mr. FULBRIGHT. Traditionally, the great bulk has gone to a few countries, especially India and Pakistan. Turkey has been a very big recipient, and Indonesia will be a big recipient.

This is broken down, I may say to the Senator, in our old report, not the new one, on page 19, the report which accompanied H.R. 9910. The Senator will see there how much it is, if he wants to pursue this, as to individual countries: $220 million for India, $110 million for Pakistan, $100 million for Indonesia, $40 million for Turkey. Those are among the biggest individual recipients.

Mr. BYRD of Virginia. I thank the Senator.

It mentions international organizations, and that total, as I reckon it, is approximately $139 million.

Mr. FULBRIGHT. That amount is for the various U.N. programs.

Mr. BYRD of Virginia. For United Nations development?

Mr. FULBRIGHT. Yes. In the report on this bill, on the second page—it is a little difficult to keep these reports separate, because we had the one on the first bill and now this new one—international organizations. The U.N. development program is $90,065,000 and there are the others as listed.

Mr. BYRD of Virginia. In other words, the bulk of that item is for the United Nations development fund?

Mr. FULBRIGHT. That is correct. The bill with respect to the other international organizations, such as the World Bank and the Inter-American Development Bank, was passed about 2 or 3 weeks ago.

This does not contain the regular assessments for the operation of the U.N. This is for our voluntary contributions to the various U.N. programs, such as the UNDP and UNICEF.

As the Senator will see, all of these items are indicated on page 2 of the report on this bill. That is the bill now before the Senate.

Mr. BYRD of Virginia. I have three reports.

Mr. FULBRIGHT. I know. That is what makes it a little confusing. It is the one with Calendar No. 425.

Mr. BYRD of Virginia. I thank the Senator. I have it now.

May I ask one or two questions in regard to special military and related assistance?

Mr. FULBRIGHT. They are not in this bill. That is the bill that follows.

Mr. BYRD of Virginia. That is the following bill, yes.

Mr. FULBRIGHT. We did report out two bills. The military bill has all the military and related security items.

Mr. BYRD of Virginia. I understand that, but I was wondering whether the Senator has been discussing rather generally both bills.

Mr. FULBRIGHT. I am perfectly willing to discuss both. I just want the RECORD to show that the military aid programs are not in this bill.

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. FULBRIGHT. I yielded 5 additional minutes.

I am perfectly willing to respond. I only want the RECORD to show they are not in this bill.

Mr. BYRD of Virginia. The Senator is correct. I could wait until that bill comes up, although I have only a couple of questions with regard to it.

Mr. FULBRIGHT. That is perfectly all right.

Mr. BYRD of Virginia. The supporting assistance, economic assistance, in that bill is $435 million, which is higher than it was in 1970 by some $40 million. I wonder whether the Senator can indicate where the bulk of the supporting assistance or economic assistance in that bill will go.

Mr. FULBRIGHT. It will go primarily to Vietnam, Cambodia, Laos, Thailand, and Israel; $85 million is earmarked for Israel. The committee recommendation was $350 million worldwide, $85 million additional for Israel. But the major recipients are Vietnam and Cambodia. Cambodia is a recipient of a very large part of that amount.

Mr. BYRD of Virginia. Who would be the largest recipients of the military credit sales?

Mr. FULBRIGHT. Israel would be the largest recipient of the credit sales, and then it is distributed around—Greece, Taiwan, Korea.

Mr. BYRD of Virginia. What countries would be the major ones involved in the military grant aid?

Mr. FULBRIGHT. Korea is the largest, I believe. Turkey, Taiwan, Indonesia, and Jordan get military grant aid.

Mr. BYRD of Virginia. I thank the Senator from Arkansas.

Again, I want to say that I concur in the supplemental views expressed by the Senator from Arkansas in the report. I doubt the wisdom of increasing by $444 million the amount above what was appropriated in 1970. I regret that the views of the Senator from Arkansas did not prevail in that regard in committee.

I thank the Senator.

Mr. FULBRIGHT. I thank the Senator.

Mr. CHURCH. Mr. President, will the distinguished chairman of the committee yield me 15 minutes on the bill?

Mr. FULBRIGHT. I yield the Senator from Idaho 15 minutes on the bill.

Mr. CHURCH. Mr. President, in reporting out two foreign aid bills, one economic and the other military, the Senate Foreign Relations Committee has made a start toward refashioning the whole program.

The one-package approach has constituted the chief procedural obstacle to the exercise of the Senate's judgment in the past. On final passage of the foreign aid bill, each Senator had to cast an all-or-nothing vote. If a Senator generally approved of economic assistance but opposed the military aid, to get the one he had to vote for both. Moreover, as special interests seized hold of the program and more "goodies" were added to the contents of the package, it became increasingly difficult to vote against the package as a whole. Thus has the same old foreign aid program been perpetuated from year to year.

Now, however, the Foreign Relations Committee has split the program into its two parts. The Senate is free to work its will on each part. This is the proper way to legislate, and I hope the Senate will not revert to the coercive procedural practices of the past by combining these two bills together again.

Second, the committee has made every effort to respect and abide by the decision of the Senate last week rejecting the original foreign aid bill. Prior to the final vote on that bill, it will be remembered, the Senate approved several cuts, two of which I proposed. These several cuts reduced the size of the bill to $2.9 billion, which the Senate then rejected by a vote of 41 to 27.

The new levels of spending, as now proposed by the committee, are fully responsive to the Senate's earlier decision. We have not returned with a carbon copy of the rejected program. To have done so would have been an affront to the Senate. Rather, we have reduced the total for the whole program by another half billion dollars. The exact figures are as follows: $1.144 billion for economic aid and $1.185 billion for military aid, for a total of $2.329 billion.

This curtailed foreign aid program is far more realistic than that demanded by the administration. When one considers that foreign aid for fiscal year 1972, not just that represented by these two bills from the Foreign Relations Committee, but the total flow through all the different legislative spigots, will exceed $9 billion, the need for significant reductions should be self-evident. How can anyone look at our back-to-back $30 billion annual deficits this year and last, or at the huge deficiency in our balance of payments, or at the drastic emergency measures we have taken to devalue the dollar and bolster our sagging exports, and come to any other conclusion? The committee recommendations reflect some recognition of our precarious financial condition. It will be sad, indeed, if the Senate, having finally taken forthright action in rejecting the original bill, now reverses itself and starts adding money to these reduced measures.

In the economic assistance bill now pending before us, the most substantial reduction was drawn from the so-called Development Loan Fund. Yet, the reduced amount of $250 million is only $35 million below the level of $285 million voted by the Senate in adopting the Church-Allott amendment to the original bill. This modest additional cut emphasizes the committee's serious determination to phase out this bilateral loan program. In the future, I strongly believe, along with the majority of the committee, that loans of this type should be made through the international banks and multilateral lending agencies which were set up for this purpose.

In the earlier debate, I made my argument against the foreign aid program as now administered, including the Development Loan Fund. I do not propose to repeat it. But these loans, at best, are a dubious form of foreign aid to underdeveloped countries which are already drained by heavy debt service charges. Far more convincingly, the Development Loan Fund is an aid to our own businesses here at home. According to the Journal of Commerce of November 2:

> Approximately 98% of all commodity exports financed by AID originated in the U.S., and only 2 percent came from offshore sources.

The DLF is, in point of fact, a soft-loan window for the benefit of American big business. Through the DLF, foreign governments obtain loans from the United States with which to purchase American-produced goods and services, on terms more favorable than otherwise available commercially or through our Export-Import Bank—that is, at subsidized interest rates far below the cost of money to the U.S. Treasury.

During the course of the earlier debate, I observed that it was a myth that foreign aid had no constituency in the United States. I said:

> In fact, foreign aid has a large and lively constituency which asserts intense pressure on the Government to keep these subsidies alive.

That observation has been fully borne out in the outcry from affected businesses since the Senate voted down the original bill a week ago last Friday. Indeed, the cries of grief from Wall Street have been much louder than those heard from abroad.

The Wall Street Journal of November 3 recorded the wailing in a headline: "U.S. Firms Push to Get Aid Bill Resurrected; The Stakes: About $1 Billion in Annual Sales." The Journal of Commerce's decibel level was almost as high with a story that began:

> Any termination or phasing out of the bilateral aid program administered by the Agency for International Development (AID) would be costly to American business.

The Wall Street Journal article tells the tale behind the mourning:

> The aid program provides about $1 billion of sales annually for American manufacturers, gives U.S. shipping companies about one-fourth of their total revenues from outbound cargo and supplies assorted research and technical organizations—both private and nonprofit—with about $600 million of contracts overseas. The fate of such business depends upon the outcome of the current foreign-aid impasse in the Senate, according to Nixon Administration officials.

Bilateral aid, symbolized by the Development Loan Fund, is a gigantic sugar plum tree for American businesses. For the goods and services exported to impoverished lands, the recipient governments must pay premium prices, well above world market levels, plus the added freight rates that accompany enforced shipment in American bottoms. This is what we are pleased to call, "foreign aid. The sooner we untie such aid by channeling it through the multilateral lending institutions, the better it will be for poor countries that really need help.

As reported by the committee, the pending bill honors our obligations to international organizations like the U.N. Development Program and UNICEF by designating the full $139 million. Also, the committee agreed to full funding for such special humanitarian efforts as the Indus River Basin project, relief of refugees in India and Pakistan, American schools and hospitals located abroad, plus reinstating the contingency fund.

Taken together the two bills requested, in my opinion, a transitional step toward a reasonable, redesigned foreign aid program, tailored to the fiscal circumstances in which we presently find ourselves. Believing this to be the case, and conscious that another opportunity to force a change of direction in this program may not soon come again, I have decided to uphold the committee's hand.

If the Senate will do likewise and not retreat, if it will hold its ground and refuse to pile more money on top of either of these bills, it is my intention to vote for both of them. We are at the fork of the road where foreign aid is concerned. If we shrink from taking a new direction and fall back instead upon the old path; if we merge these two bills back into one or inflate them with the additional money the administration demands, then I will again cast my vote against the foreign aid program on final passage.

Mr. AIKEN. Mr. President, I yield 10 minutes to the Senator from New York (Mr. JAVITS).

The PRESIDING OFFICER (Mr. CHILES). The Senator from New York is recognized for 10 minutes.

Mr. JAVITS. Mr. President, I think it may be useful to the Senate—although we apparently are not quite ready to do all of the business we should do—to have the philosophy which animated the bill explained.

In the first place, the bill represents an effort to have an interim program which has a legislative authority, rather than a continuing resolution to carry the foreign aid program through June 30, 1972. In that respect it is significantly different from the measure which the Senate rejected, because that original measure in its economic and humanitarian aspects extended the program for 2 years and thereby preempted the development of an approach to foreign aid during that period of time. The present approach is also a two bill approach which splits development assistance from military and supporting assistance.

The pending bill relates to a partial reform of the foreign aid program, which apparently is the desire of the majority of the Senate. That is critically important, especially to me, as I was the author of the amendment which called for study to recommend a new foreign aid approach by the President in June of 1970. It took the administration almost a year actually to produce such a legislative program, notwithstanding this specific legislative mandate. It is that, unfortunate time delay by the administration really, which has caused all our difficulty. However, such a new program has now been submitted to the Congress, and it calls among other things for specific new institutions which will be relatively autonomous, although they will be U.S. corporations, in the operation of the technical assistance aspects and the developmental aspects of the foreign aid program.

These new institutions would serve as counterparts to the Overseas Private Investment Corporation, which I also sponsored, which is now operative, and which institutionalized the investment guarantee and similar activities of the United States. So the bills now on the floor must be viewed within the context of being only an interim authorization for a new program. Under those circumstances, why a new authorization and not a continuing resolution? I think the reason is that even in the intervening period there are some things we need to do which require legislation in order to more greatly facilitate our operations.

For example, we extend the authority of the Overseas Private Investment Corporation in respect to guarantees, and so forth, to Yugoslavia and Romania. This would be a highly desirable activity in respect of this matter and an essential part of our program of building bridges to Eastern Europe.

Also we call for certain annual reports, which are useful.

We actually help to finance further the Inter-American Foundation, which is a useful thing in respect to Inter-American business, and we give the promise and assurance that we will develop a new foreign aid program and so incorporate that into law.

We give new authority in respect of the international drug program. This is critically important, especially to people like me, in view of the fact that narcotic drugs and the crimes which they induce are literally strangling New York City, the largest city in my State of New York.

Finally, there are provisions relating to the reopening of the Suez Canal and Pakistani refugees in India—both these provisions may be of crucial importance to the question of whether there will be war or peace in the Middle East.

So, for all of these reasons, we decided to bring in an interim—very interim—bill, covering only a very short period of time for an authorization.

It is to be noted in considering the money to be made available that we have already spent at the rate of the old bill, $2,600,000,000 for economic and military aid through November. Only 7 months are left in the current fiscal year. We thus have spent a larger amount proportionately at the rate of spending over the period of the first 5 months in the fiscal year. Therefore, the reduction in the bill which unfortunately reflects the committee's feelings that it was obeying the views of the Senate as expressed by its negative vote are even more drastic for the rest of this fiscal year particularly when we consider it in terms of the rate of expenditure for our armament sales.

So much for the construction of the bill and the reason for it. I hope that the Senate will pass the bill. But some changes are desirable and undoubtedly will be made either on the floor or in conference. For one, the need for a $125 million line item for population programs rather than charging these vital programs to the totality of the aid which is granted by the bill which already have been sharply cut. An amendment will be offered to that effect.

So, Mr. President, we are in this situation respecting the so-called congressional terms for development lending which is incorporated in the bill through the amendment by the Senator from Arizona (Mr. GOLDWATER) and the Senator from Alaska (Mr. STEVENS). That amendment inhibits so seriously the development of the loan fund, which is already cut by 60 percent of what it was in the budget of the administration, as to make it properly nonusable for the purpose for which we authorized it. The same is true for the Alliance for Progress. In other words, if we allow this provision to stand, it will make the Development Loan Fund and perhaps the Alliance unusable. It simply does not conform to the purposes of the loan funds to make loans on the basis which the authors of the amendment would seek to compel.

So much is true that the Senators themselves, immediately or when I call up my amendment—depending on the procedure adopted—are going to seek to exempt from their own amendment sales under Public Law 480.

In due course I shall point out that this is no cure. It only admits to the disease contained in the whole amendment, which should be stricken.

I think it illustrates very vividly why we are seeking to proceed to strike the amendment as it is. And it concedes more than half of it, because the Public Law 480 sales are two or three times the amount which is involved in the $250 million authorized for the development loan.

Mr. President, we are at a very critical point concerning foreign relations and the world is very much concerned. That relates to the fact that this country could go isolationist. We do not write that in large letters and send it by special delivery to the rest of the world; we signify it by the kind of attitude we take and the measures we pass in terms of foreign aid, in terms of trade legislation which again has a profound effect on our foreign relations, and other legislation before the Congress.

It seems to me that the resentment engendered by the vote in the U.N. against the Republic of China on Taiwan plus the dissatisfaction with the international monetary deadlock which continues in the world and what we consider to be discriminatory treatment of our products in some major trading areas of the world and the general disillusionment with relationships abroad arising primarily out of the Vietnam war give the world the impression that maybe the United States is somehow going to pull hard.

The point I would like to emphasize is out from the leadership position it has not the pulling out. That is our privilege. However, the question is, What will the pulling out do to us?

I am deeply convinced that we do not seek the favor of other nations. We do not care whether they like us or not. However, that is very different from letting them say that we are opting out and that they will be left to themselves or be left up to other leadership in the world.

In my judgment—and it is backed up by many other authorities—the nations of the world and particularly the developing nations will seek other leadership. They will not and cannot as yet do it themselves.

It is the basic fallacy of the opponents of this whole concept that somehow or other the nations of the world will get together and help themselves. They do not.

They will simply seek another powerful nation, to wit, the Soviet Union, perhaps The Peoples Republic of China, to be the dominant and leading power in the world. This is so adverse to the fundamental security interests of every American, in my judgment, as to result in an escalation over a period of time of the national defense budget by twice what it is today. It is as stark, realistic, and dangerous as that.

This is the issue at stake. Shall we terminate, or signal to the world that we are terminating, the role in the world which represents a leadership position in the free world? Are we yielding to the Communist world? It is not a matter of their coming up with more money, and so forth. They will, but only in response to whatever is the firm leadership in the world. They have gone with us for years, and they will continue to do so until we lay down the signal, and then they will go with the Soviet Union or another power.

I am not casting any stones or aspersions on the Soviet Union or saying there is anything immoral about such a decision, but we know that if the world influence of a secret, totalitarian government such as the Soviet Union is increased, the elementary defense and security requirements of the United States are bound to double. That is the stake.

Mr. President, we are talking about a couple of billion dollars or even $3 billion or $4 billion versus a military budget in excess of $70 billion. This is the point of breakthrough which must be made clear to the American people if they are to understand the foreign aid program, which is the clearest and most explicit signal we have given.

Mr. President, if anyone needs to be convinced in that respect, look at the morning newspapers. Castro is on his way to Chile, expecting that the situation will change insofar as he is concerned; and it will, just as it is changing with respect to mainland China. Kosygin is in a "nondetente cordiale" with Canada. These are not bad things, but it indicates what happens when a vacuum is created. Signs are on the wall to show who is going to step in.

The reasons for opposing this bill are fallacious and dangerous to our country. Men who advocate that position are as patriotic as I am, but I have stated what I believe to be the essence of our duty here. I believe the clear sign dictates that the United States cannot, should not, and need not signal an end of its role in the leadership of the free world, but that is how a defeat of the AID bill will be read and has been read from the action of the Senate 1 week ago Friday when the Senate turned down the foreign aid bill. We have trimmed it and designed it in a way to appeal to everyone who feels as I have expressed. I hope that for those reasons the Senate will approve the bill.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. AIKEN. Mr. President, I did what I could to get this bill out of the Committee on Foreign Relations, not because I approve all the provisions of the bill—some of them I disapprove very much—but I felt it was essential to get it to the floor of the Senate where the full body of the Senate could give consideration to it. Then, if the House sees fit to act upon this new foreign aid bill we can go into conference and perhaps come out with a bill. We can, if we have the will to do it and if the executive branch has the will to cooperate on a workable and fairly good program.

Mr. President, we have heard questions lately and the public has heard about the so-called Peterson report and the failure of Congress to act on that report. May I point out it was not the failure of Congress to act on that report. The Peterson report was made available to the White House in March of 1970. I spoke on the Peterson report on March 26, 1970, on the floor of the Senate.

I have gone over my remarks that I made at that time. I could not find a single line I would change from 1970. Although the Peterson report was made in March 1970, the implementing legislation prepared by the executive branch was not submitted to Congress until April 1971, 13 months later, and then the two bills were introduced by the chairman of the Committee on Foreign Relations at the request of the executive branch of Government.

I would like to read some of my concluding remarks which I made in March of 1970 because I think they are fully applicable today. I read from those remarks that I made in March 1970:

> To sum up my remarks on foreign aid programs, I have these recommendations to make:
>
> First. Do not use aid as an excuse for intervention in the affairs of smaller, poorer countries;
>
> Second. Stop using the gross national product as a yardstick for comparing rich and poor countries;
>
> Third. Use international banks for the business for which banks are intended, not for imposing our moral or political beliefs on the needy people of poorer countries;
>
> Fourth. Recognize the fact that much of our aid programs over the past 10 years have simply made rich countries richer and poorer countries more discouraged.

Mr. President, as I said, those recommendations are from my statement of March 26, 1970.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. FULBRIGHT. Mr. President, I

wish to associate myself with what the Senator said at that time.

Mr. AIKEN. It was a speech which I think stood up well.

Mr. President, I ask unanimous consent to have my entire speech of March 26, 1970, printed in the Record, including the colloquy I had with the distinguished Senator from Montana (Mr. Mansfield), because my remarks are just as applicable today as they were almost 2 years ago.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### The Saints and Sinners of Foreign Aid

Mr. Aiken. Mr. President, in his "State of the World" message, President Nixon said that he expected a new approach to foreign assistance to be one of his major foreign policy initiatives in the coming years.

He said:

"A new American purpose and attitude are required, if our economic assistance is to contribute to development in the new environment of the 1970's."

He has now sent to the Congress for our comments the report of his Task Force on International Development.

It does represent a new attitude.

But I do not find any candid statement of a new American purpose.

Congress still has not been presented with a sufficient reason to continue foreign aid as we know it now.

I have been a consistent supporter of our foreign aid programs, but the more I have lived with the existing legislation, the more I have come to believe a new American purpose in this area is most necessary.

Unless we can develop a more practical program we might as well give up the pretense under which we have been operating for the last few years.

The report of the Peterson Commission makes some interesting suggestions for rearranging the pieces on the bureaucratic crazy quilt in order to give a much needed lower profile to our foreign aid effort.

Most of my comments are now directed at questions left unanswered not only by the Peterson report, but by most of the other recent reviews of this subject by distinguished Americans and others with long attachment to foreign aid.

Before we can talk seriously about new institutional arrangements, we must have the new purpose that President Nixon asks for.

The Peterson Commission recommends a divorce of those foreign aid activities concerned with military assistance and counterinsurgency in the broadest sense of the term from those activities that are concerned with economic and humanitarian objectives.

The union between the saints and the sinners of foreign aid should be dissolved, it is said, to pave the way for giving the saints more money to spend.

Although this may be a laudable objective, I am not sure that divorce would have any such result.

Probably our most successful foreign aid programs were in Korea and Taiwan where there were ample roles for both saints and sinners.

But I agree that a divorce would be most desirable if it promises to achieve practical results.

The Peterson Commission should at least be commended for that recommendation.

If the State Department really wishes to control foreign policy in the foreign relations bureaucracy, it must be willing to accept such responsibilities.

At present, AID is a mechanism for diffusing responsibility.

It provides an irresistible temptation to all the chiefs of the foreign relations bureaucracy—Defense, CIA, State, and the White House itself—to play at intervention.

AID now provides the players with two kinds of levers to enhance their influence; if the arguments of the saints are not persuasive, there are always the arguments of the sinners.

Congress never intended the foreign aid agency to become an all-purpose intervention department.

The Peterson Commission may be right in asking that AID as it now functions be disbanded.

That is a debatable question.

But simply dissolving the marriage between the saints and the sinners of foreign aid is no reason why the Congress should vote a bigger foreign aid program.

There remains the vital question of a new American purpose.

On this score I find both the Peterson and the Pearson Commission reports disappointing.

A thorough reexamination is needed if only to rescue foreign aid from becoming the most boring subject of public policy today.

Take the word "development."

Ten years ago we thought we knew what it meant.

Now we know that development is simply a modern synonym for progress and as such it has become practically meaningless as a guide to policy.

The world is not divided into developed and underdeveloped nations.

Latin America, Africa, and Asia are not bound together in a mysterious condition called underdevelopment.

They are not bound together at all.

No worthy interest can be served by pretending otherwise.

It is true that Latin America, Asia, and Africa have experienced in common an historical encounter with Western ideas, Western economic and commercial penetration, and, usually, Western conquest.

And they are reacting to that common experience in certain similar ways.

They resent the fact that they were dominated or colonized in the past.

They are envious of the wealth and vitality of Western societies.

But it does not follow that the United States and other rich countries should pay reparations in the form of foreign aid for the historical impact they have had.

Nor does it follow that we should mount a crusade in the name of development in order to impose our ideas of progress on these countries.

Those who try to maintain the illusion that the world is divided into developed and underdeveloped nations must answer to the charge that they are investing the state of development with qualities of not just economic, but moral superiority as well.

There is much too much unconscious arrogance in this myth of the underdeveloped world, a myth which hides the vital differences that make these nations both interesting and understandable.

Latin America's culture is rooted in 16th century Spain; Asia's in a variety of infinitely complex traditional cultures dating back several millenia.

If Western man has undoubtedly disturbed the peace of tradition in these parts of the world, it does not follow that we should try to impose our priorities on government there, even in the name of progress.

All foreign aid inevitably involves just that hazard because all foreign aid as now practiced involves intervention in the internal affairs of other countries.

This is the most important reason why we need a new American purpose if we are to carry on foreign aid, and the Congress must understand that purpose.

The champions of development have compounded their difficulties by inventing an ingenious numbers game, designed to shock rich countries with the magnitude of the inequalities among nations, and at the same time to provide a basis for measuring the need for foreign aid.

This game has been played over and over again in years past until it has actually become a menace to the cause it is supposed to serve.

The foreign aid members game grossly exaggerates the real inequalities in welfare among nations.

It puts a premium on comparisons that heighten quite unnecessarily the envy and resentment between rich and powerful nations and poorer, weaker nations.

It creates a sense of hopelessness about the problems of the poorer nations that is certainly no service to them.

The key counter in this game is a useful economic indicator that was never intended to be used for international comparisons—the gross national product.

The foreign aid numbers game turns the GNP into a new weapon of "Western imperialism," as it is called in Communist countries.

We are supposed to believe that the average American lives 50 times better than the average Indian because, as far as we can calculate, our GNP is 50 times greater than India's.

An American family of four living under the official "poverty" line of $3,600 a year is by this method of analysis more than 10 times better off than the average Indian family.

By the same token, a haircut that costs $2.50 in Boston, Mass., is supposed to be 10 times better than the one a citizen of Bombay can get for a quarter.

There is something sinister in a method of measuring inequalities in welfare that is based on the notion that human services of roughly the same quality are somehow worth more in the rich countries simply because the price is higher.

Yet, this is precisely the kind of measurement that underlies virtually all professional attempts to measure the need for foreign aid and to set just targets for same.

Therefore, I am pleased that the Peterson report decided against recommending that a certain portion of the U.S. GNP be earmarked for foreign aid.

I would not for a minute deny the dire plight of the masses in several poorer countries, squeezed by population pressure either into a life of landless laboring in the eroded countryside or into a formless, aimless mode of existence in the crowded cities.

But is it humane to so exaggerate the real inequalities between societies with such absurd measures of progress that envy replaces hope and real human services are denied because they cannot be measured for the GNP the way ours can.

Almost half of our GNP consists of many personal and professional services that embrace much of the human activity in our country.

In a poor country most human services, most human activity takes place outside the money economy and, therefore, does not show up in Western man's calculations of GNP.

Now I ask, are they for this reason alone worse off?

In our search for a new American purpose in foreign aid we might ask president McNamara of the World Bank why the international community should not formally abandon international comparisons based on per capita GNP in favor of some better measures—measures that dispel illusions rather than creating them; measures that do not add to misunderstanding, but hopefully lessen it.

If this means admitting that we do not really know what the need for foreign aid is, that is an admission we should accept with humility because it is obviously the truth.

A new American purpose in foreign aid should start by making a virtue out of what we don't know about progress, not about what we think we do know.

What we should have learned most from foreign aid is a better appreciation of our shortcomings.

The new purpose, then, should accent the courage to explore the unknown, not as the bearer of charity and certainly not as the payers of reparations, but rather as the beneficiaries of a technology that has blessed a minority of mankind but only rippled the peace of tradition of the vast majority.

The new purpose of American foreign aid should be, perhaps, a dedication to see how technology can be made as good a servant in hot climates as it has become in temperate climates—and especially a good servant of the very poor in those parts of the world, not just the handmaiden of the rich.

This new purpose should accent people-to-people assistance, not government-to-government assistance.

Our Government should show in word and deed that the American people do care about sharing their knowledge with other nations and helping to adapt that knowledge to the many problems that exist in Asia, Africa, and Latin America.

But primarily it should be private Americans, not official Americans that offer their services.

If they hope to be really helpful, Americans must be willing to serve others rather than just their own Government and its special interests.

They must be invited by others, not imposed or bestowed as a result of a rich country's largess.

They must work under agreements where mutual responsibilities are set out clearly.

They should be fired if they do not live up to their part of the bargain.

Americans with the skills and motivations to give this kind of help, to undertake new voyages of technological discovery, exist in many different kinds of organizations in the United States.

They can be found in universities, in private corporations, and in a host of private associations, religious and secular.

It may be that they should not be brought into the Government because government may not provide a suitable career for them.

The Government's primary task in foreign aid should be to receive requests from others and refer them to likely contractors in the private sector and to help with the negotiation of suitable contracts.

The Government should not be in the business of implementing this kind of foreign aid.

I can imagine an institution to implement foreign aid that is wholly outside government, directed and supported by one or more foundations on an unselfish basis.

Such an institution could be financed by both public and private contributions in the measure that its services were requested, and its contracts proved useful.

I believe Congress would support generously such an institution as an alternative to the progressive bureaucratization of foreign aid.

Such an institution is needed to encourage a new generation of Americans who are willing and able to work in the hot climates of the world where so many of the world's impoverished millions live.

Such an institution could play a part in encouraging private investment.

I can see no need for a new development bank as recommended by the Peterson task force on international development.

We have a sufficient number of international and regional development finance agencies now.

Insofar as their performance warrants it, we should continue to support these agencies.

But let us not forget that capital dressed up as foreign aid is simply a subsidy to the exporters in the rich countries.

We offer through the Export-Import Bank certain financial facilities for American exporters.

Perhaps they should be liberalized somewhat to accommodate some of the development lending now done by AID.

But when it comes to providing others with capital to buy things in the United States, that business should be conducted on a businesslike basis.

Borrowers come to a bank, like the Export-Import Bank, because they want to buy something in the United States.

That is purpose enough, and we do not have to dress that business up as development aid.

Here we run into that old foreign aid numbers game again.

We are told that capital, subsidized capital from the rich countries, is the first need of poor countries today.

We are not told that subsidies to exporters in the rich countries are needed, or are what so many exporters desire.

This seems to me to be a dangerous game, pretty much like a con game in which only the dealer can win.

To falsify the real price of capital in a poor country is not progress or development.

It is simply inhumane treatment.

It could mean sentencing millions to misery if the capital thus provided, deprived more people of a livelihood than it employed by exhausting their resources and limiting their income.

After all, poor countries have in the main one natural advantage in the competition among nations and that is a potentially vast pool of labor.

If foreign aid does not build on that advantage, it cannot be called humane.

We need a new American purpose in foreign aid because we are an activist people and because real inequalities in welfare among societies today affront our sense of justice.

But injustices cannot be expressed in terms of gross national product, nor can they be overcome by falsifying the function of capital in society.

No manipulation of foreign aid funds, no benevolent banker of poor countries, can buy us out of what is a historical predicament that promises to be with us for generations.

The real opportunity of the rich countries is not to offer subsidized capital but to see their own economies in global terms.

They must create more and more room in the world market for the production of the poorer countries simply to insure expanding opportunities for themselves.

More than anything else this means expanding the purchasing power of the people of the less affluent nations.

This is particularly important now that we live in a state of more or less permanent inflation because there is so much to do here at home.

Without more and more sources of production in the world markets, without the discipline of international competition, costs and prices in the rich countries will become even more absurdly unrelated to real human welfare than they are now.

When a haircut comes to cost $10 in Washington or Paris or Tokyo, it is not going to be forty times better than a haircut that still costs a quarter in Bombay.

There is so much hypocrisy in the rich countries' attitude toward foreign aid.

To subsidize exports in the name of foreign aid, while at the same time barring imports from the very countries to which the aid is flowing, is not a new purpose—it is a very old hypocrisy.

If the rich countries really care about the plights of the poor, they will accept President Nixon's challenge to institute a system of global trade preferences designed to assure poor countries the right to compete in the world market with their new production.

We should also try to enter into agreements so that the rich countries do not use poorer countries as pawns in the international trade wars.

After all, the most serious and damaging effect on our own economy comes not from the poorer countries but from the most prosperous nations.

I said I was in favor of divorcing the saints and the sinners of foreign aid in order to reduce the temptation that the present marriage provides for all those who want to play at intervention.

But obviously it is not always easy to tell the saints from the sinners in this business.

To search for a new purpose is much more difficult than the proponents of foreign aid would have us believe.

Perhaps if we abandon the numbers game, perhaps if we stop talking about vague concepts like development and start concentrating on the real possibilities of making technology the servant of the very poor who crowd the hot climates of the world, perhaps if the rich countries really begin to see their economies in global terms—perhaps only then will a new purpose emerge.

All of us are hoping that the President will give us a new direction, for not to do so would be to admit to a failure on our part.

Foreign policy must appeal to something more than very narrow notions of national interest if it is to enjoy sustained public support in this country.

Foreign aid used to suggest such a dimension.

At the same time a nation that can only express such purposes in terms of dollars is a nation in search, not of a new purpose, but merely of a sop to its conscience or a gratification to its desires.

Foreign aid is not worth it as a sop to our conscience for we will probably do more harm than good with it.

To sum up my remarks on foreign aid programs, I have these recommendations to make:

First. Do not use aid as an excuse for intervention in the affairs of smaller, poorer countries;

Second. Stop using the gross national product as a yardstick for comparing rich and poor countries;

Third. Use international banks for the business for which banks are intended, not for imposing our moral or political beliefs on the needy people of poorer countries;

Fourth. Recognize the fact that much of our aid programs over the past 10 years have simply made rich countries richer and poorer countries more discouraged.

In the absence of a new American purpose, perhaps it would be better to close the books on the past two decades of American foreign aid programs and leave the work to international agencies with such support from us as their performance warrants.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. MANSFIELD. I was delighted to receive a copy of the Senator's speech before he gave it. I have not given it as much detailed study as I would like, but I do appreciate the accent which he stresses, the emphasis which the Senator places upon people-to-people assistance rather than government-to-government assistance. The latter, I think, by and large, has been in all too many instances a complete failure.

The summing up of recommendations which the distinguished Senator would make for carrying out the foreign aid program meets with my approval. I think he has exposed some methods which have surrounded this program for too long. This idea of using the gross national product as a measure of what it means or does not mean—anyone can twist that as he sees fit. The suggestion that there should be more internationalization, certainly, I think is worth a great deal; and most important, the Senator's No. 1 recommendation, "Do not use aid as an excuse for intervention in the affairs of smaller, poorer, countries," I believe is most sound.

I commend the distinguished Senator.

Mr. AIKEN. Mr. President, I appreciate the remarks of our majority leader, and would tell him that I would have given him an advance copy of these remarks sooner, except that they were finished only about a half hour before I started delivering them.

Mr. MANSFIELD. May I say that in that respect the distinguished Senator reminds me many times of Adlai Stevenson, who was never able to get his talks down on paper until just before he started to speak. But I am delighted to have this copy.

Mr. AIKEN. Sometimes all of us slow down and have to be pushed up against a deadline before we can get to work.

But I particularly wanted to point out the travesty of using the gross national product in comparing the welfare of people in poor countries with the welfare of people in rich countries.

The gross national product is all right as a means of comparing ourselves with Japan or Western Europe; but when it comes to comparing our situation, our welfare, with that of people who live in some of the very poor tropical countries, the use of GNP for this purpose is simply a farce.

Mr. SPARKMAN. Mr. President, the charge is often made that foreign aid is a giveaway to other parts of the world. Often overlooked is the fact that the money that goes into the aid program is almost entirely spent in this country. I have obtained some statistics which I find most interesting regarding this. Of the money spent during the fiscal year 1971, AID bought $975 million worth of commodities, 99 percent of which was spent in the United States.

I have been pleased to look up the situation in connection with my own State of Alabama. I find that during 6 months ending June 30, 1971, manufacturers in Alabama received over $9 million from AID in the purchase of commodities for developing countries. In addition to these purchases, technical service contracts with institutions in Alabama totaled nearly $1,500,000.

One program of great interest and of great importance in increasing food resources in many countries of the world was that of development of fishing and fish culture. Perhaps the greatest fish expert in the world is Dr. Swingle of Auburn University. Under his direction, a tremendous and most helpful program has been carried on in many countries of the world, particularly in Asia.

I have also obtained some facts and figures relating to what has been spent in the State of Alabama, what companies have been the beneficiaries, and the areas of the State in which the expenditures have been made.

I ask unanimous consent, Mr. President, to have all of these various tables printed as a part of my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

### AID PROCUREMENT OF COMMODITIES BY STATE

The Agency for International Development purchased $975,000,000 worth of commodities in fiscal year 1971, with 99 percent of it or $971,800,000 being spent in the United States.

Most of the commodities were purchased in the following 20 states:

| | |
|---|---|
| New York | $178, 829, 271 |
| California | 80, 508, 640 |
| Pennsylvania | 77, 081, 158 |
| Illinois | 73, 541, 642 |
| Texas | 54, 930, 416 |
| New Jersey | 51, 733, 490 |
| Michigan | 50, 791, 742 |
| Ohio | 46, 644, 037 |
| Washington | 32, 072, 205 |
| Wisconsin | 24, 763, 247 |
| Louisiana | 22, 260, 826 |
| Maryland | 20, 572, 073 |
| Alabama | 16, 305, 583 |
| Indiana | 13, 760, 298 |
| Massachusetts | 12, 054, 228 |
| Delaware | 11, 588, 213 |
| Georgia | 10, 257, 543 |
| Virginia | 10, 162, 141 |
| North Carolina | 9, 688, 882 |
| South Carolina | 8, 761, 659 |
| Total | 806, 307, 295 |

These 20 states received 83 percent of the dollar value of all AID-financed commodity purchases in the United States in fiscal 1971.

*AID-financed commodities fiscal year 1971 dollar value by state of production*

| *State* | *Amount* |
|---|---|
| Alabama | $16, 305, 583 |
| Alaska | 3, 524, 513 |
| Arizona | 343, 778 |
| Arkansas | 4, 954, 181 |
| California | 80, 508, 640 |
| Colorado | 3, 766, 199 |
| Connecticut | 10, 985, 821 |
| Delaware | 11, 588, 213 |
| District of Columbia | 531, 404 |
| Florida | 6, 963, 013 |
| Georgia | 10, 257, 543 |
| Hawaii | 92, 750 |
| Idaho | 56, 824 |
| Illinois | 73, 541, 642 |
| Indiana | 13, 760, 298 |
| Iowa | 4, 902, 240 |
| Kansas | 724, 410 |
| Kentucky | 5, 306, 139 |
| Louisiana | 22, 260, 826 |
| Maine | 203, 679 |
| Maryland | 20, 572, 073 |
| Massachusetts | 12, 054, 228 |
| Michigan | 50, 791, 742 |
| Minnesota | 6, 278, 615 |
| Mississippi | 6, 723, 432 |
| Missouri | 7, 715, 066 |
| Nebraska | 1, 558, 041 |
| Nevada | 211, 067 |
| New Hampshire | 726, 671 |
| New Jersey | 51, 733, 490 |
| New Mexico | 839, 566 |
| New York | 178, 829, 271 |
| North Carolina | 9, 688, 882 |
| North Dakota | 1, 454 |
| Ohio | 46, 644, 037 |
| Oklahoma | 3, 524, 695 |
| Oregon | 6, 493, 725 |
| Pennsylvania | 77, 081, 159 |
| Rhode Island | 2, 245, 999 |
| South Carolina | 8, 761, 659 |
| South Dakota | 91, 359 |
| Tennessee | 8, 350, 951 |
| Texas | 54, 930, 416 |
| Utah | 463, 148 |
| Vermont | 844, 396 |
| Virginia | 10, 162, 141 |
| Washington | 32, 072, 205 |
| West Virginia | 5, 817, 772 |
| Wisconsin | 24, 763, 247 |
| Wyoming | 32, 040 |
| Total | 900, 580, 243 |

*Ten cities receiving highest dollar value for orders of aid-financed commodities—fiscal year 1971*

| *City* | *Dollar value* |
|---|---|
| New York, N.Y. | $144, 810, 186 |
| Detroit, Mich. | 33, 457, 232 |
| Peoria, Ill. | 24, 560, 815 |
| Houston, Tex. | 23, 596, 083 |
| Tacoma, Wash. | 18, 784, 586 |
| Chicago, Ill. | 16, 289, 847 |
| Sparrows Point, Md. | 12, 875, 916 |
| Stockton, Calif. | 11, 691, 187 |
| Milwaukee, Wis. | 11, 531, 249 |
| Pittsburgh, Pa. | 9, 599, 716 |

*A.I.D. share of U.S. exports*

"Foreign aid"—loans and grants extended by the Agency for International Development—financed 7.1 percent of all U.S. exports to the developing countries in fiscal year 1971.

U.S. exports to these countries have more than doubled in the past ten years, in large part because of their average annual rate of increase in gross national product of 5.6 percent. This high rate of growth is itself to a great extent a result of the foreign aid programs of the United States and other industrialized countries.

A.I.D. financed exports in fiscal 1971 totaled $971.8 million—2.3 percent of the value of all U.S. exports, which was $43.116 million.

While the overall percentage may not be large, some specific cases are quite striking. For example, A.I.D. financed in fiscal 1971:

16.4 percent of all U.S. exports of iron and steel mill products.

25 percent of all U.S. fertilizer exports.

15.7 percent of all U.S. exports of railroad equipment.

8 percent of all rice exports.

8.5 percent of all U.S. exports of basic textiles.

7.3 percent of all U.S. exports of non-ferrous metals and products.

Other industries benefitting from A.I.D. funding for their exports and the percentages financed were: petroleum, 4.4 percent; chemicals (excluding fertilizer), 3.6 percent; pulp and paper, 2.4 percent; motor vehicles and parts, 2.3 percent; electric machinery, 2.0 percent; and machine tools, 1.2 percent.

Elimination of A.I.D. financing would have a significant adverse effect not only on U.S. industries in these export areas, but also on the U.S. shipping industry. Over the period FY 1964–1969, the cargo financed under Foreign Assistance Act programs has ranged from 22 to 30 percent of the total cargo moving on U.S.-flag shipping.

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### U.S. FOREIGN AID CREATES BUSINESS IN ALABAMA

WASHINGTON, D.C.—Manufacturers in Alabama received orders financed by the Agency for International Development totaling $9,137,910 during the six months ending June 30, 1971.

AID, which conducts U.S. economic assistance programs overseas, reported the commodities purchased from companies participating in the foreign aid program were shipped to developing countries in Asia, Africa and Latin America.

Approximately 98 percent of all AID-financed commodities came from the United States during fiscal year 1971.

In addition, AID announced that technical service contracts with institutions in Alabama totaled $1,442,849 at the end of December 1970. The holders of such contracts and their values as of that date were:

| | |
|---|---|
| Auburn University, Auburn | $1, 180, 955 |
| Tuskegee Institute, Tuskegee | 261, 894 |

A list of Alabama manufacturers (by

county and city) is attached, showing the amount of AID-financed orders placed with them from January through June 1971. The tabulation is based on reports to AID by exporters and usually includes the cost of ocean freight. Thus, the amounts are approximate in some cases.

In FY 1971, Alabama manufacturers received AID-financed orders totaling $16,305,583.

AID purchased $975,000,000 worth of commodities in FY 1971, 99 percent of that total—$971,800,000—being spent in the United States.

It is estimated that AID operations resulted in a direct inflow of $79 million in FY 1971. Expenditures were $1.928 billion; $272 million of it overseas. Receipts from interest and amortization payments on loans totaled $351 million. This positive effect has occurred for the past three years. Thus, in recent years AID has not been a factor in the balance of payments deficit.

Information supplied by AID/OPA, 632–8646, per request from Mr. Thomas Fina, U.S. Department of State.

REPORT ON AID SOURCE SUPPLIES BY STATE OF PRODUCTION AS OF JUNE 1971

| | Amount this period | Total amount to date |
|---|---|---|
| Alabama: | | |
| Prattville: | | |
| Continental Moss Gordin, Inc | $219, 145 | $219, 145 |
| City of Prattville | 219, 145 | 219, 145 |
| County of Autauga | 219, 145 | 219, 145 |
| Anniston: | | |
| Monsanto Co | 61, 200 | 61, 200 |
| City of Anniston | 61, 200 | 61, 200 |
| County of Calhoun | 61, 200 | 61, 200 |
| Jackson: | | |
| Allied Paper, Inc | 13, 530 | 13, 530 |
| City of Jackson | 13, 530 | 13, 530 |
| County of Clarke | 13, 530 | 13, 530 |
| Cullman: | | |
| Bendix Westinghouse Corp | 19, 521 | 19, 521 |
| City of Cullman | 19, 521 | 19, 521 |
| County of Cullman | 19, 521 | 19, 521 |
| Gadsden: | | |
| Republic Steel Corp | 130, 944 | 130, 944 |
| City of Gadsden | 130, 944 | 130, 944 |
| County of Etowah | 130, 944 | 130, 944 |
| Birmingham: | | |
| AM Cast iron Pipe Co | 318, 101 | 318, 101 |
| C. B. & I. Co | 49, 480 | 49, 480 |
| Fontaine Truck Equipment Co | 8, 118 | 8, 118 |
| Republic Steel Corp | 22, 886 | 22, 886 |
| Stockham Valves & Fittings Co | 5, 445 | 5, 445 |
| U.S. Pipe & Foundry Co | 167, 515 | 167, 515 |
| U.S. Steel Co | 322, 918 | 322, 918 |
| City of Birmingham | 894, 463 | 894, 463 |
| Fairfield: | | |
| U.S. Steel Corp | 4, 520, 805 | 4, 520, 805 |
| City of Fairfield | 4, 520, 805 | 4, 520, 805 |
| Woodward: | | |
| Woodward Iron Co | 36, 995 | 36, 995 |
| City of Woodward | 36, 995 | 36, 995 |
| County of Jefferson | 5, 452, 263 | 5, 452, 263 |
| Athens: | | |
| Cutler Hammer Inc | 6, 045 | 6, 045 |
| City of Athens | 6, 045 | 6, 045 |
| County of Limestone | 6, 045 | 6, 045 |
| Huntsville: | | |
| Automatic Electric Co | 10, 897 | 10, 897 |
| City of Huntsville | 10, 897 | 10, 897 |
| County of Madison | 10, 897 | 10, 897 |
| Mobile: | | |
| Courtaulds North America | 2, 463, 032 | 2, 463, 032 |
| International Paper | 6, 331 | 6, 331 |
| Openheimer Intercontinental Corp | 15, 825 | 15, 825 |
| Sealy Thomas Inc | 83, 599 | 83, 599 |
| Stallworth Pine Products Co | 14, 874 | 14, 874 |
| Stone Container Corp | 18, 532 | 18, 532 |
| U.S. Steel of Fairford | 24, 428 | 24, 428 |
| City of Mobile | 2, 626, 621 | 2, 626, 621 |
| Prichard: | | |
| Taylor, Lowenstein & Co | 20, 450 | 20, 450 |
| City of Prichard | 20, 450 | 20, 450 |
| County of Mobile | 2, 647, 071 | 2, 647, 071 |
| Montgomery: | | |
| Standard Axle & Forge Co., Inc | 14, 022 | 14, 022 |
| City of Montgomery | 14, 022 | 14, 022 |
| County of Montgomery | 14, 022 | 14, 022 |
| Decatur: | | |
| Fitra Corp., Prestolite Division | $68, 189 | $68, 189 |
| Monsanto Textiles Division | 313, 772 | 313, 772 |
| Universal Oil Products Co | 14, 151 | 14, 151 |
| City of Decatur | 396, 112 | 396, 112 |
| County of Morgan | 396, 112 | 396, 112 |
| Childersburg: | | |
| Beaunit Corp | 55, 410 | 55, 410 |
| City of Childersburg | 55, 410 | 55, 410 |
| County of Talladega | 55, 410 | 55, 410 |
| Tuscaloosa: | | |
| Phifer Wire Products Inc | 16, 750 | 16, 750 |
| City of Tuscaloosa | 16, 750 | 16, 750 |
| County of Tuscaloosa | 16, 750 | 16, 750 |
| McIntosh: | | |
| Geigy | 95, 000 | 95, 000 |
| City of McIntosh | 95, 000 | 95, 000 |
| County of Washington | 95, 000 | 95, 000 |
| Alabama, total | 9, 137, 910 | 9, 137, 910 |

Mr. McGEE. Mr. President, over the past few weeks we have heard calls to reduce our financial obligations and contributions to the United Nations. The thrust of this argument stems from claims that the United States has been paying a disproportionate share of the costs for maintaining the United Nations.

However, amidst all this clamor, many have lost sight of the fact that the United Nations contributes more to the American economy than it takes from the U.S. Congress.

This side of the picture is laid out in an article written by James Boyd appearing in last Monday's edition of the Evening Star.

Boyd pointed out that during the last fiscal year the U.S. Government paid $326 million for various U.N. activities.

However, Boyd points out that, "On the other side of the ledger the U.N. establishment contributes $82 million a year to the economic life" of New York City.

He further notes that the U.N. Joint Staff Pension Fund has invested more than $100 million in U.S. Government bonds, in common stock of U.S. corporations and in bonds of American public agencies.

inally, Boyd states that—

> The four major international finance institutions are all affiliated with the U.N. and all have their headquarters in Washington. The International Monetary Fund, World Bank, International Finance Corporation, and the International Development Association generate $1.6 billion in investments, a good part of it in the United States.

In light of Boyd's presentation of a side of the picture which many have chosen to ignore, I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Nov. 8, 1971]

### U.N. CALLED CASH PLUS FOR UNITED STATES

(By James Boyd)

UNITED NATIONS.—This world organization is not quite the burden or nearly so bankrupt as irate American critics have charged over the past few weeks.

So say the people here who can cite chapter and verse from statistics to prove their point. All in all, they conclude, the United Nations contributes more to the American economy than it takes from U.S. Congress.

Last fiscal year, the U.S. government paid $326 million for various U.N. activities—$52.4 million in regular dues, $55.4 million to 11 specialized agencies such as the World Health Organization, and $219 million in voluntary contributions to the U.N. Development Program and other technical assistance organizations.

That amount, the critics note, is less than the Nixon administration is asking in military and economic aid for Cambodia next year. Closer to home, perhaps, it is only $26 million more than the City of New York pays annually for its fire department.

The other side of the ledger shows the U.N. establishment contributes $82 million a year to the economic life of the city—there alone eclipsing the $52.4 million paid out in regular dues by the U.S. government. That income for New York goes into food, services, apartment rents and the like for 8,000 U.N. employes here.

Beyond that, the U.N. Joint Staff Pension Fund has invested more than $100 million in U.S. government bonds, in common stock of U.S. corporations and in bonds of American public agencies.

Furthermore, the critics note that the four major international finance institutions all are affiliated with the U.N. and all have their headquarters in Washington. The International Monetary Fund, World Bank, International Finance Corp., and the International Development Association generate $1.6 billion in investments, a good part of it in the United States.

The near bankruptcy of the U.N. is another matter open to dispute with Washington. While Secretary General U Thant himself agrees that the organization is in "a state of near and hopeless insolvency," he disagrees with the U.S. mission to the U.N. over how great is the deficit.

Last month the American mission put the figure at $233 million. Thant, in his report to the finance committee of the General Assembly, said that only $115 million was essential to escape bankruptcy. Their chief disagreement is over how much is owed for the U.N. peacekeeping missions in the Congo and Middle East—to which such leading powers as the Soviet Union and France refused to contribute.

A slight note of optimism appeared on this front during the last week in October. France after holding out for 11 years, made a voluntary contribution of $3.9 million. That is the first break in the chain of countries refusing to pay for the Congo and Middle East operations.

What remains to be seen is whether the Soviet bloc is ready to work out a formula for ending its boycott of the voluntary contributions. It also remains to be seen what position Communist China will take on U.N. finance when it takes its seat here this week.

Mr. HART. Mr. President, the Committee on Foreign Relations has reported a $1.114 billion foreign economic assistance bill and a $1.185 billion foreign military assistance bill.

I will vote for both bills.

### ECONOMIC ASSISTANCE

For some years, I have felt that of the funds provided for foreign aid, more should be directed into economic assistance and less into military assistance. The amounts authorized by these bills move in that direction.

Also, I have favored reduction in money allocated to bilateral programs and an increase in support for assistance programs operated by multination organizations. It seems to me that we are moving in that direction, and I would hope that the Senate defeat of the original foreign aid bill will spur further action in that direction.

Certainly, arguments can be raised why the Senate should defeat any foreign aid legislation which continues ongoing programs.

Some will note, and justly so, that there is waste in our AID programs.

Others will point out our largess—largess spent overwhelmingly for American manufactured goods, I might add—has not purchased for us the undying good will or friendship of nations receiving AID funds.

A few may demand a "no" vote to punish both the United Nations and those nations who voted against us in the U.N. vote to admit Red China and to exclude the Taiwan Government.

And finally, it can be argued that with so many urgent but unmet needs at home, we should stop sending money abroad.

Those are strong arguments, but not compelling.

Certainly, I have spoken as often as many about our unmet domestic needs, and as often as many I have called for a change in national spending priorities.

But the fact remains that there are hungry people abroad, there are millions of Pakistan refugees in need of help, and poverty and disease exist in Latin America and Africa.

Even granted that the amounts authorized in the foreign assistance bill will not solve any of these problems, I cannot accept the premise that the United States, the world's most affluent nation, should turn its back on such conditions.

If our present programs are wasteful, let us devise better programs. If the time has come for a new approach to foreign assistance, as I believe it has, let us develop a new approach.

But in the meantime, let us not completely ignore those who might benefit from our assistance while we debate policy and procedural questions.

To those disappointed that nations receiving U.S. assistance have not always supported our policies, I can only say that foreign assistance should be given not to purchase friends but to help relieve conditions which breed despair, discontent, and destruction.

The measure of an effective economic assistance program is not how a nation's representative votes in the U.N., but what effect, if any, the aid has on the lives of the poor in that nation.

I have two reactions to the suggestion that we should punish the U.N. and U.N. members because of the vote excluding Taiwan.

First, we lost a vote, but does that mean we should drop out? How many times have members of this body, regardless of party, told young people to rise above disappointments and defeat and continue to work within the system to bring about change? That is good advice, whether talking about changing the system at home or in the world.

And second, when we ask why some small nations voted against our position on Red China, we ask the wrong question.

More to the point, we should ask why did we have to depend on small nations, why did so many of the larger and supposedly friendly nations vote against our position?

The answer, of course, might just be that we were wrong.

Or the answer might be that recently we have acted in a less than responsible way toward some of these nations.

We have demanded that our trading partners accept our view of world monetary policy.

We have acted unilaterally to impose a tariff wall and to alter the world currency market.

We have been less than concerned with the effect of such policies on our good friend to the north, even going so far, if news reports are correct, as to suggest that Canada be content to be a supplier of raw material for American industry.

And our handling of the summit talks with Red China and our trade policies have not made life easy for the Japanese Government

And this brings us to the nut of the problem.

Despite what some officials and commentators may say, isolationism is determined less by how many troops a nation has fighting abroad than by how it treats other governments and by its trade and economic policies.

Our recent policies in these more important areas could give rise to fears that this country is returning to its isolationist past. Congressional approval of the committee's reported foreign aid bills could help make clear that this is not the case.

### MILITARY ASSISTANCE

As one who has felt that less money should be spent on foreign military assistance, I view the new military aid bill with mixed emotions.

However, there is one overriding reason to vote for the entire bill as reported by committee.

That reason is the Mansfield amendment, calling for withdrawal, within 6 months, of all U.S. troops from Southeast Asia, dependent on a phased return of all U.S. personnel held as prisoners of war.

On more than one occasion I have stated my support for this amendment, both as a way to help stop the killing and destruction in Indochina and also as the best way to insure the safe return of our POW's. I do so again.

Mr. CHILES. Mr. President, while it is not entirely satisfactory, I support S. 2820 because I think it is a step in the right direction. First, it represents a separation of military assistance from the economic development aspects of foreign aid. Second, it is effective only through June 30, 1972, as compared to the 2-year extension the defeated foreign aid bill would have provided, thereby providing Congress with time to evaluate properly the total foreign aid concept and come up with necessary reforms.

I am sure no one wants the United States to abdicate its leadership position in the world, and I believe a sound foreign assistance program is an integral part of that leadership position. We have not had such a program. The present administration had ample warning, the Peterson report for example, of the many existing faults but failed to implement recommendations for approval in its proposal.

I believe Congress is ready to generate the necessary reform and protect our leadership position. S. 2820 is a first step in developing a new look for foreign aid.

Mr. MOSS. Mr. President, I rise in support of S. 2820, the foreign economic and humanitarian assistance measure.

Foreign assistance is not a painful burden for the United States to carry. For 25 years, we have been a leader in the effort to bring a measure of stability, peace and economic justice to the world. Our foreign aid is recognition of the fact that something must be done to lessen the gap between the world's rich and poor nations, not just because of a moral responsibility but also because of our national security interests. The best hope for U.S. security lies in a cooperative program of economic, social and political development aimed at eliminating the underlying causes of instability and conflict.

America's entire foreign assistance efforts represent only about one half of one percent of the Nation's gross product. It has helped, however, to bring about great increases in food production, provide education and better health for millions, and enjoyed substantial successes in encouraging economic development and family planning. It is not the failure that many would have us believe it is.

It is my opinion, therefore, that the Senate defeat of the foreign aid bill was shocking and irresponsible. The Senate passed from a close debate on numerous items in the foreign aid measure to a disasterous assault on the whole bill. But the final vote reflected more of an isolationist political mood than an intelligent appraisal of the bill's merits. To me, it was a tragedy that the world's greatest deliberative body should attempt to cut off foreign aid in such a sudden and questionable manner.

Moreover, the Senate's retreat from responsibility was greatly abetted by the President. Mr. Nixon confined his support for foreign assistance to a message issued after the vote. The President also did not defend endangered American commitments to the financially pressed United Nations, but Senators of his party threatened a President veto of the foreign aid measure if restrictions on the use of funds in Indochina were not eliminated.

Nor did the President aid his cause by favoring restoration in the measure of a $341 million authorization for our involvement in Cambodia, an amount which alone exceeds the total U.S. contribution to the United Nations. This gave the entire bill the character of a referendum on the Indochina war. That was a root cause of its defeat.

Finally, the President reinforced the vengeful mood of many who sought to punish members of the United Nations who voted against our dual representation China policy, by threats to cut contributions to that world body. Mr. Nixon noticeably refrained from deploring the actual U.N. vote, but severely denounced the delegates who cheered the final outcome. Thus, the President's tactics and rhetoric once again polarized congressional sentiment and fed impulses of isolationism.

Today, there are calls for a restructuring of foreign aid and the need for a new approach. After months of debate the Foreign Relations Committee favorably reported a bill calling for $2.9 billion in foreign assistance funding. Now the committee suddenly has switched to a measure that authorizes only $2.3 billion. Last spring, the committee rejected an administration approach to split economic/humanitarian aid from military assistance on the grounds that the matter required extensive study. Now the committee suddenly has adopted the two-bill approach.

I support and will vote for the economic and military foreign assistance measures because they are the only responsible alternative presented. But I do not favor this approach. I believe Congress should pass continuing financing legislation to preserve the entire program, while efforts are undertaken to restructure foreign aid.

But what is required of the Senate is not a new concept of foreign aid, but rather a willingness to cope with the real world. We cannot retreat to isolationism or an abandonment of responsibility for peaceful development elsewhere in the world. Surely, it would be the greatest of all disasters of our tragic experience in Vietnam if it so soured or embittered us as a nation that we draw back in on ourselves. The dangerous ramification of cuts in foreign aid is the spur it gives to a growing sense of isolationism in this country and the signal it sends out to the rest of the world.

We cannot escape the consequences of American power and influence for peace in the world—to do so is both dangerous and costly. The question before us today is world stability and peace. We must not withdraw from a responsible role in the world's future, for our future cannot be separated from that of the rest of the world.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS and Mr. JAVITS addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. STEVENS. I send an amendment to the desk, to which I add Senators PEARSON and GOLDWATER as cosponsors.

Mr. JAVITS. Mr. President, I seek recognition for an amendment.

Mr. AIKEN. I yield the Senator a minute to present the amendment.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I have sent an amendment to the desk and I ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 4, between lines 3 and 4, insert a new paragraph:

(B) Section 106(a) of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out "but not less than the minimum rate required by section 201 of the Foreign Assistance Act of 1961 for loans made under that section" and inserting in lieu thereof "but at a rate of interest of not less than 3 per centum per annum commencing not later than ten years following the date of last delivery of commodities in each calendar year under the agreement, during which ten-year period the rate of interest shall not be lower than 2 per centum per annum".

Mr. STEVENS. Mr. President, I yield myself 10 minutes on the amendment.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, during consideration of the last Foreign Assistance bill, in connection with an amendment I offered, the Senator from Arizona (Mr. GOLDWATER) had an exchange with the chairman of the committee concerning the interest rates on development loans. That was following the statement I had made. At that time he suggested we should change the development loan interest rates to the amount we are paying to borrow money so that we would not be exporting money at 2 and 3 percent in 10 to 40 years, and borrowing at 6 to 7 percent. The chairman indicated he had a similar feeling, as I recall. The Senator from Arizona indicated he would offer an amendment. When the time came to offer the amendment, the Senator was not present. I carried the amendment for him. The amendment was adopted prior to the vote on the Foreign Assistance bill.

The inadvertent impact of that amendment was that by virtue of the provisions of Public Law 480, the Agricultural Credit Sales Act, whereby the interest rates to be charged on those credit sales is the same as is charged on development loans, the Public Law 480 interest rates were changed also.

This, I am certain, the Senator from Arizona did not intend and I did not intend. We discovered this was the case after the bill had been defeated.

Certainly, I am confident that, had the bill gone to conference, that matter would have been straightened out. We now find the basic attack on the amendment that was offered, an amendment designed to require that the Development Loan Fund loans be at the rate at which the United States borrows money, is premised on the Public Law 480 impact.

We are in a deficit period. We are borrowing money to lend other countries to develop themselves. We have been very generous to the international banks. I thought we had gone to the concept of multilateral loans, where we would join in a world community chest; but having joined in that community chest and paid our dues, we find that we are still lending money at these abnormally low rates.

I was surprised to learn that the report indicates there is an intention to lower those rates even further. I would hope that we could get to that at a later period and that the chairman will allow me to respond to the amendment that is going to be offered to strike this amendment, because I feel strongly about it.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. FULBRIGHT. As I understand the Senator's amendment, it is intended to preserve the status quo of Public Law 480.

Mr. STEVENS. Absolutely. We had no intention to change that.

Mr. FULBRIGHT. I want to join the Senator. I did not think of that amendment as going against Public Law 480 at the time. So I am willing to accept the amendment. It was due to my own thoughtlessness, but I did not know it had any effect on Public Law 480. I think the Senator is quite correct. All he is doing is making his amendment conform with his understanding at the time.

Mr. STEVENS. Absolutely.

Mr. FULBRIGHT. Personally, I am willing to accept the amendment, because I do not think any Senator was willing to change the Public Law 480 terms. I was not, certainly.

Mr. STEVENS. I appreciate the Senator's statement.

I have great respect for the Senator from New York's feeling about the other program and the Public Law 480 program, but it was not our intention that our amendment would apply to the Public Law 480 program. Therefore, I offered the amendment. The chairman has made a statement that he would accept it. I do not know what the position of the Senator from New York is going to be in regard to it.

I think this amendment, without regard to the success of the Senator from New York's position, ought to be in the bill, anyway, because I do not see any reason why the Public Law 480 program should be tied to development loan funds, which I hope and pray Congress will seek to limit in the future and get into the multilateral concept as far as those loans are concerned.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. AIKEN. Does the Senator's amendment apply to moneys loaned for educational, housing, or hospital purposes?

Mr. STEVENS. Does my amendment——

Mr. AIKEN. Apply to the construction of houses such as is taking place in Central America today?

Mr. STEVENS. The amendment I have offered and that I have at the desk applies to the Public Law 480 program and exempts that from any tie-in provision with respect to the development loan fund. The amendment requires, as far as development loan funds are concerned, that the interest rates for those loans be at no lower rate than we have to pay for borrowing the money.

Mr. AIKEN. Loans for all other purposes would be at higher interest rates, unless the United States was borrowing at less than the 3-percent rate. Is that correct?

Mr. STEVENS. The Public Law 480 program is not a part of the development loan program. They were tied together by some previous Congress, and without any previous knowledge of that fact.

As far as the development loan fund is concerned, the loans are made for the purposes the Senator has stated—for housing, education, and development programs. There is money in the multilateral corporations to do that, and they can make those loans at any interest rate they desire, as I understand it. They have the right to set the interest rates. I do not see why we should continue to put money into multilateral banks and at the same time continue to have these development loan funds paid at these very low rates.

Mr. AIKEN. Mr. President, I cannot agree with the chairman of the committee that we should accept this amendment at this time without further discussion.

Therefore, I will yield 10 minutes to the Senator from New York (Mr. JAVITS).

Mr. CASE. Mr. President, will the Senator yield to me for a unanimous-consent request?

Mr. JAVITS. I yield.

### PRIVILEGE OF THE FLOOR

Mr. CASE. Mr. President, I ask unanimous consent that during the consideration of the present foreign aid bill and of the military assistance bill I may have a member of my staff on the floor at all times.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. JAVITS. Mr. President, the situation presented to us by the Senator from Alaska (Mr. STEVENS) makes very complex a task which I had set for myself. All is fair in love and war, and parliamentary battles have some aspects of war, but I am required to set of record the whole situation, which is not very pleasant.

Mr. President, the amendment which is in the bill was adopted, not by any vote of the Senate on a rollcall, or even on a division, but was adopted when most Members of the Senate, or many Members of the Senate, including myself, were downstairs having a meeting or conference with President Tito of Yugoslavia. It was well known that I was opposed to the amendment, and no notice whatsoever was given to me of the fact that it was pending on the floor. The amendment was then accepted by the manager of the bill on the floor at that time, who was the majority leader. There had been a unanimous consent agreement that no votes would be taken during the Tito visit—the record makes this clear.

We try not to do such things around here. Sometimes things slip, but when it does happen, one does not make a big fiesta about it. Just because I happened to be gentlemanly about it does not mean any advantage should be taken of that fact. I protested it on the day of the original vote and pointed out what had happened and said that, if the bill passed—this was before the bill was voted down—it would have to be dealt with in conference, I hoped, in a decent and appropriate way.

Well, the bill failed. Then the choice was to try to strike this particular provision when it appeared in a new version before the Foreign Relations Committee. Again, in a spirit of cooperation which typifies the Senate, I made the choice that it should be done on the floor on the ground that it had been adopted on the floor and, if it should be stricken, it should be stricken on the floor.

The result now is that the sponsor of the amendment seeks to take the provision which he thinks will cost him the most votes out of it, which is fine, but it is being done in such a way as to make it extremely difficult for me to move to strike this particular provision, according to the procedures, because it will be a new procedure.

What I am seeking to strike and will have to seek to strike is the provision as it was in the bill which came to the floor, as reported by the committee.

I do not think it is going to necessarily take in the Senate; nevertheless, the net result of that, if I am successful, is that a completely anomalous provision; that is, the new wording offered by Senator STEVENS will hang in the bill, which will have to be stricken in conference, because it attaches to nothing and means nothing if the amendment which I have proposed is successful, because that amendment would strike out the full effect of which this amendment takes out only a partial effect. This Stevens amendment will mean nothing if the amendment which I offer is successful, but it will still be there as a completely anachronistic provision in the bill.

What could have been done, and what I had urged on the author of the amendment, was that the amendment, by a minor change, could have been made a perfecting amendment and voted on before mine was, and if I were successful, it would go out, and if I were not successful, it would go in, and the procedure would be far more regular and would have far less of the coloration of getting in there before I could move on it.

But, as I say, all is fair in love and war but this loose legislative practice does little to further the work of the Senate or the country.

Now, Mr. President, as to the substance of the new Stevens amendment: It seeks to erect a difference between agricultural exports and other exports. For example, what is the difference between agricultural exportation of soya beans, let us say, and the exportation of fertilizer to raise soya beans? Yet, Mr. President, according to the amendment offered by the Senator from Alaska (Mr. STEVENS), he would make that difference. You could lend money on concessional terms under exporting, say, soya beans or barley or some other agricultural commodity, and you could not get concessional terms if you exported agricultural machinery—I shall be prepared to submit to the Senate the facts and figures on that score in due course. These distinctions between if you exported fertilizer, or if you exported the machinery to establish a plant to manufacture fertilizer, are completely arbitrary and unjustifiable distinctions, that have not been made before. It is the very reason why the Public Law 480 credit terms were tied to the foreign aid credit terms in the first place.

This effort to get out from under, as it were, what is considered to be an appealing part of this section to those who are engaged in agriculture, simply does it at the expense of those who are engaged in any other aspect of the American economic system, including sectors which contribute to more efficient operations in respect to agriculture.

Mr. President, I do not think the Senate is naive, and I think the Senate knows, if it wishes to go along with my thesis, that if you are to have a development loan fund, that means anything, you have to have the opportunity to give lending terms which will make it a practical lending medium. If we do not want to do that, let us at least be frank and direct about it, and simply move to strike it out, which Senators STEVENS and GOLDWATER have every right to do. But to attack the entity, by stabbing it in the back, I do not think is fair to the program or fair to what the United States is trying to do about it.

So in due course I shall move, Mr. President, to strike the provision, pointing out to the Senate that the anomoly of this particular new amendment which will then be meaningless and irrelevant. I hope that this Stevens amendment will not inhibit the Senate from doing what is right now, once this is in, in keeping an even balance between agriculture, industrial production contributing to agricultural production, and other industrial production.

Finally, Mr. President, in my judgment I would be guilty of the very thing that I am complaining about were I to oppose this amendment. The mere notice of the fact that I would move to strike this section has already resulted in cutting the tremendously adverse effect of the original Goldwater-Stevens amendment by more than half. It is noteworthy that we export, in Public Law 480 sales, a billion dollars a year. The Development Loan Fund, and it is only for about 7 months, is $250 million. So most of the provision here contained is already looked after.

Hence, Mr. President, as I say, I shall certainly not oppose the new amendment's going in. However, I wish to serve notice on the leadership that I shall oppose an effort to get it voted on now. I believe that it should be voted on at a moment which is contiguous to the presentation of my amendment, so that the Senate will know precisely what has happened, and why.

Therefore, as I say, I should greatly appreciate an agreement on that score, but in the absence of an agreement, I would do whatever I could to have the vote come at a time which would follow the vote on the Okinawa Treaty, so that, as I say, the Senate would be aware of just what is going on in this matter.

Mr. MANSFIELD. Mr. President, if the Senator will yield——

Mr. JAVITS. I yield.

Mr. MANSFIELD. I would hope that the Senator from Alaska would ask for the yeas and nays, so that the vote on that amendment could immediately follow the vote on the Ryukyu and Daito Islands treaty.

Mr. STEVENS. Mr. President, will the Senator from New York permit me to respond?

Mr. JAVITS. Yes.

Mr. STEVENS. We had hoped that this amendment, which is a clarifying amendment to the original amendment as adopted, would be agreed to by a voice vote, because if the amendment of the Senator from New York passes, it would be surplusage, as he says, and could easily be taken out in conference.

If his amendment fails, this one would carry out the original intent of the Senator from Arizona. I am in a little bit of difficulty here, because I am, again, carrying a matter for the Senator from Arizona. But it seems to me that if it is necesary to have a rollcall—the chairman has indicated he is willing to accept the matter—I am prefectly agreeable, and would hope it would come before the vote on the amendment of the Senator from New York.

But I would hope it is not necessary to have a rollcall. This is something inadvertent in the original action; it is not intended to affect Public Law 480 at all; and all we are trying to do is correct that situation, which I am sure would have happened in conference anyway.

The Senator from New York was on the floor when it happened, and I am sure he will recall that he requested me to wait until after the meeting with Mr. Tito. I did not know of the Senator's firm objection to this proposal, although I am informed he did convey it to the Senator from Arizona, who was not here and I was carrying the matter.

So it is unfortunate. But if the Senator from New York insists on a rollcall vote, then I would like to have this vote before the other.

Mr. MANSFIELD. The Senator from New York has not raised the question, but the Senator from Montana did, in an attempt to sort of pile up votes after the treaty vote, and to get on with this bill.

Mr. JAVITS. Mr. President, if the Senator will allow me to continue, I have a way to solve this, and I am perfectly willing to join in the solution.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STEVENS. Mr. President, I yield the Senator such time as he needs for this purpose.

Mr. JAVITS. Five minutes. As I say, when I move to strike the section which is in the bill now, if Senator STEVENS' amendment prevails—and obviously I can have no objection to it; it already cuts out much that is adverse in the provision—I shall be unable to move to strike the whole section, including this, because of the parliamentary rule. I have no desire to have a rollcall on this particular matter. We will have a rollcall on the whole proposition.

What I wondered is if it would be agreeable—and I think it can be done by unanimous consent—to allow my motion to strike to reach, when it is made, the whole section, including the Stevens amendment. That could be agreed to, and then we will have a rollcall on the whole thing. I suggest that I do not think it prejudices anyone, and it deals with my particular legislative problem.

Mr. MANSFIELD. Mr. President, I think that can be worked out, if I may reply to the distinguished Senator, but I would express the hope that it would be ready to be taken up immediately following the vote on the treaty, so we could get on with the bill, because we have got more than 3 hours now before we hit the fan.

Mr. JAVITS. I am so cognizant of the Senator's problem that I informed Senator BYRD that I would call up the amendment around half past one. I have 2 hours on it.

Mr. MANSFIELD. I wonder if Senator BYRD could not be reached, and perhaps he could accommodate himself to what the Senator suggests.

Mr. JAVITS. No, Senator BYRD of West Virginia.

Mr. MANSFIELD. Well, I am sure that that Senator BYRD, now in the Chamber, would be willing to accommodate himself to bringing the matter up as soon as this is disposed of, based on an agreement.

Mr. JAVITS. I think the Senator well understands my position. I have other cosponsors, including the Senator from Iowa (Mr. MILLER), who is tied up in an Agriculture Committee hearing, and Senator KENNEDY who is similarly tied up in committee, who have asked me to call the amendment up at 1:30 and reserve time for them, because they simply will not be available until after the Okinawa vote.

Therefore, I would make the following suggestion to the majority leader: That we take the Stevens amendment; that unanimous consent be granted to enable me to move with respect to the whole amendment, as amended; that I call my amendment up at 1:30, with the privilege of reserving a half hour of my time immediately after the Okinawa vote; and that the vote follow immediately thereafter on my amendment.

Mr. MANSFIELD. That is not an unreasonable request, but I do wish that Senators would think of the Senate first, rather than themselves personally.

We are trying to get out of here by the first of December. But if every Senator, or many Senators, or any Senator, is going to ask, "Don't do this because I can't be here at a certain time, because I have to make a speech here or there," or "I have to see somebody else," or "I have to attend a meeting," the Senate will go to pot. The main job of Senators is to be on this floor and tend to the Senate's business.

This procedure makes us look foolish. What we did yesterday was to put off a vote on the Okinawa Treaty so that 19 Republican Senators could attend dinners all over the country. We thought that in the meantime, between now and 3 o'clock, amendments could be brought up, that the time could be used, not wasted, and that if we had rollcall votes, they would take place immediately after the treaty.

We find that we are stuck doing nothing but talking, and the cheapest thing in this body is talk, not action.

So, I would hope that something could be done and that we could get away from this lackidaisical attitude which too many Senators have assumed as their own prerogatives. After all, a Senator has a responsibility. A Senator is not an extraordinary person. Every one of us is here because we are lucky, because we had friends, and because conditions were just right. But once we come here, we should not take ourselves too seriously, but we should take the job seriously, and the job is to be here, on the floor, and tending to the business of the people.

Mr. JAVITS. If the Senator would allow me to complete my thought, another amendment will be offered. I am thoroughly in sympathy with the leadership, and I will endeavor to get the Senator, who is going to offer that amendment, to the floor immediately for that purpose. I hope that the majority leader's feeling can be observed in the fact that we will have not one but two amendments to vote on immediately after the Okinawa vote is cast.

Mr. MANSFIELD. That is the first good news I have heard this morning.

Mr. STEVENS. Mr. President, may I make a parliamentary inquiry?

The PRESIDING OFFICER. The Senator will state it.

Mr. STEVENS. Is it possible to seek unanimous consent that if my amendment is adopted—and the Chairman has indicated that he is willing to accept the amendment—that it be in order for the Javits amendment to strike my amendment as well as the language in the bill which his amendment proposes to strike?

The PRESIDING OFFICER. It can be done by unanimous consent.

Mr. STEVENS. Mr. President, I ask unanimous consent that it be in order for that to be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. JAVITS. I think that is a splendid solution.

Mr. President, I will be prepared and will, as a matter of fact, say now, if the majority leader is willing, that on the 2-hour amendment upon which unanimous consent was granted, I ask unanimous consent that I may call it up at 1:30 p.m., and that I may reserve one-half hour of my time to immediately succeed the vote on the Okinawa treaty. If that is agreeable to the majority leader.

Mr. MANSFIELD. That is agreeable, but I would hope we would have other amendments ready to vote on as soon as possible.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STEVENS. Does the Senator still object to my amendment—adopting it under those circumstances? As I understand, the chairman has authorized adoption of it, and I am prepared to yield back the remainder of my time.

Mr. AIKEN. Mr. President, I am the acting proxy of the Republican leadership—Senator SCOTT and Senator GRIFFIN. I would like to have them make the decision.

Mr. JAVITS. Perhaps we can have a quorum call.

Mr. AIKEN. Before that, I would like to comment on something that the majority leader said a moment ago. He said that talk is the cheapest thing on the Senate floor. I disagree completely with our majority leader, because, next to absenteeism itself, talk can be perhaps the most expensive thing we have on the Senate floor.

Mr. MANSFIELD. I stand corrected.

Mr. JAVITS. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time not be charged to either side.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes on the bill.

Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the Washington Evening Star of yesterday, entitled "U.S. Rapped on Laos Money Crisis."

Before the Chair rules, I wish to read from this article, by Tammy Arbuckle:

> VIENTIANE.—It's time for a long cool look at the $52 million U.S. economic aid program in Laos, judging by details of Laos' current economic crisis revealed today by diplomatic and Laotian sources.
>
> Sources charged that AID officials in Vientiane remained unperturbed during a five-month run on the Foreign Exchange Operations Fund (FEOF) until they were jolted to awareness by other donor nations—Japan, Britain, Australia and France.
>
> FEOF is a consortium to back the kip with U.S. dollars by selling dollars through Lao banks to local importers, thus stabilizing the kip and Laos' economy.
>
> Explaining causes of the crisis, these sources said the International Monetary Fund, which advises FEOF, planned devaluation of the Lao kip at the end of this calendar year because the Lao government is overspending and because of gold trade fall-offs resulting from the high Lao government deficit.
>
> However, high-ranking Lao officials are said to have tipped off Chinese merchants of the plan and the merchants began hoarding imports paid for by millions of dollars drawn from FEOF.

And so forth and so on.

Mr. President, I ask unanimous consent that the entire article be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### UNITED STATES RAPPED ON LAOS MONEY CRISIS

(By Tammy Arbuckle)

VIENTIANE.—It's time for a long cool look at the $52 million U.S. economic aid program in Laos, judging by details of Laos' current economic crisis revealed today by diplomatic and Laotian sources.

Sources charged that AID officials in Vientiane remained unperturbed during a five-month run on the Foreign Exchange Operations Fund (FEOF) until they were jolted to awareness by other donor nations—Japan Britain, Australia and France.

FEOF is a consortium to back the kip with U.S. dollars by selling dollars through Laos banks to local importers, thus stabilizing the kip and Laos' economy.

Explaining causes of the crisis, these sources said the International Monetary Fund, which advises FEOF, planned devaluation of the Lao kip at the end of this calendar year because the Laos government is over-spending and because of gold trade fall-offs resulting from the high Lao government deficit.

However, high-ranking Lao officials are said to have tipped off Chinese merchants of the plan and the merchants began hoarding imports paid for by millions of dollars drawn from FEOF.

The merchant's intent was to buy luxury imports cheap, then hoard them until devaluation so they could be sold at huge profits.

During this run on the fund, sources said, "Americans remained unperturbed until finally other donor nations warned them they better watch this."

The United States contributes most of the fund—$18.3 million, or 72.5 percent of the total fund—but the Americans did not move til Sept. 29 when they approached Lao Premier Souvanna Phouma during his visit to Washington.

The United States waited until Finance Minister Sisouk Na Champassak returned toward the end of October to push for a new package deal on the Lao economy, but by that time—the week of October 15 to 22—there was a dramatic run on FEOF by Chinese importers who took out over $1 million in that week.

As late as Nov. 4, an American source, while admitting there had been a run and $1 million had gone in one week, tried to cover the situation up.

All this is the tail end of a story of AID's failure to press for a stop to conditions and abuses which caused the U.S. contribution to FEOF to jump from $4 million in 1964 to $18.3 million in fiscal 1971.

These conditions and abuses include overspending by the Lao government—diplomatic sources said the Lao government has three times as many people as it needs. They say 50 percent of Lao spending is on these salaries.

#### CORRUPTION REMAINS

Most of the remainder of the Lao budget is spent on the war.

In both civil and military budgeting, large areas of corruption have yet to be eliminated such as "ghost soldiers"—the non-existent soldiers slipped by pay officials onto the Lao army payroll.

Abuses refer mostly to Vientiane's wheeling and dealing Chinese merchants. Lao officials and diplomats would like to see measures to stop the Chinese importers from sending large sums of dollars abroad and from selling goods to Thailand.

These imported goods are brought cheaply into Laos through buying dollars from the FEOF, then sold to Thailand adding to Vientiane's large money supply problem.

Profiteering has sent Lao prices soaring. Merchants, for example, buy lemons at 5 cents a dozen in Thailand, smuggle them into Laos, then charge 5 cents for two.

Under existing conditions, the only people who benefit from the FEOF are several thousand Chinese and Lao elite.

The government's new package of reforms to deal with some of the problems was announced yesterday. It devalued the kip by 20 percent, increasing taxes on luxury imports by 15 percent and put in effect other measures to curb some of the worst trading abuses.

The devaluation plus the new import taxes will enable the FEOF to operate until Dec. 31.

However, the ordinary Lao which AID is supposed to be helping will suffer too.

Although the government has frozen wages for the last four months, it has not instituted price controls for essential commodities.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an article published in the November 9 issue of the Christian Science Monitor, entitled "Senate Foreign Aid Credibility Gap."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### SENATE FOREIGN-AID CREDIBILITY GAP

(By Robert P. Hey)

WASHINGTON.—The credibility of the foreign-aid program and the Nixon administration itself are very much at stake in Congress this week.

On the eve of debate over foreign aid both in the Senate and the House, conservatives and liberals were concerned about credibility.

For conservatives, it is their long-time criticism of the economic aspects of foreign aid. They can be expected to point out once again, as in the past, examples of roads which ran from nowhere to nowhere in developing nations. When money is so tight at home, they are sure to ask again, why spend it on wasteful projects overseas? More and more liberals similarly are questioning foreign-aid programs.

#### CAMBODIAN AID

But for liberals other kinds of credibility in the main are at stake. As the Senate opens debate on $2.3 billion in foreign-aid measures Tuesday, liberals surely will light into the issue of $341 million in military aid to Cambodia.

The Nixon administration has been saying this commitment will not draw the United States into a Vietnam-type war in Cambodia. But many liberals are skeptical. Has the United States really learned its lesson in Vietnam, they wonder.

A number of Senate liberals also are seriously concerned about the basic purpose of the foreign-aid program. They question whether it really exists to fill needs of other nations—or in fact, to enable the United States to exert leverage upon recipient governments.

What makes concern and possible opposition of the Senate liberals so important, is that in years past they have been the backbone of support for foreign aid. It is likely, but by no means certain, that the Senate eventually will approve the two foreign-aid bills it is considering. One is $1.185 billion for military aid; the other $1.144 billion for economic and humanitarian assistance.

#### DIFFERENT APPROACH

Senate debate over these two measures will be lengthier than debate in the House, where the vote is expected to come quickly on a different kind of bill. The House bill would simply authorize the foreign-aid program to keep on operating temporarily, at the rate of $2.3 billion a year.

Some recent efforts by Nixon-administration officials to gain Senate support for foreign-aid legislation may have backfired, instead.

Liberals have considered them wholly inaccurate. For the liberals, they have widened a credibility gap with the administration: If these assertions cannot be believed, this argument runs, which White House statements on foreign aid can?

In this category is the comment by Secretary of Defense Melvin R. Laird, after a conference with President Nixon, to the effect that unless foreign aid was passed, the American troop withdrawal from Vietnam would be jeopardized.

Liberals say much more aid goes to Vietnam under the aegis of the defense-appropriations bill, than the several hundred million dollars which this foreign-aid bill would add. The Laird argument, they assert, does not hold water.

#### SALARY QUESTION

Similarly, administration officials have said that if Congress did not quickly pass a foreign-aid authorization, the foreign-aid program would have to halt this month because it would run out of money for salaries of the supervising Agency for International Development.

Nonsense, say liberals. Senate majority leader Mike Mansfield says there are $4.7 billion in appropriated but unspent funds which the agency could use to pay salaries.

Many senators view these administration statements as unwarranted pressure tactics. They don't like it, and they're in no particular hurry to pass the Senate foreign-aid measures which President Nixon characterizes as authorizing far too little money anyway. The White House has asked for $3.6 billion in foreign aid.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the Record an excellent article by Marquis Childs, entitled "This Crazy Spend-All-To-Kill-All Race Must Be Stopped."

There being no objection, the article was ordered to be printed in the Record, as follows:

### This Crazy Spend-All-To-Kill-All Race Must Be Stopped

(By Marquis Childs)

Washington.—The $200 million that the blast at Amchitka cost is a drop in a large bucket. With nuclear weapons already in being capable of mass killing and destruction on a scale almost impossible to take in, the pursuit of ever more fantastic and wholesale killing devices goes on.

On both sides of the great divide the pursuit seems to have no end unless it be bankruptcy or total devastation. The demonstrators in Canada against Amchitka forget or ignore that the Soviet Union has had two big underground bangs, one equal to if not exceeding Amchitka, the other somewhat smaller.

In a closed society these things are handled rather differently. Protesters, if any, are hustled off to prison or a lunatic asylum. The fact that no public announcement is made precludes any controversy even if it could occur in, say, the highest ranks of science and administration.

Only through the remarkable American network of detection are the Soviet big bangs known.

They occurred on Novaya Zemlya, a barren island in the Barents Sea far above the Arctic Circle. Zemlya is to be sure at least three thousand miles across the pole from Canada and the Aleutians.

It was the fear of earthquake and tidal wave that touched off such widespread demonstrations against the American 5-megaton blast.

The first Russian underground test on Zemlya occurred October 14, 1970. The initial finding from the detection network put it at "about 6 megatons," that is 6 million tons of TNT. This was revised to from 3 to 6 megatons.

The second test was on September 27 of this year and it was rated from 2 to 4 megatons.

Similarly in Russia the huge amounts spent for weapons development and weapons production are secret. It can hardly be doubted that they match American expenditures, which are staggering. The Atomic Energy Commission budget for the next fiscal year totals $2.294 billion. Of this $1.357 billion is under the Defense umbrella, largely weapons development and testing.

The balance covers a variety of civilian uses from new-type power reactors to isotopes and other medical applications of energy from the atom.

But AEC spending on weapons is small compared to the Pentagon budget. Research and development for weapons is billed at $7.9 billion.

That is the province of John S. Foster, Jr., a master persuader with Congress. He scares the daylights out of the Senate Armed Services Committee with private warnings of what the other side is up to and how our side is falling behind.

It surely is not unreasonable to ask where this race will end. The Cannikin blast was to be the proof test, the final development test, of the warhead for the Spartan missile of the Safeguard anti-ballistic missile system. The Russians on Zemlya, the conjecture was, were doing just the same thing.

But if Mr. Foster's wizards are working up new and more fantastic nuclear weapons, Safeguard already may be as outmoded as the muzzle-loading rifle. Many scientific witnesses when the ABM controversy was at its height two years ago testified that it was then hopelessly out of date and would not keep out incoming missile shots. Many of these witnesses themselves had been part of the inner circle of weapons developers.

So we come to the arms limitation talks with the breath of hope out of Helsinki that agreement would come before the end of the year on limiting defensive missiles with the Russians agreeing to approximately 100 around Moscow and conceding up to 250 to the United States to protect the inter-continental missile firing bases in the West.

More recently doubts have been cast on this rather fragile hope. The word is, no agreement until next year.

What this overlooks is the economic consequences of the race. In a totalitarian society the consumer can be squeezed down to a minimum existence. Take one item alone, the motor car.

If the Russians produce 150,000 passenger cars this year it will be a record. The United States is aiming for a 10,000,000-car year.

All the rhetoric about a rich country being able to afford both guns and butter does not conceal the ravages of inflation and the pinch of poverty.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time to be charged against the bill.

The PRESIDING OFFICER. Equally against both sides?

Mr. MANSFIELD. I ask unanimous consent that the time be charged equally to both sides, on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. Chiles). Without objection, it is so ordered.

Mr. JAVITS. Mr. President, in the absence of the distinguished Senator from Vermont (Mr. Aiken), I yield myself 1 minute of the opposition time. I have ascertained that the arrangements we have made are satisfactory to the minority leadership, so it will result in the following: The Stevens amendment will be adopted. The unanimous-consent request already adopted will commit me, as a part of my 2-hour amendment, to strike the provisions of the bill to which it is directed, including the Stevens amendment.

Time on my amendment will begin at 1:30 p.m., and I will have the privilege of reserving half an hour of my time following the Okinawa Treaty vote, with a vote on my amendment to follow at the expiration of that time.

Mr. STEVENS. Mr. President, reserving the right to object——

The PRESIDING OFFICER (Mr. Chiles). There is no request to vote.

Mr. JAVITS. Let me say to the Senator from Alaska that we have already secured the necessary unanimous consent to vote on the adoption of the Senator's amendment and have agreed on the time for my amendment. I was just restating the situation, but if the Senator is not content——

Mr. STEVENS. I have not yet had a chance to discuss this matter with the chairman of the committee, in terms of the reservation of 30 minutes. I do not know who will defend my amendment as against the amendment of the Senator from New York other than myself. I do not know where I will get the time.

Mr. JAVITS. The Senator has 1 hour—that is, in opposition to that motion, he has half an hour. I assume the Senator can get as much of that time as he wishes. I am simply dividing my time, which is 1 hour, so that one-half of it will come beginning at 1:30 p.m. and the other one-half an hour after the vote on the Okinawa Treaty. That has already been agreed to.

Mr. STEVENS. I do not know where I will get my half hour. The Senator begins at 1:30 and then the Okinawa vote is at 3 o'clock so the Senator obviously has time in between there.

The PRESIDING OFFICER. The time of the Senator from New York has expired.

Mr. STEVENS. May I say to the majority leader that I am prepared to yield back my time under the agreement and ask for the question on the adoption of my amendment on a voice vote.

Mr. JAVITS. Mr. President, I yield back the remainder of my time in opposition.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Alaska (Mr. Stevens).

The amendment was agreed to.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, with the time for the quorum call to be taken equally out of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered, and the clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I call up my amendment at the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The second assistant legislative clerk read as follows:

On page 2, after line 22, insert the following:

"(b) There is authorized to be appropriated to the President to carry out the provisions of title X of chapter 2 of the Foreign Assistance Act of 1961, relating to programs relating to population growth, in addition to funds otherwise available for such purpose, $125,000,000 for the fiscal year 1972, which amount is authorized to remain available until expended."

And reletter the following subsections accordingly.

The PRESIDING OFFICER. Who yields time?

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask

unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I modify my amendment by adding the following language:

> The President shall not exercise any special authority granted to him under section 610 (a) or 614(a) of the Foreign Assistance Act of 1961 to transfer any amount appropriated under this paragraph to, and to consolidate such amount with, any funds made available under any other provision of that Act.

The PRESIDING OFFICER. The amendment as modified will be stated.

The modified amendment was read as follows:

> On page 2, after line 22, insert the following:
>
> "(b) There is authorized to be appropriated to the President to carry out the provisions of title X of chapter 2 of the Foreign Assistance Act of 1961, relating to programs relating to population growth, in addition to funds otherwise available for such purpose, $125,000,000 for the fiscal year 1972, which amount is authorized to remain available until expended. The President shall not exercise any special authority granted to him under section 610(a) or 614(a) of the Foreign Assistance Act of 1961 to transfer any amount appropriated under this paragraph to, and to consolidate such amount with, any funds made available under any other provision of that Act."
>
> And reletter the following subsections accordingly.

Mr. PACKWOOD. Mr. President, there is earmarking in the bill for $125 million for population programs throughout the world. At the moment the earmarking would come out of the $250 million in economic assistance in the bill.

I do support the earmarking and I do support the $250 million that is already in the bill. However, I do not want to see the $125 million subtracted from the $250 million. The amendment would provide a separate line item of authorization $125 million to cover the earmarking for population control worldwide already in the bill.

The PRESIDING OFFICER. Who yields time?

Mr. SYMINGTON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged against both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the pending amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

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## QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be taken out of the bill and charged equally.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the pending amendment be laid aside temporarily, in view of the situation which has developed.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 632

Mr. HUMPHREY. Mr. President, I call up for immediate consideration my amendment No. 632, and ask that it be read.

The PRESIDING OFFICER. The amendment offered by the Senator from Minnesota will be read.

The second assistant legislative clerk read the amendment (No. 632) as follows:

> On page 2, between lines 4 and 5, insert the following new section:
>
> FOOD-FOR-PEACE PROGRAM
>
> SEC. 3. It is the sense of the Congress that funds to administer the food-for-peace program should not be reduced as the result of any reduction in the authorizations provided to carry out the Foreign Assistance Act of 1961.

Mr. HUMPHREY. Mr. President, this amendment is designed primarily to prevent any reduction in the foreign assistance authorization being used as an excuse or means to curtail the already too meager support given to humanitarian assistance, particularly food aid. Its objective is the statement of purpose in the bill. There are reductions in the overall allotments in the humanitarian section of the bill—modest reductions, I might say. I want to be sure that those reductions are not reflected in the food-for-peace program.

I offered this amendment because I am convinced that those who are seeking reductions are concerned over the direction of what we call big money programs, and not the smaller programs that are directed toward people, mothers and children, and to others who, in many instances, have often been neglected.

I feel my amendment is necessary despite the overwhelming history of concern by the Senate over the direction of aid, but too often I have seen agencies apply reductions in appropriations or authorizations exactly the opposite from what Congress has indicated. This amendment is not directed toward the Congress; it is directed toward the administration of the aid program itself.

The food-for-peace program has been one of the most popular programs of the Congress and, of course, has had true bipartisan support.

As I indicated yesterday when I submitted this amendment, there is nothing in the bill before us that would indicate any reduction in food-for-peace funds, but there is some overall reduction in total amounts, and I want to make positively sure, may I say to the majority leader and to my colleagues in the Senate, that overall reductions in what we call humanitarian funds shall not in any way cut into the limited amount of funds that are directed for administration purposes and other purposes of the food-for-peace program.

The basic cost of the food-for-peace program is paid by the Agriculture Department. AID has the administration of the food-for-peace program and pays some of the shipping costs.

The purpose of the Humphrey amendment is very simple and very direct, namely, that the administrative funds for the food-for-peace program which come out of foreign assistance appropriations in a very limited amount shall not be trimmed in the name of the economies which we will direct here from the Senate. I am simply saying that the very small investment in dollars for the administration of the program is being effectively used for the billions of food dollars financed by another source, namely, paid for the Department of Agriculture.

I would hope the Committee on Foreign Relations and those Senators who are handling the bill will be willing to take this amendment. I think it will fortify the will of the Congress in the administration of the program.

Mr. COOPER. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. COOPER. The Senator's amendment is numbered 632. Is that correct?

Mr. HUMPHREY. 632. The Senator is correct.

Mr. COOPER. It adds a new section, reading:

> It is the sense of the Congress that funds to administer the food-for-peace program should not be reduced as the result of any reduction in the authorizations provided to carry out the Foreign Assistance Act of 1961.

Mr. HUMPHREY. That is correct.

Mr. COOPER. I am sure there will be no opposition from any Member on this side. I would like to recall that it was the Senator from Minnesota who was the original author of the food-for-peace program. That fact should be remembered. Throughout the years, his initiative, creativity, and thoughtfulness for other peoples of the world, have been manifested in his continuing support of the Public Law 480 food-for-peace program. I am glad he has offered the amendment. I would like to personally support it.

Mr. HUMPHREY. I thank the distinguished Senator from Kentucky for his support and for his very gracious and kind words.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HUMPHREY. I yield.

Mr. MANSFIELD. Mr. President, speaking for the chairman of the committee, and, I hope for the other members of the committee, based on what the distinguished Senator from Kentucky (Mr. Cooper) has said, we are prepared to join the Senator and vote approval of the amendment.

Mr. HUMPHREY. I thank the Senator from Montana, the majority leader.

I yield back the balance of my time.

Mr. MANSFIELD. Mr. President, I yield back the balance of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Minnesota.

The amendment was agreed to.

Mr. HUMPHREY. I move to reconsider the vote by which the amendment was agreed to.

Mr. BYRD of West Virginia. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. Stevenson). Who yields time?

Mr. COOPER. Mr. President, I ask unanimous consent that I may speak out of order for about 3 minutes on the Okinawa reversion treaty now before the Senate.

The PRESIDING OFFICER. Is there objection?

Mr. MANSFIELD. Mr. President, I yield the Senator as much time as he wishes on the bill.

## THE OKINAWA REVERSION TREATY

Mr. COOPER. Mr. President, I wish to speak briefly upon the Okinawa reversion treaty

First, I wish to say that the testimony before the committee of Secretary of State Rogers, Deputy Secretary of Defense David Packard, and Lt. Gen. James B. Lampert was precise, comprehensive, and frank in pointing out clearly the results which could occur, as a consequence of the treaty in the relationships between the United States and Japan, and the people of the Ryukyus. I think these statements should be placed in the Record. They are short statements, but I know they will be very helpful for those who read the Record in understanding clearly the provisions of this treaty. Therefore, I ask unanimous consent that, at the conclusion of my remarks, the statements of the three witnesses be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibits 1, 2, and 3.)

Mr. COOPER. I call particular attention to the testimony of Lt. Gen. James B. Lampert, who has been High Commissioner of the Ryukyu Islands. His testimony showed not only his great knowledge of the problems of the islands, but an enlightened attitude toward the relationships of the United States and Japan and a deep concern for the well-being of the people of the islands. I think it important that his testimony be placed in the Record at this time, when an attitude of bias is held in some quarters against our military representatives, and the military itself. The testimony of General Lampert shows his fine mind, his able administration of the islands, and his deep and humane concern for the people, and it is typical of the overwhelming majority of our military leaders who serve at the direction of civilian authority.

I would like to point out also, Mr. President, that after the conclusion of World War II and several years of effort, a peace treaty was signed between the United States and its allies with Japan. The Soviet Union did not join in the peace treaty. I think it is to the lasting honor of our country that, although it had done more than any of the other allies to bring about the end of the war in the Pacific against Japan, it did not demand from Japan the cession of any of its territories; and as a result, as this treaty has been signed and I am sure will be approved, there is no question about the transfer of sovereignty to Japan at all, but only of the transfer of administration to Japan.

Without wanting to raise cold war issues, I think it is well to point out that while our country did not demand the ceasing of sovereignty of possessions of Japan, the Soviet Union did.

Finally, I would say that after reading some of the speeches that have been made, there seems to be a recurring doubt as to whether the United States intends to keep or to deploy in these islands nuclear weapons. Secretary of State Rogers and Under Secretary of Defense Packard, upon examination by the committee stated clearly that there would be no nuclear weapons deployed on those islands.

The action of the United States and of this administration under President Nixon is a worthy action, and deserves the commendation of the Senate, Congress, and the people of the United States.

### Exhibit 1

### Statement of Hon. William P. Rogers, Secretary of State; Accompanied by U. Alexis Johnson, Under Secretary of State for Political Affairs

Secretary Rogers. Thank you very much, Mr. Chairman; I appreciate those remarks.

Mr. Chairman and members of the committee, I am here today to explain why this administration considers it very important that the Senate should advise and consent to the ratification of the agreement between the United States and Japan. The agreement, signed on June 17, 1971, provides for the return of the Ryukyu Islands to the administrative control of Japan.

This agreement can, I believe, truly be called an historic document. It would resolve the last major U.S.-Japanese issue arising from World War II. The agreement provides for the return to Japanese administration of an area which has been historically associated with Japan and whose population strongly desires to be united once again with its native land. The Ryukyus are also an area of significant strategic importance to the United States. The agreement takes full account of this; indeed, one of my purposes today is to explain why we believe that this agreement and its related arrangements would protect and promote the U.S. security interests in the Far East. Deputy Secretary Packard will discuss its security aspects in greater detail in his testimony.

#### REAFFIRMATION OF NOVEMBER 21, 1969, COMMUNIQUE

The agreement specifically reaffirms that the reversion of the islands to Japan shall be carried out on the basis of the joint communique issued by President Nixon and Prime Minister Sato on November 21, 1969. In that communique Japan recognized that the presence of U.S. forces in the Far East constituted a mainstay for the stability of the area. The communique also reflected Japan's serious concern for the security of countries in the Far East. Prime Minister Sato specifically stated that "the security of the Republic of Korea was essential to Japan's own security" and that "the maintenance of peace and security in the Taiwan area was * * * a most important factor for the security of Japan."

The Prime Minister further recognized in the communique that the U.S. forces in Okinawa played a vital role in the present situation in the Far East. He agreed that the return of administrative rights over Okinawa should not hinder the effective discharge of international obligations assumed by the United States for the defense of countries in the Far East including Japan and that the United States would retain such military facilities and areas in Okinawa as required in the mutual security of both countries. The use of such bases will be governed by the terms of the Mutual Security Treaty of 1960 and related documents which now govern the use of our bases in Japan proper.

#### AGREEMENTS CONTENTS AS DESCRIBED IN SEPTEMBER 5, 1971, LETTER TO PRESIDENT

I have described the contents of the reversion agreement in general terms in my letter to the President of September 5, 1971, a copy of which has been sent to this committee by the President.

This letter summarizes, among other things, the specific agreements reached. It notes, for example, that the Japanese will pay us $320 million as compensation for civil assets to be transferred to the Japanese Government and for certain reversion-related costs. It also describes the arrangements reached with the Japanese to protect American business and professional interests in Okinawa after reversion. The provisions of these arrangements were worked out after close consultations with the business community on Okinawa. I believe that they should provide a satisfactory basis for the post-reversion period.

#### CONSULTATION REQUIREMENT WITH RESPECT TO USE OF OKINAWA BASES

Under Secretary Johnson is here to discuss the provisions of the reversion agreement in more detail should you desire him to do so. I would like to comment, however, on one major provision of the agreement, that dealing with our use of the bases on Okinawa following reversion.

There is one principal difference between our present tenure of bases on Okinawa and our tenure of bases in Japan proper. In Japan proper we are required by the Mutual Security Treaty to consult with the Japanese Government in the case of use of bases for military combat operations to be undertaken from Japan, major changes in deployment of U.S. forces into Japan, and major changes in equipment. In 1960, President Eisenhower, in a joint communique issued during the visit of Prime Minister Kishi to Washington, said that the U.S. Government had no intention of acting in a manner contrary to the wishes of the Government of Japan and with respect to matters involving prior consultations under the treaty. Such consultation is not presently required with respect to the use of our bases in Okinawa; after reversion it will be.

Any other argeement would be incompatible with the close relationship which should exist between two great allied powers like the United States and Japan. The provisions of our Mutual Security Treaty have worked well with Japan proper. I am confident they will work well in Okinawa also. We and Japan nevertheless have a common interest in the peace and security of the Far East, an interest which the Government of Japan has confirmed on numerous occasions, most specifically in the joint communique of November, 1969, to which I have just referred.

### OKINAWA SITUATION NO LONGER TENABLE

It was clear in 1969, and it remains clear today, that continuance of a situation in which a million Japanese are still living under U.S. military administration more than 25 years after the end of World War II has subjected our position in the Ryukyu Islands and our relationship with Japan to increasing strain.

Such a situation is no longer tenable. It is not in keeping with our national character or our national interest; nor is it consistent with history.

### ESTABLISHMENT OF U.S. ADMINISTRATIVE AUTHORITY OVER OKINAWA

Okinawa was one of the 47 prefectures of Japan before World War II. It was separated from Japanese administration in January 1946, by order of General MacArthur, Supreme Commander of the Allied Powers in Japan, and it has been under U.S. control ever since. U.S. administrative authority over Okinawa was confirmed in article III of the Japanese Peace Treaty on September 8, 1951, which gave the United States the right to exercise "all and any powers of administration, legislation, and jurisdiction over the territory and inhabitants of these islands."

### MOVEMENT FOR REVERSION OF OKINAWA TO JAPAN

However, a movement for reversion of Okinawa to Japan started even before the peace treaty was signed.

In March 1951, when negotiations for the treaty were just beginning in San Francisco, the Okinawa Assembly adopted a resolution requesting reversion to Japan. The vote was 17 to 3. The three opposing votes were in favor of independence for the Ryukyus. Two months later, in May 1951, Chief Executive Chobyo Yara, the islands' present chief executive, was elected the first chairman of the "Association for the Promotion of Reversion to Japan." He has been at the forefront of the reversion movement ever since and he was elected to his present post in 1968 on a platform strongly advocating immediate reversion to Japan.

### JAPAN'S RETENTION OF RESIDUAL AUTHORITY

On September 5, 1951, in presenting the draft of the peace treaty to the Peace Conference, Ambassador John Foster Dulles noted that some of the allied powers had urged that the treaty require Japan to renounce its sovereignty over the Ryukyus in favor of U.S. sovereignty. Others had proposed that the islands be restored completely to Japan. "In the face of this division of allied opinion," Ambassador Dulles said, "the United States felt that the best formula would be to permit Japan to retain residual sovereignty, while making it possible for these islands to be brought into the United Nations trusteeship system, with the United States as administering authority."

It was decided at that time that although the United States had long-term security interests in the Ryukyus, the "peace of reconciliation," which we and most of our allies sought with Japan, would be vitiated by the islands' enforced, permanent detachment from Japan. The "residual sovereignty" formula was clearly designed to convey the thought to Japan and to the world that although the United States was obliged to retain control of the Ryukyus temporarily for security reasons, what had been Japanese territory was not being permanently detached from Japan and the principle of no U.S. territorial acquisitions as a result of war was being observed.

### RECOGNITION OF JAPAN'S RESIDUAL AUTHORITY

In December 1953, the United States returned the northern portion of the Okinawa Island chain, the Amami Islands, to Japanese jurisdiction.

In June 1957 President Eisenhower and Prime Minister Kishi reaffirmed "Japanese residual sovereignty" over the Ryukyus.

In June 1961, President Kennedy and Prime Minister Ikeda did likewise.

In March 1962, in connection with an Executive order concerning the administration of the islands issued on the basis of a U.S. Government task force study of the Ryukyus policies and programs, President Kennedy recognized the Ryukyus "to be a part of the Japanese homeland." He added that he "looked forward to the day when the security interests of the free world will permit their restoration to full Japanese sovereignty."

In November 1967, President Johnson and Prime Minister Sato met in Washington and agreed on the establishment of an Advisory Committee to the High Commissioner "to promote the integration of the Ryukyus with Japan and thus help to minimize the stresses that would accompany reversion." President Johnson also stated at the time that he "fully understood the desire of the Japanese people for the reversion of the islands." The President and the Prime Minister agreed to conduct joint and continuous review of the status of the Ryukyu Islands, "guided by the aim of returning administrative rights over these islands to Japan." They also agreed on reversion of the Bonin Islands to Japan. This left Okinawa, the Daito Islands, and the more southerly islands in the Ryukyu Archipelago as the only territories listed under article III of the peace treaty, which were still under U.S. administration.

Finally, President Nixon and Prime Minister Sato, in their communique of November 1969, announced that "The two Governments would immediately enter into consultations regarding specific arrangements for accomplishing the early reversion of these islands without detriment to the security of the Far East, including Japan.

"The President and the Prime Minister," the communique continued, "agreed to expedite the consultations with a view of accomplishing the reversion during 1972, subject to the conclusion of these specific arrangements with the necessary legislative support."

Thus Japan's "residual sovereignty" over Okinawa has been recognized by every American President and every U.S. administration since the end of the occupation. The agreement before you, Mr. Chairman and members of the committee, the agreement before you and its related arrangements are the logical and timely culmination of an historic progression set in motion over 20 years ago.

### BY 1969 TIME HAD COME FOR REVERSION

By 1969 the time had clearly come for the residual sovereignty so long recognized to become a reality. The 10-year, first term of the Mutual Security Treaty which would end in 1970 and the treaty would then become subject to termination by either party on 1-year's notice. Strenuous debates in the diet and possibly violent demonstrations against our bases on this anniversary were anticipated. That they did not occur may well be due largely to the announcement of the Nixon-Sato communique of November 1969 that active negotiations for the reversion of Okinawa to Japan in 1972 were about to begin.

There was also reason to believe that the longer the reversion was delayed, the greater the chance would be of an open clash between demonstrators demanding reversion and Americal military forces protecting our bases. The 1968 election of Chief Executive Yara on a platform of immediate reversion and the growing militancy of student and leftist radicalism on Okinawa had made it apparent that to further delay a reversion agreement would be to erode rapidly the acquiescence of the local population necessary to the continued effective operation of our base structure in the islands.

The local population furnishes a large proportion of the labor force for base operations, particularly on the densely populated island of Okinawa itself. The military communities are not isolated enclaves. On the contrary, military and Okinawan communities are interspersed closely with one another. Hence it would be extremely difficult and probably impossible to operate a base structure on Okinawa effectively if the local populace were actively opposed to our continued presence. At best, a continued U.S. presence under these conditions could be maintained only by vigorous police control that would be both highly undesirable and extremely costly. General Lampert, the U.S. High Commissioner of the Ryukyus since 1969, will have more to say on this point, based upon his personal experience in administering the islands.

It was against this background, then, Mr. Chairman, that the United States joined the Japanese Government in issuing the 1969 joint communique.

### EFFECTS OF FAILURE TO CARRY OUT AGREEMENT

In Japan proper, the Japanese people are solidly convinced of the justice of the reversion of Okinawa no later than 1972. For us to disappoint this expectation and to fail to carry out this agreement, which—both to them and to us—is so fair and so necessary, would have extremely unfortunate effects on our whole relationship with Japan. It would, for example, give a strong weapon to those political forces in Japan who do not favor the kind of close relationship with the United States which now exists and who seek to replace the present leadership of the country with others less favorable to such a relationship.

Differences between our two countries in trade and monetary matters have subjected our economic relations to strain in recent months, as the chairman has pointed out. But our basic political and security relationship continues to be stable and cooperative. Our national interest requires that we do everything possible to maintain that cooperation which President Nixon has called the linchpin for peace in the Pacific.

### REVERSION IS FURTHER STEP IN CARRYING OUT NIXON DOCTRINE

In the larger framework of our international relations, reversion would be a further step in carrying out the principles of the Nixon doctrine, which recognizes and encourages the greater capacity of our allies to assume the primary responsibility for their defense. In this agreement, Japan agrees after reversion to assume responsibility for the defense of Okinawa against outside attack.

For our part, as contemplated under the Nixon doctrine, we will continue to honor our commitments to Japan under the Mutual Security Treaty and we will continue to provide the protection of the U.S. nuclear shield to Japan in case there is a nuclear threat to Japan's freedom. The emphasis we place on the importance of remaining a Pacific power is reflected in the continued maintenance of our base structure in Japan and in the Ryukyus.

### EARLY AND FAVORABLE ACTION URGED

Mr. Chairman, the provisions of the agreement will not become effective until the President has deposited the instrument of ratification. He will not take such action until after the Japanese Diet has enacted the necessary implementing legislation. The step currently required on the part of the United States is advice and consent of the Senate to ratification.

I urge early and favorable Senate action on the agreement before you. It protects and advances U.S. interests and it is essential, particularly essential at this time, in view of the relations with Japan that have been referred to by the chairman, it is essential to the continuation of a viable and harmonious relationship with one of our major allies in the years ahead.

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EXHIBIT 2

### STATEMENT BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE ON THE OKINAWA REVERSION AGREEMENT

(By Mr. David Packard)

I am pleased and honored to appear before this Committee today to testify in support of the Agreement between Japan and the United States of America concerning the Ryukyu Islands and the Daito Islands.

This Agreement, as Secretary Rogers has described to you, is the culmination of long and detailed negotiations between our two governments, as called for by President Nixon and Prime Minister Sato in their Joint Communique of November 21, 1969. That historic understanding between the President and the Prime Minister, that it was time to return the administrative control of the Ryukyu and Daito Islands to Japan, in turn represented the fulfillment of a long-standing US policy.

As you know, Okinawa represents a major element of the US defense posture in the Western Pacific. We have already 50,000 military personnel deployed on Okinawa, and this includes important units of all the branches of the Armed Forces. The combat and support forces on Okinawa are a major part of our forward based military units in East Asia. With the reversion of Okinawa to Japan, these forces will remain on Okinawa and continue to be ready to perform their missions. However, instead of being able to use these forces with the freedom equal to that available from US territory, our military activities will be subject to the understandings we have with Japan, the host country. While it is much easier and ideally preferable not to be concerned with the wishes or views of a foreign government in the conduct of our armed forces, when these forces are deployed in the territory of a foreign country, it is only realistic to expect that certain conditions must be agreed to. To date, Okinawa has been an exception to this general rule because of its unique history, first as war-conquered territory, then as an area administered by us under the Treaty of Peace with Japan. But the time has come to normalize this aspect of our relations with Japan and with the people of Okinawa, and to respond to the desires of the Japanese and Okinawans for reversion.

Simply stated, after reversion our military forces on Okinawa will be subject to the same conditions as govern the military forces we have deployed in Japan proper. These conditions are set forth in the US-Japan Treaty of Mutual Cooperation and Security and its related arrangements. It is an excellent Treaty which serves well the security interests of both the United States and Japan. We currently have over 30,000 military personnel stationed in Japan who, like their comrades in Okinawa, serve as an important element in our Western Pacific defense posture.

Under the terms of the Mutual Security Treaty and related Exchanges of Notes, we can use our armed forces for the defense of Japan and for other military activities related to the maintenance of international peace and stability in the Far East, except that under the prior consultation formula we need the affirmative approval of the Japanese Government prior to making major changes in the number of US military personnel deployed to Japan, major changes in their equipment, or using our bases in Japan for direct military combat operations, except for the defense of Japan.

In practical terms, these three limitations mean that, first, the US cannot initiate a substantial build-up of U.S. Forces in Japan without that Government's permission. However, small units can be deployed into Japan, and this happens on a fairly regular basis, with only notification to the Government of Japan. In terms of moving our units out of Japan, there is no requirement for prior consultations with the Japanese Government.

The second category of prior consultation concerns major changes in military equipment. The Japanese insisted on this provision as assurance that the US would not act contrary to the wishes of the people of Japan. This of course applies to the storing of nuclear weapons in Japan. That is, the US cannot store nuclear weapons in Japan without the permission of the Japanese Government. Following reversion this same condition will apply to the Ryukyus.

The third category of the prior consultation formula requires the approval of the Japanese Government prior to undertaking military combat operations from our bases in Japan, and on Okinawa after reversion.

Thus, for example, launching of air strikes directly against an enemy target from bases in Japan would require prior consultation. The deployment of combat aircraft from Japan to operate in a zone of hostilities however, would not. Similarly, the myriad of logistic support operations provided to our combat forces from facilities in Japan and Okinawa would not and do not require prior consultation.

Even though subject to the consultative procedures outlined above, we do not believe that reversion will significantly impair the effectiveness of our military forces on Okinawa as an important element in our Western Pacific defense posture. This statement is premised on shared US-Japanese security interests and in turn a general agreement on the purposes for these forces, as embodied in the Mutual Security Treaty. At the time of Prime Minister Sato's visit to Washington in November of 1969 he declared that the security of South Korea was essential to the security of Japan. He also stated that the security of Taiwan was most important to Japan. Thus, in the event of a contingency we believe we would, if necessary, be able to operate our bases in Japan and Okinawa effectively.

Admiral Moorer, the Chairman of the Joint Chiefs of Staff, who is away from Washington today, asked me to assure you that he supports the agreement and urges your favorable consideration of it.

Let me turn now to the functions now performed by our military forces on Okinawa which will be turned over to the Japanese and the provisions of the US-Japan Status of Forces Agreement which will apply to Okinawa after reversion: Specifically (1) the mission of providing for the immediate defense of Okinawa, (2) the civil administration of Okinawa, and (3) the application of the US-Japan Agreement Regarding Facilities and Areas and the Status of United States Armed Forces in Japan.

#### IMMEDIATE DEFENSE OF OKINAWA

As part of the November 1969 Joint Communique, Prime Minister Sato agreed that Japan would gradually assume responsibility for the immediate defense of Okinawa. One aspect of the negotiations with Japan leading to the Agreement before you has centered on the modalities for transferring that responsibility to Japan. An associated Arrangement was negotiated by Vice Admiral Walter L. Curtis, Jr., the Military Representative to the Okinawa Negotiating Team, and representatives of Japan's Defense Agency. This defense arrangement describes the Ground, Maritime and Air Self-Defense Forces that Japan will deploy to Okinawa following reversion.

The objective is for the Japanese Self-Defense Forces to assume primary responsibility for the immediate defense of Okinawa by July 1973. We believe the Defense Agency's plans for the forces to be deployed to Okinawa are adequate to fulfill the defense mission to be assumed.

These negotiations have been characterized by a spirit of close cooperation which typifies the relationship between the US and Japanese defense establishments.

When the Japanese Self-Defense Forces assume the defense mission of Okinawa, this will make available about $35 million a year for other DOD missions.

#### CIVIL ADMINISTRATION

As you know, the Defense Department, through the Executive Agent of the Department of the Army, administers the Ryukyu and Daito Islands for the United States Government. The current High Commissioner Lt. Gen. James B. Lampert, USA, a very able officer, is here today as a witness for this Committee. He is prepared to explain in detail the specific plans for relinquishing to Japan our administrative functions and responsibilities for Okinawa, and what effect reversion, or a denial of reversion would have on the daily operations of our bases on Okinawa. I would simply like to state here that upon reversion the United States Government, and specifically the Department of Defense, will cease to have any responsibility for the civilian affairs of Okinawa. The governing of Okinawa will become the responsibility of the Japanese Government and the new Okinawa Prefectual Government.

Transfer of administrative responsibility will mean a savings to the United States of about $20 million/year. This was the cost of running the U.S. Civil Administration including its aid appropriations prior to the decision to begin reversion negotiations. The figure has been sharply reduced already in anticipation of reversion.

#### APPLICATION OF SOFA

Upon the version of Okinawa to Japan, the US-Japan Agreement Regarding Facilities and Areas and the Status of United States Armed Forces in Japan will apply to Okinawa as well as to Japan proper. This Agreement is commonly referred to as the US-Japan SOFA. Let me briefly outline some of the changes that will result from the application of this Agreement and the Mutual Security Treaty.

##### *1. Provision of areas and facilities*

We are currently leasing the private land which we use for our bases on Okinawa. Under the terms of the Mutual Security Treaty and the related SOFA, Japan provides to us free of charge our required facilities and areas. Thus the land rentals on Okinawa which currently cost us over $10 million a year will be assumed by the Japanese Government upon reversion.

##### *2. Employment of local nationals*

The current practice on Okinawa is for the military services to hire directly the required local national employees. In Japan, however, we have a Master Labor Contract with the Japanese Government for the provision of the required local national employees. Thus our local national employees in Japan are hired indirectly through the Japanese Government. This system has the great advantage of reducing tremendously labor disputes with our local national employees in Japan. The annual wage negotiations we have on Okinawa will be terminated, as the wages and benefits we pay under the Master Labor Contract will be essentially the same as those paid by the Japanese Government to its own employees. It also means, however that at reversion our employees on Okinawa will receive an increase in wages and benefits, as the wage scale in Japan proper is higher than it has been in Okinawa. This will create some additional costs to the Defense Department, although eventually we would probably have had to pay the higher wages since the gap in wages between Japan and the Okinawa has been steadily closing.

### *3. Training of third country nations*

We currently have on Okinawa various programs to provide training to the military personnel of other Asian allies. Under the terms of the SOFA, these programs for the training of third country nationals will have to be terminated. The major unit affected by this requirement is the US Army Pacific Intelligence School. This school will be relocated to Guam, or another location in the Pacific, before reversion takes place.

### FACILITIES

The final subject I would like to discuss with you is the military facilities we will maintain on Okinawa and those that will be released to the Government of Japan.

First, we will maintain all those facilities essential to the performance of the missions of our military units deployed on Okinawa. Those facilities that will be released are either no longer required by our forces, or will no longer be required once, and as the missions for the immediate defense of Okinawa are transferred to the Japanese Self-Defense Forces.

The largest facility being returned to Japan is Naha Airport. As the airport is the civilian air terminal for Okinawa as well as a US military base, and as the US military activities there have been reduced to a US Navy ASW patrol and utility squadrons, it was judged appropriate to agree to the Japanese request to release the facility completely. The financial arrangement worked out with the Japanese Government is covering the costs of relocating these naval flying activities. The relocation of these Navy units will not impact on their mission performance.

In conclusion, I would note that Okinawa is a small island roughly 70 miles long and 5 miles wide, with a population of about one million—100,000 Americans and 900,000 Okinawans. The smooth functioning of our bases there depends upon the continued goodwill of the Okinawan people, for it is impossible to totally isolate the bases from the rest of the island.

The Okinawan people strongly desire to be reunited with Japan after a separation of over twenty-five years. It is a desire that we, as Americans, can completely understand. Responding to the desires of the Okinawans to rejoin Japan, and of the Japanese who wish to welcome back the Okinawans, is an historically unprecedented act but one which is in keeping with the best in our political heritage. I urge you to consider favorably and quickly this Agreement for the reversion of Okinawa.

### EXHIBIT 3

### STATEMENT BEFORE THE SENATE FOREIGN RELATIONS COMMITTEE BY LT. GEN. JAMES B. LAMPERT, HIGH COMMISSIONER OF THE RYUKYU ISLANDS, OCTOBER 28, 1971

Mr. Chairman and Members of the Committee, it is a privilege to appear before you today to testify in support of the Okinawa Reversion Agreement.

I serve in three positions on Okinawa, which I have held since January 1969. As High Commissioner of the Ryukyu Islands, I am responsible for the administration of the Ryukyu Islands under the authority granted to the Secretary of Defense and, by delegation, to the High Commission by Executive Order 10713. I exercise these responsibilities through the United States Civil Administration, or USCAR as it is commonly known. My primary missions as High Commissioner are to promote the welfare and well-being of the people of the Ryukyus and to maintain a favorable environment for the effective operation of our military bases, which are located for the most part on the main island of Okinawa.

As the local representative of the Commander-In-Chief, Pacific, I have the responsibility for coordinating local activities of the military services, reporting directly to Admiral McCain in Hawaii.

My other position is Commanding General, United States Army, Ryukyu Islands, in command of the Army Forces in the Ryukyus, under the Commander-In-Chief, United States Army, Pacific, in Hawaii.

The United States has administered the Ryukyu Islands since the end of World War II in 1945. The record of our administration is one in which I believe our country can take considerable pride. The Ryukyuan people have an effective and responsible government of their own, the Government of the Ryukyu Islands, which is based on democratic principles and which for the most part runs its own affairs. They have a freely-elected Chief Executive and a Legislature as well as a court system of their own. Economically, the Ryukyu Islands have achieved one of the highest standards of living in Asia; and the economy has continued to grow each year at an impressive rate. A full-scale educational system, together with extensive social and welfare facilities have also been developed under the U.S. Administration.

There is little doubt, however, that the great majority of the people of the Ryukyus, who call themselves Okinawans but consider themselves Japanese Nationals, strongly wish to return to the administration of their motherland, Japan. The Ryukyu Islands were an integral part of Japan until 1945. Reversion to Japan at the earliest possible time has been repeatedly requested by their elected Chief Executive and by unanimous resolutions of their Legislature, and there have been few expressions of a desire to remain under U.S. Administration. The statement by President Nixon and Prime Minister Sato in November 1969 that the United States and Japan would enter into negotiations with a view to accomplishing reversion some time in 1972 was welcomed by the Okinawan people as a response to their strong desire for reunion with Japan.

We are now in a complex and difficult period, marked by Okinawan uncertainties and anxieties over how reversion will affect them personally. Many Okinawans would like to see greater reductions in our bases, but at the same time they fear that there will be large-scale reductions in the jobs provided by our bases without other jobs being available. Our Okinawan base labor force has reacted strongly to substantial curtailments in our work force required by reductions in the United States Defense Budget. The Okinawan economy and standard of living has been heavily dependent on our bases as well as on United States economic assistance. Our economic aid has been sharply reduced and will of course terminate on reversion. Okinawans are concerned that Japan may not continue to provide the economic assistance required to maintain and eventually raise the economy to levels comparable with the rest of Japan. In recent months they have been apprehensive that they might suffer serious economic losses as a result of recent U.S. measures to protect the dollar and Japan's decision to float the yen.

Serious problems and tensions have also resulted from occasional unlawful acts of U.S. servicemen and from accidents involving Okinawans and Americans. Strong resentment against our exclusive U.S. criminal jurisdiction over military personnel has increasingly found expression.

This is because Okinawans believe the time is approaching when the United States should no longer possess police and other powers of government.

The presence of military chemical munitions on Okinawa, which have just recently been completely removed, was another major factor contributing to Okinawan feelings of anxiety and tensions.

There is a vocal minority which vigorously opposes the presence of our military bases and which takes every opportunity to exploit these existing tensions and the various activities of our bases which unavoidably cause inconvenience and irritation, such as jet aircraft noises and military use of farmlands.

The return of the Civil Administration to Japan and the application to Okinawa of the Status of Forces Agreement (SOFA) between the United States and Japan are expected to reduce sources of friction and tension and to provide a more stable and favorable basis for the future. Our military bases and U.S. forces personnel will be placed in the same situation, with the same status and privileges, as in mainland Japan, including the application of the criminal jurisdiction provisions of the SOFA. This is expected to remove a major source of Okinawan feelings of unequal treatment. In addition, as has been stated by Secretary Packard, relations should improve when base workers, whom the U.S. forces have been hiring and dealing with directly, are employed by the Japanese Government under an indirect hire system as in Japan. The Japanese Government will become responsible for public safety outside our bases, including police, fire protection and traffic control. Under the SOFA, the United States will be relieved of responsibility for the leasing of privately owned land, which has long been a sensitive issue in our relations with the Okinawan people.

The Japanese Government has cooperated closely with us in the handling of various difficult problems that have arisen and in the working out of arrangements for a smooth and orderly transfer of administration.

Following President Nixon's and Prime Minister Sato's November 1969 communiqué, the United States and Japanese Governments established special governmental machinery to negotiate detailed reversion arrangements and to initiate reversion preparatory measures. The United States/Japan Consultative Committee in Tokyo was charged with overall responsibility for conduct of the negotiations. The Preparatory Commission in Okinawa was established "for the purpose of consulting and coordinating locally on measures relating to preparation for the transfer of administrative rights . . ."

As the administrative authority in Okinawa, the United States took the lead in presenting to the Preparatory Commission in July 1970 a comprehensive plan to facilitate the transfer of administrative responsibility to Japan. The essence of that plan was that the transfer should, to the largest practicable extent, be gradual and progressive, avoiding an abrupt and painful shift at reversion. As a framework for a progressive relinquishment of United States Civil Administrative functions to Japan, under continued United States overall authority, the period until reversion was divided in the plan into three phases. The first was from the date of the plan's adoption until a United States-Japan Reversion Agreement had been signed; the second was from then until necessary legislative support was obtained; and the third was from then until reversion day.

Pursuant to this plan, the United States presented in the Preparatory Commission specific proposals for the full or partial relinquishment to the Japanese Government of a number of functions in phase one. Most of these functions were USCAR functions of advice and assistance to the Ryukyuan Government.

We are currently in Phase II of the transfer plan, when we have proposed the relinquishment to the Ryukyuan Government of several operational civil administration functions. During Phase III we plan to relinquish to the Ryukyuan Government additional operational civil administration functions, such as administration of quarantine, customs and other related controls. During that final phase many actions will be taken in connection with the turnover of U.S. public corporations, the sale of our controlling interest in the Bank of the Ryukyus, and other aspects of our civil control preparatory to the complete relinquishment of that control to Japan on reversion day.

Although the Okinawan people seem aware that reversion will not take place without the approval of the United States Senate and the Japanese Diet, they nonetheless generally expect that reversion will occur by 1 July 1972 if not earlier. Chief Executive Yara and the GRI Legislature have expressed the desire that reversion take place on 1 April 1972. There can be no decision on the date of reversion, however, until after the Treaty is approved by the Senate and the Diet. We foresee a number of practical problems in preparing for a smooth reversion and for planning purposes we are thinking in terms of 1 July 1972.

Should reversion be delayed much beyond 1 July 1972, I believe we would see a strong adverse reaction from the Okinawan people. I would expect rapid intensification of anti-American sentiment and activity which could make it very difficult to exercise U.S. administrative authority and to maintain a favorable environment for our bases and American personnel. The longer the delay the greater the adverse reaction which is to be anticipated since it is evident that U.S. bases in Okinawa require at least the acquiescence of the Okinawan people.

While a minority of Okinawans continue to demand immediate and complete removal of the American bases, the majority appear to accept the fact that the United States will continue to maintain a military base structure on Okinawa. Irritations and problems will of course continue to arise from the presence of our bases and from two people of such different language and culture living so close to each other in a small, densely populated geographic area. The Okinawans, nevertheless, are basically warm, friendly people. I continue to find in my frequent travels throughout the Ryukyus and in my personal contacts with Okinawans substantial goodwill toward the United States and an appreciation for what the United States has done since World War II to promote the welfare of the people of Okinawa. Individual Okinawans frequently go out of their way voluntarily to express these sentiments to me. I think that with intelligent management of our bases we can preserve these friendly sentiments.

I believe that with the continuing support of our Japanese ally, and with a smooth reversion, our military bases on Okinawa will continue after reversion to be of major value to the United States. Because of the strategic location of Okinawa, our extensive and highly developed complex of military bases there are extremely important in U.S. defense arrangements. They contribute in a major way to our ability to fulfill U.S. commitments to the security of Japan and our other allies in the Pacific.

Mr. MANSFIELD. Mr. President, I yield myself 2 minutes on the bill.

I take this occasion to commend the distinguished Senator from Kentucky, who, as always, has expressed himself precisely, and, as always, has reached the nub of the matter in very few words.

I join him in what he has stated about General Lampert, who I think has been and is an extraordinarily capable administrator, a man in the mold of such soldier-statesmen as Marshall and Ridgway, to name two; a man who has indicated a knowledge not only of things military, but of things political, cultural, and social as well.

It appears to me, Mr. President, that what is happening in this first year of the 1970s indicates that there is a tremendous amount of movement around the world. We find, for example, not only Okinawa, the Ryukyu and the Daito Islands now on the verge of being returned to Japan, but we also find that Japan has come to occupy a very important position in the scheme of affairs in the Pacific, and for that matter in the world. As I tried to indicate yesterday, the Japanese people have been the recipients of some severe shocks of late from this Nation—the imposition of the 10-percent surcharge, which was worldwide, the textile agreement, and the announcement of President Nixon's visit to Peking.

I also tried to indicate yesterday that Japan was one of the few major nations which stood by the United States in an attempt to bring about the admission of mainland China to the United Nations and the retention of the Republic of China on Taiwan in that body.

Those occurrences are indications of a shift, of a change. There are other indications as well. There is some ice being broken in the area of Berlin, and an accord of sorts has been reached, with the East Germans and the West Germans now talking to one another, seeking to reinforce and interpret specifically what the Berlin accords are. Once that is done, and the prospects seem fairly good, then we should find the four ambassadors putting the final imprint on the Berlin accords, and at that time making them into an agreement. That would be followed by Chancellor Brandt's Ostpolitik, the move toward the East, the conclusion of the treaties between the Federal Republic of West Germany and Poland and the Soviet Union, and finally, hopefully, a European security conference, which will discuss not only the matter of a mutual reduction of forces on both sides, the Warsaw Pact countries as well as NATO, but other measures seeking to bring about a detente in Europe which could well contribute immeasurably to the peace of the world.

Then we have President Nixon going to Moscow sometime after the first of May, following, though not immediately, his visit to Peking.

We find the administration trying to cleave a line between the Israelis and the Arabs in the Middle East, a policy of which I thoroughly approve, and trying to bring the parties together on a face-to-face basis. Then we find the President withdrawing troops from Southeast Asia, from a high of 546,000 to a figure of 190,000, or just a little bit under, today. We find a total reduction of the Armed Forces since Mr. Nixon came into power of roughly 1,100,000 men.

So we find all these things happening. In addition, the president of the Soviet Union, Mr. Podgorny; the chairman of the party, Mr. Brezhnev; and the premier or prime minister, Mr. Kosygin, have embarked on a series of travels taking them to various of the world's continents. We even see, for example, the Prime Minister of Cuba, Fidel Castro, today, I believe, arriving in Chile for a week's visit.

What I am trying to say, in brief, is that there is movement in world affairs today, that things are occurring which we cannot as yet decipher; but perhaps out of all this movement will come a new hope.

Perhaps there will arise a realization of what confronts the world today and what faces us tomorrow, and perhaps out of it will come also an end to our looking backward to policies which were good a decade ago, two decades ago, a quarter of a century ago, and a facing up to the realities of the present.

I agree with the distinguished Senator from Kentucky when he states, indirectly and implicitly, that this is a most important vote today. This, too, could signify a change in direction for the better. I think it is overdue. But I am glad that at last we are facing up to it, and I hope that very shortly this matter will be disposed of in the affirmative and by an overwhelming vote.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HUMPHREY. Mr. President, are we under a time limitation?

Mr. MANSFIELD. How much time does the Senator desire?

Mr. HUMPHREY. About 5 minutes.

Mr. MANSFIELD. I yield 10 minutes to the Senator.

Mr. HUMPHREY. Mr. President, I want to register at this time my support for the ratification of the Okinawa Reversion Treaty. I view this treaty as an essential step in the preservation of friendly relations between the United States and Japan. Second, ending our administration over the Ryukyu and Daito Islands represents the clearing away of one of the unsettled remnants of the postwar era.

Were the Senate giving its advice and consent a few months ago, I would merely have stressed in my remarks how the treaty was consistent with our historic policy of maintaining a close association with Japan; how it could serve to move their bilateral relations onto another plane, more in keeping with the future needs of both countries and other countries as well.

Mr. President, I am absolutely convinced that our relationships with Japan are of the utmost importance. While I know that we are now entranced with the prospect of better relationships with mainland China, I think it should be well understood that for the foreseeable future, friendly, cooperative, and healthy relationships between the United States and Japan are absolutely essential for peace in Asia, for the development of Asian countries, and for the promotion of a world of peace and a generation of peace.

Now the ratification of the Okinawa Treaty takes on another significance in addition to those I just mentioned. The Senate's vote comes at a time when relations between our two countries have seriously been shaken due to recent diplomatic maneuvers. I have pointed out repeatedly that our Government's apparent failure to recognize the importance of Japan as a major U.S. ally, a relationship which has been carefully built up through the years, has led us to startle and offend our close friends unnecessarily.

Mr. President, it is of the utmost importance that our national policy relating to mainland China be changed. For this, I commend the President.

The President's announcement of going to Peking was welcome news for all but was very unsettling to the Japanese and other allies who had not been consulted. Next, came the announcement of our new economic game plan which included for the Japanese the single option of reevaluation of the yen. Simultaneously, we were pressuring the Sato government to cosponsor our resolutions on the China question in the United Nations, a position the Japanese Government had been ready to accept at an earlier date, but which it withheld publicly in deference to the wishes of the United States. We were also negotiating a rough and tough textile agreement, presented in the form of an ultimatum to the Japanese Government.

Finally, we had declarations by Government officials which gave credence to rumors spreading that the United States was encouraging Japan to go nuclear. I have tried to have the matter clarified as to what the position of our Government is, but I am still waiting for the Secretary of Defense's reply to my letter. Somehow, communication between branches of Government is as difficult as between the United States and its allies these days.

The Okinawa Treaty, therefore, comes at a crucial time in Japanese-American relations. In the joint communique of November 21 between President Nixon and Prime Minister Sato which led to the Reversion Treaty, two points stand out as offering the most promise:

> (1) They (the government of the United States and the government of Japan) would maintain and strengthen their fruitful cooperation in the continuing search for world peace and prosperity and in particular for the relaxation of international tensions.
>
> (2) The reversion of Okinawa would be carried out in a manner consistent with the policy of the Japanese government as described by the Prime Minister. (The Prime Minister described the sentiment of the Japanese people against nuclear weapons.)

In addition, the Senate Foreign Relations Committee determined from the testimony of our Government officials that nuclear weapons would not be stored on Okinawa after reversion.

Taken together, these points offer us the hope of a changing world where security is not only expressed in the deployment of nuclear weapons, but in solid understanding and communication between countries. My vote is a vote for the treaty and a vote for solidification of our relations with Japan in a multipolar world.

I, too, commend the distinguished Senator from Kentucky for his statesmanlike efforts in bringing this treaty to us in the Senate.

The Senate is performing a very valuable service in its advise-and-consent responsibilities, particularly in this treaty. I think all of us know that Japan is an important nation in the modern world, that its relationships to the United States are of vital importance to us, that the Okinawa Treaty represents a forward step in the improvement of those relations—something that needed to be done, something for which I commend our Government—and, hopefully, that this treaty will be a very important step in strengthening and improving the cooperation between Japan and the United States.

I shall, as I have said, vote for this treaty, and I have no doubt that it will be ratified.

Mr. MOSS. Mr. President, I rise to support the ratification of the Okinawa Treaty which provides for the reversion of U.S. rights of administration over Okinawa to Japan. It is not really a reversion. I think we have recognized the sovereignty of Japan over Okinawa since the war in which we occupied the islands.

Twenty-five years after the end of World War II, the United States continues to occupy the territory of Okinawa and measures of executive authority over 1 million Japanese is exercised by American military services. That occupation is the last vestige of a wartime relationship.

Today, the United States and Japan stand on the threshold of a new relationship. The Okinawa Treaty represents the logical conclusion of American occupation policy which has been designed to encourage the emergence of an economially strong and politically stable Japan.

The treaty now places our future relationship on the basis of true equality and opens the door for the continuation of our political alliance on the basis of mutual interest and respect. Cooperation between Japan and the United States can be the keynote to peace in the Far East.

During recent months, the Nixon administration has evidenced callous disregard for our relationship with Japan. The President failed to consult Japan prior to announcing his trip to Peking. Japan also was not consulted prior to the announcement of the new economic policy on August 15, which imposed the 10-percent surcharge. The nuclear detonation on Amchitka Island in the Aleutians is still another example of insensitive diplomacy toward Japan.

The Government of Japan, however, has remained steadfast in friendship and even fully joined in support of U.S. policy favoring "dual representation" of China in the United Nations, thus, sharing with us this major diplomatic defeat.

Because of the economic importance of Japan and its enormous potential in the context of East Asia, the United States cannot afford to pursue policies without consideration of their implication for Japan. The United States and Japan can move apart to a period of uncertainty and even hostility or we can move together as two nations who share a common belief in representative government and private enterprise, despite different cultural origins.

The prime U.S. objective in East Asia must be the maintenance of a viable friendly relationship with Japan. Our two countries must work together to bring stability into the Pacific and to assist other undeveloped countries. We take a great step toward this sound relationship with Japan by ratifying the Okinawa Reversion Treaty today.

Mr. DOMINICK. Mr. President, Monday, the Senate Committee on Armed Services concluded executive sessions on the military implications of the agreement between the United States and Japan concerning the Ryukyu Islands and the Daito Islands calling for the reversion of Okinawa to Japan. After listening very carefully to the testimony received and after personal review of the issue over the past few months, I intend to vote for ratification of the Okinawa Reversion Treaty.

The committee was privileged to hear U. Alexis Johnson, Under Secretary of State for Political Affairs, Gen. William C. Westmoreland, Acting Chairman of the Joint Chiefs of Staff, and other senior military officials intimately familiar with the impact of reversion on U.S. security arrangements.

The essence of the JCS opinion is that while reversion does decrease the flexibility of our force structure, other ways will be found to get the job done so as to minimize any loss of capability. In my opinion, an important point recognized by the JCS is that a continued denial of reversion would have resulted in a rapid erosion of the acquiescence of the Okinawan people in our military bases in the Ryukyus and, in turn, would have caused us considerable difficulties in the effective operation of those bases in the years ahead.

A more overriding consideration is the impact nonratification could have on the Sato government. Although the United States will be somewhat more restricted in the deployment of forces from Okinawa in support of security agreements in the Pacific area, failure to ratify this treaty could bring about the downfall of the Sato government. The possibility would then exist that a new Japanese Government could cancel all basing agreements in Japan proper thereby forcing our complete withdrawal from there.

In summary, there are many more political advantages, both to the United States and Japan, in returning Okinawa to Japanese control. Japan, for the foreseeable future, will continue to be a major cornerstone in the power structure of the Western Pacific. As a strong ally and good friend she will remain essential to the maintenance of our security arrangements in the Pacific. The immediate military disadvantages, while not desirable, can be effectively overcome and, therefore, should not cause rejection of the treaty.

Mr. McGEE. Mr. President, I rise to urge passage of the Okinawa Reversion Treaty which is presently before this body awaiting final action.

This agreement represents the ultimate step in ending an era in American-Japanese relations. It resolves the last remaining major issue between these two nations which arose out of World War II by returning to Japan the remaining occupied territory which we have long promised. Ratification of this document would remove the last vestige of occupying power status now held by the United States.

The importance attached to the need

for favorable Senate action on this treaty cannot be overemphasized. This action comes at a time when the United States is embarking on a new policy relative to mainland China. It is, therefore, imperative that sound relations exist and be maintained between the United States and Japan as we chart this new course in Asia. Therefore, our political, military, and economic interests are tied to the prompt ratification of this treaty.

As I have cautioned in the past, while the President is striving to normalize relations between the United States and China we cannot let Japan slip from the focus of our attention. This treaty is in accord, I believe, with this assessment of the future of our relations in Asia.

It is clear that continuance of a situation in which a million Japanese are still living under U.S. military administration some 25 years after the termination of World War II has subjected our relationship with Japan to increasing and highly undesirable strain.

The Japanese people are filled with expectation that the efforts of President Nixon and Prime Minister Sato will bear fruition no later than 1972. It would be unfair and inequitable to both nations if there is a failure on the part of the Senate to ratify the treaty. The effect on relations between this country and Japan would be highly disastrous. It would give a strong weapon to those political forces in Japan which do not favor a close relationship with the United States and which seek to replace the present leadership of Japan with those less favorable to maintaining close ties.

Other differences between our two countries in such areas as trade and monetary matters have subjected our economic relations to the straining point in recent months. In spite of all this, our basic political and security relationship continues to be stable and cooperative. Therefore, it is in our national interest to do everything possible to maintain that cooperative spirit which still exists between our two governments.

It is my hope that the Senate will move with dispatch in approving this instrument and, therefore, chart a new era of a cooperative spirit and firm friendship in Asia.

Mr. BUCKLEY. Mr. President, it is with great reluctance that I rise in support of ratification of the treaty before the Senate today to restore Japanese control of the Ryukyu Islands.

Every scrap of evidence indicates that the United States is giving up a military installation in the western Pacific which simply cannot be replaced at any price. Moreover, reversion at this time is especially undesirable from the standpoint of supporting the objectives of the Nixon doctrine in East Asia.

Since World War II, the United States has turned the Ryukyu Islands—won by force of arms in one of the major battles of the Pacific theater in World War II, and one in which I participated—into our major military installation west of Pearl Harbor for the support of our strategic nuclear deterrent forces, as well as our conventional military presence in Asia. Depending upon how one accounts for our investment in the Ryukyu Islands, we have spent between $2 and $5 billion in building an extensive system of air and naval bases, storage depots, and training areas.

It is agreed that the United States will continue to have limited basing facilities in the Ryukyu Islands after reversion, but the use of such facilities is sufficiently conditional upon Japanese Government approval, that no military planner could prudently rely upon the use of the existing bases under the full range of contingencies we must prepare for.

The Japanese Self-Defense Force is to take over the air and naval defense roles of the Ryukyu Islands after reversion. It is well understood by defense analysts that the air defense of the Ryukyu Islands—what can be described in technical jargon as a "point" as opposed to an "area" target—cannot be accomplished without nuclear-armed air defense interceptors. Moreover, the nuclear umbrella which we have provided for Japan against regional nuclear blackmail requires a formidable nuclear presence in the Ryukyu Islands. This will not be feasible under the conditions of the Reversion Treaty.

Because of the lack of a major U.S. nuclear presence in the western Pacific of truly credible proportions, we are encouraging the nuclear rearmament of Japan at a time when we are otherwise seeking to limit the proliferation of nuclear weapons.

In short, it is my belief that the United States made an unwise agreement with Japan over the reversion of Okinawa. We should have settled for some American-owned enclave on the islands, similar to Guantanamo Bay, which could have met our minimum defense requirements while restoring the civil administration of the local population to the Japanese Government.

It is, however, too late in the day to make any such fundamental changes in the basic terms and conditions of reversion. It is my hope, however, that some future protocol could be arranged between the two governments to improve the character of the U.S. military basing rights so that our defense requirements can be met.

I say it is too late in the day because the whole structure of Japanese-American relations has been allowed to crystalize on the assumption of the reversion of the Ryukyus on the terms contained in the treaty. The adverse political effect of a failure to ratify the treaty would, in my judgment, now outweigh the military rights and benefits which we should and could have carved out for ourselves if we had made it clear from the beginning that we intended to maintain total control over a military enclave.

These adverse political effects would be particularly critical as a result of recent changes which have taken place in the Far East. These include the President's initiatives in China and problems affecting United States-Japanese trade relationships. These and other matters affecting the security and economy of the region will require a high degree of cooperation between our two nations at this time and well into the future.

Therefore, in view of the catastrophic political effects which the failure to ratify this treaty would have on an otherwise friendly government, I reluctantly urge its ratification.

I ask unanimous consent that the testimony of Maj. Gen. Dale O. Smith, former Air Force Commander in the Ryukyu Islands from 1957–60, before the Committee on Foreign Relations be printed in the RECORD. While I cannot agree with General Smith's recommendations, his testimony does indicate the hazards we will be incurring through a reversion of the Ryukyu Islands on the terms specified in the treaty.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

### GENERAL SMITH'S TESTIMONY

Senator Fulbright and gentlemen of the Foreign Relations Committee: I deem it a distinct privilege to be allowed to express my views before this august committee regarding the reversion of Okinawa to Japan.

I served on Okinawa as commander of the 313th Air Division, the senior Air Force position in the Ryukyu Islands, from 1957 to 1960. In this capacity I was not only responsible for the air defense of Okinawa, both Army and Air Force, but for air offensive operations against the Communist mainland had my country ordered such action.

While serving there it became increasingly apparent to me that Okinawa truly was the "Keystone of the Pacific," as we called it.

Because our forces there were free to be deployed anywhere, immediately upon orders from Washington, we were always the first to be called upon. For example, in 1958 we discouraged a Red Chinese invasion of Quemoy, Matsu and the Pescadores by sending the 51st Fighter Wing to Taiwan along with naval forces based at Naha. This was done in less than 24 hours.

You recall that recently we were unable to go to the rescue of the *Pueblo* because of Japan's reluctance to let us use our forces in this manner.

Because Okinawa was American territory we could keep any kinds of weapons on the island in any numbers. So we had vast and secure weapons storage areas. This was our major munitions dump in the Far East.

Because we administered the islands and because the Okinawans were generally loyal and trustworthy employees, we had no problems of sabotage or pilferage and fewer labor problems than in America itself. As you know, Okinawa provided a great logistics storage area for the Vietnam war.

With reversion, our forces on Okinawa will be as drastically restricted as our bases now are on the home islands of Japan. We closed 50 bases in 1968 including our finest air base, Itazuke. We simply will not be able to protect Okinawa from air attack or utilize it as a logistics or staging base.

The Japanese Self-Defense Force is scheduled to take over air and naval defense of the islands next year. This will include their defensive fighters on Naha Airbase and Nike Zeus missiles.

It won't work. An effective air defense of such a small area requires the use of nuclear air-to-air rockets and ground-to-air missiles. Japan will have no nuclear weapons and I'm sure this committee wouldn't support the proliferation of nuclear weapons.

Similarly, we have provided a nuclear deterrent and umbrella for Japan with quick-strike fighter bombers and Mace guided missiles. After reversion this umbrella will be shot with holes. And we will be pushing

Japan into a nuclear posture of her own in order to protect herself against nuclear Red China and Soviet Russia.

Japan is a rich, dynamic, industrial country. She could rearm in two or three years, and with the most modern weapons of the age. I'm haunted with the parallel of Nazi Germany's military resurgence and that we had to fight Germany twice within one generation.

Some senators have informed me that they have been assured by the Chairman of the Joint Chiefs of Staff and the Secretary of Defense that our military commitments will be adequately met in the Western Pacific after reversion.

I need not tell this Committee that the Secretary of Defense is a loyal member of the Administration which is pushing the reversion treaty and that the Chairman of the JCS is his subordinate. I served several years in the organization of the Joint Chiefs of Staff and am well aware of the pressures put upon the Department of Defense to support programs of the Executive Department.

You will recall, too, that the Secretary of Defense and the Chairman in 1964 supported the buildup in South Vietnam to propagate a no-win war. I'm sure you will agree with me that the consequences of that policy have been disastrous and tragic, and that the Secretary of Defense and the Joint Chiefs are not always correct in their judgments.

I submit that the reversion of Okinawa will open a Pandora's Box even more tragic than the Vietnam mistake—and one from which we will not be able to retreat. Out of the box will rise an expanding Red China and a rearmed, nuclear Japan.

It has long been American policy to return the Ryukyus when they were no longer needed for the defense of our allies in the Far East. But, gentlemen, there has hardly been a time since 1945 when we needed Okinawa more.

We are now pulling out of South Vietnam and have yet to learn whether the domino theory will materialize.

Communists are surging into Cambodia, Laos, and Thailand.

Red China, despite the proposed visit of President Nixon, remains warlike and bellicose, and she is rapidly building nuclear weapons.

Soviet Russia is arming at breakneck speed.

And Japan is already toying with the idea of rearming. Should we push her into it by emasculating our forces on Okinawa through reversion?

I submit, gentlemen, that this is a most inappropriate time to return Okinawa and that reversion should be postponed for a year or two at least until we can see the future better.

And I'm not at all sure that the Okinawans themselves would be eager to return to Japan if they had any other choice. There has been no plebiscite.

The President's letter to the Senate mentioned that one million Japanese are anxious to return to their "motherland".

First let me say that the Okinawans are Japanese only because Japan seized the islands in 1874. Up to that time the Okinawans were an independent people. In fact, Americans were there first, before the Japanese. Admiral Matthew Perry based his Black Fleet there in 1852 and 3.

So it seems rather anomalous to refer to Japan as Okinawa's "motherland," and Okinawans never called themselves Japanese when I was there. Although they speak Japanese their ethnic background is quite unique.

Our policy has been to offer Okinawans no association with the United States whatever. We have treated them like orphans. Nor have we suggested that they might be independent. So they have been ripe for the blandishments of Japan, and Japan in turn has been goaded by the Communists who are well aware that American forces on Okinawa have contained Red expansion.

We have invested from $2 to $5 billions in Okinawa depending on how it's figured. Japan will pay just $320 million for these installations, or from 6c to 16c on the dollar. This is hardly a shrewd economic deal.

No mention is made in the President's letter of the cost of substitute installations, possibly in Micronesia. And these will be far from satisfactory. Guam is too small and 1000 miles too far away. Remember how quickly we lost it in 1942?

Reversion will further advertise American weakness and lack of resolution; it will encourage Communist expansion and the rearming of Japan. It will lead to proliferation of nuclear weapons.

It is not so important that we keep friendly relations with Japan as that we keep peaceful relations. And a disarmed Japan has no choice but to remain peaceful.

Mr. CHURCH. I wholeheartedly support the Senate giving its advice and consent to the Okinawa Reversion Treaty.

No country in Asia is more important to the United States than Japan, nor does any country in Asia have greater potential to contribute to the peace and stability of Asia. Ratification of this treaty will remove the last vestige of American occupation of Japanese territory as a result of World War II. This treaty represents the depth of friendship and good faith between Japan and America, and formalizes a relationship of equality between the two countries.

Mr. GRIFFIN. Mr. President. Yesterday during discussion of the Okinawa Reversion Treaty, I drew brief attention to those islands north of Japan which have been taken over by the Russians and have not been returned. I thought it appropriate to call attention to this situation because of the sharp contrast to the attitude of the U.S. Government in agreeing to the return of Okinawa to the control of Japan.

In further elucidation of this situation, I ask unanimous consent to insert the following articles in the RECORD: An article from the Japan Times Weekly dated August 13, 1961, entitled "A Dark Spot in Russo-Japanese Relations"; an article from the Christian Science Monitor of October 19, 1969, entitled "Soviets Warn Japan, Pravda Attacks Japanese Claims to Disputed Pacific Islands"; an article from the New York Times of November 29, 1970, entitled "Soviet Shifts Stand on Japan, Assailing Tokyo on Island Claim."

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Japan Times Weekly
Aug. 13, 1961]

### A DARK SPOT IN RUSSO-JAPANESE RELATIONS

A group of small and large islands off Hokkaido, at the southern tip of the Kuriles chain, has been an integral part of Hokkaido since the dawn of history.

But today, 24 years after the end of World War II, the islands of Shikotan, Habomai, Etorofu and Kunashiri are still under Soviet control. Indeed there is little hope that these northern islands will be returned to this country in the near future.

This was made painfully clear last week as Foreign Minister Kiichi Aichi met Soviet Premier Alexei N. Kosygin in Moscow to present Japan's case for the reversion of those islands.

In a meeting hurridly arranged prior to Kosygin's departure for Hanoi to attend the funeral of Ho Chi Minh, Kosygin told Aichi that Russia had no intention of altering the national boundaries that were defined at the end of World War II.

The remark was the Soviet reminder that the territorial question between Japan and Russia has already been settled under international agreements—a position that Moscow has reiterated stubbornly in the past.

Undoubtedly, the Soviets have other territorial questions vis-a-vis East European nations and West Germany. It was clear that Kosygin's cool response to Aichi's plea was largely a reflection of Moscow's strong desire to maintain the "status quo" lest any Russian concessions to Japan should add fuel to border disputes with other countries, including Communist China.

But Russia was willing to discuss the question of fishing safety in waters near Soviet-held islands in the northern Pacific. Obtaining Soviet guarantees for the safety of Japanese fishing boats in those waters has been, and still is a difficult task for Japan, because it is linked with the territorial question.

In meetings between Aichi and Soviet Foreign Minister Andrei A. Gromyko and Deputy Foreign Minister Vasily V. Kuznetsov last week, Russia agreed to consider the Japanese plan to allow fishermen to operate within up to three miles of Soviet-held islands. While Japan maintains a three-mile territorial limit, Russia has declared a 12-mile zone.

According to the Japanese proposal, payments equivalent to part of the fish hauls will be made to Russia in exchange for the right of Japanese fishermen to operate within the 12-mile zone. Aichi, however, stressed in a news conference later that these payments should not be interpreted as a "fishing fee" (this would amount to a tacit recognition of the Soviet occupation of the northern islands).

At the end of Aichi's trip to Moscow, there came a more tangible, friendly reaction from the Russians on the fishing safety problem. Foreign Minister Gromyko indicated that Russia would release a large number of Japanese fishermen now detained in that country on charges of "violating Soviet territorial waters."

Gromyko said the Soviet Government is now conveying the Japanese wish for their release to the quarters concerned. According to the latest Japanese count, a total of 123 Japanese fishermen are believed to be held in the Soviet Union for charges of violation of the Soviet territorial waters.

In a lengthy meeting with Aichi, the Soviet Foreign Minister also disclosed that Nikolai V. Podgorny, chairman of the Presidium of the Supreme Soviet, plans to visit Japan next April to attend the 1970 world exposition in Osaka.

If Podgorny's visit materializes, it will be the first visit to Japan by the head of state of the Soviet Union.

The Japanese and Soviet foreign ministers also agreed to hold the second session of the Japan-Soviet regular consultations early next year in Tokyo.

A date for the second session of the periodic, ministerial-level consultations between Japan and Russia has been pending since last year. Gromyko said he will come to Japan himself to represent the Soviet Union at the talks.

Meanwhile, local fishermen here calmly accepted reports from Moscow that the Kremlin has rejected Japan's claim to the northern territories but they hoped that Foreign Minister Kiichi Aichi would strongly push for a Soviet guarantee of safe fishing operations in northern waters.

The local fishermen showed more concern in the current Japan-Soviet talks than any other negotiations held between the two countries in the past.

But the fishermen did not foresee an early solution to the northern territorial problem.

They felt that although the Government stand on the problem is praiseworthy, the stiff Russian attitude is not expected to change in the near future.

Toshio Yokota, mayor of Nemuro, took note of the "flexible" Russian stand taken by Soviet Premier Alexei Kosygin on the safe fishing issue.

### JAPANESE PROTEST NOTE GIVEN ON SHIP SINKING

Earlier in the week, Japan formally protested to the Soviet Union for the sinking of a Japanese fishing boat, the No. 13 Fukuju Maru, off one of the Habomai Islands Aug. 9 and the delay in notifying Japanese authorities of the deaths of 11 fishermen.

The protest was made by Ambassador to Moscow Toru Nakagawa in a meeting with Soviet Foreign Vice Minister Vladimir M. Vinogradov at the Soviet Foreign Ministry. Nakagawa read a note verbale containing the protest.

The document also called on the Soviet Union to take steps to prevent the recurrence of a similar incident.

It stated that the Government reserves the right to claim damages for the loss of human lives and assets as allowed under international law.

Vinogradov replied, however, that the Soviet Government could not accept the Japanese contention because the circumstances of the accident as described in the Japanese note verbale differed from what had been ascertained through the investigation conducted by the Soviet side.

He said the Soviet Union felt sorry for the incident and the fishermen who drowned but that, if similar accidents are to be prevented in the future, it is necessary for Japanese fishing boats to stay clear of Soviet territorial waters.

The No. 13 Fukuju Maru incident was made known Aug. 28 when the Foreign Ministry notified the Japanese Embassy in Moscow that the 16.77-ton squid fishing boat sank about 10 nautical miles off Shibotsu Island, one of the Habomal Islands, and 11 of its 12 crewmen drowned.

The only survivor was handed over by the Soviet Union to Japanese authorities in the Bay of Shikotan Monday. The fisherman, Shinaro Takada of Nemuro, Hokkaido, returned to his home the same day aboard a Maritime Safety Agency patrol ship.

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[From the Christian Science Monitor, Oct. 19, 1969]

## SOVIETS WARN JAPAN—PRAVDA ATTACKS JAPANESE CLAIM TO DISPUTED PACIFIC ISLANDS

(By Charlotte Saikowski)

Two small, strategically insignificant hunks of land in the Pacific Ocean are roiling Soviet-Japanese relations.

Moscow has delivered a slashing attack on rising Japanese demands for return of the Soviet-held islands of Kunashiri and Etorofu and thus sharply brought the territorial issue into the open. This could spell the beginning of growing friction between Japan and the Soviet Union, whose relations until now have been largely devoid of political content.

The Russians now warn a further enflaming of Japanese "revanchist moods" could heighten tension in the Far East. They say the recent Sato-Nixon talks, which resulted in a United States promise to return Okinawa to Japan in 1972, constituted "a new military-political alliance between the United States and Japan, two powerful imperialist states, which is openly aggressive in nature."

### MOTIVE UNCLEAR

This outburst, sternest in recent history, came in an unsigned editorial in Pravda Dec. 16 and was not official. But the fact it appeared shortly after a meeting of the Politburo and a plenum of the Central Committee suggests it represents leadership thinking.

It is not clear what the immediate motive of the editorial is. Perhaps it is geared to Prime Minister Eisaku Sato's current election campaign.

In any event, non-Communist analysts here see behind it two major long-range concern of the Soviet Government:

Anxiety about Japan's military and political role.

Fear that a growing dispute with Japan over northern islands might set off a chain of territorial demands on the Soviet Union.

There is genuine concern here, it is felt, that Japan within a few years will become one of the strongest military powers in Asia. In time it will emerge as a more independent nation, which, although allied with the United States, will make its own military and political policies. This naturally poses an obstacle to expansion of Soviet influence in Asia.

Where Japan will move in relation to Communist China is the big unknown quantity for the Russians. Americans have begun talks with Chinese in Warsaw. Now Mr. Sato indicates that Japan, too, would like to talk with Peking.

It is not improbable, say diplomatic analysts, that Moscow is nervously eyeing a possible rapproachement among the United States, Japan, and China, with the result that the Soviet Union would be squeezed out of Asia.

The second consideration is likewise crucial to the men in the Kremlin.

In the view of analysts, the Soviet leadership is mindful that the slightest change in territorial outlines of the empire it has built up since World War II could spark a Pandora's box of property claims and lead to a shrinking of that empire. China's claims already are a grave problem. But what of Finland? Poland? Romania?

This concern is reflected in Pravda's charge that the present United States and Japanese policy is a "serious new factor directly affecting the security of Soviet borders in the Far East." The Soviet Union, it said "cannot but take this into account."

### PROBLEMS LINKED

Premier Alexei N. Kosygin linked the "northern territorial question" with the Sino-Soviet border problem when he met with Foreign Minister Kiichi Alchi in Moscow last September.

Soviet borders are inviolable, he said, and what affects one segment affects the entire frontier. He reiterated Moscow's official position that no territorial dispute with Japan exists and hence there is nothing to discuss.

Where political relations go from here is the next question. Japanese officials here say Japan cannot give up its "just right" claim to the two islands. They say every segment of Japanese opinion supports the claims. In fact, leftist elements are even more militant in their demands, calling for return of southern Sakhalin as well.

Recently the Japanese Government invited Foreign Minister Andrei A. Gromyko to visit Tokyo early next year. The Russians have not said yes and have not said no. It could be that Mr. Gromyko is unwilling to be the target of irate Japanese public opinion on the territorial question.

### ECONOMIC PARLEY DUE

At the same time, the Russians plainly want to go on doing business with the Japanese and there is no indication that economic relations will suffer because of the escalating political problem. A high-level Soviet Japanese economic parley will be held in Moscow in February. Japanese participation in construction of a new Soviet port north of Nakbodka and exploitation of natural gas deposits on Sakhalin will be discussed.

The Russians need Japanese help to develop Siberia's rich resources. They have also earned hard currency from trade with Japan since the balance in the past few years has been in Moscow's favor. It is hardly imaginable the Russians will forgo the advantages of close economic cooperation with their Asian neighbor.

However, Japanese business cannot make big deals without the Japanese Government, which approves long-term deferred credits through the Export-Import Bank. And if political relations cool this could affect the economic picture as well.

Meanwhile, the Russians have made clear they have no intention of giving up the two islands in dispute. A Soviet newspaper recently praised the natural charms of Kunashiri as a hot springs area, comparing it favorably with such crowd attractors as Yalta and Sochi.

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[From the New York Times, Nov. 29, 1970]

## SOVIET SHIFTS STAND ON JAPAN, ASSAILING TOKYO ON ISLAND CLAIM

(By Bernard Gwertzman)

MOSCOW.—The Soviet Union, which not long ago was extolling its relations with Japan, is now attacking the Government of Premier Eisaka Sato at every opportunity.

The Russians have expressed anger at the renewed demands in Japan for the return of the so-called "northern territories"—four islands in the Kurile chain occupied since the end of World War II.

Soviet diplomats have complained to the Japanese about Mr. Sato's recent speech to the United Nations General Assembly in which he raised the territorial question for the first time.

Hardly a day passes without such strident attacks as a long article in Pravda yesterday warning of a growth of "revanchism" in Japan and reasserting Moscow's refusal to part with the islands, which have become a major public issue in Japan. Moscow maintains that its occupation is a direct result of the war that cannot be "revised."

### EFFECT OF CHINA SITUATION

Japanese diplomats here attribute the decision to criticize Japan and to stand firm on the issue to improved Soviet relations with Communinst China.

In the summer of 1969 a Soviet publication said that "an absolutely new favorable atmosphere has appeared in relations between the Soviet Union and Japan, distinct from that 20 or even 10 years ago."

At the time the Russians were concerned about border clashes with China and were actively seeking support throughout Asia.

"As long as they were worried about China," a senior Japanese diplomat said, "they tried to smooth over differences with us. After all, we've been asking for the northern territories for many years. But now they don't need to. In fact, they may not want to because it helps them with China to be publicly at odds with us."

Soviet sources maintain that the Japanese know that Russia will not make any concessions to Japan while it is negotiating border problems with China since that would only lead to a stiffer Chinese position.

The Japanese believe that the Russians, having achieved a landmark treaty with West Germany this summer recognizing the finality of Europe's postwar frontiers, are even less likely to be flexible with Japan. They are putting pressure on Japan to sign a peace treaty making the occupation status final.

The Russians have expressed concern also over the decision by the Sato Government to strengthen political and military ties with the United States, raising the spector of Japanese-American collaboration on Russia's Far Eastern frontier. The American decision to return Okinawa to Japan by 1972 underlines the situation.

So far the political dispute has not affected the economic field, where there have been encouraging prospects for further joint exploitation of parts of the Soviet Far East. Japan is the Soviet Union's second largest non-Communist trading partner.

The islands in dispute, Kunashiri, Etorofu, Shikotan, and Habomai, off the coast of Hokkaido, were occupied by the Russians at the end of the war with the rest of the Kuriles and the Japanese portion of Sakhalin.

The Japanese, in the peace treaty signed with all the allies but the Soviet Union at San Francisco in 1951, renounced claims to the Kuriles, but they have argued that since the Russians did not sign, the issue is still alive.

## RECESS

Mr. BYRD of West Virginia. Mr. President, I move that the Senate stand in recess for 20 minutes, with the understanding that the time be equally charged against both sides on the bill.

The motion was agreed to; and—at 1:01 p.m.—the Senate took a recess until 1:21 p.m. the same day.

On the expiration of the recess, the Senate reassembled, when called to order by the Presiding Officer (Mr. STEVENSON).

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be charged equally against both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. JAVITS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971

The Senate continued with the consideration of the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes

Mr. JAVITS. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his parliamentary inquiry.

Mr. JAVITS. Mr. President, I yield myself 1 minute under the bill.

The PRESIDING OFFICER. The Senator is recognized for the purpose of calling up his amendment, which the Chair will ask the clerk to report.

The legislative clerk read the amendment, as follows:

On page 3, line 13, after the word "follows" strike all through and including line 3 on page 4, and the language added by the Stevens amendment after line 3 on page 4.

On page 4, line 4, strike "(2)", and insert in lieu thereof "(1)".

On page 4, line 18, strike "(3)", and insert in lieu thereof "(2)".

Mr. JAVITS. Mr. President, I yield myself 10 minutes.

A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. JAVITS. Is it a fact that I have the right to use one-half hour of the 1 hour allocated to me on the bill before 3 o'clock and leave, by unanimous consent, to use the other half hour after the vote on the Okinawa treaty?

The PRESIDING OFFICER. The Senator from New York is correct.

Mr. JAVITS. I simply wish to state that I shall do my utmost to provide, in cooperation with the opponents of my amendment, for some time for them also after the Okinawa vote, which they desire and I think are properly entitled to.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Arizona will state it.

Mr. GOLDWATER. Has a unanimous-consent request been made? Has the Senator from New York asked unanimous consent to accomplish what he wanted about splitting his time?

Mr. JAVITS. I will not necessarily split time, but I will try to have an arrangement by which the opponents will have time after the Okinawa vote.

Mr. GOLDWATER. Mr. President, if the Senator will yield, I do not think we need take long on it. I would be willing to vote on this amendment before the Okinawa Treaty. Is that impossible?

Mr. JAVITS. That is our problem, may I say. We agreed to start voting on the Okinawa Treaty at 3 o'clock.

The PRESIDING OFFICER. The Chair will state that, due to a prior order, the Senator from New York has the right to split his time.

Mr. JAVITS. I thank the Chair very much.

Mr. President, my amendment would strike the provision of the bill which inhibits the so-called concessional lending terms. It will be noted that we have pursued the practice—and it has been built into the foreign aid program and it has been carried on continuously as an element of the Foreign Aid Act—of making concessional terms to those whom we aided through the Development Loan Fund.

Information from AID indicates that, generally speaking, those concessional loan terms have been for 40 years on a 3 percent rate, and if we strike the provision of this bill which relates to this particular proposition, we will be striking out a provision which inhibits us from lending at a rate which is now calculated to be 6 percent.

This is a very critical matter, because it not only involves the rate of interest, but the whole essence of this program. In other words, it is represented by AID that we would simply have no program with respect to foreign assistance because nobody, on either side, will be interested, if so-called concessional loan terms are not permitted. The reason is that the poverty of the borrowing countries—in this case they are countries with marginal financial capability and which already have obvious inabilities to repay if they have to borrow at market rates—would make them unable to borrow at market rates. If they were able to pay market rates, they would not need the Development Loan Fund, the soft-loan windows of the various multilateral lending institutions, and so forth.

Another point which is critically important, Mr. President, is that when they lend the funds, in turn, locally, they do charge the commercial rate, and it is that which enables them to administer the program in a way which is not a drain upon themselves, and for the money to be used with the greatest efficiency and the greatest economy within their own countries, where foreign exchange dollars are required in order to promote development programs.

I might point out, Mr. President, that AID indicates that this policy of concessional loan terms to those who need them has led to a faultless repayment rate, in that less than one-fourth of one percent of the dollar loans made by AID are in default; and that the United States is now receiving $250 million annually in dollar repayments on previous development loans.

It is also pointed out, Mr. President, that other countries—understanding, incidentally, that the other countries are not necessarily as able as we are to carry on such programs—are carrying on exactly the same program, and are making softer loans than we are. For example, Canada makes aid loans for 50 years, with an interest rate of 3 percent. Britain and Sweden charge 1 percent; and most other aid lenders have an interest rate about the same as ours, to wit, 3 percent and a 40-year term.

Mr. President, one other concessional point is important, and that is that we will limit our rate of interest to 2 percent during the 10-year grace period, should one be required, in respect to any of these loans.

The exact figure for the cost to the Treasury of long-term money is 6⅛ percent. It is very important to see how interest rolls up and becomes a very big figure. For example, many of the countries most in need of our help, if we adopt this provision in the bill and do not strike it, as my amendment suggests, could not afford to borrow from us at all, since the cost of the AID loans would almost double. Total interest payments on a $100 million loan, over the life of the loan, would increase from $72 million to $171 million or $180 million, depending upon the grace period.

Mr. President, I certainly beg my colleagues to think about this very carefully, because I do not think that they would look favorably upon this kind of repayment if it were a consumer loan, considering the length of the term and the amount of interest which would have to be paid. For practical purposes, AID believes, and I agree with them, that this would end any development lending.

Also, if we increase the cost of these loans, and these countries should nonetheless borrow anyway, it could jeopardize the ability of at least some of the less developed countries to service the public and private debts which they owed to the United States.

According to a recent study by the International Bank for Reconstruction and Development, several of our AID recipients will be unable to service their loans unless they are able to arrange for more of their AID loans, rather than less, upon concessional terms. Again I add, we have had almost a faultless repayment record, so there is a real possibility that we could lose upon default as much as we would save as a result of the increased interest rates.

U.S. exports will be hurt by the increased interest rates on AID loans, because the developing countries consider the cost of financing along with the cost of commodities in appraising alternative loan offers of developed countries. Some important U.S. producers would be effectively priced out of the market as a result of the high interest rate. And a very important point, perhaps the most important of all, is that the overall credit capability of the developing countries, whom the development loan fund seeks to help, depends upon not only their getting this kind of loan from us, but upon their getting commercial loans from private sources, and that would be undermined by the interest rate increase, because the higher rate would seriously increase the aid recipients' debt servicing obligations, and therefore affect their credit-worthiness adversely. In turn, the inability of the less developed countries to obtain adequate private commercial financing would hurt the U.S. exporters as well.

Also, Mr. President, we would have to figure on the fact that higher annual appropriations would be needed to do the same development jobs. Budgetary costs, for us, would have to increase markedly, if the net flow of resources to the less developed countries were to be continued. To illustrate, after only 10 years, the Treasury rate would require an 80 percent increase in annual budgetary appropriations to maintain the same levels of net flow on loans to the developing countries. Obviously, therefore, Mr. President, this would in a sense accelerate and further emphasize our own costs in respect of the amount of our budget from which we offer this foreign aid.

Another point that occurs here is that the development assistance countries, the 10 major business countries in the world, major developed countries, including Japan, are organized in a committee called the Development Assistance Committee, which functions under the Organization for European Economic Cooperation. It is very important to note that in the comparisons which are made there as to the amount of lending based on gross national product or the amount of foreign aid based on gross national product, only those resources which are provided to the less developed countries for development purposes and on concessional terms are recognized as official development assistance.

Thus, the interest rates charged on all official development assistance are, by definition, lower than the cost of money to the lending government. That goes for all 10. Indeed, the measurement of the concessional element in development lending is based almost entirely on the difference between the government's borrowing and lending rate. It follows quite simply, then, that the increase in interest rates on AID loans for the cost of long term money to the United States will result in the exclusion of all AID loans except Public Law 480, where we have already corrected the matter by the Stevens amendment, from official development assistance. So the only remaining vestiges of U.S. participation in the total international concessional aid effort that would be left would be our technical assistance, contributions to multilateral institutions, and of course our military aid program, including the supporting assistance which is therein contained.

This would represent a dramatic withdrawal of this Nation from a cooperative humanitarian effort to close the gap between the countries in the north and the countries in the south, the haves and have-nots which, if they continue to draw apart, spells so much danger for the future of our whole society in the developed world.

It is very hard to see how our Nation, which had the foresight, the generosity, and the compassion to initiate this effort 21 years ago, would, for all practical purposes, summarily withdraw from it should this provision be permitted to remain in the bill.

There has been a lot of discussion about where the United States stands among the donors in respect to international development assistance, and there has been argument about whether this is a proper or an improper standard by which to judge.

The fact is that the United States now holds 12th place among the 16 donors in volume of official development assistance as a percentage of gross national product. Nine other countries of the Big Ten, as it were, in the development assistance committee to which I refer—we are 10th in that group—provide aid on better terms than the United States. Those countries are Australia, Denmark, Norway, Sweden, Belgium, the Netherlands, Canada, France, and the United Kingdom.

By this provision in the bill, we would be doubling the already disadvantageous position in which we stand.

The absolute volume of our lending, of course, is very significant. But our hardened terms—precisely because our lending represents such a large part of the total lending—would even more adversely affect the less developed countries, as our trade policy and monetary uncertainty are adversely affecting them now.

As I said a moment ago in the general discussion, many Americans would be affected as well; and this brings me to the amendment Senator STEVENS submitted for himself and Senator GOLDWATER, which has been adopted and is now the subject of a motion to strike.

This amendment endeavors to continue the concessional loan terms for all transactions under Public Law 480. I pointed out before that the transactions under Public Law 480 are four times the transactions under the development loan fund amount which we are authorizing here. That is a billion dollars a year, and we are authorizing $250 million. The effort was there made to cut out, as it were, the Public Law 480 sales from the effect of this provision of the bill, precisely because it was considered so damaging to any business that one could do with a less developing area. Even the sponsors of the amendment were very quick to note that.

Mr. President, it seems to me that that is only an acknowledgement of the defect in this whole amendment, in this whole provision of the bill, and that it ought to be totally swept out for precisely the reason which dictated the sponsors of the amendment seeking to exempt it from Public Law 480 transactions; because, at one and the same time, they noted that it would tend to inhibit trade and agricultural products as well as to diminish the assistance, in a very important way, of the poor countries in acquiring these necessities.

The question, therefore, which immediately faces us is, Shall we discriminate against manufactured goods, which includes even goods necessary for agricultural production—to wit, fertilizer, farm equipment and machinery, and so forth—in favor of the straight agricultural commodities in these lending terms?

I think it is very definitely a most unwise type of discrimination. Just as these terms are vital to the agricultural markets which these terms encourage, so they are vital to the industrial products which are so important to our economy and our balance of payments.

I respectfully submit, therefore, that the effort to take Public Law 480 transactions out of the situation is only an admission of the inadmissibility of the total proposition.

Another thing, Mr. President, is that we have been trying, in order precisely to relieve ourselves of a great part of the burden of foreign aid, to influence other nations to soften their loan terms. Obviously, if we are going to stiffen ours, according to the provision I am seeking to strike, we have to expect that the other nations are very likely to go the same way. So the impact on the developing countries will thereby be compounded. Instead of going in a direction of greater concession to enable loans to be contracted by the developing countries at an accelerated rate to improve their own economies—and that is greatly in the interests of the world—we would be encouraging by our example the industrial countries to go precisely in the opposite direction.

The Japanese Government, for example, is right now trying to persuade its parliament to improve the loan terms it offers. Obviously, with this example of the United States—if that is the example we present—we are not going to get a very good reception for that kind of move in the Japanese Diet. I hope this will not be the case.

The record indicates that other donors have responded to U.S. leadership; and it is logical to assume, therefore, that they will respond, except adversely, to a U.S. leadership which is adverse. Again, it is my fervant hope that this will not be the case.

The record is as follows between 1964 and 1969 as to other countries following U.S. leadership in this regard:

Canada dropped its average interest rate from 4.7 percent to 0.3 percent in that 5-year period.

The United Kingdom dropped its rate from 4.1 percent to 1.2 percent.

Japan's rate has dropped from 5.8 percent to 3.7 percent.

Denmark moved from a 4-percent interest rate to an entirely interest free loan.

The U.S. terms of aid have hardened since 1961, but not remotely to the extent which is contemplated by this particular provision of the bill.

It has been a symptomatic aspect of the foreign aid program of late years, but much more has gone into loans than into grants. Indeed, the whole grant business, except for supporting assistance, where it is in aid of security, defense, and military activity, has passed over into the loan. That is a great development because, first, it has an element of dignity and an element of self-help and, second, notwithstanding our archaic budget procedures which charge this off based on the mere fact that the money is loaned, in an absolute sense it is a great benefit to the United States, as the repayment rate on these loans has been well nigh perfect.

So there is much less of a drain upon our resources in respect of pursuing the foreign aid program in this way.

In 1969, 49 percent of the total aid from the industrial to the developing countries was offset by debt service payments in servicing past debts. This represents some gage of the way in which this whole pattern is working out. But the problem, if we harden the loan terms and the interest rate, works greatly to the detriment of the poor countries; because it increases the net transfer on debt service payments by an increase in the interest rate and, hence, diminishes the value of the aid and of the development aid loans to these countries, and so reverses the whole effort of our policy and of other donor countries to maintain the level of development at this rate or an even higher rate, if possible, in order to close the gap between the so-called industrial and the poor countries.

I repeat what I said earlier: Concessional interest rates do not mean that individuals or companies within the countries that are receiving the concessional rates get favorable rates; because when AID's funds are relent, they are charged the normal commercial interest rates in the country, which are sometimes—and in many cases—higher than those prevailing in the United States. But this gives an opportunity for the country to pay the administrative costs and to get more out of the development loans.

Finally, Mr. President, we have put out an enormous amount of money in foreign aid. The estimate is $140 billion. That sounds like a lot of money, and it is a lot of money, except if it is compared to our barren expenditures in the Vietnam war. This has gone on over a space—within my personal knowledge and personal experience—of some 23 years, though the official foreign aid program is only 21 years old. In that time, the United States has grown richer and more powerful and more productive than ever before in its history. Whereas, at the beginning of that period, a trillion dollar economy would have seemed beyond the wildest imagination of anyone concerned, we have now realized and exceeded that and are going on from there. The relationship is always between what we and the other industrialized nations do and what the less developed countries do. We cannot look at it on an absolute basis.

Of course, we have our poor and those who are hungry, and we have our difficulties; but relative to the other nations whose performance we are trying to bring up closer to ours, we are living in a paradise. Yet, by this means, the effort would be made materially to restrict the funds—already partially restricted in the bill—which we would have available for help in improving their countries. In turn, this is bound to make us more secure and improve our condition in terms of the amount of economic business done in the world.

In my judgment, we have to be careful that we do not dismember the development loan program before we have something effective and adequate to put in its place; or we will reap a legacy from the world which no American wants; namely, not dislike of Americans but hatred of Americans because of the seeming hardness of our attitude. And the multilateral development agencies are not at present ready and able to take up the slack that the destruction of our bilateral lending program will cause.

Notwithstanding the great things we have done, which have not diminished our stature or our resources or our interest in the objectives which these great things have accomplished, we should not now, in midstream, materially reverse our policy to the great detriment of that policy—especially considering what is at stake.

I predict, Mr. President, that the $250 million in development loans, if distorted—as this provision would distort them so that they are nonusable—will do more damage to the United States in hard terms—that is, in creating conditions under which billions of dollars more will have to be added to military programs of the United States, than they are remotely worth and certainly more than is worth the difference of the 3 percent in interest to which this particular provision applies.

Let me quote what an ancient sage in the art of politics, Machiavelli, said in the 15th century:

> In the poverty of the people rests the destruction of the princes.

Today, the United States is one of those princes. I believe that we would be shortsighted, indeed, if we were to be that unwise to totally emaciate the bilateral development loan program until we get some better program—all multilateral, or however we may work it out.

So, Mr. President, I hope very much that we will not make this mistake but that we will agree to the amendment to strike this provision from the bill.

Mr. President, I have used roughly one-half hour of the time on this side. We have a half hour left.

I should like to ask my colleague from Massachusetts (Mr. Kennedy) the following question: I have reserved a half hour of our time following the vote on the Okinawa Treaty at 3 o'clock and wonder, at that time, whether the Senator from Massachusetts would be one of the speakers. Or, may I ask him, does he prefer to speak then or would he prefer to speak now?

Mr. KENNEDY. Whatever the distinguished Senator from New York wishes. I could ask some questions now and speak afterward, but if time is limited, I would be glad——

The PRESIDING OFFICER (Mr. Buckley). One minute and a half remain at this time.

Mr. KENNEDY. Then we have a half hour later.

Mr. JAVITS. We have a half hour, yes, after the vote at 3 o'clock.

Mr. KENNEDY. If I could be assured of some time——

Mr. JAVITS. I am sure we could take another 5 minutes, if the Senator would prefer it, now, but if he wishes rather to speak afterward——

Mr. KENNEDY. I will speak later.

Mr. JAVITS. I thank the Senator from Massachusetts.

Mr. President, I reserve the remainder of our time. I would suggest to my colleagues in opposition to the amendment that I would be entirely agreeable to entering into a unanimous consent agreement on time so that they, too, can reserve 15 or 20 minutes or the half hour, if that is their desire, after 3 o'clock. I believe that the leadership would prefer that we try to line this up after 3 o'clock. I will leave that to the good judgment of those in opposition to the amendment.

Mr. GOLDWATER. How much time do we have here?

Mr. JAVITS. One-half hour covering our amendment and 1 hour on the opposition. We have a half hour which I have reserved until after the vote at 3 o'clock. As I have already explained, we are anxious to get on——

Mr. GOLDWATER. I agree. I stated earlier that——

The PRESIDING OFFICER. The one-half hour of the Senator from New York has expired.

Mr. GOLDWATER. Mr. President, I yield myself 2 minutes on our time.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 2 minutes.

Mr. GOLDWATER. Mr. President, earlier today I indicated to the leadership that I thought we might have moved on and settled this issue before 3 o'clock because, in my opinion, we could have done away with it in a short time, unless I am reading my friend from Alaska wrong, so that I would say a half hour would be more than we will need. I do not intend to speak at great length on this. It is not a new subject. It is an old subject. It has been covered thoroughly with Members of this body who, I think, have their minds pretty much made up. So, if the Senator from New York wants to request unanimous consent for a half hour on a side following the vote at 3 o'clock, we would not object.

Mr. JAVITS. I am merely trying to be fair because the Senator from Alaska (Mr. Stevens) felt it was not fair for us to be able to reserve our time and not the opposition, so that whatever time you gentlemen want to reserve is all right with me.

Mr. STEVENS. Mr. President, as I understand it, we will use our time after 3 o'clock.

Mr. GOLDWATER. All right.

Mr. JAVITS. Mr. President, I ask unanimous consent that those opposing the amendment may have the similar privilege of using one-half hour of their time now and reserving the other half hour until after the vote on the Okinawa Treaty at 3 o'clock.

The PRESIDING OFFICER (Mr. BUCKLEY). Is there objection to the request of the Senator from New York? The Chair hears none, and it is so ordered.

Mr. GOLDWATER. Mr. President, I yield myself 10 minutes.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 10 minutes.

Mr. GOLDWATER. Mr. President, I must remind my colleagues that there is nothing new about the effort to bring the interest rate charged to recipient countries in line with the rates we have to pay for our money to make the loans possible.

Senators will recall that every year—at least every year that I have been here—the distinguished former Senator from Delaware Mr. John Williams would offer the precise amendment which has been offered and which is now a part of the bill.

I should like to remind my good friend from New York that I am not speaking in anger, as he suggested at one time. I have never voted for foreign economic aid, and I probably never will. Thus, I am voting from habit and not because I am mad at the United Nations.

I do think, though, that we should congratulate the Committee on Foreign Relations on finally coming to realize that this approach should have been used many years ago.

I suggested to President Eisenhower on any number of occasions that we should divide the approach three ways; namely, foreign economic aid; technical assistance; and military assistance. I suggested that we find out what the bodies would vote for.

I base my opposition to this amendment not from the point of view of economics but on plain commonsense. I have never been able to understand why the United States, paying interest rates as high as 7 percent, thinks it wise to loan money to countries at 2 percent and 3 percent, on which those countries pay no interest for 10 years with a 40-year payoff.

As I have often said, I would like to get in on that little "goodie" and I know that most American businessmen would, too.

The thing that strikes me about the argument of the Senator from New York is that after 23 years of this economic development loan, we do not find any diminution in the requests from even the poorest countries. I would think that if this approach had any validity and value—and I happen to think it does have—by now we would find countries like Brazil, Chile, or Jamaica, to mention three of an innumerable group, that would be able to do their own construction. I would think they would have by now built their own steel mills and provided their own factories to build things rather than to continue to buy them from the United States.

Another surprising thing to me is that even though Canada charges 3 percent for the same money and Britain and Sweden charge 1 percent and Denmark charges nothing, 98 percent of the money going to underdeveloped countries in the world continues to come from the United States. It seems to me that if money can be borrowed at zero percent and they do not do it, there must be something more attractive to borrowing the money from a country that charges 3 percent.

I do not know what the reason is. It would perhaps be interesting to hear that reason developed in testimony. The interesting thing is that 90 percent of the money allocated to these foreign countries is spent here in the United States. For example, all 50 States have businesses that do business through this development fund.

My own State of Arizona this year benefits by $343,748.

New York benefits by $178,829,000.

Even Alaska benefits by this to the amount of $3,524,000.

I note that the Senator from Kentucky (Mr. COOPER) is present. Kentucky benefits to the tune of $5,306,000.

The total of this aid financed commodities for the fiscal year 1971, dollar value, is $19,580,243. At 3 percent interest, that costs the borrowing countries $27 million. At 6 percent it would cost them $54 million interest a year, and that is not compounded, either.

The difference between the two is precisely what it is costing the American taxpayer over and above those sums that we have to expect will never be paid back because of the inability of the recipient country to develop its resources.

Again, I do not oppose this approach. I think it is probably a sensible one. I do oppose the idea that we should be giving money away in addition to adding to the high taxes that we already have to impose on our American people.

For example, the cities in America benefit from this:

New York City receives $144,810,000.

Detroit receives $33,457,000.

Peoria, Ill., receives $24,560,000.

Houston, Tex., receives $23,596,000.

It goes on down to Pittsburgh which receives $9,599,000.

Again, I am not citing these figures to be critical of a Senator who might be for this measure or opposed to it. I merely want to point out again that if these funds have done so much good for the recipient countries, why do they keep coming back to the United States to buy? I like that myself. However, it does not make sense to me that after 23 years we find countries that have just as great natural resources as we do have to come back to us for help.

I do not cite this country, because they have recently taken over the copper industry and my State produces 52 percent of all the copper produced in the United States. Chile produces almost all of the rest of it.

In spite of the obvious improvements that they have made in Chile which can be seen by anyone visiting there and in spite of the fact that these improvements have obviously benefited only a handful of people and not a multitude as we had hoped—and this is true of every country I have visited; the rich get richer, and the poor get poorer—the development fund is not producing what we had hoped it would: The raising of the average annual income of the people around the world.

Mr. President, I was rather astounded to hear a Secretary of State argue that these funds affect our balance of payments. If they affect our balance of payments, I suggest that the easier way to do this would be to have the Treasury write out a check and send it over to the State Department. That way we could keep it in the country and not have to go through the bookkeeping work.

The balance of payments means the difference between the exports and imports to and from the countries of the world. We are very deficit in that now. If we change the interest rate from 2 to 6 percent, or whatever it might be, I do not think it will affect the balance of payments. We will not do that until we get more production for our wages and better quality and can compete with the rapidly growing powers around the world that did not even exist in 1945, immediately after World War II.

Our problem in the imbalance of payments has been compounded by foreign and economic aid. We have actually gone year after year after year with an economic balance in our favor. However, when we dump these hundreds of millions of dollars and billions of dollars out with no return, we see an improper balance year after year.

Another thing that interests me and supports and strengthens the position of those who want to retain the section in the bill is that while we loan "X" country money at 3 percent, they in turn loan it to the company that is going to do the work for them, or the companies, at their own rate of interest and they are making money on our money. The companies are benefiting by the monies that we make available that would not otherwise be available to them.

Again, I am not opposing this, because it does produce employment in our country. It does produce sales. However, it seems a strange way to do business, to make it possible for a small or a large country to get 3 percent money and then have General Motors, General Electric, or any one of a number of corporations have to pay the going rate which could be 9, 10, or 15 percent.

Our American corporations benefit. Of course, I cannot get an accurate total on many of these. It is difficult to ferret out. However, United States Steel received $15,829,000 in fiscal year 1971; General Motors, $4.8 million; International Harvester, $2.9 million; Caterpillar Tractor, $13.6 million; Chrysler, $9.5 million; and Dupont, $3.5 million.

Mr. President, again I am glad that

American business is getting this business. It shows me that people around the world still think a little more of some American products than they do of foreign products, although it is becoming increasingly obvious in this country that our consumers are beginning to think more of some foreign made products than they do of products made in this country.

Mr. President, I do not intend to speak at any great length on this matter. Every time the measure came up in the Senate when I was here before and every time former Senator Williams of Delaware offered his amendment, I supported it. I am not taking any new action. I am following the action that I think makes commonsense. I think if we were to put the question to the American people, they would say, "Bravo. Stick with it."

Put the interest up to what we have to pay. If these countries do not want to borrow from us, they have the availability of Canada, Great Britain, Sweden, and Denmark, that they do not seem to be taking advantage of.

Mr. President, that is all I have to say on the subject at this time. I thank the Senator from Alaska for yielding.

[Applause in the galleries.]

Mr. BYRD of West Virginia. Mr. President, may we have order in the galleries?

The PRESIDING OFFICER. The visitors in the galleries are reminded that they are guests of the Senate.

Mr. STEVENS. Mr. President, how much time is remaining to those who oppose the amendment of the Senator from New York?

The PRESIDING OFFICER. Fifteen minutes, and then 30 minutes.

Mr. STEVENS. Fifteen minutes prior to the vote?

The PRESIDING OFFICER. The Senator is correct.

Mr. STEVENS. Mr. President, I became involved in this matter in a strange way. I would like to point out a few things.

First, Development Loan funds are available to private enterprise as well as government and quasi-government organizations abroad. I am reading from the report of the Agency for International Development. This is not strictly a Government program. We have a series of programs involved in the international field through AID and we should keep that in mind.

We have the money that is in a bill of this type. We have the International Development and Humanitarian Assistance Act before us today. In that act is technical cooperation money, the money for research, the money for institution building, the money for advisory technical services, and for American schools and hospitals abroad.

Our amendment does not cover any of those activities. We are talking about development loans, development lending programs, which cover project loans, program loans, and sector loans to private enterprise or governments abroad.

I thought we were going on to a program of participating in what I like to call the world community chest on the basis of making our contribution to multilateral institutions.

We have other programs in this bill. The Housing Investment Guarantee program. No direct money is in that.

There is the Inter-American Social American Development Institute. We have OPIC, the Overseas Private Investment Corporation. The Senator from New York is primarily responsible for that, which is money available to guarantee, as an incentive, to U.S. private capital invested abroad.

We have Food for Peace under Public Law 480, the Peace Corps, and the multilateral programs. We have the World Bank for International Development. We have the International Development Association, the International Finance Corporation, the International Development Bank, the Asian Development Bank, the African Development Bank, the European Development Fund, and the United Nations Agency.

We have made our payments to all those agencies. We have made them independent of this amendment here. What we are saying here is there is still a residual portion of the old foreign aid program that is down to a small amount now compared to what it used to be in the days of the Marshall plan. This is the contribution the United States is making through the development loan program. Mr. President, you can go through all the multilateral provisions. We have already this year made our payment into those banks. If they make soft loans and do not get repayment, I take it they will come back to us for a contribution.

We are talking about the problem of the Development Loan program. At present it is a 2-percent rate of interest for 10 years and 3 percent thereafter for a maximum of 30 years, with a 40-year program maximum.

I am reading from AID's presentation to the committee. They specifically said this year before the Committee on Foreign Relations:

> Since 1961 development loans have been repaid to the United States in dollars. Today most loans to recipient governments are on 40-year terms, including a 10-year grace period. Interest rates have increased in recent years to 2% during the grace period and 3% thereafter. In the future, we propose to use more flexible terms which will be determined by the prospects for each recipient country's development and will take into account its per capita income, its long-term foreign exchange earning prospects, and its medium to long-term debt service burden. Thus, the more advanced of the developing countries may pay 4–5% interest while interest rates for other less developed countries will vary from 1 to 3%.

Although they say this is a 3-percent program, with 2 percent during the grace period and 3 percent thereafter for the balance of 30 years, it is a flexible program and they intend to reduce these rates rather than increase them. Once before a similar amendment from conference led to the concept that the interest rates were raised.

We are not in a position where we should go it alone on soft loans. We have contributed more than our fair share to these nations. The Development Assistance Committee was put together to try to get all countries of the world that have the capacity to loan or advance moneys to the less-developed countries to contribute to central banks and authorize and support multilateral institutions so that the rest of the world could participate. Since the period of World War II we have done more than our share. I am reminded of the President's statement where he said we have gone the full mile in terms of our contribution. It is time we took into account who borrows from whom.

This is one of the residual programs of the immediate period after World War II. Private industry and the countries which cannot get money anywhere else in the world can go to any one of these international banks we have contributed to—the United Nations funds, and all the multilateral sources—and if they do not get the money there they can go to the Development Assistance Loan Fund and pay the same amount we pay when we borrow money from our own people to advance it throughout the world.

All this is doing is financing assistance that we are unable to finance to our own people.

I had some press releases gathered up for me with respect to what AID is doing. Here is a Turkey-Iran rail link, September 27, 1971. This is the Central Treaty Organization project to promote economic and social progress in Turkey and Iran at $20.9 million. Soft loans from AID were advanced to this project—10 years at 2 percent with no principal payments and 30 years with 3 percent.

I wonder how much better off our railroads would be if they had that kind of money. We sweat and strain over what happened to our surface transportation system and here we are doing this in connection with the European rail systems in Turkey and Iran at a cost to our taxpayers, as pointed out by the Senator from Arizona—a strictly subsidized loan program, into a strictly private enterprise sector of Turkey and Iran.

Then, there is the mineral resource loan for Colombia. This is dated May 13, 1971, and it is a $1.7 million loan to investigate mineral resources of Colombia looking for copper, asbestos, aluminum, zinc, and organic products including phosphates. All I can say to my good friend from New York is that I wish we could get $1.7 million for that purpose in Alaska, which is one-fifth the size of the United States, and has all those minerals. We know we have minerals of that type. But we are in a situation where, after Chile has taken the action it has with respect to our financial institutions in that country relating to copper, as the Senator from Arizona mentioned, we are going to advance and have advanced money from the funds previously put in that fund for this purpose.

No matter what anyone says, this is how I look at this loan fund. The moneys put out from this loan fund go into stimulating the private sectors of foreign countries and to increase the amount of exports they want to send us.

As a matter of fact, in most instances, I think it will be found it is American companies doing business overseas which take advantage of the low-interest money to develop mineral or manufacturing prospects abroad and increase exports from those countries to this country.

As the Senator knows, I have greatly worried about the problem we have in my State, where American companies are unwilling to hire our people who live in the rural areas for the minimum wage on an hourly basis—they offer to work for the minimum wage—because they can take the same work to Taiwan or Korea or elsewhere overseas, where people will work the same amount of time for less per day than our people would receive for 1 hour at home.

So if this money is used for the overseas private investment corporation to guarantee their loans, guarantee their participation in the economy abroad, if they lose, we have to pick up their check in the end. In the meantime, I should think we ought to be trying to export into our neighboring countries the concepts that have made our country strong, and not the concepts that have caused us to start sinking economically and militarily in our standing among the nations of the world.

I feel the time has come to end the giveaway programs of the Federal Government, and I conceive the subsidized Development Loan fund to be, as I have said, the last vestige of a program that, in its inception, had a great deal of merit—the rebuilding of the world after World War II, the great cause of the Marshall plan, the foreign aid programs which followed, which enabled our former enemy, Japan, to come to its present prominence in the world. They enabled Germany to regain its economic strength. Certainly no nation in history has aided its former enemies as we have.

It is now time to look at home, and in looking at home I find our fishermen cannot borrow money at all for more than 10 years. On the other hand, I find Korea can borrow money from this Government and advance loans at rates that help its economy. I find, by virtue of the fact that we are picking up the tab of the military defense of the free world by use of our military umbrella, we are freeing money that they would otherwise have to spend in their defense, so that they are providing us with unfair competition.

I could not agree more with what the ranking Republican member (Mr. AIKEN) of the Foreign Relations Committee said when he stated that we should not consider our gross national product in terms of money lent to borrowing countries.

I think we should look at what the United States has done to maintain the free world, to maintain NATO, and all the other programs through the 25 or 28 years we have done it. We ought to have some "money in the bank," if my colleagues will indulge the phrase, for what we have done in the past. By virtue of what we have done in the past, we ought to be able to turn more of our money into solving the problems here at home.

We might find a great deal more acceptance in some of the programs that I advocate, and I am sure the Senator from New York shares my views in that, related to solving problems of poverty, housing, and what is embraced in H.R. 1, if we were not operating in such a vast deficit situation.

In my opinion, one of the reasons why we have this vast deficit is that we continue not only to make our contributions to multilateral organizations and international banks and to the U.N., but we are trying to go it alone.

As the Senator from Ohio said the other day, we seem to have such a great urgency in wanting to pick up the check first. I do not know why these other nations that have been mentioned do not do this. The Administrator of the Agency for International Development pointed out in a letter to the Senator from Arizona that other countries do in fact now lend money to these same countries. Canada makes loans at 3 percent. Britain makes loans at 1 percent. Denmark charges no interest. Why is it, then, that they are not borrowing money from those nations. Our rates are still higher than those right now at which they still borrow our money. I think one of the reasons is that we have become Uncle Patsy. It is time we stopped that. If there is anything that can symbolize to the country that we are willing to reform the foreign aid program, it is this amendment itself.

The PRESIDING OFFICER. The time of the Senator has expired.

Who yields time?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum. I ask unanimous consent that the time be charged equally to both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GOLDWATER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GOLDWATER. Mr. President, I will take 2 minutes on the bill.

Mr. MANSFIELD. Mr. President, the Senator could take some time on the amendment.

Mr. GOLDWATER. Very well. I will take 2 minutes on the amendment.

Mr. STEVENS. We do not have time on the amendment.

Mr. GOLDWATER. Mr. President, I am sorry it did not come to my attention while I had the floor, but in the report of the Committee on Foreign Affairs of the House on November 6, 1969, there is a very interesting observation. I do not know if it is still going on. My friends on the Foreign Relations Committee can tell me. In the minority report signed by three Members of the House they listed nine points of objection, and the eighth one says:

> Three countries that have been receiving and will continue to receive funds under this bill, Thailand, Korea, and Taiwan, are now lending money to the United States at 6 percent interest.

Mr. BYRD of West Virginia. I suggest the absence of a quorum, and ask unanimous consent that the time be charged equally to both sides on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I yield 3 minutes to the distinguished Sentor from Louisiana.

## PUBLIC WORKS APPROPRIATIONS, FISCAL YEAR 1972

Mr. ELLENDER. Mr. President, in the past, I have been very critical of the administration for impounding or freezing funds appropriated by Congress for planning and construction of water resource projects. This practice has been followed by both Republican and Democratic administrations. Last year, I believe that a new record was established when the Office of Management and Budget impounded every congressional add-on in the water resource program. On at least two occasions since the fiscal year 1971 appropriations were enacted, I criticized the administration for establishing a blanket policy of freezing congressional add-ons without taking the trouble to determine the reasons or justification for the increases approved by the Congress.

I have just been informed of the results of the apportionment by the Office of Management and Budget of the fiscal year 1972 funds for water resource projects. I am very pleased that, by and large, the administration will permit the use of the funds appropriated by the Congress. I commend the President for this action.

I would also like to point out at this time that in my remarks last year, I said I thought he was getting some bad advice. I am confident, as a result of congressional hearings on the impoundment of funds by the House and Senate Appropriations Committees, and by the Subcommittee on Separation of Powers of the Committee on the Judiciary of the U.S. Senate, the President today is getting better advice with respect to these programs.

The day following adoption of the conference report on the Public Works Appropriation Act, I wrote Mr. George P. Schultz, Director, Office of Management and Budget, with respect to the Public Works Appropriation Act for fiscal year 1972. I would like to think that that letter also had its effect on the administration's consideration of the congressional actions on the budget request for fiscal year 1972.

I had hoped that all congressional add-ons would have been apportioned for obligation in fiscal year 1972. This is not the case. Funds on a few projects were impounded—very few, by the way. The main point, as I see it, is that consideration was given to the responsible actions of Congress. In any democratic process there is room for, and there must of necessity be, honest differences of opinion.

Mr. President, I ask unanimous consent that my letter to Mr. Shultz and the list of projects and amounts held in budgetary reserve be printed in the RECORD.

There being no objection, the letter and list were ordered to be printed in the RECORD, as follows:

SEPTEMBER 23, 1971.

Mr. GEORGE P. SHULTZ,
*Director, Office of Management and Budget, Executive Office Building, Washington, D.C.*

DEAR MR. SHULTZ: I know that you are aware of the concern of the Members of Congress with respect to the policy of impounding Congressional add-ons. We discussed this matter with you at the beginning of this session in our over-all review of the fiscal year 1972 budget. Similar hearings were held by the House Committee on Appropriations and by the Subcommittee on Public Works of the Committee on Appropriations of the House of Representatives. Extensive hearings were also held on this problem by the Subcommittee on Separation of Powers of the Committee on the Judiciary of the United States.

Last year, all Congressional add-ons for water resource projects in the Public Works Appropriations Act were placed in budgetary reserve.

The Appropriations Committees of the House and Senate held lengthy hearings examining into the needs for the funds requested for fiscal year 1971 and, in my judgment, exercised great restraint in formulating recommendations to their respective bodies. The action of the Administration in placing all unbudgeted funds in reserve clearly indicates that no effort was made to determine the reasons for the increases. I believe that the Congress deserves better treatment than that from the Administration.

Yesterday, the Conference report on the Public Works Appropriation Act for fiscal year 1972 was adopted in the House of Representatives and the Senate. That bill provides some new starts as well as some increased appropriations for going projects which the Congress considered essential.

For the Corps of Engineers, the Conference report provides the funds for the completion of 27 projects, and the initiation of 21 new projects—including five of the seven new projects recommended in the President's budget. The total future commitment on these 21 projects is only $192,539,000, which, at the present rate of appropriations, represents only about 2½ months of construction.

The Congress provided additional funds for a number of projects currently under construction where the amounts recommended were clearly inadequate. The Corps of Engineers has already authorized the contracting Officer to issue out-of-funds notices on two projects for which the Appropriations Act provides additional funds over and above the budget estimate. I believe this is particularly significant when you consider that we are still in the first quarter of fiscal year 1972.

I sincerely hope that you will carefully examine the Congressional increases in the Public Works Appropriations Act for fiscal year 1972, and the reasons therefor. If this is done objectively, I believe that you will be convinced that all of the funds appropriated in this bill should be apportioned for expenditure in fiscal year 1972.

With kindest regards and best wishes, I am

Sincerely,

ALLEN J. ELLENDER,
*Chairman.*

Generally, Congressional add-ons have been apportioned for use in fiscal year 1972. The funds currently held in budgetary reserve are shown below:

CORPS OF ENGINEERS—CONSTRUCTION, GENERAL

[In thousands of dollars]

| Project | Appropriation 1971 | Appropriation 1972 | Total |
|---|---|---|---|
| Lafayette Lake, Ind | [1] $183 | | $183 |
| Fall River Harbor, Mass. and Rhode Island | | $600 | 600 |
| New York Harbor, N.Y., collection and removal of drift | | 80 | 80 |
| Lukfata Lake, Okla | [2] 450 | | 450 |
| Total | 633 | 680 | 1,313 |

BUREAU OF RECLAMATION—CONSTRUCTION AND REHABILITATION

| Project | Appropriation 1971 | Appropriation 1972 | Total |
|---|---|---|---|
| Columbia Basin project, Bacon Siphon and Tunnel | | $1,055 | $1,055 |
| Oahe Unit, S. Dak | $350 | 300 | 650 |
| Colorado River storage project, Savery-Pot Hook, Colo | 250 | | 250 |
| Colorado River Basin project, Central Arizona | 1,200 | | 1,200 |
| Total | 1,800 | 1,355 | 3,155 |

TENNESSEE VALLEY AUTHORITY

| Project | Appropriation 1971 | Appropriation 1972 | Total |
|---|---|---|---|
| Upper French Broad, N.C | $2,300 | $1,700 | $4,000 |

[1] Includes funds appropriated prior to fiscal year 1971.
[2] Funds appropriated prior to fiscal year 1971.

## ORDER FOR RECOGNITION OF SENATOR GURNEY TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at the conclusion of the remarks by the Senator from Oklahoma (Mr. HARRIS) tomorrow morning, the distinguished Senator from Florida (Mr. GURNEY) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971

The Senate continued with the consideration of the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

Mr. ELLENDER. Mr. President, I suggest the absence of a quorum.

Mr. MANSFIELD. Mr. President, I ask that the time for the quorum call be taken from the time on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## AVAILABILITY OF UNEXPENDED FUNDS APPROPRIATED FOR FOREIGN ASSISTANCE IN FISCAL YEAR 1971 AND EARLIER

Mr. MANSFIELD. Mr. President, I yield myself such time as I may desire, on the bill.

Mr. President, I am in receipt of a letter from the Comptroller General of the United States regarding an opinion I requested of him concerning the availability of unexpended funds appropriated for foreign assistance in fiscal year 1971, and before, to pay salaries and administrative expenses during the present fiscal year. I will place in the RECORD my letter to the Comptroller General and his full reply thereto at the conclusion of my remarks.

At the moment, I shall read two paragraphs from his opinion:

> In our opinion prior obligated and unobligated balances of appropriations made available for Fiscal Year 1971 and prior years for economic assistance are not available for salaries, expenses or other purposes during Fiscal Year 1972. The funds specifically made available until expended, however, will continue available for the purposes for which appropriated unless otherwise provided by law.
>
> With respect to foreign military assistance, Section 108 of the Mutual Security Appropriation Act, 1956—

A long time ago—

> Which is a permanent provision of law, authorizes the maintenance of military assistance funds including prior-year obligated and unobligated balances, in one account, which shall be used for all transactions involving military assistance. Such prior-year funds would be available for salaries and administrative expenses for military assistance.

If I may now put this language into layman's terms—with which I am more familiar—and having requested my staff to confer on this with the staff of Mr. Staats, what this opinion holds is that for the military assistance program, prior-year appropriations unexpended would remain available for salaries and administrative expenses. As to the economic assistance programs, the opinion apparently divides those programs into two categories on this issue. For those programs where funds specifically have been made available until expended, pipeline money could be used for salaries and administrative expenses where appropriate. These programs would include: the Development Loan program, the Alliance for Progress, and the Indus Basin program.

In the other cases of economic assistance, this opinion holds that the pipeline funds could apparently not be used for salaries and administrative expenses. These programs would include: Technical assistance, the program providing for international contributions and the so-called supporting assistance program.

Mr. President, I ask unanimous consent that my letter to Mr. Staats and his reply thereto be printed in the RECORD at the conclusion of my remarks, together with some further correspondence with Mr. Staats.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 1.)

Mr. MANSFIELD. Before concluding, Mr. President, I would note the fact that it has come to my attention that this letter written to me by Mr. Staats has been released to the press by a representative of the State Department. I do not know how the State Department came into possession of the letter. For the record, I would say that neither I nor, as far as I can determine, any member of my staff, was aware that this action would be taken. Nevertheless, with it, I hope the air is cleared on this issue.

Finally, I would say that, if necessary, I certainly would support a limited authorization, where necessary, to approve salary payments to employees pending either the windup of the foreign assistance programs or their resurrection by Congress as is now underway in the Senate.

EXHIBIT 1

NOVEMBER 6, 1971.

Hon. ELMER B. STAATS,
*Comptroller General of the United States, General Accounting Office, Washington, D.C.*

DEAR MR. STAATS: My letter to you of November 3, requests an opinion concerning the effect of Section 10 of PL 91-672, concerning the availability for obligation or expenditure of money appropriated for foreign assistance (including foreign military sales).

In connection with additional issues involving the foreign assistance programs, it would be most helpful to have an opinion concerning the availability of funds appropriated for foreign assistance (including foreign military sales) under prior years authorization and appropriation measures. Specifically, it is asked whether all or any part of such funds—referred to as "pipeline" funds—can be expended in connection with salaries and administration expenses by agencies charged with the administration of the various foreign aid programs. With regard to such funds that are said to be already obligated, it is asked whether the subsequent de-obligation of such funds would then make them available for salaries, expenses and/or any other purposes for which they were originally appropriated in years past.

Finally, I would hope that the opinions here sought and those sought in my letter of November 3, be furnished as soon as possible and not later than Wednesday, November 10.

Thank you for your cooperation.

Sincerely,

———— ————.

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COMPTROLLER GENERAL OF THE
UNITED STATES,
*Washington, D.C.*

Hon. MIKE MANSFIELD,
*Majority Leader,*
*U.S. Senate.*

DEAR SENATOR MANSFIELD: Reference is made to your letter of November 6, 1971, concerning the availability of funds previously appropriated for foreign assistance (including foreign military sales) under prior years authorization and appropriation measures. With regard thereto you ask whether all or any part of such funds—referred to as "pipeline" funds—can be expended in connection with salaries and administrative expenses by agencies charged with the administration of the various aid programs. Also, you ask, with regard to such funds that now have been obligated, whether deobligation of such funds would then make them available for salaries, expenses, or any other purposes.

In the event that the Congress continues the availability of funds by enactment of a continuing resolution without waiving the provisions of section 10 of the Foreign Military Sales Act, and the legislative history of such enactment disclosed that the Congress by such action intended that the foreign aid program be terminated there would be for consideration the provisions of section 617 of Pub. L. 87-195, approved September 4, 1961, 75 Stat. 444, 22 U.S.C. 2367, which reads as follows:

"Assistance under any provision of this Act may, unless sooner terminated by the President, be terminated by concurrent resolution. Funds made available under this Act shall remain available for a period not to exceed twelve months from the date of termination of assistance under this Act for the necessary expenses of winding up programs related thereto."

In a section by section analysis of the proposed foreign assistance bill, subsequently enacted as Pub. L. 87-195, the purpose of section 617 was described as follows:

"This section deals with the same subject matter as section 503(a) of the MSA. It provides that assistance under any provision of the bill may, unless sooner terminated by the President, be terminated by an act of the Congress. The President's power to terminate assistance is inherent in his power to furnish assistance. In addition, it authorizes funds made available under the bill to remain available for a period not to exceed 12 months after the date of termination of assistance either by the President or by act of the Congress, in order to provide for the orderly windup of terminated programs of assistance."

See page 17 of Committee Print, 87th Congress, 1st Session, Section by Section Analysis Of Proposed Foreign Assistance Bill, prepared by the Executive Branch for the use of the Committees on Foreign Affairs and Foreign Relations.

With respect to the similar provisions of section 503a of the Mutual Security Act of 1954, the purpose of such provisions is described on page 94 of House Report No. 1925, Part 1, 83d Congress, 2d session as follows:

"This section requires the termination of all or part of the assistance furnished to any nation whenever the President determines that the furnishing of such assistance is no longer consistent with the United States interests or foreign policy, would no longer contribute effectively to the purpose of the assistance, or is no longer consistent with United States obligations under the United Nations Charter, or in the case of military assistance, that such nation is not making its full contribution to its own defense or to the defense of the area of which it is a part. Termination by concurrent resolution of the Congress is also provided. After termination pursuant to this section, funds remain available for obligation for 1 year for the purpose of liquidating assistance programs so as to minimize waste and loss of effectiveness of assistance already furnished."

The House Committee on Foreign Affairs in commenting on the provision for termination contained in the foreign assistance bill, 1961, stated that—

"Section 616 [617] provides for the termination of any assistance under this bill by a concurrent resolution, unless sooner terminated by the President, and continues the availability of funds under the act for not more than 12 months from the termination date to cover the expenses of winding up the programs.

"The President's power to terminate assistance is inherent in his power to furnish assistance.

"The termination provisions in this bill make funds available for the winding up of programs. The term 'winding up' is intended to include the time needed to finish up programs which are near completion and which it is in the interest of the United States to complete. The existing terminology provides for 'liquidating' the assistance programs. This was changed to 'winding up' in this bill, which is intended to express more clearly the intent of the law that when appropriate, certain programs may be completed rather than to require their immediate cessation.

"Certain specified conditions, contained in existing law under which assistance is to be terminated if determined by the President to exist, are omitted, as is a requirement that for the fiscal year 1961 the President recommend plans for the progressive reduction or termination of grants for defense support or special assistance. The Executive has indicated its intention to do whatever it can to reduce progressively the programs for supporting assistance, which includes assistance formerly designated as defense support and special assistance."

See page 73 of House Report No. 851, 87th Congress, 1st session.

The foregoing legislative history clearly discloses that section 617 is directed to the termination of particular projects or programs, that is, all or part of the assistance furnished to any one nation. It also refers to the termination of such individual programs by the President or by concurrent resolution of the Congress. In any event, however, the Congress has not terminated any foreign assistance program by concurrent resolution. Even though the Congress rejected the foreign aid authorization bill, new substitute authorization bills have been introduced and are under active consideration. It therefore is our opinion that section 617 provides no authority for the continued operation or liquidation of the foreign aid programs.

Concerning the availability of previously obligated funds for economic assistance which have been or will be deobligated, there is for consideration the last paragraph appearing in Title 1 of Pub. L. 91-619, the Foreign Assistance and Related Programs Appropriation Act, 1971, approved December 31, 1971, 84 Stat. 1857, under the heading "Economic Assistance," commonly referred to as the deob-reob authority. That paragraph reads as follows:

"Unobligated balances as of June 30, 1970, of funds heretofore made available under the authority of the Foreign Assistance Act of 1961, as amended, except as otherwise provided by law, are hereby continued available *for the fiscal year 1971*, for the same general purposes for which appropriated and amounts certified pursuant to section 1311 of the Supplemental Appropriation Act, 1955, as having been obligated against appropriations heretofore made under the authority of the Foreign Assistance Act of 1961, as amended, for the same general purpose as any of the subparagraphs under 'Economic Assistance', are hereby continued available *for the same period as the respective appropriations in such subparagraphs* for any of the same general purposes: *Provided*, That such purpose relates to a project or program previously justified to Congress and the Committees on Appropriations of the House of Representatives and the Senate are notified prior to the reobligation of funds for such projects or programs." (Italic supplied.)

It consistently has been held that provisions in annual appropriation acts generally do not constitute permanent legislation in the absence of some words of futurity or other terms making such provisions permanent. Not only is there an absence of such words of futurity in the deob-reob authority, but the Congress has reenacted it each year in various foreign assistance appropriation acts thus recognizing that it is not permanent legislation. Moreover, the language of the section makes the unobligated balances as of June 30, 1970, available only "for the fiscal year 1971" and the obligated balances only "for the same period as the respective appropriations in such subparagraphs." It thus is our view that such deob-reob authority is not available during the fiscal year 1972.

In our opinion, prior obligated and unobligated balances of appropriations made available for fiscal year 1971 and prior years for economic assistance are not available for salaries, expenses or other purposes during fiscal year 1972. The funds specifically made available until expended, however, will continue available for the purposes for which appropriated unless otherwise provided by law.

With respect to foreign military assistance, section 108 of the Mutual Security Appropriation Act, 1956, which is a permanent provision of law, authorizes the maintenance of military assistance funds including prior year obligated and unobligated balances, in one account which shall be used for all transactions involving military assistance. Such prior year funds would be available for salaries and administrative expenses for military assistance.

Sincerely yours,

Elmer B. Staats,
*Comptroller General of the United States.*

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November 3, 1971.

Hon. Elmer B. Staats,
*Comptroller General of the United States,*
*General Accounting Office, Washington, D.C.*

Dear Mr. Staats: As you are undoubtedly aware, with the Senate's rejection last Friday of the measure authorizing funds for expenditure in connection with various foreign assistance programs covering this fiscal year, questions have now arisen concerning the effect of Section 10 of the Foreign Military Sales Act Amendments of 1971 (PL 91–672). That section provides in pertinent part as follows:

Sec. 10. (a) Notwithstanding any provision of law enacted before the date of enactment of this section, no money appropriated for foreign assistance (including foreign military sales) shall be available for obligation or expenditure—

(1) unless the appropriation thereof has been previously authorized by law; * * *.

* * * * *

(c) The provisions of this section shall not be superseded except by a provision of law enacted after the date of enactment of this section which specifically repeals or modifies the provisions of this section.

Presently, it is understood that authority covering expenditures of appropriations pursuant to assistance programs for the current fiscal year is contained in H.J. Res. 742, which passed the House of Representatives on June 24, 1971, passed the Senate on June 29, 1971 and was signed into law on July 1, 1971 as PL 92–38. Expressly, PL 92–38 authorizes funds "for which provision was made in the Foreign Assistance and related programs, 1971" and provides a waiver of Section 10 as quoted above as follows: "Notwithstanding Section 10 of Public Law 91–672 * * *."

Public Law 92–38 has since been extended on two occasions: first under the terms of H.J. Res. 829, enacted August 9, 1971 (PL 92–71), and later under the terms of H.J. Res. 916, enacted on October 15, 1971 (PL 92–139).

Section 10 of Public Law 91–672 (amendments to the Military Sales Act of 1971) passed the Senate last December. The legislative history of the section is contained in the Congressional Record for that period. From that history, and from the plain language of the provision itself, I would ask that you submit as soon as possible an opinion regarding the meaning and full scope of the effect of Section 10 of PL 91–672 with regard to the expenditure of funds for foreign assistance programs following November 15, the date on which PL 91–139, the last extension of the continuing resolution, expires. More precisely, without waiving expressly the provisions of Section 10 by law, would expenditures of appropriations for foreign assistance programs in this fiscal year be lawful?

I would hope to receive your opinion within the next day or two and certainly well in advance of the November 15 expiration date.

Thank you very much for your cooperation.

Sincerely yours,

——— ———.

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Comptroller General of the
United States,
*Washington, D.C., November 10, 1971.*

Hon. Mike Mansfield,
*Majority Leader,*
*U.S. Senate.*

Dear Senator Mansfield: Reference is made to your letter of November 3, 1971, in which you present a question concerning the effect of section 10 of Pub. L. 91–672, approved January 12, 1971, 84 Stat. 2053, in view of the Senate's recent rejection of the measure which would have authorized the appropriation of funds in connection with various foreign assistance programs.

Section 10 provides in pertinent part as follows:

"(a) Notwithstanding any provision of law enacted before the date of enactment of this section, no money appropriated for foreign assistance (including foreign military sales) shall be available for obligation or expenditure—

"(1) unless the appropriation thereof has been previously authorized by law * * *

* * * * *

"(c) The provisions of this section shall not be superseded except by a provision of law enacted after the date of enactment of this section which specifically repeals or modifies the provisions of this section."

Pub. L. 92–38, approved July 1, 1971, 85 Stat. 89, as amended, appropriates generally, in those instances where the Congress has not as yet enacted specific appropriation acts for the various departments for the 1972 fiscal year, such amounts as may be necessary to continue certain projects or activities until the pertinent annual appropriation act is enacted. The authority contained therein, last extended by Pub. L. 92–139, approved October 15, 1971, unless again extended will expire on November 15, 1971.

Concerning funds for foreign assistance programs section 101(b) of Pub. L. 92–38 provides funds for continuation of—"activities for which provision was made in the Foreign Assistance and Related Programs Appropriation Act, 1971, notwithstanding section 10 of Public Law 91–672." In view of this last provision it is clear that funds provided under Public Law 92–38 to continue foreign assistance programs are available for such purpose notwithstanding the appropriation thereof had not been previously authorized by law. This would be true after November 15, 1971, if Public Law 92–38 is amended by merely extending the November 15 expiration date.

As stated above, the authority contained in Public Law 92–38 will, unless again extended, expire on November 15, 1971, and in view thereof you ask our opinion whether, without waiving expressly the provisions of section 10 of Public Law 91–672, expenditure of funds for foreign assistance programs following November 15, 1971, would be lawful.

Section 10 was added to H.R. 15628, the bill subsequently enacted as Public Law 91–672, by the Senate Committee on Foreign Relations and the effect thereof is described on page 13 of Senate Report No. 91–865, as follows:

"This section would simply state, as a matter of law, that any appropriation above the amount authorized cannot be used and that any appropriation for which there is not an authorization cannot be expended."

It thus seems clear that the Congress intended in enacting section 10 that, in the absence of an authorization or an express waiver of section 10, funds appropriated for foreign assistance programs would not be available for obligation and expenditure until such waiver or authorization had been made. The Congress recognized that this was the effect of section 10 in that it expressly waived its provisions with respect to the funds provided by Public Law 92–38.

We trust the foregoing will assist you in resolving this matter.

Sincerely yours,

——— ———,
*Comptroller General*
*of the United States.*

## QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## EXECUTIVE SESSION—AGREEMENT WITH JAPAN CONCERNING THE RYUKYU ISLANDS AND THE DAITO ISLANDS

Mr. MANSFIELD. Mr. President, I move that the Senate go into executive session.

The motion was agreed to, and under the previous order the Senate, in executive session, continued with the consideration of Executive J—92d Congress, first session—the agreement between the United States of America and Japan concerning the Ryukyu Islands and the Daito Islands.

Mr. MANSFIELD. Mr. President, what is the pending business?

The PRESIDING OFFICER (Mr. Buckley). The hour of 3 o'clock p.m. having arrived, the Senate, now being in executive session, will vote on the resolution of ratification of Executive J, 92d Congress, first session, which the clerk will report for the information of the Senate.

The legislative clerk read the resolution of ratification as follows:

> Resolved that two-thirds of the Senators present concurring therein, that the Senate advise and consent to the ratification of the Agreement between the United States of America and Japan concerning the Ryukyu Islands and the Daito Islands, signed in Washington and Tokyo June 17, 1971.

The PRESIDING OFFICER. The question is: Will the Senate advise and consent to the resolution of ratification?

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. Cannon), the Senator from Maine (Mr. Muskie), the Senator from Mississippi (Mr. Stennis), and the Senator from Oklahoma (Mr. Harris) are necessarily absent.

On this vote, the Senator from Maine (Mr. Muskie) and the Senator from Mississippi (Mr. Stennis) are paired with the Senator from Nevada (Mr. Bible). If present and voting, the Senator from Nevada would vote "nay." The

Senator from Maine and the Senator from Mississippi would both vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Utah (Mr. BENNETT) is detained on official business.

If present and voting, the Senator from Utah (Mr. BENNETT), the Senator from Kentucky (Mr. COOK), and the Senator from Ohio (Mr. TAFT) would each vote "yea."

The yeas and nays resulted—yeas 84, nays 6, as follows:

[No. 299 Ex.]

YEAS—84

Aiken
Allott
Anderson
Baker
Bayh
Beall
Bentsen
Bible
Boggs
Brooke
Buckley
Burdick
Byrd, W. Va.
Case
Chiles
Church
Cooper
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Eastland
Ellender
Ervin
Fannin
Fong
Fulbright
Gambrell
Gravel
Griffin
Gurney
Hart
Hartke
Hatfield
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy
Long
Mansfield
Mathias
McClellan
McGee
McGovern
McIntyre
Metcalf
Miller
Mondale
Montoya
Moss
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott
Smith
Sparkman
Spong
Stafford
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams

NAYS—6

Allen
Byrd, Va.
Goldwater
Hansen
Magnuson
Young

NOT VOTING—10

Bellmon
Bennett
Brock
Cannon
Cook
Harris
Mundt
Muskie
Stennis
Taft

The PRESIDING OFFICER. Two-thirds of the Senators present and voting having voted in the affirmative, the resolution of ratification is agreed to.

Mr. MANSFIELD. Mr. President, with the approval of the distinguished Senator from New York, I would like to ask at this time that no more than 5 minutes be taken under the bill for the purpose of recognizing the distinguished minority leader, and with his permission I would like to join him in expressing our gratification for what the Senate has just done in consummating this important treaty between two great countries.

Mr. SCOTT. Mr. President, it is a matter of very great gratification to me as one who has visited Japan on some 16 occasions that the Senate in such an overwhelming fashion has indicated that it wishes to do full justice to the proper and reasonable provisions worked out in the treaty between our two Governments, an act which can only increase good will between our countries and further continue our friendly relations and mutual high regard for each other.

The fact that the vote was so very much on one side in favor of the adoption of the treaty is a very encouraging sign and I know if I were sitting in the Japanese Diet at this time I would seize this opportunity to conclude by saying arigato gozaimasu.

Mr. President, I yield to the distinguished majority leader.

Mr. MANSFIELD. Mr. President, all I want to do is extend my most sincere congratulations to President Nixon and Prime Minister Sato for working out the agreement which has just been ratified by the Senate.

May I say, if my understanding of the Japanese parliamentary situation is correct the Diet will still be in session for some 60 days to discuss this treaty. I hope the difficulties they meet with there will be just as minor as those we have met here, and they have been most minor.

It is a day of celebration, it is a day of rejoicing, and it is a reaffirmation of the traditional friendship which began in 1853 between this country and the empire of Japan. I hope it is only one step on a long road based on equality, mutual respect and esteem on both sides.

Mr. FULBRIGHT. Mr. President, I wish to associate myself with the majority leader's statement. I want to commend the President and the Secretary of State for sending this agreement down in the form of a treaty. There was great apprehension at one time that this body would either delay it or seek to amend it or change it because of differences, and after consulting at some length, the administration decided to send it down in its present form. I think that was entirely correct, and this is a very commendable action by the Senate. This is a responsible body, and I am delighted with the action that has been taken.

Mr. JAVITS. Mr. President, I associate myself with the remarks of the leadership. I was in Japan in an effort to work out a manmade textile agreement. There was a great feeling that this treaty would be held hostage for that agreement. I think the genuine exercise of statesmanship by the Senate avoided that temptation, and the statesmanship of the Japanese in connection with the textile agreement is a very good augury of our relations, especially as affects Asia, Eastern Asia, and Mainland China and it demonstrates that we have sound enough relations with the Japanese that they will not fear Japan as they have for so long.

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## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate return to the consideration of legislative business.

There being no objection, the Senate resumed the consideration of legislative business.

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## SPECIAL FOREIGN ECONOMIC AND HUMANITARIAN ASSISTANCE ACT OF 1971

The Senate resumed the consideration of the bill (S. 2820) to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the Javits amendment.

The yeas and nays were ordered.

Mr. JAVITS. Mr. President, I yield 7 minutes to the Senator from Iowa (Mr. MILLER). I ask unanimous consent that the record show that the Senator from Iowa (Mr. MILLER) and the Senator from Kentucky (Mr. COOPER) are cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I thank the Senator from New York.

I rise in support of the pending amendment, No. 629, of which I am a cosponsor along with the Senator from New York (Mr. JAVITS) and others.

As has been pointed out, the amendment would strike from the bill subsection 1 of section 102, which, as reported by the Foreign Relations Committee, would eliminate long-term, low-interest development loans from our foreign aid program, because the interest on such loans would have to be equal to the going interest rates for Treasury Department financing.

We went into this point some years ago, and the very strong sentiment of the Senate was that very low interest rates should be a feature of long-term development loans—otherwise we would defeat the purpose of aiding developing countries. It was also argued at the time that other developed countries make long-term low-interest development loans, and that we certainly should also extend the same type of financing.

Unless this amendment is agreed to, we might just as well put in the bill a statement of policy that long-term development loans will no longer be made, because they will not be made—and the reason is that either the developing countries will obtain long-term, low-interest financing somewhere else; or they will try to get along without them.

What I fear has also been overlooked by the committee is the impact such a provision as is contained in the bill would have on our Public Law 480, food-for-peace program. Section 106 of the Agricultural Trade Development and Assistance Act, Public Law 480—provides that the terms of sales of agricultural commodities on credit shall not be less than the terms of development loans under the Foreign Assistance Act. Accordingly, unless this bill is amended as we propose, the interest rate on Public Law 480 credit sales will automatically have to equal the going rate for Treasury Department financing. The rationale behind this linkage has long been that the cost of food assistance should not be cheaper than the cost of loans with which to purchase fertilizer and other food production inputs; otherwise the incentive to increase food production would be undercut.

The estimates I have received from the Agency for International Development for fiscal 1972 shipments under Public Law 480 are as follows: 5,126,000 tons of wheat; 1,197,000 tons of feed grains; 778,000 tons of rice; 420,000 tons of vegetable oil; 15,000 tons of tobacco; 800,000 bales of cotton; and 90,000 tons of cotton products.

Some of these shipments would not be affected by the change in the bill, since some sales agreements have already been signed. But some of them would be affected; and sales for future years would be, too, with potentially disastrous results to American farmers and hungry people in hungry nations. For example, Japan has a huge rice surplus of 5 million tons and is already offering terms which are competitive with our present terms. If we wish to maintain our Public Law 480 sales, we should leave the present terms alone.

Actually, Public Law 480 has always had a twofold purpose: First, and most important, to help hungry people in hungry nations; second, to promote trade in U.S. agricultural products. I would doubt that any Member of the Senate would say that this program—our food for peace program—has been anything but successful. Over the years we have made some modifications in it so that, for some time, it is working very satisfactorily.

For these reasons, I ask my colleagues to support the pending amendment.

Mr. President, I ask unanimous consent that a letter with its attached statement which I received from the president of the League of Women Voters be printed in the RECORD at this point.

There being no objection, the letter and statement were ordered to be printed in the RECORD, as follows:

DEAR SENATOR: The League of Women Voters urges your support for prompt passage of the development and humanitarian foreign assistance bill introduced by the Senate Foreign Relations Committee on November 5. While the funding proposed for bilateral development loans and technical assistance, as well as the UNDP and other multilateral programs is lower than we want, the League thinks that the legislative separation of development-related assistance from military and defense support assistance is a great leap forward, and outweighs the issue of specific amounts.

We urge your support for separation of the two types of assistance—the one devoted to long-range developmental programs and the one devoted to military and defense-related aid.

We urge your opposition to any moves to cut bilateral development loans (which are largely handled multilaterally through consortia), or to increase interest rates for them.

The League does not support the military and support assistance bill.

Attached is a copy of a League statement of our approach to the U.S. role in international development.

Sincerely,

MRS. BRUCE B. BENSON,
*President.*

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DEVELOPMENT

Support of U.S. policies to: promote Development efforts which focus on human needs and which emphasize cooperation between the developed and developing countries.

The League is firmely committed to development aid as one major facet of an urgently needed partnership of peoples and nations. We are convinced that decisions soon to be made on U.S. aid policy for the 1970s will be crucial to shaping the developing world of the 1980s.

The League is firmly committed to deenergetic support of foreign economic aid has long been recognized in Congress and in international development institutions. Rooted in earlier days of good neighborly interest in Latin America, our aid activities have encompassed support for the post-World War II Marshall Plan programs and the 1949 Point Four Program. Our post-war aid position was based on:

Long range planning.

Adequate financing.

Effective coordination and administration of both bilateral and multilateral programs.

Cooperative financing by developed countries.

Maximum self-help from the developing countries.

A NEW LOOK AT DEVELOPMENT

By the end of the 1960s, American foreign aid had become an incompatible mix of military, humanitarian and development programs. U.S. commitment to the *development* component had suffered serious setbacks as the Vietnam war and crucial domestic needs brought appropriations to the lowest level in U.S. aid history. It was time for a reevaluation of the League's aid position.

After a year-long study, an updated—and up-to-date—position on development was announced in April 1970. The position clearly reiterates our historical support for U.S. policies to help the less developed countries. But it says more. It calls on the U.S. to:

Emphasize the quality of life and focus on human needs in its aid program.

Separate military aid and supporting assistance from development assistance in both legislation and administration.

Increase U.S. development assistance through multilateral channels.

Adopt aid policies that respect cultural differences and favor a partnership relationship with developing countries.

We take the view that the impact of most trade policies cannot be evaluated apart from aid policies. For example: Industrialized countries should be willing to accept a wider range of imports, including raw materials, semi-processed and finished goods. Developed countries should grant temporary preferential tariff treatment to all LDCs. American firms and workers that suffer from such competition should be helped by adjustment assistance rather than by restrictive trade measures. The flow of private investment of U.S. capital to the LDCs should be encouraged. International commodity arrangements, such as the International Coffee Agreement, should be used as a short-term supplement to development aid, especially for single-export countries.

Strong grass roots support is imperative if these changes are to stand a chance of becoming U.S. policy. We are prepared to take the cause of international development to communities large and small across the country. Congress and the nation, though distracted by domestic crises, economic slowdown and a drawn-out war abroad, must be made to see, clearly and in all its implications, the plight of the poor nations.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. JAVITS. Mr. President, will the Senator do it from time on the bill, because I am rather short of time?

Mr. FULBRIGHT. Yes.

Is the Senator aware that we adopted the Stevens amendment this morning, which dissociates the Public Law 480 program from the development loans; in other words, the effect of the amendment is to relieve its terms from Public Law 480, which the Senator was discussing?

Mr. MILLER. The Senator from Iowa is aware of that. He is also aware, if I may add, that there was a unanimous-consent agreement that the Javits proposal will be all-inclusive. I thought it well, in view of the unanimous-consent agreement, that we restate the position with respect to Public Law 480.

Mr. FULBRIGHT. I just wanted the RECORD to show that the matter is already taken care of. Even if the Javits amendment is defeated, Public Law 480's present terms will not be disturbed.

Mr. MILLER. I so understand, but the unanimous-consent agreement was entered into that the Javits amendment will be all-inclusive. Since it will be all-inclusive, I thought it quite appropriate to talk about the Public Law 480 aspects.

Mr. FULBRIGHT. I do not object. I did not know whether the Senator was aware of the fact that we have already taken care of that. In spite of what may happen to the Javits amendment, the Public Law 480 program will go ahead.

Mr. MILLER. I do not find fault with the Senator's technical approach, but the fact is that the unanimous-consent agreement is as I have stated, and it seems to me quite germane to talk about the Public Law 480 program. I would emphasize that, quite apart from what happened to Public Law 480, I wanted to restate my strong support that we continue the long-term, low-interest development loan program, which, without the Javits amendment, will go by the board.

Mr. JAVITS. I thank my colleague.

I yield 7 minutes to the Senator from Massachusetts (Mr. KENNEDY).

Mr. KENNEDY. Mr. President, I rise to speak in favor of the amendment which I have joined the Senator from New York and others in introducing. This provision, simply stated, will bring the development loan program back to life.

Currently, despite the dollar figures which the committee has authorized, the development loan program is dead and every reputable international development economist will concur in that judgment. The provision of the current bill which requires that interest rates on these loans be at not less than the current market rate for Government securities—approximately 6 percent—makes the entire development loan section almost moot.

The reality today is such that virtually none of the developing nations will be able to take advantage of these provisions. Their current debt retirement requirements already are stretching their budgets razor thin. Thus, in 1969 almost 50 percent of the total aid from rich to poor nations was offset by payments from the poor countries to rich countries in meeting their obligations on past debts.

The effects of the present language of the bill will be to substantially reduce the value of American aid. It will mean that far more of the funds of the less developed nations will have to be used for retiring their foreign debt and far less will be used to meet their housing, education, and health needs.

And I might note that this will have a direct and serious impact on the food for peace program. Public Law 480 has a dual function. First, it is designed to assist the poor nations in meeting their basic food needs; and second, it is a strong stimulus to promote agricultural trade, thereby assisting U.S. farmers. Over 8 million tons of agricultural products would have been sold to foreign nations under this program, under the traditional low-interest loan program.

Raising the interest rate will have the direct effect of defeating both goals of this program.

If we want verification for the need to adopt this amendment, let me simply note that for the past 10 years, we have been arguing and cajoling other industrialized nations to reduce the interest rate they charge the developing nations of the world. And we have succeeded to a large extent.

Canada, the United Kingdom, Japan, Australia, Denmark, Norway, Sweden, Belgium, the Netherlands, France, and, I might note, the Soviet Union, all provide development loans at lower interest rates than the United States.

In fact, Denmark now is providing interest free loans, Canada has dropped its loan rate to 3 percent and the United Kingdom offers loans at 1.2 percent.

Or we might simply cite the recommendations of the Commission on International Development, headed by former Canadian Prime Minister Lester B. Pearson. The Pearson Commission recommended that:

> The terms of official development assistance loans should henceforth provide for interest of no more than 2 percent, a maturity of between 25 and 40 years, and a grace period from 7 to 10 years.

The Committee for Economic Development also concurred in the need for interest rates even lower than the 2 to 3 percent rates which this country had been charging.

If there is any rationale to the United States providing its share of foreign assistance. And I believe there is, then we must remove the present requirement for an exorbitant interest rate on development loans.

If there is any question of the need for development assistance in perhaps 100 of the nations of this world, then let me simply note that in the United States per capita gross national product is approximately $5,000. In 55 nations of the world per capita gross national product is under $500, and in 12 of those, including India, per capita GNP is under $100.

And in most of these countries, the vast majority of the populace have incomes far below the national average.

With those statistics in mind, it should not be surprising that delegates to the Columbia University Conference on International Economic Development a year ago concluded that:

> The widening gap between the rich and poor countries of the world has become a central issue of our time. In incomes, living standards, economic and political power, one-third of the world has in recent decades been pulling steadily ahead, leaving the remainder of mankind in relative poverty, in many cases to live without clean water, education, basic medical facilities or adequate housing. Yet with modern technology and existing productive capacity, none of this need continue if mankind would develop the will and organization to use the resources at hand.

If there are any of my colleagues who doubt that the tension between affluent and impoverished nations is rapidly increasing, then let me call their attention to a recent declaration by delegates from 80 nations in Lima, Peru. They stated, "indefinite coexistence between poverty and affluence is no longer possible" and urged greater action not only in the area of development assistance but also in an end to protectionism against the products of the developing nations.

In their argument, they cited a statistic which I believe is relevant. In the industrialized nations, average per capita income increased at an annual rate of $650 during the decade of the 1960's. But for the developing countries, per capita income grew by only $40 a year.

These statistics add a sense of urgency to the need for this Nation to meet its responsibilities in development assistance. And I want to emphasize that this does not mean military aid; it does not mean internal security assistance; it does not mean private foreign investment; and it does not mean relief in the wake of flood or earthquakes. Those programs have to be judged on their own. But in terms of social and economic assistance by the Government of the United States to aid the development process in the underdeveloped world, we must do more because we are more capable of doing more.

We are currently 12th among the 16 developed nations in the percentage of gross national product used for development assistance.

I believe we must stand ready to assist in far greater measure than the amounts of assistance contained in the bill before us, and I believe the statement of President Kennedy in 1963 still is accurate:

> In some 80 developing nations countless large and small decisions will be made in the days and months and years ahead—decisions which, taken together, will establish the economic and social system, determine the political leadership, shape the political practices, and mold the structure of the institutions which will promote either consent or coercion for one-third of humanity. And these decisions will drastically affect the shape of the world in which our children grow to maturity.

The loan program for worldwide development and for the Alliance for Progress is one of the more direct ways in which this Nation assists in the development process, and unless the Senate is seeking a total divorce from the developing nations of the world, then I urge it to strike the high interest rates that have been placed in the pending legislation.

I strongly urge the Senate to accept this amendment.

In the time that is available, I would like to have a brief dialog with the sponsor of the amendment. Is not one of the great concerns that motivated the Senator from New York in proposing this amendment the very high amount of debt retirement payments which take place in the developing countries?

Mr. JAVITS. Exactly. They are paying out in debt service more than one-half of what they get, and in many countries it is equal. It is simply like creating new slums when we put up public housing. That is something we want to avoid, and it is exactly the same kind of philosophy.

Mr. KENNEDY. Where does this aid go? If this amendment is adopted, what kind of programs will be aided? Given the background and experience of the Senator, will this money be going to the richer nations or Middle East sheiks or will it go to improve and contribute to the social fabric of developing nations?

Mr. JAVITS. Completely the latter. Most of this money—as a matter of fact, more than half—is going to the Near East and South of Asia. The rest of it is heavily committed in Latin America. Incidentally, everybody should know that my amendment also benefits the Alliance for Progress. In other words, we are proposing to increase interest rates there, too. While restoration of the Public Law 480 program might mollify some of our colleagues, others are also interested in the other aspects of it, including farm machinery and other equipment that goes to build up a primitive economy.

As a matter of fact, I would like to point out that the argument made about bilateral lending is not very important. To say it goes into multilateral funds is not true. Perhaps it may be some day, but it is not now. We put into bilateral funds for developing countries $2.4 billion, of which we contributed $1.3 billion, but other countries contributed $950 million, which is no inconsiderable amount. Multilateral lending was $1.1 billion, less than half of the bilateral lending, to which we contributed $393 million, less than 50 percent.

Mr. KENNEDY. Well, as I understand, then, it would be the poor countries that will benefit, and the people who will benefit will be those who are in dire need of food, housing, and social services, as I understand the Senator, is that correct?

Mr. JAVITS. Strictly and exclusively.

Mr. KENNEDY. Would the Senator not agree with me that in terms of the whole development question, the United States, as shown by the statistics just read into the record, is really the caboose in this train moving toward nation building and development? Whereas we started off in the early 1960's as the leader in trying to help and assist in these critical areas, actually, the way we have been cutting back in recent years, and particularly under the present measure, it will represent turning our back on the assisting nations. We are 12th of the 16 industrialized nations in the percentage of our GNP we devote to development aid, and I believe we must do better.

Mr. JAVITS. Exactly, and this will be the finishing blow.

Mr. KENNEDY. Finally, is it the Senator's understanding, as it is mine, that we expend about $5 billion a year in terms of exporting military hardware? Would the Senator not agree with me that we could find cuts in those items of military hardware that we export every year?

Mr. JAVITS. The Senator is correct, and that is the way the Senator has voted and the way I have voted consistently.

Mr. KENNEDY. I thank the Senator. I am happy to be a cosponsor with him, and urge the adoption of the amendment.

Mr. JAVITS. I thank the Senator.

I yield 5 minutes to the Senator from Kentucky.

Mr. COOPER. Mr. President, I rise to support the amendment of the Senator from New York (Mr. JAVITS) and I do so from very strong convictions. I think the amendment is the key amendment to this foreign aid bill. Section 102, represents an amendment, which was agreed to on the floor of the Senate during the debate on the foreign aid bill—the bill which was defeated. It was retained in the pending bill reported by the Foreign Relations Committee because the committee determined that it would report to the Senate in the pending bill all substantive sections which were included in the defeated bill except funding authorizations, and then the Senate could work its will through amendments. Senator JAVITS' amendment would strike section 102 if section 102 is not stricken, its effect will be to restrict if not kill the Development Loan Fund; will reach into funds which are made available through the Alliance for Progress; and those who think Public Law 480 is escaping because the prohibitions of section 102 have been removed respecting it, will find that eventually the restriction will be applied to Public Law 480 as well.

What are we dealing with? Last year Congress appropriated $420 million for the Development Loan Fund. This year the administration asked for $400 million. We reduced the amount in the Foreign Relations Committee to $350 million, but on the floor of the Senate it was reduced to $250 million. So we are dealing with a 40-percent reduction, and, as the Senator from New York (Mr. JAVITS) has described so aptly, an emaciated Development Loan Fund.

If we now insist upon removing the applicable concessions as to terms of maturity and interest rates, knowing that the United States provides the major portion of development loans, I think it will be impossible for many of those countries we help to carry out necessary development programs for raising the living standard of their peoples. Interest and principal obligations have reached such proportions that they now consume a great deal of their revenue, and section 102 would add to their burden.

Mr. DOMINICK. Mr. President, will the Senator yield?

Mr. COOPER. On the Senator's time.

Mr. DOMINICK. I do not know whether it is my time or not. It is a question.

Does the Senator have any idea as to interest rates which are paid to other countries which are giving soft loans?

Mr. COOPER. Yes. As Senator JAVITS pointed out earlier, Canada dropped its average rate from 4.7 to 3 percent, the United Kingdom from 4.1 percent to 1.2 percent, Japan from 5.8 percent to 3.7 percent, Denmark from 4 percent to interest-free loans. In contrast, we have been increasing our interest rates until now they are 2 percent for the first 10 years and 3 percent for the remainder of the term.

Mr. DOMINICK. I ask the question because I think I was the author of the original amendment.

Mr. COOPER. Yes; as I recall your amendment.

Mr. DOMINICK. And maybe I had better take it on my own time, if the Senator from Arizona will yield me time.

Mr. COOPER. I thank the Senator.

I have said that now we are dealing with $250 million. Also, I would like to name the countries which could be helped by this bill. I am looking at information provided us by AID.

There are, I believe, 19 countries in Latin America that would receive some aid. There are nine countries in Africa. I intend to ask that the names of all those countries be printed in the RECORD, but, reading the list for Africa, there are Congo, Ethiopia, Ghana, Liberia, Morocco, Nigeria, Tanzania, Tunisia, and Uganda, and regional African funds which would help most African countries.

I do not think any of these countries can be called developed countries.

On the continent of Asia, India, Pakistan are included. Turkey is also included. In Southeast Asia, Indonesia, Korea, and the Philippines are assisted.

Mr. DOMINICK. Will the Senator yield further?

Mr. COOPER. I yield.

Mr. DOMINICK. Is it not true, as I gather from the report—and I confess I am asking for information in these questions; I will be happy to use my time—that first of all, we made the majority of the loans?

The PRESIDING OFFICER. Does the Senator from Arkansas yield time?

Mr. GOLDWATER. I yield the Senator such time as he may require.

Mr. DOMINICK. I am yielding time on this side.

The PRESIDING OFFICER. The Senator from Arizona has no more time remaining.

Mr. GOLDWATER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GOLDWATER. Under the unanimous-consent agreement, we have a half hour left.

Mr. FULBRIGHT. Mr. President, does the Senator from Colorado wish some time? I yield the Senator 3 minutes.

Mr. DOMINICK. I thank the Senator. This is a very difficult thing, to try to find out what the story is under this limited time situation. I do not know who has the time, or whether I have any time. The Senator was yielding for some questions. I will be happy to do it on my time, if I have the time.

Mr. COOPER. I have the floor. The Senator from New York yielded to me 5 minutes, and I certainly will be glad to answer any questions I can. However, if the Senator will allow me to continue, I should like to finish expressing my views.

I have named the amount, $250 million in this bill and the number of countries that would be adversely affected by section 102 unless Senator JAVITS' amendment is adopted.

I think it must be said they are really undeveloped countries, or those approaching the point where they may become self-sufficient. To further reduce this fund by these crippling conditions would have serious effects upon the countries we ought to help. To do so would not help them or help the United States.

I know it has been said, "Well, we have cut out the Public Law 480 program." But this is an inconsistent argument. If it is important for the maintenance of the Public Law 480 program, and I believe it is, to maintain these concessionary rates of interest, the same argument applies to the much smaller amounts loaned through the Development Loan Program.

And how can I say, because $20 million worth of tobacco, and not all of it, from my State goes into the Public Law 480 program—and almost all the tobacco goes to these countries because they want to realize taxes on it—if I come from a tobacco or cotton or soybean State, or a great wheat State, or a great feed grain State, and I said:

> Oh, yes, I will retain the concessionary terms as far as my own State and my own agricultural product is concerned, yet I think we should remove the concessionary rates on such things as machinery which may go into a light machine factory, or water pumps for the thirsty, which go to irrigate the dry and parched lands of other countries, and fertilizer to help them become self-sufficient in food.

How do I make a distinction? How can we make such distinction?

Of course, the Senate has made it and I think it is a very selfish distinction to make. We have a very modest amount for development loans in this bill; we are helping countries which need help.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. I yield the Senator 2 more minutes.

Mr. COOPER. A half minute is sufficient. Countries which need to be helped; and even from our own deepest interest when it is argued "Foreign aid is a part of our foreign policy," how can we escape it? If it is a good foreign policy to help other countries, how can we escape it and why should we?

Some cry out about the military policy. Why should we not cry out for the most affirmative, humanitarian, and helpful aspects of our policy, Senator JAVITS has spoken of today and that Senator AIKEN spoke about so eloquently a few days ago? We should hold fast to our traditional spirit of helpfulness and generosity.

I hope very much that this very important amendment of the Senator from New York will be adopted.

Mr. JAVITS. Mr. President, I yield 3 minutes to the Senator from Wyoming (Mr. MCGEE).

Mr. McGEE. Mr. President, I rise in support of the amendment of the distinguished senior Senator from New York. The committee bill has raised the interest rates on development loans so that the recipients will be compelled to pay interest rates comparable to those paid on U.S. Government borrowings. Furthermore, the committee bill provides that the Development Loan Fund is to be terminated by fiscal year 1975. In my opinion the effect of increasing the interest paid on development loans by the less-developed nations will be the immediate termination of the development loan fund because such an increase would negate the economic effects of any development loan that we would make to any of the developing countries since these nations are already suffering from an onerous debt burden. If we are to have a bilateral loan program that would accomplish the objectives sought by the pending legislation, the interest rate of 2 percent for the first 10-year grace period and 3 percent for the remaining 30 years is just about the maximum amount the underdeveloped nations can afford to pay. In many instances, even these rates have proven to be too burdensome to the less-developed nations and many worthwhile projects have had to be abandoned.

When the Development Loan Fund was established by the Foreign Assistance Act of 1961, as amended, the interest rates prevailing at that time were three-fourths of 1 percent during the 10-year grace period and 2 percent thereafter.

I personally feel that if the loans are to accomplish the desired ends, these rates would be preferable. However, I am a realist, and I am cognizant that we cannot turn the clock back in the atmosphere that presently prevails.

Mr. President, if we are to gradually phase out the bilateral loan program and replace it with a multilateral program, the change must be gradual and not a precipitous one. The President has strongly endorsed increasing the use of multilateral institutions in the conduct of U.S. aid programs, and the loan program submitted by the administration was a sound one. It provided for $655 million in bilateral lending and $810 million in contributions to international lending agencies. In 1970, the comparable figures were $675 million for bilateral and $460 million for the international financial institutions. To accelerate the turnover of all its development lending to international institutions, ignores several realities. I do not believe that the capacity of these institutions is such that they could cope with what would be a doubling or tripling of their activity. All the banks already are growing at a very rapid pace. For instance, over the past 6 years IDA lending has increased almost 100 percent. To double the lending activity of IDA within even 2 years would be unrealistic. The Asian Development Bank has its operations well launched, but it, too, is growing rapidly already and one could not expect it to achieve its rate of expansion. The Inter-American Development Bank is fully occupied with the administration of the increases in resources agreed in 1970; and further increases are already agreed for the next 3 years. The African Development Bank is embryonic.

Turning over our funds to these institutions would instantly destroy their international character. In several the Anglo-Saxons are already believed to play an excessive role. The nature of these institutions requires that we move in concert with others to increase their resources. This we are doing. One cannot build international institutions unilaterally.

For the foreseeable future the United States will certainly wish to have authority to lend to less developed nations on concessional terms to meet particular cases in which our view of the development situation in a country may differ from that of the international lending institutions, to participate in consortia or coordinating group activity, and to reflect our foreign policy interest.

Finally, it is the intention of the administration to move over the next years to enable the international lending agencies to expand their activities, to shift our bilateral lending to these agencies, but to do this as the capacities of the banks permit and as our fellow donors agree with us.

Mr. President, I want to remind each of us in turn that while we look upon interest rates and this sort of thing as a kind of procedural function because of the level of our economy and the habit of our funding in our own country, we need go back no further than our own REA loans, on which we put a 2-percent ceiling because we need to keep marginal developing REA areas in business as small businessmen. We even have a 2-percent loan there.

As we look back upon the development loan program, the purpose of it is precisely similar—to bring areas of low-risk capital capabilities at this stage into a much larger participation economically. If we begin to soak them—and I put the word "soak" in deliberately—a higher rate of interest in our concept, we are rapidly moving the program out of the development area into the banking category; and, as a result, we ought to have another look at what the committee did.

I favor very strongly the initiatives of the Senator from New York in attempting to make this realistic, in attempting to keep us focusing on the real objectives of the development loan category; because, as we are gradually working our way through the transition into multilateral efforts, into some of the international organization development endeavors, it is important that we not terminate the program prematurely as we seek to go over to this other base of operations.

I commend the Senator from New York for his efforts in this direction.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. McGEE. I yield.

Mr. PASTORE. I am inclined to be very sympathetic to this amendment. I have always supported it. But I ask this question.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. I yield 1 additional minute.

Mr. PASTORE. Does not the Senator think that we would be more honest with ourselves if we made these direct grants? Does any of this money really ever come back to us? We say we are making a loan, even at a preferential rate. Does the money ever come back?

Mr. McGEE. Yes.

Mr. PASTORE. Will the Senator explain that?

Mr. McGEE. It does come back. The loss is very small. The difference is the loss in the cost of the money, which I say is very minimal. The point is that it helps these countries, likewise, to keep some dignity in the operation.

Mr. PASTORE. Does it come back in terms of hard currency to this country, or does it remain there as soft money?

Mr. McGEE. That is a diverse consequence, depending on the particular area. In general, it comes back to this country.

Mr. PASTORE. I think it would be much more effective for this amendment if someone would explain it.

Mr. McGEE. I hope the Senator from New York would expand upon that.

Mr. JAVITS. I yield myself 1 minute.

The fact is that the loans are up to date, except for one-quarter of 1 percent in default, and they get that back, actually, about $250 million a year now. It revolves in terms of the development loan opportunities.

This, from that point of view, is an excellent program. The money is paid back in the same currency in which it is loaned, so that if we lend dollars, we get back dollars. From that point of view, whatever may be the arguments which the Senator may feel are convincing or not on either side of the case, certainly it is an intelligent lending program.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. I yield 1 additional minute.

Mr. PASTORE. Of course, we have created the Inter-American Bank and we have created the Asian Bank. Many of us feel that it might be better for us, if we are going to make these concessions—which we should, for humanitarian purposes—if we did it on a multilateral basis. Many Senators feel opposed to this particular development fund under the foreign aid program, because we feel it should not be bilateral, that it should be multilateral.

We bolstered IDA by approximately a billion dollars the other day, which most of us supported. The question is, how many different ways do we have to do this?

Mr. JAVITS. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. JAVITS. Mr. President, we are in a transition, in all honesty. Right now, the total multilateral lending is about $1.3 billion, and the total bilateral lending is $2.4 billion. We will phase out bilateral lending, but we cannot do it today, because the multilateral institutions have not yet caught up. When the Senator says we appropriated for IDA, we filled up our trenche to the extent of $400 million a year. We are a big contributor in dollars.

I pointed out earlier that out of the $2.4 billion in bilateral lending, we lend $1.7 billion. Other countries, such as Germany and Japan, lend $950 million. In the multilateral lending, our contribution is roughly under the $400 million mark. The other countries are about the same, give or take 10 percent in either direction. It is developing that way.

I have little doubt, knowing Senator Fulbright's temper and our devotion to his leadership—even though he is not with me on this—that we will work out a largely multilateral program. But you have to have an opportunity to do it. In the meantime, we are at least getting money back. Years ago, we just made grants, and it was gone. Perhaps it was justified then, but it is not justified now.

So at least let us do it with some decency and style. It is not going to make us rich or poor if we get the extra 3 percent, and we are going to be a very bad example for others who are beginning to take up much of the slack.

Mr. DOMINICK. Mr. President, will the Senator from Arkansas yield to me?

Mr. FULBRIGHT. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Twenty-five minutes.

Mr. FULBRIGHT. How much time does the Senator wish?

Mr. DOMINICK. Five minutes.

Mr. FULBRIGHT. I yield 5 minutes to the Senator.

Mr. DOMINICK. I thank the Senator.

Mr. President, I just want to make sure that I have the facts clear in my mind.

I believe that I just heard the Senator from New York say that out of the total $2.4 billion that was loaned, we loaned approximately $1.3 billion.

Mr. JAVITS. That is bilateral.

Mr. DOMINICK. On a bilateral basis, which means we are putting the vast majority of this money.

Mr. JAVITS. Not the vast majority. Will the Senator permit me to give the figure?

Mr. DOMINICK. Yes.

Mr. JAVITS. These were just given to us by the AID. Calendar year 1970, bilateral lending, $2.4 billion. The United States, $1.3 billion; other countries—Germany, Japan, the United Kingdom, Canada, France—$950 million. I ask unanimous consent that a letter I have received from Dr. Hannah be put in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

DEPARTMENT OF STATE, AGENCY FOR
INTERNATIONAL DEVELOPMENT,
*Washington, D.C., November 9, 1971.*

Hon. JACOB K. JAVITS,
*United States Senate,*
*Washington, D.C.*

DEAR SENATOR JAVITS: The revised foreign assistance bills are expected to be considered by the Senate this week. We feel strongly that the amounts proposed for economic development and humanitarian assistance are far below the minimum necessary if we are to make a responsible contribution to the international effort to help the less developed countries. We hope that the amounts reported by the Senate Foreign Relations Committee can be increased, but I am writing to you to draw your attention to another matter.

Under the Foreign Assistance Act we have been authorized to lend money to developing countries at concessionary rates—that is, the loans are made for 40 years with a 3% interest rate. Since the beginning of the program, the reason for a favorable rate has been the poverty of the borrowing countries and their obvious inability to repay if funds had to be borrowed at market rates. However, this has never meant that the individual farmer or industrialist in the borrowing country gets such a favorable rate. When our funds are relent to them, the appropriate commercial rate is charged. Not only has our policy led to an almost faultless repayment record—less than one-fourth of one percent of A.I.D. dollar loans are in default—but the U.S. now receives about $250 million annually in dollar repayments of previous development loans.

I would also point out that our terms are by no means the softest available. Canada makes aid loans for 50 years with an interest rate of 0.3%; Britain and Sweden charge 1%; Denmark charges no interest. Most other aid donors have an interest rate about the same as ours.

An amendment to the Foreign Assistance Act during the floor debate on October 29, and retained by the Foreign Relations Committee in its revised interim bill, raises the minimum interest on aid loans to the Treasury borrowing rate. This will negate the very purpose of development lending and put us out of step with other industrialized countries. It will have the effect of vitiating the Development Loan program.

It does even more than this—it will seriously and adversely affect the U.S. farmer. Section 106 of the Agricultural Trade Development and Assistance Act (PL 480) as Amended, provides that terms of sales of agricultural commodities on credit shall not be less than the terms of development loans under the Foreign Assistance Act. Thus by raising the interest on development loans, we would automatically raise the interest rate on PL 480 credit sales. Nor is this link an accident. The Congress and outside experts have long felt that the cost of food assistance from the U.S. should not be cheaper than the cost of loans with which to buy fertilizer and other production inputs. To do otherwise, would be to create permanent dependence on the U.S.

We estimate that FY 1972 shipments under PL 480 would amount to: 5,126,000 tons of wheat; 1,197,000 tons of feedgrains; 778,000 tons of rice; 420,000 tons of vegetable oil; 15,000 tons of tobacco; 800,000 bales of cotton, and 90,000 tons of cotton products.

Most of these shipments will not be affected by the proposed change in terms since they derive from sales agreements already signed. However, some shipments in the second half of 1972 and nearly all shipments in subsequent years will be affected.

The full extent of the impact is hard to predict but it is clear that in today's world market, terms are vital to the sale of agricultural products. Japan, facing a large rice surplus, is already offering terms which are competitive with our present terms—if our interest rate were raised, there would be no competition. Japan has a 5 million ton rice surplus to dispose of. Similar developments could be expected in other products such as wheat, oils, cotton and dairy products.

The purpose of PL 480 is both to promote trade in agricultural products and to assist the poor countries by providing basic necessities. By raising the interest rate provision of Section 201(d) of the present Foreign Assistance Act can be restored.

Our first priority must be an extension of the Concurrent resolution under which we are currently operating that expires next Monday, November 15. This extension will give time to the Congress to consider the revisions and changes now being given consideration. I hope you will want to take some leadership on this item.

Sincerely,

JOHN A. HANNAH.

Mr. DOMINICK. Furthermore, I point out that no matter how you slice it, that is the vast majority that we are lending, and it comes to more than 50 percent of the total amount loaned by all countries in the world.

In addition, as I understand the committee report, we also have more than $192 million coming in for the remainder of this fiscal year which is under the bill authorized to be loaned either for the Alliance for Progress or for the development loans, at a rate not to exceed $200 million.

So we now have—if I may point it out in figures—$250 million authorized under this bill, $200 million authorized under the bill in the event of repayment of loans to that extent; and, over and beyond that, just a few weeks ago we put $900 million—if my figures are correct, and I believe they are—into the Inter-American Bank.

So we put $950 million into the Inter-American Development Fund, so that by virtue of that $1,850,000,000 in the multilateral organizations, and on a bilateral basis $450 million in tax funds, in addition to the multilateral organizations available for the soft loans, it does not seem to me that we are doing the right thing by carrying on at that level, and certainly when we are not asking countries which are borrowing to pay the same interest rate that our own Government must pay in order to borrow it from its own people. It is not as though we were operating on a surplus, or that we have a surplus in the Treasury, or as though our balance of payments was in great shape, or that we were fiscally in good shape, because we are in a situation now with an enormous debt. In fact, I believe the second largest domestic item we have is interest on the national debt at the present time.

So that, loading that on top of our balance-of-payments problem, and the money we have given to the multilateral organizations already, with promises of money to come over the next 2 years in equal amounts, and then adding on the $450 million authorized under the bill, I believe that we certainly have done more than our fair share, to be truthful. Thus, I would not be disposed to try a lower interest rate at this time.

Mr. GOLDWATER. Mr. President, will the Senator from Arkansas yield me 3 minutes to ask a question?

Mr. FULBRIGHT. Yes. I am happy to yield the Senator 3 minutes.

The PRESIDING OFFICER (Mr. BUCKLEY). The Senator from Arizona is recognized for 3 minutes.

Mr. GOLDWATER. May I ask the distinguished Senator from Colorado (Mr. DOMINICK): Is he aware of the fact that, according to the statement made by the distinguished senior Senator from New York (Mr. JAVITS), the money we made available to these countries at these low interest rates is, in turn, loaned by these countries to corporations or businesses that do business for them at the going rate in the country?

Mr. DOMINICK. That is what I understand. I understand that it goes as high as 18 percent.

Mr. GOLDWATER. I should like to direct a question, if I may, to the distinguished chairman of the Committee on Foreign Relations: According to a House report of the Foreign Affairs Subcommittee in 1969—and this may have been changed—I should like to ask the chairman whether it still prevails—it is in the minority report signed by three Members of the House—that three countries which have been receiving and will continue to receive funds under the bill; namely, Thailand, Korea, and Taiwan, are now lending money to the United States at 6 percent interest. Does that still prevail?

Mr. FULBRIGHT. Let me say to the Senator from Arizona that I am not familiar with the provisions in that report. My understanding from a staff member is that it had to do with exchanges between these countries and the United States. I confess I have not heard anything about it recently. I do not know what the answer is, as of today.

Mr. GOLDWATER. I thank the chairman.

Mr. President, in conclusion, I reiterate what I said before, that in spite of Canada's charging 1.3 percent, the United Kingdom and Denmark, I believe, 1 percent, and Sweden zero percent, the United States still provides 98 percent of the money that is loaned or given to these countries for development purposes. Five thousand American businesses benefit by this money.

Mr. STEVENS. Mr. President, will the Senator from Arkansas yield?

Mr. FULBRIGHT. Could I say this, before I yield to the distinguished Senator from Alaska, that I am reminded by the statements of the Senator from Arizona that Senators will recall, not too long ago, we borrowed a substantial amount, I believe $1 billion or maybe it was $2 billion, in Europe in order to help our balance of payments, and paid, then, a higher rate of interest than we would have had to pay in New York, the overall purpose being to try to create an improvement in our balance-of-payments position.

I am informed that during the Johnson administration there was a similar operation, on a smaller scale, of borrowing dollars which the aid program had generated in Taiwan and Thailand. Instead of going to Switzerland or elsewhere in Europe, our Government borrowed it from these aid recipients and paid them interest. It was influenced primarily by the imbalance in our balance of payments.

I reiterate that when we consider the multilateral programs, it was understood, I thought, and I certainly said so, that in voting the full amount requested, it was to be taken into consideration when we came to the bilateral program. This has been the professed policy of the administration and, to a degree, the previous administration. We have said the same thing in the committee's reports on foreign aid. The Senate approved it in principle, and that is what we are doing—moving toward the use of the multilateral organizations. As has already been stated recently—a couple of weeks ago—we voted overall, approximately $2 billion for the development banks.

Now, about the effect of the action which we have taken, AID, within the last few days, in an effort to revive the program, issued the following statement with respect to the AID program in Colombia:

> If AID operations in Colombia were to cease, we could not provide sector loans amounting to $75 million to $80 million for agriculture, education, urban development and industry—capital in markets development, which are planned for FY 1972. . . . Thus, termination of the AID program would profoundly affect this important multilateral effort.

Mr. President, I hold in my hand another statement datelined Bogotá, Colombia, which states:

> Jorge Mejia, President of the Bank of Bogota, held a press conference this afternoon during which he agreed with the opinion of the Finance Minister, Rodrigo Llorente that the measure adopted by the United States Senate to terminate foreign aid will have little effect on the Colombian economic system.

Here is an article with a Quito dateline, which I placed in the RECORD this morning—I believe few if any Senators were in the Chamber at that time—but it is appropriate to this:

> QUITO, November 1.—Today's El Comercio editorial states that it hopes that the bilateral foreign aid program suspended by the United States Senate will be changed to a multilateral aid program channeled through international credit organizations and UN organizations. The influential daily recalls that the suspended aid had been severely criticized by recipient countries, especially since the loans for development and strengthening armed forces were granted in a bilateral manner and, in some cases, under onerous conditions, such as the amount of interest and the compulsory purchase of capital goods and equipments in the United States, including contracting experts at a very high cost.
>
> Also, it adds, there was the mistaken belief on the part of most Americans that the granting of foreign aid automatically meant that recipient countries had to support the White House's foreign policies regardless of what they were. If this did not happen, said the daily, the North Americans felt offended and considered the dissident countries ungrateful.

Mr. President, I think that is a very relevant comment and supports the view that we should move toward multilateral agencies.

Now the terms in the International Development Association are even softer than under the bilateral program; namely, three-quarters of a percent—50 years maturity—a grace period of 10 years. For the Inter-American Development Bank, under the Fund for Special Operations, it is generally 3 percent to 4 percent, 20 to 30 years' maturity, and 3.5 to 5 year grace period.

For the Asian Development Bank, under the Fund for Special Operations, the interest is 1½ percent to 3 percent, maturity 12 to 30 years, and a grace period of 3 to 10 years.

Those are still available to these same countries. I do not know why we persist in continuing a program which I think has gotten us into a great deal of trouble.

Mr. President, I agree, and will not reiterate what the distinguished Senator from Colorado (Mr. DOMINICK) said about our domestic economic situation. But, obviously, we cannot continue these programs indefinitely at these levels.

It has been stated that there is no default on these loans. Well, why should there be any default when these countries have 40 years in which to repay? The major part of these loans have all been made within the past 10 years so that the question of default does not even arise for at least the next 40 years.

It was suggested a moment ago that these bilateral loans are primarily humanitarian. They are not primarily humanitarian.

The humanitarian programs are in part II of the pending bill. But the bilateral loans finance straightforward industrial projects and the like.

It was mentioned a moment ago that $20 million in bilateral loans for Indonesia will finance improvements for the Djakarta International Airport. We are giving them a good airport.

There are many places in this country, as Senators know, that have miserable airports. We have several in my State which need improvements. In addition, Indonesia will get a power distribution system, the West Java High Voltage Transmission program costing $15 million. Or, there is the Djakarta-Bogor Highway project at $15 million. That is a typical program. This is what the development lending program finances.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 additional minutes.

Mr. FULBRIGHT. Mr. President, these loan funds will finance the same kind of projects abroad that we cannot implement here because the President has impounded the funds. We appropriate money for highways and for education here and the President impounds those funds. In my State we were very interested in sewer and water projects, but funds for these projects have been impounded. Yet, we provide funds for these projects in foreign countries.

It is a little odd that we do this under the present conditions.

In India, the situation was a little different. The money largely went for industrial and agricultural raw materials, primarily fertilizer.

Mr. PASTORE. Mr. President, how about Pakistan?

Mr. FULBRIGHT. I will look that up. The Pakistan program, as the Senator knows, has been temporarily suspended by Executive order.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. STEVENS. Mr. President, what is the balance of the amount of money in the Development Loan Fund. Does the staff have that information?

Mr. FULBRIGHT. It is about $2 billion. We will look it up.

Mr. STEVENS. About $2 billion?

Mr. FULBRIGHT. That has been obligated but unexpended.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. AIKEN. Mr. President, is any uncommitted money that is not obligated left in the pipeline?

Mr. FULBRIGHT. No. It is obligated. There is $1,107,471. In the Alliance for Progress loan program, there is $4,408,000. Those are the total figures. It is the total unexpended balance in those two items.

Mr. AIKEN. Mr. President, the so-called balance is mostly allocated funds where the money has not yet been advanced.

Mr. FULBRIGHT. They call them obligated. They have a letter of intent.

Mr. AIKEN. The money is advanced as required as the work on approved projects progresses.

Mr. FULBRIGHT. The Senator is correct. I also think in the past that they are sometimes unobligated.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. **CHURCH**. Mr. President, does the Senator from Arkansas have any additional time?

Mr. **FULBRIGHT**. I promised to yield next to the Senator from Alaska. I will then be happy to yield to the Senator from Idaho.

Does the Senator from Alaska wish to have me yield at this time?

Mr. **STEVENS**. No.

Mr. **FULBRIGHT**. I yield 3 minutes to the Senator from Idaho.

The **PRESIDING OFFICER**. The Senator from Idaho is recognized for 3 minutes.

Mr. **CHURCH**. Mr. President, the arguments made in behalf of the amendment are very conscientiously held. I certainly cite the movers of the amendment with the best of intentions. Nevertheless, since the Senate rejected the original AID bill, and since the committee has reduced the amount for the development loan fund, the major outcry we have heard has been from Wall Street, not from abroad. There is a very good reason.

I have in my hand an article from the Wall Street Journal of Wednesday, November 3, 1971. It is a detailed accounting bearing the caption "U.S. Firms Push To Get Aid Bill Resurrected; The Stakes: About $1 Billion in Annual Sales."

The Journal of Commerce published an article on Tuesday, November 2, 1971, under the caption "AID Is Seen Vital to U.S. Businesses."

Mr. President, I ask unanimous consent that the articles to which I have referred plus two others be printed at the conclusion of my remarks.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

(See exhibits 1, 2, 3, and 4.)

Mr. **CHURCH**. The development loan fund is, in effect, the soft window of the American Export-Import Bank. Countries can get loans from the DLF at far more favorable rates than commercial loans or regular loans otherwise available at the Bank.

The **PRESIDING OFFICER**. The time of the Senator has expired.

Mr. **FULBRIGHT**. Mr. President, how much time do I have remaining?

The **PRESIDING OFFICER**. The Senator from Arkansas has 7 minutes remaining.

Mr. **FULBRIGHT**. Mr. President, I yield 3 additional minutes to the Senator from Idaho.

The **PRESIDING OFFICER**. The Senator from Idaho is recognized for 3 additional minutes.

Mr. **CHURCH**. Mr. President, this program is primarily an aid program for American big- and medium-size business enterprises. It is a public subsidy by which large quantities of American goods and services are exported abroad. To what extent does it really help the underdeveloped countries?

First of all, these countries are already laden down with accumulated debt. Debt service has become one of the chief impediments to economic growth in Latin America and in much of Africa and Asia. Every development analysis written over the 2 years, such as the Pearson report and the Peterson report, stresses this point.

Second, tied purchases made with DLF loans are at premium prices, frequently 15 to 20 percent above the world market price and the American ships which must be used cost as much as 25 percent more than ships of other flags.

We are pleased to call this foreign aid. The best way we can begin to aid countries that are poor and really in need of help is to insist that this aid move through multilateral channels, where it can be untied and utilized to the best advantage of the recipient countries.

If we fail to put the screws on now, we will find that the old program will live on into the future. It will not change and it will not die. This is our opportunity to do something that, in my judgment, will help put the program into the proper channels.

Mr. President, I shall vote against the amendment.

EXHIBIT 1

[From the Wall Street Journal, Nov. 3, 1971]

### BUSINESS AND FOREIGN AID—U.S. FIRMS PUSH TO GET AID BILL RESURRECTED; THE STAKES: ABOUT $1 BILLION IN ANNUAL SALES

(By Robert Keatley)

WASHINGTON.—Many U.S. businessmen are as anxious as overseas recipients to resurrect in some form the scuttled foreign-aid bill.

That's because the annual aid appropriation—usually branded by foes as a "giveaway" and last Friday turned down entirely by the Senate—provides a large, if diversified, chunk of business for U.S. companies.

Among other things, the aid program provides about $1 billion of sales annually for American manufacturers, gives U.S. shipping companies about one-fourth of their total revenues from outbound cargo and supplies assorted research and technical organizations—both private and nonprofit—with about $600 million of contracts overseas. The date of such business depends upon the outcome of the current foreign-aid impasse in the Senate, according to Nixon administration officials.

Last week an odd coupling of fiscal conservatives and dovish liberals combined to defeat the administration's $2.9 billion foreign-aid bill by a startling 41-to-27 Senate vote. This week the Senate Foreign Relations Committee and the White House are pondering various alternatives to keep at least some foreign-assistance programs alive.

Chances are that aid will survive in some form, although so far there hasn't been any general agreement about which programs to keep and which to amend or cancel. Yesterday, for example, Secretary of State William Rogers emerged from a White House meeting with President Nixon and called on Congress to move "quickly to repair the damage that has been done." He said the Senate vote has weakened U.S. foreign policy and cut down on Mr. Nixon's freedom to negotiate with other nations.

#### THE POLITICALLY ACCEPTABLE

Meantime, some Senators are putting forward alternative programs that would finance such politically acceptable aspects as arms for Israel, food for East Pakistani refugees and birth-control devices for India. Many liberal proposals, such as one suggested yesterday by Sen. George McGovern (D., S.D.), would sharply reduce military aid to such nations as Greece and Pakistan and restrict U.S. involvement in Indochina.

Such restrictions complicate the aid bill; the Nixon administration is trying to get the money without accepting amendments it feels would limit its political and military flexibility abroad. Thus, the outcome of the current Senate maneuvering ramains uncertain.

But the bill's final form is important not only to aid recipients but also to American companies that manufacture the goods provided under Agency for International Development (AID) contracts.

In fact, AID bureaucrats are especially irritated by the perennial "giveaway" charges made about their programs. During the fiscal year ended June 30, 1970, they say, AID loans and grants financed $995.1 million of American products for shipment overseas to underdeveloped countries; only $19.4 million was used to finance foreign products. Major categories included $140 million for chemicals, $106 million for iron and steel products, $90 million for motor vehicles and parts and $108 million for fertilizer.

The importance of such business varies greatly from company to company. Caterpillar Tractor Co., for instance, sold about $16 million of construction equipment under AID financing in the first half of this year; a spokesman called the sales "important," although only a small portion of the company's $1.15 billion of revenue in that period. In the same six months, the A. P. Green Refractories Co. division at Troy, Idaho, sold $473 of fire bricks to AID clients, and a senior official at the parent company didn't know anything about it.

But for some medium-size manufacturers, AID finances a significant part of their business.

One such firm is Atlantic Steel Co. of Atlanta, which sells steel ingots to fabricators in the U.S. and abroad. L. Glen Dewberry, Jr., president, says Atlantic regularly bids for AID-financial business handled by New York brokers and normally gets $4 million or more of such sales yearly; the company's annual volume is roughly $60 million. "We've done this for several years," says Mr. Dewberry, who hopes foreign aid survives the current congressional fight. Much of Atlantic's AID sales go to rolling mills in Pakistan.

#### THE IMPORTANCE OF PRESS RELEASES

Another affected company is Riceland Foods of Stuttgart, Ark., the home state of Democratic Sen. William Fulbright, chairman of Foreign Relations Committee, which has given the overall aid program a hard time. L. S. Carter, president of the rice and soybean products concern, says he normally gets $6 million or $7 million of AID business yearly—such contracts, for example, make up about 25% of the company's total rice trade, he notes. South Korea, South Vietnam and Indonesia are among the consumers of Riceland's products, he adds.

To drive home the point that AID can be good business, the agency's bureaucrats issue regular press releases showing how their funds are spent around the U.S. In the first half of calendar 1971, for instance, Massachusetts manufacturers received $5.3 million of AID-financed orders, while those in New York got contracts totaling $74.4 million. Even nonindustrial Nevada got a piece of the action; a Las Vegas chemical company was awarded a $104,585 contract.

None of this largesse, of course, justifies any or all AID programs in themselves, officials concede. But they contend that such statistics debunk frequent assertions that AID funds are a drain on the U.S. balance of payments or on the economy in general. Although some do involve grants, most AID funds are in fact credits for purchases of American goods and are supposed to be repaid by the recipients.

#### THE MAJOR RECIPIENTS

Another direct beneficiary is the hard-pressed American shipping industry. According to administration figures, AID payments to shipping lines have totaled $2.1 billion since the program began in 1948; they now provide about 25% of the annual revenues from outbound cargoes for American-flag carriers. In the fiscal year ended last June 30, for example, such freight payments totaled $81 million, or 26.5% of the steamship companies' outbound freight revenues. (This excludes revenues for tramp steamers, tankers and some other shipping activities.)

Foreign-aid legislation generally requires that at least 50% of AID-financed cargo be carried by American ships rather than cheaper foreign companies. Critics contend this is, in effect, a subsidy of American shipping companies and penalizes needy underdeveloped countries, which must use part of their U.S. loans to pay these freight costs.

According to government figures, the major recipients of AID-financed cargoes were American Export-Isbrandtsen Lines, with $10.4 million of such freight revenues; American President Lines, $9.6 million; and Isthmian Lines, $8.9 million. Shipping-industry experts say loss of this business—or a substantial part of it—would be a serious blow to the industry. Because of rising costs and the current prolonged dock strike, many U.S.-flag lines are already in financial trouble.

At present, AID also has some $600 million of contracts outstanding with American technical and research organizations, both private and nonprofit. For instance, Purdue University and its affiliate, Purdue Research Foundation, received nearly $6.6 million in AID contracts in the first six months of this year for various assistance work overseas. A major project is technical assistance to the University of Minas Gerais, an agricultural college in Brazil. Purdue also aids college engineering programs in India and the only university in Afghanistan, which is in Kabul.

Not all these programs involve universities. A major award early this year—worth $83.3 million—went to Air America Inc. of Washington, D.C. This charter line has earned considerable notoriety as the Central Intelligence Agency's airline in Southeast Asia, where its assorted activities include carrying U.S. officials around South Vietnam and dropping guns and rice to guerrilla fighters in the hills of Laos.

These statistics concern mainly civilian programs, although some, like the Air America contract, are a bit ambiguous. But the rejected aid bill also would have financed roughly $900 million of military-equipment sales by American manufacturers—about $220 million under government grants and the rest in credit sales.

Late yesterday the Pentagon released details of the potential impact of the Senate rejection. The negative vote there wiped out—at least temporarily—Defense Department plans to award the following contracts during coming months: $175 million to McDonnell-Douglas Corp. for aircraft and airframes; $116 million to General Electric Co. for aircraft engines; $61 million to Lockheed Aircraft Corp. for aircraft and maintenance services; $89 million to Bell Helicopter division of Textron Inc. for helicopters; $10 million to Chrysler Corp. for tanks; $17 million to Colt Industries Inc. for rifles; $50 million to American Motors Corp.'s Jeep Corp. subsidiary for vehicles; and $24 million to United Aircraft Co. for engines.

This list isn't complete but includes most major orders planned by the Pentagon but needing congressional appropriations before specific contracts can be awarded. The military goods involved would be sent to such aid recipients as South Korea, Cambodia and Turkey.

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[From the Journal of Commerce, Nov. 2, 1971]

## AID Is Seen Vital to U.S. Businesses

(By Sidney Fish)

Any termination or phasing out of the bilateral foreign aid program administered by the Agency for International Development (AID) would be costly to American business.

Under the "Buy American" clause of the foreign assistance legislation which established AID, American products and services must be used, whenever they are available. Hence an interruption in the AID program would have an adverse effect on business and employment.

In the 1970 fiscal year, total economic aid from U.S. sources amounted to $995 million. Approximately 98 per cent of all commodity exports financed by AID originated in the U.S., and only 2 per cent came from offshore sources. The total of economic assistance authorized by Congress in fiscal 1971 was larger than in 1970.

In addition to economic aid, military aid in the 1970 fiscal year amounted to $1.094 billion. This consisted of planes, armored vehicles, etc., all of which were produced in U.S. plants, by American workers.

### HIT BY SUSPENSION

Hardest hit by any suspension of the AID program would be U.S. chemical manufacturers who accounted for $140 million of products, in the 1970 fiscal year; iron and steel mill products, which totaled $106 million; nonferrous products, $41 million; pulp and paper, $26 million; machinery and equipment, $265 million; transportation equipment, $98 million; petroleum and petroleum products, $44 million; foodstuffs (aside from the Food for Peace Program), $11 million; and rubber products, $13 million.

The aid program has bolstered the U.S. balance of trade, at a time when it was slipping as a result of severe competition from low-wage foreign countries. The "Buy American" clause, in effect, helped to offset some of the export bonuses and nontariff barriers which foreign countries created as an aid to their own manufacturers.

Substitution of multilateral aid for the bilateral aid program would rule out the "Buy American" provisions which have enabled AID to assist U.S. exports. Some U.S. senators, including Senator Fulbright who voted Saturday to end aid have been strongly urging that multilateral aid through the World Bank or other international organizations be substituted for the bilateral aid program.

### PROGRAM VITAL FACTOR

Some U.S. industries, facing stern foreign competition, would have virtually no exports, were it not for the aid program. The steel industry is a case in point. Since Japanese and European steel mills are able to sell in overseas markets at prices ranging from $10 to $20 a ton under prices quoted by U.S. mills, the American steel industry has only a tiny trickle of exports, aside from those shipments which are financed by aid. Of the $106 million of steel exports in fiscal 1970, approximately $70 million was accounted for by plate and light flat rolled products.

The technical advice to developing countries which is financed by aid, is an indirect source of additional exports, since U.S. advisers tend to specify American-made products, with which they are familiar.

In fiscal 1970, more than 1,300 technical service contracts financed by AID totaled $602 million. This money paid for the service in developing countries of a wide variety of technical firms, consulting engineers, management engineers, specialists in teaching and medicine, etc.

### U.S. EXPENDITURES

While expenditures by the U.S. for its foreign aid program have seemed large, they are relatively small in relation to gross national products of the U.S. The United States ranked 11th in the world in 1970 in development assistance expenditures, when the total is expressed as a percentage of GNP. Such countries as Germany and Japan have been spending an increasing share of their GNP for foreign aid.

The U.S. share of total world assistance, which was 80 per cent 15 years ago, has declined to 42 per cent this year. The U.S. thus is still the largest single donor.

Sixty-eight per cent of the total U.S. aid program consists of loans. Only one-fourth of one per cent of these loans are in default, according to John A. Hannah, administrator of AID. The repayment of loans has increased, and recently such repayments have been exceeding new loans.

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[From the Baltimore Sun, Nov. 4, 1971]

## Federal Agencies Say Aid Is Not Only Foreign

(By Charles W. Corddry)

WASHINGTON.—In their battle to save foreign aid, administration agencies began yesterday to publicize the claimed effects that the program's demise would have on the domestic pocketbook.

The Defense Department said original plans called for contracts totaling well over $720 million this year to companies producing arms and other defense equipment for military aid and credit sales abroad. The plans were knocked awry when the Senate voted to kill foreign aid, and a restored programs is likely to provide for considerably less.

### COMMODITY EXPORTS

The Agency for International Development called attention to its financing of close to $1 billion a year in commodity exports under overseas aid programs—for example, 25 per cent of fertilizer exports, more than 15 per cent of railroad equipment, 3.7 per cent of chemicals and more than 16 per cent of iron and steel mill products.

The State Department distributed a sheaf of papers concerning the assertedly damaging effects of any failure to extend foreign aid promptly. These emphasized not only foreign policy but the domestic value of programs such as those carried on in American universities for the benefit of other countries.

All the agencies are acutely sensitive to claims that foreign aid is a "give-away" and by implication not beneficial to the American economy.

The Pentagon said 95 per cent of grant-aid money is spent at home and most funds that finance credit sales to other countries similarly stay in the U.S.

The Agency for International Development said 86 per cent of all the money it spends is spent in the U.S. For commodity exports alone, it said, the figure is 98 per cent.

The State Department's documents amounted to a lengthy list of dire warnings against delay in getting foreign aid back on the books. For example, they said:

1. "Our major programs in Southeast Asia will be aborted." The $565 million sought for economic aid in South Vietnam amounts to more than half that country's imports. "Without it the Vietnamese war effort will grind to a halt and the economy will be thrown into utter chaos." Similar consequences were foreseen for Cambodia and Laos.

2. Regarding provision of money for disaster relief for 9.5 million Pakistani refugees in India, "the U.S. can not stand idly by in the face of the world's greatest disaster."

3. Major programs in nutrition, child feeding, population control, education and agricultural production around the world depend on the appropriation of new money this year.

4. Failure to provide contributions to United Nations organizations would lead members to assume such failure was related to the American defeat on the China question. "Members who stuck by the U.S. and the Republic of China [Taiwan], as well as those . . . opposed, would be affected adversely."

The Defense Department said the contracts it tentatively had planned included $220 million for outright aid and "well over" $500 million for credit sales of arms and equipment.

Some of the plans for financing credit sales called for $175 million for McDonnell-Douglas aircraft, $93 million for General Electric engines, $51 million for Lockheed aircraft, and $110 million for Northrop aircraft and target drones.

For grant aid, there were plans for ordering $100 million in Army equipment, $24 million Navy and $96 million Air Force from a long list of companies throughout the United States.

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[From the Washington Post, Nov. 6, 1971]

### AID—A Two-Way Road

(By Murrey Marder)

In its struggle to survive, the Agency for International Development is pointedly reminding U.S. senators that business profits and jobs in their home states will feel the pain of foreign aid cuts.

Money, jobs, and by clear implication, votes, can be more tangible weapons in a political fight than lofty arguments about World stability and aid to underdeveloped nations. The appeal to domestic interests to rally to the defense of balance sheets and payrolls could carry double weight in the present depressed state of the U.S. economy.

A generation ago, the concept of foreign aid was scoffed at by its many critics as "milk for the Hottentots." The time came when the condition of the Hottentots and other distant peoples came to be recognized to be not so totally remote from the condition of world order, but the attitude associated with foreign aid remained: "hand-outs," "give-aways."

To carry foreign economic aid through the Congress—"pure" foreign aid, that is, as distinct from direct, or roundabout support for foreign regimes whose continuance in office was judged to be of direct value to American security interests—economic aid allocations were linked legislatively with military aid. In the name of containment of communism, military assistance could win the votes to override the guffaws about "foreign aid."

The paradox has been that both forms of "foreign" aid were, in a real sense, also domestic aid—spent in, and supporting, the U.S. economy.

According to AID, 98 per cent of its funds for the purchase of industrial goods and agricultural commodities is spent in the United States.

In addition, AID estimates that 86 per cent of all money allotted to it, for services, cash grants, salaries and goods and commodities are spent in the United States.

This is not just happenstance, or a result of foreign preferences for made-in-America labels. These funds are generally mandated to be spent in the United States by "tied" loans—meaning loans with strings on them—or other legislative requirements.

U.S. policymakers have been ambivalent about how much they should talk about the tied-to-America quality of American foreign aid. To stress the tie dims the aura of altruism, compassion, and humanitarianism, which policymakers would prefer to portray to the world. The result has been that although AID routinely publishes lists of contracts awarded to U.S. firms or organizations, there is normally no great stress on the dollar-tied nature of most foreign aid, leaving the non-military portion of the program adrift without any aroused constituency to defend it.

Only now, with its life on the congressional chopping block, has AID been encouraged, indeed stimulated, by the administration, to mount a major public display of the domestic consequences that can result from slashing "foreign" economic aid funds.

Item: Between 1964 and 1969, AID money financed from 22 to 30 per cent of all cargo shipped on U.S.-flag vessels.

Item: In 1971, AID loans and grants financed U.S. exports totaling $972 million. While this represented only 2.3 per cent of total U.S. exports, it included 25 per cent of all American fertilizer exports; 16.4 per cent of U.S. iron and steel exports; 15.7 per cent of all exports of railroad equipment; 8.5 per cent of basic textile exports; 8.5 per cent of rice exports; 7.3 per cent of all exports of non-ferrous metals and products.

Item: To make the point even clearer politically on Capitol Hill, AID statistics now being circulated there show that in the same 1971 fiscal year, $178,829,271 was spent in New York State; $80,508,640 in California; $77,081,159 in Pennsylvania; $73,541,642 in Illinois, and with lesser amounts listed for other states, including $20,572,073 in Maryland and $10,162,141 in Virginia.

Item: Other "fact sheets" being showered on Congress report cumulative totals for many years of AID research contracts to universities, and service contracts to other organizations, including Air America Inc. of Washington, D.C., the organization which operates with the Central Intelligence Agency in Southeast Asia. It is listed for accumulated contracts from AID alone totaling $83,324,200.

This is "self-help" for "deserving nations" with a double meaning; one of them is the United States.

Mr. STEVENS. Mr. President, will the Senator yield me 2 minutes?

Mr. FULBRIGHT. I yield to the Senator from Alaska 2 minutes.

Mr. STEVENS. Mr. President, I asked the question about the amount remaining in the pipeline. I am gratified for the clarification. The staff has provided me with a copy of the House-passed measure. That shows there was $4.7 billion. However, the footnote says that less than $100 million is unobligated and unreserved as of the end of the fiscal year.

The point I am making is that with respect to the money we are providing, we are changing the terms and saying that in the future we will charge the same amount of money it costs to borrow.

Suppose that $4.6 billion is still there. This means that it will be advanced at the old rates of 2 percent for 10 years and 3 percent for another 30 years.

I have heard the argument for the amendment but I cannot understand it. I think the Senator from Idaho is absolutely right. This is a very important issue to the country.

This is a signal to the country that we were ready to reexamine the program and have done so and have changed the signals for the future. It is a small amount, less than one-tenth of the amount that will be spent in the future. We say, "Pay us what it costs to borrow it."

I think the amendment should be rejected.

Mr. JAVITS. Mr. President, I am prepared to yield back the remainder of my time. However, I do have something further to say.

Mr. AIKEN. Mr. President, will the Senator yield me 2 minutes?

Mr. JAVITS. Mr. President, I yield 2 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. AIKEN. Mr. President, in respect to the suggestion made that we should terminate bilateral loans, we may have overlooked paragraph (c), page 5, which reads:

"(c) Notwithstanding any other provision of law, the President shall reduce the amounts and numbers of loans made by the United States directly to individual foreign countries with the objective of phasing out the bilateral loan program by not later than June 30, 1975.

That is 4 years from now. We have to decide if we want to phase it out in one fell swoop or by degrees.

Frankly, I am skeptical about turning all these programs over to multilateral agencies. There is a provision in this legislation that the President may turn these programs over. Assuming the President runs for reelection and is defeated, he could put his successor in a terrible predicament by turning these programs over before his successor takes office.

What seems to be charity on our part has turned out in many cases to be a very profitable investment. Perhaps the best example would be the Public Law 480 program. The restrictions on interest on that program have been done away with today to sweeten up the bill, but when we began Public Law 480 it cost as much as $2 billion a year to get rid of our surplus crops and food products. That is now reduced to $1 billion a year, in rough figures.

But while we have been handing out or selling on very easy terms these surplus farm commodities, our export sales for these farm commodities for cash has risen about 300 percent and are now about $8 billion a year. That is largely due to the fact that we began by selling on easy terms at low interest rates.

I think what has been done in the Public Law 480 program should also apply to sales of farm machinery, fertilizer sales, and other sales we have made which go to raise the living standards of the people of these other countries.

Therefore, I support the Javits amendment.

Mr. FULBRIGHT. Is the Senator ready to yield back his time?

Mr. JAVITS. I yield back my time.

Mr. FULBRIGHT. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from New York (Mr. JAVITS), as modified. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD. Mr. President, on this vote I have a pair with the Senator from Maine (Mr. MUSKIE). If he were present and voting, he would vote "yea." Having already voted in the negative, I withhold my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Florida (Mr. CHILES), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Maine (Mr. MUSKIE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Tennessee (Mr.

Brock), the Senator from Kentucky (Mr. Cook), and the Senator from Ohio (Mr. Taft) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from Maryland (Mr. Mathias) is detained on official business.

On this vote, the Senator from Ohio (Mr. Taft) is paired with the Senator from Kentucky (Mr. Cook). If present and voting, the Senator from Ohio would vote "yea" and the Senator from Kentucky would vote "nay."

The result was announced—yeas 42, nays 45, as follows:

[No. 300 Leg.]

YEAS—42

Aiken
Allott
Bayh
Beall
Bennett
Boggs
Brooke
Case
Cooper
Cranston
Dole
Fong
Gravel
Griffin
Hart
Hatfield
Hughes
Humphrey
Inouye
Jackson
Javits
Kennedy
McGee
McGovern
Miller
Mondale
Moss
Packwood
Pastore
Pell
Percy
Ribicoff
Saxbe
Schweiker
Scott
Sparkman
Stafford
Stevenson
Tower
Tunney
Williams
Young

NAYS—45

Allen
Anderson
Baker
Bentsen
Bible
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Church
Cotton
Curtis
Dominick
Eagleton
Eastland
Ellender
Ervin
Fannin
Fulbright
Gambrell
Goldwater
Gurney
Hansen
Hollings
Hruska
Jordan, N.C.
Jordan, Idaho
Long
Magnuson
McClellan
McIntyre
Metcalf
Montoya
Nelson
Pearson
Proxmire
Randolph
Roth
Smith
Spong
Stevens
Symington
Talmadge
Thurmond
Weicker

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, against.

NOT VOTING—12

Bellmon
Brock
Cannon
Chiles
Cook
Harris
Hartke
Mathias
Mundt
Muskie
Stennis
Taft

So Mr. Javits' amendment (No. 629), as modified, was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Oregon (Mr. Packwood). There are 28 minutes remaining to the proponents, 27 minutes to the opponents.

Mr. PACKWOOD. Pardon me; I did not hear the Chair.

The PRESIDING OFFICER. There are 28 minutes remaining to the proponents, 27 minutes to the opponents.

Who yields time?

Mr. FULBRIGHT. Mr. President, if the Senator will allow me a moment, I see no need for any long debate on this proposal. I certainly do not expect to take all my time. The matter is very simple. I say that simply because I hope everyone will not run off to his office, and we can explain the amendment and be through with it. I can explain, I believe, what it is in 3 or 4 minutes, and that is all I will need.

Mr. PACKWOOD. I hope it will not take much longer than that, but I would be reluctant to yield back my time at this moment.

Mr. FULBRIGHT. Oh, yes. But I hope that Senators will not leave the Chamber.

Mr. PACKWOOD. Mr. President, I yield myself such time as I may require.

I ask unanimous consent that the names of three distinguished colleagues, the Senator from Illinois (Mr. Percy), the Senator from New York (Mr. Javits), and the Senator from Colorado (Mr. Allott) be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, all I am trying to do with this amendment is restore an action that the Senate took unanimously, by voice vote on the floor of the Senate, prior to the defeat of this bill 10 days ago.

Before the bill was defeated 10 days ago, it came out of the committee with the following figures: $320 million for economic development, $208 million for technical assistance, $309 million for Alliance for Progress, and $52 million for administration, or a total of $889 million.

Then the Church-Allott amendment was agreed to, and that cut $160 million from the bill, leaving a total of $729 million.

Then, at that point, the Senator from California (Mr. Cranston) and the Senator from Ohio (Mr. Taft) proposed the amendment which was accepted on the floor. That amendment did two things: It added $125 million to the overall authorization of the bill, and it earmarked $125 million for population programs.

So the total of the bill, as it was finally defeated, was $844 million, including the $125 million added on the floor of the Senate in the overall authorization, and the earmarking of the money for population programs.

The bill now before us, as it comes from the committee, has $250 million for economic development, $175 million for technical assistance, $225 million for Alliance for Progress, and $45 million for administration, for a total of $695 million. In that, Mr. President, is included, earmarked, $125 million for population programs.

Let us compare the two figures, those we are considering in the bill now, and those in the bill we finally defeated. The $844 million in the bill 2 weeks ago, as it was finally defeated, included $125 million earmarked for population programs. Now we have $695 million in the bill, including $125 million for earmarked population programs.

The argument will no doubt be made that there is no need to pass the amendment I have offered, because the population programs are already protected and earmarked to the extent of $125 million.

What will happen, however, if the bill passes in its present form, is that there will be significantly less in this bill for economic development than there was in the bill as we finally voted on it 2 weeks ago, and so the earmarked money will subtract from other critical, essential programs.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. PACKWOOD. I yield.

Mr. FULBRIGHT. I want to emphasize that fact, that the amounts the Senator is talking about were the amounts rejected by the Senate a week ago Friday. Those amounts were rejected by the Senate.

I want to make certain that there is no misunderstanding here. What the Senator is proposing has no effect whatever on the amount for population control, is that not correct?

Mr. PACKWOOD. What I am proposing is the same amendment the Senate accepted on October 29.

Mr. FULBRIGHT. One of my colleagues thinks the Senator is trying to increase the earmarked amount for population control. That is not the effect of the Senator's amendment, is it?

Mr. PACKWOOD. Let me say again, this amendment is identically what the Senate accepted unanimously 10 days ago. We earmarked $125 million for population programs; and we accepted an increase in the overall authorization with the earmarking for population control.

Mr. FULBRIGHT. I agree, but the earmarking for population programs remained at $125 million.

Mr. PACKWOOD. That is correct.

Mr. FULBRIGHT. So the Senator is trying to restore more than what the Senate itself added.

Mr. PACKWOOD. No, what I am trying to do is get the Senate to pass the identical amendment we passed 10 days ago.

Mr. FULBRIGHT. The Senator is asking us to reject now, to undo what we did a week ago Friday.

Mr. PACKWOOD. No, I am asking the Senate to adopt the same amendment we agreed to 10 days ago.

Mr. FULBRIGHT. Well, there is some misunderstanding, with all deference. We voted against the bill, which had an amount of $844 million in it, and what the Senator is attempting to do is restore the amount to $820 million from the present $695 million. He is, in effect, raising the amount, not for population control—that is already earmarked but what he is in effect doing is just increasing the amount of the bill by $125 million.

Mr. PACKWOOD. Whose time are we on, Mr. President?

Mr. FULBRIGHT. I will take my time.

The PRESIDING OFFICER. The time of the Senator from Oregon.

Mr. FULBRIGHT. I will yield the Senator the equivalent, if he likes.

Mr. PACKWOOD. Let us go back again, Mr. President, to the bill as it came out of the committee initially, with $889 million in it, which included $125 million for population programs. It came out of the Senator's committee with $889 million. Now we have before us a bill with $695 million, including $125 million for population control.

Mr. FULBRIGHT. I am hoping we pass a bill. I do not know why the Senator wants the Senate to reject the whole bill again. I thought that was the purpose of the action, and that is why the committee did what it did. We were trying to make it possible for people to vote for a bill who refused it before. Many people are interested in population control.

The point I make is that this does not affect population control money. In fact, the Senator is increasing the amount for the other categories.

Mr. PACKWOOD. We can assume that the money for population control is going to be taken out of the $250 million for economic assistance.

Mr. FULBRIGHT. It does not have to come out of just that. There is $1.200 billion from which it may be taken at the discretion of the administration.

The sum of $1.200 billion is available in the item from which it may be taken, at the discretion of the administration. It can be taken from Development Loans, Technical Assistance, Alliance for Progress, International Organizations, Contingency Fund, and so forth.

Mr. PACKWOOD. Will the chairman please clarify this. It is my understanding that is only taken from Economic Development, Technical Assistance, or Alliance for Progress.

Mr. FULBRIGHT. That is not correct. In the past, it was taken primarily from those programs, but the law would authorize the administration to take it from any one of the items I mentioned, plus Supporting Assistance, for which there is $350 million in the bill. They can take a part of it from any one of these programs. It does not all have to come out of one. The authority is there to take this $125 million from any one of those items in any amount. They can take $50 million or $25,000 from one or the other.

That is the way it now stands, because it is earmarked to be taken out of the whole group of aid categories which add up to $1.200 billion. I think that ought to be made very clear.

Mr. PACKWOOD. I say again that all I am trying to do is what we did 10 days ago by unanimous consent of the Senate, when we earmarked population funds and added $125 million in overall authorizations on the floor of the Senate. The Senator from Ohio (Mr. TAFT) offered the amendment.

Mr. FULBRIGHT. The vote was 41 to 27 against the bill. There was no increase in the amount. I do not recall what the Senator is talking about when he says the amount was increased. We thought we earmarked it in the committee. The Senator from Ohio worried that it was not as clearly earmarked as he wanted, and I accepted it. But we did not increase the amount. We just tied down the earmarking.

The effect of what the Senator is doing is to say, "Let us increase these categories by $125 million."

Mr. PELL. Mr. President, will the Senator yield for a question?

Mr. PACKWOOD. I yield.

Mr. PELL. Does the Senator's amendment in any way increase the amount that is earmarked for population control?

Mr. PACKWOOD. Does it increase the amount that is earmarked for population control? No, it does not.

Mr. PELL. I thank the Senator.

Mr. FULBRIGHT. Mr. President, I am willing to yield back the remainder of my time. I only wanted to make clear what the amendment did. I did not want to argue about it.

Mr. PACKWOOD. Mr. President, I suggest the absence of a quorum.

Mr. FULBRIGHT. Out of the time of the Senator from Oregon.

Mr. PACKWOOD. Yes.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PACKWOOD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. PACKWOOD. Mr. President, I yield such time to the Senator from New York (Mr. JAVITS) as he may need.

Mr. JAVITS. Mr. President, addressing myself to this amendment, the only reason I am taking any time at all on the amendment is that in committee I had a good deal to do with this item.

The reason why we added the item as a line item in the committee, which is the effect of Senator PACKWOOD's amendment, was that we could not see another reduction made out of the items which were left in the bill in view of the very sharp reductions which had already been made. So in the original go-round, we added this specific line item on, and we added on the item for the Pakistan refugees—$250 million for them and $125 million for population control. We have restored the item for the Pakistan refugees as a line item. That is in here specifically, and it adds to the amount of the bill. We have not restored $15 million for population control. Senator AIKEN, as a matter of fact, carried the ball on that when we did it in committee on the original bill.

It is very hard to see, with the amounts we have now truncated so sharply—cutting the development loans worldwide from $400 million to $250 million; cutting the technical assistance from the original bill—that is, the bill that was defeated—from $208 million to $175 million; cutting the Alliance for Progress, unusually sensitive, from $309 million to $225 million; and now laying on its back tough loan terms at 6 percent and cutting the administrative expenses by $6 million. Those are the only items from which the $125 million can come and will lower these accounts accordingly.

The statement by Senator FULBRIGHT that it can come out of the $1.144 billion asks us to take it out of humanitarian programs that everybody protests they want—in other words, the UNDP, UNICEF, the Indus Basin, Pakistan, the American schools and hospitals, and the contingency fund. But this is not the issue, rather the issue is $125 million out of $695 million of development lending, which is what we are talking about, is well over 20 percent. So this is a very considerable cut in the basic amount in which there already has been a considerable cut.

Therefore, in my judgment, to tell us that we can take the $125 million out of $1.144 billion, making it sound like 10 percent—give or take 10 percent—simply does not take account of what the $1.144 billion consists of. It consists of $695 million Development Funds, Technical Assistance, Alliance, from which the $125 million can be taken, but that is it. The other $449 million is for the multilateral assistance humanitarian operations, which everybody has protested they do not want to vitiate, which they do not want to affect.

Therefore, what the Senate is deciding now is whether, for practical purposes, it wants to cut the $695 million provided for general foreign economic assistance by more than 20 percent and take the $125 million out of it, or whether it does not wish to do that with these already truncated amounts.

I believe that this is improvident, in view of all the argument we have heard pro and con and that, therefore, the line item of $125 million should be restored, as we did in the original bill in committee.

Mr. CHURCH. Mr. President, will the Senator yield me 2 minutes?

Mr. FULBRIGHT. I yield 2 minutes to the Senator from Idaho.

Mr. CHURCH. Mr. President, before we vote, I want to clarify what this amendment does.

The amendment will have only one effect, to add $125 million to the bill's total without adding a single cent more for population control. A full $125 million for population control is already earmarked in the committee bill; there will not be an additional cent for population control with adoption of this amendment. It will simply add $125 million more to the total.

I said earlier today that I am prepared to support the committee, which has tried to be responsive to the will of the Senate, as expressed 2 weeks ago, when it rejected the earlier foreign aid package.

However, if we pile money on top of the amount in the pending bill, we will be retreating from the position we took in October and, if that happens, I will be constrained to vote against the program again.

I therefore hope that the Senate will reject this amendment.

Mr. PACKWOOD. Mr. President, I think we should be clear in understanding that the bill we killed 10 days ago included military and economic aid. Chalking up all the votes against it, with regard to the economic portion of the bill, there was injustice because some of those supporting it miscalculated the motives of some who opposed it.

I am talking about economic aid and am comparing what the bill now has in it, $695 million, which was provided for humanitarian purposes, as opposed to the $889 million that the committee stated we needed for this identical aid when they brought out the bill originally.

We cannot, in any way, say that when the Senate defeated the military and economic foreign aid bill 10 days ago, the bulk of the votes against it were because of economic aid.

### POPULATION ASSISTANCE

Mr. KENNEDY. Mr. President, I strongly support the amendment of the Senator from Oregon (Mr. PACKWOOD) to provide a separate authorization for population assistance programs.

The current bill recognizes the validity of the arguments for continuing the population assistance programs. But the bill, as it now reads, requires that population programs fight for funds with every education, agriculture, and community development proposal eligible for development loans or technical assistance grants.

The amendment assures a separate source of funding for population programs and also guarantees that there will not be any further dilution of the development loan and technical assistance programs.

For example, the Alliance for Progress, for which the administration requested the lowest level of funding in its history, has been cut by more than a third of the committee. But in addition, it must meet its obligations for population assistance programs that have been developed in tandem with United Nations and other multilateral programs. Therefore an additional $17 million for population planning must be taken away from the Alliance.

Today high population growth rates represent a common burden and the single greatest obstacle to more rapid development by the poor countries of the world.

The consequences of overpopulation are visible in famines and malnutrition, in epidemics and chronic illness, in illiteracy and ignorance, in urban squalor and rural stagnation, in unemployment and underemployment—in the full range of human misery.

The depth of the population crisis cannot be understood fully except by those who have seen the children in the barrios of Latin America, in the streets of Calcutta, or in the refugee camps along the Pakistan border.

Then the statistics of 3 percent population growth rate have meaning.

Then one can understand what will happen as the population of Latin America leaps from 270 to 760 million by the year 2000.

Then, one understands what will occur when the population of Africa grows from 310 to 770 million by the end of the century.

The underdeveloped nations are struggling to increase their production, to increase their living standards, to educate their citizens, to house their children—but those tasks are made almost insurmountable by the population crisis.

For these reasons, I believe we must provide the needed funds to maintain the research to find better means of fertility control, to continue the training of family planning specialists, and to increase the capabilities of national institutions in the population field.

Therefore, I strongly support the adoption of the amendment to provide a separate authorization of $125 million for worldwide population assistance programs.

Mr. FULBRIGHT. Mr. President, I yield back the remainder of my time.

Mr. PACKWOOD. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. TUNNEY). All time on this amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Oregon (Mr. PACKWOOD).

On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Florida (Mr. CHILES), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), and the Senator from Indiana (Mr. BAYH) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from South Carolina (Mr. THURMOND), the Senator from Arizona (Mr. GOLDWATER), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Nebraska (Mr. CURTIS) and the Senator from Maryland (Mr. MATHIAS) are detained on official business.

If present and voting, the Senator from Kentucky (Mr. COOK), and the Senator from Nebraska (Mr. CURTIS) would each vote "nay."

On this vote, the Senator from Ohio (Mr. TAFT) is paired with the Senator from South Carolina (Mr. THURMOND). If present and voting, the Senator from Ohio would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 33, nays 50, as follows:

[No. 301 Leg.]

YEAS—33

Aiken
Allott
Beall
Boggs
Brooke
Buckley
Case
Cooper
Cranston
Fong
Gravel
Griffin
Hart
Hatfield
Humphrey
Javits
Kennedy
McGee
McIntyre
Miller
Mondale
Moss
Nelson
Packwood
Percy
Ribicoff
Schweiker
Scott
Stafford
Stevens
Stevenson
Tunney
Williams

NAYS—50

Allen
Anderson
Baker
Bennett
Bentsen
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Church
Cotton
Dole
Dominick
Eagleton
Eastland
Ellender
Ervin
Fannin
Fulbright
Gambrell
Gurney
Hansen
Hollings
Hruska
Hughes
Inouye
Jordan, N.C.
Jordan, Idaho
Long
Magnuson
Mansfield
McClellan
McGovern
Metcalf
Montoya
Pastore
Pearson
Pell
Proxmire
Randolph
Roth
Saxbe
Smith
Sparkman
Spong
Symington
Talmadge
Tower
Weicker
Young

NOT VOTING—17

Bayh
Bellmon
Brock
Cannon
Chiles
Cook
Curtis
Goldwater
Harris
Hartke
Jackson
Mathias
Mundt
Muskie
Stennis
Taft
Thurmond

So Mr. PACKWOOD's amendment was rejected.

Mr. FULBRIGHT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. MANSFIELD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. McGEE. Mr. President, will the manager of the bill yield to me for 1 minute for a colloquy?

Mr. FULBRIGHT. I yield.

Mr. McGEE. Mr. President, the point I raise has to do with the paragraph on page 27 of the current report on the bill and relates to the problem of allocation of funds for American schools overseas. In the middle of the page, the paragraph starts, "In taking this action," but the relevant sentence is near the end of that paragraph, which reads:

> In considering the projects submitted to both the Senate and the House, AID and State Department officials should weigh each on its merits according to the established criteria used by AID and the State Department to evaluate the merits of section 214 projects and in consultation with the host government.

What I would like to submit for the consideration of the manager of the bill is dropping the language "and in consultation with the host government."

The reason for it is—and I have been deeply involved in the technicalities of this problem—these are strictly American schools overseas with all the money coming from American sources rather than bilateral arrangements and, therefore, this poses some limitation in that regard.

Originally, when we had $30 million in that category, including other institutions, and it made more sense, but now that it has been cut back to $15 million, with rigidly defined institutions, I hope it might be possible to drop that language.

The Senator from New York was there the afternoon that language was put in. I was forced to be elsewhere on Senate business. He and I have discussed the matter with the chairman.

Mr. FULBRIGHT. That is only in the report. The colloquy here would have the effect the Senator has in mind. There is no provision needed in the bill. I agree that that is improper language and should be dropped now. I did not sponsor it in the beginning. The legislative history should make it clear.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield myself 1 additional minute.

The RECORD should show we are in agreement that the language is inappropriate for the report and it should be ignored.

Mr. McGEE. Yes.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. JAVITS. Mr. President, this language arose, as the Senator from Wyoming (Mr. McGEE) said. We had $30 million in the bill and we had lists of particular institutions. These are American-backed institutions or they would not belong in the bill. The amount is now down to $15 million. I agree with the

Senator that we do not need any formalization at this stage. There is not enough involved. But we could express the feeling that we have.

Mr. President, I have a letter from Dr. Hannah of AID which has been printed in the Record during the earlier debate which indicated that the funds would be distributed without prejudice and I refer my colleagues to this letter.

In the letter they point out they will not be inhibited by their own previous submission of particular schools.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. I yield 1 additional minute.

Mr. JAVITS. Or by other schools, but they will have relative freedom of action.

They know what we want and they have the views of the House and the Senate and that will apply to their previously drawn up lists.

With the letter and with the understanding and the courtesies and protocol it may dictate some knowledge of the host government as to what is going on, but I do agree with the Senator.

Mr. FULBRIGHT. These institutions have to be approved by the government where they exist. Some have a long history and some have a short history. But I agree.

Mr. JAVITS. The purpose was safeguarding and checking back who they were and the background. I think that can be waived.

Mr. McGEE. I thank the Senator.

Mr. JAVITS. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 4 between lines 3 and 4 insert the following:

"The foregoing subsection (d) shall not be applicable to loans relative to the Alliance for Progress."

Mr. JAVITS. Mr. President, I yield myself 10 minutes and I shall not take that much time.

The PRESIDING OFFICER. The Senator from New York is recognized.

Mr. JAVITS. Mr. President, we have argued concessional terms and the prohibition against them that is now in the bill by the very close vote we had a while ago. I shall not reargue it.

This is a question I think the Senate should decide, just as it felt this should not apply to Public Law 480. We all agreed on that because that was an inhibition we should not put on ourselves if we want to encourage trade in agricultural commodities. I felt it my duty to lay before the Senate as to whether or not the same exclusion shall be made with respect to the Alliance for Progress, where we have special relations and deep and special concerns, bearing in mind we have already cut the Alliance for Progress loan funds very materially and there is serious concern whether that is a desirable thing to do.

The cut is about 28 percent over and above what we already cut when we reported the bill that was defeated.

The question is, Shall we lay both lashes on the Alliance for Progress, the material cut and the prohibition against concessional terms, or shall the Senate express its will on cutting the Alliance for Progress and treat it as it did Public Law 480? Again, we have a special interest in the amendment.

Mr. CASE. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. CASE. Mr. President, I support the amendment. I think it would be a most appropriate action for the Senate to take. The Senator from New York is correct in stating that the United States has a very special relationship with other countries in this hemisphere. We have always recognized this and we should do so in this instance.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. HUMPHREY. Mr. President, I join the Senator in supporting this amendment. I call to the attention of those who were disappointed in some recent votes of the United Nations that several nations that gave our country support were to a very large degree Latin American countries.

As the Senator from New Jersey has just indicated, these countries have a unique relationship to the United States and we to them.

Frankly, I am disappointed that we have not done better in the Alliance for Progress, but I do not think this is any time to back away from it, and I am hopeful the amendment of the Senator from New York will be adopted. I think it would be of great help to this bill, to this Nation, and to our policy in that area of the hemisphere.

Mr. JAVITS. Mr. President, I ask unanimous consent that the names of Senators Allott and Humphrey be added as cosponsors of the amendment, and I ask unanimous consent that the cosponers of the original amendment, to wit, Senators Tunney, Case, Kennedy, Percy, McGee, Miller, and Cooper may add their names as cosponsors if they so desire.

The PRESIDING OFFICER. Without objection, is so ordered.

Mr. DOMINICK. Mr. President, will the Senator yield for a question?

Mr. JAVITS. I yield.

Mr. DOMINICK. The only thing I want to be sure of is that if we should give one of these soft loans to a South American or Central American country, they will not be in a position to relend to a country which is not within the purview of the amendment.

Mr. JAVITS. No. AID is very strict on that. The legislative record should show we must have a firm understanding. It certainly is not my remotest intention that any such subterfuge should be engaged in, but that this money would be strictly for the benefit of Latin American countries and the Alliance for Progress only, directly and indirectly. As I said, I think AID has very tight provisions on that score, but, just as a precaution, I wish to make it quite clear.

Mr. KENNEDY. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. KENNEDY. I join the Senator from New York in this amendment, to give some medium of consideration to the special status of the Alliance for Progress. Obviously, we have a special relationship with countries in the Western Hemisphere. We have had it by geography, history, and tradition. For many reasons, they are our closest allies. I think it is not inappropriate for us to give special consideration to the kinds of development assistance that will be sponsored and achieved under this amendment.

Also, I think that we should look carefully at what the United States has done with regard to Latin America in recent weeks.

We have imposed a 10-percent surcharge on Latin American nations although those nations have nothing whatsoever to do with our balance-of-payments problem. They have substantial surpluses in our favor with regard both to trade and to balance of payments.

We have disregarded the necessities of the Alliance for Progress by killing the foreign aid bill less than 2 weeks ago.

And then we have exhibited a lack of interest and concern in the bill that is now before us which includes substantial cuts in the funding levels for both technical assistance and development loans to the Alliance.

Particularly with regard to Latin America, I believe the committee has decided unwisely to reduce the amounts of money authorized for the Alliance for Progress.

I have been critical of the Alliance in the past and I have felt that it has failed to achieve many of its goals. But I do not believe that the way to reform the Alliance is to simply cut the authorizations without proposing any program to replace it.

I would hope that a separate identity could become a reality for the Alliance in the future with a more fully developed regional institution directing it.

But there are no proposals before us at this moment to alter the character of the Alliance or any of the other elements of the bilateral assistance program. In stead we are urged simply to accept deep cuts in those programs. And I question whether we have adequately examined what the effects would be of the reductions in authorizations now contained in the bill before the Senate.

I have asked aid to explain the impact of the proposed levels of spending and their summary clearly shows that we will be forced to break out commitments to many nations by this action. I ask unanimous consent to have that summary printed in the Record at this point.

There being no objection, the summary was ordered to be printed in the Record, as follows:

### PRELIMINARY ASSESSMENT—CONSEQUENCES OF SENATE BILL: LATIN AMERICA

#### 1. ALLIANCE LOANS PROGRAM—LEVELS

(a) The current Senate proposal, which reduced the Alliance Loan NOA request by 37%, would destroy major elements of the FY 72 lending program and make it impossible to carry out developmentally significant activities now programmed in many countries.

The Administration request was the lowest in the last decade. Thus the program was already reduced to bare bones. For budget reasons, A.I.D. deferred an additional $60 million in priority loans and did not include this amount in the request to the Congress.

*NOA*

| | |
|---|---|
| Request | $235 |
| Senate figure | 150 |

Anticipating a "bridge" of $75 million from loan repayments and recoveries, the Administration request would have permitted a lending program of approximately $310 million for Latin America.

(b) *Immediate Consequences*

We have already authorized $38.9 in FY 72 loans:

| | |
|---|---|
| Bolivia program | $12 |
| Bolivia agriculture | 8 |
| Guyana-Georgetown approaches | 8.9 |
| Panama-tourism | 4 |
| ROCAP-private investment (agriculture) | 6 |
| | 38.9 |

We assume if the Senate Bill is adopted that at a minimum $17 million of the proposed $150 must be allocated to population programs in Latin America. This together with already authorized loans adds to $55.9 million, leaving a balance of $94.1 in NOA for lending for the remainder of the year.

(c) With various possible, but unlikely, recoveries we now anticipate (optimistically) an additional availability of only $40 for the FY 72 lending program because other competing demands will reduce the available bridge for Latin America. Thus we would have available:

| | |
|---|---|
| NOA still available from new fiscal year 1972 authority | $94.1 |
| Recoveries (bridge) | 40.0 |
| Total | 134.1 |

(d) There are some 36 loans currently in process totalling $297.5. Some of those will not reach fruition in the normal course of loan study and preparation. We assume that there will be some $60 million in "dropouts." Thus, the remaining program would require some $237.5 million.

(e) With recoveries, therefore, we will still be approximately $103.4 million short of the amount we feel is solidly justifiable and needed on economic development grounds. Without expected recoveries of $40 million, we would be $143.4 short. The calculation is as follows:

| | |
|---|---|
| Revised program: | |
| Now authorized | $38.9 |
| Loans in process, less dropout | 237.5 |
| Population | 17.0 |
| Total | 293.4 |
| Senate bill program: | |
| Recovery | 40 |
| NOA | 150 |
| Total | 190 |
| Shortfall | 103.4 |

(f) The loan list for the remainder of the Fiscal Year includes:

$80 million firmly programmed in conjunction with the World Bank consortium for Colombia. That country's education and agriculture investment budgets and plans are tightly meshed with the anticipated U.S. lending.

Major education and agriculture loans in Panama, Nicaragua, Dominican Republic, Ecuador and Uruguay totalling $70 are firmly scheduled and, as in Colombia, occupy a central role in current governmental planning.

Some $15 million is planned for earthquake reconstruction in Peru. This loan follows upon President Nixon's pledge to be helpful to that country in its reconstruction efforts.

Other loans in export development, health, housing, rural electrification, capital markets, and urban development, compromise the remainder of the portfolio. In each case, and in each of the 15 countries in the Caribbean and Latin America to which these loans would be made, there is already substantial interest in and reliance upon the United States' willingness to be helpful.

Clearly at the proposed Senate level, we cannot fund most of these important activities.

### 2. ALLIANCE LENDING—TERMS OF AID

The amendment setting development lending rates at the Treasury borrowing rate would, in effect, radically change the nature of the AID program which has hitherto been premised upon the notion that the great bulk of assistance to poorer countries should be on concessional terms. Concessionality is the essence of economic assistance.

It should be noted that this change in U.S. lending terms comes at a time when most of the other developed countries have recently softened their terms. To increase the hardness of U.S. lending terms would be contrary to the recommendations of the Pearson and Peterson Commissions, which stressed that the growing and already burdensome debt situation in many LDC's poses a grave threat to their progress.

### 3. ALLIANCE—TECHNICAL ASSISTANCE

Our NOA request of $129.0 anticipated recoveries of $3.9 million, for a total FY 72 AG program of $132.9. This figure included $17 million for bi-lateral population programs in Latin America, which under the Senate Bill would have to be accommodated within the loan authorization. Moving bilateral population programs from grants to loan, the authorization leaves us with an FY 72 requirement level of $115.9 million. This breaks down as follows:

| | |
|---|---|
| Technical assistance[1] | $80.9 |
| Inter-regional TA (TAB)[2] | 23.0 |
| Inter-regional population | 12.0 |

[1] Includes $2.8 million for Public Safety.

[2] Represents 25% of TAB and other central AID project budgets.

The Senate Bill level of $75.0, together with recoveries of $3.9 million, yields an availability of only $78.9 million, compared with requirements of $115.9. A shortfall of $37.0 million (27%) results. Were inter-regional population activities also accommodated within loan program availabilities and were Latin America funded contributions to inter-regional TA programs scaled down, the shortfall might be further reduced.

A cutback of this magnitude cannot be achieved at this point in time—almost half way through the fiscal year—without stunning effect on the viability of on-going programs.

$42.9 million of the FY 72 Alliance technical assistance program is for high priority activities in agriculture and education and for support of multilateral programs carried out by the OAS.

$24.1 million supports important activities primarily in urban and community development, private enterprise and public administration.

$13.9 million is programmed for technical support, which includes a high percentage of relatively fixed personnel costs (for U.S. and foreign national employees engaged in the planning, administration and monitoring of approximately 500 project activities) which could not be reduced substantially during the remainder of this fiscal year even if employees were abruptly discharged. Severence pay and travel costs would consume very large sums.

Since the proposed Latin American bilateral program provides for only $2.7 million in new projects, there is little room for meaningful economies to be effected by abandoning these new initiatives. In addition, a $500 thousand requirement for narcotics control programs, not foreseen at the time the Congressional Presentation was prepared, must now also be accommodated within a reduced grant budget, further complicating the difficulty of the budget reduction.

The balance, $35.0 million constitutes the Latin American Bureau contribution to AID funding of inter-regional population activities ($12.0 million) and other inter-regional technical assistance programs which are world-wide in scope ($23.0 million).

Mr. KENNEDY. However, I would emphasize that a first item of importance during the next session of the Congress should be an effort to overhaul the foreign aid structure and to rethink this entire matter.

But that action should not result in a reduction in the total amount of our overall development aid. We already are 12th among the 16 industrialized nations in the proportion of GNP devoted to development aid.

Every international panel of development economists has called for a greater amount of development assistance if we are to change a world in which two-thirds of its citizens live in misery.

I believe it is in our interest to work with the developing nations in their efforts to raise the standard of living for their people. I believe that ultimately will be the surest path toward international peace for the nations of the world and the surest path toward social and political justice for the citizens of the world.

Therefore, at the very least, I would hope that the Senate would approve the amendment put forward by the Senator from New York and myself to exempt from the requirement for high interest development loans, the nations of the Western Hemisphere.

And I also ask unanimous consent to print at the conclusion of my remarks an address by Galo Plaza, Secretary General of the Organization of American States to the World Affairs Council at Boston.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### WHATEVER HAPPENED TO THE ALLIANCE FOR PROGRESS?

(By Galo Plaza)

Ten years have passed since representatives of the American nations met in the Uruguayan resort of Punta del Este to launch the Alliance for Progress. Today the fanfare and oratory that accompanied the birth of this comprehensive regional development program are all but forgotten. Critics say that since the Alliance has failed to achieve its lofty objectives of economic progress and social reform, it should be given a quiet burial or simply permitted to fade into oblivion.

As I see it, the Alliance for Progress is very much alive. As a slogan, it may have lost some of its early appeal, but the concept of multilateral cooperation to achieve more rapid economic growth and greater social justice is as valid as ever, and it has been incorporated as a treaty obligation in the amended Charter of the Organization of American States. And President Nixon has reaffirmed the U.S. commitment to the principles of the Alliance.

Although public opinion has tended to regard the Alliance as a bilateral U.S. program, in reality it has been a multilateral program from the start. The contribution of the United States and other external sources has played an important pump-priming role, but the greater share of the effort has been Latin America's, even more so than was anticipated at Punta del Este in 1961.

### THE NATIONAL EFFORT

The statistics for the sixties show that national savings financed 94 percent of the investment in Latin America, rather than the 80 percent that was forecast at Punta del Este. The net flow of capital from all external sources, after deducting the outflow, was 17.6 billion dollars, somewhat less than the 20 billion dollars envisioned at the start of the Alliance.

During the last decade the gross domestic product per capita in Latin America as a whole rose from about $370 to about $470, an increase of 27 percent. This growth rate was almost as rapid as that experienced by the United States, where the gross domestic product per capita in the past decade rose about 31 percent. In absolute terms, however, the gap between the gross domestic product per capita in the United States and in Latin America increased from $2,200 in 1960 to $2,900 in 1970.

In some areas, such as tax reform, literacy, school enrollment, life expectancy, and urban water supply, the Latin American countries took significant strides toward the Alliance for Progress goals. In other areas, such as housing and agrarian reform, progress fell far short of expectations.

Although many of the ambitious goals of the Alliance remain unfulfilled, the program has resulted in significant changes in the Latin American infrastructure that pave the way for greater progress in the future. Experience has shown that social progress is not the automatic corollary of economic growth, and that the Latin American countries must attack more directly problems such as income distribution and unemployment, which were not assigned great importance in the Charter of Punta del Este.

The experience of the sixties has also served to underscore the need for maintaining Latin American unity toward the rest of the world on development issues, without trying to prescribe a uniform strategy for individual Latin American countries. Each country has its own development plan, its own approach, its own schedule of priorities, and that is as it should be. But this has not impeded the trend toward greater Latin American cohesiveness and solidarity, which has been evident in the Special Committee for Latin American Coordination.

### THE ROLE OF THE UNITED STATES

As the Latin American countries reassess their priorities in the Alliance for Progress and their development objectives in the seventies, it is appropriate that the United States examine its own foreign policy objectives and strategy in the Latin American region.

What does the United States stand to gain from a policy of increased cooperation with Latin America and with the rest of the developing world? The Peterson Report pointedly suggests that the United States "should not look for gratitude of votes, or any specific short-term foreign policy gains from [its] participation in international development. Nor should it expect to influence others to adopt United States cultural values or institutions. Neither can it assume that development will necessarily bring stability." The true objectives of development cooperation, says the Report, are "the building of self-reliant and healthy societies . . ., an expanding world economy from which all will benefit. and improved prospects for world peace."

Some who agree that the United States should do more to cooperate with the self-help efforts of the developing world do not see why special consideration should be given to Latin America. As I see it, there are several reasons.

First is the traditional close association with the Latin American states ever since they became independent a century and a half ago. Second, Latin America's proximity to the United States makes it a more accessible market. Third, as the most advanced of the world's developing areas, on the threshold of accelerated development, Latin America is better equipped to make effective use of external cooperation. Fourth, Latin America is the only area of the developing world that is linked to the United States by a development-oriented treaty—the amended Charter of the Organization of American States.

Nevertheless, there is a tendency in this country to downplay Latin America's importance as foreign policy analysts focus their attention on new developments in East-West relations. Gone are the days of a decade ago when concern for Latin American development was for a fleeting moment considered front-page news.

### THE SPECIAL RELATIONSHIP

Some contemporary geopolitical theorists deny the existence of a special relationship between Latin America and the United States, and, furthermore, they see no need for one. They write Latin America off as unimportant to the United States because they fail to understand the region's promise and its potential, a failing that has long been endemic to American popular opinion. Ignoring the special relationship that already exists between the United States and Latin America in the Organization of American States, some writers have counseled a policy of "constructive disengagement." As I see it, disengagement would not be constructive for either party.

Those who underestimate Latin America's importance forget that it already buys some 5 billion dollars in goods from the United States each year, and that this market will grow to at least 7 or 8 billion dollars in the present decade.

They forget that Latin America is the source of raw materials that are critical for U.S. industry and defense.

They forget that U.S. direct private investment in Latin America, with a book value of some 13 billion dollars, brings a return of nearly 2 billion dollars per year in profits and royalties.

They forget that the Latin American countries have demonstrated their strategic importance to the United States in wartime.

Finally, they overlook the political importance of countries that share the United States' views of the requirements of human welfare and of peace and security in the world community.

Raul Prebisch has said that if the United States determines that it has a basic and lasting interest in Latin America, "the inevitable corollary is a systematic long-term effort in which the scale of the means is in reasonable proportion to the magnitude of the ends pursued."

### AID FLOWS

Any impartial observer would have to concede that the scale of the means employed thus far bears no reasonable proportion to the magnitude of the ends or to the resources available. Aid flows to date have been inadequate. They have been helpful, but they have not been enough to trigger a major breakthrough toward self-sustaining economic growth.

Although the parallel is imperfect because of widely differing circumstances, the lesson of the Marshall Plan is clear: large-scale economic aid at the outset hastens the day when no economic aid is necessary. Small scale aid may continue indefinitely without producing the desired results.

Through official lending and grants, the United States has made an important contribution to Latin America's development effort, even though much of the aid was tied to purchases in the United States—a policy that has only recently been abandoned.

The point is that contribution was not in proportion to the ends pursued. The U.S. capacity to give financial cooperation and Latin America's capacity to absorb it have both increased, while the volume of U.S. aid has not.

One school of thought holds that the United States has done its part and that now others should carry the ball. The Secretary of State told the OAS General Assembly in April 1971: "Let me state categorically: The commitment of the United States to assistance for Latin America is undiminished." But a few weeks later a Treasury Department official told the Board of Governors of the Inter-American Development Bank that "The preoccupation of our Congress with serious social, economic and environmental problems domestically has caused a reassessment of our priorities," and that "our diminished position in world affairs . . . requires a new approach to further aid." He urged the Bank to seek new sources of capital in other developed countries.

We all know that foreign aid is taking a worse beating every year on Capitol Hill. Although still the largest source of aid in the world, the United States has dropped to twelfth place among the sixteen countries of the Development Assistance Committee in terms of aid as a percentage of gross national product. The United States is now spending less than one third of one percent of its gross national product on foreign economic assistance.

This trend against foreign aid is false economy, because it hurts not only the developing countries but also the U.S. corporations in all fifty states that supply the majority of the goods that those countries import with their aid dollars. The legislators seem to overlook the obvious domestic implications of shrinking foreign aid, which is shrinking trade as well.

There are two bright spots in the picture of U.S. economic aid. One is that an increasing share of it is being channeled through multilateral institutions, such as the World Bank and the Inter-American Development Bank. This gives the developing countries a greater say in where and how the aid should be used, but the weighted voting in these institutions still gives the loudest voice to the United States. The other encouraging development is the decision of the United States Government to exempt Latin American from the announced 10 percent cut in development assistance.

### THE TRADE PROBLEM

At the same time it is seeking increased economic cooperation, Latin America is looking for a "new deal" in trade. It is essential for Latin America to expand and diversify its exports to counteract the declining terms of trade caused by rapid growth in the value of the region's imports and sluggish growth in the value of its exports.

Latin America can improve its trade posture by intensifying export promotion efforts and by accelerating the process of regional economic integration. But it will also be necessary for the developed countries to open their doors wider to Latin American products by removing restrictions designed to protect relatively less efficient industries. Japan has set an excellent example by establishing a $210 million fund for adjustment assistance to its domestic textile industry, which is unable to match the competition of imports from Korea, Taiwan, and Hong Kong. Paying the cost of readjustment makes more sense—and more friends—than trying to keep the competition out.

Although the United States was an early advocate of a system of generalized tariff preferences for manufactures from the developing nations, it has lagged behind Europe and Japan in putting such a system into practice. New consultation machinery on trade matters within the framework of the Organization of American States has led to broadening of the proposed U.S. preference system to include more products of special interest to Latin America, but until the system is implemented the benefits for Latin America are only on paper.

Nor have Latin America's efforts to expand and diversify exports been helped by the recent United States decision to place a temporary surcharge on imports. This makes it even harder for Latin American products to compete in the U.S. market. Latin America is not responsible for the U.S. balance-of-payments deficit; in recent years the United States has always had a surplus in its transactions with Latin America.

The Latin American countries hope that the import surcharge will be lifted as soon as possible and that the United States will not retreat from its commitment to work toward freer trade. Nothing could be more detrimental to the Latin American development effort than a new wave of trade barriers.

### THE POVERTY GAP

Trade expansion and development assistance are means for coming to grips with the most pressing problem of our time: the growing international poverty gap.

The late Martin Luther King once said that "Injustice anywhere is a threat to justice everywhere." This profound and somewhat discomforting thought was echoed last year by some young Americans who formed a volunteer Youth Task Force for International Development. They told President Nixon: "we of the richest nation of all have no right to expect peace if we do not undertake bold and imaginative action and redress imbalances of economic wealth and human opportunity."

There is no guarantee that development will bring peace. We know how often developed nations have resorted to war. But in this era of the revolution of rising expectations, when the gap between the haves and have-nots is widening with each passing year, it is impossible to conceive of a lasting peace without development.

How long can the international poverty gap continue to widen without producing explosions? Will the developed world come to understand, before it is too late, that its own best self-interest will be served by promoting more equitable growth among the nations on this shrinking planet?

Mankind truly has the means to build a world with justice for all and poverty for none. The time has come for all nations, rich and poor, to rise to this challenge.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

This is exactly the same proposal we defeated a moment ago, except it is limited to Latin America. I call attention to the fact that we are already giving special attention to Latin America. A couple of weeks ago we passed a bill providing, I think, $900 million to be paid in the next 3 years for the Inter-American Development Bank, which money may be loaned at very low interest, some of it from 1¼ to 2 percent, the more typical being 3 to 4 percent, for a period of 20 to 30 years, with a grace period of 3½ to 5½ years.

So we are already giving special attention to Latin America. We do not have a bank similar to the Inter-American Bank for every geographical region. Even the Asian Development Bank is in its infancy and we are giving very little to it. We are giving the Inter-American Bank large amounts of help.

Furthermore, I do not think it is quite right to call these bilateral loans humanitarian loans. These are loans which are used for roads, railways, mass transportation, all sorts of projects that we need in our own country. It is a development loan; it is not a humanitarian program or charity.

If it is desired to give more money to Latin America, let us just increase the amount for the Inter-American Bank, and the fund for special operations program, which is the soft loan program. There may be some justification for that. The committee provided, and the Senate approved just about 2 weeks ago, almost unanimously, all that was requested, all that the administration asked for.

Nothing further needs to be said than we said about the previous amendment of the Senator from New York, so I see no need to belabor the matter. What the Senator is trying to do now is what he wanted to do for all development loans. Now he is doing it only for the Alliance for Progress loans. I am opposed to it.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. FULBRIGHT. Mr. President, if the Senator is willing, I am ready to yield back my time.

Mr. MILLER. Mr. President, will the Senator yield for a question?

Mr. FULBRIGHT. I yield.

Mr. MILLER. Would it be fair to say that if this amendment is not adopted the Alliance for Progress participation by the United States is, for all practical purposes, ended?

Mr. FULBRIGHT. No. Approximately $1 billion is now in the so-called pipeline, which will be under the old rates. So this is what I would call a gradual phaseout. There is $1 billion available in addition from the Inter-American Bank. Also, I believe there is $75 million for grants in the bill. That is just to give. There is in the bill $150 million for loans and there is $75 million for grants which carry no interest and which are for education and that type of program.

Mr. MILLER. I take it the answer is, No, it will not be ended immediately, but it will be a phaseout situation?

Mr. FULBRIGHT. The bill carries a statement that the bilateral development should be phased out. The Peterson Force report recommended it. I would not say the administration recommends this particular way to do it, but its policy is to phase out bilateral development loans—not all the programs, not all the technical assistance, and other aspects, but the Development Loan Fund, which is what this is—loans to Latin America.

Mr. MILLER. Can the Senator tell us how such a phaseout would conform to any commitments we have made under the Alliance for Progress agreements?

Mr. FULBRIGHT. The bill states at the beginning:

> Accordingly, this Act looks to the phase-out of the current program and to the establishment of a new one which will command the respect and the support of Congress and the American people.

The committee has tried to bring out a bill which can be supported. All of the amendments of the Senator from New York are directed toward reconstituting the bill exactly as it was when it was defeated. I do not know whether he thinks the Senate has changed its mind. Perhaps it has. I do not think it has. If he reconstitutes the bill to just the way it was, I would assume it will be defeated again, because it was defeated by a very big margin.

Mr. MILLER. I still would like to get an answer to my question, regardless of what the preamble to the bill recites. How will this conform to the commitments made under our agreements with the Alliance for Progress?

Mr. FULBRIGHT. I do not know what commitments Congress has made. What commitments is the Senator talking about?

Mr. MILLER. I am talking about the commitments made at the Punta del Este meeting which this country and other countries made.

Mr. FULBRIGHT. There is no commitment under any of those agreements that we shall lend money under these soft-loan terms. I think what the Senator may be talking about is some of the general statements that our past representatives very often made, just as we sometimes make statements in general terms. There is no commitment I know of that we shall continue forever the existing program, at almost no interest. What we are trying to do is tighten up on these bilateral terms. However, I repeat, we have given $900 million, which was authorized just recently, on very soft terms. We are not neglecting them. They are getting the special treatment the Senator from Massachusetts referred to.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. JAVITS. Mr. President, I yield myself 5 minutes.

On the issue of what we are giving them and what they need, take a trip to Latin America—anybody—to observe the conditions and to ask is the perpetuation of those conditions in our long-term interest as a nation.

The question I am asking is whether our hemisphere can live in peace if it is half poor—and half rich.

We are not very well liked in Latin America, precisely for that reason. I do not mind about the liking, but we are in very grave danger there, and anybody with half an eye can see that. Why? Sure, we have got $900 million authorized over 3 years for the Inter-American Development Bank, but does that measure their needs or requirements, in order to keep themselves from anarchy and revolution? Of course not. As I pointed out in the other debate—I did not want to repeat it again—most of the lending is still bilateral. It will take a while to phase out. Our dean, Senator AIKEN, pointed that out. We have a provision of law in the bill which says:

> Notwithstanding any other provisions of law, the President shall reduce the amounts and numbers of loans made by the United States directly to individual foreign countries with the objective of phasing out the bilateral loan program by not later than June 30, 1975.

But let us not kill it here and now. That is the purpose of this amendment, especially with so sensitive an area, which is so aggrieved already by the 10-percent surcharge, by the failure to implement the generalized preference scheme. They say the 10-percent import surcharge should not have been laid on them, because they are not responsible for our international balance-of-payments problems at all. In fact, we have a considerable trade surplus with these nations. But they are getting it, and they are going to get it in this. This 6-percent rate is going to be for them, and also affect them adversely.

Then, Mr. President, I have heard just about all I need to hear about this business of the pipeline, and $6 billion all nicely carried in the pipeline.

We are all lawyers. We know that when you go to a bank and get a construction loan for $150,000, you draw it down as you need it. You certify to the banker that you have used 10 or 20 percent, and then you get it. Does the banker say, "The money is in the pipeline?" No. He says he owes the money.

Mr. President, is the United States going to welch on its commitments? Are we going to add that to all the other troubles we are in? This pipeline business is fine, if you want to kill this thing. Sure, you can argue anything. But we are all sensible men and businessmen, and there is no AID money in this pipeline at all; and the AID officials have testified to that effect.

We are all sensible men of business. If the United States wants to welch on a business deal, yes, then it is in the pipeline in the way my colleague explains it. Otherwise no, and it does not deserve to be figured in the situation.

Let us remember that as surely, we do not like foreign aid, and want to get out of it, et cetera, we are still the most powerful and the biggest Nation on earth. We tower over these nations in Latin America like the Colossus of the North they say we are.

Let us behave like the powerful Nation we are. We are not starving, and not going busted. Sure, we have a lot of problems at home that need to be fixed up, and a lot of ecological needs to be repaired, and poor who need to be helped, and I am certainly no laggard in doing those things. But when you compare what their needs are with ours, when you compare the threats to their security with the threats to our security in terms of anarchy, revolution, and disaster for their people, you begin to get some appreciation of why I have made this final effort to bring some reason to the action we are taking.

I am not asking that more money be put in the program. We are only asking that the terms which enable the utilization of the program for the most important relationship we have, with Latin America not be doubled. This is doubling it. That the money authorized not be tied with conditions that prohibit its very use.

It is very important, Mr. President, to look at the preceding record. We have moved very slowly in this field over a period of 12 or 14 years, as the Senator from Colorado (Mr. DOMINICK) has indicated. We have inched up to 3 percent. But this amendment, which I am trying to change, doubles it, Mr. President, at a time when the pressure is on all the Latin-American nations. They are all figuring out now how they can get so much in loans and pay out just about the same thing in interest and carrying charges. They do not like it, their people do not like it, and they are right.

So here we are going to double it. I hope very much, Mr. President, that we will grant at least this modicum of relief from what is a very trying provision.

I yield to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. I yield myself 5 additional minutes.

Mr. HUMPHREY. Mr. President, I thank the Senator from New York.

I think the point needs to be made that these loans should not be considered as a means for just shipping something out of the country. The truth is that the loans are repayable, and they do serve to augment our economy. More than 80 percent of all the goods and services purchased under the foreign aid program come right out of the American industrial and service economy, so that we are, in a sense, helping both the recipients and ourselves.

I think the point the Senator from New York makes about the fulfillment of our responsibilities in this area of the world, particularly in the Western Hemisphere, cannot be overestimated. I think it is a very valuable and powerful point.

I believe that for us to do less than is being contemplated here, under the purposes of this amendment, would be to injure ourselves as well as to injure the Latin American countries.

I want to raise my voice once again in urging special consideration for this part of the world. It is not a happy part. It is not a prosperous part of the world. It is a part of the world in which there is great poverty and great anger. This is not Western Europe. This is our part of this globe, in the sense that we are neighbors, and we have had a historic neighborly relationship.

There was a time when we were very proud, in this body, of the Alliance for Progress—very proud, as Members of this body, when we contemplated the conference that took place at Rio under the administration of President Eisenhower.

We are very proud of the work we have accomplished, or tried to accomplish. I would not want to see us diminish it, and I would hope the Senator's amendment would be looked upon as an expression of goodwill, of good neighborliness, of good, sound economics, and of good sense. I think it qualifies under all those considerations.

Mr. FULBRIGHT. Mr. President, I want to say a word here.

The Senator from New York rightly says our prestige in Latin America has declined. I think one of the things that has contributed most to the decline is the practices of the American business community, and the programs developed under OPIC and other such institutions. That is why I say we should move toward multilateral aid.

I have already quoted, but I shall refer to it once more very briefly, what I thought was a very provocative editorial, datelined Quito, which claims that the Latin nations are offended by the patronizing attitude which accompanies these bilateral programs, in contrast to the multilateral activities of the Inter-American Bank, or the International Bank, for that matter.

We have had this program; we have given the Latin Americans about $16 billion, in one way or another, in the last 25 years; and the writer of the editorial cites that. He says they are very much against the bilateral programs; they are not sympathetic to them.

Such comments, I think, raise the question as to whether or not a different approach might be more beneficial to our relations with Latin America, than to continue the same old approach.

That is what the committee is trying to do, it is trying to take a new approach to the activity of assistance in the international field.

That is why many of us supported, or I did, at least, the authorization for the Inter-American Bank. This is the way we can maintain normal relations with these countries.

So I do not agree with the Senator that if we give them these bilateral loans at concessional rates over a long period of time, our relations with them will improve. I think the better way is through the multilateral approach, like the Inter-American Development Bank.

I yield the Senator from Alaska 5 minutes.

Mr. STEVENS. Mr. President, I thought we had completed this subject with the prior amendment. It seems to me that this amendment is going backward, and that if we agree to this, the next amendment we will have will be an amendment which says, "Since we have done it for South America, why not go back and do it for the rest of the world?"

As I understand, the amendment covers about one-third to 40 percent of the total program, and what it would say is, with regard to the countries involved in the Alliance for Progress, that they can borrow money that our taxpayers are going to subsidize because of the fact that we are anxious to assist them.

We have assisted them.

The way to do this, again, is to use the Senator from New York's device with OPIC—the Overseas Private Investment Corp. Get the money down there and guarantee it; and if our investors lose, the money will be repaid according to the guarantee by the Federal Government, our Government. To me, there is no question that is the way to do it.

I cannot understand why we should not keep the direction we took here when the bill was before us previously, we sent out a signal that from now on the foreign aid program, so far as development loans are concerned, would be on a basis of what it costs the American taxpayers to borrow the money in a deficit situation.

At a time when we have wage control and price control, when we are going into even a stiffer period so far as the wage increases in this country are concerned, I cannot understand why we should not want to turn that corner, and turn it completely, and apply it across the board.

I would support an increase in the amount of money that would be available for the Alliance for Progress so long as it was on a basis of what it costs us to borrow it. There is no question in my mind that they are very good friends and that the total program is a good one, but to say that they should be excepted and the Alliance for Progress should be put on a par with Public Law 480 is wrong. Public Law 480 is to stimulate the export of our surpluses. The Alliance for Progress is to stimulate the surpluses coming in from a foreign country.

Those foreign exports will come up here. As we try to deal with our own problems, this amendment will complicate our attempts to solve those problems. I cannot understand it, and I have to oppose it.

We have tried to set a new goal. I can only repeat what I said earlier—that the amendment which was previously defeated would have deleted from this bill a provision that applies the concept of the going rate of interest to only 10 percent of the future loans that we are going to make in the development loan program. More than $4.6 billion is already in that pipeline, committed at very low rates of interest. We are dealing with the amount that is authorized in this bill, which is less than 10 percent of that total.

All we are saying is that in the future, with regard to future loans, charge the amount of money it costs us to borrow it. I have heard people talk here about the whopping deficit we have this year, and I have heard about the deficit that may occur in the current fiscal year by June of 1972. That deficit is not going to be aided in any way by continuing to borrow money and lending it at less than it costs us, particularly when we have contributed to so many multilateral agencies that could assist in South America—and could assist on even better terms than this in South America.

I cannot quite understand what the necessity is to exclude the Alliance for Progress countries from the concept we have already expressed on the floor today. I hope we defeat this amendment.

Mr. President, I make an inquiry: Have the yeas and nays been ordered on this amendment?

The PRESIDING OFFICER. The yeas and nays have been ordered.

Mr. DOMINICK. Mr. President, will the Senator from Arkansas yield me 2 minutes for a brief comment?

Mr. FULBRIGHT. I yield.

Mr. DOMINICK. Mr. President, I have been reading the bill as well as the report. I invite the attention of the Senator from Alaska to this, which I think is of some significance in determining the effectiveness of the amendment offered by the Senator from New York.

I read from the bottom of page 5 of the bill:

> In furtherance of the provisions of subsection (a) of this section, any funds appropriated under this part I may be transferred by the President to the International Development Association, the International Bank for Reconstruction and Development, the International Finance Corporation, the Asian Development Bank or other multilateral lending institutions and multilateral organizations in which the United States participates for the purpose of providing funds to enable any such institution or organization to make loans to foreign countries.

It would seem to me that, rather than killing the Alliance for Progress in this way—in other words, by raising the interest rate, as has been alleged; I do not think it will, but it is certainly going to put a crimp in it—if the President or the State Department or anyone else feels that there has been an unnecessary cutback in our aid to the Latin American countries, he can very easily say, "All right, we will put a few more dollars into the International Development Association," which is authorized, as I understand it—and I want to be sure that I am right on this—to get soft loans at a very low interest rate. Am I correct in that?

I ask the chairman of the committee if I am correct in this: that the President could transfer funds to the Inter-American Development Fund, which would then be able to give soft loans at a very low interest rate.

Mr. FULBRIGHT. At the going rate under the Inter-American Development Bank.

Mr. DOMINICK. That is about 3 or 4 percent, as I recall; sometimes less.

Mr. FULBRIGHT. That is correct. Sometimes 2¼ percent. "Upon such other terms and conditions as the President may determine." That is section (3), on page 6.

I do not like to keep repeating myself, but the Peterson Report recommended that we move in this direction. The President has endorsed it in principle, not in specifics. I endorse it. I think the committee has endorsed it. If he wishes to utilize a multilateral organization he has the authority to do it.

Mr. DOMINICK. I thank the Senator.

Mr. JAVITS. Mr. President, I yield 4 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, it has been said that Latin Americans do not like us, anyway. At least, I think that has been intimated during the progress of this debate. The facts, however, do not bear out that statement.

The United States does not have too many friends left in this world, but about half of them will probably be found in Latin America today. At the United Nations, when we needed help, we got help from 16 of the 22 Latin American countries. Mexico and every country in Central America voted with us. The only ones that did not vote with us were Chile, Ecuador, Peru—which have controversies over fishing or something else with us at this time—Guayana, Tobago—which we have helped quite a lot, I agree—and Cuba. All the rest stood by us.

If the proposal to slash cooperation with them, which is proposed now, had been in effect, I do not believe we would have had enough votes left in the United Nations to pay for counting.

These countries do want to work with us. They do not want to be obligated to the countries of Western Europe or Russia or China, all of which are just itching to move in there.

If we want any friends left on this earth, we had better not slap the faces of our Latin American neighbors to the south of us.

Mr. JAVITS. Mr. President, I am perfectly content to rest on the debate, except to make one point.

It has been charged that I am trying to restore the bill to the bill that was defeated. I have offered no amendment to increase amounts. I am not even changing the bill in this regard, because the Senate has already expressed its will as to the Development Loan Fund, and there is nothing I could do about it even if I wanted to.

In every other respect, the bill is as brought out by the committee, so far as I am concerned. So that I cannot agree that there is the remotest indication of that in what I am doing on the floor. But I do feel dutybound, in view of the sensitive situation which we face in Latin America, not to add one more to the pile we already are contracting for—and this is one of them—and, therefore, to pick out the Alliance for Progress and show that we do regard them as our friends and that we want to help.

One last matter of fact, the bank bills, so often referred to here, are still in the House of Representatives. We passed them. But they have not become law. They may be in for some problems. I have no idea.

To keep only half the lendability which we now have in the world, we still want the bilateral. None of the reports, including the Peterson Report, regard it as a phaseout, as being the end result. That is the issue at the moment.

Mr. KENNEDY. May I ask the Senator from New York, does his amendment add any money to the bill? It does not add one cent, is that correct?

Mr. JAVITS. Not one penny. It does, however, charge a lesser interest rate than is being charged now, rather than doubling it.

Mr. COOPER. Mr. President, I hesitate taking up more time of the Senate, but I want to point out that what the Senator from New York is proposing is not inconsistent with the votes already taken. Earlier, the Senate moved to strike the prohibition on concessionary interest rates relating to the Public Law 480 program, a program with which I am wholly in favor and have supported for years.

The Public Law 480 program has had good results all over the world relieving hunger and in some cases starvation. But we also know that it helps our own farm States. My State is one of the beneficiaries of the Public Law 480 program. I represent a tobacco State and it has a share in the $20 million of tobacco products exported to other countries. There are great wheat States which export a large volume of wheat to other countries. It is the same with the feed grain States, and with the corn States, and with the soybean States—now one of the great crops which we export to the rest of the world. Then we think of the cotton States—the great cotton States. There are many other farm States which benefit from the Public Law 480 program. But I believe we should be as generous as possible in helping countries in other ways. The same prohibitions on concessionary rates which have been removed as respects the Public Law 480 program—and I support their removal—should be removed from our development.

Mr. President, I wholly support what the distinguished Senators from New York and Vermont (Mr. Javits and Mr. Aiken) have said. With all the troubles around the world, and we have plenty of our own we should not add further difficulties in this hemisphere of ours. Many speeches have been made recently about our difficulties with Canada. We should make a real effort to improve our relations with Canada. We should talk with them as friends about our problems and solve them.

We also have difficulties in Latin America. But we are all in the same hemisphere. If we cannot maintain a closeness of association with all the countries in North and South America, then I believe that we are in for very difficult times.

I remember, during the administration of President Eisenhower, when, he and Douglas Dillon, his under Secretary of State, took the first initiative toward establishing the Alliance for Progress.

I remember President Kennedy's great appeal for the strengthening of the Alliance for Progress. I remember President Johnson and his trip to Punte del Este to strengthen the Alliance for Progress. I remember the late Senator Robert Kennedy who stood on the floor of this Chamber with amendments in which I joined as cosponsor to preserve the Alliance for Progress. I remember the then Vice President and now a Member of this body, the distinguished Senator from Minnesota (Mr. Humphrey), who worked hard for the Alliance for Progress, as well as many other Senators on both sides of the aisle. I remember how strongly we all worked for the Alliance for Progress. And now President Nixon, and Secretary of State Rogers, are carrying on—working to assist in a spirit of equality and friendship our neighbors of this hemisphire.

Therefore, Mr. President, I hope very much that we take this small step to show our continued friendship and devotion toward our neighbors to the south in Latin America.

Mr. JAVITS. Mr. President, I yield back the remainder of my time.

Mr. FULBRIGHT. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. Eagleton). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from New York (Mr. Javits).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. Cannon), the Senator from Florida (Mr. Chiles), the Senator from Oklahoma (Mr. Harris), the Senator from Indiana (Mr. Hartke), the Senator from Washington (Mr. Jackson), the Senator from Maine (Mr. Muskie), and the Senator from Mississippi (Mr. Stennis) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. Jackson) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) is absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from South Carolina (Mr. Thurmond), the Senator from Arizona (Mr. Goldwater), and the Senator from Ohio (Mr. Taft) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from Maryland (Mr. Mathias) and the Senator from Ohio (Mr. Saxbe) are detained on official business.

On this vote, the Senator from Ohio (Mr. Taft) is paired with the Senator from South Carolina (Mr. Thurmond). If present and voting, the Senator from Ohio would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 49, nays 35, as follows:

[No. 302 Leg.]

YEAS—49

Aiken
Allott
Anderson
Bayh
Beall
Bennett
Boggs
Brooke
Case
Cooper
Cotton
Cranston
Dole
Eagleton
Fong
Gravel
Griffin
Hart
Hatfield
Hollings
Hughes
Humphrey
Inouye
Javits
Kennedy
McGee
McGovern
McIntyre
Miller
Mondale
Montoya
Moss
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Ribicoff
Schweiker
Scott
Sparkman
Stafford
Stevenson
Tower
Tunney
Weicker
Williams
Young

NAYS—35

Allen
Baker
Bentsen
Bible
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Church
Curtis
Dominick
Eastland
Ellender
Ervin
Fannin
Fulbright
Gambrell
Gurney
Hansen
Hruska
Jordan, N.C.
Jordan, Idaho
Long
Magnuson
Mansfield
McClellan
Metcalf
Proxmire
Randolph
Roth
Smith
Spong
Stevens
Symington
Talmadge

NOT VOTING—16

Bellmon
Brock
Cannon
Chiles
Cook
Goldwater
Harris
Hartke
Jackson
Mathias
Mundt
Muskie
Saxbe
Stennis
Taft
Thurmond

So Mr. Javits' amendment was agreed to.

Mr. MANSFIELD. Mr. President, if I may have the attention of the leadership on the Republican side, I ask unanimous consent that rollcalls from now on take no more than 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. ALLOTT. Mr. President, I wish to inquire of the distinguished Senator if he knows how many more amendments or votes there will be.

Mr. MANSFIELD. I understand the colleague of the distinguished Senator from Colorado has an amendment which may be accepted.

Mr. ALLOTT. I have one.

The PRESIDING OFFICER. The Senator from Colorado is recognized.

Mr. ALLOTT. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. ALLOTT. Mr. President, I ask unanimous consent that reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 22, line 17, strike all after (a) through line 22 and insert in lieu thereof the following:

"Not withstanding any other provisions of law, the President is authorized to furnish assistance to any foreign country, on such terms and conditions he determines necessary, in order to encourage and enable that country to control or eliminate the production, processing, or distribution of drugs within or across its boundaries."

Mr. ALLOTT. Mr. President, this is in the nature of a technical amendment to add language to the committee bill that is in the House-passed bill relating to worldwide drug control activities. This language would allow the use of funds to combat our worldwide drug problem in those nations which section 620 of the Foreign Assistance Act prohibits.

For example, section 620 would prohibit expenditure in Somali because it is a nation whose ships trade with North Vietnam. Mr. President, let me cite other examples where unless my amendment is adopted, drug control funds could not be expended—in Iraq, a nation with whom we have no diplomatic relations—in Bulgaria, a Communist bloc nation, in France, a developed country.

Mr. President, we are authorizing the expenditure of $25 million for world drug control. This is to fight the spread of the cancerous problem that is plaguing our Nation. Let us not tie the hands of the President in this regard. AID informs me that this is sufficient money to start a comprehensive worldwide program of drug control. I believe we should allow the President discretion in using these funds in any place they may be effective.

I have taken this matter up with the chairman of the committee and I believe that he agrees this technical amendment is necessary to effect the purposes of the bill.

Mr. FULBRIGHT. Mr. President, this is a good amendment. I am willing to accept it. It should be in the bill.

Mr. ALLOTT. Mr. President, unless someone wants time I am willing to yield back the remainder of my time.

Mr. FULBRIGHT. I yield back the remainder of my time.

Mr. ALLOTT. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Colorado (Mr. Allott).

The amendment was agreed to.

Mr. DOMINICK. Mr. President, I send to the desk an amendment.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. DOMINICK. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 27, line 13, strike out "subsection" and insert in lieu thereof "subsections".

On page 27, line 23, strike out the quotation marks.

On page 27, after line 23, add the following:

"(c) It is the sense of Congress that notwithstanding any other provision of law, the aggregate of the voluntary contributions (excluding any payment of such shares of apportioned expenses) of the United States to the United Nations, and to all of the organizations, programs, funds, and activities of the United Nations, for each year should not exceed an amount which is in the same ratio to all such contributions to be made to the United Nations, and its organizations, programs, funds, and activities for that year, as the total amount of all such shares of expenses of the United Nations apportioned for payment by the United States for that year is to the total amount of all such shares of expenses that are apportioned for payment by all members of the United Nations for such year."

Mr. DOMINICK. Mr. President, I have a copy of the amendment for the chairman. The amendment would go back into the U.N. voluntary contributions, over which the distinguished Senator from Vermont and I and many other Senators had quite a hassle the other night, and in which I came out on the losing end of the stick.

What I am saying in this amendment is not that we must cut them back but that it is the sense of Congress they should not exceed in ratio and in total more than the percent we pay as a mandatory assessment. It does not seem to me to be smart to say we are going to pay 31.52 percent of the mandatory assessments of the United Nations and then say we will pay a lot more than that in terms of the voluntary programs.

As I tried to point out last time around when I was accused of trying to gut all of this, which I was not, the more countries that become involved in voluntary programs the better off we will be in getting results accomplished out of the particular program that is being funded. If they keep looking to us all the time for the major share of this we will continue to have a series of problems.

Let me give some figures in connection with this matter. For calendar year 1971, the United States is paying 31.52 percent of the total U.N. general budget. For calendar year 1971 the United States is voluntarily contributing 33.25 percent of the special program funds. This amounts, in cash and commodity contributions, to about $223.6 million—including AID contingency funds, Public Law 480 commodities, funds authorized by Migration and Refugee Act of 1962, and funds from Peace Corps appropriations. Based on the calendar 1971 figures, the amendment if made positive and not a sense of Congress would have reduced our total voluntary contribution by 1.73 percent, or about $3.86 million.

Although the 1972 figures are not available I estimate the impact on our 1972 voluntary contributions to be about the same. Under the revised amendment as I have submitted it, no such reduction will be required, but we state that we should work in that direction.

Let me point out that the amendment would not affect the U.S. percentage contribution to any individual special program. Although the total dollars available for these programs will be reduced slightly, the administration will still retain the flexibility of contributing any percentage it desires to a particular program.

The sole purpose of my proposed amendment is to lead toward a reasonable ceiling on U.S. voluntary contributions to the United Nations. Adoption would most assuredly not have an adverse impact on any of the existing special programs to which we contribute, and even if followed by the Appropriations Committee the United States would still contribute far more than any other member now contributes.

The amendment would, however, serve notice to the member nations that, even from the wealthiest nation in the world, there are liimits to the amount we feel we can contribute and that the well can run dry.

There are some 131 nations in the United Nations. Under this proposal, I am, in effect, saying that we would like to contribute about 31½ percent of the voluntary contributions and the mandatory contributions, and the other 130 nations would have to pick up no more than the other 69 percent. I do not think that is really being unreasonable.

I might add—and I do not think the chairman is aware of this—that this proposal is cosponsored by the Senator from Iowa (Mr. Miller) and the Senator from New York (Mr. Buckley).

Mr. MILLER. Mr. President, will the Senator yield?

Mr. DOMINICK. I yield.

Mr. MILLER. My understanding is that the 31.5 percent which we are assessed for regular contributions to the United Nations has been established by a committee consisting of both large and small nations, wealthy and poor nations, and that these percentages apply to all the nations of the United Nations based upon their relative ability to pay.

The Senator is suggesting that we adopt a sense-of-the-Congress resolution that we continue, on the same basis of relative ability to pay, the percentage with respect to voluntary activities as we are assessed for the mandatory activities. Is that correct?

Mr. DOMINICK. The Senator is totally correct.

Mr. MILLER. I support that idea very much. I think the flexibility the Senator has provided for in his amendment is very timely. I do not think we should move to anything too rigid at this time.

Mr. DOMINICK. I appreciate the comments of the Senator from Iowa.

I shall make one more comment, if I may, while I still have the floor.

The other night we adopted an amendment urging the President to try to decrease our mandatory contributions to approximately 25 percent. This proposal would go along the same line, that we try to keep the contributions even throughout, and if we should succeed in that, obviously our share would go down and that of the other would come up.

I reserve the remainder of my time.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

I have discussed this matter with the distinguished Senator from Colorado. I assume it does not include the Public Law 480 commodities, services, and so on, and certain contributions in kind. I believe it is correct that it would be intended to deal only with the cash contributions.

Mr. DOMINICK. The Senator is correct.

Mr. FULBRIGHT. I point out that it is a sense-of-the-Congress statement, and not a binding provision of law. I could not accept it as such for the reason that there are several programs in which we have a special interest. I point to one, for instance, with regard to the amendment that the senior Senator from Colorado had on drug abuse. It is true we are paying 78 percent on this U.N. program, and we have, because of the war and other reasons, a special interest in that program. We encourage it. One of the reasons is to try, through the U.N., to get the cooperation of other nations to control the international drug traffic. I do not really believe the Senator from Colorado would like to have his proposal interpreted as meaning we would have to cut down to 25 or 30 percent in that area. There are exceptions like this.

Mr. DOMINICK. That is correct.

Mr. FULBRIGHT. I believe I understand the Senator's intent correctly. I am in favor—I think we all are in favor—of keeping our contributions, especially our cash contributions, in line with those of other countries. I said earlier I objected to using our GNP as a criterion for our capacity to pay. I made a quite lengthy statement about it this morning.

I am generally in agreement with the Senator's objective. I believe it might be accepted as an ironclad principle. I am willing to take it to conference. I have not seen it before. The administration should have a chance to see it. I would certainly not want it to be interpreted as a retaliation against the U.N. or anything of the kind. I think the objective is agreeable, with the flexibility for cases where we have special interest in trying to encourage the cooperation of other nations.

Mr. DOMINICK One of the things we were careful to do in this proposal was not to go into a percentage limitation that we would have to hold to in each program. We left flexibility in it. Another matter that may be of interest is that we have put up in the so-called drug program approximately $2 million a year. Unless something has happened in the last few weeks, the maximum that the other nations have put up for this purpose is $11,000, so I would not say that the drug abuse program has been greeted with acclaim by the other nations. I do think we should encourage other nations to come into it.

Mr. FULBRIGHT. We have always been interested in the Children's Fund, and we have had a special interest in population control. Our contributions to the World Health Organization have come down as other nations have become interested in it.

I think our general objective should be that our contributions ought to be in reasonable amounts and in accordance with the ability of other countries to contribute. We have some new members of the United Nations now.

I see no objection to this proposal. I certainly do not interpret it as any retaliation against the U.N. It is just a reasonable approach in trying to keep our contributions in line with those of other countries. That is the way I interpret it. I have no objection to it.

Mr. AIKEN. Mr. President, I yield myself time on the bill.

Mr. FULBRIGHT. I am willing to yield time to the Senator.

Mr. AIKEN. I think the proposed amendment merits a record vote. I believe we ought to reduce our percentage——

The PRESIDING OFFICER. May we have order so that Senators may hear the Senator from Vermont?

Mr. AIKEN. Of contributions——

The PRESIDING OFFICER. Will the Senator from Vermont please suspend until we have order so we can all hear the Senator from Vermont? All Senators who wish to engage in conversation will please do so outside the Chamber.

Mr. AIKEN. I will start again.

I believe this amendment merits a record vote. I would approve reducing the contribution of the United States itself to 25 percent of the overall operating cost of the U.N. budget, as recommended by the Lodge commission. It is now between 30 and 31 percent.

However, as I understand the proposed amendment, it would require the aggregate of all the subsidiary organizations to be reduced to the same level as of the U.N. itself. At the present time 31 percent and 25 percent if the recommendation of the Lodge Commission is approved. That means a substantial reduction would have to come out of some of these different auxiliary organizations. We added $2 million to the Children's Fund. We did in the last bill, and again in this one. So that amount might have to come out of the Children's Fund at least partially. The World Health Organization has virtually eliminated malaria and other diseases in the world. The Food and Agricultural Organization has played a part in eliminating famine in other countries that otherwise would have lost what democratic tendencies they may have had.

Or it could come out of UNESCO. It could come out of the International Labor Organization, which undertakes to raise the pay of workers in other countries until they come near enough to our own wage scale to give our manufacturers a better chance in world trade. It could come out of the United Nations Displaced Persons Fund.

Maybe we do not care about displaced persons. I do not know. Perhaps those people over there in Pakistan ought to be permitted to starve. I do not think so. It could come out of UNRA. But it has got to come out of somewhere, and it is going to be a substantial amount. We had better make up our minds whether we are going to reduce these programs or not.

We ought to get this punitive spirit out of our souls here on the Senate floor and vote for what we think is right, and give some responsible thought to the people in other parts of the world, particularly the sick people, the young people, the children, and the needy people everywhere. I think we ought to have a record vote on this proposed amendment.

I ask for the yeas and nays.

The yeas and nays were ordered.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. AIKEN. Wait a minute. I want to reiterate. I absolutely will not go on with trying to wreak vengeance on the sick or helpless people of the world.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. Mr. President, I yield myself 2 minutes.

I regret the Senator's request for a record vote on this amendment. As it is we have flexibility in the matter, and I think by having a record vote, it fortifies its significance, because I think it is likely to win.

We already voted on this principle of trying to work our overall contributions down to 25 percent. I thought that was acceptable to most of the Members. The Senator from Colorado has already agreed that there is great flexibility here; it does not cover the commodities contribution, of which a large part of these percentages—looking at something like the world food program, much of that is in commodity shipping services.

The proposal that we should seek what we believe to be a reasonable contribution, which has been expressed as 25 percent overall, is all I thought the Senator meant as an objective, and that he does not require it as a binding legal provision. I had told him previously I could not agree to it if he put it in rigidly, to where there is no flexibility left, and on that basis I would not accept it. But in this form, to have a record vote, I would think, would create an impression that it is much more significant and ironclad and inflexible than it would be otherwise. But if the Senator wishes, he can do that.

Mr. AIKEN. I think reducing our contribution to 25 or even 30 percent overall means a substantial reduction in the work of some of these agencies I have mentioned. I do not say some of them cannot be reduced. I do not think we pay 30 percent for ILO today; I do not have the records here. But on the children's fund, for instance, our contribution is away above that; it is something like 60 percent, if I remember correctly. I will correct that figure for the RECORD if I am in error.

But this means a substantial reduction to those agencies, subsidiaries, one might call them, of the United Nations, some of which have done more good in this world than the United Nations itself.

I am willing to reduce the United Nations itself to 25 percent any time, but not these poor people that need our help.

The PRESIDING OFFICER. Who yields time?

Mr. DOMINICK. Mr. President, I yield myself 5 minutes.

I regret that the distinguished Senator from Vermont may have misinterpreted this, or has at least not followed carefully what I was trying to say before.

In the first place, this would not reduce our contributions to 25 percent. It calls for a reduction to approximately 31.5 percent; but it would not be a binding legal provision. It just says we should not contribute any more than this.

In the event that the overall size of these programs should go up, I should also point out to the Senator that it is entirely possible that the amount we would pay would be more than what we have under this bill. I tried to point that out in the last debate, but I seem to have failed; I guess my timing was wrong.

Insofar as these programs are concerned, I think all of us are saying these are good programs. There is nothing the matter with them, and I am certainly not trying to kill any of them. As I have said before, I think they are good programs, but it does seem to me it is important to bring as many nations into these things as we can. So long as we keep on doing what we are doing, and acting as Santa Claus for the major portion of the funding of each one of them, the less cooperation we get from the rest of the nations of the world in trying to provide help where it is needed.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. Mr. President, I yield 2 minutes to the Senator from Rhode Island.

Mr. PELL. Mr. President, I was very much struck with the eloquent words of the Senator from Vermont, and completely agree with him. Each of these specialized agencies is a unit in itself. Here we have the IMCO, which is the Intergovernmental Maritime Consultative Organization; 9.82 percent is our percentage there, and that is just about right, considering the amount of merchant marine we have.

Population control; we contribute about 80 percent there. We have more of an interest in that area.

Special contributions for Vietnam; I am amazed, there we have 83 percent. I wonder who the other 17 percent are.

But in general, we should consider each of these as separate items, because if we lump them all together in one, and destroy or harm these specialized agencies, the sum total of whose good has exceeded that of the United Nations as a whole, we would be making a great mistake.

The PRESIDING OFFICER. Who yields time?

Mr. AIKEN. I yield 2 minutes to the Senator from Wyoming.

Mr. McGEE. Mr. President, I have listened very carefully to the Senator from Colorado on this proposal, and I would say candidly I think this is an unfortunate hour to be suggesting a so-called harmless sense-of-the-Congress resolution affecting the United Nations in this regard. The United Nations has taken some pretty severe blows the last few weeks. This one will be misinterpreted, however well it is intended by the sponsor of the amendment, and I would hope that this body now could pull itself together and, in this case, turn down this amendment on this rollcall vote that has been called for, as at least a token reaffirmation of our faith in the effort collectively to try to do some good in the world.

I think one of the betraying remarks of the sponsor of the amendment was that we should not be playing Santa Claus in this business. Nobody intends to play Santa Claus. We happen to be doing some things because they are worthy, they are right, and they are humanitarian, and I do hope that this body will, on the record, reject the proposal that is now pending.

Mr. AIKEN. Mr. President, I yield myself 2 minutes in order to state for the Record the percentages which the United States now pays toward these auxiliary organizations of the United Nations.

For the United Nations Development program, we pay 40 percent.

United Nations Childrens Fund, 40 percent.

United Nations Fund for Population Activities, 50 percent.

The IAEA—that is the Atomic Energy Operational Program—we pay 40 percent.

The World Health Organization, we pay 40 percent.

The world food program, I do not have the percentages.

I have the United Nations Institute for Training and Research. We pay 40 percent.

The World Health Organization Medical Research—that is in addition to the WHO itself—we pay only 14.26 percent.

International Secretariat for Volunteer Services, we pay 28 percent.

UNRA—that is the United Nations Relief and Works Agency—we pay 70 percent, and that, I suppose, goes largely to the Arab refugees in the Gaza Strip.

Now, as I say, if this Congress votes to reduce our payment to the United Nations as a whole to 25 percent of the total cost, I think that would be desirable. But it is very obvious, from the percentages we are now paying, that we would have to cut the heart out of some of these other programs, which are doing good work, and in many instances better than the United Nations itself. It is a question of whether you care for the people of this world who cannot take care of themselves or whether you do not care.

Mr. HUMPHREY. Mr. President, will the Senator yield?

Mr. AIKEN. I yield 5 minutes to the Senator from Minnesota.

Mr. HUMPHREY. Mr. President, I hope this body will listen to the wise counsel it has received from the Senator from Vermont, and I hope it will also listen carefully to the Senator from Wyoming and others who have addressed us, in the hope that we can turn back this amendment, which is called a sense-of-the-Congress resolution.

Many of the voluntary contributions and voluntary agencies we speak of were undertaken at the initiative of the United States, and every one of them does great, without exception. For example, the United Nations Development Fund, to which we contributed some $86,268,000 in fiscal 1971. This was due to U.S. initiative for a multilateral program. It is a technical assistance program. It has produced remarkable results worldwide, and it has brought into collective and cooperative action many countries to help other nations which are in desperate need.

The Senator from Vermont has put the case properly before the Senate. No matter how we look at this, it is going to cut back on programs that are lifesaving programs, that are programs of vital importance to millions and hundreds of millions of people. I just cannot imagine that at this stage, with the amounts we are talking about, we would want to do that.

The total amount of our voluntary contributions last year, according to the report of the Senate committee, was $135,188,000, for this great Nation, which has tremendous resources. It is not as if we are paying half of the world's bills. It is that we are trying to give leadership to other nations of the world, for people to help themselves.

Every United Nations project is a multilateral project. That is what we have been arguing about here; that is what we are encouraging. I would hope that we do nothing to dampen that worthwhile effort.

The Lodge Commission, which examined into the United Nations and our relationship to it, made note of the fact that while we should try to reduce our contributions or our assessments, in turn, to the United Nations for its general expenses, that reduction, in terms of the voluntary contributions, should not take place but, indeed, could be increased.

I do not think there is a single program listed on page 18 of the Senate report from the Committee on Foreign Relations that any of us would want to see cut back.

I hope the amendment will be rejected and that we will support the initiative that has been taken by the dean of the Senate Republicans, the Senator from Vermont, who has spoken to us wisely and with good sense and compassion.

Mr. DOMINICK. I yield myself 2 minutes, and then I will yield to the Senator from Connecticut and the Senator from Iowa.

For the record, Mr. President, I want to point out to the Senator from Wyoming that I really do not think anybody is going to say that we are trying to downgrade the U.N. voluntary programs when we will be giving them more than $220 million. That is hardly saying that we are withdrawing from the United Nations. That would be true if my amendment were not flexible, if it were a solid amendment, and if it were not just a sense of Congress.

The total amount we will be cutting back, if it gets cut back—and I am not sure it will—will be $3 million, 1.8 percent. That is hardly a tremendous gutting of the voluntary programs.

The second point I want to make, and I will make it over again, is that this does not apply to each specific program. It just says that the amount we pay in can be allocated by the U.N., in any way they want, by our delegation, and can be put into any of those programs, and we can increase or decrease them.

I listened with real interest to the Senator from Vermont, and I really do not want to be cast, as he apparently tried to do, in the role of being a person who is trying to cut out these programs. I am not trying to do anything of the kind. As a matter of fact, if the total amount of these programs would be increased, our total contribution would be, also, and this is one of the things we may be able to do through the other nations' contributions.

I yield 4 minutes to the Senator from Connecticut.

Mr. WEICKER. I thank the Senator from Colorado.

Mr. President, I rise to speak in favor of the Senator's amendment. The comment has been made that this could be misinterpreted by those in the United Nations, and I am sure that probably certain actions of this body could also be said to be misinterpreted by the administration. What is at issue is whether or not the Senate is going to construct a foreign aid bill that is in tune with these times, under the circumstances of these times.

I think that this, in essence, is what the Senator from Colorado wants to do; and, as I interpret the comments of the distinguished committee chairman relative to flexibility, this is what he is trying to see come to pass in this bill.

So, it is not an argument as to the sick and the hungry and the uneducated throughout the world, or being against the United Nations. Certainly, this Senator from Connecticut has supported that body in all its endeavors and will continue to do so. I am not so much interested in the interpretations of the United Nations or of the administration as I am to seeing the job gets done. Frankly, I think this is what is in the amendment of the Senator from Colorado. There is flexibility to the amendment consistent with the circumstances that exist today, not with the speeches or the words that were used at the founding of the United Nations. That is exactly why this bill has run into trouble.

The name of the game is unimportant, when we talk of the sick and the hungry and the uneducated throughout the world. The banner is no longer important. What is important is the game itself. Is the job for the sick, the hungry, and the uneducated being done throughout the world—with our money and everybody else's? Quite frankly, I do not think it is.

This is not an anti-U.N. vote. What we are talking about in this amendment is making this bill responsive to the year 1971. That is a worthy endeavor.

If we try to apply the same old slogans and the same old words that held true in 1940, we are going to end up with the same foreign aid package that means nothing in its accomplishments.

I sincerely support the amendment of the Senator from Colorado.

Mr. DOMINICK. Mr. President, I want to express my appreciation to the Senator from Connecticut, because, apparently, no matter how long I said it, everybody thought I was against the United Nations. It is really interesting, since I served as a member of the national committee, as a State representative, and sat and went through the United Nations, went through many of the national committee deliberations. I acquired a very fond feeling for the United Nations. I hope we can make it work better, and I think we can.

Mr. President, I yield 4 minutes to the Senator from Iowa.

Mr. MILLER. I thank the Senator from Colorado.

Mr. President, I do not think we are voting on a question of whether we are for the United Nations or against the United Nations or for sick people or against them. This is simplistic, and we understand it.

As I pointed out earlier, in my colloquy with the Senator from Colorado, the real issue here is this: We have had assessments levied by a committee of the United Nations based upon relative ability to pay. If a member state has a percentage of dues of 1.28, we can be sure that that committee set that figure because of that nation's relative ability to pay that much. They have established our percentage at 31.5. I would like to see it lower. Maybe it can be lower based upon changes in the economies of other countries. I hope that is true. But that is the relative ability to pay percentage of the United States and now we have to decide whether we will pursue the relative ability of the United States with respect to these other activities.

We are not talking about very much money. We are talking about something like—as the Senator from Colorado said—possibly $3 million out of $135 million. That is very little. In fact, I would question whether it is that much, because the Senator's amendment accepts commodities and we certainly put a lot of commodities in the world food program. So it may not even be that much. But what we are talking about here is not money, really, but principle.

We are not going to get the members of the United Nations to assume their share of the leadership if we do not adhere to the relative ability-to-pay principle.

How can we encourage a developing country which has a relatively lower ability to pay to take on more leadership if they think someone else is going to take it on for them?

That is the real question here. I am sorry that we have gotten into some of these side issues. I hope that no Senator will vote on those bases.

Mr. AIKEN. Mr. President, I take 1 more minute to say that this amendment has been changed from the way it was when it was voted down by a large majority 2 weeks ago, and that it now intends to express the sense of Congress.

I think that is awfully important. I do not want the world to think that it is my sense that we should reduce our contributions to needy people around the world. Even if we save $3 million by cutting the contributions, I do not know what it would do now, but a couple of years ago it would have run the war in Vietnam for 1 hour.

I would like to see some of the zeal demonstrated against these subsidiary programs of the United Nations demonstrated against the war that is costing us billions of dollars every year. But we can save $3 million. So if we want to save $3 million, then vote to slash money for these organizations which have done so much in the world.

Mr. DOMINICK. Mr. President, I yield back the remainder of my time.

Mr. AIKEN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. McINTYRE). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Colorado (Mr. DOMINICK).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Nevada (Mr. CANNON), the Senator from Florida (Mr. CHILES), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Maine (Mr. MUSKIE), the Senator from Mississippi (Mr. STENNIS), and the Senator from New Mexico (Mr. ANDERSON) are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), the Senator from South Carolina (Mr. THURMOND), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "yea."

The yeas and nays were announced—yeas 39, nays 46, as follows:

[No. 303 Leg.]

YEAS—39

Allen
Allott
Baker
Bennett
Bible
Buckley
Byrd, Va.
Byrd, W. Va.
Cotton
Curtis
Dole
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Gambrell
Gurney
Hansen
Hollings
Hruska
Jordan, N.C.
Jordan, Idaho
Long
Magnuson
McClellan
Miller
Montoya
Packwood
Roth
Schweiker
Smith
Spong
Stevens
Talmadge
Tower
Weicker
Young

NAYS—46

Aiken
Bayh
Beall
Bentsen
Boggs
Brooke
Burdick
Case
Church
Cooper
Cranston
Eagleton
Fulbright
Gravel
Griffin
Hart
Hatfield
Hughes
Humphrey
Inouye
Javits
Kennedy
Mansfield
Mathias
McGee
McGovern
McIntyre
Metcalf
Mondale
Moss
Nelson
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Saxbe
Scott
Sparkman
Stafford
Stevenson
Symington
Tunney
Williams

NOT VOTING—15

Anderson
Bellmon
Brock
Cannon
Chiles
Cook
Goldwater
Harris
Hartke
Jackson
Mundt
Muskie
Stennis
Taft
Thurmond

So Mr. DOMINICK's amendment was rejected.

Mr. HUMPHREY. Mr. President, now that we are discussing some of the fundamental aspects of our foreign economic assistance program, I want to register my support for those special programs implemented under title V of the Foreign Assistance Act of 1961 and title IX of the Foreign Assistance Act of 1966, which incorporates a dynamic, healthy outlook toward world development. It states that:

> Maximum participation in the task of economic development on the part of the people of the developing countries, through the encouragement of democratic private and local government institutions should be the main thrust in the utilization of democratic institutions in development.

All of us who are so desirous of change because of the dissatisfaction in the status quo should think carefully before we reject as completely out of hand certain aspects of our bilateral program. Titles V and IX provide for economic and social development which directs help and assistance to the people.

Some of the programs set up under these titles have lived to the letter of this principle and, as a result, have carved out an important role for themselves in future development programs. Out of appreciation for the work they have done, I would like to single out some of the achievements of the credit union and cooperatives in developing countries.

### CONTRIBUTIONS OF CREDIT UNIONS IN DEVELOPING COUNTRIES

Credit Union National Association's activities under its AID contracts for technical assistance in Latin America, Africa, and Asia since 1962 have been in direct response to specific savings and credit problems that existed throughout these regions. The CUNA-AID programs were designed to benefit those sectors of the economy that are most affected by problems of low income of agricultural and industrial families, small businessmen, civil servants, and labor groups, among others.

For all of these groups, the basic credit siutation is identical. Because of their low incomes and savings, they are prevented from either expanding their existing enterprises or activities or from branching into new ones through their own resources. Banking institutions in the individual countries are not able to provide the small, high-risk loans which these sectors need. To obtain credit these people are inevitably forced to turn to money lenders and middlemen for their credit needs and outlays under usurious conditions. Annual interest rates as high as 25 percent and 50 percent for even short-term loans were, and are still, commonplace. This combination of factors prevents the people from modernizing production, increasing their income and savings, and from becoming effective participants in their national economic systems.

Recognizing this situation, the Congress of the United States in enacting the Humphrey amendment to the Foreign Assistance Act in 1961 declared that it was the policy of the United States to "encourage the development and use of cooperatives, credit unions, and savings and loan associations."

Since 1962, CUNA under its AID contracts in Latin America has given technical assistance in organizing credit unions in Peru, Venezuela, Colombia, Brazil, Bolivia, Ecuador, Guatemala, Honduras, Costa Rica, Panama, Nicaragua, El Salvador, Dominican Republic and Paraguay. Today, national federations of credit unions exist in Bolivia, Colombia, Costa Rica, Dominican Republic, Ecuador, El Salvador, Guatemala, Honduras, Nicaragua, and Panama.

In August 1970, these national federations organized themselves into a Latin American Confederation of Credit Unions and became members of the World Council of Credit Unions. Thus, the institutional building cycle has been set in motion from the local or primary credit union institution to the national federation, the regional confederation, culminating with membership in the world wide association.

The success of the credit union program is demonstrated by the number of countries in which the CUNA/AID organizational goals have been fulfilled. Since the start of the effort in 1962, CUNA/AID has been able to phase out its technicians in Peru, Colombia, Venezuela, Costa Rica, and Ecuador.

As of December 31, 1970, there were 3,032 credit unions operating in Latin America with 982,538 members. Total savings of these members amounted to $101,978,157 and loans outstanding totaled $108,984,927. Cumulative loans made since 1962 for production and consumer purposes totaled more than $394,908,000. Production-type AID loans to credit union federations in several Latin American countries now total $9 million.

The strength of the credit union has been in people—involving entire communities in the decisionmaking process and building leadership at all levels. The creation of credit union institutions has produced strong personal identification and enduring loyalty at the grassroots level of society. Throughout the Latin American credit union movement it is estimated that more than 10,000 credit volunteers have received training in their respective areas of responsibility and that type of training is continuing today both locally and internationally.

Credit unions, because of their production and consumer orientation and their short-term loan capability, rarely compete with other financial institutions in the developing countries. Rather they serve to mobilize the savings of low income people, to provide more reasonable interest rates, and to train members who have proven their capacity to handle credit to support housing cooperatives, savings and loan organizations, private banks, and agricultural credit schemes.

Now, I wish to discuss the role of cooperatives in the U.S. AID program with the distinguished Senator from Vermont, Mr. AIKEN. He has given strong and effective encouragement to the application of titles V and IX—these titles in the Foreign Assistance act directing and authorizing the development of certain cooperative enterprises in our foreign aid program.

Mr. AIKEN. I assume it is the intent of the Senate, through this legislation to continue the partnership relationship between the U.S. cooperatives and the U.S. Government which has been so successful these past few years.

Mr. HUMPHREY. Yes; it is. This relationship started 10 years ago when Congress adopted the Humphrey amendment known as title V stipulated that "AID should encourage the development and use of cooperatives, credit unions, and savings and loan associations in its programs to assist the people of the developing countries." Congress restated and emphasized this concept in title IX of the Foreign Assistance Act of 1966 by declaring that "emphasis shall be placed on assuring maximum participation by the people in the task of economic development of the developing countries." U.S. cooperative organizations are working overseas in field of agriculture, rural electrification, insurance, credit unions, housing, consumer distribution, and national institutions for financing cooperative businesses.

Mr. AIKEN. This being the case, I would just like to add additional emphasis by encouraging the maximum use of the experience of the U.S. cooperative leaders through such nonprofit agreements. With nearly one-half of the world's population still hungry or malnourished, and a population explosion calling for a threefold increase in food production in the next 30 years, it is of the utmost importance to assist in creating more Japan-type success, where with average farm size of 2½ acres and through a massive cooperative system owned and run by the millions of small farmers, they have gained access to the tools and technology which make them competitive in all operations, and are now our best dollar market.

I must point to one important development resulting from the title IX provision—the cooperative fertilizer project in India. It is the largest single facility producing fertilizer in India and will be owned entirely by the Indian farmer users.

Mr. HUMPHREY. Prime Minister Indira Gandhi probably described title IX of the Foreign Assistance Act and the role of cooperatives as well as anyone when she stated:

> Cooperatives bridge the gap between the small unit and technology. . . . Cooperation is an ideal instrument for rural development, but it has a vital role in the urban as well. People might reside together in cities, but they are isolated and lonely and do not seem to live together. The faster a city grows, the less mutual regard and sympathy there seems to be among its people.
>
> Cooperatives have the capacity to shape groups into communities with a shared interest.

Mr. President, nowhere has the AID program received back a higher return on its objectives than the relatively few dollars allocated to the cooperative programs. That program goes on.

### AID HAS REACHED THE LITTLE GUY

Our foreign aid programs have often been criticized for not reaching the little guy in developing countries. It is true that some AID programs have tended to make the rich richer with only indirect benefits to the poor. However, in recent years AID has increasingly provided support to programs which directly and immediately affect the lives of lower income families.

A good example of this type of AID program can be found in Panama; in 1966 AID responded to a request for help by the Government of Panama and the Panamanian Housing Institute by granting a loan for upgrading and improving squatter areas in and around Panama City. This AID loan also provided funds to develop a new community on the edge of Panama City for voluntary relocation of poor families previously living in the central city slums and in certain squatter areas on swampy uninhabitable land.

The basis for this program was self-help by the participating families. It was structured in such a way that those poor families who demonstrated initiative to improve their own situation could get a helping hand for a better house, a better job, and a better community in which to raise their children.

The $3 million AID loan provided funds for self-help housing programs and minimum urbanization work including streets and waterlines. The loan also provided funds for very low cost schools in the new community which also involved self-help efforts by the residents. A very important element of this program was job training for identified job vacancies. Several hundred family heads obtained employment as a result. Credit was provided for home improvement in existing squatter areas allowing poor families to put on a new roof, add a toilet or replace their mud floor with a concrete slab.

The families that benefited by this loan also participated in the decision-making processes of the program. This was an important element in the success of this program and technical assistance in this area was provided by AID technicians and technicians from the U.S. Cooperative Movement; the Foundation for Cooperative Housing—FCH—provided the full-time services of two technicians during program development and the Credit Union National Association (CUNA) and the Cooperative League of the U.S.A.—CLUSA—also contributed to the success of this program. U.S. Peace Corps volunteers were directly involved living in the squatter areas and assisting the residents in making maximum use of the services. Several thousand lower income families directly benefited from this program.

"The proof of the pudding" in this program is that upon completion of the AID-funded project the Government of Panama continued and expanded this effort with their money. They now have a similar program for 2,500 families under development in the suburban area of San Isidro.

### AID, THE PRIVATE SECTOR, AND SELF-HELP HOUSING

Under the AID program, one of the most fundamental and dramatic small programs supported by the Agency for International Development has been to help people to help themselves to better housing.

This program has included the various types of projects, including low-cost homes for farmers in Panama through "pre-co-ops" for $350 per house up to middle-income housing in traditional cooperative fashion where the homes cost up to $8,000 for teachers, civil servants, middle management personnel, doctors and dentists in a small coastal town in Honduras.

The principal objective of the cooperative housing program carried forward by the Foundation for Cooperative Housing under contract with AID has been to help build local institutions. These technical service organizations are designed to be staffed entirely with local professional people who, with guidance from FCH, can develop long-range programs of cooperative and self-help housing. Already five of these technical service organizations have been created in Honduras, Panama, Colombia, Venezuela, and Jamaica. FCH has also helped strengthen similar organizations in Chile and Brazil and has trained many prospective leaders for cooperative housing development in other countries.

Statistics are often deadly so I will give you only a few of them. Under this program 5,437 homes have been completed or are in the final stages of development. The average cost per house has been $4,651. The people themselves have provided down payments that total $2,728,000 and local participation through credit union savings and loan associations or local government agencies have been $7,800,000. The total cost of the program for these homes has been $25,289,000

It is possible to build houses faster if you forget about institution building. But the objective is to help people to help themselves by building local institutions that can continue building homes long after the AID program is completed.

I have some tables and statistics and a summary report on the program which might go into the CONGRESSIONAL RECORD.

The most exciting aspect of this program is the human involvement of the people who are putting their own resources and their own energies into building houses for themselves. Let me give you three small examples.

In the small town of Los Pocitos, Panama, 10 families started the first "pre-co-op," using a $3,000 revolving fund from AID and technical assistance from the Foundation for Cooperative Housing, the local housing agency, a credit union, and the Peace Corps.

The people put in down payments of $30 each. The homes were built with cinder blocks made by the families and their friends with small hand operated machines. The houses were simple but were a great step ahead of the thatched roofs and mud floors of the "chozas" in which the people had been living. When the down payments were in, there was enough money to build the 11th house. People paid $5 a month or more to repay the loans. As the money came back into the revolving fund, other houses were started. Today, there are 30 homes in the community of Los Pocitos with only the original $3,000 cash contribution or $100 per house—put in by AID.

The Los Pocitos project was so successful that 14 other projects, many of them larger, have already been completed, and the Government of Panama is considering a large-scale program of rural housing based on this pattern which would be financed by the Panamanian Government itself. FCH points out that the availability of a local credit union organized for this purpose and help from Peace Corps volunteers were also important factors in the success of this and some of the other projects.

The second example is in the little town of Escuintla in Guatemala. This is a coastal port city about 50 miles from Guatemala City. There are several American-owned plants in Escuintla and a great need for good low-cost housing. The FCH man, with his salary paid by AID, secured the sponsorship of seven of the local industries, of which two were U.S. companies. They helped secure the land and gave their blessings to the project. One hundred eighty homes were built as a cooperative project with the average cost of $2,600 per home. The people put in downpayments totaling $47,000. The mortgage amount was $468,000. The construction money was put up by the housing agency of Guatemala and the mortgage was purchased by the Central American Bank for Economic Integration with a secondary mortgage fund set up by AID for this purpose.

In other words, the people with technical assistance from AID through the Foundation for Cooperative Housing were able to secure their houses at low cost with no direct AID financing.

The new community needed a school, which would have required 7 years waiting time according to local priorities. So CARE, the Cooperative for American Relief Everywhere, provided funds for a 6-room school which was built with the labor of the local community in cooperation with the board of education, which promised to supply the teachers if the people would build their own school.

This is an excellent illustration of what is possible through a partnership of AID and private-sector U.S. cooperative groups in developing programs which reach the grassroots level in development.

Let me give you one more illustration of the cooperation between two important organizations in the private sector and AID in housing development.

The Foundation for Cooperative Housing, FCH, has been working closely with the INVICA organization in Venezuela in the development of a Housing Investment Guaranty Program for that country. The funds for building the housing are coming from savings and loan associations in the New England area through the Boston Home Loan Bank. The funds are guaranteed by AID and by the Government of Venezuela.

For the co-op housing program in Venezuela, $6 million will come from savings and loan associations, $2 million from the Banco Obrero of Venezuela, and $1 million in downpayments from future members of three cooperative housing projects in Venezuela.

This means that ordinary depositors in savings and loan associations in the United States are making it possible for their good neighbors in Venezuela to build better housing for themselves. The guarantee of the U.S. Government is making possible a practical human act of brotherhood and of cooperation that would not have been possible a decade ago.

The funds for building the housing is government money. The program is a self-supporting program all the way through, including a substantial part of the technical assistance, with the balance of the technical assistance underwritten by AID.

In the process of carrying forward this Investment Guaranty Program, the Technical Service Organization in Venezuela is building expertise and experience which will make it possible for them to do many housing projects financed with local savings above and beyond any housing financed by outside sources.

### THE MULTINATIONAL APPROACH AT WORK IN HOUSING

AID has been supporting multilateral aid efforts in the private sector as well as the large international agencies. This can be an effective mechanism to mobilize resources of many countries in support of economic development and humanitarian programs for the developing countries.

An example of this is AID's support of the International Cooperative Housing Development Association (ICHDA) through a contract with the U.S. Foundation for Cooperative Housing. ICHDA is a nonprofit association of 12 private, nonprofit and cooperative housing organizations from nine countries—Sweden, Finland, Denmark, West Germany, United Kingdom, India, Chile, Israel, and the United States—established to offer technical assistance in the development of low cost and cooperative housing in developing countries.

A typical pattern of an ICHDA program can be seen in its work in east Africa. It assisted the Government of Tanzania in a self-help housing project for 500 low-income families. Participants received a lot with utilities and a small "core" house designed to expand as their incomes increase. This was done under the auspices of the U.N. Economic Commission for Africa. To assist the Government of Tanzania implement this self-help, cooperative program. ICHDA sought, encouraged, and arranged for inputs of technical assistance from the United Nations Development Programme, training inputs from the West German Government through ICHDA's German member organization, and additional technicians from the international development agencies of Norway and Canada. ICHDA is now involved in seeking capital assistance from its member organizations and their governments for project expansion.

ICHDA has underway a similar pilot program for West Africa and is negotiating for assistance to India involving several of the national member organizations of ICHDA.

In this way, AID inputs have been small in comparison to the results achieved. A full-fledged self-help housing program has been initiated and carried out with the cooperation and coordination of the governments and private sector organizations from four countries and the United Nations.

### COOPERATIVE RURAL ELECTRIFICATION IN THE FOREIGN AID PROGRAM

Since early 1961, the National Rural Electric Cooperative Association has been actively engaged in the worthwhile endeavor of promoting cooperative rural electrification in the developing nations of the world. NRECA's activity in this area is carried on under the provisions of the 1961 Foreign Assistance Act, which established the Agency for International Development and included the amendment which declared it to be the policy of the United States "to encourage the development of cooperatives, credit unions and savings and loan associations."

Since the members of rural electric cooperatives and their national association, NRECA, know from firsthand experience the many economic and social benefits which accrue to a rural area once it is electrified, they were quick to accept the challenge of helping the rural people of other nations obtain the benefits that come with an abundant supply of electric power. In 1961 and in succeeding years, Clyde T. Ellis, the general manager of NRECA—and now general manager emeritus—visited many of the emerging nations of the world to consult with local governmental leaders and U.S. AID officials in the interest of encouraging the consideration of cooperative rural electrification as part of the AID program in each country.

Many countries did respond to this opportunity to get started with rural electrification, using the REA experience of the United States. This type of rural electrification is unique to the United States and serves as a shining example of the way to get rural people involved with a self-help community development program.

To date, NRECA has sent 111 rural electrification specialists representing 70 of the rural electric systems in the United States to 29 foreign countries to appraise the potential for rural electrification and help rural leaders plan the development of rural electrification when the time is right. These men have been unanimous in the endorsement of rural electrification as a major tool in developing the rural areas of these countries. Similarly, the 1,000 rural electric cooperatives in the United States have endorsed cooperative rural electrification for inclusion in the U.S. foreign AID program at each of NRECA's annual meetings since 1962.

Though only a small fraction of AID funds have gone into rural electrification projects, some considerable degree of success has already been achieved in "Exporting the REA pattern" through the aid program. Loans have been made to 39 cooperatives in the amount of $34,600,000, and the countries and their people have put another $20,000,000 into these projects. Including grant-funded projects in Vietnam and northeast Brazil, 51 cooperatives have now been started with AID financing and NRECA technical assistance. These projects now serve some 130,000 families and will in the future serve more than 250,000 families, or some 2,000,000 people. More importantly, the success of these projects is encouraging these nations and others to undertake national programs of rural electrification—not just funds from the United States, but with their own revenues and funds from other sources.

However, only a start has been made in rural electrification. Much more needs to be done. In the rural areas of the developing countries, less than 1 percent of the farmers have electric service even in the more advanced countries like Brazil and Colombia. In these developing countries, from two-thirds to three-fourths of the population is dependent upon agriculture for a livelihood. A major portion of their gross national product and exports comes from the land.

Yet, in most of these countries, this important rural sector, the agriculture sector, has been neglected. In most of the countries, nearly all of the electric power investment has gone into city electrification and powerplants to supply these cities. Too little has been done to electrify the rural areas.

Most of these countries agree that the real strength of the nation resides in their rural people, and they recognize that more must be done to improve the quality of life in rural areas. The rural people recognize, as do many planners, that rural electrification is an absolute necessity to bring them into the 20th century. It is vital if they are to keep their children at home and stop the trek to the cities.

Cooperative rural electrification is a tangible and identifiable foreign aid project. Here is a kind of project that the local people know and recognize as U.S. assistance. They can see and feel its benefits. They know it is America's way of helping them help themselves.

I am sure my distinguished colleagues agree that the Senate and the Congress should insist that the future aid program financed by the United States should include substantial increases in funding self-help cooperatives, including rural electrification cooperatives.

### IMPACT OF RURAL ELECTRIC COOPERATIVES

Here is what one electric co-op manager in Costa Rica reports on the impact of cooperative rural electrification on the lives of the 3,000 families served:

> The industry is improve day by day, beside the small factories which already began the production on goods, concrete block, wood products, milk and its derivations . . . another large firm initiated the studies for a huge textile plant which start the operation five months after we energize the system . . . and employ more than two hundred people. We may enumerate a lot of our achievement and progress in the economics and social fields.

Gentlemen, we might correct his English, but we can hardly improve on his observation.

The PRESIDING OFFICER. The bill is open to further amendment. If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. FULBRIGHT. Mr. President, I yield back the remainder of my time.

Mr. AIKEN. Mr. President, I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. All time having expired, the question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD (after having voted in the negative). On this vote I have a pair with the Senator from Maine (Mr. MUSKIE). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. Mr. President, may we have order at this point. I would like to hear my name if the clerk calls it.

The PRESIDING OFFICER. The Senate will be in order.

Mr. BYRD of West Virginia. I announce that the Senator from New Mexico (Mr. ANDERSON), the Senator from Nevada (Mr. CANNON), the Senator from Florida (Mr. CHILES), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Washington (Mr. JACKSON), the Senator from Maine (Mr. MUSKIE), and the Senator from Mississippi (Mr. STENNIS) are necessarily absent.

I further announce that, if present and voting, the Senator from Florida (Mr. CHILES) would vote "yea."

On this vote, the Senator from Indiana (Mr. HARTKE) is paired with the Senator from Washington (Mr. JACKSON). If present and voting, the Senator from Indiana would vote "nay" and the Senator from Washington would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from Arizona (Mr. GOLDWATER), the Senator from South Carolina (Mr. THURMOND), and the Senator from Ohio (Mr. TAFT) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK) would vote "nay."

On this vote, the Senator from Ohio (Mr. TAFT) is paired with the Senator from South Carolina (Mr. THURMOND). If present and voting, the Senator from Ohio would vote "yea" and the Senator from South Carolina would vote "nay."

The result was announced—yeas 61, nays 23, as follows:

[No. 304 Leg.]

YEAS—61

Aiken
Allott
Baker
Bayh
Beall
Bennett
Bentsen
Boggs
Brooke
Buckley
Case
Church
Cooper
Cranston
Dominick
Eagleton
Fong
Fulbright
Gravel
Griffin
Hart
Hatfield
Hughes
Humphrey
Inouye
Javits
Jordan, Idaho
Kennedy
Magnuson
Mathias
McGee
McGovern
McIntyre
Metcalf
Miller
Mondale
Moss
Nelson
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Ribicoff
Roth
Saxbe
Schweiker
Scott
Smith
Sparkman
Spong
Stafford
Stevens
Stevenson
Symington
Tunney
Weicker
Williams
Young

NAYS—23

Allen
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cotton
Curtis
Dole
Eastland
Ellender
Ervin
Fannin
Gambrell
Gurney
Hansen
Hollings
Hruska
Jordan, N.C.
Long
McClellan
Montoya
Talmadge
Tower

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Mansfield, against.

NOT VOTING—15

Anderson
Bellmon
Brock
Cannon
Chiles
Cook
Goldwater
Harris
Hartke
Jackson
Mundt
Muskie
Stennis
Taft
Thurmond

So the bill (S. 2820) was passed, as follows:

S. 2820

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Special Foreign Economic and Humanitarian Assistance Act of 1971".

STATEMENT OF POLICY

SEC. 2. This Act is enacted as an interim measure to carry forward for fiscal year 1972 United States economic and humanitarian assistance programs authorized by the Foreign Assistance Act of 1961. The Congress intends at the earliest possible date to reevaluate the United States foreign assistance program and to develop a new program for the future. Accordingly, this Act looks to the phaseout of the current program and to the establishment of a new one which will command the respect and the support of Congress and the American people.

FOOD-FOR-PEACE PROGRAM

SEC. 3. It is the sense of the Congress that funds to administer the food-for-peace program should not be reduced as the result of any reduction in the authorizations provided to carry out the Foreign Assistance Act of 1961.

TITLE I—BILATERAL ECONOMIC ASSISTANCE

AUTHORIZATIONS

SEC. 101. (a) There are authorized to be appropriated to the President for fiscal year 1972—

(1) $250,000,000 to carry out the provisions of title I of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to the Development Loan Fund;

(2) $175,000,000 to carry out the provisions of title II of such chapter 2, relating to technical cooperation and development grants;

(3) $225,000,000 to carry out the provisions of title VI of such chapter 2, relating to the Alliance for Progress, of which amount, except for $75,000,000, shall be available only for loans payable as to principal and interest in United States dollars; and

(4) $45,000,000 for necessary administrative expenses of the agency primarily responsible for administering part I of such Act.

(b) Any appropriation made under any clause of subsection (a) of this section shall be considered as an appropriation made under that provision of the Foreign Assistance Act of 1961 authorizing an appropriation for a prior fiscal year for the same purpose as such clause.

(c) $200,000,000 of the dollar receipts from loans made under part I of the Foreign Assistance Act of 1961 and from loans made under the Mutual Security Act of 1954 are authorized to be made available for the fiscal year 1972 for use for the purposes of titles I and VI of chapter 2 of such Act. Such receipts shall remain available until expended.

DEVELOPMENT LOAN FUND

SEC. 102. Title I of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to the Development Loan Fund, is amended as follows:

(1)(A) Section 201(d), which relates to general authority, is amended to read as follows:

"(d)(1) Funds made available for this title shall not be loaned or reloaned at rates of interest excessive or unreasonable for the borrower and in no event shall such funds (except funds loaned under section 205 and funds which prior to the date of enactment of the Special Foreign Economic and Humanitarian Assistance Act of 1971 were committed to be loaned upon terms which do not meet the minimum terms set forth herein) be loaned at a rate of interest of less than the rate which the Secretary of the Treasury determines to be equal to the current available interest rate, as of the last day of the month preceding the making of such loan, that the United States paid on its outstanding marketable obligations of comparable maturities.

"(2) The foregoing subsection (d) shall not be applicable to loans relative to the Alliance for Progress."

(B) Section 106(a) of the Agricultural Trade Development and Assistance Act of 1954 is amended by striking out "but not less than the minimum rate required by section 201 of the Foreign Assistance Act of 1961 for loans made under that section" and inserting in lieu thereof "but at a rate of interest of not less than 3 per centum per annum commencing not later than ten years following the date of last delivery of commodities in each calendar year under the agreement, during which ten-year period the rate of interest shall not be lower than 2 per centum per annum".

(2) In section 202(a), relating to authorization—

(A) beginning with the word "That", immediately after *"Provided,"*, strike out through *"Provided further,"*;

(B) strike out "for each of the fiscal years ending June 30, 1970, and June 30, 1971" and insert in lieu thereof "for the fiscal year ending June 30, 1972,"; and

(C) before the period at the end thereof, insert a colon and the following: *"Provided further,* That none of the funds made available under this title shall be used by South Korea in connection with the construction and operation of commercial fishing vessels, fish processing, or the marketing of fish products".

(3) (A) Section 209, relating to multilateral and regional programs, is amended—

(i) by striking out subsection (a) and inserting in lieu thereof the following: "(a) The Congress recognizes that the planning and administration to development assistance by, or under the sponsorship of the United Nations, multilateral lending institutions, and other multilateral organizations contribute to the efficiency and effectiveness of that assistance through participation of other donors in the development effort, improved coordination of policies and programs, pooling of knowledge, avoidance of duplication of facilities and manpower, and greater encouragement of self-help performance. It is the sense of Congress that an increasing proportion of United States assistance to the developing countries should be channeled through multilateral organizations and that the United States Government should undertake such measures as may be necessary to help increase the competency and capacity of such organizations."; and

(ii) by inserting at the end thereof the following new subsections:

"(c) Notwithstanding any other provision of law, the President shall reduce the amounts and numbers of loans made by the United States directly to individual foreign countries with the objective of phasing out the bilateral loan program by not later than June 30, 1975.

"(d) In furtherance of the provisions of subsection (a) of this section, any funds appropriated under this part I may be transferred by the President to the International Development Association, the International Bank for Reconstruction and Development, the International Finance Corporation, the Asian Development Bank or other multilateral lending institutions and multilateral organizations in which the United States participates for the purpose of providing funds to enable any such institution or organization to make loans to foreign countries. Any such transfer shall be made—

"(1) only if the institution or organization agrees that, in making loans out of funds so transferred, it will emphasize and take into account those matters emphasized and taken into account by the President under sections 201(b) and (f), 207, and 208 of this Act;

"(2) without regard to any other provision of this title; and

"(3) upon such other terms and conditions as the President may determine."

(B) Subsection (b) of such section 209 is amended by striking out "REGIONAL PROGRAM.—".

(C) Section 205 of such Act is repealed.

(D) Effective July 1, 1975, section 619 of such Act is amended by inserting after "this Act" the following "(other than title I of chapter 2 of such part)".

HOUSING GUARANTEES

SEC. 103. Title III of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to housing guaranties, is amended as follows:

(1) In section 221, relating to worldwide housing guaranties, strike out "$130,000,000" and insert in lieu thereof "$180,000,000".

(2) In section 223(i) relating to general provisions, strikes out "June 30, 1972" and insert in lieu thereof "June 30, 1973".

### OVERSEAS PRIVATE INVESTMENT CORPORATIONS

Sec. 104. Title IV of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to the Overseas Private Investment Corporation, is amended as follows:

(1) In the first proviso of section 238(c), relating to definitions, strike out "required by law to be".

(2) At the end of section 239, relating to general provisions and powers, add the following new subsection:

"(g) Except for the provisions of this title, no other provision of this or any other law shall be construed to prohibit the operation in a particular country of the programs authorized by this title, if the President determines that the operation of such program in a particular country is important to the national interest."

(3) Section 240(h) relating to agricultural credit and self-help community development projects, is amended by striking out "June 30, 1972" and inserting in lieu thereof "June 30, 1973".

### PROGRAMS RELATING TO POPULATION GROWTH

Sec. 105. Section 292 of the Foreign Assistance Act of 1961, relating to authorization is amended to read as follows:

"Sec. 292. Authorization.—Of the funds provided to carry out the provisions of this part I for the fiscal year 1972, $125,000,000 shall be available only to carry out the purposes of this title, and, notwithstanding any other provisions of this Act, funds used for such purposes may be used on a loan or grant basis."

### PROHIBITIONS AGAINST FURNISHING ASSISTANCE

Sec. 106. Section 620 of the Foreign Assistance Act of 1961, relating to prohibitions against furnishing assistance, is amended—

(1) by striking out of the first full paragraph of subsection (e)(1) all that matter following immediately below clause (C) and inserting in lieu thereof the following: "and such suspension shall continue until the President is satisfied that such country, government agency, or government subdivision has (i) discharged its obligations under international law toward such citizen or entity, including speedy compensation for such property in convertible foreign exchange, equivalent to the full value thereof, as required by international law, or (ii) has provided relief from such taxes, exactions, or conditions, as the case may be. No other provision of this Act shall be construed to authorize the President to waive the provisions of this subsection."; and

(2) by adding at the end thereof the following new subsections:

"(v) None of the funds appropriated to carry out the provisions of this Act shall be made available to any foreign country which the President determines has failed to support actively the provisions of the 1949 Geneva Convention Relative to the Treatment of Prisoners of War.

"(w)(1) All military, economic, or other assistance, all sales of defense articles and services (whether for cash or by credit, guaranty, or any other means), all sales of agricultural commodities (whether for cash, credit, or by other means), and all licenses with respect to the transportation of arms, ammunitions, and implements of war (including technical data relating thereto) to the Government of Pakistan under this or any other law shall be suspended on the date of enactment of this subsection.

"(2) The provisions of this subsection shall cease to apply when the President reports to the Congress that the Government of Pakistan is cooperating fully in allowing the situation in East Pakistan to return to reasonable stability and that refugees from East Pakistan in India have been allowed, to the extent feasible, to return to their homes and to reclaim their lands and properties.

"(3) Nothing in this subsection shall apply to the provision of food and other humanitarian assistance which is coordinated, distributed, or monitored under international auspices."

### ANNUAL FOREIGN ASSISTANCE REPORT

Sec. 107. (a) Chapter 3 of part III of the Foreign Assistance Act of 1961, relating to miscellaneous provisions, is amended by adding at the end thereof the following new section:

"Sec. 653. Annual Foreign Assistance Report.—(a) In order that the Congress and the American people may be better and more currently informed regarding the volume and cost of assistance extended by the United States Government to foreign countries and international organizations, and in order that the Congress and the American people may be better informed regarding the sale of arms to foreign countries and international organizations by private industry of the United States, not later than December 31 of each year the President shall transmit to the Congress an annual report, for the fiscal year ending prior to the fiscal year in which the report is transmitted, showing—

"(1) the aggregate dollar value of all foreign assistance provided by the United States Government by any means to all foreign countries and international organizations, and the aggregate dollar value of such assistance by category provided by the United States Government to each such country and organization, during that fiscal year;

"(2) the total amounts of foreign currency paid by each foreign country or international organization to the United States Government in such fiscal year, what each payment was made for, whether any portion of such payment was returned by the United States Government to the country or organization from which the payment was obtained or whether any such portion was transferred by the United States Government to another foreign country or international organization, and, if so returned or transferred, the kind of assistance obtained by that country or organization with those foreign currencies and the dollar value of such kind of assistance;

"(3) the aggregate dollar value of all arms, ammunitions, and other implements of war, and the aggregate dollar value of each category of such arms, ammunitions, and implements of war, exported under any export license, to all foreign countries and international organizations, and to each such country and organization, during that fiscal year; and

"(4) such other matters relating to foreign assistance provided by the United States Government as the President considers appropriate, including explanations of the information required under clauses (1)–(3) of this subsection.

"(b) All information contained in any report transmitted under this section shall be public information. However, in the case of any item of information to be included in any such report that the President, on an extraordinary basis, determines is clearly detrimental to the security of the United States, he shall explain in a supplemental report why publication of each specific item would be detrimental to the security of the United States. A supplement to any report shall be transmitted to the Congress at the same time that the report is transmitted.

"(c) If the Congress is not in session at the time a report or supplement is transmitted to the Congress, the Secretary of the Senate and the Clerk of the House of Representatives shall accept the report or supplement on behalf of their respective Houses of Congress and present the report or supplement to the two Houses immediately upon their convening.

"(d) For purposes of this section—

"(1) 'foreign assistance' means any tangible or intangible item provided by the United States Government under this or any other law to a foreign country or international organization, including, but not limited to, any training, service, or technical advice, any item of real, personal, or mixed property, any agricultural commodity, United States dollars, and any currencies owned by the United States Government of any foreign country;

"(2) 'provided by the United States Government' includes, but is not limited to, foreign assistance provided by means of gift, loan, sale, credit sale, or guaranty; and

"(3) 'value' means value at the time of transfer except that in no case shall any commodity or article of equipment or material be considered to have a value less than one-third of the amount the United States Government paid at the time the commodity or article was acquired by the United States Government."

(b) Section 644(m) of such Act is amended by striking out—

"(m) 'Value' means—"

and inserting in lieu thereof—

"(m) 'Value' means, other than in section 653 of this Act—."

(c) Subsection (a) of section 634 of such Act is repealed.

(d) The provisions of this section shall apply with respect to any fiscal year commencing on or after July 1, 1971.

### LIMITATION ON USE OF FUNDS

Sec. 108. Chapter 3 of part III of the Foreign Assistance Act of 1961, relating to miscellaneous provisions, is further amended by adding after section 653, as added by section 107(a) of this Act, the following new section:

"Sec. 654. Limitation on Use of Funds.—(a) Except as otherwise provided in this section, none of the funds appropriated to carry out the provisions of this Act or the Foreign Military Sales Act shall be obligated or expanded until the Comptroller General of the United States certifies to the Congress that all funds previously appropriated and thereafter impounded during the fiscal year 1971 for highway construction, low-rent public housing, Model Cities, water and sewer grants, urban renewal, regional economic development, farm credit, and mass transportation have been released for obligation and expenditure.

"(b) The provisions of this section shall not apply—

"(1) to funds being withheld in accordance with specific requirements of law; and

"(2) to appropriations obligated or expended prior to January 1, 1972."

### INTERPARLIAMENTARY UNION

Sec. 109. The first section of the Act of June 28, 1935, entitled "An Act to authorize participation by the United States in the Interparliamentary Union" (22 U.S.C. 276), is amended as follows:

(1) Strike out "$53,550" and insert in lieu thereof "$102,000".

(2) Strike out "$26,650" and insert in lieu thereof "$57,000".

(3) Strike out "$26,900" and insert in lieu thereof "$45,000".

### INTER-AMERICAN SOCIAL DEVELOPMENT INSTITUTE

Sec. 110. Part IV of the Foreign Assistance Act of 1969 is amended as follows:

(1) Strike out the title of such part and insert in lieu thereof the following:

"PART IV—THE INTER-AMERICAN FOUNDATION ACT"

(2) The caption of section 401 and subsection (a) of such section of that part are

amended to read as follows: "INTER-AMERICAN FOUNDATION.—(a) There is created as an agency of the United States of America a body corporate to be known as the Inter-American Foundation (hereinafter in this section referred to as the 'Foundation')."

(3) Section 401 of such part is amended by striking out "Institute" wherever it appears and inserting in lieu thereof "Foundation".

(4) Section 401(e)(4) of such part is amended to read as follows:

"(4) shall determine and prescribe the manner in which its obligations shall be incurred and its expenses, including expenses for representation (not to exceed $10,000 in any fiscal year), allowed and paid;".

(5) Section 401(l) is amended to read as follows:

"(l)(1) The chief executive officer of the Foundation shall be a President who shall be appointed by the Board of Directors on such terms as the Board may determine. The President shall receive compensation at the rate provided for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

"(2) Expert and consultants, or organizations thereof, may be employed as authorized by section 3109 of title 5, United States Code."

### ANNUAL AUTHORIZATIONS FOR STATE DEPARTMENT AND USIA

SEC. 111. (a) It is the purpose of this section to enable the Congress generally, and the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives in particular, to carry out the purposes and intent of the Legislative Reorganization Acts of 1946 and 1970, with respect to—

(1) the analysis, appraisal, and evaluation of the application, administration, and execution of the laws relating to the Department of State and the United States Information Agency and of matters relating to the foreign relations of the United States; and

(2) providing annual auhorization of appropriations for that Department and Agency.

(b) Section 15 of the Act entitled "An Act to provide certain basic authority for the Department of State", approved August 1, 1956 (22 U.S.C. 2680), is amended to read as follows:

"SEC. 15. (a) Notwithstanding any other provision of law, no appropriation shall be made to the Department of State under any law for any fiscal year commencing on or after July 1, 1972, unless previously authorized by legislation hereafter enacted by the Congress.

"(b) The Department of State shall keep the Committee on Foreign Relations of the Senate and the Committee on Foreign Affairs of the House of Representatives fully and currently informed with respect to all activities and responsibilities within the jurisdiction of these committees of all departments, agencies, and independent establishments of the United States Govenment conducted outside the United States or its territories or possessions. Any such department, agency, or independent establishment shall furnish any information within the jurisdiction of these committees requested by either such committee relating to any such activity or responsibility."

(c) The last sentence of section 13 of such Act (22 U.S.C. 2684) is repealed.

(d) Section 701 of the United States Information and Educational Exchange Act of 1948 (22 U.S.C. 1476) is amended to read as follows:

### "PRIOR AUTHORIZATIONS BY CONGRESS

"SEC. 701. Notwithstanding any other provision of law, no appropriation shall be made to the Secretary of State, or to any Government agency authorized to administer the provisions of this Act, under any law for any fiscal year commencing on or after July 1, 1972, unless previously authorized by legislation hereafter enacted by the Congress."

### USE OF FOREIGN CURRENCIES

SEC. 112. (a) Section 502(b) of the Mutual Security Act of 1954 is amended to read as follows:

"(b) Notwithstanding section 1415 of the Supplemental Appropriation Act, 1953, or any other provision of law, local currencies owned by the United States, which are in excess of the amounts reserved under section 612(a) of the Foreign Assistance Act of 1961, and which are determined by the Secretary of the Treasury to be excess to the normal requirements of the United States, shall be made available to appropriate committees of the Congress engaged in carrying out their duties under section 136 of the Legislative Reorganization Act of 1946, and to the Joint Committee on Atomic Energy and the Joint Economic Committee and the Select Committees on Small Business of the Senate and House of Representatives for their local currency expenses. Any such excess local currencies shall not be made available (1) to defray subsistence expenses or fees of witnesses appearing before any such committee in the United States, or (2) in amounts greater than the equivalent of $100 a day for each person, exclusive of the actual cost of transportation."

(b) The amendment made by this section is effective March 1, 1972.

## TITLE II—HUMANITARIAN AND MULTILATERAL ASSISTANCE

### AUTHORIZATIONS

SEC. 201. (a) There are authorized to be appropriated to the President for fiscal year 1972, to carry out the provisions of chapter 3 of part I of the Foreign Assistance Act of 1961—

(1) $90,065,000 for the United Nations Development Fund;

(2) $15,000,000 for the United Nations Children's Fund;

(3) $7,500,000 for the United Nations population program;

(4) $2,000,000 for the United Nations fund for drug abuse control;

(5) $1,550,000 for the operational program of the International Atomic Energy Agency;

(6) $1,500,000 for the voluntary assistance program of the World Meteorological Organization;

(7) $1,500,000 for the world food program of the Food and Agriculture Organization of the United Nations;

(8) $400,000 for the United Nations Institute for Training and Research;

(9) $312,000 for medical research conducted under the World Health Organization;

(10) $73,000 for the International Secretariat for Voluntary Service;

(11) $13,300,000 for the United Nations Relief and Works Agency;

(12) $1,000,000 for the United Nations Relief and Works Agency to provide expanded technical and vocational training of Arab refugees; and

(13) $4,800,000 for the United Nations Force in Cyprus.

(b) There are authorized to be appropriated to the President for fiscal year 1972—

(1) $15,000,000 to carry out the provisions of section 214 of the Foreign Assistance Act of 1961, relating to American schools and hospitals abroad;

(2) $15,000,000 to carry out the provisions of section 302(b)(2) of such Act, relating to Indus Basin development; and

(3) $30,000,000 to carry out the provisions of chapter 5 of part I of such Act, relating to the contingency fund.

(c) There is authorized to be appropriated to the President for the fiscal year 1972, in addition to funds otherwise available for such purpose, not to exceed $250,000,000, to remain available until expended, for use by the President in providing assistance for the relief and rehabilitation of refugees from East Pakistan and for humanitarian relief in East Pakistan. Such assistance shall be distributed, to the maximum extent practicable, under the auspices of and by international institutions and relief agencies or United States voluntary agencies. Funds appropriated under this subsection shall be transferred to and consolidated with the funds appropriated under the Migration and Refugee Assistance Act of 1962, but shall not be subject to the limitation set forth in section 2(c) of that Act.

(d) Any appropriation made under any clause of subsection (a) or (b) of this section shall be considered as an appropriation made under that provision of the Foreign Assistance Act of 1961 authorizing an appropriation for a prior year for the same purpose as such clause.

### REOPENING OF SUEZ CANAL

SEC. 202. Title II of chapter 2 of part I of the Foreign Assistance Act of 1961, relating to technical cooperation and development grants, is amended by adding at the end thereof the following new section:

"SEC. 220A. SUEZ CANAL.—The President is authorized to furnish financial assistance, on such terms and conditions as he may determine, for assistance in the reopening of the Suez Canal after agreement has been reached by the parties involved, which agreement provides for the use of the Canal by the ships of all nations, including Israel, on a nondiscriminatory basis. For the purpose of carrying out this section, there are authorized to be appropriated not to exceed $10,000,000 in Egyptian pounds now owned by the United States and determined by the President to be excess to the normal requirements of departments and agencies of the United States. Amounts appropriated under this section are authorized to remain available until expended."

### INTERNATIONAL DRUG CONTROL ASSISTANCE

SEC. 203. (a) Chapter 2 of part I of the Foreign Assistance Act of 1961, relating to development assistance, is amended by inserting after title III the following new title:

### "TITLE IIIA—INTERNATIONAL DRUG CONTROL ASSISTANCE

"SEC. 225. AUTHORITY.—(a) Notwithstanding any other provisions of law, the President is authorized to furnish assistance to any foreign country, on such terms and conditions he determines necessary, in order to encourage and enable that country to control or eliminate the production, processing, or distribution of drugs within or across its boundaries.

"(b) The President is authorized to furnish assistance to any international organization, such as the United Nations fund for drug abuse control, involved in efforts to control or eliminate the production, processing, or distribution of drugs.

"(c) Of the funds provided to carry out the provisions of this Act, not less than $25,000,000 shall be available each fiscal year only to carry out the provisions of this title.

"(d) For purposes of this section, 'drug' means any matter which is included within the definition of controlled substance under title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970."

(b) Section 620 of such Act, relating to prohibitions against furnishing assistance, is further amended by adding after subsection (w) as added by section 106 of this Act, the following new subsection:

"(x)(1) The President shall determine annually, before furnishing any military, economic, and other assistance to a foreign country under this or any other law, whether such country has undertaken appropriate measures to prevent drugs, partially or completely processed or produced in or transported through such country, from unlawfully entering the United States or from being unlawfully supplied to citizens of the United States.

"(2) Except as otherwise provided under paragraph (3) of this subsection, if the President determines that a foreign country has not undertaken appropriate measures to prevent any such drugs from unlawfully entering the United States or being unlawfully supplied to United States citizens, he shall immediately cease to furnish all military, economic, and other assistance to such country authorized under this or any other law. The President is urged also to seek, through the United Nations or any other international organization, the imposition of international economic sanctions against such country.

"(3) If the President finds that a foreign country referred to under paragraph (2) of this subsection has undertaken, after his determination, appropriate measures to prevent such drugs from unlawfully entering the United States or being unlawfully supplied to United States citizens or finds that the overriding national interest requires that military, economic, or other assistance be furnished to such country, the provisions of such paragraph shall not apply to that country unless the provisions of such paragraph would apply further to that country as a result of a further determination.

"(4) The President shall utilize such agencies and facilities of the United States Government as he may deem appropriate to assist foreign countries in their efforts to prevent the unlawful entry of drugs into the United States or from being unlawfully supplied to United States citizens.

"(5) No provisions of this or any other law shall be construed to authorize the President to waive the provisions of this subsection.

"(6) The President shall, within ninety days after the determinations made by him pursuant to paragraph (1) of this subsection, report to the Congress such determinations, together with a full explanation of the reasons therefor. The President shall also report to the Congress any action taken pursuant to paragraph (3) of this subsection.

"(7) For purposes of this subsection—

"(A) 'drug' means any matter which is included within the definition of controlled substance under title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970; and

"(B) 'military, economic, and other assistance' means any tangible or intangible item provided by the United States Government (by means of gift, loan, sale, credit sale, guaranty, or any other means) under this or any other law to a foreign country, including, but not limited to, any training, service, or technical advice, any item of real, personal, or mixed property, any agricultural commodity, United States dollars, and any currencies owned by the United States Government of any foreign country."

#### INTERNATIONAL ORGANIZATIONS AND PROGRAMS

SEC. 204. Section 302 of the Foreign Assistance Act of 1961, relating to authorization, is amended as follows:

(1) Subsection (b)(2) is amended by adding at the end thereof the following new sentence: "The President shall not exercise any special authority granted to him under section 610(a) or 614(a) of this Act to transfer any amount appropriated under this paragraph to, and to consolidate such amount with, any funds made available under any other provision of this Act."

(2) At the end of such section 302, add the following new subsection:

"(f) There are authorized to be appropriated to the President for the fiscal year 1972, in addition to other amounts available for such purposes, $1,000,000 in Egyptian pounds owned by the United States and determined by the President to be excess to the requirements of departments and agencies of the United States, for the purpose of providing technical and vocational training and other assistance to Arab refugees. Amounts appropriated under this subsection are authorized to remain available until expended."

#### UNITED NATIONS

SEC. 205. (a) The Congress strongly urges the President to undertake such negotiations as may be necessary to implement that portion of the recommendations of the Report of the President's Commission for the Observance of the Twenty-fifth Anniversary of the United Nations (known as the "Lodge Commission") which proposes that the portion of the regular assessed costs to be paid by the United States to the United Nations be reduced so that the United States is assessed in each year not more than 25 per centum of such costs assessed all members of the United Nations for that year.

(b) Section 8 of the United Nations Participation Act of 1945 is amended—

(1) by inserting immediately after "SEC. 8." the subsection designation "(a)";

(2) by striking out "for the payment by the United States of its share of the expenses of the United Nations as apportioned by the General Assembly in accordance with article 17 of the Charter, and"; and

(3) by adding at the end thereof the following new subsection:

"(b) Notwithstanding any other provision of law, no appropriation shall be made for the payment by the United States of its share of the expenses of the United Nations, as apportioned by the General Assembly in accordance with article 17 of the Charter, or for the payment of any amount to any organization, program, fund, or activity of the United Nations, unless such payment has been previously authorized by legislation hereafter enacted by the Congress. Any such authorization shall not be given for a period exceeding one fiscal year."

Mr. JAVITS. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. MANSFIELD. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### TRIBUTE TO SENATOR FULBRIGHT AND OTHER SENATORS ON PASSAGE OF ECONOMIC FOREIGN AID

Mr. MANSFIELD. Mr. President, at this time I wish to commend the distinguished Senator from Arkansas (Mr. FULBRIGHT), the able chairman of the Committee on Foreign Relations. His leadership in reviving and resurrecting the economic aspects of the foreign aid program has been truly outstanding.

Though I personally have grave reservations that this program deserves to be continued in its present form, I believe the Senate owes Senator FULBRIGHT and the others so instrumental in this action a deep debt of gratitude.

The distinguished senior Senator from Vermont (Mr. AIKEN) joined to assure this success. His devotion and dedication, as always, were essential to the overwhelming approval of this measure by the Senate.

His participation in providing an interim economic aid program was indispensable. Other Senators are to be similarly commended for their contributions.

Most notable was the contribution of the distinguished Senator from New York (Mr. JAVITS). His views are always most thoughtful and most welcome. The same may be said for the contribution of the distinguished Senator from Colorado (Mr. ALLOTT) and his able colleague (Mr. DOMINICK).

To the Senate as a whole the leadership is most grateful for joining to make possible the final passage of this measure expeditiously and with full consideration for the views of each Member.

### TRIBUTE TO SENATOR MAGNUSON AND OTHERS ON PASSAGE OF CONSUMER WARRANTY BILL LAST MONDAY

Mr. MANSFIELD. Mr. President, with the passage of S. 986, the consumer warranty measure, last Monday, the Senate once again witnessed the exercise of legislative skill of the most effective and outstanding character. The chairman of the Commerce Committee, the distinguished Senator from Washington (Mr. MAGNUSON) proved once again that there is no substitute for strong advocacy coupled with consideration for any and all opinions. The expeditious way in which the Senate disposed of the matter can be attributed largely to WARREN MAGNUSON and to his vast knowledge and experience as chairman of the Commerce Committee, and to his great expertise. Naming this proposed law after WARREN MAGNUSON as was the effect of the COTTON amendment is a great tribute fitting this great Senator.

The distinguished Senator from New Hampshire (Mr. COTTON) is to be commended as well for the invaluable assistance which he rendered in steering this bill through committee and to the Senate floor. Through his willing and able contributions this measure became a truly bipartisan effort—one for which the entire Senate can be proud.

Most especially do I wish to give our sincere thanks to the very able Senator from Utah (Mr. MOSS) who as chairman of the Consumer Subcommittee of the Commerce Committee has worked diligently and unstintingly to assure a thorough and impartial debate and review of all aspects of the consumer warranty bill. Senator MOSS has been untiring in his work on behalf of the American public and all of us will be indebted to him for some time to come for the manner in which he willingly gives of himself to insure a better quality of life for the Nation as a whole. His sincerity of purpose is an inspiration to those who know him.

To be commended also are the members of the Consumer Subcommittee who shepherded this measure from its inception through to final passage by the Senate. The very distinguished Senator from Kentucky (Mr. COOK) as ranking minority member of that subcommittee contributed greatly to our understanding of the ramifications of this bill and we are most grateful to him. My able and distinguished colleague from Rhode Island (Mr. PASTORE) once again contributed to our enlightenment through informative and skillful debate. Others are also to be recognized for their contributions, either in the form of amendments offered or comments made, and I would just like to thank the Senator from Virginia (Mr. SPONG), the Senator from Nebraska (Mr. HRUSKA), the Senator from California (Mr. TUNNEY), and the Senator from Alabama (Mr. SPARKMAN) for their contributions to the overall high quality of discussion and deliberation.

It is almost impossible, Mr. President, to enumerate all who helped to move this all-important measure through the Senate. I am truly grateful to the entire Senate for its thoughtful and expeditious action on last Monday.

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## SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent, again, that H.R. 10947, an act to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes, be laid aside temporarily and that the Senate turn to the consideration of Calendar 424, S. 2819; that it be laid before the Senate and made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The second assistant legislative clerk read the bill by title, as follows: A bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to its consideration.

What is the will of the Senate?

Mr. FULBRIGHT. Mr. President, I yield myself 2 minutes on the bill.

### INFORMATION ON LAOS AND CAMBODIA

Mr. President, in the course of the debate on foreign aid on November 9, I mentioned repeatedly the difficulty the committee has had in obtaining information from the executive branch. Let me cite one case, a case I cited before during the debate on the provision in the defense procurement authorization bill setting an expenditure limitation of $350 million for this fiscal year in Laos.

I mentioned during that debate, on October 4 to be exact, that on January 27 of this year I had written the Secretary of Defense asking for certain information for Laos and Cambodia similar to the information that has been regularly supplied to the committee for some years with regard to Vietnam. Mr. G. Warren Nutter, Assistant Secretary of Defense for International Security Affairs, replied on April 14 and said that he could not comply with my request because—

> It would not be at all appropriate to discuss or disclose outside the executive branch highly sensitive information on military combat operations of the kind which your questions would elicit if answers were to be provided.

I wrote Mr. Nutter again on April 20 and asked him to provide the committee with a list of the items which he considered to be "highly sensitive information on military combat operations." He replied on May 5 and used another argument which was that because there were no U.S. military advisory personnel in Laos and Cambodia the Defense Department did not have the information requested.

On August 9 I wrote Mr. Nutter again and pointed out that two members of the staff of the Subcommittee on U.S. Security Agreements and Commitments Abroad had visited Laos and had obtained virtually all of the information requested in my original letter of January 27. Furthermore, with the agreement of the Department of State, Department of Defense and the Central Intelligence Agency, a declassified version of that report had been published. I concluded that it did not seem to me any longer credible to claim that the information requested on Laos was not available or that, if it were, it could not be discussed or disclosed outside the executive branch. I then renewed my request for the information I had requested on January 27.

That letter, as I have said, was dated August 9. It is now more than 3 months later and, despite numerous inquiries by the committee staff to the Defense Department, I have still not received any reply whatsoever to my letter.

I ask unanimous consent that the full exchange of correspondence be printed in the RECORD at this point.

There being no objection, the correspondence was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
*January 27, 1971.*

Hon. MELVIN R. LAIRD,
*Secretary of Defense,*
*Washington, D.C.*

DEAR MR. SECRETARY: As you know, at the request of the Committee on Foreign Relations the Department of Defense has, for some time, been supplying it with monthly statistical data relating to the situation in Vietnam. This information has proved to be extremely valuable in following developments there.

The Committee is finding it increasingly difficult to keep abreast of the rapid developments in Cambodia, Laos, and North Vietnam, and I believe that a monthly report containing data relating to those countries would be helpful. The Committee would, therefore, appreciate the Department's cooperation in supplying, on a monthly basis, the information requested on the enclosed list.

I, of course, have no objection to your making this information available to other interested congressional committees, as was done in the case of the Vietnam reports.

Sincerely yours,
J. W. FULBRIGHT,
*Chairman.*

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MONTHLY DATA ON MILITARY OPERATIONS IN SOUTHEAST ASIA

*Cambodia*

1. Size of Cambodian Armed Forces:
   (a) Trained and Combat Ready;
   (b) In training (specific location if outside Cambodia) or other;
   (c) On duty outside Cambodia (other than training).
2. Number of friendly foreign troops in Cambodia:
   (a) South Vietnamese;
   (b) Other (specify).
3. Number of enemy troops in Cambodia:
   (a) North Vietnamese/Viet Cong;
   (b) Cambodian Communist;
   (c) Engaged in combat operations;
      (1) against Cambodian forces;
      (2) against South Vietnam forces.
4. Combat air operations in Cambodia:
   (a) Sorties flown by:
      (1) U.S. planes;
      (2) Sorties flown by Cambodian planes;
      (3) Sorties flown by South Vietnamese planes;
      (4) Sorties flown by Thais or other forces;
   (b) Ordnance expended (bomb tonnage and other) by U.S. aircraft in Cambodia:
      (1) B-52.
      (2) other fixed wing aircraft;
      (3) helicopter gunships, etc.
5. Casualties (military):
   (a) Enemy killed, wounded and captured;
   (b) Cambodians killed, wounded and missing;
   (c) South Vietnamese killed, wounded and missing;
   (d) U.S. casualties or missing as a result of air or other operations.
6. Transport and Supply Operations:
   (a) Number of flights flown by U.S. military transport aircraft to Cambodian airports;
   (b) Number of U.S. helicopter transport flights flown in Cambodia;
   (c) Number of air drop missions flown by U.S. aircraft in Cambodia;
   (d) Number of transport flights by U.S. non-military aircraft (Air America, etc.);
   (e) Number of transport flights by South Vietnamese or other aircraft;
   (f) Number of supply missions by South Vietnamese naval vessels;
   (g) Please provide copies of any contracts or agreements with foreign government or private entities relating to supply or transport operations in Cambodia, including data on amounts paid or reimbursed for such services and the sources of the funding.
7. Payments made by the United States to South Vietnam or other countries for operations in or services rendered in behalf of Cambodia:
   (a) Amounts or any such payments and the purpose;
   (b) Provide copies of any agreements entered into by the United States concerning payments to foreigners for services rendered in or in behalf of Cambodia and the source of the funding.
8. Number of U.S. personnel involved:
   (a) Number of U.S. personnel attached permanently or temporarily to the U.S. Embassy in Cambodia—civilian, military;
   (b) Number of visits in Cambodia by U.S. personnel in a TAD or other temporary status and total number of days of such duty by all personnel during the month;
   (c) Number of U.S. personnel in South Vietnam, Thailand, or Laos whose duties relate to operations in Cambodia, including training and logistics operations.
9. U.S. Naval operations:
   (a) Number and type of U.S. ships operating in or near Cambodian waters during the month engaged in operations relating to Cambodia;
   (b) Number of visits to Cambodian ports by U.S. naval vessels engaged in supply or transport operations.
10. Estimated number of U.S. prisoners held in Cambodia:

*Laos*

1. Number of United States personnel in Laos:
   (a) Civilian (government employees);
   (b) Military;
   (c) Personnel on temporary duty, civilian and military (total number of man-days);
   (d) Contractor employees (Air America, etc.).
2. Number of friendly military forces:
   (a) Regular Laotian Armed Forces;
   (b) Irregular Forces;
   (c) Thai Forces in Laos;
   (d) Other Forces in Laos (Cambodian, South Vietnamese, etc.).
3. Enemy forces in Laos:

(a) Pathet Lao;
(b) North Vietnamese;
(c) Viet Cong.

4. Air Operations in Laos:

(a) U.S. air sorties over Northern Laos and munitions expended;
(1) B-52;
(2) Other aircraft.

(b) U.S. air sorties over Southern Laos and munitions expended;
(1) B-52;
(2) Other aircraft.

(c) Air sorties by Laotian forces and munitions used.

5. Casualties—killed or wounded:
(a) United States;
(b) Laotian;
(c) Other friendly;
(d) Enemy.

6. Incursions into Laos from South Vietnam or Cambodia:

(a) Purpose, date and number of U.S. and foreign personnel involved in each incursion;

7. Please provide copies of any contracts or agreements entered into during the month between the United States and other countries or private parties relating to military operations in Laos.

8. Estimated number of U.S. prisoners held in Laos:

*North Vietnam*

1. U.S. air operations over North Vietnam:

(a) Number of reconnaissance flights flown;
(b) Number of escort sorties flown;
(c) Number of helicopters or other manned aircraft sorties flown.
(d) Number of drone flights.

2. Enemy actions and U.S. losses:

(a) Number of times U.S. aircraft were fired upon while over North Vietnam.

(b) Number of times U.S. aircraft were fired upon from North Vietnam while over Laos;

(c) Number of U.S. aircraft lost (by type) over North Vietnam due to enemy fire;

(d) Number of U.S. aircraft lost over North Vietnam (by type) not as a result of enemy fire;

(e) U.S. personnel losses.

3. Retaliatory action taken:

(a) Number of times North Vietnam targets were attacked;

(1) Number of aircraft involved in retaliatory actions;

(2) Quantities of munitions used in retaliatory action.

4. Description of actions by South Vietnamese or other forces in North Vietnam.

5. Estimated number of U.S. prisoners held in North Vietnam.

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ASSISTANT SECRETARY OF DEFENSE,
INTERNATIONAL SECURITY AFFAIRS,
*Washington, D.C., April 14, 1971.*

Hon. J. W. FULBRIGHT,
*Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: Secretary Laird has asked me to respond to your letter of 27 January in which you requested that the Senate Committee on Foreign Relations be furnished, on a continuing basis, a detailed monthly report on military operations in Southeast Asia.

I regret that we are unable to comply with your request in this instance. Deputy Secretary Packard's letter to Senator Symington of 11 June 1970, a copy of which Senator Symington forwarded to you, pointed out that it would not be at all appropriate to discuss or disclose outside the Executive Branch highly sensitive information on military combat operations of the kind which your questions would elicit if answers were to be provided.

Sincerely,

G. WARREN NUTTER.

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THE DEPUTY SECRETARY OF DEFENSE,
*Washington, D.C., June 11, 1970.*

Hon. STUART SYMINGTON,
*Chairman, Subcommittee on U.S. Security Agreements and Commitments Abroad, Senate Committee on Foreign Relations, Washington, D.C.*

DEAR SENATOR SYMINGTON: I understand that when Generals Burchinal and Polk appeared as witnesses before your Subcommittee in late May, they were requested to make available to the Subcommittee copies of written instructions they had received both in connection with the European trip of staff members Pincus and Paul and with reference to their testimony before your Subcommittee.

I am sure you will appreciate that those instructions, by definition, were documents intended solely for internal use within the Department of Defense and I would hope that you would agree with me that such documents should not be distributed outside the Executive Branch.

From your personal experience as a former Secretary of the Air Force, you are well acquainted with the fact that, on the basis of custom, tradition, usage and precedent, the Legislative and Executive Branches have come to accept and recognize that there are certain matters which, for varying reasons, are not normally discussed outside the Executive Branch. The instructions in question contained topics meeting that general description for the most part and included such items as military contingency plans. National Security Council documents, Inspector-General Reports of Investigations, matters still in the planning, proposal stage upon which no decision has been reached, operational procedures and methods involving the risk of life or safety of military personnel and so forth.

Early in the Subcommittee hearings, a misunderstanding apparently developed in connection with the handling or manner of treatment of information on nuclear weapons, a misunderstanding which, as I understand it, has been resolved by the briefing given to the Senate Committee on Foreign Relations on 27 May 1970.

These categories of information are those which have become widely accepted and generally recognized as topics which in the national interest, should be strictly limited in either dissemination or discussion. Be assured that any prohibitions against discussing such topics apply to all testimony and were not, of course, restrictive solely to witnesses appearing before your Subcommittee.

Secretary Laird asked me to convey his apology for the delay in responding to your request, a delay which was occasioned by the urgency of preparing for his trip to Europe.

I trust that you will find this responsive to your Subcommittee's interest in this matter.

Sincerely,

DAVID PACKARD.

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APRIL 20, 1971.

Hon. G. WARREN NUTTER,
*Assistant Secretary for International Security Affairs, Department of Defense, Washington, D.C.*

DEAR MR. NUTTER: I wish to acknowledge your letter of April 10 in reply to the Committee's request for a monthly report on certain developments in Cambodia and Laos.

You state that the information requested would involve "highly sensitive information on military combat operations" which would not be "appropriate to discuss or disclose outside the Executive Branch." Would you please provide the Committee with a list of the items requested which you consider to be in this category. In order to avoid further delay and without passing on the merits of the Department's position on those items, I would appreciate your providing the Committee with monthly reports on the other items not in this category.

Sincerely yours,

J. W. FULBRIGHT, *Chairman.*

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ASSISTANT SECRETARY OF DEFENSE,
INTERNATIONAL SECURITY AFFAIRS,
*Washington, D.C., May 5, 1971.*

Hon. J. W. FULBRIGHT,
*Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: This will acknowledge the receipt of your letter of April 20, 1971, relative to our exchange of correspondence in connection with the request of the Senate Committee on Foreign Relations to be provided a monthly report on a continuing basis of certain military combat operations conducted by U.S. forces and the indigenous forces of the governments of Laos and Cambodia.

The information required to respond to questions concerning the size and combat readiness of indigenous armed forces, their air and ground combat operations, the enemy forces they encounter and the casualties they inflict and sustain, etc., is normally provided through U.S. military personnel acting in a military advisory assistance role who accompany the host country forces on combat operations. However, the Geneva Accords, the so-called Cooper-Church Amendment and certain other restrictions imposed by the Congress in enacting the Defense Authorization Bill have, in combination, prohibited by law the presence of U.S. military advisory personnel in Laos and Cambodia which, in turn, effectively precludes reliable reporting to the Department of Defense of information of that nature.

Additionally, there are a number of other questions that were posed such as those relating to U.S. civilian personnel in Laos and Cambodia who are employed either by other U.S. Government agencies or by private contractors that do not fall under the cognizance of the Department of Defense.

Finally, the possibility that identical or similar missions or military operations may be required in the same general geographical area at some indefinite future date creates a sensitivity that precludes discussing, outside the Executive Branch, specific details with respect to cross border incursions by allied forces, intelligence gathering operations, frequency and area of coverage of reconnaissance and attack sorties, types of aircraft employed and types and tonnages of ordnance expended, etc.

Again I regret that we are unable to respond to your Committee's request in this instance.

Sincerely,

G. WARREN NUTTER.

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AUGUST 9, 1971.

Mr. G. WARREN NUTTER,
*Assistant Secretary for International Security Affairs, Department of Defense, Washington, D.C.*

DEAR MR. NUTTER: On January 27, 1971, I wrote Secretary Laird, noting that the Department of Defense had been supplying the Committee for some time with monthly statistical data relating to the situation in Vietnam and asking for a monthly report relating to developments in Cambodia, Laos and North Vietnam. You replied, for Secretary Laird, on April 14 and said that you were unable to comply with my request because "it would not be at all appropriate to discuss or disclose outside the Executive Branch highly sensitive information on military combat operations of the kind which your questions would elicit if answers were to be provided."

I then wrote you on April 20 and asked whether you could provide the Committee with a list of the items requested which you considered to be in the category of "highly sensitive information on military combat operations" which would not be "appropriate to discuss or disclose outside the Executive Branch."

You replied on May 5, saying in your letter: "The information required to respond to questions concerning the size and combat readiness of indigenous armed forces, their air and ground combat operations, the enemy forces they encounter and the casualties they inflict and sustain, etc., is normally provided through U.S. military personnel acting in a military advisory assistance role who accompany the host country forces on combat operations. However, the Geneva Accords, the so-called Cooper-Church Amendment and certain other restrictions imposed by the Congress in enacting the Defense Authorization Bill have, in combination, prohibited by law the presence of U.S. military advisory in Laos and Cambodia which, in turn, effectively precludes reliable reporting to the Department of Defense of information of that nature."

I now renew my request for the information on Laos on a monthly basis requested in my original letter of January 27, 1971. Since our exchange of correspondence, two members of the Committee staff have visited Laos and they have obtained the answers to virtually all of the questions regarding the situation in Laos in the enclosure to my letter of January 27. Furthermore, as you know, their report has now been declassified and published, after review by the Departments of State and Defense and the Central Intelligence Agency. Thus, it does not seem to me any longer credible to claim that you cannot provide answers to these questions on the ground that "it would not be at all appropriate to discuss or disclose outside the Executive Branch highly sensitive information on military combat operations of the kind which your questions would elicit if answers were to be provided." Nor, it seems to me, can you sustain the argument that "The information required to respond to questions concerning the size and combat readiness of indigenous armed forces, their air and ground combat operations, the enemy forces they encounter and the casualties they inflict and sustain, etc., is normally provided through U.S. military personnel acting in a military advisory assistance role who accompany the host country forces on combat operations."

Semantic arguments aside, the fact of the matter is that the information I have requested is available because it has been provided to members of the Committee staff. I would now like to receive this information on a monthly basis.

I am enclosing a copy of the questions I sent the Department of Defense regarding Laos as an enclosure to my letter of January 27.

Sincerely yours,
J. W. FULBRIGHT,
*Chairman.*

### PAYMENT OF COMPENSATION AND ALLOWANCES OF PERSONNEL EMPLOYED TO CARRY OUT PROVISIONS OF FOREIGN ASSISTANCE ACT OF 1961 AND THE FOREIGN MILITARY SALES ACT

Mr. FULBRIGHT. Mr. President, I merely want to say one word about the bill which I had intended to submit. I do not wish to press it unless it is acceptable to every Senator. I did not anticipate any controversy over it. It was intended to be offered because of the time limitation. Here it is the 10th of November. The continuing resolution expires on the 15th, which is 5 days from today.

I have not heard whether the House has acted today on the continuing resolution. It has not come to the Senate. All I intended by this bill was to provide for the payment of salaries of personnel who work in administering the foreign assistance program. That was the only purpose.

I ask unanimous consent to have printed in the RECORD, simply for the information of the Senate and anyone else who is interested, the text of the bill which I had intended to offer.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That there are authorized to be appropriated to the President such amounts as may be necessary to pay the compensation and allowances of personnel of the United States Government employed to carry out the provisions of the Foreign Assistance Act of 1961 and the Foreign Military Sales Act. This Act shall expire at such time as there are enacted after the date of enactment of this Act provisions of law authorizing appropriations to pay the compensation and allowances of all such personnel.

Mr. FULBRIGHT. Mr. President, again, I want to say I do not wish to press it. If it is not acceptable to every Senator, I shall not press the matter. I merely intended to deal with the inconvenience involved in this case.

Mr. SCOTT. Mr. President, will the Chair recognize me?

The PRESIDING OFFICER. The Senator from Pennsylvania is recognized.

Mr. SCOTT. We all want to see that the AID employees are paid, and no one in the Senate would wish to be responsible for any delay of their payment. The foreign aid bill—the economic assistance aspect of it—has been passed.

The difficulty here is a perfectly simple one. We are suddenly confronted, at the end of a bill, with a proposed unanimous consent, which we have not had a chance to study, which most of our Members have not seen and which most of the members of the Foreign Relations Committee have not seen, which would apparently preclude action on certain other legislation, including the extension of the broad continuing resolution. And that may be the purpose of offering this as a shortcut—we do not know.

We have taken a good deal of time on the bill. We will take a good deal of time on the other bill tomorrow. I for one do not see any reason at all why we should not discuss the whole question of how we go about paying the employees. We do not have to do it in such a fashion as to preclude the action of the Senate on the proposed extension of the other continuing resolution. We do not even know whether the other body has passed it, and we are asked to take definitive action on something which all the members of the Appropriations Committee have not been consulted, and when the members of the Foreign Relations Committee on this side do not know what is involved.

We are all asked to act in the dark. It may be all right as far as we know, but it does have a faint air about it of not being entirely kosher, and we would like to have an opportunity to really sniff around it and see what is really contemplated. I think we have taken a lot of time to talk, and we could take a little time tomorrow to sniff about.

Mr. CASE. Mr. President, will the Senator yield?

Mr. SCOTT. I yield.

Mr. CASE. I credit my chairman not only with good faith, but with every sound intention of making possible something that he personally is not interested in. I think that is a fine attitude, but I think I speak for the members of our committee—I am glad to see the ranking member from our side, the Senator from Vermont (Mr. AIKEN) present—when I say I think we would rather look at it overnight and see whether it might be tailored to meet whatever appropriation measure we might have to act on.

Mr. SCOTT. My concern is that we were confronted with a situation that if we did not take this, we would not get anything. I am willing to have the country make a judgment on that. We were told that we will take it as it is or get nothing. I am not saying that the chairman of the committee said that to me, and I am not referring to him, but that is the position we find ourselves in tonight. We in the minority have certain rights, and I want those civil rights preserved, and one of those civil rights is the right to know what in the dickens we are acting on. Among those is the question, "What is the import and impact of the resolution?"

We might resolve it quite quickly tomorrow, but until we know, we do not want to act. Senators may wish to act on matters that they do not know about, but I do not want to act that way, and the distinguished Senator from New Jersey does not want to act that way. Members of the Appropriations Committee need to be brought up to date on it.

I would suggest that we bring it up some time tomorrow, talk it over, and see if we cannot work something out.

Mr. FULBRIGHT. Mr. President, first, for the RECORD, before I forget it, I ask unanimous consent to have printed in the RECORD at this point a letter I addressed to the chairman of the Appropriations Committee on November 8, 1971, calling his attention to section 10 of the Military Sales Act Amendments of 1971.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
COMMITTEE ON FOREIGN RELATIONS,
*November 8, 1971.*

The Honorable ALLEN J. ELLENDER,
*Chairman, Committee on Appropriations,*
*U.S. Senate,*
*Washington, D.C.*

DEAR MR. CHAIRMAN: In connection with your Committee's consideration of H.J. Res. 946, to authorize continuing funds for several programs, including foreign assistance and military credit sales, I call your attention to Section 10 of the Foreign Military Sales Act Amendments of 1971 (P.L. 91–672).

This restriction was drawn as tightly as possible in order to prevent any appropriations for foreign assistance, including foreign military credit sales, without an authorization. For your convenience, I include Section 10 in its entirety:

"(a) Notwithstanding any provision of law enacted before the date of enactment of this section, no money appropriated for foreign assistance (including foreign military sales) shall be available for obligation or expenditure—(1) unless the appropriation thereof has been previously authorized by law; or (2) in excess of an amount previously prescribed by law.

"(b) To the extent that legislation enacted after the making of an appropriation for foreign assistance (including foreign military sales) authorizes the obligation or expenditure thereof, the limitation contained in subsection (a) shall have no effect.

"(c) The provisions of this section shall not be superseded except by a provision of law enacted after the date of enactment of this section which specifically repeals or modifies the provision of this section."

As you know, this requirement has been waived by prior continuing resolutions for this fiscal year. I have refrained from asking that this provision be invoked on the earlier resolutions because, at those times, authorizing legislation was being considered in both the Senate and the House and neither body had rejected a foreign aid bill. However, in view of the Senate's defeat of H.R. 9910 and the great uncertainty surrounding the future of the entire foreign aid program, I believe that the requirements of Section 10 should now be enforced. To allow continuation of appropriations for foreign aid and military sales under the circumstances would make this restriction a nullity and create precisely the type of situation which the provision was designed to prevent.

In view of these considerations, I respectfully request that the Committee delete any provision in H.J. Res. 946 for additional funding of the foreign assistance or military sales programs until Congress has enacted an authorization bill. I understand that, because of the lag between the end of pay periods and actual payment of salaries, the expiration of funding authority on November 15 will still permit A.I.D. to meet its regularly scheduled November 23 payroll.

Sincerely yours,

J. W. FULBRIGHT, *Chairman.*

Mr. FULBRIGHT. Mr. President, I have put this letter in the RECORD for the information of the Senate. This is not something that I just suddenly sprung on the Senator from Pennsylvania. He is a very busy man, and not always around. I showed it to the Senator from Vermont this morning, and discussed it with him before I drew it up. He said he thought it was a good idea to have it in reserve.

I think it would be remarkable, even though we have made great progress, to actually get the full authorization through before the 15th. The Senator from Vermont thought it was a good idea, and I told the staff to proceed with the writing. I showed it to him in writing, and he thought it was a good idea. I showed it to the Senator from Montana, who was here. I am sure I would have shown it to the Senator from Pennsylvania, who is a very busy man and has many duties, but I do not believe he has been here all day.

Mr. SCOTT. The Senator from Pennsylvania has been here virtually every minute of the day. I have been in and out at 2- or 3-minute intervals.

Mr. FULBRIGHT. I believe the Senator from Vermont will certify that I discussed it with him earlier this morning, and showed it to him later.

It is a very simple matter. The Senator from Montana read, I believe, the letter received from the GAO, which he requested, giving the GAO's views as to whether or not there is authority to pay the salaries of the people who would administer, we will say, the AID pipeline while we finish whatever legislation we are going to enact. The majority leader, I believe, put that material into the RECORD about noon today.

The whole purpose of his reading from the GAO letter was to alert the Senate to this potential problem. The GAO ruled that in their view, there was limited authority to pay salary expenses for all of the AID programs. Under the economic program—it is too complicated to try to explain here—there were classes of employees for whom there would be no authority to pay after the 15th, unless something was done.

My proposal would remedy this but I certainly do not wish to press it on the Senator from Pennsylvania or anyone else. I thought I was performing a proper function in having it ready for the Senate to act upon. It is certainly all right with me to go over until tomorrow or the next day, or I will forgo it entirely. I do not want to make an enormous issue of it. The Senator is making the point that I am trying to put something over on him. If he has the slightest doubt about it, I am willing to drop it now.

Mr. SCOTT. Mr. President, if the Senator will yield, I have made a point, which I thought was clear enough, that the minority members of the Appropriations Committee had not been consulted, and that this is a fundamental matter affecting the Appropriations Committee.

Mr. FULBRIGHT. This is an authorization bill. It is not the appropriation bill.

Mr. SCOTT. Even so, it has an impact on the continuing resolutions before the Appropriations Committee. The chairman was asked what he thought about it a few minutes ago, and as I recall, he indicated that that was the first he knew about it. The Senator from Kentucky (Mr. COOPER) was not aware of it. The Senator from New Jersey (Mr. CASE) was not aware of it. I was not aware of it, and all we are requesting is, give us an opportunity to see what is in it.

Mr. FULBRIGHT. Well, I surely do not object to that. The Senator is putting me in the position of objecting to his request for information. He can have a week, if he wants it. I am not pressing him. As I said a moment ago, I was not in the least disposed to force any action tonight. I was just making it available for the Senate, if it wanted to work on it and consider it, and Senators could pass it if they wanted to. If they do not want to consider it at all, it is perfectly all right with me. I shall not urge its passage tomorrow unless the Senate wants to. From here on, it is your baby, and if you do not want it, I will not ask that it be called up.

Mr. SCOTT. Mr. President, I yield to the Senator from Vermont.

Mr. AIKEN. I would like to state for the RECORD that the distinguished chairman of the Foreign Relations Committee did show this to me twice today, once about an hour and a half ago, and I told him I had no objection to his having it, if it appeared to be necessary to insure that the employees of the AID program would get their pay. Nothing was said about when it would be taken up, or even if it would be taken up.

I still think that the employees of AID, and particularly the employees who are engaged in administering the bill which has just passed——

Mr. FULBRIGHT. That is right; this bill here is what it relates to.

Mr. AIKEN. I take it the military assistance does have more in the pipeline, and probably could run awhile. But it is the administrative personnel of the economic programs who would be left high and dry if we did nothing at all.

I hope it is not necessary to go through a lot of special legislation, and so forth, and I would like to see the House go to work on this. I would like to see them accept the bill which we have passed; but the House is not noted for accepting Senate bills without question.

I told the Senator from Arkansas I had no objection to his offering the bill if he felt it was necessary.

Mr. SCOTT. I am very glad the distinguished Senator from Vermont has helped clarify the matter.

I make it clear again I have been requested to protect the right to know of some Senators on the Foreign Relations Committee and other Senators on the Appropriations Committee. They have indicated to me very strongly that at this hour of the night, there has been no opportunity to acquaint themselves with the full import of the proposal. As I have said several times, it may be a perfectly proper one, but it does have its impact on possible action of the Senate Appropriations Committee, and we ought to know what that impact is.

We can do tomorrow much better, in a cooler atmosphere, what we can do at 8 o'clock tonight, with the very Members who are most concerned now compelled to leave.

That is all I propose. I thank the Senator. I was not accusing him of putting anything over on us. I am saying the proposal is one which can have effects which, as experienced as the Senator is, he might not have seen. I am sure I have not seen all of the possibilities in the proposal. I will see more by tomorrow. That is all.

I suggest we bring it up again tomorrow.

Mr. FULBRIGHT. That is all right with me. Whatever would please the Senator. I anticipate if anyone really objected to this, he would be present. There is no controversy; we can have a showdown vote any time; it is all right with me.

Mr. SCOTT. Mr. President, I do not want to reverse our roles. The Senator wanted to terminate the whole program and all the employees. I wanted to keep the program and most of the employees. I still do. So I appreciate, as the Senator from New Jersey says, the solicitude of some who voted against the bill desiring to preserve, even for a short time, the pay of employees who may later be shut off.

Mr. FULBRIGHT. I voted for this bill.

Mr. SCOTT. I am delighted that the Senator did.

Mr. FULBRIGHT. I voted against the old bill. I think this bill is sufficiently different from the bill we defeated to justify support. It has some very significant policy statements in it; if they stay in after conference with the House of Representatives, I could even vote for the conference report.

You have to take these things as they go. But this has always been a bill which has so many different facets, you have to weigh the good with the bad.

As the Senator knows, I presented three bills to the committee, trying to disentangle these matters; but under the influence of the Senator from Pennsylvania that was overridden. It was a marginal case whether I could support this measure or not. But I figured that in this bill, with these amounts, there was more good than bad, whereas in the old bill the bad outweighed the good.

I do not like bills so complicated that you have to make such choices, because I never like to be charged with having voted against the children's fund, for example, or one of these other activities the Senator from Vermont was so very eloquent about a moment ago. But nevertheless, I had to make that choice earlier, and I was damned by both sides.

It is not as good as it could be, but it is better than the old bill.

Mr. SCOTT. I am glad that the committee unanimously reported the bill, and I think it is a little better now than the way it was reported out. But in any event, it has passed.

Mr. FULBRIGHT. Voting out does not mean approval by the Senate. As the Senator knows, we always report the bill out reserving the right to vote against it. But I have decided, that the good in this bill outweighs the bad.

Mr. BYRD of Virginia. Mr. President, I again invite the attention of the Senate to the fact that the Federal Government for this fiscal year will have a Federal funds deficit of $35 billion.

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## PRESIDENT NIXON AT FORT DETRICK, MD.

Mr. MATHIAS. Mr. President, the President of the United States is a frequent visitor to the State of Maryland for many different occasions. But we were particularly pleased and proud to welcome him when he visited Fort Detrick, at Frederick, Md., on October 18 to announce the conversion of Fort Detrick into a cancer research center.

For years, Fort Detrick has been known as a center for research on bacteriological warfare weapons. But in November 1969, President Nixon decided that the United States would take the leadership among nations in discontinuing such weapons research. It has been pointed out in this Chamber on numerous occasions since then, that the unique research laboratories at Fort Detrick are ideally suited for public health and environmental research.

Now the President has assigned a new mission to Fort Deterick: Finding ways stopping the scourge of cancer.

Mr. President, I ask unanimous consent to have printed in the RECORD the text of President Nixon's remarks at Fort Detrick on October 18.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

### CENTER FOR CANCER RESEARCH

(The President's remarks at the dedication ceremony at Fort Detrick, Md., Oct. 18, 1971)

Senator Beall, Senator Mathias, Congressman Byron, ladies and gentlemen:

I am glad to see that, despite what happened to the Orioles yesterday, everybody is happy here today in Maryland.

I have come here today for the purpose of making an announcement with regard to this facility, which has, of course, an effect on all of the people who live in this area; but it also has an enormous effect in terms of the future of the people of the United States, and probably the future of the people of the world.

As I flew over this facility—and I have flown over it many times on my way to Camp David—I was impressed by its size. As I looked down upon it today, I realized that up until 2 years ago this facility was one of the most highly classified top secret facilities in the whole United States. As all of you who live in this part of Maryland know, there was no way you could get into this area without a top secret clearance. The reason was that this facility was being used for the purpose of research in biological warfare weapons.

In November of 1969, I made a decision that the United States would take the leadership in discontinuing research in the development of weapons for biological warfare. And as a result of that decision, this facility, therefore, no longer could be used in that way. But it was one of the finest facilities in the world, and consequently, we found that, in January of this year when I made an announcement with regard to a new initiative for conquest of cancer, we needed just what this facility had to offer.

Consequently, today we are making an announcement that, where we have previously had scientists, some of the best people that we could possibly find in the United States, working on weapons of war, we now have scientists devoting their efforts toward saving life, rather than destroying life.

So I think all Americans are very appreciative of the fact that, in terms of our Conquest of Cancer Program, we have one of the best facilities in the world right here which will be used for the purpose of making progress in that area.

I think all of us, too, are very happy that we have here an indication of how the genius of man which could be used to destroy life, that same genius can better be used to save life.

And I would finally say this: This facility which once was so top secret, which was closed not only to Americans, but, of course, to anybody from foreign lands, now is open to all people in the world. Wherever scientists or doctors may be, whether in Europe, or Latin America, or Africa, or Asia, they can come here. They are welcome to come here to see what we have done, just as we hope they will welcome us, so that we can see what they have done. And whether they come from the Soviet Union, or perhaps later from Mainland China, we want people from all over the world who are working on what is one of the great initiatives for mankind, finding some way that we can have a conquest of cancer, a cure for it and a prevention of cancer, so that scientists from all over the world can share the information and work together toward that end.

I am confident that this day, therefore, is a very significant day, significant in terms of the people who live in this area, and whose Senators and Congressmen were so anxious to have us not simply say that this is surplus, and that would mean that the jobs that were available here, that were caused by this facility, would be gone; but you are also happy that this facility is being used for a cause that helps not only the people in this community, but in the future may help the people of all the United States and all of the world.

Thank you.

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## RICHARD ALLEN HULT, JR.

Mr. MATHIAS. Mr. President, we read often of the misdeeds and escapades of youth. But it is a pleasure to report an act of good citizenship by a youth.

Fifteen-year-old Richard Allen Hult, Jr., of Hagerstown, Md., discovered a $1,500 cache of drugs earlier this year and promptly reported it to authorities for their continuing pursuit of the dealers in such commodities.

Young Mr. Hult's actions were duly reported by his local paper, the Hagerstown Morning Herald. I ask unanimous consent that the Herald's report be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### BOY SCOUT IS COMMENDED FOR REPORTING CACHE OF DRUGS

A local Boy Scout who promptly reported to authorities his discovery of a cache of drugs has received commendation from his troop officials and a state policeman.

Richard Allen Hult Jr., 15, happened across $1,500 worth of marijuana, LSD, and barbiturates months ago. The episode was not publicized at the time for investigative purposes.

Young Hult, who also has a local newspaper route, found a metal container hidden under the Marshall Street bridge of Interstate 81. When he opened it, he saw brown leafy weeds inside. He immediately called state police from a neighbor's telephone.

Cpl. Robert B. Spickler of the Maryland State Police investigated and asked the youth why he thought the stuff was marijuana.

"He stated he was a Boy Scout and a few months before his scout troop received a lecture from the Hagerstown City Police on Drugs and was shown what Marijuana looked like," Cpl. Spickler recalled.

"I lecture for the state police in drugs and was quite pleased to find an individual such as Scout Hult who received knowledge from a lecture on drugs to do such an invaluable service to the Maryland State Police and citizens of Washington County, as I feel these drugs were going to be sold into our schools."

Besides Marijuana, the state policeman found a large quantity of barbiturates, LSD, and "enough marijuana seeds to plant a five acre field."

Three state policemen staked out the area, to no avail.

Cpl. Spickler wrote to Thomas E. Young, scoutmaster of Troop 3: "I commend you as scoutmaster for initiating such a program as I know you receive little recognition for the hours of work given in scouting, but when one of your boys steps forward and does such a fine job for the community and you know that it was because of your guidance, time and patience you cannot help but feel proud."

Troop 3 is sponsored by Grace United Methodist Church.

## THEODORE ROOSEVELT McKELDIN ON "WHAT'S RIGHT WITH AMERICA"

Mr. MATHIAS. Mr. President, one of the Marylanders of whom I am most proud is Theodore Roosevelt McKeldin, of Baltimore, twice mayor of his city and twice Governor of Maryland.

Governor McKeldin recently addressed the annual meeting of the Baltimore Bank for Cooperatives, held in Cockeysville, Md., on "What Right With America."

Mr. President, I ask unanimous consent that Governor McKeldin's speech be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### WHAT'S RIGHT WITH AMERICA

(Address of Theodore R. McKeldin)

Like all of you, in the last few years I have read countless pages, in newspapers, in magazines, and in books, about what is wrong with America. Some of it is nonsense, but the bulk of it is accurate. Furthermore, if you had, as I have, spent eight years trying to administer the affairs of a great American city, and eight more responsible for the business of a medium-size state, you could tell these pessimistic writers more than they have ever imagined about what is wrong with America.

Yet that same experience, at the same time, taught me also a great deal about what is right with America, and I assure you that if I started in right now listing all the things that I know are right with this country, I should still be talking when the sun rose tomorrow morning. And for that you would not thank me.

Furthermore, there is a category—and a large one—of things about this country that are both right and wrong. I mention only one. It is the fact that at this moment honest men in this country are sharply divided and deeply disturbed which, everyone will admit, is a bad thing. But if there are evils that threaten the very life of the country, and assuredly there are, it is inevitable that we should be divided and right that we should be disturbed. So there you are. Contention and strife are bad, but to sit motionless and dumb when danger threatens is very much worse.

Therefore I shall brush aside the million particulars that I believe are right with America and devote my time exclusively to the one that I believe far surpasses all the rest in its potential value, although it is at the same time the one that lays the heaviest burden of responsibility upon us. That thing is the opportunity now within our grasp to rise to a level of greatness so far seldom attained and never maintained by any nation in the history of the world.

Some people are scornful of this. They hold that nothing is of real value if it cannot be perceived by at least one of the five senses, and cannot be counted, or weighed, or measured by any instrument of science. That materialist view I do not share, but one incident that to me seems highly significant is not viewed in the same light by some Americans who are not materialists and I respect their view even if I do not accept it. The incident to which I refer was the recent meeting in Alaska of the President of the United States and the Emperor of Japan.

Some say that the President overdid it. They admit that when the official head of a foreign nation with whom the United States is at peace sets foot on our soil, even in merely passing through, it would be scandalous to treat him as if he were an ordinary tourist or commercial traveler, but they contend that the requirements of protocol would have been satisfied if the commander of the air base at Anchorage had turned out an honor guard and the Governor of Alaska had paid his respects in person.

All that I admit, but I maintain that the circumstances in this case were exceptional. Japan is a very ancient, very proud, and for the past quarter of a century a very humiliated nation. We fought her and won, but it was no pushover.

I have yet to meet an American soldier who was at Bataan, or Guadalcanal, or Iwo Jima, or an American sailor who fought in the Coral Sea, or near Midway, or in the Leyte Gulf who doesn't admit that Japan can produce first-class fighting men. We took plenty of punishment before we landed the knock-out blow, and any American who actually wishes for a return match must be out of his mind. It is a small-souled winner who doesn't respect an opponent who put up a terrific fight before he was beaten. For us to hate the Japanese is no affront to their dignity, but to treat them contemptuously would reflect upon us, more than upon them.

Therefore if the President overdid the usual courtesies in this case, he had a reason. Various tensions have made our relations with Japan very delicate at this moment, and the revengeful element in that country disliked the fact that the Emperor set foot on our soil. But all Japan knows that the President of the United States does not undertake a long and fatiguing journey attended by a tremendous ceremonial entourage, to meet what he regards as an insignificant personage.

Of course it was merely a gesture. No great problems were settled or as much as mentioned. But it was a gesture in the grand manner, and to an old, proud nation smarting under a recent defeat such a gesture is more gratifying than anything else.

But it was more than merely balm applied to many feverish inflammations. The set speeches were merely polite verbiage, but two things about them were highly significant. The President tactfully ignored the past and expressed his hope that the two nations are destined in the future to work together to bring peace and prosperity not to themselves alone, but to all the Pacific region. The Emperor, on the other hand, raked up the past, but only to assert that Japan remembers that, in the hour of victory, the United States used its overwhelming power, not to load additional burdens on a prostrate foe, but to help him get up on his feet again.

Very subtly, the Emperor reminded the American people of a moment when they rose to the greatness of using the imperial power that had come into their hands in the manner of the magnanimous, not the vicious emperors of the past, imitating Trajan, the Antonines, Saladin, nor Alaric the Hun, Attila the Scourge of God, or Genghiz who converted the Fertile Crescent into the desert that it largely remains today.

The depressing truth is that we did not remain on that high level very long but, not entirely by our own fault, have too often followed the line of the worst, not the best of our predecessors as wielders of imperial power. But the Emperor's words are a reminder that we did attain it once, and what men have done once can never again be called impossible. The opportunity still exists. It has been demonstrated that imperial power can be wielded in such a fashion as to extend, not to diminish, the rule of justice and the spirit of magnanimity among the nations of the earth, thereby promoting the spread of peace and prosperity, rather than war and devastation over the whole earth.

I am no perfectionist. I realize that we are only human, and it is not reasonably to be expected that we shall realize our opportunity to the full. But the words of our imperial visitor remind us that immediately after our war with Japan, we grasped the opportunity, partially and momentarily, to use great power to act greatly, and our visitor was polite enough to say that that temporary achievement remains a shining moment in the memory of the people of Japan.

That is no proof that we shall ever do it again, and it is in fact very unlikely that the same circumstances will ever be repeated. But it is proof that we have the opportunity, if we can summon up the will and the energy, to give a new meaning to the word "imperialism" which half the world today regards as a synonym for extortion, tyranny and oppression.

Of all the things that are right with America, I regard that opportunity as the greatest and the best. It is nothing to be complacent about because while it is great and good, it is in exactly the same measure hard to achieve, even partially. Yet history offers evidence that in the past there have been times when the advance of the imperial power, whether Athenian, Roman, or British, meant the extension of the rule of reason over some area of the earth's surface that had been plunged into anarchy. In those periods, along with the imperial power came, not death and devastation, but more security for the common man, more even-handed justice as between high and low, more of the material benefits of civilization for everyone.

None of the great empires of the past has been able to maintain this state of affairs indefinitely, but while it lasted the imperial power had little reason to worry about its own security, for the tributaries defended it zealously. Only when the empire began to cost them more than it was worth did their loyalty fade. I do not know that Americans can do any better than their predecessors, but I do know that they have the opportunity to try and I regard that opportunity as the best thing in the realm of politics that they have.

I do not believe for a moment that any nation, or any man, can stand indefinitely on the highest level of achievement. But I do believe that any man or any nation that makes an honest and persistent effort to do so can touch that level from time to time and every such touch is an addition to the honor of the race. For each is one of those flashes of glory that irradiate history and save it from being entirely that "register of the crimes, follies and misfortunes of mankind" that Gibbon said most of it is.

But the United States is a democracy in which, in the words of Jefferson, "the will of the majority is in all cases to prevail." While every nation needs great leaders, for a democracy they are not enough. They will accomplish little unless they lead a great people. We have the opportunity to become great. That does not mean that it is possible for us to become perfect, but it does mean that it is possible for us to make our history a string of flashes of glory that Mother Earth can wear like a diamond necklace for ages to come.

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## ORDER FOR RECOGNITION OF SENATOR PERCY TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on tomorrow, following the remarks of the distinguished Senator from Florida (Mr. GURNEY), the distinguished Senator from Illinois (Mr. PERCY) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon the conclusion of the remarks by the Senator from Illinois (Mr. Percy) on tomorrow, there be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes; and that at the conclusion of morning business, the Chair lay before the Senate the then unfinished business, which will be S. 2819, the foreign military and related assistance authorization bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

### PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 a.m. Following the recognition of the two leaders, Senators Harris, Gurney, and Percy will be recognized, each for not to exceed 15 minutes, and in the order stated, after which there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

Following the morning business, the Senate will resume its debate on the pending business, which will then be the unfinished business, S. 2819, the foreign military and related assistance authorization bill. Action is expected to be completed on that bill tomorrow. There is a time agreement thereon, and there will be rollcall votes tomorrow.

### ADJOURNMENT UNTIL 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 a.m. tomorrow.

The motion was agreed to; and (at 7 o'clock and 53 minutes p.m.) the Senate adjourned until tomorrow, Thursday, November 11, 1971, at 9 a.m.

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# HOUSE OF REPRESENTATIVES—*Wednesday, November 10, 1971*

The House met at 12 o'clock noon.

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*The fervent prayer of a righteous man availeth much.*— James 5:16.

Almighty and eternal God, during the hours of this day may we be mindful of Thy presence filling our minds with light and our hearts with love. Grant that the life of Thy spirit in us may guard us from wrongdoing and guide us in Thy true and living way.

Give us to feel how wonderful it is to be alive in Thee, to live day by day under Thy loving care, to receive grace sufficient for every need and strength adequate for every task, making us ready to be of help to our fellow men and to serve our country with all our hearts.

Grant that we may keep on pursuing the best until the best comes to greater life in us, in our Nation, and in all men. Now and always may we be strong in faith, steadfast in freedom, and steady in fellowship with Thee and with one another.

In the spirit of Christ, we pray. Amen.

### THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

### MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

S. 588. An act to increase the authorization for the appropriation of funds to complete the International Peace Garden, North Dakota.

### PERMISSION TO FILE CONFERENCE REPORT ON H.R. 11418, MILITARY CONSTRUCTION APPROPRIATIONS, 1972

Mr. SIKES. Mr. Speaker, I ask unanimous consent that the managers may have until midnight tonight to file a conference report on the bill (H.R. 11418) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

The SPEAKER. Is there objection to the request of the gentleman from Florida?

There was no objection.

CONFERENCE REPORT (H. REPT. No. 92–664)

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11418) "making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes," having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows: That the Senate recede from its amendments numbered 4, 7, and 9.

Amendment numbered 2: That the House recede from its disagreement to the amendment of the Senate numbered 2, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$355,500,000"; and the Senate agree to the same.

Amendment numbered 3: That the House recede from its disagreement to the amendment of the Senate numbered 3, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$289,189,000"; and the Senate agree to the same.

Amendment numbered 5: That the House recede from its disagreement to the amendment of the Senate numbered 5, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$933,955,000"; and the Senate agree to the same.

Amendment numbered 6: That the House recede from its disagreement to the amendments of the Senate numbered 6, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$55,776,000"; and the Senate agree to the same.

Amendment numbered 8: That the House recede from its disagreement to the amendment of the Senate numbered 8, and agree to the same with an amendment, as follows: In lieu of the sum proposed by said amendment insert "$109,045,000"; and the Senate agree to the same.

The committee of conference report in disagreement amendment numbered 1.

R. L. F. Sikes,
Edward J. Patten,
Clarence D. Long,
Julia Butler Hansen,
K. Gunn McKay,
George Mahon,
E. A. Cederberg,
Charles R. Jonas,
Burt L. Talcott
(except for amendments 1, 2, and 3),
Frank T. Bow,
*Managers on the Part of the House.*

Mike Mansfield,
Allen J. Ellender,
William Proxmire,
Joseph M. Montoya,
Ernest F. Hollings,
Milton R. Young,
Edward W. Brooke,
J. Caleb Boggs,
Charles H. Percy,
Stuart Symington,
Howard W. Cannon,
John Tower,
*Managers on the Part of the Senate.*

JOINT EXPLANATORY STATEMENT OF THE COMMITTEE OF CONFERENCE

The managers on the part of the House and the Senate at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11418) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes, submit the following joint statement to the House and the Senate in explanation of the effect of the action agreed upon by the managers and recommended in the accompanying conference report:

Amendment No. 1, military construction, Army: Reported in technical disagreement. The managers on the part of the House will offer a motion to recede and concur in the amendment of the Senate with an amendment to appropriate $438,316,000 instead of $437,274,000 as proposed by the House and $432,946,000 as proposed by the Senate. The managers on the part of the Senate will move to concur in the amendment of the House to the amendment of the Senate.

This would provide the following changes to the amounts and line items as proposed by the House:

| | |
|---|---|
| Fort Campbell, Ky.: Airfield complex, CAAF, phase I | +$2,000,000 |
| Yuma Proving Ground, Ariz.: Weapons evaluation facility | +2,921,000 |
| Redstone Arsenal, Ala.: Bachelor officer quarters | −879,000 |
| Fort Wainwright, Alaska: Sewage disposal contribution | −2,000,000 |
| NATO infrastructure | −1,000,000 |

The conferees have denied two turbine engine test cells which the House deleted at the Aeronautical Depot Maintenance Center, Corpus Christi, Texas. The conferees are in agreement as to the continuing importance of the Army's aeronautical depot repair operations at Corpus Christi to the national defense. However, they feel that this particular item can be deferred without prejudice.

The conferees are in agreement that the weapons evaluation facility provided at the Yuma Proving Ground, Arizona, is not to be used in any way to support the future relocation of any personnel, personnel positions, or functions from Aberdeen Proving Ground, Maryland.

Amendment No. 2, military construction, Navy: Appropriates $355,500,000 instead of $343,766,000 as proposed by the House and $357,536,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

| | |
|---|---|
| Naval Shipyard, Portsmouth, N.H. | +$360,000 |
| Naval Underwater Systems Center, Newport, R.I.: Underwater weapons reliability laboratory | +655,000 |
| Naval Home, Philadelphia, Pa.: Naval Home modernization (1st increment) | +550,000 |
| Naval Shipyard, Charleston, S.C.: Engineering management complex (1st increment) | +6,067,000 |
| Naval Air Station, Meridian, Miss.: Outdoor recreation facilities | +$188,000 |
| Naval Air Test Center, Patuxent River, Md.: Theater/auditorium | +508,000 |
| Naval Shipyard, Long Beach, Calif.: Cafeteria No. 1 replacement | +1,272,000 |
| Culebra Island: Planning funds | +2,500,000 |
| Naval Station, Norfolk, Va.: Gate 4 improvements | −74,000 |
| Naval Amphibious School, Coronado, Calif.: School ventilation improvements | −137,000 |
| Naval Communication Station, San Francisco, Stockton, Calif.: Potable water well and tank | −155,000 |

The conferees have allowed the full $991,000 requested for the Naval Home as provided by the Senate. However, the conferees are in agreement that not more than $441,000 may be spent to make essential improvements to the Naval Home at its present location.

The conferees understand that the Navy is studying the relocation of this facility. When the Navy has reported its plans in this respect to the Committees on Appropriations of the Senate and House of Representatives and these plans have been approved by such committees, the full amount available may be expended for construction at the new location.

The conferees deleted $100,000 added by the Senate for a memorial standard for the submerged USS Utah in Pearl Harbor, Hawaii. This item was deleted without prejudice, and the conferees expect the Navy, through the reprogramming of funds, to take such steps as it legally can to provide a suitable memorial standard.

Amendment No. 3, military construction, Air Force: Appropriates $289,189,000 instead of $273,031,000 as proposed by the House and $291,954,000 as proposed by the Senate. The conferees have agreed to the following additions and deletions to the amounts and line items as proposed by the House:

| | |
|---|---|
| Mather Air Force, Calif.: Navigator academic training facility | +$1,726,000 |
| Pease Air Force Base, N.H.: Composite medical facility | +8,128,000 |
| Aircraft engine test facilities: | |
| Spangdahlem Air Base, Germany | +92,000 |
| Zweibrucken Air Base, Germany | +115,000 |
| Aircraft runup facilities: | |
| Ramstein Air Base, Germany | +66,000 |
| Spangdahlem Air Base, Germany | +84,000 |
| RAF Alconbury, United Kingdom | +77,000 |
| Aviano Air Base, Italy | +104,000 |
| Incirlik Air Base, Turkey | +75,000 |
| Lackland Air Force Base, Tex.: Academic language training facility | +1,064,000 |
| Sheppard Air Force Base, Tex.: Theater | +739,000 |
| Westover Air Force Base, Mass.: Noncommissioned officers open mess | +945,000 |
| Various locations, inside United States: SAC satellite basing facilities | +5,300,000 |
| Andersen Air Force Base, Guam, Mariana Islands: Rescue helicopter support facility | −350,000 |
| Ellsworth Air Force Base, S.D.: Aircraft engine shop | −693,000 |
| Myrtle Beach Air Force Base, S.C.: Taxiway lights | −446,000 |
| Shaw Air Force Base, S.C.: Addition to warehouse | −$531,000 |
| Wildwood Air Force Station, Alaska: Add to and alter electric power plant | −100,000 |
| Hickam Air Force Base, Hawaii: Fire protection sprinkler system | −237,000 |

Amendment No. 4, military construction, Air Force Reserve: Appropriates $6,581,000 as proposed by the House instead of $5,700,000 as proposed by the Senate.

Amendment No. 5, family housing, Defense: Appropriates $933,955,000 instead of $938,238,000 as proposed by the House and $900,620,000 as proposed by the Senate.

Amendment No. 6, family housing, Defense: Authorizes not to exceed $55,776,000 for the construction of Army family housing instead of $58,277,000 as proposed by the House and $44,941,000 as proposed by the Senate.

The Senate deleted $900 of the $2,324,900 allowed by the House for 88 family housing units at Camp Drum, New York. The conferees agreed to allow $2,324,000 for these houses.

The conferees did not allow $2,500,100 for funding of new construction authorized under prior authorizations, but did approve $5,000,000 for minor construction, which amounts were proposed by the House.

The Army requested $5,835,000 for the conversion of heating plants from coal to oil for 16,400 housing units in Germany. These funds were approved by the House but deleted by the Senate. The conferees agreed to restore the funds for other overall improvements required in the Army family housing program. However, the conferees direct that none of these funds be used for the conversion of any heating plants from coal to oil in Germany.

Amendment No. 7, family housing, Defense: Authorizes not to exceed $135,717,000 for the construction of Navy and Marine Corps family housing as proposed by the House instead of $120,717,000 as proposed by the Senate.

The conferees agreed on the House allowance, which would provide $15,000,000 for minor construction, urgent improvements, and the highest priority new construction for which prior-year authorization remains available at the following locations: Naval Complex, Philadelphia, Pennsylvania; Naval Complex, Norfolk, Virginia; Naval Complex, Long Beach, California; and Naval Base, Guantanamo Bay, Cuba. In addition, savings from fiscal year 1972 and prior programs may be applied to construction or improvements for which valid authorization is available and to minor construction.

Amendment No. 8, family housing, Defense: Authorizes not to exceed $109,045,000 for the construction of Air Force family housing instead of $110,827,000 as proposed by the House and $101,545,000 as proposed by the Senate.

The conferees approved a project of 90 new housing units at Woomera, Australia. However, the Senate proposed that the amount of $1,782,000 which the House had proposed be appropriated for this project be funded from balances of prior-year funds available to the Air Force. The conferees concurred in the Senate position.

The conferees agreed on the House allowance which would provide $7,500,000 for minor construction, urgent improvements, and the highest priority new construction for which prior-year authorization remains available at the following locations: Ent/Peterson Air Force Base, Colorado; Tinker Air Force Base, Oklahoma; Vandenberg Air Force Base, California; and Kadena Air Base, Okinawa, Ryukyu Islands. In addition, savings from fiscal year 1972 and prior programs may be used for minor construction, improvements, and new construction for which prior-year authorizations remain available.

Amendment No. 9, general provisions: The conferees have not included in the general provisions Section 111 which was added by the Senate. However, both the House and the Senate conferees agree with the intent of this provision to reduce the cost of construction and to encourage more efficient management of construction within the Department of Defense.

The conferees feel that a complete and unbiased investigation of the efficiency of construction management and the equitableness of charges by construction agencies for construction supervision, inspection, and overhead, as specified in Department of Defense Directive 7040.2, be conducted by the General Accounting Office and that a report to the conferees be made within 10 months, with an interim report to be provided within 6 months. In conducting this study, the conferees direct the General Accounting Office to investigate the rates charged for similar work in private industry and to compare them with those charged by Department of Defense construction agencies.

### CONFERENCE TOTAL—WITH COMPARISONS

The total new budget (obligational) authority for the fiscal year 1972 recommended by the committee of conference, with comparisons to the fiscal year 1971 total, the 1972 budget estimate total, and the House and Senate bills follows:

| | |
|---|---|
| New budget (obligational) authority, fiscal year 1971 | [1] $1,704,074,000 |
| Budget estimates of new (obligational) authority, fiscal year 1972 | [2] 2,129,805,000 |
| House bill, fiscal year 1972 | 2,012,446,000 |

| | |
|---|---|
| Senate bill, fiscal year 1972 | 2,002,312,000 |
| Conference agreement | 2,037,097,000 |
| Conference agreement compared with: | |
| New budget (obligational) authority, fiscal year 1971 | +333,023,000 |
| Budget estimates of new (obligational) authority, fiscal year 1972 | −92,708,000 |
| House bill, fiscal year 1972 | +24,651,000 |
| Senate bill, fiscal year 1972 | +34,785,000 |

[1] Excludes $334,000,000 for Safeguard construction and family housing.

[2] Excludes $183,570,000 for Safeguard construction and family housing not considered in this bill.

R. L. F. SIKES,
EDWARD J. PATTEN,
CLARENCE D. LONG,
JULIA BUTLER HANSEN,
K. GUNN MCKAY,
GEORGE MAHON,
E. A. CEDERBERG,
CHARLES R. JONAS,
BURT L. TALCOTT
(except for amendments 1, 2, and 3),
FRANK T. BOW,
*Managers on the Part of the House.*

MIKE MANSFIELD,
ALLEN J. ELLENDER,
WILLIAM PROXMIRE,
JOSEPH M. MONTOYA,
ERNEST F. HOLLINGS,
MILTON R. YOUNG,
EDWARD W. BROOKE,
J. CALEB BOGGS,
CHARLES H. PERCY,
STUART SYMINGTON,
HOWARD W. CANNON,
JOHN TOWER,
*Managers on the Part of the Senate.*

## NATURAL GAS CRISIS

(Mr. BOGGS asked and was given permission to address the House for 1 minute, and to revise and extend his remarks.)

Mr. BOGGS. Mr. Speaker, I have in my hand a news release from the Washington Gas Light Co. of yesterday announcing a rather severe restriction on the sale of natural gas for the District of Columbia and the area served by that company.

Mr. Speaker, I have said on this floor for the last several years that we were in an energy crisis in the United States. This is particularly true as applied to natural gas, which is the most desirable of fuels in a present ecology-conscious society.

Mr. Speaker, natural gas is vital to this Nation, its consumers, its economy, and its environment. Natural gas powers 43 percent of our industry, and provides some 28 percent of our electric power. One-third of our country's total energy requirements are now met by natural gas.

Accordingly, many of us have long been concerned about the growing natural gas supply problem, and our capacity to meet our country's growing demand for clean, efficient energy.

The paradox is that we now face an actual shortage of natural gas while there is a potential of plenty.

Between 1956 and 1968, wildcat drilling and geophysical activity—considered the most sensitive measures of exploration operations—dropped 40 percent and 56 percent respectively. Exploratory wells completed as gas producers dropped drastically from 909 in 1959 to 429 in 1968—a decline of 53 percent.

By 1968, it was clear to everyone that the Nation's gas supply was diminishing to critical levels in relation to demand.

In 1969, for example, is was estimated that production was 20.7 trillion cubic feet, while new reserve additions amounted to only 8.4 trillion cubic feet. This was the second consecutive annual deficit.

This means that in 1969 we used up two and one-half times as much natural gas as we found.

In 1970, production of natural gas amounted to 22 trillion cubic feet; and, excluding the large estimated reserves in Alaska which are not available for delivery new reserve additions in the lower 48 States were only 11.6 trillion cubic feet. This resulted in a third consecutive annual deficit.

In other words, in 1970, we again used far more natural gas than we found.

This reason for this shortage is not too hard to come by. For many years the regulatory agencies have sought to artificially depress the price of gas so that today gas produced in Louisiana is going into the pipelines for a price a great deal less than the cost of gas going into the same pipelines, brought into the United States in liquefied form from other places in the world. In addition to that, for 2 years the Department of the Interior refused to grant offshore leases off the coast of Louisiana, the one place in the United States where we know we have large proven reserves of natural gas.

I regret to say, Mr. Speaker, that I think we are only now beginning to see the impact of this problem, and that within the next several weeks similar announcements will be made in many other places in the United States and, believe it or not, within one of the largest natural-gas-producing States in the Union, Louisiana, where we are also, because of these policies, experiencing a gas shortage for our industrial users.

I hope that the Congress will take due notice of this, and that the appropriate committees of the Congress will take a look at the energy crisis facing our country.

Early this year we considered a proposal by the gentleman from Tennessee (Mr. FULTON), to create a special committee to look extensively into the energy crisis in our country. The House did not see fit to accept that proposal, and I would hope that the standing committees would make the type of inquiry that is very much required at this time.

The news release from the Washington Gas Co. follows:

### WASHINGTON GAS LIGHT COMPANY TO RESTRICT NEW SALES OF GAS

WASHINGTON, D.C., November 9.—Washington Gas Light Company announced today that to assure an adequate supply of gas for all present customers, it will confine new sales of gas to single-family residential consumers. For an indefinite period of time, the company said, commercial and industrial customers, including apartment buildings, will be limited to their present gas usage, and no new customers in those categories can be accepted.

Paul E. Reichardt, president of the company, said that its new limitation policy responds to "a gas supply situation that can change at any time, for better or worse, depending on many factors." He explained that the shortage of natural gas is not simply a local situation. Most pipeline suppliers, he reported, are having difficulties in meeting growth requirements and contractual commitments to gas companies.

Washington Gas' major supplier, Columbia Gas Transmission Corporation, announced last month that it will be able to supply only enough gas for present customers and a portion of normal growth. Transcontinental Gas Pipe Line Corporation, the other supplier of Washington Gas, recently has been unable to deliver as much gas as the company had contracted for, according to Mr. Reichardt. "These very recent actions," he explained, "have forced Washington Gas into the new limitation policy. Accordingly formal approval is being requested from the appropriate regulatory commissions."

"Although there's plenty of natural gas in the ground," said Mr. Reichardt, "there just isn't enough available right now for everyone who wants it, and there probably won't be for the next few years. Faced with this situation, we're doing what we consider the fairest thing—making it available to present customers and to people who want it for use in their homes. Commercial and industrial buildings can more readily use substitute fuels, and large users can better arrange for the pollution-control devices which other fuels often require.

"In this ecology-conscious society," said Mr. Reichardt, "the clean-burning qualities of natural gas make it a premium fuel. It is by far the least polluting of all fossil fuels, and much sought after. Ironically the big jump in demand for natural gas has come at just the time when new supplies are trending downward. The reduced availability of gas supply has been occasioned largely because prices of natural gas in the producing fields in the past have been kept unreasonably low by regulation."

Since April 1970, Washington Gas has limited new business to a maximum of 300,000 cubic feet per customer per day. This has eliminated the largest potential new users of gas. Also, since last August, the company has not taken on any additional business on its "interruptible" rate schedule (a special rate designed for commercial and industrial customers who agree to forego the use of gas when the demand from other customers is at a peak).

Mr. Reichardt observed that "the nation faces a critical energy situation, in which all fuels are feeling the pinch of short supply." But the natural gas industry and the government, he said, "are taking steps to find solutions, and we believe that the shortage will be of limited duration."

The Federal Power Commission now is allowing wellhead prices of gas to rise, providing new incentive for producers to accelerate exploration for new gas supplies. Leasing of potentially gas-rich Federal lands located in the Gulf of Mexico is being stepped up. Arrangements are being made for the importation of liquefied natural gas by ship, some of which is expected to be available for the Washington area. The prospects of gas from Alaska and Northern Canada look promising. Plants are being designed for the manufacture of synthetic "natural gas" from petroleum products. And a joint industry-government project to develop a commercial process for the chemical transformation of coal into "natural gas" offers one of the most hopeful long-range solutions.

Over the years, to supplement its normal supply of gas from its pipeline suppliers, Washington Gas has developed limited supplies of its own, upon which it can draw during critical periods of demand. Natural gas is stored nearby; substitute gas can be manufactured at the company's plants using propane and oil; and a storage field in West Virginia has been developed by the company and will be in operation for the first time this winter.

Gas limitations also are being experienced in parts of Pennsylvania, Ohio, New Jersey, Michigan, and Illinois. Many utilities now have waiting lists for new gas customers, and just recently the New York State Public Service Commission established its own priorities, with residential customers having first claim.

## ENERGY CRISIS

(Mrs. HANSEN of Washington asked and was given permission to address the House for 1 minute.)

Mrs. HANSEN of Washington. Mr. Speaker, with great interest I listened to the gentleman from Louisiana.

The Interior Appropriations Committee has been working on the subject of this energy crisis for several years. We have warned this Congress over and over that it was necessary for us to spend more money in supplying knowledge to to the Department of the Interior before the leases were made. The Office of Management and Budget can be held solely responsible for the inadequate budgets that have come before this Congress. We have increased them repeatedly. We have asked the Office of Coal Research to increase their research funds. These people have not done it because of budget limitations and I, therefore, place this energy crisis squarely on the Office of Management and Budget.

## FISHING RIGHTS ON THE HIGH SEAS

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. VAN DEERLIN. Mr. Speaker, shortwave radio reports reaching the American Tunaboat Association within the last half-hour reveal that five more American-flag tuna boats have been seized off the coast of South America, and one Canadian-flag vessel.

The incident of this morning occurred 65 miles southwest of the Ecuadorian port of Salinas. A converted American Coast Guard vessel flying the flag of Ecuador and having the designation LC61 rammed the San Diego-based tuna boat *Venturess*, then backed off and fired across the bow. The *Venturess* and four other vessels are on their way to, or have already arrived at the Port of Salinas with skippers and 14 crewmen aboard each vessel, under escort.

I think once again we are going to have to look at this policy of providing surplus American vessels on loan to Latin American nations. Too many are being used against American citizens fishing in areas which we regard as the high seas.

## CAPT. FLOYD THOMPSON, PRISONER IN SOUTHEAST ASIA

(Mr. WHITEHURST asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. WHITEHURST. Mr. Speaker, on March 26, 1964, Capt. Floyd Thompson was taken prisoner in Southeast Asia. I want to take this opportunity to remind my colleagues today of the great sacrifice made by Captain Thompson and his fellow prisoners, who have suffered the ordeal of imprisonment by the Communists for so long. Lest any person dismiss this lightly, let him consider his own life span and remember all the joys and adventures he has experienced over the last seven and a half years. Captain Thompson has known nothing but the dreary existence of incarceration for all those months and days. Hopefully, now, as we end our involvement in Vietnam, release is in sight for this brave man and the hundreds of others who have shared his fate. Our paramount responsibility is to work toward their speedy release.

## BLACK LUNG BENEFITS

Mr. PERKINS. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9212), to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes.

## CALL OF THE HOUSE

Mr. MIZELL. Mr. Speaker, I make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mr. BOGGS. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 373]

Abourezk
Addabbo
Alexander
Anderson, Ill.
Arends
Ashley
Baring
Barrett
Blackburn
Brown, Mich.
Camp
Celler
Chisholm
Clancy
Clark
Clawson, Del
Clay
Collier
Collins, Tex.
Derwinski
Diggs
Dowdy
Edwards, La.
Eilberg
Findley
Foley
Ford, William D.
Frelinghuysen
Gallagher
Gettys
Goldwater
Goodling
Gubser
Halpern
Jonas
Jones, Ala.
Kee
Landgrebe
Link
Lloyd
Long, La.
McClory
Madden
Michel
Mills, Ark.
Obey
Patman
Pelly
Pepper
Pryor, Ark.
Railsback
Rangel
Riegle
Rosenthal
Sandman
Schwengel
Shipley
Springer
Stanton, J. William
Stanton, James V.
Stuckey
Teague, Calif.
Veysey
Vigorito
Whitten
Wydler
Wyman

The SPEAKER. On this rollcall, 363 Members have answered to their names, a quorum.

By unanimous consent, further proceedings under the call were dispensed with.

## CAPTAIN SAYLOR, U.S. NAVY, RETIRED, WISHES THE "M DIVISION" A HAPPY BIRTHDAY

(Mr. SAYLOR asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, unemployment is not a recent phenomena. One hundred ninety-six years ago today, the U.S. Navy took upon itself the responsibility for solving one of the Nation's first critical unemployment situations, to wit: What to do with men too weak to be sailors and too bright to be soldiers. The solution was the formation of the Navy's "M Division."

In the ensuing years, the M Division has distinguished itself on every occasion when it was called upon by the U.S. Navy to protect the Nation's interests. From its largely ceremonial beginnings, the U.S. Marine Corps has grown to an effective, efficient, and dependable fighting force of 209,000 men.

The corps has been idealized, glorified, and magnified in song and story in the past 196 years, but in spite of the superhuman tales of valor which one must suffer when listening to any and all marines, it, the corps, is truly dedicated to a spirit of service to our country.

Mr. Speaker, the stories I could tell of the marines I have known are not fit for the delicate ears of those present in this revered House, so I will relate one fact that is worthy of the spirit of the USMC and outshines all the "puffery" of the image makers. It is simply this—from private to general, from aviator to supply clerk, and including congressional liaison types, every marine is a rifleman first, last, and always. And because of this singlemindedness in training, combined with a consistent dedication to excellence, the Nation has always been able to depend on the Marines in time of need.

It is a pleasure to wish the U.S. Navy's Marine Corps a very happy birthday on this, its 196th anniversary.

## BLACK LUNG BENEFITS

The SPEAKER. The question is on the motion offered by the gentleman from Kentucky (Mr. PERKINS) that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 9212) to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes.

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 9212, with Mr. STEED in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Pennsylvania (Mr. DENT) will be recognized for 30 minutes, and the gentleman from Illinois (Mr. ERLENBORN) will be recognized for 30 minutes. The Chair recognizes the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I yield such time as he may consume to the gentleman from Kentucky (Mr. PERKINS).

The CHAIRMAN. The gentleman from Kentucky is recognized.

Mr. PERKINS. Mr. Chairman, the enactment of H.R. 9212 is essential for four reasons. First, title IV of the act dealing with benefits to miners totally disabled because of the occupational disease, pneumoconiosis, or black lung, now provides that benefits may be paid only to miners or their widows whose entitlements may be increased by dependent children. However, the present law does not now permit payments to dependent, surviving children of a miner if both the miner and his spouse are deceased. These double orphans are not now under the law entitled to benefits. This, indeed, was a grave legislative oversight when the black lung benefit provisions were first enacted into law. This legislation remedies that defect.

Secondly, section 2 of the existing law specifically states that:

> The black lung benefits program shall not be considered a workmen's compensation law for purposes of the disability insurance provisions of the Social Security Act.

Under the disability insurance provisions of the Social Security Act disability benefits to a worker and his family must be reduced under certain circumstances if he is also entitled to workmen's compensation and if the combined benefits exceed 80 percent of the worker's average predisability earnings. Let me be more specific as to the effect of this application of the black lung benefit provisions. The Social Security Administration is setting off black lung benefits against social security disability payments even though the law states that the payments are not to be treated as workmen's compensation. The effect in many cases reported to me is that a miner receiving social security benefit disability before he filed a black lung claim received less total funds after his black lung claim was allowed than he received before. Let me give you an actual example of one miner. Prior to black lung, he was drawing $257 a month in social security disability payments. He filed a claim for black lung benefits which the Social Security Administration found he was eligible to receive black lung disability payments of $98.30 a month. The Social Security Administration deducted his black lung benefits from his social security disability entitlement and he actually wound up with 50 cents less than he had when he got his social security benefits.

By setting off black lung benefits against disability payments the Administration is taking away with the left hand what Congress granted with the right. H.R. 9212 would remedy this.

Thirdly, despite a wealth of medical evidence to the contrary, the Administration is denying pneumoconiosis claims solely on the basis of negative X-ray examinations. Let me recite some of the testimony on this point.

### Excerpts From Written Statement of the Surgeon General of the United States

> Coal miners' pneumoconiosis is a distinct clinical entity, resulting from inhalation of coal dust. Physicians diagnose it on the basis of X-ray evidence of nodules in the lungs of a patient with a history of long exposure to coal dust. *However, it should be pointed out that data from postmorten examinations indicate a higher prevalence of the disease than can be diagnosed from X-ray examinations. (Italic supplied)*.

### Testimony of Dr. Donald L. Rasmussen, Chief, Pulmonary Section, Beckley Appalachian Regional Hospital, Beckley, W. Va.

> Of interest is the fact that those miners who have worked primarily at the face in mechanized operations become impaired on an average of 5 years earlier than men engaged in all other mining jobs. These face workers also show somewhat more X-ray abnormality, *although there is little relationship between impairment and X-ray category pneumoconiosis* * * * (Italic supplied).

### Testimony of Dr. H. A. Wells, Director, Pulmonary Research Laboratory, Conemaugh Valley Memorial Hospital, Johnstown, Pa.

> But I would hasten to interject here that X-ray alone without being coupled with functional testing is going to be a poor indicator of the disease (pneumoconiosis) * * *

### EXCERPTS FROM THE ANNUAL REPORT 1967–68, MEDICAL SERVICE AND MEDICAL RESEARCH, NATIONAL COAL BOARD, GREAT BRITAIN

> * * * Secondly, it was also rapidly apparent that the X-ray film was not, by itself, a reasonable measure of disability * * *
>
> * * * The disease (pneumoconiosis) is difficult to diagnose, especially in the early stages, and accurate diagnosis depends on three essentials—a high quality full size radiograph of the chest, a full clinical examination (including lung function tests) and complete industrial history * * * The radiograph remains the most important single factor in the diagnosis of pneumoconiosis, as defined * * * *on the other hand the opacities seen in the radiograph are not in themselves diagnostic and must be interpreted in the light* of a detailed occupational history and clinical examinations * * * (emphasis supplied)

H.R. 9212 in this regard provides that claims for benefits may not be denied solely on the basis of the results of a chest X-ray.

And, Mr. Chairman, H.R. 9212 would continue the timetable under the act for 2 additional years, permitting an additional period for the States to prepare to assume responsibility for providing black lung benefits to beneficiaries under the act.

Finally, Mr. Chairman, I ask leave to have printed in the body of the RECORD an article by Estie Stoll from the August–September 1917, issue of The Sciences, published by the New York Academy of Sciences.

This article, entitled "Coal Mining: The Way to Dusty Death," deals with the major problem of coal workers' pneumoconiosis, or black lung, as it is commonly called.

One of the features of this bill would eliminate a negative X-ray as the sole basis for denial of a victim miner's claim for benefits. As this article so clearly demonstrates, X-ray is not effective in detecting the disease until it is far advanced. To quote:

> Unfortunately, by the time lung pathology becomes visible on X-ray CWP (coal workers' pneumoconiosis) may be irreversible.

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## Coal Mining: The Way to Dusty Death

(By Estie Stoll)

In 1661, John Evelyn wrote that coal "causeth consumptions, phthisicks and the indisposition of the lungs . . . speedily destroy[ing] those who dig it in the mines. . . ." After coal was first used to generate electricity in 1880, the demand for carbonaceous fuel increased sharply and mines were deepened; later, continuous-mining machines added to respirable dust concentrations. By 1950, the U.S. Public Health Service had found that coal miners were five times more prone to fatal respiratory disease than other workers. Some current estimates suggest that 125,000 active and former U.S. miners have X-ray evidence of coal workers' pneumoconiosis, or black lung disease, and more than a third of them may be severely disabled.

### CLINICAL PATTERNS

Coal workers develop pneumoconiosis from prolonged inhalation of coal dust particles that saturate mine air. They cough up coal-stained sputum, may have chest pain and dyspnea, or shortness of breath; if dust exposure continues, symptoms can become incapacitating.

After ten years' exposure, simple pneumoconiosis, the first stage of disease, may show up on X-ray, generally as widely scattered fine nodules. They represent coal-dust aggregates around bronchioles whose associated air spaces are usually dilated. Clinical symptoms and lung-function abnormalities usually appear later, but in West Virginia—with one of the highest rates of coal workers' pneumoconiosis (CWP) in the U.S.—many men with "simple, nodular pneumoconiosis . . . were significantly disabled," says Dr. Donald L. Rasmussen, Director of the Pulmonary Research Laboratory, Appalachian Regional Hospital, Beckley, West Virginia. (*Med. Tribune*, Mar. 13, 1969)

More advanced or complicated pneumoconiosis develops in about three per cent of active soft-coal miners and in up to 25 per cent of hard-coal miners, usually appearing radiographically after 20 years of work underground. As fibrosis of coal-dust nodules progresses, the nodules grow and coalesce, destroying large portions of lung tissue. Viable tissue is distorted by scarring and contraction, and there are changes in pulmonary function. Impaired oxygen transport increases disability; destruction of small pulmonary blood vessels often leads to right-side heart strain and enlargement—*cor pulmonale*—and death from cardiac failure.

### THE PROGRESSION OF X-RAY CHANGES

CWP is diagnosed by X-ray abnormalities and a history of coal-dust exposure. The International Classification of Radiographs of Pneumoconioses—a standard description of X-ray changes—was formulated at an ILO conference 20 years ago and revised most recently in 1968. The Classification divides CWP into seven categories of progessive dust opacity. Though significant ventilatory changes almost never occur before grade 3 simple pneumoconiosis, initial X-ray signs are infallible precursors of later disability, says Dr. Lorin E. Kerr, Director of Occupational Health for the United Mine Workers of America. (*Industrial Med. and Surgery*, Aug., 1956) If their exposure to mine dust is stopped, workers with grade 1 simple pneumoconiosis are rarely disabled; once more massive X-ray shadows have appeared, deterioration continues even after the worker leaves the mine.

### DISCREPANT SYMPTOMS AND SIGNS

Unfortunately, by the time lung pathology becomes visible on X-ray, CWP may be irreversible, and radiologic category does not always correlate with disability. "Some miners with massive pulmonary fibrosis are doing their full eight-hour shift, while others with seemingly early pneumoconiosis are on their deathbeds," Dr. Kerr says. (*Medical World News*, Mar. 27, 1970.) The disparity between disability and objective signs of illness was highlighted in a study of 16,000 soft-coal miners from Central and Western Pennsylvania. Conducted ten years ago by Dr. Jan Lieben and his associates at the Pennsylvania Department of Health, it revealed that nearly a third of Central Pennsylvania miners with coalescent lesions denied shortness of breath, but nearly half the miners *without* X-ray signs complained of it. Among the Western Pennsylvania miners with advanced lesions, nearly two-thirds denied breathlessless.

Dr. R. Krémer of the Universitié Catholique de Louvain, Belgium, has investigated the relationships between obstruction, X-ray findings and prognosis in 100 CWP patients. He found that clinical health is closely related to pulmonary obstruction as determined by the amount of air that can be forcibly expelled in one second, the $FEV_{1.0}$. Forty per cent of the men unable to expel more than 1,000 ml of air in one second were dead within a year; 80 per cent were dead within five years. Pulmonary arterial hypertension, caused by increased pulmonary vascular resistance, was also a poor prognostic sign; 70 per cent of the CWP patients whose mean pulmonary arterial pressure exceeded 30 mm/Hg at rest died within a year. When pressure was 15 mm/Hg or less, patients were likely to do well *regardless of the X-ray stage of pneumoconiosis*, Dr. Krémer reported. Thus, measurements of pulmonary function are often more accurate than X-rays in evaluating CWP. (*Apport de L'Hémodynamique Pulmonaire a L'Etude de la Pneumoconiosis des Houilleurs*, 1969.)

In the U.S., autopsy studies confirm that right heart hypertrophy, rather than the amount of pulmonary coal dust seen on X-ray, is critical in evaluating CWP. Dr. Richard L. Naeye, Chairman of Pathology at Pennsylvania State University, recently performed autopsies on 175 Appalachian soft-coal miners. Half of the men who'd been dyspnea-free had nearly twice as much tissue containing coal dust macules as dyspneic miners. But breathless miners had thicker heart walls, more abnormal air spaces, and a higher ratio of bronchiolar goblet cells to non-goblet cells than the non-dyspneics. These results "weaken the value of X-rays as an evaluating tool and strengthen the case for lung function studies," according to Dr. Kerr.

### COAL DUST: A COMPLEX PATHOGEN

Although simple pneumoconiosis is apparently caused by accumulation of coal-dust particles smaller than 5 microns in diameter, the pathogenesis of complicated pneumoconiosis is uncertain. Massive coal-dust accumulation appears to alter tissue response so that the disease progresses independently of dust inhalation. But CWP's initial stages are directly related to both quantity and duration of exposure to mine dust. The Lieben study revealed that in Central Pennsylvania, 16 per cent of soft-coal miners under the age of 45, 41 per cent aged 45–64, and 55 per cent of retired miners had X-ray signs of pneumoconiosis; in Western Pennsylvania, incidence rose from four to 15 to 29 per cent, respectively, for these same age groups. Mine workers with the dustiest jobs also face the highest risk. A U.S. Public Health Service study by Dr. William S. Lainhart, of nearly 4,000 bituminous coal miners from Utah, Appalachia, Southern Illinois and Indiana, revealed that cutting and loading machine operators were twice as vulerable as other coal-face workers; motormen and brakemen were four times more disease-prone than other transportation workers. (*J. of Occ. Med.*, Aug., 1969)

Geographic differences also contribute to CWP risk. A four-year study of nearly half a million British miners showed that prevalence varies regionally from 5.8 to 25.3 per cent; regardless of mine dustiness, South Wales' CWP rate is consistently higher than England's. Central Pennsylvania's rate is almost 2.5 times higher than Western Pennsylvania's CWP affects only four per cent of Utah miners compared to 10 per cent of those in Appalachia.

### COMPLEXITY OF COAL COMPONENTS

Type of coal mined affects coal dust potency and, therefore, CWP incidence. The higher a coal's rank the "greater the prevalence of disease," according to Dr. William K. C. Morgan, Director of the USPHS laboratory in Morgantown, West Virginia. (*Am. Rev. Resp. Dis.* Vol. 98, 1968) Anthracite, a high-rank coal is older, less volatile, contains more carbon and releases more heat when burned than lignite, a low-rank coal. CWP incidence rates may jump from ten per cent, for men who have worked low-grade coal for twenty years, to nearly 50 per cent for men who have worked high-rank coal for the same length of time.

Because in one form or another, coal contains nearly half the known elements, its constituents have clouded the picture of CWP. Silica, a major coal component, was once held exclusively responsible for all coal miners' respiratory disease. Anthracite, higher in silica content than bituminous coal, causes more severe and extensive CWP. Progressive massive fibrosis appears earlier, afflicting 25 per cent of hard-coal miners compared with only three per cent of bituminous miners, Dr. Charles E. Myers, Director of the Anthracosilicosis Treatment Project, Wilkes-Barre General Hospital, Pennsylvania, told The Sciences. After World War I, anthracite was largely replaced by such cheaper fuels as soft coal, gas and oil; today anthracite mining is a dying industry, virtually limited to five Northeastern Pennsylvania counties. But the hazard of CWP in anthracite mines is still staggering: in one Pennsylvania anthracite county, miners spent 23,000 patient days in the hospital in 1969, at a cost to the county of $1.25 million. Dr. Myers fears that extensive anthracite mining may be revived when other fuel reserves are depleted.

Although silica contributes heavily to pulmonary pathology in anthracite workers, CWP also strikes carbon-electrode workers, coal-loading longshoremen and others exposed to virtually silica-free coal dust. Silicosis and CWP are now recognized as clinically separate diseases which may co-exist and interact in the same individual; on autopsy, they are usually distinguishable.

Miners, too, vary in their response to apparently identical mining conditions, leading some investigators to speculate about the possible roles played by individual susceptibility and auto-immunity. Nearly 20 years ago, Dr. A. Caplan discovered a predisposition to rheumatoid arthritis in Welsh miners with CWP. Caplan's syndrome has since been reported in patients with other pneumoconioses. In the mid-sixties, Swedish researchers found that individuals lacking serum alpha-sub-one antitrypein factor, which prevents trypsin from digesting protein, are more prone to chronic respiratory illness than those with adequate antitrypsin factor; they may also be more susceptible to CWP. Miners speak of "Coal fever," a response in some men new to the mines who are apparently sensitized to coal dust. Dr. Warfield Garson, of the UMWA Welfare and Retirement Fund, reports a response resembling coal fever in test animals; the reaction may indicate a predisposition to CWP.

The role of air pollution and smoking in CWP pathogenesis is ambiguous. In 1963, the USPHS compared respiratory disease rates in miners and non-miners in two West Virginia coal towns with high dust pollution levels. In one town, 15 per cent of 200 miners had X-ray evidence of CWP, compared to less than one per cent of 200 non-miners in the same town. (*Mining Congress J.*, Aug. 1965) Other studies indicate that coal-dust exposure for nonminers may be much less benign. "In hundreds of autopsy reports, not of miners but their families, I noted a high degree of lung involvement . . . [suggesting] a community problem," says pathologist Richard Naeye. (*Medical World News*, Mar. 27, 1970) Soft-coal miners who smoke have more bronchitis, emphysema and *cor pulmonale* than non-smoking miners. Because miners cannot smoke at work, their smoking time is more compressed than that of smoking non-miners, perhaps with greater adverse effects, says Dr. Morgan. (*Va. Med. Monthly*, Dec., 1969)

"Although coal dust may be the specific cause, the expression of disease is the summation of all of the physical, emotional and social stresses [fatigue, heat and humidity, noise, isolation, etc.] to which the miner is exposed," stated Dr. Irving R. Tabershaw, Professor of Occupational Medicine at the University of California, Berkeley. (National Conference on Medicine and the Federal Coal Mine Health and Safety Act of 1969, Washington, D.C., June 1970) High on the list of stresses are respiratory infections, which may co-exist with, contribute to, or occur more often because of CWP. Minor respiratory infections often precipitate dyspnea in miners afflicted with CWP, resulting in serious acute illness.

### EUROPE'S LEADERSHIP

Although the U.S. has been very slow to acknowledge CWP as a distinct disease entity, Western Europe and Great Britain have been working on CWP for decades. In 1937, the British Medical Research Council initiated a comprehensive CWP study; six years later, the British government declared CWP a compensable disease, distinct from silicosis. From 1955 to 1965, preventive medicine—diligent X-ray check-ups and early transfer of affected miners from hazardous dust areas—reduced the number of new compensation awards in Britain by four-fifths. When the European Coal and Steel Community was established 20 years ago, financing and co-ordination of CWP research took a great leap forward. Nine million dollars went for CWP research in Europe in 1963, in sharp contrast to the $100,000 granted to the USPHS that same year for a single CWP study. By 1966, when *cumulative* United States appropriations had just passed $1 million, the *annual* research budget in Europe was nearly $20 million.

### RESISTANT U.S. PHYSICIANS

"The attitude of the medical profession in the U.S. to the problem of CWP has been . . . characterized by obscuratism and a persistent refusal to face the facts," Dr. Morgan asserts, and history bears him out. Coal dust was recognized as a health hazard in American mines early in the twentieth century, but the solution was seen as improved ventilation. Britain's CWP incidence was attributed to English climate and urbanization, both unmatched in rural U.S. coal towns. Public attention was also directed away from coal dust to silica, and silicosis was soon considered "the only important dust disease," writes Dr. Kerr. (Arch. Env. Health, Apr., 1968) State and Federal compensation laws covered silicosis but excluded other industrial dust diseases. Until its tenth edition in 1959, Cecil's influential Textbook of Medicine denied the danger of "anthracosis," and stated that coal dust benefited the miner by modifying silica's effect and slowing the progression of silicosis. Mine employed physicians failed to appreciate the occurrence of CWP; in one state, the chairman of the silicosis board threatened to resign if CWP became compensable. Death certificates were often incomplete or misleading; heart disease was listed as the cause of death, without mention of CWP as the cause of cardiac failure.

### MINE ACCIDENTS—TRIGGER FOR ACTION

Eventually, mine accidents rather than dust disease aroused public ire and forced Congressional action. Coal mining is the most dangerous occupation in the U.S.; a man who enters the mines at 20 runs a 25 per cent risk of death from lung disease or mine accident. On any day of the year, 28 miners suffer disabling injuries; each month. 100 miners die of accidents, a total of 120,000 fatalities in the past century.

In one West Virginia county, there were 11 major mine disasters in 20 years. Three years ago, after 78 men died in a coal-mine explosion at Farmington, West Virginia, Congress began to act. Supposedly safe, the Farmington mine spewed out 8 million cubic feet of methane a day—enough to supply the cooking and heating needs of a small city!

### BELATED FEDERAL LAW

The Federal Coal Mine Health and Safety Act of 1969 sets mandatory health and safety standards for underground mines, appropriates aid to the States to help establish or improve local programs for protection and compensation, and provides for Federal funding of CWP research. The Act limits average concentrations of respirable dust in the mines to 3.0 mg per cubic meter of air; in 1973, it drops to 2.0 mg per cubic meter. Unless adequate respirators are provided, mechanical ventilators must remove harmful gases from the mine and maintain an atmospheric content of at least 19.5 per cent oxygen and no more than .5 per cent carbon dioxide. Mine operators must submit dust samples for government analysis, Interior Department officials must make at least four unscheduled mine inspections annually, and penalties are established for offenses.

Mine owners, especially the marginal operators, claim that they cannot comply with the Act and remain in business. "We believe that most mines can comply with the 3.0 standard with presently available technology," Henry P. Wheeler, Jr., Acting Deputy Director of Health and Safety, Bureau of Mines, told the Washington Conference in June, 1970. To facilitate compliance, the Bureau is investigating the use of electrostatic devices to collect dust, foaming agents or steam and water sprays with wetting agents to suppress it, and chemicals to reduce the surface hardness and friability of coal. Dust-producing factors related to mine-machine design are being evaluated. The Bureau is also investigating such innovations as a high-powered waterjet to replace the saw-wheel, transport methods that scatter less dust, effective respirators and life support systems. But "ventilation is the single most important factor affecting the concentrations of dust in coal mines," Mr. Wheeler stresses. Mine owners pump fresh air in to avoid methane buildup but the air either dilutes coal-dust concentrations or stirs up settled particles, Dr. Welby G. Courtney, of the Bureau's Safety Research Center, told *The Sciences*. In fiscal 1972, the Federal government will spend about $6 million on dust control.

The new law also entitles miners to free, periodic chest X-rays and gives those with radiologic signs of pneumoconiosis the option of transferring to less dusty work without reduction in pay. At the end of 1970 the USPHS, the American College of Radiology and the American College of Chest Physicians co-sponsord brief teach-ins on CWP X-ray diagnosis for physicians in several cities.

### COMPENSATION FOR CWP

The Black Lung Benefits section of the Act guarantees compensation to miners disabled by pneumoconiosis or to their widows, if the disease was definitely caused by underground mining. Disability is established by evidence of complicated pneumoconiosis on chest X-ray, biopsy or autopsy. A miner with X-ray signs of simple pneumoconiosis is also considered disabled if demonstrable lung function impairment rules out continued mine work, and if age, work experience or educational limitations preclude other employment. Within a month after the law was passed, the Social Security Administration, which will administer compensation claims until 1973, received 100,000 compensation applications. By June of this year, SSA had received 297,162 claims and processed 267,042 of them; disability payments to the 126,396 miners or their widows whose claims were approved range from $153 to $306 per month. SSA's cumulative total of payments is more than $313 million, but 102,000 miners' claims have been disallowed, nearly half because CWP did not appear on X-ray. After 1973, administrative responsibility shifts to the Department of Labor and to state compensation agencies; only eight of the 23 coal-mining states offer compensation for CWP.

### OBSTACLES TO ACTION

But law and implementation are still far apart. "The men for whom this statute was enacted are even more outraged today by what they consider inadequate administration of the law than they were months ago before the new law was enacted," Mr. Gerald M. Feder, Associate Council for the Senate Subcommittee on Labor, told the Washington Conference in June, 1970. The Appalachian Research and Defense Fund, a public service law firm in Barbourville, Kentucky, accused the Social Security Administration of dealing inequitably with CWP disability payments. The Fund asserted at a mock trial that only 20 per cent of claims were refused nationally, but 32 per cent were disallowed in West Virginia and 57 per cent in Eastern Kentucky, regions that account for one third of all claims. The Bureau of Mines has been under fire for having too few inspectors, for permitting mines to continue operating with known violations and for excessive identification with the owners.

### INHERENT WEAKNESSES IN THE LAW

President Nixon described the Black Lung Benefits section of the law as "temporary, limited and unique, and in no way should it be considered a precedent for future federal administration to workmen's compensation programs . . . all federal responsibility in this area will expire in seven years." Continued miner protection, therefore, depends on state programs—traditionally weak in the past—or on new Congressional legislation. Significantly, the current law applies only to underground mines; strip or surface mining, the fastest-growing branch of the coal industry, goes unregulated.

Because miners who have inadequate X-ray evidence of CWP but are severely disabled by obstructive airway or cardiac disease are excluded from compensation, the "law must already be judged a failure," says Dr. William H. Anderson, Chief of the Pulmonary Diseases Section, University of Louisville School of Medicine. Faced with a mine shut-down, he points out, a miner untrained for other work may be virtually unhirable because of early pneumoconiosis signs on a pre-employment X-ray. He is also ineligible for CWP compensation and may be too young for social security or a miner's pension. Because many physicians are still unconvinced that CWP exists, "to make this law work . . . [you must] gain the interest and the cooperation of physicians who are actually out in the field," Dr. Naeye told the Conference.

Despite these problems, the Act has been hailed as the most comprehensive health and safety law in U.S. history Because of cooperation between several Government agencies and departments—including HEW, Interior and Labor—it may serve as a problem-solving model in such other areas as Medicare and Medicaid, says Dr. George James; President and Dean of the Mt. Sinai School of Medicine, New York. "Federal law has, for the first time, focused national attention on pollution of the working environment of a major industry in so clear a way that it becomes imperative that *all* major industries, and, eventually, all cities, improve the quality of their environments."

Because better health and safety may be the only way to attract new miners to an industry already faced with severe manpower shortages, both miner and owner may benefit from the Act. Though improved technology has steadily reduced labor requirements—one-fifth the number of miners produced the same amount of coal in 1969 as in 1920—workers will always be needed to run increasingly complex machinery. By the mid-1970s, 50,000 new mine jobs will be available; by the turn of the century—when coal demand is expected to be four times current annual coal production—manpower needs will be much higher.

The U.S. has about a third of the world's supply of recoverable coal; each U.S. miner produces about 20 tons of coal per day, compared with three tons in West Germany and Britain, and two tons in the U.S.S.R. Greater productivity has led to more dust and higher health risk. CWP disability, once rare in men under fifty, now strikes 35-year-old miners. "The time has come to replace . . . fatalism with hope by substituting action for words," President Nixon told Congress in March, 1969. "Catastrophes in the coal mines are not inevitable. They can be prevented and they must be prevented."

Mr. ERLENBORN. Mr. Chairman, I yield myself 10 minutes.

The benefit program we are talking about here—the black lung benefit program—was presented and passed in 1969 as a sort of small residual program. It was designed to let Federal general revenues pay monthly checks to a relatively small group of ex-miners and their widows who had generally been bypassed by other benefit programs. The point made was that in some coal-mining States the workmen compensation laws had failed to recognize in an adequate way the lung and related problems that miners can develop from coal dust.

Of course, compensation for disease and injury caused workers by their employment in private industry has been handled by the respective States usually through their workmen compensation programs. But in this instance, it was argued that there was an unmet need that the Federal Government should take care of temporarily. Under the law as passed, the Federal Government would take care of black lung claims filed during the first 2 or 3 years. Then the whole thing would revert to the States. The whole Federal cost of the benefits was said to be around $40 or $50 million a year.

Now let us see what has happened since the bill was enacted in 1969.

First. We are already paying out of general revenues over $300 million a year in the black lung benefits. The total outlay under existing law will have reached close to $1 billion by the end of 1972.

Second. About three out of every four of the people drawing these benefits also get social security benefits. Many get a monthly check from the union pension fund. Some get a veteran's payment, or a railroad retirement payment. So, for the greatest part this has been an add-on benefit that goes to one particular group. For the quarry workers, the ore miners, the textile workers, the grain elevator people, the farmers—along with countless other groups who do work involving risk—for none of these is there a special add-on Federal benefit program on top of social security.

Third. Despite the claims being pushed by special-interest groups—and despite the news stories—the administering Federal agency has taken a rather liberal approach in carrying out the law. Bear in mind that the benefit payments are already running 5 or 6 times what was supposed to be the cost of the program.

Notwithstanding these facts—which come as a big surprise to those who had not looked into the situation thoroughly—we now have before us Mr. PERKINS' bill to greatly expand this payment of benefits to one special group in the country. Let me point out briefly what it would do.

First. It would say—I think rather incredibly—that the Social Security Administration is forbidden to deny claims on the basis that the X-ray of the miner's chest shows no black lung disease. Remember that the law on the books says the miner—to get the money—must be totally disabled due to black lung, or pneumoconiosis as it is termed. Now, if the claims—still coming in, incidentally, at a great rate—cannot be denied where the X-ray as interpreted by highly competent radiologists shows no black lung problem, on what can a denial be based? How could the agency tell which person is disabled of black lung and who is not? Remember that to qualify under the law the applicant must be totally disabled due to black lung. If he is disabled from other causes, he is no doubt getting benefits under the regular social security program like other disabled people.

The backers of the Perkins bill say there is medical opinion that maybe a miner could have black lung that would not show on the X-ray. But the question is not whether a person has black lung in some minute degree, but whether he has it to a fully disabling degree. The black lung starts like everything else from nothing, and it may go from a hint of something in the lung, then a barely perceptible degree, and so on. Until it reaches at least the point that it shows up on the X-ray, there is no accepted medical basis for finding that the individual is really suffering from black lung, let alone being disabled from it. A great many people who have never seen a mine have some degree of something in the lung that should not be there—from smoking, from emphysema, and so on—and they are not treated as disabled.

But the Perkins bill would say the man may be totally disabled—due to black lung, remember—even when the radiologists say they see no black lung problem and in fact there may be nothing at all unusual in his lung X-ray. What would be the practical effect of this? The backers of the bill say, well, you would have to give him other tests before you conclude he is not disabled of black lung. What tests? You could give him exercise tolerance tests or various others—at heavy expense and a lot of trouble or even danger to the applicant. But what would they prove as to whether the man is or is not totally disabled due to black lung—when you start from the knowledge that an X-ray of his chest shows no black lung? You might get a doctor's report from the difficult tests that the man has this or that problem. But the same kind of problems could be found in all kinds of people who would not know a coal mine if they saw one. So, how could you make a finding that this ex-miner with no black lung showing on his X-ray is disabled of black lung because he has some physical problem similar to what nonminers often have? The simple fact is the overwhelming consensus of medical authority holds that, in the absence of an X-ray showing of black lung in the living miner, there is no sound medical basis for determining what the law requires to be determined—namely, that the miner is disabled due to pneumoconiosis.

You can see from this what the direction of the bill actually is. It is to greatly broaden the program by making tens of thousands of people eligible for benefits who have ailments not peculiar to miners. In other words, these people, the great majority of whom are already eligible for social security benefits, would be paid a special extra benefit whereas large numbers of people throughout the country with the same kinds of physical problems get social security only. Where is the justice or reason in that?

The proponents of the bill say "Oh, no, we can show you doctors who assert they can take a man with a clear chest X-ray, give him some exams, and if a physical problem is found—a problem like those found in nonminers—tell you whether that problem is due to black lung." But let us see what the weight of medical authority is. In 1970, a group of physicians eminent in the field assembled at Spindletop, Ky., to explore this and related matters. Among them were Dr. Benjamin Branscomb, professor of medicine, University of Alabama; Dr. Charles E. Andrews, provost for health sciences, University Medical Center, W. Va.; and Dr. William H. Anderson, professor of medicine, University of Louisville. I will quote from their findings:

> "Coal worker's pneumoconiosis cannot be diagnosed in the living in the absence of radiographic changes." Also, the British have been in the black lung matter for over a generation. Their official publication contains this wording: "From a radiograph it is possible to say that a worker is not suffering from the disease."

No, the Perkins bill would not, as it is claimed, correct error in the administration of the law. It would instead open up the special benefit program to many thousands of additional persons whose claim to added tax-free payments cannot be greater than would be the claims of hundreds of thousands of nonminers all across the country. The extra outgo would be well over $1 billion through the next 6 years alone.

One part of the bill would change the whole set of ground rules on how long the Federal Government is to continue to receive and handle these claims for black lung benefits. As I indicated, the law is that the Federal Government is to be responsible for continuing payment of all claims made through 1971. For these, the responsibility for Federal payment continues for the lifetime of the miner, of course. But for claims made after 1971, the States and the employers are liable for long-term payment. This bill would make the Federal Treasury responsible for continuing payment on all claims made in 2 additional years—through 1973.

You have no doubt seen a letter from coal mine operators on this feature of the bill. They endorse it, and you can readily see why. It shifts a financial burden to the Federal Government involving many millions of dollars.

A third part of the bill would even tap the social security trust funds. At present, in some cases, if a miner is getting social security disability payments and then qualifies for black lung, the total of the two benefits paid him may not be more than 80 percent of his usual earnings when he worked. This rule, which is in the social security law, has limited application but it says—where it does apply—that a person, whether or not he has ever been near a coal mine—cannot get a combined amount in workmen's compensation and social security disability checks that would be unduly large in relation to his usual earnings. This bill would give the miners an advantage over everyone else, so that many miners could get considerably more per month in combined social security disability benefits and black lung payments than they earned by working full time. I do not see how people from all other walks of life—with their own financial problems—can view that as fair or reasonable. They will surely ask why they have to pay taxes for this special treatment of a particular group. And, as I indicated, the provision would have a cost to the social security trust funds. Why? Because at present if a miner's social security disability benefits plus his black lung benefits are more than 80 percent of his usual earnings, the social security part is reduced in some cases to bring the total down to 80 percent. Under the Perkins bill, the full social security disability benefit would have to be paid regardless. This would cost the trust funds $20 million in the first year.

Let me conclude this by making a few special observations:

One. What this bill brings into sharp play is a major public policy question—not a minor question of paying some added miners. By providing these payments to the additional people who cannot be shown by any of the accepted rules to have become disabled by black lung, what we would do is actually to provide extra payments pretty much on the basis that everyone who has worked in the mines and who has problems like the common ones of emphysema, asthma, and so forth, is eligible. This is to say that we would provide a double layer of benefits to a selected group largely because they are members of that group and not because they have problems different from those of other people across the country. The question, then, is how far can we go in providing an extra benefit beyond the social security benefits? Can you expect people in all the nonmining areas—people who have health problems similar to the ones on which the extra benefits to miners would be paid—to do other than demand equal treatment? What of the ore miners, sulphur miners, grain elevator workers, textile workers, and all the other groups I have mentioned? As a matter of fact, are there not even white-collar workers who could get medical testimony that the stress conditions of their jobs had a bad effect on their health? So, I say to you that the bill involves much more than appears on its face.

Two. The section of the Perkins bill dealing with so-called double orphans is one that the administration supported in hearings on the bill. I support it and I know of no one who does not. It has never been in question. It merely corrects what must have been an oversight in the bill. We can take care of this quickly by another approach. The strategy to add on three very undesirable and major changes in the program and to get them through on the back of the widely-accepted double orphan correction ought to be defeated.

I ask that you join in an effort to do justice by insuring that we turn down this unfair, costly, and dangerously implicated bill.

Mr. DENT. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, we have very limited time on this piece of legislation. However, we have hashed it out pretty well on this floor on previous occasions.

If I sum up the statement of the gentleman who preceded me on the floor, it comes down to dollars. Regardless of how you might disguise it or try to make out some logical reasoning for his opinions and for the amendments that he is going to offer, it just comes down to dollars.

Mr. Chairman, I would like to clear up one thing for the record. In order that there be no mistake about what I might have said while debating this bill before the House on its first go-around about the cost being estimated at $40 million a year, I researched the whole legislative history of the program, going through the committee reports, conference reports, debates and hearings in the Senate, and so forth. Very few references were made to cost, but this much of a reference was made.

During the House debate on the bill the gentleman from New Jersey (Mr. DANIELS), who had held hearings before his subcommittee on this legislation, got an estimate from the Public Health Service through a survey that they made that there would be 22,300 coal miners in the Nation who would and could possibly be candidates for these payments. That was because at that time no State except Pennsylvania had legislation that was enacted. Moreover, we were only discussing miners suffering from complicated pneumoconiosis.

And, so, therefore the Health Department could not get a more accurate estimate of the number of persons, and we said at that time that it would go to $40 million and possibly $50 million a year.

I would say that based upon the estimates we had, we do have to come down to the fact that 323,000 claims have been processed under this act. That is 14 times as many miners as we estimated. So, when come up with the figure of $400 million-plus the cost, we are only dealing with the original estimate.

But, Mr. Chairman, who in this House or who in this Nation had any idea that that many miners were suffering from black lung.

Certainly, it is a matter of conscience more than it is a matter of dollars.

I have stood on this floor and I have voted repeatedly for farm subsidies, and what is the cost of farm subsidies for this year

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield to me at that point?

Mr. DENT. I shall be glad to yield to the gentleman later under the 5-minute rule.

Mr. STEIGER of Wisconsin. On this question of the numbers?

Mr. DENT. Of what?

Mr. STEIGER of Wisconsin. On this numbers question.

Mr. DENT. Go ahead.

Mr. STEIGER of Wisconsin. You have indicated a total of 323,000 miners would be eligible; am I correct.

Mr. DENT. Yes; I said 323,000 claims were filed but 147,000 were receiving compensation when this figure was given to us, and that was in September.

Now, what of the rest of the hundred-and-some-odd thousand who are still to be reprocessed because of the fact that science has come up now with the statement that the examination by X-ray alone is not conclusive and should not be used to deny the right of a coal miner who is suffering from black lung to be paid if he indeed has black lung that is discovered through a number of other examinations?

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield further?

Mr. DENT. Now, let me finish my statement.

Let me give you some figures. For instance, you are interested in figures.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the chairman of the full committee.

Mr. PERKINS. First, I wish to compliment the subcommittee chairman on his statement and ask the gentleman in the well if it is not a fact that we have had millions of people working in the coal mines over a period of years. When I first came to the House in 1949 we had more than 800,000 people working in the coal mines, is that not correct?

Mr. DENT. It is correct. But, when you are talking about numbers, and especially when it comes to dollars, we cannot afford to talk in terms of dollars when it comes to human beings.

One additional matter, and let me just read a statement from the Secretary of Agriculture, Secretary Clifford Hardin, when he said that the 1972 farm program would cost $2 billion, I voted for that and yet it comes out of the Treasury of the United States. It is paid for by the coal miners and every taxpayer in the confines of this country through taxes because we think it is essential to the welfare of the farming communities of this great country.

Therefore, can we do any less for the coal mining community?

The gentleman scoffs at the idea of continuing this legislation for 2 more years so that the States can pass a State plan. Of course, the mine operators would be happy because it shifts the burden. Do you believe that any person, any group of examiners, any Member of Congress could have determined that 323,000 miners and widows who have now applied and another 150,000 who may well apply, that we can allow the responsibility for the payment of these black lung payments to any individual to the State government. We have had miners who have worked 15 or 20 years in different mines. You will find very few who have worked their entire time in one mine or have worked in one mine all of their lives, because coal mines have a habit of running out of coal.

So they moved to another vein, or they moved to another location, and your people either move with you or they move to another operation. This is not a question of dollars, but simple justice, and it is the responsibility of the people of the United States just as much, or even more so, as it is the responsibility of the people of the United States to pay farm subsidies or any other subsidy.

The CHAIRMAN. The time of the gentleman from Pennsylvania has again expired.

Mr. ERLENBORN. Mr. Chairman, I yield 5 minutes to the gentleman from Ohio (Mr. ASHBROOK).

Mr. ASHBROOK. Mr. Chairman, it is with deep and sincere concern that I must express my dissatisfaction with certain provisions of H.R. 9212—the bill to amend the Federal Coal Mine Health and Safety Act of 1969. Title IV of this act provides for payment of cash benefits to coal miners—and their dependents—who were found to be "totally disabled" due to pneumoconiosis—black lung disease—and for survivors of coal miners who died from this disease. While I find considerable equity and humanitarian justification in one provision of this bill—the one which permits payment of black lung benefits to dependent surviving miner's children who have lost both parents—this redeeming provision does not favorably alter my opinion that the bill should not be approved. I would strongly urge that we consider this particular provision independently so that it may be singularly and positively acted upon.

Mr. GROSS. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. Evidently a quorum is not present. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 374]

Abourezk
Ashley
Barrett
Blackburn
Blanton
Brown, Mich.
Buchanan
Camp
Carey, N.Y.
Clancy
Clark
Clawson, Del
Clay
Collier
Derwinski
Dickinson
Diggs
Dorn
Dowdy
Dwyer
Eckhardt
Edwards, La.
Evins, Tenn.
Frelinghuysen
Gallagher
Gettys
Goldwater
Goodling
Gubser
Halpern
Hansen, Wash.
Horton
Jones, Ala.
Karth
Kee
Keith
Landgrebe
Link
Lloyd
Long, La.
McKinney
Madden
Mann
Melcher
Mills, Ark.
Morse
Mosher
Patman
Pelly
Pryor, Ark.
Rangel
Rees
Riegle
Satterfield
Scheuer
Schwengel
Smith, Calif.
Stanton, J. William
Stanton, James V.
Stokes
Stuckey
Ullman
Vander Jagt
Veysey
Vigorito
Whitten
Wilson, Charles H.
Wydler
Wyman

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. STEED, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 9212, and finding itself without a quorum, he had directed the roll to be called, when 361 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. When the point of order was made that a quorum was not present, the gentleman from Ohio (Mr. ASHBROOK) had the floor; and the gentleman has 4 minutes remaining.

Mr. ASHBROOK. Mr. Chairman, the first provision to which I offer strong objection permits exemption of black lung benefits from the existing provision of the Social Security Act that requires offset of workmen's compensation payments. This change is entirely inappropriate since the black lung program is, by design, a workmen's compensation benefit program. To exempt black lung benefits from offset when they are paid by the Federal Government but offset them when paid by a State would be most inequitable. I fully believe that this provision serves as an unjustified duplication of workmen's compensation benefits. In addition, this same offset exists for those receiving social security disability benefits and this provision would be prejudicial to these beneficiaries.

Second, this bill provides that a finding of pneumoconiosis may be made even though X-ray evidence does not demonstrate the presence of the disease. Presumption that the disease exists would be an unusually precarious conclusion since the majority of medical authorities accept X-ray evidence as the only valid means of verifying the presence of pneumoconiosis. While further testing would be nesessary to establish the degree of respiratory impairment, the cause of this impairment could be due to emphysema, asthma, chronic bronchitis, or a combination of any conditions other than pneumoconiosis. To permit a finding of this disease in the face of negative X-ray evidence would alter the specialized nature of the original act and, in fact, would permit payment for pulmonary conditions other than pneumoconiosis. This represents unreasonable and unjustified permissiveness which would defeat the purpose of the black lung benefit program and would greatly increase its costs. It is virtually impossible for any miner to have pneumoconiosis to the degree necessary to qualify him for benefits under this bill—disabling black lung, but just some trace of black lung—and not have it detected by X-ray.

Finally, the bill permits an extension of the Department of Health, Education, and Welfare administration of the black lung program by 2 years. It would delay transfer of responsibility for this program to the States, under the administrative guidance of the Department of Labor. Federal administration of this program by DHEW was intentionally temporary in order to permit States an opportunity to take appropriate legislative action for the proper and justified improvement of workmen's compensation programs to cover pneumoconiosis. Many States have taken or are taking this legislative action and to further defer transfer of this responsibility to States would be entirely unwarranted.

This bill is an undue subsidy to coalmine operators. By bypassing workmen's compensation laws and paying these benefits out of the Federal Treasury, they go scotfree—an unequitable bonanza for them.

I fully recognize the fine intent of this bill. However, it unduly delays the acceptance by the States of responsibility for workmen's compensation programs. The merits of this bill are extremely questionable and I am, therefore, definitely opposed to its passage.

Mr. DENT. Mr. Chairman, I yield myself 1 minute in order to make a quick response to the gentleman from Ohio.

I might say that if a State elects to take the action that would save the State money in offsetting the State compensation, all you are doing in the State is saving money for the operators who pay the workmen's compensation on the basis of hourly payments, and on the basis of hourly earnings, because the coal miners who are suffering from pneumoconiosis are going to be asked to pay or give money to the rest of the workers in the State in other industries. That is all you are doing, you are not saving one red cent from the State treasury. All you are doing is taking that out of the coal miner's pocket who is injured.

Secondly, medical evidence has proven that it requires more than X-rays to determine the full impact of pneumoconiosis, or miners' asthma. The record is clear on that point.

Why are you worried about another examination for a determination of disability if that examination would show proof that the miner has pneumoconiosis to the extent of total disability? He is then entitled to benefits. If you are confident that X-ray examination is absolutely accurate in every case, why are you fighting another supplementary test? If the X-ray is all that you say it is, then the additional testing will also correlate with the X-ray findings. We are not proposing to pay benefits to ineligible miners. We just want them to have the benefit of the doubt, and the benefit of the division of medical opinion on this subject.

Mr. ERLENBORN. Mr. Chairman, I yield 5 minutes to the gentleman from Minnesota (Mr. QUIE).

Mr. QUIE. Mr. Chairman, I recognize and appreciate that there have been many considerations that have gone into the preparation of this bill and at this time I want especially to commend the gentleman from Illinois (Mr. ERLENBORN) for the efforts he has made to write sound legislation affecting black lung. A bill assisting people who are ill and who contracted this disease because of their employment in the coal mines is difficult to oppose because you want to help the men who suffer from pneumoconiosis and their families.

However, the gentleman from Illinois has pointed out some shortcomings in the legislation, and I support his position. However, before I go into that I do want to express definite interest in and support of one provision in the bill.

As you know, the existing act does not permit benefit payment to surviving dependent children of a deceased miner whose widow is also deceased. In fact, if a widow and a child or children of a deceased miner are receiving black lung benefits and the widow dies, the surviving child or children can no longer receive benefits. This is an unusually harsh and inequitable position. For that reason, I would fully support this relief provision which would recognize the extended and continuing dependency needs of a miner's surviving children.

My opposition to H.R. 9212 is in connection with the other provisions in the bill—exemption of black lung benefits from workmen's compensation offset, prohibition of denial of black lung claims based on negative X-ray evidence, and extension of Federal administration for 2 additional years.

I particularly object to the 2-year extension of Federal administration by HEW and their Social Security Administration. The original purpose of permitting Federal administration of this benefit program was to give States an opportunity to modify their workmen's compensation laws and programs so that adequate coverage for disablement due to pneumoconiosis could be developed. By 1973, when transfer of responsibility to States is scheduled to occur, the States will have had 3 years to develop and modify their workmen's compensation laws. I consider this ample time for States to take appropriate and needed action. To delay this transfer would defy the recognized principle of State administration of workmen's compensation programs. In addition, this provision would further encourage Federal involvement in an administrative area which has traditionally belonged to the State.

Again I strongly object to this particular provision, and then to the bill in general the way it is written and, therefore, recommend that we adopt the amendments that are going to be offered by the gentleman from Illinois and the gentleman from Wisconsin. If these amendments are accepted I would surely support the bill.

Mr. QUIE. Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. The gentleman from Minnesota has consumed 3 minutes.

Mr. DENT. Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. FLOOD).

Mr. FLOOD. Mr. Chairman, on a subject like this, because of the House rules—in 2 minutes—it is almost presumptuous and impertinent for me to even appear on this subject.

I could take the time of this Committee and the time of the House ad infinitum on this. I was born and raised in the hard coal fields. My family on both sides for three generations worked in the hard coal fields—and now I come here.

I first appeared in this well in 1945, and year after year since then in defense of the farmer and his appropriations and laws—and in defense of cotton growers, in defense of wheat, in defense of rice, in defense of rivers, in defense of harbors, in defense of all these interests because you, my colleagues, told me it was essential for the welfare of your people and of your district—and I believed you, because I know that you knew more than I did.

So today my reputation, my integrity in this House, since the 79th Congress is on the line. I have IOU's through this House without number—blue chips—and today I collect them for this bill.

The CHAIRMAN. The time of the gentleman has expired.

Mr. DENT. Mr. Chairman, I yield 3 minutes to the gentleman from New Jersey (Mr. Minish).

Mr. MINISH. Mr. Chairman, I rise in support of H.R. 9212. As I indicated at the time H.R. 13950 was debated here on the floor, I worked in a coal mine. My father before me and his father before him worked in the anthracite region in eastern Pennsylvania. I do not know of any more hazardous job, unless it is as a member of the combat forces in our Armed Forces.

I can tell you that in eastern Pennsylvania where I spent part of my life, if a man wanted to get out of the mines, he was not able to get a job in any other industry because of an unwritten law under which they would not hire anyone who worked in the mines. My father worked there, starting at the age of 9, and he died at the age of 35. During the last 4 or 5 years of his life he never slept in bed, because if he did he would choke from the dust that he had inhaled since he was 9 years old.

I heard the gentleman from Illinois (Mr. Erlenborn) say that the cost of the program went five or six times over what was intended. That only goes to show that the committee did not do an effective job. They underestimated the problem. We have had cost overruns before.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. MINISH. I am happy to yield to the gentleman from Illinois.

Mr. ERLENBORN. I would point out to the gentleman that the estimate of cost of $40 or $50 million came from the other side of the aisle, the proponents of the bill. I must also point out that at that time HEW estimated it would run $300 to $400 million, which merely proves that their estimate was correct and false estimates were given to the House to help pass the bill.

Mr. MINISH. I do not know that I would agree that false estimates were given. Possibly, it was the best available information they had at the time.

As I said, we have had cost overruns before. The one that comes to mind, of course, is the C–5A.

If this legislation is passed, I do not see that it is going to increase the cost beyond $700 million, because if we do a job and police the mines the way they should be policed under this law then this ought to diminish the need for workers to get black lung benefits.

So far as this legislation is concerned, anyone, I am sure, who has worked in a mine or who has seen people who have worked in the mines—and I recall what the gentleman from Pennsylvania (Mr. Saylor) said, that many of his friends who worked in the mines would have to take a rest before they got home—I have seen that happen a thousand times in the anthracite region.

Mr. Chairman, this is legislation that any Member here could support. As the previous speakers have said, we support appropriations for farm subsidies, and since 1964, they have amounted to $19 billion. We have provided foreign aid in a total of $149 billion from the year 1945 to 1971. We have loaned Lockheed $250 million.

I hope we can support this legislation and do something for the men who made their tax money available for farm and business subsidies.

Mr. ERLENBORN. Mr. Chairman, I yield 5 minutes to the gentleman from Wisconsin (Mr. Steiger).

Mr. STEIGER of Wisconsin. Mr. Chairman, it is exceedingly difficult to have to come to the well of the House this afternoon and talk about this bill. Frankly, the Committee on Education and Labor ought to take a rest from its labors for a period of time, and I hesitate to enter into the continuing saga of controversy surrounding every bill that we report to the floor. There are some who have argued that once a week the House ought to have the privilege of having a bill from the Education and Labor Committee just so that Members might have a greater sense of participation in the legislative process. I am as yet unpersuaded that that would be in the best interests of the Congress or the country.

The bill that is before us today, H.R. 9212, makes various amendments to the black lung benefit provisions of the Federal Coal Mine Health and Safety Act of 1969. I wholeheartedly believe in the purpose of the provisions; namely, to recompense, at least in some small measure, those brave and industrious men who toil underground to provide this Nation with sinews of our industrial progress, and many of whom pay with their health or their lives for this progress.

At the same time I recognize that the black lung disease is an industrial hazard peculiar to the coal mining industry and that, in the long run, compensation costs arising out of employment in a specific industry should be borne by that industry.

Beyond that, Mr. Chairman, I am one of those who, at the time we argued about the Scherle amendment at the time the Coal Mine Health and Safety Act was passed, disagreed about removing the pneumoconiosis provisions from that bill. One of the reasons I did was I did have confidence that the integrity of that program would not be undermined.

Clearly those on the majority side of the aisle were not being fair with the Members of this House at the time this bill was being considered. Some of us did raise the question about the potential cost of the program. That cost analysis is being borne out by the $500 million that has thus far been paid, and the effort of this bill to expand and modify the black lung benefit provisions so as to make them available to people on other than strictly a pneumoconiosis basis would be a serious mistake.

The black lung benefit provisions, as President Nixon pointed out when he signed the act on December 30, 1969, are of a temporary nature. As Members know, they are designed to bridge a time period of 3 years so that those States whose workmen compensation programs do not now adequately cover pneumoconiosis will have an opportunity to improve their programs accordingly. Mr. Chairman, the very temporary nature of the black lung benefits provisions suggest that it would be unwise to attempt to make more than the most needed changes in them.

A most desirable change in this, of course, is the provision in H.R. 9212 under which "double orphans" would become eligible for benefits. I am happy to applaud the distinguished chairman and the members of the Committee on Education and Labor for the bipartisan support they have given to this provision, and I wholeheartedly join them in urging its passage, with technical amendments to be offered by the gentleman from Illinois.

On the other hand, I am chagrined that the majority of the committee has seen fit to support the remaining provisions of the bill. Let me elaborate on one specific provision: The bill would enjoin the Social Security Administration from denying claims for black lung benefits solely on the basis of a negative X-ray. Mr. Chairman, the Social Security Administration's first annual report on the black lung benefits program gives not only an impressive account of the Agency's efforts to get the program off to a quick start and to handle expeditiously the unexpectedly large volume of claims, but it also describes significant problems and issues that have come to the fore in the administration of the program. The report states clearly that the Agency's regulations which require X-ray evidence of pneumoconiosis before a claim can be allowed are based on "the prevailing medical judgment that in the absence of positive X-ray evidence, the disease does not exist or exists to a degree that would have no significant effect on the claimant's functional capacity."

Mr. Chairman, I submit that in its zeal to get the black lung program off to a quick start the Social Security Administration may have alerted not only miners and their widows rightfully entitled to benefits but may have also unfortunately raised the hopes of a disproportionately large number of persons who just could not qualify for benefits under the law. No matter where we draw the line in any law, there will always be people who fall just short of meeting the requirements. But it seems absurd to me to deprive the Agency of the one tool which in prevailing medical judgment enables it to effectively administer the black lung program. Without the screening and diagnostic device of an X-ray we can expect to see the Social Security Administration award black lung benefits to many people who have lung problems not connected with pneumoconiosis. Let us not make the mistake of blowing apart a limited program designed to temporarily alleviate a specific inequity.

Furthermore, Mr. Chairman, another section deserves modification. Under the workmen's compensation offset provisions, the social security disability benefits of a worker and his family must be reduced under certain specified circumstances if the worker is also entitled to workmen's compensation, and if the combined benefits to him and his family exceed 80 percent of the worker's average predisability earnings. The principle behind the workmen's compensation offset provisions is to prevent duplication of benefits to the extent that combined benefits equal or even exceed the worker's earnings before he became disabled. The rationale is, of course, to avoid creating a situation where it is more profitable to collect benefits than to attempt to become rehabilitated and return to work. Because the offset provision is limited to applicants under age 62 who became disabled after June 1965, it has resulted in a reduction of social security benefits for only a small percentage of those awarded black lung benefits. Data from the Social Security Administration show that less than 5 percent of black lung benefits have been affected. However, even though the impact is limited, I believe that the principle involved is sound and should apply to black lung benefits. H.R. 9212 would eliminate the workmen's compensation offset for black lung benefits and should be modified.

Mr. DENT. Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. Burton).

Mr. BURTON. Mr. Chairman, I rise in support of the legislation reported out by the Committee on Education and Labor. As the author of this basic section of the Coal Mine Health and Safety Act, I must commend again the chairman of the subcommittee, the gentleman from Pennsylvania (Mr. Dent), for his courageous leadership on this question when the matter was dealt with in the last Congress as well as the distinguished chairman of our full committee for proposing a number of needed strengthening and improving amendments this year.

Mr. Chairman, there are one or two amendments that have been suggested from the other side that I would hope the House would adopt. One would be a clarification by the gentleman from Illinois on the orphans' section and a second is the suggestion by the gentleman from Illinois (Mr. Michel) that we extend equity to the surface as well as the underground miners.

Mr. DENT. Mr. Chairman, I yield myself 2 minutes.

Mr. Chairman, I would like to say just in passing that there seems to be a penchant around this House always to kick the Committee on Education and Labor around.

In my 40 years of being a legislator I have never seen a piece of legislation come to the House or the Senate, to a congressional floor, from the Committee on Education and Labor, or from Agriculture, that did not invite everybody to become an expert and get in on it.

We have come in with a clean bill. If there is this disturbance, it is a disturbance of the poor people over there who do not understand it. They put amendment after amendment before the subcommittee and were defeated decisively. The trouble is, they do not know when they are licked. If they would only find out there is a limit to where they can go with futile attempts to do what they want to impose on the majority, the Committee on Education and Labor would go as smoothly as the Committee on Ways and Means.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DENT. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. Has the gentleman so soon forgotten the 2:30 in the morning session, when we wound up rewriting a bill out of the House Committee on Education and Labor?

Mr. DENT. Yes, and I can remember when we stayed all day on a little thing called insecticides. Everybody knows what insecticide is. It is not hard to understand.

Mr. GROSS. We did not go until 2:30 in the morning.

Mr. DENT. If the gentleman will look up the Record, he will find that more time was spent answering useless quorum calls than there was in debate.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?,

Mr. DENT. I am happy to yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate the gentleman's comment. I might remind the gentleman that this bill as it comes to the floor is an example of the way the committee works.

The CHAIRMAN. The time yielded by the gentleman from Pennsylvania has expired.

Mr. DENT. Mr. Chairman, I yield myself 2 additional minutes.

Mr. STEIGER of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. DENT. I am happy to yield.

Mr. STEIGER of Wisconsin. What started out to be a simple bill to insure equity for double orphans suddenly blossomed into a wholesale rewriting of the black lung provisions of the Health and Safety Act.

It seems to me if the gentleman from Pennsylvania had been willing to stay with that portion readily agreeable, instead of attempting to goof up the works by adding in this bill extraneous matter which makes it so much more difficult, we would all get along.

Mr. DENT. I want to say to the gentleman that what makes a horserace is that no two fellows agree which horse is going to win. When you have lost the horserace you cannot respend that money. You fellows keep trying to spend the same money at the same window all the time.

There never has been a bill dealing with justice and equity for the little people ever acceptable to the minority in our committee. Somewhere along the line there has to be a lobby for those who cannot lobby for themselves, so we are here as a lobby for the poor people, the downtrodden, the sick, the halt, and the weary.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. DENT. I am happy to yield to the gentleman from Iowa.

Mr. GROSS. I cannot think of a committee that more richly deserves the reputation of being the most rewritten committee in the House of Representatives.

Mr. DENT. I think it does good, because in the end we get all of the ideas and come out with good legislation. That is why today we have aid to education for general and higher education. That is why today we have the best social legislation on the face of the earth in this country, because the Committee on Education and Labor had the courage to bring it out.

Mr. ESCH. Mr. Chairman, will the gentleman yield?

Mr. DENT. I am happy to yield to the gentleman from Michigan.

Mr. ESCH. I appreciate the gentleman's yielding.

I strenuously personally object to the chairman of the subcommittee even facetiously suggesting that there is a difference between sides of the aisle when it comes to humanitarian causes.

I will not support this legislation——

The CHAIRMAN. The time yielded by the gentleman from Pennsylvania has expired.

Mr. DENT. Mr. Chairman, I yield myself 1 minute, so that the gentleman may proceed.

Mr. ESCH. I will not support this legislation even though my father was a coal miner at the age of 14 and contracted the disease that this legislation deals with.

I seriously object to the subcommittee chairman's suggesting this even facetiously, or questioning the motives of Members of the committee and Members of this body, the House.

Mr. Chairman, it is with some reluctance that I must speak against H.R. 9212, a bill to amend the Coal Mine Health and Safety Act. I recognize that Chairman Perkins and our committee have worked long and hard to bring out a bill which would be of aid to the coal miners. Unfortunately this bill does not do this, although it has some excellent features. My father was a coal miner at the age of fourteen, so I have a personal interest in this matter.

The coal miner who spends his life below the surface of the earth, who faces dangers every day of his working life, whose earnings are often insufficient to sustain his family and who may have his work life cut short by the horrors of black lung disease deserves our most serious consideration. Although the well-meaning sponsors of this bill feel they are aiding the coal miners I believe they are misleading themselves, the miners, and the public by promising too much.

Under present law, benefits are payable to a miner only if he is totally disabled due to pneumoconiosis, that is, if he has pneumoconiosis and such functional breathing limitation, or other impairment due to pneumoconiosis, as to prevent him from engaging in any type of substantial gainful activity.

Diagnostic X-ray evidence is the primary source in determining if a miner has pneumoconiosis. If positive X-ray evidence of complicated pneumoconiosis is found, no further evidence is required and the claim is allowed. If negative X-ray evidence is ascertained, the individual's claim is denied. If positive X-ray evidence reveals simple pneumoconiosis, other medical tests are needed to determine the level of severity of the impairment.

If H.R. 9212 is enacted the Social Security Administration, in administering its program, would be required to abandon the position that coal worker's pneumoconiosis can be diagnosed in the living person only by chest X-ray. The consensus of expert medical judgment is that no means, other than chest X-ray, is presently available to diagnose coal worker's pneumoconiosis, as distinguished from other respiratory ailments. Thus the bill would include other lung diseases not related to the coal mining occupation. This clearly is not the purpose of the legislation, it would be costly and would compensate coal miners for impairments not at all related or caused by coal mining. In addition, there are other ill-conceived and poorly thought out provisions which makes this bill clearly undesirable and I, therefore, request my colleagues to reject it.

Mr. DENT. I might say to the gentleman there is no other way to determine how a man feels about an issue in a legislative body except to look at the books. I stand on the record of the votes on any statement I have ever made.

Mr. Chairman, I yield 2 minutes to the gentleman from Pennsylvania (Mr. McDADE).

Mr. McDADE. Mr. Chairman I rise in enthusiastic support of this bill as it has been reported by the committee.

It seems to me that the time has long since passed when we can argue whether or not the Federal Government has a responsibility for trying to make right some of the wrongs that have occurred in the past.

One of these wrongs which did occur and which has occurred is whether or not people suffering from pneumoconiosis or black lung ought to be compensated in a special Federal program. It seems to me there cannot be any argument on that point.

I have talked to people in my State, which is a major coal producer in the United States, and whether you talk to the producers or whether you talk to the men who mine the coal or to those in the State government, all of them favor extending this program for an additional 2 years, until the end of 1974, before the State responsibility reasserts itself to take over the program.

The men we are talking about are mostly aged. I see them in my office every time I go back to my district. They are 60 or 65 or 70 years of age and are barely able to walk up a flight of steps because they mined the coal that made this Nation great in its very beginnings. It seems to me only just and responsible that we should pass this bill today without amendment by an overwhelming vote.

Mr. Chairman, the legislation before us today is a significant and positive contribution to a better Coal Mine Health and Safety Act, with specific reference to title 4 of that act.

It would, in the first place, correct an obvious inequity in granting benefits to those who should receive benefits under the black lung program. It was certainly never the intent of those of us who sponsored the Coal Mine Health and Safety Act, nor of Congress as a whole, to take any action which would deprive orphans of benefits under the act. Through a legislative oversight, however, the language of the act does not provide for such benefits for orphans. My own bill, H.R. 4236, was placed before Congress this year, and the provisions of that bill have been incorporated here as part of the black lung amendments.

In the second place, the legislation before us would extend for 2 years the timetable for transferring the black lung program from the Federal Government to the States. My own bill, H.R. 9130, which I placed before Congress this year, proposed to do precisely that, and I am pleased to see it included in the black lung amendments presently before us. This seems to me to be a very responsible proposal. In the creation of the black lung program, with its eventual transfer to each of the States which might be involved, we were well aware that the transfer could be accomplished only after the States had modified their own workmen's compensation laws, had established administrative procedures for handling the working of the act, and had provided sufficient funding for the not insubstantial payments which would have to be made. All of us are aware of the great financial burdens which many of our States bear today, and it does not seem unreasonable to give them additional time to prepare for this increased caseload and the additional disbursal of money.

As a third provision, the legislation would exempt the benefits from black lung payments from the computation of income for the purpose of drawing social security benefits. The action of Congress in creating title 4 of the Coal Mine Health and Safety Act seems to me to be a clear expression of congressional intent to make black lung benefits a very special case. To permit the reduction of social security disability benefits when a miner is qualified for black lung payments would, in my opinion, negate the intent of Congress in writing the original act. This section, too, is worthy of support by my colleagues.

Finally, the legislation removes the requirement that X-ray evidence, or the lack of it, be the sole determining requirement in the affirmation or the denial of black lung benefits. Testimony was heard by the committee to the effect that experts in the field of disabling pneumoconiosis judge that this situation may indeed be present in a miner even in the absence of positive X-rays. Studies in Germany, where mining is also a major industry, have been publicized in a recent magazine article, and the experts in that country agree with our own American authorities on the subject.

Because of this, I placed before the House this year H.R. 5472, which would grant a presumption of the existence of disabling pneumoconiosis in any miner who had worked a specific number of years in the mines. The present legislation does not go that far, but I believe this amendment to title 4 is a desirable change, and will receive my support as it deserves the support of my colleagues here in the House.

In summary, therefore, I would urge the passage of this legislation by the House today. The great industrial empire which we know as America today has been fueled by the product of the work of countless of thousands of miners. We have taken the fruit of their industry, the hard and soft coal of America, and we have translated it into the greatest industrial nation on the face of the earth. But in producing the coal that gave us the energy needs we required, many of those miners suffered disease known as pneumoconiosis.

It seems to me that America has a real debt which we owe these miners. The legislation before the House today is a just payment of that debt, and I urge its passage.

Mr. WAMPLER. Mr. Chairman, will the gentleman yield to me?

Mr. McDADE. I am delighted to yield to my colleague from Virginia.

Mr. WAMPLER. Mr. Chairman, I rise in enthusiastic support of this legislation as it was reported by the committee, and I also desire to associate myself with the remarks of my friend and colleague from Pennsylvania.

Mr. McDADE. I thank the gentleman.

Mr. WAMPLER. Mr. Chairman, I wish to call the attention of the Members to H.R. 9212 that would extend Federal benefits to black lung victims in the coal industry under the Federal Coal Mine Health and Safety Act of 1969 for 2 years.

The problem, simply stated, is that very few coal mining States have so far enacted necessary State legislation to take over benefit payments. The possibility is that thousands of black lung victims may be deprived of benefits unless this Congress acts.

When the Congress enacted the health and safety law for coal miners, we directed that the Federal Government would pick up the great backlog of black lung victims and pay them disability benefits for the fact that they are no longer able to work because of their ravaged lungs. The job of paying such benefits was gradually to be assumed by the several coal mining States. I must report to you that the States, so far, are not assuming their responsibilities.

H.R. 9212 also makes other changes and improvements in the law as it affects black lung victims so that, for example, the 2,000 children who are double orphans and whose fathers died of black lung may receive benefits.

Mr. Chairman, in the course of working in behalf of this vitally needed legislation I have been in continual contact with representatives of the coal miners of this country, including James Kmetz, a legislative representative for the United Mine Workers of America. I am convinced on the basis of my discussions with these representatives that the amendments to the black lung section of the health and safety law are necessary to protect the victims and their famiiles of this dread occupational disease of our coal industry. I am told, for example, that Dr. Lorin E. Kerr, director of the union's department of occupational health, has conservatively estimated that as many as 4,000 coal miners a year are dying as the result of this illness.

It has come to my attention that some misinformed reporter has published a report that Mr. Kmetz has not been working for the passage of H.R. 9212 because he felt that if the bill did not pass his union would be blamed. This is a completely fallacious report because I know personally that Mr. Kmetz has worked and continues to work most diligently in behalf of H.R. 9212—and I might say all similar legislation for the benefit of the coal miners he represents.

As a part of my remarks, I include the following news release from the United Mine Workers of America:

### UMWA News

> The United Mine Workers of America today called upon the U. S. House of Representatives to enact H.R. 9212 as quickly as possible without crippling amendments as "a matter of social justice and humanity for the nation's black lung victims."
>
> The Union's call came in the wake of an unsuccessful effort several days ago to win adoption of the legislation under a suspension of the rules. The effort failed to obtain the required two-thirds majority by eight votes. The legislation is expected to be returned to the floor under an open rule in the next several days.
>
> H.R. 9212 would extend federal benefits to black lung victims under the Federal Coal Mine Health and Safety Act for two years. Few states have so far enacted necessary legislation and the benefits of thousands of black lung victims will soon be endangered unless Congress acts.
>
> Despite the legislative history of the Federal Coal Mine Health and Safety Act, the Department of Health, Education and Welfare has insisted upon interpreting black lung benefits as workmen's compensation. As a result, benefits due disabled miners under the Social Security Act are deducted from black lung payments. H.R. 9212 specifically would provide that black lung benefits shall not be considered workmen's compensation for purposes of the disability provisions of the Social Security Act.
>
> H.R. 9212 would also authorize the use of techniques other than X-rays to determine the presence of black lung. Under the existing provisions of the law, thousands of black lung victims are denied benefits because X-ray tests are not conclusive. The U. S. Surgeon General has testified that miners who have shown no evidence of the disease with the use of X-rays were frequently found to have contracted it upon autopsy.
>
> The proposed legislation would provide black lung benefits to some 2,000 children who are "double orphans" as a result of the deadly affliction. The present law continues benefits to widows when black lung victims die, but denies them to the children when both parents become deceased.
>
> "The provisions contained in H.R. 9212 are overdue. They would provide essential directives to HEW which has used all kinds of technicalities to refuse black lung benefits, and which has ignored the history of the law in denying social security disability benefits due black lung victims. In establishing payments for minor children, the legislation would make some amends for the death of the family bread-winner as a result of black lung. Finally, the need to continue the federal program at this time is imperative to insure continued benefits to thousands who have contracted terminal black lung and who can no longer hold gainful employment," W. A. (Tony) Boyle, UMW president said.

Mr. ERLENBORN. Mr. Chairman, I yield 3 minutes to the gentleman from New York (Mr. Reid).

Mr. REID of New York. Mr. Chairman, I thank the distinguished gentleman from Illinois for yielding to me.

I would like to rise in support of this bill and particularly to discuss title IV. I will endeavor to try to bring a little clarity to a subject that I think has gotten somewhat confused.

Earlier this year I wrote to the Secretary of HEW, Mr. Richardson, specifically on this legislation. He replied under date of September 29, referring with his letter a report from the Director of the Bureau of Disability Insurance in the Social Security Administration. This report in turn said several things. This relates to title IV.

First it acknowledged that—

> In establishing criteria for evaluating total disability due to pneumoconiosis we were directed by Congress to use the best medical means available.

Second, it indicated that the regulations as published provide that there must be X-ray evidence of pneumoconiosis, thus reflecting a prevailing medical judgment that pneumoconiosis can be diagnosed in a living person only by use of the X-ray. But then it added this:

> There is some minority medical opinion to the effect that disabling pneumoconiosis may exist in the absence of positive X-ray evidence thereof.

The report pointed out that the department was trying to carry out a pilot project in conjunction with the Public Health Service in order to determine "the effectiveness and feasibility of developing a simplified exercise test," and that Dr. Rasmussen had agreed to participate in this pilot project. The project the report notes, "is expected to lead the way to establishing additional methods and criteria for evaluating total disability under the black lung program, as well as to the availability of more adequate medical facilities in the coal mining areas to perform this testing."

I in turn have been in touch on the phone and in writing with Dr. Rasmussen. He points out very explicitly that—

> No objective, informed member of the medical profession would suggest that the chest x-ray has greater validity in diagnosing occupational lung disease than the GI x-ray in diagnosing peptic ulcer, the ECG in diagnosing myocardial infarction or the sputum examination in diagnosing tuberculosis. The point which, in my opinion is crucial, is that the tenacious clinging to x-ray evidence of pneumoconiosis is *medico-legal, not medical.* It is . . . not scientific medical judgment.

He goes on to say:

> I challenge the statement that the prevalent medical judgment places this reliance on the chest X-ray, regardless of its practicality . . . I have been anxious to begin a study suggested by HEW and I will do so eagerly when the first patient has been referred to our facility.

Unfortunately, Dr. Rasmussen points out, the SSA has not awaited the results of this study before continuing the practice of denying requests for reconsideration without additional information. He notes that there are a number of factors that can lead to an overall diagnosis and that the X-ray is one, but definitely not the only one.

He believes in an overall professional diagnosis before making the judgment.

I think, accordingly, that section 4 is simple justice.

Mr. Chairman, the gentleman from West Virginia (Mr. Hechler) has pointed this out time and time again and the subcommittee has pointed it out, that to permit the X-ray to be the sole basis is an injustice.

Mr. DENT. Mr. Chairman, I yield 1 minute to the gentleman from West Virginia (Mr. Hechler).

Mr. HECHLER of West Virginia. Mr. Chairman, the gentleman from New York (Mr. Reid) has made a very significant statement. I also subscribe to the sentiments of the gentleman from Pennsylvania (Mr. McDade) and the gentleman from Virginia (Mr. Wampler).

I do not understand why there is such lavish devotion exclusively to X-rays in diagnosing pneumoconiosis; X-rays are helpful but not conclusive, and they are only one tool in the diagnosis. Pneumoconiosis simply interferes with the ability of the lungs to transfer oxygen into the bloodstream. I know of totally disabled living miners whose X-rays do not show up any evidence of pneumoconiosis. Subsequently, these miners have had a few ribs removed by surgery—a painful operation—and then they have had biopsies, where pieces of their lungs were taken out. The biopsies have then conclusively proven that these totally disabled miners have pneumoconiosis.

Obviously, Mr. Chairman, we cannot force every living miner to have a biopsy. Yet Dr. Donald Rasmussen has indicated conclusively that the use of the arterial blood gas test with exercise is frequently the most reliable means of measuring whether or not a miner has pneumoconiosis, because such a test measures the oxygenation of the blood.

Mr. Chairman, section 4 of this bill is sound. This entire bill is sound. It will bring justice to the coal miners and to the families of the coal miners of this Nation.

Of course, I would like to see additional improvements which would enable widows to utilize testimony of friends and relatives where medical records have been destroyed. The Social Security Administration should be doing this already under the existing law.

But I feel that the many crippling amendments proposed should be defeated.

Therefore, I urge that this bill be adopted without amendment.

Mr. ERLENBORN. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I have no desire to go over ground already covered. However, let me make just one or two additional points.

The gentleman from West Virginia (Mr. HECHLER) points out the fact that there is another alternative test in the living person to the X-ray and that is a biopsy. I would hope that they would look at this problem in this fashion: If you outlawed the use of the X-ray, you would be mandating the use of the biopsy. Do you want every coal miner to have a biopsy in order to determine whether or not he has this disease?

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I cannot yield to the gentleman from Kentucky at this point.

Secondly, if you are going to expand these benefits and give them, in effect, to those with emphysema and with other lung-related diseases because you cannot use the X-ray any longer, you will increase the burden on the States when they ultimately take over.

Third, this legislation contemplates the benefit being paid in the future through workmen's compensation laws. If you limit the workmen's compensation setoff, then the men who are getting Federal benefits will get greater benefits than the man who is getting the State workmen's compensation benefits. The man who qualifies in the third year or fifth year, which is the year in which the claims are determined by the Federal Government would ultimately affect the obligation of the State government in having the burden to meet matching payments without the offset, and then when the State workmen's compensation takes over and the offset applies, he will have his pension reduced.

Mr. Chairman, in my opinion this points up the fact as to how ridiculous is the approach contained in the bill before us.

I submit there are really one or two things being attempted here. First of all, to extend benefits to those who are disabled from something other than pneumonoconiosis by denying the diagnostic tool, the X-ray, and, secondly, to expand the benefits to the point where it would be unfeasible for the State to take it over under workmen's compensation. I believe if this passes, the States will never take it over.

Mr. MORGAN. Mr. Chairman, I rise in strong support of H.R. 9212. Those of us who represent coal mining areas have too long been aware of the meaning of black lung not only to the miners who suffer it, but also to their families.

There are few who disagree with the provision the bill makes for taking care of the double orphans. This is a situation which obviously requires new legislation.

I believe that the Congress should make clear that we do not want black lung benefits to be considered as a workman's compensation plan. Coal miners are subject to this danger, and most other workers are not. This is a special hazard, and we should make special provision for those who suffer from black lung.

I urge particularly that we provide for some flexibility in the Social Security Administration's requirements with regard to X-rays. The purpose of this bill and of legislation previously passed is to take care of the people who in the normal course of their work have contracted this disease. The important thing is to take care of those who have black lung, not to establish diagnostic procedures by Government regulation or by legislation.

Finally, Mr. Chairman, let me say a word about the cost of doing what should be done and has to be done for the victims of black lung.

As long as those who mine coal are threatened with black lung, society ought to pay as much of the cost as it can.

The heaviest cost will always rest on the miners and their families. Men whose lives are shortened and who are physically unable to earn a living will always bear most of the cost.

Every man, woman, and child in the United States benefits from coal even though most of us have no occasion to buy it. Just as we benefit indirectly from coal as a source of power, light, and manufactured products, we ought to share the indirect cost of mining coal, such as the care of the miners who contract black lung and their dependents.

Mr. Chairman, I urge passage of this bill.

Mr. PRICE of Illinois. Mr. Chairman, we are in the midst of an emergency. The inequities that face thousands of coal miners and their dependents have not been alleviated adequately by the Coal Mine Health and Safety Act of 1969, the bill that was designed to help these people live with the debilitating reality of pneumoconiosis or black lung disease.

I do not mean to say that the act of 1969 was totally ineffective. On the contrary, I am merely saying that we now can see from subsequent medical evidence that black lung disease symptoms are not so easily detected by the use of a simple X-ray. Too many times have autopsies shown what X-ray did not.

The legislation we are considering today—H.R. 9212—is designed to modernize the 1969 act, bring it up to date in the light of its workings over the past 2 years. H.R. 9212 would prohibit automatic denial of benefits solely on the basis of chest X-ray results. Other additional methods, such as the arterial blood gas test, would have to be used to prove more conclusively whether or not the miner has the disease. The Congress must clarify its original intention by reducing the power of the X-ray in final determination of physical condition, thereby restoring just administration of benefits to black lung victims formerly barred from relief by unfortunate interpretation of the law.

Mr. Chairman, I have been aware of the problem of inequitable administration in my home State of Illinois. According to the Social Security Administration, which handles the claims, the following figures have been cumulated to October 8, 1971. I think they may serve to shed light on the problem. Of the 19,493 claims filed and 18,204 claims processed in the State of Illinois, only 4,248 have been paid to miners, 3,648 to miners' widows, and 3,672 to additional dependents; 6,493 miners' claims and 3,369 widows' claims were denied. The total allowance/denial ratio was 45/55; for widows the ratio was 52/48; and for the miners themselves, the ratio was 40/60. These figures indicate the tragic insufficiency of the X-ray determination, for as the program has thus far been administered, a black lung victim too often has to be dead before he can receive any benefits. Mr. Chairman, I think my point is clear enough.

Furthermore, today's bill extends benefits to approximately 2,000 so-called "doube orphans," the dependent children of a miner who died of black lung disease and his widow who is also deceased. The 1969 act provided that benefits be paid only to the minor or his widow, with supplemental sums allowed for the care of dependent children. But experience has shown the hardships resulting from the lack of any provision for the care of double orphans.

In the interest of justice to sufferers of black lung disease—the miners and their families—I urge my colleagues to lend this legislation their enthusiastic support.

Mr. HELSTOSKI. Mr. Chairman, the legislation before us today goes a long way toward clearing up many of the administrative difficulties and inequities contained in the original black lung benefits program adopted by Congress in 1969. A much more compassionate approach to this problem should result from passage of H.R. 9212.

However, I would also like to associate myself with the separate views expressed by my colleague (Mr. REID) of New York in the committee report. As he points out, the Social Security Administration must recognize the human problems involved here and compassionately assist miners and their families in trying to prove their eligibility for black lung benefits.

After decades of neglect by coal mine operators, company doctors, and lax State officials, it is no surprise to find that miners in States such as Kentucky and West Virginia have difficulty in proving their eligibility for the benefits program. Testing facilities usually did not exist and medical records have often been scanty or misleading. The Social Security Administration must, therefore, bend over backwards and give the benefit of the doubt to the miner or his survivors. It would be most inequitable to deny benefits to eligible persons simply because, through no fault of their own, they have been the victims of neglect on the part of the coal bosses and State authorities.

Mr. Chairman, the legislation before us today is needed and overdue. Congress has done its part; now it is up to the Social Security Administration to exercise the maximum compassion in carrying out the provisions of this bill and the 1969 legislation. If that agency is not fully responsive to the needs of black lung disease victims and their survivors, then we must be prepared for further legislative action.

Mr. DENT. Mr. Chairman, this bill was before the House on October 18. At that time, it was considered under suspension-of-the-rules and did not receive the required two-thirds vote.

Although 227 Members voted "aye," 124 voted "nay." Most of the "nay" votes were inspired, I am certain, by the cost estimates thrown around on that day. We were told that the bill would cost $1.2 billion over the next 6 years; that comes to $200 million a year, or an average of $16.6 million a month. Even though we disagree with those estimates, and consider them deliberately inflated, we are not troubled by them. After all, we are talking about compensating orphans of coal miners who have died from black lung, or who suffered from the ravages of that dread disease. We are talking about modifying the existing law with respect to their tragic plight, and that of their widows.

In any event, the bill—although receiving a substantial majority—was not approved at that time because two-thirds of us apparently did not agree on the priority of recognizing and reacting to destitution, despair, and human misery.

It was coincidental but fitting, Mr. Chairman, that the edition of the Washington Post on the morning following our action carried two stories of particular relevance to that action.

On page 3 of that edition, an article entitled "Farm Aid In '72 May Hit $2 Billion" appeared. The entire article will appear at the conclusion of my remarks, but a few excerpts are quite appropriate at this point. In fact, the first two paragraphs tell enough:

> Candidly acknowledging he hoped it would help President Nixon's re-election, Agriculture Secretary Clifford M. Hardin yesterday announced a 1972 farm program designed to slash feed grain surpluses and boost their sagging prices.
>
> Hardin, who has been under heavy political fire because record-breaking 1971 grain production has depressed prices, told a news conference that next year's program of supports and production control for corn and other feed grains may cost $1.8 billion and perhaps as much as $2 billion. This compares with this year's estimated cost of $1.2 billion.

Mr. Chairman, I can appreciate the fact that the expenditure of $2 billion next year on supports and production control for corn and other feed grains might enhance President Nixon's reelection possibilities, as Secretary Hardin has acknowledged; but when I compare that $2 billion for crops, with the $135 million this bill will provide desperate people in fiscal 1973, I cannot help but be concerned about the lack of compassion and wisdom in this Congress.

The second story in the Post I referred to, which appeared on the back pages of that day's edition, was entitled, "Miners Work To Keep Children From Mines." It was datelined Grundy, Va.

Mr. Chairman, I could not find Grundy, Va., on a map, but I know where it is and what it is like because I have seen a hundred little coal towns just like it.

Grundy is the home of Virginia Pocahontas Mine No. 1, and near six other mines just like it. And the Dismal River—quite appropriately named, I might add, for the benefit of those of you who have never seen a coal town—winds its way by.

Grundy is also the home of Robert Musick, a coal miner for more than 20 years.

> I've got five children, two of them in college,

The article quotes Mr. Musick as saying.

> I can't make ends meet,

He continues:

> I've got everything I own in hock to get them an education so they won't have to go through in the mines what I went through.
>
> If I can get these two through, they might help me with the other three. That's what I'm hoping.

Mr. Musick earns $7,500 to $8,500 a year—average for a miner—depending on overtime and how many days he can not work. And when he leaves for work each day during the twilight hours—unlike the farmer on the other end of a Federal subsidy—he is not sure he will be coming home that night.

The article also quotes Ray Thompson, a coal miner for 27 years:

> You need some things right away. Then it grows on you. And you have to eat. If you were to eat, you had to go to work in the mines.

Mr. Thompson is out of work waiting for the coal strike to be settled. He is hoping for a contract, as he says:

> Will help you pay all your bills—provided the people that run the stores don't raise their prices and eat it all up.
>
> About two weeks before a new contract, the stores raise their prices.

He said, and also added that it costs him $12.37 just to go to work each day—his car, lunch, clothes, and taxes.

Maybe it was Chris Deel, however, who summed it up the best. Chris is 46 years of age, and first went into the mines at 18. He said:

> A coal miner's got the most dangerous job in the world.
>
> The younger generation don't want to go into the mines. They've heard about black lung. It's slow, but it's a killer.

Mr. Chairman, I have no eloquence beyond that simple statement of truth.

[From the Washington Post, Oct. 19, 1971]

### FARM AID IN 1972 MAY HIT $2 BILLION

Candidly acknowledging he hoped it would help President Nixon's re-election, Agriculture Secretary Clifford M. Hardin yesterday announced a 1972 farm program designed to slash feed grain surpluses and boost their sagging prices.

Hardin, who has been under heavy political fire because record-breaking 1971 grain production has depressed prices, told a news conference that next year's program of supports and production control for corn and other feed grains may cost $1.8 billion and perhaps as much as $2 billion. This compares with this year's estimated cost of $1.2 billion.

But Hardin said the new plan—which calls for a sharp increase in land retirement plus higher direct payment to farmers—would bring higher market prices for feed grain by next fall.

Hardin also announced that the 1972 government support plan for cotton will be basically unchanged from this year's program and that soy bean supports will be kept unchanged at the 1971 level.

Under the 1972 feed grain program, Hardin said he hoped to get producers of corn, sorghums and barley to idle a total of at least 30 million acres of crop land—more than double this year's retirement of 18.2 million acres by corn and sorghum growers.

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[From the Washington Post, Oct. 19, 1971]

### MINERS WORK TO KEEP CHILDREN FROM MINES—8,500 OUT IN SOUTHWEST VIRGINIA

(By William Nye Curry)

GRUNDY, VA.—Except for the whine of the ventilators still drawing the deadly fumes from the mine shafts, Virginia Pocahontas Mine No. 1, like six other mines near here, is closed, shut down by the United Mine Workers.

Along the Dismal River, threading through Buchanan County, long lines of empty coal cars stand idle, for the biggest industry in Southwest Virginia has been halted by 8,500 striking miners who say, "No contract, no work."

Among the reasons for a new contract cited by the miners are rising prices, making enough to give their children a chance to escape the mines, and obtaining better benefits for those who stay and bring up coal from the earth.

New talks begin Tuesday between the United Mineworkers Union and the coal mine operators, who have been accused of stalling by UMW president W. A. (Tony) Boyle. Negotiations in the 18-day-old strike broke off last Thursday.

"I've got five children, two of them in college," said Robert Musick, 40, a miner since he finished high school, who was sitting in the John L. Lewis Union Building near here.

"I can't make ends meet. I've got everything I own in hock to get them an education so they won't have to go through in the mines what I went through.

"If I can get these two through, they might help me with the other three. That's what I'm hoping."

Earning $37 a day under the old contract, Musick makes $7,500 to $8,500 a year—average for a miner—depending on overtime and how many days he can't work.

He, along with 8,500 striking miners in Southwest Virginia and 72,000 others nationwide, want higher pay and more money to fatten the union's welfare fund for men stricken with various mining ills, and for their widows. The UMW has proposed a $50-a-day wage and a doubling of the 40-cents-a-ton royalty the mine owners pay to the union's pension and welfare fund.

The miners get no strike benefits from the UMW until they have been out four weeks; until then, they dig into their savings and stretch their credit.

It is unknown what effect, if any, President Nixon's Phase II economy controls would have on a new contract. When the men talk of it here, they talk only of equitable controls—ones that include profit and interest rates.

Technically, the men are not on strike; they just don't have a contract under which to work, and are operating under the principle of "no contract, no work."

Musick works in Buchanan County, one

of 4,200 miners in the county situated 350 miles southeast of Washington. Buchanan is the biggest producer of coal in the state, but getting at that coal is considered the most dangerous occupation in the country.

"You need some things right away," mused 51-year-old Ray Thompson as he reflected on the day 27 years ago that he started mining. "Then it grows on you. And you have to eat. If you were to eat, you had to go to work in the mines. There were no jobs in the city then."

"They had the key to your belly," said Arthur Welch of the coal companies. He has been a miner for 33 of his 50 years, and he says that "if I were to choose to leave here with no more skill than I have, I'd be a low-paid man at a factory." Even that would mean retraining, he said, and another miner observed to him that "nobody would retrain you at your age."

So they stayed with the mines, and now they're waiting for a new contract to be negotiated.

Some passed their days watching the World Series. Others went fishing or hunting in the rocky streams and mountain woodlands. This is rugged but scenic land—except for the great, black slag heaps of coal-mine wastes dumped over the years in the hollows among the hills.

A group of miners killing time in the Lewis Building talked of what they would do with money won under a new contract. Thompson, who has helped one son through college and hopes to do the same for three others, said it "will help you pay all your bills—provided the people that run the stores don't raise their prices and eat it all up."

"About two weeks before a new contract, the stores raise their prices," Thompson said. He added that it costs him $12.37 just to go to work each day—his car, lunch, clothes and taxes.

"We've come a long way," said Welch, "but we've got a long way to go."

The men talked of black lung—coal dust in the lungs—and the general hazards of working in the nation's most dangerous industry. As they spoke, a miner who lost an eye to coal chip a year ago haggled in a little office with a UMW attorney over what compensation he would get for the injury, if any.

Four men sitting together—Thompson, Musick, Welch and Beecher Elswick—are all sons of miners; among them they have 15 children, and so far only one has become a miner. Others have grown up and left the area; the men hope the boys remaining at home will not have to work in the mines, and that means moving away.

From 1960 to 1970 Buchanan County recorded a 17 per cent drop in its population, from 36,724 to 30,490. The state's five other major coal-producing counties also sustained population losses.

All told, the six counties lost 32,520 people in the 10 years between censuses.

"A coal miner's got the most dangerous job in the world," says Chris Deel, 46, who first went into the mines at 18. Of his six children, three have moved to Michigan for factory work.

"The younger generation don't want to go into the mines. They've heard about black lung. It's slow, but it's a killer," said Deel.

Elswick, 45, who started work as a miner in 1948, said, "There's nothing else for them to do, but leave to get a job. And I don't want to see our kids get cut up, butchered up (in the mines)." He has a son in the Navy and a married daughter.

"That's the reason I'm in hock," Musick said. "So I don't have to send my children to the mines."

Mr. BLATNIK. Mr. Chairman, it is most unfortunate that our distinguished colleague, JIM KEE, is absent on official business, on the authority of the House Public Works Committee, and cannot vote for the black lung bill. JIM fought long and hard for this bill, which is of great consequence to the people of West Virginia, and to coal miners everywhere.

Several weeks ago, before we had any idea this legislation had been scheduled for this week, I, as chairman of the House Public Works Committee, approved a series of important out-of-town hearings on watershed development, by the Conservation and Watershed Development Subcommittee, of which JIM KEE is chairman.

Up until the very last moment, we were juggling the timing of the trip around the bill's possible scheduling. When, at last, we were advised on sound authority that the bill would be delayed until later, we went ahead with the plan for the subcommittee's trip.

After the hearing had been scheduled and announced, the black lung legislation was brought to the floor this afternoon.

But for these pressing and long-promised hearings, JIM would have been here to vote on this extremely important legislation.

Mr. KEE. Mr. Chairman, as a representative in this great legislative body, and as a member of the House Committee on Interior and Insular Affairs, our honorable chairman some time ago, and before H.R. 9212 was scheduled for consideration on the floor at this time, extended an invitation for me to represent the majority at a Lead and Zinc Conference in Malaga, Spain, beginning October 28, 1971, and ending November 5, 1971. I accepted this invitation and honored my commitment.

When H.R. 9212, now under discussion, was brought up under suspension of the rules on October 18, 1971. I rose on the floor of the House and strongly urged my colleagues to support it. When the roll was called, I voted for its passage. The vote was 227 ayes and 124 nays. Under the parliamentary rules a two-thirds majority was required, therefore, the bill failed of passage by seven votes.

Once again it is before the House for consideration. This time the Rules Committee has recommended an open rule with 1 hour of debate. Once again I strongly urge my colleagues to support this badly needed legislation.

In my remarks on October 18, 1971, I stated that as the Representative from the largest coal-producing congressional district in the United States I had felt for some time that some of the provisions of the Federal Coal Mine Health and Safety Act of 1969 needed clarification to make it more equitable. In my judgment, H.R. 9212 does correct some of the inequities that we have found in this act.

I supported enthusiastically the Federal Coal Mine Health and Safety Act of 1969, which is now Public Law 91-173. I had long been an advocate of legislation to give the disabled miner relief from the rigors of his hazardous employment and it was for this reason that I introduced H.R. 9850, the very first bill introduced in the Congress for those suffering from black lung, and their families.

We have since learned that the black lung disease benefit program as established by title IV, does not always give the coal miners with this disease the benefits to which they are entitled. In some instances it is found that this injustice is caused by placing too much emphasis on X-rays. It seems to me that to deny claims for black lung benefits solely on an X-ray examination was never intended by the Congress, and is a most unfortunate situation insofar as justice is concerned to the coal miners in this country.

At the time I testified during the hearings on this legislation in May 1971, I stated that in my own State of West Virginia, there were claims filed amounting to 58,300. According to the latest black lung statistics that figure has now risen to 59,234. About 32,981 of these claims were made in my district. Claims paid for the entire State of West Virginia are 24,491. The claims paid in my district amount to 14,501.

On the other hand, the statistics show that there were 15,513 denials. I have no way of knowing whether or not all of these denials would be approved, but I do state that under this new legislation which prohibits the use of chest X-rays as the sole basis for denial of claims, I am reasonably sure that quite a few of them would.

Likewise, a third of the black lung benefit claims which have been turned down to date have been disallowed, because the miner was not totally disabled. In fact, what the Federal Government is saying to these miners is that they do not qualify, because they are not totally dead. I have contended from the very beginning that the requirements for determining "total disability" should be made more realistic. It seems to me that any miner who is rendered incapable of performing his usual mining job should be considered "disabled" under the Federal black lung compensation provision. I feel that this bill recognizes this phase.

I am also pleased that under this legislation the Federal Coal Mine Health and Safety Act will be amended to extend black lung benefits to orphans whose fathers died of pneumoconiosis; that the existing black lung program shall not be considered a workmen's compensation law or plan for purposes of the disability insurance provisions of the Social Security Act; and, that the existing program for payment of black lung benefits will be extended for 2 years.

With these thoughts in mind, and on behalf of the deserving coal miners, I strongly endorse the passage of this bill, which will rectify some of the inequities that have arisen over the past 2 years.

I am glad to have had a part in developing this legislation.

Mr. DENT. Mr. Chairman, may I inquire how much time I have remaining?

The CHAIRMAN. The Chair will state that the gentleman has 2 minutes remaining.

Mr. BEVILL. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from Alabama.

Mr. BEVILL. Mr. Chairman, I rise in support of this legislation.

Mr. Chairman, the purpose of H.R.

9212 is to correct certain defects in the administration of the Federal Coal Mine Health and Safety Act of 1969 and to provide for the extention of benefits in that act to the orphans of workers who die of pneumoconiosis.

If the act has not been imperfectly administered. It has at least not accomplished the intent of Congress when it was passed. What we are trying to accomplish here is a clarification of intent by certain amendments to title IV of the original act. For example, we did not intend the desperate need of individuals eligible for benefits under the act be set off against social security disability payments, thus neutralizing or decreasing one of the prime purposes of the act. It was our intent that "black lung" benefits be over and above those provided under workmen's compensation payments, otherwise the provision for special disability benefits would not have been written into the legislation in the first place.

In another amendment proposed under H.R. 9212, we are simply but importantly extending the timetable for certain provisions under section 3 for 2 additional years in order to permit the States an additional working period to assume their responsibilities under the act. While this will extend the time of Federal responsibility, we recognize the problems inherent in some States in coming to grips with the benefit provisions of the program. We hope the States will use this additional period for resolve rather than delay.

The amendment to the first sentence of section 413(b) that "no claims for benefits under this part shall be denied on the basis of the results of a chest roentgenogram" is absolutely necessary. The fact that the Social Security Administration utilizes the services of a group of eminent radiologists in X-ray classification to reinforce the accuracy and consistency of X-ray readings under the black lung program is good but beside the point. They are still X-rays with their controversial and time-proven limitations in diagnosis for pneumoconiosis. As Dr. May Mayers states in his book on Occupational Health (William and Wilkins, 1969):

> Physicians in general tend to place too great reliance upon the x-ray picture alone, and give too little weight to the clinical picture . . . That extent of medical disability can only be determined, with any degree of accuracy, by cardiorespiratory function tests, with which some physicians are still unfamiliar.

The amendment does not deny the usefulness, nor does it call for the elimination, of X-rays in the adjudication of claims for benefits; it calls by implication for an accurate medical diagnosis based upon all relevant medical tests in the disposition of claims.

Finally, while the original act permits augmented benefits to a miner or his widow for the support of their dependent children, there is no provision for support of the children should the father and mother die. While I am not now aware of a large number of such "double orphans," there is a great disadvantage created in such youngsters and the national responsibility for them as defined in the paragraphs in H.R. 9212 related to this problem. From a social consequence point of view the detailed provisions on this matter are clearly the most important components of the four-amendment legislative package.

If the health standards prescribed in title II of the Federal Coal Mine Health Safety Act are effective in eliminating the cause of lung disease, the personal burden of incapacitation as well as the burden of benefit payments will be reduced in the future. However, irreversible damage has already been done to miners, and we mean to correct that so far as it affects their dependent children. We should not allow conditions which have disabled the miner to also disable his children, either with respect to the necessities of life or educational opportunity. H.R. 9212 provides the necessary prescription and guidelines for preventing the conversion of occupational disease of the miner into socioeconomic "disease" for his children. This spirit of this amendment is the spirit of the entire bill; I strongly urge the passage of H.R. 9212.

Mr. DENT. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, it has been said, and repeatedly said throughout history, that if a person lies that it is not bad if it is not believed, but when you get to believing a lie, then it becomes wrong, and everybody comes to think that it is right.

We are not in any sense or by any means even advocating the outlawing of the X-ray examination. We are adding to that, new scientific, medical, and science improvements.

The second lie which is deliberate, in my opinion, and ought not to be brought back time after time into this controversy, is that there is no such thing——

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. DENT. I do not yield to the gentleman because I have only about 1 minute remaining.

Mr. ERLENBORN. If the gentleman refuses to yield, then, Mr. Chairman, I demand that the gentleman's words to be taken down.

Mr. CHAIRMAN. Does the gentleman insist upon his request?

Mr. ERLENBORN. Yes, I do, Mr. Chairman, where the gentleman said that it is a deliberate lie.

Mr. DENT. You do not know what the lie is yet, I have not repeated it. Read the Record, and let him get the words from the Record.

Mr. ERLENBORN. Mr. Chairman, I demand that the gentleman's words be taken down.

The CHAIRMAN. The Clerk will report the words objected to.

The Clerk read as follows:

> Mr. Dent. The second lie which is deliberate, in my opinion, and ought not to be brought back time after time into this controversy, is that there is no such thing——

The CHAIRMAN. The Committee will rise.

Accordingly, the Committee rose; and the Speaker having resumed the chair, Mr. Steed, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9212) to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes, certain words used in debate were objected to and on request were taken down and read at the Clerk's desk, and he herewith reported the same to the House.

The SPEAKER. The Clerk will report the words objected to.

The Clerk read as follows:

> Mr. Dent. The second lie which is deliberate, in my opinion, and ought not to be brought back time after time into this controversy, is that there is no such thing——

The SPEAKER. The Chair will state that the words "second lie" are not parliamentary, and without objection will be stricken from the record.

Mr. DENT. Mr. Speaker, what part of that was being stricken?

The SPEAKER. The Chair will state that the words are "the second lie."

Mr. DENT. Mr. Speaker, I have not said what the second lie is. How can you strike it?

The SPEAKER. The manner in which the gentleman referred to the words in the following statement: "the second lie which is deliberate." Without objection, the gentleman may explain his statement.

Mr. DENT. But I have not said what the lie is. I have not accused anybody here of lying. I have accused the second lie of being propagandized all over the State, and through different individuals, and the third lie and the fourth lie. I have not accused the gentleman. There have been many persons on this floor—not many on the floor—but many persons who have put out the word that this deliberately wipes out X-rays as a means of determining pneumoconiosis, and the bill does not do that. And if it does not do that it is all untrue.

The SPEAKER. The Chair will request the gentleman from Pennsylvania to state whether the gentleman was referring to any Member of the Congress.

Mr. DENT. Absolutely not, Mr. Speaker. I will be glad to have that cleared up. But I have not said or named a Member's name yet.

The SPEAKER. If the gentleman was not referring to a Member of the House——

Mr. DENT. I was not. I was referring to two lies, and they are lies, and they have been put out all over the State in letters and newspaper items.

The SPEAKER. But the gentleman from Pennsylvania states that he was not referring to a Member of the House?

Mr. DENT. The Record will show that I did not refer to a Member of the House.

The SPEAKER. Does the gentleman state again that he was not referring to a Member of the House?

Mr. DENT. Yes; if I said it, it would have been in the Record.

The SPEAKER. Then the Chair will state that the gentleman's words are not unparliamentary, and the Committee will resume its sitting.

Mr. HALL. Mr. Speaker, a point of order. I make the point of order that a quorum is not present.

The SPEAKER. The Chair is of the

opinion that the point of order cannot be made at this point.

The Committee will resume its sitting.

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill, H.R. 9212, with Mr. Steed in the Chair.

The CHAIRMAN. The gentleman from Pennsylvania (Mr. Dent) has 1 minute remaining.

Mr. DENT. Mr. Chairman, in order that there be no mistake about what we are doing here, what I intended to refer to is a second lie that has been put in all the newspapers by the facts and figures that have gone out—I was going to say that there is no such thing as doing too much for a victim of pneumoconiosis by way of payments. That is all I was going to say. If that is something that is objectionable to anybody, I am sorry for that. But that is the way I feel about it. You cannot do too much for a man who is suffering after working for the benefit of this great Nation, with a disease that leaves no measure for relief whatsoever.

Mr. Chairman, I yield back the balance of my time.

The CHAIRMAN. All time has expired. The Clerk will read.

The Clerk read as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 412(a) of the Federal Coal Mine Health and Safety Act of 1969 is amended by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following new paragraph:

"(3) In the case of the child or children of a miner whose death is due to pneumoconiosis or of a miner who is receiving benefits under this part at the time of his death, and who leaves no widow, and in the case of the child or children of a widow who is receiving benefits under this part at the time of her death, benefits shall be paid to such child or children as follows: If there is one such child, he shall be paid benefits at the rate specified in paragraph (1). If there is more than one such child, the benefits paid shall be divided equally among them and shall be paid at a rate equal to the rate specified in paragraph (1), increased by 50 per centum of such rate if there are two such children, by 75 per centum of such rate if there are three such children, and by 100 per centum of such rate if there are more than three such children."

(b)(1) Section 412(b) of such Act is amended by inserting after "widow" each time it appears the following: "or child".

(2) Section 402 of such Act is amended by adding at the end thereof the following new subsection:

"(g) The term 'child' means an individual who is unmarried and (1) under eighteen years of age, or (2) incapable of self-support because of physical or mental disability which arose before he reached eighteen years of age, or in the case of a student, before he ceased to be a student, or (3) a student. Such term includes stepchildren, adopted children, and posthumous children. For the purpose of this subsection the term 'student' means an individual under twenty-three years of age who has not completed four years of education beyond the high school level and who is regularly pursuing a full time course of study or training at an institution which is—

"(1) a school or college or university operated or directly supported by the United States, or by a State or local government or political subdivision thereof;

"(2) a school or college or university which has been accredited by a State or by a State-recognized or nationally recognized accrediting agency or body;

"(3) a school or college or university not so accredited but whose credits are accepted, on transfer, by at least three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited; or

"(4) an additional type of educational or training institution as defined by the Secretary of Health, Education, and Welfare.

Such an individual is deemed not to have ceased to be a student during an interim between school years if the interim is not more than four months and if he shows to the satisfaction of the Secretary that he has a bona fide intention of continuing to pursue a full-time course of study or training during the semester or other enrollment period immediately after the interim or during periods of reasonable duration in which, in the judgment of the Secretary, he is prevented by factors beyond his control from pursuing his education. A student whose twenty-third birthday occurs during a semester or other enrollment period is deemed a student until the end of the semester or other enrollment period."

(3) Section 413(b) of such Act is amended by adding at the end thereof the following new sentence: "In carrying out his responsibilities under this part, the Secretary may prescribe regulations consistent with the provisions of sections 204, 205(j), 205(k), and 206 of the Social Security Act."

(4) Section 414(a) of such Act is amended by inserting "(1)" after "(a)" and by adding the following new paragraph at the end thereof:

"(2) In the case of a claim by a child; this paragraph shall apply, notwithstanding any other provision of this part.

"(A) If such claim is filed within six months following the month in which this paragraph is enacted, and if benefit payments are made pursuant to such claim, such benefit payments shall be made retroactively from December 30, 1969, or from the date such child would have been first eligible for such benefit payments had section 412(a)(3) been applicable since December 30, 1969, whichever is the lesser period. If on the date such claim is filed the claimant is not eligible for benefit payments, but was eligible during the period from December 30, 1969, to the date such claim is filed, benefit payments shall be made for the duration of eligibility during such period.

"(B) If such claim is filed after six months following the month in which this paragraph is enacted, and if benefit payments are made pursuant to such claim, such benefit payments shall be made retroactively from a date twelve months preceding the date such claim is filed, or from the date such child would have been first eligible for such benefit payments had section 412(a)(3) been applicable since December 30, 1969, whichever is the lesser period. If on the date such claim is filed the claimant is not eligible for benefit payments, but was eligible during the period from a date twelve months preceding the date such claim is filed, to the date such claim is filed, benefit payments shall be made for the duration of eligibility during such period.

"(C) No claim for benefits under this part, in the case of a claimant who is a child, shall be considered unless it is filed within six months after the death of his father or mother (whichever last occurred) or by December 31, 1974, whichever is the later.

"(D) No benefits shall be paid under this part to a child after December 31, 1974, if the claim therefor was filed after December 31, 1973."

Mr. DENT (during the reading). Mr. Chairman, I ask unanimous consent that this section be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

The CHAIRMAN. The Clerk will report the committee amendment.

Mr. HALL. Mr. Chairman, I was on my feet to reserve the right to object. My sole purpose is to know whether the entire bill is to be considered as read and printed in the Record and open to amendment, or just the first section?

The CHAIRMAN. Just the first section.

Mr. HALL. Thank you, Mr. Chairman.

### COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: strike out the language beginning on line 3, page 1, through line 2, page 6, and insert in lieu thereof the following:

That (a) section 412(a) of the Federal Coal Mine Health and Safety Act of 1969 is amended by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following new paragraph:

"(3) In the case of the child or children of a miner whose death is due to pneumoconiosis or of a miner who is receiving benefits under this part at the time of his death, and who leaves no widow, and in the case of the child or children of a widow who is receiving benefits under this part at the time of her death, benefits shall be paid to such child or children as follows: If there is one such child, he shall be paid benefits at the rate specified in paragraph (1). If there is more than one such child, the benefits paid shall be divided equally among them and shall be paid at a rate equal to the rate specified in paragraph (1), increased by 50 per centum of such rate if there are two such children, by 75 per centum of such rate if there are three such children, and by 100 per centum of such rate if there are more than three such children: *Provided,* That benefits shall only be paid to a child for so long as he meets the criteria for the term 'child' contained in section 402(g)."

(b)(1) Section 412(b) of such Act is amended by inserting after "widow" each time it appears the following: "or child".

(2) Section 402 of such Act is amended by adding at the end thereof the following new subsection:

"(g) The term 'child' means an individual who is unmarried and (1) under eighteen years of age, or (2) incapable of self-support because of physical or mental disability which arose before he reached eighteen years of age or, in the case of a student, before he ceased to be a student, or (3) a student. Such term includes stepchildren, adopted children, and posthumous children. For the purpose of this subsection the term 'student' means an individual under twenty-three years of age who has not completed four years of education beyond the high school level and who is regularly pursuing a full-time course of study or training at an institution which is—

"(1) a school or college or university operated or directly supported by the United States, or by a State or local government or political subdivision thereof;

"(2) a school or college or university which has been accredited by a State or by a State-recognized or nationally recognized accrediting agency or body;

"(3) a school or college or university not so accredited but whose credits are accepted, on transfer, by at least three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited; or

(4) an additional type of educational or

training institution as defined by the Secretary of Health, Education, and Welfare. Such an individual is deemed not to have ceased to be a student during an interim between school years if the interim is not more than four months and if he shows to the satisfaction of the Secretary that he has a bona fide intention of continuing to pursue a full-time course of study or training during the semester or other enrollment period immediately after the interim or during periods of reasonable duration in which, in the judgment of the Secretary, he is prevented by factors beyond his control from pursuing his education. A student whose twenty-third birthday occurs during a semester or other enrollment period is deemed a student until the end of the semester or other enrollment period."

(3) Section 413(b) of such Act is amended by adding at the end thereof the following new sentence: "In carrying out his responsibilities under this part, the Secretary may prescribe regulations consistent with the provisions of sections 204, 205(j), 205(k), and 206 of the Social Security Act."

(4) Section 414(a) of such Act is amended by inserting "(1)" after "(a)" and by adding the following new paragraph at the end thereof:

"(2) In the case of a claim by a child, this paragraph shall apply, notwithstanding any other provision of this part.

"(A) If such claim is filed within six months following the month in which this paragraph is enacted, and if benefit payments are made pursuant to such claim, such benefit payments shall be made retroactively from December 30, 1969, or from the date such child would have been first eligible for such benefit payments had section 412(a)(3) been applicable since December 30, 1969, whichever is the lesser period. If on the date such claim is filed the claimant is not eligible for benefit payments, but was eligible during the period from December 30, 1969, to the date such claim is filed, benefit payments shall be made for the duration of eligibility during such period.

"(B) If such claim is filed after six months following the month in which this paragraph is enacted, and if benefit payments are made pursuant to such claim, such benefit payments shall be made retroactively from a date twelve months preceding the date such claim is filed, or from the date such child would have been first eligible for such benefit payments had section 412(a)(3) been applicable since December 30, 1969, whichever is the lesser period. If on the date such claim is filed the claimant is not eligible for benefit payments, but was eligible during the period from a date twelve months preceding the date such claim is filed, to the date such claim is filed, benefit payments shall be made for the duration of eligibility during such period.

"(C) No claim for benefits under this part, in the case of a claimant who is a child, shall be considered unless it is filed within six months after the death of his father or mother (whichever last occurred) or by December 31, 1972, whichever is the later."

Mr. DENT (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment be considered as read and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

### AMENDMENT OFFERED BY MR. ERLENBORN TO THE COMMITTEE AMENDMENT

Mr. ERLENBORN. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN to the committee amendment: Beginning at page 9, line 6, strike the language through page 10, line 10, and in lieu thereof substitute the following language:

"(A) If such claim is filed within six months following the month in which this paragraph is enacted, and if entitlement to benefits is established pursuant to such claim, such entitlement shall be effective retroactively from December 30, 1969, or from the date such child would have been first eligible for such benefit payments had section 412(a)(3) been applicable since December 30, 1969, whichever is the lesser period. If on the date such claim is filed the claimant is not eligible for benefit payments, but was eligible during the period from December 30, 1969, to the date such claim is filed, entitlement shall be effective for the duration of eligibility during such period.

"(B) If such claim is filed after six months following the month in which this paragraph is enacted, and if entitlement to benefits is established pursuant to such claim, such entitlement shall be effective retroactively from a date twelve months preceding the date such claim is filed, or from the date such child would have been first eligible for such benefit payments had section 412(a)(3) been applicable since December 30, 1969, whichever is the lesser period. If on the date such claim is filed the claimant is not eligible for benefit payments, but was eligible during the period from a date twelve months preceding the date such claim is filed, to the date such claim is filed, entitlement shall be effective for the duration of eligibility during such period.

"(C) Any benefit under subparagraph (A) or (B) for a month prior to the month in which a claim is filed shall be reduced, to any extent that may be necessary, so that it will not render erroneous any benefit which, before the filing of such claim, the Secretary has certified for payment for such prior month.

"(D) No claim for benefits under this part, in the case of a claimant who is a child of a miner or widow (as described in section 412(a)(3)), shall be considered unless it is filed within six months after the death of such miner or widow (whichever last occurred) or by December 31, 1972, whichever is the later.

"(5) Subsections 422 (c) and (d) of such Act are amended by striking out 'section 412 (a)' wherever it appears and inserting in lieu thereof 'section 412(a) (1), (2), and (4)'."

Mr. ERLENBORN (during the reading). Mr. Chairman, in view of the fact that I have made a copy of the amendment available to the other side, I ask unanimous consent that further reading of the amendment be dispensed with and that the amendment be printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

Mr. BURTON. Reserving the right to object, is this the 2-page amendment that, in the last paragraph of page 2, states:

(5) Subsections 422 (c) and (d) of such Act are amended by striking out "section 412 (a)" wherever it appears and inserting in lieu thereof "section 412(a) (1), (2), and (4)".

Is this the amendment that the gentleman left at the Clerk's desk, and conforms in all respects with the amendment that he previously gave to our side?

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. BURTON. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentleman for yielding. The gentleman is correct. It is identical with the amendment that I gave to the staff of the subcommittee some days ago. It is identical to the amendment that I gave to the gentleman today.

Mr. BURTON. Mr. Chairman, as for this one Member, I think the amendment clarifies the double orphans section and eliminates any ambiguities that the committee amendment may have contained. I withdraw my reservation.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman from Pennsylvania.

Mr. DENT. We have looked the amendment over, understand it perfectly, and we will accept it.

Mr. ERLENBORN. Mr. Chairman, I do not desire to take any more of the time of the House in debate. I ask that the amendment be agreed to.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ERLENBORN) to the committee amendment.

The amendment to the committee amendment was agreed to.

The CHAIRMAN. Are there further amendments to the committee amendment?

### AMENDMENT OFFERED BY MR. HECHLER OF WEST VIRGINIA TO THE COMMITTEE AMENDMENT

Mr. HECHLER of West Virginia. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. HECHLER of West Virginia to the committee amendment:

Page 6, line 3, insert "(1)" after "That (a)".

Page 6, after line 23, insert the following new paragraph:

(2) Section 412(a) of such Act is further amended by adding at the end thereof the following new paragraph:

"(5) If an individual's benefits would be increased under clause (4) of this subsection because he or she has one or more dependents, and it appears to the Secretary that it would be in the interest of any such dependent to have the amount of such increase in benefits (to the extent attributable to such dependent) certified to a person other than such individual, then the Secretary may, under regulations prescribed by him, certify the amount of such increase in benefits (to the extent so attributable) not to such individual but directly to such dependent or to another person for the use and benefit of such dependent; and any payment made under this clause, if otherwise valid under this title, shall be a complete settlement and satisfaction of all claims, rights, and interests in and to such payment."

The CHAIRMAN. The gentleman from West Virginia is recognized in support of his amendment.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Chairman, I understand the amendment. However, if I am not mistaken, apparently there is an error in the draft.

Mr. HECHLER of West Virginia. Mr. Chairman, I beg the gentleman's pardon, but that has been corrected in the official copy.

Mr. DENT. It has been corrected in the gentleman's copy? The copy I have is not so corrected.

Mr. HECHLER of West Virginia. The copy as read by the Clerk was correct, I will advise the gentleman.

Mr. DENT. Mr. Chairman, if I may address the gentleman from Illinois, does the gentleman have a copy of the amendment?

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I am advised by the Social Security Administration that they are well aware of this language and indeed I believe gave the gentleman in the well help in drafting the language. It accomplishes a good purpose, which is to protect the rights of the dependent minor children where there is some past disability on the part of the main recipient of the fund, be it the retired coal miner with the disease or the widow of the retired coal miner, and the Social Security Administration has no objection to this language and believes it will be helpful.

Mr. HECHLER of West Virginia. Mr. Chairman, the gentleman from Illinois has described my amendment much better than I could.

Actually, as the gentleman from Illinois indicated, it merely provides that the entire benefit should not be paid to the coal miner where dependents may be separated from the coal miner, or where it would be in the interest of dependents to have payments made in such a way to benefit the dependents. For example, if a coal miner is incompetent to care for his dependents, it is logical that he should not receive the increases the law now gives him by reason of additional dependents.

This amendment does not raise the total cost of the program, but merely brings justice into its administration.

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. HECHLER of West Virginia. I yield to the gentleman from California.

Mr. BURTON. Mr. Chairman, I think it is a good amendment and I think we ought to accept it.

Mr. DENT. Mr. Chairman, if the gentleman will yield, the gentleman from California has said we should accept it, and we accept it.

Mr. HECHLER of West Virginia. Mr. Chairman, I quit while I am ahead.

The CHAIRMAN. The question is on the amendment offered by the gentleman from West Virginia (Mr. HECHLER) to the committee amendment.

The amendment to the committee amendment was agreed to.

### PARLIAMENTARY INQUIRIES

Mr. BYRNES of Wisconsin. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BYRNES of Wisconsin. Mr. Chairman, I have an amendment to page 10, lines 11 through 17. Is that to be presented at this time?

The CHAIRMAN. No.

Mr. BYRNES of Wisconsin. Then, the committee amendment has to be acted on first?

The CHAIRMAN. The gentleman is correct.

Are there any further amendments to the committee amendment to section 1?

Mr. BYRNES of Wisconsin. Mr. Chairman, another parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BYRNES of Wisconsin. Mr. Chairman, is my understanding correct that the committee amendment is one whole amendment to the whole of the bill, or are there several committee amendments pending?

The CHAIRMAN. This is the committee amendment to section 1.

Mr. BYRNES of Wisconsin. I thank the Chair.

The CHAIRMAN. The question is on the committee amendment, as amended.

The committee amendment, as amended, was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 2. (a) Section 412(b) of the Federal Coal Mine Health and Safety Act of 1969 is amended by adding at the end thereof the following: "This part shall not be considered a workmen's compensation law or plan for purposes of section 224 of such Act."

(b) The amendment made by this section shall be effective as of December 30, 1969.

### AMENDMENT OFFERED BY MR. BYRNES OF WISCONSIN

Mr. BYRNES of Wisconsin. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. BYRNES of Wisconsin:

Page 10, strike out lines 11 through 17 and insert in lieu thereof the following:

SEC. 2. (a) Section 412(b) of the Federal Coal Mine Health and Safety Act of 1969 is amended by adding at the end thereof the following: "In applying section 224 of such Act with respect to benefits payable to an individual under this part, such individual's 'average current earnings' shall be considered to mean the larger of (1) his average current earnings as determined under the next to last sentence of subsection (a) of such section, or (2) one-twelfth of the total of his wages and self-employment income (computed under title II of such Act without regard to the limitations specified in sections 209(a) and 211(b)(1) thereof) for the calendar year in which he had the highest such wages and self-employment income during the period consisting of the calendar year in which he became disabled (as defined in section 223(d) of such Act) and the five years preceding that year; and the reference to 'clause (B) of the preceding sentence' in the last sentence of such subsection (a) shall be considered to include a reference to this sentence."

Mr. BYRNES of Wisconsin. Mr. Chairman, it is with some trepidation that I involve myself in a matter brought to the floor by the Committee on Education and Labor. However, my amendment relates not so much to the black lung disease or to the legislation which is currently before us as to the Social Security Act.

Let me say at the outset that neither the language to be stricken, nor the replacement language, would in any way affect the amount of black lung compensation. That amount is going to be paid regardless of the addition I would make.

Recipients of black lung compensation can apply, as can other people who have injuries and are receiving compensation from other source, for disability benefits under social security. And it is only the benefit payable under the Social Security Act that I would affect in any way with this amendment.

The Committee on Education and Labor, in acting in this area, has affected the law as it exists under the Social Security Act. Therefore, I believe that is justification for injecting myself into this debate and suggesting what I consider to be an improvement in the bill as it relates to our treatment of people who are beneficiaries under disability provisions of the Social Security Act and other State or Federal acts as well.

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from California.

Mr. BURTON. I am constrained not to express my own view on the gentleman's amendment, but I should like to applaud and note that the gentleman from Wisconsin most accurately stated that under the basic black lung benefit bill we would change the law as it affects social security. The Social Security Administration has not been recognizing that change, and that hence gave rise to the proposed amendment of the distinguished chairman of our full committee.

Mr. BYRNES of Wisconsin. Mr. Chairman, it seems to me that section 2 could be subject to a point of order because it does affect payments made under the disability provisions of the Social Security Act. I did not pursue that course because I believe, first, that the matter should be faced on its own merits here in the House, and second, that the situation as it relates to the so-called disability offset provision can and should be improved.

This House passed H.R. 1, which provides a liberalization in that offset provision, and I think we have now a real opportunity to update that liberalization, in enacting this particular provision.

Mr. BURTON. Will the gentleman yield?

Mr. BYRNES of Wisconsin. I yield to the gentleman from California.

Mr. BURTON. As I understand the effect of the amendment, in virtually all cases, by bringing this act in conformity with the social security amendments that were sent to the other body, this would result in almost all cases in some increase in the social security disability payments and in no way would it in any possible respect result in any diminution of total benefits.

The CHAIRMAN. The time of the gentleman from Wisconsin has expired.

(By unanimous consent, Mr. BYRNES of Wisconsin was allowed to proceed for 5 additional minutes.)

Mr. BYRNES of Wisconsin. Let me explain the situation in this way. As I do so, bear in mind that this amendment in no way affects the amount of the check for black lung, or the eligibility for black lung payments. The amendment relates only to the social security disability benefit payments which individuals might be otherwise entitled to.

Under present law the social security disability payment is limited in cases where the recipient is receiving additional disability payments of some kind under another Federal or State program.

In these cases, the social security disability payments are reduced by the amount that total monthly benefits under the two programs exceed 80 percent of the individual's average current earnings before he became disabled.

There have been two ways of determining an individual's average current earnings: By using the average monthly earnings for purposes of social security benefit computation; or by using his average monthly earnings over his 5 highest earnings years.

In H.R. 1, we liberalized this provision by adding a third alternative, under which an individual's average earnings could be based upon his highest year's earnings in a period consisting of the year in which he became disabled and the 5 preceding years.

This is a definite improvement, and my amendment would insure that this liberalization would apply in the case of black lung benefits regardless of what is done in connection with H.R. 1.

Let me suggest that by approving the bill before us without also approving this amendment, we would be saying that a person with black lung disease is in a different, and a more favored, situation, as far as social security disability payments are concerned, than any other individual in the country, no matter how disabled he may be. The "basket case" in an industrial accident, who is getting compensation under a State law and who is getting social security disability payment because he is totally and permanently disabled, would have a stricter rule applied to him.

We would put him in a less favored position than the black lung victim.

I have the greatest sympathy for black lung victims, but I wonder if we want to carve out a special treatment niche for them as far as the Social Security Act is concerned. Should not disability payments be on the same basis?

My amendment would provide for equalized treatment under the law, and I do not know, Mr. Chairman, what could be fairer, both to black lung victims and to other people in this Nation who are disabled and who are receiving benefits in addition to social security benefits.

Mr. Chairman, I hope this amendment is adopted.

Mr. PERKINS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I ask unanimous consent to proceed for 5 additional minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Kentucky?

Mr. HALL. Mr. Chairman, reserving the right to object, I wish the gentleman would withhold that until the completion of his first 5 minutes; otherwise, I will be constrained to object.

Mr. PERKINS. Yes.

The CHAIRMAN. The gentleman from Kentucky is recognized for 5 minutes.

Mr. PERKINS. Mr. Chairman, when we enacted the so-called pneumoconiosis statute in 1969 we spelled out clearly in the report the fact that this statute, or the so-called black lung statute was not workmen's compensation.

H.R. 9212 establishes again in even stronger terms what the House said on December 17, 1969. That is all we are trying to do.

In the report back in 1969, on page 13, let me read this language:

> This program of payments—maintained in the bill by a committee vote of 25 to 9—is not a workmen's compensation plan. It is not intended to be so and it contains none of the characteristic features which mark any workmen's compensation plan. Moreover, it is clearly not intended to establish a Federal prerogative or precedent in the area of payments for the death, injury, or illness of workers.

Mr. Chairman, it was not until the President signed the bill that the Social Security Administration could find something to hang its hat on insofar as construing the black lung statute to be a workmen's compensation act so that it could reduce social security benefits in conformity with section 224 of the Social Security Act. I am sure you will see what a difficult task the Social Security Administration had in finding a legislative intent that black lung benefits were workmen's compensation, and to get down to it here is what they say—

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE, SOCIAL SECURITY ADMINISTRATION,
*Baltimore, Md., August 4, 1970.*

Hon. CARL D. PERKINS,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. PERKINS: This is in further reference to your letter of July 6 concerning the reduction in social security disability benefit payments in some cases when the beneficiary also receives federal black lung benefits.

I appreciate having the benefit of your point of view on this subject, and can assure you that careful consideration was given to the legal issues involved. A copy of our ruling being published on this matter is enclosed for your information.

As you know, the reduction provision does not apply where the miner has reached age 62, or where his disability began before June 1965. We estimate that only about five percent of black lung beneficiaries will be affected by this reduction provision, and many of these will have their social security disability benefits only partially reduced.

Hugh Johnson and Bernie Popick have told me of their recent meetings with you. I understand that it was agreed that in the near future they will meet again with you to discuss in more detail our experience in the payment of black lung claims in Kentucky, as well as the extent to which reduction in disability benefits has occurred in these claims.

I will be following closely these developments of special interest to you and will review with them fully the results of your further discussions.

Sincerely yours,
ROBERT M. BALL,
*Commssioner of Social Security.*

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SECTION 224(a).—DISABILITY INSURANCE BENEFITS—REDUCTION FOR WORKMEN'S COMPENSATION—BLACK LUNG BENEFITS (PNEUMOCONIOSIS) 20 CFR 404.408

*Held:* Black lung payments under Title IV, Part B, of the Federal Coal Mine Health and Safety Act of 1969 constitute "periodic benefits" under a Federal workmen's compensation law, thus requiring the application of the reduction provision of section 224 (pertaining to disability insurance benefits) of the Social Security Act.

Advice has been requested as to whether payment of Federal Black Lung benefits[1] under Title IV, Part B, of the Federal Coal Mine Health and Safety Act of 1969[2] constitutes payment of benefits under a workmen's compensation law or plan for the purpose of offset under section 224 of the Social Security Act.[3]

Section 224(a) of the Social Security Act provides for reduction of an individual's disability insurance benefits (and other benefits based on the individual's earnings), in accordance with a statutory formula, for months for which the individual is entitled to periodic benefits (or their equivalent) for a disability "under a workmen's compensation law or plan of the United States or a State * * *."[4]

That Federal black lung benefits are periodic benefits for a disability requires no discussion.[5] Whether they are paid under a "workmen's compensation law or plan of the United States" is not wholly clear from the legislative history. Neither the committee reports on the bill (S. 2917) that was finally enacted, nor the debates in the Senate on the bill, offer an authoritative basis for determining the congressional intent regarding the nature of black lung benefits. In the debates in the House of Representatives, there are expressions both ways.

The question, however, appears to be clarified in some measure by the following excerpt from the statement by the President on December 30, 1969, when he signed the Coal Mine Health and Safety Act:

"First, workmen's compensation has been and should be a State responsibility. Title IV of this Act gives the Federal Government responsibility in this area. I want to emphasize very strongly that Title IV is temporary, limited and unique and in no way should it be considered a precedent for future Federal administration of workmen's compensation programs. With the exception of continuing benefit payments to claimants establishing eligibility during the period prior to December 31, 1972, all Federal responsibility in this area will expire within seven years.

"Next, this Act creates confusion about the consistency of standards in Federally administered disability programs. I have therefore instructed the Secretary of Health, Education, and Welfare in administering this program to apply wherever possible standards consistent with those under the existing Social Security Act disability program."

The quoted passages in the President's statement give direction for the treatment of black lung benefits for purposes of the disability program, strongly indicating that such benefits should be viewed to be comparable to benefits for other occupational diseases for offset purposes under Title II of the Social Security Act. The Administration's regulations treat injury and occupational disease both as bases for workmen's compensation offset. See Social Security Administration Regulations No. 4, section 404.408(d).[6] Next, it is clear from the legislative history of section 224 that the basic purposes of the enactment of that section were twofold: one, to prevent erosion of State workmen's compensation programs, the other, to prevent duplication of benefits to the extent that it would be more profitable for a beneficiary not to work than to work. Neither of these purposes would be served by differentiating out occupational diseases.

Also bearing on the classification of black lung benefits for purposes of section 224 of the Social Security Act is the characterization given like diseases under other Federal statutes providing benefits which would be offset against Title II disability benefits.

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Footnotes at end of article.

Thus, in *Urie* v. *Thompson*, 337 U.S. 163 (1949), the Supreme Court considered whether an occupational disease—silicosis—was a compensable injury under the Federal Employer's Liability Act, or whether only accidentally caused injuries were covered. The court held (pp. 186–7):

"While no decision of this Court involving the Federal Employers' Liability Act has dealt specifically with silicosis, the New York Court of Appeals, as we have indicated above, has sustained recovery under the Act for that disease when resulting from the carrier's negligence. * * * Moreover, other state and federal decisions have authorized recovery under the Act for injuries not caused by accidental or violent means. * * * Not all of these decisions could be sustained if the statutory term 'injury' were held to require that the harm suffered from the employer's negligence must be confined to that inflicted by 'external, violent and accidental' means or be an 'accidental injury,' as respondent's narrow view of the statute's coverage seems to contemplate.

"We would be most hesitant to adopt a construction of 'injury' as used in this Act which would overrule the decisions last cited or seriously impair their authority. We think they were made in the spirit the statute contemplated for its administration and application. That spirit is one not in conformity with importing nice distinctions in applying the Act's broad and general terms or cutting down their full scope by inference or implication.

"In our view, when the employer's negligence impairs or destroys an employee's health by requiring him to work under conditions likely to bring about such harmful consequences, the injury to the employee is just as great as when it follows, often inevitably, from a carrier's negligent course pursued over an extended period of time as when it comes with the suddenness of lightning. Silicosis is as much 'injury,' leading in time as certainly to permanent disability, as scalding from a boiler's explosion. We do not think the mere difference in the time required for different acts of negligence to take effect and disclose their harmful, disabling consequences would justify excluding the one type of injury from the Act's coverage or that such an exclusion would be consistent with its language, purposes, or unvarying standards of construction."

See also *A. T. and S. F. Ry Co.* v. *Preston*, 257 F.2d 933 (10 Cir., 1958).

The designation of the Federal black lung benefits as workmen's compensation would appear to be consonant with the pattern of Title IV in its entirety. The purpose of this title is to provide a benefit program, in cooperation with the States, for miners totally disabled due to pneumoconiosis and their surviving dependents (section 401 of the Act). Part B is an interim and short-term part of this program. The longer-term program is contained in Part C. This part provides that, beginning January 1, 1973, claims for benefits based on total disability or death due to pneumoconiosis shall be filed pursuant to the applicable State workmen's compensation law; but that if and when the State law does not provide adequate coverage (as defined by the statute), each operator of an underground coal mine in the State shall be liable under the Federal Longshoremen's and Harbor Workers' Compensation Act, and shall secure the payment of the benefits by either obtaining insurance or qualifying as a self-insurer. The Federal Government's involvement in this program is to set the standards for adequate coverage under the State workmen's compensation laws, and to pay benefits in cases in which the mine operator has failed to pay them or provide insurance to pay them (in which cases the Government may recoup the payments from the operator) or there is no operator required to secure the payment of the benefits.

The benefits provided by Part C clearly are workmen's compensation, payable under either a State or a Federal workmen's compensation law. The benefits are payable to the same class of beneficiaries as, and in amounts the same as or greater than, those specified in Part B (for a period of 4 years), for the same causes (sections 421(b)(2), 422).

Parts B and C thus seem to be complementary parts of a single program to provide compensation to miners and their dependents for the consequences of occupational disease sustained in the course of their employment.

Accordingly, it is held that the black lung benefit provisions in Title IV, Part B, constitute a Federal workmen's compensation law within the meaning of section 224 of the Social Security Act.

FOOTNOTES

[1] These benefits are designated *Federal* Black Lung benefits to distinguish them from those authorized by Part C of Title IV, which are designed in the main as State benefits.

[2] The Federal Coal Mine Health and Safety Act of 1969, hereinafter "the Act," was enacted as Public Law 91–173 on December 30, 1969, 83 Stat. 742 ff. Title IV of the Act is to be codified beginning at section 901 of title 30, United States Code.

[3] 42 U.S.C. 424(a)

[4] Section 224 of the Act, as pertinent here, provides that social security disability benefits must be reduced where the total of the applicant's benefits from sources specified in the statute would otherwise exceed the greater of either 80 percent of his "average current earnings," or the total social security benefits payable to the beneficiary and his dependents based on his disability. This provision does not apply where the beneficiary has reached the age of 62, or where his disability began before June 2, 1965. About 90 percent of black lung beneficiaries will not be affected at all by this reduction provision. The social security disability benefit of those who are affected will usually be only partially reduced.

[5] Title IV, Part B, Section 412(a) (P.L. 91–173) provides that: "(a) Subject to the provisions of subsection (b) of this section, benefit payments shall be made by the Secretary under this part as follows:

(1) In the case of total disability of a miner due to pneumoconiosis, the disabled miner shall be paid benefits during the disability at a rate equal to 50 per centum of the minimum monthly payment to which a Federal employee in grade GS–2, who is totally disabled, is entitled at the time of payment under chapter 81 of title 5, United States Code * * * The latter constitutes the Federal Employees' Compensation Act."

[6] 20 CFR 404.408(d).

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Wait just a moment and then I shall yield to the gentleman.

But, Mr. Chairman, here we have as many as 7,000 miners adversely affected by this erroneous interpretation.

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman now yield to me?

Mr. PERKINS. I yield briefly; yes.

Mr. BYRNES of Wisconsin. I think the gentleman recognizes the fact that when I addressed the committee I intentionally tried to avoid the use of the word "compensation." I did so because I knew it was a sensitive word.

But I would call the gentleman's attention to the fact that the offset provision under the Social Security Act is not called into play only under workmen's compensation cases, because—and let me read to you section 281——

Mr. PERKINS. I am well acquainted with that.

Mr. BYRNES of Wisconsin. If the gentleman will just let me finish this.

Mr. PERKINS. Certainly.

Mr. BYRNES of Wisconsin. It says that a workmen's compensation—and this is the important part—plan of the United States or a State for the payment of periodic benefits for a total of partial disability—and it seems to me that that certainly indicates a plan for black lung, for the payment of periodic payments for a total or partial disability, and that is what the law says when the offset provision is triggered, and that is what you have in the Social Security Act by section 2.

Mr. PERKINS. Let me say to my distinguished colleague, the gentleman from Wisconsin, that we held a conference report up some 3 weeks in 1969 to make sure that this offset provision was not applicable to people receiving disability payments under the Social Security Act.

Now, I am well aware——

The CHAIRMAN. The time of the gentleman from Kentucky has expired.

(By unanimous consent, Mr. PERKINS was allowed to proceed for 5 additional minutes.)

Mr. PERKINS. Mr. Chairman, we have 7,000 miners affected here, and if a miner qualifies for black lung benefits, and earns more than $1,680 a year, his monthly benefits under this statute will be reduced $1 for every two earned between $1,680 and $2,880.

The benefits are further reduced by $1 for every $1 earned over $2,880. To be more direct to the point, it is wrong to offset workman's compensation against social security benefits. Workmen's compensation is a payment to a worker in lieu of his common law right to sue in court for his injury, a right which he surrenders under workmen's compensation coverage. Social security disability compensation is insurance for which the recipient has paid a premium.

Mr. Chairman, I hold in my hand here letters——

Mr. BYRNES of Wisconsin. Mr. Chairman, will the gentleman yield?

Mr. PERKINS. Please let me continue. I have only a short time remaining.

Mr. BYRNES of Wisconsin. But the gentleman is referring to the Social Security Act.

Mr. PERKINS. That is correct, certainly I am referring to the Social Security Disability Act because it is social security disability checks that are reduced, it is not the black lung checks that are reduced. Certainly I am referring to the social security disability checks.

Now, it was intended that the individual entitled to black lung benefits, because of that relationship of coal miners working in the mines and contracting this disease, that they would be paid these benefits in addition to the social security disability benefits, and never was it intended that the social security disability benefits would be reduced.

But as the Black Lung Law is being administered, these payments are being reduced. This legislation will stop the reduction.

In numerous cases in my congressional district, and I think it is the same all over the Nation, where a coal miner is disabled and receives the benefits under the disability statute of the Social Security Act, and is entitled to black lung benefits, after he becomes entitled to black lung benefits he is receiving even less today from both laws than he was receiving before he became entitled to the black lung benefits. I will cite some random cases, and will put them in the RECORD.

For example, here is the case of Gulf Newsome of Dema, Ky., and here is what he writes to me:

> This was the way I was receiving social security checks before I got my black lung:—

And I am quoting from his letter, and Mr. Newsome states under that before his black lung claim was approved he was getting under social security:

> Gulf, $178.20; my wife, $30.30, children, $90.90.

A total of $299.40, in social security.

He says:

> I now receive a total of $299.10 a month. I have not received fair treatment.

Thirty cents less.

And there are numerous cases of injustice where the Social Security Administration is simply not carrying out congressional intent.

I can read on here about cases of this type. I think it is terribly unfair to let the Social Security Administration itself rewrite a law so as to reach a result never intended by the Congress.

We made our intention clear in plain language in this report that I have read. All we are trying to do here, Mr. Chairman, is to clarify this situation and give justice to some 7,000 coal miners. It is not a big item—but there is a big principle involved.

Mr. Chairman, I ask that the amendment of the gentleman from Wisconsin be defeated.

Mr. ERLENBORN. Mr. Chairman, I move to strike out the last word.

(Mr. ERLENBORN asked and was given permission to revise and extend his remarks.)

Mr. ERLENBORN. Mr. Chairman, the chairman of our committee continually makes the point that the present pneumoconiosis benefits were not intended to be workmen's compensation. He continually points to statements in the RECORD when we were considering the bill in the last Congress. As the gentleman from Wisconsin has so aptly pointed out, that is completely immaterial. It makes no difference whether workmen's compensation or any other plans for compensation on a periodic basis for disability—if it is such a plan for periodic benefits, the Social Security disability offset should and does apply under the present law.

What the gentleman from Kentucky is trying to do is to get a special benefit for one particular class. Those who are getting pneumoconiosis compensation will be able to also get full social security disability payments, without offset, a dual benefit that is not available to anyone getting workmen's compensation or disability compensation under any other type of plan.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I will be happy to yield to the gentleman, if the gentleman from Kentucky can say that this is going to treat these men the same as all other workers who are getting disability compensation.

Mr. PERKINS. I will say to the gentleman, you should understand the statute as we wrote it 2 years ago, 1969.

Mr. ERLENBORN. Mr. Chairman, I will not yield to the gentleman unless he is going to address himself to that particular point.

Mr. PERKINS. I am going to address myself to your question—and this is, in general, we are saying that these benefits were not treated as workmen's compensation benefits legislatively in 1969 and the administration should not administer it so as to reduce Social Security benefits. That is what this argument is about—and everyone so understands it.

Mr. ERLENBORN. Mr. Chairman, I refuse to yield to the gentleman any further.

I have already pointed out that that is completely immaterial.

Any periodic benefits whether they are called workmen's compensation or not are subject to the disability offset. The gentleman continually drags a red herring in front of the House. I think the gentleman, and I do not think there is any question about it, is attempting to get a special benefit for a certain class of workers.

When we were considering this in committee 2 years ago, what the cost of this program would be, one of the things the people on the other side of the aisle pointed out was that the actual cost of black lung benefits should be reduced because there was going to be an offset of savings in the social security funds because of the disability offset provision.

Now they come here and say that this was unintended. How did this happen? They computed that when they were determining the cost on the original bill.

This is going to have the ridiculous effect of saying that a man who is injured and is drawing State workmen's compensation is subject to a disability offset and a man who is drawing pneumoconiosis compensation is not.

Think of two coal miners who are working together side by side. One man is injured by a roof fall and has both legs cut off—he gets State workmen's compensation. He gets disability compensation from social security and the offset applies to him.

But the other man working alongside of him who has pneumoconiosis—or maybe under this bill has emphysema from smoking too much, and because we cannot use the X-ray for diagnosis he gets pneumoconiosis benefits—he gets more than the worker alongside of him who had two legs cut off. How ridiculous can you get? I think that points out how foolish this provision is.

Mr. Chairman, this is a good amendment offered by the gentleman from Wisconsin. It treats everyone equally and fairly. I hope that it is adopted.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment.

(Mr. DENT asked and was given permission to revise and extend his remarks.)

Mr. DENT. Mr. Chairman, I think it is a question that this House has to determine, and maybe at some future date it may have to go into the broader question of disability benefits under compensation laws and their relationship to social security. Social security in reality is an insurance plan. There is a specified amount of return for a specified amount of payment into the fund. Your benefits depend upon how much you have to your credit in social security. There is nothing anywhere in that fund that says because you happen to be injured somewhere along the line under another act, which is in essence a property right, because while an individual receives compensation payments under workmen's compensation, he has given away his rights in court by agreeing to come under the act, so therefore it develops into a property right. How can we in good conscience cut a man's insurance rights and benefits away, because he is receiving something that is a property right to him? This is a question of whether or not we understand what we are saying and doing here.

Besides, the gentleman talks about the individual who has workmen's compensation and gets periodic payments. Under this particular act every miner receives exactly the same amount for the same injury. There is no such thing as being paid like, in some States, a total of 8 years limitation for any crippling injury under the Compensation Act or payment for life on either partial or total disability, as it is in my State of Pennsylvania. There are differing laws in differing States.

A person under social security receives a certain amount according to what he has paid in. We have payments under social security, because an individual has paid in for a number of years. In higher salaried positions he may receive a considerable amount. But then we have others who have worked in low income brackets and who receive $70 a month. I checked recently and I found that in a year or so I shall be eligible for $70.40 a month, because I have not been under the coverage of social security for a great number of years, having served in legislative bodies most of my life. However, a miner receives a minimum of $306.10 if he has 3 children or 10 dependents. He receives the same amount, and that is the top limit under the law.

So then you say to this miner, "For your disability compensation you receive a certain amount, but it will be cut if you receive $306.10 a month, and you get so much off the top here." I applaud the action of the gentleman from Wisconsin in moving to the single-year base. I think it is a step in the right direction. I think the bill that passed the House deservedly should be credited with that reform. But I do not agree with it in this specific legislation dealing with a permanent total injury that has only one ending, and that ending is in death.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Wisconsin (Mr. BYRNES).

### TELLER VOTE WITH CLERKS

Mr. ERLENBORN. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. ERLENBORN. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. BYRNES of Wisconsin, DENT, PERKINS, and ERLENBORN.

The Committee divided, and the tellers reported that there were—ayes 158, noes 225, not voting 48, as follows:

[Roll No. 375]

[Recorded Teller Vote]

AYES—158

Abbitt
Abernethy
Alexander
Andrews, N. Dak.
Archer
Arends
Ashbrook
Baker
Belcher
Bell
Betts
Bow
Brinkley
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Fla.
Burleson, Tex.
Byrnes, Wis.
Cabell
Caffery
Cederberg
Chamberlain
Chappell
Clausen, Don H.
Cleveland
Collins, Tex.
Conable
Conte
Crane
Daniel, Va.
Davis, Wis.
Dellenback
Dennis
Devine
Dickinson
du Pont
Edwards, Ala.
Erlenborn
Esch
Findley
Fish
Fisher
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Gettys
Gross
Grover
Haley
Hall
Hamilton
Hammerschmidt
Hansen, Idaho
Harvey
Hastings
Heckler, Mass.
Henderson
Hillis
Hogan
Hosmer
Hutchinson
Jarman
Jonas
Jones, N.C.
Jones, Tenn.
Keating
Keith
Kemp
King
Kuykendall
Kyl
Latta
Lent
Lujan
McClory
McClure
McCollister
McCulloch
McDonald, Mich.
McEwen
McKevitt
McKinney
Mahon
Mailliard
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Mills, Md.
Minshall
Mizell
Montgomery
Morse
Mosher
Nelsen
Nichols
Pettis
Peyser
Pirnie
Poage
Poff
Powell
Preyer, N.C.
Price, Tex.
Purcell
Quie
Railsback
Rarick
Reid, N.Y.
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rogers
Rousselot
Runnels
Ruppe
Ruth
Satterfield
Scherle
Schmitz
Scott
Sebelius
Shoup
Shriver
Smith, Calif.
Smith, N.Y.
Spence
Springer
Steiger, Wis.
Stuckey
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Vander Jagt
Whitehurst
Wiggins
Wilson, Bob
Winn
Wyatt
Wylie
Young, Fla.
Zion
Zwach

NOES—225

Abourezk
Abzug
Adams
Addabbo
Albert
Anderson, Calif.
Anderson, Ill.
Andrews, Ala.
Annunzio
Ashley
Aspin
Aspinall
Badillo
Begich
Bennett
Bergland
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Brooks
Buchanan
Burke, Mass.
Burlison, Mo.
Burton
Byrne, Pa.
Byron
Carey, N.Y.
Carney
Carter
Casey, Tex.
Celler
Chisholm
Clark
Clay
Collins, Ill.
Colmer
Conyers
Corman
Cotter
Coughlin
Culver
Daniels, N.J.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
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Dingell
Donohue
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Dow
Downing
Drinan
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Flood
Flowers
Foley
Ford, William D.
Fraser
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Gaydos
Giaimo
Gibbons
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gude
Hagan
Hanley
Hanna
Hansen, Wash.
Harrington
Harsha
Hathaway
Hays
Hechler, W. Va.
Heinz
Helstoski
Hicks, Mass.
Hicks, Wash.
Holifield
Horton
Howard
Hull
Hungate
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Ichord
Jacobs
Johnson, Calif.
Johnson, Pa.
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Leggett
Long, Md.
McCloskey
McCormack
McDade
McFall
McKay
McMillan
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mikva
Miller, Calif.
Miller, Ohio
Minish
Mink
Mitchell
Mollohan
Monagan
Moorhead
Morgan
Murphy, Ill.
Myers
Natcher
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Obey
O'Hara
O'Konski
O'Neill
Passman
Patten
Pepper
Perkins
Pickle
Pike
Podell
Price, Ill.
Pucinski
Quillen
Randall
Rees
Reuss
Riegle
Rodino
Roe
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
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Roy
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St Germain
Sarbanes
Saylor
Scheuer
Schneebeli
Seiberling
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, James V.
Steed
Steele
Stokes
Stratton
Stubblefield
Sullivan
Symington
Teague, Tex.
Tiernan
Udall
Van Deerlin
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
Whalley
White
Widnall
Williams
Wilson, Charles H.
Wolff
Wright
Yates
Yatron
Young, Tex.
Zablocki

NOT VOTING—48

Anderson, Tenn.
Baring
Barrett
Blackburn
Camp
Clancy
Clawson, Del
Collier
Derwinski
Diggs
Dowdy
Edwards, La.
Goldwater
Goodling
Gubser
Halpern
Hawkins
Hébert
Jones, Ala.
Kee
Landgrebe
Landrum
Lennon
Link
Lloyd
Long, La.
Macdonald, Mass.
Madden
Mills, Ark.
Moss
Murphy, N.Y.
Patman
Pelly
Pryor, Ark.
Rangel
Sandman
Schwengel
Shipley
Stanton, J. William
Steiger, Ariz.
Stephens
Thompson, N.J.
Ullman
Veysey
Vigorito
Whitten
Wydler
Wyman

So the amendment was rejected.

### AMENDMENT OFFERED BY MR. MICHEL

Mr. MICHEL. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MICHEL: Page 10, after line 17, insert the following new section:

SEC. 3. (a) Sections 401, 411(c)(1), 411(c)(2), and 422(h) of the Federal Coal Mine Health and Safety Act of 1969 are each amended by striking out "underground".

(b) Sections 402(b), 402(d), 422(a), and 423(a) of such Act are each amended by striking out "an underground" and inserting "a" in lieu thereof.

(c) The amendments made by this section shall be effective as of December 30, 1969.

And renumber the succeeding sections accordingly.

Mr. MICHEL. Mr. Chairman, the provisions of the Federal Coal Mine Health and Safety Act relating to the black lung program currently limit the program to underground miners. This means that those who have worked exclusively in surface mines—the strip miners—are presently ineligible for program benefits.

Now, this would be fair if we knew that strip miners cannot be afflicted with pneumoconiosis—new-mo-cone-e-osis—but the fact of the matter is that we have no idea whether or not those who work only in surface mines can contract this disabling disease.

While the very limited prevalence studies conducted by the Public Health Service have shown little incidence of pneumoconiosis among surface miners generally, and no evidence of it among those miners who had worked exclusively above ground, no one has ventured to contend that strip miners are not subject to the disease.

On the contrary, it would seem reasonable to assume that those strip miners who have worked in extremely dusty situations—at the tipple, for example—for long periods of time, might be subjected to conditions similar to those which result in the development of black lung among underground miners.

In any case, where the possibility of the disease exists, a miner should not be denied the benefits of the black lung program because of circumstance—simply because he has always worked above the ground rather than below it. The amendment I am offering would correct this inequity by striking the word "underground" from the present law, so that the program would apply to all coal miners, regardless of the physical characteristics of the mine.

This does not mean, of course, that all strip miners would automatically become eligible for black lung benefits. Like all other coal miners, they would have to undergo the same tests, the same examinations, and would be diagnosed on the same criteria applicable to other coal miners.

The Public Health Service prevalence studies I mentioned indicate that we could expect few, if any, strip miners to qualify for benefits under the program. But, if even one coal miner has been excluded from the program because he worked only above the ground, then I believe equity demands that we change the law to include him. Following, Mr. Chairman, are excerpts from the memo I referred to:

### MEMO IN RE PREVALENCE OF COAL WORKERS' PNEUMOCONIOSIS AMONG U.S. STRIP MINERS

Data were obtained from the Public Health Service and from *Pulmonary Reactions to Coal Dust* (Academic Press, 1971), edited by Dr. Marcus M. Key, Director, Bureau of Occupational Safety and Health, U.S. Department of Health, Education, and Welfare, and Lorin E. Kerr, United Mine Workers of America, and Merle Bundy, U.S. Steel Corp.

In the above publication, the editors cited prevalence studies conducted between 1963 and 1965 on 3,602 coal miners in the U.S. Of these, some 617 were surface miners, including 67 strip miners. Radiological findings indicated definite pneumoconiosis in 11 of the 617 surface miners—1.8%—compared with positive findings in 287 or almost 10% of the 2,978 underground miners tested (see attached tables).

Prevalence studies conducted this year by the Public Health Service found no evidence of pneumoconiosis among exclusively surface miners. Miners were ranked on a scale of 0 to 4, with category 3 indicating simple pneumoconiosis.

A. Of 523 Pennsylvania anthracite miners, 53, or 10.1% had worked only above ground. None of these were included in categories 3 or 4.

B. Of 1,461 Pennsylvania bituminous miners, 94, or 6.4% had worked only on the surface. None were included in categories 3 or 4.

C. Of 2,216 West Virginia bituminous miners, 211 had worked only on the surface. None were included in categories 3 or 4.

The data indicates, therefore, that the incidence of pneumoconiosis among surface miners could range up to 1.8%. Using the rough estimate of 25,000 surface miners in the U.S., the number affected could range as high as 450 individuals. Since only a portion of surface miners are strip miners, the number of strip miners affected would probably be considerably less.

Mr. DENT. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Pennsylvania.

Mr. DENT. I will say to the gentleman that we do not intend in any manner to change the criteria for payments.

Mr. MICHEL. Excuse me?

Mr. DENT. We do not intend to in any way change the criteria for payments. In other words, a man must have pneumoconiosis in order to qualify under the act.

Mr. MICHEL. I have no intention to change the criteria for eligibility in any way whatsoever.

Mr. DENT. Mr. Chairman, the gentleman's amendment is satisfactory to me and I am sure the committee on our side will accept it.

Mr. MICHEL. I thank the gentleman from Pennsylvania.

Mr. RAILSBACK. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I shall be happy to yield to my colleague from Illinois (Mr. RAILSBACK).

Mr. RAILSBACK. I thank the gentleman for yielding.

Mr. Chairman, I simply wish to commend my colleague for his amendment. There are many people who would not otherwise be covered by legislation were it not for this amendment. I know that the gentleman has many strip miners in the district which he represents. There are also many in the 19th Congressional District, which I represent and which happens to be contiguous to that of the gentleman from Illinois (Mr. MICHEL). Such strip miners deserve to be protected. I want to congratulate the gentleman from Illinois for his much-needed amendment.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Illinois.

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for yielding.

I believe the amendment offered by the gentleman from Illinois (Mr. MICHEL) is good. I would point out that in England, for instance, they refer to the disease not as coal miners' pneumoconiosis, but coal workers' pneumoconiosis, because they work with coal whether underground, or in a ship being loaded with coal, or at the tipple, as the gentleman referred to, and are subject to the same disease, pneumoconiosis.

I commend the gentleman for this amendment.

Mr. SCHERLE. Mr. Chairman, will the gentleman yield?

Mr. MICHEL. I yield to the gentleman from Iowa.

Mr. SCHERLE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, I rise in support of this amendment.

We all support safety legislation; however, to inject Federal workmen's compensation would be wrong.

This section of the bill would establish a special system of Federal workmen's compensation payments for a small group of employees in one industry who are affected by one specific disease. For humanitarian reasons alone we are all sympathetic with any employee who is afflicted with an occupational disease—or, for that matter, with any disease, whatever its origin. Everyone is in agreement that the victims of occupational diseases should be adequately compensated; however, this historic, far-reaching proposal for disabled miners is the wrong way to solve this problem.

The great dangers with this bill are twofold. First, it would undermine our State workmen's compensation system. Second, it would begin a new special social security disability program on top of our existing Federal system.

The State workmen's compensation system was our first form of social insurance. Every State has its own system of providing benefits for work-connected injuries and diseases. Such systems have been functioning successfully for over 50 years. They are still being refined and perfected. This is a continuing process.

There is universal agreement that our State workmen's compensation laws should provide adequate compensation for on-the-job diseases as well as on-the-job injuries. Thirty-eight of our States have broad occupational disease coverage for disabled employees. The remaining States list a schedule of compensable diseases. Improvements are being made in these laws by the State legislatures whenever necessary.

Section 112(b) of this bill would start a new system of Federal workmen's compensation payments for retired or active coal miners with pneumoconiosis. If this section is not struck, it will be the first step toward the ultimate federalization of all workmen's compensation.

This bill offers no incentive or encouragement to the States to further improve their occupational disease laws for coal miners. In fact, if the Federal Government is going to foot the bill, the States will be encouraged to do nothing.

The payments made would be discriminatory. They would apply only to workers suffering one specific disease in one specific industry. This is a step backward. For 50 years we have been working in this country for broad occupational disease or disability benefits. It would be a mistake to begin legislating special payments for this or that group of employees, in this or that industry, for this or that particular disease.

The other great problem to consider is whether this type of legislation would not start a second fragmentary Federal social security disability program. We already have a broad disability program under our social security system. Our citizens are entitled to payments when they are totally disabled without regard to whether the disability arose on or off the job. Section 112(b) of this bill takes no recognition of the fact that coal miners who are totally disabled from black lung disease can apply for disability under the Social Security Act. In fact, a number of the disabled coal miners who appeared at the hearings stated they were receiving monthly social security disability payments.

The great danger here is that we would be starting a third system of governmental disability insurance on top of the already existing State workmen's compensation system and Federal social security disability system. We begin with coal miners with black lung, but where do you stop? The list of industries and occupational diseases is endless. If this legislation is adopted each Congress from now on will be faced with special pleas for special workmen's compensation payments to special categories of employees in various industries for specific diseases. Without question, workmen's compensation should remain the responsibility of the States.

This section of the bill would set an unwise precedent. For the reasons cited, I strongly urge that we not start down this dangerous road.

Mr. MICHEL. Mr. Chairman, I ask for a favorable vote on my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MICHEL).

The amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 3. Title IV of the Federal Coal Mine Health and Safety Act of 1969 is amended—

(1) by striking out "1971" where it appears in section 414(b), and inserting in lieu thereof "1973",

(2) by striking out "1972" each place it appears and inserting in lieu thereof "1974",

(3) by striking out "1973" each time it appears and inserting in lieu thereof "1975", and

(4) by striking out "seven" where it appears in section 422(e) and inserting in lieu thereof "nine".

Mr. ERLENBORN (during the reading). Mr. Chairman, I ask unanimous consent that section 3 be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Illinois?

There was no objection.

### AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: Beginning at page 10, line 18, strike the language through page 11, line 2, and renumber the subsequent sections accordingly.

Mr. ERLENBORN. Mr. Chairman, I rise in opposition to section 3, and in support of my amendment to delete this section from the so-called double-orphans bill. My reasons are three-fold, but before enumerating them let us carefully examine what section 3 would do.

It would extend Federal participation in the black lung program an additional 2 years. Under present law the program will be shifted from the Social Security Administration and Federal responsibility to the States and to the mine operators for claims that are filed after January 1 of 1973.

This extension called for in section 3 should be rejected because there is no evidence in the Record or the hearings, or elsewhere, that such an extension is needed.

This extension represented in section 3 of the bill represents a backward step, since the program was inaugurated with the view that the States would take it over. In my view an extension of Federal participation of this program is the first step in federalizing the entire program. It is an indication that we never intend to turn it over to the States, even though it has cost so far some $500 million, and will be extended at a much greater expense, an annual expense to the general funds of the U.S. Treasury.

There is no separate fund involved here. There are no payments by the States, no payments by the coal mine operators.

On January 22 of this year the chairman of the full committee, the gentleman from Kentucky (Mr. Perkins) introduced H.R. 18 to extend for an additional year the existing program for black lung benefits. This has already been supplanted by requests for this 2-year extension.

You do not need a crystal ball to predict 2 years from now the gentleman will be back asking for still another extension. It is about time that Congress got out of the workmen's compensation program.

No one disputes that both the proponents and opponents of the original program understood that Federal participation was to be an interim measure, and the payments for work-related injuries fall properly within the realm of State workmen's compensation laws.

Finally, it should be noted that the failure to grant this extension does not mean that payments to black lung sufferers will cease.

They will continue. If the State does not have a comparable workmen's compensation benefit for black lung, the victims will then still be entitled to have Federal participation to the extent of having their claims adjudicated and payments made on their behalf if the States do not have a program and the cost then would be borne by assessments by the Federal Government against the coal mine operators.

With the Federal Government's deficit running as large as it is, I see absolutely no reason why we should extend payments from our general revenue funds. These benefits are occupationally related and ought to be treated the same as all other workmen's compensation benefits.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield for a question?

Mr. ERLENBORN. I yield to the gentleman.

Mr. ANDERSON of Illinois. Does the gentleman have a breakdown as to what this would mean for the States financially? We are experiencing, as the gentleman well knows, in our own State of Illinois at the present time something of a financial crisis. Welfare cuts have had to be made and other cuts have had to be made.

What would this add to the State's financial burden if we were to turn it back to the States?

Mr. ERLENBORN. My understanding, I would say in response to the gentleman, is that workmen's compensation is not paid for out of the State's general fund but is paid for through premiums paid for by the employer.

So, in my opinion, this would not be an expense to the State.

Mr. ANDERSON of Illinois. It would not exacerbate the financial crisis that is faced by many States?

Mr. ERLENBORN. That is exactly right. What this provision really does is grant relief for the coal mine operators who would otherwise be paying the cost of the workmen's compensation program, at a time when the coal mines are operating at maximum capacity. The cost of coal has been increased and there has been an ever-increasing demand for coal and I see no reason to bail out the coal mine operators in this fashion by the utilization of the taxpayers' funds from the general treasury.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. ERLENBORN. I yield to the gentleman.

Mr. ASHBROOK. I am particularly glad that the gentleman from Illinois made this point because in the previous colloquy, I should say, the rebuttal that the gentleman from Pennsylvania made to my remarks, he talked in terms of savings of money. I never at any time mentioned savings. I talked in terms of where the burden should properly be. If the gentleman recalls correctly, I stated that this approach would remove the burden from the coal mine operators.

Mr. ERLENBORN. Mr. Chairman, I am glad the gentleman from Ohio has set the record straight in that regard.

An awful lot of debate here today has entailed answering comments that were never made or questions that were never asked. I would not accuse the gentleman from Pennsylvania of purposefully twisting the remarks of the gentleman from Ohio or deliberately in any fashion doing that, but I am afraid that he has not been listening as carefully as he might and he is only too ready to assign motives to other people.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I would say to the gentleman from Illinois that if what you accuse me of are faults—I deny them. If they are credits—I accept them.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. DENT. I do not yield at this time.

Mr. Chairman and members of the committee, apparently the amendments that have been defeated in committee time and again are to be repeated here so we can look forward to at least 2 or 3 or more amendments on this subject.

I only intend to say to the House that the committee has reviewed this amendment. We know that not one single State in the Union has been able to swing their legislative operation into gear since March when the record contained the criteria set up for compliance by the States.

We are meeting here today—right on Capitol Hill—with a committee of Pennsylvania legislators and those who are involved in this particular division of the Pennsylvania State government, for the 4th time, trying to work out some kind of plan so that Pennsylvania, which is the most advanced State in the Union in the matter of payments for black lung, can work its laws and change its legislative enactments in order to comply with and come under the Federal act

No matter when the responsibility is turned over to the States, all of those who are included in the Federal list will continue to be paid out of the Federal Treasury. The only new payments that will be made by the States will be those that come after the Federal obligation expires.

The House in its wisdom accepted the responsibility for that great population of miners who drifted from State to State but were eligible for payments, and we are paying it out of the Federal Treasury. The payments, when the program reverts to the States, will come, yes, in some instances, from a payment of employer to employee, but in our own State, when we started the act in Pennsylvania, we paid it out of the public treasury of Pennsylvania until we were able to ascertain the responsibility per miner, per operator, per employer. We could not do it in any other way. That is the only manner in which you can do it. In 2 years we fully expect that every State in the Union will be able to implement their laws in complying with the mandate that the States takes over all new claims.

There is a bright side of this thing. This is a disease that will die out with the present victims of pneumoconiosis. We have reached the 3 milligrams of dust level in most of the mines of the United States. We have reached 2 milligrams, which the English said could never be reached. We have reached a virtual zero point in dust in some of the mines in this great country of ours.

There is only one way a person can get black lung and that is from dust, and we are eliminating the dust. There will not be any big load on the States when eventually the States comply with the law. Right now it is impossible. They do not have the law or the machinery to do so. They need time. I beg of you to defeat the amendment.

Mr. GREEN of Pennsylvania. Will the gentleman yield?

Mr. DENT. I yield to the gentleman from Pennsylvania.

Mr. GREEN of Pennsylvania. Will the Federal Government continue to pay the claims filed in 1972, and through what department, since the responsibility of the Department of HEW ends on December 31, 1972?

Mr. DENT. Yes. The Department of HEW, under current law, is responsible for those claims filed only during 1972, and the Labor Department is ultimately responsible for all those filed after 1972.

Mr. GREEN of Pennsylvania. Will the U.S. Department of Labor accept claims filed after January 1, 1973, from claimants who are disabled but were employed years ago and have no current employer to hold responsible?

Mr. DENT. Yes.

Mr. GREEN of Pennsylvania. Will the U.S. Secretary of Labor, in approving a State plan, require total funding by employers or can funding be shared by the employer and the State?

Mr. DENT. The Secretary will require total funding. If a State makes payments as well as an employer, the State share can reduce the operator's obligation that amounts to joint funding.

Mr. GREEN of Pennsylvania. Will the Federal Government continue payments after 7 years if, first, a State has an approved plan, and, second, if a State does not have an improved plan?

Mr. DENT. Yes, in either situation, provided the claim was filed during the eligible period.

Mr. GREEN of Pennsylvania. On and after January 1, 1973, must a State that has a statutory black lung program provide benefits equal to Federal payments for claimants rejected or terminated under the Federal program but eligible under a State program?

Mr. DENT. No. If a State wants to provide benefits for claimants other than those in the Federal law, the State is not obligated to provide equal benefits for those other claimants as well.

Mr. GREEN of Pennsylvania. I thank the gentleman.

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. DENT. I yield to the gentleman from California, if I have any time remaining.

Mr. BURTON. Is it not a fact that if this provision as reported out by the committee is not sustained, that starting January 1 the Secretary of Labor will have to directly go to every coal operator individually in the country to enforce the provision which will require those coal operators to comply with the terms of the bill and work out payment arrangements for direct workmen's compensation premiums through the Secretary of Labor? Those who operate the coal mines state there has not been a single large coal mining State legislature that has been able to comply with the terms of the bill, and they are asking for only enough time for the State legislatures to enact wise legislation.

Mr. DENT. The gentleman is correct.

The CHAIRMAN. The time of the gentleman from Pennsylvania has expired.

Mr. FLOOD. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from Pennsylvania is recognized.

Mr. FLOOD. Now, I did not intend to do this, but I would like to talk to my friends on the other side of the aisle. I have a right to. I have both nominations. Everybody in a sense is really trying to draw blood here, and so will I. I have a very long fuse, after nearly 30 years here. I do not get mad much about anything any more, except when Mrs. Flood says, when she gets mad at me, she is going to cut off half of my mustache. That would be a dirty trick—cut off half. But let me show how far some of these people have gone in their deadpan, sanctimonious, glib presentation. Hold your watch, boys, and if you have gold in your teeth, keep your mouth shut.

The gentleman from Illinois (Mr. Michel)—and it is "Mishel" and not "Mikel"—is the ranking Republican on the Appropriations Subcommittee that handles this bill, and I am the chairman. If the gentleman from Kentucky (Mr. Perkins) and the gentleman from Pennsylvania (Mr. Dent)—and the Members are going to defeat this amendment and pass their bill—come back to Michel and Flood and we are here, with the help of God, 2 years from now, and they think they are going to get any more extension of time to file under the Federal funds section at the end of that period, they are out of their individual and collective heads, I am telling the Members that now. So scratch that. This will not be extended. It was never intended to be, and it is not going to be.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Mr. Chairman, I have something more to say, and then, of course, I will yield. I will get the time to do it. The gentleman is all right. He is now the new conscience of the House, and I understand my friend, the gentleman from Michigan (Mr. Ford) approves it. The gentleman is all right. He is getting in on the gentleman from Missouri (Mr. Hall) and the gentleman from Iowa (Mr. Gross) here, but that is all right.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Just a minute.

Now there is a second point, and the gentleman from Pennsylvania (Mr. Dent) did not mention this. Now hear this.

My friend, the gentleman from Illinois, is a conservative Republican at heart, and he is bleeding now for the taxpayer, but the coal companies—ai, yi, yi. The Republican coal companies are going to benefit, and he is going to break down and cry when they do? He is going to have to see the priest if he says that out loud.

The coal companies. Can the Members imagine John Francis Aloysius Flood in the well of this House defending the coal companies and in favor of the coal companies? Do not be ridiculous. And go back to my district and say that. Why, the coal companies have held meetings since 1924, when I had 66,000 men—of course, I have no great interest in this fight. In 1924 I had 66,400 men in the hard coal working underground in my county. Today I have got 1,200. And yet I vote for the gas people and I vote for the oil people for 25 years. I have no great ax to grind here, as the soft coal people do. But the coal companies held meetings every morning before elections for 25 years and called in their fine boys and their mine boys to beat Flood in a Republican district, and they could not do it. And I am for the coal companies? No. That is the second "truism" that the Members have heard today. We cannot say "lie," because somebody will take down my words.

No, there are other things, my friend says.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentleman for yielding.

Mr. FLOOD. I was sure the gentleman would.

Mr. ERLENBORN. The gentleman has said after next year he would not appropriate funds.

Mr. FLOOD. After this bill is passed there are 2 years more.

Mr. ERLENBORN. If the gentleman will yield, I wonder if the gentleman will tell this House about it.

Mr. FLOOD. I am telling the gentleman, and next year he can back me up on it.

Mr. Chairman, I am doing a monolog here.

Mr. BURTON. Mr. Chairman, will the gentleman yield?

Mr. FLOOD. Oh, yes, all right, I yield to the gentleman from California (Mr. Burton).

Mr. BURTON. As I understood the gentleman, he was not saying he was going to cut off those claimants whose claims were filed or approved under the law.

Mr. FLOOD. Of course, the gentleman knows that.

As a matter of fact my friend from Illinois came down here when we were on suspension and had me in tears. His heart was bleeding for the double orphans. Sacre bleu, mon Dieu. He is going to hell for it. Well, imagine.

Mr. QUIE. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I yield to the gentleman from Illinois (Mr. Erlenborn).

Mr. ERLENBORN. Mr. Chairman, I thank the gentleman for yielding.

Let me say I enjoyed the performance of the gentleman who preceded me in the well, a minute ago. I believe the Shakespearean stage has been the loser and the House the gainer by having his presence here.

Let me make clear to the Members of the House what this provision will do. In the law today those who qualify for Federal benefits continue to be the responsibility of the Federal Government. For a period of 2 years we were to pick up the backlog of all those who contacted this disease over the past 40 or 50 years. Then, having taken care of the great bulk of those who suffer from the disease, the law was designed to say that in the future those who contact this disease should be compensated under State workmen's compensation law; if the State has no appropriate compensation law, however, the Federal Government will continue to adjudicate and pay legitimate claims.

What the existing law does is create a cause of action by the Federal Government against the coal mine operator.

There can be only one result of the extension of Federal responsibility; that is, to wipe out for that 2-year period the cause of action against the coal mine operator.

If the States adopt the program the coal mine operators will pay for it through workmen's compensation insurance premiums.

If we do not extend this and there is no State workmen's compensation law governing it, the Federal Government will sue the coal mine operator to cover.

In no event does it cost the miner The State does not bear a share of the cost as the bill is. So extending the Federal responsibility saves nothing for the States and simply imposes the costs on the Federal Government. It spares the coal mine operators and puts the burden on the taxpayers out of the Federal general funds.

Members should understand that when they vote on this. If they believe we need a greater drain on our Federal general funds so that we can save the coal mine operators this cost, they should vote against the amendment. If they believe it is fair for the coal mine operators to pay for this type of workmen's compensation, as other employers do pay for it, they should vote for my amendment.

Mr. PERKINS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, first let me state that I will take only 1 minute.

We are talking about legislating for the welfare of human beings here, not for cold and impersonal statistics. It is a matter of justice to extend this act from January 1, 1973, to January 1, 1975; to strengthen the legislative mandate to the administration to assure benefits to thousands of people who have been denied them; to let the State legislatures have time to enact appropriate statutes providing pneumoconiosis benefits.

The 2-year extension is the minimum time that should be provided.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ERLENBORN).

The question was taken; and the Chairman announced that the noes appeared to have it.

### TELLER VOTE WITH CLERKS

Mr. ERLENBORN. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. ERLENBORN. Mr. Chairman, I demand tellers with Clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. ERLENBORN, DENT, QUIE, and PERKINS.

The Committee divided, and the tellers reported that there were—ayes 133, noes 246, not voting 52, as follows:

[Roll No. 376]

[Recorded Teller Vote]

### AYES—133

Abbitt
Abernethy
Anderson, Ill.
Andrews, N. Dak.
Archer
Arends
Ashbrook
Belcher
Bell
Betts
Bow
Brinkley
Broomfield
Brown, Ohio
Broyhill, N.C.
Burke, Fla.
Burleson, Tex.
Byrnes, Wis.
Cabell
Cederberg
Chamberlain
Cleveland
Collins, Tex.
Colmer
Conable
Conte
Crane
Davis, Wis.
Dellenback
Dennis
Devine
Dickinson
du Pont
Dwyer
Edwards, Ala.
Erlenborn
Esch
Fish
Flynt
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Gross
Grover
Haley
Hall
Hammerschmidt
Hansen, Idaho
Harvey
Hastings
Henderson
Hosmer
Hunt
Hutchinson
Jarman
Jonas
Jones, N.C.
Jones, Tenn.
Keith
Kemp
King
Kuykendall
Kyl
Latta
Lennon
Lent
McClory
McCollister
McCulloch
McDonald, Mich.
McEwen
McKevitt
Mahon
Mailliard
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Mills, Md.
Minshall
Mizell
Montgomery
Morse
Nelsen
Pirnie
Poage
Powell
Price, Tex.
Purcell
Quie
Railsback
Rarick
Rhodes
Roberts
Robinson, Va.
Robison, N.Y.
Rousselot
Runnels
Ruth
Sandman
Satterfield
Scherle
Schmitz
Scott
Sebelius
Shoup
Shriver
Sikes
Smith, Calif.
Smith, N.Y.
Spence
Springer
Steiger, Wis.
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Vander Jagt
Widnall
Wiggins
Wilson, Bob
Winn
Wyatt
Wylie
Young, Fla.

### NOES—246

Abourezk
Abzug
Adams
Addabbo
Albert
Alexander
Anderson, Calif.
Andrews, Ala.
Annunzio
Ashley
Aspin
Aspinall
Badillo
Baker
Begich
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanton
Blatnik
Boland
Bolling
Brademas
Brasco
Bray
Brooks
Brotzman
Brown, Mich.
Broyhill, Va.
Buchanan
Burke, Mass.
Burlison, Mo.
Burton
Byrne, Pa.
Byron
Caffery
Carey, N.Y.
Carney
Carter
Casey, Tex.
Celler
Chisholm
Clark
Clay
Collins, Ill.
Conyers
Cotter
Coughlin
Culver
Daniel, Va.
Daniels, N.J.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Dingell
Donohue
Dorn
Dow
Downing
Drinan
Dulski
Duncan
Eckhardt
Edmondson
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Flowers
Foley
Ford, William D.
Fraser
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Gibbons
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gude
Hagan
Hamilton
Hanley
Hansen, Wash.
Harrington
Harsha
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Horton
Howard
Hull
Hungate
Jacobs
Johnson, Calif.
Johnson, Pa.
Karth
Kastenmeier
Kazen
Kluczynski
Koch
Kyros
Leggett
Long, Md.
Lujan
McCloskey
McCormack
McDade
McFall
McKay
McKinney
McMillan
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mikva
Miller, Calif.
Miller, Ohio
Minish
Mink
Mitchell
Mollohan
Monagan
Moorhead
Morgan
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nichols
Nix
Obey
O'Hara
O'Konski
O'Neill
Passman
Patten
Pepper
Perkins
Peyser
Pickle
Pike
Podell
Poff
Preyer, N.C.
Price, Ill.
Pucinski
Quillen
Randall
Rees
Reid, N.Y.
Reuss
Riegle
Rodino
Roe
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sarbanes
Saylor
Scheuer
Schneebeli
Seiberling
Sisk
Skubitz
Slack
Smith, Iowa
Snyder
Staggers
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Teague, Tex.
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
Whalley
White
Whitehurst
Williams
Wilson, Charles H.
Wolff
Wright
Yates
Yatron
Young, Tex.
Zablocki
Zion

### NOT VOTING—52

Anderson, Tenn.
Baring
Barrett
Blackburn
Boggs
Camp
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Collier
Corman
Derwinski
Diggs
Dowdy
Edwards, La.
Goldwater
Goodling
Gubser
Halpern
Hanna
Hébert
Ichord
Jones, Ala.
Keating
Kee
Landgrebe
Landrum
Link
Lloyd
Long, La.
McClure
Macdonald, Mass.
Madden
Mills, Ark.
Mosher
Murphy, N.Y.
Patman
Pelly
Pettis
Pryor, Ark.
Rangel
Schwengel
Shipley
Stanton, J. William
Thompson, N.J.
Veysey
Vigorito
Whitten
Wydler
Wyman
Zwach

So the amendment was rejected.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

SEC. 4. The first sentence of section 413(b) of such Act is amended by inserting before the period at the end thereof the following: ", but no claim for benefits under this part shall be denied solely on the basis of the results of a chest roentgenogram".

### AMENDMENT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. ERLENBORN: Beginning at page 11, line 3, strike the language through line 7.

Mr. ERLENBORN. Mr. Chairman, let me first of all announce, because I know it will please the membership, that this is the last amendment I have to offer today. As far as I know it may be the last one that is offered on the bill.

This would strike the last section of the bill, section 4 relative to the prohibition of the use of the X-ray.

On initial examination the insertion of this language that "no claim for benefits under this part shall be denied solely on the basis of the results of a chest roentgenogram," seems innocuous and an attempt to give fair and just evaluation of a claim for black lung benefits. But a more thorough analysis of the effect of such language discloses a far different result. It is important to keep in proper prospective the original purpose of the benefit program. It was to provide benefits for miners who were totally disabled due to black lung as a result of many years of exposure in the coal mines. The program was not designed or intended to give benefits to miners who become totally disabled from other causes. Thus, a miner who develops emphysema, a lung disease that is contracted by people irrespective of their particular occupation, or bronchitis or pneumonia or any of an innumerable list of other ailments would not be eligible for benefits under this program even if they became totally disabled as the result of such a disease, and even though he may have worked in the coal mines for 20 years. In effect, just being a coal miner for a long period of time does not qualify an individual for benefits under this program.

If a chest X-ray discloses black lungs, benefits can be paid solely on the basis of such an X-ray. If the X-ray discloses some evidence of black lung, additional tests are made to determine its severity and its degree of disability. If an X-ray discloses no evidence of black lung, claims have been denied.

The Social Security Administration report explains the use of the X-ray in this way—this establishment of claims by X-ray is based on the prevailing medical judgment that in the absence of positive X-ray evidence, the disease does or does not exist to a degree that would have a significant effect on the claimant's functional capacity.

Moreover, where other diseases exist like emphysema or chronic bronchitis which have some similarity to black lung, a consensus of medical expert judgment is that there is no other means than the X-ray presently available to diagnose and distinguish black lung from other respiratory diseases in a living person with the exception of a biopsy.

Now there is a great misunderstanding due to a great deal of publicity that has been given on this subject, that some people who have lung troubles have been denied pneumoconiosis compensation, and where such claimant later died and an autopsy shows that there was evidence of pneumoconiosis. However, none of this evidence shows there these cases involved pneumoconiosis that was totally disabling—and that is the basis that is established in the legislation for compensation. Eliminating the X-ray will extend benefits to those who were never meant to be covered. Again that will put a greater burden on those who are supposed to take over this program if it ever becomes anything other than a Federal program.

Contrary to what some would have you believe, social security has been administering this program in a very fair and liberal way. Many claims have been denied. All this means is not everyone who has filed a claim is totally disabled due to pneumoconiosis. Approximately half of the claims have been allowed. A greater number of them have been allowed in Pennsylvania where a great number of coal miners have retired who have worked many years in the anthracite fields. The elimination of the X-ray as a means for diagnosis and a reason for denial of the claim will do nothing to improve this program. It will only extend benefits to those who are suffering from diseases that are not and should not be compensable.

Mr. DENT. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman and Members, I will not read the entire correspondence from the American College of Radiology, but I will read what they recommended to the committee—and the committee followed their recommendations. I believe it is important to know that these are the top experts in the entire United States on the diagnosis of the disease through the use of X-rays, radiology. They recommended to this committee—and I quote from their correspondence—

> Rather, we would suggest language which would direct the Secretary to take into consideration any and all clinical findings which would be provided by the miner or his physicians—including the X-ray findings.

I include the entire letter in the RECORD.

The letter is as follows:

AMERICAN COLLEGE OF RADIOLOGY,
*Chicago, Ill., June 30, 1971.*

Hon. JOHN H. DENT,
*Chairman, General Subcommittee on Labor, House Committee on Education and Labor, Rayburn House Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: Thank you for the opportunity to comment upon the language in H.R. 9212 which is now pending before your committee. As the representative body of the nation's medical specialists in the uses of x-rays for diagnosis of diseases, we are most concerned with the implications in Section 4. This current language would have the effect of disqualifying the one objective medical examination now available to physicians and government officials in determining the condition of a miner or former miner with regard to his status under the law.

It is axiomatic in good medical practice that x-ray examinations are requested and performed as part of a clinical process which leads to a diagnosis and possible treatment of a patient's health problem. For some conditions, the x-ray finding is the definitive evidence for the physician managing the case. In others it is contributory to his conclusion and in still others it provides little or no helpful information. In perhaps a majority of all x-ray examinations, a negative finding (i.e., the part examined appears to be normal) can be vital in ruling out a myriad of possible causes of a patient's complaint.

In the instance of coal workers' pneumoconiosis, the patterns of dust retention in the lung make extremely difficult a positive diagnosis of the disease in its early stages. In the later stages, the accumulation of foreign matter usually becomes more evident on well executed x-ray examinations. However, not all persons exposed to concentrations of coal dust respond in the same way. It has been demonstrated that miners with x-ray evidence of advanced pneumoconiosis are still functional and seemingly have unimpaired lung function. Conversely, other miners with no x-ray evidence of pneumoconiosis are by any clinical standards disabled. There is a further problem in that miners with emphysema, bronchitis, lung tumors and other respiratory ailments will suffer more from an accumulation of coal dust in their lungs than will their colleagues who do not have these basic problems.

In addition to x-ray examinations, physicians attempting a medical diagnosis of pneumoconiosis would ordinarily rely upon a patient history, a physical examination and, where available, a pulmonary function study. Unfortunately, facilities for pulmonary function studies and physicians skilled in making them are not available to the extent that these can be utilized as a routine procedure in most mining communities. In most cases, reliable efforts to determine the cause of the respiratory disability demonstrated by the minor is still dependent upon the findings of the chest x-ray examination.

There is a further problem in that the production of a roentgenogram which can demonstrate pneumoconiotic lesions requires a level of skill which was not always found in the persons performing such duties in mining communities. Likewise, physicians not specially trained in radiology or chest disease may fail to appreciate the subtle markings which distinguish pneumoconiosis from other lung conditions. Thus, while the x-ray examination is an essential part of the diagnosis of pneumoconiosis, its contribution and reliability could be enhanced by greater attention to the inherent problems in the procedure.

During the months since the passage of PL 91–173, this organization has been working with the National Institute of Occupational Safety and Health of the Public Health Service and the Bureau of Disability Insurance and the Bureau of Hearings and Appeals of the Social Security Administration on an intensive program to acquaint physicians in the mining areas with the special responsibilities under the act. Through this program, more than 850 physicians in the mining areas have become qualified by the PHS for participation in its program and most of these doctors have participated in SSA efforts as well. The training, in seminars and home study materials, has stressed the need for good films and for an apprecation of the type of pathology seen in black lung problems plus the use of the standardized system of reporting findings. In addition, special efforts have been made to improve film quality by instructing the x-ray technologists and other physician's assistants who make the exposures. These efforts not only contribute to the effectiveness of the act but also provide a solid base for better x-ray examinations in the communities served by these physicians.

Thus, we would argue that the language of Section 4 would be detrimental to the purpose of the amendment and of the basic act. Rather, we would suggest language which would direct the Secretary to take into consideration any and all clinical findings which would be provided by the miner or his physicians—including the x-ray findings. Where a miner is deceased, the existing x-ray examination may be the only objective evidence subject to review by the Secretary. The language might more appropriately read, "but a claim for benefits under this part shall be denied solely on the basis of a chest roentgenogram only when no other clinical findings are available or can be provided to the Secretary."

You can appreciate that this brief discussion is necessarily general. It cannot reflect the total subject or the differences of interpretation and opinion held by physicians and others concerned with the black lung problem. We do hope that it has been responsive to your request and that you will feel free to use this material in any way or to call upon us for additional assistance.

Sincerely,
SEYMOUR F. OCHSNER, M.D.,
*Chairman, Board of Chancellors.*

Mr. Chairman, that is exactly what the legislation before you does. We do not in any way prohibit the use of X-ray, nor do we curtail the use of it. We merely say that there are other examinations that can be conducted to make a complete and honest diagnosis of the case and they can be used. We simply do not want a claim denied solely on the basis of an X-ray.

This is a peculiar thing. Here we are in the United States arguing about a condition that has been known to us for years and which we have done little about. But in Germany, in 1929, they passed the first law on black lung as an occupational disease, and they have been operating under it ever since. It is probably the most advanced legislation in the field of occupational disease in the entire world.

Hopefully, this bill will enable us to have the best piece of legislation in the entire world for the unfortunate victims of black lung.

Let me read what the Germans have said.

The Germans say that X-rays often fail to show the presence of black lung disease. Even without reliable X-rays, German doctors can detect black lung disease in its early stages. That is one of the difficulties with X-ray. One of the difficulties with the X-ray is that it will not, in many cases, detect the disease in its early stages, and it is imperative not only to the health of the miner but to the workings of this legislation that the early stages be detected, because when we detect the early stages, we prohibit the man from working in a place where there is dust. He must be put into a position where there is relatively little dust in order that no further damage will be done to his lungs, and therefore he cannot become a victim of black lung.

So they can use other clinical tests, such as reliable blood tests. They can discover by breathing tests early stages of the disease. Sometimes by their treatment they can prevent further stages of the disease which bring a man to a fatal end.

We have here the testimony of our own Surgeon General before our committee. The Surgeon General said—

> * * * Coal miners' pneumoconiosis is a distinct clinical entity, resulting from inhalation of coal dust. Physicians diagnose it on the basis of X-ray evidence of nodules in the lungs of a patient with a history of long exposure to coal dust. *However, it should be pointed out that data from postmortem examinations indicate a higher prevalence of the disease than can be diagnosed from X-ray examinations.*

I would much rather take the opinion of the Surgeon General of the United States than some bureaucrat working in some section of the social security group.

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. DENT. I am happy to yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentleman. That does not say "complicated pneumoconiosis" that is totally disabling. The only thing that is compensable under this law is complicated pneumoconiosis which is totally disabling. There is no medical opinion that says this cannot be seen by X-ray. The gentleman is talking about the early stages which are not compensable.

Mr. DENT. I thank the gentleman, for that points up what I said. We do not want to wait until the later stages to make it compensable. We want to discover it in its early stages.

Moreover, the law provides benefits to miners who are totally disabled due to pneumoconiosis without regard to whether the disease has yet reached the complicated stage.

Mr. REID of New York. Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I rise in opposition to the amendment and state at the outset that there is a difference of opinion on this question. I have sought both through the Secretary of Health, Education, and Welfare, Elliot Richardson, and the Bureau of Disability Insurance, to try to get to the truth of the matter. Let me report to the Members from the report the Secretary sent to me, and I will read just one section.

This report stated:

> There is some minority medical opinion to the effect that disabling pneumoconiosis may exist in the absence of positive X-ray evidence thereof.

Further, the Secretary, in this report he has sent to me, pointed out:

> We are currently carrying out a pilot project in conjunction with the Public Health Service to determine the effectiveness and feasibility of developing a simplified exercise test for individuals who have "simple" pneumoconiosis but whose ventilatory capacity does not demonstrate total disability on the basis of conventional pulmonary function tests. The project is expected to lead the way to establishing additional methods and criteria for evaluating total disability.

The doctor they have selected to participate in this test is Dr. Rasmussen, whom I have been in touch with both on the phone and in writing. He says there are tests that can detect total disability, that is complicated pneumoconiosis, that is serious, that does not show up on X-rays, that can be made by drawing blood samples and determining the amount of oxygen in the blood of an individual as he runs on a treadmill. Dr. Rasmussen strongly feels that using X-rays alone is a mistake and a grave injustice, and that while X-rays will show some black lung, it has been proven that they do not always register the existence of black lung.

Therefore, I am urging that other professional diagnostic techniques and approaches be allowed by the Federal Government in order to determine these benefits.

Mr. PERKINS. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the chairman of the committee.

Mr. PERKINS. Mr. Chairman, first let me compliment the gentleman from New York for opposing this amendment. We are only proposing that negative X-rays shall not be the sole basis for denial?

Mr. REID of New York. That is correct.

Mr. PERKINS. And if we did not protect the individual to that extent, since we have had several millions of individual coal miners in this country who have worked in the mines, and the majority of denials, or over 150,000 have been solely on the basis of X-rays, if we let a condition like that exist in the law, I personally feel we would be doing a great injustice. If the gentleman who has expressed it so clearly will permit me to read one paragraph of a letter from Dr. Neal Calhoun of Hopkinsville, Ky., to the Honorable FRANK STUBBLEFIELD, he says:

> The Social Security Administration refuses to accept the clinical impression of the patient's family physician; they refuse to accept anything except drastic reduction of pulmonary function and pneumoconiosis on the chest X-ray, or autopsy findings, or biopsy findings. This prevents thousands of people from obtaining their benefits who are justly due them. I have several patients who have such poor pulmonary functions that they cannot undergo open lung biopsy because they would die with pneumonia from such a minor procedure. The people in the Social Security Administration know this, and consequently they feel safe in rejecting these individuals, knowing that the physician will not jeopardize their lives in order to obtain their benefits. Therefore, we, the practicing physicians, and the patient are forced to wait until he does and get an autopsy.

Mr. Chairman, I compliment the gentleman.

The CHAIRMAN. The time of the gentleman from New York has expired.

(By unanimous consent, Mr. REID of New York was allowed to proceed for 3 additional minutes.)

Mr. ERLENBORN. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the gentleman from Illinois.

Mr. ERLENBORN. I thank the gentleman for yielding.

First of all, the gentleman read from the report of HEW only one sentence of a paragraph. I should like to have the balance of that paragraph in the RECORD. It says:

> However, this issue was thoroughly considered by the Social Security Administration, through extensive consultation with a wide range of medical specialists, and the requirement was included in the regulations as reflecting the overwhelming consensus of medical judgment on the issue.

The gentleman in the well, as well as the gentleman from Pennsylvania, has spoken in terms of allowing the Social Security Administration to use other diagnostic techniques. There is nothing in the act which requires them to use an X-ray or any other type of diagnostic technique. They can use any that are, within current medical usage according to the consensus of medical judgment, proper ones.

The first step we are going to take toward dictating to Social Security how they are to engage in these medical tests is the one proposed in this bill; that is to say, against the greater weight of medical evidence we are going to supplant our judgment and say that the X-ray cannot be used as the sole basis for denying a claim. This is the first intrusion into the Social Security Administration's ability to determine how to administer this law.

Mr. REID of New York. I appreciate

the gentleman's comment, but he did not have in his possession the analysis of the Secretary's document from Dr. Rasmussen, who had been asked by the Department to be part of the study. He said in this analysis that—

> The continuing reference to "majority medical opinion" or "prevailing medical judgment" impunes the integrity of the medical profession and implies gross incompetence among specialists in pulmonary diseases.
>
> It might be well to offer some parallels in the pseudoscience of medicine which could impart some degree of understanding into the problems of diagnosis of occupational lung diseases.
>
> In the diagnosis of, for example, peptic ulcer of the duodenum, it is fully recognized by virtually every member of the medical profession that an absolute diagnosis may not be made in the absence of x-ray evidence or anatomic evidence. However, it is known that in perhaps 20% of patients suffering from severe peptic ulcer, the x-ray may not be diagnostic. Few qualified physicians, would, on the basis of negative x-ray evidence, fail to (a) diagnose the disease and (b) treat the patient as though he had a peptic ulcer in light of the patient's symptoms.
>
> In the same light, in a patient whose symptoms strongly suggest a heart attack, the electrocardiogram may not be diagnostic. The electrocardiogram may not reveal evidence of a definite heart attack in perhaps 5 to 10% of affected subjects. No qualified physician would dismiss the patient or fail to treat him as if he had suffered a heart attack, until additional studies were performed.
>
> In establishing a diagnosis of active tuberculosis of the lung, no physician in the entire world would be willing to say the disease did not exist if one, two or three examinations of the patient's sputum failed to reveal mycobacterium tuberculosis. In fact, the diagnosis might well be made and the patient given therapy, in spite of the fact that an absolute diagnosis was not proven.
>
> These departures from the subject of "black lung" are made in order to attempt to understand the peculiar emphasis placed on the diagnosis of occupational lung disease in the United States. The same medical profession which makes diagnoses of peptic ulcer, myocardial infarction and pulmonary tuberculosis, makes diagnoses of occupational lung disease. No objective, informed member of the medical profession would suggest that the chest x-ray has greater validity in diagnosing occupational lung disease than the GI x-ray in diagnosing peptic ulcer, the ECG in diagnosing myocardial infarction or the sputum examination in diagnosing tuberculosis. The point which, in my opinion, is crucial, is that the tenacious clinging to x-ray evidence of pneumoconiosis is *medico-legal, not medical*. It is a conditioned reflex, resulting from the impact of judicial and legalistic actions, not scientific medical judgment.
>
> The fact that the United States Public Health Service currently uses x-rays "to establish the presence of pneumoconiosis", is hardly a valid argument, and hardly portrays that agency as anything more than a rubber stamp for a regressive Administration.
>
> The statement in paragraph 1 on page 2 is totally without foundation in any published or unpublished medical report. It implies, in fact, that x-ray evidence of CWP identifies a miners occupation as being responsible for his "bronchitis, emphysema, and a variety of neurological, infectious, muscular and degenerative diseases". I challenge the statement that the prevalent medical judgment places this reliance on the chest x-ray.

In other words, one of the experts called in differs as to making the X-ray the sole basis for the judgment.

Mr. STAGGERS. Mr. Chairman, will the gentleman yield?

Mr. REID of New York. I yield to the distinguished chairman.

Mr. STAGGERS. I want to congratulate the gentleman from New York on the statement he has made and the position he has taken.

The gentleman mentioned the name of Dr. Rasmussen. I should like to say to him that my son-in-law, Dr. Wells, along with him, first started the study of pneumoconiosis. Those two were sent out by the Public Health Service to study pneumoconiosis among miners in West Virginia. I have heard him say one cannot tell this disease solely from an X-ray. For that reason, the amendment should be defeated.

I should like to say further that while my son-in-law was on that study $1 million was granted by HEW, and never got to the laboratories in West Virginia where it was supposed to be used, so they were not funded too much.

Mr. GRAY. Mr. Chairman, I move to strike the requisite number of words.

The purpose of H.R. 9212 is to correct certain defects in the administration of the Federal Coal Mine Health and Safety Act of 1969 and to provide for the extension of benefits in that act to the orphans of workers who die of pneumoconiosis, better known as black lung.

The act has not fully accomplished the intent of Congress when it was passed. What we are trying to accomplish here is a clarification of intent by certain amendments to title IV of the original act. For example, we did not intend the desperate need of individuals eligible for benefits under the act be set off against social security disability payments, thus neutralizing or decreasing one of the prime purposes of the act. It was our intent that "black lung" benefits be over and above those provided under workmen's compensation payments, otherwise the provision for special disability benefits would not have been written into the legislation in the first place.

In another amendment proposed under H.R. 9212 we are simply but importantly extending the timetable for certain provisions under section 3 for 2 additional years in order to permit the States an additional working period to assume their responsibilities under the act. While this will extend the time of Federal responsibility, we recognize the problems inherent in some States in coming to grips with the benefit provisions of the program. We hope the States will use this additional period for resolve rather than delay.

The amendment to the first sentence of section 413(b) that "no claims for benefits under this part shall be denied on the basis of the results of a chest roentgenogram" is absolutely necessary. The fact that the Social Security Administration utilizes the services of a group of eminent radiologists in X-ray classification to reinforce the accuracy and consistency of X-ray readings under the black lung program is good but beside the point. They are still X-rays with their controversial and time-proven limitations in diagnosis for black lung. As Dr. May Mayers states in the book on "Occupational Health," Williams & Wilkins, 1969:

> Physicians in general tend to place too great reliance upon the X-ray picture alone, and give too little weight to the clinical picture . . . The extent of medical disability can only be determined, with any degree of accuracy, by cardiorespiratory function tests, with which some physicians are still unfamiliar.

The amendment does not deny the usefulness, nor does it call for the elimination of, X-rays in the adjudication of claims for benefits; it calls by implication for an accurate medical diagnosis based upon all relevant medical tests in the disposition of claims. Many southern Illinois miners and widows are being denied benefits because of the present law. From a social point of view the detailed provisions of this matter are clearly the most important components of the four-amendment legislative package before us.

If the health standards prescribed in title II of the Federal Coal Mine Health Safety Act are effective in eliminating the cause of lung disease, the personal burden of incapacitation as well as the burden of benefit payments will be reduced in the future. However, irreversible damage has already been done to miners, and we propose to correct that so far as it affects their dependent children. We should not allow conditions which have disabled the miner to also disable his children, either with respect to the necessities of life or educational opportunities. H.R. 9212 provides the necessary prescription and guidelines for preventing the conversion of occupational disease of the miner into socioeconomic "disease" for his children. The spirit of this amendment is the spirit of the entire bill; I strongly urge the passage of H.R. 9212 and the defeat of all the Erlenborn amendments that are designed to gut the bill. If the bill is passed and signed into law in its present form, thousands of southern Illinois coal miners and their widows will receive justice.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. ERLENBORN).

The question was taken; and on a division (demanded by Mr. ERLENBORN) there were—ayes 38, noes 131.

So the amendment was rejected.

### AMENDMENT OFFERED BY MR. THOMPSON OF GEORGIA

Mr. THOMPSON of Georgia. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. THOMPSON of Georgia: (A) "Pneumoconiosis" as used in this act means any respiratory deficiency caused by the repeated inhalation of coal dust, marble dust, rock dust, other quarry dust or man made or natural textile fibers.
>
> (B) "Miner" as used in this act includes any individual who as a result of the working conditions related to his employment in any industry contracts pneumoconiosis as is defined in (A) above.

Mr. THOMPSON of Georgia. Mr. Chairman, what I am attempting to do by this amendment is, by means of defining pneumoconiosis in a broad term, to include those workers in other industries who suffer a similar fate as do coal miners.

Pneumoconiosis as I am defining it would include quarry workers, men who work in granite and marble quarries, asbestos workers, and indeed textile workers.

I know many of my colleagues from the South have seen textile workers as they come out of the textile mills completely covered with lint. They have inhaled the lint and it becomes imbedded in their lungs. It is not soluble and it does not go out of their lungs. Indeed it has the same symptoms and problems and in time death is caused by the inhalation of it just as it is by the inhalation of coal dust.

I am also defining "miner" so as to include an employee in any industry who is affected by the working conditions so as to cause pneumoconiosis as defined in the broad term of this amendment.

Granted it is a sweeping amendment, but it is certainly one that deserves the consideration of the House, and I hope that the House will adopt it.

Mr. DENT. Mr. Chairman, I rise to oppose the amendment.

As much as I would like to assist the gentleman in what he is trying to do, I would suggest that it is not a proper part of the legislative process here. He can pinpoint exactly what he wants done, and if he comes to our committee, I will guarantee him that I will give him hearing and give him every opportunity to make his point. However, at this stage of the game it is completely wrong to suggest that we should include textile workers and workers in these other industries in a bill which is designed for relief of coal mining occupational disease. I prefer to keep it that way.

Mr. MICHEL. Mr. Chairman, as we close the debate on this legislation, I would like to first express my appreciation to members of the Education and Labor Committee on both sides of the aisle for accepting my amendment that would wipe out the requirement that a miner be engaged in work underground as a condition precedent to eligibility for benefits under this program. I am glad to see that Members were in general accord in recognizing the equity of all types of miners being treated the same, whether they work above or below ground and suffer from pneumoconiosis.

I do regret, Mr. Chairman, that several very significant amendments offered by Mr. Erlenborn and Mr. Byrnes of Wisconsin were not adopted, for I believe they were good amendments, and I am afraid because they were not adopted, I will be forced to vote against the bill on final passage.

And finally, Mr. Chairman, to clear up some of the confusion that might reign as a result of an earlier exchange in the debate, relative to what Chairman Flood and I might do when the time comes for us to appropriate funds for this legislation, may I make it quite clear that passage of the original act supplemented by these amendments will require vast expenditures of Federal funds for many years to come.

Members should know that while time for filing is being extended for 2 years, we are going to be obliged to pay for many years to come, and I would like to give you just a little bit of an idea of the best estimates of costs given to us in a recent hearing before our Labor-HEW Subcommittee on Appropriations. They are as follows:

BENEFIT PAYMENT DISBURSEMENTS FOR SPECIAL BENEFITS FOR DISABLED COAL MINERS

| Fiscal year | Benefit payments (millions) | Number of miners and widows (and their dependents) at end of year (thousands) | | |
|---|---|---|---|---|
| | | Miners | Widows | Dependents[1] |
| 1970 actual | $7 | 12 | 1 | 10 |
| 1971 actual | 297 | 68 | 57 | 73 |
| 1972 estimate | 548 | 109 | 89 | 117 |
| 1973 estimate | 538 | 101 | 105 | 112 |
| 1974 estimate | 515 | 92 | 106 | 107 |
| 1975 estimate | 491 | 84 | 107 | 103 |
| 1976 estimate | 468 | 76 | 108 | 99 |
| 1977 estimate | 447 | 69 | 109 | 95 |

[1] Represents dependents for whom additional payments are made to the miner or widow.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Georgia.

The amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the Chair, Mr. Steed, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 9212) to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes, pursuant to House Resolution 658, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER. Under the rule, the previous question is ordered.

Is a separate vote demanded on any amendment? If not, the Chair will then en gros.

The amendments were agreed to.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

### MOTION TO RECOMMIT OFFERED BY MR. ERLENBORN

Mr. ERLENBORN. Mr. Speaker, I offer a motion to recommit.

The SPEAKER. Is the gentleman opposed to the bill?

Mr. ERLENBORN. I am, Mr. Speaker.

The SPEAKER. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Erlenborn moves to recommit the bill (H.R. 9212) to the Committee on Education and Labor.

The SPEAKER. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER. The question is on the passage of the bill.

Mr. ERLENBORN. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 311, nays 79, not voting 40, as follows:

[Roll No. 377]

YEAS—311

Abbitt
Abernethy
Abourezk
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Ashley
Aspin
Aspinall
Badillo
Baker
Baring
Begich
Bell
Bennett
Bergland
Betts
Bevill
Biaggi
Biester
Bingham
Blanton
Blatnik
Boggs
Boland
Bolling
Bow
Brademas
Brasco
Bray
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burlison, Mo.
Burton
Byrne, Pa.
Byron
Caffery
Carey, N.Y.
Carney
Carter
Casey, Tex.
Cederberg
Celler
Chamberlain
Chisholm
Clark
Clay
Collins, Ill.
Conyers
Corman
Cotter
Coughlin
Culver
Daniel, Va.
Daniels, N.J.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellums
Denholm
Dent
Dingell
Donohue
Dorn
Dow
Downing
Drinan
Dulski
Duncan
Dwyer
Eckhardt
Edmondson
Edwards, Calif.
Eilberg
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Gibbons
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gude
Hagan
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hathaway
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Horton
Howard
Hull
Hungate
Hunt
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, Tenn.
Karth
Kastenmeier
Keating
Kluczynski
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lujan
McClory
McCloskey
McCormack
McCulloch
McDade
McDonald, Mich.
McFall
McKay
McKevitt
McKinney
McMillan
Mahon
Mailliard
Matsunaga
Mazzoli
Meeds
Melcher
Metcalfe
Mikva
Miller, Calif.
Miller, Ohio
Mills, Md.
Minish
Mink
Minshall
Mitchell
Mollohan
Monagan
Moorhead
Morgan
Morse
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
O'Neill
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Poage
Podell
Poff
Powell
Preyer, N.C.
Price, Ill.
Price, Tex.
Pucinski
Purcell
Quillen
Railsback
Randall
Rangel
Rees
Reid, N.Y.
Reuss
Riegle
Roberts
Rodino
Roe
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush

Roy
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarbanes
Saylor
Scheuer
Schneebeli
Seiberling
Shipley
Shoup
Sikes
Sisk
Skubitz
Slack
Smith, Iowa
Smith, N.Y.
Snyder
Springer
Staggers
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Teague, Tex.
Thompson, N.J.
Thomson, Wis.
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
Whalley
White
Whitehurst
Widnall
Williams
Wilson, Charles H.
Wolff
Wright
Wyatt
Yates
Yatron
Young, Tex.
Zablocki
Zion
Zwach

NAYS—79

Archer
Arends
Ashbrook
Belcher
Brinkley
Brown, Mich.
Burleson, Tex.
Byrnes, Wis.
Cabell
Cleveland
Collins, Tex.
Colmer
Conable
Conte
Crane
Davis, Wis.
Dellenback
Dennis
Devine
Dickinson
du Pont
Edwards, Ala.
Erlenborn
Esch
Ford, Gerald R.
Frenzel
Frey
Gross
Grover
Haley
Hall
Hosmer
Hutchinson
Jonas
Keith
Kemp
King
Kyl
Lennon
Lent
McClure
McCollister
McEwen
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Mayne
Michel
Mizell
Montgomery
Quie
Rarick
Rhodes
Robinson, Va.
Robison, N.Y.
Rousselot
Runnels
Ruth
Satterfield
Scherle
Schmitz
Scott
Sebelius
Shriver
Smith, Calif.
Spence
Steiger, Wis.
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thone
Wiggins
Wilson, Bob
Winn
Wylie
Young, Fla.

NOT VOTING—40

Alexander
Barrett
Blackburn
Camp
Chappell
Clancy
Clausen, Don H.
Clawson, Del
Collier
Derwinski
Diggs
Dowdy
Edwards, La.
Goldwater
Goodling
Gubser
Halpern
Jones, Ala.
Jones, N.C.
Kazen
Kee
Landgrebe
Link
Lloyd
Long, La.
Long, Md.
Macdonald, Mass.
Madden
Mills, Ark.
Murphy, N.Y.
Patman
Pelly
Pryor, Ark.
Schwengel
Stanton, J. William
Veysey
Vigorito
Whitten
Wydler
Wyman

So the bill was passed.

The Clerk announced the following pairs:

On this vote:

Mr. Kee for, with Mr. Chappell against.

Mr. Link for, with Mr. Jones of North Carolina against.

Mr. Diggs for, with Mr. Dowdy against.

Mr. Halpern for, with Mr. Goldwater against.

Mr. Goodling for, with Mr. Collier against.

Mr. Murphy of New York for, with Mr. Veysey against.

Mr. Kazen for, with Mr. Wydler against.

Until further notice:

Mr. Whitten with Mr. Camp.

Mr. Barrett with Mr. Clancy.

Mr. Madden with Mr. Landgrebe.

Mr. Macdonald of Massachusetts with Mr. Don H. Clausen.

Mr. Pryor of Arkansas with Mr. Derwinski.

Mr. Alexander with Mr. Blackburn.

Mr. Jones of Alabama with Mr. Lloyd.

Mr. Mills of Arkansas with Mr. Del Clawson.

Mr. Vigorito with Mr. Pelly.

Mr. Patman with Mr. Gubser.

Mr. Long of Maryland with Mr. Schwengel.

Mr. J. William Stanton with Mr. Wyman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. DENT. Mr. Speaker, I ask unanimous consent that all Members of the House may have 5 legislative days in which to revise and extend their remarks and include extraneous matter on the bill just passed.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

## PERSONAL STATEMENT

Mr. DENT. Mr. Speaker, may I have the privilege of saying for the Record that I am very proud to be a Member of this House.

## FURTHER CONTINUING APPROPRIATIONS, 1972

Mr. COLMER. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 693 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. Res. 693

*Resolved,* That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes. After general debate, which shall be confined to the joint resolution and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on Appropriations, the joint resolution shall be read for amendment under the five-minute rule. At the conclusion of the consideration of the joint resolution for amendment, the Committee shall rise and report the joint resolution to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the joint resolution and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Mississippi is recognized for 1 hour.

Mr. COLMER. Mr. Speaker, I yield one-half of that hour to the able and distinguished gentleman from California (Mr. Smith). Pending that, I yield myself such time as I may consume.

Mr. Speaker, the time I shall consume will be brief.

Mr. Speaker, this resolution simply provides for 1 hour of debate on the resolution (H.J. Res. 946) extending the time for the continuing resolution that was adopted at an earlier date because of certain legislative bills not having been enacted into law. That is about all there is to it, Mr. Speaker, so far as the rule itself is concerned.

The resolution of the Committee on Appropriations provides for extending that time from November 15, 1971, until sine die adjournment of this session, which we all hope and pray will come at an early date, but we have some misgivings, I must confess.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as stated by the distinguished gentleman from Mississippi, the chairman of the Rules Committee Mr. Colmer, this resolution will provide for 1 hour of general debate under an open rule to consider House Joint Resolution 946. After that hour has expired then the resolution will be open for amendment in any way.

Mr. Speaker, it is completely open.

Mr. Speaker, I would like to commend the Appropriations Committee, the distinguished chairman, and the ranking minority leader on the approach which they have requested to be taken.

These measures most always in the past have been handled on the floor by unanimous consent. I think we have had two or three of them already this year. They realized that in this particular instance there were several items which have not been finally authorized. I think the items have to do with OEO, Headstart, Manpower Administration, Defense, the District of Columbia—as well as foreign aid. Some may be controversial.

Mr. Speaker, we know what happened in the other body with reference to foreign aid. They felt that the Members should have an opportunity to express their opinions and the only manner in which that could be done would be to have a rule and have it debated under the 5-minute rule.

Mr. Speaker, I urge the adoption of House Resolution 653 so that we can proceed toward the disposition of the business of the Congress and toward adjournment at as early a date as possible.

Mr. Speaker, I yield 4 minutes to the gentleman from Iowa (Mr. Gross).

Mr. GROSS. Mr. Speaker, this, I believe, is about the fourth continuing resolution this year. The stopping and starting on this continuing resolution business is out of hand, I would think.

The gentleman from Mississippi, my good friend (Mr. Colmer), says he prayerfully hopes that sine die adjournment will come soon. I hope his prayer today will be better answered than I think it will be.

However, we are here today to consider this resolution and I hope with all my heart that we will not be here until 2:30 in the morning.

I noticed on the United Press wire a little while ago an item that reads:

> Shortly before it met at noon, leaders announced that the House would not take up the stop-gap resolution until the House first disposed of two other, unrelated pieces of legislation, raising the possibility that the aid question would not be dealt with until Thursday.
>
> The absence of any sense of urgency by House leaders appeared to stem from Senate intentions not to act on the resolution until Friday or Monday.

Mr. Speaker, Members of the other body are responsible for this continuing resolution being brought before the House this afternoon because of the fact that they have failed to act on legislation which the House has sent to them.

What we are called upon to do here this afternoon is to bail out the other body.

Mr. Speaker, a week ago last Friday, the Senate defeated the foreign handout program and we are here today in this continuing resolution called upon to bail them out by authorizing continuance of funds for this program. Continuing to read:

> "I guess there is a crisis," said Speaker Carl Albert replying to a reporter's question, "but it's not a crisis of which one day will make any difference."

Said the distinguished Speaker:

> Republican Leader Gerald R. Ford of Michigan saw in the postponement of a schedule that originally called for House action last Monday as an opportunity to work on Members in an effort to beat back damaging amendments he assumed would be offered.

Mr. ASHBROOK. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. Mr. Speaker, I am a little bit confused. Is the gentleman upset by the action of the Senate of a week ago Friday? I did not quite understand.

Mr. GROSS. I was delighted when the Senate ended the foreign giveaway program, but I am laboring under no illusions here this afternoon. The Senate is already considering new legislation to spend additional billions on foreign handouts. I hope this continuing resolution will be voted down, and let the Senate live with the situation it created even though it may be only temporary.

Yes, I am delighted the Senate took the action it did, but I cannot support this effort to keep foreign aid alive for altogether too many billions have already been wasted in foreign aid.

I am interested, too, in how and why the green light on legislation is turned off and on with such facility these days in the House of Representatives.

The SPEAKER. The time of the gentleman has expired.

Mr. COLMER. Mr. Speaker, I yield 5 minutes to the gentlewoman from New York (Mrs. ABZUG).

Mrs. ABZUG. I regret that we find ourselves again in a position where we have to act on yet another continuing appropriations resolution, the largest part of which concerns itself with military appropriations. The largest part we will be appropriating under this resolution is for defense measures.

As I have said before, I do not think that anybody in this House can continue voting for appropriations for defense until this House of Representatives acts to set a date for ending the war in Indochina, and acts to stop financing this most expensive and most destructive of American wars which the American people have overwhelmingly rejected.

Only the other day in one of his polls Mr. Harris informed us once again of the sentiments of our constituents, and still we ignore them.

Fifty-three percent of our constituents feel that the pace of withdrawal is too slow. Fifty-five percent oppose a residual force in Vietnam. Fifty-seven percent oppose continuing air support, and 70 percent oppose our continuing expenditure of the billions we give to the South Vietnamese.

Yet in the House of Representatives many seem not even to know the opinions of their constituents or, once informed, do not care. We once again continue a routine appropriation for the Department of Defense to keep its monthly programs—programs which continue dropping bombs on Indochina at the same intensity as in the peak years of the war, 70,000 tons a month—programs which increase the bombing of the Ho Chi Minh Trail steadily so that 1971 will see approximately 400,000 tons of explosives dropped there.

Continuing the war is continuing the war. The fact that we continue the war in the air is no less a war than if we were conducting it on the ground. We continue appropriations and we continue to subvert the will of our constituents, and fail to fulfill our responsibilities as representatives of the people by refusing to set a date for the termination of this massive war and by refusing to adopt the Senate's 6-month date in the successive versions of the Mansfield amendment.

I serve notice that I will not be a part of this callous unconcern. I will vote "no" and continue to vote "no" on any continuing or other appropriations for the military until the House of Representatives sets a date, as the American people want, and as I believe a growing number of Members of the Congress want. I oppose this continuing appropriation for the Department of Defense.

I attach for your information the conclusions of the Harris survey as they were reported in the Washington Post of November 8 and the summary of the Cornell study of the air war in Indochina as reported in the New York Times on November 8:

[From the Washington Post, Nov. 8, 1971]

### The Harris Survey: Public Backs Viet Pullout by May, 3-1

(By Louis Harris)

By nearly 3 to 1, the American people favor "getting completely out" of Vietnam by next May. The public is looking for an intent to liquidate U.S. involvement rather than an immediate withdrawal.

Between Oct. 26 and Oct 31, a cross section of 2,004 households was asked:

*If it meant keeping the communists from taking over Vietnam, would you favor or oppose the following?*

[In percent]

| | Favor | Oppose | Not sure |
|---|---|---|---|
| Leaving 50,000 noncombat troops there | 32 | 55 | 13 |
| Continuing to use U.S. bombers and helicopters to support the South Vietnamese army | 29 | 57 | 14 |
| Continuing to send over $1,000,000,000 a year in military aid to the South Vietnamese | 16 | 70 | 14 |

Even at the risk of a Communist takeover, sizable majorities of the public want the United States out completely from Vietnam.

For the first time, a clear majority of Americans say they feel that the pace of withdrawal of U.S. troops from Vietnam is "too slow." The cross section was asked:

*Do you feel the pace of withdrawal of U.S. troops from Vietnam is too slow, too fast, or at about the right pace?*

[In percent]

| | Too slow | Too fast | About right | Not sure |
|---|---|---|---|---|
| Late October 1971 | 53 | 3 | 38 | 6 |
| July | 42 | 4 | 48 | 6 |
| April | 45 | 5 | 45 | 5 |
| March | 34 | 3 | 53 | 10 |
| February | 46 | 4 | 42 | 8 |
| January | 33 | 5 | 55 | 7 |
| July 1970 | 32 | 8 | 48 | 12 |
| May | 27 | 13 | 46 | 14 |
| April | 34 | 8 | 47 | 11 |
| December 1969 | 26 | 5 | 56 | 13 |
| October | 30 | 9 | 51 | 10 |

The main segments of the public where the pressure is greatest to disengage from the war as opposed to a further "winding down" of the war are in the East, among women, among young people under 30 and among blacks.

By contrast, the last-ditch supporters of the war, now a distinct minority, are most often located in the South in small towns and areas, and among persons 50 years of age and older.

Asked if they favored or opposed the United States "getting completely out of Vietnam by May, including all combat and non-combat troops," the vote was 62 per cent in favor and 21 per cent opposed.

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[From the New York Times, Nov. 7, 1971]

### Study Shows United States Presses Air War—Cornell Team Sees Contrast With Cut in Ground Action

(By Neil Sheehan)

WASHINGTON.—A comprehensive study of the air war in Indochina by a Cornell University group concludes that while the Nixon Administration drastically curtailed American ground combat, it is maintaining a high level of bombing and, in Cambodia and Laos, has in fact intensified the air war.

The study acknowledges that the Administration has roughly cut in half the intensity of the air war in Indochina from the peak years of 1968 and 1969, when the United States was waging the most intensive bombing campaign in history.

But the study says the average tonnage being dropped is at about 70,000 tons a month, almost the same level as in 1967, when the American public was more aware of a major war in Indochina because of the direct involvement of American ground combat troops.

#### SIX MILLIONS DROPPED

By the end of 1971, the United States will have dropped on an area about the size of Texas six million tons of bombs and other aerial munitions, three times the total tonnage used in World War II. The Nixon Administration, in its three years in office, will have loosed as much as and possibly more explosive power than did the Johnson Administration—about three million tons, the study says.

The reduction of area-obliteration raids by B–52 bombers has not been nearly as marked as the cut in strikes by smaller fighter-bombers. These area-obliteration raids are still estimated to run 30,000 tons a month, the study says compared with 40,000 tons monthly during the 1968–69 peak.

The Administration plans to continue the air war through 1972 and beyond at a cost that could range from $1.2-billion to $4-billion a year, depending upon the amount of force required by policy needs, the study states. Citing "sources close to the Pentagon," the study says plans appear to call for keeping 50 B–52's in Thailand and 300 fighter-bombers there and on carriers offshore.

### STUDY TOOK 5 MONTHS

The five-month study, begun in May, was sponsored by Cornell's Center for International Studies. The preliminary version of the report runs about 200 pages. It has extensive footnotes and is illustrated with graphs. The group hopes to publish a fuller report by the end of the year.

The team of 19 professors and students involved, headed by Prof. Raphael Littauer, a 45-year-old nuclear physicist, drew its findings from source materials that included official Pentagon statistics and reports, newspaper articles, interviews with approximately 80 defense and foreign-policy specialists and former military and civilian officials, as well as the once top-secret history of the air war contained in the Pentagon papers.

In a telephone interview, Professor Littauer said the study team had access to the volumes of the Pentagon papers dealing with the air war from the time articles and excerpts were published in The New York Times last summer to the publication at the end of September of the declassified version by the Government Printing Office.

He said the study was initiated from antiwar sentiments, but that the team had attempted to be as fair and scholarly as possible. "We decided to let the chips fall where they may," he said.

### ESCALATION CHARGED

The report states that bombing of the Ho Chi Minh Trail supply roads through southern Laos, a relatively unpopulated area, has been increased steadily by the Nixon Administration and is now running at 400,000 tons of explosives a year.

Bombing in Cambodia, with serious civilian casualties resulting, the report asserted on the basis of Congressional testimony, has also climbed steadily since the American incursion in the spring of 1970 and is now running at 90,000 tons a year. This figure approaches the 124,000 tons dropped on North Vietnam in 1966 when an intensive air war was under way there.

In South Vietnam, nearly 300,000 tons of air explosives a year are still being dropped, now mainly by the South Vietnamese air force, which has been greatly expanded. This is equal to the level of 1966.

The report argued that the continued heavy use of air power was not stopping enemy advances in Indochina and that the destruction it was causing actually made the achievement of peace more difficult by disrupting the societies the United States says it is attempting to stabilize.

Despite a scorched-earth bombing campaign against enemy-held towns and villages in northern Laos and the Plaine des Jarres possibly a third of the estimated total of 2.5 million Laotians have become refugees and the enemy forces "now control a greater fraction of Laos than ever before," the study said.

Mr. COLMER. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. MAHON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes.

The motion was agreed to.

### IN THE COMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the joint resolution (H.J. Res. 946), with Mr. ROSTENKOWSKI in the chair.

The Clerk read the title of the joint resolution.

By unanimous consent, the first reading of the joint resolution was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. MAHON) will be recognized for 30 minutes, and the gentleman from Ohio (Mr. BOW) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, we have had three continuing resolutions to cover the period since the beginning of the current fiscal year and this would be the final continuing resolution for the session.

We have had over the years a very orderly way of bridging the gap when the Congress has not taken final action on appropriation bills. We have done that by passing continuing resolutions which have enabled the departments and agencies to run at the level of the previous year or the budget level, whichever was lower. The object is to hold the line until the regular appropriation bills are finalized.

That is all that we propose here—to allow certain agencies and departments of Government to operate until the remaining regular appropriation bills are completed.

Mr. Chairman, statements have been made that some Members may offer amendments. One amendment would deny funds for the Department of Defense. One of the speakers this afternoon has said that she would oppose the continuing resolution because of the Department of Defense issue.

Other Members object to foreign aid.

Mr. Chairman, I voted against the poverty program this year. This continuing joint resolution provides funds for the continuation of the poverty program. Following the logic of those who would undertake to offer amendments, maybe I ought to object to the resolution because it provides funds for the continuation of the poverty program, which I opposed.

But if we want to destroy the legislative process of the House of Representatives and preclude deliberation on the issues at hand in an orderly and prudent fashion then we would vote in opposition to the continuing resolution. But we would find that everybody would be in trouble because we would have wrecked the regular order.

So what I propose is that we follow the regular order—that we pass the continuing resolution and send it to the other body and enable the Department of Defense to continue to operate and to pay personnel and to perform necessary functions; to enable the poverty program to continue and to allow the foreign aid program to continue until in the regular order we have modified it or abolished it.

I think the foreign aid program will be modified and continued. But let us allow the legislative committee and the House an opportunity to act on legislation. Under the continuing legislation, if nothing is done by the end of the session, then foreign aid dies. That would be the end.

Further, the District of Columbia must continue to operate—and that is provided for in this joint resolution.

The Headstart program and certain manpower training programs lack final authorizing action and have not been provided with appropriation. The resolution provides funds to continue these activities.

So my plea is that we pass this continuing resolution.

Mr. Chairman, there have been intimations here that as a result of some action in the other body we ought to modify our routine procedures. Well, I am not myself willing to let the other body write the ticket for the House of Representatives. Here we have the standard, routine continuing resolution. To change it because of something that is done in the other body would not be a prudent action on the part of the House of Representatives. We send a resolution to the other body and it is up to the other body to decide what steps it will take on it. Certainly, for us as a result of action taken by the other body to violate our time-honored procedure of handling these matters would be a great mistake.

The issue before us is not a question of whether we are for the poverty program or not.

It is not a question of whether we are for the war in Vietnam or not.

It is not a question of whether we are for the Defense Department or not.

It is not a question of whether we are for foreign aid or not.

That is not the issue. The question is, Shall we proceed in an orderly way to carry on the functions of the Government and show the people that we have a stable, sane, and orderly House of Representatives that knows how to do business? It is that simple.

The foreign aid program has been referred to. It was killed in the other body. A motion to reconsider was laid on the table. This resolution would continue appropriations for that program only temporarily. There will be an authorization bill and there will also be an appropriation bill. These bills can be amended. Amendments can be offered to the bills line-by-line and program-by-program. The legislative committees can serve their functions, and we shall not be attempting to write basic legislation in a continuing resolution. If we ever start that, we shall be in serious trouble.

Would it not be ridiculous, with this seven-line joint resolution which is before us today, to undertake to legislate on the war, on defense, on poverty, on foreign aid, and on a number of other subjects that would be covered? Of course, it would be ridiculous.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman from Texas yield?

Mr. MAHON. I yield to the distinguished gentleman from New York.

Mr. ROONEY of New York. Is it not the fact that adoption of House Joint Resolution 946, this so-called continuing resolution, would not set in motion any new activity of Government at all? Is that not the fact?

Mr. MAHON. The gentleman is correct.

Mr. ROONEY of New York. Is it not the further fact that all this resolution would do would be to keep in status quo the agencies affected by it, with a view to saving as much money as the House Appropriations Committee can save until such time as the House Appropriations Committee gets an opportunity to look at the subject in proper perspective and in line with the legislative authorization bills?

Mr. MAHON. The gentleman is eminently correct. Legislative bills that relate to appropriations for the rest of the session would be looked at very carefully. In my opinion, there will be—and should be—some sharp reductions and modifications in the foreign aid program. But to do it in this measure would be utterly impractical. To bypass the other committees of Congress in amending this seven-line joint resolution would be intolerable, and I do not think the House is about to do it.

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman from Texas yield once again?

Mr. MAHON. I am glad to yield to the gentleman from New York.

Mr. ROONEY of New York. Mr. Chairman, with regard to contributions to international organizations, many of which are in one bill not yet passed, to wit, the foreign aid bill, all of which are voluntary contributions. The others are in a bill which has already been passed and signed into law by the President, the regular contributions or dues owing by the United States for membership in these international organizations. I assure you that all of these contributions are going to be subjected to the greatest scrutiny ever given with a view to saving as much of the taxpayer's money as possible.

From the President of the United States on down it has been recognized that entirely too much of our money is being paid to the United Nations for that organization as well as all the affiliated organizations. We have to have an ample opportunity to do something about this, however, in committee. We cannot do it here on the floor in connection with this continuing resolution.

Mr. MAHON. The gentleman is correct. Every Member of the House will have an opportunity to express and vote his views when the authorizing legislation and the appropriation bill come before us.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to my friend, the distinguished gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding.

The gentleman speaks of orderly procedure. Is it not the fact that a succession of continuing resolutions such as we have had this year is about as unorderly a procedure as a legislative body could indulge in?

Mr. MAHON. We are acting in accordance with the Rules of the House of Representatives.

Mr. JONAS. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the distinguished gentleman from North Carolina.

Mr. JONAS. Without getting into any argument with other committees, is it not a fact that we have been waiting on authorization bills to become law, and that we cannot bring out appropriation bills for programs that are not yet authorized? Is that not true?

Mr. MAHON. The gentleman is correct.

Mr. JONAS. We have completed our hearings on all of these bills that still remain unenacted.

Mr. MAHON. Yes, all the regular bills. It is apparently impossible for some of the programs to be authorized in time, but if they are not authorized and appropriated for by the end of the session they die.

Mr. FINDLEY. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Illinois.

Mr. FINDLEY. Mr. Chairman, I congratulate the chairman of the Appropriations Committee for initiating this move. It is entirely in order. It is especially appropriate because I think it is the most practical way to avert what might become a most serious crisis for the President in his dealings with foreign policy. He has some very important missions coming up and it would be a very grave setback for him if there were to be any interruptions in foreign aid matters.

Mr. WALDIE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from California.

Mr. WALDIE. Mr. Chairman, I ask the Chairman's indulgence for not fully understanding what the consequences might be in the event we do not adopt this resolution. Can the gentleman describe those?

Mr. MAHON. Portions of the Government would come to a screeching halt on November 15, which is next Monday.

Mr. WALDIE. What portions would they be?

Mr. MAHON. There would be no authority for the expenditure of money for the responsibilities of the Department of Defense, for programs of the District of Columbia, for the Headstart program, for certain manpower training programs, and also the foreign aid program.

Mr. WALDIE. If this resolution is not adopted, do I understand the chairman to say all expenditures on behalf of the Department of Defense would be terminated?

Mr. MAHON. It would be illegal for them to operate.

Mr. WALDIE. Is it the chairman's belief that rather than risk illegality, they would not spend the money?

Mr. MAHON. We have never failed to authorize the continuation of an important program through a continuing resolution until the Senate and House have worked their will and determined what should be done about the program. The continuing resolution hopefully will only run for about a month—until the sine die adjournment—and whatever is not authorized or appropriated for at that time will automatically cease to exist.

Mr. WALDIE. May I ask one further question?

There has been confusion in my mind relative to foreign aid moneys that are in the so-called pipeline. Were we not to extend the authority that this resolution provides for the foreign aid program, then would the moneys in the pipeline be permitted to be expended?

Mr. MAHON. If there is not a continuing resolution adopted by the Congress, the funds in the so-called pipeline would be meaningless because there would legally be nobody to serve to administer the programs.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman from Texas yield on that point?

Mr. MAHON. I yield to the gentleman.

Mr. GERALD R. FORD. Mr. Chairman, let me say to the gentleman from California, I have in my hand a copy of two letters from the Comptroller General of the United States addressed to Senator MANSFIELD precisely on the point that the gentleman made inquiry about. The Comptroller General has ruled in both of these letters that without a continuing resolution, the AID pipeline money would be unavailable for purposes other than for those that they were already committed.

Mr. WALDIE. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I will be glad to yield to the gentleman from California in just a moment.

I have the letter of the Comptroller General but the situation is elementary. If there is no authorization for the personnel and for the operations, they cannot legally carry on a function.

Mr. WALDIE. The letter, Mr. Chairman, brings this question to my mind. I am one of those who happen to favor the option the other body took.

If the authorization on a continuing resolution were limited to the expenditure only of moneys in the pipeline, that would then permit the pipeline moneys to be spent but no moneys above and beyond the pipeline moneys; is that correct?

Mr. MAHON. Well, if the moneys were available there would be nobody to spend the moneys or to husband the program, because there would be no authority for the foreign aid program as such to continue. It would go out of existence legally.

Mr. WALDIE. I thank the gentleman.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Chairman, I just want to establish a little bit of legislative history and perhaps recall some of this same question.

I am not speaking particularly in the interest of continuing the procurement authorization for the military or foreign aid or anything else, but does the gentleman not recall, having stated himself in his opening remarks that this is a rather awkward way of continuing appropriations, that in years gone by and throughout history in the Congress we have had payless paydays for Government workers because of the failure of Congress to act? Would the gentleman like to develop that a little further? It was certainly long before I came to the Congress.

We have used this "awkward device" of continuing resolutions since that time.

The Government does not then cease. There were some payless paydays for those under civil service, and Government functionaries and even Congressmen, for all in the legislative, judicial and executive branches of our Government.

Although it is not now desirable, and although we have become over sophisticated, and I would be willing to stipulate it is not desirable, but it has happened, and historically, in order to be correct, sometimes there have been people who have considered this a good "catharsis" for the Nation.

I wonder if the gentleman would like to correct one or two of his statements about whether or not we could function legally and whether or not there has ever been such an incident in the history due to lack of appropriations?

Mr. MAHON. I am not aware of any incorrect statement I have made. If I have made any, I apologize.

There have been some payless paydays. And that is a possibility that we could face with respect to this measure. But if we have a hassle of as much as a week or more, there would be no authority to operate.

In other words, we must not tempt officials to make illegal obligations, and we must not welsh on our responsibility to provide for pay for the people who are employed by the Government in a timely manner.

Mr. HALL. I believe as memory serves the general reaction of the public was to admire those who continued to work for the Government without pay and to castigate the Congress.

Mr. MAHON. If the continuing resolution is not enacted in a timely manner the agencies affected would have no legal authority to employ people or make other obligations to continue their operations pending final action on the regular appropriation bills involved.

Mr. BOW. Mr. Chairman, I yield myself 5 minutes.

Mr. Chairman, the continuing resolution is brought about, because of the fact that about $80 billion of budget requests have not yet been budgeted because of lack of authorization.

In this resolution are the Department of Defense, the District of Columbia, foreign assistance, the antipoverty program, certain health manpower programs, Radio Free Europe, and military construction.

The military construction conference has been adopted, and that probably will get to the President in time for signature, but there may be a timelag there.

It seems to me the real question here in what we are considering is the question of the foreign assistance program. I can be very frank about that. I have voted against the foreign assistance program in the years I have been in the Congress except on one occasion.

But I do not feel that we can stop foreign aid in the manner in which it has been done by the other body or by what would happen if we eliminated it from the continuing resolution. We cannot just cut it all off. It seems to me the responsible and proper way to handle this is to have an authorization bill come in where the House can work its will on specific items—not on a general reduction or a cutting out of all foreign assistance.

I should like to read, if I may, Mr. Chairman, a statement made by the President of the United States last night. I think it is apropos to our discussion here today:

EXCERPTS FROM AN ADDRESS BY THE PRESIDENT IN NEW YORK CITY, NOVEMBER 9, 1971

Governor Rockefeller referred to the trips to Peking and to Moscow. No one should be so naive as to assume that these two journeys are going to settle great philosophical differences between our nation and theirs. Those differences will remain and peace will not be a reality simply because there has been a meeting at the highest level.

But I think we can say this with regard to such meetings between the leaders of the United States of America and the leaders on the one hand of the Soviet Union, and on the other hand, of the Peoples Republic of China. With continued confrontation between the United States and the Soviet Union and the Peoples Republic of China, there would be an unacceptable risk of war in the years ahead. With negotiation between the United States and the Soviet Union and the Peoples Republic of China, there is a chance for peace, and we owe it to future generations to seize that chance and that is what we have done.

But as we think of that peace, let us remember that great as the challenges of war are, the challenges of peace can even be greater, because once peace comes, and even as it comes, there is a tendency to let down. There is a tendency for a great people to retreat from responsibilities in the world and that would only lead to increasing the dangers of another war. That is why at this point I speak of the challenges of peace in several respects.

First: Particularly now, at a time that we are attempting to negotiate a limitation on nuclear arms, it is essential that the United States maintain its military strength at an adequate level. We must do this because of the accident of history. We did not ask for this responsibility, but it is ours whether we want it or not. Because of that accident of history—what happened in World War II—the United States is the only one of the free nations that has the strength or the potential strength to carry the responsibilities of freedom. If we do not carry those responsibilities, the possibilities of keeping peace in the world will be greatly diminished.

It goes beyond simply maintaining military strength at home. I know how easy it is for Members of Congress—I was once in the House. I was once in the Senate. I know how easy it was then to try to find a reason to vote against those programs of mutual assistance for countries abroad—foreign aid for countries that needed aid, aid for the purpose of helping other countries to help themselves, to create a more stable world.

There are no constituencies for foreign aid. We know that. *But let us recognize this: If the United States at this particular time should determine that it will discontinue its programs of mutual assistance for countries abroad—helping them so that they can help themselves—it can only mean that the world will become much more unstable, that the dangers of war in the world will greatly increase and that the United States will no longer be a world power respected in the world, no matter how strong we are at home.* (Emphasis supplied.)

That is why tonight I speak of the challenges of peace not only in maintaining our strength at home, but in meeting our responsibilities abroad. This is above partisanship because Republicans have joined with Democrats through the years to see that these programs, whereas they have no constituencies in this country, because they are essential to maintain the peace of the world, that these programs are continued—and I trust they will be, by this Congress.

I agree with what the President said last night—that this is not the time for us to do this.

Let me state this also: There has been some question about what can be paid and what cannot be paid if we cut out the defense money.

Mr. PUCINSKI. Will the gentleman yield?

Mr. BOW. I cannot yield to the gentleman at this time.

It has been suggested here that Federal employees would be very fine if they would continue to work without a payday. Are you going to suggest to the Armed Forces in Vietnam that they go on payless paydays? Are you going to suggest with regard to the medical supplies for Vietnam, where we have an opportunity to purchase them and send them abroad, that we stop the medical supplies for hospitals in Vietnam as of December 15?

The CHAIRMAN. The time of the gentleman has expired.

Mr. BOW. I yield myself 3 additional minutes.

I do not believe this committee or this House of Representatives will do that.

I am not trying to bail out any other body. I am trying to ask the House of Representatives to act responsibly. I am not concerned about the other body. I am concerned about the House of Representatives. I would like to see it act responsibly.

Later in my remarks I shall state a number of reasons why, with regard to American business, as the gentleman from Texas pointed out, we should pass this, because much of this money is spent right here in the United States in our own economy.

Now, I shall be glad to yield to the gentleman from Illinois (Mr. PUCINSKI).

Mr. PUCINSKI. I thank the gentleman from Ohio for yielding and I thank the gentleman for his explanation.

Mr. Chairman, I intend to vote for this continuing resolution.

How does the gentleman's consistent vote against this program over the years differ from his support of the program now? Were not those votes you cast against this program tantamount to cutting this program off as it was cut off in the other body?

Mr. BOW. I said I voted for this program once and I voted against it the other times. My vote against it was a protest vote. I thought it was too much, wasteful, and should be reduced.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield further?

Mr. BOW. Just a minute. I am going to answer your question. I still feel that way. I shall vote to reduce some of these programs when we get the proper vehicle with which to do it. However, this is not the one. The gentleman asked me for an explanation. At the time I voted for this bill, I stood here in the well—I had voted against it, but it looked as though it might lose and I did not want to see all of it go down the drain, and I never have. I have been in favor of reductions, but at that time I changed my vote from "nay" to "yea" in the hope of saving the program from utter destruction, and that is the reason I did it.

Mr. PUCINSKI. Mr. Chairman, will the gentleman yield further?

Mr. BOW. I cannot yield further at this time. I desire to read a letter from the Secretary of Defense. Also Mr. Chairman, may I point out details as to the effect of aid termination in some regards.

The items follow:

The Secretary of Defense,
*Washington, D.C., November 9, 1971.*

Hon. Frank Bow,
*House of Representatives,*
*Washington, D.C.*

Dear Frank: As you and other members of the Appropriations Committee are aware, there is a very close relationship between our own military force structure and the President's program for foreign assistance. Our planning for security has been based on a total force concept and one key element of this total force concept is the military assistance program. Substantial reductions in the military assistance program would result in deficiencies to our own security.

In this context, both grant assistance and foreign military sales credit authority are equally important. In large measure grant aid and foreign military sales credits have been planned in order to permit a reduction in forward deployments of our own reduced forces.

In addition to the military assistance program, it is vital that the requested economic assistance for South Vietnam be approved. As our withdrawal from Southeast Asia proceeds, it is necessary for South Vietnam to assume the burdens of its own defense. As I have reported publicly, the military aspects of the Vietnamization program are proceeding on or ahead of schedule, but unless we are able to assist the South Vietnamese with the increased economic burden of assuming their own defense, our withdrawal rate could be affected.

I am sure that you and the other members of the House Committee on Appropriations will appreciate the necessity from a security standpoint for congressional approval of appropriations for our military assistance program, foreign military sales credits, and for economic assistance, particularly as requested for South Vietnam.

Sincerely,

Melvin R. Laird.

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### Effect of No Continuing Resolution on U.S. Business

Foreign aid provides important business for U.S. companies and manufacturers. In FY 1971, funds from the economic assistance portion of the aid program financed the purchase of $976 million in commodities from more than 4000 U.S. firms in all 50 states.

In addition there were $632 million in technical service contracts with U.S. companies, consulting firms, and institutions.

AID's purchases included $128 million in chemicals, $145 million of iron and steel products, $90 million in motor vehicles, $62 million in electrical machinery, $22 million of petroleum products, $41 million of engines and turbines, and $55 million in non-ferrous metals and products.

These purchases were distributed as follows: $328 million in the Middle Atlantic States, $230 million in the North Central States, $186 million in the South, $122 million in the Pacific States, $27 million in New England, and $6 million in the mountain States.

Abrupt termination of the AID program would cause a loss of business orders which would hardly serve our economy well at this particular time.

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### Effect of AID Termination on U.S. Exports

Failure to pass a Continuing Resolution would have an immediate adverse effect on U.S. exports.

In FY 1971, AID loans and grants financed U.S. exports totaling $972 million. This includes:

16.4% of all U.S. exports of iron and steel mill products.

25% of all U.S. fertilizer exports.

15.7% of all U.S. exports of railroad equipment.

8% of all U.S. rice exports.

8.5% of all U.S. exports of basic textiles.

7.3% of all U.S. exports of non-ferrous metals and products.

Elimination of AID financing would also have a significant effect on the U.S. shipping industry. Over the period FY 1964–FY 1969, the cargo financed under Foreign Assistance Act programs has ranged from 22–30% of the total cargo moving on U.S.-flag shipping.

In addition, we would lose the market building potential which foreign aid has by introducing U.S. products to foreign countries and strengthening their economies to make them better customers. U.S. exports to these countries have more than doubled in the past ten years.

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### Effect of No Continuing Resolution on Agriculture

Failure to pass a continuing resolution will have harmful consequences for export of U.S. farm commodities and agri-business products.

In FY 1971, the U.S. exported $300 million in agricultural commodities under Title II of P.L. 480. It provided direct loans to finance an additional $50 million worth of rice and tallow. The tallow—an important by-product of the meat packing industry—amounted to 12% of all U.S. tallow exports. AID also financed purchases of $44 million in fertilizer and about $31 million in agricultural equipment and tractors. AID has also been instrumental in encouraging sales under Title I of P.L. 480 for developmental purposes. Total Title I sales amounted to $760 million last year.

Without a continuing resolution, AID will be unable to administer the Title II program. It would be unable to provide loans for purchases of farm products or machinery. Its work to develop low-cost, high nutrition foods based on corn and wheat would be stopped with further disruptive effects on export opportunities for farm products.

The farmers of America have a direct stake in the extension of the aid program under the proposed continuing resolution.

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### Effect of Failing to Pass Continuing Resolution on U.S. Universities

If a Continuing Resolution is not passed, contracts with 120 U.S. universities will have to be suspended or prematurely terminated.

The total cumulative value of these contracts is $232,165,442. In FY 1971, $59,000,715 was obligated for new contracts or extensions of existing ones.

These contracts are widely distributed across the U.S.:

$64 million in the North Central States including the major land grant colleges and universities in Nebraska, Minnesota, Iowa, Illinois, Wisconsin, Michigan, Indiana, and Ohio.

$59 million in the South including virtually all major State-supported universities from Texas, through the deep South and the border states.

$42 million in the Middle Atlantic and New England States including the State Universities of Connecticut, Maryland, Pennsylvania, New York and Massachusetts.

$27 million in the Mountain States including the Universities of Arizona, Colorado, New Mexico, Nevada, Idaho, Utah, Wyoming and Montana.

$14 million in the Pacific States including the University of California, Oregon State and University of Washington.

These contracts not only permit the universities to carry out development programs in the LDCs, they expose university faculty and staff to problems overseas and thus help build balanced and comprehensive teaching programs. Many thousand AID-financed students at U.S. universities would also be sent home, thus depriving their campuses of the cross-cultural enrichment which these students represent.

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### Impact on AID Staffing If Continuing Resolution Is Not Extended

1. Staff would have to be separated. A.I.D. has 6,500 U.S. employees, of which 3,400 are overseas, and 6,800 third country nationals.

2. There are no funds to meet U.S. obligations with respect to related personnel costs, such as allowances, transportation of employees and dependents, transportation of household effects and autos, termination of storage contracts of household effects, lump-sum leave payments and severance pay guarantees.

3. Various degrees of disruption would arise, such as bringing home large groups of children in mid-term and the necessity of closing or seriously affecting the operation of schools in areas where we have substantial numbers of American children in attendance.

4. The separation of local employees would create political problems in a number of countries.

5. Special problems would involve:

(a) A.I.D. employees serving temporarily with International organizations (providing the benefits due them at the conclusion of their services with these organizations when A.I.D. has become non-existent.)

(b) A.I.D. employees on detail to other organizations such as Office of Economic Opportunity and Department of State.

(c) A.I.D. employees serving on assignments under the Intergovernmental Personnel Act.

(d) A.I.D. employees in long-term training.

6. Departure of A.I.D. staff would, of course, terminate U.S. capacity to assist or monitor activities still funded from the pipeline or other programs administered by A.I.D.

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### Effect of Termination of Foreign Aid on Jobs

Termination of foreign aid could cost about 70,000 U.S. jobs in the first year following termination.

Termination would mean:

Loss of $900 million of A.I.D. commodity purchases, which would, on average, affect 50,000 jobs directly, in the first year, and probably over twice that many in subsequent years;

The loss of $650 million of technical service contracts, which would affect about 10,000 other jobs, many in already strapped universities;

About one-quarter of the cargo on U.S.-flag ships will be eliminated, with an obviously major impact on U.S. merchant seamen employment.

The direct effects of termination are clear.

A.I.D. has 6,500 employees, of whom 3,400 are overseas.

A.I.D. finances about 2,000 contractor personnel overseas.

A.I.D. finances about 700 employees of other U.S. Government agencies overseas.

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### Impact on Humanitarian and Private Programs

Failure to pass a continuing resolution will severely disrupt the programs of many private voluntary agencies and institutions in this country.

A.I.D. supports a wide variety of private humanitarian and technical programs. Its assistance has a catalytic effect on private programs: it supports and strengthens the many U.S. voluntary agencies programs operating at the grass roots level in more than 100 countries and territories. These agencies carry on activities in health, education, agriculture, vocational training, as well as coping with simple and pervading hunger. A.I.D. support thus reinforces the expression of millions of Americans who contribute to such private humanitarian and technical assistance organizations. For example:

82 private voluntary organizations are

registered with A.I.D. and are eligible to apply for PL 480 excess food, commodities, overseas ocean freight reimbursement for privately donated supplies and U.S. excess property. (In 1970 the value of the U.S. Government support along these lines totaled $193 million.)

These same organizations received from private sources $71 million in the form of donated commodities and equipment and $293 million in other income.

In 1970 there were 51 disasters in 36 countries including such major catastrophies as the Peru earthquake and the East Pakistan cyclone. U.S. official and private emergency assistance to victims of disaster and civil strife totaled $60.9 million. Of this amount, $12.2 million was provided by private organizations.

Without a continuing resolution, many of these voluntary agencies will be unable to carry on their programs and the U.S. will weaken a vital force for international understanding and good will.

### Effect of Failure to Extend the AID Program in Some Sample Countries

*Indonesia*—U.S. assistance has been a critical element in the success of the multilateral assistance effort which has underwritten Indonesia's own highly-effective self-help measures and enabled the country to make outstanding progress in rehabilitating the country's economy following Sukarno.

Failure of the United States to continue as an active donor would:

Undermine the Indonesian people's confidence in their government's stabilization program, with exceedingly serious potential domestic, economic and political repercussions.

Risk lost of support of Indonesia's many other donors, casting into serious doubt the validity of multilaterally-coordinated aid-giving as a sound foundation on which a country can have a disciplined economic policy.

Lead to a resurgence in inflation—reduced to 2% a year from an annual rate of 600% in 1965—which ultimately could undermine all development efforts.

*Turkey*—We could not fulfill our offer of assistance to help Turkey cope with the problems resulting from its agreement to eliminate the production of poppies. Secretary Hardin is currently in Turkey reviewing Turkey's plans for assisting its farmers and identifying potential areas of U.S. assistance.

The planned expansion of the Eregli Steel Mill would be delayed. A carefully developed financial plan, involving a cooperative World Bank and AID financial effort, could not be realized. The expansion will reduce Turkey's need for future steel imports and for future aid.

*Ghana*—During the past two years, the U.S. has played a major role in building a multilateral framework for helping Ghana restore its economic health which will permit not only an acceptable rate of growth for Ghana but enable her to play its traditional key role in West African trade and commerce. The first stage of the recovery was a major stabilization program under the leadership of the IMF which brought Ghana's domestic and external economic problems under control. The second stage, now in progress under the leadership of the World Bank Consultative Group, focuses on accelerating Ghana's growth through improved domestic investment and savings programs, as well as a substantial increase in net foreign resources flowing into Ghana.

In FY 1972 the U.S. intends to increase its aid to Ghana as part of a package of a substantial increase of World Bank aid to Ghana, including for the first time a program loan, as well as increases in Canadian, West German and British aid. The failure of the U.S. to be able to make its major contribution to Ghana's development in FY 1972 and thereafter could lead to an economic and political tragedy in Ghana.

*Panama*—Failure to extend the Continuing Resolution will, within a short period, effectively halt work in developing a water system for Panama City, in agriculture development, in malaria eradication and in education. It would weaken the credibility of U.S. commitments to Panama at a time when sensitive U.S.-Panama Canal Treaty negotiations are in progress.

Failure to continue implementation of the $8.5 million Education loan will impede the progress of Panama's highly publicized education expansion and reform program, the product of four years' effort. Any interruption in implementation of the $20 million Panama City potable water loan could lead to severe rationing of water supplied from the Canal Zone, thereby increasing tension between the Zone and Panama.

*Indus Basin*—The Indus Basin Development Fund Agreement is an agreement between the United States, the IBRD and six other nations (New Zealand, Pakistan, United Kingdom, Canada, Germany and India) to finance a construction program equitably dividing waters of the Indus Basin between India and Pakistan. Without a Continuing Resolution it is not possible to meet our obligations under this international agreement.

The October 1 IBRD requests exceed the amount we are now able to provide under the current Continuing Resolution. We are now technically in default of our commitment to the Indus Basin Development Agreement Fund and the World Bank Administrator of the Agreement. Failure to appropriate the full amount requested of Congress in FY 1972 could result in contractor claims and, should the construction schedule be jeopardized, increased construction costs, and if work is suspended, heavy contractor cancellation fees.

### Effect of Failure To Extend the AID Program in South Asia—Humanitarian Relief

1. Pakistan Refugees in India: We could not make dollar contribution needed to help India finance costs of shelter, sanitation, medical care, administration for refugees. Have just participated in India Consortium meeting involving major industrialized countries under World Bank auspices which concluded members should be prepared to make maximum refugee contribution. We cannot expect others to substitute for us. Lifting some of the financial burden from India can help keep the situation from exploding.

2. Assistance in East Pakistan: Our funds are a mainstay of the relief effort, under UN auspices, which is aimed at reducing refugee flow to India. We are now providing support for UN administration, assistance in the transportation of food, and for special dollar costs related to child feeding programs. Looking ahead, there will be a need to assure the availability of adequate agricultural supplies, like fertilizer and pesticides and pumps, to assure that food production is maintained, that food supplies in the future are not so poor as to stimulate further refugee movement. Without new funds we cannot continue to assist.

### Effect of Failure To Extend the AID Program in Vietnam

Failure to extend the Continuing Resolution would have the following effects on the Vietnam economic program:

Since the Government of South Vietnam (GVN) relies on U.S. support to finance a major share (over 50 percent) of its budget, it would be necessary to cut back drastically on budget expenditures for its military forces, land reform payments, support for refugees, and Veterans benefits. These cutbacks would greatly reduce the GVN's ability to carry on the war effort.

No conceivable amount of budget reductions could, however, be sufficient to prevent rapid and spiraling inflation, which would lead to economic chaos, increased military desertion rates (since public sector salaries would be penalized the most), and political instability.

The reduction in GVN military effectiveness would slow down the orderly turnover of military operations to the South Vietnamese Army, and would impair our ability to withdraw U.S. troops. Thus, a cutoff of the $565 million economic request would have a disproportionately adverse effect on U.S. military expenditures.

Vietnam relies heavily on A.I.D.-financed imports. Failure to provide continued funding for imports would trigger speculation, hoarding and shortages immediately—well before the last commodities in the pipeline are delivered.

Volunteer doctors now providing medical care for war casualties and refugees would be withdrawn.

Medical supplies such as pharmaceuticals and surgical equipment for Vietnamese hospitals would be terminated.

Commodities and technical assistance for refugees, including aluminum roofing and tents for shelter, would be cut off.

Technical assistance for development (agriculture, education, industrial development, public works, and rural development projects) would be terminated, reducing Vietnamese capacity to achieve economic self-sufficiency.

Civilian inputs to the Pacification Program would be eliminated.

### Effect of Failure To Extend the AID Program in Laos

Termination of U.S. Supporting Assistance to Laos would affect the following activities:

Stabilization: The core of the stabilization effort is the Foreign Exchange Operations Fund (FEOF), supported by the U.S., U.K., Japan, Australia, and France, which finances virtually all of Laos' imports. If the U.S., the major contributor, were to cut off funds to FEOF, inflation would almost immediately assume such proportions as to destroy the monetary system in Laos. It would be impossible for Laos to sustain its military effort, or support its civilian government, in the chaotic conditions that would ensue.

Refugees: A.I.D. is the sole provider of food (rice and protein supplements), for about 150,000 Lao refugees, more than half of them women and children. These war victims, without jobs and permanent homes, would be forced into a struggle for survival without A.I.D. support. Rice supplies for these people will run out at the end of December, and procurement plans for the succeeding six months must be made firm by that time if there is not to be a lapse in the food supply. In addition, an estimated 60,000 persons who lost their total food crops in the recent Mekong River flood will require about nine months of food aid beginning next February.

Public Health: We would have to end a program providing medicine, medical supplies, equipment, and training for up to 250 dispensaries, mainly in areas where they are the only source of medical care. We would also have to interrupt the transfer to the Laotian Government of the operation of seven municipal hospitals caring for about 240,000 people a year, now being operated under an A.I.D. contract with Operation Brotherhood of the Philippines. Medical supples for these hospitals would soon be exhausted, and the Operation Brotherhood contract would terminate at the end of the year.

Development: The effort to make Laos self-sufficient in rice and other basic foods production would have to be terminated.

We would have to abandon our support for the development of a Lao-language secondary education system and building of an adequate teacher-training system. Our vital support for an elementary system of over 218,000 pupils, would have to be abandoned.

Training programs in Laos, Thailand and the United States in education, public administration and agriculture would have to be phased out.

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### EFFECT OF FAILURE TO EXTEND THE AID PROGRAM IN CAMBODIA

1. Pipeline: The full $70 million of FY 1971 supporting assistance funds has been obligated. These funds are tied up in the process of commercial licensing for commodities for Cambodia, or for commodities being produced, or for those on the docks or already en route. Deliveries will occur from the pipeline from now through about June 30, 1972. Unless new obligations are made now, imports into Cambodia except P.L. 480 will rapidly fall off after that date, and the flow of commercial imports needed to sustain the economy and dampen inflationary pressures will be cut off.

2. Effect of Failing to Pass Continuing Resolution:

(a) The *economic reform program* which the Cambodian Government has just launched October 29 will be aborted. The Government has devalued the riel by more than 120% and we have agreed to support these reforms with economic aid. Unless the Continuing Resolution is passed, we will not be able to live up to this commitment. Furthermore this would render impossible the Cambodian effort to get *multilateral support* for an Economic Stabilization Fund as part of their effort to stabilize the Cambodian economy.

(b) No new commodities under the U.S. commodity import program will enter the economy after what is now in the pipeline is delivered. There will be no petroleum products; hence no electricity, no convoys bringing rice from the provinces, no gasoline for jeeps, trucks, helicopters, and domestic airlines. There will be no imports of textiles, machinery, drugs, chemicals, canned foods, milk, and beverages. The government has no foreign exchange reserve left to use for such imports.

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THE SECRETARY OF STATE,
*Washington, D.C., November 10, 1971.*
Hon. GERALD R. FORD,
*House of Representatives.*

DEAR GERRY: I want to let you know personally the Administration's concern over the really disastrous consequences of not getting a Continuing Resolution authority (CRA) passed to provide for our foreign aid programs after November 15th.

The most serious consequences would be felt almost immediately in the Agency for International Development. We are informed that the effect of a ruling just made by the Comptroller General is that no administrative expenses of the Agency may be paid for work performed after November 15th in the absence of a Continuing Resolution. This of course includes salaries. The net result of this could cause a wholesale departure from the government of the entire staff operating our foreign assistance programs. The programs themselves would come to a halt through a failure to be able to administer them. This means that almost $3 billion in continuing AID programs will cease. AID has analyzed the impact of this and believes that a total of over $2.5 billion would be subtracted from the U.S. economy. Five thousand American companies employing more than 60,000 persons would be affected. AID has over 260 contracts with U.S. universities and firms; 61 of these would run out of funds before December 31 and a further 137 before March 1972. Contractors under these conditions will have to bring their personnel home leaving many projects unfinished. I need not point out that the total impact in the U.S. would be most serious, particularly at a time when our efforts to reduce unemployment are vitally important.

Overseas, the consequences will be equally serious. In Cambodia where the cut off in funds will be felt first and most severely, ammunition supplies will run out in thirty days following a cut off of funds. Over 50% of our program to Cambodia is for ammunition. The Cambodian Army could not longer fight without it. The net effect will be to free some four North Vietnamese Divisions to return to battle in Vietnam and to deprive Cambodia of the resources which its Army urgently requires to defend the country and maintain security for its people.

Directly in Vietnam, a cut off in funding may require somewhat more time to have a direct impact, assuming personnel problems could be solved. However, shortly following failure of the U.S. to provide the imports required, there will be serious disturbances in the economy of Vietnam. Speculation, shortages and rapid price increases are inevitable. Political turmoil and a loss of military strength would not be far behind. The end result would be to negate the massive efforts in Vietnam in the past and even more importantly to nullify this Administration's strenuous and successful efforts at Vietnamization and U.S. withdrawal.

Elsewhere in countries like Laos, Thailand, Jordan, Turkey and Indoesia, our ability to fund vitally important programs will stop when Continuing Resolution authority runs out on November 15. Funds already obligated for programs under the present CRA cannot be moved to other programs because AID will have no authority to make new commitments. In Laos, for example, assistance to over 300,000 refugees would begin to run out and soon stop. Existing supplies and pending orders would hold off for a short time the final discontinuance of support, but it would occur within the next six to nine months.

I cannot emphasize enough the importance which this Administration attaches to the continuing funding of the foreign assistance programs under CRA. Of course, we recognize that CRA is not a substitute for final legislation authorizing and appropriating money which must necessarily come before the House of Representatives in the near future. Nevertheless, legislation is clearly going to require more time and in the interim we must have a CRA to continue the programs. Any disruption could be doubly costly both at home and abroad, as I believe the above examples indicate.

In closing, I believe the President made clear this Administration's concern as succintly as possible last night when he said:

"If the United States at this particular time should determine that it will discontinue its programs of mutual assistance for countries abroad—helping them so that they can help themselves—it can only mean that the world will become much more unstable, that the dangers of war in the world will greatly increase and that the United States will no longer be a world power respected in the world, no matter how strong we are at home."

Sincerely yours,

WILLIAM P. ROGERS.

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DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
*Washington, D.C., November 10, 1971.*

The Comptroller General has today issued an opinion which will prevent the Agency for International Development from obligating any funds for operating expenses after November 15, 1971 in the absence of a continuing resolution. The result is that, unless Congress adopts a satisfactory continuing resolution on or before November 15, A.I.D. will be unable to incur the obligations needed to continue operations after that date. There is attached a more general discussion of the Comptroller General's ruling.

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DEPARTMENT OF STATE, AGENCY FOR INTERNATIONAL DEVELOPMENT,
*Washington, D.C., November 10, 1971.*

Today's rulings of the Comptroller General on A.I.D.'s obligational authority concern both of the statutory provisions which have been suggested as possible sources of funds for A.I.D. operating expenses in the absence of a Continuing Resolution.

The first provision is Section 617 of the Foreign Assistance Act, which authorizes the expenditure of funds after "termination of assistance under this Act." The Comptroller General has ruled that Section 617 is directed to the termination of particular projects or programs in any one foreign country, not to termination of the overall foreign assistance program. He has also ruled that, in any event, there has been no termination of assistance within the meaning of Section 617 since the President has not terminated assistance and since Congress has not terminated assistance "by concurrent resolution," the form of Congressional action expressly required by Section 617.

The second possible source of funding for A.I.D. operations considered by the Comptroller General is the reobligational authority set forth in the Foreign Assistance and Related Programs Appropriations Act of 1971. The Comptroller General has ruled that the reobligational authority in the 1971 Appropriations Act is not available to fund expenses in fiscal year 1972, the current fiscal year.

The Comptroller General noted that authority is available under the Mutual Security Appropriations Act, 1956 to use military assistance funds appropriated in prior years to fund administrative expenses for military assistance in this fiscal year. Those military assistance fund are not available for administration of the economic assistance programs conducted by A.I.D.

Mr. MAHON. Mr. Chairman, I yield 3 minutes to the gentleman from Tennessee (Mr. EVINS).

Mr. EVINS of Tennessee. I thank the distinguished gentleman for yielding. Mr. Chairman, I shall support the continuing resolution. As we consider the pending resolution I should like to state that I am pleased that we in the Congress are now receiving some cooperation at this time from the other end of Pennsylvania Avenue.

Mr. Chairman, earlier this year I joined with others in vigorously protesting the excessive impoundment of funds by the Office of Management and Budget for public works projects for the last fiscal year.

At the conclusion of the year our Subcommittee on Public Works Appropriations had a most extensive and I trust helpful hearing with officials of OMB in which we explained the position and point of view of the Congress for appropriating funds for needed public works projects for the Nation which had been impounded. At this time I am pleased to advise that virtually all appropriated funds have been apportioned and released for priority projects appropriated by the Congress.

This year I am advised that there will be no freezing and impoundment of public works funds by OMB.

Mr. Chairman, the Congress added $104 million in appropriated funds for some 94 projects—either new projects or increases in on-going projects. They have now released over $100 million of this amount, added by the Congress, to the U.S. Corps of Engineers, Bureau of Reclamation, Tennessee Valley Authority and other power and water resource development agencies of the Government throughout the Nation.

Mr. Chairman, I believe that our appropriations hearings held this year have resulted in a better understanding concerning the wishes of the Congress, concerning the impoundment of funds. and I am pleased that other add-on's have been approved and released.

This action by OMB is recognition of the fact that Congress does have the prerogative to make adjustments in the budget request and to establish its own priorities to the extent that it believes necessary in the public interest.

Mr. Chairman, I include a list of the projects that were frozen but that have been released, 134 for fiscal year 1971 in the amount of $64,509,000 and 175 in the amount of $113,997,000 for this fiscal year.

So, we have the release of funds from the other end of Pennsylvania Avenue for public works projects in this country.

The list referred to follows:

CORPS OF ENGINEERS AND BUREAU OF RECLAMATION PROJECTS

FISCAL YEAR 1971 PUBLIC WORKS APPROPRIATION ACT

| | Number | Amount |
|---|---|---|
| Release of congressional add-ons impounded during fiscal year 1971:[1] | | |
| New planning starts | 16 | $1,385,000 |
| New land acquisition starts | 7 | 2,500,000 |
| New construction starts | 31 | 7,975,000 |
| New loans | 3 | 750,000 |
| Additional amounts for projects underway | 77 | 51,899,000 |
| Total | 134 | 64,509,000 |

FISCAL YEAR 1972 PUBLIC WORKS APPROPRIATION ACT

| | Number | Amount |
|---|---|---|
| Congressional add-ons apportioned for obligation during fiscal year 1972:[2] | | |
| New planning starts | 25 | $2,616,000 |
| New construction starts | 20 | 9,820,000 |
| New loans | 2 | 600,000 |
| Additional amounts for projects underway | 128 | 100,961,000 |
| Total | 175 | 113,997,000 |

[1] A total of $2,288,000 is still held in reserve involving 5 projects.

[2] A total of $980,000 is still held in reserve involving 3 projects.

**Mr. BOW.** Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina (Mr. JONAS).

**Mr. JONAS.** Mr. Chairman, I take this time in order to concur in the remarks of the distinguished gentleman from Texas (Mr. MAHON), chairman of the House Committee on Appropriations, and also with the remarks of the distinguished gentleman from Ohio (Mr. BOW), the ranking member of that committee.

I do not really understand how it could seriously be argued that this is the time or the place to get into an argument about foreign aid or military assistance or the Defense Department.

If the committee today rejects the continuing resolution or emasculates it with amendments, you will be destroying the committee system of the House. You will, in effect, be expressing lack of confidence in your own Committee on Appropriations—because you will take away from the subcommittees of that committee, who still have work to do on bills that have not yet become law, the opportunity to mark up their bills and bring in bills that represent their best judgment on the amount of money that ought to be recommended for appropriation.

I really do not see how anyone in the House who understands this proposition would want to express such lack of confidence in one of your own standing committees, because you will be given an opportunity on each one of these bills to have the House work its will.

**Mr. MAHON.** Mr. Chairman, will the gentleman yield?

**Mr. JONAS.** I will be glad to yield to the gentleman from Texas (Mr. MAHON).

**Mr. MAHON.** Does not the gentleman think that this would be an indication of lack of confidence in the legislative committees as well as the Committee on Appropriations?

**Mr. JONAS.** The gentleman is absolutely correct. I am sorry I restricted my remarks to the Committee on Appropriations, because I stated in my earlier colloquy with the distinguished gentleman from Texas that we have been delayed awaiting authorization bills.

But if this committee today, as I have said—and I hate to repeat myself—defeats this resolution or emasculates it with amendments, it will be repudiating two of its standing committees, and I really do not believe Members want to do that.

I say again, that every member in this committee and in the House who wishes to oppose some parts of the bills that have not been enacted upon, will have ample opportunity to do it, because those bills will have to go through the Committee of the Whole, and there will be record votes, teller votes, and votes on final passage.

I plead with the members of this committee today not to repudiate two of your standing committees. If you want to attack any of the programs involved, will you not be willing to wait until the regular bills come to the floor, and make your attacks then?

**The CHAIRMAN.** The time of the gentleman has expired.

**Mr. MAHON.** Mr. Chairman, I yield 4 minutes to the gentleman from New York (Mr. DOW).

**Mr. DOW.** Mr. Chairman, the measure now before us will, among other things, accomplish the extension of the foreign aid program which has already been voted down by the Senate and which passed this house by the slim margin of 200 ayes to 192 nays.

It seems incongruous to me that we are today being asked to go around to the back door and extend this defeated program through the vehicle of a continuing resolution.

There is a way out of this, however. I would like to call to the attention of my colleagues section 10 of the Military Sales Act of 1970 as Public Law 92-672. This act contains language which prevents the spending of appropriations for foreign aid without authorizing legislation. Yet the requirement for express authorization is waived in the continuing appropriation of July 1, 1971, which we are asked now to continue further.

The amendment I am introducing today would delete this waiver and reinvoke section 10 of the Military Sales Act.

The effect of this would be to bar the expenditure of funds appropriated by this resolution for foreign aid only. It would have no effect on the expenditure of funds provided in the resolution for the defense or District of Columbia budgets. The requirement for authorizing legislation extends only to foreign aid program expenditures.

What would happen to employees of the foreign aid program if we were to reinvoke section 10 of the Foreign Assistance Act? My amendment has made provision that the administrative expenses for the salaries of these employees be continued. This employment issue should not be used as a bludgeon to coerce Congress into continuing a multibillion-dollar program. If all this program is good for is to employ people, then it is truly useless. Nevertheless, my amendment would allow these salaries to be met until the sine die adjournment of this session.

Over half of the budget of our foreign aid program is spent for military purposes. For this and a variety of other reasons many in this body feel that foreign aid, as presently constructed is an idea whose time has gone.

The program transforms our military attachés overseas into sales agents for the American arms industry, allowing poor nations the means to make war with each other, and to crush democratic movements which threaten the authorities. The terms of credit which we so generously extend—10 years—are probably longer than the life of the weapons which we sell them. Yet our ally, Israel, badly in need of economic assistance, receives practically nothing in this foreign aid program.

I have no quarrel with the concept of foreign aid, if properly conceived and redirected. I believe my amendment would compel a reformation of the program.

A new foreign assistance program is in the making, but it may be subverted and emasculated if pressure for reform is not exerted by withholding further assistance funds until a reconstruction is achieved.

**Mr. LONG of Maryland.** Mr. Chairman, will the gentleman yield?

**Mr. DOW.** I yield to the gentleman.

**Mr. LONG of Manyland.** The gentleman knows there is no question I am just as strongly opposed to military aid and military sales as the gentleman.

I have voted against them for years. Military aid is what really soured me on foreign aid.

But I am puzzled as to the gentleman's purpose. The gentleman recognizes in his remarks that foreign aid is going to continue in some form and, therefore, I would think the gentleman would agree with most of us that what we need——

**The CHAIRMAN.** The time of the gentleman from New York has expired.

**Mr. LONG of Maryland.** Mr. Chairman, I would ask that the gentleman be given a couple of additional minutes.

**Mr. MAHON.** Mr. Chairman, I yield the gentleman from New York (Mr. DOW) 2 additional minutes.

Mr. LONG of Maryland. Mr. Chairman, so I believe the gentleman more or less agrees that the program is going to be continued.

Would the gentleman not agree that if we are going to continue our foreign aid program and it is going to be restructured, it is going to take careful work to do it? Certainly, the purpose of the gentleman's amendment will be to put us under the gun and to deprive us of the time we need to do the kind of restructuring that needs to be done.

I am wondering whether the gentleman's amendment does not do harm rather than good?

Mr. DOW. I wish you would allow me time to say that with the defeat of foreign aid in the Senate and the close vote in the House, there is a current feeling running opposed to foreign aid in its present form.

Now is the critical moment to go after it and now is the time. The only way to do it is perhaps to use a gun—to use that metaphor—to cut off the operation of this program, aside from the administrative expenses.

Mr. LONG of Maryland. A couple of weeks in any case.

Mr. DOW. The gentleman knows that the reform of foreign aid has been in the pipeline just as the funds have been there for a long time. These ideas have germinated and many have come to fruition. I think it would take just a few days for this or the other body to develop or change or improve the program.

Mr. LONG of Maryland. Would the gentleman be satisfied with the restructuring of a vast complicated foreign aid system—that can be done in a few days or a week.

Mr. DOW. The idea is for a change in foreign aid, I will say to the gentleman, that most of the needed reforms have been suggested. They are in line and it would take just a few days to put them on paper.

Mr. BOW. Mr. Chairman, I yield 2 minutes to the gentleman from Massachusetts (Mr. CONTE).

Mr. CONTE. Mr. Chairman, I want to express my unequivocal support of the continuing resolution as it affects the foreign aid program.

I have supported this program on this floor under four Presidents.

There is no question that the entire program needs thorough examination and revision. I have worked for this goal during my 12 years on the Foreign Operations Subcommittee. However, our frustration with its shortcomings should not lead us to the irresponsible action of cutting off funds completely after next Monday.

We must remember that our foreign assistance supports many important activities. The Asian Development Bank, Disaster Relief, the International Development Association, the Export-Import Bank, the Overseas Private Investment Corporation, and the Development Loan program have all proven their worth and effectiveness. This last program, in particular, by loaning money to developing countries to help them achieve the economic self-sufficiency they require, is of vital importance.

Nor can we ignore the tremendous health programs bolstered by these funds. We provide relief for victims of countless diseases. We support the work of the World Health Organization, the U.N. children's fund, and the U.N./FAO world food program, to mention only a few.

The controversy surrounding our military assistance should not obscure the benefits of our economic and humanitarian aid. While I welcome this controversy as providing the necessary impetus for a reduction of our goals in this area, I will not support an attempt to throw the baby out with the bathwater.

As President Nixon stated yesterday:

> There are no constituencies for foreign aid, we know that. But let us recognize this: If the United States at this particular time should determine that it will discontinue its programs of mutual assistance for countries abroad—helping them so that they can help themselves—it can only mean that the world will become much more unstable, that the dangers of war in the world will greatly increase.

Let us work for reform. But let us have the wisdom to reject draconian measures in the process.

Thank you, Mr. Chairman.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. BOW. Mr. Chairman, I yield 5 minutes to the gentleman from Kansas (Mr. SHRIVER).

Mr. ROONEY of New York. Mr. Chairman, will the distinguished gentleman from Kansas yield to me?

Mr. SHRIVER. Very briefly.

Mr. ROONEY of New York. It would seem to me that the gentleman from New York (Mr. Dow) might throw out the baby with the dirty bath water.

Some of the items not mentioned by the distinguished gentleman from Massachusetts in listing some of the many good parts of the program which have to be appropriated for and for which there must be a bill are items such as the funds for refugees and migrants, which would be included by this resolution and which are very much the subject of concern of all religious faiths. CARE, the Catholic Relief Services, Church World Service, and the American Jewish Joint Distribution Committee, all voluntary agencies, are very much concerned that we have a foreign aid bill.

I thank the gentleman.

Mr. SHRIVER. I thank the gentleman from New York.

Mr. Chairman, I shall speak to the continuance of the aid program. I have never voted in favor of foreign aid authorization bills since I came to Congress in 1961. I did not vote for the authorization earlier this year.

But I do support President Nixon's progress in withdrawing American soldiers from the conflict in Southeast Asia. I do support the Nixon doctrine of a more realistic American presence in the world. I do support the concept of Vietnamization as an alternative to previous American involvement in the war.

To me, this continuing resolution, at least the foreign aid part of it, is an "end the war" bill. It is a "bring the boys home" bill.

It is not a vote on the merits and failings of our fragmented foreign assistance programs. This House will have an opportunity later this year to vote on the future of our military and economic aid efforts. This continuing resolution is the traditional and time tested method by which we avoid total chaos which would result from the immediate dismantling of the program while Congress debates its future.

We have to keep one thing clearly in mind today. If this continuing resolution is not passed, the Agency for International Development will cease to exist on November 16. There is no authorizing legislation—the Senate defeated the House-passed bill on October 29.

The only way AID can pay its personnel, even to dismantle the program in an orderly way, is if the authorization to do so is enacted by Congress in this bill.

We have heard a lot about the so-called "pipeline." Agency spokesmen tell us this is obligated, and thus unavailable for administrative purposes.

We all want to get out of Vietnam as soon as possible, and we are getting out. But if this aid program which finances over half of South Vietnam's badly needed imports is stopped on November 16, the effect on the south's economy and war efforts in its own behalf will be fatal. Would that really be in our national interests? With a shortsighted negative vote on this resolution today, do you want the sacrifices of American and allied lives and resources during the last decade to go down the drain—to be for naught?

In a letter dated yesterday to the ranking member of the Appropriations Committee, our former colleague and now Secretary of Defense, Mel Laird, explained the importance of military grant and sales assistance to our own defense posture. The Secretary wrote:

> In large measure grant aid and foreign military sales credits have been planned in order to permit a reduction in forward deployments of our own reduced forces.

The Secretary also stated:

> There is a very close relationship between our own military force structure and the president's program for foreign assistance.

We normally think of Vietnamization in military terms, but the principles of Vietnamization are being applied to the economic assistance program as well. The dollar figures are very high—$565 million for economic supporting assistance for Vietnam—but practically the entire amount is to make up for the loss of foreign exchange earnings which had been coming to the Vietnamese indirectly through our Armed Forces presence in their country.

But while these dollar figures are high, our direct involvement in Vietnam's economic and social affairs is on the decline. More Vietnamese are doing the jobs which were being done by Americans. This will continue, as it should, but the Vietnamese war-inflated economy cannot do it alone.

Ending our involvement in the war is the main reason I support this continuing resolution, but there are other substantial reasons.

We face a high unemployment situation in our country—5.8 percent overall, and much worse in certain areas and in certain groups.

The immediate loss of $900 million of aid commodity purchases would affect 50,000 jobs directly in the first year and probably twice that many in later years.

The loss of $650 million of technical service contracts would affect about 10,000 other jobs, many of these in universities which are already in financial trouble.

The elimination of AID-financed shipments would curtail about one-quarter of the cargo now shipped on U.S.-flag vessels, with obvious effects on our merchant fleet and seamen.

AID itself has 6,500 employees, 3,400 of whom are overseas. In addition, AID finances 2,000 contractor personnel and 700 employees of other U.S. Government agencies overseas. These people, of course, would be affected immediately by negative action in the House today.

Yesterday, I inserted five tables in the RECORD on page H10791 which show the financial impact of AID expenditures in our own country. The impact is substantial in many of our districts and States, reflecting the fact that most of our foreign aid spending is done right here at home.

There are many serious shortcomings in our past foreign aid policies, many of which I have pointed out myself here on the House floor since becoming a member of the Appropriations Committee. Our subcommittee will continue to investigate these programs and eliminate selectively those programs which are not working and are not in our national interest. Judging from statements of the Senate Foreign Relations Committee and the chairman of our Foreign Affairs Committee, we will all have the opportunity to debate these programs when considering totally new authorizing legislation.

But in spite of various items included in this program which we know should be discontinued, there are others which dictate a responsible affirmative vote here today. Vietnamization. Unemployment. Humanitarian disaster relief. American schools and hospitals abroad. Project hope. American exports. Assistance to Turkey to help eliminate the production of poppies, which are made into heroin. Supporting assistance to Laos and Cambodia for the safety of our servicemen in Vietnam. Aid to Korea, so that we can continue to bring our troops home from that country where they have served for far too long. Aid to the peacekeeping force in Cyprus, which has successfully kept the lid on that explosive situation. The green revolution. Population control.

For these reasons I strongly urge all of you to cast a difficult but responsible and very necessary "yea" vote on this continuing resolution.

Mr. BOW. Mr. Chairman, I yield 10 minutes to the gentleman from Michigan, the distinguished minority leader, GERALD R. FORD.

Mr. GERALD R. FORD. Mr. Chairman, really there are two issues involved in our consideration of House Joint Resolution 946. One is the question of orderly responsible legislative procedure, and the other is the substance of the foreign program and others affected by the resolution.

I would doubt that many in the Chamber or many Members of the House have actually taken a look at House Joint Resolution 946. It is five lines—and here is a copy. It involves the continuing authority for appropriations in the magnitude of $80 billion between now and when we adjourn sine die.

We have had continuing resolutions in the past in many, many instances—too many—but, be that as it may, never to my knowledge has the House ever amended a continuing resolution, and for good reason. A continuing resolution is an interim vehicle to provide obligation authority for the Departments that prior to that time have not had an appropriation bill approved into law. Here we are threatened with one or more amendments on a continuing appropriation bill for an interim period of time in the 1971 session of the Congress.

Mr. Chairman, if we do that, I think we are establishing a bad precedent, and also if we do it we are undercutting responsible committee activity. It means that the Committee on Foreign Affairs will be precluded from working its will and the House from working its will on the authorization bill for the foreign aid program.

I have in my hand here a copy of H.R. 9910 which was the foreign aid authorization bill we passed in the House August 3, 1971. There are 40 pages involved in this bill. The House over a 2-day period read every paragraph, passed judgment on every paragraph, and finally August 3, passed it by a vote of 200 to 192. That was the responsible way to act on the legislation—far more responsible than trying to amend a five-line continuing resolution.

If we amend this resolution we may be compounding irresponsibility. Every year, in the ordinary course of events, after an authorization has become law we consider an appropriation bill for the Foreign Aid program. I have in my hand here the Foreign Aid Appropriation bill for the last fiscal year. It is seven pages long, and in every instance there is a line item for every program. When that legislation went through the House a year ago the House of Representatives worked its will on every line item.

That makes sense. How we could go from that kind of responsible activity to consideration of amendments on a five-line resolution is beyond my comprehension. I say to those who want to do it, if you do you are establishing a very bad precedent that will come back to haunt you.

I have in my hand a letter from the Secretary of State which indicates that in his judgment any action on the continuing resolution not following the proper authorizing and appropriation procedure would be very, very serious. Let me read an excerpt from that letter. I quote:

> AID has analyzed the impact of this and believes that a total of over $2.5 billion would be subtracted from the U.S. economy.

That would be the impact if the foreign aid portions of this resolution were deleted or were severely restricted.

The Secretary of State goes on and points out in a number of instances the specific harm that would come to the implementation of our foreign policy if the continuing resolution were amended to reduce funds substantially.

It seems to me at this critical juncture in our foreign policy to use a meat axe on either the military assistance or the economic assistance would be disastrous. I am willing to rely on the good judgment of the Committee on Foreign Affairs on the authorization and how the House works its own will on the authorization. And I will do the same so far as the appropriation bill is concerned.

But I believe it would be unwise from a parliamentary point of view, from a legislative point of view, and from a substantive point of view for us on this occasion to cut the program or to hamstring it or to do anything other than to pass it as it has come from the Committee on Appropriations.

Now let me give one or two specific instances where a serious cut or a serious limitation would have a disastrous effect.

According to the AID Administrator, if a termination should come today, or on November 15, it would result in the loss of $900 million of AID commodity purchases, which would, on average, affect 50,000 jobs directly in the first year.

Or if we were to terminate the program it would result in the loss of $650 million of technical service contracts, which would affect about 10,000 other jobs.

Furthermore, for those who are concerned about the American merchant marine, if we were to terminate the foreign aid program on November 15, as some apparently want it terminated, one-quarter of the cargo on U.S. flagships would be eliminated.

The disastrous complications would be, I believe, serious; and in my opinion we should not amend and we should not terminate the foreign aid program at this point.

Mr. FRELINGHUYSEN. Mr. Chairman, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from New Jersey.

Mr. FRELINGHUYSEN. I thank the gentleman. I should like to commend the gentleman for his statement.

The gentleman mentioned the Committee on Foreign Affairs several times. As a Member of the Committee on Foreign Affairs I would say that we have been ready to discharge our responsibility. As the gentleman pointed out, an authorization bill recommended by our committee has been considered. The reason there is a problem today regarding foreign aid is the action taken by the other body.

We are ready to move again when the time is appropriate, but the only responsible way now is to have a continuing resolution, to enable us to proceed with another authorization and an appropriation bill in due course.

So I also hope that we have no amendments—we cannot prevent them from being offered, of course, but I trust that no amendments are adopted to this continuing resolution, I hope that we can proceed in an orderly fashion.

I thank the gentleman for yielding.

Mr. GERALD R. FORD. I know the Committee on Foreign Affairs and the Committee on Appropriations are ready, able, and willing to bring the proposed bills to the floor of this House for consideration and under the orderly procedure. Let us wait until these opportunities present themselves instead of operating on a five-line resolution. House Joint Resolution 946 ought to be approved as is so that we can operate in the best legislative way at a subsequent time.

Mr. JONAS. Will the gentleman yield?

Mr. GERALD R. FORD. I am glad to yield to the gentleman.

Mr. JONAS. Is it not true that every opponent of either one of these programs will have his day in court when the regular bills are on the floor of the House for action and that any action anybody wants to take against any of these programs should more properly be taken when those bills are there instead of on this continuing resolution?

Mr. GERALD R. FORD. Yes.

I yield to the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. I want to say to the gentleman I am in sympathy with his statement and plan to support the position that he has taken, because I think continuing authority for the AID agency along with the Department of Defense is a responsible position to take.

Moreover, I am concerned that certain parts of our foreign policy are a little ragged. We need to work in order to try to keep the country on the right track.

There will be other issues tonight or tomorrow that also relate to American foreign policy, and I appeal to the gentleman to help in those efforts, also, if he can find his way to do so, to help the United States to live up to its international obligations. It seems to me that it is part and parcel of a responsible posture in the foreign policy field.

Mr. GERALD R. FORD. I thank the gentleman from Minnesota. I will do my best and I will exercise whatever judgment I have on some of these tough foreign policy issues. I think we have to take them one at a time and let the House work its will and let each of us exercise our best judgment as our conscience dictates.

Mr. MAHON. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. STRATTON).

Mr. STRATTON. Mr. Chairman, the gentleman from New York, my colleague (Mr. DOW) said a moment ago that we should not be sending military help to Israel but, rather, should be sending economic help.

The fact of the matter is that I had the privilege of chairing a subcommittee that went to Israel a year ago. We met with the Prime Minister and also with the Deputy Minister of Defense. They made it clear to us that what they wanted desperately and urgently was military help. In fact, we brought back to this House a request for $800 million for credit sales of military equipment which was later included in unlimited amounts in the defense authorization bill last year.

There is another $300 million in the 1972 foreign aid bill to help Israel. She desperately needs it. She needs the Phantom jets and other weapons to deter aggression against her in that area. If the position of the gentleman from New York were to prevail, we would be encouraging aggression in the Middle East.

Mr. VEYSEY. Mr. Chairman, today the House is being asked to keep alive a system of foreign assistance that scarcely anyone can defend in its present form. We are told it is necessary to line up and go along with this so that something better can be developed in due time.

I am not persuaded.

The people in my district and across the country have wells of generosity they are willing to dip into for almost any worthy cause. But there comes a time when even the most dedicated philanthropists take stock of the good they have done. That time is with us, and we find we have little concrete to show for 25 years of altruism.

The present aid program is universally recognized as inefficient and wasteful. Although I certainly favor some parts of the program there is no way to justify others. I am convinced that the best way to expedite reform of this program is to call a halt to it as it now stands. This is especially true at a time when our Federal budget is running a record deficit and we would in effect have to borrow the money to continue this program.

Therefore, I do not support the continuing resolution for foreign aid.

Mr. BOW. Mr. Chairman, I have no further requests for time.

Mr. MAHON. Mr. Chairman, the hour is late; the issue is very clear; namely, whether we shall take action to provide for the continuation of several departments and agencies of the Government, including the Department of Defense and others for this interim period. I do not have any doubt but that the House will approve this continuing resolution.

I know we are going to have an amendment to cut out funds for the Defense Department. And we are going to have an amendment to cut out funds for the foreign aid program, including the Export-Import Bank—which if adopted would also seriously affect both business and labor.

Mr. Chairman, I would urge that we move along as rapidly as we reasonably can. I have no further requests for time.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That clause (c) of section 102 of the joint resolution of July 1, 1971 (Public Law 92-38), as amended, is hereby further amended by striking out "November 15, 1971" and inserting in lieu thereof "the sine die adjournment of the first session of the Ninety-second Congress".

### AMENDMENT OFFERED BY MR. SEIBERLING

Mr. SEIBERLING. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. SEIBERLING: Page 1, line 7, after the end of the sentence strike out the period and insert a semicolon and add the following: "provided that notwithstanding any other provision of law no funds shall be available under this joint resolution after November 15, 1971 for activities of the Department of Defense."

Mr. SEIBERLING. Now, Mr. Chairman, despite the mutterings that you hear, this is not an amendment to prevent our acting on funds for the Department of Defense. It is an amendment to give us an opportunity to vote on that as a separate issue.

I note that this continuing resolution not only covers funds for the Department of Defense, but it covers the District of Columbia appropriations, the foreign assistance appropriations, the antipoverty program, the economic opportunity authorization, health manpower programs, Radio Free Europe, civil rights education and emergency school assistance and even the American Revolution Bicentennial Commission.

Now, I made a pledge to my constituents and I made a statement at the start of this session that I would not vote for any appropriation or authorization to continue the war in Vietnam until we put a specific cutoff date on further American involvement in that war. I consider this a pledge that I am bound to keep. There are other Members of this House in this same position.

I do not think it is right to compel us to vote against antipoverty programs and all these other things in this kind of grab-bag resolution in order to carry out our honored pledge.

So, this does not prevent a continuing resolution for the Department of Defense but it does provide an opportunity for us to vote on that as a separate continuing resolution. That is the sole purpose of my amendment and I urge its adoption.

Mr. RHODES. Mr. Chairman, would the gentleman yield?

Mr. SEIBERLING. I yield to the gentleman from Arizona.

Mr. RHODES. Do I understand the gentleman's amendment correctly that he would strike the Department of Defense from this resolution and hope—I guess he hopes, at least—that there would be another resolution which would provide funds for the Department of Defense? So now I ask the gentleman will he support such a resolution if it is brought to the floor?

Mr. SEIBERLING. It depends entirely on the form of the resolution, and whether it provides for carrying on the war without a cutoff date.

Mr. RHODES. And the gentleman then would, as I gather, vote to cut off all funds for the Army of the United States, the National Guard, the Marine Corps, and so forth, unless he gets his way as far as this is concerned?

Mr. SEIBERLING. We have not gotten that far yet.

Mr. RHODES. I think we have, because this is the 10th of November.

The CHAIRMAN. The time of the gentleman from Ohio has expired.

Mr. MAHON. Mr. Chairman, I rise in opposition to the amendment.

The amendment simply provides for the elimination of all funds for the Department of Defense after November 15, which is next Monday. That is completely impractical. Surely the House would not embrace this amendment.

Mr. Chairman, I ask unanimous consent that all debate on this amendment and all amendments thereto close in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

Mrs. ABZUG. Mr. Chairman, I object.

The CHAIRMAN. There being no objection, it is so ordered.

Mr. BINGHAM. Mr. Chairman, I rise to a point of order. The Chair evidently did not hear the gentlewoman from New York when she objected to the unanimous consent request.

The CHAIRMAN. The Chair will state that the Chair heard no objection.

Mrs. ABZUG. Mr. Chairman, I did object.

Mr. HAYS. Mr. Chairman, the gentlewoman from New York was objecting; not that I favor her position on this bill, but the gentlewoman did object.

The CHAIRMAN. Was the gentlewoman from New York (Mrs. ABZUG) on her feet?

Mr. MAHON. Mr. Chairman, she was on her feet.

Mrs. ABZUG. Mr. Chairman, I was on my feet.

The CHAIRMAN. And the gentlewoman from New York objects?

Mrs. ABZUG. Yes, that is correct.

The CHAIRMAN. Objection is heard.

### MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Chairman, I move that all debate on this amendment and all amendments thereto close in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. WAGGONNER).

Mr. WAGGONNER. Mr. Chairman and Members of the House, you have just heard the gentleman from Ohio (Mr. SEIBERLING) in offering his amendment, make the statement to you that he made a pledge to his constituents not to appropriate nor vote to appropriate any funds for the military until a date certain had been established for getting our troops out of Vietnam.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I do not have time to yield to the gentleman.

Mr. Chairman, I would like to remind the Members that every one of the Members at the opening of the 92d Congress raised their hand and took an oath under the Constitution of the United States to defend the United States, and you cannot do it by doing away with the financial support for the military.

You all have an oath, including the gentleman from Ohio, to defend the United States.

Mr. RONCALIO. Mr. Chairman, will the gentleman yield?

Mr. WAGGONNER. I will be happy to yield.

Mr. RONCALIO. Mr. Chairman, I gave the same promise to the people of Wyoming when I was campaigning up and down the State of Wyoming, that I would vote for no further military funds until we get out of Vietnam. And I am as good an American as the gentleman from Louisiana.

Mr. WAGGONNER. I will tell you one thing, and you will have to live with it, but you decide which oath means the most: the oath you took on the floor of the House of Representatives with your hand up, when you came to take this job, or that foolish one you made back in your home State.

Mr. RONCALIO. Mr. Chairman, I demand that those words be taken down. Please take down the words. I resent the implication on my patriotism, and I defend my right to do what my conscience tells me to do.

So, Mr. Chairman, I demand that the words be taken down.

The CHAIRMAN. The gentleman from Wyoming insists upon his request that the words be taken down?

Mr. RONCALIO. Mr. Chairman, I demand that the words be taken down.

The CHAIRMAN. The Clerk will report the words objected to.

Mr. RONCALIO. Mr. Chairman, I withdraw the request.

The CHAIRMAN. The request is withdrawn.

The CHAIRMAN. The Chair recognizes the gentlewoman from New York (Mrs. ABZUG).

Mr. SEIBERLING. Mr. Chairman, will the gentlewoman yield?

Mrs. ABZUG. I yield to the gentleman.

Mr. SEIBERLING. I just want to correct the RECORD and I think the stenographic record will show that I did not say I would not vote for any military appropriation. I said I would not vote for any military appropriation to continue our involvement in Vietnam. Our involvement in Vietnam does not advance the defense of the United States. In fact, it has impaired our ability to defend the real interests of the United States against very real threats elsewhere in the world.

Mrs. ABZUG. Mr. Chairman, I think it is important for the men and women in this House to recognize that the questions of patriotism posed are as follows: the continued violation of the will of 75 percent of the American people, the continued sending of our young men to be slaughtered and the continued killing of innocent people abroad without the consent of the American people. For when a House of Representatives refuses to withhold the funds from an Executive who unlawfully conducts a war without regard to the will of the people or our own obligation to exercise the power rendered us by the Constitution and the people then it may be that our course has been unpatriotic.

I think there is nothing wrong with this House pausing and saying we have not acted to set the date. We have not acted to reflect the will of the American people. In view of the fact that we have sat by as the President continues this war, perhaps what we now must do is to take very strong action to cut off the funds from this war by cutting off the funds of the Department of Defense.

I support this amendment. We must not allow ourselves to continue funding the war to kill innocent people, to plunder the energies and resources of our Nation, and to deny the hopes of all Americans for peace.

Mr. BINGHAM. Mr. Chairman, I support the amendment proposed by the gentleman from Ohio (Mr. SEIBERLING) as a purely procedural matter. As I understand it, he wants to have the question of a continuing resolution to carry on the Defense Department programs taken up separately, and I believe that is a reasonable request.

My vote in support of his amendment does not mean that I am opposed to all the items in the Defense Department's continuing programs.

The CHAIRMAN. The Chair recognizes the gentleman from Arizona (Mr. RHODES).

Mr. RHODES. Mr. Chairman, I think we have to look at what the effect of the amendment that has been offered is and not what the gentleman from Ohio thinks it is.

The effect of the amendment, whether the gentleman understands it or not, would be to cut off all funds for the military services of the United States of America. I cannot imagine that the gentleman is serious in wanting to do this. But there it is. This is the proposal that is now before the House of Representatives.

The idea that at this particular time in our history that we have a proposal not to support the Marine Corps, not to support the 6th Fleet which is in the Mediterranean eyeball to eyeball with Russian ships, protecting the lands of the Mediterranean littoral, including Israel, from invasion, not to support the Navy, Army and Air Force is, to me, absolutely unbelievable.

Mr. Chairman, I hope the gentleman withdraws his amendment. I cannot imagine that he can be serious about it.

Mr. SEIBERLING. Mr. Chairman, will the gentleman yield?

Mr. RHODES. I yield to the gentleman.

Mr. SEIBERLING. Mr. Chairman, today is the 10th of November. We have until the 15th of November to make whatever disposition we want on the continuing resolution. After the discussion we have had on my amendment, can there be any doubt that the Congress can and will pass any necessary continuing defense appropriations by November 15? All I am trying to do is to get a separate vote on that issue.

Mr. RHODES. The gentleman is indulging in wishful thinking, and is playing Russian roulette with the safety and welfare of this country and he knows perfectly well it is not possible to do as he suggests.

If this resolution passes the House tonight and goes to the other body, it will obviously be some time before it can be adopted. If we had to start a separate resolution, addressed only to the funds for our Armed Forces, there would probably not be time to accomplish the purpose before November 15. All of the Armed Forces would be out of money.

Combat forces would have payless paydays. Many hardships would be suffered by our men in uniform. They deserve better of us.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. Bow).

Mr. BOW. Mr. Chairman, I am opposed to this amendment.

I yield back the remainder of my time.

The CHAIRMAN. The Chair recognizes the gentleman from Ohio (Mr. SEIBERLING).

Mr. SEIBERLING. Mr. Chairman, I just want to make one thing clear. Any time the leadership of this House wants to vote money to continue the Defense Department, it will have no trouble getting a resolution passed, and the kind of debate we have heard here tonight makes it clear why. All I am asking is for a separate vote, and we could get a separate vote in the next 5 days if the people who run this establishment want one.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. MAHON).

Mr. MAHON. Mr. Chairman, the gentleman wants a separate vote as an expression of opinion of the House on this subject. I think we are about to have it. If the House defeats the pending amendment, it will, of course, mean that the House does not wish to cut off all funds for the Department of Defense. I am certain the House will defeat the amendment as, of course, it should.

The CHAIRMAN. All time has expired. The question is on the amendment offered by the gentleman from Ohio (Mr. SEIBERLING).

TELLER VOTE WITH CLERKS

Mr. SEIBERLING. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. SEIBERLING. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. SEIBERLING, MAHON, BOW, and Mrs. ABZUG.

The Committee divided, and the tellers reported that there were—ayes 10, noes 356, answered "present" 5, not voting 60, as follows:

[Roll No. 378]

[Recorded Teller Vote]

AYES—10

Abzug
Bingham
Burton
Chisholm
Dellums
Rangel
Roncalio
Ryan
Seiberling
Stokes

NOES—356

Abbitt
Abernethy
Abourezk
Adams
Addabbo
Albert
Anderson, Calif.
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Aspin
Aspinall
Badillo
Baker
Baring
Begich
Belcher
Bell
Bennett
Bergland
Betts
Bevill
Biaggi
Biester
Blanton
Blatnik
Boggs
Boland
Bolling
Bow
Brademas
Brasco
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byrne, Pa.
Byrnes, Wis.
Byron
Cabell
Caffery
Carney
Carter
Casey, Tex.
Cederberg
Chamberlain
Clark
Clausen, Don H.
Cleveland
Collins, Ill.
Collins, Tex.
Colmer
Conable
Conte
Corman
Cotter
Coughlin
Crane
Culver
Daniel, Va.
Daniels, N.J.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Devine
Dickinson
Donohue
Dorn
Downing
Duncan
du Pont
Eckhardt
Edmondson
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Ford, William D.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Gibbons
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gude
Hagan
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harsha
Hastings
Hathaway
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Jonas
Jones, Tenn.
Karth
Kastenmeier
Keating
Keith
Kemp
King
Kluczynski
Koch
Kyl
Kyros
Landrum
Latta
Lennon
Lent
Long, Md.
Lujan
McClory
McCloskey
McClure
McCollister
McCormack
McDade
McDonald, Mich.
McEwen
McFall
McKay
McKevitt
McKinney
Mahon
Mailliard
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Melcher
Metcalfe
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mills, Md.
Minish
Mink
Minshall
Mizell
Mollohan
Monagan
Moorhead
Morgan
Morse
Mosher
Moss
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
O'Neill
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Poage
Podell
Poff
Preyer, N.C.
Price, Ill.
Price, Tex.
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, N.Y.
Reuss
Rhodes
Riegle
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Rousselot
Roy
Roybal
Runnels
Ruppe
Ruth
St Germain
Sandman
Sarbanes
Satterfield
Saylor
Scherle
Schmitz
Schneebeli
Scott
Sebelius
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Springer
Staggers
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Taylor
Teague, Calif.
Teague, Tex.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Ware
Whalen
Whalley
White
Whitehurst
Widnall
Williams
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wylie
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion
Zwach

ANSWERED "PRESENT"—5

Clay
Dow
Drinan
Mitchell
Scheuer

NOT VOTING—60

Alexander
Ashley
Barrett
Blackburn
Brown, Mich.
Camp
Carey, N.Y.
Celler
Chappell
Clancy
Clawson, Del
Collier
Conyers
Derwinski
Diggs
Dingell
Dowdy
Dulski
Dwyer
Edwards, Calif.
Edwards, La.
Goodling
Gubser
Halpern
Harvey
Hawkins
Johnson, Pa.
Jones, Ala.
Jones, N.C.
Kazen
Kee
Kuykendall
Landgrebe
Leggett
Link
Lloyd
Long, La.
McCulloch
McMillan
Macdonald, Mass.
Madden
Mills, Ark.
Montgomery
Murphy, N.Y.
Patman
Pelly
Powell
Pryor, Ark.
Schwengel
Shipley
Stanton, J. William
Talcott
Thompson, N.J.
Veysey
Vigorito
Whitten
Wiggins
Wilson, Charles H.
Wydler
Wyman

So the amendment was rejected.

AMENDMENT OFFERED BY MR. DOW

Mr. DOW. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. Dow:

On the first page, after line 7, add the following:

SEC. 2. Section 101(b) of such joint resolution of July 1, 1971 (Public Law 92-38), is amended by striking out "activities for which provision was made in the Foreign Assistance and Related Programs Appropriation Act, 1971, notwithstanding section 10 of Public Law 91-672" and inserting in lieu thereof "administrative expenses for which provision was made in the Foreign Assistance and Related Programs Appropriation Act, 1971, notwithstanding section 10 of Public Law 91-672".

Mr. DOW. Mr. Chairman, the amendment I am offering to House Joint Resolution 946 addresses itself only to the foreign aid part of the joint resolution, and not to any other.

Mr. Chairman, back in January of this year a bill was passed which is now Public Law 91-672 which said that any appropriations for foreign assistance must be preceded by the proper authorization.

In July of this year there was passed a bill which is now Public Law 92-38 which takes this restraint off insofar as foreign aid is concerned or the assistance programs.

Now, what my amendment would do is very simple. It would remove this waiver insofar as salaries and administrative expenses are concerned, so that the people in the foreign aid program would continue to receive their pay, but it would retain the waiver insofar as the foreign assistance itself is concerned.

That is the simple part of it. In other words, it would discontinue foreign assistance for the period from now until the end of this session, but not cut off salaries and administrative expenses.

Now, a great many distortions have been uttered here in the course of debate relating to this resolution. There was some suggestion that we are in favor of cutting off all foreign aid. That is not true. We merely want, through the adoption of this amendment which I have offered, to bring pressure to see that the foreign aid bill is reformed in some degree, and in particular that the military portions of it be cut back and the amounts are spent for policing and that kind of thing around the world are reduced.

Another point was made against my amendment to the effect that it would cut off funds for Israel. However, hardly any funds for Israel would be cut off because the military assistance for Israel is handled under another bill.

The leader of the minority, the distinguished gentleman from Michigan, seemed to make a case that there would be an immense amount of unemployment resulting as a result of my amendment.

Well, let me say that the amendment specifically exempts the people who are employed under the foreign aid bill and that this unemployment, in the manner that the gentleman from Michigan puts it, is greatly exaggerated.

There has been a great deal said here to the effect that my amendment would cut off funds for migrants, for school aid, for all kinds of programs overseas, but nothing is said about the appalling military aid that this bill is channeling in the wrong directions under this bill. Just as soon as those who support this military aid are challenged they get out the crying towel and talk about migrants, the poor children, education and similar such as SANE. This is the argument they use.

Of course, under a restructured foreign aid bill which could be handled very shortly a great deal of this type of good aid could be restored very easily.

Mr. Chairman, the time has come to take advantage of the current trend in this country which calls for the reconstruction of our program of foreign aid, and to see that we take advantage of the situation in the other body and go forward with this amendment.

Mr. PASSMAN. Mr. Chairman, I move to strike the last word.

Mr. LONG of Maryland. Mr. Chairman, I ask unanimous consent that the gentleman from Louisiana be allowed to proceed for an additional 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Maryland?

Mr. ROUSSELOT. Mr. Chairman, I object.

Mr. PASSMAN. Mr. Chairman, many years ago when I accepted the chairmanship of the Foreign Operations Subcommittee on Appropriations, I did so with a firm determination that I would, insofar as possible, keep before the membership and the public complete facts and figures on the foreign aid program. I hope you will agree that I have performed reasonably well in fulfilling this determination.

It has never been my purpose to eliminate all foreign aid and assistance, but to contain it, which means, in effect, control it. I believe this goal has been accomplished to a very large extent.

Now, with respect to the continuing resolution before you, here are the facts:

We are asking you to fund the foreign aid program through this continuing resolution for a few more days at a level of $2.8 billion. This is $750 million below the funding level requested by the budget and covers both title I and title II.

By your action you have already funded the foreign aid program at this $2.8 billion level for 4½ months, and upon the basis of your action contracts have been entered into and, in some instances, work started. So, if we are to reshape the aid program in an orderly manner, it would appear to me that we should fund the aid program at the same level for a few more days.

Mr. Chairman, members of your Subcommittee on Appropriations have in mind a certain funding level which we hope to accomplish. If a new authorization bill is approved and our plans are carried out, we will later recommend for your consideration a level of funding that will be retroactive to the first day of this fiscal year, July 1.

As an example, if you approve a funding level for 6 months at $2.8 billion, and the Congress should finally approve a new bill at a funding level of $2.4 billion, it simply means that you have funded at a $2.8 billion level for the first 6 months of this fiscal year and that the funding level would drop to $1 billion for the second 6 months of the fiscal year. In other words, the agencies would operate at a level of funding of only $2.4 billion for the full year if the recommendations of the subcommittee should be approved at the $2.4 billion level.

May I reemphasize, Mr. Chairman, that when you finally get a new reduced foreign aid authorization bill, and the subcommittee which I have the honor to Chair arrives at a figure, it will cover a full year. And, the second 6 months' funding will be extremely low because of the high funding level during the first 6 months which you have already approved with the exception of the few days assistance requested in this continuing resolution.

Mr. Chairman, if you will continue the funding of the AID agency for a few more days at the rate you have already approved for 4½ months of this fiscal year, and your Subcommittee on Appropriations is given an opportunity to mark up a new bill from a new authorization bill, we believe we will delight you by our actions which will be based on our knowledge of the program.

No Member can get hurt very badly by dealing with the facts as they are, and in the case of foreign aid, good, bad, right, wrong or indifferent, there are certain programs it would be a terrible mistake not to fund.

For instance, let me insert in the Record at this point the total U.S. investment in Korea:

*U.S. Investment in Korea*

| | |
|---|---|
| Cost of Korean War (FY 1950–1954) | $18,000,000,000 |
| Cost of maintaining U.S. military forces in Korea (FY 1954–1970) | 8,600,000,000 |
| Military assistance grant aid program (FY 1950–1970) | 3,000,000,000 |
| Economic assistance programs (FY 1946–1970) | 5,100,000,000 |
| Total | 34,700,000,000 |

*U.S. troop statistics applicable to the Korean war*

| | |
|---|---|
| Killed in action | 23,300 |
| Missing in action | 5,866 |
| Dead from other than war connected causes | 10,329 |
| Subtotal | 39,495 |
| Wounded in action | 105,785 |
| Captured or interned | 7,140 |

We are concluding the war in Vietnam because in the past 34 months, the troop level has fallen from 543,000 to 189,000, with the cost of this conflict falling from an annual rate of $29 billion to approximately $9 billion. This was brought about mainly by the Vietnamization program. It just cannot be cut off without doing untold damage. Conceivably it would stop the withdrawal of our troops from Vietnam and Korea, and it would certainly create chaos in these countries unless supporting assistance is continued in Vietnam and military assistance is continued in Korea.

Mr. Chairman, I include a breakdown as to our foreign assistance, showing the 1971 fiscal year appropriation, the 1972 fiscal year requests, and the continuing resolution level.

FOREIGN ASSISTANCE

*FY 1971 appropriation*

| | |
|---|---|
| Title I—Economic and military assistance | $2,442,685,000 |
| Title II—Military credit sales | 700,000,000 |
| Title III—Peace Corps, international financial institutions, etc | 669,572,000 |
| Title IV—Export-Import Bank (limitation) | (4,082,531,000) |
| Total | 3,812,257,000 |

*FY 1972 requests*

| | |
|---|---|
| Title I—Economic and military assistance | $3,085,218,000 |
| Title II—Military credit sales | 510,000,000 |
| Title III—Peace Corps, international financial institutions, etc | 747,417,000 |
| Title IV—Export-Import Bank (limitation) | (3,641,012,000) |
| Total | 4,342,635,000 |

*Continuing resolution level*

| | |
|---|---|
| Title I—Economic and military assistance | $2,366,465,000 |
| Title II—Military credit sales | 510,000,000 |
| Title III—Peace Corps, international financial institutions, etc | 204,600,000 |
| Title IV—Export-Import Bank (limitation) | (3,639,988,000) |
| Total | 3,081,065,000 |

Mr. LONG of Maryland. Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, the amendment offered by the gentleman from New York is an amendment that has been shopping around. It comes from the Senate side. I, for one, was asked to introduce it myself. After thinking it over, I rejected the proposal.

Now I am opposed to our foreign aid program, as it has existed for a good many years. I have been opposed to military aid—at least a large part of our military aid program. I have been opposed to the military sales program. I have also been distressed by our economic aid program. Much of our economic aid has gone to the well-to-do—the modern sectors of the foreign economy rather than to the poor, humble people that it was supposed to benefit.

I think it is time that we developed an AID program that goes for what it really is intended, and that is to raise the standard of living and to help the poor people in the world.

It is time that we stopped using foreign aid to buy friends and influence people for the support of the U.S. foreign policy.

Also, I think we need a foreign aid program that would be kept under closer congressional oversight. But for this fundamental restructuring of our foreign aid program, we need time.

There is a rumor that the leadership in the Senate wants to deny us this time because they hope that, if we have to do it under the gun, our aid will be poured into multilateral organizations. This is a device, in my mind, to escape the oversight of the U.S. Congress.

Whether we can restructure our foreign aid along sound lines is a matter of votes and not of time.

If we have the votes, we can get a proper restructuring, but we cannot accomplish this by creating chaos. That is what voting for this gentleman's amendment will do.

If ever haste meant waste, it is right now in any proposal to vote down or amend this continuing resolution.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. LONG of Maryland. I yield to the gentleman.

Mr. PASSMAN. Mr. Chairman, because of the time limitation, I was precluded from making what I considered to be a very important statement.

Thirty-four months ago we had 543,000 troops in Vietnam. Today we have 189,000 troops in Vietnam.

Thirty-four months ago it was costing $29 billion to finance this operation in Vietnam. It is now down to $9 billion and if we do not have this continuing resolution, the supporting assistance in South Vietnam goes down the drain and there will be chaos in that country.

### PREFERENTIAL MOTION OFFERED BY MR. HAYS

Mr. HAYS. Mr. Chairman, I offer a preferential motion.

The Clerk read as follows:

> Mr. Hays moves that the Committee do now rise and report House Joint Resolution 946 back to the House with the recommendation that the resolving clause be stricken out.

Mr. HAYS. Mr. Chairman, I do this in order to get some time in order to find out what the amendment is about. I have not been able to find out from hearing the speeches of the proponents of the foreign aid legislation, Mr. Passman and Mr. Long.

Do I understand that the gentleman's amendment exempts all of the employees of the foreign aid program?

Mr. DOW. Yes, that is correct.

Mr. HAYS. That is the reason I cannot support your amendment.

I want to say something—and if anybody here ought to know it, Mr. Passman ought to know if nobody else does—that the AID agency is the most inefficient and ineffective do-nothing organization in the U.S. Government.

I think I have told some of you once before what Calvin Coolidge said when somebody asked him how many people worked in the White House, and he said about half of them. Well, if somebody asked me how many people work down in the Foreign Aid Agency, I would say almost none of them. I would go beyond Calvin Coolidge. They are interested in continuing this because of one reason and one reason only. They want to stay on the payroll in their easy chairs. That is about all they do. I can name you names. I know who they are. There are people down there drawing the maximum salary of $30,000 who have not put their names on a piece of paper in the last 2 or 3 years.

Do not get upset, you Republicans. Some of them are holdovers.

Several Members. All of them.

Mr. HAYS. No, not all of them. Mark Hannah's nephew, John Hannah, is not a holdover. He would surely be unemployed if he did not have that job, because Michigan State got rid of him. If he has done anything since he has been in Washington, I have not heard about it, and I am the chairman of the subcommittee that has oversight down there.

Do not tempt me too far or I will name some more names.

I am not going to vote for the gentleman's amendment, but I am saying to you that it is time we cut that outfit down to size. I am not for an indiscriminate ax to chop out the whole program. There are a few good items in it—not many, but a few—and I hope to have the opportunity sometime to go to conference with the other body and decide which few we should continue. But it is not easy to get to conference with the other body. You know, we almost have more communication these days with Peiping than we do with the other side of the Capitol.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HAYS. I yield to the gentleman from Louisiana, the "father" of foreign aid.

Mr. PASSMAN. I am sure the gentleman would like to keep the record straight. I have been here 25 years. I have never voted for one penny of foreign aid authorization, but I must point out I have no veto power over the authorization.

Mr. HAYS. Just a minute, I am going to correct the record a little. The gentleman is exactly correct. He has never voted for the authorization, but ever since I have been here he has always come down with money to keep it going. Now, an authorization does not mean anything if you do not get the dough, and I hope all those people will come by your office tonight, if this resolution passes, and thank you because if it were not for you, they would not have been on the payroll this long.

Mr. BOW. Mr. Chairman, I rise in opposition to the motion, and yield back the balance of my time.

The CHAIRMAN. The question is on the preferential motion offered by the gentleman from Ohio (Mr. Hays).

The preferential motion was rejected.

Mr. FLYNT. Mr. Chairman, I move to strike the last word.

The CHAIRMAN. The gentleman from Georgia is recognized.

Mr. FLYNT. Mr. Chairman, my feelings on the subject of foreign aid I am sure are well known to this body. However, I am not going to support the amendment offered by the gentleman from New York. As much as I would like to support it, I feel that the time to strike at foreign aid is when and if we get an appropriations bill from the Foreign Operations Subcommittee of the Committee on Appropriations.

Before my 5 minutes are up and before I discuss the foreign aid bill further, I want to appeal to the gentleman from Louisiana (Mr. Waggonner), to voluntarily take his words out of the Record when he attacked the patriotism of the gentleman from Ohio (Mr. Seiberling) and the gentleman from Wyoming (Mr. Roncalio).

Mr. WAGGONNER. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Mr. Chairman, the gentleman from Louisiana has not attacked anybody's patriotism and the gentleman from Wyoming and I have talked about it, and I think if the gentleman is trying to create confusion he had better talk to me in private, but if there is any further reference to it I will object, Mr. Chairman.

Mr. FLYNT. Mr. Chairman, I do not yield any further, but I talked to the gentleman in private about it. Mr. Chairman, I frequently disagree in voting with the gentleman from Ohio (Mr. Seiberling), but I know of no finer American in this House than John Seiberling is. He and the gentleman from Wyoming each have outstanding war records in defense of this country, and while neither of them needs any defense at my hand, I cannot let this debate be closed without saying I would hope those words would be taken out of the Record.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. FLYNT. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Mr. Chairman, I think the Record should be kept straight. Let us be completely realistic about this foreign aid program. I have tried very hard to contain this program, and when we have reduced the President's budget by $13 billion, as this subcommittee has done in a period of 16 years, I think the Committee on Appropriations is entitled to some commendation. I know the gentleman from Georgia will agree. He served on the committee. We cut it just as far as we have the votes to cut it.

Mr. FLYNT. Let me say one word and then I will yield if I have the time. I hope, when the time comes to appraise the foreign aid appropriation bill and when it comes from the subcommittee of the gentleman from Louisiana, at that time we can do to it exactly the same thing the Senate did to the authorization bill on the 29th of October. I agree with the gentleman from Maryland that the time has come for a thorough reappraisal and restructuring of this entire foreign aid program. If I had my way about it I would phase it out just as quickly as possible. However, I recognize the fact that we must take an orderly approach to it, and while I am in great sympathy with the objectives of the gentleman from New York (Mr. Dow) I am going to reluctantly oppose his amendment.

I hope that the concept of foreign aid will be totally changed and restructured. If there is no such change and restructuring, I hope that it will be totally phased out and totally eliminated as a part of the foreign policy of the United States.

In my opinion the manner in which the foreign assistance program has been administered has been a major contributing cause of the war in Vietnam and our tragic involvement there. The ideal and the objective of foreign assistance is a noble one and it is certainly a worthwhile objective on the part of any country, especially the United States, to offer and to provide needed assistance to other countries. The manner in which the foreign assistance program has been administered has often been just the contrary. In all too many instances we have provided "aid" and "assistance" when it was neither requested, needed, wanted nor desired.

In my opinion, since 1950 the manner in which the foreign assistance program has been administered has created and compounded more problems throughout the world than it has solved. If the thrust and direction of such a program is not drastically changed, the damage done to this country will be irreparable. As much as I would prefer to eliminate this program at this time, I believe it should be done by the defeat of either the authorization or appropriation bill rather than to create the chaotic conditions which might result from adopting such action in the nature of an amendment to a continuing appropriation.

Mr. RONCALIO. Mr. Chairman, with reference to my earlier colloquy with the gentleman from Louisiana (Mr. Waggonner), I want to make clear that I requested the words be taken down with a hope that in the future Members of the House of Representatives would stop the practice of impugning a man's patriotism purely on his position with the terms of this Nation's military continuance in Vietnam.

I state to the gentleman from Louisiana that I campaigned for my job in the U.S. House of Representatives, to the people of Wyoming, on the grounds that I would in no way vote for any funds that would permit our continued warfare in Vietnam. I voted in support of Mr. Seiberling's amendment as a fulfillment of my promise to the people of Wyoming.

Mr. Chairman, again I assert that I will yield to no Member of the House of Representatives nor to any other citizen of this Nation in my devotion to the Constitution of the United States of America and to my oath to uphold and defend her against all of her enemies.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. Chairman, President Nixon, as I understand it, has called for a cut in Federal personnel and I join with the gentleman from Ohio (Mr. Hays) in suggesting that there is no better place in the Federal Government to cut than from the foreign aid outfit with its thousands of employees.

I was somewhat surprised that the gentleman from Louisiana (Mr. Passman) would plunk for this continuing resolution. I call attention to the Congressional Record of December 9, 1969, when the foreign handout appropriation bill was before the House, and I would like to qoute a few excerpts from that Record. The gentleman from Louisiana (Mr. Passman) said:

> We are spending money we do not have for things we do not need trying to be everything to everybody all over the world.

Again the gentleman said:

> I want to say that it has been my privilege to walk into the well of this House for the 15th year to handle the foreign aid appropriations bill . . . each and every year, without exception, we left the foreign aid bill overfunded.

And it is overfunded now.

Again he said:

> What are we confronted with? We have permitted something to grow up in our Government over which we have lost control. We have 51,936.

Listen to me—

> We have 51,936 individuals drawing monthly stipends from the AID Agency—U.S. personnel, foreign nationals, and participants.

That is 51,936, not 51,937.

And again he said:

> Some of us must assume the responsibility of facing up to the serious situation that we have in America.

Then the gentleman from Louisiana went on and pointed to the billions upon billions of debt and deficit, and asserted:

> The only apology I have is the fact that without exception during my 14 years serving as chairman of this subcommittee we have overfunded the entire program.

Today he wants to continue this monstrosity through this continuing resolution.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. In just a minute.

And then he said in a publicity release to us this year, on July 1:

> This is the 5-F formula: Frustrating, fanatical, frightening, foolish and factual.

Mr. ASHBROOK. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. ASHBROOK. I have also read that mimeographed formula, and I think that has changed into the five R's: Reverse, regroup, retreat, resurrect and then regret.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS. I believe the gentleman and I are not lawyers, as the gentleman knows, but I am told by one of my legal friends that we can hold the gentleman from Louisiana (Mr. Passman) guilty of being the father of foreign aid under the Negotiable Instruments Act; if you cannot find the maker, you hold the endorser.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Louisiana.

Mr. PASSMAN. I thank the gentleman for restating the facts. I am proud of the facts, and I am glad to have them in the Record twice. I have always tried to contain the aid program over the years and I feel this objective has been accomplished.

We have tried to follow the leadership of the gentleman from Iowa and the leadership of the gentleman from Ohio. When an inflated budget request for foreign aid is submitted, we have an obligation to make reductions and we have made substantial reductions over the years.

Mr. GROSS. I have the first part of your speech. Let me answer. I cannot speak for the gentleman from Ohio (Mr. Hays), but I can tell you I have never voted for this program because it has been beyond any comprehension of fiscal sanity, since I have been a Member of Congress.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. In just a minute.

I am not like some of the others who have voted against this foreign handout program but who now find it expedient, in order to serve somebody, somewhere, in this Government, by voting for a continuation of it.

Mr. PASSMAN. Have my statistics on foreign aid assisted you in making your case? In the newsletters you sent back to Iowa you commended me time and time again for pointing out the amounts spent for foreign aid.

Mr. GROSS. Yes, I have. I just wish you would get right with your Maker on this subject and vote against it just once.

Mr. HAYS. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Ohio.

Mr. HAYS. The gentleman talks about an authorization bill. The very fact of the matter is that there is no authorization bill now.

Mr. GROSS. The gentleman is absolutely right.

Mr. HAYS. That is why the gentleman from Louisiana is trying to keep this thing alive by artificial respiration.

Mr. GROSS. That is exactly right. The Senate took the House authorization bill and sank it without a trace.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

I am very soon going to ask unanimous consent to limit debate, or move to limit debate. I wonder if there are any other amendments to be proposed.

Does the gentleman from Missouri have an amendment to offer?

Mr. HALL. I do, Mr. Chairman. I have an amendment at the desk in the nature of a substitute to the Dow amendment.

Mr. MAHON. Mr. Chairman, I withdraw my motion to strike the last word.

### SUBSTITUTE AMENDMENT OFFERED BY MR. HALL

Mr. HALL. Mr. Chairman, I offer a substitute amendment.

The Clerk read as follows:

Amendment offered by Mr. HALL in the nature of a substitute for the amendment offered by Mr. Dow:

On the first page, after line 7, add the following new section:

SEC. 2. Section 101(b) of such joint resolution of July 1, 1971 (Public Law 92–38) is amended—

(1) by inserting "(1)" immediately after "(b)";

(2) by striking out "activities for which provision was made in the Foreign Assistance and Related Programs Appropriation Act, 1971, notwithstanding section 10 of Public Law 91–672;"; and

(3) by adding at the end thereof the following new paragraph:

"(2) Notwithstanding section 10 of Public Law 91–672, such amounts as may be necessary for continuing projects or activities conducted in the fiscal year 1971 for which provision was made in the Foreign Assistance and Related Programs Appropriation Act, 1971—

(A) for expenses authorized by section 402 of the Foreign Assistance Act of 1961 (relating to supporting assistance);

(B) for expenses authorized by section 637(a) of the Foreign Assistance Act of 1961 (relating to administrative expenses of the agency primarily responsible for administering part I of that Act);

(C) for expenses authorized by section 637(b) of the Foreign Assistance Act of 1961 (relating to administrative expenses of the Department of State);

(D) for expenses authorized by section 305 of the Mutual Defense Assistance Control Act of 1951 (relating to administrative and other expenses of the Secretary of State to carry out that Act);

(E) for expenses authorized by section 504 (a) of the Foreign Assistance Act of 1961 (relating to military assistance); and

(F) for expenses necessary to enable the President to carry out the provisions of the Foreign Military Sales Act;

at a rate for operations not in excess of the rate provided for in the Foreign Assistance and Related Programs Appropriation Act, 1971, and subject to the limitations and restrictions applicable to the obligation and use of funds provided for in such Act."

Mr. HALL. Mr. Chairman, in brief, having established questionable parentage and having a continuing resolution again before us; as a result of much research, this amendment evolves and is within the spirit of a continuing resolution which will allow a nonauthorized program to continue with marked reduction by (a) continuing the political stability required for supporting assistance; (b) maintaining staff for supporting assistance to administer under section 637(a) so that expenses can be met; and (c) so that under section 637(b) there is kept in effect the State Department administration of the Battle Act, Public Law 87–195, which controls and establishes an embargo on arms and strategic materials that might go to countries that pose a threat to the U.S. security; (d) maintains the portion of the amendment providing for the expense inherent in the Battle Act; (e) retains section 504(a) of the military assistance portion of the appropriation; and (f) finally, Mr. Chairman, it retains that appropriation for the provision of the Foreign Military Sales Act—or Public Law 92–672—with the provisions as read in the amendment at the rate of obligations not in excess of the rate provided for in the Foreign Assistance and Related Programs Appropriation Act of 1971 already passed by this body and subject to the limitations and restrictions applicable to the obligation and use of funds provided for in such act.

I submit that this can be passed; the continuing resolution can then be passed and we will still have a chance to work our will.

Mr. Chairman, I recommend that it be accepted.

Mr. HOSMER. Mr. Chairman, will the gentleman yield?

Mr. HALL. I yield to the gentleman from California.

Mr. HOSMER. How would the gentleman's amendment affect aid to Vietnam, military aid and civilian aid?

Mr. HALL. Of course, it would have no effect whatsoever on military aid in any part of Southeast Asia because that is under the Department of Defense appropriation bill.

Mr. BOW. Mr. Chairman, will the gentleman yield?

Mr. HALL. I yield to the distinguished gentleman from Ohio.

Mr. BOW. As the gentleman from Missouri said, it would not affect military aid to South Vietnam. What effect would it have on the economic aid to South Vietnam?

Mr. HALL. The amendment is very carefully drawn so that prior commitments can be met and the staffs would continue to be paid and they could carry out any commitments that we have in winding down the war, in Vietnamization, or the withdrawal of our personnel or troops engaged in support in that area.

Mr. BOW. Mr. Chairman, if the gentleman will yield further, would that be in the military section or would it be on economic aid?

Mr. HALL. The support would be in the economic aid, as the exclusion of the military assistance program is as the gentleman knows, carried under the Department of Defense appropriation bill in all of Southeast Asia.

Mr. CONTE. Mr. Chairman, will the gentleman yield?

Mr. HALL. I yield to the gentleman from Massachusetts.

Mr. CONTE. However, it would cut out economic assistance to Southeast Asia for new obligations?

Mr. HALL. It certainly would.

Mr. CONTE. And it would——

Mr. HALL. Of course, we have no authorization at this time anyway.

Mr. CONTE. And you also would cut out technical assistance, economic assistance, disaster relief and so forth?

Mr. HALL. This does not stop all of the technical assistance programs. It leaves the staff available but would wind them down so they are subject to the final action of the Congress after November 15 and as pointed out by others, before we adjourn sine die.

Mr. CONTE. You would leave these boys in there to wind down the program with no new obligational authority whatsoever?

Mr. HALL. Yes; unless new obligational authority is voted between November 15 and the adjournment of the Congress sine die. This is a continuing amendment to a continuing resolution that is workable insofar as we can determine.

Mr. PASSMAN. Mr. Chairman, will the gentleman yield?

Mr. HALL. I yield to the gentleman from Louisiana.

Mr. PASSMAN. Would this affect our military assistance programs for Thailand and South Korea and the other nations in that part of the world?

Mr. HALL. No. I went over that twice. It is in the amendment. There is a copy of the amendment at the gentleman's desk.

As I said before, it leaves all the operations under military assistance workable within the prescription prescribed by the Congress or within the proscription on the President legislated by the Congress.

Mr. MAHON. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, the issue before us tonight is procedural, that is, whether or not we want to follow the pattern of orderly procedure.

The pending resolution is simply a continuing resolution for the next few weeks during which the Congress will have further opportunity to work out, through the regular processes, what it wants to do with respect to full year funding for defense, foreign aid, and certain other programs for which the annual authorization-appropriation processes have not been concluded.

The most dedicated opponents of foreign aid could, it seems to me, very logically vote against this amendment and vote for the continuing resolution.

The vote on these amendments cannot properly be interpreted as a vote for or against foreign aid. The time for that decision will be when the new authorizing legislation is before us at a later date. It appears that the other body will shortly authorize a revised foreign aid program for the current fiscal year. I am told by the chairman of the Committee on Foreign Affairs of the House of Representatives, the distinguished gentleman from Pennsylvania (Mr. MORGAN), that if and when the other body takes action, his committee plans to take action toward bringing a new foreign aid authorization bill to the floor. Then the House can amend it, change it, modify it, or defeat it, line by line, as a majority may determine.

Mr. Chairman, I would like to yield to the gentleman from Pennsylvania, the distinguished chairman of the Committee on Foreign Affairs (Mr. MORGAN).

Mr. MORGAN. Mr. Chairman, I shall

of course, not vote for the pending Dow amendment, or for the pending Hall substitute. The Hall amendment would in effect undertake to virtually write a new foreign aid bill. As I understand, it cuts out practically all economic assistance but retains military assistance.

The other body is going to pass two separate authorization bills—one on economic and humanitarian programs and one on military programs. The other body is considering an economic aid bill today, and then they will take up a military bill. The total package involves about $2.3 billion for the current fiscal year.

When those bills reach us the Committee on Foreign Affairs of the House is not going to hold long hearings. We plan to report a bill to the House which the House can debate and vote upon, one on which I believe we can confer with the other body and work out an acceptable agreement.

I would not like to see us adopt either one of the pending amendments. Both amendments would be disruptive. This resolution needs to be enacted by early next week, in the interest of orderly procedures. We should pass it as reported and wait for the legislative committees and the two bodies to work out a new foreign aid bill.

I understand that both of the new foreign aid bills are going to pass in the other body.

We are not planning to follow that precedure. We will bring a new foreign aid authorization to the House—a good bill on which the House can work its will and have something reasonable to send to conference.

So, Mr. Chairman, I would hope that we can get on with the job and pass the continuing resolution unchanged so that we can go to work on the new foreign aid authorization.

Mr. MAHON. Mr. Chairman, I would like to say it is my understanding that if a new foreign aid authorization bill cannot be agreed to in conference, then we might be able to arrange to bring in the foreign assistance appropriation bill under a rule and let the House work its will.

Mr. MORGAN. If the gentleman will yield further, I want to assure the chairman of the Committee on Appropriations that I believe we can agree in conference on a new foreign aid authorization bill.

Mr. MAHON. I would hope the matter can be satisfactorily concluded but if no such conference agreement can be reached it would then be a matter of whether or not a foreign assistance appropriation bill should be considered. The point is, Members will have an opportunity at a later time to vote on a new foreign aid program.

Tonight is not the time. This stopgap continuing resolution is not the place.

Mr. GERALD R. FORD. Mr. Chairman, will the gentleman yield?

Mr. MAHON. I yield to the gentleman from Michigan.

Mr. GERALD R. FORD. Mr. Chairman, I appreciate the fine position taken by the gentleman from Pennsylvania, the chairman of the House Committee on Foreign Affairs, Mr. MORGAN, on the commitments that have been made between the gentleman and the chairman of the House Committee on Appropriations, the gentleman from Texas (Mr. MAHON).

On the basis of those two commitments I believe the reasonable thing to do under the circumstances is to defeat the amendment offered by the gentleman from New York (Mr. Dow), as well as the substitute offered by the gentleman from Missouri (Mr. HALL).

Mr. MAHON. Mr. Chairman, I ask unanimous consent that all debate on the pending amendments and all amendments thereto close in 10 minutes.

Mr. ROUSSELOT. I object, Mr. Chairman.

MOTION OFFERED BY MR. MAHON

Mr. MAHON. Mr. Chairman, I move that all debate on both of the pending amendments and all amendments thereto close in 10 minutes.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, I hope we will pass the continuing resolution as it has been offered by the gentleman from Texas (Mr. MAHON).

We are scrambling enough eggs along the way and we do not need to scramble any more tonight by voting to cut out any portion of the on-going program in the foreign assistance field.

There is a lot of work to be done by both the House and Senate to reconcile their differences and come forward with some acceptable program. I fear that a negative vote tonight would only compound our difficulties.

I think we need to keep some kind of sensible program going forward and I hope the House will vote against both of these amendments.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. MAILLIARD).

Mr. MAILLIARD. Mr. Chairman, I rise to support the statement made by our chairman, Mr. MORGAN, and to say that in my judgment both of these proposals are mischievious.

The Hall amendment attempts to rewrite a legislative program in a continuing resolution which I think is not only bad legislating but a very bad precedent for the House.

I hope both of these amendments will be voted down and that we can support the continuing resolution as presented by the Committee on Appropriations.

The CHAIRMAN. The Chair recognizes the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Chairman, I listened to the ranking minority member of the Committee on Appropriations who outlined what I think at the time is an irresponsible course of action—although I am no longer certain that that is the case.

He said in previous years in the House of Representatives, he had never voted for a foreign aid bill except one time. The only time he did so was when the bill was in danger of being lost and he then changed his vote so that it would pass. He said the reason he took that stance was that he wanted to express to his constituency his concern with the program of foreign aid and the excesses in that program and by casting a negative vote when it would not defeat the program it was consistent with what he felt was a responsible course of action.

It seems to me that would be equally responsible or irresponsible as the case may be tonight and that is the leadership I intend to follow.

The CHAIRMAN. The Chair recognizes the gentleman from Michigan (Mr. RIEGLE).

Mr. RIEGLE. Mr. Chairman, I rise in opposition to both amendments. I think we ought to legislate in a more reasoned way and that cannot be done tonight by tinkering with this continuing resolution.

Also I want to take exception to the remarks of the gentleman from Ohio (Mr. HAYS). I think John Hannah is a good and decent man. I think he has tried very hard to do a good job with the AID program. I think he has done well—just as he did when serving as president of Michigan State University. Maybe the gentleman from Ohio (Mr. HAYS) is a little sensitive about the beating Michigan State gave Ohio State last Saturday in football.

Having served 5 years on the Foreign Operations Subcommittee of the Appropriation's Committee, I want to also come to the defense of my subcommittee chairman OTTO PASSMAN. I do not think any chairman in the House works any harder than OTTO PASSMAN does. Whether you agree with the way he does or not is beside the point.

He works hard and effectively at it, and I think his efforts have probably saved the country many billions of dollars.

I think it is important that we take account of these facts in light of some of the harsh statements made earlier.

Mr. ANDERSON of Illinois. Mr. Chairman, will the gentleman yield?

Mr. RIEGLE. I yield to the gentleman.

Mr. ANDERSON of Illinois. Mr. Chairman, today we are considering what would normally be a routine piece of legislation—a continuing appropriations bill for those programs and activities which have not yet received their fiscal 1972 funds. And yet, certain recent developments have made this bill the focus of attention and controversy, indeed, the target of those who are bitter or frustrated for one reason or another. The prime target for opposition to this continuing resolution is the foreign assistance component of this bill which provides funds for both our international development and security programs. It is caught in a savage cross-fire from those, on the one hand, who consider our development assistance programs to be a waste, and on the other, those who consider our security assistance programs to be a waste. And the combined firepower from this curious coalition threatens to sink the entire ship, the theory being that we can somehow salvage certain parts from the wreckage at a later date.

Mr. Chairman, it is not difficult to understand how it is that we have arrived at this state of affairs. We are just emerging from the most painful and tragic experience of our brief history as a republic, and the temptation is great to just keep on withdrawing. We have poured tens of billions of dollars into foreign development assistance since the close of the Second World War, and there are some who say that we have put other nations on their feet, only to have them kick us in the shins, little realizing that the independence being exhibited by these nations is a healthy sign of the success of our efforts. Surely we did not expect the same degree of love, gratitude and fealty from these nations once they achieved a measure of self-reliance.

But what I do find difficult to understand, Mr. Chairman, is how we can even begin to consider just dropping our entire foreign assistance effort at this critical juncture in world affairs. I don't think anyone would argue here today that we should continue to pursue the policies and forms of assistance of the past two decades. The world of the 1970's is different from the world of the 1950's and 1960's, and our place and role in it should be reshaped accordingly. This is what President Nixon is attempting to do through his Guam doctrine of promoting greater self-reliance and self-help among our friends and allies around the world. But this process will only be accomplished by continued American support for these self-help and self-defense programs. And by refusing to play a constructive role during this difficult transition period, we are risking the collapse of all that has been built to date and the creation of a dangerous international power vacuum.

Perhaps the key test of the Nixon doctrine is what is taking place in South Vietnam today. And while I realize that there is disenchantment in some quarters because we could never achieve a military victory, and there is disenchantment in other quarters that we could not score a victory for democracy as we know it, the fact remains that the Vietnamization program has been progressing, they are developing increasing capabilities for military and economic self-sufficiency, and we are consequently able to reduce our own direct involvement. I think it is especially ironic that we may be called upon today to let these assistance programs expire on the same day President Nixon will make his next Vietnam withdrawal announcement which is so dependent on the continuation of these very programs.

I would ask my colleagues if they are willing by their actions today to jeopardize the carefully planned and executed Vietnamization program and thereby undermine any plans the President might have for future American withdrawals. For surely the President's November 15 announcement will be predicated on what funds will be available for the Vietnamization program.

Let me say that those who would cut these funds at this time, are attacking the wrong program, in the wrong way at the wrong time, for rather than reducing our involvement in the world, they are only delaying the day when other nations can realistically stand on their own. In the interim, our refusal to fund these development and security programs will only feed the twin-headed monster of world poverty and aggression, and our shores will not remain secure for long from its wild rampages. Surely the lesson of our previous affair with isolationism has not been completely lost on us.

In conclusion, Mr. Chairman, I urge my colleagues to vote for this continuing appropriations resolution as reported from committee. This is no time to take symbolic swipes at our foreign assistance program because of past failings and disappointments; for what is meant as a symbolic swipe will more likely than not inflict a deep and dangerous wound in our international relations which can only be injurious to our own health and security as a nation. I fully support efforts to reform our foreign assistance programs, and the President has presented us with a comprehensive program for doing this based on the recommendations of the Peterson Development Task Force. But let us not confuse killing the foreign assistance program with reforming it.

All we are asking in this continuing appropriations resolution today is that these programs which are so vital to world peace and development receive continued funds until such time that we can reform them in new authorizing legislation—hopefully in the immediate future, and hopefully along the lines suggested by the President. I do not think that is asking too much, and yet it is so essential to ending our involvement in Vietnam and to the conduct of our trade and aid relations with the rest of the world.

I do not think that we want to signal by our actions here today that the United States, which has been so willing to lend a helping hand in the past, now wishes to wash its hands of the rest of the world. Such action would be reckless, irresponsible, and extremely dangerous, and I will have no part of it. I hope this body will be able to rise above the disappointments, frustration, and bitterness of the hour and recognize that the United States does have a continuing though changing role to play in this world, and that we cannot, by a vindictive vote or two, become international dropouts. I urge passage of this resolution without amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Kansas (Mr. SHRIVER).

Mr. SHRIVER. Mr. Chairman, as a member of the subcommittee, I worked hard all along with the very able chairman to reduce this program and contain it. I support his position in connection with this matter and the amendments before us.

This is no way to act on a foreign aid bill here on the floor of the House. We do not even know the effect of the amendment and particularly the last amendment.

I believe it would have a damaging effect on the Vietnamization program and upon the withdrawal of our troops and especially as it relates to our supporting assistance which is very important in connection with the withdrawal program.

The CHAIRMAN. The Chair recognizes the gentleman from New Jersey (Mr. FRELINGHUYSEN).

Mr. FRELINGHUYSEN. Mr. Chairman, I rise in opposition to the amendment and to the substitute, and in favor of the continuing resolution. If the debate has proven nothing else, it proves we must take a careful look at what we are legislating about. I doubt if there are many Members on the floor who know the significance of the amendment offered by the gentleman from Missouri. In fact, from his long explanation I have my doubts whether he understands it himself. I would trust we would vote for the continuing resolution because we do have the serious problem in front of us, as do the authorizing committee and the appropriations committee.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. GROSS).

(By unanimous consent, Mr. GROSS yielded his time to Mr. HALL.)

The CHAIRMAN. The Chair recognizes the gentleman from Missouri (Mr. HALL) for 1½ minutes.

Mr. HALL. Mr. Chairman, I should not bow to either the descendants of General Frelinghuysen of New Jersey or those who say the well-researched amendment as a substitute is mischievous. It has been well written and stated. Indeed, the amendment itself, which is available, and which was read by the Clerk and repeated by myself, maintains assistance. I shall not go through that again. But I am amazed at those who decry legislation on a continuing resolution. Indeed, it is the only parliamentary procedure that is left available, when we are bereft of authorization by the other body in this Congress. In spite of all the protestations that there will be action instanter if and when the other body acts, they do not call the turn for the people's House of Representatives.

We have said and preached for years, and it has been known to them, that if military assistance was once separated from economic assistance in the foreign aid assistance program, it would fall sheerly of its own weight. Those of the committee know this to be true. Hence it has not been done.

I say the solution here is available. It will act in the spirit of a continuing resolution. It will continue the appropriations that are necessary. It is openfaced and forthright and will not hide behind anyone or anything. I recommend that the substitute be adopted.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. TERRY).

Mr. TERRY. Mr. Chairman, most of us in this Chamber have had the experience with a small child who has come running home from school because his friends would not play ball the way he wanted to. I would suggest that the proposal to immediately discontinue our foreign aid funds is a similar type of action.

Shortly before the Congress recessed in August, I voted against the foreign aid authorization because I felt at that time, as I do now, that we have wasted hundreds of millions of dollars through a variety of misconceived investments. There is absolutely no question in my mind, and if I have any feeling for the sense of this Chamber, there is little question in most of our minds, that our entire foreign aid proposal needs revision and reductions.

We have deluded ourselves that funneling dollars and materials into foreign nations will buy us friends. We have thought that the benevolence of Uncle Sam would result in a constant quid pro quo from the recipients of this money.

The alinement of nations has changed; partially as a result of our own international policies, but also because of the increased independence of many new nations. Therefore, we cannot count on many old friends, and some allegedly new ones, to support our position on vital questions.

It really should not surprise us that we lost the U.N. General Assembly vote on the expulsion of Taiwan. All that we have to do is look at the early days of Vietnam involvement. Such former stalwarts as France and Great Britain absolutely refused to come to our assistance, much less suspend trade with Hanoi.

Today we have a critical question to consider. Do we, in the face of the first major rebuff this country has ever experienced in the United Nations react, like the little child who could not get his playmates to accept his rules of the game? Do we, in a fit of pained withdrawal from reality, remove ourselves precipitously from the international arena through an abrupt suspension of foreign aid? Do we, without careful thought and examination of the impact of our action, cancel all of our commitments to nations throughout the world?

It is interesting to me that a number of individuals now espousing cessation of foreign aid without further consideration, are the same individuals who have criticized recent foreign policy initiatives by the administration for their sudden reversal of previous policies. Is there anything more abrupt than a total cessation of foreign aid to all nations?

The debate on the resolution for continued operation if foreign aid is being billed by many people as an attempt by the Congress to reassert its control over foreign policy. It most certainly is a potential reassertion. But if in the name of congressional preeminence we adopt a policy which is dangerous, disruptive, and detrimental to the interests of the United States, we will be saying in an unmistakable voice to the American people, "we are not capable of constructive involvement in the foreign affairs of the United States." A vote to discontinue foreign aid would accomplish just that.

The CHAIRMAN. The Chair recognizes the gentleman from Alabama (Mr. BUCHANAN).

Mr. BUCHANAN. Mr. Chairman, I rise in support of the continuing resolution and in opposition to the amendments.

(By unanimous consent, Mr. BUCHANAN yielded his time to Mr. GERALD R. FORD.)

The CHAIRMAN. The Chairman recognizes the gentleman from Michigan (Mr. GERALD R. FORD).

Mr. GERALD R. FORD. Mr. Chairman, I do not know why a graduate of the University of Michigan should speak on behalf of a onetime president of Michigan State University, but I happen to believe that John Hannah was one of the Nation's outstanding educators in the last three decades. In my judgment, he has done a fine job in a most difficult responsibility as head of AID. It is not an easy job. It is a most difficult one, and he has given maximum time and attention to it. I commend him for his outstanding efforts and the constructive results he has achieved.

I have had my differences with the gentleman from Louisiana (Mr. PASSMAN) in the past, when I served on that Subcommittee on Appropriations, but I admire him for his diligence and vast knowledge on the subject of foreign aid. I appreciate his help in some of the tough floor fights we have had. I think he deserves our commendation and not our condemnation.

The CHAIRMAN. The Chair recognizes the gentleman from Louisiana (Mr. PASSMAN).

(By unanimous consent, Mr. MAHON yielded his time to Mr. PASSMAN.)

Mr. PASSMAN. Mr. Chairman, I rise in opposition to the amendments. I have profound respect for my very good friend, Mr. HALL. But if you really want to compound confusion, you adopt this amendment. You would be administering the program at one level for 4½ months. If this amendment is adopted, you would be administering the same program on another level for the duration of this resolution. You would then be administering the program at another level after the authorization and appropriation bills are reported out. This amendment is not retroactive. The resolution would cover the interim period from November 15 to the sine die adjournment, and if that should come on December 1, it means only 15 days.

I am going to join my distinguished friend, the gentleman from Michigan (Mr. FORD) in his praise for Dr. Hannah, the Administrator of the AID agency. I have never met a finer gentleman or a man who has worked longer or harder to give me the correct answers to my questions than Dr. Hannah. He has been the only Director of the AID agency I could get along with, and I found his answers made sense. He is always willing to sit down and take out projects if they are no good, and I have nothing but commendation for this great American.

Mr. MAHON. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Texas.

Mr. MAHON. Mr. Chairman, the distinguished gentleman from Louisiana (Mr. PASSMAN), in handling foreign assistance appropriation bills through the years, has served the overall best interests of the Nation. He is an able and devoted and effective public servant. The country is indebted to him for his diligence and for his successful efforts in saving billions of dollars.

Mr. PASSMAN. I thank the gentleman.

Mr. LONG of Maryland. Mr. Chairman, will the gentleman yield?

Mr. PASSMAN. I yield to the gentleman from Maryland.

Mr. LONG of Maryland. Mr. Chairman, I join the gentleman from Louisiana (Mr. PASSMAN). The gentleman from Louisiana has taken some ribbing as the so-called father of foreign aid. The truth is that in 15 years between 1956 and 1971, OTTO PASSMAN has taken the leadership in cutting $12 billion in foreign aid below the budget estimates.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Chairman, I rise in opposition to both amendments.

I usually agree with my friend and colleague, the gentleman from New York (Mr. DOW) and I certainly agree with him in his intense opposition to the war in Vietnam, but I think that he has been misled on this occasion by the vehemence of his opposition to that war. What he advocates here would produce chaos and would lead toward a fortress America concept, which I know the gentleman from New York would regret.

I also want to say that I disagree vehemently with the comments that have been made here today about the personnel involved in the aid program. From my experience, they are dedicated to a very important task and by and large they do it very well.

I hope both amendments will be voted down.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. DOW).

Mr. DOW. Mr. Chairman, I would say to the Members if they are confused by the amendment to my amendment which was offered by the gentleman from Missouri—and with the best of intentions, I am sure—they can repair to my amendment which is simplicity itself.

I would like to say I think this debate has been healthy and I hope it has brought to the Congress and to the people the intense need for a renovation of the foreign assistance program.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Missouri (Mr. HALL) for the amendment offered by the gentleman from New York (Mr. DOW).

The question was taken; and on a division (demanded by Mr. HALL) there were—ayes 34, noes 175.

Mr. SCHMITZ. Mr. Chairman, I demand tellers.

Tellers were refused.

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the amendment offered by the gentleman from New York (Mr. DOW).

The amendment was rejected.

Mr. VAN DEERLIN. Mr. Chairman, I move to strike the last word. I take this time not to propose an amendment, because I think an amendment is unnecessary to make certain that none of the funds provided under this continuing ressolution shall be used to help underwrite piracy against American fishing boats.

The subject is a timely one. Only this morning, five more American-flag tunaboats, and one boat of Canadian registry were seized upon the high seas 65 miles southwest of the port of Salinas, in Ecuador. One of these, the San Diego-based *Venturess*, was rammed, then fired upon by a converted American Coast Guard cutter which we have put out on loan to Ecuador.

It is not the first such incident. Time

and again, vessels built and maintained by U.S. taxpayers have been used, under foreign flags, to harass my constituent boat owners beyond the 12-mile limit in southern waters.

It happens that Ecuador is using nine American vessels currently on loan to her navy. Two of these are patrol boats, such as the LC-61, which perpetrated this morning's attack.

Terms of our loan agreement provide for their return on 30-day notice. I hope the State Department will not let another day pass before calling for the return of all nine vessels.

As to foreign aid, however, I can report that $25½ million in loans already authorized have been held up by AID since the first of the year. Our mliitary mission to Ecuador was recalled as of February 1. Quite clearly, then—and quite properly—AID officials have no present intention of further rewarding Ecuador or any of her neighbor nations who have habitually harassed American citizens on the high seas.

Of incidental interest has been Ecuador's ability, in recent months, to acquire three more patrol boats from West Germany. However, these were not sent on loan. West Germany's contribution was a cash-on-the-line sale.

And so, while no amendment to the present resolution seems necessary, I trust that I am expressing the will of the House that no softening of AID's recent firmness in regard to Ecuador will be tolerated in light of today's continuing piracy.

Mr. HALL. Mr. Chairman, will the gentleman yield?

Mr. VAN DEERLIN. I yield to the gentleman from Missouri.

Mr. HALL. I appreciate the gentleman's statement and I thank him for yielding. For the benefit of the Members, I have just been advised that the other body has passed the Economic Relief portion of a new Foreign Aid authorization bill by a vote of 61 to 23 in the amount of $1,144 million.

Mr. RUPPE. Mr. Chairman, during this important period when the Congress and the Nation are seriously questioning the purposes and the structure of our foreign assistance programs, I would like to share with my colleagues an experience I encountered earlier this week.

The Honorable V.C.R.A.C. Crabbe, Justice of the Supreme Court of the Republic of Ghana, paid a visit to my office. More than a mere courtesy call, Mr. Justice Crabbe had a message which he wanted to convey to me and which I would like to pass along to my colleagues in the Congress.

His message was this: Before we in the Congress act to drastically curb or end our foreign assistance programs, we must bear in mind what those programs are doing in the recipient nations. Specifically, he was referring to the Peace Corps. Justice Crabbe said that the Peace Corps volunteers were filling an extremely important role in his nation.

The American volunteer, he implied, is doing more than supplying some lacking technical skills to his host nation. More importantly, he is teaching, on a man-to-man basis, his counterpart to perform those skillful tasks. Justice Crabbe used a familiar but still true Chinese proverb to explain what the Peace Corps meant to his countrymen: "Catch me a fish and I will eat for a day; teach me to fish and I will eat for a lifetime."

As those of us in Congress vote on the foreign aid and Peace Corps measures, we tend to consider the effect of those programs on our districts and on this Nation as a whole. It was refreshing and enlightening to receive an unsolicited and candid endorsement of our efforts from someone who lives with those programs every day, and who can truly measure, perhaps much better than we, their effectiveness.

I firmly believe that we must remake our foreign assistance programs, and the Senate rejection of the foreign aid bill is an opportunity which must not be lost. However, in our zeal to improve the performance of our overall efforts abroad, we must not automatically reject all that we have done. We must carefully examine those efforts and determine where we are most effective. Mr. Justice Crabbe has reminded me that in terms of cost and effectiveness, the Peace Corps is one program which retains its importance. Its flexibility, its quick response to the individual needs of the developing nations, and its emphasis now on providing qualified technicians with the volunteer incentive have combined to keep the Peace Corps a timely part of our overall efforts to assist the developing world.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker having resumed the Chair, Mr. ROSTENKOWSKI, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, pursuant to House Resolution 693, he reported the joint resolution back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The question is on the engrossment and third reading of the joint resolution.

The joint resolution was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the joint resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were refused.

So the joint resolution was passed.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. MAHON. Mr. Speaker, I ask unanimous consent that all Members speaking on the joint resolution just passed may have permission to revise and extend their remarks in the RECORD and that all Members may have 5 legislative days in which to revise and extend their remarks.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. I take this time to verify whether we will initiate the consideration of the military procurement conference report.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Louisiana.

Mr. BOGGS. In response to the inquiry of the gentleman, the answer is "yes." We plan to do so immediately. The gentleman from Louisiana (Mr. HÉBERT) is here.

## MILITARY PROCUREMENT AUTHORIZATION, 1972

Mr. BOLLING. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 696 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 696

*Resolved,* That immediately upon the adoption of this resolution it shall be in order to consider the conference report on the bill (H.R. 8687) to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes, and all points of order against said conference report for failure to comply with the provisions of clause 3 of rule XX and clause 3 of rule XXVIII are hereby waived. It shall also be in order, pursuant to clause 1 of rule xx, for a separate vote to be had upon demand on those individual parts of the Senate amendment now contained in the conference report and numbered as sections 503, 505, and 601.

The SPEAKER. The gentleman from Missouri (Mr. BOLLING) is recognized for 1 hour.

Mr. BOLLING. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from California (Mr. SMITH), pending which I yield myself such time as I may consume.

Mr. BOLLING. Mr. Speaker, I would like to explain this rule. It is a most unusual rule. I think the Members may be interested in what it contains. It was reported by the Rules Committee, I believe, unanimously.

It seeks to give all Members interested in this matter a fair opportunity under the rules of the House. The Reorganization Act which was passed by the House and become law last year provided for a new treatment of nongermane matter adopted in the other body which would not be germane when considered in the House when that matter is brought back in conference.

The other body originally had six such amendments in the bill that passed the other body on the military procurement matter. When the conferees returned to the House, three had been eliminated and three were left.

There was a provision dealing with chrome, a provision limiting the amount of assistance that could be given to Laos, and a modified version of the—whatever number it is—Mansfield amendment which the other body had adopted previously.

The Rules Committee provided a rule which would protect the conference report from any point of order which would have eliminated the consideration of the conference report.

As I said, I believe the Rules Committee acted on this rule unanimously.

The Rules Committee felt that it should protect the rights of all Members under the rules of the House which were adopted last year in effect in the reorganization plan as to the procedure on nongermane substance. The Rules Committee wrote the rule so as to accomplish that. So, there could be debate of 40 minutes—20 minutes on a side—on each of the matters that I have detailed.

I repeat, the question of chrome from Rhodesia, the question of the limitation of assistance to Laos, the question of the modified so-called Mansfield amendment.

There could be under this rule debate of 40 minutes on each of those questions. The Rules Committee did this, and I hesitate to speak for the other 14 of my colleagues, but it seems to me important to do so—and I can be corrected if I am in error—because we thought this was a fair way to protect all of the different points of view in the House of Representatives and those who represented them, and the fair way to preserve the integrity of the rules of the House.

Mr. Speaker, I reserve the balance of my time.

Mr. SMITH of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I hesitate to take too much time at this late hour in the night to explain this rule, but as the gentleman from Missouri has stated, this is an unusual rule, and once again I want to make my remarks for the record because in all probability we will be referring back to this rule in the future on nongermane amendments.

Mr. Speaker, as has been stated by Mr. BOLLING this is an unusual rule. Let me give some background which bears upon the problem faced by the House tonight, in order to lay a foundation for future problems.

Early last August the House conferees on the Military Selective Service Act appeared before the Rules Committee asking for a rule on the conference report. Some seven items were included in the conference report, each of which was subject to a point of order. A general waiver of all points of order was requested. As you will remember, the Rules Committee was most reluctant to grant such a waiver, but finally did so. On August 4 the rule on the conference report was brought to the floor. At that time Chairman COLMER, Mr. SISK, and myself pointed out the rather unique situation facing the House; what the new House rules did in fact require; why the waiver was granted; and that none of us looked upon our granting of such a rule in that particular case as a precedent. Publicly and on the record, we tried to let all committees of the House know that the rules of the House applied to the conference procedure and that House conferees—and particularly conferees of the other body—must recognize this fact. A number of House Members stated their agreement with the position expressed by members of the Rules Committee.

Last month, after the other body passed the military procurement bill with a number of nongermane amendments, a similar problem developed. In order to eliminate the problem of having to deal with nongermane Senate amendments in the conference, the ranking minority member of the Committee on Armed Services (Mr. ARENDS) offered a motion to instruct conferees. That motion was to instruct the House conferees not to agree to any nongermane Senate language. The gentleman from Illinois, in support of his motion, stressed the need to conform to the House rules and quoted the remarks made on August 4 by members of the Rules Committee. That motion was defeated on a vote of 192 to 215. As a result, the House conferees went to the conference uninstructed. But it did not mean that they were to be free to consider nongermane amendments on their merits. The rules of the House expressly forbid this.

What was the situation then confronting the House conferees? Within the Senate-passed bill there were some six items which would have been nongermane if offered as amendments to the bill when it was under consideration by the House. Three of these items were considered on the merits and deleted by the conference. These included:

First. Section 507, relating to military operations and activities at the U.S. Naval Station at Los Alamitos, Calif.

Second. Sections 701–704 which provided for an additional military pay increase, and

Third. Section 801 which authorized comparability pay adjustments between Federal civilian and military personnel.

As I have said, Mr. Speaker, the conferees considered these nongermane amendments on their merits and agreed to delete them. This they were required to do under the rules of the House. Clause 3 of rule XX reads as follows:

> No amendment of the Senate which would be in violation of the provisions of clause 7 of rule XVI, if such amendment had been offered in the House, shall be agreed to by the managers on the part of the House unless specific authority to agree to such amendment shall be first given by the House by a separate vote on every such amendment.

The rules are clear: No conferees of the House may agree to nongermane language until and unless the House tells them to do so. Any other course is a violation of the rules of the House.

We all know what happened in the conference: Three nongermane amendments in modified form were agreed to by the House conferees. No Member of the House can be unaware of the particular problems faced by our conferees in this instance. Testimony before the Rules Committee touched upon the extreme difficulty encountered by our conferees. I am certain they achieved all that was possible to achieve in their attempt to sustain the House position and abide by the rules of the House in all instances. The gentleman from Louisiana (Mr. HÉBERT), the gentleman from Illinois (Mr. ARENDS) and their colleagues did their utmost; of that I am sure.

However, the fact remains that, in order to reach agreement with the conferees of the other body, they had to knowingly and deliberately violate the Rules of the House of Representatives.

As it comes from the committee on conference, the report is clearly subject to a point of order in several instances.

Because of this situation, yesterday the chairman and ranking minority member of the Armed Services Committee appeared before the Rules Committee. They carefully and accurately presented their problem to the committee. Although neither gentleman specifically requested a general waiver of points of order, a request was made for "a rule recognizing the difficulties confronting your House conferees." The Rules Committee has attempted to comply with that request while at the same time upholding the letter and spirit of the Rules of the House of Representatives.

What does the rule on the conference report provide? First, it provides for the consideration of the conference report today. It waives the requirement that a conference report be printed in the CONGRESSIONAL RECORD for 3 calendar days prior to its consideration by the House. Because of a clerical error, the report, which was available for printing on Friday, November 5, was not printed in the RECORD until Monday, November 8. The conferees did all that could be required of them and the leadership scheduled the conference report for floor consideration today. The Rules Committee believes this waiver is fully justified and reports it to the House.

Second, the rule reported by the Rules Committee waives all points of order against the conference report arising under clause 3 of rule XX and under clause 3 of rule XXVIII. The first clause, as previously mentioned, prohibits conferees of the House agreeing to any nongermane language. Clause 3 of rule XXVIII has somewhat the same intent, although the language is different. These waivers were granted because the Rules Committee did not believe that the conference report should be removed from consideration by a single point of order. As I stated earlier, all Members are aware of the peculiar problems and pressures faced by our conferees in this instance. The Rules Committee did not believe that it was in the best interests of the House or the country that the conference report be subject to a point of order. For, if one part of a conference report is out of order, the whole report is out of order. The committee sought to guard against this problem when it granted the specific waivers of points of order provided for in the rule.

The Rules Committee went further. Members will remember that last year during the consideration of the Legislative Reorganization Act of 1970, many Members expressed strong opposition to the practice of the other body in adding nongermane amendments to House bills, then obtaining the agreement to such amendments by House conferees, and then securing House acceptance of such nongermane amendments when overall approval of the conference report was voted by the House. Because of the widely held opinion in the House that some procedure should be devised to deal with these activities by the other body, the Rules Committee recommended to the House a procedure known as the Colmer amendment. That procedure, incorporated into clause 1 of rule XX, provides for the disposition of nongermane amendments by the House. Each such amendment may, upon the demand of any Member, be subject to a separate vote in the House. Each separate vote may be preceded by a debate of up to 40 minutes, equally divided between supporters and opponents of the nongermane language.

The rule reported by the committee, for the first time, gives life to this provision of our rules. It specifically provides for the possibility of a separate vote upon the three nongermane provisions contained in the conference report on the military procurement bill. These provisions are numbered in the report as section 503, dealing with the importation of chrome from Rhodesia; section 505, which sets a ceiling on U.S. expenditures in Laos; and section 601, the Mansfield amendment.

This rule represents the first effort by the House to insist that this provision of the rules of the House be abided by. This is the first time that the House will have an opportunity to require a separate vote on nongermane language added by the other body. If we do not stand up here, we are giving notice to the other body that they can continue to run over the House whenever the notion strikes them and they can think up a nongermane rider to add to a House bill. It does no good to pass rules providing for the handling of nongermane amendments if we do not use the procedure provided by our rules. If everytime a hard case comes up we say that it should be an exception to the rule and a waiver of the rule should be granted, we shall have taken a major step along the road of waiving our constitutional right to determine our own rules of procedure. The same considerations which compelled the House to adopt the procedure of the separate vote last year today requires that this procedure be implemented and that separate votes be made possible with respect to nongermane amendments.

Mr. Speaker, I urge the adoption of the rule.

Mr. LATTA. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Ohio (Mr. LATTA) a member of the Rules Committee.

Mr. LATTA. I wish to commend the gentleman on a very excellent statement. Is it not true that had the House in its wisdom adopted the motion offered by the gentleman from Illinois (Mr. ARENDS) when this matter was before the House earlier, his motion to instruct the conferees not to accept these nongermane amendments, we would not be here tonight with this situation?

Mr. SMITH of California. I think that is probably true, but I do not think it helps to cry over spilled milk. I want the matter to be handled according to our rules, and I think we can do so correctly.

Mr. LATTA. If the gentleman will yield further, I do not think we ought to cry over spilled milk, but I think we should uphold the Rules of the House on the subject of nongermaneness. We have passed the rules, and when we have a situation such as the one presented now, we must support the rules of the House and instruct the conferees not to accept the nongermane amendments.

Mr. SMITH of California. I appreciate the gentleman's statement.

Mr. TEAGUE of California. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to my colleague from California.

Mr. TEAGUE of California. First, let me also commend the gentleman for his excellent presentation.

Will the gentleman yield for a parliamentary inquiry?

Mr. SMITH of California. I yield for that purpose.

### PARLIAMENTARY INQUIRY

Mr. TEAGUE of California. As I understand, the rule would make three nongermane amendments in order for debate with 40 minutes of time given to each. I address this question to the Chair: Under the rule could the time be shortened by unanimous consent or by motion?

The SPEAKER. The Members in charge of debate could use or not use the time as they see fit.

Mr. TEAGUE of California. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TEAGUE of California. Since the rule provides 40 minutes on each of the nongermane amendments, under the circumstances of each amendment, would the amendment be subject to a limitation of debate?

The SPEAKER. No, except by those Members who have charge of the time.

Mr. SMITH of California. On the conference report, may I say to the gentleman from California, the rule provides 1 hour of debate. On the three separate sections of the bill, sections 503, 505, and 601, you are going to have 40 minutes of debate, 20 minutes for the proponents and 20 minutes for the opponents. This applies to each section where a separate vote is demanded. Then there can be a vote at the end of that particular time on each of those three sections.

Mr. ANDERSON of Illinois. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Illinois.

Mr. ANDERSON of Illinois. I wish to join my colleague from Ohio in commending the gentleman in the well for making what I believe is an unusually lucid and informative statement on this whole issue of protecting the integrity of the Rules of the House. When our colleague on the committee, the gentleman from Missouri (Mr. BOLLING) said that he would not presume to speak for all of us, I therefore think it is incumbent upon other members of the committee to say that we did agree that this was an eminently fair procedure, fair from the standpoint of individual Members of the House as well as important from the standpoint of protecting the so-called Colmer amendment, which was adopted in connection with the Legislative Reorganization Act.

I do have one question that I would address to my colleague from California. The only other alternative to writing a rule of this kind would have been for the Members of the House who were serving on the conference committee to come back during the time that the conference was meeting, while the conference was in progress, and at that time inquire of the House and solicit instructions as to what action they should take on these nongermane amendments. Is that correct?

Mr. SMITH of California. Under the rules, yes. I thank the gentleman from Illinois.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. I, too, wish to join in commending the gentleman for the statement he has made. But this will put some in the House in a rather untenable position. There are some amendments here that Members will want to support, and yet with any regard for germaneness cannot support. I just do not understand why the House conferees capitulated to the other body on these nongermane amendments.

Mr. SMITH of California. In that instance I will have to disagree a little bit with my friend, the gentleman from Iowa. We had a chance to tell them not to do that, and we voted here and that was voted down.

I think, as I said in my statement that the Chairman and the ranking minority member and the committee did the very best they could with the body on the other end of the Capitol. Now I think we should get to work on this and get it adopted or rejected.

Mr. GROSS. But the fact remains we are confronted with a very sorry situation tonight.

Mr. SMITH of California. But the Members can vote on the nongermane amendments.

Mr. GROSS. I understand we can do that, but if we vote to accept an amendment then we violate our rule of germaneness.

Mr. SMITH of California. Under clause 1 of rule XX, the so-called Colmer amendment, we are giving the Members of the House the opportunity to say if they want to vote for the nongermane amendments. We have been trying to do that since I have been here, and I am tickled to death that we have been able to do it tonight.

Mr. HALL. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Missouri.

Mr. HALL. Mr. Speaker, I join those of

my colleagues who spoke in praise of the erudite and forthright statement the gentleman made on this important rule.

Secondly, I want to ask, for the legislative record, if I understand correctly that if any one of the amendments provided for as introduced by the other body and accepted in conference, known as sections 503, 505, and 601, is voted down, then the entire conference report is voted down.

Mr. SMITH of California. Not in my opinion, no, and I think if one is voted down, then we will face that procedure in the Rules Committee tonight or tomorrow, and we will take care of it.

Mr. HALL. Mr. Speaker, will the gentleman yield for a parliamentary inquiry in order that this important question might be determined by the Chair?

Mr. SMITH of California. I do not think it is necessary to determine that inquiry now.

The SPEAKER. Does the gentleman yield for a parliamentary inquiry?

Mr. SMITH of California. I yield.

The SPEAKER. The gentleman will state the parliamentary inquiry.

Mr. HALL. Mr. Speaker, my parliamentary inquiry is simply if House Resolution 696, now before the House, is adopted or not, it is provided that it shall also be in order, pursuant to clause 1 of rule XX, for a separate vote to be had upon demand of any individual on those individual parts of the Senate amendment now contained in the conference report and numbered as sections 503, 505, and 601. My inquiry, Mr. Speaker, is, in the event that such a vote was demanded on those separate sections and it was not agreed to by this body, would the entire conference report be rejected and returned to the conferees or the other body?

The SPEAKER. The answer to the gentleman is that the conference report would be rejected.

Mr. HALL. I thank the Speaker.

The SPEAKER. If the first section is rejected, that is the end of the conference report. A provision of Jefferson's Manual—found in sections 542 and 549 of the House Rules and Manual—holds that conference reports must be acted on as a whole, being agreed to or disagreed to as an entity.

The House by its action in rejecting any one of the sections on which a separate vote may be demanded would nullify the agreement between the managers on the part of the House and the Senate, and the conference report would therefore fall.

Mr. HALL. I thank the Speaker.

Mr. HOLIFIELD. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from California.

Mr. HOLIFIELD. Mr. Speaker, I simply think probably the best way out of a real puzzle is for us to take into consideration that each House is master of its own rules, and then we get to the point where the rule of germaneness in one House is different from the other—and there is no rule of germaneness in the other body—we come to an impasse. I would say to the Members of the House that they may never have sat across the conference table from Members of the other body, but we could very well say we should not make any kind of concession on a nongermane amendment, but the actual practical effect of that is that we kill our bill. We kill the bill as it was passed by the House unless there is a meeting of minds in the conference.

Of course we can take action here which will not be satisfactory to the other body, and we have got the problem then of either continuing the conference or not having any more conference and letting the bill die.

There is a problem then of whether or not to continue the conference, or not to have any more conference and let the bill die.

We are faced with a real situation here. As I say, unless a Member has sat across the table day after day in conference with an unyielding group from the other body he will not really understand. One has to make up his mind whether or not to make some concession to the sovereignty of the other body, as well as the sovereignty of our own, or give up the bill. That is the position we are in.

Mr. THOMPSON of Georgia. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. I yield to the gentleman from Georgia.

Mr. THOMPSON of Georgia. I thank the gentleman for yielding. I, too, would like to congratulate the gentleman for a very clear statement on a most complicated problem and a most complicated rule.

However, with the parliamentary situation we seem to find ourselves in, it is my understanding if we reject any one of the three nongermane amendments then we reject the conference report in its entirety, and it appears to me that what we are doing is acting after the fact.

When the Arends amendment instructions were defeated several weeks ago the House conferees then were bound by the House rules. The House rules provide they could not accede to any nongermane amendment unless there had been prior authorization. We are coming in after the fact now.

It appears to me, if we are going to preserve the rules of the House, we are going to have to insist that none of these amendments be accepted; and the conferees would probably have to go back to conference.

Mr. STEIGER of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. SMITH of California. For a question or a statement?

Mr. STEIGER of Wisconsin. For a brief statement and question.

Mr. SMITH of California. I yield to the gentleman from Wisconsin.

Mr. STEIGER of Wisconsin. I appreciate very much the gentleman's yielding.

I just want to join others in commending the gentleman from California for an extraordinarily good statement. I must admit to be amazed, frankly, by what I understood to be the ruling of the Chair.

Might I direct a question to the gentleman from California? The precedent cited by the Speaker, in determining the ruling that if one of the nongermane amendments is voted down the conference report falls, is based on Jefferson's Manual as well as the precedents of the House established before the adoption of the Colmer rule.

In the Rules Committee decision to grant a rule which allowed the House to have the implementation of clause 1 of this rule, was consideration given by the Rules Committee to a procedure which might enable the House to reject a nongermane amendment without rejecting the total conference report?

Mr. SMITH of California. I do not intend to get into any argument here on the floor of the House with the Speaker, who has answered the parliamentary inquiry, nor do I speak for all the members of the Rules Committee.

I will state my opinion that if one, two or three is voted down I believe we can get back to conference on one, two or three. I believe the Rules Committee can write any rule it wants to write so long as it is not unconstitutional and so long as the Members sitting on this floor agree with what we send to them.

Mr. Speaker, I reserve the remainder of my time.

Mr. BOLLING. Mr. Speaker, I should like at this time to yield to the chairman of the Committee on Armed Services to explain the procedure which will actually take place when he controls the time.

Mr. HÉBERT. Mr. Speaker, I thank the gentleman from Missouri for yielding this time in order to explain what the situation will be.

I pause to congratulate both the gentleman from California and the gentleman from Missouri for their very lucid explanation of the situation.

This is the procedure we will follow, and I hope I will make clear exactly what the situation will be. To begin with, let me say so far as I am concerned, on the time I control, there will be a minimum amount of time with a minimum amount of words used, because I do not believe anything said in this body tonight is going to change the mind of anybody. Everybody knows what it is all about. Everybody has his mind made up and knows how to vote. The hour is late. I want to get out of here as quickly as other Members do. With their cooperation we will be out of here very quickly.

This is the procedure: After the rule is adopted I will call up the conference report and ask unanimous consent that the statement on the part of the managers be read in lieu of the report.

At that particular time, the Speaker, as I understand the parliamentary situation, will ask if a separate vote is demanded on any of the three matters before the House for a separate vote. If any individual asks for a separate vote on any one of those three items—and again let us take them one, two, three—we will follow this procedure: We will take one and 40 minutes will be allotted to the consideration, 20 minutes to the proponents, and 20 minutes to the opponents, the opponent being the chairman of the House Committee on Armed Services, and we will vote on that. After that matter is concluded and the conference report is sustained, we go to the second item on which a separate vote is demanded. If the second item is sustained, we go to the third item. If that is sustained, then we can consider the conference report.

According to my understanding and the understanding from the statement of the gentleman from California, if any one of the three is rejected, then the conference report fails. In a preliminary opinion, the Speaker has ruled thus, so we have to anticipate that is what the ruling will be. So, if the conference report is not approved on any one of these three items, it means then that you have no conference report. That is the situation.

If we are sustained—and I hope we are sustained, because we went through many agonizing moments and many moments of anguish in trying to bring this conference report to you—then we will have a conference report.

I must again state that we came here under the instructions of the House. Mr. ARENDS made the motion, as you well know, to instruct the conferees not to recede on germaneness but to insist on the rules of the House as they related to germaneness, and I personally voted for that. I wanted the House to tell me not to recede. I just wanted to stand there until hell froze over, and refuse to accept any nongermane language. However, the House in its wisdom refused to instruct the conferees to do this and, in effect, it said go on and deal on the merits of the nongermane Senate amendment, which we did and we did the best we could.

We succeeded out of six nongermane amendments to eliminate three, but we could not do so on the other three.

Of these three amendments, one relates to chrome, one of them relates to a ruling on expenditures in Laos and finally the so-called Mansfield amendment. We have come back with these three propositions, and I hope that the House will sustain the conference report so that we can get on with our business and get out of here as quickly as you want to.

I tell you that I will not use any significant time on my side.

Mr. DELLENBACK. Will the gentleman yield for the purpose of an inquiry?

Mr. HÉBERT. I yield to the gentleman.

Mr. DELLENBACK. I appreciate very much your very clear explanation of the procedure. I am left with one question, which is, in the event there should be a rejection by the House of item No. 1, for example, will we then proceed to item No. 2, anyway, or will the defeat of item No. 1 and thus the defeat of the conference report by the ruling of the Chair and the statement of the chairman, make us stop at that particular point?

Mr. HÉBERT. I do not know. I do not think we would stop there. I do not believe in playing games. If the conference report is rejected, I will immediately rise and make a motion to accept the Senate amendment with an amendment, which would be the conference report.

Mr. DELLENBACK. So we would proceed?

Mr. HÉBERT. Yes. But you would have to go from there. Here is the way it would probably develop. If we do that and it goes back to the Senate, only God knows, if He knows, whether it will ever get out of the Senate, because then it becomes a new bill and it is open to any amendment, any nongermane amendment, in the Senate. We can have it changed again and it comes back to conference, and we will go over to the next session before we get to that.

However, this is a simple matter, and the most simple way is to dispose of the entire matter in order to help us resolve this, because it has been a long, hard pull and we have held many sessions on this. We have come up with the best deal we can make.

Mr. TIERNAN. Mr. Speaker, will the gentleman yield?

Mr. HÉBERT. I yield to the gentleman from Rhode Island.

Mr. TIERNAN. It is my understanding that the Chair has already ruled that——

Mr. HÉBERT. The Chair has not ruled.

Mr. TIERNAN. The Chair in response to a parliamentary inquiry from the other side stated that if on the first proposition that were voted down, then the conference report would fail and the conferees would have to go back to conference.

Mr. HÉBERT. No, no. I will then move to recede and concur in the Senate amendment with a House amendment, because there again you are caught in a tight parliamentary situation. We have before us only one amendment.

Mr. TIERNAN. Then, I assume that the gentleman would proceed to section 505?

Mr. HÉBERT. No. If we lose the first amendment, it is all over as far as the conference report is concerned. If we are sustained, we will go to the second item.

Mr. BOLLING. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I would like to attempt to clarify one thing.

The gentleman from Louisiana will ask unanimous consent that the statement on the part of the managers be read in lieu of the report. If there is no objection to that, at that point the statement will be read and after the statement has been read, the Speaker will then make inquiry, is a separate vote demanded?

In the event that objection is heard to the statement being read in lieu of the report, the report will be read, and when the report has been completed, then the Speaker will ask if there is a separate action demanded. That is not a modification of what the gentleman said. It is merely clarification.

Mr. BINGHAM. Mr. Speaker, will the gentleman from Missouri yield to me?

Mr. BOLLING. I yield to the gentleman from New York.

Mr. BINGHAM. I thank the gentleman for yielding. I would just like to say, as one who appeared before the Rules Committee, that I think the committee has shown the wisdom of Solomon. I think the committee has come up with a very ingenious solution which protects the interest of the House and protects the interest of the Members who want to see separate votes on the nongermane amendments.

Mr. BOLLING. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

Mr. HÉBERT. Mr. Speaker, I call up the conference report on the bill (H.R. 8687) to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

The Clerk proceeded to read the statement.

Mr. HÉBERT (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER. Is there objection to the request of the gentleman from Louisiana?

There was no objection.

(For conference report and statement, see proceedings of the House of November 5, 1971.)

The SPEAKER. House Resolution 696 provides that a separate vote may be demanded on those individual parts of the conference report numbered as sections 503, 505, and 601.

Is a separate vote demanded on any of these sections?

Mr. FRASER. Mr. Speaker, pursuant to the rule adopted, and pursuant to clause 1, rule XX, I demand a separate vote on section 503.

The SPEAKER. Is a separate vote demanded on any other amendment? The Chair hears none.

Under clause 1 of rule XX, 40 minutes of debate are permitted before a separate vote is taken on a nongermane Senate amendment, one-half of such time in favor of, and one-half in opposition to the amendment.

Pursuant to that rule, the gentleman from Louisiana (Mr. HÉBERT) will be recognized for 20 minutes, and the gentleman from Minnesota (Mr. FRASER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Louisiana.

Mr. HÉBERT. Mr. Speaker, I reserve my time at this time.

The SPEAKER. The Chair recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Speaker, I yield myself 4 minutes.

Mr. Speaker, I urge you to vote to strike this nongermane amendment known as section 503 in the conference report.

There are several reasons why I think the House should reject this section.

First, this matter originally came before the House Committee on Foreign Affairs, and came before the subcommittee of which I am the chairman. It came in the form of several bills offered by several Members of this House.

We held hearings on the question of whether we should amend our sanctions on Rhodesia with respect to the importing of chromium ore.

Here are the hearings. We had Members testify. We had representatives from the steel companies testify. We had the State Department testify. When we were through, at a meeting of the subcommittee, the conclusion was reached, among the Members present, that there was no justification for going forward with any of the bills which would amend sanctions on Rhodesia so far as importing chrome ore is concerned.

Mr. Speaker, let me dispose of certain issues which have been raised along the way. These sanctions are being undertaken by the U.S. Government by the President pursuant to international treaty obligations. There are only two countries in the world today who are openly defying their treaty obligations in this respect, and those are the countries of Portugal and South Africa. If we accept this nongermane amendment we will join South Africa and Portugal and be the third country to openly ignore their international treaty obligations.

It is abundantly clear that if we pass this provision and begin to import chrome ore from Rhodesia that we will be in violation of international law.

I do not believe that this is the time to argue whether there should have been sanctions against Rhodesia in the first place or not. The most important fact on this score is to know that the Conservative Party in Great Britain is trying to reach a conclusion with Rhodesia, and Lord Hume, the Foreign Minister of Great Britain, is headed for Salisbury, Rhodesia, within the week to try to conclude some kind of a settlement with Rhodesia that will lead, hopefully, to the end of international sanctions. But from the point of view of the U.S. Government there could not be a worse time to be saying that we are going to violate international law and turn our back on international treaty obligations because we want to import chrome ore.

There is no shortage of chrome ore. In fact, we have a stockpile that is in excess of our needs, and part of this stockpile is being released for domestic consumption.

The SPEAKER. The time of the gentleman has expired.

Mr. FRASER. Mr. Speaker, I yield myself 1 additional minute.

We are going to use this because we do not have the need for such a large stockpile.

Now the argument is made that we have become too dependent upon the Soviet Union for ore. But the fact is in 1963, 49 percent of high grade metallurgical chrome ore was coming in from the Soviet Union and today it is 58 percent, or 9 percent higher than it was in 1963, several years before the sanctions began.

So this is really a false issue. The fact is that the Soviet Union has only a limited supply of high grade ore and the fact that they are willing to ship it to us means that they are depleting their own resources.

If there should be an international emergency of some kind, of course, then we can change whatever restrictions we have on importations from Rhodesia. But there is no such emergency. We have an excess in our stockpile so I believe that this House should support the President and the Secretary of State who have asked that we turn this amendment down and stay in compliance with our international obligations.

Mr. HÉBERT. Mr. Speaker, I yield 5 minutes to the gentleman from Texas (Mr. COLLINS).

Mr. COLLINS of Texas. Mr. Speaker, let me tell you some of the background of this bill and to tell you something about Russia.

We did buy from Russia. But one interesting thing about the time we brought from Russia is that we were paying $30 a ton. But we are no longer in a free world competitive business and the price has gone up to $72 a ton.

Also, let me say in discussing this particular bill that we seem to have a surplus available, but the surplus seemed to have developed last year when we were short on our domestic needs in this country. Suddenly we say we have a surplus.

Chromium is a metal, a material that makes stainless steel stainless. It is a basic strategic material to this country. The free countries in the world that have great reserves are Rhodesia, South Africa, and Turkey. Now Turkey has tied in with Japan and they are more or less looking to work up a close relationship with them, but in the free world Rhodesia is the country with a tremendous surplus.

Now that we have taken Rhodesia out, we have become dependent upon Russia.

It seems to me when we are talking about a bill that has to do with military procurement, we would start first thinking of what is good for the United States and what is essential for the United States, and on whom are we depending in the matter of chrome, this material that we do not have in this country.

We are so proud of the United States and we think we have everything. But on chrome, less than one-half of our domestic needs are produced internally which means that all chrome comes in.

All that this bill does is to set the law straight. This is to do what is lawful. I agree with my colleague that it should be done according to the terms of the law. It will amend the United Nations act and states that if a Communist country can send goods into the United States that a free country can send goods into the United States.

The reason that this sanction exists, and I want to remind you that in the history of the United Nations, this is the only sanction that the United States ever imposed—this is the only sanction that they imposed and it is on Rhodesia. As you know, the rules of the United Nations state that you cannot determine the internal policy of any country.

When this country left the British Commonwealth, they imposed it. But they did not say that was the reason. The reason they imposed it was for world safety—for the safety of the world.

Here is a little country with 5 million people in a continent of 350 million people, and the only time they became interested in world safety was on Rhodesia. They did not even know that Vietnam even existed.

Here this country has been working on this, as it has gone along. As we go through it, another interesting thing comes up. That is this matter of who owns the chrome in Rhodesia.

You know, it is interesting that the two big producers over there are American companies—the Mineral and Union Carbide Co. are the two big chrome manufacturers over there. We want to buy from our own companies, because when they ever turn in a profit, the profit is all coming to the United States.

Mr. CHAMBERLAIN. Mr. Speaker, will the gentleman yield?

Mr. COLLINS of Texas. I yield to the gentleman.

Mr. CHAMBERLAIN. I am in doubt about this. I wonder if the gentleman can advise me as to whether or not the Soviet Union is under the same sanctions as to the buying of ore from Rhodesia as we are?

Mr. COLLINS of Texas. This is interesting because we do not know what standards they are under. But I want to say one thing about who is buying. Rhodesia today is selling 100 percent of its chrome. We used to buy from Rhodesia. They say—Who is buying the chrome? I do not know who is buying the chrome.

We know that Japan is now consuming more steel than they used to use.

We know that Red China is buying steel and if you go across the world, you will see they are all buying chrome from somewhere.

We know that Red China is buying steel. As you go across the world, you will see they are all buying chromium somewhere. So with Rhodesia selling 100 percent of its production we wonder where all of it is going.

Mr. CHAMBERLAIN. Mr. Speaker, if the gentleman will yield further, it is my understanding, then, we cannot buy chrome from Rhodesia, but the Rhodesians are selling to the Soviet Union and we are buying it from the Soviet Union. Is that correct?

Mr. COLLINS of Texas. That might well be. It is not completely definite, but one of the steel companies in this country, in checking the analysis and running grade samples, said that the grade samples they were buying from Rhodesia compared very similarly to what they were buying from Russia. They were buying chrome from Russia. When they ran the analysis, they found that the analysis was very similar—in fact, identical—with the analysis of the chrome that they had bought from Russia.

Mr. CHAMBERLAIN. Then the gentleman's conclusion is that this is being done, is that correct?

Mr. COLLINS of Texas. I believe it might be going through Russia. I know definitely it is going through other countries. It is the most ridiculous thing in world trade.

Mr. FRASER. Mr. Speaker, I yield 4 minutes to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Speaker, and Members of the House, shortly we will vote upon an amended version of the Byrd amendment that would end the embargo on Rhodesian chrome. I join with the gentleman from Minnesota and my colleagues of the Congressional Black Caucus in urging the House to defeat this amendment that would put us in violation of our international legal obligations and which can only be interpreted as a victory for the forces of racism and reaction. Can this country, committed as it states to racial equality and justice, feel comfortable in the company of South Africa and Portugal, the only other countries to defy openly the U.N. embargo? Why should the United States take the blame that properly belongs to other countries by breaking the Security Council sanctions against the Smith regime?

The Congressional Black Caucus has strongly opposed this nefarious amendment—nefarious because not only is it dealing with an illegal regime, not recognized by any state, not even South Africa, but it is in violation of U.N. sanctions which the United States voted for and supported.

If the attempt to lift the embargo is successful, it will confirm the pattern we have seen lately in domestic policy of indifference or even open hostility to the claims of the poor and underprivileged. It is obvious that the motivation for this action cannot be need for chrome, since the executive branch has introduced a bill to unload 1.3 million tons of excess chrome from our stockpile.

The bill to which I refer is presently in the other body. It is identified as Senate bill 773, of which I have a copy. It states—

> A bill to authorize the disposal of metallurgical grade chromite from the national stockpile and the supplemental stockpile.

I have also in my possession a letter from Mr. Oliver Thurman, Deputy Assistant Administrator of the General Services Administration to Senator Cannon, the Chairman of the Subcommittee on National Stockpile and Naval Petroleum Reserves, Committee on Armed Services. He outlines in this letter that the GSA has submitted to the Congress a draft bill to authorize the disposal of 1.3 million excess tons of chrome. That is Senate bill S. 773.

I also have a long-range plan dated December 22, 1970, in which it is pointed out that the total inventory of chromite is 4,454,004 tons. They point out that there is an excess of 1,353,004 tons.

I also have the report of the hearings on the bill. So it seems clear that the issue is not one of need.

Mr. Speaker, the congressional black caucus urges its colleagues to reaffirm the historic and legal commitment of this country to law and self-determination, and I ask that all of you join in opposing the amended version of the Byrd amendment that would end the embargo on Rhodesian chrome.

Mr. Speaker, I submit the material referred to earlier in my remarks for inclusion in the RECORD:

S. 773

A bill to authorize the disposal of metallurgical grade chromite from the national stockpile and the supplemental stockpile.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Administrator of General Services is hereby authorized to dispose of approximately one million three hundred and thirteen thousand six hundred short dry tons of metallurgical grade chromite (chromite ore equivalent) now held in the national stockpile established pursuant to the Strategic and Critical Materials Stock Piling Act (50 U.S.C. 98–98h) and the supplemental stockpile established pursuant to section 104(b) of the Agricultural Trade Development and Assistance Act of 1954, 68 Stat. 456, as amended by 73 Stat. 607. Such disposition may be made without regard to the requirements of section 3 of the Strategic and Critical Materials Stock Piling Act: *Provided,* That the time and method of disposition shall be fixed with due regard to the protection of the United States against avoidable loss and the protection of producers, processors, and consumers against available disruption of their usual markets.

SEC. 2. (a) Disposals of the material covered by this Act may be made only after publicly advertising for bids, except as provided in subsection (b) of this section or as otherwise authorized by law. All bids may be rejected when it is in the public interest to do so.

(b) The material covered by this Act may be disposed of without advertising for bids if—

(1) the material is to be transferred to an agency of the United States;

(2) the Administrator determines that methods of disposal other than by advertising are necessary to protect the United States against avoidable loss or to protect producers, processors, and consumers against avoidable disruption of their usual markets; or

(3) sales are to be made pursuant to requests received from other agencies of the United States in furtherance of authorized program objectives of such agencies.

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GENERAL SERVICES ADMINISTRATION,
*Washington, D.C., Apr. 2, 1971.*

Hon. HOWARD W. CANNON,
*Chairman, Subcommittee on National Stockpile and Naval Petroleum Reserves, Committee on Armed Services, U.S. Senate, Washington, D.C.*

DEAR SENATOR CANNON: On January 26, 1971, the General Services Administration (GSA), submitted to the Congress a draft bill "To authorize the disposal of metallurgical grade chromite from the national stockpile and the supplemental stockpile," which has been referred to the Senate Committee on Armed Services. The draft bill covering 1,313,600 short dry tons of metallurgical grade chromite (chromite ore equivalent), was accompanied by a long-range disposal plan.

The disposal plan, which was signed on December 22, 1970, indicates the quantities of stockpile grade and nonstockpile grade metallurgical grade ore, high and low carbon ferrochromium and silicon ferrochromium included in the proposed disposal. On March 5, 1971, the Director of the Office of Emergency Preparedness (OEP), revised the holding of specification quality high and low carbon ferrochromium against the metallurgical grade chromite ore objective. As a result, the excess quantities of the forms of metallurgical grade chromite included in the disposal plan must be adjusted. This adjustment does not require a change in S. 773 which is now pending before your Committee.

In view of this action by OEP, GSA is enclosing for your information, an amendment to the long-range disposal plan for metallurgical grade chromite with the revised excess quantities of ore and ferrochromium included therein.

Sincerely,

OLIVER THURMAN,
*Deputy Assistant Administrator.*

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GENERAL SERVICES ADMINISTRATION AMENDMENT TO METALLURGICAL GRADE CHROMITE DISPOSAL PLAN DATED DECEMBER 22, 1970

5. Background information.—a. Inventory, stockpile objective, cost, and market value.

METALLURGICAL GRADE CHROMITE

*Chromite ore equivalent—Uncommitted, February 28, 1971*

[In short dry tons]

| | |
|---|---|
| National and supplemental stockpiles: | |
| Inventory | 4,452,126 |
| Excess | 1,353,004 |
| Defense Production Act: | |
| Inventory | 878 |
| Excess | 0 |
| Total inventory | 4,453,004 |
| Total excess | 1,353,004 |

Objective (Established March 4, 1970—3,100,000)

This plan is limited to approximately 1,313,641 short dry tons (chromite ore equivalent) of metallurgical grade chromite in the national and supplemental stockpiles, of which approximately 994,257 short dry tons are ore; approximately 41,800 short tons (104,500 short tons chromite ore equivalent) are high carbon ferrochromium; approximately 84,300 short tons (210,750 short tons chromite ore equivalent) are low carbon ferrochromium; and approximately 2,756 short tons (4,134 short tons chromite ore equivalent) are silicon ferrochromium. An additional 39,363 short dry tons of metallurgical grade chromite ore remain available for disposal under previous authorizations.

The average acquisition cost of metallurgical grade chromite in the national and supplemental stockpiles was $47.04 per short dry ton for ore, $365.24 per short ton for high carbon ferrochromium, $453.52 per short ton for low carbon ferrochromium, and $324.21 per short ton for silicon ferrochromium. The current market price for standard, commercial type metallurgical grade chromite is estimated to be $55.00 per short dry ton for ore, $500.00 per short ton (chromium content) for high carbon ferrochromium, $760.00 per short ton (chromium content) for low carbon ferrochromium, and $320.00 per short ton (alloy) for silicon ferrochromium. Stockpile metallurgical grade chromite, high and low carbon ferrochromium, and silicon ferrochromium, may or may not be of the same quality or grade as the material quoted above.

6. *Quality and form of stocks.*—Approximately 1,077,408 short dry tons (chromite ore equivalent) of metallurgical grade chromite are stockpile grade, of which approximately 810,588 short dry tons are ore; approximately 41,126 short tons (102,815 short tons chromite ore equivalent) are high carbon ferrochromium and approximately 65,597 short tons (163,993 short tons chromite ore equivalent) are low carbon ferrochromium and 8 short tons (12 short tons chromite ore equivalent) are silicon ferrochromium. Approximately 236,233 short dry tons (chromite ore equivalent) of metallurgical grade chromite are nonstockpile grade, of which approximately 183,669 short dry tons are ore; approximately 674 short tons (1,685 short tons chromite ore equivalent) are high car-

bon ferrochromium; approximately 18,703 short tons (46,757 short tons chromite ore equivalent) are low carbon ferrochromium; and approximately 2,748 short tons (4,122 short tons chromite ore equivalent) are silicon ferrochromium.

Approved:

WALTER C. MORELAND,
*Acting Commissioner, Property Management and Disposal Service.*

Mr. HÉBERT. Mr. Speaker, I yield 1 minute to the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Speaker, I rise in support of section 503, and urge that it be kept in the conference report.

Mr. Speaker, ever since President Lyndon Johnson issued an Executive order in 1966 pursuant to United Nations sanctions barring all trade with Rhodesia, the United States has been confronted with the gnawing problem of being able to obtain a very vital and necessary defense commodity—chromium.

Up until 1966, we were receiving nearly 40 percent of our total chromium imports from Rhodesia through the auspices of two American-owned chromium mines. At the same time, Communist Russia was supplying us with about 27 percent of our chromium at a healthy competitive price of about $30 to $33 a ton.

Since the advent of this embargo, we have been forced to channel more than twice that price to Russia which now is furnishing us with about 65 percent of our chromium needs. Compounding this dilemma is the suspected fact that the chrome ore we are purchasing from Russia is actually Rhodesian chrome which is being trans-shipped by an intermediary nation to Russia. I cannot say categorically that this is true, but I believe it is true. At any rate, the conference report refers to several U.N. nations who have purchased chrome ore from Rhodesia.

Mr. Speaker, I cannot think of a more absurd position for this Nation to be in. To have to rely on Communist Russia to furnish us with a vital defense commodity is beyond all sense of reason. To see other U.N. nations buying from Rhodesia while this great Nation doggedly abides by the U.N. sanctions is unbelievable.

Because of our need for chrome we find ourselves dipping into our chrome ore stockpile. If we continue to do this at the present rate our chrome stockpile could vanish within 3 years.

Nor does it help matters to learn that the Russians, fully aware of our predicament, have planned on raising their price on the chrome ore they supply us with from $72 to $82 per ton next year!

There is no secret about the fact that this Nation cannot easily function without chromium. Not only is it essential in the production of our military jet aircraft, missiles, and satellites, it is the all-important ingredient which makes stainless steel "stainless," and which is also vital in the production of everything from industrial tools, to automobiles, to home construction, to kitchen items.

By the same token, it is no secret that we are courting national disaster by continuing to depend on the Russians for our defense needs. This is an incredible situation. It runs afoul of what should be the first two words in all our foreign policy: "America First."

Mr. Speaker, the answer to solving this discouraging problem is as plain as the sun in the sky.

It can be accomplished simply by making certain that section 503 of the Conference Report is approved. If we are willing to buy chrome ore from a Communist nation, then it certainly should be proper for this country to buy chrome ore from a friendly free nation such as Rhodesia.

As far as I can tell, the only thing wrong with Rhodesia is that England is not happy with it, and there are some in our own country who disagree with some of its internal policies.

Mr. Speaker, we have delayed too long. I urge full approval of this provision so that we may once again resume the importation of chrome ore from Rhodesia for the good of our own Nation.

Mr. HÉBERT. Mr. Speaker, I yield 2 minutes to the gentleman from Pennsylvania (Mr. DENT).

Mr. DENT. Mr. Speaker, I hesitate to take the floor after the gracious treatment I had today on this floor, but I just cannot stand aside on this particular amendment.

I just talked today to the representatives of the steel companies of America. The difference in price for a ton of steel between American steel and foreign steel, on the basis of chrome coming from Rhodesia, is $35 to $40. That is $35 to $40 difference in price.

The entire American steel industry last year had an average profit on a ton of steel of $12. Believe me when I say to these Members, there was a difference of 115,555 steel workers between July and August of this year. That many steel workers were out of work between July and August.

I have the greatest respect for the man who preceded me. I have absolutely the greatest respect for him. His position is based on a social basis, but tonight I am talking to the Members on an economic basis. I say to the Members of this Congress, both the Senate and the House, this country must start to look inward, toward its own welfare, keeping in mind that only the inward welfare of this country can make us strong enough to help those countries who need help. If we go further down the drain in our economic standing we cannot do that.

Today the stock market industrial index of the United States lost 12 points. Maybe that does not mean anything to the Members, but it means this to me: We are in a very serious situation. Please do not vote for this.

Mr. ROUSH. Mr. Speaker, I rise in support of the Senate amendment. I appreciate the intent of the sanctions imposed by the United Nations against Rhodesia. I am in sympathy with the motives which prompted the imposition of those sanctions. But I am in sympathy with the minorities of this country as well as the plight of all those who work in the specialty steel plants of this country. They are being driven out of their jobs by reason of unfair competition.

I am informed that Japan buys chrome for $31.50 a ton and we pay Russia $72 a ton for a poor quality of chrome. Is it any wonder we cannot compete with Japan? The gentleman from Pennsylvania (Mr. DENT) has pointed this out very clearly. Is it any wonder that the tradition of free trade is under assault? If free trade is not accompanied by fair trade then it cannot survive.

Now concerning Russia's sale of chrome to this country: The argument has been made that the chrome we buy from Russia is not Rhodesian chrome. Russia imports steel from Rhodesia for $31.50 a ton. I would acknowledge that they are not selling us Rhodesian chrome. Is there any doubt as to what Russia is doing? I would surmise that they are using the high quality chrome of Rhodesia which can be purchased for $31.50 a ton for their own purposes and selling the inferior Russian produced chrome to us for $72 a ton. This increases the cost of our specialty steel and makes it impossible for us to compete with other nations—such as Japan.

The gentleman from Massachusetts tells us the administration is imploring us not to buy steel from Rhodesia and thus protest certain policies of that government. Within the past few days the administration has asked us, as a people, to approve the sale of 20 million bushels of grain to Russia for the going price. Well, I do not approve of the oppression that takes place in Russia, but I do approve of that proposed sale of grain, because it is in the best interest of this country. I do not approve all that goes on in Rhodesia, but I approve of the purchase of chrome from Rhodesia, because it is in our best interest.

Mr. HÉBERT. Mr. Speaker, I yield 3 minutes to the gentleman from Illinois (Mr. FINDLEY).

Mr. FINDLEY. Mr. Speaker, I thank the gentleman.

Mr. Speaker, the Rhodesian sanctions I have always felt were unfortunate. They were ill considered. Yet they were invoked through the procedure to which our Government had committed itself under the United Nations Charter. I think it is unfortunate we are using this device to set aside an agreement to which our Government has bound itself.

Another unfortunate aspect of this is, it is my understanding that the State Department is opposed to this provision. I would be glad to yield to the chairman of the subcommittee for clarification on that point. I realize the parliamentary dilemma we face. I simply regret that we find ourselves in that fix. Can the gentleman clarify the attitude of the State Department on this point?

Mr. FRASER. Mr. Speaker, the State Department appeared before our subcommittee and opposed this, and we have a letter in the CONGRESSIONAL RECORD from David Abshire, liaison for the State Department. I understand the White House itself has made their view known as in opposition on this. It is clear the State Department and White House are opposed to its retention in the bill.

Mr. FINDLEY. Is there any attitude on the part of the administration to this as far as other Members know? I have not heard anything contrary to what the gentleman from Minnesota has stated. If any others want to clarify that, I will yield.

We certainly pride ourselves as a nation that agrees on a rule of law. This situation is most unfortunate, and causes us to damage our posture as far as world opinion as a nation committed to the rule of law.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. FINDLEY. I yield to the gentleman from Pennsylvania.

Mr. DENT. Mr. Speaker, evidently there was some misunderstanding as far as what some of us want. I am voting to sustain the chairman in the amendment.

Mr. FINDLEY. Yes, I understand the gentleman's position.

Mr. FRASER. Mr. Speaker, I yield 4 minutes to the gentleman from New York (Mr. BINGHAM).

Mr. BINGHAM. Mr. Speaker, first I should like to point out that the issue here is not, as it was stated in the conference report, whether the United States needs the chrome ore, both from an economic and national security standpoint, or whether this should be subordinated to the policy position established by the United Nations in its sanction against Rhodesia.

The issue is, very simply, whether we are going to live up to a treaty obligation entered into freely; and particularly the issue is whether there is any pressure on us to do so at this time.

The stockpile is adequate, and more than adequate. If some crisis arises in the future when we absolutely need Rhodesian ore we can reexamine the situation at that time. For us to move to do so now would be a violation of our treaty obligation with the United Nations.

On the question dealt with rather lightly here as to whether there has been some transshipment of ore from Rhodesia via the Soviet Union to us, there is a statement which has been in the CONGRESSIONAL RECORD from the U.S. Geological Survey stating on microscopic analysis that this is simply not the fact, that the ore we receive from the Soviet Union is not produced in Rhodesia.

It is interesting to note that the conference committee made no such claim.

Finally, with respect to the very persuasive appeal Members have heard from the gentleman from Pennsylvania about the position of the steel industry, I believe it should be noted that there is also in the CONGRESSIONAL RECORD, on page S15319, a letter from Mr. I. W. Abel, president of the United Steel Workers of America, in which he indicates his opposition to any change at this time in the sanction program unilaterally by the United States. He says, among other things:

> The United Steel Workers of America supports the intent of the embargo and its continuation. We feel that as a nation and in conjunction with other nations we must be concerned about basic human justice and if need be sustain an economic price for that conviction. Furthermore, this is one of the few occasions on which the United Nations acted as the moral conscience of the world.

That is the president of the United Steel Workers, Mr. Abel, speaking.

I would urge Members not to take this position at this particular time, when the British are in negotiation with the Rhodesian Government and when there is a very good chance that there may be a settlement of the problem. This would be the worst possible time for us to take this step, and there is no need for it at this time.

Mr. DENT. Mr. Speaker, will the gentleman yield?

Mr. BINGHAM. I yield to the gentleman from Pennsylvania.

Mr. DENT. I happen to have been in contact with the steel workers today. The situation is one as to whether we decide whether the social aspect of legislation at this point in our economic situation shall take precedence over the serious economic problem we face.

I agree with the gentleman on the question of the treatment of the social aspects with respect to the Rhodesian Government, but there is also this fact: There are only two nations in the entire international agreement which are living up to the unanimous vote of the U.N., Great Britain, and the United States. West Germany is buying Rhodesian ore. Japan is buying Rhodesian ore. Every steel producing nation that signed and voted on the sanction against Rhodesia is buying Rhodesian ore.

Mr. HÉBERT. Mr. Speaker, I yield 2 minutes to the gentleman from New York (Mr. BIAGGI).

Mr. BIAGGI. Mr. Speaker, I rise in support of the conference report.

I can sympathize with many of the arguments put forth by the gentleman, particularly with regard to the denial of voting rights to the black majority in Rhodesia. However, I believe we can better bring about our goal of democratic practices in that country as a friend of Rhodesia rather than an enemy. Moreover, I cannot ignore the overriding national defense considerations involved here.

The United States has been dependent on the Soviet Union for more than 60 percent of its chrome ore since the embargo was placed against Rhodesia in 1967. During this time the Soviet Union has raised the price 288 percent from the presanction level of $25 per ton to the present price of $72 per ton.

At the same time, the U.S.S.R., no friend of the United States, has been purchasing high grade Rhodesian chrome ore from other nations violating the embargo and selling the United States its poorer grade chromite at substantially higher prices. In the interests of national security, the United States cannot continue to be dependent upon the Soviet Union as a major source of a critical defense material. Moreover, it is highly hypocritical for the United States to get its chrome ore in this underhanded manner. The sanctions, frankly, are not working.

The arguments put forth that the stockpile of chrome ore is in surplus is not acceptable. The purpose of the stockpile is to have a reserve and this Nation should not be using its stockpile supplies as a regular source of chrome ore as some have advocated.

The high price of chromite has placed the U.S. steel industry in an unfavorable competitive position relative to other nations who are importing the Rhodesian ore.

As a result many Americans are unemployed, because of the increased importation of low-cost steel and steel products. While this problem could be alleviated through import controls, we have at hand today a ready means of accomplishing the same end.

To give you an example of the degree of penetration of the U.S. markets by foreign producers, I would like to quote a few figures from the conference committee report:

> Imports of specialty steels are at an all-time high—20 percent of the total domestic market in the first quarter of 1971. For some individual specialty steels, the penetration is even greater; 35 percent of stainless cold rolled sheets, 68 percent of the market for stainless wire rods, and 54 percent for stainless wire.

This is a shocking set of figures and the cause can be directly traced to the embargo on Rhodesian chrome ore.

I can understand the desire of those who wish to maintain our strong support of the United Nations in this matter. However, the U.N.'s demonstrated lack of interest in fair play by rejecting Nationalist China makes one question whether the United States should continue to jeopardize its national defense interest to support the world body.

Mr. Speaker, I am pleased the House conferees have accepted the Senate amendment permitting the importation of Rhodesian chrome ore as I had urged last month. I believe this provision and the entire military procurement bill conference report deserves adoption by this body in the form finally agreed upon by the conferees.

Mr. FRASER. Mr. Speaker, I yield 3 minutes to the gentleman from Massachusetts (Mr. MORSE).

Mr. MORSE. Mr. Speaker, I rise in support of the effort of Mr. FRASER to delete section 503 from the military procurement bill. This is a nongermane amendment approved by the Senate providing for the importation of Rhodesian chrome. A resumption of chrome ore importation by the United States is clearly opposed by the Nixon administration. It has so advised many of the Members of this body on both sides of the aisle and, believe me, it would represent a clear violation of our international legal obligations as a signatory to the United Nations Charter.

Looking at the strategic considerations: Proponents of section 503 to resume importation of chrome ore from Rhodesia claim that the United States, as a result of the embargo, has become dependent on the Soviet Union for its supply of chrome ore. Mr. Speaker, this is simply not valid. A significant U.S. trade with the Soviet Union in chrome ore existed long before the Rhodesian sanctions went into effect.

Additionally, large quantities of chrome ore are simply not necessary to maintain our defense requirements. This has been made unmistakably clear by the unqualified support of the administration—for S. 773 which would authorize the release of 1.3 million tons of chrome ore over the next 3 years from the U.S. stockpiles, on the grounds that our current stockpiles of chrome ore do in fact exceed our national security requirements.

With regard to the current negotiations between Britain and Smith's government, it is clear that U.S. action to resume importation of chrome ore from the Smith regime at this time would undermine these ongoing efforts to reach a settlement by encouraging the Smith regime to hold out indefinitely, thus canceling whatever progress has been made in the talks.

Mr. Speaker, I urge Members on both sides of the aisle who are aware of some of the things that happened in the other body to recognize their responsibilities to respect the sanctions which are embodied in international law and which would be restored by the action of this House.

Mr. HAYS. Will the gentleman yield?

Mr. MORSE. I yield to the gentleman from Ohio.

Mr. HAYS. Are you asking us to support the United Nations sanctions against Rhodesia?

Mr. MORSE. I am.

Mr. HAYS. After the way they supported us there

Mr. MORSE. I yield back the balance of my time.

The SPEAKER. The time of the gentleman has expired.

Mr. HÉBERT. Mr. Speaker, I yield 2 minutes to the gentleman from Ohio Mr. HAYS).

Mr. HAYS. Mr. Speaker, I support the committee position and the conference report on Rhodesia and simply submit to the membership the fact that it is a rather simple proposition: Do we continue, because the U.N. said so, to buy our chrome from Russia which is an inferior grade of chrome, while they buy the superior chrome? They are a member of the United Nations. Yet they buy their chrome from Rhodesia and use it themselves.

Now, that is just the way the ball bounces. That is what the story is.

I certainly feel no compulsion whatever to penalize the citizens of the United States for the sanctions placed on them by an organization of which we pay 30 percent of the cost and have 1 percent of the influence.

Mr. Speaker, I support the committee position on this amendment.

Mr. FRASER. Mr. Speaker, I yield myself 2 minutes.

Mr. Speaker, let me just straighten out a couple of facts.

The first is that the Soviet ore is a superior ore to that of Rhodesia and has always demanded a higher price.

Second, Mr. Speaker, the continent of Africa supported us on the China issue. The majority of the nations of Africa were with us as were a majority of the nations in Latin America. I say that where we lost on the China issue was in Europe. We lost the vote of every one of our NATO allies, and to penalize the area where the majority of them voted with us, I think is the height of irresponsibility.

I think what we have before us is a solemn treaty obligation. Many people do not take that treaty obligation lightly. But it seems to me that it is important for us to observe the rule of a treaty obligation in our country's conduct with other nations around the world. That is the fundamental issue. This is what the President has asked for, this is what the Secretary of State has asked for and this is what I asked the chairman of the subcommittee that held the hearings on this issue.

Mr. Speaker, we have a letter from the head of the Steelworkers Union which says these import sanctions have nothing to do with the unemployment situation in the steel industry.

I think that we have to fully understand what our obligations are as a responsible people, leaders we like to think in the free world. I think we will make our true selves known in a way of which we can be proud in the Congress of the United States on this issue.

Mr. DENT. Mr. Speaker, will the gentleman from Pennsylvania yield?

Mr. FRASER. Yes, I yield to the gentleman.

Mr. DENT. I admire your position on treaty obligations, but I would like to say to all of you that we are in Vietnam because of a treaty obligation. Yet the gentleman for whom I have great admiration, as a person, is one of the greatest fighters on this floor against our participation in Vietnam, and that is a treaty obligation.

Mr. FRASER. Mr. Speaker, I yield 2 minutes to the gentleman from Oregon (Mr. DELLENBACK).

Mr. DELLENBACK. Mr. Speaker, I intend to be brief, but think this is a very troublesome time.

The issue that this Congress faces and that the United States faces tonight is in my opinion not an economic issue, important though that is. It is not a social issue, important though that is. The basic issue that the United States faces tonight is its own credibility in the world. I say this because we are here facing the question of whether or not we will live up to a solemn commitment made through a treaty.

Mr. Speaker, if there is to be long-term peace in this world, it will not come through an escalation of arms. The long-term peace of this world depends upon our maintaining a military strength now which in the long run depends upon commitments between nations, which nations will believe the other nations intend to adhere to and which we in America will indeed adhere to.

If at this time for reasons that are not matters of law and order, not matters of national commitment, but matters of what we consider short-term self interest, we go back on this commitment, then what is to say to any other nation with which we may ever make a commitment that we will live up to it? What is to lead Germany to feel that we will obey our commitments to her? Or if we come out of the SALT talks with an agreement with Russia, how can she believe we will live up to those commitments? If we cannot live up to this commitment when, indeed, are our commitments to be trusted by any nation with which we may deal?

The SPEAKER. The time of the gentleman has expired.

Mr. HÉBERT. Mr. Speaker, I yield 2 minutes to the gentleman from Alabama (Mr. EDWARDS).

Mr. EDWARDS of Alabama. Mr. Speaker, as far as the committee report goes, Germany is buying chrome from Rhodesia. If we are supposed to be so concerned about our own commitments, I wonder what the gentleman from Oregon would say about Germany? There are many of us who believe, although it is hard to prove, that Russia is buying chrome from Rhodesia. I do not know why we should be so concerned about our commitments in view of Russian action. Or how about France or some of the other U.N. countries. Commitments?

I believe we have been Uncle Sap too long in this whole procedure.

The thing that has bothered me is this. It has been argued that we do not need to worry about this, if at some time in the future we get in trouble then we can go to Rhodesia for chrome. But I can tell you that if I were Rhodesia, and we got into that position, I would tell the United States to go jump in the lake—to go some place else to get its chrome. Mr. Speaker, we cannot have it both ways. It is time we cut out this foolishness and start dealing with our friends.

The SPEAKER. The time of the gentleman has expired.

Mr. HÉBERT. Mr. Speaker, may I inquire how much time I have remaining?

The SPEAKER. The Chair will state that the gentleman from Louisiana has 5 minutes remaining.

Mr. HÉBERT. Mr. Speaker, I yield 5 minutes to myself.

Mr. Speaker, I will not use the full 5 minutes. I merely take this time so that the Members will understand exactly what the situation is, and so that there will be no doubt in anyone's mind, although there seems to be some confusion. Therefore I want it clearly understood that on this vote hangs the conference report.

If you do not vote a green card, which is "yes," sustaining the conference report submitted to you, the conference report goes down the drain.

If you do vote a green card it means that the conference report stands up, and we shall have a vote upon that immediately.

As I said before, I have used a minimum amount of time and a minimum amount of words, but I do want this clearly understood, and in order to clarify it I shall ask a parliamentary inquiry of the Speaker.

Mr. Speaker, a parliamentary inquiry.

### PARLIAMENTARY INQUIRIES

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. HÉBERT. Mr. Speaker, the parliamentary inquiry is this: In order to sustain the conference report, the vote is an affirmative vote on a green card, if a teller vote is taken?

The SPEAKER. The Chair will state that the gentleman is correct.

Mr. HÉBERT. And, in other words, a red card would be a negative vote against the committee and the conference report?

The SPEAKER. The Chair will state

that if a teller vote is taken with clerks, then a vote taken on a green card will sustain section 503, which is the position of the committee, as advocated by the gentleman from Louisiana (Mr. HÉBERT). A vote taken on a red card is a vote against the position of the committee, as urged by the gentleman from Minnesota (Mr. FRASER).

Mr. HÉBERT. Mr. Speaker, a further parliamentary inquiry.

The SPEAKER. The gentleman will state his parliamentary inquiry.

Mr. HÉBERT. Mr. Speaker, on a voice vote, or a rollcall vote, a "yea" would be to support the conference report, and a "nay" would be to vote down the conference report, in effect, because then the conference report would die?

The SPEAKER. The Chair will state the gentleman from Louisiana is correct in his statement.

Mr. HÉBERT. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is, Will the House agree to the language contained in section 503 of the conference report?

### TELLER VOTE WITH CLERKS

Mr. FRASER. Mr. Speaker, I demand tellers.

Tellers were ordered.

Mr. FRASER. Mr. Speaker, I demand tellers with clerks.

Tellers with clerks were ordered; and the Speaker appointed as tellers Messrs. FRASER, HÉBERT, ARENDS and DELLUMS.

The House divided, and the tellers reported that there were—ayes 251, noes 100, not voting 80, as follows:

[Roll No. 379]

[Recorded Teller Vote]

AYES—251

Abbitt
Abernethy
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashbrook
Aspinall
Baker
Baring
Belcher
Bell
Bennett
Betts
Bevill
Biaggi
Biester
Boggs
Bow
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burleson, Tex.
Burlison, Mo.
Byrne, Pa.
Byron
Cabell
Caffery
Carter
Casey, Tex.
Cederberg
Chamberlain
Clark
Clausen, Don H.
Cleveland
Collins, Tex.
Colmer
Conable
Conte
Cotter
Crane
Daniel, Va.
Daniels, N.J.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Denholm
Dennis
Dent
Devine
Dickinson
Dorn
Downing
Duncan
Edmondson
Edwards, Ala.
Eilberg
Erlenborn
Fisher
Flood
Flowers
Flynt
Ford, Gerald R.
Fountain
Frey
Fulton, Tenn.
Fuqua
Galifianakis
Garmatz
Gaydos
Gettys
Giaimo
Gibbons
Goldwater
Gonzalez
Gray
Green, Oreg.
Griffin
Griffiths
Gross
Grover
Hagan
Haley
Hall
Hammerschmidt
Hanna
Hansen, Idaho
Harsha
Hastings
Hays
Hébert
Heinz
Henderson
Hicks, Wash.
Hillis
Hogan
Holifield
Hosmer
Hull
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Tenn.
Karth
Keating
Kemp
King
Kluczynski
Kyl
Kyros
Landrum
Latta
Lennon
Lent
Lujan
McClory
McClure
McCollister
McDade
McDonald, Mich.
McFall
McKevitt
Mahon
Mann
Mathias, Calif.
Mathis, Ga.
Mayne
Mazzoli
Melcher
Michel
Miller, Calif.
Miller, Ohio
Mizell
Mollohan
Monagan
Moorhead
Murphy, Ill.
Myers
Natcher
Nelsen
Nichols
Obey
O'Konski
O'Neill
Passman
Patman
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Price, Ill.
Price, Tex.
Pucinski
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Rhodes
Roberts
Robinson, Va.
Rogers
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Rousselot
Roy
Runnels
Ruppe
Ruth
Sandman
Satterfield
Saylor
Scherle
Schmitz
Schneebeli
Scott
Sebelius
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack
Smith, Calif.
Snyder
Spence
Springer
Staggers
Stanton, James V.
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stuckey
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Ullman
Van Deerlin
Vander Jagt
Vanik
Waggonner
Wampler
Ware
Whalley
White
Whitehurst
Widnall
Williams
Wilson, Bob
Wilson, Charles H.
Winn
Wylie
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion
Zwach
Sarbanes
Schwengel
Stanton, J. William
Stubblefield
Veysey
Vigorito
Whitten
Wiggins
Wright
Wyatt
Wydler
Wyman

NOES—100

Abourezk
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Ill.
Ashley
Aspin
Badillo
Begich
Bergland
Bingham
Boland
Bolling
Brademas
Brasco
Burke, Mass.
Burton
Carney
Chisholm
Clay
Collins, Ill.
Corman
Culver
Dellenback
Dellums
Dow
Drinan
du Pont
Eckhardt
Edwards, Calif.
Esch
Fascell
Findley
Fish
Foley
Forsythe
Fraser
Frenzel
Grasso
Green, Pa.
Gude
Hamilton
Hanley
Hansen, Wash.
Harrington
Hathaway
Hechler, W. Va.
Heckler, Mass.
Helstoski
Hicks, Mass.
Horton
Howard
Hungate
Kastenmeier
Keith
Koch
Leggett
Long, Md.
McCloskey
McCormack
McKinney
Matsunaga
Meeds
Metcalfe
Minish
Mink
Mitchell
Morse
Moss
Nedzi
Nix
O'Hara
Patten
Podell
Preyer, N.C.
Rangel
Reid, N.Y.
Reuss
Riegle
Robison, N.Y.
Rodino
Roe
Roncalio
Rosenthal
Roybal
Ryan
St Germain
Scheuer
Seiberling
Smith, Iowa
Smith, N.Y.
Stokes
Thompson, N.J.
Tiernan
Udall
Waldie
Whalen
Wolff
Yates

NOT VOTING—80

Alexander
Barrett
Blackburn
Blanton
Blatnik
Byrnes, Wis.
Camp
Carey, N.Y.
Celler
Chappell
Clancy
Clawson, Del
Collier
Conyers
Coughlin
Davis, Wis.
Derwinski
Diggs
Dingell
Donohue
Dowdy
Dulski
Dwyer
Edwards, La.
Eshleman
Evans, Colo.
Evins, Tenn.
Ford, William D.
Frelinghuysen
Gallagher
Goodling
Gubser
Halpern
Harvey
Hawkins
Jones, Ala.
Jones, N.C.
Kazen
Kee
Kuykendall
Landgrebe
Link
Lloyd
Long, La.
McCulloch
McEwen
McKay
McMillan
Macdonald, Mass.
Madden
Mailliard
Martin
Mikva
Mills, Ark.
Mills, Md.
Minshall
Montgomery
Morgan
Mosher
Murphy, N.Y.
Pelly
Pepper
Pirnie
Poff
Powell
Pryor, Ark.
Rees

(By unanimous consent, Mr. HAYS changed his vote from "no" to "aye.")

So the House agreed to the language contained in section 503 of the conference report.

The SPEAKER. The gentleman from Louisiana (Mr. HÉBERT) will be recognized for 30 minutes and the gentleman from Illinois (Mr. ARENDS) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Louisiana.

Mr. HÉBERT. Mr. Speaker, I rise in support of the conference report on H.R. 8687 and urge its approval by the House.

H.R. 8687 is the bill which provides the authorizations for annual appropriations for the armed services for the procurement of hardware, R.D.T. & E., and certain related activities of the Department of Defense during fiscal year 1972.

The bill as presented to the Congress by the President included programs totaling $22,188,337,000;

The bill as passed by the House totaled $21,252,682,000;

The bill as passed by the Senate totaled $21,016,442,000;

The bill as agreed to in conference totals $21,316,870,000;

The figure arrived at by the conferees is $871,467,000 less than the amount requested by the President.

I will not attempt to make a line item review of the action taken by the conferees. That has been adequately taken care of in the conference report and the Joint Statement of Managers which has been available to the Members, and which has been printed in the CONGRESSIONAL RECORD. However, I think it pertinent that I review some of the highlights of the Conference Committee action.

In respect to the money differences, the following actions were taken:

Safeguard antiballistic missile: Approved Senate funding of $1.1 billion and Senate language restricting deployment authority to two sites and advanced preparation to two others.

C–5A transport: Approved a Senate total of $374 million, incorporating a Senate-approved reduction of $72.2 million.

C–130 transport: Approved House total of $40.8 million, rejecting a Senate deletion.

Main battle tank: Approved $62.8 million research and development effort, designed to produce six prototypes as voted by the Senate, rejecting a House reduction.

F–14 Navy fighter: Approved $801.6 million in 48-plane program which had been approved by the Senate and had been rejected without prejudice by the House, pending Pentagon clarification, which was later supplied.

Replenishment oiler: Approved House authorization of $56.5 million for replenishment vessel which was rejected by the Senate.

Nuclear attack submarine: Approved $22.5 million authorization for long leadtime items for an additional nuclear attack submarine as added by the Senate.

Nuclear frigate: Approved House language to require that contracts for advanced procurement for the DLGN–41 shall be entered into as soon as practicable, unless the President advises Congress that construction is not in the national interest.

Unlike previous years, the dollar differences in the House-Senate versions of this bill were relatively simple of resolution. However, I can not say the same in respect to some of the language differences which occurred in the two bills. These differences posed very great problems for the conferees.

As you will recall, the Senate in acting on the House bill struck all after the enacting clause and substituted new language in the form of an amendment. Thus, the Senate technically had only one amendment to the House bill.

Included in that amendment were several provisions incorporating subject matter which, under the rules of the House and the Reorganization Act of 1970, were nongermane and therefore subject to possible points of order.

It was this consideration which prompted my colleague and distinguished ranking minority member of the Committee on Armed Services, Mr. Arends, to offer in the House a motion to instruct the conferees. This motion, which was made on October 19, 1971, would have required the conferees on the part of the House "not to agree to any portion of the text of the Senate amendment that is not germane to the House bill, H.R. 8687."

If the motion to instruct had carried, House conferees on H.R. 8687 would have had no problem since they could have, with appropriate and adequate justification, refused to consider any of the nongermane provisions of the Senate amendment. However, unfortunately, the motion to instruct was, as you know, voted down.

As a consequence of this official House action, the House conferees were, in effect, told by the House to consider the Senate provisions on their merits despite their being subject to a possible point of order.

The House conferees, therefore, in response to the apparent wishes of the House, did consider in conference the entire Senate amendment, including the so-called nongermane provisions and resolved them on their merits.

There were six specific provisions in the Senate amendment which, in my judgment, were nongermane and subject to possible points of order. These six provisions included three which, after a full discussion of the provisions on their merits, were completely rejected by the House conferees and the Senate receded thereon. These included:

First, section 507—relating to military operations and activities at the U.S. Naval Air Station, Los Alamitos, Calif.

Second, sections 701 through 704—which proposed an additional increase in military pay, and

Third, section 801—which would have authorized comparability adjustments of Federal pay for civilian and military personnel.

On the other hand, after a full discussion of the merits of the other three provisions of the Senate amendment, which were subject to a possible point of order, the House-Senate conferees agreed to accept each of these three amendments with some modification. These provisions in the Senate amendment are as follows:

First, section 503—relating to the importation of chrome from Rhodesia;

Second, section 505—relating to the ceiling on U.S. expenditures in Laos, and

Third, section 601—the so-called Mansfield amendment, establishing a final withdrawal date of our military forces from Indochina.

The conference report explains in very positive detail the effect of the action taken by the conferees on each of these last three provisions—that is, section 503, section 505, and section 601.

I believe that your House conferees have very diligently and faithfully reflected the views of this body in its conference with the Senate on this bill, H.R. 8687. Therefore, without qualification, I urge its approval.

The controversy we do now have on this conference report arises because of the failure of the House to support the motion to instruct previously made by Mr. Arends.

Before going to conference, both Mr. Arends and I were acutely aware of the difficulty we would have in conference with the Senate if we did not have a clear mandate from the House in respect to the latitude and action we could take on the nongermane provisions in the Senate amendment.

It was this consideration which prompted Mr. Arends to offer the simple solution to the problem: the motion to instruct conferees not to accept nongermane Senate provisions. The House refused to endorse that motion to instruct, and we therefore went to conference directed to confer and to resolve all of the provisions included in the Senate amendment.

We have today brought you that compromise as outlined in the conference report. However, unfortunately, there was no way in which the House conferees could bring you a compromise resolution of the differences in H.R. 8687 without including in those differences these specific provisions which, admittedly, are, under the House rules, subject to a possible point of order.

These are the facts surrounding the conference report and the action of your conferees.

It is legislation sorely needed by the Department of Defense. Therefore, I urge you, my colleagues, to support your conferees and adopt the conference report.

(Mr. HÉBERT asked and was given permission to revise and extend his remarks.)

Mr. ARENDS. Mr. Speaker, I have no requests for time.

The SPEAKER. Without objection, the previous question is ordered on the conference report.

There was no objection.

The SPEAKER. The question is on the conference report.

The conference report was agreed to.

A motion to reconsider was laid on the table.

## FAVOR IMMEDIATE WITHDRAWAL FROM VIETNAM

(Mr. HELSTOSKI asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. HELSTOSKI. Mr. Speaker, in last week's election the citizens of the city of Englewood, N.J., had the opportunity to vote on a referendum calling for a cessation of all American involvement in Vietnam by December 31, 1971. I am happy to report that, by a margin of almost 2 to 1, the voters of Englewood supported the call for immediate withdrawal from Vietnam.

Yesterday, copies of the city council resolution incorporating the sentiments of the voters of Englewood were delivered personally to me by Councilman Ken King, a constituent and a good friend. I wish to congratulate Ken and his coworkers whose efforts in connection with the referendum led to such a resounding repudiation of our current Vietnam policy by the citizens of Englewood. And, Mr. Speaker, I would like to take this opportunity to assure the citizens of Englewood that my views on the war parallel theirs and that I will continue to vote against further funding of American involvement in Vietnam.

Mr. Speaker, I include at this point in the Record the documents from the Englewood City Council relating to the Vietnam referendum.

### Resolution

Whereas, the Council of the City of Englewood has been requested, both formally and informally, by citizens, residents and taxpayers of the City of Englewood to express to the federal government, as the elected representatives of the citizens, residents and taxpayers of the City of Englewood, the sentiment of said citizens, residents and taxpayers against the present American involvement in the war in southeast Asia; and

Whereas, the Council of the City of Englewood has from time to time adopted resolutions for the purpose of bringing the public sentiment of the City of Englewood on various public questions to the attention of the state and federal governments; and

Whereas, American involvement in the war in southeast Asia affects the citizens, residents and taxpayers of the City of Englewood in that they and their relatives and friends are required to serve a period of military service in southeast Asia, thereby disrupting their lives and the lives of their families in fulfilling a commitment which they believe to be in violation both of their consciences and the best interests of national policy; and

Whereas, all citizens, residents and taxpayers of the City of Englewood are affected by the American involvement in the war in southeast Asia by reason of the fact that substantial federal funds representing, in large part, federal revenue obtained from payment of federal income taxes are being diverted for the prosecution of said involvement from a multitude of urgent and high priority domestic needs; and

Whereas, the City of Englewood has many public and social problems, the solution of which require federal financial assistance; and

Whereas, the Council of the City of Englewood deems it appropriate that it should make no expression of municipal sentiment with respect to the continued American involvement in the war in southeast Asia without first having determined the sentiments of a majority of the voters of the City of Englewood; and

Whereas, N.J.S.A. 19:37–1 et seq. provides a mechanism whereby the Council of the City of Englewood can determine public sentiment on the question of whether or not such an expression should be made by the governing body of the City of Englewood to the federal government; and

Whereas, the proponents of the point of view that American involvement in the war in southeast Asia should be terminated at the earliest possible time have requested the seeking of the expression of public sentiment on the question of whether or not all American troops should be withdrawn from southeast Asia and all federal appropriations for prosecuting American involvement in said war should cease no later than December 31, 1971

Now, therefore, be it resolved by the Council of the City of Englewood, pursuant to N.J.S.A. 19:37–1 et seq.:

That the Clerk of the County of Bergen is hereby requested to print upon the official ballot, to be used at the General Election to be held on November 2, 1971, in the City of Englewood, the following proposition:

"Shall the Council of the City of Englewood petition the United States Congress for the removal of all American troops from southeast Asia and for the termination of all appropriations for the prosecution of American involvement in the war in southeast Asia no later than December 31, 1971?"

JOSEPH T. CARNEY, *City Clerk.*

THE CITY OF ENGLEWOOD,
*Englewood, N.J., November 8, 1971.*

Re Public Referendum on ending American involvement in the war in southeast Asia.

HONORABLE SIR: Attached please find a copy of a Resolution which was unanimously adopted by the Council of the City of Englewood, County of Bergen, New Jersey, on November 4, 1971.

This is being sent to you in accordance with Section 4 thereof.

Sincerely yours,
JOSEPH T. CARNEY,
*City Clerk.*

RESOLUTION

Whereas, the Council of the City of Englewood, by resolution duly adopted on June 15, 1971, caused to be placed on the ballot for the General Election held on November 2, 1971, the following referendum question:

"Shall the Council of the City of Englewood petition the United States Congress for the removal of all American troops from southeast Asia and for the termination of all appropriations for the prosecution of American involvement in the war in southeast Asia no later than December 31, 1971?" and

Whereas, the official tally of the balloting on said question has been reported by the Clerk of the City of Englewood as: 4,573 in favor; 2,347, opposed.

Now, therefore, be it resolved by the Council of the City of Englewood, in accordance with the directive set forth in said adopted referendum question, as follows:

1. The City of Englewood by this Resolution hereby petitions the United States Congress for the removal of all American troops from Southeast Asia and for the termination of all appropriations for the prosecution of American involvement in the war in southeast Asia no later than December 31, 1971;

2. The Resolution adopted June 15, 1971, hereinabove referred to, directing the placement of the referendum question on the ballot, is hereby annexed hereto and made a part hereof by reference;

3. The Clerk of the City of Englewood shall forthwith transmit a certified copy of this Petition by Resolution, together with the Resolution amended, to United States Senators Harrison A. Williams, Jr., and Clifford P. Case, and to Representative Henry Helstoski, with the request to each of them that he spread this Petition and Resolution annexed hereto upon the Senate and House records respectively.

4. The Clerk of the City of Englewood shall forthwith transmit a copy of this Resolution to each United States Senator; to each member of the House of Representatives; to the President of the United States; and to each member of the Joint Chiefs of Staff of the United States of America.

JOSEPH T. CARNEY,
*City Clerk.*

## BILL TO SUSPEND DUTIES ON FLUORSPAR

(Mr. DUNCAN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DUNCAN. Mr. Speaker, I have today introduced a bill to suspend the duties on fluorspar until the close of January 1, 1974.

The mineral fluorspar is essential, among others, to the aluminum and plastic industries; no other satisfactory substitutes are known. The three major uses of fluorspar are, as a fluxing agent in steel production, as a raw material in the manufacture of hydrofluric acid, which is used to make aluminum, and in making fluorcarbon chemicals, used in plastics. Demand has completely outpaced the production capacity of the domestic fluorspar industry with the result that U.S. self-sufficiency has declined from about 70 percent in 1950 to only 20 percent in 1970. Currently, the domestic producers can supply only 200,000 to 250,000 tons per year; consumption in 1969 was 1,357,000 tons.

Obviously, the American industries that must have fluorspar in their operations are dependent on imported ore. This dependence will increase in the future as demand is expected to continue to increase and the U.S. producers are lodged on a production plateau because of their limited, low-grade reserves.

In spite of the U.S. dependence on imported fluorspar, the tariff schedule applies duties ranging from $2.10 to $8.40 per long ton on imported fluorspar. The effect of the tariff is, of course, to increase the cost of fluorspar from overseas sources. This inflationary aspect of the Tariff Schedule appears to be clearly unnecessary as the U.S. fluorspar producers can sell every ton they produce at premium prices because of the freight advantage they enjoy in serving the domestic market.

Suspension of the customs duties on imported fluorspar would greatly aid domestic industries using this material, with resulting benefit to the Nation's economy generally. At the same time, the loss of revenue from the suspension would not be significant. Duties on fluorspar imports in 1969 totaled approximately $4,700,000.

## RUSSIAN-BUILT AIRCRAFT LANDS AT NEW ORLEANS INTERNATIONAL AIRPORT WITHOUT PERMISSION

(Mr. CAFFERY asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CAFFERY. Mr. Speaker, on Tuesday, October 26, 1971, a Russian-built aircraft, carrying 19 Cubans and a crew of three, landed without permission at the New Orleans International Airport. The 19 Cubans were ostensibly sugarcane technologists who were coming to New Orleans to attend a meeting of the International Society of Sugar Cane Technologists. In September the Cubans attempted to get visas to come into this country. In accordance with American policy and agreement of the Organization of American States, the Cubans were denied visas. The flight of this airplane from Havana to New Orleans and the mysterious events surrounding it constitute one of the more baffling international incidents in recent times. Many questions have been asked but no questions have been answered.

The scant information available is revealing. The facts show that a flight plan was sent by international teletype out of Havana on Tuesday morning, October 26, indicating a Cubana Airlines flight from Havana to New Orleans. The usual flight-plan information was included and, although the departure time was given as 9 a.m., no day of departure was given. Since regulations of the Federal Aviation Administration provide that 5 days notice must be given for flights of aircraft of Cuban registry, Havana was contacted concerning the day of departure. However, Havana would give no further information.

What events transpired after this is not known. What is known is that this Russian-built aircraft next appeared within the Air Defense Identification Zone without further warning or notice and, apparently, without interception.

The plane landed in New Orleans, and by all reports the Cubans received courteous and hospitable treatment during their stay in New Orleans. On Friday, November 5, the plane left New Orleans with the Cubans and returned to Havana.

While the question of whether the Cuban technologists should have been permitted to attend the New Orleans conference may be subject to debate—that is not the principal issue involved, and for purposes of this discussion it is not an issue at all. My concern is that despite the enormous amount of money this country spends on the military system, despite our supposedly advanced and up-to-the-minute detection equipment, a Russian-built plane flew into the United States on October 26 without interception. It is evident that when the message came over international teletype out of Havana on the morning of October 26, it was not known and there was no way of knowing whether the airplane in fact carried 19 Cubans and a crew of three to attend a sugar meeting, or whether it contained other things and for other purposes.

The event is over and it might be said no harm was done. But I think the American people have the right to know why this incident was permitted to occur and to receive a thorough accounting from all agencies of the U.S. Government, including the Department of Defense. I do not charge that there has been gross neglect or dereliction of duty on the part of anyone or any agency. I do respectfully submit that the American people are entitled to nothing less than a full and lucid explanation.

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## THE POLITICS OF FOREIGN AID LEGISLATION

(Mr. BRADEMAS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, because of the great attention which is presently being paid to the issue of foreign aid, I take this time to make the following analysis of what I should like to call "the politics of foreign aid legislation."

In offering this analysis, for whatever value it may be for my colleagues, I should note that it is almost entirely based on a paper I prepared for a conference on foreign policy held in May–June 1971.

Although I have made no effort to revise my analysis as a result of the recent vote of the Senate to kill the Foreign Assistance Authorization Act for fiscal 1972, I do not believe that I would in any way change the analysis.

### THE POLITICS OF FOREIGN AID LEGISLATION

Mr. Speaker, foreign aid has become an outcast of American public policy. The politics of the passage of foreign aid legislation through Congress has become ritualized, with friends offering perfunctory support and enemies grudgingly accepting its inevitability. As early as 1965, Theodore H. White could describe the politics of foreign aid as "mechanical orthodoxy." Today, the Agency for International Development—AID—chief administrator of bilateral aid projects, maintains one of the lowest profiles in Washington. AID understands the meaning of "benign neglect."

The current condition of foreign aid is, for several reasons, embarrassing. First, the aid program is the heir of such proud ancestors as the Marshall Plan, Point Four, and the Alliance for Progress. This tradition, which once represented unique American leadership in the world, is slowly expiring from a general lack of interest.

Second, the decline of the U.S. foreign aid effort comes at the very time that a series of blue-ribbon commissions is urging the developed countries to allocate even more resources to the developing world. While varying in emphasis and coverage, all these reports conclude that the economic condition of most developing countries is getting worse. And all agree further that the rich countries have an obligation to do more to assist the poor countries.

Third, although the United States still contributes half the world's foreign aid, both its absolute contribution and its percentage of the world's contribution are declining. On the last day of 1970, Congress cleared a bill appropriating $1.94 billion in fiscal 1971 for foreign economic and military assistance, $200 million for foreign military credit sales and $394 million for other foreign assistance programs such as the Peace Corps and various international financial institutions. Almost simultaneously, the U.S. gross national product passed the trillion-dollar mark. The economic and military assistance figure represents only about 40 percent of the sums appropriated at the height of the Marshall plan. The United States gave over 2 percent of its gross national product for Marshall plan programs at a time when per capita income here was only 40 percent of its present level. The trends in most other donor countries are in the opposite direction. France already devotes a larger share of GNP to foreign aid than any other major country. Support for overseas development is growing significantly in West Germany, Japan, and, to a lesser degree, in the United Kingdom. In such smaller countries as the Netherlands, Canada, and the Scandinavian lands, the recent support for foreign aid has reached remarkable proportions.

The sharp contrast between the foreign aid commitments of the United States and those of other developed countries brings into focus the current political situation of the American foreign aid program. To some extent, the political difficulties of foreign aid are not of its own making. The war in Vietnam can hardly be overemphasized in this context. It dominates the foreign policy debate; absorbs the time and energies of top policymakers. At home, social unrest in the cities and other pressing domestic problems inspire a compelling urge to "put our own house in order first." These factors help explain why foreign aid is now regarded as a kind of sideshow—ignored by those normally concerned with foreign policy and disparaged by many of those dedicated to domestic reforms.

But not all the political problems of foreign aid can be attributed to external circumstances. The proponents of a substantial foreign aid commitment have failed in the past few years to develop a clear rationale and then to communicate it to a wider audience. It should occasion no surprise then that many in Congress now believe that AID is politically inept, the program ineffective, its underlying assumptions and implications basically unexamined and that nobody in the executive branch really cares much any longer about the future of foreign aid. Those of us who have traditionally supported foreign aid find ourselves increasingly ill at ease in justifying our positions. Indeed, our support is no longer automatic and, consequently, the politics of foreign aid has recently become an even more discouraging exercise for its friends. In attempting to explain why support for foreign aid has declined, I shall focus on the roles played by public opinion, pressure groups, the executive branch and the Congress.

### PUBLIC OPINION

Mr. Speaker, both Congress and the executive branch perceive the American public, if not hostile to, certainly not enthusiastic for, foreign aid. This simple fact helps to explain why the aid program has recently been subjected to dozens of limiting amendments, blue-ribbon reviews, reorganizations and a series of rationales designed to appeal to differing political viewpoints.

Public opinion surveys show that only about two out of five adult Americans in recent years have said they have "heard or read" about our foreign aid program. Less than one adult out of ten has guessed within a billion dollars of the correct figure for the overall annual aid budget. Similarly, very few have known that foreign aid constitutes less than 5 percent of the Federal budget, or far less than 1 percent of the GNP in recent years. Majorities have grossly overestimated the real amount of resources devoted to foreign aid. Even smaller minorities—3 to 7 percent—know that most economic assistance in recent years has been in the form of loans rather than grants, or that it has been concentrated in relatively few recipient countries, or that most of it is provided in the form of American-made goods and services rendered by American experts. The surveys show that considerably fewer Americans hold personally significant opinions of foreign aid than on such domestic issues as race relations, inflation, medicare, and welfare.

On the whole, survey results have shown slight majorities in favor of aid as a general proposition. Small, but quite consistent, majorities of between 51 and 58 percent have on successive occasions since 1958 said they were "in general for foreign aid"; between 31 and 35 percent have replied that they were "against it." Above-average support for aid is found among professionals, white-collar workers, the better educated, and the higher salaried; in other words, those groups in society which are generally the most active and articulate in promoting their political views.

What these surveys suggest is the existence of a substantial incongruity between the reality of the public mood toward foreign aid and Washington's perception of it. Indeed, I would suspect very few Congressmen get much mail at all these days on foreign aid. Even as long ago as 1963, President Kennedy said:

> Contrary to repeated warnings, in the seventeen years since the Marshall Plan began, I have never heard of a single politician who lost his office by supporting foreign aid.

The importance of public opinion—or rather the lack of it—toward the issue of foreign aid is somewhat less puzzling; because the public is generally apathetic, its influence on the politics of foreign aid is negligible. With the public removed from the battle, the foreign aid struggle is largely confined to Washington.

### PRESSURE GROUPS

Mr. Speaker, in the past, issue-oriented pressure groups were occasionally able to give significant support to the passage of foreign aid legislation. In general, however, these groups were organized with the tacit approval and direction of the White House. The National Conference on International Economic and Social Development, originally established in 1952 as the Point Four Information Service, operated during the late Eisenhower and early Kennedy years as a forum for those interested in improving the foreign aid program. The Citizens' Committee for International Development was incorporated in the District of Columbia during the summer of 1961 with the sole purpose of securing the passage of that year's Foreign Assistance Act. Leaders of this group included former Senator Herbert H. Lehman and Oveta Culp Hobby, publisher of the Houston Post and first Secretary of Health, Education, and Welfare. Along with the usual range of lobbying activities, the Citizens' Committee held meetings which provided President Kennedy with the opportunity to make important speeches on foreign aid.

Today, pressure groups are remarkably passive factors in the political universe of foreign aid. To take just one indicator, there does not exist in the area of foreign aid—as there does in education—an umbrella lobbying organization that might be called the Emergency Committee for the Full Funding of Foreign Aid Programs. To the extent that proforeign aid pressure groups are active now, they seem to lack coordination and often work at cross purposes. Where lobbying takes place, it is likely to concern a particular aspect of the foreign aid bill which an interest group will want modified. Lobbying activity of this type is facilitated by the fact that Congress authorizes general programs and makes appropriations by function. Groups can thus support only those segments of the program in which they have a particular interest. Farm organizations can support food assistance, while business organizations can lobby for loans to exporters or investment guarantees. Such support, narrowly focused on one aspect of the legislation, has tended to be passive or even negative with respect to other parts of the program in which the organization has a lesser stake. One reason the functional rather than the country approach is taken is fear of uninhibited lobbying of Congress by representatives of developing nations.

Such groups as the League of Women Voters and some national church-related organizations have consistently supported the foreign aid program. The churches, in particular, have reflected the evangelical strain in the American character and have emphasized the moral imperatives of foreign aid, that is, the rich should help the poor. But the support from these kinds of groups tends to be uneven—both in intensity and in geographical distribution.

The national labor unions have long been identified with a strong pro-aid position. In testifying for the 1961 Foreign Assistance Act, Andrew J. Biemiller, chief lobbyist for the AFL–CIO, said that foreign aid funds should be considered "investments rather than expenditures" for the U.S. security. In a January 1971 policy statement, the AFL–CIO reaffirmed its support for "a substantial foreign aid program to help developing nations achieve decent conditions of life and labor and thus to help world peace and freedom." Labor's support, however, has lately been somewhat more rhetorical than real. Even this support has been largely based in the national leadership rather than in the rank-and-file local unions. A Congressman need not be overly clever to conclude that foreign aid is not a vital issue for labor.

Corporations with a direct economic self-interest in aid have recently been distracted by other issues, such as trade and the nationalization of foreign holdings which are felt to be more pressing concerns than foreign aid. It should be noted that American business reaps immediate economic benefits through the expenditure of foreign aid funds to purchase American-made goods. For example, AID recently informed me that Indiana manufacturers received AID-financed orders totaling almost $7.4 million during the last 6 months of 1970. During the same period, AID-financed purchases worth $287,459 in my own third congressional district.

Business leaders are now involved in a number of groups that give general support to foreign aid. The Committee for Economic Development is such a group, but it is known more perhaps for the quality of its research and educational activities than as a spokesman for business as an interest group. The Overseas Development Council, formed in 1969 and supported by the heads of powerful international corporations, is a similar group that brings together various individuals from Congress, business, law and the academic world for discussions on foreign aid. The so-called foreign policy establishment, made up largely of senior business people and academics, and epitomized by the membership of the prestigious Council on Foreign Relations, has been a positive constituency. But its central interests tend to be East-West and Atlantic relations, so that it has not, by and large, accumulated the development expertise necessary to weigh in heavily on operational questions. In any event, these groups are not organized in such fashion to assist Congress on programmatic issues.

The organizations which are most active in behalf of business, the Chamber of Commerce, and the National Association of Manufacturers, both support aid in principle, but that support is tempered by concern over the size of the Federal budget and philosophical opposition to "unnecessary Government spending." In short, fiscal policy takes precedence over foreign policy, and neither organization usually lobbies strenuously for an aid bill.

Finally, it should be noted that American universities have been traditional sources of support for foreign aid. Over the years, universities have received numerous grants to provide overseas technical assistance. They have also educated thousands of new leaders for the developing countries. But even more important, they have consistently supplied the liberal rationale for foreign aid. Liberal support now seems to be eroding and Vietnam is the chief catalyst in the process. A growing segment of the intellectual community views foreign aid as simply another variety of American imperialism. A smaller group questions the underlying assumption of foreign aid: that economic development is good per se.

To summarize, many organized groups still give nominal support to foreign aid. Yet both the making of policy and the relevant discussion and debate on policy come almost exclusively from the formal decisionmakers in Congress and the executive branch.

### EXECUTIVE BRANCH

Mr. Speaker, President Nixon's Task Force on International Development—chaired by Rudolph Peterson, former president of the Bank of America—submitted its final report in March, 1970. It was the 14th such group since 1950. From the Marshall plan's Economic Cooperation Administration in 1948 to the establishment of AID in 1961, there have been eight successive foreign aid agencies and ten different aid administrators. Thus, President Nixon's proposal to split AID into smaller units is really little more than another chapter in an old story.

The reports and the reorganizations are partly responses to changing ideas as to how aid policy should be conducted. But they are also in large measure designed to indicate that the President and his advisers are keeping a close watch on the program. More generally, the periodic changes in the foreign aid apparatus are external manifestations of an ultimately more important factor in the politics of foreign aid: the central role played by presidential leadership. If he is willing to spend some of his political capital, a committed President can overcome the obstacles of public apathy, ineffective pressure groups and congressional deadlock in determining the final form, substance and direction of the foreign aid program.

Presidential rhetoric has remained remarkably constant since the end of the Second World War. Every post-war President has endorsed by principle of foreign aid. Presidents, of course, have a much broader constituency than do Members of Congress. A President must concern himself with other nations; a Congressman need not. Foreign aid is one of the many levers that Presidents can use to influence foreign policy, and thus they are usually reluctant to have foreign aid reduced or limited in any substantial way. Nevertheless, external circumstances have affected the degree of commitment and the effectiveness of Presidential leadership over the years. For example, Truman and Eisenhower had, generally speaking, a relatively easy time with Congress and the country on the issue. They enjoyed bipartisan support for their foreign policies, and the early success of the Marshall plan insured a period of goodwill for other foreign aid ventures. Johnson and Nixon, on the other hand, have been absorbed by the problems of Vietnam and social unrest. Thus, they have never really had the opportunity to exert full Presidential leadership on the foreign aid issue.

In retrospect, Kennedy's term stands out as an unusual period in which a President's personal sense of priorities coincided with the political needs of the foreign aid program. Kennedy monitored the creation and progress of AID. The two administration officials most closely identified with the early work on AID were among his inner circle of advisers and had ready access to the Oval Office—

a privilege that often gives a rough indication of a President's priorities. The President did not hesitate to make personal appeals to the pivotal Senators and Congressmen. Press briefings on foreign aid developments were frequent. Coalitions of pressure groups were organized through the White House. At critical points in the political process, Kennedy and his staff would seek out unusual political levers.

In 1961, for example, the congressional relations staff of the State Department requested the assistance of the Postmaster General's office in trying to secure support for the Foreign Assistance Act. It was thought that the lure of postmasterships might be enlisted in behalf of foreign aid. The Kennedy administration was also mindful of the Congressman's relations with his constituents. The White House requested considerably larger funds for foreign aid than it expected the Congress to provide. Such requests were founded on the theory that Congressmen would find it easier to explain votes for aid if they could tell constituents that they had voted for less than the executive branch sought. Such explorations into the realm of practical politics were common—and they paid off. Foreign aid funds reached post-Marshall plan highs, and morale at AID was at a commensurate level.

The favorable political atmosphere for aid soon turned sour. In 1965, the year of escalation in Vietnam and riots in Watts, President Johnson announced his "barebones" budget for foreign aid. This amounted to a reversal of the previous strategy of seeking far more money than Congress would probably allow. The new strategy was successful the first year: Congress cut the budget request only 6.9 percent. But in succeeding years, the old patterns of budget cutting reappeared, eventually reaching an alltime record of a 3.9 percent cut for fiscal 1969.

Despite this trend, Johnson and Nixon continued the strategy of asking for low foreign aid budgets. Without apology President Nixon described the 1970 foreign aid budget recommendations as "the lowest proposed since the program began." The lack of interest in foreign aid showed in other ways. President Johnson, the master arm-twister, failed to twist many arms in behalf of foreign aid after the watershed year of 1965. President Nixon's staff expert on foreign aid is reportedly an obscure official who works out of Henry Kissinger's basement. The current AID Administrator is seldom seen on Capitol Hill; indeed, he has been out of the country on occasions when Congress was considering important aspects of his agency's legislation. By way of contrast, many of us will recall numerous discussions on Capitol Hill during the early sixties with previous AID Administrators.

Friends of AID in Congress would actively counsel with the director of AID and his congressional relations staff on ways to win more votes. Yet another indication of the waning interest in foreign aid is the fact that President Nixon delayed commenting on the Peterson Report for over half a year after it landed on his desk. The conclusion seems inescapable: the rhetoric continues, but the excitement—and commitment—are gone.

### CONGRESS

Mr. Speaker, the problems of foreign aid are greatly aggravated by the nature of the legislative struggle: an all-out annual confrontation, incorporating everything from basic philosophy to operating details, in which the proponents must be mustered and induced to declare themselves at a dozen distinct crisis points in the legislative process each year.

Yet somehow AID has managed to survive. The coalition in Congress supporting AID is composed, broadly speaking, of three parts: First, a few members of both Houses—perhaps 25 Congressmen and 20 Senators—who are relatively junior or of middle-level seniority and who have a thorough understanding and appreciation of aid programs; second, another small group, generally conservative, who still view economic aid as an effective short-term tool in worldwide confrontation with the Communist world; and third, a much larger group who do not know much about development but harbor vague humanitarian concerns about world poverty.

Steady erosion within this last group is causing many of foreign aid's present difficulties. The pull of domestic priorities—particularly the decline of the cities and the existence of crushing poverty within the borders of the United States—is felt strongly by the members of this group. They are also influenced by the "Fulbright Thesis," which holds that American economic aid has come to carry an implicit commitment of other forms of assistance, including direct military intervention, in times of emergency. Senator FULBRIGHT's ideas are particularly persuasive in the Senate, where he heads the Foreign Relations Committee. In addition, there is a growing feeling among the members of this largest group of aid supporters that foreign aid does not make much of a difference in determining the kind of world that is emerging. As the current situation in Pakistan seems to confirm, domestic tranquility in recipient countries is certainly not assured by massive doses of foreign aid.

The erosion is perhaps most evident in "liberal revolts," a new phenomenon in which traditional liberal supporters of foreign aid are found voting against the program. Philosophical disenchantment with the goals, costs and operations of aid plays a large part in the revolts. Many liberals are particularly upset by the mixing of economic and military assistance in the same legislative package. But political tactics also play a part. With a Republican President in office, liberal Democrats are in an excellent position to test the President's influence with congressional Republicans who have traditionally criticized liberal Democrats for supporting "foreign giveaways." Thus, on November 20, 1969, a foreign aid authorization bill passed the House by a vote of only 176–163.

The position of the liberal Democrats, who had always supported the bill in the past, was clearly dependent on the position of the Republican leadership. The intent of the liberals was to support the bill only if there was substantial Republican support. The Democratic liberals proceeded to withhold their votes and in many cases voted against final passage. All the while, they closely followed the votes of the Republican Members. When it became apparent that the bill was in grave danger of defeat, a sufficient number of Republicans finally changed their votes—and thereby attracted some of the dissident Democrats. It was a lesson to the Republican leaders: They could continue their ritual opposition to foreign aid only at the cost of embarrassing a Republican President. Indeed, many Republicans were forced to vote for the program for the first time.

I voted against final passage of that bill because I specifically objected to an amendment—which was attached on the House floor without any committee hearings whatsoever—adding $54.5 *million* for jets to Taiwan. This money was not originally budgeted by the President; the minority leader was openly in league with the amendment's sponsor, a conservative Southern Democrat; and the White House was silent on the matter. Those of us who had traditionally supported foreign aid resented the fact that our support was obviously being taken for granted.

More generally, I objected to the increasingly military coloration of the economic assistance program. My own position has changed substantially since my first term in Congress. In one of my first constituent newsletters, I proudly reproduced a letter to me from President Eisenhower thanking me for my efforts in rounding up 28 Democratic Congressmen to support his mutual security program. As an indication of how attitudes and circumstances change, there are now many who argue that it would be good politics for a Republican President to separate economic and military aid—as indeed President Nixon is proposing to do.

In a Democratic administration, where a Kennedy or Johnson has a core of some 150 liberal Democrats as supporters of foreign aid, and must pick up his additional votes from conservative Democrats and Republicans, it may be shrewd politics to combine military and economic aid. The military aid will attract the extra votes. But this tactic does not apply to an administration headed by a Republican who has only a moderate interest in foreign aid as a foreign policy tool. Such a President would attract for a separate economic bill his 150 progressive Democrats and he could add, for an overwhelming majority, the 80 to 100 Republicans who will vote on the basis of loyalty to their administration. For his military aid appropriation, he could rely on the traditional Republican-Southern Democrat coalition—again, a substantial majority. Combining military and economic aid endangers economic aid rather than helps its prospects, since the combination angers enough liberal Democrats to threaten foreign aid's precarious majority. The same pattern would hold true in the Senate, where Senator FULBRIGHT and his Democratic colleagues are distressed by the military uses of economic assistance and the ways in which foreign aid to developing countries has been followed by U.S. military involvement in them.

The internal structure and processes of Congress also tend to work against foreign aid. Congress does much of its work through its committees and subcommittees. Consequently, expertise on specific issues is usually found among the members of the committees that handle each issue. Committee and subcommittee chairmen—by present definition those committee members who have the greatest seniority and exposure to the committee's area of jurisdiction—enjoy great prestige and power throughout the legislative process. Restraints on chairmen exist largely in the process of "anticipatory bargaining," or the possibility of being overridden on the floor.

The executive branch must also indulge in "anticipatory bargaining." Thus, the administration, in submitting the annual foreign aid bill, must calculate how large an authorization bill the House Foreign Affairs Committee and the Senate Foreign Relations Committee will accept, and how much the authorization will be cut by the Subcommittee on Foreign Relations of the House Appropriations Committee. Under the U.S. Constitution, the House originates all revenue bills. Thus, the Foreign Operations Subcommittee has first crack at the foreign aid appropriation bill. This subcommittee, under the chairmanship of Congressman OTTO PASSMAN of Louisiana, generally takes an adversary stance with regard to the foreign aid money bill. On the other hand, the two authorizing committees—House Foreign Affairs and Senate Foreign Relations—customarily serve as protagonists for foreign aid. The Senate Appropriations Committee is essentially an appellate body for decisions taken in the House. An examination of the amounts recommended by the House Foreign Affairs Committee and the House Appropriations Committee indicates that the latter almost invariably recommends a lower amount than the former. To cite just a few recent years: for fiscal year 1967 Foreign Affairs authorized $3.6 billion, but Appropriations cut the figure to $3.1 billion; for fiscal 1969 Foreign Affairs recommended $2.4 billion, but Appropriations allowed $2.3 billion. In both years, the final amount was closer to the lower figure.

The spring 1970 issue of the journal, Public Policy, carries an article entitled "The Price of Power: The Appropriations Process for Seventeen Foreign Affairs Agencies." The author, David Howard Davis, provides an overview of the appropriations process for various foreign affairs agencies during the years 1957–68. Davis' analysis ranks the agencies according to two characteristics—esteem and growth. Congressional esteem for an agency is a measure of the degree to which Congress supports the agency in its request for funds. Mr. Davis writes:

> It is a measure of the agency's good relationship with its subcommittee, cultivated through good liaison, responsiveness to subcommittee wishes, and the conservative, businesslike mode of operation so prized by Congress.

Growth is a measure of external support, a measure of the degree to which factors in the agency's environment act on Congress, creating demands for the services of that agency.

In order to establish the relative ranking of the 17 foreign affairs agencies in terms of congressional esteem, Davis averaged the percentages of the annual appropriations cuts over the 12-year period. He also averaged, over the same period, the annual percentage rate of increase in the agencies' final appropriation to arrive at a relative ranking of the agencies' growth. Davis found that AID ranked dead last in congressional esteem, averaging an annual appropriations cut of 19 percent. AID also ranked 15th out of the 17 foreign affairs agencies in the growth index, attaining only a 5.9 percent average annual rate of growth. This occurred in spite of the fact that AID enjoyed some of its best years during the same time span.

The highest esteem was accorded the three international banks, largely because they are more businesslike, are theoretically capable of making profits and thus fit more neatly into the prevailing scheme of congressional values. Congress is oriented toward the cost side of the governmental equation. The President, on the other hand, is usually more concerned about fulfilling needs and goals. This, in capsule form, is the essence of the tension between Congress and the President—and the final reason for the decline of foreign aid. Congress tends to demand hard indicators of success. AID can supply in the nature of its operations only soft rationales and vague faith. In the face of a multitude of competing forces, confidence in AID and its goals is slowly withering away.

### OUTLOOK

Mr. Speaker, several months ago, President Nixon submitted a reorganization package that could have considerable long-range significance. The President wants to separate military assistance from economic aid. He proposed a limited "untying" of aid, which means that recipient countries could use our funds in the competitive world market instead of only in the United States. He also endorsed the concept of channeling more of our development resources through multilateral agencies. He further proposed to vest our remaining bilateral development aid in three new institutions that would replace AID: an International Development Corporation, which would be concerned primarily with the means of transferring capital resources; an International Development Institute, which would be concerned with the creation and transfer of technology and the application of new ideas in the developing world; and an Overseas Private Investment Corporation—established in 1970—which would assist in the channeling of private investment.

The President's desire to separate military assistance from economic aid is likely to become just as important an issue as the level of aid. The Senate Foreign Relations Committee, while generally in favor of separating military and economic aid, will undoubtedly be concerned about the President's failure to define more carefully the relationship between the two types of foreign assistance and the extent to which one type might or should substitute for the other. As Setting National Priorities: The 1972 Budget, a Brookings Institution publication authored by Charles L. Schultze and others, puts it:

> Either form of assistance would contribute resources that the—recipient—country could then use in accord with its own priorities. But the form of assistance is in fact not neutral. Military assistance is often designed to maximize domestic expenditures for defense, and economic assistance to maximize domestic expenditures for development. This means that our military and economic development programs can have competitive effects—which underlies the importance of reaching the right decision about the mixture of these kinds of aid.

The President's other proposals may—because the two major congressional authorizing committees are at loggerheads with each other on some of these issues—also encounter difficulties. Untying aid may please most of Senator FULBRIGHT's Foreign Relations Committee, but will probably prove unpalatable to its House counterpart. The proposal for more multilateral aid will be received enthusiastically by the Senate committee, but Members of the House committee are reluctant to allow more aid funds to escape their jurisdiction. After all, foreign aid is one of the few pieces of major legislation that is considered by the House committee. This same committee is dubious about dividing AID into smaller units. It is particularly worried about coordination problems that might arise from such a split authority.

The President's proposals will not be addressed during the first session of the 92d Congress. Members of the House Foreign Affairs Committee say they need more time to consider the proposals than the waning fiscal year permits. The prevailing sentiment in both Houses is now heavily in favor of a simple 1-year extension of the existing foreign aid authorization. It would appear, then, that the foreign aid program will continue to muddle through the next year or so on the firm foundation of pure inertia.

### NEW APPROACHES

Given the demoralized state of foreign aid politices, it is not surprising that aid proponents are now devoting a great deal of time and discussion to devising new means of stimulating interest in the program. For purposes of discussion, I submit that all conventional efforts to generate popular enthusiasm and form new pressure groups are doomed to failure for as long as the Vietnam war continues and domestic needs are left unsatisfied. Two recent approaches, however, deserve more than cursory attention.

First, Edward K. Hamilton, writing in the March 1970 World Affairs, develops the thesis that public and Congressional support for development aid is highly sensitive to the structures and criteria created to monitor and administer it. Hamilton would rely for support on the strength of the "long-term factors which tend to make internationalists of Americans." He believes that these factors will express themselves in a new wave of political support only if the U.S. Government commits itself to "building an international aid system which provides reasonable assurance that development aid will be circumscribed, internationalized, and made clearly contingent on local efforts." To this end, Hamilton would internationalize everything in the foreign aid process: funds, decisionmaking, and implementing operations. Thus, the only rationale for foreign aid would be satisfying the needs of the recipient countries—and most emphatically not the short-term political objectives of the donor countries. Congress and the public would be spared the conflicting claims and rationales that undermine support for the program at the present time. Above all, the American commitment would be clearly labeled "long-term."

The second approach is authored by Samuel P. Huntington and it appears in the first two issues of the new journal, Foreign Policy. Huntington flatly rejects the notion that foreign aid is an end-in-itself or a good-in-itself. He writes:

> The discussion of policy, should be in terms of, first, the desirability and importance of the goals which may be served by foreign aid, and, then, the relative effectiveness of aid as against other means for achieving those goals. By focusing on these purposes, the supporters of foreign aid would shift the focus of attention from a means which has politically negative connotations to ends which are more likely to have positive appeal.

Huntington insists that the United States has real short-term goals of supporting certain governments, rewarding certain kinds of behavior and solving certain problems. Huntington emphasizes selectivity and believes that foreign aid should be the servant of American interests and not a remote concept that has little meaning for Congress or the public.

Mr. Speaker, although I have not attempted in these remarks to comment on the foreign aid legislation now under consideration in Congress, I hope that this analysis will be of some interest as Members of the House and Senate—and the administration—seek to shape a foreign aid program that will command the support of both Democrats and Republicans and serve the best purposes of the United States.

NOTE

In preparing this paper, I have relied heavily on Edward K. Hamilton's excellent article, "Toward Public Confidence in Foreign Aid," March 1970, World Affairs v. 132: 287–304. The following books and articles also proved useful:

Davis, David Howard. "The Price of Power: The Appropriations Process for Seventeen Foreign Affairs Agencies." *Public Policy*, v. 18, Spring 1970: 355–381.

Huntington, Samuel P. "Foreign Aid For What and For Whom." *Foreign Policy*, Number 1, Winter 1970–71: 161–189.

"Does Foreign Aid Have a Future." *Foreign Policy*, Number 2, Spring 1971: 114–134.

Kaplan, Jacob J. *The Challenge of Foreign Aid*. New York, Praeger, 1967.

Mikesell, Raymond. *The Economics of Foreign Aid*. Chicago, Aldine, 1968.

Niblock, Timothy C. "The Politics of Economic Aid: Motives and Objectives." *International Relations*, November 1969: 550–564.

O'Leary, Michael Kent. *The Politics of American Foreign Aid*. New York, Atherton Press, 1967.

Robinson, James A. *Congress and Foreign Policy-making*. Homewood, Illinois, The Dorsey Press, 1967.

Schultze, Charles L. and others. *Setting National Priorities:* The 1972 Budget, Washington, D.C., The Brookings Institution, 1971.

Thorp, Willard L. "Foreign Aid: A Report on the Reports." *Foreign Affairs*, v. 43, April 1970: 561–573.

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## CONCERN OVER DENIAL OF RIGHTS TO SOVIET JEWS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 30 minutes.

Mr. KEMP. Mr. Speaker, from the earliest days of man's presence on this earth, he has been free to travel from one part of a continent to another and across the seas to another continent.

The great and small nations came into being by the migration of tribes, by the movement of the oppressed and dissatisfied who sought to express their particular beliefs and skills or to escape the tyranny of masters.

America, the Nation of greatest opportunity and greatest riches, was founded by emigrants. The countries of Southeast Asia abound with citizens of Chinese ancestry. And in this contemporary time, Jews from the corners of the globe are transforming the arid desert into the lush productive nation of Israel, a country where their ancestors had their beginning.

From Europe, the Russians have moved to Siberia where industrial centers now dot a former wasteland. Europeans have carved new nations across the face of South America. Since World War II, a whole new family of nations have sprung up in Africa.

Thus, in recent and modern times, the right to leave one's country and to seek a new life somewhere else has not only continued but has accelerated. And because distances have shrunk with advances in transportation, greater numbers of people not only leave but are able to return to countries of origin with greater ease and speed than ever before.

Historically and by law, then, the right to leave one's country and return is probably one of the more basic human rights aside from the right of life itself.

Viewed in this context, the refusal of the Soviet Union to allow its citizens, particularly the Jews, to emigrate, is contrary to the flow of history and the very tenets of the Soviet Constitution which legally, recognizes the right of all nationalities within the U.S.S.R. borders to cultural freedom and the concept of national determination.

In the United States, we strongly believe that the right to leave and to return is the constituent element of personal liberty, and thus all Americans—except those under some kinds of legal due process—may leave and may return for good reason or bad or no reason at all.

It is important to note that both authoritative world opinion and international law consider the right to leave and to return as a fundamental human right binding on all governments.

I do recognize that there are universal reasons for refusal to grant an exit visa or reentry. But it is significant that the Soviet Union has assumed binding and even contractual obligations under international law to fulfill the right to leave and to return.

It proclaims itself to be a strong adherent to the universal declaration of human rights. The Soviet Union also actively endorsed a 1963 U.N. Declaration on Racial Discrimination which called upon "every state" to observe "fully and faithfully" the provisions of the universal declaration of human rights.

It has also voted for and signed two binding international treaties which carry specific reference to the right to leave—the International Convention on the elimination of racial discrimination and the covenant on civil and political rights.

The Soviet Union has also obligated itself to observe the humanitarian principle that specific consideration be given to the reunion of families. In 1960, Mr. Khrushchev stated that:

> We do not object to the reunion of any persons if this is what they want.

In some instances, the Soviet Government goes beyond the principle of the reunion of families and endorses the principle of the reunion of entire ethnic groups. Spaniards, Russo-Poles, and Greeks have been allowed to emigrate.

It is regrettable, however, to note that while the Soviet Government has been sympathetically disposed to the principle of reunion of families and to some ethnic groups, it has made an exception in the case of Soviet Jews. This inconsistency between general policy and their position with regard to Soviet Jews is certainly a cause for embarrassment to the Soviet Union.

We have a situation, then, in which the Soviet Union has obligated itself in a variety of ways to international standards which require it to give effect to the right to leave and return; and, it has accorded recognition to the humanitarian principle of reunion of families and even ethnic groups. Hence, it appears that those who seek to emigrate to Israel and elsewhere are merely seeking implementation of this legal and moral right.

It has always struck one as the height of hypocrisy for the Soviet Union to profess, before the world, adherence to the United Nations Declaration of Human Rights and then systematically to harass and persecute Jewish minorities within the Soviet Union and to officially announce on October 6 that emigration is a privilege, a decision to be made by the state, not a right of the individual. This pronouncement reemphasized how far the Soviet Union has progressed in terms of spiritual and human progress.

As of last week, the flow of Jews from Russia to Israel, which was almost nonexistent, has now become steady. I feel that the moral outcry raised by those of us around the world who cherish freedom has been probably the greatest contributing factor to this new flow of Jewish emigrants from Russia.

However, we must not forget that many of these new arrivals have paid for their Soviet exit permit dearly, with several years of persistent effort, short jail terms and forfeiture of much of their worldly goods.

Many of the emigrants in absorption centers in Israel live alongside American families who have brought with them, tax-free, virtually all the material comforts of home.

The difference in the respective situation of the new emigrants is striking.

Furthermore, the Russian Jews—unlike their western counterparts—know that they have made a final break and cannot return if they do not like Israel.

Not unlike other victims of the repressive Soviet policy is Mrs. Rita Gluzman, who testified today before the Europe Subcommittee of Foreign Affairs.

A former citizen of the Soviet Ukraine, she emigrated to Israel in February 1970.

Before that time, and since, she made repeated but unsuccessful efforts to win Russian permission for her husband, Yakov Gluzman, to emigrate from Russia to join her, and their infant son he has never seen, in Israel.

Mrs. Gluzman first brought her tragic problem to my attention during a trip I made to Israel late this past summer.

Since September 1969, more than 2 years ago, she and her husband have sought, to no avail, an exit visa for Mr. Gluzman.

At the beginning of those efforts, Soviet authorities hinted to her that, if she left Russia with her parents and sister, it would be easier for her husband to receive an emigration permit.

At the time she left the Soviet Union with her family, she was with child. On October 10, 1970, she gave birth in Tel Aviv to a son, Ilan.

Again, her application for Yakov to leave Russia was refused by Soviet authorities on August 6, 1971. On that occasion, Russian authorities explained the visa was refused because she had concealed her August 1969, marriage.

Yet, her marriage is noted on her passport, is officially registered in Russia and her husband gave officials his written consent for her emigration to Israel.

More recent attempts to obtain an exit visa for Mr. Gluzman have also been turned down.

In effect, the Soviets are denying the very basic right of a husband, his wife, and their child to live together.

How important is Mr. Gluzman to the Soviet Union? Although he is a university trained biologist, he is now working as a carpenter.

We can only guess how many human beings are tragic victims of such Soviet policy.

We do know that these victims are worthy of whatever help we and others in the world can provide them; that in the name of humanity, we must assist them.

Because the Soviet Union has not adhered to this basic and internationally recognized human right to leave one's country and return, it is my belief that this Nation's regretful actions should be brought to the attention of not only the people of the United States but to the whole world at the United Nations.

Hence, I have submitted a concurrent resolution which was drawn up with the concurrence of our Ambassador to the United Nations, George Bush. It presently has 48 cosponsors. If passed, it will be indicative of the attitude of the American people in clear terms toward this important moral issue and will express the unequivocal desire of the Congress to have this issue brought before the U.N. General Assembly by Mr. Bush.

Mr. Speaker, I will reintroduce my bill again next week and I invite all my colleagues to join me on this resolution which was endorsed today before the Europe Subcommittee by the American Jewish Conference on Soviet Jewry. I also testified before this subcommittee this morning and urged prompt action on my resolution in order that this issue be brought to the attention of the United Nations with the full knowledge that the U.S. Congress is vitally concerned.

At this point, I include a list of the cosponsors. I also think it is fitting to include the very scholarly report, "The Treatment of Jews in the Soviet Union," prepared by Barbara Mihalchenko of the Library of Congress.

### LIST OF COSPONSORS TO HOUSE CONCURRENT RESOLUTION 426

Mr. Lent, Mr. Goldwater, Mr. McDade, Mr. Brasco, Mr. Addabbo, Mr. Whitehurst, Mr. Thompson of Georgia, Mr. Morse, Mr. Crane, Mr. Keating, Mr. Halpern, Mr. Thone, Mr. Young of Florida.

Mr. Frenzel, Mr. Koch, Mr. Rhodes, Mr. Eilberg, Mr. Rangel, Mr. Archer, Mr. Blackburn, Mr. Terry, Mr. Bob Wilson, Mr. Wyatt, Mr. Railsback.

Mr. Michel, Mr. Harrington, Mr. Derwinski, Mr. Baker, Mrs. Hicks, Mr. Forsythe, Mr. Ryan, Mr. Hogan, Mr. Buchanan, Mr. Coughlin, Mr. Rosenthal, Mr. Schwengel, Mr. Mazzoli.

Mr. Biaggi, Mr. Pike, Mr. Yates, Mr. Helstoski, Mr. McCloskey, Mr. St Germain, Mr. Denholm, Mr. Podell, Mr. Kuykendall, Mr. Steele Mr. Vander Jagt.

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## THE TREATMENT OF JEWS IN THE SOVIET UNION: A LOOK AT THE CURRENT SITUATION

(By Barbara Mihalchenko, Foreign Affairs Analyst)

### I. INTRODUCTION

Discrimination against Jews continues in the Soviet Union, although more than fifty years have passed since the Bolshevik Revolution, with its promise to full equality for all citizens. The treatment of Jews in the Soviet Union must be considered within the framework of the Soviet nationalities policy. This policy, reflected in Communist Party directives, the Soviet Constitution, and public law, is based on the ideological acceptance of the concept of national self-determination, and on the legal recognition of the right of all nationalities within Soviet borders to cultural freedom. Actual Soviet policy clearly violates these principles, by denying certain ethnic-cultural rights to the Jews, generally accorded to other nationalities.

From the earliest times, Jews in Russia have been subjected to various pressures and forms of discrimination. In the hands of the Russian rulers, anti-semitism often proved to be a convenient instrument of policy. During the Tsarist era laws and crude, degrading police measures culminated in widespread pogroms directed towards the Jews and other national minorities, the ultimate goal being assimilation. Under the Tsars, Jewish life survived but the personal prejudice of the ruler also survived—culminating at the beginning of the twentieth century in events which foreshadowed Stalin's anti-Jewish campaign.

The printing and publication of the fabricated "Secret Protocols of the Elders of Zion," an anti-Jewish document which appeared in 1903, was not only another attempt to discredit the Jews, but at the same time was designed to justify the pogroms which had become a characteristic feature of Tsarist Russia in the late nineteenth and early twentieth centuries.

Anti-semitism continued to be a political tool with which the Tsars aimed to convince the uneducated Russian worker and peasant that the Jew, not the ruler, was the cause of all their problems. The turmoil and insecurity which the Russian state found itself in following the Tsar's downfall greatly contributed to the fact that anti-semitism almost entirely disappeared. As the Bolsheviks took power, they were confronted with a basic problem—the majority of the people were against them. In order successfully to take and maintain control, Lenin and his associates needed to mobilize the support, sympathy, and cooperation of all the national minorities. The majority of the Jews, as well as other national minorities, were reluctant at first to support the Communists. However, soon after the civil war broke out, attacks on the new regime by former Tsarist generals who mobilized armies to fight the Bolsheviks resulted in savage attacks and pogroms on Jews in the Ukraine and White Russia. Nearly a quarter of a million Jews were killed or maimed, events reminiscent of the worst days of Tsarist rule. As a result, more and more Jews turned to the Bolsheviks for protection.

### II. DEVELOPMENT OF SOVIET POLICY TOWARD JEWS

The October Revolution brought emancipation and equality to most of the Jews. Restrictions to which Jews had been subjected for centuries under the Tsars had been removed from the Russian statute books by the Provisional Government after the February 1917 Revolution. After the October 1917 Revolution Lenin granted full citizenship rights to the Jewish minority and abolished close to 500 anti-Jewish laws and restrictions which had accumulated during the Tsarist years.[1] Political equality was also granted, with all offices in the Party and government open to Jews. Lenin's policies clearly offered new hope to the Jews, who energetically began to contribute to the building of the new society.

Within a few years of the Revolution, Soviet Jewry established an impressive network of Jewish schools and cultural institutions which became a valuable asset to the development of Jewish culture in the post-revolutionary period in Soviet Russia. However, the ultimate goal of the new system was basically the complete assimilation of all minorities, and the dream of a new life for the Jewish minority within the new economic and political framework was, in fact, doomed. The Jews, as well as all other nationalities, came to realize that to enjoy the new emancipation they would have to abandon most of their traditions, customs, and beliefs. The old patterns of Jewish life were particularly regarded as "bourgeois evils" with "counter-revolutionary influence."[2]

Although the official policy immediately after the Revolution was to counteract anti-semitism, it was in fact, half-heartedly carried out and was considered but a means to an end. The degeneration of the spirit of the Revolution and Lenin's death marked the beginning of a more difficult period for Soviet Jews.

Under Stalin the Soviet people suffered tremendously, yet the Jews, being a religious

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as well as a national minority, appeared to fare even worse. After Stalin's abortive attempt in 1936 to resettle most Jews into an autonomous Siberian province, Biro-Bidjan, followed by the 1937–1939 purges of progressives in the Party who could have countered the discriminatory policies, Stalin turned specifically against the Jews. During World War II, when Stalin needed to rally the support of all segments of the population, the pressure was somewhat eased; however, it was again intensified during the post-war years. Stalin implemented his own solution to the Jewish problem during the post-war years by abolishing all Yiddish cultural institutions and executing or imprisoning Jewish leaders, in the expectation of accelerating the assimilation of the Jews. Stalin's death in 1953 marked yet another end of an era, yet the Jewish problem persisted and was inherited by the new Soviet leadership.

The Jewish problem in the Soviet Union is a dilemma for the leadership-politically and ideologically the Jewish minority does not fit into the socialist framework on which the Soviet system is based. Official recognition and/or acceptance of the problem would negate the very principles on which Soviet system professes to be based—hence, a vicious circle results. Forced assimilation of the Jews creates and promotes Jewish consciousness which in turn forces the leadership to intensify further its program of assimilation. Two alternatives appear obvious: mass emigration or successful assimilation. The former would again point to the failure of the "ideal" society, the latter appears impossible. Consequently, the current treatment of the 2.15 million Jews in the Soviet Union has taken a different, but not a new twist. The series of trials which began in December 1970, justified by accusations of attempted hijacking, were but a renewed attempt to deal with a basic, historical problem. However, the trials, reminiscent of the Stalinist show trials, have not had the effect desired by Moscow. Rather than solving the problem or silencing the Jewish voice within the Soviet Union, the trials and the publicity they received abroad have resulted in the embarrassment of the Soviet Union in the international sphere. International public outcry against the harsh sentences handed down in the December trial pressured the Soviet Union into commuting the death sentences. However, the mere fact that the Soviet Union is not insensitive to international public opinion has not necessarily alleviated the discrimination to which Soviet Jews are currently subjected.

The ban on emigration, which does exist despite Soviet insistence to the contrary and despite the April–May upsurge in emigration, is in fact not discriminatory. Non-Jewish citizens are also not allowed to leave the country. Consequently, emigration of Jews poses a dual problem—if Jews are allowed to leave, then others within the Soviet Union will demand the same right.

Although current discrimination against the Jewish population in the Soviet Union cannot be compared to the open persecution during the Tsarist or Stalinist periods, the extent to which anti-semitism is promoted and exploited by the state should be viewed with concern. However, it should also be viewed within the historical context and within the political-ideological framework of the Soviet system, rather than as blatant, indiscriminate persecution directed at a religious-cultural minority group.

### III. CURRENT SITUATION: THE TRIALS

Officially promoted discrimination against the Jews has in recent months culminated in a series of trials which have, however, been justified by Soviet officials as being legitimate actions against individuals for attempted hijacking, for promoting anti-Soviet activities, and for various other crimes included in the Soviet Criminal Code.

The Leningrad case and those which subsequently followed were based on the alleged attempt by twelve persons to seize an airplane on June 15, 1970, at Leningrad's Smolny Airport. Initial reports by Western Jewish organizations indicated that on the date of the airport arrests, between 30 and 40 persons were also arrested in Leningrad, Moscow, Riga, Odessa, and Kishinev. Charged with banditry and treason under the Soviet Criminal Code, the twelve arrested at the airport were to go on trial on November 20, 1970. However, at that time the trial was postponed until December 15th for unknown reasons.

#### *A. The December 1970 trial*

Jewish sources claimed that the defendants were being prosecuted solely for their desire to go to Israel. A month after the arrests, Viktor Boguslavsky, a Russian Jew, accused the Soviet Secret Police (KGB) of concocting the plot in order to round up innocent Jews.[3] Mr. Boguslavsky made his charge in a letter sent on July 8th to the Procurator General of the Soviet Union. The following day he too was arrested by the KGB. The details of the arrests, compiled by Mr. Moshe Decter, director of the Jewish Minorities Research of Hadassah, offers the most comprehensive description of the incident. (See appendix A).

Although Soviet officials claimed that the trial was fair and just, foreign correspondents were not allowed at the trial and, consequently, information regarding details was rather sparse. However, the Washington Post reported on December 18, 1970, that most of the twelve defendants on trial had pleaded guilty and admitted to working for "international Zionism." Later reports indicated that only eleven persons were on trial in Leningrad, while the twelfth was understood to be a former army officer who would later stand court martial.

Mark Dymshits, Eduard Kuznetsov, Iosif Mendelevich, Silva Zalmanson, Izrael Zalmanson, Anatoli Atman, and Leib (Ayre) Khnokh were charged with committing crimes under Articles 64 (statutes 1–15), 93 (statutes 1–15), 70, and 72. Article 64 covers high treason, listed in the Soviet Criminal Code as the first of the "especially dangerous crimes against the State." The maximum penalty is death. Article 93 covers stealing state property, with a maximum penalty of death. Article 70 covers "anti-Soviet agitation and propaganda," another "especially dangerous crime against the State." Maximum penalty is seven years imprisonment plus five years of exile. Article 72 is "organizational activity directed to commission of especially dangerous crimes against the State and participation in anti-Soviet organizations," punishment in accordance with Articles 64–71[4] (See appendix B for an account of the trial as compiled by the Washington Post).

Yuri Fyodorov, Alexei Murzhenko, Boris Penson, and Mendel Bodnia were charged with the violation of Articles 64 and 93, but not with 70 and 72. All of the defense lawyers were hired by relatives, except for Dymshits, whose lawyer was appointed according to Article 49 of the Criminal Code.

The beginning of the trial immediately generated public protest abroad which greatly increased when the sentences were announced on December 25, 1970. Eduard Kuznetsov and Mark Dymshits were given the death sentence while the other nine were sentenced to various terms of imprisonment. Under Soviet law the defendants were able to appeal the sentences to the Supreme Court of the Russian Federation.

#### *B. World reaction and the appeals*

Widespread foreign criticism of the death sentences was rejected by Tass, the Soviet news agency, which dismissed the protests as "another fit of anti-Soviet hysteria."[5] Tass charged that "Zionist circles in the U.S." were "interfering in Soviet judicial procedure." Furthermore, Tass maintained that the foreign protest was instigated by Israel in order to divert attention from its "sinister doings." However, although rejecting American and Israeli protest and criticism, Tass did not mention the criticism expressed by the French and British Communist parties.

Worldwide reaction and protest included appeals by the French and Belgian governments to have the death sentences commuted as well as a personal appeal by Secretary of State Rogers to Soviet Foreign Minister Andrei Gromyko, urging that the harsh sentences be reduced. Acting with unusual speed, the Soviet government scheduled a hearing for December 30th on appeals from the eleven defendants. Reports indicated that the speed-up in the procedure which normally takes 6-8 weeks was an attempt to end the worldwide furor which had been created.

Foreign newsmen were again barred from the hearing but Andrei Sakharov, founder of the Russian H–bomb and co-founder of a Committee for Human Rights, attended the hearing and appealed to President Nikolai Podgorny for clemency. Tass continued to publish articles vigorously defending the harsh verdicts. Daily World, the American Communist newspaper, published an editorial which said that evidence at the Leningrad trial points clearly to a widespread plot whose direction came from outside the Soviet Union. The eleven were recruited by Tel Aviv and the CIA not to fulfill their alleged yearnings for Israel but as cannon fodder in the war against the Soviet Union and socialism.[6]

The Supreme Court of the Russian Republic of the Soviet Union commuted the death sentences of Eduard Kuznetsov and Mark Dymshits on December 31st. The sentences of the two men were reduced to 15 years each, the maximum possible under Soviet law. Three other co-defendants had their sentences reduced. The decision came less than a day after Generalissimo Franco had commuted death sentences passed on six Basque nationalists. Tass said the court had taken into account that the hijacking had been averted in time, although previous commentaries had stressed that planning and committing a crime were one and the same under Soviet law. Kuznetsov was sentenced to serve under "especially strict" conditions, which means only one visit a year from relatives, a subsistence diet of approximately one-third the calories required to maintain good health, and no food parcels from outside his labor camp. Dymshits was sentenced to "strict regime" which is somewhat less severe than "especially strict."[7] The decision of the court was received with relief by leaders and concerned people throughout the world.

The court martial of Lt. Vulf Zalmanson, a Soviet officer and the twelfth person arrested at the Leningrad airport, reportedly began on January 5, 1971. He was charged with treason and desertion.

Usually reliable Jewish sources reported that the Leningrad military court had on January 7th sentenced Lt. Vulf Zalmanson to ten years in prison on charges of participating in the alleged June 15th hijacking attempt. No other details were available.

The second trial of nine Jews allegedly connected with the June 15th hijacking attempt which was to have begun on January 6th was suddenly halted ten minutes after it began. Court officials said the trial had been postponed because one of the defendants had influenza.[8] Western Communist correspondents suggested that Soviet authorities were seeking to avoid another outcry abroad which arose during the Leningrad trial. The nine defendants had reportedly been charged under Articles 70 and 72 of the Soviet Criminal Code.

Jewish sources in Leningrad reported that the defendants had criticized restrictions on Jewish cultural life and had sought to emi-

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grate and, consequently, were being tried for these "offenses." However, Soviet authorities charged the defendants with Zionist activities.

### *C. The Brussels Conference and Soviet reaction*

The indefinite postponement of the trial, which had originally been scheduled to begin on January 6th, seemed, at the time, to indicate a softening or some uncertainty in Soviet policy regarding its Jewish minority. However, the Brussels Conference on Soviet Jews, scheduled for February 23–25, was vigorously attacked by Tass and Novosti, the two Soviet press services. Both charged that the Conference was but another anti-Soviet provocation. On February 19, 1971, the Soviet Union made a formal protest to the Belgian government for allowing the Jewish Congress to be held in Brussels.[9]

The Communist newspaper, Pravda, warned Soviet Jews that anyone espousing Zionist beliefs would automatically become an agent of international Zionism and hence an enemy of the Soviet people.[10]

The article, the last in a series, warned Soviet Jews who had criticized Soviet policy and who had openly agitated for emigration rights to curtail their activities.

Apparently frustrated by the charges of discrimination and the escalated campaign at home and abroad for emigration rights and cultural-religious freedom, the Soviet Union during March initiated a new strategy. While more Jews, particularly the activists, were allowed to leave, the harassment of Western correspondents was stepped up, and public attacks on world Zionism continued. The harassment of American newsmen was viewed essentially as retaliation for anti-Soviet activities of Jewish extremists such as the Jewish Defense League in the United States. However, Soviet authorities appeared to be using these circumstances as an occasion to intimidate foreign correspondents from contacts with members of the Soviet dissident political community.[11]

In an attempt to counteract the wave of protest abroad regarding Soviet policy towards its Jewish minority, Soviet authorities staged a one-day conference of Soviet Jewish congregations on March 23, 1971. The conference adopted a resolution reflecting official policy:

> We decisively reject the claim of international Zionist circles and the rulers of Israel to speak in our name and to defend us against nonexistent wrongs or restrictions.[12]

### *D. The New Emigration Policy*

Contrary to fears of an emigration crackdown following the 24th Party Congress, the Soviet Union continued to allow an unprecedented number of Jews to emigrate. Reliable Western sources announced that Soviet authorities had permitted more than 1300 Jews to emigrate to Israel in April. Although the exact figures were not officially disclosed, Western diplomats estimated that about 50 left in January, 130 in February and 1,000 in March. The total of 2,500 for the first four months of 1971 indicated a substantial increase when compared to the previous average of an estimated 1,000 per year. In 1969 an estimated 2,000 left; in 1970 an estimated 1,000 were allowed to emigrate.[13]

Recent reports based on U.N. sources quoting Israeli data, show that the number of Jews leaving the Soviet Union has declined somewhat from the April peak of 1,300 but continues at a comparatively high level. Different estimates showed that from 700 to 1,000 left in June, 300 to 500 in July, and 400 to 600 in August. The unofficial figures indicate that total arrivals in Israel for 1971 are already in the 5,100 to 5,700 range.[14] Western correspondents in Moscow give slightly lower figures based on diplomatic sources there. However, those figures reflected the number of exit visas rather than actual departures and may not have given an accurate picture of emigration from the Baltic states and the Ukraine.

### *E. The May 1971 Trials*

The trial of nine Jews, which had been postponed since January, began on May 11th in Leningrad. Tass said that eight of the nine defendants, charged with organized anti-Soviet activity, were accomplices of the twelve hijackers convicted in December. The long-delayed trial was restricted to people with special passes and, again, foreign newsmen were not allowed to attend the court proceedings. Most of the defendants had been arrested around the middle of June. At the same time, nine Jews were awaiting trial in Kishinev and four in Riga on similar charges connected with the hijacking attempt.

Although not specifying the charges, Tass said two of the defendants, Gilya I. Butman and Mikhail L. Korenblit, were charged with treason under Article 64–A of the Soviet Criminal Code. According to Tass they were actively involved in preparing the seizure of the plane and had financed the hijacking operation. Tass later said that when Butman testified he admitted involvement in organizing the criminal group. Tass further quoted Butman as stating that the group used their contacts with foreign tourists for communication with Israeli authorities so as to coordinate with them the criminal actions.[15]

Tass identified the seven other defendants as: Vladimir O. Mogilever, Solomon G. Dreizner, Lassal S. Kaminsky, Lev N. Yagman, Viktor N. Boguslavsky, Viktor Shtilbans, and Lev L. Korenblit. Most of the defendants had actively pressed for Jewish cultural-religious rights and had expressed the desire to leave the Soviet Union.[16]

Tass's second day of trial coverage included charges of alleged Israeli involvement in the hijacking attempt. This report explicitly linked the on-going trial and the December trial with Israel and Zionism. On the fourth day of the trial Tass reported that four Soviet Jews (Mark Dymshits, Eduard Kuznetsov, Silva Zalmanson, and Iosif Mendelevich) convicted last December had taken the stand as witnesses. Reports from usually reliable Jewish sources in Moscow said that Mendelevich and Kuznetsov had actually refused to testify on the grounds that the trial was illegal.[17]

Reliable sources further reported that Dymshits told the Leningrad court that he was solely responsible for organizing the hijacking attempt and that the defendants on trial had nothing to do with the attempt. However, Tass in its report on the testimony implied that Dymshits actually implicated Butman and Korenblit in an earlier hijacking plan, although it did not in fact say that he had done so.[18]

On May 18th the New York Times reported that the Soviet prosecutor had asked for prison terms ranging from one to ten years for the nine defendants. According to Tass the length of the terms sought reflected the nature of the activities of the defendants, their personality, and the extent of their regret. The prosecutor summed up the case for the Government on May 17th after the last thirteen of a total of 46 prosecution witnesses had been called. The court expected to hear witnesses for the defense the following day. Tass reported that the prosecutor contended that Butman and Korenblit had recruited participants and supplied money for the preparation of the hijacking plot and that testimony in the five-day-old trial had supported these charges.

Defense lawyers asked for milder sentences than those demanded by the prosecutor and said one of the extenuating circumstances was that the nine "pleaded guilty of criminal offenses and felt repentance." [19] The Tass report quoted lawyer Yuri Buzinier as saying that all the defendants were "pawns in the speculative gamble" played by Israeli Zionists.

On May 20th the Leningrad court found the nine defendants guilty of organized anti-Soviet activity and sentenced them to prison camp terms ranging from one to ten years. The most severe sentences were given to Gilya I. Butman, ten years, and Mikhail L. Korenblit, seven years, who were charged with playing leading roles in the hijacking attempt. The other sentences were: Lassal S. Kaminsky, 5 years; Lev N. Yagman, 5 years; Vladimir O. Mogilever, 4 years; Solomon G. Dreizner, 3 years; Lev L. Korenblit (Mikhail's brother) 3 years; Viktor N. Boguslavsky, 3 years; and Viktor Shtilbans, 1 year. Tass said Dreizner, Korenblit, and Mogilever had received lesser sentences because of their "sincere repentance and the fact that they helped uncover the crime at the stage of preliminary investigation." [20]

On May 24th four Soviet Jews went on trial in Riga, the capital of Soviet Latvia. They were charged with organizing anti-Soviet activity, i.e., printing and circulating anti-Soviet material, and transmitting anti-Soviet propaganda to Israel. Unlike the Leningrad nine, the four in Riga were not charged with having participated in the June 15th hijacking plot. Tass said the four were accused of fabricating and circulating slanderous materials for subversive purposes and attempting to draw their acquaintances and colleagues into their activities hostile to the State.[21]

The indictment charged that the four defendants had taken part in anti-Soviet propagandizing together with those convicted in Leningrad. The defendants, facing sentences of up to seven years, were identified as Boris Maftser, Arkady Shpilberg, Mikhail Shepshelovich, and Ruth Aleksandrovich. Prior to the trial Jewish sources identified the four as Jewish activists who were extremely interested in Jewish culture and traditions and had sought, unsuccessfully, to emigrate to Israel.

On May 27 the Latvian Supreme Court found the four defendants guilty and sentenced them to prison camp terms ranging from one to three years. The sentences were: Arkady Shpilberg, 3 years; Mikhail Shepshelovich, 2 years; Boris Maftser and Ruth Aleksandrovich, one year. The sentences were milder than those handed down in the earlier trials, presumably because the Riga defendants had not been charged with participating or assisting in the June 15 hijacking plan.[22]

### *F. U.S. protests against the trials*

Although the United States had thus far refrained from issuing a condemnatory statement regarding the series of trials, following the Riga trial State Department spokesman Charles W. Bray called the trials "abhorrent" and a violation of human rights. He said, ". . . the continued practice of trying people in secret is a matter of deep concern to us." [23] Bray noted that the court proceedings had been closed to impartial observers and that foreign newsmen had been refused admission to the court. Bray continued by saying:

"It would appear that the defendants were tried for an action or actions which are not even considered a crime in most countries. . .

We trust that the Soviet government realizes that Americans of every political persuasion and religious belief deplore the persecution of persons simply for studying a foreign language, in this case Hebrew, and for running materials off on a mimeograph machine, as seems to have been the case judging from Tass reporting of the Riga trial." [24]

Bray further stated—

> These trials and previous trials at Leningrad are abhorrent on three grounds: the denial of the right to an open trial; persecution of people for their beliefs; the denial of the right of people freely to leave any country and to travel or reside abroad in the country of their choice." [25]

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Footnotes at end of article.

The statement concluded—

"We deeply regret these deprivations of fundamental human rights, rights that should not be in question anywhere in the second half of the 20th century." [26]

The State Department statement prompted a response from the USSR Ministry of Foreign Affairs, which reprimanded the United States for interfering in the internal affairs of the Soviet Union.

The Soviet statement further maintained that the U.S. statement regarding Soviet justice encouraged the criminal activities of extremist elements which in no way aided the improvement of relations between the two countries. The statement concluded by saying that such acts, for which the United States was fully responsible, could only complicate these relations.

### *G. The June 1971 trial*

On June 21st Jewish sources reported that nine Soviet Jews accused of anti-State activities went on trial in the Moldavian capital of Kishinev. The sources reported that all nine were charged with the violation of Article 70 of the Moldavian Criminal Code, which prohibits "agitation or propaganda carried on for the purpose of subverting or weakening Soviet authority." [27] The defendants were identified as David Chernoglaz, accused of being the ringleader; Anatoly Goldfeld, Hillel Shur, Alexsandr Galperin, Harry Kirshner, Arkady Voloshin, David Rabinovich, Abraham Trakhtenberg, and Semyon Levit.

On June 30th the Moldavian Supreme Court found all the defendants guilty of anti-Soviet actions and sentenced them to prison camp terms ranging from one to five years: Chernoglaz, 5 years; Goldfeld, 4 years; Galperin, 2½ years; Shur, Kirshner, Voloshin, Levit, and Trakhtenberg, 2 years; and Rabinovich, one year.[28] The Kishinev trial was believed to be the last in the series of trials which had begun with the December Leningrad case.

## IV. CONCLUSION

Although the series of trials appears to have ended, for the present at least, the Jewish question continues to be an explosive problem for the Soviet leadership. Rather than silencing the Jewish voice within the USSR, the trials inspired a re-awakening of Jewish consciousness and determination. They have boldly petitioned for emigration rights, staged sit-ins, and publicly demonstrated for civil liberties. Soviet policy towards its Jewish minority appears, at present, to be clouded by confusion and uncertainty, yet the desire to keep things as quiet as possible remains prevalent.

Official suppression of the Jewish movement, or other forms of dissent which have increasingly become obvious, would involve a return to Stalinist methods, which could ultimately threaten the regime itself. It appears that the leadership prefers to use established legal procedures together with persuasion and coercion, not only to intimate Jewish activists, but to also justify its policies to the international community.

The most recent appeal by Soviet Jews was made by more than 900 Jews who signed an open letter to Soviet leaders and to the United Nations General Assembly. The appeal, representing Jews from 20 Soviet cities and towns, was believed to be the most widely coordinated signature-collection effort since the campaign for emigration rights began. The petition clearly expressed the frustration felt by a minority group which had been unable to affect a change through legitimate channels:

The issue of free emigration of Jews to Israel is not a new one and is becoming more acute with every passing day. More and more Jews realize and then openly proclaim that they do not want to assimilate with other peoples. This movement has its historical causes and cannot be stopped by administrative directive.

Here, in the USSR, where there is no Jewish culture or national life, where there are no Jewish schools or Jewish theaters, where there is no possibility of studying Yiddish or the culture and history of the Jewish people, where the unprecedently low percentage of Yiddish-speaking Jews is declining from day to day, in this country there is no future for us as Jews.[29]

Thus, despite official denial of a Jewish problem, the obviously unhappy situation continues. While other nationalities have schools and publications in their own languages, Yiddish and Hebrew are banned.

Anti-semitism as a historical problem has, over the centuries, become institutionalized within the Soviet system and, therefore, exploited and manipulated by the leadership. Soviet policy in the Middle East since the Six Day War of June 1967 could not fail to have repercussions on the nation's Jewish population. The anti-Israel campaign in the Soviet media quickly acquired anti-semitic overtones, although always being officially justified as anti-Zionist. As time went on, other uses were found for this reservoir of anti-semitism. It could conveniently be used as a weapon in the struggle against liberal forces at home and in the satellite countries, particularly Poland and Czechoslovakia. While suppression of Jewish culture and the intimidation of the Jewish minority has taken its toll over the years, recent events do offer hope not only to Soviet Jews, but to other dissident groups as well.

The fact that Jewish emigration is steadily continuing offers encouragement that Soviet-Israeli relations may be improving, and that international protest and criticism may have had an influence on Soviet leaders. However, despite persistent official denial the basic problem, complicated by historical circumstances, remains and the Soviet system and leadership continue to deny cultural-religious rights to the Soviet Jewish minority.

FOOTNOTES

[1] Cang, Joel. The Silent Millions. New York: Taplinger Publishing Company, 1969, p. 61.

[2] Ibid., p. 66.

[3] London Times, November 13, 1970.

[4] Washington Post, March 27, 1971.

[5] Washington Post, December 27, 1970.

[6] New York Times, December 31, 1970.

[7] Washington Post, January 1, 1971.

[8] Washington Post, January 7, 1971.

[9] New York Times, February 20, 1971.

[10] Ibid.

[11] Christian Science Monitor, March 4, 1971.

[12] New York Times, March 24, 1971.

[13] New York Times, May 1, 1971.

[14] Washington Post, September 11, 1971.

[15] New York Times, May 12, 1971.

[16] Ibid.

[17] New York Times, May 15, 1971.

[18] New York Times, May 17, 1971.

[19] Washington Post, May 19, 1971.

[20] New York Times, May 21, 1971.

[21] New York Times, May 25, 1971.

[22] New York Times, May 28, 1971.

[23] Washington Post, May 28, 1971.

[24] Ibid.

[25] Ibid.

[26] Ibid.

[27] New York Times, June 22, 1971.

[28] New York Times, July 1, 1971.

[29] New York Times, September 21, 1971.

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[From the CONGRESSIONAL RECORD,
vol. 116, pt. 29, pp. 39431–32]

## APPENDIX A

## ANTI-JEWISH ACTIVITY IN THE SOVIET UNION

(By Hon. WILLIAM G. WHITEHURST, of Virginia, Tuesday, December 1, 1970)

Mr. WHITEHURST. Mr. Speaker, recently, Mr. Paul Grob, cantor of the Gomley Chesed Synagogue in Portsmouth, Va., contacted me about the anti-Jewish activity which has been occurring in the Soviet Union. Mr. Speaker, news of this has appeared from time to time in our press, but I think that my colleagues would be interested in knowing some of the particulars. Therefore, I would like to insert in the RECORD a fact sheet prepared by Mr. Moshe Decter, director, Jewish Minorities Research of Hadassah. It is clear that the Soviet Government is pursuing anti-Semitic tactics all too familiar to those of us who remember what happened in Nazi Germany during the 1930's.

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## MOSHE DECTER, DIRECTOR, JEWISH MINORITIES RESEARCH

November 20 is the date set for the trial of thirty-one Soviet Jews, held incommuicado since their arrests within the past five months—in Leningrad, Riga. Kishinev and Thilisi. They face the imminent prospect of trials that can lead to life imprisonment, and even the death penalty.

Substantial circumstantial evidence, filtered out to the outside world by close relatives and friends, leaves no reasonable doubt that, regardless of the legal specifications that may be brought at the trials, the thrust will be anti-Jewish.

In the context of recent Soviet policy, it is clear that the immediate purpose of the arrests and trials is to crack down on the many Jews who persist in an overt struggle to leave the USSR for Israel in order to maintain their Jewish identity. The long-range objective is to crush the renascent Jewish national consciousness of scores of thousands of Soviet Jews.

All the available information leads inexorably to the conclusion that a high-level policy decision was made last spring to undertake a nationally coordinated, concerted KGB (secret police) action, employing entrapment and provocation and involving large-scale searches and seizures, confiscation of printed matter, interrogations and, ultimately, forced confessions that can be used as incriminating evidence in public trials.

### THE KNOWN FACTS

At 8:30 A.M. on June 15, 1970, nine Riga Jews were apprehended at Leningrad's Smolny Airport as they were walking from the terminal to an airplane. That afternoon, *Vecherny Leningrad*, the main afternoon paper, carried a brief announcement of the action, indicating that the arrestees had planned to hijack the plane out of the country. The same item appeared the next day in *Leningradskaya Pravda*, the main morning newspaper.

The Soviet press, as a matter of policy, rarely publishes crime news. When it does, it is not until long after the event. The fact that these papers carried this report within less than twenty-four hours suggests that they were alerted in advance.

That the Jews were arrested while walking on the tarmac is a sure sign of the KGB's advance information and planning.

The probability of a meticulously coordinated police provocation is enhanced even further by virtually simultaneous actions that day.

At about the same hour of the arrests at Smolny Airport, eight Leningrad Jews were arrested in a wide variety of places: at work in the city; at home in the city or in the suburbs; on assignment some distance from the city; on vacation as far away as Odessa.

Later that same day, searches were carried out in dozens of homes in Moscow, Leningrad, Riga and Kharkov; scores of people were detained for questioning and then released. Since June there have been more arrests—in Tbilisi, Kishinev, Riga and again in Leningrad, brining the number of Jewish political prisoners to thirty-one.

The Man in Charge of the Leningrad case, involving at least the prisoners from Riga and Leningrad itself, is the chief city prosecutor, S. Ye. Soloviov, well known to the Jews there as an anti-Semille.

In 1961 he served as a judge in the city's criminal court and as such presided over two notorious trials involving Jews. In one case he handed down a series of death sentences for alleged economic crimes to a group of Jews. In another, he sentenced Leningrad synagogue leaders, including an 84-year old, to lengthy prison terms on charges of subversion, which actually reflected their determined efforts in behalf of Jewish religious observances and their active contacts with synagogue leaders in other cities.

These arrests and the forthcoming trials must be understood within the context of official Soviet policy as reflected in the massive winter propaganda campaign during January-March 1970, against Israel. What began as a concerted nationwide chorus of condemnation of Israeli policies swiftly degenerated into a hysterical anti-Jewish campaign. Articles, editorials, pamphlets, letters to the editor, caricatures, publications in the thousands all over the country, assumed an anti-Semitic tone and character.

This campaign was an expanded, intensified version of the by-now common Soviet line that views Judaism as the ideological progenitor of Zionism, and Zionism as the equivalent of Nazism the whole amalgam being a key element in the doctrine of "International Zionism" as the Jewish ally and servant of Western imperialism—an updated and refurbished adaptation of the Tsarist "Protocols of the Elders of Zion."

A number of Jews, both prominent and obscure, were pressed into service in this campaign, to proclaim their undying loyalty, reiterate official apologetics about Soviet Jewry, sign attacks on Israel and world Jewry, and brand as betrayal the desire to leave for Israel. The crescendo was reached at a press conference in Moscow by fifty-two prominent Jews on March 4.

What must have shocked the authorities, however, was the instantaneous reaction of dozens of Soviet Jews, as individuals and in groups, in Moscow, Leningrad, Riga and elsewhere, repudiating the assertions of the "housebroken" Jews and their right to speak for all of Soviet Jewry. It was very likely in reaction to this unprecedented audacity that the regime decided to turn the screw.

Of course, the authorities have been aware for some time of the growing frustration and resentment of many Soviet Jews at the discrimination they face in higher education and employment, the anti-Jewish propaganda, the hostility they and their children frequently encounter in the streets, at school or at work, and, not least, at the deprivation of their cultural rights, foreclosing the possibility of perpetuating their heritage and maintaining their group identity.

Furious with official anti-Semitism and inspired by the spiritual self-regeneration which Israel represents to them, a rising generation of young Soviet Jews rejects this situation as intolerable. Tens of thousands have applied for exit permits to emigrate to Israel. With few exceptions, their applications have been turned down time and again.

Several hundred of the more daring have circulated appeals and open letters addressed to the Soviet leadership, to the UN Human Rights Commission, to Secretary General U Thant, the International Red Cross, President Nixon, Israel Premier Golda Meir—in effect, to the public opinion and conscience of the world. Such letters have been written by individuals and by groups in every major Soviet center.

This wholly unanticipated upsurge of pride and national consciousness has manifestly so upset the regime that it has resorted to severely repressive measures. The striving for Jewish National identity has begun to be treated like something criminal or anti-social, with procedures of intimidation used against many who applied for exit permits: interrogation by the KGB; expulsion from the Party; suspension from university; discharge from employment; general social hostility at work.

In order better to understand what may happen in the course of the forthcoming trials it must be borne in mind that there are basically two separate groups involved in what may be called the Leningrad case—the dozen Riga Jews arrested at the Leningrad airport, and the ten residents of Leningrad proper.

We know precious little about their fate. No indictment has been issued. The prisoners have been kept incommunicado. Relatives, friends and even potential defense counsel have been forbidden to visit them. They have evidently been under intensive interrogation. But we have no precise idea of how they will be charged. And it is only possible to speculate on the circumstances in which they will be tried and the penalties they are likely to incur.

About the Riga group, relatives and friends living abroad but in the closest feasible contact at home believe that the Riga Jews were entrapped by an informer planted in their midst. Privy to their passionate desire to emigrate to Israel and their repeatedly frustrated applications for exit permits, this informer gained their confidence by posing as a pilot offering to fly them out of the country in the airplane he claimed he was normally scheduled to pilot on a routine domestic flight.

About the Leningrad group, we have just learned in a letter from the wives, mothers and sisters of eight of them that police interrogators informed the women that the prisoners have confessed to anti-Soviet activity and attempted hijacking of a plane. The women make it clear that they believe these were forced confessions.

Conspiracy to hijack an airplane falls under the category of treason and is subject to the death penalty. Even knowledge of such a plan and failure to report it can be subsumed under a charge of anti-Soviet activity and entail life imprisonment. Attempted hijacking can be treated as a plot to damage or steal State property and may also entail the death penalty.

Forced confessions raise the ominous specter of show trials. Such staged trials, using forced confessions as decisive evidence are, tragically, no innovation in Soviet law and public life, even though they have been in disuse in the last few years. This sad tradition goes back to the early 1920s and culminates, of course, in Stalin's notorious Great Purges of 1936–40.

Directly relevant to our present concern is the case of Boris Kochubiyevsky, the first of the Soviet Jewish political prisoners—a 33-year-old electronics engineer of Kiev, in the Ukraine, Kochubiyevsky was arrested in December 1968, tried and sentenced to three years of forced labor for "anti-Soviet slander" at a trial in May 1969. His slander consisted of a public defense of Israel in June 1967, his assertion in September 1968 that Babi Yar, the ravine outside Kiev where the Nazis slaughtered scores of thousands of Jews in 1941, was a tragedy for the Jewish people, and his statements, in a letter to the Soviet leadership in November 1968, that it is impossible for him to live as a Jew in the USSR since there are no Jewish educational, cultural or communal institutions there—and consequently he wants to go to Israel.

The accusations against Kochublyevsky were in essence identical with the regime's real grievances against its present Jewish prisoners. His trial is a harbinger of gloom for the trials to come.

The Kochbiyevsky Case is documented in *Khronika*, the consistently reliable "Chronicle of Current Events" disseminated by the Soviet democratic underground, which brings segments of the trial transcript as well as reports by persons present at the trial. (All the documentation is available from the Conference on the Status of Soviet Jews. 16 East 85th Street, New York, New York 10028.) In brief, the following picture emerges:

Some prosecution witnesses were provocateurs; several repudiated the testimony they gave at the preliminary hearings; one admitted to having given his testimony while drunk; others said they testified under pressure from the KGB interrogators.

The general public was kept out of this "public" trial; friends and even relatives were not permitted inside the court room. At the same time, the KGB packed the court room with its own members, as well as with members of the "public" who were mobilized and instructed to act hostile to the defense. Witnesses were sent out of court immediately after their testimony, which is against Soviet legal procedures. The judge acted more like the prosecutor than the prosecutor himself, allowing himself to indulge in remarks that were hostile to the defense in both tone and substance and generally permitting anti-Semitic and hooligan behavior in his court. And the defense counsel assumed the role of assistant prosecutor, not only accepting the basic validity of the charges against his client but actually indicating his disbelief of Kochubiyevsky's own defense.

If this be a precedent, as well it might, it augurs ill for the Jewish prisoners of conscience.

It is, of course, entirely conceivable that the Soviet authorities will attempt to underplay or perhaps even avoid in any direct way the essentially anti-Jewish character of this case. Very likely apprenhensive about an outcry of protest in the outside world over a mass anti-Jewish trial *a la* Kochubiyevsky, they may skillfully seek to divert attention—through emphasis on forced confessions—to the narrow legal question of a hijacking plot. And this would serve them especially well at a period when much of the civilized world has just gone through a period of shock and disgust with airplane hijackings.

But regardless of how the trial is conducted and how Soviet propaganda handles it, the focus simply cannot be shifted away from the irreducible fact that people are on trial for their convictions, that Jews are being persecuted as Jews. They had no desire to criticize, attack, change, subvert or overthrow the Soviet system. On the contrary, their only desire was to leave that system alone—in fact, to leave it altogether, to exercise their elementary human right to leave the country and settle in Israel, which they regard as their ancestral homeland.

All the materials confiscated from all those interrogated and arrested all over the country demonstrate conclusively that this is a Jewish case. Hebrew grammars, Jewish history books, open letters of appeal for help to leave for Israel, postal cards from Israel, Jewish encyclopedias. In short, as some of them and their relatives have written: Everything with the words "Jew," "Jewish," "Judaism" was confiscated.

Within days after the June 15 KGB action, a young Leningrad Jew, Viktor Boguslavsky, wrote an impassioned letter to the Soviet Prosecutor-General, Rudenko, pleading the innocence of his arrested friends. He wrote:

"A lively interest in the fate of one's people and love for one's people cannot be considered an offense. Their only crime was that they were born Jews and they sought to remain Jews."

In July, Viktor Boguslavsky was arrested.

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[From the Washington Post, Mar. 27, 1971]

### APPENDIX B

This account of the Leningrad trial of December, 1970, was compiled by persons in Russia and translated from the Russian by The Washington Post. It is published nearly in full. Two kinds of material are omitted: certain sections of text which lacked sense or context, and the testimony of some witnesses which seemed to be repetitive. All statements and reports attributed to the defendants are here. In some places, there are references to persons or events not otherwise identified; in those cases identification was not possible.

On December 15, 1970, at 9 a.m. the hearings at Leningrad began.

The court composition:

Chairman: Ermakov, chairman of the City Court.

Prosecutor: Solovev, procurator of Leningrad City.

Assistant prosecutor: Katukova, deputy procurator of Leningrad City.

Public prosecutor: Hero of the Soviet Union, air pilot Metanogov.

The People's Jurors: two (one in reserve).

The following persons are charged at the present court session with committing crimes under Articles 64 (statutes 1–15), 93 (statutes 1–15), 70 and 72.

Mark Dymshits, Eduard Kuznetsov, Iosif Mendelevich, Silva Zalmanson, Izrael Zalmanson, Anatoli Atman, Leib (Ayre) Khnokh.

[Editor's note: Article 64 covers high treason, listed in the Russian Criminal Code as the first of the "especially dangerous crimes against the State." The maximum penalty is death. Article 93 covers "Stealing of State property." Maximum penalty is death. Article 70 covers "Anti-Soviet agitation and propaganda," another "especially dangerous crime against the State." Maximum penalty is seven years imprisonment plus five years of exile. Article 72 is "Organizational activity directed to commission of especially dangerous crimes against the State and participation in anti-Soviet organizations—punishment in accordance with Articles 64–71.]

Charged with violation of Articles 64 and 93, but not 70 and 72, are:

Yuri Fyodorov, Alexei Murzhenko, Boris Penson, and Mendel Bodnia.

[Editor's note: The Russian text listed the last name of each defendant's lawyer.]

All of the defense lawyers were hired by relatives, except for Dymshits whose lawyer was appointed according to Article 49 of the Criminal Code.

Arrested on June 15, 1970, at 8:30 a.m. at the Smolnoye airport (at Leningrad) were Dymshits, Kuznetsov, Mendelevich, Izrael Zalmanson, Vulf Zamalson, Fyodorov, Murzhenko, Altman and Bodnia.

[Editor's note: Vulf Zalmanson, brother of Silva, was an officer on active duty and was tried and sentenced separately by a military tribunal.]

Also arrested at the airport were Dymshits' wife and his two daughters, age 18 and 15. They were released and not mentioned in the charges.

Arrested in a forest near Priozersk at 4 a.m. on the same day were Khnokn, Meri Khnokh (who was not tried at this proceeding), Silva Zalmanson and Penson.

On questioning by the bench, Dymshits and the Zalmansons, pleaded guilty. The others except for Fyodorov, pleaded partial guilt. Fyodorov denied he was guilty under the statutes cited.

The court chairman familiarized the defendants with the court's composition and asked if there were any objections. Mendelevich asked about the nationalities of the chairman and the people's jurors, and was told that there were three Russians and one Ukranian.

[Omitted here are a few paragraphs dealing with technicalities of court procedure largely concerning the order of interrogating defendants.]

### DYMSHITS' TESTIMONY

The first to be interrogated was Dymshits (born in 1927). He related three motives for wishing to leave for Israel: (1) anti-semitism in the Soviet Union, (2) Soviet foreign policy in the Middle East, and (3) Soviet internal policy on the nationality problem concerning Jews.

The USSR supported the establishment of Israel in 1948, and when the war started, the Arabs were the aggressors. That war is continuing, and the aggressor cannot change. The question is only who violated the truce.

He was not allowed to work in his profession (as an engineer) in Leningrad (after the second world war), and worked instead as a pilot in Bukhara. He was a member of the Communist Party of the Soviet Union until his (earlier) arrest, when he was expelled by the Party.

He studied at the G.B. (state accounting) school, later at summer school, and he entered the Agricultural Institute after his service as a pilot, then finally worked as an engineer.

He came to the conclusion that he had to leave the USSR. He has never applied to the OVIR (emigration office).

He wanted to build a balloon, later to construct an airplane, in order to escape. But he realized that he would not be able to do it himself and he so started to search for helpers.

At this time, he began to study Hebrew.

All these plans ripened in the years 1967–68. In the autumn of 1969, he became acquainted with Butman (who was also arrested near Priozersk) and was introduced to the ulpan (a school for the study of Hebrew). Butman knew his plans and both started looking for people.

Dymshits's wife disagreed in the beginning, but he "created in the family an atmosphere of despotism and pressure" (the prosecutor's words), persuaded her and the children. The daughters were introduced to the plan of escaping.

There were three successive plans of escape:

### PLAN NO. 1

Hijacking of the TU I24 (48–52 passenger plane) that followed the Leningrad-Murmansk route. This plan was called Operation Marriage. It was to take place on May 1–2, but was rejected in late April.

At that time, the Leningrad cell decided to ask the Israeli State for its opinion, and Dymshits was forbidden to act further until the reply was received.

In connection with this plan, Dymshits received from Butman 50 rubles, flew to Moscow, but had a free flight in the pilot's cabin (the pilot was one of his former coworkers in Bukhara). He became familiar with the handling of the plane. He returned 35 rubles to Butman, and spent 15 rubles on drinks. Butman did not know that he had flown free of charge.

Asked by the prosecutor what he would have done in Israel, Dymshits answered he would have served in civil aviation, or worked as a chauffeur or tractor driver.

### PLAN NO. 2

Dymshits worked out this plan at the end of May, and asked Kuznetsov to come to Leningrad to check it. The plan was to hijacking an AN–2 (12-seat) airplane at night at the airport.

Dymshits, Kuznetsov, and Kuznetsov's wife, Silva Zalmanson, went at the end of May to the Smolnoye Airport, and decided that it would be impossible (because of watch dogs, searchlights, etc.)

Kuznetsov went to Riga, thinking all was lost. But on June 5, Dymshits phoned Kuznetsov in Riga saying he had another plan. Kuznetsov returned, asked Fyodorov to come to Leningrad, and on June 8 all three flew to Priozersk and scheduled the third plan for June 15.

### PLAN NO. 3

This was to hijack an AN–2 at the Priozersk airport. The problem was that all the 12 passengers (Dymshits, Kuznetsov, Mendelevich, the Zalmansons, Dymshits' wife and daughters, Fyodorov, Murzhenko, Altman, Bodnia) had to fly to Priozersk.

After the plane's stopover in Priozersk, the pilot and co-pilot were to lie bound, without physical harm, and put into sleeping bags under a tent, the four passengers waiting in Priozersk—the Khonokhs, Silva Zalmanson and Penson were to be taken aboard and all were to fly to Sweden.

But the escape never began. The 12 were arrested at 8:30 a.m. at the Smolnoye Airport, and four near Priozersk at 3 a.m.

The only pistol in the group, found on Fyodorov, belonged to Dymshits. He had made it himself in Bukhara.

### ZALMANSON'S TESTIMONY

She stated that she is a Zionist. Asked by the prosecutor if she knows that Zionism is hostile to the Marxist-Leninist ideology, she said that there were aspects of Zionism that are not hostile to our ideology, chiefly the reunion of Jews in one state. She applied to emigration office in 1968, was refused. In 1970, she received a visa for herself and her husband, Kuznetsov, but was refused the character references that a visa required.

In about the year 1968, in the absence of Shpilberg (who is one of the accused in a related trial in Riga) she printed Zionist materials. She used to bring to Leningrad, to a man named Drezner, a suitcase full of literature, whose contents she did not know.

When Butman and Dymshits came to Riga with the escape plan, she introduced Kuznetsov to them and others who wanted to escape.

Kuznetsov was a newcomer to Riga and did not know anyone.

She was very close to her younger brother, Izrael, but she and Izrael agreed to rely on Kuznetsov.

In May her second brother, Vulf, arrived and after a short discussion with her, he also agreed to escape.

Asked again if she recognized how hostile the Zionist ideology is to us, she replied that up to now she had not considered this and remains a Zionist.

In general, she spoke little and indistinctly, and mostly in response to questions. Asked what she would have done in Israel, she answered "Anything."

### MENDELEVICH'S TESTIMONY

He said he grew up in a family where Jewish traditions were in great esteem. He has always been deeply interested in Jewish history and the fate of the Jewish nation, and he and his family have decided that Israel is their spiritual and historical fatherland.

He and his family had repeatedly received entry permits from Israel. They applied to the Soviet emigration office (OVIR), but were refused.

When he was told about the planned flight, his family had their documents in the OVIR and he decided that in case of another refusal, he would participate. The refusal was received in a few days.

He was a third-year student at the Polytechnical Institute, and he left, despite his longing for education, because he considered it amoral to study at Soviet expense.

He did not consider that a great sacrifice, because by submitting his application (for an exit permit) he expected to be expelled just the same.

He published the journal Iton (a Hebrew newsletter) in Riga, wrote articles, and kept a card index. He also wrote an explanatory pamphlet to be distributed in case their escape failed. This work is considered by the prosecutor as an anti-Soviet document full of lies.

Asked by the prosecutor if he considers himself "a person of Jewish nationality" or a Zionist, he replied: "I am a Jew." He said that he has no grudge against the USSR and that the state is of no interest to him. His only wish was to reach his fatherland.

The prosecutor replied that the Russian people had put aside Birobidjan (in Siberia) for them and he should go there.

Mendelevich replied, "please allow me to decide what state, and not a province, appears to be my fatherland."

He replied to many brusque and rude questions by the prosecutor, and to the questions of the lawyers. He carried himself with great dignity, without excusing himself or accusing anybody.

Asked his motive for escaping, he answered, "My goal was to go to Israel. About the others I don't know." Asked what he would do in Israel, he said he had no financial interest, only that Israel was the only place he could live.

During the examination it was disclosed that he had been sent to Riga for one month during the investigations for psychological examination.

The court session of Dec. 16 began at 9 a.m. with the examination of defendant Kuznetsov (born 1939).

### KUZNETSOV'S TESTIMONY

During the testimony, he was asked his nationality. He answered, "Jew."

The prosecutor noted that in his passport is written "Russian."

Kuznetsov answered, "You ask me not about my passport but about my nationality."

He tried to describe the circumstances of his arrest. His group wanted to cross the Finnish border, go to Sweden, and he talked about that plan.

"My views about (the indictment) have a universal human character. Many things led to the charges, among them the distribution of anti-Soviet literature. In connection with Litvinov's memoirs (known in the West as a forgery) I can say that the authorship has never been proved and I don't consider this document anti-Soviet . . . the document is no less accusing than the materials of the 20th Communist Party Congress.

Question: Where and in what circumstances and why have you made photocopies of (David) Shub's "Political Leaders of Russia?"

Answer: "I made a copy, having received a film from a friend, but I don't consider it especially interesting."

Question: "Do you consider it anti-Soviet?"

Answer: "Yes."

Question: "To whom did you give it in Leningrad?"

Answer: "To Abram Shifrin, who is now in Israel."

[Editor's note: A question about "casualties" at this point is not decipherable.] Kuznetsov continued:

"I didn't consider Butman as a representative of an organization but as an honest man. Sometimes his attitude was not very serious, but I agreed to travel to Leningrad in order to discuss the plan with him . . .

"The first plan was rejected because it was impossible to hijack a plane in the air. We didn't reject the concept. We started on the second plan, hijacking on an airfield at night. This plan also fell through. At that time we invited (the state of) Israel to comment on our plans and Israel asked us not to do it.

"At that time . . . we decided on the third plan. Dymshits telephoned on June 5 and I came to Leningrad. Three of us flew to Priozersk—Dymshits, I and Fyodorov. We picked the 15th of June. I convinced Fyodorov during late April and I asked him to call Murzhenko.

"What aroused me to do all this was that I considered myself a Jew. My father died in 1941. My mother 16 years ago persuaded me to register in the census as a Russian. At that time it was all the same to me. In the (labor) camp this problem for me arose for the first time. After leaving, I asked to register as a Jew, but was refused.

Question: "Do you consider yourself a Soviet citizen?"

Answer: "Formally."

Question: "During the pre-trial investigation, you said you don't consider yourself a Soviet citizen and don't want to live by the law of the land. Is this true?"

Answer: "In essence, yes."

Question: "But you have lived and worked in this country."

Answer: "Yes, I lived and worked and sat in jail! After the camp, I worked under constant surveillance in Strupino. I wanted to see my sick mother, but was refused.

"In January, 1970 I married Silva Zalmanson and went to Riga. Later I decided to take advantage of our Soviet Constitution and go abroad (but) the visa office refused to give the necessary character references to me and my wife. And so the right exists only on paper. It turned out that I was not the only martyr to the cause of wishing to emigrate to Israel."

He said that the charge that he sought to divulge Soviet military information abroad was incomprehensible to him because he had no information to impart. He said that the state's prestige, not its security, was the issue. An escape is a crime only in countries of the Socialist bloc. . . .

Regarding the charge (Article 93) of stealing state property, Kuznetsov said:

"You could have applied (this statute) to us if we had completed our deed, but we did not commit any crime. If a crime has not been committed, then there's no cause to bring that charge. An old Jewish law says: if there's no crime, there's no punishment.

"I want to discuss the statute about conducing anti-Soviet agitation and propaganda. This is nonsense. This is just what I used to discuss with my friends.

Question: "Did you serve in the army?"

Answer: "Yes."

Question: "Do you know your character references?"

Answer: "Yes."

Question: " 'No attendance at political meetings.' What do you think? Is this typical for a Soviet citizen?"

Answer: "I didn't try to be a typical citizen and I didn't like the barracks. I used to avoid political duties, because in the army they were conducted by illiterates."

Question: "What did you intend to do in Israel?"

Answer: "It didn't make any difference to me."

Question: "What can you say about packages you received from abroad?"

Answer: "We received some from my relatives in Israel, with whom we have sporadic contacts. I was surprised and I didn't know what to do with those packages."

Question by his lawyer: "You committed this crime for political motives?"

Answer: "No, I was lead by spiritual and moral considerations."

Lawyer: "Did you intend harm to the Soviet Union?"

Answer: "No, not at all."

Lawyer: "Did you worry that you were working as an enemy of the Soviet Union?"

Answer: "I'm not guilty and I don't aid enemies."

Lawyer: "You intended to organize a conference in Sweden?"

Answer: "Butman mentioned this, but I considered this a game and nothing concrete; there were no serious talks on it." . . .

Prosecutor: "Explain the meaning of Zionism."

Answer: "I don't agree with the general Marxist-Leninist definition that Zionism is an agency of imperialism."

Question: "Don't you think anti-Semitism originates in Zionism?"

Answer: "Zionism has existed only since the 19th Century, and anti-Semitism is eternal. You know it."

Question: "Where have you gotten legal instructions?"

Answer: "In Soviet literature. Let me cite it (He takes our notes)."

The prosecutor says, "Nothing has to be cited."

Kuznetsov replies: "I wanted to cite the Nuremberg Trial, Moscow, 1970, edited by Rudenko (the chief Soviet legal officer).

Prosecutor: "You are angry at the Soviet state. You were judged for crimes and you have not corrected them. Your character references from the jail report that you were lazy, didn't work, and therefore they put you in a special jail."

Kuznetsov: "I like to occupy myself with self-education. There are people who don't like that, and in jail there's a wonderful library and time to read."

[Editor's Note: There followed a brief discussion about a crude weapon found on the group and about why two non-Jews, Fyodorov and Murzhenko, had participated.]

### IZRAEL ZALMANSON'S TESTIMONY

A 21-year-old student, he explained why, as a Jew, he wanted to go to Israel. His family had received exit permits in 1965 but his father decided not to go.

Izrael didn't think the escape would harm the Soviet Union, financially or otherwise, and he didn't see any other way to get out. The airplane would have been returned.

He tried to spare his sister Silva blame for printing literature and to spare Kuznetsov for his role.

### MURZHENKO'S TESTIMONY

He began by blaming his participation on his instability, his lack of education, his bad family life. He said that after his release from labor camp, he had never distributed anti-Soviet literature.

He had never expressed anti-Soviet opinions. He did not write underground literature.

He denied that he acted from an anti-Soviet position—"My reasons were only personal." He said he was sure the plane would be returned.

"My unsuccessful attempts to establish my life after the labor camp were decisive in my decision to leave the Soviet Union," he said. "I received no instruction. When Kuznetsov gave me clubs (weapons), I asked him, 'What for?' and Kuznetsov answered, 'So that you'll be able to get around (in Priozersk).' "

The judge said that "it wasn't that," and Murzhenko replied, "but it was."

### PENSION'S TESTIMONY

"I shall give my motives. My father, 72, is retired and ill, and his close relatives are in Israel. He dreams to be reunited with them before his death. My mother was born in a small Jewish town, speaks Russian very badly and can't assimilate or adopt to the climate of the Soviet Union.

"We applied several times to the emigration office but were rejected. I am the only one in my family who is young and healthy and the only support of the old people. Later, they would have been allowed to go but not me. At first I didn't agree to remain here in my fatherland and to let the old people go. But at the end of May and beginning of June I tried to join the Priozersk group, thinking that if I can leave with them, that would not harm anybody. I asked Izrael Zalmanson to sign me up."

Prosecutor: "Where did you get those two clubs which you put in your window, and what did you intend to do with them? You were not supposed to tell the court that Kuznetsov gave them to you."

Answer: "I probably put them in my rucksack by mistake thinking they were sausages, and wrapped them in a newspaper. All the time while we were in Priozersk in the forest I was afraid to leave because I was guarding the campfire."

He admitted his crime partially according to Article 64 (treason). In regard to Article 93 (stealing state property), he said that in general there is no case at all: "Who can prove that we wanted to steal an airplane?"

### BODNIA'S TESTIMONY

"In 1944 our family was dispersed, and my mother and brother disappeared. I stayed with my father, who remarried. My stepmother is a Russian woman whom I adore for her care and kindness, but all the time I looked for my mother and brother.

"In the 1950s we found out after a long search that they were in Israel. Since that time I have tried several times to submit an application for a permit to go to Israel and several times I was refused, the last time only recently."

He said that he was a metallurgical worker, an invalid in one eye and nearly blind in the other, retired on a pension of 35 rubles. He has many letters and recommendations for his years of work in the factory; he was chairman of the local sport club.

"I didn't want to exchange fatherlands but I wanted to be reunited with my mother," he said.

Court session of December 18, 1970.

### FYODOROVA'S TESTIMONY

Pelgeya Fyodorova, mother of Yuri Fyodorova, said:

"After his first imprisonment Yuri was ill, he did not leave home, his sleep was disturbed, occasionally he would leave without reason (he travelled south to the sea), and he was complaining that he was being pursued on streets."

She said she thought that this fear was in part sickness but in part was founded in fact. She herself checked on this and saw that he was being followed in the streets. "A doctor at the psychiatric hospital where Yuri was hospitalized for more than a month, and where he was discharged with a diagnosis of mental disturbance (after camps this appears to be a norm), said that Yuri needed only peace and quiet" In connection with this she went to Lyublyanka and asked that her son be left in peace.

"He has a good character and he is inclined to busy himself with books."

Once, after she had been cleaning a fish and hitting it on the head, Yuri said that preparation of the fish was ugly and that he was not going to eat fish, meat, although he did not become a vegetarian.

Fyodorova requested that the court order a new psychiatric test. The court accepted her plea and her questions to the experts were:

1. Does he need a hospital test?
2. Is he psychologically ill and what is his illness?
3. Is he sane?

### MRS. DYMSHITS' TESTIMONY

Alevtina Ivanovna Dymshits, of Leningrad, works as a laboratory technican. She talked a great deal about how her husband was trying to talk her into leaving, but she did not agree because she was "Russian and my fatherland is here."

"That was the reason for our separation," she said, adding she was always very happy with her husband (although he lived at Bukhara, and she in Leningrad).

Normally, such things don't happen, she admitted. "My husband loved his summer work very much," she said. She was afraid (of work), and wanted to "live on the earth and not in the air." On April 19 her husband came on her birthday (it's unclear whether by himself or whether she invited him) and she agreed to go with him "only in order to reestablish the family."

She told her daughters about the trip. She read in a book by (David) Shub and in (former Foreign Minister Maxim) Litvinov's memoirs, which she got from Kuznetsov, that Lenin talked about the nationality question.

Answering Kuznetsov's question, did he give her the book or was it otherwise, she said that "somehow he did not give it but he took it out of a briefcase and left it on the table when he went shopping" "and that I took a look to find out what kind of a book it was."

After her questioning there was much perplexity. Why all of a sudden she agreed to leave (Russia), why she was not arrested if she knew about the flight (compare with Mary Khnokh) and it's unclear why the prosecution needed her testimony when she didn't add anything to it. On question if she knew the route she said she knew—"we were flying to Priozersk."

Prosecutor: "But Priozersk is far from Israel?"

Witness: "Yet, it is far."

From her testimony it became clear that she and her husband were formally divorced and that her name was not Dymshits anymore.

### OTHER WITNESSES

Elizabeth Dymshits, 19, who works as a seamstress, didn't add anything new, but said she knew about the flight.

Julia Dymshits, 15, high school student said she knew about the flight. She flew to Priozersk when asked by her father to make reservations for the flight and "to look over the situation."

Olya Kozlova, a friend of Julia, flew with her to Priozersk (she was not asked if she knew why, and it's not clear why she was called to testify since she was asked no questions).

A middle-aged man, identified as a teacher at the technical school where Dymshits studied, testified that he occasionally met Dymshits. Dymshits brought him two or three suitcases with various things in the spring and asked him to take care of them for a while since he was going to the south with his family.

"He was afraid to leave it at home—they live on the first floor," the witness said. He said Dymshits took from him a loan of 500 rubles in three per cent state bonds, saying that he needed money to buy a visa for Israel at Tiblisi (this was again unclear).

An unidentified middle-aged woman testified that she was an acquaintance of Bodnia. "He spent the night at my place, saying that he came to Leningrad on official business," she testified. On November 13 they walked around the city and dined together. About the flight he did not tell her anything (why was she called?)

### PILOT'S TESTIMONY

The pilot of the AN-2 plane testified about technical data regarding the craft. The prosecutor then asked him to speak about "the issue."

Pilot: "About the issue? I prepared for the takeoff, and passengers were brought up to the plane and they were arrested inside the plane. That is everything." (Laughter in the hall.)

Prosecutor: "How would you like to be gagged?"

Pilot: "And would you?"

Kuznetsov: "I will put a more concrete question. Can you say when the second pilot comes out to meet or escort passengers, do the cabin doors remain open?"

Pilot: "That depends."

Q: "And according to your instructions?"

A: "They should be closed." (Reaction in the hall.)

In general the testimony of the pilot produced an impression that the defendants did not evoke in him any irritation while the prosecutor did, possibly because of the clumsiness of his questions. Also he answered to the question of the prosecutor that he thought it entirely possible that they would overcome him "without shedding blood, taking into account the factor of unexpectedness." (Earlier in the testimony of the defendants there was talk that if the door were closed they would call off the operation.)

### ANOTHER PILOT

Another pilot who flew with Dymshits said nothing new, but gave testimony about Dymshits' being "a very good pilot." This assessment was based on their joint service in Bukhara.

The pilot said that when some aviation groups in Leningrad needed pilots, he went with Dymshits (to these groups) and "I can't understand why he was not accepted when there were other Jews who work in the field of aviation."

A girl who said she knew Dymshits for two weeks before Nov. 15 testified that Dymshits told her about the flight and invited her to join him. She turned him down. She said she liked Dymshits "because of his passion for aviation."

### DENTIST'S TESTIMONY

Boris, identified as a dentist, about 26, was asked by the prosecutor: "Are you a member of an anti-Soviet organization?"

Boris: "I am a member of an educational organization whose goal is the study of language, history and culture of the Jewish people."

He said he met Dymshits at the end of 1969, knew what was being prepared but he did not intend to join him. At Dymshits' request he bought a starter's gun.

Prosecutor: "Lethal weapon?

Boris: "It was a starter's gun—that's sports equipment and can be as good a weapon as a stick."

Murzhenko's wife, Lyuba, testified she did not know about the flight.

She said she received a farewell letter after November 15 from Moscow.

On that same day the material evidence was introduced—several pieces of white rope and two gags. Pistols and other weapons were not shown.

### FINAL PLEAS

The defendants said their last words:

### DYMSHITS: (AGE 43)

"Obviously, every criminal considers his punishment too severe. However, I still wish to express my opinion concerning the proposed punishment. I think that what the prosecutor has asked is too cruel. The prosecutor often used the word 'if'. I think he has exhausted all his reserves of the most frightful suppositions. If we had landed in Finland . . . , what then? . . . If there has been passengers?

"I understand very well what struggle is. Such severe punishment is needed by you so that others should not want to do the same thing. I myself had proposed the first plan, but we ourselves had rejected it.

"Citizen Public Prosecutor spoke in the name of the pilots. It is a pity that next to him did not sit some of the people from the personnel department, to whom I had unsuccessfully applied for work. They would have been able to stop me, up to the autumn of 1969. After that date, I could be stopped only by the organs of the KGB.

"We, the group of defendants, are people different in character. Many of us made acquaintance with one another in the last days. It is good that here, too, we have not lost our human image. We have not started to bite one another like spiders in a jar. I thank the court organs for the humaneness shown to my wife and daughter. I ask the Court to treat me with justice and with humaneness."

### SILVA ZALMANSON: (AGE 27)

"I am stunned by the terms that the prosecutor demands for us. The prosecutor has now suggested that heads be taken off for something that has not been done. If the court agrees, then such remarkable people as Dymshits and Kuznetsov will perish.

"I think that the Soviet law should not consider as treason someone's desire to live in another country, and I am convinced that in accordance with the law it is those who unlawfully violate our right to live where we wish that should be brought to court.

"Let the court at least take into consideration the fact that had we been permitted to leave, this "criminal plot", which has caused us so much pain . . . and even more pain to our families, would not have existed. Israel is a country with which we Jews are tied spiritually and historically. I hope that the Government of the USSR will soon solve this question in a positive manner. The dream of uniting with our ancient homeland will never leave us.

"Some of us did not believe in the success of this plan, or believed very little in it. We noticed that we were being followed when we were still at the Finland Station (a railroad station in Leningrad). But we could no longer go back. To return to the past, to the waiting, to life with valises.

"Our dream of life in Israel could not be compared to the fear of the pain that could be caused to us. By our departure we were causing no harm to anyone. I wanted to live there with my family and to work. I would not have engaged in politics. My whole interest in politics is exhausted by my simple desire to go away.

"Now, too, I do not doubt for a minute that some day I shall still live in Israel. This dream, sanctified by 2000 years of hope, will never leave me. Next year in Jerusalem! And now I repeat:

"If I forget thee, O Jerusalem,
"May my right hand wither!"

(She repeats these words in Hebrew. The prosecutor interrupts her).

"I have finished."

**MENDELEVICH: (AGE 23)**

"I would like to tell you once more that I admit that my actions, directed towards the hijacking of the plane and the violation of the state border, were criminal. But my guilt lies also in the fact that I had permitted myself to become careless in the methods to attain my dream. These six months have taught me that emotions should be controlled by reason. I understand that I should be punished, and I call upon the Court to show mercy to my comrades."

**KUZNETSOV: (AGE 31)**

"The State prosecutor proceeds from the supposition that abroad I would have engaged in activities hostile towards the Soviet Union. But in this he proceeds from my allegedly anti-Soviet convictions that I, however, had never expressed to anyone. I had no intention of causing harm to the Soviet Union. All I wanted was to live in Israel.

"A possible request for political refuge was not considered by me as a hostile political act. This is stated incorrectly in the charge sheet. I did not express a desire to speak anywhere at a press conference and did not discuss this matter with anyone.

"Without going into other reasons for the absence of such intentions on my part, I shall only say that my ironical turn of mind has effectively insured me for such political appearances. I sincerely regret that I agreed to take part in this matter, and I consider myself as only partly guilty according to Article 64 and Article 72 of the Criminal Code. I ask the Court for leniency for my wife Silva Zamanson. I also ask for justice for myself. After all, one lives but once."

**ISRAEL ZALMANSON: (AGE 21)**

"The only thing that has driven me to this was the desire to live and to work in the State of Israel, my spiritual fatherland. This desire has become the chief aim of my life. During the investigation, I understood the error of my act. I wish to assure you that in the future no circumstances will ever force me to violate the law."

**MURZHENKO: (AGE 28, A UKRAINIAN)**

"Before talking about myself, I ask the court for leniency for Kuznetsov and Dymshits.

"I fully agree with my lawyer. The prosecutor asserts that I am anti-Soviet and that this was the reason for my taking part in this action. But this is wrong.

"My first conviction has been the reason that my life has been totally unsettled. And my taking part in this undertaking is the result of my inexperience in life. My life is 8 years of Suvorov's school, 6 years of camp for political prisoners, and only two years of freedom. Living in the wilderness, I had no opportunity for using my knowledge and I had to bury it.

"You are deciding my fate, my life. The 14 years of imprisonment that the prosecutor demands means that I am considered incorrigible and that it has been decided to cross me off. I had never followed criminal aims. I ask the Court to give me a term of punishment that would leave me hope for happiness, hope for my future and for that of my family."

**FYDORV: (AGE 27, A RUSSIAN)**

"Thinking over what we have done, I have become convinced that we had only one aim—to leave the USSR. None of us had any intention of harming the USSR. I think that we had taken all the necessary measures to ensure the life of the pilots.

"I admit only that I am guilty of the attempt to violate the state border and I am ready to bear responsibility for this. However, in truth I don't consider myself guilty. I didn't do anything.

"The prosecutor was not sparing of terms of punishment, but does he know what even three years in a camp mean.

"The speech of the public prosecutor is directed against the hijacking of planes, and one can agree with it. As for the pistol, it had been taken in case of the Finnish version. I parted with anti-Soviet convictions when I was still in the camp.

"When we went to hijack the plane, we did not suspect that one of us is more guilty and one is less so. Everyone did what he could. Suddenly, it transpired that in this action Dymshits and Kuznetsov are more guilty than the others. Dymshits at least intended to pilot the plane, but I cannot understand why it transpired that Kuznetsov is more guilty than the rest of us.

"As for the possible results, I can say that as long as the action did not take place, there is no sense in making guesses as to what would have happened. I ask the court to show mercy to Kuznetsov and to Dymshits. I want to stress that I myself insisted on taking part and that Murzhenko had been drawn in by me even contrary to Kuznetsov's wishes."

**ALTMAN: (AGE 28)**

"Citizens Judges, I appeal to you with the request to preserve the life of Kuznetsov and Dymshits and to give the minimum punishment to the only woman among us, Silva Zalmanson. I express my deep regret. I sincerely regret that my comrades and I have found ourselves in this dock. I hope that the Court will find it possible not to punish us too severely.

"I have no possibility of avoiding punishment for taking part in a crime, but one circumstance confuses me. The thing is that in 1969 I made an application for departure to Israel; that, is, I wanted to change my homeland. At that time, my desire brought scorn on me and that is all. But this time it brought me to trial.

"My confusion is not idle, because it is the matter of isolation, of deprivation of freedom and of the pain caused to our near ones. I was born in Soviet times and all my life I spent in the Soviet country. I have had no time to study the class essence of Zionism, but I know very well that peoples and countries at various times pass through various political stages and do not become better or worse because of that.

"Today, on the day when my fate is decided, my heart is both elated and heavy. I express the hope that there will be peace in Israel. And today, I am sending you my wishes for this, my land, Sholom Aleichem! Peace to you, the land of Israel!"

**KHNOKH: (AGE 25)**

"Citizens Judges, I ask you to show mercy to two of our comrades and leniency to the only woman among us. I can only say once more that my actions had not been directed against the state security of the USSR. My only aim was to live in the State of Israel, which I have long considered my native country, the country where my people had once appeared as a nation, where there had been and is now developing the Jewish State, the Jewish culture, where my native language is spoken, and where my near and dear ones live. I have no anti-Soviet views. Two witnesses have incorrectly interpreted my views. They evidently live in those regions of the USSR where Jews do not apply to the OVIR (the emigration office). Both of them told the Court that I had not touched upon the essence of the socialist system. My only aim was to live in Israel, the true fatherland of the Jews."

**PENSON: (AGE 23)**

"In the process of the entire investigation I testified about my intentions, and it is in vain that the citizen prosecutor asserts that I have allegedly changed them. This is not so. It is simply that in the first days I gave no testimony at all, and after giving them I did not change them.

"I doubted all the time the success of the action and I doubted whether it was worthwhile to do such a thing in general. But my desire to make my family happy was great, and I did not understand the degree of risk and so I decided to do it. However, when I found myself in the forest, I decided to go away. But it was too late, we were arrested.

"I ask the Court to take into consideration the fact that I repent my actions. I should have endeavoured to achieved departure in a lawful manner, even though the organization that is in charge of this leaves no hope for emigration to Israel. I am ready to bear responsibility for what I have done. I beg the Court to take into account that my parents are very old. I ask the Court for leniency for Silva Zalmanson and for mercy for Kuznetsov and Dymshits."

**BODNIA: (AGE 23)**

"I ask the Court for mercy and leniency. I only wanted to see my mother. I ask the Court to take into consideration the fact that I have promised never to violate the law in the future."

The Judicial Board of the Leningrad City Court has sentenced:

Dymshits, M. Yu., to the supreme punishment—death—with confiscation of property.

Kuznetsov, E. S., to the supreme punishment—death—without confiscation of property because of the absence of such. To be recognized as an especially dangerous recidivist.

Mendelevich, I. M., to 15 years of strict regime without confiscation of property, in the absence of such. ("Regime" refers to limitations on diet, visiting hours, recreation and receipt of parcels during imprisonment.)

Fedorov, Yu. P., to 15 years of special regime without confiscation of property in the absence of such. To be recognized as an especially dangerous recidivist.

Murzhenko, A. G., to 14 years of special regime without confiscation of property in the absence of such. To recognize as an especially dangerous recidivist.

Khnokh, L. G., to 13 years of strict regime without confiscation of property in the absence of such.

Altman, A. A., to 12 years of strict regime without confiscation of property in the absence of such.

Zalmanson, S. I., to 10 years of strict regime without confiscation of property in the absence of such.

Penson, B. S., to 10 years of strict regime without confiscation of property. (At the very beginning of the preliminary investigation all Penson's pictures, etudes and drawings were confiscated from him as his personal property.)

Zalmanson, I. I., to 8 years of strict regime without confiscation of property in the absence of such.

Bodnia, M. A., to 4 years of intensified regime without confiscation of property in the absence of such.

After the proclamation of the sentence there were heard applause from the "public" and shouts from the relatives: "Fascists! How dare you applaud death sentences!" "Good fellows!", "Hold on!", "We are with you!", "We are waiting for you!", "We shall be in Israel!". After this the applause stopped.

### APPENDIX C

[From the New York Times, Feb. 26, 1971]

### BRUSSELS DECLARATION ON SOVIET JEWS

BRUSSELS, Feb. 25—*Following is the text of a declaration issued in English today by the World Conference of Jewish Communities on Soviet Jewry:*

We, the delegates of this conference, coming from Jewish communities throughout the world, solemnly declare our solidarity with our Jewish brothers in the Soviet Union.

We want them to know that—and they will take encouragement from this knowledge—that we are at one with them, totally identified with their heroic struggle for the safeguarding of their national identity and for their natural and inalienable right to return to their historic homeland, the land of Israel.

Profoundly concerned with their fate and future, we denounce the policy pursued by the Government of the Soviet Union of suppressing the historic Jewish cultural and religious heritage. This constitutes a flagrant violation of human rights which the Soviet Constitution pledges to uphold and which is enshrined in the Universal Declaration of Human Rights. To cut them off from the rest of the Jewish people, as the Soviet authorities are attempting to do, is a crime against humanity.

Soviet spokesmen claim that there is no need for Jewish culture and education, that there is no Jewish problem in the Soviet Union and there is no anti-Semitism. These assertions have been proven false by the Soviet Jews themselves. The entire world has heard their protests.

Tens of thousands of Jews have petitioned the Soviet authorities for the rights to settle in Israel and raise their children in the Jewish tradition and culture. Letters, messages and petitions, sent at the signatories' peril from the Soviet Union to individuals, to governments, to the United Nations and other international organizations, all demand recognition of these rights.

The reaction of the Soviet authorities to this Jewish awakening has been to mount a campaign of harassment, arrests and virulent anti-Jewish propaganda. The Leningrad trial, shocking to the world, was but one manifestation of such persecution. Far from being crushed by such intimidation, Soviet Jews today demand their rights with ever greater courage and determination.

This conference urgently calls upon the civilized world to join with us and with the Jews of the Soviet Union in urging the Soviet authorities:

¶To recognize the right of Jews who so desire to return to their historic homeland in Israel and to insure the unhindered exercise of this right.

¶To enable the Jews in the Soviet Union to exercise fully their right to live in accord with the Jewish cultural and religious heritage and freely to raise their children in this heritage.

¶To put an end to the defamation of the Jewish people and of Zionism, reminiscent of the evil anti-Semitism which has caused so much suffering to the Jewish people and to the world.

We, assembled in this conference, commit ourselves by unceasing efforts to insure that the plight of Soviet Jewry is kept before the conscience of the world until the justice of their cause prevails.

We will continue to mobilize the energies of all Jewish communities. We will work through the parliaments and governments of our countries, through United Nations and other international bodies, and through every agency of public opinion.

We will not rest until the Jews of the Soviet Union are free to choose their own destiny.

Let my people go!

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## YOUTH APPRECIATION WEEK

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Montana (Mr. SHOUP), is recognized for 5 minutes.

Mr. SHOUP. Mr. Speaker, I wish to join the President in recognizing the youth of this great Nation in the proclaiming of November 8–14, 1971, as "Youth Appreciation Week."

Our young Americans have frequently heard persons in my age group say that they are the future leaders and, therefore, they should act accordingly. While I recognize they are, indeed, our future leaders, I also believe they should be given credit now for their many diverse interests and predominantly helpful efforts throughout our society.

I call on this body and the Nation to be more appreciative of such efforts as the local newspaper boy or girl, the babysitters, and those youth who assist with recycling centers for bottles and paper, and the providing of important information on drugs and other problems to needy young people through hotline type programs.

Most, if not all, the Members of the House of Representatives and the Senate, owe their election to the volunteer help from our young Americans.

In addition each Congress, each year, is blessed with many young citizens in the summer, coming to Washington, D.C., to work in the summer intern programs and in some cases volunteer for work in both Washington, D.C., and individual congressional district offices.

I am principally directing my personal appreciation to the girls and boys who are under the newly authorized voting age. I do this because they have not been greatly recognized like their older brothers, sisters, and friends.

Since I have a 13-year-old daughter still at home, I believe I can speak with some authority.

Mr. Speaker, let me summarize by saying: God bless all our young Americans.

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## LEGISLATION TO DELAY ALASKA PIPELINE DECISION 1 YEAR

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 10 minutes.

Mr. ASPIN. Mr. Speaker, today I have introduced in the House a joint resolution that would both delay Federal approval of an Alaska pipeline until at least January 1, 1973, and would require the Interior Department to conduct a comprehensive study of a Canadian pipeline as an alternative to the proposed trans-Alaska line.

Construction of a Canadian pipeline would mean savings of $4 billion per year to Midwest and east coast consumers in lower fuel costs. The savings in oil costs for residents of my State of Wisconsin, for example, would be $49.5 million per year. That would result in savings of $49 per year in lower fuel costs for the average family of four in Wisconsin. Consumers and businesses in Wisconsin, for example, would save almost four times as much in lower oil costs as the State would receive from a 12-percent increase in the State corporate income tax rates.

I believe that the evidence is clear that the final environmental impact statement, which the Interior Department is expected to issue before 1972, will not contain a truly thorough and honest evalution of a Canadian pipeline as an alternative to the trans-Alaska pipeline. In fact, it would be impossible for Interior to include a thorough environmental study of a Canadian alternative in its final environmental impact statement for the simple reason that research now being conducted in Canada on a Canadian pipeline is not expected to be completed until sometime next year.

The evidence now available, however, clearly leads to the conclusion that a Canadian pipeline would be both economically and ecologically superior to the trans-Alaska pipeline. The economic benefits to Wisconsin consumers from a Canadian pipeline, which I just talked about, are pretty typical of the benefits that would accrue to consumers and businesses in other Midwestern and Eastern States and, I believe, many Congressmen from those States are beginning to realize both the viability of constructing a Canadian pipeline and the enormous economic benefits that such a pipeline would mean for their States.

As you know, Mr. Speaker, the proposed 780-mile trans-Alaska pipeline, if approved, would run from Alaska's North Slope to Valdez, a southern Alaska port. The oil would then be tankered from Valdez to west coast ports for consumption there. A Canadian pipeline, which would terminate near Chicago, would route the oil totally overland. Oil from it would service both Midwest and east coast consumers.

A Canadian pipeline would make economic sense because it would bring oil into the Midwest and East where the price of oil is much higher at present than on the west coast. The following chart shows the present prices of oil in the West, Midwest, and East and what will happen to those prices if the Alaska pipeline is built, or if the Canadian pipeline is built.

*Where should the North Slope oil go?*

(Prices per barrel)

| | |
|---|---|
| Prices now: | |
| West coast | $3.17 |
| Midwest | [1]3.82 |
| East coast | 4.07 |

Prices if Alaska pipeline is built:

| | |
|---|---|
| West coast | 2.40 |
| Midwest | [1]3.82 |
| East coast | 4.07 |

Prices if Canadian pipeline is built:

| | |
|---|---|
| West coast | $3.17 |
| Midwest | [1,2]3.40 |
| East coast | [2]3.60 |

[1] Prices in the Midwest should be normally 20¢ per barrel higher than the west and east coast because of increased transportation costs.

[2] This assumes that half the oil from the North Slope—one million barrels per day—would be shipped to the east coast.

Ecologically, the evidence is very strong that a Canadian pipeline would do much less damage than a trans-Alaska pipeline primarily because it would avoid large earthquake zones and would not require the use of tankers, as would the trans-Alaska pipeline. It is certainly noteworthy that the Canadian Government itself, as well as every environmental organization involved in the issue, prefer a Canadian pipeline over the trans-Alaska pipeline for environmental reasons.

I want to emphasize that the legislation that I am introducing today calls only for a thorough and independent study of a Canadian pipeline to be conducted before a decision is reached on development of the North Slope oil. Support of this legislation would not indicate either opposition to or support of the proposed trans-Alaska pipeline; it would simply assure that an adequate study is made of a highly feasible alternative to the Alaska line.

With your permission, Mr. Speaker, I would like to include in the Record, following these remarks, a copy of a New York Times editorial of September 27, 1971 which states in part that:

> No one argues that oil from the North Slope is vital to this country's welfare this year, next year or even in the next decade. The armed forces have raised no question of national security.

The decision on whether an Alaskan or a Canadian pipeline will be built will have enormous impact, both economically and ecologically, not only for Alaska, but for the rest of the United States as well. A Canadian pipeline alternative must receive more than superficial and reluctant consideration by the Interior Department. This legislation is designed to insure that.

Mr. Speaker, with your permission, I would like to include at this point the full text of the resolution I introduced today, followed by the text of the New York Times editorial of September 27.

### Joint Resolution Directing That No Further Action Be Taken With Respect to the Development of the Trans-Alaska Pipeline Until a Comprehensive and Independent Study Is Made of the Economic and Ecological Aspects of a Trans-Canada Pipeline

Whereas, construction of a Canadian pipeline, as an alternative to the proposed trans-Alaska pipeline, would save Eastern and Midwestern consumers a total of about $4 billion per year in lower fuel costs, and

Whereas, the present price of oil on the West Coast, where much or all of the oil from the trans-Alaska pipeline would be shipped, is already substantially lower than the present price of oil in the Midwest and East, and

Whereas, construction of the trans-Alaska pipeline will further sharply increase the disparity between what West Coast consumers pay for oil as opposed to what Midwest and Eastern consumers pay for oil, and

Whereas, the decision as to how Alaska's North Slope oil will be developed is an important decision affecting the Nation's future energy policies, and

Whereas, many independent economists believe that construction of a Canadian pipeline as an alternative to the trans-Alaska pipeline would be in the country's best economic interests, and

Whereas, virtually every major environmental organization concerned with the Alaska pipeline believes that a Canadian pipeline would be ecologically superior to the trans-Alaska pipeline, and

Whereas, the Department of the Interior has not undertaken a comprehensive and independent study of a Canadian pipeline, and, in fact, could not as yet do so because the research being conducted in Canada on the Canadian pipeline is not expected to be completed until 1972, and

Whereas, a delay of one year in the development of the North Slope oil would not in any significant way adversely affect either the energy policies or the national security of the United States: Now, therefore, be it

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That no permit which is related to the development of Alaska's North Slope oil shall be issued by the Department of the Interior until after December 31, 1972. Before any such permit may be issued after December 31, 1972, the Department of the Interior shall first have completed and made available to Congress and the public a comprehensive and independent study of both the ecological and economic aspects of a Canadian pipeline as an alternative to the proposed trans-Alaska pipeline.

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### The Oil Can Wait

President Nixon's recent statement in Anchorage about the proposed trans-Alaskan oil pipeline had the ring of a comment designed to mollify some of the local citizens, in haste to get on with that project, rather than to indicate a final commitment on his part to the building of the line. It promised to reconcile the exploitation of natural resources and protection of the environment without quite saying that this could be done with a pipeline carrying oil from Prudhoe Bay in the Arctic to Valdez on Alaska's southern coast.

What offered hope that Mr. Nixon's mind is still open on the subject was his reference to "alternative means for the movement of Arctic oil"—and, even more, the emphasis on such an alternative in a U.S. News & World Report interview with Secretary of the Interior Rogers C. B. Morton. The possibility the Secretary dwelt on was the suggested route from Alaska's North Slope, up the Mackenzie River valley in Canada, all the way south to Edmonton, Alberta, whence some of the oil would move in pipelines, to the Pacific Northwest and some to refineries in the Midwest.

The advantages of such a line would be the complete elimination of overwater hazards and the fact that a pipeline is almost sure to be built in the Mackenzie Valley in any case in order to carry natural gas from the North Slope. As Mr. Morton suggests, "that raises the question: Why not bring the oil out that way, too?"

The answer to that question requires time. The Canadian route *could* endanger the Wildlife Refuge in northeastern Alaska and it could prove a hazard to the Canadian terrain, although that land is considerably less subject to the kind of seismic disturbances that add so greatly to the risks of the trans-Alaskan scheme.

President Nixon's statement did pledge that *if* a pipeline is built from Prudhoe Bay to Valdez the job would be done with the greatest concern for the environment, but opponents of the trans-Alaskan line can take little comfort in such a prospect. Even if the pipe could be guaranteed against the kind of rupture that would pour oil over miles of tundra, there would be no assurance against spills and leaks in the beautiful waters of King William Sound, where the oil would have to be transferred to tankers—or along the scenic coasts of British Columbia en route to Pacific Coast refineries.

All of which raises once again the question of timing. No one argues that oil from the North Slope is vital to this country's welfare this year, next year or even in the next decade. And the armed forces have raised no question of national security.

On this major aspect of the matter there is less cause for cheer in the President's suggestion of a decision this fall than in Secretary Morton's disinclination to act until he is "sure that the total spirit of the Environmental Policy Act has been complied with" and that there are no alternatives that would better serve this country's interest.

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## OEO'S MIGRANT FARMWORKERS DIVISION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from South Carolina (Mr. Davis) is recognized for 10 minutes.

Mr. DAVIS of South Carolina. Mr. Speaker, I wish to point out a problem people of South Carolina are facing as they try to deal with the OEO's migrant farmworkers division. Apparently, they feel that South Carolinians are not worthy of their time and effort. As previously mentioned, we are not being put off, we are being ignored.

I am not sure if the OEO's migrant division is planning to acknowledge there are migrant farmworkers in South Carolina let alone aid them. Goodness knows they act like we have some terrible disease and they are staying as far away from South Carolina as possible. Even when we have been fortunate enough to gain an audience with these noble bureaucrats, the meetings have been strained. I have been worrying about my hospitality because I have repeatedly tried to get someone, anyone, from the OEO to meet with me at my office. No dice. I have even gone as far as to send directions on how to get here in the event they did not know.

Quite frankly, Mr. Speaker, I have begun to harbor serious doubts about the competence of this outfit. South Carolina depends upon agriculture to a great extent. We must use the migrant farmworkers to harvest the crops. We use as many if not more than a lot of other States. The migrant farmworker is a vital cog in the machinery that runs the State and its economy. South Carolina, with it's pleasant autumns, has several growing seasons. The migrants spend a goodly number of months in the State. Now I ask, with a background like this, why is the OEO so reluctant to deal with the people of South Carolina. I seriously believe the only word Mr. Richard Anderson has ever learned in his whole life is "no." At least that is the only word I have ever heard him use. Really, Mr. Speaker, I sometimes believe Mr. Anderson feels he is funding the program for the migrant workers out of his own pocket instead of the taxpayers of South Carolina and the Nation—taxpayers who, I might add, are keeping him in work. I would be interested to know if Mr. Anderson ever worked with the circus—and Emmett Kelly.

Mr. Speaker, we still have not had any satisfaction. The people of the First District are growing restless and concerned. I might add, so am I. Some of the people affected by the OEO's migrant division in South Carolina are growing hungry because this tight-knit band of brainstormers has not even sent money for payrolls. They have even gone as far as to violate the law of the land in rescinding a letter of credit without due process.

Mr. Speaker, we have on our hands a mindless monster—a negative monster, I might add—who is about to devour the entire South Carolina operation for the relief of poor, innocent men, women, and children. Migrants are perhaps the easiest people in the world to please. They have never had much—going through life scratching out a bare existence—just living from day to day. Finally, with the migrant division, the programs of the OEO, some thought the light could be seen at the end of the tunnel. Apparently, the southeast migrant division is intent on extinguishing that light—at least that is the impression they give me. Until something happens to change my mind, I have only one recourse, and that is to fight to kill the monster and replace it with a fresh organization.

The problem is not only in the First District, but throughout South Carolina. I feel it is time to begin slapping hands. I say we should not let the awesome bureaucratic machine chew away at this program and destroy many good people in the process. I say the time has come to take a stand. I have told my people in the First District that that is what we are going to do.

## SPEECH BY THE COMMISSIONER OF COMMERCE FOR MASSACHUSETTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 10 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, I would like to take this opportunity to insert in the RECORD the excellent speech delivered by the commissioner of commerce for the Commonwealth of Massachusetts, Mr. Carroll P. Sheehan, at Boston College in October. Commissioner Sheehan speaks of the need for a balanced view of environmental protection in Massachusetts and I am sure that all assembled here will benefit from the viewpoint expressed therein. I commend his remarks to the attention of my colleagues:

### A BALANCED VIEW OF ENVIRONMENTAL PROTECTION WITHIN THE COMMONWEALTH OF MASSACHUSETTS

(By Commissioner Carroll P. Sheehan)

I appreciate the opportunity which has been extended to me today to come before you and discuss the need for a balanced program of environmental controls for our society. My colleagues in government speaking here today have specific responsibilities defined by law which they must carry out to the best of their ability. I, too, have a responsibility under the law which must be carried out.

As Commissioner of the Department of Commerce and Development, I accept the need for environmental control in this most complex society. Today I would like to review with you my experience with environmental control and attempt, if possible, to bring about a marriage between environmental control and the other needs of our society, such as the maintenance and growth of a healthy economy.

I share the fear of many of those engaged in the field of environmental control, both in and out of government, that in some instances we are bordering upon environmental control overkill with our economic well-being as the victim. I am interested in making certain that a credibility gap does not become a reality between the general public and those interested in the protection of the environment.

You who are so vitally interested in the environment must understand that the most basic parts of any man's environment, more basic even than clean air and clean water, are man's ability to feed his family and provide adequate shelter for them. It is, therefore, imperative in the equation of environmental control that the economic impact upon the individual be part of that equation. It would be tragic indeed if all of the environmentalists in our nation were eventually faced with a hostile public scorning their efforts because of their failure to take into consideration the economic impact of environmental regulations.

This does not have to be the case, but we are already seeing examples of job loss through the lack of cost efficiency methods being applied to the science of ecology.

In the case of air pollution regulations here in the Commonwealth there is no direct relationship between air quality control and the use of low sulphur fuels by the consumer. Without a program of cost efficiency being applied to air quality standards, we have brought unnecessary costs to industry, the government and the general consumer. Those with the responsibility for air pollution control within the state government have made it clear that, except in certain specific areas of the state, the standards set by the national government for $SO_2$ pollutants have been met prior to the imposition of new lower sulphur content in fuels beginning October 1. In spite of the overwhelming evidence to the contrary, the Massachusetts Public Health Council, without regard for the total needs of our economy, have imposed strict regulations in this matter. What are the results of this action?

In increased fuel costs alone, we in the Department of Commerce and Development say that, in the coming year in Massachusetts, consumers, whether a public utility, an industrial user of fuel or the general consumer, will bear an increased cost of more than seventy million dollars. The imposition of a 1% sulphur content outside the greater Boston area, where much of the state's industrial potential is located, has caused power companies to abandon established fuel purchase contracts, thus causing them to pay a higher price for fuel. It is estimated that power company costs passed along to the consumer will increase electrical energy bills to the consumer between 15% and 20%. These increased costs to an already overburdened industrial community will cause a number of companies to close or to remove their operation from our state.

As part of my responsibility to the people of Massachusetts, I must say that in all candor a good part of this loss of industrial employment is unnecessary. To be specific, some of the largest employers in the state have informed me that a number of their operations will be curtailed or removed from Massachusetts to areas not only in other states but throughout the world. It is a sad fact that in air quality control, without cost efficiency being applied, the greater degree of enforcement overkill which is applied the less the desired results are obtained.

I would like to cite one particular example of one industry in our state which for more than 75 years has employed upwards of 7,000 people in one location. Its present employment is 2,200. It is located in an area which for ten miles around has very little industrial activity. If we keep in mind that the desired result is to bring down the $SO_2$ content in the air to managable levels, then it does not make any sense to take one industry in a very isolated area and cause mechanical compliance having nothing to do with the air pollution in the area. The cost to this company for mechanical compliance is approximately a half million dollars.

This same company has a newer and more efficient foundary unit in a southern state which can do the work being done presently in Massachusetts. The management informs me that they are coming very close to a decision which will cost the loss of jobs to 600 people employed in this Massachusetts foundary. If we multiply these 600 jobs by the thousands of others who will be affected by job losses, it will not be long before favorable public opinion is lost for the desired portions of environmental air pollution standards.

Let us consider the matter of water pollution control. I have had occasion to work very closely with the water pollution control personnel of our state government. We have considered the plight of many companies and their employees related to the enforcement of water pollution control standards. With their cooperation and that of the Legislature, we caused to have passed a twenty-five million dollar bond issue so that loans could be made to Massachusetts companies unable to finance the cost of water pollution control equipment. It is unfortunate that this legislation was found to be unconstitutional. We hope that other legislation may be passed to bring relief to some of those companies and therefore save jobs within Massachusetts.

A very important aspect of water pollution control is the regulation being established for the use of sewers in the state. It is my opinion that in the promulgation of these regulations, particularly by the MDC, inadequate consultation was held between the MDC and industry. The end result is open-ended regulations more stringent than any in the country, but more important leaving Massachusetts industry in the position where what are adequate standards today may not be tomorrow. Again we run into the problem of cost inefficiency being applied to the enforcement of water purity standards in the state.

I would like to speak for a moment about the manufacture of power within our state. Seventy percent of all the power manufactured in the United States is produced through the use of oil. It is my opinion that we in Massachusetts, being a high energy intensity state, related to industry and general consumer use have been victimized by the major oil companies of the nation. We control the level of electrical energy on both the state and national levels, and yet seventy percent of the fuel used to make that power is controlled by no one.

I note with interest a move by certain people in the environmental field to prevent the opening of atomic power energy plants in New England. At the same time there is opposition to the continued use of fossil fuels by the electrical energy business. We must agree on some form of energy which is presently available to do the job. New England, in order to remain competitive, must have oil refinery facilities. It is time that we realized the complexity of our society demands immediate decisions concerning the growth of the electrical energy business in New England.

I should like to conclude by making certain points of fact which should be obvious to all who wish to give thought to the problems of our total environment.

It is desirable that we have clean air and clean water in this nation. In this regard it is desirable that cost efficiency methods be determined prior to the enforcement of regulations. It is basic to a man's environment that he have bread on the table and a roof over his head. The most efficient method found for giving him these goods in a complex environment is his employment at the highest level of his ability in the industrial community of our state.

Based on studies and interviews with those who manage industries in Massachusetts, they will not continue to function in Massachusetts if their operations become unprofitable due, not to compliance with reasonable cost efficiency regulations in the environment, but to thoughtless actions taken by those in a position to promulgate and enforce environmental regulations. As long as industry has the right to close, move or transfer its operations to any other state or throughout the world, the bottom line of the annual statement of such companies must show a profit or they will cease to provide employment in the state.

In conclusion, I believe it is desirable that we have clean air and clean water. My reasons are very practical reasons. During the next ten to twenty years those who make decisions related to locating industrial operations will not locate in areas where clean air and clean water are not important. No responsible industrialist in this state does not desire to comply with reasonable cost efficient standards of air and water pollution standards, but he must be convinced that government, the press and the general public are treating him and his stockholders with fairness, intelligence and equity.

To me the frontier of today is not in some wilderness or in space. The frontier is all of us in government, in industry and the general public working together to solve the environmental problems which have grown so quickly in our complex society. In every crusade such as that for a clean environment there is a fringe involved in the cause which is not concerned with the just solution to problems, but in the chaos which can be created through an unintelligent approach to the problem. It is time for those who have given so much of their lives to the desire for a better environment to disassociate themselves from those who wish no solutions other than the total breakdown of our complex society.

I would ask you all who have engaged in this environmental crusade to act wisely during the period immediately ahead and to preserve the credibility of your effort until it has accomplished its goal.

## NIXON'S PAY BOARD PENALIZES LABOR

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from New York (Mrs. ABZUG) is recognized for 5 minutes.

Mrs. ABZUG. Mr. Speaker, President Nixon's Pay Board has predictably come up with a phase 2 attack on the living standards of working people. I say predictably because the so-called public members of the tripartite board chosen by President Nixon are about as detached as are his selections for the U.S. Supreme Court. Whether in university gowns or judicial robes, these are men of deeply conservative orientation whom the President knows he can count on to share his views and industry's. They are usually one and the same.

In the Pay Board's ruling on November 8, the "public" members lined up with industry members in a decision to limit wage increases, on the whole, to 5.5 percent a year after the expiration of the wage freeze next week. The board also ruled out retroactive payment of wage increases lost during the freeze, with some minor exceptions.

AFL-CIO President George Meany's initial reaction was that the board's action had "abrogated our contracts." Other representatives of organized labor have also reacted bitterly, as well they might.

The board's virtual ban on retroactive payment of wage increases due to working people during the August 14–November 15 period means a staggering loss of income for workingmen and women. Congress must not allow this injustice to be visited upon workingmen and women, who have been consistently singled out by the President as sacrificial victims of his misguided and discriminatory economic policies.

Accordingly, I introduce yesterday a bill (H.R. 11634) to amend the Economic Stabilization Act of 1970 to permit the maintenance of wages and salaries at levels contracted for prior to August 15, 1971. The intent of my bill is to restore the integrity of labor contracts duly negotiated and signed prior to the beginning of the freeze.

In New York City, where residents have to contend with the highest cost of living in the continental United States, it has been estimated that hundreds of thousands of workers have lost millions of dollars in pay increases to which they were entitled under their contracts. These increases must be restored to them.

Tens of thousands of teachers, postal workers, hospital and nursing home employees, cotton garment workers, city employees, retail employees, and workers in the commercial printing industry were among those cheated of their contractual wage and salary increases.

Teachers, for example, would have received $7 million in pay increases this fall, had it not been for the freeze. Recently, a delegation of members of the United Federation of Teachers, led by Legislative Representative Alice F. Marsh, met with me in my New York office to protest the denial of retroactive pay. Under a 3-year contract entered into in 1969, the city's teachers were due to get an increase of $950 on October 1 of this year. An increase in the contribution to the welfare fund in order to implement a dental plan was also agreed to.

A contract for UFT paraprofessional employees, who work as teacher's aides and perform other auxiliary duties, is scheduled to raise their pay 30 to 55 cents an hour in January 1972. If the 5.5-percent pay increase ceiling is allowed to stand, the paraprofessionals, who now are paid between $2.80 and $4.50 an hour, will be seriously affected; their welfare fund benefits have already been impaired.

Other unions such as District Council 37, American Federation of State, County, and Municipal Employees, District 65, Distributive Workers of America, and Hospital and Drug Employees Local 1199 report that denial of retroactive pay means severe hardship for their members.

More than 8,000 hospital and nursing home workers lost out on 10-percent increases due October 1, and 8,000 retail and distributive workers have been deprived of wage and cost of living increases.

Twenty-thousand workers in the cotton garment, retail, neckwear, and other industries were scheduled to receive a 12½-percent increase September 1 under terms of contracts negotiated last year. In a statement issued by President Jacob S. Potofsky and Secretary-Treasurer Frank Rosenblum of the Amalgamated Clothing Workers, the union pointed out:

> Losing these weeks of a previously negotiated increase will make life just that much harder for workers who have already suffered from the effects of inflation.

Mr. Speaker, although the Nixon administration has tried to place the blame for inflation on working people and to make them bear the major burden of his so-called cure, the fact is that most working people are just barely getting by. In New York City, 25 percent of the work force earns less than $100 a week, and thousands of others earn much less than the $6,950 a year which the Bureau of Labor statistics says is the minimum budget needed by an urban family of four. To deprive men and women in such low wage categories of retroactive pay or of substantial pay increases in the future is to condemn them to mere subsistence living while the big corporations and banks get the high sign from the Nixon administration to profiteer.

The unfairness of the wage freeze is compounded by the Nixon administration's decision to leave profits, mortgage, and interest rates uncontrolled and to make only the slightest pretext at controlling prices. Indeed, the so-called price freeze has proved to be such a farce that unions and consumers have set up their own "price watch" teams to monitor prices.

They have found, not surprisingly, that prices have been going up steadily. In New York, members of District Council 37 carried out a 1-day lightning check of Manhattan supermarkets. They discovered hundreds of instances of prices being raised despite the freeze. They also discovered that 98 of 102 stores had failed to make pricelists available to the public. Although this was in flagrant violation of the law, none of the stores were being prosecuted by Federal agencies that are supposed to be supervising prices. In any case, the Nixon administration has now told businesses that they do not have to post pricelists. If a customer asks for a list so that she can compare prices while shopping, the store management can now simply tell her, "We will mail you one." This is what passes for a price freeze.

It has been my position since the President announced his new economic program in mid-August that there was no national emergency of any kind that would justify President Nixon's authoritarian wage freeze. I intend to vote against extension of the Economic Stabilization Act, particularly if the boards which the President has set up continue to show bias against working people and consumers.

As I said in my testimony before the House Ways and Means Committee on September 16, I would support controls only if "voluntary controls on wages, prices, profits, interest rates and dividends were instituted as part of a great national effort to redirect our priorities away from military spending and toward the real needs of our people—if this Congress addressed itself to the question of curbing monopoly or so-called managed pricing which costs American consumers over $45 billion a year—and—if an effort were made to correct the maldistribution of income in our economy, which now sees the top 20 percent of all U.S. families cornering 41 percent of the income while rising numbers of Americans are forced on to the jobless or welfare rolls."

Instead of denying workers retroactive pay and limiting wage increases to 5.5 percent, which has the effect of freezing inequities, the Government, and we in the Congress, should be concerned with ending the war in Vietnam, which has been a major cause of inflation, strengthening the purchasing power of the poor and lower middle classes, and creating programs to rebuild our cities, provide jobs for the unemployed, and meet the demand for low-cost mass transit facilities, housing, antipollution facilities, and drug rehabilitation.

President Nixon is asking millions of Americans to make unnecessary sacrifices to sustain a war-oriented economy. It is time that the Pentagon, the banks and corporate profiteers be asked to make some sacrifices. For more than 25 years they have been plundering the wealth of our country while the urgent needs of our people have been neglected. I suggest that the Members of Congress reject President Nixon's economic policies and help lead our Nation toward peaceful priorities and an economy in which the people who make our Nation work can share equitably in the wealth they create.

I include the text of H.R. 11634 in the RECORD at this point:

H.R. 11634

A bill to amend the Economic Stabilization Act of 1970 to permit the maintenance of wages and salaries at levels contracted for prior to August 15, 1971

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 202 of the Economic Stabilization Act of 1970 is amended by adding at the end thereof the following new subsection:

"(c) Effective November 14, 1971, the authority conferred on the President by this section shall not be exercised to limit the level of any wage or salary (including any fringe benefit offered in connection with an employment contract) to a level below that which has been agreed to in a contract which (1) relates to such wage or salary, as the case may be, and (2) has been executed prior to August 15, 1971."

## SPOT ZONING OF PROVIDENCE HOSPITAL SITE WOULD BLOCK VIEW OF CAPITOL—AMENDMENT TO DISTRICT OF COLUMBIA REVENUE BILL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Minnesota (Mr. FRASER) is recognized for 5 minutes.

Mr. FRASER. Mr. Speaker, tomorrow when the House considers H.R. 11341, the District of Columbia Revenue Act of 1971, I shall offer an amendment to eliminate section 708. The text of the amendment follows:

Page 15, strike out lines 12 through 18.

SEC. 708 should be eliminated because it is an unwise effort to have Congress overrule the Zoning Commission of the District of Columbia and force upon a residential area Commercial zoning to permit a 90 foot high-rise building rather than the present Residential zoning which is limited to townhouse type buildings of 3 stories or 40 feet.

The National Capital Planning Commission opposes section 708.

The District of Columbia Zoning Commission has refused to make this change on four different occasions.

The Architect of the Capitol, George M. White, opposes section 708. As Mr. White says:

> My primary concern, of course is not only for the preservation of the historic dignity of the Capitol in terms of the general vista surrounding it, but also the long-range development of Capitol Hill which should be accomplished in the best interests of the Congress.

I hope that Members of the House will vote against the committee amendment to section 708 and support my amendment to strike section 708 when it comes to the floor Thursday.

## DANIELSON CALLS FOR PRISON REFORM

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. DANIELSON) is recognized for 5 minutes.

Mr. DANIELSON. Mr. Speaker, the need for prison reform throughout our country has existed for a long time, but it has not become the subject of great public interest until recently. My concern is that Congress take action with all possible haste—hopefully before the close of the 92d Congress.

Uprisings in prisons from California to New York have focused public consciousness on a number of the problems in our penal system and on the urgent need for solutions. The public has been outraged by the turmoil existing in many prisons. People are alarmed and angered by the very fact that rebellions take place within our prisons, they are worried about the safety of prison guards and concerned that our prisons are not truly rehabilitating the prisoners.

More than 20 bills have been introduced in this session of Congress proposing various kinds of penal reform. The majority of these measures have been referred to the Committee on the Judiciary, of which I am a member. A Judiciary subcommittee has begun hearings on this subject and further hearings will be held during the months to come.

Legislation for penal reform will need to maintain protection for society while assuring that confinement does not destroy the capacity of an inmate to find a place in society when he is released after serving his term.

We constantly hear the statement that the purpose of prisons is the rehabilitation and correction of criminals. In California we have even named our prison department "The Department of Correction." This is an ironic misnomer and I am afraid we are deluding ourselves, for very few convicts are "rehabilitated" and in very few instances are we successful in "correcting" their antisocial behavior patterns.

One of the greatest problems in criminal justice is recidivism, which is the technical word used to describe the fact that many convicts become "repeaters." Seventy percent of all inmates are repeaters, and 80 percent of all serious crimes are committed by former prisoners. Thus, it is clear that while imprisonment punishes the criminal, it often does not correct or rehabilitate him. The Bureau of Prisons estimates that more than 95 percent of imprisoned persons are eventually released and returned to society. If we are to have any success in preventing these people from returning to a life of crime we must make it possible for them to find jobs, so that they can earn a living and find some kind of an acceptable place in society.

Another area needing attention is the jail system. The Law Enforcement Assistance Administration conducted a census of 4,000 jails and reported a daily average number of 160,000 persons in jail. More than half of this number have not been convicted of any crime; they have only been arrested and are awaiting trial, some have not even been formally charged with a criminal offense. Many of these will eventually be found to be not guilty, and will be released. Meanwhile, they will have been forced to spend weeks, sometimes months, in the miserable and often degrading confines of a jail.

Proposals pending before Congress cover various aspects of the problem. To strengthen penal and correctional systems, there are bills providing for creation of innovative programs of vocational training, job placement, and on-the-job counseling; development of specialized curriculums; training of educational personnel; and construction and modernization of correctional institutions. One proposal provides that 60 percent of the earnings of the Federal prison industries shall be used for vocational and rehabilitation training of prisoners.

Other bills would strengthen supervision over persons released on bail, probation or parole; encourage States to adopt special probation services; and make specific provisions for rehabilitation of drug dependent Federal offenders.

Some measures would strengthen police protection; require accreditation of law enforcement agencies; improve prosecution of offenders; and expedite overcrowded court criminal calendars.

Let us hope that out of these proposals we may be able to bring about changes in our prison system which will help it to more nearly serve its purpose.

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## THE CANNIKIN PAPERS

(Mrs. MINK asked and was given permission to extend her remarks at this point in the Record and to include extraneous matter.)

Mrs. MINK. Mr. Speaker, all of us who opposed the Cannikin nuclear test in Alaska are glad that there was no immediate disaster.

The test took place on Saturday following the Supreme Court, 4 to 3, decision not to permit environmentalists a few days to present their legal arguments against Cannikin. The explosion demonstrates again the inexhorable momentum of weapons development under governmental secrecy.

We should not take at face value the administration's pious claims that there never was any danger. The fact that no disaster took place does not lessen the argument that Cannikin should not have been conducted.

There was never a belief that earthquakes, tidal waves, and other effects were probable. Our contention was that they were possible. It was a matter of the odds for or against a disaster, and the nuclear dice turned up favorable this time. They could just as easily have had other results.

The point of the opposition to Cannikin was that it was a gamble—the administration and the Atomic Energy Commission were unable to make a definite, positive statement that no disaster would take place. All they said was that it was unlikely.

Despite the good fortune on the gamble, the fact remains that the administration did tamper recklessly with the environment. There was no military need to, but the administration chose to put the lives and property of our people, and those of other nations, on the luck of its wager.

So the administration must be denounced for placing us in jeopardy no matter what the results.

As evidence that there were serious questions among reputable scientists, we have the Cannikin papers—a group of documents which the administration savagely fought to keep secret from the Congress and the American public. The administration had good reason to fear the wrath of our people if the dangers of this misdeed could be fully disclosed.

Authority and funds for Cannikin were obtained from Congress while information on its potential effects was cynically withheld. Nevertheless, the administration had in its possession at the time secret documents which proclaimed the vast destructive dangers of this immense nuclear explosion.

It was necessary to seek the release of this information by court decree, so that the Congress and the American people could be informed of the possible consequences of Cannikin. Fortunately, we have been able to obtain at least some of the Cannikin papers.

While these portions of the Cannikin papers which have been released by court mandate are probably not the most revealing of the papers, they do disclose that the opponents of Cannikin have strong support in the administration.

Chairman Russell E. Train of the Council on Environmental Quality, the highest environmental adviser to the President, warned of the dangers of Cannikin in a memorandum on December 2, 1970—but only released nearly a year later after diligent legal efforts. The memorandum was prepared for Mr. John N. Irwin II, Under Secretary of State, who was acting as chairman of the Under Secretaries Committee of the National Security Council. The committee is the body that prepared the Cannikin papers as the basis for advising the President whether to proceed with Cannikin.

Mr. Train warned of effects from the Cannikin blast that "would raise the probability of triggering a large earthquake." He further stated that a tidal wave, or tsunami, could thus be generated, and reminded Mr. Irwin that such giant waves can travel thousands of miles over the ocean as the one in 1946 that killed 159 people in Hawaii.

Another portion of the Cannikin papers is a study by M. L. Merritt describing the leakage of radioactive tritium into the sea around Amchitka Island. A statement by Mr. J. W. Hadley describes the possibility of a major earthquake as "remote, but real." Dr. William G. Van Dorn discusses "Probability of Tsunami Generation in Connection with Cannikin."

Because of wide congressional and public interest in these papers which the Nixon administration has sought to withhold from public disclosure, I am inserting them at this point in the Record. Additional portions of the Cannikin papers released by court action will be inserted later, and I will continue my legal efforts to obtain full disclosure of all the Cannikin papers. I am also including a memorandum by Mr. Irwin providing a description of the Cannikin papers. The memorandum was prepared as part of the administration's defense in the U.S. District Court for the District of Columbia to prevent release of the Cannikin papers.

The material follows:

### Memorandum for the Honorable John N. Irwin II: Potential Environmental Hazards Associated With Cannikin

*Earthquake Generation.* The mechanism of an earthquake is still a matter of some speculation. In brief, the earth's crust is thought to be made up of numbers of rigid blocks generally of continental dimensions bounded by regions in which seismic activity is high. The blocks move relative to each other, but the cause of the motion is unknown. The scraping of one block against another leads to a concentration of energy in the form of elastic strain energy. The regions between blocks are characterized by fault or tears in the crust. An earthquake occurs when the strains in the crust build up to such an extent that the frictional forces along the faults are overcome. A large amount of strain energy is released and this produces the damage, though probably only a small fraction of the stored energy is tapped even in the great earthquakes.

Recent studies of both the Chilean earthquake of 1960 and the Alaskan earthquake of 1964 suggest that great earthquakes consist of a superposition of smaller quakes. The smaller quakes trigger each other like a line of falling dominoes, the combined effect being that of a great earthquake. The individual earthquakes making up a large earthquake have a magnitude of six to seven on a logarithmic scale. In the great earthquakes, having a magnitude intensity of eight, motion along the fault extends as far as a thousand kilometers. The energy released in the largest earthquakes is equivalent to several hundred megatons while the energy released in the postulated smaller component earthquakes is on the order of one to ten megatons.

Because of the vast energies involved in earthquakes, it had been thought until recently that man could not artificially produce an earthquake. Now there are three well-documented ways in which man is known to have triggered earthquakes.

A series of earthquakes were observed near Denver in a region that had previously been aseismic. The best interpretation of this phenomena is that waste fluids from the Rocky Mountain arsenal were pumped deep into the earth and lubricated a previously existing fault. Slippage along the fault was thus possible and strain that had previously accumulated in the adjacent rock over ecologic time was liberated in the form of earthquakes.

A second example is found in the case of earthquakes associated with large lakes or reservoirs. As a result of loading of the earth's crust by these large bodies of water or by the modification of the groundwater flow or for some other reason not yet understood, substantial earthquakes have been associated with construction of large artificial lakes. A recent earthquake near Koyna Dam in India located in an area that is not normally seismic killed about 200 people. Similarly, many small earthquakes occurred when Lake Mead was filled.

A third example and one most relevant to Cannikin is the triggering of earthquakes by motion along known faults in Nevada by large underground nuclear explosions. Fault scarps over six feet in maximum height and several miles in length have resulted from fault movements initiated by underground explosions. The evidence is strong that natural strain energy stored in the earth has been released in the Nevada test site by the underground explosions.

An underground explosion can affect the strain field within the crust in a number of ways. The large amplitude surface waves generated by the underground explosion can dynamically overload near surface breaks or fractures within the crust and bring about a strain adjustment. The creation of a large cavity together with a later collapse of the chimney produces permanent changes in the strain field. Observations in Nevada of the Benham event of about a megaton produced strain changes of sufficient magnitude to trigger an earthquake along previously existing faults of a distance of about 15 kilometers. However, the strain field resulting from an underground explosion cannot be calculated with any precision because of the dependence of the field on the detailed geology which is largely unknown at any given location.

In addition to the direct effects of the blast on the strain field, the explosion will alter the pressure regime in the groundwater. The water pressure in the rocks interstices will increase due to the compaction of the ground around the cavity. This overpressure might be as large as 10 bars at a radius of 18 km. This increase in the fluid pressure will reduce the friction between fracture separated blocks. The effect would be greatest on faults oriented parallel to the residual compressive stresses resulting from the test explosion. Thus, it is possible that the mechanism involved in the Denver earthquake would raise the probability of triggering a large earthquake.

All the earthquakes triggered by underground explosions in the various Nevada tests released substantially less energy than the explosion itself. If one could establish that this is a necessary condition then there would be no apprehension with regard to the Cannikin event. Unfortunately, this is not the case. The magnitude of the triggered earthquakes will depend on the state of strain in the crust in the general region at which the underground explosion is set off. Extrapolation from the Nevada experience is uncertain because of the fundamentally different geologic setting between Nevada and the Aleutians. Further, experience with Milrow does not provide a sure basis for extrapolation. In the highly nonlinear phenomena involved in earthquake generation, there may be a threshold value of the strain that must be exceeded prior to initiation of a large earthquake. The suggested explanation of the Chilean and Alaskan earthquakes in terms of a succession of smaller earthquakes would support this interpretation. In this model a number of lock points stabilize a fault. Once one lock point is broken, sufficient energy may be released to break other lock points. If the stored strain energy is large, then the triggered earthquake could be of much greater magnitude than the triggering event. The underground explosion could serve as the first domino of the row of dominoes leading to a major earthquake. The major fault in the general region of Amchitka is thought to be some 40 km. beneath the test shot. This strain field will certainly be altered at this depth by the underground explosion. Observations on the Benham event showed strains exceeding tidal strains at 29 km.

*Potential Effects of a Triggered Earthquake.* The population density in the Aleutian area is very low so even a major earthquake would cause little damage and little loss of life as a result of the direct impact of the earthquake itself. This would not be true if the generated earthquake were so large as to extend towards mainland Alaska. While this is improbable since the largest known earthquakes have extended along the faults on the order of a thousand kilometers but not two thousand kilometers, there are uncertainties with regard to fault lengths associated with earthquakes.

The real danger from the triggering of a large earthquake by the nuclear explosion is in a tidal wave or tsunami. Tsunamis generated in the Eastern Aleutians by earthquakes have had damaging effects at great distance. For example, a tsunami in 1946 killed 159 people in Hawaii and was observed in Peru. The potential long-range effect emphasized by the fact that the Chilean earthquake of 1960 caused loss of life in Japan. The mechanism by which a tsunami is generated is still uncertain; tsunamis are probably due to movements of the sea floor associated with fault motion. Large earthquakes in the near vicinity of Amchitka have not caused destructive tsunamis in the past. However, as in the case of earthquakes it is not possible at this time to assess quantitatively the probability of a tsunami following the explosion.

*Effects of Explosion on Groundwater Movement.* The explosion resulting in a cavity, followed by a collapse of the overlying rock forming a rubble chimney will affect the groundwater flow in several ways. The initial shock wave and accompanying water overpressure may open up new fractures which could alter rates of flow.

The formation of the chimney will probably lead to a saucer-like depression even though the true rubble chimney does not extend to the surface. Since the groundwater level almost reaches the surface the depression will fill with water.

The chimney itself will be relatively permeable to water movement and there will be a tendency for the warm water near the cavity to move upward through the rubble. In this way radioactive nuclides, principally tritium, can be mixed throughout the chimney. The time scale for such mixing is not known but could be as short as a few years or less.

Water in the chimney would move to the sea at a rate dependent on the hydraulic head, the permeability of existing aquifers and permeability of any new fractures opened up by the explosion. USGS calculations indicate a time for such movement might be as short as one to two years. These are short times and are inconsistent with estimates made by AEC that tritium will be discharged into the ocean only 145 years after the explosion. At that time the concentration of tritium in the groundwater is expected to be at a level close to the maximum permissible concentration for water. If the shorter times (5 to 10 years) postulated above are correct then the level of radioactivity in the groundwater entering the ocean would be in excess of ten thousand to one hundred thousand maximum permissible concentration for water.

*Effects of Groundwater Relase of Radioactivity into the Ocean.* The waters adjacent to Amchitka hold rich fisheries. Pacific salmon that migrate through the area are important commercially. Japanese, Soviet and American fishermen take salmon, ocean perch and limited amounts of king crab.

The tritium released through groundwater motion will be diluted by the ocean currents. Even if the dilution is as great as a hundred thousand, there is the possibility of concentration of tritium well above background levels in various steps of the food chain. The detailed behavior of tritium in the food chain is uncertain though it is not generally thought to be concentrated. However, the possibility remains of fish being caught having higher than the background levels of radioactivity.

RUSSELL E. TRAIN,
*Chairman,*
*Council on Environmental Quality.*

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## THE GROUND WATER PROBLEM AT AMCHITKA

(By M. L. Merritt)

Let us stipulate at the beginning that ground water will be able to get to the radioactive material formed by the Cannikin explosion, and that essentially all the tritium and noble gas isotopes so formed will be available for the transport in that ground water. This is because the underground cavity formed by the explosion will collapse and form a chimney which will probably reach the surface, there manifesting itself as a collapse sink. Other isotopes, such as $^{90}$Sr and $^{137}$Cs, will be in part tied up in resolidified rock glass, and in case will travel much more slowly than the ground water because of chemical and physical ad- and absorption.

The natural ground water flow on a long narrow island such as Amchitka is one driven by rainwater. A small fraction (one to ten percent) of the precipitation infiltrates the surface and flows downward and outward to the sea, forming a fresh water lens over salt water, and flowing more quickly near the surface than at depth. Hydrological measurements at the Cannikin sites imply that the fresh-salt water interface is at a depth of about 1200 m (4000 ft) below the surface, or 4–600 m (1300–2000 ft) above the shot point and the initial position of the radioactivity. It might also be noted that ground water flow is slow by many standards. A sample of water taken from 1000 m depth in the test hole had a carbon-14 date of 10,000 years, meaning it had left the surface that long ago. Pre-shot flow velocities at shot depth are estimated at 15 m/year. On the other hand, it must also be admitted, and this is the basis for the Council on Environmental Quality's comments on Cannikin, that the rubble chimney constitutes a highly permeable vertical short circuit of the ground water system, and that the hydrological measurements indicate zones of fairly permeable rock higher in the section. In particular at a depth of 760 m (2500 ft) there appears to be such a zone.

After the chimney forms—probably a matter of days at most—ground water and surface water will pour into it. Calculations of flow indicate an equilibrium will be reached at a depth of 60 ft. Thus it is improbable that there will be a residual surface pool of water, provided the collapse sink is broad and shallow as at Milrow, rather than deep as at Bonham. The filling may take anywhere from 3 to 18 months; Milrow, it might be interjected, now seems to be full as indicated by stream flow measurements.

When the chimney is full, ground water flow will tend to resume its pre-shot pattern, except within a very few radii of the chimney where measurements on Hardhat and Piledriver indicate increased permeability as a result of the disturbance. The shot point is, as we have seen, below the basic flow pattern, though it may be in a fluctuating boundary region and hence be influenced by that flow. Therefore the basic and probable flow is outwards to the sea in a slow and tortuous path, one estimated to take a century or more.

Nevertheless the worrisome suggestion is made that there may be mixing back up the chimney, a mixing driven by the fact that the rock around the shot point will be hot, and that warm water is less dense than cold and therefore tends to rise in colder water. But salt water is 2–3% more dense than fresh water, and if even half the energy of the explosion ($5 \times 10^{14}$ calories/mt) went to heating water ($4 \times 10^{12}$ gm/mt) the temperature rise would only be enough to overcome this difference in density. Even then in rising it would tend to heat the rock of the rubble through which it would be rising, and thus lose buoyance in the process. Altogether it is quite unlikely that there would be appreciable mixing up the chimney to the more permeable zones 1000 m above.

Nevertheless if tritiated water did mix up even in part, what then? *If* this zone is continuous out to and up to the sea, and *if* its permeability is all or largely due to fracture porosity (this is important because the thing measured in hydraulic tests is the ability to take water, and lower porosity means faster flow), then tritiated water would reach the sea very rapidly. However, in no case can the concentration there be greater than at the source or about 2.5 $\mu$Ci/cm$^3$ (from 7–10,000 curies/kt of fusion and $4 \times 10^{12}$ cm$^3$ water/mt), which is to say 2500 times the Radiation Concentration Guide for human drinking water. But there is no potential for this water to be used for drinking water; and moreover, it is easy to show that dilution in the ocean is in the order of $10^5$ or greater. Then too, fish move about, so that different fish would be exposed at different times, and the time scale for fish to throw off any tritium taken in is of the order of hours or days. Finally, biological systems do not concentrate tritium as they do isotopes such as $^{65}$Zn or $^{55}$Fe whose sizable equivalents are scarce in sea water. This latter point is now only an assertion from chemical and biological principles but a point confirmed experimentally as a by-product of several studies of tritium toxicology in marine organisms.

In conclusion, I believe that the probable fate of the tritium remaining after the Cannikin explosion is slow migration to the sea, where it will arrive late, and be so quickly diluted as to be undetectable. The worry over mixing up the chimney and flow to the sea through "aquifers" near the surface is worry over a very improbable train of circumstances.

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## Statement by J. W. Hadley at Cannikin Briefing, NSC Under Secretaries Committee, December 15, 1970

The triggering of a major earthquake by the Cannikin test has been posed as a possibility. This earthquake in turn is considered as the potential source of a destructive tsunami (giant sea wave). I will review briefly the information in hand which bears on the triggered earthquake, and will state the conclusions which have been drawn without trying to justify them in detail in the short time available here. Dr. Van Dorn, following, will review the tsunami issue.

### NATURE OF THE EFFECTS

An underground explosion produces more than one kind of ground motion. First, a strong vibration of the earth results directly from the explosive forces. This effect, which for a one-megaton test resembles the motion of a magnitude 6 earthquake, always occurs and can reliably be calculated. The "triggering" hazard refers to a postulated secondary effect, stimulation of a large "natural" earthquake which might cause substantially more damage than the direct effects of the explosion would. Such an event would probably involve random processes, and the likelihood of its occurrence is not subject to exact calculation. It has never happened in connection with any previous underground test, and it is not expected to happen following Cannikin, although in principal it could. While a numerical figure for the probability of that occurrence cannot now be determined, the scientific community agrees that the probability is very small, and that it relates only to premature stimulation of a latent quake in the western Aleutians which would be expected to occur in natural course even without Cannikin.

Smaller triggered earthquakes regularly follow large underground tests, sometimes in very large number and extending over a period of weeks or months after the test. These occur within a ten-mile radius or so, and the largest of them releases no more than about one percent of the energy of the associated test. In addition, some evidence indicates that local fault slip within a few seconds time interval and a few miles distance from large tests may have taken place, and this could be described as a variety of triggered earthquake. Neither of these very local effects involve any hazard. They can be regarded as "caused" by the explosion, since they would not have been expected to occur otherwise; a large and destructive quake could only be a "triggered" event—not a "caused" one.

### MECHANISM FOR ALEUTIAN EARTHQUAKE GENERATION

Figure 1 shows the position of the Amchitka Island test site toward the western end of the Aleutian chain. This island chain appears in the world map of Figure 2 as the northern boundary of the Pacific Ocean. Locations of earthquakes occurring between 1961 and 1969 are shown as dots, and their concentration in a narrow belt running around the shores of the Pacific is quite apparent. A general explanation for this pattern lies in a model now generally accepted by geophysicists: To describe this model in the simplest terms, new rock constantly rises from a system of mid-oceanic ridges through the south and eastern part of the Pacific and then moves as a rigid plate across the ocean floor toward the northwest, at a rate of about an inch per year.

Arriving at island arcs there, the plate turns downward and plunges back into the earth. The process of impaction of the plate along the Aleutians results in the buildup of high stresses. When these become sufficiently great in a particular region, slippage takes place and an earthquake is generated. The process proceeds rather erratically, and slippage at a given time seems always to be confined to a zone of limited extent along the island chain. Zones in which major releases have taken place appear as block-like patterns of dots in the Aleutians, each corresponding to the region of principal influence of one major quake. The zone including Amchitka is the westernmost, and is separated by two or three other zones from the Alaskan mainland. If a large quake were to be triggered by Cannikin, it would be near Amchitka. The only populations exposed to the resulting strong ground motion would be those of the U.S. Naval stations at Shemya and Adak Islands, and neither injury nor significant damage would be expected.

### OTHER TRIGGERING EXPERIENCE

We know that triggering of earthquakes does occur. The easiest instances to identify are those where some definite action by man has been followed by quakes in a region where they previously had not occurred, or had occurred only very infrequently. Examples are series of tremors following the filling of Lake Mead on the Colorado River, and following the injection of fluids into the ground at the Rocky Mountain Arsenal and at the Rangely oil field in Colorado. Small local aftershocks from underground tests were mentioned before.

Cases of triggering of earthquakes by other earthquakes are more difficult to identify, since there is no sure way to discover whether a particular quake is truly triggered by another quake or merely happened to occur near it in time and location, or if they both followed from a common cause. Some cases can be cited that do have the appearance of triggering. The stimulation of a fault slip in Southern California at a distance of 70 kilometers from an earthquake epicenter should be included in this category.

A published analysis of seismic data from the 1964 Good Friday earthquake in Alaska identifies a number of successive epicenters along the zone of rupture, indicating that the breaking of a succession of "lock points" was involved. This has been cited from time to time as evidence for triggering as a sort of falling-domino process. We do not believe that this interpretation should be extended to imply an important triggering risk from Cannikin, however. The effect of an initial fault break on further motion of the same fault would be quite different from the effect of an explosion at a different location.

### IMPLICATION OF HIGH NATURAL SEISMICITY

Earthquakes occur very frequently in the Aleutians. There have been 4 quakes of Richter magnitude greater than 7½ within a distance of 100 miles or so from Amchitka since the start of reliable records in 1905. These are very large as earthquakes go. The number of smaller quakes is much greater: for every decrease of one unit of magnitude, about ten times as many quakes occur in a given period, so that events of magnitude 5 and greater are commonplace.

On first thought, this suggests that the risk of triggering in the Aleutians would be high. After more careful consideration, though, the risk appears lower, and indeed there is reason to believe that the risk of triggering a damaging quake may be lower at Amchitka than if the proposed test were conducted in some less seismically active regions.

The steady incidence of earthquakes in the Aleutians means that accumulated stress energy is regularly being released. The system is in a kind of dynamic equilibrium, and should be rather insensitive to outside disturbance. Seismologists have pointed out the significance of the magnitude-frequency relationship to this issue: Some physical process works to maintain a fixed distribution of the sizes of quanta in which energy is released. These observations apply in a probabilistic sense, and must be used with caution in speaking of a single event, but they do lend weight to the expectation that no dangerous triggering will result from Cannikin. To state these ideas in a somewhat different way, even if triggering can play an important role in the release of earthquakes in the Aleutians, the effect produced by the Cannikin explosion will be a relatively slight disturbance in comparison with the steady background of disturbances provided by natural quakes.

The high natural frequency of Aleutian earthquakes has another important significance to the Cannikin test. Whether or not it takes place, earthquakes will continue along the island chain and indeed, all around the shores of the Pacific. There could well be a large and damaging quake soon after Cannikin, and since no quake is labeled as to the manner of its origin, there would surely be a tendency to assign responsibility to Cannikin.

### RESULTS AND IMPLICATIONS OF MILROW

The Milrow test was conducted on Amchitka, October 2, 1969, at a yield of about one megaton.

Observation of the local and regional rate of occurrence of earthquakes before and after Milrow showed no change between the two periods. Some small aftershocks occurred within a three-mile radius of the test location, but they were fewer in number than the expectation based on Nevada experience. Patterns of change in earth crustal strain on the island were consistent with observations after Nevada tests. There was no indication of any kind of an increased sensitivity to earthquake triggering compared with the Nevada Test Site.

This result is very encouraging and is consistent with our expectations for Milrow and with the expectation that Cannikin will not result in seismic damage. It cannot be used in a calculational sense for extrapolation to determine Cannikin results, though, because the required theoretical basis has not yet been developed. We do not have the necessary information to identify a yield which might represent a "threshold" for triggering.

Admitted inability to calculate a numerical probability of triggering a large quake by Cannikin should not be taken to imply that the subject is inaccessible to scientific understanding. The nature of the processes that would be involved in a triggering occurrence is fairly well known, and physical laws can be applied in a general way to distinguish a range of likely behavior. The reasoning applied to the Cannikin earthquake triggering issue is based on knowledge of the structure of the Aleutian chain, of the history of seismicity there, experience with many underground tests in Nevada, and on the consistency of Milrow results with expectations. It leads to a confident conclusion that the likelihood of hazard is very low.

### PUBLIC AND SCIENTIFIC EXPOSURE

At one time responsible concern was expressed that information on seismic hazards of underground testing was inaccessible to the public, and that there was insufficient participation by the scientific community at large in judging the degree of such hazards. Indeed until about two years ago, very little broad discussion of the issue had taken place either within or outside of AEC test circles. At that time a number of experimental and analytical programs were started to identify and interpret triggering and related phenomena. Since then an increasing number of scientific workers, both independent and under AEC and other government sponsorship, have become active in this area. Many published articles and papers delivered at professional meetings have described the results of these studies, and there can no longer be any doubt that the information is accessible.

Qualified scientific opinion is in good agreement that the possibility of triggering a large earthquake by Cannikin is remote, but real, and that this quake, if it took place, would be one which would have appeared later in the natural course of events, on a nearby fault, even without Cannikin. Variation of technical opinion from this position is minor. Because of the remoteness of Amchitka, the triggered quake would not cause important direct damage, but the possibility of its generating a tsunami must be considered.

The advice of scientists as to whether or not the seismic hazards of Cannikin are acceptable has been somewhat more diverse, largely as a result of their varying assessment of what constitutes acceptability.

### SOVIET TEST

A large Soviet test fired on October 16, 1970, at Novaya Zemlya, with a yield announced by the AEC as 6 megatons, has attracted questions as to its possible implications toward the triggering issue. No aftershocks have been seen by the World-Wide Network of Standard Seismic Stations, which has a detection threshold at Richter magnitude about 4.5 for the Novaya Zemlya region.

The fact that no large quake was triggered is simply another piece of somewhat negative evidence. Natural quakes do not normally occur in the Novaya Zemlya region nor within a range of hundreds of miles from it. Small aftershocks of the kind that usually occur within a few miles of the largest Nevada tests (and Milrow) may or may not have taken place; that none should be large enough to exceed the detection threshold would cause no surprise.

### Probability of Tsunami Generation in Connection With Cannikin

(By Dr. William G. Van Dorn, Scripps Institution of Oceanography, University of California, San Diego, December 15, 1970)

Gentlemen, a good fraction of my scientific career has been concerned with tsunamis—both natural and man-made. I was responsible for measuring and evaluating the hazard from water wave effects for nearly all of the Pacific nuclear tests, and for many subsequent related studies. My investigation of natural tsunamis have led to a number of recommendations for improving public safety, only a few of which have been adopted.

I would like to emphasize here that I am as deeply concerned with the safety aspects of underground testing at Amchitka as the well-qualified geophysicists whose opinions are represented by the recent Train memorandum.

However, there are certain mitigating circumstances not mentioned in this memorandum which suggest that the risk of a destructive tsunami being generated in association with the proposed Cannikin test is not as great as implied. These circumstances have emerged fairly recently, as a result of studies initiated by the AEC, acting on recommendations of the Panel of Consultants, of which I am a member.

In order to properly qualify them, I would like to give you a perspective of what tsunamis are like, what factors combine to produce a destructive tsunami, and to what extent the probability that such a combination might occur in conjunction with Cannikin can reasonably be assessed.

A tsunami can be defined as any localized, impulsive deformation of the free ocean surface, whether produced by a volcanic or artificial explosion, a submarine landslide, or (most commonly) a sea floor dislocation accompanying an earthquake. Tsunamis come in all sizes, limited only by water depth and available energy, but we are concerned here only with potentially dangerous events.

However generated, the initial disturbance propagates radially away from its source region as a system of free gravity waves. A good example of a miniature tsunami is the familiar pattern of concentric rings of waves produced by dropping a pebble into a pond: the waves are highest and shortest near the source, and become lower and longer as they travel outward, somewhat like the extension of an accordion bellows. Upon entering shallow water near shore, this process is reversed; the waves grow higher and shorter again, until they eventually run up against the shoreline and are partially reflected—or scattered—back out to sea.

Most of the damage from destructive tsunamis occurs during the first 5 or 6 hours after the first waves reach shore, although diminishing activity ensues for several days. The severity of local wave effects at a remote place depends in a complicated way upon several factors: the height and shape of the initial deformation, the distance the waves have traveled, and the local coastal topography. Irrespective of other factors, there is a relatively sharp distinction between damage and no damage, depending upon whether or not local runup heights exceed the normal wave and tide range.

Owing to their complexity, most of these effects were long thought not to be realistically calculable on a deterministic basis. Within the past several years, however, significant advances have been made. First, extensive, post-event geophysical surveys after the great earthquake of March 28, 1964, in Alaska, have for the first time permitted a fairly complete picture of the source characteristics of a large tsunami. Second, comparative seismological, tectonic, and/or hydrodynamic data from Alaska, and the tsunamis of 1946 and 1957 (Aleutians), and 1960 (Chile) suggest that large tsunamis originating along the Pacific trench system have common generic features. Third, AEC and DOD-sponsored studies have resulted in the development of hydrodynamic computer codes for the deterministic calculation of wave systems produced by known sources, their propagation across the ocean, and the local wave response at remote points.

These codes are necessarily complex, fairly expensive to run, and are still incomplete; but present results include a convincing reconstruction of the generation of the Alaskan tsunami. Although the calculations covered an area only ten times that of the source, simplified geometric extrapolations to greater distances give wave heights that agree with observations at small islands within a factor of two. The calculations are now being extended to arbitrary distances on a spherical ocean, and the critical response factors will be computed at one or two more complex locations where comparative wave observations are available. These studies should be completed within three or four months.

As a result of these and previous studies, the present status of tsunami phenomenology might be summarized as follows.

1. Tsunamis seem principally to originate from elongate sources that parallel the trench systems ringing the Pacific Basin. These trenches are considered to be zones of crustal plate abutment, whose relative motions accumulate strain that is discontinuously released in the form of earthquakes. These zones are also characterized by volcanic activity and a long geologic history of large-scale accumulative dislocations. Only zones of vertical dislocation appear to be productive of tsunamis.

2. Historically, an average of 100 detectible tsunamis per country has occurred in the Pacific Basin, of which roughly 10 percent might be classed as widely destructive. Of the latter, eight have occurred since 1900, and five since 1945. According to recent statistics, a rough classification relating tsunamis to Richter earthquake magnitude is:

Richter $M<6.0$ non-detectible.
$6.0<M<6.5$ barely detectible.
$6.5<M<7.5$ moderate.
$M>7.5$ severe.[1]

In all the above classes, the majority of earthquakes in tsunamigenic regions have *not* produced tsunamis.

3. The Alaskan earthquake involved a vertical seafloor uplift of from 6–30 ft over 40,000 square miles; the potential energy of the deformed water surface was 1–3 megatons, or roughly an equal percentage of the strain energy released during the parent quake. Fragmentary uplift data from Chile, and the above-cited similarities in aftershock patterns and tide-gage records, suggest that the 1946, 1957, and 1960 tsunamis involved similar volumetric displacements.

4. Two geometrical effects govern the radial flux of wave energy. Elongate sources are somewhat directional. For Alaska, the aspect ratio (length:breadth) was about 4:1, and, although the wave pattern reconstruction was almost circular in midocean, the wave heights were twice as high normal to the longer axis of the source than parallel to it. Secondly, the radial attenuation of wave height with distance is the product of two factors: radial stretching and lateral spreading. The former persists at all distances, but the latter reaches a minimum at one-quarter of the earth's circumference and again increases; their product has a minimum at about 8000 miles. Thus, wave heights actually increase at greater distances, which accounts, in part, for the severity of damage in Japan from Chilean tsunamis, and conversely.

With respect to the probability of tsunami generation in association with the proposed Cannikin test, the following statements apply:

### I. DIRECT EFFECTS

During the Milrow test, surface doming due to cavity expansion produced a maximum of 8 inches of uplift along less than a mile of shoreline, and no measurable offshore fault displacements were observed. No anomalous waves were recorded by an array of bottom-mounted sensors within 5–15 miles of the shot point, and having a threshold resolution of about 1 cm. Thus the maximum volumetric sea surface displacement during this event was substantially less than one-millionth of that accredited to large tsunamis. No significant alteration of these circumstances is implied by the Cannikin test, or any nominal extrapolation thereof.

### II. INDIRECT EFFECTS

Principal public and scientific attention has been directed toward the possibility that a Cannikin-triggered earthquake might generate a destructive tsunami. This would require the coincidence of two apparently unprecedented events: the triggering of an earthquake along the Amchitka fault block west of Amchitka Pass having a Richter magnitude of at least 7.3, and whose vertical dislocation is six feet or larger. The first possibility has been discussed by Dr. Hadley, and I will address my remarks to the latter problem

Despite the fact that there are no recognizable dissimilarities in the frequency or intensity of seismic activity along the Aleutian Arc, or in tectonic structure and incidence of vulcanism, there is no historical record of a destructive tsunami having been generated west of Amchitka Pass.

Since 1900, there have been about 60 earthquakes of magnitudes $6.75 < M < 7.5$, and 14 of magnitude 7.5 or larger. Three of the latter events have generated destructive tsunamis. Their rupture zones—as defined by the after shock perimeters of their parent earthquakes—lie elbow to elbow, and encompass the entire Aleutian Arc from Prince William Sound to Amchitka Pass. Aside from the above-cited directional differences, remote wave effects from these three tsunamis were statistically indistinguishable.

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[1] The large 1946 Aleutian tsunami was anomalously low at M7.3.

The Rat Island Quake of February 4, 1965, had a magnitude of 7.5, an aftershock perimeter comparable to the above three tsunamigenic earthquakes, and encompassed the bulk of the Aleutian Arc west of Amchitka Pass. This earthquake generated a "moderate" tsunami, in that local tide gage heights of 8–10 feet, and extreme runup heights of 6–50 [2] feet, were reported within the epicentral region, but no significant remote waves were observed.

Taken together, these factors imply that vertical dislocations associated with large Aleutian earthquakes west of Amchitka Pass are inherently smaller than those to the east. This view is also suggested by the directions of crustal plate movement in the North Pacific, which normally abut the eastern portion of the Aleutian Arc, but trend more tangentially in the western sector, such that lateral shear forces—rather than normal forces—can be expected to prevail.

To further explore these implied differences, the U.S. Geological Survey has recently conducted a field survey of the Island groups on both sides of Amchitka Pass, looking for specific evidence that might confirm or deny the hypothesis of relatively long-term vertical stability of the Amchitka sector. The following—still incomplete and unreported—results tend to support this hypothesis.[3]

1. There is a general concordance of the levels of the submarine and sea level terraces within and between the islands of the Rat Islands group and the Delarof Islands group. A 10- to 15-foot uplift in the last 3,000 to 4,000 years of the Delarof group (east of Amchitka Pass) is indicated by the fact that sea cliffs are inactive and above wave action and the modern sea-level terrace is emergent, whereas in the Rat group (west of Amchitka Pass) sea cliffs are being actively eroded.

2. The elevations with respect to sea level of these marine terraces in the west-central Aleutian Islands roughly correlate with world-wide sea-level changes during the past 240,000 years postulated by Fairbridge.

3. A 1200-foot-wide block-slump of about 100 feet near South Bight, Amchitka Island, postdates older, transcurrent faults. This slump comprises unconsolidated, multilayer, fossiliferohs sediments that show no evidence of susbequent fractures. Two proactinium dates of about 130,000 years from this slump place an upper limit on significant fault activity on Amchitka.

4. There is no evidence of fault displacement of any of the marine terraces.

5. Local recent faulting was observed on some of the active volcanoes; this appears to be restricted to the volcanoes and is inferred to be unrelated to regional tectonic processes.

6. It is safe to conclude that the west-central Aleutians have not undergone isostatic adjustments within the past 2,000,000 years at the magnitude or frequency seen to the east in the coastlines of the islands and mainland in the Gulf of Alaska.

Further evidence regarding the time-scale of prehistoric changes in the geomorphology of this region should be provided by 35 samples currently being processed for radioactive dates. Additionally, a 4 station-array of sensitive wave recorders is currently being installed on Western Pacific Islands, with the object of monitoring small or moderate tsunamis from the Aleutian group. These stations, combined with siesmic data should provide data whereby Aleutian tsuanami sources can be defined and compared for regional differences—if any.

Convincing differences between the long-term vertical stability of the geologic structure east and west of Amchitka Pass can be demonstrated, this evidence and the historical lack of destructive tsunamis from the western sector would provide considerable support to the arguments against significant tsunami risk in conjunction with Cannikin —whether or not a larger earthquake might be causatively imputed to this test.

It would be highly desirable to extend the field surveys to the central Aleutian Arc, so far unstudied, looking for specific evidence of recent vertical dislocations of 6–16 feet, as implied from the tsunami-producing earthquakes of 1946 and 1957.

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[U.S. District Court for the District of Columbia Civil Action No. 1614–71]

### AFFIDAVIT OF JOHN N. IRWIN II

(Patsy T. Mink, et al., Plaintiffs, v. Environmental Protection Agency, et al. Defendants.)

I, John N. Irwin II, being duly sworn, do depose and state as follows:

1. I am the Under Secretary of State of the Department of State. The facts stated in his affidavit have come to my knowledge in my official capacity.

2. President Richard M. Nixon established on January 20, 1969, a Committee of which the Under Secretary of the Department of State was appointed Chairman by virtue of his position. This Committee is known as the Under Secretaries Committee and is a constituent part of the National Security Council system. This system was shaped in its present form by the President so that he could use it as an instrument for obtaining advice on important questions relating to our national security. Excerpts from a report to the Congress by the President, dated February 18, 1970, describing the National Security Council system are attached hereto as Exhibit A. By a further report to the Congress dated February 25, 1971, excerpts of which are attached as Exhibit B, the President informed Congress that the Under Secretaries Committee, of which I am currently Chairman, "links the process of policy formulation to the operations of the Government."

3. On June 27, 1969, the President directed the Under Secretaries Committee to review the annual underground nuclear test program and to encompass within this review requests for authorization of specific scheduled tests. He directed that the Committee consider the policy and technical justification for the proposed tests to determine whether they are consistent with the requirements of national security and foreign policy. He requested that the results of the Committee's review of the underground nuclear tests programs and its recommendations be transmited to him in time to allow him to give them full consideration before the scheduled events.

4. On August 12, 1970, the Under Secretaries Committee sent its review of the fiscal year 1971 underground test program to the President and pointed out that it would begin early consideration of the proposed Cannikin underground test proposed for the 1972 fiscal year.

5. In accordance with the foregoing directions from the President, the Under Secretaries Committee has prepared a report upon the proposed underground nuclear test known as Cannikin consisting of the following:

A. A memorandum prepared by me to the President dated July 17, 1971. This memorandum is classified as Top Secret and as Restricted Data.

B. Attached to that memorandum to the President was a report of the Under Secretaries Committee on the proposed Cannikin test. This report is classified Top Secret and as Restricted Data. The following documents were attached to this report:

1. A letter from the Chairman of the Atomic Energy Commission to the Chairman of the Under Secretaries Committee, myself. This letter is separately classified Secret and separately as Restricted Data.

2. A report of the Defense Program Review Committee, the Chairman of which is Dr. Henry Kissinger. This report is separately classified as Top Secret and separately as Restricted Data.

3. The Environmental Statement Cannikin, dated June 1971, by the United States Atomic Energy Commission. This document is publicly available and a copy is attached as Exhibit C.

4. A transcript of a briefing by the Atomic Energy Commission on Cannikin given orally to the Under Secretaries Committee. This document is separately classified as Secret and separately as Restricted Data; and

5. A memorandum to me from the Council on Environmental Quality. This memorandum is an attachment to the classified report and is separately unclassified.

C. In addition, letters containing recommendations were transmitted to me regarding the proposed test known as Cannikin by Mr. William D. Ruckelshaus for the Environmental Protection Agency, by Mr. Russell Train, for the Council on Environmental Quality and by Dr. Edward E. David, Jr., for the Office of Science and Technology. Each of these three letters is classified Top Secret and a Restricted Data.

The documents described in this paragraph, except for item B3 above, were prepared solely for the purpose of giving advice to the President and involve, except for item B5 above, highly sensitive matter that is vital to our national defense and foreign policy. They were prepared and used solely for transmittal to the President as advice and recommendations and set forth the views and opinions of the individuals and agencies preparing the documents so that the President might be fully apprised of varying viewpoints and have been used for no other purpose.

6. The documents described in the preceding paragraph as Top Secret and Secret are and have been classified pursuant to Executive Order No. 10501, and the documents described as Restricted Data are and have been classified pursuant to the Atomic Energy Act of 1954, as amended, (42 USC 2014(Y), 2161 and 2162). The classified documents so described make use of data which have been identified by the Atomic Energy Commission as Restricted Data and of data classified by other agencies as Top Secret and Secret. Only persons with a "Q" clearance, or a comparable Department of Defense clearance, may have access to information which is Restricted Data. Attached as Exhibit D is an Atomic Energy Commission pamphlet which applies to State Department employees and others and details the handling of Restricted Data. I am advised that the Atomic Energy Commission is reviewing the relevant documents to determine whether or not the Restricted Data classification can now be removed.

7. As Chairman of the Under Secretaries Committee, I sought to make publicly available as much information as possible consistent with the needs of national defense and foreign policy. For instance, by letter dated January 8, 1971, attached as Exhibit E, I sought to have certain information declassified. The Defense Department subsequently agreed and the information referred to in my January 8, 1970 letter has been made

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[2] Single observation at Shemya.

[3] Notes from discussions of 12/8/70 between U.S.G.S. representatives and Dr. W. G. Van Dorn.

public. The information in the documents described in this affadivit which is not public necessarily is held in strict confidence by the Government in order to prevent grave damage to our national defense and foreign policy interests.

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### PUBLIC BROADCASTING UNDER FIRE

(Mr. VAN DEERLIN asked and was given permission to extend his remarks at this point in the Record to include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, the time has come for a clearing of the air, here in Congress, on the problems of public broadcasting.

Of late, the news media—the general circulation as well as broadcast trade press—have been carrying frequent reports of an impending rift between the President's Office of Telecommunications Policy—OTP—and the Corporation for Public Broadcasting—CPB—the entity established by Congress to guide and promote the growth of noncommercial radio and television.

Dr. Clay T. Whitehead, the energetic and able young OTP Director, has made known his concern that CPB may be trying too hard to ape the commercial networks while depriving local educational stations of both initiative and no-strings funding.

Top officials of the CPB, meanwhile, have interpreted Whitehead's moves and statements as the possible beginning of an administration campaign to force public broadcasters to knuckle under.

The first apparent casualty of this dispute have been the legislative proposals, long promised by the administration, to provide long-range financing for the Corporation for Public Broadcasting.

More than 9 months ago, in its budget message to Congress, the administration pledged that "legislation will be proposed to establish improved financing arrangements for the Corporation."

This is a goal we could all wholeheartedly support, to end the dangerous dependency of CPB on annual authorizations and appropriations from Congress.

But what has happened? Nothing. Drafts of bills have been moving in the maze of the White House-Budget Bureau bureaucracy, but so far none of these has made it through all the filters for introduction, with administration blessing, in House or Senate.

In all of this, Congress, which set up the CPB in the first place, seems to have been largely igonored. Able and articulate as he is, Dr. Whitehead seems at times to forget that Congress is, or at least should be, in this act too. It is possible, in fact, that Congress will not be willing to wait forever for the administration to make up its mind on the type of long-term financing to be recommended.

Likewise, I am certain that Congress will not countenance even the suggestion that any official of the Government may be trying to intimidate or otherwise erode the integrity of the corporation.

This is not to say that I disagree with everything Dr. Whitehead has been saying about public broadcasting. As I see them, many of his points are well taken. I, too, feel most strongly that local nonprofit broadcasters should retain a full measure of initiative in creating programing tailored to serve their own communities. But Congress clearly intended CPB to have a major role also, in shaping policies and providing network services, and not merely to act as a conduit for the dispersal of Federal funds to educational stations.

As a former broadcaster, as a present member of the Commerce Subcommittee on Communications, and as an original sponsor of the 1967 act which established the corporation, I have enjoyed a cordial and generally productive relationship with this promising new entity.

But at times, even one's best friends can be exasperating.

For several weeks now, I have tried unsuccessfully to learn the salaries of newsmen hired by the National Public Affairs Center for Television (NPACT), a CPB offshoot for news and public affairs services.

I have asked CPB to verify reports from a trusted broadcast industry source that Sander Vanocur and Robert MacNeil, the top reporters for NPACT, are each under contract for about $70,000 a year.

CPB, maintaining that NPACT is a separate corporate entity, has been unable or unwilling, thus far, to comply with my request. According to a report in the Washington Post this morning, CPB was similarly uncommunicative with a reporter from that newspaper who tried to ascertain Mr. Vanocur's salary.

Mr. Speaker, I assume many of our colleagues would also like to know how much these men are paid. Their pay, after all, comes in part from appropriated funds. And there is no reason I can see for CPB having to compete with the commercial networks in the salary department. They are not in a ratings war with CBS or NBC, fighting for the sponsor's dollar.

Why the secrecy?

In balance, though, the Corporation for Public Broadcasting has done a superior job, and I would like to include at this point an excellent article from the current issue of "Broadcasting" magazine on the first 4 years of the embattled organization. The article, which follows, was written by Steve Millard, Washington-based associate editor of the publication.

#### The Story of Public Broadcasting

Four years into its modern history, public broadcasting has come up against the facts of life. Hard.

The new medium—and a new medium it indeed is—was assigned the destiny of becoming a powerful source of alternative programing, something never before attempted on a major scale in this country, and put under a spotlight of attention and prestige appropriate to that role. It assumed the mantle with many of its leading players acting, speaking and presumably thinking they could somehow please everybody—as though the very name "public" and an obvious attempt to do something worthwhile and different in broadcasting would be enough to induce a warm glow in the nation's collective soul.

Their reward—and the medium's—has been the discovery that it doesn't work that way. If public broadcasting draws large audiences, it is attacked for seeking the masses; if it programs for small, select groups, it is damned as an insufferable snob. If it tackles a tough issue, it is trendy, left-wing, unrepresentative and misusing the taxpayers' money; if it presents fine drama and stimulating discussion, it is aloof and uninvolved. If it moves toward centralization, the specter of autocracy is raised; if it does not, there is the accusation that it is frittering away its public money without seizing the chance to make an impact on the national consciousness. Anything it does, in any realm, is sure to be attacked by someone as contrary to the spirit of the Carnegie Commission report or the Public Broadcasting Act—both of which mean many different things to many different people. Meanwhile, the struggle for federal funding limps along: federal appropriations increase, but freedom from annual accounting does not.

In television and radio, there *is* no way to be both a Good Guy and a tough, visible force. Whether or not all of public broadcasting's leaders have recognized that truth, the choice has been made. Public broadcasting—identity crisis, critics and all—has crashed upon the American scene as a major force in television and radio. It has produced and distributed programs that matter, both for their quality and for their influence, while simultaneously attempting to carve out a structure unlike any other in world broadcasting. Now it is learning to live on a height that is also a precipice.

"We're pioneering in an institutional sense," says Ward Chamberlin, executive vice president of New York's Educational Broadcasting Corp. "There's never been even a remote analogy." That is undeniable: There is no precedent for the structure of the Corporation for Public Broadcasting, or for the Public Broadcasting Service with its production centers and its federated elements. But institutional innovation is a means, not an end. "You can't just let the general idea of 'public broadcasting' or 'educational broadcasting' lie there," says Robert Larson, general manager of WGBH-TV Boston. "You have to make it work."

The real story of the medium in 1971 is not the occasional wrath it generates at one end or another of the political spectrum, but what public broadcasters themselves are doing to "make it work"—to evolve their unique system into an effective program vehicle. The noncommercial medium is not torn to shreds by strife, as some reports might indicate, or whipped into submission by external pressures, as others suggest. There is even—surprisingly enough—something approaching a broad consensus within the medium on what its components ought to be doing and where they ought to be headed. There are, however, honest disagreements among practitioners and the resolution of these basic issues is the key to the medium's present and immediate future.

These exchanges are typical.

"There should be a direct line in terms of program contact between the various centers that make up the production centers and the stations themselves," says Alvin H. Perlmutter, executive producer of *The Great American Dream Machine.*

"In the long run," says James Day, president of the Educational Broadcasting Corp., "television programs require that one person lay his talents on the line."

"There are people in the system who think the Public Broadcasting Service is supposed to be a mail drop for producers' programs," says PBS President Hartford Gunn. "But somebody's got to make choices. Somebody's got to say: 'This goes, and that doesn't go.' "

That is one kind of debate: argument over program control, over centralization, whether it should exist and what form it should take.

"Is it you [station managers] or PBS who has been taking the networks' approach and measuring your success in rating points and audience?" asks Clay T. (Tom) Whitehead, director of the Office of Telecommunications

Policy, as prelude to an accusation. "You check the Harris poll and ARB survey and point to increases in viewership. Once you're in the rating game, you want to win. You become a supplement to the commercial networks and do *their* things a bit better in order to attract the audience that wants more quality in program content."

"It doesn't do any good to be different," says EBC's Ward Chamberlin, "if you don't get a substantial number of people looking in. And being so goddam deadly serious in programing isn't going to do it."

David Ives, president of WGBH-TV responds with one word when asked how he would react if that station suddenly found itself ranked second in its market; "Yippeeee!"

That is another kind of debate: What audience should public broadcasting seek, and what specific programing mission should it set for itself in contrast or complement to the commercial networks?

"We're running on a budget of $600,000, yet we need everything a commercial station needs," says Charles Vaughan, president and general manager of WCET(TV) Cincinnati. "You say, 'Well, what about the sales staff?' We have a development division for precisely the same purpose. Sooner or later, we have to drive home the fact that it takes every bit as much money and talent to operate a noncommercial station successfully as it does to operate a commercial one."

### THE PROBLEM OF FUNDING

"We have three legislative charges," notes John Witherspoon, director of television activities for the Corporation for Public Broadcasting, "diversifying and expanding national production, interconnection, and expansion of stations. There is no predetermined order of importance there—but two of the three are off/on. Either you're going to have a PBS, or you're not. Either you're just going to add a little bit of programing to NET [National Educational Television], or you're going to diversify. We've made headway in those areas, and our principal commitment now is to raise the level of support for local stations."

That, of course, has to do with the oldest and still strongest debate: money—where it is to come from, how it is to be used. It is less a debate than a continuing process of communication; Charlie Vaughan and John Witherspoon are certainly not in constant disagreement the way that, say, Hartford Gunn and Jim Day are. Everyone agrees that the time has come to pump money into the stations; the questions now are when it will happen and what the mechanism will be. But the questions remain.

Thus the basic issues—structure, audience, money. They cannot be neatly separated; there is, for example, no sensible way to part the question of how money is to be used from the problem of structure. But they are the problems that must be faced—by people inside the medium, not outside. They are the issues that underlie a lot of sloganeering about "the fourth network," "the Eastern elite" and the "bedrock of localism."

The existence of these problems in their present forms is itself evidence of public broadcasting's new influence. Without the presence of a going network, feeding national programs of some substance, there would be no debate over the possible dangers of centralization. Without programs that draw, not just the elite that once kept "educational" television alive, but a consistently larger and more diverse audience, there would be no debate over the merits or demerits of going after the "masses." And although there have been money problems ever since there was educational broadcasting, they now attract national attention and acquire a sense of urgency because of the widespread perception that something of special, major significance is being *done* with the money.

To identify these as the principal problems is automatically to eliminate two others: programing and politics. If there is a "programing" problem, it is a function of these more fundamental issues: The character of programing on public stations is determined by the structures through which it passes, the audiences for which the media are reaching and the money available for programs. (It is also determined by the presence of creative talent, which is not so much a problem to be solved as a gift to be nurtured.)

As for politics, it is not an "issue" to which someone in public broadcasting might say Yes or No. It is the very fabric of the business. And to understand that point, it is necessary to distinguish the internal and external "politics" of public broadcasting.

Of all the words that have been said about internal politicking in public television, few have been very specific, and most have been worded as if to throw a cloak of intrigue over the subject. In reality, politics is public broadcasting's substitute for the marketplace. There is no impersonal economic process in public television, nothing that even pretends to be an Invisible Hand. All the hands are giving or reaching for available money of one kind or another, and all are quite visible and personal. In the absence of commercial economic mechanisms, there are only two possible paths for public broadcasting: autocracy, in which centralized controllers dole the funds and dictate the programing; or something resembling democracy, in which the various factions seek their share of money and influence. Public broadcasting—the statements of administration spokesmen to the contrary notwithstanding—is still far closer to the democratic model than to the autocratic one.

External politics—the relationship of public broadcasting to Congress and the executive branch—is a different story altogether: It is the long-range attempt of public broadcasters to use politics to transcend politics. By obtaining through the government, some day in the probably distant future, a means of permanent financing, public broadcasters hope to insulate themselves once and for all from the vagaries of political life. At this stage in public broadcasting's history, internal politics is (up to a point) a sign of health; external politics is the mark of a job unfinished.

Most of the attention goes to external politics, usually on the assumption that every unkind murmur from a government official sends public broadcasting into frenzied terror. The reality is somewhat different: that the medium is still struggling to find the combination of money, target audience and workable structure that will permit it to function as an independent system.

OTP Director Whitehead had his finger on a portion of that struggle when he spoke to the National Association of Educational Broadcasters' convention last month (BROADCASTING, Oct. 25). He charged public television, in particular, with becoming a "centralized national network" and with adopting the commercial networks' concern for "rating points and audience." There are station people who would agree with that analysis to some extent, but its significance to them pales by comparison with what he left out. There was not a specific word in his speech about a funding bill, long-range or otherwise. The message was unmistakable, although Mr. Whitehead never made it explicit: If you expect a satisfactory funding bill from this administration, *watch it.*

Does this mean that public broadcasters will now stumble all over themselves in an effort to get the money they need so desperately? "Look at it this way," responds a CPB spokesman. "Suppose we said: 'Let's do it. Let's pattern ourselves along these lines, because we, by God, need the money.' Then what happens? Then you get another administration in office—Ed Muskie, John Lindsay, whoever—and that administration says: 'Hey, guys, we want it done *another* way.' Once you get started along that road, you become like a ping-pong ball, and there's just no end to it."

This does not mean that public broadcasting's leaders belong on the pages of "Profiles in Courage," nor does it mean that there have been no instances of apparent buckling under political pressure. It does mean that there is a set of serious, sometimes undramatic core issues that *must* be resolved if public television is to flourish, and that these issues exist independently of whatever political winds may be blowing.

The noncommercial media have traveled a long road to confront problems and opportunities of such magnitude.

### IT USED TO BE DULL

Remember educational television? Before there was public television, there was educational television—impoverished, noble and often deadly dull. It was heavily tied, formally and in spirit, to educational institutions and/or an intellectual elite. The results were sometimes an intriguing contrast to commercial fare, often a numbing series of pedantic duds, and always cursed with negligible audiences.

Whatever else it was or was not, however, educational television was at least a potential alternative to the commercial networks. The existence of that alternative and the efforts of NAEB contributed to the creation of the Carnegie Commission on Educational Television. Arthur L. Singer Jr., who was instrumental in establishing the Carnegie Commission, recalls conditions of that time. "Irresistibly one could see, in primetime television, a vacuum that commercial TV was not designed to fill, and had moreover no desire to fill, and in educational television an instrument that could be shaped to fill that vacuum."

In a sense, the Carnegie Commission report was an attempt to help "educational" broadcasting overcome its own past. The local stations were licensed almost exclusively to educational institutions, state school systems or school boards, and their purposes were correspondingly educational in nature: to expand or enrich the classroom experience. (Many of the stations had stumbled into areas other than instructional programing almost by inadvertence, when the Ford Foundation—the earliest and best friend the educational system ever had—began diverting some of its money out of instructional programing and into more general material.) More important, their presentation smacked of the classroom rather than the broadcast media: The "performers" were usually print-oriented educators with little feel for the special possibilities of television and radio. One fair measure of public broadcasting's development is the considerable distance between Miss Pringle's second-grade reading class and *The Electric Company*, which serves the same purpose in an incredibly different way.

The commission felt it necessary to note this problem. "Education is not always somber or laborious," it said. "It is co-extensive with the full range of human experience and includes joy and gaiety as well as hard intellectual endeavor." And, of course, it was the Carnegie Commission that rejected the very name "educational broadcasting" as too suggestive of classrooms and other things not likely to compete successfully with *Bonanza*—or, for that matter, with *My Mother, the Car*. It divided the field into "instructional" programing, which is what the name says it is, and "public" broadcasting, which is everything else.

But the point to remember about the Carnegie Commission is that it was not striving only for a stronger system founded upon the "bedrock of localism," although it went to great lengths to drive that point home. It was not simply proposing the replacement of poor local stations with rich local stations. The central conclusion of the commission which is not exactly buried in its report (the statement turns up in the first sentence, is this: "A well-financed and well-directed system, substantially larger and far more pervasive and effective than that which now exists in the United States, must be brought into being if the full needs of the American public are to be served." Whatever else the Carnegie report may have been—and it was something a little different to almost everyone who read it—the report was first of all a conclusion that the system it christened "public" broadcasting should become high-powered enterprise of national significance, and that the first requirement in reaching that goal was to develop at least some national leadership.

The Carnegie Commission made its report public and disappeared into the sunset, but its recommendations (expanded to include radio) were central to the Public Broadcasting Act of 1967, which marks the beginning of the medium modern history. As CPB's Mr. Witherspoon noted earlier, two of the three legislative directions to the corporation were national and go, no go in significance: It was to provide interconnection and to develop outlets for national programing. A third and equal responsibility, but only one of three, was to increase the support given to local stations.

CPB was created by law late in 1967, but did not acquire a chairman (Frank Pace, a former secretary of the army and business executive, now head of the International Executive Service Corps) and a board of directors until early in 1968 and did not find a president until February of 1969 (John W. Macy Jr., who had been chairman of the Civil Service Commission for eight years under Presidents Kennedy and Johnson). Shortly thereafter, CPB announced its plan to establish a Public Broadcasting Service to manage the interconnection. That service did not become operational until 18 months later, in October of 1970. The establishment of production centers became a reality with the launching of PBS. National Public Radio, a noncommercial radio interconnection service—which, unlike PBS, produces some of its own programs—came into being in May 1971.

As it crossed each major divide, public broadcasting came face to face with its own diversity; many of the fiercely independent local operators, expressed reservations about the effect these new organizations might have on "local autonomy." When CPB was first formed, there were rumblings from the ranks about the dangers of centralized control by an "Eastern establishment." These gradually subsided, and the debates became centered on specific policies rather than on the institution itself. Then PBS came along, and the old feelings were expressed again. "We are really concerned with the erosion in local production and control," one said. "We must watch that centralization of control in Washington doesn't happen," said another. That was the majority view at the time (Broadcasting, April 14, 1969).

Time altered these difficulties, although it never erased them. The fundamental disagreements no longer involve the findings of goblins at the national level, but rather the search for a balance that will make the system work—of locating the right mix of central and federated control, determining the appropriate audience, and obtaining enough no-strings-attached funding.

The debate over centralization has centered on the creation and operation of the two networks, PBS and National Public Radio.

### TO AVOID A CONFLICT

When the Public Broadcasting Service was created, the question was not whether interconnection should exist, but what form it should take. National Educational Television, which for years had been the principal supplier of programs, argued that it should continue to serve as a principal production center while at the same time exercising control over the distribution of programs, but the idea at the time was that such a division of functions would create a hopeless conflict of interest.

The decisive fact was that NET was not a membership-governed organization. For years, it had been the almost exclusive supplier of whatever national programing public television had commanded. At the same time, it had been the source of enormous discontent among station people in public broadcasting, both because it was an Eastern-oriented, liberal outlet and because stations had felt no voice in the programing process. Donald Quayle, now president of National Public Radio and previously a consultant to CPB while PBS was being formed, says: "If NET had been a membership organization, there might never have been a PBS. That's all speculation, but its possible."

That was a large part of why PBS came into being. It was not just that public television people wanted a strong interconnection service; they wanted a service they could reasonably expect to control. They got it.

As it was created and now exists, PBS is unlike any other national broadcasting network. It is far more federated, far more loosely organized. The programs it distributes are produced by the major centers and funneled through the network, but the final responsibility for clearance and scheduling still rests with the local stations. To facilitate that process, PBS is organized so as to permit screening of programs by local stations before they go on the air.

Most important, the governing body of PBS is a board of directors that is dominated by station types. The network's policy is made by that organization. And no other network president but PBS's Hartford N. Gunn Jr. would be likely to tell a business meeting: "Do not entrust more power to [the network] than is absolutely necessary."

So where is the tension between PBS and its affiliates? It does not come principally from the medium and smaller-sized stations; they control the board, and whatever specific disagreements they may have, they generally like the idea of PBS as it now exists. When confronted with the notion that PBS might compensate its stations for carrying programs as a means of encouraging greater carriage, a broadcaster such as Robert Ellis—director of broadcasting and general manager for Arizona State University's noncommercial KAET-(TV) Phoenix—will reply. "I'm already compensated. Where else can a local station get programs like *Sesame Street?*"

The real dispute is between PBS and NET. PBS is the incumbent, the national network that must select and distribute programs to a nationwide group of stations. NET is the displaced king; once the pre-eminent leader in providing national programs for educational television and still the principal source of prime-time evening programing, it is no longer the heart of the national system. It is one of several production centers that supply programs for national distribution.

There are two lines of dispute—one largely fading from view, the other very much alive. The first has already been mentioned: NET felt, as an experienced source of programing, that it should be both a center of production and a source of distribution—a national center of expertise. It has not been permitted to assume that role, and although EBC President James Day still makes the argument academically, he no longer presses it as an important live issue. The more important question is whether NET, or any other production center, should enjoy a direct line of access to the stations. It is the view of Jim Day and the people who work for him that it should—that, once a program has been produced and cleared by management, it should be fed through PBS without interference, leaving the individual stations to decide whether or not they will run it. The opposing position, as laid out by PBS's Hartford Gunn, goes this way:

"I certainly agree that the final decision rests with the stations, as to whether or not they should run it. But there are very real problems; a number of our stations, probably 20 to 30 stations on the average, cannot see a preview prior to broadcast, because they get the signal off air by their relay system. It's a technical problem. In effect, there are a number of stations that are not directly interconnected at the time we can preview programs . . . and so they have to look to PBS to provide them with some guidance.

"The second reason is that it's purely one of our mandates from our own board of directors, the majority of whom are station managers." At one of their board meetings, the managers adopted their position: "Adherence to standards of fairness, objectivity and balance must be a joint process by the producing agencies such as NET and PBS, with the former having the initial responsibilty, and PBS having final responsibility for the program service."

That is the essence of the difference between PBS and a commercial network. The former is far more subject to the decisions of its managers about what programs it will run, what times it will run them, and what programs will be transmitted in the first place, because the members have a large voice in managing the network, and because there is no economic penalty for anything.

What about radio? The answer is that National Public Radio, the newest noncommercial organization, is more like PBS than unlike it. Both are membership organizations managed by the members; both draw from local sources in their programing. There are two basic differences. The first is that NPR produces a 90-minute daily newsmagazine program, *All Things Considered* (for which some of the material is drawn from local stations), and is planning two other programs of its own; PBS itself produces nothing. The second involves the method of getting local programs. PBS draws from local stations, particularly the specified production centers, which get their national programing funds principally and directly from CPB. National Public Radio gets its basic funding from CPB, then contracts out with local stations for the specific programs to be carried on the network. The results, in terms of centralization, are not that much different; both are far more decentralized than any commercial counterpart.

At one point, it was proposed that PBS manage the radio interconnection as well as the television one, but the differences between the two media led to the scuttling of that idea. As NPR President Quayle puts it, "Radio is much more a series and a process than a group of neatly packaged programs. You can't operate it on television principles."

### MACY'S THANKLESS JOB

There is one problem that both networks, all stations and everyone else in public broadcasting share, and they will confront it as long as any funding system other than an impersonal mechanism exists. One top broadcaster expressed it this way. "When there's a crisis in the system, like the *Dream Machine* dispute, people outside the system don't think that Hartford Gunn did that or the PBS board did that. People think: John Macy did that." Another leader in the system says, "John Macy has the most thankless, grueling job in the United States, bar none. Hartford Gunn isn't too far behind, but Hartford can please some of the people some of the time. John can't please *anybody*."

That is both a slight exaggeration and an excellent point. Hartford Gunn and Don Quayle, for all their assorted problems, are providing a free service, under guidelines established through a painfully democratic process and directly involves the stations themselves. John Macy and CPB are (1) providing money, of which there is never enough to satisfy everybody, and (2) involved in granting funds for programming, which immediately raises the specter of benevolent despotism. Let one person say, "even the production centers are onto the fact that they're being told what to produce," and all the denials in the world never seem to obliterate the stigma.

The problem is not simply one of influence, but of the appearance of influence, and it does not begin and end with CPB, which is acutely conscious of its own delicate situation. It is axiomatic that strings are attached to money, no matter who gives it away. CPB does not "tell" people what to produce, but it consults with every production center about program plans before awarding money. It has to; the corporation can't spin a roulette wheel or pick a figure out of a hat. But, having talked about programming, it has by definition placed itself in the business of setting priorities.

So it is with the Ford Foundation, which has always had a thorough centralist bias that only added to some local managers' distaste for anything associated with New York. So it is also with school boards, which by definition are first of all in the business of instruction, or with state governments, which are generally rather conservative funding sources. (At times in the history of the medium, idealistic station staffs have collided with station managers who answered to more conservative boards of directors and funding sources; it is said that Boston, New York, Los Angeles and Pittsburgh have at one time or another seen such upheaval, unseating boards or unseating station managers.) About the only no-strings-attached funding to be obtained comes from station "auctions" (a popular public fund-raising device), which exist more to keep stations alive than to help them grow rich and prosperous.

However, CPB's money is relatively free of ideological strings, simply because the corporation operates under those specific legislative mandates. There are certain things it must do and must not do under the law. Those requirements make CPB different from any broadcast organization anywhere on the globe. It was established by the government, but it is an independent, private corporation that draws funds from both federal and nonfederal sources. It was to pave the way for interconnection, but not to operate the network. It was to encourage the diversity of program sources and increase support to local stations, but it was not to engage in any programing ventures of its own.

The corporation has what initially appears to be a lot of money to distribute. After struggling into existence in 1967 with slightly more than $2 million in grants from private sources, it reached the $40 million mark in this fiscal year. Nearly all of that amount goes back out. (The largest single chunk of that amount goes to PBS—$9 million.) The more revealing figures, however, are yielded in a breakdown by station of the approximately $7.5 million CPB is doling out in general station support—aside from the national program production. Spread that across the spectrum of public broadcasting, and nobody gets too much. A typical example is WKNO–TV Memphis, which operates on a budget of $450,000, and which received $22,500 in general support money from CPB—5% of its total operating costs. Across the board, CPB contributes only about 18% of its total funds to general support for stations. The pressure is on to raise that figure dramatically.

CPB's John Witherspoon, who recently talked with nearly all of the nation's public television managers in a series of meetings, says there is hardly any point in constructing a hierarchy of concerns at the local level: Money overshadows everything else. There is no need to invoke the Carnegie Commission; it is simply that the people need money, they know where to find it, and they want more.

In fiscal 1970, the most recent year for which comprehensive figures are available, the largest single source of funding for local stations in the system was state governments, which pumped in over $19 million. Behind them were local schools and boards of education ($17.5 million), state boards of education ($10.7 million), and, in fourth place, "intra-industry sources"—principally CPB—which contributed $8.2 million.

### FORD FOUNDATION MONEY

The Ford Foundation, which over a 15-year period has poured over $200 million into the noncommercial media, is also the principal reason that NET exists at all. Even today with CPB a going concern, Ford is the largest contributor to the New York production center; its $6 million still surpasses the $4 million delivered by CPB—and the latter figure represents CPB's largest single contribution to any station or national production center.

The other principal source of funding is the Office of Education, which in this fiscal year has $13 million in federal money to distribute in the form of facilities grants. OE also contributes $7 million to the Children's Television Workshop, and is looking around for other instructional projects to fund.

There are assorted other sources of income: underwriting by private corporations, auctions, subscriptions from listeners and viewers—none of which can do more than help keep individual stations afloat while they await the big national paymasters.

Until they arrive, public broadcasting will have to cope with image-killers like the recent flap over a segment of *The Great American Dream Machine*. NET came up with a 12-minute piece in which the FBI was accused of encouraging or actually instigating violence within radical organizations. To simplify a long and already told story, PBS suspended broadcast of the segment, contending that it was insufficiently documented and too brief to carry such sensitive charges. NET, of course, stood by the piece and maintained that PBS had no business making editorial decisions. Ultimately, the network ran a two-hour discussion of the entire incident, during which the original piece and a later, revised version were shown.

The problem was that, while PBS and NET were agonizing over the film, FBI Director J. Edgar Hoover wrote a letter to NET. Based upon his understanding of the piece, Mr. Hoover said, it was "totally inaccurate." (Mysteriously, Mr. Hoover wrote the letter on stationery marked "Department of Justice," to inform NET that he had "referred the matter to the Justice Department." "Maybe Mr. Hoover has taken to talking to himself," Hartford Gunn mused at a PBS business meeting.) Since the suspension—it was not an outright cancellation—followed close behind receipt of the letter, there was an immediate suspicion that someone had been intimidated. As it happened, the matter had been a source of internal dispute for days before that letter was received, and Mr. Gunn was still insisting, two days after the event, that he had not even seen the letter. Apparently, nobody involved heard anything from John Macy, who is understandably wary of appearing to have any connection with such a dispute. Before the *Dream Machine* dispute was anything else, it was one of those internal disagreements that are the stuff of public broadcasting's existence. Nevertheless, the widespread suspicion persists, and will continue to persist at least until permanent financing is produced.

The most widely discussed proposal toward that end is still the Carnegie Commission's plan for an excise tax on the sale of television sets. But, as John Macy points out, "this isn't exactly the ideal time to talk about adding a new excise tax, with the government repealing excise taxes." The interim proposals that have been kicked around by OTP provide for much more money than the medium now receives, but they are not a permanent, insulated approach. The administration, which at the NAEB convention measured public broadcasting by the standards of the Carnegie Commission report, still is not ready to implement the funding recommendations that were central to that report. And public broadcasting is still dangling from all those strings.

### DEVOTED 4-YEAR-OLDS

The one structurally independent programing organization associated with public broadcasting is the Children's Television Workshop, producer of *Sesame Street* and *The Electric Company*. CTW is sometimes listed as an "eighth production center," but is actually a nonprofit corporation with no ties to anybody except in the area of funding (CPB, the U.S. Office of Education and the Ford Foundation contribute much of its money). If the entire noncommercial broadcasting establishment were to go up in flames tomorrow morning, CTW is the one organization that might survive the wreckage. It is distributing foreign-language children's programs, conducting research into further programing, looking into the future-film market, and exploring the possibility of gaining control of cable franchises in major cities.

But if CTW never made another contribution to public broadcasting, it would be remembered as the organization that brought the first flood of audience and recognition to public television. It was not just that the medium suddenly acquired a devoted band of 4-year-old viewers (and a devoted group of adults who thrilled to the Cookie Monster on the sly); there was also as CTW President Joan Ganz Cooney remembers it, "a flood of grateful letters from parents, many of whom sent in a lot of money" and many of whom gained a new perception of the fare on their educational channel. (In the spring of 1970, after *Sesame Street* had made its big splash, spokesmen for the noncommercial media went to Capitol Hill for their annual hat-in-hand ritual, and sold the program's virtues so often and so hard that House Communications Subcommittee Chairman Torbert H. Macdonald (D-Mass.)—a strong advocate of long-range funding—finally threw up his hands in despair and groaned: "One program does not a network make. . . . I'm *tired* of hearing about *Sesame Street*.")

That one children's program brought public television's audience problem into sharp focus, because nothing else on the schedule has yet matched its impact. And the programs that have have only made the dilemma more apparent. Small audiences mean small impact; larger ones means visibility and a large political problem.

That such a problem may already have arrived is demonstrated by the Nixon administration's displeasure over the formation of a news and public affairs center in Washington, the National Public Affairs Center for Television—the medium's first attempt to mount "major news coverage," although its approach to news is expected to differ from that of the commercial networks.

Moreover, the nature of public television has led it to adopt a special measuring stick. What public television uses to gauge its success is not standard ratings (which would still be an embarrassment, comparatively speaking), but the number of people who watch public television at least once a week. At last count, the number had reached 39 million, although the average weekly viewing time was only 1.9 hours. In part, this reflects a conviction that any system as varied as public television can succeed only by drawing different sets of people to different kinds of programs. Devoted, all-evening viewers are generally regarded as both unobtainable and probably undesirable. "The [traditional] assumption," says WGBH's David Ives, "is that the ideal person is someone who has his television set on 18 hours a day. We don't buy that."

In order to draw such an audience, however, public television needs to overcome such mundane problems as accumulated habit—people still think of the commercial networks as "television"—and its own image. The approach has been to mount a vigorous promotional campaign, stretching all the way to the commercial networks, and to place a lot of emphasis on polish. Absolutely everybody in public broadcasting comments on the latter point—the quest for smoothness of production is at opposite poles from the old the-world's-the-thing approach.

There is, in fact, no evidence at all to support the popular conclusion that people in public television associate virtue with small audiences. The trick is to win those audiences without sacrificing the commitment to a distinctive and varied breed of programing. Perhaps the best illustration of how complicated that quest can be is the success of *The Six Wives of Henry VIII*—on CBS. The program not only won critical acclaim; it cleaned up in the summer ratings in a way that was impressive even by commercial standards, and dwarfed any audience ever attracted by public television. Yet the program itself was just the kind normally associated with public television. Quite apart from the question of quality or singularity, there is a conditioning problem to be overcome, and the solution may take years.

The ultimate answer, if there is one, may be provided as much by technology as by programing. When NAEB President William G. Harley proposed earlier this year that public broadcasting stations begin planning to become "telecommunications centers," employing all available means of distribution, he was not speaking entirely without precedent, nor was he merely marching along with fashionable discussions about tomorrow's hardware. He was articulating what may be a key to the effective survival of local public television. If the real mission of public stations is programing, and if the costs of being a station operator cut too deeply into the quality of that programing, then station operators will ultimately have to concentrate their energies on being programers and leave management of the technology to others. That is an extreme version of the case, but not an unthinkable one.

The recognition of this problem is not confined to station operators and their representatives. It is also expressed by people like Lloyd Morrisett, president of the John and Mary R. Markle Foundation. That organization, which until recently poured all its resources into medical causes, has shifted entirely into communications, and now distributes about $2 million to communications research. Action for Children's Television and, most recently, into programing: a series of media criticism, *Behind the Lines*, on New York's WNET(TV). Its principal interest, however, is in cable television, which Mr. Morrisett sees as the key to public television's future. "I don't see much prospect of long-term insulated federal financing," he says. That to him makes cable all the more important, as a bridge between public programing and the audience. "The public broadcaster," Mr. Morrisett says, "simply doesn't *need* to operate a facility."

It cannot be said that cable and other developing technologies are perceived by station people as part of their immediate future. In other quarters, however, there is almost a sense of urgency about the subject. Michael Dann, who left CBS last year as chief of television programing to become vice president and assistant to the president of Children's Television Workshop, speaks as if the question were beyond debate. "Obviously," he says, "from 1978 to 1983 we will move into a wired society, with a corresponding fragmentation of the audience"—which can only benefit public broadcasting. Then, with a glance downtown toward the CBS building, he reads signs in the present:

"When CBS moves its base from the 60-second to the 30-second spot; when there is no regular documentary series in prime time; when the basic profits are from daytime programing; when you're almost *glad* that the FCC saved your skins by cutting back a half-hour of prime time; when there's not a single new live variety show; when William S. Paley, perhaps the most professional broadcaster in the history of broadcasting, picks a new president with no broadcast background—then you can be certain that these changes are already under way."

Not everyone is as certain as Mr. Dann, but there is widespread agreement with his general scenario, and growing realization of its implications for public broadcasting. In the meantime, the medium waves its flag and shouts its name in an attempt to change the viewing pattern of 20 years.

### TOUGHEST TASK EVER

The managerial task here is the toughest I've ever faced," says EBC's Ward Chamberlin, whose background includes private business. "We're technically in a noncommercial business—but it's commercial in every way except the sources of funds. You're in a business that devours money, where cost control is terribly difficult—and without the ruthlessness that's inherent in the commercial system."

That kind of talk is heard more and more frequently as public broadcasting grows away from its origins and assumes new forms. The attempt to program conspicuously and well for different audiences, to evolve a complicated system into something both workable and democratic, and to amass enough money to do anything at all, does indeed have more in common with big business than might be suspected. Less and less audible are the voices of people like Vernon Bronson, winner of this year's NAEB Distinguished Service Award and an instructional pioneer with 30 years of experience, who two years ago told this magazine. "We spent a decade getting the educational community together for ETV channels. And we got them for education—not social causes or culture." Today, the more widely accepted notion is that instructional programing (funded principally by educational organizations) can co-exist quite legitimately with a far wider range of programing (funded principally by national organizations).

There are other broad areas of agreement. It is generally conceded that anything so big and increasingly powerful must stay democratic or die. There is recognition that more national money must be funneled to the stations. There is virtually unanimous agreement that the quest for larger audiences—not as large as the commercial networks, but larger than public broadcasting is accustomed to—is legitimate and necessary, so long as that growth is coupled with both diversity and the exercise of independent standards. The differences involve the precise balances to be struck in each area.

But what about "localism"? What about that element in the Carnegie report, so important to many station people and so prominent in the Whitehead speech to NAEB? The answer depends on your use of the word. "Localism" may mean: Give the stations a hefty cut of available funds, don't tell them what to do, increase their options, and give them a powerful voice in whatever national organizations may be developed. In this sense, "localism" is the opposite of centralization, and is a part of the blueprint for American public broadcasting.

There is another use of the word, however, and it is more dangerous. There are times when the call for localism, whether it comes from inside or outside the media, sounds dismayingly like an attempt to keep the idea of national service at arm's length. When Tom Whitehead called PBS an emergent "centralized, national network," he used the words almost as synonyms. Nobody has taken exception to the idea.

They are not the same thing at all, and must not be confused. Centralization is a way of operating, a structure; it was clearly unacceptable to those who framed public broadcasting's charter. National service, on the other hand, defines a kind of reach and impact; it is absolutely fundamental to the goals those who initiated this new medium hoped it would reach.

Whether or not the present configuration of public broadcasting happens to align in all respects with the Carnegie report may not be the most important of all criteria. Whether that configuration points the medium toward its assigned role is critical.

Public broadcasting will not suffer in the long run because its critics shoot from more than one direction, or because one administration is made nervous by Sander Vanocur. It will betray the dream only if it forgets one inescapable mandate: that it make a difference.

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## ADDRESS OF CONGRESSMAN BRADEMAS

(Mr. BRADEMAS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BRADEMAS. Mr. Speaker, on November 6, 1971, I had the privilege of addressing the 11th National Conference of the Central Opera Service, sponsored by the Metropolitan Opera National Council. The conference was held at the John F. Kennedy Center for the Performing Arts in Washington, D.C.

Mr. Speaker, I insert at this point in the RECORD the text of my remarks on this occasion:

### ADDRESS OF CONGRESSMAN JOHN BRADEMAS

I count it an honor to have been invited to address the 11th National Convention of the Central Opera Service, and I am especially pleased to be with you here in the John F. Kennedy Center for the Performing Arts.

It was, I remind you, ten years ago that President John Kennedy spoke at the ground breaking for this building. On that occasion he spoke of the role of the Arts in a free society and the role of government in the Arts; and he gave us a history lesson. He said:

"Aeschylus and Plato are remembered today long after the triumphs of imperial Athens are gone. Dante outlived the ambitions of 13th Century Florence. Goethe stands serenely above the politics of Germany, and I am certain that after the dust of centuries has passed over our cities, we too will be remembered not for victories or defeats in battle or politics, but for our contribution to the human spirit."

It is ironic that we meet today in a monument to the man who spoke those words, and that we may in time recall John Kennedy not for his "victories or defeats in battle or politics" but for the stimulus he gave to the cultural life of this Nation.

And I must here not fail to pay tribute to my distinguished colleagues in Congress whose inspiration and leadership there helped make possible the Kennedy Center, Senator J. William Fulbright of Arkansas and Congressman Frank Thompson of New Jersey.

Already this Center has contributed to the life of the Nation's Capital and if the building in which we meet does little to heighten one's regard for some of American architecture, I am none the less greatly impressed by what is going on within these walls.

For it is no minor advance in this town that within the coming days one may see Cat Stevens, the New Orleans Jazz and Ragtime Festival, the B Minor Mass, Tony Bennett, Rudolf Serkin, and Roberta Peters, and I have not mentioned Claire Bloom or Wingy Manone.

### THE VITALITY OF THE ARTS

I have been invited to address you, the nation's top leaders in opera, not because I am an expert on opera, for I am not, but because I am a politician who shares with you a concern for the vitality of the arts in our society.

As you know, the education subcommittee I have the honor to chair has jurisdiction over the programs of the National Arts and Humanities Foundation—but I must tell you that my subcommittee handles a variety of other legislative areas as well.

We also write bills touching on educational technology, child day care and preschool programs, drug abuse education, educational research, public libraries, education of the handicapped, and the older Americans programs.

And it has been enormously fascinating to me to see the ways in which what we do in one area dovetails with our legislative activities in others.

So it will not perhaps surprise you when I tell you that in the last Congress, when several of my colleagues and I decided to write legislation providing funds for elementary and secondary schools for offering courses about the environment, I picked up the phone in Washington and called Robert Motherwell to ask him to be a witness on the first day of our hearings.

He said, "Why do you want me to testify on environmental education; I'm a painter."

I said, "Because we want to establish at the outset that in discussing the environmental crisis, we are talking about far more than clean air, land and water. We are talking about the fundamental values of human life."

Motherwell said, "I'll come," and his eloquent testimony that day provides the text for my sermon to you here.

Said Motherwell, "I speak only as an artist, but to speak as an artist is no small thing. Most people ignorantly suppose that artists are the decorators of our human existence, the esthetes to whom the cultivated may turn when the real business of the day is done. But actually what an artist is, is a person skilled in expressing human feeling."

Motherwell went on to demonstrate his own skill in expressing human feeling when he voiced his horror at what we have made of much of our environment:

"One's mind reels at what men without an aesthetic sensibility have been capable of. Far from being merely decorative, the artists' awareness, with his sense of proportion and harmony, is one of the few guardians of the inherent sanity and equilibrium of the human spirit that we have."

It is to help assure that we do not lose—indeed that we expand—the efforts of these guardians of the human spirit that we meet here today.

### THE ECONOMICS OF THE ARTS

So I want, from my perspective as a legislator, to talk to you today about some of the efforts of the Federal Government in the arts, including the art of opera, that deserve our attention and concern.

First, I want to talk to you about money.

Unfortunately the activities through which artists live and communicate tend to be left behind by our society. The dance and music, opera, drama, sculpture and the new realms of multi-media work tend to miss out in the progress of our economy.

A brief descent into economics will indicate why this is so.

First, the arts are labor-intensive. A sculptor's time and thought and imagination are the main ingredients in his work, and no breakthroughs in the price of rock will make his output cheaper or more efficient.

Clive Barnes of the New York Times has said that in the dance, one of the arts in which America is clearly ceded international leadership, world acclaimed figures may earn as little as $5,600 a year. Juniors in a major company may take home *only* $4,200. Yet even on these wages the pay of dancers will make up 30% to half of a company's budget.

The same kind of situation confronts the opera. According to a study by the *Twentieth Century Fund*, 41¢ of every opera dollar goes to performers, but is spread unevenly. A few stars on top command up to $10,000 a performance, while professional cast members at a lower level may barely make a subsistence living.

But while labor intensive, the arts are not amenable to increases in productivity. A 45-minute Schubert string quartet still takes three man-hours to play, someone recently observed, the same as it did 150 years ago.

Finally, the arts can rarely take advantage of the economies of scale. There is a size beyond which no auditorium can convey the experience of opera or theater.

While modern techniques of reproduction can to some extent take painting to wider audiences, graphic art remains intimate and personal, not something to be appreciated by vast audiences at once.

Thus even without inflation, the economic structure of the arts is such that their costs would stay constant while increasing productivity in other fields made the price of enjoying them seem high. So in a dynamic or inflationary economy, inflation strikes hardest at the arts, ever widening the gap between costs and income.

Typically, according to Amyas Ames of the Lincoln Center, the cost of operating any enterprise in the arts rises by about 10% a year. For a $40 million operaton like the Lincoln Center, this means expenses this year will be $4 million more than last. Even on a small budgetary base, such a proportionate increase is hard to bear in El Paso or Indianapolis.

While statisticians can have a field day estimating what goes into expenditure on the arts nationwide, a conservative estimate of $2 billion a year suggests that the climb in expenses every year must reach a frightening $200 million *without the provision of any new performances*.

And we know that new performances must be added in all the arts to meet the demands of increasing leisure, the desire for the arts in education, and to meet the need for cultural expression among America's minority groups.

Indeed, I might take advantage of this forum to tell you that my friend and distinguished colleague, and the ranking minority member of my subcommittee, Congressman Ogden Reid of New York, and I have tentatively decided to take our subcommittee to New York City sometime in the Spring of 1972 to spend several days touring institutions of art there—big institutions and small ones, established ones and experimental ones—in order to learn as much as we can about the situation of the arts in the capital of the arts and in order as well to dramatize to the general public the rising awareness in Congress of the role of the arts in the American Society.

### THE ROLE OF BUSINESS, FOUNDATIONS, AND GOVERNMENT

What is to be done about the economic plight of the arts in America?

Here are a few observations: In the first place, it seems obvious to me that American business and industry can do far better than they have done to nourish the arts; and I say this without in any way denigrating the support they have so far given. Since only 5% of corporate contributions go to the arts, however, there is surely room for improvement here.

I do want to pay particular tribute to some of the private foundations in our country; they clearly deserve it.

In particular, I must commend the Ford Foundation and its able Vice President for Humanities and the Arts, W. McNeil Lowry, for the imagination and economic horse sense they have employed in support of the arts in recent years.

You all know, of course, of the 1966 Ford Grant in excess of $80 million to symphonies, and I am sure you join me in applauding the announcement last month by the Ford Foundation of a series of new grants to theaters, dance companies and opera companies.

As a Member of Congress hungry for accurate information about the arts, may I say that I am also looking forward with intense interest to the results of a Ford Foundation study of the economic needs of the Performing arts. When the study is published in March of next year, I am sure it will enable my colleagues in both the House and the Senate to be able to legislate more thoughtfully and effectively for the arts.

Yet you and I know that the combined efforts of business and the foundations—even if greatly expanded—will not be adequate to meet even a ballpark estimate of the needs of the arts in contemporary America.

We have therefore in recent years come more and more to realize that it is both appropriate and wise for the National government to lend its support to the arts.

Now, as some of you may know, I am a Democrat, and I find little difficulty in restraining my enthusiasm for the works of this Administration.

But I am pleased indeed to praise President Nixon for his budget request this past year of the full $60 million Congress authorized for the Arts and Humanities Foundation—$30 million for each field.

And I am equally pleased to say that Congress appropriated the money. One reason, let me here take a moment to say, that I believe Congressional support for the National Arts Endowment will continue is the effective leadership that Nancy Hanks is bringing to it.

Now let me here observe that I believe it is most important that the goal of full funding for the arts was reached this year. It is important not only because the money will be put to good use all over the country; but also because reaching that goal was necessary groundwork for a more ambitious objective. If—and I cite this only by way of example—we were to adopt the target of Amyas Ames and his Partnership for the Arts we will aim for $200 million annually in government support for the arts, about one federal dollar per capita.

But with $30 million a year for the arts, or even $200 million, we must still consider the question of what is to be done with the money we generate, public and private. And this is in some ways a still more fundamental question.

Let me then pass from a discussion of the economics of the arts to talk about this other problem.

### EDUCATING AUDIENCES FOR THE ARTS

And let me here confess the prejudice of a Congressman concerned with education. For while I favor greater support of education at every level, I also favor far more attention to the education of audiences for the arts—and I believe, in respect of the particular art form you represent, that we should do a far better job than we have done to educate an audience for the opera.

It was, you will recall, Walt Whitman who said that "To have great poets, there must be great audiences, too."

Few of you, I think, would disagree that great audiences are educated, not born. But how to educate people for the arts? Surely, it seems to me, the beginning of wisdom here is the realization that, as the Calvinists say of sound religion, art must be related to every dimension of man's—and woman's—existence.

Let me illustrate what I am trying to say by telling you of some of the other areas of which the Select Education Subcommittee is concerned; and I think you can then begin to imagine how the arts can be brought to bear on each of these areas.

For example, Congress will shortly take final action on a major child day care and preschool bill initiated in my subcommittee. What ought to be the role of the arts in the development of children in their earliest years? Have music, and painting and poetry anything to say to children in their preschool years, and, for that matter, to their parents?

One year ago last month Congress passed the Environmental Education Act, written in my subcommittee, a measure aimed at stimulating ecological education for elementary and secondary school students. Is there not a role for the arts in sensitizing both children and adults to the environment of which they are a part?

And I remind you that the Environmental Education Act also provides support for developing materials through which the mass media can teach about the environment.

Let me turn to another area in which we are now working, the problems of older Americans, and put to you this rhetorical question: How can the arts, how can music, and how can opera play a role in the lives of the older citizens of our society? Have you thought about that?

We have also in my subcommittee the job of writing vocational rehabilitation legislation and other measures that touch upon the lives of the handicapped. Have you given much systematic and imaginative thought to the meaning of the arts to those who are mentally or physically afflicted?

I cite another field of burgeoning concern wherein members of my subcommittee have sought to provide some modest leadership—the increasing problem of drug addiction in modern America. Some months ago we sent to the President the Drug Abuse Education Act, which has two aims: producing scientifically objective teaching materials concerning the dangers of drug abuse, and encouraging drug abuse education programs in our school systems. Has not so powerful a vehicle for human expression as the arts nothing to contribute to communicating with humans scarred by addiction?

To this litany of opportunities with which I am seeking to challenge your imagination I will add the men and women in the prisons of this land. What can the arts do to make their lives more humane and, hopefully, enhance the prospect of their living lives more sane once free?

This week the House of Representatives passed another bill, of which I am a sponsor, to establish a National Institute of Education, to support research and development at every level of education, preschool through postgraduate school, in formal institutions of learning and outside them. Surely, it seems to me, the place of the arts, not only as a subject of, but as a vehicle for, teaching and learning, ought to be part of the research agenda of the new Institute.

And next year, my subcommittee will resume consideration of legislation in the field of educational technology. We know that Robert Rauschenberg, Claes Oldenberg and Billy Kluver are working on marrying the resources of American technology to the visual arts. Is there not a frontier here for opera as well?

In all these areas, then we in Congress earnestly solicit your ideas, your suggestions, and indeed your exhortations.

Of course, we in Congress who are champions of the arts want you who labor in the vineyards of the arts to be vigorous workers for increased financial support of the National Arts Endowment.

But we hope you will do more than lobby for more money from the government.

We seek as well the fruits of your thinking, your training, your experience and your imagination.

Earlier I said we must do more to educate audiences for the arts, specifically for opera. I have given you a number of areas to which, I have suggested, we need to bring the arts as a new dimension.

### EDUCATING AN AUDIENCE FOR OPERA

I want now to focus some comments on the field which brings us all together in Washington this weekend—the opera.

When asked to make this speech by my good friend, Eva Popper of the Metropolitan Opera, I thought immediately of a book that I found in my grandfather's library in a small town in Indiana over 35 years ago, *The Victor Book of the Opera*.

I recall still those marvelous photographs of Martinelli and Caruso as Rhadames, of Galli-Curci as Rosina, of Chaliapin as Boris Gudonov, and I read the summaries and looked at the photos of the stage sets of Rigoletto, Othello, and Der Rheingold.

So my education in the opera, though modest and fitful, began at a fairly early age.

As a Congressman who is a rigorous advocate of Federal support for the arts and as a democrat with a little "d" (as well as a big one) I must tell you that I strongly disagree with those who hold that opera is solely for an elite. I believe they are mistaken, for there is a vast potential audience for opera today and, as with other major art forms—theater, dance, symphony, painting—we must help make it possible for all our citizens who wish to do so to have access to them.

The National Arts Endowment and a number of private foundations have been pioneering in this respect.

But we have a long way yet to go to insure, in the world's wealthiest democracy, that access to art is not for the affluent alone. Building an audience for art through the nation's schools, colleges and universities and through community education is one way for us to begin.

### SOME EXAMPLES OF EDUCATING FOR OPERA

Let me assert then that we must educate not only the singers, the stage directors, and conductors of opera; we must begin to pay more attention to creating educated audiences for opera, especially among young people. Let me offer a few illustrations of how, it seems to me, we can bring an opportunity to know opera to many persons now denied access to it.

I give you but three examples. We should it seems to me,

Encourage opera companies to increase their public service performances both in their home communities and on tour to other communities where live opera is not available. School children and college students as well as senior citizens should be enabled to attend and, where possible, speakers and demonstrations should be provided.

We should develop video tapes and films of live opera for use in schools and colleges and the general community.

And we should provide financial help for increasing both the number of operas produced and the number of performances.

A concrete instance of the kind of effort I am here urging is a program sponsored by the San Diego, California, Opera Guild and the San Diego school system which, with a $50,000 grant from the National Arts Endowment, is providing classroom instruction in opera combined wtih student attendance at live performances.

I hope very much that some of the leadership for educating an audience for opera in America will come from the National Opera Institute, which was created in 1970, with support from the National Arts Endowment, to increase the growth of opera in this country.

With the appointment of George London as new executive director, I hope the Institute will begin to contribute significantly in the areas it has marked out for itself: (1) supplementing production costs of new or unproduced works; (2) commissioning new operas; (3) studying the best methods of developing opera for television, aimed at broadening the audience for opera; (4) bringing professional opera to sections of the country that would not ordinarily have this exposure; and (5) providing a limited number of individual grants to outstanding young singers.

And I must also note, by the way, that since 1965 the Arts Endowment has given a total of $3.1 million to opera activities. Opera grants for fiscal '72, I understand, are expected to approach $1.5 million, almost triple that of the year before.

### A SUMMARY

Let me summarize what I have tried to say to you.

I have spoken of the economic condition of the arts in America today, and I have told you of the increasingly significant role that the Federal government is playing in supporting them.

I have urged you to exercise your imagination and your experience in relating the arts, including opera, to a wide variety of persons and problems—from preschool children to older Americans, from the challenges of the environment and drug abuse and of prisons and modern technology.

And I have pressed upon you the responsibility to help educate new audiences for the arts and especially for opera.

Your mission is, I believe, a most enviable one. Again to quote President Kennedy:

> Behind the storm of daily conflict and crisis, the dramatic confrontations, the tumult of political struggle, the poet, the artist, the musician, continues the quiet work of centuries, building bridges of experiences between peoples, reminding man of the universality of his feelings and desires and despairs, and reminding him that the forces that unite are deeper than those that divide.

In a time in which the forces that divide are perhaps as strong as ever before, both at home and abroad, in such a time, I say, we need all the more the work of the poets, the painters and the singers.

For, to return to the text of my sermon, "To speak as an artist is no small thing."

Let me here add how pleased I was to learn here today from the distinguished new general manager of the Metropolitan Opera Association, Mr. Göran Gentele, of his own deep interest in and commitment to the work of educating a wider audience for opera in the United States.

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## MESS IN FOGGY BOTTOM

(Mr. GROSS asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. GROSS. Mr. Speaker, there is some faint and outrageously belated evidence that the pompous bureaucrats who run the Department of State are showing signs of making changes in some areas of their dictatorial personnel policies—policies which have too often been brutal, totally one-sided and unfair.

For far too long the Department has subjected its employees to almost criminally inadequate grievance and appeals procedures, presided over by men who had no more judicial bent than a jackrabbit and who took pains to favor the Department in almost every instance.

Two recent articles serve to point up the deporable situation in this Department. One is by Clark Mollenhoff, bureau chief of the Des Moines, Iowa Register and the other appears in the November 15 issue of Time. I include them for insertion in the RECORD at this point.

[From the Des Moines Register, Nov. 8, 1971]

### Delays Action on Envoy Post

WASHINGTON, D.C.—The Senate Foreign Relations Committee last week passed over President Nixon's nomination of Howard Mace as ambassador to Sierra Leone pending completion of an investigation of charges that he gave false and inaccurate testimony before the Senate Committee.

Indications are that Chairman J. William Fulbright (Dem., Ark.) considers the charges to be of considerable importance.

Mace, former director of personnel for the State Department, was nominated by President Nixon as ambassador to Sierra Leone in July on the recommendation of deputy undersecretary of state William P. Macomber. They had worked together at the State Department for more than 12 years.

The State Department and White House have been told that the Mace nomination probably will die in the Foreign Relations Committee unless it is withdrawn by President Nixon.

There are charges that under Mace's direction the State Department personnel division has engaged in manipulation of rating boards, engaged in forgery and other falsification of personnel records, and permitted perjury in State Department and Civil Service Commission grievance hearings to go unchallenged.

In the Mace hearings, Macomber, who is in charge of State Department administration, has been forced to admit that a large number of cases resulted in injustices, but he has argued that Mace should not be held accountable for the faults in the system.

But critics say a review of four of the most publicized cases indicate some allegations of direct responsibility for Mace as well as Macomber:

Alison Palmer, a 39-year-old foreign service officer reportedly was discriminated against because of her sex. Now, Mace admits sex discrimination exists on assignments, but denies that he had any role in the illegal discrimination found by an Equal Employment Opportunities (EEO) board. The recommendations of that EEO board was held out of the file by Mace despite a specific recommendation that it be made a part of the file.

Miss Palmer says the story Mace told the Senate Foreign Relations Committee is untrue on a number of points. She said Mace had an active role in discrimination against her, and that she had personal conversations with him in connection with his decision to refuse to sign the findings of the EEO recommendations, and the refusal to make those recommendations part of her file.

John Hemenway, a 46-year old honor graduate of Annapolis and a Rhodes scholar, currently is involved in the only State Department grievance hearing permitted by Mace to challenge the decision to fire Hemenway. Hemenway contends that Mace gave untruthful and inaccurate testimony in connection with the handling of his case.

He charges Mace acted illegally to remove two members of the three-man panel that had indicated a willingness to permit Hemenway to call State Department witnesses over the objection of Mace's office.

Stephen Koczak, a 54-year-old former foreign service officer now employed by the American Federation of Government Employees, was denied a grievance hearing, but was subject to a special panel made secret to former Secretary of State Dean Rusk. Koczak was barred from having an open hearing, cross examining witnesses, or even communicating with other State Department employes during the hearing.

A letter he wrote to the panel pointing out some of the discrepancies in his file was not entered into the official record. Mace reportedly has continued to refuse Koczak access to his hearing record and reportedly has permitted forged and post-dated documents to be made a part of his record.

Charles W. Thomas, 47-year-old foreign service officer, killed himself last April as a result of his frustration in seeking a hearing. He had no promotion in eight years and was refused a hearing by Mace despite admissions that a highly laudatory report by an inspector general was misfiled under another Charles Thomas.

This report recommended immediate promotion for Thomas and assignment to the National War College, in line with the opinions of two ambassadors under whom Thomas had served.

The Thomas case has raised the greatest number of problems for Mace and raises some of the most serious questions about the inconsistency of the rulings that have been revealed in the personnel division while Mace and Macomber have been in charge.

Action on Mace's nomination to the ambassadorial post will await an investigation by the Senate Foreign Relations Committee.

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### The State Department

#### UNDIPLOMATIC REFORMS

Charles W. Thomas was a desperate man. A lawyer and a career diplomat, Thomas, 45, had been "selected out" of the Foreign Service. Reason: he had not been promoted from the Class 4 level to Class 3 within the mandatory eight years. He was dismissed with only one year's salary and $323 a month (money he had himself put into a retirement fund) to support a wife and two children. In nearly three dispiriting years Thomas endured nearly 2,000 job rejection letters; he was "too old" or "too qualified," and anyway, he had been fired by the State Department. Finally on an April afternoon in Washington, Charles Thomas took up a gun and shot himself to death.

There is a Kafkaesque cast to the Thomas tragedy. Try as he might, Thomas could not get his day in court to determine whether his selection-out was based on the fact that he had received poor performance ratings or that the State Department had somehow failed to consider his highly favorable ratings. In fact, it was the latter. Thomas had carved a distinguished career in posts such as Tangier, Port-au-Prince and Mexico City, where he became a specialist in Mexican radical politics. Indeed, he had high marks from his superiors and colleagues alike; the explicit blemish on his record was an observation by a Mexico City superior that Thomas did not exercise proper "control" over his secretary.

In contrast, a laudatory report from the Foreign Service Inspector, Ambassador Robert McClintock, was accidentally misfiled under the name of another Charles W. Thomas, then Consul General in Antwerp. The report was eventually logged into its proper place, two days after Thomas had been turned down by the promotion board. The board deemed it too much bother to reopen the case.

#### FANG AND CLAW

The Thomas affair is certainly the most shocking to occur within the labyrinth of Foggy Bottom personnel practices, but it is by no means the only one of its kind. Willard Brown, a class 2 officer, discovered after his selection-out that the State Department had lost all of his personnel records and that consequently his name had not been considered for promotion for several years. Nor are good men being passed over just for clerical errors. The section process in the department has traditionally been the last word in Darwinistic elitism. McClintock, although a highly regarded professional, had a reputation for sending overly favorable reports on many officers. With little negative to go on, promotion boards used the tiniest criticisms as justification for passing over a candidate. Hence Thomas' dismissal.

There are 3,000 field officers and aides serving in the Foreign Service, and around 100 are weeded out every year. Two hundred more resign annually. The process follows a fundamental Government pattern. Every man is rated at least once a year by his superior, who then passes his reports on to a departmental reviewing officer, who in turn presents his recommendations to the reviewing boards. While no one in the department argues that incompetents should not be winnowed out, the feeling is that the rating system has deteriorated into an endless round of pettifoggeries and petty jealousies, where too frequently the men who do not play up to their superiors' vanities wind upon the short end.

This fang-and-claw attitude has prompted a thorough reappraisal of the State Department's personnel system. Rather belatedly, Deputy Under Secretary William Macomber Jr., the department's top administrative officer, called in Thomas' widow Cynthia and offered her virtually any job she wanted. More broadly, the selection-out rules have been changed to prevent the flagrant injustice in the systems. Now an officer who achieves Class 5 cannot be fired until he has reached age 50 or served 20 years. This way, at least, he is entitiled to retirement pay.

Scornful. Further, the State Department has set up new, formidably titled Interim Grievance Procedures, the first major amendment to the Foreign Service Act since it was passed in 1946. These procedures are to last until employee-management relations are reformed under a plan projected by President Nixon. However, many officers are scornful of Macomber's new measures, since they stipulate that an employee must first take up his grievance with his superior—against whom the grievance is usually brought in the first place—and can only appeal to a board picked by the department. Says one legal official at State: "I don't care if a grievance panel is headed by Charles Evans Hughes or Jesus Christ, it still remains an in-house procedure without any chance of outside appeal."

Help is forthcoming from the outside. The Senate Foreign Relations Committee last week refused to report the confirmation of Howard P. Mace, 55, as U.S. Ambassador to Sierra Leone, which is tantamount to defeat of his nomination. As director of personnel for four years. Mace was the source of much of the department's interior turbulence. He was known behind his back as the "executioner," the man primarily responsible for the selecting-out process. Officers also noted that under his aegis men with high diplomatic potential were often bypassed for plush jobs in favor of men little experienced in diplomacy from his department. Congress is also taking more direct measures. There are two bills pending before Congress that would overhaul and codify the grievance system.

Concerned DOS officers are seizing their own initiative. A group has banded together to launch a class action against the Secretary of State; to raise money for this expensive exercise, they have instituted the Charles W. Thomas Fund. One junior officer invoked a more primitive grievance procedure. Furious over what he considered an unfair performance rating, he stopped his superior in a corridor of the State Department and cut loose a smacking right cross to the nose.

### TALE OF TWO FACES

(Mr. BLANTON asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. BLANTON. Mr. Speaker, this is the tale of two faces.

The two faces of the Nixon administration in busing.

We are all aware of the President's recent statements that there should be only "minimum busing necessary" to achieve racial desegregation in public schools. The President's press secretary told the national news media that the Nixon administration expected to summarily dismiss Federal employees who exceeded the "minimum necessary" policy.

Mr. Speaker, a situation in my district in Tennessee only points out what I, and most of my colleagues in this body have long known. What the Nixon administration says is not what it does when it comes to busing. It wears two faces—one face vigorously prosecuting desegregation cases with an eye on massive busing, the other trying to convince the people that it is apalled at the use of busing.

I am afraid the Nixon administration has been caught with its pants down in Memphis, Tenn., and I want to share with you the inside story on how the administration works its will.

The Memphis city school system has been a defendant in a desegregation case in the U.S. District Court for west Tennessee. Last July, Federal District Court Judge Robert McRae ordered the school board to secure Federal consultants to assist it in drawing plans for desegregating their schools.

Under court order, the school board requested the Division of Equal Education Opportunity in the Office of Education, Department of Health, Education, and Welfare for consultants.

Dr. Jesse Jordan, Deputy Director of the Office of Education in charge of the EEO office, appointed a seven member team of consultants to assist the school board. Named to head the consulting group was Dr. Josiah Calvin Hall, a professor at the University of Miami, and a member of the staff of the university's center for desegregation.

The center received a Federal contract from HEW for $610,732 for fiscal year 1971, under sections 403–404 of title 4 of the Civil Rights Act of 1964.

The staff members of the center receive funds from this Federal appropriation when they are working on desegregation matters. About 20 percent of the funds, or roughly $125,000, is used as salaries for consultants.

In a pretrial conference last week in Memphis, a sworn deposition from Josiah Calvin Hall indicated that "a minimum of 40,000 students will have to be bused," in Memphis. Dr. Hall also said that upon his appointment, he was told by Dr. Jordan that the Memphis study should be as thorough and complete as possible, for it could be used as a model for desegregation cases in northern cities.

On Monday, November 8, Representative Dan Kuykendall, who represents Memphis in this body, issued a public statement to the news media, and said it was issued on his behalf and his two Republican Senator colleagues, Senators Howard Baker and William Brock. The statement was, according to press accounts of the story, "cleared and has the approval of HEW Secretary Elliot Richardson.

The statement reads:

> An unfortunate and erroneous impression has developed in regard to the participation by the Department of Health, Education and Welfare in the Memphis desegregation plan.
>
> It should be clearly understood that the City of Memphis has not been selected by any official of the Department of Health, Education and Welfare as a model for desegregation for any other schools system.
>
> No two cities are exactly alike. Consequently, no city could be a model for another to follow.
>
> In his press statement, Congressman Kuykendall also disavowed the consultants as federal employees, and emphasized that they were "independent consultants."

Mr. Speaker, this only indicates the politics of the Republican administration in regard to busing. While the administration agencies are working tooth and nail to bus our children as much as possible, their spokesmen are out trying to leave the public with an erroneous impression. In Tennessee, a highly controversial busing plan in Nashville, Tenn., has gotten the Republican administration in deep trouble in Davidson County. The Memphis Republicans do not want the same situation in our State's largest city—and that is why the Monday statement was issued.

It is clear to me that Congressman Kuykendall called and talked with HEW Secretary Richardson about this matter—not the center for desegregation. They all march to the same drummer.

Now about this center for desegregation.

I directed my staff to do some investigation. The results were stunning.

The director of this federally funded center is Dr. Gordon Foster. Dr. Foster was in Memphis only last week. He happens to be the expert witness for the NAACP's Legal Defense Fund—the plaintiffs in the Memphis desegregation case. His assistant, Dr. Josiah Calvin Hall, is the consultant for the Memphis School Board, appointed by HEW. The school board is the defendant.

Mr. Speaker, this is a direct conflict of interest.

I submit that these federally funded desegregation experts are working on both sides of this case—and the case then is prejudiced by this conflict of interest. I believe this shows to the American public why these city schools systems around the country cannot seem to win their court cases in busing matters. Because the Federal Government appoints consultants to work with the defendants, and yet the plaintiffs are getting assistance from the same sources.

It is interesting to note that Dr. Hall, the federally appointed consultant for the Memphis school system, is the same consultant who helped draw up the controversial Nashville busing plan, and the Mobile plan. Dr. Hall is the Nixon administration's Johnny Appleseed of busing plans.

Mr. Speaker, Dr. Gordon Foster told my staff assistant by telephone this morning that the center obliges the Federal Government in supplying "consultants" because, and I quote him:

> The Justice Department called me last year and said that since we fund the center, the center is obligated to provide this type of assistance.

Again I assert that the Memphis School Board is under court order to accept these consultants, and the Federal Government, through the HEW, knowingly appointed a consultant who is the assistant to the plaintiff's chief expert.

Dr. Gordon Foster admitted to my staff assistant that "the question of a conflict of interest is a legitimate one, and I am now considering not testifying for the plaintiff."

The Federal Government, in my view, has been a willful and knowing partner to a fraud on the courts of this country. I demand an explanation from Secretary Richardson. I demand to know how many other incidents like this have occurred throughout the South where these "consultants" have been used, and their fellow workers have been assisting the opposing parties in the suits.

I believe this is a matter the Justice Department should investigate, and also an appropriate congressional committee.

Mr. Speaker, this is how the Federal executive branch works on busing. The public statements by the President and his spokesmen have been shams. They have been outright deceitful statements. The real story lies within HEW, how they "make sure" that busing plans will be made. The courts, unknowingly, have been used by the administration. For the very people who advise the school boards have conflicts of interest.

### TAKE PRIDE IN AMERICA

(Mr. MILLER of Ohio asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a Nation.

The average potato caloric consumption per day for the U.S. citizen is 107 calories per day as compared to six calories per day for the resident of El Salvador and seven for the country of Iran.

## COMMUNITY SCHOOL CENTER DEVELOPMENT ACT

(Mr. RIEGLE asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. RIEGLE. Mr. Speaker, today, I have introduced the Community School Center Development Act. This will serve as the House version of the same act recently introduced in the Senate by Senators CHURCH and WILLIAMS. I congratulate them for their initiative in this matter.

The crisis in our schools is an acknowledged fact, particularly in our city schools and schools in low-income and rural areas. The problems are manifold—outdated curriculum and teaching materials, inability to attract and keep good teachers, lack of public support and willingness to pay for improvements, the dilemma of community participation and control, inadequate tax base, the unfair financing reliance on property taxes, educational experience not adequately personalized to the needs and potential of individual children, and so forth.

In short, the relationship between the school and the individuals and groups who make up the community around the school is confused and inadequate for the needs of our time. As a result, not enough young people are realizing the potential they must if they are to be productive and involved citizens in the 1970's, 1980's and 1990's. Another widely documented condition in today's society is the loss of a sense of community. The forces which fragment and divide a community are greater than those which bring people together to participate and share in larger common interests. This problem can and must be overcome.

One encouraging response to these problems is the community school concept—where the school becomes a fully utilized, decentralized community center, open from early in the morning until late at night, 6 of 7 days a week. The community school concept was pioneered and developed in Flint, Mich., over 30 years ago under the leadership and direction of Charles Stewart Mott and the Mott Foundation. Mr. Frank Manley, of Flint, first organized the concept which the Mott Foundation carried forward.

Under the community school program, the school becomes a neighborhood facility serving not only schoolchildren but adults, senior citizens, community groups and the like with a full array of services: educational, social, recreational, health, local government, public safety, vocational and, in general, whatever the community wants and needs. Everybody in the community gives something to the effort and everybody gets something.

Although there is no pat formula which can be uniformly applied to all communities, there are some battle-tested ways of helping communities to establish their own particular kind of community education as a function of their own special needs, problems, and resources. There is good evidence that this approach can help to make education more responsive to the community, more meaningful to both children and adults, and in the process give a neighborhood a rallying point around which to form a new sense of mission and involvement which cuts across age and interest groups.

The Community School Center Development Act which I have introduced today is aimed at expanding the community school program nationally. It will provide every community throughout the United States with the opportunity to become a part of an educational program which has not only demonstrated its success in over 600 school districts across the United States, but also has unique cost effective benefits which make it attractive to our taxpayers and school systems which are already financially strapped. We have found for example that we can increase facility utilization by 150 percent with a 5-percent increase in operating expenses. This is a bargain that the country desperately needs.

This act is designed to promote the expansion of the community school program in several ways: First, it authorizes Federal grants to be made to colleges and universities interested in developing or expanding community education centers for the training of community school directors. Second, it will make Federal funds available to school districts wanting to establish new community school programs—or expand ongoing programs. These grants may also help cover the cost to communities or school districts for the training and salaries of community school directors.

In order to promote the adoption of community school programs across the Nation, the Commissioner of Education is authorized to distribute information on these programs to local communities as well as appoint up to 25 four-man teams to assist interested communities in program development. Finally, a Community School Advisory Council will be appointed to advise the Commissioner of Education on policy matters relating to community schools.

As a product of the Flint community school system, I have long supported this concept and have worked jointly with the Mott Foundation to encourage its development. Since coming to Congress in 1967, we have worked to acquaint Members of Congress as well as various Federal officials with the unique advantages of this program. While a member of the District of Columbia Subcommittee on the Appropriations Committee—in September of 1967—the Mott Foundation—working together with our District of Columbia Subcommittee of Appropriations, its Chairman WILLIAM NATCHER, and District of Columbia school officials for a pilot project involving two District of Columbia schools—an elementary and a junior high school. More important than the financial support, the Mott Foundation and the Flint school people shared their experiences, technical assistance and expertise with District of Columbia citizens, educators, and students to see if this concept could work in a major urban center. The results have been so positive that the program has grown to 13 community schools with further plans for expansion. The evidence takes the form of such things as:

Overall increase in average daily attendance.

Improved attendance at PTA meetings.

Window breakage decreased and illegal entries into the school was reduced.

Library book circulation increased.

Elementary school children's reading score levels improved.

Recently, a group of District of Columbia senior citizens and blind people—who attend adult education classes sponsored by the District of Columbia Community School program—visited the White House to explain to President and Mrs. Nixon how Flint schools and the Mott Foundation have helped District of Columbia start its own community school program—and how this type of program could help other cities and other senior citizen groups around the country.

In addition, we have discussed the community school concept with HEW Secretary Elliot Richardson who indicated his support for the concept and stated that—

> We are assessing ways in which the Federal Government might contribute to strengthening the community school concept.

Both the Economic Opportunity Act and the Elementary and Secondary Education Act have identified the community school concept as an integral part of any community action program designed to help a disadvantaged area. However, I feel very strongly that the time has come for the Federal Government to go beyond passively applauding the merits of the community school program and actively contribute to its further growth and expansion.

In addition to the many social and educational advantages stemming from the community school program, there are a number of unique economic advantages worth mentioning:

In Flint alone—which has a population of approximately 200,000, 92,000 people use our schools after school hours; 80,000 adults are presently enrolled in 1,200 adult education classes; a millage election has not been defeated since 1950; no community school program involves expenditures of more than 5 percent of the school's total operating budget—and utilization of the facility is increased by 150 percent; 4,200 adults are now enrolled in high school credit classes—aimed toward graduation; and 230 adults graduated from the adult high school in 1971.

In conclusion, the reasons and advantages for the Federal Government to undertake leadership in encouraging the community school program include the fact that: it attacks multiple community-related problems; it uses existing systems and facilities and thereby avoids duplication; remains flexible and reflects the needs and wants of the local area each of which are different; it is a cost-effective investment; and it helps build a sense of neighborhood and community which is so badly needed in today's fragmented society.

Education is not a partisan issue—and

I would like to urge all of my colleagues here in the House to join in supporting the Community School Center Development Act. I am hopeful that we will see the same kind of enthusiastic support for this program here in Congress as has been shown in so many communities throughout the United States.

I attach the bill so that it can be printed in full at this point in the RECORD.

### H.R. 11709

A bill to promote development and expansion of community schools throughout the United States

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### SHORT TITLE

SECTION 1. This Act may be cited as the "Community School Center Development Act".

### STATEMENT OF PURPOSE

SEC. 2. It is the purpose of this Act to provide recreational, educational, and a variety of other community and social services through the establishment of the community school as a center for such activities in cooperation with other community groups.

### DEFINITIONS

SEC. 3. As used in this Act the term—

(1) "Commissioner" means the Commissioner of Education;

(2) "State" includes, in addition to the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(3) "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of State elementary and secondary education or if there is no such officer or agency, an officer or agency designated by the Governor or State law;

(4) "Council" means the Community Schools Advisory Council;

(5) "institution of higher education" means an educational institution in any State which (A) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (B) is legally authorized within such State to provide a program of education beyond secondary education, (C) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (D) is a public or other nonprofit institution, and (E) is accredited by a nationally recognized accrediting agency or association or, if not so accredited, (i) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (ii) is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (A), (B), (D), and (E). For purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered;

(6) "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts of counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school; and

(7) "community school program" means a program in which a public elementary or secondary school is utilized as a community center operated in cooperation with other groups in the community to provide recreational, educational, and a variety of other community and social services for the community that center serves.

## TITLE I—COMMUNITY EDUCATION CENTER GRANTS

SEC. 101. (a) The Commissioner shall make grants to institutions of higher education to develop and establish programs in community education which will train people as community school directors.

(b) Where an institution of higher learning has such a program presently in existence, such grant may be made to expand the program.

### APPLICATIONS

SEC. 102. A grant under this title may be made to any institution of higher education upon application to the Commissioner at such time, in such manner, and containing and accompanied by such information as the Commissioner deems necessary. Each such application shall—

(1) provide that the programs and activities for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) describe with particularity the programs and activities for which such assistance is sought;

(3) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(4) provide for making such reasonable reports in such form and containing such information as the Commissioner may reasonably require.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 103. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

## TITLE II—GRANTS FOR COMMUNITY SCHOOLS

SEC. 201. (a) The Commissioner may, upon proper application, make grants to local educational agencies for the establishment of new community school programs and the expansion of existing ones.

(b) Grants shall be available for the training and salaries of community school directors as well as actual and administrative and operating expenses connected with such programs.

### APPORTIONMENT

SEC. 202. (a) The number of project grants available to each State, subject to uniform criteria established by the Commissioner, shall be as follows:

(1) States with a population of less than five million shall receive not more than four projects;

(2) States with a population of more than five million but less than ten million shall receive not more than six projects;

(3) States with a population of more than ten million but less than fifteen million shall receive not more than eight projects; and

(4) States with a population of more than fifteen million shall receive not more than ten projects.

(b) Grants shall be made to the respective State educational agencies for payment to the appropriate local educational agencies.

### CONSULTATION WITH STATE EDUCATIONAL AGENCY

SEC. 203. In determining the recipients of project grants the Commissioner shall consult with each State educational agency to assure support of a program particularly suitable to that State and providing adequate experience in the operation of community schools.

### PAYMENTS

SEC. 204. Payments under this title shall be made from a State's apportionment to any State educational agency which has been selected by the Commissioner in accordance with section 203.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 205. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

## TITLE III—COMMUNITY SCHOOL PROMOTION

### PROMOTION

SEC. 301. In order to promote the adoption of community school programs throughout the United States the Commissioner shall—

(1) accumulate and disseminate pertinent information to local communities;

(2) appoint twenty-five teams, consisting of not more than four individuals on each team, to assist communities contemplating the adoption of a community school program; and

(3) establish a program of permanent liaison between the community school district and the Commissioner.

### ADVISORY COUNCIL

SEC. 302. (a) There is hereby established in the office of the Commissioner a Community Schools Advisory Council to be composed of seven members appointed by the President for terms of two years without regard to the provisions of title 5, United States Code.

(b) The Council shall select its own Chairman and Vice Chairman and shall meet at the call of the Chairman, but not less than four times a year. Members shall be appointed for two-year terms, except that of the members first appointed four shall be appointed for a term of one year and three shall be appointed for a term of two years as designated by the President at the time of appointment. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall serve only for the remainder of such term. Members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office. A vacancy in the Council shall not affect its activities and four members thereof shall constitute a quorum. The Commissioner shall be an ex officio member of the Council. A member of the Council who is an officer or employee of the Federal Government shall serve without additional compensation.

(c) The Commissioner shall make available to the Council such staff, information, and other assistance as it may require to carry out its activities.

### FUNCTIONS OF THE COUNCIL

SEC. 303. The Council shall advise the Commissioner on policy matters relating to the interests of community schools.

### COMPENSATION OF MEMBERS

SEC. 304. Each member of the Council appointed pursuant to section 302 shall receive $50 a day, including traveltime, for each day he is engaged in the actual performance of his duties as a member of the Council. Each such member shall also be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of his duties.

### AUTHORIZATION OF APPROPRIATIONS

SEC. 305. There are authorized to be appropriated such sums as may be necessary to carry out the purposes of this title.

### TITLE IV—MISCELLANEOUS

### PROHIBITIONS AND LIMITATIONS

SEC. 401. (a) Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

(b) Nothing contained in this Act shall be construed to authorize the making of any payment under this Act for the construction of facilities as a place of worship or religious instruction.

### JUDICIAL REVIEW

SEC. 402. (a) If any State or local educational agency is dissatisfied with the Commissioner's final action with respect to the approval of applications submitted under title II, or with his final action under section 405, such State or local educational agency may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such agency is located a petition for review of that action. A copy of that petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner shall file promptly in the court the record of the proceedings on which he based his action, as provided for in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

### ADMINISTRATION

SEC. 403. (a) The Commissioner may delegate any of his functions under this Act, except the making of regulations, to any officer or employee of the Office of Education.

(b) In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement as may be agreed upon.

### PAYMENTS

SEC. 404. Payments to a State under this Act may be made in installments, in advance, or by way of reimbursement, with necessary adjustments on account of underpayment or overpayment, and may be made directly to a State or to one or more public agencies designated for this purpose by the State, or both.

### WITHHOLDING

SEC. 405. Whenever the Commissioner, after giving reasonable notice and opportunity for hearing to a grant recipient under this Act, finds—

(1) that the program or activity for which such grant was made has been so changed that it no longer complies with the provisions of this Act; or

(2) that in the operation of the program or activity there is failure to comply substantially with any such provision;

the Commissioner shall notify in writing such recipient of his findings and no further payments may be made to such recipient by the Commissioner until he is satisfied that such noncompliance has been, or will promptly be, corrected. The Commissioner may authorize the continuance of payments with respect to any programs or activities pursuant to this Act which are being carried out by such recipient and which are not involved in the noncompliance.

### AUDIT AND REVIEW

SEC. 406. The Commissioner and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination, to any books, documents, papers, and records of a grantee, under this Act, that are pertinent to the grant received.

### REPORTS TO THE CONGRESS

SEC. 407. The Commissioner shall transmit to the President and to the Congress annually a report of activities under this Act, including the name of each applicant, a brief description of the facts in each case, and the number and amount of grants.

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## DISCRIMINATION AGAINST WOMEN IN FEDERAL EMPLOYEE INSURANCE COVERAGE

(Mr. KOCH asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, I would like to bring to the attention of Federal employees the fact that there is a decided difference in terms of the coverage they will have when they choose between two medical plans offered to them by the Federal Government. A Federal employee may now choose between the Blue Cross and Blue Shield Federal employee program and the governmentwide indemnity benefit plan offered by the Aetna Co. A constituent brought to my attention the fact that the Aetna Co. discriminates against women in the scope of its coverage by not covering the costs of a breast prosthesis for women after radical mastectomy. This is an allowable expense under the provision of the Blue Cross plan. Before releasing the correspondence which is appended, I urged the Aetna Co. to change its policy and have been advised by its most recent letter that it does not intend to do so. Federal employees have an option and should consider a company's attitude when they make their decision as to which company they will choose for the purposes of medical coverage.

The correspondence follows:

DEAR CONGRESSMAN KOCH: I would like to bring to your attention a case, that I feel, to be blatant discrimination against women by the U.S. Government!

My husband is a chemist, employed by the government. As such, under the medical plans given, he chose the Government-Wide Indemnity Benefit Plan, by the Aetna Company. The various items given coverages are all listed in a booklet distributed to members. I am covered as his spouse. But, I have had cancer surgery, and had to have a breast removed (radical mastestom). Now, I must wear an artificial breast (prosthetic device). This is vital both to my physical and psychology health.

The medical coverage will not pay for these needed prosthetic devices. They will pay for arms, legs, and neck braces, for eyes, hearing aids, etc. All the items they include are applicable to men. But, the one item that is for women—is not covered!

Where does a woman fit into this scheme? Women are under the plan as employees or spouses. Yet, a vital need is not covered.

I have written to the Civil Service Commission Policy Division, and was told that prosthetic devices for breast surgery are not covered. Now, this is a flaw in the plan. This is a flaw against women. This is an outright case of discrimination.

I am writing to you, as your constituent, and hope that action can be taken to correct this matter.

Yours truly,

Mrs. X.

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CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D.C., August 30, 1971.*
CONGRESSIONAL LIAISON,
CIVIL SERVICE COMMISSION,
*Washington, D.C.*

DEAR SIR: I am writing to you about a matter brought to my attention by Mrs. X.

I have received the enclosed letter from Mrs. X concerning the fact that prosthetic devices for breast surgery are not covered under the Government-Wide Indemnity Plan. Subject to your existing procedures, I would appreciate receiving your comments on this matter and informing me if this policy will be revised to give this type of coverage.

Thank you for your interest in this matter.

Sincerely,

EDWARD I. KOCH.

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U.S. CIVIL SERVICE COMMISSION,
BUREAU OF RETIREMENT, INSURANCE,
AND OCCUPATIONAL HEALTH,
*Washington, D.C., September 2, 1971.*
Hon. EDWARD I. KOCH,
*House of Representatives*

DEAR MR. KOCH: This is in reply to your letter of August 30, 1971, in behalf of Mrs. X, New York, New York.

The Indemnity Benefit Plan contract covers "Prosthetic devices . . . which replace all or part of an internal body organ . . ." The contract also covers "Leg, arm, back, and neck braces, and artificial legs, arms and eyes . . ." A breast prosthesis is neither a replacement for an internal body organ, nor a brace, nor an artificial limb or eye, and the contract does not therefore cover breast prostheses. We do not anticipate that the contract will be amended, at least for 1972, not to cover such devices.

We do not understand Mrs. X's conclusion that arm, leg, back, and neck braces and artificial eyes are items applicable only to men. There are many women who use braces and artificial eyes and limbs, too.

If you have more questions about this matter, feel free to call on us.

Sincerely yours,

ANDREW E. RUDDOCK,
*Director.*

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CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D.C., September 14, 1971.*
ANDREW E. RUDDOCK,
*Director, Bureau of Retirement, Insurance, and Occupational Health, Civil Service Commission, Washington, D.C.*

DEAR MR. RUDDOCK: I have received your letter of September 2 concerning my inquiry on behalf of Mrs. ———.

I am most distressed with the decision of the Civil Service Commission in this matter. Obviously, as your letter states, "A breast prosthesis is neither a replacement for an internal body organ, nor a brace, nor an artificial limb or eye." Yet the breast is a glandular organ and the point of my inquiry was to ascertain if such breast prosthesis might be considered for coverage by the insurance contract. Since many prosthetic devices are covered by the policy, and a prosthesis is by definition an artificial device to replace a missing part of the body, it seems to me that serious consideration should be given to this matter.

I am sure Mrs. ——— realizes as I do that braces and artificial eyes and limbs are applicable to women as well as men. The issue is rather that breast prosthesis which are used solely by women are not covered by the policy which is consequently discriminatory to women who are in need of such devices.

I would appreciate your informing me if this problem might be taken up for consideration as soon as possible to see if the contract might be amended to include the coverage of breast prosthesis. Thank you for your interest in this matter.

Sincerely,

Edward I. Koch.

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United States Civil Service Commission, Bureau of Retirement, Insurance, and Occupational Health,
*Washington, D.C., September 20, 1971.*
Hon. Edward I. Koch,
*House of Representatives.*

Dear Mr. Koch: This is in reply to your letter of September 14, 1971, in behalf of Mrs. X, New York, New York.

The breast prosthesis could not be allowed as a covered expense under the Indemnity Benefit Plan contract as presently written because it is not listed as one of the covered expenses. We will, I assure you, take up the matter of coverage of breast prostheses with the Aetna Life and Casualty during our next contract negotiations. Any contract amendment would be prospective in its effective date and could not be applied retroactively to permit coverage of Mrs. X's breast prosthesis.

If you have more questions about this matter, feel free to call on us.

Sincerely yours,

Andrew E. Ruddock,
*Director.*

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Congress of the United States,
House of Representatives,
*Washington, D.C., September 14, 1971.*
Olcott D. Smith,
*Aetna Life and Casualty,*
*Hartford, Conn.*

Dear Mr. Smith: It has been called to my attention by a constituent that the indemnity insurance provisions of your coverage to government employee does not include furnishing an artificial breast (prosthetic device) whereas the policy will pay for other prosthetic devices such as arms, legs, eyes and for items including neck braces and hearing aids.

The constituent takes the position and I think it is clearly correct that anyone undergoing a radical mastectomy suffers both physical and psychological damage which is reduced to some extent by the use of the prosthetic device. It is inconceivable to me that you would exclude such a device from coverage where you include other prosthetic devices as detailed above.

The constituent makes the point that your practice is discriminatory against women and I believe that in a sense she is right although you may undoubtedly never have intended it that way. I suggest to you that the policies be changed so as to cover this prosthetic need and would appreciate having your comments on whether you will accede to that request.

Sincerely,

Edward I. Koch.

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Congress of the United States,
House of Representatives,
*Washington, D.C., September 14, 1971.*
Walter McNerney,
*President, Blue Cross*
*Washington, D.C.*

Dear Mr. McNerney: It has been called to my attention by a constituent that the insurance provisions of your coverage to government employees does not include furnishing an artificial breast (prosthetic device) whereas the policy will pay for other prosthetic devices such as arms, legs, eyes and for items including neck braces and hearing aids.

The constituent takes the position and I think it is clearly correct that anyone undergoing a radical mastectomy suffers both physical and psychological damage which is reduced to some extent by the use of the prosthetic device. It is inconceivable to me that you would exclude such a device from coverage where you include other prosthetic devices as detailed above.

The constituent makes the point that your practice is discriminatory against women and I believe that in a sense she is right although you may undoubtedly never have intended it that way. I suggest to you that the policies be changed so as to cover this prosthetic need and would appreciate having your comments on whether you will accede to that request.

Sincerely,

Edward I. Koch.

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Blue Cross Association,
*Washington, D.C., October 8, 1971.*
Hon. Edward I. Koch,
*1134 Longworth Office Building,*
*Washington, D.C.*

Dear Mr. Koch: In order to expedite our reply, Walter McNerney has asked me to respond to your recent letter concerning one of your constituents who complained that the Federal Employee Program does not cover the provision of a breast prothesis following a radical masectomy. I have discussed this question with the National Office of the Federal Employee Program and they have provided the following information.

The Blue Cross and Blue Shield Federal Employee Program operates under the following guidelines with respect to prosthetic devices:

1. *Benefits Are Provided—*

a. For those which restore function (such as an artificial arm or leg), or

b. For those which prevent or retard further physical deterioration (such as insertion of an artificial eye into a vacant eye socket).

2. *Benefits Are Not Provided*—For those items considered to be primarily cosmetic (such as a wig).

Technically, the breast prothesis is primarily cosmetic. However, several years ago because of the same considerations listed in your letter, the Program made an exception to permit extending benefits for the purchase of a breast prosthesis. This also includes fitting and construction of the prosthesis, and the insertion into the appropriate undergarments (including alterations). The undergarment itself is not a covered supply since this would be required with or without a prosthesis. Within reason, there is no limit on the number of such prosthesis which can be provided.

Although we don't have full details on the particular case that came to your attention, it appears likely an error was made in the handling of your constituent's claim. We suggest she contact our National FEP Office (address shown below) and they will be happy to investigate the case.

We can assure you that within the terms and intent of our Contract for Federal Employees, we make every effort to establish reasonable guidelines, both as to the delivery of benefits and the administration of the limitations and exclusions. If you have additional comments or questions, please let us know. We welcome your interest.

Very truly yours,

George J. Kelley,
*Vice President,*
*Washington Representative.*

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September 24, 1971.
Re government-wide indemnity benefit plan.
Hon. Edward I. Koch,
*House of Representatives,*
*Washington, D.C.*

Dear Sir: Your recent letter addressed to the Chairman, Mr. Olcott D. Smith, has been referred to me since claims administration for this Plan falls within my area of responsibility.

The provisions of the Government-Wide Indemnity Benefit Plan are contained in the U.S. Civil Service Commission brochure BRI 41–24. For your convenience I am enclosing a copy.

The specific basis of denial for the particular type of claim cited in your letter can be found on Page 14 under the caption "Charges for Services and Supplies" which states as follows:

"Not reasonably necessary for treatment of pregnancy, illness, or injury, or to improve the functioning of a malformed body member."

An artificial breast is not functional and is not required for the treatment of an illness or injury, therefore, has never been included as a covered expense under this Plan. Other types of prosthetic devices as specifically enumerated in the brochure, i.e., leg, arm, back and neck braces and artificial arms, legs, and eyes, are devices which are either necessary for the treatment of an illness or for the improvement of the functioning of a malformed body member. Our basis of not including an artificial breast as a covered expense under this Plan is consistent with the majority of other health insurance plans including Medicare. While we certainly understand an individual's desire to wear this type of prosthesis, the majority are used for cosmetic reasons and are not covered under health insurance contracts as stated above.

Mr. Malcolm J. McIntyre, located at the Commerce Building, 1700 "K" Street, North West, Washington, D.C. 20006, Telephone 296–3700, is our Coordinator of the Indemnity Plan. If you desire further clarification, please feel free to contact Mr. McIntyre.

I regret that our reply is not favorable.

Sincerely yours,

C. Dean Krebs,
*Assistant Secretary, Group Health Division, Claim Department.*

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Congress of the United States,
House of Representatives,
*Washington, D.C., October 14, 1971.*
Malcolm J. McIntyre,
*Coordinator, Indemnity Plan, Aetna Life and Casualty, Washington, D.C.*

Dear Mr. McIntyre: I have received the enclosed letter from Aetna Life and Casualty Assistant Secretary C. Dean Krebs. This was in response to my inquiry on behalf of a constituent who complained that the Indemnity Benefit Plan does not cover the cost of a breast prosthesis following a radical mastectomy. I was also in touch with the Blue Cross Association regarding this matter. I quote from their letter:

Technically, the breast prosthesis is primarily cosmetic. However, several years ago because of the same considerations listed in your letter, the Program made an exception to permit extending benefits for the purchase of a breast prosthesis. This also includes fitting and construction of the prosthesis, and the insertion into the appropriate undergarments (including alterations). The undergarment itself is not a covered supply since this would be required with or without a prosthesis. Within reason, there is no limit on the number of such prosthesis which can be provided.

I would appreciate your informing me whether Aetna will consider revising its policy. If not, it is my intention to alert government employees of the differences in the benefits available from these two government policies.

I appreciate your attention to this matter.

Sincerely,

EDWARD I. KOCH.

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AETNA CASUALTY & SURETY DIVISION,
*Washington, D.C., October 19, 1971.*

Hon. EDWARD I. KOCH,
*1134 Longworth Office Building,*
*Washington, D.C.*

Re Government-Wide Indemnity Benefit Plan.

DEAR CONGRESSMAN KOCH: Thank you for your letter of October 14, 1971 relative to our not considering as an allowable expense the cost of a breast prosthesis following a radical mastectomy, and providing us with the reply you received from the Blue Cross Association concerning this matter.

As outlined in Assistant Secretary C. Dean Krebs' letter of September 24, 1971, we cannot consider such a prosthesis as an allowable expense under the provisions of this Plan. At this time, we are not able to revise the Plan's provisions to provide coverage for such a prosthesis.

I am sorry that my reply could not be more favorable; however, if I may be of further assistance to you, please do not hesitate to contact me.

Sincerely yours,

MALCOLM MCINTYRE, Jr.,
*Coordinator.*

(Mr. KOCH asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. KOCH. Mr. Speaker, there are proposals now being advanced in New York City to legalize the dispensing of heroin on a test basis. I am distressed to see that the city administration is giving support to these proposals by creating a committee to advance them. I am opposed to the legalization of heroin. Legalization in effect means that we are throwing in the towel and saying to the estimated 200,000 addicts in New York City "you can go on ruining your lives and the lives of your families and we the public will help you do exactly that." Not me.

I have been in communication with Dr. Vincent P. Dole who is the originator with his wife, Dr. Marie Nyswander of the methadone program and I have asked his opinion on the advisability of the proposed free heroin test program advocated by New York City's administration. For the interest and information of our colleagues, I am appending the correspondence with Dr. Dole.

Mr. Speaker, a board of education report in New York City shows that more than 25,000 youngsters are on heroin and I find it indefensible that anyone would suggest that we follow that habit.

The correspondence follows:

U.S. HOUSE OF REPRESENTATIVES,
*Washington, D.C., June 30, 1971.*

Dr. VINCENT DOLE,
*Beth Israel Hospital,*
*New York, N.Y.*

DEAR DR. DOLE: I hope you will recall that we met when I was in the City Council. At that time, I requested your assistance in obtaining a methadone bed for a young man who desperately wanted to go into your program. My recollection is that at the time you had 43 such beds. He was fortunate and went into the program in, as I recall, 1968.

About a month ago, I was standing at a subway at 8th Avenue and 57th Street handing out reports to my constituents. This young man came out of the subway and introduced himself to me and told me how his whole life had been changed. He has since married and is now working in the building construction trade. He is doing very well and is still, of course, on methadone maintenance.

I have taken a position in opposition to the Mayor's Committee which has proposed heroin maintenance. Aside from every other argument which one might use in opposition to heroin maintenance, my major argument is that there are thousands of heroin addicts who are standing in line waiting to get into the methadone program. And before we begin a heroin program, we ought to at least give to everyone eligible for methadone that opportunity.

I would appreciate your advising me as to how many methadone beds now exist, how many people are waiting to get into the program and how long one must wait before he or she is accepted. Whatever else you might give me by way of information in support of extending and funding the methadone program would be very much appreciated.

With the thought it might be of interest, I am enclosing a recent statement I made on the subject of drug addiction.

Sincerely,

EDWARD I. KOCH.

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THE ROCKEFELLER UNIVERSITY,
*New York, N.Y., August 17, 1971.*

DEAR CONGRESSMAN KOCH: I am very glad that you are taking a position in opposition to the Mayor's Committee on the issue of heroin maintenance. This proposition is wholly unjustified in terms of social need or scientific merit. There are at least five thousand heroin addicts who have applied for methadone maintenance and are forced to remain on the street as heroin addicts for lack of facilities. Basically, this means lack of about $1,000 per man-year to provide maintenance treatment and the essential minimum of social supports.

As you probably know, I have been working in the Detention Prisons for the past five months. Here we have started an interview system to enable prisoners, while still in detention, to apply for aftercare in a treatment program of their choice. The great majority of these criminal addicts have asked for methadone maintenance treatment. All that we can do at present is to put their names on a list and assure them that we are trying to expand facilities to provide treatment in the future. If adequate facilities were available to meet the needs of every criminal addict who applied to us for treatment, I believe that within a two year period we could make a substantial impact on the problem of criminal addiction.

Scientifically, the only justification offered by proponents of heroin maintenance is that it is an experiment. This label is hardly justification for doing something foolish. What we know from past experience is that it is not possible to stabilize an addict on heroin. With this drug he requires several injections per day and his need for the drug constantly increases. If he is not given increasing doses, he feels symptoms of abstinence and, of course, will go back to the street to seek supplementary drug. Moreover, it would be necessary to give large amounts of heroin and needles and syringes to addicts to take home to the neighborhoods. Experience in England has left no doubt that this procedure leads to a spread of heroin addiction.

I do not see any merit in distributing heroin, but if any competent professional feels that more pharmacological studies of heroin maintenance are indicated, the way is open to him now, and he need only follow normal procedure for research on human beings: He prepares a careful protocol of the proposed experiment, submits it to his institutional review group and then, with their support, makes application to a medical granting health agency, such as New York City's Health Research Council, or the National Institutes of Health. These agencies again subject the application to review, and if it meets their standards, funds and support are forthcoming. This is the procedure that I followed when, in a quiet, unpublicized series of experiments at Rockefeller University Hospital, I actually tested the effect of administering narcotic drugs in different doses and by different routes to volunteer addict subjects. It was clear to me from these experiments, as it has been clear to previous investigators at the Lexington Hospital in Kentucky, that heroin maintenance has no promise as an answer to our social problem of heroin addiction. I am afraid that the proposals generated by the Mayor's Council were more political than scientific.

I do indeed remember our first meeting when you were in the City Council and have followed with interest your career in the House of Representatives. It is good to know that you are there and although it has not been necessary to put the matter to test, I have always felt confident that you were there as a strength if I needed you.

With best wishes.

Sincerely yours,

VINCENT P. DOLE, M.D.
*Professor and Senior Physician to the Hospital.*

## SECRETARY MORTON OUTLINES ENVIRONMENTAL PROBLEMS FACING NATION, IN PRINCETON UNIVERSITY ADDRESS

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, an outstanding address was made recently by the Honorable Rogers C. B. Morton, Secretary of the Interior, for the distinguished lecture series at Princeton University.

Secretary Morton, in his impassioned discourse upon the environmental challenges facing the Nation, says that all the indicators point to a new era of conservation and environmental conscience in this country. He states his optimism over the trend and change and discusses some of the steps necessary if we are to successfully manage our natural resources and protect and preserve our environment.

I commend to the attention of all our colleagues in the Congress and to the public the penetrating commentary of Secretary Morton in his address at Princeton University.

The full text of the address follows:

### ADDRESS BY THE HONORABLE ROGERS C. B. MORTON, SECRETARY OF THE INTERIOR

In early May of 1967, in the primeval forest along Lost Man Creek in the Coast Range of California, a lumbering crew laid its chain saws to the bark of a magnificent tree. As the roaring machines chewed into a trunk broader than the encircling arms of five men, they spat out the chips and the dust of three thousands years growth. This cutting marked the end of a long and bitter struggle, by man for the life of a unique natural asset found nowhere else in the world.

The heap of sawdust at the foot of the stump was more than the debris of a few minutes' work, more even than the symbol of defeat for those who had fought to save the tree. It was the transect of three millennia through which man has steadfastly and passionately wrestled with nature for supremacy . . . and it was an exemplary instance in the never-ending tug-of-war between civilized man and the natural resources which support his civilization.

In the beginning, the steps of man were very soft upon the Earth. Early man was a hunter. He filled his belly by stalking animals and gathering wild plants. He was brighter than most of the species but for two million years he created no more impact upon his environment than did other animals, probably less than herds of elephants or towns of prairie dogs. He drew his milk from the great breast of nature. Though most of the secrets of the Earth were a mystery to him, he lived in the knowledge that he was dependent upon them for survival.

The changes that man has wrought, to secure comfort, pleasure, and wealth for himself since that primordial era are incredible. From the flint and shards of the stone age, we have leapt to the labs and reactors of the computer age. The productivity of our time is immense, bringing its wonders and benefits to more of our people than ever before. Its ingenuity is acute, delivering us plastics and lasers, contact lenses, and TV dinners, nuclear spectre, and man on the moon . . . and, above all else . . . speed, fantastic speed, in its many forms.

But our chart and graphs can certainly be elusive. They often make the net gains seem greater than they actually are. For they fail to take into account the environmental costs which have accumulated unpaid. The leeched-out farmland, the smog and the sludge, the enormous piles of waste, the cacophony of noises, and th darkening of our waters. These are the exhausts of 20th century technology. They are the efflunt of our affluence.

To put all this into perspective, will you go back with me now to the day that a small timid band of pilgrims first glimpsed the bleak shoreline of Cape Cod. On the other side of this new, foreboding continent, the venerable redwood was looking down on 2000 years of its own biography.

The new colonists feared the mystery and darkness of the new world but their vitality was challenged by its gargantuan stores of natural resources, and their own hope for riches . . . the wilderness was for the plucking and its dismemberment began almost immediately.

The same marvelous abundance had always been a fact of life for the primitive peoples of North America who predated the colonists for thousands of years. But the Earth developed few scars from the Indian, who had no conception of Anglo-Saxon private ownership, but felt he was merely one part of a vast land-nature equation into which he was woven. His life style was interlocked with his world in a struggle for existence and his only riches were his skill and his strength.

As soon as the beachhead of American life became established, the eyes of those first citizens turned to the West. Sodbuster, trapper, prospector, and trader and buffalo hunter, pioneer, explorer and lumberman . . . all immediately began to extend the boundaries of the Nation ever westward . . . this was manifest destiny.

The new government assumed the role of promoter and in 1803 we acquired our first great piece of real estate . . . The Louisiana Purchase.

In 1804, President Jefferson sent Lewis and Clark up the Missouri River to report first hand what lay to the northwest.

Then . . . Texas and Oregon were acquired in 1846;

California in 1848;

The Gadsden Purchase in 1853;

Alaska in 1867;

And Hawaii in 1898;

So that by the end of the 19th century, geographic expansion of the Nation was essentially complete. Now, there is no more land to buy.

Masses of sodbusters and homesteaders migrated to the grasslands and prairies of Middle America with plows in their hands and wheat in their dreams. The Homestead Act of 1862 had traded them title to quarter sections of ground in exchange for the promise to plow and to farm . . . but there was no contract to preserve it from the wind and the erosion which it brought.

As the prairie states opened, were fenced, and then plowed; the West was opened by the new attraction of gold. Within two years following the 1848 Gold Strike at Sutter's Mill in California, the population of that state jumped from 14,000 to a quarter of a million.

Again, Washington took an active role and the Mining Law of 1872 was established. This act provided that prospectors had free access to search for minerals on the public lands . . . it established the doctrine of finders-keepers. If valuable mineral deposits were found, they became the private property of the prospector. In many cases, this law has allowed the mineral industry to go in, excavate thousands of acres of land . . . and then abandon the hole to the government . . . to the people . . . unreclaimed.

We have progressed, through the 60's, in the spirit of this early legislation. We have been living as if the sun would burn out in 2071 . . . using our resources as if they were going out of style . . . leaving no need for conservation. But if we continue to attack the stock piles of nature with no thought for the future, we will come to a screeching halt in far less time than it took us to get here from the day we declared our independence.

This is not to say that human life, in some numbers will not survive in the biosphere, but rather that the dynamics upon which cultural expansion depends, will have eroded away.

In spite of this bleak record . . . I am optimistic.

In my view, all the indicators point to a new era of conservation and environmental preservation. The signs of a dawning enviromental conscience are appearing. Its seeds are being sown throughout the land . . . in government . . . in industry . . . in the universities . . . in the home . . . everyone is an environmentalist.

Very few of us know what to do with our new conscience, but the motivation for change is with us. It is electrifying. It is gratifying.

My optimism is well-founded. In the last three years we have made more progress toward controlling the geometrically escalating degradation than in all our past political history.

But the methods by which we have hacked our civilization out of the wilderness have established strong and hard-to-change patterns. Reform will not come easily. We will experience some discomfort in the land. New values must be accepted. New self-discipline must be a part of our life-style.

The new values will be based on the sum of what man is paying for the conversion of natural resources and what the environment is paying. If the environment is to remain qualitatively constant, man must pay the entire bill. We can no longer allow the quantitative progress which we achieve in meeting the material demands of a higher civilization to eclipse the qualitative values of the environment . . . and the very spirit of man.

To begin, we must have orderliness. Orderliness in the use of our land is foreign to us. If we are going to stabilize the environment, we can no longer proceed without a sense of order in how we lay out our occupancy of the land. Where the critical factor has always been a quick buck, it must now be environmental quality . . . and conservation of resources.

I am convinced that land use planning and positive implementation is paramount not only to environmental management but also to the development of a higher social order and a broader cultural opportunity.

The President has initiated a concept of land use policy which includes methods for power plant siting; . . . for strip mine reclamation; . . . for the protection and management of the public lands on the basis of multiple use and sustained yield; . . . and for repeal of the 1872 Mining Act, substituting procedures which will eliminate indiscriminate mining practices and ensure environmental control.

Our system of government is now facing the great test. The Congress will prove whether it is partisan or responsive. I have always believed that partisan politics are a secondary consideration . . . but if Congress does not act on these proposals, the truth will out.

Man's environment in the world is an ecological system. It is the sum of all of the living and nonliving. Its components support the chain of life. Some natural resources have been depleted, and foreign sources of supply have become less plentiful and more insecure. Thus the environmental problems become more evident. The Nation suddenly has become aware of the full importance and significance of the need for the conservation. Management of natural resources and the protection and preservation of the environment are instituted not only to sustain and provide for continued social and economic growth and the quality of life, but for man's well-being and survival.

The natural resource and related environmental challenges facing the Nation are:

To extend the life of our finite resources through more efficient development, secondary recovery, prudent use, and recycling.

To efficiently manage our renewable resources through multiple use and sustained yield.

And to preserve natural assets for the sake of preserving them . . . for posterity rather than material gain.

In short, we must begin to appreciate the blinding speed at which our civilization and its works are now developing. We must not fail to proceed with caution for quality * * * in spite of our velocity * * * a velocity which often seems overwhelming.

If the redwood tree, during whose lifetime most of the important history of the world has transpired, could somehow momentarily blink its eyes, it would miss more than it had witnessed in all of the previous years of its existence. For the biography of the redwood has centuries for pages. It is a chronicle whose inscriptions were engraved by nature. Man and machine took her pen for their own and wrote a new evolution which compressed the courses of millennia into a single century and begat both the marvels and the horrors of our technic age.

The redwood is actually a symbol of our

time. It is the old man of the biosphere, threatened by machines, the love children of the technosphere. The truth of the redwood has eluded us in the past. Our faith in the machine has tricked us into the belief that we are free of natural law. We now are aware that this is simply not the case, for a world with no room for its redwoods is a world that will return to the sands.

## NEW IDEAS FOR BETTER SCHOOLS

(Mr. BELL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. BELL. I insert in the RECORD the text of an interview with our eminent commissioner of education, the Honorable Sidney P. Marland, which recently appeared in U.S. News & World Report.

Commissioner Marland makes several points which are extremely significant for every Member of the House of Representatives. I single out as particularly relevant his recommendation for expanded career education opportunities for those young people who do not elect to pursue the 4-year, degree-granting program that has become, as he terms it, "a kind of folklore."

His discussion of this as well as various other aspects of our educational system deserves more than a cursory examination.

### NEW IDEAS FOR BETTER SCHOOLS—INTERVIEW WITH THE U.S. COMMISSIONER OF EDUCATION

Q. Commissioner Marland, how would you describe the state of American education today?

A. One could be very pessimistic about education in this country today. There are many grave problems surrounding it. But I am not among the doomsayers.

I think that this is perhaps the beginning of the most exciting period in the history of education in this country. I say that after 34 years in which I've viewed the schools from the inside—as a schoolteacher and as a school administrator. Never before have I seen the spirit of reform so high among the practitioners, among young people and, indeed, in our society as it looks at its schools.

We are ready, as never before, for major improvements in education. So I am optimistic.

Q. Is teaching in the public schools better or worse than it was, say, 10 years ago?

A. Without any hesitation, I say it's far better. Teachers are better trained and classes are smaller. Resources for supporting the teacher are better. By this I mean psychological services, medical and dental services for children, reading specialists, science consultants, equipment for teaching. While we're far from utilizing all of the technology that we might, the fact remains that teachers are better trained and they're doing a better job.

And notwithstanding some of the ugly statistics which continue to embarrass us, the great majority of young people in America are learning better than they ever have. There are facts that demonstrate this. For example, there is the need to upgrade constantly our standardized achievement tests to stay abreast of the increased performance of young people, and the need to reform the college curriculum—the freshman courses particularly—to accommodate the increased effectiveness, scope and quality of high-school teaching.

Q. What are some of the ugly statistics to which you refer?

A. We're failing to meet the needs of perhaps 18 to 20 per cent of the young people in this country.

Q. Is that a larger percentage than in the past?

A. It's a larger percentage of those attending school than has been true in the past. Our great persuasion as a people to "stay in school" has served to keep in the classroom, as we should, a great many young people who in the past dropped out for one reason or another and were no longer a responsibility of the school. Therefore the statistics show embarrassingly larger numbers of failures, since larger numbers of high-risk boys and girls are in school. Sometimes in the past they were pushed out, but more often they chose to opt out.

There are still too many young people leaving school because the schools simply are not providing a satisfactory experience for them. So we see clearly the unhappy statistics surrounding the dropout, the ugliness of drug abuse in our schools, the children from disadvantaged backgrounds who are failing to learn adequately, and the young people who just become disenchanted with the institution of education. I can't give you hard statistics, but I can assure you that not only young people from disadvantaged environments or from minority groups are asking more of the schools than we're giving them. This is part of my concern as I speak favorably of the other side of the coin—the side that shines—the side that shows we're doing a pretty good job for the great majority of our young.

Q. Is there anything that can be done about these young people who have become disenchanted with formal schooling?

A. I recommend a very substantial reform in education. I call it "career education." It's only the beginning of an idea now, but it's an idea for which the time may have come.

From the extraordinary vantage point that I have in Washington, I see ways in which the Federal Government—through its initiative, through its leadership, through the modest amount of leverage that we have with federal funds—may be able to change the universe of education in favorable ways to respond to this challenge.

Q. What do you mean by career education? Is that a euphemism for vocational training?

A. An emphatic "No!" This is anything but a trading of names, although I would be quick to say that vocational and technical education has a very large part to play in career education. But let me tell you a little bit more about the idea:

To begin with, our society has developed a kind of folklore that says to be good you must go to college—to be somebody you must have at least an A.B. degree. For many years, that was a very appropriate goal, and it served as a world model to increase the intellectual, social and economic level of our country.

But we have come to the point where a kind of self-hypnosis has set in. People are convinced that this is the only way to glory. And I hold that it is not true. I'm not talking only about differences in intellect. I'm talking about differences in aspiration, in goals; differences in human needs and what people want to do with their lives. I think there is a false set of values surrounding the whole theme of vocational-technical education that says, "That's for the other people, but my children are going to go to college."

### REPLACING USELESS COURSES

Q. Grease education, it used to be called—

A. Yes, the dirty-hands school. That's the idea that's been held by many people. And if anything can come of my time of service in Washington, I hope it will be to correct that.

At present, about 54 per cent of high-school graduates go on to higher education. And if you look closely at the average high-school graduating class, you will see that no more than about 10 to 12 per cent studied vocational-technical programs leading directly to salable skills. And in between for all the rest of the young people there is that dubious euphemism, the general curriculum—which is a put-on. It doesn't lead to anything.

I hold that we should do away with the general curriculum, which young people in our high schools now find to be a put-on. It contains no intrinsic motives, no tangible goals. It does not lead to college, and it does not lead to satisfying and rewarding employment.

In talking about career education, I'm not trying to discourage young people from going to college—quite the contrary. What we must do is create social value and prestige in a wholly different kind of education for the nearly 50 per cent of young people who choose not to enter college, and for the much larger percentage which includes those who enter but soon exit. I want to give exposure to what the world of work is all about to all children.

You see, a career is something that you and I were trained for one way or another, just as did your doctor and your architect and your attorney and the man who prints your magazine. Many of us have come upon it accidentally, without very much planning and without very much information on which to make very important life choices, and, by chance or by the grace of the Almighty, we found ourselves where we are.

Now, that's a haphazard way to go about planning a life, notwithstanding the Almighty's wisdom. I hold that along about fifth, sixth or seventh grade, along about age 12 or 13, there ought to be some systematically planned information made available to young people through the curriculum so they can have a hand in shaping their own lives in a thoughtful and informed way.

Q. Do you have a plan to accomplish this?

A. We're now developing in the Office of Education 15 clusters-of-work categories—or curricular systems. One cluster, for example, is the health sciences, ranging all the way from the hospital orderly up to and including a highly specialized surgeon.

Then there is the electronic cluster. That has to do with everything from how to put in an electric socket to the construction and operation of a very sophisticated computer.

Those are just two examples. All the way through career education there must be the underlying academic learning that supports the specific or the generalized cluster of jobs.

This idea is far from jelled. It would be a mistake for me or for anybody in Washington to declare it as a fixed or final concept, although there is considerable enthusiasm for the idea across the country, as we explore the possibilities with school leaders, teachers and citizens at large.

Q. How would career education work in actual practice?

A. The concept is that the student should be ready when he leaves school—I didn't say graduate, necessarily—either to enter postsecondary education or to go directly into the world of work with pride, satisfaction and competence. He may want to be a service station attendant at age 15, and leave school to do that. A year later he may want to come back and study about transmissions; he becomes a transmission expert for his community. Then perhaps he comes back again for some business courses. By the time he is 30 or 35 years old, he owns a garage and has become a businessman as well as a skilled craftsman.

In career education, the school system is constant, and students spin off from it and spin back onto it.

A young woman at age 14 or 15 may begin to think seriously about the health sciences. She graduates from high school and has, let's say, a year in community college and becomes a licensed practical nurse. After three or four years of earning money and finding satisfaction, she says, "I think I'll go back." So back into the system she goes and becomes a two-year or a four-year graduate nurse.

The point is that the system is always there supporting her or him.

I believe that one of the very important aspects of career education is that we will suddenly and finally begin to motivate young people with perfectly good minds who are not now learning effectively in school. As an educator—a teacher—that is one of my overriding hopes for the future, as I try to lend the power and influence of my office toward better schools for America.

Q. Dr. Marland, do you think, as some critics charge, that Americans have lost confidence in public education?

A. We're going through a period of serious soul-searching about education, both inside and outside the system. But I don't think our people have lost confidence in education—no.

There are serious questions being asked about what the schools should be doing right now. The many bond issues and tax referenda that have failed of passage in the past 2 or 3 or 4 years are increasing testimony—not necessarily that the people are opposed to education, but that they're asking us to give a better accounting of how we're using their money and how we are serving society's needs and how we are justifying the very swiftly rising costs of education.

A few years ago, typically 75 to 85 percent of local school-bond issues passed; last year only 48 percent passed. This is, in part, a reflection of discontent with education, but it should not be overemphasized as a measure of public feeling toward education. We must remember that the local real estate tax is about the only tax left to the discretion of the weary taxpayer. He is probably declaring his frustration toward taxes altogether—not only those for the schools.

At the same time, I can tell you that the people of our country are looking to the schools to fill a much larger role than they have in the past. Within the past five or 10 years, the expectations for education have increased by leaps and bounds.

We're expected now to resolve some of the great social issues of our time. Racial equality is now an essential burden of the schools. The problems of unemployment and underemployment now rest upon the schools. The schools are expected to deal with mental health, family relationships and child nutrition. A very real responsibility of many schools is to see that a child has a full stomach when he arrives at the classroom.

Q. Are these responsibilities that families have shrugged off to some extent? In other words, are people asking too much of their schools?

A. In many places the schools are not ready to accept and to respond quickly and productively to all of the things that society is expecting of them. But I think most are willing to try, even though it is going to take some time to solve these problems.

Take, for example, the matter of racial integration. The schools have no ready answers. In spite of the best efforts of men of good will, black and white, the solution eludes us in many parts of the country, North and South.

Now, one can say: "The schools have been asked to do too much." I have to answer that it is a credit to the education system in this country that the people have turned to the schools in times of dire social stress. But society must be a little more patient in letting us work out the solutions. And I must add that we must have more resources than we now have to work them out.

### CITY SCHOOLS: "IN GRAVE TROUBLE"

Q. Some educators told President Nixon recently that so many problems are being piled on inner-city schools that they are in danger of complete collapse—

A. Our urban schools are in very grave trouble. I started teaching in 1937. In those years we looked to the big cities as the lighthouses of educational excellence—New York City, Chicago, Pittsburgh—and indeed they were. The resources were there: the great universities, the money, the citizen leadership. That is no longer true.

Now the other burdens of the city—health and sanitation, drug abuse, welfare, crime—preoccupy its officials, both in terms of its social concerns and in terms of demand for funds. Now fully two thirds or more of the average big-city budget has to go for non-educational things.

At the same time, across the city line in a relatively exclusive suburb, you find the exact reverse. Two thirds of the money from that favored environment is available for education while only one third is needed for other services.

Q. The city has lost its more affluent citizens to the suburbs—is that the problem?

A. It is certainly a large part of it. Some call this the flight of the white. It is more accurately the flight of the favored. Black and white and other races are a part of this trend. We must reverse it, and I would say that it can be reversed.

Q. How?

A. We must bring such excellence to the inner-city environment and schools that our cities will be restored to the great places that they have always been throughout civilization. We must provide enrichment in the cities that can't be found in the suburbs, in terms of opportunities for young people to grow and to learn to live in a new kind of society, where people with children of different races and different economic circumstances will learn to work and live together because that is the way the world is. And that is the way the valid life of the future will unfold.

Q. Will this require rather large amounts of money?

A. I'm sure that we are going to have to find ways greatly to increase the dollars for our cities. I have been there. I know what it is like to try to raise money for schools in a city such as Pittsburgh, with the same municipal overburden that I described a moment ago, where two thirds of the resources of the city are required for maintaining basic services—whereas just across the river, in a very-favored environment of residential homes, two thirds of the money from the real estate tax base is available for the schools.

Now, that cannot continue, and that is what the California supreme court said in the recent decision in that State. I applaud that decision: The court found that the system of inequities in the funding of education in the State of California is totally inequitable.

Q. The California court held that relying on property taxes to finance schools is discriminatory because it enables affluent communities to spend more money on education than poor communities. Is that decision going to lead to a reshaping of the way education is financed in this country?

A. I think it will. Certainly the California decision, if sustained by the U.S. Supreme Court, will point the way to general fiscal and revenue reform within all of our States. And I think that the so-called equalization formula—which each State has in one form or another—will have to be completely reworked to comply with this court order.

Q. In Maryland, the State has taken over all financing of school construction. Now there is pressure for the State to take over the whole business of financing education. Is this likely to happen in other States?

A. I think it is quite feasible. A number of States have explored it. Hawaii has this system now. And, of course, the California ruling will tend to tip things that way, too. There is only so much taxpayer money, whether you collect it at the drugstore counter with a sales tax or whether you collect it at the county clerk's office for your real estate or whether you collect it as income tax at State or Federal level.

### UNIQUE WISDOM OF LOCAL BOARDS

Q. What rights and responsibilities will be left to local communities if States take over financing of schools?

A. I would expect that the whole business of curriculum, of faculty selection, of program planning within the resources provided by the State—indeed, the whole substance of teaching—would still be left to local discretion. I would hope so.

In my home town of Danielson, Conn., a small town, the board of education has unique wisdom concerning the life and needs of the children in that community, and a corresponding wisdom exists in New Haven, Conn., a big city. But these boards operate under quite different circumstances, and I don't think that the State—and certainly not the Federal Government—should attempt to pre-empt or prescribe the circumstances of learning in such widely different communities, even in the same State.

Q. Would this result in a leveling of support for education? In other words, will communities that now are taxing themselves heavily for school funds be forbidden to spend more than a certain amount?

A. I have thought about that question since the California ruling, and I am not sure how it will work out. But the California ruling presumes that there will be an equal base for all. It may be $800 a year per child or $1,000 a year per child or some other figure determined by competent State authority. But whatever the sum, it is presumed by this ruling that money will be made available on that basis for all children.

That raises the question: Taking California as an example, can San Mateo raise another $100 per child if it wants to, while San Francisco has only $800? Can Berkeley or Los Angeles do something different through their own initiative? Will this ultimately bring back the inequities that now prevail?

I would guess that some court, in all of its wisdom, will say that a community may, by an amount not to exceed a certain figure, increase some aspects of its educational offering. I think it would be quite unlikely in America to forbid a community to tax itself to educate its children.

This remains a sticky feature of the California case that must be faced.

### AS COSTS AND PROBLEMS MOUNT

Q. Dr. Marland, the cost of education has gone up tremendously in terms of dollars. Has it also increased as a percentage of the nation's total income?

A. In terms of the gross national product, we are now spending 8 per cent annually on education—a greater proportion of our national income than formerly.

Q. And yet the problems seem to proliferate. Where is this going to lead in the long run?

A. If education were expected to do only what it used to, our schools would be doing much better than they used to do—and probably would be doing it for much less than we are now spending on education. But we come right back to the fact that Americans have increased expectations for their schools. The complexities of our society are mounting, and the schools mirror these complexities.

Q. Meanwhile there are charges that children can't be taught to read——

A. A very small percentage of our children are not being taught adequately to read. The great majority of our children are reading better, with greater comprehension and speed than they ever have. And the success of our reading program, as a nation, is very significant.

The fact remains, much to my embarrassment as a schoolteacher, that there are significant numbers of illiterate adults in this country—that significant numbers of children are reading far below the expectations for their age, and are indeed graduating from high school with very marginal literacy.

This is bad. But please don't make the assumption that we aren't teaching reading. We are teaching reading very well to the great majority of our young people. And I would guess that those whom we were talking about—dreadful as the numbers are—are somewhere in the neighborhood of 10 to 15 per cent.

It is inexcusable in our society, with the resources we have, with the teachers and the technology we have, that significant numbers of children are not reading successfully. But I would say that reading and writing are not an end in themselves. They are the tools with which one becomes a fulfilled human being. And the fulfillment of a human being, to me, is a larger and more fundamental purpose of education than reading and writing.

Today we are talking about a wide range of human beings, from the humblest, with an I.Q. of 80, to the most able.

In our inner-city schools we have concentrations of children, many of whom have migrated to the cities over the past 10 years. They are often from minority groups, from quite different cultures. They come from families in desperate economic conditions who are reproducing themselves as they are and continuing in a cycle of poverty. And we must find some way of breaking this cycle, of breaking the sequence of generations of children in poverty, facing the ugliness and despair of life in the "ghetto."

Q. Are the schools having any success in doing this?

A. It is difficult, but some progress is being made. We find teachers who in all deep commitment go to teach in the inner city, pour out their concern and their talent, and become frustrated and discouraged and sometimes quite deeply shaken. We must work harder. We must increase the resources, both human and material. But let me say, we are having some success on this.

The Teacher Corps, now in its sixth year, engages just such young people who have committed themselves either to the inner city and its problems or to equally depressing circumstances in rural areas. Our retention rate among those young people is tremendous. It is higher than the retention rate of conventional teachers in conventional situations. We have also found that the paraprofessional—the devoted man or woman from the local environment working as a companion to the inner-city teacher—is also making a difference.

It shows that someone is concerned about "little Harry," and Harry begins to perceive himself as a valuable person. A valid and honest concern for the learner—I call it love—must underlie all good teaching. It must especially be believable and real. It is an inescapable part of the inner-city teacher's character if he or she is to succeed.

Q. What you have been discussing here—is this what is known as compensatory education for the inner-city children?

A. In part, yes. We have as a nation poured out more effort, more money, and I hope more expertise in working with the disadvantaged child. Compensatory means "more than equal."

That, of course, has been going on since the Elementary and Secondary Education Act of 1965 was passed by Congress, and has had great beneficial effect. But many of its effects are still not measurable in the inner city. Well over a billion dollars a year has been spent in compensatory education, but by the time this gets to the child in poverty in a "ghetto" classroom, it is about $140 extra per year, or perhaps 18 to 20 per cent.

Maybe we can add the time of a paraprofessional to that classroom with that added money. Maybe we can add a few more appropriate teaching tools. Maybe we can add breakfast in the program, so that the child starts his day's work without hunger. But we have not had, in spite of the large sums, sufficient money to concentrate on the disadvantaged in depth. In some situations around the country where the added funds amount to not just 18 or 20 per cent, as it typically is, but 100 per cent, we can see real progress.

The case can be made, in terms of national values, for doubling the cost of educating the child in poverty, to break that cycle, and to take him out of dependency at age 14 and 15 and 16, rather than to continue another cycle of dependency with all of the implicit costs to society.

Q. How can this be done if the rule laid down by the California supreme court is adopted nationwide, and there has to be equal spending in every school?

A. I would hope that Congress will be able to legislate so that those schools that need more resources to provide compensatory education can have them, apart from the equalization feature. Remember, I said "more than equal" for the disadvantaged.

Q. Should big-city schools be nationalized—taken over by the Federal Government? Mark Shedd, superintendent of Philadelphia schools, has proposed that to Congress and to President Nixon——

A. Well, I sympathize with Mark—and at times I have felt that way as a big-city school superintendent. But I'm sure he would be the first to say that we should preserve the historic foundations of American education, which establishes the schools as a product of their immediate environment—that they should serve the people close at hand and be governed by the people close at hand.

While we look for ways to increase the fiscal support from the Federal Government, we know that if that support increases, the controls will very likely increase. This would go dead against the history and philosophy of American education. Schools are a property of the people, and the more they are removed from the people, I'm afraid, the more we destroy the greatness of what has so far been America's principal asset among nations—namely, a free-public-school system for all.

The secret to unlock here is how to increase federal financial support without relinquishing local control.

### BUSING OUT OF THE NEIGHBORHOOD

Q. Does busing to achieve integration destroy this idea of schools? Can you have compensatory education, involving the family of the child, when he is bused out of the neighborhood where he lives?

A. There is no simple answer to that. But we must ask ourselves: What is the mission of the schools?

The mission is to bring this nation forward, through education, to a more just and effective and whole life for everybody. And the evidence shows us that so long as we segregate races, then that life is something less than just and effective and whole for all of those children. You have to make trade-offs, and you have to decide what the transcending values are in the American ideal. You can't necessarily pursue all those values at the same time.

In our nation the courts, the Administration, the Congress have said, "Let us find ways to bring about genuine opportunities for children to live together and grow up together and understand each other in ways that heretofore, since the beginning of this country, we have not done."

That means redefining some of our traditional beliefs. The neighborhood school in which I grew up calls up a very happy memory. But what is a neighborhood today? Need it be racially and economically isolated? Are we going to have the convenience of parents being physically close to the school and enjoy all of those good, nostalgic things which we recall in a small neighborhood territory when time and space factors have markedly changed? Or are we going to find ways to capture the best of both worlds and reach out and invent new ways to engage parents with their schools—to invent new ways for communities to be larger geographically but smaller in terms of the spirit of that community?

A neighborhood needs more than geographic proximity to achieve neighborliness, and that has to do with our feelings and beliefs as a people. That is where the schools come in, as we search for ways to reach out for true brotherhood not only down the street, but across our land and throughout the world.

We don't yet have all the answers, but we must, as President Nixon has stated, achieve "a system in which education throughout the nation is both equal and excellent, and in which racial barriers cease to exist."

Q. Mr. Commissioner, what future do you see for parochial schools, many of which are finding it difficult to survive?

A. I am very concerned about the parochial schools because they are an important educational arm—serving 10 or 11 per cent of our young people in elementary and secondary schools in the United States. And I think that they should be sustained, but not in such a way as to breach the law. The law says that there will not be federal funds furnished to nonpublic schools. I think that's a good law. And, therefore, my position is that we must find ways to better the things that the law permits us to do.

For example, the Elementary and Secondary Education Act of 1965 mandated the provision of services to disadvantaged children in nonpublic schools from the public treasury as long as those services were provided for the disadvantaged in forms that were distinct from dollars. We've not done as well as we should have done in the public schools with the opportunities under that law. We've done quite well under Title II, which has to do with the distribution of textbooks and library books. Books are loaned to the nonpublic schools, and they have the right to choose their books from master lists that are so liberal as to impose virtually no constraint on them. This is working well.

The second approach is through Title III of that Act, which provides funds for reform and renewal in education. On that we've done fairly well, sharing at the local level with curriculum development, experimentation, and planning jointly between the nonpublic and the public schools at the local level. And one could say that about 50 per cent effectiveness has been attained in this as compared with 100 per cent on the book side.

But in the area that perhaps has the most money and the most opportunity for helping poor children in the nonpublic schools, we still have a long distance to go, and that's the Title I part of the law. This title provides increased services to children who meet the eligibility terms for compensatory education. Both public and nonpublic schoolchildren are supposed to share equitably in such benefits as teacher aides, smaller classes, supporting services and improved material resources. And while people of good will have been searching for ways of delivering such services to nonpublic schoolchildren on the same scale as to public schoolchildren, practical obstacles have been a deterrent to getting this part of the law implemented fully.

And in this connection, I will be convening a meeting of public-school leaders from the 40 largest cities of the United States—the cities of over 300,000 population—this autumn for three days. We'll go off out of town somewhere and get into a quiet environment and live and work together with the 40 counterpart leaders of the key nonpublic schools in those same communities.

Many of those participants, of course, will be the parochial-school leaders—very often a priest or a bishop—together with the other nonpublic schools, who are also in many cases having serious problems. The public-school spokesmen will be local school superintendents.

Q. Will the so-called "independent" schools be included?

A. Yes. And we'll spend two or three days together trying to find ways to increase the opportunities for the public schools in the 40 largest cities to extend themselves through collaboration with the nonpublic schools within the law and within the rulings of the courts to provide and improve the circumstances for some of those dangerously threatened nonpublic schools.

### VALUE OF A YEAR-ROUND PROGRAM

Q. Many school systems are now experimenting with year-round operations. Is that a good idea?

A. The original school year was essentially the product of an agricultural economy, allowing young people to be available for work in the fields during the growing season. It no longer has relevance for the great majority of our society. Nonetheless, the habits and traditions of family living continue to impose a substantial overlay of "summer vacation."

There is clear evidence that many school systems are conducting successful summer programs for large numbers of children, particularly those with learning difficulties and those with exceptional talent.

Further, the implicit freedom of a summer program—that is, its optional nature—tends to produce an affirmative effect on the attitudes of teachers and learners.

There is no question that substantial improvements in efficiency can derive from the 12-month year, particularly in the utilization of facilities. The administrative problems are cumbersome, but they are surmountable. Faculty attitudes must be considered, particularly attitudes of teachers who, like many of our citizens, are accustomed to the summer holiday for physical renewal, for continued professional study, travel and the recharging of batteries. There are good arguments on the side of the *status quo*, but I hope we can find better arguments for installing change.

I would add that not only can the 12-month school year greatly loosen up the system of education with perhaps scattered periods of holiday and optional school attendance, but the school day itself has much to offer in the way of freeing up all concerned. The school day should have no particular beginning or end. The schoolhouse is there—the laboratories, classrooms, libraries, auditoriums are there, as well as the playing fields and gymnasiums. A system of coming and going, both for faculty and students, would free the schools from the implications of a lock-step, five-hour compulsiveness that we may have outlived as an unnecessary formalization of the learning process.

### PROMISES AND PITFALLS OF NEW IDEAS

Q. Do you see any value in a voucher system that would let parents "buy" their children's education at any public or private school they might choose?

A. The voucher system may have some attractions, particularly in the form of stimulating new methods and materials in the interest of profit-making or in the interests of developing alternate choices for parents and young people. I have serious misgivings about the system, however, if it implies that ultimately all children would have the option throughout all parts of our nation to choose between the public-school system and something else. While the "something else" may here and there pop up, either in a profit or non-profit context, and even be successful for the limited scope of programs and people it can accommodate, I see little promise of this being capable of extension in sufficient capacity to be a truly viable option.

I must therefore say that for experimental purposes, for the discovery of new methods and materials, the voucher plan may be useful. As a universal enterprise, I'm afraid it would be another put-on, especially for the poor and the disadvantaged. We may give them a check with no place to cash it.

I might add that the voucher system is only a fractional part of a wide variety of revolutionary forces at work, many of which are sponsored and initiated by the Office of Education.

I would suggest that such enterprises as experimental schools, Right to Read, career-education models, the many educational research labs and centers which are sponsored by the Office of Education—not to mention the exciting forthcoming National Institute of Education—are developing and will develop many other alternatives than those implicit in vouchers.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. Adams, for November 11 to 15, on account of official business.

Mr. Kazen, after 4:15 today and tomorrow, November 11, on account of death in the family.

Mr. Chappell (at the request of Mr. Boggs), from 3 p.m. today, through Monday, November 15, 1971, on account of official business.

Mr. Patman (at the request of Mr. Boggs), for today, on account of official business.

Mr. Pirnie (at the request of Mr. Gerald R. Ford), from 7 p.m. today, and the balance of the week, on account of death in family.

Mr. Kee (at the request of Mr. Boggs), for today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. Mizell) to revise and extend their remarks and include extraneous matter:)

Mr. Veysey, for 10 minutes, today.

Mr. Kemp, for 30 minutes, today.

Mr. Shoup, for 5 minutes, today.

(The following Members (at the request of Mr. Denholm) to revise and extend their remarks and include extraneous matter:)

Mr. Aspin, for 10 minutes, today.

Mr. Gonzalez, for 10 minutes, today.

Mr. Davis of South Carolina, for 10 minutes, today.

Mr. Burke of Massachusetts, for 10 minutes, today.

Mrs. Abzug, for 10 minutes, today.

Mr. Fraser, for 5 minutes, today.

Mr. Danielson, for 5 minutes, today.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Helstoski.

Mr. Bingham to revise and extend his remarks prior to vote on Seiberling amendment.

Mr. Roush to extend his remarks following those of Mr. Dent, today during debate on the conference report on H.R. 8687.

(The following Members (at the request of Mr. Mizell) and to include extraneous matter:)

Mr. Quillen.

Mr. Gude.

Mr. Hosmer in two instances.

Mr. Grover.

Mr. Biester.

Mr. Pettis.

Mr. McDade.

Mr. Schmitz in two instances.

Mr. Baker.

Mr. Fish.

Mr. Brotzman in two instances.

Mr. Veysey in two instances.

Mr. Ashbrook in three instances.

Mr. Michel in five instances.

Mr. Broyhill of Virginia in two instances.

Mr. Derwinski in two instances.

Mr. Rousselot in two instances.

Mr. Coughlin.

Mr. Morse.

Mr. Bell.

Mr. Gerald R. Ford in two instances.

Mrs. Heckler of Massachusetts.

Mr. Nelsen.

Mr. Collins of Texas in six instances.

(The following Members (at the request of Mr. Denholm) and to include extraneous matter:)

Mr. Edwards of California.

Mr. Gonzalez in two instances.

Mr. Rarick in three instances.

Mr. Rogers in five instances.

Mr. Hagan in three instances.

Mr. Rodino in two instances.

Mr. Dingell in two instances.

Mr. Fountain in two instances.

Mr. Kluczynski in three instances.

Mr. Link.

Mr. Daniel of Virginia in two instances.

Mr. Baring.

Mr. Murphy of New York.

Mr. Jacobs in two instances.

Mr. Corman.

Mr. Dulski in six instances.

Mr Downing in two instances

Mr. Annunzio.

Mr. Anderson of California in two instances.

Mrs. Abzug in 10 instances.

Mr. Minish.

Mr. Dent in two instances.

Mr. James V. Stanton in two instances.

Mrs. Sullivan in two instances.

Mr. Brooks.

Mr. Fauntroy in five instances.

## SENATE BILL REFERRED

A bill of the Senate of the following title was taken from the Speaker's table and, under the rule, referred as follows:

S. 583. An act to increase the authorization for the appropriation of funds to complete the International Peace Garden, North Dakota; to the committee on Interior and Insular Affairs.

## BILLS PRESENTED TO THE PRESIDENT

Mr. HAYS, from the Committee on House Administration, reported that that committee did on this day present to the

President, for his approval, bills of the House of the following titles:

H.R. 8629. An act to amend title VII of the Public Health Service Act to provide increased manpower for the health professions, and for other purposes.

H.R. 8630. An act to amend title VIII of the Public Health Service Act to provide for training increased numbers of nurses.

## ADJOURNMENT

Mr. DENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 9 o'clock and 45 minutes p.m.), the House adjourned until tomorrow, Thursday, November 11, 1971, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1277. A letter from the Secretary of State, transmitting the 19th report on the extent and disposition of U.S. contributions to international organizations, covering fiscal year 1970, pursuant to section 2 of Public Law 806, 81st Congress (H. Doc. No. 92–173); to the Committee on Foreign Affairs and ordered to be printed.

1278. A letter from the Assistant Secretary of Defense (Comptroller), transmitting a report for the first quarter of fiscal year 1972 on various support furnished from military functions appropriations; to the Committee on Appropriations.

1279. A letter from the Administrator, National Aeronautics and Space Administration, transmitting a report on contracts negotiated by NASA during the 6 months ended June 30, 1971, for property or services determined to be for experimental, development, or research work, or for making or furnishing property for experiment, test, development, or research, under 10 U.S.C. 2304 (a)(11), and a report that no contracts were entered into during that period under the authority of 10 U.S.C. 2304(a)(16), pursuant to 10 U.S.C. 2304(e); to the Committee on Science and Astronautics.

Received From the Comptroller General

1280. A letter from the Comptroller General of the United States, transmitting a report on the opportunity for savings in providing war risk insurance for contractor property and employees, Departments of Defense, State, and Commerce; to the Committee on Government Operations.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. TEAGUE of Texas: Committee on Veteran's Affairs. H.R. 11651. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and for other purposes (Rept. No. 92–656). Referred to the Committee of the Whole House on the State of the Union.

Mr. TEAGUE of Texas: Committee on Veterans' Affairs. H.R. 11652. A bill to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency and indemnity compensation (Rept. No. 92–657). Referred to the Committee of the Whole House on the State of the Union.

Mr. STAGGERS: Committee on Interstate and Foreign Commerce. H.R. 11302. A bill to amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer as soon as possible; with amendments (Rept. No. 92–659). Referred to the Committee of the Whole House on the State of the Union.

Mr. BURKE of Massachusetts: Committee on Ways and Means. H.R. 3544. A bill to amend section 5701(a)(2) of the Internal Revenue Code of 1954 so as to adjust the rates of tax on cigars; with an amendment (Rept. No. 92–660). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 3599. A bill to modify ammunition recordkeeping requirements; with an amendment (Rept. No. 92–661). Referred to the Committee of the Whole House on the State of the Union.

Mr. ULLMAN: Committee on Ways and Means. H.R. 11080. A bill relating to the income tax treatment of just compensation received from the United States with respect to property taken under the act of the Congress which established the Redwood National Park; with an amendment (Rept. No. 92–662). Referred to the Committee of the Whole House on the State of the Union.

Mr. POAGE: Committee on Agriculture: S. 2559. An act to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans; with an amendment (Rept. No. 92–663). Referred to the Committee of the Whole House on the State of the Union.

Mr. SIKES: Committee of conference. Conference report on H.R. 11418. (Rept. No. 92–664). Ordered to be printed.

## REPORTS OF COMMITTEES ON PRIVATE BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MAYNE: Committee on Veterans' Affairs. H.R. 8540. A bill for the relief of Elenora G. Mpolakis; with an amendment (Rept. No. 92–658). Referred to the Committee of the Whole House.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ASPIN:

H.R. 11681. A bill to amend the Fair Packaging and Labeling Act to provide that the commodity label required by that act must disclose the manufacturer's name and place of business, and packer's name and place of business if different from the manufacturer; to the Committee on Interstate and Foreign Commerce.

By Mr. BROTZMAN:

H.R. 11682. A bill to change the name of the Department of Commerce Laboratories in Boulder, Colo., to the Dwight David Eisenhower Laboratories; to the Committee on Interstate and Foreign Commerce.

By Mr. BURLISON of Missouri (for himself, Mr. Alexander, Mr. Anderson of Tennessee, Mr. Bevill, Mr. Brinkley, Mr. Caffery, Mr. Dorn, Mr. Edwards of Louisiana, Mr. Flowers, Mr. Gettys, Mr. Hagan, Mr. Jones of Tennessee, Mr. Mathis of Georgia, Mr. Mills of Arkansas, Mr. Nichols, Mr. Pickle, Mr. Purcell, Mr. Rarick, Mr. Runnels, Mr. Steiger of Arizona, Mr. Teague of Texas, and Mr. Waggonner):

H.R. 11683. A bill to require the Secretary of Agriculture, in the event of a natural disaster, to make adjustments in payment yields for producers of cotton; to the Committee on Agriculture.

By Mr. CARTER:

H.R. 11684. A bill to amend the Public Health Service Act to support research and training in diseases of the digestive tract, including the liver and pancreas, and diseases of nutrition, and aid the States in the development of community programs for the control of these diseases, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. CLARK:

H.R. 11685. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil service.

By Mr. DENT:

H.R. 11686. A bill to require the Secretary of Labor to collect and disseminate employment information regarding local law enforcement agencies; to the Committee on Education and Labor.

By Mr. DULSKI:

H.R. 11687. A bill to amend the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970; to the Committee on Public Works.

By Mr. ESCH (for himself, Mr. Steiger of Wisconsin, Mr. Forsythe, and Mr. Findley):

H.R. 11688. A bill to assure an opportunity for employment to every American seeking work and to make available the education and training needs by any person to qualify for employment consistent with his highest potential and capability, and for other purposes; to the Committee on Education and Labor.

By Mr. LENT (for himself, Mr. Byron, Mr. Addabbo, Mr. Hechler of West Virginia, Mr. Rosenthal, Mr. Halpern, Mr. Obey, Mr. Forsythe, Mr. Brasco, Mr. Helstoski, Mrs. Grasso, Mr. Biaggi, Mr. Boland, Mr. Podell, Mr. Rangel, Mr. Burke of Massachusetts, Mr. Morse, Mrs. Abzug, Mrs. Hicks of Massachusetts, Mr. Carey of New York, Mr. O'Neill, Mr. Biester, Mr. Gude, Mr. Badillo and Mr. Wolff):

H.R. 11689. A bill to amend the Outer Continental Shelf Lands Act, to establish a National Marine Mineral Resources Trust, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LENT (for himself, Mr. Pike, Mr. Mitchell, Mr. Fish, Mr. Peyser, Mr. Kemp, Mrs. Chisholm, Mr. Widnall, Mr. Scheuer, Mr. Grover, Mr. Saylor, Mr. Gallagher, Mr. Koch, Mr. Delaney, Mr. Terry, Mr. Hastings, Mr. Tiernan, Mr. Bingham, Mr. McKinney, Mr. Horton, Mr. Steele, Mr. Sarbanes, Mr. Roe, Mr. du Pont, and Mr. St Germain):

H.R. 11690. A bill to amend the Outer Continental Shelf Lands Act, to establish a National Marine Mineral Resources Trust, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. LENT (for himself, Mr. Cotter, Mr. Kyros, Mr. Murphy of New York, and Mr. Hathaway):

H.R. 11691. A bill to amend the Outer Continental Shelf Land Act, to establish a National Marine Resources Trust, and for other purposes; to the Committee on Merchant Marine and Fisheries.

By Mr. McCLURE:

H.R. 11692. A bill to permit the Secretary of the Treasury to purchase mined silver at such prices as he may deem appropriate; to the Committee on Banking and Currency.

By Mr. RODINO:

H.R. 11693. A bill to amend the National Flood Insurance Act of 1968 to increase flood insurance coverage of certain properties, to authorize the acquisition of certain properties, and for other purposes; to the Committee on Banking and Currency.

By Mr. ROONEY of Pennsylvania:

H.R. 11694. A bill to restore and maintain a healthy transportation system, to provide financial assistance, to improve competitive equity among surface transportation modes, to improve the process of Government regulation, and for other purposes; to the Committee on Interstate and Foreign Commerce.

H.R. 11695. A bill to encourage national development by providing incentives for the establishment of new or expanded job-producing and job-training industrial and commercial facilities in rural areas having high proportions of persons with low incomes or which have experienced or face a substantial loss of population because of migration, and for other purposes; to the Committee on Ways and Means.

By Mr. SCHNEEBELI:

H.R. 11696. A bill to suspend the duties on fluorspar until the close of January 1, 1974; to the Committee on Ways and Means.

By Mr. THOMPSON of New Jersey:

H.R. 11697. A bill to amend the National Flood Insurance Act of 1968 to increase flood insurance coverage of certain properties, to authorize the acquisition of certain properties, and for other purposes; to the Committee on Banking and Currency.

By Mr. ZWACH:

H.R. 11698. A bill to amend sections 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly and for other purposes; to the Committee on the Judiciary.

By Mrs. ABZUG:

H.R. 11699. A bill to amend the U.S. Housing Act of 1937 to provide for grants to local public housing agencies to assist in financing security arrangements designed to prevent crimes and otherwise insure the safety and well-being of low-rent-housing tenants; to the Committee on Banking and Currency.

H.R. 11700. A bill to provide for police and security protection for persons living in low-rent housing; to the Committee on Banking and Currency.

By Mr. CAREY of New York (for himself, Mr. Adams, Mr. Annunzio, Mr. Bevill, Mr. Bingham, Mr. Celler, Mr. Begich, Mr. Eilberg, Mrs. Green of Oregon, Mrs. Hansen of Washington, Mr. Leggett, Mr. Mann, Mr. Nix, Mr. Price of Illinois, Mr. Rodino, Mr. Stephens, Mr. St Germain, Mr. Thompson of New Jersey, Mr. Rangel, Mr. Van Deerlin, and Mr. Charles H. Wilson):

H.R. 11701. A bill to amend the Internal Revenue Code of 1954 to allow a credit against the individual income tax to a taxpayer who pays the tuition and certain related items of a student at an institution of higher education, where the taxpayer and the student agree to repay the credit (with interest) to the United States after the education is completed; to the Committee on Ways and Means.

By Mr. CELLER:

H.R. 11702. A bill to amend the act of August 6, 1958, 72 Stat. 497, relating to service as chief judge of a U.S. district court; to the Committee on the Judiciary.

H.R. 11703. A bill to authorize additional judgeships for the U.S. courts of appeals; to the Committee on the Judiciary.

By Mr. CHAPPELL:

H.R. 11704. A bill to amend the Economic Stabilization Act of 1970; to the Committee on Banking and Currency.

By Mr. FLOOD:

H.R. 11705. A bill to amend title 5, United States Code, with respect to the creditable service of Members of Congress for civil service retirement purposes; to the Committee on Post Office and Civil Service.

By Mr. PURCELL:

H.R. 11706. A bill to require the Secretary of Agriculture, in the event of a natural disaster, to make adjustments in payment yields for producers of cotton; to the Committee on Agriculture.

By Mr. QUILLEN:

H.R. 11707. A bill to amend the age and service requirements for immediate retirement under subchapter III of chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11708. A bill to increase the contribution of the Federal Government to the costs of employees' health benefits insurance; to the Committee on Post Office and Civil Service.

By Mr. RIEGLE:

H.R. 11709. A bill to promote development and expansion of community schools throughout the United States; to the Committee on Education and Labor.

By Mr. CHARLES H. WILSON:

H.R. 11710. A bill to permit suits to adjudicate disputed titles to lands in which the United States claims an interest; to the Committee on the Judiciary.

By Mr. ABBITT:

H.R. 11711. A bill to amend the Consolidated Farmers Home Administration Act of 1961, as amended, to specify that emergency loans for annual operating expenses may be payable for periods up to 7 years; to the Committee on Agriculture.

By Mr. ASPIN:

H.J. Res. 956. Joint resolution directing that no further action be taken with respect to the development of the trans-Alaska pipeline until a comprehensive and independent study is made of the economic and ecological aspects of a trans-Canada pipeline; to the Committee on Interior and Insular Affairs.

By Mr. DENNIS (for himself, Mr. Wiggins, Mr. Mayne, and Mr. Betts):

H.J. Res. 957. Joint resolution to amend the Constitution to provide for representation of the District of Columbia in the Congress; to the Committee on the Judiciary

By Mr. FOLEY (for himself, Mr. Poage, Mr. Abernethy, Mr. Belcher, and Mr. Teague of California):

H.J. Res. 958. Joint resolution to amend the Sugar Act of 1948, as amended; to the Committee on Agriculture.

By Mr. ASPIN:

H. Res. 700. Resolution calling for the shipment of Phantom F-4 aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

By Mr. MURPHY of Illinois:

H. Res. 701. Resolution calling for the shipment of Phantom F-4 aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

By Mr. CAREY of New York (for himself, Mr. Daniels of New Jersey, Mr. Garmatz, Mr. Rodino, Mr. Hawkins, and Mr. Eilberg):

H. Res. 702. Resolution calling for peace in northern Ireland and the establishment of a united Ireland; to the Committee on Foreign Affairs.

By Mr. McCLORY:

H. Res. 703. Resolution calling for the shipment of Phantom F-4 aircraft to Israel in order to maintain the arms balance in the Middle East; to the Committee on Foreign Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BEVILL:

H.R. 11712. A bill for the relief of Hassan Abai, Mehri Abai, Abrahim Abai, Afshin Abai, Mehran Abai and Mohammad-Hussein Abai; to the Committee on the Judiciary.

By Mr. BYRON:

H.R. 11713. A bill for the relief of Kenneth R. Etson; to the Committee on the Judiciary.

By Mr. McCULLOCH:

H.R. 11714. A bill for the relief of Alazine Ferris; to the Committee on the Judiciary.

By Mr. ROBISON of New York:

H.R. 11715. A bill for the relief of Cpl. Paul C. Amedeo, U.S. Marine Corps Reserve; to the Committee on the Judiciary.

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# EXTENSIONS OF REMARKS

## A FREE-NATION WORLD ORGANIZATION

### HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

*Wednesday, November 10, 1971*

Mr. THURMOND. Mr. President, in the Sunday, October 31, 1971, State newspaper, of Columbia, S.C., contains a timely editorial entitled "Free Nations Should Form One World Organization."

In view of the deterioration of the U.N. into a Communist-influenced, anti-American gathering place, the suggestion in this editorial deserves serious consideration. The U.N. has been effective as a world problem solver, and with the increasing influx of Communist domination, it has become less and less the representative of peace and independence.

Mr. President, the U.N. has as its pledge the goal of establishing the independence of nations and peace on earth. The stated goal of communism is world domination. Thus, with the change in the U.N. comes the fear that the U.N. will become a tool for the spread of international communism.

Two-thirds of the world's population and 60 nations still believe in the freedom of man. The time has come when these free nations must band together to preserve this freedom and stand up to communism. An organization of free nations deserves the consideration of Congress. I have long favored this.

Mr. President, I ask unanimous consent that the editorial be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

FREE NATIONS SHOULD FORM ONE WORLD ORGANIZATION

The time has come for the people of the United States to recall the sage advice of the late President Herbert Hoover and contemplate a world organization of free, non-Communist nations.

As long ago as 1950, Mr. Hoover realized that Communist involvement and obstructionism would prevent the United Nations from achieving the high aims set forth in its charter. He was proved right when the Soviets walked out of the Security Council at the outset of the Korean War, thereby permitting the only effective action ever undertaken by the United Nations against an aggressor nation.

He was proved right by the Communists' role in Southeast Asia, and by Communists we refer not only to the North Vietnamese but to the Chinese and Russian Communists who have sustained and abetted the conflict there during all these long bloody years.

Now that Communist China has been admitted to the United Nations, there is all the more reason to take stock of Mr. Hoover's prophetic words. Listen to his message (of July 1950) with respect to Russian participation in the United Nations:

"The purpose of Soviet Russia is not to carry out the four times repeated pledge in the United Nations charter to establish the independence of nations and peace on earth. Forty-two times Soviet Russia has used its veto to thwart important efforts toward peace. The Kremlin representatives have denied membership in the United Nations to nine anti-Communist nations.

"Thirty-four times they have walked out of meetings in an effort to coerce the members into accepting Communist China into its very seat of power—the Security Council—which would further communize the organization . . .

"Yet, if we survey the world, we find that although one-third of the people on Earth have been subdued to Communism, there still remain 60 non-Communist nations, comprising two-thirds of the people on the Earth who yet cling to belief in God and the independence of nations."

Mr. Hoover proposed then and later that "the United Nations Communist nations in it. If that is impractical, then a definite new united front should be organized of those peoples who disavow Communism, who stand for morals and religion, and who love freedom."

The thrust of the Hoover argument was essentially that of Woodrow Wilson in the formative days of the ill-fated League of Nations:

"A steadfast concert for peace can never be maintained except by a partnership of domestic nations. No autocratic government could be trusted to keep faith within it or observe its convenants."

There is every reason to fear that the United Nations, now that it embraces numerous nations imbued with the essence of Communism, whether of Russian or Chinese extraction, will become less and less the guardian of peace, liberty, and independent sovereignty. Indeed, it is well within the range of possibility that the United Nations could become an instrumentality for the spread of international Communism.

Look now to Mr. Hoover's suggestion of August 10, 1962, made on his 88th birthday, two years before his death:

"The time is here when, if the free nations are to survive, they must have a new and stronger worldwide organization . . . the 'Council of Free Nations'." It should include only those who are willing to stand up and fight for their freedom.

"The foundations for this organization have already been laid by the 40 nations who have taken pledges in the five regional pacts to support each other against aggression . . ."

Perhaps Mr. Hoover was overly optimistic about the willingness of nations other than the United States to stand up against Communism. Indeed, the vote on seating Red China and ousting Nationalist China would indicate a lessening of such resolve on the part of many countries, including some within those very defense pacts cited by the former President.

Yet the idea of an organizaton of free nations, by whatever name it may be known, deserves the most serious consideration by the government—and by the people—of the United States.

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## JOHN J. RHODES REPORTS

## HON. JOHN J. RHODES

OF ARIZONA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. RHODES. Mr. Speaker, following is a reprint of my newsletter—the "John J. Rhodes Reports" of November 12 which will be sent to my constituents in the First District of Arizona later this week:

### JOHN J. RHODES REPORTS

### UNITED NATIONS VOTE IN PERSPECTIVE

On October 25 the General Assembly of the United Nations voted to admit the government of Red China as a full member, and to disenfranchise the government of the Republic of China which is now located on the island of Taiwan. This vote came after many days of hard campaigning on both sides. The resolution finally adopted was offered by Albania. We opposed it, but many of our traditional friends and allies worked and voted against our position. We had agreed to the admission of Red China to the United Nations, but insisted that the Republic of China should not be excluded. The final vote was overwhelmingly against our position.

Many of the nations who voted and worked against us have pointed out that the choice was really between a government which actually represented mainland China, and another government which only pretended to do so. The fact is that at no time did the Nationalists seek to keep their place in the United Nations solely as a representative of the island of Taiwan, but insisted that they are the representatives of all China, including the mainland portion. Thus, these nations who opposed us will maintain, with some credibility, that they were merely voting to recognize the world as it is, not as many of us would like it to be.

No matter who is right or wrong concerning the reasoning behind the vote in the United Nations, the facts are that a significant majority of the members of the United Nations failed to sustain a position which the United States pressed with great vehemence. The open glee of many of the members of the General Assembly when the vote was announced was probably not due to the results of the vote as much as to the defeat of the United States. It comes as a shock to many Americans that our estate in international circles has sunk so low.

It is time for us to review the evolution of our present international position. We have certainly tried to win friends among the world's nations.

In the area of foreign aid for instance, the United States has been exceedingly generous to the other nations of the world. Since 1946 we have spent $138 billion in foreign aid to 135 countries. Much of this aid was necessary and accomplished much good for the world. However, we have been so free-handed with economic aid that in many instances we have lost the respect of the very nations we tried to help.

Certainly, much of the blame for our loss of favor must rest on our participation in the Vietnamese war. The Communist nations have very successfully exploited the fact we are fighting non-white populations in Indochina. This has given us a racist tinge which we do not deserve.

It is a fact that we entered the Vietnamese conflict commonly acknowledged to be the most powerful nation in the world. It was assumed we would do those things which were necessary to bring the Vietnamese war to an early and successful conclusion. Instead, the world saw us temporize with the war, then escalate in response to the escalation of the North Vietnamese.

At the same time, we failed to recognize the drain on our economy caused by the Vietnamese war. Fighting that war with "business as usual" as our watchword, we started a "demand-pull" type of inflation which was fed by tremendous deficits in the federal government; deficits caused in part by contemporaneously undertaking the largest so-called "social reform" program in history.

As a result, when President Nixon came to office the American people had already tired of the whole sorry mess, and he had no choice but to get us out of it as rapidly as possible. This he is doing. Although we certainly are not "cutting and running", neither are we getting out with our pre-war national prestige intact. It seems that our conduct of the Vietnamese war has given us the reputation in many parts of the world as being racist, bumbling and lacking in resolution. This is hardly calculated to lead to increased international respect.

Clearly another factor contributing to our image around the world is our economic program. The pay per hour of the American industrial worker has been rising at an average annual rate of 6.8 percent for the past five years, while ouput per hour has been increasing by only 1.6 percent per year. This has added a "cost-push" inflation to the "demand-pull" inflation already discussed, resulting in the phenomenon of unemployment and increasing prices.

At the same time, the trade balance which had been favorable enough to the United States to finance our many commitments abroad has turned to the unfavorable side. Our lower volume of exports was largely caused by higher prices, without any appreciable superiority in quality. The results were huge increases in dollar balances in central banks, and a run, or a threat of a run, on gold.

These factors, and the resulting economic crisis, forced President Nixon to take steps to stabilize the nation's economy. I do not intend to go into all of the reasons why it was necessary to freeze wages, demonetize gold and impose a surcharge on imports. Suffice it to say, I agree with the President's actions. These actions should not have shocked the rest of the free world—but much of the free world was shocked, and people who are in shock are often hostile, at least temporarily. So, this by itself may have cost us some votes in the United Nations.

In summation, the whole situation, oversimplified, boils down to this: in the Sixties, we tried to rewrite all of the economic rule books. We tried to fight a war out of the petty cash fund, and at the same time we tried to provide ourselves with all of the good things of life immediately, while having no cogent, coherent plan of achieving our national purposes. In other words, we have failed to exercise the type of responsible conduct expected of a great nation, and our conduct has had a tremendous impact on our world prestige.

Certainly, I am not suggesting that the whole world has fallen apart because we lost a vote in the United Nations. I do, however, intend to point out that this loss was not an isolated phenomenon but came as the logical and foreseeable consequence of the drifting course we followed in the 1960's.

Action is being undertaken to stop this tragic drift. In the last two years, we have done several things which will be of great aid in restoring our position in the world.

First, under the Nixon Doctrine we have made it clear that we will continue to support the freedom-loving nations of the world, but only to help them to help themselves. We do not intend to continue to act as the world's policeman.

Second, we are winding down our participation in Vietnam, and trying to minimize the economic dislocations at home which always appear when defense expenditures are slashed and men are released from the armed services.

Third, through the Nixon economic plan, we are at last acting to curb runaway inflation in the private sector.

Fourth, we have made it clear to our trading partners that we are no longer in any position to give them the favored treatment which they have received since World War II, and that we must now insist on equal treatment.

I certainly am not in favor of our retiring from the rest of the world and setting up a "fortress America" here in the Western Hemisphere. To do so would be shortsighted and futile, since it would ultimately endanger our security to a far greater degree than is currently the case. I do feel, however, that our relations with other nations, both diplomatic and economic, should now be conducted on the basis of an enlightened self-interest, with hard bargaining on both sides. I think the peoples of the world will understand this approach much better than they have understood or appreciated the free-handed manner in which we have given away our goods, services and wealth ever since 1946.

Neither do I believe we should get out of the United Nations. We should, however, in furtherance of the new policy of enlightened self-interest, insist upon a new formula for our participation in the financial burdens of the United Nations. Certainly, we have been paying more than our share for the upkeep of the United Nations and its various agencies. We should immediately insist that each nation of the world pay its share, and do so promptly, and that our share be reduced to an appropriate figure. We should do this out of a sense of enlightened self-interest, not in a fit of pique following the loss of an important vote in the United Nations.

We often complain because the rest of the world does not understand us. The facts are that many of our citizens do not even understand our own political and economic system. They expect things of the economy and the government which are out of reason and impossible of attainment at this stage of our development. As we try to make ourselves more credible and understandable to the rest of the world, let us also try to reeducate our own people as to our capabilities and limitations.

We are the greatest nation in the world. I am pleased at the signs that we are, at long last, beginning to act the part.

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## HOUSE RESOLUTION NO. 630

### HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. JACOBS. Mr. Speaker, I was wondering, in view of the events of the past few weeks in Saigon, if any Member of Congress or any member of the executive branch would care to say he or she is willing, from this day forward, to give his or her life, limb, sanity, or freedom—POW even for another day—further to prop up the Saigon dictatorship.

Other Americans are being ordered to do so today.

Following is the language of House Resolution 630, which I introduced on September 30, 1971:

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madame Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on July 1, 1971, that the policy of her government is: "If the United States Government sets a terminal date for the withdrawal from South Vietnam in 1971 of the totality of United States forces and those of the other foreign countries in the United Sates camp, the parties will at the same time agree on the modalities:

"A. Of the withdrawal in safety from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp;

"B. Of the release of the totality of military men of all parties and the civilians captured in the war (including American pilots captured in North Vietnam), so that they may all rapidly return to their homes.

"These two operations will begin on the same date and will end on the same date.

"A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the Armed Forces of the other foreign countries in the United States camp, as soon as the parties reach agreement on the withdrawal from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp."

Resolved, That the United States shall forwith propose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from South Vietnam within sixty days following the signing of the agreement: *Provided*, That the agreement shall contain guarantee by the Democratic Republic of Vietnam and the Provisional Revolutionary Government of the Republic of South Vietnam of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

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## QUESTIONNAIRE RESULTS

### HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

*Wednesday, November 10, 1971*

Mr. GRIFFIN. Mr. President, in July my office sent out a questionnaire which provided a convenient way for many Michigan people to register their views on a wide variety of important issues.

While such questionnaires cannot substitute for professional and more scientific public opinion surveys, nevertheless, the responses are very interesting and informative.

Mr. President, I ask unanimous consent that a tabulation of the responses be printed in the RECORD.

There being no objection, the tabulation was ordered to be printed in the RECORD, as follows:

RESULTS OF QUESTIONNAIRE

| Question | Response (percent) | | | |
|---|---|---|---|---|
| | His | Hers | 18–21 | Total |
| 1. One of the most difficult tasks facing Congress is to design a welfare system that will help the deserving needy and still provide incentives for the poor to improve their economic position—without overburdening the taxpayer. Most people agree that our present welfare system needs reform. Do you favor: | | | | |
| (a) Requiring 1-year residence in a State before welfare payments are made: | | | | |
| Yes | 79.6 | 80.0 | 64.2 | 78.6 |
| No | 11.3 | 10.8 | 22.9 | 12.0 |
| No opinion | 9.1 | 9.2 | 12.9 | 9.4 |
| (b) Federal assumption of all welfare costs to be covered by increased Federal taxes: | | | | |
| Yes | 14.1 | 12.8 | 12.8 | 13.4 |
| No | 66.5 | 66.1 | 62.8 | 66.0 |
| No opinion | 19.4 | 21.1 | 24.4 | 20.6 |
| (c) Requiring able-bodied on welfare to accept whatever work is available: | | | | |
| Yes | 92.2 | 92.9 | 81.6 | 91.6 |
| No | 2.5 | 2.6 | 8.3 | 3.0 |
| No opinion | 5.3 | 4.5 | 10.1 | 5.4 |
| (d) Guaranteeing a minimum income to all families with children: | | | | |
| Yes | 22.1 | 22.1 | 35.0 | 23.1 |
| No | 58.7 | 57.4 | 41.5 | 56.8 |
| No opinion | 19.2 | 20.5 | 23.5 | 20.1 |
| 2. Do you believe the New York Times was justified in publishing classified documents from the Pentagon papers: | | | | |
| Yes | 37.9 | 39.9 | 58.5 | 40.4 |
| No | 52.6 | 48.0 | 29.0 | 48.7 |
| No opinion | 9.5 | 12.1 | 12.5 | 10.9 |
| 3. Do you think the Federal Government should: | | | | |
| (a) Underwrite health care for the total population to be paid for through additional payroll taxes: | | | | |
| Yes | 17.1 | 17.1 | 21.2 | 17.4 |
| No | 67.7 | 66.9 | 59.9 | 66.7 |
| No opinion | 15.2 | 16.0 | 18.9 | 15.9 |
| (b) Require employers to provide and pay 75 percent of health insurance costs for employees, while the Government provides coverage for those who cannot get it through employment: | | | | |
| Yes | 35.2 | 34.3 | 30.7 | 34.4 |
| No | 49.8 | 48.2 | 49.1 | 49.0 |
| No opinion | 15.0 | 17.5 | 20.2 | 16.6 |
| 4. Prices at the supermarket and in other stores continue to climb higher. In your view, who is most responsible for this situation: | | | | |
| (a) The businessmen | 19.3 | 18.6 | 23.3 | 19.3 |
| (b) The unions | 54.4 | 58.0 | 49.8 | 55.6 |
| (c) The President | 10.6 | 11.0 | 15.2 | 11.1 |
| (d) The Congress | 15.7 | 12.4 | 11.7 | 14.0 |
| 5. Prices on consumer goods would probably go down if we imported even more foreign-made products. But imports made with cheap foreign labor already threaten many U.S. jobs. What do you think Congress should do: | | | | |
| (a) Increase tariffs and keep more imports out | 14.2 | 15.1 | 10.5 | 14.3 |
| (b) Lower tariffs and encourage more imports to come in | 3.2 | 3.7 | 3.5 | 3.4 |
| (c) Toughen labor-management laws to hold U.S. wages in line | 56.5 | 58.3 | 43.3 | 56.1 |

| Question | Response (percent) | | | |
|---|---|---|---|---|
| | His | Hers | 18–21 | Total |
| (d) Do nothing and rely on competition to force U.S. industry and labor to do a better job in keeping prices down | 15.5 | 11.7 | 14.6 | 13.7 |
| (e) Other | 3.5 | 2.5 | 5.3 | 3.2 |
| No opinion | 7.1 | 8.7 | 22.8 | 9.3 |
| 6. Most people agree that more must be done to fight the drug menace. Which of the following would you support: | | | | |
| (a) Legalize marihuana | 3.6 | 2.6 | 7.5 | 3.6 |
| (b) Broaden methadone treatment under safeguards | 3.6 | 2.6 | 1.9 | 3.0 |
| (c) Crack down harder on drug peddlers | 35.5 | 34.9 | 18.9 | 33.3 |
| (d) Crack down harder on drug users | 1.4 | 2.6 | 3.8 | 2.1 |
| (e) Cut off foreign aid to countries that refuse cooperation in curtailing the international drug traffic | 27.3 | 32.3 | 15.1 | 27.9 |
| (f) Other | 3.6 | 2.6 | 1.9 | 3.0 |
| No opinion | 25.0 | 22.4 | 50.9 | 27.1 |
| 7. The Nixon administration wants legislation to eliminate national emergency strikes in the transportation industry (railroads, airlines, trucking and maritime) by allowing a Presidential panel to impose a final settlement when negotiating parties cannot reach agreement. Do you favor such an approach: | | | | |
| Yes | 76.6 | 75.8 | 56.9 | 74.7 |
| No | 15.9 | 14.1 | 25.0 | 15.8 |
| No opinion | 7.5 | 10.1 | 18.1 | 9.5 |
| 8. As a step in the fight against pollution, do you believe phosphates should be banned from all detergents: | | | | |
| Yes | 69.9 | 71.1 | 74.2 | 70.7 |
| No | 15.6 | 15.6 | 7.8 | 15.0 |
| No opinion | 14.5 | 13.3 | 18.0 | 14.3 |
| 9. Effective antipollution programs can be costly. Are you willing to pay increased taxes and higher prices to support them: | | | | |
| Yes | 53.7 | 48.6 | 61.6 | 52.0 |
| No | 33.9 | 36.8 | 23.1 | 34.3 |
| No opinion | 12.4 | 14.6 | 15.3 | 13.7 |
| 10. Some people support a proposal in Congress to increase the Federal minimum wage from $1.60 to $2 an hour. Others say this would be inflationary, and that it would create more unemployment. Do you favor raising the minimum wage to $2 an hour: | | | | |
| Yes | 33.0 | 32.0 | 32.1 | 32.5 |
| No | 60.0 | 59.2 | 53.7 | 59.1 |
| No opinion | 7.0 | 8.8 | 14.2 | 8.4 |
| 11. If the minimum wage is increased to $2 an hour, would it make sense to have a lower minimum wage for inexperienced teenagers who want to work: | | | | |
| Yes | 64.4 | 65.6 | 47.7 | 63.6 |
| No | 26.0 | 25.5 | 40.4 | 26.9 |
| No opinion | 9.6 | 8.9 | 11.9 | 9.5 |
| 12. When workers go on strike, should they be eligible to receive: | | | | |
| (a) Food stamps: | | | | |
| Yes | 19.7 | 19.2 | 26.7 | 20.0 |
| No | 72.7 | 72.3 | 59.9 | 71.5 |
| No opinion | 7.6 | 8.5 | 13.4 | 8.5 |
| (b) Unemployment benefits: | | | | |
| Yes | 7.8 | 9.1 | 14.9 | 8.9 |
| No | 80.8 | 79.3 | 70.2 | 79.3 |
| No opinion | 11.4 | 11.6 | 14.9 | 11.8 |
| (c) Welfare payments: | | | | |
| Yes | 7.2 | 5.7 | 7.8 | 6.6 |
| No | 80.2 | 80.8 | 75.2 | 80.1 |
| No opinion | 12.6 | 13.5 | 17.0 | 13.3 |
| 13. So far as our Vietnam policy is concerned, which of the following comes closest to your view: | | | | |
| (a) Immediately withdraw all U.S. troops, regardless of the consequences | 10.0 | 12.1 | 19.1 | 11.6 |
| (b) Announce a December 31 withdrawal date and cut off funds thereafter | 17.0 | 20.4 | 27.9 | 19.4 |
| (c) Support the President's withdrawal policy so he can negotiate with maximum effectiveness | 63.9 | 57.8 | 35.3 | 59.0 |
| No opinion | 9.1 | 9.7 | 17.7 | 10.0 |
| 14. When the U.N. reconvenes in September, the United States will have to take a position on admitting Red China. Which of the following policies do you favor: | | | | |
| (a) Stand pat against admitting Communist China to the U.N | 15.4 | 17.6 | 9.7 | 15.9 |
| (b) Vote to admit Communist China and expel Nationalist China | 3.3 | 2.8 | 5.1 | 3.2 |
| (c) Vote to admit Communist China to the U.N. in addition to Nationalist China | 71.8 | 67.8 | 64.4 | 69.4 |
| No opinion | 9.5 | 11.8 | 20.8 | 11.5 |

## THE AMCHITKA QUAKEMONGERS: WHERE ARE THEY NOW?

## HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. HOSMER. Mr. Speaker, with as much restraint as possible I am including in the RECORD an editorial from the Anchorage Times, titled "The Sky Did Not Fall":

### THE SKY DID NOT FALL

It would be nice to think that all of those who participated in the quakemongering of recent weeks would stand up today and confess that they were wrong.

It would be a good thing if they would apologize for scaring some people half to death over fears of earthquakes, tidal waves, radiation destruction and other horrible consequences they said would result from Cannikin, last Saturday's nuclear test at Amchitka.

It would be a happy thing if all the noisy, publicity seeking participants in the Greenpeace mission would send a note to the President of the United States saying that they were sorry that they failed to recognize that the American scientists were telling the truth.

It would be a great day for Alaska if Senator Mike Gravel would take a picket in hand again and stand in front of the White House, this time with a poster admitting that he made a fool of both himself and the people of Alaska.

It would be an even greater thing if all the network and television crews who spent countless days roaming through Alaska, chattering up a doomsday storm until listeners and viewers outside must have thought the world was coming to an end, would have guts enough to confess on a prime time that they made a mountain out of a molehill.

It would be good if the so-called environmental coalition of the Sierra Club and its sisters of sob and fear would appear before U.S. District Judge George Hart in Washington, D.C., and compliment him for his judgment in describing the whole Cannikin ecological protest as "a tempest in a blinking teacup."

We would like to see somebody high in the Government drop a memo to Russell Train, head of the Council on Environmental Quality, and ask him whether he still believes himself qualified to hold that post in the light of the total inaccuracy of his super secret report indicating that vast tidal waves and earthquakes were likely if Cannikin were fired.

Our faith in the future of the younger generation, and the credibility we grant some of their concerns, would soar if those youngsters who marched in silly circles in front of the Federal Building here last week would turn their energies to constructive things.

Instead of being duped and made to follow the pattern of equally outlandish exhibitions which seem to get so much public attention elsewhere, Anchorage youngsters who want to do something useful could find many challenges at hand.

Rather than march in circles, they could volunteer their youthful energies to a number of projects around town—shoveling snow or scrubbing hallways for the Alaska Crippled Children's Center, helping in the Community Chest drive, assisting with Boys Club or Scout work, working at the hospitals as volunteers, or almost any other like task.

Most of all, perhaps, we wish people who were upset by all the wild, erroneous and phony charges against the Amchitka test had reminded themselves last week that the attempt to generate hysteria was exactly what happened before in the last Atomic Energy Commission project in the Aleutians.

And next time, in whatever similar circumstances that might arise, maybe more people will think of what is vital to America's defense—and ignore the voices of dissension among us.

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## LIBERALS IGNORE GUILT OF ALGER HISS

## HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

*Wednesday, November 10, 1971*

Mr. THURMOND. Mr. President, James J. Kilpatrick, syndicated columnist, recently authored an article entitled "Hiss Guilt Is Ignored by Liberals."

Mr. Kilpatrick recalls some history that Congress and the people of the Nation would be well advised not to forget.

Mr. President, I ask unanimous consent that the article published in the Augusta, Ga. Chronicle of October 31, 1971, be printed in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### HISS GUILT IS IGNORED BY LIBERALS

(By James J. Kilpatrick)

Alger Hiss turned up in England last week, launching a five-week lecture tour. And sure enough, Alfred Friendly, senior correspondent for the Washington Post, promptly turned up to write a friendly piece about him.

There is one thing to say for the old Libs: They never quit. They will go to their graves defending Hiss. For nearly a quarter of a century, this has been their ultimate touchstone. One imagines that whenever the Bilderbergers meet or the Council of Foreign Relations convenes, a guard is posted to question arriving guests: "Do you believe in the innocence of Alger Hiss?" "I believe." "Then enter the inner sanctum."

Yet it is a curious thing—one of those rainy-day reminders of approaching age—that a whole generation has grown up that knew not Alger Hiss. I put the question to a young lady of 25. She thought he was the Nazi, you know, who had escaped and spent so many years in prison. And Chambers? Whittaker Chambers? A dead blank.

Friendly's interview brought it all flooding back. For the record, my children, Hiss was the impeccable young lawyer who emerged from Johns Hopkins and Harvard Law to become secretary to Mr. Justice Holmes, later a high-ranking attorney in the State Department, adviser in 1945 to Roosevelt at Yalta, president of the Carnegie Endowment for World Peace. In the summer of 1948, when the drama began to unfold, he was 43; and the world was his beautiful oyster.

Whittaker Chambers was known that summer, to the extent he was known at all, as a senior editor of Time. He was a pudgy man, squat and homely; his background was obscure. He had joined the Communist Party as a young intellectual in 1925; he had repudiated the party in 1937. For the last three years of his membership, he had served in Washington as a secret courier and minor functionary, attached to what was known as the Harold Ware cell.

On Aug. 3, 1938, Chambers testified before the House Un-American Activities Committee, which then was investigating Communist infiltration of government. Chambers came unwillingly, in one sense, for he knew he himself would be doomed; but he came also from a powerful motivation to bear witness, to make atonement: "I sensed, with a force greater than any fear or revulsion, that it was for this that my whole life had been lived."

Chambers publicly identified Alger Hiss as a member of the Harold Ware cell. Four days later, in executive session, Chambers described his relationship with Hiss in meticulous detail; he told of the Hiss apartment, the Hiss cars, the Hiss dog, the Hiss hobbies. He recalled that Hiss, an amateur ornithologist, once had seen a rare prothonotary warbler.

But Chambers at first was not believed. Hiss denied everything; and Hiss was—well, he was Alger Hiss. The whole liberal establishment leaped to his side. Then Hiss came before the committee in executive session on Aug. 16. Congressman John McDowell put the question casually: "Did you ever see a prothonotary warbler?"

"I have," said Hiss, "right here on the Potomac."

It was the beginning of the end. In January of 1950, Hiss was convicted on two counts of perjury; he served three and a half years at Lewisburg. Chambers died in 1961. To this day, the record still rings with the truth of Chambers' testimony; and it still reeks with the stench of Hiss's lies.

The revisionists hint at nothing of this. To them, Hiss remains a man of "rather charming gravity and grace." He is gentle of manner, soft of voice. A sense of injustice and outrage still burns within him, but he is filled with consuming hope of ultimate vindication. He is still bewildered at what he believes was a monstrous and deliberate frameup. He surmises that Chambers was psychotic. Or perhaps Chambers rigged a certain Woodstock typewriter that figured significantly in the trial.

It won't do. Chambers was among the sanest, purest, and noblest men of America in this century. And it wasn't the typewriter that trapped Alger Hiss. It started with a tiny warbler, "beautiful yellow head, a gorgeous bird." And so long as professional paintbrush artists defame the memory of Whittaker Chambers, those of us who respected that brave and brilliant man will remember that warbler and bear our own witness to the guilt of Alger Hiss.

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## THE PACE OF MIDEAST DIPLOMACY

## HON. JAMES V. STANTON

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. JAMES V. STANTON. Mr. Speaker, a just solution to the Mideast crisis can be achieved only if the Israelis are permitted to maintain a strong bargaining position. Should the United States falter in its support of Israel, the only result would be to force Israel to make possibly damaging concessions. It is for these reasons that I cosponsored the recent House Resolution urging the sale of F–4 Phantom jets to Israel.

I would like to commend to the attention of my colleagues an editorial from today's Washington Post which describes the situation in the Middle East, expounding a point of view to which I too subscribe.

The editorial follows:

THE PACE OF MIDEAST DIPLOMACY

"I shall not allow 1971 to pass without the battle (with Israel) being resolved, either by war or by peace," Egypt's President Sadat said July 23. But of course he will. Peace by year's end is out of the question: nobody's ready to compromise. And there is, by Mideast standards, no more than routine danger of war.

Israel, enjoying both the possession of Egyptian territory and an American-made cease-fire, simply has no logical incentive for war. Some partisans of President Sadat insist that he is the prisoner of his rhetoric and cannot much longer hold his champing army back, but his record belies that belittling judgment. Since replacing Gamal Nasser, he has undone a serious political challenge, turned his people's attention toward domestic reform, and made more effective arrangements with Russia for the defense of Egypt against Israeli air strikes. The result is that he is freer than ever from a compulsion to lead Egypt to a fourth defeat, as the experts agree another war would be. A policy combining ardent slogans and prudent acts seems to suit his diverse political needs. Certainly that's better than the other way around.

The attitude of the superpowers is also relevant. Moscow, by agreeing to receive Mr. Nixon next May, has in effect said it won't precipitate a Mideast collision before then. Moreover, the deeper the Russians penetrate into the Egyptian military, the more they presumably discover its inadequacies relative to Israel. Moscow could compensate by as-accept before next May. Soviet policy comes down to waiting.

Waiting for what? For the United States to force Israel to withdraw to pre-1967 borders on terms acceptable to Egypt. The U.S. wants suming an even larger direct combat role than it had before the cease-fire started in August, 1970, but that would involve political and military risks it can hardly wish to a settlement in a hurry: there lie easier relations with the Kremlin, political rewards in 1972. To a settlement pressed by Washington, however, Israel prefers a peace fashioned with Egypt. In pursuit of a made-in-America settlement, Secretary Rogers is trying to compromise Egyptian-Israeli differences. The Egyptians stand firm, so the compromises now all involve Israeli concessions. In an interim settlement, Mr. Rogers argues, Israel should let Egyptian forces cross the Suez Canal, accept a certain time limit on the cease-fire, and agree to move on to complete withdrawal from Sinai. To overcome Israel's reluctance to accept these points, the United States is withholding Phantoms, which are militarily, politically and psychologically Israel's critical weapon.

The pressure is not working. American undercutting of its negotiating position while cutting off its Phantoms has stirred Israel's deepest fears and alarms and has frozen its Mideast diplomacy. The way to thaw it is for the United States to open the Phantom pipeline—what goes through it may not be so important as Israel's knowing that it's open—and to back off and let Egypt and Israel reach toward each other at their own pace.

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## VENTURE CAPITAL: A GUIDEBOOK FOR NEW ENTERPRISES

## HON. ROBERT T. STAFFORD

OF VERMONT

IN THE SENATE OF THE UNITED STATES

*Wednesday, November 10, 1971*

Mr. STAFFORD. Mr. President, I am impressed by a recent publication entitled Venture Capital, A Guidebook for New Enterprises, sponsored and funded by the New England Regional Commission. This volume was prepared for the commission by the Boston College School of Management as a part of the commission's New England Industrial Resource Development program. The able director of that program, Mr. Roland A. Loveless, has recently been appointed secretary, Agency for Development and Community Affairs, to Gov. Deane C. Davis of Vermont.

In my judgment, Venture Capital is a practical, useful handbook for business entrepreneurs in the best sense of that word. As the Federal cochairman of the commission, Chester M. Wiggin, Jr., said to me:

> New enterprises face a serious gap between their need for new investment capital and its availability.

This document represents a constructive effort to bridge this gap and, I might add, it reflects the kind of imaginative and, more frequently than not, effective approach taken by the New England Regional Commission and its sister economic development commissions.

It indicates to me that Congress wisely invested the commissions with a flexible capacity to meet current problems with imagination, a flexibility which is so often lacking in many of our Federal grant-in-aid programs.

Mr. President, I ask unanimous consent that an article commenting favorably on Venture Capital, which was written by Donald White, and published in the financial pages of the Boston Globe on November 3, be printed in the RECORD.

There being no objection, the article

was ordered to be printed in the RECORD, as follows:

### NEREM'S JOBLESS—READ THIS BOOK

(By Donald White)

The technologists are in town today—the ones who are working and a good many who are not.

They are here for the 25th NEREM electronics show but not all of them—particularly the ones who are jobless—care about the aisles of esoteric gadgetry and the heady technical sessions. Having raided the family's petty cash for the registration fee ($50 for members, $65 for non-members), they will have more important things to do finding a job, for example, perhaps even discussing with others of their ilk the unlikely prospect of turning entrepreneur and starting their own business.

Such talk is not altogether outrageous. Some pretty successful businesses have been founded in less auspicious circumstances. Desperation can occasionally trigger entrepreneurial urge in persons who might otherwise have shrugged it off.

Those in whom the entrepreneurial bug is beginning to bite could not have arrived in Boston at a more auspicious time—"Venture Capital, a guidebook for new enterprises" is hot off the press.

This locally-produced how-to-do-it was prepared by Albert J. Kelley, dean of Boston College School of Management; Frank B. Campanella, an assistant professor at the BC School of Management, and John J. McKiernan, a research associate in the BC Management Institute. It was funded by the New England Regional Commission.

It is, the foreword states, designed as an entrepeneur's handbook. "The authors and sponsors felt there was a need to remove some of the aura of 'black art' or mysticism from the entrepreneurial process, especially the financing aspects."

What makes the book of particular interest to the visiting NEREM conferees is that much of the advice offered results from information gleaned among technologically-oriented companies, the high-growth companies that have been "the glamorous high-flyers in the investment community."

The book cites a technology company as an example in listing those things a venture capitalist likes to know about a situation, though it adds that the same concepts apply to any new company. Here are the questions would-be investors are most likely to ask:

Is the company in an area of emerging technology?

Is there a market for the technology or product?

Why didn't an established company decide to exploit and market the product?

Is there a natural product line or follow-on technology?

Does management have corporate experience?

What are management's goals?

Does management have a ten-year objective and a five-year operating plan?

Does management understand and have capabilities for all phases of its operations, from research through production and marketing, as well as support functions—comptroller, accounting, legal and so forth?

Does management understand the nature and use of money?

Does management have a competent recognized leader and decision maker?

Having had all those questions answered to his satisfaction, the potential investor will still face the fundamental question of whether he feels comfortable with the company. "If his own intuition or gut reaction makes him feel uncomfortable, he should and probably will stay away from the company."

A word of warning about the venture capatalist: if he tries to tie up the company with too many financial gimmicks or penalty clauses, have second thoughts about dealing with him. As the guidebook states: "If a new company is going to fail extra penalty clauses aren't going to help the situation. They will only put more pressure on the entrepreneurs, causing their performance, in fact, to be reduced in a down-side situation."

One section of the book that will be prized by latent entrepreneurs is that which lists sources of capital—about 100—in the U.S. Venture capitalists seldom advertise—they have no need to because they are deluged with propositions—so this becomes a valuable source of information, something that no unemployed or disillusioned technologist can afford to miss.

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## M-16 DOCUMENTS REVEALED

## HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. ASPIN. Mr. Speaker, on November 5 I told my colleagues about a report released by the Connecticut Citizens Action Group that charged the Colt Arms Manufacturing Co., of Hartford, Conn., with subversion in its quality control program in the manufacture of the M-16 rifle. Today I am releasing to the public the text of seven affidavits signed by Colt workers which detail their charges against the company. Some of the affidavits also indicate that there may have been some form of collusion between Government officials and the Colt Arms Manufacturing Co.

The report and these affidavits have raised such serious questions and doubts about the integrity of both the Government's inspection system and Colt's quality of program control that I have written the Secretary of Defense and Attorney General requesting a complete and thorough investigation.

The Government has a responsibility to deliver only the best equipment to our men in the field. Both Colt's management of the quality control system and the Government inspectors' lack of vigilance may have endangered the lives of American fighting men in the field.

I call to the attention of my colleagues these affidavits which follow, and congratulate the Colt workers who have shown the courage and the integrity to speak out.

The affidavits and letters follow:

### AFFIDAVIT

I, Wayne Handfield, do hereby swear that all the following information is the absolute truth, to the best of my knowledge.

I am a citizen of the United States, and I reside at 17 Bristol Street, Wilson, Connecticut. I am thirty-one years old.

In March, 1964, I was first hired by Colt Industries, as a filer in the Hartford plant, on Huyshope Avenue. In 1968, I was transferred to the West Hartford plant on Talcott Road, where I was trained for the position of weapons tester. From 1968 to the present time I have been a weapons tester in the firing range at the West Hartford Colt's Firearms Division plant.

When I first came to the West Hartford range, I worked in the second shift, from three-thirty P.M. until twelve o'clock midnight. My immediate supervisor at that time was Frank Holledrofer. The second shift was later eliminated, and I was assigned to the regular day shift, the only shift which is presently scheduled, which works from seven o'clock A.M. until three-thirty P.M. My immediate supervisor on the day shift has always been Oliver Ivy. I have always been under the direct orders and supervision of either Mr. Holledrofer or Mr. Ivy. In June, 1971, I was removed from the range by management when high lead concentration was found in my system. I worked in the packing department at the plant until September 20, 1971, when I returned to my regular duties at the range.

My duties at the range have not changed since I began work there in 1968. I test-fire and repair military and civilian rifles manufactured by Colt's and designated M16A1, M16, and XM177. I have participated in the three types of tests conducted at the test range. They are: function-firing, target and accuracy-firing, and endurance testing. Random assignment of range personnel to a specific test area is made at the start of each day by the range supervisor. Once assigned to an area, I remain at that test for an entire day.

The firing range in which I work is actually a large steel shell, designed to contain both noise and lead dust. Inside, centered near one end of the rectangular shell, is a concrete block-house, in which most of the work is done, and from which the rifles are fired. Extending from the block-house toward the near end-wall of the rectangular shell are the baffle boxes for the function-firing tests. Extending outward from the opposite side of the block-house, toward the far end-wall of the shell, are the one-hundred yard target and accuracy tubes. The endurance gun tube is on the functioning side of the range. In one corner of the block-house is a glass-enclosed office used by the supervisor.

Rifles are brought into the range in racks of eighty. Every rifle has a distinguishing serial number, and has a "traveling card" attached. The rifles of each shipment, consisting of approximately six thousand weapons, are all tagged with a distinguishing color-coded traveling card. Rifles of one shipment cannot be transferred to another shipment. No shipment can leave the plant until all rifles originally tagged for that group have either been approved, repaired and approved, or permanently rejected. We run complete three phase testing on approximately one shipment per week, or twelve hundred rifles per day.

A rack of incoming rifles is first function-fired, to assure that the weapon operates safely. Twenty rounds are put through each rifle on full automatic fire. The rifles are individually mounted on a concrete and steel stand, and fired through a hole in an armour shield. The bullets, traveling about thirty-two hundred feet per second, travel three feet before striking a series of armour plate baffles. The rounds disintegrate into dust and gases and perhaps tiny pellets. If malfunctions occur here, rifle parts are changed and the rifle is immediately re-tested. If the rifle passes the test, we stamp the travel card with our name, indicating that it passed. The rifle is replaced on the rack, and the procedure is repeated for all eighty weapons. The tested rack is wheeled to the target and accuracy area.

There are seven target tubes, each one hundred yards long. The rifles are fired on semi-automatic, only, into the tubes from the block-house. An area about four feet square is partitioned off at the port of each tube, to separate the firing stations. A concrete and steel rifle mount stands on the floor at one side of each booth, so that the rifle, when mounted and braced by suction clamps, will protrude just into the long tube. The worker stands to the left of the mount. He peers through the mounted rifle's sights to zero the weapon in on the distant target. The target is a bull's eye printed on a paper roll of some one hundred such bulls' eyes. A closed circuit television camera is fixed on the target over the tube, and the image is displayed on a monitor mounted on the firing booth wall, to the left of the rifle mount and in front of the worker. The tester pushes a button in the booth which activates the target mechanism, rolling up a fresh target. On the left side partition of each booth is a government specification sheet, mounted under clear plastic. It indicates the precise operation to be performed at the target range, and outlines special tests to be applied in case of inaccuracies.

To test the weapon, the rack or rifles is wheeled to within four feet of the rifle mounting. The weapon is mounted and visually sighted; a point just under the bull's eye is aimed at, to compensate for the rising trajectory. The worker checks the sights alignment with a hand held rear sight gauge. We make sure the front sight is flush with the front sight assembly. We load the gun with a magazine. The charging handle is pulled back; the breech plug is removed from the chamber; the charging handle is allowed to travel forward, engaging the bolt and stripping one round from the magazine; the round passes into the chamber, and is ready for firing. We proceed to fire ten rounds, semi-automatic only. One shot is fired at a time.

Government regulations specify that we are to shoot ten rounds, with three shots to zero the rifle in. That is, if the first round hits outside the acceptable target area, I stop firing, recheck the sights, and, depending on where the round fell, I move the sight up to two clicks to the left or right to compensate. Only one such adjustment is allowed by the posted government rules. If the next two rounds fail to strike within the bull's eye zone, the rifle is rejected. If all ten rounds, or eight rounds after an adjustment, fall within the specified area and form a group on the target no larger than four and eight tenths inches in diameter, then the rifle is accepted. The travel card is stamped with worker's name and marked accepted. If any round falls outside the four and eight tenths inch area, the rifle is rejected. The card is marked to indicate gun "shoots high;" "shoots low;" "shoots right;" "shoots left;" "failed to hit the target." Rejected rifles are put on special racks marked "Repair" in the back of the range room near the Talcott Street wall.

Only a very limited number of rifles from each shipment of six thousand is subjected to the endurance test. Accepted rifles are sent to the wash room, in another part of the plant, and then to an adjacent room. There a government inspector randomly selects four rifles to be endurance tested. Note that rifles rejected for repairs remain on special racks within the range room for up to three days before being repaired and then removed for cleaning. The odds of a repaired rifle being in the group from which the endurance guns are chosen are terribly small. To my knowledge, a repaired rifle, that is, one having been rejected from the target test and barrel-straightened, has never been subjected to the endurance test. Each of the four endurance rifles are fired nearly continuously, one each for eight hours a day. We test one rifle on each day, Monday through Thursday. If at any time one of the four guns has to be rejected, the whole group of four is rejected and four new rifles from the same shipment are randomly selected for similar testing. Endurance rifles are fired in cycles of semi- and full-automatic, but are cooled periodically, and cleaned. It is not uncommon for parts to be substituted on the endurance rifles, in order to avoid rejection of the whole series.

Repair rifles rejected from the target and accuracy range sit on special racks for three to four days, depending on how fast they accumulate. The average reject figure per day from target and accuracy is a hundred rifles, with a minimum of sixty and a maximum, to my knowledge, of two hundred and forty. Repairs are initiated generally before three racks, which can hold two hundred and forty rifles, are full. The range supervisor decides when repairs are to be made.

When I worked on the second shift most repairs were performed during a two hour over-time period from midnight until two A.M. There was no third shift, so that government inspectors, who were assigned to the area during normal work hours, were absent during the major repair period. Since I have been with the day shift it has been the only work shift for the rifle range. The majority of repairs are performed during over-time hours, usually from three-thirty in the afternoon until five-thirty. Sometimes we have worked over-time on repairs from five A.M. until seven A.M. Government inspectors keep regular hours, and thus are absent from the range during over-time periods. During the heavy production period roughly from 1968 through 1970, we worked at repairs over-time nearly every day, plus some Saturdays and Sundays. Now I do overtime repair work about once a week. During the heavy period, the supervisor frequently, nearly daily, assigned repairs during the regular work hours, although it has been a consistent policy throughout my experience on the range to perform all barrel repairs out of the sight of government employees of all designations, including regular inspectors and visiting officials.

On the day shift, Mr. Ivy, the supervisor, has always announced when repairs are to be started. Around two-thirty or two-forty-five he approaches all the range personnel and asks them individually whether they would like to work over-time. I generally ask what sort of work we are going to do. The answer is one of two things: either new work, or "T.R.'s." T.R. designates target repairs, or repair of target and accuracy rejects.

There are fifteen men assigned to the range, including the supervisor, and acting assistant supervisor, ten range personnel or weapons testers, and three ammunition loaders. All ten of the current range personnel have performed barrel straightening as described below. Generally, all but one, Robert Morin, stay during over-time repair work. Infrequently, Mr. Ivy leaves the range after initiating repairs. He is replaced by James Hollis as supervisor.

We take the repair racks to the target ports of the accuracy range where we prepare to fix them. If they are few in number, we split them up, distributing them so that each man has an equal share of the work. Sometimes, Mr. Ivy hands repair rifles to workers at around five o'clock to occupy the men during the last minutes of overtime. We go through the same procedure with these weapons as earlier, verifying the discrepancy noted on the travel card by firing a couple of shots. The gun is then unloaded and the breech plug is inserted. The rifle is freed from the mount, and the muzzle is pointed toward the floor and placed between two steel I-beams which extend aft-ward from the firing mount. The beams are anchored in concrete. The muzzle is lowered to the front sight assembly. We grab the butt stock and pull down on it, straining the muzzle against the beams, and bending it in the opposite direction from which the off-target rounds were flying. The hand-bent gun is remounted and test fired twice. If the rounds still fall outside the acceptable area, the rifle is again removed and hand-bent. Once the two rounds are accurate, the rifle is fired ten times at each of two targets on semi-automatic. The travel card is stamped "Adjusted" and the target numbers and group sizes are noted. The rifle is returned to the rack, sent to the washroom, and rejoined with the shipment.

During my training in the range in 1968, the supervisor, Mr. Holledrofer, ordered Mr. Donald Swanson, a weapons tester, to instruct me in "barrel calibration." Mr. Swanson proceeded to show me the hand bending technique. This was obviously the accepted method, as it was witnessed constantly by Mr. Holledrofer. Once I nearly hand bent a rifle in front of a government inspector, but was severely rebuked by all the plant personnel present, who advised me it was O.K. as a normal procedure, but it was never to be done in front of government personnel. On several occasions I saw Mr. Holledrofer hand-bend rifles for workers who were having a difficult time of it. My experience in Mr. Ivy's shift has been the same, with Mr. Ivy actually hand-bending rifles on innumerable occasions. At least five or six times he has hand-bent rifles at my station when I have had a problem. The most recent such occurrence was in the last week in May, just before the lead poisoning incident.

I have seen the following men witness the hand-bending process: Mr. Ivy; Mr. Holledrofer; Mr. Robert Craig, the acting assistant supervisor; plant manager Carl Mara, who has on many occasions walked through the area during over-time bending work; and Mr. Harry Spilline, supervisor in charge of first and final inspection. Mr. Spilline was formerly a weapons tester himself, and had experience in hand-bending. He was later a range supervisor, and was subsequently made a supervisor in another department. Ray Myatt has also witnessed the process. He was quality control inspector for the company, assigned to the range, before his position was dissolved, and he has since become a weapons tester.

On Friday, October 1, 1971, Mr. Dick Welsh, a weapons tester, and a union (UAW) department steward, was told by Mr. Ivy that when he, Welsh, ran out of new work, he was to do repairs as best he could without being seen by the Federal inspector who was present in the range. I overheard the conversation and saw Mr. Welsh work on repairs the rest of the day. The repairs were in the form of hand-bending barrels.

During regular work hours on Wednesday, October 6, 1971, I witnessed the following scene at the targeting area in the firing range. Ray Myatt was testing and hand-bending M177's which were known to be destined for a foreign power (Thailand). A U.S. government inspector, passing through the area on his normal rounds, was heatedly told by Mr. Myatt that the bending was none of the inspector's business, as the rifle wasn't for U.S. troops. The inspector took no action and walked away. Mr. Myatt continued bending.

Shortly after I arrived in the range in 1968, I saw an unused piece of equipment in the range repair crib. It was explained to me at my request by a fellow targeter. It is a straightening machine made especially for the range by Colt's at a reputed cost of many thousands of dollars. It consists of a steel slab about twenty-one inches long, eighteen inches wide and two inches thick. Pegs inserted in it position and brace the deficient barrel which is first removed from the upper receiver assembly of the rifle, and from which is removed the gas tube. Thus only the barrel itself is subjected to the stress applied by the machine. A constant pressure, measured by a torque gauge built into the machine, is applied, over a six to eight hour period, to the barrel. Hand bending of a fully assembled gun, as we normally do it, takes forty to fifty seconds. The machine can only repair barrels shooting left or right; not high or low. I have never seen the machine used in my entire period of employment. Sometime since 1968, the machine has been removed to the junk heap in back of the ammunition loading dock. With it are broken TV monitors, discarded mounts, and the like. Because the machine, which is approved by the government for repair work, is never used, no repairs are performed in government employees.

STATE OF CONNECTICUT,
*County of New Haven, ss:*

Then and there personally appeared the above-named subscriber, Wayne L. Handfield, who made solemn oath to the truth of the foregoing statements by him subscribed, before me.

[SEAL]

JONATHAN JAY EMBERS,
*Justice of the Peace.*

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### AFFIDAVIT

I, Richard J. Welch, do hereby swear that all the following information is the absolute truth, to the best of my knowledge.

I am a citizen of the United States and I reside at Cobb City Road, Colebrook, Connecticut. I am twenty-nine years of age.

I was hired by Colt's Firearms Division of Colt Industries on March 28, 1966, as a first and final inspector of M16 rifles. On November 2, 1966, I became a targeter in the West Hartford firing range, I still work in that capacity. I have always worked on the day shift, formerly under Gordon Johnson, and after him, Ora Ivey.

The prime method I was taught and which I have used to repair inaccurate rifles is to bend the barrel either by straining the muzzle between the mounting beams or by striking the flash suppressor against the floor. I have used the barrel bending machine once or twice.

Bending is done during early or late overtime periods. Once in a while, we are told by Mr. Ivy to bend a few in any port while the government men are out of the range at the wash rack, with the endurance gun. Mr. Ivy had us do this just last week. I have also worked in booth seven during the day, performing repairs of the above described sort behind the closed door. Two hundred to six hundred repair rifles might stack up before general repairs are initiated.

Government inspectors have seen the bending of foreign guns. Last week I was bending a rifle that didn't say "Property of U.S. Government" on the lower receiver. The inspector saw me bending the barrel, but he didn't say anything. He didn't question me as to whether or not it was a U.S. gun.

Ed Foley and Carl Mara have both seen the bending during the last two weeks, as well as inumerable times earlier. Paul Masocott, the quality control head after Mr. Foley, also saw us bending. Mr. Ivy has himself bent rifles on the range.

I have also worked with the endurance guns. Around 1968 we were getting a large number of guns which didn't have a chamber on the bolt; failure to feed malfunctions were regularly occurring in the endurance weapons. We were covering these malfunctions, on orders, while the government men stood or sat behind us. We could take the magazine out and clear the weapon without their seeing us. Last year we had a recurring problem in the form of a bolt stop failure after the last round. We were regularly covering that malfunction. We are still clearing the weapons during endurance testing, without the government men knowing.

After every thousand rounds or so we tell Mr. Ivy, usually in his office, what sort of problems we have covered up in the last series. Parts, including carriers, extractor springs, and bolts, are switched on the endurance gun, out of sight of the government men. All such switches are against government rules, due to the point in testing at which they are made, or the nature of the malfunction. For thousand round regular wash break the spring is switched by the targeter or by Mr. Craig, the quality control analyst. Sometimes the quality control analysts will distract the government man long enough for us to clear the gun while it is in the mount.

The endurance test is run in a five magazine, one hundred round sequence:

A—four five round bursts.

B—full-automatic, one magazine (all twenty rounds at once).

C—semi-automatic, one shot every two seconds.

D—repeat A.

E—repeat C.

After each sequence, compressed air is pumped through the barrel from the breech, out the muzzle, in the same path a round would follow. The barrel is cooled in this manner for some two minutes, until it is cool enough to be held in the hand.

RICHARD J. WELCH.

STATE OF CONNECTICUT,
*County of Hartford, ss:*

Then and there personally appeared the above-named subscriber, Richard J. Welch, who made solemn oath to the truth of the foregoing statements by him subscribed, before me.

ALBERT R. MAULE,
*Notary Public.*

[SEAL]

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### AFFIDAVIT

I, Victor L. Martinez, do hereby swear that all the following information is the absolute truth, to the best of my knowledge.

I am a citizen of the United States and I reside at Cobb City Road, Colebrook, Connecticut. I am fifty-four years of age.

I was hired by Colt Industries on October 9, 1961, as an archery inspector at the Huyshope Avenue, Hartford, main plant. I became a leadman in the grenade launcher section, in charge of firing and inspection, and then a layout inspector, working with crew serve weapons. In February or March of 1968, I was transferred to the West Hartford plant on Talcott Road, where I was a process inspector working on M16's. In May of 1968, I was assigned to the firing range as a targeter. I was temporarily transferred out of the range in July of 1971 when excessive lead concentration was found in my blood. I will be returned to the range as soon as the doctors are satisfied with my blood tests. I have always worked on the day shift, and have always been supervised by Oliver Ivy, range master.

Prior to my employment with Colt Industries, I served twenty-two years with the Marines, retiring with the rank of Master Sergeant.

When rifles prove inaccurate at the target area, we isolate them in repair racks. I have participated in the normal repair process, which involves bending fully assembled weapons between steel beams at the targeting mounts, or whacking the muzzle end on the floor of the firing booths. I was originally instructed in these methods of repair in 1968 when Mr. Ivy ordered one of the targeters to break me in. I have only done such repair work on U.S. government weapons during overtime periods, on weekends, or during normal work hours in the privacy of the enclosed firing booth, number seven. Mr. Ivy comes around in the afternoon, offering overtime work to the targeter according to the worker's seniority.

Booth seven was enclosed and had a window-less door installed about 1969 or 1970, when it was designated for special evaluation of the Sharp's Rifle, to be done by a well known gun authority, Lester Bowen. Since the remodeling, it has been infrequently used by the Sharp people, and never by the range personnel for normal testing. However, on occasion when there is a sizable back-log of repair weapons and a shortage of new work, Mr. Ivy assigns a man to bend rifles during the regular shift, behind the closed door of the booth, out of sight of the government inspectors. The person in seven fires a few rounds, verifying the inaccuracy, bends the rifle in the above noted fashion, then fires a few more rounds. If the bent rifle lands the test rounds anywhere on the target, the rifle is sent down to an open booth and put through the regular government approved postrepair test sequence—two targets, twenty rounds.

I, and the other targeters, have hand bent during regular hours and in the open, rifles belonging to foreign nations and rifles of the non-military sports model. U.S. military weapons are stamped with a government identification.

Everyone in the range has seen hand bending at one time or another. Whenever Mr. Ivy wants the work pace accelerated during overtime repairs, he bends the guns himself, and passes them out to targeters to be test fired. He started this practice just during the last year. Plant manager Mara has been in the range during over-time bending operations. Government inspectors have witnessed bending of commercial and foreign rifles. Bob Craig, now a technician in the range working for management with government men at the endurance gun, has bent rifles himself, in his former position as targeter. I have seen Ed Foley and Cliff Allen witness the bending. Former plant manager Paul Masocott walked through the range during bending operations while I was there on over-time.

There is a machine which is designed to straighten disassembled barrels, correcting either right or left inaccuracies only. On one occasion a couple years ago, Bob Gregorie and I were assigned to use it for the better part of a day. On Mr. Ivy's orders, the two of us broke down repair weapons, positioned the barrels, one at a time, applied the required pressure momentarily, and reassembled the weapons. That was the only time I ever used it; I saw it used one other time, by Herbie Lenholtzer, a repairman.

I have frequently been assigned to test fire the endurance gun. These weapons are supposed to be fired six thousand rounds, with only specifically designated, and limited, malfunctions. Joe Tomaselli, a targeter who has been assigned to the gun with me, and I have been instructed by Ed Foley and Oliver Ivy to cover up malfunctions. For instance, it is standard practice that if the gun should fail to feed and fail to fire, we pull back the charging handle, recharge the gun, and continue firing without the government man detecting it. The Colt's weapons technician would keep the government agent occupied during the cover-up. We are reminded prior to shooting the gun that we are to cover up malfunctions, or, if too many of a particular type of malfunction have occurred, we are told not to reveal any more. The latter instruction might apply to bolt stop failures. If a weakened extractor spring is causing trouble, the Colt's man might give you a new spring without the government agent knowing it. Specifically, Ray Myatt and Bob Craig actually handed me parts while they were assigned as technicians. They have also changed parts themselves, including bolts and carriers. Their boss, Tony Kasminsky, told me once to change a part—a spring or bolt or the like.

In another government supervised test called the Ten Gun Interchange, ten randomly selected weapons are broken down and then ten weapons are rebuilt from the mix of these parts. The weapons are then tested. The test usually requires two days. Now the government locks up the test group of parts or rifles during over-time periods, but formerly, the range-master had access to them after the government inspectors left for home. I have seen the whole upper receiver—the barrel—changed during over-time, with the new receiver selected from outside the test group. I have seen the guns test-fired during over-time, and corrected, to insure that good results would be had during the government-witnessed regular test-firing. I myself have test fired such interchange rifles in the early morning over-time hours, under the direction of Mr. Ivy.

STATE OF CONNECTICUT,
*County of Hartford, ss:*

Then and there personally appeared the above-named subscriber, Victor L. Martinez who made solemn oath to the truth of the foregoing statements by him subscribed, before me.

[SEAL.]

ALBERT R. MAULE,
*Notary Public.*

### AFFIDAVIT

I, Robert J. Gregoire, do hereby swear that all the following information is the absolute truth, to the best of my knowledge.

I am a citizen of the United States and I reside at 45 Joyce Street, Bloomfield, Connecticut. I am thirty-eight years of age.

I was hired by Colt's Firearms in November 1963, as a cleaner and loader in the small-arms range at the main Hartford plant. In February of 1964 I became a weapons tester of the AR–15 in the main plant, in Department 152. In May of that year the whole group was moved to the new facility at the West Hartford plant. I have worked there in the same capacity continuously, except for three months this past summer, when I was temporarily removed to another department due to lead poisoning from range work.

I have always been on the day shift, due to my seniority. My range masters have been Gordon Johnson and Ora Ivey.

I have been doing bending repairs, forcing the barrel between steel rods on the firing mounts, ever since I started range work with the AR–15 in 1964. I remember Ora Ivey showing me how to do it then. When we moved to the new West Hartford range, they installed a bending machine for the barrels, but it was used as a front. Only when there was a large accumulation of repair guns and the range master had to have some done while government men were around, we used the machine. I used it occasionally with Vic Martinez. It's been several years since I saw the machine used at all.

Between 1964 and 1966, government men used to stay with us during over-time periods to check our work. The range master or his assistant, the lead man, would tell us at 3:30 to walk out of the range, and leave the company grounds for a half hour or so, to give the impression that we were not staying for over-time. This would deceive the inspectors; they would leave for the day; we would return and bend. We were all on the clock the whole time, as was the approved arrangement. Twice I was caught doing bending during such secret over-time periods. Once an agent named Tom O'Connel found me; he took the rifle out of my hands, recorded the serial number, and reported it to the range master, Johnson, who took the gun himself. Sometimes, if we stayed right through 3:30 for regular testing work, around 5:30 we would be told to bunch up near the time clock to give the government men the impression that we were about to leave for good. The government would check out, and we would stay all hours to bend. This was all before a second shift was put on.

I worked at the interchange test from 1964 up until about a year ago, when the job was given to the repairmen. We used to do the interchange mixing in a room called the process room or the parts inspection room. We did a "dry run" before and after the disassembly. This consisted of a check of indent, head space, and trigger pull. Although these weapons came straight out of the final inspection room, we often found improper fits on these checks. We always changed the part, whether it was before the break down, or after reassembly. Orders for switches were given by the quality control man, like Ed Foley, or the range master. Many a night I or someone in the second shift sneaked into the room to shoot, change barrels, and even target the test weapons.

I also did a lot of work with the spare parts test. This test was to determine whether shipments of thousands of parts should be brought by the government. Five weapons were taken off the final inspection racks by the government men. Each was fitted with any number of different parts from the barrels of parts being considered. If twenty different parts were under consideration, then each of the five guns had twenty new parts fitted on it. The guns were then function fired for forty rounds. If any malfunction occurred, the quality control man had to convince the government man of the reason. If the government man approved the reason, he could accept the whole shipment of parts. We regularly covered malfunctions in this test. For instance, I remember having jammed keys, which I was told to unplug anywhere I could without being seen by the quality assurance representative of the government. The company quality men always provided distraction so we could cover or make adjustments. This test was run from 1964 until a few months ago.

Cover ups have always been done on the endurance gun. Fail to feeds and fail to rejects are common problems that we are told to cover, and which we usually succeed in covering. Broken parts are switched during washing, when government aren't looking. Sometimes the government men don't even stay to observe the process.

Ivey has bent barrels many times by hand.

STATE OF CONNECTICUT,
*County of Hartford, ss:*

Then and there personally appeared the above-named subscriber, Robert J. Gregoire who made solemn oath to the truth of the foregoing statements by him subscribed, before me.

[SEAL]

ALBERT R. MAULE,
*Notary Public.*

### AFFIDAVIT

I, Wayne Handfield, do hereby swear that all the following information is the absolute truth, to the best of my knowledge.

I am a citizen of the United States, and I reside at 17 Bristol Street, Windsor, Connecticut.

When I was being broken in at the interchange test in 1968, in the Colt's Firearms testing range for M-16 rifles, I damaged the barrel nut and was tube on several weapons. I was told by the quality control man to replace the damaged parts with fresh pieces from the assembly line.

When the weapons are disassembled for the interchange, the parts are placed in numbered boxes. Frequently a box is upended and some of the parts are lost. We take new parts from the assembly line to replace them. Government agents are not told.

Sometimes a piece won't fit when we try to reassemble from the parts. Through a magnifying glass we can see it is damaged, so we switch it for a new one. This happens mostly with small parts, such as the bolt rings, extractor springs, the paw, frequently the firing pins and the disconnects, and occasionally the buffer.

All the above activities occur during normal work hours, while government inspectors are preoccupied.

The interchange guns are reassembled, function-fired, checked for cycling rate, and targeted. Since we are not closely watched during interchange targeting tests, we have been instructed to cheat in that area. The traveling card, which remains attached to the serial numbered lower receiver throughout the test, indicates the group size, in inches, that the gun scored during previous normal target and accuracy testing. If the post-interchange group is an inch or two larger than previously recorded, we wheel in the gun so the group size figures match.

Before the interchange weapons were locked up over-night, we were frequently told during over-time to function fire and target those interchange guns which had already been reassembled. Of the ten, at least three or four were usually reassembled before the day shift ended. These we tested, to assure good results in the following day's government-monitored tests.

Two weeks ago I was assigned to the endurance gun. Every time I fired it, it malfunctioned, usually due to a failure to feed, which reflects a basic weapon failure. I covered once or twice, as instructed by the range master and quality control officers. But three or four times the government agent, Roland Sharon, looked up from his crossword puzzles and caught the malfunction. He and the quality control representative blamed the problems on the magazine, a squashed round, etc. These were not the causes. Finally Bob Craig, management's technician at the endurance gun, pulled me off the test, accusing me of purposely jamming the gun. During the twenty round full automatic part of the endurance cycle, the gun is supposed to be "adversely handled," ie. held loosely with no firm support. Craig wanted me to brace the weapon.

Due to the sludge that forms from lubricants and dirt when the barrel is forced cooled on the endurance test, the first few rounds on full automatic after cooling regularly jam. I have seen the gun force cooled for five minutes; it wouldn't fire on full automatic until it warmed up.

Parts are regularly switched on the endurance gun. I've been told by Craig to switch a whole bolt. I have seen Craig change bolts, extractor springs, bolt rings, and, often, the disconnect, which is vital to the full automatic mechanism. When we take the gun to the washroom, the government man comes in to check the bolt rings and the extractor spring. He leaves when that is done. We then inspect these and all the other sensitive parts, replacing those that look weakened.

Two weeks ago, between October 11 and 23, a shipment of M–16's marked with yellow traveler tags had a common problem of slow cyclic rate of fire. Instead of meeting the government standard of 700–900 rounds per minute, full automatic, they were hitting 585–680. For the first half of the shipment, range master Ivey told us that plant manager Mara wanted them accepted as long as they touched 700 rpm. That meant taking weapons when they registered 701, 702, etc. Finally it was found that the locking lugs on the bolts were one one-hundred-thousanth of an inch too large, and that was the problem with every gun. A new order of bolts were substituted for insertion on the second half of the 6,000 gun shipment. No attempt was made to correct the first 3,000 that will surely jam after any amount of usage.

STATE OF CONNECTICUT,
*County of Hartford, ss:*

Then and there personally appeared the above-named subscriber, Wayne Handfield who made solemn oath to the truth of the foregoing statements by him subscribed, before me.

[SEAL]

ALBERT R. MAULES,
*Notary Public.*

### AFFIDAVIT

I, Wayne Handfield, do hereby swear that all the following information is the absolute truth, to the best of my knowledge.

I am a citizen of the United States, and I reside at 17 Bristol Street, Wilson, Connecticut. I am thirty-one years old.

On October 6, 1971, M16A1 rifles with the following serial numbers were in the rejected group of rifles, awaiting repairs to bring them up to target and accuracy standards:

4-596-221
4-592-319
4-596-364
4-598-338
4-595-687
4-593-485
4-596-581
4-594-568
4-593-127
4-594-483
4-595-844
4-576-489
4-594-476
4-596-160
4-596-410
4-596-180
4-598-390
4-595-238
4-591-880
4-594-985
4-596-299
4-596-383
4-596-767
4-595-507(or 307)
4-579-073

On October 6, 1971, I rejected the following M16A1 rifles at the target and accuracy range for the accompanying reasons (all data on this affidavit refer to the weapons firing and testing range at Colt's Firearms Division of Colt Industries, Inc., West Hartford, Connecticut):

4-596-851—left; off target
4-599-672—high 3″; right 2″
4-599-708—high; off target; right 3″
4-595-645—low; off target
4-599-651—left; off target

The latter group of rifles, as of October 6, 1971, was on a repair rack at the range.

STATE OF CONNECTICUT,
*County of New Haven, ss:*

Then and there personally appeared the above-named subscriber, Wayne L. Handfield who made solemn oath to the truth of the foregoing statements by him subscribed, before me.

[SEAL.]

JONATHAN JAY EMBIN,
*Justice of the Peace.*

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AFFIDAVIT

I, Shaun E. Brown, do hereby swear that all the following information is the absolute truth, to the best of my knowledge.

I am a citizen of the United States, and I reside at 419 Main Street, East Hartford, Connecticut. I am thirty years old.

In February 1964, I was first hired by the Colt's Firearms Division of Colt Industries. From 1959 until 1963 I served with the Navy, attaining the rank of Second Class Aviation Ordnance Man. I was hired by Colt's as a first and final rifle inspector, but within six months I was assigned as a proof house tester, and then, still in 1964, as a targeter in the firing range. I worked in the day shift at the range from 1964 until 1967, when I quit. In 1968 Colt's rehired me with no cut in pay. I worked seven or eight months in the same capacity as before but in the second shift, and quit finally in 1968.

I tested M16A1 and M16 Colt manufactured rifles. When rifles were rejected for inaccuracy on the target range, they were repaired in one of two ways. The vast majority of the repair weapons were set aside to be bent by hand during over-time work period when no government inspectors were in the range. We never took the risk of bending a barrel during the regular work shifts, since it was perfectly understood by all range employees that the practice, while approved by the company, was strictly against government regulations. Bending was supervised by the regular supervisory personnel, and was carried out at the target mounts, where the barrels were levered between two steel beams. Occasionally, if the fault was only a slightly low trajectory, the rifle was held by the stock and the flash suppressor at the muzzle end was knocked on the rubber floor mat in the shooting booth. The second manner of repair was to send the rifle back to the assembly area to be recalibrated, that is, retorqued. Practically all were hand bent. The rifle that was returned to assembly was very rare.

When I began with the company, on their day shift, there was no other shift on the range. Repairs were done following the normal seven A.M. to three-thirty P.M. work period, and usually lasted two hours. The company paid time and a half for the overtime. My direct superviser, the range master, was Gordon Johnson, who was later replaced by Ora (Sonny) Ivey; he reported to Ed Foley, who in turn reported to Dan Grove, head of the quality assurance inspection department. All these men witnessed the hand bending process.

When I returned to the range in 1968, I worked in the second shift, where Cliff Allen was the range master. Since government agents were assigned in both the day and night shifts, repairs, which were still limited to over-time periods, were made only in the early morning, before the day shift, and in the late night, after the departure of the three-thirty to midnight government men. Mr. Allen, of course, witnessed the hand bending, and I saw on occasion the plant manager, Mr. Mara, witness the process. There was unlimited over-time available to range personnel who wanted it. Twelve hours a week is a conservative estimate of the over-time I averaged per week. That time was spent on both new pieces and repairs. I sometimes saw Mr. Allen and Mr. Ivy take whole racks of repair weapons and hand bend them themselves, particularly when there was a shortage of men. That practice was stopped when the union (UAW) complained that the two were salaried workers.

One night in 1968, while I was targeting rifles, Mr. Allen conducted a group of military officers through the complex. Upon the conclusion of the tour. I walked up to a Colonel White, and asked whether he would like to see how the guns were recalibrated so that they could pass the targeting qualifications. Over the protests of Mr. Allen, the Colonel and the others accompanied me to the shooting booth, where I demonstrated the normal hand bending technique. I remember questioning aloud whether this process would permanently correct the barrel's inaccuracy. I have always felt that the barrel would return in time to its former misalignment. The officers seemed interested, and asked many technical questions about the rifle. An hour and a half after their departure, I was informed by Mr. Allen that I was indefinitely suspended from work. Two weeks later I was put back on the payroll, though I was never told anything about the reason for the suspension. I had not disparaged the company or the weapon. From that day on I never bent another rifle, although I was asked repeatedly to do so. Two other targeters refused to bend barrels after the incident: Pete Taylor and "Smokey" Corlis. I quit some two months later. Hand bending was still the standard mode of repair.

STATE OF CONNECTICUT,
*County of Hartford, ss:*

Then and there personally appeared the above-named subscriber, Shaun Edward Brown who made solemn oath to the truth of the foregoing statements by him subscribed, before me.

[SEAL]

JOB L. EMERSON,
*Notary Public.*

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AFFIDAVIT

I, Vearon S. Corlis, do hereby swear that all the following information is the absolute truth, to the best of my knowledge.

I am a citizen of the United States, and I reside at 38 Zwicks Farm Road, Southington, Connecticut. I am thirty-nine years of age.

I was first hired by Colt's Firearms as a first inspector in May of 1967. Two months later I was transferred to the firing range to be a targeter of M-16 rifles. I worked on the second shift under range masters Cliff Allen and Frank Holledofer, and then on the first shift under Ora Ivey. I quit at the end of November 1969.

Although I never test fired the interchange rifles, I was assigned to work at the disassembly and reassembly of the weapons on two or three occasions. (Second shift personnel were rarely allowed to do interchange work, and I wasn't shifted to first shift until 1969.) On one occasion I was told by one of my supervisors to take a spare part from outside the interchange group and switch it with a group part, in order to avoid rejection of the group. There was a bench in the interchange room with a couple of drawers in it; the drawers contained a variety of spare parts, that could be secretly switched into the test group. (I switched front sight taper pin.)

I have seen "Elbow" Adams, a targeter, take reassembled interchange weapons out of the interchange room during the second shift, behind the backs of inspectors (government men) in order to test fire them. He often put them through both function fire tests and target and accuracy tests, to insure high performance the following day, when the government inspectors would be observing. This was done for just about every shipment, i.e., about once a week. Sometimes first shift men would perform the job during over-time period, into second shift hours. There was usually only one government man on the second shift for the range area, and he would spend most of his time with the first or final inspection, which was done outside the range.

I have seen other targeters change parts during the interchange test, usually when the government man left the room for coffee or such, and always under the orders of or with the standard approval of the range master or company quality control man. We would change any part that threatened the acceptance of the test group. This included parts with burrs, or those that showed "skipped operations," which meant that a machining requirement had not been met during production. Parts that wouldn't interchange, either because they were too loose or too tight would be substituted for. When we found alignment problems, which was very frequent, we would either bend the barrel, or replace the barrel, or the front sight group, or even both.

I never fired the regular endurance gun. However, after the 1967 hearings, special endurance tests were run weekly for my remaining years, and I participated in two of these. Government inspectors randomly selected from two to six final inspected weapons, and these were subjected to endurance tests of about 10,000 rounds. One failure to extract and one failure to eject were allowed. In one of my tests in 1969 the gun jammed with the cartridge stuck in the chamber. The government man told me to take the weapon apart, and we found a broken spring (ejector spring). After the test, Ora Ivey wanted to know why I let the man see the malfunction; it was normal procedure to cover the malfunctions. Government men were very often persuaded by Ed Foley, the Colt's quality control engineer, to accept a company excuse for malfunctions, and thus allow the defective weapons to be accepted, and the whole lots delivered.

I quite often heard other targeters describe cover-ups and switches performed at the endurance guns. Usually switches took place in the wash room. Targeters carried spare parts in their pockets, and these were secretly switched into the endurance test weapon. If a man didn't have the appropriate part, he would excuse himself to visit the men's room, but would in fact get the required part from the assembly area or from a repairman. Such switching occurred on about half of the endurance tests.

The only way we ever repaired weapons

that were inaccurate was to bend them, either by wedging the barrel at the firing mount, or by banging the muzzle on the floor. Rifles were almost never sent back to repairman for such repairs. I bent barrels in the two inch gap in the steel mounting casing, at the firing mount. Others used the larger space between the mount's two rails.

I would estimate that a conservative figure for the daily number of target and accuracy rejects which I had was 20%. I recall a low of about 5% and sometimes highs of 50%. These were the rifles that had to be bent.

Sometimes during the regular day shift we were supposed to bend rifles while we were targeting them and while the government man was out of sight. This not only reduced the accumulation of rejects but it also reduced the figures of rejects appearing on the company's books—it made it appear that we had a lower rejection percentage than actually occurred. Bending usually was done during over-time.

In 1968 I witnessed Shawn Brown's demonstration of the bending for Colonel White. I was at the next firing station. Cliff Allen objected to Brown's offer to demonstrate, telling Brown he should keep out of it (the official tour). Brown told the colonel that he doubted the value of the bending process in terms of a permanent repair. A little while later, Brown was escorted off the company grounds. After that, neither I nor Shawn nor Peter Taylor ever bent a rifle again. We weren't allowed to do any over-time work as long as we refused to bend.

I told several supervisors on many occasions that I disapproved of the company's policies regarding the performance tests, and the bending procedures. I spoke about these things with Holledofer, Allen, Ivy, Ed Foley, and a government quality assurance inspector whose first name was Jerry, and who was from the Springfield Armory. I didn't believe that bending actually fixed the weapons. Often we would bend a rifle and target it. It would hit the target after bending, but wouldn't group within the 4.8 inch area specified. Later we would chamfer the muzzle (an approved countersinking action performed on the end of the barrel) and refire the weapon, only to find it had returned to its original inaccuracy—completely failing to hit the target. This led me to believe that bending was ineffective.

State of Connecticut,
*County of Hartford, ss:*

Then and there personally appeared the above-named subscriber, Vearon S. Corlis who made solemn oath to the truth of the foregoing statements by him subscribed, before me.

[seal.] Florence R. Gillett,
*Notary Public.*

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November 10, 1971.

Hon. John Mitchell,
*Attorney General, Justice Department, Washington, D.C.*

Dear Mr. Mitchell: On November 1, the Connecticut Citizens Action Group released a study detailing a program of systematic subversion by Colt Industry of their own program of quality control in the manufacture of the M–16 rifle. In this study not only has the integrity of a major arms manufacturer been called into question, but serious doubts have been expressed about both the effectiveness and seriousness of the government program of inspection.

I have released today the text of seven affidavits of Colt workers which details their case against Colt and the government.

One of the affidavits charges that a government inspector worked on newspaper crossword puzzles while the M–16 rifles were being test fired. Another affidavit asserts that an inspector who saw workers bending rifle barrels said or did nothing. One worker has stated in his affidavit that government men were often persuaded by Colt's quality control engineer, to accept a company excuse for malfunctionings and thus allowed defective weapons to be accepted, and whole lots delivered. Another worker claimed that he informed a government inspector of Colt's policy of bending weapons by hand or pounding them on the floor. Nothing, the worker reported, was ever done.

On the basis of the charges in these affidavits I am requesting a complete and thorough investigation of the systematic subversion of the M–16 quality control program and possible collusion between company officials and government inspectors. An investigation should be undertaken to determine (1) the adequacy of the government's program of inspection, (2) means of eliminating Colt's policy of subverting its own quality control system and (3) the rate of failure of the M–16 rifle in the field.

The government has a responsibility to deliver only the best equipment. Both Colt's management of quality control system and the government inspectors lack of vigilance may have endangered the lives of American fighting men in the field.

Sincerely,

Les Aspin,
*Member of Congress.*

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November 10, 1971.

Hon. Melvin Laird,
*Secretary of Defense, The Pentagon, Washington, D.C.*

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Sincerely,

Les Aspin,
*Member of Congress.*

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## RESERVE ROLE IN TOTAL FORCE CONCEPT AS EXPRESSED BY DR. TED MARRS

### HON. STROM THURMOND

OF SOUTH CAROLINA

IN THE SENATE OF THE UNITED STATES

*Wednesday, November 10, 1971*

Mr. THURMOND. Mr. President, the November 1971, issue of the Officer, the official magazine of the Reserve Officers Association, contains an interview-type article concerning Dr. Theodore C. Marrs, Deputy Assistant Secretary of Defense for Reserve Affairs.

In the interview, Dr. Marrs is asked some important questions about the future of the Reserve forces and how the increased emphasis on Reserves is being implemented.

Mr. President, Dr. Marrs offers a lucid and frank explanation of these matters. I ask unanimous consent that his answers be included in the Extensions of Remarks.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Dr. Marrs Cites Advances in Total Force Plan

#### TOTAL FORCE CONCEPT PRESENTS NEW MISSIONS, NEW RESPONSIBILITIES

*Dr. Marrs, the members of ROA heard with hope and pleasure the statements by you and other officials of OSD that the Reserves are being given a larger share of the Defense mission and greater support to accomplish the task. Although the statements sound good, we would like to know what actions are being taken to make stated policy a reality.*

When you are seeking to attain reality, you must be realistic in your assessment of progress and must recognize that major changes do not occur overnight. On the other hand, a look at the record will show that the actions to date by OSD and the Services are in consonance with the stated policies of Secretary Laird and that the first steps toward reality of the Total Force have been taken.

One indicator is the manner in which policy has been interpreted in governing policy directives. While a listing of all the revisions pertaining to the Guard and Reserve would be too long for the editor to handle, some samples may serve to show the type of changes which are being made.

#### *Changes being made*

DoD Directive 1225.6 now requires that the Guard and Reserve units be issued combat-serviceable equipment in quantities and in accord with priorities required for the performance of training and accomplishment of mobilization missions. In the Army Components, this means Standard A and B equipment as opposed to the contingency and training standards which once characterized the bulk of the Guard and Reserve inventories. In the Navy, it means fleet-compatible ships, aircraft and other unit equipment which can be used in concert with that of the Active Force. In the Air Force, it means combat-capable, mission-effective aircraft and support equipment of all types.

DoD Directive 1235.10 incorporates the lessons learned in past mobilizations into a new compilation of procedures and standards for the mobilization of all Reserve Component units and individuals.

DoD Directive 7180.1 establishes controls and procedures for the identification and use of moneys earmarked for the Reserve Components and places the budget reins in the hands of the Chief of each Component.

But application and implementation of new Guard/Reserve policies have not awaited the publication of new directives, and there are solid, measurable impacts of the Total Force concept. One of these was the share of the Defense Budget for Fiscal Year 1972 which was requested for support of the Guard and Reserve. The Guard/Reserve budget of $3.1 billion for FY 1972 is almost 50 percent greater than the $2.1 billion figure of FY 1969—an increase which occurred while the total Defense Budget showed a decrease. This is significant.

*Total force steps*

Other actions by the Services illustrate realistic implementation of the Total Force policy:

Army issues of combat serviceable equipment to the Guard and Reserve during the past two years had a value of more than a billion dollars—a far cry from the five-year period ending in 1969 when the value of assigned combat serviceable equipment decreased by $72 million. And these issues include M–16 rifles, M–60 tanks, modern vehicles, new generation radios and late model aircraft—both fixed-wing and rotary. To expedite the equipment flow, the Army has budgeted special funds for depot rehabilitation of additional first-line equipment for issue to the Reserve Components.

The Navy has accomplished the first increment of its program to replace older ships assigned to the Reserve with fleet-compatible, modernized vessels which greatly increase the productivity of training as well as combat capability. The Naval Air Reserve reorganization has resulted in better equipment levels and quality as well as new concepts of training and operations which produce combat capable units. And proof of this is the fact that operational readiness inspections during carrier operations have confirmed the air crew readiness of the first Naval Air Reserve squadrons to undergo testing.

The Marine Corps continues to modernize its 4th Division right along with the active force, and to bring more capable aircraft (including new OV–10s) into the 4th Air Wing.

The Air Force is performing conversion, modernization and mission changes in the Guard and Reserve at the fastest rate in history * * * the associate unit program is being expanded to include the C–5 as well as the C–141 and C–9, and involvement of the Reserve Components in active force operations continues to characterize the training emphasis.

The record contains many other developments, but those I mentioned should be sufficient to show that actions are truly speaking with the same volume as words. We recognize the existence of additional problem areas—and we shall pursue actions in these areas to eliminate or minimize problems which hamper our progress.

*Changes create problems*

*Is it not a fact that "modernization" of Air Force Reserve units has actually reduced capability?*

It is an historic fact that, whenever you change missions or equipment in a military unit, there is a period when capability and readiness drops as people are trained in new skills, transition is completed, and readiness training reaches desired standards. The rapidity with which changes are taking place in the Air Guard and Air Force Reserve today has created some special problems which are delaying the reconstitution of combat readiness.

Required construction and modification of facilities have not been able to keep pace with the receipt of newer aircraft. Some support equipment is in short supply. Requirements for retraining of personnel (including technicians) have exceeded the programmed availability of school spaces. It has been necessary to limit the numbers of aircraft authorized for certain types of units in order to maintain required organizational structures until additional aircraft become available. These difficulties are being met by the units with their usual great enthusiasm for doing the impossible, but they are bound to cause drops in current capability and in some cases extended delays in the reattainment of standard readiness levels. It is the Air Force opinion, and OSD concurs, that the resultant and eventual increase in total force capability through modernization of the Guard and Reserve is worth the temporary decrease in current capability.

*We have heard reports that Secretary Laird's repeated emphasis on the Total Force concept and the Williamson Study which he directed have met with resistance on the part of the Service staffs. Is this an indication that Active Force attitudes toward the Reserves oppose any increase in Reserve roles or readiness?*

*Total force acceptance*

It has been my experience that there are always elements of any organization which are reluctant to accept change. I can remember Air Force Reservists who didn't want to give up their C–119s and change to four-engine aircraft—others who didn't want any part of the associate unit program.

The degree to which the OSD and Service staffs have accepted the Total Force concept and are implementing it is almost without parallel. The increases in equipment flow and the other actions we can see are only secondary to the change in thinking which has taken place.

Acceptance has not been unanimous or total, and I think this is both normal and healthy. New ideas and new initiatives should be subjected to severe questioning—thoroughly evaluated and, if necessary, field tested—before they become an accepted program. We have, in fact, built into our guidance regarding the OSD Reserve Components Study a requirement for such evaluation.

Part of the task of the Guard and Reserve under the Total Force concept is to prove their eligibility for increased reliance—to accept the new missions, new equipment and new responsibilities which are being thrust upon them and demonstrate their ability to measure up.

*Markedly improved support*

The Active Forces are making available markedly improved support of all types. If some Active Force members are waiting to see how well the Guard and Reserve do with this unaccustomed wealth of assistance, then my advice is to show them. As leaders of the Reserves, the members of the Reserve Officers Association have an unequalled opportunity to demonstrate the effectiveness of Reserve leadership in dispelling any doubts the Active Force may entertain.

*Does the full application of the Total Force Concept include expansion of the individual Reservist's role as well as that of combat and combat support units?*

The simple answer to this question is "yes"—the Total Force concept applies the full resources of the Guard and Reserve components to the requirements of national security.

Taking into consideration the hows and whens, however, makes the answer somewhat more complex. I think we all understand that there are priorities and that the first priority in application of the Total Force Concept must be increasing the capability and readiness of the units which comprise the force structure required to meet mobilization needs. Another priority is to reorient some of our people-holding programs into unit structures designed to fill unmet mobilization needs.

These priority emphases do not by any means preclude expansion of the individual mobilization assignment programs or other individual training elements. If the Services show us a training program which will produce needed and real personnel readiness and hold interest, and propose funding which will support Service efforts to obtain the resources necessary.

*No made positions*

It should also be clearly understood, however, that the effort to structure the Total Force which will most effectively and economically meet national security needs does not allow for the creation of jobs or programs to "make a position" for anyone—GOs or GIs—Regular, EAD Reservist, or member of the nonactive duty components.

We have stated and restated that our policy is to make maximum use of our highly skilled manpower resources—and, in accord with priorities. We hold firm to this policy.

*We recognize that steps toward Total Force reality must be taken in order of priority and that readiness of the existing Reserve Forces structure is the primary objective. What do you see as the principal constraints to attainment of this goal?*

One ever-present constraint is the availability of funds. Within the Total Force framework, the Guard and Reserve expenditures are justified on the basis of the same priorities as Active Force expenditures. Admittedly, the Guard and Reserve enjoy an advantage in the present Defense climate because of the recognition that sustaining a given peacetime structure is less expensive in the Reserve Components than in the Active Forces. However, the Guard and Reserve have to prove by their own performance a useful and credible military force.

*Public acceptance problem*

Another constraint is the degree of public acceptance of the military in general and of the Guard and Reserve specifically as an honorable and necessary part of society. While the problem involved here is national and regional as well as local, it shows most vividly at the unit level where decisions on enlistment, reenlistment and participation depend to a great extent on the attitude of peer groups neighbors, families and employers. We are initiating an effort to mobilize the business community nationally in support of the Guard and Reserve program. Our ability to obtain general adoption of personnel policies and practices which will recognize and encourage the citizen-soldier role of the Reservist-employee will depend largely on the degree to which we are supported by ROA and other national organizations.

Perhaps the major constraint to the full realization of the Total Force reality is the receptiveness of Guard and Reserve leaders to the new challenge and broad opportunities for service contained in the Total Force concept. Leadership is the real key. And while I do not advocate blind, unquestioning acceptance of new ideas by Reserve leaders any more than by Active Force leaders, I strongly urge receptiveness to good new ideas.

The accelerated flow of equipment to the Reserve Components is creating real and pressing problems, but the best guarantee of obtaining the technicians, facilities and other support requirements generated by the flow is to invoke the principle of field expediency if necessary to put this equipment to work and build combat readiness. Streamlined organizational structures, tailored to specific mobilization needs, are causing some dislocations, but such dislocations are being held to a minimum, and the talents and training of these people must be used by the Services to the maximum extent in the development of reserve organizations to meet new requirements generated by the Total Force concept.

### *Dissension aids opponents*

Fighting among ourselves about the details of program implementation, complaining about the demands created by equipment flow, or trying to obtain "make job" programs under the guise of Total Force will provide ammunition to those who have doubts about the capability of the Guard and Reserve to be part of the Total Force.

Balanced against these constraints is the most potent array of sincere and dedicated leadership which has ever been brought to bear on improvement of the Guard and Reserve: Secretary Laird and Secretary Packard—the signers of the Directives and decisions which make Total Force an attainable objective; Secretary Kelley—whose support of the Guard and Reserve has been evident, within the corridors of the Pentagon and also in the halls of the Congress.

And speaking of the Congress, there is no more outstanding example of leadership than that demonstrated by the Armed Services Committees of the Senate and the House, their distinguished and dedicated Chairmen, and the many other members of the Congress and staff members who not only provide the support for accomplishment of Guard and Reserve objectives but also encourage us to attempt and attain new heights of achievement.

When I speak of constraints and challenges, I do not minimize the job that lies before us in living up to the role which Secretary Laird has set forth for the Guard and Reserve. But I believe that our leadership—and I count Jerry Hart and his team in the Reserve Officers Association as an essential part of that leadership—is equal to the task.

## PROBLEM OF SOVIET JEWRY

## HON. JOSEPH G. MINISH

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. MINISH. Mr. Speaker, under the able direction of the chairman, the Honorable BENJAMIN ROSENTHAL, of New York, the Subcommittee on Europe of the House Committee on Foreign Affairs has held extremely useful hearings this week on the problems of Soviet Jewry.

Among the distinguished witnesses was Rabbi Zev Segal, chairman of the Essex County Conference on Soviet Jewry—New Jersey—who has labored unceasingly to secure redress of the grievous wrongs suffered by Soviet citizens of the Jewish faith. It was my privilege to introduce Rabbi Segal at the hearing and to witness the profound impression his testimony made upon the committee and audience. Since it merits the attention of all Members of the Congress, I am pleased to insert into the RECORD Rabbi Segal's statement at the session on November 9.

### STATEMENT BY RABBI ZEV SEGAL

Mr. Chairman, and distinguished members of the House subcommittee on Europe. My name is Rabbi Zev Segal and the testimony which I am privileged to present for your consideration is on behalf of the Essex County Conference on Soviet Jewry. This organization, which I have served as Chairman for the past three years, comprises some 26 local religious and secular organizations which embrace all of Essex County's Jewish population totalling some 100,000 persons.

It would be gratuitous on my part to recount for you the tragic nature of what it means to try to live as a Jew in the Soviet Union today. The grim features of the religious, cultural and physical persecution perpetrated by the Soviet Union upon its Jewish citizens have been thoroughly researched and carefully documented by scores of objective observers as well as by those Jews who have managed to flee to Israel and other parts of the Western World.

Just a few weeks ago, the Essex County Conference held a Rally of Concern for Soviet Jewry in South Orange, N.J. For this occasion, Seton Hall University, a distinguished Catholic center of higher education, offered its facilities. The audience heard messages of concern from the University President, Msgr. Thomas G. Fahy, The Reverend Paul Stagg, General Secretary of the New Jersey Council of Churches, our own distinguished Congressman from New Jersey, Joseph Minish, and Mr. Gustav Heningburg, President of the Greater Newark Urban Coalition. I call your attention to copies of news stories reporting this remarkable demonstration of religious and racial solidarity with Soviet Jewry. I cite this event because to me it is a most heartening and significant evidence that the plight of our fellow Jews is of real concern to all men of good will.

Let me quote a few excerpts from Mr. Heningburg's remarks which interpret my feeling in a most eloquent manner. He said, "I am a black American, preoccupied since birth with survival in a nation which has not yet, even in 1971, abandoned its efforts to destroy or inhibit my freedom, history and cultural heritage. Given that reality, it may be reasonable for some to wonder why I am here tonight, joining with you in an expression of concern about Jews halfway around the world. The answer is so obvious as perhaps not to be obvious. They are the same as those which brought so many to the march on Washington on behalf of American Blacks. It would be the height of hypocrisy for me to demand freedom from all forms of oppression for myself, my brothers and my children, while being unconcerned about the freedom of others . . . What a charade it would be for me to challenge and attack racism in America and sit complacently by while three and a half million Jews face physical, spiritual and religious persecution in Moscow and Leningrad and Kiev and Vilna, and Minsk and Odessa."

At the same Rally, Dr. Mikail Zand, the internationally known Soviet Jewish scholar, was our guest speaker. Dr. Zand who for years has been an active spokesman for those Russian Jews wishing to depart for Israel, said this, "We are no longer the Jews of silence," referring to his brothers and sisters in the Soviet Union. "But many people who have to help us are now silent."

And this brings me to the heart of what I wish to discuss with you. Soviet Jews have seized the initiative in demanding their right to either live fully Jewish lives in the Soviet Union—or, failing this, their right under Soviet law and the Universal Declaration of Human Rights, to depart for Jerusalem. Those of us who remember the tragedy of the Warsaw Ghetto Uprising and the thousands of Jewish lives that were lost in that heroic encounter with the Nazis are fearful that history may repeat itself. I think it is fair to say that the new, vigorous, outspokenness of Russian Jewry has been, at least in part, fanned and encouraged by demonstrations of support and concern voiced by a myriad of groups and individuals, large and small, throughout the civilized world. It would be a disaster, ladies and gentlemen, if the worldwide outcries in which we have been participating were to diminish or regress. Its inevitable result would be to isolate and make most vulnerable those Russian Jews who are now demanding their human rights.

We are deeply grateful for recent statements in behalf of Soviet Jewry by Mrs. Rita Hauser, U.S. Representative to the U.N. Human Rights Commission and Mr. George Bush, U.S. Ambassador to the U.N. We are equally appreciative of the concern voiced recently by Mr. Fletcher, the United States representative on the Third Commission on "Elimination of all forms of Racial Discrimination."

Similarly, I must applaud the recent statement by Attorney General John Mitchell concerning our government's new parole policy in regard to those Jews able to obtain exit visas to the United States. These actions by our government's ranking officials make it clear that the United States government fully accepts its responsibility, not only to focus world attention on the Soviet Jewish issue, but to take concrete steps to persuade the Soviet authorities to release those Jews who wish to emigrate.

Finally, I would respectfully suggest some specific actions which I hope will receive your thoughtful consideration: 1. In order to sustain the morale of Soviet Jewry, I urge that America's broadcast facilities, particularly the Voice of America, increase substantially the number of Jewish cultural programs beamed to the Soviet Union and other Iron Curtain Countries. 2. America's concern with Soviet Jewry can and should be more forcibly voiced in the United Nations. I am not referring to the UN's special subcommittees, but rather its highest councils. For too long the pleas and messages from responsible organizations urging full rights for Soviet Jewry have been pigeonholed and are gathering dust in committee folders in the UN basement. Several months ago, thanks to Congressman Minish's good offices, thousands of petitions addressed to President Nixon and pleading for his intercession in behalf of Soviet Jewry, were delivered to the State Department. We have yet to learn whether President Nixon or any of his staff have received these documents. I would hope that Secretary of State Rogers, in his consultations with the President, would suggest to him that it is vital to negotiate in behalf of Soviet Jewry on all levels of intercourse with the diplomatic arms of the Soviet Union.

In closing, let me again express my deep appreciation for the honor and privilege of bringing these heartfelt feelings and concern to your attention. I can assure you that America and the free world are counting on your moral leadership in this valiant struggle for human freedom.

Thank you.

## DEATH OF ROBERT H. PORTERFIELD

## HON. WILLIAM B. SPONG, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Wednesday, November 10, 1971*

Mr. SPONG. Mr. President, the recent death of Robert H. Porterfield is a loss to the country, particularly to Virginia, where Mr. Porterfield organized the now world-known Barter Theater during the height of the depression.

Mr. Porterfield was a good and kindly man, who dedicated his life to the theater. He provided entertainment for many thousands who, otherwise, may not have been given the opportunity to see live theater. In the process, he gave opportunity to many young people who later became famous actors and actresses after learning the profession under Mr. Porterfield's guidance. Mr. Porterfield is memorialized in Virginia through the pleasure he gave so many.

Much-deserved tributes have been paid Mr. Porterfield in editorials published in Richmond Times-Dispatch and the Washington Evening Star and in a feature article published in the Norfolk Virginian-Pilot. I ask unanimous consent that these items be printed in the Extensions of Remarks.

There being no objection, the editorials and article were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star]

### A VISION THAT SUCCEEDED

"The State Theatre of Virginia" it is called, and at first glance that seems presumptuous for an establishment with such a modest marquee, on a small-town street far down in the hills. But the Barter Theatre at Abingdon is something very special to Virginians. And the man who founded it, and who died last week, was someone very special.

When Robert H. Porterfield moved back to his home area in 1932 to start a professional stage theater, few people thought he would last more than six months. The depression had thrown scores of New York actors, himself included, out of work, and also had made it hard for rural Virginians to sell their farm products. So he conceived of a barter theater, in which hungry actors would perform for payment in produce.

The amazing thing is that it worked. Bacon and beans flooded in and toil-weary farmers watched Shakespeare. Then a trickle of hard money began coming (including some from the legislature), and many young actors who later became renowned received their first chances at the Barter. Its stage was honored by such famous people as Ethel Barrymore and Helen Hayes.

It is nationally known and acclaimed now, but its main contributions are to Virginians, as a cultural asset and tourist attraction. A memorable ambience envelops it. On a certain summer evening not long ago, for example, a visitor would have found Macbeth playing, and Porterfield taking tickets at the door, and high school students pouring out of buses to fill the theater. They listened raptly, and when the play was over they departed into a quiet and flower-scented night. Across the street, a historic antebellum inn with tall columns was bathed in moonlight and memories.

To this small town Robert Porterfield brought a fine vision that flourished because of his untiring work and his warm and powerful personality. The theater is a living legacy, and we trust that its curtain will go up on schedule for next year's season, and for many more after that. There is nothing else like it in the nation.

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[From the Richmond Times-Dispatch, Oct. 30, 1971]

### ROBERT PORTERFIELD

The death of Robert Porterfield, Barter Theater's founder, has cast a pall of genuine, affectionate sorrow over thousands throughout the nation. Some have known him only as the charismatic person whose potent drawl charmed nightly audiences with witty curtain speeches at his Abingdon playhouse. Others of the theater world feel deeply indebted to the man who created the concept of regional theater when he took Depression-plagued actors out of New York and bartered their performances for produce, tendered at the box-office of the erstwhile Town Hall. Others, now stage and screen stars of international repute, credit him and giving them their first chance to learn their craft.

It may come as a surprise to those who consider Bob Porterfield only in the context of show business that his dedication to theater largely grew out of his love for his home state. Born and reared in tiny Glade Springs on acres that had been in his family for 200 years, his life-long dream was to bring attention to Virginia in general and the Virginia Highlands in particular.

A few years after the 1932 formation of Barter Theater, he toured his companies to every available hamlet, auditorium and meeting hall in the state because he had learned that 90 percent of the people of Virginia had never seen a live actor. Later, when costly out-of-state tours were planned, he importuned the Virginia Legislature to grant appropriations and to acknowledge the Barter as the official State Theater. True, the annual subsidy scarcely paid for one week's touring expenses, but it was a source of pride to Bob Porterfield that he could boast of his state as the first in the nation to support its own theater.

The famous Barter Theater Awards also had their element of chauvinism. They were presented annually for an outstanding contribution during a New York theater season and consisted of "a Virginia ham, a platter to eat it off of, an acre of land on the mountains of the Virginia Highlands and the right to award scholarships to two deserving young actors." The platter came from the Cumbow China Shop in Abingdon and the acre of land was mostly perpendicular, but that didn't deter award winners from coming to Abingdon to view their property and, under Porterfield's persuasive enthusiasm, to decide that his Virginia Highlands were about the most enticing acres in the world.

In later years, Porterfield also directed his energy into affairs of the Virginia Travel Bureau, the State Conservation Commission and the State Department of Education.

There is little doubt that he turned modest Abingdon into the home of a nationally recognized phenomenon of the theater world or that his contributions to that world can be reckoned in the myriad delights he produced for audiences and the scores of careers he aided. But his service to his state through his talents and persistence is incalculable.

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[From the Norfolk Virginian-Pilot]

### THE SHOWMAN THEY CALLED "MR. P"

Bob Porterfield used to have a group of well-heeled friends he called his "in-the-hole-committee." That consisted of people like Lady Astor and Eleanor Roosevelt, he didn't want broadcast too widely. He often called on them for help when things at his Barter Theater were in a bad way. They knew this and almost without fail responded with a check.

"Bob Porterfield was the Barter Theater," Governor Holton said at his death last week.

"Mr. P," as he was known to hundreds of actors, directors, and producers in the theater, had a way of making friendships easily and keeping them. You might not always like Mr. P's casual way of doing things (hundreds of letters from important people would pile up on his desk unread) or the way he occasionally mistreated actors. For many years he would not allow members of the acting company to go into Abingdon for fear the townspeople would revolt against the odd costumes and manners and throw the Barter out of town. But you never lacked respect for the courage he had shown in trying what many people believed impossible, starting on a shoestring a professional theater in a rural Southwest Virginia town of about 5,000 and making it work.

The memory of people in the theater is shortlived. Yesterday's hit is today's college literary exercise, a dull fate for the playwright's craft forged as it is in the heat of battle; or, worse, yesterday's hit is today's late movie. Mr. P's career spanned a great many years, nearly all of them taking place in the heat of battle. The one man in the theater he used to talk about more than any other was David Belasco, the great showman. Mr. P met Belasco once, had read at an impressionable age Belasco's pronouncements on the theater, and kept his admiration for Belasco's belief in the importance of theatrical illusion—that which separates the stage from and makes it bigger than everyday reality.

This was what Mr. P wanted the theater to be. He wanted it bigger, filled with a magic beauty that would give people a feeling of being involved in something larger than themselves.

Mr. P's showmanship was evident in a multitude of ways. There was the incredibly naive idea of doing "Romeo and Juliet" (with him doing Romeo) in rural Abingdon during the Depression, when people had no money and couldn't be bothered with star-crossed lovers, or at least thought they couldn't. Weren't many of the people in Southwest Virginia not only poor but illiterate as well?

There was the shrewd idea of mixing Shakespeare with folk plays about the mountain people themselves. Mr. P, who was born and grew up about 30 miles from Abingdon, especially liked these plays. He played the title role in "The Virginian," a play in the same genre if not about mountain people, hundreds of times, and the people would come back to see it a second, third, and fourth time.

To gain publicity for the Barter, there was his idea to give an award, a Virginia ham and an acre of Southwest Virginia land (actually land on a scrubby mountainside on Mr. P's farm), to the best Broadway actor and actress each season—long before the Tony Awards came into existence.

There was also his annual Ground Hog's Day newsletter, received by Kings and Queens as well as the humble.

Mr. P has never received full credit for being the first modern producer to dare step out of New York to present a season of plays, in repertory, with a full professional company. The Arena Theater in Washington, the Guthrie Theater in Minneapolis, and the Alley in Houston, and all the others took the Barter Theater as their model.

Every night, Mr. P. delivered a curtain speech. After introducing himself, he would give away a pair of Mary Gray nylon hose to the person in the audience who had come from the greatest distance. When a man won the hose, it was always time for a terribly corny and vaguely risque joke followed by Mr. P's rolling laugh which immediately wiped out any hint of the risque.

He always ended his speech with the same two-liner:

"If you like us, talk about us. If you don't, just keep your mouth shut."

His voice would crack like a teenager's voice in transition at the word "just." It was the same every night and people who knew it was coming waited for it eagerly and always laughed in the same place. They knew and liked Bob Porterfield. You couldn't help but like him.

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## FOREIGN AID TO ICELAND

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. RARICK. Mr. Speaker, Iceland, population 203,400, is scheduled to receive $802,000 worth of wheat, flour, and tobacco from the United States under a Food for Peace agreement. This figures out just under $4 in U.S. taxpayers' money for every Icelander.

This announcement follows Iceland's vote to seat Red China in the United Nations. It cannot be considered a bribe nor a peace offering for alinement with the free world.

I insert a news clipping:

[From the (Washington, D.C.) Evening Star, Oct. 29, 1971]

### UNITED STATES TO AID ICELAND

The United States will furnish Iceland with $802,000 worth of wheat, flour and tobacco by next June 30 under a Food for Peace agreement, the Agriculture Department announced yesterday.

A spokesman said the agreement is the first for Iceland under the aid program.

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## INFLATION—CAUSE AND EFFECT

## HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. ROUSSELOT. Mr. Speaker, one of the major problems, we are told, confronting this Nation today, is inflation. Ludwig von Mises, a classical economist, has written many books and documents clearly outlining the causes and effects of inflation. At the close of World War II, this Congress was wrestling with the question of whether wage and price controls should be continued at the conclusion of the war. On December 20, 1945, Ludwig von Mises wrote an article in the Commercial and Financial Chronicle, which is a very concise and to-the-point document on the causes and effects of inflation. He spoke very directly to the issue as to whether wage and price controls really do solve the problem of inflation.

I commend this article to my colleagues' attention because it directly applies to the very issue that we are now considering as a Congress, that is, whether or not we will extend Federal wage and price controls:

[From the Commercial and Financial Chronicle, Dec. 20, 1945]

### EFFECTS OF INFLATION

(By Ludwig von Mises)

Inflation is the process of a great increase in the quantity of money in circulation. Its foremost vehicle in continental Europe is the issue of non-redeemable legal tender notes. In this country (the U.S.) inflation consists mainly in government borrowing from the commercial banks and also in an increase in the quantity of paper money of various types and of token coins. The government finances its deficit spending by inflation.

Inflation must result in a general tendency towards rising prices. Those into whose pockets the additional quantity of currency flows are in a position to expand their demand for vendable goods and services. An additional demand must, other things being equal, raise prices. No sophistry and no syllogisms can conjure away this inevitable consequence of inflation.

The semantic revolution which is one of the characteristic features of our day has obscured and confused this fact. The term "inflation" is used with a new connotation. What people today call inflation is not inflation, i.e. the increase in the quantity of money and money substitutes, but the general rise in commodity prices and wage rates which is the inevitable consequence of inflation. This semantic innovation is by no means harmless.

First of all there is no longer any term available to signify what "inflation" used to signify. It is impossible to fight an evil which you cannot name. Statesmen and politicians no longer have the opportunity to resort to a terminology accepted and understood by the public when they want to describe the financial policy they are opposed to. They must enter into a detailed analysis and description of this policy with full particulars and minute accounts whenever they want to refer to it, and they must repeat this bothersome procedure in every sentence in which they deal with this subject. As you cannot name the policy "increasing the quantity of the circulating medium," it goes on luxuriantly.

The second mischief is that those engaged in futile and hopeless attempts to fight the inevitable consequences of inflation—the rise in prices—are masquerading their endeavors as a fight against inflation. While fighting the symptoms, they pretend to fight the root causes of the evil. And because they do not comprehend the causal relation between the increase in money in circulation and credit expansion on the one hand and the rise in prices on the other, they practically (i.e. as a practical matter) make things worse. . . .

. . . The problems the world must face today are those of runaway inflation. Such an inflation is always the outcome of a deliberate government policy. The government is on the one hand not prepared to restrict its expenditure. On the other hand it does not want to balance its budget by taxes levied or by loans from the public. It chooses inflation because it considers it as the minor evil. It goes on expanding credit and increasing the quantity of money in circulation because it does not see what the inevitable consequencs of such a policy must be.

There is no cause (in 1945) to be too much alarmed about the extent to which inflation has gone already in this country. Although it has gone very far and has done much harm, it has certainly not created an irreparable disaster. There is no doubt that the United States is still free to change its methods of financing and to return to a sound money policy. The real danger does not consist in what has happened already, but in the spurious doctrines from which these events have sprung. The superstition that it is possible for the government to eschew the inexorable consequences of inflation by price control is the main peril. For this doctrine diverts the public's attention from the core of the problem. While the authorities are engaged in a useless fight against the attendant phenomena, only few people are attacking the source of the evil, the Treasury's methods of providing for the enormous expenditures. While the bureaus make headlines with their activities, the statistical figures concerning the increase in the nation's currency are relegated to an inconspicuous place in the newspapers' financial pages.

Here again the example of Germany may stand as a warning. The tremendous German inflation which reduced in 1923 the purchasing power of the mark to one billionth of its prewar value was not an act of God. It would have been possible to balance Germany's postwar budget without resorting to the Reichsbank's printing press. The proof is that the Reich's budget was easily balanced as soon as the breakdown of the old Reichsbank forced the government to abandon its inflationary policy. But before this happened, all German would-be experts stubbornly denied that the rise in commodity prices, wage rates, and foreign exchange rates had anything to do with the government's method of reckless spending. In their eyes only profiteering was to blame. They advocated thoroughgoing enforcement of price control as the panacea and called those recommending a change in financial methods "deflationists."

The German nationalists were defeated in the two most terrific wars in history. But the economic fallacies which pushed Germany into its nefarious aggressions unfortunately survive. The monetary errors developed by German professors such as Lexis and Knapp and put into effect by Havenstein, the Reichsbank's President in the critical years of its great inflation, are today the official doctrine of France and of many other European countries. There is no need for the United States to import these absurdities.

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## BLUNDERING AMERICAN POLICY IN ASIA

## HON. HENRY HELSTOSKI

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. HELSTOSKI. Mr. Speaker, one of the most perceptive and resourceful diplomats our Nation has produced, Chester Bowles, recently wrote an article on American policy in Asia which appeared last week in Saturday Review magazine.

In this essay, Mr. Bowles examines "Five Major Blunders by the U.S. in Asia" during this century. One of the most important of these disasters has been the continued, benighted American policy in the Indian subcontinent. For almost 20 years now the United States has callously peddled all manner of arms to the repressive government of Pakistan. With incredible naivete the Eisenhower administration accepted Pakistan's pledge that the millions of dollars worth of arms we were supplying, presumably to block a Soviet or Chinese thrust through South Asia, would never be used against India. The chickens of this myopic policy came home to roost in 1965, when, during the brief but bloody India-Pakistan War, ". . . every Indian casualty in the conflict was caused by an American bullet, bombshell, or hand grenade."

And, until this past Monday the administration allowed the supply of spare parts for these American-supplied weapons to continue despite the Pakistan dictatorship's genocidal military policy in East Bengal and the threat of renewed war between India and Pakistan. As we review the sorry record of American policy in South Asia set forth by Ambassador Bowles, it should no longer remain a mystery why American-Indian relations are at their lowest point in the last 20 years or why the world's largest democracy felt compelled in September to enter into a friendship and cooperation pact with the Soviet Union.

Mr. Speaker, as I include the Bowles article at this point in the RECORD, I would also like to remind my colleagues that I will be reintroducing with cosponsors next Monday a resolution on the Pakistan situation. The text of that resolution also follows:

### RESOLUTION

Whereas there is tragic suffering and loss of life in Pakistan and India caused by starvation, disease and civil war in and about the eastern Indian states and East Pakistan and these conditions prevail today;

Whereas this situation has been caused and aggravated by the Pakistani Government in pursuit of genocidal military policies which constitute a crime against humanity;

Whereas increased shipments of food and medical supplies are needed to reduce the tragic rate of starvation and related deaths: Now, therefore, be it

Resolved, That it is the sense of the House that: (1) the President should act to increase significantly the amount of surplus stocks, relief moneys, noncombat aircraft, medical personnel and other such supplies and personnel as may be necessary for relief purposes; and that (2) this relief assistance should be made available to international relief organizations directly involved in the alleviation of conditions within that Asian sector and proportionate amounts should be made available to the Government of India; and that (3) the President should immediately suspend all forms of assistance to the Government of Pakistan, save humanitarian relief supplies, pending a peaceful settlement of the civil war in that country; and that (4) the President urge the Pakistani Government to end the strife in that country, such urging being undertaken through direct diplomatic channels and through the offices of the Southeast Asia Treaty Organization; and that, (5) the Government of the United States should solicit the cooperation of other nations in this humanitarian effort.

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[From Saturday Review magazine, Nov. 6, 1971]

## FIVE MAJOR BLUNDERS BY THE UNITED STATES IN ASIA

(By Chester Bowles)

(NOTE.—Chester Bowles retired from governmental service in 1969 after a long and distinguished career during which he twice served as U.S. Ambassador to India; from 1951 to 1953 and from 1963 to 1969. His political memoirs, *Promises to Keep*, were published this spring by Harper & Row.)

At the end of World War II, American prestige and influence in Asia were at their peak. We had liberated nearly a billion people from Japanese rule and followed our military victories with a flood of economic assistance for relief, rehabilitation, and development. The massive amounts of capital and technology that we provided for our former enemy—Japan—helped it to become within a single generation the third most productive nation in the world.

After this brilliant beginning, however, we appeared to lose our way. Greatly underestimating the revolutionary new mood in Asia in which people and ideas provided a powerful motivating force, we clung doggedly to the assumption that our enormous military capacity would enable us to write our own political ticket.

Let us examine our five most costly blunders and then consider what lessons may be learned from them.

1. China. Dr. Sun Yat-sen's emergence as President of China, following the collapse of the Manchus before World War I, provided us with a unique opportunity and challenge. But his pleas to the United States and the nations of Western Europe for economic and technological assistance were ignored, and in 1923 Dr. Sun reluctantly turned to the Soviet Union.

In the succeeding years China was torn by civil war between Nationalist forces under Chiang Kai-shek and the Communists led by Mao Tse-tung. During World War II, we helped train and equip twenty Nationalist divisions to oppose the Japanese and following the war helped train and equip forty more to oppose Mao Tse-tung. However, while Mao Tse-tung was offering each Red Army recruit five acres of land, we were supporting the old regime dominated by war lords, landlords, and monopolists who had been exploiting the Chinese people for centuries. At no time during those critical years did the U.S. government indicate a genuine understanding of the powerful political, economic, and social forces that were gradually creating a new China.

In the summer of 1951, General Albert Wedemeyer stated to a Senate committee, "China fell not for lack of military manpower or equipment, but for lack of spirit. The Nationalist armies could have defended the Yangtze with broomsticks if they had had the will to do so."

On December 7, 1949, just eight years after the Japanese attacked Pearl Harbor, Mao Tse-tung in Peking proclaimed the People's Republic of China. Our abortive effort to bolster a corrupt, reactionary, and ineffective government that had almost no following among the Chinese people thus came to a dismal end. With Senator Joe McCarthy leading the way, we then embarked on a bitter political witch hunt to determine who had "lost China," which further weakened our ability to deal effectively with new problems to come. Our traditionally close relationship with China makes our dismal record in dealing with modern China all the more tragic.

2. Korea. In January 1950, Secretary of State Dean Acheson in a speech before the Press Club in Washington drew a line defining our "national interests" in East Asia. The Philippines, Taiwan, and Japan were placed within that line, but South Korea was placed outside of it.

Six months later, when the Soviet-trained North Korean Army moved across the 38th parallel boundary line to invade South Korea, the U.S. government, no doubt to the surprise of China, the U.S.S.R., and North Korea, asked for and received a U.S. mandate to organize a United Nations army ot halt the invasion.

On September 15, General Douglas MacArthur landed U.N. forces at Inchon just below the 38th parallel borderline and cut off and largely destroyed the North Korean Army, which by that time had occupied most of South Korea.

But instead of halting the advance of the U.N. armies at the border from which the North Koreans had launched their attack, MacArthur, with no clear political guidance, proceeded rapidly to move his forces north. As the U.N. armies neared the Chinese border along the Yalu River, the Chinese launched a massive attack, precisely as they had threatened to do. The U.N. forces, caught by surprise, were forced to retreat 250 miles to positions below the 38th parallel.

In July 1953, two years and ten months later, we agreed to a ceasefire on roughly the 38th parallel, where the U.N. forces could have stopped in September 1950, with its stated mission accomplished. In the interim, some 25,000 additional American soldiers had been killed, plus many other officers and men of the U.N. army, and no one knows how many Koreans and Chinese. The cost was an additional $45-billion.

3. Taiwan. When Chiang Kai-shek with the remnants of his forces retreated to Taiwan following his crushing military defeat in 1949, we offered a security guarantee and generous economic assistance. Under the circumstances, this was a reasonable position. Unfortunately, our government then went much further and agreed to retrain and re-equip what was left of the Nationalist forces, not simply to protect Taiwan from invasion but to land on the mainland, "liberate" China from Communist rule, and re-establish Chiang Kai-shek's Nationalist government in Peking.

This bizarre undertaking was vigorously supported by the White House, the Pentagon, the State Department, and many influential members of Congress as "essential to our security." The relatively few American leaders who understood the military absurdity of this exercise were quickly cowed by the China lobby, spearheaded by the Committee of One Million.

4. Southeast Asia. During World War II, President Roosevelt often expressed his determination to keep the French from reestablishing their colonial position in Indochina. However, official papers in his library indicate that he was undercut by the Joint Chiefs of Staff, who were encouraged by the British to take a totally different position.

As a consequence, in May 1950, we agreed to underwrite the French effort to maintain their colonial position in Indochina as a *quid pro quo* for a French agreement to contribute twelve divisions to the recently organized NATO defenses in Europe. The purpose of this military aid, according to Secretary of State Acheson, was to assist France "in restoring stability and in permitting the Associated States of [French] Indochina to pursue their peaceful and democratic development [*sic*]."

In August of 1952, on my first visit to Saigon, an average of one freighter loaded with U.S. military equipment was arriving daily. Although the equipment we provided under this agreement amounted to $2.3-billion before the collapse of the French stronghold at Dienbienphu, the promised French divisions for NATO never appeared.

On February 4, 1954, less than two months before this disaster brought an end to the French military effort, Admiral Arthur W. Radford, chairman of the Joint Chiefs of Staff, told the House Foreign Affairs Committee that "the development of a broad strategic concept by the French and Vietnamese commanders in Indochina, supported by the United States' financial and military assistance, should ensure within a very few months a favorable turn in the course of the war. . . . Communist prospects of achieving any decisive immediate successes are nonexistent."

Following the French defeat, from which we appeared to learn nothing, we assumed a series of self-selected obligations that led to a new succession of errors. First, we helped sabotage the free elections in Vietnam that had been agreed to at the Geneva Peace Conference of 1954. We then poured in large amounts of military and economic assistance to prop up the new South Vietnamese government, with no serious effort to press that government to make essential reforms in land ownership and taxation, the lack of which had been a major factor in Chiang Kai-shek's failure in China. In 1961 we introduced U.S. Air Force and Army ground training units, followed in 1964 by a major commitment of American ground forces, plus air and naval support. In 1970 we invaded Cambodia and, in early 1971, Laos, in order, we explained, to "assure the peace."

The direct cost to the American people of the Vietnam debacle thus far is estimated by the Foreign Affairs Division of the Congressional Research Service at $120-billion in addition to the combat deaths (as currently reported) of more than 45,000 American soldiers and the destruction of the country and the people we had set out to "save."

5. South Asia. This blunder is now being compounded by the same kind of military and political miscalculations that have cost us so dearly elsewhere in Asia.

The sequence of errors began in the fall of 1953, six months after I resigned as U.S. Ambassador to India, when Ayub Khan, then Chief of Staff of the Pakistani Army, came to Washington with a proposal of Pakistani military and political "support" for U.S. policies in Asia in return for a large grant of military assistance.

On December 23, 1953, I wrote Secretary of State John Foster Dulles describing what I believed to be the danger of a U.S. military pact with Pakistan. Such an arrangement, I wrote, would exacerbate relations between India and Pakistan, divert their resources from economic development to an arms race, increase the possibility of war, and ultimately lead to much closer relations between India and the U.S.S.R. It was no more sensible, I said, than an attempt by France or the Soviet Union to build up Mexico's military capacity vis-a-vis the U.S., or that of Denmark vis-a-vis Germany.

In a speech to the Indian Parliament in February 1954, Nehru described the proposed U.S.-Pakistani agreement as "a step that will bring the threat of war to our frontiers." He also pointed out that the military equipment that the Pakistanis had requested from us had no relevance to our stated objective, i.e., the creation of a Pakistani Army and Air Force capable of opposing a Soviet or Chinese military movement through the Himalayan or Hindu Kush passes. The tanks, fighter planes, and motorized artillery that the United States had agreed to give Pakistan were unsuitable for mountain warfare. They were designed for use on flat terrain; in other words, on the plains of northern India.

But this was only the first scene in a play that has continued for seventeen years. And, as each argument in support of U.S. military supplies for Pakistan has been challenged, its proponents have quickly and adroitly substituted a new explanation.

By the late 1950s, Mr. Dulles's assumption that West Pakistan (East Pakistan was 1,200 miles to the east and not a factor) could play a significant role in blocking a Soviet or Chinese military move into the Middle East and South Asia, began to be questioned by Congress, the press, and the public. The influential Pakistan lobby in the Pentagon and the State Department then quickly shifted its rationale. This aid, they said, was essential to ensure our continued access to the U.S. military base at Peshawar in Pakistan, from which the U-2 flights over the Soviet Union took off, thus providing the Pakistani government with one more lever with which to influence U.S. policy in South Asia.

In August 1965, some 5,000 Pakistani guerrillas infiltrated the Kashmir Valley and the brief but hard-fought Pakistani-Indian war began. Although President Eisenhower's pledge that we would never allow U.S. equipment to be used by Pakistan against India (later reaffirmed by Presidents Kennedy and Johnson) was broken, our government refused even to make a public protest. Since every Indian casualty in the subsequent conflict was caused by an American bullet, bombshell, or hand grenade, the Indian government, public, and press were predictably bitter. By then our military assistance to Pakistan totaled more than $1-billion.

Ironically, the political and military price that the Pakistanis exacted for our "indispensable" Peshawar base was spent in vain. In 1968, under pressure from the U.S.S.R., Pakistan refused to renew our agreement, and we were forced to leave the base the next year.

But the resourceful advocates of military assistance to Pakistan promptly pulled another rabbit out of the hat. American military equipment, it was now argued, must continue to go to Pakistan because "the Chinese will provide it if we don't," a rationalization that might be used with equal validity by a drug peddler selling heroin on a street corner.

In late March 1971, when the bloody upheaval occurred in East Pakistan, American military equipment was used by the Pakistani government to subdue its citizens in the eastern part of the nation whose crime was the overwhelming vote they had cast for greater autonomy within the Pakistan union in the December 1970 election—the first democratic election ever held in Pakistan.

Shortly after the fighting began in East Pakistan, the State Department and the Pentagon assured the Congress, the press, and the public that there would be no further deliveries of military equipment to West Pakistan until the political situation had settled down. But a few weeks later, an alert Congress and press disclosed that Pakistani ships loaded with military equipment for Pakistan were still quietly leaving American ports. By mid-July it was clear that this decision had been made in the White House, presumably as a *quid pro quo* for Pakistani assistance in setting up Mr. Kissinger's visit to Peking.

In September 1971, the Indian government, fearful of a combined attack by West Pakistan and China and convinced that now (unlike 1962) it could expect no help from the United States, signed a treaty of friendship and cooperation with the Soviet Union.

As this is written, the one man who might still make peace in South Asia is Mujibur Rahman, the charismatic president of the Awami League, which won 167 out of 169 seats in the East Pakistan constituent assembly in the elections of December 1970. But Mujibur is now languishing in a West Pakistan prison, having been charged with treason, the penalty for which, the Pakistani authorities emphasize, is death.

Without massive economic and military assistance from the United States, it is unlikely that West Pakistan can reassert its authority over East Pakistan. For better or for worse, the die has been cast; East Pakistan will eventually win its independence.

This series of blunders constitutes a shocking record of miscalculations, mismanagement, and a lack of understanding within our government of the tidal wave of political and economic change that is sweeping Asia. How can this be explained?

World War II left the United States in a position of substantial military and economic hegemony over a large portion of the globe, and this position of temporary predominance quickly became the basis for our expectations about how events in all parts of the world should proceed. Our policies were further distorted by our failure to recognize the new dimensions of power in the developing countries and by our conviction that a monolithic, worldwide Communist movement directed from Moscow was about to destroy the U.S. and take over the world.

As we felt threatened by military power, our response became more and more militarily oriented. In spite of our long antimilitary tradition, military men on active duty began for the first time in our history to play key roles in formulating American foreign policy during what was generally considered a period of peace.

In arguing their case before the President, Congressional committees, or in day-to-day dialogue within our own government, the military has had important advantages.

Political, social, and economic forces, no matter how important, are often difficult to define and even more to evaluate, while the case for military action can be stated in much more precise terms, e.g., such and such number of ground troops, so many air strikes, so many tons of bombs, and so many "body counts" will provide such and such a result.

This tactical advantage of the military in the bureaucratic give-and-take is increased by its near control over 25 per cent of our vast national budget and by its power to allot contracts and to locate thousands of military installations in areas where members of Congress have a major political interest; a substantial Pentagon public relations budget has been thrown in for good measure.

This is not to imply that advocates of our disastrous military-oriented policies in Asia all wear military uniforms; a great many do not. Among the most articulate and dogged are civilians in the White House and the State Department as well as the Pentagon who are eager to prove to the President, to their associates, to the press, and to the world at large that they are "tough-minded realists" who are prepared to "face the hard facts." In fairness to the military, it may be pointed out that the White House and the State Department, by failing to provide clear political guidelines for our armed services to follow, have created the political vacuums that the military have attempted at such heavy costs to fill.

In Korea, as we have seen, General MacArthur was allowed to use his own judgment, which on most political questions turned out to be bad. The result was a needless prolongation of the war, a needless loss of life, and the transformation of a brilliant military victory into a costly military and political stalemate.

In China and later in Taiwan it was again the military-minded men, in the absence of clear *political* direction from the White House and the State Department, who led us to support Chiang Kai-shek and then to avoid putting him in a politically embarassing position by exerting pressure for the economic and social reforms that alone could have saved him.

In Indochina the military pressed for more and more logistical support for the French forces even when the French were clearly doomed to defeat. Before and again just after the collapse at Dienbienphu, high officials in the State Department and the White House in addition to the Pentagon seriously advocated American intervention with nuclear weapons.

Many high-level civilians as well as military policy makers still can't understand how a motley army of undernourished Vietcong and North Vietnamese, armed with only the conviction that they were fighting for their freedom, could for eight years successfully cope with our best U.S. Army and Marine units supported by a large Air Force and nearly a million well-equipped South Vietnamese troops.

In South Asia it was the support of two Presidents and two Secretaries of State that for seventeen years enabled the strong Pakistan lobbies in the Pentagon and the State Department to keep large quantities of arms flowing to Pakistan, even after it had become evident that this was not only a bottomless pit but that it jeopardized our relations with democratic India, with its 500 million people, and may create new tensions in South Asia that could easily erupt into war.

Among the most critical foreign policy questions that the American people and their government are now called upon to answer are: 1) Can we understand, while there is still time, the political, economic, and social forces that are now shaping the future of Asia, Africa, and Latin America, where two-thirds of mankind live? 2) And if we do understand those forces, can we create a governmental structure capable of dealing effectively with them?

Unless we can answer those two questions affirmatively and abandon our present tough guy posture in world affairs (which frightens our remaining friends at least as much as it frightens our enemies), the American government and people will increasingly find themselves cut off from and at odds with a sizable majority of mankind.

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## AMERICA WE LOVE YOU

## HON. W. C. (DAN) DANIEL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. DANIEL of Virginia. Mr. Speaker, it may be stating the obvious, but the one common thread which binds all of us in this body is a genuine liking for people. I am not speaking of a love of mankind, which often is a thing apart, but a liking, a feeling of warmth, toward those with whom we come in contact.

In my district, in the city of Danville, dwells a fine lady who also shares in this liking for her fellow man, and who puts her beliefs in practice every day. Retired from that city's schools, Mrs. Alice Haden Merritt, who resides at 1245 West Stokes Street, now devotes much of her time to visiting the sick, the elderly, the shut-ins, and inmates at the city's jail. Mrs. Merritt passes along a word of encouragement, and a smile, as we all might do. But she does something more. For Mrs. Alice Haden Merritt is a talented poet, a published author, and an accomplished composer as well.

Recently it has been my good fortune to obtain a copy of a patriotic song, "America We Love You," which Mrs. Merritt has written. It is an inspiring tribute to her country from one whose life displays the virtues we all associate with the word "American." I insert the lyrics to this song in the RECORD at this time. Hopefully, after reading the lyrics, Members will encourage its use.

The lyrics to the song follow:

AMERICA WE LOVE YOU

(Words and Music by Alice Haden Merritt)

We love your walls of service,
And monument that stands
For him, who saved his country
With strength and eager hands.

America, we love you . . .
You taught our hearts to dream
Among your hills and mountains,
Beside your crystal streams.

America, we love you . . .
We pledge so faithfully
To cherish one another
With faith and loyalty.

## STATEMENT FOR NATIONAL YOUTH APPRECIATION WEEK

## HON. L. H. FOUNTAIN

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. FOUNTAIN. Mr. Speaker, this week is National Youth Appreciation Week, and I think it is an ideal time to express our appreciation of the vast majority of young people who are leading constructive lives, making outstanding contributions in home, school, church, and community.

Never before in the history of mankind has life so challenged a nation's youth as America in the decade of the seventies. And, I believe, never before has a generation of young people been so eager and so well prepared to meet that challenge. Young Americans graduating from our high schools and colleges today are better educated, more aware of the significance of national and international events, and more sensitive to the needs of their fellow human beings than any previous generation.

In recent years our young people have been in the forefront in the ongoing task of evaluating our national goals, priorities, and institutions. This is as it should be, because, 100 million strong, they have the greatest stake of all in our Nation's future. There is, unfortunately, a highly vocal and activist minority which is sworn to the project of liquidating American society and starting anew, but it is a distinct minority. The great majority of our young people is preparing to undertake the awesome tasks of our time constructively, and with quiet dedication to the American ideals we cherish.

The thrill of our era is the new hope that technology, subordinated to the search for dignity and quality in human life, can now provide the tools which will make the American dream a reality for all Americans. The frontiers of our technological knowledge will yield the means to preserve and protect our magnificent natural heritage, revitalize our rural areas and the cities, make available the resources of the seas, and lay before us the mysteries of the solar system and the universe beyond.

Today our young people are asking that our technological accomplishments lead to a new emphasis on the dignity of the individual and the quality of human life. They are asking that our institutions be as responsive as possible to individual wants and needs. Surely we could ask of them no finer quest. We are rightly proud of their efforts, which reflect the finest ideals of patriotism and citizenship.

## INCREASE IN DAIRY IMPORTS

## HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. OBEY. Mr. Speaker, over 3 months ago the U.S. Tariff Commission recommended to the President the establishment of absolute quotas on imported cheese selling for over 47 cents per pound. I was hopeful the President would act quickly on that recommendation. Unfortunately, to date no positive action has been taken.

During this delay imports of these cheeses have been increasing. Department of Agriculture figures show that imports from January 1 to August 30, 1971, of Swiss-Emmenthaler, Gruyere process and other varieties selling for over 47 cents per pound grew by 107 percent, 108 percent, and 111 percent over this same period in 1970. Between August 30 and September 30, these imports grew even more—to 113 percent, 110 percent, and 115 percent to their 1970 levels.

This increase in dairy imports is a burden to the American taxpayer because imports displace from normal market channels domestically produced dairy products which are then purchased by the Federal Government under our dairy price support programs. With domestic production itself increasing, it is obvious that the Tariff Commission recommendations should be implemented soon—because both the taxpayer and our domestic dairy farmers are now the losers.

Action should no longer be put off. Imported cheeses selling for over 47 cents accounted for almost 25 percent of all dairy imports in 1970. The figures I cite above indicate this situation may even be getting worse. Certainly if it is the intention of the President to support the dairy industry and keep the cost of dairy support programs down, he must take action now.

## TWO SIDES TO THE INDIA-PAKISTAN DISPUTE

## HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. SIKES. Mr. Speaker, the American public has heard Indira Gandhi, Prime Minister of India, on a nationwide broadcast conducted by one of the major networks. These broadcasts by distinguished visitors serve a useful purpose. However, in this case, only one side of a major controversy has been given. It is equally important and the fair thing to present the other side in the dispute between India and Pakistan. A very considerable part of the recent broadcast had to do with the difficulties between these two nations. A leading Pakistani official should have equal time on a program of equal prominence to discuss Pakistan's views on the questions which were discussed.

It is regrettable, but it has been consistently true, that only one side of the India-Pakistan controversy has been given to the public by the news media. I doubt that anyone really knows the truth about what is happening over there. Possibly an unbiased congressional team should visit the area and attempt to ascertain the facts. Many of the statements which have been made are extreme and controversial. It is almost certain that the truth about the problems in East Pakistan is somewhere between the claims of the anti-Pakistan groups and the statements made in defense of Pakistani policies by friends or officials of that country and that neither is entirely correct.

There is now serious threat of war between India and Pakistan. It would be a grievous mistake if it were to break out. It would settle nothing. It would produce only more deaths and more suffering. The war probably would be fought largely on East Pakistani soil where there already has been trouble enough. Pakistan's forces are heavily outnumbered by Indian forces and they also are lacking in modernization. Pakistan has had to rely largely upon Red China for military equipment and the quantities of such equipment have been limited. India has had the benefit of generous supplies of armaments, principally from Russia. It could be a one-sided war and result in the occupation by India of parts or all of East Pakistan, just as Kashmir which is claimed by both nations also has been occupied in part by Indian forces. India's interest in East Pakistan apparently is in seeing that independence or self-government is gained by this part of Pakistan. Thus war would add to and aggravate rather than solve the already existing problems.

All in all, it is a very complicated question and one which is not clearly understood by the American people. This much is certain: If the United Nations is to exercise any worthwhile influence as an organization, this is a fertile area in which its efforts can be expended. The major nations of the world, including the United States and Russia, should also be bending every effort to restore order in this troubled part of the world.

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## GLENN ELLIOTT, OLD-FASHIONED FLAG-WAVING AMERICAN PATRIOT

## HON. THOMAS N. DOWNING

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. DOWNING. Mr. Speaker, at a time of apparently diminishing patriotism in our Nation, I am most proud to bring to my colleagues' attention the activities of one of my constituents, Lt. Col. W. Glenn Elliott, retired. Colonel Elliott is the founder of the American Society of the Golden Horseshoe, an organization dedicated to reviving and stimulating patriotism in our land and to honoring and aiding the many veterans who have served our Nation well in its time of need.

Colonel Elliott himself began his military service as an ambulance driver in France during the First World War, and he is preceded by a long list of patriots dating back to the Revolutionary War. I feel that he should be highly commended for his benevolent and patriotic activities which have continued over his lifetime, and I wish to insert the following articles outlining his efforts in the Record:

[From the Virginia Beach Sun, July 29, 1971]

### Glenn Elliott—Old-Fashioned, Flag-Waving American Patriot

(By Howard Swindle)

W. Glenn Elliott, 74, white-haired and bow-tied, had just finished telling about driving a Model-T Ford ambulance through the ruts of a war-torn France in 1918 and about his mule named Maude.

Elliott's experience sounded much like those of novelist Ernest Hemingway, also an ambulance driver, during his tour in Italy. Perhaps it was these experiences, encountered more than 50 years ago, that led Elliott to his "labor of love"—the American Society of the Golden Horseshoe.

Navy Lieutenant Philip Heth, Elliott's next door neighbor and close friend, describes the society as "an organization dedicated to good, old-fashioned, flag-waving American patriotism."

And, if ever there was an old-fashioned flag waver, it would have to be W. Glenn Elliott, World War I ambulance driver, World War II lieutenant colonel in the Virginia State Guard and current advocate of anything patriotic.

Hanging in a prominent place in Elliott's home within earshot of Oceana Naval Air Station is a plaque from a naval evacuation hospital in DaNang, Vietnam. The hospital, along with other military and veteran hospitals throughout the world, has reaped the benefits of Elliott's flag-waving brand of patriotism. Since he founded the Society of The Golden Horseshoe in early 1966, the organization has sent more than $18,000 in cigarettes, tobacco, peanuts, candy and books to servicemen everywhere.

About every 10 days, Elliott gets in his nine-year-old Chevrolet for a tiring trip that takes him through Chesapeake, Suffolk, Petersburg, and Richmond collecting money from nearly 100 quart jars he has placed in restaurants, small grocery stores and other businesses. It is the pennies, nickles, dimes and sometimes quarters left in these jars by customers that finance a pack of cigarettes, a bar of candy or a can of peanuts for a GI in Vietnam.

True to Elliott's lifestyle, every jar has a small red, white and blue flag taped to it. Elliott's den, or "office" as he calls it, is covered with small flags and boxes of jars. On a cluttered cot lies a large, faded flag. I've got to get another flag." Elliott said "This one's getting pretty old." He flies it in front of his house every day, and he says he'll continue to fly it until the war in Vietnam ends.

Of his cross-country-fund-raising trips, Elliott says, "We do anything and everything we can possibly do to revive patriotism in Americans." Though the American Society of The Golden Horseshoe (the name comes from an event in development of colonial America) concerns itself primarily with servicemen overseas, it also attempts to have the flag flown from as many places as possible.

The society lists as honorary life members former Alabama governor George C. Wallace, Senator Harry F. Byrd, Jr., Virginia Beach councilman Frank A. Dusch and former Senator A. Willis Robertson who suggested the society's name.

One of the society's most recent campaigns revolves around gaining support "for our leaders in their defense of J. Edgar Hoover and the FBI." But a talk with the society's founder leaves little doubt as to the primary aim of the society—helping the serviceman.

Elliott, a former adjutant of the Virginia American Legion and a civil service worker, speaks proudly of his family's military service. "One of my forefathers fought in the Revolutionary War," he said. Since then, there have been relatives in the War of 1812, the Civil War, the Spanish American War, World Wars I and II, the Korean Conflict and Vietnam.

At the age of 69, Elliott exhausted all avenues trying to volunteer for duty in Vietnam so his grandson wouldn't have to go. He told a neighbor, "That's one less young man who'd be shot at—I've already lived a full life."

A small picture frame with an American flag and three rows of ribbons hangs in Elliott's den-office. "Those belonged to my son Jack," he says. "Raising children you can be proud of is one of the most noble things a parent can do." His son, a member of a flight crew during World War II, was killed during a mission over Germany.

Elliott's campaign to send gifts to servicemen dates back to World War II when a cigarette salesman told him he could send tobacco overseas tax free. He took time off from his post as editor and business manager of the Virginia Legionnaire magazine to pass out containers for the funds.

Today, Elliott has an agreement with several tobacco companies in which they pack the cigarettes and send them directly from their factories. "Since they're sent tax free," Elliott says, "we only pay about 11 cents per pack." He has similar agreements with peanut and candy manufacturers.

To pacify one woman who was "hard against tobacco," Elliott changed the sign on his cannisters from "Send Tobacco to Men in Vietnam" to "Send Goodies to Men in Vietnam." "After I changed the sign, she let me put a jar in her store," he said.

He said a few gift packages sent to individuals in Vietnam have come back stamped KIA (Killed in Action) and MIA (Missing in Action).

Elliott's cannisters also serve as a pretty good barometer for public opinion on the war in Vietnam. "When Lieutenant Calley was being tried, donations went up quite a bit," Elliott said. Thinking people might give more money if they were contributing to veterans in government hospitals, Elliott changed a few of his signs, emphasizing the veteran. "Those cannisters with Vietnam written on them drew quite a few more donations than the others (those emphasizing the veteran)," Elliott said.

"You'd be surprised how many (jars) are tampered with," Elliott said. "Some are gone. Some are broken. I'm sometimes lucky if a third aren't broken or stolen."

Occasionally when he packs a box of gifts for men in Vietnam, Elliott encloses a letter asking the GI's to write businessmen who have allowed him to put cannisters in their stores. "That's just so they (businessmen) will know the money is going where I say it's going," Elliott said. As treasurer of the society, he keeps records of incomes and expenditures which he makes available to members periodically.

"About 90 percent of our dues goes for sending items to Vietnam," Elliott said. "Postage is one of the big things."

Though Elliott won't admit it, his travel expenses every 10 days are another big expense—an expense not completely covered by donations. "Oh, I dip into my jeans every once in a while," he said. "I've got clothes to wear, food to eat and a place to sleep and I just thank the Lord that I can spend my time doing something to help, however small it might be."

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[From the Virginia Beach Beacon]

### Golden Horseshoe Flag Flies High

(By Jim Stiff)

Virginia Beach.—Everytime W. Glenn Elliott tucks his American flag under his arm and heads for a flagpole, you know another load of books, candy or cigarettes is winging its way to America's fighting men.

That is how Elliott commemorates the occasions.

Elliott, at 74, is one of our staunchest patriots. He is founder of the American Society of the Golden Horseshoe, an organization devoted to the pursuit of patriotism.

It numbers 200 and has members in almost all states. Virginia is the most active, Illinois second and California third, according to Elliott.

Elliott, who lives on Indiana Avenue in Oceana, founded the Society of the Golden Horseshoe on Washington's birthday, Feb. 22, 1966.

The name for the society came from former U.S. Sen. A. Willis Robertson, who is one of six honorary members of the society.

Robertson was telling Elliott about the time in Colonial days when Alexandria Spotswood, governor of Colonial Virginia, took a group known as the Golden Knights and went inland into Virginia to discover the Valley of Virginia.

Elliott liked the name.

"The idea was to try to do something to revive the old time patriotism as it was known from the time of our founding fathers," said Elliott.

"Naturally, we needed a flag, so I wrote to Sen. (Harry F.) Byrd Jr. and he presented us with this one," said Elliott, unfurling an eight by five foot American flag.

Byrd was no stranger to Elliott. "I have known him since he was 12 years old and I had an office on the first floor of the capitol building. His father was governor then," recalled Elliott.

That was in 1928 when Elliott was Virginia State Adjutant of the American Legion.

The flag was presented to Elliott by Byrd on Oct. 31, 1966, and on that day it was flown from the State Capitol Building, the first of many times and places the flag has been flown.

Elliott flies the flag to commemorate the days on which he gets together a load of items for GIs overseas and in the hospitals.

So far the flag has flown over:

Virginia Beach City Hall Dec. 7, 1966 (Pearl Harbor Day).

MacArthur Memorial in Norfolk, Feb. 6, 1967.

The Virginia Capitol again, Feb. 22, 1967, (Washington's Birthday).

Fort Story, March 22, 1967.

National Guard Armory in Norfolk, April 27, 1967.

Norwegian Lady Shrine, Virginia Beach, May 30, 1967, (Memorial Day).

First and Merchants Bank, Virginia Beach, May 16, 1969.

Vepco Building, Virginia Beach, June 2, 1969.

Oceana Naval Air Station, June 5, 1969.

USS Enterprise, Gulf of Tonkin, Viet Nam, Sept. 5, 1971.

The flag will fly next over the Veterans Administration Hospital in Richmond where the Society of the Golden Horse-Shoe has deposited books for the patients.

The flag is flown only briefly so it will remain in good condition for future ceremonies.

The Gulf of Tonkin in Vietnam was the most distant point the flag has been flown. It was arranged to be flown aboard the Enterprise by Lt. Philip Heth, Elliott's next door neighbor who is legal officer aboard the USS Forrestal.

The society gets its funds from dues and from collections. Elliot has about 100 quart jars decorated with the American flag placed in restaurants and stores in Chesapeake, Suffolk and Petersburg. Every two or three weeks, he makes the rounds to collect from the jars.

"We've never actually solicited, except for the jars," said Elliott. "The trouble is, so many of them are stolen or broken."

Elliott was unhappy over the fact patriotism is not an "in thing" with some of today's younger generation.

"It better be," warned Elliott. "One of these days they will wake up and it will be too late."

As for the present membership, Elliott said, "Most of them are my old friends. Some of them are 80 years old or more."

Elliott formed the friendships in his years in civil service and the Virginia State Guard in which he served as a lieutenant colonel. He retired from civil service in 1960.

Membership in the American Society of the Golden Horseshoe is by invitation only and by honorary membership.

"We haven't been pushing it too hard because we want the right people. We don't want any radicals," said Elliott.

Elliott identified the honorary memberships as belonging to former U.S. Sen. Robertson, U.S. Sen. Byrd, Alabama Gov. George C. Wallace, Charles (Mike) Houston, columnist for the Richmond News Leader, and Virginia Beach City Councilman Frank A. Dusch, former mayor.

One of the aims of the society is to encourage everyone to fly the American Flag daily.

As an example of the society's influence, Elliott said the Chicago society has gotten the Chicago Cubs baseball club to have the Star Spangled Banner printed on the backs of the programs sold at their games.

"So you see," said Elliott, "we are succeeding."

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[From the Morning Call (Allentown, Pa.), Sept. 22, 1971]

### Little Chronicles

(By John T. Cathers)

Lt. Col. W. Glenn Elliott, Virginia Beach, Va., founder and treasurer of the American Society of the Golden Horseshoe, thinks the original Liberty Bell should be taken on a tour of the 50 states to "reawaken the patriotism of the nation." Glenn isn't exactly a stranger to Allentown—he served with author Ernest Hemingway and actor Adolph Menjou at Camp Crane in the Allentown Fairgrounds in 1918. Ambulance drivers for the American Expeditionary Forces in France were trained at the camp.

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## STOP SALT

## HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. SCHMITZ. Mr. Speaker—

> "It is certainly a very striking combination of circumstances that within four days of the United States committing itself to major defensive systems (ABM) the Soviet government seized upon the option which had lain dormant for almost a year of starting joint arms limitation talks (SALT)."—John Erickson, *Soviet Military Power*, Royal United Service Institute.

Mr. Erickson, one of the foremost authorities on Soviet military development in the world, identifies the key point in the strategic arms limitation talks (SALT). The Soviets agreed to start talking only after we decided to start building the Safeguard anti-ballistic-missile system—ABM—to protect our land-based Minuteman missile force. Now, after 2 years of negotiation, there are those who advocate stopping, or limiting, our ABM system to show that some good has come out of all the talking.

In fact, extremely deceptive and dangerous propaganda is creating a climate to prime the public to look with favor on an agreement with the Soviets to limit ABM's only.

My newsletter No. 71–23 explained why the United States must not stop deploying the ABM. To review this briefly, we began construction of Safeguard because the Soviets were deploying the missiles necessary to destroy our Minuteman force. The threat to Minuteman made the construction of this defensive system imperative. Any reasonable arms agreement would therefore necessarily have to assure a reduction of the threat which made the ABM necessary in the first place.

This was confirmed by Dr. John Foster, Director of Defense Research and Development, in testimony before the Senate Armed Services Committee in April of this year, eventually declassified after pressure from a Senator. Dr. Foster stated that:

> Until we can obtain an arms-control agreement that will constrain the threat to Minuteman solely through offensive force limitations, we must continue with the deployment of Safeguard and the development of Hardsite defense [a follow-on ABM] for the protection of Minuteman.

The Soviets have not stopped building the massive first strike force which made the ABM necessary. All evidence indicates that they are moving in this direction faster than ever. Since the SALT talks began, the Soviets have increased their land and sea based missile force by 70 percent. Our force level has been fixed since 1967 and the Soviets now have over a 50-percent edge in land based missiles. Just 3 weeks ago, Secretary of Defense Laird announced that they would match us in numbers of Polaris-type missile submarines by 1973, 1 year earlier than his own prediction of last February.

The threat which necessitated the ABM is therefore growing at a faster than expected rate. It will not be reduced but rather substantially increased by a mutual limitation of ABM systems. Increasing the danger to ourselves is the exact opposite of what negotiations are supposed to achieve.

For this reason, in normal times, we would probably assume that the Congress would not consent to any such agreement. But the 1972 presidential elections are approaching. Where presidential politics are involved, as we saw in the case of China, the critical judgment of many good men tends to be severely impaired. The President would like to go into the 1972 race with a major arms limitation agreement. The pressure will mount to accept any Soviet proposal the American people will buy. Powerful bipartisan disarmament groups are lobbying hard for an arms limitation agreement for ABM's only.

There is one way to assure that this type of disastrous agreement does not sneak in through the back door of politics or serve as a campaign weapon of disarmament-minded office seekers. Stop SALT until after elections. Since we are supposedly basing our own defenses on Soviet capabilities rather than Soviet intention, and negotiations signify nothing more than possible intentions, this will not in any way jeopardize our national security.

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## SECRETARY OF THE INTERIOR MORTON SPEAKS BEFORE THE AMERICAN MINING COMPANIES

## HON. WALTER S. BARING

OF NEVADA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BARING. Mr. Speaker, I insert in the Record the speech delivered by Secretary of the Interior, Rogers C. B. Morton, before the American Mining Congress in Las Vegas, Nev., on October 11, 1971, for the benefit of my colleagues:

### Remarks by Rogers C. B. Morton

I want to begin by saying that it is both a pleasure and an education to be here for the 1971 Mining Show. I have had the opportunity to see all the many mechanical marvels developed by this industry and now I want to talk with you about some other forms of progress and the prospects for America's mining future.

A major theme of your meeting is communications . . . finding ways of improving communications within the industry . . . between industry and government . . . and between industry and the public at large.

I congratulate you for your emphasis on this critical area. Like the shifting surfaces of the sea, the field of communications is constantly changing. It will behoove everyone of you to determine whether his point of view is being received . . . and understood . . . by the people who should be aware of your position. Anything less would indicate a failure in communications . . . and in your obligation to the mining industry.

I don't need to communicate to you that the future holds exciting promise for this industry. The United States is fast approaching its 200th birthday and is still a growing Nation . . . not only in numbers but in expectations. In the next few years we will need tremendous amounts of the materials which provide all the underpinnings of our civilization. Mineral resources make up a major segment of those materials.

The construction business alone during the coming decade will absorb an estimated 4 million tons of aluminum and copper . . . 16 million tons of clay and cement . . . and nearly 200 million tons of sand and gravel. Telephones, TV sets, and other furnishings in the American home will make massive requirements of your industry . . . not to mention the wire and piping which carry water and power. I predict that needs will increase so profoundly that the demand for minerals may double or triple in the next 30 years.

In addition to technological developments as exhibited in your show, there must be a sound policy for the relationship between mining and the public, between mining and the government and between mining and the environment.

**In this context, I want to tell you how the programs of this Administration in economic policy, minerals policy, environmental quality. . . . and proposed mining legislation for the public lands relate to these overall concepts.**

First and foremost, this Administration is working to create an atmosphere of economic stability and growth. Two months ago, President Nixon announced a plan to shape the Nation's economic future by coming down hard on inflation and achieving a refreshing degree of stabilization.

The initial phase of the President's 90-day program is about two-thirds complete. Now, we have had the opportunity to look at his program for the future.

The new economic policy is not designed to favor any segment of the economy. Its purpose is to create jobs. . . . to increase industrial productivity. . . . to stabilize consumer prices. . . . and to encourage capital investment.

These initiatives, in my opinion, must be matched by the leadership in business and by efforts in your own country. In a free country, economic stabilization must be a joint venture between industry and government.

While we have begun to turn the economy around, we must also take a look at where many of our valuable raw materials are coming from.

As all of you know, there are certain minerals, such as tin, for which we are almost wholly dependent upon foreign mines. The total value of minerals and fuels consumed in 1969 exceeded American production by more than eight billion dollars. This gap may widen.

This increasing reliance on foreign production runs head-long into the ever-increasing demands by developing countries for their own mineral resources to use in their expanding economies.

We must realistically face the possibility that the availability of foreign sources of minerals, as well as of other materials, may become restricted.

It is essential that we increase exploration for new mineral deposits both at home and abroad. . . . and that we step up our capability to meet more of our mineral needs through recycling and reclamation of mineral products.

I know that secondary recovery is considered by many of you as competitive. But don't stiff-arm it. The country that best husbands its mineral resources will umpire the international ball game. Secondary recovery will soon become a great economic opportunity. Don't pass it by!

The escalating demand for minerals and fuels which are essential to our economy and security have had the attention of Congress for some time. As a first step Congress enacted the Mining and Minerals Policy Act last December. . . . with the strong support of this Administration. The objective of this legislation is to encourage the utilization of domestic mining and mineral sources to the fullest extent practicable.

This act imposes upon the Secretary of the Interior the responsibility for reporting annually to the Congress on the state of the domestic minerals and fuels industries . . . and for formulating recommendations under which private enterprise would be encouraged to find and develop our mineral resources.

We are currently in the process of developing data for the first report, which is due early next year. This report will determine the exact state of our minerals industries and delineate the problems which face them.

We expect to supplement the first report with recommendations for action to meet domestic mineral problems. This document should be completed in 1972.

Congress has also created an independent task force called The National Materials Policy Commission. This body is charged with the responsibility of reviewing overall materials requirements for the Nation except for food. I am a member of this commission and will participate actively in its deliberations and determinations . . . particularly with respect to mineral resources.

I want to go on record this morning by saying that we need plenty of help from the industry to insure that these various policy reports will be factual, helpful, and beneficial to the American people.

As we go forward at this point in time, it's important that we recognize we're in a new ball game . . . old standards are not good enough . . . old practices won't do. Let's face it squarely and not dodge the issue.

The mining industry and mineral processing companies have not in the past been in the vanguard of effort to clean up the environment. They have concerned themselves with meeting a steadily rising demand for mineral resources. That's all that was asked of them for many years.

But times have changed. We have come to realize that nature's bounty is *not limitless*, and that the actions of industry, as well as of government, can seriously affect the quality of our air, water and land.

Environmental concern has aroused the American public to action . . . intensive action. If the minerals industry does not begin to respond to the public demand for clean energy and a clean mining industry, then the public will lose faith in the great industry which did so much to build America.

No one has convinced me that the mining industry cannot be a clean industry, nor that the mining industry cannot be clean *and* profitable.

When this becomes your attitude, when these become your convictions, we will truly have reached a new plateau in the relationship of this industry and the environment.

The seriousness of pollution is now being recognized throughout the world and the American Mining Congress has responded in at least one key area. Your recent decision to endorse *Federal* guidelines for mined land reclamation was a responsible and welcome action. I trust that you will continue to support the efforts of this Administration to impose environmental quality.

Now let's look at mining on the public lands.

I believe that the prospector who discovers a valuble hardrock mineral deposit should be entitled to the first crack at its extraction.

This Nation's economic system was built on the profit motive. Individual initiative will be encouraged . . . not stifled. This will be done while, at the same time, protecting the quality of the lands and resources involved.

Another Administration proposal that will profoundly influence mineral policy is the President's plan for reorganization of the Executive Branch. A major component of this plan provides for creation of a Department of Natural Resources into which all major responsibilities for energy and mineral resources would fall.

The Mining and Minerals Policy Act of 1970 would be profoundly affected by executive reorganization. A key phrase in this act reads ". . . it is the continuing policy of the Federal Government in the national interest to foster and encourage private entreprise . . ." . . . surely a clean restatement of traditional American economic philosophy. The Department of Natural Resources will not only stimulate industrial productivity but provide the scientific capability and regulatory responsibility to insure that environmetnal considerations are accounted for.

Your conference theme, "From the Earth . . . A Better Life" is appropriate. But I would add: from the earth responsibly . . . so there can be a better life.

The things man has needed to create his society have come from the earth, in large measure through the minerals industry. But the better life we seek today includes beauty as well as affluence; clean air and water as well as efficient transportation; and playgrounds as well as shopping centers.

The stewardship of America's natural resources is an awesome responsibility and an immense public trust.

If our stewardship is wise, we can have both aesthetic pleasures and creature comforts. We are capable of such stewardship. The mining industry can play a major part in that stewardship. No other objective outweights the need to balance the development of our mineral and fuel resources with a clean, healthy, and enudring life for all Americans.

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## HOUSE JOINT RESOLUTION 191 PRAYER AMENDMENT

## HON. RALPH H. METCALFE

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 8, 1971*

Mr. METCALFE. Mr. Speaker, there has been much discussion recently about the proposed constitutional amendment which, according to the sponsors, would permit nondenominational prayer in the public schools. I signed the discharge petition and voted for the motion to debate the question because I know this proposal is of concern to very many Americans. The question should be discussed in these chambers and decided in an open and recorded vote by the Members of the House.

However, I voted against House Joint Resolution 191. I agree with the philosophy that was the basis of the first amendment and I happen to think that the first amendment should remain intact. The colonists when they ratified the first 10 amendments, the Bill of Rights, were well aware of what could happen when the State became involved in the religious sector. They had but to look at the religious strife and tension which existed in Europe. They did not want any possible repetition of this strife in the United States. Therefore, they adopted the first amendment to the Constitution which is an unequivocal stand in favor of a separation of these two entities, the church and the state. I think the separation should continue.

The other day I listened to a very sincere woman who was concerned about the social problems that confront us. She came into my office to ask my support for this amendment. She thought that prayer in public schools, in her words, would restore a sense of respect for the law and give us, as a people, a sense of national purpose. I agree with her objectives but not her means.

There are many religious groups who have expressed their objections to this amendment. They, too, fear that the proposed legislation would not bring about any constructive change within the country.

I see the word nondenominational in the amendment and I see the possibility of countless school boards across the country attempting to determine what constitutes a nondenominational prayer. This will add to the strain and tension which already exists in many school districts and I think they can very well do without this. I think this process of having local governmental bodies decide such issues is what the colonists, based upon their experience, wanted to avoid. At a time when we are attempting to forge a new unity in this country we should not attempt to pass legislation which could possibly became a cause of division within communities throughout the country.

I think the separation of church and state as established by the First Amendment has served us well. I do not see any cogent reason why the Constitution should be amended. I think that the objectives of those who sponsor House Joint Resolution 191 can be achieved in other ways.

I think that the views of President John F. Kennedy on this issue are as applicable now as when he first stated them in June 1962:

> We have in this case a . . . remedy, and that is to pray ourselves, and I would think that it would be a welcome reminder to every American family that we can pray a good deal more at home and attend our churches with a good deal more fidelity, and we can make the true meaning of prayer much more important to the lives of all our children.

## DEMISE OF U.S. FILM INDUSTRY DUE TO UNIMAGINATIVE FOREIGN POLICY

### HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. DENT. Mr. Speaker, recently my General Subcommittee on Labor heard testimony from employer and worker representatives of one of our vital but threatened industries—the American film industry. The preponderance of views underscored, once again, how our foreign trade posture has allowed foreign nations and "run-a-way" American enterprise to undercut the foundation of an industry and displace thousands of workers.

One such statement by Donald P. Haggerty, executive secretary of the Film Technicians Local 683, cogently set before the subcommittee the continuing demise of our film industry due largely to our unimaginative, and capitulatory foreign policy. I am inserting Mr. Haggerty's statement into the RECORD for the information of my colleagues.

The statement follows:

STATEMENT OF DONALD P. HAGGERTY, EXECUTIVE SECRETARY, FILM TECHNICIANS LOCAL 683 AND FIRST VICE PRESIDENT, HOLLYWOOD AFL FILM COUNCIL

Mr. Chairman and Members of the Committee: As 1971 draws to a close, the decline of all forms of domestic film production activities in the United States has reached alarming proportions. It has been reliably estimated that more than half of the labor force in Hollywood is jobless and, some local union memberships have suffered an average unemployment in excess of 80% during 1971. Many of the Hollywood craftsmen, technicians, and artists whose jobs have been "exported" to other countries have already suffered the ravages of "runaway" to the extent of losing their homes, their cars, their hospital and medical coverage, and their retirement pension credits. Meanwhile, the Federal Government has not taken a single step in the direction of altering its outdated, unrealistic and irrelevant trade policies and negotiating postures in the film field. It continues to permit the unrestricted importation of foreign-produced motion pictures and television films, on a non-reciprocal basis.

Notwithstanding concern expressed by the White House for "the economic well-being of this vital industry" as recently as last month; the fact remains that the critical unemployment situation brought about by unrestricted importation of foreign-made films for exhibition on U.S. theatrical and television screens, accompanied by the unfair and discriminatory treatment afforded films produced here in the United States by foreign governments, still remains unchecked. The number of films made annually in this country for exhibition at home and abroad continues to decline. The number of American-interest films made abroad annually continues to sharply increase, with larger aggregate investment and mostly financed by American companies, either through their foreign subsidiaries or under some involved type of co-production or co-financing arrangement.

The so-called "Major" motion picture studios that once provided regular gainful employment for thousands of skilled and talented studio employees are today waning shadows of their once-prosperous past; when Hollywood was recognized as the international film capital. Companies like RKO Pictures, Republic Studios, and Hal Roach Studios have vanished completely. 20th Century Fox and Metro-Goldwyn-Mayer Studios have disposed of their "back lots" resulting in the elimination of "standing sets" and other essential facilities for healthy film production activities. Columbia Pictures Corporation and Warner Brothers are in the process of completing arrangements to give up their separate studio holdings and to jointly share a single set of production facilities now occupied in Burbank, California by Warner Brothers alone. Mass lay-offs of key employees and reduction, or even elimination of key departments have taken place at leading film studios.

The failure of the United States Government to take effective steps to equalize the competitive position of domestically-produced motion pictures with foreign-made motion pictures, which receive governmental subsidies or other forms of state aid from all other significant film-producing countries, has inflicted ever-increasing economic loss upon many long-time American film workers; reduced job opportunities for new, younger workers; and slashed the annual earnings of most American film workers.

The plight of American film workers due to the skyrocketing rise of "runaway foreign film production" has been observed in detail by both the Congress and the Executive Department for years and years; without any branch of the Federal Government doing anything affirmative to stop this trend.

As long ago as 1962, the Subcommittee on the Impact of Imports and Exports on Employment of the House Committee on Education and Labor found that "the strongest inducement to foreign production is subsidy" and declared that "if our Government demanded an end to subsidies, the so-called American motion picture runaway production problem would become minuscle."

In the years that followed, the OECD forum was never properly utilized. U.S. Government agencies continued to work actively and closely with the Motion Picture Export Association of America for the reduction of specific trade barriers to the distribution activities of the MPEA companies on a bilateral basis, but obtained no concrete results in multi-national bodies by way of eliminating foreign film production subsidies, screen-time quotas, and other forms of state aid, favoring foreign-made films in violation of the principles of free reciprocal trade.

The passive attitude of the State Department, supported by the Commerce Department, Treasury Department, the Office of the Special Representative for Trade Negotiations, and the White House staff in the Nixon Administration, as in prior administrations, has been to tolerate and virtually ignore the direct and indirect foreign film production subsidies offered by other governments.

This weak negotiating posture taken by U.S. spokesmen in such international forums as the GATT and the OECD stems from the openly-expressed fear of the State Department, the Special Representative, and the White House staff that a strong stand or aggressive opposition in "defense of parity" for our domestic film production would adversely affect MPEA private negotiations with foreign governments for "distribution rights" in other countries would irritate foreign producers; or might disturb the relations of U.S. film companies with their foreign customers in essence saying to "Hell" with the thousands of unemployed workers in the Motion Picture Industry but protect the "runaway" producers' investment in exports at all costs.

Existing U.S. trade policies and attitudes have sought a solution through half-hearted proposals, mild protests, and pale suggestions for gradual dismantling of existing foreign film trade barriers and reduction or elimination of foreign film trade restrictions.

Many unemployed American film workers are unable to understand why, at this late date, the Nixon administration still responds to their desperate plea for governmental assistance, by what Mayor Yorty has accurately described as "a monotonous re-wringing philosophy that has marked the lack of effort by previous administrations to adequately cope with the problem."

Many U.S. film workers are absolutely disgusted by the fears and hesitations expressed by some highly-placed spokesmen for the Nixon administration who oppose the adoption of more affirmative policies to offset the "commercial protectionism" being practiced by foreign governments under the guise of supporting their domestic film industries on the ground that a more positive stand might provoke "emotional responses" or even "retaliatory measures" abroad.

The United States is the only important film-producing country in the world which extends no governmental assistance—either in the form of subsidies, low interest loans, investment guarantees, or other types of state aid—to help provide adequate economic encouragement for domestic film production. (While the United States Government imposes no limitations on the import of foreign-made films into this country.)

Traditional bilateral and multilateral approaches in international trade discussions have produced no immediate prospect for relief. (For example, the United States stood alone among member governments in the OECD in maintaining the position that film production subsidies "significantly distort international competition" and must be abolished in compliance with Article 2 of the OECD Films Annex. As a matter of fact, other member governments have even attempted to persuade the OECD Invisibles Committee to actually endorse film production subsidies over U.S. opposition.)

The United States Government must reexamine its policies and attitudes regarding foreign trade with respect to films, in the face of the realities of the present-day situation. At a time when our domestic film production activities are threatened with virtual extinction and mass unemployment confronts American film workers, there is no legitimate excuse for our Government's failure to protect the domestic film worker.

The inadequacy of the existing foreign trade policies and attitudes of the American government to cope with unfair restrictive trade devices in the film field is underscored by the rising importation of foreign-made television films.

A series of "voluntary cooperation" conferences during 1966–1967 between representatives of Hollywood unions and guilds with key executives of the American Association of Advertising Agencies, the Association of National Advertisers and the three nationwide television networks (NBC, CBS and ABC) failed to head off the rising tide of imported foreign-made television films. In fact these same agencies and Television networks are not only purchasing foreign TV episodes, foreign-made Motion Picture and commercial products but are directly and indirectly involved in financing and/or producing these products in foreign countries.

In November of 1970, the AFL–CIO Executive Council went on record officially condemning the growing importation of foreign-made television productions by American commercial sponsors for use in the United States.

Earlier this month, the *Hollywood Reporter* described one of the latest such developments in a news story headlined "MORE BRITISH TV SERIES ARE SET TO INVADE U.S." Humphrey Barclay, producer of the British-made television series entitled "Doctor in the House" was making a tour of 10 key American cities on behalf of the imported program, being distributed in 41 U.S. TV market areas by Westinghouse Broadcasting Company, and announced that he had "completed 52 half hour shows in England and plans to make another 26 next year." NBC, CBS and Westinghouse are showing the English-made TV program in various U.S. cities where prime time became available locally on network stations because of the so-called "prime time access rule" adopted by the Federal Communications Commission as a supposed stimulant to "local" programming. (I have been reliably informed that KNXT, a CBS owned-and-operated television station, purchased the right to televise "Doctor in the House" in the Los Angeles market from Westinghouse and sold participating advertising on that foreign-made program to a number of national and local concerns, including *Safeway Stores*, and the manufacturers of *Best Foods Mayonnaise, Breck Shampoo, Maybelline, Carnation, Friskies, Olympia Beer* and *Pfizer Visine*. When W. S. Mitchell President of Safeway Stores, received union protests over his company's sponsorship of this English-made TV program in the face of the mass unemployment of American Film Workers, Safeway's president responded that it had nothing to do with the production of this film series and "would not deliberately do anything to deprive American craftsmen and technicians of jobs or job opportunities.")

Last month, the *Hollywood Reporter* carried a banner headline on its front page reading "Canada production up 100%." According to the trade paper story, datelined Montreal, production of features, TV series and shorts in Canada has increased 100% over the same time in 1970. Some of these independent productions were reportedly being made with grants from the Canadian Film Development Board, a governmental agency, while others were "being financed and co-financed by American film companies and other American business firms." Also last month, the 30% import quota allowable by Canada was emphasized in a feature story on the radio-television page of *Daily Variety* as one of the advantages of "runaway" production "across the border." The feature story deals with Four Star International shooting a 90-minute film in Canada for CBS entitled "The Deadly Hunt". It reports the building of a two-stage studio in Vancouver for interiors; and indicates that Four Star has three "development deals" for CBS and ABC which will also be produced in Canada.

The United States Congress can no longer justify the continued loss of job opportunities at home by the short range financial advantages being gained by greedy, selfish American film production and distribution companies who qualify for foreign subsidies, screentime quotas and other forms of aid from foreign governments. Congress must immediately provide U.S. trade policies that will serve the best interests of all the American people. Such policies must be initiated promptly before the long time battle of the American film worker is lost through more passiveness, indifference and frustrating delay on the part of the Executive Branch of the Federal Government.

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## WHICH ARE YOU, DON QUIXOTE OR SANCHO PANZA?

## HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. JACOBS. Mr. Speaker, nothing need be added to the following, which says it all:

". . . which are you, Don Quixote or Sancho Panza?

Almost certainly you are both. There is one part of you that wishes to be a hero or a saint, but another part of you is a little fat man who see clearly the advantages of staying alive with a whole skin. He is your unofficial self, the voice of the belly protesting against the soul. His tastes lie towards safety, soft beds, no work, pots of beer and women with "voluptuous" figures. He it is who punctures your fine attitudes and urges you to look after No. 1, to be unfaithful to your wife, to bilk your debts. Whether you allow yourself to be influenced by him is a different question.

GEORGE ORWELL.

What should be made of that? Perhaps only that Orwell had won out against the fat man within, a victory that is crucial for everyone to try for, even if we are the only ones to celebrate it, in our dying days with a child who knows nothing of our struggle.

COLMAN MCCARTHY.

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## AIRMAN OF THE MONTH

## HON. JERRY L. PETTIS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. PETTIS. Mr. Speaker, on the evening of October 23, 1971, George Air Force Base, Calif., Tactical Air Command celebrated its 7th year of involvement in the program known as Airman of the Month. The banquet for this affair was held at the NCO open mess.

The program referred to herein is basically standard within the Air Force. It seeks to recognize one outstanding member of the service among many on a competitive basis, within the confines of a given cantonment. Each Air Force installation has a similar program.

The uniqueness of the program at George Air Force Base stems from the outstanding civilian-military rapport which has developed through the efforts of a group of interested people.

The program began with an idea on the part of a military member, M. Sgt. Delmar J. Urich—now retired—who was an instructor at the George Air Force Base NCO leadership school, and a member of the Noncommissioned Officer Academy Graduate Association. His idea, which was simply for some of the merchants to donate a small sum, either in cash or trade to the Airman of the Month, received instant acceptance at the next business meeting of the association. Shortly thereafter, he and another member contacted a local Victorville merchant, Mr. William C. Melton.

Mr. Melton, a very public-spirited individual, contacted several merchants, and received a modicum of support. The members of the NCOAGA arranged for a luncheon, and a program was tentatively arranged. Eight business firms each provided $5 gift certificates to the winner. Response to the publicity which followed was gratifying. The next luncheon saw the addition of more merchants. Over the ensuing months, the movement gathered impetus until sheer numbers dictated a shift to the evening banquet. Almost imperceptibly, the NCOAGA became the liaison between the base and the local community. Efforts have been directed toward injection of new ideas into the program, and equal efforts have been made to schedule the banquets at various clubs throughout the Victor Valley. Additionally, procedural changes have also been made, including civilian sponsorship on a 1 for 1 basis—merchant and wife paying the dinner cost for one military man and wife—military sponsorship on a 1 for 1 basis, cosponsorship and no-host. Master of ceremonies duties are jointly shared, with a merchant acting in that capacity for one banquet, a member of the NCOAGA for the next, in a rather loose, alternating fashion.

From the original eight business firms participating, the program has grown to its present status wherein over 100 firms in the communities of Adelanto, Apple Valley, Hesperia, and Victorville are actively participating. Moreover, in several cases private citizens having no commercial ties have donated small cash gratuities to the winners. The banquet of October 23, 1971 included 128 firms.

The fame of the program has kept pace with the program itself. The NCOAGA has received requests from widely separated points in the United States for information about the program. These include Edwards Air Force Base, Calif., Fairchild Air Force Base, Wash., Pope Air Force Base, N.C., and Pensacola Naval Air Station, Fla.

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## BLOOD BANKS—A MATTER OF LIFE AND DEATH

## HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. VEYSEY. Mr. Speaker, this month's issue of Changing Times contains a useful discussion of blood banking in the United States. The article describes the life or death importance of blood banks, and some of the problems that need attention. Next week I plan to introduce legislation to deal with the unnecessary dangers now present in the blood we receive. I commend the Kiplinger article to the attention of my colleagues:

### BLOOD BANKS—A MATTER OF LIFE AND DEATH

The need for blood may be sudden. Will it be there? Here's how to make sure.

Last January a 29-year-old woman with a bleeding ulcer was rushed to the hospital in Milford, Del. During the next three days doctors transfused 13 pints of blood into her veins, enough to save her life. Fortunately, her type of blood in the amount needed was on hand in the hospital, which is served by the Blood Bank of Delaware. The bank, which she had joined just six months before, replaced the blood, which otherwise would have cost her $25 a pint, in addition to hospital service charges that were covered by medical insurance. Altogether she saved a total of $585.

Early in 1967 another woman, the wife of a man from a small Pennsylvania coal mining town, entered a district hospital to have a baby. She hemorrhaged severely during delivery and required transfusions. Her blood, a rare type unavailable locally, had to be sent from a central blood bank miles away. By the time it arrived she had lost the baby and had barely survived the ordeal herself. There is nothing to assure her that she would have any better luck if she should need blood today.

How is it that one community can meet an emergency need for blood while another is unable to? What about your town? Could any family get blood if an illness required it? Would it be safe? What if a number of people in the community needed transfusions the same day?

Keeping an adequate supply of blood available is a complex business. Consider these basic problems:

#### DEMAND

The need for blood grows every year. In 1968 blood banks drew from donors about 6,600,000 pints, representing an increase of 2,000,000 over 1958. About one in 17 hospital patients gets a transfusion, and modern operations such as open heart surgery can take up to 20 pints. Your own chance of needing a transfusion anytime is about one in 80.

Yet all this blood comes from a small group of people who are willing to give, fewer than 3% of the 100,000,000 eligible donors aged 18 through 65, not really enough to give blood banks much of a margin. A year ago in New York City, supply during one week dropped to less than enough blood for a single day.

#### SPOILAGE

After three weeks whole blood begins to deteriorate, so by federal regulation blood can be kept only 21 days and then it must be discarded or separated into plasma and components (see box at the right). Unfortunately, a certain amount of outdating occurs, with anywhere from 3% to 20% spoiling on the shelves, mostly in more remote hospitals.

#### INFECTION

Hepatitis, a viral disease that can damage the liver and cause death among the aged and debilitated, is an ever-present risk for patients receiving transfusions. Ordinarily, donors who have had jaundice or a diagnosed case of hepatitis are turned down. But hepatitis isn't always detected or reported and some tainted donors slip by, accounting for an estimated 30,000 cases of the disease among the more than 2,000,000 persons receiving transfusions each year.

No doubt the riskiest blood is that purchased for a few dollars from skid-row denizens and drug addicts. And, although a new procedure called the Hepatitis-Associated Antigen test can intercept about a quarter of the disease carriers, something needs to be done about the other three-quarters whom the test overlooks.

#### MANY WAYS OF GIVING

Technical problems aside, blood banking tends to confuse donors and patients because there are so many banks and transfusion facility services—nearly 6,000 in all—and because they have overlapping and sometimes conflicting activities. The Red Cross, the biggest single agency, accounts for half of all the blood collected. But there are localities where it doesn't operate at all. In addition to the Red Cross, there are community blood banks, hospital banks, commercial blood banks, nonprofit insurance plans and commercial plans.

Sometimes several of these agencies function in the same place, though not always under the same rules. For example, banks belonging either to the Red Cross or the American Association of Blood Banks handle most of the blood collected, and they must meet the standards of these organizations. But nonmember banks may operate pretty much as they choose. And those that limit their activities within a state are exempt from the federal licensing that covers agencies that ship blood around the country.

Blood donations can be made in several ways. One method is to give an advance donation with no specific person or medical case in mind. A second is to replace blood that has been used by a relative, a friend, a fellow employe or a fellow club member.

Advance donation is a way of both giving to others and helping yourself. In many plans if you donate a pint of blood, the immediate members of your family are eligible to receive blood for a specific period, usually one year.

In replacement donation, when someone receives a transfusion, the hospital or blood bank requests the patient's family to replace the blood. If this is impossible, and you live outside an area of total Red Cross coverage, there will likely be a charge for the blood, usually $25 or, if the blood is rare, much more. To encourage replacement, the price is set high; if medicare applies, the patient is still responsible for payment or replacement of the first three pints.

Some hospitals require a replacement rate of two and even three for one, while others apply the two-for-one replacement only to the first pint, with additional pints being replaced one for one. The two-for-one policy is intended not only to replace blood actually transfused but also as a hedge in case blood is spilled, rejected or outdated or given to charity cases. In some specialized hospitals replacements must be on hand before elective surgery is performed. Note that a donor can ask that his donation be credited to a person in another part of the country.

Whether the blood is replaced or not, there are processing fees involved in a transfusion. Both the patient's and donor's blood must be tested and typed by a laboratory. The samples must be merged or cross-matched to assure perfect compatibility. Charges for the infusion itself include the price of the needle, tray and professional time. Altogether these costs average around $32 and are often paid by medical insurance.

#### DIFFERENT PLANS

Blood bank plans vary from town to town and from hospital to hospital.

The Red Cross program operates 59 blood centers, some of which cover entire states. But the program has never become the single collection agency that health and medical groups expected it would after World War II. Critics say its failure to campaign aggressively for donors at the start left some regions without blood. So hospitals and communities began setting up their own blood banks. Also, venturesome laboratories have established a commercial business in blood that now provides 15% of the nation's requirements and as much as 40% in many large metropolitan areas.

Today the Red Cross blood program stresses advance donation by unpaid volunteers. Patients who receive blood and have none to their credit are asked to have it replaced on a one-for-one basis. There is a processing charge, which hospitals collect from patients and reimburse in part to the Red Cross.

Community blood banks emphasize advance donations much the same as the Red Cross. But many community banks do use paid donors to make up deficits, and they do charge a "responsibility" fee, usually $25 to patients unable to supply a replacement. Some plans, called "blood assurance" programs, work this way: Companies, clubs, unions and other organizations are assigned a quota asking that 20% of the participants donate once a year. If the quota is met, all members of the organization and their immediate families are covered for a year.

Hospital blood banks are independent and range from those with a few pints on hand in a refrigerator to full-fledged blood bank operations. A patient who receives blood but lacks credit with a donor group is asked to replace it, sometimes on a two- or three-for-one basis, or, if that is not feasible, to pay for it.

Blood insurance plans may be either nonprofit or commercial. Nonprofit plans are associated with hospital or community blood banks. An applicant can join one nonprofit plan, for example, by donating a pint of blood or paying a $7.50 annual family premium. Paid donors make up the blood deficits and, except for certain exclusions, all blood needs of a member are met for a specified period. Commercial health insurance policies sometimes make cash payments for blood used. The trouble with these plans is that they relieve the insured person of the responsibility for finding blood replacement and thereby hurt efforts to line up volunteer donors.

### THE FUTURE OF BLOOD BANKS

No reasonable person would deny that there is room for improvement in blood banking. Most groups relying on volunteer donors say the best thing to do is to strengthen their approach and eliminate the practice of paying for blood.

The Red Cross, the American Association of Blood Banks and the AFL–CIO Committee of Community Services, while they have their differences, see an all-volunteer program as about the only way to rule out derelicts and drug addicts who sell their blood for $7 to $20 a pint to commercial "walk-in" banks operating in virtually every big city.

Dr. J. Garrott Allen, professor of surgery at Stanford University School of Medicine, a critic of blood selling, says an all-volunteer system will wipe out 90% of all transfusion hepatitis. And until a reliable test for the infection is devised, he says, every physician should ask that blood come from volunteer donors.

Not everyone agrees that all paid donors are the menace they are made out to be. And a distinction should be made between "safe" donors associated with community blood banks—teachers, hospital workers, medical students and the like—and the risky "walk-in" clients of profit-making commercial banks.

Also, the argument goes, paid donors are better than no donors at all. They will be needed at least until we can improve the efficiency of the system and until more of us overcome our apathy of our fear of being drained every now and then of a pint of blood, a gift that only the human body can manufacture.

### STORING BLOOD

With modern technology, blood can be separated into various parts, which can be used independently for different diseases. Plasma, for example, has a factor useful in treating the bleeding disease hemophilia, and platelets are given to patients with platelet deficiency. People suffering from anemia can be infused with red cells.

More than half of the whole-blood transfusions being done today could be replaced with red cells. This would make remaining components available for specific uses as needed and thereby spread the supply of blood further.

Another important feature of red cells is that they can be frozen and stored until required, a technique that has two advantages: It preserves the life of the cells beyond the customary 21 days and provides a supply relatively free of the risk of hepatitis.

There is nothing new about freezing red cells, but recently the American Red Cross said it had found a better way of removing the preservative from the stored blood. The method has the advantage of sparing more of the red cells for transfusion into the patient. As a result, the Red Cross Blood Research Program is expanding its freezing facilities in a number of cities and expects a supply of 50,000 units by the end of the year.

Wider use of freezing and components is also recommended by such groups as the American Medical Association's Committee on Transfusion and Transplantation, the Component Therapy Institute of Washington, D.C., and the American Association of Blood Banks.

### PLANS THAT GET THE JOB DONE

Nobody can arbitrarily say which is the best method of providing blood. Here's how two successful organizations do it.

The Delaware blood insurance plan now has 85,000 members and, counting dependents, covers over 250,000 people, or 50% of the state's population. Each participating member agrees in advance to donate, or to recruit someone to donate, a pint of blood when called upon.

This unusual nonprofit arrangement does away with imbalance of voluntary plans where a few members give all the blood while the rest get a free ride. Because nearly everyone gives in the Delaware plan, members are now called no more than once every five years. Moreover, the Delaware plan eliminates "crash" recruiting that sometimes loads hospitals with more blood than they can use before it spoils. Operating on the principle that the donor's body is the best storage place, the Delaware plan calls upon members as requested by the hospitals. That way supply stays more nearly even with demand.

To join the Delaware plan, a subscriber agrees to give one pint when called upon. If this is not feasible, he has a friend or relative supply it, or he must pay $25. Each member pays $1 initiation fee and $1 a year dues. Then all dependents listed on his income tax are covered for as much blood as they may need. One member got 348 pints. Neither sickness nor age is a bar if the applicant pays the $25 or gets a healthy substitute.

Since it began in 1955, the Blood Bank of Delaware has reimbursed hospitals of the state with 100,000 pints.

The Irwin Memorial Blood Bank of San Francisco is the blood bank for 59 hospitals and 1,300,000 people in eight counties. This 30-year-old nonprofit bank employs nearly 200 persons and uses the aid of 300 volunteers.

Open seven days a week, the Irwin Bank draws 100,000 units a year, mostly in advance donations, from 40,000 donors in a variety of donor groups. Strict inventory control and active, coordinated appeals to bring in donors account for its success as a nearly all-volunteer blood bank. Its losses have been minimal—just 50 pints of a total of 8,030 collected in July, for example. No quota of blood is set for volunteers, but the Irwin Bank soon plans to request donations of 10% above the amount used by members of donor groups.

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## THE NORTHERN IRELAND SITUATION: A REPORT, NO. 14

## HON. MARIO BIAGGI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BIAGGI. Mr. Speaker, perhaps the most graphic of my reports over the last several weeks have been those that detail cases of British atrocities that arise under the use of the infamous Special Powers Act. This "law" permits the internment of citizens without charge or trial for indefinite periods of time.

Jim Hagen, president of the Irish American Club of Washington, D.C., has just secured additional affidavits from the Association for Legal Justice. Through the club's legislative chairman, John F. Grant, I now have these affidavits and will include them in my series in the Congressional Record.

Amnesty, International on the basis of similar affidavits, has called for an international commission of inquiry into the violation of the Universal Declaration of Human Rights. I have called for just such an investigation time and time again for over a year now. Hopefully, action will be taken soon or the killing and terrorism will continue to take its toll.

Mr. Speaker, I will include at this point in the Record the affidavit of Mr. James Magilton:

### INTERNMENT—NORTH IRELAND 1971: REPORT ON ARREST, INTERROGATION, AND TREATMENT OF JAMES MAGILTON, 68 CLOWNEY STREET, BELFAST 12

*Age:* 60.

*Occupation:* Mechanical Clerk of Works with Building Design Partnerships.

*Health:* Diabetic, Hypertension, 2 minor strokes.

On August 13, 1971 at 5 a.m. soldiers hammered at my door. My wife opened it and soldiers met me on the stairs. I was dressed in pants, undershirt, pullover, shoes without socks. The soldiers began to search. They found 1 old radio receiver from my former days as a ham radio operator. In order to avoid a search which might ransack the house, I told them that I had a licensed pistol and a licensed rifle, the licenses being at the moment renewed at R.U.C. Barracks Springfield Road. The soldiers went almost berserk, and said I had been sniping. They also said "this is all we want, we've got you now." They refused to listen to my explanation that the articles were licensed.

They took me out in a saracen on the Falls Road (almost 400 yards). There I was savagely beaten by soldiers and military police with fists, batons, rifle butts and kicked. On the journey with John Murphy, a neighbour, I was given occasional blows by fists.

When I arrived at Girdwood Barracks I was thrown out of the jeep and made crawl on all fours into the corridor. I was abused physically while I crawled. My hair was pulled.

I was placed against a wall with finger tips only giving me support. Military police kicked my shins and I fell flat on my face. This action was repeated several times with the variation of punches to the stomach and kicks on the shins. I don't remember how often. They tested me with the "gelly sniffer" and the results were negative.

I was taken immediately for interrogation by two Special Branch men. They gave me a cup of tea heavily sugared. As a diabetic I refused it. They sent for an army sergeant who first took me to a doctor and who later promised to get my tablets from the house. I was merely questioned about the licenses for my guns and radio and got absolutely no abuse from the Special Branch men. The sergeant returned and he said that the tablets were unobtainable. I learned later they hadn't come to my home, they had contacted my doctor.

After this I was taken to the gym and seated in a chair in the middle of the gym with 14/20 others widely spaced, also spaced on chairs. I sat there staring ahead. Talk was not allowed. The army sergeant came with my tablets and I took two and water. Another Military Policeman gave me a blanket for my shoulders. The army sergeant came back and asked to be notified immediately if I felt any diabetic symptoms. He offered me a cigarette which I refused although I am a chain smoker. I did this as I was sickened and disgusted at my own treatment and the treatment of others. I was told that contacts were being made with police officers who knew me as a competitor in shooting competitions and whose names I gave during interrogation.

I was taken to another room and given the paraffin test on my hands and face for evidence of recent use of guns. I hadn't fired a shot for over two months due to the disturbed situation. (Fortwilliam Rifle and Pistol Club.)

I was taken back to the gym. Some time

later the sergeant said confirmation of licenses and Gun Club Membership was being confirmed.

I had a second interrogation a little later re name, address and personal details. I was asked to sign the answers. It was read to me as I couldn't read without my glasses and I signed it.

A sergeant gave me back my pocketbook and small change. He told me my guns would be given back later. I was taken in a jeep and left in Beechmount Avenue, about 200 yards from my home.

A neighbour, Marie McNeill met me and was horrified at my condition. I was hardly able to walk. My pullover was torn and my pants were dirty. She asked two men to carry me home. I got in about 1 p.m. to my own home.

My wife sent for Dr. Jim Ryan who examined me and took details of my multiple bruises and abrasions. He has been my doctor since 1934 and only yesterday did he realize that I was a Protestant living in a totally Catholic neighbourhood. The one and only time I was ever beaten was on August 12, 1971 and that was by the British Army. Today I am confined to bed unable to walk and I don't know when I shall be able to.

I am a diabetic and suffer from hypertension. About a year ago I had two minor strokes and was confined to bed for a month. I have since been attending clinics of Dr. Boyle in the Royal Victoria Hospital. I am on constant medication for both complaints.

To the best of my knowledge the information which I have given above is a true and accurate account of what happened.

Signature: J. Magilton.
Witness: Rev. B. J. Brady.
Date: 14 August 1971.

## ENVIRONMENTAL PESTICIDES CONTROL ACT

### HON. WILLIAM S. BROOMFIELD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BROOMFIELD. Mr. Speaker, I was pleased to support the Federal Environmental Pesticides Control Act which regulates the production and sale of potentially dangerous chemical compounds.

The fact that there are presently over 60,000 pesticides on the market demonstrates a clear need for some form of regulation. These products could pose a serious threat to the health of our environment. While it is true that the vast majority are quite safe, there is always the possibility that some may have undesired and as yet unknown side effects. Therefore, it is reasonable and perhaps necessary that we require the closest possible scrutiny of these compounds before they are sold.

Mr. Speaker, I am proud to say that my home State has been a leader in controlling the sale and use of pesticides. Michigan has recognized that the health and safety of her people demands government standards that are set and reviewed by a neutral third party.

Unfortunately, the dangerous effects of these pesticides often spreads far beyond the boundaries of the States where they are initially applied. Carried by winds and streams, they pose a threat to many neighboring States. This is one reason why individual State regulations are not enough. Complete security can only be assured through federally enforced national guidelines.

I was encouraged that a provision which would allow stricter State laws to stand even if Federal ones are weaker was added to the legislation. Surely it would be ironic if under the banner of environmental protection this measure would operate to dilute strong State laws now in effect. In this way, those States which have recognized the critical need for review and licensing of pesticides will not be reduced to a lowest common denominator.

# HOUSE OF REPRESENTATIVES—*Thursday, November 11, 1971*

Rev. V. Frederick Halboth, Jr., pastor, Grace Lutheran Church, Detroit Mich., offered the following prayer:

In the name of the Father, and of the Son, and of the Holy Spirit. Amen.

Our Heavenly Father, we give Thee thanks for our country, for those who laid its foundations, and for those who have sacrificed their lives in its service. Strengthen those who now labor to keep it strong.

Heavenly Father, you know the problems of our world better than we do. Decay in morals, hunger of spirit and stomach, pollution of mind and air, broken relationships between generations and classes, crime in the streets, and the war in distant lands.

Heavenly Father, give wisdom and courage to these leaders of our beloved land as they grapple with these pressing problems. Give them counsel and defense, health and patience to bear the heavy burdens of their office.

We are grateful to them, Heavenly Father, as they serve us with ready hearts and willing minds. Amid the turbulent tenor of these troubled times, we seek Thy security and shelter.

Bless all citizens of this our native land. Make of us a nation and a people who do justly, love mercy, and walk humbly with Thee, their God. Amen.

## THE JOURNAL

The SPEAKER. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed a bill of the following title, in which the concurrence of the House is requested:

> S. 2820. An act to provide foreign economic and humanitarian assistance authorizations for fiscal year 1972, and for other purposes.

## SOUTH CAROLINA NO. 1 IN NATION'S BOND MARKET

(Mr. DORN asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. DORN. Mr. Speaker, South Carolina is No. 1 in the Nation's bond market. A $37.5 million State bond issue, the proceeds of which will in large part be used for education, recently sold in New York at the fantastically low interest rate of 3.867 percent. Mr. Speaker, this is a splendid tribute to the Democratic Party of South Carolina. The South Carolina Democratic Party has for more than 100 years provided our State with progressive and efficient good government.

This good government makes it possible for our State to sell its bonds at the lowest interest rates, rates that each year save South Carolina taxpayers millions of dollars. Good government has made it possible for South Carolina to make a splendid investment in tomorrow at the lowest possible costs. In the words of South Carolina's very able and dynamic State treasurer, Grady L. Patterson, Jr.:

> This sale is another chapter in the continuing story of sound fiscal management and financial responsibility in South Carolina.

Yes, Mr. Speaker, South Carolina is truly No. 1; and South Carolinians point with great pride to the fact that our State's splendid credit rating makes possible new investments for education and a better tomorrow.

## PERSONAL ANNOUNCEMENT

(Mr. MIKVA asked and was given permission to address the House for 1 minute.)

Mr. MIKVA. Mr. Speaker, I was necessarily absent when the House voted yesterday on whether the United States should violate the international boycott of Rhodesia by importing Rhodesian chrome—roll 379. Had I been present, I would have voted "no."

## AN FBI INVESTIGATION

(Mr. SCHEUER asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. SCHEUER. Mr. Speaker, today's Washington Post contains a confirmed story about an FBI investigation of a national television correspondent, Mr. Daniel Schorr of CBS.

The investigation, which involved the questioning of Mr. Schorr's friends and neighbors, was allegedly conducted, because Mr. Schorr was being considered for a "position of trust and confidence" in the Government. This explanation is not credible. In fact, the story suggests to all but the most naive that the investigation was conducted, because the White

House did not like Mr. Schorr's coverage of the news.

If this is so, this misuse of the FBI, this attempt to intimidate newsmen, is outrageous and must be the subject of a thorough and searching investigation by this body.

It comes dangerously close to the manner in which the Greek junta suppresses the press and intimidates reporters by the arbitrary use of police power. The use of the FBI for political purposes is reminiscent of the use of arbitrary police power to intimidate and throttle the free press and free exercise of dissent during the dozen years of Nazism and the half-century-long history of Soviet dictatorship. It does the FBI a grave disservice as a totally nonpolitical law enforcement investigatory body. It sets a precedent which threatens both the integrity of the FBI investigating process, and the integrity of the first amendment and must be stopped now.

In addition to the investigation of Mr. Schorr, this administration has attempted to have reporters such as Mr. Dan Rather transferred from his position as White House correspondent, attempted to control the policies of the Corporation for Public Broadcasting and, of course, attempted to erase the first amendment from the Constitution through the first Government suit in our nearly 200-year history to control the content of a newspaper prior to publication.

In, short, this administration is trying to prevent the emergence of a "credibility gap" not by telling the people the truth but by preventing them from discovering the truth.

The time has come to say "enough." A pattern is now all too clear. In this government of checks and balances, this body must play its rightful constitutional role. The time for a public investigation of the administration's actsions in this area is long past due. I have urged the distinguished chairman of the Judiciary Committee to undertake such an investigation immediately and, in fact, he has informed me that he has already communicated with the Attorney General requesting an explanation of the events surrounding the FBI investigation of Mr. Schorr. The right of the people to know and the right of the media to report without fear of official police-state harassment is at stake.

## A STEP TOWARD A POLICE STATE?

(Mr. EDWARDS of California asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. EDWARDS of California. Mr. Speaker, it is not only appalling but frightening to pick up this morning's Washington Post and read that acting on orders from the White House the FBI has been investigating veteran CBS newsman Daniel Schorr.

I can recall in 1962 when President, then candidate, Nixon was concluding his unsuccessful campaign for Governor of California. In a now famous speech containing remarks directed at the news people who had covered his campaign, he stated that no matter how unfair he thought they were, he did not cancel his subscriptions to any of their newspapers. This was an obvious reference to the fact that President Kennedy had.

I would much prefer frankly that he did cancel his subscriptions or turn off an offending program, that is his individual right. But, to use the intimidation of an FBI probe in utter disregard for the first amendment of our Constitution does not set an example of understanding and devotion to the principles of the Bill of Rights which we have a right to expect from our highest elected official.

## PROVIDING FOR CONSIDERATION OF H.R. 11341, DISTRICT OF COLUMBIA REVENUE ACT OF 1971

Mr. O'NEILL. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 698 and ask for its immediate consideration.

The Clerk read the resolution as follows:

H. RES. 698

*Resolved*, That upon the adoption of this resolution it shall be in order to move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11341) to provide additional revenue for the District of Columbia, and for other purposes, and all points of order against said bill for failure to comply with the provisions of clause 27(b) of rule XI are hereby waived. After general debate, which shall be confined to the bill and shall continue not to exceed one hour, to be equally divided and controlled by the chairman and ranking minority member of the Committee on the District of Columbia, the bill shall be read for amendment under the five-minute rule by titles instead of by sections. At the conclusion of the consideration of the bill for amendment, the Committee shall rise and report the bill to the House with such amendments as may have been adopted, and the previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit.

The SPEAKER. The gentleman from Massachusetts is recognized for 1 hour.

Mr. O'NEILL. Mr. Speaker, I yield 30 minutes to the distinguished gentleman from Nebraska (Mr. MARTIN), pending which I yield myself such time as I may consume.

Mr. Speaker, House Resolution 698 provides an open rule with 1 hour of general debate for consideration of H.R. 11341, the District of Columbia Revenue Act. All points of order are waived for failure to comply with clause 27(b) of rule XI—for failure to set forth the committee vote in the report—and the bill shall be read for amendment by titles instead of by sections.

The principal purpose of H.R. 11341 is to provide additional revenue for the District of Columbia.

The annual Federal payment to the District of Columbia will be increased to $170 million—an increase of $44 million. In addition, there will be an increase in inheritance taxes, motor vehicle fuel tax, corporate income tax, real property tax, and advertising tax. The present business inventory tax will be phased out over the next 3 fiscal years and will be replaced in part by an increase in the rate of tax on taxable income of corporations.

The existing loan authority for the District Sanitary Sewage Works Fund will be increased from $72 to $106 million.

Title VII of the bill makes a number of changes in existing law which propose to decrease expenditures and/or increase efficiency. Among other things, they deal with the disposition of real property, dual compensation, the District budget and Federal grant funds, public assistance rent allotments, personnel limitations, and welfare recipients.

Mr. Speaker, I urge the adoption of the rule in order that the bill may be considered.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. O'NEILL. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

Would the gentleman again state why section 27(b) of rule XI is being waived in connection with this bill?

Mr. O'NEILL. Because the report failed to set forth the committee vote and under the Legislative Reorganization Act such a vote is required, and they neglected to put it in the report.

Mr. GROSS. Mr. Speaker, a few days ago I commended the Committee on Rules for having brought out a completely open rule for the first time in I cannot remember when. I do not want to have to withdraw that commendation of the Committee on Rules, and I would hope that we could again get one rule that did not waive points of order, or otherwise inhibit the Rules of the House.

Mr. O'NEILL. May I say that the Committee on the District of Columbia came before the Committee on Rules and said it was caused through an error on their part and, therefore, for that reason they asked for this rule.

Mr. GROSS. I can understand that there would be an excuse of some kind.

Mr. MARTIN. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, as the gentleman from Massachusetts has explained, House Resolution 698 provides for 1 hour of general debate, under an open rule, except far waiving points of order, to comply with the provisions of clause 27(b) of rule XI of the Rules of the House. I would like to speak on that for just a moment to the gentleman from Iowa because of his recent colloquy with the gentleman from Massachusetts.

As I understand it, and as it was explained to us in our hearings in the Committee on Rules, the waiver is necessary because the Government Printing Office inadvertently failed to include in the report the vote of the committee on reporting out this legislation. It was simply a printing error, and that is why it had to be waived in that one particular instance.

Mr. Speaker, I will not go into the details of the bill's provisions of the Revenue Act for the District of Columbia, since the gentleman from Massachusetts (Mr. O'NEILL) has adequately covered that. I would, however, like to address myself for a moment or two to one provision of the bill—and remember, this is a revenue act—which I very strongly object to being included in this legislation. That is section 708, the provision that would reclassify on a zoning basis the Providence Hospital site located within about four blocks of the Capitol between C and D, and Second and Third Streets, to rezone that so that the developers of that property could put up an apartment house.

These developers attempted to make a fast buck out of this operation when they bought the property in 1962. They applied to the zoning board in the District of Columbia, requesting that it be rezoned so that an apartment building could be constructed on that site.

After a hearing by the zoning board, which was opposed by the residents of the Capitol Hill area, their request was rejected.

Since that time the District of Columbia Committee has included in the legislation, at the latest time, last year, provisions to allow these developers to proceed to build an apartment house on that site.

During debate on that proposal last year, the Speaker of the House, Mr. McCormack, spoke in the well in opposition to the provision. It was a very similar provision—slightly different—but very similar to what we have at the present time in this legislation.

Mr. Speaker, I do not feel that the Congress should enact legislation to allow a few real estate developers to proceed to build an apartment house on this site when they have been turned down by the Zoning Board of the District of Columbia. Also, when there has been generated a great deal of opposition on the part of the residents of Capitol Hill.

I am informed that no hearings were held on this provision and that it was put in at the last minute in this revenue bill which we have before us today.

I understand that an amendment will be offered during debate to remove this provision from the legislation. I strongly support that effort to remove this section from the bill which would rezone the Providence Hospital site.

Mr. Speaker, I am happy to yield to the gentleman from South Carolina (Mr. McMILLAN) if he wishes me to yield.

Mr. McMILLAN. The gentleman has covered the matter I was going to mention.

Mr. MARTIN. Mr. Speaker, I yield to the distinguished minority leader, the gentleman from Michigan (Mr. GERALD R. FORD) such time as he may consume.

Mr. O'NEILL. Mr. Speaker, I move the previous question on the resolution.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. HOSMER. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 359, nays 8, not voting 63, as follows:

[Roll No. 380]

YEAS—359

Abbitt
Abernethy
Abourezk
Abzug
Addabbo
Alexander
Anderson, Calif.
Anderson, Ill.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Arends
Ashley
Aspin
Aspinall
Badillo
Baker
Baring
Begich
Bennett
Bergland
Betts
Biaggi
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Bow
Brademas
Brasco
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byrne, Pa.
Byrnes, Wis.
Byron
Cabell
Caffery
Carey, N.Y.
Carney
Carter
Casey, Tex.
Cederberg
Celler
Chamberlain
Clark
Clausen, Don H.
Clay
Cleveland
Collier
Collins, Ill.
Collins, Tex.
Colmer
Conable
Conte
Corman
Cotter
Coughlin
Crane
Culver
Daniel, Va.
Daniels, N.J.
Danielson
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Dent
Devine
Dickinson
Donohue
Dorn
Dow
Downing
Drinan
Duncan
du Pont
Dwyer
Eckhardt

Edmondson
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fraser
Frenzel
Frey
Fulton, Tenn.
Fuqua
Galifianakis
Garmatz
Gaydos
Gettys
Giaimo
Gibbons
Goldwater
Gonzalez
Grasso
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Grover
Gude
Hagan
Haley
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hathaway
Hawkins
Hays
Hébert
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Tenn.
Karth
Kastenmeier
Keating
Keith
Kemp
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landrum
Latta
Leggett
Lennon
Lent
Long, Md.
Lujan
McClory
McCloskey
McCollister
McCormack
McCulloch
McDade
McDonald, Mich.
McEwen
McFall

McKevitt
McKinney
McMillan
Mahon
Mailliard
Mann
Martin
Mathias, Calif.
Mathis, Ga.
Matsunaga
Mayne
Mazzoli
Meeds
Metcalfe
Michel
Mikva
Miller, Calif.
Miller, Ohio
Mills, Md.
Minish
Mink
Minshall
Mitchell
Mizell
Mollohan
Monagan
Montgomery
Moorhead
Morgan
Morse
Mosher
Moss
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
O'Neill
Passman
Patten
Perkins
Pettis
Peyser
Pickle
Pike
Poage
Podell
Poff
Powell
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Purcell
Quie
Railsback
Randall
Rangel
Rarick
Reuss
Rhodes
Riegle
Roberts
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Runnels
Ruppe
Ruth
Ryan
St Germain
Sarbanes
Satterfield
Scherle
Scheuer
Schneebeli
Scott
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Skubitz
Slack

Smith, Calif.
Smith, Iowa
Smith, N.Y.
Snyder
Spence
Springer
Staggers
Stanton, James V.
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington

Talcott
Taylor
Teague, Calif.
Teague, Tex.
Terry
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Waggonner
Waldie
Wampler
Ware

Whalley
White
Whitehurst
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion
Zwach

NAYS—8

Ashbrook
Bevill
Camp

Gross
Hall
Quillen

Rousselot
Schmitz

NOT VOTING—63

Adams
Barrett
Belcher
Bell
Blackburn
Blanton
Brown, Mich.
Chappell
Chisholm
Clancy
Clawson, Del
Conyers
Derwinski
Diggs
Dingell
Dowdy
Dulski
Edwards, La.
Eshleman
Fish
Ford, William D.
Fountain

Frelinghuysen
Gallagher
Goodling
Gray
Gubser
Halpern
Harsha
Hastings
Jones, Ala.
Jones, N.C.
Kazen
Kee
King
Landgrebe
Link
Lloyd
Long, La.
McClure
McKay
Macdonald, Mass.
Madden
Melcher

Mills, Ark.
Patman
Pelly
Pepper
Pirnie
Rees
Reid, N.Y.
Sandman
Saylor
Schwengel
Stanton, J. William
Steele
Veysey
Vigorito
Whalen
Whitten
Widnall
Wilson, Charles H.
Wyman

So the resolution was agreed to.

The Clerk announced the following pairs:

Mr. Barrett with Mr. Saylor.

Mr. Adams with Mr. Eshleman.

Mr. Link with Mr. Belcher.

Mr. Charles H. Wilson with Mr. Bell.

Mr. Chappell with Mr. Blackburn.

Mr. Dingell with Mr. Brown of Michigan.

Mr. Dulski with Mr. Goodling.

Mr. Gray with Mr. Clancy.

Mr. Macdonald of Massachusetts with Mr. Gubser.

Mr. Jones of Alabama with Mr. Landgrebe.

Mr. Kazen with Mr. McClure.

Mr. McKay with Mr. Lloyd.

Mr. Madden with Mr. Pirnie.

Mr. Blanton with Mr. Pelly.

Mr. Vigorito with Mr. Conyers.

Mr. Rees with Mr. Del Clawson.

Mr. Diggs with Mr. Derwinski.

Mr. Gallagher with Mr. Widnall.

Mr. Fountain with Mr. Harsha.

Mr. Jones of North Carolina with Mr. Reid of New York.

Mr. Whitten with Mr. Hastings.

Mr. William D. Ford with Mr. Fish.

Mrs. Chisholm with Mr. Halpern.

Mr. Melcher with Mr. King.

Mr. Mills of Arkansas with Mr. Frelinghuysen.

Mr. Pepper with Mr. Schwengel.

Mr. J. William Stanton with Mr. Wyman.

Mr. Steele with Mr. Veysey.

Mr. Kee with Mr. Whalen.

Mr. Gray with Mr. Gubser.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## PERMISSION FOR COMMITTEE ON APPROPRIATIONS TO FILE REPORT ON DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972

Mr. MAHON. Mr. Speaker, I ask unanimous consent that the Committee on Appropriations may have until midnight tonight to file a privileged report on the Department of Defense appropriation bill for the fiscal year 1972.

Mr. MINSHALL reserved all points of order on the bill.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

## FACILITATING THE TRANSPORTATION OF CARGO BY BARGES SPECIFICALLY DESIGNED FOR CARRIAGE ABOARD A VESSEL

Mr. GARMATZ. Mr. Speaker, I ask unanimous consent to take from the Speaker's desk the bill (H.R. 155) to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel, with Senate amendments thereto, and concur in the Senate amendments.

The Clerk read the title of the bill.

The Clerk read the Senate amendments, as follows:

Page 2, lines 5 and 6, strike out "this section shall not apply" and insert: "the Secretary of the Treasury may suspend the application of this section".

Page 2, lines 7 and 8, strike out ", including districts, territories, and possessions thereof embraced within the coastwise laws," and insert: "(excluding transportation between the continental United States and noncontiguous states, districts, territories, and possessions embraced within the coastwise laws)".

Page 2, after line 16, insert:

"SEC. 2. For a period of five years following the enactment of this Act, the Secretary of the Treasury shall at the beginning of each regular session make a report to the Congress regarding activities under this Act, including but not limited to the extent to which foreign governments are extending reciprocal privileges to the vessels of the United States."

The SPEAKER. Is there objection to the request of the gentleman from Maryland?

There was no objection.

The Senate amendments were concurred in.

A motion to reconsider was laid on the table.

## DISTRICT OF COLUMBIA REVENUE ACT OF 1971

Mr. CABELL. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 11341) to provide additional revenue for the District of Columbia, and for other purposes.

The SPEAKER. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

### IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H.R. 11341, with Mr. McFALL in the chair.

The Clerk read the title of the bill.

By unanimous consent, the first reading of the bill was dispensed with.

The CHAIRMAN. Under the rule, the gentleman from Texas (Mr. CABELL) will be recognized for 30 minutes, and the gentleman from Minnesota (Mr. NELSEN) will be recognized for 30 minutes.

The Chair recognizes the gentleman from Texas.

Mr. CABELL. Mr. Chairman, I yield myself 10 minutes.

The CHAIRMAN. The gentleman is recognized.

Mr. CABELL. Mr. Chairman, I first would like to commend the excellent efforts of the Subcommittee on Commerce, Trade and Fiscal Affairs for the tremendous amount of effort and time put in on trying to bring to you this revenue bill. There were 13 days of hearings, consuming nearly 60 hours, including 30 hours of open hearings and 30 hours of executive hearings.

I certainly wish to compliment and thank the members of the subcommittee for their patience and for their diligence. I was privileged to conduct these hearings on the revenue proposals of the District of Columbia, and I should like to point out again that our subcommittee held over a dozen hearings on these proposals in order to attempt to thresh out and agree upon proposals to assist the District of Columbia insofar as humanly possible, and at the same time do justice to the millions of taxpayers all over the United States for carrying such a huge part of the tax revenue requirements of the District of Columbia.

Our committee has long felt that it has a dual obligation. It has an obligation to the people of the District of Columbia to provide them with the necessary facilities, the necessary programs to keep them on a par with any similar community in the United States or elsewhere. It also has an obligation to the general public, that is, the American public, to maintain this, their Nation's Capital, in the finest possible posture. We have an obligation to those people also, both in the District and the Nation at large, to see that their costs are held at the most efficient level consistent with services rendered and required as is possible.

Likewise, it is also necessary that the Congress protect tax moneys provided through the terrifically large Federal contributions for these various programs. Our committee feels, and I am sure most Members will agree, that we have a right to see to the judicial spending of our tax dollars.

I will very briefly go into and briefly discuss the titles of the bill, and then I will be glad to yield for any questions that may be presented.

Title I is an increase in the inheritance tax within the District as requested by the District government—however, not to quite the same extent. This is an increase that ranges from 1 percent on certain categories, to as much as 8 percent in those inheritances in excess of $1 million. A summary of the rates is indicated as follows:

H.R. 11341—D.C. REVENUE ACT OF 1971

TITLE I—INHERITANCE TAX:

50 percent increase over present rates:
1 percent over $5,000 to $25,000
2 percent over $25,000 to $50,000
3 percent over $50,000 to $100,000
5 percent over $100,00 to $500,00
6 percent over $50,000 to $1 million
8 percent in excess of $1 million

(Foregoing is for father, mother, husband, wife, children or other lineal decendents, or adopted children, of the decedent.)

For other persons than those named above the tax is as follows:
5 percent from $1,000 to $25,000
10 percent from $25,000 to $50,000
14 percent from $50,000 to $100,000
18 percent from $100,000 to $500,000
22 percent from $500,000 to $1 million
23 percent in excess of $1 million

It is estimated that the additional revenue to be derived from this increase will be approximately $2.8 million per year.

Title II provides for the phasing out and ultimate repeal of the business inventory tax which the committee believes is a regressive tax in that it withholds revenues from the District government. This will be phased out beginning in 1973, and the phasing out will be wound up in 1975, as indicated in the summary following:

*Title II—Repeal of Business Inventory Tax*—Said tax to be phased out as follows:
Two-thirds of present rate for fiscal 1973.
One-third of present rate for fiscal 1974.
Entirely repealed as of July 1, 1974.

Resulting tax loss $2.6 million for 1973; $5.3 million for 1974; and $8.5 million for 1975.

This will mean by 1975 a decrease of approximately $8 million, but this will preclude the habit that merchants properly have of keeping their inventory at a bare minimum or else storing their inventory outside the District. Since our neighboring districts do not have this business inventory tax, we feel it is only fair to the business people and merchants of the District to phase this tax out.

Title III is an increase of 1 cent per gallon on motor fuels, from 7 cents to 8 cents per gallon. Both Maryland and Virginia apparently have 7 cents per gallon, but it is quite possible and probable that they will raise to 8 cents. This also is estimated to yield approximately $1.5 million, and it also repeals the exemption for existing tax for "nonhighway use."

Title IV on corporation income tax increase from 6 to 7 percent whereas the Maryland rate is presently 7 percent, and the Virginia rate 5 percent. The estimated yield on this is $3 million annually.

Title V is an increase in the special funds borrowing authority of the District of Columbia. This is highly necessary in their capital improvements work with reference to the sanitary sewer works by increasing their borrowing capacity from $72 to $106 million. These public works projects are or should be self-liquidating.

This provision also increases the borrowing capacity of the funds by $10.5 million for the sanitary sewer works.

Title VI is that portion of the revenue bill for the District that comprises the Federal contribution to the District government, which, under the provisions of this bill, increases the Federal contribution by $44 million to a total of $170 million.

Title VII authorizes the disposition of some District of Columbia land in Prince Georges County, Md., at a market value of approximately $572,000. This land has been declared unusable and unneeded for

District purposes. Therefore, it was not considered necessary or even expedient to continue to hold, when a half million dollars could be put into the general fund.

Section 702 prohibits dual compensation from grant funds received by the District of Columbia which would be in addition to regular salary payments from appropriated funds. I believe that is more or less self-explanatory.

Section 703 requires the District government to submit to Congress, along with its own budget proposals, a schedule showing all funds available to the District from grants from any Federal agency, department, or instrumentality, or any private source. This does not in any way reduce those funds, nor does it put them under the control of the Appropriations Committee, but it does allow both the authorizing committee and the Appropriations Committee an opportunity to see the total amount of money that is being expended for various District projects.

Mr. Chairman, as chairman of the Subcommittee on Business, Commerce, and Fiscal Affairs of the Committee on the District of Columbia, I was privileged to conduct hearings on the revenue proposals of the District of Columbia, and I should like to point out that our subcommittee held over a dozen hearings on said proposals during the months of June and July; and thereafter held over six executive sessions in an attempt to thrash out and agree upon proposals to assist the District of Columbia insofar as humanly possible and at the same time do justice to the millions of taxpayers all over the United States for carrying such a huge part of the tax revenue requirements of the District of Columbia.

Our committee has long felt that it has a dual obligation. It has an obligation to the people of the District of Columbia to provide them with the necessary facilities, the necessary programs, to keep them on a par with any similar community in the United States or elsewhere. It also has an obligation to the general public, that is the American public, to maintain this, their Nation's Capital, in the finest possible posture. We have an obligation to those people also, both of the District and the Nation at large to see that their costs are held at the most efficient level consistent with the services rendered and required that is possible.

Likewise, it is also necessary that the Congress protect tax moneys provided through the terrifically large Federal contributions for these various programs. Our committee feels and I am sure most Members will agree that we have a right to see to the judicial spending of our tax dollars.

### PRESENT SITUATION

The District of Columbia government is in a fiscal hiatus of its own making and in such dire financial straits that it has in effect asked the Congress to bail it out.

In the words of one top District official, "The District faces a desperate fiscal crisis" and in the words of the District Commissioner:

> Our tax base is not sufficient to support our needs. Even to meet our mandatory costs alone, would require more revenue than the District currently can produce from present sources and existing rates.

Two years ago, before our committee requesting additional revenue for its 1970 budget of $712.3 million, the Commissioner testified: "We are at the bottom of the barrel."

The situation has not changed, insofar as the District Government is concerned, and it is not only at the bottom of the barrel, but it is trapped at the bottom because by reason of its gargantuan appetites for devouring funds, its girth has expanded to such a size it cannot extricate itself from the barrel, much less stand on its own feet, or much less pull itself up by its own bootstraps.

The District is like the reaper cutting his harvest, who garners in not only the grain, but every straw and weed in sight, and when the same are threshed he ends with more chaff than he does wheat; and while he has expended considerable efforts and money in sowing and cultivating, the crop harvested is completely inadequate to meet his payroll needs, and he finds himself in debt.

How has this fiscal hiatus come about? The only explanation is that there has been lacking that prerequisite financial responsibility and that willingness on the part of the local residents in the District of Columbia to carry their full share of the tax burden to support the programs, facilities, benefits, wage scales, and cultural advantages existing in Washington, not enjoyed in the surrounding area, nor in any other cities in the Nation.

### REAL PROPERTY TAX

Our committee has been much disturbed over the schism between the District Commissioner and the City Council over the setting of the tax rate on real property in the District of Columbia. As has been pointed out, the District Commissioner prepared his budget and his revenue requests of the Congress upon the assumption, among others, that there would be imposed a 30-cent increase in the real property tax rate, to provide $11.7 million additional revenue to the District, out of the $91.8 million allegedly required for fiscal 1972.

It is within the experience and knowledge of many members of our committee that the real property taxes in the various States are much higher than those in the District of Columbia, and it was the considered judgment of your committee that the District of Columbia real property taxes should be increased and that the 30-cent increase requested by the Commissioner was reasonable and appropriate under the circumstances.

The District of Columbia City Council has authority under delegation by the Congress in 1922 to the District Commissioners—and by the Reorganization Act to the Council—to determine the rate of taxes necessary to pay the District's share of the cost of local government. The delegation of taxing authority by the Congress in 1922 (D.C. Code Title 47, sec. 501) is stated in the Act of June 29, 1922, as for the purpose of producing "a tax at such rate as will, when added to the other taxes and revenues of the District, produce enough money to enable the District to pay promptly and in full all sums directed by the Congress to be paid by the District, and for which appropriation has been made."

With this authority, the Congress gave the District Government substantial flexibility so that it could present budget requests which would balance against its anticipated revenues and permit adjustment of the tax rates by the District government on real and personal property.

Our committee continues to be much disturbed over the prevalent practice of the District Government in submitting unbalanced budgets, not submitting them until April, later than was the practice prior to the reorganization of the District government, and attempting to put the onus on the Congress and the committees charged with District matters for failure in the very brief time elapsing before the end of the fiscal year to approve the next year's budget and any additional revenues necessary to balance the same, or wield the axe to achieve a balanced budget.

The District of Columbia itself refuses to increase even its own taxes toward meeting the common need for additional expenditures it claims are justified. While the District of Columbia Commissioner recommended an increase of 30 cents, namely, from $3.40 per $100 of assessed valuation, the District of Columbia City Council refused to approve the same and only approved an increase of 10 cents per $100, or to $3.20 per $100. So that although the District Commissioner was depending upon his recommendations being adopted, to provide a total $11.7 million toward the $90.3 million claimed need, the District government through the Council has only provided a 10-cent increase, to yield an estimated $3.8 million.

Neither the Council nor the Commissioner proposed any other tax to make up the deficit of $8 million. The Council's only action is to provide a 3.2-percent increase in the real estate tax, as against the 10-percent increase requested by the Commissioner, a modest increase particularly since the District's effective tax rate is lower than that in both Maryland counties adjoining the District; and lower than that for the cities of Alexandria and Fairfax in Virginia.

Following is a tabulation showing the effective real property taxes in the District of Columbia as compared with the surrounding jurisdictions.

It will be noted therein that both the adjacent Maryland counties have a considerable higher effective tax rate than does the city of Washington.

Also the city of Alexandria and Fairfax City in Virginia have a higher effective rate, whereas the adjacent Virginia counties have rates that are lower than that in the District of Columbia.

It is the judgment of our committee therefore that any increase such as that requested of the Council by the District Commissioner, namely, a 30-cent increase which is only a 10-percent increase, is reasonable and therefore recommended by our committee as appropriate action to be taken by the city council.

*Effective real property taxes (1971)*

| | *Per $100* |
|---|---|
| District of Columbia | [1] $1.68 |
| Prince George's County (Md.) | 2.22 |
| Montgomery County (Md.) | 1.98 |
| Alexandria (Va.) | 1.75 |
| Fairfax County (Va.) | 1.45 |
| Fairfax City (Va.) | 1.75 |
| Falls Church (Va.) | 1.44 |
| Arlington County (Va.) | 1.37 |

[1] Effective rate for 1972 will be $1.73⅓ due to the City Council's 10 cent increase (from $3.10 to $3.20) on the actual tax rate—compared with $5.52 actual rate in nearby Baltimore (to go up $5.83 in 1972).

Source: D.C. Government, Dept. of Finance and Revenue, July, 1971.

Our committee feels strongly that the council is not meeting its obligations, and it is the sense of our committee that the council levy such property tax rates at levels to produce the District's share of additional revenues allegedly necessary to maintain the District's operation.

In the District of Columbia Revenue Act of 1969, our committee included a provision, which was approved by the House, withdrawing the delegation of taxing authority to the council and restoring this power to the Congress. Your committee did not go that far in this measure, but if the council fails to carry out its responsibilities in this regard our committee will have no choice but to recommend to the Congress that it resume its taxing authority on local real property to help meet the District's budget.

The CHAIRMAN. The gentleman has consumed 10 minutes.

Mr. CABELL. Mr. Chairman, I yield myself an additional 5 minutes.

Section 704 is to assure public assistance given in the nature of rent allowances received by recipients for public funds shall be payable as rent and not be retained by the individual for his own purposes or withheld from the landlord or lessor by action of the tenant alone.

May I make clear to this committee that the moneys are not arbitrarily or automatically turned over to the landlord. It means they will be put in escrow. If the withholding is legal because of noncompliance with landlord contracts then that money would be retained. There have been so many instances over the past several years where literally hundreds of thousands of dollars have been withheld—a great amount of it from the public housing units—where the money was spent, and then HUD had to turn around and appropriate more money to pay the service charges of this public housing.

The recipient of such public assistance must continue to maintain his eligibility, and provision is made under the Commissioner's direction for the withholding and retention of such funds if there is any dispute because of alleged violations of housing codes and so forth.

Section 705 requires all persons who are recipients of the public assistance under welfare or social services programs to carry positive identification cards containing photograph, social security number, and other identifying information, as is required in other jurisdictions, and which is being put into effect here already. If Members will read our report, they will notice we put a great deal of emphasis on a better policing effort on the nearly 100,000 recipients of welfare in this District, to see that fraud is prevented or, if fraud is there, fraud is detected and acted upon accordingly.

Section 706 provides that there shall be a freeze on the level of employment in the District of Columbia Government at 39,613 jobs.

Section 707 provides that interstate motor carriers, subject to regulations of the DOT should not be subjected to the Wage and Hour provisions of the District of Columbia law.

Thus enabling the 31 local carriers—of more than 250 carriers in the metropolitan area—to compete with these other carriers in contracting for and carrying out their business although based in the District of Columbia.

Section 708 provides for the construction of buildings on the Providence Hospital site, of a commercial nature, such as would be allowable under the zoning classification C–4, and not limited to residential construction only.

Section 709 permits use by the Commission on the Organization of the District of Columbia Government to use employees of the District of Columbia and Federal governments and also to provide for printing the Commission's report when filed March 22, 1972.

Section 710 imposes an advertising tax on all forms of commercial advertising at a rate of 4 percent, estimated to produce $2 million per year.

Real property tax, while the committee itself did not resume authority to levy the real estate tax—presently invested in the City Council—the committee expressed grave concern over the failure of the District of Columbia Council to increase the tax by 30 cents—namely, from $3.10 to $3.40 per $100 of the assessed value—as requested by the District of Columbia Commissioner and intended to provide $11.7 million in additional revenue.

The Commission had only increased the tax by 10 cents, or to $3.20, to yield an estimated $3.8 million.

The committee expressed the sense of the committee that the entire increase should be effected in order that the District may help to carry its fair share of the tax burden in revenue required for the District.

Gentlemen, I believe I have tried to provide Members with as brief but as accurate a résumé of the contents of this bill as possible.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. CABELL. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. Can the gentleman amplify to some extent the necessity for increasing the handout on the part of all the taxpayers of the country to the District of Columbia to the tune of $44 million, in other words from $126 million to $170 million?

Mr. CABELL. I will say to the gentleman from Iowa I find myself in the position of not agreeing with certain provisions of the bill—I feel constrained, as floor leader to sustain the position of the committee,

Mr. GROSS. I hope I never arrive at that state of affairs on any committee on which I serve, but I guess we all operate differently. However, the gentleman has my sympathy in that respect if he cares to accept it.

Mr. CABELL. I think you will find that the position of the gentleman in the well is very clearly stated in the record and in the statements in the hearings.

Mr. GROSS. Now, with respect to this title V, I am not sure I understand what is proposed to be done. This is another $34 million increase, beginning on page 6 of the bill. I have read page 7 of the bill, and I do not know what is proposed to be done under this title and these various sections. Can the gentleman amplify briefly what is proposed?

Mr. CABELL. Yes. This is to take care of the highly essential expansion of facilities for sewage disposal. It takes care of completing the Dulles interceptor line, and by virtue of service fees collected it will be self-liquidating.

Mr. GROSS. You hope.

Mr. CABELL. But the District is handling the sewage and a great deal of the water resources for the area, including particular States and counties. They are charged a user fee, which is estimated to be set at an amount sufficient to amortize the cost of that portion of those facilities required for the neighboring communities.

Mr. GROSS. Does the gentleman say that it is in the realm of cold, hard fact that this money will be paid back, or does he just hope that it will be paid back?

Mr. CABELL. I find it difficult to answer that question.

Mr. GROSS. I thank the gentleman for yielding.

Mr. HOLIFIELD. Will the gentleman yield for a question?

Mr. CABELL. Yes. I yield to the gentleman.

The CHAIRMAN. The time of the gentleman has expired.

Mr. CABELL. Mr. Chairman, I yield myself 1 additional minute.

Mr. HOLIFIELD. On page 15 there is section 708 in the bill which is a matter of controversy and it was a matter of controversy 2 years ago. It was withdrawn 2 years ago. Would the gentleman tell me what the disposition of the committee is with regard to this section?

Mr. CABELL. Is that Providence?

Mr. HOLIFIELD. Yes, it is.

Mr. CABELL. Would the gentleman permit me to yield to the distinguished chairman of the committee who has a statement which I think he wishes to make on this subject.

Mr. McMILLAN. I would like to state that I have a committee amendment prepared to take this portion out of the bill.

Mr. HOLIFIELD. I thank the gentleman.

Mr. NELSEN. Mr. Chairman, I yield 5 minutes to the gentleman from Virginia (Mr. BROYHILL).

Mr. BROYHILL of Virginia. Mr. Chairman, I wish to voice my support for the bill H.R. 13411, as amended and reported by the Committee on the District of Columbia, which is designed to afford additional revenues for the District of Columbia and a number of other purposes. In its present form, this is a good bill and deserves the support of this body.

The provisions of H.R. 13411 which will produce additional revenues for the Nation's Capital, and the estimated amounts of these increased yields, are as follows:

*Estimated yield per full fiscal year*

| Item | *In millions* |
|---|---|
| Increase authorization for the annual Federal payment from $126 million to $170 million | $44.0 |
| 4 percent sales and use tax on all commercial advertising | 2.0 |
| Increase gasoline tax from 7 cents to 8 cents per gallon | 1.5 |
| Increase corporate franchise tax from 6 to 7 percent | 3.0 |
| Increase inheritance tax rate | 2.8 |
| Recommended increase in real property tax rate by 20 cents per hundred dollars of assessed value.[1] | 7.6 |
| Total | 60.9 |

[1] This increase is contingent upon action by the D.C. City Council. It has been recommended also by the D.C. Commissioner.

I realize that certain of these increases, such as the recommended increase in the real property tax rate and the increase in inheritance taxes, cannot produce any new revenues during the present fiscal year. Also, other items cannot produce more than a partial yield for this fiscal year. However, there is certainly an increase of at least $46 million for the present fiscal year available from these items.

In the District of Columbia budget request as submitted to the Congress for fiscal year 1972, the total amount requested for operating expenses was $719.2 million, or an increase in operating funds alone over the preceding fiscal year of some $83 million. In testimony at our hearings on District of Columbia revenue needs for fiscal year 1972, conducted last June, the Commissioner of the District of Columbia advised us that his recommendation for additional needed revenues was $90.3 million. In August, however, we were advised by the District of Columbia Budget Office that after completing a comprehensive reexamination of the budget they had concluded that if the District of Columbia commitments for fiscal year 1972 were to be substantially realized, they would need $72 million of additional revenue. At the same time, they advised us further that the amont which they would need to "meet mandatory and uncontrollable costs" would be $61 million.

Quite recently we were sent a list detailing the mandatory increase requirements for fiscal year 1972, and this latest and most up-to-date estimate of needed additional revenues was $60 million. While the increased revenues which may be expected to accrue during this fiscal year from the enactment of H.R. 11341, listed above, will fall some $14 million short of this latest estimate of needed additional funds, I feel that this represents a rational and appropriate amount at this time. In the first place, I believe that some further curtailments may well be found possible in this estimated need for $60 million. For example, I do not believe that this estimate takes into account the provisions of section 706 of the bill, which will limit the number of authorized permanent full-time positions which may be filled in the District government during this fiscal year to 39,619. This, I am informed, will achieve a reduction of at least 500 such positions, and a consequent very considerable saving. In addition, I believe that other savings may be feasible. Furthermore, from my years of experience in this area of legislation, I am convinced that the provisions presently in this bill will not constitute the final form of the legislation when it is enacted into law, and that the final amount of the additional revenues will be appreciably higher as a result of Senate action and House-Senate conference on the bill. For these reasons, I am confident that the District government will receive sufficient revenues to meet their obligations for the present fiscal year, even though the full amount necessary does not appear to be provided by the bill presently under consideration.

I wish to state unequivocally that I and my colleagues on the District of Columbia Committee are fully cognizant of the responsibility of the Congress to assure adequate financing for the District of Columbia government. This city cannot be financially self-sufficient. It is the Federal City, and belongs to every citizen of the United States; and for this reason, it is the obligation of all American citizens to provide, through the Federal payment to the District, all the funds the city needs, over and above the revenues which its own citizens are reasonably able to contribute, to maintain the standard of government and services properly commensurate with its status as our Nation's Capital.

I fully appreciate the fact that to a very large degree, the unprecedented increases in the District's budgets over the past several years actually reflect the national trends in this respect. The specter of inflation haunts this entire Nation, as the value of the dollar has continued to decline. And in all our large cities, the problem of drug abuse has spawned a terrible increase in street crime, which in turn has triggered a multitude of social evils. In their efforts to combat these problems, every city has had to spend ever-increasing sums of money. The District of Columbia, in the past 5 years, has added some 2,000 police officers to its force—with the result that the incidence of crime in the city has begun to decrease. In addition, a highly effective narcotics treatment program has been developed, with the result that some 3,000 persons are presently receiving treatment in various forms. And the expanded court system, which was made possible by the crime bill which we enacted into law in the last Congress, is now beginning to exert a beneficial effect on the crime problem in the city. All these factors are contributing to a very real degree to a breakthrough in reducing crime in the Nation's Capital. In addition, there is no doubt that other needs and problems exist—in health, institutional services, recreation and culture, community and economic development, physical facilities, and ecological programs. We in the Congress are aware of these needs, and stand ready to provide what is necessary in the way of funds to serve them.

At the same time, however, I must state that the District of Columbia also has a responsibility, to exert every feasible economy in the operation of its government and to forgo or defer those programs which, while they may be highly desirable, are of lesser immediate importance than other more essential items of expense. Again, the District of Columbia is not unique in this respect either. The fact is that the taxpayers in this entire Nation are rapidly reaching a limit in their ability to support further increases in their tax burden. For this very grim reason, the necessity for austerity in funding new programs in the governments of every county, city, and State in this entire Nation has become absolutely essential.

The District of Columbia government has a responsibility also to produce all possible and reasonable revenue from its own citizens. Actually, I believe that this has virtually been achieved, except for one item of local taxation, and this is the tax on real property. For the past 2 years, the District of Columbia Commissioner, who recognizes this responsibility, has requested the District of Columbia City Council to increase the tax rate on real property by 30 cents per hundred dollars of assessed value. However, the Council has refused to take this step, although they did reluctantly grant a 10-cent increase this year. I sincerely hope the Council will respond to the recommendation in H.R. 11341, and act to increase this tax rate by an additional 20 cents, as the Commissioner has requested. This increase will result in an effective tax rate in the city which will not exceed the average such rate in the metropolitan area, and I feel that the property owners in the District should assume this degree of fiscal burden of the city.

Within the framework of these mutual responsibilities as I have outlined them, I feel that we in the Congress can assure the District of Columbia of adequate financing, now and in the future, for the proper operation of its government.

I wish particularly to express my support for the provisions of title V of this bill, which will increase the maximum limit for borrowing for two special funds—the D.C. sanitary sewage works fund and the metropolitan area sanitary sewage works fund. The former will be increased from $72 million to $106 million, and the latter from $25 million to $35.5 million. Both of these increases in loan authorizations will be for the purpose of increasing the capacity of the D.C. treatment facility at Blue Plains, and also the ability of that plant to achieve higher degrees of purity in its operation. I have taken a strong interest in the problem of pollution of the Potomac River, and was the author of the provision in the D.C. Revenue Act of 1970, which required the Environmental Protection Agency to study this problem from the standpoint of relief for the entire metropolitan area, and to report its findings and recommendations to the

Congress. This study was completed and the report filed; and further legislative action will undoubtedly be forthcoming. Regardless of this action, however, the Blue Plains treatment plant is the heart of the sewage treatment program for the area, as it handles effluent from considerable parts of nearby Virginia and Maryland as well as the District of Columbia. Its facilities are now badly overtaxed, and it is presently treating about 265 million gallons per day, to about 70 percent purity. The plan is to increase the capacity to the maximum of 309 million gallons per day, at 96 percent waste removal. The loan authorizations in this bill will provide the District's share of the cost of this essential project, and the cost of these loans, both principal and interest, will be paid from the fees charged to the users of this sewage system. Thus, there will be no additional burden on the taxpayers as a result.

Another provision of H.R. 11341, which will be removed from the bill by committee amendment, and on which hearing will be held in the future, was designed to correct an inequity of long standing with regard to the site of the old Providence Hospital, located between D and E Streets and Second and Third Streets, Southeast. For a period of some 80 years, a Catholic order of nuns known as the Daughters of Charity operated the Providence Hospital on this square. When they acquired property elsewhere in the city and built the new Providence Hospital, the old buildings were leased to the General Services Administration.

In 1962, a group of private investors known as the Providence Associates of Washington, D.C., purchased this property, with the intention of continuing to lease the buildings to the Federal Government. Soon thereafter, however, the Government canceled their lease. Then the buildings fell into disrepair, condemnation proceedings were brought by the District of Columbia government, and in 1965 the structures were razed. Since that time, the site has stood empty.

This land is situated only two blocks distant from the present east boundary of the U.S. Capitol, and thus is within the territorial jurisdiction of the House Office Building Commission. At the time the property was purchased by the present owners, there was interest on the part of the House Office Building Commission to acquire this site as a part of the Capitol Grounds, possibly as the location for a Capitol Police Academy or for other future needs; and this interest continued for some years, until very recently.

When the present owners of this site were faced with the prospect of not being able to realize any revenue whatever from the property, they were obliged to seek some means of protecting their investment. They were impressed with surveys which indicated a real need for modern apartment facilities, with offstreet parking and adequate shopping area, in the Capitol Hill area. Hence, they applied to the District of Columbia Zoning Commission for a rezoning which would make such an enterprise possible. This application was rejected, however, largely because of the influence of the Architect of the Capitol, who is also a member of the Zoning Commission.

As a matter of fact, the Architect of the Capitol consistently opposed any rezoning or other efforts which would make it possible for private investors to make any practical use of this property. His position in this matter was perfectly proper, of course, as he was protecting the interest of the Congress in acquiring this site for use in connection with the U.S. Capitol. And I wish to emphasize the fact that the owners of the property were perfectly willing to sell the land to the Capitol. This situation came to a climax, however, in October of 1968, when the House Office Building Commission approved the acquisition of this property and directed the Architect of the Capitol to request the funds for this purpose in his regular budget estimate for fiscal year 1970. Unfortunately, however, the funds were denied.

Thus, the Providence Associates, through no fault of their own, were obliged to continue to pay taxes on this valuable property and yet were denied any opportunity whatever to realize any income from it—simply because the Congress wanted to acquire ownership of the land, and yet would not approve its purchase in appropriation legislation.

I felt strongly that this situation should not be allowed to continue, and was the author of a provision in a bill in the 91st Congress which would simply have forbidden the acquisition of square 764 by the Congress. This bill was considered in the House on May 11, 1970, and on that occasion the Speaker of the House took the floor and asked that this provision be deleted from the bill, stating that he hoped the Committee on Appropriations would approve the next request for funds for this purchase, and that he would instigate a renewal of such a request at an early date. In deference to the Speaker, we acceded to this request.

As a result of the Speaker's interest, the House Office Building Commission did take action again on September 14, 1970, and ask for this item in a forthcoming supplemental appropriation bill. Again, however, the Committee on Appropriations refused to allow the item.

In a subsequent action, the House Office Building Commission has directed the Architect of the Capitol to take no further action on the matter of purchase of this property. At last, thereafter, the issue has been resolved, and it is now definitely established that the Capitol will not acquire this site.

In light of these developments, the time has come to extend some measure of equity to these frustrated property owners. The language in section 708 of this bill would do exactly that, by providing that buildings may be constructed on square 764 which may be used for any purpose allowable under zoning classification C-4—with the very important restrictions that no such building may be more than 90 feet in height and that the plans and specifications for any building be subject to the approval of the Architect of the Capitol.

This would be in no way an arbitrary use of the power of Congress, nor a derogation of any authority of the D.C. Zoning Commission. It is true that the Zoning Commission could consider an application for zoning classification C-4 for this property. In granting such an application, however, the Zoning Commission could not impose the special restrictions provided in this bill—and both are essential for the protection of the interests of the Congress to assure the fact that no buildings may ever be constructed on square 764 which will be esthetically incompatible with the Capitol Buildings.

The commercial use of buildings on this site is amply justified, of course, by reason of the fact that the three former buildings located there were in nonresidential use for at least a century. As I have pointed out, however, this proper usage can be granted, together with adequate special conditions for the protection of the Capitol Hill area, only by action of the Congress. I am confident that our future hearings on this subject will serve to remove the confusion and misunderstanding which presently prevail on this matter.

I wish also to express my support for section 707 of H.R. 11341, which will exclude employees of motor carrier companies in the District of Columbia who engage in interstate operation and thus come under the regulations of the U.S. Department of Transportation, from the provisions of the D.C. Minimum Wage Act as far as overtime hours are concerned. The Fair Labor Standards Act provides, on a realistic and practical basis, regulation of hours for such interstate carrier employees—and this includes only drivers, drivers' helpers, loaders, and mechanics in such operations—and these regulations apply to such employees of all motor carrier companies in the United States, except those located in the District of Columbia. Through an erroneous interpretation of certain provisions in a bill amending the D.C. Minimum Wage Act in 1966, an interpretation which was never the intention of the Congress, the D.C. Minimum Wage Board has decided that these employees must be entitled to overtime pay for work in excess of 40 hours in any work week. This has caused an unfair hardship for the local trucking companies engaged in interstate operation, of course, because their competitors elsewhere are controlled only by the Fair Labor Standards Act and do not face the burden of this additional pay for their employees.

We attempted to correct this inequity in our D.C. Revenue Act of 1970, but as a result of some misunderstanding in conference with the Senate, language was agreed upon which in no way solves this problem.

It is my opinion that taxpaying businesses are leaving the District in all too great a number, for a number of reasons, and that it behooves us in the Congress to remove this further stimulus to such defections, for the benefit of the city.

There are a number of minor provisions in the bill, all of which will be beneficial. These include a ban on dual compensation for employees of the District of Columbia government; a requirement that the expenditure of all funds, including private grants and those obtained from the Federal Government as well, must be included in the District of Columbia budget each year and approved by the Congress; a stipulation that rent subsidy payments to persons on public assistance in the District may be withheld for proper payment if the recipient fails to pay his rent; and a provision that recipients of public assistance in the city be provided with identification cards.

Mr. Chairman, we on the District of Columbia Committee have worked long and hard on this proposed legislation, which is a compromise of conflicting points of view among our members. It is a highly constructive bill, and I urge its favorable consideration at this time.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield to me on one point?

Mr. BROYHILL of Virginia. I would be glad to yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman goes to some length and says that the Congress is responsible for a considerable amount of the increase in the cost of the local government. He overlooks the fact that the District government comes here seeking these increases in salaries and so on. Now, would the gentleman agree with me that the revenues, the source of revenues—the possibility of obtaining revenues in the District of Columbia is not adequate for it to keep pace salarywise for its employees with the employees of the Federal Government? Does the gentleman agree with me on that?

Mr. BROYHILL of Virginia. I do not understand the gentleman's question.

Mr. ABERNETHY. Does not the gentleman agree that the District government is just not capable of paying salaries to its employees comparable to those paid by the Federal Government?

Mr. BROYHILL of Virginia. No, they are required by law to do so.

Mr. ABERNETHY. No. They come to the Hill and say, "We have to keep pace for the District government," but, actually, they do not have the revenue with which to keep pace.

Mr. BROYHILL of Virginia. May I say to the gentleman that we have provided by law the increases for the District of Columbia employees. About 90 percent of these increases are automatic, when we increase the salaries of Federal Government employees.

Mr. ABERNETHY. Mr. Chairman, if the gentleman will yield further, does the gentleman think we should do that when the people who pay the taxes here are not able to pay that kind of tax?

Mr. BROYHILL of Virginia. I think we have to pay the employees of the District government salaries comparable to those received by employees of the Federal Government and of private enterprise.

Mr. ABERNETHY. Does the gentleman feel that the salaries of employees throughout the Nation should be comparable to those paid by the Federal Government?

Mr. BROYHILL of Virginia. May I say to the gentleman from Mississippi, my time is running out. We can discuss this matter further under the 5-minute rule.

Mr. Chairman, I say this is a good bill. It is a compromise bill.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. NELSEN. Mr. Chairman, I yield the gentleman 5 additional minutes.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman.

Mr. ABERNETHY. As I understand it, this is called a District revenue bill. This bill raises—how much money—about $50 million; does it not?

Mr. BROYHILL of Virginia. It raises actually $53.3 million and recommends other revenues which can be raised by action of the D.C. Council.

Mr. ABERNETHY. That includes taxes on advertising too; does it not?

Mr. BROYHILL of Virginia. That is correct—$2 million is the estimated annual yield from that proposed tax, and the newspapers here want this provision taken out of the bill.

Mr. ABERNETHY. There will be an effort made to take that out and it will probably prevail which will leave $51 million that will be in the revenue bill. Now of that $51 million, $44 million of it will come out of the taxpayers of the 50 States; is that not true?

Mr. BROYHILL of Virginia. That is correct.

Mr. ABERNETHY. In other words, we are getting $7 million out of the District and $44 million will come out of the rest of the taxpayers of the United States—yet, they call this a District tax bill.

Mr. BROYHILL of Virginia. I think you can put this another way. We are faced with a D.C. budget of approximately $700 million. The Federal Government owns approximately half of the land here in this city—this is the Nation's Capital, and we propose that the Federal Government pay $170 million, and the people of the District of Columbia are paying the rest.

Mr. ABERNETHY. I am reliably informed that if taxes were paid by the Federal Government on every piece of property it owns in the District assessed at the same value or at the same percentage as they assess private property, the Federal taxes would only be $106 million and not $170 million.

I offered a proposal in committee for the Government to make that kind of arrangement and the gentleman voted to table it.

Mr. BROYHILL of Virginia. There is no way that you can practically or properly arrive at an assessed tax value of this building, the Rayburn Building, or any of the other monumental shrines here in the Nation's Capital.

Furthermore, it makes no difference what the assessed value or the alleged assessed value may be. If we do not make Federal payments sufficient to support this city, and a deficit budget results, we are going to have to raise the difference in some way.

Mr. NELSEN. Mr. Chairman, I yield such time as he may require to the gentleman from Connecticut (Mr. McKINNEY).

Mr. McKINNEY. Mr. Chairman, I would just like to add to the gentleman's comments when he was talking about the assessed value of the real estate. If the Government real estate were assessed and taxed in this city, we would pay well over $130 million. I think the Members should keep it clearly in their minds that the Government's real estate does not contribute any other form of taxes to this city. It does not contribute corporate taxes or any type of business or real estate tax which business does contribute.

Yet, we take a massive land area and this Congress, in this wisdom, has limited the height of buildings in this city so that the city cannot get the maximum use of the real estate in the downtown business area that most cities would get. All of these things added together, even more increase the lack of revenue that comes into the city because of the Federal Government being here.

Mr. NELSEN. Mr. Chairman, I have just returned from the District Committee. We had a bill there for improving the hospital facilities of the District of Columbia. This runs into many millions of dollars.

But I notice there are 20 sponsors on the bill already to support that expenditure. I think this has been a process that we have sort of followed a little bit, not taking into account that when the revenue bill comes along that you add costs here and there to the District's operation—authorizations for many programs—and then we complain about the fact that the District cannot always meet the costs of the many programs Congress votes for them.

I might point out further I would like to have you keep in mind that we are really dealing with an authorization. Individual items will be reviewed line-by-line by the Appropriations Committee. I am sure Mr. NATCHER'S committee will do a fine job of examining each item, and if there is any item in the bill that needs further examination, I am sure Mr. NATCHER will give it the close examination required. But I might point out that if you read the report accompanying the bill, especially my supplemental views, you will find that the proposed tax increases that were offered by the committee—gasoline tax, inheritance tax, sales tax, real property tax, increased Federal payment, reciprocal income tax—those items, had they passed—and they were recommended by the chairman of the subcommittee—this would have totaled $50 million—not $44 million, but $50 million. So I presume there is recognition by virtue of this of the total budget needs of the District of Columbia.

However, may I say that never has our committee under any leadership done a better job of holding hearings than has Mr. CABELL carefully done relative to the revenue bill. So I want to say I compliment him highly for what he has done, and I think he has put in long and arduous hours. Our relations have been very good and very friendly dealing with this whole proposal. We may criticize, and usually we wind up in the committee with somebody complaining about the cost, that it is too high, and I have asked the question: "What do you do about it?" Usually, mostly nothing, except criticize.

My contribution, a constructive one I think, is the Little Hoover Commission. The name has now been changed to "the

Nelsen Commission," and I hope we can do a good job. We are sitting in a meeting this afternoon in public hearings and I am sorry I cannot be there for those hearings. We are examining the operation of the city government in every detail, hopefully to bring about some reorganization that will move in the direction of greater economy.

We have had some criticism of the Commission, I understand, that we have been sitting behind closed doors in our monthly meetings. You may ask the question, Why? So do I because as we go along and find critical items, it is not my purpose, nor is it the purpose of other members of the Commission I believe, to embarrass the Mayor in any way, but merely to do a careful study so that finally we can come up with a recommendation, not with the idea of grabbing headlines each day as we go along, but with the idea of coming up with something that will result in a good job.

I am going in some detail to point out where the costs have gone up so terrifically for the District. For example, I remember when we considered in the committee need for additional policemen: One thousand policemen for President Johnson at an annual cost of $9,800,000, and another 1,000 policemen, under President Nixon's crime program which costs $9.8 million a year.

The court reorganization—everybody knows that we needed that change in that area, and I joined with other members of the committee to effect this. May I say one of the greatest champions and most effective men on this floor in bringing about this necessary legislation was my colleague, Mr. ABERNETHY. You will recall the job he did, the great job on court reorganization, and the reports we get show that court is doing better, the backlog has been cut. But that bill cost us $13 million annually.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I am happy to yield to the gentleman from Mississippi.

Mr. ABERNETHY. The gentleman has overlooked the fact that we had a tax bill here last year that increased the Federal payment, and also increased income taxes and other taxes, which more than took care of the very thing, the gentleman is now talking about. Is that not correct?

Mr. NELSEN. I thank the gentleman. But may I point out, as we go down this list, when the request came in for money from the District, we saw that they asked for, I think it was, a $90 million increase. I said, "Forget it, as far as I am concerned, because I have seen budgets back home. I have seen budgets down here. Usually you can show to the agency that there is a little padding in there with the idea that it will be cut." I said, "Forget it." I am proceeding on a minimum need standard.

What did we get a year ago? What was the figure that the Natcher committtee approved for the District; it was $126 million. So the items that have been added as annualized increases are $38 million. We in the Congress of the United States are responsible by acts of the Congress of the United States for $38 million in District increases. We in Congress have approved in effect within-grade increases of $6.1 million for the District employees. Annualization of pay increases of $6.3 million have been provided for District employees in our pay acts. Two extra days because of leap year coming up—think of this—$1,800,000 additional costs, because of those 2 extra days. And our pay acts provide for this pay and while the District has absorbed some of these costs, as have other Federal agencies, they cannot absorb it all.

We go down the line, through the court reorganization, drug treatment centers, and so on, and all of it adds up to $38 million, plus items of police and others, which total $44 million.

I went down and talked to the chairman of the committee, Mr. McMILLAN, and said, "Here is what I come up with, $44 million, and I have not found anybody that has broken down or discredited it, and found those figures to be out of line." We talked about it. The gentleman from South Carolina (Mr. McMILLAN) offered the amendment for the $170 million in committee. I know he feels as I feel, that the total cost of running this city government is too high. I know everyone in this room would feel that something ought to be done about it, but I want to say in defense of my own position that at least I am trying to do something about it with the efficiency commission we have formed.

In the report it says the District government has not come up with any recommendations on how to raise more money. They have come up with some recommendations, but the Congress has turned them down. This is not a city with industry or city with a tax base, such as many others may have. The Government of the United States is the industry of this District and we must recognize this.

I would say that in many areas the costs are way out of line, but I hope when we get through with our Commission study that we may come up with some answers that can reduce costs.

May I say, it is a very uncomfortable position for me to be in—to push for an increase in payment—because I am basically conservative, and I feel there is nobody conservative who is not careful and who is not concerned with the costs of local government. But, I feel there is no other place to go with a budget of this size. It is not my intention, if I am on the conference committee, to budge on this figure. I think this figure will cover their needs. The figure of the Office of Budget and Management was higher than mine. I want to say the District government did review their budget with the Office of Budget and Management of the U.S. Government. Mine is lower than the Office of Management and Budget and the District's.

So this is my argument, as I see it. I sometimes wonder why any one of us should even take the punishment we often get for being on this committee, but if I am on a committee, whether it be this one or any other one, I intend to exercise my best judgment and be fair in dealing with the problems. I am being fair and I am exercising my best judgment.

I might point out in this bill there are items I did not support, and one of them has traditionally been in the area of advertising.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from California.

Mr. ROUSSELOT. Mr. Chairman, on the point of the proposed advertising tax, does the gentleman really feel that is justified?

Mr. NELSEN. I think the gentleman will find in the RECORD a paper that will be submitted by the gentleman from Ohio, Congressman HARSHA, in which he takes the view, and I support it, that it would be an unproductive thing as far as the District of Columbia certainly, because we need always to have in mind what Maryland is doing and what Virginia is doing as respects taxes. Too often we overlook that. As a result we chase industry out of the District of Columbia, and their tax base gradually is reduced by our actions.

Mr. ROUSSELOT. In other words, they would just move across the various lines?

Mr. NELSEN. That is my feeling, yes, or the business would go to the suburbs.

Mr. ROUSSELOT. Will the gentleman yield on a further point? I suppose this is an oversimplification, but the gentleman asked the question, what do we do about the tremendous increase in the cost of this government? Other local governments, when they face this problem, usually are forced to reduce expenditures. Has considered reducing expenditures?

Mr. NELSEN. I certainly hope it will be. This is what we are trying to do with the recommendations we are going to get from our commission and I also might point out that there has been some, action taken by the District, but perhaps not enough.

Mr. ROUSSELOT. Has there been any attempt by the local government to reduce present high expenditures like on other local governments?

Mr. NELSEN. There has been, yes.

Mr. ROUSSELOT. An attempt to systematically reduce expenditures?

Mr. NELSEN. To some degree.

Mr. ROUSSELOT. Have they been successful?

Mr. NELSEN. To some degree, but they have not gone as far as I think they may have gone.

Mr. ROUSSELOT. Maybe the gentleman in the well can put some examples in the RECORD. I thank the gentleman for yielding.

Mr. HOGAN. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Maryland.

Mr. HOGAN. With respect to the comments made by the gentleman from California, I would like to say that the same concern which he has expressed here today was one which motivated the Congress to enact the Nelsen Commission bill, the so-called Little Hoover Commission which is more accurately called the Nelsen Commission.

The purpose of the act was to study the District of Columbia government comprehensively to see if there are ways economies can be effected. I do not know of anyone who would be more zealous in that regard, or more capable in that function, than the gentleman from Minnesota (Mr. NELSEN) who is now in the well.

Mr. SNYDER. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Kentucky.

Mr. SNYDER. Being in the real estate business, my fancy was sort of taken by section 701, which appears on page 48 of the report, and says that 143-plus acres of land in Prince Georges County is to be disposed of. Apparently this is authorizing the sale of this land at $4,000 an acre, for $572,600.

I just wonder if the committee took some testimony on this value?

Mr. NELSEN. I believe a response to the gentleman's question needs to be made by the chairman, because I am not familiar with the details. It is my understanding there is some need of some clarification relative to the local community having a first choice, which I certainly would agree they should have. I am sure the gentleman from Maryland (Mr. HOGAN) will take care of the problems in his district.

Mr. SNYDER. I understand the gentleman has an amendment to offer to the bill, for this land to be offered to Prince Georges County. Even if it is offered to Prince Georges County, I would want them to pay the fair value.

The report indicates that the value of $572,600 is in excess of $2 million less than the valuation figure attached to the property many years ago. Knowing property values generally around the Nation's Capital, $4,000 an acre for land does not seem like much money.

Mr. NELSEN. I might comment, that is what I am asking for land back home on the farm, I doubt it is that low.

Would the gentleman from Texas (Mr. CABELL) care to comment on that? Maybe it is $4,000 an acre?

Mr. CABELL. In order to conserve time, if the gentleman will withhold, I will try to clarify that under the 5-minute rule.

Mr. SNYDER. I thank the gentleman. I will be glad to do so.

Mr. HOGAN. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Maryland.

Mr. HOGAN. With reference to the amendment alluded to, I do in fact intend to offer an amendment at the appropriate time, calling for an offer to sell the land to Prince Georges County before it is offered to the public. My amendment would require that this land first be offered to the Prince Georges County government, and only upon refusal of that county to purchase it, could it be offered to other would-be purchasers.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from California.

Mr. ROUSSELOT. How much land was taken off the tax rolls?

Mr. NELSEN. I do not believe I could answer that. The gentleman from Texas (Mr. CABELL) has more detail than I do.

I include the further remarks and insertions in the RECORD:

Section 709 of H.R. 11341 relates to the Commission on the Organization of the Government of the District of Columbia, also referred to as the Nelsen Commission, of which I am the Chairman. It amends Public Law 91–405, our enabling Act in two important respects:

(1) It clears up any ambiguity there may be about the fact that the report of this Congressional Commission will be printed as a Congressional document. As the author of the bill that was enacted into law as Public Law 91–405, certainly that was my intent, and I feel sure that was the intent of Congress. However, this clarifies the matter, I understand, for our planning purposes.

(2) It permits the Commission to obtain some experts in areas such as budgeting, management and systems analysis, etc. from other agencies on terms as agreed to between the Chairman of the Commission and the head of the agency or department. In other words, if another Federal agency has a person with some special expertise in an area that will help the Commission staff in conducting our study, this will permit that agency to detail their employee to our Commission on either a partial or non-reimburseable basis as agreed to by me and the head of that agency. Here again, we believed we had this authority, but the amendment clarifies the situation and makes it clear that such authority rests with the Commission.

With respect to section 710 of H.R. 11341, I voted against including this measure in the Bill in Full Committee and I will vote in favor of removing it now. It will, I believe, on balance not appreciably help the revenue picture of the District and may in fact hurt it. Radio stations located outside the District for instance could offer lower advertising rates to those who wish to reach the District consumers and listeners. We could thus drive business or businesses to the suburbs which is a flow I believe we are trying to stem if not stop.

I further extend my remarks with information provided me by the District government relevant to this debate:

Section 601 of H.R. 11341, as amended, provides for a Federal Payment of $170 million.

I supported this amendment in Full Committee and I would oppose any attempt to lower it.

The Federal Payment we set here today is nothing more nor less than a ceiling authorization. The D.C. Appropriation Subcommitte has already had hearings and will go through the District's budget in a more detailed way. I have confidence that my good friend Congressman Natcher will not reach the ceiling we set here today unless there is good reason for it.

For my part, I must believe the District officials when they say that anything less than $170 million will result in cuts in their base budget. That existing, rather than new programs, will have to be cut back. If they must be cut back, I for one would rather that that task be assumed by the D.C. Appropriations Subcommittee which is better prepared by reason of their extensive "line item" type hearings to make those judgments. On the other hand, I do not wish to force that Subcommittee to do so by recommending such a low Federal Payment that they have no choice but to cut or force nonselective cutbacks.

I want to say that my good friend and colleague, Congressman CABELL, the chairman of the District of Columbia Committee's Business, Commerce and Fiscal Affairs Subcommittee that held hearings on this revenue bill did a fine job. I believe the extent of effort and time spent in these hearings was as extensive as any held in recent years. He is to be commended for this fine job. Certainly, as the former mayor of a large city, he is conversant with many of the problems which exist in large urban areas, and his experience was of great value to the full committee in considering this bill.

However, we are here again on the floor this year as we were last year and the year before agonizing over the Federal payment. Is it too much, is it enough, is the District raising enough of its own revenue, is the District government efficient or not?

Now it is true that I have voted for and support the higher payment but, and this is a mighty big and important but, 2 years ago after we considered the 1969 revenue bill I decided that something further should be done for the District government as was done by former President Hoover for the Federal Government in the late 1940's and early 1950's.

The Evening Star newspaper in an editorial of November 10, 1971, which apparently followed our hearings closely considers that the $44 million dollar increase in Federal payment is a responsible act. But, like myself, they feel the city is long overdue an examination by an outside group like our Commission. The editorial follows for insertion in the RECORD in its principal parts:

The committee responsibly voted a $44-million increase in the payment, brightening the District's fiscal outlook considerably. In the absence of a big boost in the federal sharing of costs, the city could not hope to struggle through another year at even a minimum level of survival. . . .

But that is not to say that questions of local governmental efficiency should be, or can be, brushed aside. If the city is to look, as it must, to Capitol Hill for aid, its firm obligation is to trim every possible ounce of fat from its spending programs. Furthermore, a long-overdue outside probe of how that might be done is under way right now by the congressionally authorized Nelsen Commission. And it is a happy circumstance of timing that District citizens will have an opportunity to participate directly in the process this week.

The commission's first public hearings will begin at 2 p.m. tomorrow in Room 2125 of the Rayburn House Office Building, and continue through Friday. Chairman Ancher Nelsen advises a substantial turnout.

We join in that suggestion. Left to its own devices, the commission no doubt could produce some valuable proposals for organizational changes and administrative revampings. It is a rare opportunity, however, that is offered citizens to criticize or constructively suggest changes in their own government. For who should know better where the areas of waste and faulty operations are?

The commission's final report is due next March. If it should develop that this week's hearings produce no worthwhile ideas, there will be few grounds for public complaint about faults left uncovered.

Turning again to the important matter of the Federal payment, I have asked the District government to provide me with information relating to what the Congress has done by way of enactments to lay a funding requirement on the District government that annualizes itself each year.

The District's position is stated below:

The question raised was as to the extent of D.C. budget increases over the past five years which have resulted from legislative action by the Congress. In responding to this question, it should be stressed that most new programs or major new efforts of the District of Columbia must originate with enabling legislation enacted by the Congress, inasmuch as the Congress acts as the primary legislative body for the District. It is also important to note that new thrusts are not conceived of separately and apart from the desires and policies of the District government. The Congress, the Federal Government, and the District were all actively concerned and seeking legislative authority to modernize and expand the District's judicial system. The result is the enactment of the 1970 Court Reform and Criminal Procedures Act.

As a result of these relationships, legislative actions often have a pervasive budgetary impact and it is difficult to separate a specific impact from the ongoing program at a particular point in time and budget of the responsible District agency. In many cases, a new law may expand the responsibilities or workload of a particular agency to meet that responsibility. In almost every budget year, this kind of impact is felt in various areas of District operations. For example, the Minimum Wage and Industrial Safety Board is requesting additional funding (6 positions and $75,200) in fiscal 1972 to meet increased inspections and related workload principally due to amendments of the Industrial Safety Act. These amendments were enacted in the 1970 Revenue Act and expand the law's coverage to all places of employment in the District.

From year to year there are many such budget requests, some approved and some denied, which are related to Congressional actions. Because of the broad ranging and pervasive impact, however, it would be nearly impossible to trace out over a five year period the total amount of cumulative funding added to the D.C. budget in response, directly or indirectly, to legislative actions of the Congress. There are however some cases which should be highlighted because of the major impact and direct relationship of the increased funding required.

### PERSONNEL COSTS

The District of Columbia personnel system operates under the jurisdiction of the Federal Civil Service System and as such the increases in salaries and benefits which have been enacted over the last several years have sharply affected the District's budget. The pay and benefits systems for District police, firemen, teachers and judicial employees are separate from the Civil Service System. However, in order to maintain a competitive pay scale, in line with the rising cost of living, comparable increases have been approved for these classes of employees. A study of the total effect of "General Actions on Personnel" has shown that these actions account for an increase of $97,227,600 of the FY 1970 budget over the FY 1964 budget; 37.8% of the total budget increase for those years is due to general actions on personnel. The detail follows:

| | Increase fiscal years 1964–70 | Percent of total |
|---|---|---|
| Salary increases to classified employees | $21,853,000 | 8.5 |
| Salary increases to wage board employees | 13,353,400 | 5.2 |
| Salary increases to policemen and firemen | 13,302,700 | 5.2 |
| Salary increases to judicial employees | 73,000 | 0 |
| Salary increases to school teachers and officers | 22,648,800 | 8.8 |
| Reclassification of positions | 2,609,800 | 1.0 |
| Within-grade salary advancements | 10,826,300 | 4.2 |
| Personnel benefits (Health Benefits Act) | 237,900 | .1 |
| Police and firemen's pension and relief fund | $8,457,800 | 3.3 |
| Employees' compensation and unemployment compensation | 704,300 | .3 |
| Administrative expenses, workmen's compensation | 92,900 | 0 |
| Teachers' retirement fund | 1,159,900 | .5 |
| Judicial retirement | 37,600 | 0.0 |
| Other | 1,870,200 | .7 |
| Total | 97,227,600 | 37.8 |

### SCHOOL TRANSIT SUBSIDY

Public Laws 87–507 and 90–605 authorized the District of Columbia to implement a school transit subsidy program to subsidize the difference between the reduced fare for school children and the regular adult fare as set by the Washington Metropolitan Area Transit Commission. This program has received appropriations as follows: $34,472 in 1967; $32,000 in 1968; $1,227,000 in 1969; $1,487,000 in 1970; and $3,203,035 in 1971. In FY 1972 the request is for $212,300, with a reserve established of $2.3 million for this program if the authorizing law is extended by the Congress.

### METRO

The National Capital Transportation Act, as amended, authorized the planning and construction of the regional rail rapid transit system. Funds appropriated thus far are:

| | Operating funds | Capital funds |
|---|---|---|
| 1966 | | $2,000,000 |
| 1967 | $257,300 | 4,527,500 |
| 1968 | 921,300 | |
| 1969 | 1,135,345 | 3,150,000 |
| 1970 | 1,298,855 | 41,615,000 |

The fiscal 1971 request of $34.2 million and the fiscal 1972 request of $38.3 million are presently pending before the Congress.

### HUMAN RESOURCES

Public Law 90–227, authorized the District of Columbia's participation in the Title XIX Medicaid program of medical services to persons eligible for any of the four Federally-assisted categories of public assistance. Incremental funds approved for Medicaid totalled $500,000 in FY 1970, a net additional amount of $2.1 million in FY 1971 ($2.7 million approved; $600,000 redirected), and an increase of $4.9 million is pending in the FY 1972 Budget.

Public Law 90–452, the D.C. Alcoholic Rehabilitation Act of 1967, recognized alcoholism as a public health problem, not a criminal problem, and formed the basic legislative authority for the District's residential treatment and rehabilitation program for alcoholics. In FY 1972, the budget request for this program is $3.9 million, an increase of $171,000 over 1971.

The Social Security Amendments of 1967 required every state to implement a program of income supplementation to supplement the income of AFDC mothers working full-time, but earning less than they would receive if they were on welfare. This program was begun in Fiscal Year 1971 with an appropriation of $175,000. In FY 1972, the request is for $4.8 million.

For the public assistance programs, OAA, AFDC, AB, and APTD, eligibility requirements are set by Federal law. The intake of new cases is a direct factor in the expenditure levels for welfare. The District's caseload has risen substantially in recent years following a nation-wide pattern influenced by Federal administrative requirements, court actions and economic conditions. The rise in D.C. appropriations resulting from this trend is as follows:

[In thousands of dollars]

| | OAA | AFDC | AB | APTD |
|---|---|---|---|---|
| 1965 | $502 | 2,949 | 65 | 1,031 |
| 1966 | 422 | 3,165 | 62 | 1,098 |
| 1967 | 507 | 3,935 | 74 | 1,404 |
| 1968 | 685 | 5,079 | 89 | 1,894 |
| 1969 | 834 | 6,696 | 87 | 2,086 |
| 1970 | 1,312 | 11,449 | 108 | 2,938 |
| 1971 | 2,025 | 20,265 | 126 | 5,179 |
| 1972 | 2,844 | 30,626 | 150 | 7,795 |

### PUBLIC SAFETY

In the area of public safety, considerable program expansions and increases in expenditures have resulted from Presidential recommendations and Congressional approval of enabling legislation.

In 1966, the President's Commission on Crime in the District of Columbia made public its findings and recommendations on law enforcement in the Nation's Capital. The recommendations were very extensive and dealt with the full range of District responsibilities and functions. They involved the activities of 30 D.C. operatng agencies. Many of the findings were policy oriented, or related to organizational issues which may or may not have had budgetary impact. In addition, many new programs and new emphases were recommended and have formed the basis for District agency program planning and operations since that time, as for example the Department of Recreation's Roving Leader program. The recommendations of the President's Commission on Crime have had a significant and all-pervasive influence on budgetary and program increases for the District operating agencies.

Three specific examples in the public safety area are the expanded police force, the 1970 Crime Program and the 1970 Court Reform Act. In May, 1968, President Johnson called for an increase in the D.C. police force from 3,100 officers to 4,100. The annual cost of the additional police officers is $9.8 million.

In 1970, following President Nixon's speech of January, 1969, the District undertook the implementation of the President's Crime Program for D.C. This program included an increase in the authorized level of the police force from 4,100 to 5,100 officers and an increase in police cadets and civilian employees; Youth Group Homes, a Diagnostic and Evaluation Program and Pre-Delinquency Program of the Social Services Administration; improved departmental administration, community correctional programs, a Youth Crime Control program, a narcotics program, improved security and improved medical and classification services for the Corrections Department; expansion of the Human Relations Commission; and increased staff for the U.S. Attorney's Office and the U.S. Marshal's Office. The appropriations for the 1970 Crime Program are as follows:

| | Fiscal year 1970 | Fiscal years 1971 and 1972 |
|---|---|---|
| Corrections Department | $2,300,000 | $4,200,000 |
| Justice Department | 990,000 | 1,180,000 |
| Social Services | 560,000 | 1,460,000 |
| Human Relations | 120,000 | 270,000 |
| Police Department | 4,340,000 | 10,040,000 |
| Total | 8,310,000 | 17,150,000 |

Public Law 91–358, the Court Reform and Criminal Procedure Act, was approved in July 1970 and authorized many significant and thoroughgoing reforms of the District's court and judicial system. The implementation of this Act will require extensive programs and services not only in the traditional Public Safety agencies, but also in such agencies as the Department of Human Resources which provides important services in the areas of rehabilitation, institutional services, job training, education, psychiatric care.

These services are especially important to the effective operation of the total criminal justice system and to the prevention of criminal activity. The estimated annual cost of programs which implement the provisions of this Act is $13 million, once the total program is underway. Initial programs to implement the mandate of the Court Reform Act were funded in the Fiscal Year 1971 Supplemental appropriations acts.

*The 1971 first supplemental expenses related to court reform*

[Total=$3,830,000]

| | |
|---|---|
| Office of the Corporation Counsel: | |
| Special Litigation Division, Juvenile Division, and Administrative Support | $225,000 |
| Department of General Services: | |
| Space Rental for judicial activities | 551,000 |
| District of Columbia Superior Court: | |
| Ten additional judges and staff, Executive Office, Social Services Division, Clerk's Office, Data Processing | 2,329,000 |
| District of Columbia Court of Appeals: | |
| Three additional judges and staff | 280,000 |
| District of Columbia Bail Agency: | |
| Strengthened services | 170,000 |
| Public Defender Service: | |
| Strengthened legal services, Offender Rehabilitation Division, Coordination of Appointments of Private Attorneys | 275,000 |

*The 1971 second supplemental expenses related to court reform*

[Total=$1,044,000]

| | |
|---|---|
| Department of General Services: | |
| Increased security in the courts | $12,000 |
| District of Columbia Commission on Judicial Disabilities and Tenure | 11,000 |
| U.S. Courts: | |
| The District's share of the increased costs of Federal Court operations | 906,000 |
| Department of Human Resources, improving education at the receiving home | 85,000 |
| Department of Human Resources psychiatric services to emotionally disturbed youths | 30,000 |

*The 1972 budget requests related to court reform*

[Total $4,621,986]

| | |
|---|---|
| District of Columbia Superior Court: | |
| Seven additional judges and staff, support staff for the Criminal, Civil, Family Divisions and the Probation Department | $743,000 |
| District of Columbia Court of Appeals: | |
| Increased workload; handling bar admission-grievances | 191,500 |
| U.S. Courts: | |
| Reimbursement of Federal court costs | 622,400 |
| Public Defender service: | |
| Appellate Division | 153,100 |
| Annualization requirements of 1971 supplemental appropriations | 2,911,986 |

The recommended increase of $44 million in the Federal payment consists primarily of increased costs resulting from previous actions of the Congress. Included also are the increased costs of the medicaid program and the Narcotics Treatment Agency. A discussion of each item contributing to the $44 million requirement follows:

1. Within grades.................... $6.1

Agencies submit their total within grade funding required for all employees eligible for within grade increases for the fiscal year under consideration. These requirements are documented by position within the budget request. The total funding requirement is then added to the personnel compensation required for the authorized positions within the base. A lapse rate based upon experience factors is then applied to this combined requirement to arrive at the personal services money requested.

2. Annualization of Government-wide pay increases.................... $6.3

Public Law 91–656, effective January 10, 1971, authorized salary increases for classified employees; Wage Order 70–6, effective November 11, 1970, authorized salary increases for wage board employees; and an increase for GS–085 guard positions, effective November 11, 1970, to meet the special minimum salary rate and rate change established by the U.S. Civil Service Commission provided additional supplemental funds in Fiscal Year 1971. In order to assure full funding for Fiscal Year 1972 to meet these mandatory salary increases, agencies requested $7,506,800. The 1972 budget submitted to the Congress contains only $6,262,600, a reduction of $1,254,800 or approximately a 17 percent decrease of the original agency request.

3. Payment for 2 extra weekdays....... $1.8

Estimates for personnel compensation are based on a 40-hour workweek and a total of 52 workweeks, plus two extra days for those positions where the administrative workweek results in two extra days in Fiscal Year 1972. Most Federal agencies are requesting compensation for one extra work day in Fiscal Year 1972 because the 1972 base includes funds for one extra day requested in Fiscal Year 1971. The District in Fiscal Year 1971 did not request funds for the extra day. This extra compensation was absorbed by the District in Fiscal Year 1971 and therefore requires an increase to meet the two extra days in Fiscal Year 1972. Many District agencies are absorbing the two extra days pay.

4. Compensation payments........ $500,000
Employee disability compensation.. 220,000

Enactment of P.L. 89–488 approved July 4, 1966, substantially liberalized benefits under the Federal Employees' Compensation Act. The most significant provisions of this amendment were: (1) increased the maximum compensation from $525 to 75 percent of the highest step of GS–15 (making current maximum $1,970 per month); increased the minimum payment per month from $289 to $306 per month; the compensation payment will be automatically increased with each legislative pay increase approved by the Congress; and (2) provided that future increases be based upon Consumer Price Index use of 3 percent for three consecutive months.

Thus, this mandatory program provides: Medical treatment and care for employees injured in job performance including hospitalization, doctors, private duty nursing, medical supplies, compensation for permanent disability, partial or total; burial expense in case of death on the job; compensation to surviving widows and children; and expense of vocational rehabilitation when practicable. Funds appropriated for this program are solely for the payment of compensation and related expenses, and remain available until needed.

Operating expenses for Personnel Office employees engaged in this work are included in fund for the Personnel Office, D.C. This Unit processes all employee injury and occupational disease reports and claims within the purview of the Federal Employees' Compensation Act (FECA): studies, interprets and recommends proposed legislation in the disability compensation field; trains compensation representatives in the operating departments.

The $220,000 requested is to cover increases in medical costs, cost of living increases, legislative pay raises, and heavier claim loads.

Employee Unemployment Compensation, $267.0 thousand.

This is a required program which provides unemployment compensation benefits for eligible former District Government employees. Under law, since October 1, 1955, any former District employee who qualified has been eligible to draw unemployment compensation benefits. The District Government includes in its annual budget request funds estimated necessary to pay these benefits for the succeeding year. These funds are expended through the District Unemployment Compensation Board.

Public Law 87–424, approved March 30, 1961 substantially liberalized the unemployment compensation benefits. The most significant provisions of this Act were: (1) increased the maximum benefit payment from $30 to a current $73 per week, with benefit payments being computed on an annual basis, based on a rise in the consumer price index, and (2) increase the maximum length of duration payment time from 26 to 34 weeks.

The $267,000 requested will be used to pay the increase in benefit payments and the increase in number of claimants.

Workmen's Compensation—Administrative Expenses, $44.5 thousand.

Administration of this program for the District of Columbia is vested in the Bureau of Employees' Compensation, U.S. Department of Labor. Administrative expenses are included in the District's appropriation even though actual administration and disbursements of funds rests with the Bureau of Employees' Compensation. The annual District budget requests for these funds is based upon an estimate of administrative costs provided by the Department of Labor for the budget year.

Funds contained in the increase of $44,500 for fiscal year 1972 are: within grade advancements ($15,000) and the classified pay increase which became effective January 10, 1971 ($29,500).

5. Retirement and Relief Payments.... $2.6

Public Law 91–297 (approved 6/30/70) raised policemen's and firemen's salaries an average of 13 percent and similarly raised pension benefits. Public Law 91–509 (approved 10/26/70) substantially increased payments to beneficiaries and allows retirement after twenty years service. Public Law 91–532 (approved 12/7/70) makes widows who married pensioners after they retired eligible for pensions. Increased cost of this legislation is reflected as both changes and increases in fiscal year 1972 budget.

6. Juror Fees........................ $0.2

1972 Estimate 1,244.5.

Justification: Public Law 90–274, effective December 22, 1968, provided an increase in the fee paid to jurors, from $10 to $20 per day. During the 1970 fiscal year, the Court of General Sessions disbursed $546,453 to jurors and the Juvenile Court disbursed $55,280, totaling $601,733. This amount surpassed the combined allotments for jurors fees by $91,683. In view of the increase in the number of jurors paid, payment of jurors serving on the Grand Jury, and the addition of seven judges in 1972, as provided in Public Law 91–358, a corresponding increase of $234.5 is required to pay jurors the fee to which they are entitled by law.

7. Reimbursement to U.S. Courts...... $0.6

This amount is needed in fiscal year 1972 to annualize a fiscal year 1971 supplemental which added 70 positions to the Office of the U.S. attorney, and 56 positions to the U.S.

marshal's service and to provide for an expected increase in the number witness fee payments.

8. Teachers salary increases $0.7

The District of Columbia Teachers Salary Act Amendments of 1970, Public Law 91–297 of June 30, 1970 provides higher compensation for employees in Class 15 grade who have earned a bachelor's degree plus a minimum of 15 additional graduate credit hours. It is anticipated that 2,800 or 40 percent of the D.C. School Teachers will be eligible to receive this benefit. The budget item in fiscal year 1972 is for the required costs of the additional employees who became eligible in this year. The average increment is about $400. Provision was made in the 1971 Supplemental for the first group.

9. Prepayment of Loans and Interest $8.0

Public Law 451, 85th Congress (as amended), authorized a loan for a program of construction projects to meet immediate public building construction needs in the District of Columbia. Moneys advanced under this authority were to be repaid, including interest beginning July 1 of the second fiscal year following the date on which each advance is credited to the General Fund. The total funds advanced under this authority is to be repaid within thirty years. Public Law 91–650, dated January 5, 1971, authorized public building construction on a formula basis related to the general fund taxes. Of this authorization the following amounts have been appropriated, requisitioned, and repaid:

| | |
|---|---|
| Appropriations for loans | $352,014,500 |
| Unadvanced loan appropriations | 107,389,500 |
| Loans to date | 244,625,000 |
| Principal payment to date | 5,350,321 |
| Principal balance outstanding | 239,274,679 |
| Accrued interest to date | 31,180,900 |
| Less interest payments to date | 17,466,339 |
| Liability to United States as of June 30, 1971 | 252,989,240 |

10. Board of Elections $0.2

As a result of the 1968 amendments to the Election Act which provided for an elected Board of Education, and the act of 1970 which provided for the election of a Delegate to the House of Representatives, elections will be held in the District each year.

Additional funds will be required to conduct an election in November 1971 for one at large and five ward members of the Board of Education, with a run-off election possible for each office. In May 1972, part elections will be conducted for Delegate, local political party officials, and delegates to the national Presidential nominating conventions.

MEDICAID PROGRAM—FISCAL YEAR 1972

| Cost of program | Fiscal agents— 1971 | 1972 | Increase |
|---|---|---|---|
| Estimated population to be serviced | 125,213 | 138,522 | 13,309 |
| Fiscal year 1971 estimated cost per person | $290 | $290 | $290 |
| Total cost resulting from estimated increase population | 36,311,770 | $40,171,380 | $3,859,610 |
| Estimated cost resulting from estimated increase in cost per person ($32x138,522) | | | 4,432,704 |
| Total increase funding required | | | 8,292,314 |
| Estimated increase in District of Columbia portion of increase funding requirement | | | 4,883,439 |

11(c). Narcotics Treatment Agency $0.9

The increase of $924,500 and 7 positions is for funding of the Law Enforcement Assistance Administration Discretionary Grant which will not be available in fiscal year 1972. This grant provides funds which can be used in a flexible manner to contract with local organizations to provide treatment and other services of a nature and in areas where they are not otherwise available.

12. Court Reform $3.9

To implement Public Law 91–358 District of Columbia Court Reform and Criminal Procedure Act of 1970 the Supplemental Appropriations Act, 1971 (Public Law 91–665) provided partial year funding in fiscal year 1971 for the following agencies, to annualize these items the following is needed:

| | |
|---|---|
| Corporation Counsel: | |
| Special Litigation Division | $0.1 |
| Juvenile Division | 0.1 |
| Department of General Services: Space rental-expanded activities relating to the Court Reform Act | 0.8 |
| Court of Appeals: Judges, staff and other objects (telephone, printing, contracts and supplies) | 0.1 |
| Superior Court: Staffing, supplies and equipment | 0.5 |
| District of Columbia Bail Agency: Staff and other objects (communication, printing, reproduction, supplies, notification expenses, travel and transportation) | 0.2 |
| Total, Court Reform | *1.8 |

Other annualization required because of partial year funding of items in the First and Second Supplemental Appropriations Act, 1971:

| | |
|---|---|
| Sanitary Engineering: | |
| Additional staff for development and implement training programs and a skills bank, equal employment opportunity program, and additional custodial workers | $0.1 |
| Safety equipment, uniforms, raingear and laundry service | 0.1 |
| Department of General Services: Annualize cost of greater guard security in buildings and parking lots occupied by local courts | *0.1 |
| Human Resources: Annualization of additional staff at Receiving Home to provide education to children held in detention and residential psychiatric service to emotionally disturbed youths when ordered by judges and child's condition warrant immediate attention | *0.2 |
| Total, First and Second Supplemental Annualizations | 0.5 |

*Miscellaneous*

| | |
|---|---|
| Metropolitan Police: Increased cost of medical bills | *0.1 |
| Fire Department: Columbus Day holiday | *0.1 |
| Superior Court: Benefits to former personnel | *0.1 |
| Recreation Department: Personnel compensation above basic rates | *0.1 |
| Hospital and Medical Care Administration: Nurses and nursing assistants reclassification | *0.2 |
| Mental Health Administration: Nurses and nursing assistants reclassification | *0.1 |
| Sanitary Engineering: Equipment | 0.1 |
| Public Library: Increased cost of building repairs | 0.1 |
| Department of Highways and Traffic: Electrical energy, equipment and vehicles | 0.1 |
| Department of Sanitary Engineering: Land rental—Cockpit Point Corp | 0.1 |
| Department of Finance and Revenue: Annualization of prior year approved positions related to changes in sales tax law providing for taxpayer sales tax credit on income tax returns and tax collection enforcement | *0.4 |
| Department of Corrections: Provide for inflationary increase in supplies and materials related to increase of prison population resulting from court reorganization | *0.2 |
| Federal City College: For additional space required for 3d and 4th year programs | *0.5 |
| Total, Miscellaneous | 2.2 |
| Grand Total, Other | 4.5 |

* Related to congressional action.

13(a). Minimum Wage $0.1

H.R. 19885 (Revenue Act of 1970) passed the 91st Congress and included in this legislation are amendments to the Industrial Safety Act (D.C. Code, Sections 36, 431–442).

The legislation makes the industrial safety law applicable to all places of employment. Since 1965, 10,000 (hotel) employees had been exempted. The legislation will also make public hearings by the Board a possibility when an application is made for a variation of a safety regulation. It will also increase fines from a minimum of $100 to a maximum of $600.

This legislation will immediately place 10,000 hotel employees and approximately 3,000 other employees who work within hotel buildings under the jurisdiction of the Industrial Safety Board. These workplaces have been neglected since 1965. Inspection procedures must be reinstituted and injury analysis and safety program supports must be made and designed for the hotel industry.

13(b). Commission on Judicial Disabilities and Tenure $0.1

The Commission on Judicial Disabilities and Tenure was established by Title I of the Court Reform and Criminal Procedure Act of 1970. The Commission shall have the power to suspend, retire, or remove a judge of a District of Columbia Court. One of the first duties of the Commission will be to review the reports of personal financial interest of all judges in the District of Columbia Courts. Thereafter, the Commission will review on an on-going basis the conduct and health of the judges to insure proper performance of judicial duties in the administration of justice. It shall conduct investigations as it deems necessary and shall institute hearing proceedings before final determination is made.

13(c). To implement P.L. 91–358 "District of Columbia Court Reform and Criminal Procedure Act of 1970," the Supplemental Appropriations Act, 1971 (P.L. 91–665) provided partial year funding for fiscal year 1971, the following amounts are required for annualization:

| | |
|---|---|
| *Superior Court* | |
| Judges and staff | $0.8 |
| Financial Operations | 0.1 |
| Social Services Division | 0.6 |
| Clerk's Office | 0.1 |
| Data Processing | 0.1 |
| Clerk, Juvenile Court | 0.1 |
| Other Objects (communications, printing, reproduction, supplies, notification expenses, travel, transportation, and equipment) | 0.3 |
| *Public Defender Service* | |
| Staff and other objects (travel, communication, utilities, printing, reproduction, supplies, and materials) | 0.3 |
| | 2.4 |

SUMMARY OF DISTRICT OF COLUMBIA GOVERNMENT FISCAL YEAR 1972 BUDGET INCREASES RELATED TO CONGRESSIONAL ACTION, "THE $38 MILLION"

Within Grade Advancements—$6.1 million: U.S. Code, Title V, Chapter 53, Subchapter

3, Section 5335 (Periodic Step Increases) (P.L. 89-554, as amended).

Annualization of Pay Increases—$6.3 million: P.L. 91-656—salary increases for classified employees Wage Order 70-6—salary increases for wage board employees.

Two Extra Days Compensation—$1.8 million: Estimates for personnel compensation are based on a 40 hour work week and a total of 52 work weeks plus two extra days for those positions where the administrative work week results in two extra days in FY 1972.

U.S. Code, Title V, Chapter 55, Subchapter 1, Section 5504 (Biweekly Pay Periods, Computation of Pay) (P.L. 89-554, as amended).

Compensation Payments—$.5 million:

1. Employees Disability Compensation Payments—$220,000:

U.S. Code, Title V, Chapter 81 authorizes the program, "Compensation for Work Injuries" (P.L. 89-554, as amended).

P.L. 89-488 substantially liberalized benefits under this Act, increasing costs to the District.

2. Employee Unemployment Compensation Payments—$267,000:

The Act of August 28, 1935, as amended authorized D.C. Unemployment Compensation.

P.L. 87-424 substantially liberalized benefits under this Act, increasing costs to the District.

3. Workmen's Compensation—Administrative Expenses—$44,500:

The Act of May 17, 1928 (Workmen's Compensation Extended to D.C. Employees).

The Act of May 29, 1928 (Required D.C. Reimbursement to Labor for Administrative Expenses).

Retirement and Relief Payments—$2.6 million:

Increased costs are related to:

P.L. 91-297 increased pension benefits for policemen and firemen.

P.L. 91-509 increased payments to beneficiaries and allowed retirement after 20 years.

P.L. 91-532 makes widows who married pensioners after they retired eligible for service.

Juror Fees—$.2 million: P.L. 90-274 provided an increased fee for jurors. There has also occurred an increase in the number of jurors paid.

Reimbursement to U.S. Courts—$.6 million:

Title 28, Chapter 5, (P.L. 86-3) assigns U.S. Marshals and U.S. Attorneys to the District Court in D.C.

P.L. 86-84 establishes a formula for D.C. reimbursement to the Department of Justice.

Teachers Salary Increases—$.7 million: P.L. 91-297 provides for higher compensation for employees in Class 15 grade with a Bachelor's degree plus 15 additional hours service.

Repayment of Loans and Interest—$8 million:

The Act of May 18, 1954—loans for water, sewerage, highway construction.

The Act of September 7, 1957—loans for D.C. Stadium.

The Act of June 6, 1958—loans for public works construction.

The Act of June 12, 1960—loans for Potomac Interceptor construction.

Board of Elections—$.2 million:

Increased costs related to:

Voting Rights Amendments of 1970.

P.L. 91-405 authorizes the elections for Delegate.

P.L. 90-292 authorizes an elected School Board.

*Annualizations—$7.1 million:*

Minimum Wage—to annualize positions approved in FY 1971 to implement the Act of January 5, 1971, amending the D.C. Industrial Safety Act.

Commission on Judicial Disabilities—to annualize program approved in FY 1971 to implement P.L. 91-358.

Court Reorganization—to annualize programs approved in FY to implement P.L. 91-358.

Higher Education—to annualize programs approved in FY 1971 to implement P.L. 89-791.

### ADDITIONAL INCREASES RELATED TO CONGRESSIONAL ACTIONS

*Public Assistance Payments—$15.3 million:* The increased costs and caseload are a result of many judicial, administrative and social factors.

The welfare program is a national program, established in the 1930's and liberalized by the Social Security Act Amendments of 1967.

*Medicaid Program—$4.9 million:* Increased costs due to D.C. implementation of Title XIX of the Social Security Act, as amended.

*School Transit Subsidy—$.7 million:* P.L. 92-90 extended the program's authority for three years.

*Income Supplementation—$1.2 million:* Increased costs due to D.C. implementation of 1967 Social Security Act Amendments requiring income supplementation.

Mr. CABELL. Does the gentleman mean for nonprofit organizations and the like?

Mr. ROUSSELOT. Yes.

Mr. CABELL. It is my recollection it is not less than $250,000 and certainly not more than $500,000 of potential taxes for properties that have been declared exempt.

Mr. ROUSSELOT. In other words, the loss of revenue was almost $500,000?

Mr. CABELL. It occurs to me it is more nearly $250,000 of potential taxes to be derived from those buildings which have been declared exempt.

Mr. ROUSSELOT. Who took this action; that is the Congress?

Mr. CABELL. That has to come from the Congress.

Mr. ROUSSELOT. In other words, we are partially responsible for the reduction of revenue?

Mr. CABELL. Bear in mind, a great deal of that is for chanceries.

Mr. ROUSSELOT. I understand that; but we have been responsible for reducing the revenue; is that correct?

Mr. CABELL. That is correct.

Mr. NELSEN. Mr. Chairman, I yield 2 minutes to the gentleman from Maryland (Mr. GUDE).

Mr. GUDE. Mr. Chairman, I thank the gentleman for yielding.

I rise in opposition to the provision which would extend the District of Columbia sales tax to the sale of advertizing at the rate of 4 percent.

I have always been more than sympathetic to the critical revenue needs of the District, and I have supported all legislation which would truly aid the District in meeting its needs. However, I feel very strongly that this tax would be counterproductive.

Since the city relies heavily on the sales tax as a source of revenue, and sales tax obviously is a product of sales, the logic of imposing a tax on advertising, a primary promoter of sales, escapes me. Advertising brings the buyer and seller together and the local government is a silent partner in every sales transaction, taking its 4½-percent profit off the top, and in the process benefiting from the merchant's advertising without paying a single cent. Therefore, I ask, why bite the hand that feeds you?

To the extent that advertising is diminished as a result of the substantial cost which would be incurred by this amendment, fewer retail sales will be generated and two principal sources of revenue to the District—the sales and income tax—are likely to produce less revenue. Therefore, the advertising tax is likely to result in less, rather than more, income to the city.

Furthermore, since this proposal was put through the committee in the last day of markup session, without any hearings, I am skeptical of it as I would be of any proposal which was to be considered with the same lack of investigation and/or discussion before the vote.

Mr. CABELL. Mr. Chairman, I yield 2 minutes to the distinguished chairman of the committee, the gentleman from South Carolina (Mr. McMILLAN).

Mr. McMILLAN. Mr. Chairman, again, we are asking you to approve another revenue bill for the District government. Immediately after the suggested budget for the District of Columbia was referred to the House District Committee, I requested the gentleman from Texas (Mr. CABELL), chairman of the Business Subcommittee, to conduct hearings in an effort to find out the reasons for the continued increase of expenditures in operating the District of Columbia government.

Congressman CABELL and his subcommittee spent approximately 2 months conducting hearings and questioning the individual District government agencies as to why the budget for the District of Columbia continues to increase every year. We have found it absolutely impossible to retard the District government expenditures since we only have jurisdiction over legislative matters and cannot control the appropriations.

When I first became a member of the House District Committee, the Federal payment was $9 million annually. I have used every effort in my power to hold the expenditures down to the extent that it would not be necessary to increase the Federal payment; however, when the District Commissioners and the present Commissioner present facts showing that numerous new Government agencies have been created causing additional expenses, I have continuously asked that the Federal payment be increased.

Last year we increased the Federal payment from $90 million to $126 million. This year I first asked the committee to increase the Federal payment from $126 to $140 million due to additional expenditures made necessary by acts of the Congress. The House increased the salaries for all employees of the District of Columbia. The House District Legislative Subcommittee placed a ceiling last year on the employees of the District of Columbia government for 1 year; however, since the expiration of that date, numerous employees have been added. Also, since the Reorganization Act of 1967 was passed by this Congress, the employees for the District of Columbia have increased from approximately 27,000 to 41,000, even though the population of the District of Columbia has decreased by approximately 60,000 during the past 10 years.

I must confess that my committee and I, after using every effort possible to curve the expenditures of the District of Columbia government, and find ourselves unable to prevent the district government from creating new indebtedness causing additional expenses. Our only hope is to hope and pray the House and Senate Appropriations Committees will thoroughly check the District expenditures and see if the continued increase in expenditures can be retarded.

The District government first requested in the original budget that the Federal payment be $190 million; however, since no pay raises of any kind can be made to the District employees, the original request of the District officials was reduced to $170 million. I do not quite understand how expenses continue to increase when the government is supposed to be operating on a continued resolution passed by the Appropriations Committee. I believe that the average businessman in the District of Columbia is paying more than the average businessman in other cities comparable to the size of Washington. I am not certain that the property and real estate taxes are as high as they are in some cities, as this is a matter over which the Congress has no jurisdiction since many years ago the Congress gave the Commissioners authority to levy taxes on real estate. I can assure the Members of the House that we could have reported a revenue bill to the floor of the House 3 months earlier; however, we spent many days and weeks studying the District of Columbia government in an effort to see if this proposed budget could not be reduced; hence, that is the reason we are late in reporting the bill to the floor of the House.

Very few Members of Congress realize that the Federal Government is contributing some $400 to $500 million in grants through the individual Government agencies to assist the District government, and this is in addition to the regular Federal payment.

We are making an effort to have some record made of these grants so that the Appropriations Committee will be in a position to know the amount of Federal funds being spent in operating the District government.

### PURPOSE OF THE BILL

The purpose of H.R. 11341 is to provide some additional revenue to the District of Columbia, as well as other much needed and justified legislation.

Again the Congress is faced with and asked to bail the District government out of its fiscal distress.

For the eighth consecutive year the District has come to Congress with an out-of-balance budget. The District's estimates of expenditures as submitted for fiscal year 1972 totaled $1,045 million of which $725.9 million represents the operating budget for 1972.

The government of the District of Columbia continues an accelerated rate of spending, all out of proportion, in the judgment of a majority of the House District Committee members, to the city's declining population, its needs, or its ability to finance such expenditures. Few if any economies or efficiencies have been achieved in the expansion of the city government departments, agencies, and programs. Yet no other city in the Nation is annually treated so generously with hundreds of millions of dollars in Federal grants, in addition to the annual generous Federal payment.

The House District Committee is of the opinion that it has met all the established needs of the Nation's Capital by enacting the necessary legislation.

During the past 7 years your committee has reported and the Congress has approved five revenue acts for the District.

In these 7 years, the Congress has:

First. Increased the Federal payment authorization from $32 to $126 million.

Also, in addition, authorized were onetime Federal contributions of $5 million for combating crime, $5 million as costs of the expansion and reorganization of the local court system and programs to reduce the drug problem, and $8 million toward salary increases for police, firemen, and teachers; to make a total increase in annual Federal payment authorizations to the District during these 7 years of $112 million—from a lumpsum $32 to $126 million, plus $18 million for special purposes.

Second. Raised various District tax rates to provide an estimated $62.4 million of additional annual revenues to the District of Columbia General Fund.

Third. Increased certain motor vehicle registration and other fees, in the Revenue Act of 1969, so as to provide an additional $6 million annually to the Highway Fund.

Fourth. Increased the District's borrowing authority to the General Fund, for capital improvements, from $75 to $610 million.

Fifth. Also increased the District's borrowing authority to provide $72 million for the Sanitary Sewage Fund, $110 million for the Highway Fund, and $57 million for the Water Fund.

Sixth. Provided $300,000 revenue for highway repairs from truck fees; also $200,000 from a tax on the rental of linens; and a $200,000 saving to District by inspection of milk and dairy products under standards of the Department of Health, Education, and Welfare.

Seventh. Authorized a Federal contribution of not to exceed $1,147 million—and increased the District's borrowing authority to cover its share of $216.5 million—of the net project cost of a regional rapid rail system, with total estimated cost of $2,494.6 million.

During the 10 years' construction of the subway now underway, it is estimated that 12,000 to 15,000 workers will be employed with an estimated $1 billion payroll.

Eighth. Authorized $50 million for construction of the Federal City College and the Washington Technical Institute—$10 million of this was an outright grant, and $40 million another additional borrowing authorization.

Ninth. Qualified the Federal City College as a land-grant college, thereby authorizing it to receive a capital grant of $7.2 million as an endowment. Provided that land-grant funds shall be equally divided between the Federal City College and the Washington Technical Institute.

Tenth. Authorized $40 million in Federal project grants for modernization of hospital plants and construction of health facilities, and another $40.5 million in Federal loans—at 2.5 percent interest repayable in 50 years—for institutions not having the required matching funds.

Eleventh. Authorized a $6.2 million subsidy for the benefit of the District's Medical and Dental Schools of Georgetown and George Washington Universities, respectively, for grants not to exceed $5,000 per medical student, and not to exceed $3,000 per dental student for fiscal years 1971 and 1972.

Twelfth. Provided an additional $25 million, annually, to the District's revenues, through increases in the personal income tax, when enacting the police, firemen, and teachers' salary bill of 1970.

The mean average household income for 1969, as reported by te District of Columbia government, was $10,500.

Thirteenth. Other approved legislation authorized 20-year leases for space for the District of Columbia government, thereby saving the District an estimated $1 million over a 20-year period, and provided for a study of Potomac River pollution and resources.

### REORGANIZED D.C. GOVERNMENT COST INCREASES

Fiscal year 1972 will make the fourth fiscal year since the change over from the Commissioner government established in 1878 to the present "reorganized" District government which was launched during the 1968 fiscal year. A majority of your committee was firmly convinced that Reorganization Plan No. 3 would solve few, if any problems of the District government, and to the contrary would result in increased costs and inefficiencies. As an alternative to Reorganization Plan No. 3, your committee in 1967 reported to the House a modified Commissioner government to continue the local system which had given the District nearly 90 years of stable and effective government.

The study in depth of the District government budget request for 1972 fiscal year which has been conducted by your committee has provided a better informed legislative base for action in providing new funds for estimated budget needs during fiscal 1972. To see the fiscal direction the local government appears to be taking, a comparison is presented here showing the trends during the last 4 years of the three-Commissioner government and the 4 years, including the 1972 fiscal estimates, since the reorganization of the District government in 1967.

### DISTRICT GOVERNMENT EXPENDITURES BEFORE AND AFTER REORGANIZATION

This table presents a comparison of District of Columbia fiscal year government expenditures for the 4-year period preceding the Reorganization Plan No. 3, and the expenditures during the 4 years succeeding the plan, including 1972 fiscal estimates. Totals do not include principal and interest payments on borrowed funds.

[In millions]

| | Operating expenses | Capital improvements | Appropriated expenditures | Grant funds |
|---|---|---|---|---|
| D.C. government prior to reorganization (1964-67): | | | | |
| 1964 | $262.9 | $46.6 | $309.5 | $57.4 |
| 1965 | 288.5 | 59.6 | 347.1 | 43.6 |
| 1966 | 309.4 | 53.6 | 363.0 | 63.0 |
| 1967 | 345.5 | 71.6 | 467.1 | 80.3 |
| Total | 1,206.3 | 231.4 | 1,486.7 | 247.3 |

| | Operating expenses | Capital improvements | Appropriated expenditures | Grant funds |
|---|---|---|---|---|
| Reorganization of D.C. government—1968: | | | | |
| 1969 | $465.8 | $109.1 | $574.9 | $120.4 |
| 1970 | 560.9 | 128.3 | 589.2 | 142.7 |
| 1971 | 620.8 | 71.0 | 691.5 | 171.8 |
| 1972 (estimate) | 691.8 | 261.0 | 952.8 | 268.3 |
| Total | 2,339.0 | 569.4 | 2,908.4 | 703.2 |

NOTES

All funds total—grant and appropriated—1964-67, $1,734.
All funds total—grant and appropriated—1969-72, $3,611.6.

Figures from District of Columbia Financial and Statistical Report, 1969-70 and supporting materials—Revenue Hearings 1971.

Principal and interest figures on borrowed funds not included in above totals.

During the period of years shown, there has been a decline in the total population of the District and nearly 10 percent decline in school attendance. The per capita income has continued at the level above any State at $5,519.00, or $22,076.00 for a family of four. Yet District of Columbia government operating costs show nearly a 100-percent increase for the 4 years since the present government was installed, compared to the 4 years preceding that change. A similar showing is made in connection with the expenditures for capital improvements and the combined totals again show a 100-percent increase. When grant funds to the District government are added to other funds, the comparison results in still greater increase of about 125 percent during the 4 years since reorganization.

From 1923 until 1956, the District of Columbia operated without any public debt. The last year before the change in the District government, the authorized debt ceiling for various funds was $290 million. The first year following reorganization the authorization increased under formula to $333.8 million for general borrowing, which under the formula reached $402 million, and was exhausted, in 1970. The total borrowing authority for all funds totaled $741 million and the appropriations against the borrowing authority reached $645 million in 1971. The revenue request of the District government for fiscal year 1971 recommended changing the formula to increase the total borrowing authority. The all fund total borrowing today stands at $1,118 million, and the total funds appropriated, if the 1972 budget is fully approved, will be more than $900 million. The District is rapidly reaching a point where its insufficient revenues will be called upon to reserve about 10 percent of the funds to meet interest and principal payments on its debt.

### DISTRICT GOVERNMENT'S EXTRAVAGANCE

The District of Columbia government, in the judgment of your committee, has rapidly become the most extravagant government in the entire Nation. Despite a declining population—1950 census: 802,178; 1960 census: 763,956; 1970 census: 756,510—with need for fewer services and fewer government employees, local costs in the District of Columbia continue to spiral upward at an alarming unjustified rate.

The 1970 census figures revealed the population of the District of Columbia to be 756,510. Yet after the 1960 census—763,956—District officials projected their estimates of population—based on their own computations of population increase—to a high figure of 860,000, and the city has since received corresponding but unearned Federal grants and benefits computed on such higher figure. In the intervening years, the District's yearly testimony and representations to the Congress for need for additional revenue have been predicated upon the claimed population of 860,000, for which projected services and programs were submitted for approval. The city's estimate, based upon a much-inflated figure, as a matter of fact was more than 100,000 persons in excess of the actual population of the city.

The following tabulation shows at a quick glance the untoward dollar increases in the District's budget over a 10-year period. The 1963 budget of $295.9 million jumped to $1,045.3 million—an increase of $749.4 million, or a 253-percent increase—for 1972. Ever since the reorganized District of Columbia government took office, there has been a 100-percent increase in the budget—from $520.4 million in 1968 to $1,045.3 million for 1972.

On the other hand, the total resources—for spending—budget of the District has increased even more alarmingly; namely, by 312 percent since 1963—from $351.7 million in that year to an estimated $1,450.1 million for 1972. And this is a 108-percent increase in spending under the reorganized District of Columbia government, largely due to increased Federal grants during this period to the District.

However it is viewed, the fact is inescapable that the taxpayers all over the United States are picking up the tab for over 25 percent of the government expenditures made in the District of Columbia for or on behalf of the local residents.

DISTRICT OF COLUMBIA BUDGET, ALL FUNDS—NEW AUTHORIZATIONS 1963-72

[In millions of dollars]

| | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | Estimate 1972 | Percent increase 1972 over 1971 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| General operating expenses: | | | | | | | | | | | |
| Operating | 16.4 | 17.9 | 19.4 | 20.5 | 23.2 | 28.1 | 34.1 | 47.6 | 55.3 | 61.0 | 10.3 |
| Capital outlay | 1.6 | 1.1 | 5.0 | 2.1 | .9 | 13.6 | 7.5 | 1.7 | 4.7 | 11.4 | 142.5 |
| Public safety: | | | | | | | | | | | |
| Operating | 60.5 | 66.1 | 73.7 | 80.0 | 90.4 | 99.0 | 114.7 | 141.5 | 163.1 | 174.2 | 7.8 |
| Capital outlay | 1.1 | .6 | .3 | 1.6 | 1.2 | 3.0 | 4.0 | 12.8 | 4.3 | 12.4 | 188.3 |
| Education: | | | | | | | | | | | |
| Operating | 59.5 | 63.9 | 72.0 | 75.6 | 86.1 | 103.3 | 123.2 | 151.8 | 161.7 | 178.5 | 10.3 |
| Capital outlay | 7.7 | 15.6 | 14.4 | 17.6 | 30.1 | 54.3 | 41.6 | 36.8 | 30.7 | 93.4 | 204.2 |
| Recreation: | | | | | | | | | | | |
| Operating | 8.6 | 9.1 | 10.2 | 11.1 | 12.9 | 15.7 | 17.8 | 19.2 | 11.8 | 12.8 | 8.4 |
| Capital outlay | .3 | .4 | .7 | 1.0 | 1.1 | 2.7 | 2.8 | 1.4 | 1.9 | 9.1 | 378.9 |
| Human resources: | | | | | | | | | | | |
| Operating | 65.9 | 70.5 | 76.2 | 81.1 | 90.8 | 107.1 | 125.1 | 144.6 | 168.6 | 207.0 | 22.7 |
| Capital outlay | 13.7 | 1.3 | .5 | 6.0 | 2.6 | 2.0 | 7.2 | 1.6 | 1.7 | 21.5 | 1,164.0 |
| Highways and traffic: | | | | | | | | | | | |
| Operating | 11.5 | 12.4 | 13.7 | 14.2 | 15.3 | 16.8 | 18.0 | 19.4 | 21.0 | 21.3 | 1.4 |
| Capital outlay | 10.0 | 11.3 | 13.8 | 9.8 | 15.5 | 18.3 | 11.2 | 3.6 | 2.6 | 6.7 | 157.7 |
| Sanitary engineering: | | | | | | | | | | | |
| Operating | 21.1 | 22.0 | 22.4 | 23.3 | 25.1 | 28.0 | 32.4 | 36.8 | 39.0 | 40.7 | 4.3 |
| Capital outlay | 15.0 | 15.4 | 23.0 | 12.5 | 14.3 | 17.7 | 30.6 | 27.2 | 23.9 | 98.0 | 310.0 |

DISTRICT OF COLUMBIA BUDGET, ALL FUNDS—NEW AUTHORIZATIONS 1963-72—Continued

[In millions of dollars]

| | 1963 | 1964 | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 | Estimate 1972 | Percent increase 1972 over 1971 |
|---|---|---|---|---|---|---|---|---|---|---|---|
| Payment D.C. share of Federal capital outlays (Federal obligations) | | 0.9 | 1.9 | 1.0 | 1.4 | 1.2 | 1.1 | 1.6 | 1.2 | 1.2 | |
| Contributions to rail rapid transit | | | | 2.0 | 4.5 | | 3.1 | 41.6 | | 72.5 | |
| Repayment of loans and interest | 2.5 | 5.0 | 5.6 | 5.7 | 6.1 | 7.8 | 8.8 | 10.8 | 15.6 | 23.6 | 51.2 |
| Judgments, refunds, and other expenses | .5 | 1.0 | .9 | 3.6 | 1.6 | 1.8 | .5 | .1 | | | |
| Operating | 244.0 | 262.9 | 288.5 | 309.4 | 345.5 | 399.8 | 465.8 | 560.9 | 620.5 | 695.5 | 12.0 |
| Capital outlay | 49.4 | 46.6 | 59.6 | 53.6 | 71.6 | 112.8 | 109.1 | 128.3 | 71.0 | 326.2 | 359.4 |
| Repayment of loans and interest | 2.5 | 5.0 | 5.6 | 5.7 | 6.1 | 7.8 | 8.8 | 10.8 | 15.6 | 23.6 | 51.2 |
| Subtotal | 295.9 | 314.5 | 353.7 | 368.7 | 423.2 | 520.4 | 583.7 | 700.0 | 707.1 | 1,045.3 | 57.8 |
| Reserves | | | | | | | | | | 10.5 | |
| Appropriated budget and reserves | 295.9 | 314.5 | 353.7 | 368.7 | 423.2 | 520.4 | 583.7 | 700.0 | 707.1 | 1,055.8 | 39.7 |
| Federal grants | 55.8 | 57.4 | 43.6 | 62.4 | 79.8 | 103.5 | 119.2 | 142.0 | 171.3 | 268.0 | 56.4 |
| Private grants | (1) | (1) | (1) | .6 | .5 | 1.1 | 1.2 | .7 | .5 | .3 | −40.0 |
| Total resource budget | 351.7 | 371.9 | 397.3 | 431.7 | 503.4 | 625.0 | 704.1 | 842.7 | 878.9 | 1,324.1 | 50.6 |

DISTRICT IS NO. 1 RECIPIENT PER CAPITA OF FEDERAL EXPENDITURES

In view of the liberal—$405,134,161—allocation and distribution of Federal funds to the District of Columbia, shown below, it is not surprising to note from the Treasury Department tabulation that while the population of the District of Columbia—756,510—amounts to only .0037 of the 203,165,699 population of the United States, nevertheless the District of Columbia in 1970 received by way of Federal aid .0167—or $405,134,631—of the total $24 billion Federal largesse distributed throughout the entire United States.

Even if the per capita comparisons are disregarded, looking at the dollar figures alone there are 31 States which received less in Federal funds in 1970 than the $405,153,631 granted to the District of Columbia; namely:

Alaska, Arizona, Arkansas, Colorado, Connecticut, Delaware, Hawaii, Idaho, Indiana, Iowa, Kansas, Maine, Maryland, Montana, Nebraska, Nevada, New Hampshire, New Mexico, North Dakota, Oklahoma, Oregon, Rhode Island, South Carolina, South Dakota, Tennessee, Utah, Vermont, Washington, West Virginia, Wisconsin, and Wyoming.

The citizens of the rest of the country are being treated most unfairly when compared to the generous treatment accorded the citizens of the District of Columbia, insofar as the expenditure of Federal funds is concerned. The citizens in the States, then, receive a disproportionate and lesser part of the Federal dollar, whether viewed as a return from Federal taxes, as Federal grants or aids, or otherwise, which is manifestly unfair no matter how viewed.

The total Federal aid to each of the 50 States, its population, and per capita aid, are shown in the following excerpts from the Treasury Department's 1970 report.

FEDERAL AID TO THE STATES AND TO THE DISTRICT OF COLUMBIA, FISCAL YEAR 1970—SUMMARY

| State | Population | Grand total | Per capita aid |
|---|---|---|---|
| Alabama | 3, 444, 165 | $523, 507, 981 | $151 |
| Alaska | 300, 352 | 115, 929, 874 | 385 |
| Arizona | 1, 772, 432 | 237, 166, 021 | 133 |
| Arkansas | 1, 923, 295 | 274, 819, 307 | 160 |
| California | 19, 953, 134 | 2, 998, 345, 571 | 100 |
| Colorado | 2, 207, 259 | 282, 261, 439 | 127 |
| Connecticut | 3, 032, 217 | $295, 488, 191 | 97 |
| Delaware | 548, 104 | 51, 110, 807 | 93 |
| District of Columbia | 756, 510 | 405, 134, 631 | 535 |
| Florida | 6, 789, 443 | 509, 409, 287 | 75 |
| Georgia | 4, 589, 575 | 553, 793, 855 | 120 |
| Hawaii | 768, 561 | 123, 581, 986 | 160 |
| Idaho | 712, 567 | 95, 290, 069 | 133 |
| Illinois | 11, 113, 976 | 950, 808, 806 | 85 |
| Indiana | 5, 193, 669 | 352, 223, 807 | 67 |
| Iowa | 2, 825, 041 | 244, 345, 207 | 86 |
| Kansas | 2, 249, 071 | 231, 665, 571 | 103 |
| Kentucky | 3, 219, 311 | 456, 588, 491 | 141 |
| Louisiana | 3, 648, 180 | 526, 971, 861 | 144 |
| Maine | 992, 043 | 112, 485, 425 | 113 |
| Maryland | 3, 922, 399 | 395, 030, 686 | 100 |
| Massachusetts | 5, 869, 170 | 715, 829, 951 | 121 |
| Michigan | 8, 875, 083 | 786, 758, 072 | 88 |
| Minnesota | 3, 805, 069 | 407, 361, 699 | 107 |
| Mississippi | 2, 216, 912 | 413, 042, 046 | 186 |
| Missouri | 4, 677, 369 | 502, 013, 222 | 107 |
| Montana | 694, 469 | 135, 491, 316 | 195 |
| Nebraska | 1, 483, 791 | 129, 782, 934 | 87 |
| Nevada | 488, 738 | 76, 827, 951 | 157 |
| New Hampshire | 737, 681 | 72, 187, 892 | 97 |
| New Jersey | 7, 168, 154 | 619, 739, 332 | 86 |
| New Mexico | 1, 016, 000 | 218, 814, 942 | 215 |
| New York | 18, 190, 740 | 2, 365, 629, 042 | 130 |
| North Carolina | 5, 082, 059 | 507, 067, 589 | 99 |
| North Dakota | 617, 761 | 87, 724, 591 | 142 |
| Ohio | 10, 652, 017 | 888, 453, 481 | 83 |
| Oklahoma | 2, 559, 268 | 403, 759, 349 | 157 |
| Oregon | 2, 091, 385 | 297, 955, 602 | 142 |
| Pennsylvania | 11, 793, 910 | 1, 343, 171, 041 | 113 |
| Rhode Island | 949, 723 | 132, 680, 617 | 139 |
| South Carolina | 2, 590, 516 | 278, 078, 087 | 107 |
| South Dakota | 665, 507 | 103, 685, 545 | 155 |
| Tennessee | 3, 924, 164 | 487, 031, 456 | 124 |
| Texas | 11, 195, 730 | 1, 153, 404, 525 | 103 |
| Utah | 1, 059, 278 | 173, 846, 992 | 164 |
| Vermont | 444, 732 | 77, 105, 186 | 173 |
| Virginia | 4, 648, 494 | 465, 682, 360 | 100 |
| Washington | 3, 400, 169 | 400, 451, 472 | 117 |
| West Virginia | 1, 744, 237 | 303, 098, 149 | 174 |
| Wisconsin | 4, 417, 933 | 386, 704, 092 | 87 |
| Wyoming | 332, 416 | 83, 296, 080 | 250 |
| Puerto Rico | 2, 712, 033 | 325, 426, 747 | 119 |
| Virgin Islands | 62, 468 | 27, 091, 995 | 433 |
| Total | 203, 165, 699 | 24, 194, 090, 576 | |

Source: Department of the Treasury, Fiscal Service, Bureau of Accounts, Division of Government Financial Operations document entitled "Federal Aid To States, Fiscal Year 1970."

ALTERNATE TAXES

The District has failed for several years to come up with any tax proposals levied upon District of Columbia residents and property which would make up the deficiency between the District of Columbia expenditures and the present revenue availability, despite the fact that these ever-increasing benefits inure to the benefit of the local residents.

Annually, at your committee's revenue hearings, the Commissioner and his staff are pressed to recommend or propose alternate taxes to provide the additional wherewithal which the District claims it needs for survival; but no such alternate tax proposals are forthcoming. Such is the case this year as it was in 1969 when the commuter tax was first proposed and defeated; $51.6 million is the supposed increment to the District should the reciprocal income tax be adopted. And yet despite the failure of the Congress to support it—the other body has already passed legislation prohibiting the District from imposing such a tax—the District has not submitted any other tax proposal in its place. In all its representations to various members of your committee, the District has only urged that the Federal payment increase which it had requested as a part of its proposals; namely, $27 million—an increase from $126 million currently authorized to $153 million—be further increased to make up the deficit from lack of revenue which it will not realize with the defeat of the commuter tax proposal.

In effect, the District of Columbia is expecting the Federal taxpayers, through their representatives in Congress, to approve in 1971 a Federal payment in excess of $200 million, or a 158-percent increase over the presently authorized $126 million Federal lump sum contribution to the District which is over and above the Federal grant and aid programs to the District far in excess per capita the Federal expenditures in every State of the Union.

Mr. CABELL. Mr. Chairman, I yield 3 minutes to the gentleman from California (Mr. DELLUMS).

Mr. DELLUMS. Mr. Chairman, since general debate time is drawing to a close, I will only take a portion of my time, because I would like for my distinguished colleague from the District of Columbia to have more than his allocated 3 minutes. Therefore I would like to address myself to one issue, House Report 598 of the District Committee.

Mr. Chairman, it is my considered opinion that this report is a travesty. The committee has violated its own rules by issuing this report without allowing individual Members to have a chance to read it before it was issued.

I assure you that had some of us been able to see this report prior to its being released, it would have been quite different.

Mr. Chairman, as a member of the

committee, I am, frankly, ashamed to be associated with House Report 598. It is nothing more than a negative, degrading and misguided document.

Mr. Chairman, if ever this body can be accused of harboring a "plantation" attitude toward the District, this report indeed is very heavy evidence.

Mr. Chairman, I once had the very strange notion that the Congress and the District Committee were constituted to serve the needs of the District of Columbia. However, judging by the debate in the committee and by the committee report, my view was wrong.

Mr. Chairman, I yield back the balance of my time.

Mr. CABELL. Mr. Chairman, I yield 3 minutes to the gentleman from the District of Columbia (Mr. FAUNTROY), plus the unused time which was yielded back by the gentleman from California (Mr. DELLUMS).

Mr. FAUNTROY. Mr. Chairman, I obviously rise in strong support of the action of the House District Committee in approving the revenue generating provisions of H.R. 11341. The central provision of the bill authorizes an increase of $44 million in the Federal payment to the District of Columbia. An overwhelming majority of the committee—by a 19 to 7 vote—supported this increase as I did. The chairman of the committee supported the action. The ranking minority member, Mr. NELSEN, supported the action, and a large majority of the Democrats and Republicans on the committee supported the action. I am informed that the President is prepared to sign a revenue bill containing even more than what was approved by the committee. In short, the Federal payment figure approved by the committee enjoys broad support.

I personally do not believe that it is large enough, but I voted for it because it is a reasonable accommodation of widely differing views held by members of the committee.

Now, admittedly gentlemen, as the first elected representative of the people of our Nation's Capital to stand in this Chamber in nearly 100 years; I bring to this awesome responsibility for the present only an outsider's knowledge of the inner workings of the Congress. But these are two things that I bring to your consideration of this bill today that are absolutely essential to your proper evaluation of what is presented here. The first is the truth. I, perhaps as no one else in this Chamber know the truth about the city. I was born here, I grew up on its streets, I attended its public schools; I have wrestled exhaustively with its most crippling problems as a pastor, as a community developer, and as a vice chairman of its city council. I know the truth about this city.

Secondly, gentlemen, I know what is right. My professional training like that of only two other Members of the Congress has been in the field of ethics and morals; in the discipline of identifying the truth and arriving at what is therefore right. In short, gentlemen, I bring to your deliberations on the bill the truth about the city and I am here to remind you of what is right.

The truth is that the increase of $44 million in the Federal payment is not large enough. I voted for the bill because it is a reasonable accommodation of widely differing views held by members of the committee. But the truth is that the $44 million increase does not begin to provide sufficient revenue to fund many programs in which the Congress has shown great interest. The truth is that this bill will not fund seven new judges which were to be added to the local trial courts to expedite criminal trials authorized in the Criminal Justice Act. The truth is that it will deny the Federal City College its 4th year program authorized by an act of Congress to commence this year. The truth is that it denies us funds to maintain an outstanding narcotic treatment program after expiration of a Federal grant for the vital program. This is the truth and I therefore remind you that it would be both wrong and disastrous to approve anything less than the $44 million increase; that the right thing to do is to support this bare bones measure.

I must hasten now to tell you the truth and to remind you of what is right with respect to the erroneous allegations of the staff or the District Committee as contained in the so-called committee report on this bill that the District government is extravagant and financially irresponsible. I emphasize "staff" allegations because the committee was never given the opportunity to review the report. I raise this point because I would be astonished if a majority of the committee would concur in the intemperate language, the gross distortions, and the hostility to the nearly 800,000 people in the District of Columbia expressed in the report. Let me give just one glaring illustration. The reports states:

> It is not the Congress, or the Federal establishment, which is the interloper here—as some District spokesmen maintain—but rather the thousands of persons who have swarmed here, most of whom add little or nothing to the day by day operations of the Federal government, who are "local" in character and needs, who are the intruders and who are not vital to the Federal government's operations.

I think that I know my colleagues on the committee well enough to say that most would not join in characterizing the people of the District as "interlopers" or "intruders." I believe that members of the committee share a concern about the city and its people that this statement does a grave injustice to.

Now the committee staff suggests that by comparison with other cities, District government is extravagant and irresponsible. To substantiate their argument they cite statistics that are grossly misleading and misrepresentative of the truth.

The staff states that the District's budget, general expenditures, annual payroll and number of employees are higher than other cities.

This is a gross distortion of the facts. It is true that the District government employs more people than other cities of similar size, but this completely ignores the fact that the District operates as a county, city, State, and special jurisdiction government. The truth is that most cities in their comparisons do not carry full responsibility for education, public welfare, health, and urban development employees on the local city payroll. Such employees are generally paid by either State or county governments. All of these are in the District budget. Let me cite some specific examples. The staff reports that District expenditures for highways were higher than any other city but New York. The truth is, however, in the District, highway expenditures include not only the construction, maintenance, and operation of city streets and bridges, but also the interstate system and other major arterials which are normally the responsibility of a State highway department.

The staff reports that police expenditures also are higher in the District of Columbia. But the truth is it is misleading to compare per capita costs of District of Columbia police services with San Antonio, as the staff report does—police services relate not only to the resident population—as implied by a per capita measure of costs—but also to approximately 300,000 nonresident employees, visitors, businessmen and shoppers from the metropolitan area, and almost 18 million tourists per year. In addition, District of Columbia police are called upon in times of national demonstration—for just the 1 week of demonstrations in May 1971, the cost of police services was $3,586,836. That is the truth and it is highly misleading to add such costs into a per capita cost relating to District of Columbia residents. Also, a significant reason for the increased size of the police budget in recent years is the addition of 2,000 police officers to the force pursuant to President Johnson's call in May 1968 and President Nixon's crime program in 1970. The cost of these additional officers is almost $20 million annually.

The fact is that a joint study undertaken by the District government and the Census Bureau shows that when only municipal functions are considered the District's level of local government employment is not out of line with other cities. Indeed, the District employs fewer employees with strictly local functions on a per capita basis than Boston—56 per 1,000 population—or Baltimore—51—about the same number as Atlanta—49—and slightly more than Cleveland—44—or San Francisco—45. The District's figure is 49 employees per 1,000 population. That, gentlemen, is the truth about the city. That is why it is not right to base your judgments on the misleading statistics provided you by the committee staff.

The committee staff alleges that the District spends more money per pupil on education than any other city in the country. This is simply not true. The committee report cites the figure of $13,000 per student. The actual figure is closer to $1,300 per pupil. Now let me tell you the whole truth about our school spending. The truth is that last year, the

Distric spent $971 per pupil based on operating expenses on an average daily membership. This compares to a 1971 figure of $1,256 in New York City, $1,109 in San Francisco, $1,073 in Philadelphia. The District unfortunately is not No. 1, but is in line with spending elsewhere.

The staff says that the District government receives more Federal grants per capita than any other States. Again, this simply is untrue. The basis for this statement is apparently a report issued by the U.S. Treasury Department. But anyone who has actually examined the report ought to know that the Treasury report covers grants to all recipients located in the District whether or not the grants benefit the people of the city. That is the truth.

For example, the Treasury report incorrectly credits the District of Columbia with a $27.8 million grant for the Teacher Corps and the education profession development program. See page 32 of House District Committee report. According to staff members of the Office of Education, $27.2 million of the total grant represents an advance payment from the Office of Education to the National Institutes of Health. NIH was to use these funds to make later grants to all the States. Because the official government address of NIH is in the District of Columbia, a computer credited this advance payment to the District. This entry is clearly an error and can in no way be considered as Federal grant assistance to the District of Columbia.

In addition, the Treasury data most likely contain grants to groups that are based in the District but that are actually national in scope so that the funds they receive are spent thoughout the country. This is true of national organizations with headquarters in the District. The only truly reliable figure is direct Federal assistance to the District government. When this figure is isolated, the per capita level falls to $192, which is considerably below the essentially meaningless figures thrown around in the committee report. Using this figure, the District is not No. 1, but more in line with other States. This is surprising since by every standard the District should be first in Federal grants because it is the only totally urban jurisdiction among the States. It is well known that urban jurisdictions generally receive a higher proportion of Federal aid because of the way Federal programs are structured.

The committee staff suggests that the District is a welfare "heaven." The District, like other cities, has suffered large increases in welfare. But the truth is that even today, the District has a lower percentage of its population on welfare than several other cities. The figure for the District as of February, 1971 was 10.5 percent. This compares with 16.6 percent in Boston, 15 percent in New York, 15.2 percent in Baltimore, 12.7 percent in Los Angeles.

In short, the District government is not extravagant or financially irresponsible. Such a charge is utter nonsense, and anyone who takes the trouble to look at the facts knows that. I am afraid that the staff report accompanying this bill does not state the truth in this regard. Since 1966, the District budget has increased roughly 131 percent. This compares to 183-percent increase in New York State's budget between 1965 and 1972, and increases of 110 percent in Atlanta, 109 percent in Baltimore, and a similar boost in New York City. The fact of the matter is that almost all local governments have faced dramatic budget increases, and the District is no different.

It is important to remember that the people of the District carry their own weight in financing the District budget. Based on the 1971 budget, the people of the District pay 70 percent of the costs of local government. As is true in all of your districts, the people here have been taxed to the limit. Even more significantly, further tax increases would weaken the District's competitive position in relation to the surrounding jurisdictions, threatening to drive business out of the city and further eroding the District's tax base. As matters now stand, the District taxpayer pays slightly more taxes than the Virginia taxpayer and slightly less than the taxpayer in Maryland.

The District's operating budget is an austerity budget reflecting primarily mandatory increases over the 1971 level. There was and is no flexibility to provide for new and badly needed programs in such areas as education, health, corrections, and housing. In short, the budget was and is absolutely bare bones.

I cite these facts not to claim that the District government is perfect or cannot be made more efficient or less wasteful. Obviously, improvements can be made. In the last year alone, the District government has made some progress. Over 1,000 employees have been trimmed from the employment base. In addition, the District government has embarked on a rigorous program to cut 5 percent of its employment base over the next 2 years.

I do not believe these are the earmarks of an extravagant or irresponsible government. But this is a government that cannot afford urgently needed new programs, a government facing a huge housing crisis, or a government facing a health crisis, and a government facing an education crisis. But it has no funds to tackle these problems head on. The Federal payment approved by the committee will not make inroads into solving these problems; it will simply allow the District government to limp along with most of its critical needs still unmet. But the additional revenue will help in making sure that no new crises develop, as would certainly be the case if any lower amount of Federal payment were to be provided. I hope you will join me and the overwhelming majority of the members of the District Committee in approving the $44 million increase in the Federal payment.

At the appropriate time in these proceedings, I shall ask that the detailed documentation supporting my statement be placed in the RECORD.

Mr. CABELL. Mr. Chairman, I yield 3 minutes to the gentleman from Missouri (Mr. HUNGATE).

Mr. HUNGATE. Mr. Chairman, I thank the gentleman for yielding.

Mr. Chairman, the Committee on the District of Columbia, as I have remarked before in the House, is unique in that I think everybody in the House and in the media knows how to run the District of Columbia, but nobody wants to serve on the committee. So we suffer from that, I suppose, and the attitude as to the situation in Washington as it affects your home is a great deal like having the measles twice, because there is not a great deal of political credit received at home for what you do for the District of Columbia, although probably there should be more national concern.

I would like to say that the chairman of the committee, the gentleman from South Carolina (Mr. McMILLAN) and the ranking minority member, the gentleman from Minnesota (Mr. NELSEN) have put in a great deal of time and effort on this work, and they work on it I think in a rather nonpartisan way. I will also say that you might be surprised that there may be more due process in the Committee on the District of Columbia, and certainly more written rules, than there are in some of the other committees of the House. Again I would compliment the gentleman from Minnesota (Mr. NELSEN) on the bipartisan and dedicated way in which he approaches the problems in the District.

I think it should also be said that, since we have a nonvoting Delegate from the District (Mr. FAUNTROY) on this committee, that it has improved the work of the committee. It has made the work of the committee, I believe, somewhat easier and somewhat more useful, because we have a man in there with us who is responsible directly to the people of the District, and I believe this gives a far more balanced approach on the problems here.

Insofar as the District taxation and the Federal payment and the Federal buildings are concerned, I have a standing offer from my district to take all of the Federal buildings without payment. I think we can work it out. Certainly there would be less difficulty in building the subway if we select some of the areas we have in my district.

As to the various parts of the bill:

Mr. Chairman, section 101, the part dealing with inheritance taxes, I think is a helpful provision.

Section 201, the provision involving the business inventory taxation problem, I think that should be supported by the House.

The motor vehicle fuel tax, section 301, I would urge support of that.

And support section 401, the corporate income tax, also.

Then we have the special fund borrowing authority, and while I was not on the subcommittee that took the testimony on this matter, I would rely on the judgment of the committee in this connection.

The principal thing I see here is I think the size of the Federal payment is too large, and I think that the reciprocal tax should have been adopted and should be adopted. The judgment of the chairman of the subcommittee, the gentleman from Texas (Mr. CABELL), I think should be one that would be most respected. He is one of the soundest fiscal conservatives in this House, and he recommended that we take this action, by adopting the reciprocal or commuter tax.

The CHAIRMAN. The time of the gentleman from Missouri has expired.

Mr. CABELL. Mr. Chairman, I yield myself the remaining time.

Mr. Chairman, I would first like to address myself to the gentlemen on the other side who have purported to be the watchdogs of the Treasury, but let me say that a great deal of the hue and cry for more money for the District has come from that side of the aisle.

Next, with reference to this old saw we have heard so many times about this being in the nature of a State rather than a municipality:

For your information, I would refer you to the report where it compares the total employment, both State, municipal and county of 14 subdivisions of States of 1 million or under population, and you will find the District of Columbia ranks No. 2 in the total number of employees insofar as State operations are concerned. Those are States with hundreds of thousands of square miles and we have 10 miles square.

As for this business of—oh, well, we get nothing out of these Government buildings—that again, as Mr. Hungate mentioned—there are many, many cities that would be delighted to have that payroll in their community. There are many that would like to have the impacted aid school funds that would accrue, because of that.

There are many of them that would like to have these buildings even if they did not produce the tax revenues but would be buying their water and helping to amortize their water and sewer bonds and that would use great quantities of electricity from their local power company and who would be paying gross receipt taxes and pay other taxes on the utilities use for heating, lighting, cooling, and ventilation of these buildings.

So I ask you, friends, do not get sucked in by all of these tears about the unusual expenses involved in the District of Columbia.

Also I would call your attention to the fact that in addition to the budget, the appropriated budget of almost a billion dollars, the District of Columbia receives from the Federal Government slightly more than $500 per capita in direct Federal grants in 1970 that do not go through the appropriation process. That is more than double the amount per capita that any other State in the Union gets.

The next is West Virginia at less than $200 per capita.

So, gentlemen, all we are asking when we try to talk a little economy into these people is to stop this constant escalation of their costs. We are burdened with it at the moment and we are trying to do the best we can.

The CHAIRMAN. All time has expired.

Under the rule, the Clerk will read the bill by title.

Mr. HALL. Mr. Chairman, I make the point of order that a quorum is not present.

The CHAIRMAN. The Chair will count. Sixty-eight Members are present, not a quorum. The Clerk will call the roll.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 381]

Abourezk
Adams
Alexander
Archer
Ashley
Barrett
Bell
Blackburn
Blanton
Blatnik
Byrne, Pa.
Carey, N.Y.
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Clay
Conyers
Corman
Dickinson
Diggs
Dingell
Dow
Dowdy
Dulski
Edwards, La.
Eilberg
Eshleman
Evins, Tenn.
Ford, William D.
Frenzel
Gettys
Goodling
Gray
Gubser
Halpern
Hanna
Harsha
Hébert
Hillis
Howard
Jones, Ala.
Kazen
Kee
Keith
King
Kuykendall
Landgrebe
Landrum
Link
Lloyd
Long, La.
McClure
McKay
Macdonald, Mass.
Madden
Melcher
Metcalfe
Mills, Ark.
Murphy, N.Y.
Pelly
Pepper
Pirnie
Powell
Preyer, N.C.
Railsback
Riegle
Rosenthal
Schwengel
Seiberling
Smith, Iowa
Springer
Stanton, J. William
Steele
Stephens
Taylor
Teague, Tex.
Terry
Thompson, N.J.
Veysey
Vigorito
Whalen
Whitten
Widnall
Wilson, Charles H.
Wright
Wyman

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. McFall, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill H.R. 11341, and finding itself without a quorum, he had directed the roll to be called, when 341 Members responded to their names, a quorum, and he submitted herewith the names of the absentees to be spread upon the Journal.

The Committee resumed its sitting.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

### H.R. 11341

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "District of Columbia Revenue Act of 1971".

### TITLE I

### AMENDMENTS TO DISTRICT OF COLUMBIA INHERITANCE TAX

Sec. 101. (a) Section 1(a) of article 1 of title V of the District of Columbia Revenue Act of 1937 (D.C. Code, sec. 47–1601) is amended to read as follows:

"(a) All real property and tangible and intangible personal property, or any interest therein, having its taxable situs in the District of Columbia, transferred from any person who may die seized or possessed thereof, either by will or by law, or by right of survivorship, and all such property, or interest therein, transferred by deed, grant, bargain, gift, or sale (except in cases of a bona fide purchase for full consideration in money or money's worth), made or intended to take effect in possession or enjoyment after the death of the decedent, or made in contemplation of death, to or for the use of, in trust or otherwise (including property of which the decedent has retained for his life or for any period not ascertainable without reference to his death or for any period which does not in fact end before his death (1) the possession or enjoyment of, or the right to the income from such property, or (2) the right, either alone or in conjunction with any person, to designate the persons who shall possess or enjoy the property or the income therefrom), to the father, mother, husband, wife, children by blood or legally adopted children, or any other lineal descendants or lineal ancestors of the decedent, shall be subject to the tax as follows: 1 per centum of so much of said property as is in excess of $5,000 and not in excess of $25,000; 2 per centum of so much of said property as is in excess of $25,000 and not in excess of $50,000; 3 percentum of so much of said property as is in excess of $50,000 and not in excess of $100,000; 5 per centum of so much of said property as is in excess of $100,000 and not in excess of $500,000; 6 per centum of so much of said property as is in excess of $500,000 and not in excess of $1,000,000; and 8 per centum of so much of said property as is in excess of $1,000,000."

(b) Section 1(b) of article 1 of title V of the Act is repealed, section 1(c) of article 1 of title V of the Act is redesignated as (b), and is amended to read as follows:

"(b) So much of said property so transferred to any person other than those included in paragraph (a) of this section and all firms, institutions, associations, and corporations shall be subject to a tax as follows: 5 per centum of so much of said property as is in excess of $1,000 and not in excess of $25,000; 10 per centum of so much of said property as is in excess of $25,000 and not in excess of $50,000; 14 per centum of so much of said property as is in excess of $50,000 and not in excess of $100,000; 18 per centum of so much of said property as is in excess of $100,000 and not in excess of $500,000; 22 per centum of so much of said property as is in excess of $500,000 and not in excess of $1,000,000; and 23 per centum of so much of said property as is in excess of $1,000,000."

Mr. CABELL (during the reading). Mr. Chairman, I ask unanimous consent that title I be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

### COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 1, line 8, strike out "Section 1(a)" and insert in lieu thereof "Paragraph (a) of section 1".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 2, line 3, insert "Sec. 1.".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 9, strike out lines 9 through 11 and insert "(b) Paragraph (b) of such section is repealed and paragraph (c) of such section is amended to read as follows:"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 14, strike "(b)" and insert "(c)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 19, strike out "11" and insert "10".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 3, line 24, strike out "23" and insert "22".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 4, after line 3, insert the following:

"(c) The amendments made by this section shall apply with respect to property in the estates of persons who die on or after the date of enactment of this Act."

The committee amendment was agreed to.

Mr. MIKVA. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time before we get into the meat of the bill to call the attention of the committee to a few items.

First of all, you will have heard quite a bit about the report. You notice I did not say the committee report—I think it is more accurate to call it a staff report.

I would urge the members of the Committee to take what you read in the report with a special grain of whatever you take reports with because there are a substantial number of errors in the report.

For example, you will find on page 18 that the population of Washington, D.C., decreased 63 percent in 10 years. At the very least, there is a misplaced decimal point there.

Or you will find on page 37 the per capita expenditure on pupils for public school education is $13,000. Once again, I think it is a case of misplaced emphasis on decimal points.

I cite only these two examples to underscore the irony of a report which complains about inefficiency of a governmental unit and then turns out to be much less than totally efficient when it comes to writing a report. But I cite the examples mainly to urge members to view with caution some of the comparisons made in there.

First of all, in most places the report is comparing apples with oranges. We are talking about a stateless city and comparing it with cities that are parts of counties and parts of States.

Second, I would point out to those of you who come from urban areas that Washington is in many instances unique and in many places it suffers from the same kind of problems that grieves every other part of urban America. I refer to a tremendous increase in problems that increase geometrically even as their populations decline.

I would point out, for example, that just as the Washington budget has gone up, so, when you look at a city like Dallas, you find that their budget has gone up even more drastically. Even a town like Florence, S.C., has a budget that has increased higher than has the Washington budget.

Mr. McMILLAN. Mr. Chairman, will the gentleman yield?

Mr. MIKVA. I yield to my distinguished chairman.

Mr. McMILLAN. The gentleman is pointing out errors in the report and I certainly agree with him. I think every chairman in this House would agree with me that the Government Printing Office has made more errors this year in reports and in reprinting bills than at any time in its previous history. I think about two-thirds of these errors are Government Printing Office errors.

Mr. MIKVA. I thank the gentleman.

Mr. Chairman, let me say one last thing. At the appropriate time, I intend to offer an amendment, referring to one of these wonderful riders in the night: Mine is not to the so-called Providence Hospital rider, but there are three riders on this bill, ladies and gentlemen, and they all suffer from the same set of problems. Some may be not quite as notorious as others, but none of them have had the benefit of hearings. None of them can really stand on their own bottoms which is why they are being offered as riders to a revenue bill.

This House has expressed itself quite recently and frequently on the problem of germaneness, it is kind of odd that we should place in a revenue bill several amendments or riders that have nothing to do with revenue.

I intend to offer a motion to strike one of them and I am glad that my colleague, the gentleman from Indiana, will offer a motion to strike another and I am relieved to know that the chairman of our committee intends to offer a motion to strike the third.

I am afraid that even though some have received more newspaper publicity than others, all of them are riders in the night and ought to be defeated. If they are good ideas, they ought to come out as separate bills from the Committee on the District of Columbia.

Mr. JACOBS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, nearly a year ago considerable publicity was given in the District of Columbia to the treatment of children at the facility known as Junior Village. Of particular concern to some members of the District of Columbia Committee was the coldness of institutional care for very small infant children who, under the existing situation, were and are entering Junior Village as early in life as 6 months of age.

After protracted ad hoc hearings, before the Congress had actually organized its committees, and after considerable negotiation with the District of Columbia government by those of us who were particularly concerned about this problem, the city council of Washington, D.C. eventually enacted a plan for phasing out the coldness of institutional care for children between the ages of 6 months and 6 years at Junior Village. It is this particular group of children that I think we should be particularly concerned about.

Therefore, I was more than just a little distressed to hear on the news this morning that a very high-ranking official in the District of Columbia government indicated a strong probability that the plan for phasing out that activity of Junior Village relating to 6-year-old children and younger would not be carried out, notwithstanding the fact that the city council had very thoughtfully studied the problem and given a very reasonable phasing-out plan to be followed. For that reason I hope that this official will reconsider, and consider that there is only one thing to be said for any institutional care, really, but particularly the kind of care that of necessity we found at Junior Village for those children in the very early years of life.

There is only one thing that can be said for it and that is, "it is wrong."

Therefore, I hope the District of Columbia government will react to the needs of these children and will phase out those activities at Junior Village that relate to them. If they do not, then when the appropriation bill comes before the Congress, I shall offer an amendment to the bill which will require them to do so. If they say they do not have enough money, I suggest that a chauffer be put on sabbatical or maybe even that a limousine of the District of Columbia government be sold. But let us put first things first, and I mean these young children. This has more to do with future crime and future welfare than many people might suspect.

Mr. SCHERLE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, although I am not a member of the District of Columbia Legislative Committee, I am a member of the District of Columbia Appropriations Committee, and compliment my colleague, Chairman McMILLAN, and his committee for this outstanding report. There may be a few insignificant mistakes in the report, but when you get to the meat of the thing, you get the true facts.

The chairman has done an outstanding, masterful job in bringing these facts to the attention of this body. I just wish there were more Members present to hear it.

I want to take a moment or two of your attention to bring a few things before the Committee that are pertinent to the bill before us today.

On July 1, 1970, the debt-infested Washington, D.C., government, at the utopian urging of welfare apologists and umbilical-cord philosophers, eliminated the investigative Department of the city's Social Services Administration. The investigators had reviewed the eligibility of welfare applicants and recipients to insure that only the needy were collecting public funds. At that time, fewer than 20,000 welfare cases were receiving about $35 million a year in tax money.

Since welfare investigators were expunged from the city's budget, the number of welfare cases has jumped astronomically, even though the District's population declined in the same period.

One year later welfare cases had increased about 50 percent to just under 30,000 at a cost of over $57 million. By September of this year the caseload catapulted to more than 37,000 with an estimated yearly outlay of $76 million. District officials expect the welfare cases to exceed 50,000 with an estimated expenditure of close to $124 million by fiscal year 1973.

Mr. ZION. Mr. Chairman, would the gentleman yield briefly?

Mr. SCHERLE. I yield to the gentleman from Indiana.

Mr. ZION. Mr. Chairman, I would comment to the gentleman in the well that much of this welfare is apparently elective. I live in an apartment hotel, and I am unable to find anybody to come down and dust and make the beds. I find in the newspapers many job opportunities. I suspect the laboring people of this country who pay the taxes would have less obligation to the District of Columbia if the residents here were willing to do some more work for themselves.

Mr. Chairman, I appreciate the comments of my friend, the gentleman from Indiana. When we make welfare so lucrative that people do not have to work, they are not going to work. That is the problem we have in the District of Columbia.

Based on the current average of 2.5 persons per case, the number of welfare recipients in the Nation's Capital will then total more than twice the population of Council Bluffs, Iowa, which is the largest city in my district.

These catastrophic figures clearly indicate the urgent need to reinstate the investigative Department. It is evident that the laxness of the city's supervision of welfare cases has encouraged people of doubtful eligibility to apply for relief. The bread-and-butter issue is that welfare "rolls" are made with the taxpayer's "dough," and they are entitled to a reasonable assurance that their money is not being squandered on cheats.

It is not only the taxpayer's interest which is at stake here, however. Limited fiscal resources have forced the District of Columbia government to cut back the individual welfare recipient's allotment to 75 percent of need. Thus eligible beneficiaries are as much the victims of welfare fraud as the hapless taxpayers. If the cheaters could be weeded out, the available funds could be more equitably and honestly distributed, and the legitimate interests of both groups would be better served.

I would like to point out further what took place in the District schools last year. In the 1970 fiscal year, the repair bill for broken windows alone amounted to $732,558.

There were 391 illegal entries, and $350,000 worth of equipment disappeared, such as typewriters, shop tools, and adding machines. Over $1 million was lost in 1 year, money that could have been spent to purchase books or pay teachers' salaries.

I would like to call attention to crime in District of Columbia which has moved off the streets and into the Government's own office buildings. Violent assaults are on the increase. Just recently a Government executive was stabbed to death in the men's room of the New Executive Office Building, and two women were raped in the White House area restrooms of a building occupied by Federal agencies. Thefts are up, too. Last year over one quarter of a million dollars worth of equipment and $150,000 in cash were taken from Federal employees in their own offices. At the Department of Agriculture, $7,918 worth of office equipment has been stolen within the last 2 months alone. Most of the items were thousand-dollar calculators, but electric typewriters, dictating machines, and computer tapes were also victims of the heist.

I have in my hand a copy of the Washington Daily News, dated November 4, 1971, with a headline which reads "Murder Pace Here 'Epidemic'" and "7-in-10 D.C. Slay Suspects Go Free."

To quote from the article, by Patrick Collins:

> The homicide rate in the District is more than twice that of New York City, and the man who kills here has a seven out of 10 chance of getting away with murder.
>
> Though the District homicide squad boasts of the fact it solves 90 percent of its cases, only half of the suspects captured get indicted and only a third of the suspects indicted get convicted.
>
> So far this year homicides (236) have passed last year's total and are increasing at a rate that could match or surpass the record 292 homicides recorded here in 1969.

I will place this article in the RECORD, along with a few others which give a true picture of life in Washington, D.C. Many more could be added to the list.

The material mentioned follows:

[From the Washington Daily News, Nov. 4, 1971]

### MURDER PACE HERE "EPIDEMIC": 7-IN-10 D.C. SLAY SUSPECTS GO FREE—BIGGEST DEATH CAUSE IN 15-TO-44 AGE GROUP: HOMICIDE

(By Patrick Collins)

The homicide rate in the District is more than twice that of New York City and the man who kills here has a seven out of 10 chance of getting away with murder.

Tho the District homicide squad boasts of the fact it solves 90 per cent of its cases, only half of the suspects captured get indicted and only a third of the suspects indicted get convicted.

So far this year homicides (236) have passed last year's total and are increasing at a rate that could match or surpass the record 292 homicides recorded here in 1969.

The Health Department, which charts the mortality rate, says that District residents between the ages of 15 and 44 have a better chance of being murdered than of being killed by a heroin overdose, automobile accident or any natural cause.

The city medical examiner has called the homicide rate "epidemic" and the U.S. Attorney calls it "alarming."

These are some of the findings of a two-week study of District homicides conducted by The Washington Daily News.

The study shows:

In an eight-year period here 1,361 homicides were reported and police say they solved 1,230 of them by arrests. But of the 1,230 homicide suspects arrested 534 were never indicted by a grand jury and another 115 were released after the indictment when the U.S. Attorney decided the case was not strong enough to take to court.

The U.S. Attorney's office has obtained convictions of only 444 of the 1,230 homicide suspects.

The District averages 37 homicides per 100,000 people while New York reports 17 homicides per 100,000.

Police say murders are becoming more complicated and in some cases they say murders are planned in great detail. They say in the past the majority of homicides were committed by suspects who were related to or knew the victim, but say this is not the case today.

In the eight years from 1963 to 1970 the number of murders has increased 250 per cent while the number of convictions has climbed 95 per cent.

### MATTER OF EVIDENCE

The disparity between the number of homicide arrests and the number of homicide convictions is explained as "a matter of evidence" by U.S. Attorney Thomas Flannery.

"There is an obvious difference of evidence required to establish probable cause for arrest and the evidence required for indictment and the evidence required to convict beyond a reasonable doubt."

To illustrate this, one attorney said if a murder suspect confesses police have probable cause for arrest. But if the confession is the strongest piece of evidence the government has "it's a good possibility that the case will never go to trial because it's almost impossible to get the confession admitted as evidence in court. So the case is dropped."

Mr. Flannery said his office "must traditionally assemble a heavy burden of proof," as to the guilt of the suspect. "The murder cases are more complicated, the murder suspects more sophisticated and the trials more difficult.

"I'm proud of my staff and the manner in which they prosecute murders and all the cases—despite the handicaps we have in assembling the evidence."

Mr. Flannery refused to discuss the 1966 Miranda decision—which gives the suspect the right to remain silent—a decision which many police officers feel "handicaps" their investigation of the case.

The 444 convictions in the eight-year period, Mr. Flannery said, do not include some 50 cases where the suspect was found not guilty by reason of insanity. "That's as good as a conviction, because the man does not return to the street."

"The murder rate is an alarming fact," Mr. Flannery said, "but it is a situation that exists in most major urban areas. We have an excellent police force and an excellent homicide squad and frankly I feel safer walking the streets here than any of the other cities I have visited."

The low conviction rate, Mr. Flannery said, "is one of the prices we pay for a free society . . ."

Lt. Joseph O'Brien, who spent 11 years as a homicide detective before becoming chief of the squad last June, said he feels the low conviction rate is not the fault of the homicide squad.

"If we have enough evidence to make an arrest," Lt. O'Brien said, "there should be enough evidence to get a conviction. When we go to court we present the facts we have. There is no effort to stage the case. We do get some weak cases but most of them are solid."

### SENSELESS, IMPORTANT

"All homicides are senseless," Lt. O'Brien said. "They are all of great importance to some one. Every victim has a loved one somewhere no matter who he is. And all our homicides get the same amount of attention."

Investigations of homicides have become more difficult, Lt. O'Brien said, and last year five more detectives were added to the 34-

man squad in an attempt to lighten a work load which kept the homicide detectives on the job for 13 hours a day.

"The job is a hard one," Lt. O'Brien said. "The cases are more complicated. It used to be when we arrived on the scene of a homicide the suspect would still be there with the gun dangling from his hand. Now—more often than not—that suspect ducks out the back door, gets rid of the gun and gets out of town."

Increased drug traffic and the easy availability of guns are two causes for the increase of homicides according to Lt. O'Brien. "If there were not as many guns available there would not be as many homicides. But, on the other hand, there are a lot of people who two years ago would have been homicides. The hospitals are saving more potential homicides than people realize."

Describing the number of homicides here as "astronomical" and the rate of murder as "epidemic," District Medical Examiner James Luke says the right people don't care about the homicide problem.

### GHETTO PROBLEM

"Homicide is still a ghetto problem," Dr. Luke said, "Like the drug problem was years ago. There have ben very few homicides of whites here and until the homicides affect the people of influence, the people who make decisions, nothing will be done. Homicide is a problem that has not been dealt with at all.

"Our job is to have a dialogue with the dead," Dr. Luke said, "and many people would expect us to be hardened to it. But these are real people who are brought in here. We see their faces. We see their families and we see a potentially productive life wiped out each day. It's not a game. The more we see, the more we become sensitized to the problem."

Dr. Luke says that, by far, hand-guns are used in most of the murders. "There is something impersonal about a gun. When a person uses a gun he doesn't think of himself as the killer. He thinks the gun did it. We've got to get the guns off the street and people who don't believe this are just looking at the leaves.

"Each day residents of this city face potential violence . . . Something must be done."

### UNSOLVED CASES

This year 236 homicides have been reported, six more than the 1970 total of 229. Of the homicides reported this year, 24 remain unsolved.

Here are four of the homicide squad's most puzzling unsolved cases.

Diane Johnston, 27, wife of a laundry truck driver who was kidnapped along with her husband in the parking lot of Hogate's Restaurant.

The gunman forced them to drive to an alley near The Evening Star building. Mr. Johnston was pinned to the ground by one of the men while the other tied Mrs. Johnston's arms and neck and tried to sexually assault her. Then the two ran off.

Strangled by the rope around her neck, Mrs. Johnston was pronounced dead in the alley.

Since April, four young District girls have been found dead on the shoulders of area highways.

Carol Spinks, 13, of 1058 Wahler Place se who left home April 30 to buy TV dinners for her mother, was found near the junction of the Anacostia Freeway and the Suitland Parkway.

Darlenia Johnson, 16, of 3922 Wheeler Road se, was found dead in July near the Naval Research Laboratory after she left home to go on an overnight trip.

Brenda Fay Crockett, 10, 2214 12th Place nw, whose body was found off Route 50 near the Kenilworth-av exit in July.

Nenomosia Yates, 12, of 4952 Benning Road se, found alongside Southern-av on Oct. 1.

Police suspect that a "freeway Phantom" has lured these girls to their death, but they say there are really no solid clues.

Ritchie Reed, 30, economic analyst found stabbed 33 times in the washroom of the New Executive Office building with a "racial note" left beside his body.

Police say they have systematically eliminated all the obvious suspects in the case. They say there were no eyewitnesses to the stabbing and no clues other than the note which was scrawled on a piece of notebook paper.

Two Australian girls bound, gagged and shot in the head, found dead in their apartment at 2714 Quarry Road nw. The police say the girls had been dead for at least four days.

The police say they have uncovered no motive, no clue for the girls death.

"Some of these murders may seem easy," said Lt. O'Brien. "But none of them are easy. They're different, they're complicated and they're senseless. We can't predict them, we can't prevent them. We just work like hell to try and solve them."

### UNSOLVED 1971 MURDERS

Date, name, location, and cause.

Jan. 19—Satterwhite, Russel D.—3727 Jay-st ne, Shooting.

Jan. 20—Lee, Rudolph—#11 Ridge Road se, Shooting.

Jan. 28—Williams, Idell A.—1236 11th-st nw, Beating.

Feb. 17—Hymes, Victor—907 Florida-av nw, Shooting.

April 7—Lowery, Simon—416 21st-st ne, Beating.

April 12—Stroud, Amy—646 Newton Place nw, Stabbing.

April 13—Williams, James E.—1126 11-st nw, Stabbing.

May 1—Gibson, John—1908 17th-st se, Beating.

May 11—Sprink, Carol—Route 295, Strangulation.

May 17—Brown, Marshall—1326 U-st nw., Shooting.

May 19—Dick, Harry—1734 20th-st nw, Strangulation.

May 23—Lewis, Nathan—311 L-st se, Shooting.

June 9—Smith, Leslie—1733 N-st nw, Stabbing.

June 25—Frye, George—2615 Bladensburg Road ne, Beating.

June 25—Jones, Warren—922 New York-av nw, Stabbing.

June 26—Johnson, Diane—120 Canal-st Strangulation.

July 2—Kotler, Stanley—1269 23rd-st nw, Shooting.

July 23—Messick, Frederick—473 I-st nw, Beating.

Aug. 9—Proctor, Wilton—3424 A-st se, Shooting.

Aug. 14—Kemtz, Ralph—Columbia Island, Shooting.

Aug. 16—Stankovich, David—1255 New York-av nw, Beating.

Aug. 28—Sanchez, Gilberto—1814 Irving-st ne, Shooting.

Aug. 28—Sanchez, Teresita—1814 Irving-st ne, Shooting.

Sept. 2—Brady, Christopher S.—Bldg. 58, Navy Yard, Stabbing.

Sept. 7—Jackson, Albert W. Jr.—1317 South Capitol-st, Shooting.

Sept. 8—Parham, Abraham M.—Portland-st and South Capitol-st, Shooting.

Oct. 1—Reed, Ritchie H.—726 Jackson Place nw, Stabbing.

Oct. 17—Martin, James—4504 Lee-st ne, Shooting.

Oct. 17—Pannell, Normal—12th-st and U-st nw, Shooting.

Oct. 26—Wia, Peter D.—1447 Chapin-st nw, Strangulation.

Oct. 27—Lee, John P.—Seventh-st and North Carolina av se, Beating.

Nov. 2—Tapp, Sharon—2714 Quarry Road nw, Shooting.

Nov. 2—Fraham, Sheral—2714 Quarry Road nw, Shooting.

Nov. 3—Davis, Allen—Harrington Motel, Shooting.

CHARTING THE COURSE OF MURDER

| Fiscal year | Homicides reported | Homicide arrests | Homicide indictments acted on by court | Homicide indictments dismissed by U.S. Attorney | Homicide convictions |
|---|---|---|---|---|---|
| 1963.. | 82 | 81 | 61 | 9 | 40 |
| 1964.. | 109 | 106 | 79 | 17 | 56 |
| 1965.. | 163 | 156 | 81 | 21 | 45 |
| 1966.. | 157 | 148 | 67 | 11 | 44 |
| 1967.. | 158 | 128 | 66 | 6 | 44 |
| 1968.. | 179 | 162 | 128 | 17 | 83 |
| 1969.. | 233 | 193 | 99 | 17 | 55 |
| 1970.. | 280 | 256 | 115 | 17 | 77 |

Note: These statistics were prepared from information provided by the District Police Department and the Administration Office of the U.S. Court.

They represent a survey of 8 fiscal years from 1963 through 1970.

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[From the Washington Daily News, Nov. 9, 1971]

## THIEVES SCORE IN PROPERTY AND CASH—GOVERNMENT OFFICES ARE LOOTED

(By Patrick Collins)

Eluding a complex network of guards, alarms and closed circuit television, sneak thieves have walked off with more than a quarter of a million dollars of equipment from government offices and snatched another $150,000 from federal employes in the past year, according to a Washington Daily News survey.

From October, 1970, thru this September the federal government reported 2,493 thefts including $383,033 in property and cash from its offices and employes.

It was in October, 1970, that the Federal Protective Service, charged with the security of the 501 government buildings here, took "sweeping steps" to safeguard federal equipment and employes.

To tighten security here the protective service:

Added 200 guards to its force of 2,000 men.

Began "intensified" four week training programs for its guards.

Closed off all unnecessary entrances to government buildings.

Began package inspection at the exits to the buildings.

Installed alarms and closed circuit cameras in the federal credit unions.

Increased the number of patrol cars, walkie talkies and building patrols.

As a result of this action, the Federal Protective Service says, the number of thefts of government property this year has dropped 31 per cent and the number of personal thefts has fallen 10 per cent.

"But they still get to us," a spokesman for the protective service said. "You'll never put a stop to all the theft—people being people—all you can do is concentrate on keeping the rate of theft down. . . ."

### IBM—HOT

"Take the IBM typewriter," he said. "It's a hot item and I don't know where they are going. It's worth $400. It's big and it's hard to get out of the building. Yet they still disappear. It gets aggravating."

Eventually, the Federal Protective Service says it hopes "to change the image of the routine old-time guard to a younger, smarter and better trained officer—like a Metropolitan policeman."

It says that in addition to securing property, the protective service is responsible for the safety of federal employes.

The service says it employs five female guards to patrol the women's washrooms. "Now obviously that's not enough to give protection in all the bathrooms," the spokesman said. "But we hope to get more washroom guards soon."

Last week there were two rapes in women's rooms in White House-area buildings occupied by federal agencies, and a government executive was stabbed to death recently in the men's room of the New Executive Office Building.

### Local Cash Crop

Here is a list of items stolen from the Agriculture Department in two months:

Date, Item, and Cost.
Aug. 2, Singer Calculator, $779.
Aug. 2, Cannon Calculator, $880.
Aug. 3, Monroe Electronic Calculator, $980.
Aug. 4, Remington Calculator, $250.
Aug. 6, Electronic Desk Calculator, $250.
Aug. 10, Smith-Corona Electronic Calculator, $612.
Aug. 13, Olivetti Electric Typewriter, $310.
Aug. 18, Magnetic Computer Tape, $15.
Aug. 18, Olivetti Calculator, $1195.
Aug. 18, Olivetti Calculator, $790.
Aug. 18, Olivetti Calculator, $790.
Aug. 21, IBM Portable Dictating Machine, $25.
Aug. 26, Monroe Adding Machine, $250.
Sept. 4, Norelco Dictating Machine, $80.
Sept. 9, Cassette Recorder, $122.
Sept. 25, IBM Electric Typewriter, $486.
Sept. 25, Portable Tape Recorder, $25.
Sept. 28, Norelco Tape Recorder, $69.
Total, $7,918.

I am not completely critical. This is a Federal City which belongs to every person in the United States. It should be a model city.

But, Mr. Chairman, there is something wrong with the operation of this government in Washington, D.C. Why in the world, with a declining population, should we be forced to increase the budget by $50 million? Can anybody give me a good reason for that I should like to know?

I compliment the Metropolitan Police and the police on the Hill. They are placed in an untenable position, largely because of the actions of the courts. However, we can not solve the problems of Washington with money alone. We have laws on the books. We have to enforce them.

This $50 million I believe is in excess by at least 50 percent of the amount needed. It is my intention, when the proper portion of the bill is reached, to offer an amendment to cut this amount in half.

The city officials in Washington should reexamine their record and do a better job. The money is provided not only by Washington, D.C., taxpayers, but by all the citizens of the United States. We should all regard the Capital as a model city, but we must make some changes at the roots of government.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. SCHERLE. I yield to the gentleman from Connecticut.

Mr. McKINNEY. I would say to the gentleman, if he would be willing to cosponsor a bill with me that would provide adequate money to put a District of Columbia policeman on each floor of each school, I would support it with him.

I would also stand on the floor and be willing to support a bill to have the Federal Government properly police the office space it has.

And I would be willing to support a bill, unpopular as it might be, which required that Federal and Capitol Hill employees live within the District of Columbia, so that we could bring back some moderate income population to this city.

Mr. SCHERLE. I would go along, perhaps, with the first two, but the last request is totally impractical. American citizens must be free to live wherever they wish and can afford.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

### TITLE II

### TAXATION OF BUSINESS INVENTORY

SEC. 201. Paragraph 2 of section 6 of the Act of July 1, 1902 (D.C. Code, sec. 47–1207), is amended by adding at the end thereof the following sentence: "Effective July 1, 1972, the rate of tax applicable to the average stock in trade of dealers in general merchandise shall be two-thirds of the rate of tax established by the District of Columbia Council for application generally to personal property subject to taxation for the fiscal year ending June 30, 1972; and effective July 1, 1973, the rate of tax applicable to the average stock in trade of dealers in general merchandise shall be one-third the rate of tax established by the District of Columbia Council to be applied generally to personal property subject to taxation for the fiscal year ending June 30, 1973; and effective July 1, 1974, the tax on the average stock in trade of dealers in general merchandise is repealed."

Mr. CABELL (during the reading). Mr. Chairman, I ask unanimous consent that title II be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. If there are no amendments to be proposed to title II, the Clerk will read.

The Clerk read as follows:

### TITLE III

### MOTOR VEHICLE FUELS TAX

SEC. 301. (a) The first section of the Act entitled "An Act to provide for a tax on motor vehicle fuels sold within the District of Columbia, and for other purposes," approved April 23, 1924 (43 Stat. 106; D.C. Code, sec. 47–1901), as amended, is amended by striking the figure "7" and inserting in lieu thereof the figure "8".

(b) Section 2(b) of such Act (D.C. Code, 47–1902 (b)), is amended to read as follows:

"(b) The term 'motor vehicle fuels' means gasoline, diesel fuel, and other volatile and flammable liquid fuels produced or compounded for the purpose of operating or propelling internal combustion engines. It also includes benzol, benzene, naphtha, kerosene, heating oils, all liquified petroleum gases, and all combustible gases and liquids suitable for the generation of power for propulsion of motor vehicles when advertised, offered for sale, sold for use, or used, alone, or blended or compounded with other products, for the purpose of operating or propelling internal combustion engines."

(c) Section 10 of such Act (D.C. Code, 47–1910) is repealed.

(d) Section 14 of such Act (D.C. Code, 47–1912), as amended, is amended by striking out "of 7 cents per gallon".

SEC. 302. The amendments made by this title shall take effect on the first day of the first month which begins more than thirty days after the date of enactment of this Act.

Mr. CABELL (during the reading). Mr. Chairman, I ask unanimous consent that title III be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. If there are no amendments to be proposed to title III, the Clerk will read.

The Clerk read as follows:

### TITLE IV

### CORPORATE INCOME TAX

SEC. 401. Section 2 of title VII of article I of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 47–1571a) is amended by striking out "6" and inserting in lieu thereof "7".

SEC. 402. The amendment made by this title shall apply with respect to taxable years beginning after December 31, 1971.

Mr. CABELL (during the reading). Mr. Chairman, I ask unanimous consent that title IV be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. Are there any amendments to be proposed to title IV? If not, the Clerk will read.

The Clerk read as follows:

### TITLE V

### INCREASE SPECIAL FUND BORROWING AUTHORITY

SEC. 501. Section 214 of the District of Columbia Public Works Act of 1954 (D.C. Code, sec. 43–1613) is amended by striking out the figure "$72,000,000" and inserting in lieu thereof the figure "$106,000,000".

SEC. 502. The Act entitled "An Act to authorize the Commissioners of the District of Columbia to plan, construct, operate, and maintain a sanitary sewer to connect the Dulles International Airport with the District of Columbia system", approved June 12, 1960, as amended, is further amended (1) by striking out in section 4 (D.C. Code, sec. 43–1623 (a)), the figure "$25,000,000", and (2) by adding at the end of section 2(b) (D.C. Code, sec. 43–1621(b)) the following: "Lump-sum payments made by an agency or local authority pursuant to the provisions of this section, and as reimbursement to the United States of funds loaned in compliance with section 4 of this Act, need not be appropriated, and may be made by the agency or local authority to the Secretary of the Treasury.".

Mr. CABELL (during the reading). Mr. Chairman, I ask unanimous consent that title V may be considered as read, printed in the Record, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

### COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the first committee amendment.

The Clerk read as follows:

Committee amendment: Page 7, strike out line 3 and insert the following:

"1623(a)) '$25,500,000' and inserting in lieu thereof '$35,500,000', and (2) by adding at".

Mr. CABELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, this was a technical amendment because it was printed in the original bill, and we are asking in the committee amendment to have it restored. This is another case of a typographical error.

Did the gentleman from Iowa wish to oppose the amendment as it was supposed to be in the bill?

Mr. GROSS. Will the gentleman yield?

Mr. CABELL. Yes.

Mr. GROSS. I thought the Clerk read $35 million. Is that what the gentleman is addressing himself to?

Mr. CABELL. $35.5 million. That is the increase in borrowing.

Mr. GROSS. The Clerk read "$30 million." Is it $30 million or $35 million?

Mr. CABELL Thirty-five million, five hundred thousand is the correct amount. There was an error in the bill as printed. Therefore, this is a committee amendment to correct that error.

Mr. GROSS. I will say to the gentleman there is no error in the bill I hold in my hand. It provides for $35.5 million.

Mr. CABELL. The $35.5 million is the committee amendment.

Mr. GROSS. I see.

Mr. ANDREWS of Alabama. Will the gentleman yield?

Mr. CABELL. I will be glad to yield to the gentleman?

Mr. ANDREWS of Alabama. Could the gentleman tell the House how many city employees are using chauffeur-driven automobiles? I saw in the paper, oh, it was a fantastic number. I hope we could stop some of it. I do not mind the Mayor having an automobile, but I saw where the chauffeur of the superintendent of schools got $17,500 a year, which is more than the superintendent of education in many States gets.

Mr. CABELL. I would just like very much to take issue with the gentleman. It was not $17,000 a year.

Mr. ANDREWS of Alabama. That is what the paper says.

Mr. CABELL. Computed on an annual basis, it is $22,000.

Mr. ANDREWS of Alabama. That is even worse. That is more than a lot of Governors get. I do not know. I am sure the gentleman does not even attempt to justify it. But how do the witnesses who come before the committee justify fabulous salaries like that for driving automobiles like that? Of course, it is worth an awful lot to drive a car around in Washington, because you take your life in your hands every time you get into one.

Mr. CABELL. May I remind the gentleman the Committee on Appropriations has the ability and the authority to line veto some of these appropriations, and in the authorization we are not in a position to dictate that.

Mr. ANDREWS of Alabama. Would it be in order to offer an amendment to this bill to limit the number of chauffeur-driven automobiles that can be used by city employees?

Mr. CABELL. I would hope the gentleman would reserve that for the appropriations where it can be done very expeditiously and without taking the chance of encroaching upon the prerogatives of the Committee on Appropriations.

Mr. ANDREWS of Alabama. Well, I am not surprised that we do not have enough money to make ends meet with the welfare rolls rising, as the gentleman from Iowa said.

You have 50 or 60 chauffeur-driven automobiles where the chauffeur receives $22,500 a year.

I wonder if he is on welfare in addition to the salary which he receives?

Mr. CABELL. If he has enough children it is possible that he is drawing some welfare payments.

Mr. ANDREWS of Alabama. Well, I am sure he has a lot of children.

I thank the gentleman for yielding.

Mr. GROSS. Mr. Chairman, I move to strike the necessary number of words.

Mr. GROSS. Mr. Chairman, I am still not satisfied with this title V and the building of sanitary facilities out in Virginia in connection with Dulles Airport.

I frankly admit that I know too little about the sanitary disposal laws, but why are we financing in this bill, the District of Columbia bill, a sewer system or disposal system miles and miles out in the State of Virginia? I just do not understand why.

Mr. McKINNEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes, I yield to the gentleman.

Mr. McKINNEY. I believe the gentleman will find we are supporting that by an act of this very body. They put that particular job on the city of Washington when the airport was built.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield further?

Mr. GROSS. Yes, I yield further to the gentleman from Virginia.

Mr. BROYHILL of Virginia. A number of years ago when the construction of the Dulles International Airport was authorized—and it was authorized by this Congress, not at the request of the people of Virginia or Maryland—it was authorized at a cost of $100 million.

Mr. GROSS. Yes, and you were glad to get it, were you not?

Mr. BROYHILL of Virginia. We opposed it for a number of years.

Mr. GROSS. But you finally capitulated and accepted it with open arms.

Mr. BROYHILL of Virginia. Mr. Chairman, if the gentleman will yield further, when the airport was authorized it was proposed that the sewage effluent be dumped into the Potomac River above the city water intake for the Nation's Capital. However, it was later proposed by this Congress that we construct a sewage interceptor system that would bring the effluent down to the Blue Plains treatment plant, and that there a user's fee be charged sufficient to pay for the cost of the construction of that plant.

The only thing that this language does is increase that authorization. There is still provision for repayment of the additional funding through the user charges over a period of years. We propose this increased borrowing authority in order to assure protection against the pollution of the Potomac which is being corrected now by the construction of this facility at the Three Sisters Bridge.

Mr. GROSS. Does the House District Committee handle requests for sewage disposal systems all over the country? Are you getting any in Florida from the House District Committee?

I do not know how it ever got into this committee. It had to be by some kind of fast footwork on the part of someone.

I do not understand why the House District Committee should be providing this kind of money for a sewer system in northern Virginia.

Mr. BROYHILL of Virginia. Mr. Chairman, if the gentleman will yield further, I think the gentleman has a very good point, and that is that the expense of the Blue Plains treatment plant which is operated by the District of Columbia is included in the budget of the District of Columbia, but I think it should be a separate item. I think the Blue Plains plant should be federally operated for the treatment of this sewage as well as to protect the water supply not only of the District of Columbia but the surrounding areas, as well, because the Federal Government owns half of the property in the District of Columbia anyway.

This provision is in this bill because the District of Columbia has jurisdiction over the Blue Plains treatment plant.

Mr. GROSS. The taxpayers of the country build all of these free bridges across the Potomac River to Virginia. I still think we ought to drain the Potomac River, pave it, and use it for traffic.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes; I yield to the gentleman from Maryland.

Mr. GUDE. I can appreciate the gentleman's concern.

Let me say that the underwriting of the Blue Plains treatment plant is being done by the District of Columbia, Maryland, and Virginia through user charges.

After extensive discussion and negotiation all of the jurisdictions have come to an agreement to pay their fair share of cleaning up the river. This is a cooperative arrangement, and let me assure the gentleman——

Mr. GROSS. I hope the gentleman is not about to say that Maryland now wants some kind of free ride from the taxpayers of the country.

Mr. GUDE. No; Maryland citizens are willing to pay their fair share of cleaning up the Potomac.

I thank the gentleman for yielding.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 7, line 12, after the word "Treasury", insert: "The second sentence of section 4(a) of such Act is amended by striking out 'Any loan advanced' down through and including 'from the receipts credited to said fund' and inserting in lieu thereof the following: 'Any loan advanced under this section shall be credited to the Metropolitan Area Sanitary Sewage Works Fund, and—

"(1) in the case of any loan advanced under this section before July 1, 1971, 50 per centum of such loan shall be repaid to the Secretary of the Treasury, and

"(2) in the case of any loan advanced on or after July 1, 1971, 100 per centum of such loan shall be repaid to the Secretary of the Treasury,

from the receipts credited to such fund'."

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

### TITLE VI

### INCREASE IN AUTHORIZATION OF THE FEDERAL PAYMENT TO THE DISTRICT OF COLUMBIA

SEC. 601. Section 1 of article VI of the District of Columbia Revenue Act of 1947 (D.C. Code, sec. 47-2501a) is amended (1) by striking out "1971", and inserting in lieu thereof "1972", and (2) by striking out "$126,000,000" and inserting in lieu thereof "$150,000,000".

### COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the committee amendment.

The Clerk read as follows:

Committee amendment: Page 8, line 8, strike out "$150,000,000" and insert in lieu thereof "$170,000,000".

### AMENDMENT OFFERED BY MR. GROSS TO THE COMMITTEE AMENDMENT

Mr. GROSS. Mr. Chairman, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. GROSS to the committee amendment: On page 8, line 7, after the figure 2 in parentheses, strike the remainder of the line and all of lines 8 and 9 and insert the following: "$126,000,000".

Mr. GROSS. Mr. Chairman, I would recommend to the Members of the House that they get a copy of the report, turn to pages 27 and 47, and take a look at the tables printed on those pages, and also look at the source of the figures given.

There has been some question expressed about the authenticity of some of the figures in this report. I would think that the source of these figures would be authentic, coming as they do from the U.S. Treasury in one instance, and in——

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes; I yield to the gentleman from Illinois.

Mr. MIKVA. As I understand, just as an example, that very $35.5 million you were just asking about is included in here as part of the per capita aid given to the residents of the District of Columbia. I think the gentleman from Iowa will agree that it certainly does not benefit very many residents of the District of Columbia.

Mr. GROSS. What $35 million?

Mr. MIKVA. The $35 million we were talking about in the preceding title—the sewer money.

Mr. GROSS. I agree that most of the benefit will go to and ought to be financed by Virginia.

Mr. MIKVA. That is treated as per capita aid going to the District of Columbia residents.

Mr. GROSS. However, I think the District of Columbia will pick up some revenue from the tourists and others who come through Dulles Airport.

But getting back to this amendment, there is nothing complicated about it at all. It would simply throw out the $44-million increase to the District of Columbia.

The report accompanying this bill is a real indictment of the management and operations of the government of the District of Columbia.

Questions have been raised this afternoon about the operation of the fleet of limousines with chauffeurs, on which thousands upon thousands of dollars have been spent to haul city officials hither and yon.

Look in any direction you want—there is mismanagement, extravagance, waste, and worse all through the District of Columbia government and yet the committee has the colossal gall to come in here and ask for a $44-million increase, or to a total of $170 million from your taxpayers and mine.

Turn to page 27 of the report and see what you get in your State by way of Federal aid as compared to the $535 per capita in the District of Columbia.

Mr. FAUNTROY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. Yes; I yield to the gentleman if he can make a contribution.

Mr. FAUNTROY. Mr. Chairman, the gentleman from Iowa has referred to page 27 of the report, which is an error. The truth is that the District of Columbia receives from the Federal Government closer to $140 million and not $405 million as suggested by this Department of the Treasury report or the higher amount suggested by the GAO report included in this report of the staff.

The fact is that this figure includes funds not unlike the $35.5 million.

Mr. GROSS. You are making it even worse because the table on page 47 shows you are now getting $126 million and you say it is $140 million. According to your figure, and with the proposed increase of $44 million, the District would get $184 million from the taxpayers of my State as well as from the other States.

Mr. FAUNTROY. The figures included here include the Federal payment of $405 million. The $405 million cited here includes the Federal payments. When we compute the Federal payment, it comes up to only $140 million.

Mr. GROSS. You can jockey the figures around all you want to, but you are in too deep right now—you already had your hands too deep in the pockets of the taxpayers of the Third District of Iowa to suit me. You had better learn to operate on your $126 million, for the day will come when the District of Columbia will have to learn to live as other cities do.

All I am trying to do is to cut off some of the fat around here—that is all.

Mr. ANDREWS of Alabama. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman.

Mr. ANDREWS of Alabama. I would like to ask the gentleman from the District of Columbia: Do you have at your service an automobile and a chauffeur?

Mr. FAUNTROY. No, I do not; no.

Mr. GROSS. Did he ever have?

Mr. ANDREWS of Alabama. Did you ever have?

Mr. FAUNTROY. No; I did not—when I was vice chairman of the city council.

Mr. ANDREWS of Alabama. Oh, you had one then?

Mr. FAUNTROY. No, I did not.

Mr. ANDREWS of Alabama. And you do not have one now?

Mr. FAUNTROY. The answer is "No, I do not."

Mr. GROSS. How many limousines and chauffeurs has the District of Columbia government been maintaining—19, 20?

Mr. FAUNTROY. Mr. Chairman, I had no chauffeurs or limousines.

Mr. GROSS. Mr. Chairman, the District of Columbia government has a payroll of more than 41,000 employees. This is ludicrous for a city of less than 800,000 population. There has been no justification for this proposed raid on the Federal Treasury of $170 million—an increase of $44 million over the amount that was lifted from the Treasury last year.

In all conscience I insist—I insist that my amendment be adopted and this increase of $44 million be denied.

I submit the following tables, taken from the committee report, for printing in the RECORD at this point:

FEDERAL AID TO THE STATES AND TO THE DISTRICT OF COLUMBIA, FISCAL YEAR 1970—SUMMARY

| State | Population | Grand total | Per capita aid |
|---|---|---|---|
| Alabama | 3, 444, 165 | $523, 507, 981 | $151 |
| Alaska | 300, 352 | 115, 929, 874 | 385 |
| Arizona | 1, 772, 432 | 237, 166, 021 | 133 |
| Arkansas | 1, 923, 295 | 274, 819, 307 | 160 |
| California | 19, 953, 134 | 2, 998, 345, 571 | 100 |
| Colorado | 2, 207, 259 | 282, 261, 439 | 127 |
| Connecticut | 3, 032, 217 | 295, 488, 191 | 97 |
| Delaware | 548, 104 | 51, 110, 807 | 93 |
| District of Columbia | 756, 510 | 405, 134, 631 | 535 |
| Florida | 6, 789, 443 | 509, 409, 287 | 75 |
| Georgia | 4, 589, 575 | 553, 793, 855 | 120 |
| Hawaii | 768, 561 | 123, 581, 986 | 160 |
| Idaho | 712, 567 | 95, 290, 069 | 133 |
| Illinois | 11, 113, 976 | 950, 808, 806 | 85 |
| Indiana | 5, 193, 669 | 352, 223, 807 | 67 |
| Iowa | 2, 825, 041 | 244, 345, 207 | 86 |
| Kansas | 2, 249, 071 | 231, 665, 571 | 103 |
| Kentucky | 3, 219, 311 | 456, 588, 491 | 141 |
| Louisiana | 3, 648, 180 | 526, 971, 861 | 144 |
| Maine | 992, 043 | 112, 485, 425 | 113 |
| Maryland | 3, 922, 399 | 395, 030, 686 | 100 |
| Massachusetts | 5, 869, 170 | 715, 829, 951 | 121 |
| Michigan | 8, 875, 083 | 786, 758, 072 | 88 |
| Minnesota | 3, 805, 069 | 407, 361, 699 | 107 |
| Mississippi | 2, 216, 912 | 413, 042, 046 | 186 |
| Missouri | 4, 677, 369 | 502, 013, 222 | 107 |
| Montana | 694, 469 | 135, 491, 316 | 195 |
| Nebraska | 1, 483, 791 | 129, 782, 934 | 87 |
| Nevada | 488, 738 | 76, 827, 951 | 157 |
| New Hampshire | 737, 681 | 72, 187, 892 | 97 |
| New Jersey | 7, 168, 154 | 619, 739, 332 | 86 |
| New Mexico | 1, 016, 000 | 218, 814, 942 | 215 |
| New York | 18, 190, 740 | 2, 365, 629, 042 | 130 |
| North Carolina | 5, 082, 059 | 507, 067, 589 | 99 |
| North Dakota | 617, 761 | 87, 724, 591 | 142 |
| Ohio | 10, 652, 017 | 888, 453, 481 | 83 |
| Oklahoma | 2, 559, 268 | 403, 759, 349 | 157 |
| Oregon | 2, 091, 385 | 297, 955, 602 | 142 |
| Pennsylvania | 11, 793, 910 | 1, 343, 171, 041 | 113 |
| Rhode Island | 949, 723 | 132, 680, 617 | 139 |
| South Carolina | 2, 590, 516 | 278, , 087, 087 | 107 |
| South Dakota | 665, 507 | 103, 685, 545 | 155 |
| Tennessee | 3, 924, 164 | 487, 031, 456 | 124 |
| Texas | 11, 195, 730 | 1, 153, 404, 525 | 103 |
| Utah | 1, 059, 278 | 173, 846, 992 | 164 |
| Vermont | 444, 732 | 77, 105, 186 | 173 |
| Virginia | 4, 648, 494 | 465, 682, 360 | 100 |
| Washington | 3, 400, 169 | 400, 451, 472 | 117 |
| West Virginia | 1, 744, 237 | 303, 098, 149 | 174 |
| Wisconsin | 4, 417, 933 | 386, 704, 092 | 87 |
| Wyoming | 332, 416 | 83, 296, 080 | 250 |
| Puerto Rico | 2, 712, 033 | 325, 426, 747 | 119 |
| Virgin Islands | 62, 468 | 27, 091, 995 | 433 |
| Total | 203, 165, 699 | 24, 194, 090, 576 | |

Source: Department of the Treasury, Fiscal Service, Bureau of Accounts, Division of Government Financial Operations document entitled "Federal Aid to States, Fiscal Year 1970."

RECENT FEDERAL PAYMENTS TO THE DISTRICT

| | Authorized (millions) | Percent of general fund revenues |
|---|---|---|
| 1956 | $20 | 18.1 |
| 1957 | 23 | 18.5 |
| 1959 | 32 | 23.7 |
| 1963 | 50 | 25.3 |
| 1966 | 60 | 21.0 |
| 1967 | 70 | 25.0 |
| 1968 | 90 | 28.0 |
| 1969 | [1] 105 | 30.7 |
| 1970 | [2] 105 | 26.1 |
| 1971 | 126 | 28.7 |
| 1972 (as reported in H.R. 11341) | 170 | 35.3 |

[1] Plus $5,000,000 for crime.

[2] Plus $8,000,000 for salary increases; plus $5,000,000 for court system and drug problem.

Mr. McKINNEY. Mr. Chairman, it is very easy for us to sit and to nit-pick at the District of Columbia government. There is no question in my mind that the government of the District of Columbia needs a very big shakeup. I think you will find the ranking member of the District of Columbia Committee, now that the Senate has finally acted to go ahead, is spending every effort so that he can bring back to this Congress a comprehensive report as to where cuts can be made in running this city.

But to center the problem of this city on limousines and chauffeurs is to be ludicrous.

First of all, I would like to answer the gentleman from Iowa whom I greatly respect. I wish, as I am sure the gentleman from Iowa does, that we could get correct information out of this Federal Government. But, as the gentleman and I know, trying to get it is very difficult. If you will stop and take a careful look—and I will personally see that these figures are delivered to the gentleman when I finally get them—you will see that the District of Columbia does not get a disproportionate share of Federal aid when you consider three things: It is one of the largest cities in our country with large problems. It is a State and must carry on all State functions. No. 3, it has to sit and exist and pay the terrible price for the operation of this Federal unit within its boundary.

Most people stand and say, "Look what we bring to the city." I hear over and over again the statement, "Look at the employment we bring to the District of Columbia."

Well, I have asked for a computer printout. I intend to get it, and I intend to read it into the record in this House as to just how many employees of the Federal Government in totality live within the District of Columbia and contribute to its well-being.

On top of that, let us stop and look at the other things that add to the financial condition of the city. Today, at the office of a Congressman, a minister arrived with 15 children, saying that they are going to lie down in the street in front of the White House. Immediately the District of Columbia government will have to change its whole police scheduling operation for that area to cooperate with with the White House Police to make sure that the White House stays open.

Time after time matters of that kind occur.

There is the extra crime lighting that we have put in this city. That is an extra burden to it.

On top of that, this Congress in its wisdom has taken action with respect to the city. Think of some of the things we have done. We have taken $46 million of real estate and more off the tax rolls because in our District we have a group that has a headquarters in Washington, D.C., and which wants to be safe from the real estate tax.

In the District of Columbia we have a law that says you cannot build your buildings higher than the top of the Capitol dome. Therefore, you cannot possibly get taxing value out of the real estate we have downtown.

We provided a subway system for the District of Columbia, but then we said, "No, you will not have a subway system." So we have left half the city torn up and we have depreciated the whole tax base structure downtown into which we have moved.

We have never determined exactly what the corporate and business taxes are that are lost on the mammoth amounts of property within the District that we keep open for Federal use—Federal parks and Federal monuments.

Gentlemen, there is no question in my mind that the District of Columbia is not run properly. There is no reason to wonder why. It is run by 535 people who do not live here. We can expect some degree of responsibility out of the District of Columbia when we learn that the United States in 1970 should not have what amounts to a colony within its midst. I suggest that if we are to criticize what the District of Columbia spends of Federal money, we look around at the Guams, the Virgin Islands, and the other Territories that we keep in the same state that we keep the District of Columbia.

It is very easy to criticize. We can talk about limousines, talk about chauffeurs, and talk about sewer connections, but the whole problem is that the very sewer connection you talk about was not put on the District of Columbia because they wanted it or needed it, but it was put on by this body.

Mr. FAUNTROY. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

Mr. FAUNTROY. Mr. Chairman and Members of the full Committee, I promised you earlier that I would be here to tell you the truth about the city, on the basis of which you could make right judgments.

The gentleman from Iowa has offered an amendment based on information provided us in the report, information which I submit is erroneous and misleading in its comparisons of the costs of the District of Columbia government with that of other cities in our country.

The truth is that any effort to compare the cost of District government with other cities in the Nation becomes an effort to compare apples with oranges.

Such a comparison ignores the multiple functions of the District which, as a single entity, are the full responsibility, as opposed to being shared among county, city, State, and special jurisdictions.

The truth is that we in the District do not have the privilege of sharing with county, State, and other special jurisdictions surrounding us the cost of running our local government. There are many cities in this country which have little or no public welfare expenses in their budgets, cities like Phoenix and Philadelphia, Seattle and San Diego, which share their responsibilities largely with the county and State jurisdictions surrounding them. We do not have that privilege here.

It has been suggested on page 27, referred to by the gentleman from Iowa and by the gentleman from Texas, that the District receives a larger share of Federal grants than any other State in the Union. That simply is not true. The Treasury figures and those of the GAO include Federal grants that do not relate to services delivered in the District of Columbia. I cite as one case in point the fact that included in this figure is the $35 million mentioned earlier as being spent on the Dulles, Va., intercepter sewer. A $27.8 million grant from the Office of Education to NIH is ascribed to the District simply because the NIH has a Washington address. The grant money accrues to people all over the Nation.

There are a number of items included in the Department of the Treasury computation and that of the GAO we will find having to do with nongovernmental groups which receive grants that are not available at all to service the needs of residents of the District of Columbia.

Mr. GUDE. Mr. Chairman, will the gentleman yield?

Mr. FAUNTROY. I yield to the gentleman from Maryland.

Mr. GUDE. Mr. Chairman, I commend the gentleman and the previous speaker for very forthright statements. The gentleman has been interrogated about chauffeur-driven cars and I would suggest that the proper forum for that discussion is in the Appropriations Committees of the House and the other body. I know that the Subcommittee on District of Columbia Appropriations of the other body has already made a thorough investigation of the use of chauffeur-driven cars by District of Columbia officials.

The Delegate from the District of Columbia has a heavy caseload or workload which is much larger than those of other congressional representatives. He alone represents the District of Columbia citizens whereas other States in some cases with a population smaller than the District of Columbia have two Senators and a Congressman to handle a much smaller workload. The gentleman is doing a fine job, and I commend him for his statement.

Mr. FAUNTROY. I thank the gentleman.

It has been suggested that our police costs in the District are by comparison the highest in the Nation. Again, there is no way in the world that you can compare the cost of police services in San Antonio, for example, as the committee would have us compare them, with those required for the Nation's Capital. The fact is that our police force must service the needs of more than 300,000 nonresidents, employees, visitors and shoppers who come into the city, into the metropolitan area. In addition, they must service 18 million tourists per year. We spent over $3 million dealing with one series of national demonstrations for one week in May. Across the board we cannot compare the costs of government in the District of Columbia with those of any other city across the Nation.

If we act on the basis of that erroneous information we will find we will not be doing what is just and fair and right for the citizens of the District of Columbia.

Mr. NELSEN. Mr. Chairman, I rise in opposition to the amendment.

First I want to make it very clear that my colleague, the gentleman from Iowa (Mr. GROSS)—and I think all of my colleagues join with me in saying this—consistently performs a great service in the intensive examination that he pursues on all the business of his Government. I have no criticism whatever.

But, Mr. Chairman, I want to say that striking this budget to $126 million—if there is any fat in this budget, it is in the $126 million, because every item in the additions of at least $38 million are items that we added by law.

Here are listed the $38 million we have added: within-grade increases, the crime fight items, court reorganization, higher education, narcotics treatment, the board of elections, teacher salary increases, and reimbursement to the U.S. courts. This added up to $38 million and more that we enacted by law.

I am sure that many who are critical here of the $44 million increase voted for those increases in District costs on the floor when those bills were considered.

I did not take the $90 million handed to us from downtown. I took the $126 million and added only those items for which we are responsible here in the Congress of the United States.

I hope the amendment will be defeated.

Mr. JACOBS. Mr. Chairman, I move to strike the last word.

Mr. Chairman, one learns something new all the time when one serves in the Congress of the United States.

One can see a Cadillac limousine sitting in one stall, and it does not offend anyone; or one can see a Cadillac limousine sitting in another stall and it does offend people.

Personally, when they are paid for by my taxpayers, all of the limousines offend me with the exception of the limousine provided for the President of the United States, and one each for each Department for its Cabinet member, and one for the Speaker of the House of Representatives, and one for the Vice President of the United States.

For 3 years now I have introduced a bill here in the Congress to accomplish that very goal, to eliminate all of the rest of the servant-driven automobiles in which public servants ride. So I am against those servant-driven automobiles in the District of Columbia, for everybody.

I have the opinion that if a man is not capable of steering a car he ought not to try to steer the affairs of government, unless he is physically disabled, such as unable to see. That would be another exception.

I just hope that after all this discussion with regard to limousines we might generate a little support for my bill to eliminate these limousines in the District of Columbia and out beyond the District of Columbia, even all those limousines I see parked in the big horseshoe driveway out in front of the Rayburn Building every day, with the chauffeurs leaning up against them, pulling handkerchiefs out of their hip pockets, shining a little bit on the fenders, as they wait for their masters to return to the carriages and to drive back wherever they go, a mile or two away.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from California.

Mr. ROUSSELOT. Is the gentleman also suggesting he will offer an amendment to this bill to eliminate these, in the same way he opposes them for the general Federal Government? Would he do the same in the District of Columbia? I compliment him for his position.

Mr. JACOBS. I wish my good friend from California would take me more seriously, because I just got through saying I am in favor of eliminating every one of them in the District of Columbia.

Mr. ROUSSELOT. The gentleman will offer an amendment?

Mr. JACOBS. I just said that.

I have an idea. Why do I not just file a discharge petition on that bill. It has been in the committee, I believe, 3 years. The gentleman from California and I have different basic persuasions. Why do we not troop up together to sign that petition first off? All the other Members are invited.

Mr. Chairman, I yield back the remainder of my time.

Mr. BROYHILL of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment offered by the gentleman from Iowa to the committee amendment.

Mr. Chairman, for years in the House of Representatives it has been the tradition that all bills reported out of the Committee on Ways and Means, because they involve legislation affecting revenues, are considered on the floor of the House under a closed rule.

The reason for that, I presume, is that you cannot properly write a revenue bill on the floor of the House. And I do not think you can properly write or amend this District of Columbia revenue bill on the floor of the House.

We have worked for weeks on this bill. As I said before, we held weeks of hearings and spent hours in deliberations in executive sessions to come out with a compromise bill, one that we thought would do the job and which we felt was a very tight and close-budgeted bill.

Why should we bring the bill up here, after all this work, only to have it arbitrarily cut back to a figure that does not mean a thing, and say that such a figure will do the job?

As pointed out by the gentleman from Minnesota (Mr. NELSEN) a large part of this increase in cost to the District of Columbia has resulted from our own actions. We provided for salary increases for the policemen, firemen, and teachers, and justly so. We provided for additional policemen in the District of Columbia in order to protect ourselves and our own constituents as well as the citizens of the District of Columbia. We provided for an expanded District of Columbia court system last year, which also cost a substantial amount of money.

Furthermore, Mr. Chairman, a large part of this increase in operational costs is caused by the fact that this is the Federal City. As was pointed out by the Delegate of the District of Columbia a few moments ago, a cost amounting to approximately $3 million resulted from the last demonstration in the city. Those people came here not to demonstrate against the District of Columbia government or its citizens, but to demonstrate against the Federal Government and to some extent against the Congress of the United States.

So I say that we bear a large and substantial share of the responsibility of assuring that this Government in the Capital City is able to function properly. I suggested to the gentleman from Iowa, or to any other Member who would like to cut back on the operations of the city government to suggest where its services should be cut. As far as I am concerned, I do not think we can afford to risk the loss or curtailment of some of these services that all of us think are needed, in order simply to cut back on the city's expenses by arbitrarily reducing this necessary Federal payment.

There is no question about the fact that we should improve the efficiency of operation of the D.C. government. That is what the Little Hoover Commission, chaired by the gentleman from Minnesota (Mr. NELSEN) is attempting to do. I am very optimistic and hopeful that they will come forth with some real constructive suggestions. That is the proper way to accomplish some reforms and accomplish some reductions in expenditures. But this should not be attempted by a meat-ax approach, which is what the amendment offered by the gentleman from Iowa proposes.

Mr. GROSS. Will the gentleman yield?

Mr. BROYHILL of Virginia. I am glad to yield.

Mr. GROSS. Thank you.

The gentleman from Mississippi (Mr. ABERNETHY) very well pointed out a few moments ago that the District got an increase last year to take care of the very things you are talking about now.

Mr. BROYHILL of Virginia. We have other mandatory increases in the city's budget which have occurred for the first time in this fiscal year, and that is why we now propose this increase in the Federal payment.

### SUBSTITUTE AMENDMENT OFFERED BY MR. SCHERLE FOR THE COMMITTEE AMENDMENT

Mr. SCHERLE. Mr. Chairman, I offer a substitute amendment for the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. Scherle, as a substitute for the Committee Amendment: Strike out "$150,000,000," and insert "$151,000,000".

Mr. SCHERLE. Mr. Chairman, if you would look at your bill, on page 8, title VI, you will see where the original proposal of the committee was $150 million. I have increased it by an additional $1 million.

My colleague from Iowa (Mr. Gross) has advocated in his amendment that we roll this back to $126 million. I have no objection to that, really. Members of the House should have an additional opportunity to decide how much they want to cut this. But my amendment raises the amount from the initial appropriation of last year of $126 million to $151 million, or a $25 million increase.

Now, can anyone tell what other agency of the Government has received such an enormous increase in its appropriations this year?

Not one. We did not even raise the Defense budget by that great a percentage. I propose $25 million more, from $126 million to $151 million, which would be adequate.

However, it is high time that we gave the government downtown an opportunity to operate fiscally in a stable manner.

Mr. Chairman, the sum of $25 million is all that is needed for this fiscal year.

Now, if you would look at your report, you will see an item entitled "District Government's Extravagance." Read that and then compare Washington residents' taxes, which are appreciably lower than those paid in Montgomery County and Prince Georges County.

Did you know that we even finance the minibuses which run downtown? Did you know also that the D.C. Teachers College under LEAA receives an appropriation of $250,000, which is paid to an organization called the "Trojans" to parade up and down the street to observe crimes?

Mr. Chairman, we have reached a point where a sensible amendment like this is necessary. If you cut the budget back, it will teach those people downtown to operate within the confines of the money which we appropriate. If they cannot do that, then we can handle it later on in a supplemental appropriation bill.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. SCHERLE. I yield to the gentleman from Florida.

Mr. HALEY. It might be surprising to some people here to know that only 16 years ago the Federal contribution to the District of Columbia was only $20 million. We started this contribution just a few years prior to that at $2 million. Now we are getting up beyond all reason and I just wonder about it.

I know that my people are fed up to here in paying this bunch of people here who are parasites on the rest of the Nation and yet they continue to hear that they have got to do this and they have got to do that because of the conditions of the Federal City.

Mr. SCHERLE. We have an expression back in Iowa: "They are living pretty high on the hog in Washington."

The CHAIRMAN. The time of the gentleman from Iowa has expired.

(By unanimous consent (at the request of Mr. Broyhill of Virginia) Mr. Scherle was allowed to proceed for 2 additional minutes.)

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. SCHERLE. Yes, I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. I would like to ask the gentleman two questions.

First of all, let me commend the gentleman for being willing to increase the figure over that which has been proposed by the gentleman from Iowa (Mr. Gross).

Mr. SCHERLE. The sum of $25 million is just chickenfeed compared to this overall operation.

Mr. BROYHILL of Virginia. On what basis does the gentleman propose to increase the payment by $25 million more than was proposed by the gentleman from Iowa (Mr. Gross)?

Does the gentleman have any facts to substantiate that $25 million?

Mr. SCHERLE. It is the same decision that was made in arbitrarily raising the appropriation in the individual agencies that you are now asking me to cut. Let them take this and then decide where cuts are necessary elsewhere. This is an increase of $25 million over the last fiscal year. No other agency of the Federal Government has received this much of an increase over its prior fiscal year appropriation. The people in my part of the country are darn tired of having to support the excesses of the Nation's Capital.

Mr. BROYHILL of Virginia. Mr. Chairman, if the gentleman will yield further, I still suggest that the gentleman is being arbitrary, and he has just proved that by his statement.

However, regardless of what we authorize in this bill, the committee of which the gentleman is a member will be called upon to appropriate for these items, and if the gentleman thinks any of these items should be eliminated, he will have an opportunity to do so by line-item cuts in the Appropriations Committee, and then he can come to the floor and show us how to save money.

Mr. SCHERLE. What we are trying to do is to advise the House about the many inequities contained in this bill and the fiascos which are perpetuated by this bill. The taxpayers of this country are entitled to some redress.

However, this bill arbitrarily raises the amount of money in every one of these agencies, and you do not have the justification for this.

The CHAIRMAN. The time of the gentleman has expired.

Mr. GIAIMO. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in opposition to the amendment to the committee amendment.

I think the bill as reported by the committee, with the $170 million Federal payment should stand, and should not be reduced.

It is all well and good to get up on the floor of the House and talk about waste in the city government—and there is no question that there are wasteful activities in the city government of the District of Columbia, just as there are in every city in this land. The fact of the matter, however, is that when you are talking about cutting the Federal payment, you are doing so in the face of the demands of people, legitimate demands for expenditures, and increased expenditures, for salaries, for police service and protection, for schools, for health services, and for welfare payments.

If you are going to cut this Federal payment you are going to have to cut each and every one of these services.

The District of Columbia is not any different from other cities in the United States, and we are facing the same problem which every city in the Nation is facing, and that is a shortage of tax money with which to do the necessary job. We have got to find the means to accomplish these tasks, but the way to do it is not to just arbitrarily cut funds irresponsibly. That is what we would be doing if we would cut the Federal payment, and then just forget about the problems of the District of Columbia. Those people who are charged with the supervision of those services and who must work with them every day of the year cannot just ignore the effects of such a cut however. Cutting the Federal payment is not an answer, and not a solution to our problem.

Mr. GROSS. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Chairman, does the gentleman from Connecticut know of any city in Connecticut that can fall back on the Federal Treasury when it finds that it can no longer eat T-bone steak on a hamburger income?

Mr. GIAIMO. The gentleman from Iowa is absolutely correct, there is no city in Connecticut that can get a Federal payment from the U.S. Treasury. But the fact is that the Federal payment is a payment in lieu of taxes by the Federal Government for Federal activities in this city.

This payment in lieu of taxes is something that happens to be well established in American municipal law and it happens in many instances in other parts of the country.

But I can tell you one of the problems that the State of Connecticut is faced with, and that is the 15-percent cut in its welfare budget which is creating havoc in the State of Connecticut. Needless to say, the same thing can happen in the District of Columbia.

We want to revise and revamp our welfare laws, and I can assure the gentleman that I shall work in that regard, and we want to try to help people to get off of welfare, but the solution to it is not by suggesting this very easy and casual cut in the Federal payment, and then by not concerning ourselves about how the administrators are going to administer the programs.

Mr. SCHERLE. Mr. Chairman, will the gentleman yield?

Mr. GIAIMO. I yield to the gentleman from Iowa.

Mr. SCHERLE. Mr. Chairman, I appreciate the gentleman yielding.

Then perhaps I am right in my initial statement—and we both serve on the same committee—that when the investigators were taken off of welfare here in the District the cost to the welfare beneficiaries zoomed right up to the roof, did they not?

Mr. GIAIMO. The welfare costs, I will say to my friend, the gentleman from Iowa, are zooming in every State in the Union and in every city in the Union, and they are certainly zooming in the District of Columbia as they are in New York, in New Haven, and Chicago and Dallas, and Detroit and wherever.

Mr. SCHERLE. But when they had investigators the costs were arrested; they did not zoom.

Mr. GIAIMO. I will not dispute the question of the investigators with my friend, because he does make a point there. But under a new solution that we are looking to this Congress for, and that the Nation as a whole is looking for, concerning welfare and welfare reform, perhaps we can get some decent management and perhaps we can ameliorate the welfare situation in this country.

I am merely saying that the way to do it is not with a meat ax applied at this time to the Federal payment as it applies to the District of Columbia.

Mr. CABELL. Mr. Chairman, I think this amendment and this substitute have been pretty well wrung out. I ask unanimous consent that all debate on this amendment, and all amendments thereto, be concluded in 5 minutes.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. FRASER).

Mr. FRASER. Mr. Chairman, I want to reemphasize the point that the gentleman from Minnesota (Mr. NELSEN) made. In trying to determine what a minimum increase in the Federal payment had to be, I know he sat down, because I was there with the budget authorities to look at the increases that the Congress has mandated the District of Columbia to expend.

There are in the list he describes increases that we are requiring the District to spend for court reorganization, for better police protection and for the narcotics treatment program and for other items. This figure that is in the bill now is well below what the District had asked for. It is, as I recall, some $24 million under what the District had asked for initially.

We have made a major cut and the figure that the committee has recommended is just those items that the Congress has already required the District to assume. I think we would not be discharging our responsibility if we were to cut this Federal payment further.

The CHAIRMAN. The Chair recognizes the gentleman from Iowa (Mr. SCHERLE).

Mr. SCHERLE. Mr. Chairman, no one gave me the figures of what was involved in the $170 million.

Last year the Congress provided $29 million, $21 million permanent and for $8 million temporary.

This year we offered them another $25 million, but they are asking for $44 million. That exceeds any amount of reasonableness.

The CHAIRMAN. The Chair recognizes the gentleman from Pennsylvania (Mr. WILLIAMS).

Mr. WILLIAMS. Mr. Chairman, I think we should really put this whole question in its proper perspective. The Federal Government occupies a large part of the valuable land in Washington, D.C. The only thing we are doing with this $170 million payment is making a payment in lieu of real estate taxes. This is something that is common all over this country. The State of Pennsylvania does the same thing so far as its capital city of Harrisburg is concerned.

My own county of Delaware, Pa., makes a payment in lieu of real estate taxes to Media which is the county seat.

We all want to see this city improved. We know that the budgets of all major cities are drastically increasing. I think this $44 million proposed increase in the Federal payment is entirely reasonable.

I can tell you in many major cities the budget has increased by a quarter of a million dollars more this year than last year.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. CABELL).

Mr. CABELL. Mr. Chairman, I dislike to find myself in this position because no one here in this House is any more conscious of the waste and everything that has been going on.

I sincerely feel, however, that while what we have from the committee here at this moment is probably better than what we are going to get by the time we go to conference with the folks next door.

I would say further, if I have the honor and the somewhat dubious privilege, as I sometimes think of it, of chairing this subcommittee and continuing to do so, that we will come back here to you with some very concrete proposals, some of which are going to put some of the burden on the shoulders of the folks who are enjoying this fine life at the expense of the Federal Government.

By the same token, I am depending on Mr. NELSEN to come up with some good old fat slicing that we can take action.

So I hope we can pass this bill, as it is presently written.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Iowa (Mr. GROSS) to the committee amendment.

The question was taken; and the Chairman announced that the noes appeared to have it.

### TELLER VOTE WITH CLERKS

Mr. GROSS. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. GROSS. Mr. Chairman, I demand tellers with Clerks.

Tellers with Clerks were ordered.

### PARLIAMENTARY INQUIRIES

Mr. GERALD R. FORD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GERALD R. FORD. Will the Chair clarify for the Members the amendment upon which we are voting?

The CHAIRMAN. The Chair will state that the vote is on the amendment offered by the gentleman from Iowa (Mr. GROSS), to the committee amendment. Following that vote, the committee will vote on the substitute amendment offered by the gentleman from Iowa (Mr. SCHERLE), for the committee amendment. Following that the committee will vote on the committee amendment to the bill.

Mr. BROYHILL of Virginia. Mr. Chairman, a further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. BROYHILL of Virginia. Was not the amendment offered by the gentleman from Iowa (Mr. SCHERLE) the last amendment offered as a substitute?

The CHAIRMAN. The Chair will state, in answer to the parliamentary inquiry, that the Chair has consulted the rules of the House and advises the gentleman from Virginia that the order of voting is as the Chair has stated. The first vote occurs on the amendment offered by the gentleman from Iowa (Mr. GROSS), to the committee amendment, the second vote occurs on the substitute offered by the gentleman from Iowa (Mr. SCHERLE), and then the final vote will recur on the committee amendment to the bill.

The Chairman appointed as tellers Messrs. GROSS, CABELL, FAUNTROY, and NELSEN.

The Committee divided, and the tellers reported that there were—ayes 79, noes 263, not voting 89, as follows:

[Roll No. 382]

[Recorded Teller Vote]

AYES—79

Abbitt
Abernethy
Andrews, Ala.
Archer
Baker
Baring
Belcher
Betts
Bevill
Brinkley
Burke, Fla.
Burlison, Mo.
Camp
Clausen, Don H.
Collins, Tex.
Colmer
Crane
Daniel, Va.
Davis, Wis.
Delaney
Derwinski
Dickinson
Duncan
Edwards, Ala.
Fisher
Flynt
Gaydos
Goldwater
Griffin
Gross
Haley
Hall
Hammerschmidt
Henderson
Hull
Hungate
Hunt
Hutchinson
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Kyl
Latta
Lujan
McCollister
Mathis, Ga.
Mayne
Michel
Miller, Ohio
Mills, Md.
Mizell
Montgomery
Nichols
O'Konski
Patman
Price, Tex.
Quillen
Randall
Rarick
Robinson, Va.
Roncalio
Rousselot
Runnels
Ruth
Satterfield
Scherle
Schmitz
Sebelius
Skubitz
Smith, Calif.
Snyder
Spence
Steed
Terry
Thompson, Ga.
Waggonner
Yatron
Young, Fla.
Zion

### NOES—263

Abourezk
Abzug
Addabbo
Albert
Anderson, Calif.
Anderson,Ill.
Anderson, Tenn.
Andrews, N. Dak.
Annunzio
Aspin
Aspinall
Badillo
Begich
Bennett
Bergland
Biaggi
Biester
Bingham
Boggs
Bolling
Bow
Brademas
Brasco
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Mass.
Burleson, Tex.
Burton
Byrne, Pa.
Byrnes, Wis.
Byron
Cabell
Caffery
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Chamberlain
Clay
Cleveland
Collier
Collins, Ill.
Conable
Conte
Corman
Cotter
Coughlin
Culver
Daniels, N.J.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Dellenback
Dellums
Denholm
Dennis
Donohue
Dow
Downing
Drinan
du Pont
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Garmatz
Gettys
Giaimo
Gibbons
Gonzalez
Grasso
Gray
Green, Pa.
Griffiths
Grover
Gude
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Hicks, Mass.
Hicks, Wash.
Hogan
Holifield
Horton
Hosmer
Howard
Jacobs
Jarman
Johnson, Calif.
Jonas
Karth
Kastenmeier
Keating
Keith
Kemp
Kluczynski
Koch
Kuykendall
Kyros
Leggett
Lennon
Lent
Long, Md.
McClory
McCloskey
McCulloch
McDonald, Mich.
McEwen
McFall
McKevitt
McKinney
McMillan
Mahon
Mailliard
Mann
Martin
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Metcalfe
Mikva
Miller, Calif.
Minish
Mink
Minshall
Mitchell
Mollohan
Monagan
Moorhead
Morgan
Morse
Mosher
Murphy, Ill.
Myers
Natcher
Nedzi
Nelsen
Nix
O'Hara
O'Neill
Passman
Patten
Perkins
Pettis
Pike
Poage
Podell
Poff
Preyer, N.C.
Price, Ill.
Pucinski
Purcell
Quie
Railsback
Rangel
Rees
Reuss
Rhodes
Riegle
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Rooney, N.Y.
Rooney, Pa.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sandman
Sarbanes
Scheuer
Schneebeli
Scott
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, N.Y.
Staggers
Stanton, James V.
Steiger, Ariz.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Waldie
Wampler
Ware
Whalley
White
Whitehurst
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wright
Wyatt
Wydler
Wylie
Yates
Young, Tex.
Zablocki
Zwach

### NOT VOTING—89

Adams
Alexander
Arends
Ashbrook
Ashley
Barrett
Bell
Blackburn
Blanton
Blatnik
Boland
Bray
Brotzman
Carney
Celler
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Conyers
Dent
Devine
Diggs
Dingel
Dorn
Dowdy
Dulski
Edmondson
Edwards, La.
Erlenborn
Esch
Eshleman
Ford. William D.
Goodling
Green, Oreg.
Gubser
Hagan
Halpern
Harsha
Hastings
Hays
Hébert
Hillis
Ichord
Jones, Ala.
Kazen
Kee
King
Landgrebe
Landrum
Link
Lloyd
Long, La.
McClure
McCormack
McDade
McKay
Macdonald, Mass.
Madden
Melcher
Mills, Ark.
Moss
Murphy, N.Y.
Obey
Pelly
Pepper
Peyser
Pickle
Pirnie
Powell
Pryor, Ark.
Reid, N.Y.
Saylor
Schwengel
Seiberling
Smith, Iowa
Springer
Stanton, J. William
Steele
Steiger, Wis.
Teague, Tex.
Veysey
Vigorito
Whalen
Whitten
Widnall
Wilson, Charles H.
Wyman

So the amendment to the committee amendment was rejected.

The CHAIRMAN. The question is on the substitute amendment offered by the gentleman from Iowa (Mr. SCHERLE) for the committee amendment.

### PARLIAMENTARY INQUIRY

Mr. SCHERLE. A parliamentary inquiry, Mr. Chairman.

The CHAIRMAN. The gentleman will state it.

Mr. SCHERLE. The amendment that I offered increases the appropriation by $25 million rather than $44 million as expressed by the committee. Is that correct?

The CHAIRMAN. The Chair is aware of the gentleman's amendment.

The question was taken; and the Chairman announced that the noes appeared to have it.

### TELLER VOTE WITH CLERKS

Mr. SCHERLE. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. SCHERLE. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. SCHERLE, CABELL, NELSEN, and FRASER.

The Committee divided, and the tellers reported that there were—ayes 119, noes 210, not voting 101, as follows:

[Roll No. 383]

[Recorded Teller Vote]

### AYES—119

Abbitt
Abernethy
Andrews, Ala.
Andrews, N. Dak.
Archer
Baker
Baring
Belcher
Betts
Bevill
Bow
Brinkley
Burke, Fla.
Burlison, Mo.
Camp
Chamberlain
Clausen, Don H.
Cleveland
Collier
Collins, Tex.
Colmer
Crane
Daniel, Va.
Davis, Ga.
Davis, S.C.
Davis, Wis.
Delaney
Dennis
Dickinson
Downing
Duncan
Dwyer
Edwards, Ala.
Fisher
Flynt
Frey
Gaydos
Gettys
Goldwater
Griffin
Gross
Grover
Hagan
Haley
Hall
Heckler, Mass.
Henderson
Hull
Hungate
Hunt
Hutchinson
Jarman
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Kemp
Kuykendall
Kyl
Latta
Lennon
Lent
McCollister
McEwen
McKevitt
Mann
Mathis, Ga.
Mayne
Michel
Miller, Ohio
Mills, Md.
Minshall
Mizell
Mollohan
Montgomery
Natcher
Nichols
O'Konski
Poage
Poff
Price, Tex.
Quillen
Railsback
Randall
Rarick
Rhodes
Robinson, Va.
Roncalio
Rousselot
Runnels
Ruth
Sandman
Satterfield
Scherle
Schmitz
Schneebeli
Scott
Sebelius
Shoup
Skubitz
Slack
Smith, Calif.
Snyder
Spence
Stubblefield
Taylor
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Waggonner
Whalley
Whitehurst
Wiggins
Winn
Wylie
Young, Fla.
Zion
Zwach

### NOES—210

Abourezk
Abzug
Addabbo
Anderson, Calif.
Annunzio
Aspin
Aspinall
Badillo
Begich
Bennett
Bergland
Biaggi
Biester
Bingham
Blatnik
Boggs
Bolling
Brademas
Brasco
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Mass.
Burleson, Tex.
Burton
Byrne, Pa.
Byrnes, Wis.
Byron
Cabell
Caffery
Carey, N.Y.
Carter
Casey, Tex.
Cederberg
Clay
Collins, Ill.
Conable
Conte
Corman
Cotter
Coughlin
Culver
Daniels, N.J.
Danielson
Dellenback
Dellums
Denholm
Donohue
Dow
Drinan
du Pont
Eckhardt
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Flood
Flowers
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Fulton, Tenn.
Fuqua
Galifianakis
Gallagher
Giaimo
Gibbons
Gonzalez
Grasso
Gray
Griffiths
Gude
Hamilton
Hanley
Hanna
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hathaway
Hawkins
Hechler, W. Va.
Heinz
Helstoski
Hicks, Wash.
Hogan
Holifield
Horton
Hosmer
Howard
Jacobs
Johnson, Calif.
Karth
Kastenmeier
Keating
Keith
Kluczynski
Koch
Kyros
Leggett
Long, Md.
McClory
McCloskey
McCulloch
McDonald, Mich.
McFall
McKinney
McMillan
Mahon
Mailliard
Martin
Mathias, Calif.
Matsunaga
Mazzoli
Meeds
Metcalfe
Mikva
Miller, Calif.
Minish
Mink
Mitchell
Monagan
Moorhead
Morgan
Morse
Mosher
Murphy, Ill.
Myers
Nedzi
Nelsen
Nix
Obey
O'Hara
O'Neill
Passman
Patten
Perkins
Pike
Podell
Preyer, N.C.
Price, Ill.
Pucinski
Purcell
Quie
Rangel
Rees
Reuss
Riegle
Roberts
Robison, N.Y.
Rodino
Roe
Rogers
Rooney, N.Y.
Rosenthal
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ryan
St Germain
Sarbanes
Scheuer
Seiberling
Shipley
Shriver
Sisk
Smith, N.Y.
Staggers
Stanton, James V.
Stephens
Stokes
Stratton
Stuckey
Sullivan
Symington
Talcott
Teague, Calif.
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Waldie
Wampler
Ware
White
Williams
Wilson, Bob
Wolff
Wright
Wyatt
Wydler
Yates
Yatron
Young, Tex.
Zablocki

### NOT VOTING—101

Adams
Alexander
Anderson, Ill.
Anderson, Tenn.
Arends
Ashbrook
Ashley
Barrett
Bell
Blackburn
Blanton
Boland
Bray
Brotzman
Carney
Celler
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Conyers
de la Garza
Dent
Derwinski
Devine
Diggs
Dingell
Dorn
Dowdy
Dulski
Edmondson
Edwards, La.
Erlenborn
Esch
Eshleman
Ford, William D.
Garmatz
Goodling
Green, Oreg.
Green, Pa.
Gubser
Halpern
Hammerschmidt
Harsha
Hastings
Hays
Hébert
Hicks, Mass.
Hillis
Ichord
Jones, Ala.
Kazen
Kee
King
Landgrebe
Landrum
Link
Lloyd
Long, La.
Lujan
McClure
McCormack
McDade
McKay
Macdonald, Mass.
Madden
Melcher

Mills, Ark.
Moss
Murphy, N.Y.
Patman
Pelly
Pepper
Pettis
Peyser
Pickle
Pirnie
Powell
Pryor, Ark.
Reid, N.Y.
Rooney, Pa.
Saylor
Schwengel
Sikes
Smith, Iowa
Springer
Stanton, J. William
Steed
Steele
Steiger, Ariz.
Steiger, Wis.
Teague, Tex.
Vander Jagt
Veysey
Vigorito
Whalen
Whitten
Widnall
Wilson, Charles H.
Wyman

So the substitute amendment was rejected.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

## TITLE VII

### GENERAL PROVISIONS

Sec. 701. (a) The Commissioner of the District of Columbia is authorized and empowered, in his discretion, for the best interests of the District of Columbia, to sell and convey, in whole or in part, to the highest bidder, at public or private sale, for not less than the fair market value thereof, certain real estate now owned in fee simple by the United States of America comprised of approximately 143.15 acres of land, located in Prince Georges County in the State of Maryland, and more particularly described in the deeds conveying said land to the United States recorded on November 7, 1923, in liber 206, folio 384, on August 28, 1923, in liber 206, folio 17, in the land records of Prince Georges County, Maryland.

(b) The Commissioner is further authorized to pay the reasonable and necessary expenses of the sale or sales of such land, and shall deposit the net proceeds of any such sales in the Treasury of the United States to the credit of the District of Columbia.

Sec. 702. Any compensation received by an officer or employee of the District of Columbia government, the direct or indirect source of which is a grant from any Federal agency, department, or instrumentality shall, for the purposes of section 5533 of title 5 of the United States Code (relating to dual compensation) be held and considered to be compensation paid to such officer or employee from regularly appropriated funds.

Sec. 703. Along with, and in addition to, all other financial and budgetary information and data which the Commissioner of the District of Columbia is required annually to submit to the Office of Management and Budget by section 214 of the Budget and Accounting Act, 1921 (31 U.S.C. 22), the Commissioner shall prepare and submit to that Office a schedule showing an estimate of all funds which will be available to any agency, department, or instrumentality of the District of Columbia government, during the fiscal year for which such financial and budgetary information and data are submitted, from grants from any Federal agency, department, or instrumentality, or from any private source. Such schedule shall include such additional information as the Office of Management and Budget deems necessary and appropriate to fully indicate the purposes for which such grants will be made, the scope of the programs funded by such grants, and the relationship between the grant funded programs and the programs of such agency, department, or instrumentality funded by money appropriated directly to the District of Columbia. Such schedule, and such additional information as the Office of Management and Budget may include, shall be transmitted to the Congress along with the annual budget request from the District of Columbia government.

Sec. 704. Section 16 of the District of Columbia Public Assistance Act of 1962 (D.C. Code, sec. 3–216 is amended by inserting "(a)" immediately after "Sec. 16.", and by adding immediately thereafter the following:

"(b) (1) If a recipient fails to make his regular rental payment for a period of ten days after the date such payment was due then the lessor (including a sublessor) of such recipient may send written notice of such failure to the Commissioner. Upon receipt of such notice the Commissioner shall deduct from the monthly public assistance grant for such recipient for the next month following such notice an amount equal to the monthly shelter allotment for such recipient. Such deducted amount shall be disposed of by the Commissioner according to the following provisions of this subsection.

"(2) If it is determined that there is no legal basis for the recipient's failure to make such regular rental payment then the amount deducted and held by the Commissioner shall be paid to the lessor legally entitled to receive such payment. The Commissioner shall continue to deduct such amount from such grant for each month thereafter for so long as such recipient receives such grant, and to pay such amount directly to the lessor of such recipient.

"(3) If it is determined that there is a legal basis for the recipient's failure to make such regular rental payment then the Commissioner shall pay to the lessor legally entitled to receive such payment such part of the amount deducted and held by him as is determined to be owed to the lessor. The Commissioner shall restore to the monthly public assistance grant for such recipient such shelter allotment for each month thereafter for so long as the recipient receives such grant and makes his regular rental payments.

"(c) (1) If any lessor, receiving payments from the Commissioner under subsection (b) fails to maintain the premises of the recipient according to all applicable laws and regulations of the District of Columbia, then the recipient may send written notice alleging such failure to the Commissioner. Upon receipt of such notice the Commissioner shall suspend such payments for such recipient for each month thereafter, and shall hold and dispose of such amount according to the following provisions of this subsection.

"(2) If it is determined that there is no basis for such allegation by the recipient the Commissioner shall pay such amount to such lessor and continue to make such payments for such recipient.

"(3) If it is determined that there is a basis for such allegation by the recipient the Commissioner shall pay to the lessor such part of the amount suspended as is determined to be owed to him. The Commissioner shall restore to the monthly public assistance grant for such recipient the monthly shelter allotment for each month thereafter for so long as the recipient receives such grant and makes his regular rental payments.

"(d) Suspension of rental payments under subsection (b) or (c) above shall not be cause for eviction of any recipient.

"(e) For the purpose of any regulations of the Secretary of Health, Education, and Welfare, or of any other requirement of law, the total amount of assistance given to a recipient shall include that amount suspended and held, or paid by the Commissioner as authorized under subsections (b) and (c). Nothing in this section shall operate to deny to the District of Columbia any funds from any program of the Federal Government relating to public assistance which are paid to the District of Columbia on the basis of the funds appropriated directly to the District for programs administered under this Act."

Sec. 705. (a) Section 7 of the District of Columbia Public Assistance Act of 1962 (D.C. Code, sec. 3–207 is amended by adding the following new subsections:

"(b) After determining that a person is eligible to receive public assistance, the Commissioner shall issue to such person a public assistance identification card which shall be used by such person, in obtaining any public assistance, as a means of identifying him as the proper recipient of such public assistance. The public assistance identification card shall contain the name, social security number, and account or case number of the recipient to whom such card was issued.

"(c) The Commissioner may by regulation prescribe additional uses and requirements with respect to the issuance and use of the public assistance identification card as he deems necessary. Nothing in this section shall be construed to require recipients of public assistance to receive their monthly allotment checks in person at one central location. The Commissioner shall by regulation establish such means of distribution of such checks which, utilizing the public assistance identification card, will insure the least amount of fraud and loss of such checks without unduly burdening the recipients of such checks.

"(d) Any person who sells a public assistance identification card, or otherwise permits any person other than the recipient to whom it was issued to use such card to obtain public assistance to which such user is not otherwise eligible to receive, shall be fined not more than $500, or imprisoned for not longer than one year, or both."

(b) Section 16(a) of such Act is amended by striking out the "or" at the end of clause (2) and inserting immediately after clause (3) the following: "or, (4) a public assistance identification card;".

Sec. 706. During the fiscal year ending June 30, 1972, no person shall be appointed—

(1) as a full-time employee to a permanent, authorized position in the government of the District of Columbia during any month when the number of such employees is greater than 39,619; or

(2) as a temporary or part-time employee in the government of the District of Columbia during any month in which the number of such employees exceeds the number of such employees for the same month of the preceding fiscal year.

Sec. 707. Paragraph (6) of section 4(b) of the District of Columbia Minimum Wage Act (D.C. Code, sec. 36–404) is amended to read as follows:

"(6) any employee with respect to whom the Secretary of Transportation has power to establish qualifications and maximum hours of service pursuant to the provisions of section 304 of title 49, United States Code."

Sec. 708. On square 764 located between D and E Streets and Second and Third Streets South East, in the District of Columbia (the former site of Providence Hospital) there shall be permitted to be erected a building not to exceed in height 90 feet above the D Street curb. Any building erected on such square shall be erected according to specifications prescribed by the Architect of the Capitol.

Sec. 709. Section 106(b) of title I of the Act of September 23, 1970 (relating to the Commission on the Government of the District of Columbia) is amended to read as follows: "The head of any Federal agency or department or agency of the District of Columbia is authorized to provide for the Commission such services as the Commission requests on such basis, reimbursable or otherwise, as may be agreed between the department or agency and the Chairman or Vice Chairman of the Commission. All such requests shall be made by or in the name of the Chairman or Vice Chairman of the Commission. The Administrator of General Services shall provide financial and administrative support services for the Commission on a reimbursable basis."

### COMMITTEE AMENDMENT

The CHAIRMAN. The Clerk will report the first committee amendment to this title.

The Clerk read as follows:

Committee amendment. On page 10, line 14, strike out "3-216" and insert in lieu thereof "3-215".

### PARLIAMENTARY INQUIRY

Mr. HOGAN. Mr. Chairman, I have an amendment at page 8.

The CHAIRMAN. The Chair would ask the gentleman whether it is an amendment to the committee amendment or to the section.

Mr. HOGAN. It is to section 7, Mr. Chairman.

The CHAIRMAN. If the gentleman will allow the Chair to dispose of all the committee amendments to the section, then the gentleman's amendment will be in order at that time.

Mr. HOGAN. I thank the Chairman.

### COMMITTEE AMENDMENTS

The CHAIRMAN. The Chair will report the next committee amendment.

The Clerk read as follows:

Committee amendment. On page 10, line 16, strike out "immediately thereafter" and insert in lieu thereof "at the end of the section".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment. On page 10, line 20, strike out "or" and insert in lieu thereof "of".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment. On page 13, line 6, strike out "3-207" and insert in lieu thereof "3-206".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment. On page 13, strike out amended by adding the following new subsections:, and insert the following: amended by inserting "(a)" immediately after "Sec. 7." and by adding at the end of the section the following:

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment. On page 14, line 11, strike out "16(a)" and insert in lieu thereof "17(a)", and insert "(D.C. Code, sec. 3-216(a))" after "Act".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment. On page 15, line 9, strike out "section 304 of title 49, United States Code" and insert in lieu thereof "section 204 of part II of the Interstate Commerce Act (49 U.S.C. 304)".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: On page 15, strike out lines 12 through 18 and insert in lieu thereof the following:

Sec. 708. On square 764, located between D and E Streets and Second and Third Streets Southeast in the District of Columbia (the former site of Providence Hospital), buildings may be erected which may not exceed in height 90 feet above the D Street curb, and which may be used for any purpose permitted under the zoning classification C-4, as that zoning classification is defined by regulations of the Zoning Commission of the District of Columbia in effect on the date of enactment of this Act. Any building erected on such square under this section shall be erected according to specifications approved by the Architect of the Capitol.

Mr. McMILLAN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The gentleman from South Carolina is recognized.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. McMILLAN. I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Does the gentleman from South Carolina, the chairman of the committee, intend to offer another amendment to strike all of section 708?

Mr. McMILLAN. Yes.

Mr. Chairman, I voted for this amendment in the committee with the thought that we could increase tax revenues for the District of Columbia as a result of developing the property which is referred to. Since the committee reported the bill there seems to be a great deal of confusion. I believe it would be best for the amendment to be stricken from the bill and hearings held on the subject. I think the Housing Commission has had an opportunity during the past 10 years to use this property if they expected to use it. If the Capitol Housing Commission does not want to use this property, they should permit private enterprise to go in and develop it so that we can get three times the tax revenues out of this property. That is my reason for asking that this item be stricken from the bill. I will call further hearings on this proposal. I am opposed to the amendment.

Mr. FRASER. Mr. Chairman, I rise for purposes of clarification with respect to what procedure we will follow. Let me preface my question. We are now considering that part of the bill which deals with the so-called Providence Hospital site. As I understand, the Chairman wishes to oppose the committee amendment——

The CHAIRMAN. Does the gentleman from Minnesota seek recognition on his own or does he ask the gentleman from South Carolina to yield?

Mr. FRASER. I understood that the gentleman yielded the floor. I was going to ask for time of my own.

The CHAIRMAN. The gentleman from Minnesota is recognized for 5 minutes.

Mr. FRASER. As I understand it, the Chairman is opposing the committee amendment, which rewrites the provision that is found in the bill, but it would still leave the old provision in the bill. My question is, If the committee amendment is turned down, would it be in order to consider at this point a further amendment to strike the old language so there is no reference to this particular piece of property in the bill?

The CHAIRMAN. The Chair will inform the gentleman that a motion to strike would be in order.

Mr. FRASER. I would just say, Mr. Chairman, that if the Chairman's position is consistent; namely, to vote down the committee amendment, I understand he will then offer a further amendment at that point to strike the whole section.

Mr. McMILLAN. That was my intention, but if the gentleman wishes to do so——

Mr. FRASER. I would just as soon that the Chairman do it.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. It is my understanding that there was a poll of the members of the committee, and it was the consensus of those on the minority side that a committee amendment would be offered by the gentleman from South Carolina to strike section 708 in its entirety because there had been a great many objections raised due to the fact that we had not held hearings on this particular subject. The Chairman has promised us that hearings will be held, and that we will have the matter back before the House in the near future.

Mr. FRASER. I wanted to make clear what we were dealing with in the bill, namely, the Providence Hospital site, and also to clarify the procedure we would follow, and determine that if the Chairman's position is consistent urging the House to vote down the amendment, he will offer a further amendment to take out the whole section.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was rejected.

### AMENDMENT OFFERED BY MR. M'MILLAN

Mr. McMILLAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. McMillan of South Carolina:

On page 15, strike line 12 through line 18, as follows:

"Sec. 708. On square 764 located between D and E Streets and Second and Third Streets South East, in the District of Columbia (the former site of Providence Hospital) there shall be permitted to be erected a building not to exceed in height 90 feet above the D Street curb. Any building erected on such square shall be erected according to specifications prescribed by the Architect of the Capitol."

The amendment was agreed to.

### PARLIAMENTARY INQUIRY

Mr. HOLIFIELD. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. HOLIFIELD. As I understand it, the two votes that have just been taken have stricken the language which occurs on page 15 from line 12 over to page 16, line 4.

The CHAIRMAN. The gentleman is correct.

Mr. HOLIFIELD. I thank the gentleman.

### COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committe amendment: Page 16, strike out lines 5 through 17, and insert in lieu thereof the following:

SEC. 709. (a) The last sentence of subsection (b) of section 103 of title I of the Act of September 22, 1970 (relating to the Commission on the Government of the District of Columbia), is amended by inserting immediately before the period a comma and the following: "and such report shall be printed as a House document".

(b) Subsection (b) of section 106 of title I of such Act is amended to read as follows:

"(b) The Administrator of General Services shall provide financial and administrative support services for the Commission on a reimbursable basis. The head of any Federal agency or department, or agency of the District of Columbia, is authorized to provide for the Commission such other services as the Commission requests on such basis, reimbursable or otherwise, as may be agreed upon between the department or agency and the Chairman or Vice Chairman of the Commission. All such requests shall be made by or in the name of the Chairman or Vice Chairman of the Commission."

Mr. CABELL (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment be considered as read, and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 17, after line 11, insert the following:

SEC. 710. (a) Subsection (a) of section 114 of the District of Columbia Sales Tax Act (D.C. Code, sec. 47–2601, par. 14(a)) is amended by adding after paragraph (11) the following new paragraph:

"(12) The sale of or charges for the service of preparing, supplying, or providing advertising and the sale of or charges for the service of advertising by means of television, radio, periodicals, circulars, billboards, magazines, films, motion pictures, directories, shoppers guides, and newspapers, or by any other means."

(b) Subsection (a) of section 201 of the District of Columbia Use Tax Act (D.C. Code, sec. 47–2701(a)) is amended by adding after paragraphs (9) the following new paragraph:

"(10) The sale of or charges for the service of preparing, supplying, or providing advertising and the sales of or charges for the service of advertising by means of television, radio, periodicals, circulars, billboards, magazines, films, motion pictures, directors, shoppers guides, and newspapers, or by any other means."

(c) The amendments made by this section shall take effect on the first day of the first month which begins on or after the thirtieth day after the date of enactment of this Act.

Mr. CABELL (during the reading). Mr. Chairman, I ask unanimous consent that the committee amendment may be considered as read and printed in the Record.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. FRASER. Mr. Chairman, I rise in opposition to the adoption of the committee amendment, which is to be found on page 17, line 12.

Mr. Chairman, this is a so-called advertising tax which Members may have heard about in the last few days. I only want to say I opposed this amendment in committee on the same ground I am opposing it now. We did not really consider it very carefully. There were no hearings held on this proposal. There was no real discussion. It is a mischievous tax unless we really search out all its implications, because it deals very much with the interstate character of the printed word and the electronic media.

Mr. Chairman, I think it would be a mistake to try to impose this tax on such a small geographic area, particularly in the absence of hearings to explore the impact it would have on national publications that are centered here and on electronic media, part of which are found in the District and part of which are found outside the District.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Chairman, in the committee there were three votes against this, and two of them were from gentlemen from Minnesota, incidentally.

Mr. Chairman, I want to explain that it was the intention of the gentleman from Ohio (Mr. Harsha) to speak in opposition to the amendment, but he had to leave town and he left with me a statement which he wishes to have printed in the Record.

Mr. Chairman, also I should say at this time I join with the gentleman from Minnesota (Mr. Fraser) in his opposition.

(Mr. HARSHA (at the request of Mr. Nelsen) was granted permission to extend his remarks at this point in the Record.)

Mr. HARSHA. Mr. Chairman, I rise in opposition to the amendment.

Supposedly, this tax will bring in added revenue for the District of Columbia, but a careful look at the facts clearly indicates that it will do just the opposite. Ultimately, it can only result in a net loss of revenue to the District of Columbia.

Proponents of this amendment contend that advertising should be taxed because there is a sales or use tax on other commodities or services in the District. This ignores, however, the basic differences in the nature and purpose of advertising and, more importantly, the depressing effect which a reduction in advertising would have on the level of retail sales of such commodities or services and the health of the local economy in general.

Since Maryland and Virginia impose comparable taxes on most of the other commodities and services taxed by the District, there is no possible diversion of business from the District as a result of those taxes. But, this clearly would not be the case with respect to the advertising tax. This would put the District's advertising media, printing establishments, advertising agencies, and advertising service companies at a distinct competitive disadvantage since their rivals in the suburbs and elsewhere are not subject to such a tax.

Specifically, the added cost to their services as a result of the tax, and the competitive disadvantage at which they would be placed, might well compel many of these companies to move their operations to the suburbs thereby reducing job opportunities in the city. Any move outside of the District would result in substantial loss of revenue. The decline in the volume of business that would occur from increased taxes might well force companies to reduce employment levels as well. Finally, the tax would discourage new firms from locating in the District, thus further restricting job opportunities and economic growth in the District of Columbia.

Undoubtedly, the diversion of advertising to non-District media to avoid the tax would diminish the income of the metropolitan media subject to the local income tax and result in less revenue to the District.

The proposed sales tax on advertising would become an additional cost burden attached to the underlying services and commodities purchased by consumers. Most products advertised are necessities—food, clothing, and shelter—rather than luxuries. Since the great majority of advertising space purchased from the daily newspapers of the District of Columbia is related to these essential products and services, this added cost burden would fall most heavily on consumers. An advertising tax, therefore, constitutes a "double dip" into the consumer's pocket.

The final contention in the House report that advertisers should pay an advertising tax in order to share equitably the tax burden of the District fails to consider that the retail businesses in the District which would be the primary advertisers affected, already bear a major share of that tax burden. The sharply accelerating decline in the percentage of total metropolitan retail sales accounted for by the District—down 37 percent in 1967 to 31 percent in 1970—demonstrates that it is already difficult enough for retail businesses to survive in the District. To hobble these businesses with an added cost not imposed on their suburban competitors does not make sense from the standpoint of maintaining the District's revenue base.

We must not overlook the important pump-priming effect advertising has upon the profits of the advertisers. These sales and profits constitute the bases of the two prime private revenue sources of the District government—the income tax and the sales tax. The proposed new tax would add materially to the cost of advertising to the advertiser. If this added cost is passed on to the consumer, it may well result in a decline in retail sales and thus revenues from sales taxes and income taxes.

Or, if it is not passed on to the consumer, the added cost of advertising can be expected to result in less advertising—which in turn will still generate less sales. In either case, the effect will be to restrict the general level of business in the District and its traditional sources of revenue.

Thus, it is apparent that an advertising tax of this nature would have a detrimental effect on the advertisers, the consumers, and the District's revenue in general. It would also dangerously affect the revenue sources of the District's news media.

Quite obviously, in the advertising business in which highly competitive and pragmatic ratings, percentages, and discounts play vital roles in "time" and "space" purchases, even the 4 percent, which if imposed as an "advertising tax" would have to be reflected in increased "time" and "space" rates, would make a great difference in how, with whom, and whether many lucrative advertising contracts would be placed.

District of Columbia businesses operating with small advertising budgets could, understandably, be encouraged, even compelled, to limit, if not cancel, their advertising schedules with District of Columbia stations and place their advertising with those which, just over the boundary, would "cover the market" at lesser cost to the advertisers. In varying degrees, so might national advertisers upon whom all metropolitan area stations and newspapers must depend for their major source of revenue.

Such institutions, in turn, might well be encouraged, if not compelled, to remove their base of operations across the District of Columbia line into Maryland or Virginia to avoid the tax and remain competitive. Certainly, none of this would do the District of Columbia a bit of good. Quite the contrary, it would do the District a great deal of harm, including ironically, the loss of major property, income, sales, and business tax revenue.

Therefore, it is obvious that the proposed tax would be an unwise exercise of legislative discretion and I urge my colleagues to defeat the amendment.

Mr. HUNGATE. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Missouri.

Mr. HUNGATE. Mr. Chairman, I associate myself with the remarks of the gentleman from Minnesota.

Mr. HOGAN. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Maryland.

Mr. HOGAN. Mr. Chairman, I associate myself with the remarks the gentleman from Minnesota made. This tax is inherently inequitable inasmuch as TV and radio stations outside the area beam into the same area, and we would put them at an unfair competitive advantage with those located within the District of Columbia.

Mr. MAYNE. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Iowa.

Mr. MAYNE. Mr. Chairman, I rise in opposition to the Committee amendment, section 710 of H.R. 11341, which would extend the 4-percent District of Columbia sales tax to "The sale of or charges for the service of preparing, supplying, or providing advertising and the sale of or charges for the service of advertising by means of television, radio, periodicals, circulars, billboards, magazines, films, motion pictures, directories, shopper guides, and newspapers, or by any other means."

While I recognize the critical revenue needs of the District, I believe experience will show that the proposed advertising tax would be counterproductive. My own State of Iowa experimented with such a tax several years ago, when the junior Senator from Iowa—Senator HUGHES—was Governor. It was immediately contested in extensive and expensive litigation. Many national advertisers and advertising agencies refused to pay to Iowa advertising media the increased costs caused by the tax.

Advertisers generally have set advertising budgets, inclusion of the advertising tax thus lowered the net funds allocated for advertising itself. We found that consequent reduction in net spending for advertising had an immediate effect on Iowa advertising media operations, and many Iowa advertising agencies and media had to cut back on personnel. In consequence the State lost the income tax it would have been able to collect on the salaries of these advertising agency and advertising media employees.

Advertising is the seed producing sales. The cutback in advertising caused by the advertising tax was soon reflected in diminished sales. This in turn reduced the revenues from State sales taxes that higher sales would have produced. Reduced sales also resulted in cutbacks in sales personnel and other expenditures by would-be advertisers. This further diminished the income taxes and other taxes these employees and companies would have paid to the State.

Since no States adjoining Iowa had any tax on advertising, both national and Iowa advertisers began to place their advertising with media located in the adjoining States. This further reduced not only the revenue that could be expected from the Iowa advertising tax, but also the revenues from income taxes and other taxes that these Iowa advertising media would otherwise have paid into the treasury of the State of Iowa.

The squeeze on advertising income caused by the advertising tax also affected the quality of the services performed for the public. Advertising operation profits help subsidize the other operations of the media, and reduction of these profits adversely affects a television or radio station's ability to hire quality news and program staffs and to produce public service and educational programs. Newspapers losing advertising revenues must cut costs elsewhere through reducing the quality and/or quantity of their news coverage or special features—or by raising the charge for the newspaper to the public. If the medium's operation is already financially marginal, the new tax and the consequent hardships it invokes upon the news medium can force it to close its doors—contributing further to the centralization of news and information sources in fewer and fewer hands with the media farther removed from the people. Certainly this is not in the public interest.

A tax on advertising may seem attractive to States and local governments desperate for revenues—but in practice we in Iowa have found such a tax is difficult and expensive to collect. The tax in actual operation proved to be counterproductive and even destructive.

As a result of this sad experience, the Iowa General Assembly under the leadership of Governor Ray quickly repealed the Iowa tax on advertising. I understand most other jurisdictions which imposed such taxes have regretted this action and repealed the tax.

For all the above reasons I am strongly opposed to the 4 percent advertising tax which would be imposed by section 710 of H.R. 11341, a provision adopted by the House District of Columbia Committee without benefit of hearings. It is of particular importance that our Nation's Capitol be served by strong, intensely competitive, quality media and I believe the adoption of the proposed tax could not help having a damaging effect on these media, and on their ability to render adequate service to the public.

Mr. Chairman this tax is not in the best interest of the people of the District of Columbia or the Nation. It would establish a poor precedent, encouraging other jurisdictions to enact or reenact similar taxes. It will tend to restrict our economy. I urge my colleagues in joining with me to defeat this unwise proposal, and to strike section 710 from the District of Columbia Revenue Act.

Mr. BROWN of Ohio. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Ohio.

(Mr. BROWN of Ohio asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. BROWN of Ohio. Mr. Chairman, I rise in opposition to Section 710 of the District of Columbia Revenue Act. That section amends the District of Columbia sales tax to include a tax on advertising whether it be by means of television, radio, periodicals, circulars, billboards, magazines, films, motion pictures, directories, shopping guides, and newspapers.

No large State or urban area in the country imposes such a modern day stamp act. It is well known that the States of Maryland and Virginia do not have such a tax, and so a District of Columbia tax will divert advertising revenues to the suburbs.

Even of more importance is that the advertisers who pay this tax will be for the most part retailers, and they already bear a major share of the tax burden. Thus, this is not a tax on the media; it is a tax to be borne by retailers and consumers.

This is, I believe, a subtle effort to subdue institutions which inform people and criticize government. Advertising is necessary to help people know where they can purchase particular goods or services for what price; and many of those goods and services are essential.

This tax is not needed, it will not raise substantial revenue, and it is unfair.

Mr. FRASER. Mr. Chairman, before my time runs out, I wish to say we will be in a position of voting down the committee amendment—that is a no vote—

in order to prevent this tax from going into effect.

Mr. THONE. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Nebraska.

Mr. THONE. Mr. Chairman, the District of Columbia revenue bill (H.R. 11341) contains an amendment to levy a 4-percent tax on the sale of advertising and related services including printing. The proposed tax on advertising should be eliminated from the bill.

Advertising stimulates the economy. Therefore, any tax on advertising is counterproductive. The tax would stifle advertising that would promote sales to help create additional jobs and income. All knowledgeable businessmen agree that profitable merchandising requires advertising to aid consumers in selecting between products and in stimulating interest in the goods or services the businessmen have to offer. It is advertising that primes the pump to keep the retailers of Washington going. And it is these retailers who pay most of the sales and income taxes of the District. A tax on advertising could cause revenues from District sales and income taxes to decline.

In 1969, when the House and Senate held hearings on the possibility of a tax on advertising in the District, both bodies rejected the proposal.

While a tax on advertising is unwise anywhere, it would have particularly adverse effects in Washington. One of the area's greatest problems is the flight of business to the suburbs outside the District. A tax on advertising within the District could cause advertising agencies, artists' studios, typesetters, engravers and printers to leave Washington. A tax on advertising would cause more advertising to be placed with news and entertainment media in Virginia and Maryland and less with those physically headquartered in Washington.

National organizations representing labor, business, civic and professional associations produce in Washington magazines, newspapers and newsletters for distribution to their members. It would be particularly unfair to tax the printing done for members of these associations, almost none of whom live in the District.

Currently, the Nation is operating under a price freeze. It appears that it will be difficult to obtain price increases during phase II. Therefore, it would be unfair to place the added cost of an advertising tax on District of Columbia merchants and businessmen without evaluation of their ability to pass on these costs.

There are also serious legal questions involved in the proposed tax on advertising. If any State would attempt to tax advertising involved in interstate commerce it would be in violation of the commerce clause of the Constitution. Such a tax for the District of Columbia would be in contravention of the codified policy that Congress will not impose a tax that a State would be without power to enact.

The proposal does not attempt to apportion intra-District and interstate advertising, in order to tax only the portion of revenue derived from intra-District advertising.

Thirty-five years ago in Fisher's Blend Station, Inc. against the Tax Commission, the court ruled that:

> By its very nature, broadcasting transcends state lines and is national in its scope and importance—characteristics which bring it within the purpose and protection, and subject it to the control, of the commerce clause.

Let me summarize the principal reasons why I believe a tax on advertising should be stricken from the District of Columbia revenue bill. The tax on advertising would produce less total revenue for the District instead of more. The tax would drive advertising businesses and retail establishments from the District to the suburbs. The tax might cause many national associations to move their headquarters out of Washington. And finally, there are serious legal questions concerning the legality of a tax on advertising. This proposed tax must be stricken from the District revenue bill.

Mr. McKEVITT. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Colorado.

Mr. McKEVITT. Mr. Chairman, I also rise in opposition to the committee amendment.

Mr. Chairman, I also rise in opposition to the committee amendment. Over the past 2 years or so, no less than 18 State legislatures have defeated similar attempts to tax advertising. But even beyond this, it appears the courts would declare this proposed 4-percent tax to be unconstitutional, at least on the basis of rulings in similar cases.

But despite this, enactment of a tax against advertising in the District of Columbia would set a precedent at the congressional level and might stimulate new attempts to levy such taxes throughout the Nation which would harm the advertising media, agencies, and suppliers.

I urge my colleagues to strike section 710 of H.R. 11341.

Mr. HORTON. Mr. Chairman, I rise in favor of the Fraser amendment and in opposition to section 710 of the District of Columbia Revenue Act as reported out of committee. This section proposes a 4-percent tax on the sale of advertising and related services.

Having had the privilege to serve on the House District Committee from 1963 to 1969, I am acutely aware of the District's critical financial plight stemming primarily from the high proportion of Federal and non-Federal tax-exempt property in the city. Congress has long recognized the necessity of helping the District make up for these lost tax funds.

The 4-percent tax on advertising has been offered as one means of bolstering the city's revenue. In my view, however, the proposed sales tax on advertising could have a serious adverse effect on the economy of the District.

By assisting consumers in selecting between products and creating new demand for products, advertising increases the level of retail sales in the District as well as the profits of the advertisers. These sales and profits constitute the bases of the two prime private-revenue sources of the District government; namely, the sales tax and the income tax.

The proposed new tax would add significantly to the cost of advertising. To the extent that this added cost is passed on to the consumer, it may well result in a decline in retail sales. To the extent that this added cost of advertising is not passed on to the consumer, it can be expected to result in less advertising, which will generate less sales. In either case, the effect will be to restrict the general level of business in the District and its traditional sources of revenue.

It should also be noted that Maryland and Virginia impose comparable taxes on most of the commodities and services taxed by the District and there is no diversion of business from the District as a result of those taxes. The proposed advertising tax, however, would place the District under a distinct competitive disadvantage with the suburbs and other areas where such a tax does not exist. Retail businesses have enough trouble trying to survive in the District. From the standpoint of maintaining the District's revenue base, it does not make sense to hamper these businesses with an added cost which their suburban competitors will not face.

In the past 2 years, 18 State legislatures have defeated similar efforts to tax advertising in recognition that such a tax would be counterproductive. An advertising tax of only 2 percent was rejected by the House District Committee in 1969 and no hearings were held on the 4-percent tax before us today.

Mr. Chairman, in light of the serious economic pitfalls involved in the tax on advertising and the fact that little consideration was given this proposal in committee, I believe it is imperative that we reject section 710 of the bill under deliberation.

Mr. ABERNETHY. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I have no illusions about what is going to happen to this provision. I know of the pressures you have been under.

In 1969 the government of the District of Columbia sent its tax bill to Capitol Hill. This was an item in the bill. After hearings on the bill, the subcommittee included the item in the bill—and then the roof fell in, just as it has in the past few days.

I offered this amendment in the committee. It was overwhelmingly and enthusiastically received. Although there were 15 members of the committee present at the time the vote was taken. The vote was 12 to 3. With the announcements Members have heard on the floor here today, this is about the 19th vote I have heard said to have been made against the bill, and I can find none who say they were for it.

I am sure we are not going to find any member who voted for this amendment, although it came out of the committee 12 to 3. They have all joined the church; and I cannot much blame them.

I have in my pocket a letter which came to other Members and to me, from a representative of America's press, the

National Newspaper Association. They have 6,600 members belonging to this association. This is in addition to the several thousand radio and television stations in the United States. Of course they do not want to collect the tax that their neighboring business houses next door to them are collecting. No one wants to be taxed. And we always fight back at such.

There are eight States in the United States which have this tax.

Some of these people have written in and said that this tax interfered with freedom of the press.

I talked with the editor of one of my papers, and asked him if he paid income taxes. He said "Yes." I asked if that interfered with freedom of the press, and he said "No." I asked if he paid corporate taxes, and I asked if he paid ad valorem taxes on his real estate, and he said, "Yes." I asked if he paid personal property tax on his equipment in the plant, and he said "Yes." But the contention is these other taxes do not interfere with freedom of the press.

Why then does the sales tax interfere with freedom of the press I cannot understand such logic.

Next door to this particular newspaper is a merchant. Upon what he sells he is required to collect a sales tax. This merchant offers merchandise for sale. Sales taxes are collected on everything in that town, except on advertising. Advertising space is merchandise.

Why should they not pay the same tax the merchant pays? Why collect the tax from everyone else in the community, on sales, except advertising sales? Frankly, I cannot see it. Perhaps after this vote is taken I will be able to see it, but up to now I just do not see it.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from Indiana.

Mr. JACOBS. I ask in all seriousness whether advertising, for example, sold to a corporation is a retail sale or a wholesale sale?

Mr. ABERNETHY. I do not know what it is. It is a sale if he makes a sale. He has advertising space in his paper to sell. If he sells it, just like a merchant sells a suit, why should he not pay the same sales tax?

Mr. JACOBS. I just do not know whether we are dealing with a retail sales tax or a wholesale sales tax.

Mr. ABERNETHY. This is retail sales. I do not see that there is any distinction between sales, such as the sale of advertising or the sale of a suit of clothes from a store. Both are sales.

I full well know what the Members are going to do. At the same time, I am not trying to present myself as any brave person. I believe it is wrong to require a person who sells clothing or one who repairs a watch, as they have to do in the District, or one who sells food, to collect sales taxes, and yet not collect the same tax from the man who sells advertising.

Mr. ROUSSELOT. Mr. Chairman, will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman from California.

Mr. ROUSSELOT. Did I correctly understand the gentleman to say this was recommended by the city government of Washington, D.C.?

Mr. ABERNETHY. Yes, sir.

Mr. ROUSSELOT. In other words, in their great effort to be sure to protect civil liberties they recommended it?

Mr. ABERNETHY. In their effort to go as far as they could in providing revenues from their own sources of revenue they recommended that this tax be invoked.

Mr. ROUSSELOT. Yet we are being asked to accept a bill here today that increases the cost to this Government by $44 million and includes chauffeurs who get $22,000 a year——

Mr. ABERNETHY. Now, just wait a minute before you leave the wrong impression. I did not vote for that. I have been voting with you against such all afternoon. Regrettably we did not have enough votes.

Mr. ROUSSELOT. But my point is this is a responsible government that set this kind of thing up.

Mr. ABERNETHY. I am not saying whether it is or not. I am speaking of the fairness of the tax. If the sales tax is to be applied to one person who sells something, I think it ought to be applied to all.

The CHAIRMAN. The time of the gentleman has expired.

(By unanimous consent (at the request of Mr. CABELL) Mr. ABERNETHY was allowed to proceed for 2 additional minutes.)

Mr. CABELL. Will the gentleman yield?

Mr. ABERNETHY. Yes. That is the least I can do considering the situation I am in.

Mr. CABELL. I think the record ought to reflect that when the rather extensive hearings were held on this bill not a single member of the operational organization of any of the local media appeared in person to protest the placing of this tax.

Mr. ABERNETHY. Will the gentleman let me say something right there?

Mr. CABELL. I will be glad to.

Mr. ABERNETHY. The only protest that has been made by any newspaper or radio station or television station in the District of Columbia is radio WMAL. They have been running a radio editorial for the last 2 days about every 30 minutes against this tax. They were hoping you would hear it, and I am sure you did hear it.

When we had the hearings on this the reporters for the newspapers and news media were sitting at the press table in the committee room. I called their attention to the fact that they were there and suggested that if their employers opposed this tax, we would be glad to have them appear in the well of the committee and testify. Not one of them appeared. Not one.

Mr. CABELL. Will the gentleman yield for a further brief observation?

Mr. ABERNETHY. Surely.

Mr. CABELL. I believe that the question has been definitely settled as to the power of the press.

Mr. ABERNETHY. Oh, listen. I know the pen is more powerful than the sword. I have found that out in the last few days.

Mr. HOGAN. Will the gentleman yield?

Mr. ABERNETHY. I yield to the gentleman.

Mr. HOGAN. I would like to make one comment.

I think in all fairness—and I have been as harsh in my criticism of mismanagement in the District of Columbia government as anyone—I think the gentleman from California was really unfair when he criticized the District of Columbia government for opposing such a tax when seven other States already had it.

Mr. ABERNETHY. I think there are eight such States.

Mr. HOGAN. I think it was unfair, I want to say that for the record.

Mr. HUNGATE. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I do not believe that there were any hearings held on this issue in this Congress. I would like someone to correct me if I am wrong about that. I do not think that we had any hearings on this bill in this Congress or that the District government recommended this tax in this Congress. Am I incorrect about that? I do not think I am.

That, as I understood it, was put in the bill at the last mark-up. Zip. We were looking for money and we did not get a commuter tax, which a lot of us think would be great. This advertising tax went in at the last minute.

So it seems to me it is worthy of more consideration than if we were to impose such a tax in this Congress.

Mr. FRASER. Will the gentleman yield to me?

Mr. HUNGATE. I yield to the gentleman from Minnesota.

(By unanimous consent (at the request of Mr. FRASER) Mr. ROONEY of Pennsylvania was allowed to extend his remarks at this point in the RECORD.)

Mr. ROONEY of Pennsylvania. Mr. Chairman, section 710 of the District of Columbia Revenue Act would impose a 4-percent sales tax on advertising in newspapers, magazines, billboards, radio, and television in the District. I strongly object to the proposed tax, both because it would pose a serious economic threat to the competitive commercial standing of the city and because attempts by other cities to impose a similar tax have shown such revenue measures to be administratively and legally unsound.

Money is spent on advertising for only one reason, to persuade potential customers to purchase goods and services. Sales are generated through advertising, and the more advertising is used the more likely sales will be increased. This in turn should produce lower product cost and more tax dollars for the taxing authority from its sales tax and other income and revenue taxes imposed upon producers, distributors, retailers, the advertising media and all their employees. Discouraging advertising, by taxing it and raising its cost, can in reality be a shortcut to reaching a point of diminishing return, independent of any adverse impact reduced product and service demand can have on our economy.

Although advertisers purchase a service, they never acquire possession of the actual means utilized to disseminate their advertisements. Advertising is the cheapest and most effective substitute for personal selling to potential customers. Buyers rely on it for information on prices, products, and where to buy. There is no more justification for a tax on advertising than there would be to tax every salesman for each call he makes on a prospective customer, or to tax store clerks when they wait on customers.

Experience has shown that advertisers usually cannot and will not absorb the increased cost of a tax on their advertisements. Budgets are allocated and fixed. This means merchants must either reduce their selling effort by working less advertising copy or pass the cost on to consumers in increased prices. If the tax is passed on, customers pay twice—both the advertising tax and the sales tax on the merchandise.

I believe the most unfair feature of such a tax is its devastating adverse impact on local commerce, and advertisers and communications media physically located within the geographic boundaries of the taxing jurisdiction. The tax would force local people to compete with merchants and members of the communications media located outside the District who do not pay an advertising tax and can sell and deliver advertisements for less. Local advertising service businesses will either move out of the District to permit clients to avoid the tax or will reduce their advertising budgets to allow for the tax allocation, resulting in decreased sales and thereby slowing the city's economic growth.

Mr. Chairman, I see no justification for imposition of this tax and strongly urge my colleagues to delete section 710 of the bill.

Mr. GRAY. Will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman from Illinois.

Mr. GRAY. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman from Illinois.

Mr. GRAY. I thank my friend for yielding. Mr. Chairman, I rise to ask someone on the committee as to how much this proposed amendment would raise in the form of new revenue. I have not heard that figure mentioned and it might be of some help to Members who are undecided on the question.

Mr. ABERNETHY. Mr. Chairman, will the gentleman yield?

Mr. HUNGATE. I yield to the gentleman from Mississippi.

Mr. ABERNETHY. I checked with the District officials and they indicated to me that it would raise $2 million.

Mr. HUNGATE. Mr. Chairman, I urge defeat of this advertising tax as an impost on free speech and yield back the balance of my time.

Mr. WILLIAMS. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the committee amendment, section 710 of H.R. 11341.

Section 710 subjects all advertising by means of television, radio, periodicals, circulars, newspapers, and all other forms of advertising media to the 4-percent District of Columbia sales and use tax.

The cost of preparing and supplying such advertisement is also subjected to the same tax.

It has been estimated that this tax on advertising will yield a return of approximately $2 million annually. However, this anticipated revenue will never materialize.

What this tax on advertising will do will be to drive radio and television stations out of the city so that the District of Columbia will actually lose its present real estate tax revenues from these stations, as well as losing some jobs. These radio and television stations could reach the people in the District of Columbia and the surrounding suburbs without paying the District of Columbia sales and use tax.

This tax on advertising can result in the move of local industries to another area, where to meet competition, an advertiser does not have to pay such a tax on his advertisements. This could also involve trade and other publications headquartered here in Washington.

A prime example of the detrimental effects of this tax on advertising is the analogy of the Philadelphia Stock Exchange. When Philadelphia announced that it was going to place a tax on the trading of shares, the Philadelphia Stock Exchange announced that it was moving to a nearby Philadelphia suburb. Needless to say, the tax on the transfer of stock shares was quickly eliminated.

Further, no State or municipality currently has a sales tax on advertising. In the few instances where it has been tried in the past, it has been found to be unworkable and illegal.

The proposal contained in section 710, which my amendment would strike, does not provide for the apportionment of intra-District and interstate advertising services to the end that only that portion of advertising revenues which is derived from local sevices is to be taxed. Nor do the provisions of section 710 obviate the possibility of multiple-taxation by States into which go the TV and radio broadcasts, newspapers and magazines.

In *Fisher's Blend Station, Inc.* v. *Tax Commission*, 297 U.S. 650 (1936), the State of Washington had levied an occupation tax measured by gross receipts upon a radio station whose revenues came entirely from broadcasting advertising programs. Some of the programs originated in the State of Washington. Other programs were received by wire from other States, and the station merely sent out over its transmitter the out-of-State advertisements. The United States Supreme Court held that

> As appellant's income is derived from interstate commerce, the tax, measured by appellant's gross income, is of a type * * * to be an unconstitutional burden on interstate commerce.

This case, and a number of other similar cases, clearly prove that the provisions of section 710 are unconstitutional.

There are numerous publications with the principal place of business in the District but with circulation either chiefly or substantially outside the District. It is this substantial interstate character of many of the publications which would be subject to the District of Columbia tax which distinguishes the impact of this tax from a tax on a publication which is wholly prepared, edited and published within the District of Columbia.

I urge my colleagues to support my amendment and strike section 710 of H.R. 11341.

Mr. CABELL. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman is recognized for 5 minutes.

### MOTION OFFERED BY MR. CABELL

Mr. CABELL. Mr. Chairman, I shall not use the 5 minutes. However, due to the very obvious fact that we are whipping a dead horse, I move that all debate on this amendment and all amendments thereto cease as of now.

The motion was agreed to.

The CHAIRMAN. The question is on the committee amendment.

The committee amendment was rejected.

### AMENDMENT OFFERED BY MR. JACOBS

Mr. JACOBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

> Amendment offered by Mr. Jacobs: On page 15, strike lines 6 through 11 and insert:
>
> "(6) any driver, driver's helper, loader, or mechanic (A) engaged in work which directly affects the safety of operation of a motor vehicle, and (B) who is employed by an employer for whom the Department of Transportation has issued a certificate of authority pursuant to Section 204 of part II of the Interstate Commerce Act (49 U.S.C. 304)."

Mr. JACOBS. Mr. Chairman, earlier in the proceedings today reference was made by a number of Members about the welfare situation in the District of Columbia. If I am not mistaken, the record will show that more than one Member complained about people who do not or will not work in the District of Columbia. One reference was made to an apartment building which happens to be located right across the street from where I live. I believe that Member suggested that the situation was so bad that maids could not be found to take jobs to make beds in that apartment building. As it happens, I live across the street from that apartment building and I make my own bed every morning.

So I would like to say just a word for the people who work in the District of Columbia, the truck drivers. This section of the bill deals with whether these truck drivers are going to be paid overtime for the work they do. It simply provides that any trucking company in interstate commerce which the Department of Transportation "can" certificate will not be subject to the wage and hour laws of the District of Columbia.

My amendment simply says that exceptions to the District of Columbia wage law will be made for any trucking company in the District of Columbia which the Department of Transportation "does" certificate, not "can" certificate. If we leave it as it stands you will have a no-man's land in the law, no regulation by the Interstate Commerce Commission, and no regulation by the wage and hour people of the District of Columbia.

Let me just give you a little profile of the fellow who hops in that truck at 6 o'clock in the morning, and starts making deliveries around this town—he works.

I figured out what the average wage in the District of Columbia was for the truck driver. He averages, without overtime, $116 a week.

Do you know what I did? I took $42,500 and I divided it by 365. That is the salary of a Member of Congress—$42,500. Do you know how that came out? That came out to $116 a day.

Now, somebody ought to jump up right now and say, "Yes, but that is 7 days a week, and the other thing is for 5 days."

Now, my dear colleagues, all in God's world I am asking you to do is let this truck driver be protected, either by the Interstate Commerce Commission or by the wage and hour laws in the District of Columbia. Do not leave him suspended in no-man's land with no kind of protection at all for his wages.

I cannot think of anything worse than for politicians to pass any kind of legislation that would do a man or a woman out of his or her just reward for honest toil.

So I urge that this, what I must call a perfecting amendment, be accepted.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman from Minnesota.

Mr. NELSEN. Mr. Chairman, I am not sure I understand exactly what the gentleman is saying.

A year ago, in the conference committee we found that the trucking industries that were domiciled here, but engaged in interstate transportation, found themselves in a situation where their wage levels had to comply with those in the District of Columbia, which were higher than the Federal regulations provided, with respect to overtime pay. Therefore, they were not in a position to compete in interstate commerce.

Mr. JACOBS. Does the gentleman really believe that $116 a week for hard work all day is not a competitive wage for a businessman to have to pay?

Mr. NELSEN. I might point out that what we did a year ago was to provide that drivers who worked in excess of $x$ hours in interstate operations came under the Federal wage and hour law.

I am only asking whether what you are doing really is to put them all under the District of Columbia minimum wage law even if they are in interstate commerce?

Mr. JACOBS. No, no, the gentleman misunderstands.

All I am saying is that they must either be afoot or on horseback. If they are regulated by the Interstate Commerce Commission, that is to say, if the commission actually certificates that particular company it is exempt from the wage and hour law of the District of Columbia.

The amendment as it stands now merely says—"if they" can "be certificated" by the Interstate Commerce Commission, they will not be subject to the wage and hour laws of the District of Columbia.

I do not see how anybody can find fault with this amendment, which says they actually must be regulated by the ICC.

Mr. NELSEN. I thank the gentleman.

Mr. CABELL. Mr. Chairman, I rise in opposition to the gentleman's amendment to the committee amendment.

Mr. Chairman, I call attention first to the fact that we are not talking about the payment of minimum wages. This involves, if I understand it correctly, only the payment of premium overtime. The gentleman's arguments have a certain validity, but I think he has overlooked this situation—that a small company doing packing or moving, even though it is not interstate in its operation, still has to compete with those operators who are certificated for interstate operation and, therefore, if he is hit with premium overtime in competition with a certificated carrier, he is completely out of competition and instead of this amendment helping the local worker, it can only work to hurt him. If his employer cannot compete, he is going to lose business and if he has to comply with this premium overtime provision that would be applied in the gentleman's amendment, then he will reduce to the 40-hour week and then the worker will not get the overtime that he would earn on a straight time basis.

Mr. Chairman, I sincerely hope that the committee will take into consideration this aspect of it.

Now this provision of the bill was passed by the 91st Congress in virtually the same form as is being presented here today. This was done after very extensive hearings. There is a very comprehensive description of the situation in the committee report.

I will say that hearings on this subject were not held in the 92d Congress, but were held just a year ago. The hearings were quite exhaustive, and I believe we are bringing to you an amendment, the committee amendment to this bill, that will redound to the benefit of the workers in the District of Columbia, rather than to hurt him.

In the 91st Congress, the House approved language similar to the provisions of the pending bill to reassert the right of interstate motor carriers to operate under the provisions in the Fair Labor Standards Act and the Motor Carrier Act. Hearings were held on this matter in September 1970, and were printed.

The committee report shows in detail the distortion of the 1966 Minimum Wage Act maneuvered by the District agency to change the authority of law and impose regulations on locally based carriers which are not applicable to their competitors. Since 1938, local carriers operated without competitive disadvantage until the recent ruling by the local Wage Board. In the immediate area, Maryland has no similar restrictions and Virginia has no such provisions of law. Local carriers, being unable to compete on even terms, have been moving to the suburbs where they can come and go in the District, free from the local regulations.

Printed hearings on the bill show clearly that nothing in the legislation was intended to affect interstate carriers. The chairman of the subcommittee, Mr. Multer, of New York, stated:

> Let's get it clarified on the record. The Fair Labor Standards Act is Federal statute that applies throughout the country, generally speaking, to all interstate commerce workers, including those in the District of Columbia. Neither the Multer bill (H.R. 648) nor the Commissioners' bill (H.R. 6494) affects that in any way whatsoever, nor does it intend to.

There are only 31 certificated interstate carriers who have their base operations in the District. Most of these are in process or contemplating leaving the District because of agency harassment under its unwarranted interpretation of jurisdiction.

The Motor Carrier Act regulations and the Fair Labor Standards Act exemption apply only to a very limited number of employees performing functions related to safety of lives and property moving across State lines. In any case, all the usual local employees—maintenance men, laborers, clerks, typists, stenographers, bookkeepers, and others—are fully subject to local regulations of the District as similar employees are in other jurisdictions.

Had it not been for the District government action, most of the 250 carriers having offices in the metropolitan area might be centrally located in Washington. Certainly most of those who have moved would have remained in the District. Approval of this bill with section 707 included will open the way to remedy the damage done.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. CABELL. I yield to the gentleman.

Mr. BROYHILL of Virginia. The purpose of this section of the bill has an effect somewhat similar to that of the advertising tax amendment that was taken out, in that we are trying to increase the revenue in the District of Columbia or rather we are trying to prevent the loss of revenue.

This language does not hurt any individual. It does not take any rights away from any individual. It helps to encourage this industry to stay in the Nation's Capital and not to move to the suburbs where the workers will have the same protection that we are trying to provide them in the District of Columbia.

Mr. CABELL. I thank the gentleman.

Mr. Chairman, I do want to commend the gentleman from Virginia because he is working against his own best interests because if this amendment is not passed; he is going to get some more employment over in Virginia.

Mr. BROYHILL of Virginia. I am glad the gentleman has made the observation that we in the suburbs are generous people.

Mr. JACOBS. Mr. Chairman, will the gentleman yield?

Mr. CABELL. I yield to the gentleman.

Mr. JACOBS. Just for the purpose of bringing my own amendment back into focus—I could have voted in opposition to the committee amendment, but I did not do that.

All I am saying is—let them be regulated either by the Interstate Commerce Commission or the wage and hour division.

Let the Interstate Commerce Commission issue a certificate and they are not under the wage and hour law.

I am just asking that we not leave these workers in a no man's land.

Mr. FRASER. Mr. Chairman, I move to strike out the last word and rise in support of the amendment.

Mr. Chairman, I would not take the time of the Committee, but the problem is that the gentleman from Indiana (Mr. JACOBS) was proposing an amendment to clarify certain language and the gentlemen from Texas and Virginia were talking about an entirely different problem. They were not connecting.

Let me just explain what is involved here. The last time around on the revenue bill there was an effort made to say that any of these truckers who are in interstate commerce would not be subject to the District's fair labor standards law, particularly the overtime provision. We got a compromise so that if a worker spent half of his time in the District, then he would be covered by overtime.

What the committee amendment does is to wipe out that compromise and say that an employee in a trucking firm that is in interstate commerce will not get any overtime protection.

Mr. JACOBS is not proposing to disturb that. He is not trying even to go back to last year's compromise. He, in effect, is accepting the Committee position, with one exception. What he is saying is that the carrier ought to be actually certificated by the Interstate Commerce Commission if the exemption is to prevail, rather than letting the standard be that the carrier would be eligible for certification.

With that explanation I wonder if the Committee would not be willing to accept the amendment because it only says that the carriers ought to have gotten the approval of the ICC.

Mr. CABELL. Mr. Chairman, will the gentleman yield?

Mr. FRASER. I yield to the gentleman from Texas.

Mr. CABELL. It was felt that the amendment would actually have the results that the gentleman stated. Many of these small operators have no occasion to go into interstate commerce. Therefore, they have no occasion to carry an ICC certification. So the mere fact that this would be confined to those holding certificates still leaves the little man who has no occasion to go interstate outside the metropolitan area out in the rain, so far as his being able to compete with certificated carriers is concerned.

Mr. FRASER. But the point is that if any interstate commerce is involved, they should not be entitled to the exemption of the Interstate Commerce Act. All we are saying is that if they are certificated, they should get the exemption. If they are not certificated, they do not have to. That seems to be very plain and simple. It is a very simple amendment, and I would think the chairman would want to take it.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. JACOBS).

The question was taken; and the Chairman announced that the noes appeared to have it.

### TELLER VOTE WITH CLERKS

Mr. JACOBS. Mr. Chairman, I demand tellers.

Tellers were ordered.

Mr. JACOBS. Mr. Chairman, I demand tellers with clerks.

Tellers with clerks were ordered; and the Chairman appointed as tellers Messrs. JACOBS, CABELL, NELSEN, and FRASER.

The Committee divided, and the tellers reported that there were—ayes 139, noes 179, not voting 112, as follows:

[Roll No. 384]

[Recorded Teller Vote]

### AYES—139

Abourezk
Addabbo
Anderson, Calif.
Anderson, Tenn.
Annunzio
Aspin
Baker
Baring
Begich
Bennett
Bergland
Bevill
Biester
Bingham
Blatnik
Boggs
Boland
Bolling
Brademas
Brinkley
Burke, Fla.
Burke, Mass.
Burton
Byrne, Pa.
Caffery
Carey, N.Y.
Conte
Cotter
Coughlin
Culver
Daniels, N.J.
Danielson
Dellums
Donohue
Dow
Drinan
Duncan
Eckhardt
Edwards, Calif.
Eilberg
Fascell
Flood
Foley
Fraser
Fulton, Tenn.
Gallagher
Gaydos
Giaimo
Grasso
Gray
Gude
Hall
Hamilton
Hanley
Hansen, Wash.
Harrington
Hathaway
Hawkins
Hechler, W. Va.
Heinz
Helstoski
Hicks, Mass.
Hicks, Wash.
Holifield
Horton
Howard
Hull
Hungate
Jacobs
Johnson, Calif.
Karth
Kastenmeier
Kluczynski
Koch
Kyros
Leggett
McCloskey
McDonald, Mich.
McKinney
Matsunaga
Meeds
Metcalfe
Mikva
Miller, Calif.
Minish
Mink
Mitchell
Monagan
Moorhead
Murphy, Ill.
Natcher
Nedzi
Nix
Obey
O'Hara
O'Konski
O'Neill
Passman
Perkins
Pike
Podell
Price, Ill.
Pucinski
Rangel
Rees
Reuss
Riegle
Rodino
Roe
Roncalio
Rosenthal
Rostenkowski
Roush
Rousselot
Roybal
Ryan
St Germain
Sarbanes
Scheuer
Seiberling
Sisk
Smith, Calif.
Stanton, James V.
Steed
Stokes
Stratton
Sullivan
Symington
Thompson, N.J.
Tiernan
Udall
Ullman
Van Deerlin
Vanik
Wolff
Wright
Yates
Yatron
Zablocki

### NOES—179

Abbitt
Abernethy
Anderson, Ill.
Andrews, Ala.
Andrews, N. Dak.
Archer
Arends
Aspinall
Belcher
Betts
Biaggi
Bow
Brasco
Brooks
Broomfield
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burleson, Tex.
Burlison, Mo.
Byrnes, Wis.
Byron
Cabell
Camp
Carter
Cederberg
Chamberlain
Clausen, Don H.
Cleveland
Collier
Collins, Ill.
Collins, Tex.
Colmer
Conable
Crane
Daniel, Va.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dickinson
Downing
du Pont
Dwyer
Edwards, Ala.
Evans, Colo.
Evins, Tenn.
Findley
Fish
Fisher
Flowers
Ford, Gerald R.
Forsythe
Frelinghuysen
Frenzel
Frey
Fuqua
Garmatz
Gettys
Gibbons
Goldwater
Gonzalez
Green, Oreg.
Griffin
Gross
Grover
Hagan
Haley
Hansen, Idaho
Harvey
Heckler, Mass.
Henderson
Hogan
Hosmer
Hunt
Hutchinson
Jarman
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Keating
Keith
Kemp
Kuykendall
Kyl
Landrum
Latta
Lennon
Lent
Long, Md.
McClory
McCollister
McCulloch
McEwen
McFall
McKevitt
McMillan
Mahon
Mann
Martin
Mayne
Mazzoli
Michel
Miller, Ohio
Mills, Md.
Minshall
Mizell
Montgomery
Morgan
Murphy, N.Y.
Myers
Nelsen
Nichols
Patten
Poage
Poff
Preyer, N.C.
Price, Tex.
Purcell
Quie
Quillen
Railsback
Randall
Rarick
Rhodes
Robinson, Va.
Robison, N.Y.
Rogers
Rooney, N.Y.
Roy
Runnels
Ruppe
Ruth
Sandman
Satterfield
Scherle
Schmitz
Schneebeli
Scott
Sebelius
Shipley
Shoup
Skubitz
Slack
Smith, N.Y.
Snyder
Spence
Springer
Steiger, Ariz.
Stephens
Stubblefield
Stuckey
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Vander Jagt
Waggonner
Wampler
Ware
Whalley
White
Whitehurst
Wiggins
Williams
Winn
Wydler
Wylie
Young, Tex.
Zion
Zwach

### NOT VOTING—112

Abzug
Adams
Alexander
Ashbrook
Ashley
Badillo
Barrett
Bell
Blackburn
Blanton
Bray
Brotzman
Buchanan
Carney
Casey, Tex.
Celler
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Clay
Conyers
Corman
Dent
Derwinski
Devine
Diggs
Dingell
Dorn
Dowdy
Dulski
Edmondson
Edwards, La.
Erlenborn
Esch
Eshleman
Flynt
Ford, William D.
Fountain
Galifianakis
Goodling
Green, Pa.
Griffiths
Gubser
Halpern
Hammerschmidt
Hanna
Harsha
Hastings
Hays
Hébert
Hillis
Ichord
Jonas
Jones, Ala.
Kazen
Kee
King
Landgrebe
Link
Lloyd
Long, La.
Lujan
McClure
McCormack
McDade
McKay
Macdonald, Mass.
Madden
Mailliard
Mathias, Calif.
Mathis, Ga.
Melcher
Mills, Ark.
Mollohan
Morse
Mosher
Moss
Patman
Pelly
Pepper
Pettis
Peyser
Pickle
Pirnie
Powell
Pryor, Ark.
Reid, N.Y.
Roberts
Rooney, Pa.
Saylor
Schwengel
Shriver
Sikes
Smith, Iowa
Staggers
Stanton, J. William
Steele
Steiger, Wis.
Teague, Tex.
Veysey
Vigorito
Waldie
Whalen
Whitten
Widnall
Wilson, Bob
Wilson, Charles H.
Wyatt
Wyman
Young, Fla.

So the amendment was rejected.

### AMENDMENT OFFERED BY MR. MIKVA

Mr. MIKVA. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. MIKVA: On page 10, strike out line 13 and all that follows down through and including line 4 on page 13.

Mr. MIKVA. Mr. Chairman and members of the committee, this is the last of the extraneous riders, at least as far as I know, that are in this bill.

What this rider I am seeking to strike out would do—and it would do a very poor job of doing it—is to try to set up a landlord-tenant law in a revenue bill. It is aimed at the problem of rent strikes, which is a problem that does confront most municipalities in the country. Most State legislatures have been wrestling with this problem and have tried to come up with some way of seeing to it that a landlord is not overwhelmed by the nonpayment of rent and at the same time not put the State or the city in the position of being the protector of the slum landlords.

The rider that has been attached to

the revenue bill never had one moment of hearings before our committee. We never had any witnesses called to testify for or against it.

The first time I saw the language of the rider was in the markup session of the full committee. As a result of this lack of hearings, the rider does not do what it was intended to do.

If this rider stays in the bill and my amendment is not agreed to, the D.C. government will become one of the great protectors of slum landlords in the city and one of the great gougers of good landlords in the city.

I know that was not the intent of the people who put this section in. I know what they intended to do was to set up a system whereby the D.C. Welfare Department would see to it that the tenant did not unlawfully refuse to pay the rent. However, I assure any of you who have ever had experience with these problems that if you would take a look at the section that starts at 704 on page 10 of the bill or read that part of the report that starts at page 50 of the report, you will see a classic case of why legislation by riders is not a good way to legislate in the people's House or any place else.

I would like to see a landlord-tenant code revision accomplished in the District of Columbia, one that would protect landlords against overreaching tenants and one that would protect tenants against overreaching slum landlords. However, we cannot do it by a rider on a revenue bill.

Mr. Chairman, I hope the amendment which I have offered will be agreed to. The vote in the committee was 12 to 11. It was not something that came through with overwhelming approval.

The committee can take a long, hard look at this matter, rather than the time it took, some 20 minutes, during the markup of the bill. If we want to find the answer to this very complicated problem, that is what we will have to do.

Mr. McKINNEY. Mr. Chairman, I move to strike the last word.

Mr. Chairman, I rise in support of the amendment.

Mr. Chairman, I shall be very brief because I think this is a very simple problem. I am well aware, as I stated before, I think on the floor of this House, of the problems with reference to this particular bill as it is now written.

Mr. Chairman, if this amendment is not passed we will be in violation of three rulings of the Supreme Court. It is in violation of HEW's regulations. But more important than that it is turning around to a department that we have already deemed to be almost universally inefficient, the Welfare Department. It is requiring that they take on a task that they are in no way ready to handle, nor do they have the expertise.

It is very simple. If tenants withhold their rent, a landlord may go into court and the court will take the money and hold it until the dispute is adjudicated. The court has the machinery and the system works. It is a recognized system in most of our cities. It allows the landlord the protection of the court and it allows the tenant the protection of the court and due process of law.

Last, but not least, it assures that the money is there for whichever party should get it, and, quite frankly, that the money is there with interest.

Mr. Chairman, I would hope that the amendment would be agreed to.

Mr. CABELL. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment.

Mr. Chairman, I must take issue with my good friend, the gentleman from Illinois (Mr. MIKVA) with reference to his statement that this matter was not gone into either during the hearings or the mark up of the bill to the extent to which he thinks was necessary.

Mr. Chairman, this matter was discussed at the first markup meeting of the subcommittee and it was agreed to. Granted, there were not extended public hearings held on it, but I think it was a foregone conclusion as to who would have been there to testify. They are the ones drawing rent checks and housing checks and refusing to pay but yet putting the money in the bank.

I do not believe that anyone in this committee feels that a person who is being provided with taxpayers' money for the purpose of paying rent for shelter intends that such a person could put that money in his pocket and just go on his merry way.

I call your attention to the fact that for the period including the past fiscal year occupants of approximately 2,400 units of public housing joined in rent strikes for up to 19 months and refused to use their rent allotments to pay rent.

The statement that there is recourse in the courts, might hold some water if the courts acted immediately the first time that they were in arrears, but if it is going to take 3 to 6 months as do most of these cases require, at that time neither the courts nor the tenant has that money. In other words, how are you going to get blood out of a turnip? They have already spent that money.

Mr. Chairman, the provisions have been set up whereby the Commissioner can set up the machinery for the administration of this program. Under the bill, the money can be impounded. It is not paid to the landlord arbitrarily. It is not handed over to the landlord, but it is held as a public fund by the Welfare Department until it is determined whether there is a legal, valid claim for nonpayment of rent.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. CABELL. Not for the moment.

There has to be a determination if rent allotment was legally withheld by the public assistance tenants.

Let us not kid ourselves. What has been happening in many cases is deliberate destruction of property in order to have an excuse to claim a housing code deficiency and not pay rent. As long as that situation is possible you are not going to have very good compliance with the intent of the law which provides public assistance recipients with these rent payments.

You are not dealing with private money here, you are dealing with public money, and I think it behooves us to do everything we can to protect the interests of our taxpayers where it does not hurt the recipients of these checks. Because when they receive that money for rent, and then do not use it for that purpose but put it in their pockets, then in my opinion it is conversion of funds to improper and illegal purposes.

I do not want to belabor this point. I know the hour is getting late, but that is the whole simple problem in a nutshell.

This whole situation has become so intolerable that even at privately owned rental projects the destruction has been so great that many, many units of their housing have been taken out of service that could supply shelter that we need, and do not have.

But when they are constantly wrecked, and many times deliberately, then how can you expect the landlord to keep on repeating his maintenance and his refurbishing when he cannot even get the cost of that, or the cost of his taxes, out of those rental units?

Substantially in excess of $1 million in losses have been suffered by the National Capital Housing Authority. It put them into bankruptcy, which meant that then HUD had to come back in with another $1 million to bail them out in order to keep those public housing units open.

I beg of you, Members of the House, if you have the interests of your taxpayers' pockets in mind, and if you want to maintain some honesty and decency among our people, then vote down this proposition

### PUBLIC ASSISTANCE RENT ALLOTMENTS

The committee provisions related to rent allotments should be approved.

The purpose of section 704 of the bill is to prevent the loss of public funds made available as rent allotments by the Public Assistance Agency for recipients of public assistance. Millions of dollars of such funds are diverted from their proper use. There can be no justification of a system under which tenants may engage in a rent strike and use their rent allotments for personal disposition for long periods.

### RENT STRIKES

This is no imaginary problem. Thousands of recipients of rent allotments have withheld their rent payments in rent strikes against both the public housing agency and against private lessors. For the period including the past fiscal year, occupants of about 2,400 units of public housing joined in rent strikes for up to 19 months and refused to use their rent allotments to pay rent. Substantially in excess of $1 million in losses are still outstanding on the books of the National Capital Housing Authority. Such losses were an important factor in forcing the Housing Agency into bankruptcy requiring the Federal Government to bail it out so that it could continue to operate its nearly 12,000 dwelling units.

The amount of funds provided for rent allotments but withheld and used for other purposes by recipients of public assistance can only be estimated. The losses to private lessors substantially exceeds the losses suffered by the Public Housing Agency. A direct result of such action was the reported withdrawal from the rental market of thousands of housing units. Neither private nor public housing can be furnished for any length of time where the system permits the diversion of public funds to other purposes and the costs of maintaining public and private housing cannot be met.

The provisions of the bill do not deprive the public assistance recipient of any right to which he is entitled.

As a part of public assistance, he is eligible to receive such rent allotment for the public purpose of providing shelter as the Assistance Agency establishes as proper.

The withholding of rent by a tenant or the filing of a complaint for housing code deficiency does not provide an automatic basis for eviction.

The public assistance tenant will be eligible to receive any rent allotment as determined by the Assistance Agency so long as he applies the money to the public purpose or otherwise acts in good faith.

If housing code enforcement officials find a code deficiency or such a deficiency complaint is filed by the tenant or if the tenant withholds the rent payment, the Assistance Agency will withhold the rent allotment until the amount of any lawful payment for shelter can be determined and made.

The withholding of public funds allotted for rental payments does not constitute an escrow as to which the claimants are the public assistance tenant and the lessor. Such funds can be applied for rent only when rent is lawfully due. If only part of the rent is lawfully due, a proportionate payment may be provided for by the Assistance Agency. If the tenant has acted in full good faith, the rental allotment due and payable may be supplied by the Agency to the tenant for that purpose. If the tenant has not used the rent allotment for its intended purpose or complained of a deficiency without justification as a reason for the withholding of rent, the Assistance Agency will pay the amount of rent allotments lawfully due to the lessor.

The operation of this system should help to prevent the unwarranted eviction of a tenant who files a complaint. It should benefit the public housing agency by insuring that rent payments will be made. It should bring about a decrease in acts of vandalism to create a housing deficiency complaint. It should reduce the number of cases in landlord and tenant court from the number of about 125,000 per year being experienced at the present time.

Mr. BROYHILL of Virginia. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I do not intend to take the full 5 minutes. I rise in opposition to the pending amendment, and I want to associate myself with the remarks made by the gentleman from Texas (Mr. CABELL).

The language in the bill that this amendment seeks to strike out does not deny and I repeat, does not deny any payments to any of the individuals who are entitled to it. It does not interfere with the relationship between the tenant and the landlord.

What the language of the bill does do is to assure the proper use of the funds that are paid to individuals for use as a rent supplement.

Mr. FAUNTROY. Mr. Chairman, would the gentleman yield?

Mr. BROYHILL of Virginia. If the gentleman will wait until I have completed my statement, then I will be glad to yield to the gentleman.

The tenant can withhold these funds under present law, and not pay them to the landlord if he feels that the landlord is not keeping his property in proper repair. Under the language of the bill, the payments can still be withheld under those circumstances, but they cannot be used by the tenant for some other purpose. In other words, under the language of the bill the individual cannot short-circuit the funds and refuse to pay the landlord, as an excuse for using those funds for something else.

I say the language of the bill protects the tenant from a liability that he would bear if he withheld rental subsidy funds from the landlord under the pretext that the landlord had not kept the property in proper repair.

Now those of us who support the language of the bill are just as interested and just as anxious to help the poor as are the sponsors of the amendment to take this language out of the bill. We do not want to deny the poor and those who are entitled to these funds of the right to such relief. But at the same time, we want to protect the taxpayer. What is wrong with that? That is all the language of the bill seeks to do.

Mr. MIKVA. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the gentleman.

Mr. MIKVA. This is an example of what is wrong with trying to write this complicated kind of bill without hearings and without giving it the necessary time.

Let me explain to the gentleman, if one tenant who is on welfare writes that his landlord is in violation on that building and even though the building could have been completed yesterday and is in compliance with every law that the District of Columbia has, then the welfare authority must withhold the rent and the tenant cannot be evicted until this is determined. It does not say anywhere in here who is going to make the determination.

My quarrel, I will say to the gentleman from Virginia, is not with the end result that you seek to achieve because I think there ought to be an orderly basis for resolving the disputes. My quarrel is with some of the language that was thrust at us in the markup session.

The gentleman will agree that we did not spend much time in debating the language, and it is going to work exactly the reverse of the results that the gentleman from Virginia and every other Member want.

I do not want to continue the situation where tenants can withhold the rent indefinitely, and using welfare funds for other purposes. I would like to have a rational system that protects both sides of the bargain and puts it in the courts where it has to be decided ultimately anyway.

Mr. BROYHILL of Virginia. Let me say this to the gentleman in response. I agree with what the gentleman said earlier in the debate today about writing a bill like this on the floor of the House. I do not agree with the gentleman, however, about the committee writing this legislation in executive session. I disagree with the gentleman that this language was thrust at us. We discussed this provision at great length, and we had the matter before us for several days; and the gentleman had every opportunity to offer a motion to have this language stricken from the bill on its merits in executive session, but he failed in that effort. So, I say that the committee knew exactly what it was doing, and the provision was adopted to protect both the taxpayer and the landlord.

Mr. FAUNTROY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, again I want to remind the Members of this body of the truth in order that we might do the right thing. The truth is that contrary to the statement of the gentleman from Texas, the landlords do now, in fact, have access to immediate relief when a tenant fails to pay his rent. He may secure a protective order from the courts which will require the tenant to pay the prescribed rent until such time as the litigation is resolved.

The truth is, that if the committee rider is sustained, we will be clearly in violation of the Constitution. Only last year the Supreme Court ruled that public assistance is to be considered as a property subject to the protection afforded by the due process clause of the Constitution.

Moreover, it has already been pointed out by the gentleman from Connecticut that the committee rider would violate the HEW regulations which again require due process before a person may be denied public assistance.

So, Mr. Chairman, it would be wise to support the Mikva amendment not only because it sustains the Constitution of the United States, but also because the landlords in question already have, through the courts, immediate access to relief should they feel that a person was withholding his rent without just cause.

Mr. HALEY. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I think this matter can be resolved very simply. Here is all that is involved here. In the first place, you put a roof over people's head with taxpayers' money. You then appropriate money to pay the rent to bring it up to where it would be a going concern; and the tenant puts the money in his pocket.

I think it is just that simple—how stupid can we get?

The CHAIRMAN. The question is on the amendment offered by the gentleman from Illinois (Mr. MIKVA).

The amendment was rejected.

### AMENDMENT OFFERED BY MR. HOGAN

Mr. HOGAN. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. HOGAN: Page 8, line 12, is amended to read as follows:

"SEC. 701. (a) Except as provided in paragraph (2), the Commissioner of the District of".

Page 8, line 16, strike out "or private".

Page 8, immediately after line 24, insert the following:

"(2) The Commisioner shall, before offering to sell such real estate at public sale, offer to sell and convey all of such real estate, for not less than the fair market value thereof, to the Prince Georges County Government, Prince Georges County, Maryland. Only after such County Government has had a reasonable time not to exceed six months to consider and accept or reject such offer (in whole or in part) may the Commissioner sell and convey such real estate or the remaining portion of such real estate, as the case may be, at public sale."

The CHAIRMAN. The gentleman from Maryland is recognized in support of his amendment.

Mr. HOGAN. Mr. Chairman, this is a very straightforward, noncontroversial amendment as far as I am concerned, and very reasonable.

Mr. CABELL. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from Texas.

Mr. CABELL. As I understand your amendment—and you were kind enough and courteous enough to provide us with advance copies—you are merely asking that Prince Georges County be granted a reasonable time to exercise a right of refusal for the purchase of the property referred to, and that it does not necessarily imply that Prince Georges County would be in a position to buy the land any cheaper than if a transfer were made at a private sale by the District of Columbia. Am I correct in that statement?

Mr. HOGAN. The gentleman's understanding of my amendment is correct.

Mr. CABELL. I should like to ask the gentleman whether he inserted in the amendment the 6-month provision rather than "a reasonable time"?

Mr. HOGAN. Yes. The gentleman will be interested in knowing that following "reasonable time" there is a parenthetical clause which states "not to exceed 6 months to consider and accept or reject such offer".

Mr. CABELL. Mr. Chairman, the members of the committee on this side of the aisle are ready to accept the amendment.

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. HOGAN. I yield to the gentleman from Minnesota.

Mr. NELSEN. I just want to say that we on our side have no objections. I also wish to compliment the gentleman for doing his usually extensive, good job.

Mr. HOGAN. I thank the gentleman. It should be obvious to the Members that this 143-acre parcel of land is located in Prince Georges County and I feel that the Prince Georges County government should have the right to purchase it before it is offered to other would-be purchasers. I am grateful for the support of members of the committee for my amendment.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Maryland (Mr. HOGAN).

The amendment was agreed to.

Mr. HENDERSON. Mr. Chairman, I move to strike the requisite number of words.

The CHAIRMAN. The gentleman from North Carolina is recognized.

Mr. HENDERSON. I should like to have the attention of the chairman of the subcommittee relative to section 702 of the bill. It is my understanding that this section is intended to apply to officers and employees of the District of Columbia as their compensation is affected through the use of Federal funds, in order that there will not be compensation from regular appropriated funds and also compensation from funds that might be granted through the Federal grant programs. Is that correct.

Mr. CABELL. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman from Texas.

Mr. CABELL. I think that is correct. For example, cases have been brought to our attention that a salaried employee of the District of Columbia is paid from appropriated funds, but under present regulations could accept a grant or accept additional compensation for some purpose through some Federal program which, in our opinion, it encompasses.

Mr. HENDERSON. I certainly want to commend the gentleman for this action. It is long overdue. I hope the gentleman will see, after this provision becomes law, that it is enforced throughout the Federal Government.

With regard to section 106, it is my understanding that the committee, in an attempt to limit the ever-expanding employment of the District of Columbia government, has placed a ceiling or a limitation on the number of employees within the District of Columbia. I would point out that if it was the intent—and I would assume it was—of the committee to save money for the taxpayers and to really bring economies in employment, that this is one way that so often we in the Congress do it that is absolutely ineffective as it relates to emplacement grades and increases in salaries, and really there is a greater expenditure of money.

I would like to suggest to the committee if in the future they intend to save money by limiting the employment, that they do it by putting monetary limitations on and not just merely employment ceilings. I commend the committee for this effort, but I predict unless the committee rides herd they will find in the next fiscal year that even though they have put this limitation on employment, the District of Columbia will have spent more money for personnel costs than they have in past years.

Mr. CABELL. Mr. Chairman, will the gentleman yield?

Mr. HENDERSON. I yield to the gentleman from Texas.

Mr. CABELL. Mr. Chairman, I commend the gentleman for his contribution. I think he has taken the point well. Under the existing rules and regulations, under which we operate, the authorizing committee at this time is almost hamstrung when it comes to setting up line item limitations. The Appropriations Committee can do that.

Mr. HENDERSON. The gentleman is correct, and I hope the colloquy here today will encourage the Appropriations Committee to put the limitations on the expenditures of funds in this regard.

Mr. CABELL. Mr. Chairman, will the gentleman yield further?

Mr. HENDERSON. I yield to the gentleman from Texas.

Mr. CABELL. Mr. Chairman, may I say we recognize very clearly that this is only one step of a limitation, and it is not the final answer by any means. No, very frankly. What the District will do is lay off five laborers and put on one more chief, and we have to find a way to cut some of the chiefs out of the wigwams.

Mr. HENDERSON. I commend the committee for their effort in this, because for those of us who have tried to bring about some sense in manpower in the Federal Government, we can certainly understand the committee has been into this matter very seriously. I commend the committee.

The CHAIRMAN. The Clerk will read.

The Clerk read as follows:

### TITLE VIII

### MISCELLANEOUS PROVISIONS

SEC. 801. SEPARABILITY CLAUSE.—If any provision of this Act, or the application thereof to any person or circumstances, is held invalid, the remainder of the Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

SEC. 802. EFFECT UPON REORGANIZATION PLAN NUMBERED 3 OF 1967.—Nothing in this Act, or any amendments made by this Act, shall be construed so as to affect the authority vested in the Commissioner of the District of Columbia or the authority vested in the District of Columbia Council by Reorganization Plan Numbered 3 of 1967. The performance of any function vested by this Act in the Commissioner of the District of Columbia or in any office or agency under his jurisdiction and control, or in the District of Columbia Council, may be delegated by the Commissioner or by the Council, as the case may be, in accordance with the provisions of such plan.

SEC. 803. EFFECT OF REPEAL OR AMENDMENT.—(a) EXISTING RIGHTS AND LIABILITIES.—The repeal or amendment by this Act shall not affect any other provision of District law, or any act done or any right accrued or accruing under such law, or any suit or proceeding had or commenced in any civil cause before repeal or amendment of such law, but all rights and liabilities under such law shall continue, and may be enforced in the same manner and to the same extent, as if such repeal or amendment had not been made.

(b) CRIMES AND PENALTIES.—All offenses committed, and all penalties incurred, under any provision of law hereby repealed or amended, may be prosecuted and punished in the same manner and with the same effect as if this Act had not been enacted.

SEC. 804. Except as otherwise provided, the provisions of this Act shall take effect upon the date of enactment of this Act.

Mr. CABELL (during the reading). Mr. Chairman, I ask unanimous consent that title VIII be considered as read, printed in the RECORD, and open to amendment at any point.

The CHAIRMAN. Is there objection to the request of the gentleman from Texas?

There was no objection.

### COMMITTEE AMENDMENTS

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows :

Committee amendment: Page 18, line 12, strike out "SEPARABILITY CLAUSE.—".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 18, beginning in line 17, strike out "EFFECT UPON REORGANIZATION PLAN NUMBERED 3 OF 1967.—"

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 19, line 4, strike out "EFFECT OF REPEAL OR AMENDMENT.—".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 19, line 5, strike out "EXISTING RIGHTS AND LIABILITIES.—".

The committee amendment was agreed to.

The CHAIRMAN. The Clerk will report the next committee amendment.

The Clerk read as follows:

Committee amendment: Page 19, line 14, strike out "CRIMES AND PENALTIES.—"

The committee amendment was agreed to.

### AMENDMENT OFFERED BY MR. JACOBS

Mr. JACOBS. Mr. Chairman, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. JACOBS: Page 19, after line 21, insert the following new title:

new title:

TITLE IX—NONRESIDENT INCOME TAX

SEC. 901. (a) The District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, secs. 47-1551-1595a) is amended by adding at the end of that Act the following new title:

"TITLE XVII—NONRESIDENT INCOME TAX

"SEC. 1. Imposition of tax.—There is hereby imposed and levied for each taxable year beginning after December 31, 1971, upon the taxable income of every nonresident derived from sources within the District of Columbia, a tax at a rate equal to 40 percent of the tax levied and imposed for such taxable year under title VI of this article (D.C. Code, secs. 47-1567—47-1567e), on the taxable income of every resident. The tax imposed and levied on such taxable income of any nonresident shall be determined under the provisions of this title.

"SEC. 2. Computation of tax.—

"(a) In the case of the income of a nonresident subject to tax under this title, the amount of the tax for any taxable year shall be computed on the taxable income of such nonresident derived from sources within the District of Columbia in the same manner as if such nonresident were a resident, except—

"(1) the amount allowed as a credit against net income under section 2 of title VI of this article (D.C. Code, sec. 47-1567a) shall be reduced to an amount which bears the same ratio to the full credit provided for in such section as the adjusted gross income of such nonresident derived from sources within the District of Columbia for the taxable year bears to the total adjusted gross income of such nonresident for such taxable year;

"(2) in computing the net income of such nonresident for such taxable year, deductions from gross income allowed under section 3 of title III of this article (D.C. Code, sec. 47-1557b) shall be allowed only if, and to the extent that, they are directly connected with income derived from sources within the District of Columbia; and

"(3) no credit for sales tax paid in the District of Columbia as provided under section 6 of title VI of this article (D.C. Code, sec. 1567e) shall be allowed in the case of such nonresident.

"(b) The proper apportionment and allocation of the deductions with respect to income derived from sources within and without the District of Columbia as provided under clause (2) of subsection (a) of this section shall be determined under regulations prescribed by the District of Columbia Council.

"SEC. 3. Definitions.—For the purposes of this title—

"(1) The term 'taxable income' means the entire net income of every nonresident derived from sources within the District of Columbia in excess of the personal exemptions and credits for dependents allowed by section 2 of title VI of this article (D.C. Code, section 47-1567a) as determined in accordance with the provisions of this title.

"(2) The term 'nonresident' means every person who is not a resident and who has income derived from sources within the District of Columbia."

(b) The first sentence of paragraph (z) of section 4 of title I of such Act (D.C. Code, section 47-1551c) is amended by inserting immediately before the period the following: ", and to every nonresident who has income subject to tax under title XVIII of this article".

(c) The table of contents for such article 1 is amended by adding at the end of that table the following:

"TITLE XVII—NONRESIDENT INCOME TAX

"SECTION 1. Imposition of tax.
"SEC. 2. Computation of tax.
"SEC. 3. Definitions."

Mr. JACOBS (during the reading). Mr. Chairman, I ask unanimous consent that the amendment be considered as read, and printed in the RECORD.

The CHAIRMAN. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. JACOBS. Mr. Chairman, this is indeed the reciprocal income tax that has been discussed earlier in the general debate. I might say at the outset that this is an opportunity to cut the increase in the Federal payment to the District of Columbia by either $20 million or up to $50 million, I do not know which, but I am sure it is not less than $20 million according to all the information that has come to me.

During the course of the discussion on this amendment, it will be alleged that the neighboring States of Virginia and Maryland will simply enact reciprocal taxes themselves to tax the residents of the District of Columbia who work in Maryland or in Virginia, and that this will simply wash out and wipe out any gain the District of Columbia might make in the revenue situation.

I submit that is inaccurate, if anyone would say that. Obviously there are far more people at far higher salaries, who come into the District of Columbia and collect paychecks, from the two surrounding States, than there are who leave the District of Columbia and work in the surrounding States.

What does it come down to? It seems to me it comes down to a very simple question. Either your constituents throughout the United States are going to pick up $20 million of the $44 million increase in the Federal payment, or whatever the Appropriations Committee allows, or that $20 million is going to be paid by the people who live in this metropolitan area and come in here and get their paychecks here. It is just about that simple.

I said earlier in the committee, and I repeat for the records, I am most fond of my colleague, Mr. BROYHILL, and I am very fond of my colleague, Mr. GUDE, and I do not believe it is surprising that they would be representing their constituents by opposing this tax which their constituents would pay. The fact that they are opposing this provision indicates that the District of Columbia would gain in this formula in terms of the tax that their constituents from the suburbs would pay. I expect them to do that.

But they are two Representatives representing those people. The rest of us represent people in other parts of the country. It seems to me the best way to represent my constituents is to take $20 million of this Federal payment off their backs, that ought to be paid by the people in this area who come into the District and make money here.

Unless some Member wants me to yield, Mr. Chairman, I yield back the remainder of my time.

### AMENDMENT OFFERED BY MR. BROYHILL OF VIRGINIA TO THE AMENDMENT OFFERED BY MR. JACOBS

Mr. BROYHILL of Virginia. Mr. Chairman, I offer an amendment to the amendment.

The Clerk read as follows:

Amendment offered by Mr. BROYHILL of Virginia to the amendment offered by Mr. JACOBS: Immediately after the end of section 901 insert the following:

SEC. 902. (a) The last sentence of paragraph (s) of section 4 of title I of article 1 of the District of Columbia Income and Franchise Tax Act of 1947 (D.C. Code, sec. 1551c) is amended to read as follows: "The word 'resident' shall include any elective officer of the Government of the United States and any employee on the staff of an elected officer in the legislative branch of the Government of the United States, and any officer of the executive branch of such Government whose appointment to the office held by him was by the President of the United States, and subject to confirmation by the Senate of the United States and whose tenure of office is at the pleasure of the President of the United States."

(b) The last sentence of paragraph (z) of such section is amended to read as follows: "The term 'employee' shall include an officer of a corporation and shall also include any elective officer of the Government of the United States and any officer or employee in the legislative branch of the Government of the United States whose compensation is paid by the Secretary of the Senate or the Clerk of the House of Representatives, and any officer of the executive branch of such Government whose appointment to the office held by him was by the President of the United States, was subject to confirmation by the Senate of the United States, and whose tenure of office is at the pleasure of the President of the United States."

(c) Any elective officer of the Government of the United States, and any employee on the staff of an elective officer in the Legislative Branch of the Government of the United States employed in the District of Columbia, and any officer of the Executive Branch of such Government employed in the District of Columbia whose appointment to the office held by him was by the President of the United States, and subject to confirmation by the Senate of the United States, and whose tenure of office is at the pleasure of the President of the United States, who resides outside of the District of Columbia shall be taxed under this title in the same manner and to the same extent as a nonresident receiving income from sources attributable to the District of Columbia.

(d) The amendments made by this section shall apply with respect to any taxable year beginning after December 31, 1971.

Mr. BROYHILL of Virginia (during the reading). Mr. Chairman, I ask unanimous consent that the amendment to the amendment be considered as read and printed in the Record. I will explain the purpose of the amendment.

The CHAIRMAN. Is there objection to the request of the gentleman from Virginia?

There was no objection.

(By unanimous consent, Mr. Broyhill of Virginia was allowed to proceed for an additional 5 minutes.)

Mr. BROYHILL of Virginia. Mr. Chairman, the amendment to the amendment has two objectives.

First, it would provide that all commuters working in the District of Columbia, receiving paychecks in the District of Columbia, would be subjected to this so-called reciprocal commuter tax, including Members of Congress and their staffs.

Second, it would provide that all residents living in the District of Columbia and who are now exempt from any District of Columbia income tax would be liable to pay the full income tax of the District of Columbia, including Members of Congress and their staffs, as well as appointed Government officials who are now exempted by law.

When I offered this amendment in the committee in connection with a pending reciprocal tax amendment—which was defeated—it was charged that I was offering the amendment in the form of blackmail or to embarrass my colleagues.

I want to assure you, Mr. Chairman and all of my colleagues, that I offer this amendment in good faith and all sincerity.

I do oppose the amendment offered by the gentleman from Indiana (Mr. Jacobs) and I would oppose his amendment even if my amendment were approved by my colleagues in the House.

I oppose that amendment in any form because I think it is improper, I think it is unfair, and I think it is the wrong approach to this particular problem with which we are confronted.

If the Congress disagrees with me and feels it is a fair and a proper tax, then I say that we should make no exceptions whatsoever. We should tax everyone—all the people who work in the District of Columbia.

If a suburbanite's merely coming across the river or the State line and working in the District of Columbia and receiving a paycheck is an expense to this city, then most certainly living here, as some of our colleagues and staff members do, entails even a greater expense to this city. These residents should be subjected to the same tax.

In other words, what I am trying to say, Mr. Chairman, is why make an exception for ourselves and the members of our staffs? If we are going to use this source of revenue in the future, then let us bring everyone under the same blanket.

Let me explain my opposition to this reciprocal tax proposal. I said it was improper because I think it improper to have to pay for the privilege of working in the Nation's Capital, and particularly for the privilege of working for our Federal Government. Of course, this particular provision should include all temporary visitors, summertime interns, college students, and everyone else who comes here or who has the privilege of coming to work in the Nation's Capital. This is an improper approach.

Second, it is unfair. Why is it unfair? It is unfair because the place of employment and the place where a party works does not mean that he is an expense to the community. His presence is not a loss to the community. The taxes received from a person's place of employment, whether it is in industry or retail establishments or even Federal facilities, far exceed the cost to that community resulting from that facility being in the community. In most communities, the business establishments and industrial establishments have to pay for trash removal. Actually, they get very little services whatever from the community. The financial loss to the community is in the residence where a person lives. Schools alone cost a great deal more than the revenue received from the parents' places of abode. This is recognized in the whole concept of Public Law 815–874, the aid to impacted areas, where we recognize that Federal industry in a community provides an impact and does not provide a fair share of taxes. The community or the residence which is provided for the people who work in the nontaxable Federal establishments provides a liability to the community. The Congress recognizes that, and provides a payment in lieu of taxes for that nontaxable Federal industry.

The employees working in the District of Columbia would actually receive nothing for the tax that we would be subjecting them to. They pay taxes on the food that they buy in the District of Columbia, on the gasoline that they buy, and on all of the shopping that they do in the city. But, more importantly than anything else, the place where the people work is paying a substantial tax for the privilege of having that business located in the District of Columbia.

If we subject commuters to this tax, the loss will be to the community of residents. Here we are providing service for the homes and providing schools in the suburbs, but yet the District of Columbia, where they work, will be getting the lion's share of the income tax.

Mr. Chairman, I say this is the wrong approach because, as I said earlier during the day, it is the Federal responsibility to see to it that this city is properly operated and properly financed and maintained. If it is not being properly operated, we should do something about it. We should have investigations made. We are having a study made by the Little Hoover Commission right now, and I hope their findings will be significant.

We should seek more efficient and more effective ways of operating this city. Certainly, we should not rubberstamp the District budget and we have not rubberstamped the District budget in this instance. We have made cuts in this particular bill, but to say that we can discharge our obligation by cutting the Federal payment and then soaking the people who live in the suburbs, I say that is wrong.

And, Mr. Chairman, make no mistake about it—if we raise an additional $20 million by a reciprocal tax provision in this bill, do not think that the other body will keep such a provision in the bill. They have already acted on this matter. They are going to substitute the extra $20 million, not as a part of the Federal payment but as an addition thereto. You are not going to be soaking the people in the suburbs in order to save your people back home.

Mr. Chairman, the commuter tax was not proposed to start with because it was fair and proper. If it was fair and proper we would have had it a long time ago. It was proposed in this bill this year, and on the floor of the House today, as a substitute for part of the Federal payment, not because it is fair and proper. I say that if you think it is fair to put this form of taxation into this bill and get by with it over in the other body, then what is fair for the goose is fair for the gander.

If you think this is going to save the Federal Government any money, then there is no reason why we should exclude ourselves and our own employees—the Congressmen who live in the District of Columbia and their employees who live here are using all of the city's facilities, and to exclude ourselves would be selfish and unconscionable.

So, I hope that the Committee of the Whole will adopt my amendment to the Jacobs amendment, and then if it is adopted that the whole amendment will be defeated.

Mr. FAUNTROY. Mr. Chairman, will the gentleman yield?

Mr. BROYHILL of Virginia. I yield to the Delegate from the District of Columbia.

Mr. FAUNTROY. I was quite inspired and intrigued as to the manner in which the gentleman's amendment was prepared and was prepared to associate myself with it, because as I understand the gentleman's amendment, the gentleman would be for a reciprocal tax.

Mr. BROYHILL of Virginia. I certainly would not be for a reciprocal tax. I just got through saying that if we are going to adopt it, let us include ourselves and everyone else, but that I am emphatically opposed to it even if we include ourselves.

Mr. FAUNTROY. The reasoning of the gentleman from Virginia is difficult to follow.

Mr. BROYHILL of Virginia. No, it is not difficult to understand. If we are going to have such a tax, even though I oppose it, let us include everyone and not exempt anyone.

Mr. FAUNTROY. If that is what the gentleman wants and if the gentleman wants everyone included, I would be willing to do a little horse trading, as the gentleman has often said—if I vote for you on this, will you vote for me upon that?

Mr. BROYHILL of Virginia. Let me say to the gentleman that the gentleman has said publicly we had one agreement that I did not live up to. Would the gentleman like to repeat that charge right now, that I have gone back on my word or failed to meet any commitment which I have made to the gentleman?

Mr. FAUNTROY. Mr. Chairman, I made it clear that through some of our colleagues——

Mr. BROYHILL of Virginia. That you and I had any such agreement, and that I did not abide by it?

Mr. FAUNTROY. Will the gentleman let me answer the question? We do not have time for an argument and we are not going to have an argument. However, I want to make it very clear that I support him in a reciprocal tax such as the State of Virginia has with some other 26 States, if he is willing to support the amendment, if amended.

Mr. BROYHILL of Virginia. I am not making that commitment. I have made myself clear on that.

The CHAIRMAN. The time of the gentleman from Virginia has expired.

Mr. McMILLAN. Mr. Chairman, I move to strike the requisite number of words.

Mr. Chairman, I rise in opposition to the amendment and the original amendment. Both of these amendments were discussed earlier in the committee and voted down.

Mr. Chairman, I move the previous question on the amendment.

The CHAIRMAN. The Chair will state to the gentleman from South Carolina that the gentleman's motion is not in order.

Mr. GROSS. Mr. Chairman, I move to strike the requisite number of words. There is no such thing as moving the previous question in the Committee of the Whole.

The CHAIRMAN. For what purpose does the gentleman from Indiana rise?

Mr. JACOBS. Mr. Chairman, I would defer to the gentleman from Iowa.

### PARLIAMENTARY INQUIRY

Mr. GROSS. Mr. Chairman, first of all I would like to address a parliamentary inquiry to the Chair.

The CHAIRMAN. The gentleman from Iowa will state his parliamentary inquiry.

Mr. GROSS. Mr. Chairman, I assume that we will vote first on the amendment of the gentleman from Virginia (Mr. BROYHILL). Is that correct?

The CHAIRMAN (Mr. McFALL). The Chair will state to the gentleman from Iowa that he is correct in his assumption.

Mr. GROSS. Then we are faced with a strange situation. The gentleman from Virginia (Mr. BROYHILL) does not want his own amendment, and of course we do not know whether the amendment offered by the gentleman from Indiana (Mr. JACOBS) will be adopted or not.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Virginia.

Mr. BROYHILL of Virginia. Mr. Chairman, the gentleman from Iowa misunderstood the gentleman from Virginia. I do want my amendment adopted. I feel that if we are going to have a reciprocal tax——

Mr. GROSS. But we do not know whether we are going to have a reciprocal income tax until we vote on the amendment offered by the gentleman from Indiana. This places the Members of the House in a strange situation, since the gentleman from Virginia does not want the proposed tax and does not even want his own amendment.

Mr. BROYHILL of Virginia. If the gentleman will yield further, this would give us an opportunity to vote on the amendment offered by the gentleman from Indiana (Mr. JACOBS) and tax ourselves at the same time. What is wrong with that?

Mr. GROSS. But your amendment goes much further, it seems to me, than does the amendment offered by the gentleman from Indiana.

Mr. BROYHILL of Virginia. The only thing the amendment does is add the Members of Congress and their employees, and all Federal officials who are now exempted from any income tax in the District of Columbia.

Mr. GROSS. That is exactly the point, but you do not want it.

Mr. BROYHILL of Virginia. I do want it.

Mr. GROSS. It is the worst of the two, yet we first vote on yours.

Mr. BROYHILL of Virginia. That is correct.

Mr. GROSS. Not knowing whether the House will adopt the other amendment.

Mr. Chairman, I really arose to ask the chairman of the subcommittee, the gentleman from Texas (Mr. CABELL) if he believes District of Columbia officials, who will extract $170 million—a $44 million increase—will be satisfied with this raid on the Nation's taxpayers? Will this satisfy the money hunger of the District of Columbia?

Mr. CABELL. Mr. Chairman, if the gentleman will yield, the bill as it stands would satisfy the hunger to a certain extent, but that hunger has a bad, bad habit of progressing, and a desire to go from chitlins to a sirloin steak, and I fear we will be up against that by next year.

Mr. GROSS. I would ask the same question of the gentleman from Minnesota (Mr. NELSEN).

Does the gentleman from Minnesota, the ranking minority member, think that the appetite for money for the District of Columbia will be satisfied with the $170 million, a $44 million increase over last year's expenditure?

Mr. NELSEN. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I am delighted to yield to the gentleman from Minnesota.

Mr. NELSEN. If the Congress of the United States would quit voting for more things to add to the others, I would say that the objective that the gentleman from Iowa seeks has some possibility of being a fact.

Every item that is in this bill today is an item that we voted for, every item.

Mr. GROSS. But the increase approved last year paid for all those items to which the gentleman refers. The gentleman from Mississippi (Mr. ABERNETHY) a member of the committee, says that is the case.

Mr. NELSEN. If the gentleman will yield further, it was authorized, but that does not mean it was funded. And in the Committee on Appropriations the $126 million was appropriated, and it was carefully gone over. That is the figure that we worked from this year.

Mr. GROSS. What I am trying to get at is whether you will go over to that other body known as the U.S. Senate, and cave in and give them another $20 million.

Mr. NELSEN. That is one question I am delighted to answer, because I do not intend to cave in. I hope some of the rest of the Members who are talking will stand with me on that premise.

Mr. HALEY. Mr. Chairman, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Chairman, may I say to my colleagues that about the only thing I think that will satisfy the people of the District of Columbia is to give them a lot of trucks and open up the vaults of the U.S. Treasury, and let them move out anything they find there in the way of money.

Mr. GROSS. The gentleman from Florida is exactly right.

Mr. JACOBS. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, to bring the proposal to closer focus, the reciprocity tax would be 40 percent of the tax paid by local residents in the District of Columbia.

In the case of a salary of $42,500, as nearly as I can figure, that would be about $680 in a year's time.

Secondly, on the question of schools and support for local schools, and the fact that the residents of Virginia and the residents of Maryland obviously do not have children in schools here, let me point out that these schools are supported by a real property tax in the District of Columbia, and by 100 percent of the income tax in the District of Columbia and the reciprocity tax 40 percent.

So obviously all that has been taken into account.

As to the question as to whether it should apply to Members of Congress as it applies to other residents of the two surrounding States, it should be considered in light of the fact that some States of the Union do not have an income tax and do not have, therefore, a reciprocity for this kind of tax to be paid.

You must decide for yourselves whether that would be fair to the Members of Congress who live in the District of Columbia and who draw a salary here.

I, for one, shall support the amendment of the gentleman from Virginia to my own amendment, but I remind you once again that, if you are not interested in constituents participating in a huge Federal payment, you can reduce that Federal payment of your own constituents by about $20 million a year. It seems to me the best way to represent your constituents here is just to vote for this amendment to the amendment if you want to. I am going to. You can vote as you see fit.

As I have said, in order to represent properly the people back home, you take $20 million off their backs and let the people who work every day draw their salaries and pay their taxes.

Mr. MYERS. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman.

Mr. MYERS. What would happen to Members who pay income tax in the various States who now have income tax; would that require a reciprocity agreement to be entered into between the District of Columbia and the States?

Mr. JACOBS. Yes, that is exactly the case.

Mr. MYERS. Until that time that a reciprocity agreement is entered into, those Members and their staff would have to pay two taxes?

Mr. JACOBS. No, that is not correct. In most cases where there is an income tax, reciprocity exists such as in the State of Virginia and Maryland.

Mr. MYERS. But suppose a State does not have that now?

Mr. JACOBS. That will be the minute this becomes law.

Mr. MYERS. Is it automatic as to the reciprocity on this?

Mr. JACOBS. Yes, the gentleman is correct.

Mr. BROYHILL of Virginia. Mr. Chairman, will the gentleman yield?

Mr. JACOBS. I yield to the gentleman.

Mr. BROYHILL of Virginia. The gentleman's amendment does not in itself define reciprocity. We can only assume that the State of Virginia and the State of Maryland would give credit to their residents for taxes paid to the District of Columbia and would, in turn, tax people who live in the District of Columbia and work in the neighboring States.

Mr. JACOBS. That is the arrangement between Virginia and Maryland and other jurisdictions—that is correct.

Mr. BROYHILL of Virginia. I thought the gentleman proposed the amendment because it would help the people working in the Nation's Capital, and who would pay for the privilege of working here, in paying their income tax.

Mr. JACOBS. I am supporting the gentleman's amendment and I am supporting my own amendment. I am trying to represent my constituents the best way I can.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Virginia (Mr. Broyhill) to the amendment offered by the gentleman from Indiana (Mr. Jacobs).

The amendment to the amendment was rejected.

Mr. HOGAN. Mr. Chairman, I rise in opposition to the Jacobs amendment.

Mr. Chairman, I understand that the Members are impatient and it is late on this Thursday evening but I ask your indulgence to listen to the arguments in opposition to the Jacobs amendment because this is of tremendous importance of those of us who border the District of Columbia.

The Delegate from the District of Columbia has today, numerous times, said he was coming to the well to speak the truth. Well, I would like to speak the truth about this amendment. The commuter tax is not a reciprocal tax. It would not become reciprocal until the Legislatures of Maryland and Virginia allow the proposed tax to be written off against the State income tax, and I predict that that is not going to happen. Maryland's revenue needs are just as pressing as those of the District of Columbia. Under this proposal the District of Columbia would take an additional $51.6 million in taxes, while Maryland would stand to lose $28 million and Virginia $17 million.

Marylanders would in most cases have to pay income taxes in both the District of Columbia and Maryland, because Maryland income taxes, except for very low earning brackets, are higher than those of the District.

As the gentleman from Iowa (Mr. Scherle) pointed out earlier, the residents of Montgomery and Prince Georges Counties in Maryland already pay a higher rate of tax than do the residents of the District of Columbia. The commuter levy on a Marylander working in the Capital City would greatly exceed the cost of the services provided to him by the city. Education, sewerage, roads, police and fire protection, and any other services are rendered to Maryland residents by State and county governments, not by the District of Columbia.

What is the primary service which the District of Columbia does render to commuters? It is in roads and in the incipient rapid rail transit system. Where did the money come for those? For rapid rail transit, the money comes from the Federal Government.

Earlier today we were talking about mismanagement downtown, and I would like to point out the situation with respect to roads. At the present time the District of Columbia Highway Department stands to lose $2.1 million in regular highway funds and $63 million in interstate funds unless this money is obligated by June 30, 1972. We argued a great deal about a $44 million Federal payment increase. What about the $63 million that they are eligible for that they have not even applied for at the present time?

Most of the 280,000 commuting "nonresidents" who work in the District of Columbia spend most of their time within the confines and protection of Federal buildings. These commuters already pay taxes to the District in the form of sales taxes.

Let me emphasize just one statistic to you. Last year Maryland commuters spent some $360 million in the District of Columbia for food, clothes, cars, and other items, thereby contributing taxes to the District of Columbia.

The daily presence of Maryland commuters in the District of Columbia creates 13,505 jobs in establishments that serve those people.

Mr. Chairman, 54 percent of the District of Columbia capital program and 55 percent of the District of Columbia operating budget are for social problems and social programs, health, education, and welfare services, and none of these services are available to the commuter. Thus the Maryland commuter would be robbed of the value of his tax moneys on two counts. Not only would he have to pay taxes to a city which provides him virtually no services but, in addition, the services he receives from the State would be sharply curtailed due to the decreased revenue which the State would receive from the suburban residents. The only way to replace this loss in revenue would be to raise Maryland taxes, and Marylanders are already overburdened with Federal, State, and local taxes.

### MOTION OFFERED BY MR. CABELL

Mr. CABELL. Mr. Chairman, I move that all debate on the amendment of the gentleman from Indiana and all amendments thereto close in 5 minutes.

The CHAIRMAN. The question is on the motion offered by the gentleman from Texas.

The motion was agreed to.

The CHAIRMAN. The Chair recognizes the delegate from the District of Columbia (Mr. Fauntroy).

Mr. FAUNTROY. Mr. Chairman, I simply want to remind the Members of Congress that the reciprocal tax is a common practice among many of our States; that it is just and fair and right; and that if it is not passed in this session, I hope the day will come when the burden of running the city of the District of Columbia will be shared by those who make their money in it and live outside it.

The CHAIRMAN. The Chair recognizes the gentleman from New York (Mr. Smith).

Mr. SMITH of New York. Mr. Chairman, I rise in support of the Jacobs amendment.

The CHAIRMAN. The Chair recognizes the gentleman from North Carolina (Mr. Mizell).

(By unanimous consent, Mr. MIZELL yielded his time to Mr. Hogan.)

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. Hogan).

Mr. HOGAN. Mr. Chairman, I would like to reiterate that the so-called reciprocal tax will not be reciprocal until the Legislatures of Maryland and Virginia enact it into law, and under the present revenue crisis situations they are unlikely to do so.

The CHAIRMAN. The Chair recognizes the gentleman from Maryland (Mr. Gude).

### RECIPROCAL INCOME TAX STATEMENT

Mr. GUDE. Mr. Chairman, I know that the idea of a reciprocal tax has a lot of appeal to some of the membership. It is easy to say sock it to the suburbanites. But if we examine the consequences of this tax rather than the popularly promoted idea that nonresidents should pay income taxes to their place of employment, we will see that the money will not be coming out of the suburbanite's pocket but primarily out of the Treasury of Maryland. I am sure all of the Representatives from Virginia feel the same way. Therefore, it will not be only the residents of Prince Georges and Montgomery County affected by this tax, but the coal miner in western Maryland and the steel worker in Baltimore and all the other residents from one end of Maryland to the other—many of whom have never even been inside the District. The loss of money from the Maryland treasury will be made up by all of Maryland citizens.

This would mean a net loss of millions of dollars for Maryland—a State that includes a city, Baltimore, with problems and needs similar to the District's, and in some areas the problems are worse. Housing is one such matter. Baltimore has a terrible shortage, horrible slums and insufficient redevelopment programs as I know my colleagues from the city would certainly agree. Therefore, I ask: What is the logic of robbing Peter to pay Paul?

In addition, let me point out another fact that the proponents of the reciprocal tax fail to mention: Suburban residents already pay considerable taxes to the District—paying for the city highways they use for example, every time they fill up with gas in the city. Of course, like the District of Columbia residents the suburbanites also pay an amusement tax on all entertainment, a 4 percent sales tax on any item bought here as well as business and property taxes that many outsiders pay who own their own business or property in the District and a liquor and beer tax on any alcohol purchased in the city.

I might add that the District and Congress should also work to phase out tax exemptions that have been granted to nongovernmental organizations here and develop ways to indirectly tax other groups that have no property taxes. But we have national headquarters of organizations—the NAACP, the DAP, and the National Rifle Association in the District. I do not see any Members of the House lining up to levy a tax on them.

There are many ways the city could raise its local revenue base, but we in Congress would prohibit it. Think what would happen if the District tried to develop high employment potential, as a revenue-producing means, by means normal to other all other communities—attracting heavy industry or building huge complexes to encourage relocation of a large company's main office. As we all know, most of us are quite sensitive to proposals to the Federal city's building height limit or change its basically residential character. But is it fair to expect the residents of Maryland and Virginia to pay for our hesitations about allowing the city to take the numerous steps that it could in an effort to raise its local tax base—I think not.

Maryland and Virginia residents are certainly willing to share, with the other 48 States, the support of increases in the Federal payment. But, the residents of these two States should not be singled out. They should not be asked to shoulder the inequitable burden of a reciprocal income tax. They, because of their proximity contribute more to the District revenue than any of the other States.

The CHAIRMAN. The Chair recognizes the gentleman from Virginia (Mr. Scott).

Mr. SCOTT. Mr. Chairman, the committee held extensive hearings. I testified in opposition to this so-called commuter tax. The reasons why it is unfair are stated on pages 40 and 41 of the committee report. I urge that the committee action be confirmed by the House and that the amendment be defeated.

The CHAIRMAN. The Chair recognizes the gentleman from Minnesota (Mr. Nelsen).

Mr. NELSEN. Mr. Chairman, I rise in opposition to the amendment.

The CHAIRMAN. The Chair recognizes the gentleman from Texas (Mr. Cabell).

Mr. CABELL. Mr. Chairman, I recognize the fact that the amendment is very strongly opposed by the chairman of the full committee. In fact, it failed in the full committee by a vote of only 13 to 12. I further call the attention of Members to the fact that if this amendment is adopted, it will put the House conferees on a much, much better footing to work down this $170 million.

The CHAIRMAN. The question is on the amendment offered by the gentleman from Indiana (Mr. Jacobs).

The question was taken; and the Chairman announced that the noes appeared to have it.

Mr. JACOBS. Mr. Chairman, I demand tellers.

Tellers were refused.

So the amendment was rejected.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. Boggs) having assumed the chair, Mr. McFall Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration the bill (H.R. 11341) to provide additional revenue for the District of Columbia, and for other purposes, pursuant to House Resolution 698, he reported the bill back to the House with sundry amendments adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

Is a separate voice demanded on any amendment? If not, the Chair will put them en gros.

The amendments were agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

### MOTION TO RECOMMIT OFFERED BY MR. GROSS

Mr. GROSS. Mr. Speaker, I offer a motion to recommit.

The SPEAKER pro tempore. Is the gentleman opposed to the bill?

Mr. GROSS. Unequivocally, Mr. Speaker.

The SPEAKER pro tempore. The Clerk will report the motion to recommit.

The Clerk read as follows:

Mr. Gross moves to recommit the bill H.R. 11341 to the Committee on the District of Columbia.

The SPEAKER pro tempore. Without objection, the previous question is ordered on the motion to recommit.

There was no objection.

The SPEAKER pro tempore. The question is on the motion to recommit.

The motion to recommit was rejected.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. GROSS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. The Chair will count.

Two hundred one Members are present, not a quorum.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 248, nays 50, not voting 132, as follows:

[Roll No. 385]

YEAS—248

Abourezk
Alexander
Anderson, Calif.
Anderson, Ill.
Anderson, Tenn.
Annunzio
Arends
Aspin
Aspinall
Begich
Bennett
Bergland
Biaggi
Biester
Blatnik
Boggs
Boland
Bolling
Bow
Brademas
Brasco
Brinkley
Brooks
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byrnes, Wis.
Byron
Cabell
Carter
Cederberg
Chamberlain
Clausen, Don H.
Cleveland
Collier
Conable
Conte
Conyers
Corman
Cotter
Coughlin
Daniels, N.J.
Danielson
Davis, Ga.
Davis, S.C.
de la Garza
Delaney
Dellenback
Dellums
Denholm
Dennis
Donohue
Dow
Drinan
du Pont
Dwyer
Eckhardt
Edwards, Ala.
Edwards, Calif.
Eilberg
Evans, Colo.
Evins, Tenn.
Fascell
Fish
Flood
Foley
Ford, Gerald R.
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Gibbons
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Gude
Hagan
Hamilton
Hanley
Hansen, Idaho
Hansen, Wash.
Harrington
Harvey
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hicks, Wash.
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hutchinson
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Keating
Keith
Kemp
Koch
Kuykendall
Kyros
Landrum
Latta
Leggett
Lennon
Lent
Long, Md.
McClory
McCloskey
McCollister
McCulloch
McDonald, Mich.
McEwen
McFall
McKinney
McMillan
Mahon
Mann
Martin
Matsunaga
Mazzoli
Meeds
Mikva
Minish
Mink
Minshall
Mitchell
Mollohan
Monagan
Moorhead
Morgan
Morse
Mosher
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Obey
O'Hara
O'Konski
O'Neill
Passman
Patman
Patten
Perkins
Pike
Poage
Podell
Poff
Preyer, N.C.
Price, Ill.
Pucinski
Purcell
Quie
Railsback
Rangel

Rees
Rhodes
Riegle
Robison, N.Y.
Rodino
Roe
Rogers
Rooney, N.Y.
Rosenthal
Rostenkowski
Roush
Roybal
Ruppe
Ryan
Sarbanes
Scheuer
Schneebeli
Scott
Seiberling
Sisk
Slack
Smith, Calif.
Smith, N.Y.
Springer
Staggers
Steed
Steiger, Ariz.
Steiger, Wis.
Stephens
Stokes
Stratton
Stubblefield
Stuckey
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Terry
Thompson, N.J.
Thomson, Wis.
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Wampler
Ware
Whalley
White
Whitehurst
Williams
Wilson, Bob
Winn
Wolff
Wright
Wydler
Wylie
Yates
Yatron
Young, Tex.
Zablocki
Zwach

### NAYS—50

Abbitt
Abernethy
Andrews, Ala.
Baker
Baring
Belcher
Bevill
Broomfield
Camp
Collins, Tex.
Colmer
Daniel, Va.
Davis, Wis.
Devine
Dickinson
Downing
Duncan
Fisher
Griffin
Gross
Grover
Haley
Hunt
Kyl
Michel
Miller, Ohio
Mills, Md.
Mizell
Montgomery
Nichols
Price, Tex.
Quillen
Randall
Rarick
Robinson, Va.
Roncalio
Runnels
Ruth
Sandman
Satterfield
Scherle
Schmitz
Sebelius
Shoup
Skubitz
Snyder
Spence
Thompson, Ga.
Waggonner
Zion

### NOT VOTING—132

Abzug
Adams
Addabbo
Andrews, N. Dak.
Archer
Ashbrook
Ashley
Badillo
Barrett
Bell
Betts
Bingham
Blackburn
Blanton
Bray
Brotzman
Byrne, Pa.
Caffery
Carey, N.Y.
Carney
Casey, Tex.
Celler
Chappell
Chisholm
Clancy
Clark
Clawson, Del
Clay
Collins, Ill.
Crane
Culver
Dent
Derwinski
Diggs
Dingell
Dorn
Dowdy
Dulski
Edmondson
Edwards, La.
Erlenborn
Esch
Eshleman
Findley
Flowers
Flynt
Ford, William D.
Fraser
Galifianakis
Goodling
Green, Pa.
Griffiths
Gubser
Hall
Halpern
Hammerschmidt
Hanna
Harsha
Hastings
Hathaway
Hawkins
Hays
Hébert
Hillis
Hungate
Ichord
Jonas
Jones, Ala.
Kazen
Kee
King
Kluczynski
Landgrebe
Link
Lloyd
Long, La.
Lujan
McClure
McCormack
McDade
McKay
McKevitt
Macdonald, Mass.
Madden
Mailliard
Mathias, Calif.
Mathis, Ga.
Mayne
Melcher
Metcalfe
Miller, Calif.
Mills, Ark.
Moss
Nix
Pelly
Pepper
Pettis
Peyser
Pickle
Pirnie
Powell
Pryor, Ark.
Reid, N.Y.
Reuss
Roberts
Rooney, Pa.
Rousselot
Roy
St Germain
Saylor
Schwengel
Shipley
Shriver
Sikes
Smith, Iowa
Stanton, J. William
Stanton, James V.
Steele
Teague, Tex.
Thone
Tiernan
Veysey
Vigorito
Waldie
Whalen
Whitten
Widnall
Wiggins
Wilson, Charles H.
Wyatt
Wyman
Young, Fla.

So the bill was passed.

The Clerk announced the following pairs:

Mr. James V. Stanton with Mr. Mathias of California.
Mrs. Abzug with Mr. Badillo.
Mr. Bingham with Mr. Clay.
Mr. Dorn with Mr. Mayne.
Mr. Hathaway with Mr. Pelly.
Mr. Hanna with Mr. Metcalfe.
Mr. Nix with Mr. Collins of Illinois.
Mr. Caffery with Mr. Pettis.
Mr. Casey of Texas with Mr. Powell.
Mr. Carney with Mr. Peyser.
Mr. Hawkins with Mr. Carey of New York.
Mrs. Chisholm with Mr. William D. Ford.
Mr. Galifianakis with Mr. Schwengel.
Mr. Melcher with Mr. Rousselot.
Mr. Smith of Iowa with Mr. Shriver.
Mr. Ichord with Mr. Pirnie.
Mr. Kee with Mr. Reid of New York.
Mr. Culver with Mr. Steele.
Mr. Clark with Mr. Thone.
Mr. Pryor of Arkansas with Mr. Veysey.
Mr. Edmondson with Mr. Whalen.
Mr. Whitten with Mr. Young.
Mr. Dowdy with Mr. Wiggins.
Mr. Flynt with Mr. Wyatt.
Mrs. Griffiths with Mr. Widnall.
Mr. Pepper with Mr. Wyman.
Mr. Mills of Arkansas with Mr. Fraser.
Mr. Reuss with Mr. Madden.
Mr. Shipley with Mr. Vigorito.
Mr. Dent with Mr. Chappell.
Mr. Hébert with Mr. Hall.
Mr. Hays with Mr. J. William Stanton.
Mr. Teague of Texas with Mr. Hammerschmidt.
Mr. Charles H. Wilson with Mr. Landgrebe.
Mr. Adams with Mr. Brotzman.
Mr. Addabbo with Mr. Harsha.
Mr. Ashley with Mr. Betts.
Mr. Blanton with Mr. Bell.
Mr. Byrne of Pennsylvania with Mr. Andrews of North Dakota.
Mr. Celler with Mr. Halpern.
Mr. Dingell with Mr. Clancy.
Mr. Diggs with Mr. Derwinski.
Mr. Flowers with Mr. Blackburn.
Mr. Dulski with Mr. Esch.
Mr. Hungate with Mr. Ashbrook.
Mr. Jones of Alabama with Mr. Lloyd.
Mr. Kazen with Mr. Archer.
Mr. Kluczynski with Mr. Erlenborn.
Mr. Link with Mr. Crane.
Mr. McKay with Mr. Hastings.
Mr. Mathis of Georgia with Mr. Del Clawson.
Mr. McCormack with Mr. Hillis.
Mr. Tiernan with Mr. Bray.
Mr. Macdonald of Massachusetts with Mr. Mailliard.
Mr. Miller of California with Mr. Jonas.
Mr. Moss with Mr. Lujan.
Mr. Pickle with Mr. Eshleman.
Mr. Roberts with Mr. Findley.
Mr. Rooney of Pennsylvania with Mr. Goodling.
Mr. Roy with Mr. McClure.
Mr. St Germain with Mr. McDade.
Mr. Barrett with Mr. Saylor.
Mr. Green of Pennsylvania with Mr. McKevitt.
Mr. Waldie with Mr. Gubser.
Mr. Sikes with Mr. King.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## FURTHER MESSAGE FROM THE SENATE

A further message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8687) entitled "An act to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes."

The message also announced that the Senate agrees to the amendment of the House to a bill of the Senate of the following title:

S. 1026. An act to amend the Small Reclamation Projects Act of 1956, as amended.

The message also announced that the Senate had passed a bill of the following title in which the concurrence of the House is requested:

S. 2819. An act to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

## PERMISSION FOR COMMITTEE ON RULES TO FILE A PRIVILEGED REPORT

Mr. SISK. Mr. Speaker, I ask unanimous consent that the Committee on Rules may have until midnight tonight to file a privileged report.

The SPEAKER. Is there objection to the request of the gentleman from California?

There was no objection.

## LEGISLATIVE PROGRAM

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute.)

Mr. GERALD R. FORD. Mr. Speaker, I take this time for the purpose of asking the distinguished majority whip the program for the remainder of the week, if any, and the schedule for next week.

Mr. O'NEILL. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Massachusetts.

Mr. O'NEILL. Mr. Speaker, there is no further legislative business for today, and upon announcement of the program for next week, I will ask unanimous consent to go over until Monday.

The program for next week is as follows:

On Monday we will have the consent calendar and nine suspensions, as follows:

H.R. 11302—Cancer Attack Act.

H.R. 11350—Membership in International Criminal Police.

Senate Joint Resolution 132, Copyright Protection.

H.R. 11651, Disability and Debt Pension.

H.R. 11652, Dependence and Indemnity Compensation.

H.R. 5068, Navajo Community College.

H.R. 11080, Redwood Tracts Taken for Parks.

H.R. 3599, Modifying Ammunition Recordkeeping.

S. 2559, Insured Emergency Loans.

Then we will have S. 18, Radio Free Europe and Radio Liberty, under an open rule with 1 hour of debate.

On Tuesday we will have the Private Calendar, and the Defense Department appropriation bill, which was granted a rule today, with 3 hours of debate.

Then we will have H.R. 11589, foreign sale of passenger vessels, under an open rule with 1 hour of debate.

On Wednesday and the balance of the week, we will have H.R. 11060, Federal election reform, under an open rule with 2 hours of debate.

Conference reports may be brought up at any time.

Any further program will be announced later.

Mr. Speaker, there will be no legislative business for the week of November 22.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. GERALD R. FORD. I yield to the gentleman from Iowa.

Mr. GROSS. Mr. Speaker, I thank the gentleman for yielding.

When, Mr. Speaker, is it proposed to bring up the bills to provide for additions to the House of Representatives, in other words, the Delegate bill?

Mr. O'NEILL. If the gentleman will yield, the Delegate bill will be brought up after the Thanksgiving vacation.

Mr. GROSS. Mr. Speaker, I thank the gentleman.

### DISPENSING WITH BUSINESS IN ORDER UNDER THE CALENDAR WEDNESDAY RULE ON WEDNESDAY NEXT

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

### ADJOURNMENT OVER TO MONDAY, NOVEMBER 15, 1971

Mr. O'NEILL. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet on Monday next.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

### ROGERS CHARGES HEW WITH DECIMATING HOSPITAL, CLINIC HEALTH SYSTEM

(Mr. ROGERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. ROGERS. Mr. Speaker, creditable sources inform me that HEW officials are proceeding to decimate the Public Health Service hospital and clinic system by ordering, in effect, a cutback of between 65 and 90 percent of the physicians which man the facilities.

I have learned that Dr. Vernon Wilson, Administrator of the Health Services and Mental Health Administration approved an order which is a first step to take 200 of the general medical officers out of the eight hospitals and 30 clinics. Estimates differ on the number of physicians in the system. If the figure of 300 is valid, then it will be a 66-percent cut, if it is 220, as some maintain, then the figure would be 91 percent.

This order comes under the guise of allowing these physicians to volunteer for the emergency health personnel service. But the fact is they want 200 physicians, and if no one volunteers, then they will be assigned and no one will be brought in to take their places in the hospitals and clinics.

Tragically, the Department of HEW has not used the Emergency Health Personnel Act. Nor really tried to implement it although it was signed by the President 11 months ago to send physicians and other medical personnel into medical shortage areas.

But this latest act is robbing Peter to pay Paul. This is an ill-conceived plan to give life to one program while sapping it from another. One can help the other. But not in this vampire fashion. The transfer of these physicians will ruin the hospital operations and undoubtedly close many of the clinics. On its face, this order reflects the administration's low interest in providing health care services and is a defiant effort to close the hospitals after both the House and Senate passed resolutions and appropriated money specifically to keep them open and operating.

Attempts to close the hospitals has already resulted in two hospital directors being relieved of their positions in Seattle and Baltimore because they objected to the proposed closings. In addition, Dr. Jack Butler, director of the Federal Health Programs Service, has also been relieved of his position.

The majority of the clinics have but one physician. Take that physician and the clinic is closed.

An action such as this dramatically points to the absolute lack of commitment on the part of the administration to providing health care service for the American public.

The hospitals affected are located in San Francisco, New Orleans, Baltimore, Boston, Staten Island; Galveston, Norfolk, and Seattle. The clinics are: Jacksonville, Miami, Tampa, Fla.; Atlanta, Savannah, Ga.; Honolulu, Hawaii; Chicago, Ill.; Portland, Maine; Detroit, Mich. St. Louis, Mo.; Buffalo, New York City, N.Y.; Cincinnati, Cleveland, Ohio; Portland, Ore.; Philadelphia, Pittsburgh, Pa. San Juan, Puerto Rico; Charleston, S.C.; Memphis, Tenn.; Houston, Port Arthur, Texas. and Washington, D.C.

### BACKGROUND INFORMATION ON TARIFF COMMISSION ACTION ON "OVER-47-CENT" CHEESE

(Mr. MYERS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. MYERS. Mr. Speaker, I present to the House this background information on Tariff Commission action on "over-47-cents" cheese.

Starting in about 1966 there has been an increase in dairy imports, primarily because importers have found ways of legally evading the various quotas which apply on many dairy import items. During that time the Tariff Commission has held at least four hearings on these products. In each instance Presidential action followed which tended to close the latest import loophole. However, immediately thereafter the importers would find some other means of evasion.

In January 1969 a number of cheeses were placed under quota, but it was decided that any cheese in these categories which cost 47 cents or more would be exempt from the quota. This was intended to permit specialty cheeses, which are not normally manufactured in the United States, to be imported. In fact, at the time the U.S. Department of Agriculture stated in a press release:

> These are the high priced miscellaneous specialty cheeses such as are normally found in gourmet food counters and stores.

Again the importers found means of increasing imports in this quota-free category, so that by 1970 the "over-47-cent" cheeses accounted for nearly 25 percent of all dairy imports.

As a result the President, on March 12, asked the Tariff Commission to hold hearings and make recommendations on this type of item. Subsequent to the hearings the Tariff Commission made its recommendation to the President on July 28.

They recommended that the 47-cent price break be abolished and that a quota be established for the various types of cheeses involved regardless of prices. Actually there are three quota groups involved—swiss cheese, gruyere-process cheese, and certain other cheese. The Commission recommended that the present quotas for each of these three categories, which had previously applied only to "under-47-cent" cheeses, be increased by taking into account recent imports of "over-47-cent" cheeses. In effect the new quota, which was to cover regardless of purchase price, would be based on the past shipment of both over and under 47-cent cheeses.

Though the President made his request 8 months ago and the Tariff Commission made its recommendation over 3 months ago there has been no further action.

During this delay the imports of the cheeses in question which are outside of quota—over 47 cents—have been increasing. Latest USDA figures which cover the period from January 1 through September 30 show:

> Swiss-Emmenthaler, 113% of same period in 1970.
>
> Gruyere process, 110% of same period in 1970.
>
> Other, 115% of same period in 1970.

In every instance this is an increase over what had shown a month earlier.

I hope the President will soon take action on this. As you are aware domestic dairy production is up this year over 1970. In the light of this we would like to see this import matter resolved.

The President is to be commended for calling for these hearings, which the Tariff Commission promptly held. There appears to be nothing to be gained by delay in taking final action on this matter, but we recognize the inherent harm in this delay to the domestic dairy industry.

### THANKSGIVING DAY SALUTE TO SENIOR AMERICANS

(Mr. GERALD R. FORD asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. GERALD R. FORD. Mr. Speaker, one of the greatest problems of the 20 million senior citizens in this country is loneliness—the feeling that they are not wanted. And more than half of them say they do not have enough money to make ends meet—cannot afford to buy the food they like.

I feel very deeply about our senior citizens. That is why I was most pleased when Miss Carmella LaSpada, representing a nonprofit voluntary organization known as VIP, asked me to call the attention of the House to VIP's plans for a salute to senior Americans on Thanksgiving Day.

I am sure we all agree that we have not been doing enough to involve older people in the activities of our American society. This is a tragedy because it means that our senior citizens become isolated and withdrawn from society instead of feeling themselves a part of it.

VIP has suggested a way to start correcting this shortcoming, an effort in which I am pleased to join. With Miss LaSpada as the national coordinator, VIP is asking Members of the House to visit one of the homes for the aging in their districts on Thanksgiving Day. I will be most happy to do so, and I hope every other Member of the House who has the opportunity will also make such a visit.

We must make Thanksgiving as meaningful and enjoyable as possible for our senior citizens, especially those millions who live alone or in homes for the aging. I might mention in this connection that VIP has asked the Governors of the 50 States and their wives to host Thanksgiving Day dinners for the elderly in their areas who are living alone.

We can all help to make Thanksgiving Day a memorable occasion for elderly Americans who otherwise would spend the day feeling uncared for and lonely.

I would like to insert at this point in the Record the letter to me concerning the Thanksgiving Day salute to senior Americans from Miss LaSpada and from Johnny Unitas, president of VIP.

Thanksgiving Day
Salute to Senior Americans,
*Washington, D.C.*

Dear Congressman: This is to thank you for your reply to the VIP invitation requesting your participation in the Thanksgiving Day Salute to Senior Americans.

We are sincerely appreciative of the response from Senators and Congressmen who have enthusiastically agreed to participate by including older Americans in their own holiday festivities or by visiting a home for the aging in their State or District. We hope this "Salute" will become an American tradition.

This tribute is not meant as a token recognition but as a sincere acknowledgement of the debt we owe our older citizens and the affection we have for them. At the same time this annual event, remembering the older Americans amongst us, is symbolic of the continuing care we have for them throughout the year.

On behalf of VIP, we wish to express our gratitude to you. We believe that many more Americans will have a happy Thanksgiving Day this year because of your concern and your personal efforts.

Wishing you and your family a very happy Thanksgiving, we remain

Sincerely,
Mrs. Dwight D. Eisenhower,
*Honorary National Chairman.*
Johnny Unitas,
*President, VIP.*
(Miss) Carmella LaSpada,
*National Coordinator, Thanksgiving Day Salute to Senior Americans.*

Mr. FULTON of Tennessee. Mr. Speaker, I am today pleased to join my distinguished House colleagues in asking that Thanksgiving Day be a day for saluting senior citizens.

That nearly 10 percent of America's citizens are 65 or older indeed makes them a group due our acknowledgment. That they have for so long contributed to building our Nation, carrying us through earlier times of trial and crisis to our current role of prominence deserves, in fact demands our deepest tribute. That they still have much to offer in future days commands our fullest attention.

On this Thanksgiving Day, a day on which all Americans look back to our Pilgrim heritage and the tasks which those before us faced and mastered, we would do well to seek the counsel of those whose experience and know-how helped us come so far. Ours are troubled times, times in which the judgment and ideas of those surviving past troubles can stand us in good stead.

I know that many of my colleagues will spend part of this Thanksgiving holiday visiting our senior citizens, seeking their advice, weighing their remarks and the actions they would have this body undertake. I would urge that more take similar action—try, as I do, to meet with the elderly as often as possible.

For their problems are our problems and their thoughts should be in our thoughts. And the Thanksgiving season is a time most fitting for extending to them our thanks for their contributions—past, present, and future.

Mr. CRANE. Mr. Speaker, as we reflect upon what we can do for our senior citizens which will, in the long run, be of most benefit to them, the answer, it seems to me, is clear. That answer is this: Provide senior citizens who depend upon their pensions and social security payments with a dollar that is really worth a dollar. Give them back a dollar which is worth the same amount it was worth when they initially deposited it in social security and pension plans.

In recent years our mounting inflation has done its most damage to our senior citizens. These men and women have had to pay more in rent, in food prices, in health costs, and in expenses in every area of their lives, while their pension payments have remained either the same or have increased at a far slower pace.

As anyone with even a basic knowledge of economics understands, every price is simply the terms of an exchange on the market. The key to what makes prices high or low is the relationship between the supply of goods available and the supply of money. If, for example, the supply of money in the country were to double overnight and the supply of goods remain the same, we would all enter the market with twice as many dollars as compared with yesterday. The result would be that we would pay twice as much for the available goods.

In recent years the supply of dollars has continued to accelerate. As the supply of dollars has risen, prices have risen with them. The culprit in this area has been the Federal Government, which has absolute control of the supply of money, and regulates it. The Government, and many Members of this body, have been increasing the supply of money for a variety of reasons, either to "stimulate" the economy, to finance its own enormous budget deficits, to help our favored borrowers, to lower interest rates, and for a variety of other reasons.

Such deficit spending may bring benefits for a short time to favored groups, but it does so only at the expense of others and the first to be harmed are our senior citizens. In the long run a policy of deficit spending brings ruinous consequences to the whole community.

America's senior citizens are very much like the "forgotten man" discussed by William Graham Sumner in his essay written in 1883. He wrote:

> As soon as A observes something which seems to him to be wrong, from which X is suffering, A talks it over with B, and A and B then propose to get a law passed to remedy the evil and help X. Their law always proposes to determine what C shall do for X or, in the better case, what A, B, and C shall do for X . . . What I want to do is look up C . . . I call him the Forgotten Man. He is the man who is never thought of. He is the victim of the reformer, social speculator and philanthropist, and I hope to show you before I get through that he deserves your notice both for his character and for the many burdens which are laid upon him.

It is C, the forgotten man, who is always called upon to pay for the vicarious generosity of others.

As we consider the plight of our senior citizens we should avoid the platitudes so often heard on such occasions. If we want to be of real assistance to this group of forgotten Americans the best way we can do it is to restore the integrity of the dollar and create a situation in which men and women can grow old gracefully, certain that a dollar saved today will be worth having tomorrow.

## GENERAL LEAVE TO EXTEND REMARKS

Mr. GERALD R. FORD. Mr. Speaker, I ask unanimous consent that all Members may have permission to extend their remarks on the Salute to Senior Americans.

The SPEAKER. Without objection, it is so ordered.

There was no objection.

## MR. FINCH'S TRIP TO LATIN AMERICA

(Mr. FASCELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. FASCELL. Mr. Speaker, some time today, Mr. Robert Finch, a counsellor to the President, accompanied by Charles Meyer, the Assistant Secretary of State for Inter-American Affairs, and other officials, will depart on a trip to six Latin American countries.

According to newspaper reports, Mr. Finch will carry with him President Nixon's personal greetings and letters of friendship to the presidents of Peru, Ecuador, Argentina, Brazil, Honduras, and Mexico.

That, in itself, appears to be an important mission when one considers the unsettled condition of our Postal Service and the difficulties which some of our Ambassadors must encounter in trying to explain the recent U.S. initiatives affecting our foreign policy toward the other countries of this hemisphere.

Yet I wonder if there is more to Mr. Finch's mission than that.

The other day, Mr. Finch was quoted as saying—

> It is fair to say that the general state of relations between the U.S. and Latin America has been at a pretty low ebb for some time . . .

With that, I most heartily agree.

Mr. Finch went on to say that his trip—

> Is a step toward restoration of those relations.

If that is the case, then the trip must involve a bit more than just the delivery of "letters of friendship."

Surely our neighbors to the South have been exposed to enough verbal assurances of U.S. friendship.

What they may prefer at this point is some concrete manifestation of the "special relationship" which is supposed to bind the countries of this hemisphere.

A repeal of the 10-percent import surcharge, or some progress in carrying out commitments entered into during the past 2 years, may be more conducive to the restoration of improved relations in this hemisphere than just plain words.

I wonder, therefore, whether there is not more to Mr. Finch's trip than meets the eye.

Unfortunately, the Subcommittee on Inter-American Affairs, which I have the honor to chair, has received no indication of what the President's emissary may be carrying in his travel bag.

We live in a time when presidential assistants play important roles in the formulation and execution of U.S. foreign policy. Such use of their talents is, of course, fully within the realm of the President's prerogatives.

But it would be nice if, once in a while, the Congress were included in those processes.

For the time being, all we can do is wait and see what surprises will come out of Mr. Finch's travels south of our borders.

## TRIBUTE TO TRENT C. ROOT, SR.

(Mr. CABELL asked and was given permission to address the House for 1 minute and to revise and extend his remarks and include extraneous matter.)

Mr. CABELL. Mr. Speaker, just recently a very fine tribute to Trent Root, Sr. by Dr. Fred W. Bryson has been brought to my attention. I ask permission to include this eulogy in the CONGRESSIONAL RECORD.

Trent Root was vice president and treasurer of Southern Methodist University and in 1966 retired and became vice president and professor of finance emeritus.

Trent was a member of Highland Park United Methodist Church. He was past president of the Rotary Club of Dallas, former governor of Rotary District 581, and a counselor and member of the Rotary Foundation Committee of Rotary International. In addition, he served on various civic boards and committees of the YMCA, American Red Cross, Camp Fire Girls, and the North Dallas Chamber of Commerce.

It is readily apparent that Trent Root was not only a great educator and dedicated Christian, but a fine citizen of his community who worked for its betterment at all times.

Mr. Speaker, the eulogy is as follows:

### A EULOGY

We are here in this special service of worship to express to God our thanksgiving for the bountiful blessings brought to us, individually and to our country, through the remarkable and generous life of Trent Root.

We are here not because a life has ceased but to honor a life that was lived fully and beautifully. Trent Root will continue to influence and inspire us in the future as he has in the past.

We have gathered here, then, not because of an event but because of a person—a great person. I can speak of Trent Root only in a very personal way. I respected him for his great intellectual and professional abilities; I loved him as a person. So this eulogy is personal, joyfully so, because of what Mr. Root has meant to me. It will be brief—he never made a long speech.

Trent Root was a personable man—a dynamic influence in the life of everyone who knew him. Each of us can recount the person he was to us. We knew him in different ways as a loving husband, father, and grandfather; as a distinguished educator, administrator, and teacher; as a churchman who gave unselfish leadership in many areas of the church; as a citizen and soldier who served his country in peace and war; and as a community and national leader in many worthy causes—clubs and professional associations. Yet, in these many fields of activity there was the person who was not only exceptionally able and devoted but one who was warm and gentle, and one who gave his life in service to others . . . all who knew him as a friend are richer for it.

Professionally, Trent Root was a nationally prominent educational financial officer. He was very astute at employing the available resources in the most effective way. Yet, his real wisdom was his recognition that resources are nothing unless invested in people. He showed a great stewardship not just of material resources but of human life. Many here can tell how Trent Root has blessed their lives through trust, encouragement, and direct help; through wise counsel, loyal friendship, and support in so many ways—the timely anecdote, the spoken commendation or the handwritten note when we needed it most and then those countless times and ways he commended us to others.

He has been and will continue to be an inspiration because of his example as a loving, devoted husband and father. His extended illness in recent years showed the love for his wife and children. The loving care of his wife during his illness reflected the deep relationship between these two. Today, when family life is being questioned as a viable social unit the Root home quietly demonstrates the joys of marriage and family life. Yes. Trent Root was a devoted family man and enjoyed the blessings of a happy home.

We will remember this man most perhaps for the great gift of humor he shared with us. He has been lovingly referred to as the "Will Rogers of West Texas." He had a way of making a point more vivid with his humor and wit. He would put on a straight face, tell a funny story, and then his eyes would begin to sparkle and that famous smile would warm the heart of his listeners. He shared his delightful humor with countless thousands in churches, civic clubs, educational and professional groups and colleagues, young and old throughout the country. In these times of great crisis and strain, we would do well in our concern with current problems to apply the creative humor of this truly remarkable man.

In the private study at his home the walls are covered with pictures, and the bookshelves contain many collections that reflect his lifelong involvement with people in countless worthy programs. This was the life he lived—significant experiences with others—in the home with his wife, children and grandchildren; in the church as teacher of a Sunday school class and church board member; in the community with the Red Cross, Campfire Girls, Chamber of Commerce, YMCA, the Rotary Club; and with educators throughout the nation. He reflected the philosophy that one becomes immortal in the lives of people he knows and serves. So he lives in our lives . . .

His collections show his sense of history. He was grateful for the heritage that was his from his parents, his state and nation. He lived in such a way as to leave us, his family and friends, and his country a greater heritage.

In Proverbs we read, "The Spirit of man is the candle of the Lord." The spirit of Trent Root has been a candle of the Lord to many of us. His life has brought more of the light of faith, hope and truth to us. His example of love for his wife and family, for his church, profession and country and for his work with others has brought a brighter light to all who knew him.

A parable of Jesus tells how different people used, wisely or foolishly, that which was entrusted to them. Trent Root used wisely, productively and humanely that which God gave to him. God has surely said to him:

"Well done, thou good and faithful servant; enter thou into the joys of Thy Lord."

## TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation.

In this age of modern technology the number of man-hours to produce the agricultural goods and services necessary has steadily decreased.

In 1948, the number of man-hours used for all farm work totaled about 16.5 billion. In 1963, the number was 8.8 billion. By 1970, it had dropped to 6½ billion.

## AMEND THE RAIL PASSENGER SERVICE ACT OF 1970

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. KEMP) is recognized for 15 minutes.

Mr. KEMP. Mr. Speaker, I commend the Subcommittee on Transportation and Aeronautics of the House Interstate and Foreign Commerce Committee for holding hearings on the problems and potential of intercity rail passenger service. I have been following closely the progress of Amtrak from its legislative beginnings and I have been both encouraged and concerned by developments to date.

In fairness, I believe that Amtrak has not yet had time to barely begin the monumental task the Congress has assigned to it, but in summing up all the plusses and minuses I believe a good start has been made. I favor prompt and increased funding for the National Railroad Passenger Corp., and I am here to urge enactment of authorizing legislation. At the same time I favor certain changes in Amtrak's basic legislative charter. As you know I have introduced House Joint Resolution 613 with 51 cosponsors that would make a number of such changes.

But rather than confine myself to the details of the specific legislation I have introduced, I would like to touch briefly on what I believe are the general problems that Amtrak faces, which seem to call for legislative solution.

Fundamentally, of course, the basic problem is money. I think it is fair to say that the case has already been established that support for intercity rail passenger service is in the national interest. It has been decided that intercity rail passenger service should not only be saved but drastically improved and that funds should be provided to this end. This in fact is the conclusion embodied in the Rail Passenger Service Act of 1970, and I regard that legislation as a credit to the House Interstate and Foreign Commerce Committee and the Congress.

Rails can provide an attractive alternative to other modes of travel that are increasingly reaching the limits of congestion and uneconomic costs, both in dollars and in other values important to maintaining and improving our quality of life.

The proper investments now will pay large future dividends and permit important benefits today as well. Insufficient financing will court failure and close the doors on a transportation option that needs much more attention now than it has received in the recent past.

Accordingly, I support the authorization of the additional funding that is under consideration, and I would support the commitment of larger amounts as well. I do not propose that Amtrak or any other organization be given a blank check, however, and the funds provided for should, I feel, be accompanied by the appropriate congressional guidance.

As matters now stand, the Amtrak system is a mixture of basic routes provided for in the act and some so-called provisional or experimental routes. One of these provisional routes, between Buffalo and Chicago via Cleveland, directly affects my constituents. On all the routes that have been added to the basic system, there hangs a threat of a discontinuance of service that can only inhibit potential ridership and must adversely affect decisions by all concerned regarding investment in badly needed improvements and promotion.

I believe, and I know many others agree, that the basic system as originally established under the terms of the act was inadequate to the national need. In addition to routes omitted and since added on a provisional or experimental basis, there are large areas of the Nation still unserved, including whole States. The legislation I have previously introduced spells out a number of routes whose addition would better fill out the Amtrak service map.

One suspects that the provisional routes Amtrak has already added are a great deal more permanent than Amtrak is willing at this time to admit. Nevertheless, their second-class status jeopardizes the steps that need to be taken to insure the development of these routes, and without a full commitment to seek substantial ridership growth it could well be that the money now being spent for these added routes will just be money wasted. First-class status for these and other needed routes could and should be written into the law.

By the same token, the unrealistic matching requirement for State support of added routes should be reduced from the present two-thirds to one-third, and Amtrak's ability to add still other experimental routes without State support should be clarified. I have no real quarrel with the experimental service as such that have already been set up, for I believe it can be shown that the added trains increase Amtrak service to the public or at least have the potential to do so. Amtrak should remain free to experiment, but I do believe that the present mixture of State support for some added routes and not for others can only cause problems.

A reduced level of the State support to be required should also reduce the pressure for some routes to be added that are exempt from the requirement. To preserve Amtrak's flexibility to conduct research, an amendment to the Act requiring advance public notice of wholly-Amtrak-supported route additions could insure that any proposed experimentation can stand on its merits, thus reducing suspicion and bad feelings among the states supporting other routes.

Perhaps some legislative attention could be paid as well to Amtrak's capital and equipment budget. I also note with some concern that Amtrak's proposed budget does not contain much provision for research and development, although I realize that advanced rail research is being federally funded through programs within the Department of Transportation. Nevertheless, there seems to remain a considerable need for research and development directly related to Amtrak's mission, which would best be conducted by Amtrak itself.

I have in mind a number of areas that ought to be given priority, including the development of advanced reservations and train information communications systems, as well as new trains that can bridge the gap between the presently available equipment and the more futuristic approaches being studied by the Department of Transportation's Office of High Speed Ground Transportation.

With the funds Amtrak is requesting there is not clear amount to be earmarked for either research or vitally needed new equipment and facilities. In fact, funds that were thought to be devoted to capital improvements are instead to be applied to operating expenses as well. The distinction may be one of bookkeeping, but I believe that in passage of the original act the Congress in setting up the loan guarantee provisions intended that adequate funds be available and set aside for capital improvements.

It may be necessary for the Congress to speak again on this matter to insure that the funds provided for improvements actually be applied to that purpose and not be dissipated in simply making ends meet. Also, I see an immediate need for more capital funds than the Amtrak budget projects through June of 1973. The cost of new cars and locomotives is high, but modern and faster trains are what will attract passengers and provide the most realistic hope for reducing losses. It seems clear that Amtrak could put to good use more new equipment than the present budget would allow for.

In summary, therefore, I urge the following actions. First, the funds requested should be authorized. Second, if possible the funds authorized for new equipment should be increased, but at the least a separate category for such funds should be clearly provided in the law, so that the Congress may be assured that authorized funds will be in fact used for such improvements.

Third, I urge that the present provision of the law concerning State support of added routes be changed so that States, localities, or regional groups need only contribute one-third of the actual operating deficits, instead of the present two-thirds. Perhaps an authorization should also be provided Amtrak to make up any additional cash losses resulting from this change.

And fourth, I would seek a requirement that Amtrak give adequate advance notice of all services it proposes to add or subtract, so that all affected groups and regions will have an opportunity to examine and question the allocation of resources involved, and so that Amtrak can be given an opportunity to make a clear record and justification of its decisions.

I believe that continued funding is essential if we are not to lose the modest investment we have made to date and especially if we are not to lose the opportunity of building a better-balanced transportation system adequate to tomorrow's needs. The other changes I advocate will better help us develop a truly innovative and useful system, and help speed the arrival of better passenger train service than the Nation has ever known.

I am sure the committee will give close consideration to the problems we are now facing, and I hope the committee will report legislation to the House in the near future. I am pleased I had an opportunity to testify before the committee on what I regard as one of the more far-reaching initiatives that the Congress has taken in the field of America's national transportation needs.

Mr. Speaker, I urge the cosigners of my resolution and all of my colleagues to follow through on their desire to make Amtrak a success. I am hopeful they will evaluate the hearings and express themselves on the need to provide adequate financial assistance to the National Railroad Passenger Corp. At this point I include a list of the cosponsors to the Kemp resolution.

### LIST OF COSPONSORS TO HOUSE JOINT RESOLUTION 613

Andrews of North Dakota, Aspin, Baker, Bennett, Brademas, Brinkley, Carney, Collins, Conable, Conte, Diggs, Donohue, Dow, Dulski, Duncan, Fish, Grasso, Gubser, Halpern, Hansen of Washington, Harrington, Hicks, Hillis, Horton, Keating,

King, Lent, Link, McCloskey, McClure, Mckevitt, McKinney, Minshall, Morse, O'Konski, Podell, Powell, Quillen, Reid of New York, Roe, Roush, Roybal, Schwengel, Seiberling, Smith of New York, J. William Stanton, Stratton, Terry, Ullman, Whitehurst.

## PARAPOLICE PERSONNEL

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from New York (Mr. ROSENTHAL) is recognized for 10 minutes.

Mr. ROSENTHAL. Mr. Speaker, today, I am introducing legislation which would provide Federal grants to State and local police departments for the recruitment, training, and utilization of para-police personnel—civilians who would assume police department functions totally unrelated to the prevention and control of serious crime, but which are now performed by regular and highly trained police officers. It is my judgment that enactment of this legislation would go a long way toward making our police forces much more efficient as a first line of defense against the ravages of violent crime.

Mr. Speaker, crime is a subject about which all Americans—and their elected representatives—are vitally concerned. A poll that I conducted in my own congressional district shows that crime is the No. 1 concern of my constituents. The Federal Bureau of Investigation reported recently that between January 1 and June 30, 1971, violent crime in America—murders, rapes, aggravated assaults and robberies—rose 11 percent. During the same period, crime in our Nation's six largest cities—New York, Chicago, Los Angeles, Philadelphia, Detroit, and Houston—was up 7 percent.

Everyone agrees, and properly so, that crime prevention and control is and should continue to be a matter for local units of government. However, the Federal Government has a grave responsibility to assist local governments in securing for our citizens the precious right of freedom from criminal conduct.

All thoughtful Americans are mindful, I am sure, of the social, physical, and psychological deprivations that cause criminal behavior. And all Americans of good will are committed, I believe, to eliminating the inequities in education, housing, employment, and environment that breed so much of our crime.

But until sociological change can be achieved, society must utilize all the constitutional tools at its command to protect itself from the death, destruction, and suffering brought about by the violent acts of criminals.

The immediate line of defense against such crime is, of course, our law enforcement agencies—most particularly our local police forces. It is apparent that the problems of local police departments are varied and complex: many are understaffed; some are inefficient; pay is often too low; some departments have inequitable hiring practices; some are too aloof from the problems of the cities; a few suffer occasionally from corruption.

The solutions to these problems are difficult and expensive. But it seems to me that it is foolish to talk about the need for more and better police, when far too much of the existing manpower and resources of many departments are committed to the performance of functions that in no meaningful way meet the security needs of our citizenry.

In his book "Crime in America," former Attorney General Ramsey Clark observed that—

> Law enforcement was once a relatively simple task, but today no activity in our society is more complex or requires a greater bundle of professional skills for effective performance.

And yet, Clark continues:

> Often police operate animal pounds and handle auto, bicycle, pet and other registrations. These functions have no real relationship to the policeman's central purpose. To use officers for such purpose impedes professionalization. This is true of most aspects of urban traffic control, such as regularly assigned rush hour intersection direction and giving parking tickets.

For several months I have carefully studied the nature and extent of the use of highly trained regular police officers for tasks which have little or nothing to do with the central purpose of police work—the prevention and control of felonious crime.

I have exchanged correspondence and information with a number of the leading chiefs of police across the country, and I have come to this startling conclusion: Many police departments expend far more of their professional police effort on non-crime-related activities, such as traffic control, than they do on efforts to control drug traffic—even though recent data suggests that as much as 80 percent of all felonies may be drug related.

While the need to civilianize many functions now performed by highly trained sworn police personnel is well known to law enforcement administrators across the country, the general public and Members of Congress are not sufficiently aware of the serious damage done to our crime-fighting effort by this misallocation of resources.

It is not generally known, for example, that regular and expensively trained police personnel in most local police departments perform the functions of bicycle registration, property custodian, clerical tasks, and the like. This is in addition, of course, to the regular use of police personnel for traffic control and traffic violations functions.

In St. Louis, regular police are used on emergency ambulance runs and to investigate sanitation complaints.

Regular police in Seattle, Wash., are used to supervise dance halls, to recover lost bicycles, and to serve traffic warrants.

In Los Angeles, a police sergeant serves as a school crossing guard coordinator; a policeman works as an abandoned vehicle appraiser; another patrolman is a bail accounting officer. In addition, policemen there serve as metal shop and carpenter foremen and as display artists and speech writers.

In New York City, many uniformed patrolmen are assigned to the personnel and staff services bureau; there are 402 patrolmen assigned to the communications division; there are many patrolmen assigned to the lost property section; 60 uniformed policemen are in the motor vehicle operator coverage section; and, incredibly enough, five members of the uniformed force are assigned as hostlers—men who take care of horses and mules.

In New York City, there are more than 800 uniformed policemen performing functions that have no relation to the direct enforcement of the criminal laws.

The numbers of highly trained uniformed patrolmen performing non-crime-related functions across the country is alarming. What is equally alarming, Mr. Speaker, is that many uniform patrolmen across the country who are assigned to regular crime-related work, spend a majority of their time on non-crime-related matters.

A comprehensive year-long study in 1967–68 by the New York City Police Department of the types of incidents with which policemen are involved demonstrates this fact. This study of the 20th Police Precinct in New York showed that while there were 6,157 incidents of a serious or felonious crime-related nature occupying 5,177 man-hours of time, there were 15,359 non-crime-related incidents occupying 10,660 total manhours. In other words, a typical New York City uniformed patrolman spends twice as much time dealing with non-crime-related incidents than with serious crime incidents. This startling fact is detailed in the following table:

| Incident Type | Number of incidents | Total time (in minutes) | Average time (in minutes) |
|---|---|---|---|
| 1. Other | 5,629 | 162,310 | 28.8 |
| 2. Unfounded | 5,132 | 102,881 | 20.0 |
| 3. Sick | 4,552 | 202,143 | 44.4 |
| 4. Dispute | 3,582 | 106,016 | 29.6 |
| 5. Burglary | 2,518 | 104,881 | 41.7 |
| 6. Disorderly groups | 1,693 | 37,780 | 22.3 |
| 7. Intoxicated person | 1,555 | 41,830 | 25.9 |
| 8. Other misdemeanors | 1,190 | 106,034 | 89.1 |
| 9. Injured | 1,170 | 46,063 | 41.1 |
| 10. Alarm of fire | 1,013 | 30,483 | 30.0 |
| 11. Auto accident | 547 | 32,943 | 60.2 |
| 12. Larceny from auto | 514 | 17,579 | 34.2 |
| 13. Robbery | 512 | 33,476 | 65.4 |
| 14. Malicious mischief | 435 | 16,261 | 37.4 |
| 15. Dead on arrival | 402 | 60,216 | 149.8 |
| 16. Utility trouble | 378 | 14,502 | 38.4 |
| 17. Felonious assault | 309 | 26,982 | 87.3 |
| 18. Auto accident injury | 286 | 25,334 | 88.6 |
| 19. Traffic violation | 270 | 7,201 | 27.1 |
| 20. Accidental alarm | 264 | 6,873 | 26.0 |
| 21. Grand larceny | 235 | 11,598 | 49.4 |
| 22. Vehicle mechanical trouble | 201 | 7,201 | 35.8 |
| 23. Grand larceny pocket-book snatch | 130 | 6,366 | 48.9 |
| 24. Auto safety check | 126 | 4,175 | 33.1 |
| 25. Prowler | 121 | 3,549 | 29.3 |
| 26. Auto larceny | 104 | 12,556 | 120.7 |
| 27. False alarm of fire | 86 | 1,865 | 21.7 |

| Incident Type | Number of incidents | Total time (in minutes) | Average time (in minutes) |
|---|---|---|---|
| 28. Arrest-serving summons | 81 | 2,480 | 30.6 |
| 29. Dangerous condition | 81 | 3,510 | 43.0 |
| 30. Motor vehicle recovered | 73 | 7,211 | 98.8 |
| 31. Other felonies | 64 | 9,559 | 149.4 |
| 32. Narcotics | 59 | 13,582 | 230.2 |
| 33. Found person | 46 | 2,802 | 60.9 |
| 34. Traffic warrants | 40 | 713 | 17.8 |
| 35. Property recovered | 35 | 1,848 | 52.8 |
| 36. Rape | 29 | 1,622 | 55.9 |
| 37. Missing persons | 24 | 1,096 | 45.7 |
| 38. Auto accident, serious injury or death | 13 | 2,587 | 199.0 |
| 39. Attempt suicide | 13 | 1,056 | 81.2 |
| 40. Weapons | 9 | 1,298 | 144.2 |
| 41. Prostitution | 7 | 1,090 | 155.7 |
| 42. Gambling | 7 | 813 | 116.1 |
| 43. Homicide | 6 | 1,744 | 290.6 |
| 44. Suicide | 6 | 607 | 101.2 |
| 45. ABC violation | 5 | 160 | 32.0 |

There is something terribly wrong with our police department personnel system when highly and expensively trained police officers spend more time dealing with things like traffic violations, vehicle mechanical troubles, illnesses, utility troubles, and other such non-crime-related incidents than with things like burglaries, larcenies, robberies, felonious assaults, prowlers, narcotics, gambling, and other serious crime-related matters.

These startling facts become all the more dramatic when viewed against the rising tide of felonious crime across the Nation.

In Seattle, Wash., only 917 police department employees out of a total of 1,528—about 60 percent—are routinely available for duties directly related to the prevention and control of felonious crime. Police officers in Seattle's patrol division expend 8,117 man-hours per week on the prevention and control of felonious crime. This figure represents only about 38 percent of the total man-hours potentially available for such crime-related work.

In Los Angeles, Calif., there are 793 police officers assigned to traffic regulation, but who are otherwise available for crime-prevention duties. Each of these officers spends approximately 29 hours out of 41 hours per week—71 percent—on noncrime matters. In other words, of the 32,513 total weekly hours available to members of the traffic regulation branch, 22,759 hours per week are not related to crime control. Moreover, a special study performed for the Los Angeles Police Department identified 64 assignments involving 418 positions now performed by police officers but which do not require sworn police personnel.

In St. Louis, Mo., a 1967 police car activity report for the Ninth Police District, showed that there were 10 crime-related incidents consuming 365 minutes and 10 non-crime-related incidents consuming 367 minutes. With the exception of one larceny case which consumed 180 minutes of time, the St. Louis data shows that approximately half of a typical police car's time is consumed by non-crime-related incidents. A table detailing this study appears below:

FIGURE 7.—SUMMARY QUEUEING TABLE FOR THE 9TH DISTRICT FOR THE SATURDAYS DURING MAR. 6–26, 1967

| Units | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Hours, 7 to 11: | | | | | | | | | | | | | | |
| Total predictions | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 |
| No delay | 46 | 53 | 57 | 58 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 | 59 |
| Delay | 13 | 6 | 2 | 1 | | | | | | | | | | |
| Percent no delay | 77 | 90 | 96 | 99 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Percent delay | 23 | 10 | 4 | 1 | | | | | | | | | | |
| 1 more unit | 8 | 3 | 1 | 1 | | | | | | | | | | |
| Hours, 11 to 15: | | | | | | | | | | | | | | |
| Total predictions | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 92 | 92 |
| No delay | 35 | 62 | 77 | 85 | 89 | 90 | 91 | 91 | 91 | 92 | 92 | 92 | 92 | 92 |
| Delay | 56 | 30 | 15 | 7 | 3 | 1 | | | | | | | | |
| Percent no delay | 38 | 67 | 84 | 93 | 97 | 99 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Percent delay | 62 | 33 | 16 | 7 | 3 | 1 | | | | | | | | |
| 1 more unit | 26 | 15 | 8 | 4 | 2 | 1 | | | | | | | | |
| Hours, 15 to 19: | | | | | | | | | | | | | | |
| Total predictions | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 |
| No delay | 3 | 42 | 74 | 94 | 105 | 111 | 114 | 115 | 116 | 116 | 116 | 116 | 116 | 116 |
| Delay | 114 | 75 | 42 | 22 | 11 | 5 | 2 | 1 | | | | | | |
| Percent no delay | 2 | 36 | 64 | 81 | 91 | 96 | 98 | 99 | 100 | 100 | 100 | 100 | 100 | 100 |
| Percent delay | 98 | 64 | 36 | 19 | 9 | 4 | 2 | 1 | | | | | | |
| 1 more unit | 39 | 33 | 20 | 11 | 6 | 3 | 1 | 1 | | | | | | |
| Hours, 19 to 23: | | | | | | | | | | | | | | |
| Total predictions | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 | 116 |
| No delay | 2 | 39 | 72 | 93 | 105 | 111 | 114 | 115 | 116 | 116 | 116 | 116 | 116 | 116 |
| Delay | 114 | 77 | 44 | 23 | 12 | 5 | 2 | 1 | | | | | | |
| Percent no delay | 2 | 33 | 62 | 80 | 90 | 95 | 98 | 99 | 100 | 100 | 100 | 100 | 100 | 100 |
| Percent delay | 98 | 67 | 38 | 20 | 10 | 5 | 2 | 1 | | | | | | |
| 1 more unit | 37 | 33 | 20 | 12 | 6 | 3 | 1 | 1 | | | | | | |
| Hours, 23 to 3: | | | | | | | | | | | | | | |
| Total predictions | 93 | 93 | 93 | 93 | 93 | 93 | 93 | 93 | 93 | 93 | 93 | 93 | 93 | 93 |
| No delay | 32 | 59 | 76 | 85 | 89 | 92 | 93 | 93 | 93 | 93 | 93 | 93 | 93 | 93 |
| Delay | 61 | 34 | 18 | 9 | 4 | 2 | 1 | | | | | | | |
| Percent no delay | 34 | 63 | 81 | 91 | 96 | 98 | 99 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Percent delay | 66 | 37 | 19 | 9 | 4 | 2 | 1 | | | | | | | |
| 1 more unit | 27 | 17 | 9 | 5 | 2 | 1 | | | | | | | | |
| Hours, 3 to 7: | | | | | | | | | | | | | | |
| Total predictions | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 |
| No delay | 35 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 | 37 |
| Delay | 2 | 1 | | | | | | | | | | | | |
| Percent no delay | 94 | 98 | 99 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 | 100 |
| Percent delay | 6 | 2 | 1 | | | | | | | | | | | |
| 1 more unit | 1 | 1 | | | | | | | | | | | | |

Note: These predictions are for all Pauly areas in the 9th district—Prediction period—3 weeks starting Mar. 6, 1967; 7 days, 24 hours, Monday through Sunday. This page is for all Saturdays in the prediction period.

In the District of Columbia, only 76 percent or 3,808 sworn uniform personnel out of 4,994 are routinely available for duties directly related to the prevention and control of felonious crime.

In Los Angeles, Calif., if you exclude the 793 policemen assigned to the traffic detail—and we have seen earlier that most of their time is not available for direct crime-related work—only 4,765 employees out of 6,983 sworn personnel are routinely available for duties directly related to the prevention and control of felonious crime. In other words, approximately 32 percent of the uniformed force is not directly available for crime-related purposes.

In St. Louis, Mo., only 57 percent of the entire police department budget goes for salaries to sworn police personnel. In Seattle, Wash., only 65.7 percent of the total police department budget was utilized for the direct prevention and control of felonious crime.

Mr. Speaker, I think that this data shows incontrovertibly that far too much of the resources of typical police departments across the country and far too little of the police officer's actual time are devoted to safeguarding the lives and property of our citizens. It is for this reason that enactment of the bill I am offering today is so vital to the cause of domestic tranquility.

My bill would amend title I of the Omnibus Crime Control and Safe Streets Act of 1968. It would authorize grants directly to State and local units of general government for the development and implementatiton of programs and projects for the recruiting, training, and utilization of parapolice personnel. These parapolice personnel would assume certain police department duties which are now performed by regular police officers, and which are not directly related to the prevention and control of felonious crime. My bill authorizes the appropriation of 100 million dollars for a 4-year period beginning on July 1, 1972, for such grants. It further authorizes grants of $85 million for a second 3-year period, and $70 million for a third 2-year period. For the first grant period, grants can be made up to 80 percent of the cost of the parapolice program; for the second grant period, funds are authorized for up to 65 percent of the cost of the program; and for the third grant period, funds are authorized for up to 50 percent of the cost of the grant program.

These grant periods of 4 years, 3 years, and 2 years are designed to encourage long-term planning. They are designed to encourage, at the end of the 9-year period, a complete financial assumption by the States and localities of the costs of the program.

Mr. Speaker, the concept of civilianizing many responsibilities on our police forces and instituting a parapolice program are not new. Many police departments have recognized the deficiencies of assigning regular police personnel to non-crime-related functions, and have struggled to civilianize these jobs. Many police administrators know that the taxpayers, funds are wasted when highly trained and expensively trained police officers are forced to perform functions which, though important in and of themselves, do not deal directly with the problems of violent crime. A police trainee in New York City, for example, receives 560 hours of curriculum before he is eligible to become a full-fledged police officer. In Los Angeles, police officer recruits spend a total of 20 weeks in training before becoming a police officer. Prospective Washington, D.C., policemen receive an 18-week training course at the department's new academy and training school. It is tragic when such highly trained personnel are used to perform functions such as bicycle registration, property custodian, supply operations, emergency ambulance runs, and public information.

Many cities now have police cadet and meter-maid programs. New York City and Los Angeles have gone to considerable lengths to implement civilianization and parapolice programs. It is instructive, for example, that the New York City Police Department in its 1971–72 budget, requested a total of 796 civilian positions for their civilian replacement program. These 796 positions costing $5.7 million—which were not approved—would have resulted in 796 uniformed police being assigned to regular law-enforcement duties. The Los Angeles Police Department has civilianized personnel in the following areas:

Administrative staff personnel; jail and property personnel; scientific investigation; and parking control and traffic direction. The Los Angeles Police Department has plans in its 1972–73 budget to civilianize others. But much more needs to be done.

Mr. Speaker, it is my urgent hope that the legislation I am introducing today will receive quick attention from the appropriate committee of the House so that this serious problem can be more fully explained and developed. I am inserting in the RECORD at this point additional documentation including a letter I sent and answers received from various police departments across the country:

### H.R. 11727

A bill to provide Federal financial assistance to local governments for the training of parapolice personnel

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

#### FINDINGS AND PURPOSE

SECTION 1. (a) The Congress finds that—

(1) the high incidence of crime in the United States threatens the peace, security, and general welfare of the Nation and its citizens;

(2) crime is essentially a local problem that must be dealt with by States and units of general local government if it is to be controlled effectively;

(3) to prevent serious crime and to insure the greater safety of the people of the United States, the resources of law enforcement agencies should be applied primarily to aid in the prevention and detection of felonious crime;

(4) the utilization of parapolice personnel could assist in the more efficient administration of law enforcement operations and free more highly trained law enforcement officers for duties relating directly to the prevention and detection of felonious crime.

(b) It is the purpose of the provisions of this Act to encourage States and units of general local government to prepare and adopt plans to utilize parapolice personnel for carrying out responsibilities not directly related to the prevention and control of felonious crime.

SEC. 2. (a) Title I of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting immediately after part E the following:

#### "PART F—GRANTS RELATING TO PARAPOLICE PERSONNEL

"SEC. 461. (a) It is the purpose of this part to encourage States and units of general local government to develop and implement programs and projects for the recruiting, training, and utilization of parapolice personnel who can assume certain law enforcement duties which are now performed by regular police officers and which are not directly related to the prevention and control of felonious crime.

"(b) Grants under this part shall be made directly to State government, units of general local government, and combinations of such units of general local government. No grant under this part shall be made directly to a State planning agency.

"SEC. 462. Any State government, unit of general local government, or combination of units of general local government desiring to receive a grant under this part for any fiscal year shall, consistent with the basic criteria established by the Administration under section 464 of this title, file an application for such grant within six months after the effective date of this part.

"SEC. 463. The Administration is authorized to make grants under this part to any applicant whose application for any such grant—

"(1) provides satisfactory assurances that the control of the funds and title to property derived therefrom, if any, shall be in a public agency for the uses and purposes provided in this part and that a public agency will administer those funds and that property;

"(2) provides satisfactory assurances that the availability of funds under this part will not reduce the amount of funds under part C of this title which would, in the absence of funds under this part, be allocated for the purposes of this part;

"(3) provides for advance techniques in the utilization of parapolice personnel;

"(4) provides satisfactory assurances that the personnel standards and programs will reflect advanced practices;

"(5) provides satisfactory assurances that the applicant will engage in projects and programs to improve the recruiting, organization, training, and education of parapolice personnel;

"(6) provides satisfactory assurances that the applicant will budget each grant so as to expend approximately equal amounts during each successive 12-month period throughout the life of the grant; and

"(7) complies with the same requirements established for comprehensive State plans under paragraphs (4), (5), (8), (10), (11), and (12) of section 303 of this title.

"SEC. 464. The Administration shall by regulation prescribe basic criteria for applicants and grantees under this part.

"SEC. 465. (a) Within twelve months after the effective date of this part (and thereafter as provided for in this part), for the purposes of carrying out this part the Administration shall award grants to qualified applicants in such amounts as the Administration determines to be appropriate, taking into account the available resources, the law enforcement needs, and the population of each such applicant.

"(b) The first grant to each grantee under this part shall be for the purpose of carrying out the provisions of this part during the 48-month period beginning on July 1, 1972. Any grant made from funds available under this subsection may be up to 80 percent of the cost of the program or project for which such grant is made.

"(c) For the purpose of continuing to carry out the purposes of this part during the 36-month period beginning on July 1, 1976, the Administration may award a second grant to any grantee who has received assistance under subsection (b) of this section. Any grant made from funds available under this subsection may be up to 65 percent of the cost of the program or project for which such grant is made.

"(4) For the purpose of continuing to carry out the purposes of this part during the 24-month period beginning on July 1, 1979, the Administration may award a third grant to any grantee who has received assistance under subsections (b) and (c) of this section. Any grant made from funds available under this subsection may be up to 50 percent of the cost of the program or project for which such grant is made.

"(e) Each grant awarded under this section shall be in such amount and be paid in such periodic installments as the Administration determines to be appropriate. The Administration may condition the payment of any grant or any portion of any grant upon a showing on the part of the grantee that it is complying with the terms of its application and such conditions as may have been set down by the Administration.

"(g) If the Administration determines, on the basis of information available to it, that a portion of the funds granted to an applicant will not be required by the applicant or will become available by virtue of the application of the provisions of section 509 of this title, that portion shall be available for reallocation under this section.

"Sec. 466. For the purpose of carrying out the provisions of this part, there is authorized to be appropriated $100,000,000 for the fiscal year ending June 30, 1973; $85,000,000 for the fiscal year ending June 30, 1977; and $70,000,000 for the fiscal year ending June 30, 1980. Funds appropriated for any fiscal year may remain available for obligation until expended."

(b) Section 520 of title I of such Act is amended by adding at the end thereof the following: "The authorization contained in this section shall not apply with respect to the carrying out of part F."

(c) Part F and Part G of title I of such Act are redesignated as part G and part H, respectively.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D.C.*

DEAR CHIEF OF POLICE: I have been concerned for some time over the utilization of highly trained regular police personnel for purposes than the direct prevention and control of felonious crime. As you know, some police departments hire cadets, meter-maids and other lesser-trained and lower-salaried persons to perform duties not directly related to such crime (i.e., traffic violations; issuance of licenses and tags; handling of misdemeanor warrants; motor vehicle inspections; paperwork administrative functions, ambulance services, etc.). The use of such "parapolice" personnel would seem to free regular law enforcement officers for work more immediately related to crimes of violence against persons and property.

I am presently considering the introduction of legislation in Congress, which would provide federal grants-in-aid directly to local units of government and state governments, for the recruitment, training and utilization of parapolice personnel. In this regard, I would greatly appreciate your providing me with the following information:

(1) Please list the types of functions and responsibilities performed by your Department which do not relate directly to the prevention and control of felonious crime.

(2) a. What is the total number of persons employed by your Department and paid out of the police department budget?

b. How many of these employees and what percentage of the total police budget are available *routinely* (civil disorder duty would not be "routine"), for duties *directly* related to the prevention and control of felonious crime? (A mechanic in the police garage or a statistician would not be "directly" involved. A regular policeman who spends part of his day directing traffic or ticketing cars or who lectures at a local high school, but who is otherwise available to the crime-prevention effort, would be directly involved).

(3) a. For all those employees who are routinely available for duties directly related to the prevention and control of felonious crime, please state or approximate the average number of total man-hours spent on duty each week.

b. Of this number, please state or approximate the average number of total man-hours devoted to the performance of duties not directly and routinely related to the prevention and control of felonious crime (see first paragraph of this letter for a partial description of such duties).

(4) Does your department presently have a program which approximates the "parapolice" concept embodied in the legislation I am drafting, (i.e., meter maids, permanent "cadets" for traffic control, all administrative functions performed by non-police civilian employees etc.)? If so, please describe your program as to training and numbers of parapolice.

(5) Please describe briefly the type of training required for the regular policeman who is involved directly with the prevention and control of felonious crimes.

If there are any questions regarding this communication, please contact my Legislative Assistant, Peter S. Barash, (202) 225-2601. A response by September 3, 1971, would be greatly appreciated.

Sincerely,

——— ———.

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POLICE DEPARTMENT,
*New York, N.Y., September 7, 1971.*

Hon. BENJAMIN S. ROSENTHAL,
*Congress of the United States, House of Representatives, Rayburn Building, Washington, D.C.*

DEAR CONGRESSMAN ROSENTHAL: This letter is in answer to your communication dated August 11, 1971 relative to the use of "parapolice personnel" to free regular police officers for work immediately related to crimes. In addition to answering the five questions posed by you, I have enclosed a copy of our Civilianization Program that appeared in our 1971–1972 Budget submission prepared by the Planning, Programming and Budgeting Section of our Planning Division. The underlined material is the information that you requested, followed by my answer.

(1) *Please list the types of functions and responsibilities performed by your Department which do not relate directly to the prevention and control of felonious crime.*

A study made by our department in the 20th Precinct in 1967–1968 disclosed that 85% of a patrolman's time was spent on preventive patrol while the remaining 15% is devoted to answering calls for services, 30% is associated with crime while 70% is noncriminal in nature. Of the criminal category, crimes against property consumed the most time while in the non-criminal category, aid to sick and injured consumed the most time.

The time spent by the police on preventive patrol can be considered in the category of prevention and control of felonious crimes. In the area of called for services which consumes the remaining 15% of the officers time, it is difficult to determine the exact amount of time that can be considered to be for the prevention and control of felonious crime. For example, a disorderly group may be one in which a number of people are, or about to commit some type of felonious crime, or the call may be one where a group of people are acting in a disorderly manner, but no felonious * * *

(2) a. *What is the total number of persons employed by your department and paid out of the police department budget?*

36,726—All paid out of the police budget.

b. *How many of these employees and what percentage of the total police budget, are available routinely for duties directly related to the prevention and control of felonious crime?*

30,200—Approximately 83%.

(3) a. *For all those employees who are routinely available for duties directly related to the prevention of crime, please state or approximate the average number of hours spent on duty each week.*

Sworn members of the department work 40 hours a week.

b. *Of this number, please state or approximate the average number of total manhours devoted to the performance of duties not directly and routinely related to the prevention and control of felonious crime?*

Here again, I refer you to the table on page 2 which shows 45 incidents with the average time in minutes for each incident.

(4) *Does your Department presently have a program which approximates the "parapolice" concept embodied in the legislation I am drafting, (i.e. meter maids, permanent "cadets" for traffic control, all administrative functions performed by non-police civilian employees etc.) If so, please describe your program as to training and numbers of parapolice.*

At the present time there are 315 meter maids assigned to the Department of Traffic. Our department has 388 police trainees who perform non-enforcement police tasks. The administrative functions performed by non-police civilian employees are described in the enclosed copy of our Civilianization Program.

(5) *Please describe briefly the type of training required for the regular policeman who is involved directly with the prevention and control of felonious crime.*

The current academic curriculum in the recruit training program is divided into seven divisions. I have enclosed an outline of five of these divisions. Almost all the training given to the recruit is either directly or indirectly related to the prevention of felonious crimes. In addition to this, the recruit is given 105 hours of college level courses.

| Incident type | Number of incidents | Total time (in minutes) | Average time (in minutes) |
|---|---|---|---|
| 1. Other | 5,629 | 162,310 | 28.8 |
| 2. Unfounded | 5,132 | 102,881 | 20.0 |
| 3. Sick | 4,552 | 202,143 | 44.4 |
| 4. Dispute | 3,582 | 106,016 | 29.6 |
| 5. Burglary | 2,518 | 104,881 | 41.7 |
| 6. Disorderly groups | 1,693 | 37,780 | 22.3 |
| 7. Intoxicated person | 1,555 | 41,830 | 25.9 |
| 8. Other misdemeanors | 1,190 | 106,034 | 89.1 |
| 9. Injured | 1,170 | 46,063 | 41.1 |
| 10. Alarm of fire | 1,013 | 30,483 | 30.0 |
| 11. Auto accident | 547 | 32,943 | 60.2 |
| 12. Larceny from auto | 514 | 17,579 | 34.2 |
| 13. Robbery | 512 | 33,476 | 65.4 |
| 14. Malicious mischief | 435 | 16,261 | 37.4 |
| 15. Dead on Arrival | 402 | 60,216 | 149.8 |
| 16. Utility trouble | 378 | 14,502 | 38.4 |
| 17. Felonious assault | 309 | 26,982 | 87.3 |
| 18. Auto accident injury | 286 | 25,334 | 88.6 |
| 19. Traffic violation | 270 | 7,201 | 27.1 |
| 20. Accidental alarm | 264 | 6,873 | 26.0 |
| 21. Grand larceny | 235 | 11,598 | 49.4 |
| 22. Vehicle mechanical trouble | 201 | 7,201 | 35.8 |
| 23. Grand larceny pocket-book snatch | 130 | 6,366 | 48.9 |
| 24. Auto safety check | 126 | 4,175 | 33.1 |
| 25. Prowler | 121 | 3,549 | 29.3 |
| 26. Auto larceny | 104 | 12,556 | 120.7 |
| 27. False alarm of fire | 86 | 1,865 | 21.7 |
| 28. Arrest-serving summons | 81 | 2,480 | 30.6 |
| 29. Dangerous condition | 81 | 3,510 | 43.0 |
| 30. Motor vehicle recovered | 73 | 7,211 | 98.8 |
| 31. Other felonies | 64 | 9,559 | 149.4 |
| 32. Narcotics | 59 | 13,582 | 230.2 |
| 33. Found person | 46 | 2,802 | 60.9 |
| 34. Traffic warrants | 40 | 713 | 17.8 |
| 35. Property recovered | 35 | 1,848 | 52.8 |
| 36. Rape | 29 | 1,622 | 55.9 |
| 37. Missing persons | 24 | 1,096 | 45.7 |
| 38. Auto accident-serious injury or death | 13 | 2,587 | 199.0 |
| 39. Attempt suicide | 13 | 1,056 | 81.2 |
| 40. Weapons | 9 | 1,298 | 144.2 |
| 41. Prostitution | 7 | 1,090 | 155.7 |
| 42. Gambling | 7 | 813 | 116.1 |
| 43. Homicide | 6 | 1,744 | 290.6 |
| 44. Suicide | 6 | 607 | 101.2 |
| 45. ABC violation | 5 | 160 | 32.0 |

Please feel free to contact my office if you have any questions relative to the enclosed material.

Sincerely,

PATRICK V. MURPHY,
*Police Commissioner.*

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### SUPPLEMENTARY—PERSONAL SERVICES BUDGET 1971–72

#### CIVILIAN REPLACEMENT PROGRAM

The Department's Civilian Replacement Program, as structured by the Personnel and Staff Services Bureau from its inception on July 1, 1965 through October 30, 1970, has resulted in the employment by the Department of twelve hundred twelve (1212) civilian employees, other than Police Trainee and School Crossing Guard, a replacement basis.

Over the years, aside from the prime Civilian Replacement Program, other avenues for the replacement of uniformed members performing non-enforcement duties were explored and implemented by the Personnel and Staff Services Bureau. These included the use of a) Police Trainees both as replacements and assignments in lieu of the assignment of uniformed members; b) the Civilian Administrative Employee Up-grading Program; c) the Cut-Back and Job Elimination Program in May 1967; d) and the equated uniformed manpower saving effected by the School Crossing Guard Program.

The following is a recapitulation of the Department's efforts and achievements in the area of replacing uniformed members engaged in non-enforcement tasks with civilian employees under the above mentioned programs:

| | |
|---|---|
| Civilian replacement program: From July 1965 to October 30, 1970 | 1212 |
| Police trainee program: From December 1964 to October 1968: | |
| Number of patrolmen replaced | 859 |
| Number of police trainees assigned in lieu of the assignment of patrolmen | 244 |
| Total | 1103 |

It will be noted that further replacement in this area was curtailed during the 1969–70 and 1970–71 fiscal period by mandatory budget freeze of these positions.

| | |
|---|---|
| Civilian administrative employee upgrading program: Number of superior officers replaced to October 30, 1970 | 14 |
| Cutback and job elimination program: Number of uniformed members who were returned to regular patrol in May 1967 | 656 |
| School crossing guard program: Based upon 2113 School Crossing Guards employed on an average of four hours daily, for nine months of the year, equates to the actual replacement of 792 patrolmen who were relieved of this nonenforcement duty and returned to full enforcement patrol duty | 792 |

In passing, it should be noted that in connection with the Civilian Replacement Program, between fiscal period of 1967–68 and the present fiscal period, the Personnel and Staff Services Bureau has been successful in obtaining the following Federally and State funded contracts to assist the Department in defraying required training costs.

| Number of positions and program | Date of contract | Number of training weeks | Funding | |
|---|---|---|---|---|
| | | | Amount | Cumulative total |
| 60—Fingerprint technician trainee | 10/67 | 26 | $49,313 | $49,313 |
| 350—Police administrative aide | 5/68 | 26 | 272,961 | 322,274 |
| 60—Fingerprint technician trainee | 1/70 | 26 | 55,886 | 378,160 |
| 150—Police administrative aide | 2/70 | 26 | 125,039 | 503,199 |
| 500—Police trainee | (1) | 39 | 493,000 | 996,199 |

[1] Pending approval expected January 1971.

Once these funded programs are approved and found to be successful, recycling is more easily obtainable. This point is emphasized in connection with the 1971–72 Supplementary Personnel Services Budget request which includes six hundred (600) new positions for Police Administrative Aide and thirty (30) new positions for Fingerprint Technician Trainee under the Civilian Replacement Program.

During the 1969–70 and the present 1970–71 fiscal periods, the hiring under the Civilian Replacement Program has been greatly curtailed due to the following mandatory restrictions:

a) Fiscal period 1969–70—Emergency Budget Restriction of ten (10) million dollars.

b) Fiscal period 1970–71—Emergency Budget Restrictions eleven point one (11.1) million dollars.

c) Selective Vacancy Freeze effective October 1, 1970 which in effect provides for no filling of vacancies except for twenty five (25) percent dollar value, of job vacancies accruing each month.

### PERSONNEL REQUESTS FOR THE CIVILIAN REPLACEMENT PROGRAM

*Police administrative aides—600 positions*

In the last two (2) fiscal periods the submitted requests in the Supplementary Personal Services Budget for the required personnel were not approved by the Bureau of the Budget.

With the advent of the computerized SPRINT System and the installation of the centralized Emergency Call Number 911, in the Communications Division, the demand for required personnel to man these operations has increased the complement of this Division from six hundred ninety eight (698) in March 1969 to eight hundred eighty five (885) in August 1970.

In the interim, to cope with the problems of manning, the Personnel and Staff Services Bureau had to supply a mix of uniformed members, Police Trainees, and Police Administrative Aides by reassignment from other units and commands, both administrative and patrol, thereby reducing the efficiency of these units and commands. The assignment of Police Trainees and Patrolmen was mandatory even though our experience has indicated that such personnel are not suitable for the work involved. The tenure of the Police Trainee is short in that as he nears his 21st birthday he must be withdrawn to take recruit training to qualify him as a Probationary Patrolman. This situation creates a recurring need for training personnel as replacements and turn-over which creates an unstable force as opposed to the career long-term type of employee which is required. Many of the patrolmen who have been assigned from field commands are not desirous of the assignment which has resulted in a morale problem.

*Communications division assignments—400 positions*

At present, among other uniformed and civilian personnel, there are four hundred two (402) patrolmen and two hundred fifty two (252) Police Trainees assigned to the various functions within the Communications Division and it is deemed necessary that Police Administrative Aides who perform duty on rotating tours, seven (7) days per week, as required by this division, be obtained to replace this personnel to the extent possible. To implement this replacement for reasons cited above, it is requested that four hundred (400) Police Administrative Aide positions be made available for the replacement of two hundred fifty two (252) Police Trainees and one hundred forty eight (148) patrolmen.

*Field command assignments—159 positions*

To expand the civilian replacement of uniformed members performing non-enforcement tasks in field commands which require the performance of duties on odd hour tours, seven days of the week, it is requested that one hundred fifty nine (159) Police Administrative Aide positions be made available. These Aides will replace thirty two (32) uniformed members in Patrol Divisions and one hundred twenty seven (127) patrolmen in Patrol Precincts.

*Administrative unit assignment—41 positions*

In the Information and the Lost Property Sections of the Central Records Division there are certain functions which required the performance of duty on rotating tours, on a seven (7) day basis; a total of forty one (41) positions are involved. These positions are currently manned by patrolmen and Police Trainees. The relative short term of the Police Trainee assignments, due to their attaining twenty one (21) years of age and Probationary Patrolmen status, creates a condition where these Sections must continually train newly assigned Police Trainees in their attempt to maintain efficient operation. To provide a stable civilian work force in these Sections and the replacement of uniformed members of the department, it is requested that forty one (41) Police Administrative Aide positions be made available.

*Senior police administrative aide—40 positions*

The department has requested the establishment of a supervisory position entitled "Senior Police Administrative Aide", as an initial promotional step for the present Police Administrative Aides. As structured, this title was approved by the City Personnel Department and the Office of the Mayor. Under the requirements for this title, six (6) months of satisfactory performance must precede filing for the examination and two (2) years of satisfactory performance is required prior to promotion. In that the first Aides were employed in the department in January, 1968, the first group of Aides has completed the time requirement for promotion as of January, 1970. In this regard, a civil service examination for this title has been requested on the impending Department of Personnel Calendar.

It is requested that forty (40) Senior Police Administrative Aide positions be established in the 1971–72 budget to provide the necessary civilian supervisory personnel for the Communications Division, where they will be initially assigned to replace a like number of sergeants who will be reassigned to primary full enforcement field patrol.

It should be noted that until an opportunity for a promotional step is provided for Police Administrative Aide personnel, this will remain in effect a dead end position which is contrary to agreement between the Labor Union and the City.

*Motor vehicle operator (patrolwagon)—60 positions*

At the direction of the then Police Commissioner, the Technical Services Bureau in 1968 conducted an in-depth study of the department's Patrolwagon Program. This survey disclosed the following information:

The actual annual work days performed by Motor Vehicle Operators assigned to patrolwagons after deduction of annual vacation and a mean of six of twelve allowable sick days:

| | |
|---|---|
| Normal annual work days (tours) | 250 |
| Less twenty seven (27) annual vacation days | −27 |
| Total | 223 |
| Less a mean of six (6) of the twelve (12) allowable annual sick days | −6 |
| Tours performed per annum | 217 |

The following computations indicate the annual man-days required to operate thirty-six (36) patrolwagons on a three (3) tour daily basis, and three (3) patrolwagons on a two (2) tour daily basis.

| | Tours |
|---|---|
| 36 P.W.×3 tours daily×365 days annually | 39,420 |
| 3 P.W.×2 tours daily×365 days annually | 2,190 |
| Annual Tours Required | 41,610 |

217 actual M.V.O. annual tours, divided into 41,610 annual tours required equal 191 Motor Vehicle Operators required to operate all patrolwagons annually.

142 present M.V.O. (PW) quota; less 11 M.V.O. (PW) medically disqualified to drive equals 131 active M.V.O. (PW).

191 M.V.O. (PW) required for full annual coverage, less 131 active M.V.O. (PW) in quota indicates that sixty (60) additional M.V.O. (PW) are required for full coverage.

It will be noted, that the authority for medically disqualifying Motor Vehicle Operators is dictated by the Mayor's Executive Order No. 31, dated October 10, 1966.

According to the above statistical data indicating the minimal Motor Vehicle Operator Coverage required to man all patrolwagons on an annual basis, it must be noted that in the absence of these civilian operators, some sixty (60) uniformed members must be withdrawn from the effective patrol force annually to perform this required service.

Therefore, it is requested that funds be provided for the employment of sixty (60) Motor Vehicle Operator-Patrolwagon, in the 1971–72 budget under the Civilian Replacement Program.

### *Hostler—5 positions*

To avoid and correct the present hazardous practice of assigning Hostlers to work alone in stables tending large numbers of horses, it is requested that funds be provided for the employment of five (5) Hostlers under the Civilian Replacement Program. In the absence of the required civilian Hostlers members of the uniformed force are assigned for the safety of the present employees.

### *Fingerprint technician trainee—30 positions*

As an innovation, this department in fiscal 1967–68 employed sixty (60) Fingerprint Technician Trainees (a new title), who were trained by Identification Section personnel under a Federally funded contract.

In continuance of this program, thirty (30) positions were approved in the 1968–69 budget, thus allowing for a total of ninety (90) positions in this title. Upon completion of their training these Trainees replaced a like number of Patrolmen and Detectives who were performing this fingerprint classification function.

To continue replacement of uniformed personnel in this important area, it is requested that thirty (30) additional Fingerprint Technician Trainee positions be established in the 1971–72 budget.

### *Other civilian titles—59 positions*

Based upon evaluations from the current desk audit of the Department of Personnel, it is recommended that the remaining fifty-nine (59) requested positions itemized in Appendix I, be included under the Civilian Replacement Program in the 1971–72 budget.

It is therefore requested that the total of seven hundred ninety-six (796) positions listed heretofore be included in the 1971–72 budget to effect the replacement of members of the uniformed Force under the Civilian Replacement Program at a cost of $5,776,281.

A summary of the various titles, corresponding entrance salaries, specific commands of assignment and total annual costs are indicated in Appendix I. Placement by Budget Programs will be found in Appendix III.

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## SUPPLEMENTARY—PERSONAL SERVICES BUDGET REQUEST 1971–72

### REQUEST FOR ADDITIONAL PERSONNEL

### *Additional civilian personnel*

Over the past five years the Personnel and Staff Services Bureau has received repeated requests from the various commands and units of the Department seeking additional personnel. Some of the factors which generate this need have been described heretofore. (See pages 112–113) all of which have evolved without a corresponding increase in staff. Cognizance *must* be taken of the Department's need for additional civilian personnel if its commands and units are to maintain efficient operations without drawing upon uniformed personnel to meet the demand.

In September, 1970, all commanding officers and unit heads were directed to submit proposals under Chief of Personnel Memo No. 58, specifically indicating both the number and title of additional civilian personnel required by their respective commands or units to effectively meet current or contemplated workload requirements, as above described. They were also requested to include pertinent data which would objectively and concisely substantiate the need for personnel requested.

All commands and units requesting additional personnel were canvassed and their reports compared with the personnel records of the Personnel Service and Records Division to insure that no requests were made where present civilian vacancies exist.

### *Job study and evaluation team—3 positions*

Annually, the Personnel and Staff Services Bureau receives numerous requests for additional personnel based upon increased workload, new functions undertaken, and organizational changes within the Department, as above noted.

Such requests require in-depth analysis to verify the need for and validity of positions requested, the measure of efficiency of present employees, present work methods, the possible need for work and time-saving equipment, position classification and evaluation; and the establishment of improved work-flow charts.

To more effectively accomplish this analysis, the Personnel and Staff Services Bureau will require the following professional personnel:

One (1) Senior Methods Analyst.
One (1) Methods Analyst.
One (1) Personnel Examiner.

The establishment of this team should vastly facilitate future budget preparation and provide a more accurate evaluation of the personnel needs of the Department.

### *Vehicle repair and shop maintenance personnel—38 positions*

The Motor Transport Division has the responsibility for the servicing, repair and maintenance of two thousand nine hundred and forty-one (2,941) vehicles of all types operated by the Department. Since August, 1966, there has been an unusually large increase in the Department's fleet, which has not been accompanied by an increase of personnel to properly maintain these vehicles.

Fleet expansion not accompanied by an increase of personnel consists of the following vehicles:

*Number, type of vehicle, and remarks*

20 Broncos—Delivered August, 1966.
42 Tow Trucks—Delivered March, 1967.
4 T.P.F. Couriers—Delivered May, 1967.
10 Sedans—Delivered July, 1967.
300 Scooters—Delivered July, 1967.
300 Scooters—Delivered May, 1968.
40 R.M.P. Cars—Delivered August, 1968.
36 R.M.P. Cars—Refurbished—Placed in service 1968.
31 Tow Trucks—Delivered September, 1969 (Without relinquishment of older vehicles).
3 Station Wagons—Delivered June, 1969.
1 Unmarked Sedan—Delivered June, 1969.
10 Various Type Trucks—Expected during 1969–70 Fiscal.

Total number of vehicles, 787.

Prior to August, 1966, the Department's fleet ran at a constant level of 100% effectiveness, that is, the assigned vehicle or a replacement vehicle was constantly in service. Since the above date, the effective level is at 92%. This effects the availability of Radio Motor Patrol Cars, scooters and motorcycles, as well as, the efficiency of auxiliary services which require motorized equipment.

There is presently a backlog of one hundred and fifty (150) "running repairs", that is, repairs to vehicles damaged in accidents which remain in service until time and personnel are available for their repair. To compensate in part for the needed personnel, seven (7) members of the uniformed force have been temporarily assigned and are engaged in full-time mechanical repair, thus depleting effective patrol strength. With the above mentioned expansion of the fleet, mileage has increased from forty-eight million five hundred seventy seven thousand three hundred sixty nine (48,577,369) miles in 1966 to fifty-four million one hundred eighty six thousand seven hundred tweny two (54,186,722) miles in 1969. This increased mileage results in increased collision and other repairs. In terms of collision repair there were one thousand one hundred and seventy two (1,172) accidents in 1966 compared to two thousand seventy one (2,071) in 1969; and accidents in the first six (6) months of 1970 total one thousand fifty nine (1,059).

The repair and maintenance problems are further complicated by an increase in acts of vandalism resulting in damage to Department vehicles. In 1968, there were one hundred and eighty one (181) such incidents which required repair of the concerned vehicles, and in 1969 there were two hundred six (206) such incidents.

The "down time" of vehicles due to reasons cited above has increased 10% over the period prior to the expansion of the fleet.

It is, therefore, requested that one (1) Foreman of Auto Mechanics, twenty (20) Auto Mechanics; four (4) Assistant Stockmen and four (4) Clerk positions be provided as additional personnel in the budget for adequate servicing of the above mentioned vehicles.

As previously mentioned, the new Central Repair Shop has been placed into operation. This enlarged facility requires additional personnel for the maintenance of the complicated machinery and equipment, as well as for normal maintenance and security. To maintain this new facility it is requested that four (4) Maintenance Men, three (3) Custodial Assistants and two (2) Laborer positions be provided for in this budget.

It will be noted that the only measure the Department could take to relieve this serious personnel shortage was by a modification of the 1968–69 budget to provide six (6) Auto Mechanic positions, thereby deleting six (6) other needed positions from the Civilian Replacement Program.

### *Electronic data processing personnel—27 positions*

The dramatic increase in work load and the continual receipt of new requests by the Electronic Data Processing Division for the programming and retrieval of computerized data is cause for concern inasmuch as required increase in personnel has not kept pace with the output demands.

Indicated below is a table comparing current work load with that of the year 1963. These applications are only a *representative sample* of work load increases.

| Document | 1963 | 1968 | 1969 |
|---|---|---|---|
| U.F. 61 | 495, 878 | 2, 654, 385 | 2, 710, 102 |
| U.F. 6b | 98, 000 | 137, 430 | 139, 093 |

In the year 1963, nineteen (19) Key Punch Operators were assigned to process the work load. In 1966, Key Punch personnel was increased to twenty-five (25) as a result of budget modification. The need for Key Punch Operators is creating a serious backlog of documents to be punched in the Computer Operations Section.

In addition, the efforts toward the expansion of the Electronic Data Processing capabilities currently under way in this Division will require even more extensive data conversion.

It should also be noted that the Key Punch machines are in operation on two (2) shifts daily and could be in operation on three (3) shifts with sufficient personnel.

It is therefore requested that ten (10) additional Alpha Key Punch Operators and ten (10) Senior Alpha Key Punch Operator positions be established to alleviate the abovementioned backlog, and seven (7) Clerk positions be established to allow for the accompanying increased clerical workload.

*Microfilm project personnel—8 positions*

Since the latter part of 1968, one (1) Civilian Photographer and seven (7) Police Trainees have been assigned in the initiation of the first phase of the Microfilm Project. This personnel currently performs on the 8:00 A.M. to 4:00 P.M. tour. Since no additional Police Trainees can be spared for this assignment and in an effort to reduce the time required to complete microfilming of these records thereby advancing the date when leased storage facilities may be vacated, which will coincide with the relocation of the Old Records Section into the new Police Headquarters Building now under construction it is requested that seven (7) additional Clerk positions, and one (1) Photographer position be provided for in the 1971–72 budget. This personnel will allow for the continuance of this microfilming process on the 4:00 P.M. to 12:00 Midnight tour.

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CITY OF LOS ANGELES, CALIF.,
*September 1, 1971.*
Hon. BENJAMIN S. ROSENTHAL,
*Rayburn Building,*
*Washington, D.C.:*

I am pleased to hear of your concern about the misuse of highly trained police officers. The Los Angeles Police Department has recognized this problem, and over the past several years has been engaged in a program of "civilianizing" a number of police jobs. However, the Department has not been able to implement portions of this program due to the lack of funds. I believe that the passage of the legislation that you are considering will be of great benefit to all local law enforcement agencies and the communities which they serve.

I hope the following answers to your questions will be helpful.

(1) The following is a list of functions performed by the L.A.P.D. which are not directly related to the prevention and control of crime.

(a) Administrative Staff Research
(b) Personnel Selection and Training
(c) Public Information and Youth Services
(d) Support and Auxiliary Services
(1) clerical
(2) property custody
(3) supply operations
(4) transportation services
(5) booking and custody of arrestees
(6) information processing

(2) (a) The total authorized strength of police officers in our Department is 7155, with 6983 positions currently filled. For civilians, 2390 positions are authorized, with 2295 currently filled.

The 1971–72 L.A.P.D. Budget is $131,100,542, of which $102,495,861 (includes regular salaries, overtime, unused sick time and marksmanship bonuses) are for police salaries and $21,372,336 are for civilian salaries and overtime.

(b) The number of employees and percentage of budget directly related to prevention and control of felonious crime are as follows:

| Function | Number of employees | Percent of budget |
|---|---|---|
| Crime repression and response | 3, 064 | 33. 6 |
| Investigation and detection of crime | 1, 701 | 22. 1 |
| Traffic regulation | 793 | 9. 0 |
| Total | 5, 558 | 64. 7 |

(3) (a) The average number of hours worked per week (including overtime) per police officer directly or routinely involved in the prevention or control of crime is 41.35.

(b) The average number of manhours devoted to the performance of duties not directly and routinely related to the prevention and control of felonious crime is as follows:

*Function and hours per week not involved with crime prevention*

| | |
|---|---|
| Crime Repression and Response | 0 |
| Investigation and Detection of crime | 0 |
| Traffic Regulation | |
| Traffic Enforcement | 20. 7 |
| Accident Investigation | 27. 3 |
| Parking and Intersection Control | 38. 0 |

(4) On January 1, 1971, the Los Angeles Police Department implemented a new classification and salary structure that was devised by the Jacobs Company Incorporated of Chicago, Illinois, called the "Jacobs Plan". Under this plan, a total of 262 police jobs were earmarked for "civilianization" over the next three years. However, even before this plan, the L.A.P.D. has been in the process of "civilianizing" a great number of jobs previously held by police officers. Our civilianization program includes the following:

(a) *Administrative Staff Personnel*—There are presently 92 administrative civilian personnel working in staff, analytical, financial and planning functions. These people are required to have a four-year degree from an accredited college or university, receiving on-the-job training, and a two-week orientation training session at the Police Academy.

(b) *Jail and Property*—Presently 200 Station Officers (civilians) are working as booking officers in the divisional jails and as property officers in the Property Division. These personnel are required to have a high school diploma, or equivalent, and receive on-the-job training. In addition, Police Cadets are used in conjunction with these station officers in both functions. As funds are available, the program will be expanded to civilianize the entire jail and property functions except for a few police supervisors.

(c) *Parking Control and Traffic Direction*—There are presently 142 Parking Control Checkers and 81 civilian Traffic Control Officers in our Department. These employees receive a two-week course at the Police Academy which includes instruction on the operation of 3-wheeled motorcycles and parking and traffic laws.

(d) *Scientific Investigation*—Currently, 41 positions within the Scientific Investigation Division are civilians. These include Criminalists, Latent Fingerprint Experts and Photographers. The Criminalists are required to have a four-year college degree in chemistry, physics, or a related field. Latent Fingerprint Experts and Photographers must each have a high school diploma and prior full-time paid experience of two and three years respectively. All positions receive additional on-the-job training.

Plans are in the 1972–73 Budget to civilianize 47 of the remaining 58 police officers in this Division.

(5) Police Officer Recruits spend a total of 20 weeks in training before becoming a police officer.

The first 12 weeks are spent on classroom, physical, and firearms training. This includes comprehensive studies in law enforcement, criminal law, self-defense, physical conditioning, and the use of firearms and their safety.

The next four weeks are spent in various field duties. For two of these weeks, the recruit is assigned to a patrol division for on-the-job training. The remaining two weeks of this period are spent either assigned to a detective unit or security functions at the Police Academy.

The final four weeks (The Advance Phase) are again spent in intensive classroom training.

Our civilianization program has met with great success. It has not only increased the number of police officers on the street and the service to the community but has also increased the morale of the officer by taking him from behind a desk or other less police-oriented task and putting him in a position for which he was trained. I strongly encourage more programs of this type.

E. M. DAVIS,
*Chief of Police.*

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DISTRICT OF COLUMBIA,
POLICE DEPARTMENT,
*Washington, D.C., August 31, 1971.*
Hon. BENJAMIN S. ROSENTHAL,
*Congress of the United States, House of Representatives, Washington, D.C.*

DEAR CONGRESSMAN ROSENTHAL: I was very gratified to receive your letter of August 11, 1971, which revealed some insight into legislation you are drafting to provide grants-in-aid for the recruitment, training, and utilization of parapolice personnel. In my judgment, it would appear that your proposal offers substantial benefits to many agencies and would augment existing programs in our effort to contain and reduce crime.

Following are answers to the inquiries contained in your letter:

(1) List types of functions and responsibilities performed by this Department which do not relate directly to the prevention and control of felonious crime.

a. Traffic control.
b. Issuance of parking traffic violation notices.
c. Clerical duties.
d. Radio dispatching.
e. Statistical analysis.
f. Management analysis.
g. Radio-electronic repair.

(2) a. What is the total number of persons employed by this Department and paid out by the Police Department Budget?

| | Actual | Authorized |
|---|---|---|
| 1. Police officers | 4, 994 | 5, 100 |
| ; Civilian personnel | 741 | 787 |
| 3. Police cadets | 215 | 300 |
| 4. School crossing guards | 192 | 225 |
| Total (as of July 31, 1971) | 6, 142 | 6, 412 |

b. How many of these employees, and what percentage of the total police budget, are available routinely for duties directly related to the prevention and control of felonious crime?

Of the total number of uniformed (sworn) personnel, approximately 3,808 are available routinely for duties directly related to the prevention and control of felonious crime. That number does not take into consideration members on day off, annual leave, sick leave, suspended status, etc.

It is estimated that 61% of the funds allocated for the prevention and detection of crime is expended for personnel whose duties are directly related to the prevention and control of felonious crime.

(3) a. Approximate the average number of total manhours spent on duty each week for all those employees who are routinely available for duties directly related to the prevention and control of felonious crime.

Approximately 128,886 manhours.

b. Of this number, state or approximate the average number of total manhours devoted to the performance of duties not directly and routinely related to the prevention and control of felonious crime.

This inquiry cannot be answered with any degree of accuracy. We are unable to ascertain the accumulative time lost by members in performing duties which include preparation of reports and other documents, attendance at various schools, and participation in conferences and meetings, in addition to time spent on such assignments as traffic control and school crossings.

(4) Describe, as to training and numbers, Department programs which approximate the "parapolice" concept.

*Cadet Program:* The authorized strength of the cadet corps is presently set at 300 positions and, as of July 31, 1971, there were 215 cadets on board.

After a cadet is sworn in, he is assigned to one of the organizational elements of the Department, where his instruction consists of on-the-job training. The cadet can be utilized in any assignment within the police department which does not involve a need for exercising the power of arrest or pose a significant danger to the individual. Types of assignments which the cadet could receive involve such duties as school crossings and traffic details, station house clerical duties, assisting in traffic accident investigation, bicycle registration, dog beat surveys, field aide to criminal investigators, parking violation enforcement, radio dispatching, abandoned auto impoundment and police service for rush-hour cranes.

In addition to the above training, cadets are required to attend classes at either the Washington Technical Institute or the American University during the fall and winter terms as long as they remain in cadet status. These courses are on preparatory school or college level and further the development of the individual for a more effective role as a police officer.

*School Crossing Guard Program:* The authorized strength for crossing guards is 225 and as of July 31, 1971, there were 192 on board.

Training of crossing guards consists of instruction in the following subject areas:

1. Crossing Guard Manual of the Metropolitan Police Department.
2. Traffic Regulations of the District of Columbia.
3. Community Relations.
4. Recognition and activities of sexual deviates in the vicinity of schools (lecture by member of MPD Sex Section).

The training course for crossing guards covers a period of two weeks, the first week of which is confined to classroom instruction, and the second week is utilized in giving the guards on-the-street experience in directing traffic.

(5) Describe briefly the type of training required for the regular policeman who is involved directly with the prevention and control of felonious crime.

New recruits are required to satisfactorily complete an eighteen-week training course at the Department's new Police Academy and Training School which is equipped with an indoor swimming pool, pistol range, and gymnasium, in addition to the classrooms and administrative offices.

The recruit receives instruction in the subjects listed below:

1. Manual of the Metropolitan Police Department.
2. District of Columbia Code.
3. District of Columbia Traffic Regulations.
4. District of Columbia Police Regulations.
5. Rules of Evidence.
6. First Aid.
7. Driver training (scout car).
8. Physical fitness, including techniques of life saving (swimming) and self-defense tactics.
9. Community relations, including a course on the "Emerging Role of the Professional Police Officer in Contemporary Society."
10. Use of the service revolver.

In addition, the new officer is detailed for a period of time to one of the patrol districts where he receives on-the-job training and orientation for his eventual assignment as a graduate police officer.

The training outlined above is augmented by periodic in-service training schools and by one-hour each week training sessions.

I am hopeful that the foregoing information meets your needs and proves to be of value in the formulation of the legislation you are considering. If you find that you need additional information please let me know how I can be of assistance.

Thank you for your interest and support of law enforcement matters.

Sincerely yours,

JERRY V. WILSON,
*Chief of Police.*

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METROPOLITAN POLICE DEPARTMENT,
*St. Louis, Mo., August 20, 1971.*

Hon. BENJAMIN S. ROSENTHAL,
*Member of Congress,*
*Rayburn Building,*
*Washington, D.C.*

DEAR SIR: In reply to your request for information regarding the possible utilization of "Parapolice" personnel, the following data is submitted for your intent and purposes.

1. The following list, although not all inclusive, illustrates functions and responsibilities performed by our Department which do not relate directly to the prevention and control of felonious crime:

a. Emergency ambulance runs for victims of accidents and crime related incidents.

b. Administration and control of towed vehicles (including derelict and abandoned autos).

c. General traffic control in the downtown business district.

d. Police service to state and local offices.

e. License application investigation for various business, (e.g., liquor establishments, bath house employees, etc.).

f. Security of prisoners at hospitals.

g. Sanitation complaints (e.g., rubbish, weeds, etc.).

2. a. We have 2,809 persons employed by our Department, all of whom are paid from the Department's budget. This total includes 577 civilian employees.

b. Our present commissioned strength of 2,227 police officers, are routinely available for duties directly related to the prevention and control of crime. (Copies entitled *"Present Commissioned Strength of Department-Authorized District Commissioned Positions"* are furnished for your study.) Approximately 57% of the total budget is used in salaries for these officers.

3. a. Our Department employees, both civilian and commissioned, are working a scheduled forty (40) hour week.

b. Statistics are not available at this time to enable us to answer this complex question. However, this Department realizing the need for efficient utilization of manpower, conducted an experiment under the office of Law Enforcement Grant #39, July 1966, and a copy of the final report entitled *"Allocation of Patrol Manpower Resources in the Saint Louis Police Department"* is enclosed for your reference. Since that time this program serves as our basic patrol plan. This report gives a comprehensive insight into the number and type of calls for service processed by this Department.

4. The following is a list of programs that have been implemented by our Department, which seem to approximate your "Parapolice" concept.

a. Police Cadet Program. At present we have fifty-three (53) cadets in the program.

b. Citizens Police Reserve Program. We have eighty-six (86) currently enrolled in this program.

c. Complaint Evaluation Program. Nineteen (19) officers are assigned to this unit. (Copy of Manual enclosed)

d. St. Louis Detoxification and Diagnostic Evaluation Center. Administrated and staffed by the Missouri Division of Mental Diseases.

e. Meter Maid Program. This program is administrated and staffed by the City of St. Louis Treasurer's Office.

Find enclosed literature describing the functions and training of each of the aforementioned Programs.

5. An enclosed copy entitled *"Greater St. Louis Police Academy—Basic Police Training Program"* describes the training required by our officers. Since the described programs, implemented by the Board of Police Commissioners of the City of St. Louis parallels your thinking in this matter, we would certainly endorse the concept that you propose to introduce as legislation in Congress.

I hope that this material will be beneficial to your study, and if I can be of any further assistance please do not hesitate to contact this Department.

Very truly yours,

ROBERT W. MATTESON,
*Lieutenant Colonel,*
*Acting Chief of Police.*

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THE CITY OF SEATTLE,
DEPARTMENT OF POLICE,
*Seattle, Wash., August 24, 1971.*

Hon. BENJAMIN S. ROSENTHAL,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. ROSENTHAL: The answers to your questions about the Seattle Police Department are as follows:

1. Functions and responsibilities performed by Seattle Police Officers which do not relate directly to the prevention and control of felonious crime within the community. *Security Unit*—aids business by suggesting anti-crime procedures, dance hall supervision, juvenile services—runaway cases, traffic safety education, traffic warrant service, accident investigation, parking enforcement, public information, human relations, program development, industrial relations, recovery and followup on found bicycles, gun licenses.

Functions and responsibilities performed by Seattle Police Officers within the Department: Internal investigations of complaints against police officers; administrative assistants to the Chief and Assistant Chiefs; Police Academy and in-service training; Inspections—(include staff inspections, procedure evaluations, safety inspections); recruiting, police examinations; research and development of new procedures and equipment; supervision of the city jail; police radio dispatchers; supervision of data processing; Crime Lab photographers, polygraph examiners and document examiner; supervision of Information Division; supervision of Information Division; supervision of Court Unit.

2a. Total number of persons employed by the Seattle Police Department and paid out of the budget:

1,528 (actual)
1,597 (authorized)
Source—1970 Statistical Report

b. 65.74% (approximate) of the total police budget was used in 1970 for the direct prevention and control of felonious crime. The total operating budget for 1970 was $18,260,405.

Source: 1970 Statistical Report and 1970 Budget Appropriations

3a. 917 employees are available routinely for duties directly related to the prevention and control of felonious crime:

537 Officers in Patrol Division
95 Officers in Special Patrol Operations
81 Officers in Traffic Division
214 Detectives

b. Patrol Division (537 men) expends 8,117 manhours (approximately) weekly on the prevention and control of felonious crime.

4. The Seattle Police Department does not have a parapolice program as such. However, Seattle does have a police cadet program. Cadets, age 18–21, wear special uniforms, are non-sworn, and are rotated throughout the Department performing various administrative paperwork jobs. When cadets reach age 21, they compete in the Police Officer Civil Service Exam. There are 31 Police Cadets at present.

Seattle has meter-maids who work for the

City Treasurer's office and who write overtime parking tickets. They may not impound cars and have no police power.

The Seattle Police Department has 278 civilian personnel working a wide range of job titles, such as accountant, clerk, criminalist, warehouseman.

The Seattle Police Department has two new programs that approach the parapolice concept. The College Summer Officer and the Community Service Officer. The College Summer Officers, twenty in number, are nonsworn personnel employed for twelve weeks and intended as full-time replacements for vacationing patrol officers. These college students were hired to ride as the second man in 2-man patrol cars.

The Community Service Officers are nonsworn personnel who wear blazers with a special patch. They are assigned to patrol a specific area of the city to look for hazards, check on sick persons, secure premises, etc. 45 Community Service Officers are programmed. As yet, none have been hired.

In addition, the Seattle Police Department has Custody Officers in the Jail, Dispatchers and emergency phone answerers in the Communications Division, all employed in nonsworn status.

To summarize, many tasks not related *directly* to the control of felonious crime are best performed by either sworn personnel (experienced), or, in some cases, by a 50–50 mix of sworn and civilian specialists. We have attempted to examine these supporting tasks on a function-by-function basis to determine the necessary qualifications and background.

5. Seattle Police Officers are required to attend the Police Academy for twenty-one weeks. Some college credit is given. The classes are organized as follows:

| | *Hours* |
|---|---|
| (1) Administration | 96 |
| (2) Basic Skills | 355 |
| (3) Community Relations | 112 |
| (4) Law | 59 |
| (5) Outside Agencies | 40 |
| (6) Practical Application | 178 |
| Total | 840 |

For a further breakdown of class subjects, see the enclosure on the Seattle Police Academy for Class #67.

Also enclosed are copies of the Seattle Police Department's 1970 Statistical Report and 1970 Annual Report.

Very truly yours,
GEORGE P. TIELSCH,
*Chief of Police.*
Captain C. R. CONNERY,
*Research and Development Division.*

## THE HEALTH MAINTENANCE ORGANIZATION ACT OF 1971

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Kansas (Mr. ROY), is recognized for 20 minutes.

Mr. ROY. Mr. Speaker, today I join with seven of my distinguished colleagues from the Interstate and Foreign Commerce Subcommittee on Public Health and Environment, Mr. ROGERS, Mr. KYROS, Mr. PREYER of North Carolina, Mr. SYMINGTON, Mr. NELSEN, Mr. CARTER, and Mr. HASTINGS, in introducing the Health Maintenance Organization Act of 1971. This is a major proposal, as it will effect significant changes in our third-largest industry. It has important implications for every American. In such instance, it deserves close scrutiny and careful consideration—by our subcommittee to which it will be referred, by this entire House, by those associated with the health care industry, and by the American people.

My colleagues and I, of course, are eager for this scrutiny and consideration and plan to participate fully in it. For only with the active participation of everyone involved and affected, will the legislation, as it finally emerges, be of the high quality necessary to solve the complex problems to which it is addressed.

It is in anticipation of such consideration, then, that I make the following remarks, well aware that they serve not as a summary or conclusion but as a preface.

This Nation is today faced with problems of major proportions in its health care industry. This is the central theme of all that I will say this afternoon, and it must be the basic background for consideration of the Health Maintenance Organization Act. But for these urgent problems, we might act differently or not at all, we might deliberate more slowly or not at all, we might even choose to address different problems or different questions. But the problems are both major and urgent. To set the stage for an explanation of what an HMO is and what benefits are to be derived from the establishment of HMO's, I would like to begin by describing these problems.

Basically there are three problems which together define this crisis. The three elements are to an extent interrelated, but for the purposes of this analysis, I should like to discuss them separately. The three basic problems, then, are: First, the shortage and inappropriate nature of health care services; second, the escalating costs of health care services; and third, the variable quality of health care services.

### THE SHORTAGE AND INAPPROPRIATE NATURE OF HEALTH CARE SERVICES

This problem focuses on the inability of American people to receive care where they need it, when they need it, and how they need it. This problem can best be discussed if subdivided into three distinguishable, subareas: First, availability; second, accessibility; and third, continuity.

(a) Availability. The problem of availability of health care is essentially one of manpower and facilities. In its simplest terms, it means that there are men, women and children for whom doctors and nurses, clinics and hospitals, simply do not exist. This problem is best described, given the present delivery system, in terms of doctor to population ratios. The national average physician to population ratio is 150 to 100,000. This is the number once cited by a Surgeon General as that necessary to protect the health of the people. But in many areas of our Nation, mostly in inner-city and rural areas, there are far fewer than 150 physicians per 100,000 people. In the Kenwood area of Chicago, for example, there are five physicians per 100,000 people. And in the South Bronx in New York City, in East Los Angeles, and in central St. Louis, the ratios are less than 50 to 100,000. In the rural areas similar situations prevail. In all of Kansas there are only 108 physicians per 100,000 population. In one five-county area, this decreases to less than 45 to 100,000. In Mississippi the figures are 88 to 100,000, with certain areas decreasing to less than 20 to 100,000. The facts are then quite clear—health care is simply not available to many Americans

(b) Accessibility. The problem of accessibility is one step beyond that of availability. Health care may be available, that is the doctors, nurses, clinics, and hospitals may exist, but they be so poorly located and managed that those that need the services are unable to receive them. Such factors as the lack of public transit systems, the threat to personal security, language barriers, and inconvenient hours of operation, all impinge on accessibility of health care. These factors may, in fact, make care that is theoretically available, in reality, in real human terms, unaccessible to those who need it most.

(c) Continuity. The problem of continuity of health care is yet one more step beyond that of accessibility. Care may be available and accessible, but over a period of time, discontinuous. This means that the single patient may not be treated as a single person with a continuing or variety of health problems, but may become in the eye of the provider, and even himself, not a single patient, but a mere multiplicity of health problems, each one unrelated to any previous or simultaneous other. The implications for this for the individual patient are enormous. The health care system may become a maze—a maze without meaning—one filled only with different people, institutions, and facilities, too often indifferent to the real personality, the real humanness of the patient.

The question must, then, be why. Why does our health care system have problems with availability, accessibility, and continuity? The answer must be one of responsibility—for no one, no group, no agency, no individual in our society today is responsible for assuring that health care is delivered to our people. No one is responsible for securing doctors for our rural and inner-city populations. No one is responsible for assuring that services—doctors, nurses, clinics and hospitals—are located, operated, and supported by other social services in such a manner that all of those that need health care can receive it. And too often no one is responsible for assuring that the individual patient is approached and managed as an individual person, with a history and a personality, not merely a discontinuous, unrelated number of physical problems.

### THE ESCALATING COSTS OF HEALTH CARE SERVICES

Over the past two decades, the cost of health care has increased dramatically. Health spending today totals $67.2 billion, five times the spending of 20 years ago. As a percentage of gross national product, health costs have increased from 4.6 percent in 1950, to 7 percent of the GNP in 1970. This increased aggregate expense means, of course, increased expenses for the individual. In 1950, the average personal health bill was $79; in 1970, this had risen to $324. This growth represents an average increase of 7.3 percent per year. During this same period, the average increase in wage levels was only 4.3 percent per year. The cost to the Federal Government for the provision of health care has also greatly increased during this period. The cost, for instance, of hospital insurance for medicare beneficiaries, for fiscal year 1971 increased from a 1965 estimate of $2.9 billion, to an actual $5.5 billion. The hospital insurance trust fund for medicare now has an estimated 25-year deficit of $242 billion. The cost of care to medicaid beneficiaries has increased from $1.3 billion in 1965 to $6.8 billion in 1972.

Rapidly increasing prices for health care must result from certain factors. Basically, two factors seem most responsible. The first, and most important, is the limited supply in the current health care system which has recently been confronted by expanding financing mechanisms. Indeed, of the total increase in health care costs, $47.5 billion, over 47 percent, is attributable to an increase in prices, with only 17 percent a result of population growth, and 36 percent due to increased use of health services and the introduction of new medical techniques. That is a result of the fact that when the dollars to purchase health care exceed the services available for purchase, the price of services may, as predicted by classic market theory, serve to some extent, to ratio the delivery of those services in favor of those with greater financial resources. This is a model inflationary situation, and in the future can be expected to continue, unless the supply is increased, or the financing of care is decreased. Since the demand for Federal financing—fueled by the recent inflation—will increase rather than decrease in the foreseeable future—the question of increased resources must prevail. This, then, leads to the second factor in the increased price of health care; that is, the uncontrolled, disorganized nature of the current health financing mechanism. The system is uncontrolled in that the major purchasers of health care—the third-party indemnity insurance plans and the Federal Government—have traditionally paid for services without exercising any cost review or control. They have simply been a pass-through mechanism, taking dollars from a first source, the consumer—providing them to a second source, the provider—with only minimal involvement on the part of the so-called third party. The system is unorganized in that there is no basis for the rational distribution or use of scarce and expensive manpower and facilities. In such instances, services and facilities are duplicated, are used inefficiently in that more expensive individuals and facilities are often used when less expensive ones would be sufficient, and the introduction of new management and cost saving techniques have been delayed.

The question must again be why. Why has the health care system witnessed an increase in a cost of care? Why does the health care system remain inflationary and inefficient? The answer must be incentives. There is not an individual, or group, or corporation, or governmental agency in our society that is responsible for controlling health care costs. Instead, the more services a provider's patient uses, the more it is paid. And those who pay, primarily third-party indemnity insurance, the more they pay, the more they charge their customers. Without incentives, the system remains inflationary and inefficient.

### THE PROBLEM WITH QUALITY CARE

There can be no doubt that the quality of health care delivered in the United States today varies widely. It is incontestable that, at best, our medical care system provides the highest quality of care in the world. Most of our community physicians and hospitals provide care of high quality. But some physicians and facilities provide care of less than optimal quality. Peer review studies and medical audits have indicated serious deficiencies in quality of care in some instances and areas.

Again, the question is why. Why does the quality vary, why does the incidence of a variety of treatments vary? The answer must be that the care system in the United States is not structured to assure quality. Specifically, two elements are involved. The first is quality assessment. Quality assessment is a process through which medical care is measured. But in most areas of the United States there is no locus for the assessment of either health care process or outcomes. While peer review of process has been established in some areas, notably California, it is too often minimal or absent altogether. Review of outcomes of health care, that is the effect of the health care process on the health of the consumers, is virtually lacking altogether. As a result of the lack of quality assessment, both of process and outcomes, there is little knowledge of the quality of care provided on the part of either an individual or group of health providers.

This implies the second feature of quality assurance, quality achievement. That is, the process by which shortcomings measured in the quality assessment process are rectified by such means as continuing education, administrative, or manpower changes. It is evident that if assessment without achievement is futile, achievement without assessment is impossible. Therefore, the minimal to absence of quality assessment has major implications for quality achievement.

In sum, the health care provided to Americans is of varying quality. This variance in quality is due to the lack of commitment to quality assurance procedures.

Mr. Speaker, if these are the problems with the health care system, how does the Health Maintenance Organization Act propose to solve them? At this time I should like to discuss this legislation in terms of the three problem areas presented above.

### THE SHORTAGE AND INAPPROPRIATE NATURE OF HEALTH CARE SERVICES

The problem of the shortage and inappropriate nature of health care is the single problem most explicitly addressed by an HMO. This is because an HMO is a health delivery system. That is, an HMO, in addition to accepting payment for health care, assumes responsibility for actually providing health care services to its members. This is the major difference between an HMO and traditional indemnity health insurance such as Blue Cross/Blue Shield and Aetna. Indemnity insurance pays for health care if it can be found; an HMO provides the services itself. Since it controls the delivery mechanism itself, an HMO, unlike indemnity insurance, is in a position to guarantee the availability, accessibility, and continuity of care.

An HMO deals explicitly with the problems of availability, accessibility, and continuity of care. Availability: since an HMO is a health delivery organization, it can assure the availability of care above all. That is, it can insure that adequate numbers of doctors and outpatient and inpatient facilities are available to provide care to its members. The management of an HMO must place primary importance on planning and insuring the availability of care, since without care, an HMO cannot operate. The availability of care is the sine qua non of an HMO. Accessibility: an HMO, because it has both a defined membership and control over provision of care, can be concerned with the problem of accessibility of care. The HMO can study utilization patterns, and survey its members to determine what deficiencies exist and what changes in services or conveniences are necessary to insure easy accessibility of the health care to all of its members. Continuity: the problem of continuity of care can be addressed by an HMO because of the defined interrelationships between providers and agencies in the HMO system. This means that active responsibility can be assumed for insuring that all the various parts which make up the rational health system focus on the patient, and treat each patient as human, not as a disease manifestation.

The legislation which has been introduced today deals with the problem of the shortage and inappropriate nature of health care by insuring that the HMO is both responsible and accountable for the availability, accessibility and continuity of care. A variety of legislative techniques are used.

An initial requirement is that an HMO deliver comprehensive services, including at a minimum physicians' services, including consultant and referral services; inpatient and outpatient hospital services; extended care facility services; home health services; diagnostic laboratory and diagnostic and therapeutic radiologic services; rehabilitation services, including physical therapy; preventive health services; emergency health services; out-of-area emergency health services; and such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health. This requirement means that virtually all, not just some, health care services that a patient may need will be available and accessible.

The second requirement is that an HMO must be responsible for the delivery of care. An HMO must "demonstrate to the satisfaction of the Secretary, proof of ability to assure that comprehensive health care services are available and accessible to all its members promptly and appropriately." This means that an HMO must, as a major condition of its formation and existence, be concerned about how, where, and when its members will receive care.

A third requirement is that an HMO must provide services as appropriate 24 hours a day, 7 days a week. While this does not mean that an HMO must provide all services at all hours, it does mean that an HMO must confront the problem of accessibility directly. It must provide services in a manner convenient to its members.

The legislation finally requires that care be provided "in a manner which assures continuity." Thus, the HMO is further required to be actively concerned that the care its members receive is continuous—this means the HMO, not the patient, is responsible for ordering for every patient the maze that various physicians, laboratories, and institutions represent to the patient. In many instances, this requirement of continuity of care will mean that a "managing or personal physician"—one responsible for ordering, following, and explaining the patient's progress through the various health delivery entities—will be chosen by each member.

The language of the bill thus requires that an HMO be responsible for making health services available and accessible to its members.

But, mandating responsibility is not adequate to assure that services will actually be available, accessible, and have continuity. For an HMO may find it inconvenient or difficult to provide care that is available, accessible and continuous, and Federal surveillance of these provisions may be less than perfect. For this reason, two provisions of the bill require that an HMO be accountable to its members.

The first provision states that the HMO must be "organized in accordance with the regulations of the Secretary in such a manner that assures its members a meaningful role in the making of policy for the health maintenance organization." This statement means that, without prescribing any single model, members are to be involved in the decisionmaking process of the HMO. This requirement is especially relevant to questions of availability, accessibility, and continuity, for while consumers may not have the background and sophistication to address problems of quality of care, which should and must, therefore, be left primarily to professionals, they can certainly consider and insist upon availability, accessibility, and continuity of care. These factors are, after all, problems that confront consumers, not providers.

The second manner in which the HMO is required to be accountable is that it must develop data on "the availability, accessibility, and acceptability of its services." Further, once this data is developed, it "shall be disclosed to its members and to the general public at least annually." Here the basic analysis is that information, especially information in the public sector, demands response. If the HMO knows, as a result of a membership survey or other data generating techniques, that it is not meeting members' expectations with respect to availability, accessibility, and continuity of care, and is further aware that consumers occupying the "meaningful role" in the decisionmaking process have this information, it may be anticipated that appropriate adjustments will be made.

In summary, then, an HMO described by this act must be both responsible and accountable for making comprehensive health services available, accessibly, and continuous.

### THE ESCALATING COSTS OF HEALTH CARE SERVICES

In dealing with the problem of rapidly escalating costs, the HMO derives a basic advantage from its structure as a defined and limited financial system. That means that the HMO has a limited membership who pay predetermined sums of money to a specific provider group who are obligated to deliver a specified set of comprehensive health services. The defined nature of this system thus allows careful cost analysis of all income and expenditures of the HMO. This occurs because, first, the income for the HMO is fixed, more dollars cannot be generated after the members' premiums or "dues" are set; and second, the source of expenses are identified and controlled. Thus, fixed income provides an HMO with the incentive to limit its expenses, and identifiable and controllable outgo allow the HMO to analyze its operation and implement all possible economies and efficiencies. For these two reasons, then, HMO's have a solid record for economies of many kinds—managerial, integrational, scalar, motivational—and for implementing efficiencies in such areas as duplication of facilities, inappropriate use of highly trained and expensive physicians, and implementation of new costsaving technologies.

The bill we have introduced today deals with the cost problem by requiring an HMO to "assume full financial risk on a prospective basis with provisions of the comprehensive health services, except for first, catastrophic health services, and second, out-of-area emergency services." This means that the HMO will be a closed financial system for over 90 percent of the services provided to its members. In this case, the HMO will be required to have control over its own financial arrangements, and will not be, as third-party insurance so often is, at the financial mercy of other individuals and institutions to determine its costs.

Two further legislative provisions are important. First, an HMO must keep accurate records of its costs and make full disclosure to the Secretary and its members at least annually. Again, as with the problem of availability, accessibility and continuity, this accountability should serve as an influence to keep the HMO functioning at optimal efficiency, since the disclosure of abnormal or excessive operating costs should prompt those members in meaningful roles to ask penetrating questions concerning the fiscal operation of the HMO.

Second, the HMO must be able to demonstrate financial responsibility through proof of adequate provision against the risk of insolvency. In many instances today, HMO's have been forced to demonstrate financial responsibility and capital reserves of the same extent and manner as indemnity-type insurance corporations. This is, of course, unfair and unnecessary. However, an HMO should be able to demonstrate in a manner appropriate to an operating organization that the members can be assured of continued operation and actual availability of services during the period of time covered by premiums.

A final comment is warranted with reference to the inflationary status of the health care industry today. While a single HMO may contribute only marginally to the alleviation of inflation in this industry, a national HMO strategy may well serve this purpose extremely well. This is because the more efficient use of health services by hundreds of HMO's would, in effect, increase the total health care resources of this country. If this country were then to have effective additional resources, additional financing might well be absorbed and result, as desired, in the additional appropriate delivery of services rather, than has been the sad experience to date, merely in the delivery of the same amounts of services at a higher cost.

### THE PROBLEM WITH QUALITY OF CARE

The problem with quality of health care is a difficult one. In the current health care system, there are, short of malpractice suits, virtually no quality regulation or monitoring devices. With respect to an HMO, this void is not acceptable for two reasons. First, it is, no longer acceptable in the general medical community; it now appears likely that a nationwide quality monitoring system will be mandated with the establishment of professional standard review organizations as an aspect of title XVIII reimbursement. Second, an HMO, with its fixed budget, has an incentive for underutilization of services. That is, since the number of dollars in the system are fixed, the provider group stands in a position to receive bonus dollars at the end of the year if services are not rendered. In most instances it is anticipated that the services not rendered are of an unnecessary nature. However, this tendency may be projected along a continuum to underutilization of so-called "necessary" services. This tendency, therefore, must be checked by organizational arrangements to assure that all appropriate necessary care is in fact delivered to its members.

As previously discussed, there are two ways to assure quality of care. These are quality assessment and quality achievement. Further, there are two ways to assess quality of care. The first is to monitor outcomes and the second is to monitor process. The current state of the art in outcomes review is such that it is only minimally possible to measure outcomes, that is, the real effect of the health service system on the health of its members. In this case, outcomes monitoring, while desirable, is impossible to mandate. Process monitoring, then, becomes the most reliable quality standard that we have; that is, the evaluation by physicians of the activities, treatments, and diagnoses made by their colleagues. The HMO is in a position to actively and constantly assess the quality of care provided. This occurs because the HMO is a closed system. It can thus define and study the health of its members and has available and can review the records of treatment received by its members. It can thus do both process and outcomes monitoring of a high standard.

An HMO is also in a position to achieve quality of care, for it has a defined, control provider group. It can therefore identify deficiencies in care, modalities, and implement improvements. Again, the defined nature of an HMO is important.

The legislation introduced today deals with the problem of quality assurance in three ways. First, it requires an HMO to have organizational arrangements for an ongoing quality assurance program which stresses health services process and outcomes. The importance of the phrase "organizational arrangements" is that an HMO must have a locus of concern about quality. That is, it must have a person or group, an office or committee, whose concern it is to watch the remainder of the organization and insure that all care provided is of high quality. It is anticipated that this arrangement will, at the current time, deal mostly with process review, by so-called peer review. But these "organizational arrangements" are to be flexible and at such time as more sophisticated outcomes monitoring techniques are perfected, it is anticipated that those responsible for quality assurance in an HMO will advocate that the HMO develop newer, more sophisticated outcome techniques.

The second manner in which the legislation deals with quality is with respect to quality achievement. For the definition of a group requires an HMO to arrange for and encourage the continuing education of its members in the field of clinical medicine and related areas. Thus deficiencies detected in quality assessment can be remedied through education. This is quality achievement.

The third way in which this legislation assures that an HMO will provide high quality of care is contained in the disclosure provisions. For although members' input is appropriately minimal in this area, the HMO will, in fact, be required to develop and publish information about patterns of utilization and the effects of its services on the health of its members. Again, one anticipates that if the data so generated in any HMO are excessively negatively deviant from those gathered by other HMO's, the members in "meaningful roles" in the decision-making process, will ask appropriate questions.

In sum, then, an HMO will provide quality of care because it is an organized closed system with organizational arrangements concerned with assessment of and achievement of quality of care.

In conclusion, let me say that my colleagues and I realize that this legislation which we have introduced today is not a panacea for all the problems which beset our health system today, for that system is intricate, and its problems are complex. The resolution of the health crisis will require major improvement in many areas: First, manpower; second, facilities; third, biomedical knowledge; fourth, financing; and fifth, organization.

Let me say, however, that this proposal is important, and may, in fact, even be the sine qua non of the resolution of the health crisis. For without a reorganization of our health care delivery system, manpower will continue to be maldistributed and inappropriately employed, facilities will remain poorly located and inefficiently managed, knowledge will fail to affect those who need it most, and additional financing will be inflationary.

Mr. Speaker, the bill and a section-by section analysis follows:

### H.R. 11728

A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Health Maintenance Organization Act of 1971".

SEC. 2. (a) The Congress finds that—

(1) there is a serious insufficiency and maldistribution of health care resources which has resulted in limited access to health care in rural areas and certain residential areas within cities;

(2) the present health care system is not organized in a manner which encourages the efficient and economical provision of health care;

(3) the present health care system is oriented toward providing care to those manifesting disease, rather than toward providing preventive services and maintaining good health;

(4) the establishment of health maintenance organizations will aid in alleviating the maldistribution of health care resources, in providing health care in an efficient and economical manner, and in reorienting the health system toward preventive services; and

(5) there is a need to provide technical assistance and resources to individuals and groups, including health professions schools, undertaking the planning, development, and initial operation of health maintenance organizations.

(b) The purpose of this Act is to assist in improving the system for the delivery of health care through encouragement of and support for the planning, development, and initial operation of health maintenance organizations, particularly with the intent of improving the health of populations in medically underserved areas.

SEC. 3. The Public Health Service Act is amended by inserting after title X the following new title:

### "TITLE XI—HEALTH MAINTENANCE ORGANIZATIONS

#### "DEFINITIONS

"SEC. 1101. For purposes of this title:

"(1) The term 'health maintenance organization' means a public or nonprofit private entity which—

"(A) provides, as a minimum for all its members, comprehensive health services, directly or indirectly, through a medical group or groups and other health delivery entities, for a payment which (i) is to be paid on a periodic basis without regard to the dates health services (within the comprehensive health services) are provided; (ii) is fixed without regard to the extent or kind of health service (within the comprehensive health services) actually furnished; (iii) is uniform for all its members, except for persons entitled to benefits under titles XVIII and XIX of the Social Security Act, and such other variations as the Secretary may by regulation authorize; and (iv) may be supplemented by such additional nominal payments which may be required for the provision of specific services (within the comprehensive health services) and which are to be fixed in accordance with the regulations of the Secretary;

"(B) may provide services in addition to the comprehensive health services for payments fixed in accordance with regulations of the Secretary;

"(C) demonstrates to the satisfaction of the Secretary proof of ability to assure that comprehensive health services are available and accessible to all its members promptly and appropriately, and in a manner which assures continuity;

"(D) demonstrates to the satisfaction of of the Secretary financial responsibility through proof of adequate provision against the risk of insolvency;

"(E) is organized in such a manner (as prescribed by regulations of the Secretary) that assures its members a meaningful role in the making of policy for the health maintenance organization, and provides meaningful procedures for hearing and resolving grievances (i) between its members and the health maintenance organization (including the medical group or groups and other health delivery entities providing health services) and (ii) between the medical group or groups providing health services and other employees and the health maintenance organization;

"(F) encourages and actively provides for its members (i) health education services, and (ii) education in the appropriate use of health services;

"(G) has organizational arrangements, established in accordance with regulations of the Secretary, for an ongoing quality assurance program which stresses both health services processes and outcomes; and assures that health services provided meet quality standards established in accordance with regulations of the Secretary;

"(H) provides in accordance with regulations of the Secretary an effective procedure for developing, compiling, evaluating, and reporting to the Secretary, data (which the Secretary shall publish and disseminate on a periodic basis) relating to (i) the cost of its operations, (ii) the patterns of utilization of its services, (iii) the availability, accessibility, and acceptability of its services, (iv) the effects of its services on the health of its members, and (v) such other matters as the Secretary may require, and discloses, at least annually and in a manner acceptable to the Secretary, such data to its members and to the general public;

"(I) assumes full financial risk on a prospective basis for the provision of the comprehensive health services, except for (i) catastrophic health services, and (ii) out-of-area emergency services;

"(J) has an open enrollment period (of not less than thirty days) at least every year during which it accepts, up to the limits of its capacity and without restrictions, except as may be authorized by regulations of the Secretary, individuals in the order in which they apply for enrollment (unless to do so would result in failure to meet any requirement pertaining to the number of characteristics of its enrollees imposed under the Social Security Act as a condition of eligibility for payments under title XVIII of such Act);

"(K) provides, in accordance with regulations of the Secretary, health care services to its members twenty-four hours a day, seven days a week, as may be appropriate;

"(L) to the extent practicable, and in accordance with regulations which the Secretary shall prescribe, provides emergency health services to individuals residing within the area served by the entity; and

"(M) meets such other criteria for its organization and operations as the Secretary may by regulation prescribe.

"(2) The term 'comprehensive health services' means (A) physician services (including consultant and referral services); (B) inpatient and outpatient hospital services; (C) extended care facility services; (D) home health services; (E) diagnostic laboratory and diagnostic and therapeutic radiologic services; (F) rehabilitation services (including physical therapy); (G) preventive health services; (H) emergency health services; (I) out-of-area emergency health services; and (J) such other personal health services as the Secretary may determine are necessary to insure the protection, maintenance, and support of human health.

"(3) The term 'medical group' means a partnership or other association or group of persons who are licensed to practice medicine, osteopathy, or dentistry in a State and who (except for exceptions that the Secretary may allow in the initial three years of operation) (A) as their principal professional activity and as a group responsibility, engage in the coordinated practice of their profession; (B) pool their income from practice as members of the group and distribute it among themselves according to a prearranged plan, or enter into an employment arrangement with a health maintenance organization for the provision of their services; (C) share medical and other records, and substantial portions of major equipment and professional, technical, and administrative staff; (D) utilize within the group such additional professional, allied health professional, and other health personnel (as specified in the regulations of the Secretary) as are needed to provide comprehensive health services; and (E) arrange for and encourage the continuing education of their members in the field of clinical medicine and related areas.

"(4) The term 'member' when used in connection with a health maintenance organization means an individual who has entered into a contractual arrangement, or on whose behalf a contractual arrangement has been entered into, with the organization under which the organiziation assumes the responsibility for the provision of comprehensive health services and additional health services to such individual, as defined by the regulations of the Secretary.

"(5) The term 'medically underserved area' means an urban or rural area or population group designated by the Secretary as an area or population group with a shortage of personal health services. Such a designation may be made by the Secretary only after consideration of the comments (if any) of (A) each State comprehensive health planning agency designated pursuant to section 314(a) of this Act, covering (in whole or in part) such area, and (B) each area-wide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering (in whole or in part) such area.

"(6) The terms 'construction' and 'cost of construction' include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land (except in the case of acquisition of an existing building), and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered with assistance under this title.

"(7) The term 'catastrophic health services' means those comprehensive health services delivered to a member within any twelve month period after that member has previously received, during the same twelve month period, comprehensive health services valued at $5,000.

"GRANTS FOR PLANNING AND FEASIBILITY STUDIES

"SEC. 1102. (a) The Secretary may make grants, subject to the general provisions of this title, to public or private nonprofit entities, to assist in projects for planning or studying the feasibility of developing or expanding health maintenance organizations. No project may receive more than $250,000 in grants under this section. Funds awarded under such grants shall be available for expenditure by the grantee for such period (not to exceed one year from the date of award) designated by the Secretary. In exceptional circumstances, the Secretary may, with the concurrence of the National Advisory Council on Health Maintenance Organizations, award a second grant under this section for one project.

"(b) The Secretary, in making grants under this section, shall give priority to those entities which demonstrate that assistance and consultation in the planning or feasibility study will be provided by individuals and organizations with previous experience and expertise in the health maintenance organization field.

"(c) In making grants under this section, the Secretary shall insure that the grantees shall, in the aggregate, be reasonably expected to enroll at least 40 per centum of their total anticipated members from medically underserved areas, irrespective of the number of members from a medically underserved area anticipated by any single entity.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"GRANTS FOR INITIAL DEVELOPMENT COSTS

"SEC. 1103. (a) The Secretary may make grants, subject to the general provisions of this title, to any public or private nonprofit entity to assist it in meeting the costs involved in a project for the initial development or expansion (prior to its first day of operation) of a health maintenance organization. No project may receive more than $1,000,000 in grants under this section. In exceptional circumstances, however, the Secretary may, with the concurrence of the National Advisory Council on Health Maintenance Organizations, award a second grant under this section for one project.

"(b) In making grants under this section, the Secretary shall insure that the grantees shall, in the aggregate, be reasonably expected to enroll at least 40 per centum of their total anticipated members from medically underserved areas, irrespective of the number of members from a medically underserved area anticipated by any single entity.

"(c) Sums awarded under such grant shall be available for expenditure by the grantee for not more than two years, and shall be utilized for such purposes as may be prescribed in regulations of the Secretary, including (but not limited to) (1) implementation of an enrollment campaign; (2) detailed design of and arrangements for the health services to be provided; (3) development of administrative and internal organizational arrangements, including fiscal control and fund accounting procedures and the development of a capital financing program; (4) recruitment of personnel and the conduct of personnel training activities; and (5) payment of architects' and engineers' fees.

"(d) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"CONSTRUCTION GRANTS

"SEC. 1104. (a) The Secretary may make grants, subject to the general provisions of this title, to assist any health maintenance organization, or entity intending to become a health maintenance organization, in meeting the cost of construction of facilities for ambulatory services, or portions of facilities for ambulatory services, to be used by it for the provision of health services to its members who reside in medically underserved areas. The Secretary shall give special consideration to applications for grants for the acquisition or renovation of existing facilities. No grant under this section for any project may exceed 75 per centum of the cost of construction (as determined by the Secretary) of such project. No project may receive more than $2,500,000 in grants under this section. In exceptional circumstances, however, the Secretary may, with the concurrence of the National Advisory Council on Health Maintenance Organizations, award a second grant under this section for one project.

"(b) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"GRANTS FOR INITIAL COSTS OF OPERATION

"SEC. 1105. (a) The Secretary may make grants, subject to the general provisions of this title, to health maintenance organizations to assist them in meeting, for the period prescribed in subsection, (b), a portion of that portion of its initial operating costs (determined under regulations of the Secretary) incurred as a result of its operation in, or expansion into, a medically underserved area.

"(b) Grants under this section for initial costs of operation in a medically underserved area may be made only for the period beginning with the first day of the first month for which such grant is made and ending with the close of three years after such first day; and such grant with respect to any project may not exceed $750,000 or 60 per centum of such costs of operation, whichever is lesser, for the first year after such first day; $500,000 or 40 per centum of such costs, whichever is lesser, for the second year after such first day; and $250,000 or 20 per centum of such costs for the third year after such first day. In exceptional circumstances, however, the Secretary may, with the concurrence of the National Advisory Council on Health Mainteance Organizations, award additional grants to any project under this section, up to a total of $1,000,000 in any year, or a total of $2,500,000 for the three years.

"(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

"CONSTRUCTION LOANS

"SEC. 1106. (a) The Secretary may make loans, subject to the general provisions of this title, to any health maintenance organization, or any entity intending to become a health maintenance organization, to assist it in meeting the cost of construction of facilities for ambulatory services for the provision of health services to its members. The Secretary shall give special consideration to applications for loans for the acquisition or renovation of existing facilities. No loan under this section for any project may exceed 90 per centum of the cost of construction (as determined by the Secretary) of such project. No project may receive more, when added to the funds received by it under section 1104, than $2,500,000 in loans under this section. In exceptional circumstances, however, the Secretary may, with the concurrence of the National Advisory Council on Health Maintenance Organizations, award a second loan under this section for one project.

"(b) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary for use in making loans and other expenditures in the exercise of his functions under this section.

### "LOANS FOR INITIAL COSTS OF OPERATION

"SEC. 1107. (a) The Secretary may make loans, subject to the general provisions of this title, to any health maintenance organization to assist it in meeting, for the period prescribed in subsection (b), a portion of its initial operating costs, determined under regulations of the Secretary.

"(b) Loans under this section for initial costs of operation may be made only for the period beginning with the first day of the first month for which such a loan is made and ending with the close of three years after such first day; and such loans with respect to any project may not exceed, when added to grants provided under section 1105, $750,000 or 60 per centum of such costs of operation, whichever is lesser, for the first year after such first day; $500,000 or 40 per centum, whichever is lesser, when added to grants made under section 1105, for the second year after such first day; and $250,000 or 20 per centum, whichever is lesser, when added to grants made under section 1105, of such costs for the third year after such first day. In exceptional circumstances, however, the Secretary may, with the concurrence of the National Advisory Council on Health Maintenance Organizations, award additional loans to any project under this section up to a total, when added to the grants under section 1105, of $1,000,000 in any year, or a total when added to the grants under section 1105 of $2,500,000 for the three years.

"(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section. Sums so appropriated, together with repayments of loans made under this section and any other receipts in connection with the program under this section, shall be placed in and constitute a revolving fund which shall be available to the Secretary for use in making loans and other expenditures in the exercise of his functions under this section.

### "GENERAL PROVISIONS FOR LOANS

"SEC. 1108. (a) Any loan by the Secretary shall bear interest at a rate comparable to the current rate of interest prevailing with respect to loans which are guaranteed under section 1109. No payment of principal on a loan shall be required for the first two years after such loan is made.

"(b) No such loan may be made unless—

"(1) the Secretary is reasonably satisfied that the applicant therefor will be able to make payments of principal and interest thereon when due, and

"(2) the applicant provide the Secretary with reasonable assurances that there will be available to it such additional funds as may be necessary to complete the project with respect to which such loan is requested.

"(c) Any such loan shall have such security, have such maturity date, be repayable in such installments, and be subject to such other terms and conditions (including provisions for recovery in case of default) as the Secretary determines to be necessary to carry out the purposes of this title while adequately protecting the financial interests of the United States.

"(d) No such loan shall have a term in excess of fifteen years.

"(e) The Secretary may, for good cause, waive any right of recovery which he has by reason of the failure of a public organization to make payment and interest on a loan under this section.

### "LOAN GUARANTEES AND INTEREST SUBSIDIES

"SEC. 1109. (a) In order to assist private nonprofit health maintenance organizations, or private nonprofit entities intending to become health maintenance organizations, to carry out construction projects for facilities for ambulatory services to be used by it for the provision of health services to its members or to meet their initial development costs (for not more than two years) or to meet their initial costs of operation (for not more than three years), the Secretary, during the period beginning January 1, 1972, and ending with the close of June 30, 1974, may, in accordance with the provisions of this section, and subject to the general provisions of this Act, (1) guarantee to non-Federal lenders making loans to such organizations for such purposes, payment of principal of and interest on such loans which are approved under this section, and (2) pay to the holder of such loans (and for and on behalf of the organization which received such loan) amounts sufficient to reduce, but not to exceed, 3 per centum per annum the net effective interest rate otherwise payable on such loan. No loan guarantee or interest subsidy under this section may, except under such special circumstances and under such conditions as are prescribed by regulations, apply to or be made for an amount which, when added to any grant or other loan under this or any other law of the United States, is—

"(1) with respect to any construction, in excess of 90 per centum of the cost of such construction,

"(2) with respect to initial development costs, in excess of 90 per centum of such costs, or

"(3) with respect to initial operating costs, in excess of 90 per centum of such costs.

No such loan guarantee may apply to more than 90 per centum of the loss of principal and interest on the loan.

"(b) The Secretary may not approve the application of a health maintenance organization unless—

"(1) he determines, in the case of a loan for which a guarantee or an interest subsidy payment is sought, that the terms, conditions, maturity, security (if any), and schedule and amounts of repayments with respect to the loan are sufficient to protect the financial interests of the United States and are otherwise reasonable and in accord with regulations, including a determination that the rate of interest does not exceed such per centum per annum on the principal obligation outstanding as the Secretary determines to be reasonable, taking into account the range of interest rates prevailing in the private market for similar loans and the risks assumed by the United States;

"(2) the term of a loan for which a guarantee and interest subsidy is sought does not exceed twenty-five years if for construction, or fifteen years if for operating costs, or such shorter period as the Secretary prescribes: and

"(3) he obtains assurances that the applicant will keep such records, and afford such access thereto, and make such reports, in such form and containing such information, as the Secretary may reasonably require.

"(c) Guarantees of loans and interest subsidy payments under this section shall be subject to such further terms and conditions as the Secretary determines to be necessary to assure that the purposes of this section will be achieved, and, to the extent permitted by subsection (e), any of such terms and conditions may be modified by the Secretary to the extent he determines it to be consistent with the financial interests of the United States.

"(d) In the case of any loan guaranteed under this section, the United States shall be entitled to recover from the applicant the amount of any payments made pursuant to such guarantee unless the Secretary, for good cause, waives his right of recovery, and, upon making any such payment, the United States shall be subrogated to all of the rights of the recipient of the payments with respect to which the guarantee was made.

"(e) Any guarantee of a loan under this section shall be incontestable in the hands of an applicant on whose behalf such guarantee is made, and as to any person who makes or contracts to make a loan to such applicant in reliance thereon, except for fraud or misrepresentation on the part of such applicant or such other person.

"(f) The cumulative total of the principal of the loans outstanding at any time with respect to which guarantees have been issued, or which have been directly made, under this section may not exceed such limitations as may be specified in appropriation Acts.

"(g)(1) There is established in the Treasury a health maintenance organization loan guarantee fund (hereafter in this section referred to as the 'fund') which shall be available to the Secretary without fiscal year the fund from time to time such amounts as may be required to time in appropriation Acts, (A) to enable him to discharge his responsibilities under guarantees issued by him under this section, and (B) to make interest subsidy payments on such loans. There are authorized to be appropriated to the fund from time to time such amounts as may be required for the fund. To the extent authorized from time to time in appropriation Acts there shall be deposited in the fund amounts received by the Secretary as interest payments or repayments of principal on loans and any other money, property, or assets derived by him from his operations under this section, including any moneys derived from the sale of assets.

"(2) If at any time the moneys in the fund are insufficient to enable the Secretary to discharge his responsibilities under this section to meet the obligations under guarantees of loans under subsection (a) or to make interest subsidy payments on such loans, he is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions, as may be prescribed by the Secretary with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act and the purposes for which securities may be issued under that Act are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Secretary from such fund.

### "SPECIAL PROJECT GRANTS AND CONTRACTS

"SEC. 1110. (a) The Secretary may make grants to or contracts with health maintenance organizations to assist them in meeting the costs of special projects to—

"(1) develop, operate, and evaluate programs which (A) substantially involve present professionals in new roles and relationships, or (B) encourage new roles, types, or levels of health personnel;

"(2) develop and institute new and improved health information systems which shall include (A) uniform systems for recording and retrieving diagnostic and therapeutic data, or (B) the transmitting of such data within and between such organizations for the purpose of effective and efficient patient care;

"(3) develop and institute new and improved systems for transporting patients receiving health care services;

"(4) effect significant improvements in programs of health education for the organization members;

"(5) develop and institute innovative programs to educate members with ongoing decisionmaking responsibilities in health maintenance organization management and operation;

"(6) develop, institute, operate, and evaluate programs to periodically screen and assess the level of health of persons obtaining health care from such organizations;

"(7) develop, institute, and evaluate innovative programs of initial medical screening of persons seeking health care; or

"(8) develop and institute methods to assure appropriate levels of care for the convalescent, chronically ill, and aged through predischarge planning, home care, and periodic member evaluations;

"(b) Any grant or contract in this section shall not exceed $1,000,000 in amount and four years in duration. Application for and administration of such grants and contracts shall be according to regulations prescribed by the Secretary. There are authorized to be appropriated such sums as may be necessary for the purposes of making grants and contracts under subsection (a).

"(c) The Secretary may make grants to or contracts with any public or nonprofit private entity to study, initiate, operate, and evaluate projects which deliver, especially in rural areas, comprehensive health services on a prepaid basis and which are not otherwise eligible for grants or assistance under this title. There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this subsection.

### "GRANTS FOR HEALTH MAINTENANCE ORGANIZATION MANAGEMENT TRAINING

"SEC. 1111. (a) The Secretary may make grants to public and nonprofit private educational entities with approved professional training programs in the management and administration of health maintenance organizations to assist them in meeting the costs of providing such training and of fellowships and traineeships. No such program of an educational entity may be approved unless the educational entity has a contractual arrangement with an operational health maintenance organization under which the organization will provide practical training to the fellows and trainees enrolled in such program. Not less than 75 per centum of any grant under this section to any entity shall be used by it for traineeships and fellowships.

"(b) Payments by recipients of grants under this section for (1) traineeships shall be limited to such amounts as the Secretary finds necessary to cover the cost of tuition and fees of, and stipends and allowances (including travel and subsistence expenses and dependency allowances) for, the trainees; and (2) fellowships shall be limited to such amounts as the Secretary finds necessary to cover the cost of advanced study by, and stipends and allowances (including travel and subsistence expenses and dependency allowances) for, the fellows.

"(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

### "GRANTS FOR CLINICAL TRAINING PROVIDED BY HEALTH MAINTENANCE ORGANIZATIONS

"SEC. 1112. (a) The Secretary may make grants to health professions schools which provide clinical training in health maintenance organizations to students and postgraduate trainees and fellows in schools of medicine, osteopathy, nursing, and other health professions. Health professions schools receiving such grants must either (i) operate their own health maintenance organizations, or (ii) have contractual arrangements with operational health maintenance organizations for such clinical training. Priority in giving grants under this section shall go to health professions schools which operate their own health maintenance organizations.

"(b) Such grants may be used to cover the costs to the health professions schools and the health maintenance organizations of providing such clinical training, including (but not limited to) the reasonable costs of program administration, and faculty salaries for health professionals practicing in the health maintenance organizations.

"(c) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

### "PROGRAM EVALUATION

"SEC. 1113. The Secretary shall evaluate (directly or by grant or contract) programs assisted under this title. Such evaluation shall be concerned with the operation of individual health maintenance organizations, with the operation of distinct categories of health maintenance organizations in comparison with each other, with health maintenance organizations as a group in comparison with other health delivery systems or organizations, and with the impact that these organizations, individually, by category, and as a group, have on the health of the public. The results of such evaluations shall be made available to the general public and to the Congress on at least an annual basis. To make such evaluations, there are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

### "GENERAL PROVISIONS

"SEC. 1114. (a) No grant, contract, loan, loan guarantee or interest subsidy may be made under this title unless an application therefor has been submitted to and approved by the Secretary. Such application shall be in such form, submitted in such manner, and contain such information, consistent with subsection (b)(1), as the Secretary shall by regulation prescribe.

"(b)(1) An application for a grant, loan, loan guarantee or interest subsidy under section 1102, 1103, 1104, 1105, 1106, 1107, 1109 shall include in such manner and among such other matters as the Secretary may by regulation prescribe, satisfactory specification of the existing or anticipated (A) population group or groups to be served by the existing or proposed health maintenance organization described in the application, (B) enrollment for such organization, (C) methods, terms, and periods for the enrollment of members, (D) nature and estimated costs per member of the health care and educational services to be provided, (E) sources of professional services, and organizational arrangements for providing health care and educational services, (F) organizational arrangements for an ongoing quality assurance program, (g) sources of prepayment and other forms of payment for the services to be provided, (H) facilities available for and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed, (I) administrative, managerial, and financial arrangements and capabilities of such organization, (J) role for members in the planning and policymaking for such organization, (K) grievance procedures for members, staff, and employees, and (L) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or who would be affected thereby. An organization making multiple applications for assistance under this title simultaneously or over the course of time shall not be required to submit duplicate or redundant information but shall be required to update the description of the existing or proposed health maintenance organization in such manner and with such frequency as the Secretary may by regulation prescribe.

"(2) Upon completion of assistance under section 1102, 1103, 1104, 1105, 1106, 1107, or 1109, the recipient of assistance shall make a full and complete report to the Secretary, in such manner as he may by regulation prescribe. Each such report shall include, among such other matters as the Secretary may by regulation prescribe, descriptions of plans, developments, and operations in those areas enumerated in paragraph (1) for specification in applications for assistance.

"(c) A health maintenance organization receiving assistance under section 1103, 1104, 1105, 1106, 1107, or 1109, shall submit to the Secretary as a condition of its continued assistance, satisfactory assurances, in accordance with such regulations as the Secretary shall prescribe, of, among such other matters as the Secretary may by regulation prescribe, (1) financial responsibility, and (2) development and operation consistent with the terms of this title and the plans contained in such organization's application or applications for assistance.

"(d)(1) An application for a grant under section 1102 or 1103, or for a loan, loan guarantee, or interest subsidy under section 1106, 1107, or 1109, shall contain assurances satisfactory to the Secretary that the applicant will, in accordance with such criteria as the Secretary shall by regulation prescribe, (A) enroll persons who are representative of the various age, social, and income groups in the area to be served by the applicant, and (B) enroll the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve.

"(2) No grant may be made under section 1104 or 1105, and no loan, loan guarantee, or interest subsidy payment may be made under section 1106, 1107, or 1109, unless the applicant demonstrates to the satisfaction of the Secretary that (A) the persons enrolled or to be enrolled with the applicant are (as determined under regulations which the Secretary shall prescribe) representative of the various age, social, and income groups in the area served by the applicant, and (B) the applicant has enrolled, and will maintain an enrollment of, the maximum number of persons that its available and potential resources (as determined under regulations of the Secretary) will enable it to effectively serve.

"(e) No application for a grant, loan, loan guarantee, or interest subsidy under section 1102, 1103, 1104, 1105, 1106, 1107, or 1109 may be approved unless the applicant has provided an opportunity for review of and comment on its application to each State comprehensive health planning agency designated pursuant to section 314(a) of this Act, and to each area-wide comprehensive health planning agency designated pursuant to section 314(b) of this Act, covering (in whole or in part) the area or areas served or proposed to be served by the health maintenance organization for which application is submitted. The Secretary shall consider such reviews and comments in deciding whether or not to approve applications under section 1102, 1103, 1104, 1105, 1106, 1107, or 1109.

"(f) The Secretary shall have the authority to terminate or cancel any grant, loan, loan guarantee, or interest subsidy to any health maintenance organization in substantial non-compliance with any material provision of this title.

"NATIONAL ADVISORY COUNCIL ON HEALTH MAINTENANCE ORGANIZATIONS

"SEC. 1115. (a) There is established in the Public Health Service a National Advisory Council on Health Maintenance Organizations (hereafter in this section referred to as the 'Council') consisting of twelve members appointed by the Secretary (without regard to the provisions of title 5 of the United States Code relating to appointments in the competitive service) from persons who are not officers or employees of the United States Government, and who include representatives of health maintenance organization programs, the medical sciences, medical education, hospital or medical administration, the health insurance industry, labor and management, and public affairs. Three of the members shall be physicians engaged in medical practice and at least three shall be members of health maintenance organizations not themselves engaged in the provision of health services. The members of the Council shall select a chairman from among their own number.

"(b) Each appointed member of the Council shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy prior to the expiration of the term for which his predecessor was appointed shall hold office for the remainder of such term, and (2) the terms of office of the members first taking office shall expire, as designated by the Secretary at the time of appointment, four at the end of the first year, four at the end of the second year, and four at the end of the third year, after the date of appointment. An appointed member shall not be eligible to serve continuously for more than two terms.

"(c) Appointed members of the Council, while attending meetings or conferences thereof, or otherwise serving on business of the Council, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding for any day the daily equivalent of the effective rate for grade GS-18 of the General Schedule, including travel time and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703(b) of title 5 of the United States Code for persons in the Government service employed intermittently.

"(d) The Council shall advise and assist the Secretary in the development of policy and preparation of regulations relating to programs under this title. The Council shall consider applications for grants, loans, loan guarantees, and interest subsidy payments under this title and shall make recommendations to the Secretary with respect to approval of applications for assistance under this title and to amounts of grants, loans. and loan guarantees under this title.

"RESTRICTIVE STATE LAWS

"SEC. 1116. If any organization meets the requirements of a health maintenance organization as defined herein, but cannot be incorporated or otherwise do business in a State in which it proposes to furnish services because the law of the State requires that a medical society approve the incorporation of such an organization, requires that physicians constitute all or a majority of its governing body, requires that all physicians or a percentage of physicians in the locale be permitted to participate in the services of the organization, requires that such organization submit to regulation as an insurer of health care services, requires that only unincorporated individuals or associations or partnerships may provide health care services, or makes any other requirement which the Secretary finds incompatible with the purposes of this title, the law of any such State shall not apply to the health maintenance organization and the Secretary may issue a certificate of incorporation to the organization and it shall thereupon become a body corporate. The powers of the corporation shall be limited to carrying out its function as a health maintenance organization, and the doing of things reasonably necessary or incident thereto. In the issuance of such a certificate, the Secretary shall provide among other things for the appropriate regulation of any such health maintenance organization to insure the efficient and economical provision of quality health care services, as conditions of issuance of any such certificate. If the Secretary issues any such certificates of incorporation, the Secretary shall by regulation provide other conditions and requirements generally imposed upon corporations under the laws of the States. Notwithstanding the existence of the law of a State to the contrary, nothing in this section shall be construed to prevent any such State from issuing a certificate of incorportaion or otherwise permitting a health maintenance organization to do business otherwise in compliance with this section in which case the Secretary shall not issue a certificate under the authority granted in this section."

SEC. 4. (a) Section 1 of the Public Health Service Act is amended by striking out "Titles I to X" and inserting in lieu thereof "Titles I to XI".

(b) The Act of July 1, 1944 (58 Stat. 682), as amended, is further amended by renumbering title XI (as in effect prior to the date of enactment of this Act) as title XII, and by renumbering sections 1101 through 1114 (as in effect prior to such date), and references thereto, as sections 1201 through 1214, respectively.

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## DETAILED SECTION-BY-SECTION ANALYSIS OF THE HEALTH MAINTENANCE ORGANIZATION ACT OF 1971 (H.R. 11728)

### INTRODUCTION

The Health Maintenance Organization Act of 1971 is intended to encourage the formation of health maintenance organizations through grants and loans for their initial planning, development and operating costs, and through related measures. The sponsors of the Act hope to achieve several goals by encouraging the formation of HMOs, including:

1. Expansion of health care resources in existing medically underserved areas;
2. Control of rising health care costs;
3. Reorientation of our existing health care system from the treatment of disease to the maintenance of health; and
4. Initial reorganization of our present health care system in preparation for effective health care financing.

The support of HMOs, as a means for achieving these goals, is only one of multiple and related means that warrant support. Others have been considered by the House Subcommittee on Public Health and Environment, such as increasing health manpower, or may be considered in the future, such as the problems of health care delivery in rural areas.

One key characteristic of the HMO program deserves comment prior to a section by section analysis of the proposed legislation. In preparing HMO legislation, an attempt has been made not to describe exhaustively, or in detail, a single "proper" system for the delivery of health services. Rather, this legislation defines desirable qualities of any system for health care delivery and offers support to any organization (HMO) which included these qualities, however it is structured in detail. Thus the HMO program sponsored by this legislation would not be a single, monolithic, or Federally controlled health system, but a modification of our existing pluralistic system. The general characteristics which would make an organization an HMO regardless of its particular make-up include:

1. Open enrollment of a defined, heterogeneous population which receives its health services from the HMO;
2. Assumption by the HMO of the responsibilities and risks involved in caring for the enrolled population;
3. Prepayment by enrolled members for their health services;
4. Provision by the HMO of a standard package of benefits (comprehensive health services) to all members for a common prepayment;
5. Quality assurance programs for health services provided;
6. Provision of health education, health maintenance and preventive health services to all members;
7. Provision for meaningful grievance procedures and policy making roles for members; and
8. Evaluation of its performance in key areas.

The following detailed analysis of the legislation will enlarge on these and related themes and will show how organizations with these characteristics, if developed and operated effectively, will achieve the above stated goals.

*Congressional Findings* [*Sec. 2a*].

This section states some of the goals enumerated above. It is left implicit that the proposed changes in the health system will help prepare that system for the impact of effective health care financing, and made explicit that support for HMOs will help to achieve the stated goals. The Congressional findings include:

*Sec. 2 a 1.* A serious insufficiency and maldistribution of health care resources.

It is widely agreed that many of our citizens lack access to adequate health care because it simply is not available. There are hundreds of rural counties in this country that do not have doctors or other health services or adequate transportation to existing—often distant—services. Similarly, there are many urban areas, particularly poor and inner-city communities, without health services. The extent and effects of this maldistribution of our resources has been well documented on many occasions, including hearings before the Subcommittee on Public Health and Environment and other Committees of the Congress, and in standard works on the subject.

*Sec. 2 a 2.* Lack of organization for efficient and economical provision of health care.

Again, it is common knowledge that the costs of health care in this country are not only rising rapidly, but are also rising more rapidly than the costs of other goods and services, and have now risen beyond the means of many citizens. It has been well established for some years that this rise in costs is attributable not only to inflation and rising labor costs, but also to structural deficiencies in our system. For example, present fragmentation of health services and existing insurance mechanisms often force providers to care for patients in more sophisticated and more expensive facilities than is actually necessary. The providers of health care do share the financial risks of illness with their patients; they are paid for curing disease, not for preventing it and maintaining health. The system must be restructured to give providers financial incentives for keeping people well and doing so in an efficient and economical manner.

*Sec. 2 a 3.* An inappropriate orientation toward sickness and its treatment at the expense of health and its maintenance.

If health maintenance and preventive services were always economically rewarding, and the value of an ounce of prevention is well known in our culture, this finding would be repetitious of the preceding one. However, the provision of preventive services is not necessarily cheaper in dollars in the long-run than merely waiting for disease to become manifest. Their provision is a worthwhile goal, however, whatever the cost, because prevention reduces unnecessary suffering and death for a significant number of people.

Sec. 2a4. Appropriate support for HMOs will assist in correcting maldistribution, inefficiency, and inappropriate orientations in the existing health care system.

Support for HMOs authorized by this legislation will achieve these goals by directing at least 40% of the effort into medically underserved areas, by sponsoring organizations which reward efficient and economical operations, and by requiring supported organizations to provide full preventive services to their members. Each of these and related subjects are described in more detail below.

Sec. 2a5. A need on the part of proposed and developing HMOs for support in the form of technical assistance and resources.

HMOs will fail to develop in necessary numbers and with desired rapidity if financial support is not made available to them. This is evidenced by the fact that in the past four decades, without Federal support, the development of HMOs has been steady, but very slow. At the same time, monetary support without technical assistance would run an inordinate risk of sponsoring HMOs of low quality and high risk of failure.

Congressional Purpose [Sec. 2b].

This section states that the purpose of the Act is to attempt to achieve the goals discussed above.

### TITLE XI—HEALTH MAINTENANCE ORGANIZATIONS

### "DEFINITIONS

"Health Maintenance Organizations" [Sec. 1101.1].

Part 1 of Section 1101 defines and describes the attributes of organizations which will be considered HMOs for purposes of the support authorized by this legislation. Clearly, the term HMO is a generic term in common usage at the present time. There are both existing and anticipated organizations commonly thought of as HMOs, which may or may not meet the definition used in the legislation. It should be recognized that HMOs which do not meet this definition are, nevertheless, for general purposes, entirely legitimate and proper organizations for the delivery of health services. They merely would not qualify for the support authorized by this legislation. They might or might not qualify as HMOs under the differing terms of other Federal legislation, such as H.R. 1.

HMOs are defined here as either public or private non-profit organizations. Thus the support for HMOs authorized by this legislation is directed only to public and non-profit private organizations. This position is taken because it is felt by the sponsors of the Act that developmental Federal health monies should go only to non-profit organizations, as has generally been the case to-date (e.g., neighborhood health centers, C & Y projects, RMP programs, migrant health projects). Non-profit HMOs are both more likely than profit-making HMOs to be able to be formed only if they receive Federal support, and to locate in the medically underserved areas to which this Act gives priority. This does not mean that there are not and cannot be profit-making HMOs or that the Federal government might not work with them in other instances, such as contracting for services to beneficiaries under Titles XVIII and XIX of the Social Security Act. It is anticipated that profit-making HMOs will be formed. However, they are better able to find capital resources in the private marketplace, to which they will presumably return their profits.

Sec. 1101. 1 A. This part of the definition requires that in order to qualify for support as HMOs, organizations must provide a minimum set of health benefits, the comprehensive health services defined below, to all enrolled members for the same annual fixed payment, except as authorized by the Secretary. The payment is to be periodic, usually monthly, quarterly, or annually. It is to be unaffected by, and unrelated to, the amount or types of health services actually received by a member from among the services included in the comprehensive health services. This means it is to be a true prepayment calculated on the basis of the HMO's total costs for delivering comprehensive health services to all its members.

The services may be provided to members either directly or indirectly. Direct provision of services will be through physicians or other health professionals actually employed by the organization or in hospitals and other facilities actually owned or directly operated by the HMO. Indirect provision of services occurs in a variety of forms, including: provision of services by a medical group (defined below) with which the HMO has contracted for services; hospitalization of members in facilities which the HMO has privileges to use, but does not own; payment by the HMO for emergency care given a member when in another geographic area; or purchase by the HMO of certain specialty services on a fee-for-service basis. In each such case the HMO, not the member, is responsible for the payment for the service. The member receives the services without special or direct payment unless the services are not included in the comprehensive health services.

HMOs provide health services through a medical group or groups (defined below) and other health delivery entities. Other health delivery entities include hospitals, extended care facilities, independent home health agencies, multiphasic screening organizations, or laboratories with which the HMO would contract for services.

The payment for comprehensive health services provided may be supplemented by additional nominal payments in accordance with regulations of the Secretary. Examples of this are a payment of one dollar by a member for each physician visit, two dollars for each emergency room visit, or one dollar for each home health service visit. These additional payments are intended to be truly nominal so as never to constitute a barrier to needed services for any member. The use of nominal payments may allow the HMO to reduce somewhat the total prepayment for comprehensive health services and is not viewed as a method to control unwarranted utilization of services.

*Sec. 1101. 1 B.* This section of the definition of HMOs makes it clear that they may provide members with benefits over and above those included in the comprehensive health services. These might include pharmaceutical services, psychiatric care, dental benefits, transportation programs, or optometric care. The payments for these services might be through additional prepayments, traditional insurance mechanisms, fee-for-service, or other methods.

Part A of the definition requires all Federally supported HMOs to provide the same basic benefits to all their members (for payments that may vary among HMOs, but be uniform within each). This means that the real differences among the benefits of different HMOs will be in the benefits and payments for them, supplied under Part B of the definition, over and above the uniform floor of benefits required for all members. It is anticipated that much of the competition among HMOs for membership will focus on the different choices of extra benefits and methods of payment for them.

*Sec. 1101. 1 C.* HMOs are actual health care delivery organizations which take the responsibility to provide health services to enrolled members. This part of the definition requires HMOs seeking support under this legislation to show evidence that they are or will be able to provide health services to their members in a satisfactory manner. This will require HMOs to define and set standards for the availability and accessibility of health services and to develop ways of assuring that such services are appropriate and promptly obtainable. Issues involved might include asking whether services are provided at locations and during hours which are convenient for members and whether or not members understand how and where to obtain services. HMOs will also be required by this section to provide continuous care to their members. This means that a person being seen on multiple occasions for health maintenance or curative services would generally receive these services from the same place and health professionals. HMOs could generally comply with these requirements by encouraging each member to choose a personal or family physician, and arranging that that physician have ongoing responsibility for managing the member's care.

*Sec. 1101. 1 D.* This requires HMOs seeking support under this legislation to demonstrate fiscal responsibility. This includes showing what measures have been or will be taken to protect against insolvency, and whatever other matters the Secretary may require. Other considerations might include demonstrating actuarial or accounting competence, possession of sufficient assets, or submission to periodic audits. In developing measures of fiscal responsibility, it will be important to remember that HMOs are organizations for the delivery of health care, and are not insurance companies. HMO activities may overlap and in some ways resemble those of insurance companies, but they also go substantially beyond simple insurance. Specifically, HMOs, unlike insurance companies, are responsible for the health of their members and the delivery of health services to all members. This means that many criteria of fiscal responsibility appropriate to insurance companies may not apply to HMOs. Similarly, there are criteria applicable to HMOs that are not relevant to insurance companies. Clearly the requirements for fiscal responsibility could become more stringent as a proposed HMO moves from feasibility studies through development into actual operation. The authors of this legislation realize that not all feasibility studies will yield HMOs, but would like to minimize the number of failures of operating HMOs.

*Sec. 1101. 1 E.* Various authors, particularly J. S. Schwartz in his book, Medical Plans and Health Care: Consumer Participation in Policy Making (Springfield, Ill.: Charles C. Thomas. 1968), have shown the value to HMOs of meaningful grievance procedures for members and of giving members meaningful roles in policy making for the organization. These studies show that member participation in policy making makes HMOs more responsive to member needs, improves benefit structures, and increases accessibility without detrimental effects on professional income or the quality of services. Part E of the definition will insure that HMOs provide their members with policy making roles and grievance procedures. DHEW will need to define "meaningful" as applied to policy making and grievance procedures in a manner acceptable to it, and develop ways of ascertaining whether or not it is being achieved.

As examples, a member controlled HMO would certainly be one which gives members meaningful policy making roles, although this is by no means required in the legislation. One that gives 20–50% of the seats on the board of directors to members would suffice. An HMO with a members' advisory council to the board of directors would qualify if the HMO was shown to be responsive to their advice. Likewise, grievance procedures would be meaningful if ways existed of assuring that a grievance was heard and adjudicated.

It is not expected that all HMOs will use the same means for giving members policy making roles, nor that they will all handle grievances in the same fashion. In fact, HMOs serving members with differing social, economic, or cultural backgrounds may well need to develop different mechanisms for bringing members into policy making to assure that members with differing cultural experiences gain equally effective roles.

In addition to grievance procedures for members, this section also calls for such procedures for employees of the organization whether or not they are members of the medical group.

*Sec. 1101. 1 F.* HMOs qualifying for support must provide two somewhat different kinds of education for their members. The first, traditional health education, aims at helping members understand health and disease, how to care for themselves and their families, and how to prevent accidents and unnecessary disease. The second, education in the proper use of health services offered by the HMO, will help members understand what benefits they are entitled to, when, where and how to obtain services, and which services to utilize at given times or in given situations.

*Sec. 1101 1 G.* This legislation offers unparalleled opportunities to measure and improve the quality of American health care. While the medical profession has traditionally been involved with peer review, medical audit and utilization review, these functions have rarely received the attention they have merited. This lack of attention has resulted because of a variety of difficulties such as the gathering and storing of data and to an extent technical and methodological constraints. However, the major reason why the assurance of quality medical care has not received proper attention is the lack of ongoing organizational arrangements to bring about continuous quality assurance.

What is quality assurance? Quality assurance is composed of two components, the first being quality assessment, the second being quality achievement. Quality assessment is the process through which medical care is measured. The HMO makes possible a major advance in quality assessment in that the enrolled population will be defined clearly and thus allow the development of denominator data essential to the calculation of rate and ratio measures of quality. Quality achievement is the process by which shortcomings measured in the quality assessment process are rectified by means such as continuing education, adminstrative or manpower changes.

Quality assurance systems must stress both process and outcome measures. Process measures are those documenting which preventive, curative, and rehabilitative health services have been provided for each member during the course of an interaction with the HMO. These process measures must include criteria for defining underutilization.

A peer review approach to quality assurance has already been demonstrated by Dr. Donald Harrington at the San Joaquin Foundation in California and by Dr. C. R. Brown at Chestnut Hill Hospital in Philadelphia.

Outcome measures are the most appropriate performance measures for HMOs as they focus on the actual health of the patient. It is possible to monitor a series of parameters (disability days, symptomatic condition, ability to carry out major activities, etc.) which can measure the health benefits the HMO provides its members. Strategies developed by Dr. John Williamson and Dr. Lawrence Weed's problem oriented record both facilitate this approach.

The development of a full quality assurance program may take an HMO two to three years. Such development is encouraged and expected during the course of planning, development, and initial operation. It is expected that the development of an HMO quality assurance program will take into account issues such as: the role of external health professionals in the review process; the relationship of HMO quality assurance programs to geographically oriented review organizations such as the proposed Peer Review Organizations and Professional Standards Review Organizations, and the possible role of members in the quality assurance program. It is also expected that the Secretary will develop organizational arrangements within DHEW for administering the quality assurance aspects of the HMO program.

*Sec. 1101. 1 H.* HMOs seeking Federal support must provide the Secretary of DHEW, members, and the public with various kinds of information about their operations at least annually. This will serve several related purposes, including: assisting Congress in evaluating the HMO effort (as required by Section 1113); helping members, particularly those involved in policy making roles, to understand the HMOs' operations; and aiding people in choosing among alternative systems of health care available to them through such programs as Medicare, Medicaid, or employee health programs. It is anticipated that means of public disclosure can be developed which make the costs, operations and benefits of HMOs well-known and easily understood by the general public. DHEW, which is required to make public and disseminate the data furnished by HMOs on a periodic basis, will thus assist in making HMOs widely understood.

The particular kinds of data required to meet the purposes listed above would include information on the costs, utilization availability, accessibility, acceptability, and effects on members' health of the services provided along with whatever other matters the Secretary might require. Since collection of all such data in detail would obviously entail significant cost and manpower investments, it is expected the Secretary will develop discrete and minimal data sets and thus provide constraints to the total amount of data required. HMOs involved in activities under Sections 1110 (Special Projects) and 1113 (Program Evaluation) may, when collecting data under those provisions, concurrently apply applicable data elements to meet the provisions of this section.

*Sec. 1101. 1 I.* The greatest incentive an HMO will have for maintaining the health of its members and for efficient, economical operations, lies in the fact that it will have both a fixed budget and the full contractual responsibility for providing all members with comprehensive health services. The HMO thus has a financial interest in keeping its members well and doing so in an efficient and economical manner for fear of exceeding its present budget. This part of the definition requires HMOs to bear this financial risk in full rather than pass it on to others through such mechanisms as reinsurance. This requirement is established since HMOs that pass on the risk can be expected to operate less efficiently and economically because they will have also passed on a major incentive for efficient operations.

This provision also means that HMOs are closed financial systems generating both their own income and expenses. This will give them the incentive for efficient operation inherent in having a limited income. It also means that HMOs will have actual control, whether by direct operation or contract, over the health resources used to deliver services. They can thus control the costs and operations of those resources.

Two exceptions are made to these rules: catastrophic illnesses, because although they occur infrequently, when they do occur, they may well be an unmanageable burden for any organization, particularly a small, new one; and out-of-area emergency services, because an HMO cannot be expected to bear risks for services over which it does not have some measure of control.

*Sec. 1101. 1 J.* HMOs must have at least annual, thirty-day period of open enrollment. During this enrollment period the HMO would enroll all comers without restrictions. The Secretary would be authorized to make exceptions, such as not requiring HMOs to enroll people who are ineligible for the community's health insurance programs like Blue Cross or Blue Shield. No HMO would be required to enroll people beyond its capacity (although capacity could not be arbitrarily defined at a low level to prevent enrollment). Nor would an HMO be expected to enroll people who would change its total membership so as to cause conflict with the requirements of other Federal laws, such as the requirement in H. R. 1, Section 226, for a membership over 50% under 65 years of age.

The requirement for a uniform payment for all members for the comprehensive health services (Section 1101. 1 A iii) would apply to individuals enrolling under open enrollment although their payments for other services (provided under Section 1101. 1 B) would not necessarily be uniform with those of other members.

Periods of open enrollment will aid HMOs in meeting the requirements in the General Provisions of this Act for a membership which reflects the social, age and income make-up of the organization's service areas. In fact, this provision is included to insure access to HMOs for all residents of areas served by them, and to help prevent HMOs from limiting their membership to young, healthy, working people since this would impose an unreasonable burden on the other health care providers in the area which would be left to care for older, sicker, unemployed persons.

DHEW will define in regulations ways of assuring that enrollment is truly open and without restriction through such means as requirements that HMOs make their open enrollment widely known to the public and reasonably straight-forward.

*Sec. 1101. 1 K.* HMOs must make services available to their members at all appropriate times so that members will not have to seek services outside the HMO. Clearly, there is no requirement for an HMO to provide all services at all times to all persons, but certainly emergency services should always be available and other services, within reason, should be available through evening or week-end hours to members who work during the regular work-week.

*Sec. 1101. 1 L.* HMOs must provide primary, true emergency services to non-members residing in their geographic areas who need emergency care and seeks it at the HMO facility because of its proximity. There is no intended obligation for HMOs to provide non-emergency services at any time to non-members. HMOs would not be expected to accept transfers of non-members, who had not gone for their initial emergency care to the HMO, from other health care facilities (co-called "dumping"). HMOs could charge non-members for emergency services in any fashion they choose.

*Sec. 1101. 1 M.* An effort has been made in this legislation to describe what HMOs must do (provide comprehensive health services, with quality assurance, etc.), but not to say how these general characteristics are to be achieved by any given organization. Thus there will be different kinds of HMOs, organized and run in different ways, employing different mixes of health manpower and resources, but all meeting the broad criteria for an organized system of health care set out here.

This section allows HEW to extend or clarify the definition and criteria for Federally supported HMOs in future years as experience dictates. The qualifications described in A through L would always need to be met, but additional ones could be added if it was considered necessary. Thus, if experience with HMOs showed that an HMO could effectively conform with parts A through L of the definition only if it had a minimum enrollment of a given magnitude, than that minimum could later be made part of the definition itself.

"Comprehensive Health Services" [Sec. 1101.2].

In general, "comprehensive health services" means all those services necessary to maintain the health of members and to make ill patients well. Provision of all these services rather than a more limited set of benefits will allow the HMO to move members in appropriate fashion from one level of or setting for care to another. For example, inclusion of extended care services assures that HMOs will not have to keep members who can be cared for in extended care facilities in more expensive, acute care hospitals. Thus, the use of a comprehensive set of benefits will allow the HMO to provide both continuous, unified services and the most economical mix of services possible in a given situation. Under this Act comprehensive health services will include:

*Sec. 1101. 2 A.* Physician services—includes all physician-patient contacts from primary care to sub-specialty and referral care. At the same time, this definition is not meant to limit initial patient contact wth other health professionals, nor does it exclude the payment of nominal amounts at the time of physician contacts (Sec. 1101. 1 M iv).

*Sec. 1101.2 B.* Inpatient and outpatient hospital services—includes all acute general hospital admissions and outpatient clinic visits which in turn includes (but is not limited to) these services: blood bank, inhalation therapy, coronary and intensive care services, occupational therapy, premature nursery services, obstetrical and gynecological services, and social services.

*Sec. 1101. 2 C.* Extended care facility services—includes facilities capable of providing both skilled nursing services and intermediate care as defined by the Social Security Act. This provision insures that HMOs will qualify for Title XVIII reimbursement.

*Sec. 1101. 2 D.* Home health services—includes skilled nursing care and such other services as physical therapy, speech therapy, occupational therapy, medical social services and home health aid services provided in the homes of members. The provision of home health services and extended care services will help make it possible for the HMO to care for members at the most appropriate level of care.

*Sec. 1101. 2 E.* Diagnostic laboratory and diagnostic and therapeutic radiologic services—the full range of these services, including their professional component, either individually or in multiphasic combinations.

*Sec. 1101. 2 F.* Rehabilitative services—includes physical therapy and occupational therapy with an emphasis on those aspects fostering the reemployment or maintenance of employment of the HMO's members.

*Sec. 1101. 2. G.* Preventive health services—includes services which maintain the personal, mental and physical well-being of individual members. This may include multiphasic screening, crisis and suicide intervention, dietary and obesity consultations, genetic counseling, individual health risk rating, and member education programs.

*Sec. 1101. 2 H.* Emergency health services—includes all services for conditions of immediate and severe threat to the health of members.

*Sec. 1101. 2 I.* Out-of-area emergency health services—HMOs will provide full coverage for out-of-area services to members traveling away from the areas served by the HMOs.

*Sec. 1101. 2 J.* The Secretary may make arrangements with specific HMOs for personal health services not specified above. Such services might include renal dialysis, open heart surgery, outreach services, or employment services for members.

"Medical Group" [Sec. 1101. 3].

HMOs may provide comprehensive health services to members directly through physicians, osteopaths, dentists, or other health personnel who are employees of the organization. Alternatively, they may provide services indirectly by contracting for the services with groups of health professionals not under their employ. Such a group of health professionals is, for the purposes of this legislation, called a "medical group" and this definition provides criteria with which such contracting groups must conform if an HMO is to receive Federal support. Exceptions to these criteria are provided for at the Secretary's discretion during the initial three years of an HMO's operations so that the criteria will not prove burdensome to fledgling operations. It is not anticipated, however, that many exceptions will be made since the medical group is integral to the operation of an HMO and its definition is effectively an extension of the HMO definition itself.

The definition specifies that the medical group must: coordinate the practice of the individual members; pool its income and distribute it according to a set arrangement (an annual salary, a capitation rate, fee-for-service, etc.); share records and equipment (a requirement aimed at efficient and economical operations); use whatever health manpower (nurses, physicians' assistants, optometrists, etc.) as are necessary for effective provision of services; and provide its members with regular opportunities for continuing education. It is anticipated that medical foundations, patterned after the one at San Joaquin, will have little difficulty meeting these conditions. Clearly all of these subjects will require further definition by DHEW in regulations.

"Member" [Sec. 1101. 4].

A member is any person who enters into a contractual arrangement, or on whose behalf such an arrangement is entered into, with an HMO for the provision by the HMO to the person of comprehensive and other health services. These arrangements will place the responsibility for the provision of these services on the HMO. The inclusion of people in whose behalf contractual arrangements are entered into in the definition of members will require the HMO to record and be knowledgeable of each member's health needs and services received whether the member is the head of a household or a member of a household. Only if such information about each member is maintained will it be possible for an HMO to develop the kinds of data called for in Section 1101. 1 H and run the quality assurance program described in Section 1101. 1 G.

"Medically Underserved Areas" [Sec. 1101. 5].

A large portion of Federal support for HMOs in other sections of this legislation is directed into areas which lack adequate health resources at present. This part of the Act defines such "areas" for purposes of the HMO program. Such an "area" might be either urban or rural and in fact might be either a geographical area (such as several rural counties) or a particular population. In either case, the "area" will qualify only if it has a shortage of personal health services. "Shortage" will be defined by the Secretary along such lines as are now being developed by the National Health Service Corps. In developing a definition of "shortage" the Secretary may well seek the assistance of the National Advisory Council on Health Manpower Shortage Areas created by the Emergency Health Personnel Act of 1970.

The Secretary will be required, in designating "areas" as medically underserved, to consider the comments of all State and areawide comprehensive health planning agencies covering the area in question. The State agency for the State including the largest part of the area in question could well be given the responsibility for collecting the reviews of other state and areawide agencies and preparing a single submission to DHEW. In preparing their reviews, the CHP agencies would be instructed to consider such matters as the area's existing supplies of health manpower and facilities, its health status and needs, and its plans to meet these needs and their likelihood of success.

It is anticipated that within a reasonable period of time, DHEW will publish criteria for defining medically underserved areas and a list of those areas which meet the criteria.

"Construction" and "Cost of Construction" [Sec. 1101.6].

This part defines "construction" as being the construction of new buildings; the acquisition, expansion, remodeling, replacement, and alteration of existing buildings (including architects' fees, but excluding land except for land beneath existing buildings); and the equipping of buildings, new or old. "Cost of construction" is defined as the costs of the construction defined above.

"Catastrophic Health Services" [Sec. 1101.7].

Catastrophic health services, which with out-of-area emergency services are the only ones an HMO will be allowed to reinsure, are here defined as the comprehensive health services given to a member in any 12-month period after that member has already received $5,000 worth of comprehensive health services. The HMO will thus have the full responsibility for providing each member with up to $5,000 of comprehensive health services per year before it can limit its risks through reinsurance.

### "GRANTS FOR PLANNING AND FEASIBILITY STUDIES

This section, 1102, provides grants for HMO planning and feasibility studies to public and private non-profit entities, either to assist in developing new HMOs or in expanding existing HMOs. These grants would be made to a variety of different kinds of entities, including consumer groups, medical societies, health profession schools (especially in medically underserved areas), and local governments. Since these grants will fund planning and feasibility studies it is not expected that every grant will result in an operational HMO. It is hoped, however, that applications can be reviewed so that a large percentage of grants (as many as 80 per centum) will actually yield HMOs. Grants shall be of one-year duration and shall not exceed $250,000 except under unusual circumstances, e.g., size factors or exceedingly heterogeneous populations in terms of either socioeconomic parameters or illness patterns. In such exceptional circumstances, the Secretary, with the concurrence of the National Advisory Council on Health Maintenance Organizations, may award a second grant for any single project. A given entity or HMO may receive multiple grants under this section for the planning of different HMO projects or the expansion of an HMO into different areas.

In making these awards, the Secretary shall consider the sources from which developing HMOs will gain consultation, and give priority to organizations expecting to enroll significant numbers from medically underserved areas. In the aggregate, 40 per centum of the potential members anticipated by these organizations shall be from medically underserved areas. This does not mean that each HMO will need to enroll 40 per centum of its members from medically underserved areas. Some HMOs may well enroll few members from such areas. Others may be located in them and draw all their members from them. This provision is intended to direct 40 per centum of the entire HMO effort under this section into medically underserved areas. This requirement is of high priority as numerous inner-city and rural areas have too long been denied access to comprehensive and quality health care services.

Authorization is given for the appropriation of such sums as may be necessary to achieve the purposes of this section.

### GRANTS FOR INITIAL DEVELOPMENT COSTS

This section, 1103, provides grants to organizations intending to become HMOs for their initial development. The development of any organization requires substantial investments before it can become operational; the HMO is no exception. The history of the development of prepaid groups and the recent experiences of Kaiser/Denver and Johns Hopkins/Columbia make clear the need for deveplomental support. It is also the purpose of this section to encourage the development of HMOs in medically underserved areas. Thus the Secretary will be required to assure that 40 per centum of the aggregate anticipated membership of potential HMOs supported by this section will be from medically underserved areas.

While development grants will focus in a number of areas, experience and sound management principles dictate that particular concern be paid to a series of issues. A relatively rapid enrollment of a large number of members is essential for both the financial and operational viability of the organization, in that only when a sufficient number of members have enrolled will organizational economies be feasible, and only then can health care be provided in ways which facilitate and support the concepts of health maintenance. Similarly, a detailed and rational design for providing health services should be developed, otherwise the benefits to be accrued from the organization of these services will not occur. Developing HMOs are encouraged and expected to demonstrate an awareness and understanding of financial monitoring and accounting methods already in use by HMO-like organizations and then to develop improved and modified methods to meet their individual needs. During the developmental period, consideration shall also be given to the recruitment and training of personnel and the unique situation of each HMO as it relates to the health and socioeconomic characteristics of its potential members. The health needs of potential members shall be one major determinant in the recruitment of personnel and in the development of objectives for training activities.

Grants are limited to a maximum of $1,000,000 and to two years of development, except in special circumstances, in which case a second grant may be made with the concurrence of the National Advisory Council on Health Maintenance Organizations.

Authorization is given for the appropriation of such sums as may be necessary to achieve the purposes of this section.

### "CONSTRUCTION GRANTS

This section, 1104, provides funds for the construction of ambulatory facilities which will serve, in whole or in part, in medically underserved areas. The rapid increase in the number of emergency room visits (from 20 to 40 million from 1962 to 1969) indicates the magnitude of need for ambulatory services and for the construction of such facilities, particularly in medically underserved areas. In addition, many medically underserved areas are in urban areas where antiquated facilities are presently in use; under this section such facilities could be renovated and are given priority consideration. Support under this section will be available for the construction of facilities which do not serve solely residents of medically underserved areas, but that support will be limited in proportion to the percentage of people to be served by the facility who will be from underserved areas. It is recognized that in particular medically underserved areas the need for such facilities may be extreme; in such case the Secretary may award a second grant with concurrence of the National Advisory Council on Health Maintenance Organizations.

Grants are limited to a maximum of $2,500,000 and up to 75 per centum of the costs of construction.

Authorization is given for the appropriation of such sums as may be necessary to achieve the purposes of this section.

### GRANTS FOR INITIAL COSTS OF OPERATION

This section, 1105, provides grants to defray a portion of that portion of the initial operating costs incurred by HMOs in medically underserved areas. It is generally accepted that there is a minimum enrollment necessary for a self-sustaining HMO, and that such enrollment may be achieved only after one to three years of operation. Initial operational cost and risk is further accentuated by operation or expansion into medically underserved areas which may contain persons with greater than average health risks.

Grants awarded under this section shall not exceed $750,000 or 60 per centum of operating costs during the first year of operation by an HMO, $500,000 or 40 per centum of operating costs during the second year of operation, and $250,000 or 20 per centum of operating costs during the third year. While grants are limited to $1,500,000 over a three-year period, again it is recognized that the operation of an HMO in severely medically underserved areas may require additional support in time and/or amount. Such additional support may be allowed by the Secretary with the concurrence of the National Advisory Council on Health Maintenance Organizations.

Authorization is given for the appropriation of such sums as may be necessary to achieve the purposes of this section.

### CONSTRUCTION LOANS

Loans, under section 1106, shall be available to extant or developing HMOs for the construction of ambulatory care facilities, e.g., clinics, multiphasic screening centers, and dental clinics. For efficient utilization of funds in this section, priority is given to acquisition and renovation of existing facilities. The Secretary may, with concurrence of the National Advisory Council on Health Maintenance Organizations, award a second loan for construction to any one project in exceptional circumstances. Such circumstances might include: HMOs developing services for an especially large number of members, or HMOs in geographically large areas which may require a series of ambulatory facilities and cannot lease facilities.

Loans are limited to a maximum of 90 per centum of construction costs, and (when added to grants made under Section 1104) to $2,500,000.

For this and the other loan sections of this title, provision is made for the creation of a revolving loan fund whereby loan repayments would return to the fund for use in making further loans.

Authorization is given for the appropriation of such sums as may be necessary to achieve the purposes of this section.

### LOANS FOR INITIAL COSTS OF OPERATION

This section, 1107, provides for loans to meet a portion of initial operating costs. These initial operating costs may stem from factors such as low enrollment, investment in equipment, marketing costs, and necessary but initially inefficient arrangements for medical services.

HMOs in medically underserved areas may qualify for both grants and loans while HMOs serving areas of adequate medical service may receive only loans. Again, under exceptional circumstances, the Secretary may award additional loans to any project.

The combined assistance received by an HMO under Sections 1105 and 1107 is never to exceed $1,000,000 in any one year or $2,500,000 in three years, and generally not to exceed $750,000 or 60 per centum of operating costs in the first year (whichever is lesser), $500,000 or 40 per centum of costs in the second year, and $250,000 or 20 per centum of costs in the third year.

This section has authorization for appropriations of such sums as may be necessary to carry out the purposes of the section and provisions for the creation of a revolving loan fund.

### GENERAL PROVISIONS FOR LOANS

This section, 1108, allows the Secretary to charge interest on any loan at a level comparable to the prevailing rate under Section 1109. Payment on the principle of loans shall not be due for two years. No loans may have a term greater than 15 years. Before the Secretary makes such loans he must be assured of the applicant's ability to provide security for such loans, to repay them and to meet such terms and conditions as the Secretary determines are necessary.

### LOAN GUARANTEES AND INTEREST SUBSIDIES

Section 1109 provides for assistance to private non-profit HMOs and entities intending to become HMOs in the form of loan guarantees and interest subsidies. These loan guarantees and interest subsidies will be for construction projects for ambulatory service facilities, initial development costs (with a two-year limitation) and initial operating costs (with a three-year limitation). The loan guarantees and interest subsidies are not available to public HMOs or public entities intending to become HMOs because public organizations should not need such support in order to get loans. Interest subsidies may reduce interest rates by, but not more than, 3 per centum per annum. All loan guarantees and interest subsidies are limited to amounts which do not exceed 90 per centum, when added to the grants and loans made under other sections, of the costs of construction, development, or initial operations.

Extensive provisions are included in Section 1109b through Section 1109g describing the terms of loans to be guaranteed or subsidized, the United States' rights of recovery, the contestability of the guarantees, limitations on the total principle of loans guaranteed, and a Health Maintenance Organization Loan Guarantee Fund to be used in achieving the purposes of this section.

### SPECIAL GRANTS AND CONTRACTS

Innovations and advances in health care will be made by HMOs. Existing HMO-like organizations such as Kaiser/Oakland and Kaiser/Portland have demonstrated an ability to plan, develop, implement and evaluate projects which have contributed to our knowledge of health care. This section, 1110, provides the opportunity for, and encourages but does not require, HMOs to engage in special projects particularly facilitated by the HMO environment. These project areas include:

1. The exploration of new roles for health professionals, e.g., pharmacists, nurses, home health aides. etc., which can provide for the more efficient use of our limited health manpower;

2. The development of new health information systems which focus on diagnostic and therapeutic data and facilitate the unit record;

3. The development of patient transportation systems to increase access to health care, particularly for rural and inner-city enrollees;

4. The improvement of patient education programs which will lead to greater understanding of health maintenance concepts and thus lead to more effective care;

5. The training of HMO members with organizational policy making responsibilities in the concepts of HMO administration and management;

6. The development of programs which periodically assess the level of health of enrollees;

7. The development and evaluation of programs for initial medical screening;

8. The development of methods to evaluate types of care required by patients during the course of an illness. Such evaluation will lead to proper institutional placement of patients and thus to more effective and efficient care.

These projects may be carried out either through grants or contracts which may not exceed $1,000,000 in amount nor four years in length. Such allowance of time and funds will meet the need for funds of projects with high start-up costs, such as health information systems while at the same time providing adequate time for projects such as patient education programs and periodic health assessment which may need a four-year period to assess their impact.

The Secretary may also give grants or make contracts with non-profit organizations for the delivery of comprehensive pre-paid care in rural areas if these organizations are not otherwise eligible for grants and contracts under this section. This reflects the fact that insufficient attention has been focused on the complex problems in providing comprehensive health services to rural areas. Full solutions to these problems will be developed from efforts in health manpower, e.g. correcting the maldistribution of health professionals and efforts such as this legislation in modifying the organization of the health care system. Because current experience with HMO-like entities has been almost exclusively in urban areas, this provision provides the Secretary discretionary power to expand those experiences by encouraging and initiating rural HMO-like projects.

### GRANTS FOR HEALTH MAINTENANCE ORGANIZATION MANAGEMENT TRAINING

This section, 1111, recognizes the shortage of managers, administrators, actuarians, and others with the various management expertise needed for the successful operation of HMOs. It will therefore provide Federal moneys for the training of such people in HMO settings for the management and administration of HMOs.

Support under this section will normally go to colleges and universities, but may also go to any other approved public or private non-profit educational entity such as research institutes or HMOs themselves. The programs receiving support would require "approval" by DHEW in conjunction with the granting process. Approval would be limited to programs which provide practical experience for their students in HMO settings. The approval process would also consider such other matters as the qualifications of the programs' instructors, the contents of the curriculums, and its responsiveness to student needs, the duration of training, the nature of practical experiences offered, and, in due course, the results of the programs as reflected in the job performance of the students.

Grants under this section may well go to a variety of professional training programs. Thus both full courses of study leading to degrees, such as bachelor or masters degrees, and short-term or continuing education courses could be supported. In addition, courses in HMO management in general could be supported along with programs limited to the special aspects of HMO work that exist for certain disciplines (hospital administrators, actuarians, accountants, etc.) All recipients of these training grants would be expected to have contractual arrangements with HMOs which made on-the-job experience in HMO management available to the students.

Not less than 75 per centum of these grants are to go into actual traineeships or fellowships. Thus educational entities are limited to using a maximum of 25 per centum of the grants to help defray the costs of running the approved programs. Provision is made for funding, in whatever amounts the Secretary finds necessary, both traineeships in degree programs and fellowships for advanced studies.

Authorization is for such sums as may be necessary for carrying out the provision of the section.

### GRANTS FOR CLINICAL TRAINING PROVIDED BY HEALTH MAINTENANCE ORGANIZATIONS

At present very few health professional students are trained all or in any part in HMOs. The natural result is that these students fail both to understand and to accept HMOs, while developing an intimate knowledge of and faith in the systems for health care delivery in which they are generally trained (primarily acute, general hospital inpatient and outpatient services). This section recognizes the fact that recruiting by HMOs of physicians, nurses and other health professionals will be easier if they are trained in HMOs. Thus, this section authorizes for appropriation the sums necessary for grants to health professions schools to cover the costs of providing clinical training to students in HMOs which the schools own and operate, or with which they contract for services. Priority is to be given to schools which operate their own HMOs. These grants are to be used to cover the costs of program administration, faculty salaries for health professionals working in HMOs, and other relevant program costs.

### PROGRAM EVALUATION

Section 1113 indicates the evaluation of the HMO program should be full and rigorous. The performance of the varied components of the health care system is of vital interest to the Congress as it prepares to make health care decisions in the 1970's which will affect future decades. Aggressive evaluation of the HMO effort should begin to provide information on that performance and is thus an essential part of this title.

Evaluations may include:

1. Project evaluations to provide indications of the relative success of individual HMOs in meeting specific local objectives;
2. Program strategy evaluation which compare efficiency and effectiveness of differing types of HMOs (e.g., Kaiser, San Joaquin, Puget Sound, Columbia, etc.) and also compare HMOs with other types of medical practice including fee-for-service arrangements;
3. Program impact evaluations which assess the impact and extent to which the total HMO program achieves the goals indicated in the introduction of this analysis.

It is expected that the Secretary will define distinct and responsive organizational arrangements for the purpose of carrying out these evaluations and for reporting to the Congress and the public on a regular basis. It is anticipated that evaluation expenditures will be 0.5% of the total HMO assistance in the initial year and 2.0% during the third year of this program. Experience with the evaluation of other government health programs indicates that such investments are mandatory in a new program of this scope.

### GENERAL PROVISIONS

This section, 1114, describes certain general provisions applying to all or large parts of the HMO effort that this Act would support.

*Sec. 1114. a.* This empowers the Secretary to require an application for any form of assistance under any part of this Act. The application is to be submitted in such form and manner and with such contents as the Secretary may require. It must be approved by the Secretary before any form of assistance can be given.

*Sec. 1114. b.* This part further specifies the contents of applications for assistance in Section 1114. b 1, and progress reports on Section 1114. b 2, planning, developing, constructing, and operating HMOs themselves. This part thus does not apply to the special projects or management and clinical training parts of the Act. A list of various aspects of an HMO's planning and operations (based upon the various parts of the definition, Section 1101. 1) is given as the minimum areas that an HMO application for assistance must describe. These include: (1) population group or groups to be served by the existing or proposed health maintenance organization described in the application; (2) enrollment for such organization; (3) methods, terms and periods for the enrollment of members; (4) nature and estimated costs per member of the health care and educational services to be provided; (5) sources of professional services, and organizational arrangements for providing health care and educational services; (6) organizational arrangements for an ongoing quality assurance program; (7) sources of prepayment and other forms of payment for the services to be provided; (8) facilities available for and additional capital investments and sources of financing therefor, required to provide the level and scope of services proposed; (9) administrative, managerial, and financial arrangements and capabilities of such an organization; (10) role for members in the planning and policy making for such organization; (11) grievance procedures for members, staff and employees; and (12) evaluation or evaluations of the support for and acceptance of such organization by the population to be served, the sources of operating support, and the professional groups to be involved or who would be affected thereby. DHEW is given authority to add to this list and to specify the manner and form of applications.

It is recognized that over the space of several years a single HMO will usually make multiple applications for different types of assistance and it is stated that in doing so an HMO will not meed to make repeated submissions of the same information as long as they keep their descriptions of themselves up-to-date in a manner satisfactory to the Secretary. It is anticipated that for simplicity's sake DHEW will use standardize application forms and procedures for the various types of assistance available.

Progress reports are required of assisted HMOs upon completion of periods of assistance under Sections 1102–1107 and 1109. These progress reports shall be submitted in a manner satisfactory to the Secretary. More important, they are to cover, at a minimum, the same aspects of HMO operations specified for description in applications so that evaluative comparisons can be made between the plans specified in applications and the progress subsequently reported. To facilitate this, it is hoped that progress reports will follow the formats used in applications.

*Sec. 1114. c.* This part of the General Provisions requires HMOs assisted under Sections 1102–1107 and 1109 (support for planning, development, construction, and initial operations) to submit assurances, at such times and in such manner as DHEW requires, of financial responsibility and operations consistent with both the terms of this Act and their own plans as submitted in applications. Clearly, such assurances could be incorporated into the progress reports described above, but this part permits the Secretary to go beyond them if he feels it necessary. HMOs which fail to provide such assurances could, under this part, have their assistance terminated at whatever time the Secretary deemed appropriate.

*Sec. 1114. d.* Part d of the General Provisions limits planning, development, construction and initial operating assistance of all kinds to HMOs which can show they will, or will continue to: enroll members who are broadly representative of the age, social and income make-up of the areas to be served by the HMO; and enroll the maximum number of members that their available and potential resources will allow them to serve effectively. The Secretary is given the obligation to define, in regulations, these various terms and criteria for judging whether or not an HMO meets these conditions. Thus, the word "social" will need detailed interpretation reflecting the inclusion in it of such matters as the area's economic and racial make-up.

These conditions are included in the legislation for several important reasons. The sponsors of the Act do not envision HMOs as being uniquely suited to any one age, social or income group and do not intend them as one part of a two-class system of health care. Thus this provision is included to insure that the membership of HMOs remain heterogeneous and open to all people. It is further hoped that this provision will prevent HMOs from serving only the young, healthy, employed or other desirable parts of their communities, thus placing an undue burden for care of the older, sick and unemployed on the remainder of the communities' health systems.

*Sec. 1114. e.* This part requires the Secretary to consider prior to approval, the reviews and comments of State and areawide comprehensive health planning agencies upon all applications from potential or existing HMOs for all forms of assistance in planning, development, construction, and initial operations. The Secretary might reasonably arrange for the State CHP agency covering the largest part of the HMO's service area to receive the reviews and comments of other State agencies, and the areawide CHP agencies, and coordinate them in a single submission to DHEW.

DHEW will need to specify in regulations the kinds of things to be considered by CHP agencies in their reviews of HMO applications. These might include: the need of the area to be served for the proposed HMO, whether the HMO's plans are consistent with other health plans for the area, whether the area has the health resources needed for a successful HMO operation, as well as the aspects of HMO operations enumerated in Section 1114. b 1.

*Sec. 1114. f.* The Secretary is given the authority in this part to terminate or cancel any form of assistance to any HMO found to be in substantial non-compliance with the various terms, provisions, and conditions of the legislation.

### NATIONAL ADVISORY COUNCIL ON HEALTH MAINTENANCE ORGANIZATIONS

This section will create in the Public Health Service a National Advisory Council on Health Maintenance Organizations. Parts a, b, and c of this section describe respectively, the make-up, terms of office, and reimbursement of the Council. Briefly, there are to be twelve members, serving overlapping four-year terms, who choose their own chairman and are to be compensated at rates fixed by the Secretary. The council membership is to include representatives of HMO programs, the medical sciences, medical education, the health insurance industry, labor and management, hospital and medical administration, and public affairs. Three members of the Council are to be physicians, and three are to be consumer members of HMOs. Clearly, in some cases, it will prove possible to represent more than one of the listed interests with a single member of the Council.

Part d describes in general terms the duties of the Council. These include, but would not be limited to: advising the Secretary on the preparation of regulations and policies under this title; consideration of applications for assistance from HMOs; and recommendations, either general or specific (in the case of a second loan or grant under the same section to a single HMO project) for the approval of applications.

### RESTRICTIVE STATE LAWS

Many states have laws which restrict, in various different ways, the corporate practice of medicine. Over the last 30 years, these laws have been tested in various parts of the country and have been consistently struck down by the courts on various grounds, typically that they constitute an illegal restraint of trade. However, these laws remain in approximately 20 states and would constitute a serious barrier to the HMO effort since HMOs will be, legally, corporate entities engaged in the practice of medicine.

This section would remove this barrier to an effective Federal HMO effort by allowing the Secretary to issue a certificate of incorporation to any HMO which is prevented by State laws from incorporating for various listed reasons, even though the HMO fully meets the requirements of an HMO as defined in Section 1101. HMOs thus incorporated would be limited to the performance of the functions of an HMO and things necessary to those functions. The Secretary will be responsible for the regulation, in addition to other things, of HMOs thus incorporated, in the manner that corporations are ordinarily regulated in the State in which the HMO is located.

Section 4. The legislation ends with minor technical amendments to the Public Health Service Act designed to preserve the proper numbering of its Titles and Sections.

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## CANAL ZONE SURRENDER PROPOSAL: THREAT TO FREE WORLD

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. FLOOD), is recognized for 10 minutes.

Mr. FLOOD. Mr. Speaker, since the publication on page 1 in the October 19, 1971, issue of the New York Times of a newsstory supporting the program of certain elements in the Department of State for the surrender of U.S. sovereignty over the Canal Zone to Panama there has been an overabundance of newsstories and editorials in the mass news media of the United States to the same effect. These writings have not been aimed toward objective clarification of crucial canal issues and their solution but at conditioning the people of our country to accept the projected surrender of the Canal Zone and the eventual giving away of the Panama Canal. Evidently there has been a studied propaganda campaign by the executive branch of our Government to sway our people to acquiesce in the monstrous proposal.

For example, it was the commanding influence of Herbert L. Matthews of the New York Times that led to the overthrow of the pro-U.S. Government of Cuba in 1959 and the buildup in the so-called free press of our Nation of the Communist Fidel Castro of Cuba as that country's George Washington. Nor has the Times ever painted Castro in his true colors. (Mario Lazo, Dagger in the Heart, New York: Twin Circle Publishing Co., 1968, pp. 120–34.)

Fortunately, there have been patriotic, well informed, and articulate citizens of the United States at home and in the Canal Zone who understand the situation at Panama from personal observation and long association with the canal problem who have written letters to editors in various newspapers. Among recent letter writers are Jacqueline Overstreet of Albrook Air Force Base, C.Z., and William B. Collier III of Santa Barbara, Calif.

As to the mention by Mr. Collier of Secretary Taft's use of the term "titular sovereignty," I wish to stress that this can only mean a reversionary interest on the part of Panama in the sole event the United States should abandon the Panama Canal.

From a reading of various recent newsstories and editorials following the October 19 New York Times newsstory on the Panama Canal it is clear that certain officials in our Government in the past have made serious policy errors as regards the Isthmian question and that present officials are compounding the evil by persisting in error, in many respects repeating what occured in Cuba. When the facts are fully understood by our people, who are rapidly learning them, they will never stand for the projected surrender at Panama and any administration responsible for the planned catastrophe for the free world will be in serious error. Moreover, should the projected surrender treaties be submitted to the Senate for approval many Members of the House on both sides of the aisle stand ready to march four abreast to the Senate Committee on Foreign Relations and to testify in opposition.

Mr. Speaker, as regards the Isthmian situation the canal policymakers in our Government through ignorance, weakness, or design, are undertaking to repeat at Panama the same stupid blunder as was perpetrated concerning the Taiwan question. Certainly the time has come to terminate the current negotiations with Panama, to serve notice that U.S. sovereignty over the Canal Zone is not negotiable, and to fire our Chief Negotiator Robert B. Anderson, and his chief assistant, John C. Mundt. The dismissal of these figures is justified not on the ground of differences of opinion but because the policy that they advocate is based on provable slanted press reports and official subservience to these reports. For example, I refer to the frequent reference to the "lease" by the United States of the Canal Zone territory. There is not nor was there ever any "lease" of the zone for canal purposes in Panama. The Canal Zone is deeded and paid for United States soil as definitely as the Louisiana Purchase of 1803 or the Alaska Purchase of 1867. It is totally false to use Panama's reversionary interest with any imputation of the right of any power to this bona fide territorial acquisition of the United States.

The required notice of our Government's determination to retain its full sovereign control over the Canal Zone and Panama Canal can best be given by prompt adoption by the House of the pending resolutions on Panama Canal sovereignty.

Two recent letters to the editor of the New York Times follow:

[From the New York Times, Oct. 31, 1971]

### CANAL ZONE TALKS

TO THE EDITOR: On Oct. 11, I listened as Gen. Omar Torrijos told his country—indeed the world—that he will take control of the Panama Canal Zone. He seems to believe the treaty negotiations now in progress will give him sovereignty of the Zone. If this fails, he says, he will enter the Zone ahead of his 6,000 guardsmen.

General Torrijos does not want to operate the Canal. He has stated many times Panama does not have the ability to do so. He does, however, want to abolish the office of Governor of the Zone; to have a Panamanian mayor, and to have Panama police patrol the Zone. In other words, he wants to rule the Canal Zone in the same way that he rules Panama.

Those of us now living in the Zone know the rule of terror under which the people of Panama exist. The general has complete control of radio and TV stations and of the press. He has stopped freedom of speech. In the last few months he has begun to harass the church.

Is this the kind of life we are expected to live in the Canal Zone? Are the Americans, who have fought for freedom since the birth of our country, going to surrender now?

Now is the time for each citizen to decide. It must be decided before the new treaty is signed. Will we keep the "Crossroads of the World" free? Or will we give it to a leftist dictator named Omar Torrijos?

JACQUELINE OVERSTREET,
Albrook Airforce Base, C. Z.

OCT. 13, 1971.

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EDITOR,
*New York Times.*

DEAR SIR: Referring to the report by Benjamin Welles in your Oct. 19th issue, I take exception to the conclusions that the United States leases the Canal Zone, pays rent, and that the Convention of 1903 did not grant exclusive sovereign jurisdiction to the United States.

Article II of the Convention of 1903 reads: "The Republic of Panama grants to the United States in perpetuity" and goes on to describe the Canal Zone, the boundaries of which are more precisely defined in a later treaty and include all of the land under the waters of Gatun Lake and the land around it up to the 100 foot contour line in addition to the ten mile strip of land established in the popular mind.

After consulting with Republican leaders including Elihu Root and leading Democrats including Senator John Tyler Morgan of Alabama, Secretary of State John Hay insisted on the words "grants to the United States in perpetuity" to comply with the Spooner law of 1902. Congress had authorized the President to build the Panama Canal only if he acquired "perpetual control" of a strip of land across the Isthmus and clear title to the French Canal property and approval of the sovereign of the Isthmus of Panama to transfer the Canal from a private company to the Government of the United States. The law appropriated $40 million to purchase the French Canal and Panama Railroad and $10 million to start the project.

According to Art. XIV of the 1903 treaty, "As the price or compensation" for the land and exclusive U.S. sovereign jurisdiction, the United States paid $10 million gold to the Republic of Panama. The $250 thousand annual payment "in like gold coin" was compensation for loss of the annual franchise payment of the Panama Railroad, which can be confirmed by reading Art. XXII of the treaty. In 1867 Colombia had renewed the franchise of the Panama Railroad Company for 99 years on payment of one million dollars cash and an annual payment of $250 thousand. The financial terms were originally negotiated with Colombia, and the Colombian Charge d'Affaires had been demanding $600 thousand per annum to compensate Colombia not only for the loss of the revenue from the railroad but also for loss of customs duties, taxation, etc. which Colombia was asked to give up by granting a ten kilometer strip of land to the U.S., but Secretary Hay who began negotiations with a very inconsequential annuity would assume only the financial obligation of the Panama Railroad and that was the final figure agreed upon. Colombia then rejected the terms offered when many legislators in Bogotá decided that Colombia should be paid $10 million by the French Canal Company for approval of the transfer of the franchise and $15 million by the United States for the land. This is the $25 million finally paid to Colombia by the United States for a quit claim in the Thomson-Urrutia Treaty whereby Colombia recognized the Independence of Panama and recognized that title to the Panama Canal and Panama Railroad is "vested entirely and absolutely in the United States without any encumbrances or indemnity whatsoever."

When Colombia rejected the Hay-Herrán Treaty, the Spooner Act required the President to build the Nicaragua Canal. The people of Panama did not wish to lose the canal to Nicaragua and sent emissaries to the United States seeking aid for Panamanian Independence. They wrote letters to Secretary Hay complaining that the Colombian troops in Panama had not been paid for three months and were pillaging and living off the people of the Isthmus. The French Panama Canal engineer Phillipe Bunau-Varilla advanced one hundred thousand dollars to pay the back wages of the officers and men of the Panama garrison and President Roosevelt sent U.S. Navy vessels to Panama to prevent landing of troops with hostile intent. Panama gained its long sought independence and offered a treaty to the Untied States at the same financial terms which the United States had offered Colombia but which embodied all of the amendments proposed by Senator John Tyler Morgan of Alabama. It is very doubtful if a treaty less favorable to the United States than the Convention of 1903 could have been approved by the United States Senate. The group of Senators led by John Tyler Morgan favored the Nicaragua Canal because of the shorter sailing distances from Gulf Coast ports to Pacific ports, and the opposition to the Panama Canal was too strong. The Hay-Bunau-Varilla Treaty was ratified first by Panama before being submitted to the United States Senate. At law a contract is always construed against the party which drew up the contract.

Article III of the Convention of 1903 grants exclusive sovereign jurisdiction to the United States in the following words: "The Republic of Panama grants to the United States all the rights, power and authority within the zone (described in Art. II) which the United States would possess and exercise if it were sovereign . . . to the entire exclusion of the exercise by the Republic of Panama of any such sovereign rights, power or authority."

The intent of the high contracting parties was made clear in a note dated May 25, 1904 from Tomás Arias, Minister of Government of Panama, who had been a member of the Independence Movement which gave birth to the Republic of Panama, to General George W. Davis, United States Army, Governor of the Canal Zone: "The Government of the Republic of Panama considers that upon exchange of ratifications of the treaty for opening an interoceanic canal across the Isthmus of Panama its jurisdiction ceased over the Zone."

William Howard Taft's theory of "titular sovereignty" was based on a rule of English grammar not on the usual meaning of the words or the intent of the high contracting parties. He, himself characterized "titular sovereignty" as a "barren ideality" and Secretary of State John Hay defined it as a "barren sceptre."

In a letter dated January 12, 1905 to President Roosevelt, Mr. Taft wrote: "The truth is that while we have all the attributes of sovereignty necessary in the construction, maintenance, and protection of the canal, the very form in which those attributes are conferred in the treaty seems to preserve the titular sovereignty over the Canal Zone in the Republic of Panama, and as we have conceded to us complete judicial and police power and control over the zone and the two ports at the ends of the canal, I can see no reason for creating a resentment on the part of the people of the Isthmus by quarreling over that which is dear to them but which to us is of no real moment whatever."

April 18, 1906, in a statement before the Senate Committee on Interoceanic Canals, Mr. Taft quoted Article III of the Convention of 1903 and said: "It is peculiar in not conferring sovereignty directly upon the United States, but in giving to the United States the powers which it would have if it were sovereign. This gives rise to the obvious implication that a mere titular sovereignty is reserved in the Panamanian Government. Now, I agree that to the Anglo-Saxon mind a titular sovereignty is like what Governor Allen, of Ohio, once characterized as a "barren ideality", but to the Spanish or Latin mind poetic and sentimental, enjoying the intellectual refinements, and dwelling much on names and forms, it is by no means unimportant.

Very respectfully yours,
WILLIAM B. COLLIER III
*Santa Barbara, Calif.*

October 23, 1971.

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## ANOTHER INCIDENT OF INTIMIDATION BY FEDERAL POLICEMEN, WITH JEOPARDY TO THE BILL OF RIGHTS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. JAMES V. STANTON) is recognized for 10 minutes.

Mr. JAMES V. STANTON. Mr. Speaker, on November 2, 1971, on page 38707, I inserted in the CONGRESSIONAL RECORD a letter I had written to President Nixon regarding certain acts of intimidation by the U.S. Secret Service, the target of these un-American actions being one of my constituents, Mr. Borivoje M. Karapandzich of Cleveland, Ohio. Mr. Karapandzich is an outspoken foe of Marshal Tito of Yugoslavia, a recent visitor to our country. At the same time, I inserted other material in the CONGRESSIONAL RECORD, dealing with other developments along these lines.

On November 8, I received the following letter from the White House:

THE WHITE HOUSE,
*Washington, November 4, 1971.*

Hon. JAMES V. STANTON,
*House of Representatives,*
*Washington, D.C.*

DEAR MR. STANTON: This will acknowledege your letter to the President presenting a report of an interview with Mr. Borivoje M. Karapandzich by agents of the United States Secret Service. You may be assured this matter will receive prompt consideration.

With cordial regards,
Sincerely,
WILLIAM E. TIMMONS,
*Assistant to the President.*

In the meantime, pending a more detailed reply from the White House, I urge my colleagues to keep Mr. Karapandzich's complaint in mind, and I urge them, too, to give heed to the following article which appeared this morning on the front page of the Washington Post:

### FBI Probes Newsman Critical of President

(By Ken W. Clawson)

Acting on orders from the White House, the FBI has been investigating veteran CBS correspondent Daniel Schorr.

The investigation started Aug. 20 in the midst of one of Schorr's frequent clashes with White House aides over the quality and accuracy of his reporting.

FBI agents called on Richard Salant, president of CBS; Bill Small, CBS Washington bureau chief; Fred Friendly, former president of CBS, and even neighbors of Schorr, who lives in Georgetown, and those of his brother, Alvin, who lives in New York.

In each instance, agents said that Schorr was being considered for a "position of trust and confidence" in the government. An agent told Salant, who was suspicious of the reason for the probe, that Schorr had been proposed for a "very important job" and the White House had asked the FBI to expedite the investigation.

Most of the interviews took place during the weekend of Aug. 20.

No job offer was ever made to Schorr, but a White House official said last night that Schorr "was under consideration, among others, for a high position in the environmental area. The consideration was terminated, not for any reason that turned up in the FBI investigation, but for other reasons with respect to him and the position for which he was being considered."

The official refused to identify the environmental post.

"I now believe there was never a job to be offered," Schorr said yesterday. "Out of curiosity mostly, I have checked every source who might know without the slightest indication that I was ever considered for any post."

It was learned that the White House indeed sought from the FBI a field investigation on Schorr and, as is usual in these cases, indicated it was because Schorr was under consideration for employment in a substantial government post.

The investigation started three days after President Nixon made a speech to the Knights of Columbus in New York in which he indicated he strongly supported financial aid to parochial schools despite political and constitutional barriers. On the night of the speech, Schorr reported the President caught Catholic educators and even some HEW officials by surprise because they didn't know of any programs or initiatives in progress that could accomplish the President's apparent goal.

The following day, Aug. 18, Schorr was called by Al Snyder, an aide to White House communications director Herbert G. Klein, and asked to a meeting "to get all the facts" on White House initiatives on parochial schools.

Present were presidential speechwriter Pat Buchanan, Terry Bell, then an assistant commissioner of education, and Henry Cashen, an aide to Charles Colson, special counsel to the President.

Schorr said the quartet reeled off information so rapidly that he could not absorb it. He asked them for a simple statement of the facts, and promised he would try to air their position after checking it with his original sources.

Although his sources dismissed much of the subsequent statement as "pie in the sky," Schorr said he went on the CBS Evening News with Walter Cronkite Friday, Aug. 20, with a story giving the White House position as well as a partial knockdown by his own sources.

The FBI investigation was started earlier the same day. Schorr's bureau chief, Bill Small, refused to turn over the correspondent's personnel file to the FBI agent in view of the fact that he could not learn what job might be in the offing.

But Schorr himself answered several routine questions about his background and then ended the interview. He said he told the agent: "This is funny. If a job is going to be offered, shouldn't I know about it?"

In addition to a background check by the FBI, standard procedure prior to a high government appointment is an investigation of the prospect's back tax records. It was learned that no such check was made on Schorr.

Schorr became more and more curious as the days went by, as friends and associates called him to report contacts with the FBI. Marjorie Hunter, a New York Times reporter and Schorr's neighbor, was queried.

Irving R. Levine, an NBC correspondent, was asked by agents about Schorr's behavior when he was CBS's Moscow correspondent from 1955 through 1957. Schorr's nephew, Ken, 18, said neighbors in New York were being asked about Schorr.

The White House official said last night that the FBI probe was initiated routinely by the office of Frederic V. Malek, chief White House recruiter.

Coincidentally, Malek and Schorr attended a dinner party together after the FBI investigation was begun. The correspondent asked Malek at the dinner if he really was under consideration for a job. Malek's reaction, Schorr said yesterday, was one of surprise. Malek told Schorr he would look into the matter and call him. Malek didn't call.

Schorr and the White House, and especially Colson, the President's special counsel, have been on the outs over Schorr's coverage of the wage-price freeze and Phase II of the government's economic plans.

Last Wednesday, after Schorr reported that the Pay Board was about to explode because of labor members' reaction to proposed guidelines, Colson called Frank Stanton, vice chairman of CBS, and complained that the report was inaccurate.

One version of the call is that Colson charged that Schorr had personally fed the story to the Washington Post and the New York Times, thereby compounding the inaccuracy. This version further alleges that when AFL–CIO President George Meany heard the Schorr television report he became so angry that he boycotted the Thursday session of the Pay Board.

Labor sources said yesterday Meany did miss the morning session, but it was because he had a doctor's appointment. The Washington Post story, written by Frank C. Porter, did not come from Schorr, according to Porter.

Stanton himself said he didn't recall enough of the conversation with Colson to be precise about it. But he said that he didn't think it would be fair to say that Colson complained vigorously about Schorr's report.

Following the coverage of the acceptance of mainland China into the United Nations, however, Colson complained to a Washington CBS official that the network had failed to show the jubilation of pro-Chinese nations after the crucial vote.

Sargent Carlton, director of governmental relations for CBS, said Colson's complaint was relayed to Salant in New York. Earlier that day, the White House had denounced as "shocking" the "demonstration of undisguised glee shown by some" U.N. delegates.

All that was clear last night was that Schorr was secure in his job at CBS, and that his chances, if he ever had any, for a high position of "trust and confidence" in the government, were dead.

## BLASTS POSTAL SERVICE INTERFERENCE IN INVESTIGATION OF SECAUCUS BLUNDER

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Pennsylvania (Mr. Nix) is recognized for 10 minutes.

Mr. NIX. Mr. Speaker, as the Members of the House know, my subcommittee is conducting an investigation into the $60,000,000 cost overrun in the Secaucus, N.J., postal project. The Postal Service, according to the General Accounting Office, has managed in percentage terms to spend 109 percent more than it planned for the Secaucus project.

On November 9, General Rebh of the Army Corps of Engineers testified before my Subcommittee that the presence of methane gas which is highly explosive and inflammable has been discovered on the site and provision is now to be made to get rid of such gas. What is shocking about this disclosure is that the presence of gas was not discovered until a third of the cement floor of this project was laid down and no provision for the presence of this dangerous gas was made by the architect.

General Rebh testified that two individuals, who were employed by the Postal Service, a Mr. Garcia and a Mr. Cole, raised the question of methane gas with the Lester B. Knight Co., the architectural firm, very early in the history of the project.

The subcommittee asked for copies of documents which would show that this had happened. General Rebh promised on Tuesday to provide them. We have received them today.

These documents show that the architect should have known about methane gas and events prove that nothing was done about it.

But, we received a further surprise when the documents were handed over to us. They came to us, not from General Rebh, but were delivered by hand by a postal official. We have learned further that Mr. Henry Albert of the Postal Service congressional liaison staff insisted that the Army Corps of Engineers deliver these documents to the Postal Service under a previous agreement between the Postal Service and the Corps of Engineers.

This means that we do not know whether we have received the full information requested or not. We do not know whether this material has been censored by Mr. Albert.

I would like to remind the Postal Service that my subcommittee has the subpena power and we have the right to this information.

We will obtain all such information in the future by the subpena power to avoid the tainting of documents.

Subpenas will now be issued by myself as chairman of the subcommittee as a matter of course. I will not tolerate any interference with this investigation by anyone, including the Postal Service.

We will not stop searching for information until the entire Secaucus story is known.

## U.S. FOREIGN AID: MYTHS AND REALITIES

(Mr. PODELL asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. PODELL. Mr. Speaker, the Nixon

administration solemnly promised the American people it would introduce creative new priorities. Belying that promise, the administration submitted to the Congress this year a foreign aid package which would perpetuate and further institutionalize a series of aged myths on foreign assistance which have made America a laughing stock in all corners of the world.

Myth No. 1 of the foreign aid establishment is the idea that the best way to combat Communist dictatorship is to shore up every non-Communist government with generous infusions of military and economic assistance. This myth takes no account of whether the government which is to receive the aid is itself repressive, reactionary, and a hindrance to economic and social justice in its country. It takes no account of whether a democratic government which was receiving U.S. aid was taken over by a clique of colonels in a military coup. In the name of fighting communism, our aid program has bolstered any dictator who was willing to mouth the necessary anti-Communist rhetoric and who automatically labeled as Communists any progressive, pro-democratic political opponents who sought to improve the living conditions of the country's impoverished masses.

This first myth on foreign aid conforms to a basic rule of "The Game of Nations" as set forth in an uncommonly perceptive article of that title by Richard Barnet in the current (November) issue of Harper's magazine. According to Barnet—

> All the world is the playing field. There are no spectators. Every nation, no matter how small, is a potential member of somebody's team. If it has not yet been chosen, then there is a "power vacuum" that you must exploit before the other team does.

This misguided theory holds that every anti-Communist regime, and every potentially anti-Communist regime, deserves American help.

The second myth on foreign aid states that the United States should provide recipient countries not only with money and hardware but also with a military assistance advisory group consisting of members of the U.S. Armed Forces. Give the dictators guns and planes, this theory says, and send American technicians and pilots to show them how to defend the existing government against what is glibly termed "Communist subversion." This myth has led us down the perilous path of military involvement in Indochina, the Dominican Republic, and elsewhere.

According to the third myth of the aid program, money given to the government of a foreign country will inevitably benefit broad segments of the country's population, including its submerged millions living at the subsistence level as serfs who labor and toil in order that a tiny minority of wealthy families may continue to enjoy their traditional luxuries. The meager results of the Alliance for Progress in raising the standards of living of peons in Latin America have punctured this myth beyond repair.

Myth No. 4 on foreign aid is the hypothesis that if you will only provide military and economic help to a country, that country's government will surely support you in the council chambers of the family of nations, will vote for your resolutions in the United Nations and will subscribe to your public policies on global issues. In the recent fiasco in the United Nations on the China question, recipients of U.S. aid not only voted against us—which was their privilege—but marked our stunning defeat with unseemly celebrations.

Indeed, the recent U.N. vote highlights an interesting phenomenon of the foreign aid game—that the recipients of foreign aid often harbor feelings of resentment against the donor. They express their feelings by attempting to publicly demonstrate their independence and freedom from the economic apron strings of the donor just as a small child will sometimes attempt to show his independence and prove his stature by disobeying his parents before members of his peer group.

I believe that the United Nations is big enough to accommodate mainland China and also the opponents of mainland China on the island of Taiwan. The people of Taiwan do not want to be represented by the followers of Mao Tse-tung, and I do not think their voice should be excluded from this international forum.

In the first U.N. vote this year on the admission of mainland China, a vote on the U.S. resolution declaring the expulsion of Nationalist China to be an important question, 74 member nations voted against the resolution or abstained. For 42 of these 74 nations, the administration's fiscal year 1972 foreign aid bill, defeated recently in the Senate, contained authorizations totaling approximately $1.5 billion.

During the last 25 years, the United States has given or loaned $9.5 billion to India in a special, large-scale effort to help that giant nation achieve economic takeoff. Despite the aid and attention we have lavished on her during the last quarter century, India has entered into close cooperation with the Soviet Union and taken numerous antiwestern stands. Currently, India is in the midst of a 5-year bilateral trade arrangement with the U.S.S.R., and on August 9 of this year, India signed a treaty of peace, friendship, and cooperation with Russia. Most of India's military hardware, including air force planes, come from Russia. India has taken a strong anti-Israel stand in the Middle East and maintains close relations with the United Arab Republic. During the same quarter-century, the United States gave or loaned $5.5 billion to Turkey and almost $4.5 billion to Pakistan. India, Turkey, and Pakistan all voted against the U.S. position on China.

With the announcement of the results of the vote in the United Nations, Myth No. 4—the myth that aid recipients will vote with you—came crashing to the ground. No one will ever be able to put this Humpty Dumpty back together again.

Myth No. 5 is the notion that the United States not only should contribute foreign aid but should be the prime contributor for our multilateral defense alliances, notably NATO. Our North Atlantic defense contribution is far out of line with what a fair distribution would call for. Other members of NATO are capable of coughing up a higher percentage of the organization's expenses. That only we can pay a high percentage is an outmoded illusion. We can no longer afford to play Santa Clause in this area of international life.

It is time that we faced up manfully to the falsity of these myths of foreign assistance. It is time to establish a genuine reordering of priorities in our overseas and domestic expenditures. We need to confront the realities of the United States role in world affairs in the 1970's.

The most important reality is that first call on our resources should be the improvement of the quality of life in America by the solution of the problems of poverty, unemployment, pollution, lowered standards of education, drug abuse and crime in the streets. We need to look inward first and foremost, and provide solutions primarily for our own pressing national problems.

To achieve this, we must become far more circumspect in our foreign aid program, rendering assistance to those nations that are truly our friends. Israel, a Western-oriented democracy surrounded by hostile authoritarian Arab regimes which are subsidized by the Soviet Union, is America's only true friend in the Middle East and is especially worthy of aid. The recent defeat of the foreign aid bill in the Senate deprived Israel of a $200 million grant-in-aid which would have been its first since 1964. It also killed House-approved individual allocations amounting to $20 million to be distributed among a dozen Israeli educational and civic institutions. I am hopeful that this aid will be restored in whatever foreign aid legislation is proposed for debate and vote.

The second reality of America's role in today's world is that the time is long past for the establishment of a multilateral international aid program in which the rich nations of the world will work together to offer humanitarian aid to the poor nations. An intergovernmental joint appeal with the great powers of the world—capitalist and Communist alike—contributing amounts proportional to their gross national product, would provide a far more effective approach than rival aid programs, which pit the Western world against the Communist nations. A joint multilateral foreign aid program of this kind could also play a role in establishing a basis for unity in our one-world spaceship.

Realizing the intransigence of the Soviet Union, we must be realistic enough to be aware that it is doubtful that such an idealistic program could be launched. If the Communist nations refuse to cooperate in such an endeavor, the United States would do well to organize and implement an intergovernmental joint appeal in conjunction with our Western allies. Such a program would place a less onerous burden of foreign aid on the already sagging shoulders of the American taxpayer. The Atlantic community of nations could administer this aid program through an already existing multilateral organization such as NATO.

The third reality is the experience we have had with our past military aid policy, which clearly shows that U.S. defense assistance to foreign countries should be drastically reduced.

We should continue military aid to nations and international organizations such as NATO, that are necessary for maintaining our own strong defense posture. In addition, we need to provide military assistance for those nations that have shown themselves truly worthy of our support.

A sound basis for a revitalized and rational aid program can only be built if we are ready to recognize these realities and firmly reject, once and for all, the fatuous myths on foreign aid that have grown up since World War II.

## SECOND THOUGHTS ON FOREIGN AID

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, I am pleased to see that the Senate has begun debate on a revised foreign aid bill and is therefore reconsidering its complete dismissal of the aid program. The bill passed by the Senate will most likely take a different shape from the House version—the Foreign Relations Committee has already separated economic assistance from military assistance—but it will assure that foreign aid will not die overnight. The Senate will now have a vehicle with which to go to conference with the House, and a temporary compromise measure can be devised. This compromise will allow the Congress to conduct a thorough examination and revision of the entire foreign aid program in terms of long-range goals and needs, which I have long advocated.

The Hartford Courant recently printed an excellent editorial on the status of foreign aid in the Senate. I offer that editorial, entitled, "Second Thoughts on Foreign Aid," for the consideration of my colleagues:

### Second Thoughts on Foreign Aid

Whatever it was that the Senate was trying to get off its chest by rejecting the Administration's foreign aid authorization bill last week, that body now seems to be having second thoughts.

Despite prophecy that nothing would be done this session to revive the United States aid program, the Senate Foreign Relations Committee apparently is agreed some kind of stop-gap legislation is necessary, after all—that "presto-chango" is not the answer to issues and problems of foreign aid.

This of course is what President Nixon and the Pentagon both are saying and urging. The two pleas are going to be listened to somewhat differently. That is already plain. Senators are already drawing distinctions between economic and military aid. Indeed, it was partly the argument by liberal Senators that military aid is tending to cause wars and American involvement in them, which resulted in the Senate rejection of the aid bill the first time around.

It is the Pentagon's contention on the other hand that military aid is essential to American strategic planning. It is pointed out that the rejection of the aid bill will weaken President Nixon's hand as he prepares to visit Peking and Moscow. Or, as it was worded, "It is particularly important at this time in history when we are moving toward an era of negotiation that we cannot and should not dilute the incentive of those negotiating," by ending foreign assistance.

Whether these arguments are totally convincing to critics of foreign aid, they will probably come around to the view that such assistance cannot be ended chop-a-block, at least. Thus the prediction now is that some short-range aid will be continued, while long-range policy is being battled out in later Congressional sessions. That opponents of military-aid spending will continue to try to cut this to the bone, is obvious. That moves will be revived to embody in the bill some sort of Vietnam withdrawal date, can also be expected, even though similar moves in connection with other appropriations bills have been defeated.

But while it is entirely possible that varied sorts of Congressional "disillusionment" will radically alter foreign aid in the future, a Senate-House compromise on what to do for the moment is certainly in order. Even given the best of reasons, the Senate's utter dismissal of aid was an act of haste. Now is the time to have second thoughts, and if they are good ones, last week's no-aid stampede perhaps can be filed and forgotten.

## LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted as follows to:

Mr. McKevitt (at the request of Mr. Gerald R. Ford), from 5:15 p.m. today, through November 17, on account of official business.

Mr. Moss, for period from 4 p.m., November 11, 1971, through November 15, 1971, on account of official business.

Mr. Barrett (at the request of Mr. Nix), for Thursday, November 11, 1971, on account of illness.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

The following Members (at the request of Mr. McCollister), to revise and extend their remarks and to include extraneous matter to:

Mr. Miller of Ohio, today, for 5 minutes.

Mr. Kemp, today, for 15 minutes.

The following Members (at the request of Mr. Denholm), to revise and extend their remarks and to include extraneous matter to:

Mr. Rosenthal, today, for 10 minutes.

Mr. Roy, today, for 20 minutes.

Mr. Flood, today, for 10 minutes.

Mr. Aspin, today, for 15 minutes.

Mr. Gonzalez, today, for 10 minutes.

Mr. James V. Stanton, today, for 10 minutes.

Mr. Nix, today, for 10 minutes.

## EXTENSION OF REMARKS

By unanimous consent, permission to extend remarks in the Appendix of the Record, or to revise and extend remarks, was granted to:

Mr. Aspinall and to include an address by Representative Wright.

Mr. Rogers and to include extraneous matter.

Mr. Gross to revise and extend his remarks on the District bill and include tables.

(The following Members (at the request of Mr. McCollister), and to include extraneous matter:)

Mr. Burke of Florida.

Mrs. Heckler of Massachusetts.

Mr. Derwinski in four instances.

Mr. Hillis.

Mr. Thomson of Wisconsin.

Mr. Hosmer in two instances.

Mr. Keating.

Mr. Schmitz in two instances.

Mr. Bray in two instances.

Mr. Wyatt.

Mr. Zwach.

Mr. Price of Texas in four instances.

Mr. Broyhill of Virginia.

Mr. Smith of New York.

Mr. Hutchinson.

Mr. Bob Wilson in three instances.

Mr. Archer.

Mr. McEwen in five instances.

Mr. Hansen of Idaho.

(The following Members (at the request of Mr. Denholm), and to include extraneous matter:)

Mr. Rangel in three instances.

Mr. Ichord in two instances.

Mr. Cotter in six instances.

Mr. Dent.

Mr. Jacobs.

Mr. Bolling.

Mr. Gonzalez in two instances.

Mr. Flood.

Mr. Rarick in three instances.

Mr. Helstoski in five instances.

Mr. Metcalfe.

Mr. Fulton of Tennessee in three instances.

Mr. Anderson of California in six instances.

Mr. Rogers in five instances.

Mr. Brooks.

Mr. Bergland.

Mr. Mann in six instances.

Mrs. Sullivan in three instances.

Mr. Evins of Tennessee in two instances.

Mr. Mazzoli.

Mr. Fascell in two instances.

Mr. Purcell.

Mr. Vanik.

Mr. Ryan in three instances.

## ADJOURNMENT

Mr. DENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 54 minutes p.m.), under its previous order, the House adjourned until Monday, November 15, 1971, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1281. A letter from the Attorney General, transmitting a report for fiscal year 1971 on the enforcement of title II (extortionate credit transactions) of the Consumer Credit Protection Act of 1968; to the Committee on Banking and Currency.

1282. A letter from the Acting Secretary of the Treasury, transmitting a report on foreign credits by the U.S. Government as of December 31, 1970, pursuant to section 634 (f) of the Foreign Assistance Act of 1961, as amended; to the Comimttee on Foreign Affairs.

1283. A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to declare that certain federally owned lands are held by the United States in trust for the Covelo Indian Community of the Round Valley Indian Reservation, Calif.; to the Committee on Interior and Insular Affairs.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. HOLIFIELD: Committee on Government Operations. H.R. 8708. A bill to extend the authority of agency heads to draw checks in favor of financial organizations to other classes of recurring payments, and for other purposes; with an amendment (Rept. No. 92-665). Referred to the Committee of the Whole House on the State of the Union.

Mr. MAHON: Committee on Appropriations. H.R. 11731. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes (Rept. No. 92-666). Referred to the Committee of the Whole House on the State of the Union.

Mr. SISK: Committee on Rules. House Resolution 704. Resolution providing for the consideration of H.R. 11731. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes (Rept. No. 92-667). Referred to the House Calendar.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. ANDERSON of Illinois:

H.R. 11716. A bill to authorize a review of collective bargaining in the construction industry; the broadening of the geographical scope of collective bargaining for construction affecting interstate commerce; and the establishment of a Construction Industry Bargaining Commission; to the Committee on Education and Labor.

By Mr. ARCHER (for himself, Mr. Collins of Texas, Mr. Eshleman, Mr. Schmitz, Mr. Price of Texas, and Mr. Hall):

H.R. 11717. A bill to repeal the Davis-Bacon Act and the Contract Work Hours Standards Act, and related provisions of law; to the Committee on Education and Labor.

By Mr. BERGLAND:

H.R. 11718. A bill to amend sections 9 and 11 of the Clayton Act, as amended, to provide for the continuance of the family farm and to prevent monopoly and for other purposes; to the Committee on the Judiciary.

By Mr. CHAMBERLAIN:

H.R. 11719. A bill to amend the Internal Revenue Code of 1954 so as to permit certain tax exempt organizations to engage in communications with legislative bodies, and committees and members thereof; to the Committee on Ways and Means.

By Mr. HELSTOSKI:

H.R. 11720. A bill to amend title 38 of the United States Code to authorize the enrollment of eligible veterans in a course offered by an educational institution which has moved to another location, provided certain conditions are met; to the Committee on Veterans' Affairs.

By Mr. KARTH:

H.R. 11721. A bill to amend the Postal Reorganization Act of 1970, Title 39, U.S.C. to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. KEATING:

H.R. 11722. A bill to guarantee the right of criminal defendants to a speedy trial and to reduce crime and injustice by improving the supervision of persons released on bail and probation, and for other purposes; to the Committee on the Judiciary.

By Mr. MATSUNAGA (for himself, Mr. Rhodes, Mr. Steiger of Arizona, Mr. Teague of Texas, Mr. Udall, Mr. Anderson of Tennessee, Mr. Burton, Mr. Casey of Texas, Mr. Collier, Mr. Dorn, Mr. Dulski, Mr. Gallagher, Mrs. Grasso, Mr. Halpern, Mr. Hechler of West Virginia, Mr. Helstoski, Mr. Hunt, and Mr. Johnson of California):

H.R. 11723. A bill to authorize the Secretary of the Navy to provide shoreside facilities for the education and convenience of visitors to the United States Ship Arizona Memorial at Pearl Harbor; to the Committee on Armed Services.

By Mr. MATSUNAGA (for himself, Mr. Steiger of Arizona, Mr. Teague of Texas, Mr. Udall, Mr. Rhodes, Mr. Kyros, Mr. Latta, Mr. Leggett, Mr. Nix, Mr. Pickle, Mr. Pike, Mr. Podell, Mr. Roberts, Mr. Rodino, Mr. Stratton, Mr. Wiggins, Mr. Wright, and Mr. Young of Florida):

H.R. 11724. A bill to authorize the Secretary of the Navy to provide shoreside facilities for the education and convenience of visitors to the United States Ship Arizona Memorial at Pearl Harbor; to the Committee on Armed Services.

By Mr. MAZZOLI:

H.R. 11725. A bill relating to withholding, for purposes of the income tax imposed by certain cities, on the compensation of Federal employees; to the Committee on Ways and Means.

By Mr. PRICE of Texas:

H.R. 11726. A bill to provide for national cemeteries in the northwestern area of the State of Texas; to the Committee on Veterans' Affairs.

By Mr. ROSENTHAL:

H.R. 11727. A bill to provide Federal financial assistance to local governments for the training of parapolice personnel; to the Committee on the Judiciary.

By Mr. ROY (for himself, Mr. Rogers, Mr. Kryos, Mr. Preyer of North Carolina, Mr. Symington, Mr. Nelsen, Mr. Carter, and Mr. Hastings):

H.R. 11728. A bill to amend the Public Health Service Act to provide assistance and encouragement for the establishment and expansion of health maintenance organizations, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. TEAGUE of Texas:

H.R. 11729. A bill to provide for the conversion of Servicemen's Group Life Insurance to Veterans' Group Life Insurance, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. THONE:

H.R. 11730. A bill urging units and individual members of the armed services to engage in civic works; to the Committee on Armed Services.

By Mr. MAHON:

H.R. 11731. A bill making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

By Mr. BINGHAM (for himself, Mr. Burton, Mr. Mikva, and Mr. Moss):

H.R. 11732. A bill to amend the Fair Packaging and Labeling Act to provide that the commodity label required by that act must disclose the manufacturer's name and place of business, and packer's name and place of business if different from the manufacturer; to the Committee on Interstate and Foreign Commerce.

By Mr. CRANE (for himself, Mr. Waggonner, Mr. Sikes, Mr. Biaggi, Mr. Chappell, Mr. Dulski, Mr. Goodling, Mr. Nichols, Mr. Poage, and Mr. Thomson of Wisconsin):

H.R. 11733. A bill to limit U.S. contributions to the United Nations; to the Committee on Foreign Affairs.

By Mr. DONOHUE:

H.R. 11734. A bill to amend title 38 of the United States Code to increase the maximum burial and funeral expense payment for a veteran to $400 and to provide an additional allowance of not to exceed $150 for the purchase of a burial plot; to the Committee on Veterans' Affairs.

By Mr. DUNCAN:

H.R. 11735. A bill to suspend the duties on fluorspar until the close of January 1, 1974; to the Committee on Ways and Means.

By Mr. FISH:

H.R. 11736. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. HAWKINS:

H.R. 11737. A bill to amend the tariff and trade laws of the United States to promote full employment and restore a diversified production base; to amend the Internal Revenue Code of 1954 to stem the outflow of U.S. capital, jobs, technology, and production, and for other purposes; to the Committee on Ways and Means.

By Mr. HÉBERT (for himself and Mr. Arends):

H.R. 11738. A bill to amend title 10, United States Code, to authorize the Secretary of Defense to lend certain equipment and to provide transportation and other services to the Boy Scouts of America in connection with the Boy Scout Jamborees, and for other purposes; to the Committee on Armed Services.

H.R. 11739. A bill to authorize the Secretary of Defense to lend certain Army, Navy, and Air Force equipment and provide certain services to the Boy Scouts of America for use in the 1973 National Jamboree, and for other purposes; to the Committee on Armed Services.

By Mr. JACOBS:

H.R. 11740. A bill to amend section 135 of title 4 of the District of Columbia Code to exclude the personnel records, home addresses, and telephone numbers of the officers and members of the Metropolitan Police Department of the District of Columbia from the records open to public inspection; to the Committee on the District of Columbia.

By Mr. PRICE of Texas:

H.R. 11741. A bill to amend the Federal Water Pollution Control Act; to the Committee on Public Works.

By Mr. ROGERS (for himself, Mr. Kyros, Mr. Preyer of North Carolina, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, and Mr. Hastings):

H.R. 11742. A bill to provide for the prevention of sickle cell anemia; to the Committee on Interstate and Foreign Commerce.

By Mr. SAYLOR:

H.R. 11743. A bill to amend title III of the act of March 3, 1933, commonly referred to as the Buy American Act, with respect to determining when the cost of certain articles, materials, or supplies is unreasonable; to define when articles, materials, and supplies have been mined, produced, or manufactured in the United States; to make clear the right of any State to give preference to domestically produced goods in purchasing for public use, and for other purposes; to the Committee on Public Works.

H.R. 11744. A bill to provide incentives for the establishment of new or expanded job-producing industrial and commercial establishments in rural areas; to the Committee on Ways and Means.

By Mr. SPRINGER:

H.R. 11745. A bill to amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer as soon as possible; to the Committee on Interstate and Foreign Commerce.

By Mr. YOUNG of Florida (for himself, Mr. Gibbons, and Mr. Haley):

H.R. 11746. A bill for the relief of certain cities, counties, and government agencies of the State of Florida to compensate them for costs in connection with a "red tide" occurrence; to the Committee on the Judiciary.

By Mr. BYRON (for himself and Mr. Teague of Texas):

H.J. Res. 959. Joint resolution designating November 11 of each year as "Armistice Day"; to the Committee on the Judiciary.

By Mr. CARTER:

H.J. Res. 960. Joint resolution designating the American rose as the national floral emblem of the United States; to the Committee on House Administration.

By Mr. DRINAN (for himself, Mr. Abourezk, Mrs. Abzug, Mr. Aspin, Mr. Badillo, Mr. Begich, Mr. Bingham, Mr. Burton, Mrs. Chisholm, Mr. Conyers, Mr. Corman, Mr. Dellums, Mr. Dow, Mr. Eckhardt, Mr. Edwards of California, Mr. Eilberg, Mr. Esch, Mr. William D. Ford, Mr. Fraser, Mr. Frenzel, Mrs. Grasso, Mr. Gude, Mr. Halpern, Mr. Harrington, and Mr. Hawkins):

H.J. Res. 961. Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. Hechler of West Virginia, Mr. Helstoski, Mrs. Hicks of Massachusetts, Mr. Jacobs, Mr. Lujan, Mr. Matsunaga, Mr. Metcalfe, Mr. Mikva, Mrs. Mink, Mr. Mitchell, Mr. Moss, Mr. Pepper, Mr. Preyer of North Carolina, Mr. Railsback, Mr. Rangel, Mr. Rees, Mr. Reid of New York, Mr. Rosenthal, Mr. Roy, Mr. Ryan, Mr. Scheuer, Mr. Seiberling, Mr. Udall, and Mr. Vanik):

H.J. Res. 962. Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress; to the Committee on the Judiciary.

By Mr. DRINAN (for himself, Mr. Waldie, and Mr. Wolff):

H.J. Res. 963. Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress; to the Committee on the Judiciary.

By Mr. FISH:

H.J. Res. 964. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on the Judiciary.

By Mr. PURCELL:

H.J. Res. 965. Joint resolution proposing an amendment to the Constitution of the United States lowering the age requirements for membership in the Houses of Congress; to the Committee on the Judiciary.

By Mr. YOUNG of Florida (for himself, Mr. Ashbrook, Mr. Aspin, Mr. Biaggi, Mr. Burke of Florida, Mr. Chappell, Mr. Collier, Mr. Davis of South Carolina, Mr. Devine, Mr. Eilberg, Mr. Eshleman, Mr. Fisher, Mr. Flynt, Mr. Frey, Mr. Halpern, Mr. Hillis, Mr. Hunt, Mr. Hutchinson, and Mr. Johnson of Pennsylvania):

H.J. Res. 966. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on the Judiciary.

By Mr. YOUNG of Florida (for himself, Mr. Keating, Mr. Kyl, Mr. McCollister, Mr. Mills of Maryland, Mr. Mizell, Mr. Myers, Mr. Pirnie, Mr. Powell, Mr. Roberts, Mr. Runnels, Mr. Saylor, Mr. Scherle, Mr. Sebelius, Mr. Shoup, Mr. Thomson of Wisconsin, Mr. Thone, Mr. Ware, and Mr. Wright):

H.J. Res. 967. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans Day; to the Committee on the Judiciary.

By Mr. HUNGATE (for himself, Mr. Anderson of California, Mr. Andrews of North Dakota, Mr. Brasco, Mr. Brown of Michigan, Mr. Burlison of Missouri, Mr. Daniels of New Jersey, Mr. Denholm, Mr. Dent, Mr. Dulski, Mr. Evins of Tennessee, Mr. Fascell, Mr. Foley, Mr. Fulton of Tennessee. Mr. Galifianakis, Mr. Gettys, Mr. Hagan, Mr. Hansen of Idaho, Mr. Hastings, Mr. Hathaway, Mr. Helstoski, Mrs. Hicks of Massachusetts, and Mr. Hogan):

H. Con. Res. 454. Concurrent resolution urging review of the United Nations Charter; to the Committee on Foreign Affairs.

By Mr. HUNGATE (for himself, Mr. Kemp, Mr. Kuykendall, Mr. Lent, Mr. Link, Mr. Long of Maryland, Mr. McClory, Mr. Mathias of California, Mr. Mazzoli, Mr. Michel, Mr. Morse, Mr. Murphy of New York, Mr. Pike, Mr. Preyer of North Carolina, Mr. Roy, Mr. Runnels, Mr. Steele, Mr. Veysey, Mr. Charles H. Wilson, Mr. Wydler, and Mr. Yates):

H. Con. Res. 455. Concurrent resolution urging review of the United Nations Charter; to the Committee on Foreign Affairs.

By Mr. RODINO:

H. Con. Res. 456. Concurrent resolution to relieve the suppression of Soviet Jewry; to the Committee on Foreign Affairs.

By Mr. RANDALL:

H. Con. Res. 457. Concurrent resolution requesting the President to proclaim the third Sunday of July in each year as Foster Parents' Day; to the Committee on the Judiciary.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BRASCO:

H.R. 11747. A bill for the relief of Anthony M. Dalco; to the Committee on the Judiciary.

H.R. 11748. A bill for the relief of I. Allen Hanover; to the Committee on Post Office and Civil Service.

By Mr. DONOHUE:

H.R. 11749. A bill for the relief of 1st Lt. Thomas J. Tremba, U.S. Army; to the Committee on the Judiciary.

H.R. 11750. A bill for the relief of Lt. Col. Robert J. Grady, U.S. Air Force (retired); to the committee on the Judiciary.

By Mr. FUQUA:

H.R. 11751. A bill for the relief of the estate of Russell J. Davis; to the Committee on the Judiciary.

By Mr. RONCALIO:

H.R. 11752. A bill for the relief of Juan Leo De Herrera; to the Committee on the Judiciary.

# SENATE—*Thursday, November 11, 1971*

The Senate met at 9 a.m. and was called to order by Hon. Harold E. Hughes, a Senator from the State of Iowa.

### PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Eternal God, who art above all and through all and in all, without whom life has no divine meaning or destiny, but with whom there is light and leading, power for the present and hope for the future, enter our waiting hearts and be near us when we need Thee throughout this day. As Thou didst guide our fathers, be to us a pillar of fire to guide us through the perils and darkness of the age to the haven of hope which is Thy kingdom. We pray now that the words of our mouths and the mediations of our hearts may be acceptable in Thy sight in this place on this day.

In the name of the Master of Life. Amen.

## DESIGNATION OF THE ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. Ellender).

The second assistant legislative clerk read the following letter:

U.S. Senate,
President pro tempore,
*Washington, D.C., November 11, 1971.*

*To the Senate:*

Being temporarily absent from the Senate on official duties, I appoint Hon. Harold E. Hughes, a Senator from the State of Iowa, to perform the duties of the Chair during my absence.

Allen J. Ellender,
*President pro tempore.*

Mr. HUGHES thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of

Wednesday, November 10, 1971, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ADJOURNMENT SINE DIE 1971

Mr. SCOTT. Mr. President, I have only one comment to make: I hope we can get out of here by December 1.

If we work hard, I think that we can.

## QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## VACATING OF ORDER FOR RECOGNITION OF SENATOR HARRIS TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order granted by the Senate, allowing the distinguished Senator from Oklahoma (Mr. HARRIS) to proceed for 15 minutes today, be vacated.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## HAPPY BIRTHDAY TO THE REPUBLICAN LEADER

Mr. MANSFIELD. Mr. President, it has just come to my attention that my distinguished colleague, the Republican leader in the Senate, the Senator from Pennsylvania (Mr. SCOTT), has a birthday today.

As a friend, as a close associate, and as one who admires and respects the distinguished Senator, I take this occasion to extend to him my heartiest felicitations and best wishes, and to express the hope that he will be in his present position for many years to come—and that means being in the Senate as well.

It is a pleasure to work with Senator SCOTT, an old pro, who is understanding, who always puts his cards on the table, and who has been responsible in large part for the most pleasant and personal relationship and friendship which exists between the two leaders.

I salute you, sir. You have done a great job as a Member of the House and the Senate, as a member of the Armed Forces of our country during the Second World War, and as a man who has represented his State, his country, and this body with distinction and integrity.

Mr. SCOTT. Mr. President, I would not ruin the thoughtful and kind comments of the distinguished majority leader by any reply of mine, other than to say that I appreciate very much the complimentary words of my good friend, the distinguished Senator from Montana (Mr. MANSFIELD).

I am delighted that we have been and will be able to work closely together on the basis of mutual trust and understanding. There will be no question of that.

I wish that all human relationships were as good as mine with the distinguished majority leader. I thank him very much for his kindness.

As with all birthdays, I regret them sincerely.

Mr. MANSFIELD. The older one gets, the shorter time becomes.

## AUTHORIZATION FOR SECRETARY OF THE SENATE TO MAKE TECHNICAL AND CLERICAL CORRECTIONS IN S. 2820

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Secretary of the Senate be authorized to make technical and clerical corrections in the engrossment of S. 2820, which was passed by the Senate last evening.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GURNEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

### ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. The Senator from Florida is now recognized for a period not to exceed 15 minutes.

## THANKSGIVING DAY SALUTE TO SENIOR AMERICANS

Mr. GURNEY. Mr. President, I should like to spend a few minutes this morning to discuss a program which I think is worthy of the highest commendation.

Mr. President, a nonprofit voluntary organization known as VIP, Very Important Patients, whose honorary chairman is Mrs. Dwight Eisenhower, has established a project to encourage visits on Thanksgiving Day by Members of Congress to those of our senior Americans who are unfortunate enough to be institutionalized. They have received the full cooperation of the American Association of Homes for the Aging and that organization is to be commended as well.

I can think of no single group of persons more deserving of a heartfelt, national expression of thanks. I, personally, am grateful for this opportunity to emphasize the worth of older Americans to our society. Too often, even in these Chambers where the meaningful, cherished elements of American life are daily reflected in the deliberations of my able colleagues, we tend to forget senior citizens and their contributions to this country. We seldom pause to recognize the determination of our elders to continue to be active in a stream of social life, to be integral members of the human race, and to maintain their independence and self-respect. Our failure to demonstrate our affection for our elderly and our concern for their happiness is regrettable. As a nation, we have, in recent years, promoted the elements of a youth culture. We have applauded as virtues the activity, the freshness, the exuberance, and the excitement of youth. We have attributed much of the success of our national endeavors to the drive of a youthful spirit. We have assumed a psychology of youth orientation which is important but which has all but obscured the light of wisdom and the view of experience that older Americans have shed on our country's problems.

The contributions of our parents and our grandparents cannot be measured. Each of our own lives demonstrates the direct influence of today's elderly citizens; more importantly, the very character of this Nation has been formed largely through the efforts of persons who now find themselves in the shadows of American life, watching the fruits of their efforts and ambitions from standpoints of isolation and separation.

Strong, enthusiastic support of the Thanksgiving Day salute to senior Americans can mark a national commitment to give our elders the opportunities to enjoy and to continue to lead useful, happy lives. It can erase from their minds the memories of solitude and mere toleration. Our country does itself a disservice by overlooking the talents of older citizens and by failing to recognize the tremendous debt that is already owed them.

I heartily endorse this Thanksgiving Day salute as an activity of utmost importance, and I urge all Senators to lend their energies and support on this day to convince our older Americans that they are the very foundation of our country's future accomplishments.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a letter from Miss Carmella LaSpada, national coordinator of the Thanksgiving Day salute to senior Americans and Johnny Unitas, president of the VIP, and also a statement prepared by the distinguished Senator from Hawaii (Mr. FONG).

There being no objection, the material was ordered to be printed in the RECORD, as follows:

THANKSGIVING DAY SALUTE
TO SENIOR AMERICANS,
*Washington, D.C.*

DEAR SENATOR: This is to thank you for your reply to the VIP invitation requesting your participation in the Thanksgiving Day Salute to Senior Americans.

We are sincerely appreciative of the response from Senators and Congressmen who have enthusiastically agreed to participate by including older Americans in their own holiday festivities or by visiting a home for the aging in their State or District. We hope this "Salute" will become an American tradition.

This tribute is not meant as a token recognition but as a sincere acknowledgement of the debt we owe our older citizens and the affection we have for them. At the same time this annual event, remembering the older Americans amongst us, is symbolic of the continuing care we have for them throughout the year.

On behalf of VIP, we wish to express our gratitude to you. We believe that many more Amercans will have a happy Thanksgiving Day this year because of your concern and your personal efforts.

Wishing you and your family a very happy Thanksgiving, we remain

Sincerely,

JOHNNY UNITAS,
*President, VIP.*
(Miss) CAMELIA LASPADA,
*National Coordinator, Thanksgiving Day Salute to Senior Americans.*

### STATEMENT OF SENATOR FONG, THANKSGIVING DAY SALUTE TO SENIOR AMERICANS

Mr. FONG. Mr. President, it gives me great pleasure, as ranking Minority Member of the Senate Special Committee on Aging, to add my voice of praise for the "Thanksgiving Day Salute to Senior Americans", sponsored by VIP.

VIP is a voluntary organization, the full name of which is Very Important Patients, and is devoting its efforts to increasing opportunities for enjoyment of life among the elderly who reside in homes for the aging and other institutions caring for older persons, especially the infirm and sick. Led by famous football player, Johnny Unitas, VIP is doing a great work.

When one considers the magnificent contributions which older Americans have made to our Nation, it is only fitting that those among them who are least able to care for themselves should be given special recognition by an organization such as VIP. They are truly Very Important Patients. We should all do all we can to add a bit of joy and pleasure to their lives. That many live most sheltered lives, and are severly restricted in their ability to mingle freely in society, make it most appropriate that we pay the debt our society owes them collectively in every way we can and at every opportunity. That they are wonderful human beings individually doubles our obligation.

In the work of the Special Committee on Aging, we have learned poignantly that many older persons are sorely in need of efforts by their juniors to brighten their lives and reduce their loneliness. The Thanksgiving Day Salute is a worthy innovation in bringing such extra joy into their lives.

Appreciation should also be expressed to the American Association of Homes for the Aged, the national organization of non-profit homes, for its operations with VIP in this endeavor. AAHA thus continues a splendid record, pioneered for decades by religious, fraternal and other organizations, of showing that some one truly cares. We who are more fortunate, of all ages, should emulate their concerns for the aged—to whom we owe so much—whenever we can.

Mr. PEARSON. Mr. President, the Thanksgiving Day salute to senior citizens gives all Americans a chance to show their deep appreciation for all the contributions which they have made to this Nation. In this regard, I would like to express my gratitude to Johnny Unitas, the president of the Very Important Patients program, and to Miss Carmella La Spada, coordinator of the Thanksgiving Day salute, for giving us this opportunity.

Certainly we cannot deny the debt we owe the Nation's elderly. Many of those now retired have lived through two world wars, suffered through the greatest depression in our history, and raised families in a time when there was inadequate supplies of money, food, or clothing.

Yet they also displayed the fortitude and courage to overcome adversity by contributing to an unprecedented advance in all facets of human endeavor, resulting in a society which knows no peer in the quality of life it can offer its members.

Mr. President, we owe these Americans a great debt. Yet now they face a crisis. Many of the Nation's elderly are isolated in nursing homes and retirement centers, far from the society they helped to shape. Many are forced to live a lonely, reclusive existence because of inadequate transportation, lack of funds, or poor health.

The VIP program, with the Thanksgiving Day salute, seeks to bring the plight of the Nation's elderly to the attention of all Americans by arranging for interested persons to visit residents of nursing homes or convalescent centers. The program will help demonstrate to these people how grateful all Americans are for all that we have today. The Thanksgiving Day salute to senior citizens gives us all the opportunity to share our freedom with someone who helped preserve and strengthen it during America's leanest years.

Mr. BIBLE. Mr. President, I should like to add my comments to those of my distinguished colleagues regarding the Thanksgiving Day salute to senior Americans.

Thanksgiving Day is one of the oldest traditions of our American heritage, a tradition which is still meaningful to all Americans because we, as individuals, and as a nation, have much to be thankful for. The original Thanksgiving Day, as our history books remind us, was an expression of thanks and gratitude on the part of our Pilgrim Fathers for the bounty of their new home and the friendship and assistance of their Indian friends.

The Indians helped the first settlers, who in turn have blazed the trails for the generations of Americans after them. As we today remember those who have helped and guided us, there is one special group which, I feel, deserves special recognition and consideration. Our senior Americans have blazed the trail for us, they have made it possible for us to enjoy a land of freedom and progress which is second to none.

In view of this, it seems deplorable that many of our older citizens should have to spend this traditional day of togetherness alone and forgotten in institutions and nursing homes.

That is why I am wholeheartedly endorsing the VIP project to pay special tribute to our older Americans, and I encourage all Senators to do the same.

We owe our senior Americans a debt that money and simple words cannot repay. We owe them a tribute of personal respect, a tangible sign of caring and appreciation.

I commend the sponsors and director of this program and I hope that all Americans will adopt this special way of giving thanks to those who gave us what we have to be thankful for.

## THANKSGIVING SALUTE TO SENIOR AMERICANS

Mr. FANNIN. Mr. President, an organization known as VIP—Very Important Patients—has initiated something I believe deserves an expression of congressional approval here on the floor of the Senate.

VIP has established a campaign to encourage Members of Congress to visit institutionalized senior Americans on Thanksgiving Day.

A great lady, Mrs. Dwight David Eisenhower is serving as honorary chairman of this organization. And the president of VIP is Mr. Johnny Unitas, perhaps the greatest football player of all time.

Mr. President, I think that VIP has a fine idea. I can think of no better day on which to personally express our appreciation for the elderly whose work and perseverance have built this Nation into the strongest and most prosperous on earth.

It is most unfortunate that so many Americans have taken the senior citizen for granted and have ignored his needs. It is tragic that in so many cases senior citizens have been shunted aside, removed by their problems from the rest of society.

All too often one sees our senior American, alone and isolated from his family and loved ones, who exists but truly does not live.

And so, Mr. President, while I regret that such a campaign is necessary in today's America, I recognize that it is in fact necessary. I, therefore, commend Very Important Patients organization for what I believe to be a fine effort in establishing what hopefully may become a tradition. Hopefully, all of us, not just Members of Congress but every American, will become more aware of the debt to the generations that have contributed so much to our current wellbeing.

## QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. PERCY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order the Senator from Illinois is recognized for not to exceed 15 minutes.

## THE SALT TALKS

Mr. PERCY. Mr. President, President Nixon's initiatives in foreign affairs are heartening to those of us who place high priority on attaining a world without war.

In this Administration the foreign policy emphasis is on reducing world tensions by improving U.S. relations with all countries.

As the President himself said in his report on foreign policy of February 25, 1971, he seeks to "build . . . mutual respect with our friends, without dominating them or abandoning them" and he strives for "mutual respect with our adversaries, without compromising our principles or weakening our resolve."

This is a wise policy which requires much patience, understanding, wisdom, and skill to achieve. Yet already the Administration has demonstrated what can be done with a wise policy:

The NATO partnership has been strengthened.

The Indochina war is being deescalated rapidly.

U.S. relations with Eastern Europe are being improved.

A fresh start has been made on the problems of international economic policy.

For almost 16 months the guns at Suez have been silent.

Rapprochement with Mainland China has begun.

A Berlin settlement is being negotiated.

Talks on mutually reducing troop levels in Central Europe are in prospect.

Serious talks on nuclear arms limitations give promise of agreement in the not-too-distant future.

For these reasons I submit that the administration is doing extremely well in foreign affairs and has earned our confidence.

It is in this context that I turn to consider our relations with the Soviet Union, and more particularly the negotiations on strategic arms limitations which will resume in Vienna on November 16, 1971. While it is not known exactly what numbers would be involved in the limitation of offensive and defensive strategic missiles under the terms of the most recent U.S. proposal, it is my understanding that the overall numbers of missiles on both sides would be approximately the same, although the mix would be different.

I believe that the approach of President Nixon in this respect is both realistic and equitable. This Nixon initiative would halt progress on the very systems which are powering the arms race, the antiballistic missile and the offensive ballistic missile systems. These are the weapons which today contribute to the possibility of a first-strike capability, with all the horrors for mankind such a capability can entail. As I said last March, the action-reaction cycle of the arms race must be broken. The Nixon initiative would do just that.

The logical starting point in reducing strategic arms is with those weapons which by the nature of their mission or their technical attributes can most readily be employed in a first or preemptive strike. These are the relatively accurate and vulnerable land-based missiles of both sides. To illustrate: From the Soviet viewpoint, reductions in U.S. ICBM's and in the ABM's which defend them would have a stabilizing effect in that the primary targets of a Soviet first-strike would be decreased, the U.S.'s most credible first-strike weapons would be decreased, and the U.S. ABM—which the Soviets see as potentially useful to defend against a Soviet retaliatory strike—would be decreased also.

The same reasoning also holds from the U.S. viewpoint, with the proviso that, for technical reasons, the new and large Soviet ICBM's appear more destablizing than their ABM. The SS–9's are known to have great payload and accuracy, while the Soviet ABM at this stage of development is evaluated as relatively ineffective.

There would appear to be a significant range of limits which might be agreed to, all consistent with the deliberately ambiguous language of the joint announcement of the two Governments on May 20, 1971. Therefore it is appropriate at this time to examine the possible outcomes of SALT and their implications.

Since the United States is committed to efforts to halt the arms race—and about this there is no question—the most important unknown in any assessment of the negotiations is the ultimate goal of the Soviet Union. We do know that since World War II and especially since the Cuban missile crisis the primary strategic goal of the Soviet Union has been to catch up with the United States in every way, but especially in terms of military power. There has been no reason to believe that this Soviet objective has changed; in fact, recent statements by Leonid Brezhnev reiterate the objective.

Because the Soviet Union has delayed serious discussion of limits on offensive missiles and has unrelentingly continued its deployment of offensive systems, it is assumed by many observers that the U.S.S.R. may be using the SALT talks to make further gains in relative military power. One cannot wish away the fact that the Soviet Union continues to deploy SS–9's and Y-class nuclear submarines.

In contrast, President Nixon's foreign policy initiatives have shown a U.S. willingness to meet any nation halfway in the quest for peace and security. The President is acting in good faith; it also behooves the Soviet Union to act in good faith if it wishes to have an arms limitation treaty acceptable to the U.S. Senate. If the Soviets wish to use the strategic arms limitation talks to achieve an advantage in the power balance, their effort will serve to fuel the arms race, not halt it.

If the Soviet Union takes into consideration the fact that neither side can achieve unilateral advantage from the SALT talks, the new round of talks could culminate in an agreement which would truly be a step toward peace. This would be cause for satisfaction by both countries, but not for complacency or relaxation. While the strategic arms race would be largely halted, we would still live under the shadow of potential nuclear destruction. So even as we seek ways to reach the first accord, we must also search for ways to further reduce the levels of strategic armaments and the tensions between nations which make them appear necessary.

It seems to me, therefore, that it would be advisable in this situation to press ahead beyond the current negotiating position and ask the Soviet Union to accept an agreement for zero ABM, that is, to agree to dismantle ABM emplacements on both sides. Such an agreement, reached in conjunction with limits on offensive missiles, would be an effective brake on the arms race. It would make possible the deferral of new offensive systems. It would signal other nations that SALT is not being directed against them. It would prevent an erosion in the deterrent capabilities of our allies. And it would allow budgetary savings of billions of dollars for both the United States and the Soviet Union.

When the SALT talks resume in Vienna, I would hope that the Soviet Union would face the reality that any agreement must be based on mutual advantage and that no unilateral gain in strategic power will be acceptable to the United States. I would hope, too, that the United States might propose a dramatic step toward reduction of armaments and the staggering cost of armaments by suggesting an agreement for zero ABM jointly with equal limits on offensive missile systems.

Mr. President, I feel that a great deal has been said in the Nation about national priorities, and I have no doubt that the same debate carries on inside the Soviet Union. I think many of us realize the utter futility of both nations continuing to escalate the nuclear arms race and to raise the level of terror. It seems quite immaterial to have to decide whether we can destroy the Soviet Union 25 times over while they can destroy us only 17 times over. "Sufficiency" is the word both nations should use in determining their future military procurement policy, and certainly both countries have a sufficiency of nuclear weapons at the present time.

Talks were entered into by both sides in good faith. They have been businesslike and straightforward. Unlike the talks in Paris, they have not been used for propaganda purposes. When I visited the negotiating team in Helsinki last November, I was impressed by the fact that at no time did they recall when either team had used these talks for any purpose other than to see if a sensible arrangement could be made between both countries.

I hope the Soviet Union will never mistake the fact of a strong resentment in this country against the Vietnam war as a lack of will on the part of the people of the United States. Many of us have felt that this war was quite irrelevant to our own national security; that our own national security was not involved in Southeast Asia; and that we should not have massively moved American men and materiel into that area of the world.

But let the Soviet Union not, in any respect, misunderstand our intention and desire to provide whatever measure of security is absolutely needed for the security of the United States. If the Soviet Union wants to enter into an accelerated arms race, the full force of this country could be empowered and put behind that race. We do not think it is sensible. We have served adequate notice that we think it is not. The executive branch and the legislative branch of the Government have made it perfectly clear to the Soviet Union that if they wish to halt the arms race and make a responsible agreement that can be enforced, we are willing to enter into such an agreement.

But should the negotiations break down or should there not be sufficient progress—material progress—after all the talks that have been carried on, then I for one would simply assume that the growth, once again, of offensive and defensive nuclear systems in this country would be authorized by Congress.

This is the time to see whether we can reach an accord, and this is the time for this Nation to take the initiative in boldly and imaginatively moving toward such an agreement. We had better try to see whether we cannot have a zero ABM, for if we have that, for the reasons I have tried to outline today, we feel neither country would be worse off. We think both countries would be better off, and we think the world would be better off if we can get this kind of accord.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Leonard, one of his secretaries.

## EXECUTIVE MESSAGE REFERRED

As in executive session, the Acting President pro tempore (Mr. HUGHES) laid before the Senate a message from the President of the United States submitting the nomination of James S. Holden, of Vermont, to be U.S. district judge for the district of Vermont, which was referred to the Committee on the Judiciary.

## TRANSACTION OF ROUTINE MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period not to exceed 30 minutes, for the transaction of routine morning business, with a limitation of 3 minutes for each Senator who is recognized.

The Chair recognizes the Senator from Virginia.

## FISCAL CONDITION OF THE UNITED STATES

Mr. BYRD of Virginia. Mr. President, for the fiscal year which ended this past June, the Federal Government had a Federal funds deficit of $30.2 billion. The Federal fund receipts for fiscal 1971 were $133.6 billion, and the outlays were $163.8 billion.

For fiscal 1972, the current fiscal year, the Joint Committee on Internal Revenue Taxation estimates that the Federal funds deficit will be $35 billion. It is estimated that the receipts will be $143 billion, up $10 billion from last year; and that the expenditures will be $178 billion, up $14.2 billion from last year.

I have prepared three tables dealing with the Nation's financial situation. I ask unanimous consent that they be printed at this point in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

FISCAL TABLES—OCTOBER 1971

TABLE 1.—U.S. GOLD HOLDINGS, TOTAL RESERVE ASSETS AND LIQUID LIABILITIES TO FOREIGNERS

[Selected periods, in billions of dollars]

| | Gold holdings | Total assets | Liquid liabilities |
|---|---|---|---|
| End of World War II | 20.1 | 20.1 | 6.9 |
| 1957 | 22.8 | 24.8 | 15.8 |
| 1970 | 10.7 | 14.5 | 43.3 |
| August 1971 | 10.1 | 12.1 | [1] 46.0 |

[1] Estimated figure.

Source: U.S. Treasury Department.

TABLE 2.—DEFICITS IN FEDERAL FUNDS AND INTEREST ON THE NATIONAL DEBT, 1963-72 INCLUSIVE

[Billions of dollars]

| | Receipts | Outlays | Deficit (−) | Debt interest |
|---|---|---|---|---|
| 1963 | 83.6 | 90.1 | −6.5 | 10.0 |
| 1964 | 87.2 | 95.8 | −8.6 | 10.7 |
| 1965 | 90.9 | 94.8 | −3.9 | 11.4 |
| 1966 | 101.4 | 106.5 | −5.1 | 12.1 |
| 1967 | 111.8 | 126.8 | −15.0 | 13.5 |
| 1968 | 114.7 | 143.1 | −28.4 | 14.6 |
| 1969 | 143.3 | 148.8 | −5.5 | 16.6 |
| 1970 | 143.2 | 156.3 | −13.1 | 19.3 |
| 1971 | 133.6 | 163.8 | −30.2 | 20.8 |
| 1972 [1] | 143.0 | 178.0 | −35.0 | 21.2 |
| 10-year total | 1,152.7 | 1,304.0 | 151.3 | 150.2 |

[1] Estimated figures.

Source: Office of Management and Budget, except 1972 estimates.

TABLE 3.—FEDERAL FINANCES, FISCAL YEAR 1971

(Billions of dollars)

| | Revenues | Outlays | Deficit (−) or surplus (+) |
|---|---|---|---|
| Federal funds | 133.6 | 163.8 | −30.2 |
| Trust funds | 54.7 | 47.8 | +6.9 |
| Unified budget | 188.3 | 211.6 | −23.3 |

Source: U.S. Treasury Department.

Mr. BYRD of Virginia. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## TRIBUTES TO SENATOR SCOTT ON HIS BIRTHDAY

Mr. GRIFFIN. Mr. President, today is the birthday of a very beloved American and the great leader of the minority in the Senate of the United States. I wish to make a matter of record sentiments I have already conveyed in person to the distinguished Senator from Pennsylvania, HUGH SCOTT, wishing him a very happy birthday today, and many more happy birthdays hereafter.

We know in this body, on both sides of the aisle, that HUGH SCOTT is a very remarkable person. Not only is he a very great and skilled legislator, which he has demonstrated over the many years of his service in Congress, both in the House of Representatives and in the Senate, but we know that he is a man of many other talents, qualities and characteristics which make him a very unusual man.

He is a student and expert on foreign affairs and on such matters as Chinese art; he is a profound student of American history; he is the collector of more than 500 pipes from all around the world, to mention just a few of his many and varied interests.

He is a good friend to every Member of the Senate, but I am particularly privileged to work very closely with him day in and day out. I cherish his warm friendship and the generous counsel and assistance he has provided me as I have tried to follow and support his able leadership.

I ask unanimous consent to have printed in the RECORD a biographical sketch of Senator SCOTT, of Pennsylvania.

There being no objection, the biographical sketch was ordered to be printed in the RECORD, as follows:

BIOGRAPHICAL SKETCH OF U.S. SENATOR HUGH SCOTT OF PENNSYLVANIA

Serving his third term as a Senator from Pennsylvania, Hugh Scott is also serving his second term as the elected leader of the Republican Party in the Senate. He is the first Pennsylvanian to be elected to three terms in the Senate and the first of either party to hold a leadership position in the U.S. Senate.

In 1970 he won his Senate seat by more than 220,000 votes—a wider margin than any other Republican senatorial candidate in the nation.

A native of Virginia, a graduate of Randolph Macon College and the University of Virginia Law School, and a member of the University's Board of Visitors, he has been in the Congress since 1940, except for World War II service with the U.S. Navy.

A member of the Foreign Relations, Judiciary and Rules Committees, Senator Scott plays an important role presenting the views of the minority party in the U.S. Senate.

With a lifelong ambition to be a member of the U.S. Senate, Senator Scott first achieved his goal in 1958 after serving eight terms in the U.S. House of Representatives. He was re-elected in 1964 and 1970.

Senator Scott favors newsmen's "right to know." Daily before the opening of the Senate he meets with those who cover Capitol Hill and is always accessible to them.

An author, a student of American history and an authority and collector of Chinese art, Senator Scott has more than 500 pipes from around the world.

The books he has written include: How

to Run for Public Office and Win, 1968; Come to the Party, 1969; How to Go Into Politics, U.S.A., 1960; and The Golden Age of Chinese Art, 1966.

He served as Vice Chairman of the Platform Committee of the 1968 Republican National Convention. He was General Counsel for the National Committee from 1955 to 1960. In 1948, while a member of Congress he also served as Republican National Chairman.

A former Assistant District Attorney for the City of Philadelphia, he is a member of the Philadelphia, Pennsylvania and American Bar Associations and the American Bar Founders, a group of top-ranking lawyers. He is Counsel to the firm of Obermayer, Rebmann, Maxwell and Hippell of Philadelphia.

Senator Scott has been awarded honorary degrees by: Randolph Macon College, 1955, LL.D.; La Salle College, 1955, L.H.D.; Dickinson College, 1959, LL.D.; Temple University, 1959, LL.D.; Suffolk University, 1959, D.Pub. Adm.; Ursinus College, 1960, LL.D.; Philadelphia Textile Institute, 1960, LL.D.; Philadelphia College of Osteopathy, 1960, Litt.D.; Washington and Jefferson College, 1961, LL.D.; Lebanon Valley College, 1962, LL.D.; Delaware Valley College, 1962, LL.D.; Lincoln University, 1963, LL.D.; Westminster College, 1964, LL.D.; University of Pennsylvania, 1966, LL.D.; Waynesburg College, 1966, LL.D.; Susquehanna University, 1966, D.C.L.; Franklin and Marshall, 1966, LL.D.; Union 1968, LL.D.; Albright College, 1969, LL.D.; Hahnemann Medical College and Hospital, 1969, LL.D.; Drexel University, 1970, LL.D.; Thomas Jefferson University, 1970, L.H.D.; Lafayette College, 1971, LL.D.; Dropsie University, 1971, LL.D.

He holds the rank of a retired captain in the U.S. Naval Reserve. He saw active World War II service in the Atlantic Fleet and was aboard the U.S.S. Missouri when the Japanese surrender was accepted. He also served in the Korean War, aboard the carrier U.S.S. Valley Forge.

Senator Scott is a member of the American Legion, V.F.W.; Amvets; Sons of St. Patrick; Alpha Chi Rho (national president 1942–1946); Phi Beta Kappa, Tau Kappa Alpha, Phi Alpha Delta (legal) fraternities; Philadelphia Cricket Club; Germantown Lions Club; Pennsylvania Society (N.Y.); Asia House, N.Y.C.; Oriental Ceramic Society (U.K.); Advisory Committee on Oriental Art; Philadelphia Museum of Art; Board of Governors, American Council of Young Political Leaders and he has been a visiting fellow at Oxford, England.

Senator Scott, an Episcopalian, is married to Marian Huntingdon Chase, an alumna of Germantown Friends School. They have one daughter, Marian Scott Concannon and eight grandchildren, Anne, Mary, Thomas Scott, Sean, Susan, Carol, Brian, and Steven Concannon.

Mr. GRIFFIN. I yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I am very happy indeed to join today in paying tribute to our distinguished minority leader. I shall not dwell on his biography, because that has already been made a part of the record. I would only say that, as I have observed him through the years, Hugh Scott has fought very hard for his State of Pennsylvania, is deeply identified with its people and its interests, and has represented the full spectrum of his constituency.

He has fought hard for his party and for the President, whether that President be a Republican or a Democrat, but he has fought particularly hard when the President has been of his own party. He has fought hard for his country. His leadership was early recognized within his own State of Pennsylvania, as his biography shows.

The most recent example of his alertness to the needs of Pennsylvania was demonstrated in the Appropriations Committee, when we were alerted to the possibility that an appropriation would be sought to convert to the use of Mideast oil the furnaces that burn Pennsylvania coal in the German barracks which house American military men. The cost would have been $580,000, borne entirely by the United States. Through the altertness of the distinguished Senator from Pennsylvania, Hugh Scott, it was developed that such a conversion would cost 4,000 jobs in Pennsylvania, would be a drain on the balance of payments of the United States, and would cost the taxpayers $5,800,000, in order to build furnaces to be installed in German barracks, the title to which is owned by Germany. That is just one instance of his day-by-day altertness to the needs of his own constituency.

Whether it be labor or management, whether they be urban dwellers or suburban dwellers, whether they be black or white, rich or poor, young or old, Senator Scott has always protected the interests of the people of his own State.

He has also, right here, in his party work and in his work on behalf of the President, earned the respect of his colleagues on both sides of the aisle. He has been a great Senator, a great campaigner, and I think we would have to say one of the hardest workers in the Senate. He loves party work. He has written books about the Republican Party. He has been the chairman of our national committee. I can recall the deep respect I developed for Hugh Scott when, in 1960, he was made the general counsel of the platform committee.

The ACTING PRESIDENT pro tempore. The Senator's time has expired.

Mr. MANSFIELD. Mr. President, I ask recognition and yield my time to the Senator from Illinois.

Mr. PERCY. I thank the distinguished majority leader.

I remember, in 1960, when he served as the general counsel for the platform committee of the Republican National Convention, of which I was chairman, that on innumerable occasions he assisted and helped that committee formulate what we like to look upon as a great platform.

His service to Presidents through the years is a matter of record, and his service to the incumbent President has been distinguished in his strong support for those things that he believed in, always giving the benefit of the doubt to the administration, but clearly indicating that—if he sharply disagreed on an issue—he could not lead the fight for it.

He has earned the respect of the White House. He has earned the respect of all of his colleagues. His devotion to his country has been very great.

I think this country is very fortunate, indeed, as we move into a whole new era of trying to understand better the people of Asia, to have as the minority leader of the Senate an expert on China and Chinese culture and art, and in having as majority leader a man who has spent a great deal of his life in trying to understand Asia better. The Senate is distinguished in its leadership; and we are very proud indeed of the great leadership of our distinguished minority leader, as we all join in offering him our very best wishes on his birthday.

I would say, looking at him as a man, that above all we can say of Hugh Scott: He is a good friend and a good man.

Mr. GRIFFIN. I thank the Senator from Illinois.

The ACTING PRESIDENT pro tempore. Is there further morning business?

Mr. SCOTT. Mr. President, as one who is not too accustomed to any accumulation of accolades, I am grateful, and most appreciative indeed of the remarks made by the distinguished Senator from Michigan, the assistant minority leader (Mr. Griffin), and the distinguished senior Senator from Illinois. These are very kind things to do, and I am indeed very thankful. I promise not to let kind words go to my head.

I hope I may continue to show a willingness to learn, and strive, as always, to move from the politician's status to the statesman's stance. Again, I am very appreciative.

Mr. SPONG. Mr. President, somewhat belatedly, I should like to join my colleagues in wishing a happy birthday to the distinguished minority leader. I do not think the occasion should pass on this day without the Record showing that he first saw the light of day in the Commonwealth of Virginia. Whereas our loss may have been Pennsylvania's gain, those of us in Virginia still treasure the fact that we have on occasion a third Senator in this body.

Mr. SCOTT. I thank the distinguished Senator. I said to him the other day that this day marks the anniversary of my admission to the Virginia bar; and while I may have raised the level of the practice of law in the State of Virginia, I hope I did not lower it too much in the State of Pennsylvania. [Laughter.]

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Hughes) laid before the Senate the following letters, which were referred as indicated:

### REPORT OF ATTORNEY GENERAL

A letter from the Attorney General, transmitting, pursuant to law, his report on the enforcement of Title II of the Consumer Credit Protection Act of 1968, for the fiscal year 1971 (with an accompanying report); to the Committee on Banking, Housing and Urban Affairs.

### PROPOSED LEGISLATION RELATING TO CERTAIN LANDS TO BE HELD IN TRUST

A letter from the Assistant Secretary of the Interior, transmitting a draft of proposed legislation to declare that certain federally-owned lands are held by the United States in trust for the Covelo Indian Community of the Round Valley Indian Reservation, California (with an accompanying paper); to the Committee on Interior and Insular Affairs.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. SYMINGTON, from the Committee on Armed Services, without amendment:

S. 1466. A bill to authorize the Secretary of the Army to grant certain rights-of-way for road improvement and location of public utility lines over a portion of Fort DeRussy, Hawaii (Rept. No. 92-439).

By Mr. BYRD of Virginia, from the Committee on Armed Services, without amendment:

H.R. 8656. An act to amend titles 37 and 38, United States Code, relating to promotion of members of the uniformed services who are in a missing status (Rept. No. 92-446).

H.R. 8356. An act to make permanent the authority to pay special allowances to dependents of members of the uniformed services to offset expenses incident to their evacuation (Rept. No. 92-445).

H.R. 7950. An act to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, with respect to pilot rating requirements for members of the Army, Navy, Marine Corps, and Air Force; and to insert a new section 2003 of the same title (Rept. No. 92-444).

H.R. 6724. An act to amend section 209(a) and (b) of title 37, United States Code, to provide increased subsistence allowances for Senior Reserve Officers' Training Corps members (Rept. No. 92-443).

H.R. 6723. An act to provide subsistence allowances for members of the Marine Corps officer candidate programs (Rept. No. 92-442).

H.R. 4729. An act to amend section 2107 of title 10, United States Code, to provide additional Reserve Officers' Training Corps scholarships for the Army, Navy, and Air Force, and for other purposes (Rept. No. 92-441).

## REPORT ON POSSIBLE CONFLICT OF INTEREST INVOLVING CENTER FOR NAVAL ANALYSES—REPORT OF A COMMITTEE (S. REPT. NO. 92-440)

Mr. BYRD of Virginia. Mr. President, on November 11, 1971, the Committee on Armed Services approved the "Report on Possible Conflicts of Interest Involving Center for Naval Analyses."

I submit to the Senate this report and ask that it be printed.

The PRESIDING OFFICER (Mr. STEVENS). The report will be received and printed.

## TEMPORARY EXTENSIONS FOR CERTAIN HOUSING LAWS (REPT. NO. 92-448)

Mr. SPARKMAN. Mr. President, I report from the Committee on Banking, Housing and Urban Affairs a joint resolution (S.J. Res. 176) to provide temporary extensions for certain housing laws and to provide for certain exemptions from housing and other acts.

In order that Senators may have the opportunity to understand the provisions of this committee joint resolution before it comes before us for consideration, I ask unanimous consent that a section-by-section analysis of the joint resolution be printed in the RECORD.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

SECTION-BY-SECTION ANALYSIS OF RESOLUTION

*Flexible interest rate authority*

Sec. 1.—Amends section 1709-1, Title 12 United States Code to extend for 6 months, from January 1, 1972 to June 30, 1972 the time in which the Secretary of HUD may set the FHA mortgage interest rate at levels he determines necessary to meet the mortgage market. (Under existing law the rate set for FHA mortgages also governs the VA rate.)

*Extension of provision for emergency implementation of flood insurance program*

Sec. 2.—Amends section 1336(a) of the Housing and Urban Development Act of 1968 to extend for 2 years, from December 31, 1971 to December 31, 1973 the authority to continue the Emergency Flood Insurance Program without actuarial determination of risk.

*Suspension of the requirement pertaining to the availability of flood insurance as a condition of Federal disaster assistance*

Sec. 3.—Amends section 1314(a)(2) of the HUD Act of 1968 to suspend for 2 years a prohibition against disaster assistance in areas where flood insurance was available for a period of one year.

*Temporary waiver of certain limitations applicable to the purchase of mortgages by the Government National Mortgage Association*

Sec. 4—Adds a new provision to Title III of the National Housing Act providing 6 months' authority for the President to suspend the existing mortgage limit ($22,000) governing GMNA purchases of mortgages under its special assistance function.

*Extension of dates applicable to certain provisions of law relating to the taxation of national banks*

Sec. 5.—Amends sections 2(b) and 3(a) of the Act entitled "An Act to clarify the liability of national banks for certain taxes" to delay for one year, from January 1, 1972 to January 1, 1973 the authority of States to levy certain taxes on national banks.

*Requirement affecting the prepayment of premiums by insured institutions to the Federal Savings and Loan Insurance Corporation*

Sec. 6—Amends section 404(g) of the National Housing Act to change the ratio of insurance reserves held by the FSLIC to insured savings held by member savings and loan associations from 1¾ to 1⅗ percent.

## CREDIT UNION SHARE INSURANCE AMENDMENTS (REPT. NO. 92-449)

Mr. SPARKMAN. Mr. President, from the Committee on Banking, Housing and Urban Affairs, I report favorably the bill (H.R. 9961) to provide Federal credit unions with 2 additional years to meet the requirements for insurance, and for other purposes.

I ask unanimous consent that the report be printed, together with individual views, and that the committee have until midnight, tonight, to deliver the copy for printing purposes.

The VICE PRESIDENT. Without objection, it is so ordered.

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. ERVIN, from the Committee on Armed Services:

Brig. Gen. Ferd L. Davis, Army National Guard of the United States for appointment as a Reserve commissioned officer of the Army, in the grade of major general.

Mr. SYMINGTON. Mr. President, from the Committee on Armed Services, I report favorably on the nomination of Mr. Elmer F. Bennett, of Maryland, to be an Assistant Director of the Office of Emergency Preparedness. I ask that this nomination be placed on the Executive Calendar.

The PRESIDING OFFICER (Mr. GAMBRELL). The nomination will be placed on the Executive Calendar.

Mr. SYMINGTON. Mr. President, in addition, I report favorably 127 appointments in the Army in the grade of major general and below; one appointment to admiral and one appointment to vice admiral in the Navy; 963 temporary promotions to captain and below in the Navy; and 25 appointments to major and brigadier general in the Marine Corps. Since these names have already appeared in the CONGRESSIONAL RECORD, in order to save the expense of printing on the Executive Calendar, I ask unanimous consent that they be ordered to lie on the Secretary's desk for the information of any Senator.

The PRESIDING OFFICER. Without objection, it is so ordered.

The nominations, ordered to lie on the desk, are as follows:

Adm. Jackson D. Arnold, U.S. Navy, for appointment to the grade of admiral, when retired;

Vice Adm. Arthur R. Gralla, U.S. Navy, for appointment to the grade of vice admiral, when retired;

Louis H. Wilson, Jr., and sundry other officers for promotion in the Marine Corps;

John R. Blandford, and sundry other officers, for promotion in the Marine Corps Reserve;

Anthony B. Herbert, for promotion in the Regular Army of the United States;

Woodrow W. Stromberg, and sundry other persons, for appointment and reappointment in the Regular Army; and

Joseph P. Barreca, Jr., and sundry other officers, for promotion in the U.S. Navy.

By Mr. MAGNUSON, from the Committee on Commerce:

Abram Y. Bryson, Jr., and Warren K. Taguchi, for permanent appointment to the grade of lieutenant in the National Oceanic and Atmospheric Administration.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. CURTIS:

S. 2834. A bill to designate November 11 of each year as Veterans Day and to make such day a legal public holiday. Referred to the Committee on the Judiciary.

By Mr. PERCY:

S. 2835. A bill to amend the Internal Revenue Code of 1954 to disallow any deduction for depreciation for a taxable year in which a residential property does not comply with requirements of local laws relating to health and safety, and for other purposes. Referred to the Committee on Finance.

By Mr. INOUYE:

S. 2836. A bill to provide more effective means for protecting the public interest, health, and safety of the people of the State of Hawaii during strikes, lockouts, or other forms of labor strife or discord in either the maritime or longshore industry, or both industries, which obstruct or close the major seaports of either the State of Hawaii or of the west coast of the United States, thereby disrupting the normal flow of maritime interstate commerce by means of surface water transportation both to and from the State of Hawaii. Referred to the Committee on Commerce.

By Mr. PELL:

S. 2837. A bill to improve museum services. Referred to the Committee on Labor and Public Welfare.

By Mr. HUMPHREY:

S. 2838. A bill to amend title II of the Social Security Act to institute a system of general revenue financing, to raise the wage base, to raise to $100 the amount of the minimum monthly benefit, and to provide a 10 percent across-the-board increase in other monthly benefits. Referred to the Committee on Finance.

By Mr. CHILES:

S. 2839. A bill for the relief of the estate of Russell J. Davis. Referred to the Committee on the Judiciary.

By Mr. JAVITS (for himself, Mr. Hughes, Mr. Cranston, Mr. Schweiker, Mr. Buckley, and Mr. Packwood):

S. 2840. A bill to amend the Public Health Service Act so as to authorize emergency assistance for States and nonprofit private agencies in the establishment of centers for maintenance, treatment, and rehabilitation of drug addicts. Referred to the Committee on Labor and Public Welfare.

By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

S. 2841. A bill to assist railroads in acquiring and utilizing rolling stock, to proscribe disproportionate taxation of certain interstate carriers' property by State or local governments, and for other purposes; and

S. 2842. A bill to amend the Interstate Commerce Act, as amended, and Acts amendatory and supplemental thereto to provide for increased reliance on competition in the establishment of carrier rates, charges, and practices; to liberalize entry and exit in the several modes of surface transportation, and for other purposes. Referred to the Committee on Commerce.

By Mr. DOLE (for himself, Mr. Pearson, Mr. Miller, and Mr. Dominick):

S. 2843. A bill to designate November 11 each year as Veterans Day and to make such day a legal public holiday. Referred to the Committee on the Judiciary.

By Mr. JAVITS:

S. 2844. A bill for the relief of Sonja M. Gozum. Referred to the Committee on the Judiciary.

By Mr. HATFIELD (for himself and Mr. Moss):

S. 2845. A bill for the relief of United States Pumice Co., Los Angeles, Calif., and for other purposes. Referred to the Committees on the Judiciary and Interior and Affairs, jointly.

By Mr. YOUNG of North Dakota:

S. 2846. A bill to establish more orderely bargaining procedures and market conditions in the dairy industry. Referred to the Committee on Agriculture and Forestry.

By Mr. STEVENS:

S. 2847. A bill to amend title XVIII of the Social Security Act to provide for coverage, under part A of such title, of emergency hospital services provided in Canada to traveling U.S. nationals between Alaska and another State. Referred to the Committee on Finance.

S. 2848. A bill to authorize the conveyance of certain lands to Kristjan Helgason and Clara Helgason, Kodiak Island, Alaska. Referred to the Committee on Interior and Insular Affairs.

By Mr. HATFIELD (by request):

S. 2849. A bill to amend the Internal Revenue Code of 1954, as amended. Referred to the Committee on Finance.

By Mr. ANDERSON (for himself, Mr. Fulbright and Mr. Scott):

S.J. Res. 173. A joint resolution to provide for the appointment of A. Leon Higginbotham, Jr., as Citizen Regent of the Board of Regents of the Smithsonian Institution;

S.J. Res. 174. A joint resolution to provide for the appointment of John Paul Austin as Citizens Regent of the Board of Regents of the Smithsonian Institution; and

S.J. Res. 175. A joint resolution to provide for the appointment of Robert Francis Goheen as Citizen Regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

By Mr. SPARKMAN (from the Committee on Banking, Housing and Urban Affairs):

S.J. Res. 176. An original joint resolution to extend the authority of the Secretary of Housing and Urban Development with respect to interest rates on insured mortgages, to extend and modify certain provisions of the National Flood Insurance Act of 1968, and for other purposes. Ordered placed on calendar.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PERCY:

S. 2835. A bill to amend the Internal Revenue Code of 1954 to disallow any deduction for depreciation for a taxable year in which a residential property does not comply with requirements of local laws relating to health and safety, and for other purposes. Referred to the Committee on Finance.

### SLUM PREVENTION ACT OF 1971

Mr. PERCY. Mr. President, a few weeks ago I went on a walk of one of the most depressed and devastated neighborhoods in this Nation—Woodlawn, Chicago. I once lived in this neighborhood and was shaken by what I returned to find. Accompanying me on this most depressing tour were Congressman Abner Mikva, who instituted the visit, and Assistant Secretary of HUD, for model cities, Floyd Hyde. What we saw was perhaps the worst of urban America. In many ways the physical destruction of Woodlawn is not unlike that of London after the blitz. The main difference is simply that Woodlawn has decayed of its own accord in a pattern begun in the past few decades with overcrowding and continued by too many acquisitive landlords seeking to reap tax benefits.

Woodlawn is a relatively small community of about 35,000 people and about 1 square mile in area. It is next to the University of Chicago and only a few miles from the Loop. Yet last year there were 1,600 fires in Woodlawn, six people died in them, and more than $1 million in insurance claims were paid. In the last 18 months, 362 buildings have been abandoned, burned or demolished. More than 30,000 people—about 46 percent of the community—have fled the neighborhood since the plague of decay and fires hit late in 1967. Despite the critical housing shortage in the Nation, 2,000 living units stand empty in Woodlawn.

No housing loans are being made in Woodlawn by downtown savings and loan institutions. Woodlawn property owners have not been eligible for Federal section 312 rehabilitation loans, because in order to secure one of these loans an owner must live in an area designated for conservation by city urban renewal officials. No section of Woodlawn, including the blocks of well-kept homes in the southwest area, has been designated for conservation.

One of the root causes of this decay is the problem created by absentee landlords seeking to make a quick profit from a knowledgeable use of our tax laws. As my distinguished colleague Congressman Mikva said in the House recently when he introduced remedial tax legislation, current Federal laws actually encourage "speculative investment by slumlords, granting substantial tax incentives to them and encouraging them to purchase rental housing, reap the tax benefits of accelerated depreciation, and then sell the property after permitting it to deteriorate, taking capital loss benefits in the process." The result of this process has been to discourage long-term investment in housing thereby further destabilizing the community.

To remedy just this one aspect of urban decay, I am introducing an amendment to the Internal Revenue Code, the Slum Prevention Act of 1971. Our bill would go directly to the heart of the housing decay and abandonment crisis in our cities. The proposal would withdraw tax depreciation allowed under existing law from real property which fails to comply with the health and safety provisions of local housing and building codes. This would occur after adequate judicial determination. Furthermore, another provision of the bill would disallow a capital loss writeoff for abandonment of property which is in violation of such codes at the time it is abandoned. Thus instead of using the Federal income tax laws as an incentive for urban decay they would be converted to an incentive for urban stabilization and growth.

This bill attacks only one aspect of the problem causing areas such as Woodlawn to reach its current status. Hopefully this measure will help in the fight to save our cities from creeping urban destruction. We have given the people of Woodlawn and other neighborhoods like it too many broken promises.

Congressman Mikva has already begun efforts to seek constructive solutions and available programs to prevent the further decay of Woodlawn. This measure is just the beginning.

By Mr. INOUYE:

S. 2836. A bill to provide more effective means for protecting the public interest, health, and safety of the people of the State of Hawaii during strikes, lockouts, or other forms of labor strife or discord in either the maritime or longshore industry, or both industries, which obstruct or close the major seaports of either the State of Hawaii or of the west coast of the United States, thereby disrupting the normal flow of maritime interstate commerce by means of surface water transportation both to and from the State of Hawaii. Referred to the Committee on Commerce.

### HAWAII PUBLIC INTEREST PROTECTION ACT OF 1971

Mr. INOUYE. Mr. President, today I wish to introduce for proper referral a bill to provide more effective means for protecting the people of the State of Hawaii from the grave consequences of certain strikes, lockouts, or similar labor disputes involving the maritime and longshore industries. After protracted discussions during recent months with both constitutional lawyers and experts on management-labor relations, I now feel more convinced than ever before that strong and responsible new legislation designed to protect the people of Hawaii from further economic strangulation by another west coast shipping strike must be enacted. The people of my State have been the innocent third parties and helpless victims of the recent west coast shipping strike, and I cannot in good conscience condone the continuation of their unfair suffering any further. I am, therefore, now introducing the Hawaii Public Interest Protection Act of 1971.

Mr. President, I am well aware that at least eight Senate bills have already been introduced concerning emergency labor disputes in transportation industries. These bills are S. 560, S. 594, S. 832, S. 1093, S. 1934, S. 2060, S. 2583, and S. 2655. All of these measures amend existing labor legislation, particularly the Taft-Hartley Act—that is, the Labor-Management Relations Act of 1947. While these proposals introduced by my colleagues are certainly welcome, I nevertheless feel compelled to now introduce my own bill for the following reasons:

First, as is the case with Taft-Hartley, some of the proposed bills apply only to national emergencies. They neither resolve the basic problem of defining a national emergency, nor do they respond sufficiently to the problem of clearly resolving regional or other emergencies. Second, some bills apply only to airlines and railroads, while neglecting the maritime and longshore industries. Third, some of these bills go too far—that is, permitting a Presidential appointed board to impose a final settlement and thereby undermine the collective bargaining process—and some do not go far enough; that is, merely extending the so-called cooling off period or permitting a selective or partial strike—in providing additional substantive powers for the President to employ during emergency labor disputes.

In sum, in building upon existing legislation, the above measures do not remove those limitations inherent in Taft-Hartley which render Taft-Hartley largely inadequate for Hawaii's purposes. Taft-Hartley too often provides too little too late for the people of Hawaii. Like Taft-Hartley, all of the above measures also provide for discretionary and not for mandatory Presidential action. As a result of the discretionary nature of the President's power under Taft-Hartley and legislation grounded thereupon, Federal preemption of State court jurisdiction to issue injunctions in labor disputes has ironically left and will continue to leave the States of this Nation powerless to act meaningfully in their own behalf during those emergencies which the President simply chooses to ignore. These consequences are magnified in the case of Hawaii because of its unique geographical location and its dependence upon a single mode of surface transportation.

Mr. President, existing case law strongly suggests that the President should have sought a Taft-Hartley injunction to halt the recent west coast shipping strike much sooner than he finally did. See *United States* v. *National Marine Engineers' Beneficial Association*, 294 F. 2d 385; *United States* v. *Seafarers International Union of North America, Pacific District*, 204 F. Supp. 686; *United States* v. *National Maritime Union of America*, 196 F. Supp. 374; *United States* v. *International Longshoremen's and Warehousemen's Union*, 78 F. Supp. 710. Despite repeated pleas from various concerned parties, including myself, the President belatedly invoked Taft-Hartley for the west coast points only after the east and gulf coast ports had also been closed.

If existing case law does not require Presidential action during west coast shipping strikes, since such strikes alone are not deemed to constitute national emergencies, can there really be any reasonable question or doubt that the people of Hawaii suffer much more drastic injury and grievous harm during a west coast shipping strike than do the people of any mainland State along the west coast? While the general public of Hawaii suffers major and irreparable injury during a west coast shipping strike, its suffering alone apparently does not qualify as a national emergency worthy of relief under Taft-Hartley or legislation grounded thereon. My bill seeks to resolve this dilemma.

Unlike the above Senate proposals, my bill does not amend Taft-Hartley. Rather, my measure recognizes the unique nature of Hawaii's problems and provides special legislation to resolve those problems. My bill simply recognizes that its unique geographical situation renders Hawaii dependent upon a constant flow of food and the essentials of life from the west coast by means of surface water transportation.

Mr. President, the Hawaii Public Interest Protection Act of 1971 is actually a rather simple document. It specifically states that when the State of Hawaii confronts a shipping strike or other labor-management dispute disrupting the free flow of maritime interstate commerce between Hawaii and the west coast for a period of at least 30 days, then such disruption shall be recognized as automatically and inevitably constituting an emergency detrimental to the public interest, health, and safety of the people of Hawaii. Commencing 30 days after the major seaports of either Hawaii or of the west coast are obstructed or closed due to a shipping strike or similar disruption, the Governor of Hawaii would be authorized by my bill to request the President of the United States to provide and operate U.S. owned or chartered vessels and seaport facilities in order to assure the earliest possible resumption of the normal flow of maritime interstate commerce both to and from Hawaii.

Upon receipt of the request for relief by the Governor of Hawaii, the President would be required to respond promptly. Unlike Taft-Hartley, whereunder a Presidential determination of a national emergency must be made before any relief may be granted, under my bill the President would automatically be compelled to act. The existence of an emergency justifying Presidential action would already have been peremptorily determined by congressional adoption of my bill itself.

My bill stipulates that those chartered vessels which the President provides could not be chartered from shipping companies involved in the maritime or longshore dispute. Also, the labor personnel who operate these chartered vessels and seaport facilities could not be members of a bargaining unit of a labor union engaged in the strike or dispute. If the President were unable to hire sufficient labor personnel to operate all such vessels and seaport facilities, he would be empowered to provide military personnel for such purposes. If the President were unable to provide sufficient chartered vessels, then the Governor of Hawaii would be empowered to outline priorities for restocking Hawaii and these priorities would govern the nature of goods transported to and from Hawaii aboard such vessels as can be made available.

In short, Mr. President, enactment of my bill would accomplish two paramount objectives. First, by providing for a timely resumption of maritime interstate commerce between Hawaii and the west coast, it would assure that the general public of Hawaii would never again become the innocent third parties and helpless victims of maritime and longshore strikes and disputes. Second, by not imposing a final settlement upon and by not forcing a resumption of operations by the direct parties to the strike or dispute, my bill would allow and encourage the collective bargaining process to continue unhampered. It would increase the motivation for settlement by both parties. Under my bill it would not be necessary to impose a Taft-Hartley injunction upon unwilling labor and management negotiators.

In conclusion, Mr. President, all of us, I believe, feel a genuine sense of frustration and helplessness when we are asked to deal with emergency labor disputes involving our own home States. In the case of my home State, this shared sense of frustration is particularly troublesome. I urge my Senate colleagues to consider Hawaii's extraordinarily unique geographical situation very carefully in evaluating my proposed special legislation. I urge my Senate colleagues to consider their own States, their own constituencies, and then to realize that a maritime strike or dispute of 30 days halting trade between Hawaii and the west coast guarantees suffering for the people of Hawaii comparable to that which the people of any other State would suffer only if an embargo were enacted against all interstate surface transportation serving that State, thereby constructing a barrier around that State, isolating that State, and prohibiting both the incursion and excursion of all goods transported thereto and therefrom by rail, truck, ship, barge, and all other means of surface transportation, permitting only extremely expensive air transportation into and out of that State. With the above comparison in mind, Mr. President, I sincerely hope that my Senate colleagues will give their most serious consideration and support to the Hawaii Public Interest Protection Act.

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By Mr. PELL:

S. 2837. A bill to improve museum services. Referred to the Committee on Labor and Public Welfare.

### THE MUSEUM SERVICES ACT

Mr. PELL. Mr. President, I introduce for appropriate referral the Museum Services Act.

This proposed legislation would upon adoption authorize a Federal program of assistance to meet the very real financial difficulties now being experienced by museums throughout the country. This situation is not one which has suddenly become apparent. Indeed, the museums themselves through massive fund raising efforts, and in some cases curtailment of service, have been struggling for some time to aid themselves. But help is clearly needed. It is my belief that the Federal Government has a very real responsibility in this area. Museums and what they contain are a great national resource, one which must be protected. This bill is designed to help shoulder that responsibility.

Museums are all too often taken for granted. We think of them as a nice place to visit on a rainy weekend afternoon. What we do not recognize either individually or as a nation is the educational function performed daily by our museums.

At a time when demands for an increase in educational facilities are heard from the length and breadth of our country, we can ill afford to allow an invaluable educational resource to wither and die.

Last year, I was proud to lead the successful effort to have museums included as educational institutions under the Environmental Education Act, Public Law 91-516. If museums are to continue serving the increasing numbers of visitors on a nationwide basis, museums must have support on a Federal level.

A large segment of the population that utilizes the resources provided by museums are students. According to the 1971 AAM Financial and Salary Survey prepared by the American Association of Museums, 59 percent of the total museum audience is comprised of students—24 percent of the elementary school level, 20 percent at the secondary level, and 15 percent at the college level. Right now many museums must turn away students because of lack of space or professional staff, and if Federal support were available, the public's response would be greater still, and the demand for more educational services from museums could increase.

In 1960, 200 million visits were made to museums. In 1965, 300 million visits took place. By 1967, this figure had jumped to 560 million; and in 1970, museums received more than 700 million visitors. The staggering increase in attendance is causing many museums not to prosper, but to falter. They cannot keep up with the rising costs of serving the crowds. No museum visit is "free." Recent estimates pegged the yearly operational expense of the Nation's museums at $760 million, or about a dollar a visit. If capital investment were also considered, some say that figure could rise to $8 a visit for certain institutions. If admission fees were applied at these levels, many people could not afford to attend and entire families would be excluded from the cultural and educational benefits otherwise available. Financial aid must be sought on a Federal level. With so many people using museums, and with the valuable services they receive, we cannot allow these institutions to cut back services and close because of insufficient funds.

Last year, according to the AAM survey, 44 percent of the museums in America ran a deficit. In an effort to stave off deficits, 30 percent of the museums responding to the survey reported charging an admission fee. Even with this additional source of income, 46 percent of the museums that charged a fee still reported deficits.

The traditional sources of museum support have been private contributions. In Europe, museums were created primarily at the initiative of national governments, whereas in America, museums developed through individual support. But, rising costs have exceeded the capability of private support.

The financial survey of museums indicated that 49.6 percent of museums in the United States are supported entirely by private contributions. The remaining institutions receive some form of governmental support, but only at the State or local level. Even those museums receiving State and local support still receive substantial support from private sources in a partnership relationship. This partnership should now be extended to the Federal level.

Museums should not be thought of as local institutions. The Metropolitan Museum of Art, the American Museum of Natural History in New York, the New York Botanical Garden, Chicago's Field Museum, the City Art Museum of St. Louis, the San Diego Zoo, the Los Angeles County Museum of Art, the Los Angeles County Museum of Natural History, the California Museum of Science and Indstry, and the California Academy of Sciences are examples of major museums attracting visitors from each of the 50 States each year. The museum audience comes from all parts of America, and in fact, the world. Services are provided to all, and local residents cannot be responsible for subsidizing the per visitor expenses incurred. Cities are hesitant to offer assistance and, in moments of financial crisis, usually cut back on funds creating still more problems. Last year, the cities of Newark, N.J.; New York, N.Y.; and Philadelphia, Pa., came very close to reducing the tax dollars spent to help museums meet operational costs. This year, and in the future, erosion of municipal support may be evidenced while millions of people will continue to stream into these institutions.

Although the demand for educational programs in museums is increasing, the lack of funds makes it impossible for museums to compete for the professional staffs they would like to attract. Salary levels are very modest. As reported in the AAM survey, the highest paid executive of a museum operating on a budget of $500,000 to $1 million began at as low a level as $6,800. If salaries are not competitive with universities and other similar institutions, the profession cannot be expected to attract, train or maintain staffs competent to preserve, interpret, and display the cultural heritage of our Nation. Another difficulty for museums, due to a lack of funds, is insufficient staffing. More than 34 percent of the museums in the study reported that they had either no full-time employees or an all-volunteer staff. In some institutions, as little as 2.8 percent of the total budget was allocated to salary expenditures. In comparison, a survey conducted by the American Library Association in 1968 reported an average of 54 percent of the total budget for libraries is devoted to salaries. Further study revealed that 50 percent of the museums responding to the AAM survey reported that they had no formal retirement program, 55.4 percent offered no health program and 63 percent had no life insurance program for employees.

Present Federal support of museum activities is provided by the Smithsonian Institution, under authority of the National Museum Act, the National Endowment for the Arts, and the National Endowment for the Humanities, under authority of both their enabling legislation and the National Museum Act. These programs, while most laudable, do not start to meet the needs. A program, far-reaching in scope, is necessary; one for which the Smithsonian and the endowments have neither the personnel, nor the legislative authority.

As stated in America's Museums: The Belmont Report:

> America's five thousand museums are among our most precious cultural and education resources. Their collections, their trained staffs and their facilities contribute immeasurably to the environment of the nation's life and to educational advancement at every level.

These 5,000 institutions now number 5,900 and they are in great financial straights.

These institutions that preserve and conserve our national heritage need Federal assistance to survive. It is my hope that through the Museum Services Act, we can accord museums some of the financial aid they so desperately need.

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By Mr. HUMPHREY:

S. 2838. A bill to amend title II of the Social Security Act to institute a system of general revenue financing, to raise the wage base, to raise to $100 the amount of the minimum monthly benefit, and to provide a 10-percent across-the-board increase in other monthly benefits. Referred to the Committee on Finance.

### SOCIAL SECURITY FINANCING AND BENEFIT INCREASE ACT OF 1971

Mr. HUMPHREY. Mr. President, I am today introducing a bill in the nature of four amendments to the Social Security Act that will increase benefits to our retired and decrease the financial burden of current wage earners.

The first amendment establishes a minimum social security benefit of $100. Presently the minimum retirement benefit is $70.40. Under the provisions of H.R. 1, this rate is scheduled to increase to $74. When the $100 minimum benefit is coupled with my second amendment—an across-the-board 10-percent increase in benefits—the average monthly retirement check would rise from an estimated $133 to $151; the average benefit for the aged couple would increase from an estimated $222 to $246. This $100 minimum benefit would guarantee all OASDI beneficiaries a total of at least $1,200 yearly. It should aid immeasurably in easing the poverty factor for our elderly.

The third amendment would increase the wage base from the present $7,800 to $15,000. This change will add additional resources to the trust fund, cover more of total earnings throughout the United States, and ease part of the heavy burden now falling on low income people. Furthermore, by providing a large tax collection base, this change will reflect itself in increased benefits.

The fourth amendment changes the financing mechanism of social security by substituting one-third general revenue financing for the present equal contributions from employers and employees. What this means is that social security taxes will be eased, and the tax incidence on low-income and moderate-income families will be cut in half.

Under these amendments, over 27.4 million persons will have their benefits increased and over 69 million American workers will have a reduction in social security payroll taxes. These amendments propose a new way of financing social security—a way that is fair, equitable, and maintains the actuarial integrity of the trust fund. They provide the basis for bringing the social security system into consonance with our population needs as they exist now, not as they existed 5, 10, or even 40 years ago.

Social security has been the psychological and financial breakwater against individual and family catastrophe. Millions of recipients have found their lives made more secure by it. And, since the inception of the system, over $200 billion in benefits has been distributed very efficiently and without corruption.

In 1970, more than 26 million Americans received social security benefits totaling over $35 billion. Over 20 million of these beneficiaries are over 65 years of age. These retired workers and families received almost 70 percent of the benefits. Survivors get approximately 25 percent of the benefits and disabled persons receive little less than 5 percent.

Still, much remains to be done for our retired citizens. As a recent Washington Post editorial noted:

> Today's retirees, who put aside their payroll taxes in good faith that these funds would carry them through their autumn years, have had their savings eroded by an inflation in large part caused by policies pursued by their progeny. They deserve compensation through benefits geared to today's cost.

Without a doubt, the economic status of the aged is bleak. These persons have worked a lifetime—they have contributed to society, they are responsible citizens; they are deserving citizens. But, in the later life, they suffer a steady decline both in physical abilities and a depletion of savings.

Nearly 30 percent of aged are classified as poor by the Social Security Administration; median incomes for the aged are less than $3,800. The incidence of poverty among the aged, even with assets considered, remains abnormally high. Even if they wanted to work, there are few jobs available. Less than 17 percent of those over 65 are employed. And, the prospect is that by 1980 less than 15 percent will be employed.

We simply must make provisions for our retired persons that adequately support them without draining the resources of current workers.

Originally, social security legislation grew out of the studies of President Roosevelt's Committee on Economic Security. When it was enacted in 1935, the United States was already behind other individual countries in caring for its indigent, its needy, its disabled, and its aged. In many instances, it is still behind.

And, the social security system as it operates today is fundamentally different from original legislation. The 1939 amendments broke the linkage between total lifetime contributions and benefits. The idea of a self-liquidating trust fund was abandoned for a payment system under which benefits were to be financed entirely out of contributions by current workers.

Further amendments in 1950, 1954, 1956, 1960, 1965, and 1967, extended the coverage of OASDI and liberalized benefits. Amendments in these years also increased the tax rates and tax base from the 1 percent on the $3,000 collected in 1937, covering some 95 percent of all earnings to 5.2 percent in 1971 with a $7,800 base rate, covering between 75 to 80 percent of all earnings of covered workers. Increases in the tax rate and base are scheduled to reach $10,200 base with a 7.4-percent rate by 1977.

### CHANGING THE FINANCE STRUCTURE

Social security, though still an insurance program in the broad sense of the term, is for the most part a method of transfering resources from a current generation of workers to those who are unable to work because of age, dependency, and disability.

Pechman et al. make a telling point: They argue that it is time to revise our thinking as to the nature of social security:

> There is only a remote connection between payroll taxes paid by the workers and the benefits that he or his family will receive.

What Pechman and his coauthors point out is that some hard critical thinking must go into financing social security. They have explicitly called into question the propriety of the payroll tax:

> The desirability of using the payroll tax for financing purposes depends on its merit relative to alternative financing sources, not on the need for maintaining a relationship between earnings and benefits.

At one time, it made sense to finance social security with payroll taxes. But lately, the payroll tax has become increasingly regressive. In effect, the lower a person's income, the heavier the rate of payroll tax.

The social security payroll tax collected over $42.9 billion in 1971—second in collections to the income tax of over $141 billion and greater than corporate tax receipts of $35 billion. Estimates for 1972 are that the payroll tax will collect $48.1 billion. Contrast this to the initial $755 million collected in 1937 via the payroll tax.

Under the most recent legislation passed by the House, the maximum tax rate and actual tax dollars will increase from 5.2 percent and $405 to 7.4 percent and $754 dollars. For the self-employed, the figures are more striking—from $585 maximum tax to $846. This increase is most onerous for the working man or the self-employed small businessman.

The average wage earner in urban America will find that $754 as a flat tax on top of income, sales, property, and school taxes doubly intolerable. And, those totals could still increase further when the yearly cost of living increase is calculated into the benefit package.

A projection by the House Ways and Means Committee indicates that through the cost of living mechanism, the wage base will reach $14,100 by 1980 and at a 7.4-percent level tax, the maximum tax would be $1,043. Obviously, this tax imposes a proportionately greater burden on those whose incomes are under the wage base than on those who have an income in excess of the wage base.

For these reasons, I have concluded that a change must be made in the financing concept of social security. The amendment I introduce today makes that change. This amendment provides that the wage base be increased to $15,000 and second that through a system of one-third general revenue financing that the OASDI tax be reduced from 4.2 percent presently to 2.8 percent on employees and employers.

Under this scheme, the OASDI would still be in actuarial balance—a balance of 0.10 percent of taxable payrolls, but the burden of the payroll tax would be greatly reduced. With the Federal Government paying one-third, the employee one-third, and the employer one-third, a worker making $5,000 in 1972 would pay $140 minimum in OASDI instead of $210. If he made $7,000, he would pay $156 rather than his present figure of $299. The social security tax for $10,000-a-year employees would be $280, and at the top of the wage base—$15,000—a $420 maximum would apply.

At the same time, the Social Security Administration estimates that, because of a higher wage base and additional Federal contribution, benefits would be equivalent to an 8 percent benefit increase over that provided in H.R. 1. Adding that increase to the 10 percent increase proposed as part of this amendment, benefits would average 18 percent higher than they presently are.

General revenue financing is a step in the right direction.

All Social Security Advisory Councils since 1935 have advocated easing the burden on the payroll tax. By adopting general revenue financing, the social security system would be placed on a different set of assumptions. Revenues would be equal to benefits paid on an annual basis. No longer would the trust fund accumulate a surplus—projected by 1973 to reach $6 billion—beyond that necessary to pay yearly benefits. General revenue financing will assist in placing the social security system on a pay-as-you-go scheme.

Mr. President, I believe that these amendments are necessary. They provide the elderly a more realistic opportunity to enjoy life and they offer the working man relief from his crushing tax burden.

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Mr. JAVITS (for himself, Mr. Hughes, Mr. Cranston, Mr. Schweiker, Mr. Buckley, and Mr. Packwood):

S. 2840. A bill to amend the Public Health Service Act so as to authorize emergency assistance for States and nonprofit private agencies in the establishment of centers for maintenance, treatment, and rehabilitation of drug addicts. Referred to the Committee on Labor and Public Welfare.

### DRUG ADDICT TREATMENT AND REHABILITATION ACT OF 1971

Mr. JAVITS. Mr. President, I introduce for myself, Senator Hughes, Senator Packwood, Senator Schweiker, Senator Buckley, and Senator Cranston, the Drug Addict Treatment and Rehabilitation Act of 1971, which authorizes formula grants to States to develop programs for the maintenance, treatment, and rehabilitation of drug addicts with emphasis upon the development of methadone maintenance—presently the most effective heroin addiction treatment modality.

Drug addiction knows no neighborhood lines, no county boundaries, and no racial or ethnic distinctions. As President Nixon said:

> Narcotics addiction is a problem which affects both the body and soul of America.

At the cutting edge of this epidemic is the heroin addict. My bill offers one solution—not a cure for all addicts, but rather a proven treatment modality for addicts who, in the opinion of the medical experts, are suitable for it. What we need is an interim means of dealing with thousands of addicts, and of diminishing related crime to minimal, manageable levels. Such an interim measure would be of enormous help until we can find an effective, long-term cure for drug addiction.

Methadone, like heroin, is addictive; but it at least has the capacity for restoring to an addict the freedom to determine how he wishes to lead his life. In New York City, my research discloses there are, regrettably, 7,000 addict volunteers on the waiting list for treatment in methadone maintenance programs, and the timelag into treatment varies between 2 and 6 months. Such delays, occasioned by lack of resources, is inexcusable on the part of society; the only solution is to get the Federal Government to supply the needed resources.

I recognize that methadone maintenance is both a scientific- and social-policy issue in the field of the treatment of narcotics addiction. However, we must set aside the emotional and philosophical debate of methadone maintenance versus drug-free.

At the moment, methadone programs are subject to controls exercised jointly by the Bureau of Narcotics and Dangerous Drugs and by the Food and Drug Administration, their authority being based on the proposition that the treatment is still only experimental. Privately, officials of these bureaus concede that the inherent safety and efficacy of the medication are no longer in doubt, but hold that the fiction of experimental status is needed as a legal basis for preventing misuse. There is some merit in their contention, but in any event, the IND permit which now serves as a license for methadone treatment cannot be retained indefinitely as a control device. Expansion to a caseload of 25,000 in New York, and an equal number elsewhere in the country, is inconsistent with the concept of experimental status. Either the treatment is experimental or it is ready for large-scale use—but not both.

To remedy that problem, the bill I introduce today would:

First, authorize the Secretary of Health, Education, and Welfare to make formula grants to States—to stimulate establishment of methadone maintenance treatment programs—based upon population, financial need, and the need for more effective prevention and treatment of heroin addiction. The authorization levels are left open in the bill. The precise dollar amount would be determined by the Senate upon the basis of the expert testimony received at legislative hearings and the recommendations of the Committee on Labor and Public Welfare. However, the magnitude of the funding needs is readily seen in Governor Rockefeller's remarks at United Nations Observance Day when he urged a "Manhattan project" to save our youth from drug devastation and said:

> We stand here today in the heart of a great city that has by far the worst and most rapidly spreading drug infection. As Governor of the State, I have led an all-out effort to stem this tide and to cure the affliction. During the past six years, we have expended almost three quarters of a billion dollars of state funds for this purpose—more than all the other states put together, more than our Federal government and more than all the other nations of the world.

Second, require States to submit plans assuring the Secretary that: First, methadone will be administered orally only to certified heroin addicts who volunteer for treatment—I emphasize voluntary because we cannot be sure how effective methadone maintenance is when provided under legal coercion. Treating a patient against his will, regardless of the outcome, raises very serious ethical questions—in public or nonprofit private centers or facilities operated under the Community Mental Health Centers Act or facilities operated in accordance with certain standards; second, each program will be under the direction of a licensed physician qualified to treat narcotics addiction; third, either directly or through contractual arrangements, comprehensive rehabilitative services, including vocational counseling, educational and remedial services, psychological and psychiatric therapeutic programs and legal assistance will be provided; fourth, "outrearch" efforts to the private and public sectors of the economy to recruit, train and employ participants in methadone programs and provide assistance to persons in treatment in obtaining employment are encouraged; and fifth, if possible, encourage persons in methadone maintenance programs to become drug-free.

I emphasize that along with the medication—methadone—and which programs administer it, the bill encourages the use of supportive services to help the patient in his efforts to become rehabilitated and lead a socially acceptable and productive life. I believe that providing such assistance is a responsibility we should accept in treating the "whole person."

Third, mandate all patient records to remain confidential and in the absence of a court order, to be disclosed only with the patient's consent. However, this section would not infringe upon legitimate research.

Fourth, qualify public and nonprofit private agencies to directly participate in a Federal program, in the absence of a State plan, with grant priority given to areas within States having the highest percentages of heroin addicts.

Fifth, authorize grants to medical and paramedical institutions to assure the availability of trained personnel. The provisions in my bill mandating special manpower initiatives and ancillary services in the operaton of methadone maintenance programs will, most importantly, stimulate reconciliation between therapeutic community "purists," who this year reported an increasing use of methadone, and methadone-oriented "theorists," who seemed to increasingly recognize the value of group encounter, counseling, vocational services, and the like.

It is important to understand that with the expansion of methadone maintenance programs—as stimulated by this bill—we will be dispensing millions of doses per year of a potent narcotic. I am convinced that this medication is therapeutic when taken by the right person in a good medical program. However, I also recognize the concern of Federal, State, and local law enforcement agencies and medical treatment programs—to reduce this danger to a minimum.

Narcotics addiction and the crime it

induces are clearly threatening to suffocate New York City. The magnitude and scope of the problem can readily be seen from an examination of statistics from my own city of New York. While there were less than 200 narcotics-related deaths in 1960, 10 years later, in 1970, the number of deaths increased to over 1,000—215 of these were teenagers, the youngest of whom was only 13 years old. Experts now indicate that there are 150,000 heroin addicts in New York City and it is a fact that today more people aged 25–35 in New York City die as a result of narcotics than from any other single cause. The police department indicated that of the more than one-quarter million arrests in 1970, 71,848 or 29 percent were for narcotic offenses.

From Scarsdale to San Francisco, the shattered minds and hopeless futures of thousands of our young people are grim testimony to the inadequate response to the drug epidemic.

As the Attorney General of the United States testified:

> Dependence on drugs for a person of any age is a personal tragedy—but with thousands of Americans under the age of 21 addicted to drugs, that dependence evidences a national emergency.

There is a demonstrable relationship between narcotics addiction and the commission of serious crimes, and the cost in terms of broken homes, estranged families and lost opportunities constitutes one of the most pervasive social tragedies of our times. According to officials of the National Institute of Mental Health, an estimated 40-million Americans are directly affected by drug abuse.

The individual addicts and their families are not the only ones who suffer. Addicts feed their destructive habit with acts of destruction. As the Attorney General of the United States indicated:

> There is no doubt that the increase in the number of drug addicts is reflected in the increase of street crimes and burglaries.

In my own city of New York, more than 50 percent of the jail inmates are addicts and more than 50 percent of the property crimes are committed by addicts. We need alternative methods to cope with the drug problem. Methadone does not "cure" the addict; rather, it is an addictive substitute to heroin. Yet in three-quarters of the cases in which it has been tried in New York City it has helped to stabilize the addict, and return him to his family and his job.

Is this capitulation to addiction? I say, what else do you offer? What other help can you offer on a massive scale to the thousands and thousands of "hooked" heroin addicts who want to return to jobs and family, but lack the psychological strength to shake off addiction.

We ought not to be afraid of an interim proven measure which works. Insulin is not a cure for diabetes but it keeps the sick person alive and permits him to function. The same is true of methadone.

I say interim, for I believe we must also begin a massive research effort to find other more effective long-term heroin antagonists. At the same time, we must launch assaults upon the psycho/social societal ills that let our young people turn to heroin.

Most of us know the leading experts in the field of methadone have been Dr. Vincent Dole and his wife. Dr. Marie Nyswander, who developed the methadone maintenance technique. Dr. Dole's recent volunteer detoxification program in Manhattan House of Detention—the Tombs—has attracted nationwide interest.

In testifying before the Subcommittee on Alcoholism and Narcotics of the Senate Labor and Public Welfare Committee, of which I am ranking minority member, Dr. Dole made clear that methadone "is no panacea whatsoever" but stated:

> It is a positive response in the sense that we can show rehabilitation of many thousands of people who otherwise would have been hopeless heroin addicts.

As a result of information obtained from the 7,000 patients currently under treatment in his program, Dr. Dole testified that—

> We can say unequivocably that methadone is consistently successful in stopping heroin addiction when it is given under good medical control in the routing we recommend.

I would commend to the attention of my colleagues the recently published proceedings of the Third National Conference on Methadone Maintenance Treatment. The conference provided valuable insights into the many facets of methadone maintenance treatment programs. It added much to the scientific body of knowledge on pharmacology; gave special attention to medicine, pediatrics, and obstetric treatment issues; discussed the complex issues of mapping out an epidemiology of heroin addiction and developing large systems of delivering clinical services; and reported on the problems involved in the treatment of adolescent addicts by methadone maintenance. I ask unanimous consent that the following published conference articles be printed in the RECORD at this point in my remarks, along with the text of the bill:

"Successes and Failures in Methadone Maintenance Treatment of Heroin Addiction in New York City" by Frances Rowe Gearing, M.D., M.P.H.

"The Bernstein Experiment," by Harold L. Trigg, M.D.

"Ancillary Services in Methadone Treatment: The Bedford-Stuyvesant Experience," by Beny J. Primm, M.D.

"Comparative Study of Three Groups of Patients at the Bronx State Hospital Methadone Maintenance Program," by Beatrice Berle, M.D., and Joyce Lowinson, M.D.

"Slow Detoxification of Adolescent Heroin Addicts in New York City," by Robert B. Millman, M.D., and Marie E. Nyswander, M.D.

"Court Services and Methadone Treatment: The New York City Probation Program," by Herman Joseph.

"Planning for the Treatment of 25,000 Herion Addicts," by Vincent P. Dole, M.D.

"Two Standard Data Processing Packages for Methadone Maintenance Facilities in New York: Intake and Treatment," by Alan Warner, Ph. D.

There being no objection, the articles and bill were ordered to be printed in the RECORD, as follows:

### METHADONE MAINTENANCE: WHY CONTINUE CONTROLS?

(By Richard Phillipson, M.D.)

(NOTE.—Figures do not appear in the RECORD.)

I welcome this opportunity to take the chair at this session on epidemiology and methadone: Many of you may wonder what the title of my paper has to do with epidemiology which has been defined as "a science that deals with the incidence, distribution, and control of diseases" and also as "the sum of the factors controlling the presence or absence of a disease or pathogen." I have chosen it because I feel very strongly that all physicians and others who are engaged in the present struggle to combat the problem of narcotic addiction have a great responsibility; a responsibility especially to see that the mistakes made in the second decade of this century, when morphine instead of methadone was dispensed in clinics in this country, are not repeated. Before we consider what these mistakes were let us look, albeit briefly, at events on the drug scene in the United States in the last decade of the 19th century.

In the 19th century our forebears were ignorant of 20th century biochemistry. Opiate use was perceived as a "will-weakening" vice instead of a biochemical disease. It was generally known that addicts deprived of their opiates would lie or even steal to get their drug; hence there was much talk of the moral degeneration caused by opiates.

There was nevertheless very little popular support for a law banning these substances. "Powerful organizations for the suppression of sale of alcoholic stimulants existed throughout the land," but there were no similar organizations against opiate use.

The reason for this lack of demand for suppression of opiates was quite simple: These drugs were not seen as a menace to society and physicians often referred to opium or morphine as "G.O.M."—"God's own medicine." Opiates were also widely prescribed, for asthma, for cough, for diarrhea and dysentery, and for a wide variety of other illnesses. Dr. H. H. Kane's 1880 textbook entitled "The Hypodermic Injection of Morphia. Its History, Advantages, and Dangers. Based on Experience of 360 Physicians," listed 54 diseases (including nymphomania) which benefited from morphine injections.

A remarkable fact is that for the great majority of these conditions, morphine really was of significant help. For morphine is a highly effective tranquilizer and the 19th-century physicians used morphine much as the physicians today use chlorpromazine, chlordiazepoxide, and other tranquilizers.

Opium in the 19th century was used as a substitute for alcohol and Dr. J. R. Black in a paper entitled "Advantages of Substituting the Morphia Habit for the Incurably Alcoholic," published in the *Cincinnati Lancet-Clinic* in 1889, said "opium is less inimical to healthy life than alcohol." It "calms in place of exciting the baser passions, and hence is less productive of acts of violence and crime; in short, the use of morphine in place of alcohol is but a choice of evils, and by far the lesser." Then he continued: "On the score of economy the morphine habit is by far the better. The regular whiskey drinker can be made content in his craving for stimulation, at least for quite a long time, on two or three grains of morphine a day, divided into appropriate portions, and given at regular intervals. If purchased by the drachm at 50 cents this will last him 20 days. Now it is safe to say that a like amount of spirits for the steady drinker cannot be purchased for 2½ cents a day, and that the majority of them spend 5 and 10 times that sum a day as regular thing.

"On the score, then, of a saving to the

individual and his family in immediate outlay, and of incurred disability, of the great diminution of peace disturbers and of crime, whereby an immense outlay will be saved the State; on the score of decency of behavior instead of perverse devilry, of bland courtesy instead of vicous combativeness; on the score of a lessened liability to fearful diseases and the lessened propagation of pathologically inclined blood, I would urge the substitution of morphine instead of alcohol for all to whom such a craving is an incurable propensity."

Substitute heroin for alcohol and methadone for morphine in that last sentence and one could be reading exactly what one reads today in support of the methadone maintenance treatment approach to heroin addiction.

Now let us consider for a few minutes the assessment of the operations of the narcotic dispensaries between 1919 and 1923: This is not easy because of the paucity of published materials but what little there is is well summarized in "Narcotics Addiction: Official Actions of the American Medical Association 1963," pp. 2–8 which is reprinted as a chapter in "Narcotic Addiction" by O'Donnell and Ball.

Approximately 44 clinics or dispensaries were established in various cities and some operated for as long as 4 years. The clinics seemed to have had no purpose other than the dispensing of drugs to addicts and in all instances it was found necessary eventually to give drugs to addicts for self-administration.

Beneficial results claimed to have resulted from operations of the clinics included:

(a) Bringing the addict out of hiding and making him accessible to examination and efforts at rehabilitation.

(b) Curtailment of drug peddling, enabling addicts to give up commercial activities, obtain employment, support their families and in some cases, especially in the case of the New York Clinic, preparation for hospitalization withdrawal.

Evaluation of these claims of benefits from the clinics was impossible due to a complete lack of any objective criteria of success or of failure: For example no records were ever available on the number of addicts who did obtain employment and become self-supporting while receiving drugs from the clinics and the shortness of time during which the clinics operated precluded any real assessment of the results. Claims of detrimental effects were better documented and included the diversion of drugs to others, not patients of the clinics; the peddling of narcotics far from being curtailed was increased and the clinics failed to cure the addicts but even here it is impossible to evaluate the extent of these abusers as there are no quantitative statements on the number of addicts found diverting narcotics obtained from the clinics to other persons, nor were there any quantitative statements on the number of addicts who were apprehended for crimes while receiving drugs from the clinics.

Two of the major claims for the efficacy of methadone maintenance treatment is that it results in a reduction in criminality and an increase in employment. But it is difficult, if not impossible, to find today, when some methadone maintenance programs have been in operation for over 5 years, any really hard data to support the claims of a reduction in criminality or of an increase in long-term employment and support of self and family.

It surely cannot be beyond the capacity of some of the epidemiologists here today to design a study which could offer data obtained by an impeccable scientific method. It is incumbent on us to insist on this as a standard of performance. We must not be guilty of repeating the mistakes of the past.

Our panel represents the most experienced attempts to date to deal with this critical question of outcome and behavior change. We shall soon know if we are dealing with art or science.

I am indebted to Dr. Bertram Brown, Director of the National Institute of Mental Health, for permission to present this paper and to Mr. Karst Besteman, Acting Director of the Division of Narcotic Addiction and Drug Abuse. Without whose assistance it could never have been prepared.

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### SUCCESSES AND FAILURES IN METHADONE MAINTENANCE TREATMENT OF HEROIN ADDICTION IN NEW YORK CITY

(By Frances Rowe Gearing, M.D., M.P.H.)

October first marks the fifth anniversary of the establishment of the Methadone Maintenance Evaluation Unit and the first meeting of the evaluation committee. When our unit began operations there were 66 men and eight women in the program and there were facilities available to admit approximately seven new patients each month. As time has marched on, the progress reports from our evaluation unit have attempted to monitor the progress of the program with cautious optimism, with the result that we have been quoted and misquoted by legislators at all levels of government and by all the mass media.

Our recommendation for continued expansion of the program has resulted in a veritable population explosion in the past year. As of October 31, 1969, the methadone maintenance treatment programs under our surveillance included six inpatient induction units, and ambulatory induction was just beginning. The admission rate was approximately 50 patients each month, equally divided between ambulatory and inpatient induction with rather cautious selection of those admitted for ambulatory induction.

This year has seen an almost complete reversal in this procedure. The vast majority of patients are currently being stabilized on an ambulatory basis, and inpatient services are used only for those patients who present unusual problems.

As of October 31, 1970, we have under surveillance 13 inpatient induction units and 46 active outpatient and ambulatory units. These units cover the four largest New York City boroughs and lower Westchester County. How many patients are involved? Table 1 shows the October 31, 1970, census. There have been 4,376 admissions to date, and 3,485 patients are under treatment. This is contrasted with the census as of October 31, 1969, when there were 2,325 admissions and 1,886 patients in treatment. This highlights the rapid expansion from approximately 50 patients per month to a level of 50 new patients each week. The location of the inpatient and outpatient units are listed in appendices A and B for those who are interested. The Rapid Induction group is a relatively new unit, opened in late July 1970, to which a group of approximately 100 patients from the waiting list have been offered ambulatory induction to methadone maintenance with medication only and little or no supportive services at the outset. The success rate in this group is being followed with great interest because its initial objective is to delineate that portion of the accepted patients which can be maintained with only minimal supportive services.

TABLE 1.—METHADONE MAINTENANCE TREATMENT PROGRAM

| | Census as of Oct. 31, 1970 | | | | Census as of Oct. 31, 1969 | | | |
|---|---|---|---|---|---|---|---|---|
| | Number admissions | Number discharges | Percent discharges | Number in treatment, Oct. 31, 1970 | Number admissions | Number discharges | Percent discharges | Number in treatment Oct. 31, 1969 |
| Inpatient induction: | | | | | | | | |
| M.B.I. and others[1] | 1,506 | 452 (40) | 30 | 1,054 | 1,222 | 315 (20) | 26 | 907 |
| Bronx State | 342 | 59 (3) | 17 | 283 | 144 | 17 (1) | 12 | 127 |
| Gracie Square | 352 | 64 (3) | 18 | 288 | 156 | 16 (1) | 10 | 140 |
| Van Etten | 160 | 64 (5) | 40 | 96 | 125 | 39 (2) | 31 | 86 |
| Westchester County[1] | 64 | | | 64 | | | | |
| Total inpatient | 2,424 | 639 (51) | 26 | 1,785 | 1,647 | 387 (24) | 23 | 1,260 |
| Ambulatory: | | | | | | | | |
| M.B.I. and others | 1,579 | 204 (10) | 13 | 1,375 | 678 | 72 (2) | 11 | 606 |
| Rapid induction | 103 | 10 | 10 | 93 | | | | |
| Van Etten | 52 | 13 (1) | 25 | 39 | | | | |
| Greenwich House | 138 | 25 (1) | 18 | 113 | | | | |
| Westchester County | 80 | | | 80 | | | | |
| Total ambulatory | 1,952 | 252 (12) | 12 | 1,700 | 678 | 72(2) | 11 | 606 |
| Total | 4,376 | 891 (63) | 20 | 3,485 | 2,325 | 459 (26) | 20 | 1,866 |

[1] See app. A.

DESCRIPTION OF SAMPLE

The age distribution of patients in the methadone maintenance treatment program has not changed substantially over the past 5 years despite the change in age criteria for admission. This appears to be the result of two balancing forces. These are (1) the inclusion of a few 18-year-old patients, and (2) the admission of a small number of oriental patients who are in their late 50's. Therefore, the median age of all patients remains at about 33.3 years with the average age of the black patients somewhat older (35.6).

The ethnic distribution remains approximately 40 percent white, 40 percent black, 19 percent Spanish and 1 percent oriental.

We will discuss the "failures" first.

### RATE OF DISCHARGE

The rate of discharge by month of observation has remained amazingly stable despite the changes in admission criteria and the change of emphasis from inpatient induction to ambulatory induction. This is illustrated in figure 1 where the rates of discharge for the two groups are contrasted. The two curves are identical. The Van Etten group, with active tuberculosis as an additional problem to heroin addiction, demonstrate a somewhat accelerated discharge rate as might be expected.

In figure 2 we contrast three cohorts of 500 patients by date of admission, and once again we find no difference in rates of discharge among these three cohorts representing the first 1,500 patients admitted to the program.

Figure 3 contrasts the discharge rate for men and women. The slight difference shown is not significant due to the much smaller number of women. The rate of discharge for men by age at time of admission is shown in figure 4 and once again shows no difference between younger and older patients. A small difference appears in figure 5 between the rate of discharge in the third year between black and white patients. This difference is not statistically significant at this point but bears monitoring in the future.

### REASONS FOR DISCHARGE

As shown in figure 6, problems with alcohol abuse as a reason for discharge increases with age at time of admission for both men and women, drug abuse (primarily amphetamines and barbiturates) as a reason for discharge decreases with age and is more common among the women than among the men. Voluntarily withdrawal from the program increases with age particularly among the men.

Discharge for behavior or psychiatric reasons is more common among the younger patients of both sexes. Deaths follow the pattern in the general population.

When we look at reasons for discharge by ethnic group as shown in figure 7, we note that alcohol problems are more common among the black patients and drug abuse is more commonly a factor among the white and Spanish patients.

Voluntary withdrawals and discharge for behavioral reasons account for the majority of dropouts in the first year. Chronic problems with alcohol abuse, and continued drug abuse were the major causes of discharge in the second and third year.

### FOLLOWUP OF DISCHARGED PATIENTS

With the assistance of two medical students[1] during this past summer, we completed an intensive followup on a sample of patients who had left the program. We selected all patients who were discharged alive by December 31, 1969, and who had been in the program 3 months or longer at the time of discharge. This gave us a pool of 562 persons. We divided this group into two segments: (1) those who had left the program voluntarily, and (2) those who had been discharged from the program for cause.

Our primary source of followup was the New York City Narcotics Register which receives reports from the police and correction agencies, hospitals and treatment programs, and from private practitioners. Another very useful source was a series of interviews with patients who left the program and have subsequently been readmitted. This was a major contribution by the medical students.

For the sample of 281 patients on whom we could obtain 6 months of followup the results are shown in table 2.

TABLE 2.—METHADONE MAINTENANCE TREATMENT PROGRAM

Followup of 281 patients 6 months following discharge from MMTP]

| | Left voluntarily (percent) | Discharged for cause (percent) | Total discharge (percent) |
|---|---|---|---|
| Arrest or jail | 10 | 26 | 23 |
| Dead | 2 | 2 | 2 |
| Detoxification | 13 | 20 | 19 |
| Other Rx program | 11 | 4 | 7 |
| Medical or psychiatric facility | | 3 | 2 |
| Private M.D | 2 | 2 | 2 |
| Moved | 7 | 1 | 1 |
| Readmitted | 33 | 6 | 11 |
| No reports found | 22 | 36 | 33 |
| Total sample | 100 (45) | 100 (236) | 100 (281) |
| Total N | (90) | (472) | (562) |

Those patients who left the program voluntarily had a lower arrest and detoxification record than the rest. They also had a larger proportion admitted to other treatment programs and one-third had been readmitted to the program, contrasted with only 6 percent of those discharged for cause. If one considers that no record found is roughly equivalent to remaining "clean," one-third of this group were still "clean" 6 months after leaving the program.

The same sampling procedure was followed for the 396 patients on whom we could obtain 12 months to followup. These results are shown in table 3. In this group only, 21 percent would be considered still "clean." The readmission rate was somewhat lower (13 percent). Except for arrests and deaths, those who left the program voluntarily are very similar to the other group.

TABLE 3.—METHADONE MAINTENANCE TREATMENT

Followup of 198 patients up 1 year after discharge from MMTP]

| | Left voluntarily (percent) | Discharged for cause (percent) | Total discharge (percent) |
|---|---|---|---|
| Arrest or jail | 13 | 28 | 25 |
| Dead | | 2 | 2 |
| Detoxification | 34 | 23 | 25 |
| Other Rx program | 6 | 6 | 6 |
| Medical or psychiatric facility | 3 | 4 | 4 |
| Private M.D | 3 | 1 | 2 |
| Moved | | 2 | 2 |
| Readmitted | 16 | 13 | 13 |
| No reports found | 25 | 21 | 21 |
| Total sample | 100 (32) | 100 (166) | 100 (198) |
| Total N | (64) | (232) | (396) |

Table 4 shows the results of the followup on our sample of 181 patients on which we had a followup of 1 year or more. Here the readmission rate is 22 percent and the proportion who appear to have remained "clean" is only 18 percent and the death rate reaches 5 percent.

These data would tend to indicate that, among those patients who withdraw from methadone maintenance treatment, only a small proportion have been able to "make it" on their own.

Because of the tremendous current interest in "criminality" associated with addiction, we looked into the previous arrest records of those patients who have remained in the programs, contrasted with those who left the program voluntarily, and those who were discharged for cause. We contrasted this, in a "before and after" picture, as shown in figure 8. It is interesting to note that the past history of those who were discharged for cause with reference to arrests is worse than either of the other two groups—and that their behavior following discharge is as poor or worse than before admission. Those who left voluntarily demonstrate a short period of improvement but also tend to return to their previous arrest pattern. Those who remained in the program show a constant and accelerated decline in criminal behavior as measured by arrests.

Enough of failures. Now let's discuss successes.

TABLE 4.—METHADONE MAINTENANCE TREATMENT PROGRAM

[Followup of 181 patients 1 year or more after discharge from MMTP]

| | Left voluntarily (percent) | Discharged for cause (percent) | Total discharge (percent) |
|---|---|---|---|
| Arrest or jail | 18 | 30 | 28 |
| Dead | | 5 | 5 |
| Detoxification | 37 | 27 | 28 |
| Other Rx program | 11 | 11 | 22 |
| Medical or psychiatric facility | 6 | 7 | 7 |
| Private M.D | 6 | 3 | 3 |
| No reports found | 21 | 17 | 18 |
| Readmitted [1] | [1] 29 | [1] 21 | [1] 22 |
| Total sample | 100(28) | 100(153) | 100(181) |
| Total N | (56) | (306) | (362) |

[1] Readmitted patients each had 1 or more reports of arrest or detoxification.

### CRITERIA FOR SUCCESS

The criteria established by our evaluation unit with the approval of the evaluation committee for measuring success of the program has revolved around four basic measures:

1. Freedom from heroin "hunger" as measured by repeated, periodic "clean" urine specimens.

2. Decrease in antisocial behavior as measured by arrest and/or incarceration (jail).

3. Increase in social productivity as measured by employment and/or schooling or vocational training.

4. Recognition of, and willingness to accept help for excessive use of alcohol, other drugs, or for psychiatric problems.

### RESULTS

1. Although many of the patients test the methadone "blockade" of heroin one or more times in the first few months, less than 1 percent have returned to regular heroin usage while under methadone maintenance treatment.

2. Antisocial behavior as measured by arrests and incarcerations (jail) have been looked at in several ways. First, the percentage of arrests among patients in the program during the 3 years prior to admission was compared with the percentage of arrests of these same persons following admission. This "before and after" picture is also contrasted with the proportion of arrests in a contrast group of 100 men selected from the detoxification unit at Morris Bernstein Institute matched by age and ethnic group and followed in the same manner. The results are illustrated in figure 9. The arrest records of these two groups are quite similar for each year of observation prior to admission. Following admission to the program, the contrast is striking for each period of observation with the methadone maintenance patients showing a marked decrease in the percentage of patients arrested, and the contrast group showing a pattern very similar to the earlier period of observation.

We have also calculated the arrests per 100-patient-years of observation for the 3 years prior to admission in contrast to the arrests per 100-patient-years of observation after admission. We have compared these data using the same computations for the contrast group. The results are shown in table 5. These results would appear to indicate that remaining in the methadone maintenance program does indeed decrease antisocial behavior as measured by arrests or incarcerations.

3. Increased social productivity can best be illustrated by the employment profiles

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[1] Mr. Michael Lane, Downstate Medical School, and Miss Mary Hartshorn, Medical College of Pennsylvania.

shown in figures 10 and 11. There is a steady and rather marked increase in the employment rate with a corresponding decrease in the percentage of patients on welfare as time in the program increases. This is true both for the men and the women. These data include both ambulatory and inpatient induction groups. This accounts for the increased percentage of men employed at time of admission since this was one of the early criteria for admission to an ambulatory unit.

4. Figure 12 is an attempt to illustrate stability of employment among patients remaining in the program as contrasted with their previous employment experience. The shaded area might be considered as a measure of their increased social productivity since admission to the program.

5. Although chronic alcohol abuse continues to be a problem for approximately 8 percent of the patients (both men and women), and for some becomes the principal reason for discharge, a majority of these patients show continued improvement in their ability to handle their alcohol problem with the support and assistance of members of the program staff who recognize the problem, and are willing and able to cope with it.

6. Problems with chronic abuse of drugs such as barbiturates, amphetamines, and more recently, cocaine, are evident in approximately 10 percent of the patients. There again, for some, it has resulted in discharge from the program. For many others, the patients are able to function satisfactorily, with the assistance and support of members of the program staff.

### CONCLUSIONS

On balance, the successes in the methadone maintenance treatment program far outweigh the failures. The rapid expansion of the program during the past year, and the change in emphasis to include primarily ambulatory induction under the expanded admission criteria does not appear to have made any noticeable change in the effectiveness of this treatment for those heroin addicts who have been accepted into the program. A majority of the patients have completed their schooling or increased their skills and have become self-supporting. Their pattern of arrests has decreased substantially. This is in sharp contrast to their own previous experience, as well as their current experience when compared with a matched group from the detoxification unit, or when compared with those patients who have left the program. Less than 1 percent of the patients who have remained in the program have reverted to regular heroin use.

A small proportion of the patients (10 percent) present continued evidence of drug abuse involving use of amphetamines, barbiturates, and cocaine, and another 8 percent demonstrate continued problems from chronic alcohol abuse. These two problems account for the majority of failures in rehabilitation after the first 6 months.

Methadone maintenance as a treatment modality was never conceived as a "magic bullet" that would resolve all the problems of patients addicted to heroin. For this reason, we believe that any treatment program using methadone maintenance must be prepared to provide a broad variety of supportive services to deal with problems including mixed drug abuse, chronic alcoholism, psychiatric or behavioral problems, and a variety of social and medical problems.

Many questions continue to remain unanswered with reference to the role of methadone maintenance in the attack on the total problem of heroin addiction; nevertheless the data presented on the group of patients who have been admitted to this methadone maintenance treatment program continues to demonstrate that this program has been successful in the vast majority of its patients.

After a careful review of the data related to successes and failures over the past 5 years, the Methadone Maintenance Evaluation Committee has submitted the following recommendation as of Friday, November 6, 1970:

### RECOMMENDATIONS

As a result of the continued encouraging results in the methadone maintenance treatment program through October 31, 1970, the Methadone Maintenance Evaluation Committee recommends:

1. That there be continued financial support for the methadone maintenance treatment program to allow continued intake of new patients using admission criteria including a minimum age of 18 years and a history of a minimum of 2 years of addiction with care in selection of patients to prevent the possibility of addicting an individual to methadone who is not physiologically addicted to heroin.

2. That there be continued evaluation of the long-term effectiveness of the methadone maintenance treatment program for the group stabilized on an inpatient basis, the group being stabilized on an ambulatory basis, and the group undergoing rapid induction.

3. That new programs which plan to use methadone maintenance should include all elements of the program including:

a. Availability of adequate facilities for the collection of urine and laboratory facilities for frequent and accurate urine testing;

b. Medical and psychiatric supervision;

c. Backup hospitalization facilities;

d. Adequate staff including vocational, social and educational support, and counseling;

e. Rigid control of methods of dispensing methadone and number and size of doses given for self-administration in order to prevent diversion to illicit sale or possible intravenous use;

f. Staff members of potential new programs planning to use methadone maintenance be trained in this technique in a medical center which has been shown to use methadone maintenance effectively.

4. That continued research is essential particularly with reference to:

a. The role of methadone maintenance in the treatment of young heroin addicts (under 18);

b. Developing programs using methadone maintenance in combination with other approaches to the treatment of heroin addiction.

Projects in these areas should be supported and encouraged, but must be considered new research studies, and should be subjected to the same surveillance and independent evaluation as the current programs.

5. That methadone maintenance not be considered at this time as a method of treatment suitable for use by the private medical practitioner in his office practice, because of the requirements for other program components including social rehabilitation and vocational guidance.

6. That a pilot or demonstration project be developed involving the use of properly trained practicing physicians as an extension of an organized methadone maintenance treatment program to treat those patients whose needs for ancillary services are minimal. These patients should be continued under the supervision of the methadone maintenance treatment program for periodic evaluation and urine testing.

### ACKNOWLEDGEMENTS

1. The members of the Methadone Maintenance Evaluation Committee both past and present with particular reference to Dr. Henry Brill who has so aptly chaired that committee since its inception.

2. All the members of the methadone maintenance treatment program staff for their devotion to their job and for their cooperation whenever needed.

3. The staff of the Rockefeller Data Bank, especially Dr. Alan Warner and Mrs. Ellen Smith, for their willingness to make available to us, whenever requested, data which has been a crucial starting point of our evaluation.

4. Those medical students who have made substantial contributions to our efforts over the past 4 years.

5. The directors of the New York City Narcotics Register who have allowed us to use their data for validation and for followup. These listed in chronological order over the past 5 years are: Dr. Florence Kavaler, Mrs. Zili Amsel, Miss Joy Fishman, and Mr. Sherman Patrick.

6. The diligence and devotion of my staff including: Mrs. Dina D'Amico, Mrs. Angela del Campo, Mrs. Freida Karen, Mrs. Elaine Keane, Mrs. Dorothy Madden, and Mrs. Inge Mayer.

7. And last but not least to the New York State Narcotic Addiction Control Commission for funding our efforts.

TABLE 5.—METHADONE MAINTENANCE TREATMENT PROGRAM

The number of arrests and incarcerations per 100-person-years for methadone maintenance patients before and after admission contrasted with patients from detoxification unit

| | Methadone group | Detoxification group |
|---|---|---|
| Before admission: | | |
| Arrests per 100-person-years. | 115 | 131. |
| Jail per 100-person-years | 49 | 52. |
| n | 17,500-person-years. | 600-person-years. |
| Following admission: | | |
| Arrests per 100-person-years. | 4.3 | 135. |
| Jail per 100-person-years | 1 | 63. |
| n | 10,800-person-years. | 1,040-person-years. |

### APPENDIX A.—METHADONE MAINTENANCE TREATMENT PROGRAM

(Inpatient induction units by county as of October 31, 1970)

Manhattan:
- Gracie Square Hospital (M & W).
- Harlem Hospital (M).
- Morris J. Bernstein Institute (M & W).
- Riker's Island (M).
- Rockefeller University Hospital (M & W).
- Roosevelt Hospital (M & W).
- St. Luke's Hospital (M & W).

Bronx:
- Albert Einstein Medical Center (M & W).
- Bronx State Hospital (M & W).

Brooklyn: Brookdale Hospital (M & W).

Westchester County:
- St. Joseph's Hospital (M & W).
- White Plains Hospital (M & W).
- Yonkers General Hospital (M & W).

### APPENDIX B.—METHADONE MAINTENANCE TREATMENT PROGRAM

(Outpatient and ambulatory induction units by county as of October 31, 1970)

| | *Number of units* |
|---|---|
| Manhattan: | |
| City probation | 2 |
| Gracie Square Hospital | 1 |
| Greenwich House | 1 |
| Harlem Hospital | 5 |
| Jewish Memorial Hospital | 1 |
| Morris J. Bernstein Institute | 1 |
| Lower East Side | 10 |
| Lower West Side | 2 |
| Rapid Induction | 1 |
| Mount Sinai Hospital | 1 |
| Rockefeller University Hospital | 2 |
| Roosevelt Hospital | 1 |
| St. Luke's Hospital | 1 |
| St. Vincent's Hospital | 1 |
| Bronx: | |
| Bronx State Hospital | 1 |
| Lincoln Hospital | 1 |
| Van Etten Hospital | 1 |

| | *Number of units* |
|---|---|
| Brooklyn: | |
| Brookdale Medical Center | 1 |
| Coney Island Hospital | 2 |
| Cumberland Hospital | 2 |
| Lutheran Hospital | 1 |
| Methodist Hospital | 1 |
| Queens: | |
| Long Beach Memorial Hospital | 1 |
| Triboro Hospital | 2 |
| Westchester: | |
| St. Joseph's Hospital | 1 |
| White Plains Hospital | 1 |
| Yonkers General Hospital | 1 |
| Yonkers Public Health Building (WCCMHB) | 1 |

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### THE BERNSTEIN EXPERIMENT

(By Harold L. Trigg, M.D.)

The current staffing pattern for the Bernstein Institute methadone maintenance treatment program is rooted in the history of the Bernstein Institute's Drug Addiction Service, which latter service concerns itself primarily with short-term detoxification.

In the process of setting up the Drug Addiction Service itself, in the early months of 1961, there occurred a rapid realization that staffing with psychiatry and other medical specialties, nursing, and social service, though perhaps adequate for simple pharmacological detoxification, was not adequate to cover other needs. One almost has to "entertain" the patient undergoing detoxification to assist him through a 2- to 3-week period of hospitalization and to control the number of premature signouts against medical advice.

At that point in 1961, the author was teaching in a local graduate school of psychology, and without any previous experience, with a nontraditional staffing pattern, selected two graduate students, both young men, with no previous experience in working with the addict population, and employed them in the capacity of general "troubleshooters" (officially named "counselors"). Their areas of functioning, though broad, did not include traditional medical and nursing responsibilities, but did include such areas as recreational therapy, issuing of phonograph records and record-players, defusing difficult relationships between patients before any altercation might occur, checking locked screens to make sure that locks had not been tampered with, and many other details.

The period of time up to February 1965 might be considered a thoroughly bleak one for any opiate addict, since the therapeutic community-abstinence programs were barely being whispered about, and one hardly knew, except through private conversations, that Dole and Nyswander were doing the initial research at Rockefeller University during the year 1964 on the high dosage Dole-Nyswander methadone maintenance treatment approach as we know it today. After spending the year 1964 doing the aforementioned initial research, Dole and Nyswander approached the officials of what is now the Bernstein Institute (then Manhattan General Hospital) stating that they needed space in which to work with more patients on the embryonic methadone maintenance treatment program. The Bernstein Institute answered in the affirmative, thus establishing a relationship with Dole and Nyswander that has led to what is today the largest methadone maintenance treatment program in the world.

However, going back to February 1965, which is the actual beginning of the Bernstein methadone maintenance treatment program, it was natural for the parents of the newborn methadone program to take meticulous measures to insure the growth of their child. I was privileged to have many discussions with Drs. Dole and Nyswander in those early days—in fact, it was Dr. Nyswander who worked so hard with me in launching the Drug Addiction Service in 1961. She was, therefore, familiar with the staffing pattern used on the Drug Addiction Service.

Drs. Dole and Nyswander had brought with them from Rockefeller a staff discipline known as the research assistant. The research assistant, as many of you know, is, by definition, a former heroin addict who has been under treatment on a methadone maintenance treatment program for a minimum of 1 year and who is deemed suitable for helping patients make the transition from the behavior of the "street addict" to that of "patient" on a medically supervised and controlled treatment program. However, during the early days and months, one of course could not have the more refined and, at the same time, relaxed view of today as to the role of the research assistant. One had no clear idea in those days as to the extent of the strength of the research assistant and whether one was simply being burdensome in asking the research assistant to undertake certain work with patients. In view of many such uncertainties, we reached a decision to introduce the category of staff referred to as counselor on the Drug Addiction Service.

Counselors, in this context, are, by and large, relatively young people, most of whom have a bachelor's degree in one of the behavioral sciences. In order to effect a smooth relationship between these two disciplines (i.e., counselors and research assistants), it became necessary to carve out some areas of responsibilities. One of the things agreed upon at the very outset, for example, was that only the research assistants would speak to patients about contaminated urine specimens in the first 6 weeks of hospitalization. It was our opinion, at that time (and still continues to be mine), that only the research assistant, by virtue of his own experience, had enough finesse to speak to such patients, during this early phase, without having the patients heighten their security operations and isolation techniques. In the early days, I might add, counselors were viewed as staff members who could keep the patient launched once the research assistant got the patient off the ground. After 6 years, we now know that the latter distinction does not seem to be warranted. What seems to me to be true is, that although the research assistant seems to be the most potent vehicle for launching the patient, once the research assistant really settles into the program, he often becomes as "square" as someone who has never used heroin and can become as effective with advanced patients as any other category of staff. In Phase II, primarily, the distinction between the counselor and the research assistant in their day-to-day functioning has undergone considerable blurring over the years, and it seems to me, all for the good.

The social service component of the Bernstein methadone program has undergone considerable change over the years, in view of the fact that all staff members, regardless of professional discipline, function more generically than otherwise—each staff member being expected to provide as wide a range of services for his patients as is possible within the limits of skill and legality; chiefs of the various disciplines are functioning primarily as resource people.

The vocational rehabilitation component of the Bernstein methadone program, which had considerable difficulty getting off the ground, has been an invaluable program component for the past couple of years. Our patients are now able to avail themselves of special vocational and educational training programs which were previously not open to them; or, if open to them, really did not understand the needs of an individual who had spent many years of his life using heroin, but who was now on methadone maintenance and had a different set of needs. Many new job areas have been opened.

In terms of the internal medical, obstetrical, gynecological, pediatric components and the ancillary services of the Bernstein methadone maintenance treatment program, there are three experts to cover those areas in more detail, later this morning. I would simply like to note, at this point, that we take great pride in these specialty services and hope to be able to expand them, not only to be able to provide continuity of services within the same medical center setting, but in order to enable us to do further evaluation and research for many years to come.

Having been asked repeatedly for the staffing pattern for a Phase II methadone outpatient clinic, the following is based on a census of approximately 100 patients:

Half-time psychiatrist.
Half-time administrative support.
2 full-time counsellors.
2 full-time research assistants.
Quarter-time vocational rehabilitation counsellor.
2 full-time nurses.
Half-time social worker.
Full-time secretary.

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### ANCILLARY SERVICES IN METHADONE TREATMENT: THE BEDFORD-STUYVESANT EXPERIENCE

(By Beny J. Primm, M.D.)

The Bedford-Stuyvesant experience has been a harrowing, frustrating, and thoroughly rewarding experience for me at this time. What Dr. Trigg has said is indeed true. I don't know now, when I look back, why I really took the assignment, because it was fraught with so many difficulties and frustrating patterns. There were three things, though, that I think were gleaned out of the Bedford-Stuyvesant experience that I could share with you. One of them is the political part of starting a program in an area where you are not necessarily welcome in the first place. The area itself was rather hostile to methadone maintenance. People there decided that I was the black man who had been chosen by the white man to deliver the white man's poison to that community, which sort of alienated me completely from the segment of the population that I had been identified with in the past. The medical community did not know what my feelings were about methadone as a modality of treatment. They, too, were somewhat reluctant when they heard that Dr. Beny Primm was going to take on the task of the Addiction Research and Treatment Corporation.

Politically, I was in something of a no-man's land, and this no-man's land included the community. It has welcomed us after 1 year. The medical community has presently laid out a welcoming carpet for me, and that's probably why I'm here today delivering to you some of those experiences. This is heartening. With the encouragement of Dr. Dole and Dr. Taylor, visiting from Philadelphia, we instituted in the pharmacological portion of our program technicians rather than nurses, which has helped us considerably in cutting down on expenses and, of course, in rendering a much better service. I have been encouraged as well by Dr. Lowinson's regular telephone communications and, of course, Dr. Nyswander's warm greetings and well wishes yesterday. Also heartening has been my contact with Dr. Jaffe, whom I visited in Chicago, who helped me rid myself of many frustrations, and whom I later saw in San Diego, where he shared with me a number of experiences that guided us a little better.

The Lexington experience, which no program director should exclude from his agenda, was also invaluable. And I mention all of these because initially I had not realized that all of these were important for the success of the program. The exchange of ideas among professionals is the most important aspect of starting a methadone maintenance program and making in function adequately. I think the lesson that is gleaned, the political lesson that is, out of the Bedford-Stuyvesant experience, is that we must not allow the politicians, the ofttimes sensational news media, nor a frightened society and even petty jealousies, to make us look, act, or seem like enemies—especially enemies—of the community. We are together for a common cause: Curing addiction.

Administratively it is an area where it is most difficult to run a program of such enormous design as we have at the Addiction Research and Treatment Corporation. I cannot go piece by piece on the administrative chart to show you just what happens but we set the program up in a corporate manner, as seen on the lighted board to your right—during intermission you can go there and see how the program is set up in an administrative fashion. We had to go out and canvass industry for the kind of individual who would be a good administrative director, who would be welcomed by the community, and who had the skills to coordinate all the disciplines that you see listed on that board.

We have extramural based research and evaluation teams. The Harvard Law School for the Betterment of Criminal Justice does criminal evaluation; the Yale Medical School does our medical evaluation; and the Columbia School of Social Work does our social evaluation. These institutions determine the kind of impact we have in these three areas in the community in which we are located. This ongoing research and evaluation is rather unique to ARTC. We receive continual feedback from these institutions regarding their areas of concern so that we can change our program structure as the program evolves in order to be more meaningful to the patient population that we are serving. There are weekly meetings with the Board of Directors of ARTC to keep them abreast of developments so that if we have any difficulty in securing funds or problems in locating property—and the many, many other problems that I know all of you are faced with—they can be of assistance to us in getting these things done. So it is a very coordinated effort, working together to deliver the service.

The delivery of ancillary services requires dedicated, compassionate, certificated professionals from all disciplines. Their skills must be finely coordinated and their departments interrelated. The program's administrative director has this sensitive task. He must create and direct systems of communication between departments to deliver these ancillary services effectively.

We have a Department of Prevention and Education, which the community really had dire need for and requested. This department communicates with every department, feeding back gathered information from the community, i.e., how they were received, etc.

We have a Department of Job Development, where we go out to sensitive industry to take on addicts who have been rehabilitated. We help the medical professional who works in that industrial complex with problems that he might face in the industry when treating an employee who might be addicted to drugs. We follow that individual while he is working with vocational counseling, constantly talking back and forth with the medical department where he is working.

Let's take the other areas, such as social service, which is in constant communication with job development. When program participants are not doing well in their family situation, the job development people know about it. We have a combined counselor therapist. Rather than have the therapist outside the arena of social services, or the counselor outside social services, we have combined these two job slots. And the counselor and the therapist work together, so that the patient cannot manipulate two people, one person against the other, with the manipulative attitude that addicts often have.

The medical department is rather unique, in that we deliver the kind of care from head to toe that you would see in any major private medical clinic. But what is particularly unique about ARTC is the entire pediatric medical care and, of course, full-time dental care on an outpatient basis.

The podiatric medical care takes place right at ARTC, on the spot. Bert Brown made an interesting observation when he came to visit ARTC and went to a local barbershop in our area to get a haircut. The barber said to him that addicts have a tremendous "mileage" problem, because they are constantly "chasing the horse." Therefore, they have very, very bad feet, and he wondered how they even continue to do this. So, when Bert came over that morning, he was going to suggest to me that maybe we should have a podiatrist to take care of the addicts' feet. Well, I told him we had a podiatrist working there for the last year. And, we also have the senior students of the M. J. Lewi College of Podiatry, who come on a daily basis to take care of the simple foot problems. If there are operative problems of the feet, we send them to the College of Podiatry. This has a tendency to make the addicted individual feel that we are concerned with treating him as a whole, and not just with his problem of addiction. Many of them come in with feet that are filthy, and our podiatry students show them how to care for them, teach them proper hygiene, and generally dignify their medical care. The other day we had a television performance on the relationship of podiatry to a narcotics treatment program.

We have a legal service that employs two full-time lawyers. In this system we have taken one patient who was at the Bronx State Hospital, who was on their methadone program, and who was known as a "jailhouse lawyer." We call him a Legal Advocate. He works constantly in this capacity, relieving our two lawyers of a great deal of their responsibility. He is doing considerably well. We are thinking of creating an additional position in this department when we expand to the Bronx.

We started a Therapeutic Community—we now have two—for our most incorrigible patients A patient becomes incorrigible at ARTC when he fails to respond, after many trials, to the rules and regulations we have established. Presently we have a dropout rate that is very, very small. We have lost only about 27 out of a total of 577 that we have on the program. This is because we feel that we should measure our program's success by how well the most incorrigible patient does on the program. The Therapeutic Community was established after consultation with our research and evaluation team and executive staff. The Therapeutic Community concept in an outpatient methadone maintenance program was copied after Jerry Jaffe's in Chicago. We presently have 18 people in our therapeutic community. If they don't do well there, we do not dismiss them from the program. We may suspend them for a period of 3 months, or 6 months, until their attitude becomes a little bit better or they're more positively motivated. We then take them back on the program, to try to let them function again.

There is a great deal of difference between a program that is located in an area such as Bedford-Stuyvesant and a program located, let's say, in midtown or lower Manhattan. There, in Bedford-Stuyvesant, I consider what we have a very natural laboratory. Right next door to my building is the biggest dope drop in Brooklyn. And people can walk out of my building and walk right next door and "cop." For example, across the street is also a big dope drop. I have done my damnedest to try and get the responsible authorities to come into the area and close these people up. It is impossible. They can't find the drugs within these two places of business so they can't do anything about it.

This makes program success a limited program success. It creates an abstinence barrier for people on the program. Oft-times they have nowhere to go, and addicts who are not on the program congregate outside of the building. And the kind of peer pressure that takes place when an individual walks outside of the building makes it very difficult to look for the kind of success you might look for everywhere else.

I propose to this Conference that when you run into that kind of situation, e.g., when the program is located in a natural laboratory, that you should not use the same yardstick to measure a program as you would a program in another situation. Because you can't look for the same kind of success rate, and the patients are indeed more incorrigible.

There are a number of gleanings from the Bedford-Stuyvesant experience. On the basis of them I would like to recommend to this body that a resolution come from this Conference that gives a carte blanche for program directors to communicate effectively. That is, whenever they have a problem or are in need of information from another program. This communication should be welcomed—whether the program is located in New York or whether it is in California.

You would be surprised at how much lack of confidence I had when I saw certain things with people using illicit drugs in the program, after they were properly blockaded. I did not believe what I saw. I had subscribed to certain theories in going into a modality like methadone maintenance. I felt that once you blockaded a patient, the patient did not need drugs anymore. This is not always true. Illicit drug use was seen everyday, and I was terribly frustrated. When I talked with Dr. Jaffee and people throughout the country, particularly the people in Lexington, they reassured me that this does occur. When patients come on a program initially, especially an outpatient methadone maintenance program, 95 percent use illicit drugs, 20 percent drop out initially, another 20 to 30 percent continue to be poor program performers. They reassured me that these were statistics similar to their own and not to be frustrated. This information can only come from other experienced investigators. I think this is a most important factor: When programs are designed, provisions should be made for the technical assistants capable of communicating that kind of experience from one program to another. For example, I think funding should include a position of this sort.

We must design a new yardstick to measure a program's effectiveness and success in a natural laboratory setting, i.e., drug assessment is different is an asimilar milieu, it is different in a different ambianle. A drug's effect is different when administered in a Taj Mahal like Columbia Presbyterian than a storefront in the South Bronx or Bedford-Stuyvesant. The kind of aura that surrounds a Taj Mahal—the columns, the organized efficiency and order in the way things are done—have a tendency of predispose to good program performance by a participant in that program. A good deal of the success of a program depends upon the director, i.e., whether he is black or brown or white, professional or nonprofessional. In the climate today, the black director has to answer to the community on a one-to-one equal basis. He is confronted, threatened, and often insulted. The white program director is rarely if ever approached by the black community rebel on a one-to-one basis. I doubt seriously if Dr. Dole has ever been confronted as I have in the Bedford-Stuyvesant community. My life has been constantly threatened face to face, i.e., "We are going to cut your head off," "We are going to blow up your car," etc. Programs outside of communities like Bedford-Stuyvesant are very insulated, and of course a different yardstick should be designed by a forum like this to measure that program's effectiveness.

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## COMPARATIVE STUDY OF THREE GROUPS OF PATIENTS AT THE BRONX STATE HOSPITAL METHADONE MAINTENANCE PROGRAM

(By Beatrice Berle, M.D. and Joyce Lowinson, M.D.)

The methadone maintenance program located at Bronx State Hospital has been in operation since December 10, 1968. At the time of writing, it consists of an inpatient facility (capacity 28 beds), three outpatient departments (OPD's) at Bronx State and Lincoln Hospitals and a recently established residential therapeutic community. The program is being expanded through a grant from the New York State Narcotic Addiction Control Commission (NACC) to the Albert Einstein College of Medicine (AECOM).

The expanding program will be financed through the AECOM grant. It is expected to take care of some 2,000 patients residing in the Bronx. Under terms of the grant, the Albert Einstein College of Medicine will coordinate the programs at nine Bronx hospitals, including Bronx State, Montefiore, Morrisania, Jacobi, Soundview-Throgs Neck Community Mental Health Center, Lincoln, Lincoln Community Mental Health Center, Fordham, and Misericordia. These facilities will be responsible for the medical care which these patients require as well as for the management of the methadone maintenance program with supportive services. The methods developed by Dole and Nyswander (1) will be followed in the new OPD's according to the protocol established by the methadone maintenance program at Bronx State Hospital.

The following report deals with 125 patients selected from 335 patients at the Bronx State Hospital methadone maintenance program as of October 30, 1970. No distinction has been made between patients stabilized in the hospital and those stabilized on an ambulatory basis. Patients at the Lincoln Hospital OPD are not included. Three groups will be discussed:

TABLE 1.—NUMBER OF MONTHS BETWEEN ADMISSION AND DISCHARGE FOR 54 BRONX STATE PATIENTS WHO WERE DISCHARGED FROM THE PROGRAM

| N=54 | Months |
|---|---|
| Mean number of months between admission and discharge | 5.5 |
| Range | 0–24 |
| Median number of months | 4 |

Note.—Patients (31 percent) were discharged after 1 month or less on the program.

| N=335 | | Number | Percent |
|---|---|---|---|
| Group I | The discharged | 54 | 16 |
| Group II | The nearly discharged | 36 | 11 |
| Group III | Successful patients | 35 | 10 |

Group I are those patients who have been discharged from the program. Group II consists of those patients whose behavior and lack of progress would have made discharge mandatory in a less flexible program. For purposes of this discussion, the successful patients (group III) are defined as follows:

(a) One year on the program with once-a-week pickup of medication.

(b) Steady employment verified by monthly inspection of pay stubs.

(c) Stable home.

(d) No ascertainable drug use after first 2 months on program as determined by observation, urinalysis, patient's own statement.

We hope to answer the following questions through an examination of demographic data on admission in all three groups and comparing reasons for discharge or near discharge in groups I and II.

1. Can patients in group III be identified upon admission?

2. Why is one patient who breaks the rules discharged while another may be retained?

3. How can the number of discharges be reduced?

Both a more liberal admission policy and a more flexible discharge policy than those enforced on some other programs were in operation at Bronx State. Patients were admitted at the age of 18 with a 2-year history of heroin addiction. Applicants with a history of diagnosed mental disease, emotional instability, or mixed addiction were not necessarily excluded. Patients manifesting disruptive behavior, drug abuse, and apparent lack of progress were frequently given another chance before being finally discharged.

In an attempt to particularize the *reasons for discharge*, the following list was devised:

1. *No progress.*—If after a period of 3 or 4 months, an individual continues to use heroin or other drugs intermittently, maintains a drug oriented attitude toward life and appears to have made no attempt to secure a job, he may be discharged under the heading of "No Progress." This is usually associated with other reasons.

2. *Disruptive behavior.*—This is defined as creating disruption on the ward, on the hospital grounds, in the OPD or in a public place where the disruptive individual may try to involve other patients, i.e.: Bowling alley, movie theater. This may involve physical and verbal abuse of staff.

3. *Alcoholism.*—Appearing frequently and obviously intoxicated at the OPD. Lack of response to attempts to treat this condition.

4. *Selling drugs, resulting in arrest.*—This is self-explanatory.

5. *Bringing drugs on ward or OPD.*—This is self-explanatory.

6. *Criminal behavior.* (e.g., assault, robbery, homicide) resulting in arrest.

7. *Self-discharge.*—Individuals who failed to report for medication for 8 days without adequate explanation were considered to have detoxified and discharged themselves.

8. *Phycho-social pathology beyond the reach of this program.*—This includes individuals who appear to require intensive phychiatric care as inpatients or outpatients but for whom such care is not available. They also include individuals whose personal lives have been so disrupted, due to their past drug history, criminal activities and personal handicaps, that the services existing within the program are not sufficient to provide rehabilitation. Incidentally, these people are known among professionals as the multiproblem patients. They become multiple-agency problems on whom many manhours may be spent, alas, to no avail.

9. *Mixed addiction.*—This is self-explanatory.

In reviewing the discharged and the nearly discharged, we note first that 31 per cent of the patients were discharged before 1 month on the program. This category includes individuals discharged immediately for bringing drugs on the ward. Among early discharges we find individuals admitted at the request of a housemate, (relative, spouse, friend) already on the program. The individual thus coerced by a relative or friend on the program frequently turns out not to be willing or able to commit himself to the program. At the same time, the 24-month range indicates that a number of patients were carried as nearly discharged for a considerable period of time. We can produce the record of a male patient on whom the therapeutic efforts of the staff individually and collectively were expended for the 24 months with little progress. During his third admission to the ward, he went out on a pass and was arrested for possession of drugs. This incident led to his final discharge. To try to establish a statistically significant difference between the reasons for discharge and nearly discharged would be stretching the data. These are clinical observations. Looking at table 2, one can infer that the program does not tolerate drug traffic, is not equipped to deal with severe and persistent phycho-social pathology, expects a degree of progress, endeavors to deal with alcoholism, disruptive behavior, and mixed addictions (table 2).

TABLE 2

| Reasons for discharge or near discharge | Discharges | | Near discharges | |
|---|---|---|---|---|
| | N=54 | Percent | N=36 | Percent |
| No progress | 17 | 32 | 8 | 22 |
| Disruptive behavior | 7 | 13 | 13 | 36 |
| Alcoholism | 6 | 11 | 8 | 22 |
| Selling drugs resulting in arrest | 14 | 27 | 1 | 3 |
| Bringing drugs on ward or OPD | 4 | 8 | 6 | 17 |
| Criminal behavior | 7 | 13 | 5 | 14 |
| Self | 2 | 4 | 0 | 0 |
| Moved | 6 | 11 | 0 | 0 |
| Psycho- or sociopathology | 16 | 30 | 8 | 22 |
| Mixed addictions | 9 | 17 | 10 | 28 |
| Total | [1] 87 | | [2] 58 | |

[1] An average of 1.6 per discharge.

[2] An average of 1.6 reasons per near discharge.

TABLE 2A

| Multiple reasons | N=54 | Percent | N=35 | Percent |
|---|---|---|---|---|
| 1 reason | 30 | 55 | 17 | 49 |
| 2 reasons | 20 | 37 | 13 | 37 |
| 3 reasons | 4 | 8 | 5 | 14 |
| Total | 54 | | 35 | |

The discharged and nearly discharged frequently merge into each other. Eight of the discharged were readmitted. Six are making satisfactory progress, two have been discharged after readmission (table 3).

In a clinical review of the nearly discharged, we can pick out a number of patients who may soon fall into group I. Others for whom discharge orders were written 6 months ago and retracted at the last minute are doing well.

TABLE 3

| Dispositions on discharges | N=16 | Percent |
|---|---|---|
| Transferred | 2 | 13 |
| Transferred to other agency | 0 | 0 |
| Incarcerated | 4 | 25 |
| Readmitted | 8 | 50 |
| Discharged after readmission | 2 | 13 |
| | N=54 | Percent[1] |
| Unknown | 18 | 34 |
| No data | 20 | 38 |

[1] "Unknown" and "no data" responses have been excluded from the percentages but their percentage of the total is shown

At present, we have only clinical impressions as to the circumstances which may intervene in favor or against a patient near discharge. These are listed in the hope that a more systematic evaluation of these factors will be made in the future.

1. *The therapeutic urge.*—A staff member may be challenged by the difficulties encountered with a particular patient whom others have failed to reach. The new approach may or may not succeed. As far as we know there is no yardstick to measure reasons for success or failure in a particular

personnel endeavor of this sort. While staff are encouraged to "try their hand," the physician must set a time limit for the experiment as a counselor should not spend 90 percent of his time on one patient, neglecting the other 30.

2. *Life circumstances.*—A lucky or unlucky break in a job or family situation may tip the balance either way in the marginal patient.

3. *A supporting family or employer* may help to rehabilitate a patient at a critical moment.

4. *Patient intervention.*—On the ward, a group of patients may intercede for a patient about to be discharged and carry him through a crisis. On the other hand, a patient dealing in drugs may corrupt a marginal patient leading to the discharge of both.

Since the discharge and nearly discharged become clinically indistinguishable at a time of crisis on the program, how do they differ from each other and from the successful patient on admission?

Basic data collected on the three groups on admission and processed through Rockefeller University are shown in table 4.

The three groups are similar in age, years on drugs, age when addicted. A greater proportion of white males are found in group III than in either of the other two groups. Marriage is reported as highest in group I but the quality of marriage is not estimated. The noteworthy variables may be summarized as follows: In the Bronx State Hospital program, as constituted at present, the applicant most likely to succeed is white, is or is not married, has a high school education or better, is more apt to be laborer, clerical, or semiskilled worker, is currently employed, has never been on welfare, has become addicted between the ages of 14 and 30, has a median of three criminal convictions before coming on the program, and a median of one previous treatment for drug abuse. Previous residence in a therapeutic community is in his favor. Five of the successful patients had spent time in a therapeutic community.

| Variable | Discharged | | Nearly discharged | | Doing well | |
|---|---|---|---|---|---|---|
| | N=54 | Percent | N=36 | Percent | N=35 | Percent |
| Sex: | | | | | | |
| Male | 47 | 87 | 30 | 83 | 33 | 94 |
| Female | 7 | 13 | 6 | 17 | 2 | 6 |
| Ethnicity: | | | | | | |
| Black | 12 | 22 | 10 | 27 | 4 | 12 |
| White | 35 | 65 | 19 | 53 | 25 | 71 |
| Puerto Rican | 7 | 13 | 5 | 14 | 6 | 17 |
| Other | 0 | 0 | 1 | 3 | 0 | 0 |
| No information[1] | 0 | 0 | 1 | 3 | 0 | 0 |
| | N=54 | | N=36 | | N=33 | |
| Age (years): | | | | | | |
| Median | 32 | | 30 | | 29 | |
| Range | 21–50 | | 25–48 | | 27–49 | |
| | N=54 | | N=16 | | N=21 | |
| Longest job held (months): | | | | | | |
| Median | 16 | | 18 | | 21 | |
| Range | 0–72 | | 0–120 | | 4–60 | |
| Marital status: | | | | | | |
| Single | 15 | 28 | 17 | 47 | 13 | 37 |
| Married | 32 | 59 | 14 | 39 | 16 | 46 |
| Separated | 4 | 7 | 4 | 11 | 5 | 14 |
| Divorced | 2 | 4 | 1 | 3 | 1 | 3 |
| Common-law | 1 | 2 | 0 | 0 | 0 | 0 |
| No information | 0 | 0 | 0 | 0 | 0 | 0 |
| Education: | | | | | | |
| Grades 1–7 | 2 | 4 | 1 | 3 | 1 | 3 |
| Grades 8 | 3 | 5 | 3 | 9 | 2 | 6 |
| Some high cchool | 39 | 72 | 12 | 35 | 12 | 38 |
| High school graduate | 9 | 17 | 15 | 44 | 11 | 34 |
| Some college | 1 | 2 | 3 | 9 | 6 | 19 |
| College graduate | 0 | 0 | 0 | 0 | 0 | 0 |
| Other | 0 | 0 | 0 | 0 | 0 | 0 |
| No information | 0 | 0 | 2 | 6 | 3 | 9 |
| Vocation: | | | | | | |
| Laborer | 26 | 50 | 5 | 14 | 7 | 21 |
| Semiskilled | 8 | 15 | 9 | 25 | 7 | 21 |
| Skilled | 6 | 12 | 7 | 19 | 2 | 6 |
| Clerical | 8 | 15 | 7 | 19 | 7 | 21 |
| Professional | 1 | 2 | 0 | 0 | 3 | 9 |
| Sales | 1 | 2 | 3 | 8 | 1 | 3 |
| Other | 2 | 4 | 6 | 16 | 6 | 6 |
| Vocation—Continued | | | | | | |
| None | 0 | 0 | 1 | 3 | 1 | 3 |
| No information | 2 | 4 | 1 | 3 | 1 | 3 |
| | N=54 | | N=17 | | N=14 | |
| Months since last job: | | | | | | |
| Median | 13 | | 10 | | 12 | |
| Mean | 22.4 | | 19.7 | | 12.4 | |
| Range | 1–60 | | 3–60 | | 2–60 | |
| | N=54 | | N=35 | | N=34 | |
| Age when addicted: | | | | | | |
| Median | 17.5 | | 18.5 | | 18 | |
| Mean | 20.3 | | 18.2 | | 19.2 | |
| Range | 12–30 | | 13–27 | | 14–30 | |
| | N=54 | | N=34 | | N=34 | |
| Number of criminal convictions: | | | | | | |
| Median | 6 | | 5 | | 3 | |
| Mean | 8.4 | | 6.7 | | 3.0 | |
| Range | 0–30 | | 0–30 | | 0–22 | |
| | N=54 | | N=34 | | N=33 | |
| Number of times in treatment for addiction: | | | | | | |
| Median | 2.5 | | 2 | | 1 | |
| Mean | 3.5 | | 2.8 | | 2.2 | |
| Range | 0–20 | | 0–10 | | 0–20 | |
| | N=54 | Percent | N=36 | Percent | N=35 | Percent |
| Work history: | | | | | | |
| Never worked | 3 | 6 | 1 | 3 | 0 | 0 |
| Working now | 4 | 8 | 7 | 21 | 17 | 49 |
| Worked in past | 44 | 86 | 25 | 76 | 18 | 51 |
| No information | 3 | 6 | 3 | 8 | 0 | 0 |
| Welfare: | | | | | | |
| On now | 14 | 27 | 8 | 25 | 4 | 11 |
| On previously | 24 | 46 | 13 | 40 | 9 | 26 |
| Never on | 14 | 27 | 11 | 35 | 22 | 63 |
| No information | 2 | 4 | 4 | 9 | 0 | 0 |

[1] "No information" responses have been excluded from the percentages.

In groups I and II, there is a greater proportion of females and blacks. The same proportion of Puerto Ricans is found in all groups. Only one member of group I had some college experience although nine claimed some college in group II. The proportion of laborers (50 percent) is greatest in group I. The median number of previous criminal convictions in group I is double that in group III, as is the number of previous treatments for drug abuse. One quarter of patients in group I were receiving welfare at the time of admission. Only 6 percent of group I were working and 3 percent of group II.

### CONCLUSION

1. Groups I and II present many similarities in reasons recorded for discharge and nearly discharged.

2. Group III at time of admission present a number of noteworthy differences in demographic variables compared to group I and II. Patients in group III are better educated, possess more skills, have a history of continuing employment, fewer criminal convictions, fewer treatment failures than their counterparts in group I or II.

### RECOMMENDATIONS

1. Criteria need be established for selection of potential group III patients for rapid induction centers where supportive services are minimal.

2. Special rehabilitative services for group I and group II patients should be instituted as soon as possible after admission. These should include:

(a) A therapeutic community (eight of our nearly discharged patients have been selected for this experiment).

(b) Dispensing of methadone should be provided by the social or medical agency assuming primary responsibility for the care of the severely disturbed patients. A psychotic patient should be able to receive methadone while under psychiatric treatment on the psychiatric ward just as the tuberculous patient has received methadone while on a tuberculosis ward.

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## SLOW DETOXIFICATION OF ADOLESCENT HEROIN ADDICTS IN NEW YORK CITY

(By Robert B. Millman, M.D., and Marie E. Nyswander, M.D.)

There are no good estimates as to the extent of adolescent heroin addiction in New York City. We know that several hundred adolescent heroin users go through the courts monthly, and one prison in the area has limited itself to offenders in this age group. It has been reported that 60 percent of the enrolled students at several New York City high schools have used heroin. These facts are not surprising. Adolescents in this city with few cultural or educational options, given the exposure, might be expected to turn to heroin in increasing numbers.

The primary focus of agencies working with this age group has been education and prevention. To date, few successful treatment facilities exist in this city. Many of the street programs have terminated their services and the ongoing therapeutic communities have been unable to cope with the large number of young people requiring help.

Two years ago, in response to this problem, our group at the Rockefeller University began a study of adolescent heroin addicts, combining rehabilitative services with slow detoxification, using low doses of methadone. Beginning with two boys, the research program had admitted a total of 25 patients. The number has been kept low to permit us to make detailed observations concerning the problems of the patients and the rehabilitative process.

Patients were admitted to the program on an individual basis, with the stated aim of the protocol being to consider only so called "hard-core addicts." In general, patients were under 18 years of age and had a history of 1 to 2 years of continuous mainline heroin addiction. They had failed on other recognized treatment programs and had had previous arrests. All patients were selected from the metropolitan area; explicit parental consent was required in each case.

Patients were treated as outpatients at the Rockefeller University Hospital. Upon admission, all patients received a complete physical examination, X-ray of chest and laboratory workup. In selected cases, psychological testing has been performed. When necessary, further medical treatment was provided as well.

At the onset of treatment, the dose of methadone was low (10–20 mg./day in most cases), and was subsequently brought up to a maximum of 20–50 mg./day. Medical complications of the medication have been negligible. A number of patients experienced constipation, relieved in all cases with a laxative. Several complained of drowsiness early in their course. One patient developed an allergic skin reaction when begun on the medication, though this was found to be due to the Tang vehicle.

Initially, all patients were required to come to the clinic each weekday to take their medication and leave a urine specimen. They were given medication on Friday to take home for Saturday and Sunday. Five of the patients were hospitalized at Rockefeller University for short periods of special observasion. The program undertook to provide a situationally oriented form of counselling, vocational and educational guidance, and recreational leadership.

Of the original 25 adolescents, 23 are currently in the program. One left because his home was in Connecticut, the other, a 13½-year-old, failed to keep his regular appointments and was therefore discharged to a treatment program providing residential control. We have continued to follow both these patients.

In the present group, the average age is 17, with a range between 13 and 22. Of these 23 patients, 11 have remained heroin free, seven have used heroin occasionally (1 to 3 times per month), and five are using the drug several times weekly. In no case, however, has a patient become readdicted to the regular daily use of heroin.

We plan to withdraw methadone from all patients who are socially stable and appear to have a reasonable chance of doing well without medication. Two patients in our group have already been detoxified. They continue to come to the clinic for consultation and to leave urine specimens. Whereas both of these patients have used heroin occasionally in the 7 months since detoxification, neither has become readdicted.

Interestingly, there has been little problem with abuse of other drugs. Two patients used amphetamines intermittently, one patient used barbiturates on weekends, and another has used cocaine on several occasions. Two patients reported single experiments with LSD.

As in the adult program, we are interested in defining the essential components of an effective rehabilitation program. To this end, we are analyzing the roles of different staff members with a view toward expansion of the program. At present, we have a staff of two full-time counselors, an exaddict research assistant who is on the methadone maintenance treatment program, a secretary, and two physicians. The ratio of staff to patients is high because of the research nature of this program; in a service program, the same staff could provide treatment for at least twice as many patients.

Coupled with the problem of drug dependence and its disabilities, our patients also face the very real problems of deprived adolescents in an urban society. Adults being treated by the standard methadone maintenance treatment programs are encouraged to get jobs and support themselves. In most cases, the formal education of these patients was interrupted quite early, and they have little opportunity to return to school, Similarly, adolescent addicts generally have left school, yet they are too young to obtain regular employment. We feel that whenever possible, patients should be encouraged to return to school or equivalently take jobs that provide vocational training.

Of the 23 patients presently being studied, 10 are attending school regularly, whereas three were attending prior to admission to the program. Seven patients are working full time. Of the six remaining patients, three are registered in school but do not attend regularly, and three are seeking employment.

We have established liaison with schools the patients attend, so as to be able to provide support when necessary, as well as maintain adequate followup. One of our counselors, a former New York City schoolteacher, frequently visits individual teachers and administrative personnel to this end. Volunteer tutors, generally Rockefeller University graduate students, have provided some individual help to the patients. Similarly, one of the counselors concentrates on vocational guidance. Contacts have been made with vocational agencies as well as individual firms. It has frequently proven helpful to accompany the patients to an interview.

As in the regular methadone maintenance programs, we have found that an ex-addict, himself on a maintenance program, may play a crucial role in counseling other patients. This may be particularly true in an adolescent program where the patients are able to identify with him. Frequently, it is this staff member who makes the initial contact with a prospective patient. One of our counselors also serves as the liaison with the probation office and courts. A good number of the patients had cases pending when they were admitted to the program, and we elected to take an active interest in these.

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## Court Services and Methadone Treatment: The New York City Probation Program

(By Herman Joseph)

The problem of heroin addiction has reached a crisis level in the operation of New York City's courts, jails, probation and parole departments.

In 1969:

33,934 drug related felony and misdemeanor arraignments were reported. Perhaps 60 percent of all cases known to criminal court were drug related.

15,146 prisoners were either sentenced or in detention in city jails for drug related crimes. Correction authorities estimate that 25 percent of the daily prison census of 14,000 are addicts.

Approximately 2,000 heroin addicts were under supervision to New York State Parole. Addiction cases comprised about 25 percent of the parole caseload.

An analysis of 1,977 cases active with the Bronx and Manhattan Supervision Branches of New York City Probation showed that 40 percent were involved with heroin.

As of October 13, 1970, 8,834 addicts were certified to intramural and aftercare facilities of the New York State Narcotic Addiction Control Commission. These statistics present a minimal estimate, as a coordinated method of accurately identifying heroin addicts known to the courts, jails, and affiliated agencies does not as yet exist.

During the past two decades, probation and parole departments in New York attempted to deal with the growing heroin addiction problem:

In 1956, New York State Parole established small caseloads for heroin addicts. The goals were normal community functioning and abstention, using the authority of parole coupled with casework techniques. As a result the Narcotic Offender Treatment Unit was created.

The Probation Department of Brooklyn Supreme Court was instrumental in the establishment of Daytop Village.

In 1963, the New York City Office of Probation collaborated with the Washington Heights Rehabilitation Center in a joint management program. Addicts while under probation supervision were also treated by social workers and public health nurses. Again, normal functioning and possible abstinence were the goals.

Probation and parole status, casework techniques, civil commitment and therapeutic communities in and of themselves or in combination do not appear capable of returning a substantial number of addicts known to our court system to normal functioning within the community. Only a minority of the hard-core addicts known to court affiliated agencies or civil commitment programs are capable of abstinence, crime-free lives, and employment over prolonged periods of time. Available studies indicate that three out of every four addict probationers, parolees or those on aftercare in commitment programs either relapsed to drug use, were rearrested, or reinstitutionalized on violations over varying periods of time despite legal constraints.

The emergence of methadone treatment in the past 6 years presented a viable alternative for addicts who failed in other treatment methods. A study of 2,205 methadone patients admitted to the program over a 6-year period (January 1964 to September 1969) showed that 82 percent, or 1,800, remained in treatment. Approximately two-thirds of the patients were employed, in school, or functioning as homemakers. Also, the rate of arrests for 1,870 patients had dropped 96 percent during the 3-year period following methadone treatment as compared to the 3-year period before admission to the program. From January 1964 through December 1969, 269 patients were known to the probation and parole departments in New York City. Approximately 72 percent, or 193 patients, from this subgroup made good adjustments and were retained in treatment. The reason for the lower retention rate is that some of the patients on probation and parole were among the most difficult in the program, including patients who were arrested while in treatment. With these validated results, the application of methadone maintenance to the practice of probation and parole appeared to be the next logical step.

### ESTABLISHMENT OF THE CITY PROBATION PROGRAM

Successful methadone patients have been known to probation and parole in New York City since the inception of the Dole-Nyswander program. Many officers are frustrated in their supervision of potentially eligible addicts as the waiting period for methadone treatment after application is approximately 12 to 18 months. Furthermore, methadone patients on probation and parole are also under supervision to a methadone program counselor with the counselor and probation or parole officer duplicating essentially the same service—the rehabilitation of the patient in the community.

Examination of a Dole-Nyswander methadone clinic showed that it is possible to create a workable program employing court affiliated personnel in conjunction with a medical center. Beth Israel Hospital was approached with the idea. They agreed to participate in a pilot project offering the necessary medical backup service, the medication, urine testing, a nurse and research assistant.

The director of the psychiatric clinic of the courts of New York agreed to be the medical director, to assist in intake screening, to assume responsibility for stabilizing patients, and to help solve medical and psychiatric problems as they arise. Subsequently, a second court clinic doctor volunteered her services; both are now affiliated with Beth Israel. The court psychologist agreed to examine patients before entering treatment, and after 1 year's participation in the program. All probationers receive psychological projective tests during the intake process. The probation department provided officers to act as counselors and a coordinating director for the pilot project.

Probation and the court clinic undertook the admission screening process.[1] The officer discusses the program with potentially eligible probationers and those who request treatment. If methadone maintenance is agreed to, the probationer is referred to the court clinic for completion of screening, which involves projective tests, psychiatric evaluation, and establishing the addict's drug history. Completed material is submitted to the hospital, and the probationer is then notified of dates for his physical examination and the beginning of treatment.

### STAFF TRAINING AND ACCEPTANCE OF PROGRAM

Two important factors in the success of a methadone program are staff training and acceptance of the concept of maintenance treatment.

The court clinic physicians were trained at Beth Israel Medical Center, with which they are now affiliated. The court psychologist had participated in the methadone program at Brookdale Medical Center in Brooklyn.

The probation staff was oriented by the writer through staff lectures, individual conferences, and the distribution of methadone literature.

Subjects covered were the metabolic theory of addiction, the concepts of narcotic craving, euphoria, tolerance, physical dependence, narcotic blockade, and the use of methadone as prescribed by Dole and Nyswander. Statistical material, the medication's side effects, medical safety, the stabilization process, and criteria for screening were reviewed.

Although the metabolic theory challenged embedded ideas, the program was welcomed by the staff. However, philosophical differences arose in the case of probation officers who preferred the therapeutic community type of program and participated in various encounter groups and marathon sessions. These officers were honest, hard workers, and were initially repelled by the idea of maintenance. They also verbalized the opposition's arguments—"just substituting one drug for another." However, the good adjustments on methadone of some of their own addicted probationers convinced them that the program had an important place in treatment. One previously resistant worker is now successfully supervising four patients.

I cannot overstate the need for understanding in the training of persons who were saturated with opposing viewpoints and antimethadone propaganda. Many have invested years of their professional lives espousing traditional theories about addiction, addicts, and treatment. Some with patience can be retrained, others with deeply built-in emotional biases must be kept out of programs because of their destructive potential with patients. Unfortunately, this is not only applicable to probation and parole officers, but to doctors, nurses, psychologists, social workers, researchers, etc.

### TREATMENT RESULTS AND METHODS

Twenty patients were accepted into our pilot study between February and October of 1970. Of the 20, two were discharged because of rearrests within the first 3 months of treatment. Of those remaining in treatment, 14 are working, in school or both, and four are either looking for jobs or waiting to enter a vocational training program. Prior to methadone treatment, only five were able to maintain steady employment. Almost all of the patients tried other treatment methods such as detoxification and programs which emphasize abstention; five patients had been in therapeutic communities for periods ranging from 3 months to 2½ years.

Histories of mixed drug abuse were reported by 15 of the patients, upon entering the program. Although there have been isolated instances of amphetamine and barbiturate findings in urine tests for six patients, no consistently serious mixed drug abuse pathology has been observed or reported. One probationer with a serious history of alcoholism and heroin addiction did have an acute episode with alcohol and is currently being considered for antabuse treatment.

Six patients experienced difficulty in giving up heroin euphoria although narcotic craving was relieved. This group needed a great deal of supportive help from staff. At present, there are three patients who occasionally abuse heroin. However, reports from families, probation officers, and hospital staff show that there is an improvement in functioning, and heroin abuse appears to be subsiding.

Criminal activity as measured by arrest records has ceased except for the two discharged patients. In general, the patients' lifestyles have changed in a remarkably short period. This is a relatively young methadone census group with a mean age of about 24 and an age range of 18 to 29. All had heroin histories of at least 3 years before entering the program. Five of the patients are black, 10 are white and three are of Puerto Rican extraction.

A few patients have emotional problems and were seen by the court psychiatrist. Aside from individual counseling, group meetings were organized for the patients to discuss the program, problems of community adjustments, and drug abuse. Although these meetings have been temporarily suspended, they will be reconvened under the direction of the court psychologist. Some patients have requested continuation of the groups, while others find them a waste of time.

At the present time the probation program is operating from three separate offices—the doctors located at the court clinic, the probation officers at the Manhattan Supervision Branch, and the staff at the hospital clinic. This is a workable but not ideal arrangement.

Two problems arose. The patients find traveling to the hospital clinic for their medication, and then to the probation office, inconvenient and expensive. Communication between probation personnel, the hospital, and the physicians is made more difficult than necessary. We expect these difficulties to be resolved as Beth Israel will eventually provide a clinic for the probation program.

At present, we are accepting patients into our program at the rate of one per week. After the clinic is opened, we hope to accommodate 125 patients. Plans will then be made for future expansion depending on our needs, successes, and resources.

Nine probation officers participated in the pilot project supervising the methadone patients, in addition to their regular work. Within the next month a probation officer will be assigned to the methadone patients. Eventually three officers will be working full time at the proposed clinic. After patients are discharged from probation, they will enter the regular Beth Israel program.

### RESEARCH

Medical evidence accumulated over the past 6 years has shown that the Dole-Nyswander method for the use of methadone is the most effective medical treatment for the hard-core addict. Therefore, all of our patients are assured of the proper daily dosage (80 to 120 mgs.), so that heroin craving is relieved and a narcotic blockade is generated.

Experiments dealing with variations of dosage which may lessen the effectiveness of the blockade, or double-blind studies involving the use of a placebo, or removal of the medication after a period of time to test whether the patient can abstain from heroin, or other biochemical and psychosocial investigations which would interfere with the validated findings of the evaluation unit at the Columbia University School of Public Health and Administrative Medicine have no place in probation, parole or court affiliated services.

What will be studied are the adjustments of our patients over the course of a treatment year and the effectiveness of our counseling methods. In the future, the clinic doctors and psychologist will reexamine our patients, and their findings will be reported.

### DISCUSSION

Methadone maintenance is basically a medical procedure and should not be mandated by law nor made a condition of probation by the court. Addicts enter the probation program voluntarily. If they want to withdraw from methadone treatment, they are free to do so without fear of violating conditions of their probation. Therefore, possible temptations to use the medication as a means of control are eliminated or minimized. This helps to create an atmosphere of dignity which is essential if the patient is to overcome the liability of his addiction experience.

So far, none of our patients have requested to be withdrawn from the medication. They realize that methadone maintenance is a long-term treatment and have entered the program with a full knowledge of what it entails. However, an addict may be placed on probation with the condition that he enter a drug treatment program. Ideally, all referrals for drug treatment should be made in consultation with a physician. However, the limited availability to court affiliated agencies of relevant medical services and the enormity of the problem precludes this type of screening except in special cases such as the probation methadone program. Otherwise, the choice of treatment is currently being made by the probationer or parolee in consultation with his supervising officer. The final decision depends on availability of treatment, criteria for admission, plus the needs and wishes of the addict.

Recently there has been discussion about the creation of a special narcotics court in New York City. This suggestion may have some merit but, at the present time, it will only transfer the court congestion to a new legal structure without solving the basic problem—the availability of effective treatment.

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[1] Admission criteria for probation program:

1. Over 18 with a 2-year heroin addiction history.
2. Mixed addictions are usually ineligible but will be considered.
3. Psychotic patients or those with histories of mental illness must be approved by the clinic.
4. Probationer must voluntarily agree to treatment, keep appointments and follow the program's procedures.
5. Probationers with addicted spouses (common-law and otherwise) are not eligible unless both can receive treatment.

There are over 1,000 probation and parole officers in New York City. Except for the few who participated in the pilot study, not one has been directly involved in the medical treatment of their addicted probationers and parolees. Yet, they are faced with an unprecedented addiction epidemic. Many of these skilled professionals can be effectively brought into the treatment process. The probation-methadone project has demonstrated that a quality service can be created if court affiliated agencies pool their resources and work with a medical center. With proper planning by public health doctors and court affiliated personnel, an impact can be made on the "revolving door" which is the fate of many addicts known to our courts and jails.

Our pilot study can easily be duplicated in other locales with variations, depending on resources and the deployment of staff. Furthermore, the use of existing personnel is economical, since each participating agency contributes an aspect of treatment. Therefore, the creation of expensive treatment bureaucracies may be avoided. At the present time, our major concern is the rapid expansion of our program, so that it reaches the large number of eligible addicts on probation within a reasonable period of time.

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## PLANNING FOR THE TREATMENT OF 25,000 HEROIN ADDICTS

(By Vincent P. Dole, M.D.)

Methadone maintenance programs in the United States and Canada are now treating about 9,000 former heroin addicts. The data from these studies amply document the safety of this medication and its efficacy in stopping heroin addiction when it is given under good medical control.

Detailed statistics have been collected in New York City by our central data office and made available to the independent evaluation committee directed bv Dr. Frances Gearing. This committee has recommended continued support and expansion of the maintenance programs. The New York State Narcotics Addiction Control Commission has allocated an increased proportion of its next year's budget to maintenance treatment, and political leaders have called for an immediate expansion of maintenance programs in New York to a caseload of 25,000.

It would seem from all this that the only remaining problems of the methadone programs are to live with prosperity, and forget old arguments, now obsolete. The future, however, will not be this easy. The projected expansion of methadone programs to 25,000 in the next 3 years, or sooner, will confront us with difficulties of greater magnitude than any that we have met during the first 6 years of this work. The problems will be administrative, not medical. The larger the programs become, the more they will interact with other social agencies and political interests.

For example, if the programs in New York City grow to 25,000, they will be responsible for twice as many individuals with antisocial problems as the total present caseload of the Department of Correction. How are criminal addicts to be treated and under whose control? General rules for bringing 25,000 criminal addicts into methadone treatment certainly do not exist at present. Is it proper for a judge to force treatment on an addict by sentencing him to a maintenance program? Is it advisable for a physician to accept patients on these terms? I would say definitely no to both of these questions. The rights of addicts must be respected, and the importance of abstinence programs must be recognized. I would object to the imposition of methadone maintenance treatment just as strongly as I have objected in the past to its unavailability when the needs of motivated volunteers could not be met.

Our responsibilities will also have common ground with the duties of narcotics control bureaus. With a caseload of 25,000, methadone programs will be dispensing approximately 9 million doses per year of a potent narcotic. We know that this medication is therapeutic when taken by the right person in a good medical program, but we also must recognize the need for adequate control of its usage. Law enforcement agencies of Federal, State, and city governments quite properly have been concerned with the dangers of diversion and misuse of this medication. We must work with them to reduce this danger to a minimum.

So far, we have done well in our programs to insure good medical control, but I am not sure that we have solved the problem for 25,000 patients. We have efficient, computerized record systems with continuous accountability for all patients, and treatment units that are small enough for all patients to be known personally. We would welcome suggestions from concerned agencies as to how our system of followup and data control could be improved without diminishing the effectiveness of the rehabilitation program. As to the medication, we have always insisted that it be dispensed in a form suitable for oral use only, and in the past 3 years we have been testing various noninjectable tablets which, in addition to medical advantages, can be more accurately controlled by identifying code numbers.

We have given much thought to the quantity of medication that should be dispensed to patients to take at home. Unreliable patients obviously should be required to take all medication under direct observation, but to impose this rule on all patients would be counterproductive. Crime reduction is correlated with rehabilitation. Certainly it would be against the public interest to make the dispensing rules so restrictive that a responsible patient could not hold a full time job. Here again is a need for communication between law enforcement agencies and medical treatment programs.

We have in common the goal of enabling previously criminal persons to lead socially acceptable, crime-free lives. This will not be done simply by dispensing methadone. If crime is to be reduced significantly, we need an effective rehabilitation program, and this includes specifically the authority to dispense a week's supply of medication to responsible working patients whose conduct in treatment has shown that they merit this trust. At the same time, we must use this authority with good judgment, and recognize the concern of law enforcement agencies that this medication be used only as prescribed.

Under the best circumstances it will be difficult to maintain effectiveness of the rehabilitation services with a rapid expansion to 25,000. How can we be sure that the programs will continue to be as effective as they are now when the number is five times as great? Methadone programs could grow into cumbersome bureaucracies treating more patients than are now being treated by all of the Federal, State, municipal, and private programs combined; or, alternatively, methadone might be dispensed without any attempt at rehabilitation. Neither extreme would provide good treatment for addicts. How are quality standards to be maintained?

At the moment, methadone programs are subject to controls exercised jointly by the Bureau of Narcotics and Dangerous Drugs and by the Food and Drug Administration, their authority being based on the proposition that the treatment is still only experimental. Privately, officials of these bureaus concede that the inherent safety and efficacy of the medication are no longer in doubt, but hold that the fiction of experimental status is needed as a legal basis for preventing misuse. There is some merit in their contention, but in any event, the IND permit which now serves as a license for methadone treatment cannot be retained indefinitely as a control device. Expansion to a caseload of 25,000 in New York, and an equal number elsewhere in the country, is inconsistent with the concept of experimental status. Either the treatment is experimental or it is ready for large scale use—but not both.

Methadone programs have already brought out strong differences in opinion as to how the treatment should be regulated, and even as to the capacity of the medical profession to define its own standards. The pessimists see only disaster if private physicians are allowed to prescribe methadone, and therefore insist upon controls by governmental agencies with power to prosecute offending physicians. The optimists see addiction becoming part of the inventory of chronic diseases, like diabetes and arthritis, some cases needing institutional care, while other cases are treated by physicians in general practice. It is futile to argue the assumptions that underlie these positions, but this much is clearly before us: Either the leadership of the medical profession and administrators of methadone programs will work together to guide an orderly expansion of methadone services, or the pessimists that view the medical profession as incompetent will win by default.

Let us review the evolution of methadone treatment in New York to learn what we can about the administrative problems in expansion (fig. 1). During the first 2 years, a few of us working together informally provided good medical services for a small, research-sized group (10–50 patients). Like teachers in a one-room school, we knew each patient personally. The ones in trouble were seen more often; the successful ones, less often; all were followed closely enough to know what they were doing. With growth to the pilot program stage (50–500), and even more so on becoming a large service program (500–5,000), our administrative structure changed. No longer could any single person know all of the patients or have time to hear their problems. Administrators, by necessity, delegated the actual treatment to other physicians and gave their own time to budgets and the details of staff work, laboratory services, data control, and public relations.

The net effect has been a healthy decentralization of the program into small treatment units (50–150) which retain the personal qualities of the original research-sized group. The theater for the patient's rehabilitation is his own clinic. These are small enough for him to be known as an individual and independent enough for him to respect the authority of the physician in charge (fig. 2).

With decentralization, the rehabilitation techniques have also become diversified in details—another healthy trend. While general standards of medical practice have been maintained by the sharing of administrative services—data control, central laboratories, staff meetings and consultations—local units have developed their own styles of counseling. The data and laboratory services could easily be extended to private practitioners affiliated with institutional programs if administrators of existing programs and officials of government wished to encourage this trend. Many rehabilitated patients now being carried on publicly funded programs could pay a reasonable fee for continued treatment by private practitioners.

The problem before us is that decentralization of methadone programs, and specifically the inclusion of private practitioners in the system, would diminish the power of governmental agencies to regulate the treatment. At stake is control over a large program with a growing budget—for the country as a whole, perhaps $100 million per year by 1973—and with political significance at all levels of government. Decentralization of services might bring treatment to more addicts, but it would weaken the bureaus. History fails to disclose a precedent in which any bureau has cooperated in a reduction of its power.

Another concern for the future—this one internal to the medical profession—is the rivalry that has existed between different theories of addiction and different modalities of treatment. With growth to 25,000-patient size, methadone programs might be seen as a threat to the existence of programs using other techniques. This is wrong. We must find ways to work together in the public interest. Those of us who have been directly involved in methadone programs are well aware of the need for other programs, especially those that can prove effective in preventing heroin addiction.

We do not forget that 18 percent of the patients admitted to methadone programs in New York City during the past 6 years have been discharged as failures. Although this is a relatively low failure rate as compared to what appears to be the dropout from other programs, the problem becomes a major one for society as the methadone program grows. What is to be done to control the antisocial behavior of 5,000 addicts discharged as failures from a group of 25,000 admitted to methadone treatment?

Analysis of the case histories of patients discharged from methadone programs in New York City shows that few of them, if any, were pharmacological failures. These patients were discharged for persistent and disruptive antisocial behavior, or for persistent abuse of nonnarcotic drugs (alcohol, barbiturates, amphetamines) for which methadone has no blockade effect—but even in the worst cases the regular use of heroin was stopped while the patients were taking their daily dose of methadone. This means that additional techniques for control of psychopathic behavior and for treatment of nonnarcotic abuses must be developed if the overall program is to be made more effective. Combinations of methadone blockade with residential support and various psychotherapeutic techniques are now being studied by research groups in New York and other cities. We need this research, and a climate of scientific objectivity. We need reliable data on the effectiveness and the cost of nonmethadone techniques alone and in combination with blockade treatment.

All of these problems have been with us in some degree since the beginning of the methadone research. Our relation to other social agencies, the maintenance of quality standards and reliable statistics, the effort to separate medicine from politics, the rivalries and jealousies among professionals, have always complicated the basic problem of treating addicts. With growth in size of methadone programs, these divisive problems will be intensified, but can be met with good will and good medical leadership.

There is, however, a serious danger that treatment programs will become subordinated to power struggles. So far, the programs have been effective.

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## TWO STANDARD DATA PROCESSING PACKAGES FOR METHADONE MAINTENANCE FACILITIES IN NEW YORK: INTAKE AND TREATMENT

(By Alan Warner, Ph. D.)

The methadone data system provides computer support services for intake centers and treatment units in New York City, Westchester, and Long Island. Data system officers are at Rockefeller University and the Bernstein Institute of Beth Israel Medical Center in New York City. Operations are financed by the New York State Narcotic Addiction Control Commission.

### THE INTAKE PACKAGE

Most of the patients in the methadone data system enter treatment through one of seven intake centers which have agreed to send to the data office a "Report of Initial Contact" when an individual applies for treatment. This report contains the applicant's name, birthdate, mother's first name, and social security number, as well as date of contact. Data office staff check this information against a file currently containing 9,000 records of applicants, patients, and expatients in order to determine whether the applicant is known to one or more facilities in the data system. The response is mailed back to the intake center one business day after it is received or is given by phone if the applicant is being considered for urgent admission. No clinical information is given in the response. Typically, the data office indicates either that the information received from the intake center is not in the file and will be entered or that there is a record in the file of an individual with the same identifying information as on the report and that he was admitted and discharged at a given unit in the system on the date indicated.

The intake center which sent the report may then initiate its own clinical contact with the unit named by the data office.

### THE TREATMENT PACKAGE

This group of services is currently provided to 65 clinical units in the data system which now treat 4,000 patients. Admissions to treatment are recorded by the data office in a telephone census of clinical units and on backup forms. Within 1 week after the new patient is reported to the data system his name is in the computer file and will be routinely processed thereafter in the following services:

1. *Monthly clinical summary reports.*—An analysis of status data on work, school, crime, staff reported drug abuse etc., as collected for each patient on the monthly unit director report. These data are made available to the administrator of each clinic for patients in his clinic and all clinics combined.

2. *Medication labels.*—A weekly supply of labels on which patient's name, ID number, and doctor's name are printed by computer.

3. *Preprinted urinalysis and pharmacy forms for each clinic.*—Lists patients alphabetically, ID numbers and appropriate spaces for entry of drug-test and prescription data.

4. *Weekly unit director report lists.*—Alphabetical lists of all patients in the clinic last week, calling for a very brief checkoff report of attendance, location, and movement this week and for names of new patients. These reports confirm and add to data from the telephone census and are microfilmed by the data office for a permanent record on the patients.

5. *Weekly census.*—Tallies of admissions, transfers, discharges, and total patients in treatment are made weekly for each unit and for groups of units under a given administration. These census reports are available to administrators on a weekly or monthly basis.

6. *Data for Columbia University Evaluation Committee.*—The data office sends information to the committee as requested for all units in the system which are making their data available to the evaluation group.

7. *Maintenance of records.*—All machine retrievable data sent by units to the data office are maintained in a variety of files, accessible for retrieval for special research studies carried out by contributing units or by cooperating researchers.

### COSTS

Costs for data operations have been found to depend on several major variables and a number of minor ones. Apart from overhead, the major ones, in order of magnitude, are data office staff, computer time, equipment rental, and card punching. These and the lesser ones vary in magnitude with such considerations as free institutional computer time, amount of systems development proceeding while the standard data packages are being maintained, and number of patients being processed routinely. Thus, for a system maintaining 1,000 patients, having 6 hours a week on a small institutional computer, in addition to commercial time, and doing some developmental and one-time research processing, our costs were $100 per patient year. With double the patient load we have estimated costs at $65 per patient year, thus showing the power of patient volume on reducing unit costs. Our most recent estimate, for a patient load of 3,000 without systems development, is $40 per patient year. We are now trying to isolate routine from special expenses, like system development, in order to advance our planning for maximum economy.

As we move ahead from a present patient load of 4,000 to a foreseeable 25,000 within 3 years we feel that the standard data packages can be maintained, with reasonable cost control, if we are conservative in the pace of new systems development, since increased numbers of units and patients in themselves oblige us to devote staff and funds to modify programs and advance our technology. Thus we must forgo special requests from units for variations in the basic package. At the same time we are in the midst of evolving the standard packages in ways that meet more universal needs.

### NEW OPERATIONS

*Methadone dose record.*—Entry of methadone dosages into computer files, so that relationships between dosage and patient response variables may be efficiently studied.

*Computer support for intake.*—Automated production of waiting lists and capabilities for retrieval of applicants by catchment areas.

*Drug test system.*—Use of optical scanner to read urine test data for entry into computer files and preparation of varied automated reports.

*Cost control system.*—A computerized accounting system for data processing expenditures, breaking out costs for sections of the standard data packages for groups of units under different administrations, and isolating developmental from routine system maintenance costs.

*Private physicians in the system.*—Private clinics with 25 or more patients will be offered the treatment package, providing the physician meets the commitment to reliably fulfill data requirements. The intake package, however, will be available to the private physician only if he affiliates with a treatment program or facility which has an intake office affiliated with the methadone data system; one which uses a well-defined screening procedure and is staffed to handle the multiple aspects of the intake process.

Mr. JAVITS. Mr. President, Senator HUGHES has been an outstanding leader in this effort. I feel the time has come to give effective recognition to the fact that we have no cure, and we have to find some way of taking these people off the backs of the public in terms of crime. This is a way to do it. I yield to the Senator from Iowa.

### S. 2840

A bill to amend the Public Health Service Act so as to authorize emergency assistance for States and nonprofit private agencies in the establishment of centers for maintenance, treatment, and rehabilitation of drug addicts

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Public Health Service Act is amended by adding at the end thereof the following new title:

### "TITLE XI—DRUG ADDICT TREATMENT

#### "SHORT TITLE

"SEC. 1101. This title may be cited as the 'Drug Addict Treatment and Rehabilitation Act of 1971'.

#### "FINDINGS; DECLARATIONS OF POLICY

"SEC. 1102. The Congress hereby finds and declares the following:

"(1) Heroin addiction is a major aspect of an acute national drug abuse and drug dependent problem and heroin addiction itself is a national problem of unparalleled gravity and growing proportions which afflicts not only inner city residents but all urban, suburban, and rural areas of this Nation;

"(2) Heroin addiction significantly contributes to an increase in crime against persons and property;

"(3) Methadone maintenance with appropriate rehabilitative service is a recognized effective interim means for treating substantial numbers of heroin addicts who voluntarily submit to such treatment for their addiction;

"(4) Heroin addiction can seriously impair health and can inflict pain and suffering on individuals, families, and communities; and

"(5) The increasing rate of heroin addiction and abuse constitutes a threat to national health and welfare and an emergency requiring an immediate and effective national commitment to increased health, education, and rehabilitation efforts for narcotic addicts, including but not limited to, the establishment of substantial numbers of community-based programs of methadone maintenance.

#### "DEFINITIONS

"SEC. 1103. As used in this title, the term—

"(1) 'heroin addict' means any individual who habitually uses heroin (as that specific chemical designation is applied by title II of the Comprehensive Drug Abuse Prevention and Control Act of 1970) and who is in a state of psychic or physical dependence, or both, arising from administration of that substance on a continuing basis. The heroin addict is characterized by behavioral and other responses which include a strong compulsion to take the substance on a continuous basis in order to experience its psychic effects, or to avoid the discomfort caused by its absence; except that the Secretary may modify this definition by regulations; and

"(2) 'rehabilitation' or 'rehabilitative services' includes such services as professional counseling, educational and vocational guidance, education, training and job referral and placement and such other intensive, skilled services applied on an in-patient or outpatient basis, over such protracted period of time as may be necessary to assist the individual to achieve maximum utilization of his potential and to return, as soon as practicable, to his or her family and community as a productive, self-respecting, and self-sustaining member of society; and

"(3) 'State' means each of the several States of the United States, the District of Columbia, the Virgin Islands, Guam, American Samoa, Trust Territory of the Pacific Islands, and the Commonwealth of Puerto Rico.

#### "ESTABLISHMENT OF PROGRAM

"SEC. 1104. (a) For the purpose of enabling the Secretary of Health, Education, and Welfare (referred to in this title as the 'Secretary') to make grants to States to enable any such State to establish and carry out a program to provide medical and other assistance to heroin addicts and pursuant to which methadone (or any other drug designated by the Secretary by regulation to be an effective heroin antagonist) may be administered to any individual determined to be a heroin addict, there are authorized to be appropriated for the fiscal year ending June 30, 1972, the sum of $ ; for the fiscal year ending June 30, 1973, the sum of $ ; and for the fiscal year ending June 30, 1974, the sum of $ .

"(b) Within sixty days following the date of the enactment of this title, the Secretary shall promulgate such regulations as he determines necessary, to enable him to carry out the provisions of this title. Such regulations shall include—

"(1) the method or methods to be employed and the manner and conditions under which the physician in charge of any treatment facility established under any program pursuant to this title shall determine an individual to be a heroin addict;

"(2) the method or methods and the manner and conditions under which methadone may be administered in any treatment facility established under any such program and for what period of time, but in no event shall any methadone be administered under any program pursuant to this title in any manner other than orally;

"(3) the criteria for administering heroin antagonist drugs other than methadone in such treatment facilities and the conditions under which such drugs may be administered to heroin addicts.

#### "ALLOCATION OF FUNDS

"Sec. 1105. (a) For each fiscal year referred to in section 1104, the Secretary shall, in accordance with regulations, allot the sums appropriated for such year pursuant to such section among the States on the basis of the relative population, financial need, and need for more effective prevention, treatment, and rehabilitation programs for heroin addicts; except that no such allotment to any State (other than the Virgin Islands, American Samoa, Guam, and the Trust Territory of the Pacific Islands, for any fiscal year shall be less than $200,000.

"(b) Any amount so allotted to a State during any such fiscal year (other than the Virgin Islands, American Samoa, Guam, the Trust Territory of the Pacific Islands, and the Commonwealth of Puerto Rico) and remaining unobligated at the end of such year shall remain available to such State, for the purposes for which made, for the next fiscal year (and for such year only) and any such amount shall be in addition to the amounts allotted to such State for such purpose for such next fiscal year; except that any such amount remaining unobligated at the end of the sixth month following the end of such year for which it was allotted which the Secretary determines will remain unobligated by the close of such next fiscal year may be reallotted by the Secretary, to be available for the purposes for which made until the close of such next fiscal year; to other States which have need therefor, on such basis as the Secretary deems Equitable and consistent with the purposes of this title, and any amount so reallotted to a State shall be in addition to the amounts allotted and available to the States for the same period. Any amount allotted under subsection (a) of this section to the Virgin Islands, American Samoa, Guam, the Trust Territory of the Pacific Islands, or the Commonwealth of Puerto Rico for a fiscal year and remaining unobligated at the end of such year shall remain available to it for the purposes for which made, for the next two fiscal years (and for such years only), and any such amount shall be in addition to the amounts allotted to it for such purpose for each of such next two fiscal years; except that any such amount, remaining unobligated at the end of the first of such next two years, which the Secretary determines will remain unobligated at the close of the second of such next two years, may be reallotted by the Secretary, to be available for the purposes for which made until the close of the second of such next two years, to any other of such named States which have need therefor, and such basis as the Secretary deems equitable and consistent with the purposes of this part, and any amount so reallotted to any such named State shall be in addition to any other amounts allotted and available to it for the same period.

"(c) At the request of any State, a portion of any allotment or allotments under this title shall be available to pay that portion of the expenditures found necessary by the Secretary for the proper and efficient administration during such year of the State plan approved under this title, except that not more than 10 per centum of the total of the allotments of such State for a year, or $50,000, whichever is the lesser, shall be available for such purpose for such year.

"(d) Funds authorized under section 1104 of this Act which are not expended in developing or modifying the State plan shall be available only to provide maintenance, treatment, and rehabilitation in accordance with the requirements of this Act, on a priority basis in areas within the State having the highest percentages of population who are heroin addicts and where practicable, to community-based drug treatment programs which have been in successful operation prior to the enactment of this Act.

#### "STATE PLANS

"SEC. 1106. (a) Any State desiring to participate in the program established by the Secretary pursuant to this title shall submit to the Secretary a State plan for carrying out its purposes. Such plan must—

"(1) designate a single State agency as the sole agency for the preparation and administration of the plan, or designate such agency for supervising the preparation and administration of the plan;

"(2) contain satisfactory evidence that the State agency designated in accordance with paragraph (1) (hereafter in this section referred to as the 'State agency') will have authority to implement such plan in conformity with this title and with Federal policy established pursuant thereto;

"(3) authorize the administration of methadone and any other drug designated by the Secretary, to individuals who voluntarily submit to treatment and are determined under regulations to be heroin drug addicts, only in public or nonprofit private centers or in facilities established or operated under the Community Mental Health Centers Act, as amended or in facilities operated or controlled in accordance with standards or criteria established by State, City, or local authority in substantial compliance with the provisions of this Act;

"(4) require that each drug program in each center or facility be: (A) under the supervision of a licensed physician qualified to treat narcotic addiction; (B) provide directly or through contractual arrangements for the benefit of addicts in such program, vocational counseling, education and services, psychological and psychiatric therapeutic programs and services, appropriate educational programs, legal assistance, and other necessary rehabilitative services; (C) directly or through contractual arrangements encourage efforts by the private and public sectors of the economy to recruit, train, and employ participants in methadone maintenance programs; (D) provide assistance directly or through contractual arrangements to addicts in such treatment programs in obtaining employment; and (E) by appropriate procedures and programs, encourage participants in methadone maintenance programs, if possible, to become drug free;

"(5) require that methadone and other heroin antagonist drugs designated by the Secretary be administered in such centers or facilities only to individuals who are determined under regulations as provided in section 1104(b)(1) to be heroin drug addicts and who are required by the center or facility to participate regularly in appropriate rehabilitation programs;

"(6) require that before methadone is administered to an individual, a licensed physician qualified to treat narcotic addiction shall determine that the individual's addiction is such that other treatment is not likely to be successful;

"(7) require that each center or facility be open at reasonabe times and hours for the administration of methadone or other heroin antagonist drugs designated by the Secretary;

"(8) require that each center or facility keep appropriate records concerning persons receiving methadone or other drugs at such center or facility in accordance with subsection (b)(1) of this section;

"(9) set forth, in accordance with criteria established by the Secretary, a survey of the local and State needs for the prevention and treatment of heroin abuse, including a survey of the health facilities needed to provide services for heroin abuse and heroin dependence, and a plan for the development and distribution of such facilities and programs throughout the State;

"(10) provide such methods of administration of the State plan, including methods relating to the maintenance of records and to the establishment and maintenance of personnel standards on a merit basis (except that the Secretary shall exercise no authority with respect to the selection, tenure of office, or compensation of any individual employed in accordance with such methods), as are found by the Secretary to be necessary for the proper and efficient operation of the plan;

"(11) provide that the State agency will make such reports, in such form and containing such information, as the Secretary may from time to time reasonably require, and will keep such records and afford such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports;

"(12) provide that the Comptroller General of the United States or his duly authorized representatives shall have access for the purpose of audit and examination to the records required pursuant to paragraph (11);

"(13) provide that the State agency will from time to time, but not less often than annually, review its State plan and submit to the Secretary an analysis and evalutaion of the effectiveness of the treatment programs and activities carried out under the plan and any modifications in the plan which it considers necessary;

"(14) provide reasonable assurance that Federal funds made available under this title for any period will be so used as to supplement and increase, to the extent feasible and practical, the level of State, local and other non-Federal funds that would in the absence of such Federal funds, be made available for the programs described in this title, and will in no event supplant such State, local, and other non-Federal funds;

"(15) provide for the designation of a State advisory council on heroin addiction which shall include individuals and representatives of nongovernmental organizations or groups and of public agencies concerned with the prevention and treatment of heroin abuse, and heroin dependence, from different geographical areas of the State, to consult with the State agency in carrying out its plan; and

"(16) contain such additional information and assurance as the Secretary may find necessary to carry out the provisions and purpose of this title.

"(16) contain such additional information and assurance as the Secretary may find necessary to carry out the provisions and purpose of this title.

"(b)(1) A complete medical, social, occupational, and family history shall be obtained as part of the diagnosis, classification, and treatment of each patient in a drug program established pursuant to this title, the purpose of which shall be to develop a complete and permanent confidential personal history for purposes of the patients treatment. All patient records (including all records relating to any commitment proceeding) prepared or obtained under this section or in connection with any treatment authorized pursuant to this title and all information contained therein, shall remain confidential and may be disclosed, with the patients consent only, to medical personnel and then only for the purpose of diagnosis and treatment of the patient, or to Government or other officials for the purpose of obtaining benefits due the patient as a result of his drug abuse or drug dependence. Disclosure may be made for purposes unrelated to such treatment or benefits upon an order of a court after application showing good cause therefor. In determining whether there is good cause for disclosure, the court shall weigh the need for the information sought to be disclosed against possible harm of disclosure to the person to whom such information pertains, the physician-patient relationship, and to the treatment services, and may condition disclosure of the information upon any appropriate safeguards. No such records or information may be used to initiate or substantiate any action or charges against a patient or a former patient under any program pursuant to this title under any circumstances.

"(2) Nothing in this section shall be construed to limit the use of information by persons engaged in research provided that the confidentiality of patient records is preserved by withholding names or other identifying characteristics thereof.

"(c) The Secretary shall approve any State plan and any modifications thereof which complies with the provisions of this title and regulations issued pursuant thereto.

"SEC. 1107. (a) In any case in which a State has not submitted a State plan within one hundred and twenty days following the date of enactment of this title, or in any case in which a State plan or modification thereof has been finally disapproved by the Secretary, funds allocated to such State under section 1105(a) of this title may be made available to qualified public or nonprofit private agencies within that State directly by the Secretary in accordance with subsection (b) of this section.

"(b) The Secretary, within the limits of any such State's allotment referred to in subsection (a), is authorized to receive, consider, and act upon any application from any such public or nonprofit private agency referred to in subsection (a) which contains such information and assurances as the Secretary shall by regulation prescribe. Grants made to any such approved applicant pursuant to this section shall be made for purposes of carrying out programs comparable to those provided for in section 1106 of this title and subject to such conditions as the Secretary shall by regulation prescribe.

"(c) In making grants under this section the Secretary shall provide priority for grant applications in States and in areas within the States having the highest percentages of population who are heroin addicts and where practicable, to community-based drug treatment programs which have been in successful operation prior to the enactment of this Act.

### "REPORTS

"SEC. 1108. The Secretary shall conduct periodic surveys to evaluate the effectiveness of the program established under this title and he shall make comprehensive reports to Congress of his findings and recommendations resulting from such surveys. Such reports shall be made not less often than twice each fiscal year beginning with the fiscal year ending June 30, 1972.

### "EFFECT OF OTHER FEDERAL LAWS

"SEC. 1109. On and after the effective date of this title, no provision of Federal law shall be construed to prohibit the administration of methadone or any other heroin antagonist drug designated by the Secretary, under any program established pursuant to this title.

### "VOLUNTARY SERVICE

"SEC. 1110. Notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665 (b)), the Secretary is authorized to accept and employ in furtherance of the purpose of this title, and in connection with any drug abuse training, education, rehabilitation, research, prevention, or treatment program thereunder, voluntary and uncompensated services.

### "SHORT TERM GRANTS TO ASSURE AVAILABILITY OF PERSONNEL

"SEC. 1111. To assure the availability of trained medical and other health profession personnel for facilities participating in programs established under this title, the Secretary may, under such regulations as he may prescribe, make grants to medical schools and other appropriate public or nonprofit private educational institutions to establish and operate short-term educational programs including programs of continuing education to train such personnel. There are authorized to be appropriated $---------- for the fiscal year ending June 30, 1972, and such sums as may be necessary and for the next two succeeding years thereafter such sums as may be necessary to make grants under this section.”.

Mr. HUGHES. Mr. President, I am pleased to join with my colleague, Senator JAVITS, in introducing the “Addict Treatment and Rehabilitation Act of 1971.” The senior Senator from New York, as the ranking minority member of the Labor and Public Welfare Committee and as a member of the Subcommittee on Alcoholism and Narcotics, has spent many long hours working to find solutions to the drug problem. I value his counsel and experience in this area.

It is very appropriate, I think, for Senator JAVITS to introduce this legislation, which is directed primarily toward hard core heroin addicts. While the heroin problem is one that affects all parts of the country—including my own rural State of Iowa—it affects the large urban areas of the country most of all. The toll that this epidemic takes in these cities in terms of human suffering and crime is nearly beyond belief.

We have worked hard to keep our efforts in the drug area bipartisan ones. This joint action today reaffirms that commitment as well.

The exact size of the heroin problem in the country is unknown. HEW states that there are 250,000 addicts. I understand that the Justice Department states that the figure is more like 300,000 or 350,000. Yet I have been told that there are that many addicts in New York City alone. A broad range of figures are also quoted on the social costs per day of heroin addiction in various cities. And there is a running debate over whether 40 percent, 60 percent or 90 percent of the prisoners in our various prison institutions are there for drug-related crimes.

We are presently working, in a modification to the President's drug bill, to give States enough funds to determine more precisely the extent of this problem. But out of all the inconsistency and confusion one thing is clear. What we have on our hands is an epidemic of tragic proportions with ramifications affecting nearly every American.

With this sort of a situation confronting us, we must take concrete action now to change those drug prevention and treatment policies which thus far simply have not been sufficiently effective. Along these lines this bill calls for increased support for an emphasis on methadone maintenance and similar programs approved by the Secretary of Health, Education, and Welfare. Mandating this increased emphasis will involve a good deal of controversy and, frankly, some risk.

I touched on this subject in speaking at the Chicago Conference on Brotherhood in February of this year. I would like to ask that excerpts from that speech be placed in the RECORD at this point:

> Frankly, to act involves taking some risk.
>
> We cannot wait for sure-fire solutions to complex social problems—because there are none.
>
> We do not hesitate to take staggering risks in war—why should we hesitate to take equal risks to preserve our free society?
>
> Let me give you a concrete example.
>
> We all know that the present heroin epidemic in this country is one of the deadliest plagues that has ever confronted us. We have tightened up enforcement, made the laws more severe; the problem still grows. Something has to be done—and there is no answer on which everyone can agree.
>
> I believe the time has come for the government to move into the drug scene with controlled distribution of Methadone or some comparable synthetic drug to counter the growing heroin addiction and the crime it inevitably causes.
>
> All people knowledgeable in the field have apprehensions about substituting one dangerous narcotic for another. Methadone is a dangerous substance that can and does kill people when taken in overdosage. Like other dangerous substances, it can and does get into the wrong hands at times.
>
> But the blunt fact is that heroin addiction and the vast crime that it creates are simply unaccepable to our society. We must move with the best alternative available.
>
> Heroin Boulevard is a one-way street to national disaster.
>
> We should continue efforts to do what can be done about the poppy culture in the Middle East and Southeast Asia and most assuredly about continuing our efforts to cut off the illegal imports.
>
> But realistically, we can see by this time that we are not going to shut down the illegal and immensely profitable traffic in heroin in this country until the demand for it is diminished.
>
> Methadone is addictive and dangerous. But it has proved effective in withdrawal from heroin addiction. It also has been shown that a heroin addict can and will change to Methadone and still have a meaningful family life and work and perform usefully.
>
> It has been shown that it will reduce crime sharply, because it is cheap and can be made available to addicts by the government. It has been shown to be an effective way to get narcotic addicts off the streets, where they are committing crimes to support their habit, and into treatment, rehabilitation, and job training programs.
>
> It isn't a perfect solution by any stretch of the imagination, but it is the best that has yet appeared—and we can't risk continuing our present course.

I still feel today the same way I did when I made those remarks 9 months ago.

Thus far the executive branch has not forthrightly faced the methadone issue, though statements a few days ago indicate that they are finally being forced to do so. The FDA has approved the use of methadone for the treatment or containing of heroin addiction only for “research” or “investigative” purposes. Consequently, the FDA only approves projects, pursuant to a permit procedure, which theoretically constitute research on the drug. But they have approved 298 such projects—far more than are actually needed for research purposes. So at the present time the investigative procedure is being distorted and misused to regulate de facto treatment programs—because of a lack of a forthright policy on methadone by the executive branch.

The Veterans' Administration is using methadone to treat veterans. The Administration is asking Congress to approve its use at the Federal treatment program at Lexington, Ky. Yet the policy of the FDA is that it is not an approved drug for this purpose. This makes no sense. It is time we in Congress, at least, moved toward a unified, forthright policy on this front. The Congress and the American people have continually led the executive branch in the drug area and this particular area is likely to provide no exception to that rule.

I would like to make a few final comments that are directed more specifically at the legislation. First, the methadone question is part of a much broader issue concerning the direction that this country will take on the drug problem. We intend to have an intensive look at that broad policy question in the coming months. It covers the use of methadone and similar substances, the system of controls for those substances which can be most useful and responsive to the varying kinds of hard drug usage in the country, and the impact which the successes and failures in the so-called British system and similar systems might have upon drug policy here. So we will be exploring this broad issue, and the methadone question is a critical part of that.

Second, it is clear that we should be talking about the establishment of a system of health services for addicts which will be channeled in such a way that areas with most of the addicts receive most of the services. The formula and training grants established by the bill would take us a long way in that direction, but I am not convinced that this should be our final answer—or at least constitute my final view as to how this should be done. We do not, it seems to me, want services channeled to areas which do not want or cannot use them. Nor do we want services to go only to five or six areas when, as a practical matter, more areas than that need them. I am confident, however, that, with the help of witnesses and advisers, we can come up with a fair system for doing something along these lines which is fair and workable.

Finally, I would say that I conceive of this bill only as a starting point. We will receive many worthwhile and valuable suggestions as we continue to work on it, I am sure, and we will look at them all with an open mind. I look forward to taking action in this area at the earliest practicable time.

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By Mr. MAGNUSON (for himself and Mr. COTTON) (by request):

S. 2841. A bill to assist railroads in acquiring and utilizing rolling stock, to proscribe disproportionate taxation of certain interstate carriers' property by State or local governments, and for other purposes. Referred to the Committee on Commerce.

### TRANSPORTATION ASSISTANCE ACT OF 1971

Mr. MAGNUSON. Mr. President, I introduce on behalf of Senator COTTON and myself, by request, for appropriate reference, a bill to assist railroads in acquiring and utilizing rolling stock, to proscribe disproportionate taxation of certain interstate carriers' property by State or local governments, and for other purposes, and ask unanimous consent that the letter of transmittal and section-by-section analysis be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

### S. 2841

A bill to assist railroads in acquiring and utilizing rolling stock, to proscribe disproportionate taxation of certain interstate carriers' property by State or local governments, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Transportation Assistance Act of 1971."

## TITLE I—RAILROAD SERVICE IMPROVEMENT

### PURPOSE

SEC. 101. The purpose of this title is to assist railroads and their car furnishing subsidiaries in acquiring and utilizing rolling stock, and thereby encourage the maintenance and growth of a private national transportation system adequate to meet the needs of the commerce of the United States, and of the national defense.

### DEFINITIONS

SEC. 102. For the purposes of this title—

(1) "Secretary" means the Secretary of Transportation.

(2) "Railroad" means a common carrier by railroad, as defined in section 1(3) of the Interstate Commerce Act, as amended, and includes, where determined appropriate by the Secretary, any railroad controlled by a railroad within the meaning of section 1(3)(b) of the Interstate Commerce Act.

(3) "Car furnishing subsidiary" means a corporation at least 80 percent of the voting stock of which is owned by one or more railroads and which furnishes rolling stock to one or more railroads owning the voting stock.

(4) "Rolling stock" means new or rebuilt standard gage railroad freight cars, including cabooses, suitable for use by more than one railroad in normal interchange under the Interchange Rule of the Association of American Railroads, and standard gage railroad locomotives.

(5) "Equipment obligations" means bonds, notes, conditional sale agreements, equipment trust certificates, and other obligations issued or guaranteed by railroads or car furnishing subsidiaries to finance or refinance rolling stock.

(6) "Holder" means the holder of an equipment obligation, except that where a bank or trust company is acting as agent or trustee for the holder of the equipment obligation, the bank or trust company shall be deemed to be the holder.

(7) "Obligor" includes the original borrower under an equipment obligation and his successors and assigns approved by the Secretary. An obligor must be a railroad or car furnshing subsidiary.

### FEDERAL RAILROAD EQUIPMENT OBLIGATION INSURANCE FUND

SEC. 103. There is created a Federal Railroad Equipment Obligation Insurance Fund (hereafter in this title referred to as the "fund") which shall be used by the Secretary as a revolving fund for the purpose of carrying out sections 104 through 107 of this title. Moneys in the fund shall be deposited in the Treasury of the United States to the credit of the fund or invested in bonds or other obligations of, or guaranteed as to principal and interest by, the United States for the account of the fund.

### AUTHORIZATION TO INSURE EQUIPMENT OBLIGATIONS

SEC. 104. (a) The Secretary is authorized to insure the interest on, and the unpaid principal balance of, any equipment obligation offered to him which he determines is eligible for insurance under this title. The Secretary also may make commitments to insure any equipment obligation prior to the date of execution or disbursement thereon. Such insurance and commitments shall be extended in such form, on such terms and conditions, and pursuant to such regulations, as the Secretary considers appropriate and which are not inconsistent with the provisions of this title.

(b) Each insurance contract made under this section shall run to and be for the benefit of the holder of the equipment obligation.

(c) The aggregate unpaid principal amount of equipment obligations insured under this title shall not exceed $3,000,000,000 at any one time.

(d) Each equipment obligation insured under this section shall bear interest (exclusive of premium charges for insurance and service charges) at a rate not to exceed such percent per annum on the principal obligation outstanding which the Secretary determines to be reasonable taking into account the range of interest rates prevailing in the private market for similar obligations.

### LIMITATIONS AND CONDITIONS; PREMIUM CHARGES

SEC. 105. (a) Before insuring any equipment obligation under section 104 of this title, the Secretary shall find in writing that—

(1) The equipment obligation is secured by rolling stock to be financed or refinanced thereby;

(2) The terms of the equipment obligation require full payment within 15 years from the date thereof;

(3) The financing or refinancing of the rolling stock is justified by the present and future demand for transportation services to be rendered by the railroad for which the rolling stock is procured;

(4) The common carrier operations of the railroad are sufficiently efficient at the date of any such financing or refinancing to assure economic utilization of any rolling stock in which the obligor then has a beneficial interest or in which the obligor may obtain such an interest as a consequence of such financing or refinancing

(5) The probable value of the rolling stock will provide reasonable protection to the United States in the event of repossession of the rolling stock by the holder of any equipment obligation insured under this title.

(b) The Secretary shall fix a premium charge for the insurance of equipment obligations under this title of not to exceed one percent per annum of the principal amount of the equipment obligation outstanding. Premium payments shall be made when moneys are first advanced by the lender under the equipment obligation and on each anniversary date thereafter.

(c) All moneys received under sections 103 through 107 of this title shall be deposited in the fund. Not to exceed five percent of the sums collected each year under subsection (b) of this section may be used to pay administrative expenses incurred by the Secretary incident to the administration of sections 103 through 107 of this title.

### ISSUANCE OF NOTES OR OBLIGATIONS

SEC. 106. (a) If at any time the moneys in the fund are not sufficient to pay any amount the Secretary is required to pay under an agreement made under section 104 of this title, the Secretary is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Secretary, with the approval of the Secretary of the Treasury. The notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States on comparable maturities during the month preceding the issuance of such notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations to be issued hereunder and for such purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under such Act, as amended, are extended to include any purchases of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this section. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Funds borrowed under this section shall be deposited in the fund and redemptions of such notes and obligations shall be made by the Secretary from the fund.

(b) Notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of property by the United States, the Secretary shall have the right in his discretion to perform such acts as may be necessary to complete, recondition, renovate, repair, maintain, and manage, lease, rent, sell or otherwise dispose of any property or other interests acquired by him under an agreement made under section 104 of this title.

(c) Any contract or commitment of insurance entered into by the Secretary under the provisions of this title shall not be terminated, canceled, or otherwise revoked, except as provided by the terms and conditions prescribed by the Secretary under section 104 of this title; and shall be conclusive evidence that the obligation complies fully with the provisions of this title and of the approval and legality of the principal amount, interest rate, and all other terms of the obligation; and any contract or commitment of insurance so entered into shall be valid and incontestable in the hands of a holder from the date as of which such contract or commitment is entered into, except for fraud, duress, mutual mistake of fact, or material misrepresentation on the part of such holder.

### MODIFICATIONS

SEC. 107. The Secretary may consent to the modification of the provisions of an equipment obligation as to rate of interest, time of payment of interest or principal, security, or the terms and conditions of any contract or commitment of insurance which he shall have entered into pursuant to this title whenever he finds in writing that such modification is equitable. However, such consent shall not be given unless any consent of the holder, which may be required pursuant to the provisions of any equipment obligation, shall have first been obtained.

### ROLLING STOCK SCHEDULING AND CONTROL SYSTEMS

SEC. 108. (a) The Secretary shall conduct research and development into the design of a national rolling stock scheduling and control system which, utilizing advanced computer and communication techniques, will be capable of locating and expediting the movement of rolling stock on a national basis. In conjunction with this task, the Secretary shall study, in cooperation with the Interstate Commerce Commission and the railroads, the information, functions, and procedures necessary to provide efficient and expeditious car service on a national basis. Within two years from the date of enactment of this title, the Secretary shall report to the Congress his recommendations respecting the organization, development, funding, and implementation of any national system which he may design as a result of such research and development. In arriving at his recommendations, the Secretary shall consider:

(1) The need for timely and accurate information regarding the location and movement of rolling stock on a nationwide basis;

(2) The requirements and technological standards necessary to insure the availability to each participating railroad of the advantages to be obtained from such a national system;

(3) The requirements and technological standards necessary to insure the flow of car service orders from such a national system to rolling stock scheduling and control systems of individual railroads and the compliance by such railroads with such car service orders;

(4) The uniform data and other technological requirements that must be contained in the rolling stock scheduling and control systems of individual railroads to permit efficient linkage of such systems with any national system recommended by the Secretary under this section;

(5) The economic, safety, and service benefits to be derived from such a national system; and

(6) The potential for the private financing of such a national system.

(b) The Secretary shall conduct a study respecting (1) the cost to individual railroads of installing rolling stock scheduling and control systems compatible with any national rolling stock scheduling and control system designed under subsection (a) of this section; and (2) the economic, safety, and service benefits to be derived from such systems. Not later than two years from the date of enactment of this title, the Secretary shall make public his recommendations for the installation of such systems by individual railroads. The Secretary is authorized to provide railroads technical assistance in the implementation of rolling stock scheduling and control systems designed in a manner consistent with his recommendations under this subsection.

(c) Within two years from the date of enactment of this title, the Secretary shall begin demonstrations to test the feasibility of, and the benefits to be derived from, the installation of rolling stock scheduling and control systems (including technological innovations) in railroad yards and terminals. Any railroad engaged in the transportation of freight may submit an application to participate in such a demonstration. Such applications shall conform to regulations issued by the Secretary and shall be judged by (1) the economic, safety, and service benefits to be derived from the programs proposed therein; and (2) their potential contribution to and compatibility with any rolling stock scheduling and control system designed under subsection (a) of this section, and with the rolling stock scheduling and control system of the applicant and other railroads. In exercising his authority under this section, the Secretary may enter into agreements or contracts without regard to section 3648 of the Revised Statutes, as amended (31 U.S.C. 529).

### APPROPRIATIONS

SEC. 109. (a) There are authorized to be appropriated to the fund such sums as may be necessary to pay the principal and interest on the notes and obligations issued by the Secretary to the Secretary of the Treasury under section 106 of this title.

(b) There are authorized to be appropriated $35,000,000 for carrying out section 108 of this title, including the payment of necessary administrative expenses, to remain available until expended.

## TITLE II—DISCRIMINATORY PROPERTY TAXATION OF INTERSTATE CARRIERS

### DEFINITIONS

SEC. 201. As used in this title, unless the context otherwise requires—

(1) "Transportation property" means transportation property as defined in the regulations of the Interstate Commerce Commission which is owned or used by any common or contract carrier subject to economic regulation under the Interstate Commerce Act.

(2) "Assessment jurisdiction" means a geographical area, such as a State or a county, city, or township within a State, which is a unit for purposes of determining assessed value of property for ad valorem taxation.

(3) "All other property" means all property, real or personal, other than land used primarily for agricultural purposes or primarily for the purpose of growing timber.

### PROHIBITION

SEC. 202. (a) Notwithstanding the provisions of section 202(b) of the Interstate Commerce Act, as amended (49 U.S.C. 302(b)), the following actions by any State, or subdivision or agency thereof, whether such actions are taken pursuant to a constitutional provision, statute, or administrative order or practice, or otherwise, are declared to constitute an unreasonable and unjust discrimination against and an undue burden upon interstate commerce and are forbidden and declared to be unlawful: (1) any assessment of transportation property for purposes of a property tax levied by any taxing district at a value which bears a higher ratio to the true market value of the transportation property than the assessed value of all other property subject to a property tax levy in the assessment jurisdiction in which such taxing district is included bears to the true market value of that property, but only to the extent of any portion based on excessive values as determined pursuant to this clause; (2) the collection of any tax on the portion of said assessment declared to be unlawful; or (3) the collection of any ad valorem property tax on such transportation property at a tax rate higher than tax rates applicable to all other property in the taxing district.

(b) For the purposes of this section, the term "tax rate" does not include a tax rate or exemption extended to a taxpayer for the purpose of promoting the economic development of a taxing jurisdiction or district; or, in the case of a common or contract carrier subject to economic regulation under the Interstate Commerce Act, a tax rate, exemption, or concession extended to any such carrier by any State or subdivision or agency thereof for the development or maintaining of essential transportation services; or a tax rate or exemption based upon the age, physical disability, or military service of the taxpayer; the nonprofit, charitable, educational, or religious character of the taxpayer; or the homestead nature of the taxable property.

### ENFORCEMENT

SEC. 203. Notwithstanding the provisions of section 1341, title 28, United States Code, or of the constitution or laws of any State, the district courts of the United States shall have jurisdiction, upon complaint and after hearing, to issue such writs of injunction or other proper process, mandatory or otherwise, as may be necessary to restrain any State, or subdivision or agency thereof, or any person from doing anything or performing any act declared by section 202 of this title to be unlawful. Such jurisdiction shall not be exclusive of that which any Federal or State court may otherwise have. No relief shall be granted under this section unless the assessment percentage applied to carrier transportation property exceeds by at least 5 per centum the assessment percentage applied to all other property in the assessment jurisdiction.

### EFFECTIVE DATE

SEC. 204. The provisions of this title shall not become effective until three years after the date of enactment of this Act.

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THE SECRETARY OF TRANSPORTATION,
*Washington, D.C., November 5, 1971.*

Hon. SPIRO T. AGNEW,
*President of the Senate,*
*Washington, D.C.*

DEAR MR. PRESIDENT: There is transmitted herewith a proposed bill, "To assist railroads in acquiring and utilizing rolling stock, to proscribe disproportionate taxation of certain interstate carriers' property by State and local governments, and for other purposes," together with a section-by-section analysis.

This proposed bill, together with a proposed bill entitled the "Transportation Regulatory Modernization Act of 1971," is part of the Department's program to insure the existence of a safe, efficient and economic surface transportation system. This program recognizes the vital role of surface transportation in the prosperity and growth of our national economy.

The enclosed bill consists of two titles. Title I provides for railroad service improvement by empowering the Secretary of Transportation to assist railroads in acquiring rolling stock and by directing the Secretary to conduct research and development into the design of a national rolling stock scheduling and control system capable of expediting the movement of rolling stock on a national basis. Title II prohibits the establishment of discriminatory assessments and taxes on the property of common and contract carriers of all modes subject to economic regulation by the Interstate Commerce Commission.

In order to encourage the acquisition of rolling stock the bill would create a Federal Railroad Equipment Obligation Insurance Fund to be used by the Secretary as a revolving fund for the purpose of insuring equipment obligations of railroads eligible for insurance under the bill. The Secretary would be empowered to prescribe terms and conditions considered appropriate to the issuance of such insurance. The aggregate amount of unpaid equipment obligations outstanding at any one time under the bill could not exceed $3 billion.

The bill also calls upon the Secretary, within two years from enactment of the bill, to complete research and development into the possibility of designing a national rolling stock scheduling and control system. At the end of the two-year period, the Secretary would be required to report to Congress his recommendations respecting the organization, development, funding, and implementation of any national system which he may design as a result of such research and development. During this two-year period, he would also be required to begin demonstrations to test the feasibility of and benefits from, the installation of rolling stock scheduling and control systems in railroad yards and terminals. The bill authorizes the appropriation of $35 million to carry out these provisions respecting rolling stock scheduling and control systems.

Finally, the bill would make it unlawful, as a burden upon interstate commerce, for a State or locality to assess or collect a higher rate of property tax on interstate carriers than on other similarly situated taxpayers. Taxes levied or assessed on land used for agricultural purposes or the growing of timber would be excepted from this provision. The bill would allow an aggrieved carrier to bring suit in a Federal district court to challenge the excessive portion of such a discriminatory tax. Also, it would allow the States three years after enactment to adjust their practices and laws.

These provisions are designed to address three of the most critical problems facing the railroad industry: (1) the inability to secure on reasonable terms an adequate supply of freight cars and other rolling stock; (2) the lack of a modern national system for controlling the distribution and utilization of freight cars; and (3) the continued existence of discriminating and unfair taxes on the property of railroads as well as other surface common carriers by State and local governments. Adoption of these proposals should make a substantial contribution to moving the industry toward a profitable operation and yet would keep to a minimum the involvement of Federal funds and the exercise of Federal control in the direction and operation of our railroad system.

I urge early and favorable consideration of these proposals. The Office of Management and Budget has advised that enactment of this legislation would be in accord with the President's program.

Sincerely,

James M. Beggs,
*Acting Secretary.*

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### Section-by-Section Analysis

Sec. 1. *Short Title.* This section states that the bill may be cited as the "Transportation Assistance Act of 1971".

### TITLE I—RAILROAD SERVICE IMPROVEMENT

Sec. 101. *Purpose.* This section states that the purpose of title I is to assist railroads and their car furnishing subsidiaries in acquiring, maintaining, and utilizing rolling stock, and thereby encourage the maintenance and growth of a private national transportation system adequate to meet the needs of the commerce of the United States and of the national defense.

Sec. 102. *Definitions.* This section contains explanations of the terms "Secretary", "railroad", "car furnishing subsidiary", "rolling stock", "equipment obligations", "holder", and "obligor".

Sec. 103. *Federal Railroad Equipment Obligation Insurance Fund.* This section cretates a Federal Railroad Equipment Obligation Insurance Fund for use by the Secretary of Transportation as a revolving fund in carrying out sections 104 through 107 of the bill. The moneys in the fund would be deposited in the Treasury to the credit of the fund or could be invested in obligations of the United States for the account of the fund.

Sec. 104. *Authorization to Insure Equipment Obligations.* This section authorizes the Secretary to insure the interest on, and the unpaid principal balance of, any equipment obligations offered to the Secretary eligible for such insurance under title I of the bill. The Secretary also could make commitments to insure any equipment obligation prior to the date of execution or disbursement thereon. The Secertary would be authorized to prescribe regulations respecting the provision of insurance and to determine in each case the appropriate terms and conditions for extending the insurance. Each insurance contract would run to the benefit of the holder of the equipment obligation. At any one time the aggregate unpaid principal amount of equipment obligations insured under this title may not exceed $3 billion.

Sec. 105. *Limitations and Conditions; Premium Charges.* This section requires the Secretary to make a number of findings in writing before insuring any equipment obligation under section 104 of the bill. Among other things, all equipment obligations would have to be secured by the rolling stock to be financed thereby, and the probable value of the rolling stock would have to provide reasonable protection to the United States in the event of its repossession by the holder. Also, the terms of equipment obligations would have to require full payment within 15 years.

The Secretary would be required to fix a premium charge for the insurance of any equipment obligation of not to exceed one percent of the principal amount of the equipment obligation outstanding. All moneys received under this and the other provisions of title I respecting the Equipment Obligation Insurance Program would be deposited in the fund established under section 103. Five percent of the moneys obtained each year through premium charges would be available to pay administrative expenses incurred by the Secretary in carrying out his functions under sections 103 through 107 of title I.

Sec. 106. *Issuance of Notes or Obligations.* This section authorizes the Secretary to issue notes or other obligations to the Secretary of the Treasury if at any time moneys in the Federal Railroad Equipment Obligation Insurance Fund are not sufficient to enable the Secretary to pay any amount he is required to pay under an agreement under section 104 of the bill. Funds borrowed under this section would be deposited in the fund and redemptions of the notes and obligations would be made by the Secretary from the fund. Section 106 also grants the Secretary specific authority to complete, repair, maintain and manage, lease, sell or otherwise dispose of any property or other interests he acquires under an agreement made under section 104. In addition, section 106 contains restrictions respecting the termination or cancellation of any contract or commitment of insurance entered into under section 104 of title I and states that such contracts and commitments would be incontestable in the hands of a holder of an equipment obligation from the date they are entered into except for fraud, duress, mutual mistake of fact, or material misrepresentation on the part of such holder.

Sec. 107. *Modification.* This section authorizes the Secretary to consent to the modification of an equipment obligation entered into under section 104, or to renew or extend a contract or commitment of insurance whenever he finds in writing such modification is equitable. However, such consent could not be given unless any consent of the holder of the equipment obligation which may be required under the provisions of the equipment obligation is obtained in advance.

Sec. 108. *Rolling Stock Scheduling and Control Systems.* This section contains three major provisions. First, it calls upon the Secretary to conduct research and development into the design of a national rolling stock scheduling and control system and to report to Congress within two years from the date of enactment of title I his recommendations respecting the development, funding and implementation of any system he may design as a result of such research and development. Secondly, it directs the Secretary to conduct a study of (1) the cost to individual railroads of installing rolling stock scheduling and control systems compatible with any national system he may design; and (2) the economic, safety, and service benefits to be derived from such systems. The Secretary would be required to make public not later than two years from the date of enactment of this title his recommendations for the installation of such systems by individual railroads. Finally, section 108 directs the Secretary to begin within 2 years from the date of enactment of title I demonstrations to test the feasibility of the installation of rolling stock scheduling and control systems in railroad yards and terminals.

Sec. 109. *Appropriations.* This section authorizes the appropriation to the Federal Railroad Equipment Obligation Insurance Fund established under section 103 of the bill of such sums as may be necessary to pay the principal and interest on any obligations issued by the Secretary to the Secretary of the Treasury under section 106. It also authorizes the appropriation of $35 million to carry out section 108 of the bill respecting rolling stock scheduling and control systems.

### TITLE II—DISCRIMINATORY PROPERTY TAXATION OF INTERSTATE CARRIERS

Sec. 201. *Definitions.* This section contains explanations of the terms "transportation property", "assessment jurisdiction", and "all other property".

Sec. 202. *Prohibition.* This section declares unlawful as an unreasonable and unjust discrimination against, and an undue burden upon, interstate commerce the assessment by any State, or subdivision or agency thereof for purposes of a property tax levied by any taxing district of transportation property owned or used by any common or contract carrier subject to economic regulation under the Interstate Commerce Act at a value which bears a higher ratio to the true market value of the transportation property than the assessed value of all other property subject to a property tax levy in the assessment jurisdiction in which the taxing district is included bears to the true market value of all other property, but only to the extent that the assessment on transportation property is based on excessive values as determined in this section. It also declares unlawful on the same basis the collection by any State, or subdivision or agency thereof of (1) any tax on the portion of such an assessment declared to be unlawful; and (2) any ad valorem tax on transportation property at a tax rate higher than tax rates applicable to all other property in the taxing district. Land used primarily for agricultural purposes or primarily for the purpose of growing timber is not to be taken into consideration in the administration of this section. Also, for the purposes of this section, the term "tax rate" is not to be interpreted as including a tax rate or exemption extended to taxpayers for certain purposes such as promoting the economic development of the taxing jurisdiction, or developing or maintaining essential transportation services by certain carriers.

Sec. 203. *Enforcement.* This section establishes in the U.S. district courts jurisdiction to issue writs of injunction or other proper process as may be necessary to restrain acts declared unlawful by section 202. No relief could be granted under this section, however, unless the assessment percentage applied to carrier transportation property exceeds by at least 5 percent the assessment percentage applied to all property in the assessment jurisdiction other than land used primarily for agricultural purposes or primarily for the purpose of growing timber.

Sec. 204. *Effective Date.* This section establishes that the provisions of title II shall not be effective until three years after the date of its enactment.

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By Mr. MAGNUSON (for himself and Mr. Cotton) (by request):

**S. 2842. A bill to amend the Interstate** Commerce Act, as amended, and acts amendatory and supplemental thereto to provide for increased reliance on competition in the establishment of carrier rates, charges, and practices; to liberalize entry and exit in the several modes of surface transportation, and for other purposes. Referred to the Committee on Commerce.

### TRANSPORTATION REGULATORY MODERNIZATION ACT OF 1971

Mr. MAGNUSON. Mr. President, I introduce on behalf of Senator COTTON and myself, by request, for appropriate reference, a bill to amend the Interstate Commerce Act, as amended, and acts amendatory and supplemental thereto to provide for increased reliance on competition in the establishment of carrier rates, charges and practices, to liberalize entry and exit in the several modes of surface transportation, and for other purposes, and ask unanimous consent that the letter of transmittal and section-by-section analysis of the bill be printed in the RECORD with the text of the bill.

There being no objection, the bill and material were ordered to be printed in the RECORD, as follows:

### S. 2842

*Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,*

### TITLE I—SHORT TITLE

SEC. 101. This Act may be cited as the "Transportation Regulatory Modernization Act of 1971."

### TITLE II—AMENDMENTS TO PART I OF THE INTERSTATE COMMERCE ACT

SEC. 201.(a) Section 1(4) of the Interstate Commerce Act (49 U.S.C. 1(4)) is amended by adding the following new sentence at the end thereof: "No carrier shall be under any obligation to establish a joint rate or division thereof which does not equal or exceed its variable costs as determined pursuant to section 15a of this part."

(b) Section 1(5) of the Interstate Commerce Act (49 U.S.C. 1(5)), is amended to read as follows:

"(5)(a) As used in this section and section 15a of this part, the term 'rates' shall mean tariffs, rates, fares, charges, and all classifications, regulations and practices relating thereto.

"(b) All rates for any service rendered or to be rendered in the transportation of passengers or property, or in connection therewith, shall be just and reasonable, and every unjust and unreasonable rate for such service or any part thereof is prohibited and declared to be unlawful. No rate shall be deemed to be unjust or unreasonable unless the Commission finds that the rate in question contravenes the standards set forth in section 15a of this part."

(c) All functions under Section 1(14)(a) of the Interstate Commerce Act (49 U.S.C. 1(14)(a)), relating to the establishment of compensation for the use of any locomotive car, or other vehicle, are hereby transferred from the Interstate Commerce Commission to, and vested in, the Secretary of Transportation.

SEC. 202.(a) Sections 1(18)–1(20) and 1(22) of the Interstate Commerce Act (49 U.S.C. 1(18)–1(20), 1(22)) are amended to read as follows:

"(18) No carrier by railroad subject to this part shall undertake the extension of its line of railroad, or the construction of a new line of railroad, or shall acquire or operate any line of railroad, or extension thereof, or shall engage in transportation under this part over or by means of such additional or extended line of railroad, unless and until there shall first have been obtained from the Commission a certificate that the present or future public convenience and necessity require or will require the construction, or operation, or construction and operation, of such additional or extended line of railroad. Nothing in this paragraph or in section 5 shall be considered to prohibit the making of contracts between carriers by railroad subject to this part, without the approval of the Commission, for the joint ownership or joint use of spur, industrial, team switching, or side tracks.

"(19) The application for and issuance of any such certificate shall be under such rules and regulations as to hearings and other matters as the Commission may from time to time prescribe, and the provisions of this part shall apply to all such proceedings. Upon receipt of any application for such certificate, the Commission shall cause notice thereof to be given to and a copy filed with the governor of each State in which such additional or extended line of railroad is proposed to be constructed or operated with the right to be heard as hereinafter provided with respect to the hearing of complaints or the issuance of securities, and said notice shall also be published for three consecutive weeks in some newspaper of general circulation in each county in or through which said line of railroad is proposed to be constructed or operated.

"(20) The Commission shall have the power to issue such certificate as prayed for, or to refuse to issue it, or to issue it for a portion or portions of a line of railroad, or extension thereof, described in the application, or for the partial exercise only of such right or privilege, and may attach to the issuance of the certificate such terms and conditions as in its judgment the public convenience and necessity may require. From and after issuance of such certificate, and not before, the carrier by railroad may, without securing approval other than such certificate, comply with the terms and conditions contained in or attached to the issuance of such certificate and proceed with the construction or operation covered thereby.

"(22) No carrier by railroad subject to this part shall abandon all or any portion of a line of railroad, or the operation thereof, except in accordance with this paragraph. At least thirty days in advance of the scheduled date for any abandonment of any line of railroad or operation thereof, a carrier shall file with the Commission a notice of the proposed abandonment, under such rules and regulations as the Commission may from time to time prescribe. The carrier or carriers filing notice with the Commission pursuant to this paragraph shall annex thereto a sworn certificate of the service of notice by mail upon the governor of each State in which all or any portion of the line of railroad, or the operation thereof, is proposed to be abandoned, a sworn certificate of posting of notice in every station on such line, and a sworn certificate that notice has been published for three consecutive weeks in some newspaper of general circulation in each county in or through which said line of railroad operates. The laws or constitution of any State, or the decision or order of, or the pendency of any proceeding before, and court or State authority to the contrary notwithstanding, abandonments pursuant to such notice shall be governed by the provisions of this paragraph. Upon the filing of any notice pursuant to this paragraph, and upon complaint demonstrating substantial economic injury to a user who has used the line or lines in question during the 18-month period prior to the filing of such notice, the Commission during said thirty days notice period shall commence an investigation of the proposed abandonment of a line or lines or railroad or the operation thereof. In the event no such complaint is filed with the Commission, it shall issue a certificate authorizing the abandonment of the line or lines in question or the operation thereof. In the event such a complaint is filed with the Commission, it may, by order served upon the carrier or carriers affected at least ten days prior to the effective date of abandonment or cessation set forth in the notice, suspend the proposed abandonment or cessation, in whole or in part, pending an investigation and hearing, but not for a period longer than six months beyond such effective date. The Commission shall issue a certificate authorizing the abandonment or cessation of operations proposed in the notice unless it finds that either (a) the line or lines in question have generated at least one million gross ton miles of traffic per mile over the last twelve months prior to the filing of a notice, and the revenues attributable to the line, lines, or operations in question have been sufficient to cover the variable costs thereof for a period of twelve months prior to the filing, or (b) that the line or lines in question have not generated at least one million gross ton miles of traffic per mile over the last twelve calendar months prior to the filing of notice or the revenues attributable to the line, lines, or operation have not been sufficient to cover the variable costs thereof for a period of twelve months prior to the filing, and the users of the line, lines or operation have no effective, alternative and competitive transportation other than over the line or lines in question. No application to abandon any line or operation thereof shall be denied if the continuation thereof would require the making of capital improvements, the economic cost of which will not be covered by an excess of revenues over the variable costs of the line or operation in question over the life of such improvement. In the event the Commission makes a finding pursuant to clause (a), it shall issue an order denying the abandonment or cessation of operation. In the case of a finding under clause (b), the Commission may retain jurisdiction for a period not to exceed an additional six months, except that: six months after the date of such finding under clause (b), the Commission shall issue a certificate authorizing the abandonment or cessation of operation, unless it finds that the revenues attributable to the line, lines or operations in question pursuant to clause (b) have become and will be sufficient to cover the variable costs thereof as a result of improved operating efficiencies, rate adjustments, direct financial compensation from users and/or any State or political subdivision thereof or other changed circumstances. In all proceedings under this section, upon notice to and receipt of a complaint by affected employees or their representatives, the Commission may attach to the issuance of a certificate hereunder such terms and conditions for job protection of said employees as in its judgment the public convenience and necessity may require. In any proceeding under this paragraph, the Commission shall apply the rules and regulations to be established pursuant to paragraph (23) of this section."

(b) Section 1 of the Interstate Commerce Act (49 U.S.C. 1) is further amended by adding the following new paragraphs:

"(23)(a) Pending the establishment of the revenue, costs, and accounting standards required by subparagraph (b) of this paragraph, the Commission shall use such information and techniques as it deems appropriate for determining variable costs and applicable revenues required by paragraph (22) of this section.

"(b) The Secretary of Transportation, within one year following the effective date of this Act, shall establish and promulgate rules and regulations prescribing uniform cost accounting and uniform revenue accounting methods by carriers by railroad subject to this part. Such rules and regulations shall prescribe the items to be included in the calculation of variable costs as required by paragraph (22) of this section. In formulating these rules and regulations, the Secretary of Transportation shall consult with and solicit the views of the Commission, other agencies and departments of the Federal Government, and representatives of the carriers, their employees, shippers and the public.

"(c) In any proceeding under this paragraph the Commission shall apply the rules and regulations to be established pursuant to subparagraphs (a) and (b) of this section. The Commission shall require all carriers by railroad subject to this part to maintain their accounts in accordance with the rules and regulations established and promulgated by the Secretary of Transportation under subparagraph (b) of this paragraph and all accounts, reports and other information required to be submitted to the Commission by any carrier shall conform to these rules and regulations.

"(24) Any construction, operation or abandonment contrary to the provisions of paragraphs (18), (19), or (22) of this section may be enjoined by any United States District Court of competent jurisdiction at the suit of the United States, the Commission, any commission or regulatory body of the State or States affected, or any party in interest; and any carrier which, or any director, officer, receiver, operating trustee, lessee, agent, or person, acting for or employed by such carrier, who knowingly authorizes, consents to, or permits any violation of the provisions of paragraphs (18), (19), or (22) of this section, shall upon conviction thereof be punished by a fine of not more than $5,000 or by imprisonment for not more than three years, or both.

"(25) The authority of the Commission conferred by paragraphs (18) to (23) of this section shall not extend to the construction, acquisition or abandonment of spur, industrial, team, switching, or side tracks, located or to be located wholly within one State, or of the street, suburban, or interurban electric railways, which are not operated as part or parts of a general railroad system of transportation."

SEC. 203. Section 13 of the Interstate Commerce Act (49 U.S.C. 13) is amended by adding the following new paragraph:

"(5) Whenever a carrier or carriers shall have filed with an administrative or regulatory body of any State any change in an intrastate rate, fare, or charge, or any change in a classification, regulation, or practice, having the effect of changing such rate, fare, or charge, for the purpose of adjusting such rate, fare, or charge to the rate charged on the same traffic moving in interstate or foreign commerce, and the State administrative or regulatory body shall not have acted finally in any regulatory proceeding involving such change within one hundred and twenty days, the Commission, upon application to it and notice to the State administrative or regulatory body, shall have exclusive authority to determine and prescribe the rate thereafter to be charged according to the standards set forth in paragraph (4) of this section. The provisions of this paragraph shall operate and apply notwithstanding the laws or constitution of any State, or the pendency of any proceeding before, any court or State authority."

SEC. 204. (a) Section 15(1) of the Interstate Commerce Act (49 U.S.C. 15(1)) is amended by adding the following at the end thereof:

"The Commission shall not prescribe any individual or joint rate, fare, or charge under this section unless it finds, in the case of maximum rates, fare, or charges, that the rate, fare or change then in effect exceeds 150 per centum of the fully allocated cost (including a reasonable return on investment), as determined under paragraph (3) of section 15a, of providing the service in question and that there is no alternative, effective and competitive service by a common or contract carrier, whether or not subject to this Act, other than a carrier or carriers subject to this part, and, in the case of minimum rates, that it finds that the rate, fare, or charge is not compensatory as determined pursuant to paragraph (2) of section 15a."

(b) Section 15(7) of the Interstate Commerce Act (49 U.S.C. 15(7)) is amended to read as follows:

"(7) Whenever there shall be filed with the Commission any schedule stating a new individual or joint rate, fare, or charge, or any new individual or joint classification, regulation or practice affecting any rate, fare, or charge, the Commission shall have, and it is hereby given, authority either upon complaint or upon its own initiative, at once, and if it so orders without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, charge, classification, regulation, or practice; and pending such hearing and the decision thereon the Commission, upon filing with such schedule and delivering to the carrier or carriers affected thereby a statement in writing of its reasons for such suspension, may from time to time suspend the operation of such schedule and defer the use of such rate, fare, charge, classification, regulation, or practice, but not for a longer period than seven months beyond the time when it would otherwise go into effect. No rate proposed by any carrier or carriers shall be suspended by the Commission unless, on the basis of factual information by sworn complaint, affidavit, or other information furnished by the complainant the Commission determines, and finds in writing that (a) the rate, if allowed to become effective, would result in direct and immediate economic injury to the complainant or the class for which the complainant appears and (b) that other remedies available to the complainant would be clearly inadequate in the absence of suspension, and (c) that the proposed rate would probably be unlawful. After full hearing, whether completed before or after the rate, fare, charge, classification, regulation, or practice goes into effect, the Commission may make such order with reference thereto as would be proper in a proceeding initiated after it had become effective. If the proceeding has not been concluded and an order made within the period or suspension, the proposed change of rate, fare, charge, classification, regulation, or practice shall go into effect at the end of such period; but in case of a proposed increased rate or charge for or in respect to the transportation of property, the Commission may by order require the interested carrier or carriers to keep accurate account in detail of all amounts received by reason of such increase, specifying by whom and in whose behalf such amounts are paid, and upon completion of the hearing and decision may by further order require the interested carrier or carriers to refund, with interest, to the persons in whose behalf such amounts were paid, such portion of such increased rates or charges as by its decision shall be found not justified. At any hearing involving a complaint that the carrier or carriers have established or proposed a rate, fare, or charge which exceeds 150 per centum of the fully allocated cost (including a reasonable return on investment), the burden of proof shall be upon the carrier proposing the change to show that the rate, fare, or charge does not exceed said 150 per centum level; the burden of proof shall be upon the complainant or the Commission, if it investigates on its own initiative, to show that there exists no alternative, effective, and competitive service by a common or contract carrier, whether or not subject to this Act, other than a carrier or carriers subject to this part. At any hearing involving a complaint that the carrier or carriers have established or proposed a rate, fare, or charge which is not compensatory, the complainant or the Commission, if it investigates upon its own initiative, shall have the burden of proof that the proposed rate is unjust and unreasonable. Except as otherwise provided herein, the burden of proof shall be upon the carrier to show that the proposed changed rate, fare, charge, classification, rule, regulation, or practice is just and reasonable. The Commission shall give to the hearing and decision of questions arising under this paragraph preference over all other questions pending before it and decide the same as speedily as possible."

SEC. 205. Section 15a of the Interstate Commerce Act (49 U.S.C. 15a) is amended to read as follows:

"SEC. 15a(1) All rates shall be compensatory; and the Commission may require any carrier or carriers establishing any rates to furnish to the Commission, at the time of the filing of the tariff or at any other time, any information required by the Commission to establish that the rates contained in the tariff are compensatory.

"(2) A rate shall be deemed to be compensatory when it exceeds the variable cost of providing the specific transportation service to which the rate is applicable.

"(3) Where there exists no alternative, effective, and competitive service by a common or contract carrier, whether or not subject to this Act, other than a carrier or carriers subject to this part, no rate shall exceed 150 per centum of the fully allocated cost (including a reasonable return) on investment) of providing the specific transportation to which the rate is applicable.

"(4) Pending the establishment of the cost and accounting standards required by paragraph (6) of this section, the Commission shall use such information and techniques as it deems appropriate for determining variable costs and fully allocated cost (as used in sections 1(5) and 15 of this part).

"(5) The Secretary of Transportation, within one year following the effective date of this Act shall establish and promulgate rules and regulations concerning the establishment of a uniform cost accounting method by carriers subject to this part. Such rules and regulations shall prescribe the elements of cost to be included by determining the carriers' variable and fully allocated cost. The Secretary shall give due consideration to all items and factors (including the costs of capital) presently used in the ascertainment of costs for ratemaking purposes which the Secretary deems relevant to the determination of variable and fully allocated costs. In the case of fully allocated costs, the Secretary shall also establish standards for the calculation of such costs for the transportation of any commodity or group of commodities on the basis of standard weight shipments for the commodity loaded in the standard equipment used for the transportation of such commodity or commodities. In establishing these rules and regulations, the Secretary of Transportation shall consult with and solicit the views of the Commission, other agencies and departments of the Federal Government, and the representatives of the carriers, their employees, shippers, and the public.

"(6) In any proceeding under this paragraph the Commission shall apply the rules and regulations to be established pursuant to paragraphs (4) and (5) of this section. The Commission shall also require all carriers subject to this Act to maintain their accounts in accordance with the rules and regulations established and promulgated by the Secretary of Transportation under paragraph (5) of this section and all accounts, reports and other information required to be submitted to the Commission by any carrier shall conform to these rules and regulations."

Sec. 206. Section 22 of the Interstate Commerce Act (49 U.S.C. 22) is amended to read as follows:

"(1) Nothing in this part shall prevent the carriage, storage, or handling of property free or at reduced rates for charitable purposes, or to or from fairs and expositions for exhibition thereat, or the free carriage of destitute and homeless persons transported by charitable societies, and the necessary agents employed in such transportation, or the transportation of persons for the United States Government free or at reduced rates, or the issuance of mileage, excursion, or commutation passenger tickets; nothing in this part shall be construed to prohibit any common carrier from giving reduced rates to ministers of religion, or to municipal governments for the transportation of indigent persons, or to inmates of Veterans' Administration facilities or State Homes for Disabled Volunteer Soldiers and of Soldiers' and Sailors' Orphan Homes, including those about to enter and those returning home after discharge, under arrangements with the boards of managers of said homes; nothing in this part shall be construed to prohibit any common carrier from establishing by publication and filing in the manner prescribed in section 6 of this part reduced fares for application to the transportation of (a) personnel of United States armed services or of foreign armed services, when such persons are traveling at their own expense, in uniform of those services, and while on official leave, furlough, or pass; or (b) persons discharged, retired, or released from United States armed services within thirty days prior to the commencement of such transportation and traveling at their own expense to their homes or other prospective places of abode; nothing in this part shall be construed to prevent railroads from giving free carriage to their own officers and employees or to prevent the free carriage, storage, or handling by a carrier of the household goods and other personal effects of its own officers or employees when such goods and effects must necessarily be moved from one place to another as a result of a change in the place of employment of such officers or employees while in the service of the carrier, or to prevent the principal officers of any railroad company or companies from exchanging passes or tickets with other railroad companies for their officers and employees; nothing in this part contained shall in any way abridge or alter the remedies now existing at common law or by statute, but the provisions of this part are in addition to such remedies; nothing in this part shall be construed to prohibit any common carrier from carrying any totally blind person accompanied by a guide or seeing-eye dog or other guide dog specially trained and educated for that purpose or from carrying a disabled person accompanied by an attendant if such person is disabled to the extent of requiring such attendant, at the usual and ordinary fare charged to one person, under such reasonable regulations as may have been established by the carrier; except that, no pending litigation shall in any way be affected by this part; and, except that, nothing in this part shall prevent the issuance of joint interchangeable five-thousand-mile tickets, with special privileges as to the amount of free baggage that may be carried under mileage tickets of one thousand or more miles. But before any common carrier, subject to the provisions of this part, shall issue any such joint interchangeable mileage tickets with special privileges, as aforesaid, it shall file with the Interstate Commerce Commission as fully with regard to such joint interchangeable mileage tickets as with regard to other joint rates, fares, and charges referred to in said section. It shall be unlawful for any common carrier that has issued or authorized to be issued any such joint interchangeable mileage tickets to demand, collect, or receive from any person or persons a greater or less compensation for transportation of persons or baggage under such joint interchangeable mileage tickets than that required by the rate, fare, or charge specified in the copies of the joint tariff of rates, fares, or charges filed with the Commission in force at the time. The provisions of section 10 of this part shall apply to any violation of the requirements of this proviso. Nothing in this part shall prevent any carrier or carriers subject to this part from filing reduced rates for the transportation of property to or from any section of the country with the object of providing relief in case of earthquake, flood, fire, famine, drought, epidemic, pestilence, insurection, or other calamitous visitation or disaster, if such reduced rates have first been authorized by order of the Commission (with or without a hearing); but in any such order the Commission shall (1) define such section, (2) specify the period during which such reduced rates are to remain in effect, and (3) clearly define the class or classes of persons entitled to such reduced rates (in addition, the Commission may specify the circumstances under which individual entities of the class or classes of persons are to be identified); except that, such class or classes of persons are those eligible for such aid under circumstances in which a proclamation shall have been issued by authorized agents of the United States or State Governments engaging in the relief of distress caused by such calamitous visitation. No findings of unreasonableness, discrimination, preference, prejudice, or noncompensativeness may be made with regard to shipments made under such rates. Nothing in this part shall prevent any carrier or carriers subject to this part from filing rates, rules, regulations, and charges resulting in reduced transportation charges to agencies of the United States or State Governments. The tariff so involved may be posted and made effective immediately and retroactively; no tariff or rate, fare or charge, or quotation or tender thereof, shall be subject to the suspension provisions of this Act: *Provided*, That such rates, fares or charges shall not be less than the variable costs of handling such traffic. When it is certified by the United States Government, or any agency or department thereof, that it is necessary to the national security to withhold disclosure of the movement of certain property or shipments and to withhold from public inspection the rates, rules, regulations or charges under which such property moves, as well as the volume of movements, all such data shall be kept confidential by the carriers and by the Commission.

"(2) All quotations or tenders of rates, fares, or charges for the transportation, storage, or handling of property or the transportation of persons for the United States Government, or any agency or department thereof, including quotations or tenders for retroactive application whether negotiated or renegotiated after the services have been performed, shall be in writing or confirmed in writing and a copy or copies thereof shall be submitted to the Commission by the carrier or carriers offering such tenders or quotations in the manner specified by the Commission and only upon the submittal of such a quotation or tender made pursuant to an agreement approved by the Commission under part VI of this Act shall the provisions of paragraph (10) of said part VI apply, but said provisions shall continue to apply as to any agreement so approved by the Commission under which any such quotation or tender (a) was made prior to August 31, 1957 or (b) is on or after August 31, 1957 made and for security reasons, as hereinafter provided, is not submitted to the Commission; except that nothing in this paragraph shall affect any liability or cause of action which may have accrued prior to August 31, 1957. Submittal of such quotations or tenders to the Commission shall be made concurrently with submittal to the United States Government, or any agency or department thereof, for whose account the quotations or tenders are offered or for whom the proposed services are to be rendered. Such quotations or tenders shall be preserved by the Commission for public inspection. The provisions of this paragraph requiring submissions to the Commission shall not apply to any quotation or tender which, as indicated by the United States Government, or any agency or department thereof, to any carrier or carriers, involves information the disclosure of which would endanger the national security."

## TITLE III—AMENDMENTS TO PART II OF THE INTERSTATE COMMERCE ACT

Sec. 301. Section 207 of the Interstate Commerce Act (49 U.S.C. 307) is amended to read as follows:

"Sec. 207. (a) Subject to section 210 of this part, a certificate shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operations covered by the application, if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this part and the requirements, rules, and regulations of the Commission thereunder, and that the proposed service, to the extent to be authorized by the certificate, is or will be required by the present or future public convenience and necessity; otherwise such application shall be denied. No such certificate shall be issued to any common carrier of passengers by motor vehicle for operations over other than a regular route or routes, and between fixed termini, except as such carriers may be authorized to engage in special or charter operations.

"(b) No certificate shall be denied upon the grounds that its issuance would result in the diversion of traffic from any existing carrier, unless the Commission finds that granting such license would result in a diminution in the total quantity and quality of service available to the public; except that, for a period of twenty four months following enactment of this section, this subsection shall apply only with respect to an applicant which holds a certificate of public convenience and necessity issued by the Commission, and which is seeking to extend the rights accorded in such certificate.

"(c) No certificate issued under this part shall confer any proprietary or property rights in the use of public highways."

Sec. 302. Section 208(a) of the Interstate Commerce Act (49 U.S.C. 308(a)) is amended by inserting a period after the words "204 (a) (1) and (6)" and is further amended by striking the language after the words "*Provided, however,*" and adding in lieu thereof the following:

"That no terms, conditions, or limitations shall restrict the right of the carrier to add to his or its equipment and facilities over the routes, between the termini, or within the territory specified in the certificate, as the development of the business and the public interest may require. On and after the sixth month following the enactment of this section the Commission shall not impose any term, condition, or limitation in any certificate or permit issued pursuant to section 207, section 209, section 212 or section 5 with respect to commodities carried, points served, equipment used, or routes used, or otherwise, for the purpose of preventing diversion of traffic from an existing licensed carrier or carriers, unless it finds that, absent such restriction or restrictions, there would be a diminution in the total quantity and quality of service available to the public. In determining whether there is a diminution in the total quantity and quality of service available to the public, the Commission shall specifically consider the effects upon originating and terminating markets and upon the adequacy of short-haul service to, from or between points intermediate to any originating or terminating market. The Commission shall so structure its certificates as to permit the applicant to engage in efficient, flexible and economic operations. Not later than six months after the enactment of this section the Commission shall issue appropriate rules and regulations which (1) identify, by specific type or kind, geographic, commodity, operating or other restrictions and limitations imposed in certificates or permits issued pursuant to section 207, section 209, section 212 and section 5 which have the purpose or effect of preventing diversion of traffic from another carrier or carriers, or are inconsistent with efficient, flexible, and economic operations; and (2) establish procedures for the expeditious elimination of such restrictions and limitations in outstanding certificates and permits, in accordance with the tests of paragraph (a) of this section."

SEC. 303. Section 209(b) of the Interstate Commerce Act (49 U.S.C. 309(b)) is amended by deleting the words "the effect which granting the permit would have upon the services of the protesting carriers."

SEC. 304. Sections 216 (d), (e), (f), (g) and (i) of the Interstate Commerce Act (49 U.S.C. 316 (d), (e), (f), (g), (i)) are amended to read as follows:

"(d) All rates, as defined in paragraph (i) of this section, for any service rendered or to be rendered by a common carrier by motor vehicle in interstate and foreign commerce in the transportation of passengers or property as aforesaid or in connection therewith shall be just and reasonable, and every unjust and unreasonable rate for such service or any part thereof is prohibited and declared to be unlawful. No rate shall be deemed to be unjust or unreasonable unless the Commission finds that the rate in question contravenes the standards set forth in paragraph (i) of this section. It shall be unlawful for any common carrier by motor vehicle engaged in interstate or foreign commerce to make, give, or cause any undue or unreasonable preference or advantage to any particular person, port, gateway, locality, region, district, territory, or description of traffic in any respect whatsoever; or to subject any particular person, port, gateway, locality, region, district, territory, or description of traffic to any unjust discrimination or any undue or unreasonable prejudice or disadvantage in any respect whatsoever: except that, this paragraph shall not be construed to apply to discriminations, prejudice, or disadvantage to the traffic of any other carrier of whatever description.

"(e) Any person, State board, organization or body politic may make complaint in writing to the Commission that any such rate, fare, charge, classification, rule, regulation, or practice, in effect or proposed to be put into effect, is or will be in violation of this section or of section 217. Whepever, after hearing, upon complaint or upon its own initiative, the Commission shall be of the opinion that any individual or joint rate, demanded, charged, or collected by any common carrier or carriers by motor vehicle in conjunction with any common carrier or carriers by railroad and/or express, and/or water for transportation in interstate or foreign commerce, or any classification, rule, regulation, or practice whatsoever of such carrier or carriers affecting such rate, fare, or charge or the value of the service thereunder, is or will be unjust or unreasonable, or unjustly discriminatory or unduly prefrential or unduly prejudicial, it shall determine and prescribe the lawful rate, fare, or charge or the maximum or minimum, or maximum and minimum rate, fare, or charge thereafter to be observed, or the lawful classification, rule, regulation, or practice thereafter to be made effective and the Commission shall, whenever deemed by it to be necessary or desirable in the public interest, after hearing, upon complaint or its own initiative establish through routes and joint rates, fares, charges, regulations, or practices, applicable to the transportation of passengers by common carriers by motor vehicle, or the maxima, or minima, or maxima and minima, to be charged, and the terms and conditions under which such through routes shall be operated. The Commission shall not prescribe any individual or joint rate, fare, or charge under this section unless it finds, in the case of maximum rates, fares, or charges that the rate, fare or charge then in effect exceeds 150 per centum of the fully allocated cost (including a reasonable return on investment), as determined under paragraph (i) of this section, of providing the service in question and that there is no alternative, effective and competitive service by a common or contract carrier, whether or not subject to this Act; other than a carrier or carriers subject to this part; or, in the case of minimum rates, that it finds that the rate, fare, or charge is not compensatory as determined pursuant to paragraph (i) of this section. Nothing in this part shall empower the Commission to prescribe, or in any manner regulate, the rate, fare, or charge for intrastate transportation, or for any service connected therewith, for the purpose of removing discrimination against interstate commerce or for any other purpose whatever.

"(f) Whenever, after hearing, upon complaint or upon its own initiative, the Commission is of the opinion that the divisions of joint rates, fares, or charges, applicable to the transportation in interstate or foreign commerce of passengers or property by common carriers by motor vehicle or by such carriers in conjunction with common carriers by railroad and/or express, and/or water are or will be unjust, unreasonable, inequitable, or unduly preferential or prejudicial as between the carriers parties thereto, whether agreed upon by such carriers, or any of them, or otherwise establish, the Commission shall by order prescribe the just, reasonable, and equitable divisions thereof to be received by the several carriers, and in cases where the joint rate, fare, or charge was established pursuant to a finding or order of the Commission and the divisions thereof are found by it to have been unjust, unreasonable, or inequitable, or unduly preferential or prejudicial, the Commission may also by order determine what would have been the just and reasonable divisions thereof to be received by the several carriers, and require adjustment to be made in accordance therewith. The order of the Commission may require the adjustment of divisions between the carriers, in accordance with the order, from the date of filing the complaint or entry of order of investigation or such other date subsequent as the Commission finds justified and, in the case of joint rates prescribed by the Commission, the order as to divisions may be made effective as a part of the original order.

"(g) Whenever there shall be filed with the Commission any schedule stating a new individual or joint rate, fare, charge, or classification for the transportation of passengers or property by a common or contract carrier or carriers by motor vehicle, or by any such carrier or carriers in conjunction with a common carrier or carriers by railroad and/or express, and/or water in interstate or foreign commerce, or any rule, regulation, or practice affecting such rate, fare, or charge, or the value of the service thereunder, the Commission is hereby authorized and empowered upon complaint of any interested party or upon its own initiative at once and, if it so orders, without answer or other formal pleading by the interested carrier or carriers, but upon reasonable notice, to enter upon a hearing concerning the lawfulness of such rate, fare, or charge, or such rule, regulation, or practice, and pending such hearing and the decision thereon the Commission, by filing with such schedule and delivering to the carrier or carriers affected thereby a statement in writing of its reasons for such suspension, may from time to time suspend the operation of such schedule and defer the use of such rate, fare, or charge, or such rule, regulation, or practice, but not for a longer period than seven months beyond the time when it would otherwise go into effect: except that, no rate proposed by any carrier or carriers shall be suspended by the Commission unless, on the basis of factual information by sworn complaint, affidavit or other information furnished by the complainant the Commission determines, and finds in writing that (a) the carrier or carriers proposal, if allowed to become effective, would result in direct and immediate economic injury to the complainant or the class for which the complainant appears and (b) that other remedies available to the complainant would be clearly inadequate in the absence of suspension, and (c) that the proposed rate would probably be unlawful. After full hearing, whether completed before or after the rate, fare, charge, classification, regulation, or practice goes into effect, the Commission may make such order with reference thereto as would be proper in a proceeding initiated after it had become effective. If the proceeding has not been concluded by final order within the period of suspension, the proposed change of rate, fare, charge, classification, regulation, or practice shall go into effect at the end of such period. At any hearing involving a complaint that the carrier or carriers have established or proposed a rate, fare, or charge which exceeds 150 per centum of the fully allocated cost (including a reasonable return on investment), the burden of proof shall be upon the carrier proposing the change to show that the rate, fare, or charge does not exceed said 150 per centum level; the burden of proof shall be upon the complainant or the Commission, if it investigates on its own initiative, to show that there exists no alternative, effective, and competitive service by a common or contract carrier, whether or not subject to this Act; other than a carrier or carriers subject to this part. At any hearing involving a complaint that the carrier or carriers have established or proposed a rate, fare, or charge which is not compensatory, the complainant or the Commission, if it investigates on its own initiative, shall have the burden of proof that the proposed rate is unjust and unreasonable. Except as otherwise provided herein, the burden of proof shall be upon the carrier to show that the proposed changed rate, fare charge, classification, rule, regulation, or practice is just and reasonable. The Commission shall give to the hearing and decision of questions arising under this paragraph preference over all other questions pending before it and decide the same as speedily as possible.

"(i) (1) When used in this section the term 'rates' means rates, fares, and charges, and all classifications, regulations and practices relating thereto.

"(2) All rates of common and contract carriers shall be compensatory; and the Commission may require any carrier or carriers establishing any rates to furnish to the Commission, at the time of the filing of the tariff or at any other time, any information required by the Commission to establish that the rates contained in the tariff are compensatory.

"(3) A rate shall be deemed to be compensatory when it exceeds the variable costs of providing the specific transportation service to which the rate is applicable.

"(4) Where there exists no alternative, effective, and competitive service by a common or contract carrier, whether or not subject to this Act, other than a carrier or carriers subject to this part, all common carrier rates shall not exceed 150 per centum of the fully allocated cost (including a reasonable return on investment) of providing the specific transportation to which the rate is applicable.

"(5) Pending the establishment of the cost and accounting standards required by paragraph (7) of this section, the Commission shall use such information and techniques as it deems appropriate for determining variable costs and fully allocated cost (as used in this section).

"(6) The Secretary of Transportation, within one year following the effective date of this Act, shall establish and promulgate rules and regulations concerning the establishment of a uniform cost accounting method by carriers subject to this part. Such rules and regulations shall prescribe the elements of cost to be included in determining the carriers' variable and fully allocated cost. The Secretary shall give due consideration to all items and factor (including the costs of capital) presently used in the ascertainment of costs for ratemaking purposes which the Secretary deems relevant to the determination of variable and fully allocated costs. In the case of fully allocated costs, the Secretary shall also establish standards for the calculation of such costs for the transportation of any commodity or group of commodities on the basis of standard weight shipments for the commodity loaded in the standard equipment used for the transportation of such commodity or commodities. In establishing these rules and regulations, the Secretary of Transportation shall consult with and solicit the views of the Commission, other agencies and departments of the Federal Government, and the representatives of the carriers, their employees, shippers, and the public.

"(7) In any proceeding under this paragraph the Commission shall apply the rules and regulations to be established pursuant to paragraphs (5) and (6) of this section. The Commission shall require all carriers subject to this part to maintain their accounts in accordance with the rules and regulations established and promulgated by the Secretary of Transportation under paragraph (6) of this section and all accounts, reports and other information required to be submitted to the Commission by any carrier shall conform to these rules and regulations."

SEC. 305. (a) Section 218(b) of the Interstate Commerce Act (49 U.S.C. 318(b)), is amended to read as follows:

"(b) Whenever, after hearing, upon complaint, or upon its own initiative, the Commission finds that any minimum rate or charge of any contract carrier by motor vehicle, or any rule, regulation, or practice of any such carrier affecting such minimum rate or charge, or the value of the service thereunder contravenes the minimum criteria set forth in paragraph (1) of this section, the Commission may prescribe a just and reasonable minimum rate or charge, or rule, regulation, or practice consistent with paragraph (1) of section 216. All complaints shall state fully the facts complained of, the reasons for such complaint, and shall be made under oath."

(b) Section 218(c) of the Interstate Commerce Act (49 U.S.C. 318(c)) is hereby repealed.

## TITLE IV—AMENDMENTS TO PART III OF THE INTERSTATE COMMERCE ACT

SEC. 401. (a) Section 305(a) of the Interstate Commerce Act (49 U.S.C. 905(a)) is amended to read as follows:

"SEC. 305. (a) It shall be the duty of every common carrier by water, with respect to transportation subject to this part which it undertakes or holds itself out to perform, or which it is required by or under authority of this part to perform, to provide and furnish such transportation upon reasonable request therefore, and to establish, observe, and enforce just and reasonable rates, fares, charges, and classifications, and just and reasonable regulations and practices relating thereto and to the issuance, form, and substance of tickets, receipts, bills of lading, and manifests, the manner and method of presenting, marking, packing, and delivering property for transportation, the carrying of personal, sample, and excess baggage, the facilities for transportation, and all other matters relating to or connected with transportation in interstate or foreign commerce. All rates as defined in section 307(g) made for any service rendered or to be rendered in the transportation of passengers or property as aforesaid, or in connection therewith, shall be just and reasonable, and every unjust and unreasonable charge for such service or any part thereof is prohibited and declared to be unlawful. No rate shall be deemed to be unjust or unreasonable unless the Commission finds that the rate in question contravenes the standards set forth in section 307(g) of this part."

(b) Section 305(b) of the Interstate Commerce Act (49 U.S.C. 905(b)) is amended by adding at the end thereof the following sentence:

"No carrier shall be under any obligation to establish a joint rate or division which does not equal or exceed its variable costs as determined pursuant to section 307(g) of this part."

SEC. 402. (a) Sections 307 (a), (b), (f), (g), and (h) of the Interstate Commerce Act (49 U.S.C. 907 (a), (b), (f), (g), and (h)) are amended to read as follows:

"SEC. 307. (a) Any person, State board, organization or body politic may make complaint in writing to the Commission that any rate, fare, charge, classification, rule, regulation, or practice, in effect or proposed to be put into effect, is or will be in violation of this part.

"(b) Whenever, after hearing, upon complaint, or upon its own initiative, the Commission shall be of the opinion that any individual or joint rate, fare, or charge, demanded, charged, or collected by any common carrier or carriers by water this part or any classification, rule, regulation, or for transportation subject to practice whatsoever of such carrier or carriers affecting such rate, fare, or charge or the value of the service thereunder, is or will be unjust or unreasonable, or unjustly discriminatory or unduly preferential or unduly prejudicial, it shall determine and prescribe the lawful rate, fare, or charge or the maximum or minimum, or maximum and minimum rate, fare or charge thereafter to be observed, or the lawful classification, rate, regulation, or practice thereafter to be made effective. The Commission shall not prescribe any individual or joint rate, fare, or charge under this section unless it finds, in the case of maximum rates, fares, or charges that the rate, fare, or charge then in effect exceeds 150 per centum of the fully allocated cost (including a reasonable return on investment), as determined under paragraph (g) of this section, of providing the service in question and that there is no alternative, effective and competitive service by a common or contract carrier, whether or not subject to this Act, other than a carrier or carriers subject to this part; and, in the case of minimum rates, that it finds that the rate, fare, or charge is not conpensatory as determined pursuant to paragraph (g) of this section.

"(f) Whenever there shall be filed with the Commission any schedule by any common or contract carrier by water (except a schedule referred to in section 322) stating a new rate, fare, charge, classification, regulation or practice for the interstate or foreign transportation of passengers or property by a common or contract carrier or carriers by water the Commission may upon protest of interested parties or upon its own initiative, at once and, if it so orders, without answer or other formal pleading by such carrier or carriers, but upon reasonable notice, enter upon an investigation concerning the lawfulness of such rate, fare, charge, classification, regulation, or practice, and pending such hearing and the decision thereon, the Commission, by filing with such schedule and delivering to the carrier or carriers affected thereby a statement in writing of its reasons for such suspension, may from time to time suspend the operation of such schedule and defer use of such rate, fare, charge, classification, regulation, or practice, but not for a longer period than seven months beyond the time when it would otherwise go into effect; except that, no rate proposed by any such carrier or carriers shall be suspended by the Commission unless, on the basis of factual information by sworn complaint, affidavit or other information furnished by the complainant, the Commission determines, and finds in writing that (a) the carrier or carriers proposal, if allowed to become effective, would result in direct and immediate economic injury to the complainant or the class for which the complainant appears and (b) that other remedies available to the complainant would be clearly inadequate in the absence of suspension, and (c) that the proposed rate would probably be unlawful. After hearing, whether completed before or after the rate, fare, charge, classification, regulation, or practice goes into effect, the Commission may make such order with reference thereto, as would be proper in a proceeding instituted after such rate, fare, charge, classification, regulation, or practice had become effective. If the proceeding shall not have been concluded and an order made within the period of suspension, the proposed rate, fare, charge, classification, regulation, or practice shall go into effect at the end of such period. At any hearing involving a complaint that a common carrier or carriers have established or proposed a rate, fare, or charge which exceeds 150 per centum of the fully allocated cost (including a reasonable return on investment), the burden of proof shall be upon the carrier proposing the change to show that the rate, fare, or charge is just and reasonable; the burden of proof shall be upon the complainant, or the Commission if it investigates on its own initiative, to show that there exists no alternative effective, and competitive service by a common or contract carrier, whether or not subject to this Act, other than a carrier or carriers subject to this part. At any hearing involving a complaint that a common or contract carrier or carriers have established or proposed a rate, fare, or charge which is not compensatory, the complainant shall have the burden of proof that the proposed rate is unjust and unreasonable. Except as otherwise provided herein, the burden of proof shall be upon the carrier to show that the proposed changed, rate, fare, charge, classification, rule, regulation, or practice is just and reasonable. The Commission shall give the hearing and decision of questions arising under this paragraph preference over all other questions pending before it and decide the same as speedily as possible.

"(g)(1) When used in this section the term "rates" means rates, fares, and charges, and all classifications, regulations, and practices relating thereto.

"(2) All rates of common and contract carriers shall be compensatory; and the Commission may require any carrier or carriers establishing any rates to furnish to the Commission, at the time of the filing of the schedule or at any other time, any information required by the Commission to establish that the rates contained in the schedule are compensatory.

"(3) A rate shall be deemed to be compensatory when it exceeds the variable cost of providing the specific transportation service to which the rate is applicable.

"(4) Where there exists no alternative, effective and competitive service by a common or contract carrier, whether or not subject to this Act, other than a carrier or carriers subject to this part, all common carrier rates shall not exceed 150 per centum of the fully allocated cost (including a reasonable return on investment) of providing the specific transportation to which the rate is applicable.

"(5) Pending the establishment of the cost and accounting standards required by paragraph (7) of this section, the Commission shall use such information and techniques as it deems appropriate for determining variable cost and fully allocated cost (as used in this section).

"(6) The Secretary of Transportation, within one year following the effective date of this Act, shall establish and promulgate rules and regulations concerning the establishment of a uniform cost accounting method by carriers subject to this part. Such rules and regulations shall prescribe the elements of cost to be included in determining the carriers' variable and fully allocated cost. The Secretary shall give due consideration to all items and factors (including the costs of capital) presently used in the ascertainment of costs for ratemaking purposes which the Secretary deems relevant to the determination of variable and fully allocated costs. In the case of fully allocated costs, the Secretary shall also establish standards for the calculation of such costs for the transportation of any commodity or group of commodities on the basis of standard weight shipments for the commodity loaded in the standard equipment used for the transportation of such commodity or commodities. In establishing these rules and regulations, the Secretary of Transportation shall consult with and solicit the views of the Commission, other agencies and departments of the Federal Government, and the representatives of the carriers, their employees, shippers, and the public.

"(7) In any proceeding under this paragraph the Commission shall apply the rules and regulations to be established pursuant to paragraphs (5) and (6) of this section. The Commission shall require all carriers subject to this Act to maintain their accounts in accordance with the rules and regulations established and promulgated by the Secretary of Transportation under paragraph (6) of this section and all accounts, reports and other information required to be submitted to the Commission by any carrier shall conform to these rules and regulations.

"(h) Whenever, after hearing, upon complaint, the Commission finds that any minimum rate or charge of any contract carrier by water, or any rule, regulation, or practice of any such carrier affecting such minimum rate or charge, or the value of the service thereunder contravenes the minimum criteria set forth in paragraph (g) of this section, the Commission may prescribe a just and reasonable minimum rate or charge, or rule, regulation, or practice consistent with paragraph (g) of this section. All complaints shall state fully the facts complained of and the reasons for such complaint and shall be made under oath."

(b) Section 307(i) of the Interstate Commerce Act (49 U.S.C. 907(i)) is hereby repealed.

Sec. 403.(a) Section 309(c) of the Interstate Commerce Act (49 U.S.C. 909(c)) is amended to read as follows:

"(c) Subject to section 310 of this title, upon application as provided in this section, certificate shall be issued to any qualified applicant therefor, authorizing the whole or any part of the operations covered by the application, if it is found that the applicant is fit, willing, and able properly to perform the service proposed and to conform to the provisions of this chapter and the requirements, rules, and regulations of the Commission thereunder, and that the proposed service, to the extent to be authorized by the certificate, is or will be required by the present or future public convenience and necessity; otherwise such application shall be denied. No certificate shall be denied upon the grounds that its issuance would result in the diversion of traffic from any existing carrier unless the Commission finds that granting such license would result in a diminution in the total quantity and quality of service available to the public; except that, for a period of twenty four months following enactment of this Act, his proviso shall apply only with respect to an application which holds a certificate of public convenience and necessity issued by the Commission, and which is seeking to extend the rights accorded in such certificate."

(b) Section 309(d) of the Interstate Commerce Act (49 U.S.C. 909(d)) is amended by adding the following at the end thereof:

"On and after the sixth month following the enactment of this Act, the Commission shall not impose terms, conditions, or limitations in any certificate or permit issued pursuant to this section with respect to commodities carried, ports served, equipment used, or routes used, or otherwise, for the purpose of preventing diversion of traffic from an existing licensed carrier or carriers, unless it finds that, absent such restriction or restrictions, there would be a diminution in the total quantity and quality of service available to the public. In determining whether there is a diminution in the total quantity and quality of service available to the public, the Commission shall specifically consider the effects upon originating and terminating markets and upon the adequacy of short-haul service to, from or between ports intermediate to any originating or terminating market. The Commission shall so structure its certificates as to permit the applicant to engage in efficient, flexible and economic operations. Not later than six months after the enactment of this section, the Commission shall issue appropriate rules and regulations which (1) identify, by specific type or kind, geographic, commodity, operating or other restrictions and limitations imposed in certificates or permits issued pursuant to this section which have the purpose of effect of preventing diversion of traffic from another carrier or carriers, or are inconsistent with efficient, flexible, and economic operations; and (2) establish procedures for the expeditious elimination of such restrictions and limitations in outstanding certificates and permits, in accordance with the tests of this section."

## TITLE V—AGREEMENTS BETWEEN CARRIERS

Sec. 501. Section 5a of the Interstate Commerce Act (49 U.S.C. 5b) is repealed, and the following is enacted in lieu thereof:

"Sec. 601. This part may be cited as part VI of the Interstate Commerce Act.

"Sec. 602.

"(1) As used in this part—

"(a) The term "Commission" means the Interstate Commerce Commission.

"(b) The term "person" means any individual, firm, copartnership, corporation, company association, or joint-stock association; and includes any trustee, receiver, assignee, or person representative thereof.

"(c) The term "carrier" means any common carrier subject to part I, II, or III, or any freight forwarder subject to part IV, of this Act; and

"(d) The term "antitrust laws" has the meaning assigned to such term in section I of the Act entitled "An Act to supplement existing laws against unlawful restraints and monopolies, and for other purposes", approved October 15, 1914.

"(2) Any carrier party to an agreement between or among two or more carriers relating to rates, fares, classifications, divisions, allowances, or charges (including charges between carriers and compensation paid or received for the use of facilities and equipment), or rules and regulations pertaining thereto, or procedures for the joint consideration, initiation or establishment thereof, may under such rules and regulations as the Commission may prescribe, apply to the Commission for approval of the agreement, and the Commission shall by order approve any such agreement (if approval thereof is not prohibited by paragraphs (4), (5), (6), (7) or (12)) if it finds that, by reason of furtherance of the national transportation policy declared in this Act, the relief provided in paragraph (10) should apply with respect to the making and carrying out of such agreement; otherwise the application shall be denied. The approval of the Commission shall be granted only upon such terms and conditions as the Commission may prescribe as necessary to enable it to grant its approval in accordance with the standard above set forth in this paragraph.

"(3) Each conference, bureau, committee, or other organization established or continued pursuant to any agreement approved by the Commission under the provisions of this section shall maintain such accounts, records, files, and memoranda and shall submit to the Commission such reports, as may be prescribed by the Commission, and all such accounts, records, files and memoranda shall be subject to inspection by the Commission or its duly authorized representatives.

"(4) The Commission shall not approve under this section any agreement between or among carriers of different classes unless it finds that such agreement is of the character described in paragraph (2) of this section and is limited to matters relating to transportation under joint rates or over through routes; and for purpose of this paragraph carriers by railroad, express companies, and sleeping-car companies are carriers of one class; pipeline companies are carriers of one class; carriers by motor vehicle are carriers of one class, carriers by water are carriers of one class; and freight forwarders are carriers of one class.

"(5) The Commission shall not approve under this section any agreement which it finds is an agreement with respect to a pooling, division, or other matter or transaction, to which section 5 of this Act is applicable.

"(6) The Commission shall not approve under this section any agreement which establishes a procedure for the determination of any matter through joint consideration unless it finds that under the agreement there is accorded to each party the free and unrestrained right to take independent action either before or after any determination arrived at through such procedure.

"(7) The Commission shall not approve under this section any agreement to the extent that it provides for or establishes procedures for joint consideration or other action protecting or otherwise seeking the suspension of any rate, fare or charge pursuant to section 15(7), 216(g), 307(g), 307 (i), and 406(e) of this Act when such rate, fare, or change is established by independent action; notwithstanding any other provisions of this Act, all such agreements among carriers shall be hereafter subject to such antitrust laws as may be applicable.

"(8) The Commission is authorized, upon complaint or upon its own initiative without complaint, to investigate and determine whether any agreement previously approved by it under this section, or terms and conditions upon which such approval was granted, is not or are not in conformity with the standards set forth in paragraph (2), or whether any such terms and conditions are not necessary for purposes of conformity with such standard, and after such investigation, the Commission shall by order terminate or modify its approval of such agreement if it finds such action necessary to insure conformity with such standard, and shall modify the terms and conditions upon which such approval was granted to the extent it finds necessary to insure conformity with such standard or to the extent to which it finds such terms and conditions not necessary to insure such conformity. The effective date of any order terminating or modifying approval, or modifying terms and conditions, shall be postponed for such period as the Commission determines to be reasonably necessary to avoid undue hardship.

"(9) No order shall be entered under this section except after interested parties have been afforded reasonable opportunity for hearing.

"(10) Parties to any agreement approved by the Commission under this section and other persons are, if the approval of such agreement is not prohibited by paragraphs (4), (5), (6), (7), or (12), hereby relieved from the operation of the antitrust laws with respect to the making of such agreement, and with respect to the carrying out of such agreement in conformity with its provisions and in conformity with the terms and conditions prescribed by the Commission.

"(11) Any action of the Commission under this section in approving an agreement, or in denying an application for such approval, or in terminating or modifying its approval of an agreement, or in prescribing the terms and conditions upon which its approval is to be granted, or in modifying such terms and conditions, shall be construed as having effect solely with reference to the applicability of the relief provisions of paragraph (10).

"(12) On and after the effective date of this Act, the immunity from the operation of the antitrust laws conferred by paragraph (10) shall not be applicable to agreements that permit participation in discussions, agreements or voting on single-line movements or that permit any carrier not physically participating in a particular joint line or interline movement to participate in discussions or agreements, or vote on matters relating to that movement. Copies of all correspondence and writings of any kind made pursuant to all agreements approved by the Commission under this section shall be promptly transmitted to a representative designated by the Commission and said representative shall be furnished notice of and may attend all meetings conducted pursuant to the agreements approved by the Commission. All agreements contravening this paragraph are hereby declared null and void and such agreements henceforth shall not be approved by the Commission under this section.

"(13) All agreements other than those relieved from the operation of the antitrust laws under paragraphs (10) and (12) shall be hereafter subject to such antitrust laws as may be applicable. Enforcement of the antitrust laws as to such agreements shall be vested exclusively in the several district courts of the United States; such enforcement proceedings may be commenced only by the Attorney General. Any agreement among two or more competing carriers relating to rates, fares, classifications, allowances, or changes on competitive traffic, or rules and regulations pertaining thereto, not permitted under this section is prohibited and declared to be unlawful. Any person who shall be injured by any such agreement may file a complaint with the Commission setting forth such violation and asking for damages, costs and attorneys fees as provided herein. A final judgment or decree hereafter rendered in any civil or criminal proceeding brought by the Attorney General under the antitrust laws in connection with an agreement prohibited by this section shall be prima facie evidence in any proceeding brought before the Commission by any person under this part as to all matters respecting which said judgment or decree would be an estoppel as between the parties thereto, except that a consent judgment or decree entered in action under section 4a of the Clayton Act, as amended, section 15 U.S.C. 15a, or entered before any testimony has been taken shall not constitute prima facie evidence and estoppel as between the parties, and except that this paragraph shall not apply to agreements among carriers described in paragraph (7).

"Sec. 603. That in case any common carrier subject to the provisions of this part shall do, cause to be done, or permit to be done any act, matter, or thing in this part prohibited or declared to be unlawful, or shall omit to do any act, matter, or thing in this part required to be done, such common carrier shall be liable to the person or persons injured thereby for the full amount of damages sustained in consequence of any such violation of the provisions of this part, together with a reasonable counsel or attorney's fee, to be fixed by the Commission in every case of recovery, which attorney's fee shall be taxed and collected as part of the costs in the case.

"Sec. 604. That any person or persons claiming to be damaged by any common carrier subject to the provisions of this part may make complaint to the Commission. Actions brought by private parties complaining of violations of this part shall be solely within the jurisdiction of the Commission.

"Sec. 605. So far as may be necessary for the purposes of this part, the Commission and the members and examiners thereof shall have the same power to administer oaths, and require by subpena the attendance and testimony of witnesses and the production of books, papers, tariffs, contracts, agreements, and documents, and to take testimony by deposition, relating to any matter under investigation or complaint, as the Commission has in a matter arising under part I of this Act; and any person subpenaed or testifying in connection with any matter under investigation under this part shall have the same rights, privileges, and immunities and be subject to the same duties, liabilities, and penalties as though such matter arose under part I of this Act, unless otherwise provided in this part.

"Sec. 606. The Commission, after hearing, may make an order directing the payment of damages and fees, and such order shall have the same force and effect and be subject to the same requirements as orders made under part I of this Act.

"Sec. 607. All complaints against carriers under this part shall be filed with the Commission within four years from the time the cause of action accrues, and not after; and except, that whenever any civil or criminal proceeding is instituted by the Attorney General to prevent, restrain, or punish as violations of the antitrust laws, any agreements among carriers, but not including an action under section 4a of the Clayton Act, as amended, section 15 U.S.C. 15a, the running of the statute of limitations in respect to every private right of action arising under this part and based in whole or in part on any matter complained of in said proceeding shall be suspended during the pendency thereof and for one year thereafter."

## TITLE VI—EFFECTIVE DATE AND TRANSITIONAL PROVISIONS

Sec. 601. The amendments made to parts I, II, and III of the Interstate Commerce Act shall, except as provided otherwise in this Act, become effective on enactment.

Sec. 602. (a) Notwithstanding the provisions of this Act, no carrier or group of carriers shall increase or reduce any rate, as defined in parts I, II and III of the Interstate Commerce Act by more than twenty per centum of the base rate in the first twelve calendar months following the enactment of this Act or by more than twenty additional per centum of the base rate during the thirteenth through twenty-fourth months; except, this paragraph shall not apply unless complaint is made protesting said increase or decrease; and except, this section shall not apply to rates, fares, or charges tendered or quoted to the United States, State or municipal governments.

(b) Each carrier's "base rate" under this section applicable to transportation of a particular commodity between particular points shall be such carrier's tariff, rate, fare, or charge published and on file with the Interstate Commerce Commission ninety days prior to the date of enactment of this Act pertaining to the transportation of such commodity between such points.

(c) The "base rate" for any carrier which had no tariff, rate, fare, or charge published and on file with the Interstate Commerce Commission ninety days prior to the date of enactment of this Act applicable to transportation of a particular commodity between the particular points, or within the year prior to the date of enactment of this Act, did not perform any transportation service pursuant to such tariff, rate, fare or charge, shall be the lowest tariff, rate, fare, or charge published and on file with the Interstate Commerce Commission of any carrier of the same mode ninety days prior to the date of enactment of this Act at which the commodity involved was transported pursuant to such tariff, rate, fare or charge.

(d) In the event no shipments of a particular commodity were transported by any carrier between particular points in the year previous to the date of enactment of this Act, this section shall not apply.

Sec. 603. Nothing in this Act shall affect any rate or tariff filed with the Commission or any action heretofore undertaken pursuant to any agreement approved by the Commission under section 5a of the Interstate Commerce Act, and lawfully in effect on or before the date of enactment of this Act; nor shall this Act, without further application to and disposition by the Commission, affect any outstanding orders of the Commission or any proceeding in which a final order of the Commission has been entered. Any proceeding commenced on or before the date of enactment of this Act, but not subject to a final order of the Commission as of the date of enactment thereof, shall be conducted in accordance with the provisions of this Act.

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The Secretary of Transportation,
*Washington, D.C., November 5, 1971.*
Hon. Spiro T. Agnew,
*President of the Senate,*
*Washington, D.C.*

Dear Mr. President: There is transmitted herewith a proposed bill, the short title of which is "Transportation Regulatory Modernization Act of 1971," together with a section-by-section analysis of the bill.

This proposed bill, together with a proposed bill entitled "Transportation Assistance Act of 1971," is recommended by the Department as part of its program to insure the existence of a safe, efficient and economic surface transportation system. This program recognizes the vital role of surface transportation in the prosperity and growth of our national economy.

There is perhaps no single industry upon which the economy depends as much for its growth and even its continued functioning as surface freight transportation. Yet, the performance of this industry has become increasingly unsatisfactory; price increases have accelerated while service has deteriorated often to the detriment of the shipping and consuming public. Some carriers, notably railroads, are in severe financial straits. A major cause of the industry's unsatisfactory performance appears to be the presence of outmoded regulatory constraints. The allocation of resources is inefficient due to regulatory requirements that are doubtful relevance considering the abundant and diverse competition between carriers of the same and different modes that characterizes the present domestic surface transportation industry.

The proposed bill addresses these concerns by making a number of amendments to the Interstate Commerce Act, the basic governing regulatory statute for domestic surface transportation. In general, the purpose of these amendments is to modify and modernize a number of existing regulatory constraints. The premise of the bill is that increased reliance on competitive forces and the ability of the carriers to respond to these forces free of unneeded constraints is an essential prerequisite to the revitalization of a privately-owned transportation system that is capable of providing efficient and economical service to its users. The bill also reflects the need for greater precision and certainty in the regulatory process in that it contains more explicit standards and limitations in the regulatory laws than have generally existed in the past. These standards, in turn, reflect an increased understanding and knowledge of the economic characteristics and performance of the several modes of domestic surface transportation.

The need for revising and modernizing the regulatory laws affecting surface transportation has been recognized for many years, and numerous proposals for such revision have been advanced and considered by the Congress. Few specific changes have been made, however, due to the complexities of the regulatory laws themselves and the equally complex interplay of the regulatory laws and the numerous investments, arrangements, and commitments that have been made under the present regulatory system.

This proposed bill is sent forward to provide for explicit public and Congressional focus on the most immediate and pressing issues in surface transportation regulation within the context of the present regulatory system. We are confident that the basic elements embodied in this bill are sound and will materially improve the Nation's surface transportation industry. Certainly, we appreciate that, because of their impact on established practices of both shippers and carriers, many of its specific details are controversial. Some parts are complex. However, resolution of these questions can come about through a full public discussion of the issues involved and the options for change. We would therefore urge prompt and early hearings on this proposal in order to begin this needed examination.

### SUMMARY OF BILL

The following outlines the major regulatory problems with which the bill is concerned and the way in which the bill deals with these problems. The provisions of the bill are concerned solely with revisions in the regulation of direct common and contract carriers subject to parts I, II, and III of the Interstate Commerce Act. No changes are proposed in the regulation of domestic surface freight forwarders or other indirect carriers subject to the Commission's regulation under part IV of the Act.

### *I. Rates*

### The Problem

The current regulatory structure severely limits the scope of individual carrier initiative in rate setting. This has produced a rate structure often unrelated to the costs of the most efficient carriers, with consequent misallocation of resources in transportation. There are two important manifestations of the inefficiency produced by current rate regulation. First, regulation reduces competition among carriers and modes. As a result many rates are above the costs (including reasonable return on investment) of the most efficient carriers. This causes shippers and ultimate consumers to pay more than is required for transportation services and prevents traffic from flowing to the most efficient carriers. While the precise cost involved is difficult to quantify, it is estimated that the cost runs into billions of dollars annually. Second, for a number of reasons, some rates are or appear to be below the cost of the particular transportation service involved. This serves as a financial drain on the carriers involved, with consequent deterioration of their overall service capability, and it forces other rates above cost to offset this financial drain. This rate structure creates distortions not only in transportation, but in the rest of the economy as well; the inefficient producer who enjoys a below-cost rate is maintained, while the efficient producer with an excessive rate is held back.

Rate regulation appears to have had a particularly unfavorable effect on the financial condition of the railroads. The incidence of below-cost rates is preponderantly on the railroads with perhaps as much as twenty percent of their traffic moving under such rates. And, because the railroads' cost advantage lies in frequently highly priced long-haul traffic, they have also been hurt by regulatory inhibitions on their ability to attract this traffic by reducing rates. Both from the standpoint of overall efficiency and the need to improve the financial condition of the rail carriers, an environment conducive to rate making more heavily premised on costs is a first priority.

### *Rate provisions of the bill*

Given the transportation alternatives available to most shippers in today's transportation market, a more cost-based rate structure could be achieved by permitting competitive forces to substitute for rate regulation. This bill provides for such a substitution, with appropriate safeguards. Individual carriers are permitted to change rates up or down without regulatory approval, subject to the following limitations:

1. Rates must not be preferential or discriminatory as these terms are now defined in the Interstate Commerce Act.

2. In monopoly situations where there exists no alternative competitive service, other than another carrier of the same mode as the carrier publishing the rate in question, the ICC is empowered to establish a maximum rate at fully allocated cost plus fifty percent. In other words, a shipper must have a choice of mode, not merely the choice of another carrier of the same mode, for rates to exceed such maximum rate.

3. A carrier cannot set rates below the variable cost of moving the traffic. This provision will prevent predatory rate reductions designed to eliminate competitors from the market and prevent the impairment of the financial position of carriers proposing noncompensatory rates.

4. Rate freedom is introduced gradually. If protested, rates may change by no more than twenty percent in the first year after enactment and an additional twenty percent in the second year. This provides carriers and users time to adapt to the new rate structure.

The ICC's power to suspend rate changes for a hearing on their lawfulness is retained; however, the bill precludes the ICC from suspending a rate unless it finds that the complainant (a) will be directly injured by the change, (b) has no alternative remedy, (c) will probably sustain his complaint. In addition, the burden of proof that a rate reduction is predatory falls on the complainant. No change is being made in the existing law permitting any industry association, agricultural or manufacturing society, governmental entity or other persons from appearing in a representative capacity before the Interstate Commerce Commission in rate making procedures.

### *II. Rate bureaus*

### The Problem

Under section 5a of the Interstate Commerce Act, carriers subject to the Commission's regulation are permitted to make agreements respecting the collective establishment of rates, interchange of equipment and similar matters. Upon compliance with the provisions of section 5a and approval of such an agreement by the Commission, the agreement and joint actions by the carriers under it are granted immunity from the antitrust laws. The principal vehicles for these concerted activities are carrier rate associations and bureaus which have been established on an intramodal and intermodal basis.

While carrier rate bureaus do perform a number of important functions, particularly in the establishment of rates and regulations for the interchange and facilitation of traffic moving over the lines or routes of two or more carriers, it appears that the activities of rate bureaus and associations have a retarding effect on carrier competition by discouraging flexibility and innovation in carrier pricing and services. Thus, to the extent increased reliance on competitive forces and the ability of the carriers to respond to these forces free from unnecessary constraints are deemed desirable, the retention of section 5a and carrier agreements established under it in their present form would be inconsistent with that policy objective. Moreover, a basic justification for the departures from a national policy favoring free and open competition as expressed in the antitrust laws authorized by section 5a has been the existence of extensive regulatory authority over carrier rates and practices. Inasmuch as other sections of the bill are designed to lessen regulatory supervision in this area, a principal justification for collective carrier pricing would be removed.

### Rate Bureau Provisions of the Bill

For reasons mentioned above, section 5a of the Interstate Commerce Act has been revised and for reasons of legal clarity recast into a new Title VI of the Act as follows:

1. Antitrust immunity will no longer extend to agreements which permit discussions, voting, or any other concerted action with respect to any rate or any other matter which applies to only the traffic or routes of a single carrier. Immunity would also no longer extend to concerted action by any carrier or carriers who physically participate in the joint movement under discussion.

2. No agreement could be approved by the Commission which authorized a rate bureau to protect or otherwise seek the supervision of any rate proposed by an individual carrier. Such activity would be made subject to the antitrust laws insofar as they are applicable.

3. All correspondence and other documents concerning any meeting of a rate bureau must be transmitted to the ICC and an ICC representative may attend all such meetings.

4. All rate bureau agreements not made immune by this Title are subject to the antitrust laws and the prosecution for violations is vested in the Attorney General.

5. A private action is created for shippers and carriers before the ICC for single dam-

ages caused by a violation of these provisions. Additional civil remedies and all criminal actions would be available only in court and then only to the Attorney General under the antitrust laws. A final judgment in favor of the Attorney General could, however, be used as prima facie evidence of a violation by a private party before the ICC.

In connection with this provision of the bill, several matters should be made clear. First, rather than attempt to indicate all of the many rate bureau activities which might be permitted under a Commission-approved agreement, the thrust of these changes is to indicate those specific rate bureau activities that cannot be approved by the Commission and will no longer be immunized from the operation of the antitrust laws. The Commission retains its present authority to approve all rate bureau agreements and to impose such *additional* limitations and conditions on the activities of rate bureaus as it believes are reasonable and necessary. Second, a single carrier will often be in competition with a joint rate and through route offered by two or more carriers for the same traffic. So long as no concerted action was involved, nothing in this proposal would prohibit a single-line carrier from individually establishing a rate competitive with a joint rate established through the rate bureau mechanism.

Third, the feature of this proposal that prohibits the Commission from approving rate bureau agreements that allow the rate bureau to protest or otherwise seek the suspension of an individual carrier's rate does not preclude one or more carriers from exercising their right of petition under other provisions of the Interstate Commerce Act and is not meant to repeal the decision of the Supreme Court in *Eastern Railroad Presidents Conference* v. *Noerr Motor Freight Lines, Inc.*, 365 U.S. 127 (1961). To the extent the antitrust laws are applicable in this area, however, this feature of the bill will permit their operation.

### *III. Railroad abandonment*

### The Problem

With the growth of the highway network, the railroads' major cost advantage lies in long-haul movements. In spite of this, rail system mileage is only slightly smaller than in 1900. Much of this is in light density branch line whose maintenance and operating cost constitute a major financial drain on the railroads. It is notable that the railroads in greatest financial difficulty all have substantial amounts of branch line relative to main line, while the strongest railroads have little branch line trackage. Abandonment of much branch line trackage appears essential to restoration of the railroads' financial health and to concentration of their resources where they are most efficient.

However, regulatory procedures have discouraged rail abandonments. Under current procedures, the Commission may require continued operation of an uneconomic line if it determines this to be required by the "public convenience and necessity." There are no explicit economic standards for defining this term. As a result, abandonment cases often entail protracted hearings, and the prospect of going through the expense, delay and uncertainty of this regulatory process discourages the filing of abandonment applications.

### Abandonment Provisions of the Bill

The bill seeks to speed up the regulatory process in abandonment cases and to provide concrete standards for adjudicating them. At the same time, the right of the users to adequate notice, and, in some cases, to the continued operation of the line, on a compensatory basis for the carrier, is maintained. In addition, the job protection provisions of the current Act are retained.

The bill requires a railroad to give three weeks' public notice prior to the filing of any abandonment application to the Commission and permits the railroads to abandon the line thirty days after the filing, if there is no complaint. If, upon complaint to the ICC by a user, it is determined that the abandonment would substantially injure the user, the abandonment may be suspended for six months. During this period, the Commission must determine whether the line lost money in the past twelve months. In determining losses, the bill adopts a standard based on the variable costs of the line or operation in question.

For light density lines or operations, defined in the bill as those failing to generate at least one million gross ton miles of traffic per mile over the twelve-month period prior to the application, where losses can be presumed, the bill does not require that the railroad initially demonstrate losses. Where the Commission finds that a particular line or operation is covering its variable costs, the application must be denied, except that no application shall be denied if the continuation of such line or operation would require the making of capital improvements, the economic cost of which will not be covered by an excess of revenues over the variable costs of such line or operation over the life of such improvements. If the railroad did lose money, and shippers have effective substitute service available, the application must be granted. If no effective alternative transportation service is available for a money-losing line, the Commission may delay the abandonment for an additional six months. At the end of this period, the Commission must grant abandonment unless revenues are then found sufficient to meet variable costs, through, for example, improved operating efficiencies, rate adjustments, or direct financial compensation from private or governmental entities.

The sequence of steps outlined above and the precise standards required for settling abandonment cases should reduce the expense and delay of abandonments, while protecting the interests of users substantially affected by an abandonment.

### *IV. Entry of trucks and water carriers*

### The Problem

The entry of a common carrier into a new market (both as to routes and commodities which may be carried) requires operating authority from the ICC. In the case of common carriers, this takes the form of a certificate of public convenience and necessity. At the same time, larger shippers have been encouraged to use their own trucks or contract carriers, even though these may be more expensive to operate than common carrier trucks. The commodity and routing restrictions on the common carriers appear to have kept their costs higher than seems desirable.

In addition to these considerations, modernization of regulation over entry seems desirable in light of the bill's provisions for speeding up rail abandonments. An accelerated pace of rail abandonment should cause substantial increases in the demand for trucking in areas suffering loss of rail service. However, it would appear that unless entry restrictions are revised, shippers in these areas may not receive adequate substitute service in a timely fashion. Revised entry in trucking and water carriage is also desirable because of rate flexibility granted the carriers. Any tendency for existing carriers to use rate making freedom to exploit a strong market position could be checked by a potential for new entry. Further, as below-cost rail rates rise, there may be an increased demand for substitute truck and barge service for these commodities. Thus, the rate provisions of the bill may generate considerable shifts in the demand for truck and barge resources.

### ENTRY PROVISIONS OF THE BILL—MOTOR AND WATER CARRIER

In addition to the basic statutory requirement that the applicant is fit, willing and able to perform the service in question the Commission applies the following criteria in determining whether the public convenience and necessity require new entry:

1. the degree to which the new operations will serve a useful purpose responsive to a public need;
2. whether the public need can or will be served as well by existing carriers; and
3. whether this need can be served by the applicant without endangering the operations of existing carriers contrary to the public interest.

The bill seeks to revise entry restrictions while retaining certification requirements and the present process. The requirement for an ICC certificate to enter new markets is retained as is the present requirement that an applicant be "fit, willing and able" to perform common or contract carriage. The present criteria for determining public convenience and necessity are modified only to preclude denying entry because of any adverse effect on the traffic of a competing carrier. The Commission may deny an application for entry on these grounds only if a protestant carrier can demonstrate that, as a result of certification, total quantity and quality of service in the market to be served would be reduced.

In addition, the bill precludes the Commission from imposing restrictions in such areas as commodities carried, points served, equipment or routes used or otherwise in grants of new entry on the grounds that the restriction is necessary to prevent adverse effect on a competing carrier unless such adverse effect would impair the overall quantity or quality of service in the market to be served. In determining whether such an impairment occurred, the bill requires the Commission to consider specifically the effects of a change upon originating and terminating markets and upon the adequacy of short-haul service to, from, or between points intermediate to an originating or terminating market. If impairment would occur either in the market in general or in short-haul service to, from, or between points intermediate to an originating or terminating market, the Commission retains the authority to maintain commodity, points served, equipment or route restrictions.

In order to permit orderly implementation of these changes, the bill provides for the following transitional provisions:

1. The provisions precluding the Commission from denying an application because of adverse effect on a competing carrier will apply for a twenty-four month period after enactment only to applications of existing regulated carriers which seek to extend their operating authority. Applicants holding no previous authority to operate from the Commission would be subject to the present standards for this period.
2. Because of the complexities involved, the prohibition against imposing restrictions to prevent harm to a competitor would not become effective until the ICC established, within six months of the bill's enactment, procedures for identifying these restrictions (as distinct from restriction imposed for other reasons) and for purging outstanding certificates of such restrictions.

### *V. Freight car supply*

### The Problem

There are today frequent shortages of freight cars, especially at periods of peak demand, even as the average freight car moves less than three hours each day. One reason for this is that the rental rates paid by one railroad to another (per diems) for use of freight cars and the rates paid by shippers for keeping freight cars on their sidings (demurrage) have both been held down by the ICC. This discourages rapid turn-around of freight cars and reduces the incentive to build and maintain freight cars. Also, the per diem and demurrage structure does not adequately reflect the different costs of the various types of freight cars.

Per diem and demurrage provision

Under the Interstate Commerce Act demurrage is treated the same way as other freight rates, and charges, so that rate flexibility provided by the rate provisions of the bill will govern the level of demurrage charges. The bill proposes to shift the regulatory authority over per diems from the Interstate Commerce Commission to the Department of Transportation. The Department is currently studying desirable revisions in the per diem structure, and this provision will enable quick implementation of the results of that study. No change is made in the provisions of the Interstate Commerce Act dealing with the issuance by the Commission of emergency freight car service orders or other matters relating to freight car service.

*VI. Other provisions*

Other rate provisions of the bill are:

1. State regulatory agencies are given four months to adjust intrastate railroad rates to interstate rates, after which the Interstate Commerce Commission may acquire exclusive jurisdicion. This is designed to counter the tendency of some states, by inaction, to hold up changes in intrastate rates, some of which are now below cost (and so burden interstate rates.)

2. The requirement for railroads to establish joint rates for through movements with other railroads or water carriers is retained, but only where the division of the rate is compensatory to all participants.

3. The ability of government agencies (federal and local) to obtain free or special reduced rates is modified in order to remove a source of competitive inequality among shippers.

In view of the importance and difficulty of the problems addressed by this proposed legislation, the Department of Transportation respectfully urges that these proposals be given full and timely consideration and discussion by the Congress.

The Office of Management and Budget has advised that the enactment of this proposed legislation would be in accord with the program of the President.

Sincerely,

James M. Beggs,
*Acting Secretary.*

### SECTION-BY-SECTION ANALYSIS

#### TITLE I

Section 101. This Act may be cited as the "Transportation Regulatory Modernization Act of 1971."

#### TITLE II

Section 201. Subsection (a) amends subsection 1(4) of the Interstate Commerce Act (49 U.S.C. 1(4) to provide that no railroad is obligated to establish a joint rate or division which is not compensatory. The determination of whether such rate would compensate the carrier—i.e., equal or exceed its variable costs—is made in accordance with the standard established under section 205 of this Act.

Subsection 201(b) amends subsection 1(5) of the Interstate Commerce Act (49 U.S.C. 1(5)) to provide a general definition of the term "rate" to be used throughout part I of the Interstate Commerce Act. A rate is defined to include all tariffs, rates, fares, charges, and classifications, regulations and practices which relate to tariffs, rates, fares, or charges. Subsection 1(5) is also amended to provide that no rate shall be deemed to be unjust or unreasonable unless the Commission finds, under the new standard set forth in section 205 of this Act, either that there is no alternative, effective, and competitive service by a common or contract carrier of another mode and the rate exceeds 150 percent of the fully allocated cost (including a reasonable return on investment) of providing the specific transportation service involved or that the rate in question is so low as to be noncompensatory.

Subsection 201(c) of this Act amends subsection 14(a) of the Interstate Commerce Act (49 U.S.C. 1(14)(a)), by transferring the authority to establish the compensation paid by one railroad to another for the use of freight cars and other equipment from the Interstate Commerce Commission to the Secretary of Transportation.

Section 202. Subsection (a) amends subsections 1(18)–1(20) and 1(22) of the Interstate Commerce Act (49 U.S.C. 1(18)–1(22)), to provide a completely new procedure for railroad abandonment. Subsections 1(18) through 1(20) of the Interstate Commerce Act are amended to exclude abandonments from the operation of those subsections. Subsection 1(22) of the Interstate Commerce Act is completely rewritten to establish a clear procedure for Commission handling of proposed abandonments of unprofitable rail lines. Under the provision, carriers are prohibited from abandoning any portion of a line of railroad unless the abandonment complies with the new procedures. A new system of notice to the public is established. To abandon any line, or operation therefore, a railroad must, 30 days before the scheduled date of the proposed abandonment, file with the Commission a notice of the proposed abandonment, attaching a sworn statement that the notice has been served by mail upon the governor of each state in which any portion of the line or operation is proposed to be abandoned; a sworn statement that the notice of abandonment has been posted in every station on the line; and a sworn statement that, for three consecutive weeks prior to the filing of notice with the Commission, the carrier has published notice of abandonment in a newspaper of general circulation in each county in or through which the railroad operates.

Any shipper who has used the line or lines proposed for abandonment during an 18-month period prior to filing, and can demonstrate substantial economic injury if the line or operation is abandoned, may protest the abandonment by a filing of a complaint with the Commission. In the event no complaint is filed, the Commission shall issue a certificate permitting the abandonment as requested. In the event such complaint is filed, the Commission shall have authority to investigate the proposed abandonment, and can suspend the abandonment for six months beyond its originally scheduled date. The Commission must upon investigation approve the abandonment *unless* it finds that (a) either the line or lines in question have generated at least one million gross ton miles of traffic per mile over the last 12 months prior to the filing of a notice, and the revenues attributable to the line, lines, or operations in question have been sufficient to cover the variable cost thereof (including a reasonable return on investment) for a period of 12 months prior to the filing, or (b) that the line or lines in question *have not* generated at least one million gross ton miles of traffic per mile over the last 12 calendar months prior to the filing of notice or the revenues attributable to the line, lines, or operation have not been sufficient to cover the variable costs thereof (including a reasonable return on investment) for a period of 12 months prior to the filing, and the users of the line, lines, or operation have no effective, alternative and competitive transportation other than over the line or lines in question. No application for abandonment shall be denied if the continuation of the line or operation in question requires the making of capital improvements, the economic cost of which will not be covered by an excess of revenues over the variable costs of such line or operation over the life of such improvement.

In the event the Commission makes a finding pursuant to clause (a), i.e., that the line is generating sufficient traffic and is bringing in revenues sufficient to cover its variable cost, the Commission shall issue an order denying the abandonment. In the case of the finding under clause (b), i.e., that the line is not generating sufficient traffic or has not brought in sufficient revenues *and* the users have no other effective, competitive service, the Commission may retain jurisdiction an additional six months. At the close of such additional six-month period, the Commission shall issue a certificate authorizing abandonment unless it finds that, as a result of changed circumstance, such as improved operating efficiencies, rate adjustments, or direct financial aid from users and/or States or their political subdivisions, revenues then cover variable costs. When the Commission makes findings regarding variable costs, all costs determinations will be made in accordance with the rules established by section 202(b) of this Act. Section 202(a) also provides that upon the complaint of affected employees or their representatives the Commission may attach terms and conditions for job protection to any certificate of abandonment as in its judgment the public convenience may require.

Subsection 202(b) adds a new subsection 1(23) to the Interstate Commerce Act, which requires the Secretary of Transportation within one year of enactment to promulgate rules and regulations prescribing uniform costs accounting and revenue accounting methods to be used by rail carriers. These rules are to be used by the Commission in calculating variable cost under subsection 202(a). The Secretary of Transportation must solicit the views of the Interstate Commerce Commission, other agencies, carriers, their employees, shippers and the public before promulgating these rules. Prior to the establishment of the cost accounting rules by the Secretary of Transportation, the Commission is to use such information and techniques as it deems appropriate for determining variable cost.

Subsection 202(b) also incorporates the enforcement provision previously found in subsection 1(20) of the Interstate Commerce Act, providing for injunctions for unauthorized construction, operation or abandonment along with criminal penalties of $5,000 or three years in prison, or both.

Section 203. This section adds a new subsection 13(5) to section 13 of the Interstate Commerce Act (49 U.S.C. 13), and is designed to encourage prompt State action on rates which give undue preference to intrastate movements to the detriment of interstate or foreign commerce. It provides that when a rail carrier has applied to a State regulatory body for a change in an intrastate rate, or a practice affecting a rate, for the purpose of adjusting the intrastate rate to that charged on the same kind of traffic moving in interstate or foreign commerce, and the State regulatory body has not acted finally within 120 days, the Interstate Commerce Commission, upon application to it and notice to the State regulatory body, shall have exclusive authority to determine and prescribe such rate, fare or charge.

Section 204. Subsection (a) limits the power of the Commission in prescribing rates to the new standards established under the broad zone of reasonableness.

Subsection 204(b) amends subsection 15(7) of the Interstate Commerce Act to provide for new standards for ICC rate suspensions, and for a more equitable and realistic burden of proof in rate proceedings. The amendment provides that no proposed rate by a carrier may be suspended by the Commission unless the Commission finds, on the basis of factual information by sworn complaint, that (a) the rate would result in direct and immediate economic injury to the complainant or the class for which it appears, (b) that other remedies available to the complainant would be clearly inadequate and (c) the proposed rate would probably be unlawful.

At any subsequent hearing the burden of proof is carefully tailored by the amendment to conform to equitable principles of modern jurisprudence and to reflect the ability of the parties to come forward with evidence relevant to the ultimate issues. The amendment thus provides that at any hearing involving a complaint that a railroad has proposed a rate, fare or charge exceeding the maximum criteria established by Section 205 of this Act, the burden of proof is upon the carrier proposing the change to show the rate, fare, or charge does not exceed the cost related boundaries set forth in this Act. The carrier challenged will be in possession of the requisite data relating to this issue. The burden of proof on the additional ultimate issue that there is no alternative, effective and competitive service is placed on the complainant, since the complainant, usually a shipper, a shipper association, or the Commission, will be in the best position to know who might provide competitive service in moving the traffic.

At a hearing on a complaint that the railroad has established or proposed a rate, fare or charge which is not compensatory under the test established by section 205 of this Act, the burden of proof is on the complainant (usually another carrier), or the Commission if it initiated an investigation without a complaint, to prove the rate is below variable cost. These parties should have sufficient data augmented by discovery to meet this burden. At the same time harassment of carriers desiring to lower rates for shippers within the legitimate zone of reasonableness under section 205 will be discouraged.

Section 205. Insofar as the legislation deals with present regulatory constraints upon ratemaking, this section contains the key feature of the Act. The section establishes a broad "zone of reasonableness' within which rates cannot be challenged as "unreasonable." Of course, rates in this broad range would still be subject to challenge under the antidiscrimination provisions of the Interstate Commerce Act, sections 2, 3 and 4 (49 U.S.C. 2–4). This new provision will, it is believed, facilitate rapid response by carriers to changing market conditions—both in the transportation market and also in the markets of their customers. Ratemaking under the new test will be streamlined, rely more upon the private mechanisms of competition and innovation, and encourage rates which are more cost-oriented.

The zone of reasonableness established by section 205 provides that on the low side all rates must be compensatory. To be compensatory the rate must exceed the variable cost of providing the specific transportation service involved.

On the high side of the zone, section 205 provides that where there is no alternative, effective, and competitive service by a common or contract carrier, other than by a carrier subject to part I of the IC Act (i.e. railroads, express companies, and oil pipeline companies) the rate shall not exceed 150 percent of the fully allocated cost, including a reasonable return on investment, of providing the specific transportation service involved. The alternative service must not represent a hypothetical alternative, it must provide adequate rate and service competition to the carrier desiring to exceed the upper cost limit so that the shipper can move his goods by another reasonable means of transportation. This section also provides that the Secretary of Transportation will, within one year, promulgate rules and regulations prescribing uniform cost and revenue accounting methods which are to be used by the Commission in determining variable and fully allocated cost. In the case of fully allocated costs, the Secretary shall also establish standards for the calculation of standardized costs of transporting commodities or groups of commodities. The Secretary is instructed to consult with and solicit the views of the Commission, other agencies, carriers and their employees, shippers and the public before the rules are promulgated. Rail carriers are required to maintain their accounts in accordance with these rules. The Commission shall use such information and techniques as it deems appropriate for determining costs under this section.

Section 206. This provision repeals that portion of section 22 of the Interstate Commerce Act (49 U.S.C. 22) which had permitted carriers to provide transportation to Federal, State, and municipal governments at no cost or at rates below those charged to private shippers on comparable traffic. This will place private and public shippers on a more equal footing and require government, as a shipper, to pay its share of the nation's transportation bill, instead of placing a subsidy burden on private shippers or carriers. Other provisions of section 22 would remain intact, permitting special rates for eleemosynary activities and for other limited purposes. The new provision would continue to permit government rates to be negotiated to apply retroactively and to be removed from the suspension powers of the Commission.

### TITLE III

Section 301. This section amends section 207 of the Interstate Commerce Act (49 U.S.C. 307) to provide that a motor carrier shall not be denied a certificate of public convenience and necessity on the grounds that it would divert business from any existing carrier unless the Commission finds that the grant of the certificate would cause a diminution in the total quantity and quality of service then enjoyed by the shipping public. For the first two years following enactment of this Act only a carrier already holding a certificate may take advantage of this liberalized certification standard. For the first two years following enactment of this Act any previously uncertificated carrier would be required to follow those procedures which now apply under the current language of section 207 of the Interstate Commerce Act.

Section 302. This provision amends subsection 208(a) of the Interstate Commerce Act (49 U.S.C. 308(a)) to specify that, beginning six months after enactment of this Act, no limitations may be placed in any certificate or permit so as to limit the commodities carried, points served, routes used, or otherwise impose limitations for the purpose of preventing the diversion of traffic from an existing carrier unless the Commission finds that there would be a diminution in the total quantity and quality of service to the shipping public. The Commission is directed to structure certificates so as to permit efficient, flexible and economic operations by the applicant.

Section 302 provides further that the Commission issue rules and regulations which identify by specific type, kind, commodity or geographic origin any restrictions or limitations imposed in certificates or permits which have the effect of preventing diversion of traffic or are inconsistent with efficient, flexible, and economic operations. The Commission is also directed to establish procedures to expedite the elimination of restrictions in outstanding certificates and permits.

Section 303. This section amends subsection 209(b) of the Interstate Commerce Act (49 U.S.C. 309(b)) to remove the requirement that the Commission consider the effect on protesting carriers of granting an application for a permit by a contract carrier. This amendment will conform with the intent of the bill to liberalize entry in surface transportation and to remove barriers to entry conceived solely to protect the traffic of a particular carrier.

Section 304. This Act amends subsections 216(d), (e), (g), and (i) of the Interstate Commerce Act (49 U.S.C. 316(d), (e), (g), and (i)) dealing with motor carrier ratemaking. These amendments are made largely to establish the similar procedures for motor carrier cases and the same "zone of reasonableness" test as that provided for rail carriers under sections 204 and 205 of this Act, discussed above.

Section 305. Subsection 305(a) amends subsection 218(b) of the Interstate Commerce Act (49 U.S.C. 218(b)) to provide that if the Commission finds any minimum rate, fare or charge or rule, regulation or practice affecting a minimum rate or charge of a contract carrier by motor vehicle is not compensatory in accordance with subsection 216(i) of the Interstate Commerce Act, as amended by this Act, the Commission may prescribe a just and reasonable minimum rate, charge, rule, regulation, or practice consistent with redrafted subsection 216(i).

Subsection 305(b) repeals subsection 218 (c) of the Interstate Commerce Act. This Act incorporates those provisions in subsection 305(a).

### TITLE IV

Sections 401–402. These sections, amending sections 305 and 307 of the Interstate Commerce Act (49 U.S.C. 905, 907), are designed to establish parallel procedures and the same rate standards for common and contract water carriers as for rail and motor carriers, discussed previously. Comparable rail and motor carrier provisions are found in sections 201, 204, 205 and 304 of this Act.

Section 403. This section amends subsection 309 of the Interstate Commerce Act (49 U.S.C. 909) to provide revised tests for the granting of certificates of convenience and necessity and permits comparable to those established for motor carriers by sections 301, 302 and 303 of this Act, discussed previously.

### TITLE V

This title provides for a new part VI of the Interstate Commerce Act and amends section 5a of the Interstate Commerce Act (commonly referred to as the Reed-Bulwinkle Act) (49 U.S.C. 5b), to provide for increased pricing initiative on the part of individual carriers by rail, motor vehicle, and water. This amendment would remove antitrust immunity from agreements among carriers which permit participation of competitors in horizontal rate and service discussions and agreements. Also Title V makes any joint action to protest or seek the suspension of any rate, fare, or charge established by independent action subject to such antitrust laws as may be applicable. (New section 602(7) set forth in Title V).

The immunity provisions are narrowed by new subsection 602(12) set forth in Title V. That subsection provides that immunity from the antitrust laws shall not extend to agreements permitting participation in discussions, agreements, or voting on single-line movements or that permit any carrier not physically participating in a particular joint line or interline movement to participate in negotiations, agreements, or voting relating to that movement. This subsection also requires that a copy of all writings pertaining to the agreements be transmitted to a representative designated by the Commission and a representative of the Commission shall be furnished notice of and may attend all meetings conducted pursuant to agreements approved by the Commission.

Enforcement of the antitrust laws with respect to conduct no longer immunized is vested exclusively in the district courts of the United States, and such proceedings may be commenced only by the Attorney General.

A private individual, however, is provided a right of action before the Interstate Commerce Commission and may recover damages, costs and attorneys fees in that forum under new section 603 set forth in Title V. A final judgment in any court proceeding in an action brought by the Attorney General shall be prima facie evidence in any proceeding before the Commission and serve as an estoppel between the parties. A consent judgment, a judgment entered before any testimony has been taken, or a judgment entered under section 4a of the Clayton Act which allows the United States to sue for actual damages to the Government, shall not be deemed a "final judgment" for these purposes.

New section 604 set forth in Title V provides that the Commission shall have exclusive jurisdiction over claims of private parties under this title.

New section 605 set forth in Title V gives Commission members and examiners the power to administer oaths, require attendance and testimony of witnesses, require the production of documents and take depositions in actions under this Title.

New section 606 set forth in Title V provides that orders of the Commission awarding damages shall have the same force and effect as other orders issued under part I of the Interstate Commerce Act.

New section 607 set forth in Title V adopts the antitrust statute of limitations for private complaints under this Title. Complaints must be brought within four years from the time the cause of action accrues. However, the statute of limitations is tolled during the course of any proceeding instituted by the Attorney General, except no tolling operates in the event of a proceeding brought by the Attorney General under section 4a of the Clayton Act to recover actual damages for the Government.

### TITLE VI

Section 601. All sections of this Act become effective on enactment unless otherwise indicated.

Section 60 . This section provides for a transition period to permit an orderly adjustment to the new regulatory system.

Subsection 602(a) provides that for one year after enactment there can be no rate changes of more than twenty percent of the applicable base rate. During the second year, an additional twenty percent rate change may be made. Section 602 will not apply to rates, fares or charges of the United States, State or municipal governments.

Subsection 602(b) defines "base rate" as the individual carrier's rate on file with the Commission 90 days prior to enactment of this Act.

Subsection 602(c) establishes a procedure for determining a "base rate" for a carrier which had no rate on file 90 days prior to enactment for transporting a particular commodity between particular points or for those who may have had a rate on file but for the previous year had not physically transported any goods of that particular type over that particular route. The "base rate" for these carriers will be the lowest rate on file with the Commission 90 days prior to enactment at which the particular commodity was actually transported.

Subsection 602(b) provides that if no shipment of a particular commodity over a particular route occurred within the previous year then section 602 of this Act will not apply and rates may be set subject only to the maximum and minimum criteria set out in section 304 and subsection 401(a).

Section 603. This Act shall not affect any rate lawfully in effect at the time this Act is enacted nor shall any rate approved by the Commission under the current section 5a and lawfully in effect prior to enactment be affected. This section also provides that any proceeding commenced before enactment of this Act but not finally decided by the Commission shall be subject to this Act.

By Mr. DOLE (for himself, Mr. PEARSON, Mr. MILLER, and Mr. DOMINICK):

S. 2843. A bill to designate November 11 of each year as Veterans Day and to make such day a legal public holiday. Referred to the Committee on the Judiciary.

### VETERANS DAY

Mr. DOLE. Mr. President, today, November 11, is a day of great significance to America. It is the day on which in the year 1918 the armistice ending World War I was signed. It is the day which, until this year, was set aside to honor the men and women who have served America's Armed Forces in defense of freedom.

Millions of Americans have sacrificed of their service, their limbs and bodies, and of their lives to secure and strengthen the ideals of liberty, freedom, and democracy which gave birth to our Nation.

These Americans—our veterans—have earned in fullest measure the respect, gratitude, and recognition of their fellow countrymen. Their contribution to America is unique; and, likewise, America's tribute to them should be unique. For years, that tribute, falling on the 11th day of November, was unique and appropriate.

In 1954—in response to the efforts of Kansas Congressman Ed Rees—the name was changed from "Armistice Day" to "Veterans Day," retaining the date of November 11. The change was signed into law by President Eisenhower in June of that year. But recently, another change was made, and a new holiday was created to fall on a Monday in October with an ever-changing date and without historic or symbolic significance. Thus the date of November 11 was stripped of its officially sanctioned recognition leaving neither a unique nor an appropriate national day of recognition for our veterans.

Today, November 11, is Veterans Day and always will be in the hearts and minds of millions of Americans. The change in the legal holiday cannot erase the significance of this date, even though it defeats the reason and the purpose of observing Veterans Day. An extra 3-day weekend is little justification for slighting this Nation's tribute and homage to the men and women who have made free holidays possible at all. So, Mr. President, with these thoughts in mind, I am today introducing legislation to reinstate the date of November 11 as Veterans Day, a legal holiday and once again provide a fitting and unique day of recognition for America's veterans.

I would welcome the cosponsorship of my colleagues in the Senate. And I would hope the Congress will act swiftly to correct this situation and restore November 11 as our official national day of salute and recognition to the men and women who have so proudly worn the uniform of the United States.

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By Mr. HATFIELD (for himself and Mr. MOSS):

S. 2845. A bill for the relief of United States Pumice Co., Los Angeles, Calif., and for other purposes. Referred to the Committees on the Judiciary and Interior and Insular Affairs, jointly.

Mr. HATFIELD. Mr. President, I introduced a bill for the relief of United States Pumice Co., and for other purposes. Because section 3 of this bill involves the withdrawal of any lands and minerals within the Three Sisters Wilderness in Oregon from appropriation under the U.S. mining laws and from disposition under all laws pertaining to mineral leasing and all amendments thereto, I ask unanimous consent that the bill be jointly referred to the Senate Committee on Interior and Insular Affairs and to the Senate Committee on the Judiciary.

The PRESIDING OFFICER. Without objection, it is so ordered.

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By Mr. YOUNG of North Dakota:

S. 2846. A bill to establish more orderly bargaining procedures and market conditions in the dairy industry. Referred to the Committee on Agriculture and Forestry.

### DAIRYMEN'S BARGAINING ACT

Mr. YOUNG. Mr. President, I introduce for appropriate reference a bill, Dairymen's Bargaining Act. The bill is designed:

To enable dairy cooperatives supplying milk to the market to negotiate more effectively for the terms and conditions of the sale of milk;

To provide compensation for services performed in connection with the market of milk; and

Generally to establish more orderly bargaining procedures and market conditions.

Through the years, cooperatives have been able to bargain relatively well on behalf of dairy farmers.

With ever greater competition from larger organizations, however, new tools are needed by farmers and their cooperatives for carrying on such self-help programs as bargaining.

With experience we have learned that effective bargaining by groups—whether for products or services—often determines their ability to obtain adequate returns for their productivity.

In principle, the proposed legislation has the following objectives: First, bargaining effectively for the price of milk. Within the last 4 years prices paid by the farmers for equipment, services, interest, taxes, farm labor wages, and other expenses have increased about 20 percent. By comparison, however, prices received by dairy farmers for all milk wholesale have increased only by about 12 percent. Dairy farmers therefore need improved prices for milk. Second, dairy farmer cooperatives are not paid adequately for performing services essential to operations of a market. A milk price can be meaningful only in relation to compensation for such services.

In today's complex marketing, for example, handlers may require delivery of milk only 4 or 5 days a week. Since cows give milk 7 days a week, however, there is a need to cover related costs for storage, transportation, and processing.

Milk delivered with a specified butterfat content, also, involves greater costs than milk delivered direct from the farm.

Cooperative associations should be encouraged to provide such services to improve marketing efficiency and demands. This benefits all dairy farmers, milk plants, and the consuming public. If the cooperatives provide such services, however, they should receive adequate compensation.

I request consent to have printed at this point in the RECORD a summary of the Dairymen's Bargaining Act; and (2) a copy of the act itself.

There being no objection, the bill and summary were ordered to be printed in the RECORD, as follows:

### DAIRYMEN'S BARGAINING ACT

#### I. PURPOSE

The Dairymen's Bargaining Act is designed:

To establish more orderly bargaining procedures;

To enable dairy cooperatives supplying milk to the market to negotiate more effectively for the terms and conditions of the sale of milk;

To provide compensation for services performed in connection with the marketing of milk;

To eliminate inequities in existing marketing practices; and

To ensure stable marketing conditions for consumers.

#### II. ADMINISTRATION OF THE ACT

The Act would be administered by a National Milk Marketing Board, established as an independent agency of the United States.

The Board would be comprised of twelve directors to be appointed by the President after giving consideration to seven nominations by cooperative associations; four nominations by handlers regulated by the milk marketing order system, and one nomination by the Secretary of Agriculture.

#### III. CERTIFICATION OF BARGAINING AGENCY

To qualify for certification, an agency consisting of cooperatives would be required to show that:

It represented more than half the producers and more than half the milk subject to a milk marketing order;

It has offered membership in the agency on a reasonable basis with proportionate representation to all cooperatives qualified under the marketing order;

It will be capable of performing, or of having performed, all services for producers, handlers, and the market included in its request for certification.

#### IV. FUNCTIONS OF BARGAINING AGENCY

Upon certification, the bargaining agency would be responsible for performing a variety of functions in support of the market. The agency would:

(a) Bargain with handlers for prices to be paid for all producer milk delivered to a market (except prices for lowest use classification);

(b) Bargain with handlers for services to be performed, and the minimum rates to be paid for such services;

(c) Provide essential services which benefit all producers, and the market;

(d) Collect from handlers all prices for milk negotiated by their bargaining agency, and all charges for services;

(e) Pay producers either directly, or through their respective cooperative, or through handlers, out of funds collected by the certified agency;

(f) Utilize a portion of such collected funds to pay compensation and expenses necessary to the functioning of the bargaining agency.

The certified agency would be authorized to use the facilities of the market administrator of an order marketing area to collect funds, and disperse payments under marketing agreements.

#### V. TERMS AND CONDITIONS OF NEGOTIATIONS

Agreements between the certified agency and handlers receiving more than 50 percent of the producer milk received by all handlers would be binding on all milk under the market.

Negotiated prices will also be applicable to milk received by handlers from sources other than producers.

Negotiated prices may be applicable to producer milk disposed of outside the marketing area, or a negotiated agreement may exclude such milk.

Rates for services negotiated by the certified agency shall not be discriminatory to any handler, taking into consideration variations in service, costs, and circumstances.

#### VI. LEGAL ACTIONS

Under this Act, all complaints would be brought first to the National Milk Marketing Board for its consideration and decision. Actions may be instituted by any handler, producer, cooperative or certified agency affected under this Act.

Appeals from decisions of the Board would go directly to the U.S. Court of Appeals.

The Act would make it permissible for cooperatives, through the certified agency, to bargain for prices and rates for services with handlers, singly or in groups, with immunity from the antitrust laws.

To protect the public, the Secretary of Agriculture would have authority to initiate action if he believes that bargaining for prices has resulted in an undue enhancement of the price of milk; and if this happens, he may cause to have issued a cease and desist order against such activities.

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### S. 2846

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SECTION 1. This Act may be cited as the Dairymen's Bargaining Act.

SEC. 2. Disorderly conditions in the marketing of milk, inadequate prices paid dairy farmers for milk, inadequate compensation for services performed in connection with the marketing of milk, unequal distribution of the costs of providing such services, the lack of adequate provisions concerning responsibility for the performance of such services, and the lack of adequate bargaining power of dairy farmers and dairy cooperatives, adversely affect interstate and foreign commerce, impede the free and orderly flow thereof, and interfere with the production of goods for such commerce. It is the purpose of this Act to mitigate or eliminate these conditions by providing orderly bargaining procedures whereby dairy cooperatives supplying milk to a market can negotiate effectively for the terms and conditions under which milk will be supplied and for the terms and conditions under which services will be provided in connection with the marketing of milk.

SEC. 3. For the purposes of this Act—

(a) "Commerce" means interstate and foreign commerce as covered by the Marketing Agreement Act and the interpretations and applications of that Act with regard to such commerce shall be applicable to this Act.

(b) "Board" means a National Milk Marketing Board established under the authority of this Act.

(c) "Marketing Agreement Act" means the Agricultural Marketing Agreement Act of 1937, as amended, and as the same may be further amended.

(d) "Marketing order" means a Federal milk marketing order in effect under the Marketing Agreement Act.

(e) "Cooperative" means a cooperative marketing association as defined in the applicable marketing order. It includes also a federation, or marketing agency in common, of such cooperatives.

(f) "Person" means any individual, partnership, corporation, association, cooperative or other business unit.

(g) "Certified agency" means an agency, organized by one or more cooperatives, which has been certified by the Board as the bargaining agent for an applicable marketing order for the purposes of this Act.

(h) "Producer" means a producer as defined in the applicable marketing order.

(i) "Producer milk" means milk received from producers.

(j) "Handler" means a handler as defined in the applicable marketing order.

(k) "Negotiated price" means that portion of the price, terms, and conditions of sale for milk which is over the minimum price established by the applicable marketing order for any use classification.

(l) "Department" means the United States Department of Agriculture.

(m) "Secretary" means the Secretary of Agriculture of the United States.

(n) References herein to a handler, plant, cooperative, certified agency, board, the Department, the Secretary, or any other person or entity to which this Act applies includes any officer, employee or other person authorized to act for such respective principals in any matter under this Act.

SEC. 4. There is hereby created a National Milk Marketing Board which shall be an independent agency of the United States. The Board shall consist of twelve directors to be appointed by the President of the United States after giving consideration to the nominees selected in the following manner. One director shall be nominated by the Secretary. Seven directors shall be nominated by cooperatives qualified under the several marketing orders in effect at the time of their election. Four directors shall be nominated by handlers regulated under the several marketing orders in effect at the time of their election.

SEC. 5. The Secretary shall conduct all proceedings for nominations for directors and shall certify all such nominations to the President. Voting by cooperatives and by handlers shall be related to volume of milk regulated under applicable marketing orders. The Secretary shall divide the marketing orders into seven producer districts, giving consideration to volume of milk marketed, geography, types of operations of cooperative associations and other factors. Each such producer district shall be entitled to nominate one director. The Secretary shall divide the marketing orders into four handler districts, each of which shall be entitled to nominate one director. Such districts may be revised from time to time. All such districts shall be designated, and the method of conducting all proceedings for nomiations, shall be prescribed by regulation promulgated by the Secretary.

SEC. 6. The terms of directors shall be three years, except that the Secretary shall provide, by regulation, for staggered terms. Vacancies shall not impair the authority of the remaining directors to act. Seven directors shall constitute a quorum. The Board shall elect its own officers, may employ necessary staff, may utilize the services and facilities of the Department, and shall be authorized to do all things necessary to carry out its functions under this Act. The compensation of directors shall be prescribed by the Secretary by regulation.

SEC. 7. The Board shall:

(a) Designate certified agencies pursuant to this Act;

(b) Receive, investigate, hear, and adjudicate complaints under this Act;

(c) Enforce prices and the payments of rates for services determined in accordance with bargaining agreements entered into with handlers by certified agencies under this Act;

(d) Have the cooperation of the Secretary in making available necessary information relative to milk marketing orders pertinent to investigations, hearings, or enforcement actions of the Board;

(e) Promulgate regulations to effectuate the purposes of this Act; and

(f) Do all things necessary or incidental to the performance of its functions under this Act or which are necessary to accomplish the objectives of this Act.

SEC. 8. When requested to do so by one or more cooperatives, which represent substantial amounts of producer milk supplied to handlers regulated by a marketing order, the Board shall hold a public hearing to determine whether an agency is entitled to be certified as a certified agency.

SEC. 9. The Board shall certify such agency as a certified agency if the Board finds:

(a) That such agency, through its member cooperative or cooperatives, will represent more than 50 percent of the producers, and more than 50 percent of the producers milk, under such marketing order;

(b) That all of the cooperatives represented in such agency will be cooperatives qualified under such marketing order;

(c) That such agency will be capable of performing, or of having performed under its direction and as its responsibility, all of the services for producers, handlers, and the market, which it includes in its request for certification; and

(d) That such agency offers membership in the agency on a reasonable basis with proportionate representation to all cooperatives qualified under the marketing order, and will notify all qualified cooperatives of agency meetings.

Such representation shall be related to number of producers, or to volume of producer milk, or a combination thereof, as prescribed in the applicable certification. Those cooperatives which accept such offer shall become members of the agency.

The Board may, in any such certification, include conditions and limitations consistent with this Act and with the purposes and objectives of this Act. Certifications issued by the Board may be amended.

The name of the certified agency shall be related to the applicable marketing order and not to any cooperative.

SEC. 10. The certified agency shall have authority:

(a) To bargain with handlers for prices to be paid for all producer milk in excess of the minimum prices prescribed in the applicable marketing order, except prices for producer milk in the lowest use classification under the marketing order.

Prices negotiated by the certified agency shall be uniform as to all handlers to the same extent that uniform prices are required under the Marketing Agreement Act.

Prices for producer milk in any use classification, except the lowest use classification, negotiated by the certified agency with handlers receiving more than 50 percent of the producer milk received by all handlers in any such use classification shall be binding on all handlers in the same manner and with the same force and effect as minimum prices prescribed in the marketing order.

Negotiated prices shall be made applicable on equal basis to milk received by handlers in bulk form from sources other than producer milk. Negotiated prices shall be made applicable to milk received by handlers or otherwise entering the marketing area in packaged form from sources other than producer milk to the same extent that such packaged milk is subject to regulation under the terms of the applicable marketing order. Negotiated prices may be made applicable to producer milk which is disposed of outside of the marketing area or the negotiated agreement may exclude such milk. This Act shall not preclude any cooperative or producer from bargaining for a price above the negotiated price for any use classification.

(b) To bargain with handlers for services to be performed and the minimum rates to be paid for services related to the marketing of milk. The certified agency shall be primarily responsible for the performance of any services negotiated by it but it may have any or all of such services performed by others. The certified agency shall have no power to require any cooperative or other person to perform services, unless such cooperative or other person shall agree to do so. The negotiated agreement shall not preclude any cooperative from performing services for any handler, except that the rate charged shall not be less than the negotiated rate for similar services.

Rates for services negotiated by the certified agency shall not be discriminatory as to any handler, taking into consideration variations in service, cost, and circumstances.

Minimum rates for services relating to producer milk in any use classification, negotiated by the certified agency with handlers receiving more than 50 percent of the producer milk received by all handlers in any such use classification shall be binding on all handlers in the same manner and with the same force and effect as the minimum price prescribed in the marketing orders.

Rates for services negotiated by the certified agency shall not be binding on milk received by handlers from sources other than producer milk, except to the extent that any handler shall agree to pay the same.

(c) To provide services for producers and to pay for such services, including payment to itself. The certified agency may not preclude any cooperative from performing services for its members.

(d) To provide services for the market generally and to pay for such services, including payment to itself. Except with respect to its bargaining operations, the certified agency shall not provide representation for any producer or any cooperative at any hearing, or proceeding where statements may be filed, if it is notified not to provide such representation. In the absence of such notice, the certified agency may represent all producers and all cooperatives.

(e) To collect from handlers all prices for milk negotiated by the bargaining agency in excess of the minimum prices provided in the marketing order and all charges for services negotiated by the certified agency in excess of any charges provided in the marketing order, except that the agency shall not collect from a handler, including a cooperative operating in its capacity as a handler, for services performed on its own behalf.

(f) To use any funds arising under this Act to pay such compensation and expenses as may be necessary to provide any of the services authorized by this Act, including compensation and expenses allowed and paid to the certified agency or to any of its members. This shall include operating costs, staff, and all other costs and expenses related to the performance of the functions of the certified agency.

Reasonable reserves and capital may be accumulated by the certified agency.

All such payments, allowances, reserves, and capital shall be reasonable, shall be subject to demonstrated cost, shall be subject to review by the Board upon the complaint of any interested party and may be limited in the certification of the agency.

(g) To pay producers, either directly, or through their respective cooperatives, or through handlers, the respective amounts due such producers out of any funds collected by the certified agency under the authority of this Act. Any cooperative may request that such payment be made through it. The amount due producers shall be the balance remaining from collections on the milk supplied by them less authorized deductions.

In the case of milk received by handlers from other than producer sources, the amounts collected, less authorized deductions, shall be paid to the sellers of such milk by the certified agency either directly or through the handlers acquiring such milk.

In no case will the certified agency bind any cooperative to any action which will interfere with any marketing contract or membership agreement between the cooperative any any of its members.

The certified agency may use the facilities of the market administrator of an order for a marketing area to collect funds, pool proceeds, and disburse funds in payment of prices and services negotiated under this Act.

SEC. 11. All decisions of the certified agency shall be supported by a vote of two-thirds or more of the votes represented through the certified agency.

SEC. 12. Each certified agency shall be adequately bonded.

SEC. 13. In the case of a cooperative which does not process milk, other than preliminary processing prior to shipment or sale to a processor as bulk milk, the producers and producer milk represented by such cooperative shall be counted in determining whether a certified agency represents more than 50 percent of the producers and more than 50 percent of the producer milk.

In the case of a cooperative which does processing other than preliminary processing, the cooperative may elect to be counted on the producer side or on the handler side under this Act. If it elects to be counted on the producer side, its processing volume shall not be counted in determining the percentage of producer milk received by all handlers. If it elects to be counted on the handler side, its producers and producer milk shall not be counted in determining the percentage of producers and producer milk. If it elects to be counted as a handler, it shall be considered a handler for bargaining purposes and shall not participate in the certified agency.

SEC. 14. The certification of a certified agency shall be terminated by the Board (1) if the Board finds that the certified agency is not operating in a manner consistent with the objectives of this Act or (2) if the certified agency requests such termination or (3) if the certified agency, through its member cooperative or cooperatives, shall cease to represent more than 50 percent of the producers, and more than 50 percent of the producer milk, under the applicable marketing order. The effective date of such termination shall be set by the Board, and equitable provisions shall be prescribed by the Board for the adjustment and settlement of any outstanding contracts and accounts.

SEC. 15. All contracts and commitments entered into under this Act shall be subject to modification or cancellation (1) by the Secretary in a proceeding for undue enhancement of prices, (2) by the Board upon termination of the certification of the certified agency, and (3) by the Board upon a determination that the contract or commitment is contrary to the purposes and objectives of this Act or is unlawful. Equitable conditions for any such modification or cancellation may be prescribed. The provisions of this section shall be deemed a part of each contract and commitment entered into under this Act.

SEC. 16. This Act shall be applicable to producer-handlers to the same extent that the Marketing Agreement Act shall be applicable to producer-handlers.

SEC. 17. It shall be lawful for a certified agency, or for any cooperative or group of cooperatives, to meet at the same time and place with one or more, or with all, handlers for the purpose of bargaining in good faith and at arms-length with such handlers;

and any one or more, or all, handlers may meet at the same time and place with a certified agency, or with any cooperative or group of cooperatives, for the purpose of bargaining in good faith and at arms-length in the respective individual capacities of such handlers.

Sec. 18. All actions concerning the legality of this Act, or of any provision thereof, or of any action taken or contract or commitment entered into pursuant to this Act, and all actions and complaints arising under this Act, shall first be brought before the Board for its consideration and decision. This section shall not apply to enforcement actions brought by the Board or the certified agency or to proceedings for undue enhancement of prices.

Sec. 19. The procedures provided in the Marketing Agreement Act (7 U.S.C. Sec. 608c (15)) for actions before the Secretary shall apply under this Act to actions before the Board, except that actions before the Board under this Act may be instituted by any handler, producer, cooperative, or certified agency, directly affected under this Act, and except that appeals from decisions of the Board shall go directly to the United States Court of Appeals.

Sec. 20. All of the enforcement powers, and all of the actions and procedures, available to the Secretary under the Marketing Agreement Act are made applicable to this Act and shall be available to the Board and to certified agencies under this Act.

Sec. 21. Pending a final decision in any enforcement action or in any action brought before the Board, including appeals, any payments being contested shall be paid.

Sec. 22. If the Secretary shall have reason to believe that the activities of any certified agency have unduly enhanced prices for milk, he shall initiate a proceeding to determine whether such activities have, in fact, unduly enhanced such prices; and, if so, he shall cause a cease and desist order to be issued against such activities as are found to be resulting in such undue enhancement of prices.

The procedures provided in section 2 of the Capper-Volstead Act (7 U.S.C. Sec. 292) shall be applicable to proceedings under this section.

Sec. 23. The Secretary may prescribe regulations relating to his responsibilities under this Act, after notice and hearings, in the same manner that regulations are prescribed under the Marketing Agreement Act. The Board may prescribe regulations relating to its responsibility under this Act, after notice and hearing, in the same manner that regulations are prescribed under the Marketing Agreement Act.

Sec. 24. This Act does not amend, alter, or repeal any provision of the Marketing Agreement Act.

Sec. 25. If any of the provisions of this Act or any of the applications thereof are held invalid, the remainder of this Act and other applications shall not be affected but shall remain in full force and effect.

Sec. 26. There is hereby authorized to be appropriated such funds as may be necessary to carry out the purposes of this Act.

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By Mr. STEVENS:

S. 2847. A bill to amend title XVIII of the Social Security Act to provide for coverage, under part A of such title, of emergency hospital services provided in Canada to traveling United States Nationals between Alaska and another State. Referred to the Committee on Finance.

Mr. STEVENS. Mr. President, since statehood, we in Alaska have had many problems arise which, due to our geographic separation from the lower 48, require a modification in Federal programs if they are to equitably service Alaska. The bill which I introduce today as an amendment to the medicare program is a sterling example of the kind of inequity toward Alaska that I feel certain we all wish to see discontinued.

Elderly people traveling to or from Alaska have no choice but to travel through Canada on such a trip. Yet as medicare legislation now reads, these people, if they fall ill while making this totally necessary trip through Canada because Alaska is not contiguous to the lower 48, are not eligible for medicare benefits if they are hospitalized in Canada en route to or from Alaska. Mr. President, I believe this is so obviously unjust to Alaska that it is my feeling it was likely just an oversight when this legislation was enacted by Congress.

I owe a deep sense of gratitude to one of our Alaskans, Mrs. Manila Talley, who brought this problem to my attention. Many elderly Alaskans have had a totally unfair financial hardship because of this blackout in medicare coverage due to our State's location and I deeply appreciate her initiative in bringing this to my attention.

I believe the amendment I offer today to title XVIII of the Social Security Act will solve Alaska's problem. It is only fair and right. I deeply hope there will be no difficulty in its rapid consideration and approval by the committee.

I ask unanimous consent that the bill be inserted in the Record following my remarks.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2847

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 1814(f) of the Social Security Act is amended—

(1) in paragraph (1) thereof, by inserting "(A)" immediately after "(1)";

(2) in paragraph (2) thereof, (A) by striking out "(2)" and inserting in lieu thereof "(B)", and (B) by striking out the period at the end thereof and inserting in lieu thereof "; or"; and

(3) by adding at the end thereof the following new paragraphs:

"(2)(A) at the time that the emergency which necessitated such inpatient hospital service occurred such individual was in Canada traveling without unreasonable delay by the most direct route (as determined by the Secretary) between Alaska and another State; and

"(B) such hospital was closer to, or substantially more accessible from, the place where such emergency occurred than the nearest hospital within the United States which was adequately equipped to deal with, and was available for the treatment of, such individual's illness or injury.".

Sec. 2. The amendments made by this Act shall apply to services furnished with respect to admissions to hospitals occurring after the month in which this Act is enacted.

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By Mr. HATFIELD (by request):

S. 2849. A bill to amend the Internal Revenue Code of 1954, as amended. Referred to the Committee on Finance.

Mr. HATFIELD. Mr. President, it has been brought to my attention that the Commissioner of the Internal Revenue Service on August 25, 1971, proposed amendments to regulations previously issued by the Commissioner under authority granted to him by Congress to prepare and issue regulations in connection with the administration of section 1502 of the Internal Revenue Code.

Section 1502 pertains to regulations applicable to the filing of consolidated returns by certain affiliated groups. The Commissioner was originally granted this broad authority to prepare regulations under this section because Congress recognized that the administration of that provision would require complex and technical rules.

Regulations under this section were first promulgated in 1955 and subsequently amended on September 7, 1966. It must be realized that complex regulations of this type, which in many cases are radically new in their treatment of tax matters, would not be perfect when initially promulgated and therefore must be subject to clarification. In such cases, however, taxpayers should not be penalized by imperfect regulations which are later changed and therefore changes should in most cases be retroactive to afford all taxpayers equal protection.

This is particularly so when certain regulations proposed by the Commissioner in section 1502 are subsequently found to override or exclude the application of other sections of the code. It is my intention, therefore, in offering this bill not to be critical of the actions of the Internal Revenue Service, but rather to afford the protection of knowing clearly the intent of the Congress and also to afford all taxpayers equal, fair, and just treatment.

I am introducing this bill today, by request, in hopes it will correct this situation. I will consider calling it up as an amendment to H.R. 10947, the Revenue Act of 1971.

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By Mr. ANDERSON (for himself, Mr. Fulbright, and Mr. Scott):

S.J. Res. 173. A joint resolution to provide for the appointment of A. Leon Higginbotham, Jr., as citizen regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

Mr. ANDERSON. Mr. President, section 42 of the United States Code provides that the business of the Smithsonian Institution shall be conducted at the city of Washington by a Board of Regents composed of the Vice President, the Chief Justice of the United States, three Members of the Senate, three Members of the House of Representatives, and nine other persons, other than Members of Congress, two of whom shall be resident in the city of Washington, and seven of whom shall be inhabitants of some State, but no two of them of the same State. Appointments to the Board of the class other than Members of Congress are made by joint resolutions of the Congress for 6-year terms. Board members serve without compensation, but receive reimbursement for traveling and other expenses incurred in attending meetings of the Board.

The number of regents of the class

other than Members of Congress was increased from six to nine by Public Law 91–551, approved December 15, 1970. The Board of Regents of the Institution has nominated Mr. A. Leon Higginbotham, Jr., of Philadelphia, Pa., to be one of the new appointments to the Board.

I ask unanimous consent that a short biography of Mr. Higginbotham be printed in the Record at this point.

There being no objection, the biography was ordered to be printed in the Record, as follows:

### Short Biography of A. Leon Higginbotham, Jr.

Judge Higginbotham was born in 1928. He received his Bachelor of Arts from Antioch College in 1950 and his Bachelor of Laws from the Yale University Law School in 1953.

He was admitted to the Pennsylvania Bar in 1953 and appointed that year as Assistant District Attorney for Philadelphia County. He served in that position very briefly, turning to the private practice of law in Philadelphia in 1954.

In 1962, he became the first Negro to be appointed to the Federal Trade Commission. He served with the Commission until January 1964, when he was appointed Judge of the U.S. District Court for Philadelphia. He is presently serving in that capacity.

He has been a member of the NAACP, Philadelphia branch, since 1959; and also served with the Pennsylvania Fair Employment Commission. In 1968, he was appointed to President Johnson's National Commission on Violence.

By Mr. ANDERSON (for himself, Mr. Fulbright, and Mr. Scott):

S.J. Res. 174. A joint resolution to provide for the appointment of John Paul Austin as Citizen Regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

Mr. ANDERSON. Mr. President, section 42 of the United States Code provides that the business of the Smithsonian Institution shall be conducted at the city of Washington by a Board of Regents composed of the Vice President, the Chief Justice of the United States, three Members of the Senate, three Members of the House of Representatives, and nine other persons, other than Members of Congress, two of whom shall be resident in the city of Washington, and seven of whom shall be inhabitants of some State, but no two of them of the same State. Appointments to the Board of the class other than Members of Congress are made by joint resolutions of the Congress for 6-year terms. Board members serve without compensation, but receive reimbursement for traveling and other expenses incurred in attending meetings of the Board.

The number of Regents of the class other than Members of Congress was increased from six to nine by Public Law 91–551, approved December 15, 1970. The Board of Regents of the Institution has nominated Mr. John Paul Austin of Atlanta, Ga., to be one of the new appointments to the Board. I ask unanimous consent that a short biography of Mr. Austin be printed in the Record at this point.

There being no objection, the biography was ordered to be printed in the Record, as follows:

### Austin, John Paul

Beverage co. exec.; b. La Grange, Ga., Feb. 14, 1915; s. Samuel Yates and Maude (Jernigan) A.; A.B., Harvard, 1937. LL. B., 1940; m. Jeane Weed, July 14, 1950; children—John Paul, Samuel Weed. Admitted to N.Y. bar, 1940; practiced in N.Y.C., 1940–41, 45–49; mem legal dept. Coca-Cola Co., 1949–50, exec. v. p., 1961–62, pres., dir., 1962—, chief. exec. officer, 1966—; exec. v.p. Coca-Cola Export Corp, 1958–59, pres., dir., 1959—; dir. Continental Oil Co., Morgan Guaranty Trust Co., N.Y.C., Gen. Elec. Company. Trust Company of Georgia, Atlanta, Ga. Served as comdr. USNR, 1942–45. Clubs: Racquet and Tennis, Links, (N.Y.C.); Blind Brook Golf (Purchase, N.Y.); Capital City, Peachtree Golf (Atlanta). Office: P.O. Box 1734, Atlanta, Georgia.

By Mr. ANDERSON (for himself, Mr. Fulbright, and Mr. Scott):

S.J. Res. 175. A joint resolution to provide for the appointment of Robert Francis Goheen as Citizen Regent of the Board of Regents of the Smithsonian Institution. Referred to the Committee on Rules and Administration.

Mr. ANDERSON. Mr. President, section 42 of the United States Code provides that the business of the Smithsonian Institution shall be conducted at the city of Washington by a Board of Regents composed of the Vice President, the Chief Justice of the United States, three Members of the Senate, three Members of the House of Representatives, and nine other persons, other than Members of Congress, two of whom shall be resident in the city of Washington, and seven of whom shall be inhabitants of some State, but no two of them of the same State. Appointments to the Board of the class other than Members of Congress are made by joint resolutions of the Congress for 6-year terms. Board members serve without compensation, but receive reimbursement for traveling and other expenses incurred in attending meetings of the Board.

The number of Regents of the class other than Members of Congress was increased from six to nine by Public Law 91–551, approved December 15, 1970. The Board of Regents of the Institution has nominated Mr. Robert Francis Goheen, of Princeton, N.J., as one of the new appointments to the Board. I ask unanimous consent that a short biography of Mr. Goheen be printed in the Record at this point.

There being no objection, the biography was ordered to be printed in the Record, as follows:

### Goheen, Robert Francis

Univ. pres.; b. Venguria, India, Aug. 15, 1919; s. Robert H. H. and Anne (Ewing) G; B. A., Princeton, 1940. M. A. (Woodrow Wilson fellow), 1947, Ph. D. (Procter fellow), 1948; LL. D., U. Madras, Rutgers U., Harvard, Yale University, 1957, Temple, Columbia, U. Pa., 1958, State U. N. Y., 1960, Hamilton Coll., 1961, U. N. C., 1962, Notre Dame, U. Denver, N. Y. U.; Litt. D., Brown U., Trinity Coll., 1958; L. H. D., St. Mary's College, 1963. Coll. of Wooster; L. L. D. (hon.), Hofstra University; L. C. D., Middlebury Coll.; m. Margaret M. Skelly, June 21, 1941; children—Anne. (now Mrs. Thomas R. Crane, Junior), Gertrude, Stephen, Margaret, Elizabeth, Charles. Part-time tchr. classics Princeton; 1945–48. instr. classics. 1948–50, asst. prof., 1950–57, prof., 1957, pres., 1957—. Arthur H. Scribner bicentennial preceptor, 1951–54; sr. fellow classics Am. Acad. in Rome, 1952–53; dir. Nat. Woodrow Wilson Fellowship program, 1953–56. Chmn. Citizens Com. for Higher Edn. in N. J.; mem. Nat. Council on Humanities, mem. adv. panel Bur. Near East and South Asian Affairs, Dept. State; mem. U. S. com. Dag Hammarskjold Found. Mem. bd. African-Am. Inst., Belgian-Am. Ednl. Found., Carnegie Found. Advancement Teaching (chmn. 1965–66). Ednl. Testing Service, Albert Parvin Found., Rockefeller Found., Equitable Life Assurance Soc. U. S., Woodrow Wilson Found., Robert Coll., Istanbul, hon. trustee Inst. Internat. Edn. Served from pvt. to lt. col. AUS, 1941–45. Decorated Legion of Merit, Bronze Star. Mem. Am Philol. Soc., Am. Archeol. Soc., Am. Council Edn. (chmn. 1961–62), Council Fgn. Relations, Am. Acad. Arts and Scis., Phi Beta Kappa. Clubs: University (N. Y. C. and Washington); Princeton, Century Assn. (N. Y. C.); Cosmos (Washington); Nassau (Princeton), Author: The Imagery of Sophocles' Antigone, 1951. Address: Princeton U., Princeton, N. J. 08540.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 2709

At the request of Mr. Hatfield, the Senator from New York (Mr. Buckley), and the Senator from Alaska (Mr. Stevens) were added as cosponsors to S. 2709, to permit American citizens to hold gold in the event of the removal of the requirement that gold reserves be held against currency in circulation.

## REVENUE ACT OF 1971—AMENDMENTS

### AMENDMENT NO. 639

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### AMENDMENT NO. 640

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself and Mr. Javits) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 10947), supra.

### AMENDMENT NO. 641

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself, Mr. Stevenson, and Mr. Williams), submitted an amendment intended to be proposed by them, jointly, to the bill (H.R. 10947), supra.

### AMENDMENT NO. 642

(Ordered to be printed and to lie on the table.)

Mr. ROTH (for himself, Mr. Brock, Mr. Buckley, Mr. Dole, Mr. Fannin, Mr. Gurney, and Mr. Proxmire) submitted an amendment intended to be proposed to the bill (H.R. 10947), supra.

### AMENDMENT NO. 643

(Ordered to be printed and to lie on the table.)

### TAX CREDIT FOR POLITICAL CONTRIBUTIONS

Mr. KENNEDY. Mr. President, I am pleased to join with Senator HOWARD CANNON and Senator JAMES PEARSON in sending to the desk an amendment to establish a tax credit for political contributions. The amendment is being offered to H.R. 10947, the Revenue Act of 1971, and we intend to call it up at an appropriate time during the coming debate.

The tax credit we are proposing would contain the following principal provisions:

The amount of the credit would be one-half of a person's political contributions up to a maximum credit of $25 a year for a single person, or $25 for a married couple, or $12.50 for married persons filing separately.

Contributions qualifying for the credit may be made to any candidate for public office—Federal, State, or local.

Contributions qualifying for the credit may be made in connection with any election—general, special, or primary.

Last August, the Senate voted overwhelmingly to pass S. 382, the most comprehensive election reform and campaign financing bill in nearly four decades. Because of parliamentary considerations, one of the few areas not included in the bill was a measure to encourage political contributions. We believe that the time is now especially ripe to take up this issue, and that the tax credit does the job in the most effective possible way.

The concept of tax credits for political contributions has had a distinguished history of support over the past decade. In 1962, President Kennedy's Commission on Campaign Costs issued its report, entitled "Financing Presidential Campaigns." One of the major recommendations in the Commission's report was the enactment of a tax credit for political contributions. As the report stated:

> The recommended credit is intended to encourage large numbers of small gifts. The bulk of * * * campaign funds available to both parties is now supplied by a relatively small group of contributors, giving sums ranging from a few hundred to several thousands of dollars * * *. We hope that this * * * incentive to small gifts will stimulate the massive giving needed by the parties. If it does not, other forms of government subsidy may be inevitable.

Virtually every major study of the political process in recent years has endorsed the concept of the tax credit, and the idea has also been pursued extensively in Congress.

In his message to Congress on "The Political Process in America," in May 1967, President Johnson recommended that Congress undertake an extensive review of the methods of financing election campaigns by means such as direct appropriations, tax credits, tax deductions, Treasury vouchers, and various matching grant plans.

Then in November 1967, after comprehensive hearings and executive sessions by the Senate Finance Committee on numerous proposals, the committee favorably reported H.R. 4890, the "Honest Elections Act of 1967." As recommended by the committee, the bill contained a number of major provisions, including an income tax credit of up to $25 for one-half of the political contributions made by a taxpayer. All but one of the 17 members of the committee supported this provision.

Subsequently, in the 91st Congress, Senator PEARSON and I offered a tax credit amendment on the Senate floor during the debate on the Tax Reform Act of 1969. The amendment was narrowly defeated by the margin of 50 to 45, but the vote was complicated by the fact that the amendment had itself been amended on the Senate floor to add provisions for the reporting and disclosure of campaign contributions, so that no full debate on the merits of the tax credit was possible.

Now, those reporting and disclosure provisions have been passed by the Senate after full debate, and it is entirely appropriate for us to turn our attention to the tax credit.

In light of this prior history, I am confident that a majority of the full Senate favors a tax credit for political contributions. In view of this broad support, I hope that such a provision may become part of our Internal Revenue Code in time for the 1972 election campaign.

The tax credit approach to financing political campaigns has several major advantages over all other methods that have been proposed for financing such campaigns.

First, the tax credit will provide a significant new incentive for participation in the political process by a large proportion of the electorate. One of the most important goals in recent proposals to reform the political process has been to stimulate greater public participation in election campaigns. I believe that the modest tax credit we have proposed will significantly encourage political parties to solicit contributions from small donors. In recent election years, for example, there have been millions of individual campaign contributors, the overwhelming majority of whom were $1 or $2 contributors. By offering a tax credit for half of the contributions by small donors, we will encourage many more individuals to contribute, and we will encourage existing small contributors to raise their contributions to a more substantial level.

Second, by encouraging contributions from small donors, the tax credit will help break down the excessive reliance by candidates on personal wealth or on large contributors. As a result, the tax credit will help to restore public faith in the integrity of the election process. It will help to eliminate the ambiguous relationships created for the successful candidate, in which he is obligated—or at least appears to be obligated—to his large contributors.

Third, the tax credit leaves the decision on the allocation of public funds, through the tax subsidy mechanism, to the choice of the individual taxpayer himself. This point is the central distinction between the tax credit approach and the various proposals made in recent years for direct Federal financing of political campaigns. Both approaches involve a Federal subsidy for political campaigns. Under the tax credit approach, however, unlike these other proposals, the Federal Government plays no part in determining which candidates or committees are to receive public funds or the amount of public funds to be made available to particular candidates. It is the citizen, and the citizen alone, who makes this determination.

Fourth, the tax credit offers financial assistance to candidates not only at the general election stage, but at the primary stage as well, where such assistance can often be of crucial importance.

Fifth, the tax credit offers assistance to candidates not only at the presidential level, but at the congressional, State, and local level as well. This point is especially important. As Senator Robert Kennedy stated in 1967:

> Presidential candidates do not spring, like Minerva, from the brow of Jove. Men earn consideration for the Presidency by their performance in other public office—most often governor or Senator. The expense of nomination to a governorship or a Senate seat—especially in the large states from which most Presidential candidates are drawn—is by itself a substantial barrier to all but men of wealth or their favored candidates. Thus, fair consideration for the Presidency itself requires public support for campaigns for lesser offices at all levels. This support can only come from tax incentives to individual contributions.

Before proposing this legislation, we gave serious consideration to including a tax deduction as an alternative to the tax credit. A tax deduction approach would have many of the advantages of a tax credit, especially with respect to the encouragement of individual choice and participation to the political process, and the avoidance of a Federal role in allocating public funds to political campaigns. However, a tax deduction would cause substantial inequities and disparities in the benefits afforded contributors. Those in the highest tax brackets, at whom the incentive should be least directed, would receive the greatest benefits, whereas taxpayers in the lowest brackets would receive the smallest benefit. By contrast, the benefit of the tax credit is greatest for those in the middle and lower income brackets—precisely those we wish to bring into the political process.

In sum, we believe that the tax credit we are proposing can become one of the major pillars of reform of the political process in America, and we hope that it will have broad support in the Senate.

Mr. President, I ask unanimous consent that the text of the amendment may be printed at this point in the RECORD.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

### AMENDMENT NO. 643

### TITLE VIII—INCOME TAX CREDIT FOR POLITICAL CONTRIBUTIONS

SEC. 801. ALLOWANCE OF CREDIT.

Subpart A of part IV of subchapter A of chapter 1 (relating to credits against tax) is amended by renumbering section 41 as 42, and by inserting after section 40 (as added by section 701(a) of this Act) the following new section:

"SEC. 41. POLITICAL CONTRIBUTIONS.

"(a) GENERAL RULE.—In the case of an

individual, there shall be allowed, as a credit against the tax imposed by this chapter for the taxable year, an amount equal to one-half of so much of the political contributions as does not exceed $50, payment of which is made by the taxpayer within the taxable year.

"(b) LIMITATIONS.—

"(1) MARRIED INDIVIDUALS.—In the case of a joint return of a husband and wife under section 6013, the credit allowed by subsection (a) shall not exceed $25. In the case of a separate return of a married individual, the credit allowed by subsection (a) shall not exceed $12.50.

"(2) APPLICATION WITH OTHER CREDITS.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"(3) VERIFICATION.—The credit allowed by subsection (a) shall be allowed, with respect to any political contribution, only if such political contribution is verified in such manner as the Secretary or his delegate shall prescribe by regulations.

"(c) DEFINITIONS.—For purposes of this section—

"(1) POLITICAL CONTRIBUTION.—The term 'political contribution' means a contribution or gift of money to—

"(A) an individual who is a candidate for nomination or election to any Federal, State, or local elective public office in any primary, general, or special election, or in any National, State, or local convention or caucus of a political party, for use by such individual to further his candidacy for nomination or election to such office;

"(B) any committee, association, or organization (whether or not incorporated) organized and operated exclusively for the purpose of influencing, or attempting to influence, the nomination or election of one or more individuals who are candidates for nomination or election to any Federal, State, or local elective public office, for use by such committee, association, or organization to further the candidacy of such individual or individuals for nomination or election to such office;

"(C) the national committee of a national political party;

"(D) the State committee of a national political party as designated by the national committee of such party; or

"(E) a local committee of a national political party as designated by the State committee of such party designated under subparagraph (D).

"(2) CANDIDATE.—The term 'candidate' means, with respect to any Federal, State, or local elective public office, an individual who—

"(A) has publicly announced that he is a candidate for nomination or election to such office; and

"(B) meets the qualifications prescribed by law to hold such office.

"(3) NATIONAL POLITICAL PARTY.—The term 'national political party' means—

"(A) in the case of contributions made during a taxable year of the taxpayer in which the electors of President and Vice President are chosen, a political party presenting candidates or electors for such offices on the official election ballot of ten or more States, or

"(B) in the case of contributions made during any other taxable year of the taxpayer, a political party which met the qualifications described in subparagraph (A) in the last preceding election of a President and Vice President.

"(4) STATE AND LOCAL.—The term 'State' means the various States and the District of Columbia; and the term 'local' means a political subdivision or part thereof, or two or more political subdivisions or parts thereof, of a State.

"(d) CROSS REFERENCES.—

"For disallowance of credits to estates and trusts, see section 642(a)(3)."

SEC. 802. CLERICAL AND TECHNICAL AMENDMENTS.

(a) The table of sections for subpart A of part IV of subchapter A of Chapter 1 is amended by striking out the last item and inserting in lieu thereof

"Sec. 41. Political contributions.

"Sec. 42. Overpayments of tax.".

(b) Section 642(a) (relating to credits against tax for estates and trusts) is amended by adding at the end thereof the following new paragraph:

"(3) POLITICAL CONTRIBUTIONS.—An estate or trust shall not be allowed the credit against tax for political contributions provided by section 41."

SEC. 803. EFFECTIVE DATE.

The amendments made by sections 801 and 802 shall apply to taxable years ending after December 31, 1971, but only with respect to political contributions, payment of which is made after such date.

### AMENDMENT NO. 644

(Ordered to be printed and to lie on the table.)

Mr. NELSON. Mr. President, I submit an amendment to H.R. 10947.

This amendment would provide a major stimulus to consumer spending in 1972.

The amendment would give everyone filing a joint return a $100 tax cut—tax credit—in 1972. Those filing a nonjoint return would receive a $50 cut. This would be in addition to the personal tax cuts in the House-passed bill—H.R. 10947.

This proposal would cost the Treasury $4.85 billion in 1972. These funds would have a quick impact on the economy since the tax credit could be taken into account in computing withholding. Consumers would receive increased spending money starting January 1.

The following tables show the effect of this proposal on different kinds of families.

Table I shows that in almost every case, the tax credit proposal more than doubles the consumer tax relief in the committee bill. Thus, a family of four earning $7,500 receives a $75 tax cut as a result of the committee bill, and $100 from the tax credit. The single individual earning $10,000 receives $36 from the committee bill and $50 from the tax credit. Table I also shows that the tax credit gives relatively larger tax cuts to people in the lower- and middle-income brackets.

Table II compares the tax relief resulting from the $100 tax credit with that from an increase in the personal exemption to $900. These alternatives are compared because their cost is roughly equal—the $100 tax credit would cost $4.85 billion in 1972, whereas increasing the exemption to $900 would cost $5.14 billion a year. Table II shows that the $100 tax credit proposal would give a bigger tax cut at the lower-income levels than the exemption increase.

Table III compares the tax relief in 1972 going to taxpayers in the different income categories as a result of the $100 tax credit and of the exemption increase from $700 to $750. This table again shows that relatively more of the tax credit goes to low- and moderate-income people. Thus, 49 percent of the tax credit goes to taxpayers earning $10,000 or less, whereas 39.7 percent of the revenue from the exemption increase goes to this group.

I ask unanimous consent that the tables be printed in the RECORD at this point.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

TABLE I.—$100 TAX CUT PROPOSAL

MARRIED COUPLE, 2 DEPENDENTS, 1972

| Adjusted gross | Present law | Committee bill | $100 tax cut (percent) |
|---|---|---|---|
| 3,000 | | | |
| 4,000 | 28 | | |
| 5,000 | 170 | 98 | (100) |
| 7,500 | 561 | 484 | 384 (21) |
| 10,000 | 962 | 905 | 805 (11) |
| 12,500 | 1,371 | 1,309 | 1,209 (8) |
| 15,000 | 1,864 | 1,820 | 1,720 (5) |
| 17,500 | 2,435 | 2,385 | 2,285 (4) |
| 20,000 | 3,060 | 3,010 | 2,901 (3) |
| 25,000 | 4,296 | 4,240 | 4,140 (2) |

MARRIED COUPLE, NO DEPENDENTS, 1972

| Adjusted gross | Present law | Committee bill | $100 tax cut [1] (percent) |
|---|---|---|---|
| $3,000 | 84 | 28 | |
| $4,000 | 230 | 170 | [2] 70(59) |
| $5,000 | 386 | 322 | 222(31) |
| $7,500 | 820 | 753 | 653(13) |
| $10,000 | 1,228 | 1,190 | 1,090 (8) |
| $12,500 | 1,677 | 1,628 | 1,528 (6) |
| $15,000 | 2,172 | 2,150 | 2,050 (5) |
| $17,500 | 2,785 | 2,760 | 2,660 (4) |
| $20,000 | 3,428 | 3,400 | 3,100 (3) |
| $25,000 | 4,732 | 4,700 | 4,600 (2) |

[1] The credit would be in addition to the committee bill.

[2] This column gives the $100 tax cut as a percentage of the tax liability under the committee bill.

SINGLE PERSON, 1972

| Adjusted gross | Present law | Committee bill | $100 tax cut (percent) |
|---|---|---|---|
| 2,000 | 42 | | |
| 3,000 | 193 | 138 | 88(35) |
| 4,000 | 367 | 302 | 252(16) |
| 5,000 | 557 | 491 | 441(10) |
| 7,500 | 1,058 | 995 | 945 (5) |
| 10,000 | 1,566 | 1,530 | 1,480 (3) |
| 12,500 | 2,104 | 2,059 | 2,009 (2) |
| 15,000 | 2,717 | 2,703 | 2,653 (2) |
| 17,500 | 3,458 | 3,443 | 3,993 (1) |
| 20,000 | 4,272 | 4,255 | 4,205 (1) |
| 25,000 | 5,914 | 5,895 | 5,845 (1) |

TABLE II.—FEDERAL INDIVIDUAL INCOME TAX BURDEN, 1972 COMMITTEE BILL, $900 EXEMPTION PROPOSAL, AND $100 TAX CREDIT PROPOSAL

MARRIED COUPLE, 2 DEPENDENTS

| Adjusted gross income | Committee bill | $900 exemption [1] | $100 tax credit [2] |
|---|---|---|---|
| $5,000 | $98 | $14 | 0 |
| $7,500 | 484 | 386 | $384 |
| $10,000 | 905 | 791 | 805 |

MARRIED COUPLE, NO DEPENDENTS

| Adjusted gross income | Committee bill | $900 exemption [1] | $100 tax credit [2] |
|---|---|---|---|
| $5,000 | $322 | $275 | $222 |
| $7,500 | 753 | 696 | 653 |
| $10,000 | 1,190 | 1,133 | 1,090 |

TABLE II.—FEDERAL INDIVIDUAL INCOME TAX BURDEN, 1972 COMMITTEE BILL, $900 EXEMPTION PROPOSAL, AND $100 TAX CREDIT PROPOSAL—Continued

SINGLE PEOPLE

| Adjusted gross income | Committee bill | exemption [1] $900 | $100 tax credit [2] |
|---|---|---|---|
| $3,000 | $138 | $115 | $88 |
| $5,000 | 491 | 462 | 441 |
| $7,500 | 995 | 963 | 945 |
| $10,000 | 1,530 | 1,494 | 1,480 |

[1] Cost: $5,146,000,000 (at 1971 income levels).
[2] Cost: $4,850,000,000 (at 1971 income levels).

TABLE III.—DECREASE IN INDIVIDUAL INCOME TAX LIABILITY

[Dollar amounts in millions]

| Adjusted gross ncome | At 1971 income levels resulting from— | | | |
|---|---|---|---|---|
| | Advancing 1973's $750 exemption to 1972 [1] | | $100 tax credit proposal, 1972 | |
| | Amount | Percent | Amount | Percent |
| 0 to 3,000 | $44 | 2.4 | $145 | 3.0 |
| 3,000 to 5,000 | 126 | 7.0 | 476 | 9.8 |
| 5,000 to 7,000 | 179 | 9.9 | 632 | 13.0 |
| 7,000 to 10,000 | 370 | 20.4 | 1,123 | 23.2 |
| 10,000 to 15,000 | 543 | 30.4 | 1,426 | 29.4 |
| 15,000 to 20,000 | 267 | 14.8 | 614 | 12.7 |
| 20,000 to 50,000 | 231 | 12.8 | 389 | 8.0 |
| 50,000 to 100,000 | 39 | 2.2 | 38 | .8 |
| 100,000 plus | 11 | .6 | 9 | .2 |
| Total | 1,811 | 100.0 | 4,852 | 100.0 |

[1] As in the committee bill (H.R. 10947).

Some form of stimulus to consumption is badly needed.

The tax package passed by the House is not nearly stimulative enough. Consumers receive a tax cut of $3.2 billion, but this is a drop in the bucket compared to present after-tax personal income of $750 billion.

Moreover, the $3.2 billion figure is misleading. For in 1972, a $3 billion social security tax increase is scheduled to take place. Table IV compares this tax increase to the tax cuts in the Committee bill. The table shows that for every category from $9,000 to $20,000, the social security tax increase more than cancels out the tax cut in the Committee bill.

TABLE IV.—INDIVIDUAL INCOME AND SOCIAL SECURITY TAX CHANGES, FAMILY OF FOUR, 1972

| Adjusted gross income | 1972 tax reduction in committee bill | Social security tax increase, 1972 [1] |
|---|---|---|
| 3,000 | | |
| 5,000 | 72 | |
| 7,500 | 77 | |
| 9,000 | 55 | 62 |
| 10,000 | 57 | 62 |
| 12,500 | 61 | 62 |
| 15,000 | 44 | 62 |
| 20,000 | 50 | 62 |
| 50,000 | 100 | 62 |

[1] The social security tax base increases from $7,800 to $9,000. The tax rate remains at 5.2 percent.

The corporations receive a real tax cut. If we add the investment credit to the accelerated depreciation system (ADR) and the DISC proposal, it comes to about a 20 percent tax cut—the largest cut in one year in American history.

But with business operating at 72 percent of capacity, few people believe that these business tax cuts will have much short-term impact on the economy. The surveys of businessmen support this conclusion.

Recently, 605 randomly-selected members of the American Economic Association were asked to give their views on the President's economic program. 61 percent were in favor of the program; 66 percent felt that it would reduce inflation; but only 27 percent believed it would reduce unemployment.

The opinion of these economists is fully borne out by the statistics for the July–September quarter. GNP (in real terms) grew at an annual rate of 2.9 percent (see table V).

TABLE V.—GROWTH (IN REAL TERMS) OF GNP AND CONSUMPTION, 1968-71

[In percent]

| Year | GNP | Consumption |
|---|---|---|
| 1968 | 4.9 | 5.2 |
| 1969 | 2.8 | 3.4 |
| 1970 | −.4 | 2.0 |
| 1971: | | |
| 1st quarter | 7.7 | 9.0 |
| 2d quarter | 4.8 | 6.2 |
| 3d quarter | 2.9 | 3.6 |

Since the economy must grow by at least 4 percent every year simply to keep up with productivity and the growth of the labor force, the third quarter performance can only mean one thing: more unemployment.

The amendment I am proposing today would give a $4.8 billion boost to consumer spending—more than double that contained in the Committee bill.

As a measure to encourage spending, it has a number of significant virtues.

First, it is a temporary tax cut. It would only apply to 1972, and thus would not further erode the federal tax base. Table VI shows that H.R. 10947 already cuts federal revenues by $109 billion over the next 10 years—money that is badly needed for welfare reform, better medical care, fiscal relief for state and local governments, and many other priority needs.

TABLE VI.—DISTRIBUTION OF REVENUE LOSS, REVENUE ACT OF 1971 (H.R. 10947)

[Billions of dollars]

| Calendar year | Total business | Total individuals | Excise [1] | Total revenue loss |
|---|---|---|---|---|
| 1971 | $2.2 | $1.3 | $0.9 | $4.4 |
| 1972 | 5.4 | 3.2 | 2.6 | 11.2 |
| 1973 | 6.5 | 1.1 | 2.3 | 9.9 |
| 1974 | 7.3 | 1.1 | 2.2 | 10.6 |
| 1975 | 8.2 | 1.2 | 2.3 | 11.7 |
| 1976 | 8.8 | 1.2 | 2.4 | 12.4 |
| 1977 | 8.8 | 1.3 | 2.5 | 12.6 |
| 1978 | 8.9 | 1.3 | 2.0 | 12.2 |
| 1979 | 9.3 | 1.4 | 1.6 | 12.3 |
| 1980 | 9.6 | 1.4 | 1.2 | 12.2 |
| Total | 75.0 | 14.5 | 20.0 | 109.5 |

[1] These estimates reflect revenue changes over those which would have occurred under existing law.

Second, it is progressive. Half the money would go to people earning less than $10,000. Since these people save relatively little, the boost to spending would be considerable.

Third, it is simple. It would be easy to administer. Its effect would be felt quickly. Moreover, it does not create one of those new tax incentives that invariably tend to become popular tax loop-holes.

The American economy can not stand another year of stagnation. The American people deserve better. This proposal will bring tax relief where it is most needed, and thus help to return us to full employment and prosperity.

### AMENDMENT NO. 645

(Ordered to be printed and to lie on the table.)

Mr. HUMPHREY submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

### AMENDMENTS NOS. 646 THROUGH 649

(Ordered to be printed and to lie on the table.)

Mr. MONDALE submitted four amendments intended to be proposed by him to the bill (H.R. 10947), supra.

### AMENDMENT NO. 650

(Ordered to be printed and to lie on the table.)

Mr. MONDALE (for himself and Mr. BROOKE) submitted an amendment intended to be proposed by them, jointly, to the bill (H.R. 10947), supra.

### AMENDMENT NO. 651

(Ordered to be printed and to lie on the table.)

Mr. GURNEY. Mr. President, today I am submitting an amendment to H.R. 10947, the Revenue Act of 1971. My amendment embodies basically the same provisions that are contained in my social security and medicare improvements bill, S. 2512.

The amendment consists of three basic parts: Part A contains provisions relating to old age, survivors, and disability insurance; part B contains provisions relating to medicare, medicaid, and material and child health; part C contains provisions relating to welfare.

I do not believe anyone can deny the absolute necessity of passing some social security and medicare legislation in this Congress.

The history of this area of legislation does not cast credit on the Congress. In past years needed reforms were held hostage to other and unpopular provisions. Rather than proving the savior, social security reforms died.

Once again this session, all important social security reforms have been attached to controversial provisions such as the family assistance plan.

My hope in introducing earlier in this session, S. 2512, which contains substantially similar provisions to this amendment was that by freeing these provisions from the family assistance plan we could at least get on with the correction of an unconscionable postponement of social security reform.

The provisions contained in this amendment are not controversial. Virtually all of them have been treated favorably by the Senate in the past.

The amendment provides firstly for a 5-percent increase in benefits, effective July 1, 1972. Additionally, it removes some of the political football aspects of social security by granting to the Secretary of Health, Education, and Welfare the authority to increase benefits when rises in the cost of living occur.

Also, the amendment provides for an increase in widow's benefits from the present amount of 82.5 percent of a deceased husband's benefits to an amount equal to 100 percent of those benefits. In view of the actuarial fact that the life expectancy of women is longer than that of men, this provision assumes great importance. There are today thousands and thousands of widows across this Nation suffering from this unfair provision.

Taken together, these provisions would mean that a widow who presently receives $146.70 a month in social security would receive an additional $8.90 a month from the 5-percent benefit increase and an extra $31 per month in widow's equity. The total of $39.90 per month represents over a 20-percent increase in benefits.

The amendment also provides an age 62 computation point for men. This provision will allow a man to have his social security benefits computed on the same basis as those of a woman. Present law allows women an age 62 computation point, while giving men an age 65 computation point. The result is that a woman with precisely the same earnings record as a man would draw benefits approximately 8 percent higher than a man. This amendment provides equal benefits for equal earnings.

Another sore spot for many of our social security annuitants has been the earning limitation set at $1,680 per year; this limitation deters a retiree from continuing to lead a productive life. I have long felt that we should do away with this earnings limit altogether, and my bill S. 2512 contains a provision to raise the earnings limit to $3,000. In view of the fact that this $3,000 earnings limit has not been acted upon by the Finance Committee or the Senate, and in line with my hope that we can limit this amendment to noncontroversial items, I have lowered the figure from the $3,000 per year in S. 2512 to $2,400 in this amendment. This is the figure the Senate approved last year, and I am sure the Senate can agree on it again.

This amendment also provides entitlement to a child's insurance benefits based on a disability which began between age 18 and 22; continuation of child's benefits through the end of a school semester; and improvements in children's benefits in case of children entitled on more than one wage record.

This amendment also provides for a reduction in the waiting period for disability benefits. In my bill, S. 2512, we had reduced the waiting period to 4 months. I have in this amendment set a period of 5 months in order that there might be agreement.

Under present law, a person who becomes disabled must wait 6 months from the time he notifies the Social Security Administration of his disability to the date he can begin to draw benefits. The benefits are not retroactive, and a 6-month wait before one can begin being compensated for the benefits rightly due is entirely too long. In reducing the waiting period to 5 months, we are in effect granting a month of benefits over and above that provided by present law.

The remainder of part A of this amendment is comparable to provisions which were agreed upon in the Senate last year. These additional changes were added to this amendment in order to take care of several minor, but necessary changes in social security law, which would otherwise call for additional legislation.

Part B of my amendment contains provisions relating to medicare, medicaid, and maternal and child health. Virtually every provision was included in H.R. 17550, which was approved by the Senate last December. The only major change from the previous legislation is the provision for medicare coverage for the disabled. Surely we all realize the difficulty those who are disabled have in finding insurance in the private sector.

Subpart 2 of this part provides improvement in the operating effectiveness of the medicare program. Among other things, it provides for experimental and demonstration projects to develop incentives for economy in the provision of health services. This section will give us a vehicle whereby we may test out new money-saving plans, before they are applied to a system as large as medicare.

Part B provides a limitation on coverage of costs under medicare, limits prevailing charge levels, and payments to health maintenance organizations.

Another important section allows for equitable payment under medicare for services of physicians rendered in a teaching hospital. This amendment has previously been approved by the Senate along with the other.

Part B of this bill also establishes a provider reimbursement review board. This provision is to be established to check the medicare providers in each State. Presently there is no appeal from the decision of the insurance company which happens to be handling the medicare accounts for a specific State. This board will provide a much needed appeal mechanism.

Subpart 3 of part B improves the means of providing physical therapy services and other therapy services under medicare. This provision allows physical therapy services to be given by a registered physical therapist in a home or in an office. It will assist the patient in paying for these necessary services and is overdue.

The amendment further provides for an extension of the grace period for termination of medical insurance coverage where the failure to pay premiums is due to good cause. I have many instances in my files of elderly persons, living alone, who forgot or were unable to pay their premium. This provision gives the Social Security Administration a little leeway before withdrawing coverage, in order to allow for these occasional difficulties.

This amendment also adopts the provision of the professional standard review organization developed by the distinguished senior Senator from Utah (Mr. BENNETT). This approach appears to be the most feasible and professional means of bringing commonsense into medicare and medicaid.

Simplified reimbursement of extended care facilities, and the use of consultants for ECFS are also permitted.

In deference to the President's recent criticism of the care in many of our nursing homes, I have added a provision included by the Senate Finance Committee in last year's social security bill. This provision allows for public access to records concerning an institution's qualification. This means that should an institution fail to meet medicare qualifications, and fail to correct itself within 90 days, the fact that the institution is not qualified shall be made public. Such public access to these records is desirable if we are to maintain our good nursing homes, and raise the quality in some of our poorer institutions.

Part C of the amendment contains provisions relating to welfare. Once again, my files are full of letters from persons in my own State of Florida who see their social security benefits increased by 10 percent, only to find their welfare benefits, their aid to the aged, blind, and disabled benefits, lowered by an equal amount. These people who are receiving aid from two sources find themselves no better off after a social security increase than they were before it came about. One section of my amendment provides in effect, that should an individual receive an increase in social security benefits, the State may not reduce his welfare or aid to the aged benefits by the same amount. The Federal Government will pay the additional cost for the States.

In summary, I would like to say that I have kept this bill as completely noncontroversial as I can. Basically it contains only two major provisions that have not already been passed unanimously here in the Senate: a 5-percent social security benefit increase, and an inclusion of the disabled under medicare. We cannot any longer put off absolutely vital changes in the social security system while our elderly and disabled are biding time without enough money, and without enough services. We cannot delay any longer that which we have already delayed for 2 years. We must get on with the business of making our social security system more equitable.

### AMENDMENT NO. 652

(Ordered to be printed and to lie on the table.)

Mr. RIBICOFF. Mr. President, on behalf of Senators JAVITS, PELL, and myself, I introduce a much needed amendment to H.R. 10947, the Revenue Act of 1971.

During consideration of this legislation, the Senate Finance Committee repealed the 10-percent excise tax on light trucks. In order to replace the resulting loss of funds to the highway trust fund, the committee directed that 7 percent of all the revenues from Federal alcohol taxes—approximately $350 million per year—be diverted to that fund.

When H.R. 10947 becomes the pending business, a motion will be made to strike this provision which I shall support. However, in the event that such a motion fails, we shall call up our amendment which provides that such funds are to be used by the Secretary of Transportation to develop and support urban mass transportation programs.

This amendment would help correct a great distortion in our present transportation systems. While the highway trust fund continues to have a surplus, our rail passenger and mass transit systems are dying.

Millions of Americans depend upon and want clean, efficient rail transportation systems. Our amendment would help meet this need.

### ALCOHOL AND TRANSPORTATION

Mr. PELL. Mr. President, I understand that a provision of the upcoming tax bill will divert the revenue from the excise tax on alcohol to the highway trust fund.

While there is some logic, I suppose, in using revenue from alcohol to make roads safe for drunken drivers, I believe it would make more sense to use that revenue to take drunken drivers off the road and to have them use mass transit where the driving is not left to them.

Moreover, I am concerned about the

already existing surpluses in the highway trust fund and the parallel shortage of funds for urban mass transportation.

Consequently, I am joining with Senator Ribicoff in sponsoring an amendment to allow the alcohol revenues to also be used for mass transportation.

Mr. JAVITS. Mr. President, the States and local governments and indeed the country itself are strapped with fiscal problems. At such a time, especially, I do not think it appropriate for moneys from the general fund of the Treasury, raised in this instance from taxes on alcohol, to be transferred to the already bulging highway trust fund. These moneys are needed urgently for some of the other critical problems we face. For this reason I have joined with Senator Percy in an effort to delete that provision of the tax bill—H.R. 10947—which would authorize 7 percent of the alcohol taxes to be transferred permanently into the highway trust fund without any specific direction on how the moneys are to be spent.

In addition, Senator Ribicoff and I are introducing an amendment which we will call up if the amendment to delete the alcohol provision fails. This amendment would require that the moneys from the alcohol taxes transferred into the trust fund be used on urban mass transit facilities and commuter lines, that is, to further the aims of the Urban Mass Transportation Acts of 1964 and 1970. Certainly this is one of those critical uses to which general revenues should be put.

The country is facing a mass transportation crisis. In New York State we are at a moment when we face a very real fiscal crisis and, in New York City, serious jeopardy to the subway system because of the failure to pass the transportation bond issue 2 weeks ago. This amendment may add a measure of assistance to New York City and other urban areas in a similar situation.

#### AMENDMENTS NOS. 653 AND 654

(Ordered to be printed and to lie on the table.)

Mr. HOLLINGS submitted two amendments intended to be proposed by him to the bill (H.R. 10947), supra.

#### AMENDMENT NO. 655

(Ordered to be printed and to lie on the table.)

Mr. SPARKMAN (for himself, Mr. Allen, Mr. Baker, Mr. McClellan, and Mr. Talmadge), submitted an amendment intended to be proposed by them jointly to the bill (H.R. 10947), supra.

#### AMENDMENT NO. 656

(Ordered to be printed and to lie on the table.)

Mr. MILLER submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

#### AMENDMENT NO. 657

(Ordered to be printed and to lie on the table.)

Mr. PERCY (for himself, Mr. Javits, Mr. Weicker, Mr. McGovern, Mr. Nelson, Mr. Hartke, Mr. Kennedy, and Mr. Ribicoff), submitted an amendment intended to be proposed to the bill (H.R. 10947), supra.

## ADDITIONAL COSPONSORS OF AMENDMENTS

#### AMENDMENT NO. 533

At the request of Mr. Javits, the Senator from Wisconsin (Mr. Proxmire) and the Senator from Oregon (Mr. Hatfield) were added as cosponsors of Amendment No. 533, to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

#### AMENDMENT NO. 628

At the request of Mr. Magnuson, the Senator from Michigan (Mr. Hart), and the Senator from Minnesota (Mr. Mondale) were added as cosponsors of Amendment No. 628, to the bill (H.R. 10947), supra.

## NOTICE OF HEARINGS ON THE OFFENDER REHABILITATION ACT

Mr. BURDICK. Mr. President, as chairman of the Judiciary Committee's Subcommittee on National Penitentiaries, I wish to announce hearings for the consideration of S. 2732, the Offender Rehabilitation Act, beginning at 10 a.m. on November 18, 1971, in room 6206 of the New Senate Office Building.

The purpose of this legislation is the quieting of old criminal records that serve as a barrier to the employment of rehabilitated first offenders. I believe it represents a vital step needed to begin facing the problem of recidivistic crime in our Nation.

This is the first scheduled hearing on this legislation, and I would anticipate that several additional days will be necessary to carefully consider this proposed legislation. These additional days will be scheduled as time permits.

Any person who wishes to testify or submit a statement for inclusion in the Record should communicate as soon as possible with the Subcommittee on National Penitentiaries, room 6306, New Senate Office Building.

## CORRECTION OF HEARING ANNOUNCEMENT

Mr. RIBICOFF. Mr. President, the Committee on Government Operations will hold public hearings on S. 1430, a bill to establish a Department of Community Development on November 16, 17, and 18, 1971. The hearing will begin at 10:30 a.m. on Wednesday, November 17, instead of the time reported in yesterday's Record. On both November 16 and 18 the time remains as previously announced, 10 a.m. They will be held in room 3302, New Senate Office Building, all 3 days.

## ADDITIONAL STATEMENTS

## RELIGIOUS LIBERTY ALIVE AND WELL AFTER HOUSE VOTE

Mr. ERVIN. Mr. President, I was extremely pleased to learn Monday afternoon of the abundant courage and infinite wisdom displayed in the House by its vote on House Joint Resolution 191, the so-called prayer amendment. The vote defeating that proposed amendment echoed the venerable and fundamental truth that religious freedom cannot exist where the State controls religion and that political freedom cannot exist where religion controls the State.

Many of the brave men and women who settled this land came here specifically to escape from crown-imposed religious doctrine and practice. They longed ardently for freedom of belief and worship and risked their lives to secure the simple right to bend their own knees and raise their own voices to their own God in their own way. That right was soon established in America, and the wise men who framed our Constitution sought to preserve it for posterity by making religious freedom a keystone of the Bill of Rights. The religious liberty guarantee of the first amendment was intended to insure forever that the state would not undertake to control religion and that religion would not undertake to control the state.

The recently proposed constitutional change, so wisely laid to rest by the House on Monday, would have fundamentally altered our hard won and traditional principle of separation of church and state. As presented to the House, the amendment said:

> Nothing contained in this Constitution shall abridge the right of persons lawfully assembled, in any public building which is supported in whole or in part through the expenditure of public funds, to participate in nondenominational prayer.

That language was avowedly designed to circumvent several Supreme Court rulings which I fear have been greatly misunderstood. In reality those decisions did nothing more than prohibit the state from requiring students in public schools to recite prayers dictated by the state. They did not prohibit any person from making a voluntary prayer according to his own creed.

The proposed amendment, however, would have impliedly prohibited any person in any public school or other public building from saying a denominational prayer. Hence, it would have impliedly prohibited Protestants from saying Protestant prayers, Catholics from saying Catholic prayers, Jews from saying Jewish prayers, and Mohammedans from invoking the aid of Allah. It would even have prevented one from voluntarily praying the Lord's Prayer because that is a prayer which has been adopted by the various denominations which call themselves Christian.

In addition, the proposed amendment undoubtedly would have led to the widespread institution of compulsory prayer ceremonies in the public schools. While compulsory school prayer could certainly be accomplished by constitutional amendment, I believe such a step would deal a mortal blow to the principle of religious liberty. Those of us in the Senate who have worked over the years to preserve that principle owe the House an enthusiastic vote of thanks for maintaining a vital tradition of more than 180 years.

Mr. President, I was delighted to learn a few days ago that my views on the prayer amendment are in harmony with those of Prof. Philip B. Kurland, of the University of Chicago Law School. His lucid comments on this subject appeared in the Los Angeles Times of October 31. I ask unanimous consent his article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### ON SCHOOL PRAYER—A THREAT TO RELIGION

(By Philip B. Kurland)

Certainly the American people can, by constitutional processes, choose to allow compulsory prayer ceremonies in their public schools. That is what the proponents of the constitutional amendment now pending in the House of Representatives are seeking to accomplish.

But before the American people or their representatives make that choice, they ought to be informed of the issues so that the choice may be a reasoned one and not simply a matter of emotional response to irresponsible rhetoric. The question is not whether we "restore God to the classroom."

The proposed amendment, House of Representatives Joint Resolution 191, is itself short if not clear. It reads: "Nothing contained in this Constitution shall abridge the rights of persons lawfully assembled, in any public building which is supported in whole or in part through the expenditure of public funds, to participate in nondenominational prayer."

While the language is vague, its apparent purpose is to permit schools to impose a requirement of prayer ceremonies on students, although it could be interpreted to allow students who dared to do so to remove themselves from the company of their fellows while such school exercises took place. There is also a negative pregnant in the proposed language that could expand the present constitutional inhibition. Should the amendment become law, *denominational* prayers in legislative halls and executive mansions would become at least constitutionally suspect.

The reason for the existent constitutional rule that now prevents such school ceremonies was stated by Mr. Justice Frankfurter in his opinion in McCollum v. Board of Education.

"The secular public school did not imply indifference to the basic role of religion in the life of the people, nor the rejection of religious education as a means of fostering it. The claims of religion were not minimized by refusing to make the public schools agencies for their assertion. The non-sectarian or secular public school was the means of reconciling freedom in general with religious freedom. The sharp confinement of the public schools to secular education was a recognition of the need of a democratic society to educate its children, insofar as the State undertook to do so, in an atmosphere free from pressures in a realm in which pressures are most resisted and where conflicts are most easily and bitterly engendered.

Designed to serve as perhaps the most powerful agency for promoting cohesion among a heterogeneous democratic people, the public school must be kept scrupulously free from entanglement in the strife of sects. The preservation of the community from divisive conflicts, of Government from irreconcilable pressures by religious groups, of religion from censorship and coercion however subtly exercised, requires strict confinement of the State to instruction other than religious, leaving to the individual's church and home, indoctrination in the faith of his choice.

But, say the supporters of the proposed amendment, these defects implict in the utilization of the public academy for instilling religious faiths are not relevant to the proposed amendment. First, they say, because there is no coercion on the public school student authorized by the amendment. Second, they say, because the only prayers authorized are "nondenominational" prayers, thereby eliminating fear of sectarian conflict.

Neither answer is accurate. There is coercion and there is an invitation to sectarian strife. For we must remember that if public education is free it is also compulsory except that students may attend private schools, most of which, at the elementary and high school level, are religiously controlled.

The coercion may be more subtle than physical compulsion to be present during the engagement in these exercises. As the same justice pointed out in the same case:

"That a child is offered an alternative may reduce that constraint; it does not eliminate the operation of influence by the school in matters sacred to conscience and outside the school's domain. The law of imitation operates, and non-conformity is not an outstanding characteristic of children . . ."

That there will be sectarian strife is almost as readily assured. What is a "nondenominational prayer"? Who will frame it? What religions can accommodate their teachings to it? As the American Council on Education noted some years ago: "The notion of a common core suggests a watering down of the several faiths to the point where common essentials appear. This might easily lead to a new sect—a public school sect—which would take its place alongside the existing faiths and compete with them." Do we want a state religion? No one reading today's newspaper headlines should think so.

At least some leaders of some of the churches recognize the dangers and deplore the possibilities of "nondenominational prayer." In 1962, Father Gustave Weigel, a learned Catholic student of the problem, pointed out: "The moral code held by each separate religious community can reductively be unified, but the consistent particular believer wants no such reduction."

And the official magazine of the United Presbyterian Church said at the same time: "If you have faith-in-general, you have no faith to speak of. Faith has to be something-in-particular. A nondenominational prayer is doomed to be limited and circumscribed. If prayer starts soaring, it starts to be controversial, which is the one thing a nondenominational prayer dares not to be."

The Supreme Court, in the Vitale case, which the proposed amendment seeks to overturn, said: "It is no part of the business of government to compose official prayers for any group of the American people to recite as a part of a religious program carried on by government."

Are the American people, who have already turned over control of so much of their activities to government, prepared to reject this precept about the proper role of government in specifying religious activities? Thoughtful evaluation rather than visceral reaction suggests that the Vitale rule is one of the bulwarks of America's freedom from the ills that continue to plague those countries where "toleration" rather than "freedom" is the guide to government action in the field of religion.

If, as has been suggested, the churches are losing their holds on the minds and hearts of young Americans, they will not be succored by rote recitations of "nondenominational" prayers which can reflect neither the words nor the spirit nor the teachings of any religion. "Nondenominational" prayer will not "restore God" to the classroom; it will degrade religion not exalt it.

If this is what the American people want, but only then, they should support the proposed amendment. If they have any notion of the real meaning of religious belief and our history of developing religious freedom, they will recognize the proposed amendment as antireligious, not pro-religious.

At best, the proposed amendment invites state-imposed religious dogma and religious strife; at worst, it assures them.

## NATIONAL BIBLE WEEK—NOVEMBER 21–28

Mr. GAMBRELL. Mr. President, November 21–28 is National Bible Week throughout the United States, and I think it is certainly appropriate that it coincide with the Thanksgiving season.

America has much to be thankful for, not the least being our Judeo-Christian heritage as described in the Bible. Through story and lesson, the eternal truths of men and nations are revealed in the pages of the Old Testament. The New Testament has taught us better to live with others and ourselves.

In the South, we are especially at home with the Bible, and the "Bible Belt" is a name we are not ashamed to have earned.

National Bible Week will refocus the need for each of God's children to draw on the Bible, to share it with others, and to grow together in the understanding of its treasures.

I urge all Americans to observe National Bible Week as they celebrate Thanksgiving. We will all be richer for the experience.

## CANCER RESEARCH CENTER, FORT DETRICK, MD.

Mr. SCOTT. Mr. President, a historic decision was reached late last month when President Nixon dedicated the onetime biological warfare research center at Fort Detrick, Md., as a cancer research center. The full utilization of the exceptional facility for peacetime purposes is a trend that I hope can be continued in other areas. Maryland's Senators CHARLES MATHIAS and J. GLENN BEALL saw the logic of this conversion sometime ago and pressed for favorable consideration. They have been successful. Their farsightedness has been credited by newspaper editorials throughout the area. Mr. President I ask unanimous consent that these editorials be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Evening Star,
Oct. 22, 1971]

### DETRICK'S NEW MISSION

To hear President Nixon explain it the other day, nothing could be more logical than the conversion of Fort Detrick, Maryland, from biological warfare research to a shiny new focal point of cancer research. And that's the case.

Up to the point of the national moratorium on biological weaponry development a couple of years ago, about $185 million of the taxpayers' money had been spent on sophisticated laboratories and equipment, of which some $100 million worth could be easily adapted to cancer research. That consideration alone, as the President seemed to imply on his visit to Detrick this week, was enough to convince anyone of the common sense of the switch.

Don't believe it. Maryland Senator Mathias, joined later by Senator Beall, saw the logic from the outset, and almost no one else did. The National Institutes of Health, encapsulated in its campus greenery in Bethesda, never cottoned to the idea of a research satellite way out there in Frederick. Besides, Detrick, while moribund, remained under military control, and what respectable scientist wanted to embroil himself in *that* kind of messy tenant-landlord relationship. Downtown, meanwhile, the budget brains of the administration tended to view the whole proposition as another spending obligation to be avoided.

Two developments, however, turned things around. More and more scientists came to the view that if Detrick's labs weren't converted to cancer research, they would have to be duplicated elsewhere at far beyond their initial cost. Then, last January, came Mr. Nixon's pledge to make the cancer fight an all-out effort. With that, prodded by Mathias and Beall, the bureaucratic apathy began to crack up.

The research, as outlined by the President, will heavily involve microbiology, including virus research for which the safety-oriented labs are especially adapted. The spending, under private contracts, ultimately will exceed $15 million, involving some 600 researchers.

The thought persists, though, that it might not have happened but for the perseverance of Mathias and Beall, who were motivated in the first place by the problem of job losses among their unemployed Frederick constituents. As things turned out, a greater debt is owed them by the nation's citizens as a whole.

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[From the Baltimore News-American, Oct. 19, 1971]

### FORT DETRICK

Marylanders are naturally pleased at President Nixon's announcement that Fort Detrick will be converted into a center for cancer research because it means the facility will remain an important part of the economy in that part of the state.

Even more pleasant is the realization that Fort Detrick, once a center of research into ways of disabling or killing human beings, will be known henceforth as a place where scientists work to prolong life.

The reversal of roles will increase the value of Fort Detrick as a Maryland asset, one which harmonizes with Johns Hopkins University medical institutions, the University of Maryland School of Medicine, the National Institutes of Health at Bethesda and other components of the state's medical research industry.

Sens. Charles McC. Mathias and J. Glenn Beall Jr., R-Md., along with members of the Maryland delegation in the House of Representatives, worked tirelessly to convince their colleagues and the administration that Fort Detrick was worth saving.

They were successful. Maryland will be the better for their effort—and so will victims of the dread disease who will benefit from the work at the new Fort Detrick.

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[From the Thurmont (Md.) Catoctin Enterprise, Oct. 22, 1971]

### HATS OFF TO MATHIAS, BEALL, AND BYRON

If any credit is to be given to any single personality or any group of individuals for the successful achievement of rescuing Frederick's Fort Detrick from oblivion, it should go without question to Maryland's two United States Senators, Charles McC. Mathias and J. Glenn Beall and their colleague in the United States House of Representatives, Frederick's own Goodloe E. Byron. These three men have worked indefatigably to influence whatever authorities might have any part in determining the future of the former bacteriological warfare installation and to bring pressure wherever possible upon those upon whom the ultimate decision would finally rest, even the President of the United States. The many millions of dollars which have heretofore, annually poured into the Frederick community as a result of the employment of the personnel at the post, many of them highly skilled and highly paid individuals, might have been irretrievably lost had it not been for the herculean efforts of these three stalwart sponsors of keeping the facility open and converting it to an even more useful purpose is serving the cause of humanity.

President Nixon is to be congratulated for his eventual determination that the potential benefits of this multi-million dollar installation should not be abandoned and charged off as a total loss. But it is to these three men, who never lost hope in their continuing campaign for salvaging Detrick, that the local community as well as the general public owes a debt of gratitude and profound thankfulness for saving the situation. It is doubtful if another opportunity will be presented them during their terms of office for a genuine service to their constituents of equal value to this one they have now accomplished.

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[From the Frederick (Md.) News, Oct. 18, 1971]

### WELCOME, MR. NIXON!

Without speculating on what President Nixon's announcement will be today concerning Fort Detrick and its future . . . which is another way of saying Frederick and its future, all of Frederick County welcomes this visit by the President of the United States to Frederick.

Naturally, we join with all residents of the county and the state in anticipation of an announcement which will launch this impressive research facility into a new era of service to this nation and to mankind in general.

We cannot agree with recent statements in metropolitan newspapers that Detrick's was an "infamous past." On the contrary, Fort Detrick had a mission and performed that mission well.

Who is there to say that had it not been for Detrick's outstanding record in biological warfare that this nation would be free today?

Who is there to say that without the success of Fort Detrick in its—we feel—glorious past that other enemy nations may not have flexed their biological warfare muscles and wreaked havoc the globe over?

Is there anyone who will say that awesome offensive capability Detrick offered this nation in biological warfare was not the foremost deterrent to a war of germs?

We join in the statement of Sixth District Congressman Byron that—assuming that President Nixon today announces a peaceime use of Fort Detrick, such as a major role in Nixon's Conquest of Cancer Program—that the President will be speaking from a position of strength when he visits Peking and Moscow in the months ahead and is able to point to Fort Detrick as an example, and say that not only has the United States done away with its arsenal of biological warfare, but we have mobilized the entire effort toward peaceful goals for the benefit of all mankind.

Should Detrick's mission be in the area of Nixon's Conquest of Cancer, a great deal of credit should go to Maryland's two United States Senators, J. Glenn Beall Jr. and Charles McC. Mathias.

The position was well stated by Francis W. Bush Sr., past president of the Frederick County Unit of the American Cancer Society, in a letter to the Senators and President Nixon in July when he expressed the appreciation of his organization "for the vigorous and effective efforts you have expended on the nonpartisan creation of an independent agency charged with making a final breakthrough in the war on cancer.

"Your efforts have really been fruitful and the lives of thousands of present and future American citizens, as well as people throughout the world, will be lengthened and brightened when this breakthrough is made."

Bush had joined with Dr. Morris Wisenberg, Maryland Cancer Division president, "in urging the immediate assignment of the facilities and the expert team of scientists at Fort Detrick to the Conquest of Cancer. It would be a pity to see such facilities and such a team of dedicated scientists overlooked in what is such a vital need—an immediate cure of cancer."

Sadly, much of that fine team has been dispersed, but the outstanding facilities, valued at $185 million, are in hot standby to be put to use in the Conquest of Cancer or any related effort that hopefully President Nixon will announce here today.

Welcome to Frederick, Mr. President!

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[From the Hagerstown (Md.) Morning Herald, Oct. 21, 1971]

### A WISE DECISION

Conversion of the former biological warfare research center at Ft. Detrick in Frederick into a centerpiece of the government's crusade against cancer should meet with general approval.

Not only will it mean that Fort Detrick facilities will still be used and the economy of Frederick not seriously impaired, but there's always the chance that a cure of the dreaded disease can finally be found.

Thus the fort's reputation for secretive and unsavory research is wiped out, and in its place will be a laboratory complex in which scientists can try to solve the mystery of a disease second only to heart ailments as the principal cause of deaths.

At one time there was little hope that Fort Detrick could be saved, but persistence paid off for Senators Mathias and Beall and Congressman Byron.

Some months ago President Nixon announced an all-out war against cancer. His trip to Frederick to announce the transition may eventually bear fruit.

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[From the Gaithersburg (Md.) Gazette, Oct. 21, 1971]

### FORT DETRICK

For several months there has been concern over the ultimate fate of the federal government's facility at Fort Detrick. For several years the complex had been the scene of the U.S. Army's biological warfare development, but when President Nixon took the armed forces out of that particular research program the citizens of this area wondered what was coming next.

The speculation is definitely over and much of the credit goes to Maryland's two United States Senators, both of whom are well known to Montgomery County.

Recently President Nixon, with the encouragement of Senators Beall and Mathias visited Ft. Detrick to announce the conversion of the former biological warfare center into a cancer research facility that, as reports indicated, will be a focal point of the administration's campaign to conquer cancer.

As the President stated the scientists who will work at the facility will be carrying on a different kind of warfare, a series of battles that will be waged to stamp out cancer and save lives rather than destroy them.

We commend Senators Beall and Mathias for the significant leadership roles they played in making this possible.

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## SOCIAL SECURITY REFORMS

Mr. MUSKIE. Mr. President, low income in retirement continues to be the number one problem confronting 20 million older Americans.

Today 4.7 million persons 65 and older fall below the poverty line, nearly 100,000 more than in 1968. More than 2 million older Americans are on welfare. And 60 percent of all elderly persons living alone are classified as poor or marginally poor.

In March, a badly needed 10-percent increase in social security benefits was approved, bringing some relief to 27 million recipients. But even with the 10-percent raise, social security benefits for the typical retired worker still fall about $300 below the poverty threshold of $1,852.

The net impact of these statistics is that older Americans are more than twice as likely to be poor as younger Americans Today 1 out of every 4 persons 65 and older—in contrast to 1 in 9 for younger individuals—lives in poverty.

But these statistics, depressing as they are, can never express in human terms what it means to live in deprivation. They can never capture the frustrations of an elderly person who did not become poor until he became old. And statistics can never convey the daily critical decisions which they must make—whether they should buy food for the table or medicine to maintain their health.

However, these statistics clearly underscore the need for major reforms in our social security program. They also demonstrate that piecemeal, stop-gap proposals are just not going to solve the retirement income crisis now affecting millions of older Americans, and threatening to engulf many more nearing retirement age. The Senate Special Committee on Aging—of which I am a member—has conclusively made the point, in its report on the "Economics of Aging," that a retirement income crisis exists, and that it is deepening. It is high time that we heed that warning.

Quite clearly, comprehensive reforms in social security are essential if the elderly are to share in the abundance, which they have worked most of their lives to create. And the House-passed social security-welfare reform proposal, H.R. 1, provides a foundation for making many of these changes. Several provisions in this measure—such as cost-of-living adjustments; full benefits for widows at age 65; a liberalization of the retirement test; significant increases in minimum monthly benefits; an age-62 computation point for men; and others—are identical or similar to proposals I have advanced.

But, today's retirement income problems cannot be solved by adding a few dollars every 2 years to the elderly's social security payments. Immediate, imaginative and far-reaching action is needed on a number of fronts to modernize social security and medicare.

### HIGHER AND EARLIER BENEFIT INCREASE

The proposed 5-percent increase in the House bill, though welcome, is simply not enough for coming to grips with the retirement income problems of the aged. Moreover, the effective date for this raise is next June.

Quite clearly, a more sizable increase is essential if the elderly are to stay ahead in their desperate race with inflation. And with poverty on the rise for older Americans, a more substantial increase, I believe, is urgently needed this coming January.

For these reasons, I am proposing as I did in S. 1645—a bill which I cosponsored with the chairman of the Senate Committee on Aging, Mr. CHURCH—across-the-board benefit increases for all social security recipients. Under this measure, the social security raise would average nearly 15 percent. But it would be weighted to provide higher percentage increases for persons who need them the most—individuals with low lifetime earnings between $150 and $200 would be entitled to an increase which would average about 21-percent under my proposal. Workers with creditable monthly earning from $200 to $300 would receive approximately an 18-percent increase.

The advantages of this approach, I believe, are compelling. First, it recognizes that persons who receive low social security benefits are less likely to have other supplementary resources than higher income beneficiaries. Equally important, this measure can enable large numbers of older persons to move out of poverty without the necessity of resorting to welfare.

In terms of dollars and cents, this approach will provide an additional $130 more per year, on the average, for social security recipients than is authorized under H.R. 1.

### GENERAL REVENUE FINANCING

Another major area for reform is provision for well timed and well-conceived use of general revenues. Our present method of relying almost entirely upon payroll taxes leaves much to be desired.

It places a regressive burden on today's workers because the existing tax is uniformly applied to all covered wages. As a consequence, individuals with lower wages pay a proportionately larger tax on their earnings than do higher paid persons.

A few weeks ago I introduced legislation to make the existing payroll tax more progressive and to provide greater tax relief for lower- and middle-income persons. Under this proposal, 63 million workers would pay lower taxes than they would under H.R. 1.

But steps must be initiated now to insure the future growth of our social security program. And general revenue financing can help make this goal a reality. It can also help assure that the elderly will share in our abundance and in the growth of our economy.

### MEDICARE

Important as adequate social security benefits are for the elderly, we must still not overlook the drains upon their limited pocketbooks. Today a major threat to the economic security of the aged is the high cost of illness, despite the valuable protection provided by medicare.

For persons 65 and older, annual health care expenditures now average about $791—three times that for a person in the 19 to 64 age category and six times that for a youth. Older Americans now account for 27 percent of all medical expenses in the United States, although they comprise only 10 percent of our total population.

Unfortunately gaps still exist in medicare coverage. For example, medicare now covers only about 43 percent of the elderly's health care expenditures.

### PRESCRIPTION DRUGS

One major gap in coverage is out-of-hospital prescription drugs. For older Americans, prescriptions average about three times as high as for younger persons. And they are six times as great for elderly individuals with severe chronic conditions, about 15 percent of all persons 65 and older.

In fact, out-of-hospital prescription drugs represent their largest personal health care cost which they must meet almost exclusively from their own resources. This cost alone accounts for approximately 20 percent of their out-of-pocket health care expenditures.

Several distinguished panels have already recommended that medicare be broadened to include this very essential expenditure for the elderly. Most recently, the 1971 Social Security Advisory Council proposed that this measure become law. For these reasons, I again urge the Senate to extend medicare coverage to include out-of-hospital prescription drugs.

The need for this coverage was also demonstrated at a recent hearing in Los Angeles before the Subcommittee on Health of the Elderly, of which I am chairman. For example, Mrs. Agnes Brewster, who is a health economist, pointed out that out-of-pocket medical payments can make a serious dent in the typical pension for a retired worker. She also added—

> An unavoidable reason for the aged spending so much themselves relates to drugs, which averaged over $70 of private costs to the aged, and would be more if all who need prescribed drugs could afford to purchase them.

### PART B PREMIUM

Another major out-of-pocket cost for the elderly is the $5.60 monthly premium charge for part B supplementary medical insurance. On an annual basis this amounts to $67.20 for a single person and $134.40 for an elderly couple. Moreover, this constitutes a significant expenditure for the vast majority of older Americans living on limited, fixed incomes.

Under my proposal, this premium charge would be eliminated for the elderly. Instead, this cost would be financed partially out of general revenues.

For the typical retired worker, this measure would be almost equivalent to a 5-percent boost in benefits. It would also help assure that protection under part B would be automatically available for all eligible individuals. Under existing practice, the $5.60 monthly premium charge is automatically deducted from the monthly social security check for persons who elect coverage under part B of medicare. The Social Security Advisory Council also has supported the adoption of this proposal.

### NEED FOR A GENUINE NATIONAL COMMITMENT

Despite the magnitude of the retirement income problems of the aged, our Nation still lacks a genuine national commitment for dealing with this crisis.

But in this year—the year of the White House Conference on Aging—it is absolutely essential to produce this commitment if we are to develop a long-awaited national policy on aging.

The enactment of these proposals, I strongly believe, can be a major step forward in advancing toward this goal.

## SPESSARD L. HOLLAND

Mr. GRIFFIN. Mr. President, I wish to join with my colleagues in expressing deep sorrow over the death of our former colleague, Florida's distinguished Senator Spessard L. Holland.

A part of the basic strength of our Nation has been the willingness of men like Spessard Holland to devote their lives to public service. For more than a half a century, our departed colleague served his State and the Nation—as a prosecuting attorney, as a county judge, as a State Senator, as Governor and, for 25 years, in the U.S. Senate.

For me, it was a great privilege to have the opportunity to serve in this body with one so devoted to the principles of democracy and representative government. His abiding sense of the dignity of the Senate and its unusual character as the people's forum were reflected in all his actions on the Senate floor and off.

He was most formidable in debate, yet he was always fair and considerate with those with whom he differed on the issues coming before the Senate.

As we all know, he was a tireless worker who stood unflinchingly for what he believed was right and in the national interest. While he had intense loyalty to his State and to his constituency, he also afforded national leadership on many issues of major importance.

One of his most notable accomplishments in the U.S. Senate was in the enactment of the 24th amendment to the Constitution banning poll taxes as a qualification for voting. He supported such a move long before it became popular and the final approval of the amendment came as a personal tribute for Spessard Holland. As former President Johnson said the amendment represented "the triumph of liberty over restriction."

Spessard retired voluntarily at the end of the last Congress saying that at 78 years of age:

> I thought it foolish to think of 6 more years of vigorous activity in the Senate.

We shall remember him for the example he set for us of public service in the Senate's finest tradition.

## FORMER SENATOR EUGENE McCARTHY WRITES ABOUT NEW HAMPSHIRE

Mr. McINTYRE. Mr. President, our former colleague, Senator Eugene J. McCarthy, has written in last Sunday's New York Times a gracious and poetic memoir about my home State of New Hampshire. His essay is graced with the gentle wit and humane eye that those of us who worked with him here in the Senate came to love best about him.

It is clear from his essay that Senator McCarthy acquired a respect and affection for my home State; and we all know that New Hampshire learned to have an affection and respect for him.

Mr. President, I ask unanimous consent that the essay be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 7, 1971]

### LET ME TELL YOU ABOUT NEW HAMPSHIRE

(By Eugene J. McCarthy)

All New Hampshire is divided into three parts: Massachusetts, Maine and Vermont. And into two seasons: winter and fall.

One should enter New Hampshire from each of its neighboring states in succession, if that is possible. For a first visit to southeastern New Hampshire, come from Massachusetts; for the first time into northern New Hampshire, enter from Maine; and to central and western New Hampshire, by way of Vermont. And as to seasons, one should visit first in the winter, whether one comes to ski, buy antiques or just look around.

New Hampshire of the southeast is an extension of the old manufacturing and mill areas of Massachusetts. On the Massachusetts side of the line are towns like Lowell and Lynn and Lawrence, and on the New Hampshire side Manchester, Concord, Nashua and Dover. Whereas the industry in the towns of Massachusetts has moved away from the traditional textiles and shoes, these things are still made in the adjacent New Hampshire towns and cities.

#### CROSSING THE BORDER

One can scarcely tell when he has left Massachusetts and entered southeastern New Hampshire. The towns look somewhat older, the abandoned mills slightly more abandoned. But along with the highway signs noting the passage into another state, there is one other set of distinguishing signs—those advertising chiropractors and chiropractic offices. I assume that chiropractors are banned in Boston and chiropractic in all of Massachusetts, but this is not the case in New Hampshire. New Hampshire is willing to have the business and is considerate of the skiers in need of adjustments going to and from the hills of New Hampshire and Vermont, and also of the Irish in Massachusetts—a race with notoriously bad backs.

Manchester, the largest city in New Hampshire, is the home ground of The Manchester Union Leader. Its publisher, William Loeb, drives the meanest pen or typewriter in the East, if not in the whole country. When in the 1968 primary he referred to me as a "skunk," people of Manchester concluded that he was somewhat friendly to my candidacy. He draws a hard line. Although his paper is reportedly financed to a large extent by money borrowed from the Teamsters Union, he has few kind words for organized labor or for its friends. Anyone who visits southeastern New Hampshire should read The Union Leader over a two-day or three-day span to get the flavor of the paper but also to develop a respect for the people who can tolerate it day after day and stand against its editorials.

Visitors to southeastern New Hampshire should make a point of going into at least one shoe factory, a textile mill and a sweater factory. Most factories welcome visitors if you call or write ahead. I know they are quite willing to admit Presidential candidates in the right season for such candidates—namely, January and February of every fourth year.

Shoe factories are both old and new and working conditions both good and bad, but the workers seem much happier than those working in textiles or in clothing. Five thousand pairs of shoes without feet or legs on a rack are quite purposeful and look confident, as though destined to belong to someone. Five hundred sweaters in flat piles give no hint as to the person who may own or wear them. Textile mills are best visited in the winter, when all is drab and gray outside, for even then they turn out cloth in all the colors of New Hampshire in the fall.

The Doehla Greeting Cards factory in Nashua is, unfortunately, not normally open to visitors, although I saw it from the inside as a Presidential candidate. Nevertheless, it is important for New Hampshire visitors to know that it exists and be aware of what goes on within. It is a place of great confusion of both seasons and emotions. In January and in February, cards for the Christmas of next December are being printed and packed. Balancing each other are cards of congratulation and of condolence, notices of birth and death produced in batches of 10,000 or more. This is the New Hampshire of the southeast.

Northern New Hampshire, beyond the White Mountains, is Maine or better—a land of lakes, of forests of pine and balsam and cedar and birch, of pulpwood and paper mills, with the smell of sulphur hanging over the towns.

The inhabitants are either what are called native whites or French Canadians. Wood and the woods are their livelihood. In Berlin and Groveton and other places the people are silent, purposeful and committed; their winter wear, as they go to the woods or to the mills, red caps and plaid shirts under padded blue jackets, is almost a uniform. No singing voyageurs, but men knowing the hard life, near poverty, they pay little attention to visitors and have little regard for the recreation or resort trade.

Then there is western and central New Hampshire, which should be entered from Vermont. A land of high hills, mountains some of them, open valleys, sheltered farms, and near perfect towns and villages—Peterboro, Claremont, Lebanon, Littleton, Franconia and smaller towns like Lost Nation, Antrim, Bungy, Still Corners, Hart's Location, and Waterville Valley—the struggle for existence here is real, too, but somehow seems in better balance than in the southeast or in the north. Wood smoke is reassuring as it rises from the farmhouses and lies over the towns.

There really are four seasons in New Hampshire, but spring is largely the end of winter and summer preparation for the fall. A visitor to New Hampshire should, if possible, make his first visit in the winter and follow the seasons through until the fall. Certainly this should be the rule for Presidential candidates, who this year seem to have ignored the order and begun their campaigns in September rather than in January.

The winter is black and white but mostly gray. Its end is signaled not in bursting leaves and sudden change of color, but in the movement of sap in sugar maple trees. New Hampshire people know when the time has come. Sleds and the more modern snowmobiles are readied for the rounds; trees are tapped and the sap pails hung; fires burn in the sugar sheds, and smoke and vapor rise. The people trust that it will be green again. Storm windows come down; plastic is taken off doors and screened-in porches. The winter underwear hangs limp on clotheslines, not frozen stiff and rattling as it did in January.

Then comes a quick spring, with slight promise of the fall in the color of the buds and the early breaking leaves of chokecherry and sumac, elderberries, oak and maple.

Then a fast, hard summer of green for growth and preparation for an autumn of orange and red and brown leaves—the final comfort and contentment that all three seasons labored for. There is in New Hampshire in the fall an air of certainty like that of a woman who knows in maturity she is more beautiful than she has ever been before.

New Hampshire is a modest state and lives carefully, not trusting anyone with too much power. Although one of the smallest states, it has the largest legislative body of all the states.

It seems that most people in New Hampshire can do at least two things. The signs indicate such combined talents: digging and cabinet making—one for summer and one for winter; and real estate and saws sharpened; or, in the case of women, alterations and preserves.

It finances its state government principally by taxes on the vices or near vices of its own people or of visitors to the state; namely, on beer and hard liquor, on tobacco, on bets placed on horse races, and through a twice-a-year state-administered lottery, plus a tax on hotel and motel rooms and restaurant meals.

New Hampshire likes to clear things up early if it can. It holds its Presidential primary in March. There are good reasons for the early primary. It is held before the sap begins to rise in maple trees. There are no serious distractions and not much else to do in these months but think of politics, make a decision and be free of distraction through spring and summer and the early fall.

In the "Information Please Almanac," New Hampshire lists fruit and potatoes among its principal crops, but makes no special claim, whereas Maine asserts that it produces one out of every seven potatoes raised in the United States and 19 out of every 20 blueberries, to say nothing of 200 million canned sardines. Massachusetts is, by the book, a leading manufacturer of electronics, has at Logan Airport an airfield of 10,022 linear feet, and boasts one of the largest Irish populations in the nation. New Hampshire simply says it manufactures electrical goods and produces machinery, leather goods, textiles and pulp and paper products. New Hampshire also produces maple syrup and sugar, and is called the Granite State. But Vermont, by the Almanac, leads the nation in both granite and in maple syrup production. The state tree of Massachusetts is the "majestic" elm; that of Maine the "giant" white pine; New Hampshire's tree is unassuming—the modest and scarcely useful birch. It does claim to have the highest among the lowest mountains in the country, Mount Washington.

New Hampshire is not for sale nor does it seek approval. Taken altogether, New Hampshire, if we accept a poet's judgment, is one of the two best states in the Union. This is the case for New Hampshire made by Robert Frost:

The only person really soiled with trade
I ever stumbled on in old New Hampshire
Was someone who had just come back ashamed
From selling things in California. . . .

Just specimens is all New Hampshire has,
One each of everything as in a showcase,
Which naturally she doesn't care to sell. . . .

She has a touch of gold. New Hampshire gold—
You may have heard of it. I had a farm
Offered me not long since up Berlin way
With a mine on it that was worked for gold;
But not gold in commercial quantities,
Just enough gold to make the engagement rings
And marriage rings of those who owned the farm. . . .

Apples? New Hampshire has them, but unsprayed,
With no suspicion in stem end or blossom end
Of vitriol or arsenate of lead,
And so not good for anything but cider. . . .

She's one of the two best states in the Union.
Vermont's the other. And the two have been
Yokefellows in the sap yoke from of old
In many Marches. . . .

Anything I can say about New Hampshire
Will serve almost as well about Vermont. . . .

As Robert Frost has suggested—"It is restful just to think about New Hampshire"—it is restful to write about it and more restful to be in New Hampshire. New Hampshire is a good place to live and also a good place to visit.

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## TRANSPORTATION INDUSTRY LABOR DISPUTES

Mr. PERCY. Mr. President, labor disputes in the transportation industry have had a serious disruptive effect on the marketing of this year's agricultural crops. Some of the damage will probably never be corrected. For example, the west coast dock strike alone cut our agricultural exports by over $200 million between July 1 and early October. During September most of the grain port facilities in Chicago were on strike. Grain backed up through the heart of the Corn Belt and prices were well below what they otherwise would have been. The same problem is being repeated on the gulf coast where the strike has backed up hundreds of barges containing grain and soybeans.

The direct financial losses suffered by our farmers, as great as they are, do not begin to tell the story of what these transportation strikes are costing American agriculture. Other countries—especially our best customer, Japan—are beginning to question whether or not this country is a dependable supplier of agricultural products. Therefore, they are looking toward other countries—which are apparently better equipped to deliver these products when and where they are needed.

On November 8, Mr. Kenneth E. Frick, Administrator of USDA's Agricultural Stabilization and Conservation Service, addressing the Senate Agriculture and Forestry Committee's Subcommittee on Agricultural Exports, offered documentary evidence of the immediate financial damage caused to agriculture by these strikes as well as the long-range and perhaps permanent damage to our exports. I feel his statement will be interesting and informative to all Senators and ask unanimous consent that it be printed in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### STATEMENT OF KENNETH E. FRICK

Any disruption of normal marketing channels will reduce farm prices and be reflected in lower farm income and higher government costs. Certainly, the dock strikes are a major disruption and a major threat to our entire farm marketing system.

The dock strikes and the threat of new strikes reduce, and in some instances, foreclose on our ability to compete in the international agricultural market. Hence, they place in jeopardy an important part of our agricultural income. Last year production from one out of every four acres was exported. Foreign markets account for over half of the wheat, soybeans and rice produced, nearly two-fifths of the cattle hides, over one-third of the tallow, tobacco and cotton produced, and about one-fifth of total feed grain sales by U.S. farmers.

Farmers have long known that they must compete. And they know how to compete, as indicated by the fact that we are the world's largest exporter of farm products. Agricultural exports reached a new high of $7.8 billion last year. And farm exports contributed more than $6 billion to the nation's commercial trade balance last year. Without the favorable ratio of farm exports to imports, our balance of trade (payments) would have reached the crisis stage long ago.

But farmers are aware that their competitive position is in jeopardy—through no fault of theirs—if they cannot depend on our transportation industries to move their farm products. In world markets, our crops have to compete directly with commodities from other countries . . . and if buyers cannot depend upon getting a dependable quality and quantity of U.S. products, they will buy what they need from others.

This is not only an export problem but a domestic one as well. We know from experience that a strike of this kind will seriously affect domestic transportation needed for internal shipments of agricultural commodities both during the strike and for a period following the strike. All forms of transportation—rail cars, barges and trucks—are tied up in the temporary storage of commodities loaded for movement to ports. Since these carriers cannot immediately be re-routed to domestic traffic, there follows a prolonged period of severe shortages of rail cars, trucks, and barges—even after the strike has ended.

This transportation and storage problem is especially difficult this year due to the large grain crops. Our marketing system is at present being called upon to handle large additional quantities of grain. Corn production, the largest crop in history, is up 31 percent, sorghum 28 percent, and wheat 18 percent from last year. This increase in production would be hard to handle even under normal conditions, but the situation is critical now because of the uncertain conditions and work stoppages in our nation's ports.

During the October-December quarter we normally ship about 28 percent of our annual exports of agricultural products, $2.2 billion last year. About two-thirds of our exports move out of East and Gulf coast ports which are now either closed or under the threat of being closed by strikes. These ports are especially important outlets for the major export commodities, including wheat, corn, sorghum, rice, soybeans, soybean meal, cotton, tobacco and animal products, especially hides and skins. Closing of these vital arteries would cost the American farmer $100 million per week in export sales. Some of these lost sales would be recovered after the strike, but it is certain that many will be permanently lost. This is a year when unusually large supplies of feed grains, wheat, rice, protein meals and oils are available from other countries.

Even in our concessional export sales program under Public Law 480 the effect of the strike is severe. While the concessional terms tend to assure that many of these buyers will eventually take the commodities, that is not always the case. A strike that is unduly prolonged creates scheduling and supply problems for recipient countries that can cause them to buy elsewhere. During the 100-day Pacific Coast strike, for example, we know of scheduled P.L. 480 shipments of both white wheat and rice that were lost.

Throughout the West Coast strike substantial tonnage of P.L. 480 cargo was lying in Pacific ports awaiting shipment. Presumably most of it has moved since the Taft-Hartley action, but the future is uncertain.

Normally, approximately 1,800,000 metric tons of agricultural commodities would have been shipped under P.L. 480 during the October-December quarter from the Pacific, Gulf and East coasts, most of it wheat, feed grains, cotton, and tobacco. With the strike situation as it is, this quantity is almost certain to be drastically reduced, contributing to the clogging of transportation channels that is hurting farm marketing conditions and prices.

The West Coast stoppage showed in a dramatic way what a dock strike can do to our farmers. On the West Coast between July 1 and early October agricultural exports were cut by over $200 million from a year earlier level. While the West Coast accounts for less than 20 percent of our agricultural exports, it is a vital outlet for certain key commodities.

Western wheat growers this year harvested a near record crop. Transportation and storage facilities from farms to Pacific Coast ports are still clogged as a result of the West Coast strike. At the peak of harvest about 30 million bushels were on the ground in the Pacific Northwest.

Northwestern wheat is produced largely for export. So, the impact of the strike on those farmers is especially great. During the July-September period last year our sales of wheat and flour off the West Coast were 58 million bushels. During the same period this year they were less than one million bushels. The bulk of this wheat normally moves to Japan. Since Japan prefers to buy its wheat from West Coast ports, those sales were immediately affected by the West Coast strike.

The Japan Food Agency has just released figures on its purchases of wheat for the April-October period, which includes the three months of the West Coast stoppage. Purchases during that period totaled 2.8 million metric tons, about the same as last year. The tragedy for the American wheat grower is that last year more than 58 percent of these purchases were U.S. wheat, while this year the percentage dropped to 42 percent. This is a decline of approximately 15 million bushels, worth roughly $25 million. All of that business went to Canada and Australia, our major wheat competitors.

The Japanese are beginning to question the dependability of the United States as a supplier. In recent bilateral discussions with the Japanese, we learned that they are sending missions to other supplying countries to urge that they increase their output especially of grains in order to reduce Japan's dependence on the United States.

We also suffered losses in other agricultural products due to the West Coast strike. Rice exports were down from 157,000 metric tons to 35,000 metric tons. Cotton exports were down by 85 percent. Fruits and vegetables were down 55 percent. In addition to losses in sales, we are witnessing a decline in the quality of our products offered for export, and this is directly attributable to the strike.

California alfalfa producers are an example of what can happen to a small but important industry when a dock strike occurs. Exports usually account for about two-thirds of the California output of alfalfa meal. But during the longshoremen's strike, ten alfalfa meal dehydration plants in California were closed as a direct result. This led to the domestic market being flooded with alfalfa that normally would be dehydrated for exporting. Furthermore, alfalfa pellets and cubes destined for export and held by the strike were exposed to the sun, which reduces carotene content to no more than that of ordinary hay. As a result, their value dropped to $30 per ton compared with the pre-strike price of about $50 per ton.

In other areas too, the dock strikes have played havoc with our agricultural markets. During September most of the grain port facilities in Chicago were on strike. This was a period when the harvest of soybeans and corn began, a time when all marketing and storage facilities were desperately needed to handle the large incoming crop. Thus, the lack of an outlet for corn and soybeans in Chicago, the major terminal market for this area, became extremely serious. Grain backed up through the heart of the corn belt, and prices were well below what they otherwise would have been. As an example, the normal spread between Chicago corn December futures and Central Illinois cash prices is about 8 cents per bushel. The differential this year jumped to 18–20 cents. This increased spread in prices reflected the storage and transportation tieup caused by the strikes. The Chicago strike has important overtones, especially for soybeans and corn, because Chicago is the basing point for prices both for domestic and for international trade in these commodities.

The same problem has been repeated in the Gulf. We are informed that the strike has backed up 800 barges of grain and soybeans in the New Orleans area. Because of the strike and consequent stoppage of barge unloading and the shortage of barges, there has been an increase in grain barge rates from Peoria to New Orleans from 11 cents per bushel in mid-September to 13 cents in mid-October. In that area, the crushing of soybeans for meal and the exporting of oil have come to a virtual standstill. Meal is not easily stored for extended periods and consequently these sales are not being made.

Farther East, we understand that soybean producers in Northwestern Florida and Alabama are hard hit by the shutdown of the Port of Mobile. Soybean farmers in those areas have little storage available and are dependent upon sales through Mobile to move their soybean crop.

Soybean farmers have a particular reason to be anxious as they survey the loss of export outlets. Soybeans are the big success story of recent years in the U.S. farm export picture. In this fiscal year, we have been counting on soybeans and products to provide about one-third of all commercial exports of U.S. farm products. But time is an important element.

In general, the most favorable export demand for U.S. soybeans and products will exist during the months immediately ahead. As the season progresses, supplies of both oils and meals from other countries will become increasingly plentiful. Thus, the best potential for U.S. exports of soybeans and products, both in volume and price levels, is in the early part of the current marketing season.

These are some of the problems which farmers face due to the dock strikes. There are many other segments of our economy which are dependent upon agriculture and which are also suffering economic losses. The small town businessman who is dependent upon the cash flow from agriculture, the trucker who is dependent upon seasonal business, and many others are sharing the farmers' pain. The dock workers themselves are a vital part of the system and are also dependent for their livelihood on export sales of agricultural products. At a time when we are desperately trying to get our nation's economic house in order, we all need to work together instead of pulling apart, in order that we may all benefit from a strong economy and a unified nation. It is for this reason that the Department of Agriculture urges an immediate end to the dock strikes and their threat to the agricultural economy.

## PROPOSED REFORM IN THE ACTUARIAL CALCULATION

**Mr. MUSKIE.** Mr. President, I wish to express my support for the reforms in the actuarial assumptions and purposes recommended by an eminent panel of actuaries and economists appointed by the Advisory Council on Social Security to evaluate the reasonableness of the assumption and methodology of the long-range actuarial calculations. These reforms are badly needed to prevent unnecessary imposition of social security taxes and the accumulation of large and unneeded surpluses in the trust funds.

These reforms are embodied in S. 2656 which the Senator from Minnesota (Mr. MONDALE) and I introduced on October 5. Those reforms would result in the trust funds with reserve funds equal to approximately 1 year's reserve rather than trying to accumulate huge surpluses to pay benefits in the next century. Putting social security on a pay-as-you-go basis recognizes a basic truth about the system—the currently retired population is supported by the currently working population. It is a basic economic fact in our economy, and it is a moral and ethical right of our senior citizens. Before the social security system was started, children supported their elderly parents. The social security system has institutionalized an existing situation, assuring that everyone share the burden and that the beneficiaries were treated equitably.

A basic element of the recommended reforms was to change the assumption about the course of future wages. In the past, the actuarial calculation has assumed wages would not rise for the next 75 years.

The level wage assumption underestimates both future expenditures and future revenues, but it tends to understate the revenues by more than the expenditures. This has resulted in tax rate schedules that are in excess of what were required to finance benefits. S. 2656 incorporated the recommendation that the "level wage" assumption be replaced with reasonable assumptions concerning the future growth in average covered wages.

Everyone recognizes the right of our elderly population to a decent level of living. But there is no point in taxing the working population in excess of the amount needed to support the elderly. S. 2656 not only proposes reform of the actuarial calculations that are direly needed, but also proposes a more equitable distribution of the existing burden. S. 2656 would remove the wage ceiling on wages subject to tax and convert what is currently a regressive tax falling most heavily on the middle-income families into a proportional tax on all earned income. Credit would be given for future retirement benefits for earnings up to $20,000. Personal exemptions and a low-income allowance would be introduced to reduce the burden on the low and middle-income groups.

The recommended actuarial reforms could be used to delay scheduled increases in tax rate until the year 2010 and still finance the present program along with the automatic cost-of-living increase. But it would be necessary to successively raise the wage ceiling. It is the wage ceiling, however, that makes the social security tax regressive. Removing the wage ceiling as proposed by S. 2656 would make the tax more progressive.

I heartily endorse and hope the actuarial reform will be accepted. It is a first step in the right direction. The other provisions of S. 2656 are a much needed second step.

## COAL STRIKE VIOLENCE IN OHIO

**Mr. TAFT.** Mr. President, on October 23, after having received reports of violence and turmoil in portions of eastern Ohio, I visited the State and found that these reports were not exaggerated.

I talked with sheriffs' deputies who had been confronted by a caravan of approximately 500 armed men who roamed the countryside bringing terror and destruction. I visited the James Bros. mine, where a band of miners blew up an office building, blew up a building with machinery that ran the coal tipple, destroyed a part of the tipple, and destroyed trucks. I met with the Governor, to whom I strongly suggested that the National Guard should be called out. However, he declined to do so.

On November 3, I was notified that the nonunion mines, which had been closed because of this intimidation would reopen. The following day widespread reports of renewed violence appeared in the press. I ask unanimous consent that these newspaper articles be printed in the Record. How long will this illegal and deplorable situation be allowed to continue? The Governor of Ohio must decide.

There being no objection, the items were ordered to be printed in the Record, as follows:

[From the Times-Reporter, Dover-New Philadelphia, Ohio, Nov. 5, 1971]

### PUSKARICH SUES SHERIFF—EXPLOSION DAMAGES PERRY COUNTY MINE

An explosion, believed caused by dynamite, ripped a Perry County mining firm's offices and weighing facilities Thursday night and another mine owner, threatening to arm his coal trucks, has filed suit to force the Belmont County sheriff to provide protection for his trucks and mine site.

These are the latest state-wide developments in the continuing dispute between striking United Mine Workers and non-UMW mines which continue to operate in the eastern and southern part of the state.

There were no injuries resulting from the explosion at New Lexington in southern Ohio where the Star Mining Co. reopened Wednesday. Perry County Sheriff Tom Wilson said damage was extensive. The firm had been closed since Oct. 1 when the UMW went on strike.

"This looks like it might be labor related," Wilson said of Thursday night's blast.

Wilson said the explosion at the mine, located between the villages of Shawnee and McCuneville, apparently was caused by dynamite either thrown against the office building or placed alongside it.

"Shortly after the explosion I talked with one of the owners, Jim Brown, and he told me he could tell by the smell that it was a dynamite blast," Wilson said. "We're going to search the area to see if we can find any fuses."

The blast, which occurred about 7:30 p.m., could be heard several miles away.

William Griffiths, attending a meeting of the Shawnee water board about one mile away, said he heard the blast clearly.

"It sounded like a car crash," Griffiths said.

Wilson said the small, frame office building "was just about totaled." The blast also destroyed scales where coal trucks are weighed and knocked out a gasoline pump, but there was no fire.

"We have no suspects," Wilson said early today. "But we're going to continue the investigation."

Wilson said he had a report a pickup truck had been seen in the area shortly before the explosion, "but it's nothing I can confirm.

"There was so much coal traffic in and out of there during the day we can't get any clues from tire tracks," Wilson said.

In Belmont County, Michael Puskarich, owner of the Cravat Coal Co., filed Thursday for a writ of mandamus in common pleas court asking protection from Belmont Sheriff George Neff.

Represented by the Thomas and Thomas law firm at Bridgeport, Puskarich asks "protection for property, employees, agents and officers (of Cravat) and to insure the provision of a permanent injunction (restraining pickets issued this week) by a sufficient number of deputies as permitted by law to accomplish this, or that (the sheriff) show cause by the 10th day of November, 1971, at 9 a.m. why he does not do such."

Puskarich says his mine and coal hauling trucks at Bellaire repeatedly have been the target of harassment from pickets.

"Deputies always show up 30 minutes to two hours after the action is over," says Puskarich. "When they arrive, they look around and say, 'We don't see any trouble,'" the mine owner says.

He said two deputies were at his Bellaire mining site this morning and read the court order to eight or 10 pickets. "This was the first time deputies ever arrived before there was a chance for trouble," said Puskarich.

He said his employees were harassed by pickets brandishing guns on Wednesday and many of his truck drivers refused to haul coal, forcing him to halt operations Wednesday afternoon and Thursday.

Today, he said his mine resumed operations with new drivers.

Puskarich vowed to arm his trucks and the mine site if he does not receive protection from Sheriff Neff.

"What will it take for the sheriff to take action?" asks Puskarich. "Will he wait until someone is killed?

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### NO CLUES IN MINE BLAST; OFFICIALS' TIRES PUNCTURED

Tuscarawas County sheriff deputies today said they have no clues in connection with an explosion at Puskarich Mining Co. of Sherrodsville, which was reported Thursday at 1:40 a.m.

The blast occurred on an access road some 30 to 40 yards from a crane, which was not damaged.

Four men reportedly fled from the scene when two mine employes who were watching the pit area from a high vantage point, fired at them.

The Puskarich mine was one of about a dozen mines not affiliated with United Mine Workers which resumed operation last week after being shut down because of harassment by roving UMW pickets.

Three other incidents, believed related to the UMW strike, occurred last night and early today.

Deputies were called Thursday at 11:06 to the Wallick Coal Co. when occupants of an auto driven along County Rd. 102 shouted obscenities at Wallick personnel.

This morning at 3:09 Glenn Carlisle of RD 4, New Philadelphia, county commissioner chairman, reported all four tires on his station wagon were punctured while the vehicle was parked on N. Broadway near public square.

Carlisle was instrumental in approving Sheriff A. J. (Tony) Young's call for assistance from surrounding counties and arranging lodging for deputies who helped patrol the county last week.

Two tires were cut on Chief Deputy John Barlock's cruiser last night while it was parked at his home at E. 3rd and Cross sts. in Dover. It marked the second time in recent weeks that the tires on his cruiser had been slashed.

The windshield in Capt. Earl (Lefty) Doriche's cruiser was smashed recently while it was parked in Dennison.

Tires on an auto owned by Judge Raymond C. Rice's wife were cut a few weeks ago while it was parked at their home on Fair Av. NE and a barn owned by the judge was leveled by fire the night of Oct. 15. Rice had earlier issued a restraining order to control UMW picketing.

### UMW TERRORISM RECOUNTED FOR RICE

(By Ron Callahan)

"One individual had a 20-guage shotgun and he started to shoot, 15 feet on the ground to my right. . . He walked toward my property. He fired a second shot about 8 feet from me. . . a third right beside me and a fourth on the ground in front of me so that the debris hit me in the stomach."

That was part of the testimony of Raymond (Bud) Lahmers, owner of Empire Coal Co. at Gnadenhutten, given during a preliminary injunction hearing Thursday in Tuscarawas County common pleas court. The hearing resumed this morning.

Lahmers was describing the events which he says took place at his mine site off County Rd. 16 on Oct. 1, the first day of a nationwide strike by the United Mine Workers Union.

The request for the injunction, to prevent UMW pickets from harassing employes and operations at 10 non-UMW mines, was made Oct. 8. A restraining order was issued by Judge Raymond Rice on that date and it later was extended to Nov. 4 by Judge J. H. Lamneck.

When asked if the restraining order had been extended or still was in effect, Judge Rice said something to the effect that the answer lies in "muddied waters."

Also pending before Judge Rice are motions to cite four UMW pickets for contempt of the Oct. 8 order and a claim for $2 million in damages sustained by the 10 mines because of a forced shutdown under threat of UMW violence and other incidents.

The contempt action, filed as a result of UMW picketing by 300 to 500 men on Oct. 16, and the $2 million claim will be heard after Rice rules on the injunction.

On Wednesday, Atty. Danny Johnson of New Philadelphia, on behalf of the UMW, filed an appeal with the Fifth District Court seeking to knock out the entire action on the grounds the local court has no jurisdiction.

Others called to testify Thursday were:

James Rogers of RD 1, Dennison, a driver for the BMW Truck Co., hauling coal for Alexander Brothers Inc. of Mineral City; Dennis Pringle of RD 1, Beach City, driver for Sugarcreek Cartage Co., hauling coal for Hardy Coal Co. of Sugarcreek; Gilbert Ankrom of RD 1, Bolivar, mechanic for Eberhart Coal Co. near Dover; Tom Beitzel of Mineral City, mechanic for Eberhart Coal; Vic Alexander, vice president of Alexander Coal and Supply Co. of Bolivar.

Phillip Eberhart of Canton, vice president of Eberhart Coal Co.; Paul Jones of RD 2, Sugarcreek, superintendent of Hardy Coal Co.; John Barlock, chief sheriff's deputy; James A. Russell of 214 2nd st. SE, New Philadelphia, UMW organizer for District 6, and Clarence Morgan of Midvale, an employe of the Midvale Coal Co.

All witnesses were called by the attorneys for the coal firms, Frederick Gromen of Bellaire and Ed Wright of Dover.

However the two witnesses associated with the UMW, Russell and Morgan, refused to testify on the grounds that they might incriminate themselves. They were advised not to testify by their attorneys, Danny Johnson of New Philadelphia, representing Russell, and James Cross of Akron, representing Morgan.

Russell presently is under seven criminal indictments in Carroll County, including inciting to riot, stemming from the Oct. 16 destruction at the James Brothers Coal Co. east of Mineral City. Three deputies were injured and damage was estimated at $250,000 after about 300 to 500 roving pickets stormed the mine.

Johnson was to be the attorney of record for Thursday's hearing, but at the last minute was allowed to withdraw and be replaced by Cross. However, Johnson said he would be representing Russell in criminal proceedings.

Russell, along with Morgan, William Bonnell of 231 3rd st. NW and Mike DeTorio of 1310 Kaderly st. NW, both New Philadelphia, are charged in the contempt action.

Lahmers, in the remainder of his testimony, said Russell was at his mine the day of the shooting. Also present, he said, was Bonnell.

Bonnell did most of the talking, Lahmers said, yelling obscenities. Eventually another picket in a group of about 80 disarmed the man with the shotgun and the pickets left. Lahmers quoted Russell as saying: "We'll be back to get you tonight."

Lahmers said he shut his operation down until Oct. 11. Then on Oct. 16, the day the James Brothers Coal Co. mine near Magnolia was destroyed, the witness said that a caravan of 80 vehicles arrived at his mine with Russell in the lead car. He also identified Bonnell, Russell, Morgan and Detorio.

After threats to burn his home down and destroy his property and in the presence of deputies Lahmers agreed to close his operation. He said Russell was carrying a gun strapped to his waist.

Bablock was at the scene when the pickets arrived and testified that he tried to calm a "pretty touchy" situation. He confirmed there were threats made against Lahmers from the crowd and that "Russell made a few statements—threats of violence."

Barlock said he saw that pickets had guns, but that he didn't think Russell had a gun. He stated Russell was the apparent leader of the pickets and that the organizer was wearing a stocking mask.

The chief said he didn't ask for an explanation for the mask, but that he had no trouble recognizing Russell.

The deputy said he talked Lahmers into letting the pickets dump coal from the tipple into the bins "to avoid violence and destruction."

Present with the chief was Capt. Earl Doriche and lawmen from surrounding communities.

Rogers, the coal hauler for BMW Trucking, testified he was stopped Oct. 1 by about 70 pickets as he was driving north on Rt. 21. He identified Russell, Bonnell, Bruce Ickes, James Burlinson, James Hanlon and Henry Miller Jr. The latter four were identified as employes of Penn Ohio Coal Co., a UMW mine near New Philadelphia.

Rogers said the pickets threw rocks at his truck, smashing the windshield.

Pringle, the driver for Surgarcreek Cartage, said he also was attacked by four pickets while he was driving north on County Rd. 93 on Oct. 1. He did not identify anyone, but did recognize Russell's car, a 1968 model, blue and white with a convertible top. He said his employer shut down operations for three days "because most drivers thought it was unsafe to go on the road."

At that point Cross interrupted the hearing to note that the county grand jury was meeting in the adjacent courtroom and that the two proceedings were calling similar witnesses, which could prejudice the case in hand.

Rice took note of the point and termed it an argument for better courthouse facilities.

Testimony continued with Ankrom and Beitzel reporting they were threatened by pickets on Oct. 1 at the Eberhart Coal garage at Lawrence Township Rds. 387 and 379.

Ankrom said that Russell and Bonnell arrived at 9 a.m., along with about 80 others, and that Bonnell ordered that coal be dumped from a truck that was in for repairs.

Again on Oct. 4, the pickets arrived at the garage and Russell was recognized by Ankrom. He said he (Ankrom) stood at the door of the garage and when the pickets were 20 feet away he shouted that he had a shotgun.

He said Russell shouted back that his men had guns, also, and Ankrom added: "He (Russell) said he'd kill us all."

The mechanic said that after that he and his co-workers packed up and left. He said he found his car's windshield had been smashed.

Beitzel said he was at the garage wtih Ankrom on Oct. 1 when the pickets arrived and demanded they shut down. He said he tried to call his supervisor on the radio phone, but that a picket "jerked" it out of his hand and threw it on the floor. He also recognized Bonnell and Russell.

He said the two men returned on Oct. 4 at 8 a.m. in a caravan of about 50 cars. He said the pickets had rifles and shotguns and ordered the employes out. "What could you do," Beitzel said. 'I'm not going to argue with 100 to 150 guys."

Three coal operators Eberhart, Jones and Alexander and Lahmers, too, gave figures on the amount of coal they produce prior to the strike and that produced since Oct. 1 in an apparent attempt to show damages.

Eberhart testified that Chief Barlock and Capt. Dorich and four UMW representatives met with him at his office on Oct. 18 to get him to agree to shut down operations. He said he did not remember the names of the UMW representatives, only that he had seen Russell with one of them two years ago. He said he told the men he was shut down already and one said: "Well, you just stay that way."

Jones said Russell appeared at his mine on Oct 16 wearing a mask and that he (Jones) agreed to dump his coal and shut down. Deputies also were at the scene.

Attorneys for both sides made a number of motions with Cross asking for a continuance until he could familiarize himself with the case. That motion was denied.

Then in succession he asked that Bonnell be withdrawn as a defendant because he was named as a representative of the UMW, which Cross said was not true.

He also moved to have the complaint dismissed for a "misjoinder of parties" since Pringle of Sugarcreek Cartage cannot be linked to the case.

He added that Hardy Coal and Wallick already have an injunction in effect granted Aug. 9. He wanted the injunction dismissed because the temporary injunction of Oct. 8 was continued "without reference to just cause and simple procedure."

Rice did not rule on whether Bonnell should be a party to the case, but Atty. Paul Redinger of Dover, co-counsel for the mining firms, moved that Bonnell, Morgan, and Detorio be made defendants individually.

Cross then decided to proceed with the injunction hearing and not ask for a continuance.

Redinger asked that injunction requests filed separately by Lahmers and the 10 coal firms be consolidated and that contempt charges against the defendants not be heard at this time. Rice agreed.

Attorneys for the coal firms rested their case Thursday.

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[From the Times-Reporter, Dover-New Philadelphia, Ohio, Nov. 4, 1971]

### HARRISON MINE VIOLENCE DENIED, DETAILED

(By Ron Callahan)

Members of the United Mine Workers Union testified in Harrison County common pleas court Wednesday that they have engaged only in "peaceful demonstrations" since the UMW went on strike Oct. 1 and that they gather for such demonstrations, not on orders from the UMW, but by "word-of-mouth" communications with other union miners.

The testimony was given at a hearing on a preliminary injunction requested by the R & F Coal Co. of Cadiz. The firm, in essence, is asking the continuance of an Oct. 7 restraining order granted by Judge John G. Worley.

Atty. Ed Mosser of Cadiz, representing R & F Coal, called 12 witnesses yesterday, while the UMW's attorney, Paul Pachuta of Columbus, called none.

Testimony was to continue today.

In his opening statement, Mosser said that R & F employes have been prevented from working by union pickets and that there has been extensive damage at a Harrisville mine site caused by roving pickets on Oct. 5 and 12.

Pachuta retorted that the pickets were not UMW members and that any pickets were demonstrating peacefully and on their own.

The UMW attorney also contended there is a labor dispute between the union and R & F. The National Labor Relations Board has jurisdiction and not the county court, he said.

Witnesses called Wednesday by Mosser included UMW members and individuals associated with R & F who were:

UMW—Carroll Kennedy of Hopedale, employed by an unnamed Harrison County Coal firm; Marty Litten of Flushing, Hanna Coal Co.; Thomas Van Horn of Bethesda, Allison Mine of the Y & O Coal Co.; Robert Thompson of Barnesville, Vail Coal Co.; Joseph Oboy of Maynard, Hanna Coal Co.; Jay Kolene of Rayland, an organizer for District 6 UMW.

R & F—Rudy Bisic of St. Clairsville, scale master; Atty. William Spiker of Cadiz, co-counsel for R & F, John Frollini of Lafferty, tipple foreman; Ernest Rensi of Hopedale, safety patrolman; Lee Conway, general manager, and Miss Carol Casteel of Adena, daughter of an employe.

Kennedy, Litten, Van Horn, Thompson and Oboy admitted they were "peacefully demonstrating" Oct. 5 at the Glen Castle Mine off County Rd. 36 in the pre-dawn hours.

The number of pickets was estimated at from 50 to 150.

The five men said they had met other miners at Fairpoint and that they went from there to the mine. Four railway cars were derailed, with two dumping coal on the ground and two other blocking the main line of the N & W Railroad.

The UMW miners said they did not see how the cars broke loose from moorings and that they (the demonstrators) just stood on the road. Except for Thompson and Van Horn, who said they drove to the site together, the men said they did not recognize any of the other pickets.

The five UMW members also noted that they had "heard" there would be a demonstration on Oct. 5, but that they did not get their orders from UMW officials. They said the word was passed by miners in the communities in the county.

Both Conway and Atty. Spiker testified as to the extent of damage at the mine. Spiker had taken photos on Oct. 5 of the dumped rail cars and the scale office where all the windows were broken and a door battered. He also presented photos of a truck with a smashed windshield and dented body; a tractor with its window and lights broken and two fuel tanks from which fuel was draining, apparently because the valves were opened.

Conway detailed the damage to equipment Oct. 12. On that day he said an HD 41 dozer and a fuel truck were set afire. They were located at a reclamation site at a farm off Maynard road at the county lines of Harrison, Jefferson and Belmont counties.

Conway said the tractor was destroyed and that its replacement would cost $70,000. He set the fuel truck damage at $2000

The general manager also noted on the stand that Judge Worley's restraining order was posted at the mine site and that R & F had taken advertisements announcing the order in the Steubenville and Martins Ferry newspapers on Oct. 7.

Both Bisic and Frollini were on duty at the scale house Oct. 5 at the mine when pickets arrived. They said they did not see the rail cars dumped, but did see a number of pickets break the windows and bang on the side of the building.

Rensi said he drove his van truck up to the mine entrance that day and while he was talking to the pickets a tire valve was cut. Rensi and Conway later took the license numbers of cars coming from the site, they said.

Miss Casteel, whose father, Max, as a job foreman for R & F, took license numbers of cars congregating on Maynard Rd. Oct. 12 where the dozer was ablaze.

She got numbers of four Ohio registrations, including that of a truck owned by Kolenc, the UMW organizer. She said she and her father had heard there were pickets at the reclamation site and that her father had asked her to take down the numbers. They got to the site about 6:30 or 7 p.m., she said.

Miss Casteel reported that one of the cars in the group cut out in front of her father's in an attempt to block the road.

When asked if he was there at the time, Kolenc said no, but later said it was "possible". He said he could have possibly driven past the area, but that he did not see anything unusual, such as a burning dozer or a group of cars and men.

Mosser asked that Kolenc bring his mileage report, submitted to District 6 each month, to court today.

The organizer admitted he could have been at the Harrisville mine on Oct. 5 as well. He said he did not organize the demonstration, nor did he receive orders to be a part of it from this superiors at District 6.

He said, "Miners have a way to get the word along," but that he did not assist in passing the word.

At one point he said he gave instructions to "30 or 40 men" not to violate the law.

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[From the Times-Reporter, Dover-New Philadelphia, Ohio, Nov. 4, 1971]

### UMW Official Says: Mine Violence Not Authorized

(By Jerry Armstrong)

Cadiz.—Thomas Williams, president of District 6 of the United Mine Workers union, testified in Harrison County common pleas court Thursday that there was no union authorization of violence at R & F Coal Co. of here and that any which did occur, involving UMW members, was strictly by individual acts.

Judge John G. Worley, upon hearing the final two witnesses at a hearing for a preliminary injunction against the union, filed by the coal company, said he would study testimony from the two-day proceedings prior to making a ruling next week.

In the meantime, a temporary restraining order will be continued, with Worley ordering all directives be complied with.

During Tuesday's testimony, it was noted damage was inflicted on the firm's scale office, a truck, tractor and rail cars on Oct. 5 and damage to a dozer and fuel truck Oct. 12 at a reclamation site off Maynard rd. near the Harrison, Jefferson and Belmont county lines. Total damage has been set at $250,000.

Williams said neither he nor the union ever made arrangements for anything but "peaceful demonstrations." The district president testified he had advised representatives not to engage in any type of demonstration "of violence or not law-abiding."

He also indicated all representatives were ordered to comply with several court orders issued following disturbances at several mines after UMW members went on strike Sept. 30.

He said a meeting was called with district staff members of the Cadiz area on Oct. 13, at which time district representatives were informed that locals must all comply.

Williams also pointed out he had recommended in an Oct. 7 issue of the Wheeling Intelligencer that all union members refrain from picketing. He said the union had decided on a policy of cooperation with non-union mines, asking employes and management to discontinue operations in sympathy with the UMW members.

However, Williams did say district organizers were instructed to continue to urge non-union miners to join the UMW.

Atty. Ed Mosser of here, representing R & F, asked Williams if any union members were involved in vandalism Oct. 5 at Glen Castle Mine off County rd. 36. Williams replied there may have been union men involved, but if they were, they were not authorized. Mosser stated the auto of Robert Mayhew of St. Clairsville, field organizer of Local 9992, was among those of which pictures were taken.

Mosser asked if roving pickets were being paid mileage to participate in mine violence. Williams denied any such setup, saying possibly members passing through those areas on official business may have been paid mileage.

When asked by Mosser if the UMW would back members if they attempted to stop work at non-union mines, Williams replied it would depend on the manner and "if it were a peaceful demonstration." Williams said there had never been any union organization or authority for violent tactics.

Mosser then asked Williams about a statement made by Tom Stark, a District 6 executive, which appeared in Thursday's Harrison News-Herald. The newspaper account of a meeting called by officers of the Egypt Valley Local 1506 to explain UMW strike benefits said "one young miner asked if the UMW would back union miners in stopping the non-union operations. Stark stated, 'Yes, but I'll say no more,'" the newspaper reported.

Mosser asked Williams if he supported the statement. UMW Atty. Paul Pachuta of Columbus objected after Williams said he was not aware of the item.

"It appears the organization can not be responsible for acts of violence, if it happens to be the UMW," Mosser noted. He then asked if there were any union procedures taken against members involved in violence. "I have made inquiries," Williams said.

Mosser then pointed out some union organizers seem to attract unusual amounts of attention. Williams stated several times, facts are "blown out of proportion and are not what they appear to be," presumably referring to the news media.

Williams also testified about attempts to get R & F Coal employes into the UMW and said no authority "above or below me" had ever condoned picketing violence.

Judge Worley asked Williams about the loss of union membership over the years, the union's image and its workings with local authorities. Williams replied the union had always attempted to work with local authorities.

The only other witness to testify was Jon Fleagane, 26, of here, vice president and supervisor at R & F. He testified that windows were broken out of his truck Oct. 12 near the Harrisonville mine site. He said there were several demonstrators on and off the roadway, with at least seven cars present.

Pictures of that incident were submitted, as evidence, and Pachuta objected, saying the pictures were "irrelevant" and some demonstrators could not be identified.

Worley said he was reluctant to make a ruling on the matter, noting there was "a lack of statesmanship for the general welfare of the public." He also noted several denials of involvement by the UMW.

## FREE PRESS HEARINGS: TESTIMONY—II

Mr. ERVIN. Mr. President, upon previous occasions I have placed in the Congressional Record statements of several witnesses who have testified before the Senate Subcommittee on Constitutional Rights hearings on freedom of the press. I now ask unanimous consent to have printed in the Record the statements of two additional witnesses who appeared before the subcommittee on October 20, 1971.

One of the major purposes of the hearings is to examine the complex relationship between the broadcast industry and the Federal Government in the context of the first amendment's guarantee of a free press. In my judgment, it is especially important at this time to measure the impact of Government regulation on the broadcast media and the first amendment problems it presents to a free society. In this connection, the subcommittee invited Mr. Dean Burch, Chairman of the Federal Communications Commission, and Mr. Nicholas Johnson, a member of the Commission, to testify before the subcommittee. Their statements set forth many of the problems surrounding the first amendment's guarantee of a free press.

There being no objection, the statements were ordered to be printed in the Record, as follows:

### Statement of Chairman Burch, Federal Communications Commission Before the Senate Subcommittee on Constitutional Rights, October 20, 1971

The Commission appreciates the opportunity to present its views on the important subject of FCC policies relating to broadcast journalism. I think the best way for me to proceed is to describe first the general statutory scheme for regulating broadcasting. Then I will review the way in which the Commission has applied this statutory scheme with respect to broadcast journalism. I shall necessarily paint with a broad brush, but I shall be glad to supply additional details in answer to questions today or by letter if you wish.

#### THE GENERAL REGULATORY SCHEME

Broadcast stations are licensed by the government. In contrast, newspapers are not. Government licensing of newspapers has been and continues to be abhorred. In this nation because the power to license carries with it the threat of government control of news, a circumstance well-known to totalitarian nations. While it is undoubtedly "old hat" to all of you, I think it is essential to repeat here this reason for this distinction between newspapers and broadcasting stations—why the government must license broadcast stations.

The Supreme Court stated the reason 28 years ago: "Unlike other modes of expression, radio inherently is not available to all. That is its unique characteristic, and that is why, unlike other modes of expression, it is subject to government regulation.[1] Conflicting demands for many uses of radio, both broadcast and nonbroadcast, require that the frequencies which comprise the radio spectrum must be allocated to various uses or services. Once segments of the spectrum have been allocated for a service—here broadcast service—the frequencies within that segment must be assigned to specific users in a way that prevents destructive interference. Otherwise, interference could effectively preclude the public from hearing any broadcast. Once

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Footnotes at end of article.

television broadcast channel 4 has been licensed to one person in Washington, for example, no one else can be licensed to use that channel. The Commission accomplishes this result in the broadcast field by following the licensing scheme embodied in the Communications Act of 1934, as amended.[2]

Congress clearly stated the purpose of the Act—"[T]o maintain the control of the United States over all the channels of interstate and foreign radio transmission; and to provide for the use of such channels, but not the ownership thereof, by persons for limited periods of time, under licenses granted by Federal authority * * *"[3] The standard Congress established to govern such licensing is the "public convenience, interest, and necessity."[4]

It is by now beyond dispute that the Act's comprehensive scheme for regulating the use of radio in the larger interest of the public is not inconsistent with the First Amendment. This is not because the First Amendment is inapplicable to radio—the protections of the First Amendment certainly do apply to broadcasting. The Supreme Court has so stated on several occasions; [5] Section 326 of the Communications Act so states.[6] Rather government regulation is permissible because different standards are appropriate for different media of expression in light of their differing natures.[7]

Thus, since radio is inherently not available to all, regulation of the use of radio in the public interest does not violate the First Amendment. That is the holding of *NBC* v. *United States* in 1943,[8] and it was repeated only two years ago in the landmark decision, *Red Lion Bctg. Co.* v. *FCC.*[9]

I believe this decision to be so important to the subject of this hearing that I have attached a copy of the unanimous opinion to this Statement.

Mr. Chairman, you may hear the argument that there are far more broadcast stations than newspapers of daily circulation—that it is much more difficult to start a newspaper than it is a broadcast operation: This is true. But no one will stop you from putting out a newspaper. Only one person can operate on Channel 4 here in Washington, and all others will be prevented from doing so.

In short, despite the argument as to numbers of stations, the vital consideration is that the radio spectrum remains a precious, scarce resource. In view of the demands pressed upon us by those applying for spectrum space, I can assure you that this is so. And when we revoke or deny a station license, we find eight, ten, sometimes as many as 16 applicants for the frequency. The Supreme Court recognized the limits on spectrum space and rejected this "no scarcity" argument in *Red Lion.*[10]

Chief Justice Burger, in his last opinion as an Appeals Court judge,[11] said:

"A broadcaster has much in common with a newspaper publisher, but he is not in the same category in terms of public obligations imposed by law. A broadcaster seeks and is granted the free and exclusive use of a limited and valuable part of the public domain; when he accepts the franchise it is burdened by an enforceable public obligation. A newspaper can be operated at the whim or caprice of its owner, a broadcast station cannot."

What, then, is the "public obligation" imposed upon broadcast journalism?

### THE PUBLIC INTEREST STANDARD AND BROADCAST JOURNALISM—THE FAIRNESS DOCTRINE

The first obligation of the broadcaster is to engage in broadcast journalism—to devote a reasonable amount of time to informing the public on controversial issues of public importance. A democracy cannot function without an informed electorate. Because of the contribution broadcasting can make to an informed electorate,[12] we have allocated a relatively large amount of spectrum space to this service. To justify that allocation of scarce radio frequencies, broadcasters must act (in the words of the *Red Lion* case) "as proxies for the entire community, obligated to give suitable time and attention to matters of great public concern * * * *"[13]

The Commission has also stressed the need for the licensee to discharge this obligation by presenting partisan voices, rather than "always itself presenting views in a bland, inoffensive manner."[14] For, such a licensee policy, we noted, "would run counter to the 'profound national commitment that debate on public issues be uninhibited, robust, and wide-open debate'."[15]

In line with that objective, the Commission believes that the broadcaster cannot properly present only one side of the debate—the side with which he agrees. The Commission therefore early developed the fairness doctrine as a necessary corollary of the public interest standard of the Communications Act. The doctrine emerged in a series of early cases and then was enunicated in considerable detail as the result of a proceeding initiated by the Commission to clarify its position with respect to the obligation of licensees in the field of broadcasting news commentary, and opinion. That proceeding culminated in the issuance of the 1949 Report on Editorializing by Broadcast Licensees.[16]

Simply stated, the fairness doctrine requires that where a broadcaster has covered one side of a controversial issue of public importance, he must afford reasonable opportunity for the discussion of contrasting viewpoints. He cannot sit back and wait for someone to knock on his door and offer to present the other side. He must affirmatively encourage and implement the presentation of other sides—by making offers over-the-air or to specific groups of persons representing other viewpoints. In presenting other viewpoints the broadcaster has considerable leeway to make good faith, reasonable judgments as to the viewpoints to be presented, the appropriate spokesmen, the format of the program, and many other similar programming decisions. Thus, fairness, that is, affording "reasonable" opportunity does not mean the mathematical precision of "equal" opportunities—a concept which is applicable only to broadcasts by legally qualified candidates.

The Commission's role in enforcing the fairness doctrine is limited. The Commission determines, upon appropriate complaint, whether the broadcaster's judgment can be said to be unreasonable. The Commission does not, I stress, determine whether it is a wise journalistic judgment or one with which this agency would agree.

That is a thumbnail sketch of the Commission's fairness doctrine. It was expressly codified in the 1959 amendments to the Communications Act. Section 315(a) now imposes upon broadcast licensees the obligation ". . . to afford reasonable opportunity for the discussion of conflicting viewpoints on issues of public importance."[17]

In the 60's the Commission adopted two specific rules within the fairness doctrine field—the rules applicable to personal attacks and to political editorials. I have attached these rules as Appendix B. Under these rules, the Commission requires the broadcaster to give timely notification to a person or group attacked and to the candidate opposed or not supported and to make an offer of comparable time for a response.

These rules and the general fairness doctrine were challenged in litigation culminating in the Supreme Court's 1969 decision in *Red Lion.* Mr. Chairman, their invalidity was urged principally on First Amendment grounds. The Court affirmed the Commission. I believe the *Red Lion* opinion is therefore of special interest to the Subcommittee. I shall quote here only one portion of it:[18]

> "* * * There is nothing in the First Amendment which prevents the Government from requiring a licensee to share his frequency with others and to conduct himself as a proxy or fiduciary with obligations to present those views and voices which are representative of his community and which would otherwise, by necessity, be barred from the airwaves.
>
> This is not to say that the First Amendment is irrelevant to public broadcasting. On the contrary, it has a major role to play as the Congress itself recognized in § 326, which forbids FCC interference with "the right of free speech by means of radio communications." Because of the scarcity of radio frequencies, the Government is permitted to put restraints on licensees in favor of others whose views should be expressed on this unique medium. But the people as a whole retain their interest in free speech by radio and their collective right to have the medium function consistently with the ends and purposes of the First Amendment. It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount [cases omitted]. It is the purpose of the First Amendment to preserve an uninhibited marketplace of ideas in which truth will ultimately prevail, rather than to countenance monopolization of that market, whether it be the Government itself or a private licensee [citations omitted]. "[S]peech concerning public affairs is more than self-expression; it is the essence of self-government." [Citations omitted]. It is the right of the public to receive suitable access to social, political, esthetic, moral, and other ideas and experiences which is crucial here. That right may not constitutionally be abridged either by Congress or by the FCC."

Except for the two rules on personal attacks and political editorializing, the Commission has implemented the fairness doctrine by *ad hoc* rulings on complaints. These rulings have resulted at times in important declarations. The *Cullman* ruling,[19] for example, established that the broadcaster must present the other side free, if the American public would otherwise be left uninformed. Rather than discuss these many other important *ad hoc* rulings, I should like to submit for the record our Fairness Primer, which contains a compilation of the more important rulings up to 1964.[20]

There are advantages to acting only in concrete factual cases—the equivalent of the "case or controversy" requirement for the judiciary. Thus, this *ad hoc* way of proceeding should not be disparaged. But there are also disadvantages. In an *ad hoc* proceeding, we have before us only the few parties involved in the case, and we do not receive the comments of all persons interested in the underlying principle. Further, the problem may be treated only within its narrow adjudicatory context rather than on an overall basis. The agency may thus not foresee the twists and turns of the road it is going down.

An administrative agency may therefore opt for an over-all view of a subject in a general rule making or inquiry. In the fairness area, we have just recently opted for such an inquiry [21]—the first since 1949.

Our reasons for initiating an inquiry into our fairness doctrine are stated in some detail in the Notice—a copy of which I also offer for the record. I will not go over all of them but rather will focus on the general concern of the inquiry. As I have already explained, the purpose of the doctrine is to promote robust debate, not stifle it. As stated by the Court of Appeals in a recent case,[22] "the fairness doctrine must be administered by the Commission to enhance, not inhibit, the rights secured by the First Amendment."

The critical issue of our Inquiry is whether our administration of the doctrine, since its inception over two decades ago, has enhanced these rights, or whether we need to

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Footnotes at end of article.

make minor or major revisions. Just as one example of the problems the Commission must resolve, I should like to call the Subcommittee's attention to the recent ESSO ruling[23] and particularly the concurring and dissenting statements. Again, I have copies for the Subcommittee's study.

I am not now prepared to indicate where our Inquiry will lead. The comments on this phase of the Inquiry are not yet in. But I stress that we view this matter most seriously. We plan to allocate special staff resources, employ special procedures, and devote a number of Commission meetings to the subject.

There is no retreating from the fairness doctrine. The doctrine is the law and indeed may well be constitutionally required in light of the *Red Lion* holding. Rather, the Commission must consider and determine those policies and procedures under the fairness doctrine which effectively advance the First Amendment goal of robust, wide-open debate.

### OTHER COMMISSION POLICIES IN THE FIELD OF BROADCAST JOURALISM

Other important Commission policies directly concern broadcast journalism. First, there is the matter of deliberate distortion or staging of the news. I am not referring to mistakes, which, while regrettable, are bound to occur at times. I mean actions that are deliberate. Evidence that a licensee directed his newsman to slant the news would raise a grave issue as to the licensee's character qualifications.[24] Such an issue would have to be thoroughly explored by the Commission; and it would be contrary to the public interest for the Commission to renew the station's license until and unless the issue were resolved favorably to the licensee.

A charge of distortion or staging of the news raises a most important question: When should the Commission conduct an investigation or hold a hearing? For example, we may get a complaint of news distortion based on the claim that the facts of some matter are different from those presented over the air. We have absolutely refused to act there. Very simply stated, deliberate distortion cannot be established by determining what is "true" and then comparing it with what was broadcast. The Commission is not the national arbiter of "truth." Similarly, when a person quoted on a news program complains that he very clearly said something else, the Commission cannot investigate and weigh the credibility of the newsman and the interviewed party. We refer the matter to the licensee for its own investigation and appropriate handling.

Having now given you these two examples in which the Commission will not act, I should like to stress two points. First, I am not saying that the press is above criticism and critical analysis on how it fulfills its journalistic functions. On the contrary, the Commission has stressed that the press, like all other institutions—including of course Government—can benefit from critical analysis.

Second, I am in no way diminishing the gravity of the issue. Staging or slanting the news is flagrantly contrary to the public interest—indeed, it is difficult to imagine a more effective way to destroy the public's ability to understand and participate in public affairs and thus to destroy the very essence of democracy. The integrity of the press is a linch-pin of the republic. Every act of deliberate distortion—in some senseless race for ratings—not only diminishes the profession of journalism or broadcasting, but also impoverishes the nation.

In every case where we may appropriately do so—where there is, for example, extrinsic evidence that a newsman has been directed to slant the news—we shall act to protect the public interest in a responsible press. But in this democracy, no Government agency can, or should try, to authenticate the news. Therefore, in a series of recent cases[25] we have consistently and repeatedly stated that we will shun the censor's role and will not try to establish news distortion in situations where Government intervention would constitute a worse danger than the possible rigging itself.

[Mr. Chairman, I have brought with me copies of these recent rulings. I do not want to over-burden your record, and I shall therefore leave them with your counsel, so that you may consider whether you want to have them placed in the record].

There is one other area which directly concerns broadcast programs dealing with controversial issues. We have at times received complaints that such programming has, for example, presented patently anti-Semitic material and requests that the Commission should take action against the licensee on the ground that the carriage of such material is inconsistent with the public interest standard. The lead case is *Anti-Defamation League of B'nai B'rith* v. *Radio Station KTYM*.[26] In refusing to take action, the Commission stated that "its function is not to judge the merit, wisdom or accuracy of any broadcast discussion or commentary"[27] but rather to insure that reasonable opportunity is afforded for the presentation of contrasting viewpoints on controversial issues of public importance. The Commission further stated:[28]

"It is the judgment of the Commission, as it has been the judgment of those who drafted our Constitution and of the overwhelming majority of our legislators and judges over the years, that the public interest is best served by permitting the expression of any views that do not involve "a clear and present danger of serious substantive evil that rises far above public inconvenience, annoyance or unrest." [citations omitted] This most assuredly does not mean that those who uphold this principle approve of the opinions that are expressed under its protection. On the contrary, this principle insures that the most diverse and opposing opinions will be expressed, many of which may be even highly offensive to those officials who thus protect the rights of others to free speech. If there is to be free speech, it must be free for speech that we abhor and hate as well as for speech that we find tolerable or congenial."

And in this same case, the Commission refused to impose a verification process which would be inconsistent with the fundamental goal of robust, wide-open debate. The Commission's position was supported by several precedents in the courts.[29] The Court of Appeals affirmed the Commission decision and the Supreme Court did not grant certiorari.

### RELATED POLICIES

I should like merely to mention some Commission actions which are pertinent although tangential to broadcast journalism. I will not develop these subjects here but, as I mentioned before, I will be glad to supply additional information or answer questions concerning them.

First, for many years we have had rules to prevent undue concentration of ownership of broadcast facilities either locally or on a national basis.[30] These rules obviously pertain to the First Amendment issue under consideration because their basic purpose is to diversify the sources of information broadcast to the American people.

Second, we have rules[31] that assure the right of network affiliates to substitute local programming; prohibit restraints on taking programming from non-network sources; and indeed require that at least one quarter of the time period, 7-11 p.m., be of a non-network nature. These rules also seek to diversify the sources of material broadcast to the American people.

In addition we have applied the fairness doctrine to the advertising of one product—cigarettes. In 1967 the Commission issued a ruling that required licensees carrying cigarette commercials to inform their listeners to some significant extent of the hazards of cigarette smoking.[32] In doing so, the Commission stressed the unique nature of cigarettes as a health hazard authenticated by the Congress and other Governmental entities. The Court of Appeals, however, in a recent decision, *Friends of the Earth* v. *F.C.C.*[33] extended this ruling to ordinary commercials on behalf of high-powered cars and leaded gasoline. The Court's decision raises the issues of whether virtually all commercials are included and whether such a result would undermine the commercial broadcasting system and the contribution which it makes to an informed electorate on matters of great public concern. We are now studying these questions particularly in the overall Inquiry.[34] Again, I cannot tell you at this time what course we will follow—I can say only that we recognize the need for both expeditious and careful action that will best serve the public interest.

Other Court developments are also pertinent in relation to the object of the fairness doctrine that the people be informed. I refer to the Court's recent decision in *Democratic National Committee* v. *FCC*.[35] The case concerns editorial advertising and the Court of Appeals decision postulates a First Amendment right of access by *some* individuals or groups to *some* time on broadcast stations. The opinion opens a host of issues, and we are considering requesting review by the Supreme Court.

I will stop here in my list. I hope that I have indicated that some of our policies in the broadcast field are in a state of flux. Our goal, however, is firm. We seek to promote robust debate to the end "that the *American public must not be left uninformed.*"[36] We must reach this goal with procedures that do not interfere improperly with the freedom of broadcast journalism. That may be a difficult task, but we must meet it, if we are to discharge our responsibilities under the Communications Act.

### FOOTNOTES

[1] NBC v. United States, 319 U.S. 190, 226 (1943).

[2] 47 U.S.C. §§ 151–609 (1970).

[3] *Id.* § 301.

[4] *Id.* §§ 307(a), (d), –309(a), –310(b).

[5] *E.g.,* Rosenbloom v. Metromedia, 29 L. Ed. 2d 296 (1971); Red Lion Broadcasting Co. v. F.C.C., 395 U.S. 367, 386 (1969); United States v. Paramount Pictures, Inc., 334 U.S. 131, 166 (1948); Winters v. New York, 333 U.S. 507, 510 (1948).

[6] 47 U.S.C. § 326 (1970).

[7] Red Lion Broadcasting Co. v. F.C.C., 395 U.S. 367, 386 (1969); Joseph Burstyn, Inc. v. Wilson, 343 U.S. 495, 503 (1952).

[8] The Court there stated (319 U.S. at 227): "* * * The right of free speech does not include, however, the right to use the facilities of radio without a license. The licensing system established by Congress in the Communications Act of 1934 was a proper exercise of its power over commerce. The standard it provided for the licensing of stations was the "public interest, convenience, or necessity." Denial of a station license on that ground, if valid under the Act, is not a denial of free speech."

[9] 395 U.S. 367, 389 (1969).

[10] *Id.* at 396–400.

[11] Office of Communications of United Church of Christ v. F.C.C., 359 F. 2d 994, 1003 (D.C. Cir. 1966).

[12] *E.g.,* Report on Editorializing by Broadcast Licensees, 13 FCC 1246 (1949); Storer Broadcasting Co., 11 FCC 2d 678 (1968).

[13] 395 U.S. at 394.

[14] *See* Democratic National Committee, 25 FCC 216, 223–24 (1970).

[15] *Id.* at 222–23, quoting from New York Times Co. v. Sullivan, 376 U.S. 254, 270 (1964).

[16] 47 U.S.C. § 315(a).

[17] *Cf.*, Report on Editorializing by Broadcast Licensees, *supra* note 12.

[18] 395 U.S. at 389–90.

[19] Cullman Broadcasting Co., 40 FCC 576 (1963).

[20] Applicability of the Fairness Doctrine to Broadcast Licensees, 29 Fed. Reg. 10415 (1964).

[21] Notice of Inquiry on the Handling of Public Issues under the Fairness Doctrine, 30 FCC 2d 26 (1971).

[22] Larus Bros. v. F.C.C., No. 15382 (4th Cir., August 20, 1971).

[23] Wilderness Society, 31 FCC ——, FCC 71–971 (Adopted Sept. 17, 1971).

[24] *See, e.g.*, KMPC, Station of the Stars, Inc., 14 Fed. Reg. 4831 (1949).

[25] *E.g.*, Democratic National Convention, 16 FCC 2d 650 (1969); Hunger in America, 20 FCC 2d 143 (1969); Selling of the Pentagon, 30 FCC 2d 150 (1971).

[26] 4 FCC 2d 190 (1966), *aff'd. on reconsideration*, 6 FCC 2d 385 (1967), *aff'd*, 403 F. 2d 169 (D.C. Cir. 1968), *cert. denied*, 394 U.S. 930 (1969).

[27] *Id.* at 191.

[28] *Id.* at 191–92.

[29] *E.g.*, Smith v. California, 361 U.S. 147 (1959); Bantam Books v. Sullivan, 372 U.S. 58 (1963); Washingon Post v. Keogh, 365 F. 2d 965 (D.C. Cir. 1966), *cert. denied*, 385 U.S. 1011 (1967).

[30] *See, e.g.*, 47 C.F.R. § 73.636 (1971).

[31] *Id* § 73.658.

[32] Applicability of the Fairness Doctrine to Cigarette Advertising, 9 FCC 2d 921 (1967).

[33] No. 24, 556 (D.C. Cir., August 16, 1971).

[34] Notice of Inquiry on the Handling of Public Issues under the Fairness Doctrine, *supra* note 21.

[35] No. 24, 537 (D.C. Cir., August 3, 1971).

[36] Green v. F.C.C., No. 24,470 (D.C. Cir., June 18, 1971) (emphasis added).

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## TESTIMONY OF COMMISSIONER NICHOLAS JOHNSON, FEDERAL COMMUNICATIONS COMMISSION, BEFORE THE SUBCOMMITTEE ON CONSTITUTIONAL RIGHTS OF THE SENATE JUDICIARY COMMITTEE, OCTOBER 20, 1971

"There is no sanctuary in the First Amendment for unlimited private censorship in a medium not open to all. . . . It is the right of the viewers and listeners, not the right of the broadcasters, which is paramount."—Justice Byron White for the Court in *Red Lion Broadcasting Co.* v. *FCC* (1969)

"In the First Amendment the Founding Fathers gave the free press the protection it must have to fulfill its essential role in our democracy. The press was to serve the governed, not the governors. The Government's power to censor the press was abolished so that the press would remain forever free to censure the Government."—the late Justice Hugo L. Black, concurring in *New York Times* v. *United States* (1971)

Mr. Chairman, I cannot overemphasize my commendation of you, and enthusiasm for the task you have undertaken.

Caught up in the day-to-day business of governing, it is all too easy for those of us in the legislative and executive branches of government, and the regulatory commissions, to lose sight of the bedrock foundations of the institutions we temporarily occupy.

Ours is an exciting experiment here in America. We believe that if an entire people are well educated and fully informed they will be able to govern themselves—to identify and analyze the issues, to articulate their desires, and to carry them to fulfillment.

That proposition is at once the most conservative, and the most radical, of our distinctively American articles of faith. It is sometimes hard for us to greet with enthusiasm someone else's freedom to express "the thought that we hate." And yet that is what the First Amendment is all about. For there is no need to protect one's right to utter the platitudes that are widely accepted.

It is little wonder that freedom of speech is often misunderstood, ignored or abused. But it is especially unfortunate that there is often an almost inverse relationship between power (office, wealth, education, social status) and a marrow-deep commitment to the logical extensions of democracy and free speech. One need only begin to list the examples to dramatize the point—the Administration's intimidation of the media and suppression of dissent, the occasional arrogance of the wealthy and educated towards the views of the working class and poor, the impediments in North and South alike to the basic rights of registration and voting, and the energetic opposition of broadcasters to the airing of sentiments they would prefer to censor. The list could go on and on.

So in the midst of hearings on ABMs, SSTs, Lockheed loans, and other programs of socialism for the rich, it is refreshing to see distinguished Senators—to borrow from the language of radio and television—pause for a word on behalf of the principle that makes it all possible.

In your opening statement, Mr. Chairman, you raised a number of specific issues: (1) the subpoenaing of newsmen, their notes and filmed "outtakes," (2) the government's efforts to enjoin publication of newspapers, and the intimidation of the broadcast media, (3) the use of false press credentials by government investigators, and (4) regulation of the broadcasting industry.

I have written at length on some of these issues. Rather than take up your time merely repeating statements, I am attaching some, summarizing others, and merely listing some more. In addition to this opening statement I will, of course, be pleased to try to respond to whatever questions or comments you may have.

(1) On February 12, 1970, I addressed the Nieman Fellows of Washington, D. C. ["Subpoenas, Outtakes, and Freedom of the Press: An Appeal to Media Management"] urging a constitutional theory that the threat of sanctions, such as subpoenaing reporters, "may stem the free flow of information and news to the public." That speech is attached. I have also urged the FCC to refrain from asking for newsmen's notes and filmed "outtakes" on a number of occasions—such as *Democratic National Convention*, 16 F.C.C. 2d 650 (1969); *Hunger in America*, 20 F.C.C. 2d 143 (1969); *Selling of the Pentagon*, 30 F.C.C. 2d 150 (1971).

(2) This Administration's intimidation of the print and broadcast media should be a matter of great concern to all Americans of both parties. The full force of its power can only be appreciated, however, when one reviews the sweeping range of its efforts to bend the media to its will. I tried to provide some samples of this range in a paper prepared for the International Association of Political Consultants, entitled "Government by Television." That paper, as published in the March 1971 issue of *Earth* magazine is attached.

(3) The matter of police or government use of false press credentials has never—or only rarely and tangentially—arisen before the FCC.

(4) The matter of broadcast industry regulation is, I presume, the principal reason why you have asked FCC Chairman Dean Burch and me to appear before you. I will spell out some thoughts in a moment, but first let me summarize my position.

a. There are occasions when Chairman Burch and I disagree, but this is not one of them. I fully concur in his explanation of the Commission's view as to the background and need for the Fairness Doctrine.

b. I also agree with Fred Friendly, who testified before you on October 12, 1971 that:

"I perceive very little FCC meddling in newsroom activities. The chilling hand that concerns me far more is the corporate concern for maximizing profits."

Two chapters of my book, *How to Talk Back to Your Television Set* (Atlantic-Little, Brown-Bantam, 1970) are relevant to this problem. (Chapter 2, "The Media Barons" and Chapter 3, "The Silent Screen"). Mr. Richard Salant answered my charges of corporate censorship in an article in *TV Guide*, "He Has Exercised His Right—To Be Wrong." September 20, 1969. My reply is attached. It was delivered to the Radio and Television News Directors Association Conference on September 26, 1969, "Is There a Salant in the News?" It was printed in the *RTNDA Bulletin*, January 1970, and the *Congressional Record*, 115 *Cong Rec.* E10178 (daily ed. Dec. 1, 1969). Other relevant dissenting opinions and statements are cited.

c. The problems of "access" to the mass media were ably discussed before your Committee by, among others, Professor Jerome Barron on September 30, 1971. His early views on this subject [Barron, Access to the Press—A New First Amendment Right, 80 Harv. L. Rev. 1641 (1967); Barron, Access—The Only Choice for the Media?, 48 Tex. L. Rev. 766 (1970)] have already gone a long way to becoming law. See, *e.g.*, *Red Lion Broadcasting Co.*, *v. F.C.C.*, 395 U.S. 367 (1969); *Business Executives Move for Vietnam Peace v. F.C.C.*, ——F.2d—— (D.C. Cir. 1971). I have written of these issues in a number of dissenting opinions, which are collected in the bibliography. A recent article, which I co-authored with a brilliant young lawyer and former legal assistant, Tracy Westen, is attached. [N. Johnson & T. Westen, A Twentieth-Century Soapbox: The Right to Purchase Radio and Television Time, 57 Va. L. Rev. 574 (1971).]

Let me begin my discussion by emphasizing that I join in most of Chairman Burch's statement to you. He has ably outlined the premises and issues underlying the Fairness Doctrine as it applies to broadcasting. I fully agree with him that the leading constitutional teaching on this question is to be found in the *Red Lion* decision.

There are a great many people who will applaud these hearings on so vital a subject. As a former law professor, and having only seen the press reports of your session, I very much look forward to seeing the full printed hearing record. It should become a bestseller at law schools and journalism schools throughout our nation.

The importance of these hearings, not only for those who participate in them, but for the entire nation, was underscored by some comments that Senator Goldwater made on the floor of the Senate in April of 1970. In discussing a public opinion poll that CBS' "Sixty Minutes" had sponsored, he said:

"The findings of the poll were extremely interesting and, to quite an extent, disturbing and frightening. What it shows is that a rather large percentage of our people think that there are amendments incorporated in the Bill of Rights which should be repealed." 116 *Cong. Rec.* 13137–8 (April 27, 1970).

On freedom of the press the poll results showed:

"[W]ell over one-half of the people (54%) would not give everyone the right to *criticize* the government, if the criticism were thought to be damaging to our national interest; and, a comparable number (55%) feel newspapers, radio and television should not be permitted to *report* some stories considered by the government to be harmful to our national interest (wartime censorship was excluded in the question)."

I would share Senator Goldwater's characterization of these results as "disturbing and frightening." If we truly believe that freedom of speech and press are important constitutional liberties—important to the functioning of a representative democracy—then surely we should be concerned if the general populace finds them unnecessary. I am confident that most Americans would support the guarantees of freedom of speech and press—*if* the issues were ever presented and considered thoughtfully.

I hope that your hearings, and the dialogue they stimulate, will encourage this thoughtful consideration. Those of us who support these great freedoms, in government, in journalism and elsewhere, need to tell the American people by words and actions why these guarantees are important—not because they protect the right of businessmen to make money, or to pour abuse on someone, but because they protect the right of the American people to know. It is ironic that the media is now suffering, in part, because it has not done this educational job as well as it might have.

It is useful quickly to sketch how the system of broadcasting was established in this country, why the system of regulation was adopted, and why the Fairness Doctrine was devised.

The radio spectrum and the right to broadcast were considered a national resource, owned by the people as a whole. In deciding how that national resource was to be used, a number of alternatives were considered. A governmental broadcasting system could have been established, on the model of the French system, or a more independent public corporation like the British Broadcasting Corporation. Each special interest group could have been given its own station. Instead, this national resource was not given to private users, nor was it sold. Under the Communications Act of 1934, Congress determined that private licensees would be chosen by the FCC to operate stations as fiduciary trustees of the American people as a whole. Private profit would be permitted, but Congress clearly contemplated that non-remunerative programming would also be required. The public was thought to be entitled to a public service in exchange for the profitable use of its property. It is essential to grasp this idea of a fiduciary trust that underlies the scheme of broadcast regulation in this country. The act expressly spells out that a broadcaster does not own a license in the way that a newspaper company owns its "right" to print.

I do not mean to suggest that the regulation of broadcasting could never involve the use of unconstitutional methods. That has been the issue in a number of court decisions, including *Red Lion*—where the industry unsucessfully argued the unconstitutionality of the Fairness Doctrine. One of the series of FCC decisions of which I am proudest is our steadfast refusal to discipline the networks in any way in response to charges of distortion in news and documentaries. These decisions, most of which have been unanimous, are something for which I have worked very hard within the Commission. Chairman Burch has noted most of them in his footnote 25, and the only one that I would add is the Commission's unanimous action on complaints regarding the networks' November 3, 1969 analysis of President Nixon's Vietnam speech [*Letter to Mrs. J. R. Paul*, FCC Public Notice No. 41437 (Nov. 20, 1969).]

I believe it would be unconstitutional for the FCC to engage in the task of validating the news performance of licensees. But I can't help but speculate what would have happened had the Pentagon Papers story been broken by a broadcaster. What would have been the governmental reaction? What would have been urged on the FCC? What would have been the FCC reaction? I would like to think the FCC would have affirmed the right of the broadcaster to broadcast any story and viewpoint he wished, subject only to the Fairness Doctrine. I would like to think the actions of the FCC would have been as sound as the view Justice Black expressed.

This discussion leads me to a fundamental issue. Why should the Fairness Doctrine, or for that matter, the provisions on equal time in political campaigns, apply to broadcasting when they do not apply to the print media? As Chairman Burch has pointed out to you, the right to broadcast is controlled by the government, and is not available to all. Of course, there are technological and economic barriers to entering any of the media. But there is no comparable *governmental* barrier in any other field. Moreover, as a 1964 note in the *Harvard Law Review* pointed out, there is also a distinction in the way in which newspapers and broadcast stations make decisions vital to the exercise of First Amendment freedoms:

"Perhaps the most satisfactory distinction lies in the nature of the two types of communication organs. Free competition in broadcasting would probably result in the presentation of only the most popular views and programs; newspapers, on the other hand, are sold as a unit rather than by time. There is far less economic impetus for publishers to maximize their audience for each page than there is for broadcasters to maximize their audience for each time period. Indeed, economic motivation might lead publishers to give space to less popular topics, since those who are specially interested in these areas will be encouraged to buy the entire publication. Thus minority interests and the general public interest in the free exchange of information and ideas—protection of which underlie the first amendment—are fostered by FCC regulation."

Note, Regulation of Program Content by the FCC, 77 Harv. L. Rev. 701, 714 (1964); and see Young, Fairness Doctrine: Television As a Marketplace of Ideas, 45 New York Univ. L. Rev. 1222 (1970). Even after you exclude advertising, news and public affairs in broadcasting are not more than 10–15% of the programing. Broadcasting is basically an entertainment business. In newspapers the reverse is true.

Since *Red Lion* the courts have continued to stress that fairness and access may be constitutionally compelled. A Second Circuit case decided in May of this year has received less attention than I think it deserves. In 1970 the FCC decided that television stations of a certain class would be required to take one of their four prime time hours from a source other than the other major networks. This was a decision by a divided Commission, although those who dissented did so on policy grounds. On appeal, the argument was made that this decision was an unconstitutional abridgment of a station's right to program what it wished. Judge Hays, speaking for the court in *Mt. Mansfield Television v. F.C.C.* relied on *Red Lion*, and wrote:

"When viewed in the light of these principles, the prime time access rule, far from violating the First Amendment, appears to be a reasonable step toward fulfillment of its fundamental precepts, for it is the stated purpose of that rule to encourage the diversity of programs and development of diverse and antagonistic sources of program services and to correct a situation where 'only three organizations control access to the crucial prime time evening television schedule.' The specific arguments raised by the petitions reflect basic misconceptions of that purpose and of the First Amendment principles outlined above.

* * * * *

"Thus, while the rule may well impose a very real restraint on licensees in that they will not be able to choose, for the specified time period, the programs *they* might wish, as a practical matter the rule is designed to open up the media to those whom the First Amendment primarily protects—the general public.

* * * * *

"To argue that the freedom of networks to distribute and licensees to select programming is limited by the prime time access rule, and that the First Amendment is thereby violated, is to reverse the mandated priorities which subordinate these interests to the public's right of access. The licensee is in many ways a 'trustee' for the public in the operation of his channel."

Judge Hays has provided us a very good statement of the purposes behind both the prime time access rule and the Fairness Doctrine.

Please note, because it is an essential that is often ignored or misrepresented, that no broadcaster is denied the right to put on any person or viewpoint that he wishes because of the Fairness Doctrine. I understand that the Pentagon Papers story was presented to the networks and refused. It was not the Fairness Doctrine that prevented their breaking it. The Fairness Doctrine *only* requires that *diverse* views are also presented on controversial issues of public importance. It guarantees the public's right to know. The Fairness Doctrine keeps no ideas or voices from the audience—quite the contrary.

Recently Dr. Clay Whitehead, Director of the President's Office of Telecommunications Policy, recommended the Fairness Doctrine be abandoned. Even he, however, recognized the need for a statutory right of access for pay to be applied to broadcasting. I do not believe he recommends such a statute to be applied to newspapers; and thus he also finds some relevant differences between newspapers and broadcasting.

Some suggest that entry into the newspaper business is just as economically and technologically difficult as entry into broadcasting, and therefore the same governmental standards on regulation should apply to broadcasting as they do to print. That view was demolished by the *Red Lion* decision, and simply will not withstand scrutiny. There is no right to start a broadcast station, absent governmental permission. No governmental license is required to publish or to write. There is nothing comparable to the growth of the underground press in broadcasting, and indeed there could not be. Two fellows who tried now find themselves confronting indictment. Entry into broadcasting requires governmental permission to use a public resources, and this fact totally distinguishes broadcasting from newspapers.

In a radio station libel case before the Supreme Court last term, Mr. Justice Brennan wrote for the Court:

"If the States fear that private citizens will not be able to respond adequately to publicity involving them, the solution lies in the direction of ensuring their ability to respond, rather than in stifling public discussion of matters of public concern.[1]

"One writer, in arguing that the First Amendment itself should be read to guarantee a right of access to the media not limited to a right to respond to defamatory falsehoods, has suggested several ways the law might encourage public discussion. Barron, Access To the Press—A New First Amendment Right, 80 Harv. L. Rev. 1641, 1666–1678 (1967). It is important to recognize that the private individual often desires press exposure either for himself, his ideas or his causes. Constitutional adjudication must take into account the individual's interest in access to the press as well as the individual's interest in preserving his reputation, even though libel actions by their nature encourage a narrow view of the individual's interest since they focus only on situations where the individual has been harmed by undesired press attention. A constitutional rule that deters the press from covering the ideas or activities of the private individual thus conceives the individual's interest too narrowly."

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[1] Some States have adopted retraction statutes or right of reply statutes. . . . Cf. Red Lion Broadcasting Co. v. F.C.C., 395 U.S. 367 (1969).

*Rosenbloom v. Metromedia*, 403 U.S. 29, 47 (1970) (footnote in original).

It is not difficult to conceive what the result would be without a Fairness Doctrine. Broadcasters, acting as public trustees of a publicly owned resource, would be free to present only their viewpoint, or viewpoints they wished to present, and could censor out all others. In a political campaign a broadcaster would be able to present and report only one candidate—his candidate—to the exclusion of all others. He could give free time only to one; or sell time at low rates to one and at exorbitant rates to the other. And there would be no resource for those who were excluded.

If the broadcast campaign reform legislation becomes law, we will remove some of the equal time restrictions. But one of the reasons the Congress and the FCC have been willing to consider such a change has been the restraints of the Fairness Doctrine. I think the American people, through their elected representatives, have decided they want their public resource used fairly. I think it would be bad policy to do otherwise. And I believe the Constitution requires that this public resource be used fairly, with the public being afforded the guarantee to hear diverse viewpoints and information on controversial issues, without worrying whether an individual broadcaster will give them that opportunity.

There are other systems which would help guarantee the public's right of access and right to know—rights protected by the First Amendment. If cable television were a reality for the vast majority of the population, and included the opportunity for any citizen to get access to express his views, for free or by paying a small sum, then rights the First Amendment seeks to protect could very well be achieved in an alternative way, and the guarantees of the Fairness Doctrine might be less necessary. But I don't think broadcasters can have it both ways.

Today they oppose the expansion of cable television as a threat to their rights to make money from their control of access to the public. They oppose the public's efforts to gain access to their own stations. And at the same time they want us to do away with the fairness doctrine. Such a posture is not only internally inconsistent and unjust, it raises some very serious questions about the motives of the broadcasting establishment. Their position is simply intolerable; but they have urged it again and again before the Commission, the courts, and in Congress—so far, I am pleased to say, in largest measure unsuccessfully.

My affirmance of the Constitutional importance of the Fairness Doctrine does not mean that the Commission has perfected its administration. You have heard a lot of complaints, and have raised some questions. Frankly I think the broadcasters are crying "wolf" again. As Fred Friendly told you, it is not the FCC that is censoring broadcasting. The limited intervention of the FCC through the Fairness Doctrine is to insure that, after broadcasters have wielded their censor's knife the public at least gets the right to hear diverse and antagonistic viewpoints with regard to what *is* on the air. But all agree that the administration of the Fairness Doctrine can be improved. As the Chairman has told you, the FCC is presently undertaking that very task. What the Chairman has not told you is that he is the one who has exercised the leadership in getting this proceeding going.

No, it is not the FCC or the Fairness Doctrine that stands in the way of the broadcaster's First Amendment freedoms as a trustee for the public. It is the broadcaster himself who censors—censors in the name of saving money, censors in the name of currying favor with advertisers, politicians, or others whose predilections he would rather not offend. The Fairness Doctrine stands as a constitutionally required protection to the public. I am perfectly willing to consider alternatives that would retain this protection for the public, of the kind I have mentioned. But I am unwilling to give up the protection of the Fairness Doctrine without a substitution for it. I do not believe that Dr. Whitehead's proposals, as initially put forward, would retain the full protection the Constitution requires.

There is one other major subject that I would like to touch upon. There can be no doubt that broadcasting, and especially television, is an extremely important aspect of achieving and retaining high political office, and indeed in the resolution of political issues in this democracy. When we examine broadcasting and the First Amendment, we must inquire into broadcasting as it functions in our political life. Nor is it any criticism to observe that the role of the Presidency and the Executive Branch has become totally intertwined with a concern over the way that the media reports and comments on the political decisionmaking in our nation.

I have reviewed the recent history of this phenomenon in a speech and article written last December that I am offering for the record. But the basic conclusion I reach is that there is a tremendous imbalance in the ability of the President and the Executive Branch to gain access to the media unbalanced by opposing views. This imbalance is manifested in two ways. There is an imbalance for the President as the political leader of one party vis-a-vis the opposing parties who are out of power. And there is an imbalance between two supposedly co-equal branches of government, the Executive and the Congress. I do not say that a President ought not to be able to speak to the American people when he feels it appropriate. But I do wonder about the justice of permitting the President to seize all three networks, as well as the radio networks, to force the American people to hear him to the exclusion of everything else at no cost to himself, when we then turn around and forbid 14 U.S. Senators to answer, at their expense, on one network.

During the past three years we have witnessed increasing proficiency in Executive control of broadcasting. As Larry Michie in Variety put it last week:

"As has been the case since Vice President Spiro T. Agnew began criticizing the network news, the theory goes, the Administration has kicked broadcasting in the news department while patting them on the bottom line."

Eliminating the Fairness Doctrine will not make broadcasters any less vulnerable. We can only rely on the professionalism of the broadcasters, the protections of access and the Fairness Doctrine, and the good sense of the American people.

I would like to conclude by again telling you how important I believe these hearings are. There is no subject of more importance to the functioning of a free society. If you have questions, I will try to be as helpful as I can.

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## THE PURPOSE OF FOREIGN ASSISTANCE

Mr. PEARSON. Mr. President, the Senate vote last week to end our foreign assistance program has stunned America and left in many minds a sense of disorientation over the purpose of this 25-year-old element of our foreign policy. Among the response to this vote from my own State of Kansas, I have received a letter signed jointly by former U.S. Senator Frank Carlson, who served as a member of the Foreign Relations Committee until his retirement in 1968, and James A. McCain, president of Kansas State University, at Manhattan.

The letter conveys the resolution adopted November 3 by the Senator Frank Carlson Forum on World Food Problems in support of a continuation of a comprehensive foreign assistance program. This forum brings together annually at Manhattan leading members of agricultural production, research and marketing groups from across the Nation, and a number of university faculty and students concerned with the problems of world food production and population growth. In addition, recommendations adopted by the conference on steps for the future of our foreign assistance program, particularly in the area of technical assistance, were attached to this letter. I note the attention of both documents to the humanitarian goals of the United States, and the support expressed for a clear distinction between our military aid and other forms of foreign assistance in the conference resolution.

These two documents represent the views of men and women who understand the achievements of our foreign assistance program, and the dangers of a return to isolationism if such policies should be allowed to lapse. I think the documents will be of interest to the Senate and ask unanimous consent that they be printed in the RECORD.

There being no objection, the documents were ordered to be printed in the RECORD, as follows:

KANSAS STATE UNIVERSITY,
*Manhattan, Kans., November 3, 1971.*

Senator JIM PEARSON,
*U.S. Senate,*
*Washington, D.C.*

DEAR JIM: We thought you would be interested in the following resolution, approved by participants in the Senator Frank Carlson Forum on World Food Problems at Kansas State University, November 3, 1971:

"1. Foreign assistance serves vital United States national interests and the cause of world peace.

"2. Terminating foreign assistance at this critical point in world affairs would jeopardize the accomplishments of 25 years and pose a grave threat to world peace.

"3. We, therefore, urge the Congress of the United States to take all necessary steps to continue a comprehensive foreign assistance program. The recent action of the United States Senate affords the opportunity to change the program so it will better serve the needs of the 1970's."

We also wish to convey our conviction that the people of Kansas have a major stake in the continuation of our humanitarian efforts to assist the peoples of less fortunate countries.

Sincerely yours,

FRANK CARLSON,
*Former U.S. Senator.*
JAMES A. MCCAIN,
*President.*

P.S. For your more complete information, we are enclosing herewith the text of the specific recommendations adopted by the Forum.

### SENATOR FRANK CARLSON FORUM ON WORLD FOOD PROBLEMS RECOMMENDATIONS

1. USAID is to be commended for the new directions it is taking, particularly the increased emphasis on research and the multinational approach.

As new legislation is drafted, the Carlson Forum recommends that military aid be separated from technical assistance and that the new thrust emphasize contractual technical assistance programs in agricultural production and marketing.

2. The Land Grant Universities represent the largest single pool of scientific and technical personnel whose training and experience qualify them for carrying out programs of training and technical assistance directed toward the solution of the world's food problems. As the new foreign aid program develops, it is recommended that the association between AID and the Land Grant Universities in these programs be continued and strengthened.

3. The Food for Peace Act (PL 480) as amended in 1966, besides serving a humanitarian interest, has built new markets for U.S. agricultural products and has served the security and foreign policy interests of the U.S.

It is recommended that this be continued in its present form.

4. The Carlson Forum supports the involvement of USAID in the World Consultative Group and endorses the list of high priority research items established by that group as follows:

1. Food legumes
2. Upland crops, including corn, sorghum, millet
3. Livestock production in Africa
4. Soil and water
5. Farm management

In addition it is recommended that high priority also be given to studies related to marketing, processing and distribution of foods.

5. Producer groups in the U.S. are commended for taxing themselves to provide funds to promote, educate, sponsor research, and otherwise develop grain trade.

It is recommended that these activities be continued.

6. The Forum recommends a congressional investigation into labor disputes that are disrupting the handling and transporting of grains so that procedures may be developed to resolve these disputes quickly and fairly in the public interests.

7. It is recommended that grades and standards for the evaluation of grain quality be kept under close scrutiny and modified in accordance with world demands.

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## CONSEQUENCES OF WAR IN INDOCHINA

Mr. HUGHES. Mr. President, a detailed and valuable report has just been released by the Center for International Studies at Cornell University. This 200-page report examines the nature, extent, costs, and consequences of the air war in Indochina.

Although many of the official data remain classified, the Cornell scholars have developed plausible estimates and extrapolations from official sources. I commend the entire report to my colleagues, but I wish to draw attention to some of the facts and conclusions which it presents.

The level of U.S. activity has declined in recent years, as measured by both sortie rates and bomb tonnages. The prolongation of the war, however, has meant that the Nixon administration has now dropped a larger total tonnage of bombs in Indochina than did the Johnson administration. For the years 1965–68, the total was 3,141,000 tons of bombs. By the end of this year, the total since 1969 will be 3,304,000 tons.

Distribution of bombing has changed with the expansion of the war along the Ho Chi Minh trails and into Cambodia and with the reduction to sporadic bombing of North Vietnam. Bombing in South Vietnam and northern Laos has gone down steadily since 1968, while that along the trails and in Cambodia has grown substantially. The overall level of bombing is about at the level this year that it was in 1967.

One notable change has been in the increased use of B–52's for bombing. Although the total B–52 tonnages have dropped about 40 percent over the past 3 years, the share of the total bombing done by B–52's has increased from 43 percent in 1969 to 47 percent in 1970 to an estimated 50 percent for 1971.

What these figures mean is that the war has become more mechanized and less subject to control. One may criticize the so-called pinpoint accuracy of some of our fighter-bombers, but the nature of B–52 attacks makes them far less accurate. According to the study, a single mission of six B–52's would saturate an area 3 miles long and half a mile wide with 150 tons of bombs. In a matter of seconds, therefore, such a raid would level all structures along the Mall, from this Capitol to the Lincoln Memorial.

Such an example may bring home the nature of this devastation much better than any comparison with gross tonnages dropped in previous wars. But even those comparisons are shocking. In all of World War II, the United States dropped about 2 million tons of bombs; in Korea the total was about 1 million tons. Both the Johnson and Nixon administrations have dropped equivalent amounts on Indochina. To put it another way, we have subjected an area about the size of Texas to twice as much bombing as we did in both World War II and Korea.

In waging their successful counter-guerrilla campaign in Malaya, the British used only 33,000 tons of bombs.

The costs of our air war have been substantial, particularly when considered next to the results which have been achieved. Since fiscal 1966, the air war has cost over $20 billion in direct operating costs and nearly $7 billion in aircraft destroyed, a total of $27,580 million.

What have we gained from this tremendous expenditure? According to the Cornell study:

> Air power has been escalated far beyond the point of greatest effectiveness.

The specific conclusions are these:

> 1. Almost all air missions can be called successful in terms of their immediate operational criteria.
>
> 2. Air war is economical in terms of American lives and dollars; it is flexible and domestically unobtrusive.
>
> 3. The costs of the air war to the people of Indochina are very high.
>
> 4. While the costs of the war mount cumulatively, military actions—though successful individually—may in the aggregate fail to achieve the overall policy objectives they serve.

These conclusions require some further comment. No one can deny that the bombing does significant damage or that aerial warfare is less costly, in lives and dollars, than ground combat. But those factors must be weighed against the tremendous costs to the people of Indochina, both our supposed friends and our alleged enemies. Saturation bombing brings indiscriminate terror and destruction and no amount of verbal juggling—such as renaming free-fire zones as specified strike zones—can change that fact. The report cites documents from the Pentagon papers which concluded that the air-only war over North Vietnam produced 36,000 casualties in 1965 and 1966, 80 percent of whom were civilians. In 1967, Secretary McNamara wrote that U.S. bombing in the North was killing or seriously injuring 1,000 noncombatants a week.

Bombing must also be judged in terms of its contribution to the achievement of stated U.S. objectives in Indochina. On this basis, the report concludes that the air war has had beneficial effects on South Vietnamese morale, but has neither reduced the enemy's will to fight nor cut supplies below the level needed to maintain an effective combat role. Only time will tell the consequences on friendly populations.

When we look to the future, we see the likelihood of a continued, substantial air war. Although bombing may be reduced still further, the United States will still have the capability—and may well have the plans—to conduct bombing campaigns at least on the level of that waged against North Vietnam, which dropped 100,000 to 200,000 tons of bombs each year and resulted in the casualties I mentioned. If the United States retains a residual force of Air Force personnel of between 20 to 40 thousand, the report estimates that a continued air war will cost between $2 to $4 billion each year for as long as it lasts. Even these levels and costs, of course, could be rapidly escalated if the President made such a decision.

One more fact in this study surprised me. It was that less than 10 percent of the sorties flown in South Vietnam were in the nature of close air support. All the rest went for interdiction, harassment, and retaliation.

I hope, Mr. President, that this report will receive careful attention and study by the Armed Services Committee and by all Members of Congress. It shows in a balanced and scholarly way what the air war has accomplished and what it is likely to accomplish in the future.

I ask unanimous consent that two items be printed in the RECORD: a table showing the yearly bomb tonnages by area, admittedly based on rough calculations; and a summary distributed with the report.

There being no objection, the report

was ordered to be printed in the RECORD, as follows:

### THE AIR WAR IN INDOCHINA

This research report prepared by a group at Cornell University presents for the first time a comprehensive examination of the American air war in Indochina. The report contains an historical account and detailed statistical data for the air war in each of the countries of Indochina. A separate chapter is devoted to an analysis of the technical problems in the deployment of air power, including the scattering of ordnance which results from limited targeting accuracy, from target misidentification, from ground-fire suppression, and from such specialized missions as armed reconnaissance.

The presentation provides the basis for a more accurate interpretation of the present level of deployment of American air power and for a study of the trends for the immediate future. The data reveal that, despite a significant reduction in the amount of American air power in Indochina, very substantial forces remain in the theater and continue to be used at a high level. By the end of this year, the Nixon Administration will have deployed in three years as much bomb tonnage as the Johnson Administration did in five. It appears that the policy of withdrawal-without-political-compromise leaves the U.S. still boxed in by the enemy's military initiatives; as American ground forces are withdrawn, the only response available will be massive retaliation from the air. The report examines the characteristics of this type of response in the light of past experience and concludes that it is badly mismatched to the challenges of guerrilla warfare with which it may have to contend.

To illustrate the high intensity of the American bombing, tonnage figures for air munitions deployed may be compared with a case which has been studied in detail. The war against North Vietnam, waged almost exclusively from the air, used 100,000–200,000 tons of bombs per year; it was a lavish and hard-hitting campaign which, despite exceptionally strict controls on the targeting, caused widespread devastation and entailed as many as 50,000 casualties a year, 80 per cent of whom were civilians. This tonnage rate has been equalled or greatly exceeded in several theaters of the Indochina war. Even at present, in the first eight months of 1971, more than 500,000 tons of bombs were dropped by U.S. planes. The large scale of this effort is further emphasized if one realizes that the British, in their successful counterinsurgency war in Malaya, used only 33,000 tons of air munitions in the whole period of ten years.

In South Vietnam alone, the U.S. has already dropped 3.6 million tons of bombs. The report presents a study of the impact of an air war conducted on such a massive scale. Only 5 to 8 percent of the air sorties flown in South Vietnam were in direct support of American or allied troops in battle; the rest were for interdiction, harassment, and retaliation—missions which, in a country being defended not attacked from the air, result in widespread civil destruction among the population whose allegiance is being sought. The motivation for many of the air strikes is documented by the leaflet drops which preceded or followed them; the texts of several such leaflets are cited. In South Vietnam to date, it is estimated that there have been over one million civilian casualties, including 325,000 deaths, while over 6 million people (one-third of the population) have become refugees.

U.S. air activity in South Vietnam itself has been cut back, with the South Vietnamese Air Force taking up some of the tactical bombing assignments. U.S. emphasis is now more on saturation bombing by B–52 Stratofortresses. A typical mission of six B–52s drops 300,000 pounds of high explosive in a fraction of a minute. (A hand grenade contains less than one pound.) Such bombing without a detailed target demolishes an area corresponding to 200 city blocks. Over half the tonnage dropped in South Vietnam has been in such massive saturation raids.

Bombing of North Vietnam between 1964 and 1968 failed to achieve significant results. Economic damage and civilian casualties were very heavy, as noted above, but CIA and Defense Department studies at the time showed no measurable reduction in North Vietnam's will or capability for contributing to the war in the South. The statistics cited in the present report show that the 1968 bombing "halts" did not actually reduce air activity in Indochina, but only shifted its focus—first to below the 20th parallel, and then to Laos and the Ho Chi Minh Trail.

Despite Administration denials, a major air effort has been carried out in northern Laos to support ground activities of the Royal Laotian Government, which are totally unconnected with the conflict in Vietnam. U.S. bombing there during 1969 was as intense as that during the attack on North Vietnam (200,000 tons per year into an area the size of Kentucky), and even fewer restrictions were placed on the use of air power than in South Vietnam. The recurring reports of widespread devastation of Laotian society are credible in the light of these facts. Despite the massive bombing effort the Pathet Lao now control more territory than ever before.

In Cambodia, American air operations have been conducted with sustained intensity since 1970. They have included not only interdiction missions against supply and troop concentrations in the northeast, but also close-support operations for Cambodian and South Vietnamese troops. At present Cambodia has joined the list of Indochinese countries totally dependent on the U.S. for their military and economic survival.

The air war over the Ho Chi Minh Trail in southern Laos has been steadily escalating since 1966, with 400,000 tons of munitions expected to be dropped this year. This interdiction campaign has become the focus of the U.S. air war in Indochina; it has also served as a laboratory for the improvement of air-war technology. Elaborate and expensive electronic devices are being developed as instrumentation for an "electronic battlefield," the goal of which is automated and computerized warfare, providing an all-weather, day-night interdiction capability. This development is a further step in the depersonalization of war: "Machines fight the gooks, and no human beings are involved on either side!"

The air war has also resulted in a direct and massive onslaught on the ecology of Indochina. More than one-third of the forest area of South Vietnam has been sprayed with defoliants, one-half of the country's mangrove forests have been killed off, and enough food has been destroyed by herbicides to feed 600,000 people for one year.

Various examples point to the paradox inherent in the mechanized American response to guerrilla warfare. For instance, one Defense Department analysis showed that the extensive American bombing provided the enemy with more than enough explosives from dud bombs, 27,000 tons in 1966 alone, to make his mines and booby traps. Such devices killed over 1,000 U.S. soldiers that year, while the air strikes were estimated to to have killed no more than 100 of the enemy.

The direct budgetary costs of the air war thus far have been about $25 billion, or about one-quarter of the cost of the Indochina war; the total U.S. economic costs are estimated at more than $50 billion. The immense cost to the people of Indochina cannot be put in such precise figures, but it must be taken into account in evaluating the air war.

The credibility of U.S. government statements about the air war is called into question by numerous discrepancies. The Pentagon Papers have now revealed developments through early 1968; this report draws attention to events since that time. In 1969, when 200,000 tons of bombs were dumped on northern Laos, Washington officially admitted only to flying "reconnaissance" missions. B–52 raids in northern Laos went on for more than a year before official acknowledgement. It was stated that U.S. planes were not giving close support to Cambodian troops when in fact they were. "Protective reaction" raids against North Vietnam strike a wider range of targets than their official description implies.

In surveying the present trends in the air war, the report finds that there has indeed been a significant withdrawal of American air power from Southeast Asia. Despite this relative decrease in the number of U.S. aircraft deployed in the theater, more than enough remain to permit a continuation of the air war on a massive scale. American attack planes are being withdrawn primarily from bases within South Vietnam; substantial numbers remain in operation from bases in Thailand and carriers in the South China Sea. At the same time, the South Vietnamese Air Force is being built up to take over many of the in-country operations, while relying, however, on U.S. aircraft for the maintenance of air superiority and for missions in other parts of Indochina.

In terms of military effectiveness, the study finds that although air power has been able to achieve narrowly defined military missions, such mini-successes have not added up to yield an overall position of strength. Close air support of friendly troops has a definite advantage—but only a small fraction of the U.S. air effort has been devoted to that mission. Interdiction is a valid objective—but it has yet to be shown that air power under Indochina conditions can reduce the flow of men and material enough to curtail guerrilla activities.

While aerial bombing has undeniable military advantages in conventional warfare with massed troop concentrations, in guerrilla warfare the American capital-intensive response, substituting lavish firepower for manpower, is both inefficient and indiscriminate. Military gains, which at most buy time, are mitigated by heavy civilian damage from air war, the consolidation of enemy morale which frequently results, and the unfavorable image of the U.S. projected abroad. Indiscriminate destruction resulting from the use of air power amidst civilian populations contributes to the continuing weakness of friendly regimes in Indochina. U.S. political aims in Indochina are hardly more secure today than ten years ago.

In sum, the study concludes that, while the use of air power is tempting because of its relatively low cost in dollars and American lives, in the Indochina setting its military effectiveness is restricted and its indiscriminate devastation is politically counterproductive. The report suggests that the air war was prosecuted in the face of these facts not because American politicians were knaves or fools, but rather because of a failure of the imagination: a failure to develop policies more complex, but at the same time more humane and politically appropriate, than routine application of the massive firepower available to the United States through its advanced technology.

TONNAGE OF AERIAL MUNITIONS

| Year | South Vietnam | North Vietnam | Trail | North Laos | Cambodia |
|---|---|---|---|---|---|
| 1965 | 252,000 | 33,000 | 30,000 | | |
| 1966: | | | | | |
| F-B | 160,000 | | | | |
| B-52 | 140,000 | | | | |
| Total | 300,000 | 128,000 | 67,000 | | |
| 1967: | | | | | |
| F-B | 357,000 | | | | |
| B-52 | 260,000 | | | | |
| Total | 617,000 | 207,000 | 101,000 | | |
| 1968: | | | | | |
| F-B | 436,000 | | | | |
| B-52 | 550,000 | | | | |
| VNAF | 30,000 | | | | |
| Total | 1,016,000 | 164,000 | 156,000 | 20,000 | |
| 1969: | | | | | |
| F-B | 434,000 | | 215,000 | | |
| B-52 | 500,000 | | 30,000 | | |
| VNAF | 50,000 | | | | |
| Total | 984,000 | | 245,000 | 210,000 | |
| 1970: | | | | | |
| F-B | 235,000 | | 190,000 | | 43,000 |
| B-52 | 272,000 | | 138,000 | | |
| VNAF | 50,000 | | | | 14,000 |
| Total | 557,000 | | 328,000 | 120,000 | 57,000 |
| 1971: | | | | | |
| F-B | 64,000 | | 210,000 | | 64,000 |
| B-52 | 160,000 | | 160,000 | | |
| VNAF | 45,000 | | | | 25,000 |
| Total | 269,000 | | 370,000 | 75,000 | 89,000 |

## THE CONFIDENTIAL PENTAGON PAPERS

Mr. SCOTT. Mr. President, the recent late sessions of the Senate make it impossible to see the evening news and particularly listen to the editorial comments offered by newsmen. Therefore, something has been missing. Now, thanks to the Christian Science Monitor, an outstanding editorial aired on the ABC network November 5 has been produced. It is entitled "How Come?" It has to do with the confidential Pentagon papers and their subsequent release by Dr. Daniel Ellsberg. Howard K. Smith of ABC presents an interesting analogy, and I would like to share it with the Senators.

Mr. President, I ask unanimous consent that the editorial commentary by Mr. Smith be printed in the RECORD, and I thank the Christian Science Monitor for helping me in supplementing the day's news coverage.

There being no objection the commentary was ordered to be printed in the RECORD, as follows:

[From the Christian Science Monitor, Nov. 11, 1971]

### HOW COME?

(By Howard K. Smith)

Here is a sequitur I have a little trouble following.

A lot of officials discussed contingency plans for Vietnam for years under the assurance that their words were confidential. Indeed, confidentiality was legally guaranteed by classifying the papers secret—it was illegal to reveal them.

Dr. Daniel Ellsberg got the papers and decided, assurance or none, law or not, he had the right to publish them. Thus, the Pentagon papers appeared . . . which I was glad happened.

Now, the said Dr. Ellsberg has taken part in a seminar for the Council on Foreign Relations. It is the practice of the council to keep such matter confidential. But the government asked to see what he said, and got a subpoena from the court to acquire his remarks. With, I thought, a certain logic the council handed over his statement.

But now, Dr. Ellsberg is in a state of high dudgeon. They have no right to see my paper, he says in effect, for it was confidential, my constitutional rights are violated.

I take no sides. I am just puzzled. If Ellsberg can publish confidential papers despite the law, why cannot the government see his confidential paper by process of law?

I am as stern a defender of law and rights as any man. But until I hear more coherent argument than Ellsberg and friends put forth, this sounds like a claim not of rights, but of very special privilege.

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## TENTH ANNIVERSARY OF THE ENVIRONMENTAL HEALTH LETTER

Mr. MUSKIE. Mr. President, on October 15, the Environmental Health Letter celebrated its 10th anniversary. It is an anniversary worth noting and praising.

For 10 years, Gershon W. Fishbein has published his twice a month newsletter as a source of information on what is happening in environmental protection, what isn't happening, and what should happen. His is one of the first of a new generation of environmental publications, and it is one of the best. In its first decade, the Environmental Health Letter has maintained the editorial maxim "that the problems of the environment are interrelated and must be treated together rather than fragmented." Time and again, Mr. Fishbein has reminded us that the object of pollution control is not simply to reduce this or that discharge to a certain level, but to improve the health of men and women through an improvement of the environments in which we live.

I want to take this opportunity to express my gratitude to Mr. Fishbein for the challenge he has provided to me and my colleagues on the Senate Subcommittee on Air and Water Pollution. I know he will continue to challenge us to do better than we have.

I ask unanimous consent, Mr. President, that a paper delivered by Mr. Fishbein at a symposium on environment, health, and population at the 99th Annual Meeting of the American Public Health Association, in Minneapolis, Minn., October 13, 1971, be printed in the RECORD at this point. That paper, "Environmental Health: Does It Have a Future?" provides an eloquent statement of Mr. Fishbein's philosophy, and I commend it to the attention of Senators.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

### ENVIRONMENTAL HEALTH: DOES IT HAVE A FUTURE?

(By Gershon W. Fishbein)

Presentation at Symposium on Environment-Health-Population, 99th Annual Meeting of American Public Health Association, Wednesday Morning, October 13, 1971, Convention Hall, Minneapolis, Minn.

An old Arab proverb reminds us that "he who has health has hope, and he who has hope has everything."

It tells us that all of man's endeavors, all of his aspirations, can be achieved only if his health—physical and mental—is protected. It is the indispensable base on which all else in life rests.

Although obvious, it merits restatement today as very relevant to our theme of "Environment-Health-Population," and especially to my discussion of the future of environmental health.

Environmental health is considered to be a relatively recent phenomenon by many. Yet Hippocrates is known to have counseled young physicians, seeking a locale for practice, to consider "the purity of the airs and the waters" in determining the presence of disease in the community.

If we believe that water pollution and supply are the products of 20th century technology, we should remember that the Roman Emperors were much aware of the problem, as their elaborate underground aqueducts, uncovered in archeological expeditions, attest.

Mindful of the adage that fools rush in where angels fear to tread, I nevertheless feel privileged to appear before you today to peer into the future of environmental health and perhaps to foresee some trends. In so doing, let us honor and respect the past—not because it is the past, but because it shapes the present and illuminates the future.

The late Professor Winslow of Yale was the unquestioned giant of environmental health and sanitation in the first three decades of the 20th century. To a degree unmatched by any of his colleagues, I suspect, he expounded the concept of personal sanitation and hygiene as the primary means of preventing disease.

He invites our study and commands our respect for many reasons. So pervasive was his influence that it extended into the 1950's, the era of communicable diseases when medicine turned its attention to viruses and bacteria, seeking to isolate and identify their pathogens and to develop vaccines and antibiotics for their prevention and cure.

By precept and example, through his many students still very active in the field, his contributions represented the forerunner of the present philosophy of environmental health control.

Parenthetically, I might say that the American Public Health Association meeting is an ideal setting to remember the contributions of Prof. Winslow. As many of you know, he served APHA for some time as editor of the American Journal of Public Health.

In the United States, environmental health activities have contributed to virtual elimination of many once-dreaded epidemic diseases such as typhoid fever, cholera, malaria, yellow fever and endemic typhus. In lesser degree, the incidence of the dysenteries and other filth-borne diseases has been greatly reduced by environmental controls.

Originally, these environmental controls developed as a result of social dissatisfaction with urban sanitary conditions following the industrial revolution. At first, the methods used were largely empirical, but improved knowledge of specific diseases etiology and sanitation technology gradually established bases for more scientific and effective procedures.

Come forward to our times. By 1960 it became evident that national programs in air pollution, water pollution, radiation, occupational health, pesticides and food protection were gaining increasing public attention—particularly water pollution, which has had the longest history of any environmental health problem and served as the training ground for many of the environmental technologists of today.

The rapid spread of industrialization and the coalescence of urban areas into large metropolitan complexes gave rise to many of the environmental health problems which existed then and still persist today. New patterns of living, extending into suburban and ex-urban communities, compounded the sources of environmental hazards and concentrated into a relatively small land area the people affected by them.

While the extent of the problems were recognized, if not fully appreciated by the powers that be, it became equally evident that the organizational capacity of the U.S. Public Health Service, where most of the programs were lodged, to cope effectively to meet them was greatly limited.

The programs themselves rose somewhat independently of each other, usually in response to a specific urgency—a fish kill, a pesticide poisoning, an industrial accident, etc. There was recognition even then that the problems of controlling environmental health hazards were interrelated and must be administered as a whole rather than fragmented.

A 1960 report of the Surgeon General to the House Appropriations Committee noted that this fragmentation has "resulted in a loose grouping of related, but independently treated problems, programs and activities associated with the essential elements of our surroundings—the water we drink, the air we breathe, the food we eat, the shelter which protects us—or with action taken by man in pursuit of a fuller life: his occupation, recreation, transportation and social organization."

To help the Public Health Service provide a central focus for its environmental health responsibilities, Surgeon General Luther L. Terry convened an advisory committee headed by Dr. Paul M. Gross of Duke University.

Ten years ago this month the Gross committee submitted its report recommending several major steps to provide such a centralized focus, including the establishment of a Bureau of Environmental Health, a national center for environmental health research in the Washington area, and a number of other categorical recommendations designed to strengthen and enlarge the Service's responsibilities.

Rereading the Gross committee's recommendations ten years later, considering what has transpired in the last decade, seems almost like a venture into Alice-in-Wonderland. The recommendations seem Utopian.

This is not the proper time or place for an autopsy to determine who killed environmental health, or even if there is a corpse. It would be unproductive, I believe, to sort out heroes and villains. Suffice it to say that the environmental health problems of 1961 are still with us—multiplied a thousandfold, of course—and many new ones not foreseen then are in evidence. And, more significantly, the concept of an integrated attack on the problems remains today more valid than ever before.

Environmental health seeks to orchestrate a unified approach to the conflicting claims imposed on man's health from many sources in that environment—air pollution, pesticides, noise, crowding, solid wastes, to name but a few.

Environmental health today is everybody's business. Although it is perhaps the ancestral home of the sanitary engineer, environmental health is now embraced by many disciplines sharing a common objective—protecting man's health and welfare from the deterioration of an environment which is becoming increasingly hostile to his aspirations for a better life.

More than waste treatment facilities, much more than monitoring sulfur dioxide, much more than any technological innovation, environmental health is a sociological phenomenon. It shapes man, and in turn is shaped by him.

The late Whitney Young told the story of how, in ancient Greece, a wise philosopher was once despairingly asked: "When will justice come to Athens?" And he replied that justice would come only when those who are not wronged become more indignant than those who are.

So it is with environment. It is everybody's bag, not just the poor and the dispossessed, not just the aggrieved and the alienated, but also the well adjusted and the comfortable.

Given these forces, is it any wonder that environment has been labeled the issue of the '70's?

Although health protection, in the traditional sense, is now interwoven into environmental agencies at the federal level, and at many state levels, there is still ample opportunity for the environmental health specialist to play an active, if not leading role.

Health may have sacrificed its place in the top box of some organizational charts—but it has not surrendered its prestige or its influence, especially in time of crisis.

Mercury has been in the nation's waters for many years, but only when it entered the food chain and became a threat to public health did it command the headlines and, consequently, the public attention.

Many exotic chemicals which can be assimilated safely in the environment become danger signals when health is at stake. Health is the flash word of the environment, the point at which the public rises in wrath and says "stop, now."

Agencies which contemplate further subordinating health in their environmental structures should pause and consider this reality.

Beyond this, the future of environmental health lies in fostering alliances with other groups with similar objectives—public works agencies, housing agencies, medical care organizations, etc. In advocating this step, I know that history places odds against it. But I sincerely believe that the time has come to bury past differences and to consider how much more unites the disciplines than divides them.

Neither health nor any other aspect of environmental control can prosper in isolation from each other. The complexities of environmental control today are well known to all of you, and it would be presumptuous of me to dwell on them before this sophisticated audience.

There is a place for everyone—and yet I continue to cling to the view that the contribution of health can be uniquely significant, if only for the importance of the target, namely, man. By training and by instinct, the true environmental health specialist understands and appreciates man's diversity and his role in helping nature to cope with it.

To illustrate this point, I should like to quote briefly from one of America's most gifted newsmen, William V. Shannon, writing last week in the New York Times:

"In the whole mysterious gift of life, what most astonishes and excites is diversity. No two human beings are the same. The tiniest snowflake, the most distant star, the intricately veined leaf of a tree are each unique. From jackrabbit to giraffe, from crocodile to swan, from tiger to hummingbird, nature delights in varieties of form and phenomena.

"Overwhelmed by this profusion, man's deepest intellectual drive is to understand, to classify, to find self-consistent structures. But from this drive also springs man's menacing will to power.

"In the realm of understanding, there is always the indeterminacy, the random event, the inexplicable phenomenon which frustrates and beckons. But in the realm of power, human beings know quite enough to exert control and to make themselves and their man-made environment conform to abstract patterns. This human effort moves strongly toward suppressing variety. In law, politics, technology, economics, education and even the ephemeral world of fashion, the greatest danger is always the tendency toward a deadening sameness, toward a loss of variety for the sake of control."

He concludes by saying that "the worldwide ecological movement is not only a response to the life-threatening dangers of pollution but also a belated affirmation of the importance of diversity. Man, the giant predator, has destroyed countless other species. He menaces every creature from the mighty blue whale to the humble butterfly. Only now does man realize that if he is nature's sole survivor, he will not long outlast his victims."

The future of environmental health lies in broadening its base to include the social consequences of its solutions. The environmentalist must not be content at looking at the automobile through the tailpipe, but must consider the total impact of the automobile on the entire social fabric of our lives. In this context, he may find that pollution is the least objectionable aspect of the automobile. Environmental health must not confine itself to lead in auto exhaust, but must also consider lead in the blood of hungry children eating lead-based paint off the walls of broken-down housing.

Environmental health cannot consider auto pollution without involving itself with mass transit. You cannot be for one and against the other.

We should not diminish our efforts to understand and control such problems as air pollution, radiation and pesticide exposure, and so forth. But we should not forget that two of our biggest environmental health problems are crime and poverty. The relationship is obvious: Pollution fouls man's environment, and poverty chains him to it.

The city will be the arena of the new environmental health action. Crowded, tense, teeming with narcotics and many other manifestations of a turned-off sub-culture, today's city embodies much that is gone wrong in our lives.

Our quest must be to make our cities more hospitable—to ideas as well as to men, to innovation as well as to immigration. Just as urbanization has given rise to many of the environmental health problems of today, so too is the urban area the proving ground for their solutions.

Martin Luther King was fond of reminding audiences of Washington Irving's delightful fable of Rip Van Winkle, who, when the cares of the world became too much for him, simply fell asleep. He slept for 20 years and when he awoke, the American Revolution had taken place.

Today, in the ferment we call our American cities, another environmental revolution is taking place. None of us—physicians, lawyers, engineers or newspapermen—can afford to emulate Rip Van Winkle. We must not, we dare not, sleep through *this* revolution.

## CONTINUATION OF BREEDING IMPORT PROGRAM

Mr. SAXBE. Mr. President, one of the greatest challenges now facing the American beef cattle industry is to increase the efficiency of high protein beef production. Cattlemen can no longer rely on showring records or on-the-hoof appearance of an animal. They must use accurate data to establish the efficiency of the conversion of crops to beef and base bloodlines on production rather than conformation to supply consumers with high quality lean beef at the lowest possible price.

To meet this challenge, beef cattle breeders in this country have, since 1966 increasingly relied on the cross-breeding of so-called exotic European breeds with our traditional domestic bloodlines. These breeds are extremely fast growing and when they are crossed with good domestic cattle they produce hybrid calves that are ready for market much sooner. However, no live animals can be imported directly to the United States from countries that are not hoof-and-mouth free. Most of the exotic breeds come from such countries. Presently, American breeders can import these breeds through Canada or import semen through the Plum Island, N.J., testing facility. Since 1966, 530,940 ampules of Charolais, 836,153 of Simmental, and 569,518 of Limosin semen have passed through this laboratory. Many other breeds have also been imported; however, these three have been the most popular.

As an example of the anticipated advantages of using exotic breeds in a cross-breeding beef program, I would like to present the following figures compiled by Dr. James K. Davis, of Schearbrook Land & Livestock, Inc., which is based in my home State. The figures are based on performance data of a breed that is gaining increasing popularity with American breeders, the Chianina. The breed is quite old, dating back to before the time of Christ. And, knowledgeable cattlemen feel that it will instill tremendous hybrid vigor in the feedlot. Dr. Davis' conclusion was based on the Chianina bull Diaceto, who reached the weight of 900 pounds in 205 days, 1,247 pounds in 365 days, and currently weighs over 3,500 pounds at 3 years. His calves from replacement females where no selection was made would have an added weight of 60 pounds at weaning. Which in turn, at an estimated 33 cents per pound, would equal $19.80 more per calf sold. Assuming a herd that produces an average yearling weight of 1,000 pounds when no selection is made in the replacement groups, the dollar advantage per calf from using this particular bull would be $24.42. I use these figures to illustrate the importance of cross-breeding to produce low cost high protein beef for the American consumer as well as for export to other countries. Also, I cite the figures to illustrate why it is important to import these breeds to establish hybrid fast-growing steers in American feedlots.

To further complicate the importation of these exotic breeds, an advisory board of scientists recently recommended to the U.S. Department of Agriculture that no semen from bulls obtained in countries which are not hoof-and-mouth free be imported into the United States. They recommend that this be effective for projects beginning after January 1, 1972. The Department of Agriculture has not acted on the recommendation of this group as yet.

I am completely aware of the risk that importation from hoof-and-mouth countries presents. However, I feel that we now have the technology to minimize this risk for the importation of semen, as well as live animals if and when an adequate quarantine station is constructed for use by the American cattle breeders.

I urge the Department of Agriculture, especially the Division of Animal Health, to quickly evaluate this scientific recommendation because of the demand on the Plum Island facility as well as the pending construction of a quarantine station. After their evaluation it is my hope that they will establish policy that would continue to allow the importation of the exotic breeds from hoof-and-mouth countries with adequate protection to minimize the risk of an epidemic to the American cattle industry.

But, if in their best judgment they feel that importation of semen or live animals severely jeopardize American herds, I hope that they will take steps to protect the industry from the economic pitfall of allowing the exotic breeds to be brought through Canada. The Canadians sensing a monopolistic advantage in this regard will certainly increase their prices disproportionately to the value of the cattle sold. Without any competition Canadian breeders would be free to charge exorbitant prices for breeding stock and semen.

There is precedent for this. Prior to the approval of a project to import Chianina semen through Plum Island the Canadians were prepared to sell semen from bulls of this highly sought after breed at between $150 to $200 per ampule. The price after the American project is finished should be between $20 to $30 per ampule. As an illustration of the cost to the American cattleman, I ask that the Department of Agriculture consider these figures. Since 1966 approximately 2,306,000 ampules were imported, based on an average $3.50 markup, this semen of exotic breeds cost the cattleman over $8 million. Our beef industry must update their commercial breeding procedures to produce competitive, low-cost beef. To force this industry to pay monopolistic prices to accomplish this seems unfair when this country possesses the technology to continue the semen importation program and provide for the importation of live animals.

In short, if the Department of Agriculture sees fit not to provide the American cattleman with a way to import exotic breeds either in the form of live animals or semen, I sincerely hope the Department will also recommend a way to prevent the Canadians from monopolizing this vital market. It is my opinion that the technology is available to minimize the risk of a hoof and mouth outbreak in this country. And, such technology should be used to the advantage of the American beef breeding industry.

## REFORMS REQUIRED IN CORPORATE PENSION PLANS

Mr. HUMPHREY. Mr. President, recently it was my privilege to address the eighth annual corporate pension conference of Donaldson, Lufkin & Jenrette, Inc., a major pension fund management firm, in New York City.

In my remarks to this distinguished gathering of corporate financial executives, I emphasized the rising concern among America's workers about the denial or inadequacy of retirement income under the pension plans of their respective employers. I urge the multibillion-dollar pension fund industry to launch a major program of reform and warned that unless it puts its house in order, it will face strong Federal regulation.

I ask unanimous consent that the text of my remarks be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

REMARKS BY SENATOR HUBERT H. HUMPHREY

I am a layman. You are the professionals in handling daily the complexities and heavy responsibilities of managing a multi-billion dollar financial sector commonly known as private pension funds on behalf of corporations and millions of employees.

But I am here precisely to give voice to the concerns of the laymen. I am here to present some of the problems and hardships workers report they are experiencing in private pension plans in our country. I am here to help you get at the facts of these vital human and economic problems and to plan corrective actions that are at once progressive, financially responsible, and sensitive to a real and growing social concern.

Perhaps it is entirely appropriate that your conference program has me bracketed between your hearing, for the first time, the "view from the executive branch", and a discussion of legislation and labor union negotiating proposals on private pension plans. For there seems to be no other place on this program to talk about the men and the women on whom all these viewpoints and activities will have a direct impact.

I am talking about over 30 million workers covered under more than 34,000 pension plans. That's one-half of the private work force, depending upon private pension benefits, along with Social Security and hopefully insurance and some savings, to help them get through the years after they must stop working.

But we all know how costly those years are becoming for rapidly increasing numbers of people on fixed incomes. Let me remind you of some harsh statistics: Every tenth American today is over 65, but one of every four elderly persons lives in poverty. Then look at the commonly reported figures on those who are depending on help from private pension plans. Up to one-half of all persons participating in private pension plans may not receive pension benefits when they retire. More than one-half of those who do get these benefits will receive less than $1,000 a year. And there is a disturbingly high frequency of benefit cut-offs upon the death of the beneficiary, leaving the widow to fend for herself.

Now what will be your response to these statistics? Will you continue to answer with figures from industry-related studies demonstrating a record of good performance by private pension funds? I suggest, respectfully, that while it is vitally important to recognize the increasingly progressive actions by private pension funds to strengthen their financial position, to avoid potential conflicts-of-interest, and to increase and expand benefits, that the reciting of such reports simply is not good enough any more.

It is almost an American maxim that businessmen do not let slogans or doctrinaire ideologies get in their way or confuse their judgment, but go straight to the facts of the situation.

What are the facts today that explain a rising public concern over private pension plans?

First, there is the sheer fact of potential economic power concentrated in pension funds. In only three decades, there has been a 4,500 percent growth in private and government pension funds, to over $220 billion, with private pension plan assets alone accounting for about $136 billion.

Second, despite recent improvements, unilateral terminations of private pension plans continue to be reported. The United Steelworkers of America, with about one million members covered by pension plans, has seen over 70 pension funds stopped within the last five years because of plant shutdowns, bankruptcy or merger.

The beginning of widespread public concern about this problem can probably be pinpointed at the time of the Studebaker plant closing. But you all know of the Labor Department study showing the termination of 4259 pension plans from 1955 through 1965, and affecting some 225,000 employees. It is not enough to point out that many workers were transferred to other pension plans, because thousands upon thousands of others have seen their future security wiped out.

Third, there is a rising public awareness that private pension plans have been subjected to relatively little regulation. As Fortune Magazine commented in its October issue, "Few powerful financial institutions, indeed, function with so little control."

You have all taken due note of the public hearings over the past few years focusing on the alleged misapplication of pension fund assets by trustees of certain union as well as corporation plans. Pension fund trustee names that appear simultaneously on the board roster of depository banks or as officers of parent holdings companies, while not constituting illegal conduct, have been cited in instance after instance of conduct that is unethical.

But finally, and most importantly, you are dealing today with an aroused and far better informed general public.

The American people are scrutinizing as never before the conduct both of corporations and government, a development that I welcome and one that is healthy for both our public and private institutions.

Public interest and awareness have been heightened by the unprecedented economic situation in America of continuing inflation and high employment. The working people of America, confronting critically high living costs and the constant anxiety of job insecurity, while the lid is clamped down on wage increases, are watching very closely where every dollar taken from their paychecks goes. They are deeply concerned about actually obtaining the future security benefits negotiated on their behalf in place of higher increases that might have been obtained in current wages. Men and women thrown out of work by plant layoffs, when they are within a few years, or even months or days of earning a vested right to future retirement benefits, are angry and feel betrayed.

Now this is the situation as it is actually perceived by millions of Americans who have suddenly found themselves thrown out in the cold. This is hard fact, whatever arguments might be put forward in defense of progressive actions taken over the years by private pension plans.

What actions, then, must be taken by you who are directly responsible for the management of private pension plans, to meet this serious public concern?

I call upon you today to launch a major effort to accomplish vital reforms in private pension plans and in the management of pension fund assets. Put your own house in order. I can promise you that if this action is not taken quickly, Congress will demand that it be done by government.

You can rely on solid precedent for in-house reform, in the case of the securities industry. Recently, we witnessed a serious slump in the stock market, despite Administration promises that economic conditions are going to improve. Almost a decade ago, when the same situation occurred and loud protests were heard about stock manipulation, I went to New York for a private and very frank discussion with members of the New York Stock Exchange. I proposed that they set up a blue ribbon commission to clean up their own house, and I warned that the alternative would be extensive public regulation. This private sector action was taken, and substantial improvements were made toward enhancing efficiency and responsibility in the securities industry.

Such reforms in private pension funds will not be accomplished so long as red flags are waved that private pension plans are being called upon to demonstrate social responsibility at the expense of assuring a maximum profit on invested funds.

The basic social problem confronting you right now is that increasing thousands of Americans are finding it impossible to live on their limited retirement income. And the social responsibility for which the American people are calling is the effective management of private pension plans.

You must bring every possible pressure to bear to meet these needs. I propose that you begin right now to draft and promulgate an industry-wide code of standards on the funding of private pension plans. Corporations ought not be permitted to enjoy a windfall by withholding contributions to worker pension plans, and instead applying them as interest-free plant investment or as stock dividends, or for management salary increases. Where a pension plan's growth results primarily only from additional worker contributions, rather than from effective investment, or where accrued benefit liabilities far exceed fund assets, then the spotlight should be focused by the private pension plan sector itself on the activities of the trustees of this plan that are undermining standards of fiduciary responsibility.

Should the private pension fund section fail to make these actions, the only alternative must be strict disclosure and reinsurance requirements under public law.

And there must be an industry-wide emphasis upon continuing education program for workers about their private pension plan rights and benefits. Time after time, we hear worker complaints about benefit denials, which were in fact the result of the beneficiary never having been adequately informed about the requirements or benefits of that pension plan.

You must also face the fact of increasing labor mobility that repeatedly cancels out a worker's time credits toward earning vested rights to future retirement benefits under a particular pension plan.

Isn't it time for all pension plan managers in similar types of business and industry to work out pension portability arrangements? Should we not move forward with the establishment of pools of separate plan funds, under which computerized accounts are maintained of debits and credits transferred under these respective plans as a worker changes his place of employment?

And can you continue to be satisfied with the argument that there is an offset between earlier vesting rights and higher retirement benefits—that to promote the one you must deny the other? Why should we not enable a worker to retire with two or three reduced pensions under plans with earlier age and service vesting rights, rather than tell him after he has worked hard for 20 years that he has no right to any deferred income because his plan has a longer vesting period?

These are questions to which there must be a positive response. While on the one hand, private pension plans are being acclaimed as the hottest investment frontier today, they are also being increasingly regarded as a social instrument for helping an employee provide for his future. A heavy responsibility has been laid upon you to prevent any conflict in the objectives that are implied in these viewpoints.

Almost ten years have passed since the appointment of the President's committee on Corporate Pension Plans, whose 1965 report focused public attention on areas in vital need of reform. I suggest to you, in all frankness, that the march of time is now accelerating. Will you respond? Will you demonstrate to America a genuine concern to meet the income need of people? For they are what private pension plans are really all about.

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## FORTY-FOUR YEARS OF "THE AMERICAN FORUM"; A TRIBUTE TO THE LATE THEODORE GRANIK

Mr. JAVITS. Mr. President, some 44 years ago the late Theodore Granik, my good friend, founded "The American Forum" radio discussion show on station WOR in New York City. This was radio's first discussion program, and it returned to the air on October 17—the first time it was aired since Mr. Granik's passing late last year. Ted Granik was a creative genius in establishing and helping to develop the public affairs format for radio and television. American Forum and Youth Wants to Know are two landmark tributes to his memory.

His widow, Hannah Granik, now takes over as associate producer and coordinator, working with Robert C. Cody, executive producer, in carrying on the great tradition of "The American Forum." The first show of the new season concerned itself with an issue that troubled Mr. Granik as well as all public-spirited Americans—the issue of hunger in America.

So that Congress is aware that the American Forum continues, I ask unanimous consent that the transcript of the first program, which features a dialog between two experts on hunger—the Assistant Secretary of Agriculture for Marketing and Consumer Affairs, Richard E. Lyng, and the national correspondent for the Washington Post and Pulitzer Prize winning author of "Let Them Eat Promises," Nick Kotz—be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the Record, as follows:

[WAVA–FM, Oct. 17, 1971]

### American Forum

Voice. How can an administration, that's fully committed to feeding hungry children at school, draw up new guidelines as the agriculture department did last week that would knock a million children out of the school lunch program?

Announcer. From Washington, D.C., the Mutual Broadcasting System presents the award-winning "The American Forum" . . . the nation's first discussion program . . . now returning to the air for the first time since the death last year of its founder-producer Theodore Granik. Every week at this time the American Forum presents all sides of current issues of vital importance.

The subject this week: "Hunger in America." Moderator for the new American Forum series is Robert C. Cody. Mr. Cody will introduce this week's guests in one minute . . .

(Spot.)

Announcer. Now here is your moderator, Robert Cody . . .

Cody. Before introducing our guests on the first program in this new American Forum series, a word is in order about broadcast pioneer and innovator Theodore Granik . . . the founder-producer of the American Forum, Youth Wants To Know and other public affairs programs which have made broadcast history winning for Mr. Granik, broadcasting's highest accolades and profound respect and admiration among his colleagues in broadcasting and journalism. It can be said that Theodore Granik was truly a pioneer in utilizing the broadcast media for public service . . . creating formats for an informed public opinion, through free and open discussion of important issues facing the nation. He founded this program, The American Forum in 1928, forty-four years ago on station W-O-R in New York, broadcast nationally by the Mutual Network and later by NBC. Many of the world's outstanding leaders in many fields: including presidents, statesmen and heads of foreign governments . . . A virtual roll-call of history down through the years . . . appeared before Theodore Granik's microphones. In this new American Forum series we shall carry on the policy of free and open, pro and con discussion in the democratic tradition . . . probing into the controversial, significant problems challenging this country and seeking meaningful answers from the knowledgeable, the experts, and those public officials responsible to the American people for their actions or inaction. I think Ted Granik would feel that this week's program falls within his original concept of The American Forum . . . and would approve of the subject: "Hunger in America." Our guest authorities are the Assistant Secretary of Agriculture for Marketing and Consumer Services, Richard E. Lyng, and Mr. Nick Kotz . . . National correspondent for the Washington Post and Pulitzer Prize winning author of "Let Them Eat Promises" . . . We'll begin with a quote from Mr. Kotz' book:

"Many Americans . . . including county health officials and congressmen have denied the existence of serious food problems because they associated hunger only with India style famine . . . emaciated people dropping like flies in the streets. Of course, if they looked in the right places," Mr. Kotz continues, "they would find cases of starvation: Small children with wasted bodies and empty bellies dying from hunger in Arizona . . . in South Carolina . . . in the slums of New York City. For most of the ten to fifteen million who suffer from hunger in this country, the effects are more insidious. The ravages go on within the human body, and the body adjusts to it, sacrificing vital brain and body growth and energy."

Considering our affluence, and leading position in the world, Mr. Lyng, do you think that's a fair statement of conditions in this country today? . . .

Lyng. No, I don't think it's a precise definition today because I think we've made great strides and tremendous changes have been made since the time that Nick Kotz wrote the book. Even then there was some controversy as Nick himself will recall about the accuracy of some of the statements in the book, but apart from that we have made tremendous progress in terms of eliminating hunger and poverty caused hunger and malnutrition in the country. There is no excuse for this country with our ability to produce more food than we can consume, to have the paradox of hungry people, so I would certainly agree that we should not have hungry people due to poverty, in the United States.

Cody. Would you disagree with in that statement as of the number of people that Mr. Kotz says are starving that's in the 15 million?

Lyng. I only disagreed with your statement when you said today because the book was written a couple of years ago.

Cody. Yes; that's right, 1969. Well Nick, what do you think? Do you think the statement holds true?

Kotz. I agree with Mr. Lyng that there has been tremendous progress; thanks to this administration and thanks to Congress, 10 million people today are getting benefits from food stamps, where there were only a million or two a few years back. The same thing applies as to the school lunch program.

However, I'd make two points very strongly. One, there are still millions of Americans who simply do not have enough income to buy an adequate diet. Second, we are at a turning point as to whether we're going to really fulfill a social commitment in this country, namely to feed the hungry or whether we're going to forget about it and go on to a new fad, whether it's environment this year, or a welfare reform plan the next. So I think the issue is still very much in doubt as to whether we are going to fulfill President Nixon's commitment that the time has come to put an end to hunger in America.

Cody. Where do you think the program is bogging down?

Kotz. There are administrative problems with both the food stamps program and with the school lunch program.

Cody. Where?

Kotz. There are administrative problems in the delivery of services, but the biggest problem in terms of reaching people today is a problem over which Mr. Lyng does not have any control, and that's the problem of money, because as these feeding programs have become successful, as they have started to fulfill the objectives for which they were designed, suddenly we are getting resistance from the White House, resistance from the budget bureau to spend the amount of money that it's going to really take to do this job. That's one problem. The second problem is that at the same time the Nixon administration has done a very good job in at least moving forward to feed the hungry, it is proposing welfare legislation which will eliminate food stamps and would leave potentially 90 percent of people on welfare today with less in terms of welfare and food stamp benefits than they now get. That to me would be an enormous step backwards in terms of feeding hungry people.

Lyng. Well, if I might not respond but augment that perhaps, I'm pleased, Nick, that you recognize that I don't have control over all the money. And we perhaps never have enough money to satisfy those of us that are involved as closely as we are in a program like this, but the administration and the Congress have been generous in this program. This year we have a budget of over 4 billion dollars in our total feeding programs. It's a huge amount. We're spending over 10 million dollars a day. This compares with less than a fourth that much just two and a half years ago. So the program has moved forward very rapidly. There are administrative problems in such a gigantic delivery system. We have some tremendous imperfections. We have people who are deserving who for one reason or another are not aware of the program or not in a location where it's working as well as it should so they can't benefit. These are some of the things that we need to do things about, and we're trying. In addition we have some abuses as we've all heard about, abuses of food stamps, abuses of school lunch and others. These we must correct. No one defends ineligible people taking advantage of these programs, but this takes some administrative skills and we haven't been perfect in that; we hope we're improving them.

As far as the welfare problem, the family assistance proposal that Mr. Kotz referred to, the bill as it passed the House of Representatives did call for the cashing in of food stamps. This was really something that was the desire of the Ways and Means Committee to include and the administration conceded to that, but that was not a part of the original proposal of the administration. This has been a point of controversy now for many many months and I predict that it will be for some months to come.

Kotz. Well I'd like to ask you a question, Secretary Lyng. Do you think a family of four that is left with only a $2400 federal welfare grant can possibly feed themselves an adequate diet that is defined by the Agriculture Department and also meet their other needs for housing and clothing?

Lyng. No, I think that it would be impossible and yet we know that there are people on welfare today in the country that the welfare combined with the food stamp allotment are still not receiving that much. Our minimum food stamp allotment under our current regulations of a family of four is a hundred, not minimum allotment, our allotment is $108, and we know that that is difficult for a family; they have to be extremely careful. If they spent that much on food out of $2400 it wouldn't leave an adequate amount for other costs. But the Family Assistance Plan as you know calls for this to be a floor and its hoped that the states would augment it. And then there are work programs in addition. The main thing about the Family Assistance is that it permits the working poor to participate and gives them an opportunity to bring their income up to a minimum livable standard. When you get into the very bare minimums, the $2400 you talk about, if that were all there was it would be a very difficult figure.

Kotz. Well the issue of welfare reform is a complicated one. There are new concepts, there are new ideas, in this welfare bill which are interesting and which may prove good in the long run. There are also concepts that I happen to very strongly disagree with. But the thing that disturbs me is that this country never can seem to make a social commitment and to follow it all the way through until it delivers on its promises, and that is the danger that I see in the food programs today. We have made great progress and I think there are millions of poor people in America who are getting food today who were not two or three years ago, but I see a growing resistance in this administration to spend the money necessary to fully deliver that promise and at the same time I see a diversion into new programs and new ideas. However fine they might be that are going to leave us right back where we were in terms of poor children with not enough to eat.

Lyng. Well I hope you're wrong and I think you're wrong. I think we're, and I'm sure you hope you're wrong, because I think we are, we have a real chance to fulfill this social commitment. I agree with Mr. Kotz that it's an important one and that its one that we should fulfill. The progress that we've made only proves to me that we have the ability to do it. As a matter of fact, the cost of finishing off the job is not going to be that great in terms of dollars. I think that we have, we're way past the half way point. We have now 14½ million people participating in our needy family programs. This is fully 50 percent of those that the census bureau would say are living below the poverty level. Now I'm not sure that in a perfect program you could get 100 percent, who would be participating. So I don't think that we have as many to go, I think we've already reached many many of the poorest of the poor.

Kotz. Well let's talk about the sense of commitment. How can a committed administration first draw food stamp guidelines that would knock five hundred thousand people out of a food stamp program, on an arbitrary basis that they have a hundred or two hundred or three hundred dollars too much money to participate. Knowing full well that a family can't live on four thousand dollars a year in New York. How can an administration that's fully committed to feeding hungry children at school draw up new guidelines as the Agriculture Department did last week that would knock a million children out of the school lunch program because their families had income of $4500 or $5000 dollars a year rather than less than $3900 dollars a year.

Lyng. Well taking your first question first the food stamps, the administration very greatly liberalized the benefits of the program to the poorest of the poor and in order to make some effort to maintain some kind of limit on the total spending, because this program has been leaping in terms of literally millions of dollars per day. An effort was made to tighten the program at the upper income level. The bonus was reduced and in a few instances people in states where welfare is high were eliminated from the schedules. Similarly, in school lunch where it was apparent that the local school districts continue to pay their share, what had been their share of the cost of particularly among the poorest people we give highest priority to those below the poverty level of $3940 dollars a year and we added a great deal to that in terms of the federal participation. One hundred thirty-five million dollars addition announced last week making a total now of five hundred million dollars. A hundred times as much being given to the programs in 1968. No mandatory elimination was made of those above it but we felt that we're relieving those states and local communities of a heavy burden at these lower levels, and if they wished because of the affluence in the local area to take care of people in the higher income level, they still are permitted to do so.

Cody. Well this has been sort of a political football in other administrations as well as this one. Isn't this what's held up taking care of these 10 to 15 million people who have been starving at least up until 1969 and possibly a good many of them still . . .

Kotz. I'd like to make a comment on that. I think that the political football on hunger up until the last 4 years was a political football in which the government cooperated with plantation owners, with coal mine owners, with people with vast vineyards in California.

Cody. How do they do this?

Kotz. To keep people very very poor and poor to the point where they would work for whatever wages were offered them. The only time they got a pittance of food from the government was when it served the growers advantage to keep his cheap labor in place during the winter. That was the original political football, political economic football. As I see the political football of the last 4 years there has been a healthy sense of competition between a Republican president and a Democratic Congress. There has been a healthy bi-partisan political sense moving forward on this issue and I think Mr. Lyng probably more than anybody else in the Nixon administration participated in moving it forward.

Cody. Well on that note I'm sorry I'll have to interrupt. We'll return in one minute with some closing remarks from our guests.

Mr. Lyng, could you summarize your position on the status of hunger in America in about 40 seconds, please?

Lyng. Well I think we've made great progress in eliminating poverty caused by hunger and malnutrition, we still have some pockets of it and wherever it exists, wherever there are poor people who don't have enough to eat this nation should do something about it. The federal role in it has been large, in some ways I think too large, I think that people have a responsibility and its so easy in most communities to move in a circle where you never see poor people, that you fail to recognize that they exist and when you don't see them you believe they don't exist.

Cody. Nick Kotz. Excuse me.

Lyng. I think that we have a chance and we must join together to do it.

Cody. All right Nick we'll have to give you 45 seconds.

Kotz. That's fair enough. I also think that we've made progress, basically through the food stamp program and the school lunch program to help many millions of hungry Americans. I think that the progress that has been made will all be lost if this country adopts a regressive welfare bill which leaves the poor with less in total resources then they now have and I hope the country will fulfill its commitment at least to feed the poor if nothing else.

Cody. Thank you gentlemen for your participation in the American Forum. Our guests today were Richard E. Lyng, Assistant Secretary of Agriculture for Marketing and Consumer Services and Mr. Nick Kotz, National Correspondent for the Washington Post and author of "Let Them Eat Promises". Join us again next week at this same time when the topic for discussion will be "Drug Addiction In The Armed Forces, What's Being Done About It." Our guest will be congressmen Robert H. Steele of Connecticut and Doctor Lyndon Lee, Director of Professional Services of the Veterans Administration. This is Robert Cody in Washington.

Announcer. The American Forum. The Nation's first discussion program . . . is a Granik-Cody production in association with the Mutual Broadcasting System.

Executive Producer: Robert C. Cody.

Associate Producer and Coordinator: Hannah Granik.

Engineering by: Daniel Breckner.

## EQUAL EMPLOYMENT OPPORTUNITY ENFORCEMENT ACT

Mr. MUSKIE. Mr. President, by enacting title VII of the Civil Rights Act of 1964, Congress acknowledged the unfortunate fact of employment discrimination in the United States. The Equal Opportunity Commission was established as the primary Federal agency responsible for eliminating discrimination in employment in the United States. Since then the EEOC has never ceased from trying to achieve the goal of equal opportunity for all Americans.

Unfortunately, the Commission has been badly handicapped by not having the necessary tools to get the job done. The EEOC was not granted the authority to issue judicially enforceable orders to correct the discrimination it has found. In prohibiting discrimination in employment based on race, religion, color, sex, or national origin, the 1964 Act limited the Commission's enforcement authority to "informal methods of conference, conciliation, and persuasion." This approach has failed. Since its inception, the EEOC has not been able to resolve satisfactorily even 50 percent of the charges brought to its attention.

The EEOC must record evidence of job discrimination without being able to do much about it. While Congress has committed the country to a national policy of ending economic discrimination, the individuals subject to such discrimination are still very much on their own. It is up to aggrieved individuals to initiate legal proceedings, to retain council, to bear the cost of litigation and to devote their time to fight for justice. Usually these are the very members of our society least able to afford the expense of achieving justice and least able to wait patiently for it. Individuals trying to seek an end to job discrimination by the present cumbersome legal procedure have been aptly recognized by one court as entering into "a modern day David and Goliath confrontation."

We must make our policy of economic equality and opportunity for all a reality. We must give the EEOC the tools necessary for its job. Therefore, I fully support the new enforcement procedures provided in S. 2515, the Equal Employment Opportunity Enforcement Act of 1971. To accomplish the stated purpose of title VII of the Civil Rights Act of 1964, S. 2515, while retaining the private right of action, provides for the elimination of unfair employment practices through a system of administrative hearings, Commission decisions and orders, and ultimate court review in appropriate cases—a method of enforcement which has long been authorized for other regulatory agencies. As Father Theodore Hesburgh, Chairman of the U.S. Commission on Civil Rights has testified, cease and desist authority, provided for the EEOC for the first time in this bill, is the most effective and expeditious enforcement device available for use against employment discrimination. Experience with the administrative cease-and-desist approach reveals that it encourages early settlement of claims, thereby providing relief to congested courts and quicker justice for those who have suffered discrimination.

This legislation is especially needed to overcome job discrimination practices against both minorities and women. We can no longer ask Spanish Americans, blacks, women or other groups in our society to wait for an equal chance for a decent job.

Blacks constitute about 10 percent of the labor force; they account for only 3 percent of all jobs in the high-paying professional, technical, and managerial positions.

This consistent pattern of job discrimination of course results in economic disparity. While some progress has been made, the economic position of the Nation's black population still falls tragically short of our goal of social and economic equality. The median income for a black family in 1970 was $6,279, while the median income for whites during the same period was $10,236. And this economic disparity continues in the rate of unemployment. Black unemployment still remains almost twice that of whites.

Spanish-speaking Americans, the second largest ethnic group in this Nation, are victims of the same form of economic discrimination. Only 25 percent of employed Spanish-speaking males are in white-collar jobs, compared to 41 percent of men for all other origins. On the other hand, 58.8 percent of Spanish-speaking males are concentrated in blue-collar occupations. In 1969, the median family income for Spanish-speaking American families was only $5,641.

Employment discrimination against women increases with each new economic crisis. An analysis of the complaints recorded by the Equal Employment Opportunity Commission shows a consistent pattern of discrimination against women. In its first year of operation, the Commission received a total of 6,026 charges of employment discrimination, of which one-third alleged discrimination because of sex. Of the 3,733 charges recommended for investigation, 43.2 percent were sex discrimination cases. In fiscal year 1971, allegations of sex discrimination continued to constitute a major percentage of charges filed. The nearly 16,000 charges filed in that year alleging racial discrimination were largely filed by female members of minority groups.

Discrimination is always unfair and unjust, but it is particularly tragic when it is practiced against single, widowed, divorced, or separated women who must support themselves and frequently a family. Discrimination is also unfair to women who want to supplement family income. Discrimination, besides being unjust to the people involved, is unfair to our country. Our national prosperity depends upon the maximum use of all our resources; discrimination in pay and employment opportunity prevents us from achieving this. And more importantly, discrimination prevents this country from reaching its true greatness, from achieving its highest goals.

To end discrimination against women there are many things we must do. We must eliminate sex discrimination in public education. Extension of title VII of the Civil Rights Act of 1964 to the field of education is an important improvement contained in S. 2515. Women comprise the majority of elementary school teachers; yet they comprise less than 20 percent of supervisory principals. In higher education, for those few women who teach, the chances for promotion or full professorships are extremely rare.

S. 2515, by extending the coverage of title VII to all State and local governments, should help to remedy the very low percentage of participation by women in the medium- to high-level positions in State and local government.

S. 2515 also strengthens the obligation of the Civil Service Commission to guarantee equal opportunity for the advancement of women into the higher levels of the Federal Government. If we need to be reminded of discrimination against women in the Federal Government, we have only to look at Commission statistics which show that women constitute an average of 75.2 percent of grades 1 through 5; 30 percent of grades 6 through 9, and 9.2 percent of grades 10 through 13. Only 2.3 percent of those in grades 14 and above are women.

In view of an employment market that is closed in so many areas to women, and the current widespread practice of sex discrimination, based on outmoded concepts about the role of women in our culture, only cease-and-desist powers will enable the EEOC to perform its duties to curtail employment discrimination on the basis of sex.

S. 2515 will also give women continued access to the remedy of back pay. It should be remembered that discrepancy in salaries is widespread—until recently women's earnings averaged 60 percent of salaries paid to men.

S. 2515 represents a major step forward in providing EEOC with the tools to accomplish the tasks it was assigned. Women, along with the minority groups, need this bill to make our national goals of equal opportunity a reality. I think that it is time to indicate to women, as well as to those employers who continue to discriminate, that the Congress was serious when it added the word "sex" to title VII. It is time to prove to blacks, to Mexican Americans, to other minorities that this country is serious about achieving economic equality.

We can no longer delay in providing a remedy for job discrimination. There is no further excuse for continuing to provide an institution that promises people equal job opportunities, but cannot fulfill those promises. We must pass the Equal Employment Opportunity Enforcement Act immediately to provide the EEOC with cease-and-desist powers.

The Senate will end its first session in 3 or 4 weeks. Only a few major pieces of legislation can be handled in those weeks. I believe this legislation has to be among those that are considered before we end this session. It is "must" legislation.

## ALBIA, IOWA, TYPICAL OF RURAL AMERICA

Mr. MILLER. Mr. President, rural America, some believe, is dying. There are pessimists who have written off rural America as a relic from the past; and cynics would add that the sooner the end comes, the better.

Coming from a State with a blend of agriculture and industry, where urban and rural people live in harmony, each in need of the other, I naturally do not share such viewpoints. Neither does anyone else who understands human nature. I believe the hope and future of this great pluralistic Nation depend on the preservation of rural America, and that more efforts should be made to develop this part of our country in order to put a stop to further congestion in our metropolitan areas.

Urban America, whether one wishes to admit it or not, has much to learn from rural America. That opinion, by the way, is held by Ada Louise Huxtable, Pulitzer Prize-winning architecture critic for the New York Times.

In a perceptive article published in the Times of October 24, Miss Huxtable wrote of the qualities of Albia, one of Iowa's many progressive smaller communities. She took a look at what Albia has done to renew its business district and concluded that "Albia, Iowa, has a lesson to teach city and suburbs."

She wrote:

> The chief tool in Albia has been simple, sensitive, common sense restoration. . . . Albia's hopes are pinned on a kind of renewal that comes from more than a pot of paint. It combines a cultivated eye for the past with a careful eye on the future. New York and its suburbs could look, and learn.

The article is a deserved recognition of the faith in their community, their State, and America on the part of Albia's civic and government leaders, and the people of that community. And, I might add, it's typical of rural America.

I ask unanimous consent that the New York Times article and an editorial published in the Albia Union-Republican of November 4 be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the New York Times, Oct. 24, 1971]

### ALBIA, IOWA, HAS LESSON TO TEACH CITY

(By Ada Louise Huxtable)

In southern Iowa there is a town called Albia, pop. 4,500, founded in 1859. To Albia has been vouchsafed a truth still little acknowledged in the city and its suburbs: all change is not progress.

What Albia has done is to renew its central business district through a $150,000 paint-and-fix-up project called Operation Facelift. In a complete reversal of accepted methods of commercial revitalization in which "modernization" is the key word, the chief tool in Albia has been simple, sensitive, common sense restoration. Albia has taken a new look at Main Street.

It is the kind of thing that could be done in those Long Island and Westchester towns where the village Main Street has been downgraded for the miracle mile or the new shopping center, losing the solvency and sense of community that made it work and gave it life. And Albia's lesson should be borne in mind as physical renovations are made under the city's own Operation Mainstreet. This is a city-sponsored program whose goal is the revitalization of about 40 aging commercial streets in all five boroughs.

Albia's lesson to New York City, pop. 8 million, and all older suburbs is the environmental and economic value of historic continuity and architectural esthetics. The lesson looks, and is, relatively easy, but it adds up to a complex, subtle and sophisticated environmental discipline called urban design.

Although it is becoming fashionable now among avant garde architects to say that "Main Street is almost all right," most small towns have felt that Main Street is all wrong.

Running scared of shopping centers, they have done their best to disguise or destroy Main Street and copy competition. In West Bend, Ind., or Hewlett, L.I., the attitude is the same: old is bad and new is good and if it looks new its got to be better.

The panacea of "modernization" has consisted of blanking out old building fronts with flat, bland sheets of aluminium, plywood or plastic for a matched, cross-country anonymity.

This has been completely successful as a building products sales campaign and as architectural and neighborhood character assassination. It has been a total disaster environmentally, if you define environment as a sense of place, or knowing where you are and liking it.

Albia knows where it is. It also knows, in its own words, that "a community cannot separate its past from its future."

In Albia, "Main Street" is the area around its Town Square, centered on the Monroe County Courthouse. It contains stores, banks, commercial, professional and government services.

As a county seat, it offers a wider variety of activities than a shopping center. Like most Main Streets, it consists of rows of two- and three-story buildings in a range of Victorian and turn-of-the-century and later styles.

Albia's buildings have been neither false-fronted nor Williamsburged. There has been minimum sneaky "colonializing" or touches to make Victorian "respectably" fake-Federal. There may be some overshuttering, but it is tasteful.

The important thing is that the buildings are looked at with fresh and appreciative eyes for what is really there. As much is made of the rectilinearity of the near-Prairie Style of 1900 to 1905 (underrecognized and underappreciated in its vernacular and commercial versions) and of the kind of brickwork decoration Albert Kahn added to his 1900 factories, as of the elaborate Victorian cornices and lintels of the eighteen-eighties and nineties.

There is a progression of curved, pointed, pedimented, molded, cutwork rhythms above windows and against the sky that makes small museum of architectural styles and a richness of color, pattern and form unreproduceable by anything except history and art.

We are just learning that art is in Main Street as well as in museums. These are America's hidden assets, Kawneer-covered on every business block. (A bank in Greenfield, Mass., has just demolished a fine pair of Gothic and classic facades for a "modern" front. More of America down the drain.)

In Albia, the old buildings have been cleaned and sandblasted, their masonry cut and pointed, cornices and windows scraped and painted, walls grouted and silicone treated, trim matched and occasionally reproduced.

Nowhere, however, have the shops and stores on the ground floor been forced to conform to a false idea of "suitability to period," or to have fancy dress "historical" lighting or signs, with the morass of anachronisms that this brings. Many a restoration has gone wrong at the ground floor and the 20th century. Albia's shops and services are strictly commercial and contemporary in use and appearance, as they should be.

This is no charade. The past is respected and the present is unhobbled. That is among Albia's more important lessons.

The entire operation has been carried out privately, under the direction of the nonprofit Albia Area Improvement Association. The Association is now exploring available Federal and state funds for programs concerned with bettering "economic and social conditions and educational opportunities for citizens in the Monroe County area."

Operation Facelift has been financed completely by $25 membership certificates, an initial planning grant by the Iowa Southern Utilities Company, and loans from the Peoples National Bank and First Iowa State Bank, which agreed to provide financing for their customers in connection with the project. There are 83 properties involved and individual building renovations have run from $200 to $6,822.

The association's largest expense has been $3,544 in planning fees to the coordinating architectural firm of Steffen-Stoltz of Ottumwa, Iowa.

Stephen M. Stoltz and Robert T. Bates, an interior decorator who has come back to Albia to live and work, collaborated on details. One paint company furnished colors mixed to specification. A single contractor was employed for the restoration. A maintenance rather than a construction contractor was selected, the J. and R. Building Maintenance Company of Des Moines.

Robert W. Larson of the Albia Newspapers has given support and leadership. Other credits go to the Iowa Development Commission and the Northern Natural Gas Company.

The work has been done as tax-deductible maintenance and repair.

There has been little trouble convincing property owners to join Operation Facelift. The chief problem has been to get anxious owners to wait as contracts were organized and executed for an efficient sequence of jobs.

As a result of the renovation, the Iowa Highway Commission canceled three proposed routes through town last July. There will be a bypass road instead.

Like many heartland communities, Albia is concerned about a declining population and uncertain economics. It was a stagecoach stop in 1853, and a railroad town in 1866, with 29 daily passenger trains. By 1909, it had grown to 5,000. Now it looks to tourism for growth, as the center of a 30-mile lake area.

Albia's hopes are pinned on a kind of renewal that comes from more than a pot of paint. It combines a cultivated eye for the past with a careful eye on the future. New York and its suburbs could look, and learn.

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[From the Albia Union-Republican,
Nov. 4, 1971]

### WE HAVE MADE A START—BUT ONLY A START

In The New York Times of Sunday, Oct. 24 appeared an article by Ada Louise Huxtable, architecture critic of that newspaper, in which she evaluated the renovation of the Albia business district and pointed out its implications for other communities, large and small.

Those who have shared much of the responsibility for the renovation and restoration of the Albia business district are particularly appreciative of the evaluation made by Mrs. Huxtable. For the perusal of those who may not have seen it we're reproducing the article and also a page—primarily of letterheads—indicative of the world-wide interest this renovation has sparked.

We're happy to call attention to the uniqueness of this project and the attention it had brought to the community. It's been an exciting community project and the recognition it has brought the community is just as exciting.

But—the project isn't completed and we hardly dare rest on our laurels. Like most bouquets, those received by the community on this project wither and die and they lose their meaning unless the project is kept alive, improved upon, and extended.

We're reprinting the two pictures at the head of this column for a definite reason. The man was a recent visitor to the community. He came with a Chamber of Commerce group to look over the renovation project. And he asked representatives of the Albia Chamber "when you've spent so much time and effort in a project like this, why are you allowing a few weeds to detract from an otherwise pleasing appearance of your business district".

There are about 60 businessmen around the square who better answer that one and start a bit of weed pulling, cleaning up the trash from behind their buildings, and doing a bit better job of housekeeping or everything accomplished by this project will be diminished.

We should point out, too, that there are several buildings in the business district which detract appreciably from the restoration of the other buildings. On Washington Avenue East is a burned out building which should either be torn down or built up, but not left in the half-way state as it has been for the past several years with floors rotting, trees and shrubbery growing within its walls, and a sagging second story about to give up and join the first floor.

On Benton Avenue East is a building which a good rock band could shatter with its music. It was fixed temporarily three or four years ago and had been an eyesore since that time. It needs to be replaced. There are other buildings in the business district which need to be improved upon.

But we feel that the real impact of this renovation project must now be transferred to the residential areas. We need a lot of outbuildings torn down. We need sidewalks repaired. We need buildings painted.

We need a great deal of planting. And we need a lot of diseased trees removed.

We need to push this renovation and restoration project out to the city limits in each direction, removing junk cars, fixing streets, continuing the paving program. And it needs to be done on a coordinated community basis, just as the business district was done.

We aren't thinking of the usual cleanup, paintup, fixup campaign.

These are ineffectual unless they're well organized and unless they're sustained by a year-around effort.

Rather we're thinking in terms of a community wide improvement program with substantial prizes for the best job of landscaping, for the best job of exterior remodeling, but the best job of restoration of some of these older homes, and for the best cleanup job—the removal of outbuildings, junk cars, etc.

It's got to be organized. It must be community effort. And it can't be a weekend affair. It must be planned now, given a kickoff shortly after the first of the year, and the results judged next November.

Albia is luckier, and perhaps even pluckier, than most communities in the things that have happened to it and that it has caused to have happen in the past five years. New schools, industries, paving, renovation, businesses—they're all indicative of a community working together.

We as a community have received much recognition for what has been accomplished. These plaudits can affect us in two ways. We can sit placidly in our rocking chairs, re-read the clippings, and keep reminding ourselves of the good things we have accomplished.

Or we can re-read these clippings, remind ourselves that the defeatest attitude of the community has been licked, and that even greater things are in store for us if we want to work at it.

We've come a long way as a community.

But, like most in the community we refuse to believe that we're reached the end of the road, that we have achieved all of the goals we have set for ourselves as a town. We have a ways to go. And we might just as well start in by pulling a few weeds, picking up a bit of trash, and then organizing to spread the renovation project to the city limits in each direction.

Failing to do this the booklet, "Once Upon a Town . . ." becomes simply a piece of memorabilia and no longer a "how-to-do-it" booklet for an up-and-coming community.

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## LATIN AMERICA

Mr. KENNEDY. Mr. President, I am truly stunned by the remarks of Mr. Finch before his trip to Latin America, as reported in the New York Times today. To imply that the term "Banana Republic" was a part of the Alliance concept is an insult both to the dedicated Americans and the dedicated Latin Americans who have struggled over the past decade to improve life in Latin America. We have not totally succeeded in our goals but the Alliance was a coherent policy at its inception and honest efforts were made to implement it.

I cannot understand why, at the outset of his trip to Latin America, Mr. Finch has decided to slander the motives of those who designed the Alliance. The statement by Mr. Finch also is somewhat incredible coming as it does from an administration that has failed to provide any policy toward Latin America in almost 3 years.

This administration sent Governor Rockefeller to Latin America when it took office, and now, almost 3 years later, it is sending Mr. Finch. In between, the administration has ignored Latin America, ignored its needs, ignored its aspirations. It has adopted a policy of malign neglect.

In Latin America, the closest ties of this administration have been with the military government of Brazil, a government which has been under attack from a host of international human rights groups for condoning the torture of political prisoners as an acceptable instrument of political retaliation. Now the head of that government, rather than those of other Latin nations which are far more concerned about social justice and civil rights, is being invited to Washington to be feted by the President. That is the evidence of the only policy this administration has been able to devise in its 3 years in office.

I regret that Mr. Finch has taken this view of the Alliance for Progress and the attempts by previous administrations to respond to the needs of the nations of Latin America.

Mr. President, I ask unanimous consent that the New York Times article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Finch, on Eve of Six-Nation Trip, Attacks Earlier Latin Programs

(By Benjamin Welles)

Washington.—Robert H. Finch, counselor to President Nixon, charged here today that those who designed the Alliance. The President Franklin D. Roosevelt's Good Neighbor policy and the Alliance for Progress under Presidents Kennedy and Johnson "lumped the Latin-American countries together as banana republics."

By contrast, Mr. Finch declared at a White House news conference, the Nixon Administration treats the Latin-American countries individually "as we find them."

Mr. Finch, a former Secretary of Health, Education and Welfare, is due to leave tomorrow on a two-week trip to represent President Nixon in six Latin-American countries.

"We don't have any litmus paper tests as to whether they're democracies or republics or dictatorships," he said. "They make decisions on their economic and political systems for themselves."

#### EX-OFFICIALS CONTEST CHARGES

Four of the countries that Mr. Finch will visit—Peru, Ecuador, Argentina and Brazil—have authoritarian governments, heavily influenced by the armed forces. The two others—Mexico and Honduras—have elected governments.

Former officials closely associated with the Roosevelt Good Neighbor policy or with the Alliance for Progress assailed Mr. Finch's charges.

Philip W. Bonsal, a specialist in Latin-American affairs who was United States Ambassador to Cuba when the Castro regime seized power, described the Good Neighbor policy as "recognition of the sovereign equality of all Latin-American countries and a renunciation of the right of intervention in their affairs."

Sol M. Linowitz, who was representative to the Organization of American States under President Johnson, declared that "anyone familiar with Latin America should realize that the Alliance for Progress was not a United States program but a genuine partnership between the United States and Latin America for economic and social development.

"During its last 10 years, for instance, Latin America itself contributed about 90 per cent of the funds for the Alliance goals," Mr. Linowitz said in an interview.

#### ALLIANCE IS DEFENDED

In the decade from the inception of the Alliance in 1961, experts here said, the United States contributed more than $11 billion and the Latin countries more than $90 billion to the joint development goals of the program.

Asked whether the United States had treated all Latin American nations together as "banana republics," Thomas C. Mann, former Assistant Secretary of State for Inter-American Affairs and coordinator of the Alliance for Progress, commented in a telephone interview:

"Certainly not. It was an endeavor to treat them as the law provided as equals of the United States and as entitled to consideration."

William D. Rogers, a coordinator of the Alliance during the Kennedy and Johnson Administrations, termed Mr. Finch's statement "preposterous" and a "discouraging beginning for his trip."

"Evidently he intends to milk that trip for domestic political purposes and to make up for the Nixon policy vacuum by saying whatever ridiculous things pop into his head about earlier programs," Mr. Rogers said.

"This is hardly likely to create a healthy impression in Latin America."

Mr. Finch said that he would not announce the lifting of President Nixon's 10 per cent import surcharge during his trip. Nor, he said, would he attempt to express the Administration's views on the expropriation of private United States assets during his discussions with Latin heads of state.

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## BETTER UTILIZATION OF NURSES

Mr. JAVITS. Mr. President, I have long advocated the utilization of the more than 30,000 medical corpsmen returning each year, veterans with training in military medical service, as a vital adjunct to America's health personnel, now marked by severe shortages. I authored the Veterans in Allied Health Professions and Occupations Act of 1969 in the 91st Congress, and was pleased to see it enacted as a part of the Health Training Improvement Act—Public Law 91–519. This year I played an important role in the Comprehensive Health Manpower Training Act of 1971, which includes among its many important provisions, authorization for capitation grants of $1,000 to medical schools for each student enrolled in a program for the training of physicians' assistants.

I believe there is another vast reservoir of health manpower which should be utilized as physicians' assistants. These are our nurses, the often unsung heroes of health care. I am convinced that registered nurses with clinical experience, after an additional period of comprehensive training, can be even more valuable assistants to attending physicians as physicians' assistants. One such program which I commend to the attention of Senators was reported in the Highland Hilites, the news magazine of the Highland Hospital, of Rochester, N.Y.

I ask unanimous consent that the article entitled "Experiences of Highland's First Physician's Assistant" be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Experiences of Highland's First Physician's Assistant

(By Miss Diane Petrovich, R.N., P.A.)

There are a growing number of programs for the training and utilization of physicians' assistants throughout the nation. The majority of these programs vary widely in their prerequisites, curriculum, duration of course, subsequent duties, licensure and legal limitations.

Highland Hospital initiated a pilot program for the position of Physicians' Assistants in September of 1970, functioning under the premise that registered nurses with clinical experience can be instructed to function as valuable assistants to attending physicians after an additional year of comprehensive training.

As a diploma school graduate nurse and assistant head nurse on a medical unit, I was introduced to the position of Physicians Assistant by Dr. Holler, the former chief of the medical service at our hospital, who told me of his plans to initiate such a program in the Rochester area. Basic format and expectations were discussed and independent research was encouraged. I was enrolled in the General Clerkship exercises for third year medical students at the University of Rochester Medical Center. In the subsequent months, I attended sessions in interviewing technique, physical diagnosis, complete case write-up format, x-ray interpretation and hematology and urinalysis classes and laboratories. The total number of practice interview and physical examination sessions equaled those of the clinical clerks, as did the complete supervised patient interviews, examinations, case write-ups and presentations which were scheduled at the conclusion of the program.

Interest in the concept of a medical assistance is quite intense, both on the professional and nonprofessional levels. Fellow nurses, doctors, associates and patients alike all express interest in the formulation and progression of the project.

The majority of physicians seem appreciative of the fact that an adequately trained assistant can relieve them of a portion of the duties involved in rendering health care to a large population. The Board of Medicine of the National Academy of Sciences endorses the use of Physicians' Assistants as a rapid means of alleviating the medical manpower shortage.

Patient response has been enthusiastic. Without exception, patients express interest in the concept of a medical assistant and offer no refractoriness. I routinely informed each patient of my status during the introduction, and when rapport was later established after the initial interview and examination, the vast majority of patients spontaneously questioned in further depth the title and responsibilities of a Physicians' Assistant. In subsequent followup sessions, I have noted that these patients continued to question me concerning their illnesses, activities, medications or discharge plans without apparent lack of confidence in the fact that I am an assistant and not a physician.

As I leave Highland for personal reasons, it is with sadness and regret that I say goodbye to all my friends and associates here. I can only render a true "thank you" to all those who have shown me such kindness and infinite patience.

Ed. note: In less than six months' time on D-4 acting as a trained Physicians' Assistant, Diane Petrovich was asked to care for over 125 patients. Most of her work involved doing admission histories and physical exams and work rounds. She was also asked to perform pelvic exams, bone marrow aspirations, lumbar punctures, draw arterial blood and many other miscellaneous tests.

Almost without exception, her work was evaluated as being extremely satisfactory, equal at times to an intern's performance and she received many, many excellent reports.

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## NOMINATION OF LEWIS POWELL TO THE SUPREME COURT

Mr. BAYH. The President has said that few decisions are as important as the nomination of a Justice for the Supreme Court of the United States. I agree. And no less important is a Senator's decision whether to advise and consent to such a nomination. With this in mind, and in light of the difficult struggles we have had in recent years over nominations to the High Court, I have devoted my most careful attention to the two nominees presently before the Senate. I have today concluded that I will support the nomination of Lewis Powell.

I have stated what I felt were the three qualities the Nation demands of a nominee to the Supreme Court: Outstanding legal ability, unimpeachable integrity, and a demonstrated commitment to fundamental human rights. In the course of the Senate hearings on the Powell nomination no question was raised concerning his competence as a lawyer or his personal integrity. Few men or women in America could earn the active support of as many leading lawyers and legal scholars, many of whom have testified or written about their personal knowledge of the nominee's qualifications and their enthusiastic support for him. The American Bar Association not only found that Mr. Powell "meets high standards of professional competence, judicial temperament and integrity," the highest rating given to Supreme Court nominees by the ABA Committee on the Federal Judiciary, but voted unanimously that Mr. Powell meets this standard "in an exceptional degree."

The focus of the Senate hearings on Mr. Powell's nomination has been a discussion of the third criterion I mentioned earlier, demonstrated commitment to fundamental human rights. In exploring the nominee's commitment, the committee has properly inquired into his judicial philosophy. I believe that the power and the responsibility of the Senate to make such inquiry is now generally accepted—and the President himself encouraged an investigation of judicial philosophy by announcing that these nominees had been selected because of their philosophy. Mr. Powell cooperated fully with the Judiciary Committee in this inquiry, and is to be commended for his candor.

Lewis Powell and I disagree on some matters of judicial philosophy. Were the power of nomination mine, I might well have nominated someone whose views coincide more nearly with my own. But that is not the issue here. Based upon my investigation of Lewis Powell's record and his testimony to the Senate Judiciary Committee, I am convinced that he is within a great American tradition of legal philosophy—the tradition of Holmes and Frankfurter and Harlan. This tradition has often been called conservative. But whatever it is called, it has played a vital role in preserving and protecting the fundamental liberties of the Bill of Rights and according equal justice to all Americans. For these reasons, I will vote for the confirmation of the nomination of Lewis Powell.

I have not come to this decision without careful thought and some hesitation. Because of specific questions that have been raised, I have undertaken a careful review of the record before us, especially in the areas of civil liberties and civil rights.

For me the most serious question about Mr. Powell's civil liberties views was raised by an article he wrote originally for the Richmond, Va., Times-Dispatch, which has been reprinted in other publications, including the New York Times. In that article Mr. Powell appeared to defend certain positions of the Nixon administration which I consider dangerous, including wire-tapping without a prior court order. But I have found upon consideration of the entire record that this question is less serious than had originally been thought. First, Mr. Powell testified that the article was written not as a careful analysis of the legal problems involved, but rather as an effort to counteract what he believes are unwarranted charges among the young of systematic and widespread repression in the United States. Thus the article cannot be taken as expressing Mr. Powell's considered legal views. Moreover, Mr. Powell clarified in his testimony before the committee several aspects of the article. For example, he acknowledged that, notwithstanding a contrary implication in the article, "in most cases it would not be difficult to draw" the line between foreign threats and alleged domestic threats to the national security. Finally, Mr. Powell both on other occasions and in his testimony has expressed strong dedication to civil liberties. In 1967, for example, he said:

> We rightly cherish the privacy of citizens in their conversations. Indeed, unless substantial privacy exists the very fundamentals of free speech are threatened. * * * Certainly, no serious thought should be given to granting an unlimited right to eavesdrop.

And while testifying on Monday, Mr. Powell said:

> I would not trust any government to self-discipline, Senator BAYH. I think the purpose of the Bill of Rights was to assure there are limitations on what the government can do.

I have also been troubled by questions concerning Lewis Powell's record in the area of civil rights. In particular, I was disturbed by the eloquent testimony presented to the Committee by Representative JOHN CONYERS and by Attorney Henry Marsh of Richmond. There are certainly decisions which Lewis Powell made over the course of his career on the Richmond and Virginia school boards with which I disagree; there may be some which, in the bright light of hindsight, seem unjustifiable. Perhaps Lewis Powell did not do everything humanly possible to end segregation in Virginia during the troubled decade following Brown against Board of Education. But if that were the test for appointment to the Supreme Court, few in public life, North or South could pass it. Unfortunately, we must all share that indictment.

I wonder how many of us can recall the climate of that period in the South, how many of us are aware of the tremendous pressures on those who sought in good faith to abide by the decisions in Brown against Board of Education. Perhaps Armistead L. Boothe put it best in his testimony in support of Mr. Powell when he said:

> From July 1954 onward the issue in the State was just as sharp as a new knife blade between an assignment—or freedom of choice—plan, to keep the schools open, or massive resistance, to cripple them.

Lewis Powell, like my friend and colleague BILL SPONG, was one of the courageous men in Virginia who were determined to obey the law of the land, and not to engage in massive resistance to the school desegregation cases. As he told the committee this week:

> The task of my board, and my task as I conceived it, was to keep the schools open, and that we did, and finally they were integrated.

There may be some who think that his opposition to massive resistance was simply a subterfuge designed to perpetuate segregation. But as one who knows Lewis Powell, who listened to him testify, and who remembers the difficult times during which he sat on the school boards, I believe he is dedicated to equal justice under law.

My belief is confirmed by the statements of other concerned persons. Mr. Powell's nomination is supported by several leaders of the black community in Richmond, including the first black member of the Richmond School Board, who served in that capacity with Mr. Powell from 1953 to 1961. The Leadership Conference on Civil Rights, which has opposed William Rehnquist, has taken no position with respect to the Powell nomination. Mrs. Jean Camper Cahn, an outstanding black lawyer who played a leading role in creating the OEO Legal Services program, has written concerning the crucial role of Lewis Powell in implementing that program. In addition, Mrs. Cahn said:

> My support is based upon the fact that I am drawn inescapably to the sense that Lewis Powell is, above all, humane, that he has a capacity to empathize, to respond to the plight of a single human being to a degree that transcends ideologies of fixed positions. And it is that ultimate capacity to respond with humanity to individualized instances of injustice and hurt that is the best and only guarantee I would take that his conscience and his very soul will wrestle with every case until he can live in peace with a decision that embodies a sense of decency and fair play and commonsense.

But perhaps no one has said it more plainly than Lewis Powell himself, who said on Monday:

I had a mother and a father who had a deep conviction that all human beings were equal and that no one was better than anyone else; and I inherited that and have never departed from it.

That inheritance will serve Lewis Powell well on the Supreme Court.

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## SOLUTIONS TO U.S. AGRICULTURE PROBLEMS

Mr. HUMPHREY. Mr. President, I recently testified before the Subcommittee on Agricultural Production, Marketing and Stabilization of Prices, of which the distinguished Senator from North Carolina, Mr. JORDAN, is chairman, on two emergency legislative measures which, I feel, are crucial to the future economic well-being of our Nation's wheat and feed grain producers. The two measures I am referring to are S. 2729 and Senate Joint Resolution 172 which I introduced to improve the income prospects for these producers in 1971 and 1972.

S. 2729 would establish strategic reserve inventories of these commodities, thereby insulating from the marketplace the huge carryover of these stocks that were created as a result of the 1971 set-aside programs.

Senate Joint Resolution 172 provides for a return to a base-acreage program for feed grains in 1972 and an additional acreage diversion program for wheat in 1972. Senate Joint Resolution 172 also provides for an increase of 25 percent in the 1971 loan levels for both wheat and feed grains.

As I indicated in my testimony regarding these two measures, it is essential that Congress enact both of them before adjourning this year. If they fail to do so, many wheat and feed grain producers will likely not be around next year to find out whether the 1972 set-aside programs are going to work any better than the 1971 set-aside programs. The carryover stocks created as a result of the 1971 set-aside programs must be removed from the marketplace to eliminate the price depressing effects they are now having on prices received by farmers. The Federal Government designed these 1971 programs. Therefore, they must shoulder the burden of removing these carryovers from the market. The Government asked farmers to produce these commodities, therefore they should not be asked now to pay for the Department of Agriculture's miscalculations in this regard. S. 2729 provides the Department with the means of accomplishing that objective.

However, while quick enactment of S. 2729 would bring some immediate relief from the price-depressing effects that current carryover stocks of these grains are having in the marketplace, it would not correct the shortcomings of the set-aside programs that already have been announced for these commodities in 1972. In that the set-aside programs permit farmers to increase their plantings of wheat and feed grains on non-set-aside acres and in that over 50 million additional acres will be available for non-set-aside plantings next year due to changes that have occurred in recent years relating to the definition of conservation acreage, production levels for these commodities next year are again likely to exceed utilization demands by at least 100 million bushels for each commodity.

And, it should be noted at this point that the Government cost of these programs next year, particularly the feed grains program, will reach an all-time high. However, should Congress enact and the President sign into law the two measures that I have introduced to correct this situation, the value of these two crops could be increased by $1.5 billion in both 1971 and 1972—and at no additional program cost to the Government.

On November 9, a major private crop reporting firm in Chicago reported that this year's feed grain harvest was 147 million bushels above USDA's October 1 estimate. This increase amounts to about 4 million tons, or 1 million more tons than was just sold to Russia—who certainly knew when to buy grain from the United States; namely, when prices are at all-time lows. Unfortunately, their good fortune in this instance, is coming out of the pocketbooks of our farmers, not the U.S. Government, the administration, or the Congress. While I am generally pleased with the sale, I think everyone must recognize our Nation's feed grain farmers will receive little economic benefit from it in view of the low prices being paid by Russia to acquire these stocks.

Farm exports have played, and hopefully will continue to play, an important part in providing our grain producers with needed outlets for their production. However, let us keep in mind that it cost a certain amount of money to produce each acre of wheat or feed grains, no matter who buys it or into which market it finds its way. Exporting these grains at or below cost does not benefit the farmer. It may help our Nation's balance of trade, but it does not help the farmer when the prices he receives are at such low levels.

The announced programs for wheat and feed grains in 1972 can and must be changed. Given the U.S. carryovers and the increase in world production of these crops this year, market demands for these crops over the next year are not likely to increase sufficiently to absorb available supplies. Therefore, action should be taken immediately to make the necessary adjustments in the 1972 programs and to insulate 1971 carryovers from the marketplace. S. 2729 and Senate Joint Resolution 172 provide the means of accomplishing those objectives.

Mr. President, I have examined the dimensions of this entire matter very carefully. The study and analysis that preceded the preparation of my testimony on these legislative measures was thorough. I am therefore convinced that the actions that I am calling for are the right ones—actions which must be taken immediately if we are to avert a major economic disaster among our Nation's food and feed grain farmers.

Mr. President, I ask unanimous consent that my testimony before the Subcommittee on Agricultural Production, Marketing, and Stabilization of Prices be printed at this point in the RECORD and I urge every Senator to review it carefully.

There being no objection, the testimony was ordered to be printed in the RECORD, as follows:

### TESTIMONY OF SENATOR HUBERT H. HUMPHREY

Mr. Chairman, the October crop report tells us that 1971 was a record crop production year. Farmers produced 12 percent more than a year earlier, 8 percent more than in 1969, the previous record crop year.

Food grain production, mostly wheat was up 15 percent, and feed grains production was 25 percent higher than in 1970.

This should be cause for rejoicing. It assures livestock feeders, domestic consumers and exporters ample supplies in the months ahead.

Unfortunately, prices have fallen even more than production increased. The farm value of the 1971 record crops of food and feed grains is even less than for the smaller 1970 crops.

Although the prices farmers have to pay for production supplies, interest, taxes and farm wage rates are 6 percent higher, all farm prices including prices paid for livestock and livestock products, as well as crops, are no higher than a year ago.

It is the feed and food grain producers, however, who are the worst off, and who are taking it on the chin *now*.

In spite of the higher prices paid just for living items, and higher costs of cultivating and harvesting more acres, the market value of their record 1971 crops is less than the value of the smaller 1970 crops.

Unless Congress takes decisive action now, many will likely not be around next year to see if the 1972 programs work better than those of 1971.

A year ago the United States average farm price of corn was $1.34 a bushel. Today it is $1.00 a bushel—and much less in many areas. I've heard of prices as low as 80 cents.

A year ago the United States average farm prices for wheat was $1.43 a bushel. Today it is $1.30—and again much less at many country points throughout the wheat region of our country.

This is the first year's result of the Nixon-Hardin set-aside program. It is a rude shock to grain producers.

Secretary Hardin is to be commended for his early announcement of the 1972 set-aside programs for wheat, cotton and feed grains.

He continued the cotton set-aside at 20 percent of the allotted acreage; increased the wheat set-aside from 13.3 to 15 million acres; and announced a feed grain set-aside goal of 38 million acres.

But let's recall he made *no* announcement with respect to loan level adjustments in the 1971 wheat and feed grain programs. And, Mr. Chairman, an upward adjustment of at least 25 percent in those loan levels is needed—and needed now!

If Congress and the Administration fail to agree on this upward adjustment before adjournment of this session of Congress, many wheat and feed grain producers will be forced out of farming as a result of the Nixon-Hardin Administration 1971 set-aside programs. It is for this reason, Mr. Chairman, that I have introduced S. J. Res. 172 in addition to S. 2729.

I intend to testify on both pieces of legislation today.

In announcing the 1972 programs for wheat and feed grains, Secretary Hardin assured producers that they would cut back production sufficiently to result in improved prices and a reduction carry-over stocks.

Producers were told current low grain prices should move higher as a result of the projected increases in the set-aside acreages in 1972.

Reseal programs for the grains now under CCC loans are expected by the Administration to have a market price strengthening effect.

Mr. Chairman, I have followed Secretary Hardin's announcements of the 1972 programs with great interest. I wish I had more confidence in their adequacy.

Unfortunately, my own judgment supplemented by staff analyses and reports from producers and traders forces me to conclude that unless more decisive actions are taken, grain prices will continue at current depressed levels and producers will experience even lower incomes in 1972.

Because of the inadequacy of the current and announced Administration programs for 1972, I introduced S. 2729, a bill to authorize a Strategic Storable Agricultural Food Commodities Reserve, to be made up of up to 30 million tons of feed grains; 300 million bushels of wheat; 100 million bushels of soybeans; and dairy and poultry products at levels determined by the Secretary of Agriculture. And, as I have already indicated, I have introduced S. J. Res. 172 which would provide more effective 1972 adjustment programs for feed grains and wheat.

If enacted S. 2729 would give the Secretary of Agriculture authority and require him to buy sufficient wheat and feed grains, at prices approximately $1.20 a bushel for corn, and $1.40 a bushel for wheat, to lift market prices close to those levels.

If passed in the next six weeks it would *increase* the market value of the 1971 crops of wheat and feed grains about *$1.5 billion*. It could take the extra 1971 grains, resulting from an expanded acreage to compensate for corn blight uncertainties combined with a favorable growing season, and put them in a strategic reserve, with farmers receiving at least normal to moderate, rather than depression level prices.

By buying commodities at prices equivalent to those which have prevailed if the crops had only equalled expected utilization and exports, government costs of acquiring a strategic reserve are moderate, yet farm income would be increased by several times the amount of the increased government expenditures.

I have no doubt that the Administration will object to S. 2729 on the basis that it would increase governmental expenditures. With this in mind I asked my staff to make the best possible estimates of the additional governmental costs which might be expected if S. 2729 were enacted promptly into law.

They advise me that the first 5 months of the wheat marketing year will be completed at the end of this month, and that the additional payment making up the difference between market prices the first 5 months of the year and full parity on the domestic allotment of 535 million bushels will be about 45 cents a bushel.

Had this bill been enacted a few months earlier, wheat prices might have averaged 10 cents a bushel higher and this final supplemental payment might have been $53.5 million less than now projected.

Under the 1971 feed grain set-aside program producers have been paid 32 cents a bushel for corn (and a comparable payment on grain sorghums) on 50 percent of their production bases.

The government is obligated to make another payment equal to the difference, if any, between the average market price in the first 5 months of the marketing year, October through February, and $1.35, less the payments already made of $.32. This additional payment on the 1971 program may total $150 million if no further price boosting activities are undertaken.

If, however, S. 2729 were enacted promptly, the market price of feed grains would rise above the level of $1.03 per bushel for corn and no further payments would be needed.

Under the current market price support loans for feed grains and wheat, several hundred million bushels of these 1971 grains will be pledged for CCC loans.

I am advised that if the Secretary of Agriculture would use the authority granted him in S. 2729 to announce a program of buying about 25 million tons of feed grains and 250 million bushels of wheat it is doubtful that he would have to purchase that much to raise market prices well above price support loan levels. (Since the soybean crop is short this year in relation to projected utilization, no soybeans would be purchased).

Much of the cost of the grain purchases would be offset by the smaller CCC loan programs and reduction of up to $150 million in final feed grain program payments. The net increase in government costs would probably be between $200 and $300 million, which is only a fraction of the $1.5 billion estimated increase in the market value of the 1971 grains.

The strategic reserve created by S. 2729 is only a part of total desirable reserves that should be carried over from year to year to assure a smooth flow of grains in domestic and international markets. The total reserves of feed grains probably should be 40 to 50 million tons. The total reserves of wheat probably should be 2 to 3 times the 300 million bushels authorized in the strategic reserve.

It is only reasonable and fair that this part of the carry-over should be insulated from the market to such an extent that it would not depress future prices. S. 2729 provides a number of limitations on the use and disposal of this reserve which do not apply to other Commodity Credit Corporation inventories.

The principal provisions are that this strategic reserve could not be sold for less than 105 percent of the maximum acquisition prices and that sales during any marketing year would be limited to the net quantities by which estimated domestic consumption and exports exceed estimated domestic production and imports.

In the light of these restrictions on the disposition of a strategic reserve as authorized in S. 2729, we are assured that it will not have a future depressing effect on market prices, yet it will provide a reserve which could be called on when needed at any future time.

From the standpoint of stabilization policy, note that the U.S. average price of corn and wheat on August 15, 1971 was $1.19 and $1.28 respectively. If no new policies are initiated it is probable that the 1971–72 seasonal average price of corn will be about $1.00 a bushel, well below the price when the freeze was announced and even further below the 1970–71 seasonal average of $1.36 a bushel. If S. 2729 and S.J. Res. 172 are approved, promptly a seasonal average price of about $1.15 might be expected.

The 1971 wheat harvest was well under way at the time of the August 15 price freeze and the U.S. average price at that time of $1.28 a bushel would normally be at or near the seasonal low point.

If no new policies are initiated it is probable that wheat prices will continue at about that level throughout the season.

If a strategic reserve of up to 300 million bushels were acquired under S. 2729, the seasonal average might rise to $1.35 a bushel or about the same as the 1970–71 seasonal average price of *$1.34* per bushel.

I cite these detailed comparisons to counter the charge that acquiring a strategic reserve at these prices would tend to be inflationary. Nothing could be further from the true situation.

It also may be charged that domestic use and exports would be restricted by the higher market prices resulting from the creation of a strategic reserve of grains. It is true that if market prices of grains are prevented from continuing at distress levels throughout the season, domestic use and exports will be reduced modestly.

The amount of the reduction cannot be estimated accurately since in any case market prices would be lower than in the previous year and only slightly higher than 2 years earlier.

At the moderately higher market prices for wheat and feed grains which would prevail if S. 2729 and S.J. Res. 172 were enacted, export prices would be substantially lower than a year earlier and their competitive position would be further improved by the decline in the value of the U.S. dollar in relation to foreign currencies.

I am confident that if the Congress and the President will approve S. 2729 and S.J. Res. 172 market prices in the remaining months of the 1971–72 feed grain and wheat marketing years could be increased about 15 and 10 cents a bushel, respectively.

The strategic reserve created would be insulated from market supplies to such an extent that it would not depress market prices in future years, the modest improvement in market prices would have little adverse effect on domestic utilization and exports and no adverse affect on national price stabilization activities.

The passage of S. 2729 by itself, however, would not provide a long-term solution to the economic problems facing grain producers. Unless more effective adjustment programs are developed to restrict 1972 production of wheat and feed grains, if normal weather prevails, production will again be excessive. And it is principally for this reason that I also have introduced S.J. Res. 172.

The 1972 wheat and feed grains set-aside programs announced by Secretary Hardin call for an increase from 31.5 million in 1971 to 53 million acres set-aside in 1972.

The Administration professes to believe that an increase in the set-aside of 21.5 million acres together with an expected increase in the acreage of soybeans will restrict grain plantings to desired levels.

I do not share this view.

I would remind you that since 1966 about 30 million acres which were designated as conservation reserve acres at that time, have been released for general cropping under the current set-aside program regulations.

I also call your attention to the fact that Department of Agriculture statistics show that in 1969, 50 million acres of cropland were still available for cropping after taking account of the acreage diverted in 1968–69; the 1969 conserving bases; and the 1968–69 harvested acreage of 59 crops, less hay.

Since the conservation bases have been reduced about 8 million acres since 1969 there may be some 55 to 60 million "phantom" acres of cropland available to go into future increased set-aside programs.

When one considers the inherent looseness of the set-aside regulations and the lack of an upper limit on the planting of grains on cropland not set-aside, I do not share the administration's confidence in the adequacy of the announced 1972 set-aside programs.

In my view the only way to avoid a repeat of the 1971 experience of excessive grain production and distress prices is to return to the proven effective feed grain adjustment program which resulted in a genuine balance between supply and utilization demands.

It is probably too late to change the 1972 wheat set-aside program as much as needed. Yet, it is possible and desirable to offer wheat producers an opportunity to divert additional wheat acreage on a voluntary basis, with appropriate supplemental payments.

These adjustments in the 1972 feed grain and wheat set-aside programs are provided for in S. J. Res. 172.

Mr. Chairman, as mentioned earlier the additional government costs associated with the creation of a strategic storable farm commodities reserve, might total $200 million to $300 million in Fiscal Year 1972.

I am convinced, however, that if more effective 1972 wheat and feed grain adjustment programs were put into effect, as provided for in S.J. Res. 172, Fiscal Year 1973 savings would equal or exceed the additional costs of creating the strategic reserve.

Taken together these proposals *would not* involve extra costs for the government, yet would increase the farm value of the 1971 and 1972 grain crops about $1.5 billion each year or a total of $3.0 billion.

In the absence of base acreage limitations in the 1972 feed grain and wheat programs it is probable that production will exceed projected market requirements by 100 million bushels under each program.

A more effective feed grain program in S.J. Res. 172 might be expected to reduce feed grain production by 300 million bushels of corn equivalent. This would reduce CCC inventories and loans by about 315 million (at $1.05 per bushel for corn.

Voluntary additional diversion under the 1972 wheat program, might cost $50 million in additional payments but reduce CCC wheat inventories and loans by 100 million bushels or $125 million.

In other words the combination of a strategic reserve program plus more effective 1972 supply adjustment programs for feed grains and wheat *would not* result in additional costs to the government, yet they *would* increase the farm value of the two year's grain crops by $3.0 billion.

Mr. Chairman, this statement is more than a brief in support of S. 2729, because I am convinced that unless similar legislation is enacted, together with passage of S.J. Res. 172, directing the Secretary of Agriculture to amend both his 1972 wheat and feed grain set-aside announcements grain surpluses will accumulate and prices will continue at their current distress levels throughout both the 1971 and the 1972 marketing years.

President Nixon has demonstrated that he can reverse his field when conditions justify. Surely it is not too much to ask Secretary Hardin to make a similar about-face before the Nixon-Hardin Set-Aside Program creates more economic distress for grain farmers.

Mr. HUMPHREY. Mr. President, as you might have observed from my testimony, I am no newcomer to the farm debate. I started listening to agricultural lectures and farm speeches back in the days of the McNary-Haugen bill.

I remember only too well how farmers had been driven to desperation in the early 1930's. I remember very well, too, that there was a new dawn of hope for farmers when the AAA Act of 1933 was approved by the Congress.

But, I do not see the same concern today that I saw then among people on main street, among Government officials and in the Nation's press. There was no neutrality then in Washington about saving the family farm system.

During the decade of the 1950's, I fought for five farm bills.

With the leadership of the distinguished former chairman of the Committee on Agriculture and Forestry, today our President pro tempore Mr. ELLENDER, we helped to manage five farm bills through the Senate

Congress passed those five farm bills, which would have meant hundreds of millions of additional farm income. And all those five farm bills were vetoed and we had to pass watered down versions that the President would sign just to keep the program alive.

Former Chairman ELLENDER and members of the Committee on Agriculture and Forestry, with the support of a majority of the Senate, tried again in 1970.

Last year, Members of Congress were again advised that a farm bill like the coalition farm bill, which would have established a more adequate farm income program and which required use of effective support and supply management methods, would be vetoed.

And last year, the veto threat was enough. Furthermore, it should be noted that this administration did not even bother to send an agricultural message to Congress.

If anyone ought to be demonstrating today—it ought to be the Nation's farmers.

There are a number of things which could be done which would not add a red cent to the USDA budget; yet each would be very helpful.

I would not have to cite the facts of today's farm crisis—but there is a conspiracy of silence—or at least a media.

The farmer spends over $40 billion a year for goods and services to produce crops and livestock; another $16 billion a year for the same things that city people buy—food, clothing, drugs, furniture, appliances, and other products and services.

Each year the farmer's purchases include—

Nearly $5 billion in farm tractors and other motor vehicles, machinery, and equipment—$2.2 billion was spent in 1966 by the primary metals industry for equipment and new machinery; $4.2 billion for fuel, lubricants, and maintenance of machinery and motor vehicles; farming uses and more petroleum than another single industry; $2.1 billion for fertilizer and lime; products containing 360 million pounds of rubber—about 7 percent of the total used in the United States, or enough to put tires on nearly 7½ million automobiles; 32 billion kilowatt-hours of electricity—about 2½ percent of the Nation's total, or more than is needed annually by Baltimore, Chicago, Boston, Detroit, and Washington, D.C.; and 6½ million tons of steel in the form of farm machinery, trucks, cars, fencing, and building materials; this is one-third as much steel as the automotive industry uses.

Three out of every 10 jobs in private industry are related to agriculture.

Eight million people have jobs storing, processing, and merchandising the products of agriculture.

Six million people have jobs providing the supplies farmers use.

Here are a few examples from the 1967 Census of Manufacturers:

Meat and poultry, including meatpacking, prepared meats, and poultry dressing plants—309,900 employees and a payroll of nearly $2.0 billion.

Dairy, including fluid milk, concentrated and dried milk, natural cheese, creamery butter, ice cream, and special dairy products—235,700 employees and a payroll of more than $1.4 billion.

Baking, including bread and related products and biscuits and crackers—264,700 employees and a payroll of more than $1.6 billion.

Fruits and vegetables, canned, frozen, and processed as pickles and sauces—186,100 employees and a payroll of $800 million.

Cotton weaving mills—203,500 employees and a payroll of $942 million.

One hour of farm labor produces nearly seven times as much food and other crops than it did in 1919–21. Crop production per acre and output per breeding animal have doubled.

Productivity of the American farmworker in the 1960's has increased by 6 percent a year. Output per man-hour in nonagricultural industry increased only 3 percent a year.

One farmworker produces food, fiber, and other farm commodities for himself and 45 others.

In 1970:

Farm real estate taxes totaled $2.5 billion;

Tax on personal property on farms was another $446 million;

Federal and State income taxes paid by the farm population amounted to about $1.9 billion; sales taxes totaled about $350 million.

The United States is the world's largest exporter of agricultural products.

About 60 million acres of our 300 million harvested acres produce for export. The land producing for export represents about the same acreage of cropland as that harvested in Nebraska, Kansas, and North Dakota—$7.2 billion in farm products were exported in 1970. The value of our farm exports since World War II exceeds $100 billion.

American agricultural abundance is a powerful force for world peace. Our food and other farm products are helping to relieve hunger and to promote economic growth in the developing countries of the world.

We accept foreign currencies from countries that need our farm products but are short of dollar exchange. We also barter or trade our agricultural products for essential foreign goods and services needed abroad.

There can be no prosperity—there can be no hope of overcoming either inflation or unemployment or of stimulating production—of getting this country on the move again economically until farm income is up, until we have decent farm prices.

Yet the administration and the press are silent—or indifferent—while the true parity ratio is near the lowest point since the middle 1930's.

In our State of Minnesota, corn at the country elevator is selling as low as 90 cents a bushel. Wheat in our neighboring State of North Dakota is as low as $1.10 a bushel.

These are depression prices. And yet we have no action from the administration.

Like an echo from the USDA of the 1950's, the officials are saying that nothing is basically wrong. The program is working, they say. They claim it is things beyond their control which are hurting farmers. They ironically blame wage increases for America's workers, the inflation spiral or the dock strike for their own errors.

Like the apostle of flexible supports two decades ago, spokesmen today are adept at complaining about symptoms but skirting the basic causes of farm trouble.

It is said, for example, that "farmers are faced this year with an abundance of corn due to circumstances beyond the control of both farmers and the Government."

Some of the policymakers seem to be genuinely puzzled by the unrest among farmers who they feel ought, at all odds, be happy. As one has said:

> It all adds up to unhappy farmers in the corn-belt States even though a majority will make use of the depressed corn prices to profitably feed their cattle and hogs.

Frankly, this is no great secret. Anyone who ever spoke to a farmer knows only that he is unhappy. He is unhappy because his income is unfairly low.

When all the cliches about market-oriented programs, about price geared to export development, and freedom to plant are stripped away, the truth is that the administration is spending more to help farmers less.

Prices are where they are today because that is where the administration's set-aside was designed to bring them.

We do not fault the USDA officials for being concerned about the possibility of shortages in the event of another short corn crop in 1971.

But we do fault them for encouraging a vast expansion of production without any provision whatsoever to prevent farmers from being punished by low prices for their expanded production.

It was not wrong to be concerned that a carryover of 34 million tons of feed grains was well below a desirable carryover level.

But, it was and is wrong to swing to the other extreme and allow a vast increase in the carryover, without ever tumbling to the wisdom of establishing a national strategic reserve of farm commodities.

Instead of aiming for a desirable carryover of about 45 million tons, this year's production will result in a 60 million ton carryover—the highest since 1964.

But, if there are problems right now in the Corn Belt and the wheat areas of the Nation, they are nothing compared to what will happen next year unless the Secretary's new program is reversed by the President.

Left as it is, this year, the set-aside could move in only one direction—the direction of greater and greater surpluses and lower prices.

And, although the Secretary proposes to use the land retirement provisions he opposed last year, he will use them in a clumsy way that can only injure farmers.

I would have thought that the Nation would have learned its lesson in the Benson years.

Farmers, without Government help, can never win the race between expanded production and falling prices.

Yet, the Secretary seems determined to persist in that disastrous course again.

Either the administration or the Congress must now take action to protect farm prices and income.

Recently, some estimates were made as to the loss of farm income because the Agricultural Act of 1970—the administration farm bill—was adopted instead of the coalition farm bill.

This was a sobering set of figures. Yet, it understated the situation. The full and real extent of what the set-aside has cost us must be measured against what agriculture should have received if farmers had shared fully in the national income.

Farmers cannot stand still economically any more than the rest of us. Yet, farm prices are scarcely above the level of 20 years ago, while costs are up more than 50 percent.

I said a moment ago that, without a redirection of the farm programs, we are in for even greater trouble next year.

We already know that in some areas the plantings of winter wheat may be up as much as 20 percent over a year ago.

It is extremely doubtful that, even if the feed grains set-aside program is increased to 35 percent for 1972, that corn production will be reduced enough so that there will be no addition to the carryover.

I maintain that it is time to bring agriculture into the mainstream of the national economy. But we certainly cannot do it by bringing the national economy down to the depressed situation of agriculture.

The farmer has become the forgotten man in the national economy. You simply do not find him in the administration's new economic game plan. But better farm income ought to be in phase II.

Agriculture is absolutely essential in any program to revitalize the American economy.

The set-aside, of course, is intended to refer to the setting aside of acreage—in reality is more a program for farmers to "stand aside" as full partners in the American economy.

If farmers were compensated for their input and labor, based on what nearly every economist feels should be the ruling guide for wages and prices, namely productivity gains, farmers would not only be getting full parity prices, but more nearly returns almost double honest parity prices.

We must start rewarding the farmer for his efficiency. Otherwise, the Nation must be prepared to live with the consequences of a major transformation in American agriculture. The course charted now by the administration leads directly toward a takeover of the commercial family farm by nonfarm conglomerates operating factory interests.

This year's mismanagement of our national agricultural programs through the set-aside programs for feed grains and wheat has propelled us into a new cycle of surpluses and a new era of catastrophic prices and a new era of monitoring Government costs.

The administration's farm policies are turning the great crop-producing areas of the Nation into a vast economically depressed area.

Although there had been ample warnings last year about where the set-aside program might lead, now there is no longer any question about the results. However, there is now a frantic effort to blame something else for today's grain price collapse.

The Nation is paying a fearful price for the shortfall in farm income. If farm income had increased in the past 11 years as much as our overall national income, total net farm income for 1970 should have been about $22.5 billion, about 43 percent above what it actually was last year.

Think how that additional $6.8 billion would have made the cash registers ring in towns and cities of our farming communities—and the demand which would have been registered for industrial and consumer goods.

The drop in farm prices and income has choked off hundreds of millions of dollars of investments which farm families would otherwise have made for farm machinery and equipment, new buildings, household goods, and appliances and many other items.

There has been a double drain on farm purchasing power because besides the loss in farm income, the continuing tight money hemorrhage has drained away hundreds of millions of dollars of farm purchasing power.

The hardship and distress farmers are going through is not necessary. Worse than unnecessary—it is senseless and inexcusable.

Our agricultural economy can be managed so that it will provide equality of opportunity for farm people to enjoy their fair share of the national income if we have the determination to do so and apply some commonsense.

There is no excuse for anyone to pretend that the farm problem will work itself out if we just go along a little further with the set-aside and its surpluses and low prices.

Although there is a virtual news blackout on the dimensions of the farm depression, I noted recently in Portland, Oreg., where an ASCS official said that Secretary Hardin is "extremely concerned about the current prices of agricultural products."

This official said that—

> Farm programs must be designed to help producers survive and make a fair return on their huge investments.

He further declared:

> That is exactly what Secretary of Agriculture Clifford M. Hardin is going to do.

Well, if the Secretary is determined to help farmers survive and make a fair return, he will get all the cooperation he needs from Congress—and from me.

But I am not at all sure that the Secretary is willing to make an about-face on the set-aside and take the strong steps that are needed to do the job. I am inclined to believe after his announcement regarding the 1972 programs, that the President will have to take charge.

I am aware that the administration may have tried to design the 1972 feed grains and wheat programs with the goal of obtaining a diversion of perhaps 55 to 60 million acres, but I am not sure that they are going to be willing to offer the incentives necessary to get that much participation, nor that they will offer the price assurances that they should.

On October 5, I urged the Secretary to announce as soon as possible a reduction in wheat and feed grains acreages for next year.

I pointed out that Congress—in the Agricultural Act of 1970—gave him authority to return to a base acreage program for feed grains and to institute an acreage diversion payment program for wheat in order to bring about the acreage adjustment needed to bring supply closer in line with demand.

At the same time I called attention to the fact that right now, given the surplus situation into which we have moved, is an ideal time to establish a national inventory reserve of wheat, feed grains, and other food commodities.

Had such a national inventory reserve existed last year, the corn leaf blight epidemic would not have provoked such hysteria.

Had such a national inventory reserve existed last fall, there would have been no need for the overexpansion of production which was encouraged for 1971.

I may be dealing a little harshly with my friends in the communication media for their indifference to agricultural problems. But, while I am at it, let me express the wish that some budding journalist will dig into this paradox—that we have hundreds of millions of dollars in various strategic materials and minerals in our Federal stockpiles—and rightly and properly so—but we have no consumer food reserves.

Yes, we have some farm commodities in Government hands as a byproduct of the farm support programs. But, they are not technically a reserve and they are apt to be depleted at the very time that reserves would be vital.

The CCC holdings of farm commodities do not therefore fit the need for a safety inventory.

So, I hope that the experience of this year will convince the administration to work with us in Congress on the reserve legislation, which has now advanced through the House Agriculture Committee and is now before a Senate subcommitteee.

We ought to have some food in the deep-freeze to protect us against shortages, and we ought not let our cupboards run bare.

Is there someone among our TV documentary experts—or our radio commentators—or our newspaper and magazine writers—who will tackle this assignment?

Here is an almost scandalous oversight—we take our abundance so much for granted that we have no Federal stockpiles except some very modest civil defense caches for emergency purposes.

Yes, we have plenty of magnesium, plenty of quartz, plenty of tin—but how much is there in the cupboard or in the deepfreeze when we get hungry?

I can no longer allow the premise to be made that this farm debate is merely over differences as to how we can best achieve the same objectives for farm people.

If we were really in accord on the purposes and objectives of farm policy in this country, reasonable men of good will could have long ago resolved their differences.

Had they been headed in the same direction in farm policy, reasonable men of good will could last year have used the Senate adopted coalition farm bill as the nucleus of an effective new farm program.

Had the objectives been the same, reasonable men of good will could last month quite readily have agreed on a course to enhance the market and bargaining power of agriculture.

The fact that it has been impossible to do so, brings us face to face with the inescapable conclusion that much more is involved than the best methods of achieving common objectives.

The truth is that behind all the smoke screen and camouflage we are getting from high places, fundamental differences do exist over the objectives themselves—over the pattern of agriculture we should have in America.

And until we flush those differences out into the open and discuss them frankly, we will remain unable to cope with the agricultural crisis.

The real issue is the right to economic survival of America's traditional family farm system of agriculture. This is what is at stake.

We are being led down a path that threatens the extinction of the owner-operated family farm—and this despite the fact that the Congress has never encouraged or sanctioned such a course. In fact, provisions of the Food and Agricultural Act of 1961, that have never been repealed states the flat policy of the Federal Government to encourage the family farm pattern of American agriculture.

I seriously challenge the thought that the "bigness" of mass corporate conglomerate factory farming activities may be the answer.

I challenge the complacent attitude of high officials that the family farm is in no danger from the inroads of factory-type farming. They are just plain wrong.

The time has come to put an end to the situation which places the burden of our Nation's cheap food policy almost completely on the back of the American farmer.

Make no mistake about it—better solutions can be found and must be found. A Government that cannot find better ways to provide economic justice for its agricultural producers is simply bankrupt of ideas.

To cope with what is wrong in rural America, we should be developing a comprehensive approach. All phases of the farm programs are interrelated, each dependent upon the others for effective results.

For that reason it makes sense to approach our agricultural problems broadly and in a comprehensive manner. And then fund them and administer them in the spirit which the Congress has intended.

We should have no more of the irresponsible executive conduct in which billions of dollars of funds expressly voted by the Congress for vital programs is held back by the Office of Management and Budget, with the concurrence of the White House.

It is not enough to amend the Agricultural Act of 1970 on a piecemeal basis.

We need to do many things, some of which require new authority, some which do not; some which require additional funding, some which do not.

These are some of the steps which we might consider:

Reiteration of our dedication to the family farm ideal.

Retention of an honest farm parity as the goal of farm programs and the basis for establishing support levels.

Establishment of a National Strategic Reserve of Food Commodities, insulated so that it does not destroy the market.

Extension of the extended loan program—or reseal—so that farmers can put the product under loan for 3 years.

Strengthen the on-farm storage program and not release from seal big volumes of grain at harvest season.

Approval of bills to increase support levels when Federal policies encourage production at levels which will add to the carryover.

Use more effectively the acreage diversion payment available to USDA under the Agricultural Act of 1970 in a way that will improve rather than decrease the income of cooperating farmers.

Establishment of a base-acreage program for feed grains and wheat.

Increase the loan levels for wheat and feed grains which save CCC money in the long run.

Extend authority for use of Federal marketing orders to the producers of any commodity who wish to use it, including the power to invoke supply management measures, or use bargaining techniques.

Continue to expand farm exports, but not on the basis of farmers subsidizing U.S. balance of trade through low prices being paid to U.S. producers.

Provide enabling legislation for farm collective bargaining including supply management and with provisions to help producers attain a position of equality with handlers, to require bargaining in good faith, and to provide a procedure for setting of fair prices by mediation, arbitration, and other methods if bargaining fails to reach a settlement.

Include oats and barley regularly in the feed grains program and support them on a basis to their relationship to the total support on corn.

Increase the amount of funds to REA to meet the growing needs of distribution and generation cooperatives.

Establish fair and reasonable wages and working conditions for farm labor.

Provide for free school lunches for all children attending schools, camps, or nonprofit day-care centers. A wholesome, nutritious school lunch should be the right of every child—regardless of ability to pay, just as we never require the student to take a poverty test in order to receive free textbooks. This is long overdue.

Maximize the use of county and community ASCS committeemen in the administration of farm programs. I have had to go to bat on several occasions during my years in the Senate for the farmer-elected committee system. Now, there is a move afoot to consolidate community committees on a massive scale. This is another effort to take the program further away from the farmer and the local rural neighborhood and to downgrade the local committeemen in interest of the mistaken enthrallment with efficiency, bigness, and centralization.

Increase the Federal funding for Federal cost sharing with farmers on conservation measures—the basic program as well as the new programs which are necessary for pollution control safeguards. I hope that Representative POAGE is successful in his effort to smoke the truth out of the Department of Agriculture on this matter.

Continue our efforts to extend the Federal Crop Insurance program to all major crops and counties; to have the Federal budget absorb the administrative costs of the program; and to authorize the writing of coverage higher than the existing limits, so that farmers could pay for and obtain more adequate coverage that will come closer to covering their investment costs.

Expand and adequately fund the various Federal farm credit programs—including a vast new program of beginning credit for young farmers.

We should be done splitting hairs and nursing nickels and dimes at the expense of our young people.

Adoption of S. 2223 which will provide the capital for a revitalization of rural America—and to make it a place where our people can have freedom of choice to live where they wish.

## SENATOR McGEE PRAISES YOUTH AND THE GIRL SCOUTS OF THE U.S.A.

Mr. McGEE. Mr. President, Youth Appreciation Week is drawing to a close, but our appreciation of the thousands upon thousands of young Americans who demonstrate a willingness and even an eagerness to grow and develop as good citizens should never be limited to the second week of November, or any other special week.

Nonetheless, I want to take this occasion of Youth Appreciation Week to pay my respects, not only to the youth of America, but to the many very worthwhile organizations which serve youth by helping channel its tremendous energy into public service and personal development. There are many such organizations, of course, from the Boy Scouts, the Girl Scouts, and Campfire Girls to the numerous groups organized by religious denominations, service clubs, PTA's, and the young people themselves.

In Wyoming, where we are graced by the activities of many such organizations, we are increasingly proud of the Girl Scouts of America, which is developing the National Center West, a tremendous outdoors areas for use by Girl Scouts from all over America and from foreign lands. This is not just a recreation center. It is much more. Its purposes are many, but among them is the aim of affording girls with a wilderness experience and with an understanding of the importance our land and water resources, wildlife and vegetation included, hold for us, even in the latter part of the 20th century.

Since my wife, Loraine, is a member of the Girl Scouts' National Properties Board and thus involved with National Center West and the other properties of the Girl Scouts, I have had an unusual opportunity to survey and assess the workings of this great organization. I find it more relevant today than perhaps ever before. The same can surely be said for other organizations like it which also serve the youth of America, our future. But it is particularly so for organizations which stress the outdoors and attempt to teach young people to live in harmony with nature.

For me, Mr. President, it is highly encouraging to know, for instance, that 3 million girls and young women in this Nation are being taught leadership, the principles of service, and an appreciation for this land we call America as members of the Girl Scouts of the United States of America. Would that even more were so involved in this and other groups which provide a wholesome modern-day life.

## SENATOR EAGLETON PRAISES HOUSE COMMITTEE FOR KILLING COSTLY TANK

Mr. EAGLETON. Mr. President, I am extremely pleased with the action the House Appropriations Committee took today regarding the MBT–70/XM–803, the main battle tank.

In effect the committee has recommended what I have been advocating for the past 3 years: That the Pentagon be forced to give up this "dream tank" which long ago turned into a nightmare.

The House committee has deleted all the funds requested by the administration—$86.6 million—for the MBT–70/XM–803 program and recommended that $20 million be spent in search of ways to improve the current generations of tanks. I certainly hope that the Senate will follow the House action.

Over the years blind congressional acceptance of bland Army assurances have kept the highly questionable tank project rolling along despite skyrocketing costs and the continued degrading of its original capabilities.

I am hopeful that the House Appropriations Committee's action marks the end of this kind of blind acceptance of Defense Department requests.

Many of us in Congress have been saying during the last 3 years that more costly and technologically fancy weapons do not necessarily add to our security—that, in fact, wasteful military spending seriously can impair our overall ability to defend ourselves.

It is true that during this time none of us who has questioned certain weapons systems has won a major floor fight. In fact, other than the ABM vote in 1969, the 42 to 51 defeat of my amendment to reduce funding for the MBT–70/X–803 earlier this year was the high-water mark.

And yet, I believe there has been a change. We have had an effect. Congress after all is a responsible body. Although it does move slowly, it responds—not only to constituent pressure but to pressures from within itself as well.

As a result, congressional committees have begun to scrutinize closely military demands for ever more costly weapons systems. Granted, much more must be done. But by deleting funds for the MBT–70/XM–803 program, the House Committee has taken an important step toward reestablishing sanity to our search for security.

Mr. President, during the debate over the MBT–70/XM–803, several statements have been made by the Army and others on behalf of the program that I believe deserve a reply.

Therefore, I ask unanimous consent that a compilation of statements made in behalf of the MBT–70/XM–803, and my comments on those statements be printed in the RECORD.

There being no objection, the compilation was ordered to be printed in the RECORD, as follows:

Statement:

The MBT–70/XM803 is a quantum jump in tank technology. (1)

Comment:

The original MBT–70 concept might have been a quantum jump in technology. Reverting to the austere XM803, however, has eliminated the majority of the "quantum jump" features so that the XM803 mainly reflects current technology, the majority of which is being incorporated in the current product improved M60 series tanks.

The following are among the features which have been eliminated from the MBT/XM803 or changed with reduced capability.

1. 20-mm pop-up cannon changed to fixed .50 cal. machine gun. As a result, the commander must expose himself to change the rate of fire. (2)

2. Retractable commander's night sight now consolidated with his day sight and with the nonretractable .50 cal. machine gun mounted on top. (2)

3. Missile transmitter moved from side of turret to top of main weapon barrel preventing moving gun for reloading during missile flight—thereby reducing rate of fire. (3)

4. Capability for commander to drive and/or fire on the move eliminated. (4)

5. The ability to change silhouette while moving and with turret in any position has been eliminated. Silhouette can be changed only when the tank is stationary and with the turret pointing straight ahead. (4)

6. The auxiliary driver's controls, eliminated from the commander's station, now located in the hull and accessible only when the turret is properly aligned. (4)

7. The automatic fire detection system replaced by a manual system. (5)

8. Navigation kit and driver's T.V. eliminated. (5)

9. Positive overpressure system eliminated. (5)

10. Double actuator hydropneumatic suspension system reduced to single actuator system, reducing capability. (5A)

11. Digital ballistic computer replaced with an analog computer requiring manual in lieu of automatic sensor inputs resulting in reduced HEAT round accuracy. (6)

12. Power operated fording system reduced to manual, requiring crew members to dismount to prepare for fording. (7)

13. Hi-hardness light weight steel armor eliminated and replaced by heavier steel armor with resulting vehicle weight increase. (8)

14. The nuclear flash safety protection system has been eliminated. (9)

15. The environmental control system for crew protection from chemical, radiological and biological hazards has been eliminated. (10)

16. The turret liner for crew radiological protection has been eliminated.

17. Range was reduced due to increased vehicle weight and reduced fuel capacity. (11)

18. It is planned that missile capability will not be built into all XM803 tanks, although it may be available as a kit. (12)

Comments on other features:

1. Superior missile and APFDS rounds:—

The M60A1E2 fires the identical missile as the XM803 and ET/ST results exceed all requirements. The M60A1 APDS round is acknowledged as superior to the APFDS round. The APFDS round is still having problems after 7 years in development. The exact same main weapon could be provided in the M60/K tank as in XM803. In addition, the M60/K tank could, as an alternate, use other guns such as 120MM–105MM, etc.

2. Variable height hydropneumatic suspension systems:—

This is old technology available for years on construction equipment. The tube-over bar suspension provides equivalent roadability with far less complexity but does not include the variable height feature.

3. Spaced armor:—

This is under consideration for the Product Improved M60A1.

4. Automatic loader:—

Reliability and maintainability—still to be proven. If the automatic loader fails in a combat situation, the driver has to assist the gunner in loading, thus making the XM803 a standing target as he cannot load and drive simultaneously. The commander cannot drive as his driving controls have been eliminated.

A simple semi-automatic loader, such as was proposed for the M60/K tank, may be a better solution.

Statement:

The MBT–70 is a more cost effective tank than the M60A1. (13)

Comment:

An OASD–SA study shows that the MBT–70 tank was less cost effective than the M60A1 if the United States wanted to continue to spend the same amount of money on tanks as it had been spending. If the U.S. wanted to more than double the spending rate, the MBT–70 would be slightly more cost effective than the M60A1 but it would be less cost effective than the M60A1 Product Improved or M60/K tank by high-payoff, low-cost modifications. (14)

Statement:

The M60A1 is only 20%–30% as effective as the MBT–70.

Comment:

Statements, such as the above, do not consider the potential capabilities of the Product Improved M60A1 or the M60/K tank. The Product Improved M60A1 with the addition of the 900 HP engine and new transmission replacing the 750 HP engine in the M60 series tanks, will give this tank a mobility capability exceedingly close to that of the XM803. While some of the Product Improved items have been included in some of the tank comparisons, none except the attached reflect the increased mobility capability provided by the 900 HP engine and new transmission.

The House Appropriations Committee's Surveys and Investigations Staff report of July 1971 discusses the Army's reluctance to consider alternatives to the XM803. The report says, "Other improvement alternatives in the M60 series are also available that seem to offer capabilities closely comparable to the XM803 at substantially less money."

Statement:

The existing M60A1 tank represents a design technology of the early 1950's.

Comment:

While the basic M60 tank may be of the '50's, the main capabilities of the M60A1 were incorporated in the 60's. The Product Improvement items which are to be incorporated in the M60A1 and possibly in the M60A1E2 are definitely of the 1970's and will provide the M60 series tanks with a capability close to that of the XM803.

Following are some examples of this technology to be incorporated in the M60 series tanks:

1. Gun Stabilization:

Provides accurate fire-on-the-move. Reduces combat loses. Studies show 15–20% reduction in combat losses in stabilized vs. unstabilized main gun tanks.

2. Crew Served Weapon Sight:

Permits commander to passively conduct area surveillance and target acquisition. Permits engagement of targets with cupola machine gun without compromising tank's position with a display of visible or IR light.

3. Oil Cooled Generator/Solid State Regulator:

Provides 62½% increase in generator output and 300% increase in regulator life with improved voltage regulation.

4. Passive Night Vision:

Permits target engagement with all weapons under starlight conditions—Passive observation without revealing position. Drive NV periscope provides 100% greater ranges.

5. Tube-Over-Bar Suspension:

60–80% increase in speed over rough cross-country terrain. Smoother ride reduces crew fatigue and vehicle shock loads—More stable gun platform enhancing fire-on-the-move capability.

6. Laser range Finder:

Permits faster operation and ranging—Increased accuracy at all ranges—Adaptable to night operations.

7. Solid State Computor:

Enables gunner to engage moving targets with increased probability of first round hit due inclusion of correction factors. Can accept either manual or range finder input. Self testing circuits for trouble shooting—Improved reliability—Growth potential.

8. Engine/Transmission:

Horsepower increase from 750 to 900. 33% increase in vehicle speed. 33% increase in acceleration in 0–20 MPH range. 60% top speed increase on 60% grade. Automatic shift with drive override. 50% increase in maximum braking deceleration—Combination provides greater tactical mobility.

Statement:

The MBT/XM803 can move across country 50% more rapidly than the M60A1.

Comment:

This may be true of the M60A1 but definitely is not fact for the Product Improved M60A1 with the 900 HP engine, new automatic shift transmission and tube-over-bar suspension. The Product Improved M60A1 will have the same cross-country speed and stability as the XM803 and its acceleration will be within 10% of the XM803.

Statement:

The XM803 is first of all an entirely new tank—not a product improvement such as is offered in the M60A1 and M60A1E2.

Comment:

What is wrong with product improvement if it results in an end product which is cost and combat effective in meeting the military requirement? Experience has shown that the chances of success in a development program are far greater when using as much proven hardware and technology as possible than when using all newly developed hardware. Mixing the old with the new so long as it produces the desired end result is also the most economical.

At least an additional $225.0M will be required (starting with FY72 funds) to complete the RDT&E on the XM803. To Product Improve both the M60A1 and the M60A1 and the M60A1E2 which will give this combination a combat effectiveness of between 90% and 95% of the XM803 will require approximately $40.0M or less than 20% of the additional RDT&E funds required for the XM803.

Another alternative is to develop the M60/K tank with the M60A1 Product Improvement items with the new compact turret which will use the identical XM150–152MM gun as is used in the XM803, fire the same ammunition as the XM803, or, as alternates, other guns including the 120MM, and will incorporate a semi-automatic loader. The RDT&E estimate on the Product Improved M60/K is $63.6M which is less than ⅓ the RDT&E funds required for the XM803. The M60/K will have a combat effectiveness of at least 95% that of the XM803.

Estimated production costs are also considerably less for the Product Improved M60 series tanks, as is shown below:

| | Product improved | | | |
|---|---|---|---|---|
| | M60A1 | M60A1E2 | M60/K | XM803 |
| R.D.T. & E to completion (fiscal year 1972+) | $37.6M | $30. M(1) | $63.6M | $225.0M plus. |
| Production cost (assuming 1971 economics and 30/month rate) | $300.0K | $435.0K | $449.0K | $825.0K (min.) |
| First production | Fiscal year 1976 | Fiscal year 1976 | Fiscal year 1976 | Fiscal year 1976. |

Note (1): R.D.T. & E. covers cost of duplicate mobility items of those in M60A1. Both vehicles can be product improved for $40.0M.

Statement:

The crew reduction from four to three in addition to exposing fewer men to combat provides a significant personnel cost savings. (13)

Comment:

No one will argue that exposing fewer men to combat is not desirable, however, to say that reducing the crew of as complex a vehicle as the XM803 from four to three will result in a significant personnel cost savings is absurd.

Experience and records show that the services of all four crew members of the comparatively simple M60A1 tank are required to perform the daily maintenance on this vehicle.

The MBT–70/XM803 is a far more complex vehicle than the M60A1 and will undoubtedly require more maintenance than the M60A1. There is no question but that added maintenance personnel will be required on at least a 1-for-1 basis and possibly as high as 3 to 1. This produces no personnel cost savings.

Only time will tell whether the reduced crew resulting from the use of the automatic loader will result in the reduction of tank crew losses in combat. It should be remembered that the driver has to assist in loading in the event of a breakdown of the automatic loader and he has either to drive or to load. If he loads, the tank becomes a sitting target as the commander's driving controls have been eliminated. Auxiliary driving controls are located in the hull but can be operated only when the turret is properly aligned which greatly reduces the ability of the tank to maneuver and to defeat the enemy.

It should also be noted that with one possible exception, all new tank development by foreign powers maintain the four man crew. Should the loader be killed in action, one of the other crew members can load and the vehicle can maintain its combat capability.

The same cannot be said if the XM803 automatic loader should fail or be knocked out.

Statement:

The M60A1E2 will not be as reliable a vehicle as the XM803. (19)

Comment:

All comparisons of maintainability and reliability result in paper objectives for the XM803 against ET/ST actual test results for the M60A1E2.

The XM803 maintainability ET/ST goal (objective) is 2.0 hours and the production goal (objective) is 1.4. (19)

The M60A1E2–TECOM ET/ST test results show a figure of 2.66 hours; the goal for the M60A1E2 was 4.5 hours.

The reliability goal for the XM803 is predicted at 100 mean miles below failure (MMBF), with a requirement that only a 58 MMFB be demonstrated in the ET/OST. (18)

Seven M60A1E2 tanks in the recently completed ET/ST accumulated a total of over 28,000 miles. The results of this test show the MMBF to be 128.1 with mission reliability factor (MRF) against a goal of 110 and 89.2 without MRF against a goal of 70.

It is difficult to conclude that the above statement can be true in view of the predicted lower reliability goals of the XM803 vs. the actual test results of the M60A1E2.

A decision to develop and produce a Product Improved M60 series vehicle (M60A1, M60A1E2, M60/K) would provide the potential of substantially upgrading the entire M60 tank fleet in the field at the least cost. All of the product improvement items under development and those under consideration can be installed by retrofit on the existing M60 tank fleet. Such a program would substantially increase our total tank fleet capability and would reduce to a large degree the recognized superiority of the Warsaw Pact tank threat.

### REFERENCES

*Reference, document, and page number*

(1) FY72 Hearing Report, HAC, 1398. Congressional Record, 9–30–71, p. 34209.

(2) FY72 Hearings Report, HAC, 226, 1392–3; HASC, 3228.

(3) FY72 Hearing Report, HAC, 226, 1393; HASC, 3229.

(4) FY72 Hearing Report, HAC, 1393.

(5) FY72 Hearing Report, HAC, 226.

(5A) FY72 Hearing Report, HAC, 1393; HASC, 3229.

(6) FY72 Hearing Report, HAC, 1394; HASC, 3229.

(7) FY72 Hearing Report, HAC, 1393–4. FY71 Hearing Report, SASC, 893.

(8) FY72 Hearing Report, HAC, 226; HASC, 3229. FY71 Hearing Report, SASC, 893.

(9) FY72 Hearing Report, HAC, 226, 1395.

(10) FY72 Hearing Report, HAC, 1395–6.

(11) FY72 Hearing Report, HASC, 3229–30.

(12) FY72 Hearing Report, HAC, 226. HASC, 3229. SASC, 866.

FY71 Hearing Report, SASC, 893.

(13) Congressional Record, 9–30–71, p. 34217.

(14) Congressional Record, 9–30–71, p. 34211.

(15) FY71 Hearing Report, SASC, 722.

(16) Congressional Record, 9–30–71, pp. 34214, 34218, 34219, 34222.

(17) Congressional Record, 9–30–71, pp. 34215, 34217.

(18) FY72 Hearing Report, HAC, 1399.

(19) FY72 Hearing Report, SASC, 876.

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## AMERICAN JEWISH COMMITTEE HONORS MR. BEN FIXMAN WITH THE NATIONAL HUMAN RELATIONS AWARD

Mr. HUMPHREY. Mr. President, I recently had the fortunate experience of attending a most moving and inspiring event in St. Louis, a dinner to honor one of America's truly great citizens, Mr. Ben Fixman.

The evening was a moving one because of the fine statement of personal commitment to humanity which Mr. Fixman presented.

And I found the evening inspiring because it was a warm demonstration by the sponsoring group, the American Jewish Committee, of its leadership since 1906 in combating bigotry and advancing the cause of human rights for all.

To be recognized for humanitarian leadership by the American Jewish Committee, Mr. President, is a high honor, indeed. Founded in 1906 to protect the civil and religious rights of Jews in the United States and abroad, then particularly against the oppression of Czarist Russia, the American Jewish Committee has fought to protect the enjoyment of human rights of all people in nearly every forum and every battle. And the American Jewish Committee has always had in its leadership the most distinguished humanitarians.

I think Senators will appreciate a brief review of the history of the AJC, so I ask unanimous consent that there be printed at this point in the Record a chronological summary of its leadership and a list of its present officers and the names and terms of service of its presidents.

There being no objection, the summary was ordered to be printed in the Record, as follows:

### Milestones of the American Jewish Committee

#### 1906

Czarist Russia's oppression of Jews spurs creation of American Jewish Committee to protect the civil and religious rights of Jews in the United States and abroad. Founding leaders—men such as Dr. Cyrus Adler, Jacob H. Schiff, Cyrus L. and Mayer Sulzberger and Louis Marshall—vow to "alleviate the consequences of persecution and to afford relief from calamities affecting Jews wherever they may occur."

Within months of its establishment, the Committee had helped rebuild Jewish institutions leveled by earthquakes in San Francisco and Sicily and initiated plans for mass protest against Russian anti-Semitism.

#### 1907–13

AJC assumes responsibility for preparing *American Jewish Year Book*, the standard, authoritative record of events and trends in world Jewish life.

AJC opposes discriminatory and restrictive immigration policies of U.S.

Four-year fight—led by Louis Marshall—opposing Czarist Russia's discrimination against Americans of Jewish faith results in U.S. abrogation of 1832 Russo-American Treaty of Commerce. Integrity of American citizenship vindicated.

Amendment to New York Civil Rights Law, supported by AJC, prohibits advertisement hotels and other public places. Other states later follow suit.

#### 1914–20

Following outbreak of World War I, AJC provides relief for isolated Palestine Jews and plays major role in creation of Joint Distribution Committee for rescuing Jewish war victims in Europe.

Upon U.S. entry into the war, AJC leaders help create National Jewish Welfare Board to minister to needs of Jewish members of the armed forces.

New immigration law—advocated by AJC—accepts Yiddish and Hebrew as languages in literacy tests for immigrants to U.S.

AJC endorses Balfour Declaration, to establish Palestine as Jewish homeland.

Committee delegation, led by Louis Marshall, plays leading role in Paris Peace Conference decision to include minority-rights provisions in peace treaties.

AJC exposes the spurious anti-Semitic *Protocols of the Elders of Zion*.

#### 1923–27

AJC plea in Oregon school case before U.S. Supreme Court helps establish right of Catholic parents to send children to parochial schools and defeats discriminatory law passed under KKK influence.

AJC joins in emergency relief activities to alleviate plight of more than 10,000 Jews stranded in European ports enroute to U.S. by sudden passage of U.S. Immigration Act of 1924, based on national-origin quotas.

AJC spurs enlargement of Jewish Agency for Palestine to include non-Zionists.

In letter to AJC President Louis Marshall, Henry Ford retracts anti-Semitic statements and publicly apologizes for slandering Jews by circulating *Protocols of the Elders of Zion*.

#### 1933–40

AJC urges U.S. intervention to protect the civil and religious rights of Jews in Nazi Germany; exposes Nazi persecution of Jews and other minorities; aids refugees; presses educational campaign in U.S. to counteract anti-Semitism and Nazi propaganda.

AJC initiates public opinion polls on attitudes toward Jews in the U.S.

AJC issues *Contemporary Jewish Record*, a periodical of events and digest of opinion in Jewish life, later succeeded by *Commentary* magazine.

AJC establishes Library of Jewish Information to service individuals and organizations with objective information about Jews.

AJC opposes British White Paper restricting Jewish immigration to Palestine; pledges cooperation with Jewish Agency "to help bring about a just, equitable and workable solution to the present Palestine problem . . ."

#### 1944–45

AJC convenes conference of social scientists to chart unprecedented research at major universities into prejudice, its roots, its effects on personality. Committee thus pioneers recruitment of social sciences in combating intergroup hostilities and advancing human relations.

Chapter movement founded to strengthen and expand AJC constituency and community relations programs.

At UN founding conference in San Francisco, AJC delegation, led by Judge Joseph M. Proskauer and Jacob Blaustein, helps secure inclusion of human-rights clauses in UN Charter.

AJC inaugurates *Commentary* magazine, a journal of independent thought and opinion on Jewish affairs and contemporary issues.

#### 1946–47

AJC President Proskauer, at Anglo-American Committee of Inquiry, urges admission of 100,000 DP's to Palestine.

AJC supports Palestine partition plan.

AJC, Alliance Israélite Universalle and Anglo-Jewish Association form Consultative Council of Jewish Organizations, accredited to the UN, to safeguard rights of Jews, and human rights generally.

AJC opens European headquarters in Paris to help protect rights of Jews in Europe and North Africa, speed their integration, strengthen communal life.

AJC files brief in U.S. Supreme Court on released-time program. Court bars religious instruction in public schools.

AJC and Anglo-Jewish Association of Great Britain sponsor London Conference on needs of Jews in postwar Europe.

AJC delegation led by Jacob Blaustein, at Paris Peace Conference, successfully advocates human-rights guarantees and restitution provisions in peace treaties.

### 1948–50

AJC establishes office in Buenos Aires to help protect rights of Jews in Latin America. Program supports democratic institutions and fosters integration of Jews into Latin American communities.

AJC President Blaustein urges U.S. recognition of Israel.

In U.S. Supreme Court, AJC opposes enforcement of racial restrictive covenants. Court's ruling is first victory against such covenants.

Premier Ben-Gurion and AJC President Blaustein, in historic meeting, agree on principle that "Israel represents and speaks only in behalf of its own citizens [and] has no intention to interfere in any way in the internal affairs of Jewish communities abroad."

AJC-sponsored five-volume *Studies in Prejudice* (Harper & Brothers) is hailed by nation's social scientists. *The Authoritarian Personality*, basic volume in the series, has stimulated more than 1,000 further studies.

### 1951–52

Publication of AJC's *Jews in the Soviet Union* (*Syracuse University Press*) marks first exposure of Soviet anti-Semitism. Second volume, *Jews in the Soviet Satellites*, follows two years later.

AJC President Blaustein plays vital role in negotiation of $822,000,000 restitution settlement with Federal Republic of Germany in behalf of Israel and Conference on Jewish Material Claims against Germany; similar agreement is negotiated with Austria two year later.

AJC files brief in U.S. Supreme Court to stop state courts from granting damages for breach of racial restrictive convenants. Court affirms Committee's stand.

### 1954–55

AJC delegation, led by President Irving M. Engel, surveys problems confronting 500,000 Jews of Morocco, Algeria and Tunisia; Committee fights for their right to choose citizenship with full equality, as well as to emigrate unhindered.

Committee brief in Supreme Court and AJC-sponsored research on effect of prejudice on personality contribute to decision banning school segregation.

AJC co-sponsors second London Consultative Conference of Jewish Organizations to determine program for insuring Jewish continuity in Western Europe and North Africa, and to discuss relation of Jews there to Israel.

### 1956–58

President Engel urges U.S. action to end discrimination by Arab League nations against citizens of Jewish faith.

Pioneering AJC "Riverton Study" reveals attitudes of Jews toward themselves and their neighbors.

Pope Pius XII, adddressing AJC delegation in his first private audience with a Jewish group, urges nations to provide haven for refugees fleeing persecution; condemns racial and religious persecution.

Ground is broken for Institute of Human Relations, AJC's permanent headquarters and hub for research and practical application in human relations.

With Anglo-Jewish Association and Alliance Israelite Universalle, AJC launches Community Service program in Europe to foster religious, cultural and educational cooperation among Jewish communities.

### 1959–60

AJC leaders meet in New York with Soviet Deputy Premier Mikoyan to protest situation of Soviet Jewry.

Week-long series of conferences, attended by more than 200 leading Americans, marks dedication of AJC's Institute of Human Relations.

Studies of "executive suite" discrimination in American industry are initiated by AJC at Harvard University Graduate School of Business, University of Michigan and University of California at Los Angeles Graduate School of Business.

AJC stimulates program which brings teams of West German educators to study U.S. teaching methods in education for democracy. Project continues in cooperation with West German Government, Institute of International Education, Ford Foundation, New World Foundation.

### 1961–62

Premier Ben-Gurion and Jacob Blaustein, in a joint statement, strongly reaffirm their 1950 understanding on relations between Israel and American Jews.

AJC submits to Vatican Council three memoranda, covering image of the Jew in Catholic teaching and liturgy, and suggesting ways to relieve religious tensions between Catholics and Jews.

AJC's Buenos Aires office mobilizes Argentine community and religious leaders to fight mounting anti-Semitism.

*Faith and Prejudice* (Yale University Press) reports findings of seven-year Yale Divinity School study, in cooperation with AJC, examining bias in Protestant teaching materials.

AJC opens office in Israel to help interpret the U.S. to Israel and clarify relationship between Israel and Jews in other lands.

President Kennedy confers with AJC delegation on wide range of human rights issues.

### 1963–64

AJC welcomes Augustin Cardinal Bea—one of the main architects of the Vatican Council resolution condemning anti-Semitism—to Institute of Human Relations. Pope Paul VI, in audience with AJC delegation, praises Committee's work.

AJC accords civil rights top program priority, convenes 125 business and industrial leaders for Washington meeting on responsibility of industry in race relations.

AJC's exposure of discriminatory patterns in utility industry spurs major U.S. Corporations to eliminate discrimination in the "executive suite."

Three-year Catholic self-study of bias in religious texts—encouraged by AJC—is completed at St. Louis University.

AJC President Morris B. Abram exposes anti-Semitic Soviet publication; world-wide protest causes its withdrawal.

AJC leaders complete three-week fact-finding mission to Latin America; report on anti-Semitism in Argentina, situation of Jews in Brazil, Chile and Peru.

### 1965–66

AJC hails Vatican Council declaration on Jews as "an act of justice long overdue," starts implementation program that includes institutes on Judaism at Catholic schools, conferences on changes in religious texts and interreligious dialogues in the local community.

AJC asks U.S. Government to insist that companies holding Government contracts end religious discrimination in filling top-management jobs.

AJC initiates pilot workshops in police-community relations. New York Police Commissioner and top officers attend first meeting at Institute of Human Relations.

AJC reveals virtual absence of Jews at administrative levels in U.S. colleges and universities. Report calls for end to bias.

AJC announces study at Louvain University, Belgium, of French-language Catholic religious materials used by 60 million people throughout the world.

Discrimination barring Jews from executive positions in savings and commercial banks is hit by AJC report.

### 1967–68

AJC helps mobilize American public opinion in behalf of Israel's security during Middle East crisis; moves to relieve plight of Jews in Arab countries; transfers office in Israel to Jerusalem and inaugurates human relations project there seeking better Jewish-Arab relations.

AJC Lakeville studies profile attitudes of Jews in suburbia toward their own identity and to Christians.

AJC moves to help implement major recommendations of Kerner Report on causes of civil disorders; spurs efforts to provide jobs, education, housing for urban poor.

AJC sharply condemns anti-Semitic policies in Poland; continues to focus world public opinion on fate of Soviet Jews.

Nationwide study prepared for AJC on apostasy among college students.

AJC announces establishment of Oral History Library to chronicle modern American Jewish history.

### 1969–70

AJC sponsors major interfaith dialogues with Baptists, Lutherans, Presbyterians.

Executive suite program to open management posts to Jews and members of other minorities expanded to all major industries in U.S.

Shaping Safer Cities program launched aimed at security without repression in major urban areas.

AJC launches nationwide program to meet needs of ethnic white minorities and counteract efforts of race-baiters.

AJC inaugurates community programs to reform welfare systems; embarks on local activities to meet needs of Jewish poor.

### 1971

AJC plays a pivotal role in organization of protests and free-world action in defense of rights of Soviet Jews. AJC leaders confer with President Nixon, high administration officials. Worldwide reaction to trials of Jews in Leningrad leads to commutation of death sentences.

National Project on Ethnic America receives two-year Ford Foundation grant for new action projects for white working-class ethnic Americans.

Permanent interreligious consultation is organized between Vatican officials and International Jewish Committee on Inter-religious Consultations, of which AJC is constituent. Action follows similar permanent consultation arranged with World Council of Churches.

AJC focuses major world attention on long-standing anti-Jewish content of Oberammergau Passion Play, pledges 10-year effort to effect changes by 1980.

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Maurice Wertheim, 1941–1943.
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Mr. HUMPHREY. Mr. President, Mr. Fixman richly deserved this award and he presented to those in attendance a most moving statement of personal commitment to humanity.

Mr. President, I ask unanimous consent that there be printed at this point in the Record excerpts from the program of the dinner including the citation for the presentation of the 1971 Human Relations Award to Mr. Fixman.

There being no objection, the items were ordered to be printed in the Record, as follows:

The American Jewish Committee Appeal for Human Relations cordially invites you to attend a dinner marking the presentation of its National Human Relations Award to Ben Fixman, chairman of the board, Diversified Industries, Inc.

Keynote Address—Senator Hubert H. Humphrey.

Dinner Chairman—Morris A. Shenker.

Toastmaster—George Jessel.

Distinguished Guests—Senator Thomas F. Eagleton, Congressman James W. Symington.

Sunday, October 31, 1971, Chase-Park Plaza Hotel, St. Louis, Mo.

The American Jewish Committee: Philip E. Hoffman, President; David Sher, Chairman, Board of Governors; Max M. Fisher, Chairman, Executive Council; and Elmer L. Winter, Chairman, Board of Trustees.

Previous Award Recipients: Willard F. Rockwell, Jr., Chairman of the Board, North American Rockwell Corp.; Edgar B. Speer, President, United States Steel Corp.

Founded in 1906, the American Jewish Committee combats bigotry and advances the cause of human rights for all. Its national headquarters in New York is the Institute of Human Relations, a worldwide center for research, training and action for intergroup relations. It has an extensive overseas service with offices in Paris, Rio de Janerio, Buenos Aires, Sao Paulo, Mexico City and Jerusalem and correspondents in many other cities.

In the United States, it has chapters and units in 100 principal cities and members in more than 600 American localities. Twenty-three regional offices throughout the country carry out AJC programs in cooperation with local community relations groups. The Committee is an accredited, non-governmental agency to the United States Mission to the United Nations.

The American Jewish Committee is privileged to present its 1971 Human Relations Award to Ben Fixman, a distinguished industrialist whose career has been marked by an abiding desire to help his fellow human beings.

In his rise from impoverished beginnings to business and financial success, Ben Fixman has never forgotten the less fortunate or those in need of a helping hand. He views communal service as an obligation and philanthropy as a sacred trust. He was Chairman of the 1970 Jewish Federation Fund Drive in St. Louis. He is a member of the Advisory Committee of the American Jewish Committee's St. Louis Chapter. Among the other causes he had aided are State of Israel Bonds and the Anti-Defamation League of B'nai B'rith.

He and Mrs. Fixman have been honored for their communal leadership by B'nai B'rith and Bonds for Israel, and were awarded a citation from the State of Israel for their efforts on behalf of Jewish survival.

We of the American Jewish Committee are proud to honor this warm and compassionate humanitarian and to have his name linked with ours in the effort to drive prejudice from the works and heart of man. We present him with this award in the knowledge that men often emulate those whom they honor.

Andrew Goodman, *National General Chairman, Appeal for Human Relations.*

Robert J. Jacobson, *New York Chairman, Appeal for Human Relations.*

Mr. HUMPHREY. Mr. President, as I said in my own remarks, Mr. Fixman epitomizes the sense of civic consciousness and personal commitment which is essential if we are to make progress in solving the crucial questions facing our society today. Mr. Fixman's personal account of how he moved from the position of one persecuted to a greater defender of the persecuted deserves reading by every concerned American. I ask unanimous consent that Mr. Fixman's address be printed at this point in the Record.

### Speech by Mr. Ben Fixman

Mr. Chairman, Senator Humphrey, Senator Eagleton, Congressman Symington, Mayor Cervantes, Lt. Gov. Morris, Rabbi Rubin, Rabbi Lipnick, our great Toastmaster, George Jessel, distinguished guests and friends:

Tonight I want to talk about people—people from all walks of life—people who show a deep concern for humanity and some people who couldn't care less about others. Be it good or bad . . . this is human relations—this is what it's all about. In our lifetime, we have all seen human relations from both sides of the fence. We have seen men try to help others and we have seen men try to destroy others.

So, I ask myself tonight, what makes a man reach out to touch other men . . . to bring hope and purpose into their lives? What makes a man understand the needs of other people? What makes a man feel compassion toward other people, a compassion born not of pity, but a compassion that motivates a man to act for the betterment of other men?

I think it is somewhat of a paradox that the man you are looking at now—the man who so proudly and humbly accepts this Human Relations Award—was so injured by acts of inhuman relations that as a young man he was forced to hide the very thing he treasures most today—his religious heritage.

My life is a story of a deep and profound change in outlook. The reason for this change can be summed up in two sentences taken from the Talmud: "If I am not for myself, who is for me? And if I am only for myself, what am I?".

In my early years, I was far more concerned about the first question than the second. The world of my boyhood was a world of rampant bigotry . . . a world in which many families experienced bitter poverty . . . lack of education . . . and, perhaps worst of all . . . constant gnawing fear—all because of their race, color or creed.

My family was such a family. We lived through hard times and we experienced in our own bodies and souls the ravages of prejudice and the anguish caused by man's inhumanity to man. These terrible experiences led me to become a member of what I call the "Invisible Minority" . . . these were people of my faith who tried to escape the afflictions of anti-Semitism by hiding their religious heritage. Without deliberately planning it and without stopping to analyze what I was doing . . . I took the safe, easy, convenient way out. And, so I thought of those two Talmudic questions again: "If I am not for myself, who is for me? And if I am only for myself, what am I?". As a young man, I was for myself. I answered the first question without ever stopping to consider the consequences of the second.

Many times since then, I have looked back on my early experiences and wondered why I acted as I did. What force motivated me to emerge from the hidden depths of this invisible minority? What made me stand up and say I am a Jew? And I think I have the answer. I now know that deep down inside himself, every person must exist in his own identity or he cannot exist at all—whether he be Catholic, Jew, Protestant, Black or White. So, I finally learned from my own experience that a person who has pride in himself can respect pride in others. I know the answer to that question in the Talmud. "If I am only for myself, what am I?" My friends, the answer is obvious, nothing.

I would like to tell you a heartbreaking story that I can never forget. At the end of World War II, when Allied troops were sweeping through Germany, some GI's entered a basement of a home in the City of Cologne to see if any Nazis were hiding there. They didn't find the enemy, but they did uncover an unforgettable inscription on the walls of this basement which turned out to be a hiding place for Jews . . . a place where terrified families tried to escape from the troops who filled the streets above. Sometime during those grim years before 1945, an unknown Jew had written these three sentences on the cellar wall:

"I believe in the sun even when it is not shining."

"I believe in love even when not feeling it."

"I believe in God even when he is silent."

For many of us . . . for the Jews living in the Soviet Union . . . for the Hungarian Freedom Fighters . . . for the valiant Czechoslovakians . . . for the Blacks and impoverished people who live in our ghettos . . . for many of these people the sun has never shone in their lifetime . . . love has not been felt very often . . . and God has seemed to hide his face. Instead of sunshine, they have encountered ominous clouds . . . and instead of love they have felt maniacal hatred. But despite all of this, they will never stop believing. Therefore, we are often inspired by the man who rises from the depths of great adversity through his heroism and faith.

We must all believe. We must try to translate our belief into compassion. We must try to remember the common humanity that unites us all.

Why do some men judge other men not by what they are, but by their race, religion or their background? Why do some men judge other men by the way they talk or the way they dress? And there are those who judge men only by what they have in their pockets and not in their hearts.

I prefer to judge men by their deeds, not their backgrounds. I look at men and women of accomplishment and see only men and women. My friends are my friends. Having a certain religious belief was never a condition of my friendship.

In the past 10 years the main thrust of my efforts has been directed toward helping the State of Israel. Let us deal with human relations as it applies to this country. Here we have a nation of three million people drawn from all parts of the world all having come to this desert wasteland to make a better life for themselves and their families and to live in peace.

Even though they have lived almost continually in the shadow of wars and death, these valiant people have offered their Arab neighbors the benefit of their technical knowledge to better their education, to improve their medical facilities, to find jobs and to raise the efficiency of their backward industries.

How often in history has a conqueror so surrounded by blood enemies offered an olive branch of peace and said: "Come let us share and grow together."

This is truly human relations at its finest.

Without Israel the plight of those Jews who hid in that basement in Cologne becomes a mockery. Without Israel all our noble words about human relations become ashes in our mouths. And I repeat what Senator Humphrey said, For without Israel there is no Democratic government in the Middle East.

My goal, my dream is to contribute to a world of better human relations—a world which has been enriched by actions of men and women like yourselves—people who have dedicated their lives to creating a better understanding between all religions, all races and all nations.

This is the kind of world I want my children and your children and their children to grow up in.

Today the words of those who advocate bigotry, hatred and prejudice are more often falling on deaf ears. Today in America we hear the voices of the minorities and the oppressed. We are listening. We are acting. We are making progress. We will solve their problems. We must have faith in our country.

And so these are some of my thoughts tonight as I look back upon my years of working toward improving human relations. As I accept this award, I can only try—although I cannot possibly succeed—to tell you how humble I really feel. There are two reasons why:

One is that a Jew who practices good human relations is not really doing anything special—he is simply being in our tradition—a Jew.

The second reason is that this honor comes from the American Jewish Committee, an oragnization that actually deserves the award itself. For 65 years, the American Jewish Committee has fought for better human relations—it has battled to eliminate prejudice and bigotry—it has resisted every form of man's inhumanity to man—and it has never forgotten that in Judaism—religiousness is social action.

It may seem strange in an era that has seen holocaust and genocide—to remain optimistic. It may seem strange—in a century that has seen massive persecutions—to remain hopeful. But that is what we must do. For we cannot lose hope—all of our faiths forbid it. In Judaism, despair is considered a grave sin—an affront to God and His creation. So let me close by repeating to you the words of a great but little known scholar. These words deserve to be engraved on the hearts of all men—prophetic words that give means and significance to life itself. And I quote: "I do not know what despair is. Despair means utter futility, being utterly lost. I will never be lost." And, so we must never lose hope—we must never give up.

But to make improved human relations a fact of life, all of us in this room have a very hard task ahead. And this task was summed up very appropriately in the words of Charles DeGaulle who said:

"We have been to the moon, but that really isn't very far . . . for the greatest distance we have to cover still lies within ourselves."

Thank you.

Mr. HUMPHREY. Finally, Mr. President, I ask that my remarks of the evening in tribute to this great American and his leadership be printed in the RECORD.

There being no objection, the remarks were ordered to be printed in the RECORD, as follows:

### REMARKS OF SENATOR HUBERT H. HUMPHREY HONORING BEN FIXMAN

I have come here tonight to honor one of St. Louis' great civic leaders and a great family. In his capacity as a leading industrialist and citizen, Ben Fixman has well earned the National Human Relations Award. It is an honor richly deserved. I personally view this award with great respect because it represents a crowning effort on the part of a single individual to generate the kind of citizen responsibility which can make this country pulsate with vitality and renew our sense of justice and decency.

What disturbs me is that there is not enough of this kind of personal commitment nationwide. It's so needed.

It is this sense of civic consciousness and personal commitment that motivates me to discuss with you what I think are some of the crucial questions facing our society today—questions on which the work of the American Jewish Committee and B'nai B'rith have concentrated their activities for so long and so well.

As I see it, each one of us should have at least three levels of concern in our relations with other human beings.

First, each one of us should be concerned with the welfare of those people affecting him the most—his family, friends, and the city in which he lives. But is he?

He should be concerned with the future of his country—the human progress of American society. But is he?

He should be concerned as a citizen of the world with the whole human family—the social and economic condition of human beings everywhere. But is he?

There was a time when my answers to all these questions would have been in the affirmative. I thought that every city, and every country was blessed with Ben Fixmans. I still think they are. But now I am less certain that there are enough of them to go around. And I am less convinced that our own government or any contemporary government has taken full advantage of them.

Perhaps, in our race for technological gains, we have forgotten what society is all about—the people—their welfare—their safety and their freedom.

In a Gallup poll undertaken for a comparative study of American public opinion by the International Institute for Social Research, a cross-section of the American public expressed a new and urgent concern over where our country, our society was going—concern for the future. It was found that there was a pervasive sense of national worry and fear that the nation was disunited and its institutions were unresponsive to the needs of people. The study concludes, and I quote, "Americans sense that their country has lost rather than gained ground over the past five years." The recurrent explanation?—"Our traditional way of doing things is not working and some basic changes are needed if we are to work together."

There is a deep and profound gap between ideals and reality. There is glowing rhetoric about all the people and yet neglect of so many people; job opportunity, and yet so much unemployment; wealth and yet so much human poverty; justice, and yet so many social inequities, economic development, and yet the dwindling of foreign economic assistance.

We have serious troubles.

Our economy is lagging and unemployment stays around 6 per cent. Discriminatory practices against racial and ethnic groups still deny many Americans equal opportunities for self-development. Our government on the federal and local levels has not yet responded imaginatively to the urgent needs.

Where are the programs for hunger, poverty, unemployment, health, poor housing, and inadequate education? We have a huge defense budget, and a spiralling arms race. Peace is still not within our reach, not when there is Vietnam, Pakistan, and the Middle East.

The subject of foreign aid and the U.N. has again become news. The entire legislative history of foreign aid has shown that it has always been difficult to get passage of these measures. This problem becomes more acute in times of domestic economic difficulty and recession. When the Congress is concerned with the lack of jobs and rising inflation, the passage of a foreign aid bill requires delicate and full cooperation between the Executive branch and the legislative leadership. Yet, what has been the case in this instance?

We find the President maintaining little or no contact with the Congressional leadership for over several weeks prior to action on the bill. Then, when the Administration did give a nod to the Congress regarding the foreign aid bill it was a "scruff of the neck, back of the hand" approach, wherein the President held up to the Senate the threat of a veto if the bill should contain any amendments which he did not want. This coupled with the President's intemperate remarks following the ouster of Nationalist China from the United Nations put fuel on the fires of neo-isolationism. The President's threats to those liberal members of the Senate who wished to assure no further expansion of our war efforts in Indo China coalesced with his harsh statements against the United Nations, to defeat this foreign aid bill.

But, there will be American aid—we cannot retreat from responsibility—we cannot refuse aid to refugees, to economic development, the U.N., to Israel.

To possess the goal of peace does not produce its realization anymore than the ideal of justice and freedom brings its instantaneous accomplishment. The Middle East is a case in point. Here is an example of the human dilemma. The seemingly insurmountable gap between the idea and reality. Israel's requests are modest—a right to live in peace—certainly, a reasonable goal for any nation. Yet because of Arab hostility, a lack of understanding, and intolerance, that goal has so far proved illusory. Israel has been fighting for its life—its right to live, to be free and independant, to develop its physical and human resources. Let Israel know we care. Let the Soviets know we care.

The Middle East is a powder keg with a very short fuse, ready to explode if any one of the participants strikes the match of revived hostility. While the Middle East conflict began as a confrontation between the Arab countries and Israel, it now threatens to spark a confrontation between the two powerful nuclear Goliaths of the earth, the United States and the Soviet Union.

For the hope of peace to become a reality, the United States must be steadfast. We must assure that Israel is well equipped with the defensive weapons necessary to deter any attack. A balance of power in that part of the world provides the kind of stability which is ultimately conducive to reaching a negotiated settlement. The prospect of peace through negotiation is jeopardized when our government refuses or delays to act on Israel's request for Phantom jets and other badly needed economic and military assistance.

I mentioned the ideals of justice and freedom, but what do they mean when persecution of a religious minority is on the rise in the Soviet Union and when we at home still face the unfinished business of almost two centuries—the task of securing full rights of citizenship and human dignity for all races and creeds.

In the Soviet Union today there is an organized effort to suppress an entire Jewish community. The systematic assault on their dignity and their freedom is not a problem for Russian Jews alone—nor a problem only for Jews.

It is a situation in which the United States should use official channels in an attempt to curb the persecution, and permit the right of Soviet Jewry to emigrate to any land. It is an example of the kind of human bond I have been talking about, hoping for, and seeking my entire life to secure.

It is certainly plausible that our country and individual Americans can do a great deal to pressure Soviet leaders. I myself am doing what I can through personal and official channels and through legislation in the Senate, but more can be done. This government of ours and the American people should speak up for freedom wherever freedom is denied.

We should speak up for human dignity wherever people are victims of indignity and of humiliation.

We must do all we can to disarm the world of its prejudice and bigotry. This kind of disarmament needs to take place in America just as it does in the Soviet Union. This is the work of the American Jewish Committee.

We can close the gap between myth and reality. We can reshape the reality to restore the faith in our institutions. All this can be done and more, but the essential ingredient is leadership. That is what we need.

## ELECTRIC UTILITIES SPEND SEVEN TIMES AS MUCH ON ADVERTISING AND PROMOTION AS ON RESEARCH AND DEVELOPMENT

Mr. METCALF. Mr. President, I was pleased to read of the recommendation by the cost of living council that utilities and other regulated industries are not exempt from phase II of the Nixon administration's economic program. With pending rate increase requests totaling an estimated $3 to $4 billion annually, it is of utmost importance that this particular inflationary trend be held in check.

Last week—November 4—I placed in the RECORD the current figures from the Federal Power Commission on utilities' return on common stock equity. Twenty-six of the 184 major electric utilities serving residential customers earned more than 15 percent on their common stock in 1970.

Major electric utilties last year spent seven times as much on advertising and sales promotion, despite their monopoly position, as they spent on research and development, even though R. & D. costs are fully recoverable.

To the extent that wage-price controls succeed, and the cost of money decreases, many of the pending requests for rate increases should be turned around to rate decreases by the Price Commission. Furthermore, the priorities between R. & D. and advertising and sales promotion should be reversed. If the utilities quit overpromoting their scarce product, they would not need as much additional new plant capacity, and research and development could lead to more pollution-free production of power.

Today I ask unanimous consent to have printed in the RECORD the current figures, supplied by the Federal Power Commission from the companies' annual reports to that agency, on expenditures for advertising, sales promotion, and research and development. The figures speak for themselves. I hope they will be helpful not only to Senators but also to the members of the cost of living council and the Price Commission as they continue their consideration of these regulated industries.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

ADVERTISING EXPENSES, 1970

| Company | Advertising expenses account 913 | Institutional advertising expenses account 930 | Total advertising expenses |
|---|---|---|---|
| Alabama Power Co | $1,084,906 | $261,398 | $1,346,304 |
| Alaska Electric Light & Power Co |  | 8,349 | 8,349 |
| Alcoa Generating Corp |  |  |  |
| Alpena Power Co | 3,922 |  | 3,922 |
| Appalachian Power Co | 472,903 | 63,852 | 536,755 |
| Arizona Public Service Co | 724,165 | 56,186 | 780,351 |
| Arkansas-Missouri Power Co | 58,213 |  | 58,213 |
| Arkansas Power & Light Co | 696,666 | 481,025 | 1,177,691 |
| Arklahoma Corp., the |  |  |  |
| Atlantic City Electric Co | 276,265 | 813 | 277,078 |
| Baltimore Gas & Electric Co | 622,277 | 329,771 | 952,048 |
| Bangor Hydro-Electric Co | 44,579 |  | 44,579 |
| Black Hills Power & Light Co | 68,386 | 41,629 | 110,015 |
| Blackstone Valley Electric Co | 115,778 | 8,909 | 124,687 |
| Boston Edison Co | 715,073 | 461,593 | 1,176,666 |
| Boston Gas Co |  |  |  |
| Brockton Edison Co | 59,100 | 11,020 | 70,120 |
| California-Pacific Utilities Co | 28,997 |  | 28,997 |
| Cambridge Electric Light Co | 9,371 | 1,507 | 10,878 |
| Canal Electric Co |  |  |  |
| Cape & Vineyard Electric Co | 15,573 | 2,374 | 17,947 |
| Carolina Power & Light Co | 561,281 | 537,072 | 1,098,353 |
| Central Hudson Gas & Electric Corp | 199,952 | 45,736 | 245,688 |
| Central Illinois Light Co | 103,690 | 148,374 | 252,064 |
| Central Illinois Public Service Co | 486,214 | 127,335 | 613,549 |
| Central Kansas Power Co., the | 23,643 |  | 23,643 |
| Central Louisiana Electric Co., Inc | 177,556 |  | 177,556 |
| Central Maine Power Co | 95,697 | 14,901 | 110,598 |
| Central Power & Light Co | 514,845 | 50,051 | 564,896 |
| Central Telephone & Utilities Corp | 123,070 |  | 123,070 |
| Central Vermont Public Service Corp | 21,395 |  | 21,395 |
| Cheyenne Light, Fuel & Power Co | 34,573 | 7,666 | 42,239 |
| Cincinnati Gas & Electric Co., the | 545,529 | 216,411 | 761,940 |
| Citizens Utilities Co | 42,667 |  | 42,667 |
| Cleveland Electric Illuminating Co., the | 1,169,619 | 836,590 | 2,006,209 |
| Columbus & Southern Ohio Electric Co | 408,565 | 151,860 | 560,425 |
| Commonwealth Edison Co | 2,643,738 | 397,316 | 3,041,054 |
| Commonwealth Edison Co. of Indiana, Inc |  |  |  |
| Community Public Service Co | 567,309 |  | 567,309 |
| Concord Electric Co | 2,487 |  | 2,487 |
| Connecticut Light & Power Co., the | 366,644 | 170,351 | 536,995 |
| Connecticut Valley Electric Co., Inc | 1,503 |  | 1,503 |
| Connecticut Yankee Atomic Power Co |  |  |  |
| Conowingo Power Co | 7,625 | 1,199 | 8,824 |
| Consolidated Edison Co. of New York, Inc | 336,862 | 622,603 | 959,465 |
| Consolidated Water Power Co |  |  |  |
| Consumers Power Co | 879,239 | 646,027 | 1,525,266 |
| Dallas Power & Light Co | 933,484 | 3,802 | 937,286 |
| Dayton Power & Light Co., the | 437,699 | 135,549 | 573,248 |
| Delmarva Power & Light Co | 82,114 | 73,867 | 155,981 |
| Delmarva Power & Light Co. of Maryland | 41,040 | 24,175 | 65,215 |
| Delmarva Power & Light Co. of Virginia | 4,951 | 3,854 | 8,805 |
| Detroit Edison Co., the | 860,514 | 339,027 | 1,199,541 |
| Duke Power Co | 1,070,933 | 365,398 | 1,436,331 |
| Duquesne Light Co | 1,179,727 | 572,976 | 1,752,703 |
| Edison Sault Electric Co | 9,733 | 429 | 10,162 |
| El Paso Electric Co | 147,142 |  | 147,142 |
| Electric Energy, Inc |  | 8,982 | 8,982 |
| Empire District Electric Co., the | 64,130 | 1,490 | 65,620 |
| Exeter & Hampton Electric Co | 13,413 |  | 13,413 |
| Fall River Electric Light Co | 56,837 | 6,534 | 63,371 |
| Fitchburg Gas & Electric Light Co | 19,959 | 6,330 | 26,289 |
| Florida Power Corp | $273,016 | $319,911 | $592,927 |
| Florida Power & Light Co | 1,605,832 | 71,764 | 1,677,596 |
| Florida Public Utilities Co | 6,010 | 51 | 6,061 |
| Georgia Power Co | 2,080,018 | 223,640 | 2,303,658 |
| Granite State Electric Co | 4,777 | 4,907 | 9,684 |
| Green Mountain Power Corp | 39,537 | 10,055 | 49,592 |
| Gulf Power Co | 148,599 | 138,942 | 287,541 |
| Gulf States Utilities Co | 637,825 | 235,641 | 873,466 |
| Hartford Electric Light Co., the | 134,254 | 258,862 | 393,116 |
| Hawaiian Electric Co., Inc | 203,131 | 78,203 | 281,334 |
| Hershey Electric Co | 4,145 |  | 4,145 |
| Hilo Electric Light Co., Ltd | 11,365 |  | 11,365 |
| Holyoke Power & Electric Co |  |  |  |
| Holyoke Water Power Co |  | 8,914 | 8,914 |
| Home Light & Power Co | 14,061 | 548 | 14,609 |
| Houston Lighting & Power Co | 1,780,813 | 305,147 | 2,085,960 |
| Idaho Power Co | 140,888 | 23,561 | 164,449 |
| Illinois Power Co | 272,158 | 168,543 | 440,701 |
| Indiana-Kentucky Electric Corp |  |  |  |
| Indiana & Michigan Electric Co | 370,783 | 146,149 | 516,932 |
| Indianapolis Power & Light Co | 613,393 | 31,950 | 645,343 |
| Interstate Power Co | 155,503 | 120,682 | 276,185 |
| Iowa Electric Light & Power Co | 171,478 | 140,890 | 312,368 |
| Iowa-Illinois Gas & Electric Co | 61,234 | 89,707 | 150,941 |
| Iowa Power & Light Co | 335,176 | 129,401 | 464,577 |
| Iowa Public Service Co | 162,401 | 78,570 | 240,971 |
| Iowa Southern Utilities Co | 47,128 | 57,147 | 104,275 |
| Jersey Central Power & Light Co | 294,794 | 77,042 | 371,836 |
| Kansas City Power & Light Co | 456,944 | 85,222 | 542,166 |
| Kansas Gas & Electric Co | 320,187 | 94,584 | 414,771 |
| Kansas Power & Light Co., the | 143,418 | 26,314 | 169,732 |
| Kentucky Power Co | 92,038 | 8,081 | 100,119 |
| Kentucky Utilities Co | 243,682 |  | 243,682 |
| Kingsport Utilities Co | 37,654 | 3,952 | 41,606 |
| Lake Superior District Power Co | 10,909 | 5,714 | 16,623 |
| Lockhart Power Co | 2,668 |  | 2,668 |
| Long Island Lighting Co | 247,965 | 170,297 | 418,244 |
| Long Sault, Inc |  |  |  |
| Louisiana Power & Light Co | 878,089 | 303,590 | 1,181,679 |
| Louisville Gas & Electric Co | 81,223 | 18,339 | 99,562 |
| Madison Gas & Electric Co | 18,571 | 4,635 | 23,206 |
| Maine Public Service Co | 44,567 |  | 44,567 |
| Massachusetts Electric Co | 498,202 | 242,287 | 740,489 |
| Maui Electric Co., Ltd | 11,164 | 2,333 | 13,497 |
| Metropolitan Edison Co | 214,189 | 142,104 | 356,293 |
| Michigan Power Co | 48,531 | 3,776 | 52,307 |
| Minnesota Power & Light Co | 180,374 | 75,395 | 255,769 |
| Mississippi Power Co | 158,996 | 115,771 | 274,767 |
| Mississippi Power & Light Co | 362,903 | 254,018 | 616,921 |
| Missouri Edison Co | 25,450 |  | 25,450 |
| Missouri Power & Light Co | 92,879 | 4,487 | 97,366 |
| Missouri Public Service Co | 46,422 |  | 46,422 |
| Missouri Utilities Co | 17,942 |  | 17,942 |
| Monongahela Power Co | 345,395 |  | 345,395 |
| Montana-Dakota Utilities Co | 99,462 | 7,299 | 106,761 |
| Montana Power Co., the | 163,398 | 29,123 | 192,521 |
| Montaup Electric Co |  |  |  |
| Mount Carmel Public Utility Co | 17,753 |  | 17,753 |
| Nantahala Power & Light Co |  | 1,736 | 1,736 |
| Narragansett Electric Co., the | 188,337 | 97,647 | 285,984 |
| Nevada Power Co | 118,072 | 28,571 | 146,643 |
| New Bedford Gas & Edison Light Co | 16,363 | 3,914 | 20,277 |

ADVERTISING EXPENSES, 1970—Continued

| Company | Advertising expenses account 913 | Institutional advertising expenses account 930 | Total advertising expenses |
|---|---|---|---|
| New England Power Co | $1,301 | $94,400 | $95,701 |
| New Jersey Power & Light Co | 116,521 | 31,667 | 149,188 |
| New Mexico Electric Service Co | 11,574 | | 11,574 |
| New Orleans Public Service Inc | 275,412 | 187,209 | 462,621 |
| New York State Electric & Gas Corp | 269,506 | 152,356 | 421,862 |
| Newport Electric Corp | 18,715 | 1,030 | 19,745 |
| Niagara Mohawk Power Corp | 321,772 | 113,105 | 434,877 |
| Northern Indiana Public Service Co | 47,710 | 106,545 | 154,255 |
| Northern States Power Co. (Minnesota) | 1,138,334 | 519,754 | 1,658,088 |
| Northern States Power Co. (Wisconsin) | 139,962 | 2,342 | 142,304 |
| Northwestern Public Service Co | 37,402 | 44,628 | 82,030 |
| Ohio Edison Co | 1,495,803 | 106,259 | 1,602,062 |
| Ohio Power Co | 685,999 | 87,247 | 773,246 |
| Ohio Valley Electric Corp | | | |
| Oklahoma Gas & Electric Co | 1,140,830 | 118,101 | 1,258,931 |
| Old Dominion Power Co | 13,128 | | 13,128 |
| Orange & Rockland Utilities, Inc | 62,305 | | 62,305 |
| Otter Tail Power Co | 341,627 | | 341,627 |
| Pacific Gas & Electric Co | 1,247,648 | 515,816 | 1,763,464 |
| Pacific Power & Light Co | 999,770 | 365,884 | 1,365,654 |
| Pennsylvania Electric Co | 235,241 | 97,912 | 333,153 |
| Pennsylvania Power Co | 229,118 | 19,500 | 248,618 |
| Pennsylvania Power & Light Co | 891,404 | 46,182 | 937,586 |
| Philadelphia Electric Co | 1,238,913 | 832,655 | 2,071,568 |
| Philadelphia Electric Power Co | | | |
| Portland General Electric Co | 458,267 | 140,929 | 599,196 |
| Potomac Edison Co., the | 181,666 | 17,354 | 199,020 |
| Potomac Edison Co. of Pennsylvania, the | 41,832 | 3,912 | 45,744 |
| Potomac Edison Co. of Virginia, the | 51,268 | 5,862 | 57,130 |
| Potomac Edison Co. of West Vitginia | 58,127 | 5,643 | 63,770 |
| Potomac Electric Power Co | 1,370,322 | 309,935 | 1,680,257 |
| Public Service Co. of Colorado | 489,537 | 205,153 | 694,690 |
| Public Service Co. of Indiana, Inc | 676,934 | 251,707 | 928,641 |
| Public Service Co. of New Hampshire | 66,543 | 139,775 | 206,318 |
| Public Service Co. of New Mexico | 175,079 | 52,752 | 227,831 |
| Public Service Co. of Oklahoma | 683,705 | 73,878 | 757,583 |
| Public Service Electric & Gas Co | 665,578 | 788,651 | 1,454,229 |
| Puget Sound Power & Light Co | 393,328 | | 393,328 |
| Rochester Gas & Electric Corp | 309,261 | 193,573 | 502,834 |
| Rockland Electric Co | 11,812 | 14 | 11,826 |
| Rumford Falls Power Co | | | |
| Safe Harbor Water Power Corp | | | |
| St. Joseph Light & Power Co | 77,595 | 193 | 77,788 |
| San Diego Gas & Electric Co | 250,836 | 196,642 | 447,478 |
| Savannah Electric & Power Co | $135,891 | | $135,891 |
| Sherrard Power System | 2,707 | | 2,707 |
| Sierra Pacific Power Co | 119,224 | | 119,224 |
| South Beliot Water, Gas & Electric Co | 3,329 | | 3,329 |
| South Carolina Electric & Gas Co | 218,818 | $240,725 | 459,543 |
| Southern California Edison Co | 4,659,097 | 1,746,138 | 6,405,235 |
| Southern Electric Generating Co | | | |
| Southern Indiana Gas & Electric Co | 92,300 | 847 | 93,147 |
| Southwestern Electric Power Co | 412,234 | 29,022 | 441,256 |
| Southwestern Electric Service Co | 50,020 | 7,564 | 57,584 |
| Southwestern Public Service Co | 567,409 | 31,591 | 599,000 |
| Superior Water, Light & Power Co | 17,087 | 2,464 | 19,551 |
| Susquehanna Electric Co., the | | | |
| Susquehanna Power Co., the | | | |
| Tampa Electric Co | 491,757 | | 491,757 |
| Tapoco, Inc | | | |
| Texas Electric Service Co | 1,047,235 | 5,758 | 1,052,993 |
| Texas Power & Light Co | 866,648 | 12,624 | 879,272 |
| Toledo Edison Co., the | 605,984 | 197,751 | 803,735 |
| Tucson Gas & Electric Co | 84,948 | | 84,948 |
| UGI Corp | 102,394 | 6,209 | 108,603 |
| Union Electric Co | 773,313 | 456,813 | 1,230,126 |
| Union Light, Heat & Power Co., the | 104,243 | 39,648 | 143,891 |
| United Illuminating Co., the | 218,621 | 45,621 | 264,242 |
| Upper Peninsula Generating Co | | | |
| Upper Peninsula Power Co | 91,303 | 6,238 | 97,541 |
| Utah Power & Light Co | 595,654 | 364,790 | 960,444 |
| Vermont Electric Power Co., Inc | | | |
| Virginia Electric & Power Co | 2,187,735 | 4,590 | 2,192,325 |
| Washington Water Power Co., the | 188,036 | 132,177 | 320,213 |
| West Penn Power Co | 629,227 | 15,633 | 644,860 |
| West Texas Utilities Co | 210,288 | 22,187 | 232,475 |
| Western Colorado Power Co., the | 25,492 | 11,708 | 37,200 |
| Western Massachusetts Electric Co | 160,171 | 227,211 | 387,382 |
| Wheeling Electric Co | 44,751 | 3,366 | 48,117 |
| Wisconsin Electric Power Co | 1,000,767 | 247,015 | 1,247,782 |
| Wisconsin Michigan Power Co | 79,279 | 4,695 | 83,974 |
| Wisconsin Power & Light Co | 130,589 | 219,998 | 350,587 |
| Wisconsin Public Service Co | 218,537 | 70,083 | 288,620 |
| Wisconsin River Power Co | | | |
| Yadkin, Inc | | | |
| Yankee Atomic Electric Co | | 8,073 | 8,073 |
| Total | 67,040,392 | 21,683,833 | 88,724,225 |

### TOTAL SALES EXPENSES—1970

*Classes A and B privately owned electric utilities*

| | |
|---|---|
| Alabama Power Co | $6,345,041 |
| Alaska Electric Light & Power Co. | |
| Alcoa Generating Corp | |
| Alpena Power Co | 21,883 |
| Appalachian Power Co | 6,159,717 |
| Arizona Public Service Co | 1,903,639 |
| Arkansas-Missouri Power Co | 136,052 |
| Arkansas Power & Light Co | 2,962,589 |
| Arklahoma Corp., The | |
| Atlantic City Electric Co | 1,565,637 |
| Baltimore Gas & Electric Co | 2,411,029 |
| Bangor Hydro-Electric Co | 75,023 |
| Black Hills Power & Light Co | 248,201 |
| Blackstone Valley Electric Co | 464,351 |
| Boston Edison Co | 2,309,663 |
| Boston Gas Co | 2,090 |
| Brockton Edison Co | 435,842 |
| California-Pacific Utilities Co | 144,716 |
| Cambridge Electric Light Co | 255,456 |
| Canal Electric Co | |
| Cape & Vineyard Electric Co | 588,420 |
| Carolina Power & Light Co | 3,142,398 |
| Central Hudson Gas & Electric Corp. | 787,548 |
| Central Illinois Light Co | 439,369 |
| Central Illinois Public Service Co. | 2,098,378 |
| Central Kansas Power Co., The | 42,571 |
| Central Louisiana Electric Co., Inc. | 598,287 |
| Central Maine Power Co | 1,427,870 |
| Central Power & Light Co | 2,512,491 |
| Central Telephone & Utilities Corp. | 403,435 |
| Central Vermont Public Service Corp. | 340,659 |
| Cheyenne Light, Fuel & Power Co. | 101,065 |
| Cincinnati Gas & Electric Co., The | 1,998,094 |
| Citizens Utilities Co | 85,626 |
| Cleveland Electric Illuminating Co., The | $6,403,797 |
| Columbus & Southern Ohio Electric Co | 2,290,302 |
| Commonwealth Edison Co | 9,598,867 |
| Commonwealth Edison Co. of Indiana, Inc | |
| Community Public Service Co | 716,815 |
| Concord Electric Co | 40,682 |
| Connecticut Light & Power Co., The | 3,265,751 |
| Connecticut Valley Electric Co., Inc. | 34,501 |
| Connecticut Yankee Atomic Power Co | |
| Conowingo Power Co | 109,660 |
| Consolidated Edison Co. of New York, Inc | 2,674,925 |
| Consolidated Water Power Co | |
| Consumers Power Co | 5,857,815 |
| Dallas Power & Light Co | 3,206,890 |
| Dayton Power & Light Co., The | 2,601,327 |
| Delmarva Power & Light Co | 562,224 |
| Delmarva Power & Light Co. of Maryland | 275,262 |
| Delmarva Power & Light Co. of Virginia | 59,641 |
| Detroit Edison Co., The | 5,377,555 |
| Duke Power Co | 3,902,729 |
| Duquesne Light Co | 3,406,207 |
| Edison Sault Electric Co | 89,555 |
| El Paso Electric Co | 506,188 |
| Electric Energy, Inc | |
| Empire District Electric Co., The | 545,558 |
| Exeter & Hampton Electric Co | 78,580 |
| Fall River Electric Light Co | 182,117 |
| Fitchburg Gas & Electric Light Co. | 144,273 |
| Florida Power Corp | 2,485,165 |
| Florida Power & Light Co | 7,664,540 |
| Florida Public Utilities Co | 83,933 |
| Georgia Power Co | 8,246,864 |
| Granite State Electric Co | 79,081 |
| Green Mountain Power Corp | 177,616 |
| Gulf Power Co | 824,881 |
| Gulf States Utilities Co | 2,887,280 |
| Hartford Electric Light Co., ing Co., The | $1,368,152 |
| Hawaiian Electric Co., Inc | 1,286,115 |
| Hershey Electric Co | 5,219 |
| Hilo Electric Light Co., Ltd | 121,475 |
| Holyoke Power & Electric Co | 1,145 |
| Holyoke Water Power Co | 21,065 |
| Home Light & Power Co | 21,209 |
| Houston Lighting & Power Co | 4,141,136 |
| Idaho Power Co | 1,273,310 |
| Illinois Power Co | 1,491,244 |
| Indiana-Kentucky Electric Corp. | |
| Indiana & Michigan Electric Co. | 4,404,318 |
| Indianapolis Power & Light Co | 2,033,912 |
| Interstate Power Co | 784,329 |
| Iowa Electric Light & Power Co. | 960,454 |
| Iowa-Illinois Gas & Electric Co. | 386,811 |
| Iowa Power & Light Co | 606,765 |
| Iowa Public Service Co | 523,431 |
| Iowa Southern Utilities Co | 401,378 |
| Jersey Central Power & Light Co. | 1,723,443 |
| Kansas City Power & Light Co | 1,981,532 |
| Kansas Gas & Electric Co | 1,357,153 |
| Kansas Power & Light Co., The | 618,362 |
| Kentucky Power Co | 916,758 |
| Kentucky Utilities Co | 1,647,000 |
| Kingsport Utilities Co | 223,552 |
| Lake Superior District Power Co | 34,647 |
| Lockhart Power Co | 2,668 |
| Long Island Lighting Co | 944,198 |
| Long Sault, Inc | |
| Louisiana Power & Light Co | 2,835,292 |
| Louisville Gas & Electric Co | 259,478 |
| Madison Gas & Electric Co | 87,474 |
| Maine Public Service Co | 178,427 |
| Massachusetts Electric Co | 3,078,904 |
| Maui Electric Co., Ltd | 128,933 |
| Metropolitan Edison Co | 1,531,849 |
| Michigan Power Co | 187,517 |
| Minnesota Power & Light Co | 1,047,339 |
| Mississippi Power Co | 907,622 |

TOTAL SALES EXPENSES—1970—Continued

*Classes A and B privately owned electric utilities*

| | |
|---|---|
| Mississippi Power & Light Co | $1,704,072 |
| Missouri Edison Co | 100,085 |
| Missouri Power & Light Co | 276,846 |
| Missouri Public Service Co | 327,687 |
| Missouri Utilities Co | 27,757 |
| Monongahela Power Co | 2,923,360 |
| Montana-Dakota Utilities Co | 593,340 |
| Montana Power Co., The | 530,202 |
| Montaup Electric Co | ------------ |
| Mount Carmel Public Utility Co | 16,677 |
| Nantahala Power & Light Co. | 847 |
| Narragansett Electric Co., The | 910,275 |
| Nevada Power Co | 298,982 |
| New Bedford Gas & Edison Light Co | 491,179 |
| New England Power Co | 35,500 |
| New Jersey Power & Light Co. | 691,780 |
| New Mexico Electric Service Co. | 160,054 |
| New Orleans Public Service Inc. | 1,247,617 |
| New York State Electric & Gas Corp. | 2,073,540 |
| Newport Electric Corp | 105,936 |
| Niagara Mohawk Power Corp | 3,946,246 |
| North Indiana Public Service Co. | 296,369 |
| Northern States Power Co. (Minnesota) | 5,353,755 |
| Northern States Power Co. (Wisconsin) | 712,107 |
| Northwestern Public Service Co. | 196,493 |
| Ohio Edison Co | 5,472,784 |
| Ohio Power Co | 5,262,970 |
| Ohio Valley Electric Corp | ------------ |
| Oklahoma Gas & Electric Co | 3,848,610 |
| Old Dominion Power Co | 123,150 |
| Orange & Rockland Utilities, Inc. | 703,521 |
| Otter Tail Power Co | 790,697 |
| Pacific Gas & Electric Co | 6,118,713 |
| Pacific Power & Light Co | 3,747,000 |
| Pennsylvania Electric Co | $2,335,309 |
| Pennsylvania Power Co | 847,685 |
| Pennsylvania Power & Light Co. | 5,920,999 |
| Philadelphia Electric Co | 7,386,972 |
| Philadelphia Electric Power Co | ------------ |
| Portland General Electric Co | 2,717,732 |
| Potomac Edison Co., The | 999,082 |
| Potomac Edison Co. of Pennsylvania, The | 260,039 |
| Potomac Edison Co. of Virginia, The | 339,343 |
| Potomac Edison of West Virginia | 385,616 |
| Potomac Electric Power Co | 3,578,756 |
| Public Service Co. of Colorado | 1,883,077 |
| Public Service Co. of Indiana, Inc. | 3,858,487 |
| Public Service Co. of New Hampshire | 1,097,277 |
| Public Service Co. of New Mexico | 623,783 |
| Public Service Co. of Oklahoma | 2,971,858 |
| Public Service Electric & Gas Co. | 3,616,870 |
| Puget Sound Power & Light Co. | 1,569,772 |
| Rochester Gas & Electric Corp | 1,208,675 |
| Rockland Electric Co | 226,487 |
| Rumford Falls Power Co | ------------ |
| Safe Harbor Water Power Corp | ------------ |
| St. Joseph Light & Power Co | 309,518 |
| San Diego Gas & Electric Co | 799,604 |
| Savannah Electric & Power Co | 544,604 |
| Sherrard Power System | 2,082 |
| Sierra Pacific Power Co | 372,322 |
| South Beloit Water, Gas & Electric Co | 32,169 |
| South Carolina Electric & Gas Co. | 966,317 |
| Southern California Edison Co | 9,275,556 |
| Southern Electric Generating Co. | ------------ |
| Southern Indiana Gas & Electric Co | 218,711 |
| Southwestern Electric Power Co. | 2,228,127 |
| Southwestern Electric Service Co. | 139,460 |
| Southwestern Public Service Co. | 1,888,084 |
| Superior Water, Light & Power Co. | 105,512 |
| Susquehanna Electric Co., The | ------------ |
| Susquehanna Power Co., The | ------------ |
| Tampa Electric Co | $1,670,857 |
| Tapoco, Inc | |
| Texas Electric Service Co | 5,419,038 |
| Texas Power & Light Co | 5,553,449 |
| Toledo Edison Co., The | 2,075,797 |
| Tucson Gas & Electric Co | 135,747 |
| UGI Corporation | 246,063 |
| Union Electric Co | 4,223,624 |
| Union Light, Heat & Power Co., The | 333,055 |
| United Illuminating Co., The | 1,904,266 |
| Upper Peninsula Generating Co | ------------ |
| Upper Peninsula Power Co | 290,926 |
| Utah Power & Light Co | 2,272,550 |
| Vermont Electric Power Co., Inc | |
| Virginia Electric & Power Co | 7,742,126 |
| Washington Water Power Co., The | 870,572 |
| West Penn Power Co | 3,617,624 |
| West Texas Utilities Co | 830,899 |
| Western Colorado Power Co., The | 126,219 |
| Western Massachusetts Electric Co | 1,245,565 |
| Wheeling Electric Co | 391,809 |
| Wisconsin Electric Power Co | 3,040,017 |
| Wisconsin Michigan Power Co | 299,622 |
| Wisconsin Power & Light Co | 1,275,058 |
| Wisconsin Public Service Co | 1,113,902 |
| Wisconsin River Power Co | ------------ |
| Yadkin, Inc | ------------ |
| Yankee Atomic Electric Co | ------------ |
| Grand total | 306,386,371 |

## RESEARCH AND DEVELOPMENT

Total expenditures by electric utility companies in 1970 for research and development in areas of interest and importance to the industry amounted to $46,037,000. Of the total $25,536,000 or 55.5 percent, was expended for research and development performed by the companies and $20,501,000 or 44.5 percent, for the support of research and development by others.

The general areas of expenditures in 1970 and 1969 were:

RESEARCH AND DEVELOPMENT PERFORMED

| | 1970 | | 1969 | |
|---|---|---|---|---|
| | Amount | Percent | Amount | Percent |
| Within the companies: | | | | |
| Powerplants: | | | | |
| Hydro | $862,526 | 1.9 | $1,261,909 | 3.1 |
| Fossil fuel steam | 6,522,763 | 14.2 | 4,979,007 | 12.1 |
| Internal combustion | 545,166 | 1.2 | 27,014 | .1 |
| Nuclear | 7,383,251 | 16.0 | 4,516,074 | 11.0 |
| Direct conversion | 26,142 | .1 | 13,010 | 0 |
| System planning, engineering, and operation | 2,157,945 | 4.7 | 2,571,919 | 6.3 |
| Transmission | 2,835,129 | 6.1 | 1,521,512 | 3.7 |
| Distribution | 1,754,135 | 3.8 | 1,285,184 | 3.1 |
| Other | 3,449,189 | 7.5 | 2,270,440 | 5.5 |
| Total | 25,536,246 | 55.5 | 18,446,069 | 45.0 |
| Research support to— | | | | |
| Electric Research Council | | | | |
| Edison Electric Institute | $4,789,303 | 10.4 | $5,840,161 | 14.2 |
| Nuclear power groups | 7,046,286 | 15.3 | 11,962,832 | 29.2 |
| Others | 8,665,144 | 18.8 | 4,776,571 | 11.6 |
| Total | 20,500,733 | 44.5 | 22,579,564 | 55.0 |
| Grand total | 46,036,979 | 100.0 | 41,025,633 | 100.0 |

Expenditures by each of the companies for the years 1968 through 1970 are shown in the following table. The expenditures of 77 companies were higher in 1970 than in 1969, 79 were lower, 2 remained unchanged and 52 reported none. In aggregate, expenditures in 1970 were some 12.2 percent greater than in 1969 and 6.9 percent greater than in 1968.

The Commission in its review of its accounting and ratemaking treatment of expenditures made by natural gas and electric utility companies for research and development found an apparent low level of such expenditures, in relationship with total utility operating revenues. The Commission in its belief that technological advances must be made by the respective industries, issued Order No. 408 August 26, 1970, adopting policies to encourage a greater research commitment by industry.

In addition to expenditures for research and development made by the electric utilities substantial additional expenditures in areas of interest to the electric utility industry are also made by manufacturing firms who are suppliers of equipment to the industry.

FEDERAL POWER COMMISSION: PRIVATELY OWNED ELECTRIC UTILITY COMPANIES—CLASSES A AND B RESEARCH AND DEVELOPMENT EXPENDITURES

| Company | 1970 | | 1969 | | 1968 | |
|---|---|---|---|---|---|---|
| | Total | Percent of total utility operating revenues | Total | Percent of total utility operating revenues | Total | Percent of total utility operating revenues |
| Alabama Power Co | $177,384 | 0.06 | $233,119 | 0.09 | $233,822 | 0.11 |
| Alaska Electric Light & Power Co | | | | | | |
| Alcoa Generating Corp | | | | | | |
| Alpena Power Co | | | | | | |
| Appalachian Power Co | 736,871 | .36 | 398,503 | .22 | 635,349 | .38 |
| Arizona Public Service Co | 186,593 | .17 | 119,447 | .09 | 104,307 | .09 |
| Arkansas-Missouri Power Co | 3,612 | .01 | 22,757 | .10 | 26,217 | .13 |
| Arkansas Power & Light Co | 151,630 | .10 | 175,542 | .12 | 251,526 | .21 |
| Arklahoma Corp., The | | | | | | |
| Atlantic City Electric Co | 59,560 | .07 | 66,559 | .09 | 25,547 | .04 |
| Baltimore Gas & Electric Co | 638,551 | .27 | 1,050,580 | .35 | 1,078,670 | .39 |
| Bangor Hydro-Electric Co | | | | | | |
| Black Hills Power & Light Co | | | | | | |
| Blackstone Valley Electric Co | 7,033 | .03 | 6,770 | .04 | 6,570 | .04 |
| Boston Edison Co | 2,081,765 | .98 | 1,946,699 | .97 | 1,195,846 | .63 |
| Boston Gas Co | | | | | | |
| Brockton Edison Co | 7,429 | .03 | 7,000 | .04 | 6,799 | .04 |
| California-Pacific Utilities Co | | | | | | |
| Cambridge Electric Light Co | 17,065 | .10 | 5,138 | .04 | 4,897 | .04 |
| Canal Electric Co | | | | | | |
| Cape & Vineyard Electric Co | 5,311 | .03 | 8,805 | .07 | 4,626 | .04 |
| Carolina Power & Light Co | 54,436 | .02 | 56,681 | .03 | 746,130 | .44 |
| Central Hudson Gas & Electric Corp | 186,579 | .32 | 180,385 | .28 | 244,438 | .41 |
| Central Illinois Light Co | 42,247 | .08 | 37,477 | .05 | 43,087 | .06 |
| Central Illinois Public Service Co | 76,698 | .07 | 106,982 | .09 | 101,777 | .09 |
| Central Kansas Power Co., The | 2,846 | .04 | 8,135 | .10 | 9,289 | .13 |
| Central Louisiana Electric Co., Inc | 6,684 | .01 | 31,200 | .07 | 31,200 | .08 |
| Central Maine Power Co | 26,790 | .03 | 25,139 | .04 | 24,030 | .04 |
| Central Power & Light Co | 85,618 | .07 | 96,727 | .09 | 60,444 | .06 |
| Central Telephone & Utilities Corp | | | 20,377 | .03 | 24,348 | .04 |
| Central Vermont Public Service Corp | 10,486 | .04 | 10,000 | .04 | 6,642 | .03 |
| Cheyenne Light, Fuel & Power Co | 1,704 | .03 | 1,617 | .02 | 1,535 | .02 |
| Cincinnati Gas & Electric Co., The | 189,647 | .11 | 227,814 | .10 | 263,053 | .13 |
| Citizens Utilities Co | | | | | | |
| Cleveland Electric Illuminating Co., The | 521,458 | .21 | 664,117 | .30 | 479,414 | .24 |
| Columbus & Southern Ohio Electric Co | 82,294 | .07 | 101,180 | .10 | 66,120 | .07 |
| Commonwealth Edison Co | 3,445,703 | .39 | 1,791,739 | .23 | 2,421,360 | .32 |
| Commonwealth Edison Co. of Indiana, Inc | | | | | | |
| Community Public Service Co | 24,627 | .07 | 22,313 | .08 | 21,459 | .07 |
| Concord Electric Co | | | 29 | | 5 | |
| Connecticut Light & Power Co., The | 435,729 | .28 | 233,925 | .14 | 86,608 | .06 |
| Connecticut Valley Electric Co., Inc | | | | | | |
| Connecticut Yankee Atomic Power Co | 214,341 | .97 | 172,683 | .85 | 150,488 | .81 |
| Conowingo Power Co | | | | | | |
| Consolidated Edison Co. of New York, Inc | 1,558,759 | .16 | 1,343,528 | .16 | 1,418,855 | .11 |
| Consolidated Water Power Co | | | | | | |
| Consumers Power Co | 1,822,703 | .54 | 2,292,544 | .42 | 2,167,298 | .43 |
| Dallas Power & Light Co | 169,338 | .14 | 181,842 | .16 | 235,739 | .24 |
| Dayton Power & Light Co., The | 296,465 | .24 | 131,279 | .08 | 91,795 | .06 |
| Delmarva Power & Light Co | 89,720 | .13 | 90,255 | .11 | 80,478 | .11 |
| Delmarva Power & Light Co. of Maryland | | | 35,000 | .19 | | |
| Delmarva Power & Light of Virginia | | | | | | |
| Detroit Edison Co., The | 3,800,802 | .73 | 4,611,311 | .96 | 3,506,366 | .79 |
| Duke Power Co | 1,308,854 | .33 | 752,997 | .22 | 576,659 | .18 |
| Dusquesne Light Co | 136,980 | .08 | 140,261 | .10 | 125,532 | .09 |
| Edison Sault Electric Co | | | | | | |
| El Paso Electric Co | 27,427 | .07 | 23,990 | .07 | 21,509 | .07 |
| Electric Energy, Inc | | | | | | |
| Empire District Electric Co., The | 1,142 | | 31,168 | .12 | 34,029 | .15 |
| Exeter & Hampton Electric Co | 73 | | 1,407 | .04 | 1,261 | .01 |
| Fall River Electric Light Co | 3,700 | .02 | 3,512 | .03 | 3,355 | .03 |
| Fitchburg Gas & Electric Light Co | | | | | | |
| Florida Power Corp | 281,938 | .17 | 173,973 | .12 | 42,000 | .03 |
| Florida Power & Light Co | 750,143 | .18 | 89,500 | .02 | 84,636 | .03 |
| Florida Public Utilities Co | | | | | | |
| Georgia Power Co | 309,094 | .08 | 279,834 | .08 | 485,538 | .16 |
| Granite State Electric Co | 1,109 | .02 | 1,517 | .03 | 936 | .02 |
| Green Mountain Power Corp | 5,073 | .03 | 4,511 | .04 | 3,882 | .03 |
| Gulf Power Co | 46,680 | .09 | 54,854 | .11 | 54,490 | .11 |
| Gulf States Utilities Co | 474,315 | .26 | 258,531 | .14 | 272,042 | .16 |
| Hartford Electric Light Co., The | 273,585 | .29 | 114,780 | .12 | 52,652 | .07 |
| Hawaiian Electric Co., Inc | 351,200 | .53 | 813,400 | 1.35 | 460,711 | .83 |
| Hershey Electric Co | | | | | | |
| Hilo Electric Light Co., Ltd | | | | | | |
| Holyoke Power & Electric Co | | | 2,000 | .02 | | |
| Holyoke Water Power Co | 16,829 | .11 | 9,904 | .07 | | |
| Home Light & Power Co | 3,158 | .05 | 1,950 | .02 | 1,818 | .04 |
| Houston Lighting & Power Co | 539,415 | .19 | 741,039 | .28 | 411,426 | .18 |
| Idaho Power Co | 241,748 | .32 | 618,473 | .89 | 606,985 | .91 |
| Illinois Power Co | 225,586 | .15 | 77,602 | .04 | 69,558 | .05 |
| Indiana-Kentucky Electric Corp | | | | | | |
| Indiana & Michigan Electric Co | 935,532 | .57 | 371,248 | .25 | 453,003 | .32 |
| Indianapolis Power & Light Co | 106,078 | .10 | 121,448 | .13 | 95,812 | .11 |
| Interstate Power Co | 24,161 | .05 | 24,253 | .04 | 17,137 | .04 |
| Iowa Electric Light & Power Co | 7,693 | .01 | 7,693 | .01 | 6,102 | .01 |
| Iowa-Illinois Gas & Electric Co | 31,116 | .06 | 76,345 | .08 | 76,938 | .19 |
| Iowa Power & Light Co | 56,262 | .10 | 67,055 | .09 | 30,004 | .06 |
| Iowa Public Service Co | 21,040 | .05 | 24,099 | .04 | 18,470 | .05 |
| Iowa Southern Utilities Co | 17,136 | .06 | 9,402 | .03 | 1,961 | .01 |
| Jersey Central Power & Light Co | 177,946 | .14 | 177,220 | .16 | 199,360 | .20 |
| Kansas City Power & Light Co | 105,437 | .08 | 41,689 | .04 | 36,660 | .04 |
| Kansas Gas & Electric Co | 22,000 | .03 | 74,400 | .11 | 99,903 | .16 |
| Kansas Power & Light Co., the | 46,826 | .06 | 4,060 | | 4,960 | .01 |
| Kentucky Power Co | 156,918 | .49 | 119,694 | .42 | 54,525 | .21 |
| Kentucky Utilities Co | 78,020 | .09 | 50,210 | .07 | 47,286 | .07 |
| Kingsport Power Co | 19,790 | .19 | 14,720 | .15 | 17,034 | .19 |
| Lake Superior District Power Co | 3,844 | .03 | 4,173 | .03 | | |
| Lockhart Power Co | | | 747,097 | .26 | | |
| Long Island Lighting Co | 596,952 | .27 | | | 778,155 | .40 |
| Long Sault, Inc | | | | | | |
| Louisiana Power & Light Co | 215,509 | .15 | 282,578 | .21 | 326,589 | .29 |
| Louisville Gas & Electric Co | 101,683 | .11 | 48,721 | .04 | 21,587 | .03 |
| Madison Gas & Electric Co | 7,314 | .03 | 12,880 | .04 | 10,986 | .07 |
| Maine Public Service Co | | | | | | |
| Massachusetts Electric Co | 50,254 | .02 | 54,283 | .03 | 31,785 | .02 |
| Maui Electric Co., Ltd | | | | | | |

FEDERAL POWER COMMISSION: PRIVATELY OWNED ELECTRIC UTILITY COMPANIES—CLASSES A AND B RESEARCH AND DEVELOPMENT EXPENDITURES—Continued

| Company | 1970 |  | 1969 |  | 1968 |  |
|---|---|---|---|---|---|---|
|  | Total | Percent of total utility operating revenues | Total | Percent of total utility operating revenues | Total | Percent of total utility operating revenues |
| Metropolitan Edison Co | $323, 585 | 0. 29 | $443, 981 | 0. 50 | $465, 993 | 0. 56 |
| Michigan Power Co | 10, 968 | . 17 | 6, 860 | . 12 | 8, 842 | . 16 |
| Minnesota Power & Light Co | 20, 576 | . 03 | 18, 058 | . 04 | 15, 624 | . 04 |
| Mississippi Power Co | 185, 345 | . 32 | 65, 415 | . 11 | 92, 435 | . 17 |
| Mississippi Power & Light Co | 53, 790 | . 06 | 91, 359 | . 10 | 128, 790 | . 18 |
| Missouri Edison Co |  |  |  |  |  |  |
| Missouri Power & Light Co | 4, 810 | . 01 | 4, 821 | . 02 | 4, 755 | . 02 |
| Missouri Public Service Co | 15, 444 | . 03 | 40, 215 | . 11 | 31, 689 | . 14 |
| Missouri Utilities Co | 6, 535 | . 05 | 15, 722 | . 07 | 17, 699 | . 18 |
| Monongahela Power Co | 67, 084 | . 09 | 69, 596 | . 11 | 69, 596 | . 11 |
| Montana-Dakota Utilities Co |  |  |  |  |  |  |
| Montana Power Co., The | 33, 712 | . 05 | 34, 841 | . 04 | 23, 443 | . 05 |
| Montaup Electric Co | 8, 002 | . 03 | 1, 645 | . 01 |  |  |
| Mt. Carmel Public Utility Co |  |  |  |  |  |  |
| Nantahala Power & Light Co |  |  |  |  |  |  |
| Narragansett Electric Co., The | 23, 839 | . 03 | 26, 792 | . 05 | 19, 486 | . 04 |
| Nevada Power Co | 17, 202 | . 04 | 11, 900 | . 03 | 16, 520 | . 05 |
| New Bedford Gas & Edison Light Co | 7, 540 | . 02 | 7, 023 | . 03 | 6, 390 | . 03 |
| New England Power Co | 256, 827 | . 20 | 153, 655 | . 14 | 61, 618 | . 06 |
| New Jersey Power & Light Co | 42, 914 | . 09 | 64, 136 | . 16 | 51, 499 | . 14 |
| New Mexico Electric Service Co | 2, 223 | . 03 | 2, 103 | . 04 | 2, 008 | . 04 |
| New Orleans Public Servic Inc | 75, 940 | . 10 | 120, 277 | . 17 | 157, 407 | . 24 |
| New York State Electric & Gas Co | 435, 689 | . 27 | 620, 642 | . 45 | 717, 284 | . 57 |
| Newport Electric Corp | 2, 616 | . 03 | 2, 441 | . 04 | 2, 267 | . 04 |
| Niagara Mohawk Power Corp | 602, 824 | . 15 | 711, 384 | . 21 | 887, 898 | . 28 |
| Northern Indiana Public Service Co | 321, 431 | . 25 | 315, 779 | . 26 | 202, 942 | . 18 |
| Northern States Power Co. (Minnesota) | 1, 119, 579 | . 42 | 707, 256 | . 29 | 432, 309 | . 20 |
| Northern States Power Co. (Wisconsin) | 14, 241 | . 03 | 18, 401 | . 05 | 12, 365 | . 04 |
| Northwestern Public Service Co | 4, 798 | . 03 | 2, 631 | . 02 | 30 |  |
| Ohio Edison Co | 253, 467 | . 10 | 259, 404 | . 11 | 142, 330 | . 07 |
| Ohio Power Co | 840, 841 | . 31 | 639, 251 | . 26 | 593, 890 | . 22 |
| Ohio Valley Electric Corp |  |  |  |  |  |  |
| Oklahoma Gas & Electric Co | 133, 168 | . 09 | 234, 681 | . 18 | 237, 137 | . 21 |
| Old Dominion Power Co | 1, 597 | . 03 | 1, 486 | . 04 | 1, 400 | . 04 |
| Orange & Rockland Utilities, Inc | 96, 973 | . 22 | 120, 517 | . 31 | 138, 980 | . 42 |
| Otter Tail Power Co | 79, 495 | . 23 | 71, 583 | . 23 | 16, 532 | . 06 |
| Pacific Gas & Electric Co | 4, 200, 293 | . 59 | 1, 151, 586 | . 11 | 807, 749 | . 08 |
| Pacific Power & Light Co | 297, 066 | . 19 | 131, 564 | . 09 | 376, 344 | . 27 |
| Pennsylvania Electric Co | 320, 384 | . 23 | 2, 076, 438 | 1. 63 | 1, 881, 897 | 1. 57 |
| Pennsylvania Power Co | 65, 212 | . 17 | 32, 639 | . 01 | 25, 032 | . 07 |
| Pennsylvania Power & Light Co | 94, 402 | . 03 | 697, 008 | . 31 | 580, 700 | . 28 |
| Philadelphia Electric Co | 1, 244, 000 | . 30 | 1, 653, 200 | . 38 |  |  |
| Philadelphia Electric Power Co |  |  |  |  |  |  |
| Portland General Electric Co | 126, 539 | . 14 | 320, 179 | . 38 | 453, 609 | . 60 |
| Potomac Edison Co., The | 37, 185 | . 07 | 56, 087 | . 13 | 87, 716 | . 23 |
| Potomac Edison Co. of Pennsylvania, The | 2, 028 | . 02 | 3, 265 | . 04 | 5, 075 | . 06 |
| Potomac Edison Co. of Virginia, The | 4, 263 | . 03 | 4, 516 | . 04 | 8, 364 | . 08 |
| Potomac Edison Co. of West Virginia, The | 3, 096 | . 02 | 5, 026 | . 04 | 7, 829 | . 07 |
| Potomac Electric Powar Co | 545, 089 | . 24 | 768, 937 | . 41 | 720, 767 | . 43 |
| Public Service Co. of Colorado | 171, 916 | . 13 | 262, 620 | . 14 | 141, 173 | . 08 |
| Public Service Co. of Indiana, Inc | 221, 128 | . 12 | 195, 820 | . 11 | 231, 880 | . 15 |
| Public Service Co. of New Hampshire | 513, 061 | . 71 | 362, 077 | . 54 | 68, 220 | . 11 |
| Public Service Co. of New Mexico |  |  | 12, 662 | . 03 | 18, 420 | . 05 |
| Public Service Co. of Oklahoma | 98, 227 | . 08 | 260, 506 | . 27 | 156, 805 | . 18 |
| Public Service Electric & Gas Co | 598, 768 | . 12 | 473, 529 | . 07 | 941, 174 | . 15 |
| Puget Sound Power & Light Co | 89, 214 | . 10 | 167, 644 | . 21 | 188, 357 | . 26 |
| Rochester Gas & Electric Corp | 250, 802 | . 26 | 218, 020 | . 16 | 596, 577 | . 48 |
| Rockland Electric Co |  |  | 143 |  | 134 |  |
| Rumford Falls Power Co |  |  |  |  |  |  |
| Safe Harbor Water Power Corp |  |  |  |  |  |  |
| St. Joseph Light & Power Co | 7, 236 | . 05 | 10, 256 | . 07 | 9, 798 | . 07 |
| San Diego Gas & Electric Co | 440, 310 | . 40 | 130, 362 | . 09 | 41, 509 | . 03 |
| Savannah Electric & Power Co | 8, 595 | . 03 | 7, 710 | . 03 | 6, 678 | . 03 |
| Sherrard Power System |  |  |  |  |  |  |
| Sierra Pacific Power Co | 24, 633 | . 08 | 17, 710 | . 05 | 20, 045 | . 06 |
| South Beloit Water, Gas & Electric Co |  |  |  |  |  |  |
| South Carolina Electric & Gas Co | 55, 462 | . 05 | 62, 274 | . 05 | 243, 520 | . 23 |
| Southern California Edison Co | 3, 593, 872 | . 49 | 1, 147, 104 | . 18 | 1, 050, 578 | . 18 |
| Southern Electric Generating Co | 2, 000 |  | 2, 229 |  | 2, 148 |  |
| Southern Indiana Gas & Electric Co | 47, 822 | . 14 | 42, 013 | . 10 | 40, 339 | . 11 |
| Southwestern Electric Power Co | 51, 673 | . 05 | 148, 539 | . 18 | 205, 840 | . 28 |
| Southwestern Electric Service Co | 2, 606 | . 03 | 2, 250 | . 03 | 2, 123 | . 04 |
| Southwestern Public Service Co | 41, 798 | . 04 | 44, 358 | . 05 | 47, 688 | . 06 |
| Superior Water, Light & Power Co |  |  |  |  |  |  |
| Susquehanna Electric Co., The |  |  |  |  |  |  |
| Susquehanna Power Co., The |  |  |  |  |  |  |
| Tampa Electric Co | 72, 545 | . 07 | 56, 608 | . 07 | 121, 007 | . 15 |
| Tapoco, Inc |  |  |  |  |  |  |
| Texas Electric Service Co | 197, 053 | . 11 | 218, 939 | . 14 | 228, 134 | . 17 |
| Texas Power & Light Co | 158, 813 | . 09 | 186, 611 | . 12 | 208, 395 | . 16 |
| Toledo Edison Co., The | 43, 271 | . 04 | 40, 931 | . 05 | 147, 019 | . 18 |
| Tucson Gas & Electric Co |  |  |  |  | 9, 100 | . 02 |
| UGI Corporation | 3, 997 | . 03 | 3, 572 | . 01 | 3, 183 |  |
| Union Electric Co | 481, 232 | . 17 | 551, 134 | . 21 | 1, 256, 471 | . 53 |
| Union Light, Heat & Power Co | 24, 088 | . 11 | 29, 862 | . 09 | 36, 233 | . 12 |
| United Illuminating Co., The | 224, 923 | . 29 | 15, 311 | . 11 | 98, 436 | . 15 |
| Upper Peninsula Generating Co |  |  |  |  |  |  |
| Upper Peninsula Power Co | 1, 600 | . 01 | 1, 600 | . 01 | 1, 600 | . 02 |
| Utah Power & Light Co | 113, 958 | . 13 | 120, 587 | . 14 | 83, 048 | . 11 |
| Vermont Electric Power Co., Inc | 4, 500 | . 02 | 4, 000 | . 04 | 4, 000 | . 05 |
| Virginia Electric & Power Co | 779, 362 | . 22 | 478, 094 | . 15 | 387, 708 | . 13 |
| Washington Water Power Co., The | 2, 329 |  | 74, 385 | . 11 | 1, 596 |  |
| West Penn Power Co | 95, 609 | . 06 | 245, 496 | . 19 | 320, 489 | . 27 |
| West Texas Utilities Co | 37, 602 | . 08 | 35, 256 | . 08 | 34, 352 | . 09 |
| Western Colorado Power Co., The |  |  |  |  |  |  |
| Western Massachusetts Electric Co | 121, 075 | . 21 | 70, 317 | . 13 | 30, 497 | . 06 |
| Wheeling Electric Co | 29, 131 | . 17 | 21, 028 | . 14 | 24, 728 | . 18 |
| Wisconsin Electric Power Co | 213, 220 | . 09 | 229, 944 | . 11 | 171, 863 | . 10 |
| Wisconsin Michigan Power Co | 19, 703 | . 05 | 24, 704 | . 06 | 10, 689 | . 03 |
| Wisconsin Power & Light Co | 161, 645 | . 21 | 96, 602 | . 10 | 153, 939 | . 18 |
| Wisconsin Public Service Co | 37, 550 | . 05 | 63, 777 | . 07 | 33, 191 | . 04 |
| Wisconsin River Power Co |  |  |  |  |  |  |
| Yadkin, Inc |  |  |  |  |  |  |
| Yankee Atomic Electric Co |  |  |  |  |  |  |
| Total | 46, 036, 979 |  | 41, 025, 633 |  | 38, 389, 361 |  |

## KEEP AMERICA BEAUTIFUL

Mr. GRIFFIN. Mr. President, earlier today I was privileged to attend an awards luncheon held by Keep America Beautiful, Inc., a national public service organization for the prevention of litter.

The luncheon was a highlight of the organization's 18th annual meeting, now in progress in the Nation's Capital.

Michigan was scheduled to receive recognition as the most beautiful State—which it is—and I was on hand to witness the presentation of the top State award to Michigan's great Governor William G. Millikin.

An extra bonus for me and for all who attended the luncheon was the opportunity to hear our colleague, the Senator from West Virginia (JENNINGS RANDOLPH), who delivered the principal address. His remarks were most appropriate and inspiring.

I ask unanimous consent that the text of Senator's RANDOLPH's excellent address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### KEEPING AMERICA BEAUTIFUL CALLS FOR PERSONAL COMMITMENT

(By Senator JENNINGS RANDOLPH)

Our appreciation to the Keep America Beautiful organization is genuine because it is composed of citizens who are firmly committed to a clean environment. It is gratifying to work with you as you provide worthwhile contributions to the cause for a cleaner and better America.

I am pleased that you give honor, particularly, to the people of Michigan, who have been selected to receive the Keep America Beautiful state award of 1971. I was privileged last week to address the meeting of Keep Michigan Beautiful. I report to you of other states that your co-workers in Michigan are carrying forward an effective program with great enthusiasm. They are deserving of this award.

I have been a Member of Congress for 27 years. In that time, many laws have been passed, and many improvements have been made in our beloved country. While much of my life has been devoted to law-making, I have learned that improvements do not necessarily follow the enactment of laws.

Long ago, I learned that citizen concern and citizen involvement are necessary if our country is to be a better and more beautiful place in which to live. This is true of our battle against pollution as it is in other critical areas. While governments must pass laws and provide money to eliminate pollution, individuals must perform an important role in keeping our communities clean and beautiful.

This can take many forms. In the section of Washington where I live, a young man organized citizens to plant 18,000 jonquils and tulips along two streets. The fruits of their work make our city even more beautiful and urban life more enjoyable.

Most people, I hope, are truly concerned about the environment and sincerely want a clean world in which to live. But too many of our citizens are simply thoughtless in their everyday actions.

A small scrap of paper may seem insignificant. We should stop to think, however, that there are more than 210 million people living in the United States, and if each of us carelessly threw away just one small piece of paper a day, our collective carelessness would amount to a huge quantity of trash.

While involvement of everyone is needed, we realize that it is not easy to change old habits. Abraham Lincoln made a statement in 1862 that is applicable to the environmental challenge we face today. He said:

"The dogmas of the quiet past are inadequate to the stormy present. The occasion is piled with difficulty, and we must rise with the occasion. As our case is new, so we must think anew, and act anew. We must disenthrall ourselves, and then we shall save our country."

Lincoln did not overstate the case for a clean environment. The challenge today is, as he declared, to save our country.

Those of you attending this meeting have come to Washington, D.C. from all parts of the United States. Each of you could tell stories of environmental abuse and neglect that have taken place in your own communities. Fortunately, the damage has not been as extensive in some sections as in others. We all know of the big, dramatic examples where pollution has taken a heavy toll. The dead waters of Lake Erie and the heavy concentrations of poisonous smog in Los Angeles are familiar. But we must remember that the cumulative affect of smaller cases is just as damaging.

The City of Washington is perhaps typical of the country's large metropolitan centers in the nature and extent of its environmental problems.

Several months ago, new construction was halted in several suburban areas because sewer systems are inadequate to meet current needs, much less the additional demands that would be imposed by continued building. Mililons of gallons of raw sewage is dumped daily into the Potomac—which I consider to be our National river, just as Washington is our National Capital. The situation is so critical that 174 million dollars in Federal aid are needed in just the next two years to expand and improve the district's Blue Plains Plant, which treats a major portion of the sewerage.

Washington is a city of commuters, many of whom travel to work by private car. Although we do not have heavy industry, air pollution problems are serious. Recent proposals were made to discourage cars coming into the city by such means as high parking fees, sharply reduced parking facilities, and even a tax on cars entering from outside the city.

Fortunately, we are already doing something to reduce air pollution and at the same time make commuting easier. Two years ago, exclusive bus lanes were opened on a major highway leading to Washington from the Virginia suburbs. It was an instant success even though the highway is still being reconstructed. Commuter bus ridership rose by two-thirds in the first six months and more recently was as much as 80 per cent higher in some areas. This highway also has recorded a decline in rush hour car traffic.

The environmental situation is critical. It weakens our national economy and undermines the structure of our society. I do not exaggerate the gravity of the problem when I emphasize that ending pollution is a matter of life and death.

I am encouraged, however, that American determination and American inventiveness are rising to the challenge. Much of my encouragement is based on the continuing concern of the American people for the environment. The ecological explosion that took place a couple of years ago was no passing fad. We have awakened to the enormity of our past sins against nature.

History has taught us that an aroused public can accomplish many positive results. Our people are now alerted against pollution and I welcome the pressure being exerted.

The Senate Committee on Public Works for most of the past decade, has been involved in the development of legislation to protect and enhance our air, water, and land resources. Progress has been made, and we have learned much. We know, for instance, that the solutions that were adequate a mere ten years ago are frequently invalid today.

Last year we developed major legislation to help resolve air pollution and solid waste problems. This year our main environmental effort has been directed toward development of the most comprehensive water pollution bill ever placed before the Congress.

Last week this bill was passed by the Senate by a vote of 86–0. When this bill becomes law we will have established a goal of clean water throughout our country by 1985, and provided the mechanisms for reaching it.

You may have read in the press this week that there is dissatisfaction with this measure and the course it charts to end water pollution.

Throughout the development of this bill, I was aware that various provisions were not to the liking of some groups. This, of course, is a familiar situation, particularly on legislation of such broad scope to cope with water pollution.

This bill was not assembled hastily. Our Subcommittee on Air and Water Pollution, chaired by Senator Muskie, conducted 30 days of public hearings on the problems of water pollution. Before the Committee were 15 bills addressed to various water pollution questions. The provisions of all of these were open for discussion, and many additional ideas were elicited during the hearings. The bill reported from the Committee was a composite measure, incorporating provisions from all of these sources.

It is gratifying to report, as I have often done in the past, that there is an almost complete lack of political partisanship as we draft environmental legislation for the welfare of our country as a whole. Provincialism has been kept at a minimum. We have worked together, Democrat, and Republicans, to strengthen this Nation and provide for the well-being of our people. I express special thanks to my counterpart. Mr. John Sherman Cooper, of Kentucky, senior member of the minority. His leadership and cooperation have been the very best.

The Subcommittee and the Full Committee held 45 executive sessions on this single bill before we were satisfied that it was the best legislation on which we could agree to end pollution of our country's water.

Members of the Committee and staff had a continuing dialogue with representatives of government agencies, industry and other concerned groups. EPA Administrator William D. Ruckelshaus, Russell E. Train, Chairman of the Council on Environmental Quality, and others met with us in executive session to review the pending bill. We attempted to accommodate our thinking when possible.

The provisions under consideration were given broad exposure so that details could be worked out with all concerned. At one point, information comments by government agencies were solicited and made available to all committee members.

Eliminating water pollution on a national scale is a complex undertaking. I make no pretense that the bill passed unanimously by the Senate is perfect, but it is the most advanced such document yet developed. This bill is strong, tough, and will be effective, but it is also fair legislation that neither makes excessive demands on anyone nor favors any particular group.

There are many dramatic examples of the progress people are making in resolving environmental questions. Innovations in environmental technology are an almost daily occurrence.

At the University of Missouri and elsewhere, experiments are underway in the use of glassphalt, a substance containing reclaimed glass, in the paving of roads. In Los Angeles and in West Virginia, industry is developing ways to effectively and profitably reclaim aluminum and steel cans so they will not be left to rust along our roadsides and elsewhere.

Just a month ago, the people of Missouri approved $150 million in state bonds to help build sewage treatment plants.

Industry, on which some people want to place the blame for all pollution, is making large investments in a cleaner world. In one case with which I am familiar, a medium size paper mill on the Potomac River in Maryland has spent $24 million during the past 10 years to install equipment for environmental protection.

The American people are willing to pay the cost of a clean environment, but this does not mean that they *would* or *should* pay excessively. We have the technical knowhow to halt environmental abuses in many areas now, but some of it is so costly that serious question of economics must be resolved before it is placed in use.

Even by the most economical means, the cost of cleaning up pollution will be high. The Environmental Protection Agency estimates that between 1970 and 1975 we must spend $105 billion dollars in public and private funds to meet anticipated requirements.

This total amounts to 10 per cent of America's gross national product, and is not unreasonable when we consider the need and the benefits to be obtained.

We must not view these massive expenditures as simply money spent without any return. They are public investments that will not only create a cleaner environment, but will have a substantial economic impact through the manufacture of new equipment, the construction of new facilities and the stimulus resulting from operating expenditures.

How to produce a clean environment is one of the most hotly debated issues. While everyone maintains that a clean environment is essential, there is a wide diversity of opinion on how it should be brought into being.

This is a proper subject for debate in a democratic society, but I hope that in our discussions we do not lose sight of the basic goal.

As with other public questions, the environmental issue has produced extremists on both sides. It is obvious, though, that we can no more continue unrestricted polluting than we can halt environmental abuse by shutting down the industrial complex that sustains our way of life.

We can do better than we have done, and we can make our peace with nature. Keep America Beautiful has made contributions to environmental enhancement. I thank you and urge you not to become weary in well doing.

## FEDERAL GOVERNMENT ACCOUNTING AND BUDGETING

Mr. FULBRIGHT. Mr. President, Mr. Louis Fisher has written a most interesting article which was published in The Nation magazine for November 15.

This article is the second in a series of three which The Nation is running in its fall issues. These articles deal with the elusive ways the Federal Government keeps its accounts and budgets its expenses.

Mr. Fisher emphasizes the fact that, although Congress still retains the power to appropriate money, it is fast losing control over how it is spent. He points out how the executive—through its ability to transfer funds, impound money, create unauthorized commitments, and engage in covert financing—has usurped Congress' traditional "power of the purse."

For a Senate which is becoming increasingly conscious of the need to reassert its constitutional role in our governmental process, this article is must reading.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### EXECUTIVE SHELL GAME—HIDING BILLIONS FROM CONGRESS

(By Louis Fisher)

(Mr. Fisher is the author of President and Congress: Power and Policy, to be published by the Free Press in January.)

According to the Budget and Accounting Procedures Act of 1950, it is the policy of Congress that the accounting of the government provide "full disclosure of the results of financial operations, adequate financial information needed in the management of operations and the formulation and execution of the Budget, and effective control over income, expenditures, funds, property, and other assets." Despite that general policy, it has been estimated that, in a budget for fiscal 1972 of $229.2 billion, secret funds may amount to $15 billion to $20 billion.

The financing of the war in Vietnam illustrates how billions can be spent for programs known to relatively few Congressmen. In September 1966, President Johnson expressed his "deep admiration as well as that of the American people for the action recently taken by the Philippines to send a civic action group of 2,000 men to assist the Vietnamese in resisting aggression and rebuilding their country." Other announcements from the White House created the impression that not only the Philippines but Thailand, South Korea, and other members of the "Free World Forces" had volunteered troops.

However, hearings held by the Symington subcommittee in 1969 and 1970 revealed that the United States had offered sizable subsidies to countries that involved themselves in Vietnam. It was learned that the Philippines had received river patrol craft, engineering equipment, a special overseas allowance for its soldiers sent to Vietnam, and additional equipment to strengthen Filipino forces at home. It cost the United States $38.8 million to send one Filipino construction battalion to Vietnam. Senator Fulbright said that as he saw it, "all we did was go over and hire their soldiers in order to support our then administration's view that so many people were in sympathy with our war in Vietnam."

The Philippine Government denied that U.S. contributions represented a subsidy or a fee in return for the sending of the construction battalion, but an investigation by the General Accounting Office confirmed that "*quid pro quo* assistance" had indeed been given. Moreover, there was evidence that the Johnson administration had increased other forms of military and economic aid to the Philippines in exchange for its commitment of a battalion to Vietnam.

The Symington subcommittee also uncovered an agreement that the Johnson administration had made with the Royal Thai Government, back in 1967, to cover any additional costs connected with the sending of Thai soldiers to Vietnam. The State Department estimated that U.S. support to Thai forces including payment of overseas allowances—came to approximately $200 million. A number of other expenses were also involved, such as modernization of Thai forces and the development of an antiaircraft Hawk battery in Thailand. The Foreign Ministry of Thailand denied that the United States had offered payments to induce Thailand to send armed forces to Vietnam, but GAO investigators revealed that U.S. funds had been used for such purposes as the training of Thai troops, payment of overseas allowances, and payment of separation bonuses to Thai soldiers who had served in Vietnam. An interim GAO report estimated that the U.S. Government had invested "probably more than $260 million in equipment, allowances, subsistence, construction, military sales concessions, and other support to the Thais for their contribution under the Free World Military Assistance program to Vietnam."

U.S. subsidies were used once again to facilitate the sending of South Korean forces to Vietnam. Assistance included equipment to modernize Korean forces at home, equipment and all additional costs to cover the deployment of Korean troops in Vietnam, additional loans from the Agency for International Development, and increased ammunition and communications facilities in Korea. To assure that the dispatch of men to Vietnam would not weaken the defensive capabilities of the Republic of Korea, the Johnson administration agreed to finance the training of forces to replace those deployed in Vietnam and to improve South Korea's anti-infiltration capability. From fiscal 1965 to fiscal 1970, Korea's military presence in Vietnam was estimated to have cost the United States $927.5 million.

The legal basis for this assistance to free world forces in Vietnam derives from authorization and appropriation statutes of 1966. Funds were made available to support Vietnamese "and other free world forces in Vietnam, and related costs . . . on such terms and conditions as the Secretary of Defense may determine." In 1967 assistance was broadened to include local forces in Laos and Thailand. Reports on such expenditures were submitted only to the Armed Services and Appropriations Committees of each house. One would not know from the general language of the statutes what type of financial arrangement the Administration might enter into, or with what country. Even staff people who had access to the reports said that they did not know the nature and dimension of financing the free world forces until hearings were held by the Symington subcommittee.

Legislation in 1969 and 1970 tightened up the language of the statutes somewhat by placing a ceiling on the funds that could be given to free world forces. Standards were also established for payments of overseas allowances. The "ceiling" of $2.5 billion exceeded the amounts spent in previous years, and did not constitute much of a restriction. The fiscal 1970 appropriation bill for the Defense Department included a proviso stating that nothing in the Act should be construed as authorizing the use of funds "to support Vietnamese or other free world forces in actions designed to provide military support and assistance" to the governments of Cambodia and Laos. The force of that restriction was diluted by another provision which declared that nothing in the Act should be construed "to prohibit support of actions required to insure the safe and orderly withdrawal or disengagement of U.S. Forces from Southeast Asia, or to aid in the release of Americans held as prisoners of war." On February 8, 1971, after the United States had granted support to South Vietnam's intervention in Laos, the State Department justified the U.S. support partly on the ground that it "will protect American lives."

Presidential spending discretion has been used in the last two years to spread the costs of the Vietnamese War to Cambodia and Laos. It was by exercising his transfer authority that President Nixon could extend financial assistance to Cambodia after his intervention there in the spring of 1970. At the end of the year, he appealed to Congress for $255 million in military and economic assistance for Cambodia. Of that amount, $100 million was to restore funds which the President had already diverted to Cambodia from other programs. Under Section 610 of the Foreign Assistance Act, the President may transfer up to 10 per cent of the funds of one program to another, provided that the second program is not increased by more than 20 per cent. Taking advantage of that authority, the Nixon Administration borrowed $40 million from aid programs originally scheduled for Greece, Turkey and Taiwan; took another $50 million from funds that had been assigned largely to Vietnam; and diverted still other funds, until a total of $108.9 million in military assistance had been given, or committed, to Cambodia.

In the waning days of the 91st Congress, legislators attempted to place two restrictions on Presidential actions in Cambodia. The Special Foreign Assistance Act of 1971 barred the use of funds to finance the introduction of U.S. ground troops into Cambodia, or to provide U.S. advisers to Cambodian forces in Cambodia. But in its bombing operations in Cambodia and in its subsequent "incursion" into Laos, the Administration interpreted air power in such broad terms as to circumvent much of the legislative restrictions. When helicopter gun ships can patrol at treetop level, the distinction between "air power" and "ground troops" begins to disappear.

The Special Foreign Assisance Act of 1971 also stipulated that military and economic assistance to Cambodia "shall not be construed as a commitment by the United States to Cambodia for its defense." This amounted to whistling in the dark, for it is clear that a commitment has nonetheless been made. As Secretary Rogers explained to the Senate Foreign Relations Committee, on December 10, 1970: "I think it is true that when we ask for military assistance and economic assistance for Cambodia we do certainly take on some obligation for some continuity." In an interview with Henry Bradsher of the Washington *Evening Star*, the Cambodian Foreign Minister said that he felt there was an unwritten treaty between the two countries: "I am convinced that there really is a moral obligation of the United States to help. We are confident that the United States will continue to help us."

The extent of this support was indicated in October 1971, when the Senate debated an amendment to the Foreign Assistance Act which would limit the total authorization to Cambodia to $200 million. The Administration opposed the restriction, contending that it would threaten the capacity of the Cambodian Government to defend itself. John N. Irwin III, Acting Secretary of State, offered Senator Fulbright this appraisal in a letter dated October 13, 1971: "We believe that with continued United States assistance at the levels requested by the Administration, the Cambodians with some external logistics and maintenance support will continue to make progress in defending their country from foreign invasion."

Thus our commitment is twofold: continued U.S. assistance and "some external logistics and maintenance support." Contemporary regulations on unauthorized commitments are explicit. The U.S. Code contains the following admonition: "No officer or employee of the United States shall make or authorize an obligation under any appropriation or fund in excess of the amount available therein; nor shall any such officer or employee involve the Government in any contract or other obligation, for the payment of money for any purpose, in advance of appropriations made for such purpose, unless such contract or obligation is authorized by law" [31 USC 665(a)]. Despite that rigorous language, the Administration can present Congress with a *fait accompli* and in effect compel it to appropriate the necessary funds.

Covert financing has also been used to support, through the CIA, such diverse activities as military operations in Laos and the broadcasting of U.S. information to Eastern Europe and Russia. The CIA can do this because of extraordinary authority over the transfer and application of funds. Section 10(b) of the Central Intelligence Act of 1949 provides that the sums made available to the CIA "may be expended without regard to the provisions of law and regulations relating to the expenditure of Government funds. . . ." For objects of a confidential nature, such expenditures are accounted for solely on the certificate of the CIA director, with each certificate deemed a sufficient voucher for the amount certified. Section 6 (a) of the Act authorizes the CIA to transfer to and receive from other government agencies "such sums as may be approved by the Bureau of the Budget" for the performance of any functions or activities authorized by the National Security Act of 1947. Other government agencies are authorized to transfer to or receive from the CIA such sums "without regard to any provisions of law limiting or prohibiting transfers between appropriations."

During February 1967 it was reported in the press that the CIA had been secretly subsidizing religious organizations, student groups, labor unions, universities and private foundations. President Johnson appointed a three-member committee, headed by Under Secretary of State Katzenbach, to review the relationships between the CIA and private American voluntary organizations. On March 29 the committee reported that covert CIA assistance had been made available by the last four administrations, dating back to October 1951. The committee recommended that "No federal agency shall provide any covert financial assistance or support, direct or indirect, to any of the nation's educational or private voluntary organizations." President Johnson accepted the committee's statement of policy and directed all agencies of the government to implement it fully.

A footnote to the committee's report explained that its statement of policy did not entirely close the door to covert financing of private voluntary organizations. Exceptions might be necessary: "where the security of the nation may be at stake, it is impossible for this committee to state categorically now that there will never be a contingency in which overriding national security interests may require an exception—nor would it be credible to enunciate a policy which purported to do so."

The CIA continued to finance the broadcasting that had been conducted by Radio Free Europe to Eastern Europe and by Radio Liberty to Soviet Russia. The continuation could have been justified either on the ground of national security or by identifying RFE and RL as foreign-based institutions as distinct from "any of the nation's educational or private voluntary organizations." The latter had been the thrust of the Katzenbach report.

In an address delivered in January, Senator Case said that several hundred million dollars had been expended from CIA budgets over the previous two decades for RFE and RL broadcasting. He introduced a bill to require that future financing of the two stations be subject to annual authorizations passed by Congress. President Nixon recommended in May 1971 that Congress create a tax-exempt nonprofit corporation to finance and supervise the two stations. The Senate Foreign Relations Committee rejected the President's recommendation. The full Senate, on August 2, upheld the committee. If the House goes along with this position, covert financing will be replaced by an open budget procedure of annual authorizations and appropriations for Radio Free Europe and Radio Liberty.

Senator Case, who sits on both the Appropriations and the Foreign Relations Committees, apparently had to rely on an article in *The Christian Science Monitor* to learn that the Administration had agreed to finance Thai troops in Laos. Further investigation by Senate staff members disclosed that the CIA was covertly financing 4,800 Thai troops fighting in northern Laos in support of the Laotian Government. The cost of the operation was initially estimated at between $10 million to $30 million a year. A staff report prepared for the Senate Foreign Relations Committee later disclosed that the CIA had spent at least $70 million in Laos during fiscal 1971.

In a letter to Secretary Rogers, Case asked whether the Administration considered the financial support of Thai troops in Laos to be in accord with the Cooper-Church provisions in the 1970 Defense Appropriations Act, which banned the payment of mercenaries except to protect a safe and orderly American withdrawal from Southeast Asia or to aid in the release of United States prisoners. The State Department replied that "nothing is being done that is not within present legislative auhority."

Senator McGovern introduced a bill last July 7 to require that proposed appropriations, estimated expenditures and appropriations for the CIA shall appear in the budget as a single item. His bill would also prohibit the use of funds appropriated to other departments or agencies from being spent by the CIA. McGovern explained that a single sum in the budget would permit members of Congress to judge whether that amount was too small, too large, or fully adequate to meet the needs of intelligence gathering. It would, in short, enable Congress to do what it is supposed to do: decide priorities. Moreover, Congress and the taxpayer would know for the first time the exact amount of money going into other government programs. The current practice is to inflate certain agency and departmental budgets in order to conceal CIA money. "As a result," McGovern observed, "we are led to believe that some programs are better financed than, in fact, they are. We have no way of knowing what these programs and agencies might be."

On the basis of a GAO report, Sen. Edward Kennedy charged that money appropriated for refuge programs, for public health, agriculture, economic and technical projects, and for the "Food for Peace" program, had been diverted to pay for CIA-directed paramilitary operations in Laos. During hearings held in January, the Joint Economic Committee noted that nearly $700 million in Food for Peace funds, over the past six years, has been channeled into military assistance programs. Since 1954, when Public Law 480 was enacted, $1.6 billion of funds generated by Food for Peace have been allocated to military assistance.

Statutory authority exists for this purpose, but few members of Congress were aware that Food for Peace was such a capacious vehicle for military assistance. Nor could they have gained that understanding by reading the budget, which describes Food for Peace in these terms: "The United States donates and sells agricultural commodities on favorable terms to friendly nations under the Agricultural Trade Development and Assistance Act (Public Law 480). This program combats hunger and malnutrition, promotes economic growth in developing nations, and develops and expands export markets for U.S. commodities."

Senator Proxmire castigated this use of rhetoric to conceal the nature of the Food for Peace program. "This seems to me," he said, "to be kind of an Orwellian perversion of the language; food for peace could be called food for war." He joined with Senators Humphrey, McGovern and Mansfield in introducing S.905, a bill to repeal certain provisions relating to the use of Food for Peace funds for military purposes.

No one can determine from a present-day budget how much is spent for military assistance. For instance, the budget for fiscal 1972 estimates 1971 outlays for military assistance at $1.175 billion in Defense Department funds, plus an additional $504 million in supporting assistance. The total is apparently $1.679 billion. This past January, however, Senator Proxmire obtained from the Defense Department its estimates for the military assistance program and foreign military sales. The amount of military assistance for fiscal 1971 was as follows: (1) $3.226 billion in MAP, military assistance service funded and related programs; (2) $600 million in supporting assistance; (3) $7 million in additional public safety programs; (4) $143 million in Food for Peace funds for common defense purposes; and (5) $2.339 billion in military export sales. The total: $6.315 billion.

Several months later Senator Proxmire introduced S.1129, which would remove from the Defense Department its present involvement in service-funded military aid ($2.5 billion). All remaining military assistance programs would be put under the Department of State. The effect would be to return the responsibility for authorizing military assistance funds to the Senate Foreign Relations Committee and the House Foreign Affairs Committee.

The war in Southeast Asia has emphasized the fact that, although Congress still retains the power to appropriate money, it is fast losing control over how it is spent. The executive branch—through its ability to transfer funds, impound money, create unauthorized commitments, and engage in covert financing—now holds a substantial portion of the spending power. It does no good to bemoan that fact or complain of executive usurpation. Congress will have to legislate back into reality its traditional "power of the purse." In the steel seizure case of 1952, Justice Jackson reminded Congress of the maxim, "The tools belong to the man who can use them." His parting observation then is pertinent still: "We may say that power to legislate for emergencies belongs in the hands of Congress, but only Congress itself can prevent power from slipping through its fingers."

## WHO WILL BE THE JUDGE OF GENOCIDE?

Mr. PROXMIRE. Mr. President, the fear has often been expressed that if the United States ratifies the Genocide Convention American citizens will be arrested and hauled into foreign courts for alleged acts of genocide in the United States. Is this a justified concern?

The Interim Convention on Conservation of North Pacific Fur Seals provides a useful precedent. The Fur Seal Convention also attempts to deal effectively with potential violators. Article VI of the Fur Seal Convention outlines a detailed procedure to be followed. Among other things it gives the Soviet Union the right to board American fishing vessels on the high seas, to search the vessels, to arrest people on board and seize the vessel for any treaty violation, and to take those persons and the vessel to a Russian port until such time as they are turned over to American officials. This provision is enacted into law in 16 U.S.C. 1151 and 1155.

The Senate in ratifying the Fur Seal Treaty and the Congress in enacting the above named legislation believed that the safeguards provided—that the Soviet Union would not arrest our citizens or seize our vessels without probable cause and in any case would return them to the United States for trial—were adequate.

The Genocide Convention is far short of the Fur Seal Convention in the powers it accords foreign jurisdictions over American nationals. In fact, the Genocide Convention explicitly states that persons charged with genocide are to be "tried by a competent tribunal of the state in the territory of which the act was committed." This clearly denies foreign courts the authority to try Americans for acts allegedly committed in the United States.

There is, of course, nothing we can do to prevent another country from seizing visiting Americans indiscriminately and trumping up false charges against them. But this could happen whether or not we ratified the Genocide Convention. As to possible extradition, there should be no concern about our Government turning Americans over to foreign courts who will not give them a fair trial; it is a firm policy of the United States to refuse extradition unless the person is guaranteed a trial with all the protections of the Bill of Rights.

Mr. President, the safeguards in the Genocide Convention are more than adequate. The Senate should ratify the Genocide Convention without delay.

## NOMINATIONS TO THE SUPREME COURT

Mr. FANNIN. Mr. President, during the past 2 weeks the Committee on the Judiciary has been holding hearings on the nominations of William H. Rehnquist and Lewis F. Powell as associate justices of the Supreme Court.

The committee members have had an ample opportunity to look into the background of the two nominees, and there was extensive questioning by committee members at the hearings. Witnesses for and against the nominations have appeared.

Now there will be a brief delay before the next step in the confirmation process is taken.

When all the returns are in, I am confident that both men will be confirmed overwhelmingly.

Meanwhile, I invite the attention of Senators to two articles published in the press today.

Mr. President, the first article is from the New York Times, and I ask unanimous consent that it, at this point, be printed in the RECORD:

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the New York Times, Nov. 11, 1971]

### THE REHNQUIST DILEMMA

(By Tom Wicker)

The spectacle of Senator Edward Kennedy defending the reputation of William Rehnquist against allegations by Joseph Rauh of the A.D.A. suggests the painful dilemma in which liberals and civil libertarians have been placed by Mr. Rehnquist's nomination to the Supreme Court.

This nomination is not like that of Clement Haynsworth, whom President Nixon earlier tried to put on the Court. Judge Haynsworth was not confirmed by the Senate on the ostensible ground that his record on the bench showed a lack of perception of possible conflict-of-interest situations.

Nor is the Rehnquist case similar to that of Mr. Nixon's other rejected nominee, G. Harrold Carswell. Judge Carswell was found to have made misstatements to a Senate committee, and his confirmation hearings disclosed a glaring lack of qualification for the Supreme Court.

The Rehnquist matter is not even like that of Lewis Powell, whom Mr. Nixon has also named to the Court.

Mr. Powell is a pillar of the Southern establishment, a good credential in the Senate; he is 64 years old and his tenure on the Court will be limited by that; he is not expected by most observers to become a powerful leader within the Court.

Mr. Rehnquist is a horse of a very different color. At 47, he can look forward to a long and active tenure on the bench. Moreover, his record is that of a hard-working and vigorous champion of conservative political causes, both in Arizona and within the Nixon Administration. Persons in and out of the Administration who know his work credit him with superior intellect and skill in the law.

Thus Mr. Rehnquist on the Court is altogether likely to become a driving force for the principles he espouses. There are those who believe that as the years go along he will be a more formidable leader than Chief Justice Burger in the conservative wing of the Court—a wing that may already be in the majority on some issues and will almost surely become dominant if Mr. Nixon wins another term in the White House.

It is no wonder, then, that liberals and libertarians are desperately casting about for means of defeating the Rehnquist nomination in the Senate. Mr. Rehnquist's record of opposition to civil rights measures, his strong advocacy of state powers that would threaten Bill of Rights guarantees—at least what many people passionately believe to be guarantees—his youth and his obvious leadership qualities might alter the course of the Supreme Court for decades to come.

But the hard fact is that no one has as yet produced any evidence of the kind of ethical tangles that ruined Judge Haynsworth's chances—and before that led to the resignation of Abe Fortas from the Court; nor has anyone been able to identify misstatements like those that sank Judge Carswell, let alone a lack of legal or intellectual qualifications.

It was, in fact, on the matter of Mr. Rehnquist's integrity that Senator Kennedy rebuked Mr. Rauh. The latter had suggested that the nominee had been less than candid in denying ever having been a member of the John Birch Society. The Senator could hardly be sympathetic to a man of Mr. Rehnquist's views, but he insisted that the nominee's basic integrity was unchallenged.

So the real question before the Senate is whether it can, or should, reject Mr. Rehnquist solely because of his political views. On the one hand, the writers of the Constitution, in giving the Senate the power to confirm or reject Presidential nominees to the judiciary, clearly meant the legislative branch to play a substantive role with the executive branch in this process. The Senate has the right, therefore, to judge for itself the qualifications of a man to sit on the Supreme Court.

On the other hand, to make that judgment solely on the basis of his political views (which, after all, may change) is dangerous business. It presumes some kind of rightful political orthodoxy; it would tend to politicize the courts according to the temporary political coloration of Congress; it could punish some individuals for their ideas and frighten others out of having any.

Moreover, it is bound to lead to retaliation, as it did when Republicans and conservatives defeated President Johnson's nomination of Justice Fortas to be Chief Justice, at least partially on political grounds. Paying off that score had a good deal to do with Judge Haynsworth's subsequent rejection.

It may be argued that Mr. Nixon should not have handed Senators this dilemma by appointing an activist political figure to a nonpolitical court; but the precedents are ample, and the Senate is likely to compound the damage if it denies Mr. Rehnquist his Court seat solely because of his political views.

Mr. FANNIN. Mr. President, the second article is an editorial in today's Washington Evening Star. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Nov. 11, 1971]

### THE ADVOCATE

Since our original conditional endorsement of the nominations to the Supreme Court of Lewis F. Powell Jr. and William H. Rehnquist, we have made no further comment on President Nixon's choices. Our reticence was based both on the two men's obvious intellectual credentials and on the failure of their opponents to produce anything untoward in their judicial or personal backgrounds.

We break this silence now on the basis of no new evidence either for or against Powell and Rehnquist. But we cannot remain mute in the face of the campaign of innuendo and smear, ineffective as it has been, against Rehnquist.

On Tuesday, in joint testimony before the Senate Judiciary Committee, Clarence Mitchell and Joseph L. Rauh Jr., of the Leadership Conference on Civil Rights (a pressure group of 127 labor, religious and civil rights organizations), launched an attack against the assistant attorney general the vagueness of which was matched only by its intemperance.

The 47-year-old Arizonan, Mitchell and Rauh maintained, was "a laundered McCarthyite" whose confirmation would be "an insult to Americans who support civil rights." By Rehnquist's appointment, Mitchell said, "the foot of racism is placed in the door of the temple of justice." An affidavit by Rehnquist to the effect that he is "not now and never has been a member of the John Birch Society" drew from Rauh the remarkable statement that this served only to raise fresh doubts about Rehnquist's possible association, a remark which even Senator Kennedy, who marches to the civil rights drum, could not stomach.

To the extent that one can determine what it is that Rehnquist's foes are driving at, it seems that they charge him with opposing a Phoenix open accommodations ordinance in 1964, of denouncing civil rights marchers in the same year and of fighting efforts to wipe out de facto school segregation in Phoenix in 1967.

The curious thing about the entire exercise is that Powell, who has come in for virtually no criticism, almost certainly is just as conservative as Rehnquist. One is left with the distinct impression that the civil rights lobby has decided to stage a symbolic fight to prevent Rehnquist's confirmation because his more active judicial role—his function as a Justice Department advocate—makes him more vulnerable than the Virginian.

What Mitchell and Rauh are saying is roughly similar to the dictum of the East European Stalinists: "If you are not with us, you are against us." What they fail to see—or pretend to fail to see—is that the actions and statements of Rehnquist (like those of Powell) stem less from any anti-civil rights or anti-Negro animus than from a consistent and overt conservative judicial philosophy which holds that there are principles of equal or greater importance than those to which Mitchell and Rauh give their exclusive and sectarian devotion.

We are unaware of any constitutional prohibition against the presence of a conservative on the Supreme Court. Nor can we find in the small print of the Bill of Rights any requirement that appointees subscribe to the dictums of the American Civil Liberties Union, the Leadership Conference on Civil Rights, or any other pressure group.

On the basis of all the testimony to date, Powell and Rehnquist emerge as men of integrity, consistency, professional competence and intellectual distinction. The attack by Rauh and Mitchell, itself a classic example of "laundered McCarthyism," was, to say the least, bush league. If that is the best (or worst) their opponents can produce, both men should be speedily approved by the Senate, as indeed they almost certainly will be.

## WATER POLLUTION CONTROL BILL REFLECTS SENATE RESPONSIBILITY IN PASSAGE OF WELL REASONED LEGISLATION

Mr. RANDOLPH. Mr. President, only a few days ago the Senate passed, 86 to 0, the water pollution control bill. It is well reasoned legislation, and I hope there will not be an attempt to turn aside from the thrust of this needed measure. In an effort to clarify the situation, and also to set forth my feelings on this subject, I ask unanimous consent to have printed in the RECORD a release I gave to the news media earlier today.

There being no objection, the news release was ordered to be printed in the RECORD, as follows:

Sen. Jennings Randolph (D-W. Va.), Chairman of the Committee on Public Works, today issued the following statement:

On November 2, the Senate passed the Federal Water Pollution Control Act Amendments of 1971 by a vote of 86–0.

Since that time there have been disturbing reports that the Administration is dissatisfied with the contents of this bill to the extent that it is reportedly mounting a campaign to drastically change its provisions during consideration by the House of Representatives.

We are told that insufficient attention was given to fundamental changes in existing law and that the states should play a greater role in enforcing anti-pollution requirements. This indicates a lack of knowledge of both the provisions of the bill and how they were developed by the Committee on Public Works.

It is incredible how much misinformation is being circulated by people who apparently have not even taken time to read the bill or the debate on it prior to passage.

Throughout the development of this bill, I was aware that various provisions were not to the liking of numerous interests. This of course, is a familiar situation, particularly on legislation of such wide impact as that concerning water pollution.

The measure was not hastily assembled. Our Subcommittee on Air and Water Pollution, chaired by Senator Edmund S. Muskie, conducted 30 days of public hearings. Before the Committee were 15 bills addressed to various water pollution questions. The provisions of all of these were open for discussion and many additional ideas were elicited during the hearings.

The bill reported from the Committee was a composite measure, incorporating provisions or ideas from all of these sources.

The subcommittee and the full committee met in 45 executive sessions on this single bill before we were satisfied that it was the best legislation on which we could agree to end pollution of our country's waters.

Members of the Committee and staff conducted a continuing dialogue with representatives of government agencies, industry and other concerned groups. William D. Ruckelshaus, Administrator of the Environmental Protection Agency, Russell E. Train, Chairman of the Council on Environmental Quality, and others met with us to review the then pending bill. We attempted to understand their viewpoints and to accommodate our thinking to theirs where possible.

The provisions under consideration were given broad exposure so that details could be worked out with all concerned. At one point, informal comments by government agencies were solicited and made available to all Committee Members.

We knew that in some areas the Administration disagreed with the Committee. I had no indication, however, that its disagreement was as intense as that indicated in subsequent news reports. I am frankly disturbed by the apparent attitude adopted by the Administration, particularly since the Committee felt it had a good working relationship in an area of common concern and one that should not be subjected to partisan maneuvering.

Administration spokesmen encouraged us to write a bill with strong authority over pollution control vested in the Federal government. We did so, reserving to the states a significant responsibility in control activities and primary authority in planning.

The insistence of the Administration now for greater state authority is inconsistent with what the committee was earlier led to believe was its position. It causes me to wonder if there is any agreement within the Administration on how best to eliminate pollution.

Eliminating water pollution on a national scale is a complex undertaking. I make no pretense that the bill passed unanimously by the Senate is perfect, but it is the most advanced such document yet developed.

This bill is strong, tough and will be effective. It is also generally fair legislation that doesn't make unreasonable demands or grant exceptions where they are not warranted.

At the time the bill was ordered reported by the Committee, we received a number of inquiries from Governors. I am sending to each Governor a copy of the Senate debate on the water pollution bill so they can read for themselves the attention that was given to state responsibility in this legislation.

During its consideration by the House of Representatives, I hope the Administration will openly and precisely state its objections to the bill so they can be properly considered.

## MANCHESTER, N.H., A CITY THAT WOULD NOT DIE

Mr. COTTON. Mr. President, one of the proud chapters in the history of the State of New Hampshire took place in the 1920's when the Amoskeag Manufacturing Co., the world's largest cotton mill, closed its doors precipitating a crisis of a magnitude that has been faced by few communities in this Nation. Amoskeag had furnished employment to 17,000 persons, most of them heads of families in a city of only 80,000 population.

How Manchester met this challenge is ably described in an article entitled "A City That Wouldn't Die," written by Lindley H. Clark, Jr., and published in the Wall Street Journal of November 9, 1971. The author draws some conclusions from the story of the city that lifted itself by its bootstraps with little or no outside aid that should be of interest to all of us.

I ask unanimous consent that the article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Nov. 9, 1971]

### A CITY THAT WOULDN'T DIE

(By Lindley H. Clark, Jr.)

MANCHESTER, N.H.—Like many New England communities, Manchester offers glimpses of America's past. In Manchester's case, though, the past that's recalled is the roaring industrial growth of the 19th Century, not the relative calm of Colonial days.

The area along the Merrimack River was settled as early as 1722, but there was no more than a tiny village here until early in the following century. Then Judge Samuel Blodgett built a canal to bypass the Amoskeag Falls and turn the river into a waterway leading to Boston. And Benjamin Prichard, who hadn't had much luck with a cotton mill at New Ipswich, N.H., decided to try again at Manchester.

Poor Benjamin didn't fare very well here either, but he started something. The business was reorganized and reorganized again, and finally in 1831 it became the Amoskeag Manufacturing Co.

One by one the company built the huge four-and-five-story brick mills that now march down the banks of the Merrimack for more than a mile. When the final mill was constructed, early in the present century, the vast complex contained some 8 million square feet of floor space, more than double the floor space in the Pentagon. At its peak the Amoskeag was the world's largest cotton mill, employing 17,000 persons in a city of around 80,000.

The Amoskeag not only dominated the city; in a sense it was the city. The company recruited its population, sending its agents to England, Ireland, French Canada and southern Europe to enlist workers. To accommodate employes who could not build their own homes the company put up row after row of three-story "corporation houses," also of red brick and flanking the sprawling mill yard.

In the 1920s, however, this textile empire began to come apart. Perhaps size made the company's managers complacent. In any case, machinery was allowed to become obsolescent. Silk and rayon began to win business from cotton, but the Amoskeag went right on producing only cotton. Southern textile mills paid lower wages and began taking business from New England. Import competition grew. Finally came the depression and, in 1935, the Amoskeag filed for bankruptcy.

Seldom has one city been hit so hard. Aside from the usual relief programs government did little to soften the blow. Instead, a group of Manchester citizens somehow managed to scrape together $5 million to buy the company properties, from Amoskeag Industries Inc., and set out seeking new tenants for the now-darkened mills.

It was slow, painful work, but gradually new companies came. As a recent Chamber of Commerce brochure puts it, "No longer did the city's future hinge on the fortunes of one immense company . . . and today there are some 250 industrial establishments in the city."

Yet multistory mill buildings, some of them a century old, cannot alone sustain a modern industrial city; many companies prefer spread-out single-story plants. So Manchester, having overcome disaster, now is trying to adjust to the future.

Close to 20% of the mill buildings, those that are least adaptable to current needs, have been or will be razed. The space freed in the mill yard provides room for improved receiving and shipping facilities and modern utilities. The buildings were almost fully occupied before the razing began, so a new industrial park was built nearby primarily to accommodate the firms displaced.

A local military air base was acquired and now is the site of an industrial air park, an attraction to aviation-oriented companies. The old corporation houses, which easily could have become slums, have instead been lovingly preserved.

Even the current economic uncertainty has touched Manchester relatively lightly, at least up to now. Area unemployment is only 4.4% of the labor force, compared with the nearly 6% national average.

Yet there is a change of attitude, and to some extent the change seems to trouble the city. New Englanders always have prided themselves on their self-reliance, the sort of spirit that pulled Manchester through the collapse of the Amoskeag. And local businessmen now are a little apologetic when they note that rehabilitation of the mill yard, as well as some other local improvement projects, is being achieved only with sizable federal financial help.

Federal financial aid is too common around the country for it to be any cause for shame, here or anywhere else. Moreover, the visible evidence at least seems to indicate that the federal funds have been and will be well spent. Nonetheless, the idea of federal subsidies creates a little discomfort in Manchester, which was pleased with the title of "the city that refused to die."

No such discomfort shows up, however, in talk of another sort of federal subsidy—the textile import quotas recently negotiated with Japan and other Asian countries and the Nixon administration's 10% import surcharge. As far as Manchester businessmen are concerned, these arrangements are merely provisions to assure "fair" trade.

Despite the city's energetic efforts to diversify, close to two-thirds of its manufacturing still is in the "soft goods" category. That includes shoes and—despite the death of the Amoskeag—textiles, two types of products that have been especially affected in recent years by import competition.

Like their counterparts elsewhere in the nation local business executives talk of the wide gap in wages between the U.S. and foreign countries. More discouragingly, some of them seem to believe that foreign nations have so surpassed the U.S. in efficiency that even more equal wages wouldn't solve all the problems.

The feeling in Manchester is that even a national return to more prosperous times won't be a tremendous help, unless some ways are found to keep imports from absorbing most of the growth in the domestic market. The textile quotas, businessmen say, are fine as far as they go but they may be too little and too late, even for the textile industry. Their answer? Obviously, more and broader protection.

There's nothing unusual in this sort of attitude, of course; it's shared by other import-affected towns around the land. Here in the city that would not die, though, it can make a visitor feel a little sad.

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## DEEP UNDERCURRENT OF DISTRUST FOR STABILIZATION PROGRAM

Mr. PROXMIRE. Mr. President, last Sunday I attended a most salutary meeting in Milwaukee. I expected to speak for 30 or 40 minutes before a group of 100 to 200 trade unionists on the wage-price freeze and the steps now being undertaken under Phase II of the President's program.

Instead of 100 to 200 people, the audience, in my judgment, numbered at least 400 to 500. The room was packed. Instead of a normal speech with polite questions which lasted 40 minutes or so, I was there for about 3 hours.

Contrary to the public opinion polls which tell us that the stabilization program has almost unanimous support in the country and that the feeling in its favor is both strong and deep, not one single person at that meeting last Sunday stood up to support the freeze or Phase II of the stabilization program. And member after member of the trade unions represented there came forward to the microphone to express his opinion.

### FEELING OF UNFAIRNESS

There was widespread feeling that the freeze worked with respect to wages, because the employers enforced it by refusing to grant any increases. But there was equally wide feeling of distrust and suspicion that this was a one-way street and that prices were still going up. The most recent Consumer Price Index release for September, when the frozen prices rose by an annual rate of 4.8 percent while the unfrozen prices actually dropped, did nothing to dispel this overwhelming feeling.

There were strong and heated views that fairness dictated that the agreements entered into before the freeze, which called for raises between August 15 and November 13, should be put into effect. There was both fear on the part of these men and women that their retroactive increases would not be allowed and outrage that this was the case. And their suspicions were confirmed on Monday when a split vote of 10 to 5 the Pay Board refused to make good these retroactive increases.

### RANK AND FILE SUSPICION

What I am trying to convey to the Senate and to the public is that there is a far deeper feeling of suspicion and distrust among the rank and file of the American people over the essential fairness of the freeze and of the Pay Board and Price Board decisions than statements by the administration, political pundits, editorial writers, and pollsters would indicate.

I am trying to warn the administration and Congress that the sense of suspicion and resentment can only be put to rest if we legislate in a responsible and intelligent way.

### MUST LEGISLATE CAREFULLY

We must make certain that the freeze against prices is as effective as the freeze on wages.

We must be certain that legal contracts, in which working men and women gave in on working rules or working conditions in return for wage increases, are not abridged or abrogated.

We must make certain that consumers have a method of bringing actions against price increases which is equal to the ability of employers to enforce wage freezes. We must be certain that standards are set by law which guarantee that American citizens cannot be acted against arbitrarily by Government bureaucrats with unchecked power.

The fact is that contrary to the general assumption there is a deep sense of unfairness based upon some very legitimate complaints against both the freeze and the stabilization program.

As proof of my statements, I ask unanimous consent that two articles, one from the Milwaukee Sentinel, the other from the Milwaukee Journal, for Monday, November 8, 1971 be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Milwaukee (Wis.) Journal, Nov. 8, 1971]

### FROZEN PAY GRIPES GIVEN TO PROXMIRE

(By James W. McCulla)

If labor throughout the United States feels the way labor on Milwaukee's South Side did Sunday, Phase 2 of President Nixon's economic recovery program would appear to be in trouble.

One person after another stood up to tell Sen. William Proxmire (D-Wis.) that their families were hurting badly and desperately needed more money, despite the national effort to keep a lid on wages.

French workers knew what to do when the late President Charles de Gaulle tried to block meaningful wage increases in a similar situation in 1969, said Carlyle Shepard, a member of United Electrical Union Local 1111 at Allen-Bradley, sponsor of the meeting.

#### WORKERS' PLEA

"They pulled that damned country down around his ears for a few days," said Shepard, declaring that maybe President Nixon deserved the same treatment if the working man's anguished cry for relief went unheeded.

Describing how he was denied two 12 cent an hour increases and his wife—who had to go to work to help make ends meet—a 5 cent raise by the freeze, Nick Ballas, a former president of the local, declared: "We're sick and tired of it. We can't take any more of that, Bill. We're behind the way it is. We can't stand wage freezes."

The impassioned statement evoked thunderous applause from the 400 persons crowded into Machinists Memorial Hall, 1650 S. 38th St.

#### MEETING PRAISED

And although he was attacked several times for supporting wage curbs, Proxmire repeatedly said that the meeting was the best he had ever attended in his 14 years as a senator.

Most working families breathed a sigh of relief when Nixon announced the wage-price freeze Aug. 15 because it appeared that prices would be frozen, said Robert Esposito, president of Utility Workers Local 3 at the Wisconsin Natural Gas So.

Now labor realizes that the freeze "was a colossal fraud" because prices continued to rise steadily, given impetus by some "crass violations," Esposito charged.

Employers are doing an outstanding job of policing the wage freeze, but who is policing the price freeze? he demanded to know.

President Nixon "picked the pockets of every man and woman in this country," charged Robert A Smith, chairman of the Local 1111 legislative and public affairs committee. He noted that there had been no freeze on profits or tax increases.

"I agree that it (inflation) is a complicated problem," said David T. Silverstein, an American Motors employe. "But why take it out on people least able to take a pay cut?" Persons earning the least amount of money are asked to bear the most under the program, he said to substantial applause.

The chief cause of inflation is deficit federal spending brought on by huge military outlays, charged Ernest De Maio, Chicago, executive vice president of the United Electrical Workers International.

#### REAL PAY DROPS

He said the real take home pay of a manufacturing worker with three dependents had dropped $2.58 per week between 1967 and 1970 because of inflation, showing that workers were not the instigators of inflation but the victims of it.

"The corporations are slick," he said, because they always announce their price increases immediately after they negotiate wage increases to make it appear that wages are the cause.

The president's economic policy is "only one of a series of attacks on labor by the Nixon administration," De Maio charged.

#### PROXMIRE'S VIEWS

Disagreement with Proxmire's backing of the wage freeze was evident throughout the meeting, but it was restrained and at times even apologetic.

"You seem to be buying the concept that the cause of inflation is wages," Ballas said to the senator. "We just can't buy that. We know how we live and it's rough going."

Proxmire acknowledged his support for wage restraints.

But he shaid a labor contract was a "property right" and that increases due under it should be paid. Furthermore, he said he realized that real wages had declined "so a catchup was due."

#### CALLS FOR RESTRAINT

Nevertheless, it is "consistent to exercise some degree of restraint during the bargaining process," Proxmire said. "You can't have 8% to 15% wage increases without increased prices. You have to keep that in mind if you're going to be honest about this."

Proxmire said Congress should reject the president's request for continued authority to to impose wage and price restraints until it saw whether the Pay Board, established under the Phase 2 program to set pay increase policies, did its work well.

The senator acknowledged that the wage freeze meant tough sledding. The answer is strict price control, he said. He charged that the administration had done virtually nothing to control prices and he urged unions and other groups to begin policing prices with group lawsuits against alleged violators.

He got a big hand when he declared that wasteful military spending was the chief cause of inflation and that the country ought to "get out of Vietnam and get out now."

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[From the Sentinel (Wis.), Nov. 8, 1971]

### LABOR'S IRE DIRECTED AT PROXMIRE

(By Gordon Gottlieb)

Sen. Proxmire (D-Wis.) tasted some of organized labor's disenchantment with his recent voting record here Sunday.

But to veiled threats that some segments of labor might work against his re-election next time, Proxmire calmly observed that he did not feel he was elected "to be a rubber stamp . . . but to do what I thought was correct."

About 400 persons crowded into Cream City Lodge 1061, International Association of Machinists, 1650 S. 38th St., Sunday morning to hear Proxmire answer questions on the wage-price freeze.

On Saturday, during a press conference here, Proxmire had announced that he would not seek the Democratic nomination for president.

And one of the reasons he cited for deciding against making the race was opposition from big business and labor resulting from his campaigns against development of a supersonic transport (SST) and the government loan guarantee for Lockheed Aircraft.

Both meant thousands of jobs to labor, which has been hard hit by unemployment. during an inflationary economy.

Proxmire said he could not expect either big business or labor to help finance a presidential drive for him.

Proxmire, who is chairman of the Joint Economic Committee of Congress said Sunday that the group has held five weeks of hearings on ways to control inflation and improve the job picture, but still doesn't have all the answers.

#### WAGE HIKE, PRICE LINK

Two things the committee has learned, he said, are that increasing employment should not be used to fight inflation, and that a connection exists between wage settlements and price hikes.

Most of those present didn't like to hear the latter from a man they had voted to keep in the Senate.

Nick Ballas, a former president of United Electrical Workers Local 1111 at Allen-Bradley Co., told Proxmire, "You seem to be buying a concept that wages bring high prices."

Proxmire said that economists are convinced that labor cannot negotiate wage settlements of 8 to 15% without "having a reflection on increased prices."

#### FAVORS LOWER RATE

Workers would be better off with a 3% increase in real wages, if the administration was able to hold the line on prices, he said, but the administration has not been doing this.

According to Proxmire, there has been only a single government prosecution for alleged violation of the president's freeze as it pertained to prices. That was against the Atlanta Falcons of the National Football League for increasing ticket prices.

Proxmire suggested that consumers file class action suits against businesses and industries they know have violated the price freeze.

Proxmire said he thought the Pay Board should approve all contracts that were negotiated before the freeze, but cannot take effect until it ends, provided they are not extremely inflationary.

#### SPENDING CRITICIZED

He agreed with Ernest DaMano of Chicago, international vice president of the UE, that wasteful government spending, including the Vietnam War, was primarily responsible for inflation.

Proxmire said he favored having Congress withhold extending President Nixon's authority to invoke economic controls until "we see how the Pay Board works.

"We should keep the president on a short leash."

Mrs. Mary Shokatz, president of Local 526 of the American Federation of State, County and Municipal Employes, which represents museum workers here, called for a congressional probe of companies that move operations to foreign soil after reaping heavy profit in US communities.

#### INQUIRY STARTED

Proxmire responded that he and other congressmen were already looking to the matter.

At another point, Proxmire said the city of Milwaukee probably would accept a fact finder's recommendations for settling its dispute with police, if the freeze does not interfere.

Proxmire said he felt that police here are "badly underpaid" when compared with officers in similar size cities.

Thomas P. Whelan, the fact finder, issued his advisory recommendations last week. A meeting between city and police union negotiators to discuss implementing the findings is set for Thursday.

#### OFFERS NEW LABEL

After a union man reminded Proxmire of Nixon's "Tricky Dick" label, the senator suggested that perhaps it should be changed to "Trickle Dick," because of the administration's theory that labor will receive trickle down benefits if no lid is placed on business profits.

Another man in the audience shouted: "In the union, we call it feeding the horses so the birds won't starve."

Proxmire blamed "a built-in bias" among congressmen for the longer time it takes to pass measures of benefit to labor, as compared with decisions to take injunctive action in some strike situations.

> He said that members of Congress get very high salaries and associate primarily with representatives of big business, because despite labor's heavy financial backing of some candidates, big business contributes much more.

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## CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

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## SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1971

The ACTING PRESIDENT pro tempore. Under the previous order, the Chair lays before the Senate the unfinished business, which will be stated.

The legislative clerk read as follows:

> A bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

The Senate proceeded to consider the bill.

The ACTING PRESIDENT pro tempore. Who yields time?

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be taken out of the time on the bill.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. HOLLINGS). Without objection, it is so ordered. Who yields time?

Mr. HUMPHREY. Mr. President, will the Senator from Arkansas yield me 3 minutes?

Mr. FULBRIGHT. I am happy to yield 3 minutes to the Senator from Minnesota.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 3 minutes.

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## THE SALT TALKS AND SENATOR PERCY'S GOOD ADVICE

Mr. HUMPHREY. Mr. President, I had hoped to be in the Chamber at the time the distinguished Senator from Illinois (Mr. PERCY) addressed the Senate this morning on the subject of the SALT talks and the discussions underway in the Soviet Union directed toward limitation of the strategic nuclear weaponry, both defensive and offensive.

Regrettably, it was not possible for me to be here because of a commitment to attend another meeting.

Yesterday, I was privileged to see a copy of the distinguished Senator's speech, so I take this opportunity to commend him for his leadership and his wise counsel.

The distinguished Senator from Illinois has raised his voice, in a sense, not so much to warn but to counsel the Soviet Union that it must act in good faith in the nuclear arms limitations talks if it wishes to have an arms limitation treaty or negotiation that is at all acceptable. He has counseled and advised the negotiators at the conference table at Vienna and Helsinki who are engaged in the strategic arms limitations talks that to move ahead at an ever-increasing rate of arms deployment in the nuclear field merely threatens the possibility of any kind of agreement.

Mr. President, the Soviet Union may be engaged in a tremendous effort to deploy large numbers of its land-based missiles and to expand in substantial numbers its submarine missile fleet.

As the distinguished Senator from Illinois (Mr. PERCY) has noted, such an effort on the part of the Soviet Union, I think, would serve only to fuel the arms race, not halt it. The Senator from Illinois has called for a zero level ABM agreement and limits on offensive missile systems for both the United States and the Soviet Union.

He has noted that this approach and this goal would make possible the deferral of new offensive systems and would signal other nations that the SALT talks are not now being directed against them.

He also notes that a zero level ABM and limits on offensive weapons systems would prevent an erosion in the deterrent capabilities of our allies.

As he has stated:

> It would allow budgetary savings of billions of dollars for both the United States and the Soviet Union.

Mr. President, it is my judgment that whether we can seek or obtain a zero level limitation on the ABM is highly questionable, but it is absolutely imperative that we reach an ABM agreement very soon. It is equally imperative that, with that limitation on defensive weapons, we move to the offensive area.

The Senator from Illinois has been one of the outstanding spokesmen in this body on the issue of arms control. I believe that he is making a prudent judgment. He is not given to rash statements. I would, therefore, hope that Senators would listen well to what he has to say, but more significantly, I would hope that our negotiators as well as the negotiators of the Soviet Union would understand that the remarks and the statements of the Senator from Illinois are not directed in a manner to be critical, but rather to be constructive and to lay down some perimeters of advice and counsel for successive negotiations.

I compliment the Senator. It is not a question of whether one agrees with everything he has said. As a matter of fact, I would like to see a zero limit on ABM's. It is just that I am not at all sure it can be immediately achieved. But a strict balanced ABM agreement can be achieved. I do hope, however, that the Soviet Union will get the message from a responsible Member of the Senate that any effort to seek advantage only fuels the arms race and does not halt it. I would hope that our own Government would get the message as well.

Mr. GRIFFIN. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER (Mr. HOLLINGS). The Senator from Michigan is recognized for 2 minutes.

## THE GERMANENESS RULE

Mr. GRIFFIN. Mr. President, the leadership on both sides has been diligently trying to enforce the rules of the Senate. One of the rules is the Pastore rule requiring that all debate during a 3-hour period after the business has been laid before the Senate be germane.

It was the judgment of the minority whip that the remarks being made by the distinguished junior Senator from Minnesota were not unrelated to the pending matter of military foreign assistance and, accordingly, I interposed no objection.

However, because I am conscious of the fact that this was a borderline interpretation I want to make clear to all Senators that no relaxation of the Pastore rule was intended.

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## SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1972

The Senate continued with the consideration of the bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

Mr. FULBRIGHT. Mr. President, I send to the desk an amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

> On page 2, line 11, strike out "$350,000,000" and insert in lieu thereof "$265,000,000".
>
> On page 2, line 16, strike out $350,000,000" and insert in lieu thereof "$300,000,000".

The PRESIDING OFFICER. Does the Senator wish the amendments to be considered en bloc?

Mr. FULBRIGHT. Mr. President, I ask unanimous consent that the amendments be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FULBRIGHT. Mr. President, this is a relatively simple amendment. It would reduce the amounts authorized in this bill by a total of $185 million, bringing the amounts down to the levels I proposed in committee. It would reduce military grant aid by $50 million, supporting assistance—other than for Israel—by $85 million, and military credit sales—other than for Israel—by $50 million.

I proposed these amounts in committee in an effort to hold the overall authorization close to the amount Congress appropriated in fiscal 1970. The last fiscal year is not a proper benchmark since there was a $1 billion supplemental late in the session. In fact, I believe that the amounts I propose are actually too generous. They total $185 million more than Congress thought was warranted for these same purposes 2 years ago. Let me emphasize that this amendment will in no way affect the funds in this bill for Israel; they are specifically earmarked.

I realize that we will hear dire predictions of what will happen if this amendment is passed—that it will endanger the withdrawal of our troops from

Southeast Asia, and that it will bring about the collapse of the economies of South Vietnam, Laos, and Cambodia. We have heard such predictions in the past about proposed cuts in foreign aid. I suggest that Senators take the current crop with a large degree of equanimity. The consequences of aid cuts never seem to match the predictions.

To illustrate: A story in the November 5 Washington Post, datelined Vietiane, Laos, which reports comments by U.S. officials on the consequences of aid cuts, ends with this paragraph:

> Breakdown of the economy through inflation, therefore, would leave most Laotians largely untouched. Below the country's small Lao elite, Laotians simply are not dependent on modern finance for survival.

In other words, life will go on—although the programs which serve, in large measure, to line the pockets of the rich may not.

A November 4 report from South Vietnam in the Washington Post relates that South Vietnamese businessmen "still prefer to put their money into Swiss banking accounts or short-term commercial investments rather than risk capital investments." If there were some way to make the South Vietnamese bring their money home from Geneva, Berne, and Paris and put it to work for their people, perhaps South Vietnam would not be calling for such large infusions of United States aid.

And, of course, the South Vietnamese know that there are ways, other than through this bill, to get economic aid. A news story that appeared in the September 11 Saigon Post contained an account of the comments of an unnamed "high ranking" official in South Vietnam's Economics Ministry—reportedly the Minister of Economics. The account reported that:

> He said he also believes President Richard Nixon would manage to extend adequate aid to Vietnam. "He knows how much we need, to what extent we can stand alone."
>
> President Nixon's usual recourse to increase aid to developing countries is the Department of Defense (DOD) budget. He can use part of the military budget in Vietnam for economic assistance here, the official said.

That is the key—as we have seen so often in the past—if something is wanted for Southeast Asia, just dip into the military budget.

Mr. President, I believe that the Senate should do everything possible to liquidate our involvement in Southeast Asia, where most of the money in this bill is to be spent. We do have an obligation to help repair some of the terrible damage we brought to the peoples of these countries, through humanitarian and other such assistance. But the kind of aid proposed here only enables, primarily, the continuation of the graft and corruption whose stench permeates the import programs proposed to be financed by this bill. It is time to put a stop to this Honda and Sony approach to running the economies of these foreign countries.

And it is time that we cut back on the grant military aid program and make these countries appraise their own security interests within some reasonable relationship to their own financial capacities. The extent to which we throw away money on military aid is illustrated by developments in Lebanon. It was recently reported that the United States, through the 1971 supplemental aid bill, gave Lebanon $5 million in military aid it had not even asked for. The unexpected gift, it was said, caught the Lebanese Government by surprise and "For a time it threatened United States-Lebanon relations." Now the Lebanese have turned to the Soviet Union for arms, primarily the article stated, because the U.S. gift started a chain reaction.

In Asia, where the bulk of the military aid money is to go, it makes little sense to seek normalization of relations with China on one hand and, at the same time, seek to continue to contain her through a combination of U.S. bases and U.S. supported armies throughout the region. The administration's military aid policy is quite inconsistent with—and is, in fact, in direct conflict with—the President's announced objectives of ending the war in Southeast Asia and restoring normal relations with China. This bill seeks to promote what, in practice, amounts to a policy of containment by proxy. I think it is time to take practical steps to move from the policy of confrontation to a policy of negotiation, as the President promised in his inaugural address. Reducing the funds for confrontation in this bill will help do that.

I urge that the amendment be approved.

Mr. GRIFFIN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 5 minutes.

Mr. GRIFFIN. Mr. President, I am not a member of the Foreign Relations Committee. However, if I might do so, I wish to direct a few inquiries to the distinguished chairman of the committee so that we might better understand the effect of his proposed amendment. I might say that I was not aware of the amendment until just at the point when he offered it since no printed copies were available.

I noticed that the reduction proposed is $85 million. It is my understanding that in section 3 of the bill there is $85 million specifically authorized for Israel.

Am I correct in assuming that there is no relationship as far as the $85 million is concerned, other than being the same amount of money? Am I correct in concluding that the amendment would not affect the authorization for Israel?

Mr. FULBRIGHT. It does not. The authorization for Israel is a separate line item. The amount is purely coincidental as far as the $85 million is concerned.

The Senator will notice that on page 2, line 11, there is $350 million for economic supporting assistance and my amendment cuts that to $265 million.

I may say to the Senator that this is the amount I offered in committee in an effort to make this bill conform as close as possible to the 1970 foreign aid.

The Senator knows that under the defense procurement bill there is an additional $2.5 billion for this same area. It strikes me that is quite a lot of money for Southeast Asia.

Mr. GRIFFIN. Mr. President, if I may direct another question to the distinguished chairman, he indicated that this amendment was offered in committee. I assume that the committee rejected it. Can the chairman give us any information about what the sentiment was in committee?

Mr. FULBRIGHT. I offered this in three bills. The bill I offered in military affairs carried these amounts. These were increased by a vote of 9 to 7, with the usual vote in which two Democrats joined the Republicans in voting this out. The vote was 9 to 7. I am reminded also that one of those votes was Senator KARL MUNDT's proxy. I am not sure this illustrates anything other than that the committee was closely divided on this issue.

Mr. GRIFFIN. I thank the distinguished chairman for his responses. I am glad to know the figure of $85 million, which is the same amount as the bill provides for Israel, is only a coincidence.

Mr. FULBRIGHT. It is purely a coincidence. The staff had been told to try to make these amounts conform to the 1970 appropriation. The Senator will note that subsection (2) earmarks $85 million for Israel only. In other words, no matter what happens to the other ceiling it will not affect this authorization.

Mr. GRIFFIN. I want to register my strong opposition to the pending amendment, which has been offered by the distinguished chairman of the committee. I feel that the bill as reported by the committee is not adequate. But certainly should not cut it further. I hope the amendment will be rejected.

Pending arrival of some other interested Senators, I suggest the absence of a quorum, with the time to be taken from this side.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I yield 5 minutes to the Senator from Illinois (Mr. PERCY).

Mr. PERCY. Mr. President, I view the pending amendment with grave concern. I think the Nation has fully supported President Nixon's initiative and decision to withdraw our American forces from Vietnam. As a part of that program, the Nixon doctrine was enunicated and was widely applauded on both sides of the aisle and throughout the country. The Nixon doctrine simply indicates that we are not going to be furnishing American manpower to nations fighting to defend themselves, but that we will provide material assistance and help.

I had the feeling at the time that if we could have gotten out of Southeast Asia when we had 540,000 men there, some arrangement could have been made with both North Vietnam and South Vietnam to rebuild the whole nation; that the United States would have been willing to put $10 billion into that effort if, by such a program, we could have shortened and stopped that war.

As I understand the amendment, it would cut into the heart of programs that we are carrying on for refugee assistance and relief in Vietnam. It would cut into the heart of the program that we have underway for land reform, to try to make more viable economic conditions for the people of South Vietnam so that they can actually see the end result of the struggle as beneficial to them.

After all, the Communists have moved into many areas there and have offered all sorts of panaceas to the people. An offer of hope on one side, if there is no evidence of real material benefit on the other side, could undercut our efforts. These programs have been carried on with the encouragement of our Government—reform of land ownership in South Vietnam; providing protection for refugees; money required to purchase materials, such as the distinguished Senator from Mississippi has pointed out to Senators in his letter; a program of acquiring chemicals, steels, and other basic commodities needed by these nations in their own self-interest and self-defense, 90 percent of such products being purchased from American corporations.

It would be foolhardy for us to reduce this program, to gut the Nixon doctrine, the doctrine of enabling other countries to defend themselves, and to try to skim off and cut out of this bill—and really gut the purpose of the bill—funds which are vitally needed now to carry on that program.

The state of shock the Government of Vietnam was in after the action taken by the Senate just last week, when we voted down the foreign assistance bill, and the discussion carried on since then about the rate of our troop withdrawals, are deeply involved with their own feelings about whether they can carry this load themselves. We have been encouraging them to carry it on their own backs. We have asked them to take it over as rapidly as they can. We have said we will provide material assistance and aid, but we want to pull our men out of Vietnam.

I would not want to be responsible for cutting funds if such action might endanger the speed of our withdrawal from Southeast Asia.

For those reasons, I am vigorously opposed to the pending amendment to cut $85 million out of a bill that has already been sharply reduced as it has been reported from the Foreign Relations Committee.

The PRESIDING OFFICER. Who yields time?

Mr. GRIFFIN. Mr. President, I suggest the absence of a quorum, the time to be taken from the time allotted to this side.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. GRIFFIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. I inquire of the Chair, how much time remains on this side on the pending amendment?

The PRESIDING OFFICER. Four minutes.

Mr. GRIFFIN. I yield the remaining time on the amendment and 10 minutes under the bill to the distinguished chairman of the Armed Services Committee.

The PRESIDING OFFICER. The Senator from Mississippi is recognized.

Mr. STENNIS. Mr. President, this field of military aid and supporting assistance is not directly in line with my ordinary obligations to the Senate as chairman of the Armed Services Committee. Over the years, however, with some slight exceptions, I have supported the military aid program in its major features, and from time to time years ago I had the privilege of being affiliated with the late Senator from New Mexico, Mr. Chavez, and others who handled appropriations bills, and in those days I would take some part in debate on these military items.

My immediate concern is with reference to the drastic nature and the immediacy of these extreme cuts in the military aid program, and also the supporting assistance program, particularly as it pertains to the war in Vietnam.

I respect the opinions of others. I know that all the members of the Committee on Foreign Relations are better prepared on these general subjects than I am. But on the area of the war, we have had a lot of coverage, in the Armed Services Committee and in the Appropriations Committee as well, as to a great deal of this military aid in connection with that war.

The amendment before us, offered by the distinguished chairman of the Committee on Foreign Relations, Mr. FULBRIGHT, as I understand, makes further reductions below the bill as reported by the committee in both direct military aid and the economic assistance program on supporting items for military aid. In fact it reduces the money in the bill to the level of approximately what has already been spent under the continuing resolution. So the net effect, those figures being approximately the same, his proposed figure and what has been spent, would be just to stop the program now. That makes the matter more acute, in my humble opinion, and more serious.

So I have an amendment, which will be voted on today under agreed time, that would make some increases, not reductions but increases, in the direct military aid figures as reported by the Committee on Foreign Relations in the new bill, and some increases in the supporting items.

If the Fulbright amendment should pass, that, in effect, would kill the amendment that I propose to offer. So let us get the issue before the Senate. If we want to consider the possibility of raising these figures, a Senator would automatically vote against the amendment now pending, and would still have his rights reserved as to what he would do with reference to my amendment.

For example, I see that the Senator from Idaho (Mr. CHURCH) is just returning to the Chamber. The figures I would propose would be the figures proposed the other day by the Senator from Idaho for military aid. I took his identical figures. I was impressed with his speech at the time, and told him so, though I voted against his amendment. I thought it went somewhat too far. But I do take his figures now, as an illustration of what I am trying to do. I am just trying to assist the Senate; I am not trying to come in here and get my will adopted over that of the Foreign Relations Committee, or anything like that. That is far from my intention, and I think that is pretty well understood.

Mr. President, on this direct military aid, the Fulbright amendment now before us would further reduce the aid. A great deal, in fact most, relatively speaking, of what is involved in my amendment deals with the situation we have in Cambodia. I shall wish to be heard on that more at length later, but now, briefly, we have this Cambodian Army that we have prompted and helped put together with our money and military aid. There are about 218,000 of those men already in uniform, and they are parts of these units. They cannot finance an army such as that. That is just commonsense. They are now holding down four divisions of North Vietanamese troops. They are pinning them down and keeping them engaged. That is directly tied into the withdrawal of our soldiers in Vietnam, and it is directly tied to whatever we decide to do about continuing military aid and economic aid to South Vietnam.

Like it or not, I have reconciled myself, in my thinking, to the fact that for some 2, 3, or 4 years more, at least, we will have to put massive amounts of economic and military aid into South Vietnam if we are going to justify the blood we have already spilled there, the lives lost, and the thousands and thousands of casualties, in addition to the billions of dollars we have already spent there.

I think it comes down to that. I do not like the idea of having to spend so much more, but I am reconciled to it, because I have seen it coming, just as certainly as day follows night. It is a part of our withdrawal program. I think we all want to withdraw; some want us to come out faster than others do. But we are faced with this condition. To be frank about it, I think that for several years we will have to pour into South Vietnam—money for economic aid and military aid, if they are going to be able to carry the burden and continue to be under pressure from North Vietnam.

That is relevant, because Cambodia is a part of that area, physically and geographically. We cannot move it. An army has been built up there that is doing some good. If we are going to liquidate it or stop that kind of assistance, we ought to do it somewhat gradually, at least.

The Fulbright amendment would stop this money now. My amendment would increase it a little—not a great deal—above the committee amendment, and would increase it to the Church level—as I will call it—as we voted on it last week.

I have spoken now of the types of aid together, but particularly about the supporting assistance. That would go to buy items of this kind. It is economic aid from one viewpoint, but it is so tied in with the war and the things that the war has caused and the destruction that the war has imposed that it is listed in a separate item called "Supporting Assistance." The amount I have decided to recommend is 8-percent below what was in the bill we voted on last week. It goes for things other than direct military aid. It goes for gasoline and for fertilizer in the agricultural areas. It goes for a part of the cost of the land reform that has moved there so slowly. I am not quick to want land reform anywhere, but I decided years ago that it was necessary in that country, and I am disappointed that there has not been more of it. I think we could have gotten things moving in Vietnam much better if we had insisted on land reform more than we have. At any rate, these are matters that go to providing this money.

So with great deference to the Senator from Arkansas, I hope that the Senate will defer its real consideration of these matters until we reach the other amendment. The Fulbright amendment, in effect, would cut off the next amendment. The next amendment I shall offer would make modest increases in each item above the amount in the bill as presented by the committee; then the Senate will have a full choice—a "yes" or a "no" vote.

Those two items in my amendment, I assume, are open to division, if some Senator should want it that way, so that we could have an up or down vote on both, with reference to a choice between the committee recommendations and this modest increase.

I thank the Senator for yielding to me.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 8687) to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to authorize real estate acquisition and construction at certain installations in connection with the Safeguard antiballistic missile system, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes.

The message also announced that the House had passed a joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, in which it requested the concurrence of the Senate.

## HOUSE JOINT RESOLUTION REFERRED

The joint resolution (H.J. Res. 946) making further continuing appropriations for the fiscal year 1972, and for other purposes, was read twice by its title and referred to the Committee on Appropriations.

## SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1971

The Senate continued with the consideration of the bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

Mr. GRIFFIN. Mr. President, unless the distinguished chairman of the Foreign Relations Committee wishes to yield some time that he has available on this amendment—

Mr. FULBRIGHT. I was going to say a few words.

Mr. CHURCH addressed the Chair.

The PRESIDING OFFICER. Who yields time?

Mr. CHURCH. Mr. President, I wish to speak to the whole question of our military assistance program, not specifically in regard to the pending amendment. I am willing to accommodate the wishes of the mover of the amendment as to whether he would prefer me to wait until after this amendment is voted, or to speak now. Personally, I would prefer the latter.

Mr. FULBRIGHT. Very few Senators are in the Chamber. I do not know why the Senator would want to speak now.

Mr. CHURCH. The reason is that I am to be host to a group of Canadian parliamentarians who are coming to the floor of the Senate at 11:30 a.m., followed by a luncheon.

Mr. FULBRIGHT. How much time does the Senator need? I will yield it to him on the bill.

Mr. CHURCH. Approximately 30 minutes.

Mr. FULBRIGHT. I yield 30 minutes on the bill to the Senator from Idaho.

### CLOSING THE DOOR ON ARSENAL DIPLOMACY

Mr. CHURCH. Mr. President, 2 weeks ago, the U.S. Senate rejected the 1972 foreign aid bill. Whether this action will be viewed in future years as a beginning of the end of our "arsenal diplomacy" remains to be seen.

What can be said is that for a generation the United States, in the eyes of the world, has seemed more intent on furnishing swords than plowshares. During the last 20 years, through the military assistance component of the AID program alone, we have bestowed on foreign governments $8.1 billion in military vehicles and weapons, $7.1 billion in aircraft, $6.1 billion in ammunition, $2 billion in ships, $2.2 billion in communications equipment, $1.5 billion in missiles and $3.1 billion in other supplies. Services, granted in the form of base construction, training, repairs and spare parts, amounted to an additional $8 billion, for a staggering total of $37 billion dispensed abroad since 1950.

The armaments which these sums represent—that is, delivered weapons—are no less staggering.

Nearly 4,000 F–84 fighters; more than 2,800 F–86 fighters; nearly 3,350 aircraft trainers; 22,000 tanks; 83,000 trailers; 160,300 2½ ton trucks; 2.3 million carbines; 2.4 million rifles; 77,500 machineguns; 30,000 mortars; and 32,500 missiles.

To augment these massive gifts of arms, the Defense Department is now engaged in a rambunctious sales campaign. Our subsidized sales to foreign governments already exceed $16.1 billion, while Pentagon officials anticipate orders worth another $15 billion in the next decade.

Clearly, these Pentagon-packaged sales quite apart from ordinary commercial sales by private American manufacturers, have become a big business in which our Federal Government plays a central role. Today, the U.S. Government is the principal arms dispenser of the world—giving away, arranging credit, and promoting the sale of a volume of arms more than six times that of our nearest rival, the Soviet Union. It is estimated that, since 1945, the United States has bestowed an incredible $165 billion worth of weaponry on foreign governments, a deluge of arms unprecedented in the history of the world. However, our own Government accountants throw up their hands when asked to give us an exact figure. In January of this year, the chief auditor of Congress, Comptroller General Elmer Staats, told the Joint Economic Committee that nowhere in Government is there a complete tabulation of the billions we have spent to arm foreign nations.

Reviewed historically, this lavish dispersal of armaments is a relatively new development—a development that cuts against the grain of our national traditions. Before World War II, sentiment in this country was decidedly against export of weapons. Munition makers were suspect; their trafficking in arms condemned as mischievous, if not evil.

The shift came in 1940 with the outbreak of World War II. France was to fall in May of that year, and Great Britain brought under siege. President Roosevelt approved transfer of 50 American destroyers to the British Navy in exchange for rights to build military bases on British territory in the Western Hemisphere. The gates to the American arsenal, thus pried apart, were soon thrown open to the enormous demands of the war. Under the far-reaching Lend-Lease Act, we furnished $48.5 billion worth of weapons and supplies to 42 foreign governments—nine-tenths of which went to Great Britain, the Soviet Union and France.

The guns of World War II, however, had hardly fallen silent before we commenced a new program of arms aid. We provided Chiang Kai-Shek with arms and supplies originally worth $800 million in an unsuccessful effort to help him retain his faltering grip on the mainland. Starting in 1947, with the Truman Doctrine, we helped Greece, threatened by a Communist guerrilla war, and Turkey, then under intense Soviet pressure. The onset of the "Cold War" brought additional demands for military aid—demands which intensified with the invasion of South Korea. In 1950, Congress voted $1.3 billion in military assistance to 14 countries, thus inaugurating the postwar period of "arsenal diplomacy" for the United States.

Subsequently, the dollars rained so thick and fast, at one point, unfilled orders in the "pipeline" exceeded $12 billion, leading Congress, in some embarrassment, to level off new appropriations at about $1.5 billion a year. Even so, between mid-1950 and mid-1955, our military aid totaled $14 billion, more than one-half of the total $26 billion in foreign aid during the 5-year period. By 1963, an all-time high of 67 foreign governments were receiving some form of assistance from us; each had its own special shopping list brought to our disbursement window. Currently, 46 countries are allocated assistance. And more than 8,900 Americans are engaged abroad administering our arms-disbursement programs. In addition, 320,000 foreign soldiers from 70 countries have been trained within the United States or at special schools operated abroad, at a total cost of $1.4 billion.

In recent years, however, financial pressures have increased the emphasis on sales. Much of what we gave away for 20 years, we are now selling. During the past 5 years of sales for cash or easy credit, 30 countries have bought for cash and 15 for credit. Total sales to date exceed $13 billion.

"Buy American," Business Week once reported "is becoming an increasingly prevalent slogan in the world arms market." It has an Orwellian cast because even under our "Food for Peace" program approximately $700 million in military sales have been consummated through the device of counterpart funds to recipient nations.

So it has happened that, within the short span of 30 years, the pendulum of our governmental policy toward export of arms has swung all the way from naive abstention to zealous promotion. Neither extreme is acceptable; the time has come for us to recover our balance.

To be sure, our present involvement is based, like a stool, on the legs of three seductive arguments: First, that we give military aid to help foreign governments resist Communist aggression from without and subversion from within; second, that we give it to strengthen our influence with the military elite in other lands, frequently an important bulwark against Communist penetration; third, that the sale of weapons helps to redress the deficit in our balance of payments—caused, in large part, by the overseas deployment of our own troops.

These arguments grow out of our immediate postwar experience. In the wake of World War II, the westward thrust of Russian power did threaten to engulf Western Europe. The Marshall plan-NATO formula produced spectacular results in rejuvenating the war-torn economy of Western Europe and forging a common shield against the Soviet Union.

The general success of this policy in Europe inoculated our thinking on other fronts. Around the whole periphery of the Communist world, in the Middle East and Asia, we were soon applying the same formulas for assistance that had worked so well in Western Europe. But in these seething countries which had just thrown off colonial rule, conditions called for a highly discriminating kind of military aid. Instead, we slapped it on with eager hands.

We agreed to support armed force levels totally devoid of strategic reality, as though it were possible for Turkey or Iran, without American intervention, to defend themselves successfully against a major Russian attack, or for Taiwan to resist successfully an all-out invasion from the mainland of China.

Such unrealistic force levels, fed by our military assistance programs, have inevitably imposed top-heavy burdens on the fragile economies of many of these underdeveloped lands, with the result that we have had to prop them up with huge financial transfusions just to prevent their collapse. We have robbed our effort to better the threadbare life of the multitudes, as we fostered that repugnant spectacle, so familiar around the rim of Asia today, a "combination of ill-fed people and well-fed armies deploying the most modern equipment."

In the course of this policy, the scale of our military aid has led to scandalous waste. Many a country on the periphery of the Communist world has been turned into a dumping ground for American military equipment. A staff report of the Foreign Relations Committee issued this year points out that the GAO found in one country that although the military assistance program had been virtually completed in 1966, the Defense Department decided to keep the program staff in operation and not until 1969 was the staff even reduced. We also have been told, again and again, of parking lots filled with rusting vehicles and rows of tanks inoperative for lack of trained mechanics.

But these logistical excesses are more than matched by the political naivete which has characterized our military assistance programs in Asia and the Middle East. With the containment of Russia and China our avowed objective, we have been easily seduced into fueling regional arms races motivated more by ancient rivalries than by any shared concern over the threat of Communist aggression. We armed Greece and Turkey to strengthen their defenses against the Soviet Union, but they spoil over Cyprus, where U.N. troops have been sent to police an uneasy truce. We armed Pakistan that she might better resist invasion by Russia or China, but Pakistan did not reckon either Russia or China an enemy and knew, in any case, that the arms had value only as against India—and now against its own citizens in East Bengal.

All this is not to say that we should never have embarked on a military assistance program in Asia or the Middle East. In a country such as Korea, arms aid was essential to deal with the militant nature of the Communist threat, and may have to be extended to cover the withdrawal of half of our own troops. But the program should have been restricted to countries where the need was clearly apparent, and, where given, scaled to the capacity of recipient countries to absorb.

The second broad justification for serving up American military hardware on a global platter, much of it to countries far removed from Communist neighbors, is that it serves to bolster resistance to subversion from within, and gives us more leverage with the military "elite" in many foreign lands. By supplying American weapons, so the argument goes, we can win favor with the army commander and thus contribute to the maintenance of internal stability.

Our obsession with stability betrays our misconception of the dynamics of change in underdeveloped societies. Violent revolution will eventually occur wherever legitimate grievances can find no other outlet. Even if it served our interest to generally suppress revolutions elsewhere—which it assuredly does not—we have not bayonets enough in our arsenal, or money enough in our treasury, to quench the smoldering fires of revolution wherever they occur. Therefore, instead of globalizing our military assistance in pointless proliferation we should converge it on those particular fires which, in our own national interest, we must try to put out.

The revolutions which have concerned us most are those the Communists either start or try to take over. Usually they are labeled by the insurgents as "wars of liberation." When any government is so challenged, its survival depends less upon the weapons we supply than upon the willingness of the population to rally behind it. If the great bulk of the people are loyal, then the guns and ammunition we furnish can make the difference. This was the case for us in Greece, as it was for the British in Malaya. But in Cuba, where the Batista government was loathed, the weaponry we gave it proved of no avail against Castro. He did not walk over Batista's army, he walked through it.

The most poignant example, of course, is Vietnam itself. Our involvement there began with the military aid we extended to the Saigon government, equipping it with forces vastly superior to its adversaries. Yet, the Saigon government steadily lost ground. Massive injections of U.S. weapons, ammunition, equipment, and supplies failed to turn the tide against the insurgents, though they were overmatched in numbers and totally outgunned. Our own troops had to be summoned and the war converted into an American engagement.

The lesson of Vietnam should make us wary of instituting new military aid programs elsewhere. But it has not happened that way. Even now, we are rapidly expanding our military aid in Cambodia, from a modest start of $7 million 18 months ago, to $341 million for this fiscal year.

And far from the theater of war in Southeast Asia, we are busily engaged in instituting new—and perpetuating old—military aid programs, even in the most unlikely place of all, Africa. Here our favorite rationalization is that the gift of arms may gain us favor with the restless young African armies which have either seized or which threaten to seize political power. We cling to this belief despite all the evidence which has accumulated against it. As an institution, particularly in unstable lands, the military will often assert control over the government, but its allegiance can never be bought by the gift of arms.

The army we equipped in Iraq brought down the government we supported by a coup which caught us by surprise. The military assistance we furnished the armed forces of the Dominican Republic did not prevent them from overthrowing the elected regime of Juan Bosch, which we strongly favored at the time. Moreover, the same army later proved unable to put down the subsequent uprising in Santo Domingo, where the landing of

American marines only underscored, as it did in Vietnam, the failure of military aid.

For that matter, the Communist powers have done no better. In Indonesia, it was a Soviet-equipped army which turned upon the Indonesian Communist Party, putting 200,000 or more of its members to the sword. In Algeria, it was Russian-furnished tanks which ringed Ben Bella's palace and helped overthrow the Soviet-supported leader. Even in Egypt, the military aid that Sadat receives from the Soviet Union equips the very security forces that regularly suppress Communist activity along the Nile.

Not only have we refused to recognize that foreign armies are a risky investment, but we seem never to take into account the political cost we bear for supporting them. In any poor country of Asia, Africa, or Latin America, where there is an unconscionable concentration of wealth in the hands of the few, where civil liberties are suppressed and despotism dominates, the army is usually the hated symbol of the status quo. Military governments, however stable they may appear, tend to be brittle as well as repressive, and lavishing upon them "Made-in-America" tanks and jet fighter planes cannot help but estrange the United States from the discontented people, thus delivering into Communist hands a lively issue to exploit against us.

For these reasons, our military grants, which have become a routine part of the foreign aid package we offer foreign governments, ought to be terminated in most cases. The giveaway arms program should be drastically curtailed.

As for our sales of the wares of war helping to alleviate our balance-of-payments deficit, we should not let such palliatives blind us to far more important long-range foreign policy considerations. It may make good fiscal sense to sell arms to developed nations—Britain or Canada or West Germany—but we should avoid export sales into troubled regions where war hangs in the balance and we should never promote sales contracts that conflict with our basic foreign policy objectives. Yet, as it now stands, the tail often wags the dog, with short-range tactics frequently usurping our long-term strategic interests.

There are the beginnings of encouraging signs of change.

The 1971 report of the Senate Foreign Relations Committee on our military-economic aid program states:

> The issue is not "should we provide aid?" It is "How?" and "How much?" The first question must be answered before the second can be approached sensibly—and the old answers of the past to "How?" are outmoded and discredited. The future of foreign aid is bleak indeed until a new program can be developed which will command greater respect and support, both with the public and the Congress, than the current program commands.

The pressures which have made the United States the leading arms merchant to the world must be thoroughly probed. The beginning of wisdom is the recognition that there is a problem, and then the search for answers can begin.

The foreign aid bill which the Senate rejected 2 weeks ago contained authorizations for 46 countries to receive military grant aid and 43 to receive military sales or credit assistance. In recent years, the committee has attempted to constrict the program, both as to the number of recipient countries and the amount of funds authorized. In the latest instance, the committee reduced from $705 to $565 million the authorization for military grant assistance. Before the bill was defeated on the Senate floor, my amendment to reduce it further by another $113 million was approved by nearly a 2-to-1 majority. The depth of the feeling against military grant aid was best expressed by the Senator from Massachusetts (Mr. KENNEDY) who said that this program is "the worst aspect of the bill now before us, contaminating what remains by its very presence."

The military assistance bill now pending before the Senate meets the essential requirements for a selective, sensible program. New obligational authority in the amount of $350 million is proposed for military grant aid, with another $435 million provided for supporting assistance. Of this latter amount, $85 million would be earmarked for Israel.

In addition, $400 million would be authorized to finance new military credit sales, an amount that can be stretched under the guarantee procedures to actually underwrite $550 million worth of new sales. Of this total, $300 million would be earmarked for Israel.

Altogether, the total military package, grants and subsidized sales combined, comes to $1,185 million.

It is enough. To allow for more would only invite a return to the wasteful and indiscriminate arms disbursal practices of the past, which have done so much to discredit the United States in the eyes of the world.

I hope the Senate will resist the pressures to enlarge this bill. The time has come for us to start closing the doors on arsenal diplomacy.

Yesterday, I said that the Committee on Foreign Relations had made a bona fide effort to trim back the aid package in the light of a realistic assessment of our current fiscal difficulties, and to remold it in such a way as to constitute a transitional step toward a new and more sensible foreign aid program.

In view of that effort, I pledged myself to support the committee, both with respect to the economic aid and the military aid programs. I intend to do that.

Therefore, I shall vote against the amendment offered by the distinguished chairman of the Committee on Foreign Relations, as I intend later to vote against the amendments offered by the distinguished chairman of the Committee on Armed Services. His amendments would have the effect of increasing further the amounts contained in the committee's military aid bill.

Should the bill be increased above the committee level, I shall vote against it on final passage.

The PRESIDING OFFICER. Who yields time?

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized.

Mr. FULBRIGHT. Mr. President, I do not know that anything new can be said about this but I do want to call attention to one or two aspects of it.

It is true the amounts in these military programs have become so vast that we lose all sense of perspective as to their meaning. It is always in terms of hundreds of millions of dollars.

I remind the Senate that in the military procurement bill, which has already passed the Senate, and which the House passed yesterday, there is $2.5 billion authorized for this area, that is, Vietnam, Laos, and Thailand. That is a vast amount of money. It is so big none of us can realize just how big it is.

I must say that the argument of the Senator from Mississippi, the distinguished chairman of the Committee on Armed Services, did throw some light upon the administration's policy for this area. I have been trying to find out what its policy objective is. He very frankly indicated he thought in his view we would be in Southeast Asia indefinitely.

I think it is fair to say that is what he said a few moments ago. He did not foresee disengagement in this area in the near future.

I believe the people of this country have been persuaded that, on the contrary, our objective is to withdraw, to disengage, and to settle this matter by negotiations.

For whatever they are worth, recent polls indicate that this is what the clear majority of the people of this country wish—that is, to liquidate this most tragic and unfortunate war and to come back and give our attention and money to our own domestic requirements.

So I must compliment the distinguished Senator from Mississippi for making much clearer than the administration has what the objective of our policy is in Southeast Asia. He fortifies my belief, which I stated yesterday and on other occasions, that what is being done indicates there is no present intention to liquidate our engagement in Southeast Asia in the foreseeable future. If that is what this Senate wishes, contrary, I believe, to the interests of this country and the wishes of the people of this country, it is privileged to do so.

The cut I have proposed here is very modest. It is intended to try to bring this amount back in line with what was appropriated in 1970. We have to be careful where we talk about cuts; I am proposing cuts in the administration's request not in the amount appropriated for 1970. It is approximately the same; I want to get back to the 1970 level. The effect of this enormous outlay, these hundreds of millions of dollars, on these countries is simply to further a disastrous war.

Mr. President, for the information of anyone who wishes to inform himself, I shall place in the RECORD a few articles on some of the results of these enormous expenditures of money.

I ask unanimous consent to have printed in the RECORD an article which was published in the Washington Star of November 10, 1971, entitled "United States Rapped on Laos Money Crisis."

There being no objection, the article was ordered to be printed in the Record, as follows:

### U.S. Rapped on Laos Money Crisis

(By Tammy Arbuckle)

Vientiane.—It's time for a long cool look at the $52 million U.S. economic aid program in Laos, judging by details of Laos' current economic crisis revealed today by diplomatic and Laotian sources.

Sources charged that AID officials in Vientiane remained unperturbed during a five-month run on the Foreign Exchange Operations Fund (FEOF) until they were jolted to awareness by other donor nations—Japan, Britain, Australia and France.

FEOF is a consortium to back the kip with U.S. dollars by selling dollars through Lao banks to local importers, thus stabilizing the kip and Laos' economy.

Explaining causes of the crisis, these sources said the International Monetary Fund, which advises FEOF, planned devaluation of the Lao kip at the end of this calendar year because the Lao government is overspending and because of gold trade fall-offs resulting from the high Lao government deficit.

However, high-ranking Lao officials are said to have tipped off Chinese merchants of the plan and the merchants began hoarding imports paid for by millions of dollars drawn from FEOF.

The merchant's intent was to buy luxury imports cheap, then hoard them until devaluation so they could be sold at huge profits.

During this run on the fund, sources said, "Americans remained unperturbed until finally other donor nations warned them they better watch this."

The United States contributes most of the fund money—$18.3 million, or 72.5 percent of the total fund—but the Americans did not move til Sept. 29 when they approached Lao Premier Souvanna Phouma during his visit to Washington.

The United States waited until Finance Minister Sisouk Na Champassak returned toward the end of October to push for a new package deal on the Lao economy, but by that time—the week of October 15 to 22—there was a dramatic run of FEOF by Chinese importers who took out over $1 million in that week.

As late as Nov. 4, an American source, while admitting there had been a run and $1 million had gone in one week, tried to cover the situation up.

All this is the tail end of a story of AID's failure to press for a stop to conditions and abuses which caused the U.S. contribution to FEOF to jump from $4 million in 1964 to $18.3 million in fiscal 1971.

These conditions and abuses include overspending by the Lao government—diplomatic sources said the Lao government has three times as many people as it needs. They say 50 percent of Lao spending is on these salaries.

#### CORRUPTION REMAINS

Most of the remainder of the Lao budget is spent on the war. In both civil and military budgeting, large areas of corruption have yet to be eliminated such as "ghost soldiers"—non-existent soldiers slipped by pay officials onto the Lao army payroll.

Abuses refer mostly to Vientiane's wheeling and dealing Chinese merchants, Lao officials and diplomats would like to see measures to stop the Chinese importers from sending large sums of dollars abroad and from selling goods to Thailand.

These imported goods are brought cheaply into Laos through buying dollars from the FEOF, then sold to Thailand adding to Vientiane's large money supply problem.

Profiteering has sent Lao prices soaring. Merchants, for example, buy lemons at 5 cents a dozen in Thailand, smuggle them into Laos, then charge 5 cents for two.

#### BENEFITS LIMITED

Under existing conditions, the only people who benefit from the FEOF are several thousand Chinese and Lao elite.

The government's new package of reforms to deal with some of the problems was announced yesterday. It devalued to kip by 20 percent, increasing taxes on luxury imports by 15 percent and put in effect other measures to curb some of the worst trading abuses.

The devaluation plus the new import taxes will enable the FEOF to operate until Dec. 31.

However, the ordinary Lao which AID is supposed to be helping will suffer too.

Although the government has frozen wages for the last four months, it has not instituted price controls for essential commodities.

Mr. FULBRIGHT. Mr. President, I will read several paragraphs from the article which states:

> It's time for a long cool look at the $52 million U.S. economic aid program in Laos, judging by details of Laos' current economic crisis revealed today by diplomatic and Laotian sources.
>
> FEOF is a consortium to back the kip with U.S. dollars by selling dollars through Lao banks to local importers, thus stabilizing the kip and Laos' economy.
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> During this run on the fund, sources said, "Americans remained unperturbed until finally other donor nations warned them they better watch this."
>
> The United States contributes most of the fund money—$18.3 million, or 72.5 percent of the total fund.
>
> All this is the tail end of a story of AID's failure to press for a stop to conditions and abuses which caused the U.S. contribution to FEOF to jump from $4 million in 1964 to $18.3 million in fiscal 1971.
>
> These conditions and abuses include overspending by the Lao government—diplomatic sources said the Lao government has three times as many people as it needs. They say 50 percent of Lao spending is on these salaries.
>
> In both civil and military budgeting, large areas of corruption have yet to be eliminated such as "ghost soldiers"—the non-existent soldiers slipped by pay officials onto the Lao army payroll.
>
> Abuses refer mostly to Vientiane's wheeling and dealing Chinese merchants. Lao officials and diplomats would like to see measures to stop the Chinese importers from sending large sums of dollars abroad and from selling goods to Thailand.
>
> Under existing conditions, the only people who benefit from the FEOF are several thousand Chinese and Lao elite.

Mr. President, that is what this money finally ends up doing: Benefiting several thousand Chinese and Lao elite.

Mr. President, I ask unanimous consent to have printed in the Record an excerpt from committee hearings on Vietnam proposals on May 13, 1971.

There being no objection, the excerpt was ordered to be printed in the Record, as follows:

### Committee Hearings on Vietnam Proposals

Mr. Luce. As I understand they went around and watched people put ballots in boxes. [Laughter.]

And we can do that again. But I don't think that it would solve any problems, and by sending our observers there and by putting this kind of priority there it brings the elections into a kind of light that I think legitimizes them, and so on.

(Mr. Luce's prepared statement follows:)

### Statement of Don Luce Before the Senate Foreign Relations Committee

I am Don Luce from East Calais, Vermont. I went to Viet Nam in 1958 as a volunteer in agriculture. My job was to work with people in the highlands area of Ban Me Thnot to find a better variety of sweet potato. In 1961, I was appointed Viet Nam director for IVS. In 1967, I resigned as the IVS/Viet Nam director to publicly state my opposition to the U.S. policy of refugee creation, defoliation and bombing of the countryside. During the year that I was in the U.S., I was a research associate at the Center for International Studies at Cornell University. In October 1968, I returned to Viet Nam as a free lance journalist and in June 1969 began a study on post-war reconstruction for the World Council of Churches (WCC). I was also asked to write for the Ecumenical Press Service of the WCC. I am still employed by the WCC as research officer for Viet Nam, but my testimony here is made as a private citizen and *not* as a spokesman for the World Council of Churches.

#### I. ECONOMIC STRUCTURE

The net effect of the United States aid program has been to create a dependence on us. The people now have Hondas, TV sets, and they know the only way to keep these is for the Americans to stay. Now, many South Vietnamese want Americans to stay so they can continue to have higher paying jobs, yet at the same time want Americans to leave because they don't want foreigners on their soil, and because they can see the tremendous social disruption that the foreigners are causing.

American aid has, in general, widened the gap between the rich and the poor. Those people who have been able to get close to Americans, particularly as contractors, to rent houses, or provide other services, have gotten much richer. The poor, by comparison, have gotten that much poorer. Corruption has become so deeply entrenched that it cannot be stopped. For example, the chief customs advisor for the U.S. Government in Saigon recently wrote that "the conditions at Tan Son Nhut Airport freely allows the smuggling of dangerous drugs and narcotics." Another advisor wrote: "The sole function of Customs at the airport seems to be to assist these smugglers to bring in their contraband without hindrance . . ."

With the breakdown of the economic side of life, there has been a corresponding breakdown of the social structure. Traditionally, the family has been the most important social unit. The whole family was involved in the planting, growing, and harvesting of the rice. But beginning in about 1965, with the large forced refugee movements, this family structure was broken down. The fathers joined one army or the other, the old women washed uniforms for the foreign soldiers, the young girls worked in the bars and brotherls, and the children shined shoes, watched cars, washed cars, and stole from cars. The members of the family found that they were no longer dependent on one another, and began to spread apart. The fact that the little children often made more money than their mothers accelerated this breakdown. It is my belief that only a return to the farm can re-establish the strength of the family. However, I don't believe this can happen as long as the U.S. is in South East Asia, bombing the countryside, or in the cities of South Vietnam providing high incomes or the promise of high incomes to people there. I believe our continued presence in Viet Nam will result in a worsening of the economic and social situation, and an increase in strikes and anti-Americanism. The frustrated people will show their anger about this situation—a situation they don't fully understand, but a situation they sense is destroying them.

#### II. REPRESSION

There are at least 100,000 political prisoners in the jails of South Vietnam today. Since

Vietnam is a country less than 1/10 the size of the U.S., this is the equivalent of our having more than 1 million American political prisoners in jail.

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD an article entitled "Vietnam Tax Problem—Most Just Don't Pay," published in the Christian Science Monitor on January 4, 1971.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### VIET TAX PROBLEM—MOST JUST DO NOT PAY

(By Daniel Southerland)

SAIGON.—Vietnamese do not enjoy paying taxes.

But, unlike American taxpayers, who are largely financing the war, most Vietnamese are not even in the habit of paying taxes—at least not to the government. Tax evasion is the rule, rather than the exception.

In the rural areas of South Vietnam, most farmers do not pay any direct taxes to the government. But many do pay to the Viet Cong, even in areas under apparent government control.

One way for the Saigon government to cope with its severe financial problems—problems which could undermine President Nixon's Vietnamization program—would be to create a more effective tax system. The Saigon government has launched a door-to-door campaign to do just that, in an attempt to find out who the tax evaders are in the country's cities and provincial towns.

But this survey, which began in early December and will continue through January, is only a first step toward creating a more equitable, efficient tax system. It may be many years before South Vietnam has an effective system.

A report by a joint U.S.-Vietnamese development research team completed in 1969 said, "Vietnam began the war with a basically unproductive, inequitable, and inefficient tax system; it probably will end the war with much the same system.

"War finance has consisted of muddling through. . . ."

#### ADVISERS SEE PROGRESS

Nonetheless, advisers to the Saigon government from the U.S. Internal Revenue Service profess to see what could be a turning point in the current tax survey, and what they describe as a strengthened desire on the part of the government to get on with the job.

In 1971, in addition to the revenue required to maintain its huge army, the government is going to need more money for its land-reform program and for a probable new increase in wages for soldiers and civil servants.

In looking to the coming year it is no exaggeration to say that many United States and Vietnamese officials are more worried about a possible collapse of the economy than they are about a possible resurgence of the North Vietnamese and Viet Cong.

"Two or three years ago, the government was completely occupied with the military situation," said Ha Xuan Trung, Deputy Minister of Finance in the Saigon government.

"But now that the war has slowed down we've got more time to devote to peacetime problems such as taxation."

"We realize that U.S. aid will eventually be reduced and that we must rely more on ourselves," he said.

"The government is determined to push strongly on taxation."

#### TAX COLLECTIONS RISING

Tax collections have risen steadily in recent years, but have nonetheless accounted for only a small and declining share of the national revenue. The government withholds taxes from the salaries of its ill-paid civil servants. But the tax system has barely touched the urban rich, many of whom have grown wealthy off the war.

According to one estimate, only one-fourth of the country's taxable properties are listed on the government's tax rolls. And fewer than half of South Vietnam's importers, physicians, pharmacists, restaurant owners, and goldsmiths admitted to making any profit or paid any taxes in 1969. Most claimed they had taken losses or only broken even.

Tax officials say few businessmen in South Vietnam keep good books, and that those who do usually fail to show the "real books" to the tax assessors.

The current tax survey is supposed to reach about a million households, thus doubling the number of people on the tax roles.

One of the aims of the survey is simply "to awake the fiscal conscience of the people," said Pham Can Ich the director general of taxation.

"The people aren't educated as to their civic duty," said Mr. Ich.

Doan Van Dang, the chief tax inspector for Cholon, Saigon's predominantly Chinese sister city, puts it more bluntly:

"Most of the taxpayers in Vietnam are dishonest," he said.

#### OFFICIAL DISHONESTY ADMITTED

Mr. Dang also frankly admits that the tax collectors themselves have often been less than honest. ("The tax officers show you how to cheat," said a Vietnamese newsman.)

But, under new procedures, Mr. Dang hopes to do away with the system of bargaining whereby the tax assessor makes a deal with the taxpayer in return for a bribe.

Mr. Dang is particularly proud of his office for one more recent discovery of tax evasion. An employee of a fish and meat canning company which had been declaring losses turned over the company's "real books" to the tax offices. The books showed that the company had been making profits of 35 million piasters annually.

Still, the difficulties facing the government are staggering. The government has only 2,200 persons working full time on tax matters for the entire country. Workers from other ministries, as well as Army cadets and rural development cadres, had to be borrowed to help distribute the forms for the current tax survey.

#### BONUSES FOR COLLECTORS

The government is now giving bonuses to its underpaid tax collectors in an effort to encourage them to do a better job. The average tax collector's salary is only about 10,000 piasters, or about $36 (U.S.) a month. Mr. Dang finds that his daughter who teaches English in a private institution in Saigon, can make two to three times as much as he does each month.

The Viet Cong must be added to Mr. Dang's troubles, although he says they are not his main concern.

The Viet Cong blew up the front of his tax office in Cholon with an explosive charge a few weeks ago. The blast destroyed a hard-to-get adding machine and damaged a typewriter, which was repaired only after employees dug into their own pockets, Mr. Dang complained.

He also complained that the penalties for tax evasion are too light. Under the current laws, there are no jail penalties for tax evasion.

#### NEW LAW DRAFTED

The government has submitted portions of a new and tougher tax law to the National Assembly. Eventually, the government hopes to replace completely the outdated French tax code now in use. But because 1971 is an election year in Vietnam, quick action on the unpopular tax legislation is not expected.

In the meantime, one indication that the current tax survey may be getting somewhere is the howls of protest it is provoking among well-to-do businessmen, professional men, and National Assembly deputies. Some movie theaters, restaurants, gold shops, and beauty parlors in Saigon are already being asked to pay 20 to 30 times more than the token taxes they paid in the past.

Many businessmen deeply resent this, because they consider the government officials who are collecting the taxes to be corrupt.

But one businessman was somewhat hopeful.

"In a few years," he said, "we'll get used to paying taxes."

Mr. FULBRIGHT. Mr. President, I ask unanimous consent to have printed in the RECORD an article written by Jack Foisie, one of the most experienced reporters in Saigon for the Los Angeles Times, entitled "Saigon Seeks Post-Pullout Aid," which was printed in the Washington Post on August 25, 1970.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### SAIGON SEEKS POST-PULLOUT AID

(By Jack Foisie)

SAIGON.—Taking American troops out of the jungles is a lot easier than taking South Vietnam's economy out of the American pocketbook.

This is the simple economic fact that American tax-payers, increasingly elated as each new contingent of troops heads homeward, should consider.

Reduction of the large U.S. civilian presence in Vietnam is proceeding much more slowly than the military pullout.

While "Vietnamization" of the fighting is making steady progress, efforts to reshape the wartime economy so that it can operate without massive American support is making no progress at all.

These are general conclusions of U.S. and South Vietnamese authorities here who deal with what some of them concede has become an "economist's nightmare"; that is, a nation completely dependent upon the economic support of an ally who now wants to leave.

The most prominent Vietnamese realist on this subject is Minister of Economy Pham Kim Ngoc. He explained his country's predicament (and America's dilemma) this way:

"The United States must choose whether it wants South Vietnam to replace American troops or to replace American resources. I have made it clear we cannot do both at this time."

After hearing arguments by staff members of the American embassy and the Agency for International Development (AID) mission, Ambassador Ellsworth Bunker came to the same conclusion. As a result, it is now U.S. policy not to press President Thieu's government to make the painful economic reforms needed to set the nation on the path to self-sufficiency.

Instead, Thieu will get increased military and economic aid, and his army will continue its take-over of combat responsibility from U.S. forces.

Even before the decision to increase financial assistance to Vietnam, the United States was paying—directly or indirectly—for 53 per cent of Vietnamese government spending. Military aid alone cost $500 million during the fiscal year ending June 30.

Ngoc has estimated an extra $200 million in economic aid will be needed this year to help combat inflation and to cushion the lay-offs as U.S. troops depart and military bases close.

Some officials are bitter that Bunker and the Nixon administration had decided once again to give Thieu just about all he wants. These officials sought to make Thieu enforce the new austerity measures such as cutting back on consumer spending and demanding

> efficient tax collections. There has been no meaningful progress toward these goals.
>
> The "soft" American stand was supported by the embassy's political types more than by the economists. They argue that Thieu is faced with growing political unrest and war weariness hence this is the wrong time to impose harsh economic measures.
>
> ### PHONY PROSPERITY
>
> However the problem is to be handled, South Vietnam appears to be sinking into an economic snakepit. This is true, economists say, even though the nation's average citizens appear to be living better than ever before. "It is phony prosperity," one economist said.
>
> There are television sets even in the most modest of Saigon homes, and there are so many motorbikes and cars that pollution, rather than the war, is causing the shade trees to die.
>
> But there are warnings that this affluence is ending. Despite bumper crops, the price of rice has doubled in the past nine months.
>
> Much of this was due, it is true, to inefficient distribution of the harvest and to hoarding and corruption. In one of Thieu's more viable economic actions, he increased the base price of rice to be paid the farmer in an effort to get him to use "miracle" seed, fertilizer and machinery so as to increase production.
>
> The objective is to make Vietnam self-sufficient in rice, and eventually a rice exporter, as it once was.
>
> The United States is the biggest employer of Vietnamese labor other than the Saigon government itself, with 150,000 working at military installations. Their wages are better than Vietnamese get for like work elsewhere.
>
> Economists realize what lies ahead when the American rollback reaches the halfway point, perhaps next year. There will be massive unemployment, urban unrest and perhaps runaway inflation.
>
> To control wartime inflation, a strong government normally imposes price controls and heavy taxes. But it was American reasoning that the Saigon government, still not entirely stable, would have to use other methods.
>
> The American scheme was to import consumer goods to soak up the money gained from full employment and good wages.
>
> American dollars indirectly underwrote the import of consumer goods. American aid money also went into another import program for improving the country's long-range well-being. Roads are being rebuilt, waterways improved, utilities upgraded and hundreds of other civic projects are underway.
>
> The people who have suffered under the artificially cooled inflationary conditions have been the million men in uniform and the 250,000 civil servants. Even with extra jobs, their income has not been sufficient.
>
> It is for the serviceman and civil servant that much of the added aid money is being asked. The families of Vietnam soldiers will get U.S.-financed housing near military bases and will be given American canned food as an experiment.
>
> It is hoped that such benefits will cut down the desertion rate. Civil servants are due for a pay raise and it is believed this will increase administrative efficiency and dampen corruption.

**Mr. FULBRIGHT.** Mr. President, the article describes the effect of this exorbitant extravagance of the supporting assistance program, the so-called economic assistance to South Vietnam.

One paragraph is worthy of note. It states:

> Some officials are bitter that Bunker and the Nixon administration had decided once again to give Thieu just about all he wants. These officials sought to make Thieu enforce the new austerity measures, such as cutting back on consumer spending and demanding efficient tax collections. There has been no meaningful progress toward these goals.
>
> The "soft" American stand was supported by the embassy's political types more than by the economists. They argue that Thieu is faced with growing political unrest and war weariness, hence this is the wrong time to impose harsh economic measures.
>
> There are television sets even in the most modest of Saigon homes, and there are so many motorbikes and cars that pollution, rather than the war, is causing the shade trees to die.

The whole article simply points up the corruption which these vast amounts of money cause in the economies of the countries in Southeast Asia. I do not think that these vast amounts serve any useful purpose from the point of view of the American taxpayers. I think it is simply inertia or habit that causes us to continue to supply such enormous sums for these purposes.

My amendment, as I said, approximates what we provided in 1970, and I think that is ample.

I ask for the yeas and nays on my amendment and ask that we proceed to a vote.

The **PRESIDING OFFICER.** Is there a sufficient second?

The yeas and nays were ordered.

**Mr. FULBRIGHT.** Mr. President, I yield back the balance of my time——

**Mr. SYMINGTON.** Mr. President, will the Senator yield to me?

**Mr. FULBRIGHT.** I yield 3 minutes to the Senator from Missouri.

**Mr. SYMINGTON.** Mr. President, my position, after studying to the best of my ability these proposed military aid programs, has to do with discrimination and national priorities incident to our increasingly limited resources.

Earlier this week the voters of former President Truman's hometown, Independence, Mo., turned down a school bond issue needed to operate the educational system in that community on a normal schedule.

This is the third time this year that the taxpayers of Independence have refused to pass a school bond issue and as a consequence on October 31 the schools were forced to close and are still closed. They will not open again until next Monday, but this only temporary, because of the availability of the limited State aid that allows them to open at all.

Unfortunately this situation is not unique. In hundreds of communities across the Nation taxpayers are rebelling at additional assessments for school costs, thus forcing a reduction in educational opportunities for a tremendous number of our youth.

According to a recent National Education Association survey, 41 of the larger school districts are making some kind of cutback this year and 13 are on a static budget permitting no additions or improvements.

A recent article in the Wall Street Journal noted that in the State of New York voters turned down 132 school budgets proposed for 1971–72, as compared with 82 budget rejects a year earlier.

That same article stated that in Louisville, Ky.—

> School administrators decided against even trying for higher property taxes, after a poll showed that while two-thirds of the voters agreed school financial problems were serious, only one-third said they were willing to pay higher taxes to solve them.

Another survey shows that in 1970 voters across the land turned down some $1.6 billion in school bonds.

The overburdened taxpayer is indeed rebelling and it would appear clear that if this burden is not lightened somewhat, funds for those programs which are so vital to the maintenance of a strong and healthy America will become even more scarce.

I noticed last night that the distinguished Senator from Virginia pointed out that the deficit for this year will probably be $35 billion.

In this connection, it is particularly difficult to understand why this administration is seeking a total of some $3.5 billion for economic and military assistance when at the same time it refuses to spend some $14 billion which has already been appropriated by the Congress, the bulk of which is for important domestic programs such as model cities, low-rent public housing, medical services, water and sewer grants, and farm credit.

The term "reordering our priorities" has become a cliché, but its message is still valid.

The **PRESIDING OFFICER.** The 3 minutes of the Senator have expired.

**Mr. SYMINGTON.** Mr. President, I ask unanimous consent to have another minute.

**Mr. FULBRIGHT.** Mr. President, I yield the Senator 1 more minute.

**Mr. SYMINGTON.** We cannot continue to expect the American taxpayer to support an endless list of Government programs. Our limited resources and the current financial conditions require that choices be made; and I for one believe that domestic needs dictate a reduction of expenditures for overseas programs.

For these reasons, I urge the Senate to support reductions in military aid and supporting assistance.

**Mr. FULBRIGHT.** Mr. President, I yield 1 minute to the Senator from Mississippi (Mr. STENNIS).

**Mr. STENNIS.** Mr. President, I appreciate the remarks of the Senator from Arkansas, but just to make the record clear—and I do not know what inferences could be drawn from what has been said—I do not speak for the administration in any way about future military aid or economic aid. I just speak for the people of Mississippi as best I can and as chairman of the Armed Services Committee where I have some special responsibility.

In a letter to my colleagues yesterday I said:

> I put the administration on notice that I expect to support only a minimum military program for next year, less than what they may want.

I am against this amendment for the reasons I have stated—because I think the situation is acute there. I frankly say I view several years of economic aid in South Vietnam, and perhaps in some other areas there, following our pullout, which I hope will occur as soon as reasonably possible.

I yield back the balance of my time.

Mr. KENNEDY. Mr. President, I want to strongly endorse the amendment offered by the chairman of the Senate Foreign Relations Committee to reduce the military aid budget by some $135 million.

I want to emphasize that there is no attempt here at reducing in any way the moneys that Israel would receive. However, the overall authorization for funding for military grants and supporting assistance would be brought down to a level that is far more in keeping with the barebones foreign aid package that the Senate has been considering.

It is simply inconceivable to me that we could pass a bill which provides as much military assistance as economic assistance. The less developed nations of the world would be far better off if every dime that is contained in the military aid budget were shifted to economic and humanitarian aid.

The role of the United States as the world's largest used weapons salesman is one that earns us few friends. And all too frequently, the selection of nations who will receive that aid mocks our own high principles and ideals. To send military equipment to Pakistan, to Greece, to Spain, to Brazil has always been acceptable to the Defense Department and has always been acceptable to this administration.

It is time to cease embracing the military dictators of the world.

In country after country, U.S. weapons are used not to defend a nation against invasion but to defend a repressive government against political opposition.

We are now spending at least $4 billion in military assistance for this year alone and in addition, the Defense Department has over $1.5 billion available in the pipeline from past authorizations. Thus, the Defense Department will be able to expend over $5.5 billion this year alone for foreign military assistance. I believe that is totally unjustified.

Therefore, I strongly endorse the amendment by the Senator from Arkansas and urge the Senate to approve this effort to place our priorities in foreign assistance in some perspective.

The PRESIDING OFFICER. All time has been used or yielded back.

The question is on agreeing to the amendment of the Senator from Arkansas. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. CHURCH (when his name was called). Mr. President, on this vote I have a pair with the Senator from Alaska (Mr. GRAVEL). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. MANSFIELD. I announce that the Senator from Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), and the Senator from South Dakota (Mr. MCGOVERN), are necessarily absent.

I further announce that the Senator from West Virginia (Mr. BYRD) is absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Tennessee (Mr. BROCK) and the Senator from Maryland (Mr. MATHIAS) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from South Carolina (Mr. THURMOND) and the Senator from Connecticut (Mr. WEICKER) are detained on official business.

If present and voting, the Senator from South Carolina (Mr. THURMOND) would vote "nay."

The result was announced—yeas 24, nays 64, as follows:

[No. 305 Leg.]

YEAS—24

Bayh
Burdick
Cranston
Eagleton
Ellender
Fulbright
Hart
Hatfield
Hollings
Hughes
Inouye
Kennedy
Magnuson
Mansfield
McClellan
Metcalf
Mondale
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Symington

NAYS—64

Aiken
Allen
Allott
Anderson
Baker
Beall
Bennett
Bentsen
Bible
Boggs
Brooke
Buckley
Byrd, Va.
Cannon
Case
Chiles
Cook
Cooper
Cotton
Curtis
Dole
Dominick
Eastland
Ervin
Fannin
Fong
Gambrell
Goldwater
Griffin
Gurney
Hansen
Hruska
Humphrey
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Long
McGee
McIntyre
Miller
Montoya
Moss
Packwood
Pearson
Percy
Ribicoff
Roth
Saxbe
Schweiker
Scott
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Tower
Tunney
Williams
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Church, against.

NOT VOTING—11

Bellmon
Brock
Byrd, W. Va.
Gravel
Harris
Hartke
Mathias
McGovern
Mundt
Thurmond
Weicker

So Mr. FULBRIGHT's amendment was rejected.

AMENDMENT NO. 631

Mr. STENNIS. Mr. President, I call up amendment No. 631 and ask that it be stated. Then I will yield to the Senator from Montana.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 2, line 11, strike out "$350,000,000" and insert in lieu thereof "$566,000,000".

On page 2, line 16, strike out "$350,000,000" and insert in lieu thereof "$452,000,000".

The PRESIDING OFFICER. Is this the amendment on which there are to be 4 hours of debate?

Mr. STENNIS. That is correct.

I yield to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that order be vitiated, that there be 2 hours of debate, the time to be equally divided between the sponsor of the amendment, the distinguished Senator from Mississippi (Mr. STENNIS), and the manager of the bill, the distinguished Senator from Arkansas (Mr. FULBRIGHT).

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that instead of taking 20 minutes for rollcall votes during the remainder of the day, the rollcalls be limited to 15 minutes. This meets with the approval of the acting minority leader and those connected with the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, reserving the right to object, just for clarification, as I understand the situation now, consent has already been given on this amendment for 1 hour on each side, rather than 4 hours.

Mr. MANSFIELD. That is correct.

Mr. STENNIS. I thank the Senator from Montana.

## LEAVE OF ABSENCE

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Senator from West Virginia (Mr. BYRD) be granted leave of absence for Thursday, November 11, 1971.

The PRESIDING OFFICER. Without objection, it is so ordered.

## VISIT TO THE SENATE BY A DELEGATION OF MEMBERS OF THE CANADIAN PARLIAMENT

Mr. CHURCH. Mr. President, while so many Senators are still in the Chamber, I invite their attention to a distinguished group of Canadian parliamentarians who have come to visit us today.

As you know, Mr. President, Canada is facing serious problems as a result of the repercussions which have flowed from our imposition of the 10-percent excise tax on certain imports. Canada and the United States have the highest volume of trade of any two countries in the history of the world. More than half of that trade, back and forth, has been conducted without the imposition of tariffs of any kind. As a consequence, the levying of this 10-percent surtax has occasioned serious problems for Canada and this parliamentary group has come down here to discuss those problems with us.

Mr. President, we are happy indeed to welcome them. Canada has always been, from the earliest days of our Republic, our closest and most important friend.

I shall introduce the members of the parliamentary group as soon as the distinguished dean of Republican Senators, the Senator from Vermont (Mr. AIKEN), has made his remarks of welcome, I yield to him now for that purpose, and then I shall request a 5-minute recess so that Senators may greet our distinguished visitors.

Mr. AIKEN. Mr. President, I am very glad we have in this Chamber at this moment 16 members of the Canadian Parliament from both their House and Senate.

Every Senator in this body knows that Canada is our nearest and most important neighbor. No two countries in the world are more dependent upon each other, I would say, than the United States and Canada.

Members of the Canadian Parliament speak our language. If we read Hansard every day, as I do, which is their equivalent of our CONGRESSIONAL RECORD, we know that they are frequently much more expressive than we are in talking to each other.

They also have something we do not have; namely, their Cabinet members appear on the floor of their House to answer questions of the Members. In fact their Cabinet members are also Members of their House and cannot get away from their critics, and questioners as easily as our Cabinet members.

Mr. President, I am not going to say any more right now, except that Canada has problems and the United States has problems. At the base of them all, we will find that our problems are mutual and, therefore, that we have to work together to solve them. It is extremely important that Canada and the United States work cooperatively.

We are going to talk over our problems with them at 2 p.m. this afternoon.

Just let me conclude by saying how delighted we are to have them with us today. We shall shortly have a recess so that Members of the Senate—and there are many in the Chamber at this moment—will have an opportunity to meet our Canadian friends.

Mr. PERCY. Mr. President, will the Senator from Idaho yield to me?

Mr. CHURCH. I am happy to yield to the Senator from Illinois.

Mr. PERCY. Mr. President, I believe that this visit of the distinguished delegation from Canada comes at a most propitious moment.

Ever since the very able and distinguished Douglas Stuart of Illinois was our Ambassador to Canada, I have taken a deep interest in United States and Canadian relationships.

Many years ago, when I was in industry, we established a plant in Canada and I am happy to state that ever since that plant began full operations, it has been virtually 100 percent Canadian managed and operated by Canadian employees. I have enjoyed a wonderful business as well as personal experience in Canada through the years.

Too frequently we take our best friends for granted, in personal life as well as between countries. May we never take the relationship between Canada and the United States for granted. It stands as one of the greatest international relationships which has ever existed in the history of mankind, with no military forces on our borders other than the mutual defense forces which we commonly maintain against a potential common adversary.

Mr. President, we know that the recently imposed 10 percent border surcharge has created a tremendous economic problem for Canada. We are deeply desirous of removing that surcharge at the earliest possible time. We hope that our friends from Canada will understand and bear with us as we try to solve our own economic problems, because we know that our economic problems create and accentuate those of our friends in Canada. We hope that they will use their good offices to encourage appropriate action by Europe and Japan so essential to a restoration of more normal trading relationships.

I, for one, warmly welcome the very timely visit of this distinguished Canadian legislative delegation.

Mr. CHURCH. Mr. President, let me now introduce our guests one at a time, and I ask each to stand as I call his name.

First, the distinguished Speaker of the House of Commons, Hon. Lucien Lamoureux, who is chairman of the delegation.

Then, from the Canadian Senate:

Hon. Alan A. Macnaughton, Hon. Salter Hayden, and Hon. L. P. Beaubien.

Now, the members of the Canadian House of Commons who are present:

Jacques Guilbault, Bruce Howard, Robert Kaplan, Jacques L. Trudel, Lincoln Alexander, Hon. Marcel Lambert, James McGrath, Max Saltsman, Oza Tetrault, Grant Deachman, Thomas M. Bell, and Stanley H. Knowles.

Distinguished gentlemen from Canada, we are very happy to greet you today.

[Applause, Senators rising.]

## RECESS

Mr. CHURCH. Mr. President, I ask unanimous consent that the Senate stand in recess for 5 minutes in order that we may greet our distinguished guests.

The PRESIDING OFFICER (Mr. GAMBRELL). Without objection, it is so ordered.

Thereupon, at 12:08 p.m., the Senate took a recess until 12:13 p.m.

During the recess, the distinguished guests were greeted by Members of the Senate.

On expiration of the recess, the Senate reassembled and was called to order by the Presiding Officer (Mr. GAMBRELL).

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum. It is my understanding that the distinguished Senator from Mississippi has the floor. So, in the meantime I suggest the absence of a quorum and ask unanimous consent that the quorum be charged to the time on the bill.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time? We are under controlled time.

Mr. MOSS. Mr. President, under the order agreed to, time was not to start until the Senator from Mississippi began his presentation. Therefore, I ask unanimous consent that no time be charged until the Senator from Mississippi begins his presentation.

The PRESIDING OFFICER. Without objection, it is so ordered.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had passed the following bills, in which it requested the concurrence of the Senate:

H.R. 9212. An act to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes; and

H.R. 10729. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes.

## HOUSE BILLS REFERRED

The following bills were each read twice by their titles and referred, as indicated:

H.R. 9212. An act to amend the provisions of the Federal Coal Mine Health and Safety Act of 1969 to extend black lung benefits to orphans whose fathers die of pneumoconiosis, and for other purposes; to the Committee on Labor and Public Welfare.

H.R. 10729. An act to amend the Federal Insecticide, Fungicide, and Rodenticide Act, and for other purposes; to the Committee on Agriculture and Forestry.

## SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1971

The Senate continued with the consideration of the bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

Mr. MOSS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. STENNIS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, what is the pending order of business before the Senate?

The PRESIDING OFFICER. The pending question is the amendment of the Senator from Mississippi to S. 2819.

Does the Senator wish his amendments considered en bloc?

Mr. STENNIS. Yes, Mr. President. I ask unanimous consent that the amendments may be considered en bloc.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, I yield myself 20 minutes, or so much time thereof as I may use.

Just a very brief word in partial repetition of what I said this morning. I offer the amendment solely because I think the figures that are in the bill trim in a way that is too lean and too thin the amount for direct military aid and for what we call the supporting assistance programs—programs that supplement military aid, although they are not direct military aid. They go to military purposes and include items like petroleum, hardware, steel, that are not a part of the weaponry, and related matters of that kind. Also in the supporting amount are included items like gasoline, fertilizer, and funds for land reform, as mentioned this morning by the Senator from Illinois. These items are all war related and related largely to South Vietnam.

In the direct military aid that I propose, frankly a large part of it goes to Cambodia. I selected the figures for this amendment. They are not administration figures. They are for lesser amounts. They are calculations that I made with the able assistance of the staff and consultation with others.

My amendment would merely restore the military part to the level placed in the old bill last week under an amendment offered by the Senator from Idaho (Mr. CHURCH). That amendment carried. I did not vote for it because I thought it was cutting it down too much, but it carried and it was in the old bill. I adopt that figure now and propose, through this amendment, and do ask the Senate, to put it back at the level of the Church amendment.

Let us make clear that the figures in my amendment are nothing like the budget figures. In the categories I have mentioned, the amount is approximately 36 percent below the budget figures for these items.

We have just voted on an amendment that would virtually strip all the spendable money out of the bill for these two items. In other words, the figure in the Senator's amendment was an amount that has already been spent this calendar year under our continuing resolution. That amendment was defeated.

The amendment I offer now increases the amount in the bill by these modest amounts, and I shall attempt to explain briefly what the money provided for in the amendment would go for.

Take Cambodia, because military aid for that country is the largest item. We are not in Cambodia now. There are no combat troops of ours there. There are no military advisers there. The only military men of our services that we have there are those engaged in delivering, in an orderly way, military supplies we are sending to Cambodia.

They have an army now, which has been put together in large part with our military aid, of 218,000 men. They cannot possibly support that army themselves. That army very definitely is a part of our withdrawal plans which are going on now. It is pinning down in the Cambodia area or areas adjacent thereto at least four divisions of North Vietnamese troops. They are pinned down or engaged to the extent that they cannot be used elsewhere.

Therefore, it is a part of our strategy of being able to get out of Vietnam. I favor our continuing to withdraw. This is a part of that plan.

It is like calling together an army, getting them drilled and trained, and then not letting them have any ammunition. That is exactly what this money goes for—not high-priced planes or high-priced weaponry. It goes for bullets. Over half of the money going to Cambodia will be to buy such items as cartridges for rifles and shells for small artillery. Even though we are in a spirit of trying to reduce these matters, it is contrary to commonsense to do it all at once.

I have given notice that, for my part, they cannot count on my just approving everything they might ask for next year. I quote from the letter to my colleagues of yesterday:

> I have put the Administration on notice that I expect to support only a minimum military aid program for next year, less than what some may want. But I strongly feel that the minimum funds in my amendment are necessary this year as our withdrawal from Indochina continues.

Back to my more formal statement:

Over one-third of the fiscal year is gone. It is thus nearly physically impossible to force reductions of more than 50 percent—as the committee has recommended for the military assistance program—and still argue that that program is being gradually reduced. Under the continuing resolution, we have been authorized funds to be spent at the rate for the last fiscal year, and thus a cut of more than 50 percent in funds for fiscal year 1972 is really a proposal for immediate termination of the military assistance program. The Foreign Relations Committee has given us no choice at all. If we vote for the bill at these levels of funding, we essentially vote to kill military assistance immediately. If we vote against the bill, we also, obviously, vote to kill military assistance immediately. I submit that it is necessary to pass the amendment which I propose in order for the Senate even to have a choice on the issue of military aid. If this amendment is approved by the Senate, we will then at least have before us the option of voting for a reduced and minimal military assistance program. The amounts now included in the bill are, in reality, no program at all.

For military assistance, the House bill included $705 million, the figure requested by the administration. The Foreign Relations Committee, in its first foreign aid bill, recommended a reduction of 20 percent—and I approved of that 20 percent—to $565 million. On the Senate floor, as a result of an amendment by the distinguished Senator from Idaho (Mr. CHURCH), a second 20 percent cut was imposed, reducing the total further—to $452 million. I voted against this second 20-percent cut, thinking it was too severe, but I believe that second reduction expressed the will of the Senate. The Foreign Relations Committee has now, however, recommended yet a third sharp reduction of over $100 million—a total of only $350 million for military assistance. This is more than 50 percent below the total approved by the House of Representatives.

Approximately $300 million has already been obligated for military assistance under the continuing resolution, since the fiscal year is now more than one-third complete. The amount recommended by the Foreign Relations Committee thus provides only $50 million.

This is a very significant point; it is a pity there are not more Senators here to hear it. The amount recommended by the Foreign Relations Committee thus provides only $50 million for the remainder of the year for all countries to which the United States is giving military aid. I believe it is striking, Mr. President, that this $50 million is not even sufficient to cover the amount of ammunition required for military aid to the one country—Cambodia—which is receiving this aid for actual combat. It is not enough to buy the necessary cartridges and artillery shells and pay the freight on them over there, for Cambodia alone.

It is entirely erroneous, Mr. President, to argue that this type of assistance can continue under some alleged pipeline for any substantial period. It is true that some items which require a long leadtime for production—such as the F-5 aircraft we are to provide for Korea under this bill—require more than a year to produce. Funds for this type of military assistance are in a pipeline for some time. But this is not true as to ammunition.

Military assistance at the level recommended by the Foreign Relations Committee would not even permit full funding of aid to Cambodia at the level of $341 million set by the ceiling in section 655 of the same bill. This is true even if all remaining funds under the committee bill are allocated to Cambodia. Such an allocation would force immediate cancellation of important aid programs to Turkey, the Philippines, and Korea, among other countries.

There is a direct, special promise made to Turkey in connection with the opium matter. We have just concluded an agreement under which the growing of opium poppies for heroin will be halted there. Cancellation of the aid programs to Turkey could put severe strains upon the Turkish budget and force a reevaluation of this agreement. Our aid program to Korea this year, consisting largely of trucks and F-5 aircraft purchased in the United States, would be effectively canceled by approval of the total recommended by the Foreign Relations Committee.

We had the debate here yesterday about Okinawa, and agreed that we were giving up something there. All agreed that if we could not operate under the treaty in Okinawa, there is South Korea, that there would be a place where we could have the necessary fields and functions, in all likelihood. Now, today, the next day, we are considering reducing this aid figure so low, all of a sudden, that we would not have any money left to keep even a very modest amount available to Korea. The amount is $154 million for the remainder of the year, and in terms of military aid, for a country where we have the investment we have there, and military men of our own, that is certainly not a huge sum of money.

Further amounts for the remainder of the year include, Turkey $70 million, the Philippines $11 million, Indonesia $19 million, Greece $13 million, Latin American countries $6 million.

Pakistan; people ask me about Pakistan. There is no money in this measure now, and no money in my amendment; no money in the bill except $85,000 for training of present Pakistani officers already here in the United States in training. Most of that money has already been spent, and the program will be terminated when those courses are completed.

The items I have pointed out are items of direct military aid. I shall pick up the supporting assistance in a few moments. Mr. President, this shows there is no great sum of money being put out under my amendment to any country, and most of this money goes, as I say, to Cambodia.

Regardless of what you think about our having gone in there, we are out now. Regardless of what you think about wanting to get out of all this involvement, certainly it takes an extreme view to say that after we have built that army up—and it does have a connection with the support of our withdrawal—that we are just going to walk up to those men, to whom we have given the rifles, and not let them have any ammunition and artillery at the same time. It is unthinkable, Mr. President.

I have checked these figures out, and they bear my interpretation. I believe the only interpretation that can be given is the one I have given, because these are hard facts, as worked up by the Armed Services Committee staff themselves, not taking them from some other source.

I have already covered the point about this pipeline matter. The pipeline argument would hold, and hold well, for a number of airplanes or items of that kind that were being built. But this money is for altogether a different purpose, and altogether a different story applies. There is just no long pipeline for artillery shells and rifle ammunition, that you are buying from a cartridge company and shipping over to the countries involved.

Turning to the second phase of this amendment, supporting assistance is primarily war-related economic support for the economies of Southeast Asia. The $85 million in supporting assistance earmarked for Israel is not affected by the reduction recommended by the committee nor by the increase which I am proposing. No one touches that aid to Israel amendment. It is all directed over here to Cambodia and Southeast Asia, or most of the reductions are. My amendment would increase this assistance to $566 million.

This is considerably below the $800 million included in the House bill—which included funds for Israel—and it is also 8 percent below the $614 million first proposed by the Foreign Relations Committee. It does mark an increase from the $350 million recommended by the committee in the bill before us.

Again, over $240 million has already been obligated under the continuing resolution since more than one-third of the fiscal year is behind us. The committee's recommendation—and I speak with all deference to the committee—allows only $102 million for supporting assistance for the remainder of the year. Although I believe that some reduction below the level of supporting assistance approved by the House is in order and I also believe that a small reduction can safely be made below the total first recommended by the Foreign Relations Committee, the radical cut recommended by the committee in this bill is wholly unjustified. This shows how closely we combed through this matter. These funds are required, primarily in South Vietnam, to provide the essential ingredients—this is direct aid to South Vietnam—to keep a war-time economy operating. They are used primarily for fertilizer, machinery, iron and steel, chemicals and petroleum products. Ninety percent of these products are purchased from American companies. That is getting right down to the nub of the matter of supporting assistance—a supporting military program but not actually military hardware.

There are also significant funds under supporting assistance—about $50 million—for important refugee and land reform programs in Laos and South Vietnam.

Mr. President, I certainly am not an expert in this field, but I have said for years that if we get them to move those land reform programs forward faster and better and give those people more to fight for, they will sooner be able and willing to take over the fighting there and thus diminish the necessity for our presence. I have probed somewhat into that, but I have not kept up with it as much as others have, and I will yield in a few minutes to the Senator from Illinois on that point. But I look to this more than I do to any other one thing for the future of South Vietnam.

As I said this morning—I want to be frank with fellow Senators—I have to reconcile myself to the fact that if we get out—and I want us to get out—we need not fool ourselves; we will have to put a massive amount of economic aid in there for some years to come. I do not know how many years—2 or 3. That would be the minimum, I would think. That will also apply with respect to military aid, if North Vietnam keeps the military pressure on them. We need not be foolish. They do not have an economy that can sustain a military machine to the extent of being able to carry it alone. We might as well make up our minds to that. I think the American people, when the facts are before them, will favor a reasonable program along that line.

It will be necessary to do that to keep from letting the South Vietnamese go down the drain, with all the American lives that have been lost there—more than 50,000 killed, several hundred thousand wounded and maimed, the billions of dollars we have spent there.

Perhaps it was a mistake ever to go in there, but I do not think we can just say it was a mistake and cut and run and liquidate the whole thing. I do not think the people want that done as much as they want to get through with the fighting and the combat of our boys there.

It would be tragic if, as a result of this unreasonably low figure recommended by the Committee on Foreign Relations, our attempts to feed, clothe, and provide medical care for the victims of the tragic war in Indochina were halted. Land reform is an important example of the type of programs we have encouraged in South Vietnam for years in an attempt to make the South Vietnamese Government more responsive to the needs of its own people. It would be ironic indeed if the Senate, by reductions in these so-called military programs helped undermine the one program which promises some hope for long-range economic, social, and political reform in South Vietnam.

It has been argued, Mr. President, that vast sums totaling many billions of dollars, exist in a so-called pipeline. Thus, it is alleged a halt in the military assistance programs would not seriously jeopardize our objectives since aid would continue for some time using these funds. In the first place, the total of these funds is frequently overstated. Approximately $591 million in funds from prior years have been obligated by the United States but the projects for which they have been obligated are not completed. A good example of this is the case to which I referred to earlier: that of an aircraft being produced for delivery to one of our allies. Since aircraft production or, for example, the construction of a communications facility takes some time, it is obvious that there will be funds in such intermediate categories at any given period in time.

In addition, there is about $212 million worth of items ordered under the continuing resolution but not yet delivered. It takes several weeks to ship ammunition to Cambodia from an American factory. But the value of aircraft in production and ammunition on the high seas is not some kind of slush fund under which aid may be continued indefinitely.

Moreover, and more seriously, the pipeline will soon dry up for those items such as ammunition and petroleum which can be produced and transported relatively rapidly. Our best estimate is that, under the bill as recommended by the Foreign Relations Committee, virtually all aid to Cambodia would be terminated by January or early February. Other types of aid, such as military assistance to other countries and supporting assistance to South Vietnam and Laos, would be terminated by March or April. Approximately $620 million in supporting assistance funds which have already been obligated would keep some projects funded until early spring.

Finally, the funds in the "pipeline" for military and supporting assistance are somewhat analogous to the operating capital required by a business. If it is used for some other purpose, the programs cannot again be continued until it is replaced. Thus, if we rely on these funds to continue military and supporting assistance for a few months more, the programs could not then be reinstituted immediately. There would be a gap of several months while, for example, Cambodia attempts to continue to repel an invasion by about four North Vietnamese divisions without ammunition while we are educated about the amount of funds in this so-called "pipeline".

Mr. President, I strongly urge the acceptance of my amendment. I want to reiterate that I propose no sizable increases. On the contrary, my amendment accepts the two sharp 20 percent cuts in military assistance recommended by the Foreign Relations Committee and by the Church amendment on the floor of the Senate. It also accepts the reductions initially made by the Foreign Relations Committee in supporting assistance and includes even a further reduction of 8 percent. I believe the reductions projected in my amendment are the maximum that could be taken with prudent regard for our national security objectives in light of our obligations to our allies. I urge the Senate to accept this amendment.

I speak with all deference to the committee's action, but I believe that in their high purposes, they went too fast and too far in this bill.

So I hope we can restore these modest amounts. I told the Secretary of Defense, frankly, that I thought the utmost effort had to be made to minimize the dollar cost of these programs in fiscal years beyond fiscal 1972.

I yield 3 minutes to the distinguished Senator from Louisiana.

Mr. **ELLENDER.** Mr. President, the Senate completed action on the foreign economic aid authorization bill yesterday, and it is my understanding that the Senate probably will complete action today on the foreign military aid authorization bill that is pending.

I express the hope that the House of Representatives will take up those matters immediately. I understand that the House passed a continuing resolution yesterday, in the hope that this matter could go along on a continuing resolution.

I have spoken to quite a few members of the Committee on Appropriations of which I am chairman, and, judging from my conversations with them, there is no sentiment to pass a continuing resolution at this time. With reference to the question of paydays, there is no problem for several weeks. What we want to do is to have these two foreign aid bills considered by the House as soon as possible and after a conference between the two Houses for the House to consider an appropriation bill on foreign aid so that we can get out of Washington not later than November 23. I am hopeful that this schedule can be followed.

I was informed a little while ago that the House of Representatives is thinking of taking a little vacation for a week or so. I hope they will not do this, because if the House gets busy and acts on these two bills—the one we passed yesterday and the one today—dealing with foreign aid, we ought to be able to get them in shape and together with the foreign aid appropriation bill have them enacted before November 23.

It is my purpose to meet tomorrow with a few members of the Appropriations Committee, in order to make a preliminary examination of the defense appropriation bill——

The **PRESIDING OFFICER.** The Senator's 3 minutes have expired.

Mr. **STENNIS.** I yield 2 additional minutes to the Senator.

Mr. **ELLENDER.** It is my plan to get action on the defense appropriation bill by the subcommittee in time so that when the House enacts the bill early next week, we will be in a position a day or so after we receive that bill from the House to present it to the Senate for consideration. We hope to complete action on that bill before November 23.

The subcommittees in the Committee on Appropriations have held exhaustive hearings since earlier this year on the foreign aid program and the District of Columbia budget estimates and I assure the Senate these two bills will be reported to the Senate within hours after we receive them from the House of Representatives. We have completed hearings in the committee on virtually all items submitted so far on the supplemental appropriations bill for fiscal year 1972 and I assure the Senate there will be no delay in the committee. The committee will act on the supplemental bill as soon as the bill arrives from the House of Representatives.

I repeat: I hope that the House Members will seriously consider taking up these two foreign aid authorization bills as soon as they receive them. I have asked at the desk that as soon as the bill now pending is passed, it be sent to the House, in the hope that it will be considered within the next two or three days. I also express the hope that the House of Representatives immediately consider the District of Columbia and supplemental appropriation bills. There will be no delay on these bills in the Senate committee on appropriations. With the enactment of these bills there is no need for a continuing resolution.

I thank the Senator for yielding.

Mr. **STENNIS.** I thank the Senator for his remarks.

I yield myself 5 additional minutes.

Mr. **FULBRIGHT.** Mr. President, will the Senator yield for a question?

Mr. **STENNIS.** I yield.

Mr. **FULBRIGHT.** The Senator has talked about the funds running out. What happens to the $2.5 billion that is authorized under the military procurement bill? What is that money going to be used for? What can it be used for? As I understand it, that is available for use in Vietnam, Laos and Thailand; is that not correct?

Mr. **STENNIS.** That is correct.

Mr. **FULBRIGHT.** Is it not a substantial amount? Did we not vote to approve $2.5 billion in the bill which has now passed the House and Senate?

Mr. **STENNIS.** That is money appropriated through our services, as the Senator knows. It is to be spent in connection with costs of battlefield operations, we might say, in Vietnam especially, and is directly connected with the operation of the war itself. Over in Cambodia, that money does not apply.

Mr. **FULBRIGHT.** I said Vietnam, Laos, and Thailand.

Mr. **STENNIS.** Yes, I know.

Mr. **FULBRIGHT.** For the record, I shall read a portion of the DOD Appropriation Act of 1971:

> "Sec. 838. (a) Not to exceed $2,500,000,000 of the appropriations available to the Department of Defense during the current fiscal year shall be available for stated purposes to support: (1) Vietnamese and other free world forces in support of Vietnamese forces; (2) local forces in Laos and Thailand; and for related costs, on such terms and conditions as the Secretary of Defense may determine."

If that is not a broad authorization to do anything the President likes, then I do not know what is. It relates to anything that is needed in any of those countries that can be related to allied forces and activities there. I have heard that it is used for nearly everything. And it is quite a substantial amount. So I think that certainly should be taken into consideration when the Senator says that the amount in this bill is going to cripple our activities beyond repair. I think that $2.5 billion is quite a sizable sum of money for those small countries.

Mr. **STENNIS.** I was emphasizing the crippling effect with regard to the Army in Cambodia, not so much in Vietnam.

Mr. **FULBRIGHT.** Well, on that point, I remind the Senator that last year the President transferred $110 million for aid to Cambodia without any authorization. It was transferred from funds that were available for other programs. At that time there was no authority in law anywhere for operations in Cambodia.

Mr. **STENNIS.** I am really not familiar with the $110 million, or whatever it was the Senator referred to, but that has all been clarified now. The Senator knows, we had legislation with respect to different countries setting forth how much could be spent in Laos, for instance, when the military procurement bill passed the Senate.

Mr. **FULBRIGHT.** Out of the $2½ billion?

Mr. **STENNIS.** Out of the $2½ billion; that is right.

Mr. **FULBRIGHT.** That is right.

Mr. **STENNIS.** So it has merely been throttled down now and itemized, and we have a bill particularly in our record here holding them accountable for everything.

Mr. **FULBRIGHT.** This is only $350 million in comparison to $2½ billion.

The **PRESIDING OFFICER** (Mr. STEVENSON). The time of the Senator from Mississippi has expired.

Mr. **STENNIS.** I ask the Senator from Arkansas to yield himself 5 minutes.

Mr. **FULBRIGHT.** Mr. President, I yield myself 5 minutes.

The **PRESIDING OFFICER.** The Senator from Arkansas is recognized for 5 minutes.

Mr. **FULBRIGHT.** Mr. President, that $110 million was transferred under the President's authority. I think it was against the spirit of the restrictions on U.S. operations in Southeast Asia. As I said the other day, in commenting on this subject. I did not charge that it was illegal but said it was against the spirit, in that the transfers are made to countries for which no aid has been authorized.

The only point I want to make is that I think the Senator is worried about nothing. I think he goes a little bit too far; I think, when we know that we have a $2.5 billion "kitty" to fall back on plus what is in this bill, that that is a lot of money.

Mr. **STENNIS.** As the Senator knows, that has all been tightened up now. Those funds have been tightened up in the military procurement bill. I hope we can call up the conference report on it and have it agreed to this afternoon, after this bill has been disposed of. There has to be an accounting. In the committee we have a record of the justifications, just as we have on tanks, guns, and other items. That was not true a few years ago.

Mr. **FULBRIGHT.** Well, what are we going to do with all the ammunition, tanks, trucks, and guns, and everything else, if the President continues to move troops out of South Vietnam? What are we going to do with them? Are they not available to be turned over to Cambodia without any further authorization?

Mr. **STENNIS.** Some of those could be used that way and charged to these accounts, but there is a limit on them. We have ceilings on them now, so that is a horse of another color and is in another category.

That $2.5 billion will be spent to supply the Vietnamese troops who are fighting in Laos. We equip them. We supply them. That money is for a part of the Vietnamese troops who are fighting on their borders and beyond their borders. So that is a different account altogether. It is kept, as I say, under control. If we can use that, then we would not have anything in the Senator's bill. The Senator's bill admits that it has got to have some more money than that.

**Mr. FULBRIGHT.** The Senator knows that the President has authority to declare pretty nearly anything he wants to as excess to our needs and to turn it over to them. He has lots of resources. I do not wish to pursue this subject any longer. The only point is, I think, that the Senator overstates the case in pleading "poor mouth" that they do not have anything to do anything with. If this war is being wound down, we have got a lot of money. If we are not going to wind it down and expect to keep on fighting there by proxy, then the President will need a lot of money.

My plea the other day was for the administration to "come clean." What is the objective in Southeast Asia? If we are really going to wind down the war, how do we justify Cambodia and this enormous increase from nothing to $341 million in 2 years? If we are not going to wind down the war, then let us be told so and let us judge the matter on its merits. All I want is for the administration to be honest and come to the Senate and say, "Look, we are winding down the war, but we have got to stay there for *x* number of years, during which time we will need this money." The Senate could then judge whether it was in our interest to do it or not.

What bothers me is asking us to vote in a situation for a lot of money for a purpose which neither I nor, I think, the American people, support. I am trying to get this matter honestly before us.

I think, this morning, I was paying the Senator from Mississippi a compliment. I did not say he was speaking for the administration. I did say that what the Senator said when he spoke is more consistent, in my view, with what the administration is doing and recommending than what the administration is saying. They are saying things that are not consistent with what they are doing. What the Senator said this morning is in my view, more candid, more honest, and more straightforward than what the spokesmen for the administration said because the Senator from Mississippi frankly said, in my opinion—and if I misquote him, I hope the Senator will correct me—but I think the Senator said that, in his opinion, we would be there a long time or a number of years——

**Mr. STENNIS.** Some years.

**Mr. FULBRIGHT.** Some years.

**Mr. STENNIS.** That is right.

**Mr. FULBRIGHT.** That is not what is being said downtown.

**Mr. STENNIS.** That is with reference to economic aid.

**Mr. FULBRIGHT.** And some military aid.

**Mr. STENNIS.** And some military aid; that is correct.

**Mr. FULBRIGHT.** That is a large amount of dollars. It is a lot of money. We have the $2½ billion there, and half a billion dollars here. We have $3 billion, plus Public Law 480 on top of that, so that is a lot of money. I do not quite go along with the Senator when he states that these poor countries are being starved and squeezed to death. This sounds like a lot of money in Arkansas. Mississippi has gotten so rich lately that the Senator from Mississippi is not impressed, as I am, with $3 billion.

**Mr. STENNIS.** The $2.5 billion the Senator refers to, it is well known, goes to the South Vietnamese fighting forces, wherever they may be fighting.

The **PRESIDING OFFICER.** The time of the Senator from Arkansas has expired.

**Mr. STENNIS.** Mr. President, I yield myself 5 more minutes; then I propose to yield the floor.

The **PRESIDING OFFICER.** The Senator from Mississippi is recognized for 5 more minutes.

**Mr. STENNIS.** Further, the books show that these are separate items. For instance, in the amendment I propose, there would be some funds there for Korea.

Of course, that would not come out of any money that was sent to Vietnam. Turkey would have a maximum of $70 million for the remainder of the year. That is one of the key spots of the western defenses. There are no finer soldiers to be found anywhere than those men. The Philippines would get a small amount. Indonesia would get a maximum of $19 million. Latin America would get $6 million. Greece would get a maximum of $13 million.

I mentioned Pakistan previously. They would receive only $85,000. And that is for training some of their officers who are already in this country taking courses. That will be terminated, as I understand, when those courses are finished.

Mr. President, I do not want to prolong the debate. I am certain, in my mind at least, that this money for Cambodia is a part, and an essential part, of the withdrawal plans of our men from Vietnam. I would not want to be responsible in any way for what would happen there if we leave the 218,000 man army that we have helped to build up in Cambodia holding down those four divisions from North Vietnam and leave them there without proper assistance—not guidance and not supervision—from us.

Like it or not, we have to grit our teeth and muscle up to this thing and follow through on this withdrawal. Then we can take care of how much more aid may be needed in the years to come. I am frank to say that I think there will be some.

Mr. President, I ask unanimous consent to have printed at this point in the RECORD a copy of my letter dated November 10 to my colleagues concerning the amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. SENATE,
*Washington, D.C., November 10, 1971.*

Re Military Assistance Amendment No. 631 to S. 2819.

DEAR COLLEAGUE: The new bill, S. 2819, dealing only with military assistance, goes too far in its cuts. It jeopardizes what we are trying to do in Indochina in terms of withdrawal and self-sufficiency. It cuts below the bare minimum needed in help for other friends elsewhere, such as Korea, Turkey, and the Philippines.

I urge you to support my amendment, No. 631, which will probably be voted on tomorrow (Thursday). My amendment would increase military assistance from $350 million to $452 million. This is the amount adopted in the previous bill under the Church amendment, which made the second of two 20 percent cuts in military aid. About $300 million has already been obligated in military assistance under a continuing resolution. If the Foreign Relations Committee level of $350 million is retained, only $50 million will be available for the remainder of this fiscal year.

This sum, even with funds previously obligated, is less than what is required for ammunition alone for the Cambodian Army for the rest of this year. Moreover, a total of this magnitude would require cancellation of the programs for all other countries—including the Philippines, Turkey, and Korea—unless aid for Cambodia were stopped immediately. Even if aid to Cambodia were halted, the $50 million is so low a figure that it would force us to cancel either the program for Turkey or that for Korea.

My amendment also increases supporting assistance from $350 million to $566 million—still 8 percent below the figure in the earlier aid bill. These funds—essentially for war-related economic support to the economies of Southeast Asia—are vital in order to avoid hindering our withdrawal from Southeast Asia. Supporting assistance funds are used primarily for the purchase of fertilizer, petroleum products, chemicals, steel and other basic commodities for South Vietnam, Laos, and Cambodia—90 percent from American companies. Over $50 million is needed for vital refugee and land reform programs—these programs would be hard hit by the severe cut recommended by the Foreign Relations Committee.

We have lost thousands of lives and invested billions of dollars in Indochina. At this point in time we should not turn our backs on these sacrifices by denying the funds which will assist our withdrawal and, at the same time, help our friends and allies shape their own futures.

I have put the Administration on notice that I expect to support only a minimum military aid program for next year, less than what some may want. But I strongly feel that the minimum funds in my amendment are necessary this year as our withdrawal from Indochina continues.

Sincerely,

JOHN C. STENNIS.

**Mr. STENNIS.** Mr. President, I yield back the remainder of the time I might have remaining of the 5 minutes, and I yield the floor.

**Mr. FULBRIGHT.** Mr. President, I yield 5 minutes to the Senator from Missouri.

The **PRESIDING OFFICER.** The Senator from Missouri is recognized for 5 minutes.

**Mr. SYMINGTON.** Mr. President, as a premise to these remarks is the fact that the estimated deficit of the U.S. Government is $35 billion for next year. One of the reasons for this, we cannot fail to note, is the fact that first, we spend tens of billions of dollars destroying various countries in the Far East, then billions more in trying to put them back together physically. We could never put them back together either morally or spiritually.

I oppose the amendment of my good

friend, the Senator from Mississippi, and for the following reasons:

The thrust of the amendment offered by the distinguished Senator is to increase economic supporting assistance and military grant aid because, as he sees it, the amounts contained in this military aid bill are not adequate for the continuation of the various programs incident to the wars that are going on in Southeast Asia. I say wars, and not war, advisedly.

In effect, it would appear that he believes the amounts in the bill would leave Cambodia, Thailand, Laos, and South Vietnam helpless in the conflicts which now rage in that part of the world.

I cannot agree, and would ask my colleague to consider the following:

First, the President has almost unlimited transfer authority under the Foreign Assistance Act. Senators will recall that last year the President transferred $110 million to Cambodia when, in fact, that country had not been scheduled to receive any assistance at all. If sums of that magnitude can be transferred, then it can certainly be handled on the same basis now—if the situation is as critical as the Senator from Mississippi states.

Second, may I draw attention to the special authority given the President under section 506 of the Foreign Assistance Act, which authority permits the President in any fiscal year to draw an additional $300 million for military assistance purposes from the Department of Defense stocks. That authority is particularly pertinent at this point because over $100 million of the total amount being asked for, for Cambodia, is for ammunition alone. Think of the billions of dollars worth of ammunition already she has in stock. Again, if the situation is as urgent as has been suggested, the President could exercise this authority and provide the requirements which the Senator himself suggests are so necessary.

Third, I believe Senators ought to be aware of the fact that, as of June 30, 1971, there was a total of $4.7 billion in the total aid pipeline. It is inconceivable that a substantial part of this $4.7 billion could not be deobligated and used in order to meet the requirements in question. To argue to the contrary is to suggest that all of these funds are so solidly frozen, so solidly committed, that they could not possibly be shaken loose for an emergency of the type the Senator suggests exists.

In addition, let us remember that $2.5 billion of military assistance is contained in the Defense authorization bill for free world forces in South Vietnam, Laos, and Thailand.

In summary, it is clear that the President already has all the authority and the money he needs to provide any or all of the countries of Southeast Asia with economic supporting assistance funds or military aid if he determines that those additional funds are really necessary.

Therefore, what is being requested of the Senate in this instance is to provide additional funds for the President's use when he himself has not chosen to make use of the special authorities that already exist in law.

I have already made a talk this morning about the current pitiful condition of the schools in this country, and could go on talking about the many hard-core problems of American cities also the extreme poverty which exists today on hundreds of thousands of our farms in other words all the problems suffered by the 25 million Americans now living below the poverty line.

I pointed out that in some States two-thirds of the people agree the school situation is truly tragic; but only one-third of those people agree there should be taxes to correct that sad situation.

Under such circumstances, it is inconceivable to me that we should now raise the amount of money being asked to help natives of foreign countries kill each other 10,000 miles away from home while we turn our backs on millions of the unfortunate right here in this country. This great care for the nature of the governments in foreign lands, coupled with this obvious great carelessness with respect to our own people, is the chief reason why for the first time in our history, we are having a recession at the same time we continue to experience inflation. It is very possibly also why the American people, in the words of the President, are becoming "fed up" with government.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. FULBRIGHT. Mr. President, I want to talk a little further about the $2.5 billion which has already been authorized in the bill which has passed both the House and Senate and will be in conference and I have no doubt will be approved. This is for fiscal 1972. $1,901,100,000 is to be allocated to South Vietnam. That is almost $2 billion.

For the support of the Korean forces in South Vietnam, $195.9 million is allocated, almost $196 million.

In Laos, $138.5 million.

Thailand, $68.1 million.

That makes a total of $2,303,000,000, leaving $200 million unallocated in their estimates. They anticipate, however, it will be used as the needs develop.

This gives the Secretary of Defense almost blanket authority to use these funds in almost any way he chooses to use it, not only in support of the free world forces, but also anything related to their support. This is in addition to the support money provided in the pending bill. So, there is an awful lot of money already authorized and available to Southeast Asia.

This is an awful lot of money that already has been authorized for this area. I do not think there is any substance to the argument that there is going to be a lack of money in this area for military and related subjects.

I was struck by a statement attributed to our former Ambassador in Korea, Since serving in South Korea, he has gone to Paris as our chief peace negotiator. This is from the Washington Post of last July. It states:

> Ambassador Porter said in a recent speech before the American Chamber of Commerce here, "The time has come for Korea to assume an ever-increasing share of the cost of defense. Korea maintains the largest defense force in free Asia, enjoys the most rapid rate of economic growth of any of the developing countries of Asia and yet allocates less of its total reosources to defense than the average for developing countries in this area."

The United States is, of course, picking up the bill; the support of these forces comes from our taxpayers and from this bill and other sources, such as I just mentioned.

Mr. President, any way you look at it, the activities of the military, whether they are ours or our allies, are excessive. Ambassador Porter was saying that the Koreans should cut back on their military establishment and pay more of their own costs.

Mr. President, I ask unanimous consent that the entire article to which I have referred may be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### UNITED STATES ASKS KOREA TO CUT FORCE

(By Selig S. Harrison)

SEOUL, July 3.—The United States is urging South Korea to reduce its armed forces by 125,000 men within the next five years so that Seoul can assume an increasing portion of operational military costs now covered by U.S. grants.

Informed sources said today that the U.S. proposal has been discussed informally in meetings between Korean defense officials and Adm. John S. McCain, commander in chief of U.S. forces in the Pacific this week.

Adm. McCain came here as a member of the U.S. delegation to the inaugural of President Chung Hee Park Thursday. He is scheduled to return on July 12 with Defense Secretary Melvin Laird for intensive talks on a variety of military issues.

Aides to Vice President Spiro T. Agnew said that Agnew has not raised the reduction plan or other "substantive issues" during his meetings with Park and had come here solely to lead the U.S. delegation in the inauguration ceremonies.

Agnew and Park met for 50 minutes on Wednesday and spent four hours together on the Korean military academy golf course today, stopping for an hour-long lunch after the ninth hole.

They were accompanied by Ambassador William Porter and an interpreter. At lunch, they were joined by Gen. John H. Michaelis, commanding general of the U.S. 8th Army, his deputy, Lt. Gen. Robert Smith, and former South Korean Premier Chung Il Kwon.

#### PARK-AGNEW ACCORD

It was not clear whether Agnew and Park had reached agreement on the future of the 52,000-man Korean force in South Vietnam. The issue reportedly came up in their initial meeting and is due to receive detailed attention during the Laird visit.

Most indications suggested that Seoul is ready to keep a large part of its U.S.-subsidized units in Vietnam in return for a share of surplus American military stocks there.

The total strength of the Korean forces including units now in Vietnam is about 672,000.

A projected $1.5 billion, five-year U.S. program for the modernization and maintenance of the Korean forces envisages $500 million for operational costs, in addition to $750 million for new equipment financed by congressional military aid appropriations and another $250 million in surplus equipment left behind here by departing U.S. troops.

If Seoul has to pay for the petroleum, cement, uniforms and other "consumables" needed to operate its forces, American offi-

> cials reason, this would naturally make the idea of reduced forces more attractive while at the same time releasing additional U.S. funds for equipment under the modernization program.
>
> ### KOREA'S SHARF
>
> Ambassador Porter said in a recent speech before the American Chamber of Commerce here, "The time has come for Korea to assume an ever-increasing share of the cost of defense. Korea maintains the largest defense force in free Asia, enjoys the most rapid rate of economic growth of any of the developing countries of Asia and yet allocates less of its total resources to defense than the average for developing countries in this area."
>
> Assuming that its Gross National Product grows according to expectations and that defense spending stays at past levels, Porter calculated, Seoul would have $51 million more available for defense next year than it had in 1969, and this figure would grow to $175 million in 1976.
>
> Porter stressed that South Korea could actually afford to boost defense spending levels as a result of recent economic growth.
>
> South Korea spends only 4.1 per cent of its GNP for defense, he said.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. FULBRIGHT. Mr. President, the first paragraph states:

> The United States is urging South Korea to reduce its armed forces by 125,000 men within the next five years so that Seoul can assume an increaseing portion of operational military costs now covered by U.S. grants.

I hope they achieve that purpose. I am not at all sure they will.

In view of the fact that all Senators who are now present in the Chamber have heard the arguments, I am not sure there is much point in my continuing to repeat them. I am ready to yield back my time if the Senator from Mississippi is ready to yield back his time.

Mr. STENNIS. I have requests from other Senators for time.

Mr. FULBRIGHT. Very well.

Mr. STENNIS. Mr. President, I yield 5 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I thank the distinguished Senator from Mississippi for yielding. I would like to address myself to one point he has made with regard to land reform.

However, before doing that, let me me say that in general principle, I have supported the President's desire to reduce our Armed Forces from the 3.5 million men to the 2.5 million men level that he expects to achieve by July 1, 1972. I think we have to reduce our commitments around the world and we have fully notified our friends and allies that we are not going to police the whole world, that we are not going to bear a disproportionate share of the defense burden for the rest of the nations of the free world, and that we cannot be looked to alone to carry the kind of load we have carried for the last quarter of a century and more.

I support the President's deescalation of our effort in Vietnam. We can rejoice that from a peak of 550,000 men, we are now down by 360,000 men to about 190,000 men in Vietnam.

I do not want to be responsible for voting for a bill that I think would endanger that deescalation policy. There is little question of the shock around the world, from our action a week ago Friday, particularly in Southeast Asia. I know when Secretary Laird arrived there and heard the news that the Senate had voted down the foreign assistance bill, the military assistance portion of it, which was so important to Southeast Asia, there was a condition of shock, and during the hours he spent with the members of the Cabinet and the President, he tried to explain this sudden reversal of policy. He could only explain it by saying he was certain the Senate would follow its responsibility to carry out a consistent policy for the United States. The consistency of our present policy—the Nixon doctrine—would depend on our willingness to say that we will not furnish men but military assistance and aid, that we will help those countries, but that we will not take over their burden for them, that we will help them to stand on their own feet, but we will not be their total crutch.

That policy has been applauded by the whole country and lauded by Senators on both sides of the aisle. Suddenly then would we pull the rug out from under that policy when they are in the midst of implementing it by having our men return from Southeast Asia? I do not want to be responsible for any slow-up in that program or a delay of even a day in bringing back American men.

There is not any question that the program will be impaired unless we agree to the amendment of the Senator from Mississippi. His amendment is prudent, wise, essential, and necessary.

Two elements of that program are worthy of note. One of them deals with the assistance to refugees. This country is now reaching out to provide $250 million of assistance to refugees because of the Pakistan-India situation—I should say Pakistan situation because this is not an action of India but an action of the Government of West Pakistan in East Bengal that resulted in the exodus of over 9 million refugees. We have stepped up to help those refugees. We cannot do less for refugees that have been created as a result of our allied actions in South Vietnam in providing for assistance and help to these homeless people. We have carried on military actions there in carrying out a policy of putting South Vietnam in a position to be able to defend itself, that created many refugees and we cannot cut out funds that support those programs.

It would be unthinkable to me also, when I have heard time after time and year after year Members of this body call upon the Government of South Vietnam to make its own Government responsive to the people of South Vietnam, to then pull the rug out from under one of the most fundamental programs we have encouraged South Vietnam to institute.

We know in this country, when through the FHA in the last 30 years we have moved from a country with one-third homeowners to a country of two-third homeowners, how people love to own their own homes and the soil on which they reside.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. Mr. President, I yield the Senator 2 additional minutes.

The PRESIDING OFFICER. The Senator is recognized for 2 additional minutes.

Mr. PERCY. We know from the days of early settlement of this country and the Homestead Act how important it was and how much it meant for people to have their own land. And our Government provided help.

Recently the Government of South Vietnam has been responsive to this same human need and desire. In March of 1970 the Land-to-the-Tiller law was promulgated which expropriates all tenanted rice lands and all lands directly cultivated by the owner in excess of 37.5 acres as of the promulgation date.

This land reform program seeks to eliminate tenancy by vesting ownership of the land for free to the tenant farmer. The Government of South Vietnam reimburses the former owner. The total estimated cost to the Government of South Vietnam will be 200 billion piasters, and that is about $500 million.

What we contribute is about $15 million this year to offset the inflationary impact of this many piasters going into the economy.

Through September 1971, when this program was only 13 months old, 307,000 titles involving over 900,000 acres had been approved for transfer to the tenant-tiller. Landlord opposition has so far been negligible. It is so eminently right that people should own the land they live and work on and that we should have a program that would undercut the false hopes and promises offered by our adversaries in the north who try to undercut the South Vietnamese Government by these promises.

This is not a promise; this is a program. This program has already had a revolutionary effect upon that country. For us to pull the rug from under the supporting effort for that kind of program and other assistance programs to me is unthinkable.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. I yield 1 minute to the Senator.

Mr. PERCY. I would not want to be responsible for any such act.

In conclusion, I simply feel that there must be a constant policy. Let us not zigzag. That is what is upsetting our allies and friends around the world. That is what they cannot understand. We enunciated the policy of withdrawing U.S. troops but offering other kinds of help to them. Let us not reverse that policy after it was enunciated by President Nixon and was so widely applauded. Let us continue with that program and continue with the evacuation of our forces, but not do anything to endanger those forces or the stability of a government which for so many years we have been trying to make more responsive to the people. We would be pulling the rug out from under some of the very programs that go toward making it a responsible government.

Mr. STENNIS. Mr. President, I yield 1 minute in order to ask the Senator a question.

Has the Senator been to Vietnam and personally examined some of those land reforms and has he had contact there?

Mr. PERCY. I have been over there several times. I have talked to officials of the Government of South Vietnam. As the distinguished Senator knows, the first month I came to the Senate I sponsored a homeownership bill for low-income people.

I talked to officials of the Government of South Vietnam and how much it would mean to the people in their country if they could see some better end result for themselves—not just for Government officeholders and not for just the wealthy, but for the people who till the soil—the peasants of South Vietnam. I was very pleased that they adopted a land reform program and the results have already been demonstrated.

Mr. STENNIS. And this money is in response to a committal by us to make a contribution to that?

Mr. PERCY. Absolutely. It is a moral commitment. There is no legal basis for it, but it is a moral commitment, an encouragement by the Government, by the preceding administration as well as this administration—an encouragement to go into land reform, refugee assistance, and other programs to help the people.

Mr. STENNIS. I thank the Senator.

I yield 5 minutes to the Senator from South Carolina (Mr. THURMOND).

Mr. THURMOND. Mr. President, I rise to support the Stennis amendment. For several years we have heard critics of the Vietnam war say we had no business there; we ought to get out; we ought to just provide help and let them fight their own war. That is exactly what President Nixon is doing. We are withdrawing our troops.

In 1968 we had about 545,000 troops over there. On December 1 the number will be down to about 184,000. President Nixon has been withdrawing our troops, so we are getting out. We are winding the war down. But can we just get out and leave our allies cold? Are we just going to withdraw and say, "We are going to leave you entirely—not even give you equipment"?

Even the critics of the Vietnam war have not been opposed, as I understand it, to giving them equipment to allow them to fight their own war. We are letting them fight their own war. If we are going to do that and if the 45,000 men who have been lost there and the 300,000 men who have been injured there are not to have done that in vain, we must do something to help South Vietnam, Laos, and Cambodia, if they are to remain free.

The administration requested $705 million for military assistance. The House approved the $705 million, the exact amount the administration requested.

The first Senate Foreign Relations Committee bill provided $565 million. The Senate as a whole then cut this figure to $452 million.

In the military assistance bill which came back to the Senate, the Foreign Relations Committee has cut the amount to $350 million, which is $102 million below what the Senate had originally approved in the Church amendment.

It does not make any sense that the Foreign Relations Committee cut it back to $350 million.

The distinguished Senator from Mississippi (Mr. STENNIS) is merely asking that we restore the amount to $452 million, which the Senate as a whole has already approved in the Church amendment vote. I hope the Senate will allow this $452 million.

As to support assistance, the administration requested $768 million. The House approved more than that—$800 million. The first Senate Foreign Relations Committee bill cut the amount to $614 million. The second committee bill has cut the support assistance to $350 million.

Although the Senate Foreign Relations Committee, in its first bill, included $614 million, the committee, in the second and pending bill, has cut the amount to $350 million. The Stennis amendment would merely restore it to $566 million. This ought to be the minimum. After all, how are the South Vietnamese going to carry on? How are they going to pay for strengthening their country economically while at the same time trying to conduct a war to protect themselves against the aggression of the North Vietnamese? How are they going to remain free if we do not provide the necessary military and economic assistance for that purpose?

The support assistance funds are provided essentially to keep a war economy going, and that is primarily in South Vietnam. I would also remind the Senate that the funds are used primarily for fertilizer, machinery, iron, steel, chemicals, and petroleum products. I think it is of interest, too, for the Senate to know that 90 percent of these products are purchased from American companies.

I might also mention the fact that about $50 million of these funds will go for refugee assistance and land reform programs in Laos and South Vietnam——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. THURMOND. Mr. President, I yield myself 2 additional minutes.

These funds are for refugee and land reform. That is what we have heard so much yelling about on the part of some of the critics of what is going on in South Vietnam, Laos, and Cambodia. They say, "Why don't you have land reform programs?" That is exactly what they are doing, providing land reform programs. Now they want to knock out the money with which to do it.

It is urgent that we provide the funds the administration needs. Even by approving this amendment we are not giving as much as the administration has requested.

The Senator from Mississippi is merely asking that the amount be raised to $452 million, whereas the administration requested $705 million for military assistance.

On support assistance, the Senator merely asks that it be raised to $566 million, whereas the administration requested $768 million. This is the very least we ought to do.

Mr. President, I yield 5 minutes to the Senator from Kansas (Mr. DOLE).

Mr. DOLE. Mr. President, I rise to urge passage of our military assistance program and our supporting assistance program. I have been opposed to certain aspects of foreign aid for some time and I opposed the bill on economic aid yesterday. I did so, not because I believe we do not have such obligations, but rather because I believe there is need for careful reassessment and realinement of our foreign aid program. However, I believe that the bill pending today, and particularly as it would be amended by the Senator from Mississippi, deserves the support of the Senate

I would like to give particular attention to certain countries which today are in transition from dependence upon the commitments of the United States to self-reliance. Their success in this objective is dependent heavily upon passage of this bill.

### ISRAEL

First let me discuss Israel.

No nation has so captured the interest and sympathies of the American people as has Israel. This rather small nation is surrounded by hostile and potentially hostile nations. It largely depends upon the United States for its very survival. Its population is dwarfed by that of its Arab neighbors, and the more radical of its Arab neighbors enjoy huge arms benefits which have been provided by the Soviet Union.

So I believe we must sustain Israel as linch pin for the stability in the Middle East. To achieve this objective, our policy must lead to a peaceful settlement of the political crisis in the Middle East. To date we have succeeded in both averting war and maintaining a ceasefire in this explosive region.

To sustain the Middle East ceasefire and encourage negotiations, we must also encourage a balance of power between Israel and the Arab States. To permit Israel to be weakened would be fatal to the peace and to Israel.

The administration has just completed a thorough intelligence survey of the balance in the Middle East and finds that Israel enjoys superior military capabilities to her neighbors.

Toward enabling Israel to maintain this position, we provided her with $500 million in the defense procurement bill of 1971. These funds have been spent by Israel; for F–4 and A–4 aircraft, for "Shrike" anti-SAM missiles, for M–60 tanks, and for armored personnel carriers, artillery, and various other types of equipment.

For this year, it is indicated that we need $300 million in military assistance program funds for Israel. These funds are necessary to Israel, but if we are stuck with the $350 million ceiling suggested in the Foreign Relations Committee version of the bill, we would have to destabilize our efforts worldwide, for we want to aid Israel to the extent of $300 million. Commonsense and the interest of the United States in achieving a generation of peace suggest that we must raise the MAP ceiling of the bill, in order to accommodate both Israel and our friends in other vital areas of the world.

Indeed, our concern for Israel this year has already led us to pay out over $160 million in 120-day credits—deferred payments—against the ceiling suggested in this bill. For both the administration's request and the SFRC version allocate $300 million to Israel. We cannot permit our genuine commitment to Israel to justify worldwide irresponsibility.

I am pleased to point out to my colleagues that Israel's armed forces have never been better equipped and much of it through our assistance. Israel spent approximately 15 percent of its gross national product on its armed forces in 1969. Today it is spending 28 percent of its GNP and yet it now has a foreign exchange balance-of-payments surplus of $714 million, almost an all-time high.

I am also happy to point out to my colleagues that just over a week ago the U.S. Department of State and the representative of Israel in New York City signed a production assistance agreement which will lead to U.S. assistance to Israel for the production of weapons and other sophisticated equipment in Israel, thus enhancing her balance-of-payments position. This again suggests the successful application of encouraging self sufficiency in our friends. Israel is important to us, she is in good shape. But let us not forget the rest of the world.

### JORDAN

Let us look at another country in the Middle East to which this bill is crucial. Jordan is almost unique among the Arab States for its realism and moderation. Recently it has been threatened by Fedayeen guerrillas from within and by Syria and Iraq externally. Its government is thus under heavy political and military pressure.

We moved politically to assist Jordan when invasion threatened. We have promised her the modest aid that she requires to remain independent. We want her to be capable of contributing to dialog and, hopefully, a settlement in the Middle East.

If we are to assist Jordan in its efforts to survive as a moderate state, we must be prepared to provide her with the $40 million in military assistance required this year. These funds give Jordan F–5 aircraft—which are no threat to Israel's F–4's—tanks, small arms, and other weapons of a defensive nature. Our military commitment, to be effective must have a 3-year duration. It is a modest one, totaling $120 million. To break this commitment by the imposition of the unrealistic ceiling requested in the committee bill would be acutely destabilizing for Jordan, and ultimately for the Middle East as a whole. Again, we must work for stability, in our efforts to secure a generation of peace, in a region which is subject to a vicious arms spiral, which, if uncontrolled, works against Israel and moderate states such as Jordan. On the other hand, we must sustain a balance of power, which promotes stability. This is what the assistance requested will achieve.

### SOUTH KOREA

Let me point specifically to just one other country. We have heard about our past efforts to strengthen South Korea, and this bill will further efforts toward giving that government a chance to become self-sufficient. To a remarkable degree, we have succeeded.

In fiscal year 1971, the administration withdrew one division of 20,000 men from South Korea. About 40,000 of our men remain there today, but none are subject to direct enemy fire at the demarcation line. They have been withdrawn to more sheltered areas. This is the Nixon doctrine in action.

Korea's economy today is strong and growing by 9 percent per year—GNP—but the country cannot yet sustain the burden of modernizing its armed forces in the face of a determined foe to the North. We must assist Korea in becoming strong enough to repel attacks from the North. This is especially true today, with the faint hope for conciliation appearing through Korean Red Cross contacts. Korea must be strong enough to stand up as a credible negotiator with North Korea.

South Korea needs the $254 million requested in the FMS-MAP. To undercut this nation now would again invite destabilization on a bloody peninsula, one which is strategically crucial to peace in Asia. The Nixon doctrine is working in South Korea. Let us bring it to fruition by enabling the Koreans to protect themselves. Only the new ceiling proposed in the pending amendment will permit this to happen.

The progress in the countries which I have discussed are the essence of the Nixon doctrine. To make this idea work will require the expenditure as suggested by the pending amendment.

So I join the distinguished Senator from Mississippi and others who support his amendment. We cannot afford to lend aid only to Israel, worthy and popular as that nation is. We must also look to our responsibilities and interests as a world power, with a strong desire to promote world peace and stability among nations. However, we cannot achieve this aim if we opt out of a process which has given every indication of being successful. We must assist these nations to become self-reliant. We must work toward stability in all of the regions of the world, for this planet has been dramatically shrunk by advances in science and communication for us to draw back into ourselves.

We seek a generation of peace. If we pass this amendment we will have the tools with which to build it. Successful diplomacy requires balance of power and strength in reasonable proportion. It also requires coherency of purpose. We must have the new ceiling proposed in the Stennis amendment if this purpose is to succeed.

Let me close as one who believes strongly in the Nixon doctrine. This bill, as it would be amended, is crucial to the success of the President's effort to encourage self-sufficiency among our friends around the world.

I yield back the remainder of my time, but first, I ask unanimous consent to have printed in the RECORD a document entitled "Supporting Assistance, Military Assistance Fact Sheet," dated November 11, 1971.

There being no objection, the fact sheet was ordered to be printed in the RECORD, as follows:

### SUPPORTING ASSISTANCE

The bill reported by the Senate Foreign Relations Committee provides $435 million of Supporting Assistance, of which $85 million is earmarked for Israel. This leaves $350 million for all other countries.

A.I.D. has, as of November 1st, obligated $243 million under the Continuing Resolution to support its program in the current fiscal year. Thus the proposed Senate bill means that A.I.D. will only have $107 million for all of its Supporting Assistance program requirements for the remainder of Fiscal Year 1972.

What are these requirements? The Administration request was for $805 million of Supporting Assistance, 90% of which was for Vietnam, Cambodia, and Laos. Thus the Senate bill results in a shortfall for the three countries in Indo-China of approximately $400 million.

A shortfall of this dimension would be a devastating blow to each of these three countries. In Vietnam and Laos, Supporting Assistance funds provide—directly or indirectly—over half of all government expenditures; in Cambodia over one-third.

If this shortfall is not greatly reduced, the impact on the economies of these three countries will be swift and disastrous. Inflation will become rampant, hoarding will become widespread, goods will disappear from the market place and economic chaos will follow. Political instability will not be far behind. Under such circumstances the ability of these three countries to continue an effective war effort and thereby to carry out Vietnamization with U.S. troops withdrawal will be very much impaired, if not destroyed.

### MILITARY ASSISTANCE

The amount reported by the Senate Foreign Relations Committee is $350 million for Military Assistance Program plus $26 million recovered (unspent) from previous years' programs.

The Administration, spending at the rate authorized by the Continuing Resolution, has already obligated $280 million this year.

The amount remaining available for the rest of the Fiscal year 1972 under these conditions would be $96 million.

Cambodia is the first priority; $65 million has already been obligated of the $200 million program, leaving a $135 million shortfall. Putting $96 million—all of our remaining funds—into the Cambodia program would still leave a $39 million shortfall. Since ammunition alone takes 50% of the Cambodia program, this shortfall would quickly imperil the ammunition supply, which in turn would seriously affect the war situation in that country and thereby also Vietnamization, the U.S. withdrawal and the prospects for peace in Southeast Asia.

In Korea, $80 million has already been obligated of a $240 million program, which leaves a $160 million shortfall. This shortfall would probably lead the Koreans immediately to recall the two divisions they now maintain in South Vietnam to fill the defense gap at home. It would drastically affect the credibility of our commitment to help defend Korea and of the pledge we made last year, when we withdrew 20,000 troops, to support Korea's military modernization program.

In Turkey, of a $100 million program, $30 million has been obligated, leaving a $70 million shortfall. Such cuts would adversely affect the maintenance of a strong southern flank for NATO with serious implications for the stability of the Middle East as a whole.

Mr. STENNIS. Mr. President, how much time do I have remaining on the amendment?

The PRESIDING OFFICER. The Senator has 2 minutes remaining on the amendment.

Mr. STENNIS. Mr. President, I yield the Senator from Hawaii 2 minutes on the amendment, and I have authority from the Senator from Pennsylvania to yield time on the bill; I yield him 8 minutes on the bill.

Mr. FONG. Mr. President, I want to commend the distinguished chairman of the Senate Armed Services Committee for his cogent and forthright analysis of the funding levels of the pending measure, S. 2819, foreign military assistance authorization.

The facts and figures he has cited are crucial to understanding the devastating impact of S. 2819 as it stands.

These facts and figures lead only to one conclusion: the funding for military and supporting assistance in the pending bill is totally inadequate.

What Senator Stennis has said deserves repetition and emphasis before we vote on his amendment.

Here are the facts so ably presented by Senator Stennis.

First, on military aid, the committee bill proposes $350 million, a reduction of $355 million from the administration request for fiscal year 1972.

The committee figure would reduce these grants overall by more than 50 percent.

Fiscal year 1972 is already 4½ months old. So far, $300 million have been obligated under authority Congress granted in the continuing appropriations resolution.

The pending committee bill would therefore provide only $50 million for the remaining 7½ months of fiscal year 1972.

This is not a phasing out of military assistance. It is in effect a termination of military assistance grants.

This $50 million is not enough even to buy the ammunition required for Cambodia, one of several countries we are aiding in their fight for independence and survival.

As Senator Stennis pointed out, ammunition is not the kind of military assistance that can be funded for any length of time out of the so-called pipeline amounts. Pipeline funds primarily are for long leadtime items that take more than 1 fiscal year to produce.

Military assistance grants under the committee bill would not even permit full funding of aid to Cambodia at the level the committee agreed upon in this very bill. The committee bill set the ceiling for aid to Cambodia at $341 million. Even if the entire $50 million remaining to be obligated under the bill for military assistance grants were allocated to Cambodia, this would not bring military aid up to the ceiling the committee agreed upon.

Should the $50 million be so allocated, this would force immediate cancellation of important aid programs to Turkey, the Philippines, and Korea.

The Stennis amendment would increase military assistance grants by $102 million over the committee amount. This would permit a total of $152 million for the remainder of fiscal year 1972.

The amount Senator Stennis is proposing is the identical amount agreed upon by the Senate, by a vote of 47 yeas to 27 nays, on October 29, less than 2 weeks ago.

The question before the Senate today is either the committee amount, which for all practical purposes means a termination of military assistance grants right now, or the Stennis amendment which would continue these grants at a greatly reduced level than in 1971, but which would avoid some difficult choices, such as halting aid to Cambodia immediately or cancelling programs for the Philippines, Turkey, and Korea.

So much for military assistance grants.

Second, let us consider supporting assistance, exclusive of supporting assistance to Israel, which would remain $85 million as recommended by the committee bill.

Supporting assistance to other nations would be slashed to $350 million under the pending committee bill. This is a 43-percent cut from the amount the Senate approved only 2 weeks ago.

The Stennis amendment would increase supporting assistance to a total of $566 million. This is 8 percent less than the Senate approved 2 weeks ago.

As in the situation on military assistance grants, we are faced with the realities imposed by the calendar. In the 4½ months of the 1972 fiscal year which have elapsed, more than $240 million have already been obligated under authority Congress granted in the continuing resolution.

Should the committee figure of $350 million be sustained today, there would be only $110 million available for supporting assistance in the remaining 7½ months of the fiscal year.

As Senator Stennis has pointed out, more than $50 million are needed for vital refugee and land reform programs in Vietnam—programs strongly supported in America and crucial to Vietnam's future.

Mr. President, we are endeavoring with the bulk of these funds to feed, clothe, and provide medical care for the unfortunate victims of the lengthy and debilitating war in Indochina. It would be tragic if the Senate were to adopt the committee figure, which would mean that such humanitarian efforts could not be sustained.

Our Government, with strong support from Congress, has encouraged land reform in South Vietnam for years. It would be tragic if the Senate today, by reducing supporting assistance to the committee figure, would thereby help undermine the program which is a keystone to long-range economic, social, and political reform in South Vietnam.

As we all know, supporting assistance funds are required, mainly in South Vietnam, to help keep the wartime economy operating. These funds are required basically for fertilizer, machinery, iron and steel, chemicals and petroleum products. What may not be so well known is that 90 percent of these items are bought from U.S. companies.

It is estimated that, under the committee bill, supporting assistance to South Vietnam and Laos would be ended by March or April of next year.

Mr. President, it is one thing to phase down U.S. foreign aid. It is another thing to pull the rug from under our Indochina allies, who are striving so desperately to defend their homelands and to keep their economies above water.

Our Nation has a tremendous investment in behalf of self-determination, independence, and economic viability in Indochina. Shall we now, for want of a few million dollars, let this investment go down the drain?

Shall we repudiate those sacrifices just at the point when Indochina is on the threshold of carrying the entire burden of defense manpower and on the threshold of putting their economies in order?

We all know the saying. "For want of a nail a kingdom was lost."

Let us not now, by slashing supporting assistance too deeply, be in the position of losing all we have fought and sacrificed for in Indochina for want of a relatively small amount.

The funds in the committee bill for military and supporting assistance—exclusive of supporting assistance for Israel—represent a 44-percent cut compared with 1971 appropriations by this Congress.

Amounts in the Stennis amendment represent a reduction of slightly less than 20 percent.

The committee bill reduction is far too drastic in 1 year, actually in less than a year, because Congress allowed these programs to move along for 4½ months at the 1971 rate.

The Stennis amendment is a much more reasonable figure. It looks to a gradual phaseout of military and supporting assistance rather than the precipitate phaseout forced by the committee bill.

I will be among the first to admit that our total foreign aid format needs to be revised and changed in a manner that would make it more receptive and effective in light of the needs of the 1970's

At the same time, I do not believe that killing military assistance now, as the committee bill would in effect do, and slashing supporting assistance to a dangerous low, as the committee bill would do, would serve the best interests of our Nation.

We still live in a very dangerous and precarious world. This is a world in which America cannot go it alone.

Such drastic reductions as the committee bill proposes would send an unmistakable signal throughout the world that the United States is weakening in its resolve to actively help our friends and allies and to work for a safer world.

Such drastic reductions would be an ominous sign to the outside world that America is retreating from its commitment to work for a generation of peace, not only for ourselves, but for others.

The world is no less dangerous than it was in fiscal year 1971, and economic stimulus is no less necessary in many nations than it was in 1971. We in Congress cannot blind ourselves to these problems and we should not run away from them, which we would be doing if we accede to the cuts in the committee bill.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. STENNIS. I yield the Senator 3 additional minutes on the bill.

Mr. FONG. Our President has taken many initiatives to develop a better climate for peace and prosperity both here at home and abroad. He is withdrawing U.S. combat forces from Vietnam and reducing U.S. military personnel stationed elsewhere abroad. America's military profile is being decidedly lowered. President Nixon has made it plain that other nations must carry more of the burden for their own defense and for the peacekeeping efforts in the world.

President Nixon will soon be journeying to Peking in a major effort to reduce tensions in Asia and to build a more realistic working relationship with a country that accounts for one-fourth of the world's population.

He will also be going to the Soviet Union next year in another effort to reduce the possibility of conflict between the two superpowers and to improve the prospects for peace for generations to come.

This is no time for the Congress to vote for precipitate retreat in our U.S. economic, military, and supporting assistance programs.

Actually, Mr. President, the amount in the Stennis amendment would bring the total authorization in the pending bill to $1,503 million.

President Nixon requested a total of $248.9 billion in new spending authority in his January budget. With the Stennis amendment, the military and supporting assistance authorization would be only six-tenths of 1 percent of all the budget authority requested for fiscal year 1972.

Mr. President, I am not unmindful of our urgent problems here in America. I know that huge sums are needed in our country's battle against poverty, unemployment, housing shortages, overcrowded cities and classrooms, polluted water and dirty air. The biggest portion of the President's budget—42 percent—is devoted to spending for human resources programs.

Our domestic needs do indeed impose heavy burdens on our Treasury and require enormous effort and sacrifice on the part of the American people. And yet, we cannot, even in our present dilemma, turn away from the crying needs of our friends abroad. We in America are somewhat like the man who wept, because he had no shoes, until he saw a man who had no feet.

In view of the President's accelerated withdrawal of U.S. troops from Vietnam, in view of the President's clear policy of encouraging other nations to recruit and train their own manpower and build up their own defense forces rather than relying on American boys, and in view of the President's initiatives for peace, I believe the American people would support an amount representing six-tenths of 1 percent of the total budget authorization requested for fiscal year 1972.

The increases in the Stennis amendment, which are the issue in the coming vote, represent only one-tenth of 1 percent of the total budget authorization requested for fiscal year 1972.

If the Senate turns down the Stennis amendment, we shall be running the very grave risk of losing the momentum we have toward the kind of world we want.

For years, we in America have believed that if we are to have the kind of world we wish to live in, we must work toward that kind of world. Our people have been willing to sacrifice much for that kind of world.

If we stop working for what we believe in, if we let down those who have trusted us and have had faith in us, if we abandon our commitments, what kind of Nation shall we become in the eyes of the world? Who will trust us? Who will believe us? Who will cooperate with us? What kind of world will eventuate?

Mr. President, I urge that the Senate adopt the Stennis amendment.

Mr. AIKEN. Mr. President, the amendment offered by the Senator from Mississippi will continue funding at such a rate as to permit the phasing out of these programs in a period of 4 to 5 years, not all at once. Inasmuch as the amounts which he has proposed are almost exactly the amounts which I insisted on in Committee on Foreign Relations before we reported the ill-fated bill a couple of weeks ago, I expect to support the amendment of the Senator from Mississippi.

Mr. STENNIS. I thank the Senator from Vermont very much for his remarks. Had time permitted, I certainly would have had a conference with the Senator before this amendment took any final form.

Mr. AIKEN. The Senator's amendment will have about the same result and effect as the proposal I made in the Committee on Foreign Relations. My proposal was to reduce funds for military grants and supporting assistance materially from what was originally requested by the administration.

Mr. STENNIS. I am most grateful to the Senator from Vermont.

Mr. BIBLE. Mr. President, will the Senator from Mississippi yield for a question?

Mr. STENNIS. I am happy to yield to the Senator from Nevada and yield myself 2 minutes on the bill for that purpose.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 2 minutes.

Mr. BIBLE. Mr. President, I have very carefully read and studied the letter which the Senator from Mississippi addressed to each of us on the pending amendment, his letter being dated November 10, 1971, and entitled, "Military Assistance Amendment No. 631 to S. 2819."

I direct the attention of the Senator to the last paragraph, two sentences there, one of which reads, "I put the administration on notice that I expected to support only a minimum aid program next year."

My question of the Senator from Mississippi is: What is the minimum military aid program for next year?

Mr. STENNIS. Mr. President, I shall be very glad to try to answer the Senator to the fullest extent I possibly can. I did not have a figure in mind when I used that term. But I want to make it clear, and did make it clear to the administration, that sponsorship of this amendment would not put me under any obligation or by implication support their program next year. This amendment is less than that program.

Mr. BIBLE. I understand.

Mr. STENNIS. I wanted it to be as low as possible in that area, but I said this morning that when we pull out of Vietnam—and I want us to—I think we might as well make up our minds about economic aid and military aid in order for them to assist themselves, and that that would last for years—plural—to come. I would think 2 or 3 years at the minimum. But it should be reduced all that time. But I have in mind that we almost have to underwrite, to a reasonable extent, their efforts to stay on their feet in order to preserve and protect the blood we have spilled. That is to justify the pain of the wounded men. We have spent millions of dollars. So, I have reconciled myself to the fact that it will involve money. We came out of Korea that way and gradually got out, and I think they are in fairly good shape.

Mr. BIBLE. But the Senator is also convinced, this seems to say, that next year there should be a reduction—I do not know whether to say—in the aid program, but at least some reduction in the military aid program.

Mr. STENNIS. I think so, as to military aid; yes. However, when we pull out our military troops, there will be another test there. More military supplies may be necessary. We are supplying this now under the military procurement bill appropriation.

Mr. BIBLE. I understand.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. FULBRIGHT. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

Mr. FULBRIGHT. Mr. President, I was very interested in the candor of the Senator from Mississippi. He said that we are out of Korea and they have done well. We plan to give them $771 million this year and maintain 40,000 troops there, I suppose, for another 20 years.

In Laos, 20 years from now, we will be paying, I guess, several times the $350 million ceiling, allowing for inflation. This is what I object to about the program.

The Senator says it is a minimum program. What is a minimum program? Every time we ask a question about any of these programs, we are always told that they are minimum, barebone programs. I have never yet had an administrator come up and say, "I am asking for a lot more than we need. This is a maximum effort. I could take a lot less. However, this time I want the maximum."

I never heard of anyone that did not come up with anything but a barebone, minimum budget.

We are providing $771 million this year for Korea. That is the prospect we are facing in Cambodia and Laos. And the longer we go on, the more we send them, as they are seeking to do in this bill and the more likely we will get the same results.

Mr. President, there is one little item I thought might interest the Senate. The Senator from Mississippi mentioned a lot of things. They buy trucks, and they buy phonographs, and they buy all sorts of things. The Senator mentioned fertilizer. However, on page 135 of the book "Commercial Import Program in Vietnam" I thought the Senate might be interested to know that among the hundreds of commodities authorized for Vietnam for which we pay the bills, is an item that struck my attention.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 additional minutes.

Mr. FULBRIGHT. Mr. President, on the commercial import list for Vietnam are these items as well: electrical windshield wipers, horns, and defrosters for motor vehicles. It reminds me a little of a story we used to tell about the Russians who had a big program for aid to Guinea at one time. They sent them a whole shipload of snow plows. The shipload ended up on the docks in Guinea. We used to laugh about how stupid the Russians were. I wonder how much more appropriate it is to send the South Vietnamese automobile defrosters. I was under the impression that Vietnam was a warm country. I did not know they had a need for defrosters.

I do not know whether they allowed for snow tires in here. However, we give them such things as cigarette and cigar making machines. In fact, we give them almost anything one can imagine in the way of consumer goods—air conditioners—practically anything one can think of.

The Presiding Officer can see how big a book this is. It is about 300 pages. It lists various kinds of commodities. This is the warp and woof of the black market. This is where the speculators come in. This is where the real money is made. And the money they make finally ends up in Switzerland.

Mr. EAGLETON. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield 2 minutes to the Senator from Missouri.

Mr. EAGLETON. Mr. President, I am very interested in the recitation of some of the articles we are supplying to different countries around the world. Does the Senator have any comparative figures, either by dollar or category, as to what kind of aid New Zealand, Australia, or any of the very solvent nations in that sector of the world may be supplying the South Vietnamese, either in dollars or cents, windshield wipers, or defrosters?

Mr. FULBRIGHT. Mr. President, I do not have such a list for those countries. But I know as a matter of fact, they have had a minimum program, to use the language of the Senator from Mississippi. Australia, as the Senator knows, was a supporter, perhaps reluctantly, of our country in Vietnam. They sent at the height of the activities, I think, 8,000 men. That was after much arm twisting. New Zealand sent a few hundred. It was purely a token force.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 additional minutes.

Mr. FULBRIGHT. Mr. President, we gave the Australians a nice juicy sugar quota. They owned a plantation in Fiji. It did not appear on the books. I did not know it until in discussions with someone it came out that the ownership of the plantation in Fiji was Australian. The quota was for about 80,000 tons, as I recall. And the Australians are so much better off than we are, relatively speaking.

The Australians are doing very little in Vietnam, and are withdrawing. They are now undertaking, under pressure from us, I assume, to train Cambodians in bases in South Vietnam and making available some training equipment in Australia. I do not know what kind of direct aid they give. They may give some bandages—Red Cross bandages and things like that. Many countries do that. It helps their consciences.

We gave Australians contracts for trucks which we purchased from them and paid for under the military program and then shipped to Cambodia.

This is how our business is done: We paid the Australians out of this program for trucks to go to Cambodia.

As the Senator knows, the Japanese and Koreans ship goods into South Vietnam. They have always done that. It was a part of our deal with Korea when we hired their troops that we would allow them a reasonable amount of Government-financed trade.

The Senator from Indiana was involved in the argument about Japan buying tin roofing from Indiana rather than from Korea.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 additional minutes.

Mr. FULBRIGHT. Mr. President, we had a great argument about it. We paid for the roofing regardless of where it came from. I am told by the staff that finally the United States was allowed to furnish the tin roofing.

The Senator from Mississippi is ready to vote. As no other Senator has anything to say on this, I do not see why we should go any further.

I yield back the remainder of my time.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, I yield myself 2 minutes on the bill.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 2 minutes.

Mr. STENNIS. Mr. President, I want to say just a word. I am not going into a real argument on this matter. I simply wish that some other Members of the Senate could have been present to hear the brief statement of the Senator from Vermont (Mr. AIKEN) who said, as will be shown by the RECORD, in substance, that the figures in this amendment represent just about what his own calculations of this problem some weeks ago demonstrated, and that he would support the amendment for that purpose because he thought that was nearest the proper level for this support.

With reference to the Korean situation I am glad it has gone as well as it has over there. They have two divisions of their own troops fighting with us in South Vietnam and this has been true for several years. It is true we are paying the cost of that but at the same time if they had those divisions back home we could bring home more of ours, which I hope can occur before very long.

I think the facts have been developed and I hope the Senate, in its wisdom of trying to settle a sticky problem, will see fit to agree to the amendment as being the minimum necessary within reason for the rest of this fiscal year, taking into account not only Southeast Asia, but also Turkey, the Philippines, Indonesia, Greece, and Latin America for much smaller amounts.

### THE NEED FOR HIGHER MAP AND SUPPORTING ASSISTANCE LEVELS

Mr. JAVITS. Mr. President, I shall vote in favor of amendment No. 631, introduced by Senator STENNIS, for two reasons. First, I believe that to carry out and implement withdrawal from Indochina and the Nixon doctrine, MAP and supporting assistance are necessary and proper instruments of U.S. international security policy. These twin policy instruments are likely to be of increasing significance in the years just ahead, as the new strategy and security posture of our Nation, based upon the Nixon doctrine, is developed and, I believe that the basic concepts of the Nixon doctrine, involving a significantly reduced U.S. military presence in Asia, commands very broad support in the Senate. But this doctrine implies clear financial support of self-help security efforts as an essential ingredient.

I believe that voting for the restoration of some of the funds which have been cut already is supportive of the basic reform contained in the Nixon doctrine. This reform is directed toward the disengagement of U.S. personnel; in place of U.S. personnel money is needed in support of self-help and self-defense efforts. Next year this basic reform must be made in a thoroughgoing and unmistakable way.

Second, in my judgment, the reductions in the funding levels for MAP and supporting assistance contained in the bill before, S. 2819, are too drastic. Cuts of this magnitude cannot be made—midyear—without posing the danger of disruption in our relations with allies with whom we have been cooperating very closely in the security field. Rightly or wrongly, these countries have made their calculations and constructed their defense postures on certain important assumptions regarding U.S. assistance.

If we look at the map, we can see where these heavy cuts are likely to fall in great measure—Korea, Turkey, Taiwan. We all know that the administration will not take these cuts out of the Indochina programs, where I and many in the Senate would like to see them made. Rather, they are likely to fall on programs outside Indochina. I do not think this is the proper moment for abrupt and drastic cuts in our military assistance programs on Taiwan—so soon after the U.N. vote; or in Korea—where we are reducing U.S. forces, where tensions are high, and where there are some faint signs of a possible thaw following the improvement in Sino-American relations.

Moreover, I feel that it would not be in the U.S. interest to force an abrupt contraction of the U.S. program of military assistance to Turkey, given the dangerous situation in the eastern Mediterranean, the already existing stresses in United States-Turkish relations, and the real effort by Turkey's Government to cooperate in the control of narcotics traffic.

Having expressed the reasons why I will support the Stennis amendment, I also wish to make clear my own view that a thorough overhaul is warranted in our military assistance programs, and in some of the basic concepts underlying the present programs, which are clearly obsolete today. I do not want the United States to be viewed in the world as a nation which relies excessively on military measures. Such a view is widespread today, as anyone who has had experience up at the United Nations can testify. I think the United States has been entirely too "cozy" with military dictatorships over the past decade. Many of our military assistance programs continue to be based on a misplaced cold war zeal, which certainly has lost much of whatever/validity it might once have had. The basic thinking behind much of the present foreign military assistance in the Pentagon is part of the same thinking which set in motion the forces which got this Nation into the disastrous and improvident Vietnam war. Thinking which could head us into a repetition of many of the Vietnam mistakes in Cambodia.

I have fought in the Senate, with many of my colleagues, to attain a reordering of our national priorities in the world and at home. Especially, we must get the dog of war back on the leash by reestablishing Congressional controls so that war cannot be unleashed again without the full and deliberate concurrence of the Congress. A very necessary step in this direction is the overhaul of existing policies and procedures respecting military assistance programs, particularly those dealing with nations in Asia. I shall work unsparingly in this regard. Basic revisions and reforms are necessary. They are necessary in next year's program. But I do not believe that it is in the national interest to attempt to force an abrupt reduction in existing programs in the middle of the current fiscal year, because other nations having made their plans on the basis of assurance given them by representatives of the Executive Branch cannot be asked to abruptly to phase into a new situation.

The reductions which are sustained even after Senator STENNIS' amendment are sufficient, in my judgment, to inform the executive branch, and all foreign governments that commitments of the public funds of the United States cannot constitutionally be made unless and until the Congress has authorized and appropriated such funds. We should give such notice but should not use the cutoff as notice. We must note that this is a bill authorizing only until June 30, 1972—7 months. The old habit of unilateral commitments undertaken by representatives of the executive branch with foreign governments—a practice which the Congress hitherto has contributed by its passivity—those days are over. This is a good thing for our Nation and for the world.

Mr. TOWER. Mr. President, I am pleased to join in supporting the amendment of the Senator from Mississippi. This amendment would raise the authorization for supporting assistance to $566 million and the authorization for military assistance to $452 million. I support this amendment because I believe that the authorizations for these programs, which were reported out by the Foreign Relations Committee, would seriously endanger our national security.

On the military assistance side, the committee has slashed the authorization requested by the administration in half, Senate endorsement of the committee's action would have the following dire consequences.

In Southeast Asia, Cambodia would be unable to continue training and equipping its armed forces at a level which would enable the Khmer Government to hold its own against the 5 North Vietnamese divisions which control 50 percent of Cambodia's territory. This would free these enemy divisions for offensive actions either in Cambodia or in South Vietnam and would have a serious impact upon our Vietnamization program and the speed with which we can withdraw our troops from Vietnam.

In this connection, I wish to point out that the objectives of the administration's proposed military assistance program for Cambodia are modest. We are trying to help the Cambodians equip a lightly armed infantry force. Ninety-five million dollars of the projected $200 million program is for ammunition. Only 21 armed personnel carriers would be supplied and only 88 howitzers. When the Cambodian army is fully equipped, it will only have four 105-millimeter howitzers for every four infantry brigades; an American infantry brigade by comparison has direct support from eighteen 105-millimeter howitzers.

The point is that we are not proposing to create a huge army based on American standards but a modest force based upon Cambodian needs. The average North Vietnamese unit will have more firepower than the average Cambodian unit even when the Cambodians have been fully equipped. If the Senate holds the total authorization for military assistance to $350 million and all other programs were dropped, we would have a $40 million shortfall in this program.

The cuts in economic supporting assistance, which sliced the authorization to 55 percent of the $805 million requested by the administration, would have an even more severe impact. These cuts would insure a Communist takeover in Indochina. This program provides over half of all Government expenditures in Vietnam and Laos, and over one-third of these expenditures in Cambodia. If we do not continue to provide adequate amounts of supporting assistance to these nations, economic chaos, political instability and military disaster become inevitable when the AID pipeline dries up early this spring. While these nations are taking an increasing share of the military burden, we must not refuse to shore up their economics.

The impact of these program cuts would not be confined to Southeast Asia alone. We would be unable to continue to assist the Koreans in modernizing their armed forces. In 1968, there were 68,000 U.S. troops in Korea, with one U.S. Army division on the front line. Today, as a result of our military assistance programs, Korean troops man the entire forward line across the 38th parallel and the President has been able to bring one American division home. In short, our military assistance program has helped provide Korea with an armed force that can increasingly assume the primary burden of its own defense and enable us to continue to withdraw our soldiers from a zone of confrontation. If our military assistance program is cut severely, this forward movement would be gravely compromised. If we want to continue to reduce the level of American troops in Korea, we must complete the modernization of Korea's own forces by assisting the Koreans to replace their vintage World War II equipment.

In the Middle East, our assistance program to Turkey would also be severely cut back. We are attempting to help the Turks operate their present military equipment and provide some new items to replace obsolete weapons in their inventory. If the $350 million ceiling imposed by the Foreign Relations Committee is retained, the fiscal year 1972 military assistance program to Turkey will have to be slashed by 70 percent. This would, at a time of great danger, threaten the stability of NATO's southern flank and could encourage a more aggressive Soviet stance in the eastern Mediterranean. Such a precipitate U.S. action would have an adverse effect on Israeli security and there is no question that it would increase the danger of a major confrontation in the Levant.

In addition, security assistance programs to other nations such as Indonesia, the Philippines, Greece, the Republic of China, Ethiopia, and Portugal would have to be eliminated or drastically reduced if these authorizations are not raised. Many of these nations provide facilities to us which are of critical importance to our national security. It would be irresponsible for us to ignore this fact while debating this legislation.

We must remember that these security assistance programs are just that. They are not designed to assist foreign governments because we like them, but rather because we feel that their security has a direct impact upon our own. We do not scatter this assistance around the world—we concentrate it: 75 percent of our military assistance program goes to three countries—Cambodia, Korea, and Turkey—and 93 percent of our economic supporting assistance would go directly to four countries in the Southeast Asia area—Vietnam, Cambodia, Laos, and Thailand. These are countries which are threatened by external attack and/or outside supported internal subversion; countries which are bearing the economic dislocations of a war thrust upon them by the aggressors in North Vietnam.

I wish to point out that this amendment does not restore the entire amount which the administration requested for these programs, but only part of it. If it is enacted, the Senate will have reduced the administration's request by $238 million or 18 percent. This is a severe cut; but it will, I have reason to believe, give us a security assistance program with which we can live. It will enable us to keep our commitments and protect our national interests during a period of transition. The President has made substantial progress in bringing about larger participation by our allies in the mutual defense of the free world. And with our assistance, other countries are increasing their share of the burden—in Korea, in South Vietnam, in Cambodia, and elsewhere. By this December, over 420,000 American troops will be home from the Pacific—more will follow—other young men will shoulder the primary burden of defending their own nations and to be successful in their efforts, we must continue to give them the assistance which they need to do the job.

I believe that when one considers the fact that it has cost more than $4 billion a year to keep these 420,000 American troops overseas, one must conclude that our modest security assistance programs which enable us to make such withdrawals with minimal risk to our own vital interests are a good investment. There are those who believe that the era of the cold war is drawing to an end. I must admit that I have reservations about this assessment since it is, after all, only 3 years since the invasion of Czechoslovakia. But in any event, I do not believe it is at all prudent to undercut the President by eliminating programs which he believes are the foundations of our national security policy.

I am convinced that slashing these programs in the manner proposed by the Foreign Relations Committee would signal to the world—friend and foe alike—that America is retreating from its international responsibilities. This we simply must not do. The United States is the leader of the free world. We are currently the only country which can provide the much needed assistance with which other nations can defend themselves from Communist aggression and the new imperialism. Our hopes for a generation of peace lie in the ability of our friends and allies to establish successfully their economic and military viability.

Mr. BENNETT. Mr. President, last week, by a rather sizable majority, the Senate in a surprise move rejected the foreign aid bill. In the wake of that action, the Senate Foreign Relations Committee has attempted to reconstruct the program by dividing foreign assistance into economic and military assistance.

There have been drastic cuts made in the program, especially in the military field. I can understand the frustration which the American people and their elected representatives feel toward foreign aid. We have borne a heavy burden, exceeding $150 billion in the postwar period. We look around us and see our cities and rural areas with serious problems. We look at our foreign policy efforts and see some 46 nations, which have received our aid, vote to expel Nationalist China from the United Nations. We see a frustrating and long experience in Vietnam that has left America divided and bitter. So, it is not surprising that foreign assistance has gotten into difficulty in the Senate of the United States. But I question if we have made the right decision under the circumstances.

We are still the leader of the free world. We have made our stand in Southeast Asia, and the Vietnamization program there is moving into its final phases. American troop levels are at their lowest point since the mid-sixties.

American casualties are nearing the zero mark and our combat role is on the brink of being terminated. This is possible in large measure because under President Nixon's Vietnamization program the responsibilities for the combat, administrative and maintenance are rapidly being turned over to the South Vietnamese themselves. That shift of responsibility is moving swiftly and is working well. It would be very shortsighted and a serious mistake to terminate funding for the Vietnamization program at this critical point.

Also, in Cambodia, we are at a critical stage in helping that country build its armed forces to the point where it can defend itself. Cambodia is not only fighting for its national survival, it is tying down thousands of North Vietnamese troops in that country; thus, giving the South Vietnamese and the United States a great deal of freedom to develop the Vietnamization program and the withdrawal of American forces.

All this is part of the Nixon doctrine, which calls upon free nations in that part of the world to prepare for their own self-defense. Regardless of how one feels about our involvement in South Vietnam, one cannot change the fact that North Vietnamese Communist troops are still present and active in Cambodia, Thailand, South Vietnam and Laos. If we are to preserve the hard-won gains the free world has already made in Southeast Asia, we cannot and must not terminate the necessary financial support now. I call upon my colleagues in the Senate to look at this problem in the context of the Nixon doctrine and to see a continuation of needed military aid as a means of making it possible for American troops to diseangage from the Southeast Asia conflict.

I urge the Senate to restore the vital funding for Vietnamization and aid to Cambodia to the necessary levels since, in the final analysis, these are the programs which make it possible for President Nixon to withdraw U.S. troops on the accelerated basis he is now following.

Mr. STENNIS. Mr. President, I yield myself 3 additional minutes on the bill.

I yield to the Senator from Minnesota.

Mr. HUMPHREY. I regret I could not be in the Chamber for the discussion. I had another engagement. I wish to ask the Senator just a couple of questions.

Does the Senator's amendment go beyond the military assistance area, beyond the Church amendment, or the bill as it came to us from the Committee on Foreign Relations?

Mr. STENNIS. That is a very good point. This amendment now is identical with the Church amendment on the military assistance fund. I adopted the figures that the Senate took when it adopted the Church amendment.

Mr. HUMPHREY. In other words, the 20-percent reduction is here.

Mr. STENNIS. It will still be in effect; yes.

Mr. HUMPHREY. On the matter of supporting assistance I believe the bill before us has $350 million.

Mr. STENNIS. Yes.

Mr. HUMPHREY. The Senator's amendment would increase that to approximately $566 million, if my calculation is correct.

Mr. STENNIS. $566 million is correct.

Mr. HUMPHREY. What do those additional dollars go toward? Who gets them?

Mr. STENNIS. Does the Senator mean country by country? We had a list of that. I am afraid I do not have the complete list here but it will be primarily for Cambodia, some for the Philippines. It reaches to gasoline, fertilizer, some for land reform in South Vietnam. The main beneficiary will be South Vietnam, where these applications will be made; some in the Philippines. The total figure is 8 percent less than was the bill that was defeated here the other day. In other words, it took the lower figure. When it is all added up it will be 8 percent less than in the bill the other day.

Mr. HUMPHREY. The total amount?

Mr. STENNIS. The total amount—not the direct military aid, but for supporting funds.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. STENNIS. I yield myself 2 additional minutes.

In round figures $50 million is for refugees, health, and land reform in South Vietnam.

Mr. HUMPHREY. Is there any additional money to the Middle East, for the state of Israel?

Mr. STENNIS. There is a small amount in here—and some other country—Greece. Eighty-five million dollars for Israel is the same. It remains the same in my amendment as in the bill now.

Mr. HUMPHREY. I thank the Senator.

Mr. STENNIS. I thank the Senator.

Mr. President, if the Senator is ready to yield back his time I am ready to yield back my time.

The PRESIDING OFFICER. The Senator from Arkansas has already yielded back his time.

Mr. FULBRIGHT. Mr. President, I yield myself 1 minute on the bill to remind the Senator from Minnesota, who keeps talking about the bill that was defeated, that I did not realize it was the purpose of either the Senator from Minnesota or the Senator from Mississippi to create another situation that might bring about a defeat. If the Senator is going to increase the bill I would not support it.

Mr. STENNIS. I gather the Senator will vote for the bill, even though it is not the same amount that came from the committee.

Mr. FULBRIGHT. I would not vote for it if the Senator's amendment prevails. I do not think I can vote for it anyway.

I yield back my time.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Mississippi. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from North Carolina (Mr. JORDAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Alabama (Mr. SPARKMAN), and the Senator from New Jersey (Mr. WILLIAMS) are necessarily absent.

I further announce that the Senator from West Virginia (Mr. BYRD) is absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN) would vote "nay."

On this vote, the Senator from Alabama (Mr. SPARKMAN) is paired with the Senator from New Jersey (Mr. WILLIAMS). If present and voting, the Senator from Alabama would vote "yea" and the Senator from New Jersey would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Tennessee (Mr. BROCK) is necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

If present and voting, the Senator from Tennessee (Mr. BROCK) would vote "yea."

The result was announced—yeas 46, nays 42, as follows:

[No. 306 Leg.]

YEAS—46

Aiken
Allen
Allott
Baker
Beall
Bennett
Bible
Boggs
Brooke
Buckley
Cannon
Cook
Cotton
Curtis
Dole
Dominick
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Hruska
Jackson
Javits
Jordan, Idaho
Long
Mathias
McGee
McIntyre
Miller
Packwood
Percy
Roth
Saxbe
Schweiker
Scott
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NAYS—42

Anderson
Bayh
Burdick
Byrd, Va.
Case
Chiles
Church
Cooper
Cranston
Eagleton
Ellender
Fulbright
Gambrell
Gravel
Hart
Hatfield
Hollings
Hughes
Humphrey
Inouye
Kennedy
Magnuson
Mansfield
McClellan
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Smith
Spong
Stevenson
Symington
Tunney
Weicker

NOT VOTING—12

Bellmon
Bentsen
Brock
Byrd, W. Va.
Goldwater
Harris
Hartke
Jordan, N.C.
McGovern
Mundt
Sparkman
Williams

So Mr. STENNIS' amendment (No. 631) was agreed to.

Mr. STENNIS. I move to reconsider the vote by which the amendment was agreed to.

Mr. SCOTT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FULBRIGHT. Mr. President, all I wish to call to the attention of the Senate is that by the result of the action just taken on the amendment of the Senator from Mississippi, the Senate has now increased the aid bills to within less than $300 million of the bill we defeated. Otherwise, the bills are very similar. We retained the policy statements and all the peripheral material, but by this action we have now increased the total of this measure plus the bill yesterday to $2.647 billion.

So the Senate marched up the hill, and we are now marching down, or whichever way you want to put it. This bill should, of course, be defeated again if we are going down the same old road, unless the Senate was just playing games a week ago.

### THE $85 MILLION ECONOMIC ASSISTANCE AUTHORIZATION FOR ISRAEL

Mr. JACKSON. Mr. President, I am pleased to report that some confusion surrounding a part of the foreign assistance program has been clarified. Earlier I wrote to Secretary of State Rogers in order to receive his assurance that an authorization for $85 million in economic assistance to Israel is intended seriously by the administration and that these funds will be expended for their stated purpose as and when appropriated.

The Secretary has been in communication with me and with the distinguished minority leader on this point, and Senator SCOTT has conveyed the administration's commitment that the funds in question will indeed be expended "as promptly as possible."

"The $85 million will be expended as promptly as possible," Senator SCOTT has said. Speaking for the administration, Senator SCOTT went on to say that "these funds will not be impounded or delayed. Their expenditure will only wait on the appropriation process."

As Senator SCOTT indicated, these assurances were in response to a bipartisan common effort by Senators JACKSON, SCOTT, and DOLE. All of us wished to ascertain that these funds, which had not been part of the original administration request, were intended for actual and immediate expenditure.

Mr. President, I am pleased that this action has been taken. These funds are vitally needed to help alleviate the severe economic problems arising from Israel's extraordinary defense burden.

Mr. President, I ask unanimous consent that my letter of November 10 to Secretary of State Rogers be included at this point in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

NOVEMBER 10, 1971.

Hon. WILLIAM P. ROGERS,
*Secretary of State,*
*Washington, D.C.*

DEAR MR. SECRETARY: In reviewing the economic and military assistance programs presently before the Senate, I note that an authorization for $85 million in economic assistance to Israel is now a part of the pending legislation.

As you know, these funds are intended to assist Israel in meeting urgent economic problems arising out of that country's extraordinary defense requirements.

In view of the fact that this appropriation was not a part of the original Administration request, I would be most grateful to receive your assurance that these funds will be expended for their stated purpose as and when appropriated.

Sincerely yours,

HENRY M. JACKSON,
*U.S. Senator.*

## AMENDMENT OF SMALL RECLAMATION PROJECTS ACT OF 1956

Mr. MOSS. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on S. 1026.

The PRESIDING OFFICER (Mr. TAFT) laid before the Senate the amendment of the House of Representatives to the bill (S. 1026) to amend the Small Reclamation Projects Act of 1956, as amended, which was to strike out all after the enacting clause, and insert:

That the Small Reclamation Projects Act of 1956 (70 Stat. 1044), as amended, is amended as follows:

(1) Subsection (d) of section 2 of such Act is amended to read as follows:

"(d) The term 'project' shall mean (i) any complete irrigation project, or (ii) any multiple-purpose water resource project that is authorized or is eligible for authorization under the Federal reclamation laws, or (iii) any distinct unit of a project described in clauses (i) and (ii), or (iv) any project for the drainage of irrigated lands, without regard to whether such lands are irrigated with water supplies developed pursuant to the Federal reclamation laws, or (v) any project for the rehabilitation and betterment of a project or distinct unit described in clauses (i), (ii), (iii), and (iv): *Provided*, That the estimated total cost of the project described in clauses (i), (ii), (iii), (iv), (v) does not exceed $15,000,000. Nothing contained in this Act shall preclude the making of more than one loan or grant, or combined loan or grant, to an organization so long as no two such loans or grants, or combinations thereof, are for the same project, as herein defined.".

(2) The first sentence of section 4(e) of such Act is amended by deleting ", whether the proposal involves furnishing supplemental irrigation water for an existing irrigation project, whether the proposal involves rehabilitation of existing irrigation project works, and whether the proposed project is primarily for irrigation".

(3) Paragraph (a) of section 5 of such Act is amended by deleting "$6,500,000 or" and inserting in lieu thereof "$10,000,000 or".

(4) Section 5(b)(2) of such Act is amended to read as follows: "(2) one-half the costs of acquiring lands or interests therein to serve exclusively the purposes of fish and wildlife enhancement or public recreation, plus the costs of acquiring joint use lands

and interests therein properly allocable to fish and wildlife enhancement and public recreation;"

(5) At the end of subsection 5(b)(5), delete the word "projects" and the semicolon, and add the following: "projects: *Provided,* That the cost of constructing the project as used in this subsection shall be exclusive of the cost of lands and interests in land;"

(6) Subsection 5(c)(3) of such Act is amended to read as follows: "(3) in the case of any project involving an allocation to domestic, industrial, or municipal water supply, commercial power, fish and wildlife enhancement, or public recreation, interest on the unamortized balance of an appropriate portion of the loan at a rate as determined in (2) above;"

(7) Section 10 of such Act is amended by deleting "$200,000,000" and inserting in lieu thereof "$300,000,000".

(8) The Small Reclamation Projects Act of 1956 is amended by adding at the end thereof a new section 13 as follows:

"SEC. 13. A loan contract negotiated and executed pursuant to this Act may be amended or supplemented for the purpose of deferring repayment installments in accordance with the provisions of section 17(b) of the Reclamation Project Act of 1939, as amended (73 Stat. 594, 43 U.S.C. 485b–1)."

Mr. MOSS. Mr. President, S. 1026 passed the Senate on July 31, 1971. The principal purpose of the measure is to provide for the effective continuation of the small reclamation project loan program which was authorized by the act of 1956, 70 Stat. 1044, as amended.

S. 1026 would remove the provision of the act which has been interpreted to require eligible projects to be primarily for irrigation, thus recognizing increasing modern needs for municipal and industrial water supplies, and it would increase the amount authorized to be appropriated to carry the program forward. It would also increase the maximum cost of a project which may be financed under the program to reflect the inflation in construction costs since the act was originally passed.

The House of Representatives, on November 1, amended S. 1026 by striking all after the enacting clause and substituting the text of H.R. 7854, a bill with similar objectives. The substantive changes in S. 1026 resulting from the substitution are as follows:

First, the House version includes language clarifying the applicability of the loan program to single purpose projects for the drainage of irrigated lands.

Second, the House version eliminates the provision under which the ceiling on project costs would be based on current construction price indexes and instead increases the maximum project cost from the present $10 million to $15 million.

Third, the House version includes cost sharing provisions concerning the fish and wildlife enhancement and public recreation aspects of projects which, in most instances, will result in repayment in excess of that required by existing law or by the Senate version.

Fourth, the House version includes administrative provisions making the Secretary's authority to amend contracts under the Small Reclamation Projects Act consistent with that under the general reclamation program.

In general, I believe the House amendments are consistent with the objectives of S. 1026 as it was passed by the Senate. I am concerned that the House provisions on cost sharing for fish and wildlife and recreation purposes may prove to be unreasonable. They may, in practice, act as a deterrent to the incorporation of these very important purposes in project plans. If this proves to be the situation, the Congress may have to reexamine these cost sharing provisions in the light of experience.

At the present time, however, I believe that the importance of the major provisions of S. 1026 are vital to the continued success of the small reclamation loan program. This program meets an essential need in national water resources management which cannot be met by any other existing program.

Mr. President, this matter has been cleared with the minority side and I now move that the Senate concur in the amendment of the House.

The motion was agreed to.

## SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1971

The Senate continued with the consideration of the bill—S. 2819—to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

### AMENDMENT NO. 637

Mr. NELSON. Mr. President, I call up my amendment number 637.

The PRESIDING OFFICER. The amendment will be stated.

Mr. NELSON. I ask unanimous consent that the reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. NELSON's amendment No. 637 is as follows:

On page 11, line 7, strike out "$341,000,000" and insert in lieu thereof "$263,500,000".

On page 11, line 13, strike out "$341,000,000'" and insert in lieu thereof "$263,500,000".

Mr. NELSON. Mr. President, this amendment reduces the appropriation for Cambodia aid from $341 million to $263.5 million, the amount spent in the last fiscal year. The objective of the amendment is to stop the escalation of our involvement in Cambodia.

I point out to the Senate that in fiscal year 1969 we did not spend a penny for aid to Cambodia. In fiscal year 1970 we spent $8.9 million. In fiscal year 1971, the figure jumped from $8.9 million to $263.5 million. For fiscal year 1972, the amount in this bill is $341 million.

When the foreign aid bill came before the Senate on October 29, I registered a protest vote against it, mainly because it contained $341 million for military and economic aid to Cambodia, a tiny Southeast Asia nation of 6.5 million people where our commitment is escalating at a staggering rate.

My vote, along with the negative votes of the majority of the Senate rejected the foreign aid package that day. The Cambodian escalation, which has grown by $332.1 million between fiscal year 1970 and fiscal year 1972 is beyond reason and rationality.

In the clandestine world of the Pentagon, the State Department, and the Central Intelligence Agency, the Nation had gone from no aid to Cambodia to $8.9 million in fiscal year 1970 and then to $263.5 million in fiscal year 1971.

Now, for fiscal year 1972, the administration has requested $341 million for mostly military aid to Cambodia and this bill before us stands at the $341 million request.

The Foreign Relations Committee attempted to establish a $250 million ceiling on Cambodian spending because many members of the committee felt "that a reduction in the funds available for U.S. operation in Cambodia would serve to restrain what they perceived to be a tendency to duplicate in Cambodia an entire range of U.S.-supported programs of the type which have resulted in ever deeper and seemingly endless involvement in other countries of Southeast Asia."

That very reasonable amendment, which also failed to pass, was designed, the committee report argued, "to close any loopholes still remaining regarding the transferability of funds of the Defense Department and other agencies * * *"

With the foreign aid bill before us again, we have another opportunity to bring some rational direction into this Nation's foreign aid program and a rare secondary opportunity to show that we have learned the lessons of history.

We began our military involvement in the morass of Vietnam in much the same way. We lost tens of thousands of American lives and billions of dollars in a futile military adventure there that every responsible American—both in and out of Government—says must come to an end.

I argued against that involvement in 1965. I spoke on this floor, in February of 1965, when we had only 21,000 troops in Vietnam. At that time I said it would take at least 1 million troops to suppress the insurgency in Vietnam and that once it was suppressed and we left, the insurgency would begin again.

Then, in the spring of 1965, the President asked for an additional appropriation of $750 million to support the introduction of ground combat troops in Vietnam for the first time. Along with Senator Gruening and Senator Morse, I voted "no" on that proposition, on the ground that it was going to involve us in an endless ground war in that country which we could not win—and we have not, and of course will not. After all this tragedy, we are now withdrawing from Vietnam while at the same time we are mistakenly expanding our involvement in Vietnam.

The American people are assured constantly by official administrative spokesmen that there is light at the end of the Vietnam tunnel, that the troops are being withdrawn and that soon the Vietnamese will be taking over all the responsibilities of defending and ruling their own nation.

Congress and the people of this country have been very patient with all these assurances. But that patience is wearing very thin as American military adventuring expands surreptitiously into the neighboring countries of Laos and Cambodia.

It seems to me absurd to be told that our Southeast Asian commitment is ending, when our military expenditures continue to rise, and it is unthinkable that we are expected to believe that we are bringing peace to that embroiled section of the world when we are in the business of building and financing armies that will go on fighting, raising the continual specter of war for all nations of the world.

In Cambodia, we know that the Joint Chiefs of Staff are behind an effort to expand the Cambodian military and paramilitary units to such a point that by 1977, about 10 percent of the nation's population, nearly half of the adult male population will be armed and all this will be bankrolled by U.S. dollars.

I have opposed this kind of military spending in the past and will continue to do so. I opposed the military authorization bill because it contained $252.1 million for the ever-expanding secret war in Laos, and I am against the Cambodian spending for the same reason.

I am offering today this amendment to stop the escalation of our spending in Cambodia. It does not remove all the appropriations. It simply says to the administration and to the military that, at the very least, we are not going to continue endlessly to escalate our involvement. That is all this amendment does. I am opposed to the $263,500,000 that I set as a figure here, but I know it is not possible to remove the total. But it ought to be possible and it is rational for us to say that we have gone as far as we are going to go in our military involvement in Cambodia. That is all this amendment does.

The Agency for International Development reports that this country spent $263.5 million for military and other forms of aid to Cambodia in fiscal 1971.

This amendment sets the fiscal 1972 spending at that ceiling as a point to stop the soaring escalation of our involvement there.

In addition to preventing U.S. involvement and commitment from miring this Nation ever deeper in Southeast Asia, it places a limitation on our spending during a period when this country is grappling with an economic crisis.

In view of the economic wage-price freeze Americans have been asked to bear domestically, why not ask for some fiscal responsibility in our foreign spending?

If we can't establish a ceiling on our Cambodian spending at last year's level then it is logical to raise the very serious questions of: Where are we going in Southeast Asia and are we really getting out?

We have tolerated the official government secrecy and the runaway spending too long. This amendment stops the Cambodian escalation and gives the administration time to review the situation with a view toward reducing our involvement not only in Cambodia, but throughout all of Southeast Asia.

If the administration, at a later date, believes it has some justification—adequate justification—for additional funds for Cambodia over and above the $263,500,000 that is set by this amendment, then they should come back to Congress with the request and explain why more money is necessary. We must stop this open-ended and endless escalation.

The administration argument that we have to expand our effort in Cambodia to protect our withdrawal from South Vietnam makes no sense whatsoever. We are expanding our effort to support the military government in Cambodia not to protect our withdrawal from Vietnam.

I assure you that once we become involved, as we are, we will go as we have, from zero to $341 million in 2 years. Then it will be $500 million, then $600 million, and then the argument will be that we cannot desert our client. After all, we built the army; we must support them. If we withdraw our support, they will collapse; we will have sold them out; and no country in the world will trust our commitments any more. That will be our situation and that will be the justification for further involvement.

That has been the argument throughout the whole history of the Vietnam situation, and I hope Congress is prepared now to set a ceiling, and hold to it, at the level of the last fiscal year.

[Applause in the galleries.]

The PRESIDING OFFICER. The galleries will be in order.

Mr. NELSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 15 minutes remaining.

Mr. NELSON. Mr. President, I should like to read a memorandum with respect to a provision in the foreign aid bill:

> The Senate Foreign Relations Committee Dec. 14 reported (S Rept 91-1437) HR 19911 with amendments.

Listen to this:

> The Committee further amended the bill by including language prohibiting the introduction of U.S. ground combat troops or advisers into Cambodia, stipulating that the granting of aid should not be construed as a commitment to come to the defense of Cambodia and requiring the President to notify the Congress before providing any additional assistance to Cambodia under the special authority of the Foreign Assistance Act of 1961. The language was offered in Committee by John Sherman Cooper (R. Ky.), Frank Church (D. Idaho), Jacob K. Javits (R. N.Y.), Clifford P. Case (R. N.J.) and Mike Mansfield (D. Mont.) and accepted without opposition. The new language amended section six of the Act as follows:
>
> "(a) In line with the expressed intention of the President of the United States, none of the funds authorized or appropriated pursuant to this or any other Act may be used to finance the introduction of United States ground combat troops into Cambodia, or to provide United States advisers to or for Cambodian military forces in Cambodia.
>
> "(b) Military and economic assistance provided by the United States to Cambodia and authorized or appropriated pursuant to this or any other Act shall not be construed as a commitment by the United States to Cambodia for its defense."
>
> The Committee also agreed to an amendment restricting future assistance to Cambodia. The amendment would require prior notification of future assistance under the Act to Cambodia:
>
> "The President shall not exercise any special authority granted to him under section 506(a), 610(a), and 614(a) of this Act for the purpose of providing additional assistance to Cambodia, unless the President, at least thirty days prior to the date he intends to exercise any such authority on behalf of Cambodia (or ten days prior to such date if the President certifies in writing that an emergency exists requiring immediate assistance to Cambodia), notifies the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate in writing of each such intended exercise, the section of this Act under which such authority is to be exercised, and the justification for, and the extent of, the exercise of such authority."
>
> The Committee report said the amendment restricting U.S. involvement in Cambodia "reflects the deep concern of members of the Foreign Relations Committee over the possibility that an aid program of the size and scope proposed for Cambodia may, without effective safeguards, lead to a repeat of Vietnam.

Well, what has happened?

I want to give the figures on the number. April 30, 1970, when U.S. forces invaded Cambodia, there was no economic or military assistance program in that country. That was in 1970. In fact, there had not been any since 1963 when there were 16 American personnel in the American Embassy at that time.

Now, as of October 15, 1971, there were 143 U.S. personnel at the Embassy including 50 military personnel assigned to the military equipment delivery teams.

Mr. President, how do we square that with the specific language in the amendment, acted upon by both Houses of Congress and signed by the President, which states:

> none of the funds authorized or appropriated pursuant to this or any other Act may be used to finance introduction of United States ground troops into Cambodia, or to provide U.S. advisers to or for Cambodian military forces in Cambodia.

The introduction of those forces is contrary to the express and specific purpose of the law that we passed. If Congress does not take hold of this matter now, we will find ourselves, 2 or 3 years from now, bemoaning the fact that we did not have the good sense this year to stop escalation, as we did not have the good sense to tell President Johnson in the spring of 1965 that, "We will not give you $750 million to commence a ground war in Vietnam." If we had done it then, we would have been out of Vietnam a long time ago, without all the tragedy we have experienced. That pitiful little country that we have almost destroyed with our excessive military intrusion and bombardment would have been better off if we had never become involved there.

Mr. President, I ask for the yeas and nays on my amendment.

The yeas and nays were ordered.

Mr. NELSON. Mr. President, I ask unanimous consent that the name of the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Minnesota (Mr. MONDALE) be added as cosponsors of the amendment.

The PRESIDING OFFICER (Mr. TAFT). Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Michigan is recognized for 5 minutes.

Mr. GRIFFIN. Mr. President, I rise to oppose the Nelson amendment and urge the Senate to support the provision in the bill as it came out of committee.

Mr. President, the question at stake,

really, is whether we support the Nixon doctrine. In part, the Nixon doctrine calls for the withdrawal of our American combat troops from Southeast Asia. But the doctrine also involves helping our friends to help themselves as they resist the forces of aggression.

Cambodia has been, and is being, invaded. There is no civil war going on in Cambodia. It is out and out aggression by North Vietnam. The Cambodians are defending themselves and are doing a rather remarkable job of it. There are no American troops in Cambodia doing the fighting for them. And this President has made it clear that no American troops will be used for that purpose. But we are trying to help the Cambodians to defend themselves.

We would be taking a serious step backward if the Nelson amendment is adopted.

Accordingly, I urge the Senate to support the committee and at least retain the amount as reported in the committee bill.

**Mr. STENNIS.** Mr. President, of course, I am not handling the bill. I got my hand into this thing on the other amendment. But we have just argued an amendment which was passed a few minutes ago for 4 hours, the main argument being to justify the high figures for Cambodia, $200 million for military aid. We explained over and over that it was to support the army there that we built up, which is holding down four divisions of North Vietnamese.

Another big item in the amendment was supporting aid for Cambodia, things like petroleum—$110 million. That was the main burden of the argument, as the other items in here were excess stocks, $11 million; and money for Public Law 480 which is for agricultural needs—$20 million.

The main point I make is that we have, in effect, just approved a $341 million program for Cambodia and now with this proposal, with all deference, proposing to turn around and make it $263.5 million, I hope that the former amendment will be sustained and the pending amendment will be rejected.

**Mr. NELSON.** Mr. President, I yield myself 4 minutes.

**The PRESIDING OFFICER.** The Senator from Wisconsin is recognized for 4 minutes.

**Mr. NELSON.** Mr. President, the parallel between what we are doing now in Cambodia and what we did in Vietnam is very close and the justifying argument is the same.

Three Presidents of the United States—Presidents Eisenhower, Kennedy, and Johnson—said that we were not going to fight in Vietnam. As President Johnson put it, we were not going to send American boys to fight a war in Asia that Asian boys should fight themselves.

President Eisenhower said that we would give technical aid and assistance. That was his position. That was also the position of President Kennedy. The United States would provide technical aid and assistance only. That was also the position of President Johnson in 1964, when the Democrats were going around the country attacking Senator Goldwater on the ground that, if he won election to the Presidency, he would escalate the war in Vietnam.

At the very time President Johnson was saying that we would not escalate the war in Southeast Asia, the Democratic Party was saying, "We are not going to get involved in a ground war in Vietnam." But after years and years of giving aid and assistance and when it became apparent that the South Vietnamese Government could not stand up, the argument became, "We cannot let Vietnam fall under the control of China. If we do not stop them in Vietnam, then they will be in Hawaii next and then in San Francisco."

Mr. President, the first soldier from China has yet to show up in North or South Vietnam. At the same time, however, we can look back at our ever-expanding commitment in Vietnam. We can see that we did not have the courage to say, "We are sticking precisely with the commitment we originally made, to provide technical aid and assistance. If the war cannot be won by your own troops, under those circumstances, this country, as a matter of policy, will go no further." That was our position all the way from 1952 on up to the spring of 1965 when we made that fatal mistake of deciding that we would go in there with our own ground troops to fight a war for that country, a war which never could be won. We trusted the judgment of the military. They were proved wrong about it. Now we are being involved again. I have heard no one say on the floor, "What is the limit to this involvement in Cambodia?"

First, it was $800,000 or $900,000 in fiscal 1970. Then it was $263 million in fiscal 1971. Now it is $341 million. What is the limit? Next year it would be $400 million and the next year $500 million.

If there is any logic in going from zero to $341 million in two giant steps in 2 years, is it not just as logical to go to $400 million and then $500 million on the ground that we are supporting the Nixon doctrine, the same doctrine followed by the Johnson administration?

I would like to have someone tell me where to find the end of this involvement. There is not any end to it that I can see. That is the truth of the matter. Then we are going to be in the very difficult position of having to say that our policy is not working out, that we are going to withdraw our military, and that the country will collapse. It will then be said that we will have sold the Cambodians down the river and that we are going back on our commitment. The argument will be made that we cannot do that, that we should give them another $100 million. And, of course, our involvement then goes on and on in a country in which we should never have been in the first place.

Obviously Cambodia could not do worse in running its own show than we have done for this poor Vietnam. Vietnam is worse off, both North and South, by our involvement. Tens of thousands of Vietnamese have been killed. There have been bombings all over that little country.

Where will they be when it is all over with? In the long run, whom will we have helped?

Mr. President, I ask unanimous consent that a colloquy which I had with the Senator from Arkansas, the distinguished chairman of the Foreign Relations Committee (Mr. Fulbright) on the subject of our expanding involvement in Cambodia be printed at this point in the debate.

There being no objection, the excerpt from the Record was ordered to be printed in the Record, as follows:

### Military Aid

Mr. Nelson. Mr. President, I would like to ask the chairman of the Committee on Foreign Relations a question or two about the authorization of some $341 million in military aid for Cambodia. I did not have the opportunity to hear all of the remarks of the committee chairman who may have covered some of this, but what puzzles me is the posture of the administration in asserting that they are withdrawing from Vietnam while we are expanding our military investment in Laos in the procurement bill, and now in Cambodia in this military aid bill which has just come out of the Foreign Relations Committee.

How does the Senator reconcile the rhetoric of the administration in saying that they are withdrawing from Indochina, from Vietnam, while we are dramatically expanding our military investment there?

Mr. Fulbright. The Senator raises the question which bothers me most about the military aid bill. As the Senator knows, this was the item that precipitated more arguments and more vigorous disagreement than any other single item during the earlier foreign aid debate.

The military procurement bill has a blanket or overall authorization of $2.5 billion, excluding Cambodia, for military assistance to Southeast Asia. When this authority was given to the Armed Services Committee, we were at peace with Cambodia. It was a neutral country. We had no AID program there. This program started only a couple of years ago and that is why it is under the jurisdiction of the Foreign Relations Committee, whereas Laos and Thailand and Vietnam are under the jurisdiction of the Armed Services Committee.

Out of the overall authorization of $2.5 billion, the Senate set a ceiling of $350 million for Laos, a country with a little over 2 million people—$350 million in another bill——

Mr. Nelson. That is, in the military procurement bill?

Mr. Fulbright. That has already been done. The conference report has not been approved, but the Senate set the ceiling in the bill it passed. Then came the foreign aid bill with the $341 million ceiling for Cambodia.

What is the explanation of this? I asked the Secretary of State, as a policy matter, "What is the objective? What do you seek to achieve by this kind of enormous enlargement of the military aspects of our program in Indochina?" He talked a great deal around the answer, but he finally ended up with the usual statement that it was for the protection of the withdrawal of our troops in Vietnam.

To me, it just does not fit. To me, it does not make sense. We do not need this kind of involvement in Laos and Cambodia to protect the withdrawal of our troops. It must mean something else. That something else is indicated by the 5-year plan of the Joint Chiefs, as reported in the New York Times, to build up an enormous army in Cambodia, with us paying for all of it.

Mr. Nelson. Let me ask if the distinguished chairman of the Foreign Relations

Committee put that plan in the RECORD at the time of the debate on the foreign aid bill, before it was defeated?

Mr. FULBRIGHT. I mentioned it then, and I put the Times article in again today.

Mr. NELSON. Did I understand the Senator to say that it is a 5-year plan to build up the Cambodian army to 300,000?

Mr. FULBRIGHT. We are not sure of the exact period. It is apparently a long-range plan, covering the period through 1977. We are not privy to it. This is a proposal by the Joint Chiefs that was given to Secretary Laird. It was not given to us, but it was reported in the New York Times. Quite often this is the only way we can get information.

To refresh the Senator's mind, we requested DOD's 5-year plans for military assistance which it makes and which it has made for many years, and which would include Cambodia. The Pentagon flatly refused to comply with our request. When we pressed it to the point of asking the General Accounting Office to cut off the funds, the President, at the last moment, invoked Executive privilege. Does the Senator remember that?

Mr. NELSON. Yes.

Mr. FULBRIGHT. In those documents would have been the plan for Cambodia. At the time I wondered why in the world they were so reluctant to give the Senate, even on a classified basis, an indication of what they had in mind. Now it begins to come through a little. It makes some sense, because they do have plans that are contrary to what I think the American people believes to be the administration's policy in Southeast Asia.

Mr. NELSON. Did the Secretary address himself to the New York Times article or the proposal that they are building an army of 300,000 in Cambodia?

Mr. FULBRIGHT. He dismissed that. I think he pleaded ignorance of it.

Of course, it was not his plan. He could say he was not privy to it, and I could not challenge his statement.

Mr. NELSON. The Senator means that——

Mr. FULBRIGHT. The Secretary of State.

Mr. NELSON. The Secretary of State is not privy to the demands of the Pentagon, the Defense Department, for massive activities in foreign countries?

Mr. FULBRIGHT. Well, strange things happen in our Government. This whole business has a long history, and things are just now beginning to fall into place.

I think it is quite interesting to recall the following from which is not quite a year ago, the committee's report of December 14, 1970, on the supplemental foreign assistance bill, page 8. If the Senator will recall, this was just before the invasion of Cambodia by the U.S. Army. Does the Senator remember that? We had the Secretary of State before the committee 3 days prior to the invasion. I read from that report:

"When Secretary of State Rogers appeared before the Committee on Foreign Relations last April 23 to discuss Cambodia, he expressed his concern about initiating a large aid program for Cambodia."

Mr. NELSON. Does that mean interest?

Mr. FULBRIGHT. Oh, no; he was worried. "Concerned" in the sense that one would be concerned for the health of his daughter or son.

This was just 3 days before the invasion of Cambodia. The Secretary told the committee at that time:

"Undoubtedly, even though the request is for military assistance now, it would lead to a request for military advisors and if the going got tough after we had military advisors undoubtedly we would be confronted with a request for military aid in the form of troops, and it might well be that we would have a repetition of what happened in South Vietnam which, of course, would be, I think a very serious and unfortunate situation."

Mr. NELSON. Was he expressing his concern or worry about the level of the aid we were already giving to Cambodia in the spring of 1971?

Mr. FULBRIGHT. We did not have a big program in Cambodia there. We were just discussing the situation.

Mr. NELSON. This was a year ago last spring?

Mr. FULBRIGHT. A year ago last spring—April 27, 1970. The report I am reading from is dated December 14, 1970.

Mr. NELSON. Will the Senator advise me about this; maybe my memory is bad. I have no recollection about any debate or any authorization in any bill on the floor of the Senate.

Mr. FULBRIGHT. Prior to that?

Mr. NELSON. Anything that authorized us to put $100 million, or thereabouts, into Cambodia, which the administration did starting a year and a half or 2 years ago.

Mr. FULBRIGHT. There was no authorization. The administration transferred $110 million and spent it in Cambodia without an iota of authorization. They later came forward—I think this is what the Senator is talking about—5 or 6 months later and asked as I recall, for $250 million; $110 million of that amount was to repay the money they transferred from other sources earlier. There had been no authority to spend anything at all in Cambodia. We ended by giving $282 million last year, but it was in large part authorized retroactively.

Mr. NELSON. Is the Senator saying that the expenditure by the executive branch was in violation of the law?

Mr. FULBRIGHT. It was in violation of the spirit of the law, because the uniform practice with respect to foreign aid bills has been that when the administration gives a justification for a program, it usually indicates the countries that are to be assisted—A, B, C, D, and E.

The President did have transfer authority under the Foreign Assistance Act. So I should say that, strictly and technically speaking, it was not a violation of the law, but it certainly violated the customary way in which these programs have been conducted in the past.

In the old days, there used to be a high degree of trust between the legislative and executive branches. When I first came to the Senate, the executive used to have confidence in the legislative branch; and Congress reciprocated by giving broad discretionary authority in order to give the executive some flexibility.

Now, what we run into more and more is just what I am complaining about in this bill, a reluctance or a refusal on the part of the executive to inform Congress of what it has in mind, what its policy is, what it is we are being asked to vote this money for, or what objective it is sought to achieve.

I would say that started in the old days, for reasons that I suppose came out of the war and the controversy over the war, and has developed until the bureaucracy and the executive branch just do not wish to tell Congress anything. The most extreme example was their refusal to give the Senate committee the relevant documents in connection with the executive department's so-called 5-year military aid plans, despite the fact that the law specifically requires the executive to make such information available to the relevant committees of Congress. Without it, we are voting blind.

We asked for these plans. They did not answer. Finally we invoked the law that would cut off the funds if we did not get the information.

The only response they made was to plead Executive privilege. I cannot imagine how one can reasonably call a document in the Pentagon, which the President probably never saw, to come within the purview of Executive privilege. But nevertheless, the President exercised that power, however, inappropriate, at least to me it was, and therefore we did not get these plans.

A similar document, or a part of these plans. I would say, is what is reflected in the article in the New York Times.

This is a situation which disturbs me very much. It is not just the money, but the real issue is where we are going in Southeast Asia? The country thinks we are getting out. These facts are, to me, utterly inconsistent with getting out, I mean really removing our military presence from that area.

Mr. NELSON. This is the issue that concerns me: my suspicion that we are really not getting out, and that we are making substantial commitments and expanding them in Cambodia, Laos and Thailand, with the likelihood that we will be there a long time.

I am wondering, what are the establishments? What are we spending in Thailand, and what is the infrastructure there?

Mr. FULBRIGHT. We will have to look that up. Thailand, as I said a moment ago, is not in this military aid bill, because it is under the jurisdiction of the Armed Services Committee. It will get its money out of the DOD authorization bill, the $2.5 billion we have already authorized. It is not in this bill; in total, Thailand is getting $139 million this year.

Mr. NELSON. Is that in military aid?

Mr. FULBRIGHT. That is military, and economic supporting assistance.

However, this amount does not include such sums as accrue to them from expenditures by our forces in Thailand.

Mr. NELSON. That is what I meant to ask.

Mr. FULBRIGHT. We have 40,000 or more troops, Air Force people, and supporting personnel at our big air bases, of which I believe there are a number, plus the Sattahip Naval and Air Base, a very large installation.

The $139 million is the direct aid; $77 million of this is strictly military. It does not include the peripheral costs of our forces there.

Mr. NELSON. But that is to the Government of Thailand itself?

Mr. FULBRIGHT. That is correct.

Mr. NELSON. So our expenditures on our bases there and those of our personnel, and our substantial expenditures on that very large bomber force in Thailand, are all in addition to this?

Mr. FULBRIGHT. That is correct. These are the direct items, the military assistance and what they call economic supporting assistance.

Of course, as the Senator knows, we give them military assistance, and then we give them economic assistance in order to help to pay for the military.

Mr. NELSON. Back to Cambodia for a moment. What was the year in which the administration, without notice, consultation, or advice to Congress, spent that $110 or $120 million in Cambodia?

Mr. FULBRIGHT. It began in fiscal 1970 and ran into 1971. I would like to finish what I was saying earlier with reference to some of the Secretary of State's remarks about the time of our invasion of Cambodia. I read this one paragraph, and got diverted.

Mr. NELSON. Yes.

Mr. FULBRIGHT. Let me read that paragraph again, to show the Secretary's thinking about aid to Cambodia at that time.

The Secretary said, as I noted earlier:

"Undoubtedly, even though the request is for military assistance now, it would lead to a request for military advisors and if the going got tough after we had military advisors, undoubtedly we would be confronted with a request for military aid in the form of troops, and it might well be that we would have a repetition of what happened in South

Vietnam which, of course, would be, I think, a very serious and unfortunate situation."

Mr. NELSON. Quite obviously, the Secretary had no notion that there was going to be an invasion at the time he was testifying before the committee.

Mr. FULBRIGHT. The Senator asked me a while ago, could I believe the Secretary was not privy to the proposals of the Joint Chiefs. It is quite evident that he was not privy to the invasion plans at the time he made the statement to the committee. The President made his announcement 3 days later.

Let me now read from a committee statement issued shortly before the invasion began:

"In a meeting with the Secretary of State last Monday, members of the Foreign Relations Committee were virtually unanimous in expressing their deep concern over the possibility of any action by the United States that might involve our Nation further, directly or indirectly, in the changing situation in Cambodia."

This is a direct indication of the committee's attitude at that time. The committee met and was virtually unanimous. I think there may have been one Member who had some reservations.

The rest were unanimous in saying, in effect, "We do not want to become involved in Cambodia."

I do not wish to drag up old ghosts, but the Senator from Wisconsin happens to have been one of the men who I think were most sensitive to the Tonkin Gulf situation in August 1964—certainly much more sensitive than I was. I was more trusting of the then Johnson administration, and I was taken in to a greater extent, I believe, than was the Senator from Wisconsin. At least, he raised some very pertinent questions.

Under the influence of the statements—assurances—of the Johnson administration, I assured the Senator from Wisconsin—because I had no sources of knowledge other than what I had been told by the administration—that, no, there was no purpose of expanding the war, that the purpose was not to have a war, that the purpose of the Tonkin Gulf resolution was to show unity between the executive and the legislative branches and to strengthen the President's hand, so that he could persuade them not to proceed with the war, and thereby be able to persuade the North Vietnamese to stop their support of the war in the south. "No wider war" was the slogan then, and the resolution was presented in that fashion.

The Senator from Wisconsin, much to his credit, raised the question and considered offering an amendment. I said that I was in sympathy with that amendment, that I thought it expressed what I understood to be the policy of the Government, but that if we approved it, we would have to go to conference on it. That would delay passage, and we would lose the psychological effect of the quick action to show our support for the President.

I think we are both entitled—I am—to learn from that experience. The Senator really does not have to learn. He already, I think, has some skepticism about what this policy is, and I am very glad he does, because I think it is healthy for us to be skeptical about such matters.

Take all things together: The refusal to submit the 5-year plan. Such documents used to be available to us. The refusal is unusual. Then the exposure of the plan, as in the New York Times, together with the vast amounts, from nothing to $341 million in 2 years in Cambodia, $350 million in Laos. Put these things together, and what does it mean? It seems to me that this is what we are entitled to know. If we are going to vote on this matter, are we not at least entitled to know what it is for? What is it really for? Obviously, it is not just to protect the withdrawal of the remaining troops in Vietnam. It must have some other purpose, because they do not need it for troop withdrawals.

With respect to the story of the bombing that I put in, they are now bombing at an enormous rate. Of course, they do not call it bombing any more. The administration does not call it bombing. They call it protective reaction strikes. But in these protective reaction strikes, they drop the same kind of bombs that they used to drop in a bombing raid.

The administration says that it is not sending advisers into Cambodia, because the law prohibits it. Rather, they send in equipment delivery teams. The law does not use the term "delivery teams." I imagine they are still human beings, American citizens, who work for the U.S. Government; but they are delivery teams, and, therefore, the administration says they are not covered by the existing restrictions on advisers.

So, really, with this kind of relationship, it is almost impossible to know what is being planned. I am raising this question because it does seem to me that we ought to know where this administration is headed in Southeast Asia. Apparently, the only way you are going to know is for you to figure it out for yourself.

I remind the Senator that the distinguished Attorney General said:

"Judge us by what we do, not by what we say."

I believe this approximates his words.

From what they do, I am trying to figure out what they really have in mind as to the policy in Southeast Asia.

Mr. NELSON. I am concerned because I think there may very well be a parallel between what happened, how the executive branch proceeded in the Vietnam situation in 1964, 1965, and 1966, and what the executive branch is now doing by expanding our involvement—in expenditures, at least—in Laos, and expenditures and advisers and assistance in Cambodia, and maintaining a large operation in Thailand.

I do not think that the Senator from Arkansas was misled by the Tonkin Gulf resolution. I think that what the administration was saying was what they thought at the time, unless we are to say that it was a massive, calculated defeat.

The disturbing thing to me is that very able writers, who are writing about that period, are now saying that Congress gave a blank check in August of 1964 to the President to commence a ground war in Vietnam, if he thought that had to be done. If one reads the broad language of the resolution, as the Senator pointed out—and it was discussed on August 6 and 7, 1964—it would authorize an assault on the moon, for that matter. But the point that the Senator from Arkansas has made is that they were trying to show the unity in this country.

When I offered an amendment to specifically delineate the language in such a way as to make it clear that it did not authorize a change in our role in Vietnam from one of technical aid and assistance to a military commitment, it was because of the interpretation of the intent of the administration, by the Senator from Arkansas, that that was all the resolution really meant.

Looking at the circumstances of the day, and the time, and the political campaign, and what the President was saying to the Nation, and the attacks that were being made upon Senator GOLDWATER for advocating an expansion of the war, I concluded that this was really a kind of cheerleader's resolution; and, therefore, if the President needed some cheerleaders cheering to convince them in Vietnam that the country was unified and that they should not be attacking us in the Gulf of Tonkin—if, in fact, they did—and we thought they did—then, fine, if that would help prevent an involvement in the war. Then I would vote for the resolution, but not to authorize the President to commence a ground war.

I did not hear anybody say that they favored a ground war at that time. In fact, within a day after that, on the floor of the Senate, I pointed out that that was not what we authorized. I stated in February, 1965, that you could not win a war over there with a million troops, and I voted against the $700 million appropriation in the spring.

What happened was that the President took a resolution which he was using to show unity in 1964, and then later decided that he would use it to prove that Congress authorized him to do what he was then doing, which had become quite unpopular.

I might say to the Senator from Arkansas that if he had stood on the floor of the Senate on August 6 and 7, when the Tonkin Gulf resolution was pending, and said, "Yes, this is the purpose, and this authorizes an all-out ground war in Vietnam," the President of the United States would have repudiated the chairman of the Foreign Relation Committee.

We were saying that Mr. GOLDWATER was going to get us into trouble, and the President was saying that. He was also saying, before and after the resolution, as the Senator well knows, that he was not going to send American boys to fight a war that Asian boys should fight for themselves. I recall that the Senator from Arkansas put in the RECORD four or five or six statements of that kind made before and after, so that if legislative intent or history mean anything, we judge the responsibility in the context of the times. If the Senator had been speaking for the administration, as he was, and said this authorized a war, President Johnson would have repudiated him out of hand because that was contrary to the political campaign he was making at that time.

Mr. FULBRIGHT. I think the Senator is quite right in his observations but I would like to suggest one correction, when he said I was not misled in the second instance, which looks as if it were minor, but what it did do was to create an emotional background which prevented the kind of discussion we are having now, which is more or less an unemotional description and analysis of what happened then, after the Johnson administration made the case that we had been attacked on the high seas. Everyone was stirred up, everyone said it was intolerable. But those reactions was based on deception.

It is quite possible—I agree with the Senator—that the Senator believed, however misguided I was in that belief, that such a resolution would strengthen the President's hand at that time, but he did not believe the President would use it to engage in a massive ground war. That I would not argue with. The only real deception created was the atmosphere which inhibited if not prevented a rational discussion of the policy involved—at least on my part it did, because I thought it was intolerable that we should be subjected to attacks on the high seas. The newspapers played this up so dramatically, as the Senator knows, about how those dastardly people dashed out when we were peacefully going our own way on the high seas. But in my opinion there were no such attacks in the second instance. I wonder what the Senator thinks——

Mr. NELSON. What I meant by that, the Senator not being misled, was, in fact, the Gulf of Tonkin resolution at the time it was asked for by the administration was not for the purpose the President claimed it was a year or two later——

Mr. FULBRIGHT. That is right.

Mr. NELSON. It was for the purpose of showing unity and not for the purpose of starting a ground war.

Mr. FULBRIGHT. That is right.

Mr. NELSON. I thought of that reason later, and that is my only point about it.

Mr. FULBRIGHT. While I think that is relevant, here we are faced with these unusual circumstances of an enormous increase in our involvement in Cambodia, together with the refusal to supply the basic information which we requested but later made public by the New York Times. All of this leads to the question—What is the purpose of this authorization of so much money for Cambodia? Is it really to protect the withdrawal of troops, or is it preparatory to the establishment of a permanent military presence there, permanent in the sense of being indeterminate—I mean by that, 5, 10, 20 years—or however long, which I do not know, but not consistent withdrawal within the foreseeable future, the next 2 or 3 years, which is what I think the people want.

This is very important It may be justified. It may be a good idea that we have a permanent military presence in Thailand, and a half a dozen more places with these enormous strategic bases in the two buffer states of Cambodia and Laos. Maybe that is a good idea. If it is, it seems to me it is up to the administration to sell the idea, and then for us to vote the money, with our eyes open. We can accept that as a proper principle. This is the real point I am making.

If it is not a good idea—as I happen to think it is not, with all the information I have—I should be entitled to make the argument, "Look, this is what they are up to. I do not approve of it," and the Senate should vote on that basis rather than do it in the dark.

Mr. NELSON. I agree with the Senator that if it is in fact a good idea to make these large investments and build an army in Cambodia of 300,000 troops and spend $350 million in Laos maintaining a big establishment in Thailand, and staying there with a strong physical presence for some years to come, I would like to hear the justification of the idea.

I think it is a bad idea. I am against it. I do not believe that they can give me any reason sufficient to cause me to support that. But it should be above board. I think the constituents in my State think we are just getting out of Vietnam, and we are all happy about that. It is believed that whatever little amounts we are spending, in Laos, Cambodia, and Thailand—and most of the people in this country do not know what those amounts are—that they are for the purpose of protecting our withdrawal; whereas I suspect, however, it is quite another matter——

Mr. FULBRIGHT. That is right.

Mr. NELSON. And that what is going to happen, as has always happened, as the Senator from Arkansas has said before, we spend and spend and spend and pretty soon the country is entirely dependent upon the United States, and we are soon deeply involved there. Then we want to withdraw and they say, "You cannot do that. You build us up. You are our only support. Now you are going to double cross us and pull out." We see many articles in the newspapers about that now.

Mr. FULBRIGHT. That is right.

Mr. NELSON. That by voting against a foreign aid bill we are cutting the ground from under our clients. So it becomes an argument for us not to withdraw. Whether a good policy or not, that is what should be out in the open, discussed, and debated, and then settled on its merits.

Mr. FULBRIGHT. The Senator is quite correct. There are one or two other things that support the thesis. Here is an article published in Newsweek for October 18 entitled "Instant Replay."

It reads in part:

"Since late last year, the U.S. Embassy staff in Phnom Penh has jumped from fewer than 60 officials to more than 150. And despite a Congressional resolution specifically forbidding the use of American military advisers in Cambodia, many more U.S. officers appear to be on their way there."

The Senator sees what I meant when I said the administration does not call them advisers, but rather equipment delivery teams, a term not used in the law.

Continuing to read from the article:

"Among other things, Mataxis favors expansion of last year's $180 million aid package and full U.S. backing for Cambodian assaults on Communist sanctuaries and supply lines."

Mr. President, I ask unanimous consent to have the entire article printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD.

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### INSTANT REPLAY

In one official pronouncement after another, the Nixon Administration has earnestly proclaimed its determinaiton to avoid any major commitment in Cambodia. But for all that, the American presence in the once-sleepy capital of Phnom Penh has grown dramatically. Since last year, the U.S. Embassy staff in Phnom Penh has jumped from fewer than 60 officials to more than 150. And despite a Congressional resolution specifically forbidding the use of American military advisers in Cambodia, many more U.S. officers appear to be on their way there. As a result, a bitter dispute has broken out in the U.S. Embassy—a clash between U.S. civilians and military men that could well determine the shape of American involvement in Cambodia for years to come.

At the root of the debate is the question of America's military role is that beleaguered country. Arguing for a minimal military-aid program, the civilians, led by chief political counselor Jonathan F. Ladd (himself a former Special Forces commander in South Vietnam), contend that the U.S. should train an elite force of Cambodian guerrillas to harass the Communists, but should not get bogged down in support of large-unit operations. By contrast, Brig. Gen. Theodore C. Mataxis, who heads the Military Equipment Delivery Team (MEDT) in Phnom Penh, has fought for a more activist U.S. policy. Among other thing, Mataxis favors expansion of last week's $180 million aid package and full U.S. backing for Cambodian assaults on Communist sanctuaries and supply lines.

### IGNORED

As of now, Mataxis & Co. seem to be in the lead. When Ladd balked at giving the relatively unsophisticated Cambodian forces expensive M-16 rifles, Mataxis pushed the M-16 order through, contending that the Cambodians should be as well armed as possible. And civilian complaints about the growing U.S. military establishment in Phnom Penh have been pointedly ignored. Just two months ago, Mataxis—who used to spend most of his time in Saigon—moved to the Cambodian capital, bringing with him his aide de camp and personal staff. At the same time, the number of MEDT personnel, whose job is to see that U.S. aid is being "properly used," has more than doubled. Many observers, in fact, believe that, despite the Congressional ban, some MEDT members are fulfilling advisory roles with the Cambodian Army.

To some experts, the growing influence of the military is an inevitable outgrowth of the slackening war in Vietnam. "The pressure to increase the military presence here is really strong," said one American diplomat in Phnom Penh. "There are simply too many officers losing their jobs in Saigon. These men are worried about their careers, and you don't become a general sitting behind a desk in Washington." Others place the blame directly on U.S. Ambassador to Cambodia Emory C. Swank. For although Swank, a 49-year-old career diplomat, is said to favor what he jokingly refers to as a "medium profile," critics have charged that he has knuckled under to the generals. "Swank claims he's not competent to assess the needs of the military," said one embassy official. "But in Fred Ladd, he's got the best adviser in Southeast Asia. By throwing up his hands, Swank is just trying to keep himself off the hook in case everything goes wrong."

Whatever the reason for the growing primacy of the military, the betting is that it will increase. For despite a pending amendment to the foreign-aid bill calling for a 150-man ceiling on U.S. personnel in Cambodia, the Defense Department is reportedly going ahead with plans to expand MEDT forces to an estimated 500 by the end of next year. And there are signs that the military men already in Cambodia are getting more directly involved in the fighting there. American helicopters have reportedly begun transporting Cambodian troops into battle areas and supplying them with ammunition. And at Pochentong Airport in Phnom Penh, U.S. forces recently opened a radio center (officially called a "navigation aid") to coordinate air support for Cambodian troops.

Though no one seriously suggests that the U.S. is about to slip into another Vietnam-scale involvement in Cambodia, the momentum of the buildup appears strikingly familiar. "The military are already falling all over themselves at the embassy," said one U.S. official. "Within a year, the Pentagon will have taken over our operations in Cambodia—and Swank and all the other civilians will be sitting on the sidelines just like the civilians in Saigon."

Mr. FULBRIGHT. Mr. President, it is interesting that the law forbids us from sending in U.S. advisers and training the Cambodians ourselves. This is in the article published in the Washington Post on the 11th and the 7th——

Mr. NELSON. Is the Senator referring to the resolution passed here last year?

Mr. FULBRIGHT. In the supplemental aid bill, a restriction upon our sending in ground troops and advisers into Cambodia.

Does the Senator remember that?

Mr. NELSON. I remember it very well. What is their explanation for the Thailand troops that are fighting in Cambodia and being supported by our money?

Mr. FULBRIGHT. They are called local forces. It is playing with words. The distinction is the same as between a bombing raid and a protection strike. How does the Senator from Wisconsin explain it? It seems to me it is semantic trickery.

This dispatch is dated November 7, 1971. I shall read what Adm. Thomas H. Moorer said, in the face of Cooper-Church restriction:

"Adm. Thomas H. Moorer, Chairman of the U.S. Joint Chiefs of Staff, said in Phnom Penh the Joint Chiefs planned to hire foreigners, known officially as third country nationals, to train Cambodians in American logistical systems."

I read further from the dispatch:

"At a news conference at Pochentong Airport, Moorer commended the Cambodians for progress in developing their armed forces from a prewar force of only 30,000 to an army of roughly 200,000 today."

That is the phase-in. That is the Chairman of the Joint Chiefs of Staff applauding the Cambodians for an army that is now up to 200,000. Putting all those items together from the story in the New York Times, we can see that the military hopes to have the number of troops in Cambodia up to 300,000. This is the only logical explanation of the $341 million request.

In addition, there is another article from Phnom Penh, published in the Washington Evening Star of October 15, 1971:

"The U.S. Army plans to get around the Cooper-Church amendment's ban on American military men in Cambodia by paying $200,000 to hire foreigners for noncombat work, American officials report.

" 'They are people who can do under contract what we are forbidden to do,' a U.S. source declared. Another source said they would cost less than American civilians.

"Cooper-Church, passed by Congress last year, bars American military advisers, training personnel and combat troops from Cambodia."

Further the article states:

"The foreigners would be employed in supply depots and maintenance shops behind front lines, although the sources did not rule out an eventual role as combat advisers.

"The sources said the use of foreigners had been recommended by teams of military experts who visited Cambodia to study supply snarls.

"The sources noted that a handful of foreigners are already being paid by the American Military Assistance Program to Cambodia. They include about 10 Air America maintenance crewman who keep Cambodia's T-28 fighter bombers flying, a representative from Bell Helicopters, and 3 Filipinos brought here from Laos to set up an English language school."

So the program is already underway. What is the objective of it?

Mr. President, I ask unanimous consent that the two articles in their entirety be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record.

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[From the Washington Star, Oct. 15, 1971]

### The Army Finds a Legal Way

Phnom Penh.—The U.S. Army plans to get around the Cooper-Church amendment's ban on American military men in Cambodia by paying $200,000 to hire foreigners for noncombat work. American officials report.

"They are people who can do under contract what we are forbidden to do," a U.S. source declared. Another source said they would cost less than American civilians.

Cooper-Church, passed by Congress last year, bars American military advisers, training personnel and combat troops from Cambodia.

#### LIMIT OF 50 VOTED

The sources said the foreigners, known in official circles as "third country nationals," would supplement the American military equipment team which is responsible for handing over arms and ammunition to the Cambodians but is forbidden to show the Cambodians how to use the equipment.

Headed by Brig. Gen. Theodore Mataxis, the team's current strength is 113 men, with 50 officers and enlisted men assigned to the Cambodian capital and the rest in Saigon.

The Senate Foreign Relations Committee on Thursday voted to limit to 50 the number of foreigners hired in Cambodia. Most likely they will be Koreans, Nationalist Chinese, Australians or New Zealanders experienced in dealing with the American military in South Vietnam or Laos, where some have been engaged in hazardous undercover work for the Americans.

#### MAY ADVISE ON COMBAT

The $200 million U.S. military assistance program for fiscal 1972, now the subject of congressional hearings, includes an item for third country nationals, a source said. He said salaries for foreigners in Cambodia might total $200,000 a year.

The foreigners would be employed in supply depots and maintenance shops behind front lines, although the sources did not rule out an eventual role as combat advisers.

The sources said the use of foreigners had been recommended by teams of military experts who visited Cambodia to study supply snarls.

The sources noted that a handful of foreigners are already being paid by the American military assistance program to Cambodia. They include about 10 Air America maintenance crewmen who keep Cambodia's T28 fighter-bombers flying, a representative from Bell Helicopters and three Filipinos brought here from Laos to set up an English language school.

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### United States To Pay Others To Train Cambodians

Adm. Thomas H. Moorer, chairman of the U.S. Joint Chiefs of Staff, said in Phnom Penh the Joint Chiefs planned to hire foreigners, known officially as third country nationals, to train Cambodians in American logistical systems.

American military men have been barred from giving Cambodians any advice or training here by the Cooper-Church amendment passed by Congress last year.

At a news conference at Pochentong Airport, Moorer commended the Cambodians for progress in developing their armed forces from a prewar force of only 30,000 to an army of roughly 200,000 today.

Moorer, who has been accompanying Secretary of Defense Melvin R. Laird, flew into the Cambodian capital today from Danang, South Vietnam. After calling on Marshal Lon Nol, Cambodia's semi-invalid premier, and acting Premier Lt. Gen. Sisowath Sirik Matak, Moorer flew to the seaport of Kompong Som for a brief visit and then to Udorn, Thailand.

The U.S. Navy said today it is sending home the last Seabee construction batallion left in Vietnam. The U.S. Army said it was closing down operations of an engineer battalion that had been assigned to the Americal Division.

On battlefronts, U.S. Command spokesmen said at least one American was killed when a unit of the 3rd Brigade of the 1st Cavalry Division came under mortar barrage today 4 miles east of Saigon.

American B-52 bombers blasted a North Vietnamese truck depot near Khesanh this morning, destroying a number of vehicles. The bombing raid was the second attack on the depot this week and followed a rocket attack by helicopter gunships on Wednesday which destroyed 10 trucks.

Mr. Fulbright. What is the objective of the policy? What do we seek to accomplish? It seems to me that the Senate ought to know this before it votes. I tried to get the answer last Wednesday or Thursday when the Secretary of State was before the committee. I did not get it any more than I got when I asked for the 5-year plans.

It is not my place to advise other Senators. However, it seems to me that Senators ought not to vote in the dark. If they want us to support the measure, they ought to be willing to stand up and say what it is for.

Mr. Nelson. Mr. President, I hope that by the time we come to a vote on the military aid bill we will get an answer. I believe it is anticipated that we will vote on the day after tomorrow or that we will take up the economic assistance first and the military aid second.

Mr. Fulbright. The scheduling in the Senate is beyond my responsibility. I thought today that we were going to have some votes and proceed to do business. However, for reasons that I do not understand, we stayed here last night under the pressure, I thought, of getting things done. What will happen tomorrow or the next day, I do not know. I wish I could assure the Senator of what will happen.

I have heard it discussed, without any assurance whatever, that we were going to vote on the Okinawa treaty tomorrow and that we would then be ready to vote on the economic aid bill. When that is passed, we will then proceed on to the military aid bill.

Mr. Nelson. Mr. President, in any event, it is likely that there will be no vote on the military aid before tomorrow or perhaps the day after tomorrow?

Mr. Fulbright. That is a probability.

Mr. Nelson. That would give the administration time to furnish the answers to the questions we have been discussing here so that perhaps someone could explain it on the floor and give us some better justification than the mere assertion that the purpose of being in Cambodia is to protect the withdrawal of our troops.

I do not understand that answer, since the troops that are in Camobdia are Cambodian troops and are not our troops.

Mr. Fulbright. Of course, recently the activity has been primarily between the South Vietnamese and whoever went into Cambodia, and they are attacking the North Vietnamese. I remind the Senator of a little history relative to this. In the old days, there has always been great rivalry between the North Vietnamese and the South Vietnamese. They are a more aggressive people than the Cambodians. The Cambodians have been a relatively quiet people. The traditional enemies have been the Vietnamese and the Cambodians. It was the same way with the Thais.

In the old days there were periodic excursions into one country or the other by the Cambodians and the Thais. They had a long fight over a border problem that went to the International Court.

I believe that the real contest is between North and South Vietnam as to which one will get Cambodia. That is the problem at the present time. Of course, one thing that the Cambodians want above everything else is to get both the North Vietnamese and the South Vietnamese out of there. They are being overrun and occupied by those two countries.

As the Senator knows, when a fight nears the end, it is like two dogs fighting over a bare bone. They fight over the remains. That is what is going on there. We are getting in the middle of it. It is much like what was going on in Vietnam. There were two different factions. There were the South Vietnamese and the North Vietnamese, the Communist and the non-Communists, remnants of the old French regime. They were fighting as to who would be the inheritor of the colonial empire. Now we have a fight in Cambodia between the North Vietnamese and the South Vietnamese as to who will inherit Cambodia. The Cambodians, of course, want to see both get out.

I hate to see us get involved. All of it is beyond our capability to deal with except by this massive military might which does not solve anything.

It of course destroys a country, as we have been destroying Vietnam and Laos.

The situation over there is something our military is not designed to cure, in my opinion. That is why we ought to know the purpose and the objective of the administration's policy.

If my experience is any guide, all the administration will say is that whatever we do in Cambodia, Thailand or Laos is to protect the withdrawal of our troops. If the Senator thinks that is a satisfactory answer, he can vote to support it. In my opinion the policy indicates a military buildup over there which I do not want to support any more than I would have supported the Gulf of Tonkin joint resolution, had I known then what I know now.

Mr. Nelson. Mr. President, I do not think it is a very convincing argument. That is why I voted against the military procurement bill.

Mr. President, I want to thank the Senator for his observation about the issue of our authorization for appropriations in Cambodia. It simply reinforces my belief that our purposes there are other than what have been publicly stated. I therefore cannot support the appropriation.

Mr. FULBRIGHT. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. FULBRIGHT. Mr. President, the proposed Cambodian program, like that in Vietnam and Laos, seems predicated upon the assumption that the war will continue indefinitely. It is apparent, therefore, that the administration does not expect a negotiated settlement—why else embark upon a 5-year program—and that it is only with continued U.S. support that Cambodia could entertain any notion of creating and maintaining a defense establishment of more than 500,000 men. If such U.S. support is not forthcoming the Cambodians must make up the difference or reach a negotiated settlement. This is their affair and not ours. We have no vital interests in Cambodia.

The military component of the $341 million figure is based on a force goal of 200,000 men by the end of fiscal year 1972. It is claimed that there are now some 180,000 men in the Cambodian Armed Forces. That is up from 30,000 over 2 years ago. Hardly any knowledgeable and candid observer believes the Cambodians really have that many men under arms and available for duty. The rolls are padded and somebody pockets the difference.

If, there is no domestic insurgency in Cambodia—although there is—and North Vietnamese and VC strength does not exceed 55,000—most of whom are targeted at South Vietnam—why do the Cambodians need a force of three times that size?

The administration itself was prepared when the original aid bill was on the floor to settle for an authorization of $300 million provided this was not established as a ceiling. This means either they were originally asking for more than they needed, or they felt they could make up the difference—as the JCS proposed—if there were no ceiling and no expenditure controls.

If the Cambodians really are united and dedicated to fighting the North Vietnamese and VC, why do they not put their economy on a war time basis and accept real sacrifices instead of trying to perpetuate the illusion of a normal economy. They can only do this with massive U.S. economic aid—commodity imports and exchange support accounts for almost the entire AID program.

The Cambodians, like the Vietnamese—and the Americans—are trying to fight the war without any economic sacrifice. The reason for this is the same as in Vietnam—and the United States—that is, the Government fears it would lose popular support if it called for sacrifice. The principal effect of pursuing this unrealistic policy in Cambodia is already much like that in Vietnam—and the United States—that is, ruinous inflations.

Mr. President, one of the reasons why I will vote against the pending military aid authorization is that it contains an item placing a ceiling of $341 million on our expenditures in Cambodia.

I am opposed to any expansion of our military involvement in Indochina, including Cambodia. We have been down this road once before.

The motivations of the Senator from Missouri (Mr. SYMINGTON) and the Senator from New Jersey (Mr. CASE) in putting a ceiling on money and personnel to be used in Cambodia were of the highest. They wanted it to be clear to the American people and to the Congress just how far we have gone toward continuing a massive American presence in Indochina. They wanted to draw the line someplace.

They also wanted to require the administration to level with the Congress in the future so that we would have information about our actions in Cambodia which the administration heretofore has not seen fit to provide.

Let us not forget that this administration took us into Cambodia to help get us out of Vietnam. And now, 18 months later, we are in Cambodia to the tune of $341 million. I doubt that the Cambodian venture has promoted stability in the area or helped us get out. I do not think what we are doing or propose to do is a justifiable expenditure of such an enormous amount of money. I believe that assuming the obligation to support the Cambodian economy and underwrite a Cambodian military effort of the size and scope contemplated is inconsistent with, and in fact may preclude, a serious attempt to reach a negotiated settlement of the war in Indochina.

The administration has continually professed its wish to see the war end in a negotiated settlement. It refuses, however, to set a final date for the withdrawal of all U.S. forces—ground and air—from Vietnam, a condition absolutely essential in my view before a negotiation can be begun. It is also a condition absolutely essential before we can expect our prisoners to be released. All those I have met, with experience in dealing with the North Vietnamese, say that as soon as the United States commits itself—as did the French—to complete withdrawal of our forces from Vietnam, the timing of withdrawal and speedy arrangements for the return of our prisoners can be concluded.

It appears to me, and I dare say it must appear to the North Vietnamese, that the United States has no intention of withdrawing completely from South Vietnam. There is some speculation that on November 15 the President will announce a date on which the U.S. ground combat role will end and by which our military presence in Vietnam will be reduced to a residual force to be composed principally of air power. If he does make such an announcement, designed to test American willingness to sustain this sort of commitment indefinitely, the conclusion that must be drawn is that he is not considering setting a withdrawal date for all U.S. forces and, incidentally, that he has decided to consign our prisoners to an indefinite period of captivity.

The new U.S. commitment to Cambodia, which is contained in this legislation, is further proof that a total withdrawal of all U.S. forces is not being contemplated. The military assistance which the administration is requesting in this legislation for Cambodia implies a wish to see the Cambodians establish a military structure which will have to be supported by American air power if it is to be effective.

If this legislation is adopted, Cambodia will become totally dependent on the United States for its military and economic survival just as Laos and South Vietnam now are. Laos has been completely dependent on the United States for years but despite the enormous amount we have contributed to assist Laos, the New York Times reported on November 9 that Laos was "near bankruptcy."

The creation of another American dependency in Indochina will have the effect of making a negotiated settlement less likely, for the North Vietnamese will surely be unwilling to participate in a negotiation with the three other states of Indochina if these states are American dependencies. And without a negotiated settlement, the war will drag on with the United States continuing to devastate Indochina from the air; with American taxpayers continuing to contribute vast amounts in economic and military assistance to South Vietnam, Laos, and Cambodia; and with our prisoners still in captivity. For these reasons, I cannot support an expenditure ceiling of $341 million in Cambodia, for if I did I would be supporting a course of action that I believe will prolong the war.

Yesterday I had printed in the RECORD—on page 40419—an exchange of correspondence with the Department of Defense. That exchange of correspondence began with a letter to Secretary Laird on January 27 in which I requested that certain data on Laos and Cambodia be supplied to the Foreign Relations Committee on a monthly basis just as data on South Vietnam has been supplied for some years. I noted yesterday that I had received no reply whatsoever to my letter of August 9.

This morning the committee received a reply dated November 8 and signed by J. Fred Buzhardt, General Counsel of the Department of Defense. Mr. Buzhardt's letter, which I ask unanimous consent to have printed in the RECORD at the conclusion of my remarks together with my letters of August 9 and October 15, stated that part of the data requested was "not known to the Department of Defense because it concerns the operations of other Government departments or agencies" and that "reliable data as to other questions asked by you is not available to the Department of Defense." Mr. Buzhardt then concluded by stating that he was forwarding my request to the Department of State.

It apparently has taken Mr. Buzhardt 3 months to reach the conclusion that the Department of Defense does not have the information necessary to provide "a large part of the data requested." That fact, in itself, is eloquent testimony to the efficiency of the Department of Defense. Mr. Buzhardt's letter is, of course, also eloquent testimony to the Department's honesty, for Mr. Buzhardt is saying, in effect, that the Department of Defense does not have the information on, among other things, the number of U.S. military personnel in Laos, the number of U.S. air sorties over Northern Laos and munitions expended, the number of U.S. air sorties over Southern Laos and munitions expended, U.S. casualties in Laos and the purpose, date and number of foreign personnel involved in incursions into Laos from South Vietnam.

A Defense Department which states it does not have this information is either admitting its inefficiency or taking the arrogant position that it cannot be held accountable to anyone. For if it does not consider itself accountable to the Congress, which provides its funds, it is, in a real and disturbing sense, uncontrollable.

### FROM LAOS TO CAMBODIA

Mr. President, there could be no better illustration of why the Committee on Foreign Relations has recommended sizable reductions in our supporting assistance programs than two stories concerning Laos which have appeared in the Washington Post and the Washington Star in recent days. Both papers have reported that Laotian officials and businessmen, acting on the basis of advanced knowledge of a devaluation of the Lao currency, have systematically drained millions of dollars from that country's foreign exchange reserves. The reserves in question had been donated by the United States and five other nations to the Foreign Exchange Operations Fund—FEOF. The United States provided over 72 percent of this fund in the current fiscal year, or $18 million out of a total of $24 million through the foreign aid program. The current foreign aid request for Laos also includes $18 million for this same purpose in fiscal year 1972.

According to press accounts the run on the FEOF dollar reserves began some 5 months ago when high ranking Lao officials tipped off Chinese merchants that the government planned to devalue the kip at the end of the year. Although American officials in Vientiane should have known this was going on and should have reacted, the press accounts from Ventiane say that they did nothing until prodded by the other FEOF donor countries, Japan, Great Britain, Australia and France.

According to Mr. Tammy Arbuckle of the Washington Star the run on exchange reserves was brought to the attention of the Prime Minister Souvanna on September 29 during his visit to Washington—I might note at this point that much of the Prime Minister's time in Washington was devoted to lobbying U.S. Senators in an effort to defeat the Symington amendment which placed a ceiling on U.S. expenditures in Laos.

It is further reported that even after the Prime Minister was warned of the exchange manipulation in late September no action was taken to stem the outflow of dollar reserves and that during 1 week alone over $1 million of reserves were lost. Finally, on November 4, Lao banks were closed and the kip was devalued. By that time, however, according to Mr. D. E. Ronk of the Washington Post, most of the reserves which Laos will need for the remainder of the year were gone.

This morning I sent a letter to the Secretary of State requesting, on an urgent basis, a full accounting of the facts concerning recent FEOF operations in Laos. I believe that the Senate has a right to know what our officials in Laos have reported concerning this situation and what actions they have taken. I ask unanimous consent that my letter to Secretary Rogers be inserted in the Record at this point.

Over the years there have been continuing reports of instances in which corrupt individuals in Laos have derived illegal profits from U.S. operations in that country. Such reports frequently involve high Laotian officials and I cannot recall any instance in which the Laotian Government is known to have punished the offenders.

American officials in Laos not only appear to have developed a high tolerance of official corruption, but they have also become quite adept at rationalizing it. I suspect that this is due in large part to the fact that in Laos, as in Vietnam and elsewhere, we have committed ourselves to the maintenance in power select group of individuals who act as the instruments of U.S. policy. As a consequence we are obliged to look the other way if such officials are discovered to be misusing our funds.

The evil consequences of this are many:

Our aid benefits the corrupt few and not the people for whom it was intended;

Programs do not accomplish their intended results; and

The United States is discredited and the Communists are the ultimate beneficiaries.

The techniques which we have used in Vietnam and Laos are now being applied in Cambodia. I fear that the results will be the same if the Congress is foolish enough to finance them.

A massive U.S.-financed commodity import program has been begun in Cambodia. This is the same type of program which has been a source of continuing scandal and corruption in Vietnam. Just last week the entire system of import and exchange regulations of the Cambodian Government was revised to conform to the requirements of our commodity import program. This illustrates how the Cambodians, who, until we invaded their country last year, had a very nearly balanced trade account, have now become totally dependent upon the United States.

Another instance of the transfer of our expertise from Vietnam and Laos to Cambodia is the establishment of a Cambodian equivalent of the Foreign Exchange Operations Fund. It is probably only a matter of time until it produces results such as those which have just been reported in Laos.

Thus it seems, on the basis of these two examples that the pattern of U.S. economic involvement in Cambodia parallels that of our deepening military involvement there. The only way in which this can be prevented is for the Congress to draw the line now and refuse to underwrite a repetition of what we have witnessed in Vietnam and Laos.

Mr. President, I ask unanimous consent to have printed at this point in the Record a copy of a letter I have received under date of November 10, 1971, from the General Counsel of the Department of Defense; a copy of a letter which I wrote to Secretary of Defense under date of October 15, 1971; a copy of a letter I wrote under date of August 9, 1971, to Assistant Secretary for International Security Affairs, Mr. G. Warren Nutter, together with an enclosure.

There being no objection, the material was ordered to be printed in the Record, as follows:

General Council of the
Department of Defense,
*Washington, D.C., November 8, 1971.*

Hon. J. William Fulbright,
*Chairman, Committee on Foreign Relations, U.S. Senate, Washington, D.C.*

Dear Mr. Chairman: I refer to your letters of October 15, 1971, to Secretary Laird, and of August 9, 1971, to Assistant Secretary Nutter, reiterating your request of January 27, 1971 for monthly reports on certain statistical data regarding Laos.

As Mr. Nutter advised you in his letter of May 5, 1971, a large part of the data requested by you is not known to the Department of Defense because it concerns the operations of other government departments or agencies, and, further, because of limitations on the presence of Department of Defense personnel in Laos, reliable data as to other questions asked by you is not available to the Department of Defense. To quote from the August 3, 1971, Staff Report on Laos prepared for the use of your Committee (p. 2): "The war in Laos is run in most respects by the Embassy in Vientiane."

In the circumstances, I am forwarding your requests for the data on Laos to the Assistant Secretary of State for Congressional Relations as a matter coming within the purview of that Department rather than this Department.

Sincerely,

J. Fred Buzhardt.

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October 15, 1971.

Hon. Melvin R. Laird,
*Secretary of Defense,*
*Washington, D.C.*

Dear Mel: I am enclosing a copy of a letter I wrote Mr. Nutter on August 9 on the subject of statistical data relating to developments in Laos. I believe that the letter is self-explanatory.

I do find it difficult to understand, however, why more than two months have elapsed and I have yet to receive any reply whatsoever to the letter. I am sure you would agree that a delay of this length is not conducive to good relations between the Committee and the Department of Defense.

Sincerely yours,

J. W. Fulbright,
*Chairman.*

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August 9, 1971.

Mr. G. Warren Nutter,
*Assistant Secretary for International Security Affairs, Department of Defense, Washington, D.C.*

Dear Mr. Nutter: On January 27, 1971, I wrote Secretary Laird, noting that the Department of Defense had been supplying the Committee for some time with monthly statistical data relating to the situation in Vietnam and asking for a monthly report relating to developments in Cambodia, Laos and North Vietnam. You replied, for Secretary Laird, on April 14 and said that you were unable to comply with my request because "it would not be at all appropriate to discuss or disclose outside the Executive Branch highly sensitive information on military combat operations of the kind which your questions would elicit if answers were to be provided."

I then wrote you on April 20 and asked whether you could provide the Committee with a list of the items requested which you considered to be in the category of "highly sensitive information on military combat operations" which would not be "appropriate to discuss or disclose outside the Executive Branch."

You replied on May 5, saying in your letter: "The information required to respond to questions concerning the size and combat readiness of indigenous armed forces, their air and ground combat operations, the enemy forces they encounter and the casualties they inflict and sustain, etc., is normally provided through U.S. military personnel acting in a military advisory assistance role who accompany the host country forces on combat operations. However, the Geneva Accords, the so-called Cooper-Church Amendment and certain other restrictions imposed by the Congress in enacting the Defense Authorization Bill have, in combination, prohibited by law the presence of U.S. military advisory in Laos and Cambodia which, in turn, effectively precludes reliable reporting to the Department of Defense of information of that nature."

I now renew my request for the information on Laos on a monthly basis requested in my original letter of January 27, 1971. Since our exchange of correspondence, two members of the Committee staff have visited Laos and they have obtained the answers to virtually all of the questions regarding the situation in Laos in the enclosure to my letter of January 27. Furthermore, as you know, their report has now been declassified and published, after review by the Departments of State and Defense and the Central Intelligence Agency. Thus, it does not seem to me any longer credible to claim that you cannot provide answers to these questions on the ground that "it would not be at all appropriate to discuss or disclose outside the Executive Branch highly sensitive information on military combat operations of the kind which your questions would elicit if answers were to be provided." Nor, it seems to me, can you sustain the argument that "The information required to respond to questions concerning the size and combat readiness of indigenous armed forces, their air and ground combat operations, the enemy forces they encounter and the casualties they inflict and sustain, etc., is normally provided through U.S. military personnel acting in a military advisory assistance role who accompany the host country forces on combat operations."

Semantic arguments aside, the fact of the matter is that the information I have requested is available because it has been provided to members of the Committee staff. I would now like to receive this information on a monthly basis.

I am enclosing a copy of the questions I sent the Department of Defense regarding Laos as an enclosure to my letter of January 27.

Sincerely yours,

J. W. FULBRIGHT,
*Chairman.*

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## MONTHLY DATA ON MILITARY OPERATIONS IN SOUTHEAST ASIA

### *Cambodia*

1. Size of Cambodian Armed Forces:

(a) Trained and Combat Ready

(b) In training (specific location if outside Cambodia) or other

(c) On duty outside cambodia (other than training)

2. Number of friendly foreign troops in Cambodia:

(a) South Vietnamese

(b) Other (specify)

3. Number of enemy troops in Cambodia:

(a) North Vietnamese/Viet Cong

(b) Cambodian Communist

(c) Engaged in combat operations:

(1) against Cambodian forces

(2) against South Vietnam forces

4. Combat air operations in Cambodia:

(a) Sorties flown by:

(1) U.S. planes

(2) Sorties flown by Cambodian planes

(3) Sorties flown by South Vietnamese planes

(4) Sorties flown by Thais or other forces

(b) Ordnance expended (bomb tonnage and other) by U.S. aircraft in Cambodia:

(1) B–52

(2) other fixed wing aircraft

(3) helicopter gunships, etc.

5. Casualties (military):

(a) Enemy killed, wounded and captured

(b) Cambodian killed, wounded and missing

(c) South Vietnamese killed, wounded and missing

(d) U.S. casualties or missing as a result of air or other operations

6. Transport and Supply Operations:

(a) Number of flights flown by U.S. military transport aircraft to Cambodian airports

(b) Number of U.S. helicopter transport flights flown in Cambodia

(c) Number of air drop missions flown by U.S. aircraft in Cambodia

(d) Number of transport flights by U.S. non-military aircraft (Air America, etc.)

(e) Number of transport flights by South Vietnamese or other aircraft

(f) Number of supply missions by South Vietnamese naval vessels.

(g) Please provide copies of any contracts or agreements with foreign government or private entities relating to supply or transport operations in Cambodia, including data on amounts paid or reimbursed for such services and the sources of the funding.

7. Payments made by the United States to South Vietnam or other countries for operations in or services rendered in behalf of Cambodia:

(a) Amounts or any such payments and the purpose.

(b) Provide copies of any agreements entered into by the United States concerning payments to foreigners for services rendered in or in behalf of Cambodia and the source of the funding.

8. Number of U.S. personnel involved:

(a) Number of U.S. personnel attached permanently or temporarily to the U.S. Embassy in Cambodia—civilian, military.

(b) Number of visits in Cambodia by U.S. personnel in a TAD or other temporary status and total number of days of such duty by all personnel during the month.

(c) Number of U.S. personnel in South Vietnam, Thailand, or Laos whose duties relate to operations in Cambodia, including training and logistics operations.

9. U.S. Naval operations:

(a) Number and type of U.S. ships operating in or near Cambodian waters during the month engaged in operations relating to Cambodia.

(b) Number of visits to Cambodian ports by U.S. naval vessels engaged in supply or transport operations.

10. Estimated number of U.S. prisoners held in Cambodia:

### *Laos*

1. Number of United States personnel in Laos:

(a) Civilian (government employees)

(b) Military

(c) Personnel on temporary duty, civilian and military (total number of man-days)

(d) Contractor employees (Air America, etc.)

2. Number of friendly military forces:

(a) Regular Laotian Armed Forces

(b) Irregular Forces

(c) Thai Forces in Laos

(d) Other Forces in Laos (Cambodian, South Vietnamese, etc.)

3. Enemy forces in Laos:

(a) Pathet Lao

(b) North Vietnamese

(c) Viet Cong

4. Air Operations in Laos:

(a) U.S. air sorties over Northern Laos and munitions expended

1. B–52

2. Other aircraft

(b) U.S. air sorties over Southern Laos and munitions expended

1. B–52

2. Other aircraft

(c) Air sorties by Laotian forces and munitions used

5. Casualties—killed or wounded:

(a) United States

(b) Laotian

(c) Other friendly

(d) Enemy

6. Incursions into Laos from South Vietnam or Cambodia:

(a) Purpose, date and number of U.C. and foreign personnel involved in each incursion

7. Please provide copies of any contracts or agreements entered into during the month between the United States and other countries or private parties relating to military operations in Laos.

8. Estimated number of U.S. prisoners held in Laos:

Mr. GRIFFIN. Mr. President, I yield 2 minutes to the Senator from Kansas.

The PRESIDING OFFICER. The Senator from Kansas is recognized for 2 minutes.

Mr. DOLE. Mr. President, I oppose this amendment. I believe that it is particularly important to assist Cambodia at this time for Cambodian self-defense efforts have a direct bearing upon the Vietnamization program and on the rate at which we can withdraw our troops from Indochina. Progress in Vietnamization and in the rate of our troop withdrawal are a direct result of our assistance to Cambodia.

Cambodian forces, assisted by South Vietnamese forces in East Cambodia, tie down the equivalent of five enemy divisions and have disrupted the enemy's supply lines. A drastic reduction in our support to Cambodia would release these enemy divisions for offensive operations compromising our withdrawal rate and Vietnamization. By December, we will have withdrawn nearly 400,000 American troops from Asia—let us not risk a slowdown in this process by tying the hands of the executive branch by imposing arbitrary ceilings.

This program is not designed to involve us in Cambodia: it is designed to get our boys out of Vietnam.

Even before Prince Sihanouk was overthrown, Cambodia was caught up in the Indochinese conflict. Its territory was being used by the North Vietnamese and the Vietcong for base and supply areas. Indeed, Prince Sihanouk was attempting to secure Russian and Chinese support to prevent increased North Vietnamese use of Cambodian territory when he was overthrown for internal political reasons.

When this occurred, the North Vietnamese abandoned all pretense of respect for Cambodian neutrality and began to seek Khmer supporters to assist them in controlling Cambodia.

Faced with the onslaught, the Khmer people rallied together. Thousands of people rushed to join the armed forces which have grown from 30,000 in 1970, to 200,000 today. The peoples army is having increasing success in regaining control of populated areas previously overrun by the North Vietnamese.

Let me make it clear that Cambodia is not South Vietnam. There is no civil war in Cambodia. The Khmer people have been attacked by the North Vietnamese.

And the North Vietnamese have been unable to draw more than a small number of Khmer—approximately 18,000—to their side. Khmer nationalism is aroused against a common enemy; and even green, untrained Khmer troops—students for the most part—have taken the offensive against battle scarred enemy veterans. There is no ambiguity in Cambodia; the Khmer know that the survival of their country is at stake.

The other thing which distinguishes Cambodia from Vietnam is that there are no American ground combat troops in Cambodia. The Cambodians are fighting their own war. We seek no allies in Cambodia, we seek no geopolitical influence there—we seek merely to assist a nation in repelling a foreign invasion with its own forces.

Our own program in Cambodia is vastly different from the old Vietnam policy. The administration has been limited to supplying ammunition and equipment; in accordance with law, no U.S. military advisers can be present and no U.S. ground forces can be in combat. Personnel in Cambodia have been limited to what is necessary to insure that the Cambodians are receiving and properly caring for our assistance. On the military side, we have one man for every $3 or $4 million of the annual program. This compares favorably to ratios of one man to a million dollars and less in other areas. The management of economic assistance is similarly lean. We rely on the Cambodians to provide the manpower and direction; we are assisting with equipment and economic support.

This program is not growing at an uncontrolled rate. Last year we provided $255 million; $185 million in military grants and $70 million in economic supporting assistance. This year the President has asked for an increase of $15 million in military assistance and $40 million in economic aid; as well as $20 million Public Law 480 program. The largest increase—in economic assistance—is to help meet the problems of a war shattered economy, many of which were not present in Cambodia last year. As far as increases for the future are concerned, I too, have been troubled by the press reports. I have asked the Secretary of State for his views on the question and have received in reply a letter from which I now want to quote:

> The Department of State has reviewed these press reports and is pleased to report that they do not represent planning going on in this Department. Neither do they accurately portray planning material conveyed to this Department by responsible officials of the Department of Defense. The reports are in sum misleading and inaccurate.

On last thought—in seeking a negotiated settlement in Indochina the President will be visiting both China and the Soviet Union. His chances for reaching a responsible Indochinese settlement are greatly enhanced by the success of Vietnamization and by the successful application of the Nixon doctrine in Cambodia where, with our assistance, the Khmer people are fighting and winning their own battles. Our assistance to Cambodia is being looked upon by friends and foes alike as an earnest of our intent to pursue the Nixon doctrine—as a signal that America will continue to assist those nations who are willing to accept primary responsibility for their own security. To pull the rug out from under the President now by imposing this restrictive funding would convey precisely the wrong impression—an impression of American indifference and vacillation on literally the eve of the President's momentous journeys for peace. I am convinced that American indifference would be as much a factor on the world scene as would be our overzealous participation in the Cambodian war. The question we must all ask ourselves today is what becomes of this country and of the world we live in if we react to the tragedy of Vietnam by retreating from international responsibility.

Mr. GRIFFIN. Mr. President, I yield 2 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 2 minutes.

Mr. MILLER. Mr. President, I want to add a footnote to what the Senator from Kansas has said. It seems to me that the proponents of the amendment are overlooking the fact and the very important fact that the problems we have are aided and abetted by the Soviet Union and mainland China.

The question really is not so much as to how long the United States is going to be furnishing support to Cambodia. The question really is as to how long the North Vietnamese are going to be persisting in flagrant aggression, aided and abetted by the Red Chinese and the Soviet Union.

I guess that if the amendment were adopted and if we show we are not interested in assisting Cambodia pursuant to the Nixon doctrine that this will certainly underwrite a long, continuing war. Mainland China and the Soviet Union will have the idea that we do not care what they have been doing and everything will pay off as far as aggression is concerned.

Mr. FULBRIGHT. Mr. President, I yield 2 minutes on the bill to the Senator from Rhode Island.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized for 2 minutes.

Mr. PELL. I think the size of the present ceiling is too high. Cambodia spent less in its governmental expenses than what we intend to give them. In 1969 the Government of Cambodia spent a total of $153 million. Under the present ceiling that the Senator from Wisconsin proposes, we would be giving them about twice what they spent for everything—schools, health, agriculture, Government salaries, and other expenses. We would still be giving them almost twice what they spent in 1969.

I think the ceiling set for the Senator from Wisconsin is too high. However, I will support it.

Mr. THURMOND. Mr. President, I rise in opposition to the Nelson amendment which lowers the Cambodia aid fund ceiling to $263,500,000 from $341 million as approved by the Senate Foreign Relations Committee.

Members of the Senate should bear in mind that if the Communist invasion of Cambodia succeeds not only will that country fall but hundreds of miles of South Vietnam's border will be exposed.

The ceiling set by the committee is restrictive enough in reference to Cambodia. Fortunately the Cambodian people have responded to this invasion and are eager to defend themselves. Why then should we refuse to provide them with sufficient aid to do so?

Mr. President, the funds in this bill provide essential items such as ammunition, clothing and personal gear, oil and fuel, communications equipment, and about $15 million for aircraft. There are no frills allowed under these expenditures, all are essential to help this small nation defend itself.

Mr. President, a word should also be said about U.S. involvement in Cambodia. We have no troops there. The total number of official Americans are 143 and they are stationed at the American Embassy at Phnom Penh. Thus, one can see this program is merely to aid our allies and these funds will not involve the United States in an escalation in Cambodia such as witnessed in Vietnam.

Mr. President, I urge the Senate to reject the Nelson amendment.

Mr. GRIFFIN. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Wisconsin. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Georgia (Mr. GAMBRELL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from North Carolina (Mr. JORDAN), and the Senator from South Dakota (Mr. McGOVERN) are necessarily absent.

I further announce that the Senator from West Virginia (Mr. BYRD) is absent on official business.

On this vote, the Senator from Georgia (Mr. GAMBRELL) is paired with the Senator from South Dakota (Mr. McGOVERN). If present and voting, the Senator from Georgia would vote "nay," and the Senator from South Dakota would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) is absent on official business.

The Senator from Tennessee (Mr. BROCK) is necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER) is detained on official business.

The result was announced—yeas 43, nays 46, as follows:

[No. 307 Leg.]

YEAS—43

Bayh
Brooke
Burdick
Case
Chiles
Church
Cook
Cranston
Eagleton
Ellender
Fulbright
Gravel
Hart
Hatfield
Hollings
Hughes
Humphrey
Inouye
Javits
Kennedy
Magnuson
Mansfield
Mathias
McClellan
Metcalf
Mondale
Montoya
Moss
Muskie
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Saxbe
Schweiker
Spong
Stevenson
Symington
Tunney
Weicker
Williams

NAYS—46

Aiken
Allen
Allott
Anderson
Baker
Beall
Bennett
Bible
Boggs
Buckley
Byrd, Va.
Cannon
Cooper
Cotton
Curtis
Dole
Dominick
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Hruska
Jackson
Jordan, Idaho
Long
McGee
McIntyre
Miller
Packwood
Pearson
Percy
Roth
Scott
Smith
Sparkman
Stafford
Stennis
Stevens
Taft
Talmadge
Thurmond
Tower
Young

NOT VOTING—11

Bellmon
Bentsen
Brock
Byrd, W. Va.
Gambrell
Goldwater
Harris
Hartke
Jordan, N.C.
McGovern
Mundt

So Mr. Nelson's amendment (No. 637) was rejected.

Mr. GRIFFIN. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. THURMOND and Mr. STENNIS made motion to lay motion to reconsider on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

If there be no further amendment to be proposed, the question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading, and was read the third time.

The PRESIDING OFFICER. Who yields time?

Mr. MANSFIELD. Mr. President, will the Senator from Arkansas yield me some time?

Mr. FULBRIGHT. Mr. President, I yield 5 minutes to the Senator from Montana.

Mr. MANSFIELD. Mr. President, I have said very little during the course of this debate because it would only be repetition of what has been said before. I do not intend once again to list the litany of the losses—approximately 360,000 casualties—which this country has suffered in Vietnam. I do not intend to call again the attention of the Senate to the fact that we have helped create about 1 million refugees in Vietnam, 700,000 in Cambodia, and 500,000 in Laos. I do not intend to mention, except in passing, what this war has cost this country in treasure and what it is costing us now in problems.

The Senate, 2 weeks ago tomorrow night, marched up the Hill. I wonder what the Senate will do when the final rollcall comes.

What we have done so far is to bring out two bills; and we have increased the military allowance by something on the order of $318 million. Yes, we placed the emphasis once again on the area of destruction, weapons or military might.

Last night I voted against the economic-humanitarian bill which was before us. I did so with some trepidation and with some real concern, because that was a good bill, but I thought I saw the possibility of the old concept of foreign aid being recreated, the old pattern being revived, so I resolved by doubts and voted against that bill. On the basis of the way the Senate has acted so far today, I have no apologies and no regrets for my vote on yesterday. I see here the makings of what amounts to the same old game of foreign aid under new shells.

As I said 2 weeks ago, this is a watershed. What the Senate, what the Congress, what this country will do abroad is at stake in this decision.

I feel very sorry for the Laotians. I feel very sorry for the Cambodians. I feel very sorry for the Vietnamese. But I feel more sorry for the American people, I feel sorry for the American lives which have been lost, 56,000; for the wounded, 303,000; for the totally disabled, 35,000; and for the POW's and missing in action. I think we must bring this holocaust which the foreign aid program has underwritten to a halt somehow, some way; the cost has been beyond all proportions.

One American lost in war in that part of the world was one American too many, and $1 spent in war in that part of the world was $1 too many. What have we got out of it? Drug addiction, low morale, and increasing crime, just to mention a few of the results of this misadventure in a region where we had and have no vital interest.

So I would hope that the Senate would consider what it did 2 weeks ago tomorrow night—in my judgment, a wise action—and not undo it tonight. We are again on a threshold which reaches toward a new summit or a threshold of once again retreating into the same old pattern, after 25 years of programs which have steadily degenerated, and after the expenditure of $143 billion of the people's money.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, I yield myself 5 minutes on the bill.

The PRESIDING OFFICER. The Senate will be in order.

Mr. SCOTT. There is so much that can be said critically about the condition of the world, and so much that can be said critically about our efforts to evolve a foreign policy, one of the principal underpinnings of which is our continued undertaking to aid other nations in their problems. We have faltered along the road on many occasions. All that we have done has not been efficiently done or well done. We need, next year, a complete review and reform of our entire foreign policy approach.

But I do not believe we should allow our criticism of some of the features of foreign aid to obscure the fact that we are, indeed, engaged in an ongoing program, and we do need to carry on from where we are until we get a better program.

There is a general feeling that—Mr. President, I wonder if we could have order.

Mr. MANSFIELD. Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. SCOTT. I do not mind talking to myself, but I do it in the privacy of my office.

There is a general feeling that the United States is the leader in foreign aid activities, that we carry the whole burden for the world. I think it would help to set the record straight to point out that we are not first in foreign aid programs in the ratio of our commitment of our gross national product. We are in fact 12th in the world, and in fact the world's percentage commitment to foreign aid is led by a country that we have had, at times, our agreements and disagreements with, and that is France.

Some 93 percent of this money goes to make U.S. jobs, to create employment. We all have deplored unemployment in this country. Five thousand industries are committed to the production of these materials. Some 60,000 people are employed. And if we strike down the foreign aid bill, with all due respect to all points of view here, we have also struck down employment in this country; we have run counter to our desire to straighten out the economy; we have run counter to our desire to reduce unemployment; and we have run counter to what I believe is the general editorial opinion in this country.

We can, of course, write letters to our constituents, who, like many of us, do not always fully understand the import of the program, and say, "We will just not do anything for anybody." But when we do that, we will only have to come back here a third time and consider the program again.

So, with full awareness of the fact that all is not perfect in this most perfect of all possible worlds, that all is not perfect with this program, that all of us are free to seek revisions in the form of amendments next year, I sincerely hope that this program will be adopted by this Senate and that we can then go on to the very important tax measures which are confronting us, and to other measures, and that we can complete that part of the business which we have set for ourselves to do in this first session of this Congress.

I ask all Senators, so far as possible, to give the benefit of the doubt to this program. We in the committee have carefully considered it. This particular bill was reported out unanimously, 15 to 0. The committee indicated that they felt a good bill had been drawn. The bill is not all that different from the one we brought out. As in the economic assistance bill, some modifications were made. The bill will still go to conference, and the other body can work its will.

But I think this is a time when we ought simply to rationally face the fact that if we do not act favorably now, we will only shortly have to come back here, perhaps about the first of December, or the 15th, or the 26th, and then consider again what has not been done, particularly if we do not have a continuing resolution.

Therefore, Mr. President, I do hope that the bill will pass.

The **PRESIDING OFFICER**. Who yields time?

Mr. **FULBRIGHT**. Mr. President, I yield myself 5 minutes.

I ask unanimous consent to have printed in the RECORD an excerpt from the committee report, pages 7 to 15, which sets forth the total U.S. aid package proposed for this fiscal year and some other data on our overall aid effort.

There being no objection, the excerpt from the report (No. 92–404) was ordered to be printed in the RECORD, as follows:

The United States foreign aid effort is not limited to the programs authorized by this bill. The programs funded by authorizations contained in this bill constitute only about two-fifths of the total United States foreign aid effort. The Executive Branch's program for foreign assistance this fiscal year totals $9.5 billion, as shown on tables II, III, and IV.

TABLE II.—MILITARY AND ECONOMIC ASSISTANCE DATA, FISCAL YEAR 1972 PROGRAM REGIONAL SUMMARY

[In thousands of dollars]

| | Military programs | | | | | | Economic programs | | | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Agency for International Development program | | | | | Other programs | | | | |
| | Military assistance grants | Foreign military credit sales | Excess defense articles [1] | Military assistance service funded | Ship loans [2] | Total military | Development assistance | Economic supporting assistance | Administrative and other expenses, State | Contingency fund | Total | Peace Corps | Public Law 480 | Total economic | Total military and economic proposed, fiscal year 1972 | Total military and economic, fiscal year 1971 |
| All programs | 731,500 | 582,000 | 324,000 | 2,240,800 | 90,100 | 3,958,400 | 1,515,285 | 825,000 | 4,400 | 101,300 | 2,445,985 | 71,200 | 1,115,260 | 3,632,445 | 7,590,845 | [3] 7,325,503 |
| LA | 9,868 | 70,000 | | | 3,800 | 83,668 | 405,074 | 5,850 | | | 410,924 | 16,102 | 151,130 | 578,156 | 661,824 | 545,720 |
| AFR | 19,009 | 17,000 | 1,600 | | | 37,609 | 159,915 | 5,950 | | | 165,865 | 15,533 | 106,230 | 287,628 | 325,237 | 300,508 |
| EUR | 14,082 | | 3,000 | | 54,600 | 71,682 | | | | | | 68 | 14,900 | 14,968 | 86,650 | 31,916 |
| NESA | 167,000 | 420,000 | 90,400 | | 24,400 | 700,800 | 407,335 | 30,250 | | | 437,585 | 6,242 | 429,881 | 783,708 | 1,574,508 | 1,820,954 |
| EA and PAC | 501,100 | 75,000 | [4] 209,000 | 446,900 | 3,050 | 1,235,050 | 173,825 | 202,750 | | | 376,575 | 11,100 | 320,124 | 707,799 | 1,942,849 | 1,798,503 |
| VN | | | | 1,783,900 | 5,250 | 1,789,150 | | 565,000 | | | 565,000 | | 82,600 | 647,600 | 2,436,750 | 2,368,428 |
| Other | 20,441 | | 20,000 | | | 40,441 | 369,136 | 15,200 | 4,400 | 101,300 | 490,036 | 22,155 | 10,395 | 522,586 | 563,027 | 459,474 |

[1] Exesss defense articles are shown at legal value for purposes of Section 8(c), Public Law 91–672.

[2] Valued at acquisition cost.

[3] Excludes $30,172,000 in State Department expenses and contingency fund.

[4] For Korea, in addition to $40,000,000 in excess defense articles, there is included an additional $104,000,000 estimated dollar value (at acquisition cost) of certain defense articles authorized by sec. 3 Public Law 91–652 to be transferred to that government in fiscal year 1972.

TABLE IV.—MILITARY AND ECONOMIC ASSISTANCE DATA, FISCAL YEAR 1972 PROGRAM BY COUNTRY

[In thousands of dollars]

| | Military programs | | | | | | Economic programs | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Agency for International Development program | | | Other programs | | | | |
| | Military assistance grants | Foreign military credit sales | Excess defense articles [1] | Military assistance service funded | Ship loans [1] | Total military | Economic supporting assistance | Development assistance | Total | Peace Corps | Public Law 480 | Total economic | Total military and economic, fiscal year 1972 | Total military and economic, fiscal year 1971 |
| Latin America | 9,868 | 70,000 | | | 3,800 | 83,668 | 5,850 | 405,074 | 410,924 | 16,102 | 151,130 | 578,156 | 661,824 | 545,720 |
| Argentina | 897 | 15,000 | | | | 15,897 | | | | | | | 15,897 | 14,310 |
| Bolivia | 666 | | | | | 666 | 115 | 13,285 | 13,400 | 1,039 | 8,730 | 23,169 | 23,835 | 14,092 |
| Brazil | 892 | 20,000 | | | 3,800 | 24,692 | 174 | 70,325 | 70,499 | 2,428 | 55,890 | 128,817 | 153,509 | 127,815 |
| Chile | 856 | 5,000 | | | | 5,856 | | 1,310 | 1,310 | 608 | 6,390 | 8,308 | 14,164 | 10,825 |
| Colombia | 844 | 8,000 | | | | 8,844 | 340 | 78,010 | 78,350 | 1,049 | 22,050 | 101,449 | 110,293 | 91,148 |
| Costa Rica | | | | | | | 198 | 1,205 | 1,403 | 561 | 270 | 2,234 | 2,234 | 7,211 |
| Dominican Republic | 539 | | | | | 539 | 370 | 16,800 | 17,710 | 464 | 13,900 | 31,534 | 32,073 | 27,769 |
| Ecuador | 645 | | | | | 645 | 135 | 17,718 | 17,853 | 769 | 6,330 | 24,952 | 25,597 | 20,998 |
| El Salvador | 374 | | | | | 374 | 56 | 12,622 | 12,678 | 417 | 1,620 | 14,715 | 15,089 | 14,708 |
| Guatemala | 336 | 5,000 | | | | 5,336 | 377 | 18,872 | 19,249 | 477 | 2,430 | 22,156 | 27,492 | 22,741 |
| Guyana | | | | | | | 99 | 4,690 | 4,789 | 25 | 1,065 | 5,879 | 5,879 | 7,830 |
| Haiti | | | | | | | 3,000 | | 3,000 | | 3,600 | 6,600 | 6,600 | 6,027 |
| Honduras | 467 | | | | | 467 | 171 | 12,375 | 12,546 | 646 | 900 | 14,092 | 14,559 | 7,658 |
| Inter-American organizations | | | | | | | | 17,675 | 17,675 | | | 17,675 | 17,675 | 13,000 |
| Jamaica | | | | | | | 96 | 11,000 | 11,096 | 1,029 | 1,980 | 14,105 | 14,105 | 13,695 |
| Mexico | 107 | | | | | 107 | | | | | | | 107 | 87 |
| Nicaragua | 568 | | | | | 568 | 91 | 12,490 | 12,581 | 466 | 594 | 13,641 | 14,209 | 9,694 |
| Panama | 173 | | | | | 173 | 203 | 28,588 | 28,791 | | 603 | 29,394 | 29,567 | 21,736 |
| Paraguay | 387 | | | | | 387 | | 8,427 | 8,427 | 390 | 4,475 | 13,292 | 13,679 | 12,374 |
| Peru | 792 | | | | | 792 | | 14,100 | 14,100 | 1,785 | 17,690 | 33,575 | 34,367 | 20,045 |
| ROCAP | | | | | | | | 13,526 | 13,526 | 220 | 90 | 13,836 | 13,836 | 10,024 |
| Surinam | | | | | | | | | | | 45 | 45 | 45 | 45 |
| Trinidad and Tobago | | | | | | | | | | | 99 | 99 | 99 | 104 |
| Uruguay | 400 | 2,000 | | | | 2,400 | 225 | 13,406 | 13,631 | 131 | 2,208 | 15,970 | 18,370 | 26,378 |
| Venezuela | 734 | 15,000 | | | | 15,734 | 200 | 350 | 550 | 1,465 | | 2,015 | 17,749 | 13,344 |
| Other West Indies | | | | | | | | | | | 14 | 14 | 14 | 650 |
| Eastern Caribbean regional | | | | | | | | 10,100 | 10,100 | 815 | 157 | 11,072 | 11,072 | 1,143 |
| Economic regional programs | | | | | | | | 28,200 | 28,200 | 1,318 | | 29,518 | 29,518 | 22,831 |
| Regional military costs | 191 | | | | | 191 | | | | | | | 191 | 7,438 |
| Near East and South Asia | 167,000 | 420,000 | 90,400 | | 23,400 | 700,800 | 30,250 | 407,335 | 437,585 | 6,242 | 429,881 | 873,708 | 1,574,508 | 1,820,954 |
| Afghanistan | | | | | | | | 7,018 | 7,018 | 758 | 4,100 | 11,886 | 11,886 | 13,500 |
| Ceylon | | | | | | | | | | | 23,420 | 23,420 | 23,420 | 17,406 |
| Cyprus | | | | | | | | | | | 360 | 360 | 360 | 349 |
| Greece | 19,875 | 60,000 | 38,000 | | | 117,875 | | | | | | | 117,875 | 118,800 |
| India | | 5,000 | | | | 5,000 | | 230,050 | 230,050 | 3,032 | 181,670 | 414,752 | 419,752 | 403,605 |
| Iran | 942 | | | | | 942 | | | | 1,081 | 6,400 | 7,481 | 8,423 | 18,130 |
| Iraq | | | | | | | | | | | 90 | 90 | 90 | 180 |
| Israel | | | (2) | | | (3) | | | | | 56,133 | 56,133 | 56,133 | 558,770 |
| Jordan | 9,599 | (3) | (3) | | | (3) | 30,000 | 750 | 30,750 | | 3,088 | 33,838 | 33,838 | 72,414 |

Footnotes at end of table.

TABLE IV.—MILITARY AND ECONOMIC ASSISTANCE DATA, FISCAL YEAR 1972 PROGRAM BY COUNTRY—Continued

[In thousands of dollars]

| | Military programs | | | | | | Economic programs | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Agency for International Development program | | | Other programs | | | | |
| | Military assistance grants | Foreign military credit sales | Excess defense articles [1] | Military assistance service funded | Ship loans [1] | Total military | Economic supporting assistance | Development assistance | Total | Peace Corps | Public Law 480 | Total economic | Total military and economic, fiscal year 1972 | Total military and economic, fiscal year 1971 |
| Lebanon | | | (3) | | | (3) | | | | | 3,565 | 3,565 | 3,565 | 13,835 |
| Nepal | | | | | | | | 2,695 | 2,695 | 1,156 | 450 | 4,301 | 4,301 | 4,152 |
| Pakistan | | 5,000 | | | | 5,000 | 250 | 118,330 | 118,580 | | 101,950 | 220,530 | 225,530 | 212,260 |
| Saudi Arabia | (3) | (3) | | | | (3) | | | | | | | (3) | 30,674 |
| Syria | | | | | | | | | | | 72 | 72 | 72 | 90 |
| Southern Yemen | | | | | | | | | | | 45 | 45 | 45 | 63 |
| Turkey | 99,770 | | 48,400 | | 23,400 | 171,570 | | 43,948 | 43,948 | 53 | 27,000 | 71,001 | 242,571 | 328,525 |
| United Arab Republic (Egypt) | | | | | | | | | | | | | | 0 |
| Yemen | | | | | | | | | | | 738 | 738 | 738 | 2,390 |
| CENTO | | | | | | | | 585 | 585 | | | 585 | 585 | 420 |
| Economic regional programs | | | | | | | | 3,959 | 3,959 | 162 | 20,790 | 24,911 | 24,911 | 25,353 |
| Regional military costs [4] | 46,413 | 350,000 | | | | 396,413 | | | | | | | 396,413 | 17 |
| East Asia and Pacific | 510,100 | 75,000 | 209,000 | 446,900 | 3,050 | 1,235,050 | 202,750 | 173,825 | 376,575 | 11,100 | 320,124 | 707,799 | 1,942,849 | 1,798,503 |
| Burma | | | | | | | | | | | 540 | 540 | 540 | 741 |
| Cambodia | 200,000 | | 11,000 | | | 211,000 | 110,000 | | 110,000 | | 20,009 | 130,009 | 341,009 | 282,009 |
| China (Taiwan) | 19,500 | 45,000 | 48,000 | | | 112,500 | | | | | 4,500 | 4,500 | 117,000 | 142,017 |
| Hong Kong | | | | | | | | | | | 180 | 180 | 180 | 540 |
| Indonesia | 24,990 | | 3,000 | | | 27,900 | | 107,325 | 107,325 | | 131,750 | 239,075 | 267,065 | 252,892 |
| Korea | 239,400 | 15,000 | [5] 144,000 | 243,900 | | 642,300 | | 24,100 | 24,100 | 1,944 | 103,490 | 129,534 | 771,834 | 716,326 |
| Laos | | | | 125,800 | | 125,800 | 50,500 | | 50,550 | | 1,710 | 52,260 | 178,060 | 194,389 |
| Malaysia | 134 | 7,000 | | | | 7,634 | | | | 2,154 | 1,215 | 3,369 | 11,003 | 9,153 |
| Philippines | 17,000 | | 3,000 | | 1,200 | 21,200 | 800 | 29,100 | 29,900 | 1,890 | 33,760 | 65,550 | 86,750 | 59,295 |
| Ryukyu Islands | | | | | | | | | | | 1,980 | 1,980 | 1,980 | |
| Singapore | | 7,500 | | | 1,850 | 9,350 | | | | | 90 | 90 | 9,440 | 5,612 |
| Thailand | | | | 77,200 | | 77,200 | 40,000 | | 40,000 | 1,323 | 20,900 | 62,223 | 139,423 | 114,652 |
| Western Samoa | | | | | | | | | | 425 | | 425 | 425 | 492 |
| Economic regional programs | | | | | | | 1,400 | 13,300 | 14,700 | 3,364 | | 18,064 | 18,064 | 16,370 |
| Regional military costs | 76 | | | | | 76 | | | | | | | 76 | 4,015 |
| Vietnam | | | | 1,783,900 | 5,250 | 1,789,150 | 565,000 | | 565,000 | | 82,600 | 647,600 | 2,436,750 | 2,368,428 |
| Africa | 19,009 | 17,000 | 1,600 | | | 37,609 | 5,950 | 159,915 | 165,865 | 15,533 | 106,230 | 287,628 | 325,237 | 300,508 |
| Botswana | | | | | | | | (6) | (6) | 264 | 1,350 | 1,614 | 1,614 | 1,660 |
| Burundi | | | | | | | | (6) | (6) | | 189 | 189 | 189 | 299 |
| Cameroon | | | | | | | | (6) | (6) | 480 | 27 | 507 | 507 | 582 |
| Central Africa Republic | | | | | | | | (6) | (6) | | 198 | 198 | 198 | 177 |
| Chad | | | | | | | | (6) | (6) | 389 | 148 | 537 | 537 | 555 |
| Congo (Kinshasa) | 477 | 2,000 | | | | 2,477 | 1,016 | 5,543 | 6,559 | 388 | 1,080 | 8,027 | 10,504 | 15,998 |
| Dahomey | | | | | | | | (6) | (6) | 370 | 405 | 775 | 775 | 420 |
| Equatorial Guinea | | | | | | | | (6) | (6) | | | | | |
| Ethiopia | 12,790 | | 500 | | | 13,290 | | 16,899 | 16,899 | 1,052 | 630 | 18,581 | 31,871 | 28,240 |
| Gabon | | | | | | | | (6) | (6) | | 117 | 117 | 117 | 117 |
| Gambia | | | | | | | | (6) | (6) | 354 | 90 | 444 | 444 | 897 |
| Ghana | | | | | | | 106 | 17,310 | 17,416 | 1,490 | 18,075 | 36,981 | 36,981 | 21,146 |
| Guinea | | | | | | | | (6) | (6) | 622 | 7,100 | 7,722 | 7,722 | 5,756 |
| Ivory Coast | | | | | | | | (6) | (6) | 639 | 270 | 909 | 909 | 1,051 |
| Kenya | | | | | | | | 2,174 | 2,174 | 1,571 | 630 | 4,375 | 4,375 | 4,766 |
| Lesotho | | | | | | | | (6) | (6) | 143 | 3,600 | 3,743 | 3,743 | 1,892 |
| Liberia | 500 | | 100 | | | 600 | 203 | 8,331 | 8,534 | 1,119 | 441 | 10,094 | 10,694 | 6,989 |
| Libya | | | | | | | | | | | | | | |
| Malagasy Republic | | | | | | | | (6) | (6) | | 180 | 180 | 180 | 180 |
| Malawi | | | | | | | | (6) | (6) | 262 | 180 | 442 | 442 | 491 |
| Mali | | | | | | | | (6) | (6) | 224 | 1,188 | 1,412 | 1,412 | 3,331 |
| Mauritania | | | | | | | | (6) | (6) | | 720 | 720 | 720 | 1,708 |
| Mauritius | | | | | | | | (6) | (6) | 202 | 1,400 | 1,602 | *1,602 | 2,000 |
| Morocco | (2) | (3) | | | | (3) | | 13,350 | 13,350 | 720 | 31,095 | 45,165 | 45,165 | 46,429 |
| Niger | | | | | | | | (6) | (6) | 449 | 1,368 | 1,817 | 1,817 | 1,043 |
| Nigeria | | | | | | | 4,100 | 24,430 | 28,530 | | 5,850 | 34,380 | 34,380 | 36,748 |
| Rwanda | | | | | | | | (6) | (6) | | 360 | 360 | 360 | 450 |
| Senegal | | | | | | | | (6) | (6) | 566 | 2,583 | 3,149 | 3,149 | 2,646 |
| Seychelles | | | | | | | | (6) | (6) | | 36 | 36 | 36 | 36 |
| Sierra Leone | | | | | | | | (6) | (6) | 1,209 | 1,035 | 2,244 | 2,244 | 2,453 |
| Somali Republic | | | | | | | | | | | 540 | 540 | 540 | 540 |
| Sudan | | | | | | | | | | | 63 | 63 | 63 | 63 |
| Swaziland | | | | | | | | | (6) | 175 | | 175 | 175 | 3,538 |
| Tanzania | | | | | | | | 5,819 | 5,819 | | 1,980 | 7,799 | 7,799 | 5,048 |
| Togo | | | | | | | | (6) | (6) | 603 | 360 | 963 | *963 | 1,076 |
| Tunsia | (3) | | (3) | | | (3) | 125 | 12,358 | 12,483 | 317 | 19,980 | 32,780 | 32,780 | 40,358 |
| Uganda | | | | | | | | 4,780 | 4,780 | 380 | 225 | 5,385 | 5,385 | 3,521 |
| Upper Volta | | | | | | | | (6) | (6) | 327 | 1,638 | 1,965 | 1,965 | 3,894 |
| Zambia | | | | | | | | (6) | (6) | 90 | 90 | 90 | 90 | 80 |
| Economic regional programs: | | | | | | | | | | | | | | |
| Central West Africa | | | | | | | | 14,537 | 14,537 | | | 14,537 | 14,537 | 13,716 |
| East Africa | | | | | | | | 1,745 | 1,745 | | | 1,745 | 1,745 | 8,665 |
| Southern Africa | | | | | | | 300 | 9,300 | 9,700 | | | 9,700 | 9,700 | 11,430 |
| Africa regional | | | | | | | 100 | 2,1789 | 21,889 | 1,218 | 1,009 | 24,116 | 24,116 | 19,055 |
| Regional military costs [4] | 5,242 | 15,000 | 1,000 | | | 21,242 | | | | | | | 21,242 | 50 |
| Self-help projects | | | | | | | | 1,450 | 1,450 | | | 1,450 | 1,450 | 1,450 |
| Europe | 14,082 | | 3,000 | | 54,600 | 71,682 | | | | 68 | 14,900 | 14,968 | 86,650 | 31,916 |
| Austria | | | | | | | | | | | | | | |
| Denmark | | | | | | | | | | | | | | |
| Iceland | | | | | | | | | | | 900 | 900 | 900 | 1,300 |
| Malta | | | | | | | | | | 68 | | 68 | 68 | 31 |
| Norway | | | | | | | | | | | | | | |

| | Military programs | | | | | | Economic programs | | | | | | Total military and economic, fiscal year 1972 | Total military and economic, fiscal year 1971 |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | | | Agency for International Development program | | | Other programs | | | | |
| | Military assistance grants | Foreign military credit sales | Excess defense articles [1] | Military assistance service funded | Ship loans [1] | Total military | Economic supporting assistance | Development assistance | Total | Peace Corps | Public Law 480 | Total economic | | |
| Portugal | 1,000 | | | | | 1,000 | | | | | 4,000 | 5,000 | 5,000 | 2,035 |
| Spain | 13,000 | | 3,000 | | 54,600 | 70,600 | | | | | 10,000 | 10,000 | 80,600 | 28,350 |
| Yugoslavia | | | | | | | | | | | | | | |
| Regional military costs | 82 | | | | | 82 | | | | | | | 82 | 200 |
| Regional | | | | | | | | | | | | | | |

[1] Excess defense articles are shown at legal value for purposes of sec. 8(c), Public Law 91-672.
[2] Valued at acquisition cost.
[3] Classified.
[4] Includes classified countries.
[5] In addition to $40,000,000 in excess defense articles, includes $104,000,000 estimated dollar value (at acquisition cost) of certain defense articles authorized by section 3, Public Law 91-652, to be transferred in fiscal year 1972 to the Government of Korea.
[6] Self-help funds only.

TABLE III.—*Other foreign assistance programs—Not included on regional chart*

[In thousands of dollars]

| | *Estimate fiscal year 1972* |
|---|---|
| Economic: | |
| 1. U.S. contribution to international financial institutions: | |
| (a) International Development Association | $320,000 |
| (b) Inter-American Development Bank | 575,000 |
| (c) Asian Development Bank | 60,000 |
| (d) African Development Bank | 15,000 |
| Total, U.S. contributions | 970,000 |
| 2. Export-Import Bank—Long-term loans to developing countries (1968-70 average) | 501,100 |
| Total economic | 1,471,100 |
| Military: | |
| 1. Public Law 480 grants for defense purposes | 116,600 |
| 2. MAAG's, military groups, etc | 262,000 |
| 3. International military headquarters | 72,300 |
| 4. NATO infrastructure | 20,000 |
| Total, military | 471,500 |
| Total, other foreign assistance programs | 1,942,600 |
| Estimates from regional chart | 7,590,845 |
| Grand total, foreign assistance fiscal year 1972 | 9,533,445 |

Executive Branch officials have in recent years argued that, compared with other rich nations, the United States development aid effort is quite low. In testifying before the Committee on foreign aid legislation this year, Dr. John A. Hannah, Administrator of the Agency for International Development, when discussing the United States comparative aid effort said:

"Measuring assistance as a percent of GNP, the United States ranks 11th among the 16 major assisting countries. The U.S. share of total world assistance has dropped by half, (from) 80 percent fifteen years ago to 42 percent this year."

Dr. Hannah was, of course, referring only to the approximately $3.2 billion of official development aid, as categorized by the Development Assistance Committee of the Organization for Economic Cooperation and Development (OECD), which we now dispense each year. It does not take into account the more than $4 billion in military aid planned to be given other countries this year, humanitarian relief, and other aid outflows not incurred by other rich nations.

It also does not take into account the tremendous burden American taxpayers have assumed under treaty obligations to protect the security of 43 nations around the world. The estimated costs of maintaining forces to meet the NATO commitment alone start at $14 billion and go up from there. But, as the September 7, 1971 report of the Senate Armed Services Committee on the Defense Authorization Bill stated: "This excludes the cost of the 'nuclear umbrella' which is perhaps the cornerstone of NATO . . ." and the Committee added that "a review of selected general purpose weapons systems estimated to cost $30 billion shows that $21-$25 billion of that cost can be identified with the requirement to support NATO defense." (S. Rept. 92-359, P. 15-16)

Yet, according to London's Institute for Strategic Studies, in 1969, when the United States spent 8.6% of GNP and $393 per capita for defense, Germany spent only 3.5% and $90 per capital, Italy 2.9% and $44 per capita, France 4.4% and $123 per capita, Britain 5.1% and $100 per capita, and so on. According to the Senate Armed Services Committee the situation was no different in calendar year 1970. It reported that ". . . data for calendar year 1970 shows the NATO allies spend 4.1 percent of their GNP on military programs compared to United States spending of 8.6 percent." Under these circumstances it makes little sense for the United States to foot the military aid bill for Greece and Turkey, to cite only one small example of the inequities of the present situation. There is no reason why the other NATO nations should not assume this and other burdens now borne by the United States taxpayer. Japan, even under plans for as substantial increase in military spending over the next five years, will allocate less than 1% of GNP for defense. It now spends about $15 per capita annually for defense purposes.

Yet the United States, throughout the world, provides the defense umbrella that frees vast resources of the other rich nations which, in all likelihood, would otherwise be spent for military purposes. To the extent that the United States provides this subsidy, it permits these other nations to achieve, with relative ease, the kind of reordering of national priorities which this country has been unable to accomplish because of its huge defense expenditures. Viewed in this light it is only fitting that these nations should give a greater proportion of their resources, in the form of economic aid, to helping the developing nations. To measure only one segment of the U.S. aid effort, and by such a distorted yardstick as GNP at that, without considering the totality of United States economic and military support for both the rich and the poor is to see only a few trees and not the forest.

Mr. FULBRIGHT. I also wish to state that I think the statement of the minority leader is not quite as accurate as it might be. He refers only to the economic assistance, I believe. The fact is that the United States, in actual dollars, without relation to a GNP, which is a wholly fallacious criterion, in my judgment, spends a great deal more than any other country.

Mr. President, just to review what has happened a bit, what we have ended up doing is appropriating nearly $400 million more for military and related assistance than we did for economic and humanitarian aid, showing once again where the emphasis of our policies, as determined by this body, lies. I very much regret that. I had hoped that after the defeat of the bill before, the Senate would take a different approach, and that we could give emphasis to nonmilitary aid programs.

I am prompted to read one paragraph that I think sums up the action taken today by this body. It is a quote from the great playwright George Bernard Shaw:

> In the arts of peace Man is a bungler. I have seen his cotton factories and the like, with machinery that a greedy dog could have invented if it had wanted money instead of food. I know his clumsy typewriters and bungling locomotives and tedious bicycles: they are toys compared to the Maxim gun, the submarine torpedo boat. There is nothing in Man's industrial machinery but his greed and sloth; his heart is in his weapons. This marvellous force of Life of which you boast is a force of Death: Man measures his strength by his destructiveness.

I think our actions today have demonstrated that. I think it is a great tragedy that this country, after all it has wrecked in Southeast Asia and in the world by emphasis upon its capacity for destructiveness, shows no disposition to mend its ways and begin to devote its resources and its energies to the reconstruction, not only of foreign countries, but of our own land as well.

The PRESIDING OFFICER. Who yields time?

Mr. SCOTT. Mr. President, the Senator from North Carolina has asked for 5 minutes. I yield 5 minutes to him.

Mr. ERVIN. Mr. President, I voted against the economic aid bill on yesterday simply because I do not think that the United States was created to be an eleemosynary institution, and to scatter the resources of its people all over the face of the earth among 125 nations.

I deplore the war in South Vietnam. That war could have been won 5 or 6 years ago, but the civilian authorities in charge of the Army, the Navy, and the Air Force sent boys into battle to die in a war which they would not permit them to win. So I am anxious to get out of Southeast Asia as soon as we can get out without further endangering the peace of the world.

We live in a precarious world. We might well pray the Lord for peace, at the same time we had better take Oliver Cromwell's advice and keep our powder dry.

I do not like many things in this bill. I do not like some of the restrictions in the bill. I do not know why we should be giving military aid to Africa and Latin America. But I do think we ought to give military aid to Korea. I think we ought to give military aid to Greece. I think we ought to give military aid to Turkey. I think that the military aid we have given those nations has made them fairly strong militarily, and as a result, this world is somewhat safer.

I note that this bill has $642.3 million in it for Korea. It has $117.8 million in it for Greece and $171.5 million for Turkey. I do think those nations need this aid to support the armed forces which they have pledged will stand on the side of the free world in any possible Armageddon with those who would destroy or extinguish the lights of freedom throughout the earth.

I would like to vote against some parts of this bill, but I have to take it as it is. My feeling is that we cannot turn our backs on Turkey and Greece and South Korea at this critical stage of the world. For that reason, my sense of responsibility to my country and to the youth of my country compels me to vote for this bill. This is so because I think military aid to Turkey, Greece, and South Korea will make our world just a little safer.

So far as the other kind of aid is concerned, I am against it. I have voted against it for 16 years. But I believe that it is necessary in this precarious world to keep ourselves and those who stand as our allies as strong as possible.

I could write a foreign aid bill that I could support all the way. I would give military assistance to those who are willing to stand on the side of the free world in any Armageddon with those who desire to subjugate all mankind to their rule. I would give economic aid to those in need of it who are willing to stand on the side of the free world. But I would not give anything to those mugwumps who sit on the fence, with their mug on one side and their wump on the other. I would not give anything at all to neutralists or to potential foes.

I think that the passage of this military assistance bill is necessary to the security of the free world.

Mr. SCOTT. Mr. President, I yield 1 minute to the distinguished Senator from Iowa (Mr. MILLER).

Mr. MILLER. Mr. President, I plan to vote for the pending bill, S. 2819.

However, in doing so, I wish to make clear that I am voting for the bill on balance—namely, that the good outweighs the bad.

One of the bad features is section 9, which represents the so-called Mansfield amendment. We have been over this ground repeatedly before. A majority of the Senate has voted for it while a majority of the House has rejected it. The result has been a compromise worked out by the conference committee between the two houses. I anticipate this will be the case again.

The fatal defect of this section of the bill is that it proposes to fix a date certain for withdrawal of all U.S. military forces from Indochina contingent upon the release of all American prisoners without insuring that, at least, our prisoners will be returned on a phased basis as our troops are phased out. The date certain is, for all practical purposes, 6 months after date of enactment of the bill.

Section 9 properly calls upon the President to negotiate an agreement under which there would be a series of phased releases of American prisoners concurrently with a phased and rapid withdrawal of U.S. troops. But the fixed date is not dependent upon such an agreement. Are we supposed to withdraw our troops at a rate which would have them all out within 6 months even though at the end of 2 months, or 3 months, or 4 months, or 5 months there have been no releases of prisoners?

I have pointed out many times before that the only sure way of approaching this problem is to make clear that any fixed date is contingent upon more than just a hope that our prisoners will be returned. U.S. troops in South Vietnam, especially those providing airpower, is the principal bone in the throat of North Vietnam; and the sooner the leaders of that country understand that the only way to get rid of that bone is to undertake an exchange of prisoners of war, the sooner our prisoners will be returned home. Section 9 of the bill, without amendment, will only prolong the agony of the prisoner of war problem, and all of the good faith in the world behind that section will not change the situation.

Mr. SCOTT. Mr. President, I yield 5 minutes to the distinguished senior Senator from Vermont (Mr. AIKEN).

Mr. AIKEN. Mr. President, I do not need 5 minutes. I simply want to ask a question of anyone who can answer it.

According to the figures I have here, in the bill passed yesterday we reduced $425 million from the President's request. On the military aid, which is now pending, I think the reduction is $480 million from the original request. This makes a total of $905 million reduction on the two bills.

Can anyone answer whether or not those figures are correct? I think they are.

Mr. FULBRIGHT. Those figures are correct. I stated a moment ago the figures with regard to the bill that was defeated. This bill is $267 million less than the bill that was defeated a week ago Friday. The figures stated by the Senator are correct.

Mr. AIKEN. I am making a comparison with what the administration requested; a cut of $905 million in the two bills—$425 million in the economic and humanitarian assistance bill and $480 million in the military assistance bill as it now stands.

Mr. FULBRIGHT. That is correct.

Mr. TUNNEY. Mr. President, it is in order to preserve for Israel the desperately needed supporting assistance and military credit sales that I have decided to vote for the military assistance authorization for 1972.

I have received assurances that the $85 million set forth in this bill for supporting assistance to Israel will, in fact, be granted to Israel by the Nixon administration. Without that assurance, I could not have voted for the final passage of this bill.

Further, Mr. President, it would have been very difficult for me to vote for the final passage of this bill if it did not specify that not less than $300 million shall be made available to Israel only. It is imperative that that amount actually be made available to Israel. Without that provision, the funds appropriated in this bill could not be justified as sound expenditures in our own national interest.

Congress in passing this bill, Mr. President, is telling the administration in the clearest possible language that our commitment to Israel has not been adequate. Seventy-eight Senators have gone on record in support of the immediate sale of additional Phantom jets to Israel. Without that sale, the balance of power in the Middle East could be irreparably endangered.

The events of the past several weeks have infused a healthy atmosphere of inquiry into the foreign aid debate. As I stated on the floor of the Senate on October 29, I am a strong supporter of our aid program. I believe that it has contributed significantly to American security and to the growth and vitality of a large number of developing nations—nations who deserve and require our assistance. I believe that constructive economic and humanitarian assistance to the developing nations is not only in their interest but is very clearly in our own interest. And, consequently, I am firmly convinced that a selective and rational program of foreign aid must be maintained and even expanded.

But the premises upon which we have developed our foreign assistance programs—and particularly our military assistance policies—must be thoroughly reexamined and reevaluated. The policies of the 1940's and 1950's are inadequate for the needs of the 1970's. I believe that the defeat of the foreign aid bill on October 29 helped that reevaluation to begin. I find that an encouraging development.

While that process is unfolding, we must not allow our friends to suffer. We must not allow our assistance to Israel and our other constructive aid programs to be impaired. It is for that reason that I have decided to vote for this military assistance act.

The VICE PRESIDENT. Who yields time?

Mr. STENNIS. Mr. President, will the Senator yield me 2 minutes?

Mr. SCOTT. I yield 2 minutes to the Senator from Mississippi.

Mr. STENNIS. Mr. President, I got into this matter in the amendment, but I held hearings last year, all year, on military aid, the part for Indochina. All this year, we debated those matters on the floor backward and forward. I ask this question: How in the world are we going to continue to come out of there without having some foreign aid—military aid—in that area? This is the only military aid bill for this year, except that it comes around through our troops, which is another proposition altogether. It is unthinkable and unworkable and just cannot be done, I respectfully submit.

Mr. LONG. Mr. President, will the Senator yield?

Mr. STENNIS. I will yield in a moment.

Let us move this along. In a few minutes, we will get to the military procurement bill, which has a larger portion of the Mansfield amendment in it than heretofore, and that is a step forward; and I believe it will be passed this afternoon or tonight.

Let us move this bill along. It is not exactly what I want; it is not exactly what anyone wants. But let us move this bill and pass it and make room for something else. We have done our best—everyone has.

Mr. SCOTT. Mr. President, I yield 1 minute to the Senator from Louisiana.

Mr. LONG. Mr. President, I have many times voted against foreign aid bills. It seems to me that after we have sacrificed the lives of the 50,000 courageous young men and have sustained 500,000 casualties in fighting for the principles of freedom, fighting at least against communism—everyone must concede that point—to lose that struggle because we have tried to be pennywise and pound foolish, for a few dollars, when we are pulling our troops out, would be the height of folly. To do that, in my judgment, would qualify a person for an insane asylum. Why would anyone want to do that, and having done that, deny someone the little help they need to have a chance of success to defend themselves? I think that would be utter folly.

## PROGRAM

Mr. SCOTT. Mr. President, I yield 1 minute to the distinguished majority leader, so that I may ask him what the further order of business is. I do this because we have a large attendance at the moment, and some important matters are coming up.

Mr. MANSFIELD. Mr. President, after the vote on the pending business, the Senate will return to the consideration of H.R. 10947, the tax package, reported by the Committee on Finance, which has been temporarily laid aside.

It is anticipated that once this bill is laid before the Senate again, the distinguished Senator from Mississippi will call up the conference report on the military procurement bill. Following the disposition of that report, we will return to the income tax bill, which will take 2 or 3 days or more, I assume.

In turn, that will be followed by the phase II economic package reported by the Committee on Banking, Housing, and Urban Affairs.

### COMMITTEE MEETING NEXT WEEK

If the distinguished minority leader and the Senate as a whole will allow me, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be allowed to meet all next week while the Senate is in session, to complete this phase of the President's program, if possible.

Mr. SCOTT. I join in that request.

The VICE PRESIDENT. Without objection, it is so ordered.

Mr. MANSFIELD. Then we have the conference report on the military construction appropriations bill, which ought to be ready Monday or Tuesday. There will be further conference reports and other privileged matters which may arise.

There is the so-called fish inspection bill, which is going to precipitate a certain amount of consideration.

In the background, there are the EEOC amendments, the National Voter Registration Act; four appropriation bills; and two Supreme Court nominations—all of which we want to get to and complete before we adjourn sine die around December 1. I certainly hope we can make it.

Mr. SCOTT. I thank the distinguished majority leader.

I yield myself 1 additional minute, for two purposes.

The first purpose is to say that, again this morning, the joint leadership has indicated a desire to adjourn this session by December 1. We can do it if we dispose of the program which the majority leader has just outlined. Therefore, when the Supreme Court nominations come in, I think it is important that we continue to sit until we have disposed of the confirmations and have voted on both.

I solicit the cooperation of all Senators in this regard as, in my judgment, it will be necessary to stay here until it is done.

The second purpose is to ask the distinguished majority leader if he will comment on the possibility of Saturday sessions.

Mr. MANSFIELD. There will be Saturday sessions from now on. I believe it is fairly certain that there will be votes on Saturday; so the Senate is on notice.

I, therefore, ask that, for the remainder of this session, no Senator make a request of the joint leadership to postpone a vote from a day certain or an hour certain, because it will take the collective accommodation of all of us to achieve the goal of December 1.

I urge, beseech, and I pray each Senator to observe that, and to help the joint leadership in its desire to accommodate themselves to the wishes of the Senate as a whole.

Mr. SCOTT. For this, we would need to enact the prayer amendment.

I thank the Senator.

## SPECIAL FOREIGN MILITARY AND RELATED ASSISTANCE ACT OF 1971

The Senate continued with the consideration of the bill (S. 2819) to provide foreign military and related assistance authorizations for fiscal year 1972, and for other purposes.

Mr. SPONG. Mr. President, when debate began on S. 2819 and S. 2820, I was prepared to support the foreign aid authorization program recommended by the Senate Foreign Relations Committee on November 8 as an interim program to meet an immediate and pressing situation. My reservations over our approach to foreign aid, as expressed in an October 29 floor statement, remained. I continued to believe we needed a complete reevaluation and revision of the U.S. foreign assistance program.

At the same time, I had some hesitation over terminating abruptly, without any transitional planning and, perhaps in a moment of frustration, a program which had existed for more than 20 years and which, in many ways, had been an important tool of our diplomatic relations.

While the problems of a lack of adequate information, an absence of a clear-cut approach and undefined goals had not been resolved, the new program recommended by the committee was certainly an improvement over the one recommended originally, the program which I voted against reporting favorably. First, the $2.3 billion committee authorization was much more in line with the $1.9 billion appropriated last year than with the $3.2 billion committee recommendation in the defeated bill. It was also more in line with our spending abilities in light of recent U.S. financial difficulties.

Second, the separation of aid into two categories, economic and humanitarian aid and military assistance, allowed us to examine each of our major foreign aid categories in some detail and give attention to each as an individual matter.

Third, there were several provisions, such as those for combating the international drug traffic, for requiring that additional information on foreign aid spending be reported to Congress and for channeling additional aid through multilateral organizations, which I believed were moves in the right direction.

In my statement on the foreign aid authorization bill which was defeated and which I opposed, I noted that the United States should not embark upon a dangerous course of isolationism. I believe that our responsibilities as the leading diplomatic and economic power in the free world require that we avoid such a course. On the other hand, I felt that H.R. 9910 was ill-advised in view of our Nation's financial difficulties.

When S. 2819 and S. 2820 were reported by the Senate Foreign Relations Committee, I felt that they would provide a temporary, interim means whereby our Nation could contribute on a limited basis, to a number of humanitarian and developmental activities, and assist allies such as Israel while we sought to formulate a new concept of foreign aid, a concept in which our objectives and goals would be more clearly defined and in which there would be some standards against which to measure the success or failure of our efforts.

Last night I voted for S. 2820. Today I would have voted for S. 2819 had the vote for passage been on the bill as reported from the committee. The addition of $318 million to the bill on the Senate floor, however, bringing the total cost of the two-bill package to $2.6 billion, is too high in light of our Nation's current financial difficulties. Consequently, I am voting against this bill.

Mr. THURMOND. Mr. President, I rise in support on final passage of the military assistance legislation, which we have been debating today.

Over the years I have felt that foreign aid bills as a whole were not accomplishing a great deal for this country, and, therefore, I opposed these measures.

Now we have a different situation. This bill before the Senate consists mainly of military aid and some economic aid. Most of the military aid is going to countries in Southeast Asia and a great deal of the economic aid is going to South Vietnam.

Therefore, I feel a new view must be taken of this legislation because it essentially provides the funds for the implementation of the Nixon doctrine. The Nixon doctrine provides that American fighting men be withdrawn from foreign battlefields, but that this effort we have made be replaced in some degree by providing military equipment and some economic assistance to those nations still defending themselves in the face of Communist aggressors.

Much of the money in this bill would go to Southeast Asian nations. This country has seen over 45,000 of its young men die in Vietnam and we have experienced over 300,000 casualties. It would be wrong to deny South Vietnam and nearby nations some military assistance so that they would have a chance to provide for their own freedom as we withdraw. If we fail to do this, then the sacrifices of our fighting men in Vietnam would have been in vain.

Mr. President, I feel this war was improperly conducted and I have said so during the past few years. As we disengage I feel we must provide the needed support to our allies so that they can protect themselves and preserve their freedom which is vital to our national interests.

### THE NEED FOR FOREIGN AID

Mr. JAVITS. Mr. President, on Sunday, November 7, 1971, the Los Angeles Times published what I consider to be a most cogent editorial entitled "The Need for Foreign Aid." I commend this editorial to my colleagues. It contains real food for tonight, in my judgment. I ask unanimous consent that it be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### The Need for Foreign Aid

A chorus of cheers and an avalanche of fan mail celebrated the Senate action killing foreign aid.

The celebration must have had a curious ring as it echoed over less fortunate lands, through the refugee camps of India and war-devastated Vietnam and the slums of Rio de Janeiro.

Fortunately, the Senate is having second thoughts. The White House, the State Department and the Pentagon have all reminded the senators that their legislative mayhem of Oct. 29 is damaging both to the diplomacy and the security of the United States.

There are three things worth remembering at this juncture:

The world needs foreign aid, needs it desperately. In India alone, aid adds up to only 1% of national income. The annual economic growth rate of less than 5% is barely keeping pace with the demands of an expanding population. Now, the 8 million refugees from East Pakistan and a new wave of natural disasters have cruelly erased what had been a real hope for accelerated economic development.

The United States can afford the aid it has given in the past and the aid it has been asked to give in the future. American government aid now equals one-third of 1% of gross national product, ranking 14th among the capitalist nations on this basis. If the United States spent twice as much, it would still be spending a smaller share of its gross national product than at least two other nations.

Foreign aid can be more effective. It can never be entirely free of waste. It has been misused for missions which it cannot do well, like trying to buy friendships. Too much has been spent on the military and too little on the economic. It has been easier to explain military need to Congress. Too little has been channeled through the United Nations and other multilateral channels, but this is being corrected.

The second thoughts of the Senate include a proposal for a stop-gap $2.3 billion, more than a billion dollars less than the program approved last August by the House of Representatives. The Administration has said it is not enough. It isn't.

Apart from long-term development commitments for the developing nations, particularly America's neighbors in the Western Hemisphere, there are lingering commitments that cannot be quickly dropped. Vietnam will need massive inputs of economic assistance to patch up the ravages of a war not entirely of its choosing. The Senate acted wisely in forcing a ceiling on aid to Cambodia, a dubious program at best, but even that reduced program will eat up $341 million. The United States cannot terminate aid either to Israel or Jordan without risking new problems in the Middle East. And any cuts in the $128 million for U.N. voluntary programs, including the U.N. Development Program and UNICEF, would be punishing remarkably effective international operations.

For 25 years, America has spent an average of $6 billion a year on foreign assistance, a total close to $150 billion. One Senator called it a "sugar plum." Perhaps. But cheap in relation to the nation's wealth. And cheaper, certainly, than the consequences of a world where nothing was being done to give substance to the aspirations of the poor.

The VICE PRESIDENT. Do the Senator from Pennsylvania and the Senator from Arkansas yield back their time?

Mr. SCOTT. I yield back my time.

Mr. FULBRIGHT. Mr. President, I yield back my time.

Several Senators asked for the yeas and nays on final passage of the bill.

The yeas and nays were ordered.

The VICE PRESIDENT. The bill having been read the third time, the question is, Shall the bill pass?

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Georgia (Mr. Gambrell), the Senator from Oklahoma (Mr. Harris), the Senator from Indiana (Mr. Hartke), the Senator from North Carolina (Mr. Jordan), and the Senator from South Dakota (Mr. McGovern) are necessarily absent.

I further announce that the Senator from West Virginia (Mr. Byrd) is absent on official business.

I further announce that, if present and voting, the Senator from Texas (Mr. Bentsen) and the Senator from South Dakota (Mr. McGovern) would each vote "yea."

I further announce that, if present and voting, the Senator from North Carolina (Mr. Jordan) would vote "nay."

On this vote, the Senator from Indiana (Mr. Hartke) is paired with the Senator from Georgia (Mr. Gambrell). If present and voting, the Senator from Indiana would vote "nay" and the Senator from Georgia would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) is absent on official business.

The Senator from Tennessee (Mr. Brock) is necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from Arizona (Mr. Goldwater) is detained on official business.

The result was announced—yeas 65, nays 24, as follows:

[No. 308 Leg.]

YEAS—65

Aiken
Allott
Anderson
Baker
Bayh
Beall
Bennett
Bible
Boggs
Brooke
Buckley
Cannon
Case
Chiles
Cook
Cooper
Curtis
Dole
Dominick
Eastland
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Hart
Hollings
Hruska
Humphrey
Inouye
Jackson
Javits
Jordan, Idaho
Long
Magnuson
Mathias
McGee
McIntyre
Miller
Moss
Muskie
Packwood
Pastore
Pearson
Pell
Percy
Ribicoff
Roth
Saxbe
Schweiker
Scott
Smith
Sparkman
Stafford
Stennis
Stevens
Stevenson
Taft
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—24

Allen
Burdick
Byrd, Va.
Church
Cotton
Cranston
Eagleton
Ellender
Fulbright
Gravel
Hatfield
Hughes
Kennedy
Mansfield
McClellan
Metcalf
Mondale
Montoya
Nelson
Proxmire
Randolph
Spong
Symington
Talmadge

NOT VOTING—11

Bellmon
Bentsen
Brock
Byrd, W. Va.
Gambrell
Goldwater
Harris
Hartke
Jordan, N.C.
McGovern
Mundt

So the bill (S. 2819) was passed, as follows:

### S. 2819

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Special Foreign Military and Related Assistance Act of 1971".

### STATEMENT OF POLICY

Sec. 2. This Act is enacted as an interim measure to carry forward for fiscal year 1972 United States bilateral military assistance and military credit sales programs authorized by the Foreign Assistance Act of 1961 and the Foreign Military Credit Sales Act. The Congress intends at the earliest possible date to reevaluate the United States foreign assistance program, including foreign military sales, and to develop a new program for the future. Accordingly, this Act looks to the phase-out of the current program and to the establishment of a new one which will command the respect and the support of Congress and the American people.

### AUTHORIZATIONS

SEC. 3. (a) There are authorized to be appropriated to the President for fiscal year 1972—

(1) $566,000,000 to carry out the provisions of chapter 4 of part I of the Foreign Assistance Act of 1961, relating to supporting assistance;

(2) $85,000,000 to carry out the provisions of such chapter 4 for Israel only;

(3) $452,000,000 to carry out the provisions of part II of such Act, relating to military assistance; and

(4) $400,000,000 to carry out the provisions of the Foreign Military Sales Act.

(b) The aggregate total of credits, or participations in credits, extended under the Foreign Military Sales Act (excluding credits covered by guaranties issued under section 24(b) of such Act) and of the face amount of guaranties issued under secton 24 (a) or (b) of such Act shall not exceed the amount of $550,000,000 for fiscal year 1972, of which amount not less than $300,000,000 shall be made available to Israel only.

(c) Any appropriation made under any clause of subsection (a) of this section shall be considered as an appropriation made under that provision of the Foreign Assistance Act of 1961 or the Foreign Military Sales Act, as the case may be, authorizing an appropriation for a prior year for the same purpose as such clause.

### MILITARY ASSISTANCE

SEC. 4. Part II of the Foreign Assistance Act of 1961, relating to military assistance, is amended as follows:

(1) Section 505, relating to conditions of eligibility, is amended—

(A) by striking out of subsection (b) (2) the word "and" and inserting in lieu thereof "or"; and

(B) by striking out subsection (e).

(2) In section 506(a), relating to special authority, strike out—

(A) "1970 and the fiscal year 1971" and insert in lieu thereof "1972"; and

(B) "each of the fiscal years 1970 and 1971" and insert in lieu thereof "the fiscal year 1972".

(3) Section 507(a), relating to restrictions on military aid to Latin America, is amended to read as follows: "(a) Except as otherwise provided in this section, the value of defense articles furnished by the United States Government under this Act to Latin American countries shall not exceed $10,000,000. Not to exceed $25,000,000 in value of defense articles may be furnishd under this part on a cost-sharing basis to an inter-American military force under the control of the Organization of American States."

(4) At the end of chapter 2 of such part II, add the following new sections:

"SEC. 511. MILITARY ASSISTANCE ADVISORY GROUPS AND MISSIONS.—(a) It is the sense of Congress that the need for large United States military assistance advisory groups and military aid missions in foreign countries has diminished substantially during the last few years. In the words of the Peterson Task Force Report on International Development, 'The United States now can reduce its supervision and advice to a minimum, thus encouraging progress toward self-reliance. United States military missions and advisory groups should be consolidated with other elements in our overseas missions as soon as possible.'

"(b) In accordance with the provisions of subsection (a) of this section, the total number of United States military personnel assigned and detailed, as of September 30, 1971, to United States military assistance advisory groups, military missions, and other organizations of the United States performing activities similar to such groups and missions, shall be reduced by at least 25 per centum by September 30, 1972.

"SEC. 512. MILITARY ASSISTANCE AUTHORIZATIONS FOR THAILAND.—After June 30, 1972, no military assistance shall be furnished by the United States to Thailand directly or through any other foreign country unless that assistance is authorized under this Act or the Foreign Military Sales Act.

"SEC. 513. LIMITATIONS ON AVAILABILITY OF FUNDS FOR MILITARY OPERATIONS.—(a) No funds authorized or appropriated under any provision of law shall be made available by any means by any officer, employee, or agency of the United States Government for the purpose of financing any military operations by foreign forces in Laos, North Vietnam, or Thailand outside the borders of the country of the government or person receiving such funds unless Congress has specifically authorized or specifically authorizes the making of funds available for such purpose and designates the area where military operations financed by such funds may be undertaken outside such borders.

"(b) Upon requesting Congress to make any such authorization, the President shall provide to Congress a copy of any agreement proposed to be entered into with any such government or person and the complete details of the proposed military operation. Upon such authorization by Congress, the President shall provide a copy of any such agreement and thereafter of all plans and details of such operation.

"SEC. 514. SPECIAL FOREIGN COUNTRY ACCOUNTS.—(a) Except as otherwise provided by subsection (b) or (c) of this section, no defense article may be given, and no grant of military assistance may be made, under this or any other law to a foreign country unless the country agrees—

"(1) to deposit in a special account established by the United States Government the following amounts of currency of that country:

"(A) in the case of any excess defense article to be given to that country, an amount equal to 25 per centum of the fair value of the article, as determined by the Secretary of State, at the time the agreement to give the article to the country is made; and

"(B) in the case of a grant of military assistance to be made to that country, an amount equal to 25 per centum of each such grant; and

"(2) to allow the United States Government to use such amounts from that special account as may be determined, from time to time, by the President to be necessary to pay all official costs of the United States Government payable in the currency of that country, including all costs relating to the financing of international educational and cultural exchange activities in which that country participates under the programs authorized by the Mutual Educational and Cultural Exchange Act of 1961.

"(b) The President may waive any amount of currency of a foreign country required to be deposited under subsection (a) (1) of this section if he determines that the United States Government will be able to pay all of its official costs payable in the currency of that country enumerated under subsection (a) (2) of this section without the deposit of such amount and without having to expend United States dollars to purchase currency of that country to pay such costs.

"(c) The provisions of this section shall not apply in any case in which an excess defense article is given, or a grant of military assistance is made, to a foreign country under an agreement with that country which allows the United States Government to operate a military or other similar base in that country in exchange for that article or grant.

"(d) Section 1415 of the Supplemental Appropriation Act, 1953 (31 U.S.C. 724), shall not be applicable to the provisions of this section."

### MISCELLANEOUS PROVISIONS

SEC. 5. (a) (1) Section 652 of the Foreign Assistance Act of 1961, relating to miscellaneous provisions, is amended to read as follows:

"SEC. 652. LIMITATION UPON EXERCISE OF SPECIAL AUTHORITIES.—The President shall not exercise any special authority granted to him under section 506(a), 610(a), or 614 (a) of this Act unless the President, at least ten days prior to the date he intends to exercise any such authority, notifies the Speaker of the House of Representatives and the Committee on Foreign Relations of the Senate in writing of each such intended exercise, the section of this Act under which such authority is to be exercised, and the justification for, and the extent of, the exercise of such authority."

(2) The last sentence of section 506(a) of such Act, relating to special authority, is repealed.

(3) The last sentence of section 634(d) of such Act, relating to reports and information, is amended by striking out "614(a),".

(b) Chapter 3 of part III of such Act is amended by adding at the end thereof the following new sections:

"SEC. 653. CHANGE IN ALLOCATION OF FOREIGN ASSISTANCE.—(a) Not later than thirty days after the enactment of any law appropriating funds to carry out any provision of this Act (other than section 451 or 637), the President shall notify the Congress of each foreign country and international organization to which the United States Government intends to provide any portion of the funds under such law and of the amount of funds under that law, by category of assistance, that the United States Government intends to provide to each. Notwithstanding any other provision of law, the United States Government shall not provide to any foreign country or international organization any funds under that law which is in excess of 10 per centum of the amount of each category of assistance which the President notified the Congress that the United States Government intended to provide that country or organization under that law, unless the President (1) determines that it is vital to the security of the United States that such country or organization receive funds in excess of the amount included in such notification for that country or organization, and (2) reports to Congress, at least ten days prior to the date on which such excess funds are to be provided to that country or organization, each such determination, including the name of the country or organization to receive funds in excess of such per centum, the amount of funds in excess of that per centum which are to be provided, and the justification for providing the additional assistance.

"(b) The provisions of this section shall not apply in the case of any law making continuing appropriations and may not be waived under the provisions of section 614(a) of this Act.

"SEC. 654. PRESIDENTIAL FINDINGS AND DETERMINATIONS.—(a) In any case in which the President is required to make a report to the Congress, or to any committee or officer of either House of Congress, concerning any finding or determination under any provision of this Act, the Foreign Military Sales Act, or the Foreign Assistance and Related Programs Appropriation Act for each fiscal year, that finding or determination shall be reduced to writing and signed by the President.

"(b) No action shall be taken pursuant to any such finding or determination prior to the date on which that finding or determination has been reduced to writing and signed by the President.

"(c) Each such finding or determination shall be published in the Federal Register as soon as practicable after it has been reduced to writing and signed by the President. In any case in which the President concludes that such publication would be harmful to the national security of the United States, only a statement that a determination or finding has been made by the President, including the name and section of the Act under which it was made, shall be published.

"(d) No committee or officer of either House of Congress shall be denied any requested information relating to any finding or determination which the President is required to report to the Congress, or to any committee or officer of either House of Congress, under any provision of this Act, the Foreign Military Sales Act, or the Foreign Assistance and Related Programs Appropriation Act for each fiscal year, even though such report has not yet been transmitted to the appropriate committee or officer of either House of Congress.

"SEC. 655. LIMITATIONS UPON ASSISTANCE TO OR FOR CAMBODIA.—(a) Notwithstanding any other provision of law, no funds authorized to be appropriated by this or any other law may be obligated or expended in any amount in excess of $341,000,000 for the purpose of carrying out directly or indirectly any economic or military assistance, or any operation, project, or program of any kind, or for providing any goods, supplies, materials, equipment, services, personnel, or advisers in, to, for, or on behalf of Cambodia during the fiscal year ending June 30, 1972.

"(b) In computing the $341,000,000 limitation on obligation and expenditure authority under subsection (a) of this section in fiscal year 1972, there shall be included in the computation the value of any goods, supplies, materials, or equipment provided to, for, or on behalf of Cambodia in such fiscal year by gift, donation, loan, lease, or otherwise. For the purpose of this subsection, 'value' means the fair market value of any goods, supplies, materials, or equipment provided to, for, or on behalf of Cambodia but in no case less than 33⅓ per centum of the amount the United States paid at the time such goods, supplies, materials, or equipment were acquired by the United States.

"(c) No funds may be obligated or expended for any of the purposes described in subsection (a) of this section in, to, for, or on behalf of Cambodia in any fiscal year beginning after June 30, 1972, unless such funds have been specifically authorized by law enacted after the date of enactment of this section. In no case shall funds in any amount in excess of the amount specifically authorized by law for any fiscal year be obligated or expended for any such purpose during such fiscal year.

"(d) The provisions of subsections (a) and (c) of this section shall not apply with respect to the obligation or expenditure of funds to carry out combat air operations over Cambodia.

"(e) After the date of enactment of this section, whenever any request is made to the Congress for the appropriation of funds for use, in, for, or on behalf of Cambodia for any fiscal year, the President shall furnish a written report to the Congress explaining the purpose for which such funds are to be used in such fiscal year.

"(f) The President shall submit to the Congress within thirty days after the end of each quarter of each fiscal year, beginning with the fiscal year which begins July 1, 1971, a written report showing the total amount of funds expended in, for, or on behalf of Cambodia during the preceding quarter by the United States Government, and shall include in such report a general breakdown of the total amount expended, describing the different purposes for which such funds were expended and the total amount expended for such purpose, except that in the case of the first two quarters of the fiscal year beginning July 1, 1971, a single report may be submitted for both such quarters and such report may be computed on the basis of the most accurate estimates the President is able to make taking into consideration all information available to him.

"(g) Enactment of this section shall not be construed as a commitment by the United States to Cambodia for its defense."

### LIMITATIONS ON UNITED STATES PERSONNEL AND PERSONNEL ASSISTED BY UNITED STATES IN CAMBODIA

SEC. 6. Chapter 3 of part III of the Foreign Assistance Act of 1961, relating to miscellaneous provisions, is further amended by adding after section 655, as added by section 5(b) of this Act, the following new section:

"SEC. 656. LIMITATIONS ON UNITED STATES PERSONNEL AND PERSONNEL ASSISTED BY UNITED STATES IN CAMBODIA.—The total number of civilian officers and employees of executive agencies of the United States Government who are citizens of the United States and of members of the Armed Forces of the United States (excluding such members while actually engaged in air operations in or over Cambodia which originate outside Cambodia) present in Cambodia at any one time shall not exceed two hundred. The United States shall not, at any time, pay in whole or in part, directly or indirectly, the compensation or allowances of more than fifty individuals in Cambodia or the United States. For purposes of this section, 'executive agency of the United States Government' means any agency, department, board, wholly or partly owned corporation, instrumentality, commission, or establishment within the executive branch of the United States Government."

### FOREIGN MILITARY SALES

SEC. 7. The Foreign Military Sales Act is amended as follows:

(1) In section 33(a), relating to regional ceilings on foreign military sales, strike out "$75, 000,000" and insert in lieu thereof "$100,000,000".

(2) Section 33 (c), relating to regional ceilings on foreign military sales, is repealed.

### EXCESS DEFENSE ARTICLES

SEC. 8. Section 8 of the Act of January 12, 1971, entitled "An Act to amend the Foreign Military Sales Act, and for other purposes" (84 Stat. 2053), is amended—

(1) by striking out the first and second sentences of subsection (a) and inserting in lieu thereof the following: "Subject to the provisions of subsection (b), the value of any excess defense article granted to a foreign country or international organization by any department, agency, or independent establishment of the United States Government (other than the Agency for International Development) shall be considered to be an expenditure made from funds appropriated under the Foreign Assistance Act of 1961 for military assistance. Unless such department, agency, or establishment certifies to the Comptroller General of the United States the the excess defense article it is ordering is not to be transferred by any means to a foreign country or international organization, when an order is placed for a defense article whose stock status is excess at the time ordered, a sum equal to the value thereof shall (1) be reserved and transferred to a suspense account, (2) remain in the suspense account until the excess defense article is either delivered to a foreign country or international organization or the order therefor is canceled, and (3) be transferred from the suspense account to (A) the general fund of the Treasury upon delivery of such article, or (B) to the military assistance appropriation for the current fiscal year upon cancellation of the order.";

(2) by striking out, in subsection (b), "$100,000,000" and inserting in lieu thereof "$150,000,000"; and

(3) by adding at the end thereof the following new subsection:

"(e) Except for excess defense articles granted under part II of the Foreign Assistance Act of 1961, the provisions of this section shall not apply to any excess defense article granted to South Vietnam prior to July 1, 1972."

### TERMINATION OF UNITED STATES MILITARY OPERATIONS IN INDOCHINA

SEC. 9. It is hereby declared to be the policy of the United States to terminate at the earliest practicable date all military operations of the United States in Indochina, and to provide for the prompt and orderly withdrawal of all United States military forces not later than six months after the date of enactment of this section subject to the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government. The Congress hereby urges and requests the President to implement the above expressed policy by initiating immediately the following actions:

(1) Establishing a final date for the withdrawal from Indochina of all military forces of the United States contingent upon the release of all American prisoners of war held by the Government of North Vietnam and forces allied with such Government, such date to be not later than six months after the date of enactment of this Act.

(2) Negotiate with the Government of North Vietnam for an immediate cease-fire by all parties to the hostilities in Indochina.

(3) Negotiate with the Government of North Vietnam for an agreement which would provide for a series of phased and rapid withdrawals of United States military forces from Indochina in exchange for a corresponding series of phased releases of American prisoners of war, and for the release of any remaining American prisoners of war concurrently with the withdrawal of all remaining military forces of the United States by not later than the date established by the President pursuant to paragraph (1) hereof or by such earlier date as may be agreed upon by the negotiating parties.

### LIMITATION ON UNITED STATES ACTIVITIES IN CAMBODIA

SEC. 10. Section 7(a) of the Special Foreign Assistance Act of 1971 (84 Stat. 1943) is amended by striking out "Cambodian military forces" and inserting in lieu thereof "military, paramilitary, police, or other security or intelligence forces".

### RESTRICTIONS RELATING TO FOREIGN TROOPS

SEC. 11. Section 401(a) of Public Law 89-367, approved March 15, 1966 (80 Stat. 37), as amended, is amended—

(1) by inserting in the second sentence of paragraph (1), after "to or for the use of the Armed Forces of the United States", the following: "or of any department, agency, or independent establishment of the United States"; and

(2) by inserting in the introductory matter preceding clause (A) of paragraph (2) of such section, after "Armed Forces of the United States", the following: "or of any department, agency, or independent establishment of the United States".

Mr. GRIFFIN. Mr. President, I move to reconsider the vote by which the bill was passed.

Mr. THURMOND. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. FULBRIGHT. Mr. President, I ask

unanimous consent that the Secretary of the Senate be authorized to make technical corrections in the engrossment of S. 2819.

The PRESIDING OFFICER. Without objection, it is so ordered.

## SOVIET ESPIONAGE AGENT ON THE STAFF OF THE UNITED NATIONS

Mr. EASTLAND. Mr. President, one of the most important witnesses heard by the Internal Security Subcommittee was the Soviet defector, Petr Deryabin, a former officer of the KGB.

Mr. Deryabin has sent me a communication with respect to the presence of a Soviet espionage agent on the staff of the United Nations.

This is a matter which I know will be of interest to many Senators, and I ask unanimous consent that the text of Mr. Deryabin's letter to me, together with the attached enclosure, be printed in the Record.

There being no objection, the material was ordered to be printed in the Record, as follows:

October 21, 1971.

Hon. James O. Eastland,
*Chairman, Subcommittee on Internal Security, Judiciary Committee, U.S. Senate, Washington, D.C.*

Dear Mr. Chairman: I am sure you followed the reporting in the press on the recent expulsion of Soviet espionage operatives from the United Kingdom. This action by the Heath government is one of the most heartening things I have seen since I left the Soviet system; it was a service and an example for the entire Western world and would awaken revolutionary sentiments if the message could be gotten to the Russian people.

The *New York Times* on 3 October 1971 presented the facts on Soviet worldwide espionage, including the United Nations, where Vldimir Pavlovich Pavlichenko was singled out as an example of a Soviet State Security officer in the S & T field. This interested me because I knew Pavlichenko well as a KGB operative before I left the service.

On 9 October I sent a detailed statement of what I knew about Pavlichenko together with comments to the Editor of the *New York Times*, with a copy to Mr. U Thant. Given the seriousness of my charges, I even included an offer to be interviewed by the *New York Times*, regarding Pavlichenko, who by this time was attempting to brazen out by denials.

The *New York Times* published a small rendering of what I said which appeared on Page 60 of the 10 October issue, but the political content of my message was totally ignored. I note, however, that a few days later the *New York Times* published an editorial comment on the latest Soviet policy discrimination against Jewish emigration to which I referred in my communication. I would like to believe that my observations had some small effect on their editorial board.

It seems to me there is a disturbing ignorance or apathy about the massive intelligence effort of the U.S.S.R. In writing to you I am seeking relief by resorting to the only remedy available to a citizen. There is no question in my mind from what I read that the Soviets and the Bloc are doing everything possible to divert attention here and abroad from the real issues in the United Kingdom's action and in the Pavlichenko affair in the United Nations. That world body has long served as a spy nest for the Soviet and Bloc Services.

I do not claim to be a universal expert but as a former KGB officer, I am an authority on Soviet espionage and subversion and its personalities and methods. I'm still sought as consultant and have of course been in touch with former colleagues who have more recently travelled the same road I myself once chose. My sources, therefore, are excellent ones. Therefore, I believe that what I have to say on these matters should be made available to the public and to friendly governments whose citizens within the U.N. Mission are unwittingly fraternizing with a very dangerous spy. Obviously, I would have no objection, in fact would welcome your making the whole of my communication to the *New York Times* a matter of public record by including it in the *Congressional Record*, together with pertinent items from the *New York Times* coverage. I enclose the full text, and selected cuttings, for your consideration.

Petr S. Deryabin.

P.S.—I have enclosed an exact copy of my communications to the *New York Times* but I think it would be prudent to omit the New York Postal address.

*To the Editors of the New York Times:*

Sirs: I have read with keen interest about the Soviet Government's effort to lie to the world in order to protect a member of their elite. I refer, of course to the case of Pavlichenko.

I was a staff officer of the KGB. I refer you to my book on the life in the KGB, *The Secret World* (New York, Doubleday, 1959), which is well-known to all counterespionage services and governments in the west, and also to Pavlichenko and his organization, the KGB.

Before I bear witness to what I know permit me some general remarks which I believe grow out of specific cases like Pavlichenko's.

As a man who left the Soviet system, I have been deeply moved and impressed by the Churchillian courage, (which came as a surprise to me after the appeasment of the Wilson regime) of the British Government in facing up to reality in dealing with the Soviets. These realities were defined by Lenin in this way:

"So long as capitalism and socialism remain, we cannot live peacefully: either one or the other will conquer in the end—either a funeral dirge will be sung over the Soviet Republic, or over world capitalism."

Or, as Khrushchev said:

"We will bury you."

Or, as Mr. Brezhnev let us know recently at 24th party Congress:

"The organs of State Security (KGB) play an important role . . . they have been strengthened by particularly mature cadres . . ."

So, it is not only Pavlichenko who is important. In the wider sense, Gromyko is also a co-conspirator with Pavlichenko against the West and the Russian people in a cynical approach to foreign policy. The best evidence of that cynical approach appears on Page 665 of the Canadian Royal Commission report in which another Soviet intelligence officer and colleague, Gouzenko, recalls:

"There was one last conversation that Colonel Zabotin had with us. His was before the 5th of September (1945). He gathered us in this room at 14 Range Road and said, 'Yesterday they were allies, today they are neighbors, tomorrow they will be our enemies.'"

I am repeating all of these things because some people in the West have apparently forgotten the message.

As a Senior Soviet state security staff officer I first mentally, then physically, defected from the Police State. I could no longer tolerate, seeing the sacrifices of the Russian people, and at the same time indulge in the advantages of the elite. And this was not just a matter of personal comfort which included special commissaries, special department stores and apartments as well as advantages of every kind, reserved to the KGB and high party dignitaries and denied to the people. The Gromykos and the Pavlichenkos have lost contact with the mass base because they have chosen to continue to enjoy these privileges. Therefore, what I say is not just on my behalf, but on behalf of the Russian people, which is, believe me, the real silent majority in the world today.

Vladimir Pavlovich Pavlichenko, the Director of External Relations in the office of public information in the United Nations, denied that he is a Soviet espionage agent. Said he: "The accusations levelled against me are slanderous and false, I do not wish to dignify them by any further comment."

I agree with Comrade Pavlichenko that it is very hard to dignify one's own belonging to the Soviet espionage service, especially nowdays, when 105 Comrades in arms in London have been sent home, except to deny it as slanderous and false. But facts are stubborn things. I remember him very well, Vladimir Pavlovich Pavlichenko. In 1952–1953 we worked together in Moscow headquarters for the KGB, in what is now first Chief Directorate (Intelligence). If he forgets, at that time it was called MGB and MVD, and it was located on Tekstilshchikov St. Later, it was moved to Dzerzhinskiy Square, Building No. 2. At different times we had the same chiefs: Gens. Sergey R. Savchenko, Yevgeny P. Pitovranov, Col. Asdrey I. Raina, and Aleksandr S. Panyushkin, the former Soviet Ambassador to the U.S.A. He and I have even used the same cover in espionage work. In 1953, in Vienna, my work involved me with the President of the Soviet Academy of Sciences, Academician Nesmeyanov and later on Pavlichenko worked with him. Today he works with Mikhail Dmitriyevich Millionshchikov.

Sirs, I note from the most recent Soviet disinformation, which the press is unfortunately obliged to carry, that Victor Louis says Soviet "internal pressures" in the U.S.S.R. will lead to expulsion of British diplomats and other officials from Moscow. Such "internal pressures," believe me, are totally illusory, the figments of another one of Pavlichenko's friends and KGB colleagues, Vassily Romanovich Sitnikov, a disinformation specialist from way back whom I identified in my book in 1959. Pavlichenko knows Sitnikov very well and has worked with him professionally. He assisted him in 1965 in Moscow when Sitnikov used the operational alias Vassily Romanovich Sergeyev. And Victor Louis? He's just another of the same bunch!

Finally, in reference to the latest press, what can one say about a system that callously announces yesterday morning that Jews with special skills cannot leave the country. There is something of the cynicism and calculation of the Hitler regime in such a measure! But while the world may sympathize with Jews for such an abomination, I ask how much thinking is being done about the fate of other minorities in the Soviet Union—"our garden," as Elitist Malik called it? I intend to throw more light on the facts about that Soviet "garden" which flourishes in Russia and perhaps in New York. I am sending a copy of this telegram to Mr. U Thant.

Petr S. Deryabin.

P.S.—In consideration for my personal safety and not for publication. I am prepared to be interviewed on the Pavlichenko facts by a responsibile representative. You may contact me at the following address.

[From the New York Times, Oct. 10, 1971]

### Soviet Protests on Press Reports—Malik Tells Bush Charges of Spying Are Slanderous

(By Benjamin Welles)

Washington, October 19.—The Soviet Union has protested vigorously to the United

States over recent reports in the American press of espionage activities by Soviet citizens attached to the United Nations.

Yakov A. Malik, the Soviet delegate, sent a strongly worded letter, which was delivered Oct. 13, to George Bush, the United States delegate, charging that the allegations were "slanderous" and reflected "anti-Soviet hysteria."

The sending of the letter was disclosed to The New York Times by qualified sources and was confirmed by Charles W. Bray 3d, the State Department spokesman, in answer to a question. He added: "We will be replying in due course."

### TYPED REPLY NOT INDICATED

Mr. Bray declined to indicate what type of response the United States might make.

The State Department recently disclosed that, since 1960, the United States has expelled 11 Soviet citizens attached to the United Nations and 11 more at the Soviet Embassy here on charges of espionage.

In his letter, which was in Russian, Mr. Malik called Mr. Bush's attention to what he termed attempts by the United States press—notably in New York—and by other unspecified circles to "evoke anti-Soviet hysteria in the U.S. and in other Western countries by exaggerating notorious spy-mania."

On Oct. 3, The New York Times published an article based on reports from its correspondents here and in 20 foreign capitals citing evidence of rising Soviet espionage.

### U.S. OFFICIALS QUOTED

It quoted American security officials as having said that many of the 250 to 300 Russian citizens in the Soviet mission to the United Nations or employed in the United Nations Secretariat are known officers of the K.G.B., the Soviet civilian espionage arm, or the G.R.U., the military counterpart.

The report specifically cited Vladamir P. Pavlichenko, who since 1966 has been director of external relations in the United Nations Office of Public Information, as a veteran K.G.B. official.

Two former K.G.B. officers who defected to the United States and live here—Peter Deriabin and Yuri Rastvorov—have since written or telegraphed Secretary General Thant to confirm the reports and to offer to testify from personal experience about Mr. Pavlichenko's K.G.B. activities.

As far as is known, Mr. Thant has not replied.

Mr. Malik's letter did not mention Mr. Pavlichenko. However, it charged that the United States Government had a "responsibility" for creating "normal conditions" under which United Nations personnel can function. He stated that the Soviet Union expected that "measures will be undertaken" by the United States to create such conditions.

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## WORKS AT U.N.: DESCRIBED AS AGENT, RUSSIAN VISITED HERE

Vladimir Pavlichenko, a Russian working at the United Nations who was described by U.S. security experts in a recent New York Times article as a veteran Soviet intelligence agent, has visited Canada four times.

In spite of the charges, Mr. Pavlichenko's contract as director of external relations in the United Nations Office of Public Information was renewed this week for two years.

Earlier Mr. Pavlichenko termed "slanderous and false" a Times account of Oct. 2 depicting him as a spy for the KGB—Komitet Gosudarstvennoi Bezopastnosti—the Soviet Committee for State Security.

Mr. Pavlichenko has held his UN post since 1966. He first came to the UN as a translator in 1953.

The Times account quoted U.S. security forces as saying that one of Mr. Pavlichenko's key assignments is "to cultivate" scientists.

Mr. Pavlichenko first visited Canada in the summer of 1957 to attend the International Conference of Scientists sponsored by Ohio industrialist Cyrus Eaton in his home town of Pugwash, N.S.

The Pugwash conferences are designed to promote the exchange of scientific information between the West and the Communist countries and Mr. Pavlichenko attended again in 1958 and 1959.

On each occasion, Mr. Pavlichenko returned to New York via Montreal, Ottawa, and Toronto.

The 48-year-old language expert, perfectly fluent in English, has a broad and firm grasp of Canadian affairs, and of the country's history and geography.

A 5-foot-5 man of 150 pounds, Mr. Pavlichenko again visited Canada in 1966 to attend the International Assembly on Nuclear Weapons in Toronto. He was part of the three-man delegation from the Soviet Academy of Sciences to the 11-country conference, although Mr. Pavlichenko's scientific knowledge takes a back seat to his political acumen.

Time magazine quotes U.S. security sources as estimating that from 50 per cent to 75 per cent of all Soviet officials stationed abroad are KGB agents.

There are 82 diplomats in the Soviet mission to the UN, plus 227 Russians on the staff of the UN secretariat.

It is considered to be of some advantage in espionage work to have spy operations within one country handled by someone in a third country as this makes counter-espionage work more difficult.

The New York Times article said that nine of the Russians expelled from Britain had at one time served in the United States. Checks here indicate none had served in Canada.

There are 82 representatives of the Soviet Union in Canada, consisting of, in Ottawa, 28 in the Chancery, seven in the commercial division, six in the military, four in the consular service, and seven in the press, and in Montreal, of nine on the Consul-General's staff, four in the trade office, four for Aeroflot, four for Soviracht (the shipping agency) and two for Intourist.

### THE 1966 MEETING

The 1966 meeting was sponsored by respected, well-placed and influential citizens seeking through understanding to prevent nuclear confrontation, and among the speakers were then Prime Minister Lester Pearson, Sir Solly Zuckerman, chief scientific adviser to the British Government, and Mrs. Alva Myrdad, head of the Swedish delegation to the 18-nation disarmament conference.

The Times' article said that Mr. Pavlichenko also has travelled extensively through the United States, Latin America and Western Europe.

The Washington Post on Oct. 5 said that Mr. Pavlichenko "reportedly tried to introduce girl KGB agents into the UN as tourist guides."

The articles in the two U.S. newspapers are part of a swell of recent news on Soviet espionage activity, including long accounts in the latest editions of Time and Newsweek, following the mass exposure of Soviet spies in Britain late last month.

The British Government was given an extensive rundown on Russian espionage operations by director Oleg Lyalin, 34, ostensibly a hard-drinking minor trade official in the Soviet Embassy but in fact a top-ranking KGB agent.

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[From the New York Times, Oct. 10, 1971]

## RED DEFECTOR SAYS U.S. AIDE WAS A SPY

Peter S. Deryabin, a former Soviet secret police officer who defected to the West in 1954, charged yesterday that a Soviet member of the United Nations staff served with him as an espionage agent in Moscow in the nineteen-fifties.

Mr. Deryabin made his charges in telegrams he sent to The New York Times and to Secretary General Thant. In the telegrams he named Vladimir P. Pavlichenko, director of external relations in the United Nations Office of Public Information.

A report in The New York Times Oct. 3 said that Mr. Pavlichenko was, according to American security officers, a "veteran" officer of the K.G.B., the Soviet state security agency.

Mr. Pavlichenko described the report about him as "slanderous and false" and denied he was an espionage agent.

Mr. Deryabin ridiculed Mr. Pavlichenko's denial, saying: "In 1952–53 we worked together in Moscow headquarters for the K.G.B. in what is now First Chief Directorate (Intelligence). If he forgets, at that time it was called M.G.B. and M.V.D., and it was located on Tekstilshchikov Street."

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[From the New York Times, Oct. 6, 1971]

## RUSSIAN, CALLED SPY, WILL REMAIN AT U.N.

UNITED NATIONS, N.Y., October 5.—Moscow gave its formal assent today to a United Nations proposal to extend for two years the contract of a Soviet national named in a report in The New York Times as a "veteran officer" of the Soviet secret police.

The official, Vladimir P. Pavlichenko, 48 years old, director of external relations of the Office of Public Information, denied the report yesterday, terming it slanderous and false.

A United Nations spokesman, who disclosed that Mr. Pavlichenko's contract for the $27,000 a year post, due to expire Saturday, would be extended, said Secretary General Thant planned no action.

"There is no official information from the United States Government on the subject," the spokesman said, and Mr. Thant is not going to "dignify an unsubstantiated report of this kind" by starting an inquiry.

The New York Times dispatch from Washington, printed Sunday, quoted American security experts to the effect that Mr. Pavlichenko's job as a K.G.B. agent was to cultivate American scientists.

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[From the New York Time, Oct. 5, 1971]

## HIGH RUSSIAN AIDE OF THE U.N. DENIED THAT HE IS A SPY

(By Kathleen Teltsco)

UNITED NATIONS, N.Y., October 5.—A Soviet member of the United Nations staff denied today as "slanderous and false" allegations that he was an espionage agent.

Vladimir P. Pavlichenko, director of internal relations in the Office of Public Information, was described in a news report in The New York Times yesterday as having been identified by American security experts as a veteran officer of the K.G.B., the Soviet espionage agency.

United Nations authorities had no official comment on the allegations, which they contended had not been made officially by the United States Government or its United Nations delegation. They told inquirers that Mr. Pavlichenko's current contract in his $27,000-a-year post expires Saturday.

The United Nations asked the Soviet Government weeks ago through the Soviet mission to renew his assignment for two years, but the request has gone unanswered—a development one official said could be simply a Soviet bureaucratic slip.

Mr. Pavlichenko was in his office at an early hour today, but refused telephone inquiries, and through a United Nations spokesman issued a terse statement later in the day.

"The accusations leveled against me in the issue of Oct. 3 of The New York Times are slanderous and false." "I do not wish to discuss them by any further statement."

United Nations authorities said that in

the absence of formal charges against the director, no investigation was being made, and a spokesman emphasized that the many trips abroad by Mr. Pavlichenko were explained by his duties at the overseas information centers. The Times said the American security officers had noted that Mr. Pavlichenko traveled often, became acquainted with scientists and attended the Pugwash conferences sponsored by the Ohio industrialist, Cyrus Eaton.

United Nations authorities said Mr. Pavlichenko, who is 48 years old, first came here in 1954 as a translator but after a year went home and later became Assistant Secretary General of the Academy of Sciences in the Soviet Union. He returned here in 1966 as a deputy director and in 1969 was promoted to his present post.

His office hours were erratic, beginning frequently at 11 A.M. instead of the usual 9:30 A.M., and his lunch hour on many occasions was spent outside the building and kept him away until 4 P.M. He rarely attended United Nations parties.

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[From the New York Times, Oct. 4, 1971]

## K.G.B.'s Efforts To Neutralize a Spy's Defection Are Outlined

(By Benjamin Welles)

Washington, October 3.—Within hours of the defection of a Soviet spy—such as Oleg Lyalin who defected to Britain last month—the Soviet K.G.B., or State Security Committee, begins immediate, sweeping protective measures within and outside the Soviet Union, experts here say.

The countermeasures have been worked out over 50 years of Soviet espionage experience and are effective, the experts say. They have a two-fold aim. One is to obscure the gravity of the defection in the eyes of international public opinion by quickly publishing counter-charges of "provocation" or "cold war" tactics.

The second aim is to alert subagents or contacts of the defector to disappear until the storm blows over. This behind-the-scenes effort is a race against time between the K.G.B. and Western security services.

The charges made the other day by H.A.R. (Kim) Philby in the Soviet newspaper Izvestia contending that at least seven British diplomats with Mideast experience are intelligence officers are viewed here as part of the intelligence technique known as "disinformation."

### MUDDYING THE WATERS

"It's essentially muddying the waters, stirring up countercharges that attract headlines and divert attention from the defector," one specialist said. "Kim Philby is very experienced. He's giving the K.G.B. advice."

Philby, who became a Communist in 1934 during his undergraduate days at Cambridge University, defected to the Soviet Union in 1963. He penetrated British intelligence in World War II and later rose to be head of its most sensitive section—the one working to counter Soviet spies.

In 1949 Philby was sent to the British Embassy here as liaison officer with United States intelligence services. Soon after, through a high Soviet defector, the Central Intelligence Agency learned that Philby was a double agent. It was not until 1963, however, that he finally fled to the Soviet Union.

On Aug. 18 this year, Philby granted an interview to a Czechoslovak journalist in Moscow. Extracts from his forthcoming book on espionage were published. It is believed here that the K.G.B., then knew—or suspected—that Lyalin, who was drinking heavily, might be exposed and so used the Philby interview as a veiled warning to British intelligence.

"He knows a lot of secrets and he can cook up a lot," a former acquaintance of Philby said. "This may have been a warning to London to leave the Russians alone—or he'd sing."

It now appears to experts here that Philby is playing a major role in "orchestrating" the K.G.B.'s disinformation chorus against Britain. One source noted that Philby had accused the British Government of barring 105 suspected Soviet spies to "slow down the process of relaxation of tension in Europe."

Apart from the disinformation campaign when a Soviet spy defects, the experts say, the K.G.B. makes an exhaustive "damage report."

### DEFECTOR'S HISTORY EXAMINED

When a defector is known or suspected, orders are flashed to the K.G.B. "residents" or spy chiefs, in key foreign posts to "neutralize" potential damage, the experts say.

In K.G.B. headquarters in Moscow hundreds of personnel are apparently drafted to examine the defector's history—who recommended him for employment, his family, friends, colleagues and background.

"Every file a defector ever signed for is examined to find out what he may have had access to," one source said.

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[From the New York Times, Oct. 3, 1971]

## Survey Indicates Increase in Espionage by the Soviet

(By Benjamin Welles)

Washington, October 2.—Soviet espionage appears to be growing around the world—particularly in the West—while Western and Soviet officials negotiate about reducing tensions.

This is indicated in a survey conducted by New York Times correspondents in 20 capitals, plus extensive interviews here with American security officials. The survey was prompted by recent disclosures of persistent, large and expanding Soviet espionage in Britain.

In a countermove that Western security experts here had been expecting, the Soviet Government amplified charges today against the British intelligence service.

Pravda, the Communist party newspaper, asserted that the British had sent agents to Moscow disguised as businessmen, tourists, journalists and scientists. Some businessmen and tourists were identified, but not journalists or scientists.

Last week, Prime Minister Heath, in a crack-down unprecedented in peacetime for its severity and speed, ordered 90 Soviet diplomats of a total of 550 in Britain expelled. He also refused re-entry permits for 15 others. All were accused of espionage.

Since 1960, the State Department says, the United States has expelled 11 Soviet officials attached to the Embassy here and 11 others attached to the United Nations in New York on espionage charges.

### OFFICIALS ARE HEARTENED

The British action has heartened Western security officials, particularly Americans—some of whom have feared in recent years that wide publicized efforts at détente between East and West would lead, also, to lower security standards.

"The British showed guts," one said recently. "I sometimes wish we could be as porky about this sort of thing as the British."

The United States reportedly remains the main target of Soviet espionage. Since the mid-1950's, when the K.G.B., the Soviet state security agency and chief espionage arm, had a few hundred agents in the United States with diplomatic or other official accreditation immunizing them from imprisonment here, the number is believed to have expanded steadily.

Currently the legal Soviet presence in the United States comprises 1,380 men, women and children. About half of the men are considered by the security services to be agents of the K.G.B. or G.R.U., the military intelligence. Many Soviet wives here are also believed to work for one of the services.

### CONCENTRATION IN NEW YORK

In addition to these, United States authorities say, there are "illegal" Soviet agents under deep cover. If caught, they are liable to imprisonment. Their precise numbers are unknown but normally they are considered to exceed the "legals" by far.

The main concentrations of Soviet citizens officially in the United States are said to include 400 to 500 in the Soviet Embassy and its branches here; 800 to 900 in the New York area, including 120 to 150 at the Soviet Mission to the United Nations; 150 to 160 working as international civil servants in the United Nations; 10 to 20 at the Amtorg trade delegation; 10 to 20 working jointly for Aeroflot and Intourist plus 10 to 20 correspondents for Tass and other Soviet news agencies.

"There are also hundreds each year who come in and out on temporary duty to attend trade, cultural and scientific conferences," said an American security expert. "Many are known, identified, K.G.B. or G.R.U. officers."

Other points throughout in the survey and interviews were the following:

The K.G.B., and to a lesser extent the G.R.U., are reported to be expanding steadily through West Europe, in the Middle East and, especially, in Latin America.

Career Soviet intelligence officers have been observed moving with diplomatic immunity between countries, attached at various times and for varying periods to embassies, cultural, trade and scientific missions or to the United Nations. When caught spying and expelled they often turn up in another country—or even reappear years later as accredited Soviet diplomats in the country from which they were expelled.

Vladimir P. Pavlichenko, who since 1966 has been director of external relations in the United Nations Office of Public Information, is a veteran K.G.B. officer, American security experts say. They report that he travels extensively throughout the United States, Latin America and Western Europe and often returns to Moscow on home leave. One of his key assignments, has been they say, to cultivate American scientists and he has frequently attended the Pugwash meetings sponsored by the Ohio industrialist, Cyrus Eaton, to promote United States-Soviet scientific exchange.

Since the K.G.B. and 27 other Communist intelligence services met in Moscow in 1959 to coordinate activities on a basis of full equality, experts report, there has been a marked development in Soviet "disinformation," or strategic deception. For instance, they say, whenever Soviet intelligence activities are uncovered there is a flurry of inspired statements, speeches or leaks to the press charging that Western security services are reviving the cold war or sowing discord between the East and West. Yesterday, for example, Harold R. (Kim) Philby, the veteran British K.G.B. agent who fled to the Soviet Union in 1963, charged that the British Government had expelled Soviet officials to "slow down European detente."

The K.G.B., an arm of the Soviet Communist party's central committee, headed by Yuri Andropov, a close ally of that party leader, Leonid Brezhnev, dominates Soviet foreign operations, security men say. "There's no question about Andropov asking Gromyko for a number of cover-slots in some embassy or intourist office," one said. "The Central Committee tells Andropov it wants expanded coverage of the U.S., British or West Germany or some other area—and Andropov tells Gromyko how many slots he'll need."

### SOME STATIONED IN UNITED STATES

Among those ordered to leave Britain last week, some have been stationed in the United

States. Following are their names and their reported espionage affiliations.

Boris G. Kolodyazhny, a G.R.U. agent who was a First Secretary in the Embassy here from 1958 to 1963.

Vladimir G. Filatov, a K.G.B. agent in the Soviet delegation to the United Nations in 1966–'67.

Anatoly I. Akimov, a G.R.U. agent in the Amtorg office in New York from 1962–1966.

Sergei N. Golubev, a K.G.B. agent in the Soviet delegation to the United Nations in 1961 and 1963–1964.

Vsevolod N. Generalow, a G.R.U. agent who served in the Soviet air attache's office here from 1969 to 1961, when he was expelled for espionage.

Vyacheslav A. Yasakev, a K.G.B. agent who attended Cornell University in 1965–1966.

Ivan P. Azarov, a K.B.G. agent who was a Third Secretary of Embassy here from 1951 to 1954 and who returned as Second Secretary in 1961–1966.

Richard K. Vaygauskas, a K.G.B. agent attached to the United Nations Secretariat in New York from 1960 to 1963.

Emilya A. Petrovicheva, a K.G.B. agent whose husband, also employed by the K.G.B., served in the Embassy here from 1962–1966.

### WEST GERMANY FIRST

Of all countries affected by Soviet espionage, West Germany ranks first, in the opinion of career experts here. At least 170 Soviet "legals" have been identified. To aid them they are believed to have 10,000 "illegals" working under various covers.

The K.B.G. "resident," or chief, in Bonn is said to be Ivan J. Saizev, a tall, slender man in his mid-50's with a mustache and a waxen complexion. Despite his reticence, he is well-known to Western intelligence services. He is listed officially as First Secretary of the Embassy.

His deputy, Grman I. Vladimirov, listed as a political counselor, has specialized for 20 years in German-speaking posts and served the K.G.B. in Vienna from 1955–1958. Another K.G.B. agent, Aleksandr Bogomolov, is listed as press attaché in Bonn.

### AGENTS OF INFLUENCE

In recent years the K.G.B. has developed "agents of influence" among friendly West Germans, whose task is to penetrate and influence trade unions, industrial and cultural institutions.

In France, the number of Soviet "legals" has doubled in the last 10 years and now nearing 1,000. There are 81 accredited to the Soviet Embassy in Paris, 350 to 500 under various other covers plus a Soviet Bloc contingent totaling 500.

### PLAYED DOWN BY FRENCH

Although the Quai d'Orsay has sought in the interest of French-Soviet amity to play down espionage cases, at least 53 have reached the French courts in eight years. They have involved east Germans, Czechoslovaks Russians, Poles, Rumanians and Yugoslavs.

In Italy, which has a Communist party of 1.5 million, the largest in West Europe, there are about 50 K.G.B. "legals" in the Embassy in Rome plus 200 in other Soviet missions. Since the British round-up, the Italian counter espionage service, has been tightening its surveillance.

Mexico has long been a major Soviet operations center. There are 80 Soviet diplomats in Mexico City, of whom 65 are suspected agents.

Five Soviet nationals were expelled by Mexico in March.

### BEIRUT REGARDED AS CENTER

In the Middle East Beirut is generally regarded as the chief Soviet operations center for the Arab world. The Soviet now is estimated to have 25,000 military and economic "technicians" in the area.

A senior Syrian officer who defected to Jordan in 1966 reported that all these technicians must report regularly to the K.G.B.

Israel is believed to be a prime target for Soviet espionage. However, the lack of diplomatic relations deprives the K.G.B. of legal cover. Moreover, the Israeli security service is regarded here as first class.

Recently Victor Louis, who is considered a K.G.B. "disinformation" specialist, and who appears to be a journalist and tipster for Western newsmen in Moscow, visited Israel and proposed closer ties. His proposals are said to have fallen on deaf ears.

Soviet espionage in Japan is said by New York Times correspondents to be largely ineffective. There are reported to be 41 Soviet "legals" in the Embassy plus 40 in other assignments, but political developments in Japan are widely reported in the press and economic statistics are also publicly available.

Despite occasional lapses, the K.G.B. is respected by Western security services.

"The K.G.B. is an underpinning of the Soviet regime—close to the Central Committee, free of criticism, furnished with enormous funds and manpower," said a Western expert. "No Western service stands a chance of being as strong as a totalitarian state service. Only an informed public opinion can even the balance."

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[From the New York Times, Sept. 25, 1971]

## Texts of British Note to Soviet on Spying and of Home Letters

Following are the texts of a British note to the Soviet Union on espionage activities, as made public in London and transmitted by Reuters, and of two letters from Sir Alec Douglas-Home, the British Foreign Secretary, to Andrei A. Gromyko, the Soviet Foreign Minister, as transmitted by the London bureau of The New York Times:

### BRITISH NOTE

When Mr. Gromyko visited London in October, 1970, he spoke of the desirability of improving Anglo-Soviet relations.

It is the sincere wish of Her Majesty's Government to bring about such an improvement.

There is, however, one matter of importance which has repeatedly caused friction in Anglo-Soviet relations. This is the scale of intelligence, gathering activities by Soviet officials in this country. This subject was raised with Mr. Gromyko by Sir Alec Douglas-Home, first in conversation in London and subsequently in a letter dated 3 December 1970, written at Mr. Gromyko's suggestion, and in a further letter dated 4 August 1971.

These letters have not been answered, nor even acknowledged.

Meanwhile, inadmissible activities by Soviet officials in Britain have continued. During the last 12 months a number of Soviet officials have been required to leave the country after being detected in such activities. During the same period it has been decided not to issue visas to a number of officials nominated to Soviet establishments in the United Kingdom on account of their previous activities.

The staffs of the Soviet Embassy and the Soviet trade delegation, which form the two largest elements in the Soviet official establishment in Britain, far outnumber the British officials working in the Soviet Union.

Her Majesty's Government have tolerated the growth of these establishments. They have not sought to bargain increases in the Soviet establishments, in this country against increases in the British establishment in the U.S.S.R., nor have they, sought to establish any fixed relationship between the Soviet commercial establishment in this country and the growth of British exports to the Soviet Union. Evidence has, however, been accumulating that this tolerance has been systematically abused.

This abuse is a matter of serious concern to Her Majesty's Government as a direct threat to the security of this country. Moreover, the recurring need to request the withdrawal of Soviet officials from this country, or to refuse visas to certain officials selected for service in this country, imposes strains on Anglo-Soviet relations. So do unjustified acts of Soviet retaliation such as the recent expulsions of Mr. Miller, Mr. Nicholson and Mr. Jackson.

The Soviet Government can hardly fail to be conscious of the contradiction between their advocacy of a conference on European security and the scale of the operations against the security of this country which Soviet officials and agents controlled by them have conducted. Her Majesty's Government would like to see this contradiction resolved before the preparation of a conference on European security begins.

The Soviet Embassy is therefore requested to arrange for the persons named on the attached list [not made public], all of whom have been concerned in intelligence activities, to leave Britain within two weeks from the date of this aide-mémoire.

Henceforth:

(A) The numbers of officials in: (I) the Soviet Embassy; (II) the Soviet trade delegation, and (III) all other Soviet organizations in Great Britain will not be permitted to rise above the levels at which they will stand after the withdrawal of the persons named in the attached list.

(B) If a Soviet official is required to leave the country as a result of his having been deleted in intelligence activities, the permitted level in that category will be reduced by one.

The Soviet Embassy is also asked to take note that the Soviet citizens named on the second list attached [not made public], who are believed to have left the country but still hold valid reentry visas, will not be permitted to return to Britain on account of their participation in intelligence activities.

### HOME'S FIRST LETTER

You will remember that on Oct. 28 at the Soviet Embassy in London, I mentioned to you the case of F. D. Kudashkin. As you requested, I have gone carefully into this case. F. D. Kudashkin's activities in the United States were referred to in court proceedings which were reported at length in The New York Times of March 9, 1965. I enclose a copy of that report.

If you will read it, you will certainly understand why my colleagues and I regard F. D. Kudashkin as unacceptable for any appointment in this country. I hope you will agree that in the interests of our relations, it would be better that we should both regard the visa application made on his behalf as having lapsed.

The case of F. D. Kudashkin is by no means isolated, and it is with regret that, after the enjoyable and constructive discussions I had with you in London, I find myself constrained to write to you about the scale and nature of the intelligence activities conducted by Soviet officials in this country and about the frequency of the attempts which have been made in recent months to introduce into this country officials who, in the past, have been engaged in such activities.

In 1970 alone we have refused visas to more than half a dozen Soviet officials assigned to this country because we had every reason to suspect, on the basis of what we know about their previous activities, that if they were admitted to this country they would not restrict themselves to work which we regard as legitimate and conducive to the maintenance and development of good relations.

Most of the men to whom we have refused visas had been appointed to the Soviet trade delegation. I know that the Soviet trade delegation is not directly subordinated to your ministry, but since you, as Minister for Foreign Affairs of the U. S. S. R., are concerned with all matters which affect the foreign relations of your country. I wish to invite your attention to the number of cases which have come to light of late in which members of the Soviet trade delegation have been found to have engaged in totally inadmissible activities.

This year alone, permission to stay in this country has had to be withdrawn from four members of the Soviet trade delegation. Since I had occasion to speak to you about F. D. Kudashkin, two new cases, one of them particularly serious, involving members of the Soviet trade delegation, have been brought to my attention.

And I am told that a visa application had recently been submitted for A. P. Safronov, whom we know to have engaged in inadmissible activities when he worked at the Soviet trade delegation between 1962 and 1966.

The competent Soviet authorities will be able to give you full information about the various kinds of inadmissible activities which have been conducted from the Soviet trade delegation. They have included the running of agents, instruction in the use of clandestine techniques, the offer and payment of considerable sums of money to persons resident in this country either to suborn them or to secure their help in obtaining classified information (both official and commercial) or commodities subject to embargo or other restrictions.

You will be aware that Her Majesty's previous Government felt compelled to place a limit on the growth of the staff of the Soviet Embassy in 1968. Even so, since last August we have had to request the withdrawal of L. Y. Yeshukin, and the attempt to support F. D. Kudashkin to the embassy has reawakened old suspicions.

When you were in London, you said that Anglo-Soviet relation could not be described as bad, but what more could be done for their development and improvement. In this letter I have .indicated a field which is becoming an increasing obstacle to the development of our relation, and with regard to which the kind of improvement of which you spoke would be most welcome.

The representations which Sir D. Greenhill made on this subject to Vice Minister Kozirev [of the Soviet Foreign Ministry] earlier this year appear, from subsequent developments, to have been ignored. I hope that this personal letter to you will be handled in the spirit of your opening remarks to the Prime Minister and myself during your visit to London.

#### HOME'S SECOND LETTER

I have received with interest Sir Denis Greenhill's reports of his conversations with Mr. Kozirev and yourself, in which you both referred to the allegedly hostile and provocative activities of the "British special services" against the Soviet Union and its citizens and against Soviet agencies in the United Kingdom, and in which you argued that these alleged activities did not contribute to the creation of a favorable atmosphere for the development of Anglo-Soviet relations.

Since you have raised this matter, I think it right to tell you that I see the situation in a very different light.

The Soviet Union conducts espionage against Great Britain on a large scale. Even if I were to mention only those cases which have become public knowledge during the last few years, the list would be a long one.

Many more cases, some of them very serious, are known to me and doubtless to you also. Governments which engage in intelligence activities on such a scale as this much expect that the authorities in the countries attacked will take such precautions and counter measures as may be open to them.

I do not accept your contention that, in the interests of Anglo-Soviet relations, Her Majesty's Government should abstain from taking measures to prevent, limit or inhibit the espionage conducted by Soviet officials on such an extensive scale. It is this which places a strain upon our relations.

I take it that you yourself are fully informed of the scale of Soviet intelligence activities in this country.

You are no doubt aware that the total number of Soviet officials on the staff of Soviet diplomatic, commercial and other organizations has now risen to more than 500, and you are presumably able to ascertain what proportion of these are intelligence officers. I would ask you to consider, however, how the situation must appear to the Foreign Minister of the country against which all this activity is directed. I would add that the number of Soviet officials in the United Kingdom exceeds the number of Soviet officials in any comparable country and indeed even in the United States (excluding the U.N.).

With the information at my disposal I find it hard to interpret the remarks made by Mr. Kozirev and yourself as other than a suggestion that Her Majesty's Government should allow these intelligence agents of yours to conduct their activities in the United Kingdom unhampered lest Anglo-Soviet relations should suffer. I consider this a proposition which it is unreasonable for any government to make to another, whatever the state of their relations.

As an example of the present situation I will mention one particular case. It is in no way exceptional, but it happens to be the most recent.

Last month Her Majesty's Embassy in Moscow received an application for a visa from a man named B. G. Glushchenko, together with the statement that he had been nominated to the post of First Secretary at the Soviet Embassy in London.

This man was in Britain from 1964 to 1968. At that time he was described as the representative of Aviaexport at the Soviet trade delegation. Mr. Glushchenko's activities, however, had little to do with the sale of aircraft. He came to our notice on various occasions: For example, he offered a large sum of money to a British businessman if he would obtain details of certain British military equipment. This is the man whom some Soviet organization has nominated to serve as First Secretary at your embassy in London. You will hardly be surprised to learn that I am not prepared to permit such a person to return to this country.

This is not the first time that I have had occasion to bring such matters to your attention. I spoke to you on the subject during your visit to London in October, 1970. I did so in a manner which would have permitted the question to be pursued in a nonpolemical way. You suggested that I should write you a letter, and on Oct. 3, 1970, I did so. To this date, to my surprise, I have received no reply, nor even an acknowledgment. Meanwhile inadmissible Soviet activities in this country continue unabated.

I ask you to reflect upon this and to consider the extent to which these activities are obstructing the development of Anglo-Soviet relations.

I note that Mr. Kozirev tried to obscure the central issue, namely the scale and nature of your Government's intelligence activities in this country, by dragging in the irrelevant question of the few Soviet citizens who, at various times, have sought and received permission to stay in this country and by repeating a number of unwarranted accusations against the behavior of the British authorities. The accusations which referred to past incidents were dealt with at the time in separate exchanges. As for the Soviet citizens, I again assure you that any Soviet citizen in this country who decides to return to the U.S.S.R. is free to do so.

I trust that you will now feel able to reply to my original letter and to this one, which I send in the hope that you will say that you are ready immediately to terminate such activities.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States, submitting a nomination, was communicated to the Senate by Mr. Leonard, one of his secretaries.

## EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer (Mr. TAFT) laid before the Senate a message from the President of the United States submitting the nomination of Earl Lauer Butz, of Indiana, to be Secretary of Agriculture, which was referred to the Committee on Agriculture and Forestry.

## REVENUE ACT OF 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the unfinished business, Calendar No. 428, H.R. 10947, be laid before the Senate and again made the pending business.

The PRESIDING OFFICER. The bill will be stated by title.

The assistant legislative clerk read as follows:

A bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the bill.

The Senate proceeded to consider the bill, which had been reported from the Committee on Finance with amendments.

## ORDER OF BUSINESS

Mr. MANSFIELD. Mr. President, it is my understanding that it is the intention of the distinguished Senator from Mississippi, the chairman of the Committee on Armed Services, to call up the conference report on military procurement and that there will be a rollcall vote on it at the conclusion of the consideration and debate on that report. So, the Senate should be on notice of that.

It is also my understanding that, after the disposal of the conference report, the distinguished Senator from Louisiana (Mr. LONG), the chairman of the Committee on Finance, will make an opening statement and, I believe, also the ranking Republican member of the committee, the Senator from Utah (Mr. BENNETT) will make his opening statement, and the Senator from Washington (Mr. MAGNUSON) is going to offer an amendment having to do with the unemployment insurance compensation benefits.

That is for the information of the Senate.

## ORDER FOR RECOGNITION OF SENATOR TAFT TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the distinguished Presiding Officer, the Senator from Ohio (Mr. TAFT), be recognized for not to exceed 15 minutes after the conclusion of the prayer and the recognition of the two leaders under the standing order on tomorrow morning.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## MILITARY PROCUREMENT AUTHORIZATION BILL, 1972—CONFERENCE REPORT

Mr. STENNIS. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendment of the Senate to the bill (H.R. 8687) to authorize appropriations during the fiscal year 1972 for procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes, and other weapons, and research, development, test, and evaluation for the Armed Forces, and to prescribe the authorized personnel strength of the Selected Reserve of each Reserve component of the Armed Forces, and for other purposes. I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. TAFT). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the CONGRESSIONAL RECORD of November 8, 1971, at pages 39551–39554.)

Mr. STENNIS. Mr. President, I ask for the yeas and nays on final adoption of the conference report.

The PRESIDING OFFICER. Is there a sufficient second?

The yeas and nays were ordered.

Mr. STENNIS. Mr. President, I have a very brief statement. I have been in conference with the Senator from Colorado, and I understand he will then seek the floor.

Mr. President, I ask unanimous consent that the conference report on the military procurement authorization bill, H.R. 8687, be printed as a Senate report.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. STENNIS. Mr. President, the House approved the conference report yesterday as set forth in House Report 92–618 of November 5, 1971, which, of course, contains the new statutory language, together with the joint statement of the conference committee.

Mr. President, the matter now before the Senate is the question of agreeing to the conference report on the part of the Senate, and I would like to make several observations.

### NEED FOR EXPEDITIOUS SENATE ACTION

Mr. President, as the Senate knows, this procurement bill has been before the Senate in some form for many weeks. The issues have been debated over and over. Both the Senate and House Appropriations Committees are awaiting final action on this bill in order that they may proceed on the annual defense appropriations bill. In my view, it is incumbent upon the Senate as a responsible legislative body to promptly approve this conference report. I am sure that a number of Members would have desired that the final legislative product go much further in some of the measures than the conference report, and desired other changes. The entire legislative process, however, has worked its will, and I think the results will show that this report represents a good effort insofar as the Senate's prevailing in most of the measures passed by this body.

### MONEY DIFFERENCES

Mr. President, the money differences were discussed and made public on October 21 in R. & D. and procurement. By way of summary, the total funds approved by the conferees amounted to $21.3 billion as compared to a budget request of $22.2 billion. This is $906 million below the amended administration request. I shall not dwell at length on many of the specific money figures on weapons systems in view of the fact that they were made public several weeks ago.

### LANGUAGE DIFFERENCES

Mr. President, the results of the conference with respect to other matters made known on November 4. I shall, however, briefly discuss this aspect of the legislation.

There were 14 language differences between the version as passed by the Senate and that of the House. The Senate prevailed on nine of these differences, the House prevailed on four, with the remaining amendment, known as the Mansfield amendment, being compromised as I shall later discuss.

Let me point out the language differences on which the Senate prevailed.

First. The provision relating to the importation of chrome sponsored by Senator BYRD of Virginia.

Second. The ceiling of $350 million on the overall expenditures in Laos for fiscal year 1972.

Third. The specific language limiting the Safeguard ABM sites to four—two for full deployment at Grand Forks, N. Dak., and Malmstrom, Mont.; and two for advance preparation only at Warren, Wyo., and Whiteman, Mo.

Fourth. The restrictive language regarding the C–5A which provides, as a matter of law, that funds can be channeled only directly to pay for the C–5A program in terms of labor and materials.

On this point, Mr. President, I would like to say that there was considerable opposition in the House to continuation of this restriction which was in last year's bill. The Senate, however, did prevail on this matter in its final resolution.

This provision carries out, in effect, a promise made to the Senate in the initial approval of the first amounts of additional money for the C–5A.

Fifth. A new provision requiring procurement reporting which attempts to provide more complete and current information for our procurement legislative program.

Sixth. The specific F–14 language requiring by law that the funds authorized purchase not fewer than 48 aircraft.

Seventh. The specific authorizing language for the minigunship program. This is a program for testing a lightweight aircraft for possible use in Vietnam.

Eighth. The Senate floor amendment regarding the Navy Sanguine program was also agreed to by the House. I would add that the Senate conferees did agree to restore $1 million of the Senate reduction in this bill.

Ninth. Also agreed to by the House was a provision limiting the period of availability for R. & D. funds to 2 years.

### PROVISIONS ON WHICH THE HOUSE PREVAILED

Mr. President, the House prevailed on the following provisions:

First. The specific language regarding the nuclear frigate—DLGN–41—requiring that this construction be undertaken unless the President advises the Congress to the contrary. The language had been deleted from the bill as it passed the Senate.

Second. The Senate floor language requiring a report by the Secretary of Defense prior to using Los Alamitos Naval Air Station for aircraft flying operations was dropped. The conference report did, however, urge the Secretary of Defense to make such a report prior to use.

Third. Federal civilian pay. The Senate-approved language providing for civilian pay increases in accordance with the pay increases in the civilian economy was rejected by the House.

Fourth. The House refused to accept the military pay increase provisions known as the Allott amendment. These additional pays, all going to the lower enlisted and junior officer grades, were vigorously urged by the Senate conferees. The Senate conferees pointed out that these increases have passed the Senate on two occasions during this session, that they are supported by the President of the United States, and that they are intended to support the volunteer concept for our military forces. The House, however, was adamant in its position. The House conferees did agree, however, that should these increases be formally submitted as a legislative program by the administration and passed as legislation by the Senate, the House would give the matter consideration. A complete discussion of this matter is contained on page 29 of the conference report. The conferees regret they were unable, after all diligence, to get favorable consideration of that amendment.

Fifth. Mansfield amendment. Mr. President, the Mansfield amendment in this bill in my opinion is far stronger than the one finally adopted as part of the Selective Service law. It is true that the House did not agree to a specific date. However, for the first time we now have as a proposed law, language which makes our withdrawal from Indochina "the policy of the United States," rather than the sense of the Congress as contained in the previous version. For those who supported the Mansfield amendment, I would urge that they closely consider the meaning of this change in language. As a policy matter it binds the Congress and the President of the United States.

### FINAL OBSERVATION

Mr. President, I would like the RECORD to reflect my appreciation for the cooperation of all the Senate conferees in moving this conference along, and especially the Senator from Maine (Mrs. SMITH), the ranking minority member, on whose support I lean so heavily.

I also want to especially thank Chairman HÉBERT and the House conferees for the spirit and effort in which we all worked together to come out with a final bill.

The RECORD should reflect that the House this time operated under rather severe difficulties in view of the procedural and germaneness problems which have arisen in part because of the new provisions in the Legislative Reorganization Act.

We had quite a go-round with respect to the germaneness question and the new rule of the House; but the House conferees adopted a very fine, wholesome, and reasonable attitude. They were willing to and did negotiate, confer, and exchange ideas, thoughts, and proposals very freely. I think they are to be commended.

I want to call attention of the Senate to the rules now written which provide, in substance, that House conferees are virtually precluded from adopting any amendment passed by the Senate that would not be germane under the House rules. That provision was in the new Reorganization Act of Procedures of 1971.

We have not changed our rules with reference to germaneness, and a strict interpretation of those rules would greatly modify, in effect, the Senate rules. I think this matter is going to cause trouble in the future, and I think the leadership of the two bodies should make a study of that proposition and try to arrive at a modification that would put the Senate conferees on more of an equal basis under the rules of each body.

I emphasize again that I think the conferees in this case were very reasonable indeed and were wanting to solve the problem, which was to move this legislation along.

Mr. President, as is the case in all legislation, there comes a time when we should act affirmatively and move on to other matters. This is the case with respect to this conference report. I urge its adoption.

I appreciate very much the hard work and the diligence shown by the Senator from Colorado who has worked on what became known as the Allott amendment for months and months. He is to be commended for staying with the problem as he saw it. I want to thank him for the conferees and for myself, as manager of the bill I hope that, even though he cannot agree to the provision here—and I am anxious to hear the points he may have to make—the conference report can be passed on with reasonable dispatch and we can let it go to the President.

I yield the floor.

Mrs. SMITH. Mr. President, I want to commend the junior Senator from Mississippi for his patience, dedication and excellent leadership not only as chairman of the Committee on Armed Services but as well as chairman of the Senate-House conference on the military procurement bill. He has labored long, hard and wisely on this legislation and its passage is due to his efforts.

I also want to pay tribute to my fellow colleagues on the Republican side of the committee and the conference for their dedicated efforts. I am proud to be associated with them.

Finally I want to recognize the invaluable assistance of the members of the committee staff. Without them this legislation could not have been accomplished.

The PRESIDING OFFICER. The question is on adoption of the conference report.

### INTRODUCTION

Mr. ALLOTT. Mr. President, on March 25 of this year the House Committee on Armed Services issued its report (No. 92–82) on the draft extension bill (H.R. 6531). The committee called upon Congress to authorize spending $2.7 billion for military pay raises in fiscal year 1972. The committee report declared—page 21:

> The Committee believes that substantial pay raises in the amounts voted by the Committee are justified by considerations of equity, taking into view the comparable pay of civilian occupations and the exceptional commitment to their country that we ask of young men who are inducted into the Armed Forces.

I repeat the words of the House report itself, which said that "the amounts voted by the committee are justified by considerations of equity."

For reasons which are, if not inexplicable, at least unexplained, the chairman of the House Committee on Armed Services has changed his mind, disavowed his committee position, and developed a quite remarkable adamancy against the Senate's desire to implement pay raises of the size he so recently favored.

The Senate has twice voted resoundingly—51 to 27 and 65 to 4—for military pay raises at the 2.7 billion level once favored by the House chairman. There is absolutely no reason—no reason given, no reason in fact—why the Senate should abandon this wise and just decision. Yet, the House Members who participated in the conference on the military procurement bill are now insisting that we do so. They have struck—without yielding on so much as a penny—the pay raise which we endorsed in this body by a 65 to 4 vote.

In striking down this amendment the House conferees took money from the pockets of 1,694,837 servicemen.

In doing this they have struck another unnecessary blow at the men in the lower ranks. This amendment is specifically designed to help only the men in the lower ranks. In successfully opposing this amendment in conference, the House has struck the second gratuitous blow of the year against the men in the lower ranks, and has compounded a questionable congressional record—extending over two decades—of neglect for these ranks.

In successfully opposing this amendment the House conferees have struck a blow against those in the military who can least afford it. They have said that it is tolerable that we should go through another year with American military men and women living on welfare.

I disagree. It is not tolerable, and that is the principal reason why this conference report should be defeated, and why we should insist on another conference that will restore in full the pay raises which the soldiers need so urgently.

### THE THREE REASONS FOR OPPOSING THE REPORT

Mr. President, with all the earnestness at my command I urge the Senate to defeat the conference report on the military procurement bill.

There are three solid reasons for defeating this conference report; any one of these reasons is sufficient to justify rejecting the report. Taken together the three reasons make it not merely wise but even imperative that we reject the report. I urge this because of what has been done—for the second time in less than 4 months—to a pay raise which the Senate overwhelmingly approved.

I urge this for the sake of the military men and women living near or below the poverty line.

I urge this for the sake of the American people who so deeply desire an intelligent effort to achieve an all-volunteer armed force.

And I urge this for the sake of the Senate itself, which will be among the big losers if this report is adopted.

The first thing at stake is basic decency in military pay.

The second thing at stake is the hope—widely cherished by the American people—that we can soon make an orderly transition to an all-volunteer armed force.

Mr. President, these two things that are at stake in this battle have been at stake since early June, when the Senate first voted for a just and sensible military pay raise. But now, as a result of two instances of totally unnecessary and inexplicable adamancy on the part of the conferees from the House Committee on Armed Services, something new is at stake.

The third thing at stake is the integrity and effectiveness of the Senate as a separate and coequal branch of this Legislature.

### THE FIRST TWO REASONS: EQUITY AND AN END TO THE DRAFT

First, the crucial figures relative to my amendment to the military procurement bill, and to all the military pay measures that have come before the Congress this year, are contained in tables 1, 2, and 3, and I ask unanimous consent for them to be printed in the RECORD at this point in my remarks.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

[In millions]

TABLE I.—*Fiscal year 1972 cost of Allott amendment 430—November 16, 1971—June 30, 1972*

| | |
|---|---|
| Basic pay | $225.4 |
| Dependents Assistance Act | 11.7 |
| Basic allowance for quarters | 1.1 |
| Basic allowance for subsistence | 0 |
| Enlistment bonus | 0 |
| Recruiter expenses | 0 |
| Optometrists | 0 |
| DAA reservists | 0 |
| Total | 238.2 |

TABLE 2.—COMPARISON OF THE COST OF THE ORIGINAL HOUSE AND SENATE PLANS; THE PLAN ADOPTED BY THE DRAFT BILL CONFERENCE COMMITTEE; THE DRAFT LAW PLAN AS SUPPLEMENTED BY THE ALLOTT AMENDMENT (NO. 430) TO THE MILITARY PROCUREMENT BILL

[Based on 2,553,000 average force as stipulated by the Senate and as accepted in conference]

| | Adminis-tration | House (annual total) | Senate (annual total) | Draft bill conferees agreement (annual total) | Draft bill conferees agreement (cost from Oct. 1) | New draft law increases as supplemented by amendment 430 to the military procurement bill | |
|---|---|---|---|---|---|---|---|
| | | | | | | Annual cost | Cost from mid-November |
| Basic pay | 900.0 | 1,811.2 | 2,646.2 | 1,811.2 | 1,358.4 | 2,171.8 | 1,357.4 |
| Dependents Assistance Act | 78.4 | 182.7 | 78.4 | 105.1 | [1] 105.1 | 123.8 | 77.4 |
| Basic allowance for quarters | 0 | 635.1 | 0 | 406.6 | 305.0 | 408.4 | 255.2 |
| Basic allowance for subsistence | 0 | 37.5 | 0 | 0 | 0 | 0 | 0 |
| Enlistment bonus | 40.0 | 0 | 40.0 | 20.0 | [1] 20.0 | 20.0 | 12.4 |
| Recruiter expenses | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 2.9 | 1.8 |
| Optometrists | 0 | .5 | .6 | .6 | .5 | .6 | .4 |
| DAA reservists | 20.0 | 20.0 | 0 | 20.0 | 14.9 | 20.0 | 12.4 |
| Total | 1,042.2 | 2,689.9 | 2,768.1 | 2,366.4 | 1,806.8 | 2,747.5 | 1,717.0 |

[1] Retroactive to July 1.

TABLE 3.—COMPARISON OF AVERAGE REGULAR MILITARY COMPENSATION[1]

| Pay grade | House plan | Senate plan | Draft law conferees agreement | New draft law rates supplemented by amendment 430 | Present (Jan. 1, 1971) rates |
|---|---|---|---|---|---|
| O-10 | $43,872 | $40,827 | $42,725 | $42,725 | $40,827 |
| O-9 | 39,169 | 36,319 | 38,107 | 38,107 | 36,319 |
| O-8 | 35,772 | 33,042 | 34,751 | 34,751 | 33,042 |
| O-7 | 31,654 | 29,065 | 30,689 | 30,689 | 29,065 |
| O-6 | 27,197 | 24,850 | 26,389 | 26,389 | 24,850 |
| O-5 | 21,821 | 19,796 | 21,122 | 21,122 | 19,796 |
| O-4 | 18,234 | 16,527 | 17,630 | 17,630 | 16,527 |
| O-3 | 15,025 | 13,591 | 14,501 | 14,536 | 13,516 |
| O-2 | 11,474 | 11,138 | 11,045 | 11,754 | 10,166 |
| O-1 | 8,985 | 9,611 | 8,659 | 9,782 | 7,807 |
| W-4 | 17,653 | 16,088 | 17,074 | 17,074 | 16,088 |
| W-3 | 14,537 | 13,097 | 14,023 | 14,023 | 13,097 |
| W-2 | $12,299 | $11,108 | $11,859 | $11,859 | $11,104 |
| W-1 | 10,138 | 9,195 | 9,738 | 9,782 | 9,033 |
| E-9 | 14,919 | 13,417 | 14,392 | 14,392 | 13,417 |
| E-8 | 12,812 | 11,571 | 12,334 | 12,334 | 11,571 |
| E-7 | 11,063 | 9,980 | 10,634 | 10,634 | 9,980 |
| E-6 | 9,550 | 8,647 | 9,160 | 9,160 | 8,611 |
| E-5 | 7,691 | 7,248 | 7,356 | 7,445 | 6,889 |
| E-4 | 6,457 | 6,329 | 6,189 | 6,363 | 5,253 |
| E-3 | 5,893 | 5,831 | 5,663 | 5,850 | 3,931 |
| E-2 | 5,484 | 5,530 | 5,311 | 5,488 | 3,345 |
| E-1 | 5,036 | 5,320 | 4,872 | 5,150 | 3,165 |

[1] Regular military compensation is defined as basic pay, basic allowances for quarters, basic allowances for subsistence, and the tax advantage which accrues because the allowances are not subject to Federal income tax.

**Mr. ALLOTT.** At this time it is necessary to recall briefly the history of military pay raise legislation in this Congress.

The crucial point about this history is that the House chairman has changed his mind and abandoned the position which he and his committee vigorously—and correctly—advocated just a few months ago.

On March 25, the House Committee on Armed Services issued its report on the draft bill and called upon Congress to authorize spending $2.7 billion for military pay raises in the fiscal year beginning July 1, 1971. The House committee report included the passage quoted above, which deserves repetition:

> The Committee believes that substantial pay raises in the amounts voted by the Committee are justified by considerations of equity, taking into view the comparable pay of civilian occupations and the exceptional commitment to their country that we ask of young men who are inducted into the Armed Forces.

On the draft bill, the House, following the lead of the Committee on Armed Services, which, in turn, was following the vigorous lead of its chairman voted that we spend at an annualized rate of $2.7 billion for military pay raises.

The Senate also voted to spend at the $2.7 rate for increases but voted to distribute it differently, placing most of the benefits—and this is the important point—in basic pay, and giving more of the benefits to the men in the lower ranks specifically the E-1's to the E-4's, and the O-1's and O-2's. That is the Senate provision was that designed by the President's Commission on an All-Volunteer Armed Force as an effective instrument for testing economic incentives for recruiting.

The conference committee which met to compromise the differences did nothing of the sort. Instead, it produced a jerry-built pay package which administered a cruel injustice to the men the Senate most wanted to help—the men in the lower ranks. The conference did not get a single penny for the Senate in basic pay. It cut the pay package to $2.4 billion—on an annualized basis—taking more than $300 million from the men in the lower ranks. That is, the conference chose to cut the spending below the level either body had voted, and it made the cuts in such a way that only the men in the lower ranks received less than either body had mandated and voted for.

This so-called compromise stipulates that six of the lower pay grades—who were the targets of the pay bills—receive a lower annual rate of compensation than they would have received in either the House or Senate versions of the bill.

In order to correct this manifest injustice, the Senate passed the Allott amendment No. 430 to the military procurement bill, putting the money back into the lower ranks. The cost of this amendment is $381 million on an annualized basis and $238.2 for the remainder of fiscal year 1972, mid-November to July 1, 1972.

Now the House conferees, forgetful of the plight of the men and women in the lower ranks, and forgetful of their own views, as cited above from their own report have become not merely doubtful of the wisdom of spending at the rate they once favored—they have become spectacularly hostile to that idea.

In short, they have struck out the Senate attempt to call the House back to its original good judgment.

This House opposition is particularly astonishing in light of the fact that the amendment in question reflects a true and substantial compromise with the House, and this is something we must not forget in this situation.

To demonstate this, it will be useful to juxtapose at this point some familiar figures. They are the figures for regular military compensation—RMC—under the original Senate proposal voted last June, the original proposal put forward by the House Committee on Armed Services, and the RMC that will be achieved this year if the Allott amendment to the military procurement bill is adopted to supplement the pay increases in the new draft law. These are the figures:

[In millions of dollars]

| | Annual total | | |
|---|---|---|---|
| | Senate | House | RMC Allott proposal |
| Basic pay | 2,646.2 | 1,811.2 | 2,171.8 |
| Dependents Assistance Act | 78.4 | 182.7 | 123.8 |
| Basic allowance for quarters | 0 | 635.1 | 408.4 |
| Basic allowance for subsistence | 0 | 37.5 | 0.0 |
| Enlistment bonus | 40.0 | 0.0 | 20.0 |
| Recruiter expenses | 2.9 | 2.9 | 2.9 |
| Optometrists | .6 | 0.5 | 0.6 |
| DAA Reservists | 0 | 20.0 | 20.0 |
| Total | 2,768.1 | 2,689.9 | 2,747.5 |

It will be noted that in the last version of my amendment, which I did file, we went far, in that item, to bring up and put into basic allowances and dependents' assistance the figures that the House had desired. So the figures not only represent what the House of Representatives and they wanted in the original instance, but the figures in the Allott amendment do absolutely contain a real, significant, and actual compromise with the House figures—a compromise that I was not sure, subsequently, was not justified.

Notice that the difference between the original Senate and House proposals was that the Senate chose to put most of its increases into basic pay, while the House chose to put a substantial amount into Dependents Assistance Act—DAA—basic allowance for quarters—BAQ—and basic allowance for subsistence—BAS. For a variety of reasons, not the least of which is the superior visibility of basic pay increases, I think the Senate proposal was superior. But I understand that there is a strong case to be made for BAQ and BAS—basic quarters and basic subsistence—increases.

In short, I know that this is a matter about which honorable men of good will can and do disagree, and I have been willing to defer in large measure to the House on the matter of the distribution of the increases, just so long as the amount of those increases is pretty much in conformity with the recommendations of the President's Commission on an All-Volunteer Armed Force—the so-called Gates Commission.

As the figures just cited demonstrate, in seeking to put back the money taken from the lower ranks, I have been content to compromise with the distribution favored by the House. Indeed, the plan incorporated in my amendment to the military procurement bill is rather more than a compromise.

It is more than a half-way walk down the line. It represents a virtually complete acceptance of the original House position. The significant figures here are the $408.4 million for BAQ and the increase of over $45 million for DAA.

Thus the Senate, in adopting my amendment to the military procurement bill, went most of the way down the road to the position held by the House. But now that we have reached that point, the House seems to have changed its mind, and it is hard to discern why it has done so.

What has changed in the more than 7 months that have passed since the House committee arrived at the correct—and, one would have hoped, firm—judgment that we should spend for pay raises in the amount that the Senate favors?

In the months that have passed there was wage-price inflation throughout the economy. Prices rose; many civilian wages rose. But for the men and women in the military, it was the same old story: prices rose, but their wages were—as always—frozen in a freeze that had nothing to do with the August 15 Presidential decree, but which had everything to do with misguided Government policy.

In the months that have passed since the Armed Services Committee of the House instructed us that military pay raises of the sort favored by the Senate are needed, the military men and women overseas have suffered especially severe times. The German mark has been floating up in value; the U.S. dollar has been floating down in value; and no one has frozen rents in Germany.

In the months that have passed since the House affirmed the need for spending at this level, the President has deemed it necessary to deny to the military—every last soldier, airman, sailor, and marine—the comparability—cost-of-living—increase that was scheduled for January 1 of next year.

The brutal truth is that in the months that have passed, only two things have happened—the plight of the military men and women has worsened, and the other body has changed its mind about helping them.

I do not care to speculate as to what has caused the House Members to reverse themselves. I am only sure that their motives are impeccable and their sincerity pure. Nevertheless, their reversal is unfortunate. The position which they held for many months is very defensible; their abandonment of this position is not.

We are told, more than a little derisively, that for some ranks my amendment will mean an increase of only about 50 cents a day. That is true. But it ill behooves a well-paid Member of the U.S. Congress to ridicule the usefulness to many Americans of an extra $15 a month or $180 a year. And it is especially unbecoming to belittle the usefulness of this money to those who, as a result of policies inflicted by Congress, have been living for years near or below the poverty line, and well below the level of comparability with similar civilian employees.

I should point out that my amendment will mean special assistance also for lower ranking officers. These are men whose training is especially expensive. They are men we should be especially anxious to attract to a military career, thereby improving the caliber of the Armed Forces while cutting the dreadful expense of constantly retraining a new officer corps.

These are often the kind of high-caliber men and women—with ambition and leadership ability—that we most want to staff our modern Armed Forces.

In addition, these are the people most able to compete in the civilian economy. These are the persons who particularly see and feel the slight when—as is now the case, and as has been the case for years—military pay fails the test of comparability with civilian pay. And, to repeat, the House committee report on the draft bill emphasizes that existing pay rates fail that test.

In this regard, it is instructive to note some figures for fiscal year 1970. In that year, the Army retained only 16 percent of its enlisted men at the end of their initial term of obligation, but it retained an even smaller percentage—only 11 percent—of the ROTC officers at the end of their initial obligation.

With these facts in mind, and in order to understand the significance of my amendment to this vital group of military men and women, consider table 4, which I ask unanimous consent to have printed in the Record at this point in my remarks.

There being no objection, the table was ordered to be printed in the Record, as follows:

TABLE 4.—SELECTED EXAMPLES OF ANNUAL COMPENSATION FOR MEMBERS WITH LESS THAN 2 YEARS SERVICE

[For pay grade affected by Allott amendment, H.R. 8687]

| Pay grade and title | Regular military compensation | |
|---|---|---|
| | Monthly | Annual |
| 0–2, 1st lieutenant/lieutenant (jg.): | | |
| Allott (H.R. 8687) | $943.73 | $11,325 |
| Present (H.R. 6531) | $838.28 | $10,059 |
| Dollar difference | $105.45 | $1,266 |
| Percent difference | 12.6 | 12.6 |
| 0–1, 2d lieutenant/ensign: | | |
| Allott (H.R. 8687) | $820.10 | $9,841 |
| Present (H.R. 6531) | $722.39 | $8,669 |
| Dollar difference | $97.71 | $1,172 |
| Percent difference | 13.5 | 13.5 |

Mr. ALLOTT. As this table shows, the amendment against which the House is so adamant is of great significance to our vital young officer corps.

The table shows that the action of the House conferees in killing the Senate pay measure will cost a young second lieutenant a pay raise of 13.5 percent. It yanks $1,172 out of his pocket—and for no reason.

The action of the House conferees will cost a young first lieutenant in the under-2-year category a pay raise of 12.6 percent. It yanks $1,266 out of his pocket—and for no reason.

It has been said that the pay raises the Senate favors should not be passed because they cannot guarantee the achievement of an all-volunteer armed force. That argument misfires on two counts.

First. As the Gates Commission repeatedly emphasized, and as the House committee report on the draft bill affirmed, pay raises on this scale are justified on the grounds of equity alone. It cannot be reiterated too often that even under the pay scales included in the draft law, some military men and women must draw welfare. The only way to end this deplorable situation now is to insist on retention of the Allott amendment in the military procurement bill, by rejection of the conference report.

Second. Perhaps these economic incentives will not suffice to achieve the enlistment rate necessary if we are to make an orderly, prompt transition to an all-volunteer armed force. But pay raises in the amount we in the Senate favor were recommended unequivocally by the experts who have studied this matter most thoroughly—the distinguished members and highly competent staff of the Gates Commission. If someone adduces evidence as to why we should disregard the recommendatiins of the Gates Commission, I will be glad to examine the evidence. But until then, I see no reason to ignore the experts.

The House conferees are now saying that, in spite of their earlier endorsement of raises at the $2.7 billion annualized level, the $2.4 billion level is just dandy. They say we should be ever so delighted with the $2.4 billion pay raise because it was the largest military pay raise in history.

This enthusiasm for that raise is a classic instance of confusing quantity with quality.

Yes, the raise is large—and it is needed. That in itself is testimony primarily to a 20-year history of shoddy neglect of the military pay.

This raise, which is supposed to kindle such delight in our hearts, gives major generals larger pay raises than recruits.

This pay raise was recommended—seriously—on the grounds that—and I quote Chairman Stennis in defending it—it "virtually eliminates military personnel from welfare."

Is this the handiwork which is supposed to inspire us, the military and the watching country? Lavish money on the generals, keep lower ranks near or below the poverty level, disregard the clearly stated will of both Houses of Congress, and call it a job well done?

There is no longer any question as to whether we can afford this decent pay. The President favors it. The Office of Management and Budget expects and desires it to become law and favors it. And the fiscal year 1972 cost from mid-November of pay increases, including my amendment—$1.7 billion—is $100 million less than the House and Senate voted to spend this year—$1.8 billion—in the pay raises in the draft bill—which, until the wage-price "freeze" was imposed, were scheduled to go into effect October 1.

It is said that we cannot ascertain the impact of the pay raises recently passed. That is true. It is also no reason for opposing this amendment. Even if we had passed the original, much lower, administration pay raise request, we would not now know for sure the nature of the impact that would have on recruitment and retention.

But the fact remains that the assessment by the Gates Commission and the original assessment this year by the House Committee on Armed Services were the same: A pay increase of the sort the Senate now favors is needed for reasons of equity and competitiveness with the civilian economy.

The long delay in passing the draft law—with the initial pay raise—denied to the armed services a chance to try the new rates in the peak summer recruiting season. Thus, well will not have a really informative reading on the effectiveness of any new rates for nearly a year. And then once again we will be facing pressure for another extension of the draft.

Mr. President, mark my words.

In about a year and a half the draft law expires. That means that in less than a year we will have to consider whether or not the draft law should be extended. I have a prediction to make.

I predict that, barring some completely unforeseen and disastrous deterioration of the international situation, the extension of the draft again is extremely dubious.

If I am right in my prediction about the Senate then it is high time—it is past high time—for the responsible officials in this Government to begin to act with a detectable sense of urgency about the problem of making an orderly transition to an all-volunteer armed force.

Now—right now—is the time to act. In 14 months—no more—hearings will be underway on military manpower needs.

Let us not allow inaction today to put us in a position advantageous to those—and their names are famous and legion—who harbor a fierce hostility to an all-volunteer armed force.

Let us not arrive 14 months from now at a point where those who oppose the all-volunteer armed force can shed crocodile tears while they tell us that, alas, we have not been able to attract a sufficient number of volunteers.

Let us not stumble blindly—and unnecessarily—into a position where those opponents—whose enthusiasm for conscription matches their enthusiasm for using conscription as a hidden tax—are able to point with mock sorrow at the fact that we are not attracting a sufficiently high caliber of young officers.

I offer a gloomy scenario—and I offer a reasonable and attainable alternative.

The alternative is to dig in our heels; to put our energies and our votes where our constituents have clearly indicated that they want our energies and votes; to move now, with renewed vigor, on behalf of a position we have affirmed and reaffirmed.

That—the cause of justice; and the need to try to end the draft—is why we should reject this report, and allow the conferees to ponder their handiwork.

### THE THIRD REASON: THE SENATE MUST ASSERT ITSELF

There are those who are filled with wonder and awe by the adamancy of the conferees from the House Armed Services Committee, on behalf of the House position. I admit that this is puzzling. But in this particular case there is something even more puzzling.

This time the House conferees were adamant against a position almost identical to the one which the House of Representatives forcefully advocated throughout the entire spring and the early summer.

But be that as it may, Mr. President, I believe that most Senators have an uneasy feeling that there is a deterioration in the relations between the Senate and the House of Representatives. I believe that this feeling is accurate; that this deterioration is unfortunate; and that now is the time to do something about it.

To put the matter simply, there is insufficient mutuality in these dealings between the two Chambers. The Senate has not been getting its fair share of the fruits of mature compromise in the conference committees for some time.

Now let me make two things clear immediately.

With regard to the House, we in the Senate harbor no ill will. In fact, we admire the steadfastness with which their positions are advocated and, so often, made to prevail.

With regard to our own conferees, we harbor no ill will. They did their best with the difficult and controversial provisions that originate in this Chamber.

But that does not alter the fact that there are many Senators besides the senior Senator from Colorado who feel a disappointment similar to mine, but a disappointment associated with repeated injustices sustained by other amendments that have been subjected to the one-sided adamancy in House-Senate conferences on bills related to the armed services.

The distinguished Senator, earlier in his opening remarks, mentioned the germaneness rule of the House and said that it had to be dealt with by the leadership of the House and Senate. With that I agree, because at least twice this year they have hidden behind that and blocked worthy and meritorious amendments which originated in the Senate. The significant part about it is that the germaneness rule of the House is ignored whenever they wish. They hide behind the rule like a little boy hiding behind his mother's skirt. When he wants to come out, he comes out; but when he does want to, he does not come out.

I am sure that many of these Senators will want to take this occasion to make their feelings known. I think a vote against this conference report will be a most graphic—not to say vivid—way of expressing this feeling and dramatizing the consequences of the repeated aggravation of this sore point.

I have gone the last mile in cooperating with all concerned about the subject of military pay.

At the request of the distinguished chairman of the Senate Committee on Armed Services, I have prepared a memorandum in support of my amendment, for his use in the conference. So that all Senators can examine this memorandum, I ask unanimous consent to have it printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. Hart). Without objection, it is so ordered.

(See exhibit 1.)

Mr. ALLOTT. In addition, Mr. President, I had an interesting exchange of letters with Chairman Hébert, of the House Armed Services Committee, and I ask unanimous consent to have his letter and my response printed in the Record at the conclusion of my remarks.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 2.)

Mr. ALLOTT. In connection with this, Mr. President, I ask unanimous consent to have printed as the last item after my remarks, the exchange of letters between myself and Gen. Leo E. Benade, an exchange prompted by some figures which I questioned in Chairman Hébert's letter.

The PRESIDING OFFICER. Without objection, it is so ordered.

(See exhibit 3.)

Mr. ALLOTT. Mr. President, finally, I even went so far as briefly to attend part of one session of the conference committee. I did so at the request and invitation of the distinguished chairman, the Senator from Mississippi (Mr. Stennis) who, I might say, had previously promised me his support for the position which the Senate took on the Allott amendment. I must say that in all respects he kept and complied with his agreement. At no time did I do anything to solicit this invention to appear before the conference committee. In fact, before accepting the invitation I emphasized to Senator Stennis that I did not want to attend unless all members of the conference committee, from both bodies, understood that I attended only because Senator Stennis had invited me to do so after consultation with the chairman of the House committee.

In addition, nothing that I saw or heard at the conference shed any light on the reasons for this freshly minted House hostility toward the House proposal of earlier this year.

I recount this episode simply, first of all, to emphasize the point that I, like the Senate as a whole, have been forthcoming, cooperative, and patient.

Lord knows I have been patient. Now my patience, like that of the Senate as a whole, is wearing thin.

Mr. President, I will not mince words.

When the draft bill conference report came to a vote in the Senate, we had sufficient votes to defeat it. I withdrew my opposition, and others withdrew their opposition—but I particularly withdrew mine—only after receiving from Mr. Clark McGregor the assurances that the administration was prepared to fully support my pay provision as an amendment to the military procurement bill.

I was given assurance by Mr. McGregor that the President had spoken with the appropriate congressional leaders. This time I do not intend to rely on evanescent arrangements to assure just and sensible military pay. I shall vote against the military procurement conference report, and I shall continue to vote against subsequent conferences until the will of the Senate is respected.

I know that Chairman Hébert of the House Armed Services Committee has given some sort of indication that he would hold some hearings if the Senate will just pass a third pay measure this year. I do not think this is the best approach to take today, for two reasons.

First, to repeat, the House committee held hearings on pay earlier this year. They came to the conclusion that we should have pay raises at the level, and with approximately the same distribution, that the Senate has voted, and that the House conferees have now refused to accept.

Second, we do not want hearings; we want justice and dignity for the military. We have said so with commendable clarity. That has done no good. There is no reason for the Senate to jump through that hoop again at this time.

The House conferees who would preside at any additional hearings have voted once this year for spending at a $2.7 billion rate; they have eloquently defended their decision and have subsequently reversed themselves for reasons that are more opaque than unconvincing. I do not see any reason to believe that further hearings will be useful.

Mr. President, I want to make one additional point in closing.

I hope and assume that the Senate will not be distracted by any reports that national security demands immediate passage of this bill.

When the draft bill conference report was before the Senate and its defeat was a real possibility, various parts of the Government competed with one another to see which could concoct the most mighty scare campaign designed to stampede us into immediate passage. We were assured that any delay of the bill would do colossal and irreparable damage to national security. We passed the draft bill—happily, for reasons unrelated to the scare campaign—and the Department of Defense immediately proceeded to issue the lowest draft calls in many years. Thus did the great manpower shortage prove to be just another of those tactics wherewith the other parts of the Government normally hector the legislative branch of Government.

I recount this tiresome bit of recent history only because we may soon be treated to another of these dramas. In fact, I would fear for the healthy spirit of the Government if, by now, it had not ginned up a few score arguments to prove that any delay in passage of this bill will drive nails in the coffin of the West. Such fecundity in giving birth to implausible scenarios is, oddly enough, one of the signs of life and attentiveness which we hope to see in other parts of the Government.

But although such arguments have a kind of charm, they are not the sort of thing to which we should conform our deliberative process.

### EXHIBIT 1

### PAY AMENDMENT TO THE MILITARY PROCUREMENT BILL

#### *Analysis*

The purpose of the amendment is to improve compensation for the lower ranks of officers and enlisted men. It does this by spending $238.2 million in FY 72 and $381.1 million on an annualized basis.

The amendment is designed to benefit the E–1s, E–2s, E–3s, E–4s and O–1s and O–2s. These are the ranks to which H.R. 6531 gives less RMC than either the House or the Senate voted to give them. (See Table 7 on page 17 of my October 4 remarks, enclosed.) The amendment brings these ranks up to an RMC figure that falls between the House and Senate figures voted prior to acceptance of the H.R. 6531 Conference Report. The benefits which the amendment gives to other ranks are used to maintain the integrity of the pay schedules by avoiding "inversions" and minimizing "impression."

The amendment does *not* benefit only the "under two's." In fact, the benefits break slightly the other way—48.5% to "under two's" and 51.5% to "over two's."

The amendment does *not* affect a tiny minority of servicemen. It affects 1.694,437 (as compared with the 2,053,188 affected by H.R. 6531).

#### *The case for the amendment*

The amendment is needed. Proof of the fact that substantial military pay raises were and still are needed is the following: Although H.R. 6531 contained the largest military pay raise in history, it still left some military personnel badly undercompensated, and left some military families still eligible for welfare.

We can afford this amendment. It brings spending for military pay to a level $2.7 billion annually over January, 1971, rates. But this is the level the Administration and DOD planned to reach beginning July 1, 1972. The FY 72 cost of H.R. 6531 plus my amendment is $1.7 billion. That is only $700 million more than the Administration and DOD originally planned to spend this year. And it is a full billion dollars less than both bodies voted to spend this year. Since the Administration and DOD plan to reach the $2.7 billion increases by July 1, 1972, the cost for the remainder of FY 72 is the only significant figure. The pay compromises drafted by the H.R. 6531 Conference Committee called for spending $1.8 billion in FY 72. If my amendment is accepted, spending for FY 72 will be only $1.7 billion.

Declining morale of the army, at home and overseas, constitutes a threat to national security. This decline is attributable in significant part to the practice of underpaying soldiers. This decline is especially severe and especially dangerous overseas, where recent economic developments (e.g., high inflation, combined with the upward float of some currencies and the downward float of the dollar) have made the pinch especially painful.

It should be noted that some of these developments are new since, or have been badly aggravated since, the Conference reported H.R. 6531.

Another development since the Conference reported on H.R. 6531 is that the military have lost a full half a year of their comparability cost of living increases as a result of a Presidential decision.

The most authoritative recent study of military manpower policies was produced by the President's Commission on an All Volunteer Armed Force. The members of this Commission unanimously endorsed two points:

1) Pay increases of the sort completed by my amendment are the single most important step that can be taken toward attempting to achieve an end to the draft.

2) Such pay raises are required by standards of simple justice, regardless of what one thinks of an all-volunteer armed force.

The amendment is wanted. The Senate has twice voted resoundingly (51–27 and 65–4) for the sort of military compensation increases which this amendment achieves. The President supports it. DOD supports it. OMB desires and expects it to become law.

#### *Summary*

It is hard to imagine why anyone would oppose this. Recent economic developments make the need for the amendment even more compelling. The support for it is remarkably broad. The cost is remarkably below what both bodies, and the H.R. 6531 Conference Committee voted to spend for military pay raises this year.

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### EXHIBIT 2

SEPTEMBER 30, 1971.

Hon. GORDON ALLOTT,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR ALLOTT: After our conversation the other day regarding military pay, I took another look at the material which you had handed me to assess the actual impact of the military compensation increase recommended by the House-Senate Conferees and the proposed compromise increase recommended by you.

As you know, virtually all new entrants into military service will attain pay grade E–3 within one year. Moreover, many of these new entrants into service will achieve pay grade E–4 within that time frame and well before they complete two years of service. Therefore, I believe it would be reasonable to ask "what is the actual impact of the differing pay increases which are now the subject of some controversy, and what level of increases would be equitable?"

There is set out below a very brief table which compares the amount of Regular Military Compensation received by the average E–3 and E–4 with less than two years of service. The table compares his present level of compensation with that earned by his civilian contemporary in the civilian economy as well as that which he will earn under the pay increase recommended by the

Conferees, and now established in law as Public Law 92-129. Finally, the table sets out the pay increases contained in your recommendation.

I might add, parenthetically, that the civilian pay levels which are reflected in the table are those estimated to apply by studies made by the Gates Commission as well as the Bureau of the Census. The data provided in the Gates Commission material as well as the Bureau of the Census material has been adjusted upward to update the levels of pay that are presently being paid in the civilian sector.

REGULAR MILITARY COMPENSATION (PERSONNEL WITH LESS THAN 2 YEARS' SERVICE)

| Grade | Sept. 30, 1971 |  | RMC conference agreement Public Law 92-129 | RMC allott proposal |
|---|---|---|---|---|
|  | RMC | Civilian pay |  |  |
| E-3 | 3,715 | 4,389 | 5,603 | 5,789 |
| Monthly increase |  |  | 157.33 | 172.83 |
| E-4 | 4,685 | 5,590 | 5,951 | 6,145 |
| Monthly increase |  |  | 105.50 | 121.67 |

An inspection of the table will show that existing pay levels for the E-3 and E-4 are obviously well below that of their civilian contemporaries. However, the table also reveals that the new rates provide a very substantial increase for these pay grades and places them well above the income level of their civilian contemporaries. Therefore, I think you must concede that the action of the Conferees resulted in the establishment of pay rates which are now truly competitive with those available in the civilian economy.

Since the pay levels established by the Conferees are higher than those in the civilian economy, you might very properly ask "how much higher must they be to insure the development of an all-volunteer force?"

Apparently, you feel that instead of an increase of $157.33 per month for an E-3, $172.83 a month will do the trick. Similarly, you would recommend a $121.67 per month increase for the E-4 as opposed to the $105.50 established by the Conferees.

I certainly don't pretend to believe that the pay rates established by the Conferees, although higher than those in the civilian economy, will result in an all-volunteer force. However, I can't believe that you would seriously contend that adding $15 or $16 per month to the compensation of an E-3 or E-4 would materially affect the decision of any young man to enter or remain in the career military force.

Setting wage levels is, of course, a judgmental matter upon which many honest men will understandably disagree. Therefore, I can appreciate your strong convictions in this matter. Nonetheless, I too have strong convictions on this subject and trust that you too will appreciate the sincerity of my views.

The further adjustments in pay recommended by you will, as I understand it, increase annual military pay costs by another $381,000,000. I have seen no evidence which would persuade me that this additional expenditure of Federal funds would be justified in terms of either enhancing the possible achievement of an all-volunteer force or eliminating an alleged inequity in the pay structure. These circumstances therefore require me to oppose your suggested compromise.

With best wishes and warmest personal regards, I remain,

Sincerely,

F. EDW. HÉBERT,
*Chairman.*

OCTOBER 7, 1971.

Hon. F. Edward HÉBERT,
*Chairman, Committee on Armed Services, Washington, D.C.*

DEAR MR. CHAIRMAN: Thank you very much for your letter of September 30 concerning the matter of military pay raises.

You argue your case cogently and carefully, as always. But I must make the following seven points in response.

1) The amendment to the military procurement bill is designed to help those in grades E-1, E-2, E-3, E-4, O-1, O-2. These are the grades for which Regular Military Compensation in the Conference Agreement for P.L. 92-129 falls below the rates voted by both bodies.

I do not question your sincerity in saying that you have "strong convictions" in opposition to the Senate's proposal. But frankly, Mr. Chairman, I am baffled by these convictions because the Senate proposal so closely resembles the proposal which you, your Committee and the House of Representatives endorsed just a few months ago.

2) The original Allott pay amendment (passed by the Senate June 8) put spending at just about the level of the pay proposal you authored in the House. But unlike your proposal, it put great emphasis on basic pay. Consider the following table:

|  | Annual total |  |  |  |
|---|---|---|---|---|
|  | Senate | House | Conferees agreement | RMC allotment proposal |
| Basic pay | 2,646.2 | 1,811.2 | 1,811.2 | 2,171.8 |
| Dependents Assistance Act | 78.4 | 182.7 | 105.1 | 123.8 |
| Basic allowance for quarters | 0 | 635.1 | 406.6 | 408.4 |
| Basic allowance for subsistence | 0 | 37.5 | 0 | 0 |
| Enlistment bonus | 40.0 | 0 | 20.0 | 20.0 |
| Recruiter expenses | 2.9 | 2.9 | 2.9 | 2.9 |
| Optometrists | .6 | .5 | .6 | .6 |
| DAA reservists | 0 | 20.0 | 20.0 | 20.0 |
| Total | 2,768.1 | 2,689.9 | 2,366.4 | 2,747.5 |

You will note that this year's military pay increases that would result from accepting my amendment to the military procurement bill would include just the sort of generous spending for quarters allowances which you authored in the House.

3) You express doubts that the pay rates I favor will themselves guarantee our ability to make a swift and orderly transition to an all-volunteer armed force. I, too, have doubts on that count. In addition, you and I may differ on the question of the desirability of an all-volunteer armed force. But as I have repeatedly emphasized, support for the compensation I favor should *not* depend on whether one supports an all-volunteer armed force. *The unadorned fact is that the pay rates in P.L. 92-129 do not even raise all military personnel to a point at which no one is eligible for welfare.*

You refer in your letter to "an alleged inequity in the pay structure." I think the inequity is concrete, demonstrable and intolerable. The question of an all-volunteer armed force is secondary. The primary question concerns simple justice and respect for the military.

4) I do think you underestimate the importance of an extra $16 per month to a man earning what an E-3 earns. Sometimes we who are fortunate enough to earn substantially more find it difficult to comprehend the financial pressures felt by those less fortunate. But I would be very reluctant to tell an E-3 and his dependents that another $16 a month is a trivial matter.

In addition, Mr. Chairman, I am sure you agree with me that an armed force is only as good as its young junior officers. The caliber and morale of these men helps shape the caliber and morale of the entire force. In addition, young junior officers of high caliber face particularly difficult career choices because they can compete very well for very promising jobs in civilian life. Thus it is instructive to note the effect of my most recent amendment on O-1s and O-2s. Consider this table:

|  | RMC |  |
|---|---|---|
|  | Monthly | Annua |
| O-2 1st lieutenant/lieutenant (junior grade) (1 dependent): |  |  |
| Allott (H.R. 8687) | 943.73 | 11,325 |
| Present (H.R. 6531) | 838.28 | 10,059 |
| Dollar difference | 105.45 | 1,266 |
| Percent difference | 12.6 | 12.6 |
| O-1 2d lieutenant/ensign (1 dependent): |  |  |
| Allott (H.R. 8687) | 820.10 | 9,841 |
| Present (H.R. 6531) | 722.39 | 8,669 |
| Dollar difference | 97.71 | 1,172 |
| Percent difference | 13.5 | 13.5 |

As this table shows, my most recent amendment will mean an increase of over $100 a month for a O-2 with one dependent and nearly that much for an O-1 with one dependent. There are 47,237 O-2s and O-1s in the "under two" category. I am sure you will agree that this is not an insignificant measure as regards our attempts to attract and retain the kind of high caliber young officers that are so desperately needed regardless of whether we have an all-volunteer armed force.

5) I am interested in your table showing the relation of Regular Military Compensation for E-3s and E-4s with under two years service, and civilian pay for comparably employed persons. If I am not mistaken, you are using RMC figures that reflect the assumption that all E-3s and E-4s are getting their BAQ in cash payments. But as you know, the vast majority of these men are living in barracks. I have written to Major General Leo E. Benade, Deputy Assistant Secretary of Defense for Military Manpower Policy, asking that he supply me with RMC figures for E-1s, E-2s, E-3s and E-4s "under two" that reflects this fact about living in barracks. I will pass along to you the information I receive.

6) As regards the question of economy, I would point out the following. The President says we can afford it. Spending for pay increases—including my latest proposal—will be about a billion dollars less than your Committee urged us to spend just a few months ago.

7) The amendment I offered to the military procurement bill will cost $381 million on an annualized basis. But it will cost only $238 million for Fiscal Year 1972. This is the only significant figure because, as you know, the Department of Defense has always planned to spend at a $2.7 billion level for pay increases over a two year period, and the second period has always been scheduled to begin July 1, 1972.

I hope, Mr. Chairman, that when you consider the details of my proposal and especially its close conformity to the plan you offered, that you will be more favorably disposed toward it.

I share with all members of both bodies a great admiration for your strenuous exertions on behalf of the defense of this country. I know this year's legislation has been a substantial burden to you. It is my hope, which I know you share, that we can dispose of this legislation with proper speed.

Unfortunately, many Senators have been very disappointed with the fate of measures to which they attach considerable importance. And they may be disappointed with regard to some aspects of this bill not related to military pay.

All members of both bodies realize that

they must compromise. But it is my impression that the Senate, having twice voted resoundingly (51–27 and, most recently, 65–4) for pay increases of the sort you question, is very anxious to avoid another disappointment, and especially one that seems so unnecessary.

It is my earnest hope that the will of the Senate with regard to pay will be respected If it is not respected, I am certain that we will face exactly the same situation that we faced concerning adoption of the draft bill Conference Report.

I would be happy to meet with you at any time to talk about this matter.

Again, thank you for writing.

Best regards.

Sincerely yours,

GORDON ALLOTT,
*U.S. Senator.*

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EXHIBIT 3

OCTOBER 7, 1971.

Maj. Gen. LEO E. BENADE, USA,
*Deputy Assistant Secretary of Defense for Military Personnel Policy, The Pentagon, Washington, D.C.*

DEAR GENERAL BENADE: I am enclosing a copy of a letter I have received from Chairman F. Edward Hébert of the House Committee on Armed Services. I have a question concerning the table on page two of his letter.

My question concerns the RMC figures for E–3s and E–4s with under two years service according to P.L. 92–129 and according to my military procurement bill.

It appears to me that Chairman Hébert is using RMC figures that are based on the assumption that all these men are receiving their Basic Allowance for Quarters in cash. But in fact the vast majority of these men live in barracks. Thus I would like to have your computation for the RMC value for E–1s, E–2s, E–3s and E–4s living in barracks.

I understand the difficulties involved in arriving at such a computation (What is the precise value of a room? A private room? An open bay?) and I hope you will give me a full explanation of the assumptions on which your computation rests.

I look forward to hearing from you.

Best regards.

Sincerely yours,

GORDON ALLOTT,
*U.S. Senator.*

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ASSISTANT SECRETARY OF DEFENSE,
*Washington, D.C., October 15, 1971.*

Hon. GORDON ALLOTT,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR ALLOTT: This is in response to your letter of October 7, 1971 in which you requested RMC computations for E–1s through E–4s living in barracks and an explanation of the assumptions implicit in these calculations.

RMCs for single members living in barracks are calculated using the cash rates for the quarters and subsistence allowances for single members and are as follows for the member with less than two years of service:

| Pay grade | Public Law 92-129 | Allott amendment |
|---|---|---|
| E-1 | $4, 811 | $5, 089 |
| E-2 | 5, 247 | 5, 435 |
| E-3 | 5, 519 | 5, 690 |
| E-4 | 5, 814 | 6, 005 |

Using the cash rates for quarters and subsistence allowances in computing RMC is considered a reasonable and appropriate assumption where the RMC will be used to compare military and civilian wages. Admittedly, this method of calculating RMC does not produce a precise valuation of military wages for the situation each military member may be confronted with in terms of quarters and subsistence. As much as we would desire to produce a precise valuation, it is just not possible at this time.

There are several reasons for this. First, there is the question of how to value quarters for the single members serving in pay grades E–1 to E–4 who have dependent parents or other relatives and receive in cash the Dependents Assistance Act allowance while living in barracks. In effect, those members receive a quarters allowance in addition to housing in kind for themselves. Next, there is the wide variety in the quality of barracks available to the single member. At the low end of the scale we find those who live under field conditions and aboard ships. At the high end of the scale we find members residing in modern, well furnished, air conditioned, permanent type structures. Also, since the value of accommodations on base bears some relationship to the cost of housing prevailing in the local area, this factor must be included in any determination of the value of quarters. To date, we have not devised what we consider a satisfactory method of calculating RMC to accommodate these factors.

There are so many complexities involved in comparing intra-grade RMCs that the matter can best be put in perspective by an analysis of disposable income. Disposable income is important because it is what the member has left after income taxes and social security, to spend at his discretion. When accommodations are not available on military installations, single members are required to live on the civilian economy. It is therefore valid to compare their disposable incomes with those of their counterparts who reside in barracks on a military installation. The difference in disposable income between the two groups is the cash quarters and subsistence allowance. This amounts to some $106.23 for the E–1 to $127.83 for the E–4 under the provisions of PL 92–129, and from $106.23 to $132.33 under the Allott Amendment to H.R. 8687. This is the money allocated to the single member living in town to provide for his housing and food.

Data on the cost of housing and food for single individuals, military or civilian, living on the civilian economy are virtually nonexistent. However, it was reasonable to conclude that in most communities today a single member would have difficulty housing and feeding himself and covering the miscellaneous expenses associated with giving off the military base for $106.23 to $132.33 per month. We therefore concluded that some of this member's basic pay had to be used to cover housing and feeding expenses leaving him less disposable income than that of his counterpart living on base who is provided these commodities in kind. We further concluded that while the single man living in barracks and eating in the government mess received less cash pay, he probably had an economic advantage over the member who received his allowance in cash and had to purchase housing and food on the civilian economy.

In making comparisons between civilian and military wages, only one valuation method for RMC could be used without further confusing an already complex matter. After exploring several alternatives, we decided that the cash valuation for quarters and subsistence would provide results that are a fair approximation of military wages given the wide variety of factors outlined above which affect the value of quarters and subsistence to individual members.

I appreciate the opportunity to provide you with this information. Thank you for your letter.

Sincerely,

LEO E. BENADE,
*Major General, U.S. Army, Deputy Assistant Secretary of Defense.*

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Mr. ALLOTT. Mr. President, I wish to speak just a few other words in closing. I think that my prepared text states my reasons. I conclude that I would be remiss if I did not, in addition to the chairman of the committee, also pay particular respect to my colleague from Colorado (Senator DOMINICK), who I understand, in an effort to get the House to reject just a wee bit of their adamancy offered a compromise amendment, which I would not have liked, but it was a valiant effort on his part to try to salvage a very serious situation. And to him, I am very deeply indebted and the country should also be.

Now, I dislike voting against the bill. However, I have been in this matter almost every day now for the last 5 months, since May, including the first time it came up before the Senate.

The Senate has twice voted on it overwhelmingly. And the only way I can express how deeply I feel about this and the equity that I think we should do for our lower grade enlisted men and our lower grade officers is to vote against this measure.

I not only will vote against it, but I also hope that everyone who feels as strongly about the pay raise as I do will also vote against it.

Mr. CRANSTON. Mr. President, will the Senator yield?

Mr. ALLOTT. I yield.

Mr. CRANSTON. Mr. President, I share the disappointment, dismay, and despair of the Senator from Colorado that this conference report came back to the Senate without the pay raise we had worked for and had so deeply hoped would be accepted in the conference.

The Senator from Colorado stated the case so fully and eloquently and forcefully that there is little I can add.

I do want to say that I share his view that the draft should and probably will expire when the current renewal runs out a little more than a year and a half from now. I believe that our country will be far better able to meet its manpower needs if we have a pay raise of the sort the Senator has worked for so that we will be able to get many more volunteers than we might be able to get under the unfair and unjust pay levels that will be paid the people in the Armed Forces unless we are successful in returning this measure to conference because of the failure to achieve the pay raise the Senator fought for so hard.

I was delighted to be able to work with him in that effort. I shall follow the lead of the Senator and vote against the conference report.

I hope that the others will do likewise.

Mr. ALLOTT. Mr. President, I thank the Senator for his support. He not only worked for the original amendment, but he was also a cosponsor of it. He was absolutely indefatigable in his efforts, and that is a mild word to use. We put forth vigorous effort on both occasions in support of the amendment and of the position we have taken on the floor.

I am deeply appreciative of his remarks. I also appreciate his support.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. STAFFORD. Mr. President, I share

generally the feelings of the Senator from Colorado.

Mr. President, 282 days ago, this Congress began considering military pay raises which would take recruits out of the poverty level and reduce reliance on the draft.

The conference report before us today would delay even further the tools we need to accomplish those goals. Because the consequences are so serious, I rise in support of the Senator from Colorado, (Mr. ALLOTT).

Further disregard of the full first-term pay boost will jeopardize and unnecessarily postpone the single most important step this Congress can take to reach zero draft calls.

Further disregard of the full first-term pay boost will aggravate the discrimination between our career and our one-term servicemen.

Further disregard of the first-term pay boost will encourage a justified reluctance among potential reenlistees and volunteers.

Further disregard of the first-term pay boost will be tantamount to the unwillingness of Congress to match the achievements of the administrative branch toward ending the draft.

And finally, disregard of the first-term pay raise will cast a pale over the effectiveness of the legislative process itself, and the ability of Congress to carry into law the repeated expression of its will.

Mr. President, since 1967, I have studied the subject of a volunteer armed force and have been an active proponent of its implementation. The Senator from Pennsylvania (Mr. SCHWEIKER) at that time also a Member of the House, joined with me and three of our colleagues to examine in depth the steps needed to reduce draft calls to zero. The results of that study were published in a paperback book entitled "How To End the Draft: The Case for an All-Volunteer Armed Force."

We discussed some of the myths surrounding a return to a volunteer system of recruitment and presented in some detail a 31-point program to lead to the end of the draft. These included a shoring up of our recruiting practices, a careful reexamination of discriminatory entrance standards, improvement in the conditions and opportunities of service life, and a revision of the pay structure and an increase in the levels of pay.

I have watched support for the volunteer concept snowball in the last several years, as the facts and figures have been examined by more and more people.

The lengthy debate before the Congress this year has made clear that a volunteer system will lead to a more effective, efficient, and better managed armed force: That a volunteer system will eliminate an unfair burden which we now place on one segment of society—our young men.

That a volunteer system eliminates, in the words of the Gates Commission, "a costly, inequitable and divisive procedure for recruiting men;" it eliminates the problems inherent in having to chose some, from many, who are eligible; and it eliminates needless uncertainty.

We have also seen that it is the volunteer system which is most consistent with our national heritage of freedom for the individual with minimum government interference.

Back in 1967 when my colleagues and I published our study, we stated:

> The difference between a new enlisted man's annual pay and what he could receive in civilian life, works an unnecessary hardship on every young man entering military service. But the hardship is all the more repulsive when that young man is drafted for service. The difference is a hidden, implicit tax—a tax which should be shared by society generally, not by the young man who is already making a sacrifice by serving two years of his life in the defense of his nation.

That statement is, unfortunately, still applicable today. It is past the time for Congress to remove the financial penalty which we ourselves have created by ignoring for too long equitable reimbursement for the first-termer.

Mr. President, there is a second reason for not delaying any further the enactment of the pay raises proposed by the Senator from Colorado. Further delay means further discrimination against the first-termer in nonbasic pay benefits. We know, for instance, that the first-termer does not receive the dislocation benefits received by careerists: As my former colleague in the House, Mr. STEIGER has indicated:

> When making changes of station, careerists are given free travel of dependents, transportation of household effects, dislocation allowances, trailer allowances, transportation of automobile overseas, overseas allowance and evacuation allowance. If they are unaccompanied, careerists receive a $30 a month family separation allowance. But the underpaid and often removed first-termer is ineligible for all of these benefits.

We cannot ignore, either, the practical consequences of our discrimination in the morale of our servicemen. The reports I received at my request from Capt. Fletcher Hamilton, which have been presented to both Houses, attends to the psychological problems our discriminatory pay has engendered.

A third factor weighing against further delay is the uncertainty Congress is creating in the minds of those now considering either enlistment or reenlistment.

On April 1 of this year, the other body passed a $2.7 billion pay and quarters allowance package. On June 8, the Senate passed the Allott amendment, also a $2.7 billion pay package. Since that date, however, those who could benefit by the raise have been left waiting to see when and if that raise becomes effective.

And what they see is a promise unfulfilled. They see a compromise in which only they lose.

It is now November. In the meantime, many have decided upon another course of action; and many have left the service who might not otherwise have done so.

A fourth reason why further delay is inexcusable is the simple fact that Congress must meet its responsibilities as the administration has met its. The scope of reform in the military is breathtaking—ranging from institution of modern training procedures; elimination of useless and demoralizing nonmilitary-related responsibilities, like KP; improvement of information systems and opportunity for the young men to be heard at the highest levels; improvement in off-duty opportunities in education and entertainment.

In addition, the Army has undertaken the challenge presented to it and vastly expanded and improved recruiting apparatus and options available to those who wish to enlist.

Lastly, this issue has been studied, restudied and studied again.

Since February 2 of this year, the Committee on Armed Services, the House Armed Services Committee, the House itself, and the Senate itself, has spent days and days of receiving testimony, hours and hours of debate, and vote after vote on this issue of increased pay for first termers in the military service.

Because of happenstance, I personally have voted—along with the majority on each occasion—both in the House and Senate this year for the provisions now being fought for by the Senator from Colorado.

The amendment offered by the Senator from Colorado (Mr. ALLOTT) does no more than create the compromise which we all could have expected from the conference on the Military Selective Service Act. We were denied that compromise despite previous approval of the basic issue by both the House and Senate.

Prepared with the assistance of the Department of Defense, favored by the administration, the proposal does no more and no less than meeting halfway the difference between the House-passed pay package and the Senate-passed pay package.

It is technically and economically sound, correct, and fair. There is no justification for further denial by the Congress of that which we ourselves have virtually promised first-term servicemen, prior to today.

Mr. ALLOTT. Mr. President, will the Senator yield?

Mr. STAFFORD. I yield.

Mr. ALLOTT. Mr. President, I commend the distinguished Senator from Vermont for his very excellent and lucid statement on the issues that are before us this afternoon. He sees them as many of us in the Senate see them. I want to compliment him not only for the clearness and conciseness of his statement, but also for the very strong stand he has taken on what I think is a very equitable and greatly moral issue. I appreciate it very much.

Mrs. SMITH. Mr. President, as the top Republican on the Committee on Armed Services I wish to state for the record, to keep the record straight, that the President never contacted me on the Allott amendment, nor did anyone on his behalf contact me on the Allott amendment at any time.

Mr. ALLOTT. Mr. President, I would like to call the attention of the distinguished Senator from Maine to the words I used. I said I was assured by Mr. MacGregor this would be done.

Mrs. SMITH. I understood the distinguished Senator from Colorado to say that he had been given assurance that the President had contacted the leaders on the Allott amendment—the leaders in this field.

Mr. STENNIS. Mr. President, I have listened carefully to the Senator from

Colorado and I appreciate very much his position. I appreciate the generous remarks he made about the conference and the efforts of the conferees.

Mr. President, it is one of those things—they cannot all be settled at one time. That is one viewpoint, and we had to conclude that conference.

I have some figures. For the record, I think I ought to review the increases for our men in the military during this calendar year.

We had an automatic increase that went into effect in January 1971. That totaled $1.2 billion. Then we passed the draft bill during the year, and that carried an increase of $2.4 billion, for a total so far during the year of $3.6 billion. Had it not been for the freeze and the deferment, another increase would have gone into effect in January 1972, which would have been, in round numbers, $1.2 billion, for a total of a $5 billion increase within a 13-month period.

That is a good deal of money. Some of those increases were overdue, but even at that, the $5 billion adds up to a rather generous sum of money, from many viewpoints.

I have already mentioned the deferment. That increase was deferred only to July 1972, under the present situation. That additional increase will go into effect just 6 months later.

The Allott amendment was on top of and in addition to all the figures I have given and would have applied, not altogether but mainly, to the so-called lower grades, the first four grades of the noncommissioned officers, and the first two lower grades of the commissioned officers, and that is more in line with the so-called volunteer army plan. That part of the volunteer army plan was not adopted. But in these other increases and changes in the law, a great part, a substantial part, of the volunteer army plan has been adopted. It includes even the so-called possible bonus payments and various scales of payments, not all concentrated in those lower grades, but those other grades needed increases, too.

So I think, even though I did not favor the volunteer army concept, particularly at this time, it has a reasonable chance now, so far as money is concerned, to have a trial run during this 2-year period. I do not have any doubt about that. Since we were going to have it, I was in favor of having enough in there for it to have a fair chance.

So even though we did what we could for the Allott amendment—the Senate had agreed to it and there was a promise to try to keep it—at the same time, all is not lost in this field just because we could not get the Allott amendment.

So I commend that part of the report to the Senate and hope we will not hold up the adoption of the report. It is a reasonable achievement. The Senator from Colorado deserves a great deal of credit for his efforts. I think that part, taken along with the rest of the bill, should be accepted now and adopted by the Senate, so that this measure can move on to the President, and with the approval of the report this afternoon, which freezes all the money figures, it will result in the final groundwork for the appropriation bills that we hope to have here soon.

I do not want to extend the debate for my part, and I yield the floor.

Mr. MATHIAS. Mr. President. I rise to express my very deep disappointment with the military procurement bill which is now before us. I regret to say that I will be forced to vote against this conference bill. I know that months of deliberation and work have gone into this bill, but I deeply believe that the bill has too many serious weaknesses to warrant its passage by the Senate.

Let me just mention three changes which were made in the bill by the conference committee which I believe so alter the character of the bill as to require a negative vote.

First, the conferees deleted an amendment which I had offered, and to which 60 Senators agreed, which would have guaranteed equitable salary treatment for Federal employees during Phase II of the President's new economic program. The provision which was adopted by the Senate would not have put Federal employees in a more favorable position than other Americans, but it would have prevented discrimination against them simply because they are paid from the public purse. The provision would have affected military and civilian Federal employees, which is why I felt very strongly that it should be included with this bill. I urge my colleagues to vote against this bill until it addresses itself to the inequitable treatment of the Federal employee, civilian and military. I would like to ask unanimous consent that my earlier remarks on this subject be included in the Record at this point.

Second, the conferees deleted the provisions of the Allott amendment which would have provided higher pay for lower enlisted personnel and junior officers. This amendment had strong Senate endorsement and would have set the stage for the President's goal of a zero draft call, and an alternate volunteer military service.

Finally, the conferee deleted the 6-month timetable in the Mansfield amendment—a deadline by which the President was urged to implement the declared policy of ending American military presence in Vietnam.

For these reasons I find it necessary to vote against accepting the conference report.

There being no objection, the remarks were ordered to be printed in the Record, as follows:

I have stated often in the past weeks that I support the President's new economic policies. I believe the times call for bold, decisive action, and that the President has responded appropriately. I hope that the three major pieces of legislation which he has recommended—the job development credit, the repeal of the auto excise tax, and the acceleration of the standard personal income tax exemption—will be approved by the Congress in the very near future.

I believe very deeply, with the President, that both the benefits and the burdens associated with the new policies must be shared equitably by all Americans. But it is becoming clear that under the temporary order first announced, civilian employees of the Federal government will be singled out to shoulder special burdens without commensurate benefits. The President has declared that the wage-price freeze will terminate in mid-November. Yet the freeze on the legislatively enacted raises for civilian federal employees is still slated to last until July 1 of next year. Congress provided for these pay increases to bring the level of federal salaries more in line with those of private industry. But now our public servants are asked to go to the end of the line and stand hat-in-hand for eight more months. This is unfair to the individuals and families involved who should not be favored over other Americans, but who also should not be prejudiced by the fact that they spend their lives in public service.

Moreover, the Senate is now about to pour salt on the wounds. The Senate has passed an amendment offered by Senator Allott (R-Col.) to increase pay for military personnel effective at the end of the freeze. While I support the goal of this amendment—to help end the draft—its effect will be to increase the discrimination against civilian federal employees. If the Senate is going to decide that one group of federal employees, the military, deserves special consideration during these times of hardship, then it should have the opportunity to right a wrong and decide that the same consideration should be given to civilian federal employees.

Mr. THURMOND. Mr. President, I urge the Senate to give approval to the conference report of the military procurement authorization bill.

The House and Senate conferees reached final agreement on this report November 4 and the report was approved by the House yesterday, November 10.

As is the case with any conference report this bill is a compromise between the two bodies of Congress. The Senate conferees pressed for the position of the Senate but, of course, all of the Senate provisions could not be held.

The bill as agreed to in conference totals $21.3 billion. The figure arrived at by the conferees is approximately $871,000,000 less than that recommended by the President. It is about $300 million more than the bill approved earlier by the Senate.

This legislation is essential if we are to provide adequately for our national defense. It contains authorization for the procurement of aircraft, missiles, naval vessels, tracked combat vehicles, torpedoes and other weapons. It provides for the research and development to assure this Nation moves forward in the technology of weaponry. It establishes average strength figures for our reserve forces. It also provides for the continuation of our important anti-ballistic-missile defense system.

Mr. President, in my opinion this bill is the minimum needed to provide for our national security. Today more than ever the Soviet Union is extending its influence around the world through the use of military power.

We must meet this challenge. If we fail to do so future generations will have to pay a high price for our folly. It is my hope the administration will come forward with a more realistic defense budget in fiscal year 1973. This new budget must be carefully justified as the American people are not in a mood to waste money.

It is my belief that once the American people fully realize the threat facing us, and if higher defense requests are properly justified, then the Nation will support the necessary items needed to insure that this country remain the number one military power in the world.

Mr. President, I urge favorable action by the Senate on this conference report.

### OPPOSITION TO RHODESIAN CHROME IMPORT AMENDMENT

Mr. JAVITS. Mr. President, I shall vote to reject the conference report on the military procurement authorization bill, and I urge my colleagues to do likewise. I believe that the amendment which has the effect of forcing the President to violate the United Nations sanctions against Rhodesia, sanctions which the United States voted for in the Security Council, is most unwise and constitutes contempt for international law. I feel very strongly that this is a matter of basic principle in international law and the posture of the United States with respect to the United Nations and the traditional U.S. role of world leadership in support of world law and in support of the United Nations. A number of Senators vigorously opposed this amendment on the floor of the Senate, and apparently had succeeded in having it deleted from the committee bill, only to find the issue ultimately turn in the other direction following one of the most involved and confused procedural wrangles of recent experience in the Senate. I feel duty-bound to vote to reject the conference report because of the position adopted by the conference on this question.

My decision to oppose the conference report is based equally upon my opposition to the modification made in conference to the Mansfield amendment, which greatly vitiates its effect and significance of the Mansfield amendment as adopted by the Senate. I believe the time has come when the Senate must stand firm on the issue of the Vietnam war and not recede each time in favor of the position espoused by the House conferees. This is not the first time this has happened, despite the clear will and intent of the Senate, which, in my judgment, reflects the deep and heartfelt view of a clear majority of the American people. It is time for the Senate to insist on its proper role in establishing both a policy of complete withdrawal, and establishing a date by which this policy should be accomplished.

The PRESIDING OFFICER. The question is on agreeing to the conference report.

Mr. ALLOTT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. ALLOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

The question is on agreeing to the conference report. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. MANSFIELD. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Georgia (Mr. Gambrell), the Senator from Oklahoma (Mr. Harris), the Senator from Indiana (Mr. Hartke), the Senator from North Carolina (Mr. Jordan), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Mexico (Mr. Montoya), the Senator from Utah (Mr. Moss), and the Senator from Maine (Mr. Muskie) are necessarily absent.

I further announce that the Senator from West Virginia (Mr. Byrd) is absent on official business.

I further announce that, if present and voting, the Senator from Texas (Mr. Bentsen), the Senator from Georgia (Mr. Gambrell), the Senator from North Carolina (Mr. Jordan), the Senator from New Mexico (Mr. Montoya), and the Senator from Utah (Mr. Moss) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) is absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Idaho (Mr. Jordan), and the Senator from Arizona (Mr. Goldwater) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The result was announced—yeas 65, nays 19, as follows:

[No. 309 Leg.]

YEAS—65

Aiken
Allen
Anderson
Bayh
Beall
Bennett
Bible
Boggs
Buckley
Burdick
Byrd, Va.
Cannon
Chiles
Church
Cooper
Cotton
Curtis
Dole
Dominick
Eagleton
Eastland
Ellender
Ervin
Fannin
Fong
Griffin
Gurney
Hansen
Hollings
Hruska
Humphrey
Jackson
Long
Magnuson
McClellan
McIntyre
Metcalf
Miller
Mondale
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Saxbe
Schweiker
Scott
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tower
Tunney
Weicker
Williams
Young

NAYS—19

Allott
Baker
Brooke
Case
Cook
Cranston
Fulbright
Gravel
Hart
Hatfield
Hughes
Inouye
Javits
Kennedy
Mansfield
Mathias
Nelson
Ribicoff
Taft

NOT VOTING—16

Bellmon
Bentsen
Brock
Byrd, W. Va.
Gambrell
Goldwater
Harris
Hartke
Jordan, N.C.
Jordan, Idaho
McGee
McGovern
Montoya
Moss
Mundt
Muskie

So the conference report was agreed to.

Mr. STENNIS. Mr. President, I move to reconsider the vote by which the conference report was agreed to.

Mr. MILLER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Berry, one of its reading clerks, announced that the House had agreed to the amendments of the Senate to the bill (H.R. 155) to facilitate the transportation of cargo by barges specifically designed for carriage aboard a vessel.

## ORDER FOR RECOGNITION OF SENATOR HARRIS TOMORROW

Mr. MANSFIELD. Mr. President, I ask unanimous consent that following the speech by the distinguished Senator from Ohio (Mr. Taft) tomorrow, the distinguished Senator from Oklahoma (Mr. Harris) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REVENUE ACT OF 1971

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the pending business, which will be stated.

The assistant legislative clerk read as follows:

> A bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes to reduce certain excise taxes, and for other purposes.

The Senate proceeded to consider the bill.

Mr. LONG. Mr. President, I am not aware of any desire of Senators to vote tonight on any amendments they may care to offer to the bill. If anyone wants to offer an amendment and have it voted on tonight, I wish he would so inform me right now. Otherwise, we will make our plans to vote on amendments tomorrow.

I ask whether any Senator here wishes to offer an amendment on which he would like to have a vote tonight, so that Senators can make their plans.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MAGNUSON. I ask unanimous consent that the names of the Senator from Michigan (Mr. Hart) and the Senator from Minnesota (Mr. Mondale) be added as cosponsors of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, there are a great number of committee amendments to the bill, and each Senator will find on his desk a copy of the bill with the committee amendments shown in italic.

The Parliamentarian advises me that to expedite matters, and in view of the great number and length of the committee amendments to this bill, it would be advisable to ask unanimous consent to dispense with the printing of the committee amendments in the Congressional Record.

I am advised, when we pass the bill, that it will be printed as amended and passed. Since the committee amendments are all before Senators now as part of the bill that is on each Senator's desk, this will expedite the procedure and prejudice no one.

Thus, Mr. President, I ask unanimous consent to dispense with the printing of the committee amendments in the Record at this time.

The PRESIDING OFFICER (Mr.

CRANSTON). Without objection, it is so ordered.

### PRIVILEGE OF THE FLOOR

Mr. LONG. Mr. President, I ask unanimous consent that members of the staff of the Joint Committee on Internal Revenue Taxation, as well as members of the staff of the Committee on Finance, may have the privilege of the floor in order to advise Senators during the consideration of this measure.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, in order to protect the rights of all Senators and also to expedite procedure, I ask unanimous consent that the committee amendments, copies of which are on all Senators' desks, be agreed to en bloc and that the bill as thus amended be considered as original text for purpose of further amendment but that there be reserved to every Senator the right to ask for a separate vote on any committee amendment in the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Louisiana? The Chair hears none, and the requests are agreed to.

### AMENDMENT NO. 628

Mr. MAGNUSON. Mr. President, I call up my amendment which is now at the desk and ask that it be stated and be made the pending order of business.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

At the end of the table of contents of the bill, insert the following:

"TITLE VIII—EMERGENCY UNEMPLOYMENT COMPENSATION

"Sec. 801. Short title.
"Sec. 802. Federal-State agreements.
"Sec. 803. Payments to States having agreements for the payment of emergency compensation.
"Sec. 804. Financing provisions.
"Sec. 805. Definitions."

At the end of the bill, add the following new title:

### "TITLE VIII—EMERGENCY UNEMPLOYMENT COMPENSATION

### "SHORT TITLE

"SEC. 801. This title may be cited as the 'Emergency Unemployment Compensation Act of 1971'.

### "FEDERAL-STATE AGREEMENTS

"SEC. 802. (a) Any State, the State unemployment compensation law of which is approved by the Secretary of Labor (hereinafter in this title referred to as the "Secretary"), under section 3304 of the Internal Revenue Code of 1954, which desires to do so, may enter into and participate in an agreement with the Secretary under this title, if such State law contains (as of the date such agreement is entered into) a requirement that extended compensation be payable thereunder as provided by the Federal-State Extended Unemployment Compensation Act of 1970. Any State which is a party to an agreement under this title may, upon providing 30 days' written notice to the Secretary, terminate such agreement.

"(b) Any such agreement shall provide that the State agency of the State will make payments of emergency compensation—

"(1) to individuals who—

"(A)(i) have exhausted all rights to regular compensation under the State law;

"(ii) have exhausted all rights to extended compensation, or are not entitled thereto, because of the ending of their eligibility period for extended compensation, in such State;

"(B) have no rights to compensation (including both regular compensation and extended compensation) with respect to a week under such law or any other State unemployment compensation law or to compensation under any other Federal law; and

"(C) are not receiving compensation with respect to such week under the unemployment compensation law of the Virgin Islands or Canada;

"(2) for any week of unemployment which begins in—

"(A) an emergency extended benefit period (as defined in subsection (c) (3)); and

"(B) the individual's period of eligibility (as defined in section 805(b)).

"(c) (1) For purposes of subsection (b) (1) (A), an individual shall be deemed to have exhausted his rights to regular compensation under a State law when—

"(A) no payments of regular compensation can be made under such law because such individual has received all regular compensation available to him based on employment or wages during his base period; or

"(B) his rights to such compensation have been terminated by reason of the expiration of the benefit year with respect to which such rights existed.

"(2) For purposes of subsection (b) (1) (B), an individual shall be deemed to have exhausted his rights to extended compensation under a State law when no payments of extended compensation under a State law can be made under such law because such individual has received all the extended compensation available to him from his extended compensation account (as established under State law in accordance with section 202(b) (1) of the Federal-State Extended Unemployment Compensation Act of 1970).

"(3) (A) (i) For purposes of subsection (b) (2) (A), in the case of any State, an emergency extended benefit period—

"(I) shall begin with the third week after a week for which there is a State 'emergency on' indicator; and

"(II) shall end with the third week after the first week for which there is a State 'emergency off' indicator.

"(ii) In the case of any State, no emergency extended benefit period shall last for a period of less than 26 consecutive weeks.

"(iii) When a determination has been made that an emergency extended benefit period is beginning or ending with respect to any State, the Secretary shall cause notice of such determination to be published in the Federal Register.

"(B) (i) For purposes of subparagraph (A), there is a State 'emergency on' indicator for a week if—

"(I) the rate of unemployment (as determined under subparagraph (C)) in the State for the period consisting of such week and the immediately preceding twelve weeks equaled or exceeded 7.5 per centum; and

"(II) there (a) is a State or National 'on' indicator for such week (as determined under subsections (d) and (e) of section 203 of the Federal-State Extended Unemployment Compensation Act of 1970), or (b) there is neither a State nor National 'on' indicator for such week (as so determined), but (1) within the 52-week period ending with such week there has been a State or National 'on' indicator for a week (as so determined), and (2) there would be a State 'on' indicator for such week except for the provisions of section 203(e) (1) (A) of the Federal-State Extended Unemployment Compensation Act of 1970.

"(ii) For purposes of subparagraph (A), there is a State 'emergency off' indicator for a week if, for the period consisting of such week and the immediately preceding twelve weeks, the rate of unemployment (as determined under subparagraph (C)) is less than 7.5 per centum.

"(C) (i) For purposes of subparagraph (B), the term 'rate of unemployment' means—

"(I) the rate of insured employment (as determined under section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970, plus

"(II) the 13-week exhaustion rate (as determined under clause (ii)).

"(ii) The '13-week exhaustion rate' shall be equal to—

"(I) 25 per cent of the sum of the exhaustions, during the most recent 12 calendar months ending before the week with respect to which such rate is computed, of regular compensation under the State law, divided by

"(II) the average monthly covered employment (as that term is used in section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970) of the State with respect to the 13-week period referred to in subparagraph (B) (ii).

"(d) For purposes of any agreement under this title—

"(1) the amount of the emergency compensation which shall be payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation (including dependents' allowances) payable to him during his benefit year under the State law; and

"(2) the terms and conditions of the State law which apply to claims for regular compensation and to the payment thereof shall (except where inconsistent with the provisions of this title or regulations of the Secretary promulgated to carry out this title) apply to claims for emergency compensation and the payment thereof.

"(e) (1) Any agreement under this title with a State shall provide that the State will establish for each eligible individual who files an application for emergency compensation, an emergency compensation account.

"(2) The amount established in such account for any individual shall be equal to the lesser of—

"(A) 100 per centum of the total amount of regular compensation (including dependents' allowances) payable to him with respect to the benefit year (as determined under the State law) on the basis of which he most recently received regular compensation; or

"(B) twenty-six times his average weekly benefit amount (as determined for purposes of section 202(b) (1) (C) of the Federal-State Extended Unemployment Compensation Act of 1970) for his benefit year.

"(f) No emergency compensation shall be payable to any individual under an agreement entered into under this title for any week prior to the week following the week in which such agreement is entered into, or if later, the first week beginning more than 30 days after the date of enactment of this Act.

### "PAYMENTS TO STATES HAVING AGREEMENTS FOR THE PAYMENT OF EMERGENCY COMPENSATION

"SEC. 803. (a) (1) There shall be paid to each State which has entered into an agreement under this title an amount equal to—

"(A) 100 per centum of the emergency compensation paid prior to July 1, 1973, to individuals by the State pursuant to such agreement; and

"(B) 80 per centum of the emergency compensation paid after June 30, 1973, to individuals by the State pursuant to such agreement.

"(b) No payment shall be made to any State under this section in respect of compensation for which the State is entitled to reimbursement under the provision of any Federal law other than this title.

"(c) Sums payable to any State by reason of such State's having an agreement under this title shall be payable, either in advance or by way of reimbursement (as may be determined by the Secretary), in such amounts as the Secretary estimates the State will be entitled to receive under this title for each calendar month, reduced or increased, as the case may be, by any amount by which the Secretary finds that his estimates for any prior calendar month were greater or less than the amount which should have been paid to the State. Such estimates may be made on the basis of such statistical, sampling, or other method as may be agreed upon by the Secretary and the State agency of the State involved.

### "FINANCING PROVISIONS

"Sec. 804. (a)(1) Funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for the making of payments to States having agreements entered into under this title.

"(2) The Secretary shall from time to time certify to the Secretary of the Treasury for payment to each State the sums payable to such State under this title. The Secretary of the Treasury, prior to audit or settlement by the General Accounting Office, shall make payments to the State in accordance with such certification, by transfers from the extended unemployment compensation account (as established by section 905 of the Social Security Act) to the account of such State in the Unemployment Trust Fund

"(b) Section 3301 of the Internal Revenue Code of 1954 is amended—

"(1) by inserting '(except as otherwise provided in the succeeding sentence)' immediately after 'equal'; and

"(2) by adding at the end thereof the following new sentence: 'In applying the preceding sentence for the calendar year 1972 and the calendar year 1973, the rate of tax shall, in lieu of 3.2 percent, be 3.275 percent.'.

"(c) The first sentence of section 905(b)(1) of the Social Security Act is amended by striking out 'and in the case of any month after March 1972, to one-tenth,' and inserting in lieu thereof 'in the case of any month after March 1972 and before April 1974, to seven twenty-thirds, and in the case of any month after March 1974, to one-tenth,'.

"(d) Section 901(c)(1)(B) of the Social Security Act is amended—

"(1) by striking out 'and' at the end of clause (iv);

"(2) by striking out the period at the end of clause (v) and inserting in lieu thereof '; and';

"(3) by inserting after clause (v) the following new clause:

" '(vi) an agreement entered into under the Emergency Unemployment Compensation Act of 1971.'.

### "DEFINITIONS

"Sec. 805. For purposes of this title—

"(a) the terms 'compensation', 'regular compensation', 'extended compensation', 'base period', 'benefit year', 'State', 'State agency', 'State law', and 'week' shall have the meanings assigned to them under section 205 of the Federal-State Extended Unemployment Compensation Act of 1970;

"(b) the term 'period of eligibility' means, in the case of any individual, the weeks in his benefit year which begin in an extended benefit period or an emergency extended benefit period and, if his benefit year ends within such extended benefit period, any weeks thereafter which begin in such extended benefit period or in such emergency extending benefit period; and

"(c) the term 'extended benefit period' shall have the meaning assigned to such term under section 203 of the Federal-State Extended Unemployment Compensation Act of 1970."

Mr. MAGNUSON. Mr. President, for the information of the Senate, and I am sure that the distinguished chairman of the committee will agree with me, we expect to vote on this amendment as soon as possible tomorrow.

Mr. LONG. Does the Senator wish to set a time for the vote tomorrow?

Mr. MAGNUSON. Yes. If the Senator wants——

Mr. LONG. Might I have the attention of the distinguished majority leader? It occurs to me that in order to expedite the procedure and move ahead as the distinguished majority leader has been trying to do perhaps the Senate might come in early tomorrow at 9 o'clock or 9:30 a.m. and vote on the Magnuson amendment, say, at 11 a.m.?

Mr. MAGNUSON. That would be fine.

Mr. MANSFIELD. Yes, that would be fine.

Mr. MILLER. Mr. President, I want to make a comment, that I should like the Senator from Washington and the Senate as a whole to be on notice that I plan to offer an amendment to his amendment. I do not believe it will take very long but I do plan to propose an amendment to his amendment.

Mr. MANSFIELD. Would the Senators be able to agree on a time limitation, then? How much time would the Senator from Iowa want?

Mr. MILLER. I would need only 5 minutes on each side, but there will be an amendment to the amendment of the Senator from Washington.

Mr. MANSFIELD. Would it be all right, then, if we voted on the Magnuson amendment at 11 a.m. tomorrow, with the proviso that there be a half an hour for the offering of the amendment to the amendment to be offered by the Senator from Iowa (Mr. Miller), the time to be equally divided between the manager of the bill and the sponsor of the amendment?

Mr. MAGNUSON. I shall not take long on my amendment, but my colleague, Mr. Jackson, wants a little time, and the Senator from Connecticut (Mr. Ribicoff), also wishes to speak on it. I believe we ought to be able to get this out of the way before 11 o'clock tomorrow morning.

Mr. MANSFIELD. Plus discussion of the amendment to the amendment?

Mr. PROXMIRE. Mr. President, if the Senator will yield. I am confused. If we vote on the Miller amendment, which will be a vote on an amendment to the amendment of the Senator from Washington, which will come at 11 a.m., then we will have to vote on the Miller amendment to the amendment at 10:30 a.m.; will we not?

Mr. MANSFIELD. Before 11 a.m.; yes. If the Miller amendment passes, then it would be the Magnuson amendment as amended, of course.

Mr. MILLER. Maybe it will not be necessary to have a rollcall vote on my amendment, but I would be hopeful the Senator from Washington (Mr. Magnuson) might accept it; but I thought I should put the Senate on notice that I plan to offer my amendment to the amendment.

Mr. GRIFFIN. Mr. President, reserving the right to object, I should like to point out that, ordinarily, we agree to a limited time for debate on an amendment with a proviso that half an hour or some other provision of time is given for any amendments thereto. It is true, we know there will be one amendment to the amendment but there might be others, and I think we would be precluding other Senators who might have amendments to offer.

I therefore wonder whether we might not include in this unanimous-consent request a provision for 1 hour on the amendment and one-half hour for any amendments to the amendment.

Mr. MANSFIELD. I understand that there will be other amendments, so that I think perhaps the best thing to do would be to withdraw the unanimous-consent request entirely, see what we can work out tomorrow morning, keep in mind what the Senator from Iowa has indicated just now, and that I have been informed there may be other amendments.

Mr. MAGNUSON. In any event, that will bring us up to an early vote on my amendment, if we have a time limitation.

Mr. CASE. At the present time, there is no time limitation.

The PRESIDING OFFICER (Mr. Cranston). Is the unanimous-consent request of the Senator from Montana withdrawn?

Mr. MANSFIELD. Yes, Mr. President.

The PRESIDING OFFICER. The unanimous-consent request is withdrawn.

Mr. MAGNUSON. However, my amendment is the pending order of business.

Mr. MANSFIELD. That is correct.

Mr. LONG. Mr. President, we would then hope for, sometime tomorrow morning or whenever the spirit moves the Senate, to vote on the Senator's amendment, and the Senate will be on notice that hopefully there will be a vote sometime tomorrow morning.

Mr. President, H.R. 10947, which is before us, represents an important step for our economic recovery. It contains a number of important Finance Committee amendments designed to improve the bill but, the major objectives, and most of the provisions, are similar to those in the House bill.

The basic objectives are:

To put our present lagging economy on the high growth path,

To increase the number of jobs and diminish the high unemployment rate,

To relieve the hardships imposed by inflation on those with modest incomes,

To provide a rational system of tax incentives to aid in the modernization of our productive facilities, and

To increase our exports and improve our balance of payments.

The bill is vitally needed because our economy is lagging and especially because the unemployment rate is high. This bill is also needed to complement the inflation control measures—to provide stimulus to the economy to get it going again.

The economy clearly needs the stimulus that this bill will provide. We already have an unemployment rate of almost 6 percent and, in real terms, the economy grew at a rate of only about 3 percent in the first 9 months of this year—

after adjustment for price increases and the delayed effects of the General Motors strike last year. If we do not take steps to increase the growth rate of our economy, we could well have unemployment rates even above the 6-percent level in the future.

The tax reductions under this bill are large enough to stimulate the economy and yet—when coupled with inflation controls—not so large as to create a new round of inflation. The effect of this bill should be to provide additional jobs and increase the Nation's output. In fact, in the long run, this increase in production will also aid in the fight against inflation. There are few things which are more effective in the long run in bringing prices down than an increased supply of goods and services flowing into the market.

The bill provides income tax relief to stimulate both investment and consumption. All in all, the measure will reduce present law tax liabilities by about $1.7 billion in calendar year 1971, $7.8 billion in 1972, and $6 billion in 1973.

The committee believes one of the main reasons for present depressed economic conditions is that investment in plant and equipment is lagging. The latest SEC-Commerce Department survey, for example, indicates an increase of only slightly more than 2 percent in plant and equipment spending in 1971. This means that after adjustment for price increases, there will be no real increase in this spending this year. This need for machinery and equipment spending is why the committee joined the House in restoring the investment credit. As is shown in the chart on page 9 of the committee report, the credit in the past has been successful in stimulating investment in machinery and new equipment and the committee believes the restoration of the credit will repeat this experience.

The new credit amounts to 7 percent of all eligible property—4 percent for public utility property—acquired after August 16, 1971. The credit is also extended to property ordered after April 1, 1971, even though delivered before August 16. This latter feature is designed to avoid discriminating against those who invested on or after April 1 on the basis of assurances made by the Secretary of the Treasury that they too would be available for the credit. The investment credit is expected to make from $1.5 billion in 1971 to $3.9 billion in 1973 available to businesses which expand and modernize their equipment and facilities.

While the committee believed that the stimulation of investment through the restoration of the credit is desirable, it nevertheless does not want the tax structure to be too stimulative. Because of this the bill before us removes a part of the liberal ADR depreciation rules the Treasury put into effect by administrative action as of the first of this year—namely, the especially fast writeoff the Treasury provided in the first year assets are acquired. This is the so-called three-quarters year convention. Removing this three-quarters year convention forestalls tax reductions which would otherwise have amounted to $2.1 billion in 1971, decreasing over later years to $1.7 billion in 1972, and $1.5 billion in 1973.

This bill also provides tax reduction for individuals by accelerating the effective dates of the increases in personal exemptions and other relief scheduled under the provisions of the 1969 Tax Reform Act for 1973. In addition, the bill increases the low-income allowance by $300 in 1972.

Also, as I will indicate in more detail in a few moments, the Finance Committee—on my motion—added to the bill a new job development deduction designed to increase jobs in household services and child care and to provide for relief for those with extraordinary expenses of this kind. These provisions grant significant tax reductions for the individuals who have been hardest hit by inflation and where the greatest impact on increased consumer spending can be anticipated.

For 1971, the personal exemption is increased from $650 to $675 and the minimum standard deduction is modified to provide additional relief in the lower income brackets. These changes will provide an immediate tax reduction this year of $1.4 billion.

For 1972 and subsequent years, the bill further increases all personal exemptions to $750. I supported a further increase in the personal exemption in 1972 to $800 but the Finance Committee was not willing to provide this further increase in the personal exemption primarily, I believe, because it would involve a further revenue loss of $1.8 billion.

However, as I indicated, the bill does increase the tax relief for low-income people by raising the minimum standard deduction or low-income allowance from $1,000 to $1,300. This action was taken because we believe that those at the poverty level should not be called up to pay income taxes and also because this is the income level where tax reductions will lead most directly to increases in consumption. In addition, the percentage standard deduction is further increased to 15 percent with a $2,000 ceiling in 1972.

As a result of the income tax relief I have described, by 1972 virtually no individual income tax will be imposed below the poverty level. In 1972, single individuals will pay no income tax until their income exceeds $2,050 and married couples with two children will pay no income tax until their income exceeds $4,300.

The bill also stimulates production in the automobile industry which for many years now has been an important provider of jobs in this country. Because of this, the bill repeals the 7-percent passenger automobile tax and the 10-percent tax on light-duty trucks effective August 16, 1971. The administration has estimated that repeal of the auto tax will result in 600,000 additional domestic automobile sales and 150,000 additional jobs, not counting dealer employees. The House bill would have repealed the tax on light-duty trucks effective September 23, 1971, but the committee thought it would be better to repeal these two taxes as of the same date.

Repeal of the auto tax and the tax on light trucks will provide some $2.6 billion of tax reduction in calendar year 1972. The auto manufacturers have given assurances that these tax reductions, which average about $200 per car, will be passed on to consumers in reduced prices.

Let me turn now to provisions designed to improve our balance of payments. In recent years, the deficits in our balance of payments have been both persistent and increasing, and it is obvious that we must do something to improve the situation. In the second quarter of this year, our balance-of-payments deficit ran at an annual rate of about $23 billion and we no longer have a trade surplus on goods and services. This resulted in the dollar crisis in August when we suspended the convertibility of the dollar into gold.

The Finance Committee is hopeful that the negotiations that the United States is now carrying on with foreign countries in regard to currency and trade will be resolved successfully. However, to help eliminate our balance-of-payments deficits, the committee accepted a number of House provisions and also added other amendments designed to aid in the same objective.

The committee believes the adoption of the investment credit, in itself, will improve our balance of payments by making our productive facilities more efficient, and in this manner help our exporters to compete in foreign markets. In general, the new credit is not to be available for property produced abroad so long as the temporary import surcharge of 10 percent remains in effect. However, the bill grants the President authority during this period to make the credit available for specified articles of foreign produced property where this is in the public interest. An amendment by the committee also gives the President the authority to continue the exclusion from the credit of property produced abroad after the 10-percent surcharge is removed if this is in the public interest. This authority may be exercised on a commodity-by-commodity and country-by-country basis.

Another form of tax incentive is provided by the bill for U.S. firms to increase their exports. This provision provides long-term tax deferral for one-half of export-related profits so long as they are retained in a new type of U.S. corporation known as a Domestic International Sales Corp., or "DISC." This DISC provision has the same objective as the comparable provision in the House bill. However, the committee version of the provision differs from the House provision in three important respects.

First, the committee version allows deferral with respect to one-half of the DISC income as a substitute for the House provision which would grant the deferral largely, though not exclusively, on the basis of incremental exports above 75 percent of the level in the base years 1968 through 1970. In practice, the House provision would have been complex and difficult to apply. The committee version in this respect provides about the same amount of deferral, but is much simpler in application.

Second, the provision under the committee version is to continue for a 10-year period. After that time, the question as to whether it should be further extended or modified can be reconsidered. Third, the DISC deferral is to be denied where the income is used for investments abroad.

Another provision in the bill—one which was added by the committee—also is designed to help our balance of payments. This provision gives the President discretionary authority to impose selective or general import quotas and an import surcharge of up to 15 percent of the value of the imported article during a balance-of-payments emergency.

Finally, under another committee amendment, the automobile tax on imported cars is suspended instead of repealed and the President is given authority to restore the tax if he believes this is in the public interest. It is expected that he will use this authority where the country of origin significantly discriminates against the importation of automobiles or, perhaps other products, made in the United States.

In addition to the committe amendments relating to our balance of payments which I have already described, the bill now before us revises the House bill in a number of other respects.

First, I have already referred to the provision added by the committee relating to the deduction for household service and child care. Looked at one way, this is a new job development deduction provided to encourage the employment of individuals in these types of services. Looked at another way, this provision relieves hardship where one-adult families or two-adult families, but with low combined incomes, must work and, as a result, are faced with substantial extra expenses for child care and work around the house which they cannot do because of their employment. This provision permits families with only one adult—or where the spouse is disabled—and where the husband and wife are both working but have earnings which are not significantly more than $12,000 a year, to deduct up to $400 a month for payments for child care and domestic help in the home. The provision also allows up to $200 a month for child care outside the home for the first child, $300 for the second child, and $400 for three or more children.

Second, because of the lateness in the year, a committee amendment moves the withholding rates changes to January 1, 1972, instead of on November 15, 1971, as provided in the House bill. In addition, corrections in present law withholding rates—there is significant underwithholding—are made wholly effective as of January 1, 1972, instead of in two steps, partially in 1972 and partially in 1973, as provided in the House bill.

Third, the level of used property eligible for the investment credit is not to be reduced by purchases of new property as under the House bill. However, the level of used property eligible for the credit is set at $50,000 instead of at $65,000, which is the same as under prior law.

Fourth, a committee amendment takes note of the fact that since the proceeds of the tax on trucks now go into the highway trust fund, repeal of the tax on light trucks will significantly reduce the flow of tax receipts into this trust fund. To provide an approximately equal replacement of tax revenue for the fund, the committee has amended the bill to require that 7 percent of all taxes collected on alcoholic beverages go into the highway trust fund. This allocation of a modest portion of the tax on alcoholic beverages will have no effect on the taxes on that industry. It will give assurance, however, that the highway program can be carried out on schedule.

Finally, in order to help the work incentive program—WIN—in assisting welfare recipients in getting off the welfare payrolls, the committee provided a special tax credit for employers who hire individuals under such a work incentive program. This tax credit, which was sponsored by the Senator from Georgia (Mr. TALMADGE), amounts to 20 percent of the wages paid to the previous welfare recipients during the first year of employment. The committee is convinced that the small revenue loss involved in this provision will be more than offset by reductions in welfare appropriations as recipients move from welfare to productive jobs.

These then are the principal features of the 1971 revenue bill. It is, on balance, a good bill—one that is urgently needed to get the economy back on its feet again. It is for this reason that I urge you to give this bill your support.

While I can appreciate that Members may want to add amendments to this bill—and I may support a few such amendments—it seems to me that it is essential that we all exercise restraint in offering additional floor amendments to the pending bill. I might also point out that the House Ways and Means Committee has recently ordered reported close to 40 bills which the House has started to consider. These will be here before us soon and the Members will have an opportunity to offer amendments with which they are concerned to these other bills.

Mr. BENNETT. Mr. President, as ranking minority member of the Committee on Finance I would like to join the chairman of the committee in expressing the feeling that this is a good bill. The committee worked hard on it. We tried to carry out the wishes of the President and at the same time carry out some of the wishes of the members of the committee which went beyond the President's program.

Mr. President, the Revenue Act of 1971 is an essential element of the actions announced by the President on August 15 to revitalize the American economy. These actions include the imposition of a 10 percent surcharge on imports, suspension of the convertibility of the dollar into gold, and a wage-price freeze which has led to the establishment of machinery to wind down the inflation which has permeated our economic system for over 6 years.

The primary objective of the Revenue Act of 1971 is job development. The means to accomplish this result include restoration of the 7 percent investment tax credit, a codification of the asset depreciation rules of the Treasury Department, speed-up of some individual income tax cuts and enactment of others, repeal of the Federal excise tax on automobiles and light trucks, and tax incentives to spur exports.

Experience with the earlier investment tax credit demonstrates that the domestic benefits will be great. The enactment of such a credit in 1962 together with the liberalization of the depreciation schedules were vitally important in stimulating the economy to substantial economic growth without inflation until 1965.

Suspension of the credit in 1966 signaled a sharp investment decline. Its restoration in 1967 reversed the downward trend and purchases of plants and equipment soared until 1969 when the tax credit was repealed. Another investment slump followed, and it persists today.

History suggests that reinstating the credit will again point the way to an economic upturn. But it can do the job only as part of a total assault on all the causes of economic lethargy, both domestic and international.

For example, after 1965 burgeoning budget deficits and a guns and butter approach in our fiscal policies put so much steam in the boiler that the economy began racing ahead at breakneck speed. Wages and prices got out of control, the demand for civilian and military goods exceeded the supply of such goods, and this further stimulated price inflation. The "inflationary psychology" which developed became so embedded in market forces that general monetary policy no longer could cope with the situation.

At the same time, productivity dropped off sharply. This led to a deterioration in our international competitive position. In 1971, we have been running an overall deficit in our balance of payments at the astounding rate of $22 billion. The dollar has been under attack in foreign exchange markets and the President acted boldly and decisively on August 15 to throw off the shackles of the gold exchange standard by severing the direct ties between the dollar and gold.

Mr. President, this is not a partisan bill. It should be clear to everyone that the main thrust of stimulating jobs through investment and modernizing American plants and equipment is in our national interest. While this bill will lead to an increase in business investment it also will increase consumer purchasing power through higher allowances for the poor, a speedup in individual tax reductions, and the elimination of the excise tax on automobiles.

No doubt, there will be those who will argue that H.R. 10947 concentrates too much on revising the economy through investment stimuli and that it does little to reduce the tax load of individuals. Let me put the situation in perspective. Any fair assessment and comparison of tax cuts to business and individuals should include what the Congress did in the Tax Reform Act of 1969. We cannot ignore it; its provisions are still going into effect—this year, next year and 1973, as well. In that act, Congress granted a massive tax cut for individuals amounting to $36.4 billion over a 4-year period, while increasing the corporate income tax payments by $3.2 billion.

I ask unanimous consent that a table showing the estimated effects of the 1969 Tax Reform Act together with the committee's action in the Revenue Act of 1971 be included in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE II.—ESTIMATED EFFECT OF 1969 TAX REFORM ACT, ADR AND WAYS AND MEANS COMMITTEE ACTION ON CALENDAR YEAR LIABILITIES DIVIDED BETWEEN INDIVIDUALS AND CORPORATIONS

[In billions of dollars]

| | Individual | | | | | | | | Corporations | | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | 1969 act | | | Committee action | | | | | 1969 act | | | Committee action | | | | |
| Calendar year | Reform and relief | Termination of invest-ment credit | ADR | Eliminate ADR ¾ year convention | Income tax reduction | Excise tax relief[1] | New investment credit | Total | Reform and relief | Termination of investment credit | ADR | Eliminate ADR ¾ year convention | New investment credit | DISC | Excise tax relief[1] | Total |
| 1969 | | +0.4 | | | | | | +0.4 | | +0.5 | | | | | | +0.5 |
| 1970 | −1.4 | +.6 | | | | | | −.8 | +1.0 | +1.9 | | | | | | +2.9 |
| 1971 | −5.2 | +.6 | −0.6 | +0.4 | −1.4 | −0.8 | −0.3 | −7.3 | +1.1 | +2.5 | −2.2 | +1.7 | −1.2 | | −0.1 | +1.8 |
| 1972 | −8.1 | +.6 | −.7 | +.3 | −3.2 | −2.3 | −.7 | −14.1 | +1.2 | +2.7 | −2.7 | +1.4 | −2.9 | −0.1 | −.3 | −.7 |
| 1973 | −10.9 | +.6 | −.8 | +.3 | −1.1 | −2.0 | −.8 | −14.6 | +1.3 | +2.9 | −3.2 | +1.2 | −3.1 | −.2 | −.2 | −1.4 |
| Total | −25.5 | +2.8 | −2.1 | +1.1 | −5.7 | −5.1 | −1.8 | −36.4 | +4.6 | +10.5 | −8.1 | +4.2 | −7.2 | −.3 | −.6 | +3.2 |

[1] Split as per committee report.

**Mr. BENNETT.** Let me observe that $28 billion of the individual tax cuts provided by the 1969 act would come in 1972 and 1973. H.R. 10947 accelerates a good part of the 1972 cuts into 1971 and moves all the 1973 cuts back into 1972, providing a more immediate economic impact on consumer purchasing power.

Personally, I am pleased that the President recognized the importance of a balanced approach to economic recovery by recommending that higher personal exemptions go into effect in 1972. I am pleased, too, that the administration agreed to increases in the low-income allowance included in the bill. This combination—investment stimuli for business and consumption stimuli for individuals—makes H.R. 10947 a potent force in overcoming stubborn unemployment rates, which frankly are too high. At once, this bill will lead to not only greater and more efficient business productivity, but also to greater consumer purchasing power and demand.

It is a fact that increased business investment will create new jobs, improve our sagging productivity, growth, and international competitiveness. In this respect, let me point out that other governments provide their industries with more fiscal incentives to invest in modernizing plants and equipment to maintain their competitiveness than we do. In comparing the cost of capital between the major developed countries, we find the United States at the bottom of the scale. Capital costs, per dollar, today are vastly lower in other industrialized nations than they are in the United States. Compared with this country, the cost of $1 of capital is: 79 cents in the United Kingdom, 81 cents in Japan, 82 cents in Italy, 83 cents in West Germany, $1 in the United States.

These lower costs result directly from enlightened depreciation policies and investment incentives offered by foreign governments to spur their industries and create jobs.

Even with the 7-percent-job-development credit and the ADR depreciation system, U.S. industry will still not be on an equal footing with foreign competitors. H.R. 10947 is an important step in the right direction, however, in reducing our capital costs by 13 percent. While this does not close the gap between us and our major trading partners, the resulting 87 cents per dollar capital cost will go far toward making investment in this country more attractive than it is today. Hopefully, we can slow the movement of American plants abroad and keep the jobs in this country.

This same concern about runaway industry underlies the committee amendments which endorse tax incentives for exports through DISC's—the Domestic International Sales Corporations. What we hope to achieve by this amendment is to encourage manufacturing concerns to stay in this country—keep the jobs at home—and export more American goods and services. When we see the tremendous concessions foreign countries grant their industries to produce at home and sell abroad, there is little wonder why more and more American industries are moving overseas. DISC can help keep the jobs here and in my judgment that should be one of our great national goals. Today, there just are not enough jobs to go around.

The committee added four significant job development amendments to the bill. I am pleased to be the author of two of them. The first empowers the President to continue the suspension of the investment tax credit for foreign goods after the import surcharge is ended. This would strengthen the President's hand in negotiating currency realinements with our trading partners. Perhaps it will make possible the removal of the surcharge sooner than would otherwise be the case while still preserving an incentive for U.S. business to invest in U.S. plant and equipment.

The second amendment empowers the President to reimpose the excise tax on foreign automobiles if he finds that foreign countries continue to discriminate against U.S. automobiles. If we can spur auto exports, then American labor will be a principal beneficiary. I am convinced that by giving the President authority to reintroduce the excise tax, he will have an important bargaining tool in seeking fair treatment for American exports. There is no reason to believe it will be used so long as there is not a complete breakdown of trade negotiations.

The bill also contains a job development credit for employing workers trained under our welfare laws. Similarly, it contains amendments offered by the distinguished chairman of the committee to upgrade the child care provisions in existing law and allow deductions for housekeeping expenses incurred in caring for children or disabled dependents of a single parent, or a working wife if the combined income of the husband and wife is below the national medium. These two amendments can have a significant impact on welfare costs and welfare rolls. If they are successful, we will have taken a giant step toward making workfare more—more attractive than welfare.

I want to commend the chairman of the committee (Mr. LONG) for the diligence and patience with which he conducted the public hearings and executive sessions on this bill. Without his leadership, the bill might still be in committee. I want to also commend members of the committee who withheld important amendments that they wanted to offer in order that this bill and the Nation not be delayed in achieving economic recovery. I hope Senators in this Chamber will be equally responsible and restrain their amendments to those directly related to the purpose of the bill.

Particularly, let me make this observation regarding personal tax cuts. The principal purpose of the bill is job development. Cutting individual income taxes is not going to help a person who has no job. He is not paying taxes anyway. On the other hand, the job development aspects of the bill will be of immeasurable benefit to him. Let us pass it now—promptly—and make economic recovery an economic reality.

### ORDER FOR PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. ALLEN. Mr. President, acting for the distinguished majority leader and at his request, I ask unanimous consent that tomorrow after the conclusion of the remarks of the distinguished senior Senator from Oklahoma (Mr. HARRIS) there be a period for the transaction of routine morning business for not to exceed 30 minutes with speeches by Senators limited to 3 minutes at the conclusion of which the Chair will lay before the Senate the unfinished business, H.R. 10947.

The PRESIDING OFFICER. Without objection, it is so ordered.

### ORDER OF BUSINESS

Mr. LONG. Mr. President, I have discussed this matter with those who work with and for the majority leader, and I understand it is his desire to convene at 9 o'clock tomorrow morning. That is in accordance with our desire.

The PRESIDING OFFICER. The Senator is correct. An order has been entered to that effect.

### ADJOURNMENT UNTIL 9 A.M.

Mr. LONG. So, Mr. President, I move that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 6 o'clock and 30 minutes p.m.) the Senate adjourned until tomorrow, Friday, November 12, 1971, at 9 a.m.

### NOMINATIONS

Executive nominations received by the Senate November 11, 1971:

U.S. DISTRICT COURTS

James S. Holden, of Vermont, to be U.S. district judge for the district of Vermont, vice James L. Oakes, elevated.

DEPARTMENT OF AGRICULTURE

Earl Lauer Butz, of Indiana, to be Secretary of Agriculture.

# EXTENSIONS OF REMARKS

### MAN VERSUS INSTITUTION

## HON. EDWARD J. DERWINSKI

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. DERWINSKI. Mr. Speaker, the Perspective page of the Chicago Tribune, which has gained nationwide attention for the nature and variance of its commentary, featured a column in its Tuesday, October 26, edition by columnist Ernest Furgurson of the Baltimore Sun, which highlighted two very interesting subjects which deserve our scrutiny.

One makes the point of the right a conscientious student has to receive an education without interference from social malcontents.

The other points out the proper emphasis which the Air Force Academy is placing and the necessary action being taken to prevent abuse by an individual of his service academy training and his resulting obligation.

MAN VS. INSTITUTION

(By Ernest Furgurson)

WASHINGTON.—Let's hear it for Nancy Graber, who has socked Vassar College with a million-dollar suit for tolerating her schoolmate's pot smoking to the extent that it ruined her studies.

Also let's hear it for the United States Air Force [?].

In the continuing campaign of individual vs. institution so brashly pushed by young Americans these last years, there is no more heartening intelligence than Miss Graber's individual assertion that the young ladies' institution at Poughkeepsie-on-the-Hudson has let permissiveness go a long step too far.

Unless, perhaps, it is the parallel action of the Air Force as an institution against a 24-year-old individual who has enjoyed a four-year education at government expense and now decided with exquisite timing that he doesn't really like the Air Force business after all.

Each case, you see, breaks the pattern that got to be so boring—that of freedom-loving student or other juvenile challenging stuffy conservative institution and sometimes prevailing and sometimes losing, but always drawing hosannas from the youth cultists and two minutes on the evening news.

Here we have a straight-arrow student [insofar as her attitude toward dope is concerned; I care not how she feels about sex, booze, religion, or "Oh! Calcutta!"] cast as heroine, and on the other stage the most expensive of the overabused military branches, the wielder of the big bomb itself, playing hero. Ask who cast them in these roles, and I will answer: Me.

I am qualified to, along with X-million other parents in this country who have sent, are sending, or are saving to send their children to college on their own [the parents'] hard-earned money.

That is how the 20-year-old Miss Graber went to Vassar, which is a lot more dear than your average county community college. Having shelled out for tuition, room, books, and whatall, she found herself billeted with a roommate she refers to out of legal discretion merely as "Pamela." Pamela got her collegiate career off to a fast start by taking a whiff of hemp and, in the words of the Graber suit, "quickly embraced all aspects of the drug culture" and "became a focal point of all the drug users on campus."

Well, that's Pamela's business, you may say. Perhaps so, even when it is against the law. "But being a focal point meant having psychedelic gatherings, playing loud music, and singing with abandon and all thru the night, both in our suite and elsewhere in the corridor," Miss Graber said. And since Nancy and Pamela were roomies and Nancy had this queer notion about doing her homework, they didn't precisely groove together.

Now Nancy is suing for $1 million, on grounds that the college's laissez-faire attitude toward Pamela's partying caused her failure and that this will stigmatize her in later life.

At the Air Force Academy, they don't go in for Vassar's style of progressive education in either classrooms or dorms. But that did not bother young John McCullough, from the time he signed his contract until six months after he graduated last June with a bachelor's degree financed by you and me.

His contract required McCullough to serve six years, five of them on active duty after graduation. He opted to go to law school first and do his active duty later. The Air Force agreed. While his time at law school did not count as active duty, it did add to his service longevity, and once he had six months of that, he was exempt from the draft. So six months, two weeks, and one day after graduation from the academy, McCullough notified the Air Force that he was a conscientious objector.

Pretty neat. He gets a high-class education, he beats the draft, and the taxpayers never get a day's work out of him.

He breaks his contract, which is something any ordinary workingman attempts at considerable peril. But—stroke of brilliance!—he breaks it because he disagrees with the Vietnamese war.

The Air Force, unamused, is billing McCullough for $53,575, which it figures is his prorated share of Air Force Academy expenses for four years. McCullough's senator, Mark Hatfield, calls the billing un-American and undemocratic. I call it an admirable effort to recover our good-faith investment in the young gentleman.

Good faith—sounds quaint, doesn't it?

### FOR MANY AMERICANS, NOVEMBER 11 IS ARMISTICE DAY

## HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. SIKES. Mr. Speaker, November 11 is an appropriate day to pay tribute again to the gallant men and women of America who have worn their Nation's uniform with dignity and honor. For many Americans it is and always will be Armistice Day.

Federal law notwithstanding, this is the anniversary of the end of World War I and a day traditionally set aside to honor the veterans of the U.S. Armed Forces.

Although more and more people appear to consider it fashionable to belittle the military, it remains an unquestioned fact that it is the military might of the United States which has kept much of the world free of oppression and slavery under communism and other alien forms of dictatorship.

It is the very dedication of those who wore the uniform that has guaranteed freedom in our Nation; even freedom to abuse our country and its institutions. One need not ponder long the fate of anyone who, in 1916 or 1942, strode the streets of America waving the flag of our enemies, calling for the overthrow of our form of Government, and castigating the men and women who wear our Nation's uniform. Yet, this is exactly what occurs on our streets today. This freedom to denounce has been won and kept secure by the very men and women the radicals belittle. The tragic part is the failure of other Americans to speak out in behalf of our country, its traditions, and its veterans.

We do not today show sufficient regard for our veterans and their services, Mr. Speaker. True, many of them receive veterans benefits, but there is more to having served America than a dollar benefit. They are entitled to the respect and appreciation of their countrymen. As old fashioned as it may sound, we need a few more parades to honor veterans and a few less demonstrations against America.

Let those who would seek means to let off steam do so by being affirmative rather than negative. Let them ponder history as it would have been written had there not been Americans willing to shed their life's blood in defense of freedom.

And let us on that solemn day, November 11, reaffirm our belief that the highest call to national service is the call answered by the brave Americans who wear their uniform with pride.

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## THE DWIGHT DAVID EISENHOWER LABORATORIES, BOULDER, COLO.

## HON. DONALD G. BROTZMAN

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BROTZMAN. Mr. Speaker, I am today introducing legislation which would change the name of the Department of Commerce laboratories in Boulder, Colo., to the Dwight David Eisenhower Laboratories.

These laboratories, located at the foot of the Rocky Mountains, were opened during the autumn of 1954, early in the first administration of President Eisenhower. Although the facilities originally housed the radio section of the National Bureau of Standards, they have since grown to include segments of the National Oceanic and Atmospheric Administration, and numerous other Department of Commerce laboratories.

The commitment of President Eisenhower to the peaceful uses of scientific advancement is well known. The Boulder laboratories, like the atoms for peace plan and the space program, evidenced his interest. As a matter of fact, it was President Eisenhower who formally dedicated the original Boulder laboratories on September 14, 1954.

The Boulder facility was first initiated in 1950 when Congress authorized an expanded radio section for the National Bureau of Standards. A site selection committee chose Boulder when the citizens of the city gave the Government 217 acres of land for the facility.

In addition to President Eisenhower's interest in science, there was also his interest in Colorado. His wife is from Denver, and Ike often vacationed in the State. Thus, it is altogether fitting that the Government he served in war and peace permanently honor his memory at one of its many fine scientific facilities located in the State of Colorado.

I note, Mr. Speaker, that the distinguished Senators from Colorado, Mr. ALLOTT and Mr. DOMINICK, are today introducing an identical proposal in the other body. We all join in expressing the hope that Congress will act to name the Commerce Department's Boulder laboratories in honor of one of the Nation's truly outstanding soldier-statesmen.

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## NATIONAL ENERGY POLICY—PART XI

## HON. LAWRENCE COUGHLIN

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. COUGHLIN. Mr. Speaker, recently, in my capacity as a member of the Science and Astronautics Committee's Task Force on Energy, I visited with some of my colleagues Princeton University's Plasma Physics Laboratory in order to understand better the problems and possibilities of fusion power. Other members of the task force also visited FMC Corp.'s Chemical Research and Development Center in Princeton to hear an explanation of the firm's plan to make synthetic fuels from coal.

The visit was instructive in many respects, but it is neither the time nor my place here to elaborate on all we learned that day.

However, I was given, as were my task force colleagues, some published, but not widely circulated, information on national energy policy matters which I believe might interest not only all my colleagues here in the House, but those citizens who seek to establish some order out of the current chaotic state of our energy system.

One of the key problems in establishing a National Energy Policy is understanding what new systems of energy conversion are possible, their feasibility, how much they may cost, and when they might be put to practical use. The information below describes in detail the current state of recommended research projects for energy conversion, their priorities, benefits, status of work, significant obstacles, and estimated costs and schedules.

I have taken the information from appendix B of the "Electric Utilities Industry Research and Development Goals Through the Year 2000," a report of the R. & D. Goals Task Force to the Electric Research Council, dated June 1971, ERC publication No. 1–71. Although written for industry, the material, I believe, is sufficiently dispassionate to warrant consideration by those in our Government charged with establishing a National Energy Policy.

The material follows:

### NATIONAL ENERGY POLICY

Method of Generation: Breeder Reactors.

Priority: 1—Critically Important.

Description: Breeder reactors utilize neutrons produced in fission reactions to bombard blanket materials, thereby creating a new fissionable material. Since the schemes under investigation produce more than one neutron per fission, there are sufficient numbers of neutrons available to sustain the fission chain reaction and to produce significant amounts of new fissionable material. Power is extracted from the reactor in a conventional manner.

Benefits and Goals: Breeder reactors will have a marked impact on the fuel situation. Fuel reserves will be greatly conserved and enrichment capacity will no longer be critical as the breeder reactors will be producing fissionable fuels—enough for themselves and another reactor of equal size approximately every 7–10 years.

Status of Work: There is presently and has been for some years a good deal of work in the field of breeder reactors. Principally, the AEC and the industry have been supporting the Liquid Metal Fast Breeder Reactor (LM FBR). Other concepts have been proposed, however, and there is work going on to investigate Molten Salt Breeder Reactors, Gas Cooled Fast Reactors, and Light Water Breeder Reactors.

Significant Obstacles: The chief immediate problem is to raise funds and begin construction of a demonstration plant to prove the present technology. There will be difficult problems of site selection for breeders. Additional problems, primarily due to the higher enrichment of the fuel than for thermal reactors, are ability to license, plant safety, shipping of spent fuel, and disposal of more radioactive wastes.

*Timetable and costs for development—Millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 250 |
| 1973 | 340 |
| 1974 | 369 |
| 1975 | 427 |
| 1976 | 432 |
| 1977 | 476 |
| 1978 | 415 |
| 1979 | 331 |
| 1980 | 208 |
| 1981 to 1985 | 500 |
| 1986 to 1990 | 250 |
| 1991 to 2000 | 200 |
| By function: | |
| Demonstration * (three plus Fermi) | −1,250 |
| Continuing Research | −2,948 |
| Total (29 years) | −4,198 |

* Capital costs in excess of power value.

Method of Generation: Nuclear Fusion.

Priority: 1—Critically Important.

Description: Confinement of heavy isotopes of hydrogen (deuterium and/or tritium) at sufficiently high temperature and density, and for a long enough time will result in the fusion of these isotopes to produce a heavier element and the release of a large amount of energy. Conversion of this energy to electricity is the method of power production by means of a nuclear fusion reaction.

Benefits and Goals: The fuel required for the fusion reaction (deuterium) is naturally abundant. If a D–T reaction is used, the tritium required could be taken from a tritium inventory at first and, in the future, the tritium could be "bred" during the fusion reaction. Higher efficiencies are possible if topping cycles can be used to extract high quality energy and adverse environmental impact will be minimal. In addition, the chance for a nuclear excursion will be impossible.

Status of Work: In recent years, important strides have been made toward setting up the conditions required for the thermonuclear fusion reaction. Large scale efforts have been going on both in this country and abroad and the scientists seem to agree that a controlled thermonuclear reaction will be demonstrated by the mid 1970s, with satisfactory funding.

Significant Obstacles: The chief problem at this stage is to actually sustain a thermonuclear reaction. Additional problems are: design of vacuum wall, avoiding escape of tritium, lithium blanket design, chemical and safety aspects of handling liquid lithium, fuel injection system, spent gas removal system, magnet design and tritium handling.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 50 |
| 1973 | 60 |
| 1974 | 95 |
| 1975 | 110 |
| 1976 | 135 |
| 1977 | 160 |
| 1978 | 170 |
| 1979 | 215 |
| 1980 | 245 |
| 1981 to 1985 | 1,000 |
| 1986 to 1990 | 1,000 |
| 1991 to 1995 | 500 |
| 1996 to 2000 | 500 |
| By function: | |
| Basic Research | 1,240 |
| Pilots (late 1970's) | 300 |
| Demonstration (by mid-1980's) | 1,000 |
| Continuing Research | 1,700 |
| Total (29 years) | 4,240 |

Project: R&D on Present Methods of Generation.

Priority: 1—Critically Important.

Description: Work to improve the reliability and efficiency of present day equipment must be continued. Because the units on the line today will be in our generation mix for many years to come, it is essential that all possible improvements be made on these units to make them more efficient, reliable, and acceptable to the public. This work must continue on nuclear generators as well as fossil, including fluidized bed combustion.

Benefits and Goals: Because of the heavy industry-wide investment in present day equipment, it is essential that any and all possible improvement be realized. Operating savings and reduced environmental impact would be hoped for.

Status of Work: For many years past and up to this time, leading manufacturers have been seeking ways to improve their products. These efforts have involved substantial sums of money which would be expected due to the heavy industry investment in generating equipment. It is expected that such work will continue.

Significant Obstacles: Materials problems have been defined in many instances. Work to develop materials capable of handling the severe stresses which they face in operation is underway. On the nuclear side, fuel handling and cycling problems are being investigated along with safety requirements for nuclear power plants.

*Timetable and expenditures—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 165 |
| 1973 | 180 |
| 1974 | 195 |
| 1975 | 210 |
| 1976 | 225 |
| 1977 | 240 |
| 1978 | 255 |
| 1979 | 270 |
| 1980 | 285 |
| 1981 to 1985 | 1,650 |
| 1986 to 1990 | 2,025 |
| 1991 to 1995 | 2,400 |
| 1996 to 2000 | 2,775 |
| Total (29 years) | 10,875 |

IV

Method of Generation: Fuel Processing.

Priority: 1—Critically Important.

Description: Gasification and solvent processing of coal, and hydrogen production (to be used as fuel) are proposed to provide high quality clean fuels for generating plants. The refined coal products are projected to be economically attractive in the fuel market. Transmission of hydrogen by pipeline to the point of use could be an attractive prospect in the future as natural gas fuels dwindle.

Benefits and Goals: Greatly reduced pollution from the combustion of these refined fuels is projected. Higher heat rate and ease of transportation of the fuel to the point of use are predicted benefits which will add to the economic attractiveness of these processes.

Status of Work: There is a great deal of interest in these processes and considerable work is going on under the auspices of the Federal Government. Mid 1970 dates of development have been targeted and progress is steady.

Significant Obstacles: Gasification and solvent processing techniques are being perfected. Areas of poor understanding have been identified and work in these areas is underway to improve the techniques.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 8 |
| 1973 | 10 |
| 1974 | 10 |
| 1975 | 15 |
| 1976 | 10 |
| 1977 | 6 |
| 1978 | 2 |
| 1979 | 2 |
| 1980 | 2 |
| 1981 to 1985 | 5 |
| 1986 to 1990 | 5 |
| 1991 to 1995 | — |
| 1996 to 2000 | — |
| By function: | |
| Basic Research | 6 |
| Pilot Models | 16 |
| Demonstration | 45 |
| Continuing Research | 8 |
| Total (19 years) | 75 |

Method of Generation: Magnetohydrodynamics (MHD)—open cycle.

Priority: 2—Very important.

Description: An MHD generator converts the kinetic and thermal energy of a moving plasma directly into electrical energy by passing the "seeded" flow through a strong magnetic field. Seeding is required to produce high conductivity in the gas flow. The MHD unit will probably be used to "top" a conventional steam cycle. Fully developed, 50% or more of the total output power of the combined cycle will be extracted from the MHD portion.

Benefits and Goals: MHD is proposed for fossil fired, central station, base load power production. Peaking power MHD plants would likely be spun off from an MHD developmental program. Increased cycle efficiencies are projected, resulting in significant decreases in thermal pollution. Higher combustion temperatures should facilitate flue-gas cleanup (essential to the process in order to recover expensive seed material) and could provide economies resulting from the sale of refined waste products. Increased efficiency will also help alleviate projected fossil fuel shortages by requiring less fuel for the generation of a given number of kilowatthours than present day generators.

Status of Work: MHD technology is well advanced, both in this country and abroad. Engineering solutions to many problems encountered have been found. Significant efforts have been carried on in the decade of the 60's, providing much insight into problem areas and potential problems of open cycle MHD. It has been reported that the Russians have started up the MHD portion (25 MW) of a 75 MW combined cycle plant early this year.

Significant Obstacles: Problems encountered in the burning of coal in an MHD generator are presently not well understood. The effects of the combustion products on generator performance and lifetime need to be investigated. Preheater technology and methods of highly efficient stack-gas cleaning are other areas in which significant work is required for MHD base load plants.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 4.2 |
| 1973 | 4.4 |
| 1974 | 4.7 |
| 1975 | 9.5 |
| 1976 | 16.2 |
| 1977 | 14.4 |
| 1978 | 5.0 |
| 1979 | 4.5 |
| 1980 | 30.0 |
| 1981 to 1985 | 120.0 |
| 1986 to 1990 | 25.0 |
| 1991 to 1995 | ----- |
| 1996 to 2000 | ----- |
| **By function:** | ***Million*** |
| Basic research | 12.3 |
| Pilot | 39.0 |
| Demonstration | 150.0 |
| Continuing research | 36.6 |
| Total (19 years) | 237.9 |

**Method of Generation: Fuels Cells.**

Priority: 2—Very Important.

Description: The fuel cell intended for substation application and installation at isolated locations on distribution circuits would utilize a fossil fuel, air, and water. These would be processed and sent to the hydrocarbon-air fuel cell where chemical reactions would produce dc power. Resultant waste products would be air, water, and heat which could be recycled for the most part in the fully developed system.

Benefits and Goals: The chief goal of fuel cells for substation use is to provide economic generation at dispersed locations on a power system in 10–20 MW blocks. Reduced physical plant investment in transmission lines (resulting in environmental improvement), centralized base-load generating plants, and substation equipment will help provide economic incentive for this method. Air pollution problems should be eased by the employment of fuel cells because of (1) reduced emissions from the cells themselves, and (2) "scattered" sources of emissions. Because of probable modular construction, high reliability can be attained from these units. Siting problems could be minimized if, as predicted, fuel cells could be located in urban areas and areas where water is scarce.

Status of Work: Fuel cells have been developed for use in the United States space program. These were hydrogen-oxygen cells, much too costly and inefficient for power system application. The technology is, however, in hand for the development of hydrocarbon-air fuel cells, and considerable work is presently being carried on in the United States.

Significant Obstacles: Developing multi-fuel capabilities, achieving higher voltage output, interfacing with electric utilities, meeting desired economic design criteria and operating endurance are the areas of fuel cell development requiring the most effort.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 6.5 |
| 1973 | 8.0 |
| 1974 | 4.0 |
| 1975 | 4.0 |
| 1976 | 3.0 |
| 1977 | 2.0 |
| 1978 | 2.0 |
| 1979 | 2.0 |
| 1980 | 2.0 |
| 1981 to 1985 | 5.0 |
| 1986 to 1990 | -- |
| 1991 to 1995 | -- |
| 1996 to 2000 | -- |

| | |
|---|---|
| By function: | |
| Basic Research | 9.4 |
| Pilot Plants | 8.6 |
| Demonstration (by late 1970's) | 10.5 |
| Continuing Research | 10.0 |
| Total (14 years) | 38.5 |

Method of Generation: Bulk Electric Storage Batteries.

Priority: 2—Very Important.

Description: Bulk electric storage batteries envisioned for use on power systems would serve a purpose similar to that of pumped storage. During "off-peak" hours, low cost power would be used to charge the batteries (made of materials capable of storing large amounts of power). During peak conditions, the batteries would be connected to the system for power production.

Benefits and Goals: The development of large energy storage batteries would allow more efficient use for installed generating equipment and would eliminate the need of relatively inefficient steam and gas turbines for peaking power. If charged by means of base-load nuclear plants, air pollution would not be associated with this peak power. Dispersed siting near load centers and perhaps even in the cities would be possible with bulk storage batteries.

Status of Work: Most of the work done to date on bulk energy storage batteries has been single cell experiments. Many combinations of electrodes and electrolytes are being tested for maximum energy density, acceptable high temperature performance characteristics, etc. Problem areas are still being identified and actual batteries have not as yet been built. This technology is in its infancy.

Significant Obstacles: Among those problems already identified in storage battery research are materials corrosion at high temperatures, incomplete discharge, and large voltage drops at the electrodes. Systems engineering problems have not been identified at this time, but they are expected to be encountered when we try to incorporate large batteries into our generation mix on the power systems.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 5.0 |
| 1973 | 5.0 |
| 1974 | 6.0 |
| 1975 | 6.0 |
| 1976 | 4.0 |
| 1977 | 4.0 |
| 1978 | 5.0 |
| 1979 | 5.0 |
| 1980 | 5.0 |
| 1981 to 1985 | 5.0 |
| 1986 to 1990 | 10.0 |
| 1991 to 1995 | ---- |
| 1996 to 2000 | ---- |
| By function: | |
| Basic research | 8.0 |
| Pilot models | 15.0 |
| Demonstration (by early 1980's) | 20.0 |
| Continuing research | 17.0 |
| Total (19 years) | 60.0 |

Method of Generation: Unconventional Cycles.

Priority: 3—Important.

Description: The use of helium or $CO_2$ as a working fluid instead of conventional steam, or the use of two working fluids (e.g., potassium and steam) in the power cycle allows for the rise of higher temperatures and pressures in the plant cycle. For the case of the potassium binary cycle or the helium cycle, special turbines would be required for the power extraction from these fluids. In the binary cycles, the balance of plant is conventional steam.

Benefits and Goals: Unconventional cycles utilizing working fluids other than steam offer increased efficiencies, for the most part, for present day plant designs. Higher efficiencies result in savings of operating dollars and reduced thermal waste. Problems with corrosion are lessened or eliminated by the use of $CO_2$ or helium in conventional cycles. Binary plants offer increases in efficiency on the order of 15% since power is extracted from high quality heat before the fluid produces steam for the conventional steam cycle, that steam at modern day conditions.

Status of Work: A good number of studies and some tests have been performed on these unconventional cycles. Problem areas have been identified and some engineering solutions have been proposed. Much of this work is interesting because of the capability shared by several of these methods to extract power from very high temperature fluids, making the concepts applicable (perhaps) to high temperature nuclear reactors.

Significant Obstacles: Design, development, and testing of new turbines, shaft seals, condensers, etc. would be required for some of the proposed concepts. Effects of the working fluid on life-time of all equipment would require investigation. There are no apparent technological roadblocks to impede the development of any or all of these unconventional cycles.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 6.0 |
| 1973 | 6.0 |
| 1974 | 9.0 |
| 1975 | 9.0 |
| 1976 | 6.0 |
| 1977 | 4.5 |
| 1978 | 3.0 |
| 1979 | 3.0 |
| 1980 | 3.0 |
| 1981 to 1985 | 7.5 |
| 1986 to 1990 | --- |
| 1991 to 1995 | --- |
| 1996 to 2000 | --- |
| By function: | |
| Basic Research | 11 |
| Pilot Models (by late 1970's) | 30 |
| Demonstration | -- |
| Continuing Research | 16 |
| Total (14 years) | 57 |

Method of Generation: Solar Energy Conversion.

Priority: 4—Desirable.

Description: Conversion of the sun's energy to electric energy can be accomplished either directly through photovoltaic cells or indirectly by means of collecting and focusing this energy to a point. In the former method, solar cells convert a portion of the energy incident to them by means of voltage differences between materials of the cell. In the latter method, the sun's energy is used to produce steam, which is then sent through a conventional steam plant.

Benefits and Goals: Solar energy conversion offers free fuel and greatly reduced environmental intrusion. Large land area requirements would be the only intrusion by a scheme utilizing photovoltaic cells for the direct conversion.

Status of Work: Virtually all of the work done on the development of solar energy conversion schemes has been done in connection with the United States space program. Satellites are currently being powered by solar cells. Only recently have the efforts of the scientists and engineers in the solar energy conversion field been turned toward the commercial application of solar cells.

Significant Obstacles: Discouragingly low efficiencies (on the order of 10%) of present day solar cells, and the very high cost of producing these cells are the two most significant obstacles. Low efficiency requires huge land area for a sizable power plant. Increasing the efficiency of the cells to 20% (as some feel possible) would reduce the land area required for the same plant by 50%. Development of auxiliary equipment for fully deveoped plants is another area where significant work is required.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 3.0 |
| 1973 | 3.0 |
| 1974 | 4.0 |
| 1975 | 4.0 |
| 1976 | 4.0 |
| 1977 | 8.0 |
| 1978 | 10.0 |
| 1979 | 15.0 |
| 1980 | 17.0 |
| 1981 to 1985 | 45.0 |
| 1986 to 1990 | 30.0 |
| 1991 to 1995 | 15.0 |
| 1996 to 2000 | 10.0 |
| By function: | |
| Basic resarch | 22.0 |
| Pilot models (late 1970's) | 22.0 |
| Demonstration (mid-1980's) | 50.0 |
| Continuing research | 76.0 |
| Total (29 years) | 168.0 |

Method of Generation: Magnetohydrodynamics (MHD)—liquid metal.

Priority: 4—Desirable.

Description: The differences between a liquid metal MHD generator and a plasma MHD generator are basically two: (1) the working fluid; and (2) the method of power extraction. In a liquid metal MHD unit, the power is extracted as alternating current by taking advantage of the difference in velocity between the fluid and the applied magnetic field.

Benefits and Goals: Liquid metal MHD appears promising since, due to its operation at lower temperatures, no significant materials breakthroughs seem to be required for its development. Used as a topping cycle, this concept would afford increased efficiency with its related benefits.

Status of Work: Work done in the past has shown that power can be extracted from an induction liquid metal MHD generator. However, predicted efficiencies and performance have not been reached for a number of reasons. Some work on this concept is still continuing, both in the U.S. and abroad.

Significant Obstacles: Problems with generator performance have been uncovered during model testing of these generators. Failure to completely understand and compensate for these difficulties has resulted in an inability to attain the level of performance predicted for this concept. Specifically, claimed increases in efficiency have not been realized in units suitable for power system application. Increased understanding of the systems engineering problems and component problems is necessary.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 0.3 |
| 1973 | .8 |
| 1974 | .8 |
| 1975 | 1.0 |
| 1976 | 1.0 |
| 1977 | 2.0 |
| 1978 | 2.0 |
| 1979 | 5.0 |
| 1980 | 5.0 |
| 1981 to 1985 | 10.0 |
| 1986 to 1990 | 5.0 |
| 1991 to 1995 | |
| 1996 to 2000 | |
| By function: | |
| Basic research | 7.4 |
| Pilot models | 3.0 |
| Demonstration (by mid-1980's) | 10.0 |
| Continuing research | 12.5 |
| Total (19 years) | 32.9 |

Method of Generation: Magnetohydrodynamics (MHD)—Closed cycle plasma.

Priority: 4—Desirable.

Description: The basic principle underlying the operation of closed cycle plasma MHD is the same as that for open cycle MHD—conversion of thermal and kinetic energy of the flowing plasma to electric power. Seeding of the plasma is not required (but is sometimes used) for this concept since high conductivity is attained by means of "non-equilibrium thermal ionization" of the hot gas. Lower temperatures are required for this method than are necessary for open cycle operation.

Benefits and Goals: The closed cycle concept is aimed at a central station, base load application. Its use for topping a nuclear cycle is proposed, thus allowing the use of the very high quality heat available from the reactor cores. Increased overall cycle efficiencies are, therefore, the chief benefit to be realized from this concept. Associated environmental effects (i.e. decreased thermal pollution) and economic benefits are predicted as a result of the higher efficiency.

Status of Work: Much laboratory work has been carried on in both the United States and abroad to investigate the properties of the plasma in the non-equilibrium ionization mode. Problems have been encountered in maintaining the stability of the plasma under this condition. However, recent investigations abroad have been aimed at determining the criticality of maintaining plasma stability. Early results seem to indicate operation of a closed cycle plasma MHD generator may be possible even with plasma instabilities. This work is proceeding.

Significant Obstacles: At present, the plasma stability problem is still considered to be the most difficult concern. The engineering problems associated with the topping of a nuclear reactor have not been explored in depth, and this could prove to be a difficult problem.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 1.0 |
| 1973 | 1.0 |
| 1974 | 1.0 |
| 1975 | 1.5 |
| 1976 | 1.5 |
| 1977 | 2.0 |
| 1978 | 2.0 |
| 1979 | 2.5 |
| 1980 | 2.5 |
| 1981 to 1985 | 25 |
| 1986 to 1990 | 45 |
| 1991 to 1995 | 20 |
| 1996 to 2000 | 10 |
| By function: | |
| Basic Research | 6.0 |
| Pilot Models (by early 1980's) | 12.5 |
| Demonstration (by late 1980's) | 66.5 |
| Continuing Research | 30.0 |
| Total (29 years) | 115.0 |

Method of Generation: Thermionic Conversion.

Priority: 4—Desirable.

Description: Thermionic converters utilize heat applied to an electrode to "boil off" electrons. The electrons cross a gap, usually occupied by a highly conductive vapor such as cesium, and are collected on a cooler electrode. Power is extracted from the process by connecting a load between the emitter and the collector, allowing the higher potential electrons at the collector to flow through the load back to the emitter, thus completing the circuit.

Benefits and Goals: The thermionic converter is proposed as a topping cycle for either nuclear or fossil-fired plant. In either case, the converter would be very near the heat source (in the reactor or furnace) and rejected heat (cooling the collector) would be transferred to the working fluid of a conventional cycle. Higher efficiencies are projected and the thermionic converter itself would cause no pollution problems, bringing about a reduction in overall plant waste heat, and savings in capital investment on the power system.

Status of Work: Studies have been done to show the expected magnitude of increased efficiencies when the converter is applied on a coal fired unit. 10% increases have been projected. In-core reactor studies and tests are currently underway. Similar efficiency increases are projected for this application.

Significant Obstacles: The effect of a coal environment on the thermionic converter electrodes could be a problem. Relatively few hours have been accumulated by electrodes in a coal environment, leaving an incomplete knowledge of the problem. Radiation damage to insulators and the accumulation of fission products on the electrodes are problems with the in-core approach. Fundamental tests investigating these areas could prove fruitful.

*Timetable and costs for development—millions of 1971 dollars*

| | |
|---|---|
| By period: | |
| 1972 | 1.0 |
| 1973 | 1.0 |
| 1974 | 2.0 |
| 1975 | 2.0 |
| 1976 | 3.0 |
| 1977 | 3.0 |
| 1978 | 2.0 |
| 1979 | 2.0 |
| 1980 | 1.0 |
| 1981 to 1985 | 2.5 |
| 1986 to 1990 | 2.5 |
| 1991 to 1995 | |
| 1996 to 2000 | |
| By function: | |
| Basic research | 6.5 |
| Pilot models (early 1980's) | 2.5 |
| Demonstration | |
| Continuing research | 13.0 |
| Total (19 years) | 22.0 |

Method of Generation: Geothermal and Air Storage Peaking.

Priority: Suggested for Private Support.

Description: The methods named above have a potential place in electric power generation of the future. However, due to specific requirements for the several concepts, their application is limited to certain geographic segments of the country.

Benefits and Goals: Each concept offers its own unique advantages and all appear to be feasible under the conditions dictated for their application.

Status of Work: Feasibility has been shown and work is currently underway to either sell or develop these methods.

Significant Obstacles: Suitability and applicability to relatively minor segments of the industry do not appear to warrant industry-wide participation in the development of these concepts.

Timetable and Costs for Development: No recommendation.

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## MAN'S INHUMANITY TO MAN—HOW LONG?

## HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

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## GULF RESEARCH AND DEVELOPMENT TAKES THE LEAD IN POLLUTION PREVENTION

## HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. COLLINS of Texas. Mr. Speaker, for their positive innovations in protecting America against industrial pollution Gulf Research & Development has been awarded a first place in Petroleum Engineer's environmental control development program. Gulf was recognized for developing a process that substantially reduces the sulfur content of residual fuel burned in industrial production and power generation.

The subject of environment is becoming more and more important to Americans. We greatly appreciate the tremendous efforts of Gulf Research & Development and the petroleum industry as a whole as they develop new methods of protecting ecology.

Gulf Research & Development was recognized as follows for their new program for emissions control during processing and manufacturing:

Gulf Research & Development Co.'s residual hydrodesulfurization process (HDS) can substantially reduce sulfur content of residual fuel oil burned for industrial production and power generation.

Its original design, proved out during the last year and a half in commercial application, is capable of reducing sulfur content in Kuwait residual oil from 4% to 1%. New developments offer further reduction to .5%, well within generally established guidelines for air purity in most of the world, and possibly as low as .3%.

After 30 years of research and development, engineering design, materials study, and a total expenditure of about $20,000,000, Gulf HDS has been successfully commercialized.

Most residual fuels contain high levels of sulfur (typically, 2–5%). Burning of such fuels obviously pollutes the atmosphere with sulfur oxides and cannot be tolerated. Reduction of sulfur contents is difficult because residuals contain contaminants, principally vanadium- and nickel-organo compounds.

In the process of removing sulfur by hydrogenation, the vanadium and nickel are deposited on the catalyst. Normal desulfurization catalysts thus lost activity rapidly, cycle life is short and processing cost is prohibitive. Oxidative regeneration of these used catalysts is unsuccessful since vanadium sulfates are formed, which poison hydrogenation activity.

Thus, a catalyst was needed which would (1) tolerate a large amount of deposited vanadium and nickel without losing hydrogenation activity and (2) be cheap enough to be economically used in a single cycle and then replaced with fresh catalyst. Gulf's catalyst meets these requirements—retains activity while accumulating as much as 65% of the contaminants, the company says.

First commercialization of Gulf HDS process was made in Nippon Mining Co.'s refinery at Mitsushima, Japan. Unit was designed to process 27,760 bpsd of Kuwait atmospheric tower bottoms (4% sulfur) to produce a residual fuel of 1% sulfur. The operation was designed for a 6-month operating cycle as desired by the refiner. Started up in January of 1970, the plant has operated successfully ever since. Operations, including startups and shutdowns, have been smooth and each cycle produced 1% sulfur residual fuel for six months as designed, Gulf said. The fourth cycle has been started.

About 15 million bbl of 1% sulfur fuel oil have been produced—with potential sulfur pollutant to the atmosphere reduced by 76,000 tons.

Two additional Gulf HDS, now in design and construction stages, will have a total capacity of reducing the sulfur contents of 80,000 b/d of Kuwait residual to 1%, the company said.

Recently Gulf has developed a modification of the process (HDS-Type III) by which Kuwait atmospheric tower residual (4% sulfur) can be reduced in sulfur content to 0.5%.

## BELOIT, WIS.—CANDIDATE FOR THE ALL-AMERICAN CITY AWARD

### HON. LES ASPIN

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. ASPIN. Mr. Speaker, it is my pleasure to call to the attention of the Members of the House the following article which appeared in the Milwaukee Journal on Monday, October 25, about Beloit, Wis. Beloit is an excellent candidate for the All-American City Award and I am personally delighted that Beloit has been nominated.

The article follows:

WORKING TOGETHER PAYS OFF IN BELOIT

BELOIT, WIS.—The president of the Beloit City Council, Everett C. Haskell, feels that this city was nominated for the All-American Cities Award because it is "a community that knows how to work together."

Beloit recently was named as one of a dozen or so candidates for the national award.

"We have a tremendous amount of community functions and citizens take an active part so the residents know what's going on in government." Haskell said.

He said citizen committees had helped solve problems of labor relations, urban renewal, welfare, wage negotiations and race.

"We get along very excellently with the minorities here because everyone takes part," he said.

This city of 35,000 on the Wisconsin-Illinois border is a heavy industrial town.

It has a seven man city council and has had a city manager, a position now held by Herbert Holt, for 40 years. Haskell said the city manager form of government was more efficient and business like.

The city manager has a job to do; he's not politicking from the time he gets in, and it works out better that way when it's just a job and not an office," Haskell said.

Haskell also said that the City Council regularly asked classes at Beloit College to do research for the city.

A few years ago when the city was in the midst of wage negotiations with city employes, city officials asked the school to collect statistics on pay scales in other cities.

"They got the statistics for us and it was a valuable experience for them . . .," he said, adding that citizen participation like that was the key to clean government.

The contest is sponsored by the National Municipal League. The winner will be named Nov. 15 during the league's convention at Atlanta.

## PAPER ON A POPULATION DISTRIBUTION POLICY

### HON. BILL ALEXANDER

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. ALEXANDER. Mr. Speaker, in recent years the Members of the Congress and many other national leaders have been expressing varying levels of concern over demographic patterns within the Nation. Numerous studies have been made on the crisis created within our major cities and metropolitan areas by increasing densities of population. A few of these studies have also touched on the tragic and continuing disappearance of our smaller towns and communities.

Some note has been taken of the adverse economic, social, and health effects growing populations have on metropolitan areas. There is now also some attention being given to the detrimental effect that diminished populations have on the future of community development and job opportunities in nonmetropolitan areas.

During the community development hearing which I recently held in Walnut Ridge, Ark., Dr. C. Clyde Jones, chairman of the division of political science, sociology and geography at the Arkansas State University, presented excellent testimony which bears directly on this problem.

I would like to share that information with my colleagues today.

Dr. Jones' testimony follows:

PAPER ON A POPULATION DISTRIBUTION POLICY

(Presented to Community Development Proposal Hearing, October 23, 1971, Walnut Ridge, Ark., by Dr. C. Clyde Jones, chairman of the Division of Political Science, Sociology, and Geography, Arkansas State University)

#### INTRODUCTION

A population distribution policy should be adopted to encourage a more rapid growth rate for the country's less densely populated regions. The question whether the United States should have a population distribution policy is relevant. There are historical precedents for such a policy. In the first hundred years of our history, the government pursued a deliberate policy of dispersing people westward. The government subsidized railroads and river navigation. It opened public lands for homestead and built roads. Once the frontier ended, governmental programs continue to encourage a balanced regional development by such programs as electric power projects and the depressed areas legislation of the 1960's. With the heavy concentration of votes in large metropolitan areas, Congress has been reluctant to pass legislation to encourage economic developments in middle-sized centers. This attitude needs to be changed.

#### POPULATION CONCENTRATION

The present trend in population settlement in the United States is toward a concentration in metropolitan areas and this needs to be slowed or reversed. Population concentration is the result of employer-established job patterns in which the people have been forced to follow. The job patterns have been created by considerations of economic efficiency.[1] In strictly economic terms, concentration of industry in large population centers is an advantage.[2] But in terms of social costs (crime, pollution, slums, welfare expenditures, commuting time, and loss of community), this concentration is seriously questioned.

#### CAUSES OF POPULATION CONCENTRATION

Some young people go to the large cities in search of adventure, entertainment, and opportunity for economic advancement. For the most part, however, the migrants have little preparation for life in the large city. Most of the uprooted rural and town people inevitably find their destination in the slums of metropolitan areas. These displaced individuals are indirectly forced into the migration stream by economic forces beyond their control. The distribution and concentration of population is largely due to the distribution of jobs.[3] Governmental policies toward agriculture, business, education, and highways give impetus to this concentration.

#### SOCIAL COSTS OF POPULATION COCENTRATION

The concentration of jobs in large metropolitan areas causes the migrant families to lose their most cherished associations and sense of community identity. It is time to consider the social and economic costs to the heavy concentration of our population in metropolitan areas. These social and economic costs are presented by Mr. James L. Sundquist, a Senior Fellow in the Governmental Studies program at the Brookings Institution:

> It seems reasonably clear that our largest urban concentrations have grown well beyond the point at which diseconomies of scale begin to show. The costs of moving people and things within large metropolitan areas are demonstrably greater than the costs of moving them in smaller population centers. Commuting distances are obviously longer, the time loss greater, the costs higher.
>
> There are enormous costs as well as appalling cruelties in the forced displacement and migration of populations. . . . Some of the migrants are too ill-prepared, too sick, or too poor to adjust to city life successfully; many of them wind up on welfare and they burden every kind of institution.[4]

Many of these migrants move to the slums and require a higher per capita cost for health, fire, and police protection. The per capita cost for unemployment and welfare is also higher. The highest crime rates in the country are in the slums. There are some unmeasured costs to this migration, such as urban congestion, noise, loss of privacy and freedom, reduction in security, pollution of the air and water, and destruction of wildlife and recreational opportunities.[5]

Due to these considerations it is concluded that our largest metropolitan areas are less governable, less desirable places to live, and economically less sound than smaller communities. If this is true, it is in the public interest to encourage the dispersion of our population. It is safe to assume that a majority of population migration is involuntary. A population distribution pattern could be designed to encourage people to remain where they desire to live.

Most people move to the city because of economic pressures. Many go home eagerly as soon as the economic opportunity arises. A Gallup poll in 1968 revealed that 56 percent of the American people prefer a rural life if they had a choice.[6] A governmental policy should be adopted to permit people to live and work where they desire whether it be in the big city or smaller community. With a large number of migrants to the big city, the problems of our large cities are enormous and becoming increasingly more severe with time. The solution to these problems seems to call

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Footnotes at end of article.

for a reduction of the migration to our large cities.

### A PROGRAM FOR NATIONAL POPULATION DISPERSION

A program should be adopted to create a rural-urban balance. In order to create this balance, towns and smaller cities must improve their offerings and amenities. This improvement should encourage an accelerated rate of growth in smaller economic centers of the less densely populated regions.

Jobs should be created where the people live and want to remain. Tax incentives have proven to be an effective method of stimulating investment for economic growth. If tax incentives were available for specified types of new industry for the desired spatial population distribution, the desired rural-urban balance could be achieved.

### SIZE OF CITIES TO ENCOURAGE GROWTH

The economies of scale cannot be totally ignored. There are advantages in larger towns and cities. It is likely that the quality of service will be higher with lower prices in large towns and small cities than in small towns.[7] In 1960, 58.3 percent of the population in the United States lived in rural areas or in cities under 50,000. "At least since 1920, the class of cities with the largest single segment of the nation's urban population (and it is also the fastest growing segment) has been that of the 10,000 to 50,000 group."[8] This very well may be the size of the community that people desire most to live. If this is the case, serious consideration should be given for the government to encourage industry to locate in cities of this size. Most people in Arkansas live in or within commuting distance of a city of this size. If no city of this size exists within commuting distance, a smaller city should be assisted by the federal government to grow.

### INVESTMENT IN HUMAN CAPITAL

Skills and knowledge are a form of capital. Expenditures on education and health to take advantage of better job opportunities are examples of this investment.[9] Investment in human capital can be easily justified as it strengthens the national security of the United States. The government discriminates against human capital as it permits depreciation allowances for worn out machines and investment credit for new machines. The investment in human capital, however, receives no such favored treatment. Tax credit should be available to restrain workers for new skills. It is good business to invest in human capital to make taxpayers out of welfare recipients.

#### *Change in farm policy*

Our federal government has not come to grips with the costs of off-farm migration. Our subsidy programs encourage the big farmer to get bigger and the marginal farmer to go out of business. Soil bank subsidies have reduced farm employment. This needs to be reconsidered.

#### *Encourage youth to remain at home*

The largest labor force growth in 1960's was among the 16–24 age group. During the 1970's the dramatic increase will be the 25–34 age bracket. The workers of this age bracket will be far better educated than those of the same group in the 1960's[10] It will be an economic advantage to the less densely populated areas to keep these prime age workers. The federal government should subsidize on the job training.

There is a slowed growth in overall teenage labor force which will reduce unemployment. The youth labor force (ages 16–19) increased by forty-three percent in the 1960's but will be only eleven percent in the 1970's. It is essential to devote more energy and effort to providing improved recreational facilities and programs to occupy young people. This would likely reduce drug usage, juvenile delinquency, and crime. If these young people can be satisfied, they are more likely to remain in their nature area.

#### *Encourage women employment*

The increasing number of working women indicates the need for day care and more female oriented jobs. Tax incentives should be granted to industries, employing high percentage of women workers, to locate in less densely populated areas. The proportion of women in the labor force will continue to increase, with married women accounting for most of the increase. The number of women at work in 1980 will double the 1950 figure. "Working wives make significant contributions to total family income. In each income bracket women contribute about one-fourth or more of the family income."[11] This makes it highly desirable to encourage an increasing number of jobs for women to keep the families in less densely populated areas.

#### *Train more service workers*

Employment will continue to increase in white collar and service occupations. "White collar workers will outnumber blue-collar by more than fifty percent in 1980."[12] Schools must change their emphasis to meet this need. "The largest number of employment opportunities will continue to be in the service producing industries."[13]

Before World War II more workers produced goods than provided services. By 1980 service producing industries will provide twice as many jobs as goods producing industries. In order to meet these requirements, the federal government should provide opportunities to train or retrain potential workers. Increasing emphasis should be placed on training white collar and service workers. At the present time approximately ninety-six percent of all expenditures for post-high school education is spent on college education. Many college professions are already overcrowded. Strong consideration should be given to reducing this high proportion. More efforts must be directed to vocational training with increasing emphasis on testing and counseling students to enter areas for which they have proper aptitudes. The students should be trained in fields of potential employment.

#### *Modernize local governmental structure*

City and county governments need sufficient power to carry out the desires of their people without unnecessary restrictions imposed by the State. Cities should be given increased power over their own local affairs.[14] Cities should be given increased powers to tax to meet the growing needs of government. The structure of state and local governments should be reorganized to improve efficiency.

#### *Improve transportation system*

Federal and state governments should take the initiative in the improvement of our highway system. This is essential to attract industry. It is also necessary to improve the commuting distances of workers. This will encourage individuals in less populated regions to remain in their native community.

#### *Conclusion on national population distribution policy*

It is the judgment of the author that a national population distribution policy should be established to encourage a more rapid growth rate for the country's less densely populated cities. The federal government should take the leading role in this endeavor. The above discussed programs will go a long way toward the establishment of a successful national population distribution policy to permit people to live and work where they desire.

### A PROGRAM FOR ARKANSAS

Although the state had a 7.7 percent population increase in the 1960's, there was a net outmigration of 51,022 persons. A net outmigration of 433,000 persons occurred from 1950–1960.[15] Of this amount, whites accounted for 283,000. The state of Arkansas experienced during the 1960's a reversal of the white outmigration of the 1950's, and a continuation of the non-white outmigration pattern.[16] The rate of outmigration has steadily declined since 1950. There was a net in-migration of 43,036 whites in the 1960's.

The attached map of Arkansas reveals that most of the outmigration occurred in the First Congressional District. A net outmigration of 79,457 from this district in the 1960's indicates the problem for this area. Mississippi county had a net outmigration of 20,335 of which about sixty percent were white.

#### *Feasibility of rural-urban balance in the south*

Cities of the South with less dense population and smaller size can meet the tests of economic efficiency and support a way of life with access to the open country. "This balance of the urban and rural ways of life has often been advocated but rarely achieved."[17]

The feasibility of the South developing the rural-urban balance is presented by Rupert Vance and Sara Smith as follows:

> It should not be forgotten that the patterning of urban location in the South took place under the domination of the cotton economy. Whereas financial control centered in several futures markets and in points of export like New Orleans, the actual buying, collecting, and storing of cotton was spread among many small communities around railroad stations, cotton gins, and crossroads stores. This has resulted in very few large cities and many towns of even size rather than the sharply competitive grading of population in an industrialized area.
>
> Instead there has grown up a number of well spaced, fairly evenly populated, middle-sized centers which should have considerable autonomy over their surrounding areas, the pattern set down by the old agricultural economy.[18]

The South is conducive to a policy of encouraging its population to remain in their native area. Our policy should be to keep what we have and improve it. These middle-sized population centers of 10,000 to 50,000 people should be encouraged to grow. Most workers in Arkansas are within commuting distance of a city of this size. The larger cities do not need the farm migrants in their slums. The small towns are not capable of economic efficiency to cope with increased numbers. Some degree of population concentration is an economic advantage. It is, therefore, my judgment that our policy should be directed toward improving the amenities of these medium sized centers. This can be achieved by the adoption of some of the above proposals plus those suggested by those to follow. The limitations on floating industrial bonds should be reduced to permit local governments to encourage industry to locate in their area.

In order to meet the objective of rural-urban balance, it will require the support of federal, state, county, and city governments as well as the business community. Presently, our cities are in serious trouble. The solution is to stop the influx of migrants to the city slums. The best way to achieve this is to make jobs available in the less densely populated areas as Arkansas so the people may live where they want to live. It is time for Congressmen from urban districts to unite with Congressmen from the less densely settled areas to sponsor and im-

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Footnotes at end of article.

plement a program to achieve the objective of desired population dispersion.

FOOTNOTES

[1] James L. Sundquist, "Where Shall They Live," *The Brookings Institution* (Washington, D.C., 1970), p. 90.

[2] P. Sargent Florence, *The Metropolis in Modern Life*, (Garden City: Doubleday and Company, Inc., 1955), pp. 91, 93.

[3] Sunquist, *op. cit.*

[4] *Ibid.*, pp. 92, 93.

[5] *The Report of the President's Task Force on Economic Growth*, "Policies For American Economic Progress In the Seventies," (U.S. Printing Office, May, 1970), p. 7.

[6] Sundequist, *op. cit.*, p. 93.

[7] Marion Clawson, "Factors and Forces Affecting the Optimum Rural Settlement Pattern in the United States," *Resources For The Future, Inc.*, (Washington, D.C., 1966), p. 289.

[8] Daniel Elazar, "Are We a Nation of Cities," *The Public Interest*, (New York, 1966), p. 43.

[9] Theodore W. Schultz, "Investment in Human Capital," *The American Economic Review*, Vol. LI (March, 1961), p. 1.

[10] *Department of Labor*, "United States Manpower in the 1970's," (U.S. Printing Office, 1970), pp. 2–3.

[11] *Ibid.*, pp. 8–9.

[12] *Ibid.*, p. 10.

[13] *Ibid.*, p. 14.

[14] *Arkansas Constitutional Revision Study Commission*, "Revising The Arkansas Constitution," (Little Rock, 1968), p. 9.

[15] Industrial Research and Extension Center, "Arkansas Population Migration Estimates, 1960–1970," *College of Business Administration University of Arkansas* (Little Rock, 1971), p. 1.

[16] *Ibid.*, p. 2.

[17] Rupert Vance and Sara Smith, *The Urban South*, (Chapel Hill: The University of North Carolina Press, 1954), pp. 120, 122.

[18] *Ibid.*, p. 120.

## APPENDIX A

COMPONENTS OF ARKANSAS POPULATION CHANGES, 1960-70, BY COUNTIES

| County | 1970 population | 1960 population | Births | Deaths | Natural increase | Net Migration | |
|---|---|---|---|---|---|---|---|
| | | | | | | Number | Percent[1] |
| Arkansas | 23,347 | 23,355 | 5,332 | 2,429 | 2,903 | −2,911 | −12.5 |
| White | 18,009 | 17,584 | 3,450 | 1,821 | 1,629 | −1,204 | −6.8 |
| Negro and other | 5,338 | 5,771 | 1,882 | 608 | 1,274 | −1,707 | −30.7 |
| Ashley | 24,976 | 24,220 | 5,702 | 2,245 | 3,457 | −2,701 | −11.0 |
| White | 17,373 | 15,337 | 3,224 | 1,323 | 1,901 | 135 | 0.8 |
| Negro and other | 7,603 | 8,883 | 2,478 | 922 | 1,556 | −2,836 | −34.4 |
| Baxter | 15,319 | 9,943 | 1,669 | 1,607 | 62 | 5,314 | 42.1 |
| Benton | 50,476 | 36,272 | 7,580 | 5,228 | 2,352 | 11,852 | 27.3 |
| Boone | 19,073 | 16,116 | 3,070 | 1,931 | 1,139 | 1,818 | 10.3 |
| Bradley | 12,778 | 14,029 | 2,532 | 1,656 | 876 | −2,127 | −15.9 |
| White | 8,751 | 9,109 | 1,376 | 1,136 | 240 | −598 | −6.7 |
| Negro and other | 4,027 | 4,920 | 1,156 | 520 | 636 | −1,529 | −34.2 |
| Calhoun | 5,573 | 5,991 | 674 | 639 | 35 | −453 | −7.8 |
| White | 3,796 | 3,882 | 309 | 429 | −120 | 34 | 0.9 |
| Negro and other | 1,777 | 2,109 | 365 | 210 | 155 | −487 | −25.1 |
| Carroll | 12,301 | 11,284 | 1,834 | 1,590 | 244 | 773 | 6.6 |
| Chicot | 18,164 | 18,990 | 4,479 | 2,380 | 2,099 | −2,925 | −15.8 |
| White | 8,311 | 8,179 | 1,343 | 833 | 510 | −378 | −4.6 |
| Negro and other | 9,853 | 10,811 | 3,136 | 1,547 | 1,589 | −2,547 | −24.7 |
| Clark | 21,537 | 20,950 | 3,506 | 2,248 | 1,258 | −671 | −3.2 |
| White | 16,703 | 15,528 | 2,334 | 1,620 | 714 | 461 | 2.9 |
| Negro and other | 4,834 | 5,422 | 1,172 | 628 | 544 | −1,132 | −22.1 |
| Clay | 18,771 | 21,258 | 3,496 | 2,396 | 1,100 | −3,587 | −17.9 |
| Cleburne | 10,349 | 9,059 | 1,511 | 1,096 | 415 | 875 | 9.0 |
| Cleveland | 6,605 | 6,944 | 1,131 | 801 | 330 | −669 | −9.9 |
| White | 5,270 | 5,239 | 765 | 616 | 149 | −118 | −2.3 |
| Negro and other | 1,335 | 1,705 | 366 | 185 | 181 | −551 | −36.3 |
| Columbia | 25,952 | 26,400 | 4,898 | 2,625 | 2,273 | −2,721 | −10.4 |
| White | 16,798 | 16,887 | 2,414 | 1,656 | 758 | −847 | −5.0 |
| Negro and other | 9,154 | 9,513 | 2,484 | 969 | 1,515 | −1,874 | −20.1 |
| Conway | 16,805 | 15,430 | 3,053 | 1,741 | 1,312 | 63 | .4 |
| White | 13,871 | 12,003 | 2,190 | 1,384 | 806 | 1,062 | 8.2 |
| Negro and other | 2,934 | 3,427 | 863 | 357 | 506 | −999 | −31.4 |
| Craighead | 52,068 | 47,303 | 9,587 | 4,320 | 5,267 | −502 | −1.0 |
| Crawford | 25,677 | 21,318 | 4,537 | 2,470 | 2,067 | 2,292 | 9.8 |
| Crittenden | 48,106 | 47,564 | 13,654 | 4,533 | 9,121 | −8,579 | −17.9 |
| White | 25,254 | 19,461 | 4,746 | 1,465 | 3,281 | 2,512 | 11.2 |
| Negro and other | 22,852 | 28,103 | 8,908 | 3,068 | 5,840 | −11,091 | −43.5 |
| Cross | 19,783 | 19,551 | 4,496 | 1,900 | 2,596 | −2,364 | −12.0 |
| White | 14,243 | 13,640 | 2,814 | 1,243 | 1,571 | −968 | −6.9 |
| Negro and other | 5,540 | 5,911 | 1,682 | 657 | 1,025 | −1,396 | −24.4 |
| Dallas | 10,022 | 10,522 | 1,795 | 1,367 | 428 | −928 | −9.0 |
| White | 6,147 | 6,332 | 811 | 885 | −74 | −111 | −1.8 |
| Negro and other | 3,875 | 4,190 | 984 | 482 | 502 | −817 | −20.3 |
| Desha | 18,761 | 20,770 | 5,120 | 2,025 | 3,095 | −5,104 | −25.8 |
| White | 10,557 | 10,784 | 1,973 | 905 | 1,068 | −1,295 | −12.1 |
| Negro and other | 8,204 | 9,986 | 3,147 | 1,120 | 2,027 | −3,809 | −41.9 |
| Drew | 15,157 | 15,213 | 3,011 | 1,598 | 1,413 | −1,469 | −9.7 |
| White | 10,596 | 10,052 | 1,653 | 1,057 | 596 | −52 | −0.5 |
| Negro and other | 4,561 | 5,161 | 1,358 | 541 | 817 | −1,417 | −29.2 |
| Faulkner | 31,572 | 24,303 | 5,076 | 2,523 | 2,553 | 4,716 | 16.9 |
| White | 28,546 | 21,699 | 4,244 | 2,248 | 1,996 | 4,851 | 19.3 |
| Negro and other | 3,026 | 2,604 | 832 | 275 | 557 | −135 | −4.8 |
| Franklin | 11,301 | 10,213 | 1,938 | 1,355 | 583 | 505 | 4.7 |
| Fulton | 7,699 | 6,657 | 1,019 | 889 | 130 | 912 | 12.7 |
| Garland | 54,131 | 46,697 | 8,789 | 7,724 | 1,065 | 6,369 | 12.6 |
| White | 48,772 | 41,691 | 7,344 | 6,852 | 492 | 6,589 | 14.6 |
| Negro and other | 5,359 | 5,006 | 1,445 | 872 | 573 | −220 | −4.3 |
| Grant | 9,711 | 8,294 | 1,353 | 868 | 485 | 932 | 10.4 |
| Greene | 24,765 | 25,198 | 4,157 | 2,460 | 1,697 | −2,130 | −8.5 |
| Hempstead | 19,308 | 19,661 | 3,375 | 2,593 | 782 | −1,135 | −5.8 |
| White | 12,862 | 12,330 | 1,780 | 1,756 | 24 | 508 | 4.0 |
| Negro and other | 6,446 | 7,331 | 1,595 | 837 | 758 | −1,643 | −23.9 |
| Hot Spring | 21,963 | 21,893 | 3,606 | 2,115 | 1,491 | −1,421 | −6.5 |
| White | 19,089 | 18,693 | 2,901 | 1,808 | 1,093 | −697 | −3.7 |
| Negro and other | 2,874 | 3,200 | 705 | 307 | 398 | −724 | −23.8 |
| Howard | 11,412 | 10,878 | 2,059 | 1,355 | 704 | −170 | −1.5 |
| White | 9,016 | 8,610 | 1,401 | 1,093 | 308 | 98 | 1.1 |
| Negro and other | 2,396 | 2,268 | 658 | 262 | 396 | −268 | −11.5 |
| Independence | 22,723 | 20,048 | 3,497 | 2,439 | 1,058 | 1,617 | 7.6 |
| Izard | 7,381 | 6,766 | 887 | 798 | 89 | 526 | 7.4 |
| Jackson | 20,452 | 22,843 | 4,439 | 2,304 | 2,135 | −4,526 | −20.9 |
| White | 17,392 | 19,373 | 3,498 | 1,822 | 1,676 | −3,657 | −19.9 |
| Negro and other | 3,060 | 3,470 | 941 | 482 | 459 | −869 | −26.6 |
| Jefferson | 85,329 | 81,373 | 18,745 | 8,306 | 10,439 | −6,483 | −7.8 |
| White | 50,198 | 45,915 | 9,501 | 4,108 | 5,393 | −1,110 | −2.3 |
| Negro and other | 35,131 | 35,458 | 9,244 | 4,198 | 5,046 | −5,373 | −15.2 |
| Johnson | 13,630 | 12,421 | 2,010 | 1,656 | 354 | 855 | 6.6 |
| Lafayette | 10,618 | 11,030 | 2,120 | 1,302 | 818 | −1,830 | −17.41 |
| White | 5,655 | 6,051 | 769 | 704 | 65 | −461 | −7.9 |
| Negro and other | 4,363 | 4,979 | 1,351 | 598 | 753 | −1,369 | −29.3 |
| Lawrence | 16,320 | 17,267 | 3,100 | 1,982 | 1,118 | −2,065 | −12.3 |
| Lee | 18,884 | 21,001 | 5,120 | 2,020 | 3,100 | −5,217 | −26.2 |
| White | 7,931 | 8,167 | 1,727 | 664 | 1,063 | −1,299 | −16.1 |
| Negro and other | 10,953 | 12,834 | 3,393 | 1,356 | 2,037 | −3,918 | −32.9 |
| Lincoln | 12,913 | 14,447 | 2,858 | 1,262 | 1,596 | −3,130 | −22.9 |
| White | 7,466 | 7,430 | 1,159 | 577 | 582 | −546 | −7.3 |
| Negro and other | 5,447 | 7,017 | 1,699 | 685 | 1,014 | −2,584 | −41.5 |
| Little River | 11,194 | 9,211 | 1,995 | 1,124 | 871 | 1,112 | 10.9 |
| White | 8,115 | 6,326 | 1,186 | 793 | 393 | 1,396 | 19.3 |
| Negro and other | 3,079 | 2,885 | 809 | 331 | 478 | −284 | −9.5 |
| Logan | 16,789 | 15,957 | 2,691 | 2,111 | 580 | 252 | 1.5 |
| Lonoke | 26,249 | 24,551 | 5,367 | 2,656 | 2,711 | −1,013 | −4.0 |
| White | 21,356 | 18,690 | 3,551 | 2,030 | 1,521 | 1,145 | 5.7 |
| Negro and other | 4,893 | 5,861 | 1,816 | 626 | 1,190 | −2,158 | −40.1 |
| Madison | 9,453 | 9,068 | 1,547 | 1,070 | 477 | −92 | −1.0 |
| Marion | 7,000 | 6,041 | 846 | 817 | 29 | 930 | 14.3 |
| Miller | 33,385 | 31,686 | 6,703 | 3,574 | 3,129 | −1,430 | −4.4 |
| White | 25,661 | 23,541 | 4,614 | 2,524 | 2,090 | 30 | .1 |
| Negro and other | 7,724 | 8,145 | 2,089 | 1,050 | 1,039 | −1,460 | −18.4 |
| Mississippi | 62,060 | 70,174 | 18,285 | 6,064 | 12,221 | −20,335 | −30.8 |
| White | 45,329 | 49,343 | 11,820 | 3,860 | 7,960 | −11,974 | −25.3 |
| Negro and other | 16,731 | 20,831 | 6,465 | 2,204 | 4,261 | −8,361 | −44.5 |
| Monroe | 15,657 | 17,327 | 3,815 | 1,881 | 1,934 | −3,604 | −21.9 |
| White | 8,765 | 8,888 | 1,674 | 924 | 750 | −873 | −9.9 |
| Negro and other | 6,892 | 8,439 | 2,141 | 957 | 1,184 | −2,731 | −35.6 |
| Montgomery | 5,821 | 5,370 | 787 | 637 | 150 | 301 | 5.4 |
| Nevada | 10,111 | 10,700 | 1,704 | 1,337 | 367 | −956 | −9.2 |
| White | 6,788 | 6,843 | 886 | 948 | −62 | 7 | .1 |
| Negro and other | 3,323 | 3,857 | 818 | 389 | 429 | −963 | −26.8 |
| Newton | 5,844 | 5,963 | 946 | 565 | 381 | −500 | −8.5 |
| Ouachita | 30,896 | 31,641 | 5,502 | 3,270 | 2,232 | −2,977 | −9.5 |
| White | 19,657 | 19,450 | 2,731 | 1,997 | 734 | −527 | −2.7 |
| Negro and other | 11,239 | 12,191 | 2,771 | 1,273 | 1,498 | −2,450 | −20.9 |
| Perry | 5,634 | 4,927 | 924 | 587 | 337 | 370 | 7.0 |
| Phillips | 40,046 | 43,997 | 11,552 | 4,657 | 6,895 | −10,846 | −25.8 |
| White | 18,247 | 18,552 | 3,913 | 1,598 | 2,315 | −2,620 | −14.2 |
| Negro and other | 21,799 | 25,445 | 7,639 | 3,059 | 4,580 | −8,226 | −34.6 |
| Pike | 8,711 | 7,864 | 1,390 | 1,086 | 304 | 543 | 6.6 |
| Poinsett | 26,822 | 30,834 | 6,944 | 2,515 | 4,429 | −8,441 | −29.3 |
| White | 24,465 | 27,585 | 5,821 | 2,167 | 3,654 | −6,774 | −26.0 |
| Negro and other | 2,357 | 3,249 | 1,123 | 348 | 775 | −1,667 | −59.5 |
| Polk | 13,297 | 11,981 | 1,955 | 1,745 | 210 | 1,106 | 8.8 |
| Pope | 28,607 | 21,177 | 4,505 | 2,378 | 2,127 | 5,303 | 21.3 |
| Prairie | 10,249 | 10,515 | 1,848 | 1,092 | 756 | −1,022 | −9.8 |
| White | 8,517 | 8,571 | 1,374 | 900 | 474 | −528 | −6.2 |
| Negro and other | 1,732 | 1,944 | 474 | 192 | 282 | −494 | −26.9 |
| Pulaski | 287,189 | 242,980 | 61,018 | 24,237 | 36,781 | 7,428 | 2.8 |
| White | 227,175 | 190,777 | 44,245 | 17,466 | 26,779 | 9,619 | 4.6 |
| Negro and other | 60,014 | 52,203 | 16,773 | 6,771 | 10,002 | −2,191 | −3.9 |
| Randolph | 12,645 | 12,520 | 2,196 | 1,368 | 828 | −703 | −5.6 |
| St. Francis | 30,799 | 33,303 | 9,263 | 3,091 | 6,172 | −8,676 | −27.1 |
| White | 16,092 | 14,324 | 3,335 | 1,323 | 2,012 | −244 | −1.6 |
| Negro and other | 14,707 | 18,979 | 5,928 | 1,768 | 4,160 | −8,432 | −50.1 |
| Saline | 36,107 | 28,956 | 5,433 | 2,419 | 3,014 | 4,137 | 12.7 |
| Scott | 8,207 | 7,297 | 1,270 | 823 | 447 | 463 | 6.0 |
| Searcy | 7,731 | 8,124 | 1,262 | 969 | 293 | −686 | −8.7 |
| Sebastian | 79,237 | 66,685 | 16,300 | 7,327 | 8,973 | 3,579 | 4.9 |
| Sevier | 11,272 | 10,156 | 1,842 | 1,355 | 487 | 629 | 5.9 |
| Sharp | 8,233 | 6,319 | 965 | 859 | 106 | 1,808 | 24.9 |
| Stone | 6,838 | 6,294 | 937 | 632 | 305 | 239 | 3.6 |
| Union | 45,428 | 49,518 | 9,346 | 5,144 | 4,202 | −8,292 | −17.5 |
| White | 31,965 | 34,447 | 5,197 | 3,504 | 1,693 | −4,175 | −12.6 |
| Negro and other | 13,463 | 15,071 | 4,149 | 1,640 | 2,509 | −4,117 | −28.9 |
| Van Buren | 8,275 | 7,228 | 1,098 | 896 | 202 | 845 | 10.9 |
| Washington | 77,370 | 55,797 | 13,089 | 5,741 | 7,348 | 14,225 | 21.4 |
| White | 39,253 | 32,745 | 6,420 | 3,889 | 2,531 | 3,977 | 11.1 |
| Woodruff | 11,566 | 13,954 | 2,922 | 1,483 | 1,439 | −3,827 | −30.0 |
| White | 7,491 | 8,202 | 1,460 | 890 | 570 | −1,281 | −16.3 |
| Negro and other | 4,075 | 5,752 | 1,462 | 593 | 869 | −2,546 | −51.8 |
| Yell | 14,208 | 11,940 | 2,230 | 1,489 | 741 | 1,527 | 11.7 |
| Arkansas State | 1,923,295 | 1,786,272 | 381,693 | 193,648 | 188 045 | −51,022 | −2.8 |
| White | 1,561,108 | 1,395,703 | 271,526 | 149,157 | 122,369 | 43,036 | 2.9 |
| Negro and other | 362,187 | 390,569 | 110,167 | 44,491 | 65,676 | −94,058 | −25.0 |

[1] Percent migration based on midperiod population.

Source: Derived from U.S. censuses, 1960 and 1970, and annual vital statistics reports.

### APPENDIX B

Not reproduced.

### APPENDIX C

### Observation and Recommendations for Local Government in Arkansas

The Arkansas Constitutional Revision Study Commission in its Report to the Governor and to the Sixty-Sixth General Assembly of the State of Arkansas made the following recommendations and observations pertaining to local government:

City and county governments should have sufficient power to carry out the wishes of the people whom they govern without unnecessary restrictions imposed by the State. On the basis of this goal, The Local Government Committee brought up these points:

(a) The structure of county government in Arkansas is tailored to the needs of an agrarian age and offers no flexibility to fit the great variations between population sizes and economic conditions in counties of Arkansas today.

(b) Duties of some of the numerous elected officials at the county level, such as the county coroner and the county surveyor, are technical in nature, which suggests that they should be appointed rather than elected.

(c) The county judge exercises legislative, executive, and judicial power in one office, which is contrary to the concept of separation of powers.

(d) The quorum court has little effectiveness as a legislative body and is too large to operate efficiently even if it had the power to do so.

(e) The five-mill limits on general operating revenues of cities and counties are unrealistic ceilings established in an era when most services now taken for granted—such as paved streets and full-time fire protection—were nonexistent.

(f) Cities often find themselves governed more by the state legislature and state law than by their own citizens and governing bodies.

(g) The five-mill tax limit on counties and cities for general operations is inadequate for the maintenance of local government, resulting in dependence on the legislature for turnback funds.

(h) The constitutional limitation of $5,000 on salaries for elected city and county officials tends to discourage capable office seekers. It was outdated by inflation decades ago.

(i) The Commission recommends a provision giving cities increased power over their own local affairs, encouraging the exercise of local initiative, and permitting general legislative control of all municipalities, or those of a class, only on matters as to which uniformity throughout the State is desirable.

(j) Cities and counties cannot incur short-term debt consistent with sound business principles. This sometimes leads to long delays in obtaining needed improvements and services, or makes them more costly in the long run.

(k) Many local government provisions in the Constitution, particularly those pertaining to taxation and indebtedness, are long, hard to understand, filled with statutory detail, and apply only to narrow special interests.

(l) Local government provisions in the Constitution tend to discourage assumption of local responsibilities in such a way that effective democratic government is difficult to achieve at the city and county level.

Mr. Speaker, this is the eighth insertion in the CONGRESSIONAL RECORD of testimony and other materials which I have gathered during my search for ways to assist community development in areas of low population. Other materials on this subject appear in the CONGRESSIONAL RECORDS of September 22, pages 32740–32741; October 1, pages 34505–34506; October 6, pages 35409–35410; October 13, 36133–36135; October 21, pages 37358–37361; October 28, pages 38121–38123; and November 3, pages 39156–39158.

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## FINANCING THE DISTRICT OF COLUMBIA—TWO VIEWS ON THE REVENUE BILL

## HON. WALTER E. FAUNTROY

OF THE DISTRICT OF COLUMBIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. FAUNTROY. Mr. Speaker, the House began consideration of H.R. 11341, the District of Columbia Revenue Act. In today's Washington Post there is an excellent editorial and a splendid letter to the editor clearly setting forth the issues that the House faces in considering the bill. I want to share with my colleagues both of these items which are set out below:

### THE HOUSE MONEY BILL FOR WASHINGTON

At some point today or Thursday—whenever the more worldly legislative matters of the week have been disposed of by the House of Representatives—a little floor time is to be set aside for the congressionally tedious business of dealing with matters vital to the District of Columbia. While it's unfortunate that our busy lawmakers have to knuckle down to these local chores every once in a while (and Washingtonians have thought it unfortunate for decades now), consideration of the fiscal 1972 revenue bill for this city will require serious attention.

For one thing, this is the annual legislation that is supposed to provide the means by which the District can meet its fiscal needs; to put it another way, it is the colony's allowance from the congressional overseers—for a fiscal year that began last July 1. Secondly, the bill coming before the House—contrary to what some senior members of the House District Committee would have their colleagues believe—is austere financially, but replete with irrelevant legislative provisions that have not been properly considered in the House, have not been the subject of hearings and, in our view, ought to be stricken from H.R. 11341. Finally, the bill is accompanied by an atrocious committee report loaded with paternalistic assumptions about the people who live and work in Washington but devoid of any judicious conclusions by which other members of the House might be guided.

Basically, the bill calls for an increase of $44 million in the annual federal payment to the District, which along with other revenue-raising provisions, falls $16 million shy of what the city government says it needs to balance its current requests. It is by no means a generous authorization, nor is there any guarantee that all of it will be appropriated, since spending is handled through another bill. But thanks to efforts by Rep. Ancher Nelsen of Minnesota, ranking Republican on the District Committee, the $44-million increase is a considerable improvement over the committee's original agreement on only $20 million. In effect, it is a minimum; if it cannot be raised, it certainly should not be cut by the House.

But then there are the provisions that do not belong in the bill, as nine committee members have pointed out in a minority view filed with the report. Noting that the bill began as a revenue-raising measure, these members wrote that the legislation "looked more like a Christmas tree when it was reported. In the markup session, without the benefit of any evidence or hearings, members were presented for the first time with a series of riders which bore little or no relationship to the revenue-raising provisions of the original bill, and which had never been considered during the hearings":

1. There is a provision to force rezoning of the property once used by Providence Hospital, between D and E Streets SE., from 2d to 3d Streets, for development of a high-rise complex to include apartments, stores and a 1,500-car garage. The complex would be within an area zoned for low-density, low-rise construction, and would either face or be within one block of four elementary schools. Understandably, residents of this Capitol Hill area oppose this change, but more importantly, they object to the devious way in which it is being presented.

As the dissenting committee members put it, this provision "verges on being a private bill for the relief of a group of real estate investors," which, whether one agrees with the purpose or not, does not "belong in a revenue bill, for the same reasons that the Rules of the House prohibit the inclusion of legislative provisions in an appropriations bill." Besides, there haven't even been any hearings held on this special-interest legislation.

2. There is a provision requiring the mayor to withhold shelter allotments from welfare recipients when a landlord charges that the recipients' rents have not been paid; the mayor would have to make a finding as to whether there is legal basis for the failure to pay rent, and then figure how much the landlord should receive. Quite aside from the constitutional question of whether this amounts to denying welfare recipients equal protection of the laws, it is a colossal administrative burden to heap on the mayor when there already are judicial remedies available.

3. There is a provision that would relieve area retailers and truckers from a D.C. Minimum Wage Act requirement that certain drivers, helpers, loaders and mechanics be paid overtime. This is a complicated question that ought to be considered, like the other two provisions, on its own merits, after thorough hearings.

The real question before the House, then, is not how many obnoxious local ordinances can be lumped into one big bill, but whether a pertinent, minimum fiscal authorization can be passed that will permit this city to provide essential—and necessarily expensive—municipal services.

### FINANCING D.C.

On Nov. 3 The Post printed an article entitled "Hill Unit Calls City Officials 'Extravagant' ", concerning a report prepared at the direction of House D.C. Committee Chairman McMillan. I was appalled at the evidence of rank antagonism toward D.C. citizens exhibited by quoted portions. I was relieved that of the 26 members on the committee, 10 dissented from the report's conclusion.

The report would have one believe that D.C. is floating on the financial good graces of the nation's taxpayers. We taxpayers in the District are among those Americans; we pay the same stiff federal taxes and a full range of local taxes. According to the latest figures available, local revenues raised in D.C. were higher per capita, by a wide margin, than corresponding receipts raised in the metropolitan jurisdictions except Falls Church. The federal payment—made only to the General Fund—was 17 per cent in FY 1970. This is *supposed* to be adequate compensation for the extensive service requirements of the federal establishment and for the fact that about 51 per cent of the District's land area is, by federal law, exempt from D.C. taxation. Washington competes for other federal monies, e.g., matching grants, like any other eligible jurisdiction. Has the committee forgotten that D.C. cannot annex territory to increase its tax base, that the locally set real estate tax cannot be used without limit?

The committee report complains that, if D.C. "wants" to crowd in 700,000 people, it is obliged to provide employment, not the federal establishment. What primarily attracts people to Washington is the presence of the federal establishment—its need for employees and the needs of groups all over the nation to do business with it. Think what would happen if D.C. tried to, let alone could, develop high employment potential by means normal to other communities, e.g., attracting heavy industry or building huge complexes to encourage relocation of a large insurance company's main office. As we all know, congressmen are quite sensitive to proposals to raise the city's building height limit, change its basically residential character.

To top it off, the D.C. public school system is attacked for "budgetary chaos." Hand in hand with such thought must go the recognition that Congress controls that budget—the entire city budget—but it has yet to pass this fiscal year's appropriations even though the year is about half over.

BARBARA H. THOMAS.

WASHINGTON.

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## FORCED SCHOOL BUSING: A DRASTIC ERROR

### HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BROYHILL of Virginia. Mr. Speaker, in the Washington Star of September 23, 1971, the eminent columnist, James J. Kilpatrick, comments upon the "drastic error" committed by the Supreme Court in its latest decisions endorsing forced schoolbusing. Concerning this Mr. Kilpatrick quotes from a major address by Senator ROBERT C. BYRD, who was "reared in the Yankee hills of West Virgina and "won his post as assistant majority leader with liberal support."

In his address Senator BYRD made some very astute and perceptive observations concerning forced schoolbusing. For example, he pointed out that busing lessens the chances for improvement of the inner city schools, and that the recent Supreme Court decisions upholding forced busing represent a "distorted, twisted interpretation of the equal protection clause."

Mr. Speaker, I insert at this point in the RECORD the text of Mr. Kilpatrick's brief but illuminating article:

#### A DRASTIC RESPONSE TO A DRASTIC ERROR

(By James K. Kilpatrick)

It has been an exercise in futility, these past 17 years, for a Southerner to raise his voice against any requirement having to do with the desegregation of public schools. He is licked before he starts. It is as if John Roche of General Motors were to expound an objective view of Ralph Nader.

Sen. Robert C. Byrd, though he was born in North Carolina, suffers from no such bill of attainder. He was reared in the Yankee hills of West Virginia. He has devoted his life to public service in that distinctly non-Southern state. Byrd holds a rating of 65 from the AFL-CIO Committee on Political Education, which puts him in a class with such moderates as Mathias of Maryland and Case of New Jersey. He won his post as assistant majority leader with liberal support.

Byrd's speech of Sept. 3 in Houston, before the national convention of Young Americans for Freedom, thus qualifies as the expression of a veteran lawmaker whose personal or political motives cannot be challenged. His devastating attack on what he terms the "madness" of compulsory busing is clear and convincing.

Simply on its merits, apart from the law, mass busing strikes the West Virginian as a "senseless" waste of money. He deplores its effect upon the cities: "When children are going to be hauled willy-nilly away from their homes and neighborhoods, it lessens the chances for improvement of the inner-city schools which are most in need of improvement."

Far from enhancing "quality education," in Byrd's view, busing tends to destroy education—especially for the black children whose needs are paramount. He sees only "increasing mediocrity in education" as a consequence of the "nonsensical obsession these days with racial quotas." Byrd flatly denies the contention that forced integration will teach children of different races to live in harmony together. "Polarization of the races is intensified when neighborhood and school identities are destroyed."

Byrd is a lawyer. He has steadfastly supported the Supreme Court's landmark decision of 1954, holding that children cannot lawfully be assigned to schools by reason of their race. He continues to defend that proposition. But he looks at the court's recent line of decisions, upholding the busing of children by reason of their race, and he sees a perversion of the 14th Amendment. "What a distorted, twisted interpretation of the equal protection clause!"

In Byrd's view, "the equal protection clause forbids segregation but it does not command integration." That distinction seems to him fundamental. He agrees with the court—the court of 1954—that a state violates the Constitution when it undertakes to treat children differently because of the color of their skin. He is thus baffled by the court's 180-degree turn: Now the states are told they must treat children differently because of the color of their skin. This is lunacy, says Byrd; and many will agree.

What is to be done? "Voices must be raised throughout the country which will move this nation's highest tribunal to the realization that its position . . . is going to impair public support of the public school system and will continue to produce chaos in the public schools." But Byrd acknowledges that the court has been unanimous in its racial opinions. Mere protest, however widespread and eloquent, may accomplish little.

One takes a long breath. Constitutional amendment is like matrimony, not to be entered into lightly. Yet amendment may now offer the only effective recourse. Since his speech in Houston, the assistant majority leader has endorsed a resolution sponsored by Sen. William E. Brock, R-Tenn., and eight others. It would write this into the Constitution:

"No public school student shall, because of his race, creed or color, be assigned to or required to attend a particular school."

That is Senate Joint Resolution 112. It demands prayerful thought. As the "madness" spreads beyond the South, to California, to Michigan, to Indiana, perhaps the Judiciary Committee will hold hearings on the resolution's drastic response to drastic error.

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## THE U.S. MARINE CORPS: 196 YEARS OF SERVICE TO OUR COUNTRY

### HON. JAMES C. CORMAN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. CORMAN. Mr. Speaker, in an ever-changing world, this Nation has had in its service an organization whose characteristics do not change, whose qualities are steadfast and constant—the courage, resolution, readiness, and faithful performance of duty of the U.S. Marines.

One hundred and ninety-six years ago today the U.S. Marine Corps was formed. And the purpose of the corps in 1775 was the same as it is today: To seek and maintain peace for the people of our country. For nearly two centuries we have had a corps of marines with small numbers and high standards. They have been, and are, a few good men—and women—who are proud of their corps and of America. On this 10th of November, the Congress and the country extend greetings and gratitude to all marines, in uniform and out, who have put their country before themselves.

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## OPPOSING CONFISCATION OF HANDGUNS

### HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. DINGELL. Mr. Speaker, the board of directors of the Michigan United Conservation Clubs representing over 130,000 sportsmen, hunters and conservationists in the State of Michigan at its meeting in Harbor Springs, Mich., on October 16–17 adopted a strong resolution opposing confiscation of handguns and reiterating that fine organization's support of the constitutional right of American citizens to keep and bear arms for legitimate sporting and defense purposes.

MUCC is the official affiliate of the National Wildlife Federation and the principal sportsman-conservationist organization in the State of Michigan. I believe this resolution of Michigan's citizens, sportsmen and conservationists deserves a place in the CONGRESSIONAL RECORD and I include its text at this point:

#### RESOLUTION

Whereas, some elected and appointed public officials have expressed their opposition to the private ownership of not only hand guns but also long guns such as are commonly used for hunting; and

Whereas, hundreds of thousands of Michigan citizens enjoy hunting and target shooting; and

Whereas, the Constitution of the United States guarantees the right of its citizens to keep and bear arms; and

Whereas, taking guns away from law-abiding citizens would have little effect on the possession of guns by criminals; and

Whereas, crimes of violence would be committed by other means if guns were not available; and

Whereas, effective guns can be crudely made from commonly available components or well made in a home workshop; and

Whereas, people, not guns, commit crimes:

Therefore be it resolved that no laws be enacted that would dispossess law-abiding citizens of their guns; and

Be it further resolved that penalties for law violations involving the use or threat of the use of a gun be increased; and

Be it further resolved that MUCC hereby express their opposition to any governmental action that would restrict the right of law-abiding citizens to own, keep and bear arms for the purpose of hunting, target shooting or the defense of themselves, their families or their homes.

## NOVEMBER 20 TO BE LILY PONS DAY

### HON. VICTOR V. VEYSEY

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. VEYSEY. Mr. Speaker, on November 20, the Palm Springs Opera Co. will pay tribute to the world's foremost colorature soprano, Miss Lily Pons, with a gala Grand Opera Ball in the Riviera Hotel.

Simultaneously the mayors of Dallas, Tex., and Palm Springs, Calif., will declare the day "Lily Pons Day."

The festivities in the Riviera Hotel will be climaxed by the presentation to her by French dignitaries of the scroll appointing her commander in the National Legion of Merit, completing the rare honor conferred upon her earlier this year by order of the President of France.

Miss Pons was born in Cannes, France. At the age of 13, she entered the Paris Conservatory as a piano student, but her plans for a virtuoso career as a pianist were changed after a serious illness. She turned to singing, under the direction of the famous vocal teacher, Alberti di Gorostiaga, and developed her singing voice to the point that she was able to make her operatic debut in the Mulhouse Opera in Alsace in 1928.

She made her historical debut at the Metropolitan Opera on January 3, 1931, in "Lucia di Lammermoor." Overnight she was a national sensation, and the Metropolitan revived several operas for her. Among them were "Daughter of the Regiment," "Linda di Chamounix," "Mignon," "La Sonnambula." Probably she is most famous for her role in the opera "Lakme," for she was the first singer in half a century to render the high F in the "Bell Song" that Delibes originally indicated.

Her brilliant coloratura range—2½ octaves—led Maestro Gatti-Cassaza, the Metropolitan Opera manager, to remark that Miss Pons had the only true coloratura voice he had ever heard or hoped to hear.

During World War II, Miss Pons was active in entertaining American and French soldiers. When France was liberated Miss Pons stood beside General de Gaulle in the Place de l Opéa and led the singing of "La Marseillaise." In appreciation of her wartime activities De Gaulle decorated Miss Pons with the Legion of Honor medal. Miss Pons had become an American citizen in 1940.

In 1963, President de Gaulle created a new order in France, the National Legion of Merit, to reward distinguished services rendered in public, civil, private, or military life. The order includes the same ranks and dignities as the Legion of Honor The President of the Republic is the Chief of the order and the Chancellor is the guardian.

On July 19, 1971, Miss Pons was awarded the rank of commander in the National Legion of Merit. It was bestowed upon her by M. Jaques Chabon-Delmas, the Prime Minister of France, whom Miss Pons personally selected, because of his closeness to the late President de Gaulle

This is the highest national award that has ever been bestowed upon a woman The award consists of two phases, the placing of the medal about the neck of the recipient, and the awarding of the scroll, which is the official recording of the award. The scroll will be bestowed upon Miss Pons at the Gala Grand Opera Ball in Palm Springs on November 20, 1971.

It seems fitting that the United States should recognize the great honor that has been bestowed on Miss Pons by the country of her birth, and that the country of her citizenship should in like manner pay tribute to the greatest living coloratura soprano, the first lady of the opera world. Further, it is appropriate that such a tribute should be paid in the city of her winter residence, Palm Springs.

I take this opportunity to call my colleagues' attention to this important event and add my own personal word of tribute to the many fine moments of pleasure Miss Pons' gifted talents and discipline have given opera lovers around the world.

## WAGE-PRICE CONTROLS

### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. DERWINSKI. Mr. Speaker, as one of the members who voted against the standby authority in imposing wage and price controls, which the Democrats insisted on giving President Nixon sometime ago, I take the position that the permanent maintenance of economic controls would be harmful to our economy and contrary to the free enterprise principles that have been our country's great economic asset.

I believe that figures demonstrate the success of the President's program and that the phaseout of controls can be properly implemented.

A point very effectively made by the Chicago Daily News in its Friday, October 29, edition is that the Bureau of Labor Statistics does in fact give us good reason to have confidence in the future of our country and its economic stability and strength. The point made in this editorial is, in my judgment, extremely pertinent.

The editorial follows:

#### No Need To Juggle Figures

The pressure on the Bureau of Labor Statistics to make its employment and living-cost figures enhance the Nixon administration's image is disquieting on many counts. The BLS over the years has earned high marks for serving Republican and Democratic administrations with the same professional integrity and nonpartisan objectivity. Its statistics have been key factors in shaping government economic policy. They also play an important role in the private sector, which relies on them for cost-of-living pay hikes and for other purposes.

The AFL-CIO's George Meany has raised serious questions about the administration's attempts to "politicize" the bureau, and they merit a serious reply. In a letter to Labor Sec. J. D. Hodgson, Meany expressed proper concern over the plan to drop the Bureau's special reports on unemployment in the nation's poorest neighborhoods starting next year. That is a presidential election year, and the publication of such statistics, which generally show an unemployment rate much higher than the national average, would not put Mr. Nixon in the best possible light.

Particularly disturbing about the tampering with the BLS is that it has been for so long above politics. If the BLS can be enlisted for partisan advantage as administration aides have tried to do ever since last March, not only will the bureau lose its credibility but other government agencies hitherto thought to be above politics will likewise fall under public suspicion.

Phonying up employment figures, apart from being dishonest, is pointless. Though worrisomely large pockets of unemployment exist in many sections of the country—and being jobless is tragic business to those caught in that predicament—the picture is not as bleak as some of the administration's detractors contend. The fact is that despite the large number of people without jobs, there are proportionately more at work than ever before.

Figures compiled by the Wall Street Journal reflect a big job growth factor since 1950, lasting straight through the 1969–70 recession. The number of men working has shot up by 16 per cent, while the number of jobs held by women and teen-agers has increased an incredible 71 per cent and 65 per cent respectively. Since 1965, the number of jobs has risen by 12 per cent—twice the population growth rate in the same period. There has thus been none of the severe job contraction that took place in the Great Depression, when the number of jobs shrank 23 per cent between 1928 and 1932.

Figures like those cited by the Journal could go a long way toward restoring public confidence in the economy and persuading people to start spending some of their record savings. The administration would be better advised to recite such facts than try to convert BLS into a propaganda arm of government.

## THE FARMERS HOME ADMINISTRATION IN TENNESSEE

### HON. JAMES H. (JIMMY) QUILLEN

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. QUILLEN. Mr. Speaker, the Farmers Home Administration of the U.S. Department of Agriculture is helping people make significant contributions to rural development, through its renewed efforts of placing much-needed resources at their disposal.

The assistance provided by this agency is exemplified in a small rural community in my congressional district known as Pigeon Forge. Pigeon Forge is located in Sevier County, Tenn., near the entrance to the Smoky Mountain National Park. Through the years this had been primarily an agricultural community consisting of small hillside farms. However, the local citizens realized there was a potential for attracting tourists to the area and began to plan accordingly. The town was incorporated, enabling it to take over and operate an existing water facility district assuring an adequate water supply. Rapid growth followed with motels and restaurants springing up at a rapid rate.

But rapid growth sometimes brings on problems as well, which was the case with Pigeon Forge. Sewage disposal became vital. The Tennessee Health Department was contemplating closing many of the tourist establishments because of the health hazard created by the surfacing of raw sewage. This problem had to be solved if Pigeon Forge was to continue to grow and prosper. So the town turned to the Farmers Home Administration for help. With a $544,660 loan and $90,555 grant from this agency, plus grants totaling $104,048 from the Appalachian Regional Commission and the Federal Water Pollution Control Agency, a sanitary sewage system was constructed.

This basic FHA service has contributed significantly to creating job opportunities, as exemplified by the establishment of 29 new businesses, since the sewage system was built. These include eight motels, three craft shops, two branch banks, three apartment houses, two beauty parlors, two radio and TV shops, and a warehouse. Present plans call for an icehouse, another restaurant, and a 200-unit motel. These businesses represent an increase of almost 50 percent in the number of commercial establishments in the town and provide many new jobs for the local residents, making it unnecessary for them to migrate to distant cities in search of opportunity. In addition, 60 new homes have been constructed in Pigeon Forge during the 2-year period the sewage system has been in operation.

Mr. Speaker, all this represents a much-increased tax base, which permits continued development, while, at the same time, maintains a good financial condition for the town. This development exemplifies rural development resulting from local people assuming the role of leadership and becoming determined to improve their surroundings. In such cases, the FHA is always standing by to help as it helped at Pigeon Forge.

However, FHA services are not confined to sewage systems for rural communities. It provides assistance in other areas as well. During fiscal year 1971, 30 families in my congressional district, of which a number are still in their twenties, received FHA loans in the amount of $468,000 to purchase farms; 364 rural families received housing loans in the amount of $4.2 million, enabling them to become homeowners; eight loans amounting to $1.6 million and seven grants amounting to $174,000 were made to rural communities for constructing central water systems.

Mr. Speaker, I think this provides an insight to the contributions the Farmers Home Administration is making toward helping those who desire to help themselves. It is putting the resources at the disposal of rural people when and where they are needed to help move rural America forward. I commend FHA Administrator James V. Smith and the FHA State Director Paul Koger and express to them my gratitude for the great work they are doing in Tennessee and particularly the first congressional district.

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## PRICE AND WAGE CONTROLS: DIVIDE AND CONQUER

## HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. SCHMITZ. Mr. Speaker, Prof. Milton Friedman, professor of economics, University of Chicago said:

> Most discussion of the wage-price freeze and the coming Phase II controls has been strictly economic and operational: were they needed, will they work, how will they operate? . . . There has been essentially no discussion of a much more fundamental issue. The controls are deeply and inherently immoral . . . Is it morally wrong for Chile to expropriate the property of Anaconda Copper—i.e., to force it to sell its copper mines for a price less than its value; but morally right for the U.S. Government to force the worker to sell his labor for less than its value to him and to his employer?

Professor Friedman, one of the academic world's last defenders of the free market against the Keynesian prescription for a Government-controlled economy which President Nixon has now embraced, has penetrated to the heart of the issue in the administration's price and wage controls program. Yet how many readers even of this newsletter would still in defiance of all fairness and logic, answer the second part of his question with an angry "yes'?

Middle-class America has been encouraged to blame inflation on the labor unions and therefore to welcome even the most drastic Federal controls to limit pay increases. But at the very same time the workingman has been encouraged to blame inflation on "big business" and its greed for profits, and therefore to welcome even the most drastic Federal controls on prices and rents. Consequently, for opposite reasons, both business and labor—and most Americans—have been persuaded that price and wage controls are desirable. As Professor Friedman points out, opposition to them on principle is, so far, scarcely to be found. By setting class against class in America, the Government economic planners—at least for the time being—appear to have conquered.

Let there be no mistake about it: These controls are for all intents and practical purposes permanent. On September 9 President Nixon told Congress that—

> The freeze will not be extended beyond 90 days.

and that—

> Nothing could be more detrimental to the new prosperity in the long run than to put this Nation's great, strong free enterprise system in a permanent straitjacket of government controls.

On October 7, speaking to the Nation, he said:

> I am announcing tonight that when the 90-day freeze is over on November 13, we shall continue our program of wage and price restraint.

Though he still made passing mention of an intention not to make the controls permanent. But by October 28, when Under Secretary of the Treasury Charls Walker briefed Members of Congress on the full phase II program of price and wage controls, most of the pretense was dropped.

Mr. Walker could not foresee when or how the controls would end, and explained that the freeze would in fact continue after November 13, with only such exceptions as the new Pay Board and Price Commission would in their own good time allow. It is hard to see how this can be called anything other than a direct breach of the President's promise September 9 that the freeze would not be extended beyond 90 days.

Economic columnist Sylvia Porter has stated what is almost certainly the truth:

> We entered a new economic era in the United States on August 15 . . . Not in the foreseeable future will our economy be as free as it was in the weeks leading up to that fateful Sunday evening.

Lasting government price and wage controls have never worked in the whole history of the world, and can only be made to seem to work in a fully totalitarian state. The reason is simple, but needs to be repeated over and over again: The primary cause of inflation is government itself, through deficit spending and debasing the currency. Price and wage increases are the result, not the cause, of inflation.

President Lyndon Johnson's budget, for his last year in office, was $185 billion. President Nixon's budget this year is $230 billion. For next year it will be at least $250 billion, possibly as high as $275 billion, and the Treasury Department admits there will be at least a $27 billion deficit—assuring that inflation will continue, controls or no controls. Yet the American people, divided against themselves, are being taught to blame everyone for this but the real culprit.

If we do not value our free market we will lose it forever. The only alternative is full-scale socialism.

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## WAGE AND PRICE CONTROLS ON FREE MARKET DISCIPLINES?

## HON. JOHN H. ROUSSELOT

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. ROUSSELOT. Mr. Speaker, many people ask what is a constructive and positive alternative to the use of wage and price controls by the Federal Government? In my opinion, and that of many constructive economists, it is to allow the discipline of the free market place and, more important, permits the consumer to make the final determination on the basis of the daily free vote of what the consumer intends to either purchase or not purchase. Leonard E. Read, in his book "Let Freedom Reign," chapter 8 entitled "Free Market Discipline," very thoughtfully explores this whole area of the usefulness of the free market system and what it means. I recommend that my colleagues thoroughly consider the concepts developed in this chapter:

### Free Market Disciplines

Contrary to socialistic tenets, the free market is the only mechanism that can sensibly, logically, intelligently discipline production and consumption. For it is only when the market is free that economic calculation is possible.[1] Free pricing is the key. When prices are high, production is encouraged and consumption is discouraged; when prices fall, the reverse holds true. Thus, production and consumption are always moving toward equilibrium. Shortages and surpluses are not in the lexicon of free market economics.

Conceded, the above is no news to those who apprehend free market economics; they well know of its disciplinary influence as regards production and consumption. This alone warrants our support of the free market. However, the free market has two other quite remarkable disciplinary possibilities which have seldom been explored.

Before making that exploration, it is necessary to recognize the limitations of the free market. The market is a mechanism, and thus it is wholly lacking in moral and spiritual suasion; further, it embodies no coercive force whatsoever. In these respects, the market is without disciplinary possibilities.

"Like all mechanisms, the market, with its function for the economizing of time and effort, is servant alike to the good, the compassionate, and the perceptive as well as to the evil, the inconsiderate, and the oblivious."[2] Scrupulosity is not among its characteristics.

The free market is a name we give to the economic activities—a short-hand term, we might say—of a people acting freely, voluntarily, privately, cooperatively, competitively. It is distinguished by universal freedom of choice and the absence of coercive force. Ideally, only defensive force—government—is employed to put down fraud, violence, predation, and other aggressions.

Given a society of freely choosing individuals, the market is that which exists as a consequence—it is a mechanism that is otherwise nondefinitive. It is the procession of economic events that occur when authoritarianism—political or otherwise—is absent.

While private enterprise is often practiced in a manner consonant with free market principles, the two terms are not synonymous. Piracy is an enterprise and also private. Many businesses when in league with unions, for instance—willingly or not—feature elements of coercion and thus are not examples of the free market at work.

The free market has only been approximated, never fully attained, and, doubtless, never will be realized. It is an out-of-reach ideal; we can only move toward or away from it. Yet, in the U.S.A., even in these days of a rapidly growing interventionism, the free market flourishes to a remarkable extent. To appreciate this, merely envision the countless willing exchanges—hundreds of millions daily—such as Mrs. Jones swapping a shawl she has made for a goose Mrs. Smith has raised, or the money you pay for a phone call or a quart of milk. In these instances, each party gains, for each desires what he gets more than what he surrenders. In a word, the free market is individual desire speaking in exchange terms. When the desire for Bibles is accommodated in noncoerced exchange, we can conclude, quite accurately, that we are witnessing a market for Bibles. Or, when the desire for pornography is being thus accommodated, we can conclude that there is a market for trash. I repeat, scrupulosity is not a feature of the market.

When the desires of people are depraved, a free market will accommodate the depravity. And it will accommodate excellence with equal alacrity. It is "servant alike to good . . . and evil."

### AN AMORAL SERVANT

It is because the free market serves evil as well as good that many people think they can rid society of evil by slaying this faithful, *amoral* servant. This is comparable to destroying the sun because we don't like the shadows we cast or breaking the mirror so that we don't have to see the reflection of what we really are.

When I sit in front of a TV and view trash, I tend to rant and rave at what I'm seeing. Wake up: What I hear and see is a reflection of what's in me! Thus, my only corrective is to read a good book or otherwise cease to patronize such low-grade performances.

The market is but a response to—a mirror of—our desires. Once this harsh reality is grasped, the market becomes a disciplinary force. To elaborate: Say that a person desires, buys, and reads a filthy book. Were he to realize that what he's reading is a picture of what's in his own make-up, such a realization, by itself, would tend to change him for the better. The market would then reflect the improvement. But note that the market has no such effect on those who are oblivious to this fact. *It's the knowledge of this character-revealing fact that makes of the market a disciplinary force.* I am only trying to point out the market's potentiality in this respect.

Instead of cursing evil, stay out of the market for it; the evil will cease to the extent we cease patronizing it. Trying to rid ourselves of trash by running to government for morality laws is like trying to minimize the effects of inflation by wage, price, and other controls. Both destroy the market, that is, the reflection of ourselves. Such tactics are at the intellectual level of mirror-smashing, attempts not to see ourselves as we are. The market's potentiality as a disciplinary force is thereby removed. To slay this faithful, amoral servant is to blindfold, deceive, and hoodwink ourselves. Next to forswearing a faith in an Infinite Intelligence over and beyond our own minds, denying the market is to erase the best point of reference man can have. So much for the first somewhat unexplored possibility of the market as a disciplinary force.

### IMPERFECT MAN

Now to the second. This cannot be explained unless we are aware of our numerous shortcomings, of how narrow our virtues and talents really are—everyone's, no exceptions.

Let's take, for example, the greatest mathematical genius who ever lived. He's a giant in his field. Yet, without any question, he's a know-nothing in countless other ways. This goes for outstanding generals, chemists, physicists, scientists of whatever brand. No one ever gets more than an infinitesimal peek at the Cosmic Scheme, at the over-all luminosity, even at himself. We must see that the biggest among us is tiny. And one who denies this about himself is displaying the greatest ignorance of all: he doesn't even know how little he knows! "If we wish to know anything, we must resign ourselves to being ignorant of much."[3]

Reflect on this human reality, on imperfect man, particularly on the more imaginative and brilliant individuals among us. While they possess an outstanding and remarkable aptitude or two, they, too, are daydreamers. "If only I had a million dollars," is a dream that flashes across countless minds. Many of these specialists want above all else to pursue their own peculiar bent whether it be going to the moon, genetic alteration of other human beings, releasing the atom's energy, or whatever.

Knowing so much about one thing and so little about everything else, they are unable to know what effect their ambitions, if achieved, might have on the human situation. Just as a baby with a stick of dynamite and a match is unaware of what the consequences might be!

The lamentable fact is that scientists, pseudo scientists, and other technologists have been given a wishing well: the Federal grab bag. They, thus, are encouraged to carry out any experiment their hearts desire, without let or hindrance. Leaving aside the destruction of our economy by inflation—featured in the grab bag's financing—they are alarmingly endangering all the people on this earth, even the earth itself. And primarily because they suffer no restraining and disciplinary forces; their passions and ambitions are on the loose!

### THE DISCIPLINE OF THE MARKET

The remedy? Let these ambitions be submitted to the discipline of the market precisely as are most other commodities and services. Go to the moon? Of course; that is, when the market permits the venture, if enough people voluntarily subscribe the cash. Release the atom's energy? By all means; that is, when the market is ready for it.

Am I saying that the market has a wisdom superior to the President of the United States, or the Congress, or a bureaucracy? I am not. The market is a mechanism and is neither wise nor moral. I am only claiming that it has disciplinary qualities. To understand why requires no more than a knowledge of what the components of this mechanism are: millions upon millions of individual preferences, choices, desires. *The market is an obstacle course;* before I can pursue my bent or aptitude or obsession, I must gain an adequate, voluntary approval or assent! No wishing well, this! My own aspirations, regardless of how determined, or lofty, or depraved, do not control the verdict. What these others—impersonal as a computer—will put up in willing exchange for my offering spells my success or failure, allows me to pursue my bent or not.

There are exceptions to this rule, of course. For instance, some of us who may be unable to win the market will, like Van Gogh, face starvation in order to pursue our passions. The threat of starvation, however, is quite a discipline in itself; at least, not much is likely to be uncovered in these circumstances that will destroy life on earth. It takes big financing to do unearthly things.

The market very often returns fortunes for comparative junk and, on occasion, returns nothing at all for great and beneficial achievements—temporarily, that is. Eventually, in a free society, the junk goes to the junk heap and achievements are rewarded.

I believe that anyone should follow his star; but let him do so with his own resources or with such resources as others will voluntarily supply. This is to say that I believe in the market, a tough, disciplinary mechanism. I do not believe in cars without brakes, impulses without repulses, ambitions with check points, wishes run riot. Societal schemes that are all sail and no ballast head society for disaster!

The rebuttal to this line of reasoning is heard over and over again: "But we voted for it," meaning that the Federal grab bag—open sesame with other people's income—has been democratically approved. Granted! But this is nonsense: the fruits of the labor of one man are not up for grabs by others, that is, not rationally.[4] This is not a votable matter, except if one's premise be a socialistic society. What's right and what's wrong are not to be determined at the shallow level of nose-counting or opinion polls. To argue otherwise is to place the same value on the views of morons as you do on your own.

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[1] Professor Ludwig von Mises establishes this point, irrefutably, in his book, *Socialism* (London: Jonathan Cape Ltd., 1969).

[2] See "Value—The Soul of Economics," by W. H. Pitt. *The Freeman,* September, 1969.

[3] John Henry Newman.

As a disciplinary force over wild aspirations, the President of the United States, a member of Congress, a bureaucrat is not only less effective than the market but less effective than any single buyer or seller in the market. An individual, when a government official, considers only how much of other people's money should be spent. The motivation in this instance favors spending over economizing. The same individual, in the free market, considers how much of his *own* property he is willing to put on the line. The motivation in this instance is self-interest. And this is tough! Ambitions as silly as tracking the meanderings of polar bears by a nimbus satellite stand a chance for satisfaction when a grab bag made up of other people's money is readily at hand; [5] whereas, the free market gives short shrift to projects that are at or near the bottom of individual preferences.

True, were personal ambitions subjected to the disciplines of the market, trips to the moon would have to be postponed. Atomic energy might be a phenomenon of the future. Many other scientific explorations—some secret—taking place today in our universities and Federally financed would, under the discipline of the market, still be safely stored in imaginative minds.

This is no argument against technological breakthroughs. It is merely to suggest that these illuminations be financially encouraged only as the free market permits. The resulting steadiness in progress might then be harmonious with an expanded understanding of what it is we really want and can live with.

I repeat, societal schemes that are all sail and no ballast head society for disaster. The free market is ballast—a stabilizer—we might well put to use if we would avoid wreckage in the stormy seas of political chaos.

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## THE GUINEA PIGS—NOBODY KNOWS IF DRUGS TESTED ON HUMANS WILL CAUSE CANCER

## HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BROYHILL of Virginia. Mr. Speaker, my very good friend and constituent, Dr. John O. Nestor, recently called my attention to an article which appeared in the Washington Post on October 24, 1971, concerning the testing of powerful and possibly dangerous medicines on humans before experiments with animals have proven their safety.

Dr. Nestor feels, and I agree, that the American public should be warned about the dangerous practices described in this article and that the public and the Congress should insist that the Food and Drug Administration tighten its regulations which make such practices possible.

I insert the full text of the article at this point in the RECORD:

### THE GUINEA PIGS—NOBODY KNOWS IF DRUGS TESTED ON HUMANS WILL CAUSE CANCER

(By Morton Mintz and Tim O'Brien)

Pharmaceutical manufacturers are testing potent new medicines in thousands of humans every year even before they complete experiments designed to show if the same chemicals may cause cancer in laboratory animals.

In numerous cases, cancer has developed in animals after tests. The Food and Drug Administration has publicly disclosed only one such case, that of MK-665 compound—an experimental birth control pill given to more than 400 women and belatedly reported in January 1966, to have caused cancer in the breasts of beagles.

All told, more than 1,000 chemical substances, out of some 20,000 in our environment, have been shown to be carcinogenic—cancer-producing—in animals. And several individual chemicals or mixtures among them have also been shown conclusively to produce cancer in men.

Many cancer specialists apply a rule of thumb: If a chemical is reliably and definitely carcinogenic in one or two species of animals, it is very likely to be similarly active in other species—including humans.

But proof that a substance produces cancer in humans is hard to obtain. This is because such a substance takes approximately 10 years—and sometimes as much as 30 years—to bring a human cancer to the point of development where it can be detected.

Bladder cancer, for instance may be present for 20 or even 30 years before it is detected. Thus we will not know for a long, long time whether cyclamates, the synthetic sweeteners found in 1969 to be causing bladder cancer in rats, also cause it in humans.

Most always, companies experimenting in humans while animal tests are still under way are complying fully with FDA's regulations. The FDA's General Guidelines for Animal Toxicity Studies require a company starting human testing to notify the agency that it is doing so, but neither to have first completed animal testing nor first to have obtained approval before moving to humans.

The regulations permit a drug that has been used in animals for two weeks to be administered to humans, sick or well, for up to two weeks (the regulations do not apply to estrogen, progestogen and the oral contraceptives, which in every case contain these synthetic hormones).

After four weeks' use in animals, the rules permit an experimental drug to be used in humans, sick or well, for up to three months; and after a medicine has been tried in two species of animals for three months, a manufacturer is free to give it to humans for an unlimited period of time.

What all this adds up to, one disillusioned FDA scientist told a reporter, is that "the drug companies, with the collaboration and collusion of the FDA, are really doing their experimentation with new drugs on humans while simultaneously carrying on limited and minimal animal studies on the side as a facade. That is it, pure and simple."

#### NINE-TENTHS OF CANCERS

In the view of leading scientists, no amount of a substance that is carcinogenic in animals should be presumed safe in humans. Last January, for example, Dr. David Rall of the National Institute of Environmental Health Sciences said that it is "essentially impossible to suggest a safe dose in humans of a chemical that is carcinogenic in animals."

That view is consistent with the 1958 legislation, sponsored by Rep. James J. Delaney (D-N.Y.), which forbids the use of any food additive that has been demonstrated to cause cancer in either animals or man.

And that view is consistent, too, with an appeal made last winter by the Surgeon General of the Public Health Service, Dr. Jesse L. Steinfeld. Calling for controls on production of all known carcinogens that man has introduced into the environment, he said exceptions should be limited to substances offering "a well-defined health benefit" that "outweighs their risk."

Chemicals cause the great bulk of cancers in man; viruses and radiation together cause possibly only 10 per cent of them.

Chemical carcinogens have been shown to act by inhalation (cigarette smoking alone is blamed for most of the 68,000 deaths a year from cancers of the respiratory system), by ingestion (the foods, beverages, drugs, additives and other chemicals we take in are believed responsible for possibly most of the 45,000 fatal cancers in the intestinal tract), by surface contact with the skin and mucous tissues, and occasionally by injection or implantation.

The risks and the difficulty of control are illustrated in a hypothetical example offered by Dr. Umberto Saffiotti, an associate scientific director of the National Cancer Institute, in testimony last April before the Senate Subcommittee on Executive Reorganization and Government Research.

Suppose, he said, that thalidomide, instead of producing deformities which were obvious at birth, had produced a form of cancer which would not become manifest until adulthood.

"The lethal effects of the drug would probably still be undetected, women would possibly still be taking it during their pregnancy, and a large number of people would have been born with a built-in sentence to early death by cancer," he said.

While a chemically induced cancer escapes detection for possibly two decades or longer, it can be administered "under the false appearances of harmlessness," Dr. Saffiotti warned.

"If the effect is then detected and properly attributed to the specific chemical, and this is then removed from the environment, the cancers it induced will continue to appear for the next 20 to 30 years," he testified.

#### "POTENTIALLY PREVENTABLE"

Rather than seeing all of this as a cause of despair, Saffiotti expresses a view held by many cancer experts: "The majority of human cancers are potentially preventable."

The work of preventing cancer, he has suggested, can be sensibly concentrated on the "maybe just a few dozen" new environmental chemicals that, on testing, will be shown to be carcinogenic in humans.

In most cases, Saffiotti told the Senate Subcommittee, pursuit of such proof requires "extremely complex and lengthy epidemiological studies."

And in some cases, he continued, such proof actually may be "impossible to obtain . . . because of the complexity of controls that would be needed for a satisfactory demonstration."

The birth-control pills illustrate the problem. The steroid substances they contain have caused cancer in five species of laboratory animals. Millions of women, in an uncontrolled mass experiment, take them daily (and more millions have taken them and given them up, for one or another reason).

Yet controlled studies to determine if the pills do—or do not—cause, say, breast cancer have not been done. Such studies would have to enlist tens of thousands of women for approximately a decade.

In 1969, the FDA's expert outside advisers on contraception issued a report saying that "the major unsolved question" about the pills is their relation to the induction of cancer. Consequently—nine years after the FDA pronounced the pioneer pill safe and let it go on sale—the advisers were pleading that well designed studies be initiated "to elucidate or eliminate" the relation between such products and cancer of the breast and uterus.

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[4] For what I consider to be a rationally constructed explanation of this point, see "The Limits of Majority Rule" by Edmund A. Opitz. Copy on request.

[5] See "The Migration of Polar Bears," *Scientific American*, February, 1968.

For Dr. Saffiotti, among other experts concerned with the whole range of cancer problems, the "only prudent course of action at the present state of knowledge is to assume that chemicals which are carcinogenic in animals could also be such in man, although the direct demonstration in man is lacking."

Another prudent course, emphasized by scientists including Sir John Eccles of the State University of New York, is to exploit our ever greater proficiency in conducting animal carcinogenicity tests meaningful to man.

". . . there will be progressively less necessity for human experimentation," Eccles said. "We must plan to minimize human experimentation and maximize animal experimentation, and we must define quite rigorously the conditions under which human experimentation can be carried out."

This was one of the major goals of the Kefauver-Harris amendments to the drug laws, which Congress, suddenly motivated by the thalidomide episode, enacted in 1962, in hopes of averting any future drug catastrophes.

With this mandate, the FDA, in January, 1963, adopted implementing regulations. Their high purpose, as expressed by the Department of Health, Education, and Welfare, was "to eliminate all unnecessary risk to the public that may attend the development of new drugs and to impose only necessary restrictions on the conduct of investigational drug research."

For about three years, so far as the public and most of the medical profession were aware, the regulations were working well.

### THE MK–665 CASE

But in early 1966, serious doubts surfaced. First came the case of MK–665 compound, the experimental birth control pill, that led then FDA Commissioner James L. Goddard to make the one and only agency announcement that an investigational drug used in human beings had caused cancer in animals.

On Jan. 21, 1966, Merck & Co. had notified the FDA of the finding of breast cancer in beagles that were sacrificed after receiving large doses of MK–665 compound for 12 months.

An "alarming finding," William W. Goodrich, then FDA's general counsel, called this in hearings on the case held by the House Intergovernmental Relations subcommittee in March, 1966. And, he testified, such a finding must, under the regulations, be reported to the agency "immediately."

Merck scientists had sacrificed the dogs on July 30, 1965, but did not make microscopic examinations of tissue sections until four months later—a precedent of sorts for the Triflocin case detailed in the accompanying article.

Explaining the delay, the firm said the findings from another group of dogs sacrificed in February, 1965, had been negative, and that the tissues from the July group had become available during an inconvenient period, vacation time.

If reasons of this sort can immunize a company from the requirement to report "alarming findings" at once, W. Donald Gray, then a subcommittee investigator, told Goodrich, "a company could do animal studies and not make final tissue examinations and reports for years."

The FDA did refer the case to the Justice Department for a possible criminal prosecution, but the department declined to act.

In November 1965, while the July tissues still were awaiting evaluation, Merck had notified the FDA that it was beginning large-scale testing in women.

The notification—legally, an application to be exempted from requirements that any drug in interstate commerce be demonstrated to be safe and effective—cited the negative February results of six months' testing. The July results, covering a full year, not having been analyzed, were ignored.

On Dec. 9, 1965, however, the July tissues were analyzed and cancer was found. Merck "should have reported the results . . . immediately," but, instead, was "getting in touch with their consultants," Goodrich testified.

Not until 43 days later did the company notify the FDA. "That was a violation," the counsel told the subcommittee. Merck said it had acted "responsibly and as promptly as warranted." Soon after receiving the notification, then Commissioner Goddard announced the cancer finding at a press conference.

Merck said it had halted testing in 340 women who had been receiving the experimental birth control pills from authorized medical investigators, and in 127 others who had been getting MK–665 from two other investigators who had not been cleared by Merck.

### THE NEEDED REFORMS

At the time, the FDA said Merck had initiated a program of followups for the 340 women who had gotten MK–665 through proper channels.

By replying to a recent inquiry, the FDA said that while no adverse effects in the users had been found, Merck had "lost track of many of the women." In addition, some of the follow-up tests were "inconclusive" because the women took other oral contraceptives abandoning MK–665, the spokesman said. He added that the whole matter has been referred to an FDA advisory committee.

In a follow-up of its own, the FDA ordered manufacturers of all of the marketed oral contraceptives to undertake studies of up to seven years' duration in monkeys, the species closest to man, as well as in dogs. Each of the pills contain synthetic estrogen, which, under certain conditions, can be carcinogenic.

Yet the FDA has demanded no counterpart of the monkey-beagle tests for numerous non-hormonal medicines, many of which have not been shown to provide a therapeutic advance that outweighs their hazards.

The House subcommittee also investigated the case of DMSO, an industrial solvent built by almost hysterical publicity into a "wonder drug" useful for most any affliction from arthritis to headaches. One of the distressing revelations was that several drug firms had failed to report adverse (though non-cancerous) reactions in animals, and that the FDA had failed to enforce its own experimental drug rules.

The subcommittee hearings, led by Chairman L. H. Fountain (D-N.C.), prodded the FDA to make some improvements in its investigational drug regulations, but fundamental deficiencies nonetheless went uncorrected.

The needed reforms are, in some areas, obvious: tougher regulations to implement the law, and tougher enforcement of those regulations; more congressional oversight of the FDA, and the use of substitutes for carcinogens (which is often possible), or the outright abandonment of such chemicals unless there are truly compelling justifications to use them.

A larger question arises from the legislation approved by the Senate to create a Conquest of Cancer Agency, finance it generously, and have it report directly to the President—an idea to which Mr. Nixon and the American Cancer Society attach importance.

The question is, can the conquest be achieved so long as the FDA does not routinely require that drugs be adequately screened for cancer-producing potential, and so long as it permits drugs that are carcinogenic in animals to be administered to humans?

### TRIFLOCIN: CASE HISTORY OF A DRUG

In February, 1968, Lederle Laboratories, the pharmaceutical division of American Cyanamid Co., began experimenting with a medicine that rids the body of excess fluids.

Such products are called diuretics. Approximately two dozen of them long have been available to physicians.

Lederle says that Triflocin held promise of offering special advantages over rival products.

At the Food and Drug Administration, however, some scientists say that the diuretic market is saturated. "We need another diuretic like a hole in the head," one FDA scientist said.

Initially, Lederle administered Triflocin to rats and dogs. Some time after that—both the company and the FDA are vague about precisely when—medical investigators working with Lederle began administering Triflocin to human beings here and abroad.

The number of patients is uncertain. The FDA says it was "about 205," but Lederle says it was 253. The FDA says that "at least 63 non-Americans" got Triflocin; Lederle says that "98 foreign humans" were involved in the Triflocin studies.

The date when human beings began to take Triflocin has not been disclosed, but FDA regulations for "INDs"—investigational new drugs—permit clinical trials to begin after animals have received them for two weeks.

In September, 1969, some of the first rats given Triflocin were killed and autopsies performed.

In the urinary bladders of some of the rats, the FDA said, Lederle found "abnormalities." The company, replying to written questions from The Washington Post, said that it detected no cancerous tumors at that time, but neither it nor the FDA disclosed exactly what the "abnormalities" were.

According to the account Lederle gave the newspaper, the next important development came when dogs given Triflocin experienced kidney effects "unrelated to cancer." On the basis of these findings, the letter said, Lederle on Jan. 22, 1970, instructed Triflocin investigators to discontinue human trials.

The FDA made no mention of the January development and, indeed, there are signs it did not know of it.

After the rat studies disclosed unspecified "abnormalities" the obvious next step was to examine the animal tissues under a microscope to find out if the "abnormalities" were cancers. This process takes two weeks to a month, according to FDA scientists.

But the microscopic examinations actually were not completed for seven months, and during this time Triflocin was being administered to human beings. The possibility that the "abnormalities" were cancers not having been excluded, the delay was "inexcusable," one FDA scientist said.

The precise date Lederle gave the FDA for completion of the microscopic examinations was April 15, 1970. At the time, Lederle said, four out of 13 rats had developed cancer 18 months after being treated with Triflocin; seven out of 12 got the disease after 22 months. In all, 11 out of 24 became cancerous. None of the control rats—those not given the drug—developed cancer.

Lederle reported these findings to the FDA not by phone or with some other sign of urgency, but in a letter dated April 27, 1970, or 12 days later.

"During routine evaluation of slides from our chronic toxicity study in rats, we discovered changes in the urinary bladder which appear to be drug related," Lederle told Dr. Henry E. Simmons, director of the FDA's Bureau of Drugs.

Because the "changes" were cancers, "We immediately discontinued clinical studies and requested return of all outstanding drug supplies," the Lederle letter said.

The statement that "we immediately discontinued human trials" did not seem to suggest that these trials were going on in only two human beings. Yet, Lederle, in its subsequent letter to The Washington Post, said that all but two persons "had been off Triflocin for several months," as a consequence of the January, 1970, dog kidney findings "which were unrelated to cancer."

In dealing with the finding of bladder cancer in rats, Lederle proceeded differently with its eight foreign investigators than with its 10 domestic Triflocin investigators, the FDA said.

"Copies of letters to the domestic investigators, dated June 18, 1970, identified the adverse finding as papillary carcinoma," the agency said. "Foreign investigators, however, were advised in letters dated April 27, 1970, of ". . . lesions with occasional malignant degeneration."

Asked for an explanation of the April-to-June delay in notifying American investigators, Lederle said that the June 18 letter "transmitted further detailed reports of the rat bladder cancer findings . . . as a follow-up to prior notification" of these physicians "by letter and/or visit."

Between September, 1969, when the "abnormalities" were found in the test rats, and late April, 1970, when this finding was reported to the FDA, "about 205" or 253 persons—depending on whether the agency's count or Lederle's is correct—had taken Triflocin.

The conflicting statistics raise questions as to how the FDA can monitor the human subjects' reaction to Triflocin if uncertainty exists about precisely how many persons got it.

Asked how many of the human subjects were informed of the suspected toxicity of Triflocin—information which would encourage them to undergo regular examinations—the FDA said the number was "indeterminable."

The FDA made "specific recommendations" to Lederle as to procedures that would be appropriate in following up the effects the drug may have had on patients, Dr. Simmons said.

But Lederle officials "rejected some of the recommendations, stating that they would consult a 'panel' for advice," the FDA official reported.

Lederle, in its reply to The Washington Post's inquiries, said nothing about having rejected some of the follow-up procedures recommended by the FDA. Instead, the company said its recommendations were "communicated to investigators" who conducted clinical trials with Triflocin.

The Lederle panel—said by the company to be made up of scientists from an unidentified but "outstanding" medical school—concluded that Triflocin patients "are at little risk of developing bladder tumors," because the amount of the diuretic given and the duration of exposure to it "are not at all comparable to the animal dosages or durations."

The panel concluded that "no follow-up is necessary for those individuals who received the drug for less than two weeks."

The FDA disagreed, saying that all persons who got Triflocin should be followed up. And until the company panel made its recommendations, Lederle had undertaken to inform its investigators of its discussions with the FDA and had supplied them with patient follow-up sheets listing specific tests to be made.

The Triflocin case first came forcibly to the attention of FDA Commissioner Charles C. Edwards thanks to Dr. John O. Nestor, an agency medical officer and pediatric cardiologist.

Nestor told Dr. Edwards of a situation he considered "scandalous": Animals treated with an unnamed experimental drug (later publicly identified as Triflocin by a drug trade paper) had developed cancer after human testing had begun. He also questioned the adequacy of the FDA guidelines for experimental drugs, as well as the adequacy of follow-up on persons exposed to such medicines.

Nestor used the "Critical Pathway," an administrative channel specially created by the Commissioner to enable FDA personnel to slash red tape and bring urgent situations directly and promptly to his attention.

Edwards replied two months later. He implicitly recognized that drugs were being tested in humans before adequate animal studies were completed and evaluated, but said no policy changes by FDA were required. The letter mentioned neither Lederle nor Triflocin.

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## DANGER IN GERMANY'S OSTPOLITICK

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. CRANE. Mr. Speaker, while many in this country have hailed West German Chancellor Willy Brandt's Nobel Prize for Peace, and while our Government seems satisfied with the Big Four agreement reached on the future status of Berlin, the unfortunate fact seems to be that the West has lost and the East has gained in this entire transaction.

In that agreement, travel was simplified for West Berliners wishing to visit East Berlin, but no provision was made whatever for East Berliners wishing to visit the West. Similarly, we agreed that no sessions of the West German Parliament nor the Congress, which elects the West German President, may take place in West Berlin. In this onesided agreement, the situation in East Berlin was not even mentioned. Contrary to all previous agreements, the East German regime has installed all its governmental offices and parliament in East Berlin. In addition, East German soldiers are stationed in East Berlin, while no West German soldiers are permitted in West Berlin. This situation has now been made into a formal agreement, and incredibly is hailed as a victory and achievement in the West.

Discussing the Berlin agreement in a speech before the National Press Club here in Washington, Axel Springer, founder and owner of the leading West German publishing group, declared that—

> Completely incredible is the concession to establish a Soviet consulate general in West Berlin, a concession obviously granted upon German urging. The Berliners already call this the future home of all the spies who were kicked out of Britain recently.

Mr. Springer stated that—

> The West also gave a death blow to all hopes for eventual reunification of Berlin and Germany. I mean, of course, reunification in freedom. This new policy will most likely bring in its wake international diplomatic recognition for the East German regime. The run has already been started.

The treaty, it must be remembered, has greater implications for East-West relations than the status of Berlin alone. Mr. Springer places this treaty in some perspective:

> These treaties, in my mind, are so dangerous, not only because they give away German rights without getting anything back in return, but because they are the first sign of a new "renversement des alliances," reversal of alliances, as Bismarck called it.

The Berlin treaty is only the first step in the Soviet timetable, a timetable which Western leaders seem eager to help them fulfill. Mr. Springer notes that—

> The next step, according to the Soviet timetable, will be the so-called European security conference. Here the often-told, long-range aim is to find a political and legal justification for the demand that "all troops return home from foreign soil." This in effect would mean that the Soviet units might retire beyond the new Polish eastern border, and that the American units retire beyond the Atlantic.

Those who somehow believe that the Brandt policies and their counterpart in our own country will somehow bring peace, should carefully consider the words of Axel Springer.

I wish to share this speech, given in Washington, D.C. on October 26, 1971, with my colleagues, and insert it into the RECORD at this time:

STATEMENT BY AXEL SPRINGER

Ladies and gentlemen, your chairman asked me to be brief. I think he was right. Because as you know the Germans write the longest articles in the world and make the longest speeches—with the possible exception of the Russians and the Cubans.

The duty to be brief reminds me of a very pleasant ceremony at the Chaim Weizmann Institute in Rehovot, Israel. Before we, the designated Honorary Fellows of the Institute, got our caps and gowns, there were several speakers; they all were asked to be brief.

One of them, the British Ambassador, solved this problem in a very humorous way: he purposely spoke so fast, that nobody understood him. But he stuck exactly to the given time, and the results were waves and waves of laughter in the audience.

Don't be alarmed. I cannot speak English that rapidly.

Seriously, I am grateful and happy to be here today to talk to you about Berlin.

Before I get to Berlin allow me to introduce myself by telling you the four basic principles to which all journalists of our newspapers are bound.

1. Reunification of Germany in freedom, if possible within the framework of a United Europe.
2. Reconciliation between Jews and Germans, which includes strong support for the life-rights of the people of Israel.
3. Rejection of any kind of political dictatorship.
4. Defense of the free market economy with social responsibility.

When I said before that I am grateful to be here at this time, my main reason is that I believe we are witnessing today not the beginning of a Berlin solution, as many want us to believe, but the beginnings of a new future Berlin crisis, different from earlier ones.

Many who compared the building of the Wall in 1961 to a painful amputation, now fear that in the meantime the city has been infected by a dangerous creeping illness.

It is, therefore, not a matter of accident that people are leaving Berlin these days in great numbers. The census officials of the city are alarmed. Many more Berliners, they say, have left the city in the past months than those who left even after the building of the Wall.

For years and years I have been calling attention to this danger.

I remember especially a dinner in Bonn, ten years ago, on Friday, August 11th, 1961. Next to me sat the late Edward R. Murrow, then head of the USIA.

At that time, once again, access routes to Berlin were under discussion, and Mr. Murrow asked for my opinion. I shocked him by saying:

"You are all looking in the wrong direction. Watch out for a move to cut off West Berlin from the East by barbed wire and military units."

Mr. Murrow seemed more than interested and urged a detailed continuation of our talk a few days later, when he planned to be in Berlin.

One night later the barbed wire was actually strung, the Western powers reacted only reluctantly, and a short while afterwards a very excited and agitated Ed Murrow sat in my Berlin home.

In a long, extremely serious talk I warned him that this period may some day be regarded as the starting point of a neutralism which might embroil Germany at some future date and break up the NATO alliance.

You all remember, that soon thereafter President John F. Kennedy sent his Vice President, Lyndon B. Johnson, and the, in Germany, very popular General Clay to Berlin, to bring reassurance to the threatened city and to its people.

But the doubts remained.

It seems that especially Willy Brandt, the former Mayor of Berlin and present German Chancellor, never got over the shock caused by Western inaction in face of the Wall. It may be that the seeds for his new dangerous policy towards the East were already laid on this fateful August 13th, 1961.

During a recent discussion in the Bonn parliament, Herbert Wehner, the strong man in the SPD, said: "We must not forget that this Wall was accepted, even though with protest, by those who solemnly signed with us mutually binding treaties:—meaning the Western powers.

Brandt underlined this statement by almost jumping from his seat and three times in a row nodding his head in approval.

Ladies and gentlemen, we spoke of the days when the Berlin Wall was built. Those were trying times. But all this did not in any way change my earlier decision to move the headquarters of my publishing group from Hamburg to Berlin. I felt at that time, as I am convinced now, that in Berlin the future not only of Germany will be decided, but the future of Europe, possibly even the future of modern Western society.

Our move to Berlin was a deliberate decision motivated by politics and not by economy. Almost five years ago we opened our 20-story publishing house, a stone's throw from Checkpoint Charlie and seemingly astride of the ugly and dangerous Berlin Wall.

West Berlin, by the way, is not a small enclave. It covers an area in which you could put the cities of Munich, plus Frankfurt, plus Duesseldorf, plus a large hunk of Hamburg too.

From my office window I look deep into the other, the Eastern part of the city, and I invite each and every one of you here to come, visit us in Berlin, and share with me this depressing but illuminating view.

A few years ago Willy Brandt said: "Berlin exists for the vision, some day once again to be the capital of a free and united people. The note of alarm from Berlin will continue to exist, even if people elsewhere should get tired."

Let me add two other quotes from earlier speeches of the present German chancellor:

"We must get used to the fact that Russia insists on treating and denouncing Berlin as an alleged focus of danger, a cancer, as they say, a fuse in the powder barrel, a foreign body. But behind the Soviet demand for a treaty with the two forms of state on German soil there is not merely the—understandable—desire on the Soviet part to pocket Berlin, immediately or bit by bit; there is also the idea of globally fixing the results of World War II as the Soviet Union sees them."

Nobody could have put it more clearly. Nor this: "For anyone who put up with the partition of Germany, Berlin would become unnecessary. Berlin upsets the all too comfortable concepts. For it is clear that that miserable Soviet satellite regime which is neither German, nor democratic, nor a republic cannot be consolidated as long as the reddening evening skies over the free part of Berlin light up the hopes of men on the other side of the Wall."

Willy Brandt spoke like this for many, many years. But in the past two years something almost unthinkable has happened in Germany:

After the last federal election campaign in 1969, during which no political party mentioned that a totally new foreign policy was planned, the traditional, generally accepted, common political basis of all three democratic parties in the Bonn parliament *vis-a-vis* the communists broke apart. (As an aside let me add, that this is reported by a man who in past elections has given his vote to everyone of these parties, as the occasions demanded.)

Let me make something else clear: I am not here to criticize my government or its policies. This my political friends and I do at home. And be assured, what I am saying here has been said and printed again and again back in Germany.

But because our papers are printed in German, I play the role of the interpreter to you today.

As to the Nobel prize given to Willy Brandt, I don't know exactly what my papers have written because I have been away from home for two weeks.

Personally, I am very happy that a German chancellor got this prize. Peace in connection with the new Germany I like very much. For me, in this respect, Willy Brandt is a link in the chain of all German chancellors since the foundation of the Federal Republic, all of whom worked for peace.

I do not like the prize, though, as approval of Brandt's new policies towards the East because I consider these policies very dangerous. I shall explain why in detail in the course of this speech.

Many are warning who, like myself, have all respect for Willy Brandt's political past.

One out of many of these I quote:

"The future of the Federal Republic is dependent upon its ties with the West. Therefore, the new Eastern policies of the present government must be criticized again and again. I foresee a sad ending."

This warning was given just last week by Margarete Buber-Neumann on her 70th birthday. Mrs. Buber-Neumann, a former communist, is an important German political writer. In 1945 she was freed from a Nazi concentration camp. She now lives in Frankfurt.

Some politicians in Germany never stop arguing behind closed doors that the United States is preparing withdrawal from Europe, and that therefore Germany must make arrangements with the Soviets. This German flirting with the communists in turn strengthens the hand of those in America who want to pull back the troops. And this again gives new arguments to the proponents of the German "Ostpolitik." This goes on and on—a vicious circle.

When I discuss today here in Washington the trends of the present West German policies towards Communist Europe, I do so, because I feel and fear that by these policies the whole West is endangered. If this goes on unchanged, the result will not be a peaceful, prosperous, quiet, united Europe, which is a partner of the United States, the result will be rather a Europe whose total resources would be at the disposal of the Soviet Union.

I know others are less alarmed and believe once again in "peace in our time."

Who is right? Those who believe that the Soviets have changed their aims and that we can trust them? Or those who, while admitting that the Soviets have at times modified their methods, are convinced that their aims are the same?

I belong to the latter group, and with good reasons. We in the West focus our eyes on measures of disarmament, arms limitations, manpower cuts, etc. The Soviets however give only lip service to such intentions, and at the same time build up their armed forces. They rearm in such a way and with such speed, that soon they may be the world's number one military power.

This, by the way, is not only the opinion of a disillusioned publisher from Berlin, it has been confirmed to me by top intelligence officers from my own country as well as from yours, from Britain, from Switzerland and from Israel.

What is to be done?

Maybe the question to be answered is a very simple one: Will we see in the last third of our century a *pax americana* or a *pax sovietia?*

One excludes the other. *Pax americana* would mean continued hope for all mankind; *pax sovietia,* new dark ages in our times.

You, our American friends, after your victory in 1945, had the wisdom to help rebuild the destroyed countries of Europe, including my own, your former enemy. This is never forgotten.

When shortly after the war the Soviet Union resumed its aggressive policies, you brought together worldwide alliances. Especially in Europe, they stopped the aims of the communists and allowed the countries protected by the NATO shield to live through years of unheard-of prosperity and growth.

The question, as I said, is: Do we want to *work* for this *pax americana*, or are we willing to let the other side win?

These are the only alternatives—a compromise is not possible. Even the Soviet term for international compromise—peaceful co-existence—does not mean cooperation, but continuation of the confrontation on other levels.

Piotr Abrassimov, until a few weeks ago Soviet Ambassador in East Berlin, calls peaceful co-existence "a form of the 'class struggle' on an international level."

"Trybuna Ludu," the communist party paper in Poland, makes it still clearer, saying:

"The policy of peaceful co-existence aims at taking away from the capitalists by peaceful means all positions they still hold."

Aggression and peaceful co-existence, disarmament talks and rapid build-up of the armed forces, subversion and cooperation, trade negotiations and trade war—all these and many other seeming opposites are for the Soviets only two different sides of one coin. As long as we refuse to realize this, we are in great danger.

In this worldwide gamble for final victory by the communists, Berlin is one of the most important pawns for the Soviet Union.

The Soviets still quote Lenin who said: "Whoever controls Berlin will rule Germany, and whoever controls Germany rules Europe."

Up to this time, in the struggle for Berlin, the communsts have not won. The blockade in 1948, the Krushchev ultimatum in 1958, the Wall in 1961, the constant intimidations and the shootings—all were a combination of naked power and blackmail. But they did not succeed.

Should the Soviets and their friends now obtain by sweet talk what they failed to get by threats.

Sweet talk? What am I saying?

In the Berlin agreement of the third of September of this year, the four powers condemned the use of force. But of course we continue to hear the shots and also the cries of those who try to flee from the East. Their number has even increased.

Ladies and gentlemen, just about ten years ago Robert Kennedy told me in Berlin that the Wall was the most effective propaganda against communism, I answered:

"I am afraid, in time, people will get used to this monstrosity. And if we keep quiet, if we fail to create permanent worldwide moral pressure, ten years from now the Wall will still be here, will be an accepted 'reality'."

Today, ten years later, the Wall is still there. Worse: its existence has been silently tolerated by the West in the Berlin agreement, which was signed only a few weeks ago.

What was really gained by the West in this agreement? I know the Western representatives invested immense good will and the greatest efforts. But the so-called concessions from the Russians are all self-understood and accepted among decent nations.

Travel simplified from and to West Berlin. Visits by West Berliners to East Berlin and East Germany, of course not vice versa. All this is emotionally important to individuals, but politically unimportant.

The West, however, conceded important political ground.

For instance, it diminished the influence of the Federal Republic in West Berlin by accepting that no sessions of the Bonn parliament nor the Congress, which elects the Federal President, may take place in West Berlin.

On the other hand, the situation in East Berlin was not even mentioned, where, contrary to earlier agreements, the East German regime has installed all its governmental offices and its mock parliament, not even to speak of the East German troops, which are stationed there. No West German soldier may—of course—enter West Berlin.

Completely incredible is the concession to establish a Soviet consulate general in West Berlin, a concession obviously granted upon German urging. The Berliners already call this the future home of all the spies who were kicked out of Britain recently.

You may be interested to hear how a member of the Western negotiation team sees the future of this institution. He said:

"At first the Soviets will do nothing. But after two years at the latest, they will press for their own liaison officer at the seat of the West Berlin government. Then we shall have Four Power Rule for West Berlin."

The West also gave a deathblow to all hopes for eventual reunification of Berlin and Germany. I mean, of course, reunification in freedom. This new policy will most likely bring in its wake international diplomatic recognition for the East German regime. The run has already been started.

This is, of course, not admitted in such terms by the involved Western representatives. But these are the facts, and the Soviets and their allies already speak and act accordingly.

Believing that self-determination is a basic political right, I, for one, would have been happier, had it been possible to put the Berlin agreement up for a referendum vote to the people of West Berlin.

Ladies and gentlemen! "Berlin exists for the vision some day to be the capital of a free, and united people," said Willy Brandt in former times, as I have quoted earlier. This has also been the policy of all American Presidents from Harry S. Truman to Richard M. Nixon.

Without this vision, what will Berlin be? To this city, also, the aphorism applies: "It shall not live by bread alone."

Are these the words of a German nationalist? Certainly not.

If I speak of reunification, I think mainly of bringing freedom and civil liberties to the Germans in the other part of my city and my country. Reunification on other terms is for me unthinkable.

For a long time I have been content, because at last Germany has found itself on the right side in world politics. It was on the side of the free world, on the side of the United States, on the side of Israel.

The German Chancellor claims that this will continue. But I am not so sure.

What will be the next moves?

The Soviets, and probably also my own government, will press for a speedy accord among the two parts of Germany to fulfill the Berlin agreement. They will also press for a speedy ratification of the Moscow and Warsaw treaties.

Concerning these treaties, a friend of mine, a high official in a country which is also under pressure from the Soviets, asked me recently: "Please explain to me the Russian 'Westpolitik,' which in your country is called German 'Ostpolitik'."

These treaties, in my mind, are so dangerous, not only because they give away German rights without getting anything back in return, but because they are the first sign of a new "renversement des alliances," reversal of alliances, as Bismarck called it.

And this would most certainly be a catastrophe. Without the alliance of the West, which was built with your help and with America as the leading member, the free world would be doomed.

The next step, according to the Soviet timetable, will be the so-called European Security Conference. Here the often-told, long-range aim is to find a political and a legal justification for the demand, that "all troops return home from foreign soil." This in effect would mean that the Soviet units might retire beyond the new Polish eastern border, and that the American units retire beyond the Atlantic.

The Russians plan to have the European Security Conference by spring 1972. During his visit in the Crimea, near Yalta, Willy Brandt accepted this timetable. Or, so I have been informed.

The Soviets expect that next spring President Nixon will be so involved in the elections that only little energy can be spared by him for other matters. This the Russians hope to exploit.

It appeasr that the British government has chiefly recognized this situation and tries to at least postpone this conference. I hope it succeeds.

If the Moscow and the Warsaw treaties and the Berlin agreement become effective, and if the Soviets reach their goal at a European Security Conference, Russia would become the dominant power over all of Europe.

However, the majority of Europeans and most certainly the majority of my German countrymen still hope for the *pax americana*. In a recent poll 79 per cent of all West Germans considered continued friendship with the U.S.A. as the most important foreign policy issue. And I know that the *pax americana* can only be reached with the full and enthusiastic cooperation of all the friends and allies of the United States. And this, of course, also includes the fair sharing of financial burdens.

Finally: A last word about Berlin. Almost exactly 25 years ago today the first free, secret and direct elections under the Four Power Statute were held in all of Berlin. Shortly before election day, Hans Wallenberg, then an American Major and chief editor of the "Allgemeine Zeitung," wrote an important article. It was entitled "Have No Fear" and, among other things, killed the viciously-spread rumors that American and British troops soon were to leave Berlin.

The elections brought an overwhelming victory for freedom against the darkness of a new, a Soviet dictatorship. Hopes were high.

But never again have there been free elections in all of Berlin. Instead we have had set-back after set-back.

We must recover lost ground and, once again, together build something new, so that it never again will be necessary to say: "Have No Fear."

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## ITALIAN PRESS REPORTS ON VISIT OF AMERICAN CONGRESSMEN TO GENOA

### HON. FRANK ANNUNZIO

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. ANNUNZIO. Mr. Speaker, I want to call the attention of my colleagues an article written by Mr. Guido Mariotti, of Il Cittadino, which is one of the prominent daily newspapers serving the people of Genoa.

I had the pleasure of meeting and conferring with Mr. Mariotti at a reception given by Mr. Thomas H. Murfin, American Consul General at Genoa, in honor of the Congressmen who visited Genoa in early October on the occasion of the first celebration of Columbus Day in America as a national public Federal holiday.

The text of the article is most comprehensive and I know that many of my colleagues in the House will enjoy reading it, because it further demonstrates that the bridge and the ties between the people of Italy and the people of America are strong and enduring.

The article follows:

[From Il Cittadino, Oct. 5, 1971]

"COLUMBUS DAY" WILL BE A NATIONAL HOLIDAY IN THE UNITED STATES

To solemnize the event a delegation of American Congressmen has been hosted in Genoa—The significance of the celebrations that are now in preparation.

Christopher Columbus has received the high honor of having a national holiday of the United States of America officially dedicated to him. Until today there were eight national holidays but only one was reserved to an individual, George Washington, the Father of the nation of the Americans. The decision of Congress to declare Columbus Day a national holiday of the States of the Unione therefore takes on particular significance because it is one of the greatest honor which the great Genoese mariner could have had. The law was sponsored by United States Congressmen of Italian origin and was approved in 1968 with an overwhelming majority and great enthusiasm. According to the American legislation the law enters in force three years after its adoption so that 1971 is the first year in which Columbus Day becomes a national holiday.

To solemnize the event a delegation of Members of Congress, many of whom of Italian origin, visited Genoa as guests. The group was led by Honorable Peter W. Rodino who worked for 23 years to obtain approval of the law. "For us it is a great honor as Americans of Italian origin"—stated Congressman Rodino—"to come to Genoa bringing the greetings of President Nixon and the Speaker of the House of Representatives Carl Albert. Columbus Day will have a special significance this year and large celebrations are in preparation in all American cities having substantial Italian or Italian-American population; above all in those cities—and there are 14—which carry the name of Columbus. If George Washington is for us Americans the Father of our country, Columbus can be considered the Father of the immigrants. With this holiday we intend to give a new impulse to the Columbian spirit and specially to strengthen the wonderful bridge of friendship and faternity which binds the old world to the new. On October 11 at Chicago, October 6 at Washington, and also in New York, New Jersey and 100 other American cities Columbus Day will be celebrated with great ceremonies."

The family of Congressman Rodino of the Democratic Party was from Avellino. The family of the Congressman of Illinois, Frank Annunzio, a member of the Banking and Currency Committee, is originally from Cosenza but resident of Chicago. Speaking with the typical accent of Italo-Americans, he said "It's a hundred years since our paparani, that is our grandfathers and great-grandfathers who came illiterate to America, have wished to honor Columbus because they were proud of him."

The delegation met yesterday evening at Palazzo Spinola with the President of the Region Hon. Dagnino to whom Congressman Rodino delivered a personal letter from President Nixon and a framed reproduction of the law establishiing Columbus Day. "For a long time" wrote the President of the United States, "we have particularly cherished the ties between the US and the City of Genoa. I am particularly pleased that this message to you can be carried by a distinguished goup of American political leaders who are of Italian descent. They are eminently representative of that special part of our national heritage that is Italian. These men embody the finest tradition of America and they also take great pride in the cultural heritage of the land of their ancestors." President Dagnino on his side stressed the "value of relations between USA and Italy" stating that "the example of Columbus is a great light which enables us to understand our world better."

Most of the Congressmen who came to Genoa are from the District of New York, Chicago, Pittsburgh, New Jersey, and Connecticut. All said they were impressed by the "rhythm" which they found in Italy both in traffic and shops and by the reception and the wonderful climate.

Yesterday the Congressmen, accompanied by their wives, were received at Palazzo Tursi by representatives of the Commune with representatives of the Region and Province present. In the evening the group left Genoa for Milan from where they depart today for the United States. In his address of farewell Dr. Carlo Pastorino, Vice President of the Regional Assembly, recalled that "in the name of Columbus we should celebrate the initiative of the great Genoese of the past and of the astronauts of today whose courageous endeavor was accompanied by an advanced technology but also by a will employed in a politic of peace and understanding." Dr. Pastorino concluded with the hope that "the political, economic and monetary decisions of the government of the United States as a consequence of the monetary situation of the entire world can be quickly overcome in a policy of progress."

## A NEW NATIONAL HOLIDAY

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## HON. F. BRADFORD MORSE

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. MORSE. Mr. Speaker, last October 11, Federal employees celebrated a new national holiday, Columbus Day. Many of those who enjoyed this new holiday may be interested in how it came to be added to the list of national holidays.

An article in the September-October 1971 issue of the Bay State Postal Worker serves well, I think, to enlighten us on the origin of Columbus Day, and on the efforts of one particular man, a determined postal worker, Mr. Mitchell Harb of Lawrence, Mass., to have his dream of making Columbus Day a national holiday become a reality. I would like to share this article with my colleagues.

The article follows:

### COLUMBUS DAY—WHO REALLY GOT US THIS HOLIDAY?

(By James Smyrnios)

October 11, 1971, will be an additional paid Holiday this year for us as Postal Employees. Since the passage of this Bill through Congress, many Postal employees and Local leaders are claiming to be the one responsible for the passage of this Bill.

Well there should be no doubt in anyone's mind, that the residents of Massachusetts and the members of the Knights of Columbus were highly instrumental in obtaining passage of Columbus Day to be observed as a National Holiday.

Hearing these various claims from Postal employees, I decided to do a little research work on this matter. This research has come up with documented facts, that the Lawrence Local No. 366, in my opinion, played one of the most important roles in seeking and promoting the National observance of Columbus Day.

Mitchell A. Harb, Past President, Lawrence Local No. 366, was possibly the key figure amongst Postal Employees in Massachusetts in spearheading the drive for National observance of Columbus Day. For many years, Mitch submitted and resubmitted resolutions through his Local to the State and National Conventions for the observance of Columbus Day as a National Holiday. Through these resolutions and the help of Congressman Brad Morse, Mitchell Harb has finally seen his long dream come a reality.

One only has to look at the Resolution submitted by the Lawrence Local at the 1962 State Convention in Lowell, Mass.

RESOLUTION

Whereas, the Commonwealth of Massachusetts, has legally adopted and accepted the observance of October 12th, Columbus Day as a legal holiday, and whereas this date is partially observed by some Post Offices in the Commonwealth as a Holiday, by partially closing the office hours,

Be it resolved, that in accordance with the spirit intended by the State Legislature, that Columbus Day, October 12th be recognized as a full State Holiday observed by all Post Offices in the Commonwealth. Services to the public to be suspended and that this date to be recognized as a Paid Holiday.

I ask you now, is there any doubt in your mind, as to the fact, that the Massachusetts Federation of Postal Clerks and the determined attitude of Mitchell Harb, played a most important part in obtaining Columbus Day as a Paid National Holiday for Postal Employees?

## SUPPORT GROWS FOR THE REDUCTION OF U.S. CONTRIBUTIONS TO THE UNITED NATIONS

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## HON. C. W. BILL YOUNG

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. YOUNG of Florida. Mr. Speaker, the people of America have expressed grave concern over the recent ouster of Nationalist China from the United Nations for, as a result of the China episode, the future of the free world has become somewhat obscure.

Of the 59 nations who defied the United States and voted to expel the Republic of China, all but six have received U.S. foreign aid totaling over $47 billion since 1946. And while there are over 125 nations participating in the United Nations with equal voting power, the United States provides 31.52 percent of the operating costs of the United Nations and over 40 percent of the funds which it uses for special projects.

In view of these alarming facts, I feel that it is definitely time for us to reassess our priorities as a Nation and to reassess the overgenerous contributions—contributions which are made up of the American taxpayer's hard earned money—from our Government to an organization which has, in effect, slapped us in the face.

It is encouraging to note this feeling is shared by the Republican Party of Florida which, on October 30, 1971, unanimously passed a resolution in support of any move which would reduce the U.S. contribution to the United Nations. For the benefit of my fellow Congressmen, I am herewith including the text of this resolution:

RESOLUTION

Whereas, the Nixon Administration desires to curb inflation and one of the cures for inflation is reduced spending, and

Whereas, the present trend in the Congress of the United States is to cut back foreign aid expenditures, and

Whereas, the General Assembly of the United Nations violated its own charter by expelling the Republic of China, since Chapter II, Article VI of the Charter makes it illegal for the General Assembly to *expel* a member without the recommendation of the Security Council, and

Whereas, even though each country in the United Nations has one vote, the assessments for each nation are not so equal, for instance, Albania with 2,000,000 people pays .04 percent of the United Nations budget; Cuba with 8,000,000 people pays .16 percent; the U.S.S.R. with 250,000,000 population pays 14.8 percent and the United States with 204,000,000 people pays 31.52 percent, and

Whereas, the old adages, such as "no taxation without representation" and "never bite the hand that feeds you," are still remembered in these United States of America, therefore, be it

*Resolved,* That the Republican Party of Florida supports and encourages those Republican Congressmen and Senators of the United States Congress who are in favor of and working to reduce the United States contributions to the United Nations.

(Passed unanimously by the Republican Party of Florida, in meeting assembled October 30, 1971.)

## HON. DANIEL J. FLOOD RECEIVES THE AMERICAN CANCER SOCIETY'S AWARD FOR DISTINGUISHED SERVICE

### HON. JOSEPH M. McDADE

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. McDADE. Mr. Speaker, last Saturday evening, our distinguished colleague and good friend, the Honorable DANIEL J. FLOOD, received the cancer award of the American Cancer Society for distinguished service in the fight against cancer at its annual meeting at the Waldorf-Astoria Hotel in New York City.

Congressman FLOOD was so honored for his outstanding leadership and his consistent legislative support of noteworthy health measures, as well as his wholehearted dedication to the vital programs of the National Cancer Institute.

Mr. Speaker, I wish to insert for the RECORD a copy of Congressman FLOOD's acceptance speech, for I believe it reaffirms the commitment and the leadership that he has so often displayed in the fight against cancer, as well as reflecting the commitment of all of us in Congress to cure this dread disease and to provide the best possible health care for all of our citizens.

SPEECH BY CONGRESSMAN DANIEL J. FLOOD

I am deeply honored to receive the Distinguished Service Award today from the American Cancer Society, and thank the Legislative Committee for its flattering recommendation.

For more years than I care to remember, I have been profoundly interested in cancer research. I have been fortunate for the past several years to be Chairman of Labor-HEW subcommittee of the House Committee on Appropriations, which has enabled me to take an active role in the support of the Federal cancer research effort. It is a role, ladies and gentlemen, which I treat with the greatest respect.

I think we truly live in an exciting period—possibly the most exciting period in cancer research. I can recall that in 1945—the year I first entered the House of Representatives—some of the accomplishments which we now accept as a matter of fact would have then been considered daydreams: the progress against leukemia, a disease which causes more deaths among American children than any other illness; the progress against breast cancer, the major cancer killer of women; and the advances in the treatment of Hodgkin's disease, a cruel killer of young adults.

Equalling heartening is the development of new detection techniques for breast cancer—and of immunologic techniques that may detect intestinal cancer before symptoms occur. Lung cancer prevention measures, such as your educational campaign against cigarette smoking, will save many lives. Recent findings in virus research are likely also to play a significant role in cancer prevention.

We can all thank dedicated scientists across the Nation for their outstanding contributions to the progress against cancer. But we in the Congress realize that the effort cannot be accomplished by the scientific community alone. The role of dollars—in making progress possible—is a fact of life in our society which we all recognize. In this regard I think the Congress has played a highly significant role. The recent appropriation for cancer research is an excellent example. The voice of the President, the scientific community and especially the American Cancer Society was heard loud and clear by the Committee on Appropriations. We on the Labor-HEW Subcommittee shared the Cancer Society's belief in the urgent need to increase American cancer research capabilities and resources. We shared the belief that the time was in fact ripe to exploit the many new research leads recently uncovered by cancer scientists.

We all can share a high degree of pride in the passage of the Second Supplemental Appropriation Bill, signed by the President on May 25, which is now providing an additional $100 million to the national effort to conquer cancer. This additional $100 million, when added to the regular appropriation for this year, gives the National Cancer Institute a current operating level of $337.5 million; almost double the amount available only two years ago. I think the Congress has made it clear by its action that it stands ready to support cancer research to its fullest capacity.

Once again may I say how pleased I am to accept this honor today from the American Cancer Society. Private support of cancer research, such as that provided by the American Cancer Society, has immeasurably strengthened the national effort to fight this dreaded disease. The Cancer Society's various programs of research, its extremely effective volunteer efforts, and its many programs of public and professional education, make it an important partner in the national effort to conquer cancer.

## CHARLES E. PERRY, PRESIDENT, FLORIDA INTERNATIONAL UNIVERSITY

### HON. DANTE B. FASCELL

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. FASCELL. Mr. Speaker, next fall Florida International University, Miami's first State-supported university, will admit its first students. As the first urban university in the State's system, FIU has the opportunity to focus its programs in economics, political science, management, sociology, and education on the immediate Dade County community which will serve as its laboratory. The university will also play an important role in the development of the permanent international cultural and trade center at the Interama site where its second campus will be located.

Named as President of this new university, with a projected enrollment of 30,000, is Dr. Charles E. Perry. Dr. Perry, at age 32, is one of the youngest college presidents in the Nation. A graduate of Bowling Green University in Ohio, Dr. Perry was named that school's admissions director at the age of 23. He subsequently came to Florida as an assistant to the chancellor of Florida's university system, and was then appointed to the new presidency at FIU.

Dr. Perry's enthusiasm and expertise have been invaluable during the university's formative period. Through his leadership the university has acquired an outstanding roster of nationally recognized educators to head its schools.

Dr. Perry is also a member of the U.S. Commission for UNESCO. Speaking before the United Nations Day Observance Dinner of the United Nations Association of the United States of America, Miami-Coral Gables chapter, Dr. Perry announced he was recommending to U.N. Secretary-General U Thant, recipient of an honorary degree of international laws from FIU, a far-reaching program for the international exchange of teachers. Dr. Perry recommended:

> That there be established by the United Nations, through UNESCO, one central world clearing house for the international exchange of teachers—a function aimed at world peace and the advancement of mankind, which are the primary goals of the United Nations.

While education was the main theme of Dr. Perry's remarks, he also outlined the strengths and successes of the United Nations. I call his entire speech to the attention of our colleagues. These remarks give a glimpse of Chuck Perry's insight into international relations and the problems of education, and illustrate part of the reason Florida International University and south Florida are so very grateful for his leadership.

The remarks follow:

ADDRESS BY CHARLES E. PERRY

We are gathered here tonight to observe the occasion of United Nations Day. Similar gatherings are being held elsewhere, both in this country and throughout the world.

Obviously, all of the people who attend these meetings are supporters of the United Nations. One measure of our support is the fact that we want this observance of UN Day to have the public recognition it deserves. But beyond that, I would hope—and I believe—that all of us are taking this occasion to increase our own personal involvement with the work and goals of the United Nations.

In the preamble to the charter of the United Nations, the signatory countries pledged themselves to peace, human rights, justice and social and economic progress. True, these are ordinary words—but the goals they so briefly define are extraordinary in human history. What is even more significant is that the pledge was given not in the name of any government or any country, but, rather, in the specific words, "We, the peoples of the United Nations . . ."

Not governments, not nations, not presidents or prime ministers, but "the peoples." The founders of the United Nations saw very clearly that the goals they were setting forth could only be achieved by the united effort of the peoples of the world. And while the charter obviously refers to people in the millions and hundreds of millions and even billions, the word "peoples" also means us—you and me.

So, even though each of us is but one individual, it is up to us as individuals to do all that we can do to support and sustain the United Nations; to be involved in its work to the extent possible and to take its successes—and its failures—as uniquely personal responsibilities.

Here in South Florida, we have many opportunities to become personally involved in international affairs. Miami is rapidly becoming an increasingly significant international port of entry—a gateway both to and from the United States. The peoples of the Americas flow through Miami all year long—and so do citizens of many other nations.

Many large business and banking organizations now have their international headquarters in this area. More will come.

Students from all parts of the world come here to study at our colleges and universities.

The businessmen, the students, the tourists, the local population—which is constantly growing—all meet here. They mingle, they interact, they impress and are impressed. And in this jet age, the same people are often here two and three times in a single year. For many of them Miami is the United States of America.

I know that many of us who live in this community participate actively in the international sphere. I'm certain that some of you are active members of the Council for International Visitors which does such an excellent job of people-to-people work with our visitors. This is also the headquarters for "Operation Amigo" which has originated so many productive student exchanges with Latin America and this effort involves many of the people who live here. And the fact that many residents of this area have close family and business ties in other nations automatically brings all of us closer to becoming involved internationally.

While I am not here to deliver a report to you about Florida International University, I think it is appropriate to say that our planning has been designed from the inception to create a university with a major international thrust and significant international programs and participation. The University will have as part of its core a Center for International Affairs which will provide an over-all focus for our internationally-oriented programs.

In addition to what goes on at the University itself, we shall be able to play an important part in the development of the permanent international cultural and trade center that will surround our second campus at Interama. That will also be the site of Greater Miami's official role as one of the four cities selected by the president to celebrate this nation's Bicentennial in 1976.

But, above all, the University is committed to supporting the goals of the United Nations. And, as supporters of the United Nations, each of us has at one time or another been called upon to account for the supposed lack of progress of the United Nations. The most common question is, "Well, what has the United Nations accomplished, what has it done in a period of 25 years?"

The first and most obvious answer is that in no less than 70 cases involving either an outright breach of world peace or the threat of such a breach, the UN has been of direct and significant help in world peacekeeping. In a shrinking world, where even the smallest conflict carries with it the ultimate threat of nuclear extinction, this is no small achievement.

Beyond those 70 clearly identifiable incidents, the United Nations has for a quarter-century served as a forum where nations can state their case, make their arguments, and, yes, on occasion vent their spleen at one another. But far better to be the victim of a belligerent speech than the victim of an armed attack.

Those of us who live in South Florida can relate that very personally to the events of the Cuban missile crisis a few short years ago.

In that instance the United Nations joined with the United States and with the Organization of American States in asserting the rule of inernational law. The UN provided the forum in which the facts became known to the entire world. The Secretary-General personally intervened to help divert the Soviet ships while they were en route to Cuba. The United Nations also volunteered to send an inspection team to Cuba, and it was Castro's refusal of that offer that cast him in the role of the would-be war-maker.

Certainly, the United Nations has not been equally successful in all its peacekeeping efforts. But what is important is that there is an organization ready and able to attempt to keep the peace. It is quite likely that had the United Nations existed in 1914, those two quick pistol shots which killed Archduke Ferdinand and his wife might not have led directly to the First World War.

History relates that, despite all the threats and statements and despite the mobilization in Germany and Russia, both the Kaiser and the Czar, to the very end of the last hour of the ultimatum, sought desperately for a way out. But there was no forum, no international body, no place to go to still save face—so the world was at war!

So much for war and peace. Important as they are, there is more to life than soldiers and diplomats, and the United Nations is active on many fronts that the public seldom hears about. Next year in Stockholm, the UN will hold a conference on environmental abuses. Every nation is now concerned about the deterioration of the environment—and it is a problem that knows no borders and no political boundaries. Here is an ideal place for the United Nations to serve as a focus for increased knowledge and a pivot point for meaningful international action.

Do you know about UNRRA? This is the UN agency that for a quarter-century has stood between millions of refugees—or as we now call them, "stateless persons"—and extinction. There are 63 of these special UN camps in the Middle East alone where they serve as the only home for better than half a million people.

You have probably heard about UNICEF, but did you know that this UN Agency has vaccinated more than a quarter-billion of the world's children against tuberculosis. UNICEF is active in 115 countries and it is performing miracles this very minute for more than 55 million children and their mothers.

Through the UN development program, 137 of the world's "have-not nations" have taken the first, difficult steps toward the economic development they must have to survive—and to remain peaceful. A number of the poor nations wanted no part of bilateral entanglements, so they were pleased to participate in this "bootstrap-operation" under United Nations auspices.

I don't want to turn this into a statistical review, but I could go on for hours reciting facts and figures to prove beyond question that the world is a better place—and that it has prospects of becoming considerably better than it is now—as a result of the work of the United Nations. And not only the world we live in—the world of outer space that we are exploring also. The United Nations has drafted the two major treaties that are now in effect to regulate the peaceful uses of outer space.

And beyond the achievements, beyond the facts and figures, is the example set by the United Nations. Merely by existing, merely by being there, it has encouraged men of good will to move ahead. The principles embodied in the United Nations Declaration of Human Rights are now included in the constitutions of no less than 43 separate nations.

All of us have had the experience of hearing the United Nations criticized, sometimes justly, sometimes unjustly, and all of us have wanted to reply. There can, I think, be no better reply than the words of Adlai Stevenson before the American Association for the United Nations meeting in San Francisco just 10 years ago tonight. It is a fairly lengthy statement, but I think it bears repeating because it is hard to imagine that anyone could say it more effectively:

"In April, 1945, toward the end of humanity's most terrible war, but before any man had seen the atomic age, the architects of peace met in San Francisco to complete the design of a new dwelling house for the Family of Man.

"I was there during those golden weeks. And no one who was will ever forget them. It was a beginning. It was the morning—fresh with the hope of a new day.

"But the house is now battered. It resounds endlessly with family quarrels. There are cracks in the walls, and inside the cold winds of war and danger and strife from every quarter of the globe rattle the doors and windows. And, as is usual in such cases, quite a number of the tenants are behind in the rent.

"But the house is still standing, and I am far from downhearted. We will meet all our problems and in time we will solve them in a way which is tolerable to the community of nations and to our own purposes. But it will be a slow game, and we are not going to score a touchdown on every play . . .

"I believe the cause of freedom and peace has a glorious future in this world. And in that future the United Nations will play a mighty part. Let none of us mock its weakness, for when we do we are mocking ourselves. It is the hope of the world; and our country's pride should be that we stood by the United Nations, the meeting house of the Family of Man, in its time of hardest trial."

So, for those who may doubt—I can only echo Mr. Stevenson's comments.

Now I come to an international subject which is nearest to my heart—education. And, in the interest of world peace and progress, I am prepared tonight to suggest a new role for the United Nations in education. Before I make my proposal, however, I feel it is necessary to delve briefly, but deeply, into history. Please bear with me for a moment.

More than 2,000 years ago, Kyan-Tsu (Kee-yan-Soo), the Chinese philosopher, is reported to have said:

"When planning for a year, sow corn. When planning for a decade, plant trees. When planning for life, train and educate people."

More recently—just about 300 years ago—Moravian Bishop Johann Amos Comenius was thinking along the same line, and had an idea which he felt would lead to world peace. He viewed education as a bridge to better understanding, and urged that it be organized and promoted on an international scale.

The Bishop's idea, spawned in an era of poor communications, was slow in moving into the world stream. The Catholic Church, of course, has been involved in international education for centuries, but it was not until 1904 that two countries, Great Britain and France, established an exchange system for teaching assistants. Then, in 1925, the International Bureau of Education was created, and it is today the oldest international organization concerned with education.

Great impetus to the Bishop's 17th Century idea was given in 1946 with the establishment of UNESCO—the United Nations Educational, Scientific and Cultural Organization. The fact that the headquarters of both UNESCO and the International Bureau of Education were located in Western Europe acted as a stimulus to international educational activities. More important, the two organizations got together in 1950 at Geneva, and submitted to the ministries of education recommendations that encouraged international understanding by having major programs for the interchange of teachers and urged that other similar programs be established to promote international peace and progress.

West Germany was quick to recognize the importance of teacher exchanges in fostering better understanding, and, by 1952, had established them with various countries. The National Education Association has informed me that West Germany is still actively recruiting teachers from other countries.

France acted, largely in its own orbit. By 1967, 21,500 teachers from France were employed in the schools of Algeria, Morocco and Tunisia, and another 6,000 were scattered throughout 12 tropical African states and Madagascar.

Recently, the Soviet Union has been engaged in a wide range of international education programs, including teacher exchanges. In one short year, 1,500 Soviet educators went abroad for 150 short-term reciprocal visits. Communist countries were mostly involved, although non-Communist nations were included.

At the 1969 Assembly of the World Confederation of Organizations of the Teaching Profession, Sir Ronald Gould, the president, declared that "we must urge the development of teacher visits and exchanges, and with them exchanges in ideas." He cited "the pioneer work so brilliantly commenced by Canada which has sent a considerable number of capable, experienced teachers to provide in-service training for our colleagues in the poor countries."

For the last quarter-century, an increasing number of United States colleges and universities have been managing programs for the sending of professors and students abroad and/or bringing their counterparts to campuses in the United States. Today, more than 20 percent of our colleges and universities are engaged in such programs.

Two-thirds of the current programs involve European countries, but significant is the fact that there has been an increase in programs on other continents. About 15 percent of the programs are now in Latin America, more than five percent in the Middle East and Africa, and more than six percent in Asia.

The international educational and exchange programs related to the Fulbright Act, started in 1949, have enabled more than 125,000 students, teachers, university professors and advanced researchers to study and teach outside their native lands—in more than 130 different countries.

The Peace Corps, born in 1961, has sent thousands of young American volunteers to other countries, with half of these volunteers directly engaged in teaching and the other half in educationally related areas.

There are many other international teacher exchange programs. In fact, UNESCO has issued a booklet containing information on agencies and organizations in 83 countries concerned in one way or another with the recruitment of staff for teaching assignments abroad. I have mentioned only a few to point out that much is being done in this area—and is being done well with untold dividends in better international understanding.

But now I come to my crucial point. Suppose you are trained as a teacher—are adept in several languages or are willing to take studies to learn another language—how do you become a participant in a teacher exchange program?

For the average person, the answer to that question is a most difficult and puzzling one. Recently, a young woman, who holds a master's degree in education, but has been doing secretarial work at Florida International University because she has been unable to get a job in her field, made many telephone calls to different organizations in Washington, D.C., and New York, asking about the possibilities of teaching in another country. The answers were indefinite and confusing. And, upon further investigation, I found that there is no single centralized system available to handle this situation. Consequently, I am taking the opportunity of this occasion to make public my recommendation for such a system, although as a member of the United States Commission for UNESCO, I have already officially asked the Secretary General of the United Nations to implement the idea. The recommendation is:

That there be established by the United Nations, through UNESCO, one central world clearing house for the international exchange of teachers—a function aimed at world peace and the advancement of mankind, which are the primary goals of the United Nations.

When the United Nations was established in 1945, such a world clearing house for the exchange of teachers might not have been practical, but, with computer and other technological advances, I submit that it can be done today.

Adding to the urgency for the need of such a clearing house is the fact that, for the first time in the history of the United States, there is a surplus of teachers in many fields. And with so many persons in the world in need of more educational assistance, the idea of a surplus of teachers—anywhere—is ridiculous.

Surpluses of both wheat and knowledge in a world with under-nourished and under-educated people should not be tolerated. Certainly better understanding and better living in the world can come only by eliminating the surplus of ignorance.

In the United States, with its nation-wide surplus of teachers, regional clearing houses to assist the United Nations may be necessary. America's colleges and universities are particularly geared to serve in this capacity. Certainly, Florida International University, at the gateway between the two Americas, would volunteer its services in this regard for Latin America. The nation's colleges and universities could also be utilized for intensive work for teachers in foreign languages, and for the specialized programs to prepare teachers for an international assignment.

Throughout the years, the United Nations, despite its frustrations and setbacks, has successfully been a clearing house for many differences and conflicts. But what I am suggesting now is an educational clearing house aimed at reducing the differences and conflicts.

The United Nations has seen this clearly from the beginning. The Constitution of UNESCO says it in these words: "Since wars begin in the minds of men, it is in the minds of men that the defenses of peace must be constructed."

What I have suggested tonight is, hopefully, a new and better way of moving to construct those defenses in the minds of men throughout the world.

We must all remember that we live—especially those of us who dwell in the more advanced nations of the world—amid technological and scientific breakthroughs that have come upon us so rapidly that they pose grave difficulties in their handling. Growth versus environment, mass employment versus automation, food surpluses in one nation versus starvation in another—all these are problems that must be solved in the minds of men before they can be solved anywhere else.

The peoples of the world—the peoples mentioned in the preamble to the United Nations Charter—are keenly aware of the multitude of problems. And through effective international education programs—enhanced by the development of the international teacher exchange clearing house—we can *and will* solve the problems facing mankind.

But the question may still be asked. Can the United Nations, which is only 26 years old, perform its mission of peace and progress? Can the United Nations do what we ask of it? Can any organization made up of peoples from all parts of the world create this kind of monumental achievement?

In April of 1945, Franklin D. Roosevelt was at Warm Springs, taking a brief rest before addressing himself to the problems of the coming peace and to the organization of the United Nations. Worn out physically, exhausted mentally, from the burden of leadership he had shouldered for so many critical years, this man was still the supreme optimist.

Seeing not simply the depths to which man had fallen, he looked equally upon the heights to which he was certain we had it in our power to rise. And he set down these words as part of a speech he was soon to give:

"The only limit to our realization of tomorrow will be our doubts of today. Let us move forward with strong and active faith."

Death overtook President Roosevelt before he could speak these words, but they are as true today as they were then. They summon us all to the work that must be done, to the tasks that must be accomplished, if we are to survive in peace on this small space ship called Earth.

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## THE PACE OF MIDEAST DIPLOMACY

### HON. ROBERT H. STEELE

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. STEELE. Mr. Speaker, the following editorial from today's Washington Post persuasively states the case for providing Phantom jets to Israel without further delay:

THE PACE OF MIDEAST DIPLOMACY

"I shall not allow 1971 to pass without the battle (with Israel) being resolved, either by war or by peace," Egypt's President Sadat said July 23. But of course he will. Peace by year's end is out of the question: nobody's ready to compromise. And there is, by Mideast standards, no more than routine danger of war.

Israel, enjoying both the possession of Egyptian territory and an American-made cease-fire, simply has no logical incentive for war. Some partisans of President Sadat insist that he is the prisoner of his rhetoric and cannot much longer hold his champing army back, but his record belies that belittling judgment. Since replacing Gamal Nasser, he has undone a serious political challenge, turned his people's attention toward domestic reform, and made more effective arrangements with Russia for the defense of Egypt against Israeli air strikes. The result is that he is freer than ever from a compulsion to lead Egypt to a fourth defeat, as the experts agree another war would be. A policy combining ardent slogans and prudent acts seems to suit his diverse political needs. Certainly that's better than the other way around.

The attitude of the superpowers is also relevant. Moscow, by agreeing to receive Mr. Nixon next May, has in effect said it won't precipitate a Mideast collision before then. Moreover, the deeper the Russians penetrate into the Egyptian military, the more they presumably discover its inadequacies relative to Israel. Moscow could compensate by assuming an even larger direct combat role than it had before the cease-fire started in August, 1970, but that would involve political and military risks it can hardly wish to accept before next May. Soviet policy comes down to waiting.

Waiting for what? For the United States to force Israel to withdraw to pre-1967 borders on terms acceptable to Egypt. The U.S.

wants a settlement in a hurry: there lie easier relations with the Kremlin, political rewards in 1972. To a settlement pressed by Washington, however, Israel prefers a peace fashioned with Egypt. In pursuit of a made-in-America settlement, Secretary Rogers is trying to compromise Egyptian-Israeli differences. The Egyptians stand firm, so the compromises now all involve Israeli concessions. In an interim settlement, Mr. Rogers argues, Israel should let Egyptian forces cross the Suez Canal, accept a certain time limit on the cease-fire, and agree to move on to complete withdrawal from Sinai. To overcome Israel's reluctance to accept these points, the United States is withholding Phantoms, which are militarily, politically and psychologically Israel's critical weapon.

The pressure is not working. American undercutting of its negotiating position while cutting off its Phantoms has stirred Israel's deepest fears and alarms and has frozen its Mideast diplomacy. The way to thaw it is for the United States to open the Phantom pipeline—what goes through it may not be so important as Israel's knowing that it's open—and to back off and let Egypt and Israel reach toward each other at their own pace.

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## REPRESENTATIVE JAMES V. STANTON'S CALL FOR UNITY TO SOLVE CLEVELAND'S PROBLEMS

### HON. JOHN F. SEIBERLING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. SEIBERLING. Mr. Speaker, today our colleague, Jim Stanton, addressed the Cleveland Men's Club of Washington on the future of his home city of Cleveland, Ohio. Because of Mr. Stanton's important role in the affairs of Cleveland and the importance of the suggestion he has made, his statement will be of interest, not only to the people of Cleveland and surrounding communities, but to Members of Congress from other large metropolitan areas with similar problems.

Representative Stanton has offered to work with Cleveland's new mayor, Ralph Perts, and with all other local officials, to promote a new spirit of unity. He has also proposed a new caucus of the four U.S. Representatives from Cleveland to collaborate on matters affecting Cleveland. Earlier this year, the four Democratic and three Republican Representatives from the Cleveland and Akron metropolitan areas formed the Northeastern Ohio Congressional Council to work together on matters affecting the entire region. It seems to me that Representative Stanton's proposed Cleveland caucus could make an effective contribution working within the seven-man regional council to advance the interests of all the people of Cleveland.

The text of Representative Stanton's speech follows:

TEXT OF REMARKS BY THE HONORABLE JAMES V. STANTON

Thank you, Matt De More, for that fine introduction and biography—which I admit was fully authorized—and boldy conceived—by my highly objective office staff.

And thank you, Ed Seitz. You are not only the unofficial Secretary-for-life of this organization, but also a top-notch gentleman and scholar. (I insist on saying nice things about you, Ed, because you're a good Slovenian friend of my boss, Congressman John Blatnik, the Chairman of the Public Works Committee).

And thank you, gentlemen of the Cleveland Men's Club, for inviting me here and giving me absolute authority to make a speech in Washington, D.C., my first full-fledged effort since my arrival in the capital last January. As you people know there is an unwritten rule around here that freshmen Congressmen are supposed to be seen and not heard—but that if they find it impossible to keep quiet, and if they MUST make a speech, they had better find a more congenial forum than the House floor, where the duty of a good freshman is to sit and listen, with his hands folded.

I won't say I've been muzzled. Every now and then, I do sneak in a word or two—but then I stop when I realize that no one is listening. This is especially hard to take for a graduate of the Cleveland City Council where—I'm sure I don't have to tell you this—the First Amendment is fully exploited with freedom of speech guaranteed to the councilmen of all 33 wards and exercised on occasion, in the heat of controversy, by all 33 simultaneously.

Now that you've given me the floor, Matt, I refuse to relinquish it. I'm going to warm up, and train for that first speech I am going to give some day on Capitol Hill, as soon as I get enough seniority.

In the meantime I ask you as fellow Clevelanders to give me a break, and bear with me.

I promise not to take too long, but I do have something important to say. I'd like to talk with you about Cleveland—the city that all of us feel an attachment for—the city that brings us together around this splendid luncheon table—the place where each one of us got our start in life—and the community that, I trust, none of us will ever turn our backs on.

I haven't been away from there so long—really not at all. I've been going back there nearly every weekend, as part of my job. I've been in touch as some of you perhaps haven't, and I can report to you—or repeat to you—what you've already heard. The city has changed, and not for the best. The old neighborhoods have dispersed, or they are well along in the process of being shattered. Freeways have displaced the homes where you and your parents or grandparents used to live. The lake is filthy, and the air is fouled.

But there are two changes that are worse than all the others put together. The spirit of Cleveland has changed, and its image has changed.

The image I'm referring to is the national reputation that Cleveland once had—as the breeding ground of political progressives like Mayor Tom L. Johnson; as the home base of financial titans like John D. Rockefeller; as the community so full of compassion that it gave birth to the combined charities concept, which other cities have long since copied, but not as successfully, in the form of, say Washington, D.C.'s United Givers Fund. Cleveland had its troubles in those days too—even when we could boast of a Harold Burton, a Lou Boudreau, and a George Szell—but somehow we managed to keep our troubles to ourselves, and, outside of Cleveland, nobody heard much about them.

But what do we hear today about Cleveland? We hear this—and I quote from the Rowland Evans and Robert Novak column of October 29, on the eve of the mayoral election:

"Racial polarization is typified by murmurings in Cleveland's white neighborhoods about seceding to form a new all white town to be called Ohio City."

And we also hear, from the Washington Post of November 3—the day after the election:

"Cleveland's housing is dilapidated. The Cuyahoga River is filthy. *"Packs of vicious dogs are said to roam some neighborhoods."*

That's what you read about Cleveland these days. That's what an outsider sees—or hears—when he visits the city. That's our image now—and you can see how much we've lost—what the country thinks now about that area that we used to call boastfully "the best location in the nation."

And what about the spirit of Cleveland—the Cleveland that used to pride itself on being, if you will, a miniature United Nations—the home of a people enriched by so many races, religions, and nationality groups; where cultural pluralism prevailed and was encouraged—in fact, gloried in—while at the same time unity was achieved. Where is that Cleveland?

That Cleveland, my friends—and I tell it to you straight out, because you already know it—is gone. Something rather ugly has taken its place. It's a Cleveland broken into three parts—a black part where black people live, many of them in misery, many of them defiant because of it, and nearly all of them hostile to the whites living across the street and across the river. There's also a slightly larger white part of Cleveland, where white people live, good people and hard-working people, many of them also in need, who have come to believe that they must resist the growing black population and its political power.

We needn't go into the reasons, at least not here, for this mutual hostility. Whether the reasons are good or bad or unjustified, the fact is that they EXIST. And both sides know that this situation is tearing Cleveland apart.

And, my friends, there's a THIRD part of Cleveland—the suburban part. You can put a capital "S" on that. Today we have subburbanites who hardly ever enter the city any more, even though their livelihood ultimately depends on the city. They too feel alienated. The sad fact is that they sometimes pat themselves on the back for having—quote—"escaped," even though the truth is that they haven't escaped at all. For the problems of the city spill over into the suburbs, and catch up to the people who have fled there.

Gentlemen, we have just come through a mayoral election that reflects this division of Cleveland into three parts. I'll be blunt about it. Ralph Perk, who won the election—and I do not say this unkindly about him—was, whether he liked it or not, the candidate of the white part, and I hope he's not stuck with being the mayor of just the white part. Arnold Pinkney, also because of disruptive forces that were greater than he was, was the candidate of the black part. And Jim Carney, the duly nominated Democratic candidate whom I, as a Democrat, later supported, was in many respects the candidate of the suburban part, drawing much of his support from the downtown interests whose promoters live in the suburbs. The simple fact is that Ralph Perk won because there are more whites than blacks in the city; Arnold Pinkney lost because there are LESS blacks than whites; and Jim Carney lost because, in spite of a sizable vote from the residents of the city, which was a tribute to his hard work, many of his more ardent advocates lived in the suburbs and couldn't vote for him from that refuge of theirs.

Well, now that I've unburdened myself here—articulating what I'm sure you men have been thinking as well—where do we—where does Cleveland go from here?

I know where we ought to go. We ought to break up that street brawl we've plunged ourselves into, and we ought to start moving. Together down a new street where we can recapture the old Cleveland spirit, and restore our once enviable national image.

I know that is Ralph Perk's goal—and good Republican that HE is, and good Democrat that I am—I want to help him all I can—for Cleveland's sake. In his quest for unity on a high plane, he has my support. We can retain our political differences but still work together toward the common goal, as all Clevelanders should while maintaining their own differences—ethnic, racial and religious, as well as political.

Yet, my friends, what must be done in Cleveland is the awsome responsibility that Ralph Perk is charged with. He's the mayor. HE has the initiative there. Much as I and my colleagues here would like to help him, there's a limit to what we can do in Cleveland. That is a hard political fact.

And yet, as a Congressman from Cleveland, I am not pretending that I am altogether helpless. There IS something that I can do here in Washington, D.C. There is something that my colleagues can do here. What WE can do in Washington—my colleagues and I—is something that I don't think any of us—or our predecessor—have ever done before. What we can do is set an example for the people back home.

That is to say, we—the four of us—could start working together right here. I submit that the best way for us to bring our people together is for the four of us—Bill Minshall, Charley Vanik, Louis Stokes and myself—to come together ourselves. I suggest, in other words, that if true unity can't be achieved immediately in Cleveland, at least it can be established instantly, painlessly—and really with no trouble at all—in Washington, where the four Congressmen representing Greater Cleveland work another street, playing—if you will—another ball game. But we do have a game going here that all Cleveland does watch, and hopefully we can give our constituents something to emulate.

If you'll bear with me, let me blunt again. I represent one part of Cleveland, Louis Stokes represents another part. Charley Vanik and Bill Minshall each has a piece of Cleveland, but they also have large suburban constituencies. Three of us are Democrats, one is a Republican. Three of us are white, one is black. If I'm not mistaken two of us are Catholics, two are Protestants. I'm Irish with a lot of ethnic constituents, Charley is an ethnic with a lot of Jewish constituents.—Need I go on? The point is that all of us are Americans, and beyond that, we're all Clevelanders. This diversity among the four of us reflects the diversity of our larger community—and that diversity can again become our greatest strength if it rises, as it used to in Cleveland, to the plateau of unity.

So my proposal is that the four Cleveland Congressmen come together in what I suggest, could be called a Cleveland caucus—a formal structure for the four of us, in which unity would become institutionalized—hopefully, in fact, surviving all four of us. Anyone elected to succeed each of us would automatically take the open chair in the Cleveland Caucus, which would be a continuing body. The Caucus chairmanship could rotate among the four of us—say, every three months or, perhaps, every six months. And we could start it on the basis of seniority, as we do everything else around here. The Caucus could meet at the call of the chair. But in between these formal meetings, our staff members could get together quietly and more frequently—perhaps every week. It would be their job to search out the issues and other matters that we are likely to agree on and act in concert on.

Now, again, I'm not at all suggesting that we surrender our legitimate differences, or that we abandon our individual constituencies. I would continue to owe my first loyalty to the 20th Congressional District. The people who live in that part of Greater Cleveland are the people who elected me, and I would never yield in my primary representation of them. Nor would I expect my colleagues to do other than the same with respect to their own districts.

But the plain facts remains, as my good friend and your trustee, Bob Crater of the Press, has told me so often—and I doubt that anyone in Cleveland would challenge it—that there are concerns which the four of us, and our four districts, do share—issues on which there is likely to be unanimity anyway. Where there is such unanimity, it could be formalized through the Caucus—and thereby enhanced.

For example, I don't think we could ever achieve a unit rule which would bind the four of us on partisan issues or matters of conscience. But there's no doubt in my mind that we could achieve a united front on those matters which affect Cleveland as a whole, if not the nation as a whole. Let me suggest a few:

The four of us would have no trouble agreeing on the need for additional federal aid for:

Cleveland crimefighting projects; for the Port of Cleveland; for cleaning up the lake and the river; for developing the two airports; for expanding the mass transit system; for modernizing mail delivery; for boosting the city's economy with public works projects; for expanding medical research in Cleveland—and other types of research; for establishing more park land along the river and more open space throughout the city; and for strengthening our cultural institutions and our institutions of higher education.

The list, as you can see, could go on and on.

On these matters, Cleveland competes with other cities for federal largesse. But should the four Cleveland Congressmen compete with each other for influence with the federal bureaucracy, and for the public credit which stems from such presumed influence?

Or in a situation that is more common, should we each go our own way, ignoring or not knowing what each of us is doing to get the federal departments to help our city? I ask you: Wouldn't it be far better if the four of us were to meet together under the auspices of the Cleveland Caucus, work out a joint strategy—and then make our approach to the bureaucracy as a TEAM, either by going in person to see the federal official involved, or by shooting off a letter signed by the four of us? We could also testify as a group before committees on Capitol Hill.

It seems to me that the administration might yield to us at least now and then if we were to show them that here is a big-city Congressional delegation that has learned to work together—and that could be counted on to stick together until its goal is achieved. My friends, I can tell you from my legislative experience that four lawmakers can be four times as insistent as one lawmaker—and four times more difficult to placate.

Another thing that the Cleveland Caucus could do would be to provide a central point of contact for the legislative representative that Ralph Perk might want to send down here on the city's behalf. The Caucus would set up procedural machinery through which he could act.

And we could also work out the same sort of relationship with Herb Jolovitz, Governor Gilligan's representative in Washington. In that way, we could help Ohio in its problems with the bureaucracy, and the state could help Cleveland.

I say to you, members of the Cleveland Men's Club, in all sincerity, that if the four of us were to begin pursuing a common cause through the Cleveland Caucus, that our people back home, looking on, might be better able to perceive that their own best interest could be served by a good dose of ecumenicism at the municipal level as well.

Frankly, I float this here as a trial balloon—for what I hope is the good of Cleveland. I have not floated the idea in advance to the members of the Cleveland Caucus, because at this time, of course no such Caucus exists. The fact is that, in my time here in Washington, there has been not even one formal meeting of the four of us. I understand no such meeting ever took place, either, before I got here—or even before Bill Minshall or Charley Vanik or Louis Stokes got here. I suppose this stems from the fact that the four of us, and our predecessors, were elected from different constituencies, not having greatly helped each other and therefore owing nothing to each other afterward. But the fact that there has been no history of partnership and collaboration needn't prevent us, in my opinion, from turning the page and starting a new chapter in our relationship.

I hope you'll agree, and I'll be happy right now to answer any of your questions. But first there is one thought that I'd like to impart to you people, as members of the Cleveland Men's Club. It seems to me, that this organization could play a role of its own in this effort. You gentlemen here all feel some loyalty to Cleveland too, or you wouldn't be here. And it occurs to me that you are spread out in various positions in the federal government, and in other organizations in Washington, where you have picked up a great deal of experience and specialized knowledge that could benefit Cleveland. I wonder whether, should the Cleveland Caucus come into being, you people could serve as a sort of informal advisory group for us—giving us the benefit of your expertise, feeding us information and, in general, encouraging us to keep going. I would suggest, if you don't mind my saying so, that you DO owe that much to the city that brought you here.—Now, thank you very much and I'll try to answer your questions.

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## TREATMENT OF NARCOTICS ADDICTS IN THE DISTRICT OF COLUMBIA

### HON. DON EDWARDS

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. EDWARDS of California. Mr. Speaker, there appeared in the Washington Post of November 9, 1971, an editorial on the District of Columbia's Narcotics Treatment Administration. In view of the controversy surrounding this program and in light of the great importance of narcotics treatment efforts, I commend this editorial to the attention of every Member of Congress:

ZEROING IN ON WASHINGTON'S DRUG PROBLEMS

In a bureaucratically short span of 21 months, Washington has made waves with its rapidly expanding anti-heroin efforts, having established and built up its Narcotics Treatment Administration into one of the nation's largest treatment programs for addicts. As we noted a month ago, NTA has moved from treating 150 addicts at its inception last year to a new reorganization and expansion plan aimed at reaching 5,500 of the city's roughly estimated 17,000 heroin addicts by next summer.

Given the proportions and complexities of heroin addiction here and elsewhere in this country, NTA's swift start has won generally high marks in medical and law enforcement circles as an impressive initial effort to get a grip on one of the community's ugliest and least researched problems. Yet throughout this period of rapid growth, city officials have been careful to emphasize that NTA's accomplishments constitute only one part of an uncharted course toward a real solution to the ills brought on by heroin.

The operative word in this effort has been—and still is—*treatment*, for as NTA Director Dr. Robert L. DuPont has said repeatedly, his agency does not claim to be *curing* its thousands of patients, or even *rehabilitating* them to any remarkable extent. Basically, NTA's achievement has been to attract heroin addicts (three-quarters of them are volunteers) to a set of flexible treatment programs that can get them off heroin.

In the bulk of cases, it has meant getting them "on" another controversial, addictive drug: methadone. But unlike heroin, methadone does not produce a "high" when taken orally, and can allow the treated patient to work and to lead a more normal social existence if—and it's a big if—the patient has the desire and opportunity to do so. In short, NTA's objective, whether through a methadone treatment program or a straight withdrawal and abstinence plan, is to offer immediate results in stabilizing the heroin addict's chronic inability to function in a self-supportive way.

At the outset, Dr. DuPont noted, however, that any official attempt to make a dent on the heroin problem was bound to encounter misconceptions and false expectations—natural offshoots of panic over the drug problem or byproducts of the inevitable chaos in any hurry-up effort to deal wtih a scary situation.

For example, he warned that "methadone certainly is not a panacea. We still have the old problems of jobs, race, heroin supply and so on. This is only part of the attack. There remains the need to stop illegal drug traffic." In addition, Dr. DuPont has stressed, much more research needs to be done not only on methadone treatment over the long run, but on the results of other anti-heroin programs. To this end, NTA has been publishing regular patient performance studies.

Dr. Jerome H. Jaffe, director of President Nixon's newly created special action efforts for drug abuse prevention, has praised this aspect of the local agency's work, noting in a letter to Dr. DuPont that "NTA research into the dimensions and characteristics of the heroin addiction problem in Washington has been of national importance. The steps you have taken to institute a regional registry of addicts and to coordinate treatment programs in the Baltimore-District of Columbia corridor is an example for effective drug programming . . . Moreover, in view of the clinical resources available at the NTA and throughout the Washington-Baltimore axis, the Special Action Office is developing a National Training Center in the Baltimore-Washington area." All of these encouraging findings, coupled with the reservations expressed by Dr. DuPont, lead us to believe that NTA has been a fine public investment, worthy of encouragement by the entire community.

Thus, we are puzzled by a recent television program and an accompanying editorial purporting to show that NTA has not done a good job. The program, billed as a "special report" based on a year's findings by WTOP investigator George Allen, makes much of a "confidential study which [WTOP] obtained which shows that in the eight months from August, 1970, to April, 1971, more than 5,000 people signed up with NTA, but more than 4,000 dropped out."

A little checking on this "study" proved useful in putting the whole program into perspective. According to Paul Rosenfeld, the man who wrote the document, it was not a "study," but a memorandum to Dr. DuPont that, aside from being six months old, was meant merely to illustrate problems connected with the computer tabulation of weekly patient flow.

Thus the weekly figures on "new" patients included former patients returning for treatment in a given week, while not reflecting any "dropouts" who may not have required further treatment. "The figures by themselves don't indicate the quality of the program, anyway," said Mr. Rosenfeld, who had asked that his memo not be aired, and certainly not held up as evidence of any sensational failure on the part of NTA.

Besides, he said, "this was not research, simply an interpretation. Actually, it showed a normal pattern for a treatment program of this nature, which is not selective . . . the advantage of NTA is that it takes anybody who comes in the door, it reaches more people; but addicts are unstable human beings. Furthermore, it is not unusual to have a high dropout rate on the adolescent level. Despite all this, NTA has done an immense amount of good."

The television report also quoted Dr. Du Pont as having stated, "in a written response to a WTOP question," that "only 17 per cent of patients—just under 600—had been in as long as a year." Well, again, a look at the written response showed that 17 per cent of those in treatment August 15 had been in NTA programs since before August, 1970, but that another 16 per cent had stayed in the program from between nine months and nearly a year at that point. That makes 33 per cent—or more than 1,100 patients—with good track records. And the worst attendance was for those not in methadone programs.

At any rate, without going into some of the other findings (such as the fact that some methadone patients occasionally sneak heroin on the side, or find a way to cheat on their urine tests), it is dangerous to undercut public and financial support of anti-heroin programs on the basis of certain shortcomings that the director readily acknowledges, or on the grounds that the programs are failing to convert the city's street addicts into productive, solid citizens.

Just as our police departments have never been expected to "cure" crime, a city's young efforts to cope with heroin addiction cannot be expected to "cure" 17,000 addicts, when past rehabilitation programs have failed to demonstrate spectacular progress on this score. To be sure, NTA is not a flawless operation, nor is that of the police department. But the anti-heroin effort of NTA is a serious endeavor to cope with a terribly difficult medical and social problem in this community, and ought to be handled with care by critics as well as by those who administer the program.

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## CONGRESS IS UNDERMINING THE POWER OF PHASE II

## HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. GERALD R. FORD. Mr. Speaker, now that the Pay Board has ruled against retroactive pay raises, the House Banking and Currency Committee is on a collision course with that group.

As we all know, the committee has voted to direct the Pay Board to allow retroactively those raises forestalled by the price and wage freeze.

It is my view that the House should reject the committee's recommendation on retroactive pay increases—and that also is the view of the Detroit Free Press. It is particularly interesting that the Detroit Free Press is backing the President on this issue because the Free Press normally is antiadministration. The Free Press sets forth its reasons for supporting the President on retroactive pay raises in an editorial published November 6, 1971. I commend a reading of this editorial to all of my colleagues. The editorial follows:

### CONGRESS IS UNDERMINING THE POWER OF PHASE II

When all the overzealous dentists in Congress get through, Phase II of the Nixon economic program won't have enough teeth left to take care of the Thanksgiving turkey.

The latest bit of tooth-yanking came Thursday, when the House Banking Committee voted to direct the President and his Pay Board to allow retroactively those raises denied during the present freeze. It is fair to say, as the President did, that this will "seriously jeopardize" the attempt to enforce restraint in Phase II.

It may also be fair to say that the administration has invited this kind of intervention by waffling on its own commitment to restraint. The question of retroactivity seems to us to be a threat to the stabilization program whoever does it. How can retroactive pay raises be granted without opening up the need for compensating price increases?

If retroactive raises are granted, are retroactive price increases to be allowed? Of course not; it cannot be done. But the government would assuredly be forced to allow compensating price increases in Phase II. Profits margins are already depressed.

Phase II cannot be as rigid as the initial freeze. Some flexibility is in order, on both wages and prices.

If the program is not tough across the board, though, it will quickly breakdown. The country must escape the inflation trap it has been in over the past several years. It cannot move effectively to create new jobs if there is no wage-price stability.

Congress puts itself in a peculiar position through actions such as the House committee's. It was Congress, after all, which gave the President the power to impose controls on the economy. The Democrats dared him to use the power, thinking it a safe bluff. He called the bluff, and the freeze affords the best chance we have had in some time to restore a measure of stability.

Now, however, the Democrats are apparently unhappy with what they have wrought. They have been catching hell from their friends in the labor movement. Hence, they are trying to gum up Phase II.

We hope Congress doesn't follow that course. The Nixon economic program had its origins in the Democratic Congress, and Congress has no right to sabotage the program now. At this point, the best course for everyone is simply to try to make the program work.

Unfortunately, interest in the best course does not seem to be especially high right now among the statesmen in Congress.

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## HIS WAR GOES ON

## HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. DULSKI. Mr. Speaker, war brings many examples of heroism, of devotion to duty, of suffering for the accepted cause.

I would like at this point to call attention to the great courage in Vietnam of

Capt. Ralph A. Sambuchi, whose mother, Mrs. Harry Sambuchi, resides in my district at 590 Willet Road, Lackawanna, N.Y.

Captain Sambuchi now is a patient at Walter Reed Army Medical Center here in the Nation's Capital. He has been hospitalized since May 18, 1969, when his unit was ambushed by the enemy.

The captain's body was riddled with bullets, shrapnel, and fire. He thought his time had come and he was left for dead by the enemy soldiers who followed up their attack. After 4 hours of suffering alone, three of his own men risked their lives to rescue him and start him on his way to his long hospitalization.

A professional soldier for 9 years, Captain Sambuchi is bitter today because he feels, as I do, that the toll in Vietnam has been so much greater for our men simply because, as he says:

> The United States did not go all out to win the war. I thought before and I think now the soldiers were sold down the creek.

Mr. Speaker, we have paid a dreadful price for our operations in Vietnam. The toll of lives lost, coupled with the thousands injured in this war, many critically, is a black mark on our Nation's history.

As a part of my remarks, I include an excellent article from the Washington D.C., Evening Star of November 8 regarding the heroism and the suffering of Captain Sambuchi:

### His War Goes On

(By Michael Anders)

*"The humidity was unbelievable. It was the beginning of the rainy season and we were getting ready for an inspection which never came off. I was in a sandbagged bunker and the Viet Cong started a mortar attack about 1 a.m. It was overcast. I don't know who their weather forecaster was, but they picked a good night."*

Ralph A. Sambuchi sat in the middle of his hospital bed at Walter Reed Army Medical Center, his sky-blue hospital pajama top open to the waist. As he talked, he blew clouds of cigarette smoke into the antiseptic surroundings of Ward 9.

The night of May 18, 1969, is etched in the mind of Sambuchi, an Army captain who was serving with the 2nd Battalion, 35th Artillery Unit near Xuan Loc, Vietnam. That night his body was all but blown apart as an estimated three battalions of North Vietnamese Army regulars and Viet Cong rained heavy artillery fire on his unit.

Sambuchi was struck 14 times by shell fragments. A bullet from a Viet Cong rifle tore away his nose and right eye. Another severed a toe. His burning bunker caused second- and third-degree burns. And a ball of fire from a flamethrower hit him in the forehead and shaved off his hair.

#### THIRTY LONG MONTHS

That was nearly two years and six months ago. Now, at a time when the war in Vietnam is winding down and casualties are at their lowest in many years, Sambuchi, 29, still is recovering from the four-hour ordeal he suffered in solitary agony.

His old crewcut abandoned for long brown locks which hide the surgical scars on his forehead, he is one of many others at Walter Reed for whom the hospital is home. The war memories will never fade.

*"I was giving first aid to a sergeant. I was bent over him, and he had a big shoulder wound. A lieutenant said 'Hey, you.' I stood up to look and that's when the round came in. It landed less that 10 feet away and knocked me into a corner. If I had been bending over, I probably wouldn't have got a fragment."*

Sambuchi, called "Sam" by everyone, was a rugged, athletic 6-footer. Football was his sport and Rep. Robert Mathias, R-Calif., the former U.S. Olympic decathalon champion, was his idol.

Sambuchi's prowess on the football team at Lackawanna High School just outside of Buffalo, N.Y., won him an athletic scholarship to the University of Buffalo. But it was his legs which put him into the record books. His triple jump mark in track still stands in his western New York schoolboy division.

#### LEGS LIKE PRETZELS

*"The fragments completely tore up my legs. My legs were just like two pretzels. I couldn't stand up. I said 'goddamit, I'm going to die. This is it.' When the haze cleared from my head, I was there by myself. No first aid. The guys must have thought I was dead and left."*

Sambuchi said he was "extremely depressed" as he began his slow recovery. "Nobody" he recalled saying in those early dark days, "can put this body back together again and make a presentable person out of me—especially, when your face is in your lap."

"At times I felt like the guy in (the movie) 'Cat Ballou' who had the silver nose," he said. "I thought I was going to be a vegetable . . . out selling pencils."

It was during this time that Sambuchi learned to dread the one thing that could repair his disfigured body—operations and plastic surgery. Not even winning the Silver Star, the nation's third highest medal for valor, was any comfort. The hours on the operating table were lonely and many. So far, he has had 25 operations and more are scheduled.

Still sitting on his hospital bed, a paperback copy of "Patton," nearby, Sambuchi's mind went back to that night.

*"A rocket hit the powder bags and set the bunker on fire. When the fire started, my legs functioned awfully good. But while I was putting the fire out, one of them shot me in the nose and it put my eye out. The first time I only thought I was dead. This time has got to be it. I thought to myself, 'What else can possibly happen?' It kept happening. An NVA soldier approached me, but figured I was dead and he shouldered his weapon. I rolled over and shot him. But when the nerve endings came back to life, I envied that corpse. He had nothing to worry about. I was bleeding from every spot you could think of."*

#### NO SELF-PITY EVIDENT

There is no self-pity in Sambuchi's blue eyes. He can laugh easily and possess an inner strength from which springs optimism that his future has not changed drastically.

Sambuchi says he has no regrets about fighting in Vietnam. He is a career officer who loves the military. "I was a professional soldier for nine years," he said. "I was dedicated to the Army. I got a lot and I gave a lot. It was the greatest job I could have hoped for. Things come up in Vietnam that would never come up anywhere else."

But he is bitter because he believes that the United States did not go all out to win the war. "I thought before and I think now the soldiers were sold down the creek. The men weren't allowed to fight because of political hand-tying," he said.

*The shot Sambuchi fired alerted the Communists and they swarmed all over the encampment. "That's when I was scaredest. I thought they would realize I wasn't dead and start pumping bullets into me. My heart was in my throat. But God was with me.*

"There was another fire in the bunker and I couldn't put it out. I was crawling to another bunker and I heard a rifle shot. I felt a tingling sensation but I kept going. I found out my toe was gone. I said what the hell else is going to happen. The NVA fired a flame thrower . . . the combustible material landed on top of my head, setting my hair on fire . . . and landed on my back."

Sambuchi's adoration for Dr. Harlan Thering of Walter Reed is understandable and uncontained. Dr. Thering grew Sambuchi a new nose, using skin grafted from his forehead. A blue plastic eye matches the color of his left, and today Sambuchi's physical defects are barely noticeable without a second glance.

#### WONDERS OF MODERN MEDICINE

Even some of his fellow patients, who knew him when he arrived there at 129 pounds, have failed to recognize him with a new face and weighing 180 pounds. "I never knew I'd be in this good shape today," he said. "It's the greatest feeling. This hospital is fantastic. You've never seen such professionals."

*"I was in that bunker over four hours. Then I heard someone calling 'Sam, Sam.' Cpl. James Barker, Pfc. John Indelicato, and Sgt. Ross Clark—these kids risked their life for me. When I found out these kids didn't get a damn thing (citations), that hurt me. I was evacuated by helicopter to Long Binh Hospital about 25 to 30 miles away. At the hospital, I had two cardiac arrests and I literally died on the table."*

"I kind of look forward to it now," Sambuchi said of the daily plastic surgery session. The sessions also include progress reports, a change of dressings, and what the future "battle plans" are. But most of all, Sambuchi said he looks forward "to seeing my doctor . . . just passing the time away with him. He has the greatest attitude and he is never pessimistic."

After nearly 30 months with the sprawling Walter Reed as his home, Sambuchi expects to quit the hospital in the next few months. Maybe by Christmas. Maybe by Valentine's Day. He isn't sure.

But he is positively certain of one thing. He is going into the future—a civilian when he leaves the hospital—undaunted by Vietnam. "The job possibilities are unlimited," he said, although with one eye "I have lost my depth perception" and won't be working in his vocation as a meterologist.

However, his first plans call for him to return to college and study at the Curry School, a small institution in Milton, Mass. That, he said, is his first step towards a new life.

"I was dying. I was making a confession so maybe the old man would let me in. I was fingering my rosary of St. Christopher (which the Vatican has dropped from the liturgical calendar) and I started laughing. I said, 'Here I am dying and I've got a second-rate saint.' "

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## A TRIBUTE TO ARTHUR RAYMOND

### HON. ALPHONZO BELL

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BELL. Mr. Speaker, at the annual meeting of the Aerospace Corp.'s board of trustees, September 10 and 11, 1971, Mr. Arthur E. Raymond, a charter trustee and one of the board's most distinguished members, retired after long and dedicated service. My pleasure in making these remarks is heightened in that Mr. Raymond is not only from my district, but is also a neighbor of mine.

As many of my colleagues will recall, the Aerospace Corp., was incorporated under the laws of the State of California June 3, 1960, to render scientific and engineering services to or for the U.S. Government. It was formed at the request of the Secretary of the Air Force to aid the U.S. Air Force in applying the full resources of modern science and technology to the problem of achieving those continuing advances in ballistic missiles and military space systems which are basic to national security. In recent years, a portion of the corporation's high technical competence has been directed toward solutions of the Nation's civil problems.

The control, supervision, and direction of the general management of the corporation are vested in the board of trustees who are leading citizens selected from fields of industry, science, education, and public service, and who take very seriously their Aerospace trusteeship. The Board meets at least four times a year and its several committees hold additional meetings. I believe that those who have had the opportunity to become familiar with the work of Aerospace will agree with me that the company's technical and managerial accomplishments attest to the faithfulness of the board's administration of its responsibilities.

Mr. Raymond was elected to the Aerospace Corp.'s board of trustees on June 4, 1960. He brought to the board three and a half decades of engineering and administrative wisdom to help assure the advancement of space and missile systems. He joined the Douglas Aircraft Co. in 1925 not long after earning his master's degree in aeronautical engineering at the Massachusetts Institute of Technology. He advanced to chief engineer of Douglas in 1934, and engineering vice president in 1939. He was named senior vice president in 1958, and retired from that company in 1960. His talent has been a major force in advancing aerospace technologies from the frail "kites" of the 1920's through the long-lived DC-3 air transport plane of the 1930's, the DC-4, DC-6, and DC-7 of the 1940's and 1950's, and on to the giant airliners and powerful space boosters of the 1960's and 1970's.

In recognition of these contributions, Mr. Raymond received the U.S. Certificate of Merit for aircraft production during World War II; the Spirit of St. Louis Medal in 1954; the Daniel Guggenheim Medal in 1957; and the Sylvanus Albert Reed Award in 1964.

Mr. Raymond's service to the Nation was again recognized on the occasion of his retirement as an Aerospace Trustee when the Secretary of the Air Force awarded him the U.S. Air Force Exceptional Service Award, its highest civilian award. The accompanying citation reads as follows:

Mr. Arthur E. Raymond distinguished himself by exceptionally meritorious public service as a charter member of The Aerospace Corporation's Board of Trustees, charter member of the Board's Executive Committee from June 1960 to July 1971, and as a member of the Board's Compensation Committee from October 1964 to July 1971, and its chairman since September 1969. He also served as the chairman of the Board's Space Systems Committee for the seven year appraisal of The Aerospace Corporation which was published in 1968. During this period, Mr. Raymond devoted himself to the furtherance of the Corporation's role in aiding the United States Air Force in applying the full resources of modern science and technology to the problems of achieving those continuing advances in ballistic missile and military space systems which are basic to national security. His efforts constitute an unusually outstanding contribution by a civilian in support of the Air Force's participation in the national defense and space programs, thereby reflecting great credit upon himself and earning for him the sincere gratitude of the United States Air Force.

Mr. Speaker, I would like to add my own congratulations to this gentleman for his distinguished service and to send every good wish for the future. The Nation is fortunate to have men such as Arthur Raymond serve in these important capacities.

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## FIGHTING FOR 21

## HON. EDWARD G. BIESTER, JR.

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BIESTER. Mr. Speaker, I take this opportunity to share with my colleagues in the House a letter which appeared in the Piggy-Back Shopper on October 28, 1971. The article was authored by Sgt. Harold D. Updike, of Fallsington, Bucks County, Pa.:

### FIGHTING FOR 21

Just imagine, most of the guys over here are 20, and fighting to make 21. The average man in most units is 20, and what a man! A pink-cheeked, tousled-haired, tight-muscled fellow, who under normal circumstances, would be considered by society, half-man, half-boy, still wet behind the ears, and a pain in the unemployment chart.

But here and now, he is the beardless hope of free man. He is for the most part unmarried and without material possessions, except for an old car at home and a transistor radio here. He listens to rock 'n roll, 105 millimeter howitzers, and the laughter and screams of his buddies.

He is out of high school with so-so grades, played a little football and had a girl who promised to be true. He has learned to drink beer, 'cause it is cold and the "in" thing to do.

He is a PFC, a one-year military veteran with one or possibly two years to go. He never cared for work, preferred to wax his car to washing Dad's. But now is working or fighting from dawn to dusk or often longer.

He still has trouble spelling, and writing letters home is a painful process, but he can break down his rifle in 30 seconds and put it back together in 29. He can describe the nomenclature of a "frag," explain how a machine gun operates, and use either if the need arises. He can dig a foxhole, apply first aid to a wounded companion, march until told to stop, or stop until told to march. He has seen more suffering than he should have in his short life. He has stood among hills of bodies, and he has helped to build those hills. He has wept in private and in public, and not been ashamed at doing either, because his pals have fallen in battle and he has come close to joining them. He has become self-sufficient. He gets clean clothes once a week, and shave and shower twice a month or at every stream. He sometimes forgets to clean his teeth but never his rifle. He keeps his socks dry, his canteens full, cooks his own meals, fixes his own hurts and mends his own rips, both material and mental. He will share his water, if you thirst, break his rations in half, if you hunger, and split his ammo if you are fighting for your life.

He can do the work of two civilians, draw half the pay of one, and see the ironic humor in it all. He has learned to use his hands as weapons, and his weapons as hands. He can save a life or most assuredly take one. He's 20, a veteran, fighting to make 21 . . . give him a chance, he's your son.

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## TITO'S RISE TO POWER

## HON. LAMAR BAKER

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BAKER. Mr. Speaker, on October 27, I spoke on the House floor about what I felt were some misrepresentations in CBS commentator Walter Cronkite's interview of Yugoslav President Tito. My objective in these remarks was to clarify the opening statements in which Tito was introduced as the last leader alive among those who helped to bring about the Allied victory in World War II. I felt that there were other considerations which should have been brought into the picture and facts in Tito's rise to power which needed to be presented to the American public.

Mr. Cronkite saw fit to respond and because I feel the public interest will be served by making public his letter and an elaboration of my own position, I insert Mr. Cronkite's letter at this point in the RECORD, followed by additional comments of my own:

CBS NEWS,
*New York, N.Y., October 29, 1971.*

DEAR CONGRESSMAN BAKER: I noted your remarks, as extended, in the October 27th Congressional Record regarding my characterization of President Tito of Yugoslavia. The thrust of your statement seemed to be that I did not properly identify him as the Communist he is.

May I suggest that perhaps you missed this paragraph in my six-paragraph introduction of our interview:

"Today he still demonstrates the self-assurance, the self-confidence, the strength of purpose and the candor that enabled him, *a Moscow-trained Communist*, to proclaim, even as his partisans battled the Germans in the thick of World War II, *that he had no intention of returning his country to its king.*"

I know that you would not intentionally have ignored such a clear delineation of President Tito's past and, since your statement and remarks clearly were based on misconception, I know, too, that you are going to want to correct the record.

Sincerely yours,
WALTER CRONKITE.

Perhaps I failed to realize the full thrust of Mr. Cronkite's statement that Tito was a Moscow-trained Communist. However, since Mr. Cronkite is aware of this detail, I am certain that he would be interested in and agree to the fact that Tito is an example of the purest form of Marxian communism and a man who massacred hundreds of thousands to establish his power. This is what needs to be brought out more completely and this was my intention in my remarks of October 27 and also today.

Many are at present labeling Tito as a daring statesman, a teacher of diplomats, a man possessed of integrity, strength, and dedication. But dedication to what? Certainly he was pledged to his own ambitions, to the establishment of a dictatorship. However, this does not make him a contributor to the allied effort in World War II because his commitment was not the same as that of men such as Eisenhower and Roosevelt.

Tito, with Russian assistance organized his partisans—the so-called Liberation Front—amidst confusion. At first, many were fooled into thinking his aim at the German occupation would help their country. However, all too soon, they realized that he intended to use this to achieve his own ends. He manipulated anti-Nazi sentiment repeatedly to rid himself of anti-Communist elements among the population. Just as Stalin in his purges, Tito realized that he would not succeed unless he destroyed his opponents.

He discredited such men as Mihajlovic, branding them as collaboraters with the Germans. Unfortunately, the Allies failed to see this cover tactic for what it was.

Tito succeeded in confusing the issue so completely that in 1944, over 12,000 Slovenian Domobranci—Home Guards—were repatriated to Yugoslavia only to be promptly executed—thrown into mass graves. This is nothing compared to the other numbers of Serbs and Croats who were also massacred. Is this a man to dignify to such an extent?

Places such as Celje and St. Vid near Ljubljana were saturated with the blood of those who sought to fight tyranny. Too late was this move recognized for what it was. There are eye witnesses alive today in the United States to testify to these facts—to astonish us with accounts of these atrocities.

Certainly, Tito was clever as a politician who capitalized on the chaos of the times. But whether or not we choose to admit it, his independent communism is no different in essence from that of the Russians and his atrocities are no less unbelievable than those of the Germans against the Jewish people.

Even today, his heart is with world communism while his empty pockets are with us here in the United States. Over the years many men have given their lives in an effort to bring peace and democracy to the peoples of the world. We owe something to these. Have we sunk so far that the future of the United States depends on close friendship and cooperation with such a man? Must we support economically a regime created in such a manner?

Yugoslavia today does enjoy some measure of economic prosperity but the traces of dictatorship linger. People do not feel free to express themselves and act as they please. There have been many examples of what would occur if one was not careful to remain silent.

The Yugoslavs were a people who believed that communism could never engulf them. Americans today feel that they have some sort of a talisman to protect them from a similar occurence. However, can we afford to be so blind to reality?

I believe that there is a strong need to emphasize this point and I am sure that Mr. Cronkite would agree with me. Too long have we courted these nonalined countries on the premise that they could be won over to our side. But we cannot be so foolish—their stature and makeup prevents this. Is it not time that Americans as well as the rest of the world learn from past mistakes so that they will not happen again?

My only concern in commenting on the original interview was the fact that too often these facts are smoothed over. The past is often ignored in light of present expediency. My intention is simply to bring some of these facts to the attention of the American people.

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## DISTRICT OF COLUMBIA VIOLENCE REPORT

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. RARICK. Mr. Speaker, today's Washington's newspapers report the continuing deterioration of law, order, and morality in the Nation's Capital.

The Washington Daily News reveals that rape has accelerated to a rate of one every 12 hours. A veteran officer on the District's sex squad claims that nearly half of the rapes committed go unreported because the woman is too embarrassed to face the police or to have her case publicized.

An account in another Washington paper indicates that behavior problems are so critical on buses transporting students that some drivers have refused to work unless there is another adult on the bus. An assistant District of Columbia school superintendent has requested 35 nonprofessional aides at $115,000 to help keep order on the buses. Earlier this year I pointed out that District school officials were seeking additional policemen to augment the 40 already assigned to the schools because of robberies and shootings.

The long-suffering, law-abiding taxpayers are asked to pay for additional policemen and now for busers' aides in an effort to curb the lawless element.

What is the answer to this crime problem? More laws are not the answer when laws on the books are not enforced. Additional massive grants of tax dollars for social programs accomplish nothing. Criminals must be punished or anarchy prevails. How much longer must the people suffer before our liberal friends admit their failures.

I insert two pertinent newsclippings at this point in my remarks:

[From the Washington Daily News, Nov. 10, 1971]

RAPE PACE HERE: ONE EACH 12 HOURS

(By Patrick Collins and Louise Lague)

Every 12 hours a woman is raped here and the frequency of attacks has startled police, frightened women and puzzled psychologists.

In the District, the number of reported rapes has climbed significantly and three of the city's suburban police departments say that the number of rapes in their jurisdictions have already equalled or passed last year's total.

RESPONSES

Officials have responded to the rash of rapes in different ways:

The District police have begun a concentrated program to counsel Georgetown girls on how to ward off rapists.

After three girl hitchhikers were raped last week-end, Montgomery police officials said they could no longer guarantee the safety of the estimated 200 girls who solicit rides on county roads each day.

Prince Georges police have enlisted the aid of a clinical pyschologist to help them "better understand the rapist and his technique."

Government officials and private offices have moved to lock doors leading to women's washrooms.

Campus security forces have increased security patrols around women's dorms and in some cases have provided an escort service for girls after dark.

These are just a few of the repercussions of the rising rape rate uncovered in a study of the crime by The Washington Daily News.

The News study shows:

Individual women have become concerned that they themselves might be raped and are thus becoming concerned with how the victims of the crime are treated by police and hospitals.

That most rapes are committed between the hours of 8 p.m. and midnight by men aged 17 to 20 who have developed some subconscious hostility toward women.

Rape is sometimes used to terrorize and embarrass women into failing to report a burglary or robbery to the police.

More often than not, a rapist is middle class man who is perfectly normal until, according to one psychologist, he gets the urge to rape and then "becomes a werewolf."

So far this year, the District has reported 97 more rapes than last year's total of 313; Montgomery county has nine more than the 28 rapes it recorded last year; Alexandria has logged eight more rapes than the 39 it reported last year and Arlington has matched last year's total of 23.

Last April Police Chief Jerry Wilson directed all policemen to include all complaints of rapes in the monthly crime reports and in the periodic crime reports to the FBI. Before the chief's order the police reported rapes only after the U.S. Attorney's office reviewed the case and decided there was enough evidence to take it to trial.

The police point to the new reporting technique in explaining away the increase in rape in April thru September. They say that since the new reporting system began, 90 rape cases have been dropped by the U.S. Attorney's office for lack of evidence.

However, an examination of the rape statistics shows that the increase in reported rapes for January, February and March (the three months before the new reporting system) was as great if not greater than the months following the change in rape reports.

And police agree that even tho the U.S. Attorney may decide not to take the case to trial does not necessarily mean no rape was committed.

"Oh, we have more rapes this year," a spokesman for the sex squad said, "But I just don't think the increase has been as great as the statistics indicate . . . We have more because the women take more chances . . . And those mini skirts and filthy movies don't help it any . . .

"A rapist is an opportunist and when the situation presents itself he takes advantage of it. They do it for a lot of reasons, but most rapists do it because they hate women—most of the time it's their wife or mother—and they want to get back at them. He wants to show his superiority so he takes it out on women."

PSYCHOLOGIST

Sheldon Freud, a clinical psychologist who is helping the Prince Georges County police explore the rape problem, agrees with the sex squad's characterization of a rapist. "They have a basic hostility for females of any age—it doesn't matter whether the woman is 70 years old or 25 years old every woman is a potential rape victim."

**"The rapist is a severely disturbed person," Dr. Freud said. "And most often he has repressed a hostility for women, not necessarily a hatred for his mother but maybe an unfortunate love experience. Normally, the rapist is a pretty good guy, but when this hostility builds up he acts very much like**

a werewolf and once he starts moving nothing will stop him."

Dr. Freud says that a rapist does not derive any pleasure from the act of intercourse, but from the panic he provokes in the victim. "Rape is the thing a woman is scared of most, so that's what he does. And he gets an internal orgasm of pleasure knowing that he has fulfilled his destructive need."

### DIRTY BOOKS

Dirty books or obscene magazines rarely affect the rapist, Dr. Freud says, because they get no satisfaction out of "watching some one else do something . . . . In fact they don't get an erection until they actually have confronted the frightened woman. The rapist likes to reduce women to their most menial role. He likes to scare them and only he knows how far he will go to produce the fear, but most of them are capable of murder."

The increase in the number of rapes, according to Dr. Freud, is a result of a series of breakdowns within the social structure.

"Before World War II we had a Victorian attitude toward women," Dr. Freud said. "It was an unthought of act to strike a woman. But then came a general disregard for natural law and coupled with that came a period of women's liberation where they became more involved in politics and took on important jobs. And the women told us "We are no better than you." These factors along with the current women's liberation movement have created a great change in the respect of man for woman and have provoked a certain hostility toward women.

Dr. Freud says the rapist is generally middle class because "the freedom in the upper class and lower classes provide other ways for release of rapist hostility. It is the frustrated middle class man who is the rapist. The man who reaches the dead end and feels a need to release his anxiety. And when he attacks . . . he is a very dangerous man."

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[From the Washington Post, Nov. 10, 1971]

### School Bus Disorder Brings Call for Aid

Behavior problems are so severe on buses carrying Washington students to school that some drivers have refused to work unless there is another adult on the bus, an assistant D.C. school superintendent said last night.

"There is a need to keep discipline on the buses," declared Assistant Supt. Harris M. Taylor, as he asked a school board committee to approve spending $115,000 to hire 35 nonprofessional aides.

About 1,000 youngsters, most from Anacostia, ride the buses each day to elementary schools with extra space, many of them west of Rock Creek Park.

Supt. Hugh Scott has asked for another $362,000 to operate and service the buses, which also are used for field trips.

The crosstown busing, which is voluntary, was ordered several years ago by U.S. Judge J. Skelly Wright.

The request for busing money is part of the superintendent's proposal for spending $9.5 million in federal impact aid, allotted on the basis of the number of city students whose parents work for the federal government. Last night committee members questioned administrators closely about which schools would get the extra services under the proposal.

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## MAST IS A MUST

## HON. HENRY B. GONZALEZ

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. GONZALEZ. Mr. Speaker, too much of the time Americans think of the armed services as simply the troops which are constantly on alert to defend our country.

Actually all branches of the armed services are engaged in research and in cooperative endeavors with civilian units which provide answers for civilian needs other than the bearing of arms to protect our shores.

As an example of this activity, we can point to the project known as MAST—Military Assistance to Safety and Traffic—which has operated on a test basis since July 15, 1970, and now includes areas around five Army and Air Force installations.

One of the MAST programs is located in my home city of San Antonio, and it has been so successful there that the city council has asked the service be carried on "indefinitely."

Mr. Speaker, I would like to share with you and my other colleagues in the House an article which appears in the November 1971 issue of Armed Forces Journal entitled "Military Invades Civil Domain with MAST" which gives an excellent account of the success of the program.

### Military Invades Civil Domain With MAST

(By George Weiss)

Invasion of the civil domain by the military, usually strongly resented by the American people, has existed in five areas of the United States on a continuing basis over the past 16 months. Instead of protests, demonstrations, or litigation there have been letters of praise and appreciation.

If there has been any grumbling most of it has come from areas within the military. Suddenly the Services find themselves involved in a project with a growth potential which caused one physician interviewed by The Journal to comment, "I don't think they [the military] could get out now if they wanted to."

The project is MAST (Military Assistance to Safety and Traffic), which has operated on a test basis since 15 July 1970 and now includes areas around five Army and Air Force installations.

In each area military helicopters and medics have been made available to assist civilian authorities. They are on call for a medical emergency which can be handled by no other means.

From the inception of the program through 10 October 1971, the Air Force and Army have responded to a variety of calls ranging from highway accidents to heart attack victims in remote areas. They have flown 681 humanitarian missions to bring 881 persons to hospitals or performed emergency transfers of patients needing specialized care.

LCol William H. Smith, who monitors the project within DOMS (Directorate of Military Support) for the Department of Defense, sees it this way: "The Services learned to save lives in Vietnam with helicopters and immediate medical treatment. We have just been asked to put it to use at home."

Dr. Raymond Moore of the Department of Health, Education, and Welfare, who until recently was the HEW coordinator for MAST, sees the program as a great aid to small-town doctors who "can get emergency cases to more definitive care quickly."

The project, in fact, has uncovered a need for inter-hospital transfers little suspected when it began. Many accident cases in rural areas need to be stabilized by local physicians and then rapidly and smoothly moved to specialized hospital facilities. In many cases this could not previously be done because of the trauma of a long or rough road trip. MAST has provided fast, smooth transportation for such cases on a request basis.

One HEW official estimated that up to 70% of the patients moved by MAST helicopters have been emergency inter-hospital transfers.

Over the Labor Day weekend, one MAST unit responded to five emergency calls. Only one of them involved a highway accident. The other four were to move a burn victim and three persons with critical internal injuries from various rural area hospitals where they had been stabilized to larger hospitals where they could receive specialized treatment.

One of the best examples of the MAST program capabilities occurred 11 September, when a school bus loaded with members of the Gunnison, Colo., junior varsity football team overturned near Salida, Colo., with 48 passengers aboard. Nine of the students died in the crash and many were seriously injuried. Local ambulance and medical facilities were immediately overloaded. The local sheriff placed a call for MAST and three helicopters from the 78th Medical Detachment (Air Ambulance) were dispatched from Ft. Carson, arriving in a little over an hour at the small-town hospital. At the request of the local medical authorities 15 patients needing specialized medical care were loaded and dispatched on the MAST helicopters for St. Luke's Hospital in Denver.

En route, the medics made an evaluation of the specialized care each patient would require and the emergency equipment needed immediately upon arrival. The helicopter pilots were unable to establish air-to-ground communications as they flew through the Rockies between Salida and Denver, but a United Airlines captain and the pilot of a MAC C–5A overheard their MAST call sign and volunteered to act as airborne radio relay platforms.

An Army medic was credited with saving the life of one patient by giving him constant mouth-to-mouth resuscitation and suction to draw blood from his throat and lungs.

As result of the interaction by the Salida physicians, MAST, a passing airliner, and a C–5A, hospital attendants at St. Luke's were waiting to receive the patients and begin immediate treatment.

Another plus for the MAST program has been that, in addition to rapid transportation of accident and other emergency cases, military hospital corpsmen are, on the whole, better trained than the average (and sometimes nonexistent) ambulance attendant. The military helicopters in most cases are also better equipped to handle emergencies than the average ambulance outside of an urban area.

As it was stated by one person interviewed at HEW, "MAST is providing medical care now to persons who otherwise would not be receiving it [before death]."

HEW declined to estimate the number of lives saved in the first 15 months of operation by the MAST experiment, saying, "There is no way to make a accurate estimate."

MAST's beginnings have a long and detailed history, but there is little or no evidence as to who originated the idea. One prime mover in the project was Capt. John M. Waters, USCG, who served in the Department of Transportation's Emergency Medical Programs. It is said that Captain Waters pressed for the program three years before his suggestion finally reached the desk of Secretary of Defense Melvin R. Laird.

As a Congressman, Secretary Laird had been a member of the House Appropriations Committee and ranking member on the Health, Education and Welfare Committee. He recalled, during the public announcement of the MAST test program, that he had once written into a report a suggestion that "the federal government go forward with such a program."

The Army received the DoT proposal from Secretary Laird in August 1969 and reported back that such a program "might be possible."

### GETTING STARTED

Secretary Laird then wrote to Secretaries Robert H. Finch of HEW, Walter J. Hickel of Interior, and John A. Volpe of Transportation, as well as to Attorney General John M. Mitchell and George A. Lincoln of the Office of Emergency Preparedness, to say that DoD had examined the proposal and that "the concept has merit and warrants further study and participation by other federal agencies." He requested that an Interagency Planning Group be formed to discuss the "legal status of the use of military resources and the responsibilities of state, local and federal agencies."

In December 1969 the first meeting of the interagency ad hoc study group was held, with all agencies represented.

The decision was made to explore the MAST concept through a demonstration program at some military base during the spring or summer of 1970.

### ARGUMENTS AGAINST

There were groans from those in the military who foresaw a potential situation which could affect them in several ways. While trained medical technicians, pilots, and helicopters are available, they are engaged in national defense training and operations, and Congress appropriates money for that purpose—not for a far-reaching domestic program such as MAST.

Where could the military cut off such assistance once it began? Military hospital staffs and helicopters available for such tasks are planned and allotted for the estimated needs of military posts and air bases, not for an entire civilian community.

There were also legal implications. What was the military liability if a helicopter crashed while transporting a civilian to a hospital? Could a specialist 4th class be sued for malpractice if the patient he treated died? Could the government be sued if a military base refused to order a mission for one or more reasons once summoned by competent authority?

There were many complexities which had to be considered. One which everyone knew would appear was the opposition of commercial ambulance companies, which would recognize MAST as unfair competition.

In addition, there was an underlying fear among military representatives that the program might be misunderstood. Invasion of the civilian domain by the military, unfair competition, illegal medical practice, and an overall expectation that the services would be available throughout the nation, if successful, were only part of the problem. What might be involved when a helicopter or medical unit was ordered out of the local operating area or to an overseas area? Military units could not become dedicated to a particular area, since they are subject to periodic reorganization, transfers, and training operations. Political pressure might force them into difficult positions.

### THE NEED FOR MAST

Each year more than 50,000 Americans die in highway accidents, a quarter of a million are permanently injured, and two million persons receive lesser injuries, according to national statistics.

A paper written by two members of the Emergency Medical Services Division of the National Highway Safety Bureau, Department of Transportation, states that many ambulances responding to emergencies are ill equipped to handle serious trauma and are manned by poorly trained attendants, primarily due to the precarious economic situation of most ambulance operators, low pay of personnel, and rapid employee turnover. Moreover, low-population rural areas are even harder hit, since they cannot support an ambulance service and have to rely on an urban ambulance system which may have to travel long distances to reach the scene.

The Department of Transportation pointed out that a multi-million-dollar rescue operation is available to any offshore boatman through the Coast Guard, while inland any private pilot down or in trouble has the rescue facilities of the combined Air Force and Civil Air Patrol to locate, rescue, and care for his injuries until he can be brought to a hospital. But that same service available to a boatman or airman is not available if they have a hunting or auto accident in the same general area.

The truth is that the Armed Forces have always extended a helping hand to civilian rescue agencies in the event of an emergency such as a flood, storm, tornado, or similar disaster. It is also true that in most areas no agreements exist between the military and local civilian authorities for assistance in the event of highway accidents. Moreover, there is a lack of common communications facilities which would enable the two organizations to communicate.

Other communications problems are more easily understood. A phone call for an ambulance to proceed to a location "half a mile south of the Old Black Place on State Highway 5" may mean something locally, but very little to a military helicopter pilot whose familiarity with the area is best expressed in map coordinates.

The appalling death and injury rate on U.S. highways is not decreasing, but is growing, along with the population and numbers of vehicles in operation. A new problem is also injecting itself into the highway situation: Many of today's superhighways find bumper-to-bumper traffic during rush hours at speeds in the 70-mile-per-hour range. The two-car accident is fast becoming an urban rarity—it isn't uncommon today to find up to half a dozen vehicles involved in a single accident. It takes 50 or more cars in a single wreck to make national news today, and the number of victims in one accident can resemble a small-scale combat operation.

If nothing else, Korea and Vietnam proved the effectiveness of the helicopter as a rescue vehicle. Combat casualties evacuated are said to have a death rate of about 2%. At the very outset it would appear that a similar program made available to U.S. accident victims would save thousands of lives a year.

The only problem is that a similar civilian rescue service is currently beyond the reach of most state and municipal governments. Comparable commercial services are still few and far between and have had economic problems since the cost of operation is naturally high and collection sometimes difficult.

Another limiting facet of a comparable helicopter ambulance service is the need for an accompanying doctor or nurse skilled in emergency treatment of serious wounds.

Recognition of the military hospital corpsman as a skilled technician capable of performing efficiently in areas of his training is now generally accepted. Most Americans have actually witnessed corpsmen working swiftly and competently on the Vietnam battlefields via their home TV screens.

The first pilot project was established at San Antonio, Tex.—chosen, in part, because of the excellent military-civilian relationship that has existed over the years. To get the project underway, on 15 July 1970 in the Alamo Area Council of Governments, which takes in 10 counties around the city, a civilian committee headed by Bernard Rappoport of San Antonio began to work out the details to assure a smooth integration of the operation.

The military organization selected to provide support was the 507th Medical Company (Air Ambulance), located at Ft Sam Houston.

On 6 August two more sites were activated. Locations were West Central Washington state, supported by the Air Cavalry Troop, 3rd Armored Cavalry Regiment, Ft Lewis, and Colorado Springs, supported first by the 283rd Aviation Company, 43rd Group, 4th Infantry Division (Mechanized), Ft Carson, Colo., and now by the 78th Medical Detachment. (Helicopter Ambulance).

Two final projects were established at Phoenix, Ariz., and Mountain Home, Idaho. Both of these were supported by local detachments of the 42nd Aerospace Rescue and Recovery Squadrom, Hamilton AFB, Calif.

The 507th Medical Company (Air Ambulance) has been the most used of all the MAST partcipating organizations and the two USAF units the least called on. All Air Force spokesman explained to The Journal that the Air Force accepted the mission with the understanding that it would provide requested assistance during normal duty hours and only when there was no interference with their normal detachment duties, which are operational and not training.

After a year in test, however, the Air Force agreed to increase its participation by augmenting the Air Rescue detachments at Luke AFB and Mountain Home AFB, giving each enough aircraft and personnel to provide 24-hour, seven-days-a-week alert. According to one source, police and highway patrolmen in each area were reluctant to call on the Air Force helicopters since they knew the crews were not always on duty. The Air Force points out that rescue has always been a mission of ARRS and that the Air Force has never refused a MAST mission when contacted for any reason.

The Air Force HH-43 helicopters are primarily for rescue of air crews and are short-ranged. The Army's UH-1H Hueys are larger, faster, and carry more people. The Army tries to hold missions to within 100 miles of a post and the Air Force to 75 miles. Both ranges are based on the nonrefueled radius of the different helicopters. Missions of greater range can be flown, but they may require fuel stops, which limits their effectiveness.

### FUTURE?

By 1 December 1971 Secretary Laird will have on his desk a Service recommendation on future participation in the MAST project. The report will primarily cover such items as the practicality of helicopter operations in rural and urban areas of the nation, cost effectiveness, and other problems of an operational nature. But one of the big unanswered questions to be addressed is: can the military save lives, and can it do the job more economically than a similar civilian organization?

Two other effects are likely to result from any expansion of helicopter rescue services, in the opinion of Defense observers. If MAST is broadened and continued as a mission of the Services, the reserve components surely will be involved, they say. According to LGen. W. R. Peers, Chief of Army Reserve Components, the Army National Guard and Reserves will have 1,800 modern helicopters in FY 72 and 2,300 in FY 73. This represents a massive capability which must be reckoned in any MAST calculations. If the Services get out of the business and the civil sector of government gets in, says DoT, the result could be a shot in the arm for the ailing helicopter industry (Journal 13 June 1970).

Whatever the DoD findings, there is a definite opinion in San Antonio: Shortly before the program was extended to December of this year, the City Council of San Antonio adopted a resolution requesting that the service be carried on "indefinitely."

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## MISLEADING SCIENTISTS

## HON. GERALD R. FORD

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. GERALD R. FORD. Mr. Speaker, in recent years the scientific community has increasingly taken sides in the controversy surrounding a number of public issues—notably that of the ABM and the SST. It has long appeared to me that the opinions of many of the scientist-opponents of the ABM and the SST were clouded with emotional bias. On Monday, November 8, 1971, columnist Joseph Alsop cited an investigation made by a panel of the Operations Research Society of America which bears out my view. I call the attention of my colleagues to this column, since the views of the scientific community have of late had such a heavy bearing on issues being decided in the Congress. The column follows:

### MISLEADING SCIENTISTS

(By Joseph Alsop)

The clamor surrounding the underground nuclear test at Amchitka is a very good reason for offering an extremely solemn warning. On such occasions, a great deal of the more leftwing "scientific" evidence must now be expected to be as crooked as a ram's horn.

Some attention has already been given to the so-called ORSA report that contains the proofs of the foregoing extremely grave statement. But no one has even begun to grasp the full seriousness of this solid, stolid, unimpeachably factual report. So it deserves re-examination.

ORSA, in brief, is the Operations Research Society of America, with a membership of about 8,000 scientists doing defense and industrial research and analysis. One of the society's stated original aims was to establish uniform standards and guidelines for this new and growing branch of research.

Hence, the society was interested when one of its members, Dr. Albert Wohlstetter of the University of Chicago, asked for a panel to judge the standards of research and analysis displayed in the bitter debate about the "Safeguard" antiballistic-missile system in the Senate in 1969. Essentially that meant a panel to judge between ABM supporters like Dr. Wohlstetter, and its chief scientific opponents, such as the new president of MIT, Dr. Jerome Weisner, and Drs. George Rathjens and Stephen Weinberg.

The ABM opponents were invited to make any contribution they chose, and also to nominate a member of the proposed panel. They haughtily refused to have anything to do with the inquiry. And they added a wholly groundless charge that the inquiry "could well appear to the nation as an ugly resurgence" of McCarthyism—but they ducked using the actual word.

A six-man panel of industrial and academic scientists was none the less formed, under the leadership of Thomas E. Caywood, past president of ORSA. The panel included men who had opposed the ABM in 1969, as well as men who had been for it. At least one former panel member, Dr. Howard M. Berger, of Xerox, "still hasn't made up his mind."

The results were devastating. "Analyses" that were "often inappropriate, misleading, or factually in error"; failure to meet "elementary standards for proper presentation of results to permit verification"; failure to "distinguish properly between the roles of analyst and advocate"—these were the main phrases in the summary of findings.

Dr. Rathjens was held guilty of "specific abuses of professional standards" in the ABM debate. He was further condemned for selecting his material in a most peculiar manner, mostly by omitting "data (that) would have substantially weakened his case". Other highly partisan inaccuracies were also found in his ABM testimony and in his subsequent exchanges with Dr. Wohlstetter.

Drs. Weisner and Weinberg were found to have "ascribed official validity" to calculations which had no such validity. They were further found to have made extremely nasty false charges against the chief scientist of the Defense Department, Dr. John S. Foster.

Drs. Weisner, Rathjens and Weinberg were jointly held to have been guilty of "misuse of source material" in the study of the ABM in a critique of the Pentagon's ABM position that was circulated by Senator Edward Kennedy. The same "misuse" was also found in the work done for Senator Kennedy by Dr. Weisner and ABM charges throughout the ORSA report.

Thus placed in the dock and found guilty and crooking the evidence and purposeful prevarication, the anti-ABM scientists finally condescended to notice ORSA more seriously. They issued a reply, admitting some mistakes, yet claiming they were right about what mattered. To this Dr. Rathjens added the charge that the neutral panel member, Dr. Herbert Berger, secretly harbored personal animus against himself.

To this charge, Dr. Berger has now replied, in effect, that Dr. Rathjens is again prevaricating, and again, Dr. Berger's evidence is solid, stolid and unimpeachably factual, like the ORSA report itself. No open-minded person can fail to read either report without concluding it is all too true, both in detail and in broad outline.

It needs only to be added that the supposed "mistakes" proven in the report were at the very heart of the ABM debate. In sum, warning.

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## HAYS GETS THINGS DONE

## HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. BROOKS. Mr. Speaker, for more than two decades, the House of Representatives has enjoyed the mercurial outspoken opinions of Congressman WAYNE HAYS of Ohio and today the Evening Star has joined Congress in its evaluation of WAYNE HAYS—a Congressman who gets things done. The Star does not endorse all of his statements but it does write of his courage and dedication toward getting things done as effectively and efficiently as possible, regardless of whose toes are stepped on.

I include in the RECORD the attached article appearing in the Washington Evening Star of November 10, 1971, commending the efforts of WAYNE HAYS to improve our Congress:

### HAYS GETS THINGS DONE AROUND THE HOUSE

(By Shirley Elder)

Wayne Hays describes himself as a man who abhors waste, sloth, inefficiency, errant behavior of any kind. "All my life," he says, "I've had a drive to get things done."

Now, after 22 years as a Democratic congressman from Belmont County, Ohio, the 60-year-old Hays is in a unique position to get things done around the House of Representatives, and he is tackling the job with a vengeance. He is chairman of the House Administration Committee.

Never before has the Administration Committee been a very prestigious assignment. Under many of Hays' predecessors, it merely ratified decisions made by others. House rules describe its duties as policy-making.

#### TAKES CONTROL

But under Hays, the committee—or, more accurately, Hays himself—is well on the way towards taking over actual operations of an incredible array of Capitol activities. Hays has, for instance:

Raised the price of the formerly-bargain-rate haircuts in House barbershops from 75 cents to $2.

Removed jump-seats for operators from elevators, and ordered operators not to read on the job.

Ordered linen cloths taken off the tables in the staff dining room, and converted a basement cafeteria into a carry-out.

Tried and failed, under pressure from colleagues, to eliminate breakfast service in the members dining room.

Audited restaurant finances, collected thousands of dollars from congressmen who ran up bills, and caught (with the aid of Pinkerton men) a cashier who was accused of stealing as much as $100 a day.

Took over authority, with House approval, to increase fringe benefits for congressmen without having to go back to the House (and thus into the public view) for a vote each time. These fringes include paid trips home, stationery allowances, telephone services and office staff money.

Set aside one of the three Capitol elevators from the Rayburn Building subway for members only.

Established a firm limit of six telephone lines for each congressional office (such decisions had been left up to a staff member in the office of Clerk W. Pat Jennings, Hays said, and varied according to the whim of the staffer).

And, perhaps most significant, in a resolution adopted yesterday with no objections from the handful of House members on hand, Hays moved to run the House's IBM 360-50 computer now under Jennings command. The resolution gives the Hays committee $1.5 million to set up and staff a Computer Service Center.

The computer program is only the most recent Hays move; it certainly is not the last.

Just last week, he signed a contract to begin installing an electronic voting system in the House chamber.

And he is actively involved in an effort to clean up House restaurant kitchens so they are as spick and span as the Senate's.

#### STEPS ON TOES

Hays' path has not been smooth. He has, in fact, repeatedly stepped on the toes of those who think they should be running things, such as Jennings and Capitol Architect George White, who supervises restaurants and elevators, and Doorkeeper Fishbait Miller, whose office is in charge of the army of patronage jobs and, among other things, the barbershops.

Hays has an unsettling style of direct action. If he sees something he doesn't like he summons the offender, or his boss, into his private office on the third floor of the Capitol and chews him out.

He is said to remind minor functionaries around the House that he, Hays, is the man who signs their paychecks. Little things often command his attention. For instance, he ordered name plates for elevator operators after one refused to identify himself to Hays. Now, Hays said, if an operator misbehaves, his name can easily be jotted down.

"The guy's a bully," one colleague said bluntly of Hays the other day. "A tyrant. This is not a happy situation."

But even Hays critics are forced to admit that under his scrutiny restaurant deficits have been reduced and, in some cases, eliminated. Haircut charges have been placed on a more businesslike basis. Instead of barbers pocketing the 75 cents plus tip, they now split the $2 half and half with the House contingency fund.

The computer, a sophisticated machine rented for $42,000 a month, has been operated by Jennings' office at something like 10 percent of its capacity.

By moving in and taking it over, Hays

promises to develop a data retrieval system that could make the legislative history of every bill instantly available to members, while simultaneously handling House bookkeeping operations such as payroll and inventory.

NOT SEEKING FRIENDS

Hays is not disturbed over reports that some people are unhappy with his actions. "I didn't come to Washington to win friends and influence people, just to influence people," he says. "Congress does a lot of talking about economy but it must start at home."

Hays has never been known as a jovial fellow. His role on the House floor often is that of a heckler, a needler. When GOP Leader Gerald R. Ford once raised the threat of a presidential veto of an appropriations bill to keep several federal agencies going, Hays said:

"I do not think he would dare because . . . what if he closed the government down and the people found they could get along without it?"

He seldom really smiles. The comments are delivered deadpan, often angrily. Persons he doesn't quite approve of are referred to as "that character" or addressed as "you people."

HE CRACKLES

Hays does not give long thoughtful speeches on the issues of the day. He takes quick verbal swipes at those he thinks are ridiculous or wrong. One observor once said Hays' anger has a certain splendor: "He snaps and crackles and flashes. If you are safe, it is pleasant to behold—like a summer electrical storm."

He has, at one time or the other, been mad at Castro, Zsa Zsa Gabor, the late Secretary John Foster Dulles, Reps. Otto Passman and H. R. Gross, everyone in the State Department, Madame Nhu, Stokely Carmichael, all liberals, President Eisenhower, President Nixon, Arthur Goldberg and Adam Clayton Powell.

It was Hays who prepared the case against Powell when the high-flying Harlem minister was a member of Congress. As chairman of the Administration Committee's subcommittee on accounts, Hays conducted the inquiry into Powell's spending sprees that led eventually to his exclusion from the House.

ROAMED THE WORLD

Hays probably spent tax money at as brisk a clip as Powell but with a totally different philosophical approach. As a member of the Foreign Affairs Committee, Hays roamed the world as he now roams Capitol corridors and when he found excuses and wrongs, then as now, he demanded corrective action.

Hays' compulsion to erase inefficiency and eliminate wrongdoing is not limited to the world and the Congress. It extends into his home district.

Just last week, Hays was elected to the Belmont County School Board, a non-paying post, with the avowed intent of finding out whether the board does anything worthwhile. If it doesn't, he said, he will march straight to the state legislature and ask that it be abolished.

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## TRANSMISSION LINE TESTIMONY

## HON. HAMILTON FISH, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. FISH. Mr. Speaker, in the CONGRESSIONAL RECORD of September 14, 1971, I brought to the attention of the Members an environmental problem in my congressional district, in a statement "The Big Boys Against Prink Hill."

In that statement I covered some of the problems being encountered by the residents of my district as a result of the actions of the power authority of the State of New York. These acts of the State authority are encouraged in many ways by the Federal Power Commission's apparent indifference to the public interest and indifference to environmental guidelines as laid down by the President's Council on Environmental Quality.

On Tuesday, November 9, 1971, a hearing on the proposed transmission line was held in Albany, N.Y. For the information of the other Members of this House, I include my remarks at that hearing, in full:

STATEMENT BY REPRESENTATIVE HAMILTON FISH, JR.

I wish to apologize for not being able to be personally at this hearing, but Congressional business requires me to be in Washington. However, I appreciate the opportunity to present a statement on my position on the Gilboa-Leeds transmission lines, a subject of great importance to the people of my Congressional District, which also affects the ecology of our entire Hudson Valley region.

I formally intervened in this proceeding for two basic reasons. First, because I felt my direct participation would afford many of my constituents, who otherwise would not be represented, an avenue to express themselves in this matter. Second, I wanted to assure that recent Congressional mandates in the area of environmental decision-making are faithfully complied with by the Federal Power Commission and the Power Authority of the State of New York. In my opinion, such care of the public interest was not shown in the original licensing of the Blenheim-Gilboa pumped storage project and its attendant transmission lines. I am hopeful that this hearing will provide the proper forum for beginning an in depth inquiry into whether this power line is needed at all, and, if so, what will be the best possible route to cause the least environmental damage to a uniquely unspoiled area. Such an inquiry requires the Federal Power Commission to balance all of the elements involved: alternative sources of power, actual power resources and needs, and most importantly, any possible detrimental environmental and social effect that construction of this proposed line will have on Greene County and the Hudson Valley.

These are not idle or useless concerns. We live today in an era concerned with environmental values. This concern has been caused by our ability to view what destruction can be wrought by neglect of proper attention to the environmental impact of any project. The present destruction of our air, our water and our land stand as mute witnesses to this past neglect. This newly found concern and awareness brings with it new responsibilities for those dealing with public policy decisions such as the one at issue here today.

There are three questions I would like to raise and discuss this morning. *First,* have the basic elements of due process, adequate notice and fair opportunity for a hearing been fully complied with in this case to date? *Second,* have the Federal Power Commission and the Power Authority of the State of New York complied with both the spirit and the letter of the National Environmental Policy Act of 1969? *Third,* what is the actual scope of proper inquiry here? Realistically, is the decision that is being made on Project No. 2685 confined to one power transmission line, or are we actually opening an irreversible pandora's box of Power Authority plans that will affect the entire Schoharie and Hudson Valleys.

On October 29, 1971, the Federal Power Commission issued an order which, among other things, denied my motion for a hearing on this project in Greene County. I was extremely disappointed by the Commission's decision, for it seems to me yet another indication of official indifference to the public interest and convenience. For Greene County, as we all know, is the location of both of the two primary routes which have been proposed. It is where the real affected parties in this matter live and work. My motion did not necessitate the postponement or cancellation of this hearing. It suggested alternative Greene County sites for this hearing, but more importantly, moved for an additional hearing in the Catskill area so that those unable to be here today would be afforded an opportunity to give their views on the proposed routing.

The selection of Albany as the sole site has clearly precluded the participation of many individuals who will be affected by the decision on this proposal—individuals unable to be here for such reasons as inability to get off from work, time loss, travel difficulty, expenses involved, and general inconvenience. The denial statement by the Federal Power Commission implies that an undue and unreasonable delay would result from granting the motion. Yet I was not talking about an indefinite or unreasonable delay of these proceedings. Appropriate hearing sites in the Catskill or Greenville area can be made available on short notice. Furthermore, when we are talking of a decision that will determine the environmental future of Greene County and possibly the Hudson Valley, would a delay of one day, or one week, or even one month be unreasonable? If one wishes to be a careful preserver rather than a hasty destroyer, the answer can only be no.

Therefore, today I am renewing my motion for an additional hearing to be scheduled in Greene County in the near future. I do this for the self-evident reason that the further such hearings are from the affected area, the less influence residents of those areas have upon the final decisions reached. Through the inconvenience of distance, individual right is more easily subverted for an abstract "public" right. I urge adoption of my motion for an additional hearing in the affected area.

Other intervenors have dealt in depth with the issue of whether adequate notice was initially afforded certain parties to this proceeding. I mention this point to couple it with my concern over the decision on the hearing site. Due notice, and the opportunity to be heard are essential elements of due process under our legal ssytem. The "fundamental fairness" of due process applies to administrative as well as judicial proceedings. It is my view that due process requirements have been given less than full consideration by the Federal Power Commission and its staff in this matter to this point.

In response to the evident deterioration of our water, our air and our land, Congress and the entire Federal government has become increasingly concerned with the environment. The National Environmental Policy Act of 1969 is the foremost statutory expression of national policy on the subject. It establishes environmental protection as part of the mandate of every Federal agency and department, and requires that they consider the environmental implications of their decisions to the "fullest possible extent." Specifically, Section 102(2)(c) requires that every agency file a detailed environmental impact statement on all projects it undertakes or licenses, with the Council on Environmental Quality for their review.

The impact statement on this particular project is currently being reviewed by the Environmental Protection Agency at the request of Environmental Quality. In September, the Environmental Protection Agency indicated that the original impact statement filed by the Power Authority of the State of New York, and circulated by the Federal Power Commission for comment, was not as comprehensive or complete as needed. In short it was defective.

I might also point out at this time that at present, negotiations are going on between the Federal Power Commission and the Council on Environmental Quality, as the Council is not satisfied with FPC's interpretation of the Environmental Protection Act's environmental requirements. As of this moment, the FPC has filed no independent environmental statement, nor does it accept responsibility for the applicant's statement which it circulates. Following this hearing the FPC will submit a staff brief on the environmental impact of the proposed project, which has been found at fault in the past as generally a restatement of the applicant's statement.

Thus, this project's status under the criteria established by the National Environmental Policy Act of 1969 has not yet been settled. It is too early to tell whether or not environmental values have been adequately considered. Until a determination and recommendation is made by both EPA and the Council on Environmental Quality on the impact of this project, there should be no final decision by the Federal Power Commission.

In addition to the strong indications I have received from the Council on Environmental Quality that the FPC's present interpretation of the environmental guidelines are unsatisfactory, recent court decisions interpreting the intent and scope of the National Environmental Policy Act have stressed the broad responsibilities it imposes on the Federal agency involved—in this instance the Federal Power Commission. For example, in the case of *Calvert Cliffs Coordinating Committee* vs. *Atomic Energy Commission* (U.S. Court of Appeals for the District of Columbia, Docket Number 24,830, decided July 23, 1971), the Court emphasized that the mere filing of the impact statement does not exhaust an agency's responsibility under the Act. They emphasized that at both the hearings on proposed licensing, that the licensing agency must conduct an aggressive inquiry on the environmental issues raised. The Court used the following language: "an agency has a responsibility to not simply sit back, like an umpire, and resolve adversary contentions at the hearing stage. Rather, it must itself take the initiative of considering environmental values at every distinctive and comprehensive stage of the process beyond the staff's evaluation and recommendation."

In spite of off-hand licensing of the Blenheim-Gilboa pumped storage station and two of three power lines, in spite of the fact that the FPC to date has filed no independent environmental impact statement but simply circulated the applicant's statement for comment; in spite of the fact that the Commission has summarily denied every motion by the intervening parties; in short, in spite of what can at best be described as a dismal track record of agency concern for the interest of the public, I hope these hearings will set the tone for such an aggressive inquiry.

Finally, the scope of this inquiry cannot be restricted to the narrow consideration of the specific power line in question. That is why, when I filed my intervention petition, I included specific language aimed at raising the broader issues of impact that this decision will have on the ecology of the entire Hudson Valley. I again urge the Commission to carefully and closely study the long range impact that approval of this proposed line will have on nearby and adjacent areas in the Hudson Valley region as well as in Greene County. By PASNY's own admission, this power line is only the beginning in the development of a vast network of interlocking energy projects.

It is, in effect, a very small part of a massive development, and to concentrate our gaze simply upon this line, while ignoring these broader considerations would be like studying a tiger cub, while ignoring that the kitten could grow into a highly destructive cat. So, properly, the Federal Power Commission should view the proposed project not only in the light of its impact on the uniquely unspoiled Durham Valley, which is important and consequential in itself, but also in the broader perspective of its growing impact on the entire region. For if, as many of us believe, this project is only a small section of a massive plan, then a "yes" or "go" decision here could mean the ecology of the entire Hudson Valley and the Schoharie Valley will be forever determined. What are the extent of PASNY's plans? Have they been fully divulged? Will they be fully explored here? It would be a dereliction of responsibility not to ask these questions, and not to ask them at this time.

Thus, as we begin this detailed inquiry into the need, propriety and location of this proposed Gilboa-Leeds power line, the Federal Power Commission should carefully consider its massive responsibilities as they reach any decision. A Federal regulatory agency has a mandate to protect the public interest. Recent legislation underlines this with a mandate to protect the environment. This is the issue of the inquiry we begin here today.

## PUBLIC HEARINGS—COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

### HON. ANCHER NELSEN

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. NELSEN. Mr. Speaker, under letter dated October 15, 1971, a notice of public hearings of the Commission on the Organization of the Government of the District of Columbia was mailed to a number of groups and associations in the District who have a client relationship with the District government. Also, the notice was published in the District of Columbia Register on October 4, 1971, and all relevant House and Senate committees have been advised.

We welcome the attendance of any interested Members of the House and Senate at the hearings scheduled in room 2125 of the House Interstate and Foreign Commerce hearing room on Thursday afternoon and evening, Friday and Saturday the 11th, 12th, and 13th of November. For further information please call the Commission office at 386-5577.

I insert the letter notice sent to over 600 organizations in the District of Columbia to be reprinted in full in the RECORD:

COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT OF THE DISTRICT OF COLUMBIA,
*Washington, D.C. October 15, 1971.*

DEAR FRIEND: On behalf of the Commission on the Organization of the Government of the District of Columbia, I am sending this letter to many organizations in the District of Columbia to inform them of the public hearings which our Commission will hold November 11 and 12, 1971. The hearings will be held in the Interstate and Foreign Commerce Committee Hearing Room, Room 2125 of the Rayburn House Office Building (East entrance) commencing at 2:00 p.m. on November 11 and at 10:00 a.m. on November 12.

In view of your organization's interest in good government, our Commission would like to have its views about ways and means of promoting economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the Government of the District of Columbia. I am enclosing a copy of the Commission's Notice of Hearing recently published in the *D.C. Register* so that you may be advised of the areas of our concern and study.

I cordially invite you to submit your organization's views in writing to our Commission by November 5, 1971. Should you or your organization experience any difficulty in preparing a written statement of proposed testimony, I urge you to contact the Deputy Director, Mr. Adrian Dove (386-5577) who can assist you. Meanwhile, it would be very helpful if your statement could be prepared as a five-minute oral presentation suitable for the public hearings. Additional comments may, of course, be submitted in writing and will be made a part of the hearing record.

Naturally, because of time limitations, our Commission will not be able to hear from all organizations at the public hearings scheduled for November 11 and 12. This is why I am requesting you to submit your organization's statement in writing to the Commission by November 3 so that the staff may review them and prepare a schedule of those who will testify at our hearings. Be assured, however, that whether your organization presents its views in the form of testimony at the hearings or as a written statement to be inserted in the RECORD, our staff will carefully review all of the views submitted so that they will be available to the Commissioners.

I am appreciative of the efforts of your organization to assist in bringing about better government for the District of Columbia and I trust that you will continue in your effort by providing the Commission with your organization's views with regard to our study.

With kind regards,

Sincerely yours,

ANCHER NELSEN,
*Chairman.*

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COMMISSION ON THE ORGANIZATION OF THE GOVERNMENT OF THE DISTRICT OF COLUMBIA

The undersigned, as Chairman of the Commission on the Organization of the Government of the District of Columbia, established under authority of Public Law 91-405, as amended, hereby gives notice that the Commission will hold public hearings in the Interstate and Foreign Commerce Committee Committee Hearing Room, Room 2125 of the Rayburn House Office Building (East entrance), commencing at 2:00 p.m. Thursday, November 11, 1971, and at 10:00 a.m. Friday, November 12, 1971. These public hearings have been scheduled to afford interested parties an opportunity to present their views concerning matters relevant to the declared policy of Congress in establishing this Commission, that is, to promote economy, efficiency, and improved service in the transaction of the public business in the departments, bureaus, agencies, boards, commissions, offices, independent establishments, and instrumentalities of the Government of the District of Columbia.

While the hearings will not encompass the subject of home rule, the following general functional or managerial areas of concern are being studied by the Commission and will constitute the agenda for the public hearings:

1. The organization and internal management of the District of Columbia Government;

2. The executive management processes, especially as they relate to the Mayor/Commissioner and the District of Columbia Council, and whether the local government is responsive to the needs of residents and others whom it serves;

3. The efficiency of the District of Columbia Government personnel systems, activities, functions, etc.;

4. The fiscal affairs and financial management of the District Government, including: an analysis of revenue and expenditure trends; a study of the budget process, long-term capital financing, the balanced budget concept, program budgeting, grants-in-aid, and enterprise funding; accounting and internal auditing; ADP and MIS, and financial reporting;

5. The efficiency and effectiveness of the regulatory procedures (including the issuance of licenses and permits) in effect in the District of Columbia and conformance to the D.C. Administrative Procedure Act;

6. Public education in the District of Columbia, both the public school system and public higher education; primarily as it relates to administration and management and not course content or curriculum problems;

7. A study to improve the integration/coordination/effectiveness of youth services delivery in the District of Columbia;

8. Greater utilization of private sector assistance to the D.C. Government;

9. A housing study and inquiry into functions performed by National Capital Housing Authority, Redevelopment Land Agency, Board of Zoning Appeals, and Model Cities Program, as well as the private sector;

10. A study of delivery systems for health services; and

11. A contemplated study of procurement practices in D.C. Government contracting.

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## UNITED STATES, KREMLIN SUMMITS CAN GIVE CASE OF JITTERS

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. DERWINSKI. Mr. Speaker, as the news media looks ahead in commentary and forecast to the forthcoming trip by President Nixon to Peking and Moscow, it is well to keep in mind the pattern of previous summit meetings. This point is very properly made by international correspondent Dumitru Danielopol in the following article which appeared in the Aurora, Ill., Beacon-News on October 22:

### UNITED STATES, KREMLIN SUMMITS CAN GIVE CASE OF JITTERS

(By Dumitru Danielopol)

WASHINGTON.—Every time I hear of a "summit" meeting between a U.S. president and Kremlin leaders I get the jitters.

Men from lands behind the Iron Curtain have a "Pavolvian" reaction at the word "summit."

Past meetings have proved so disastrous for our countries, for the West and the United States that our first question is:

"What are the Americans going to give away this time?"

"The trouble with these meetings," said one exile leader "is that the Americans judge the Russians by their own standards and give them the benefit of the doubt. They do not always realize, unfortunately, that the Reds are not there to negotiate honestly but to grab as much as they can."

The germ of this reflex was there when Mr. Nixon announced his visit to Peiping. But it wasn't as intense. China is a new state. Though some ethnics objected, the overwhelming majority accepted the Peiping trip. It could place the Kremlin on the defensive, we felt, weakened Moscow's political and diplomatic impact and gave them something to worry about.

Resistance to Soviet pressures increased in Eastern Europe and the Balkans.

But now comes the mission to Moscow which seems to calm all Soviet fears.

Every American President in the last generation or so has come to that moment when he convinced himself that he can "reason together," eye-ball to eye-ball with the men in the Kremlin.

Mr. Nixon's announcement that he is going to Moscow came as an anti-climax. All the psychological, political and diplomatic advantages seen in the Sino-American meeting seem to be slipping away.

Leonid Brezhnev and Alexei Kosygin can crow again that all roads lead to Moscow.

"The President took a step backwards," said one exile leader.

Back flashed pictures of Franklin Roosevelt at Yalta, Harry Truman at Potsdam, Dwight D. Eisenhower in Geneva, John Kennedy in Vienna and Lyndon Johnson in Glassboro, N.J. That President Nixon could have refused the Kremlin's invitation in an election year is a moot point.

Mr. Nixon's political adversaries are already discounting his trip as political ploys. This is hardly fair. The President deserves honest appreciation for his goal of a "generation of peace."

And perhaps the scars and memories of the last 35 years have made some of us too cynical. But when dealing with the Russians there is only one truism:

One must deal from a position of strength. Accommodation in the Soviet mind has always been only a way-station on an inexorable march to domination.

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## SENIOR CITIZENS GOLD TURNS TO BRASS RING

## HON. J. HERBERT BURKE

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BURKE of Florida. Mr. Speaker, the Senate has the so-called welfare reform bill, H.R. 1 on the slow burner and as a result millions of needy retirees are stewing while waiting for the much needed social security changes and benefit increases.

H.R. 1, which passed the House on June 22, 1971, and was hailed as the welfare reform bill tied the social security amendments to this welfare bill.

The supporters of H.R. 1 did this for one reason. There is strong congressional support for increasing social security for our elderly, but there was not real great support for guaranteeing an income for those on welfare. For this reason the two programs were tied together as one package and the elderly today are the losers.

The Senate is reluctant to take up the provisions since many of the liberal block want the guaranteed income for welfare recipients increased above the established $2,400 level but do not feel they have the public's support or sufficient votes.

It is estimated that of the some 20 million Americans over age 65, 5 million are living on wages below poverty levels; another million are at the "near poor" category; while still more are reaching this state due to higher living costs and restrictions placed on senior citizens.

Thus it appears the welfare reform program is making more of our elders paupers and thereby cheating them out of what they rightfully deserve.

It is one thing to talk about guaranteeing welfare recipients a specific sum, but the financial burden placed on the working sector of our Nation is quite another. It is said, with good basis, that half of the country will be working to support the other half.

And what incentive will there be for people to work, or even be foolish enough to save, since big brother will take care of them?

The original intent of social security was to aid those who qualified for payments to an income as a supplement to a regular retirement plan. But, the socialist planners now look at social security as a welfare plan.

The social security program needs to be revised, but I suggest that it does not belong as part of any so-called welfare reform program.

I introduced a bill which would provide for at least a 10-percent social security benefit effective January 1, of this year, but it was reduced to 5 percent by a majority vote of the House when H.R. 1 passed the House last June.

I further proposed that there be an automatic cost-of-living increase clause in the program so as to provide continuous benefit increases based on the increasing living costs to be completed each fiscal quarter. This was included in H.R. 1, but now that the bill is delayed it is hard to determine its future on final passage.

Other bills I introduced or cosponsored included legislation which would award increases in benefits to a widow, from 82½ percent, which she currently receives to 100 percent. These proposals, together with the need for improvements in the medicare program and others too numerous to mention, are reasons the social security amendments should be reviewed as separate items, rather than tossing them in with welfare questions.

There are 985,690 people over the age of 65 living in Florida today, which comprises almost one-sixth of the State's population. Furthermore, our senior citizens compose one-tenth of the Nation's population, are one of our Nation's largest minority, and yet they became political pawns in the arguments on welfare.

They have been penalized for working throughout the years since the social security was a pay-as-you-work program, paid into by the employee with the hope for a chance to enjoy their golden years, but alas, they now find that the gold has turned into a brass ring which they cannot even grab, since the Senate has a hold on it.

# SENATE—*Friday, November 12, 1971*

The Senate met at 9 a.m. and was called to order by Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota.

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

Most merciful and gracious God, before we enter upon the tasks of this new day, we thank Thee for the achievements of past days and for the promise of the future. To the hard work, the concentrated endeavor, the steadfast devotion of Thy servants add Thy divine blessing. May they be God-filled, God-controlled, God-directed men and women; wise and creative, clear minded and high visioned in devising policies and programs which are just and righteous and in harmony with Thy coming kingdom. Keep them loyal to the lofty principles of the Republic, steadfast in championing the cause of freedom and peace, humble in spirit, and thankful in heart.

And to Thee we ascribe all glory and praise. Amen.

## DESIGNATION OF THE ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore (Mr. ELLENDER).

The second assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE
*Washington, D.C., November 12, 1971.*

*To the Senate:*

Being temporarily absent from the Senate on official duties, I appoint Hon. QUENTIN N. BURDICK, a Senator from the State of North Dakota, to perform the duties of the Chair during my absence.

ALLEN J. ELLENDER,
*President pro tempore.*

Mr. BURDICK thereupon took the chair as Acting President pro tempore.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Thursday, November 11, 1971, be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered

## EXECUTIVE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the Senate go into executive session to consider nominations on the Executive Calendar, under New Reports.

There being no objection, the Senate proceeded to the consideration of executive business.

The ACTING PRESIDENT pro tempore. The nominations on the Executive Calendar, beginning with New Reports, will be stated.

## OFFICE OF EMERGENCY PREPAREDNESS

The second assistant legislative clerk read the nomination of Elmer F. Bennett, of Maryland, to be an Assistant Director of the Office of Emergency Preparedness.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

## U.S. ARMY

The second assistant legislative clerk read the nomination of Brig Gen. Ferd L. Davis, Adjutant General's Corps, to be a major general.

The ACTING PRESIDENT pro tempore. Without objection, the nomination is considered and confirmed.

## U.S. NAVY

The second assistant legislative clerk read the nominations in the U.S. Navy, as follows:

Adm. Jackson D. Arnold, U.S. Navy, to be admiral.

Vice Adm. Arthur R. Gralla, U.S. Navy, to be vice admiral.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## U.S. MARINE CORPS

The second assistant legislative clerk proceeded to read sundry nominations in the U.S. Marine Corps.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

The second assistant legislative clerk proceeded to read sundry nominations in the National Oceanic and Atmospheric Administration.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the nominations be considered en bloc.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

## NOMINATIONS PLACED ON THE SECRETARY'S DESK—IN THE ARMY AND IN THE NAVY

The second assistant legislative clerk proceeded to read sundry nominations in the Army and in the Navy, which had been placed on the Secretary's desk.

The ACTING PRESIDENT pro tempore. Without objection, the nominations are considered and confirmed en bloc.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of these nominations.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. MANSFIELD. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

## VIETNAM—LAST CHANCE FOR PEACE

Mr. MANSFIELD. Mr. President, in yesterday's New York Times, the lead editorial is entitled "Last Chance for Peace." I think it is a good summation of the situation which has developed on the eve of the President's announcement to the Nation on what the next step will be in the withdrawal of U.S. troops from Vietnam.

I would point out that the President has reduced the forces there from a high of about 450,000 men when he assumed office to under 190,000 at the present time. That is very good progress. I wish it could be done faster. We will see what the President has to say.

Let me quote one sentence from the editorial:

> Mr. Laird responded, "Yes," when asked last weekend in Saigon whether South Vietnam now has "a reasonable chance to survive"—a principal condition set by President Nixon for complete American withdrawal.

So that leaves only the prisoners of war, and that matter, hopefully, may have been taken care of for the third time by the Senate in the military aid bill which passed yesterday.

Mr. President, I ask unanimous consent that the entire editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### LAST CHANCE FOR PEACE

The extraordinarily optimistic claims for the Vietnamization program made by Secretary of Defense Laird after a combat zone inspection tour have opened the way for a dramatic Presidential announcement next week. Whether soundly based or not, the Laird comments seem designed to provide a rationale permitting President Nixon to step up the present pace of troop reductions in Vietnam. Since even maintenance of the present pace would terminate the American ground presence before the end of next year, Mr. Nixon is in position now, if he is so disposed, to offer the Communists a terminal date for American military withdrawal.

A terminal date would meet the precondition set by Hanoi for reviving the dormant negotiations in Paris to arrange concurrent release of war prisoners, plus a ceasefire. At the present withdrawal rate of 14,300 a month, American troops could be out of Vietnam before Christmas 1972. If the rate is stepped up to 20,000 a month, they could be out by mid-September, almost two months before the American Presidential election.

Mr. Laird responded, "Yes," when asked last weekend in Saigon whether South Vietnam now has "a reasonable chance to survive"—a principal condition set by President Nixon for complete American withdrawal. The so-called "Phase Two" of Vietnamization is under way—a phase marked by the turnover to South Vietnamese forces of increased responsibility for artillery, logistical, helicopter and air combat support.

President Thieu has indicated a desire to retain American air and logistical support into 1973. That could mean a residual force of 40,000 to 50,000 Americans, including ground combat forces to protect American installations. But Mr. Nixon has other interests to consider if he is to make such a commitment now.

Apart from the direct effect on the American Presidential campaign, there is the possibility that such a commitment would trigger an increased military effort by Hanoi to embarrass Mr. Nixon next fall. Reactivation of the Paris negotiations, by contrast, would inhibit reescalation of the war and take advantage of what little substantial leverage the United States has left in the peace talks.

It is in Hanoi's interest to terminate the American involvement before November 1972. American air operations continue at a high level, despite ground force reductions. There have been more than seventy raids against North Vietnam this year. More than 70,000 tons of American bombs—almost the same level as in 1967, the last year before the Paris talks—have been dropped monthly on Indochina targets, according to a new Cornell University study.

If Mr. Nixon is re-elected next November with large-scale American air operations still going on and a residual force of 40,000 American air operations still going on and a residual force of 40,000 Americans remaining in South Vietnam, Hanoi must calculate that the President will be under little pressure to withdraw for two to four years longer. The Communists must also reckon with the possibility that Mr. Nixon might even re-escalate if they step up the war in those circumstances.

Mr. Nixon can capitalize on this opportunity by announcing a withdrawal date next week and opening private talks in Paris, letting it be known that agreement must be reached before the withdrawals cut sharply into air operations and planned residual forces. The prospects for successful negotiations have been further increased by Peking's recent shift from opposition to support of the concept of a negotiated settlement. Soviet propaganda has exploited this shift to attack the Chinese but Moscow is believed still favorable to a political solution.

Mr. Nixon may prefer to announce an interim troop withdrawal target next week but delay negotiations until late spring, after his Peking and Moscow visits. In reality, however, he probably has already had about all the help he can expect from improved relations with the Soviet Union and China. Neither is likely to pressure North Vietnam. A settlement, if it is to be achieved, will have to be negotiated with Hanoi, not with Moscow or Peking. The sooner that negotiation is opened, the greater the chance that it will lead to termination not only of the American involvement but of the war as a whole.

## MONTANA IS 82 YEARS OLD

**Mr. MANSFIELD.** Mr. President, I am pleased to announce that on Monday last, November 8, 1971, the State of Montana became 82 years old. At the time it was admitted to the Union in 1888, after being a Territory it became the 41st State. Its population in 1889 was roughly 131,000. The population now is about 705,000—an extraordinary growth for a State like Montana.

As I have indicated, Montana has 705,000 people ensconced in an area of 148,000 square miles, which is approximately 10,000 square miles smaller than the empire of Japan and just about the same in relation to the State of California. Japan, however, has an excess of 100 million people and California; the biggest State in the Union has a population in excess of 20 million.

In order to indicate just how new the Montana country is, it is well to note that 96 years ago last May Lt. Col. George Custer was defeated at the Battle of the Little Bighorn by the Cheyenne and the Sioux. So it is a new State, in many respects—a new country still.

This year, for the first time since Montana became a State, we are having a convention to see what can, should, or must be done to create a flexible and modern constitution.

I know that the members of the constitutional convention will do a good job. I hope that they do not move forward too rapidly because, sometimes, some of the things of the past are worth preserving. Perhaps out of the meeting will come a desirable combination which will look to the advancement of the "Treasure State," as it used to be called, but is better known now as the "Big Sky Country," because of all the States of the Union, Montana has the greatest in the way of environment and the best in the way of people. Its high plains average about 3,000 feet above sea level, its mountains are comparable to those in Switzerland and in the area of Kashmir, and its rivers furnish the source of life for much of the Northwest and much of the Middle West because the Columbia and the Missouri both originate in that part of the Nation. But the greatest asset Montana has lies in the people who inhabit it, who have made it, and who live there.

I wish to extend to them as well as to the State my congratulations on this most noteworthy anniversary and to express the hope that Montana, in the future, will progress, just as it has in the past, in a decent, equitable, and responsible manner.

Mr. President, I ask unanimous consent to have printed in the RECORD, the editorial entitled "Montana is 82 Years Old Today," published in the Great Falls, Mont., Tribune of November 8, 1971.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### MONTANA IS 82 YEARS OLD TODAY

Montana's statehood birthday is more significant this year than it has been for many decades. The state, which today marks its 82nd anniversary of admittance to the union as the 41st state, may be approaching adulthood.

At least, the state has the opportunity to mature because voters elected 100 delegates to draft a new constitution. The present constitution, written by 75 delegates in a 45-day convention in 1889, is sadly out of date.

Life in Montana 82 years ago was simple, a world apart from today's complexities. In 1889, the 87,822 males and 44,277 females in the state would not have believed anyone who predicted that in eight decades Montanans would be able to fly in giant planes fast enough to allow them to enjoy breakfast at home, lunch in New York and dinner in London. What would the 1889 convention delegates have thought if someone had said that by 1971 Montana would harbor squadrons of missiles, each able to carry a nuclear warhead powerful enough to destroy an entire city to a target 7,000 miles away in 20 minutes?

Amazing strides have been made in 82 years in science, education, agriculture, medicine and in virtually every field except government. The state's governmental structure is still crippled by restrictive limitations written into the 1889 constitution.

The 1972 Constitutional Convention will give the state an unprecedented opportunity to create a flexible, modern constitution. If the convention delegates do an imaginative job and voters approve their work, the state may be able to celebrate its 83rd statehood birthday next year with a feeling of pride and confidence that the new document will allow government to meet the challenge of changing times for at least another 82 years.

**Mr. SCOTT.** Mr. President, I am glad that the distinguished majority leader has paid such a lyrical tribute to the august State of Montana on the 82d anniversary of its birth.

Our friend, the distinguished majority leader, the Senator from Montana (Mr. MANSFIELD), is surely the greatest asset of the State of Montana and its people. He is an outstanding avatar, to whom the people look with pride and with a great sense of satisfaction.

And I wish for the distinguished majority leader an opportunity to return to his home State not later than the first of December.

## PRESIDENT NIXON'S FORTHCOMING STATEMENT

**Mr. SCOTT.** Mr. President, the distinguished majority leader has brought up the fact that we are on the eve of the President's statement, the contents of which we do not as yet know. However, Congress is on record with respect to the great desire to end the distress of the peoples in this area, the sadness which inflicts them beneath the cloud of war. And the President himself is on record that he will clarify what we will do to end this dread scourge, this detriment in which men have been committed on opposite sides against each other.

I am mindful of the revival hymnal which is included in the new play Godspell. It is an old Chartist hymn of about 1848, when there was a revolt against the corn laws.

Many British people rose and demanded a better era and a happier life and more decent treatment for the disadvantaged people in the British Isles.

The hymnal contains these words:

> The people, Lord, the people. Not thorns, nor crowns, but men. Let them not pass like leaves away their heritage in sunless day. The people, Lord, the people; not thorns, nor crowns, but men.

## RESCISSION OF ORDER FOR RECOGNITION OF SENATOR HARRIS TODAY

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for recognition of the distinguished Senator from Oklahoma (Mr. Harris) this morning be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## ORDER OF BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Ohio will now be recognized for not to exceed 15 minutes.

(The remarks of Mr. Taft when he introduced S. 2850 are printed in the Record under Introduction of Bills and Joint Resolutions.)

## TRANSACTION OF ROUTINE BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The ACTING PRESIDENT pro tempore (Mr. Burdick) laid before the Senate the following letter, which was referred as indicated:

### Report on Excess Defense Articles

A letter from the Director of the Defense Security Assistance Agency transmitting, pursuant to law, a confidential report on excess defense articles (with accompanying papers); to the Committee on Foreign Relations.

## REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. HOLLINGS, from the Committee on Commerce, with amendments, with concurrence of the Committee on Public Works:

H.R. 9727. An act to regulate the dumping of material in the oceans, coastal, and other waters, and for other purposes (Rept. No. 92–451).

## REPORT ENTITLED "THE MULTIPLE HAZARDS OF AGE AND RACE: THE SITUATION OF AGED BLACKS IN THE UNITED STATES"—REPORT OF THE SPECIAL COMMITTEE ON AGING (S. REPT. NO. 92–450)

Mr. CHURCH. Mr. President, I submit a report from the Senate Special Committee on Aging entitled "The Multiple Hazards of Age and Race: The Situation of Aged Blacks in the United States."

The PRESIDING OFFICER (Mr. Williams). The report will be received and printed.

## EXECUTIVE REPORTS OF COMMITTEES

As in executive session, the following favorable reports of nominations were submitted:

By Mr. EASTLAND, from the Committee on the Judiciary:

Scott P. Crampton, of Virginia, to be an Assistant Attorney General.

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. TAFT:

S. 2850. A bill to amend the Labor-Management Relations Act, 1947, and the Railway Labor Act to provide for the settlement of certain emergency labor disputes. Referred to the Committee on Labor and Public Welfare.

By Mr. ALLOTT:

S. 2851. A bill to amend the Internal Revenue Code of 1954 with respect to certain charitable contributions. Referred to the Committee on Finance.

By Mr. RANDOLPH:

S. 2852. A bill to amend section 131 of title 23 of the United States Code, relating to the control of outdoor advertising along the Interstate and the Federal-aid primary systems, in order to permit certain signs for environmental and antipollution purposes. Referred to the Committee on Public Works.

By Mr. McCLELLAN:

S. 2853. A bill for the relief of the Vladimiro Canulla family (Vladimiro, Romana Bardella, Marco Valerio, and Paolo). Referred to the Committee on the Judiciary.

By Mr. BURDICK (for himself, Mr. Hruska, and Mr. Hartke):

S. 2854. A bill to amend title 28, United States Code, relating to annuities of widows of Supreme Court Justices. Referred to the Committee on the Judiciary.

By Mr. JACKSON (for himself and Mr. Allott) (by request):

S. 2855. A bill to declare that certain federally owned lands are held by the United States in trust for the Covelo Indian Community of the Round Valley Indian Reservation, Calif. Referred to the Committee on Interior and Insular Affairs.

By Mr. HARTKE:

S. 2856. A bill to provide for the compensation of persons injured by criminal acts. Referred to the Committee on the Judiciary.

S. 2857. A bill to provide certain retirement benefits under title 5, United States Code, for air traffic controllers. Referred to the Committee on Post Office and Civil Service.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. TAFT:

S. 2850. A bill to amend the Labor-Management Relations Act, 1947, and the Railway Labor Act to provide for the settlement of certain emergency labor disputes. Referred to the Committee on Labor and Public Welfare.

### EMERGENCY LABOR DISPUTES ACT OF 1971

Mr. TAFT. Mr. President, I share with the majority leader and the minority leader the fervent hope that by the 1st of next month we may at least be in sight of returning to our homes. However, I also this morning want to call to the attention of the Senate the fact that there are certain circumstances in the overall labor-management relations area that might well interfere with that goal or, even after we have returned to our homes, might require some extraordinary action by Congress requiring Congress to return to Washington.

In particular I invite attention to the fact that on December 25, Christmas Day, the 80-day term of the injunction dealing with the west coast dock strike will expire. From all we can see at present, it seems extremely likely that the workers again will go off the docks on the west coast and that the problems there will be aggravated.

I also call attention to the fact, as I am sure all Senators know from the communications they are receiving in connection with electric power in this country, that the present coal strike in our bituminous coal industry is having a very serious curtailing effect upon the supply of electric power. It may be that this will result in a crisis that could occur within this period of the month of December, if not earlier in some areas.

It was with these problems in mind, Mr. President, that I asked for time this morning to discuss some legislation that I feel is vital.

I serve on the Labor Subcommittee. We have been, of course, considering in hearings before the subcommittee improvements in the emergency strike legislation presently pending there under a number of measures.

I have little hope, however, that there will be a reporting by that subcommittee or the committee of measures adequately approaching this problem.

For that reason, I shall speak about some legislation I expect to introduce today and about the necessity of it. It will put all concerned on notice that if the committee and subcommittee fail to report legislation which it seems may be extremely necessary during the time immediately ahead, it may seem desirable and in the public interest to have legislation of the type which I am introducing, or the various other pending bills that deal with the subject.

Mr. President, the United States has suffered a number of nationwide strikes with crippling economic consequences. These strikes have affected the railway industry, the Nation's docks, and the coal industry. Because of their nationwide impact, they have particularly critical consequences for the American economy. Such strikes result not only in economic pressure against the employer, but lead to drastic economic consequences in other sectors of our economy.

For example, the present coal strike, if allowed to continue, may result in a loss of electric power in many of our Nation's cities. This in turn could adversely affect hospitals, schools, industries, and homes. Such strikes as these can no longer be considered entirely within the context of economic leverage between employers and unions. On the contrary, these strikes necessarily involve questions of a national interest which we in the Congress are obligated to consider which affect the public very adversely.

In response to this situation a number of bills have been introduced in the Senate. These bills have been introduced by the Senator from Michigan (Mr. Griffin) S. 560, the Senator from New York (Mr. Javits); S. 594, the Senator from New Jersey (Mr. Williams); S. 832, the Senator from Tennessee (Mr. Brock); S. 1934, the Senator from Colorado (Mr. Dominick); S. 2060 and others. Earlier in the year I introduced a bill, S. 1093, which dealt with the problem for the railroad industry.

The bills to which I have referred differ widely as to their coverage, as to their procedures, and as to their remedies. I have given considerable attention to the various alternatives which have been proposed, and today I introduce and send to the desk for appropriate reference a bill which frankly is an amalgamation of what I consider to be the best provisions of these various measures.

The bill which I introduce today adopts the approach of the Senator from New York (Mr. Javits) that it covers all industries affecting interstate commerce. After giving this matter additional study I concluded that my earlier approach in limiting the legislation to railroads would be in error. I see no reason why emergency strike legislation should not be applicable to industries covered by the National Labor Relations Act as well as industries covered by the Railway Labor Act. In the context of national strikes, I see no valid reason for retaining this delineation in approach.

With respect to the settlement of these strikes, the bill which I now introduce adopts the alternate procedures contained in S. 560 introduced by the Senator from Michigan (Mr. Griffin). In other words, this bill would afford the alternatives of an additional 30-day cooling off period, partial operation, or final offer selection.

In addition, I have included in this bill what I consider to be a vitally important provision drawn from S. 1093, which I had introduced earlier. This provision relates to the question of unproductive work rules.

If we examine the recent national strikes to which our attention has been directed, we will discover that it was the question of work rules which was at the base of the railway strike. It was the question of work rules which also has been paramount in the crippling dock strike. In my opinion we simply cannot expect to deal meaningfully with these national strikes unless we have some mechanism for coming to grips with the question of unproductive work rules.

American industry must be able to eliminate unproductive work rules, unless those work rules are solely related to the health and safety of employees. This is important because we are undertaking a great national effort to increase the productivity of American industry. American workers are fighting for their jobs in competition with workers in Germany, Japan, and other nations. Just as American industry requires modern machinery and tools of production, American industry must also be able to free itself of unproductive work rules which put a damper on productivity and thereby threaten both profits and jobs.

At the same time American labor has a vital interest in the way in which these work rules are changed. American workingmen and women should not have to suffer uncertainty as to whether or not they will be replaced by a machine. When a man has worked in a job for a number of years he has a legitimate interest in retaining his employment and not being told at the age of 55 that he must suddenly go out and sweep streets for a living.

In addition, when American industry is modernized and made more efficient, America's working men and women should have a share in the increased productivity of our Nation's industries.

For that reason I believe it is imperative that we incorporate language into our emergency strike legislation using the approach that work rules remain primarily a matter for collective bargaining. However, if an employer does not wish to utilize collective bargaining to eliminate an unproductive work rule that is not directly related to the health or safety of employees, he could eliminate it from bargaining on the following conditions:

First, the employer could eliminate jobs only by attrition. This provision would provide that no employees could lose jobs as a result of the new work rules.

Second, this bill provides that the nonsupervisory and nonprofessional employees would have their pay increased by an amount equal to 50 percent of the productivity gains attributable to the elimination of the work rule. This bill also provides a mechanism for having a disinterested third party determine the cost savings through such elimination of work rules.

I believe that we are only kidding ourselves if we think that we can deal with these national strikes without coming to grips with the question of unproductive work rules. Let me emphasize that labor has as much of a stake in this as does management. Unproductive work rules require that work be spread out more widely and that the buying power generated from that work must be paid into more pockets. If a given quantum of work must support eight workers instead of six, those eight workers will not have as high a standard of living as the six otherwise would have enjoyed.

Labor does have a proper interest in seeing that employees are not eliminated and that the buying power of the remaining employees is increased. This measure would protect that interest.

Sooner or later American business and labor must recognize that they can no longer look upon each other as opponents, but that they are both sharing the fruits of our national productivity. In short, they are both drinking out of the same well-spring. This legislation attempts to establish a legal framework within which they may both fairly share the increased benefits of American productivity.

Mr. President, I send to the desk, for appropriate reference, the bill dealing with labor-management relations in this area, and I ask unanimous consent that the entire bill be printed in the Record.

There being no objection, the bill was ordered to be printed in the Record, as follows:

S. 2850

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Emergency Labor Disputes Act of 1971".

Sec. 2. (a) Congress hereby finds—

(1) that the present procedures established by sections 206–10 of the Labor-Management Relations Act, 1947, and section 10 of the Railway Labor Act for dealing with labor disputes which threaten the health and safety of the American people or tend to deprive any section of the country of essential transportation services are inadequate and have, in certain cases, produced a deterioration of the collective bargaining process as well as an intesification of emergencies created by such disputes;

(2) the use of present procedures for resolving such labor disputes has not prevented serious disruptions in operations and services essential to the health and safety of the Nation or a substantial part of its population or territory; and

(3) a permanent range of flexible procedures permitting prompt action to deal with national or regional emergencies created by labor disputes is necessary to prevent imperiling the health and safety of the Nation or a substantial part of its population or territory by such disputes and to encourage and maintain free collective bargaining.

(b) It is the purpose of this Act to make available a range of flexible procedures to be utilized in taking emergency action, to prevent the interruption of operations or services essential to the health and safety of the Nation or a substantial part of its population or territory because of actual or threatened strikes or lockouts.

Sec. 3. Section 206–209 of the Labor-Management Relations Act, 1947, are amended to read as follows:

"Sec. 206. (a) Whenever in the opinion of President of the United States, after consultation with the Director, a threatened or actual strike or lockout or other labor dispute in an industry affecting commerce may, if permitted to occur or to continue, imperil the health or safety of the Nation or a substantial part of its population or territory, he may appoint a board of inquiry to inquire into the issues involved in the dispute and to make a written report to him within such time as he shall prescribe. Such report shall include a statement of the facts with respect to the dispute, including each party's statement of its own position, and, if the President so directs at any time, there shall be included in such report or in a supplemental report the recommendations of the board of inquiry for the settlement of some or all of the issues in dispute. The President shall file a copy of such report with the Secretary of Labor and shall make its contents available to the public.

"(b) Upon receiving a report or a supplemental report from a board of inquiry, the Secretary may initiate one or more of the following actions: (1) He may direct for a specified period not to exceed 30 days no change in the conditions out of which the dispute arose shall be made by the parties to the dispute, except by agreement. During such period the parties to the dispute shall be under a duty to bargain collectively, but neither party shall be under a duty to accept in whole or in part any recommendations of the board of inquiry.

2(a) He may issue an order specifying the extent and condition of partial operation that must be maintained; *Provided,* That in no event, shall his order place a greater economic burden on any party than that which a total cessation of operations would impose.

"(b) The parties shall not interfere by resort to strike or lockout with the partial operation ordered by the Secretary. The Secretary's order shall be effective for a period determined by the Secretary, but not to exceed one hundred and eighty days.

"(c) The Secretary's order or any modification thereof shall be conclusive unless found arbitrary or capricious by the district court which granted the injunction pursuant to section 208 of this Act.

"(d)(1) The Secretary shall issue his order no later than thirty days from the receipt of the report from the President, unless the parties, including the Government, agree to an extension of time but such extension shall reduce pro tanto the maximum effective period of the board's order.

"(2) On notice to the parties, the Secretary may at any time during the period of partial operation modify its order as it deems necessary to effectuate the purposes of this section.

"(e) Until the Secretary makes his determination and during the period of partial operation ordered by the Secretary, no change, except by agreement, shall be made in the terms and conditions of employment. If the Secretary determines that the implementation of any particular term of existing terms and conditions of employment is inconsistent with the conditions of partial operation, he may order the suspension or modification of that term but only to the extent necessary to make it consistent with the conditions of partial operation.

"(3)(a) He may direct each party to submit to him a final offer within three days. Each party may at the same time submit one alternative final offer. The Secretary shall transmit the offers to the other parties simultaneously.

"(b) If a party or parties refuse to submit a final offer, the last offer made by such party or parties during previous bargaining shall be deemed that party's or parties' final offer. Any offer submitted by a party pursuant to this section must constitute a complete collective bargaining agreement and resolve all the issues involved in the dispute.

"(c) The parties shall continue to bargain collectively for a period of five days after they receive the other parties' offers. The Secretary may act as mediator during the period of the final offer selection proceedings.

"(d) If no settlement has been reached before the end of the period prescribed in subsection (c) of this section, the parties may within two days select a three-member panel to act as the final offer selector. If the parties are unable to agree on the composition of the panel, the President shall appoint the panel.

"(e) No person who has a pecuniary or other interest in any organization of employees or employers or employers' organizations which are involved in the dispute shall be appointed to such panel.

"(f) The provisions of sections 207(b) and 207(c) of this Act shall apply to the panel.

"(g) The panel shall conduct an informal hearing in accordance with section 207(c) of this Act insofar as practicable, except that—

"(1) the Government shall have no right to participate; and

"(2) the thirty-day period in which the panel shall complete its hearings and reach its determination shall run from the time that the Secretary directed the parties to submit final offers.

"(h) The panel shall at no time engage in an effort to mediate or otherwise settle the dispute in any manner other than that prescribed by this section.

"(i) From the time of selection of the panel until such time as the panel makes its selection, there shall be no communication by the members of the panel with third parties concerning recommendations for settlement of the dispute.

"(j) Beginning with the direction of the Secretary to submit final offers and until the panel makes its selection, there shall be no change, except by agreement of the parties, in the terms and conditions of employment. In no instance shall such period exceed thirty days.

"(k) The panel shall not compromise or alter the final offer that it selects. Selection of a final offer shall be based on the content of the final offer and no consideration shall be given to, nor shall any evidence be received concerning, the collective bargaining in this dispute including offers of settlement not contained in the final offers.

"(l) The panel shall select the most reasonable, in its judgment, of the final offers submitted by the parties. The panel may take into account the public interest, and any other factors normally considered in the determination of wages, hours, and conditions of employment.

"(m) The final offer selected by the panel shall be deemed to represent the contract between the parties.

"(n) The determination of the panel shall be conclusive unless found arbitrary and capricious by the district court which granted the injunction pursuant to section 208 of this Act.

"(4)(a) He may direct the Attorney General to petition any district court of the United States having jurisdiction of the parties to enjoin such strike or lock-out or the continuing thereof, and if the court finds that such threatened or actual strike or lock-out—

"(i) affects an entire industry or a substantial part thereof engaged in trade, commerce, transportation, transmission, or communication among the several States or with foreign nations, or engaged in the production of goods for commerce; and

"(ii) if permitted to occur or to continue will imperil the national health or safety, it shall have jurisdiction to enjoin any such strike or lock-out, or the continuing thereof, and to make such other orders as may be appropriate.

"(b) In any case, the provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", shall not be applicable.

"(c) The order or orders of the court shall be subject to review by the appropriate circuit court of appeals and by the Supreme Court upon writ of certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U.S.C., title 28, sec. 1254).

"Sec. 207. (a) The board of inquiry shall be composed of a chairman and such other members as the President shall determine, and shall have power to sit and act in any place within the United States and to conduct such hearings either in public or in private, as it may deem necessary or proper, to ascertain the facts with respect to the causes and circumstances of the dispute.

"(b) Members of the board of inquiry or panel appointed under § 206 (6)(3) shall receive compensation, at the daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each working day on the board or panel, together with necessary travel and subsistence expenses.

"(c) For the purpose of any hearing or inquiry conducted by any board or panel appointed under this title, the provisions of sections 9 and 10 (relating to the attendance of witnesses and the production of books, papers, and documents) of the Federal Trade Commission Act of September 16, 1914, as amended (U.S.C. 19, title 15, sections 49 and 50, as amended), are hereby made applicable to the powers and duties of the board and panel.

"(d) Any board or panel established under this Act shall act by majority vote.

"(e) A vacancy on any such board or panel shall not impair the right of the remaining members to exercise all of the powers of such board or panel. Such vacancy shall be filled by the same procedure as provided for initial appointment outlined in this Act.

"Sec. 208. (a) The provisions of this title and orders or determinations of the President issued thereunder shall be enforceable upon suit by the Attorney General, through such orders as may be appropriate by any court having jurisdiction of any of the parties.

"(b) Any action brought under this section shall be heard and determined by a three-judge district court in accordance with section 2284 of title 28, United States Code. The order or orders of the court shall be subject to review by the Supreme Court in accordance with section 1253 of title 28, U.S.C.

"Sec. 209. (a) Notwithstanding any other provisions of this Act, whenever any Employer proposes a change in work rules affecting employees as contained in any labor agreement, unless such work rules relate solely to the health or safety of employees, the employer may make such change effective as proposed, if (1) any cost savings realized as a result of such change affecting rules will be shared 50 per centum each by the employer implementing such a change and the nonprofessional and nonsupervisoral employees, as defined in Title I of the Labor Management Relations Act of

1947, and (2) any reduction in the number of operating employees of such employer contemplated by the proposed change affecting rules will be accomplished by attrition.

"(b) Nothing in this subsection shall be construed to prevent carriers and representatives of the employees from entering into an agreement affecting work rules.

"(b) For the purposes of clause (1) of subsection (a) of this section, payments to employees shall be on a per capita basis and shall be made not later than four months following the end of the fiscal year. In the event that any employee was not employed by an employer for the entire fiscal year preceding the payment date, the payment to such employee hereunder shall be prorated to cover the period of employment.

"(c) In the event that any representative of affected employees contests the amount of cost savings as determined by the employer under clause (1) of subsection (a) of this section, said representative and the employer shall mutually designate and compensate a certified public accountant, whether an individual, partnership, or corporation, which accountant shall make a determination of the cost savings, which determination shall thereupon be final and binding."

Sec. 4. Section 210 of the Labor-Management Relations Act, 1947, is repealed.

Sec. 5. Section 212 of the Labor-Management Relations Act, 1947, is amended to read as follows:

"REPEAL OF SECTION 10 OF THE RAILWAY LABOR ACT

"Sec. 212. Section 10 of the Railway Labor Act is hereby repealed: *Provided*, That such section shall continue in effect with respect to any emergency board in existence on the effective date of this Act. Disputes heretofore subject to section 10 of the Railway Labor Act shall be subject to provisions of this title."

Sec. 6. Title II of the Labor-Management Relations Act, 1947, is amended by adding at the end thereof the following new section:

"RIGHTS OF EMPLOYEES

"Sec. 213. Nothing in this title shall be construed to limit the right of any employee to resign from his position of employment."

Sec. 7. Inapplicability of the Norris-LaGuardia Act.—The provisions of the Act of March 23, 1932, entitled "An Act to amend the Judicial Code and to define and limit the jurisdiction of courts sitting in equity, and for other purposes", shall not be applicable to any judicial proceeding brought under or to enforce the provisions of this Act.

Mr. TAFT. Mr. President, I shall take just a few more minutes to call the attention again to a matter I brought to the attention of the Senate yesterday, which appears on pages S18194 through S18197 of the RECORD. These remarks deal with the same general subject with which I have been dealing this morning, in that they relate to the coal strike and the effect of the coal strike in certain areas of Ohio.

For several weeks I have been deeply concerned with the outbreak of violence that has been occurring in Ohio in unorganized mines—the independent mines—without apparent effective enforcement of the law. I detailed that concern in the RECORD yesterday.

I am working with representatives of the Department of Justice, asking that a full investigation of the activities in Ohio be carried on. I met with the Governor of Ohio and suggested to him that he might well be obligated to call out the National Guard to provide protection for property and to keep the highways of Ohio open.

Last week, after the theft of some 46 cases of dynamite, four or five separate explosions in different sections of Ohio took place in unorganized mines. Despite that, no steps have been taken that I know of to bring to justice those responsible for these problems. I feel that this matter has to be dealt with.

I hope, as we all hope fervently, that there will be an early settlement of the coal strike. I hope this will result in the termination of activities of violence that have been going on in Ohio, but those responsible should not be allowed to go unchallenged and stand unprosecuted, where a case might be made, just because a settlement of the overall strike takes place.

I shall continue to review and investigate the activities going on in this area and call for appropriate action by the law enforcement authorities.

Mr. GRIFFIN. Mr. President, I commend the distinguished Senator from Ohio (Mr. TAFT) for the statement he has made this morning and also for the legislation he has introduced. He is a thorough student of the subject on which he speaks. He is carrying on in the tradition of a great name, that of his father, who contributed so much to the development of the law affecting labor-management relations.

The bill which the distinguished Senator from Ohio has introduced today adds some important new concepts which deserve early and careful attention.

It is most discouraging to this Senator that neither the Senate nor the House of Representatives has addressed itself in a serious way to the problems that are so evident in the labor-management field. It has been noted before, and perhaps it might be worth noting again, that the major laws now on the books in the field of labor-management relations have been enacted at intervals of 12 years.

In 1935, Congress enacted the Wagner Act, which is often referred to as labor's Magna Carta. In 1947, 12 years later, Congress enacted the Taft-Hartley Act. In 1959, again 12 years later, Congress enacted the Landrum-Griffin Act. Twelve years have now elapsed since 1959—and in 1971 the need for revision and reform of our labor-management legislation seems very apparent to almost everybody except the committees and Congress itself.

The bill of the distinguished Senator from Ohio focuses primarily on the need to improve the means for coping with emergency strikes; and certainly we have had that need for a long time. But Congress has been turning its head, despite the fact that the administration proposed legislation more than 20 months ago. Subsequently, several other bills have been introduced.

I have been deeply concerned too about the need for reform in some other areas. I refer to what I think were scandals in connection with the 1969 United Mine Workers election.

It was my proposal at that time that Congress take action similar to the action it took in 1958 when it set up a select bipartisan committee composed of four Republican and four Democratic Senators. The chairman of that committee was the Senator from Arkansas (Mr. McCLELLAN), and investigations were conducted in 1958 and 1959.

I think it is apparent to a great many persons that that kind of select committee and that kind of investigation is needed again. We need to take a closer look at some of the areas involving union elections and the handling of union pension funds as well as other areas of union member relations, with a view toward bringing our labor laws up to date.

So on this occasion I commend the Senator from Ohio and associate myself with his remarks. He has made a splendid contribution, and I hope that this will spur some activity in Congress.

By Mr. ALLOTT:

S. 2851. A bill to amend the Internal Revenue Code of 1954 with respect to certain charitable contributions. Referred to the Committee on Finance.

Mr. ALLOTT. Mr. President, I send to the desk a bill for appropriate reference. This bill amends the Internal Revenue Code of 1954 with respect to certain charitable contributions. My purpose in introducing this legislation is to grant certain homes for the aged the same privileged tax status extended to hospitals. My deliberations convince me that there is insufficient justification for any other treatment. The Tax Reform Act of 1969 made numerous changes in the exempt organization area. Albeit, much tax reform was needed to correct abuses that arose in connection with private foundations. Under the current law, many charitable homes providing long-term care for the aged and underprivileged are classified—by definition—as private foundations.

The adoption of this bill will relieve these homes of the burdens imposed upon private foundations by the 1969 Tax Reform Act—mainly the 4-percent excise tax on investment income and the minimum distribution requirements.

At first blush, the provisions contained in the Tax Reform Act of 1969 appeared to be reasonable obligations, even for the most charitable of institutions. But in-depth study reveals that they will lead to the eventual depletion of the assets of these charitable organizations. Let me explain why. These homes for the aging are usually classified as operating foundations under the Internal Revenue Code. They use their investment income, often supplemented by fees charged to the recipient of the care, to meet their operating costs. It is a known fact that operating costs, especially those in the area of long-term care are constantly on the increase. Most of the homes that have come to my attention have been in existence for many decades and in most instances exercise a conservative investment philosophy. They have chosen to accept a lower yield in order to maximize growth potential, to make allowances for future years—hedging against inflation, if you will. Siphoning off of the top 4 percent—section 4940—plus mandating that an amount equal to 4 percent of their assets be disbursed each year—section 4942—really hurts. Most Senators know the difficulty in obtaining growth investments that yield 4 percent. In order to avoid the penalties contained in the Internal Revenue Code, these homes must dip into their capital in order to meet their minimum disbursement requirements.

Last year, I introduced S. 4435, a narrowly structured bill granting similar relief to the Myron Stratton Home of Colorado Springs, Colo. It had come to my attention that the 1969 provisions could lead to the eventual demise of the Myron Stratton Home, which provides long-term care for poor children and disabled elderly persons—without charge. I therefore introduced remedial legislation inasmuch as I could not tolerate the siphoning off of money from the operations of this home, a home the benefits of which have been known to me personally for many years—the housing, feeding, and care of underprivileged children and elderly citizens.

In the past year, my research has uncovered other homes for the aged which likewise are affected to their serious detriment—and, in my judgment, to society's detriment—by the Tax Reform Act of 1969. At this point, I wish to recognize and thank the American Association of Homes for the Aging for their cooperation in my research. Homes for the aging located in: Massachusetts, Pennsylvania, Nebraska, Kentucky, Missouri, Delaware, New York, Ohio, and California—and Mr. President, I suspect in many other locations—have their very existence threatened by these tax provisions.

These nonsectarian organizations, by and large have been in existence for many, many years and are able to offer long-term care services at a reduced cost because of the existence of an endowment, the income from which is used to offset operating costs; thereby reducing the cost of care to the residents/recipients. If they were church affiliated—performing the same function—they would not be classified as a private foundation, and would not be subject to these deleterious tax provisions. Why discriminate when we are talking about care for the aged?

At a time, Mr. President, when the Congress is laboring to increase social security benefits, increase medicaid and medicare benefits, increase Federal retirement benefits, and increase the number of subsidized housing units for the elderly, we cannot permit these organizations to be penalized under our tax laws. The dissipation of resources dedicated to such a social good must be terminated. Certainly we do not want to foist upon the taxpayers burdens heretofore borne by eleemosynary organizations. We must eliminate this "penalty" imposed upon those organizations. In all likelihood, Mr. President, these are the only organizations which provide an absolutely necessary community service—which I might add, has been hit the hardest by rising costs—that of providing long-term care of the aged at a reduced fee for those who are least able to pay.

Mr. President, in my 17 years of service in the U.S. Senate, I have learned, among other things, that when the Congress enacts sweeping legislation, such as the Tax Reform Act of 1969, oversights are inevitable, provisions are enacted which in later years are discovered to cause certain inequities, and in my judgment this has happened in the instant case. This situation is an example of treatment which was not contemplated by the Congress when the Tax Reform Act of 1969 was enacted.

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By Mr. BURDICK (for himself, Mr. HRUSKA, and Mr. HARTKE):

S. 2854. A bill to amend title 28, United States Code, relating to annuities of widows of Supreme Court Justices. Referred to the Committee on the Judiciary.

### ANNUITIES OF WIDOWS OF SUPREME COURT JUSTICES

Mr. BURDICK. Mr. President, Senator HRUSKA, Senator HARTKE, and I join in the introduction of this bill to reform the law relating to pensions paid to widows of Supreme Court Justices.

In 1954, Congress enacted section 375 of title 28, United States Code, granting to widows of Supreme Court Justices the same noncontributory pension paid to Presidential widows; namely $5,000. In 1956, Congress enacted the judicial survivors annuity plan—section 376 of title 28, United States Code—to create a contributory plan under which benefits would be paid to the widows and dependents of our Federal judges. However, the plan included only district and circuit court judges. Justices of the Supreme Court were not included.

The purpose of this bill is to bring Supreme Court Justices under the judicial survivors annuity plan and provide for their contribution to the benefits which would be payable to their widows and dependents. The bill would also phase out the noncontributory pension under section 375 of title 28 by providing that the noncontributory pension shall not apply to the widow of any justice who became a member of the Court after enactment of this bill. Nor would the noncontributory pension apply to the widow of any existing justice who elected to enter the contributory plan. Thus, eventually, the noncontributory pension would be eliminated completely and Justices of the Supreme Court would be treated the same as other Federal judges and the same as all Federal employees, including the elected Members of Congress—all of whom are given the opportunity to contribute to the benefits which might be payable to their widows and dependents.

In drafting this bill, consideration was given to the fact that at the present time there are six widows of justices who are receiving the pension under section 375. They will continue to receive this pension. In addition, this bill would correct, with respect to the existing widows, an inequity that has existed since 1958. When enacted in 1954, the justices' widows pension was in the same amount as was then paid to Presidential widows under private law, namely $5,000. However, in 1958, Congress enacted a general law—Public Law 85-745; 72 Stat. 838—setting $10,000 as the amount of the annuity to be paid to Presidential widows. No similar increase was made in the annuity payable to widows of justices. The bill now introduced would correct this congressional oversight and would increase the annuity paid to the six existing widows from $5,000 to $10,000. The inflationary trends of the last 17 years would also justify this action.

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By Mr. JACKSON (for himself and Mr. ALLOTT) (by request):

S. 2855. A bill to declare that certain federally owned lands are held by the United States in trust for the Covelo Indian Community of the Round Valley Indian Reservation, Calif. Referred to the Committee on Interior and Insular Affairs.

Mr. JACKSON. Mr. President, by request, I send to the desk for appropriate reference a bill to declare that certain federally owned lands are held by the United States in trust for the Covelo Indian Community of the Round Valley Indian Reservation, Calif., on behalf of myself and the Senator from Colorado (Mr. ALLOTT).

Mr. President, this draft legislation was submitted and recommended by the Department of the Interior, and I ask unanimous consent that the executive communication accompanying the proposal from the Secretary of the Interior be printed in the RECORD at this point in my remarks.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

U.S. DEPARTMENT OF THE INTERIOR,
*Washington, D.C., November 8, 1971.*
Hon. SPIRO T. AGNEW,
*President of the Senate,*
*Washington, D.C.*

DEAR MR. PRESIDENT: Enclosed is a draft of a proposed bill, "To declare that certain federally-owned lands are held by the United States in trust for the Covelo Indian Community of the Round Valley Indian Reservation, California."

We recommend that the proposed bill be referred to the appropriate committee for consideration, and we recommend that it be enacted.

The bill provides that all right, title, and interest of the United States in approximately 20 acres of land heretofore used in connection with the Round Valley Indian School shall be held in trust for the Covelo Indian Community of the Round Valley Indian Reservation, California, subject to all valid existing rights-of-way.

The property is described as Lots 59 and 60, section 19, township 23 north, range 12 west, Mount Diablo meridian, Mendocino County, California, containing 20 acres, more or less. On April 15, 1895, Lot 59 was allotted to William Swearinger, Round Valley allottee No. 199, and Lot 60 was allotted to Dollie Anderson, Round Valley allottee No. 10. The allottees sold the lands in April 19, 1911, to T. B. Wilson, Superintendent of the Round

Valley Indian School, who in turn conveyed these lots by quitclaim deed to the United States on September 27, 1911. The allottees received a total consideration of $400 for the two lots.

The Indian School was discontinued many years ago and since that time the land has been used by the Covelo Indian Community. One of the tribal members is residing on Lot 59 and using Lot 60 for pasture. This land is excess to the needs of the Bureau of Indian Affairs.

The land has been appraised for its highest and best use, which is for rural homesites with limited grazing on the steeper slopes. The current estimated fair market value of the property is $10,050. There are two old frame dwellings located on Lot 59; however, these dwellings are considered to be the personal property of the occupant and not a part of the land value. There are no buildings on Lot 60. A paved county road borders the south property boundary of these lots. The road right-of-way was approved on July 21, 1960, and accepted by the Mendocino County Supervisors on July 26, 1960.

The subject property is located within the boundaries of the Round Valley Indian Reservation in northeastern Mendocino County, approximately 5 miles north of Covelo, the only town in Round Valley. The Corps of Engineers has studied a plan of water development known as the Dos Rios Dam and Reservoir Projects. If constructed, this project would flood Round Valley because the valley is in the reservoir area. However, there is no present indication that the project will be authorized or constructed in the near future.

These lots are surrounded on three sides by tribal land, and have been constantly used by the community for the benefit of its members. A resolution has been enacted by the tribe requesting the conveyance of the property, as it is considered a key tract. The tribe has been acquiring some land by purchase, however, acquisition by such means is limited because of lack of funds. It would work a hardship on the tribe should it be asked to take this parcel in fee. The tribe does not have a formal land consolidation program.

As the Covelo Indian Community has made beneficial use of this land for many years and it can be advantageously used along with tribal lands, we recommend the enactment of this legislation.

This bill does not include the usual provision regarding offsets against any judgment allowed by the Indian Claims Commission, since the Covelo Indian Community has no claims pending before the Claims Commission.

The Office of Management and Budget has advised that there is no objection to the presentation of this draft bill from the standpoint of the Administration's program.

Sincerely yours,
HARRIS LOESCH,
*Assistant Secretary of the Interior.*

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By Mr. HARTKE:

S. 2856. A bill to provide for the compensation of persons injured by criminal acts. Referred to the Committee on the Judiciary.

### CRIMINAL LOSS RECOVERY ACT OF 1972

Mr. HARTKE. Mr. President, today we as a people are reevaluating life in America. We have seen the rise of crime in the streeets do much to undermine our quality of life. Legislation has been passed, and additional legislation has been proposed, to combat both the causes and effects of crime. To ease tensions in our crime-ridden environments we must continue to deal with this cause-effect relationship.

Undoubtedly the most serious effect of crime is the loss of life and personal injury incurred by the victim of criminal attacks. Most victims have limited means to compensate for economic losses due to criminal attack and this economic penalty contributes to the already dangerous and widespread belief that crime pays for the criminal while government remains insensitive to the needs of the victim. This feeling undermines the trust citizens place in our democratic form of government: The main objective of which is to respond to the just needs, and desires of its people.

I am proposing legislation today to help eradicate this major effect of crime and hopefully ease to a major degree the oppressive economic effects of criminal conduct in our society.

There are presently pending before the Congress several proposals to provide financial compensation for victims of crime. In addition to legislation in the House of Representatives, the distinguished majority leader (Mr. MANSFIELD) introduced victim compensation legislation very early this session, and last Friday the Senator from Minnesota (Mr. MONDALE) introduced legislation compensating the victims of crime. The legislation that has been introduced is good legislation; but it is my feeling that certain additional provisions should be included in criminal victim compensation programs. Therefore, the proposal I offer differs in scope and comprehensiveness of coverage from previously introduced legislation. As I will show, I have attempted to combine the best elements of existing State programs and those of other countries to enlarge and improve upon available coverage.

Under my bill, a person injured or killed by anyone in violation of any penal law of the United States or any State shall be covered by this act. This is probably the most important feature of this legislation. Most existing and proposed compensation boards have limited the recovery of compensation to violations of certain particularized acts. This broadening of coverage is imperative because criminal injury is no respecter of legislative designation and the purpose of compensation programs should be to award those injured rather than to attempt to differentiate between types of violent crime. Most importantly, since criminal injury is one of the hazards of life in our contemporary society, the Government must recognize its obligation to protect its citizens. And, if it fails to protect, to compensate.

A shortcoming of many compensation programs has been that the number of injured who are allowed to recover is extremely limited. Under my proposal, those parties that will be covered by this act will be, the victim, his immediate family and those in a family relationship with the victim. The reasons for compensating the victim are obvious. It should also be recognized that relatives and those persons living with and dependent on the victim can also be real victims of the crime. Therefore, the criminal loss recovery commission will have authority to consider the financial loss to the family of the victim and to award financial relief where appropriate.

Most legislation dealing with crime compensation has excluded victims that are related to perpetrators from receiving compensation because of the possibility of collusive action and unjust enrichment. Victims that are family members of the perpetrator should not be outrightly excluded as a class simply because it might require close scrutiny to ascertain improper action in attempts to receive compensation. I feel close examination of such claims could overcome the possibility of collusive suits and unjust enrichment. It is too severe a remedy to provide that a child cannot receive compensation because one parent has seriously injured another and the child then finds himself without any means of support.

Under my proposal, benefits will be awarded for medical, dental, hospital, and any other services of special care necessitated by the injury. In addition to providing medical care, I have incorporated two additional features into this legislation. First, it should be noted that those eligible for compensation is a much broader class than provided for in most programs. New York law, for example, requires that the victim must show "serious financial hardship" before he will be awarded financial compensation. I feel that victims of violent crime should not be penalized simply because they have accumulated some savings. Those that lack insurance, and must personally pay for their injuries should also be compensated. Second, in addition to providing for medical expenses it is necessary that benefits in an amount equal to the "actual loss" sustained by the victims should be awarded. This would include loss of earnings, both present and future and other expenses incurred as a result of the injury. We should recognize the obligation the country has to its citizens who have been the victim of a criminal attack cannot be specifically itemized. This obligation could in some cases go far beyond the $10,000 or $15,000 limitation normally provided in financial compensation proposals.

At this point, I would like to refer to an issue that is conspicuous by its absence in my proposal. That is the right of the Federal Government to sue to recoup funds that it pays to the victims of crime. Although such is indeed desirable, I feel such provision is superfluous in that it is commonly acknowledged that the criminal element of our society is largely indigent. Assuming the criminal does have funds, then the victim can resort to suit in the civil courts for damages for personal injury and loss of income. Therefore, I feel that it is unnecessary to include provisions in this legislation to allow the recoupment of funds paid to the victims of criminal injury.

In closing, I would like to make a brief comment on the scope of this legislation. It is obviously comprehensive. It includes victims of both State and Federal crimes. A number of States have already recognized the need and have taken corrective action. But, more still needs to be done. To do otherwise adds additional insult to the criminal injury that daily befalls too many Americans.

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By Mr. HARTKE:

S. 2857. A bill to provide certain retirement benefits under title 5, United States Code, for air traffic controllers. Referred to the Committee on Post Office and Civil Service.

### CIVIL SERVICE RETIREMENT FOR AIR TRAFFIC CONTROLLERS

Mr. HARTKE. Mr. President, on July 13, 1970, the Senate passed S. 3959, to amend the Civil Service Retirement Act to provide for early retirement for air traffic controllers. The bill was transmitted to the House, but no action was taken on the bill by that body before the adjournment of the 91st Congress. This was unfortunate, as it was a most worthy measure. I therefore introduce today a bill, identical with S. 3959, for the early retirement of air traffic controllers, and ask unanimous consent that the text of the bill be printed at the conclusion of my remarks.

The PRESIDING OFFICER (Mr. CHILES). Without objection, it is so ordered.

(See exhibit 1.)

Mr. HARTKE. Mr. President, the need for this legislation could not be more clear. As long ago as 1958, when the Federal Aviation Act was enacted, the Senate caused to be inserted in the legislation section 302(g), which required the new Administrator of the Federal Aviation Administration to make a study of personnel problems inherent in the functions of the agency—including special provisions as to retirement—and to make recommendations for appropriate legislation to the Congress. The Administrator's report was submitted to the Congress in 1961, entitled "Special Personnel Problems in the Federal Aviation Agency" (Senate Document No. 57, 87th Cong., 1st sess.). It is reported that the work of air traffic control was "demanding, high-stress work which necessitates special retirement legislation."

Year by year, medical research has provided additional evidence that the work of an air traffic controller is filled with stress, pressure and tension, that it is a "young man's job" that controllers "burn out" as athletes do, and it is as unreasonable to expect men in their fifties to control traffic in high density facilities as it would be to expect men in their fifties to continue to play major league athletics after their reflexes have slowed. Medical research has disclosed an unusually high incidence of stress-related disabilities and deaths in controllers—resulting from heart attacks, ulcers, and nervous breakdowns. Air traffic controllers are among the healthiest of Federal employees; they are required to pass a most rigorous examination on initial appointment, and to recurrently pass it once a year. Yet, their rate of disability and death far exceeds that of any other civil service position.

As a matter of simple justice to men who have dedicated their lives to a demanding profession, and as a matter of aviation safety, it has long been clear that provision for the early retirement of air traffic controllers is necessary. Although numerous bills to provide such relief have been introduced since 1960, no such measure passed either House until S. 3959 was approved by this body in July 1970.

In the fall of 1970, after our action, the administration modified its historic position of opposition to early retirement for any group of Federal employees, to support such legislation for air traffic controllers. From 1960 to 1970 the administration had opposed such legislation, not because it did not think it meritorious, but in pursuance of its general policy to oppose special retirement privileges for any class of Federal employees. A measure of the true worth of the legislation I am introducing today may be found in the fact that this is the only class of Federal employees for which the administration presently favors early retirement legislation.

At the beginning of the present Congress, the administration introduced legislation of its own for the retirement of controllers. At hearings which were held on the administration bill before the House Committee on Post Office and Civil Service, Secretary of Transportation Volpe and FAA Administrator Shaffer supported the legislation. The Civil Service Commission, which has historically opposed special retirement legislation for any class of Federal employees, also supported the measure. The Civil Service Commission, in explaining why it supported such legislation for controllers while opposing it for all others, used the term "burned out" and said, "It seems to be that it is a very stressful occupation that does have these unique features" and "we know of none—other—to the same extent."

In 1969 the Secretary of Transportation referred the question of the need of special legislation for air traffic controllers to a blue ribbon committee known as the "ATC Career Committee." In response to objections from controller groups that there was no such need for a committee, Secretary Volpe promised that his Department would support the committee recommendations. In its report issued in January 1970, the committee recommended an amendment to the Civil Service Retirement Act to provide for the early retirement of controllers. The committee recommended a formula which would provide that for each year of work performed in an air traffic facility, a controller shall be credited 1.4 years of creditable service for retirement purposes, and that after 30 years of service, as so computed—which would require a minimum of 22 years of actual service—the controller would be entitled to retire on an immediate annuity, regardless of age, and without reduction of annuity if under age 55.

S. 3959 in the last Congress, and the identical measure which I introduce today, are based on that proposal. They provide that a controller be granted 1.4 years of creditable service for retirement purposes for every 1.0 years of service as an air traffic controller.

The need is proved, the remedy is long overdue, and the appropriate nature of the remedy has been spelled out by an impartial committee appointed by the Department of Transportation. It has been approved by this body in the last Congress. I, therefore, urge prompt action on this measure.

EXHIBIT 1

S. 2857

A bill to provide certain retirement benefits under title 5, United States Code, for air traffic controllers

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 8331 of title 5, United States Code, is amended—

(1) by striking out "and" at the end of paragraph (18);

(2) by striking out the period at the end of paragraph (19) and inserting in lieu thereof a semicolon and the word "and"; and

(3) by adding at the end thereof the following new subsection:

"(20) 'air traffic controller' means an employee who performs duties as—

"(A) an air traffic control specialist in the Department of Transportation or its predecessor organizations engaged in the separation and controlling of aircraft; or

"(B) a supervisor directly engaged in supervising air traffic control specialists at an air traffic control tower, center, or approach-control facility."

(b) Section 8332 of such title is amended by adding at the end thereof the following new subsection:

"(1) Service as an air traffic controller is the product obtained by multiplying the full years and twelfth parts thereof by 1.4, excluding from the aggregate fractional parts of a month, if any.

(c) Section 8336 of such title is amended by redesignating subsection "(g)" as subsection "(h)"; and adding immediately after subsection "(f)" the following new subsection:

"(g) An employee who is separated from the service after completing thirty years of service, and who has at least ten years of service as an air traffic controller, is entitled to an annuity."

SEC. 2. Section 6307 of title 5, United States Code, is amended by adding the following new subsection:

"(d) An employee who is an air traffic controller, as defined in section 8331 of this title, is entitled to sick leave in addition to any other sick leave authorized by this section for such reasonable periods as determined by the Secretary of Transportation upon a finding by the Secretary, based on sufficient medical evidence certified to by a flight surgeon and at least two medical doctors, that the employee is temporarily unable to perform his duties."

Amend the title so as to read: "An Act to amend title 5, United States Code, to provide additional civil service retirement and sick leave benefits for air traffic controllers."

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## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 1498

At the request of Mr. NELSON, the Senator from New Jersey (Mr. CASE) and the Senator from Oklahoma (Mr. Harris) were added as cosponsors of S. 1498, a bill to provide for the control of surface and underground coal mining operations which adversely affect the quality of our environment.

### S. 1645

At the request of Mr. Church, the Senator from Maine (Mr. Muskie) was added as a cosponsor of S. 1645, the Social Security Reform Act.

### S. 1794

At the request of Mr. Nelson, the Senator from Texas (Mr. Bentsen) was added as a cosponsor of S. 1794, a bill to establish pilot field projects and expanded research in the principles of integrated pest control.

### S. 1973

At the request of Mr. Hartke, the Senator from Illinois (Mr. Stevenson), and the Senator from Delaware (Mr. Boggs) were added as cosponsors of S. 1973, to provide for the establishment of the Thaddeus Kosciuszko Home National Historic Site in the State of Pennsylvania, and for other purposes.

### S. 2163

Mr. MATHIAS. Mr. President, I ask unanimous consent that, at its next printing, the name of the Senator from Kansas (Mr. Pearson) be added as a cosponsor to the bill S. 2163, the Vietnam Veterans Act of 1971, to provide increased educational benefits to veterans.

Mr. PEARSON. Mr. President, I am happy to announce my cosponsorship for S. 2163, The Vietnam Veterans Act of 1971 offered by my distinguished colleague from Maryland, Senator Mathias. This legislation would substantially increase the benefits allowable to veterans desiring to complete their education with the GI bill by awarding them a sum of up to $1,000 in addition to the benefits they currently receive.

Previous experience has shown that an increase in benefits directly affects the number of people who take advantage of the GI bill. For example, before the last increase in 1970, only 20.7 percent of those veterans eligible took advantage of the GI allowance. Since passage of legislation approving the increase in 1970, the percentage has jumped to 35 percent, and for the first time since 1952, over 1 million persons are currently using the GI bill to help finance their education.

Despite the increase in participation since 1970, however, those who need education and training the most—high school dropouts—have participated the least. Only 9 percent of the eligible veterans who have failed to complete high school now use the educational benefits available to them. Yet, those lacking a high school education comprise anywhere from 15 to 23 percent of all those leaving the service.

The problem is not unique to just those veterans who have not completed high school. Education benefits available to veterans compare most unfavorably with those which were available to their World War II or Korean counterparts. Whereas the cost of living since 1952 has risen by about 52 percent, Office of Education figures show that estimated average charges for tuition, board and room have roughly doubled, from $986 to $1,940 for the 1971–72 school year. Figured on a dollar for dollar basis the monthly allowance available to the Korean conflict veteran in 1952 was $110. In order to attain the same coverage for the school year, 1971–72, the allowance should by now have risen to $220. Under the bill I am supporting today, the allowable benefits for a veteran with no dependents would amount to a maximum of approximately $285 per month. If the veteran had as many as two dependents, benefits could increase to $340 per month.

Mr. President, I believe that proposals such as the one offered in this bill speak to a need for providing to the Nation's 5 million Vietnam era veterans benefits which are equal to those veterans of other wars have received. It was in this spirit that I offered a bill on November 9 to provide veterans of the Vietnam era with a Government-administered life insurance policy at greatly reduced rates, and it is in this same spirit that I announce my support for the Mathias bill today. Legislation of this nature is more than just a gesture of gratitude. It is an expression of confidence in the potential of these young veterans, and it is an investment in the future of this Nation which cannot help but bring impressive and lasting returns.

### S. 2454

At the request of Mr. Jackson, the Senator from Indiana (Mr. Bayh) was added as a cosponsor of S. 2454, a bill to amend the Youth Conservation Corps Act of 1970.

### S. 2676

At the request of Mr. Tunney, the Senator from Rhode Island (Mr. Pell) was added as a cosponsor of S. 2676, the National Sickle Cell Anemia Prevention Act.

### S. 2509

At the request of Mr. Scott, the Senator from New Hampshire (Mr. Cotton) was added as a cosponsor of S. 2509, a bill to incorporate Pop Warner Little Scholars, Inc.

### S. 2724

At the request of Mr. Jackson, the Senator from Oregon (Mr. Hatfield) was added as a cosponsor of S. 2724, a bill to establish a national Indian education program by creating a National Board of Regents for Indian Education, carrying out of a national Indian education program, and the establishment of local Indian school boards.

### S. 2812

At the request of Mr. Nelson, the Senator from South Dakota (Mr. McGovern), the Senator from Utah (Mr. Moss), and the Senator from Oklahoma (Mr. Harris) were added as cosponsors of S. 2812, a bill to amend the Federal Food, Drug, and Cosmetic Act.

### S. 2828

At the request of Mr. Nelson, the Senator from Wyoming (Mr. McGee) and the Senator from Oklahoma (Mr. Harris) were added as cosponsors of S. 2828, the Family Farm Act of 1972.

### SENATE JOINT RESOLUTION 15

At the request of Mr. Nelson, the Senator from Texas (Mr. Bentsen), the Senator from Pennsylvania (Mr. Schweiker), and the Senator from Hawaii (Mr. Fong) were added as cosponsors of Senate Joint Resolution 15, designating the third week of April of each year as Earth Week.

### SENATE JOINT RESOLUTION 62

At the request of Mr. Griffin, the Senator from New Hampshire (Mr. Cotton) was added as a cosponsor of Senate Joint Resolution 62, to authorize the display of the flag of each of the 50 States at the base of the Washington Monument.

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## SENATE RESOLUTION 191—SUBMISSION OF A RESOLUTION RELATING TO TEACHERS' SALARY INCREASES UNDER THE WAGE-PRICE FREEZE

(Referred to the Committee on Banking, Housing and Urban Affairs.)

### TEACHERS SALARY INCREASES

Mr. HUMPHREY. Mr. President, the President's economic policy will very shortly move into phase II. Because events of the last few days and statements by the parties involved indicate that the Pay Board will be unlikely soon to remedy the injustices which arose during phase I, it is appropriate for the Congress to direct that the gravest inequities be assuaged. I am therefore submitting a resolution which directs the Cost of Living Council and the Pay Board to give special consideration to the public school teachers of America.

When the President announced his wage-price freeze in August, public school teachers were caught up in a predicament not of their own making. Teachers have historically served on a school-year basis, which provides for a period of unemployment during the summer months although in most cases under contract to return to teach in the fall. The terms and conditions of those contracts are usually determined in early summer so that both school boards and teachers may accurately plan on their fall positions and teaching staff complement.

In applying the wage-price freeze only those teachers who had worked and accrued pay under a new salary schedule, prior to August 15, were to receive wage increases. In actual practice even this guideline was not uniformly applied. So it is through a happenstance of time and location that equally qualified teachers are being paid at different rates.

It is this gross inequity which the resolution I am submitting today attempts to rectify.

The resolution reads as follows:

### S. Res. 191

Whereas the wage and price freeze and subsequent administrative interpretations thereunder have caused teachers with the same experience and responsibility, often in the same school district, to be paid according to totally different salary schedules;

Whereas adjustments in teachers' salaries are normally negotiated in the spring and early summer although teaching does not begin until September;

Whereas the inequitable treatment of teachers arises from the clash between the timing of the freeze announcement and the traditional fall date for starting school; and

Whereas this effect of the wage-price freeze has lowered the morale and efficiency of America's teachers: Now, therefore, be it

*Resolved*, That the Cost of Living Council be advised that it is the sense of the Senate that the Pay Board and the Cost of Living Council should permit any teachers' salary increases contained in contracts for the school year which began in the fall of 1971, to become effective.

## ADDITIONAL COSPONSOR OF A RESOLUTION

### SENATE RESOLUTION 180

At the request of Mr. Ribicoff, the Senator from New Jersey (Mr. Williams) was added as a cosponsor of Senate Resolution 180, calling for peace in Northern Ireland and the establishment of a united Ireland.

## SENATE CONCURRENT RESOLUTION 49—SUBMISSION OF A CONCURRENT RESOLUTION RELATING TO TREATMENT OF AMERICAN PRISONERS OF WAR

(Referred to the Committee on Foreign Relations.)

Mr. ALLOTT. Mr. President, on behalf of myself and Senators Allen, Anderson, Baker, Bayh, Beall, Bennett, Bentsen, Bible, Boggs, Brock, Buckley, Burdick, Byrd of Virginia, Cannon, Case, Chiles, Church, Cook, Cotton, Cranston, Curtis, Dole, Dominick, Fannin, Fong, Hansen, Harris, Hruska, Humphrey, Inouye, Jackson, Jordan of North Carolina, Jordan of Idaho, Magnuson, McGee, McIntyre, Miller, Mondale, Muskie, Packwood, Pastore, Pearson, Pell, Randolph, Ribicoff, Roth, Scott, Spong, Stafford, Stevens, Stevenson, Thurmond, Tower, Tunney, Weicker, Williams and Young, I submit for appropriate reference a Senate concurrent resolution calling for the humane treatment and release of American prisoners of war held by North Vietnam and its allies in Southeast Asia. This resolution is identical to House Concurrent Resolution 374, introduced by Congressman Zablocki, which was passed unanimously by the House of Representatives on October 4, 1971.

North Vietnam has held American prisoners since 1964. Because of the inhumane and illegal treatment being given American prisoners of war in Southeast Asia, there is a clear necessity for the Congress to speak out against these outrages. The Congress should adopt this resolution to express our solidarity of support to the wives and children, mothers and fathers, brothers and sisters, relatives and friends, of men who are missing or captured and to let them know that we share their deep anguish. We must assure those families of prisoners and of the missing that we, in the Congress, continue to place the highest priority on efforts to obtain humane treatment and early release of our men.

Regardless of how individual Senators might differ in their approach to the termination of hostilities in Indochina, all Senators must join in expressing empathy for the brave Americans who are held prisoner or are listed as missing in action.

The concurrent resolution reads as follows:

S. Con. Res. 49

*Resolved by the Senate (the House of Representatives concurring)*,

Whereas more than one thousand six hundred members of the United States Armed Forces are prisoners of war or missing in action in Southeast Asia; and

Whereas North Vietnam and its allies in Southeast Asia have refused to identify all prisoners they hold, to allow impartial inspection of prisoner facilities, to permit free exchange of mail between prisoners and their families, to release seriously sick and wounded prisoners, and to negotiate for the release of all United States citizens they hold captive; and have committed other violations of the provisions of the 1949 Geneva Convention Relative to Treatment of Prisoners of War, which North Vietnam ratified in 1957; and

Whereas the General Assembly of the United Nations and the International Conference of the Red Cross have adopted resolutions calling on all parties to armed conflicts to comply with the terms and provisions of the Geneva Convention so as to insure humane treatment for prisoners of war; and

Whereas it is the policy of the United States to observe the requirements of the Geneva Convention in treatment of prisoners; and

Whereas the Congress, the executive branch, and the American people have repeatedly appealed to North Vietnam and its allies in Southeast Asia to comply with the provisions of the Geneva Convention; and

Whereas every opportunity should be pursued which will focus attention on the plight of these United States servicemen and the anguish suffered by their families and friends, and bring to bear against North Vietnam and its allies the force of world opinion on behalf of humane policies: Now, therefore, be it

*Resolved by the House of Representatives (the Senate concurring)*, That the Congress strongly protests the treatment of the United States servicemen held prisoner by North Vietnam and its allies in Southeast Asia and calls on them to comply with the requirements of the Geneva Convention Relative to the Treatment of Prisoners of War.

The Congress approves and endorses efforts by the people and Government of the United States, the United Nations, the International Red Cross, and other leaders and peoples of the world to obtain humane treatment for prisoners of war and immediate repatriation of the sick and wounded; and urges that negotiations for the release of all prisoners in the Indochina conflict be given the highest priority by the governments and peoples involved, and calls upon the signators to the Geneva Convention who have relations with the parties involved in the conflict in Indochina to act as protecting powers to see to the welfare and safety of the prisoners of war and missing in action.

*Resolved further*, That it is the sense of the Congress that allied authorities should—

(1) Arrange the immediate, unconditional release of as many North Vietnamese prisoners of war held in South Vietnam as are willing to return to their homeland, up to a number equaling the number of Americans listed as missing in action or imprisoned in Southeast Asia.

(2) Effect the release of all such prisoners simultaneously from the same location on the demilitarized zone at the conclusion of a ceremony during which officials of allied governments would issue a supply of rations to each prisoner released and make an appropriate public appeal to North Vietnamese, National Liberation Front, and Pathet Lao leaders for similar humane treatment of prisoners they held. Prisoners would then be permitted to proceed on foot toward North Vietnam.

(3) Plan and carry out all procedures under the close supervision of the International Red Cross and take special precautions to prohibit forced repatriation. Passed the House of Representatives October 4, 1971.

## EDUCATION AMENDMENTS OF 1971—AMENDMENTS

### AMENDMENTS NOS. 658 THROUGH 663

(Ordered to be printed and to lie on the table.)

Mr. ERVIN (for himself, Mr. Allen, Mr. Baker, Mr. Bennett, Mr. Brock, Mr. Byrd of Virginia, Mr. Eastland, Mr. Ellender, Mr. Gambrell, Mr. Gurney, Mr. Hollings, Mr. Jordan of North Carolina, Mr. Long, Mr. McClellan, Mr. Sparkman, Mr. Stennis, Mr. Talmadge, Mr. Thurmond, and Mr. Tower), submitted six amendments intended to be proposed by them jointly to the amendment of the House to (S. 659) a bill to amend the Higher Education Act of 1965, the Vocational Education Act of 1963, and related acts, and for other purposes.

## REVENUE ACT OF 1971—AMENDMENTS

### AMENDMENT NO. 664

(Ordered to be printed and to lie on the table.)

Mr. CHILES. Mr. President, I am submitting an amendment to the pending bill to allow a person to deduct child care costs as business expenses. I believe major bills concerning child care expenses now pending before the Senate Finance Committee miss the target this amendment aims for. The pending proposals offer a piecemeal approach toward helping working mothers and mothers who want to work. These proposals simply increase the limitation on the tax deduction for child care expenses. They increase the limitation on income of families that may use the child care tax deduction. Or they increase the Federal share of child care expenses for welfare recipients—still setting unrealistic limitations. These measures fail to recognize the fact that because costs for child care are necessary to seek income, these costs are, in fact, business expenses.

Before legislation in 1954 permitted even limited child-care deductions, the Internal Revenue Service had not allowed these costs as ordinary and necessary business expenses that could be deducted directly from gross income at the top of the tax form. A 1939 court case backed this ruling. But the attitudes and the times have changed. The judge in the 1939 case simply said that it was not necessary for women to work. The fact is, however, that more mothers than ever are working outside the home. Between 1950 and 1970 women members of the labor force increased from 33 to 43 percent. During that same period the number of mothers in the labor force rose from 22 to 42 percent. 11.6 million women with children under age 18 are now in the labor force. The country's employment trend is clear.

Over 4.2 million mothers with preschool-age children are working outside the home. And the Department of Labor expects this figure to keep rising. The increasing cost of child care for children of working mothers causes great hardships in many cases. Federal support for child care is now authorized under the Social Security Act. It is estimated that approximately $310 million will be provided by the Federal Government for child care services under Social Security Act programs. Under existing law a woman taxpayer is eligible for a child care expenses tax deduction if the child care is necessary in order for the mother to work. This deduction is presently unrealistically limited to $600 if the woman has one child and to $900 if she has two or more children.

My amendment would consider child care costs as legitimate business expenses. A business expense is money spent to obtain or protect income. Obviously women with children cannot get that income without spending money for the care of their children.

This proposal would not give women a special exemption. Rather, it would treat child care like any other legal business expense to be deducted from income.

I want to make clear the fact that it is designed to cover child care expenses for the purpose of enabling a taxpayer to be gainfully employed. No deduction will be allowed to a married taxpayer unless the spouse is employed, incapacitated or institutionalized and the spouse's employment makes such care necessary. As a recent article in the National Observer pointed out, the entire cost of a yacht can be deducted if you can establish that it is used for your business. The dollar limitation in existing and even proposed legislation bears so little resemblance to the actual costs of child care as to be totally unjust.

Mr. President, there simply seems to be no possible way to justify the present unfair situation. If a businessman wants to take someone out to an expensive restaurant for lunch he can write it off as a business expense—because it protects his income. An individual can write off any number of expenses as business expenses if they can be seen to in some way help to seek and protect his income. Women, in particular, are seriously discriminated against in that getting someone to take care of their children is obviously necessary to protect income if they work outside the home. And yet child care is a cost that is not considered a legitimate business expense. I believe if we can write off lunches at expensive restaurants, we can certainly write off the care of the children of working mothers.

I urge my colleagues to consider the obvious merit of allowing child care expenses to be deducted as business expenses.

### AMENDMENT NO. 665

(Ordered to be printed and to lie on the table.)

Mr. BYRD of West Virginia submitted an amendment intended to be proposed by him to the bill (H.R. 10947) to provide a job development investment taxes, to reduce certain excise taxes, and for other purposes.

### AMENDMENT NO. 670

(Ordered to be printed and to lie on the table.)

Mr. WILLIAMS submitted an amendment, intended to be proposed by him, to House bill 10947, supra.

## CHILDREN'S DENTAL HEALTH ACT OF 1971—AMENDMENTS

### AMENDMENT NO. 666

(Ordered to be printed and referred to the Committee on Labor and Public Welfare.)

### RHODE ISLAND AND DELAWARE AND LEAD-BASED PAINT POISONING

Mr. PELL. Mr. President, this past January the Congress passed a much needed program to protect our Nation's children from lead-based paint poisoning.

Since this problem is concentrated in our Nation's cities, the law required that grants be made to local units of government.

This requirement has had an unforeseen adverse effect in the States of Rhode Island and Delaware.

The two smallest States of the Nation are, for all practical purposes, city States; and, in recognition of that fact, and, in an effort to eliminate needless fragmentation of health services, these two States merged their local departments of health into statewide health departments.

The unfortunate result of these commendatory steps by the States of Rhode Island and Delaware has been their ineligibility to receive grants for the prevention, detection, and treatment of lead-based paint poisoning.

I am today submitting an amendment for Senators PASTORE, BOGGS, ROTH, and myself to correct this oversight and to make the State departments of health in Rhode Island and Delaware eligible recipients of grants provided by Public Law 91–695, the Lead-Based Paint Poisoning Prevention Act.

I ask unanimous consent that my amendment be printed in the RECORD at this point.

There being no objection, the amendment was ordered to be printed in the RECORD, as follows:

AMENDMENT No. 666

At the end of the bill add a new section as follows:

SEC. 5. Title V of the Lead-Based Paint Poisoning Prevention Act is amended by adding at the end thereof the following new section:

"AUTHORITY TO MAKE GRANTS TO STATE AGENCIES IN CERTAIN CASES

"SEC. 504. Notwithstanding any other provision of this Act, grants under sections 101 and 201 may be made to an agency of State government in any case where units of general local government within the State are prevented by State law from implementing or receiving such grants or from expending such grants in accordance with their intended purpose; and in any such case the term 'local' when used in section 101 or 201 with respect to any program shall be deemed to read 'State'."

Mr. PELL. Mr. President, I plan to attach this amendment to another bill designed to protect the health of children, S. 1874, The Children's Dental Health Act.

In the State of Rhode Island between 1960 and 1970 there were 63 reported cases of lead poisoning treated in hospitals. Since 1970 there have been 117 reported cases of lead-based paint poisoning treated in the hospitals, and another estimated 200 children have been found to have elevated blood levels possibly related to lead-based paint poisoning. The State of Rhode Island needs the assistance of funds provided by the Lead-Based Paint Poisoning Prevention Act, and its children should not be denied that protection because of a technical deficiency in the act. It would be my hope that this amendment would be favorably considered.

Mr. President, I ask unanimous consent that letters from the Governor of Rhode Island on this subject be printed in the RECORD at this point.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

STATE OF RHODE ISLAND &
PROVIDENCE PLANTATIONS,
*Providence, R.I., October 1, 1971.*

Hon. CLAIBORNE PELL,
*Old Senate Office Building,*
*Washington, D.C.*

DEAR CLAI: I am enclosing for your examination a copy of a letter which I have sent to Secretary Richardson of the Department of Health, Education, and Welfare. It concerns the fact that Rhode Island will apparently be denied participation in the Federal program to combat lead poisoning because such funds are to be limited to local governmental health units. As you know, we have no such local units because the State has assumed full responsibility in the health field.

Your support for my effort to secure funding would be greatly appreciated. Also, if it becomes evident that the necessary modifications cannot be made by administrative decision, I would hope that the necessary amending legislation could be introduced in the Congress.

Kind regards.

Sincerely,

FRANK LICHT, *Governor.*

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STATE OF RHODE ISLAND AND
PROVIDENCE PLANTATIONS,
*Providence, R.I., October 20, 1971.*

Hon. CLAIBORNE PELL,
*U.S. Senate,*
*Washington, D.C.*

DEAR CLAI: This is to give you further information relative to our State's participation in the new Federal program to combat lead poisoning.

Unfortunately, the situation concerning our participation remains unresolved. Since the State has assumed all health responsibilities, it is not simply a matter of having the State Health Department act as the liaison for the individual communities.

The local communities do not have health officers, and therefore do not have the available mechanism for drawing applications and ultimately administering the programs in this area. Under the guidelines now in effect, the State Health Department would have to locate and train local officials in order to participate in the program. This would be not only a difficult and costly proc-

> ess, but it would be a step backwards from the unified health responsibilities now carried by the State Department of Health.
>
> What we are asking is that the State Department of Health be granted the authority to undertake a program to combat lead poisoning on a statewide basis, which is consistent with the Department's unified, statewide services.
>
> I remain hopeful that this additional information will be of assistance to you.
>
> Kind personal regards.
>
> Sincerely,
>
> FRANK LIGHT, *Governor*.

### AMENDMENT NO. 667

(Ordered to be printed, and referred to the Committee on Labor and Public Welfare.)

Mr. PELL. Mr. President, 3 months ago I brought to the attention of this Senate a Defense Department study which showed a relationship between the use of several popular toothpastes and inflammation of the mouth and gums.

When I first made public this study, I had some concern about the scientific validity of the study. I had asked the National Institutes of Health and the American Dental Association for their review of the Army study, and they indicated reservations about the validity of the study itself.

However, since my revelation of the toothpaste study, I received several letters from dentists and consumers which indicate that, notwithstanding the scientific validity of the study, a substantial portion of consumers agree with the conclusions of the study.

### PROFESSIONAL COMMENT

Many professionals in the dental field who wrote me listed specific dental problems which they believe are directly related to ingredients used in certain dentifrices.

For example, a dentist from Wichita, Kans., wrote:

> I applaud your efforts on behalf of the consumer public to bring to light the harmful effects of present day toothpastes. The study by the Army Institute of Dental Research may have been conducted with some deficiencies, but I am convinced their conclusions merit further investigation.
>
> It has been my observation that toothpastes advertised as "brighteners" do in fact often cause stomatitis. The symptoms I have noticed include redness, V-shaped recession, sloughing or peeling and hypersensitivity of newly exposed root surfaces. These "brighteners" contain chloroform and I suspect this to be the causative agent.

A second dentist informed me of another problem. He stated:

> Six years ago, I reported that many popular dentifrices on the American market contain detergents which, I believe, were causing gingivitis in many patients. At present, there are six brands which contain chloroform.
>
> As you probably know, chloroform is an excellent solvent and will whiten teeth by dissolving stains from coffee, tea, and tobacco. However, it is a very toxic hydrocarbon which has a chemical formula almost the same as carbon tetrachloride, a substance the Food and Drug Administration considers highly dangerous to have around the home as a cleaning fluid.
>
> It is doubtful that anyone can use a dentifrice without swallowing it. Chloroform is excreted in the liver. It is damaging to liver cells, just as is carbon tetrachloride. Little wonder then that the study, to which you referred revealed irritation of gingival tissue from these chloroform-containing products.
>
> I commend you for releasing the Army study which indicated that many of the leading toothpastes on the market are causing gingival inflammation.

One dentist from Ontario, Canada was particularly concerned with the effect of dentifrices on children. He stated:

> No child's mouth should ever be damaged by any cosmetic preparation. It is the grit, ground glass, caustic and cosmetic substances that damage a child's tissue in his mouth when the teeth first erupt.
>
> Everyone is dependent on dentistry because of this and more and more people are losing their teeth with the terrible tragedy of cancer of the mouth and oral sepsis.

A professor of dentistry in Philadelphia wrote:

> Within the last year, a young girl was treated in our clinic for toothpaste sensitivity. She developed a reaction to two types of toothpaste, both manufactured by the same company. This was obviously an ingredient singular to this manufacturer.

A dental hygenist from Altoona, Pa., observed:

> I want to congratulate you for reporting and exposing the Army research. As a dental hygenist for many years in private practice, I can agree with the research. I have had many patients, children and adults, with definite reactions to some of the named toothpastes. The ones I have found to produce severe inflammations are McLeans, Ultra Brite, Vote and Close Up. A chemist in analyzing these found them to have peroxide. A bleach was never intended to be used in the oral tissue.

The numbers of letters I received from consumers concerned with toothpaste irritations are quite numerous.

The consumer letters I received demonstrated there is a significant amount of dissatisfaction with the current toothpastes. Allow me to cite a number of typical reactions.

A housewife from Brighton, Mass. stated:

> After using some toothpastes, I had dry lips, burning gums, tongue, and roof of my mouth.

Mrs. L. S. from Florida summarizes the toothpaste consumers' problems in her letter:

> The thing that is so maddening, aside from the damage done to my gums and teeth, is the attitude the company assumes in that (a) I am *making a comment* and (b) Suzie-Q-Public must take their word for their claims of innocence.

A recent letter I received from the Food and Drug Administration confirms my own findings regarding irritations caused by toothpastes; that is to say, although there may be some scientific doubt about the validity of the Army study, there is no doubt that a number of persons have adverse reactions to toothpastes and that the Food and Drug Administration has no present authority to warn such persons about the potential harmful effects of the uses of certain toothpastes.

The Food and Drug Administration indicated it could support the type of warning amendment I have suggested for toothpastes if it thought the language of the amendment was technically acceptable.

My staff has been in contact with staff of the Food and Drug Administration and language has been developed for an amendment I now submit and plan to offer in the Senate Labor and Public Welfare Committee next week.

I ask unanimous consent that this amendment be printed in the RECORD at this point.

There being no ebjection, the amendment was ordered to be printed in the RECORD, as follows:

### AMENDMENT NO. 667

> At the end of the bill add a new section as follows:
>
> SEC. 5. Section 602 of the Federal Food, Drug, and Cosmetic Act is amended by adding at the end thereof the following new subsection:
>
> "(g) (1) If it is a dentifrice and (A) because of its nature, composition, or packaging it involves a potential risk to consumers including but not limited to its potential sensitizing, allergenic or abrasive character or (B) because of any foreseeable handling, storage or use by individuals it presents such a potential risk; then such dentifrice shall bear adequate cautionary labeling (such labeling shall be conspicuous and shall include first-aid information if appropriate). Whenever the Secretary finds any dentifrice or class of dentifrices is subject to this subsection and in his judgment a declaration to that effect will promote the objective of this subsection by avoiding or resolving uncertainty as to its application, he may by regulation declare such dentifrice or class thereof to be subject to such provision and may in such regulation specify the content of such cautionary information, the appropriate type size to be used for such warning, its placement on labels and may in pursuance of the objective of this subsection require the submission of the quantitative formula for such dentifrice or class thereof by the manufacturers of such dentifrice.
>
> "(2) If it is a dentifrice and its labeling fails to bear cautionary information in the manner prescribed in clause (1) of this subsection.".
>
> SEC. 6. Section 201 of the Federal Food, Drug, and Cosmetic Act is amended by adding at the end thereof the following new subsection:
>
> "(y) The term 'dentifrice' means any cosmetic, drug, or other article recommended, suggested, or indicated for use by humans in the cure, mitigation, treatment or prevention of diseases of the teeth or for cleaning or beautifying teeth.".

Mr. PELL. Mr. President, my amendment simply provides that if there is a finding that a dentifrice involves a potential risk to the consumer because of its allergenic, sensitizing, or abrasive character, it may be required that cautionary labeling be placed on the dentifrice.

The Food and Drug Administration has stated to me that "It is generally well known that small number of persons appear to have an adverse reaction to any given dentifrice."

The Council on Dental Therapeutics in an article appearing in the November 1970 issue of the Journal of the American Dental Association described the abrasive contents, in order of abrasiveness, of the major toothpastes and suggested that the consumers be advised that there may be some toothpastes which are too abrasive for some soft teeth.

Dr. Alexander Fisher in his book, "Contact Dermatitis," has stated that dentifrices often include detergents and abrasives which give irritant reactions.

Despite the above evidence that toothpastes may be harmful to some persons, the Food and Drug Administration cannot act. Its only option is to attempt to take dentifrices off the market as an adulterated product, and in most cases of allergenic reactions the dentifrice may not be found to be adulterated. My amendment would simply give the Food and Drug Administration a more reasonable means of protecting consumers who have an adverse reaction to certain toothpastes. If a warning label is attached to the toothpastes, then the consumer who has the allergy will know not to buy that particular product.

Mr. President, I have solicited comments from the major manufacturers of toothpaste regarding my amendment and the recent Army study. Some indicated support for my amendment. Some had no comment. And others were under the misimpression that the Food and Drug Administration already had authority to put warning labels on toothpastes.

To my knowledge there are only three toothpastes that are classified as drugs and, thus, declared to be effective against tooth decay—Crest, Colgate with MFP, and NDK toothpowder.

Since those toothpastes are considered drugs, the Food and Drug Administration does in fact have authority to put warnings or cautionary labels on them. However, the remainder of the toothpastes are classified as cosmetics, that is they have no therapeutic value. The Food and Drug Administration does not have authority to put cautionary labels on cosmetic dentifrices and my amendment will fill this loophole.

## REGULATION OF STRIP MINING—AMENDMENT

### AMENDMENT NO. 668

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. MOSS submitted an amendment, in the nature of a substitute, intended to be proposed by him, to the bill (S. 2455) to regulate the practice of strip mining, to protect the environment, and for other purposes.

### AMENDMENT NO. 669

(Ordered to be printed and to lie on the table.)

Mr. BUCKLEY submitted an amendment, intended to be proposed by him, to House bill 10947, supra.

## ADDITIONAL COSPONSORS OF AMENDMENTS

### AMENDMENTS NOS. 617 AND 620

At the request of Mr. Stevenson, the Senator from Minnesota (Mr. Mondale) and the Senator from California (Mr. Cranston) were added as cosponsors of amendment No. 620, intended to be proposed to the bill (S. 2712), a bill to extend and amend the Economic Stabilization Act of 1970; and the Senator from California (Mr. Cranston) was added as a cosponsor of amendment No. 617, intended to be proposed to the bill (S. 2712), supra.

### AMENDMENT NO. 630

Mr. NELSON. Mr. President, I ask unanimous consent that at the next printing of amendment No. 630, an amendment to H.R. 9727, the names of the following Senators be added as cosponsors: The Senator from Connecticut (Mr. Ribicoff); the senior Senator from New Jersey (Mr. Case); the Senator from Minnesota (Mr. Mondale); the junior Senator from New Jersey (Mr. Williams); the senior Senator from Massachusetts (Mr. Kennedy); the junior Senator from Massachusetts (Mr. Brooke); and the Senator from South Dakota (Mr. McGovern).

Mr. President, this is the amendment to the Marine Protection and Research Act which has been ordered reported by the Senate Commerce Committee. The amendment would authorize the establishment of marine sanctuaries off our coasts and prohibit Federal leases for oil drilling in the Atlantic off the U.S. east coast for 2 years until the designation of sanctuaries there.

Additional cosponsors to the amendment are welcome.

The PRESIDING OFFICER (Mr. Chiles). Without objection, it is so ordered.

## ANNOUNCEMENT OF HEARING ON THE NOMINATION OF DR. VINCENT E. McKELVEY

Mr. JACKSON. Mr. President, I announce for the information of the Senate and the public that on Tuesday, November 23, at 3 p.m. the Committee on Interior and Insular Affairs will hold an open, public hearing on the nomination by President Nixon of Dr. Vincent E. McKelvey to be Director of the Geological Survey, Department of the Interior.

Any Member of the Senate or of the general public who wishes to testify at this hearing should so advise the committee staff. The hearing will begin at 3 p.m. in room 3110, New Senate Office Building.

Mr. President, I ask unanimous consent that the biographical data concerning this nominee be printed in the Record.

There being no objection, the biographical data was ordered to be printed in the Record, as follows:

### Biographical Data—Vincent Ellis McKelvey

Born—Huntingdon, Pa., April 6, 1916.

Education—Primary and secondary schools, Bellefonte, Hazelton, and Everett, Pa. Dickinson Seminary, Williamsport, Pa. Syracuse University, B.A. with honors in geology, 1937. University of Wisconsin, M.A. 1939, Ph.D in geology 1947.

Family—Parents deceased. Married June 5, 1937, Genevieve Patricia Bowman of Bloomsburg, Pa. Two children, Robert B., deceased; Gregory E., 27, Bear Creek Mining Co., 7729 S. Fenton, Littleton, Colorado. Residence, 6601 Broxburn Drive, Bethesda, Md.

Professional employment—Junior Geologist, Soil Conservation Service, part-time, 1938–1940. Ass't Geologist, Wisconsin Geological and Natural History Survey, summers 1938–1940. Visiting lecturer, Stanford University, spring 1956. Geologist, U.S. Geological Survey, 1941–present.

Professional experience—Geology of manganese deposits, Nevada and Arizona, 1941–1942. Geology of vanadiferous shales, Idaho, Wyoming, and Utah, 1942–1943. Military geology, 1944–1945. Consultant, Chief of Engineers, Manila, 1945. Geology of phosphate and uranium deposits, Idaho, Wyoming, Montana, Utah, 1946–1949. U.S. Civil Service Board of Examiners for the U.S. Geological Survey, 1946–1947 (Chairman). Chief, Radioactive Minerals Office, 1950–1953. Geology of western phosphate deposits, 1954–1959. Minerals Specialists, U.S.I.C.A.-Government of Jordan, fall 1958. Ass't Chief Geologist for Interagency Programs, 1960–1962. Ass't Chief Geologist for Economic and Foreign Geology, 1962–1965. Minerals and Fuels Subcommittees, Federal Council for Science and Technology, 1961–1963. Department of the Interior Energy Policy Staff, 1961–1969. U.S. advisor to Energy Committee, Organization for Economic Cooperation and Development, 1965–1967. U.S. representative to Government Advisory Committees on Energy and Minerals, United Nations Resource and Transport Division, 1967. Advisor on phosphate exploration, Government of Saudia Arabia, 1967. Leader, Department of the Interior Study Group, Outer Continental Shelf oil, gas, and sulfur leasing policy, 1968. U.S. representative to United Nations Committee on Peaceful Uses of the Seabed and Ocean Floor Beyond the Limits of National Jurisdiction, 1968–1971. Senior Research Geologist, 1969–1971. Chief Geologist, 1971.

Scientific and professional societies—Sigma Xi. Geological Society of Washington. American Association for the Advancement of Science (Fellow). American Geological Institute (Member of Board of Directors, 1968–1971). Geological Society of America (Fellow, Member of Council, 1968–1972). Society of Economic Geologists (Member of Council, 1967–1970). American Geophysical Union (Fellow). Washington Academy of Science. Economic Geology Publishing Co. (Member of Board of Directors). Geochemical Society. Cosmos Club. American Institute of Mining Engineers.

Honors—Department of the Interior Distinguished Service Award, 1963. AIME Henry Krumb Lecturer, 1968. Seventh Hugh Exton McKinstry Memorial Lecturer, Harvard University 1971.

## ANNOUNCEMENT OF HEARING ON BILLS RELATING TO ENVIRONMENTAL STUDIES

Mr. JACKSON. Mr. President, I announce for the information of the Senate and the public that on Friday, November 19, the Committee on Interior and Insular Affairs will hold an open, public hearing on H.R. 56, the National Environment Data System Act; S. 1216, the National Environmental Policy Institute Act; and S. 681, the State Environmental Center Act.

Any Member of the Senate or of the general public who wishes to testify at this hearing should so advise the committee staff. The hearing will begin at 10 a.m. in room 3110, New Senate Office Building.

## ANNOUNCEMENT OF HEARINGS BY THE SUBCOMMITTEE ON PUBLIC HEALTH, EDUCATION, WELFARE, AND SAFETY OF THE SENATE DISTRICT COMMITTEE

Mr. TUNNEY. Mr. President, I am today announcing hearings on the following bills by the Subcommittee on Public

Health, Education, Welfare, and Safety of the Senate District Committee:

S. 2429—District of Columbia Unemployment Compensation Act Amendments of 1971;

S. 1995 (H.R. 10344)—Interstate Compact on Mental Health;

S. 1982 (H.R. 9395)—Teacher Annuity Contracts;

S. 1998 (H.R. 8407)—District of Columbia Educational Personnel Act;

S. 1346—District of Columbia Personnel Act; and

Senate Joint Resolution 133—Acknowledgement of President George Washington's gift.

The hearings will be held on Wednesday, November 24, 1971, at 10 a.m. in room 6226, New Senate Office Building. Persons interested in testifying on these bills should contact Mr. Gene E. Godley, general counsel in room 6222, New Senate Office Building.

## ADDITIONAL STATEMENTS

### PARTNERSHIP FOR PEACE

Mr. HUGHES. Mr. President, the war in Indochina is changing, but it is not ending. Despite all the optimistic statements of our officials, despite the mercifully lower death rate for Americans, despite the prospect of continued troop withdrawals, the war continues with no end in sight.

Newspaper headlines every day, now, give us a new body count—so many more troops deactivated or returned home. The old body count is ignored. But the death lists are still long for the Vietnamese—around 300 per week for the South Vietnamese and over 1,000 per week for the enemy.

And neither body count is relevant to the declared American objective in this war: to help the South Vietnamese survive as a free and democratic people. Death and destruction continue to ravage Indochina. The recent one-man presidential election in South Vietnam made a mockery of American efforts to build democracy in that nation.

Although the war was escalated by previous administrations, the current administration has maintained and prolonged the war to the point that over one-third of the American deaths in this war have occurred since President Nixon took office—a total of 18,786. During his nearly 3 years in office, the United States has dropped more tons of bombs than during President Johnson's final 3 years in office. Such facts belie the argument that the war is winding down.

Now we are awaiting the President's statement on Vietnam next Monday. As in the past, our hopes have been buoyed by high-level hints that the pace of withdrawal will be increased and that the administration may at last proclaim the official end to the American combat role. I would welcome such steps, of course, but they are not sufficient in themselves to win my support for the President's policy. Too often in the past we have heard such hopeful noises, only to be told by the President that he would persevere in his admittedly unpopular course. We remember that a year ago the Secretary of Defense suggested that the U.S. combat role would end by the summer of 1971, but that did not happen.

There is still no sign that this administration is willing to end the war and U.S. involvement in it. The various predictions now in circulation all foresee a residual force of perhaps 40,000 Americans in Vietnam. Regardless of their official noncombat role, these men will be shot at or ambushed and will presumably fight back. Their planes will be shot down and their bases mortared. They will be at war.

Even if this war is significantly less costly in American lives, it will still be quite costly for the people of Indochina and for American taxpayers. The people of Indochina may be subjected to another quarter-century of war, with hundreds of thousands more killed, maimed, and made homeless.

To pay for this continued devastation, the American people will be asked to spend several billion dollars each year. Already our supporting assistance to South Vietnam is over half a billion dollars each year. Direct assistance to the nations of Indochina is scheduled to amount to nearly $3 billion this year and seems unlikely to decrease significantly in the near future. The air war is also likely to be quite costly—at perhaps $4 billion per year, according to the recently released Cornell University Study on the Air War in Indochina."

I do not believe, Mr. President, that the American people are willing to support a continuation of the war in Indochina at a cost of $7 billion per year for the indefinite future, no matter how low the casualty rate may be. A recent survey by Lou Harris shows that only 16 percent of the people favor even a reduced $1 billion annual cost.

That same survey shows the American people overwhelmingly in favor of a complete U.S. withdrawal by next May—the same date envisioned in the Mansfield amendment.

A majority of the people also oppose both a residual force and continued air support.

This is not isolationism, but rather an honest, rational reaction to years of overinvolvement, frustrating warfare, and domestic neglect. No longer will the American people sign a blank check for military adventures, either direct or by proxy. Nor will they tolerate billions for foreign dictators when our own people are suffering so much.

These considerations led to my own decision not to support the foreign aid bill when it came to a vote 2 weeks ago. I reached this decision reluctantly, because I know of the great need of many of the world's people for food, for advice in improving their farms and schools and hospitals, and for assistance in building those projects which might help them to alleviate some of the worst ravages of their poverty.

But in fact, that bill earmarked 65 percent of its funds for assistance to build armies and to prop up the economies of nations which have huge defense budgets. Only 21 percent of it would have gone for economic development programs.

Among less developed nations—for whom survival is more likely to be a question of stopping poverty rather than stopping aggression—$1 in every 4 we have given has gone for military aid. These facts support the conclusion of the distinguished Senator from Idaho, Mr. CHURCH—that we are engaged in "arsenal diplomacy."

As a result of our preoccupation with military needs at the expense of human needs, we have helped to arm and finance 8 of the 10 largest armed forces in the world. Only the Soviet Union and China have not received our aid. Of the others, only France no longer receives such aid directly. Yet France received over $7 billion in assistance of all kinds in the years after 1945.

Although I recognize that there have been—and are—legitimate security needs which American assistance can help other nations to meet, I still believe that the emphasis in our foreign policy has been too much on the weapons of war and not enough on the tools for peace.

The time has come to start afresh, to build a new internationalism which would stress our commitments to people and their economic and social problems, rather than to specific regimes.

When the earth's people are hungry, we should not continue to pour money into new planes and guns for nations which do not really need them. When people are struggling for democratic government, we should not continue to bolster regimes which repress their citizens' basic rights.

I was pleased that the Foreign Relations Committee reported separate bills for military and economic-humanitarian assistance. This action enabled the Senate to judge these programs by different criteria. I believe that if we seek political influence and support with our aid, we should do so openly. And if we seek economic development or provide humanitarian relief, we should not judge the results in terms of public statements or U.N. votes.

Because of the good works financed by the economic assistance bill, I voted in favor of it. The military aid bill, however, went too far, particularly with the addition of $318 million beyond the committee's recommendation. I could not support $1.5 billion to prop up economies bloated by defense expenditures and to provide more weapons for war-torn countries to continue their self-destruction. I might add that I was fully prepared to support specific assistance for Israel and some other nations, which could have been handled by this body in additional legislation.

My attitude on military aid is crucially influenced by the war in Indochina. For too many years our entire foreign policy has been thwarted, distorted, and discredited by our tragic involvement there. Until we can end that war and our involvement, we can expect little success in other important areas of foreign affairs. Continuation of foreign aid is a minor issue compared to ending the war.

We in the Senate now have an extraordinary opportunity. Already we have gone on record in support of the policy of withdrawing all U.S. forces within 6 months. Now we should take the next step to enforce that policy by requiring that funds can be spent only for the purpose of withdrawal. Without such a provision, continued military assistance to the nations of Indochina could be seen as an endorsement of protracted war.

I know that the administration strongly opposes such a provision, just as I strongly oppose any prolongation of the war without such restrictions.

The issues involved in this debate go far beyond considerations of military strategy to the basic health of our political system.

The fundamental problem facing our Government today is the need to reestablish basic trust, between the legislative and executive branches and between the Government and the people.

We see this lack of trust in the growing alienation of young people, the cynicism of many adults, and the new apathy among people who once fought for social change.

A recent attitude survey by scholars at the University of Michigan has documented this distrust and has attributed it in large part to the war in Indochina. This survey noted "a massive erosion" of trust in the Federal Government in the years since 1964.

Too often during these years, the people have been misled or deceived or shocked about what our Government was doing. The previous administration led us blindfolded into a large-scale war. The current administration has compounded the mistrust by the new and expanded wars in Cambodia and Laos and by the semantic sleight-of-hand which turns invasions into incursions, free-fire zones into specified strike zones, and bombing into protective-reaction strikes. Since our people are confused by all this, it is no wonder that our troops may be insubordinate when they are ordered on active defense patrols.

If we are to reestablish trust, we need first to gain credibility. I believe that this administration has taken many useful steps in this direction.

But we need more. In particular, we need to stand on common ground, cooperating in the effort to end the war. It does America no good when Congress and the President are at an impasse and sharply criticize each other. Many of our current difficulties could have been avoided if the President had tried to enlist the Congress in a cooperative effort to devise the policy and laws which would bring this tragic war to an end.

The opinion survey I cited earlier confirms what most of us already believe: the American people want a rapid and complete withdrawal of U.S. forces from Indochina, with no residual force and no substitution of a ferocious air war.

I believe that we in Congress stand on common ground with the American people and with the President, if he would only acknowledge the fact and join with us. Let us face the issue directly and agree on basic premises: If the war is ending, it must end completely. If it is to be continued, we must approve the duration, cost, and strategy.

Just as Congress shares responsibility for beginning and continuing this war—through the Tonkin Gulf resolution and the various appropriations bills—so now do we share responsibility for ending it. I hope that the President will join with us in a partnership for peace. I hope also that he will join with us in creating the institutions which will turn our foreign policy in a new direction.

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## DEATH OF FORMER SENATOR ROBERTSON OF VIRGINIA

Mr. FANNIN. Mr. President, I was saddened to learn of the death November 1, of former Senator A. Willis Robertson. I want to add my voice to those who have paid tribute to our late former colleague. I count myself fortunate that I had the opportunity to serve in the Senate with him during the final 2 years of his long career in the Congress.

Senator Robertson was a statesman who served the State of Virginia and the Nation well in his seven terms in the House of Representatives and his 20 years in the U.S. Senate.

He had a fine legal mind, was an excellent speaker, and was a deeply religious man. Today's sportsmen owe him a debt for his conservation work several decades before this became a popular cause. Senator Robertson was an authority on many subjects, including banking, trade, and tariffs.

Even more than this, he was a warm being who was respected in his home State and in the Congress.

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## DR. RICHARD GARWIN'S REPLY TO A REPORT BY THE OPERATIONS RESEARCH SOCIETY

Mr. SYMINGTON. Mr. President, last month an organization out of Chicago termed the Operations Research Society of America issued a report commenting on the debate on the anti-ballistic-missile system in the Congress in 1969 and on the quality of testimony presented to the Congress at that time by various scientists.

The report was particularly critical of the statements and calculations of Dr. George Rathjens, Dr. Jerome Wiesner, Prof. Abram Chayes, and Dr. Wolfgang Panofsky—all opponents of the ABM system.

I participated in these hearings and believe parts of this criticism are totally unjustified. It is regrettable that an attack of this character has been launched against scientists who have given so much of their time and knowledge in effort to present the facts as they see them about this ABM system.

Let us hope it will not preclude in the future objective comments to the Congress by experts in the scientific field.

In this connection, Dr. Richard L. Garwin, a nationally known and widely respected scientist who has served on the President's Science Advisory Board under three administrations, has replied to these charges; and I ask unanimous consent that Dr. Garwin's reply be printed at this point in the RECORD.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

YORKTOWN HEIGHTS, N.Y.,
*October 28, 1971.*

DR. ROBERT E. MACHOL,
*Graduate School of Management, Northwestern University, Chicago, Ill.*
DR. THOMAS E. CAYWOOD,
*Caywood-Schiller Division, A. T. Kearney and Co. Inc., Chicago, Ill.*

DEAR DRS. MACHOL AND CAYWOOD: I have read the September 1971 special issue of Operations Research, "Guidelines for the Practice of Operations Research," and believe it would be in the public interest for your society to publish the enclosed comment, which I have sent to Dr. Hugh J. Miser as Editor.

I trust that I may learn within a week or so whether and when it will be possible to publish this letter.

Thank you very much.

Sincerely yours,
RICHARD L. GARWIN.
H. J. MISER.

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OCTOBER 28, 1971.

To the EDITOR,
*Operations Research,*
*Windsor, Conn.:*

As one who has not figured publicly in the Safeguard controversy, I hope I may be allowed to comment on the form and substance of your special issue of Operations Research, September 1971, "Guidelines for the Practice of Operations Research."

For more than a decade, I have had continuing official contact with the Department of Defense and other interested parts of the government in regard to both offensive and defensive strategic forces. I know and have worked with almost all of the individuals named in the "Guidelines . . ." study, and I was a member of both the Defense Science Board and the President's Science Advisory Committee during 1969. In making these comments I speak only for myself.

In general, I favor far more analysis of issues, both technical and non-technical, than is now available, and I have urged this publicly. However, I believe that the ORSA Council was unwise in committing the Society to this review, and especially to the publication of the appendices of the "Guidelines . . ." issue.

### THE ORSA "GUIDELINES . . ." IS A QUASI-JUDICIAL ACTION WITHOUT ADEQUATE SAFEGUARDS

Obviously, I would have no objection to the publication by an individual or a group of individuals of a scholarly or popular article analyzing the actions of the individual proponents or opponents of the ABM. I think, however, that it was predictable that the publication of Appendix III, although opposed by five members of the Council and the content not endorsed by the Council, would be given in the popular press the authority of the Society. In fact, I think the operation, with its possible impact on the careers of the individuals involved, bears a strong resemblance to a court proceeding, but without prior limitation of jurisdiction, promulgation of rules, or provision of safeguards, all of which are thought to be necessary in a continuing and formal court and which would be even more necessary to guard against abuses of an *ad hoc* proceeding. For instance, if the ORSA is to have done more than to promulgate a "bill of attainder" from an informal court, I believe that it should institutionalize this procedure and allow it to be convened by non-members as well as members. Surely, ORSA does not intend to allow only members of the Society to call for investigations into analyses and presentations of non-members. The particular investigation of the ABM testimony seems inadequate, of itself, for the promulgation of general "Guidelines . . .", and for this purpose I believe that it would be useful for the ORSA to provide a dispassionate and detailed discussion of the adequacy of the systems analysis and operations research, and of the honesty of presentation, in the case of the supersonic transport testimony, as well as for the generally uncontested budgetary submissions to Congress by various agencies of the government including the Department of Defense.

On the general question of a court proceeding without rules, jurisdictional limitations, or safeguards, one might argue after the fact that the investigation and conclusions were fair and that justice was indeed done. This argument I believe is unacceptable, since there is always a probability, no matter how good the court, that an error will be made in its investigations or analysis. If an individual were able to convene a court repeatedly (and the argument holds with lesser strength even for a single case) against certain other individuals, there would be substantial expectation of damage to those individuals, no matter how good their behavior. I believe that safeguards important enough to have been stressed in the Constitution of our nation should be regarded more highly by the ORSA.

### DOES SOME KNOWLEDGE OF SCIENCE AND ENGINEERING NECESSARILY MAKE ONE UNFIT TO JUDGE THE MERITS OF DEFENSE PROGRAMS?

I am a strong supporter of Operations Research and Systems Analysis and have had substantial experience with the conduct and results of such studies. I think in the present case, both the review and the position of the plaintiff suffer from over-professionalism. Choosing the best direction for our strategic forces involves a whole chain, or even a tree or graph, of processes, from alternative conceptions through analyses, program planning, etc. To make any single link stronger and more highly polished may contribute little to the overall strength of the chain. In medicine, the operation can be a brilliant success, but the patient may die if the diagnosis was wrong. There are many examples of disservice to the nation (and I believe to the profession) resulting from sophisticated OR techniques applied to shaky assumptions, with further simplifying and constraining assumptions made to enable utilization of existing OR methods.

For instance, I have great regard for Alain Enthoven, with whom (and with whose systems analysis staff) I had frequent contact during his service in the Pentagon, but his comments in connection with "Guidelines . . ." and quoted in the New York Times of October 1, 1971, regarding his ". . . great difficulty in getting strictly scientific advice from the scientists and strictly military advice from the military . . ." reflect a serious misundertanding of the world and an attempt to pigeonhole an individual according to a label which may describe only a small fraction of his competence and experience. That one has once received a Ph.D. in physics or chemistry provides no basis for ignoring the competence and judgment which may have been acquired through decades of management and decision-making in technical/military fields.

Furthermore, in my experience a prime deficiency of defense-oriented OR/SA arises from excessive depth of analysis of a single or few alternatives, with complete neglect of other possibilities, which may have been less attractive to the military services and which systems analysts may not have invented for themselves. For instance, it is clear that at the time of the C–5 analysis from the Office of the Assistant Secretary of Defense, Systems Analysis, alternatives such as the fast-deployment logistic ship (FDL) should have been considered from the first. Similarly, for years analyses were made regarding the effectiveness of different mixes of ASW forces, to the almost complete neglect of mines. Other examples are detailed analyses as to the relative merits of different kinds of radar for blind bombing, to the total neglect of bombing by accurate navigation. In my experience, these major alternatives to proposed programs, as well as revelations of previously unremarked deficiencies of the proposed programs, have often come from physical scientists.

I think that individuals in the Congress want to hear judgments from those they respect, and that it does a disservice for a scientist with long experience in military technology and strategy not to give the Congress the benefit of his best judgment. If I were a Congressman, I would far rather trust an honest personal analysis than the product of a bureaucracy, since we are all too familiar with the suppression of information which has been practiced by almost every administration, and with testimony by official spokesmen which neither represents the point of view of the individual nor is in accordance with the facts at his disposal. In concentrating on the analysis of the DOD Safeguard proposals, the ORSA *Ad Hoc* Committee begs the question of the validity of the assumptions involved, both technical and strategic. Perhaps because of the mode of initiation of the investigation, the ORSA report ignores certain readily verified misstatements of fact; e.g., information presented by DDR&E to the Senate Committee on Foreign Relations to the effect that he had discussed Safeguard with the President's Science Advisory Committee before the decision, when in fact he had only brought it to PSAC on March 17, 1969, after the announcement by President Nixon on March 14, 1969.

### IS THE "GUIDELINES . . ." VERDICT ON RATHJENS ET AL. JUSTIFIED?

The body of "Guidelines . . .", though innocuous, is somewhat peripheral to the investigation of the *ad hoc* committee, being oriented toward the client-analyst relationship and not addressing some of the important questions which it raises (page 1134.2[*]—"An analyst who wishes to disagree publicly with a client is placed in a difficult ethical position . . ."). Appendix III is the troublesome part of the volume. The difference between the results of Wohlstetter and those of Rathjens, Wiesner, and Panofsky are largely due to three points of disagreement:

1. the military utility of reprogramming ICBMs to replace failures before launch or during flight,

2. the feasibility of simultaneous missile attack on US ICBMs and bombers, and

3. the robustness of the Safeguard system; i.e., the range of enemy force levels over which it would (a) be necessary and (b) contribute substantially to the goal of preserving a specified number of Minutemen.

1. With regard to reprogramming a missile force to compensate for those missiles unready to launch, for failure during launch, and for failures after launch, there is no doubt that it is feasible in principle to do this. As Dr. John S. Foster, DDR&E, has stated, such a proposal was made for Minuteman, under the program name TAPS, but was rejected. In fact, the technical feasibility or reprogramming depends upon the details of the MIRV system, and on the availability of a reliable and adequate communications and computing system for assigning reserve missiles to replace those which have failed. For instance, it is perfectly possible that a particular MIRV design requires mechanical readjustments for retargeting, and that unlike our current Minuteman missiles, the SS–9 might have the capability to attack only a single set of three targets without hours-long readjustments and verification.

Even should an SS–9 be able to accept designation of a new target or new set of targets via electrical signals from the outside, its guidance mechanism might be such that not only the target coordinates (and, of course, its own fixed silo coordinates) but also the desired flight profile might have to be computed and transmitted to the missile. This flight profile would be dependent upon the particular target complex and on the reserved silo location. Either one might have to compute some hundreds of trajectories within a few seconds or to choose among very many precomputed and prefiled trajectories. Some of these questions as to nature of the MIRV implementation are amenable to observation and analysis. Consideration of these technical difficulties, I suppose, led Panofsky, Rathjens, and Wiesner to judge that the USSR would not rely on reprogramming for a first-strike capability against Minuteman. My own judgment is that if I were the USSR and were attempting to achieve a first-strike capability against Minuteman, I would require a force which would put two warheads on each Minuteman silo, in order that an adequate kill probability might be obtained without the complex communication, computation, and control problem involved in reprogramming. This technical-military judgment deserves more than misstatement and dismissal. The *ad hoc* committee (page 1200.7, ". . . finds no basis for Foster's statement that the book [Chayes-Wiesner] suggests that half of the silos should be attacked twice rather then [sic] all of them once . . .").

2. The *ad hoc* study ("Guidelines . . ." pages 1215–1217) takes Wiesner and particularly Panofsky to task for noting that an SLBM attack on bombers gives Minuteman at least 30 minutes firm warning of ICBM attack, and an ICBM attack on Minuteman (since we shall know of the launch of ICBM's) gives additional warning time to allow the bombers to be flushed. This simultaneous launch of ICBMs and SLBMs minimizes the time available for US decision. Thus, the bombers would be flushed when our sensors detected launch of a vast number of Soviet ICBMs. Our capabilities for detecting Soviet ICBM launch in the Safeguard timeframe will be extremely reliable, and although the bombers can return to base if the missiles do not impact in the United States half an hour later, this would be a most unlikely eventuality. So long as the bombers have reasonable assured-destruction capability, we need not energize a capability to launch Minuteman on firm warning of ICBM launch. Should SLBMs be launched against the bombers, this launch will also be detected, some bombers flushed, but the detonation of nuclear warheads near the air bases will then give confirmation and hard information upon which to base the launch of Minuteman. So goes Panofsky's argument

The *ad hoc* committee quotes DDR&E's answer in 1970 that the SLBM can be used not only to attack our bombers but also simultaneously to attack the Minuteman force *and to prevent the launch of Minuteman*. Both blast effects on the Minuteman in flight through the atmosphere and X-ray effects on the upper stages outside the atmosphere should be considered in setting a maximum separation in time and space for such an attack to be an effective means of pinning down the Minuteman force. It needs only a single Y-class submarine outside of firing position or unable to fire to cause such an attack to fail, if it were otherwise feasible. The command-and-control problems in coordinating such a simultaneous attack by submarines are very difficult, as is reprogramming from boat to boat for failures during launch. I think the "Guidelines . . ." has it backwards in stating (page 1216) "Those who wish to challenge the possibility of a pindown attack by the Soviets must treat *all* reasonable tactics that might lead to pindown, and demonstrate that *none* of them will succeed." Not one reasonable tactic was proposed during the discussion, and to analyze all unreasonable tactics obviously requires resources even beyond those of the Department of Defense.

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[*] The reference "1134.x" means page 1134, at a point approximately x tenths of the way down the page.

3. The questions of robustness of the proposed Safeguard system is an important one. Below a certain numerical offensive force level, Safeguard is obviously not needed to insure the survival of a minimum number of Minutemen. There is some number of SS–9's in the Soviet force which clearly overwhelm Safeguard so that it can no longer ensure that the minimum number of Minutemen survive. If the difference between these two offensive force levels should be small, say 10%, it would be very difficult for the Soviet Union, even if they wanted to, to build a force which would fall precisely into the range where Safeguard would be of some value to the U.S. Indeed, that is the case, not only because the Soviet Union can use the SS–9 multiple warheads, if it so wishes, to destroy the two Safeguard radars which defend any Minuteman at all, but the Soviet Union can use also some of the many SS–11's or could build some SS–13's, or could allocate some of the vast number of SLBMs (which are supposed to be useful during a pindown attack) actually to destroy the two MSR radars without which Safeguard is useless in defending Minuteman. For instance, "Guidelines . . ." on page 1235.3 states:

"However, the opponents failed to treat the issue adequately and fairly on two counts:

"(a) They failed to discuss adequately efficient means by which the United States could expand Safeguard to restore the desired level of effectiveness.

"(b) They failed to discuss adequately the difficulties and costs the Soviets would encounter in implementing some of their proposed means of 'cheaply' overcoming the defense.

"One of their proposals was to use the SS–11s for attacks against the radars in order to exhaust the interceptor stockpiles. . . ."

The text goes on to say that the SS–11s are not a "free good," etc., etc. The criticism misses the point. It is up to the *proponents* of Safeguard as well to face these issues squarely. Furthermore, in the same way that Secretary Packard stated that the SS–9 has the capability of transporting three 5-megaton independently-targeted warheads, the SS–11 has the capability of carrying several radar-busting warheads; and a very few SS–9s, if they make use of the technology which we already have in Minuteman III or Poseidon, could be fitted with very many warheads and could do this job as well. In considering the cost of destroying Safeguard, the *ad hoc* committee should use as a reference the cost of the SS–9 force which is supposed by DDR&E to have been built especially for first-strike attack on Minuteman.

It is precisely the question whether Safeguard *as proposed* is effective against the threat which is important to the Congress. We are not talking about *development* of a technology of uncertain cost. The question was one of authorizing deployment and paying the bill. If a mountain climber is sold a 200 foot rope for making a 300 foot descent, he has every right to feel cheated, although the technology is such that paying more would have bought a system adequate to the task. Indeed, Panofsky and others claimed that for the Minuteman defense role an expansion of Safeguard would not acceptably meet the threat but that a less expensive, more tailored "hard-point" defense would be possible. I think that it must be admitted that the Department of Defense has now come to the same view, and I believe that they would have reached this conclusion several years earlier had they not been committed to selling the deployment of Sentinel-Safeguard technology.

### THE AD HOC STUDY IS GUILTY OF THE SAME FAULTS OF WHICH IT ACCUSES OTHERS

While chastising Wiesner, et al, for unsubstantiated statements, "Guidelines . . ." speaks *ex cathedra* as follows (pages 1222 ff):

"(5) Suggestion of Impractical Alternatives

"Several examples are found in the record of the debate, including the following:

"(a) *The proposal to launch Minuteman on warning.* The possibility of preventing the destruction of substantial parts of the Minuteman force by merely launching it on the basis of warning of an impending attack, has been proposed by, among others, Wiesner and Weinberg in the Chayes-Wiesner book.

"(b) *Armed air alert . . .*

"(c) *The proposal to disperse B–52s widely to airports including those commercial airports near large cities* . . . would appear to create conditions conductive to nuclear accident that are more serious than those of the proposal to deploy ABM sites near cities, which created public opposition to the Sentinel System.

"(d) *Launching Minuteman. . . .*"

I can find no further discussion in the study on (a), the proposal to launch Minuteman on warning. I see no reason to regard this as "impractical". The hardware capability is easy to obtain, in comparison with the capability to reprogram missiles to account for failed missiles. Such a capability need be energized only if numbers and dispositions of Soviet submarines, numbers and accuracies of MIRVs, etc. appear to give the USSR the possibility of having a first-strike force. Moving at that time to a launch-on-warning posture (by which I mean a launch on *verified* warning, perhaps including the observation of actual nuclear weapons explosions in the Minuteman fields or at air bases) could be an effective deterrent to a first-strike on Minuteman fields. Why does the *ad hoc* committee regard this as impractical, so impractical that they give no analysis or reason for their views? In any case, in order to contemplate a strike against Minuteman, the USSR would have to be confident that we would *not* launch Minuteman on warning. I don't see how the USSR could ever obtain such confidence.

As for (c), surely the committee knows that it is quite feasible to produce nuclear weapons which can give no nuclear yield at all until a special code is set into the weapon during the flight of the aircraft. Such safety locks are widely deployed on US nuclear weapons abroad. Furthermore, weapons containing only uranium 235 and thermonuclear fuel need not constitute a radiation hazard following an aircraft crash or other accident. If this is the strongest criticism the *ad hoc* committee could make against this proposal of dispersal, the proposal should be reexamined.

### "GUIDELINES . . ." NOTES THAT THE ADMINISTRATION APPEARS TO HAVE AVOIDED THE BASIC ISSUES IN THE ANALYSIS OF DEFENSES

The report, pages 1236.2 to 1237.5 at the end of Appendix III, finally gets down to te fundamental issues, noting that:

"Except for Foster's statements in his May 12 speech, the Administration appears to have avoided addressing the basic issue in the analysis of defenses—how easily can they be countered and what must we do if the opponent attempts to do so?

"If this principle is accepted, an argument that Minuteman must be defended (by Safeguard or any other defensive system) against a heavy Soviet SS–9 attack cannot be conclusive, unless, as a minimum, it shows that:

"(i) The undefended Minuteman survivors as well as all other surviving U.S. strike forces will not suffice to present a believable and adequate second-strike force, and,

"(ii) When Minuteman is defended, the total surviving U.S. strike force is sufficient to inflict unacceptable damage on the Soviets.

"Even such an argument does not suffice to demonstrate conclusively that Minuteman should be defended. It merely provides (if accomplished) an existence proof of one possible procedure to employ for preserving the credibility of the U.S. deterrent posture. Whether there exists some other procedure that may be superior has not been discussed definitely in the same context as the pro and con Safeguard arguments. . . .

"The failure of this public exchange of views to deal with this question, whether in conformity with the wishes of the Executive or Legislative branches of the government, is a basic failure to deal with a most fundamental issue."

These fundamental questions were touched on repeatedly by Wiesner, Weinberg, Rathjens, and Panofsky. I believe it is demeaning to the operations research profession for its Society to support the publication of Appendix III, 61 pages of detailed criticism of the actions of individuals ". . . all public-spirited men who gave generously of their time in performing extensive analyses and presenting them without remuneration to Congress. We owe them all a debt of gratitude that must not be obscured by any flaws to which this report calls attention. . . ." (page 1124), while devoting less than two pages (pages 1236.1 to 1237.5) to a brief statement pointing out that the Administration avoided addressing the basic issue.

### THE FINAL PRESCRIPTION OF "GUIDELINES . . ." FOR THE CONDUCT OF SUCH A DEBATE IS DEFECTIVE

Finally, Appendix III ends with the following topic, which I have read and re-read (page 1237):

*"C. Logical deficiencies of the debate*

"It is disturbing that the following simple logical approach was not stated or followed by both sides of this debate.

"The proponents of the ABM should show that there exists a reasonable set of future circumstances for which the ABM is desirable. The opponents must show that for *all* reasonable sets of future conditions the ABM is undesirable. Desirability in both cases should be represented in terms of cost-effectiveness or cost-benefits. The postulation of a particular set of future conditions for which the ABM is undesirable cannot show that the program should not be pursued."

Try as I have, I cannot make sense out of this conclusion to the study. Certainly it is the number and fraction of the circumstances which count. Although insurance against damage to one's automobile certainly would be desirable for some sets of future circumstances, it is the cost of that insurance, the probability of being repaid, and the probability of those future circumstances which should determine the decision. In the ABM problem, one is not building a defense against random future circumstances. The question is whether the opponent can react at what he judges a reasonable cost to predictably negate the effectiveness of the ABM. The last sentence of this conclusion is a statement of principle, it has nothing to do with the cost of the USSR reaction. I read it as stating that even if the opponents had shown how the USSR could readily react to negate the ABM (rendering the ABM undesirable in that particular set of future conditions), this would not show that the program should not be pursued!

Note that Appendix III (although not refereed" in the usual sense) according to Appendix IV, pages 1257 and 1258, has been through extensive review. Furthermore, in the

Foreword (page 1124.4) the President of the ORSA, speaking of the reservations of five members of the Council (pages 1255–56) that the report should have been refereed, notes that this reservation is "specious." Perhaps the members of the Society will see more sense in this concluding proclamation than I do, and perhaps in any case it might not have been caught by the referee, but one hopes that it might have.

### CONCLUSION

I support the views of the five Council members (pages 1255–56) who feel strongly that "the *Society* itself should not take on the quasi-judicial function of investigating and reporting on professional behavior of individuals." I think that the appendices to "Guidelines . . ." raise far more questions than they answer and, with the exception of pages 1236.2 to 1237.5 (already discussed above) in concentrating on the detailed analysis of one aspect of the decision, compound the failure with which they charge the Administration, namely of avoiding the basic issues. I regret very much these actions of the ORSA Council majority. Now that ORSA has established the precedent of quasi-judicial analysis of the performance of individuals, is it out of the question to ask for a Council-appointed committee to criticize the content of Appendix III? I find it to be full of those faults for which it criticizes others, both in its conduct and its content. I think that it is now up to the Society to decide whether it wants to make such quasi-judicial reviews widely available, or whether it wants specifically to disown this one. I think that the appendices cannot be allowed to stand as a member-initiated, Society-published attack on individuals who are not members of the Society or of the "profession."

Sincerely yours,

RICHARD L. GARWIN,
*Yorktown Heights, N.Y.*

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## STETSON UNIVERSITY MODEL SENATE

Mr. CHILES. Mr. President, this weekend I have the privilege of participating in a unique program at Stetson University in DeLand, Fla., along with the distinguished Senator from West Virginia (Mr. BYRD), and the distinguished Representative from Florida (Mr. CHAPPELL).

The event is a model senate program that a group of students at Stetson have put together with the support and help of the school's administration. The model senate has been organized along the same lines as the U.S. Senate, including committees, party caucuses, and other structural and procedural parallels. From 50 university and colleges around the United States come 100 students to comprise this senate, to perform the role of Senators, to have learning experiences that they can take back to their schools.

It is my understanding that during the 4 days of the model senate, which started yesterday and will continue through Sunday, bills will be introduced, committees will consider them, and then there will be floor debate and final passage. In fact, they intend to take up matters such as those presently in the U.S. Senate, including the nominations to the Supreme Court.

I am looking forward eagerly to the opportunity to visit with and speak to these young people tomorrow evening on the Stetson campus. Though still in my first year in the Senate I hope to be able to provide them with some understanding and knowledge of the workings of this body and that it will benefit them and the Senate.

I wish to commend and thank the distinguished Senator from West Virginia for recognizing the value of this program and for giving it the benefit of his experience and insight. I know it took a special effort for him to make time for it.

In addition, I should like to give recognition to Dr. John E. Johns, president of Stetson; Dr. T. Wayne Bailey, professor and chairman of the political science department; Dr. Gary L. Maris; and Edward Wilde, all of whom have supported the model senate program.

Most of all, I wish to commend and congratulate the students who are responsible for putting the entire program together—John M. Fraser, Miami, chairman; Sandy McClelland, Vero Beach; Linda M. Matthlesen, Jacksonville; Army Lee Garrison, Tampa; Debbie Ervin, Jacksonville; Nancy Taylor, Jacksonville; Carol D. Ferguson, Miami; Donald Wilson, Bartow; Betty Burnett, Jacksonville; John Grubbs, Boynton Beach; Al Wills, Jacksonville; and Kathleen Kimbrough, Lancaster, N.Y.

Mr. President, I make this statement today in order that Members of Congress will be aware of the effort put forth by Stetson University and its students to broaden the understanding of our governmental process, which is so vital to the future of the Nation.

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## ANNIVERSARY OF ANTI-DEFAMATION LEAGUE OF B'NAI B'RITH ROCKY MOUNTAIN STATES OFFICES

Mr. ALLOTT. Mr. President, just 30 years ago the United States entered the Second World War, thereby putting its vast reserves of idealism into the fight against some of the most ruthless tyrannies ever to deface the earth.

And 30 years ago, on the homefront, a group of determined soldiers in the timeless war for democratic ideals formed an organization which is now entering its fourth decade of good health and noble service to the country.

On November 2, in Denver, the Mountain States Regional Offices of the Anti-Defamation League of B'nai B'rith observed its 30th anniversary. It was a proud moment for the ADL, and a moment in which all residents of the region could give quiet thanks for their good fortune in having such a public spirited organization at work for a better America.

The ADL's record of achievement in the Mountain States region is simply astonishing. This record has been recounted and praised in numerous news stories on the occasion of the 30th anniversary. So that all Senators can examine this inspiring record, I ask unanimous consent to have printed in the RECORD five articles and editorials published in the Intermountain Jewish News, the Denver Post, and the Rocky Mountain News.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From Intermountain Jewish News, Oct 29, 1971]

### ADL—30 YEARS OF ACHIEVEMENT

Possibly the most integral unit of our Denver Jewish community is the Anti-Defamation League of B'nai B'rith. It is such a vital part that most of us automatically take it for granted and forget that without ADL our community would not have made the strides it has in social justice.

The Mountain States ADL office opened its doors thirty years ago and in those three short decades it has fought prejudice and intolerance and preserved our democratic heritage.

Colorado had already experienced a period of racial turbulence. The '20's witnessed a revival of the mass terror of the Ku Klux Klan, whose avowed purpose was to keep Jews, Catholics and immigrants subjugated under a "white supremacy" rule.

Denverites recall only too vividly the Klan-infested city, county and state government, and remember the "gentlemen's agreements" and "restrictive covenants" which were found in clubs, neighborhoods and business relationships.

As the Hitler poison seeped into the blood stream of America, the national ADL, which had begun in 1913, assumed an even more important role. Through undercover work, several Nazi agents were discovered and in Denver there was close cooperation between the ADL, Volunteer Committee of B'nai B'rith, the Denver Police and the Intelligence Division of the armed services in the Denver area.

A thorn in the side of the ADL was the strong chapter of the America First Committee. Although it officially opposed anti-Semitism, a number of known anti-Semites were within its membership. Then came the arrival of the racist Gerald L. K. Smith, and with the hate peddlers operating in Denver, he drew over 10,000 people to his week long meeting at the city auditorium.

Justice made a great stride forward in 1947 when mayoral candidate Quigg Newton proposed a city commission on human relations to deal with Denver's problems. Following his election the city was shocked at the results of a DU opinion research survey sponsored by the ADL, which revealed the poor record of advancement from the KKK days.

Educational programs stressing fair employment practices, fair housing bills, public accommodations, educational discrimination have been a major point with the ADL.

What has the ADL done? A quick look at some of the activities throughout the years is all that is necessary to make one realize the need for the ADL. In brief:

Spearheaded educational campaign pointing up the need for federal civil rights legislation in 1964, and voting rights legislation in 1965.

Initiated historic Catholic-Jewish dialogues at Regis College.

Participated in the first Conference on Race and Religion and formated new Religious Council on Human Relations for Metro Denver.

Publicly exposed extremist and bigoted supporters during the third party campaign in 1968.

Provides staff services for Mid-East Public Information Committee to coordinate support for a balanced, even-handed approach to peace in the Middle East, based upon democratic Israel's right to exist, maintenance of the balance of power as a deterrent to war, awareness of the fundamental issues and direct negotiations between the parties to the conflict.

Started Committee of Concern for Soviet Jewry.

Counteracts Arab propaganda groups on college campuses by providing accurate information on Mid-East issues.

Helped start the Metro Denver Housing Center.

Conducted vigorous educational campaign which has virtually eliminated resort discrimination (30% of resorts in three states in a 1955 study practiced discrimination.)

As not only ADL regional headquarters, but also as the recognized community relations agency for the Allied Jewish Council, the ADL is never content to rest on its past laurels, but keeps its eyes on the future.

There is a growing anxiety on the part of many, a feeling that the hard-won gains of recent years could erode. Anti-Semitism, while not at dangerous levels, is not dead, in many instances the virulent anti-Semitism of the Nazi days has only been replaced by a more sophisticated, subtle and elusive type, even though paradoxically openness towards Jews seem at an all-time high.

There is concern over public indifference to the diminishing American support for Israel, there is the current problem of support for Soviet Jewry, the alienation of many of our young from the established community and its institutions, community polarization, community and educational conflicts, civil liberties, the list of problems is endless.

Thirty years ago J. Harold Saks, now a national ADL officer, opened the local office. A series of capable directors, Rowena Tobias, Lou Sidman, Mickey Freed and Haskel Lazere were midwives as the struggling agency survived its birth pangs. For the last half of its growth, nearly 15 years, the Rocky Mountain Region has been fortunate to be under the guidance of one of the most capable and personable directors to be found anywhere, Sheldon Steinhauser.

Steinhauser is recognized not only as one of the area's most astute advocates for civil rights, justice and dignity for everyone, but has gained the respect of civic, educational and religious leaders for his forthright perseverance for justice and equality for every human being.

Standing solidly with him are Barbara Coopersmith, assistant director, and Howard Weinstein, community consultant, and the able members of the staff, Emmy Zamora and Chris Gunto.

The many achievements of the ADL could not be attained without the able lay leadership of the Executive Committee members, B'nai B'rith Women, youth leaders and Regional Board members.

To the ADL office and staff, we offer a hearty mazel tov on 30 years of progress and wish them all many more years of success in the struggle for the right of individuals.

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[From the Denver Post, Oct. 31, 1971]

### FIGHTERS AGAINST DISCRIMINATION

When the Mountain States Regional Office of the Anti-Defamation League of B'nai B'rith (ADL) was opened here on Nov. 2, 1941, Denver was considered by the ADL as "a center of orthodoxy" with a long way to go in the fields of human relations and minority rights.

Denver has come a long way in these areas since then and the ADL has been in the forefront of community efforts to make significant progress possible.

As the ADL's Mountain States office prepares to mark its 30th anniversary under its able and energetic director, Sheldon Steinhauser, it is reaffirming in 1971 the goals and aspirations it enunciated in 1941.

And these center on an ADL commitment that Steinhauser has expressed so effectively:

"It is a commitment to make certain that the full benefits of democracy are extended to all citizens and that no man should suffer discrimination because of race, creed or ancestry. It is a commitment to make real that dream of a nation which gives to bigotry no sanction and makes equality, opportunity and dignity every man's birthright."

We wish the ADL well in its continuing quest to make the American dream a reality.

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[From Rocky Mountain News, Nov. 2, 1971]

### THREE DECADES OF FIGHTING

On Tuesday the Mountain States Region of the Anti-Defamation League of B'nai B'rith will observe its 30th anniversary.

We have watched it develop since 1941 in its progressive and patient battles to erase discrimination—not only for the area's Jewry, but for other minorities. It seems a bit incredible, but even as recently as three years ago, some private clubs in the area excluded Jews. And it was only a decade ago that Jews were barred from some residential areas because of restrictive covenants.

Their battle was one experienced by most minorities in their fight for acceptance, for tolerance and for equality. In the prewar days the Jews of the area were fiercely under attack by bundists and anti-Semitic groups —some posing as religious leaders. ADL fought them in the open with words and logic.

There's a lesson in that patient opposition exemplified by people of Jewish background. For if there is a group of people cognizant of hatred, bigotry and denial of rights in thousands of years of history, it is the Jewish people.

ADL for 30 years in the area has shown the way. We congratulate the organization for its past triumphs and its push that helps make it possible to see some light at the end of the dark tunnel of discrimination.

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[From Rocky Mountain News, Oct. 31, 1971]

### DENVER-BASED ADL UNIT NEARS 30TH ANNIVERSARY

At the height of the youth revolution in the 1960's one modish admonition was "don't trust anyone over 30."

Yet as it approaches its 30th year, the Mountain States Region of the Anti-Defamation League of B'nai B'rith has proved itself increasingly trustworthy in its official determination to "translate democratic ideals into a way of life for all Americans," Jew and non-Jew alike.

The Denver-based unit, which marks its 30th anniversary Tuesday has persisted in this commitment when it was regarded as hopelessly idealistic in the distant past and as hopelessly outmoded more recently.

A leader in the struggle against restricted and segregated housing, resorts and social clubs in the 1950s and 1960s, the Mountain States ADL currently fights for school integration by "any means necessary," even though a sizable portion of the Jewish community complains when the necessary means is busing.

These are conclusions reached after conversations with ADL officials and Jewish community leaders and a review of the ADL's history in Denver.

In a day when minority groups are moving toward separate and often separatist positions, the ADL wins praise from Minoru Yasui, director of the Denver Commission on Community Relations, for its "continuing recognition that only broad-based coalitions can effect broadscale social change."

And in a day when "establishment" organizations often face calumny from youthful antagonists, the ADL also wins praise for its steadfast commitment to social action for the entire community from young Jews otherwise alienated from organized Jewish life.

#### CIVIL RIGHTS CONCERNS

Yet after more than a decade in which the civil rights of other minority groups seemed paramount, the Mountain States ADL in the 1970s is paying increasing attention to the more narrowly defined Jewish concerns which some critics say it has neglected in the past.

When Sheldon Steinhauser, director of the Mountain States ADL office, lists a current agenda of ADL concerns, the top items are of sectarian Jewish interest. The well-being of the state of Israel, the enabling of Soviet Jews to emigrate to Israel, the reaffirming of ties between younger and older Jewish generations and the welfare of the older, less affluent part of the Denver Jewish community around W. Colfax Avenue west of Federal Boulevard.

At least in part, these new priorities for the Rocky Mountain ADL are the purchase of success in community civil rights causes rather than the result of failure.

Some anti-Semitism may still exist, Steinhauser cites surveys showing one-third of the population still harboring "unfriendly attitudes toward Jews." But the blatant domestic anti-Semitism of yesteryear has faded. And the reluctance of many minority leaders to work closely with the ADL on current social justice issues is partially a measure of their new-found strength and determination to fight and win their own battles.

The new ADL emphasis on the concerns of the Jewish community also reflects a new feeling born of the Six-Day War in 1967.

"The war awakened a determined 'never again' feeling among Jews here in Denver and all over," said Steinhauser. "We were proud to be Jews, and the reluctance of most Christian clergy to support Israel made us aware that "if we were not for ourselves, who would be?' "

#### PURPOSE OF ORGANIZATION

This naturally gave rise to new ADL efforts to reinforce "the sense of Jewish peoplehood," in Steinhauser's phrase.

For all its various causes over the years, the ADL was originally established to resist "the defamation of the Jewish people."

The Mountain States offices was opened in 1941 to investigate and expose the "hate groups" which attached themselves to "legitimate isolationist groups," according to J. Harold Saks, the region's first director, now in ADL national headquarters in New York.

In cooperation with the Denver Police Department and various military intelligence units, the ADL infiltrated a number of these movements, such as the German-American Bund, only to find that much of their direction and financing came from Hitler's Germany, recalled Saks.

In its first years the ADL also concerned itself with indigenous anti-Semitism, such as the Englewood Tabernacle of Harvey Springer, who also "published the virulently anti-Semitic "Western Voice."

In the post-war era the ADL, as the first professionally staffed human relations organization in Denver, successfully encouraged Mayor Quigg Newton to appoint a human relations commission that has remained a Denver fixture.

In addition to its work for fair employment statutes, the ADL began a campaign in 1950 against "restrictive covenants" and "gentleman's agreements" which excluded Jews, blacks, Chicanos and Orientals from some of the city's better residential areas.

Some major builders changed their policies when the ADL publicized their allegedly discriminatory practices in 1955, according to Steinhauser. In 1959, Colorado was the first state to adopt comprehensive fair housing legislation.

The ADL also launched a campaign against resorts which discriminated against minority groups. A 1950 survey of Colorado resorts disclosed that over 50 per cent discriminated against Jews. But in 1960 such discrimination was virtually nil.

Besides its support for national civil rights efforts in the 1960s, the ADL also embarked on a major drive to eliminate discrimination in Denver social clubs.

#### LOBBYING FUNCTIONS

The effort climaxed early in 1969 when a group of state legislators refused to attend lobbying functions in the Denver Athletic

Club because of its refusal to admit minorities to membership. The DAC relented and most other clubs followed suit immediately.

Although often enmeshed in controversy, the ADL over the years has won generally high marks from spiritual leaders in the Jewish community, an informal poll of rabbis showed.

"I personally applaud the ADL's efforts to win equal rights for all groups," said Rabbi Earl Stone of Temple Emanuel. "I also like the ADL's preventative approach to problems rather than standing around waiting for a fire."

Rabbi Raymond Zwerin of Temple Sinai, president of the Rabbinical Council of Denver, spoke of "the great community respect for Steinhauser that makes the ADL go in Denver." He also said the ADL served "as the coordinating agency for the Jewish community in times of crisis" such as the Six-Day War.

Rabbi Norman Weitzner, director of the University of Colorado Hillel Foundation in Boulder, said the ADL had "made a great effort to reach out to the campus with speakers, films and educational material."

And Rabbi Harold Krantzler of Congregation Micah said he regarded the ADL's controversial civil rights efforts as "expressing the essence of the prophetic tradition of Judaism—to do justly."

In 1970 as part of its efforts to overcome the gap between Jewish generations, the ADL added high school youths to its executive committee. And appropriately enough the difference in student opinion highlighted the two different directions open to the ADL.

On the one hand there are those such as David Hutt, a graduate of South High School and now a Harvard freshman, who maintain that the ADL's future lies in broad-based community concerns.

Hutt emphasizes the "importance of applying the ethical lessons of Judaism to daily life—even to politics" over the "institutional Judaism" of Zionism, Jewish fraternities and Hillel on campus.

On the other hand, there are those such as Ian Gardenschwartz, now a University of Denver sophomore and president of American Students for Israel there, who insists that "Jewish problems must come first."

In its first 30 years the Mountain States ADL seems to have succeeded in its role of "anti-defamation." But now as it enters its second generation it is faced with the challenge of developing a program of "Jewish peoplehood" that does not abandon its traditional concern for the civil rights of all Americans.

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[From Denver Post, Oct. 24, 1971]

### ADL OFFICE 30 YEARS OLD

On Nov. 2, the Mountain States Regional Office of the Anti-Defamation League of B'nai B'rith (ADL) will be 30 years old.

The anniversary will be marked by a membership reception beginning at 8 p.m. at the home of Louis Degen, 32 Polo Club Circle.

Special guest will be Lee Schooler of Chicago, Ill., founding chairman of ADL's national Society of Fellows, a membership organization providing leadership support for the league's human relations program.

The reception will be sponsored by the local Society of Fellows.

According to Sheldon Steinhauser, regional director of ADL's Mountain States office in Denver, the goals and aspirations of the league are the same in 1971 as they were 30 years ago.

Steinhauser, who prepared a record of ADL's problems and achievements for the 30th anniversary year, said the league still is committed to making certain "that the full benefits of democracy are extended to all citizens and that no man should suffer discrimination because of race, creed or ancestry."

The national ADL was founded 68 years ago by Sigmund Livingston, an Illinois lawyer and scholar, who wanted an organized center to fight prejudice and intolerance and "answer the slanders and misconceptions then prevalent about Jews."

In 1941, when the Denver office was opened, Denver "was a center of orthodoxy" espousing a philosophy of "isolationism, conservatism and, in some quarters, overt anti-Semitism," according to Steinhauser's anniversary reports.

"Restrictive covenants and 'gentlemen's agreements' were used, causing the formation of racial and religious ghettos. In that period there was still much discrimination in hotels, resorts and restaurants. Equal employment opportunity was nonexisting. In the 1940s it was considered a great 'victory' when the Denver Tramway hired its first black driver," the report noted.

#### RESEARCH SURVEY

The ADL sponsored an opinion research survey through the University of Denver which pointed out the harm of the restrictive covenants.

It became the basis for a city ordinance establishing the Denver Commission on Human Relations under former Mayor Quigg Newton's administration, now called the Denver Commission on Community Relations.

ADL through the years has spearheaded public education campaigns leading to passage of fair employment practices legislation starting in 1947, and the first comprehensive state fair housing act in the nation, in Colorado, in 1959.

In 1957, the ADL led efforts to get the miscegenation statute repealed in Colorado.

#### OTHER ACTIONS

In the same period, ADL worked with educational organizations to eliminate the use of questions asking applicants at the University of Colorado their "race" or "religion," and state-supported and private schools followed suit.

Steinhauser, noting that the over-all achievement of Jews continues high, believes "there is a growing anxiety among adults over the future, a feeling that the hard-won gains of recent years could erode."

"The gutter type anti-Semite still epitomized in our area by the Aurora Nazis has become unfashionable, but has been replaced by the more sophisticated, subtle and elusive type," his reports noted.

The ADL is committed to ending bigotry and anti-Semitism, he said.

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## WILL YOUNG AMERICANS CONFOUND THE SKEPTICS?

Mr. CHURCH. Mr. President, the 26th amendment to the U.S. Constitution has extended the voting franchise to an estimated 11 million Americans, 18 to 21 years of age.

There has ensued differing views as to whether these young Americans will actually both register and vote, thereby providing a meaningful translation to the latest constitutional amendment.

Senator EDWARD M. KENNEDY has appeared before the Harvard Law School Forum to discuss the impact of these millions of potential new voters. Count your victories, not your defeats and keep pressing forward, Senator KENNEDY advises young people. He asks them to confound the skeptics who say that young Americans are too indifferent to vote in effective numbers.

At one point Senator KENNEDY, addressing the young, says:

> And you have leverage they (the young of the 1960s) never had. You will be full partners in society every November from now on. In addition to your time, hands, voices, skills, hearts and minds, you have votes. It would be a national tragedy if that resource were wasted. It would be shameful if you made the Scammon and Watterberg prophesies come true, if you let the politicians travel the safe middle-ground to victory. For if they are to govern well, they need to be forced out of their safe harbours and into the storms that challenge the ship-of-state.

Mr. President, I ask unanimous consent that the text of Senator KENNEDY's challenging speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### SPEECH BY SENATOR EDWARD M. KENNEDY BEFORE THE HARVARD LAW SCHOOL FORUM—SEPTEMBER 27, 1971

We meet tonight at the threshold of a new school year. It is a time for looking back, to draw lessons from the past twelve months. It is a time for looking forward, to think about what the next twelve months can mean.

One year from tonight, of course, the nation will be locked in its quadrennial electoral duel. The White House, the Congress, the State Houses, and thousands of other offices will be the prizes. So this is a particularly appropriate point to talk about how to prepare for that time and what your role will be.

The experience of the past year is not encouraging. We can be thankful that there was less group violence and less wanton destruction on campus, even though violence on the streets and in prisons did not abate. Yet as the few on the fringe turned away from their excesses, the many turned off altogether. The mood on most campuses was uncomfortably reminiscent of the silent generation of the '50's.

Those of us who visited and saw you returning to your books and your guitars, spending long hours in the Brattle and the Busch-Reisinger, disappearing to Mt. Holyoke and Stowe, saw the scene we had known as students here. And we were puzzled. We asked each other the obvious question: Can this be the same generation that brought down one President and, but for fate, might have elected its own candidate in 1968? Can this be the generation which through teach-ins and marches and speeches and mass gatherings brought the majority of Americans to oppose the war? Can this be the same generation that felt and expressed such outrage over Kent State and Jackson State? Can this be the same generation that was in the vanguard of the battles against pollution, against Carswell, and against the SST?

We reassured each other that somewhere in your hearts and souls the fire was still burning, but we came and surveyed the silence, and we said, it's just too quiet around here.

We heard many explanations for what Kingman Brewster so aptly termed your "eerie tranquillity". They went like this:

You had spend all your energies and emotions on the enormous outpouring of feeling after Cambodia, Kent State, and Jackson State, and you were disappointed and despairing at what you saw as the failure of your massive efforts.

Th agonizingly slow, but undeniable withdrawal of Americans from Indochina had defused the war issue, and the lower draft calls had, to put it plainly, taken the heat off you as individuals.

The economic slump and high unemployment were driving you to concentrate on private concerns, on earning enough for tuition and expenses, competing for scholarships and graduate schools and summer jobs and permanent employment.

The concentrated and vigorous efforts of the Administration to ignore and insult, to investigate and incarcerate its opponents, especially the young ones, had begun to take its toll. You had watched as the President rejected the call of the Scranton Commission for reconciling leadership, as he fired the only Cabinet member who dared to suggest that the President listen to youth, and as he based a national campaign on making voters fear and hate their children. You had learned how the government sent agents to spy on ecology rallies and arrogated to itself the power, unchecked by any court, to listen to telephone conversations of dissenters. You saw it combat the lawlessness of Mayday with its own lawlessness, unconstitutional mass arrests and detention of guilty and innocent alike. You read of its attempt to resuscitate that throwback to McCarthyism, the Subversive Activities Control Board. And most disheartening, you saw its Justice Department—which has no compunctions about dragging dozens of young people before grand juries investigating anti-war activities or Daniel Ellsberg—refuse even to convene a grand jury to investigate the killings of four unarmed students protesting the invasion of Cambodia. And so you learned the lesson that the squeaking hinge, instead of being oiled, gets harassed, or prosecuted, or even shot.

Like the rest of us, your expectations had been lowered—we were told—and your threshold of outrage raised: After Carswell any candidate who was not a racist looked good; after Cambodia, the Laos "incursion" hardly excited anyone; next to John Mitchell, John Connally looked like a saint.

Finally, a tremendous bone had been thrown to you that might have satisfied your appetite for battle. Despite the opposition of the Administration, a determined effort in the Congress had made the 18 year old vote a legal reality. All of you had become men and women, not just "kids", in the eyes of the law, and that had altered your own view of your role between elections.

Those were some of the explanations for the quiescence on campus last year. But are they acceptable reasons for silence? I think not.

The massive but brief outpouring of participation at the time of the Cambodian invasion earned no one a permanent ticket as a spectator thereafter. Moreover, I think you underrate your own impact if you think you failed in that encounter. Of course, you did not achieve passage of the End-the-War Amendment. That was a goal worth striving towards, but you all knew it was unlikely to be achieved in a few weeks or months.

Yet you did, after all, secure a termination date for participation of American troops in the Cambodian adventure; you did help with passage of the Cooper-Church Amendment; you did keep American troops out of Laos. You also forced the President to dilute the rhetoric of war and much of the inflammatory jungoism that goes with it. And beyond that, in those few weeks in May of 1970, for the first time you broke through the barrier that separates many Congressmen from the people: you made them sit down face to face and listen to you; you changed a few minds, but more importantly you changed the rules of the game, and made citizen lobbying on vital issues a more viable, more effective tool.

Yet, despite these accomplishments, the war in Indochina remains a monstrous outrage. The real effects of the partial American withdrawal are far from enough to justify anyone's silence. One-third of those killed in Vietnam have been killed since a man came to the White House who said he had a plan to end the war. In fact, we have only changed the color of the bodies in Indochina as we "widen down" the war. The total of U.S. and South Vietnamese military men killed in each of the first two quarters of 1971 was still higher than in any quarter before the TET offensive. Still bombs fall on villages; still their inhabitants become homeless refugees; still the toll of civilian casualties mounts in Vietnam, Laos, and Cambodia.

And our policy continues to be based on the same kind of double-think that characterized our escalation and the Cambodian invasion. This Sunday will bring the charade of the Vietnamese presidential "election". Securing the right of the Vietnamese people to have a free choice of governments is what keeps us there we had been told. Now that it is clear that the existing government will frustrate that goal, we are told we must stay to protect the present government from being ousted. Thus the choice seems to be between giving up our goal and maintaining our presence, or giving up our presence and perhaps obtaining our goal. Faced with this choice, the President will undoubtedly choose presence over principle, so the war goes on.

The lowered draft calls, too, are little reason to rejoice or to slip into quiescence. Just as it is unacceptable if we merely substitute Asian blood for American, it is no better if we merely substitute someone else's American blood for our own. It is a selfish and shallow activism which can be bought off with a high lottery number while the killing goes on. Even if only one American boy each month is forced to go eight thousand miles to kill or be killed among an enemy he does not hate, in a war without reason, in a place we have ravished and ruined, no American of conscience can stand silent.

The recession, of course, does place very real economic pressures on many of you and your parents. But is that a reason to relent in the struggle for social justice? For the same economic forces which you feel strike a magnified blow at those who suffer most from society's ills.

Certainly there is no justification, despite the understandable mental and emotional exhaustion, for surrender to the gross Administration efforts to cajole and bludgeon you into submission. For one thing, any evidence of success encourages more such efforts. Besides, while the silencing of the messengers and advocates of truth does nothing to change the truth, it leaves the market place of ideas to those who want us to hear only good news, and truth gets lost in the shuffle.

Finally, the 18 year old vote. I shall have more to say about what is *can* be, but surely it *cannot* be a reason for complaisance. The passage of the 26th Amendment in itself changed nothing. It gives you bare rights, rights which are empty if they are not exercised. It gives you a voice, but a voice which will not be heeded unless it is heard. It gives you status, status which without use, merely adds inertia to the status quo.

So I, for one, cannot accept Time magazine's description of this past year as the "cooling of America". The anesthetizing of America—perhaps, but as William Shannon said in the New York Times, "this surface quiescence is more the apathy of the alienated than the concurrence of the reconciled."

Until there is some just cause for the concurrence of the reconciled, I say the alienated cannot afford to be apathetic. For your own apathy will surely nourish the forces that alienate you.

Richard Nixon lives in a Skinner box. He responds only to rewards and punishments that his senses can appreciate. Your silence is not neutral in his environment; it counts distinctly as pleasure. And this reinforces the rewards he gets from his own narrow constituency whenever he appeals to their basest instincts and panders to their prejudices.

If silence is unacceptable, what is the alternative?

Almost exactly a year ago, I spoke on another campus across the Charles, and I warned against destructive violence and physical coercion, against rioting, burning, occupying, bombing, and trashing, against those who seek change by the threat or use of force. Those warnings stand today. You can break the silence without breaking the peace. You can draw the lines not only between proper and improper tactics of change, but also between better and worse ones.

Last spring's Washington demonstrations provided a vivid example. On April 24, a quarter million Americans massed at the Capitol to plead for peace. It was a peaceful and calm and lawful assembly. It was not very exciting, except for the excitement of the impressive showing, but it was impressive. The President could insist that he would not be moved, but he could not ignore the fact that no pro-war rally in Washington had ever attracted one-tenth of the crowd. Members of Congress, no matter how far away they were on that sunny Saturday, still felt the presence of that mass of people when they returned on Monday. Then came Mayday itself. No one even remembers what the issues or demands of the demonstrators were, because the substance of the event was swallowed up in the debate over the procedures. As expected, the authorities were poorly prepared and their response was guided by political considerations, producing massive violations of Constitutional mandates.

Thus those of us who might have been spending our energies on the real issues had to invest our time and credibility in the difficult and complex issues of Mayday itself. The outcome was a draw at best. The courts vindicated the claims of denial of rights. Thousands of cases—at least 90% of all cases—were thrown out of court or dropped, and the police quietly admitted the need for significant changes in procedures. But at the same time, the nation's super police chief, Mr. Mitchell, was advising cities all over the country to do exactly what he had done, somehow overlooking such obstacles as the Constitution and the courts. If April 24th impressed some people and reassured others that the anti-war movement was alive and well, Mayday was about as constructive as the Madison bombing. And when I think of the organization, time, and money, that went into the planning of Mayday and what it might have meant to a lobbying, or registration, or election effort, I wonder what kind of minds are setting the priorities for the activists.

I must admit that our society's habits could certainly push a planner to the belief that only some spectacular event, or some national tragedy, or some drastic confrontation, leads to progress. For we have seen too many instances of national attention and national action proceeding from crisis to crisis, and lapsing in the absence of crisis.

Occasionally the crises beget results. It took the traumatic Southern confrontations in the early 60's to get us really started repairing centuries of institutionalized racism. Not until the tragedies of Selma would we pass a comprehensive, effective voting rights bill. It required one assassin's bullets to propel the Fair Housing Act to passage, and another's to make us adopt even minimal national gun controls. Effective mine safety legislation waited on tragic mine disasters. Urban air pollution controls came after a near catastrophe in our largest city. Attention to airport procedures came only after a giant airliner with 200 aboard nearly crashed in San Franciso on take-off from too short a runway. It took TET to shock us into reality in Vietnam, and Kent State to generate interest in National Guard training and field procedures.

More often, the traumas bring great splashes of attention, symbolic responses, but no real action. The riots of '65–'67 led to the Kerner Commission, which told us we were a racist society paying too little attention to basic social inequities. By the time it reported, the nation's attention was directed to other problems, and the Kerner warnings went largely unheeded. The tragedies of 1968 produced still another blue-ribbon study, the Eisenhower Commission. Its report, and especially its demand for still stronger gun controls, fell on deaf ears. Kent State and Jackson State brought forth a third Commission, Governor Scranton's. Its message was drowned out in the honkings of the Administration's Clarabelle.

So, too, with prison reform. There was a spate of prison riots in the 50's, and for a while the handling of such uprisings and the deeper issue of correctional reform came to the forefront of public and official concern. In a few states and at the federal level, progress followed, but elsewhere prison and jail conditions remained primitive. Most of the new state institutions continued to be built in rural areas, as Attica had been, both to gain the support of rural legislators and because it was easier to get "good guards" (which meant white guards) for low wages out in the farm areas. Anyone who bothered to look a year ago would have seen that in most of these institutions there was an unstable equilibrium—poorly trained, unsympathetic, all-white guard forces managing increasingly assertive, largely black prison populations. There was ample power to change.

The State of New York—which purports to follow fair employment practices—could have integrated the Attica guard force in a matter of days. Under the U.S. Justice Department's own rules, the Federal government should have required staff integration before it poured millions of federal dollars into the New York prison system and into Attica itself.

If either the State or the United States had just taken that one step, the likelihood of a riot at Attica would have been drastically reduced. But that basic step wasn't taken by anyone. It will be taken, now that 42 people have been killed. So will many other steps. But soon our focus will be elsewhere, and most probably prison reform and the total correctional reform that must go with it, will return to the back burner. The governors and the governed will realize that real reform requires hard choices and more resources, and until another catastrophe, the impetus to make those choices and devote those resources will be lacking, for prison reform has no continuing constituency. And the catastrophe will come, because the problems remain.

I dwell on this phenomenon because it helps suggest the nature of the more effective alternatives to silence. Which are the problems that get prompt and real responses even without traumatic stimuli? Which problems receive official attention even when the media have no dramatic event to help capture public consciousness? Or more relevantly, whose problems are these? Certainly they are not the problems of the poor, or the deprived, or the unorganized, for the powerless must wait until their plight electrifies the nation by dint of some tragedy.

Of course, it is those with continuing access to the sources of power who do not have to wait. The United States oil companies get depletion allowances, on top of protection against foreign oil, on top of artificial price-supporting production controls. The highway lobby gets ample funds each year to pave over more of the countryside.

The insurance companies, working through the state legislatures, get anything they want. The gun lobby, even after being beaten down in '68, got both the Senate Republican leader and the titular leader of the Democratic party to defect, and immediately began to emasculate the law bit by bit. The Surgeon General's office, which took so many years to say something definitive against cigarettes, provided the soap companies not merely with a quick withdrawal of its anti-phosphate position, but also with a pleasant endorsement of phosphate pollutants.

It is clear, then, that government can be extremely responsive when it wants to. For we are governed by men, sometimes principled men, always pragmatic men, whose perceptions run along easily discernable lines like campaign contributions, election-time manpower, and, above all, votes. Apart from the problem of the large contributor, which we hope to deal with in this Congress, anyone can play the game. And even a small number of organized players can win.

In the U.S. Senate we have at least a dozen men for whom a switch of fewer than 12,000 votes would have meant defeat. And yet, on issue after issue in the Senate one or two of these men make the difference on national policy. Look at our experience this summer:

The Cook Amendment, a really worthwhile end-the-war amendment, lost by one vote.

My own amendment to suspend the sugar quota to South Africa lost by one vote.

The Federal bail-out of Lockheed passed by one vote.

A switch of one vote would have denied the Subversive Board the funds for its new Nixon-Mitchell witch-hunt.

And in the House of Representatives, where the members' electoral margins are even slimmer, a switch of three votes would have prevented the Administration from destroying the Equal Employment Opportunity Commission.

Now those are real issues that you presumably care about—the war, apartheid, economic priorities, repression, civil rights.

If we take the process back still another step, the leverage of a handful of votes is even more striking. Each decade the states must draw new Congressional district lines to reflect the new census figures on population distribution. Because we have not completely eliminated gerrymandering, the power to draw those lines is still the power to determine which party gets some of the seats. In some states, that power has been granted or withheld for 1971 because of a one vote margin in one house of the state legislature or because of a slender victory in the 1970 gubernatorial race.

And yet, even when youth activism was at its height, young America just has not seen its voting power as an effective means of expression or source of change. Traditionally, the first time voters, those 21 to 24 years old, have the worst registration and voting records of any age group. In each of the last three presidential elections about half of the potential 21 to 24 year old voters did not vote while over two-thirds of those in all other age groups went to the polls.

In 1970, during the Senate and House and state legislature and governor races, which determined control of present national policies as well as Congressional redistricting and legislative reapportionment, the figures were even more pathetic. Of those 21 to 24 only 30.4 percent voted, and where 18 to 20 year olds could vote the performance was even worse—25 percent.

Let me put it bluntly. Richard Nixon was elected in 1968 because people like you sat on their hands. They did not work in the campaign because their own candidates had been lost in Los Angeles or Chicago. They did not vote because they thought they had a Tweedledum-Tweedledee choice. And so Richard Nixon won with fewer votes than he had when he lost in 1960. He won with a plurality of 313,000 votes, while 5½ million potential voters under 25 stayed home.

And so we have Warren Burger in place of Earl Warren. And so we almost had George Harrold Carswell. And so we have Otto Otepka. And we have John Mitchell and Richard Kleindienst and Will Wilson and Robert Mardian and a host of defeated Republican office-seekers sitting where John Doar, and Ramsey Clark and John Douglas and Burke Marshall once sat. And we have a return to trickle-down economics and trickle-up unemployment. We have the Southern strategy and benign neglect, the dismantling of the antipoverty program and political tests for federal employment. We have vetoes on housing and health and employment legislation. We have the Commander-in-Chief going out of his way to support both William Calley at My Lai and Nelson Rockefeller at Attica. And we have Spiro Agnew.

Perhaps none of those peculiarly Nixonian developments are important enough to you. Perhaps you do not see any of them impinging on your lives right now in any direct way. Perhaps you have not felt the pressures of recession, regression, and repression, or borne the weight of inflation, intimidation, and inaction. If so, then the womb of Mother Harvard is even thicker than I thought. For out there in the real world the workers, the elderly, the poor, the outspoken, the black, the brown, and the Indian, know that their worlds were changed on November 5, 1968, and they know that November 7, 1972 will mean either new directions or more of the same.

If your concern for social justice and for your fellow man does not move you, remember that before long all of you will be out there with them. Most of you will still be insulated by background and education from the weaker ebbs and flows of national policy. But sooner or later you will discover that you are stewing in the juice of your own electoral decisions.

It is not just the federal elections that count for young Americans. As mundane as they may seem, state and local elections are in many ways more crucial. It is the governors who choose the Board of Regents and the heads of state universities. It is the sheriffs and district attorneys who decide whether there will be an atmosphere of liberty or of gunfire. It is the city councillors and the mayors who control the availability of narcotics treatment centers and decide whether to pave over the college campuses. And especially with the specter of revenue sharing on the horizon it is increasingly the non-federal officials who decide how federal tax receipts are to be spent at home.

So to my mind your task and your challenge are clear. 14 million of you have turned 21 since 1968. Another 11 million of you were given the right to vote by the 1970 Voting Rights Act and by the 26th Amendment. 25 million potential votes altogether. That's almost one-third of the total number of Americans who voted in 1968.

You are the ones who can translate that potential into an active force for change not just a year from November but right now:

First, it goes without saying that you must register yourselves.

Second you must work to remove the sudden barriers that some local voting officials have erected to subvert the 26th Amendment, barriers which the Justice Department refuses to help tear down.

Third, you must use the leverage of the campus—the time, the money, the organizational skills, the access to media—to help register and organize the working young and the ghetto young.

Fourth, you must register soon enough and in enough numbers so that you are a credible political force now, so that you can lobby from strength on current issues, local and national, so that you can convince Presidential prospects to address themselves to your concerns, so that you can affect the party platforms and the choice of candidates in 1972.

Fifth, you must organize well enough to present cohesive positions through truly representative leaders from your own ranks.

Those are not very glamorous suggestions. They do not have the superficial excitement of demonstrations and confrontations and conflict. They are so straight and so dependent on confidence in the system that they may seem alien to some of you.

But what are your alternatives? The price of coercive tactics is surrender of your principles of peace, loss of life and limb, and backlash from the rest of society. The purer forms of civil disobedience just have not proved effective in recent years. And silence is a complete cop-out.

The time has come to face up to a new reality. You have the power to bring about drastic, even revolutionary change at every level of government in this nation, and to do it through the system itself. If you choose to stand by and watch others try to do the job for you within government and from outside, then you have no standing to complain if they fail. You are certainly free to choose to be quiescent, to turn inward, to isolate yourselves from the problems of society, but if that is your choice you must be prepared to live with the consequences. And now that you have the vote, you must also be prepared to take the responsibility for those consequences.

You should, of course, continue to pursue the best education you can get. For that education will give you both the skills you need to make the system respond, and the understanding of history and society and human nature to apply those skills wisely. And you should pursue the extra-curricular activities that make university life so rewarding..

But, I am asking you to make room in your lives for participation in governance. I ask you to recognize that the fallacy of composition applies when millions of young people say to themselves "my help will not be missed, my silence will not be noticed." I ask you to shake off your lethargy and to take a path that may seem prosaic, but is, nevertheless, the path to power and progress.

It is now late September. Registration in New York State closes on October 2nd for next spring's primary. The first primary is less than five months away. If you do not stir until a year from now, you will be too late. You will have a chance to lick stamps and address envelopes—and to vote—but you will be too late to choose the candidates or frame the issues. You will be too late to influence the President and the Senate as we choose two new Justices for the Supreme Court. You will be too late to provide jobs to all those who will spend another year without employment. You will be too late to help those whose lives may depend on quick passage of a strong national health insurance program. You will be too late to save the lives of millions of Pakistani refugees in whose suffering our government, to our shame, is an accomplice. You will, in short, be too late to present a credible political force to affect the thousands of decisions that will be made by elected officials in your cities, in your states, and in Washington in the next twelve months.

You are the heirs of a legacy left to you by your older brothers and sisters who asked themselves what they could do for their country in the 60's.

They answered clearly with sit-ins and freedom rides and voter registration drives in the South until they pierced the walls of racial segregation. They answered by offering themselves to the Peace Corps and Teacher Corps and Vista. They answered by marching to Washington with Martin Luther King in 1963, from Selma to Montgomery in 1965. They answered with the Vietnam summer. They answered by building a network of legal services programs all over the nation. They answered with their time, and their hands, their voices and their skills, their hearts and their minds.

Sure it was easier then. When Martin Luther King said "I have a dream", the man in the White House listened, and he shared that dream. When the marchers went across the Pettus Bridge in Selma the second time, Justice Department officials were there to protect them. When the Vietnam protests started, there was an Attorney General who believed dissent was healthy.

But the fact that the attitude of government has changed is all the more reason for you to carry on that legacy. The civil rights laws your predecessors fought for are being undermined. The Peace Corps and Teacher Corps and Vista and Legal Services Offices they built are being torn apart. The anti-war momentum they began is dissipating while the war goes on.

And you have leverage they never had. You will be full partners in society every November from now on. In addition to your time, hands, voices, skills, hearts, and minds, you have votes. It would be a national tragedy if that resource were wasted. It would be shameful if you made the Scammon and Wattenberg prophesies come true, if you let the politicians travel the safe middle ground to victory. For if they are to govern well, they need to be forced out of their safe harbours and into the storms that challenge the ship of state.

Rarely can we stand at a point in history and say, before the fact, this is a turning point. We are at one of those points. But whether we really turn is up to you.

## DEATH OF JOHN FRANKLIN CAMPBELL

Mr. MONDALE. Mr. President, for every American who hopes that this country can restore sense and sensibility to its foreign policy—and I think that is an overwhelming majority of us—the death of John Franklin Campbell was a heavy loss.

As an independent-minded officer in a Foreign Service starved of independent minds, as a telling critic of the foreign policy bureaucracy, and finally as a gifted writer and editor who helped begin an essential new dialog on our place in the world, John Campbell had already given us contributions to grace any lifetime.

That he had done all this at the age of 31 is a measure of how painfully the Nation is now shortchanged in unfilled potential for public service.

If we are going to find our way in international affairs after the wreckage of the last decade, we will certainly need more John Campbells. Hopefully, his ultimate contribution will have been to inspire his generation and those still younger to keep up the fight.

Some of these same reflections are contained in a moving editorial in this morning's Washington Post. I ask unanimous consent that the Post's editorial on John Franklin Campbell be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

### John Franklin Campbell

A memorial service will be held today in New York City for John Franklin Campbell, who died suddenly last Saturday night of cancer at the age of 31, and while there will be distinguished elder statesmen on hand, a good number of those who gather to pay him tribute will be the New and Different Establishment. In some degree, they will be—as he was—young, bright, challenging, promising, unconventional, a little irreverent, but deeply dedicated to the study and/or conduct of foreign policy; not the least of the tributes to John Campbell, in fact, is the particular quality of those of his contemporaries who had come to admire him and to trust his judgment and to share the conviction that his would be an exceptionally brilliant career. It will be said many times today how sad it is that he should die so young with so much ahead, how large the loss—and that is true. Sometimes you can only see a certain luminescence and speculate about the success and the rich service that lies ahead; with John Campbell, you knew.

But there is more to be said than if you believe that a life should be judged not only by what is accomplished—the high honors and offices—but by what was done with the time available. At 31, there is little time for a career to accumulate the stuff of obituaries; yet the promise in John Campbell's record shines full and so do the accomplishments . . . *magna cum laude* and Phi Beta Kappa from Harvard and a masters degree in government from the University of California . . . a post in Bonn, and one in Asmara, as a junior Foreign Service officer, and successive tours as a special assistant to two different under secretaries of State . . . a year's fellowship with the Council on Foreign Relations and a solid and sensible book ("The Foreign Affairs Fudge Factory") about what is wrong with the foreign policy making machinery and how to put it right . . . the job of managing editor of a professional and provocative new magazine, Foreign Policy, and a vital role in launching it successfully.

There is nice balance here—on the one hand, the venerable Foreign Relations Council with its staid quarterly, Foreign Affairs, and on the other, the unstuffy challenger, Foreign Policy, skillfully edited and distinctively tailored long and narrow for coat pockets as well as coffee tables. On the one hand, there are the routine overseas assignments and the Seventh Floor staff jobs and, on the other, the incisive, scholarly, roundly applauded critique of the whole policymaking process. "He is a wit, a muckraker, a stable-cleaner," wrote Walter Clemons, in The New York Times. "His devastating picture of the disarray of our foreign policy is a plea to simplify, restore and strengthen a demoralized State Department."

If that plea is listened to, this would be no mean legacy for a junior Foreign Service officer of 31; the good sense and good humor of the recommendations of John Campbell will be hard to resist. But this would not replace the loss. For that we will have to look, perhaps in part, to John Campbell's friends, to the bright young companions of the New Establishment. Their shared faith in his future says something good about the future for all of us.

## THE CELEBRATION IN IRAN

Mr. BENNETT. Mr. President, the recent celebration in Iran marking the 2,500th anniversary of the founding of the Persian Empire by Cyrus the Great and the Declaration of Human Rights was an event of both national and international significance.

The mammoth event which attracted heads of state from throughout the world was watched with particular interest in my home State of Utah, which has had close educational and developmental ties to Iran for many years. Peace Corps volunteers to Iran have trained in Utah; Iranian leaders in various fields have come to Utah to teach and to learn; and numerous Utahans—particularly from Utah State University in Logan—have gone to Iran to assist in such important disciplines to that country as engineering and agriculture.

Iranian graduates of Utah universities abound throughout that country in important positions. For example, a graduate of USU, Ardeshir Zahedi has been Iranian Ambassador to the United States and was Minister of Foreign Affairs until a recent cabinet reorganization.

In recognition of his contributions to Iran, Dr. Daryl Chase, former president of Utah State University, several years ago was awarded the Order of the Crown—Iran's highest civilian award. And, in July, Iran's current Ambassador, Amir-Aslan Afshar, was in Logan to receive USU's highest honor—an honorary doctorate.

Mr. President, all of this is meant to demonstrate that Iran's celebration was of importance not only to this Nation as a whole, but to Utah in particular. Throughout the occasion, Iran paid tribute not only to the amalgamation of many peoples into one nation many centuries ago but, equally as important, to the issuance of a declaration of rights basing a rule of law on morality and tolerance, which forms the foundation for this progressive country and friend of the United States.

Iran has focused on positive achievements to mark the celebration: A goal for new schools was set at 2,500, but in fact over 3,000 were built; the Literacy Corps spread out over the countryside, with the result that the illiteracy drastically declined; the national health system was vastly improved and the culmination of the land reform program occurred providing for redistribution of lands to the peasants. These are just a few of the significant events which were important elements of this historic celebration.

The international impact has great significance to our country and to the world. It is seldom that so many leaders from all over the world can meet without the often-present aura of tragedy or tension. There, great leaders of the world assembled under conditions which permitted them to exchange ideas and discuss new methods of achieving world peace.

I think Vice President AGNEW, this country's representative to the celebration, put it well when he said that the atmosphere provided the opportunity to meet and talk to people and exchange ideas. Surely this is the type of forum all men who desire world peace must hope will one day become commonplace and not unique. In the meantime, Iran is to be congratulated for pointing the way.

As His Imperial Majesty the Shah of Iran said in his welcoming speech with the theme that man's eternal and changeless nature is an effort toward perfection:

> Each one of us must try as hard as possible, as much as circumstances allow, to turn the world into one of love, peace and cooperation for mankind, a world in which every person may enjoy the amenities of science and civilization.

## NATIONAL COLLECTION OF FINE ARTS EXHIBITS WORKS OF WILLIAM H. JOHNSON, FLORENCE, S.C.

Mr. HOLLINGS. Mr. President, today is a time of growing awareness of the contribution of blacks to our history and our culture. I am proud to call the Senate's attention to the National Collection of Fine Arts, which is now exhibiting the works of the late William H. Johnson, a native and resident of Florence, S.C.

As with many great talents, Mr. Johnson in life did not receive his due acclaim. Perhaps, in his case, we sadly must attribute part of this neglect to the fact of his race. However, today we try to live more wisely and more tolerantly. I know that South Carolinians, although belatedly, wish to acknowledge a gifted man who once lived among them.

I ask unanimous consent to have printed in the RECORD, an article entitled "Spirit of William H. Johnson," written by Paul Richard of the Washington Post.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### SPIRIT OF WILLIAM H. JOHNSON

(By Paul Richard)

Though his father was white and his mother part Indian, the National Collection of Fine Arts calls William H. Johnson a black artist. He was black, all right.

They did not let him forget it. It didn't matter much in France where, in the 1920s, he'd paint beside the Seine, but when he placed his easel in the street of Florence, S.C., he was promptly thrown in jail. Just for being uppity.

Johnson in America constantly endured such psychic degradations. Though the National Collection has now awarded him a full-dress retrospective—which he abundantly deserves—he almost never sold. Even the kindnesses that he received smacked of pride-destroying condescension. "The public generally is invited," said the Florence paper, "to inspect the work of this humble Florence Negro youth whose real genius may some day make the city of his birth famous."

It never happened. Though Johnson had devoted teachers and a remarkably happy marriage and a few good years abroad, his luck was mostly awful.

He was always poor. He earned his living as a cook, a laborer, a porter, almost never as a painter. His Danish wife died painfully of cancer in 1943. Four years later, his brain decayed by syphilis, he was picked up wandering on the street and committed to New York's Central Islip State Hospital. It took him 23 years to die.

But his exhibition is no guilt-inspired bit of homage granted a neglected black. Johnson was a fine painter. His retrospective does the National Collection proud. Some artists are remembered for the brilliance of their skills, their leaps of imagination, their technical invention. Johnson, who changed his style restlessly and often, is not one of these. It is his personality that matters. One leaves this show thinking less of the beauty of his pictures, though beautiful they are, than of the spirit of the man.

He was not an innovator. While studying with Charles Hawthorne at the National Academy of Design, he won prizes for academic paintings in the Hawthorne manner. Though later he took much from other artists he admired—Cezanne, van Gogh, Soutine—there is within his works a vitality, an integrity, that his borrowings did not diminish. Look, for instance, at the 1929 self-portrait illustrated here. It has much Soutine and some Cezanne about it, but it is a Johnson most of all.

He was searching for something. He struggled as he painted to grow increasingly honest, simple and authentic, to intentionally discard all false sophistication. His earliest pictures here are genteel and academic. His work became steadily more expressive while he lived in Europe. When he returned to the United States in the fall of 1938, his paintings abruptly changed again.

"I am a Negro, and a primitive," he liked to say. In 1939, he started painting pictures that showed he was just that.

He abandoned complex brush strokes, shading and perspective. His colors became flat and ever brighter, his forms grew harshly angular and simple. No longer did he paint European landscapes or bowls of fruit on tables. His subject matter changed. He started painting black musicians, black Christs, black prophets and black angels, jitterbugs and chain gangs.

"There is no indication that his sudden turn to subjects drawn from black culture in the United States had any social motivation," writes Joshua C. Taylor, the National Collection's director, "for he was not a social crusader. To have used his homely images to make an obvious social plea would have blunted the subtler values of his new primitivism. Out of his flat, but eloquent, patterns emerges a particular kind of awkward, unconventional beauty that sings its own song with harmonies unfamiliar to the schools. The works are expressive to be sure, but the expression springs from more than simply one individual's passion . . . He had found a union with the minds and imagination of others, as earlier he had found a union with the world he saw."

These late works will probably become the most popular of Johnson's paintings—their colors are so bright and strong their mood so "primitive" and gay—but I find them very sad.

Their gaiety seems forced. Too many of them grin too much. Beneath the brightness of their colors, these late paintings, not all of them, but many, seem darkened by defeat.

"In all my years of painting I have had one absorbing and inspired idea and have worked toward it with unyielding zeal—to give, in simple and stark form, the story of the Negro as he has existed," Johnson said. But look upon his life's work and you will not believe him. There is something false about his "primitivism," his "union with the minds and imagination" of his people, his late, triumphant return to blackness.

He had never left.

It is nice to think the world of art exists above the ugliness of life, but forget it. Johnson was trained as an academic painter. He worked three years as a stevedore to earn his academy tuition. The more he studied, the more he traveled, the more he looked and learned, the further he had moved from Florence.

The finest of his late works—"Flowers," "Nude," "Young Man in a Vest," all of 1939–40, and the extraordinary "Woman Ironing" of 1944—tell us nothing of "the story of the Negro." They are paintings about painting.

"Social art it is, then," says Taylor of Johnson's later paintings. But painting is not a social art. It is done and seen alone. Music is a social art, and the greatest black artists of Johnson's era, Charles Parker, for example, were musicians who had no fear of superhuman skill or polish or complexity. Johnson fought these things. He spent 20 years shifting styles, trying to be true to the person that he was, struggling for freedom.

It was in those years of struggle, rather than in the "primitivism" he arrived at, that his victory was won.

Lord knows his victory was not complete. When he was hospitalized in 1947, 1,154 paintings, drawings and prints were turned over to the Harmon Foundation of New York which had long given him support. No one else wanted them. They have since been given to the people of this country, and from that horde of treasures the National Collection has selected this sad, heroic show. It closes Jan. 30.

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## BALANCED NATIONAL GROWTH NEW DEVELOPMENTS DURING 1971

Mr. HUMPHREY. Mr. President, early this session of Congress I placed in the Record a study prepared by the Congressional Research Service of the Library of Congress outlining developments at both State and Federal levels of government concerning contributions being made toward the development of a "balanced national growth policy" for the United States. That particular report covered happenings regarding this issue through the end of 1970.

As chairman of the Subcommittee on Rural Development of the Senate Committee on Agriculture and Forestry, I am taking an active part in the furtherance of efforts toward achievement of such national goals. My efforts in this regard have included working with agencies of both the legislative and executive branches of the Federal Government as well as with Governors and the States.

In view of the usefulness of the earlier report issued by the Congressional Research Service of the Library of Congress, I encouraged CRS to update its earlier 1970 report to include happenings and developments which have occurred in the first 9 months of 1971 covering what further progress is being made to reach the fulfillment of these important national growth goals. The Congressional Research Service has now completed that task.

The 1970 statutory declarations of a national urban growth policy and rural development policy were the organizing framework for this new study. The basic content of this new report consists of the actions taken by congressional committees and the Congress to date, positions taken on these legislative issues by major organizations and groups affected, and presidential documents and other executive branch actions having significant implications for national urban and rural development policy.

The report was prepared by Norman Beckman, Deputy Director, Congressional Research Service, with the assistance of Bruce Langdon, research assistant.

In 1970 Congress adopted two landmark declarations of domestic national policy. Title VII of the Housing and Urban Development Act of 1970 provided for an urban national growth policy to encourage the orderly development of our metropolitan areas and communities in predominantly rural areas. In a complementary action, title IX of the Agricultural Act of 1970 committed the Congress to a sound balance between rural and urban America and declared that highest priority must be given to the revitalization of rural areas.

The Rural Development Subcommittee of the Senate Committee on Agriculture and Forestry, of which I am privileged to serve as chairman, already has held extensive hearings both here in Washington and throughout the country on these issues of national growth and rural development policy and it is the committee intention to continue with this hearing process in the future.

The 1970 acts also require the executive branch to submit the reports on the further development of urban growth policy, the location of Federal facilities, acceleration of the availability of government services and financial assistance—among other subjects—in support of rural community development.

This new report by the Congressional Research Service should assist in the conduct of these hearings and in the evaluation of these reports received from the President and executive departments and agencies. The reports' basic purpose is to place individual legislative proposals in the larger context of interrelated national urban and rural development objectives set forth by the Congress.

This 9-month survey of Federal action should contribute to our legislative deliberations by providing a common framework and relating such separate but inextricably linked subjects as rural development, special revenue sharing, distribution of health manpower, the war on poverty, open housing, the regional implications of welfare reform, new communities, housing subsidy consolidation, coastal land management and departmental reorganization. The inclusion of an annotated summary of the literature of an urban and rural development made available during this period should also be helpful to all concerned with finding new means to strengthen the economic and social health of all areas of the Nation, reduce the problems of our urban and rural communities, and point the way to a further examination of the problems and opportunities relating to urban growth.

In view of the value and usefulness to all Members of Congress and others throughout the Nation interested in following and participating in these important national policy developments, I ask for unanimous consent that this new report from the Congressional Research Service be printed in the Record.

There being no objection, the report was ordered to be printed in the Record, as follows:

### Development of National Urban Growth and Rural Development Policy: Legislative and Executive Actions in the First 9 Months of the 92d Congress

Congress in passing the Housing and Urban Development Act of 1970 (P.L. 91–609) provided for development of a national urban growth policy. The Act sets forth a number of fundamental policies to serve as guides for specific decisions at the national level and for Federal policies affecting "interstate, State and local growth and stabilization." This paper is a benchmark review of significant actions taken at the Federal level affecting the development of such a national policy during the first nine months of the 92nd Congress.

The basic purpose of this review is to place individual legislative proposals in the larger context of interrelated national objectives set forth by the Congress. Hopefully this status report can contribute to legislative deliberations by relating apparently independent proposals on such disparate subjects as rural credit, education, parks, ghetto businesses, housing technology and welfare reform to each other and to the major urban problems facing the nation.

We live in an interdependent, highly specialized, urbanized society. The value of placing individual public policy actions in the larger context of a national urban growth policy was well stated by Patrick Moynihan:

"The federal establishment must develop a much heightened sensitivity to its "hidden" urban policies. There is hardly a department or agency of the national government whose programs do not in some way have important consequences for the life of cities, and those who live in them. Frequently—one is tempted to say normally!—the political appointees and career executives concerned do not see themselves as involved with, much less responsible for the urban consequences of their programs and policies. They are, to their minds, simply building highways, guaranteeing mortgages, advancing agriculture, or whatever. No one has made clear to them that they are simultaneously redistributing employment opportunities, segregating neighborhoods, or desegregating them, depopulating the countryside or filling up the slums, etc.—all these things as second- and third-order consequences of nominally unrelated programs."[1]

The basic inputs in this legislative issue tracking report are essentially three. The first and predominant source is actions taken by Congressional committees and the Congress as a whole (legislation, studies initiated, oversight and investigation activities, etc.). All legislative proposals that have a potentially significant impact on urban development and have been reported out of committee in at least one house (in a limited number of cases, bills at the hearing stage) will be described. A second major input is the positions taken on legislative issues (at hand or emerging) by major interest groups affected. Finally, appropriate notice is taken of significant Presidential documents, other executive branch actions, and additional public documents and recommendations having major implications for national urban policy.

This review of selected 1971 Federal development uses the statutory declaration of a national urban growth policy as an organizing framework. In that Act, Congress declares that urban growth policy should contain eight complementary elements:

1. favor patterns of urbanization and economic development and stabilization which offer a range of alternative locations and encourage the wise and balanced use of physical and human resources in metropolitan and urban regions as well as in smaller urban places which have a potential for accelerated growth;

2. foster the continued economic strength of all parts of the United States, including central cities, suburbs, smaller communities, local neighborhoods, and rural areas;

3. help reverse trends of migration and physical growth which reinforce disparities among States, regions, and cities;

4. treat comprehensively the problems of poverty and employment (including the erosion of tax bases and the need for better community services and job opportunities)

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Footnotes at end of article.

which are associated with disorderly urbanization and rural decline;

5. develop means to encourage good housing for all Americans without regard to race or creed;

6. refine the role of the Federal government in revitalizing existing communities and encouraging planned, large-scale urban and new community development;

7. strengthen the capacity of general government institutions to contribute to balanced urban growth and stabilization; and

8. facilitate increased coordination in the administration of Federal programs to encourage desirable patterns of urban growth and stabilization, the prudent use of natural resources, and the protection of the physical environment.

These components of an urban growth policy will be used to analyze and appraise what has happened during the first nine months of 1971 at the national level to respond to urban growth needs and to identify emerging specific issues affecting their growth about to be dealt with in the legislative process.

Under the first element, encouraging wise and balanced use of physical and human resources on a metropolitan or urban regional basis, developments are covered in use of area-wide incentives and planning requirements contained in the President's transportation and manpower special revenue sharing proposals, funding of the 1970 mass transit legislation and proposals for new federal responsibilities for urban public transportation, Administration recommendations for new community health care delivery systems, and metropolitan-wide approaches to elementary and secondary education.

The Section on legislaton to foster economic strength of all parts of the United States and to reverse trends of migration which reinforce disparities among regions describes depressed area assistance, the new Senate rural development subcommittee, rural development special revenue sharing, Executive Branch reports on rural development, rural development banks and credit, rural telephones, rural health manpower, and manpower and its distribution.

Under the general heading of treating comprehensively the problems of urban poverty are discussed: the war on poverty, access to housing, racial impact of low-income home ownership program, and the family assistance plan.

The Section on Federal activities to provide good homes for all Americans discusses housing subsidy consolidation and the investigation of low- and middle-income mortgage assistance.

Revitalizing existing communities and encouraging new community development deals with the Administration's special revenue sharing for community development, alternative proposals in the House and Senate for community development block grants and related reforms, new communities, and community development credit.

Progress in strengthening the capacity of general governmental institutions to manage the urban environment is documented by legislative action on planning and management, state land use planning, coastal land management, use of public land, revenue sharing, and departmental reorganization.

Several subject areas not typically associated with the process of urban development are covered in this legislative review. Reflecting the changing temper of the time and an increasing sensitivity to their impacts on urban growth, (as modified by a public policy lag inherent in a responsible and deliverative legislative process) are such newly emphasized subjects as the planning implications of grant consolidation, new private health care delivery systems, metropolitan education parks, a resurgence of concern for rural growth center development and its compatability to urban growth policy, the availability of scarce professional health manpower in both rural areas and urban ghettoes, the effect of uniform welfare policies on rural-urban migration, the value of architectural and design counseling in slum areas, credit sources for both rural and urban development, strengthening state and local management capability, manpower for the public sector, and consolidation of Federally supported anti-poverty agencies at the neighborhood level.

The chronicle of urban problems to be addressed and re-addressed if a national urban growth policy is to be implemented is by now a familiar litany—poverty as a way of life for millions of Americans, decaying urban centers, inadequate housing, continued pollution of our environment, growing traffic congestion, intensifying economic and social polarization within our metropolitan areas, wider cleavages between metropolitan areas and poor rural counties, gaps in program and tax efforts between energetic and stand pat states—each continues to grow apace with urban growth itself.

Before beginning to identify the specific legislative and related executive branch developments it may be desirable to comment on what appears to be a pervasive attitude concerning the current national posture and performance regarding its urban growth responsibilities. There is a general dissatisfaction with current Federal practices expressed within the Congress, in the executive branch and among the major national organizations representing urban communities. While there is no consensus on how to move toward implementation of a national urban growth policy there is an expectation of major changes in Federal policy and practices to be made this year and next.

A recent *National Journal* article captured the situation within the Congress:

"Republican and Democratic policy makers are shedding old beliefs in a scramble to rebuild completely a $2-billion-a-year package of programs to help the cities. . . . Sweeping legislative and administrative reforms, all being developed by relatively independent clusters of politicians and technicians, are in the works. . . . The new urban affairs catchword in Washington is 'city strategy.' It describes a new approach to the use of Federal dollars. The goal is to promote comprehensive urban planning in city halls, not in Washington. Working drafts of various legislative proposals make it clear who will win and who will lose with a new approach. The big winners will be the Nation's hard-pressed cities, which will get more money, and their mayors, who will get more power. The big losers will be the semi-autonomous agencies which have traditionally controlled urban aid programs—the public housing authorities, urban renewal agencies, water and sewer districts, transit authorities and others. . . . [Congressman] Ashley said, 'We helped lay the cornerstone for this approach with our "Urban Growth and New Community Development Act of 1970 (84 Stat. 1770)," when we said in our "statement of findings and purposes" that our present processes of urban community development programs were wasteful and destructive and that our existing urban development programs were contributing to that waste and destruction. We never said that till last year.' "[2]

The *Third Annual Report on National Housing Goals* prepared by the Department of Housing and Urban Development and transmitted to the Congress by the President, while primarily directed to meeting the need for providing adequate shelter was relevant to the range of urban development problems. From the perspective of the executive branch several reasons were offered for increasing concern:

"These can be grouped into three broad but inter-related categories: cost, equity, and environment. . . . It is vitally important that all concerned with meeting the Nation's housing needs begin focusing on these issues so that necessary reforms in basic policy can be identified, developed, and implemented as quickly as possible."[3]

In a move to strengthen the structure within which key urban policy discussions can be made, a Committee on National Growth Policy was appointed by the President, within the Domestic Council, chaired by the Secretary of HUD, other members include the Secretaries of Agriculture, Commerce, Labor and Transportation, the Chairman of the Council of Economic Advisors and the Director of the Office of Economic Opportunity.

A resolution on national urban growth policy adopted at the 1971 annual meeting of the U.S. Conference of Mayors reflected impatience with the lack of follow through called for by the Executive on the statement of Congressional intent. In a mood of frustrated forbearance the Conference expressed its resistance to future piecemeal legislation.

"Whereas, the United States Conference of Mayors has strongly supported the development of a National Growth; and

"Whereas, the Domestic Affairs Council has, unfortunately, failed to demonstrate a sense of urgency in complying with Congress' mandate; and

"Whereas, such legislation tends to perpetuate the patchwork character already widespread among Federal programs and the irrelevant criteria based upon distinctions of size and proximity to metropolitan areas.

"Now, therefore, be it resolved that the United States Conference of Mayors calls upon the President and the Domestic Council to begin immediately to develop recommendations for a National Growth Policy; and

"Be it further resolved that the Conference urges Congress to consider all legislative proposals involving national growth questions in light of the objectives of Title VII of the Housing and Urban Development Act of 1970; and that Congress refrain from enacting piecemeal growth legislation until the Administration has submitted its report."[4]

### *Urban growth legislation*

A number of significant legislative actions and proposals affecting key elements of the national urban growth policy were passed by at least one house during the nine-month period. Those cited here are described in more detail below.

(1) The Emergency School Aid and Quality Education Act of 1971 (S. 1557), which has been passed by the Senate, provides metropolitan areawide mechanisms and incentives to meet the special needs of schools changing from a dual to a unitary school system.

(2) P.L. 92–65 provides a $4 billion extension of the existing Public Works and Economic Development and Appalachian Regional Development Acts, extending coverage to new redevelopment and special impact areas.

(3) Early in the session, a new Subcommittee on Rural Development was created within the Senate Committee on Agriculture and Forestry. The primary focus of this subcommittee is the utilization of the Nation's countryside and smaller towns.

(4) The Farm Credit Act (S. 1483), which has been passed by the Senate, provides for an updating and moderate expansion of the cooperative farm credit system which provides approximately 20 percent of the credit used by farmers.

(5) P.L. 92–12 establishes a Rural Telephone Bank for the purpose of supplying additional capital for the rural telephone program.

(6) The Comprehensive Health Manpower

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Footnotes at end of article.

Training Act of 1971 (H.R. 8629, S. 934), which has been sent to conference, includes incentives directed toward improving the availability of health personnel in rural and ghetto areas.

(7) Similar versions of the Economic Opportunity Amendments of 1971 (S. 2007) to extend the Economic Opportunity Act have been passed by the Senate and House.

(8) The Social Security Amendments of 1971 (H.R. 1), providing more uniform welfare benefits and eligibility, has been passed by the House.

(9) The House and Senate have passed bills to establish a congressional joint committee on the environment (S.J. Res. 17, H.J. Res. 3).

(10) S.J. Res. 52 to increase the authorization for comprehensive planning grants under the Housing Act of 1954 and to increase the authorization for open space land grants under the Housing Act of 1961 has been passed by the Senate.

(11) The Emergency Employment Act of 1971 (P.L. 92–54) will assist state and local governments meet public sector manpower shortages by providing staff needed for public services during times of high unemployment.

### PART I—EFFECTIVE USE OF RESOURCES IN URBAN REGIONS

Cities have pretty much given way to metropolitan areas as the centers of American life. The first of the components of a national urban growth policy calls for sounder, orderly and more balanced patterns of development within our metropolitan regions and those smaller urban places with the potential for accelerated growth to metropolitan scale and size. Local governments share many federally supported facilities that cut across local (and frequently, state) boundaries such as highway and water and sewer systems, and many other facilities that serve large segments of the metropolitan population, such as airports and hospital centers. These forms of interaction, together with the metropolitan character of housing and employment markets, create a common area of interest. The policies of any one community typically have considerable impact in other parts of the metropolitan area. Increasing attention is being paid to the interrelationship of housing, jobs and transportation within an urban area, and across jurisdictional boundaries. In at least four major urban legislative areas: special revenue sharing for transportation and for manpower, improved delivery of health services, and in amendments to the Elementary and Secondary Education Act there was significant Federal action supporting creation of comprehensive regional or areawide mechanisms.

### *Special revenue sharing—Planning considerations*[5]

There is no statutory linkage of the planning features in any of the six special revenue sharing proposals to a national urban growth policy or to consistent regional growth policies. Nor do they overcome the present fragmentation of planning assistance programs at the Federal level or make any reference to the role of the Domestic Affairs Council as it relates to the coordination of Federal programs and the development of a national urban growth policy. On the positive side, two of the legislative plans, transportation and manpower provide specific financial incentives to areawide approaches. The following chart summarizes the implications for the planning process and reveals the lack of a uniform approach contained in the Administration's proposals with regard to areawide and local planning and development.

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COMPARATIVE PLANNING FEATURES OF THE ADMINISTRATION'S SPECIAL REVENUE SHARING PROPOSALS[1]

| | Areawide and local planning | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Special revenue bills | Dollar incentive provided | Encouraged, no dollar incentive | New effort required | Dollar incentive provided | Encouraged, No. R incentive | No mention | Specific provision for new preplanning dollar assistance to ease transition | Citizen participation for involvement requirement or encouragement |
| Urban community development (S. 1618—Apr. 22, 1971) | No | Yes | No | No | Yes | N/A | No | No. |
| Rural community development (S. 1612—Apr. 21, 1971) | No | Yes | No | No | No | N/M | No | No. |
| Transportation[2] | Yes | N/A | Yes | No | Yes | N/A | No | No |
| Manpower training (H.R. 6181—Mar. 16, 1971) (S. 1243—Mar. 16, 1971). | Yes | N/A | Yes | No | Yes | N/A | No | No |
| Law enforcement (S. 1087—Feb. 17, 1971) | No | Yes | No | No | Yes | N/A | No | No. |
| Education (S. 1669—Apr. 29, 1971) | No | No | No | No | Yes | N/A | Yes | No. |

[1] Ibid., pp. 8–9.

[2] Based upon review of proposed bill transmitted to the Speaker of the House of Representatives by the Secretary of Transportation, Apr. 16, 1971.

### *Transportation*

Sec. 6(c) of the transportation revenue sharing proposal (S. 1693) would permit the Secretary to make funds, up to 10 percent not otherwise statutorily appropriated, available at his discretion. This discretion is, however, guided by "areawide stimulator that the Secretary shall make additional and sweetener" language which provides that the Secretary shall make additional commitments to a consortium of governments equal to 10 percent of the shared revenue received by such consortium through state apportionment. This areawide provision is designed to encourage State governments to "pick up the reins" of areawide planning and development through positive action that can result in the flow of greater dollar resources from the Federal level down through the state to local governments on an areawide basis. It is significant that the term "consortium of governments" is defined in the Bill as: ". . . any association which is (i) formed by general purpose governments located within a metropolitan area the combined population of which constitutes at least 75% of the total population of the metropolitan area, and (ii) recognized by the Secretary, with the concurrence of the Governor of the applicable State, as an appropriate entity to act for the metropolitan area for the purposes of this Act, except that if any portion of the population comprising the 75% minimum population set forth in clause (i) is located in more than one State, the concurrence of the Governor of each such State shall be necessary."

Section 6(c) specifically directs the Secretary to: ". . . give priority to assisting recipients in developing and implementing comprehensive transportation plans, establishing consortia of governments in metropolitan areas having powers to implement comprehensive transportation plans for the various jurisdictions comprising the consortia."

The transportation proposal also requires some form of new planning effort on the part of local governments. Prior to the receipt of transportation special revenue, commencing with fiscal year 1973, each recipient unit of local general purpose government expecting to receive grants is to publish and make available to the Secretary, the Governor and the appropriate planning board a "general local government development plan" which shall outline the transportation objectives and projected uses of shared revenue.

### *Manpower consolidation*

The manpower special revenue sharing proposal (H.R. 6181, S. 1243) authorizes the Secretary of Labor to distribute shared revenues among: ". . . standard metropolitan statistical areas in which no single unit of government is eligible but where local units of general government with a combined population which constitutes at least 75% of the total SMSA population form a consortium."

Section 102(b) provides that funds distributed to manpower consortia ". . . which constitute a defined labor market area shall be an amount 10% greater than that to which such jurisdiction would be entitled under the formula provided in this subsection."

The law enforcement proposal (H.R. 5408, S. 1087) encourages areawide efforts by calling for the amendment of the 1968 parent act to include provision for: ". . . effective utilization of existing facilities and permits and encourages units of general local government to combine or provide for cooperative arrangements with respect to services, facilities, and equipment."

### *Health services and waste treatment programs*

The President in his message to the Congress relative to building a national health strategy and subsequently by the introduction of implementing legislation (H.R. 5766, S. 1182) recommended providing medical care that would have a significant impact on the provision of such services in both urban areas and rural districts. The new proposed machinery is termed "Health Maintenance Organization" or "HMO's." In the words of the President these have two essential characteristics:

> It brings together a comprehensive range of medical services in a single organization so that a patient is assured of convenient access to all of them. And it provides needed services for a fixed contract fee which is paid in advance by all subscribers.

Other barriers to the development of HMO's include archaic laws in 22 States. The Federal Government will facilitate the devel-

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opment of HMO's in all states by entering into contracts with them to provide service to Medicare recipients and other Federal beneficiaries who elect such programs."[6,7]

Incentive grants to accelerate new HMO's include a $23 million program of planning grants to aid potential sponsors and a program of loan guarantees to help sponsors raise the necessary capital facilities and initial operating costs to encourage HMO's in medically scarce areas, both inner city neighborhoods and rural counties. A direct $22 million grant and loan program is proposed to offset the deficits until enrollment is achieved which allows them to pay their own way in such scarcity areas.

Hearings have now been held on two sets of Administration proposals to accelerate the construction of waste treatment works. S. 1013 and H.R. 5962 would change the present allocation to more closely reflect the seriousness of an area's water pollution problem. The Environmental Financing Act of 1971 (S. 1015, H.R. 2151) would establish an Environmental Authority to insure that inability to borrow funds on reasonable terms does not prevent any state or local public body from carrying out a waste treatment works project.

### *Metropolitan school education*

The Emergency School Aid and Quality Integrated Education Act of 1971 (S. 1557) which was passed by the Senate in April and had hearings in the House in July provides financial assistance to meet special needs of schools changing from a dual to a unitary school system. The Bill recognizes that areawide cooperation is frequently necessary for effective integration efforts where urban school districts containing large numbers and proportions of minority group children are surrounded by suburban districts containing few such children.

Among the innovative approaches in the proposed Act are several specifically designed to utilize metropolitan areawide mechanisms. To reduce the educational disadvantages of minority group isolation, fifteen percent of the appropriated funds is reserved for metropolitan area interdistrict programs including: (1) grants to metropolitan area school districts for the joint development of plans to change from a dual to a unitary system; and (2) funds for suburban school districts with low concentration of minority group students to establish, through cooperation with urban school districts, integrated schools with student bodies of which a substantial proportion are children from educationally advantaged backgrounds and which contain a proportion of minority group students equal to one-half the proportion of minority group students in the Standard Metropolitan Statistical Area.

The Bill also authorizes the Commissioner of Education to pay all or part of the cost of planning and constructing at least two integrated education parks. The Senate Committee reported that testimony received indicated that the education park is among the most encouraging strategies for the long-term improvement of urban education. An education park consists of a school, or cluster of schools located on a common site, within a Standard Metropolitan Statistical Area, of sufficient size to achieve maximum economy of scale consistent with sound educational practice, providing the full range of preschool elementary and secondary education. The Committee concluded, however, that without Federal support for construction costs, school districts are unable to undertake this promising concept.[8]

### PART II—URBAN-RENEWAL BALANCE AND ECONOMIC GROWTH

There is increasing public debate over projected patterns of urban development. Current trends are marked by disorderly urban sprawl in our larger metropolitan regions and a gradual depopulation in the nonmetropolitan parts of the country. Is it possible and is it desirable to achieve a more balanced urban growth which provides realistic choices for people, avoids deterioration of the urban environment, and makes use of the resources of smaller cities and growth centers? Is it desirable to decelerate current migration patterns to achieve greater urban-rural balance? The 1970 Agriculture Act declared that highest priority be given in all programs of the Federal Government to the revitalization of rural areas as an integral component of a national policy of balanced growth. The long-term national debate on this fundamental component of an urban growth policy is now underway.

While the overall percentages of regional population shift were small, signficant flows of population impacting on central cities, metropolitan fringes, and smaller urban places did mark the decade. Some new patterns emerged from early Census Bureau reports on the 1970 census. The South registered a gain through in-migration of about 400 thousand new residents during 1960–70—the first such increase in many decades. The increase resulted from a net gain of about 1.8 million whites through in-migration balanced against a net loss of about 1.4 million blacks. During 1960–70, blacks continued to leave the South in about the same numbers (but at a somewhat reduced rate) as in the two preceding decades, in each of which the loss of blacks was about one and one-half million. The 1960–70 estimates show that large out-migrations of white from New York and five east north central states (Ohio, Indiana, Illinois, Michigan, and Wisconsin), were countered somewhat by large in-migration of blacks. New York, for example, showed a net loss of more than a half million whites through out-migration while gaining nearly 400,000 blacks via in-migration.[9]

Although the possibilities are virtually infinite, there are essentially two basic public options dealing with methods for meeting the needs of urban growth. The first is concentrating attention on improved quality of suburban growth, new town development and redevelopment within the metropolitan region to absorb the new growth; an approach that will be dealt with below under the heading "renewing old communities and creating new communities." Here we will identify the large range of activities under way to have the Nation move in the direction of supporting the development of smaller urban centers rather than existing large metropolitan areas.

### *Depressed areas assistance*

On June 29 the President vetoed S. 575, Economic and Regional Development Act, Public Works Acceleration Act, Public Works and Economic Development Act, and Appalachian Regional Development Act Extensions. The President voiced support for the extension of the present economic development programs and most importantly that there be ". . . no gap in service to the people in Appalachia and in the economically depressed areas served by EDA." He stated the reason for his opposition for an accelerated public works program: excessively long lead times, little effect on employment where most needed, over emphasis on the construction industry and inadequately planned projects.[10]

Congress responded on July 30 by enacting a new $4 billion extension of the existing Public Works and Economic Development and Appalachian Regional Development Acts which expand these provisions by increasing the authorization of direct grants for public work projects, it expands the definition of the redevelopment areas and contains a new category of special impact regions to include areas threatened with an abrupt rise of unemployment due to curtailment of a major employment source, regions with concentrations of low income persons, rural areas undergoing continued out migration and places where employment suffers a continuing decline. The Appalachian Regional Development Act was strengthened by adding a 4 year Appalachian airport safety program, authorization for mine drainage pollution projects, additional assistance in making low and moderate income housing available, and areawide demonstration projects for vocational and technical education. The bill was enacted (P.L. 95–65) on August 5 with the President's signature.

### *Rural development special revenue sharing*

The President on March 10 sent a message to the Congress advocating a major consolidation of grant programs affecting non-urban areas to be administered by the proposed Department of Community Development. In the message on revenue sharing for rural community development he explains the stake that urban residents have in rural development.

"The very size and density of many of our largest cities has produced new problems: whereas in the most rural areas it is hard to achieve economies of scale in public activities, the most heavily urban areas have grown far past the size range in which a community can function most economically. . . .

"For the sake of balanced growth, therefore, but even more for the sake of the farmer and all his neighbors in rural America—first-class citizens who deserve to live in first class communities—I am proposing that the Federal Government re-think America's rural development needs and rededicate itself to providing the resources and the creative leadership those needs demand."[11]

The President's proposal calls for replacement of eleven aid programs presently in force with a new $1.1 billion revenue sharing package which, in addition to the funding presently authorized for programs affected, would include $179 million in new funds. To be included in the Rural Development Special Revenue Sharing (S. 1612, H.R. 7993) would be monies authorized for present (1) Economic Development Administration, currently funded at a $227 million level and designed to provide aid to economically depressed areas; (2) Appalachian Regional Commission, a regional aid program involving $278 million of Federal assistance; (3) five regional commissions, embracing portions of 22 States, spending $38 million per year in development programs; (as seen above, items (1), (2), and (3) have already been separately extended by Congress this year); (4) Rural Water and Waste Disposal Facilities Grants, a $42 million program of water and sewer grants to smaller communities; (5) Cooperative Argicultural Extension Service, which expends an annual $149 million for the support of some 15,000 county agents and farm specialists; and (6) Rural Environmental Assistance Program, a $140 million annual program which provides cost sharing grants to farmers for the improvement of their land.

Although states would not have to show maintenance of effort, they would have to prepare a development plan showing the proposed use of the funds. The plan would be worked out between the Governor and sub-state planning districts. Federal approval of the plans would not be required. Early opposition was voiced by the National Farmers Union which feared that the task of rural development could not safely be turned back to the states.

The Subcommittee on Rural Development of the Senate Committee on Agriculture and Forestry concluded hearings on S. 1612 on September 20. The hearing record contains a thorough examination of the issues, interest group views and options available for new

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directions in achieving sounder economic strength for non-metropolitan areas.[12]

### *Rural credit and development banks*

There is a great deal of interest in the 92d Congress to date for legislation to provide publically guaranteed sources of capital to help finance the economic development of rural communities.

The Farm Credit Act (S. 1483) approved by the Senate on July 29 was justified in part on the need to reduce the pressures of population and urbanization. Fundamental to an urban growth policy is improving the quality of life in rural areas. To do so takes investment of public as well as private resources. The underlying purposes of the proposed Farm Credit Act are to modernize and remove some archaic restrictions in the authority of the cooperative Farm Credit System in order to assure an adequate flow of funds into rural areas and thereby meet the credit needs of farmers, ranchers, and cooperatives and other rural residents. In addition to liberalizing existing farm credit legislation, the Bill would grant authority to land banks to make loans on rural non-farm homes, in addition to farm homes. Loans may also be made to farm-related businesses.

At the end of September, there were three basic development bank bills before the Banking and Currency Committees of the House and Senate and one before the House and Senate Agriculture Committees. S. 742 and the identical House bill (H.R. 9630) provide for the creation of a rural community development bank to assist rural community development by making financial and technical assistance available for the establishment and expansion of commercial, industrial and related private and public facilities. The Bills would create a Rural Community Development Bank as an instrument of the United States Government.

The Bills spell out Congressional findings and a statement of purpose much like that of many narrower rural development bills. There is a need to cut back migration from depressed rural areas to cities, to achieve a better geographical distribution of our population, and to establish and expand commercial and industrial enterprises and public and related private services and facilities—including recreational and cultural institutions. Any community in a county where at least 15 percent of the families have an annual income below the OEO poverty level is eligible. Specifically excluded from the definition are areas within standard metropolitan statistical areas, metropolitan planning or development districts and areas in otherwise rural areas where adequate development resources are already available.

S. 2223 and the corresponding House bills, H.R. 9650, H.R. 9671, and H.R. 9879 would amend the Consolidated Farmers Home Administration Act of 1961 by establishing for non-farm rural development an across-the-board investment and credit system similar in purpose and operation to the combined operations of the Farm Credit Administration and the Farmers Home Administration in the farm credit field. Hearings are being held on S. 2223, and Committee action is expected before the end of this Session.

Under these Bills, any financial agency of a multi-jurisdictional planning and development district of a State may be designated, upon proper approval, as a District Rural Development Credit Agency and be chartered as an instrumentality of the United States. Then Regional Rural Development Credit Banks to be established by the bills would have the corporate power to issue various classes of voting and non-voting stock and certain evidences of indebtedness of the Banks. To be eligible for financial assistance, the application must be endorsed by the multi-jurisdictional governmental planning and development district as consistent with its plans.

S. 580 and its companion bill, H.R. 3550, introduced by the Chairmen of the House and Senate Banking Committees recognize the inadequacy of tax and other financial sources available to State and local governments to support the needs of a growing national population for employment opportunities, housing, streets, water and sewer facilities, schools, hospitals, airports, recreational facilities and pollution abatement facilities. A National Development Bank would make long-term loans at reasonable interest rates to (1) State and local governments for public works facilities; (2) individuals and corporations to establish new business and commercial institutions; and (3) public agencies and private non-profit and limited dividend corporations for the construction of low- and moderate-income housing. It would also make or guarantee loans to intermediaries who would provide construction financing for housing to be financed with mortgages insured or guaranteed by Federal agencies. The assistance will go to "depressed urban and rural areas" defined for purposes of the Bill as areas with a 6 percent rate of unemployment for the preceeding calendar year, designated without regard to political boundaries by the Secretaries of Labor and Commerce and the Director of the Office of Economic Opportunity. Areas with a high rate of unemployment or a pending drop in employment also fall under the definition.

### *Rural telephones*

On May 7, Congress enacted the Rural Telephone Bank Act (P.L. 92–12), an Administration supported proposal. The Act establishes a Rural Telephone Bank for the purpose of supplying additional capital for the rural telephone program. The financing is an adaptation of the Federal land bank system and thus serves to free a lending program from reliance on Treasury financing over a period of years.

The Senate Agriculture and Forestry Committee in reporting out the Bill stressed the importance of maintaining basic public services in rural places. Other sources of financing must be sought to supplement the present loan program if the rural telephone systems are to meet their service responsibilities. The Act should serve to supply the supplemental financing needed for continued growth and improvement of the Nation's rural telephone system. Subsequently on July 22, Congress appropriated funds to finance the new telephone authorization and called on the Administrator of the Rural Electrification Administration "not to make loans to telephone companies or associations when there is any indication that such company or association is likely to be purchased by larger corporate interests." [13]

### *Rural and ghetto health manpower*

The Comprehensive Health Manpower Training Act of 1971 (H.R. 8629, S. 934), passed by both houses in July and considered in Conference on September 22 and 23 but not yet reported out, provides increased support for meeting the manpower needs in the health professions and contains a number of provisions directed toward improving the geographic distribution of health personnel.

The House Committee on Interstate and Foreign Commerce cited relevant statistics on the current uneven distribution on health personnel. There are striking differences among the States. For example, New York State has a ratio of 219 active (non-Federal) physicians per 100,000 population, while South Dakota has only 77. Even those States with a relatively good supply of physicians often have serious shortages in inner cities and in rural areas. There are 134 counties in the United States with no practicing physician at all.[14]

The Act authorizes the funding of projects designed to identify individuals whose background or interests make it reasonable to assume that they will engage in the practice of a health profession in rural or other areas having a severe shortage of such personnel and to encourage and assist increased numbers of individuals with this motivation to undertake and successfully complete training in a health profession. Support may be given to students to expose them to the special problems of, and practice in, rural communities, inner cities, and other areas with severe shortages. To sustain interest and enhance preparation for service in such areas, there is also new special project authority for traineeships for full-time students to receive part of their education under preceptors in rural communities and other areas having a severe shortage of physicians.[15]

Under another provision, for Health Manpower Education Initiative Awards, it will be possible to provide specialty residency training programs in local communities away from the medical schools to expose interns and residents to a cross section of care and health problems in the community. It is also designed to attract health care personnel to practice in areas where the need for them is great. The Bill requires that each Health Manpower Education Initiative grant or contract must be coordinated with the Regional Medical Program in the area in which the project is carried out. The Health Manpower Initiative authority in the Act also includes a separate authority, substantially similar to that proposed for the health professions special projects, to encourage and assist increased numbers of individuals from minority or low-income groups to undertake training in, and successfully complete, professional courses of study in schools training the health professions.[16] Finally, the Act provides greater incentives to physicians, dentists, and other health professionals to practice in shortage areas or for migratory agricultural workers. Any such student who enters into an agreement with the Secretary to practice his profession for a period of at least three years in a shortage area may have the bulk of his education loan waived.[17]

### *New rural development subcommittee*

Of special significance was the creation this year of an already legislatively active new Subcommittee on Rural Development within the Senate Committee on Agriculture and Forestry. The Committee Chairman, in announcing its organization, expressed the hope that the major thrust of the Committee would be to move toward revitalization of the Nation's countryside and smaller towns, "in an earnest effort to achieve more of a balance between rural and urban America." [18]

### *Executive branch reports on rural development*

The Agriculture Act of 1970 (P.L. 91–524) calls for a sound balance between rural and urban America. Priority must be given to the revitalization and development of rural areas.

The law requires the President, the Secretary of Housing and Urban Development and the Secretary of Agriculture to submit annual reports to Congress on their efforts to provide rural development assistance.

On March 1 the President transmitted the first such annual report on the availability of government services to rural areas. The message and report are essentially a description of the Administration's domestic legislative program, with indications of the benefits expected to accrue from them for rural America. The programs cited include; general revenue sharing, the special revenue sharing program described above, welfare reform and the comprehensive health program described below, which gives special attention to the availability of medical services in remote rural areas.

As required under the 1970 Agriculture Act, the Departments of Housing and Urban Development and Agriculture identified the as-

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sistance furnished to nonmetropolitan planning districts. As of June 30, 1971, 38 States had officially delineated substate planning and development districts for all or almost all geographic areas. In fiscal year 1971, $3.4 million in HUD comprehensive planning assistance grants were made to 155 nonmetropolitan planning districts, including Economic Development Districts, in 34 States. This compares with $2.8 million for 31 districts in FY 1970 and $1.4 for 61 districts in FY 1969. About three times this amount was received by these districts from other Federal programs such as planning for air and surface transportation needs, community facilities, health facilities and services, and law enforcement.[19]

In still another accounting required under the Agriculture Act, the President reported on September 14 to the Congress on the beginnings of an organized effort to place more Federal facilities and activities in rural areas. He stated that:

"During the period covered by this report, more than 60% of all Federal workers placed in newly located activities were employed in areas of low population density . . . All of the major departments and agencies of the executive branch are now giving priority consideration to locating new facilities in areas of low population density."[20]

### MANPOWER AND ITS DISTRIBUTION

Several other government reports made available during this period bear on the problems of urban-rural balance and the potential governmental role in achieving a more optimal pattern of urban growth and distribution.

Under the heading, *Rural Manpower Dilemmas*, the Second Manpower Report prepared by the Department of Labor and transmitted by the President to the Congress on April 7 contained a number of policy recommendations to meet rural manpower needs. The proposals included the following:

Aiding relocation of workers. Pressure for migration from rural areas will undoubtedly continue and, with it, the need to minimize the economic and social costs of this migration to the workers involved . . . relocation assistance projects have shown that mobility assistance can be the key to a successful adjustment of rural workers to urban jobs, when this assistance includes job finding, training, and supportive services as well as help in moving. . . .

Extending income maintenance and labor standards protections to farmworkers. The exclusion of farmworkers from most of the protective social and labor legislation has contributed to their traditionally low wages and poor working conditions . . . Still urgently needed is the extension of the Federal-State unemployment insurance system to workers on large farms; also needed is legislation to guarantee the right of farmworkers to bargain collectively regarding the terms and conditions of their employment. . . .

Developing more jobs in rural areas and nearby cities . . . Continued efforts are called for to upgrade public facilities, to stimulate private investment, and to thus encourage economic and employment development in rural areas or adjacent cities with potential for economic growth. . . .

Improving the functioning of the labor market. Rural people would be greatly aided in finding employment by the extension to rural areas of the full range of services offered in urban employment service offices.[21]

Advocates of rural development as an alternative to megalopolis could take some comfort from a June, 1971 study initiated by the Department of Housing and Urban Development and other interested Federal agencies to assess the possibilities for better application of telecommunications technology to improve city living and to stimulate favorable patterns of regional development. The project, undertaken by the Committee on Telecommunications of the National Academy of Engineering, concluded that:

"We maintain that many of cities' problems are caused by high density living conditions in an era of increasingly rapid change. Communications technology, imaginatively applied, could offset the trend in which the vast majority of Americans today, and more in the future, live on a small percentage of the available land."

The committee suggested that pilot projects be undertaken to:

Demonstrate a model Community Information Center, served with modern video, facsimile, and telephone systems, to provide improved city services to the citizen.

Explore the effectiveness of various forms of two-way instructional television.

Develop and test the operation of rugged and reliable long path sensing devices for remote air pollution monitoring.

Design and test an automated information system for transit users; develop and demonstrate an automated interchange station for automobile parking and transfer to and from mass transit.

Develop a model municipal command center for response to city emergencies; develop and test a system to locate the origin of emergency calls for city services; implement 24-hour television surveillance system to help protect citizens from crime on city streets and in public institutions.

"The panel suggested additionally that there be an exploratory program to examine how broadband communications technology could be applied to business, government, education, health care, and entertainment to stimulate the development of existing small communities, or new communities, in rural areas. As a result, people would have a viable option of settling in either urban or rural America."[22]

### PART III—PROBLEMS OF URBAN POVERTY

Perhaps the most fundamental domestic problem is the poverty and social isolation of the poor and minority groups in our central cities and low-income suburban and rural enclaves. Urban policies, which are now receiving increased attention, involve encouraging the dispersal of the central city poor into suburbs where better jobs, schools, and housing are more likely to be available. Among other actions, this could mean a strategy of putting governmental resources, such as subsidized low and moderate income housing, where the solutions are rather than where the problems are. A range of Federal approaches were explored to improve the conditions of life in ghetto areas through amendments to the Economic Opportunity Act, to provide greater areawide mobility for low-income and slum populations through administrative action, to reduce the poverty universe and incentives to migrate into ghettos through welfare reform, and in other ways overcome a de facto demographic and geographic state of siege.

#### *War on poverty*

The Economic Opportunity Amendments of 1971 (S. 2007) to extend the Economic Opportunity Act was reported out by the Senate Committee on Labor and Public Welfare on July 30. It included two proposed amendments especially relevant to the poverty dimensions of urban growth problems. Especially innovative is the proposal to finance community design and planning assistance to low income persons. The Committee found that persons living in urban and rural poverty areas need improved access to professional architectural, planning, engineering and related design services in order to participate more effectively in the planning and development of the physical environment of their communities. The program proposed would make design and planning services relating to housing, neighborhood facilities, transportation and other aspects of community planning and development available to community organizations not otherwise able to afford such assistance. These services would be available through community-based design and planning organizations staffed primarily by professional persons and community residents on a voluntary basis. Priority is to be afforded to organizations which will serve urban or rural poverty areas with substandard housing, substandard public service facilities, and generally blighted conditions.[23]

The second relevant amendment is a new title which consolidates special impact and rural loan programs into a new community economic development program. Its purpose is to focus the existing program and channel other Federal aids through new urban and rural community-based corporations. Funds under the Economic Opportunity Act would be provided to supply "equity capital" to the community development corporations and make the corporations eligible for a range of programs administered by the Small Business Administration, the Department of Commerce, and the Department of Housing and Urban Development. A second part of the title provides grants as well as loans to low-income farm families and rural cooperatives. A final part provides technical assistance to train minority group members in business and management skills utilizing the economic development corporations as vehicles for such training, extends the existing rural loan revolving fund which the Administration proposed to terminate, and provides for the eventual creation of a matching urban development loan fund.[24]

The House Education and Labor Committee on September 8 reported a somewhat different OEO extension (H.R. 10351). The House version, passed on September 30, authorizes a new Environmental Action Program through which low income people will be paid for working on projects combatting pollution (e.g. clean-up and sanitation activities) and improving the environment (e.g. planting trees, constructing parks). Also created is a new Rural Housing Development and Rehabilitation self-help program. In doing so the Committee commented that, "There can be no serious argument that a disproportionate amount of [OEO] resources has been applied toward urban problem solving. . . . It is hoped that this [rural housing] amendment, adopted unanimously by the Committee, will start now to correct that imbalance."[25]

The need for technical assistance and other methods for improving the management of projects to develop business opportunities for the poor was highlighted by a July 20 Comptroller General's report to Congress.[26] The General Accounting Office found the pilot OEO economic development projects had, at least partially, achieved their objective. However, lack of managerial competence was one of the most critical problems in establishing minority businesses. Finally, neither the resources of private enterprise or other Federal agencies were sufficiently brought to bear to the extent possible.

The 1972 budgetary proposals for OEO reflected decisions to make the agency essentially one of research, development and evaluation. The community action program is proposed at a lower level of appropriations and is marked for transfer to the Department of Community Development where presumably it would be consolidated with HUD's Model Cities program. Other major programs such as Head Start and Follow Through are contained in the Department of Health, Education and Welfare budget.

#### *Family assistance plan*

The Social Security Amendments of 1971 (H.R. 1), as reported out by Ways and Means and passed by the House contains a num-

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ber of reforms relevant to urban growth and the distribution of poverty within and among urban and rural regions. These include the creation of uniform Federal standards of eligibility and minimum payment; aid to working as well as nonworking poor; financial incentives to take work, and assistance in doing so in the form of Federally supported training programs and day care centers. Moreover, a sharp rise in welfare benefits in the rural South should slow the migration of the poor in the inner city neighborhoods of the North.

The Bill gives promise of stabilizing state welfare expenditures at current levels. Fundamental to the problem of welfare reform, however, is the uneven coverage of the programs at the regional, State and local level which have created extremes of treatment and are difficult to incorporate into a uniform national system. The great differencs in payment levels are well known. It is generally acknowledged that the original purpose of the Social Security Act, to allow the States to adapt their own programs to their particular economic and social conditions, had certain adverse effects nationwide in terms of the benefits provided.

The Administration budget for 1972 funding of the existing program proposed a ceiling of 110 percent of the 1971 Federal payments for administration, training and services. The National Association of Counties consistent with other interested groups, had recommended removal of this ceiling on the grounds that costs will continue to rise and that, as a practical matter most of these costs are mandated on county governments by Federal and state statutes and administrative requirements. The effect would be that the additional costs would be passed on to already overburdened county governments.[27] The Congress in passing the social security welfare appropriation eliminated the Federal assistance ceiling thus committing the Federal Government to 75 percent of the costs incurred by State and local government for these services.

### *Access to housing*

Open housing legislation serves as positive government intervention to provide greater housing mobility for metropolitan residents and dispersion of ghetto populations. The President in his news conference of February 17, described his position:

"First, this administration will enforce the law of the land which provides for open housing. Open cities, open suburbs, open neighborhoods are now a right for every American.

"Second, however, this administration will not go beyond the law or in violation of the law by going beyond it by using Federal power, Federal coercion, or Federal money to force economic integration of neighborhoods."[28]

This was followed up on June 11 with a detailed thirteen page, Presidential statement on the policies of the Administration relative to equal housing opportunity. The text, which elaborated on Executive Branch plans to carry out the requirements of Federal laws on this subject, began by defining equal housing opportunity.

"By 'equal housing opportunity,' I mean the achievement of a condition in which individuals of similar income levels in the same housing market area have a like range of housing choices available to them regardless of their race, color, religion, or national origin. . . .

"We will not seek to impose economic integration upon an existing local jurisdiction; at the same time, we will not countenance any use of economic measures as a subterfuge for racial discrimination. . . .

"It does not mean that housing officials in Federal agencies should dictate local land use policies. It does mean that in choosing among the various applications for Federal aid, consideration should be given to their impact on patterns of racial concentration.

"This administration will not attempt to impose federally assisted housing upon any community. . . .

"We will carry out our programs in a way that will be as helpful as possible to communities which are receptive to the expansion of housing opportunities for all of our people."[29]

The Department of Housing and Urban Development on June 14 issued guidelines that would limit the proposed community development special revenue sharing grants to communities that agreed to plan for low and moderate income housing. The Secretary also indicated that under existing HUD programs, communities that plan to place federally aided housing outside of ghettos or otherwise segregated areas would in the future be given priority consideration on their requests for funds.[30] Similarly, proposed guidelines requiring "affirmative action" by developers of housing carrying Federal mortgage guarantees were placed in the Federal Register for a 30 day period beginning October 2 to permit public comment before taking effect. A portion of the guideline provides that applications will be judged to determine the extent to which they provide minority families with opportunities for housing in a wide range of nonsegregated locations.

The actions taken appeared to fall short of the position taken by the U.S. Conference of Mayors at it's annual meeting in June. It called on the President to: ". . . direct Federal agencies administering programs such as, but not limited to, highway appropriations, public works projects, and FHA mortgage loan guarantees, as well as community development projects, to advise all communities that the future availability of Federal funds for these projects will depend upon the applicant-community's commitment to provide low and moderate income housing, and that to refuse to cooperate in this regard will serve to terminate all such Federal assistance."[31]

Public hearings, to begin in late October, were announced by the Civil Rights Subcommittee of the House Judiciary Committee on the Federal Government's role in the achievement of equal opportunity in housing.

### *Racial impact of low income homeownership program*

The U.S. Commission on Civil Rights in June issued a report to the President and Congress on their investigation of the social impact of the section 235 low and middle income program. The Commission found that that program had been of substantial help to minority families. Nevertheless, because of high construction costs, only 6 percent of all such housing was provided in the Northeastern region of the country. The Commission also concluded that the traditional pattern of separate and unequal housing markets for white and nonwhite families was being repeated in the operation of "235" homeowner subsidy and related program.[32] FHA was criticized as playing a passive role, permitting abuses and the perpetuation of segregated housing.

A number of recommendations were made. The Department was urged to make advice and counseling services available to low income families and community groups on their rights and responsibilities under these programs. The Department was urged to make use of the racial and ethnic data it now collects on participation in its various housing programs to determine the effect the programs are having on racial and ethnic concentrations. Congress was called on to enact legislation authorizing the overriding of local zoning laws and other land use controls to permit the provision of low-cost housing in jurisdictions that do not have a proportionate share of such housing.[33]

Finally, in reporting out the Labor appropriation bill on July 29, the Senate Committee on Appropriations urged that Federal agencies give particular consideration in the awarding of Federal contracts to the employment needs of the area represented by each bidder. The Committee endorsed all efforts by the Secretary of Labor when other factors are apparently the same, to have the contract awarded to bidders located in the highest areas of unemployment.[34]

### PART IV—GOOD HOMES FOR ALL AMERICANS

Only rarely does the Federal Government in its domestic programs explicitly set out quantifiable goals. The Nation's first such specifically measurable housing goal was contained in the Housing and Urban Development Act of 1968 in which Congress determined that by 1978, 26 million housing units should be built, 6 million of these for low and moderate income families. Housing production turned around dramatically in 1970 placing the Nation almost in line with the anticipated pace needed to meet the 10-year goal. Total production, including mobile homes, was less than the target, although the starts component was greater. Despite this, in 1971, there was explicit recognition in Congress and the executive branch of the need for a major redirection of what housing assistance programs should accomplish.

The existing housing programs were reported to be in difficulty on several grounds. There was concern over what has been described as run away housing subsidy costs. Existing programs may be contributing to certain problems of social and economic disparity since there is continuing resistance to low and moderate housing projects in suburban areas. On the other hand, cost limitations restrict the utility of current housing subsidy programs in large central cities. Finally, use of the newer programs to support the purchase of rehabilitated homes and other existing homes needing repairs came under severe criticism for permitting sub-standard construction practices and for apparent fraudulent behavior by some private builders and Federal employees. Support is therefore growing for a drastic rewrite of Federal housing policy.

The Department of Housing and Urban Development took pride in figures showing a 700-percent increase in subsidized housing production during the Nixon years. But the President's Third Annual Report on National Housing Goals was critical of the housing industry and existing programs. The Report, submitted by the President to the Congress on June 29, confirmed the search for new directions. It was current and relevant to the housing issues facing the nation, as opposed to the Fifth Annual Report of the Department of Housing and Urban Development for 1969, which although consisting of essentially a description of the organization units of HUD with some grant statistics for calendar year 1969, was issued 16 months after the period for which it reported.[35]

The Housing Goals report noted that the housing construction outlook both for low and moderate income, as well as conventional housing, was the brightest in years. Nevertheless, in an open invitation to the Congress, the Report stated that:

"It is also necessary, however, to begin undertaking a long, deep, and searching look at the basic concept of our national housing programs and policies. Present estimates suggest that by 1978 direct commitments for budgetary outlays for subsidized housing will total around $7 billion per year, and loss of tax revenues through various credits and incentives add further to this cost. Serious questions have arisen with respect to the effects of these programs on housing costs, distribution of income, and social and physi-

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cal environment. Such questions will be a matter of intensive consideration by the administration over the coming year. It is hoped that others will join open-mindedly in a necessary re-thinking."[36]

Legislation initiated this year both by the Administration and Congress contain both major reforms in housing as well as new authorities for revenue sharing, urban renewal, new communities, etc. These latter subjects will be discussed in the next section. Here will be described proposals for private housing aid consolidation, assistance to reduce the problem of abandonment, and support for new State and metropolitan housing assistance mechanisms, as well as accelerated application of housing technology advances. A number of significant reports and appraisals of housing policy pointing to new directions in the administration of housing assistance and moving toward open housing will also be discussed.

### *Housing subsidy consolidation and reform*

This year's Housing Goals report reminded the Congress that:

"Legislative proposals for 1971 will again seek a consolidation and simplification of the present multitude of confusing and overlapping housing programs operated by the Department of Housing and Urban Development. The Congress has now had a full year to study these proposals. There can be no excuse for further delay in bringing order to the present statutory chaos."[37]

The bill proposed by the President is the Housing Consolidation and Simplification Act of 1971 (H.R. 9331 and S. 2049). It would replace some fifty or so statutorily authorized programs of private ownership housing financed with FHA-insured mortgages with four basic programs: (1) a nonsubsidized homeownership program; (2) a subsidized homeownership program; (3) a non-subsidized rental housing program; and (4) a subsidized rental housing program. In the process, all private subsidized housing would receive an interest-rate subsidy, as under the present section 235 homeownership and 236 rental programs. All income limits for subsidized housing would be based on median incomes in local areas. All maximum mortgage limits (although different for different types of housing and programs) would be based on prototype costs for each housing market area. In addition, the Administration bill would clarify the public housing subsidy authority to permit subsidies as needed to cover deficits in operating costs, as well as to amortize the capital debt of housing projects. The basic intent is to simplify the administration of Federal housing programs for builders and project sponsors.

In a related subject area, it was announced that the Subcommittee on Housing and Urban Affairs of the Senate Committee on Banking, Housing and Urban Affairs would hold hearings on October 13 through October 15 on S. 1671, the proposed Housing Institutions Modernization Act of 1971, to amend laws relating to savings and loan associations, to broaden their mortgage credit powers, including provisions involving the Federal chartering of stock savings and loan associations and the conversion of mutual associations to stock associations. The Committee planned to consider the issues raised by the bill in conjunction with the pending report by the President's Commission on Financial Institutions and Regulations, due in December.

### *New housing programs*

The comprehensive Housing and Urban Development Act of 1971 (H.R. 9688) sponsored by the Chairman and 16 other Democratic members of the House Banking and Currency Committee, contains several titles dealing with housing. It would amend the basic 1968 National Housing Goals statute to require that in the President's Annual reports on the goals there shall be a contingency plan to meet mortgage credit requirements, an analysis of changes in housing costs and an annual analysis of changes in the housing inventory.

A new program authorized in this Bill (H.R. 9688) would be designed to counteract the abandonment of housing. It would authorize neighborhood preservation grants for programs of various public services and public and private properties in designated neighborhoods where the potential spread of housing abandonment exists. It would also authorize the insurance of mortgages on existing properties in neighborhood preservation areas to owner-resident purchasers (of 2 to 6 unit properties) and to cooperatives and non-profit organizations (for multi-family properties). The refinancing of the existing mortgages should permit improvements to be made, while precluding rent increases.

Owner and tenant counseling services and improved management in Federally subsidized housing are authorized and the experimental housing allowances program authorized by the Housing and Urban Development Act of 1970 is expanded.

Most innovative are the provisions to completely alter the present system of allocating housing subsidy authorization, by placing control over location of subsidized housing in a metropolitan area in the hands of public bodies, instead of leaving it to the initiative of private developers and local housing authorities. Block grants of contractual Federal housing assistance authority would be allocated to Metropolitan Housing Agencies and to State Housing Agencies. These agencies, to be established pursuant to State enabling legislation, would receive such block grants on the basis of population, housing need and poverty incidence. They would determine the general (i.e., community) location of subsidized housing and the type of housing. They would also select the private developers or local housing authorities whose proposals were best suited to meet the housing needs. Thereafter, there would be regular low and moderate income project processing by the Department of Housing and Urban Development.

Local communities working under the Metropolitan or State Agencies' plans would, among other benefits, receive a metropolitan incentive grant of up to $3,000 for each planned subsidy housing unit. The purpose of this innovative and compensatory payment program is to help communities to meet the cost of providing services, such as schools and social services for the low income families they accept.

H.R. 9688 was derived in significant part from the legislative recommendations of three panels of the House Banking and Currency Housing Subcommittee which were established last fall to conduct an intensive study of the operations and effectiveness of the Federal housing and urban development programs.

The three study panels, made up of members of the Subcommittee, obtained the services of 36 expert consultants to assist them in reviewing and analyzing various housing and urban development issues. The experts met with panel members to discuss the specific subject areas assigned to them, and then prepared papers for submission to the panels in early 1971. These papers and a summary report have now been published. A sample of the titles relating to housing production are illustrative of the content: "Housing Needs and National Goals"; "National Goals and Local Practices: Joining Ends and Means in Housing"; "The Role of Nonprofit Sponsors in the Production of Housing"; "Housing and the Role of the Large Corporate Enterprise"; "Design and Production of Housing"; "Housing and Manpower in 1970's"; Abandonment and Rehabilitation: What Is To Be Done?"; "FHA Processing and Fees and Social Purposes"; "Consumer Protection—The Role of HUD in Protecting the Homeowner." The legislation resulting from these deliberations and papers prepared was an excellent illustration of the role that the social sciences can play in contributing to major new directions policy. The panel's review procedure, later supplemented by the conventional hearing process, resulted in an especially creative legislative package which should improve the quality of public debate on national housing policy within the Congress, by the Congress and executive branch, in the academic community and in the public at large.[38]

### *Housing technology*

The proposed Building Sciences Act of 1971 (H.R. 8393) borrows ideas from bills introduced in previous Congresses and from a host of reform recommendations. These included the reports of the National Commission on Urban Problems (the Douglas Commission); the President's Committee on Urban Housing (the Kaiser Committee); the report of the Advisory Commission on Intergovernmental Relations on *Building Code Modernization* and the *Report and Recommendations of Three Study Panels*, cited above.

H.R. 8393 proposes the Federal incorporation of a National Institute of Building Sciences as a non-profit, non-governmental entity to be run by a board which shall be "reasonably representative of the various regions of the country, of the various segments of the building community including private industry and labor, all levels of government, of consumer interest, . . ." The members of the board are to be appointed by the President with the advice and consent of the Senate from lists of "highly qualified" persons recommended to him by the National Academy of Sciences, National Academy of Engineering, and the National Research Council.

The Institute is to be financed initially by Federal grants but after the first 5 years to become self-sustaining through contracts, grants, subscriptions, donations and fees.

The functions of the Institute are as follows:

(1) Development, promulgation, and maintenance of nationally recognized performance criteria, standards, and other technical provisions for maintenance of life, safety, health, and public welfare suitable for adoption by building regulating jurisdictions and agencies, including test methods and other evaluative techniques relating to building systems, sub-systems, components, products, and materials.

(2) Evaluation and prequalification of existing and new building technology in accordance with paragraph (1).

(3) Conduct of needed investigations in direct support of paragraphs (1), (2) . . .

The Institute would depend upon encouraging cooperation in most areas. However, all programs involving direct expenditure of Federal funds for construction or in developing technical requirements for such use as well as Federally-assisted programs (grants, loans guarantees etc.) would be required to accept the findings of the Institute or standards brought about by the Institute's actions.

### *Investigation of low and middle income mortgage assistance*

On February 6 the House Banking and Currency Committee published a staff report and recommendations on their investigation and hearings on abuses in Federal low and moderate income housing programs. The conclusion reached based on the role that FHA played in allowing real estate speculation in the operation of the "235" low and moderate income homeownership and other subsidy programs was that the Department of Housing and Urban Development and its Federal Housing Administration may be well on its way toward insuring itself into a na-

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tional housing scandal.[39] The recommendations included proposals for review of all existing section 235 commitments, appropriate disciplinary action, continued General Accounting Office evaluation of major housing programs and an extensive retraining program to be undertaken for all FHA appraisers.[40]

After an initial Department claim that the report was "inaccurate, misleading, and very incomplete," major elements of the program were temporarily suspended early in 1971 and a HUD investigation initiated. The HUD investigation revealed that, on a sample basis, 42 percent of existing homes and 25 percent of the new homes insured under the program did not meet basic HUD requirements.[41] Bribery indictments of certain builders and FHA appraisers were initiated by the Government, new procedures adopted, and an intensive retraining program undertaken.

### *Withholding of appropriated funds*

In March, the Senate Banking, Housing and Urban Affairs Committee held hearings on withholding by the President of appropriated funds for housing and urban development programs. The Committee was investigating the impoundment of over one and one-half billion dollars of appropriated funds for public housing, urban renewal, model cities, water and sewer, mass transit and low and moderate income housing.[42] The Chairman in his opening statement stated his belief that these actions were an uncalled-for rebuff to the Congress and an undue use of the power of the Executive to control the appropriations and spending of Government funds which the Constitution reserves to the Congress.[43] The Office of Management and Budget representative, in his testimony, defended the action on the grounds of statutory powers granted to the President by the Antideficiency Act, problems related to budget deficits and the debt limit, statutory outlay ceilings established in the Second Supplemental Act for 1970 (P.L. 91–305), and finally, the need to combat inflation and achieve fiscal stabilization. In May, the Administration indicated that most of the funds would ultimately be made available and, subsequent to the hearings, much of the withheld funds were released for obligation and expenditure.

## PART V—RENEWING OLD COMMUNITIES AND CREATING NEW COMMUNITIES

Inner city areas are in need of rational land use planning and development if their tax base is to be enhanced and if their inventories of housing are to be maintained and augmented. Similarly, development of new towns and major additions to existing communities are crucial and complementary components of any future national urban growth program.

There are three major bills before the Congress concerned with reform of existing central city renewal and metropolitan development aids: the Administration's urban community development special revenue sharing proposal; and both House and Senate initiated grant consolidation proposals. The Senate Banking, Housing and Urban Affairs Committee held hearings in August and September on the housing and community development legislation before it, as did its counterpart House Committee.

### *Special revenue sharing*

The Community Development Act of 1971 (H.R. 8853, S. 1618), is the Administration's proposal for special revenue sharing for community development. The four programs which would be combined to form a new common fund are urban renewal, Model Cities, water and sewer grants, and loans for the rehabilitation of existing structures. Eighty percent of this special revenue sharing fund would be assigned for use in Standard Metropolitan Statistical Areas. Funds would be allocated among and within such metropolitan areas according to a formula to be written into the law. Funding would be to general governments, i.e. cities and States rather than semi-autonomous urban renewal agencies.

The President's Message on March 5, 1971 stated that cities could use their share of Urban and Community Development block grants for such purposes as acquiring, clearing, and renewing blighted areas; constructing public works; building streets and malls; enforcing housing codes in deteriorating areas; rehabilitating residential properties; funding demolition projects, and helping relocate those displaced from home or business.[44]

Initial criticism has centered on the allocation formula and the lack of planning application review or other performance requirements. Under the formula, substantial funds would go to cities that have not been previously active in HUD programs. "Hold harmless," i.e. insuring that no city get less funds than previously, may not be sufficient for cities in trouble, especially since inflation and planned expansion in these cities create the need for more funds. The revenue distribution mechanism in metropolitan areas does not include shares for urban counties, only for cities. This provision was therefore opposed by the National Association of Counties. Finally, there is little protection against the funds being used for low priority public works activities in the community.

There are no minimum or maximum standards of facilities to be provided, thereby permitting services to be dependent on local decisions as to how funds should be used. There are no incentives to overcome fragmentation of local government with all the diseconomies which that entails. In fact, the special revenue grants could tend to solidify present jurisdictional lines in the provision of public services. Finally, question may be raised as to why other programs are omitted which also are important to community development, such as open space and neighborhood facilities?

Consistent with the special revenue sharing and housing aid consolidation proposals placed before the Congress, the Secretary on March 1 functionally realigned the internal structure of the Department of Housing and Urban Development. Community development assistance programs formerly administered by three different Assistant Secretaries will be headed by an Assistant Secretary for Community Development. All planning and management assistance programs are to be administered by an Assistant Secretary for Planning and Management. Responsibility for housing management activity, which assumes much greater importance as almost a half million units of federally assisted housing are added to the Nation's housing stock each year, is placed under an Assistant Secretary for Housing Management.

### *Senate community development reform legislation*

The Chairman of the Senate Committee on Banking, Housing and Urban Affairs has also introduced a Community Development Assistance Act of 1971 (S. 2333) which would provide for a block grant community development program embracing some eleven existing HUD programs. It would require that an application be reviewed before grants are made. Such review must be completed in a 90-day period. Its formula for allocation of authorized grant funds would involve a special preferential allocation for those communities which have hitherto been active participants in the categorical community development programs. Both the House (H.R. 9688) and Senate (S. 2333) Bills would authorize three-year funding for the programs, subject to annual review for performance and modification of funding commitments of local programs. The Administration Bill would authorize program funding year by year.

The Secretary of HUD urged approval of the Administration proposals, which minimized red tape and delay. Grant levels based on previous levels of activity were criticized on the grounds that it would result in more money going to cities that did well in the past, despite current needs and priorities. "The bill's formula appears to me to be unfair to the many communities whose urgent needs . . . have outstripped their past ability to capture Federal grant funds."[45] The U.S. Conference of Mayors passed a resolution at their 1971 meeting criticizing the Administration Bill on the grounds that it "would upset the present Federal-local ability to respond to the requirements of many smaller communities and would seriously jeopardize current expectations of future program growth in scores of other cities. . . ."[46]

Robert W. Maffin, executive director, National Association of Housing and Redevelopment Officials, endorsed S. 2333 on the grounds that

"S. 2333 meets the inadequacies and gaps in the present Federal development programs. It consolidates related programs, simplifies Federal requirements, provides linkage to other programs, increases the Federal financial commitment to communicate while guaranteeing the continuity of this commitment, and maintains the national priorities of slum removal, blight prevention and housing production while encouraging flexibility in establishing local programs. This is a different approach—and in NAHRO's opinion a far superior one—than that contained in the other major community development proposal now before the subcommittee, S. 1618, Urban Community Development Revenue Sharing."[47]

Still another Senate entry was S. 1958, a Bill to establish a National Domestic Development Bank. Its purpose is to provide an alternative source of credit to State and local governments for public facilities. Loans would be made for the following purposes:

First, cities, counties, and States would be able to borrow money for basic community facilities at rates comparable to municipal bonds.

Second, 40-year loans also will be available to non-profit or quasi-governmental organizations receiving Federal funds and pursuing public purposes for the construction of housing, medical, and other public facilities.

Third, loans over a 20-year period will be made to business organizations for economic development purposes in specially designated areas.

### *House community development block grant*

The Chairman and eighteen other members of the House Banking and Currency Committee have proposed for consideration (H.R. 9688),[48] a block grant program which would consolidate a somewhat larger number of HUD categorical aid community development programs. A formula block grant allocation, similar to that in the Administration Bill, would be used. However, like H.R. 9688, a program application would have to be submitted for a general review to assure conformity with the broad intent as to types of activities and national priorities that are inherent in the basic Federal legislation. Provision of social services supportive of approved community development activities would be allowed. Funds could be used to match the related Federal grants. To be eligible for a block grant a community would have to have a balanced housing program, which could be part of a State or Metropolitan Housing Agency Program.

Another Title of the proposed Housing and Urban Development Act of 1971 (H.R. 9688) would assist State and Metropolitan Develop-

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ment Agencies patterned after the New York State Urban Development Corporation with organizational expenses and guarantee of their obligations. Such public corporations could develop and redevelop housing projects, neighborhoods, commercial and industrial facilities. An Urban Development Bank would be established to buy and sell taxable obligations of State and local governments. These loans would be designed to offer an alternative to tax-exempt financing by localities. The loans made by the bank would be at interest rates not to exceed two-thirds of the current cost of money to the bank. The subsidy involved would be less than the loss of Federal revenue involved in tax-exempt financing.

The House Appropriations Committee in reporting out the HUD appropriations for fiscal 1972 rejected the special revenue sharing financing package for the fiscal year.

"The course recommended by the Committee seems by far the preferable course to take at this time. The special revenue sharing legislation submitted by the Administration as a possible alternative to some of the established urban assistance programs, if enacted, would hardly be soon enough for an orderly transition in the middle of fiscal year 1972." [49]

### *New Communities Regulations*

The 1970 Housing and Urban Development Act was possibly the most innovative piece of urban growth legislation enacted that year due to its creation of a new Community Development Corporation. Authority was provided for a full panoply of guarantees, loans, and grants to be provided for eligible new community development programs. At the end of July, 1971 the Department moved toward issuance of proposed regulations for the Community Development Corporation. The rules cover the assistance programs proposed for funding in the 1972 budget request. The draft regulations were published in the *Federal Register* to permit interested persons to make recommendations prior to final issuance some time after September of this year. Both general and specific criteria are identified. The definition of new community offered was a broad one. No minimum or maximum population size is prescribed but its size must be significant with comparison to surrounding developments. Projects must have access to other public facilities. A general internal development program must be completed which provides for internal diversity. New communities must contain an adequate range of housing. The town must have a full range of governmental powers and be provided with public services. The community need not be a separate political unit but may be governed by an existing city or county. Developers must secure all State and local approvals required by law, including adoption by the local governing body of the new community program. The project must include the use of citizen advisory groups, location of housing so as to avoid segregation, and a program of citizen participation in project activities.[50] Some initial comments in the draft regulations noted the lack of recognition of the new-town-in-town objectives of the Act, the charging of high fees to public or non-profit developers and the absence of earmarking low and moderate income housing resources of HUD to new community projects. By July of this year Federal assistance under 1970 and previously enacted authority had been pledged to 6 new community projects and over 40 applications were under consideration by the Department of Housing and Urban Development's Office of New Communities.[51]

## PART VI—STRENGTHENING THE CAPACITY OF GENERAL GOVERNMENTS TO MANAGE THE URBAN ENVIRONMENT

Increasingly recognized as fundamental to all other reforms is that component of the new national urban growth policy calling for strengthening the capacities of general government institutions.

The Ash Council in its *Memoranda for the President* on executive branch reorganization stated the esssentiality of the case for Federal action to assist State and local governments in overall management.

"The need for improving the management capacity and the authority to manage State and local government extends across the entire range of Federally assisted activities. . . . We have adopted a broad definition of executive management support not merely to consolidate the various comprehensive planning grants, but because we view the failure to reconcile priorities among governments as a major impediment to the effectiveness of government at all levels. This failure produces program imbalances and non-responsiveness to local needs—both we have found are major complaints of the critics of local government." [52]

A primary objective of Federal and State governments must be to support or restore the managerial and fiscal vitality of urban government and preserve the quality of an urban environment. Without such capability, local initiative, creativity, discretion, choice, and decision-making exist only in the older text books, and responsible elected officials have little or no discretion to alter things more than trivially.

There are essentially five major entrants in the legislative field aimed at the objectives of strengthening management capacity for planning and administration at the State and local level. These are Title II of the Administration's Urban Community Development Act of 1971 (S. 1618); the Administrations' National Land Use Policy Act (S. 992); the National Land and Water Resource Planning Act of 1971 (S. 632); the Public Land Policy Act of 1971 (H.R. 7211); and the National Coastal Estuarian Zone Management Act of 1971 (S. 582, H.R. 2493).

### *Planning and management*

The Urban Community Development Special Revenue Sharing program includes an expanded version of the traditional comprehensive Planning Assistance (701) program under a new Title II of S. 1618—Community Planning and Management Assistance. Title II, State and Local Planning and Management Programs, is, as the President has described it, a new program which significantly complements all his revenue sharing initiatives. It represents a new approach of helping States and localities to strengthen all those governmental capacities that are basic to meeting growth objectives and community needs.[53]

Community Planning and Management Assistance, administered by the Department of Housing and Urban Development, could be used for a wide variety of activities geared toward improving governmental management, policy formulation, achieving self-determined State or local objectives, and engaging in development planning that includes land use, housing, resource management, areawide and intergovernmental coordination, and economic development. Specific encouragement is given to the formulation of a statewide development plan designed to integrate all elements of community development. States are also encouraged to set standards for determining which communities or groups of communities should be considered together for purposes of carrying out local and areawide programs. All of the present activities eligible under the 701 program remain eligible under the Community Planning and Management Program. As in the rest of the special revenue sharing proposal, there would be no State or local matching.[54]

The National Governor's Conference and the Council of State Planning Agencies in testifying on S. 1618 recommended that the planning and management grants be administered by the Executive Office of the President. HUD would carry on functional planning programs for housing, urban renewal, open space, etc.; to be financed from 1½ percent earmarking of their regular community development grant programs.

### *State land use planning*

The National Land and Water Resources Planning Act of 1971 (S. 632) would establish a more comprehensive national land use policy and set up a program to assist States in developing, implementing and administering statewide land use plans. Similarly, the National Land Use Policy Act of 1971 (S. 992) would authorize grants to encourage States to plan and regulate land use for the protection of areas of critical environmental concern and for control and direction of growth of more than local significance. The Senate Interior and Insular Affairs Committee is considering both S. 632 and S. 992. The first bill, S. 632, was introduced by the Chairman of the Committee. S. 992, proposed in President Nixon's February 8 message to Congress on the environment, was prepared by the Council on Environmental Quality.

S. 632 and S. 992 have compatible major objectives. In general: they encourage the States to take the initiative in comprehensive planning; they provide Federal assistance for the staffing, planning and data gathering as the basis for coherent decisions; they encourage or require State land use control to implement planning decisions in practice; they contemplate a higher measure of coordination and compliance of Federal actions with approved State plans; and they introduce Federal review of the State planning effort as a condition to further planning grants. The principal substantive differences in these two legislative proposals concern the territorial extent of planning. S. 632, emphasizes comprehensive statewide land use planning. The Administration Bill (S. 992) would aid States in assuming land use regulatory authority over areas of critical environmental concern—wetlands and flood plains, lands around key facilities such as major airports and highway interchanges, larger-scale development, lands surrounding new communities, and use or development of regional benefit.

Other differences include the locus of authority in the Federal Government—an interagency versus a line agency approach (upgrade the Water Resources Council in S. 632, and the Department of Interior with the advice of the Department of Housing and Urban Development, with guidelines proposed by the Council on Environmental Qualities, in S. 992). S. 632 provides interstate forums—the River Basin Commissions—for coordination of the State planning efforts; whereas S. 992 places that responsibility on the Secretary of the Interior. S. 632's incentives are more substantial ($100 million per year for not more than 90 percent of costs for first five years and 66⅔ percent thereafter) than S. 992's ($20 million per year for five years not to exceed 50 percent of costs).

Both Bills provide for penalties relative to Federal and Federally-assisted activities which have a substantial land use impact when no plan has been submitted by the end of a certain period (five years in S. 632; December 31, 1974, in S. 992). S. 632's "freeze" has a temporary suspension procedure in which the President can approve the activity as necessary for the public health,

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safety, or welfare; in S. 992 "freeze" public hearings are held on each activity and Federal agency findings and comments of the Secretaries of Interior and HUD are attached to the environmental impact statement for that activity.

In S. 992, approval or disapproval of a State program is made by the Secretary of the Interior with approval of the Secretary of HUD on certain items; whereas in S. 632 the Council cannot disapprove without recommendation to do so from an impartial ad hoc hearing board established by the President.

Both S. 632 and S. 992 have the potential of giving the States an active role with respect to local land use regulations. Proposed amendments by the National Association of Counties and the National Service to Regional Councils suggested the involvement of regional and local elected officials on State land use planning commissions. They emphasized that regional councils are the vehicles to assure local and regional interests and are reflected in the development of State land use policies, and should be directly funded to carry out this responsibility.

### *Coastal lands management*

The proposed National Coastal and Estuarine Zone Management Act (S. 582) reflects the increased concern over population trends to a point where now approximately one-half the population is located within 50 miles of the coast line, including the Great Lakes. The Bill declares it to be the Congressional policy to preserve, protect, develop, and restore the resources of the U.S. coastal and estuarine zone and assist the States in the preparation and implementation of management plans and programs for these areas. The Secretary of Commerce is authorized to make annual grants administering a coastal State's management plan and program. The Bill also authorizes coastal States to review all development plans, projects or regulations proposed by any State or local authority or private developer for conformance to the State management plan and program, provided there is an opportunity for full hearings.

It permits the Commerce Secretary to underwrite coastal State bond issues or loans for the purposes of land acquisition, or land and water development and restoration projects. The Bill requires Federal agencies conducting or supporting activities in the coastal and estuarine zone to seek to make their activities consistent with the approved State management plan and program and provides that applicants for Federal licenses or permits are to provide a State certification that the proposed activity complies with the State coastal plan. State and local governments submitting applications for Federal assistance would have to indicate views of the appropriate agency as to consistency with the State coastal plan.

Hearings have been held in May before the Senate Commerce Committee's Subcommittee on Oceans and Atmosphere and in the House in June before the Committee on Merchant Marine and Fisheries.

### *Use of public land*

The proposed Public Land Policy Act (H.R. 7211) received hearings in July before the House Interior and Insular Affairs Committee. It is designed to establish guidelines for the administration of public lands. The Bill grew out of, in part, the findings and recommendations of the Public Land Law Review Commission in 1970. The objective of the Bill is to protect and promote the interests of the Government and the public and to provide uniformity in the public acquisition and use of Government-owned lands for mining and mineral leasing claims, animal grazing leases, timber harvesting, recreational permits and leases, homesteading and similar public purposes.

In this Bill, the Congress would affirm its policy that public lands shall be planned, retained, managed, or disposed of in a manner to provide the maximum benefit for the general public.

The stated goals of the Bill include retention in Federal ownership of the bulk of the public lands; their transfer to non-Federal ownership for purposes designated by statute; their management in a manner not endangering the environment; coordination with regional, State, and local land management plans; and public participation in rulemaking and in all procedures leading to the classification of any area of public land. The Bill would require detailed regulations and rulemaking procedures, public hearings and the establishment of national and subsidiary advisory boards and committees. A national Federal Public Land Use Coordinating Committee and regional Interstate Land Use Coordinating Commissions for each of ten public land regions would be established. The committees would develop land management plans and advise the agencies in their rulemaking.[55]

The Administration in its comments on H.R. 7211 did not support its enactment but instead proposed support for the proposed National Resource Land Management Act of 1971 (H.R. 10049) which applies only to lands managed by the Interior Department's Bureau of Land Management; and the National Land Use Policy Act of 1971 (H.R. 4332) as it relates to the provisions for coordinated planning of public and non-public lands.

### *Revenue sharing*

General Revenue Sharing remained in the center of general debate. The primary purpose proposed for sharing unearmarked Federal revenues with State and local governments is to alleviate the present fiscal crisis at the State and local level. The size of the President's General Revenue Sharing program (S. 680, H.R. 4187) would be determined by taking a fixed percentage (1.3%) of the Federal individual income tax base. Initially this will provide a full-year outlay of $5 billion. This sum is to grow with the future growth of the economy. To these economic arguments the President has added two reasons which are directed to the nature of our system of government. Given sufficient resources, our States and localities can be more responsive to the urban growth needs of the people. Revenue sharing is a proposal to reverse the trend by which the Federal government's revenue-raising powers have given rise to a heavily centralized government bureaucracy. Its goal is to restore a more proper balance to our Federal system by strengthening the capability and independence of State and local governments.

A number of objections have been cited in opposition to the revenue sharing proposals. By divorcing tax and spending authority, revenue sharing would dismantle the present "performance requirements" system and thereby encourage wasteful State and local spending. There is less assurance that Federal funds will go to the people who most need them. The proposal is somewhat regressive in economic impact. Furthermore, there are no Federal income tax "profits" to share with State and local governments now or anticipated in the near future. By earmarking a designated percentage of the Federal personal income tax base for unrestricted State and local use, revenue sharing would cut into the budgetary and tax policy flexibility of the President and the Congress. Finally, federalizing the Nation's multipicity of State and locally administered public welfare systems has been suggested as a more viable alternative.

The President's proposal this year differed from his original 1969 recommendations:

"For one thing, this year's program is much bigger. Expenditures during the first full year of operation would be ten times larger than under the old plan. Secondly, a greater proportion—roughly half—of the shared funds would go to local governments under the new proposal. In addition, the 1971 legislation contains a new feature designed to encourage States and localities to work out their own tailor-made formulas for distributing revenues at the State and local level."[56] Hearings on the General Revenue Sharing Act of 1971 were held in June before the Senate Commerce Comimttee.

Two related bills received committee consideration. The proposed State and Local Government Modernization Act of 1971 (S. 241, H.R. 4617) has as its purpose the providing of Federal block grants for States and localities only where there is a demonstration of State intention to modernize State and local government. S. 1770, the Intergovernmental Revenue Act of 1971 would establish a system of general support grants to State and local governments, authorize Federal collection of State income taxes, and encourage modernization of State tax systems. Both Bills received hearings in June before the House Government Operations Committee.

### *Departmental reorganization*

Of the four new departments proposed by the President consolidating seven existing departments and a few related agencies, the Department of Community Development Bills (S. 1430, H.R. 6962) would have the most impact on urban growth, improved management of Federal programs and support of State and local administration concerned with such programs. In the words of HUD's Under Secretary:

"Under this proposal a single Federal Department would be directly responsible and accountable for strengthening community institutions and for addressing the problems of community growth.

"This new department would administer Federal assistance to communities for physical and institutional development; for strengthening State and local governmental process; for enhancing the effectiveness of citizen action; and for the planning and building of highways and houses and supporting community facilities. By bringing together these programs, the Department of Community Development would be able to move beyond fragmented categorical program administration and toward a geographically based and community-oriented approach to problems. The establishment of a unified Federal Department of Community Development would greatly simplify the resolution—by both Federal and local officials—of significant issues of community growth and development."[57]

The new department would have major development-related functions now in Transportation, Commerce, Agriculture, OEO. The most massive transfer would be the Federal Highway Construction, Urban Mass Transportation and Highway Traffic Safety programs of the Department of Transportation. Highway interests have expressed opposition to integrating highway field and State operations along with other community development programs. From Agriculture would be transferred the Rural Electrification and the Farmers Home Administration programs of water and sewer grants and loans and rural housing. (The Congress on September 30 sent H.R. 10538, which extended these FHA programs permanently, to the President for signing.)

Also to be included are Commerce's Eco-

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nomic Development Administration and Regional Action Planning Commissions; the Appalachian Regional Commission and the Small Business Administration's disaster loan programs. The National Grange and the Rural Electric Cooperative Association oppose the latter transfers on the grounds that rural areas would be short changed and the Agriculture Department would begin to be dismantled.[58]

Issues would also be raised by transferring the Community Action and Special Impact Programs to the proposed Department. There is a conceivable likelihood that, since HUD, with its Model Cities organization, would be the controlling organization, Community Action Agencies with their citizen participation elements would be subordinated or deemphasized.

No effort is made, except in the field of transportation, to consolidate the many comprehensive and functional planning programs having a direct impact on the community development process. At present there are at least 33 such planning programs administered by ten separate agencies.

Several programs in the housing field are not touched by the reorganization proposals and would therefore appear to violate the concept of organization by purpose. The continued autonomy of the VA-guaranteed mortgage loan program and the Federal Home Loan Bank Board are likely to be examined to be satisfied that organizational changes are not needed to prevent overlapping and competition of Federal programs, and instability in local housing markets and in the capital funds and mortgage markets.

It has been estimated that if the President's proposal was adopted, the number of committees with major interest in the Department of Community Development would increase from two at present (with HUD) to seven major oversight committees. House and Senate Government Operations Committee hearings on the bills are scheduled for early November.

### *Simplifying Federal aid administration*

Of special relevance to improved State and local management capacity was the Second Annual Report to the President on Federal Assistance Review.[59]

The report summarized improvements achieved in grant-in-aid administration to State and local governments during the last 18 months. Highlights included seven Federal agencies fully conforming to a new uniform system of 10 regional boundaries. Federal Regional Councils (with Office of Management and Budget leadership) were operating this year in the headquarters cities of each of these standard regions. Major decentralization of decision-making and the placing of greater reliance in State and local governments in the administration of Federal programs were reported in HEW's Emergency School Assistance program, the Juvenile Delinquency Prevention and Control Act, and Medicaid and health planning. Virtually all of the programs of the Department of Housing and Urban Development are being decentralized below the regional office level through establishment of subregional local service offices. The Office of Management and Budget established procedures for reporting information to States on all Federal grants awarded within their boundaries by Federal agencies, as required by the Intergovernmental Cooperation Act of 1968. In addition, under new governmentwide instructions, there are now 206 metropolitan information clearinghouses which review locally submitted proposed Federal grant-in-aid applications to determine their conformance with regional plans. These clearinghouses cover 1,600 counties in which live over 80 percent of the population. State clearinghouses now include all 50 states. Finally, in February, the Office of Management and Budget issued a revised A–95 Circular to expand the Federal programs reviewed at the State and metropolitan (and non-metropolitan) clearinghouse level and to implement the requirements of the National Environmental Policy Act for review of environmental impact statements to be contained in applications for Federal aid.

### *Support for public sector manpower*

Almost all of the previous extensive Federal training and manpower programs have been directed to private sector employment. The Emergency Employment Act of 1971 (P.L. 91–54) providing public service employment and signed by the President on July 12, begins to readdress this imbalance. In doing so, the Act directly contributes to carrying out the national urban growth policy component of strengthening the capability of State and local governments.

The Mayor of Detroit, representing the U.S. Conference of Mayors, reported, in support of the bill, that local government, itself, was unavoidably adding to unemployment. "In the past year the City has not had the revenue to fill nearly 2000 vacant positions in City government. In addition, last year I was forced to lay off some 600 City employees." [60]

The Act, similar to a title of the proposed Employment and Manpower Act (S. 386), 91st Cong., which was vetoed last year by the President, recognized that as a result of a lack of revenue, many governmental units have had to curtail public services or have been unable to implement new services. The Act makes available major new resources for employing persons to meet such needs. Eligible applicants are units of Federal, State and local government, their subdivisions or institutions, and Indian tribes on Federal or State reservations. Combinations or consortia of governmental units and combinations of Indian tribes may also be eligible applicants.

There are two basic funding provisions specified in the Act. Funds are made available for public service employment programs whenever the Secretary determines that the nationwide unemployment rate equals or exceeds 4.5 percent for three consecutive months. As of August 1971 this criterion had been met, permitting obligation of the $750,000,000 authorized. A program of special financial assistance for areas with particularly severe unemployment problems provides that when unemployment has reached 6 percent or more for three consecutive months an additional $250,000,000 may be "triggered" for obligation.

In moving promptly to implement the Act, the Secretary of Labor decided [61] that only larger governmental units of specified size will be eligible for direct Federal grants. These units have been invited to apply directly for needed assistance under the Act: cities with a population of at least 75,000; counties with a population of at least 75,000, not counting the population of designated cities within such counties; all States. Examples of public services eligible include health care, education, public safety, crime prevention and control, manpower services, prison rehabilitation, transportation, waste disposal, housing and neighborhood development, rural development, and others. No more than one-third of the jobs funded can be professional positions.

### *Trends in the urban environment*

The Second Annual Report of the Council on Environmental Policy [62] contained some useful appraisals of the inferior environment of the inner city. Documentation was provided on the severity of air pollution, water pollution, solid waste, neighborhood deterioration, lack of open space, lead poisoning, rat bites, and adverse impacts of highway construction. Another useful section documented the status and trends nationally. Here the findings were mixed with only slight increase in air and water pollution, a reduction in radiation levels. There was an increased presence of toxic substances, a runaway solid waste problem and a continued loss of wetlands especially around urban areas.

The year 1970 was a banner year for Congressional action on environmental issues. Of the 695 bills signed into law during the 91st Congress, 121 were identified as "environment oriented." Thus far in the 92d Congress, attention to urban environmental matters has remained high. As of July 1971, the House and Senate had passed bills establishing a Joint (Congressional) committee on the environment (S.J. Res. 17, H.J. Res. 3) and appropriating money for water resources planning (H.R. 6359). The Senate also passed bills limiting public exposure to sonic booms (S. 1117) and authorizing additional appropriations to the Department of Housing and Urban Development for open space acquisition grants (S.J. Res. 52). The House moved on legislation to provide additional environmental data (H.R. 56).

### CONCLUSION

In the closing days of 1970 Congress enacted the Housing and Urban Development Act of 1970 which, as we have seen, had a stated public objective providing "for the development of a national urban growth policy" and further defined some eight interrelated elements of such a policy. Adoption of such a Federal urban growth policy, by itself, does little to achieve the economies of regional service systems, ease the human costs of rural to urban migration, improve the ghetto environment, create balanced new communities, or improve the capability and accountability of local government. Nor, of course, in a large country administered under a separation of powers system, where decentralization is pursued with a vengeance, is implementation of an urban growth policy solely or even predominantly a national responsibility.

It is also instructive to note that Congress talked in terms of the *development* of such a policy—not its adoption or implementation. And indeed we are only at the beginnings of wisdom in identifying the specific legislation that would institute an urban growth policy. To illustrate, much of the early discussion of national urban policy concerned population growth. The Commission on Population Growth and America's Future, which was created by the 91st Congress, is due to make its final report in 1972. The interim statement entitled *Population and America's Future* issued in March of this year limited itself to articulating the fundamental questions that must be answered before an urban growth policy can be determined.

"The concerns of overriding importance are whether population stabilization and redistribution of the population are desirable.

". . . if population stabilization is desirable and its achievement would require more than eliminating unwanted childbearing, then additional measures can be considered, such as changes in tax laws, the elimination of pro-natalist laws and programs, and educational programs. . . .

"A principal question is the role that Federal and State governments play in population affairs. Although the Federal Government does not have an explicit, comprehensive population distribution policy, many of its policies, programs and statutes seem to have an impact on population distribution incidental to their main objectives. This inadvertent impact may be seen, for example, not only in the Federal Housing Administration program and Federal procurement policies. Others, such as the Economic Development Administration, the New Communities Act and the urban renewal program, are designed in part to redirect growth. . . .

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"We also have many laws directly or indirectly affecting the growth of population, such as those governing immigration, marriage, divorce, contraception and abortion, which require examination."[63]

Despite the awful presence of these and other imponderables the survey of legislative and executive branch developments in 1971 indicates that significant action is taking place this year and will continue in the second session of the 92d Congress—action that collectively constitutes the beginning of a more reasonably consistent and coherent national urban growth policy. This year's record builds upon the events of 1970 which saw enactment of a new Federal-aid urban highway system, a major urban mass transportation act, solid waste disposal aids, uniform relocation policy, crime insurance and a comprehensive new communities assistance program.

In furtherance of recognizing that metropolitan areas, governmentally fragmented though they may be, are social and economic entities, a number of significant Federal developments are cited. These included consideration of the special revenue sharing proposals for both transportation and manpower training, improved delivery of health services through seed money grants and loan guarantees for "health maintenance organizations," and finally incentive and demonstration funds for metropolitan inter-school district programs and area-wide education parks to reduce the educational disadvantages of minority group isolation.

Perhaps the most active component of national urban growth policy this year has been concern for the development of smaller urban centers as an option to present metropolitan growth trends. The list of legislative developments is indicative of a new thrust: extension and expansion of the activities of the Economic Development Administration and the Appalachian Commission, Presidential proposals for rural development special revenue sharing, liberalization of farm credit and proposals for new public and private rural community development credit sources, financing of additional rural telephone systems, incentives to get professional health manpower to locate outside of our metropolitan areas, and creation of a new and already active Rural Development Subcommittee in the Senate Agricultural Committee.

The poor and minority groups in central cities and elsewhere received attention though the public policy directions were mixed. New provisions in the bills extending the Economic Opportunity Act ranged from self-help projects to backing for new local community development corporations. Reform of the national welfare system through the Family Assistance Plan, by upgrading minimum payments, are making eligibility more uniform, and give promise of slowing the migration of rural poor to inner city slums.

Housing, which has been suggested as the key to any national urban growth policy, was subject to intensive scrutiny by the Administration and both houses of Congress. Examination of proposals for consolidation of housing subsidy programs, use of new metropolitan and State mechanisms and accelerating the application of technological improvements in housing construction gave promise of legislative action in the second session of the 92d Congress.

Similarly, general dissatisfaction with present inadequacies and gaps in existing community development programs made major reform appear to be certain during the present Congress. The Administration's urban community development special revenue sharing proposal and House and Senate grant consolidation proposals differed only over important, but less than fundamental issues: allocation formulas, planning and application requirements, and review for performance. The concepts of consolidation, flexibility, and support of general local governments were accepted.

A final element of national urban growth policy receiving explicit recognition for the first time by the Federal Government was support for assisting State and local governments in overall management. The Administration proposed revision and doubling of the Department of Housing and Urban Development's Comprehensive Planning Assistance program to explicitly cover management assistance, program development and evaluation to chief executives at all levels of government. Other proposals, using the planning mechanism, sought to thrust upon the States an active role in local land use regulation. Grant consolidations, general revenue sharing, and creation of four super-departments to replace seven existing cabinet level agencies and a host of lesser Federal management reforms made up the rest of an ambitious agenda designed to improve State and local capability and viability.

Thus, the evidence accumulates that the Federal Government is beginning to come to grips with its most complex domestic challenge—to find effective ways of guiding and directing the inevitable migration growth and development that will occur for the foreseeable future.

FOOTNOTES

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[3] U.S. President (Nixon). *Third Annual Report on National Housing Goals.* 92d Cong., 1st Sess. House Doc. no. 92–136. June 29, 1971, p. 21.

[4] Resolutions of the 1971 Annual Meeting of the U.S. Conference of Mayors. *Congressional Record,* 92d Cong., 1st Sess., June 30, 1971: pp. 22962–22963.

[5] This analysis of the planning contained in special revenue sharing proposals is essentially taken from Nicholas P. Thomas: Administration's Special Revenue Sharing Planning Features Are Not Consistent and Do Not Lead to Coordinated National Policies, Part II. *AIP Newsletter,* v. 6, no. 7, July 1971: 8–13.

[6,7] U.S. President (Nixon). *Message From the President of the United States Relative to Initiating a National Health Strategy.* 92d Cong., 1st Sess. House Doc. no. 92–49. February 18, 1971, p. 6.

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[15] *Ibid.,* p. 31.

[16] *Ibid.,* pp. 34–35.

[17] *Ibid.,* p. 37.

[18] Creation of New Subcommittee on Rural Development. *Congressional Record,* February 17, 1971: p. 2852.

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[20] Report on the Location of New Federal Offices and Other Facilities—Message From the President. *Congressional Record,* 92d Cong., 1st Sess., September 14, 1971: p. 31680.

[21] U.S. Congress. House. *Message From the President of the U.S. Transmitting His Second Manpower Report.* 92d Cong., 1st Sess. House Doc. no. 92–86, April 7, 1971. pp. 142–143.

[22] National Academy of Engineering. Committee on Telecommunications. *Communications Technology for Urban Improvement: Report to the Department of Housing and Urban Development.* (Contract No. H–1221) June, 1971. pp. 4–5.

[23] U.S. Congress. Senate. Committee on Labor and Public Welfare. *Economic Opportunity Amendments of 1971: Report to Accompany S. 2007.* 92d Cong., 1st Sess., Senate Report no. 92–331. July 30, 1971. pp. 22–23.

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[28] U.S. President (Nixon). The President's News Conference of February 17, 1971. *Weekly Compilation of Presidential Documents,* v. 7, no. 8: 239.

[29] U.S. President (Nixon). Federal Policies Relative to Equal Housing Opportunity. Statement by the President, June 11, 1971. *Weekly Compilation of Presidential Documents,* v. 7, no. 24: 900–901.

[30] The U.S. Department of Housing and Urban Development issued on July 26, 1971 a compilation of documents relevant to the President's June 11, 1971 policy statement. It includes statements by Administration spokesman as well as proposed HUD guidelines and criteria.

[31] Resolutions of the 1971 Annual Meeting of the U.S. Conference of Mayors. *Congressional Record,* 92d Cong., 1st Sess. June 30, 1971: p. 22965.

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[38] U.S. Congress. House. Committee on Banking and Currency. *Papers Submitted to Subcommittee on Housing Panels on Housing Productions, Housing Demand, and Developing a Suitable Living Environment* and *Housing and The Urban Environment: Report and Recommendations of Three Study Panels.* 92d Cong. 1st Sess.

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[41] HUD Report Upholds Banking and Currency Committee on Section 235 Housing Program. *Congressional Record.* 92d Cong., 1st Sess., September 13, 1971: p. 31589.

[42] U.S. Congress. Senate. Committee on Banking, Housing and Urban Affairs, Subcommittee on Housing and Urban Affairs. *Hearings on Withholding of Funds for Certain Housing and Urban Development Programs for the Remainder of Fiscal Year 1971.* 92d Cong., 1st Sess. March 3, 4, 1971. p. 1.

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[61] "Guidelines of the U.S. Department of Labor for Developing Programs Under the Emergency Employment Act of 1971." *Manpower Information Service, Reference File.* Bureau of National Affairs, Inc., Washington. p. 91:1325.

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## APPENDIX A

## HOUSING AND URBAN DEVELOPMENT ACT OF 1970—PUBLIC LAW 91–609

To provide for the establishment of a national urban growth policy, to encourage and support the proper growth and development of our States, metropolitan areas, cities, counties, and towns with emphasis upon new community and inner city development, to extend and amend laws relating to housing and urban development, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Housing and Urban Development Act of 1970".

## TITLE VII—URBAN GROWTH AND NEW COMMUNITY DEVELOPMENT

### PART A—DEVELOPMENT OF A NATIONAL URBAN GROWTH POLICY

### FINDINGS AND DECLARATION OF POLICY

SEC. 702. (a) The Congress finds that the rapid growth of urban population and uneven expansion of urban development in the United States, together with a decline in farm population, slower growth in rural areas, and migration to the cities, has created an imbalance between the Nation's needs and resources and seriously threatens our physical environment, and that the economic and social development of the Nation, the proper conservation of our natural resources, and the achievement of satisfactory living standards depend upon the sound, orderly, and more balanced development of all areas of the Nation.

(b) The Congress further finds that Federal programs affect the location of population; economic growth, and the character of urban development; that such programs frequently conflict and result in undesirable and costly patterns of urban development which adversely affect the environment and wastefully use our natural resources; and that existing and future programs must be interrelated and coordinated within a system of orderly development and established priorities consistent with a national urban growth policy.

(c) To promote the general welfare and properly apply the resources of the Federal Government in strengthening the economic and social health of all areas of the Nation and more adequately protect the physical environment and conserve natural resources, the Congress declares that the Federal Government, consistent with the responsibilities of State and local government and the private sector, must assume responsibility for the development of a national urban growth policy which shall incorporate social, economic, and other appropriate factors. Such policy shall serve as a guide in making specific decisions at the national level which affect the pattern of urban growth and shall provide a framework for development of interstate, State, and local growth and stabilization policy.

(d) The Congress further declares that the national urban growth policy should—

(1) favor patterns of urbanization and economic development and stabilization which offer a range of alternative locations and encourage the wise and balanced use of physical and human resources in metropolitan and urban regions as well as in smaller urban places which have a potential for accelerated growth;

(2) foster the continued economic strength of all parts of the United States, including central cities, suburbs, smaller communities, local neighborhoods, and rural areas;

(3) help reverse trends of migration and physical growth which reinforce disparities among States, regions, and cities;

(4) treat comprehensively the problems of poverty and employment (including the erosion of tax bases, and the need for better community services and job opportunities) which are associated with disorderly urbanization and rural decline;

(5) develop means to encourage good housing for all Americans without regard to race or creed;

(6) refine the role of the Federal Government in revitalizing existing communities and encouraging planned, large-scale urban and new community development;

(7) strengthen the capacity of general governmental institutions to contribute to balanced urban growth and stabilization; and

(8) facilitate increased coordination in the administration of Federal programs so as to encourage desirable patterns of urban growth and stabilization, the prudent use of natural resources, and the protection of the physical environment.

### URBAN GROWTH REPORT

SEC. 703. (a) In order to assist in the development of a national urban growth policy, the President shall utilize the capacity of his office, adequately organized and staffed for the purpose, through an identified unit of the Domestic Council, and of the departments and agencies within the executive branch to collect, analyze, and evaluate such statistics, data, and other information (including demographic, economic, social, land use, environmental, and governmental information) as will enable him to transmit to the Congress, during the month of February in every even-numbered year beginning with 1972, a Report on Urban Growth for the preceding two calendar years which shall include—

(1) information and statistics describing characteristics of urban growth and stabilization and identifying significant trends and developments;

(2) a summary of significant problems facing the United States as a result of urban growth trends and developments;

(3) an evaluation of the progress and effectiveness of Federal efforts designed to meet such problems and to carry out the national urban growth policy;

(4) an assessment of the policies and structure of existing and proposed interstate planning and developments affecting such policy;

(5) a review of State, local, and private policies, plans, and programs relevant to such policy;

(6) current and foreseeable needs in the areas served by policies, plans, and programs designed to carry out such policy, and the steps being taken to meet such needs; and

(7) recommendations for programs and policies for carrying out such a policy, including such legislation and administrative actions as may be deemed necessary and desirable.

(b) The President may transmit from time to time to the Congress supplementary reports on urban growth which shall include such supplementary and revised recommendations as may be appropriate.

(c) To assist in the preparation of the Report on Urban Growth and any supplementary reports, the President may establish an advisory board, or seek the advice from time to time of temporary advisory boards, the members of whom shall be drawn from among private citizens familiar with the problems of urban growth and from among Federal officials, Governors of States, mayors, county officials, members of State and local legislative bodies, and others qualified to assist in the preparation of such reports.

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### APPENDIX B

### AGRICULTURAL ACT OF 1970—PUBLIC LAW 91–524

To establish improved programs for the benefit of producers and consumers of dairy products, wool, wheat, feed grains, cotton, and other commodities, to extend the Agricultural Trade Development and Assistance Act of 1954, as amended, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Agricultural Act of 1970".

### TITLE IX—RURAL DEVELOPMENT

#### COMMITMENT OF CONGRESS

Sec. 901. (a) The Congress commits itself to a sound balance between rural and urban America. The Congress considers this balance so essential to the peace, prosperity, and welfare of all our citizens that the highest priority must be given to the revitalization and development of rural areas.

#### LOCATION OF FEDERAL FACILITIES

(b) Congress hereby directs the heads of all executive departments and agencies of the Government to establish and maintain, insofar as practicable, departmental policies and procedures with respect to the location of new offices and other facilities in areas or communities of lower population density in preference to areas or communities of high population densities. The President is hereby requested to submit to the Congress not later than September 1 of each fiscal year a report reflecting the efforts during the immediately preceding fiscal year of all executive departments and agencies in carrying out the provisions of this section, citing the location of all new facilities, and including a statement covering the basic reasons for the selection of all new locations.

#### PLANNING ASSISTANCE

(c) The Secretary of the Department of Housing and Urban Development and the Secretary of Agriculture shall submit to the Congress a joint progress report as to their efforts during the immediately preceding fiscal year to provide assistance to States planning for the development of rural multicounty areas not included in economically depressed areas under authority of the Housing and Urban Development Act of 1968. The first such annual report shall be submitted not later than December 1, 1970, and shall cover the period beginning August 1, 1968, the date of enactment of the Housing and Urban Development Act of 1968, and ending June 30, 1970.

#### INFORMATION AND TECHNICAL ASSISTANCE

(d) The Secretary of Agriculture shall submit to the Congress a report not later than September 1 of each fiscal year reflecting the efforts of the Department of Agriculture to provide information and technical assistance to small communities and less populated areas in regard to rural development during the immediately preceding fiscal year. The first such annual report shall be submitted not later than December 1, 1970, covering the period beginning July 1, 1969, and ending June 30, 1970. The Secretary shall include in such reports to what extent technical assistance has been provided through land-grant colleges and universities, through the Extension Service, and other programs of the Department of Agriculture.

#### GOVERNMENT SERVICES

(e) The President shall submit to the Congress a report not later than September 1 of each fiscal year stating the availability of telephone, electrical, water, sewer, medical, educational, and other government or government assisted services to rural areas and outlining efforts of the executive branch to improve these services during the immediately preceding fiscal year. The President is requested to submit the first such annual report, covering the fiscal year ending June 30, 1970, on or before December 1, 1970.

#### FINANCIAL ASSISTANCE

(f) The President shall report to Congress on the possible utilization of the Farm Credit Administration and agencies in the Department of Agriculture to fulfill rural financial assistance requirements not filled by other agencies. The President is requested to submit the report requested by this section on or before July 1, 1971, together with such recommendations for legislation as he deems appropriate.

Approved November 30, 1970.

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## SUPPORT FOR COMPREHENSIVE CHILD DEVELOPMENT BILL

**Mr. MONDALE.** Mr. President, recently two very prestigious groups of individuals familiar with the needs of children and experienced in the field of child development expressed their overwhelming support for the comprehensive child development bill now in conference.

The National Association for the Education of Young Children at their recent convention in Minneapolis, Minn., adopted a resolution urging the President to support this proposal and seek adequate funding for it.

A number of leaders in education, health, day care, and civil rights signed a statement—which appeared as an advertisement in the Washington Post, sponsored by the Children's Lobby—urging Congress to finish work on the bill and the President to sign it.

Both groups called for legislation that will provide developmental day care opportunities, on a voluntary basis, with parental participation and eligibility for children from all income levels.

I ask unanimous consent that the statement be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 9, 1971]

#### MEMORANDUM

To: The President of the United States and the Congress

Subject: The Comprehensive Child Development Act

#### FACTS

On February 19, 1969, President Nixon called for a "national commitment to providing all American children an opportunity for a healthful and stimulating development during the first five years of life."

On April 9, 1969, the President said, "I again pledge myself to that commitment."

This year, House and Senate action, with bipartisan leadership and support, passed Comprehensive Child Development Bills (S–2007 and H.R. 10351) and they are now in Conference Committee.

The differences between the two versions can be quickly reconciled.

The Comprehensive Child Development Act will result in one of the best investments the nation can make in its future.

It will provide a comprehensive program of educational, nutritional, and health care to those preschool children whose parents believe they need it.

It will allow a child's participation to be completely voluntary on the part of the parents.

It will give parents a real voice in the planning and operation of the programs.

It will offer quality day care service to the working women of America so that their families may have an adequate standard of living.

It will extend the enormous experience and success of the Head Start program.

It will deal with the problems of America's latch-key children.

It will reduce school failures.

It will build healthier children.

#### ACTION NEEDED

The Conference Committee must resolve the differences at today's meeting.

Both Houses must repass the bill.

The President must sign that bill.

We urge that the Comprehensive Child Development Act be passed to fulfill the President's pledge and the commitment by the Congress.

Robert Aldrich, M.D., Vice Pres., Health Affairs, University of Colorado; Joyce Black, Pres., New York City, Day Care Council; Arnita Boswell, Prof., Social Work, University of Chicago; Urie Bronfenbrenner, Prof., Human Development and Family Studies, Cornell University; Jerome Bruner, M.D., Director, Center for Cognitive Studies, Harvard University; Richardo Callejo, Attorney, Spanish Speaking, Sur-Named Political Assn., San Francisco; Eli E. Cohen, Exec. Sec., Natl. Committee on Employment of Youth; and Raymond Cohen, M.D., Past President, Texas Pediatric Society.

Manuel Diaz, Jr., Vice Pres., New York City, Urban Coalition; James Dumpson, Dean, School of Social Work, Fordham University; Marion Edelman, Washington Research Projects, Action Council; Donald Fink, M.D., Former Dir., American Academy of Pediatrics Consultation Service; Marcus Foster, PhD., Superintendent, Oakland Public Schools; Glenn Gibson, M.D., Pediatrician, Baton Rouge; Elinor C. Guggenheimer, Policy Council, National Political Women's Caucus; and Dorothy I. Height, Pres., Natl. Council of Negro Women.

Francis Keppel; Reginald Lourie, M.D., Pres. Joint Commission on Mental Health of Children; Sanford Matthews, M.D., Regional Pediatric Medical Coordinator, Atlanta; Joseph Monserrat, Member, Board of Education, New York City; John Niemeyer, Chairman, Day Care and Child Development Council of America; Josephine Nieves, Dir., Puerto Rican Studies, Brooklyn College; Julius Richmond, M.D., Dir., Judge Baker Guidance Center, Harvard University; and Mrs. Alexander Ripley, Vice Pres., California Children's Lobby.

This advertisement sponsored by The Children's Lobby, Jule M. Sugarman, President, 112 East 19th St., New York, N.Y.

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National Association for the
Education of Young Children,
*Washington, D.C.*

National Association for the Education of Young Children in Convention in Minneapolis, Minnesota, November 5, 1971

RESOLUTION NUMBER 2

Whereas the President of the United States of America has voiced his commitment to meeting the needs of all young children in this country and

Whereas President Nixon has admirably placed in the Office of Child Development the position of Child Advocacy and the responsibility for implementing the recommendations of the 1970 White House Conferences on Children and Youth and

Whereas the nationwide need for comprehensive child development services for many young children can be provided only through bold Federal legislation and appropriations.

Therefore, be it resolved by the National Association for the Education of Young Children in convention in Minneapolis, Minnesota this fifth day of November, 1971.

That the President of the United States put aside the differences between his administrative proposals and the Comprehensive Child Development amendments to the Economic Opportunity bills. Specifically

(1) that programs be established to serve children from all income levels based on ability to pay

(2) that the protection of Head Start and Follow Through be assured

(3) that communities of 5000 or more be assured of having the opportunity to go directly to the Federal government for funds

(4) comprehensive standards at least equal to those provided by the 1968 Federal Interagency Standards for Day Care be upheld.

That President Nixon take a vigorously supportive posture toward the passage of this bill with the above listed components *and* the allocation of appropriations

That he advise Secretary Richardson of his determination to immediately serve the needs of young children by this most constructive action.

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## VETERANS MUST STILL WAIT FOR GOOD HOSPITAL CARE

Mr. HUMPHREY. Mr. President, all of us remember the shocking conditions of neglect in our veterans' hospitals that were exposed in the spring of 1970. Congress acted immediately to correct the most serious problem of totally inadequate levels of professional staff and hospital workers, to assure patients the treatment and care they deserve. However, it now appears that Congress was mistaken in its assumption that the enactment of increased appropriations would necessarily result in an improved staff-patient ratio commensurate with the serious need in our veterans' hospitals.

In 1970 it was revealed that while community hospitals averaged 2.72 staff members per patient, there were only 1.5 staff members for each patient in Veterans' Administration hospitals. It is contended that this VA hospital ratio now stands at 1:8:1 nationwide.

However, what is at first glance an encouraging improvement, proves on closer examination to result in large measure from statistical gamesmanship employed by the Office of Management and Budget. In fiscal 1971, VA hospitals operated at an average level of 84,500 inpatients per day. But for fiscal 1972, the OMB ordered the VA to reduce bed patients to an average level of 79,000 daily—meaning that almost 47,000 fewer hospital patients could be treated this fiscal year. That is one way to improve the staff-patient ratio, but a method that Congress has firmly refused to accept.

It is well recognized that the VA medical service serves as a major resource for medical education, training, and research, and that it has played a vital role in America's health care system, caring for over 7 million veterans last year through its network of 165 hospitals, 202 independent clinics, and 65 nursing homes. But it is also clearly evident that this extensive health care system has been critically underfunded and understaffed.

With the enactment of Public Law 92–78 this past summer, Congress tied a $279.9 million increase in the original VA medical care budget for fiscal 1972 to a firm mandate that the VA maintain a minimum daily patient load of 85,500. In addition, the President has called upon the VA to take the lead in rehabilitating veterans returning from Vietnam with drug abuse and narcotics addiction problems—estimated by the VA Medical Director to have reached over 50,000.

But rather than permitting an offensive to be launched to meet these health care objectives on behalf of our veterans, the OMB has repeatedly ordered a retreat. Last year, Congress increased the VA's proposed budget with the intention that an additional $105 million be used primarily to hire more staff. However, the OMB ordered the diversion of these additional funds to pay for equipment purchases, management costs, dental services, and certain salary increases.

To counter this directive, Congress rushed through an $8 million supplemental appropriation, which enabled the VA to hire 8,600 new employees, including 802 physicians.

But just as this forward step toward improved medical care for our disabled veterans was being taken, the White House and the OMB called a halt. Refusing to release $71 million of the funds appropriated by Congress for VA medical care in the current fiscal year, the OMB has prevented the VA from hiring over 11,000 more hospital personnel. And on August 15, the White House ordered a 5-percent employment reduction in the VA Department of Medicine and Surgery. This order has wiped out any significant personnel increases hoped for this year and has confronted the VA with an extensive morale problem among present hospital personnel.

But it is the patient in the VA hospital and the veteran waiting to be admitted for required treatment who have suffered from these administration actions. It is clear that, in general, our VA hospitals are making every effort to provide patients the treatment and care they need. But the odds are heavily stacked against these hospitals being able to substantially improve and expand medical care to meet the extensive health problems of our older veterans and those returning from Vietnam.

There are over 15 million World War II veterans, among whom the need for quality medical care continues to increase. And the number of Vietnam-era veterans being discharged this year is expected to increase by 300,000 over the recent annual rate of 800,000. Ten of fifteen percent of all patients treated in VA hospitals are Vietnam-era veterans.

However, it is reported that two of every five veterans applying for admission to VA hospitals are being rejected. And the admission waiting list of veterans with non-service-connected health disabilities and illnesses has more than doubled since the beginning of 1971—from 2,861 to 7,176. It is estimated that this category of health problems accounts for 65 percent of the care the VA provides.

In the face of rising public concern over this denial of hospital inpatient treatment to our veterans, the Office of Management and Budget has recently permitted a partial release of VA medical care funds appropriated by Congress. It is claimed that this action will allow the VA to raise the hospital daily inpatient load to 85,500—the level mandated by Congress for the current fiscal year. However, the 4-month delay in releasing these funds will actually result in a daily patient level average over the full year of only 83,000. And it will mean that present VA hospital staffs, already overworked, will have to care for many more patients each day, because of the continued withholding by the OMB of funds appropriated for substantial increases in hospital personnel.

I firmly believe that America has an absolute obligation to provide the best possible medical care to those who have served our country and contributed to the national defense. Long-term veterans' medical care is as much a part of our defense costs as the short-term emergency care given on the battlefield.

I call upon the Office of Management and Budget to release all the funds that Congress has felt are so vital to achieving an effective medical delivery system for our veterans. It is unconscionable that this administration should seek to achieve fiscal savings at the expense of health care for those who have put their lives on the line for their country.

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## FEDERAL GOVERNMENT EMPLOYMENT OF THE MEXICAN-AMERICAN IN CALIFORNIA

Mr. TUNNEY. Mr. President, on October 23, 1971, the distinguished Senator from New Mexico (Mr. Montoya) stated in his address before the Coalition Conference of Spanish-speaking Americans that—

> Across America, our young men return from the Indochina adventure. All have given their share and more. What rewards and responses do they find? Minimal ones. Frustrating ones. Grudging ones. They were adequate for utilization as cannon fodder in Asia, but are rarely considered good enough to qualify for equal treatment back home. . . . In higher government pay-grades, we

> are virtually ignored and unrepresented. The facts are there for anyone to obtain and study. In grades 16 through 18, we are almost totally excluded in agency after agency. Here is a true national disgrace. We qualify to die for America and be mentioned in holiday speeches, but not to rise near the top by merit in our government's Civil Service.

In addition, the California State Advisory Committee to the U.S. Commission on Civil Rights recently reported that:

> Racism has been a major factor in denying the Mexican-American access to our political and governmental institutions in California today. The Committee found much evidence that the . . . administrations at all levels of government in California have chosen to accept this condition rather than mobilize our society to combat it. For many years, in spite of large and continually growing numbers in California, the Mexican-Americans have been conspicuously absent from governmental positions in this State. This has been true at all levels of government: municipal, county, state and federal (in those instances where Federal officials work within the boundaries of California).

If the facts are correctly reported in the following monograph, Federal Government Employment of the Mexican-American in California, which I shall submit for the Record, I clearly do not think we can allow this deplorable situation to continue.

According to this report, 12 of the 27 largest agencies employ no Mexican Americans in even minor, bureaucratic decisionmaking positions. None of the 27 have more than 3 percent in such positions, and some employ Mexican Americans in proportion to their availability in the work force. Statewide, Anglos are 20 times more likely than Mexican Americans to be in even a minor decision-making position.

Of the 293,770 full-time civilian Federal employees in California, only 5.6 percent—16,506—are Mexican American, as compared with 14.9 percent of the work force. This results in Mexican Americans being effectively precluded from middle-class Federal jobs or from jobs affecting the economic, employment, and housing problems of Chicanos. This de facto discrimination against Mexican Americans and their virtual exclusion from better-paying, policymaking positions has produced a form of Government apartheid.

With 70 percent of the agricultural work force in California being Mexican American, it is difficult to comprehend, for example, why none of the top 500 employees in the Department of Agriculture is Mexican American.

Nationwide, Federal Government civilian employment shows a similar underemployment pattern for all Spanish-surnamed persons. Of 2,571,504 full-time employees, only 74,449 are Spanish surnamed. Although Spanish-surnamed persons represent 7 percent of the Nation's population, they constitute only 2.9 percent of all employees. This 2.9-percent Spanish-surnamed figure has remained constant over the last decade.

The absence of any Mexican Americans at agencies such as the U.S. Information Agency—0 of 52—and the Federal Trade Commission—0 of 59—are reflected in the failure of the Information Agency to achieve credibility in Latin America and the FTC to protect the rights of the Spanish-speaking consumer.

This ignominious record strains credulity in that Chicanos capable of leading combat missions should be capable of sufficient training to push papers.

Today I have written to Mr. Robert E. Hampton, Chairman of the U.S. Civil Service Commission. I have asked him whether he agrees with the findings of this report; and if he so agrees, what specific steps, and with what results, if any, have been undertaken.

The data necessary for this report was made available as a result of the assistance of my office in securing the information on Federal Government employment of Chicanos in 47 Federal agencies located in California.

In order that this matter can be brought to the attention of all, I ask unanimous consent that the monograph, prepared by Public Advocates, Inc., under the sponsorship of the Mexican-American Legal Defense and Education Fund, Inc., be printed in the Record.

There being no objection, the monograph was ordered to be printed in the Record, as follows:

## Monograph

### A. INTRODUCTION AND SUMMARY—DE FACTO DISCRIMINATION

The statistics in this monograph are from the official computer tapes of the United States Government, United States Civil Service Commission, Washington, D.C.

The individual agency statistics on federal government employment of the Mexican-American in California, published herein, have never been compiled before, much less published.

In the *opinion* of the organizations preparing this report, these statistics have been deliberately suppressed by the U.S. Civil Service Commission because they refute the President's possibly sincere, but definitely inadequate efforts to secure for the Chicano[1] in civilian employment the equal opportunities that presently exist in the military—that is, population parity and an equal opportunity for leadership.

In summary, these statistics show that:

I. Each of the 27 federal agencies employing 100 or more Californians is a *de facto discriminator*. None employ Mexican-Americans in proportion to their availability in the qualified work force.

II. Of the 293,770 full-time civilian federal employees in California, only 5.6% (16,506) are Mexican-American, as compared to 14.9% of the work force. (Discrimination factor of 170%)

III. If President Nixon issued an Executive Order (pursuant to his Article II Constitutional powers) to enforce population parity in federal civilian employment, 27,265 additional jobs would be created for Mexican-Americans in California and 105,556 additional jobs nationwide for members of the La Raza Community.

IV. The result of such an Executive Order would be to increase annual Mexican-American income by $245 million dollars in California and the La Raza Community by $950 million dollars nationwide.

V. This sum is greater than the annual amount of poverty funds expended for the La Raza Community.

VI. Mexican-Americans are effectively precluded from middle-class federal jobs or from jobs affecting the economic, employment and housing problems of their people. For example, twelve of the twenty-seven largest agencies have *no* Mexican-Americans in even minor bureaucratic decision-making positions, none of the twenty-seven have more than 3% in such positions, and State-wide, Anglos are twenty times more likely than Mexican-Americans to be in even a minor decision-making position.

VII. This de facto discrimination against Mexican-Americans and their virtual exclusion from better-paying, policy-making positions has produced a form of Government Apartheid.

#### *Civil Service Commission's false elitism*

In large measure Government Apartheid has been caused by the false elitism championed by the Civil Service Commission, a flagrant under-employer of Spanish-surnamed persons. [2.3% of nationwide staff (119 of 5,268) are Spanish-surnamed; and, only 1 of its top 197 persons is Spanish-surnamed.] This elitism is exemplified by favoring academic proficiency over job performance and testing punctuation instead of aptitude.

#### *Philadelphia Plan Executive order*

Unless the nation is prepared to accept continued Government Apartheid in which Anglos determine the economic, employment, educational, housing and social fate of fourteen million "disenfranchised" Spanish-surnamed "subjects," drastic, immediate action is called for.

This monograph consequently recommends immediate Presidential *action* on a nationwide basis consistent with Vice President Agnew's call for Population Parity for the La Raza Community at all levels of federal civilian employment.[2] This "Philadelphia Plan" action can best be achieved by a *specific* Executive Order establishing *specific* employment goals and time-tables for population parity for all minorities.

As one Chicano veteran leader expressed it: "Chicanos have population parity in terms of military fatalities. The Government now has an obligation to end the inequity of our being first in war and last in peace."[3]

### B. METHODOLOGY

All of the individual agency statistics are from the unpublished federal government computer tapes on file with the U.S. Civil Service Commission, Washington, D.C. These statistics were secured for Public Advocates, Inc. and the Mexican-American Population Commission through the intercession of a U.S. Senator.

The significance and accuracy of the tapes is undisputed. Nevertheless, spot verifications have been made with federal government officers and at government offices during the month of September, 1971.

The statistics are as of November 30, 1970, for forty-seven (47) federal agencies and departments employing 293,770 full-time *civilians* in California.

### C. CHICANOS SHORTCHANGED BY 27,000 JOBS AND $245 MILLION ANNUALLY

#### *Largest minority in nation*

As of October, 1970, California's Mexican-American [Chicano] population was 2,980,000 or 14.9% of the State's population.[4] Thus, Mexican-Americans in California constitute the largest minority in any state,[5] as well as the largest Mexican-American population in any state.[6]

The federal government, unlike the State of California, refuses to keep separate statistics on Mexican-American employees. However, they do keep statistics on Spanish-surnamed employees. Generally, this results in an exaggerated count of Mexican-American employees, particularly at higher positions, due to the inclusion of Central and South Americans, and, often, incorrectly, Portuguese and Italian-Americans. It is estimated that the use of Spanish-surnamed employment statistics, in lieu of Mexican-American statistics, results in an exaggerated Mexican-American statistic of from 5 to 30%, de-

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Footnotes at end of article.

pending on the agency.[7] However, all statistics used herein, by necessity and government omission, are Spanish-surnamed; thus the reader should note that the actual fededal government employment of Mexican-Americans is 5 to 30% *lower,* particularly at higher level positions.[8]

### *Largest employer and largest de facto discriminator*

The federal government is California's largest private or public employer. It employs 293,770 full-time *civilians*—as of November 30, 1970. *Only 16,506 were Spanish-surnamed.* This is only 5.6% of all employees as opposed to 14.9% of all Californians who are Mexican-American and part of the qualified work force.

Thus, on its face, the federal government is a *de facto discriminator* in violation of President Nixon's November 5, 1970 Spanish-surnamed "Sixteen Point Plan." This Plan called, but without any enforcement mechanism, for population parity for Mexican-American, and other Spanish-surnames, in federal civilian employment. (Population Parity already exists in military casualties, since, for example, 15% of Vietnam combat deaths among Californians consist of Mexican Americans.)

The federal government, based on its own statistics, underemploys Mexican-Americans by more than 50%. If Mexican-Americans were employed by the Federal Government in proportion to their population, 27,265 *more* Mexican-Americans would be employed in California, for a total of 43,771, rather than the present 16,506. The present underemployment results in a net loss in salaries to California Mexican-Americans of almost a quarter of a billion dollars a year ($245,385.-000.)[9]

Most of the Mexican-Americans employed by the federal government in California are in poverty-level jobs, as defined by the U.S. Labor Department for urban areas. For example, Spanish-surnamed persons constitute 17.6% of all employees in the "Wage System" earning under $5,500 and only 0.6% of those earning $18,000 or more.[10]

### *Nationwide pattern of exclusion*

Nationwide, federal government civilian employment shows a similar underemployment pattern for the La Raza Community [all Spanish-surnamed persons]. Of 2,571,504 full-time employees, only 74,449 are Spanish-surnamed.[11] Although Spanish-surnamed persons represent 7% of the nation's population,[12] they constitute only 2.9% of all employees, for a *de facto discrimination* percentage of 140. This 2.9% Spanish-surnamed figure has remained constant over the last decade and this absence of change was reported to the President on November 5, 1970.[13]

If population parity were achieved (i.e. 7% Spanish-surnamed federal employees), more than a hundred thousand (105,556) additional jobs would be available to Spanish-surnames, providing almost one billion dollars ($950,004,000) annually in additional income, or more than received by the La Raza Community from the entire Poverty program.[14]

The previously secret federal government computer tapes [15] when analyzed by *individual* agency display a rather significant discrepancy between President Nixon's rhetoric and federal agency commitment. This is glaringly apparent at the so-called "minority-oriented" agencies such as Health, Education & Welfare and Housing & Urban Development and at the agencies that have used Chicanos "so well" in Vietnam in military roles, such as the Army and Air Force.

### *Individual agency*

### Statistics on de facto discrimination

Chart I, *infra,* p. 13, provides the statistics for the eleven largest federal agencies in terms of full-time, *civilian only,* employment of Spanish-surnames in California. Each agency employs between 5,000 and 90,000 persons.

Chart II, *infra,* p. 14, provides similiar information for the next sixteen largest federal agencies employing on the average of more than one thousand employees each.

Chart III, *infra,* p. 17, provides in condensed form such statistics for the twenty smallest of the forty-seven agencies.

Subsequent to the Charts are discussions of the significance and impact of the statistics on the Chicano community.

CHART I.— SPANISH-SURNAMED EMPLOYEES FOR FEDERAL AGENCIES EMPLOYING 5,000, OR MORE, FULL-TIME CIVILIANS IN CALIFORNIA (RANKED IN ORDER OF DISCRIMINATION—NO. 1 IS THE GREATEST DISCRIMINATOR, ETC.)

| Rank and department | Overall percent Spanish-surnamed employees | Percent Spanish-surnamed in decision-making | Overall percent de facto discrimination [1] |
|---|---|---|---|
| 1. Transportation | 2.1 | 0.7 | 610 |
| 2. Interior | 2.4 | 0 | 525 |
| 3. Agriculture | 2.9 | 0 | 380 |
| 4. Treasury | 4.1 | 1.2 | 270 |
| 5. Veterans' Administration | 4.5 | 3.2 | 220 |
| 6. Army | 5.4 | .7 | 180 |
| 7. Air Force | 5.5 | 0 | 170 |
| 8. Navy | 5.7 | .4 | 160 |
| 9. HEW | 5.8 | 1.2 | 160 |
| 10. Post Office | 6.6 | 2.0 | 130 |
| 11. Defense Supply Agency | 7.9 | 0 | 80 |

[1] Rounded off to nearest 10 percent.

Note: Discrimination percent based on comparison with 14.9 percent, the percent of the California work force that is Chicano.

CHART II.—FEDERAL AGENCIES EMPLOYING BETWEEN 100 AND 5,000 CALIFORNIANS (RANKED IN ORDER OF DISCRIMINATION—NO. 1 IS THE GREATEST DISCRIMINATOR, ETC.)

| Rank and department | Overall percent Spanish-surnamed | Percent Spanish-surnamed in decision-making | Overall percent de facto discrimination |
|---|---|---|---|
| 1. Federal Home Loan Bank Board | 1.0 | 0 | 1,390 |
| 2. Selective Service | 2.8 | 0 | 430 |
| 3. Commerce | 2.9 | 0 | 380 |
| 4. Atomic Energy | 3.0 | 0 | 360 |
| 5. Secretary of Defense | 3.0 | 2.0 | 360 |
| 6. Aeronautics and Space Administration | 3.3 | .7 | 350 |
| 7. GAO | 3.7 | 0 | 310 |
| 8. HUD | 3.8 | 4.6 | 290 |
| 9. NLRB | 3.9 | 0 | 280 |
| 10. State | 4.8 | 6.3 | 210 |
| 11. Civil Service | 5.4 | 0 | 180 |
| 12. Justice | 5.6 | .5 | 160 |
| 13. SBA | 6.5 | 6.7 | 130 |
| 14. General Services | 7.2 | 0 | 110 |
| 15. OEO | 8.1 | 7.7 | 80 |
| 16. Labor | 10.0 | 7.7 | 50 |

### *Summary of Chart I—Chicanos last in peace*

*None* of the largest eleven agencies, employing, in aggregate, more than a quarter of a million Californians, has even come close to the population parity the President has sought to impose on labor unions through "Philadelphia Plans."

The federal government's employment of the Chicano represents an ignominious record in conflict with our nation's glorious record of assisting defeated nations, as the Chicano is once again last in peace but first in war. For example, the civilian employment of the Army, Air Force and Navy showed de facto discrimination percentages of 180%, 170%, and 160%, respectively. This is a far cry from the Chicano population parity reached in military casualties during the Vietnam conflict. It may explain, in part, why the minority veteran unemployment rate has hovered at 13%. This ignominious record strains credulity in that Chicanos capable of leading combat missions should be capable of sufficient training to push papers.

The abysmal Chicano employment records at the Departments of Transportation, Interior, and Agriculture are statistically impossible on a pure chance basis, (discrimination factors of 610%, 525%, and 380%, respectively). One explanation, confirming past Chicano criticisms, is that these bureaucracies are indifferent to the plight of the Chicano and their Anglo-run affirmative action programs are wholly inept.

The Treasury Department's de facto discrimination percentage of 270% gives cause to consider the applicability of our founding fathers' revolutionary cry: "No Taxation Without Representation."

HEW's 160% de facto discrimination percentage conflicts with its prominent role in eliminating de facto discrimination in the schools. It may indicate that HEW will go as slow with Chicanos in employment as it has with Blacks in white schools. Such de facto discrimination—including only 1% Mexican-American decision-makers—makes it unlikely that HEW can effectively enforce its Title VI Civil Rights Act obligations on state agencies receiving federal funds, such as the California Welfare Department.

### *Chicanos for stoop labor only*

Perhaps, the most shocking aspect of the present de facto discrimination is the virtual total exclusion of Mexican-Americans from even minor decision-making or middle-income jobs. Four of the agencies have *no* Mexican-Americans and nine of the eleven have only one percent or fewer Mexican-Americans making even minor bureaucratic decisions. With 70% of the agricultural work force in California being Mexican-American, it is difficult to comprehend, for example, why *none* of the top 500 employees in the Department of Agriculture is Mexican-American.

### *Summary of Chart II—Government apartheid*

All sixteen agencies are de facto discriminators. Only the Labor Department (10% Spanish-surnamed) appears to have made any substantial effort toward compliance with the President's commitment to population parity for labor unions and others.

The poor Chicano employment records of Selective Service and the Secretary of Defense may explain, in part, why Chicano youth are increasingly bitter about the gap between their military and civilian employment potential.

In general, the substantial *de facto discrimination* at agencies such as the Federal Home Loan Bank Board (1,360%), NLRB (280%) and HUD (290%), may, in part, explain why Mexican-Americans have the worst housing and employment of any minority in California, with the exception of American Indians on reservations.

The 180% discrimination factor at Civil Service, and the total absence of any Spanish-surnamed persons in even minor bureaucratic decision making positions, illustrates why the U.S. Civil Service system continues to frustrate President Nixon and Mexican-Americans by its non-job-related, arbitrary tests. (These punctuation-oriented, anti-ability tests are the main basis for employment and promotion of 2.5 million federal civilian employees).

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Footnotes at end of article.

Half of the sixteen agencies have no Mexican-Americans participating in any decision-making, a statistic as likely on a pure chance basis as drawing three straight royal flushes in five card stud poker.

### CHART III—FEDERAL AGENCIES WITH LESS THAN 100 CALIFORNIA EMPLOYEES

The de facto discrimination pattern established by the twenty-seven larger agencies, reported in Charts I and II, *supra*, continue as to the remaining twenty agencies. However, because of the statistical unfairness of indicting agencies with such small work forces, the agencies are merely listed in the footnote[16] and some highlights are reported. (These agency statistics are open to the public at the office of Public Advocates, Inc.)

(a) Six of the twenty agencies employ *no* Mexican-Americans, even in janitorial or file clerk positions;

(b) Only one of the twenty (U.S. Civil Rights Commission) has a Mexican-American in even a minor decision-making position;

(c) Only the U.S, Civil Rights Commission and the Equal Employment Opportunity Commission have translated President Nixon's rhetoric into action,[17] (40% of the Civil Rights Commission's and 20.5% of the EEOC's staff are Mexican-American);

(d) The absence of any Mexican-Americans at agencies such as the U.S. Information Agency (0 of 52) and the Federal Trade Commission (0 of 59) are reflected in the failure of the Information Agency to achieve credibility in Latin-American and the FTC to protect the rights of the Spahish-speaking consumer;

(e) The virtual exclusion of Mexican-Americans at the Federal Power Commission (1 of 49), the Federal Deposit Insurance Corporation (1 of 85), the Federal Communications Commission (1 of 48), and the Interstate Commerce Commission (1 of 37), is reflected in the policies of these Commissions. The FPC grants free licenses to corporations that refuse to hire Mexican-Americans;

the FDIC guarantees deposits to banks that refuse home loans to Mexican-Americans;

the FCC grants TV licenses to stations that ignore the Mexican-American audience and problems;

and the ICC provides favorable rate structures to railroads that refuse to hire Mexican-Americans at any but track repair level positions.

### *D. Recommendations to end de facto discrimination*

No nation founded on democratic traditions and dedicated to law and order can flourish when its survival is dependent on poorly-paid mercenaries (Chicanos and minorities) and its policies determined by, and, too, often exclusively for Anglos.

Vice President Agnew on July 7, 1970 recommended federal government employment parity for the La Raza Community of fourteen million Americans.[18] President Nixon has urged "Philadelphia Plans" for labor unions. The Director of the Office of Management and Budget (former Secretary of Labor Shultz) has instituted minority population parity at his agency. The Navy has instituted a similar program for its military employment.

The 1970 Report of the U.S. Civil Rights Commission criticized the federal government for underemployment of minorities[19] and put final responsibility for this failure with the Office of the President:

"The Constitution vests the full power of the Executive Branch of government to the President. In the final analysis it is the President who has responsibility for the success or failure of the departments and agencies in carrying out their civil rights responsibilities . . ." (at 1033).

Article II, Section I of the U.S. Constitution grants to the President plenary power over all Executive Branch employment affecting 2.5 million civilians.

The La Raza Community organizations believe that one Presidential swoop of the pen, pursuant to the above plenary constitutional power, could eliminate de facto discrimination for all minorities and produce over one hundred thousand (100,000) jobs and almost one billion dollars annually ($1,000,000,000) for the La Raza Community.

### *"Philadelphia Plan" Executive order*

It is therefore urged that the President honor this nation's obligations to all its citizens by issuing an Executive order, within *thirty days*, as follows:

"Every federal agency shall be required to reach population parity as to all minorities[20] in employment by October 1, 1972. Further, each agency, shall reach population parity at *policy-making* levels for such minorities by no later than October 1, 1974. Non-conforming agencies shall have their subsequent fiscal year's recommended budget reduced in proportion to their failure to achieve said population parity.[21]

On August 8, 1968 President Nixon issued an Executive Order to "assure that the Executive Branch of the Government leads the way as an equal opportunity employer." (Ex. Order #11478) He contended that:

"Discrimination . . . must be eradicated completely from Federal employment. . . .

We must hold out a helping hand and imaginatively use the facilities of the Government . . ."[22]

The issuance of an Executive Order with specific goals and timetables for all minorities will allow the nation to "hold out a helping hand and imaginatively use the facilities of the Government."

Should the President from the state with the largest Chicano population fail to take such action, legal recourse may exist, pursuant to the Civil Rights Act of 1966, which guarantees to all citizens the employment and other property rights enjoyed by the most privileged group. (42 U.S.C. Sections 1981, 1982.)

### E. CONCLUSION

The de facto discrimination and Apartheid of the federal government toward the Chicano brings into question the sincerity of this nation's commitment to democracy. This is particularly so since one swoop of the Presidential pen, rather than one million swords, is all that is necessary to end discrimination.

The irony and danger of the present conflict between our traditions and our treatment of the La Raza Community was poignantly expressed by a Chicano youth, a client at Centro Legal de La Raza:

"You talk of law and order. Chicano youth bleed and die for this principle. Meanwhile you eat the steak and we pay for it. Do you wonder why we view the government as a gringo government?"

### FOOTNOTES

[1] Chicano is used interchangeably with Mexican-American. La Raza Community includes Chicanos *and* all other Spanish-surnames, such as Puerto Ricans and all Latinos.

[2] July 7, 1970 statement by V. P. Agnew calling for Spanish-surnamed employment in federal government in a "reasonably equivalent ratio to" their percentage of the "population." *N.Y. Times*, July 8, 1970, p. 22, Mr. Agnew further admitted that the number of Spanish-surnamed employees "was too small to represent the minority group adequately."

[3] June, 1971 statement of then California President of American G.I. Forum, emphasis added.

[4] Official Census of Mexican-American Population Commission, April, 1971. The Spanish-surnamed population was 3,140,000 or 15.7%.

[5] According to the U.S. Census Bureau, 1970, the largest number of Blacks reside in New York State—which has 2.1 million Blacks.

[6] Texas has the second largest Mexican-American population, 1.7 million. See, *The Electoral College and the Mexican-American*, June, 1971.

[7] Based on opinions of California State agency officials, U.S. Civil Rights Commission and local federal agency heads.

[8] One former Fair Employment Practices Commission member stated that as many as 50% of the higher level Spanish-surnamed positions are probably held by non-Mexican-Americans.

[9] Computed on basis of average of $9,000 per job times 27,265=$245,385,000.

[10] No Spanish-surnamed person in the "Wage System" earning $18,000 or more is believed to be Mexican-American.

[11] "Minority Group Employment in the Federal Government," U.S. Civil Service Commission, SM 70–70B, November 30, 1970, p. 32.

[12] November 5, 1970 *official* statement of President Nixon's then Chairman of the Cabinet Committee on Opportunities for Spanish-speaking People, *Washington Star*, November 6, 1970.

[13] For example, five years earlier the figure was 2.7%, *Ibid*, fn 8, 9.

[14] This additional 105,556 jobs for Spanish-Americans is feasible since federal turnover per annum is four times greater—400,000 per annum.

[15] On file for public examination at Public Advocates, Inc., 433 Turk Street, San Francisco, California, 94102.

[16] Civil Aeronautics Board; Commission on Civil Rights; Equal Employment Opportunity Commission; Farm Credit Administration; Federal Deposit Insurance Corporation; Federal Communications Commission; Federal Maritime Commission; Federal Mediation and Conciliation Service; Federal Power Commission; Federal Trade Commission; Government Printing Office; Interstate Commerce Commission; National Credit Union Administration; National Science Foundation; Securities and Exchange Commission; Office of Emergency Preparedness; Railroad Retirement Board; Renegotiation Board; Tennessee Valley Authority; United States Information Agency.

[17] The Federal Maritime Board appears to have so done, but analysis shows that it has only six employees and the only Spanish-surnamed employee is the lowest paid person.

[18] *Supra*, p. 9, part C.

[19] October 1970, at 1076.

[20] Population Parity has already been achieved for Blacks at menial level employment, but *not* at policy-making positions. Only Mexican-Americans and other Spanish-Speaking Americans, however, are substantially under-represented at both menial and policy-making positions.

[21] Precedents do exist for such Executive Orders. President Eisenhower issued a generalized Executive Order to end discrimination in federal employment (#10590, 1955). President Johnson issued a similar non-specific Executive Order in 1965 (#11246).

[22] Presidential statement of August 8, 1969 attached to Executive Order #11478.

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## ARE OKINAWA BASES ESSENTIAL?

Mr. MANSFIELD. Mr. President, the Philadelphia Inquirer of today contains an editorial entitled "Are Okinawa Bases Essential?" The editorial relates to the provision in the Okinawa Reversion Treaty permitting the United States to retain most of its military installations on Okinawa, including major air bases.

Mr. President, I ask unanimous consent that the editorial be printed in the RECORD.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

### ARE OKINAWA BASES ESSENTIAL?

Approval of the Okinawa Reversion Treaty by the U.S. Senate, 84 to 6, is a praiseworthy move that will, at long last, get American troops out of the military occupation business in islands of the Pacific taken over from the Japanese in the Second World War.

The treaty calls for restoration of Okinawa and other islands in the Ryukyu chain to the Japanese before the end of next year. This is in accord with a provision in the 1951 peace treaty which formally recognized Japanese sovereignty over the islands but set no date for transfer of administrative control to Japanese authorities.

Under the circumstances, since 1951 was during the Korean War, postponing the end of U.S. administrative control probably was justified for military reasons—but the delay should not have dragged on for 20 years.

Senate ratification of the Okinawa Reversion Treaty, negotiated over a four-year period ending last June, should help to improve U.S.-Japanese relations.

There is, however, a provision in the treaty that continues to arouse anti-U.S. sentiment in Japan as the Diet debates implementation of the pact. The controversial provision permits the United States to retain most of its military installations on Okinawa, including major air bases. Japanese opposition to these terms has not been entirely mollified by companion clauses that require removal of all nuclear weapons from Okinawa and forbid use of the bases for combat operations without prior permission of the Japanese government.

It is questionable whether retaining a U.S. military presence on Okinawa is vital to American security or the defense of American interests, especially since Japan will hold veto power over use of the bases for any function other than training and reconnaissance missions. The possibility of complete U.S. military withdrawal from Okinawa ought to be seriously examined as part of a comprehensive review of America's far-flung military installations and commitments abroad.

## EXTENSION OF CAPE COD NATIONAL SEASHORE

Mr. KENNEDY. Mr. President, it has been about 6 weeks since I introduced S. 2605, a bill to authorize a study on extending the Cape Cod National Seashore to Martha's Vineyard, Nantucket, and certain other neighboring offshore islands. I have, in these few weeks, received considerable mail on this subject. Nearly all of it has been favorable, which indicates to me how severe is the need for immediate action to preserve the unique characteristics of those islands, before it is too late, and how widespread is the recognition of this need to move swiftly.

I have also received, from the Harvard Law School Legislative Research Bureau, a memorandum outlining the principal issues involved in such a preservation effort, and making recommendations for legislative action. It is a thorough, thoughtful analysis, and deserves the attention and thought of all of us concerned with the future of our threatened natural resources.

I ask unanimous consent that the letter and memorandum, and other material bearing on the issue, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

HARVARD STUDENT
LEGISLATIVE RESEARCH BUREAU,
*Cambridge, Mass, November 8, 1971.*

Senator EDWARD M. KENNEDY,
*U.S. Senate Office Building,*
*Washington, D.C.*

DEAR SENATOR KENNEDY: We have completed our initial research on a bill to study whether to create a National Seashore on the islands off the shore of Cape Cod, as you proposed in S. 2605 introduced on September 29, 1971. We have had the opportunity to examine previous legislation, to visit the islands, and to discuss the proposal with several land use experts; and have put our recommendations in the enclosed memorandum. We hope that our research will be helpful to you and your colleagues in shaping your final legislation and in stimulating local and national interest in the desirability of federal legislation to preserve these islands.

Sincerely,

WILLIAM MCSHERRY,
RENWICK MARTIN,
EDWIN MILLER.

### MEMORANDUM: THE PRESERVATION OF THE UNIQUE CHARACTERISTICS OF MARTHA'S VINEYARD, NANTUCKET, AND OTHER ISLANDS OFF THE COAST OF CAPE COD

#### I. PURPOSE OF MEMORANDUM

It is the purpose of this memorandum to explore in a preliminary fashion some of the conservation, practical and legal issues raised by extending the Cape Cod National Seashore to parts of Cape Cod's Offshore Islands. An examination of the experiences of the Cape Cod National Seashore itself, and of other National Seashore Areas in the U.S., leads to a conclusion that the complex problem of preserving the unique characteristics of these islands demands a varied and flexible mixture of land use controls. This memorandum will examine the planning and other land use techniques available and make recommendations for their application to these islands.

#### II. FACTORS TO BE CONSIDERED

There is increasing awareness of the pressing need to preserve, in their natural state, island and seashore areas throughout the United States because of their scenic and recreational value and unusual characteristics. Martha's Vineyard, Nantucket, and their neighboring islands have long been recognized as meriting intense consideration for preservation.[1] These islands belong to a scenically and geologically unique coastal plain, part of which is currently protected by the Cape Cod National Seashore Act.[2]

Because of their proximity to the large population concentrations of the northeast, the islands are under severe pressures for recreational, residential and commercial development. If these pressures are not stemmed, then the particularly vulnerable ecological balance of the islands may well be irretrievably destroyed and the opportunities for enjoyment of them lost to future generations. Any legislation concerning the preservation of these islands must, therefore, reconcile two conflicting goals—the preservation of open lands in their natural state, and the provision for recreational uses and other development. Both these goals are currently endangered by unguided, haphazard development activity.

It must be taken as a guiding precept that no single, heavy-handed approach to the island's preservation is either desirable or practical. The reason, simply stated, is that the very uniqueness which must be preserved is the product of a diversity of land uses, topography, and ownership. Thus whatever legislation is contemplated to encourage preservation must itself be flexible; it must use a variety of legal concepts; and it must recognize the different land uses which are now in existence on the islands.

Furthermore, there must be an acute awareness of the islands' limited sizes, and their limited capacities to absorb each and every visitor who seeks to come to the islands. Just as there are fire laws which restrict, for reasons of public safety, the number of people who can sit in, for example, a theatre, there can—and perhaps should—be some mechanism for limiting the number of visitors to the islands. This is, however, a complex question, with serious Constitutional complications. But it cannot be ignored.

It should be clearly understood that any land, or any interest in land, designated for inclusion in a national seashore area will be purchased at full and fair value from the owner. This is a long-standing principle of our system of laws, and constitutional protections. But because of the high degree of flexibility inherent in the National Seashore approach, the desire to minimize any interference with home rule and local government, and the necessary to limit commitment of government funds, it is probable that the question of outright government purchases will not be a major one.

Basically, the approach to preserving the unique characteristics of these islands:

(1) Must take into account, and if at all possible not disturb, the existing lands devoted to preservation and conservation. These would include lands held by the Nantucket Conservation Foundation; The Trustees of Reservations; The Audubon Society; land in Town, County and State parks; lands under conservation easement agreements; Historical Societies; and similar organizations or devices.

(2) Must allow for some expansion of residential and commercial uses in certain areas, but only in accordance with comprehensive planning. It is unrealistic to freeze, at a given point in time, all development in all parts of the islands. (It is interesting to note, parenthetically, that the population of Nantucket is, today, lower than it was during the peak of its whaling days.) Such expansion of residential and commercial development should, however, be restricted geographically to certain centers of gravity, in general those where development is now most concentrated.

(3) Must preserve in a forever wild or natural state certain unique topographical features, such as bluffs, moors, wetlands, hillocks, ponds, dunes, promontories, and others. While this would be the most severe of the provisions, as it would prohibit any development in the designated areas, it is essential to the islands' preservation. It should be noted, however, that this is not a hardship because most of these areas are currently without development of any kind.

(4) Must, in those areas not designated for expansion of residential or commercial development, or for preservation in a forever wild or natural state, provide for continuing the existing uses. Present ownership patterns would not be disrupted, but any further development would be restricted. This allows for preservation of much of the islands' character, keeps down densities, and maintains the integrity of local control.

(5) Must ensure public access to beaches, moors, forests, and other areas of scenic and recreational value. Good conservation practice calls for concentration of intensive uses in designated areas, while preserving large stretches in their pristine or natural states. This could mean that hiking trails, bicycle paths, and parking would be provided in some

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Footnotes at end of article.

parts of the islands for public use and convenience.

If these five objectives can be reconciled, then the two conflicting goals of preserving open lands, and providing avenues for recreational uses and other future development can be achieved. And they can be achieved at minimum cost to the government, at minimum disruption to existing patterns of ownership and use, and at maximum retention of local government control.

The need for Federal legislation should by now be clear if these goals are to be achieved. The islands are a natural resource of national significance, and this resource is presently endangered by haphazard and uncontrolled development activity. Experience elsewhere in the Nation has shown that carefully devised Federal legislation can serve as the medium for successfully halting this uncontrolled development, substituting in its place planned, controlled development coupled with preservation of that which most needs preservation. Of the many legal vehicles available through Federal legislation, the ones which are recommended seek to complement the preservation and conservation activities already underway, while concurrently leaving ample room for expansion where necessary and desirable.

### III. LAND USE ALTERNATIVES

(1) *Full fee acquisition of land.* Under this concept, the government purchases complete ownership of property within those areas so designated for this type of acquisition. Since the government possesses all rights in this land, there are no restrictions on public access to it, and the government retains full authority to control its development.

The major disadvantages of this scheme are: (a) the cost of acquisition may prove burdensome; (b) the costs of annual maintenance and administration, also borne by the government, may be high; and (c) the property is removed from the local tax rolls. But there are often situations where, due to the inadequacy of alternative approaches, acquisition of the full fee title by the government is the most desirable approach.

(2) *Less than fee acquisition of the land.* As property ownership is, in practical reality, ownership of a bundle of rights with respect to the land, an alternative concept involves the purchase of parts of this bundle—such as acquisition of an owner's right to develop his land. Compensation, or the purchase price, of acquiring this right to develop is calculated by subtracting the value of the land with no possibility of development, from the value with full development potential. There are considerable advantages to such a program of development rights acquisition: (a) it achieves open space objectives without the government having to bear full fee acquisition costs; (b) the land remains on the local tax rolls; (c) there is no public maintenance cost; and (d) since owners retain ownership of their land, it remains productive.

Experience with this device in other National Seashore areas has indicated the need for precision in the drafting of both the legislation and the easement agreements themselves, to assure clear understandings of the rights of both the property owners and the government.[3]

There are several disadvantages, however, to this less than fee acquisition device. Detailed easement agreements can inhibit the flexibility of the planning process. This technique also has its own peculiar cost problems; for example, the cost of purchasing development rights may sometimes approach that of purchasing the full fee title. Although there is no public maintenance cost as such, the administrative costs of valuation, condemnation and drafting agreements can be considerably greater than those of full fee acquisition. In addition, there may be a coordination problem if the less than fee device is used in conjunction with noncompensable zoning, where neighboring lands are treated differently under the two programs.

An alternative, though similar, concept is for the government to acquire the full fee, and then lease or sell back the property to the owners for a use compatible with their land. Although eliminating the flexibility problem, this concept involves an increased initial cost of purchase, and the property does not remain on the local tax rolls.

(3) *Zoning.* The federal government, while lacking the authority to promulgate local zoning laws, may use its general welfare powers to encourage and stimulate local governments to enact zoning ordinances. This preserves local sovereignty over local destiny. In the Cape Cod National Seashore Act, and similar acts, the federal government suspended its powers of acquisition of land within the Seashore area when suitable zoning laws had been passed by the local governments. The Cape Cod formula is not suitable where the objective of the zoning regulations is the absolute prohibition of development of the Seashore area. Such zoning would certainly amount to a taking which must be compensated, since the landowner is prevented from profitably using his land.

Large lot zoning, which would allow a residential use of the property but require a minimum lot size and frontage and setback restrictions, is not a method which will preserve the natural state, since it promotes scattered development in the zoned area—precisely one of the development patterns most destructive to preservation efforts. It may be a useful technique, however, for the preservation of a rural atmosphere, so long as it is in accordance with a comprehensive plan and does not violate state law.[4]

Exclusive agricultural or forest zoning for prime agricultural or forest land, in an area which has already felt pressure for development, may not allow the requisite reasonable use to the owner of the land so zoned, and hence may be invalid. Moreover, since not all of the land on the islands is useful as prime agricultural or forest land, such zoning would be effective only in a limited area even if it were otherwise found valid. Flood plain zoning, though certainly a valid exercise of the zoning power, is similarly limited in its application.

Zoning has several advantages: (a) it is a regulation, not a compensable taking; (b) it is flexible and may be changed to meet unforeseen contingencies; and (c) the zoned land remains on the tax rolls.

(4) *Compensable Regulations.* Instead of using the encouraged zoning procedure of the Cape Cod National Seashore Act, the government may also be able, in effect, to "zone" directly, constrained only by the "just compensation" provision of the Fifth Amendment. The value of the properties chosen for regulation would be calculated as of the date the regulations are to go into effect, and the aggregate value would equal the compensation payable as if the entire area were purchased in fee on that date. The value assigned to each piece of property would be guaranteed to its owner upon resale. The merits of this approach are that it postpones the costs associated with the acquisition techniques, and may even eliminate them if the land appreciates in value. It also allows a measure of flexibility since regulations could be altered as conditions change. Property remains on the local tax rolls in private ownership and the government avoids the expenses of maintenance. The disadvantages of this technique, are primarily, the administrative inconvenience and lack of experience with its use.

(5) *The Island Trust Concept.*[5] Under this approach, the federal government and the state government enter into an agreement that directs a Trust Commission, whose members are appointed by Federal, State, and local officials, to formulate zoning and acquisition plans for the purpose of providing public recreation and preserving the natural character of the islands. The agreement provides that these plans be submitted to the relevant local governments. If they are not enacted within a certain period of time by the local governments, the Commission is then empowered to enact and enforce the zoning plans and to acquire the designated property.

The novel feature of the Island Trust approach is the grant of local zoning power by the state to the Commission. Previous National Seashore legislation (the Cape Cod formula) has excluded developed village areas from being subject to its "encouraged zoning" technique, presumably because acquisition of the developed areas by the federal government would result, should the local government fail to zone. Such acquisition would be costly, disruptive to the local community, and very unsuitable for recreation or preservation. Should the local government fail to zone under the Island Trust approach, the Commission is empowered to zone, and thus shape the further development of developed land in a manner compatible with the surrounding park area, while avoiding the undesirable full acquisition of developed land.

### IV. RECOMMENDATIONS

A. *Villages and Towns.* No direct interference with developed village and town areas should be considered. Included in these village and town areas would be presently undeveloped surrounding areas needed for future expansion and development. Zoning would be at the discretion and under the control of local authorities or administered under an Island Trust plan as outlined above.

B. *Beaches.* To provide public access and assure preservation, all beaches should be acquired in full fee. The government should administer the areas in such a way as to preserve those beaches which might be harmed by high-intensity public use. It may be necessary to limit the development uses of privately-held areas bordering the publicly-owned beaches, in order to ensure the scenic value of these beaches and to provide adequate public access to them.

C. *Interior Lands.* Two concepts of development can be envisioned for the remaining interior lands:

1. *Lands Forever Wild.* Certain lands would remain completely undeveloped to preserve their unique scenic and natural value. The government should ensure public enjoyment of these areas by providing for hiking trails and such other access as may be appropriate. The extent of public control necessary to administer these areas would make it desirable that they be acquired in full fee. The cost of acquisition of development rights would approach the cost of full fee acquisition, and the extent of contemplated public restrictions would make it unsuitable for private ownership. Any existing residential use in these areas would be guaranteed to the present owner for either a specified term of years, or his life or the life of a survivor, at his option; at the expiration of this term, the residential use would end.

2. *Other Lands.* Land deemed unsuitable for the above purposes, either because of the extent of existing development or because of the lack of exemplary natural characteristics, would be restricted only to the extent necessary to complement the overall purposes of preservation and public access. Full fee acquisition is unnecessary to accomplish these goals. Any of the techniques outlined in Section Three are appropriate. The end result of the program of restrictions on these lands would be to prohibit additional commercial and residential use of the property, and to establish such other restrictions which may

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Footnotes at end of article.

be desirable to preserve the islands' interior areas and the existing residential uses on them.

In general, agricultural and forest uses should be considered compatible with the overall purposes of the plan. Land already protected by suitable conservation trusts would not be restricted further. In addition, land owned by the state or by local governments would not be purchased or restricted without the consent of the governmental body.

Under this concept of protecting all existing uses, structures already completed or under construction on the date the legislation is introduced would be considered existing uses; all those begun after this date would not be considered existing uses.

### V. CONCLUSION

At this point in time, market forces are such that much land on the islands is ripe for development. On both Nantucket and Martha's Vineyard, new, large-scale tracts are either in actual development or in advanced development planning stages. These tracts are, generally speaking, completely out of character with the patterns of growth established on the islands over the centuries. The fragile beauty of the islands, once destroyed, cannot be retrieved. Neither can the lost opportunities for public recreation be reclaimed.

Only immediate action can guarantee that future generations will find Cape Cod's offshore islands almost as this generation has found them. And that is the purpose of the legislation.

### FOOTNOTES

[1] Dept. of the Interior, *Islands of America* (1970) p. 20.

[2] 16 U.S.C.A. 459(b).

[3] As the result of the passage of the Conservation and Historic Restriction Act (Mass. Laws St. 1969 c. 666), many of the drafting and enforcement problems may have been eliminated in the Commonwealth of Massachusetts. By the terms of the act, easement agreements shall not be invalid due to lack of privity of estate or contract, or lack of benefit to particular land, or assignability of the benefit. Conservation and preservation restrictions are to be acquired in the same manner as other interests in land, and are to be enforcible by injunction or proceeding in equity. The dissatisfaction of the National Park Service with the less than fee acquisition device may be lessened by this statutory alleviation of many of the old problems of easement acquisition.

[4] The Massachusetts Supreme Judicial Court has invalidated a 2.6 acre minimum lot requirement (*Aronson* v. *Sharon,* 346 Mass. 598, 195 N.E. 2d 341 (1964), but upheld a one acre large lot zone (*Simon* v. *Needham,* 311 Mass. 560, 42 N.E. 2d 516 (1942)). Other states have allowed larger minimum requirements. See e.g., *Senior* v. *Zoning Commissioner of New Canaan,* 146 Conn. 531, 153 A 2d 415 (1945) (4 acre zone upheld).

[5] For a Draft bill on this proposal, see Department of the Interior, *Islands of America* (1970) p. 90.

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### Fragile Outpost

The following editorial is reprinted from the October 11, 1971 issue of the New York Times.

So much of the wild and the beautiful, the serene and sheltered Atlantic Coast has already gone down the drain—a polluted drain at that—that it has become of over-riding importance for the health and enjoyment of future generations to preserve what is left of it unspoiled from the depredations of the past and the present.

While only a tiny fraction of the once magnificent Eastern shoreline has managed to escape the blight of unplanned or speculative development especially during these last few frenetic years, that fraction is still worth fighting for and saving. This is particularly true of the most delicate and often most beautiful part of any coast: its islands.

Last year the Interior Department came up with a novel proposal to protect the most vulnerable to America's islands from the haphazard commercial exploitation which now is an immediate threat to practically all of them. It was suggested that Congress establish an "island trust," with state approval in each case, giving in effect an umbrella of Federal authority to locally promulgated land-use plans and zoning controls designed to preserve "the unique island environment." No such island trust has yet been set up.

Of the Atlantic islands, perhaps the most desperately in need of protection along this or comparable lines is Martha's Vineyard, off the Massachusetts coast. With a permanent population of some 6,000 people, this island is no museum piece but rather a living organism in a setting of extraordinary natural splendor and intense historic and scientific interest, now teetering on the edge of an uncontrolled speculative explosion that could destroy in a decade the delicate balance between man and nature that has evolved there in the course of three centuries.

Recognizing at last that Martha's Vineyard is not only a natural but a national resource, Senator Edward M. Kennedy of Massachusetts has just proposed a study which in effect would determine the best method of protecting the future of this and other major Massachusetts coastal islands. He specifically raises the possibility of their inclusion in whole or in part within the already existing Cape Cod National Seashore. This is not necessarily the best solution—though it must be noted that what remains of the beauty and special quality of the Cape would by now surely have been totally destroyed if the National Seashore had not been established in the nick of time just a decade ago.

The situation facing the Vineyard is quite comparable today to that of the Cape then. But there are various routes to protecting these most fragile outposts, the islands. Senator Kennedy's proposal should give both the Interior Department and State and local agencies the needed impetus for exploring them.

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[From the New York Times of Sept. 24, 1971]

### To Save the Vineyard

(By Anne W. Simon)

Martha's Vineyard, Mass.—Now the off-islanders have returned to what is euphemistically called civilization and from Gay Head to Cape Poge, from the pounding surf on the oceanside to the gentle shores of the sound, the Vineyard is glowing under the special light before Indian summer. Wild grasses are turning russet, cranberries are scarlet, goldenrod and asters dot the hillsides. Martha's Vineyard is going native again—but for how many Septembers in the future?

The man-land balance here, altered only imperceptibly over many centuries of exploration and development, is suddenly erupting. One of the last warm-water islands of its size left unspoiled along the historic Eastern seaboard—where Leif Ericson may have dropped anchor in the eleventh century and modest summer seafarers still sail with the wind in quiet bays and ponds—is about to sink under the weight of progress. Unless—

Unless the pristine nature of the island is safeguarded. There are proposals now for the island's first nightclub, first trailer camp, first beachfront condominium with mushrooming subdivisions of old farms into quarter-acre lots. These plus expansion of the towns and buildup around the lakes would strip the Vineyard of its character.

What is happening here is a virulent American phenomenon—attacking rural areas across the country in swift, planless fashion, shocking isolated pockets of people to protest when developments appear across the road or in their favorite view. But Martha's Vineyard is not just another place, ripe for ravaging. It is a national treasure with such geographical and geological variety that it has great scientific, archeological and historical interest as well as natural resources of enchanting beauty—wild great ponds, twisted oak woods, long curving beaches below clay cliffs.

Tamed and developed, the Vineyard's hundred-square miles will make no significant dent in the first- or second-home market. Protected, it is a remarkable asset to a society struggling to be civilized. The Vineyard, rescued, will be a highly visible example of far-sighted planning.

There is no definitive local or regional plan in effect here. Until now, the character of the land dominated the way of life, from the first-known settlers, carbon-dated to 2270 B.C., who hunted deer in what was then a great forest, to the fishermen, whalers, sheep farmers of subsequent eras, and even to the early summer visitors. Most of the present 6,000 year-round residents believe this character is indestructible and do not see that the people business—the summer tourist trade plus a growing retirement faction—is creating an explosive paradox. The people who come to the Vineyard come because of its character, the very thing which their presence in ever-increasing numbers (almost doubled in a decade to reach an approximate summertime 42,000 in 1971) must destroy. Only a handful of the many influential summer people concern themselves with the island's future, making little headway.

Vineyarders and visitors are playing a dangerous game of ostrich. They make a habit of purchasing expert studies with public funds and ignoring the results. Filed to forget are several hundred thousand dollars worth of recent fact, opinion and warnings about the island commissioned by various Federal and state governmental departments. There are a dozen viable proposals; several times the Vineyard has been recommended in whole or in part for inclusion in the Cape Cod National Seashore. In 1970, this island was singled out as a candidate for the protective "Island Trust," a new concept proposed by the Department of the Interior.

At this eleventh hour, while the island is being chewed at by mainland developers, a comprehensive plan for the Vineyard has been submitted by a professional planning firm to the county commission which ordered it. The report is blunt. It gives the Vineyard two years to limit the number of visitors, acquire permanent open space and put stringent restrictions on expansion. If a protective agency to enforce the plan is not created by the Massachusetts Legislature in its 1972–73 session, the island must appeal for immediate Federal protection under the "Island Trust" program.

If none of this is done, the island will have "contracted environmental terminal cancer" by 1975, according to this detailed study. In effect it says that Martha's Vineyard is a limited resource, determines what its limits are—how many more cars, planes, houses, people it can hold without destruction of its quality—and how these limits can be imposed and enforced.

The commission unanimously rejected the plan, did not make it public (although, again, it was paid for by public funds, in most part from the U.S. Department of Housing and Urban Development), fired the firm and decided to start again with a just-employed resident planner, proving once more that the local population will not move in time, if ever, to protect the Vineyard's natural bounty. Islanders are too close to the clinking dollars of short-term growth to recognize the rumble of long-term disaster.

The Vineyard could be a pace-setter. By being a national resource which states its limits, it would encourage citizens elsewhere to like action. Massachusetts Senators Kennedy and Brooke, and Representative Hastings Keith would make a stunning contribution to the nation's search for an intelligent land-use policy by sponsoring one of the now available Federal solutions for this endangered island.

[From the Vineyard (Mass.) Gazette, Oct. 8, 1971]

### SENATOR KENNEDY'S PROPOSAL

The issue raised by Senator Kennedy is the vital one we have all been facing: what is the best method of protecting the essential character of Martha's Vineyard? Is it, he asks, through some form of an Island trust, an extension of the Cape Cod National Seashore, a combination of both, or some other form of contractual development? Or, we may well ask ourselves, can we, here on the Island, through the use of measures within our reach, meet the pressures and challenges that so gravely threaten the Vineyard?

If the latter is our choice, we shall have to do quickly what we have failed to do in the past. Up to now the Island can claim only a rear guard action, successful in isolated instances but falling short of the broad, determined measures of policy which the critical times require. The most helpful advances of our own are the Open Land Foundation, not yet past its initial phases, and the Dukes County Planning and Economic Development Commission which represents the only attempt at a comprehensive program to guide and in necessary fields to control the Island's future. Will the commission be able to agree upon an adequate program, and will the Island grasp boldly the steps such a program must demand? Answers to these questions are far from certain.

As for Senator Kennedy's initiative on behalf of the Island, the significant aspects are the complete flexibility of his approach and the fact that he proposes a study, not a foregone conclusion. Such a study promises much and endangers nothing. Out of it, perhaps may come new answers as to what the Vineyard can do itself with little federal or state assistance, or even with none.

This is not a time for apprehension lest federal power take over our beaches and make us the victim of unlimited invasion. As to the prospect of invasion, the Steamship Authority with its commitment to indefinite growth, and its greater obligation to bondholders and the state of Massachusetts than to the islands themselves, may be a great danger than some federal intervention. These dangers must be weighed. The proposed study may show a way out.

The notion that the Vineyard may be hitched on to the Cape Cod National Seashore is perhaps frightening, but the relevance of the latter successful venture in preservation on the other side of Vineyard Sound lies in what Senator Kennedy accurately describes as "a very delicate formula . . . worked out to everyone's benefit", "a delicate balance that has worked uncommonly well". These are words that reach toward some concept that will answer our great need.

In conversation with friends, Senator Kennedy has said that he can work well with Senator Brooke and Congressman Keith, and that his interest is not only in today or tomorrow but in what Martha's Vineyard and Nantucket will be a hundred years from now. And so the whole project grows in stature and assumes a shape that, until the study takes form and shows its worth, ought to command cordial support.

## GENOCIDE: CONCURRENT JURISDICTION POSSIBLE

Mr. PROXMIRE. Mr. President, article V of the Genocide Convention says in part—

> The Contracting Parties undertake to enact, in accordance with their respective Constitutions, the necessary legislation to give effect to the provisions of the present Convention . . .

It has been argued that the Senate should not ratify this treaty because this article will take power from the States and invest that power exclusively in the Congress. But is that what the article says? No. It says that any legislation we enact is to be done in a manner in accordance with our Constitution.

It is possible, and perfectly in accordance with the intent of the treaty, for the Congress to enact a law stating that the several States have concurrent jurisdiction in this area. Then any legislation enacted by Congress would not prevent the States from acting on their own.

Mr. President, we should not assume that this treaty will automatically take from the power of the States. The Congress in its wisdom can easily protect any interest that the States may have in this area. I urge the Senate to ratify the Genocide Convention without delay.

## STATEMENT ON AMENDMENT 641 TO H.R. 10947

Mr. CRANSTON. Mr. President, Senator STEVENSON and I have submitted an amendment designed to set aside revenues collected from the automobile excise tax—after a 1-year suspension of the tax—and apply these funds to the solution of serious transportation-related problems—mass transit, air pollution control and research, Amtrak, highway traffic safety, and airport development and noise control.

The President's proposal, embodied in the Revenue Act of 1971 (H.R. 10947) recently reported from the Finance Committee, would permanently repeal the 7-percent excise tax on the sale of new automobiles. Under present law, the tax which now goes almost entirely into general revenues would be gradually phased out between now and 1982. More than $20 billion of badly needed Federal revenues would be lost as a result of repeal. Our amendment would suspend the tax for a year rather than repeal it.

Under normal circumstances, I would not advocate even a 1-year suspension of the tax. But we have been boxed in by the President's announcement that he would end the tax. The President has no power to end the tax without the approval of Congress. However, some 8 million people may well think that he guaranteed them that they will get $200 off their 1972 cars retroactive to August 15. Many families are counting on that guarantee; the automobile industry has based sales campaigns and production schedules on it.

Congress cannot reverse history at this late date. All we can do is to try to set things aright for the future.

Our amendment would suspend the excise tax until July 1, 1972, in order to protect those people who purchased or plan to purchase automobiles on the basis of the President's assurance that they would shortly thereafter receive a tax refund. While the tax is suspended the Secretary of Transportation would be charged with preparing a program for use of the revenues derived from the excise tax when it is reimposed on July 1, 1972. The program would have to allocate no less than 50 percent of the funds for mass transit purposes, and the remainder for air pollution research and control, improvement of the national rail transportation system—Amtrak—highway safety and related programs, airport development and noise control, and transportation research and development. The Secretary would be charged with reporting back to Congress by April 30, 1972. At that time Congress would approve, modify, or disapprove the program.

If Congress did not approve by July 1, 1972, a program for allocating funds derived from this excise tax, the funds produced from the reinstatement of the tax would be held in escrow until Congress did pass such legislation.

We offer this proposal because immediate and permanent repeal of the excise tax represents to us a perversion of any rational set of national priorities. It would amount to a Federal program of $2 billion annually to produce more automobiles at a time when our cities are already paralyzed by traffic congestion and are choking to death on automobile-produced pollution. A much more sensible approach would be to encourage the development of a balanced transportation system by assuring increased Federal funding for other Federal transportation-related activities now receiving totally inadequate support.

I would like to give some examples of how the funds could be used. The Urban Mass Transportation Assistance Act of 1970 sets forth a Federal commitment to mass transit of $10 billion over a 12-year period. At the present time Congress has authorized only $3.1 billion for the 5-year period ending in fiscal year 1975. These funds are for capital expenditures and must be matched with a one-third local share.

However, the Urban Mass Transit Administration itself has stated:

> If city residents are to be given meaningful transportation alternatives, between $28 and $34 billion will have to be spent in the next 10 years to construct new rapid transit systems, modernize existing systems, improve bus transportation, and develop new circulation for downtown and also for suburban areas.

Meeting these needs would require a Federal contribution of approximately $10 billion over the next decade in addition to the $10 billion goal already set in the 1970 act. If the auto excise tax were not repealed, but instead 50 percent of its revenues were set aside for mass transit purposes, we could meet the needs cited by UMTA.

Funds derived from the automobile tax could also be used to improve the disgraceful condition of railroad passenger service. The National Rail Transportation Act of 1970 authorized a $40 million Federal grant to the newly-organized National Railroad Passenger Corporation—Amtrak—in addition to a Federal loan of $100 million. Amtrak is currently asking Congress for an additional Federal grant of $170 million in order to meet its planned budget through June of 1973. However, many authorities question whether $170 million will be sufficient to do more than meet Amtrak's general operating cost deficit. If Amtrak is to succeed it must purchase new equipment to replace its aging and outmoded stock, and it must stress its research and development program. The 1970 act specfied that the $40 million in the original grant could be spent for research and development and equipment purchases, but in fact Amtrak found itself financially unable to spend its appropriation for these purposes and spent the money entirely for current operations.

Speculation also exists concerning whether Amtrak will be economically self-sufficient as planned by June of 1973. If it is not, we must make the hard decision of whether a permanent or further temporary subsidy would be desirable. By April of 1972, a clearer perspective should emerge, as well as more precise information as to Amtrak's immediate financial needs in fiscal year 1973. If Congress does decide to continue subsidizing Amtrak beyond June 1973, the automobile excise tax would present an excellent and highly appropriate source of funds for such a subsidy.

The Clean Air Act of 1970 provides that by 1975 cars and other moving vehicles must meet stringent Federal emission control standards. In order to insure that compliance with these legal requirements is possible, we should encourage research into the development of low-pollution engines. It would be impossible to find a more appropriate purpose for use of auto excise tax funds.

Federal funds have made possible the development of the Renkine external combustion steam engine. This week the first low polluting steam bus, developed by William Brobeck & Associates of California, will be demonstrated to Members of the Congress. Tests by the California Pollution Control Board show that this bus will meet the Clean Air Act standards. This experimental bus represents an important first step, but more funds will be needed to make further improvements on this test model and to develop preproduction prototypes.

Other experiments with low-polluting engines include the gas turbine system now being developed by General Motors and the liquified petroleum experiments now being conducted at the California Institute of Technology.

Federal financial assistance is essential if public institutions such as Cal Tech are to develop alternatives for the abatement of vehicular air pollution.

There is a critical need for more Federal funds for traffic safety programs. In 1970, almost 55,000 Americans died on the Nation's highways and property damage was estimated at a staggering $4.7 billion.

Revenues from the auto excise tax could augment the less than $150 million available for traffic safety programs, including the repaired city streets, traffic control devices, and research and development. The increased funding could accelerate advances in highway related research such as better engineering to reduce the likelihood of highway collisions, improved road sign systems, pilot projects to test—and if workable, put into operation on a widespread scale—computerized vehicle control systems, and expanded efforts to develop systems that will keep inebriated drivers off the road.

Finally, funds could be used for airport development and the abatement of aircraft noise. FAA Administrator John Shafer recently announced that the United States needs 100 additional airports between now and 1981. The cost of building these airports is increasing due to delays resulting from public antipathy to aircraft noise. Local resistance to aircraft noise has already blocked construction of new airports in Los Angeles, New York, Portland, Boston, and St. Louis. We must provide Federal funds for the research and development of aircraft noise suppression equipment. At the same time, we must provide cities and States with more money to pay for the increasing costs of airport construction.

This year the Federal Government will spend only $1.5 million for research and development of aircraft noise suppression equipment. Industry leaders and university spokesmen point out that at least $20 million is needed to carry out test flights to confirm preliminary findings of FAA noise research. If this research and development is successful, cities could save a substantial portion of the over $2 billion they are currently being forced to spend to buy homes in noise blighted areas.

This bill, if enacted, will assist the motorist. By funding alternative forms of transportation such as mass transit and improved rail service, it will help relieve our congested highways. By funding research in vehicular air pollution control, it will improve the environment around our highways. By providing funds for improved highway safety, computerized traffic control and highway traffic integration, it will help speed auto passengers to their destinations.

After my original mass transit proposal was introduced, the St. Louis Post-Dispatch published the following editorial. I ask unanimous consent that the editorial and the amendment be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

[From the St. Louis Post-Dispatch,
Oct. 18–24, 1971]

WHY NOT KEEP THE TAX?

Since the Administration has declared a shift in transportation emphasis from automobiles to mass transit, why does it not keep the 7 percent excise tax on autos instead of repealing it? The tax is a logical basis for mass transit funding—indeed, three bills in the Senate and one in the House all rely on the auto excise tax as an income source for a mass transit trust fund comparable to the highway trust fund.

While creating a general transportation trust fund may well be preferable to establishing a mass transit fund separate from the highway trust fund, the highway lobby is probably too powerful to permit the former but may acquiesce to the latter. Repeal of the excise tax, however, with the consequent loss of 2.2 million dollars in annual revenues, would make talk to a mass transit fund largely academic since there would be no other handy source of money.

And without an earmarked tax for a trust fund, mass transit must continue to rely on annual appropriations from the general treasury, which means, as experience has shown, that funding would be inadequate. For the five years beginning in fiscal 1971, for example, President Nixon asked for only 3.1 billion dollars for mass transit grants, though the Urban Mass Transit Administration estimates that plans already on the drawing boards will require 32 billion dollars in federal expenditures in the next 10 years.

The argument for eliminating the excise tax and thereby stimulating car sales is that it would create more jobs, but mass transit funding would do that too, and it would do it while simultaneously serving, not thwarting, the Nixon Administration's alleged realignment of transportation priorities and concern for the environment.

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And without an earmarked tax for a new fund, mass transit must continue to rely on annual appropriations from the general treasury, which means, as experience has shown the funding would be inadequate. For the five years beginning in fiscal 1971, for example, President Nixon asked for only 3.1 billion dollars for these transit grants, though the Urban Mass Transit Administration estimates that plans already on the drawing boards will require 32 billion dollars in federal expenditures in the next 10 years.

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## NOMINATIONS TO THE SUPREME COURT

Mr. GURNEY. Mr. President, as a member of the Judiciary Committee I have had the privilege of participating in the hearings on the nominations of Mr. Lewis Powell and Mr. William Rehnquist to the Supreme Court. For this reason I read with interest the lead editorial of the Washington Evening Star of November 11 and found it particularly well suited as a comment upon the qualifications of Mr. Rehnquist and the problems of representing a view which does not agree with liberal opinions of some of our pressure groups. I commend this editorial as good reading and ask unanimous consent that it be printed in the RECORD, so that more persons who share this philosophy can enjoy the contents of the message.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Washington Star, Nov. 11, 1971]

### THE ADVOCATE

Since our original conditional endorsement of the nominations to the Supreme Court of Lewis F. Powell Jr. and William H. Rehnquist, we have made no further comment on President Nixon's choices. Our reticence was based both on two men's obvious intellectual credentials and on the failure of their opponents to produce anything untoward in their judicial or personal backgrounds.

We break this silence now on the basis of no new evidence either for or against Powell and Rehnquist. But we cannot remain mute in the face of the campaign of innuendo and smear, ineffective as it has been, against Rehnquist.

On Tuesday, in joint testimony before the Senate Judiciary Committee Clarence Mitchell and Joseph L. Rauh Jr., of the Leadership Conference on Civil Rights (a pressure group of 127 labor, religious and civil rights organizations), launched an attack against the assistant attorney general the vagueness of which was matched only by its intemperance.

The 47-year-old Arizonan, Mitchell and Rauh maintained, was "a laundered McCarthyite" whose confirmation would be "an insult to Americans who support civil rights." By Rehnquist's appointment, Mitchell said, "the foot of racism is placed in the door of the temple of justice." An affidavit by Rehnquist to the effect that he is "not now and never has been a member of the John Birch Society" drew from Rauh the remarkable statement that this served only to raise fresh doubts about Rehnquist's possible association with the ultra-right organization, a remark which even Senator Kennedy, who marches to the civil rights drum, could not stomach.

To the extent that one can determine what it is that Rehnquist's foes are driving at, it seems that they charge him with opposing a Phoenix open accommodations ordinance in 1964, of denouncing civil rights marchers in the same year and of fighting efforts to wipe out de facto school segregation in Phoenix in 1967.

The curious thing about the entire exercise is that Powell, who has come in for virtually no criticism, almost certainly is just as conservative as Rehnquist. One is left with the distinct impression that the civil rights lobby has decided to stage a symbolic fight to prevent Rehnquist's confirmation because his more active judicial role—his function as a Justice Department advocate—makes him more vulnerable than the Virginian.

What Mitchell and Rauh are saying is roughly similar to the dictum of the East European Stalinists: "If you are not with us, you are against us." What they fail to see—or pretend to fail to see—is that the actions and statements of Rehnquist (like those of Powell) stem less from any anti-civil rights or anti-Negro animus than from a consistent and overt conservative judicial philosophy which holds that there are principles of equal or greater importance than those to which Mitchell and Rauh give their exclusive and sectarian devotion.

We are unaware of any constitutional prohibition against the presence of a conservative on the Supreme Court. Nor can we find in the small print of the Bill of Rights any requirement that appointee subscribe to the dictums of the American Civil Liberties Union, the Leadership Conference on Civil Rights, or any other pressure group.

On the basis of all the testimony to date, Powell and Rehnquist emerge as men of integrity, consistency, professional competence and intellectual distinction. The attack by Rauh and Mitchell, itself a classic example of "laundered McCarthyism," was, to say the least, bush league. If that is the best (or worst) their opponents can produce, both men should be speedily approved by the Senate, as indeed they almost certainly will be.

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## OMB STRIKES AGAIN—AT ENERGY RESEARCH

Mr. BIBLE. Mr. President, the administration talks a good case when it comes to the energy crisis facing the Nation, but some of its little noticed actions—those that take place quietly within the sheltered precincts of the Office of Management and Budget and do not command headlines—tell a different story.

In his energy message to the Congress on June 4, 1971, the President spoke forcefully of the need for concerted action, including more intensive research to develop new energy sources and insure an adequate supply of clean energy for the years ahead. It was a good message and received extensive coverage throughout the Nation.

Among the subjects focused on by the President was the urgent need to supplement our present limited supply of natural gas. To augment available supplies, the President called for increased efforts on the part of the Atomic Energy Commission to demonstrate the economic feasibility and environmental acceptability of stimulating the production of natural gas through the use of nuclear devices. The Plowshare division of AEC has already done considerable work in this area. Vast amounts of natural gas lie trapped in nonporous geological formations in some of the Nation's gas-producing regions. The Plowshare technique involves the detonation of smaller sized devices to increase the porosity of such formations to permit the gas to flow and thus become available to help meet the Nation's energy requirements.

The President's message also focused attention on another potentially vast clean energy source which has long been of special interest to me—the Nation's geothermal resources. Enormous quantities of heat are locked in geothermal formations in many of our Western States. Geothermal steam energy is already being used by the Pacific Gas and Electric Co. to generate a significant amount of electric power at The Geysers in Sonoma County, Calif., some 90 miles from San Francisco. The possibility exists that through the application of Plowshare technology similar to that employed in the gas stimulation program, geothermal deposits throughout the West may be economically harnessed without hazard to the environment.

Thus, the President's message properly called for progress on the natural gas stimulation program, and for development of our Nation's geothermal power potential.

Over the years, the Joint Committee on Atomic Energy, of which I am privileged to be a member, has continuously interested itself in civilian applications of nuclear technology designed to generate electric power sources needed to meet the Nation's ever-increasing power demand. The gas stimulation program has been supported by the joint committee for many years. Given the elimination of adverse environmental effects—and according to Plowshare, the prospects look good—it appears that this program can play a very meaningful role in improving natural gas supplies.

The joint committee has also recognized that the AEC should be called upon to conduct research and experiments to ascertain the feasibility of harnessing the Nation's geothermal power through the application of Plowshare technology. Early this session I introduced S. 1349, a proposed Nuclear Geothermal Power Research and Demonstration Projects Act. My bill envisages a 5-year program under which the Federal Government and private enterprise would cooperate financially and otherwise in carrying on the necessary research and experiments.

The joint committee authorized the modest sum of $500,000 to initiate this program during the current fiscal year, and the Congress followed through and appropriated the money.

Aside from its well-chosen words, what has been the administration's record on this?

In the first place, and despite the fact that agencies of the executive branch, the Congress and various elements in the private sector are deeply concerned about the imminent shortage of natural gas, the administration requested only $5 million for the Plowshare program for the current fiscal year—a decrease of $2.4 million below the estimated costs for fiscal year 1971.

During the Joint Committee hearings last spring, it became pretty clear that the President's request represented a "bare bones" budget for Plowshare. The testimony described a concerted program of research, development, testing, and joint industry-Government ventures calculated to bring significant supplies of stimulated natural gas into consumer pipelines within 5 years. According to conservative estimates, it is possible that an environmentally clean Plowshare technology might double the current total of proven reserves of natural gas in the "lower 48" States.

But the testimony also made it clear that little real progress on such a program was likely within the confines of the administration's budget request.

The Joint Committee strongly urged the adoption and implementation of such a program, but felt the administration's request was inadequate to get the project underway in any meaningful way this year.

Accordingly, the Joint Committee recommended an additional $2.6 million for the program, and $1.9 million was subsequently appropriated for the purpose.

As I have noted, $500,000 was appropriated for the initiation of an active Plowshare geothermal program.

Then came the Office of Management and Budget.

I recently received word that OMB has not approved the expenditure of the additional money appropriated by the Congress. This money should have been apportioned to the AEC by now so the work can begin—so that Plowshare plans in this area can go forward.

The Office of Management and Budget says the additional money voted by the Congress will be held in budgetary reserve pending the determination of the President's 1973 budget.

In other words, the additional funds have been "frozen." The administration is unwilling to spend the modest additional sum of $2.4 million to assure meaningful progress on these two potentially invaluable energy research and experimentation programs.

Mr. President, I think I need say no more. Action speaks louder than words. This kind of negative action makes the administration's words on these two projects seem hollow indeed.

The energy crisis is said to be high on the administration's list of national priorities.

OMB's refusal to release this small amount of additional money can only make one wonder how serious they really are in developing new energy sources.

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## NEED FOR CONTINUING FOREIGN AID RESOLUTION

Mr. SCOTT. Mr. President, I have received a letter from Secretary of State William P. Rogers in which he states that the need for the continuing foreign aid resolution passed by the House does not rest solely on the need to pay salaries. I ask unanimous consent that Secretary Rogers' letter be printed in the RECORD and invite the attention of Senators to it.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF STATE,
*Washington, D.C., November 12, 1971.*

DEAR SENATOR SCOTT: The justification for a Continuing Resolution, passed by the House yesterday, does not rest exclusively on the need to pay the salaries of our employees at home and abroad but also on the need to continue an orderly conduct of our affairs.

There is need for continuing operating authority in Southeast Asia—for both military supplies and economic support, in the Technical Assistance program (where over 67 contracts expire in the next six weeks), in the population program and in other areas. The responsible course is to provide the full operating authority while Congressional discussions on the authorization bills are completed. The present Continuing Resolution authority has not been abused. At the end of October, with one-third of the fiscal year passed, obligations for development and supporting assistance were at 22 percent of the FY 1971 appropriation level and obligations for the Military Assistance Program were 36 percent of the FY 1971 level. I want to assure you that the obligation of funds under the Continuing Resolution will be consistent with the stated objective of such interim legislation, which is to preserve the flexibility of Congress in arriving at final decisions on the funding levels for the fiscal year.

I hope that this assurance will facilitate the Senate's consideration and approval of the Continuing Resolution. Copies of this letter are being sent to Senators Ellender and Young.

Sincerely yours,
WILLIAM P. ROGERS.

## PHASE II LEGISLATION

Mr. KENNEDY. Mr. President, the Senate will soon be considering S. 2712, the "phase II" legislation extending the Economic Stabilization Act of 1970. One item I am especially concerned about, as chairman of the Judiciary Committee's Subcommittee on Administrative Practice and Procedure, is the exemption of functions under the phase II legislation from most of the requirements of the Administrative Procedure Act. This concern is shared by several witnesses who have appeared before the House and Senate banking committees, both of which are considering the phase II proposals now. Witnesses as diverse as the American Bar Association's administrative law section, the U.S. Chamber of Commerce, and Mr. Ralph Nader have all expressed opposition to the proposed APA exemption. And when Ralph Nader and the Chamber of Commerce are saying the same thing, we should listen with special attention. I believe no one but administration representatives has spoken in favor of the exemption.

Last week I wrote to the chairman of Administrative Conference of the United States, an independent Federal body charged with improving the administrative procedures of Federal agencies, asking his views on the desirability of the proposed exemption. Yesterday I received his answer, which concludes that phase II functions should not be exempted from the APA and even recommends substitution of a provision making it clear that the APA applies. Senator STEVENSON has introduced an amendment which would accomplish precisely that purpose, and I am happy to express my support for it.

I should like at this point to ask unanimous consent to be added as a cosponsor of the amendment.

For the convenience of members of the Senate and House committees considering the phase II proposals, I have sent a copy of the letter from the chairman of the administrative conference to all the members of the Senate Committee on Banking, Housing, and Urban Affairs and to the chairman of the House Banking and Currency Committee.

Mr. President, there are many reasons for applying the Administrative Procedure Act to phase II. The common point running through several of them is that the APA provides an important minimum level of protection for the rights of the public in agency proceedings, yet it does not cause serious problems for the agency—and it even contains explicit provision for its own suspension in appropriate cases. Perhaps the most important protection is the requirement in 5 U.S.C. 553 that the agency give public notice when it plans to make a rule, and that it then let interested parties and the public participate in the rulemaking either by submitting statements or appearing before the agency.

Now administrative law is not the liveliest of areas, but what would these protections mean to our constituents? It means that when housewives and consumer organizations want to make representations to the Price Commission about proposed guidelines, with some idea what the guidelines may be so their comments can be relevant to what is being considered, they will normally be able to do so before they are confronted with a fait accompli. It means that when workingmen want to appear before the business and "public" representatives who appear to dominate the Pay Board, so that they can show rank-and-file support for their leaders' demands for fair wage increase policies, the workers will be able to appear—with the possible effect that our pay policies will be made with a more sympathetic understanding of labor's interests.

Without the APA, on the other hand, the phase II bodies can always act like black boxes, nothing coming in but surprise edicts coming out. Rules made like this are much more likely to be unfair, since they are made in a vacuum, and thus may more frequently be subject to revision, which could compound uncertainty about how phase II is supposed to work—with the undesirable effects this has on business planning and the stock market. Suspending the APA, in other words, would be just another way of setting government apart from the people, the last thing we need at a time of low confidence in government. In a program of such general interest and concern as phase II, it is vital that those directly affected and the general public have as much say as possible about decisions before they get made.

Nor are notice and hearing the only important rights protected. The APA also secures, for example, the right to appear before an agency with counsel. When ordinary people want to appear before an agency, in areas so full of technicalities and legalisms it is essential that they have the right to bring along a lawyer. And when a petition—for example, a request for a hardship exemption from a wage-hike limitation—is rejected, the APA requires the agency to give at least a brief statement of the reason. This protection is important for the people affected, since it gives some assurance their claim will get proper consideration and requires an explanation so they can understand why it was rejected. It is important also for reviewing courts, since a knowledge of the reasons for agency action is essential if the court is not to have to litigate the entire issue over again from the beginning.

Sometimes, of course, the requirements of the APA would genuinely interfere with legitimate agency proceedings. The APA itself allows for this. When speed or confidentiality is required, for example, the agency can suspend the subsection requiring notice and hearing but it has to say that is what it is doing and briefly state its reasons.

With so much flexibility built into the Administrative Procedure Act itself, it is understandable and proper that exemptions of an entire program have been rare indeed. And with the only two prior exemptions I know of—the Defense Production Act of 1950 and the Export Administration Act of 1969—Congress wrote in provisions insuring participation of those affected. The Administration's proposed phase II legislation has no such safeguards. We are given only promises that the phase II agencies will establish their own fair procedures, but one of the thoughts behind the Administrative Procedure Act was that the public rights it protects are too important to be left to the good will of even the best-willed agency. Finally, the proposed exemption would run counter to a basic theory of the APA, which is exempting functions and not entire agencies—and the needed functional exemptions are fully available to phase II.

For the convenience of Members interested in this issue, I ask unanimous consent that several documents on both sides of the question be printed in the RECORD. I am submitting herewith my exchange of correspondence with the chairman of the administrative conference; excerpts from statements before the House Banking and Currency Committee by Secretary of the Treasury John B. Connally, Mr. Ralph Nader, and the U.S. Chamber of Commerce; and excerpts from statements before the Senate Banking, Housing and Urban Affairs Committee by Under Secretary of the Treasury Charls E. Walker, Assistant Attorney General L. Patrick Gray III—with the supplemental memorandum—Mr. David Ginsburg, and the administrative law section of the American Bar Association.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

NOVEMBER 5, 1971.

Mr. ROGER C. CRAMTON,
*Chairman, Administrative Conference of the United States, Washington, D.C.*

DEAR MR. CRAMTON: You may be aware that S. 2712 (the so-called Phase II legislation), extending the Economic Stabilization Act of 1970, contains a section which would exempt all functions exercised under the legislation from the requirements of the Administrative Procedure Act, with the exception of the APA's freedom of information section. As chairman of the Subcommittee on Administrative Practice and Procedure, I am concerned about exempting such an important program from the safeguards of the APA. Such concern has also been expressed by several witnesses before the House Banking and Currency Committee and the Senate Banking, Housing and Urban Affairs Committee, which are presently considering the legislation. In view of the Administrative Conference's responsibilities in the area of administrative procedure, I am writing to ask your views on whether the proposed exemption appears warranted and desirable or whether the Congress should narrow or eliminate it.

Because the proposed legislation is being given expedited consideration in both Senate and House, it would be most helpful to have your views on the matter at your earliest convenience.

Sincerely,

EDWARD M. KENNEDY.

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ADMINISTRATIVE CONFERENCE
OF THE UNITED STATES,
*Washington, D.C., November 9, 1971.*

Hon. EDWARD M. KENNEDY,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR KENNEDY: You have asked my views regarding the desirability and the significance of the provision of S. 2712 which would add to the Economic Stabilization Act a new section 207, excluding the administrative functions exercised under the Act from the operation of the Administrative Procedure Act, 5 U.S.C. 551 *et seq.*, except as to the requirements of 5 U.S.C. 552. This letter expresses my personal views and not necessarily those of the Administrative Conference of the United States.

First, it is important to note that in the absence of section 207 or any other reference to the Administrative Procedure Act, it would be by no means clear that that statute would apply to functions exercised under the Economic Stabilization Act. The ESA would authorize and contemplate a delegation of authority "to boards * * * composed in whole or in part of members appointed by the President to represent different sectors of the economy and the general public." The APA, however, excludes from its definition of "agency," "agencies composed of representatives of the parties or of representatives of organizations of the parties to the disputes determined by them," 5 U.S.C. 551. It is, therefore, at least arguable that the wage and price boards set up to administer the ESA are excluded from the definition of "agency" and thus from the applicability of the entire APA. Resolution of this question should not, however, be left to inference. The ESA should specify to what extent the APA is applicable.

Section 207 of the ESA would make inapplicable to functions exercised under the ESA all the provisions of the APA, except those relating to public information, 5 U.S.C. 552.

In order to judge the significance of this exclusion, it is necessary to consider what these functions will be. Section 202 of the ESA would authorize the President "to issue such orders and regulations as he may deem appropriate * * * to stabilize prices, rents, wages, and salaries * * *." Section 203 provides for the delegation of this authority to agencies, boards, commissions or other entities, in the discretion of the President. Nowhere in the Act is there any specification of the procedures to be used by the President or his delegates in issuing such orders and regulations.

The Administrative Procedure Act, as you know, categorizes the agency proceedings to which it applies as either rulemaking or adjudication. It is clear that under the Economic Stabilization Act the President and his delegates would proceed largely by rulemaking, which includes agency process for formulating a "statement of general or particular applicability and future effect * * * and includes the approval or prescription for the future of rates, wages, * * * prices," 5 U.S.C. 551(4), (5). It is not clear to what extent, if at all, they would engage in adjudication.

One effect of section 207 would be to make inapplicable to functions under the ESA the provisions of 5 U.S.C. 553 for notice and public procedure in rulemaking. The significance of this result may be less than might at first appear. Section 553(b)(B) permits agencies to dispense with notice and public procedure where the agency determines that they are "impracticable, unnecessary, or contrary to the public interest." Therefore where there was a need for prompt issuance of rules or perhaps to avoid advance notice of contemplated actions, see *Atty. General's Manual on the Administrative Procedure Act* 30–31 (1947), the agencies administering the ESA would be able to invoke section 553(b)(B) if section 553 were made applicable to their functions. Agency determinations to dispense with public procedure or to provide for immediate effectiveness of a rule, 5 U.S.C. 553(d)(3), could be made only for good cause and on the basis of stated reasons; but to require the administering agencies at least to consider the feasibility of public participation in rulemaking seems reasonable and, indeed, salutary in view of the breadth of the legislative authority to be granted by the Economic Stabilization Act.

Sections 554, 556 and 557 of title 5 U.S.C. (formerly sections 5, 7 and 8 of the Administrative Procedure Act) prescribe the procedural requirements for so-called formal administrative proceedings. These sections are applicable only to adjudications and rulemaking required by statute to be determined or made on the record after opportunity for a hearing, 5 U.S.C. 553(c), 554(a). Since the ESA would presumably contain no requirement for determinations on the record after opportunity for hearing, sections 554, 556 and 557 would be inapplicable by their own terms. A possible exception might be the situation where such a procedure was constitutionally required. *Wong Yang Sung* v. *McGrath*, 339 U.S. 33, 49–50 (1950). But it is uncertain whether the exercise of the functions contemplated by the ESA will involve such a situation. See *Bowles* v. *Willingham*, 321 U.S. 503, 519 (1944).

To the extent that the Constitution requires an individualized hearing that provides at least a rudimentary opportunity to adduce evidence and cross-examine opposing witnesses, an exclusion of the more detailed APA provisions governing trial-type hearings becomes a significant matter. The constitutionally required ingredients of due process do not include all of the procedures contained in sections 5, 7 and 8 of the APA, 5 U.S.C. 554, 556 and 557. See *Goldberg* v. *Kelly*, 397 U.S. 254 (1970); *Marine Space Enclosures, Inc.* v. *Federal Maritime Commission*, 420 F. 2d 577 (D.C. Cir. 1969). In addition, section 208(f) of ESA would provide that "No order [of the President or his delegates] shall be enjoined or set aside, in whole or in part, unless a final judgment determines that such order is based upon facts which are not supported by substantial evidence." The import of this language is not entirely clear but it can be interpreted as requiring that "orders" be based on a record which can be examined for the presence of substantial evidence. As such, it could possibly be viewed, if the APA were fully applicable, as a provision requiring that an uncertain class of determinations be based "on the record after opportunity for an agency hearing," the APA language that triggers the applicability of 5 U.S.C. 554, 556 and 557. Thus, there is uncertainty under the bill in its present form as to in what situations, if any, there will be a constitutional or statutory right to an individualized hearing. If the APA is excluded from application as a standard for such situations as may arise, there will be further uncertainty concerning the minimum procedures that are to apply in its place.

Section 555 of the APA contains several provisions generally applicable to formal and informal agency proceedings. Sections 555 (b) and (c) deal with the rights of witnesses compelled to give evidence in an agency proceeding. Section 555(d) provides that agency subpoenas shall be issued to a party to an agency proceeding. Section 555(e) provides for prompt notice of agency action in denying applications of interested persons. Under section 207 these provisions would not be applicable to proceedings under the ESA. It is difficult to evaluate the significance of this result, since much would depend on the nature of the proceedings which are to be conducted. However, the requirements of section 555 are fair and reasonable ones, and if the agencies administering the ESA do engage in the type of proceedings to which the section applies, I do not believe that it would pose any significant difficulties.

Section 558 of the APA deals with the imposition of sanctions and determinations involving the grant, suspension, revocation and expiration of licenses. Section 558(b) merely restates existing law regarding sanctions, *Atty. Gen.'s Manual* 88. Consequently, enactment of section 207 would have no effect. The applicability of the remaining provisions of section 558 regarding licenses would be affected by section 207 only if the ESA were to be implemented by means of granting licenses.

It is not clear whether the reference in section 207 to the Administrative Procedure Act is also intended to include the judicial review provisions, 5 U.S.C. 701–706, which, of course, derive from former section 10 of the APA. But it is reasonably clear from proposed section 208 of the ESA that judicial review will be available only in accordance with the provisions of that section.

In sum, therefore, with the exception of the possibility that section 208(f) of the ESA would be interpreted as requiring individualized determinations to be made on a record after a hearing. I do not believe that the applicability or inapplicability of the Administrative Procedure Act is likely to have a significant effect on the administration of the ESA or the rights of the persons affected. Nevertheless, it is my view that inasmuch as Congress intended to set forth in the APA broad principles governing the administrative process, exceptions should not be carved out without persuasive reasons. Since I do not believe that any of the provisions of the APA which might otherwise be applicable to functions performed under the ESA would tend to frustrate or interfere with the implementation of that statute, I would favor substitution for section 207 a provision making the APA applicable in accordance with its terms to functions performed under the ESA.

Sincerely yours,

Roger C. Cramton,
*Chairman.*

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### Statement by the Honorable John B. Connally

#### ADMINISTRATIVE AND JUDICIAL REVIEW

As you know, the President has established a Pay Board and a Price Commission to promulgate standards and criteria, and to rule on individual cases in Phase II. The amendments that we propose would exempt the agencies administering the stabilization program from the Administrative Procedure Act, except for the public information section of that statute.

I assure you that every effort will be made to be fair and equitable, and to protect the rights of the individual citizens, through careful procedures for review and appeal. The ordinary procedures of the Administrative Procedure Act would involve great delay—which in itself could undermine public support for Phase II—and a large expansion in manpower. The Phase II procedures will be streamlined—but with full protection for the rights of any citizen.

These rights will be further protected by the judicial review system which is contemplated in the legislation. Even though the effective administrative review which we propose to establish will winnow out a significant number of protests, inevitably a sizable number of disputes will go to the courts for further review. In all their variety, they should not go straight to appellate courts. Such cases should be commenced in the Federal District courts. State courts will have no jurisdiction with respect to cases arising under this Act.

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### Statement by Ralph Nader

D. *There should be provision for participation in the Administraive process by interested persons outside of government. This Committee should not allow exemption of the Phase II organization from the Administrative Procedure Act, as is specified* (*except for the Freedom of Information Act*) *in the Administration Bill.*

As serious as is the exclusion of Congress from a role in Phase II after passage of the enabling legislation, is the exclusion of the American people from participation.

The Administration proposes exemption of Phase II activities from the requirements of the Administrative Procedure Act (except for the Freedom of Information Act). This is not proper. The A.P.A. makes only modest demands of the Executive. In rule-making, the Executive is required to issue proposed rules, with 30 days allowed for public comment except that the period may be shorter for good cause shown by the agency.

The Executive has shown no justification for this exemption from A.P.A. requirements. Without the A.P.A., if Congress delegates broad powers to the Executive, and the Executive has promised that it will permit no appeals within the Executive Branch from the Pay Board or Price Commission, then there is no way for a member of the public to have any influence at all. When the suspension of the usual rule-making procedures is observed in conjunction with the Administration proposal that Wage and Price Commission members be exempted from the usual conflict-of-interest requirements, one sees that the way is clear for a system of secret economic rulership in place of the more open rule of law towards which we usually strive in government.

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### Statement by Dr. Richard S. Landry and Milton A. Smith

A point of particular concern in this bill is section 7, under which all functions exercised under the law would be excluded from the operation of the Administrative Procedure Act.

The necessity for and the wisdom of this broad exemption should be most carefully examined.

Considering the very broad range of authority to be exercised, such an exemption does not appear to be justified. It should be borne in mind that the exemption would apply not only to rule-making, but also to adjudication and many other phases of the administrative process.

Everyone hopes that the President's repeatedly asserted intention of not creating a vast control bureaucracy will be fulfilled. But even under a limited controls system, and without a proliferation of agencies, it is not unreasonable to expect that some regional or local offices will be set up to facilitate administration and enforcement, in addition to those operating at the national level.

Agencies and offices exercising delegated authority under this law will be engaged in varying degrees of rule-making, interpretation, enforcement, and adjudication. Secretary Connally, in his testimony before this committee on October 27, acknowledged the intended establishment of "effective administrative review"—to "winnow out a significant number of protests," that might otherwise burden the courts. It is difficult to see any need or justification for making inapplicable to such a wide scope of agency actions the basic principles of due process of law which have been embodied in the Administrative Procedure Act.

It is recognized that it may be impracticable to comply with all provisions of the APA in some instances of major rule-making. Obviously some major policies will have to be given the effect of law through rule-making, without advance notice, a waiting period, public hearings, etc., under sec. 553 (Rule Making) of Title 5.

But this section presently does not apply:

"(A) to interpretative rules, general statements of policy, or rules of agency organization, procedure, or practice; or

"(B) when the agency for good cause finds (and incorporates the finding and a brief statement of reasons therefor in the rules issued) that notice and public procedure thereon are impracticable, unnecessary, or contrary to the public interest."

It would seem that the latter paragraph would provide ample authority for waiver of sec. 553 requirements wherever an adequate public interest justification is shown for such a waiver. In this connection the proposed new findings of Congress should provide an important basis for a public interest justification.

There can be no justification for an exemption from section 554 of Title 5, which deals with adjudications; section 555, captioned "ancillary matters;" section 556, which deals with such matters as procedures at hearings, when hearings are required, including burden of proof, evidence, and record as basis of decision; 557, initial decisions, agency review, record, etc.; and 558, sanctions and licenses.

All of these sections deal with important procedural requirements which should be preserved.

For instance, in view of the broad grant of subpoena power proposed, it is especially important to preserve the applicability of provisions of section 555 which govern some aspects of use of process by agencies, and which deal with such fundamental matters as the right to counsel, and the right to prompt written notice of the denial of any application, petition, or other request, together with a brief statement of the grounds for denial.

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### Transcript of Proceedings

Testimony of the Honorable Charles E. Walker, Under Secretary of the Treasury; accompanied by: William Howard Beasley III, Assistant to Under Secretary, Department of the Treasury; Stanley D. Rose, Assistant General Counsel, Cost of Living Council, and the Honorable L. Patrick Gray III, Assistant Attorney General, Civil Division, Department of Justice.

Senator **McIntyre**. My time is nearing expiration. But I would like to read this question and ask you to answer it for the record. I have been hearing from some of my constituents who are complaining they are unable to get prompt resolution of some of the uncertainties and ambiguities of the various regulations issued during Phase 1. In that connection I was happy to learn the three-judge District Court decision in the Meat-Packing Union by the Administrative Procedure Act requirements for hearing and appeals should apply to the freeze mechanism.

I note your proposed bill would have the Congress explicitly exempt the various boards and commissions from the requirements of the Administrative Procedure Act. Would you explain just what procedures the Administration expects to institute which will provide the American people with some protection against arbitrary actions, specifically, A, under your proposal, will every businessman have an opportuntiy to be heard in any proposal which will specifically affect his business? B, will the public at large have the opportunity to make meaningful comments on proposed regulations? C, will there be a method provided for making a prompt appeal of adverse decisions made at the lower administrative levels? And lastly, will all hearings be open to the public and will all communications with rule-making bodies be a matter of public record?

Mr. **Walker**. We will answer that in detail for the record. Let me reiterate the statement we will do everything we possibly can to protect the rights of individual citizens consistent with the needs for speed in administration of the program.

Senator **Packwood**. How much delay are you worried about if you were subject to the Administrative Procedure Act?

Mr. WALKER. I will ask Mr. Gray to comment on that. I think with the proposal hearings and publishing regulations and comments, it would drag the program to a screaming halt.

Senator PACKWOOD. You are worried about months of delay?

Mr. WALKER. Yes. We can't afford even weeks of delay.

Senator PACKWOOD. All right.

The CHAIRMAN. Senator Taft.

Senator TAFT. Thank you, Mr. Chairman.

Just one area of questions, Mr. Secretary, with regard to the Administrative Procedure Act. I can see practical problems of having delays insofar as wage or price orders might be concerned. I take it that is what you are aiming at primarily?

Mr. GRAY. Well, delay is a part of it, Senator Taft, but there is more than that.

Senator TAFT. What are the other problems?

Mr. GRAY. I feel, and I am not an expert on the Administrative Procedure Act, but I have worked at it pretty deeply and thoroughly and I clearly feel that its major purposes are not even related to what we are embarked upon here, even though there are those who would say that indeed the President is an agency and the APA is applicable to him.

But if you go back into the history of the APA, it was designed to bring together in a uniformed standardized manner, cohesive manner, the various procedures of the various, diverse agencies that existed between the United States Government, to separate the prosecutive and judgment functions and also to insure judicial review. That is Title 5, chapter 5, and chapter 7.

Senator TAFT. And also insure adequate notice to those concerned?

Mr. GRAY. That is right. But what I am saying is we feel this bill meets all of the major purposes that the APA was designed to meet itself. We feel that you have got also a situation here, a critical national, economic emergency situation. We feel that it is as difficult a situation as we faced even in time of war when the APA was exempted from the Defense Production Act and the War Stabilization Board, in other words, the entire stabilization program during the Korean situation. We feel you have here in this, we have notice, plenty of notice. And if we can go one step further, if you are going to separate this thing out and get into the technical details with regard to rulings, regulations, as against the adjudicative process, we can show you, and I am sure you are aware of it, that a simple caveat need be placed on a ruling to the effect that it is not in the public interest under that particular section 553, I think it is of Title 5.

But what I would like to do, to answer your question here, what we have agreed to do earlier, because we feel so strongly about it, is give you for the record, give this committee for the record, our well thought out rationale. But I think we could debate here for quite a long time, Senator Taft, in response to your questions.

Senator TAFT. I think unless we have it, I fear we may prolong the question on the floor. I personally think that would be fine.

Mr. GRAY. I think you are correct.

Senator TAFT. Thank you.

The CHAIRMAN. Thank you very much.

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DEPARTMENT OF JUSTICE,
*Washington, D.C., November 8, 1971.*

Hon. JOHN J. SPARKMAN,
*Chairman, Committee on Banking, Housing, and Urban Affairs, U.S. Senate, Washington, D.C.*

DEAR SENATOR SPARKMAN: During my testimony of November 1, 1971, before your Committee on S. 2712, I indicated that I would supply to the Committee for the record a statement on the advisability of applying the Administrative Procedures Act to the proposed Economic Stabilization Act. I have attached an explanation of our position that the Economic Stabilization Act should be exempt from the provisions of the Administrative Procedures Act, except for the requirements of 5 U.S.C. Section 552, the public information section of the Act.

Sincerely,

L. PATRICK GRAY III,
*Assistant Attorney General.*

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## ADMINISTRATIVE REVIEW UNDER THE ECONOMIC STABILIZATION ACT

Section 7 of S. 2712 provides that the functions exercised under the Economic Stabilization Act shall be excluded from the operation of the Administrative Procedures Act except as to the requirements of 5 U.S.C., the public information section of the Act.

We recognize that there must be some form of meaningful administrative review in a program of this type. However, the requirements of the Administrative Procedures Act would introduce unacceptable burdens and delays in the administration of the program. Further, the reasons underlying the applicability of the APA to agency action are just not present in view of the procedures to be followed in the administration of this program.

### I. THERE WILL BE AN ADMINISTRATIVE REVIEW PROCEDURE IN THIS PROGRAM

a) The President has already directed the Pay Board and the Price Commission to establish procedures for deciding individual cases, including requests for exceptions.

b) Public support for this program will be contingent upon the assurance that individual protests over rulings and interpretations and requests for exemptions will be handled seriously, even-handedly and objectively.

c) Sound administration requires that as many problems as possible be solved at the agency level in order to avoid costly litigation in the courts. Action at the agency level must be as thorough as possible so that cases which do go into court can be tried on the record rather than by *de novo* fact finding proceedings initiated by the district court in the asserted interest of due process.

### II. THE ADMINISTRATIVE PROCEDURES ACT IS NOT SUITED FOR THE REQUIREMENTS OF THIS PROGRAM

a) The Congress has recognized that the APA is not an ideal arrangement for agencies operating an emergency program. In reporting the bill which became the Defense Production Act of 1950, the Senate Report noted that the Act "contains the usual exemption for emergency legislation from the Administrative Procedures Act." S.Rep. No. 2250, 81st Cong., 2d Sess., p. 11.

b) There is other precedent for such an exemption provision. In addition to the Defense Production Act, Public Law 774, 81st Cong., such provisions were included in the Export Control Act of 1949 (now repealed) and the Export Administration Act of 1969, codified in 50 U.S.C. App. 2407.

c) The APA was just not intended to apply to the present critical economic situation. Its entire history indicates clearly that its major purposes were to introduce uniformity of procedures and standardization of administrative practice among agencies whose customs departed widely from each other, and to curtail and change practices which embodies in one person or agency the role of prosecutor and judge.

d) The bill we present today meets all the major purposes underlying the enactment of the APA and balances the major interests—the public interest and the private interest.

e) The bill provides for judicial review—the President has directed that the Pay Board and Price Commission establish standards, criteria and procedures for their implementation; thus, the prosecutor and the judge will not be bound together in either the Pay Board, Price Commission, or in the Cost of Living Council.

f) When followed strictly, the APA can be cumbersome, time-consuming, and expensive. The manpower, space, and reporting requirements for the APA-type adjudication hearing are simply incompatible with the key objectives of the program of speed combined with the smallest possible bureaucracy.

### III. THE AGENCIES INVOLVED IN THIS PROGRAM WILL CREATE PROCEDURES FOR ADMINISTRATIVE REVIEW TAILORED TO THEIR NEEDS

a) The problems involved in price and wage stabilization are not identical. The Pay Board and Price Commission will each develop appropriate procedures for administrative review. A single mold should not be imposed by legislation.

b) Flexibility should be left in the agencies to tailor their review procedures to their particular problems. The agencies, pursuant to the Presidential mandate, will promulgate regulations covering their own review procedures.

c) The essential elements of administrative review under this program are—

1) Grass roots contact—there will be several hundred IRS offices around the country available for contacts with citizens for information, interpretations, and probably for the first stage of a request for exemption or exception.

2) Speed of decision—problems that will arise under the program will, of course, vary in complexity. The easier and more clearly defined of these can and should be answered locally and promptly. The winnowing process of the review procedures should bring to the national office only the more difficult and significant problems.

3) Flexibility of treatment—a further consequence of the diversity of problems that will arise under the program is that all problems do not require identical treatment. There are many forms in which review procedures may be provided—a letter written to a higher official or an interview with a higher official with authority may completely resolve some questions but not all. Where, for example, the financial condition of a business may be at issue, it may become desirable to have some sort of hearing but here again the range of possibilities is very great and we do not wish to be tied to the APA requirements of a formal hearing.

4) Hearings—it seems clear that there may be circumstances under which hearings may be desirable. We wish it to be clear, however, that hearings provided for by the Pay Board and the Price Commission will not have to be the strict formal APA type of hearing.

5) Public support—public support of this program is essential. We would therefore be inclined to encourage public participation in the rulemaking activities of the agencies. However, the desirability of public participation in a program of this sort must be balanced against the absolute need for no leakage in advance of wage or price decisions.

### IV. THERE WILL BE THE FULLEST POSSIBLE PUBLIC DISCLOSURE OF INFORMATION CONCERNING THIS PROGRAM

a) The proposed limitation on public participation will not extend to any restrictions on public information about the program. We are not seeking exemption from the provision of the APA (5 U.S.C. 552) relating to publication in the Federal Register and to the availability to the public of information about the program.

b) The regulations and orders of the agencies in this program will be published promptly and will be accompanied by a statement of reasons for such orders or regulations.

### V. THE JUDICIAL REVIEW PROVISION (SEC. 208) IS CONSISTENT WITH AND AN EXTENSION OF THE ADMINISTRATIVE REVIEW SECTION

The administrative review section is closely related to the judicial review provision of the bill (Sec. 208). There can be no thought of depriving a person aggrieved by the program of full access to the courts for adjudication of his rights. It is expected that this review will proceed first through the administrative review steps provided by the agency regulations. When these steps are exhausted, the aggrieved person may then proceed into a federal district court for a declaration of his rights and obligations. The judicial review provision is designed to channel cases or controversies arising under this program first into the federal district courts and then into one court of appeals—the Temporary Emergency Court of Appeals. The objectives of the process are local convenience, speed, and consistency of result.

Based on the foregoing, the following are our answers to the questions asked by Senator McIntyre (Tr. p. 46):

A. Under your proposal, will every businessman have an opportunity to be heard in any proposal which will specifically affect his business?

The administrative process involves two categories of procedures: rule-making and adjudication. In rule-making, the extent to which a businessman will have an opportunity to participate will have to be balanced against the need under this program for security and speed in the agencies' rule-making process. If it seems likely that a businessman will be affected by some rule not yet issued, the businessman is free, and even encouraged, to communicate his views to the agencies. However, it is not desirable that the agencies be required to give formal advance notice of proposed rule-making, and there is no hard and fast rule under current law—the APA—that such advance notice be given.

There will be a complete review system set up for any businessman specifically affected by a published rule. This is the adjudication process described above.

B. Will the public at large have the opportunity to make meaningful comments on proposed regulations?

The answer in A above is equally applicable to the public at large.

C. Will there be a method provided for making a prompt appeal on adverse decisions made at the lower administrative levels?

The earlier description of our intentions with respect to administrative review contain the answer to this question.

D. Will all hearings be open to the public and will all communications with rule-making bodies be a matter of public record?

We have suggested that there may be some variety in the types of procedures developed for administrative review under this program. We do not think it possible to say that all adjudicative hearings will be public. It may be preferable to have a private and informal hearing. If there are hearings on rule-making, it is probable that these would be public and, of course, communications submitted for the record in such a hearing would be available to the public.

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### STATEMENT OF MR. DAVID GINSBURG, ATTORNEY AT LAW, WASHINGTON, D.C.

Mr. GINSBURG. A fourth area of concern is the lack of any provision for administrative review. The proposed bill would exempt price and wage actions from the Administrative Procedure Act. This exemption is contained in section 7 of the bill.

I'm not criticizing section 7; I simply don't understand the need for it. If the use of the Act is impracticable, I think the law has enough flexibility in it so that it need not be used.

My main point, however, is to stress the absence of any opportunity for hearing plus the exemption from the Administrative Procedure Act, plus the lack of any requirement obligating the Pay Board and the Price Commission to consult and advise with those affected by the regulations.

This is too broad a grant of authority. I am concerned as to the scope of this grant.

The CHAIRMAN. You would in effect provide an alternative to this?

Mr. GINSBURG. I would hope, Senator, that where it is practicable, there be hearings before regulations are announced, that people be given an opportunity to be heard, that a record be made.

This was done during wartime, during World War II and again during Korea.

Now, when we are imposing these controls during peacetime, when presumably we have somewhat more time, when there is somewhat less urgency, these safeguards are abandoned. I find this inexplicable.

Senator PROXMIRE. I am going to be very brief, because the hour is late. I would like to ask you about the answer we got from Mr. Gray on the exemption from the Administrative Procedure Act.

As I recall, and I may be unfair to him, his principal reason for not relying on this Act was the matter of time. He felt if you tied this up in hearings, if you had to go through this procedure, you would have great complexity and delay and confusion and you wouldn't have the kind of clear-cut operation that you have with this exemption.

What is your response to that?

Mr. GINSBURG. My answer is that there may very well be cases, Senator, where it is impracticable to use the provisions of the Administrative Procedure Act. But the Act itself anticipates the possibility and if a finding is made that it is impracticable to use it, then you may go forward and act.

But there are vast areas of action where more mature reflection is possible and necessary, where consultation is desirable, where hearings are useful, where the Act can be used. So that, subject again to the views of those who are actually working with this problem, I don't really understand why the Administrative Procedure Act is not made applicable.

Senator PROXMIRE. The Administrative Procedure Act contains its own remedy?

Mr. GINSBURG. It does, indeed.

Senator PROXMIRE. To take care of the time factor.

Mr. GINSBURG. Yes.

The CHAIRMAN. Would the Senator yield?

Senator PROXMIRE. Yes, sir.

The CHAIRMAN. Why not, as you suggested a minute ago, instead of placing it under the Administrative Procedure Act, set up an alternative plan along the lines you suggested, saying that hearings when requested may be held, and consultation be had and those things that you mention?

Mr. GINSBURG. I see no reason whatever, Senator. It can be done. It has been done before. The patterns are there. Consultation is simple, groups should be consulted if they are affected by these regulations and if it is impracticable, then it can't be done and the law should specifically anticipate that.

But there are the two ways, as Senator Sparkman indicated.

The CHAIRMAN. It seems to me that the Administrative Procedure Act is rather involved, it has many features to it, and if we could—I am just throwing this out as a suggestion—let it stand as it is——

Mr. GINSBURG. I would be satisfied either way.

The CHAIRMAN. But that these things we mentioned should be part of it.

Mr. GINSBURG. I think it could be done, Senator, and I see no reason why it shouldn't be done, in this statute or through the Administrative Procedure Act. One or the other should surely be done.

The CHAIRMAN. Yes.

Senator CRANSTON. I want to join my fellow Senators in expressing admiration and appreciation for your testimony. It was very very constructive and helpful.

Is there any clear-cut and satisfactory definition of the word "impracticable" insofar as its use in the Administrative Procedure Act is concerned?

Mr. GINSBURG. No, Senator, none that I can offer. However, I think that government administrators are generally responsible, and any administrator that makes a decision to forego hearings, and decides that hearings are impracticable, ultimately must defend that position. He will be challenged. He can be challenged in the courts. If he acted arbitrarily or capriciously, his decisions would be challenged and, at least, carefully watched.

I think there is a self-operating limitation here.

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### STATEMENT OF MILTON M. CARROW, CHAIRMAN, SECTION OF ADMINISTRATIVE LAW, AMERICAN BAR ASSOCIATION; ACCOMPANIED BY: BEN FISHER, SECTION REPRESENTATIVE TO THE HOUSE OF DELEGATES, AMERICAN BAR ASSOCIATION

Mr. CARROW. Mr. Chairman, I hope I will not repeat unnecessarily what appears in my statement. I want to add some supplementary remarks.

Senator PROXMIRE. Your statement will be printed in full in the record.

Mr. CARROW. Thank you, sir.

I have with me Mr. Ben Fisher, the Section Representative to the House of Delegates of the American Bar Association.

I, of course, appear here as the Chairman of the Section of Administrative Law of the American Bar Association and I believe what our statement contains reflects the policy of the American Bar Association.

Our focus is mainly on the legal problem of excluding the operation of the Administrative Procedure Act from the functions to be exercised under this bill. We think this is bad, we also think it is unworkable and will create a number of serious problems.

It is my understanding that the reason why this exclusion appears in the bill is that it also appeared in the Defense Production Act of 1950. That is true. However, that is only part of the story.

What is also true is that the Defense Production Act of 1950 contains a detailed set of procedures for protests against rules or orders to be issued by the President or the agencies under him. There was an opportunity for a hearing, there was also an opportunity for review within the administrative establishment, and also review by the Emergency Court of Appeals.

The other point that I understand is made in support of excluding the operation of the Administrative Procedure Act is that of course the agencies, the Pay Board and the Price Commission, under the necessity for some procedural safeguards, and they will do it, they will take care of it, they will issue regulations that will provide for appropriate reception of evidence and economic data.

I submit, gentlemen, that all administrative agencies think they know best and that they can do the best without any statutory guidelines. I submit that the Congress would be abdicating its responsibility in not setting down guidelines for the agency to follow and basic procedures that would insure the provision of appropriate economic data, the appropriate evidence, so that rules that are ultimately issued or orders that are finally made will be fairly and equitably applied.

Now as regards the specific language of the statute, I want to call your attention to certain of its provisions. I can clarify what I just said. The statute provides that rules that are arbitrary and capricious can be set aside. The statute also provides that orders not supported by substantial evidence can be set aside by the courts. That implies, it seems to me, that some procedure should be made available for the production of evidence and data that will make the rule rational, or that will make it not arbitrary and capricious, and also that evidence will be provided, substantial evidence will be provided.

There is nothing in the statute that outlines any such procedure.

I submit this lays the basis for the issuance of a great number of rules, a great number of orders, that will ultimately come into the courts and be set aside. And when they are set aside in large numbers, after a period of time, I submit that there will be a breakdown in confidence of the public and a serious reflection on the ability of this Act, this bill to do its job.

### STATEMENT OF MILTON M. CARROW, CHAIRMAN, SECTION OF ADMINISTRATIVE LAW OF THE AMERICAN BAR ASSOCIATION

My name is Milton M. Carrow. I am a lawyer in New York City and chairman of the Section of Administrative Law of the American Bar Association. I have with me Franklin M. Schultz, the last retiring chairman of the Section, and Ben Fisher, the Section representative to the House of Delegates of the American Bar Association. We appear here as Section officers, and it is our understanding that this statement reflects the general policy of the American Bar Association.

Our interest in this bill centers about Section 207 which excludes the functions to be exercised thereunder from the operation of the Administrative Procedure Act. (5 U.S.C., Sec. 551 et seq.) We object to such exclusion (The bill does not exclude the operation of the public information provision of the Administrative Procedure Act, 5 U.S.C., Sec. 552, and we do not object to this.)

We recognize the importance of swift implementation of the rules and orders expected to be issued under this bill, but we believe such objections will not be effectively accomplished by excluding the operation of the Administrative Procedure Act.

The Administrative Procedure Act was enacted in 1946 after a long legislative history and after one of the most comprehensive underlying studies by an eminent committee of scholars. (Administrative Procedure Act, Legislative History, 1944–46, Senate Document No. 248, 79th Cong., 2nd Sess.; Report, Attorney General's Committee on Administrative Procedure, Senate Document No. 8, 77th Cong., 1st Sess.) In view of the diversity of subjects covered it was carefully drafted to provide for exceptions and exemptions which then seemed appropriate and for emergency action where needed. Although there was some initial opposition, the agencies accommodated their procedures to its reasonable requirements, and I believe it fair to say it is now supported throughout the federal government. It might also be noted that because of changing circumstances serious consideration is being given by the Administrative Conference of the United States and our own Section, pursuant to resolutions adopted by the House of Delegates, to proposed amendments which would eliminate some of the exceptions and exemptions and make other improvements in the Administrative Procedure Act.

To exclude the application of the minimal procedural safeguards of the Administrative Procedure Act is to invite extended litigation challenging the validity of the many rules and orders which we anticipate will be issued. The bill itself provides that rules may be challenged in the courts which are "in excess of the agency's authority," or "arbitrary and capricious", and orders may be challenged where the facts are "not supported by substantial evidence". (Section 208(f)).

The bill does not require as would be required under the Administrative Procedure Act either the President or his designated agencies (The proposed Wage Board and Price Commission) to provide for notice or opportunity to be heard to those affected by the rules or orders. In our view this increases the probability that the agencies will not have considered all the pertinent facts and data prior to the issuance of the rules or orders. This in turn could have two proximate consequences: (1) a reason on the part of those affected to comply, and (2) a constantly increasing number of enforcement proceedings. (The bill provides that these proceedings be brought in the district courts of the United States (Section 208(a)) and the sanctions sought would be either criminal fines or civil penalties (Section 204). Also, injunction proceedings may be instituted against violators upon the request of an agency to the Attorney General. This may invite selective enforcement proceedings.)

Because there is not agency hearings process, the enforcement proceedings would be tried *de novo* in the district courts. In view of the many areas, industries and individuals affected, the district courts could be inundated with enforcement proceedings.

The bill itself reflects an ambivalence on this subject. On one hand it provides that agency rules may be set aside if they are arbitrary and capricious, and that orders can be set aside if they are not supported by substantial evidence. Yet, no provision is made for any process whereby such infirmities can be avoided. On the other hand, the bill also recognizes the potential of increased caseloads by establishing on the appellate level only, a new court, the Temporary Emergency Court of Appeals, (Section 208(c)), but it ignores the far greater burden that may be thrust on the district courts.

The inequities and cumbersomeness of such developments could be serious. If a substantial number of final judgments are issued by the courts setting aside rules or orders, they would have to go back for reconsideration by the President and the agency involved. Changed rules and orders would have to be issued. During the litigation interval, which could be lengthy, the general public would be in a state of uncertainty, and the affected parties or industry would have been subjected to onerous requirements.

It is hard to see how the public interest can be served in those circumstances. Initially, the public may be temporarily lulled into a belief that effective action has been taken, but if a significant number of judicial determinations set aside the rules and orders, there could be a serious breakdown of confidence. Here truly would be an example of haste makes waste.

As regards the rulemaking functions, it may be argued that notice of intended price or wage rules could induce an upward spiral prior to issuance. However, the Administrative Procedure Act specifically provides for such contingencies in its emergency rulemaking provisions, which a number of other federal agencies have effectively employed. (Section 553(b)(3)(B) provides that the rulemaking procedures do not apply "when the agency for good cause finds (and incorporates the finding and a brief statement of reasons therefore in the rules issued) that notice and public procedure thereon are impracticable, unnecessary or contrary to the public interest".)

In view of these considerations, we recommend that Section 207 be deleted from the bill, and that to the extent it is not inconsistent with specific provisions of the bill, the Administrative Procedure Act be made applicable to the exercise of the pertinent function.

Senator PROXMIRE. Thank you very much, Mr. Carrow.

I take it that Mr. Schultz——

Mr. CARROW. This is Mr. Fisher.

Senator PROXMIRE. I beg your pardon. Mr. Schultz you mentioned in your statement.

Mr. Fisher, you have no statement?

Mr. FISHER. No statement.

Senator PROXMIRE. Gentlemen, I want to thank you very much. Unfortunately, I didn't hear Professor Miller's statement. I did, of course, have a chance to hear him when he appeared before our Joint Economic Committee and I was most impressed then.

Mr. Carrow, I think your statement is very helpful. It is along the same line as the fine witness we had yesterday, Mr. Ginsberg, who also cautioned us on the need for the kinds of protections that you suggest here with respect to the Administrative Procedure Act.

## ON THE PRESIDENT'S PRESS CONFERENCE

Mr. CHURCH. Mr. President, I welcome President Nixon's announcement of further troop withdrawals, but I deplore his implication that an American residual force will be left in Vietnam. Hanoi will never give up our prisoners of war, as long as we refuse to give up the war itself.

Until we are ready to say that our national purpose is to bring out the remainder of our forces—land, sea, and air—the war will go on, American prisoners will stay captives, and the deadlock will continue at the conference table in Paris.

After all, pulling out the balance of our forces will not leave the South Vietnamese naked before the enemy. Saigon has a million men under arms. If Vietnamization is working as well as the administration claims, they no longer need to depend on our men—or our pilots—to do their fighting for them.

## DOMESTIC PROGRAMS CAN MOVE AHEAD WITH RELEASE OF IMPOUNDED FUNDS

Mr. RANDOLPH. Mr. President, I am encouraged that the financial logjam that is inhibiting domestic Federal programs may be broken as the result of action by the Senate Foreign Relations Committee and the Senate.

The Senate this week passed foreign aid legislation with the provision that funds for it would not be available after December 31 unless currently impounded money for domestic activities is released.

More than $12 billion in appropriated funds are now being withheld by the administration from programs in such important areas as highway construction, public housing, urban renewal, mass transportation, economic development, and pollution control.

The Foreign Relations Committee and the Senate have acted responsibly in attempting to give attention to domestic as well as foreign needs. It makes little sense to continue spending abroad while programs which the Congress has approved and for which it has provided money are compromised by arbitrary impoundments by the executive branch.

The $12 billion of impounded funds include approximately $5.4 billion in money authorized for highways, mainly construction of the Interstate System.

As a result of impoundments over the past 5 years, the benefits of many programs are being denied to the American people. It is time for this practice to stop so that congressional development programs is not an exercise in futility.

## FINCH'S BANANAS

Mr. HUMPHREY. Mr. President, yesterday Mr. Robert Finch, counselor to the President, is reported to have charged that President Roosevelt's good neighbor policy, and the Alliance for Progress under President Kennedy and President Johnson lumped the Latin American countries together as banana republics. Mr. Finch chose the day before his scheduled 2-week trip to Latin American countries to make these comments, an indication of the constructiveness of his forthcoming visit.

Normally, I would dismiss this kind of charge as being preposterous and amusing, but it comes from a spokesman of an administration which has done nothing but let the fruit of our relations with Latin America rot on the vine. Mr. Finch went on to say that the Nixon administration treats Latin American countries as it finds them.

One thing is certain—the second statement is more correct than the first. The Nixon administration's first step was to send Governor Rockefeller on a factfinding tour, which included a warm embrace with Haiti's dictator, Francois Duvalier, and other such endearing episodes throughout Latin America. In Chile, the administration decided to deal with the Allende government by offending it through a number of abrasive actions which have contributed to the present hiatus in our relations with Chile. In Peru the government has decided to end its bilateral aid programs. In Brazil we have decided to expand our military supporting assistance programs. That is what counselor Finch calls dealing with the Latin American countries as they are. I call it a grave misunderstanding of Latin America as Latin America. Even worse, I call it a callous interpretation of the requirements of our policy toward Latin American countries in the next decade. Above all, I call it bananas.

Contrast Mr. Finch's definition or President Nixon's definition of the present policy with the good neighbor policy or the Alliance for Progress. While I would be first to recognize the defects in both, I think it only fair to defend their value in the improvement of American-Latin American relations. The good neighbor policy did much to reverse our blatant interventionist activities in the affairs of our neighbors. In that sense it recognized the right of each country to define its own identity and it respected this right—something the Nixon administration has failed to do.

The Alliance for Progress may not have achieved all that it set out to, but what it did do is to instill a commitment here and in Latin America to social equity through economic development. Both policies had a keen sense of purpose and appreciation for the sensitivities of our Latin American friends. Both policies encouraged parliamentary government. Both policies encouraged the development of the human resources—the education, the health, and the welfare of the people—yes, the people.

The Nixon administration policy does not. Mr. Finch apparently does not. While I wish him a bon voyage, I also caution him to appreciate the sensitive stage of our relations with Latin America. And I advise him to remember that many of us in the Senate are concerned about the state of our relations with Latin American countries and are none too pleased with the President's approach up to date.

## CONCLUSION OF MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Is there further morning business? If not, morning business is closed.

## REVENUE ACT OF 1971

The ACTING PRESIDENT pro tempore. The Chair lays before the Senate the unfinished business, H.R. 10947, which the clerk will state by title.

The legislative clerk read the bill by title, as follows: A bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The ACTING PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. TUNNEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, I send to the desk two amendments to amendment No. 628, proposed by the Senator from Washington (Mr. MAGNUSON). I ask unanimous consent that they be considered en bloc.

The ACTING PRESIDENT pro tempore. The amendments will be stated.

Mr. GRIFFIN. Mr. President, will the Senator yield for a parliamentary inquiry?

Mr. TUNNEY. I yield.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. GRIFFIN. Is not the amendment by the Senator from Washington (Mr. MAGNUSON) the pending business?

The ACTING PRESIDENT pro tempore. As soon as the clerk reads these perfecting amendments, the perfecting amendments become the pending business.

Mr. GRIFFIN. A further parliamentary inquiry.

The ACTING PRESIDENT pro tempore. The Senator will state it.

Mr. GRIFFIN. I am sorry. Was the Senator from California offering an amendment to the Magnuson amendment?

Mr. TUNNEY. Yes; two perfecting amendments, which are very simple and easily understood.

The ACTING PRESIDENT pro tempore. The clerk will state the amendments.

The second assistant legislative clerk read as follows:

> On page 5, lines 8 and 25 strike out "7.5" and insert in lieu thereof "7.0."

Mr. TUNNEY. Mr. President, I suggest the absence——

Mr. HANSEN. Will the Senator withhold his request for just a moment and answer a question?

Mr. TUNNEY. I yield.

Mr. HANSEN. Would this amendment lower the rate of employment at which the Magnuson amendment would be triggered?

Mr. TUNNEY. That is correct.

Mr. HANSEN. So if the unemployment rate in a State were 7 percent rather than 7.5 percent——

Mr. TUNNEY. Yes; if unemployment rose to 7 percent, then the Magnuson amendment would be triggered, rather than at 7.5 percent.

I am offering this amendment to protect hundreds of thousands of unemployed workers in California; but I would like to wait until the Senator from Washington (Mr. MAGNUSON) comes to the floor before I discuss the amendment.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield for a question?

Mr. TUNNEY. I yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. I appreciate the Senator's decision to offer this perfecting amendment. Why did he decide on the figure of 7 percent? Why not 6 percent?

Mr. TUNNEY. The reason that I chose the figure 7 percent is that in California today the most recent available figures for unemployment, under the formula in the Magnuson amendment, show 7.1 percent unemployment. We have hundreds of thousands of people out of work. As a matter of fact, according to the latest figures, as of August 1971, 607,000 persons were unemployed statewide, and more than 200,000 were unemployed in the Los Angeles area alone. One out of eight persons are on welfare in Los Angeles.

However, the Magnuson amendment would not make relief available to those unemployed workers in California, because our overall unemployment rate under the Magnuson formula does not trigger those benefits. In absolute figures, California unemployment is disastrously high. Yet in percentages under the Magnuson formula, I understand it is slightly below 7.5 percent. This represents a slight change over the past 2 months.

Mr. BYRD of West Virginia. I thank the Senator.

Mr. HANSEN. Mr. President, will the Senator yield for a question?

The ACTING PRESIDENT pro tempore. Does the Senator from California yield?

Mr. TUNNEY. I yield to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I was interested in the query posed by the distinguished majority whip. I am prompted to ask this question for reasons that I suspect may have been in the mind of the distinguished Senator from West Virginia. In Wyoming, as I understand the most recent figures indicate, somewhat fewer than 3.5 percent of our people are unemployed, but I feel certain that those who are out of work there are as distressed as people who are out of work in any other part of the country. Would it be reasonable to ask if there is a logical reason to exclude Wyoming, with no defense contracts, and which has not benefited from the great military spending except for the Minuteman missile installation which took place several years ago? Is there a logical reason that I could present to my constituents in Wyoming which would spell out clearly to them why an unemployed man living in a State where the rate of unemployment was 7 percent should be entitled to this added benefit, but that someone in Wyoming who was out of work and equally distressed, would not be eligible for the benefit only because his distress occurred in a State where only 3.5 percent were out of work?

Mr. TUNNEY. The Senator from Washington (Mr. MAGNUSON), the author of the main amendment, which I strongly support, is here, and he can speak for his own amendment. But I think that clearly what we are talking about is unemployment of a size to constitute a genuine emergency. The State of Washington, I know, has tremendous unemployment approaching 14 or 15 percent. I have been in that State recently joining in hearings on that very question, and I saw the unemployed workers and talked with them.

California also has tremendous unemployment. We have had an unemployment rate hovering all year close to 8 percent. In the last couple of months the overall rate has dipped below 7.5 percent in California, but many hundreds of thousands of workers—aerospace workers, unemployed farmworkers, and others—cannot find jobs.

A very critical situation exists in the Los Angeles area. In that area, 200,000 people are unemployed. I consider that to be a crisis which is putting an extraordinary drain on local government resources and property taxes, because of the increase in the welfare load.

So what I am saying is that in a State like California, over 7 percent unemployment is critical and constitutes a crisis.

Mr. MAGNUSON. It is an emergency.

Mr. TUNNEY. This is an emergency, as the Senator from Washington is suggesting by his amendment. It is not the sort of thing that we would normally do. California has an Unemployment Insurance Act that provides relief for a certain period of time, and then people go off the insurance rolls. But the Magnuson amendment would provide for an emergency extension of unemployment benefits. What I am saying is that in a State like California, which has had such extensive unemployment for the past year, it is of critical importance, in my mind, that we make allowances in this amendment for those men and women.

Mr. HANSEN. I thank the Senator.

Mr. BYRD of West Virginia. Would the distinguished Senator consider lowering the figure to 6 percent, and would the able Senator from Washington accept such a modification?

Mr. MAGNUSON. I will say, Mr. President, if I may have the floor, that theoretically when a man is unemployed and cannot find work, and wants to work, it does not make much difference to him whether the percentage is 2 or 3 percent; he is out of a job. But the reason we have these figures is that a cost element is involved.

Second, where we have, say, below 7 percent or down to 5 or 6 percent, he has a better chance of getting a job during the period of his unemployment insurance—and in many cases they do.

In my part of the country, the startling figure is still 15 percent in certain areas. In the entire State it is 10.8 percent, I think. That is due to the aerospace problem in the western part of the State.

This is almost an economy measure, and I will state why: When a person exhausts his unemployment benefits, he has no place to go but to welfare. I handle HEW appropriations, and I know what it costs. I cannot get any exact figures, but it costs us at least $4,025 a year for every family on welfare. Even that figure might be startling. But think of the humility, the loss of dignity, the embarrassment of an able-bodied American who wants to work, cannot find a job, and has to go down to a welfare line.

Many of them, if they are a little older—I have gone through this year after year in HEW, as the Senator knows—they lose their spirit. They get on welfare and they say, "What the devil, let's forget looking for a job," and they do not get off the welfare rolls.

What we are trying to do is to give them a chance, and we are asking for an emergency 6 months provision, hoping that next year the economy will improve a little.

In all fairness, I must say as to our unemployment rate, bad as it is—and, as the Senator says, regarding California it has been on a stable level—when these people exhaust their benefits, we really have a social problem. These people are put on welfare at a cost of $4,000 a year; and I think it may be more, if we start to add it up. In the county of Los Angeles more than 1 million people are on welfare.

Mr. BYRD of West Virginia. Will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. BYRD of West Virginia. I am not against the Senator's amendment. I applaud his amendment. My question, simply, is this: Would the Senator be willing to lower the figure from 7 to 6 percent? The reason I mention 6 percent is that that is about what the national figure is at this time.

Mr. MAGNUSON. I am perfectly willing. All of us are standing here talking about a man, no matter where he is, who is out of work, who wants a job, who has exhausted his benefits. That is all I am talking about.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. MAGNUSON. I do not have the floor.

Mr. TUNNEY. I just want to make one point, and then I will yield to the Senator from Connecticut.

The Magnuson amendment contains a provision for financing the amendment. Section 3301 of the Internal Revenue Code of 1954 would be amended to increase the rate of tax from 3.2 to 3.275 percent in 1972 and 1973.

Mr. MAGNUSON. May I interrupt, so that we may understand it? That is three-quarters of 1 percent up—that small amount.

Mr. TUNNEY. That is correct.

Mr. MAGNUSON. That is where the money will be saved, instead of paying $4,000 per person on welfare.

Mr. TUNNEY. That is correct.

If we have 7 percent as the triggering device, it is my information that we will not have to increase the amount of payment to be made in 1971 and 1972 in the form of taxes. But if we move below 7 percent, then we will have to increase the rate of tax from 3.275 percent to a higher percentage.

Mr. MAGNUSON. Perhaps the Senator from Connecticut, who is very familiar with this matter, can say what it would be. It would be a very small amount, would it not?

Mr. RIBICOFF. That is correct. As I indicated in the Finance Committee when this question came up and was used on the floor of the Senate, I would accede to the request of the Senator from West Virginia if he wanted to put it down closer to the national figure. This would be equitable because a person who has been out of work for a year is suffering just as much whether he is in a State with 6 percent or in a State with 7½ percent unemployment rate. So far as all of us are concerned, this is a national problem, and we should treat it nationally.

Along the line of what the distinguished Senator from Washington said, I point out something very significant. As of June 1971, 800,000 persons were receiving welfare solely because the father of the family was unemployed. This represents a 53-percent increase above the number of welfare recipients in July 1970, 12 months earlier.

In other words, what is happening is that once a person has been unemployed for a long period of time, he shifts to the welfare rolls when his unemployment benefits terminate. When we consider that 1.8 million people exhausted their unemployment benefits last year and that the average cost of welfare per family of four is $3,000, public assistance costs for putting these unemployed workers on welfare would amount to as high a figure as $3 billion.

Mr. MAGNUSON. When the Senator from Connecticut was the Secretary of Health, Education, and Welfare, it might have been that, but it is higher now.

Mr. RIBICOFF. Let us take the lower figure. What we are talking about is not only large fiscal savings but also preservation of the self-respect of people who are out of work, not because they want to be out of work but because they cannot find a job. The most important thing we can do in this country is to save the self-respect of people who want to work.

Another problem is this: The bill contains tax benefits for individuals and corporations—approximately $8 billion. We are giving benefits to people who are working and to corporations which are working and earning a profit. But these benefits are long term in nature, while the needs of unemployed workers are immediate and serious. This bill does not take care of the hundreds of thousands of individuals who have exhausted their unemployment compensation, and it does not save their self-respect.

While I support the objectives of the President's new economic policy—to revitalize the economy and to create more jobs—I hope that the Senate will accept an unemployment compensation amendment wholly in keeping with the thrust of H.R. 10947.

The amendment I refer to was originally proposed in July 1971 by the distinguished Senator from Washington (Mr. MAGNUSON) as S. 2321. The proposal provides 26 weeks of additional unemployment compensation to persons who have exhausted their rights to the basic 39 weeks of regular and extended benefits. The additional 26 weeks of benefits would be made available whenever a State's insured unemployment rate plus exhaustions reaches a specific percentage rate. The Federal Government would provide 100 percent of the financing until July 1973; thereafter it would provide an 80-percent share.

The President's new economic policy hopefully will create thousands of new jobs. But the sad reality is that there are over 5 million unemployed men and women in this country, many of whom have exhausted their unemployment benefits. They cannot wait until the long-term economic benefits of the President's plan take hold.

In the first 6 months of 1971 an estimated 1,062,423 workers exhausted their benefits under the regular unemployment insurance program, a national increase of 83 percent over the same time last year. Of these men and women 34,139 were in my home State of Connecticut. Thousands of other workers exhausted their regular insurance rights before that time. Since extended benefits run for only an additional 13 weeks, benefits have also now been exhausted for those whose regular insurance terminated before July.

With unemployment rates still high—in Connecticut the September 1971 figures showed 116,800 people unemployed, 8.3 percent of the 1.4 million Connecticut work force—we can be certain that most of those people whose unemployment benefits have ended are still unemployed. Their only alternative now is to accept welfare assistance.

And in fact they are going on welfare. As of June 1971 there were about 800,000 persons receiving welfare solely because the father of the family was unemployed. This represents a 53-percent increase above the number of welfare recipients in such families in July 1970, 12 months earlier. These 800,000 welfare recipients are now receiving welfare payments at an annual rate of about $480 million; there would be a substantial reduction in these costs if my amendment became law.

Few amendments to H.R. 10947 would contribute as much to the purpose of the President's program as an extension of unemployment benefits. This would provide the emergency relief necessary to help stave off the ill effects of high unemployment during the time it takes for the President's long-range economic proposals to take effect.

The President's new economic policy will cost the Federal Treasury at least $8 billion in tax relief for corporations and working individuals. I hope that the Senate will accept an amendment providing direct benefits to unemployed workers at a cost to the unemployment insurance program in calendar year 1972 of only $390 million.

I commend the Senator from California and the Senator from West Virginia for suggesting that the trigger figure be lowered to 6 percent. I certainly would accede to such a modification if the distinguished Senator from Washington would.

Mr. TUNNEY. I want to make clear to the distinguished Senator from West Virginia that I do not object to the 6-percent figure, and I do not want my remarks to be construed as opposing that proposal. I was only saying that the 7-percent figure would not result in an increase of the tax to be paid under the Magnuson formula. If we go below the 7 percent, then a slight increase in the tax will have to be made. If Senator MAGNUSON is prepared to accept it, I certainly will.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. BYRD of West Virginia. Mr. President, the increase to be made in the tax would be from 3.2 percent to 3.29 percent, if the figure were lowered to 6 percent from 7 percent.

Mr. MAGNUSON. I think that ought to be a part of the amendment. When the bill gets to conference, naturally, the so-called experts can figure one-tenth of 1 percent this way or that way.

Mr. TUNNEY. I could not agree more with the Senator from Washington and the Senator from Connecticut. It does not make any difference where one is—if he is unemployed, he is out of a job—whether the unemployment rate is 6 percent or 9 percent.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. BYRD of West Virginia. I was in error a moment ago. The amount of the tax increase would be less than I anticipated. To lower the 7-percent figure to 6 percent would be to lower it to about what the national average is now; and, really, I think it ought to be tied to the national average. Whenever the national average goes down to 5.8, as it is, that ought to be the trigger. If the Senator from California, who is offering the current amendment, would accept the modification, a 6-percent triggering would cost 3.29 rather than 3.275. That is just fifteen-hundredths of 1 percent.

Mr. MAGNUSON. Yes; it is very small. If we happen to be, say, one-tenth off one way or another in the conference, the experts can figure that out; but it is a small amount. Anyone within the sound of my voice or whomever we can talk to, when they get tax relief, which I am for, they will not mind this small tax to help people who are unemployed because that is part of their business, too. In my State, 75,000 people are affected right now, and it will be 100,000 by January. Our rise in unemployment happened so fast, it is like a basket of eggs hanging up there, and between now and March 1 it will all drop and the welfare rolls will continue to rise. I do not want to see any good American citizen, who wants to work, placed in that position. We are giving in this bill, as was pointed out, substantial tax relief to industry.

Mr. RIBICOFF. Basically, I agree with the purpose of the bill. The philosophy of the President is to try to improve the economic condition in the country and increase employment, but, when 5 million are unemployed, and before this program goes into effect—and there is not an economist in the country who does not agree it will take at least a year. What we are trying to do is put people back to work; yet 5 million people are out of work and prospects for these people in the near future are bleak.

Mr. President, I have here a complete table of the people who have exhausted their benefits. In the State of Washington, the number who have exhausted their unemployment benefits is 99,564. In the State of West Virginia, it is 7,035; in California, 326,773. We are talking about a national disaster. There is not a State that does not have a substantial number of people who have exhausted their unemployment benefits.

Mr. MAGNUSON. I would suggest to the Senator that he put that table in the RECORD, because every State in the Union has some stake in that.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that the table entitled "Unemployment Insurance Regular Program Exhaustions" be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

REGULAR UNEMPLOYMENT INSURANCE PROGRAM EXHAUSTIONS—FISCAL 1971

| | 12-month cumulative | | |
|---|---|---|---|
| | Fiscal year current 1971 | Year ago 1970 | Percent change year ago |
| Alabama | 23,421 | 14,283 | 64.0 |
| Alaska | 4,063 | 2,258 | 79.9 |
| Arizona | 9,351 | 3,975 | 100.0 |
| Arkansas | 14,734 | 9,467 | 55.6 |
| California | 326,773 | 173,794 | 88.0 |
| Colorado | 4,805 | 2,782 | 72.7 |
| Connecticut | 51,122 | 18,614 | 100.0 |
| Delaware | 3,918 | 2,293 | 70.9 |
| District of Columbia | 5,061 | 2,991 | 69.2 |
| Florida | 38,670 | 22,925 | 68.7 |
| Georgia | 27,619 | 14,972 | 84.5 |
| Hawaii | 6,056 | 2,668 | 100.0 |
| Idaho | 5,575 | 4,457 | 25.1 |
| Illinois | 84,762 | 42,921 | 97.5 |
| Indiana | 48,055 | 25,469 | 88.7 |
| Iowa | 17,613 | 9,819 | 79.4 |
| Kansas | 20,367 | 8,162 | 100.0 |
| Kentucky | 16,705 | 12,411 | 34.6 |
| Louisiana | 32,059 | 24,284 | 32.0 |
| Maine | 13,479 | 7,393 | 82.3 |
| Maryland | 19,599 | 9,414 | 100.0 |
| Massachusetts | 76,173 | 35,094 | 100.0 |
| Michigan | 105,046 | 52,343 | 100.0 |
| Minnesota | 35,836 | 15,092 | 100.0 |
| Mississippi | 8,509 | 5,790 | 47.0 |
| Missouri | 33,580 | 17,501 | 91.9 |
| Montana | 5,015 | 3,755 | 33.6 |
| Nebraska | 6,991 | 3,617 | 93.3 |
| Nevada | 6,935 | 3,808 | 82.1 |
| New Hampshire | 1,665 | 158 | 100.0 |
| New Jersey | [1] 53,346 | 57,834 | −7.8 |
| New Mexico | 5,295 | 2,772 | 91.0 |
| New York | 163,805 | 80,852 | 100.0 |
| North Carolina | 21,422 | 12,709 | 68.6 |
| North Dakota | 1,608 | 1,075 | 49.6 |
| Ohio | 53,231 | 18,094 | 100.0 |
| Oklahoma | 18,173 | 8,893 | 100.0 |
| Oregon | 21,866 | 10,703 | 100.0 |
| Pennsylvania | 64,316 | 29,449 | 100.0 |
| Rhode Island | 16,921 | 8,457 | 100.0 |
| South Carolina | 17,736 | 11,616 | 52.7 |
| South Dakota | 1,894 | 1,246 | 52.0 |
| Tennessee | 35,320 | 21,173 | 66.8 |
| Texas | 51,540 | 24,346 | 100.0 |
| Utah | 7,024 | 5,432 | 29.3 |
| Vermont | 3,384 | 1,096 | 100.0 |
| Virginia | 11,184 | 7,034 | 59.0 |
| Washington | 99,564 | 16,413 | 100.0 |
| West Virginia | 7,035 | 5,208 | 35.1 |
| Wisconsin | 25,444 | 12,876 | 97.6 |
| Wyoming | 916 | 686 | 33.5 |
| Puerto Rico | 38,272 | 39,849 | −4.0 |
| Puerto Rico | 22,979 | 23,868 | −3.7 |
| Puerto Rico | 61,251 | 63,717 | −3.9 |
| Virgin Islands | 0 | 0 | 0 |
| Total | [2] 1,797,061 | 930,323 | 89.3 |

July through April.

[2] Includes estimated Connecticut and New York.

TABLE 8.—AID TO FAMILIES WITH DEPENDENT CHILDREN, UNEMPLOYED-PARENT SEGMENT: RECIPIENTS OF MONEY PAYMENTS AND AMOUNT OF PAYMENTS, BY STATE, JUNE 1971 [1]

[Excludes vendor payments for institutional services in intermediate care facilities and for medical care and cases receiving only such payments]

| State | Number of families | Number of recipients | | Payments to recipients | | | Percentage change from— | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| | | | | | Average per— | | May 1971 in— | | June 1970 in— | |
| | | Total [2] | Children | Total amount | Family | Recipient | Number of recipients | Amount | Number of recipients | Amount |
| Total | 158,000 | 794,000 | 488,000 | [3] $39,323,000 | [3] $246.50 | [3] $49.10 | −3.7 | [3] −1.0 | +52.6 | [3] +62.0 |
| California | 61,900 | 294,000 | 178,000 | 14,194,000 | 229.45 | 48.20 | −6.1 | +2.9 | +3.58 | +49.6 |
| Colorado | 2,100 | 10,200 | 5,900 | 569,000 | 265.45 | 55.75 | −4.2 | −3.7 | +67.4 | +114.7 |
| Delaware | 170 | 910 | 560 | 30,600 | 178.10 | 33.50 | +16.7 | +6.4 | +161.9 | +169.8 |
| District of Columbia | 540 | 2,300 | 1,600 | 107,000 | 197.85 | 46.10 | +53.0 | +37.8 | (4) | (4) |
| Guam | 2 | 20 | 16 | 750 | (5) | (5) | (5) | (5) | ------- | ------- |
| Hawaii | 710 | 3,300 | 1,800 | 255,000 | 358.10 | 78.15 | +2.1 | +7.5 | +144.2 | +224.0 |
| Illinois | 15,000 | 77,800 | 48,200 | 4,257,000 | 283.45 | 54.75 | +2.8 | −1.5 | +170.4 | +194.9 |
| Kansas | 910 | 4,400 | 2,600 | 233,000 | 255.50 | 53.20 | −2.5 | −2.8 | +132.7 | +165.9 |
| Maine | 870 | 4,600 | 2,900 | 183,000 | 210.30 | 39.70 | −2.1 | −1.8 | +242.0 | +250.0 |
| Maryland | 640 | 3,100 | 1,900 | 131,000 | 204.20 | 42.35 | −.6 | +1.3 | +120.0 | +124.3 |
| Massachusetts | 2,300 | 12,500 | 8,000 | [3] 910,000 | [3] 254.90 | [3] 48.00 | +6.6 | −10.7 | +89.4 | [3] 54.8 |
| Michigan | 9,300 | 46,300 | 28,300 | 2,829,000 | 303.95 | 61.10 | −2.5 | −1.8 | +161.0 | +207.4 |
| Minnesota | 1,000 | 4,800 | 2,900 | 325,000 | 315.85 | 67.85 | −.6 | +2.0 | (4) | (4) |
| Missouri | 620 | 3,300 | 2,100 | 106,000 | 172.65 | 31.95 | −4.7 | −4.9 | +216.0 | +228.8 |
| Nebraska | 220 | 1,100 | 680 | 44,400 | 201.85 | 39.80 | −6.8 | −6.1 | +94.6 | +117.0 |
| New Jersey | 15,500 | 97,100 | 64,100 | 3,940,000 | 254.20 | 40.55 | −31. | −4.3 | +31.3 | +26.2 |
| New York | 18,900 | 95,300 | 58,600 | 5,229,000 | 277.35 | 54.90 | −4.7 | −6.1 | +48.7 | +35.5 |
| Ohio | 8,500 | 42,100 | 25,300 | 1,800,000 | 211.70 | 42.80 | +2.6 | +2.8 | +169.7 | +178.0 |
| Oklahoma | 360 | 2,000 | 1,300 | 72,700 | 200.75 | 37.00 | −5.6 | −5.7 | +174.5 | +188.7 |
| Oregon | 3,600 | 16,800 | 9,900 | 683,000 | 191.90 | 40.70 | −21.4 | −27.1 | −26.4 | −28.9 |
| Pennsylvania | 3,400 | 16,300 | 9,600 | 1,044,000 | 307.00 | 63.95 | −.4 | +10.5 | −5.4 | +10.4 |
| Rhode Island | 820 | 3,900 | 2,300 | 193,000 | 235.65 | 49.70 | −1.9 | +.7 | +138.8 | +185.3 |
| Utah | 1,800 | 8,800 | 5,400 | 440,000 | 247.35 | 49.70 | +1.3 | +35.8 | +31.5 | +56.4 |
| Vermont | 430 | 2,200 | 1,300 | 131,000 | 302.95 | 59.70 | −5.8 | −6.5 | +216.1 | +246.5 |
| Washington | 4,900 | 21,100 | 11,600 | 1,118,000 | 229.70 | 53.05 | −3.7 | −6.6 | +62.1 | +54.6 |
| West Virginia | 3,800 | 19,800 | 13,100 | 496,000 | 131.40 | 25.05 | −5.6 | −5.6 | −1.6 | −13.4 |

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[1] Data for this segment of the program, shown separately here, are included in data for the total program. All data subject to revision. Data include nonmedical vendor payments other than those for institutional services in intermediate care facilities.

[2] Includes as recipients the children and 1 or both parents or 1 caretaker relative other than a parent in families in which the requirements of such adults were considered in determining the amount of assistance.

[3] Amount includes $312,000 representing grants for special needs for the quarter July–September 1971. The average payment and percentage changes exclude this amount. Including this amount the average payments, per family and per recipient, would be, respectively: U.S. total, $248.50 and $49.50; and Massachusetts, $385.80 and $73.

[4] Program initiated August 1970.

[5] Average payment not computed on base of fewer than 50 recipients; percentage change on fewer than 100 recipients.

MAGNUSON-RIBICOFF UNEMPLOYMENT COMPENSATION AMENDMENT

1. ELIGIBILITY FOR BENEFITS

*Extended benefits under present law*

Persons who have exhausted their eligibility for regular unemployment benefits (generally 26 weeks of benefits).

*Benefits under Magnuson-Ribicoff amendment*

Persons who have exhausted their rights to regular and extended benefits.

2. AMOUNT OF BENEFITS

*Extended benefits under present law*

Same as regular benefits under State law.

*Benefits under Magnuson-Ribicoff amendment*

Same as regular and extended benefits.

3. LENGTH OF BENEFITS

*Extended benefits under present law*

Generally 13 weeks.

*Benefits under Magnuson-Ribicoff amendment*

26 weeks in addition to 39 weeks of regular and extended benefits.

4. EMPLOYMENT CONDITIONS TRIGGERING BENEFIT PERIOD

*Extended benefits under present law*

National unemployment insurance rate of 4.5% or State insured unemployment rate of 4% (if insured unemployment rate is at least

20% higher than the same period in the preceding 2 years).

*Benefits under Magnuson-Ribicoff amendment*

Total State unemployment rate of at least 7.5% if there is an extended benefit period, as under present law.

(State insured unemployment rate plus exhaustions).

5. FEDERAL AND STATE SHARE

*Extended benefits under present law*

50% Federal—50% State.

*Benefits under Magnuson-Ribicoff amendment*

100% Federal share until July, 1973; 80% Federal share thereafter.

6. FINANCING PROVISIONS

*Extended benefits under present law*

Portion of net Federal tax earmarked for extended benefits.

*Benefits under Magnuson-Ribicoff amendment*

Additional Federal unemployment tax of .075% in calendar years 1972 and 1973.

Mr. MILLER. Mr. President, a parliamentary inquiry.

Mr. TUNNEY. Mr. President——

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER (Mr. SPONG). The Senator from California has the floor.

Mr. TUNNEY. Mr. President, I should like to modify my perfecting amendment and strike the figure 7.0 and substitute 6.0.

Mr. MILLER. Mr. President, will the Senator from California yield before he makes his request? Will the Senator yield for just a moment?

Mr. TUNNEY. I will be glad to yield for a question; yes.

Mr. MILLER. I thank the Senator. Is the Senator familiar with my amendment No. 656, now at the desk?

Mr. TUNNEY. I am not.

Mr. MILLER. The Senator from California may know that I propose to reduce the 7.5 to 4.5, and I wanted to discuss that with the Senator before he makes his request.

Mr. TUNNEY. First, I would like to submit my modification, if I may.

Mr. MILLER. The Senator will still be able to modify his amendment later. If he modifies it now, I might be precluded from proposing my amendment.

Mr. BYRD of West Virginia. Not at all. Not at all.

Mr. TUNNEY. We can modify it as the next step.

The PRESIDING OFFICER (Mr. SPONG). The Senator from California (Mr. TUNNEY) has the right to modify his amendment, no action having been taken. A modification of his amendment by the Senator from California does not preclude further action by the Senate.

The Senator from California has the floor.

Mr. TUNNEY. Mr. President, I wish to modify my amendment, so as to strike the number 7.0 and substitute 6.0; and on page 10 of the Magnuson amendments, on line 4, to strike the figure 3.275 and substitute therefor 3.29.

Mr. BYRD of West Virginia. I thank the Senator from California for modifying his amendment in that way.

Mr. TUNNEY. I thank the Senator from West Virginia for his excellent suggestion and his helpfulness in this regard.

The PRESIDING OFFICER. Will the Senator from California please send his modification to the desk.

Mr. TUNNEY. Mr. President, I send my modification to the desk.

The PRESIDING OFFICER. The amendment is so modified.

The text of the amendment as modified is as follows:

On page 5, lines 8 and 25, strike out "7.5" and insert in lieu thereof "6.0."

On page 10, line 4, strike out "3.275" and insert "3.29."

The PRESIDING OFFICER. Without objection, the amendments will be considered en bloc.

Mr. MAGNUSON. Mr. President, I ask unanimous consent to have printed in the RECORD a number of figures and a statement which analyzes this matter in detail.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

Mr. President, the amendment which Sen. Ribicoff, I and other Senators are proposing to the Revenue Act is quite simple. Let me briefly outline its provisions:

It would provide 26 additional weeks of unemployment compensation benefits to eligible workers at a cost of only $338 million.

All states that have enacted an extended unemployment compensation law pursuant to the Federal-State Extended Unemployment Compensation agreement would be eligible.

Individuals in those states who have exhausted, under state law, both their regular and all extended federal and state unemployment compensation benefits would be eligible.

An unemployment rate of 7.5 per cent, computed by counting both the insured unemployed and those who have exhausted their benefits, would trigger the emergency benefits.

The federal government would pay 100 per cent of the emergency compensation paid by the State prior to July 1, 1973 and 80 per cent of the compensation after June 30, 1973.

And to finance these emergency benefits, Section 3301 of the Internal Revenue Code of 1954 would be amended to increase the tax rate from 3.2 per cent to 3.275 per cent in calendar years 1972 and 1973.

Mr. President, we have in H.R. 10947 the fiscal foundation of the President's new economic program. It is a proposal which ignores its own history. The major reason for the emergency of this legislation is the excessive rate of unemployment which has plagued the nation for the past 3 years. Despite that fact, however, the bill before us makes no provision for assisting those who lost their jobs long ago and now find themselves without unemployment benefits. Instead, it looks only to the future—and to a very distant future at that. For even if the proposed tax cuts do stimulate economic growth and create new jobs, those jobs are not going to emerge overnight. The purpose of our amendment, then, is to provide immediate assistance to those workers who have exhausted all of their unemployment compensation benefits and therefore cannot wait for the stimulative effects of tax cuts to trickle down to the job market.

In FY 1971 a total of 1.78 million unemployed Americans were out of work so long that they exhausted all of their unemployment benefits. This figure is almost double the number of people who exhausted their benefits in the previous year. The result, predictably enough, of this sudden upsurge in the number of workers exhausting their unemployment benefits was a 53 per cent increase in the number of welfare families with unemployed fathers.

In my state—which is now experiencing a seasonally adjusted unemployment rate of 11.8%—the crisis is even greater. From FY 1970 to FY 1971 the number of Washington State workers who exhausted their benefits jumped from approximately 16,000 to about 100,000.

And, Mr. President, the crisis is growing greater. Last month Washington State's emergency extended benefits program expired and another 10,000 workers were cut off the program. Furthermore, unless the federal government acts now Washington State will exhaust its entire Unemployment Compensation Trust Fund within four months.

Mr. President it is necessary to speak in terms of numbers if we are to understand the proportions of this crisis. But let's not forget that it's people we are really talking about.

We are talking about the 8,000 men, women and children who line up every week in Seattle to get food donated by more fortunate citizens and distributed by the churches. And—tragically—we are talking about the 12,000 persons who those same churches must turn away every week when the food runs out.

In a very real sense, Mr. President, we are talking about that same forgotten American about who we heard so much of about this same time of year in 1968 and then again in 1970. He is the man who has always asked for work—not welfare. He is the man who has paid his taxes and supported his country.

He is the man who lost his job when the Administration refused to alter its economic course, exhausted his unemployment benefits, and now he is the man who has been forgotten by the Administration in its effort to forget past mistakes.

Mr. President, we can forget those mistakes but we must not forget these men and women. If we can provide a tax bonus for business which will average $7 billion per year over the next ten years then we most certainly can afford $338 million to remember these jobless Americans.

I certainly am willing to consider the amendment offered by the Senators from California, Mr. Tunney and Mr. Cranston, to lower the "trigger" to either 7.0 or 6.0 per cent.

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### A SUMMARY OF THE PRINCIPAL FEATURES OF THE AMENDMENTS INTENDED TO BE PROPOSED BY SENATOR MAGNUSON TO H.R. 10947—EMERGENCY UNEMPLOYMENT COMPENSATION ACT OF 1971

1. ADMINISTRATION (AGREEMENTS)

The program would be administered through agreements between the Secretary of Labor and State unemployment insurance agencies. The Secretary could enter into such agreements with a State only if the State had enacted the Federal-State extended unemployment compensation program provided by the Federal-State Unemployment Compensation Act of 1970. No specific changes would be required in State laws; however, states that need to obtain legislative authority for agreements that provide for states to share one-fifth of cost of the program after June 30, 1973 would have until that date to obtain the necessary legislative authority.

2. TYPE OF PROGRAM

The program would be a "trigger" type program. It would be a permanent program "in being" in Federal law, but would "trigger in" only in individual States and only when the "trigger conditions" have been met.

### 3. NATURE OF TRIGGER

State "on" indicator for "emergency" unemployment compensation set by the Amendments would require two conditions to be met for a week in a State, as follows:

(a) A State or National "on" indicator must exist for the week under the Federal-State Extended Unemployment Compensation Act of 1970, or an extended benefit period under such Act must have terminated within the previous 52 weeks solely by reason of the rate of insured unemployment being less than 120 percent of the rate in the corresponding periods in the prior two years, and

(b) A rate of unemployment based upon a rate of insured unemployment which, after adjustment for exhaustions of unemployment insurance, totaled 7.5 percent.

A state "off" indicator for emergency unemployment compensation would occur when the rate of unemployment used for the emergency program fell below 7.5 percent without regard for the existence or absence of a state "on" indicator under the Federal-State Extended Unemployment Compensation Act of 1970.

### 4. EXTENT OF "EMERGENCY EXTENDED BENEFIT PERIOD"

An emergency benefit period would begin with the third week after the week for which there was a State "emergency on" indicator for the emergency program and end with the third week after the week for which there was a State "emergency Off" indicator for the emergency program.

### 5. CONTENT OF PROGRAM

#### (a) *Individual eligibility*

Emergency benefits would be payable to individuals who have exhausted all rights to other unemployment compensation, including Federal-State extended unemployment compensation.

#### (b) *Duration of benefits*

An individual eligible for "emergency" benefits would receive (i) an amount equal to his total amount of State regular benefits, or (ii) an amount equal to 26 weeks of benefits for total unemployment, whichever is the lesser. The overall maximum payable to individuals in regular State benefits (26 weeks), Federal-State extended benefits (13 weeks) and emergency benefits (26 weeks) would total 65 weeks.

#### (c) *Eligibility period*

For any eligible individual, his eligibility period would consist of weeks of unemployment which begin in either an extended benefit period or in an emergency benefit period.

### 6. FINANCING

#### (a) *Distribution of costs*

There would be paid to each State which had entered into an agreement under the bill's provisions 100 percent of the emergency compensation paid prior to July 1, 1973 and 80 percent of the emergency compensation paid after June 30, 1973.

#### (b) *Funding*

Funds in the extended unemployment compensation account (Section 905 of Title IX of the Social Security Act established by Title III of the Federal-State Extended Unemployment Compensation Act of 1970) would be used to reimburse States for payments of emergency benefits. (The extended unemployment compensation account is at present virtually exhausted.) However, the Amendments would provide for increasing the gross Federal tax under the Federal Unemployment Tax Act from 3.2 to 3.275 percent (an increase in the net Federal tax of 0.075 percent—from 0.5 percent to 3.275 percent) for calendar years 1972 and 1973. The distribution of tax receipts between the employment security administration and extended unemployment compensation accounts after March 1972 would be changed to 16/23 to the employment security administration account and 7/23 to the extended unemployment compensation account for the period April 1972 through March 1974.

### 7. COSTS

Assuming that the program became effective January 1, 1972, and would be "triggered on" with a combined unemployment/exhaustion rate of 7.5 percent in Alaska, California, Connecticut, Maine, Massachusetts, New Jersey, Puerto Rico, Rhode Island, and Washington, the costs of the program would total $328 million, of which $200 million would be attributable to the last half of the fiscal year 1972 and $108 million to the first part of the fiscal year 1973. The proposed tax increase could be expected to yield additional revenue approximating $192 million for calendar year 1972 and $200 million for calendar year 1973 or a total of $392 million. Thus, the program would also provide a modest surplus to assist in restoring the extended unemployment compensation account.

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## SECTION-BY-SECTION ANALYSIS OF AMENDMENTS INTENDED TO BE PROPOSED BY SENATOR MAGNUSON TO H.R. 10947

The proposed amendments would add a new Title VIII to H.R. 10947.

### SECTION 801. SHORT TITLE

Section 801 provides that Title VIII of the bill may be cited as the "Emergency Unemployment Compensation Act of 1971".

### SECTION 802. FEDERAL-STATE AGREEMENTS

Section 802 provides that all States that have an unemployment compensation law approved under the Federal Unemployment Tax Act, and that have enacted as part of each law provision for providing extended unemployment compensation pursuant to the Federal-State Extended Unemployment Compensation Act of 1970, are eligible to enter into agreements with the Secretary of Labor under which emergency compensation would be provided to eligible individuals who have exhausted, under State law, both regular and extended unemployment compensation.

(a) The State law must contain as of the date the agreement is entered into the requirement that extended compensation be payable as provided under the Federal-State Extended Unemployment Compensation Act of 1970. A State which has entered into such an agreement may terminate the agreement upon providing 30 days notice of such termination to the Secretary of Labor.

(b) (1) The agreements shall provide that the State will make payments of emergency compensation to individuals who have exhausted all rights to regular and extended compensation under the law of such state and who are not entitled to compensation under the law of such state or under the law of any other State, the Federal Government, the Virgin Islands or Canada, or who are not entitled to extended compensation because of the ending of their eligibility period for extended compensation.

(2) Emergency benefits would be payable for every week of unemployment which begins in an emergency extended benefit period as defined in Section (c) (3) and in the individuals eligibility period for emergency compensation as defined in Section 805(b).

(c) (1) An individual will be deemed to have exhausted his rights to regular compensation under a State law when no further payments of regular compensation can be made to him because he has received all the regular compensation available to him based on employment or wages during his base period, or when his rights to such compensation have been terminated by reason of the expiration of his benefit year.

(2) An individual will be deemed to have exhausted extended compensation under a State law when no further payments of extended compensation can be made because the individual has received all of the extended compensation available to him.

(3) An emergency extended benefit period would begin in a State with the third week after the week for which there is an "emergency on" indicator and end with the third week after the first week for which there is an "emergency off" indicator except that no emergency extended benefit period would last for a period of less than 26 weeks. When a determination has been made that an emergency extended benefit period is beginning or ending with respect to any state, the Secretary of Labor shall cause notice of such determination to be published in the Federal Register.

There would be a state emergency "on" indicator for a week of the "rate of unemployment" for the period consisting of such week and the immediately preceding twelve weeks equaled or exceeded 7.5 percent and (a) there is a state or national "on" indicator for such weeks the Federal-State Extended Unemployment Compensation Program or (b) there is neither a State or national "on" indicator for such week but (i) there has been such an "on" indicator within the previous one-year period and (ii) there would be a State "on" indicator for such week were it not for the requirement of Section 203(e) (1) (A) of the Federal-State Extended Unemployment Compensation Act of 1970 that a state "on" indicator exists only when the rate of insured unemployment for the 13 week period equals or exceeds 120 percent of the average of such rates for the corresponding 13 week period ending in each of the preceding two calendar years.

There would be an emergency "off" indicator for a week if, for the period consisting of the week and the immediately preceding 12 weeks, the "rate of unemployment" is less than 7.5 percent.

The "rate of unemployment" for the purposes of "emergency on" and "emergency off" indicators shall be the "rate of insured unemployment" as determined under section 203(f) of the Federal-State Extended Unemployment Compensation Act of 1970 plus the "13-week exhaustion rate."

The "13-week exhaustion rate" shall be equal to one-fourth of the sum of the exhaustions of regular compensation during the most recent 12-month period ending before the week with respect to which the rate is computed divided by the State's average monthly covered employment as that term is used in section 203(f) of the Federal-State Unemployment Compensation Act of 1970 with respect to the 13-week period.

(d) (1) The amount of emergency compensation payable to any individual for any week of total unemployment shall be equal to the amount of the regular compensation including dependents' allowances payable to him during his benefit year under the State law.

(2) Except when inconsistent with the provisions of this title or the regulation of the Secretary promulgated to carry out the provisions of this title, the terms and conditions of the State law which are applicable to claims for regular compensation and to the payment thereof shall be applicable to claims for emergency compensation and the payment thereof.

(e) (1) For each eligible individual who files an application for emergency compensation there shall be established an emergency compensation account.

(2) The amount established in the emergency compensation account of an eligible individual shall be equal to the lesser of (a) 100 percent of the total amount of regular compensation (including dependents' allowances) payable to him with respect to the benefit year on the basis of which he most recently received regular compensation or (b) 26 times his average weekly benefit amount (as determined for the purposes of 202(b) (1) (c) of the Federal-State

Extended Unemployment Compensation Act of 1970).

(f) No emergency compensation shall be payable to any individual for any week prior to the week following the week in which an agreement was entered into under this title or, if later, the first week beginning more than 30 days after the enactment of this Act.

### SECTION 803. PAYMENTS TO STATES HAVING AGREEMENTS

Section 803 provides that the Federal Government shall pay 100 percent of the emergency compensation paid by the State prior to July 1, 1973, and 80 percent of the emergency compensation paid by the State after June 30, 1973.

### SECTION 804. FINANCING PROVISIONS

Section 804(a) provides that funds in the extended unemployment compensation account (as established by section 905 of the Social Security Act) of the Unemployment Trust Fund shall be used for making payments to States having agreements under this title. The Secretary of Labor shall from time to time certify to the Secretary of the Treasury for payment to each State the sum payable to such State under this title. Payments to States shall be made by transfer from the extended unemployment compensation account to the account of the State in the Unemployment Trust Fund.

Section 804(b) amends section 3301 of the Internal Code of 1954 to provide for an increase of .075 percent in the Federal unemployment tax for the calendar years 1972 and 1973; the existing tax provided by section 3301 is increased from 3.2 percent to 3.275 percent. The net Federal tax, now 0.5 percent, is increased to 0.575 percent.

Section 804(c) amends section 905(b)(1) of the Social Security Act to provide that seven-twenty-thirds of Federal unemployment tax revenue for the months of April 1972 through March 1974 be allocated to the extended unemployment compensation account; for months after March 1974, the present provision for a one-tenth allocation to the extended unemployment account again becomes effective.

Section 804(d) amends section 901(c)(1)(B) of the Social Security Act to include the Emergency Unemployment Compensation Act of 1971 among the programs eligible for grants to States for the costs of administering State and Federal unemployment compensation programs.

Mr. MAGNUSON. Mr. President, I am ready with the modifications now, unless some Senator wants to speak. The Senator from California (Mr. CRANSTON), I believe, has something to say, as do other Senators. They may want to submit amendments from the floor.

Mr. MILLER. Mr. President, will the Senator from California yield to me briefly?

Mr. TUNNEY. Does the Senator from Washington (Mr. MAGNUSON) wish me to yield to him?

Mr. MAGNUSON. The Senator yielded to me only for the purpose of putting some material in the RECORD.

The PRESIDING OFFICER. The Senator from California has the floor.

Mr. TUNNEY. Mr. President, I yield to my distinguished colleague from California.

Mr. CRANSTON. Mr. President, I thank my colleague (Mr. TUNNEY) for the work he has been doing on this subject and would like to associate myself with his amendment. It is sound and constructive and I most certainly support it.

I also wish to thank the distinguished Senator from Washington (Mr. MAGNUSON) for the very important work he has done on this measure. It is a matter of justice and equity. He spotted the great inequity here and has offered his amendment, which I supported in committee. I strongly support what he is doing now.

This is, as the Senator from Washington points out, important to every State in the Union. It is probably more important in California than in any other State, because California now has 15,000 people a month exhausting what they are entitled to. Unless we now proceed to take this action, they will be forced to go on welfare.

We must take into account the fact that those people have been put out of work by Government decisions relating to the economy. If it were entirely their fault, that might be another matter, but when Government decisions have been involved in actions which have put these people out of work, it seems to me the Government has a responsibility to take their needs into account. I am therefore delighted to support the efforts of the Senator from Washington. I thank him on behalf of the people of my State and also on behalf of the people of all the States of this Union, for what he has been doing.

Mr. TUNNEY. Mr. President, I now yield to the Senator from Iowa.

Mr. MILLER. I thank the Senator from California.

Mr. President, if I may have the attention of the Senator from California, because this is crucial, as I pointed out earlier as to my amendment which is at the desk, No. 656, the Senator from California may note that I propose to reduce the triggering percentage. Does the Senator from California have the amendment before him?

Mr. TUNNEY. I was just looking for it. It is not on my desk.

Mr. MILLER. I see the Senator has it now. The Senator may note that I propose to change the triggering percentage from 7.5 to 4.5.

I was interested in hearing the comments of the Senator from California about justice and equity, and those of the Senator from Connecticut (Mr. RIBICOFF) about the comparable cost of welfare.

I would hope that the Senator from California would see fit to modify his amendment so that it will accord with the 4.5, and will add me as a cosponsor.

I discussed the amendment briefly with the Senator from Washington last evening, and I had gained the impression that he was amenable to this change.

After all, as has been pointed out, a person unemployed through the first 26 weeks and then through the next 13 weeks, whether in a State that has 4.5 or 7.5 unemployment, or 7 percent unemployment, is just as much unemployed and is subject to just as much hardship as anyone else. We established a policy at the time we adopted the Employment Security Amendments of 1970 that 4.5 should be the triggering device to provide an extra 13 weeks in order to alleviate severe hardship. The rationale was that a person in a State with 4.5 percent unemployed is hurt as badly as someone in a State with 5 or 6 or 7 percent.

I realize this would involve some additional cost. It might possibly triple the cost. However, it is for Congress to decide how far it wants to go to be fair. The point has been made that with the tax cut in the pending bill, the additional cost for unemployment compensation certainly cannot very readily be made.

If the Senator would modify his amendment, I would think that we would probably get a unanimous vote on it and could then take it to conference; and if the conferees decide that it has to be something over that, there is nothing we can do. But if the Senator modifies the amendment, the conferees might decide upon a lower figure.

Mr. TUNNEY. Mr. President, would the Senator be able to tell the Senate the additional cost of his amendment, the likelihood of the Bureau of the Budget accepting that additional cost figure, and the likelihood of the President deciding that that figure was acceptable?

Mr. MILLER. Mr. President, the Senator from Iowa cannot speak for the Bureau of the Budget. On the basis that we discussed this question in the Finance Committee the other day—and the Senator from Connecticut was there and might be able to help me on this point—it is my recollection that it was estimated that the Magnuson amendment would cost about $300 million and that the 4.5-percent figure would cost about $900 million.

My thought is that if we have to make room for this additional cost by some reductions in the tax benefits in the pending tax bill in order to make room for this provision, we ought to do it because the tax benefits are going to people who are employed and making a living, whereas the unemployment benefits are going to people who are unemployed. The same rationale that the Senator advanced with respect to the hardship of the people in States with 7.5 percent unemployed applies to the people in the States with 4.5 percent unemployed.

The reason that I picked the 4.5-percent figure was that the Unemployment Security Act accepted the figure of 4.5 percent as the one that would alleviate hardship. We accepted the 4.5-percent figure as the proper triggering device to use in that case.

Mr. TUNNEY. Mr. President, I am very sympathetic to the problem of the unemployed in any part of the country. I wonder if the Senator from Iowa can suggest how many additional States would be included if his amendment were agreed to.

Mr. MILLER. My recollection is that under the Magnuson amendment probably eight or 10 States would be covered; and that, with the 4.5-percent figure, there would probably be 30. But I suggest that the people who are unemployed in those States are hurt just as badly as the people in any other part of the country.

Mr. TUNNEY. Mr. President, I could not agree more with the Senator that the unemployed in any State are desperate, whether the unemployment in that State is 3.5 percent or 10 percent.

The problem that I have with the amendment the Senator has suggested is the additional cost factor. The original purpose of the Magnuson amendment was to take care of States having a critical unemployment problem which has the effect of dislocating industry and services in the affected communities. We might increase the cost of additional benefits to such a point that the bill would become unacceptable because of the cost factor. That is, quite frankly, the problem I have.

Mr. MILLER. Mr. President, if we get into that kind of a problem, the conferees will be quite capable of dealing with that. All I want the Senator from California to do is not to tie the hands of the conferees who are doing a job for the people of 30 States instead of 10.

Mr. TUNNEY. I certainly do not want to tie their hands. Perhaps the best way to do this would be to take a vote on my amendment; then the Senator from Iowa can offer his amendment. We will then have the decision of the Senate.

Mr. MILLER. I wish that the parliamentary rules would permit that. However, we would first have to take a vote on the 4.5-percent proposal. If the Senator's amendment were to carry with the larger figure in it, we would be locked in at that figure.

Mr. TUNNEY. Mr. President, I yield to the junior Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. JACKSON. Mr. President, I thank the distinguished Senator from California.

Mr. President, my statement is in support of the Emergency Unemployment Compensation Amendment to H.R. 10947, which I am cosponsoring with my distinguished colleague, Senator MAGNUSON.

This amendment holds out a lifeline to thousands of men and women who have no job, and no hope. It is hard to find words and statistics that fully describe the human tragedy now prevailing in many parts of the Nation, and my own State of Washington.

The tragedy can perhaps best be measured this way: The director of Seattle's manpower programs has given up trying to find jobs for people who apply. Instead, he and his staff spend their time locating food, housing, clothing, and waivers from utility charges and mortgages for the jobless. Jobs simply are not available.

In Seattle, as elsewhere in the country, citizens and their officials have been relegated to a search for basic necessities.

I point out that food stations are set up throughout the greater Seattle area, where citizens bring food and donate it. It is then handed out to qualified individual recipients. Talk about a breadline. We have a food line in the greater metropolitan area of Seattle today.

But the real tragedy is that some 60 percent of the people whose unemployment compensation has expired do not qualify for any other form of relief. They are not eligible for welfare; food stamp programs are sharply restricted; savings, friends, relatives—these resources are quickly exhausted.

This situation leads to social despair, family distintegration, mental illness, acts of desperation. It cripples an individual's spirit, and a community's livelihood. It should not be tolerated in America—the richest country in the entire world.

The emergency unemployment compensation amendment would provide immediately to several hundred thousand persons across the country, and to over 75,000 persons in Washington State, who have already exhausted their regular and extended benefits. It is the most effective way to inject some money, some basic necessities of life, and some sense of confidence into these families and their communities.

Unemployment compensation is a tried and proven form of Federal aid. Unfortunately, in this recession, it is becoming a way of life for some rather than a temporary adjustment between jobs.

Unemployment compensation is already too big a business. In Washington State it became the biggest "employer" in the State sometime last year. Tens of thousands of people in my own State and elsewhere have used their basic 39 weeks of relief, plus an additional 12 weeks. In the first 4 months of 1971 nearly half a million Americans exhausted their regular benefits. Some have been on unemployment compensation assistance for a solid year. Now, in growing numbers, their eligibility is expiring. They are losing even this form of help and minimum income.

In my judgment, this amendment is a vital extension of a successful Federal program—that is desperately needed by thousands of American citizens. It is an interim measure. It is no solution—but is a lifeline to those in need.

Of course, this amendment would not be necessary if this administration had not adopted an economic policy which rocketed unemployment from 3.4 percent in January 1969 to the present 5.8 percent—and the real unemployment is much higher than that.

Now the Congress must take direct action to create jobs through aid to depressed areas, public works programs and public service employment. We must create at least 500,000 job opportunities in the public sector.

Public service employment is not makework. It is not some new version of the dole. It is a constructive use of men and women who need and want work to fill urgent, unmet needs of the public sector.

That is the real solution. But this amendment will provide vital assistance to those already without jobs or income. I hope the amendment will be agreed to by an overwhelming majority.

Mr. TUNNEY. Mr. President, I yield to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming is recognized.

Mr. HANSEN. Mr. President, in 1970 the Committee on Finance and the Senate carefully reviewed the entire unemployment compensation program. This review resulted in the most sweeping changes to the program since its original enactment in the 1930's. Last year's unemployment bill extended unemployment insurance coverage and established a new program of extended benefits during times of high employment. Although last year's bill raised Federal unemployment taxes by about $1 billion annually, the bill had broad support.

Before acting on unemployment compensation legislation last year, the Committee on Finance held 3 days of hearings which filled hundreds of pages of hearing record. Now the amendment pending in the Senate would raise taxes on employers an additional $400 million in the 2-year period 1972–73. We have not had the benefit of hearing from the employers who would be required to pay this additional tax, nor have we heard the views of the State unemployment insurance administrators.

To my mind, this is not a good way to legislate. When this matter was brought up in the Committee on Finance, the committee rejected it by a large margin. I believe the reason was that most members of the committee did not want to impose a new tax of hundred of millions of dollars on employers without affording these taxpayers an opportunity to be heard. This is particularly significant since the pending amendment would raise the additional revenue through a flat increase in Federal unemployment tax on all employers.

The Labor Department has projected that the benefits under the original amendment would be applicable in only nine States, and even with the modification would apply in only 14 States—yet employers in all the other States would be required to pay the same taxes. An employer with no history of unemployment among his workers would have to pay the same tax as an employer with a high unemployment record.

Before the Senate approves a tax increase of hundreds of millions of dollars on employers, I believe we should have the benefit of more careful consideration of the consequences of this action.

Mr. President, I think it should be pointed out that one of the purposes of the President's announcement on August 15 of this year was to increase employment in this country. What this measure proposes to do is to provide more unemployment compensation benefits.

The PRESIDING OFFICER. The Senate will be in order. If Senators wish to converse they will remove themselves from the Chamber.

Mr. HANSEN. Mr. President, the amendment proposes to——

The PRESIDING OFFICER. The Senator from Wyoming will suspend until the Senate is in order.

The Senator may proceed.

Mr. HANSEN. Mr. President, the effect of this amendment would be to make it more expensive for employers to hire a new man, or create a new job. At the same time, the Magnuson amendment would extend the period during which unemployment compensation could be received from the present 9-month period to 15 months, or a year and one-quarter of benefits.

It is important also to note that these costs, whether they come from taxes levied by the State or by the Federal Government, are paid for entirely by employers. I do not think we are going to be giving the encouragement that I believe we all agree should be given to employers to open up new jobs if we increase the cost to them of having hired somebody.

Furthermore, I am distressed over the fact that by raising the funds solely and exclusively through a flat Federal tax fails to take into consideration the experience that an employer may have had in maintaining steady, stable employment for his workers. Unlike State unemployment taxes, the flat rate Federal tax does not reward this employer for his good record because it does not allow for experience rating at all.

I would point out further that the 50 States have varying tests that apply in entitling a person to receive the benefits of unemployment compensation. With respect to the State of Washington the only requirement is that the worker shall have earned $800 in the qualifying period. It could be that a person might have a job earning $80 a week for 10 weeks, and he would be perfectly eligible under the terms of this amendment to qualify for unemployment benefits for 15 months. In the State of West Virginia the test is only $700. It varies from State to State.

I do not think it is wise legislation to substitute for participation between the States and the Federal Government for a definite period of time the assumption of the payment of unemployment compensation benefits exclusively by the Federal Government.

Mr. President, I think it needs to be reiterated that this is a very costly bill. Our intention in this bill is to reduce taxes in order to stimulate the economy, create jobs, and reduce unemployment. Let us not overlook the fact that the extension of these benefits, if paid in all States with unemployment rates exceeding 6 percent, could be a billion dollars. These additional taxes would partially negate the steps we have taken so far in lowering taxes. Rather than giving the encouragement to business we had hoped we might give, we will be saddling them with an added tax burden.

It would seem at the very least we should have hearings on this kind of legislation before we adopt an amendment which cuts so broadly across the whole spectrum of industrial activity and which can affect jobs in such an important way.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MAGNUSON. I wish to make one observation.

As I understand from the Committee on Finance there is, in round figures, $18 billion in tax relief in this bill.

In my amendment we are talking about, for people walking the streets, $471 million. For $18 billion I am sure business will buy $471 million to take care of people they also want to see go to work.

Mr. PASTORE. Mr. President, will the Senator yield? I would like to get into this, if I may.

Mr. MAGNUSON. We just started and we have lots of time.

Mr. PASTORE. Yes, we have lots of time, and I think my time is now.

Mr. President, I am one of those who has always felt that unemployment is a national calamity. It is true it affects some States more than other States.

When I was Governor of my State I thought the unemployment compensation should be nationalized the way we do in the case of social security, the way we do in connection with ADC assistance, and the way we do in old age pensions. People are people no matter where they are, whether they happen to be in Washington State or the State of Rhode Island.

Now, time and time again, we have supported agriculture products; we in the East have always helped the reclamation projects in the West and Midwest; we have developed our hydroelectric power. As a matter of fact, we have been universal in our point of view and not parochial.

I realize the financial problems involved here if you go too low, but a man out of a job is a man out of a job, and unemployment is not a statistical problem, it is a human problem. It has to be met by the Nation. So much so, Mr. President, that in 1946, by national fiat, we guaranteed full employment. We assumed it as a national responsibility.

I am so happy to see that the Senator from Washington is willing to accept the 6-percent figure. What the financial problem might be if it went below that, I am in no position to say, but I do want to say here this morning that something needs to be done. Under our unemployment compensation procedures, a man who is out of job and is offered a comparable job has to take it; in other words, he has to be a legitimate unemployed. I am telling you, Mr. President, that if we do not give him unemployment compensation, we have got to give him public assistance. He has got to support his family. I do not like the idea of welfare unless it is absolutely necessary. So if anyobdy is out of work and has lost his job through no fault of his own, I repeat, somebody has to assume that responsibility, and I think that the Federal Government should do it, because, Mr. President, a State that is hard hit cannot afford to do it. It cannot afford to do it, I repeat. We have pockets of prosperity and we have pockets of poverty, and I think the time has come when we ought to level it off a little bit, because America is America, and what applies to Rhode Island applies to Washington, applies to Iowa, applies to every State in the Union.

The idea around here has been that when it comes to supporting tobacco in Kentucky, everybody has to vote for it. When it comes to supporting wheat in Kansas, everybody has to vote for it. When there is a new project on the Columbia River, everybody has to vote for it. When a poor soul has lost his job in Rhode Island, they say, "Oh, that is Rhode Island's responsibility." It is not our responsibility. What we are trying to do is achieve equality for all. "E pluribus unum." It is carved right over your chair, Mr. President—one for all, all for one. That is what it ought to be, and I hope this amendment carries.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. PASTORE. I yield. I would love to yield, but I do not have the floor.

Mr. MAGNUSON. Mr. President, may I ask a parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Washington.

Mr. MAGNUSON. Has the modification been accepted?

The PRESIDING OFFICER. The amendment has been modified.

Mr. MAGNUSON. It has been modified. If the Senator will allow me, I ask for the yeas and nays on the amendment.

Mr. MILLER. Mr. President, will the Senator withhold that request for a moment, because if the yeas and nays are ordered, that would preclude further modification by the Senator from California, if I understand the rules correctly, and I would like the Senator to withhold that request a little longer, hoping the Senator might see fit to further modify it?

Mr. MAGNUSON. That is what he wants to do. That is why I asked for the yeas and nays.

Mr. MILLER. Mr. President, may I ask a parliamentary inquiry?

The PRESIDING OFFICER. The Senator from Washington has the floor.

Mr. MAGNUSON. I have the floor. I ask for the yeas and nays on the modified amendment.

The PRESIDING OFFICER. Is there a sufficient second? Will Senators who second the request please raise their hands? There is not a sufficient second.

The yeas and nays were not ordered.

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Iowa will state his inquiry.

Mr. MILLER. If the yeas and nays had been ordered, would that have precluded further modification by the author of the pending amendment?

The PRESIDING OFFICER. If the yeas and nays had been ordered, that would have precluded further modification of the amendment of the Senator from California, except by unanimous consent.

Mr. MILLER. I thank the Chair.

May I point out to the Senator from Washington that is precisely why I asked him to withhold his request for the yeas and nays.

Now, will the Senator from California yield?

Mr. TUNNEY. I do yield.

Mr. MILLER. I would like to comment on the remarks of the Senator from Rhode Island. As usual, they were very direct and responsive. The only thing is, I wish I could persuade the Senator from California that what the Senator from Rhode Island has said is equally applicable to the 4.5 percent which I have been asking the Senator to change his amendment to. A person who is unemployed in a State which has 4.5 percent unemployment is just as hard up as one in a State with 7 or 8 percent unemployment. That is what the Senator from Rhode Island has been emphasizing.

One might ask, why not make it 4 or 3.5 percent? As I pointed out, the reason I suggest 4.5 percent is that we adopted that as a national policy. In 1970 with the Employment Security Amendments of 1970, 4.5 percent was made the triggering percentage for the 13 weeks. All I am suggesting is that we continue that policy. I do not know why we should change it today. The basis of figuring how much more it is going to cost ignores what the Senator from Rhode Island has said—that we are talking about a human problem, and not a statistical problem.

I ask my colleague from California to please modify his amendment, and then we will see what the conference committee wants to do on it. There has been some intimation that the House conferees might refuse to take jurisdiction over the amendment. I do not think the Senate conferees will particularly agree with that. Let us leave the conference to work out this problem, if there is one.

Mr. TUNNEY. Mr. President, I would like to make a parliamentary inquiry of the Chair on this matter. If we go to conference with a 6-percent figure as a triggering mechanism, can the conference lower that figure to 4.5 percent if the conferees in their wisdom should decide to do so?

The PRESIDING OFFICER. That item would be in conference, and the conferees could lower the figure.

Mr. TUNNEY. The conferees could lower the figure from 6 to 4.5 percent?

The PRESIDING OFFICER. That is correct.

Mr. MILLER. Mr. President, may I ask my colleague this question?

Mr. TUNNEY. I yield.

Mr. MILLER. Does he think there will be any bargaining power on the part of the Senate conferees to lower it still more when the House has not even got it in the bill? What we need is some bargaining power and leverage.

I would hope the conferees would agree to 4.5. Certainly, with the power of the Senate behind them, the Senate conferees would be in a much stronger position. I think we had better have as much bargaining power in the conference as we can get.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. BYRD of West Virginia. In response to the able Senator's statement, the conferees would have more bargaining power in the conference if the figure in the Senate goes to 6 percent than they would have if the figure were 4.5, because in the conference the figure 4.5 would adjust only between zero and 4.5. If the figure goes to 6 in the Senate, they can adjust from zero to 6 percent.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. MILLER. With all deference to the Senator from West Virginia, my understanding is the contrary, and we can get it clarified by the Parliamentarian.

Mr. TUNNEY. Yes, if we could. I would like to ask the Chair if it would be possible——

Mr. JACKSON. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. JACKSON. Mr. President, I ask for the yeas and nays.

Mr. MILLER. Mr. President, we just went through that. Would the Senator from Washington withhold for a moment? I have been trying to get the Senator from California to modify his amendment, and if we get the yeas and nays we cannot do it without unanimous consent.

The PRESIDING OFFICER. Does the Senator from Washington withhold his request?

Mr. JACKSON. I withhold my request for the moment.

Mr. TUNNEY. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from California will state his inquiry.

Mr. TUNNEY. The parliamentary inquiry is this: If in conference the conferees have a figure of 4.5 as a triggering device, would they be able to move that figure up to 6?

The PRESIDING OFFICER (Mr. SPONG). The general rule is that you go from nothing to the highest figure in the bill.

Mr. TUNNEY. So the conferees, if they had a 4.5-percent figure, would have the choice of 4.5 percent down to zero, but not above 4.5 percent?

The PRESIDING OFFICER. That is the general rule.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from California has the floor.

Mr. HANSEN. I have a parliamentary inquiry, Mr. President.

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Wyoming to propose a parliamentary inquiry?

Mr. TUNNEY. I yield for that purpose.

The PRESIDING OFFICER. The Senator from Wyoming will state his parliamentary inquiry.

Mr. HANSEN. Do I understand, from the response to an earlier parliamentary inquiry, Mr. President, that it is the understanding of the Chair that in order to give as much flexibility as possible, the presumption is that the unemployment triggering factor at the present time is zero, and that we would fluctuate between zero and 6 percent?

The PRESIDING OFFICER. The Chair would state to the Senator from Wyoming that the Chair is not concerned with effect. We are only interpreting form. Our understanding under the general rule is that if 6 percent is the triggering device, then the conferees are limited to from zero to 6 percent. If 4.5 percent is the triggering device, the conferees are limited to from zero to 4.5 percent.

Beyond the statement of those facts, the Chair does not comment on the effect.

Mr. LONG. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from California yield to the Senator from Louisiana?

Mr. TUNNEY. I yield.

Mr. LONG. I suggest that this whole thing could be resolved by just redrafting the language to make the additional benefits available if the degree of unemployment exceeds the national average by more than $x$ percent, whatever that percentage might be, whether it be 100 percent, 50 percent, or 20 percent. With this type of provision the conferees could move down on the figure, and everything would fall into place; while, if the language is drafted in the existing fashion, we get into all these different problems, because while ordinarily to reduce the figure means to make fewer people eligible and spend less money, in this case, to reduce the figure would mean to make more people eligible and spend more money.

So it works out, because of the way the amendment is drafted, to work just the opposite way and it tends to create all sorts of problems under the rules, whereas, if the same type of amendment were drafted so as to refer a degree of unemployment exceeding the national average, the conferees would be in a position to move downward and, by moving downward, they would reduce the amount of money that would be expended, and would reduce the number of people made eligible.

Mr. HANSEN. Mr. President, will the Senator from California yield?

Mr. TUNNEY. I yield.

Mr. HANSEN. I thank my distinguished colleague.

Mr. President, the distinguished chairman of the Finance Committee has made the very point I was attempting to make. I think, without regard to precedent or form, it ought not to go unnoticed that there is great merit in the observations just made by the chairman of the Finance Committee that I hope will not escape the attention of the Chair.

The PRESIDING OFFICER. The Chair is in no position to enter into the debate.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays on the pending amendment.

The yeas and nays were ordered.

Mr. TUNNEY. Mr. President, I think the Senator from Iowa has expressed the opinion that many of us have, that the more people we could benefit, the better it would be. Unfortunately, we are caught in a very tricky parliamentary situation, as the Senator from Iowa so well knows, and if we have the figure 4.5 percent as a triggering device, in all probability no one will accept it, because the House does not have any figure at all in there. That is what deeply concerns me.

I think the distinguished Senator from Iowa recognizes, as we all recognize, that an unemployed person, no matter in what part of the country, or what the percentage of unemployment is in his State, is unemployed and is desperate.

On the other hand, I think it is also clear that in certain States we have a critical level of unemployment, and we want to make sure that the people in those States are helped. We want to make sure we do not create a situation, by being overly generous in this bill on the Senate floor, where we see the whole proposal knocked out of the bill in conference, so that those States with this critical unemployment situation do not receive this help.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield to the Senator from Iowa.

Mr. MILLER. Mr. President, I do not believe we would be overgenerous by locking it at a 4.5-percent figure, and I do not believe my colleagues feel we would be overgenerous. But if the Senator from California feels that way, he should leave the figure at 7.5 percent, because that would be the best way of getting through conference. If I follow the argument correctly, the Senator is suggesting that the farther down we go, the tougher it would be for the conferees. But I suggest, if you want to have the best chance for the States that are hurt the worst, that the modification be withdrawn and we act on the Magnuson amendment.

Mr. LONG. Mr. President, in order to seek to expedite the matter, why not ask unanimous consent that that amendment remain subject to amendment? That being the case, if we later want to change the language to meet the conference problem, we can do it without being locked in, under the rules, after the Senate votes on a particular figure.

The PRESIDING OFFICER. The Chair has previously ruled, in response to a parliamentary inquiry from the Senator from Iowa, and the Chair will repeat that ruling. The yeas and nays have now been ordered; any modification of the amendment to the amendment, as amended, now before the Senate, will require unanimous consent.

Mr. LONG. Well, I ask unanimous consent that in the event the amendment is agreed to, it remain subject to further amendment.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The Senator from California has the floor.

Mr. TUNNEY. Mr. President, I do not have anything more I want to say at this point.

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLER. If we now vote on the pending amendent, do I understand that the unanimous consent agreement just obtained by the Senator from Louisiana would then permit another amendment to the same section?

The PRESIDING OFFICER. The Senator is correct.

Mr. MAGNUSON. Mr. President, we are voting on my amendment as modified, which sets the figure at 6 percent, is that correct?

The PRESIDING OFFICER. We are voting on the amendment of the Senator from California, as modified, and not the amendment of the Senator from Washington.

Mr. MAGNUSON. All right. But it sets the figure at 6 percent?

The PRESIDING OFFICER. The Senator is correct.

Mr. BYRD of West Virginia. Mr. President, I think it was the intention of both the senior Senator from Washington and the junior Senator from California that the vote occur, by the yeas and nays, on the amendment of the Senator from Washington, as modified by the perfecting amendment of the Senator from California, and so I ask unanimous consent to that effect.

Mr. MILLER. Mr. President, reserving the right to object, I understand the unanimous consent agreement that has been obtained by the Senator from Louisiana was that after acting on the pending amendment, we could act on the same section again.

Mr. MANSFIELD. That is right.

Mr. BYRD of West Virginia. There is no question about that.

Mr. MILLER. Then why not proceed according to that, instead of getting the Magnuson amendment further involved at this time?

Mr. MAGNUSON. It is not further involved. We are going to vote it up or down, then the Senator will have a chance to present his amendment. Otherwise, he would be shut out. Is the Senator not satisfied?

Mr. MILLER. Just a moment. Mr. President, still reserving the right to object, I had understood we were going to proceed to vote on the amendment by the Senator from California.

Mr. MANSFIELD. That is right.

Mr. MILLER. And that under the unanimous-consent agreement, following the vote on that, if any other Senator wished to do so, including myself, we could then offer an amendment to the same section.

Mr. MAGNUSON. That is right.

Mr. MANSFIELD. The Senator is correct.

Mr. MILLER. What is being proposed here by the unanimous-consent request of the Senator from West Virginia?

Mr. MAGNUSON. My amendment was the original amendment. I accepted the amendment of the Senator from California. Now we are voting on the amendment that was originally proposed, as modified, and then the Senator from Iowa can call for a vote on his amendment, after this is over. I do not know why everything has to get so confused.

The PRESIDING OFFICER. The Chair would point out that that is not the parliamentary situation.

Regardless of the intent of the Senator from California and the Senator from Washington, the question before the Senate, for which the yeas and nays have been ordered, is the amendment of the Senator from California as modified by the Senator from California. Anything done with regard to the yeas and nays—anything done with regard to any future vote—must be done by unanimous consent. In the absence of that, the Senate is voting on the amendment of the Senator from California and then must later vote upon the amendment of the Senator from Washington.

Mr. MANSFIELD. Unless modified.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MAGNUSON. I accepted the amendment of the Senator from California, and that became part of the original amendment. Then he modified the amendment. I accepted it. That is in the Record.

Mr. MILLER. Mr. President, a parliamentary inquiry.

Mr. MAGNUSON. Will the Senator let me finish, for a change?

The PRESIDING OFFICER. If the Senator from Washington would ask unanimous consent that the amendment of the Senator from California, as modified, be accepted by him and the yeas and nays set aside, then the Senate would be in a position to vote on the amendment of the Senator from Washington as modified by the Senator from California.

Mr. MAGNUSON. I think that will clear it up. I so ask.

The PRESIDING OFFICER. Is there objection?

Mr. MILLER. Mr. President, I object.

Mr. BYRD of West Virginia. Mr. President, I had a unanimous-consent request before the Senate which has not been acted upon. It has not yet been objected to.

The PRESIDING OFFICER. The Senator from West Virginia is correct. The Chair was under the impression that an objection was pending by the Senator from Iowa, although he has not stated it.

At this time, if the Senator from West Virginia would repeat his unanimous-consent request——

Mr. BYRD of West Virginia. I hope the distinguished Senator from Iowa will not object to my request. It in no way will impair his right to offer further amendments to the text of the bill which will have been amended by the Magnuson amendment as modified. It will simply save time and two rollcalls.

Mr. President, I ask unanimous consent that the yeas and nays which were ordered on the modification offered by the distinguished Senator from California be transferred to the amendment in the first degree which was offered by the Senator from Washington (Mr. Magnuson).

Mr. MILLER. Mr. President, I regret that I must object. I think the Chair has properly stated the parliamentary situation, the understanding of the parties, the understanding of the Senator from Louisiana and his unanimous-consent request, and the misunderstanding by some of our colleagues.

The PRESIDING OFFICER. Objection has been heard. The yeas and nays have been ordered on the amendment of the Senator from California. The position of the Chair is that, based upon the unanimous-consent request of the Senator from Louisiana, the rights of no one are prejudiced in any way.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. CHILES (after having voted in the negative). On this vote I have a pair with the distinguished Senator from Maine (Mr. Muskie). If he were present and voting, he would vote "yea"; if I were at liberty to vote, I would vote "nay." I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Missouri (Mr. Eagleton), the Senator from Minnesota (Mr. Humphrey), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Utah (Mr. Moss) the Senator from Maine (Mr. Muskie), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from Minnesota (Mr. Humphrey), and the Senator from South Dakota (Mr. McGovern), would each vote "yea."

On this vote, the Senator from Alabama (Mr. Sparkman) is paired with the Senator from New Mexico (Mr. MONTOYA). If present and voting, the Senator from Alabama would vote "nay" and the Senator from New Mexico would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD) and the Senator from Illinois (Mr. PERCY) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Utah (Mr. BENNETT) and the Senator from Ohio (Mr. TAFT) are detained on official business.

If present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

On this vote, the Senator from Oregon (Mr. PACKWOOD) is paired with the Senator from Illinois (Mr. PERCY). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Illinois would vote "nay."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 51, nays 27, as follows:

[No. 310 Leg.]

### YEAS—51

Aiken
Anderson
Bayh
Bible
Brooke
Buckley
Burdick
Byrd, W. Va.
Cannon
Case
Church
Cranston
Eastland
Ellender
Fulbright
Gravel
Griffin
Harris
Hart
Hartke
Hollings
Hughes
Inouye
Jackson
Javits
Jordan, N.C.
Kennedy
Long
Magnuson
Mansfield
McGee
McIntyre
Mondale
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Tunney
Weicker
Williams
Young

### NAYS—27

Allen
Allott
Baker
Beall
Boggs
Byrd, Va.
Cooper
Cotton
Dole
Dominick
Ervin
Fannin
Fong
Gambrell
Gurney
Hansen
Hruska
Jordan, Idaho
Mathias
McClellan
Miller
Pearson
Roth
Smith
Spong
Thurmond
Tower

### PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Chiles, against.

### NOT VOTING—21

Bellmon
Bennett
Bentsen
Brock
Cook
Curtis
Eagleton
Goldwater
Hatfield
Humphrey
McGovern
Metcalf
Montoya
Moss
Mundt
Muskie
Packwood
Percy
Saxbe
Sparkman
Taft

So, Mr. TUNNEY's amendment, as modified, was agreed to.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington, as amended. The Chair recognizes the Senator from Washington.

Mr. MAGNUSON. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLER. Mr. President, do I understand that, under the previous unanimous-consent agreement, an amendment is now in order to the amended section on which we just voted?

The PRESIDING OFFICER. The part of the amendment that has just been amended by the amendment of the Senator from California is now open to amendment.

Mr. GRIFFIN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. GRIFFIN. Mr. President, there is no unanimous-consent agreement with respect to the amendment; is there?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Chair is trying to be informed on this matter of inquiry. Will the Senators please be patient?

The unanimous-consent request that was granted was that those parts amended by the amendment of the Senator from California would remain open to amendment. That is the matter on which the Chair ruled for the Senator from Iowa.

Mr. GRIFFIN. Mr. President, I was not aware of that agreement. Is there a time limitation?

The PRESIDING OFFICER. There is no time limitation.

### AMENDMENT NO. 656

Mr. MILLER. Mr. President, I call up my amendment No. 656 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 5, line 8, change 7.5 to 4.5.

On page 5, line 25, change 7.5 to 4.5.

### A UNANIMOUS-CONSENT AGREEMENT—15-MINUTE TIME LIMITATION TODAY ON VOTES ON PENDING LEGISLATION

Mr. BYRD of West Virginia. Mr. President, will the Senator yield for a unanimous-consent request with the understanding that he not lose his right to the floor?

Mr. MILLER. Mr. President, I yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent with the approval of the majority leader and the minority leader that on all rollcall votes from here on out today, the time be 15 minutes instead of 20 minutes, with the warning bells to ring 5 minutes prior to the announcement of the result by the Chair.

Mr. HUGHES. Mr. President, reserving the right to object, I am not positive that I can make it from my office to the Chamber in 5 minutes. However, I intend to be on the floor for the votes.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the warning bells be midway in the 15-minute period.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, if I can have the attention of the Senators, I do not believe this matter will take very long.

What the Senate has just done is to make a change in the Magnuson amendment. The Magnuson amendment is to provide an additional 26 weeks of unemployment compensation where there is an unemployment rate of 7.5 percent. The Senate has just voted to reduce that to 6 percent.

My amendment proposes to make it 4.5 percent, just as we did in 1970 with the 13 weeks of extended unemployment compensation.

I believe my amendment would probably affect around 32 to 34 States. I understand that what the Senate has voted for now would apply to around 14 States.

It has been well said on the floor of the Senate that someone who is unemployed for such an extended period of time in a State with 7.5-percent unemployment is no worse off than someone else in like circumstances in a State with 4.5-percent unemployment.

It seems to me that we should broaden the equity treatment just as we did in 1970. The argument could be made that we should make it 4 or 3 percent. However, I use the 4.5-percent figure because that was the policy we followed in the 1970 act. I cannot see any reason why we should change it today.

I hope the Senate will support the figure of 4.5 percent.

We should take care of these States with high unemployment. I believe we should do that but to do it equitably we should follow the policy that was followed in 1970 by extending the benefits to 4.5 percent.

Mr. President, I ask for the yeas and nays on my amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. LONG. Mr. President, the Senator from Louisiana voted for the Tunney amendment. That amendment would increase the cost of the Magnuson amendment, as I understand it from about $300 million to about $900 million; and also it is self-financing in that it raises taxes on employers to make up the $900 million.

Generally speaking, the House is not willing to accept amendments on one of the separately financed programs to increase benefits unless the tax is there to pay for it. That is the way it is in connection with social security.

I am frank to tell the Senate that if we try to impose this new proposal on the House they are going to tell us to go fly a kite. They are not going to increase payments under the unemployment insurance program or the social security program unless we have a tax to finance it.

The House has repeatedly rejected amendments without financing provisions.

Second, the amendment, even if it did have the financing feature, would not make good sense as far as this Senator is concerned. The Senator said that a person unemployed is just as unemployed in a State with a low degree of unemployment as he is in a State with a high degree of unemployment.

The fact is that under the unemployment insurance program the unemployed person does not have to accept a job on penalty of losing his unemployment compensation if the pay for that job is below what he is accustomed to and if the job is something for which he has not been trained. On the other hand, if the unemployment insurance is exhausted he is expected to take any job he can get.

There is a difference between being in a State like Washington or California, and being in a State where only 4.5 percent of the people are unemployed, when a person is looking for a job. Jobs are a lot harder to find when many people are out of work than they are when only a few people are out of work.

I was willing to vote for the Magnuson amendment or the Tunney amendment. It makes sense to me to say if a State has substantially more unemployment than the national average, as it true of California, that we would pay additional benefits, even though a State like Louisiana would be paying taxes and not receiving benefits. But I do not see why this should be done for a State where there is 4.5-percent unemployment. I am not aware that anyone in the State of Louisiana would expect to pay additional taxes for this type of situation. I believe that is true of most States.

I hope the amendment is rejected. The cost would run up the cost of the original Magnuson amendment to over a billion dollars. We started out with something that makes sense but this change if approved it will not make sense and will be many times more expensive.

Under the House rules—and I did not want it to be this way—there has to be a separate agreement from the House to consider a nongermane amendment, and with something that would cost more than $1 billion as an addition to this bill we would be less likely to get House consideration than we would with something that would cost $300 million or $900 million.

So I urge the Senate to reject the amendment because we have gone far enough in what we have already approved, in my judgment. If the situation gets worse in any State, that State would become eligible under what we have already approved.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. McCLELLAN. I wish to ask a question for my information. I am having a little trouble with these amendments.

As a national policy, how can we justify a policy that favors a citizen in the same situation in one State and discriminates against a person in the same situation in another State that has the same economic problem? I do not see it.

The fact that a man lives in a State with less unemployment than in a State where there is more unemployment, and to say that those people who were unemployed have an advantage over the other people who are unemployed is difficult for me to understand. They are still unemployed. As a national policy, I do not believe it does equity.

What I am trying to ascertain is why in a State where there is heavy unemployment should those people who are unemployed get twice the benefits and consideration that those in a State where there is less unemployment will receive. They are all unemployed. As a national policy I think it does an inequity.

In wrestling with the problem of cost I do not know where we are going.

Mr. LONG. If one were to extend that principle he would logically extend it to every State in the Union, even though there might be a labor shortage in the State and jobs were begging to be filled. We have at least 5 million jobs begging for the 5 million unemployed we have in the country now. But there are not enough jobs in the State of Washington to take care of the unemployed there, and there are not enough jobs in some parts of the country to take care of the unemployed there, even though there are enough jobs in this country to provide some kind of job.

The unemployment insurance reserves the right of the unemployed to decline to accept the job and it does not even require him to accept a job that is far below the pay scale to which he has been accustomed and for which he is not trained or experienced. So he is privileged to decline to consider those jobs; and he is not referred to a job that is beneath his dignity because he is accustomed to making a lot more money and having a better job than that. When his unemployment benefits expire, theoretically he should accept any job rather than to ask for public welfare assistance.

But it can be argued, and I believe it does make sense, that in States where there is high unemployment we would extend unemployment insurance benefits for a longer time than in States with a lower degree of unemployment and we have already done that in legislation enacted last year with respect to 13 weeks of extended benefits.

Mr. McCLELLAN. From the standpoint of the economy I can see the justification for that from the standpoint of the burden on the Federal Government. But with respect to equity for the individual I feel we are establishing a national policy. When we do that, that policy should have justice and equity between all citizens. That is the problem I have.

Mr. LONG. The Senator has a good point, but the principle is already in the law with respect to 13 weeks of extended benefits, and this law is the basis on which the Senator offers his 4.5-percent amendment, because that is the triggering point under last year's new law for unemployment benefits for persons already out of work for 26 weeks. In other words, the Congress has already agreed to the principle that additional benefits be provided in States with higher than average unemployment.

For those with particularly high unemployment, the Senator from Washington is seeking to provide additional coverage, and we have been in agreement with that. I think to go beyond what has already been agreed to would greatly increase the cost. There is no provision in the pending modification to pay for this additional cost, as should be expected with respect to unemployment insurance amendments.

Mr. President, for those reasons I do not think we should accept the amendment.

Mr. MAGNUSON. Mr. President, I want to take just a few minutes. I am reluctant, as naturally any of us are, not to try to do this on a national scale as the Senator from Arkansas has just suggested.

However, that should be an amendment to the regular Federal-State Extended Unemployment Act, the main act, which would name a 4.5 percent triggering point. Perhaps some day the Ways and Means Committee of the House and the Finance Committee of the Senate will expand benefits under the Federal-State extended act. We are dealing here—and this is why I had 7.5 percent and agreed to the 6 percent—with emergencies only, for months, and the emergency requirement is not met in the Miller amendment.

I am sure we are going to come along and revise the unemployment rules in the future. We should increase the benefit period from 13 to 26 weeks, to carry out the intention under the amendment the Senator from Iowa offers, but this should not be done in this emergency amendment. Here we are dealing with emergencies, just as we deal with hurricanes or natural disasters. When it happens, it happens in places where there seems to be no chance for people to get jobs. As the Senator from Louisiana pointed out, there is a chance in other places to get jobs.

I hope the economy goes up and this bill will not cost anywhere near what it is going to cost and that people will go back to work. I do not know what is going to happen at this point in time; therefore, I was compelled to offer this important amendment.

I am reluctant to oppose the amendment of the Senator from Iowa. I am faced with the situation that we have got to do something in some areas and in some other States of the Union, and this is an emergency matter. Let us sit down and see if we can work to do something about the Federal-State Extended Unemployment Compensation Act in the very near future.

I have been around here a long enough time and have had enough experience to know, I hope, that this amendment would kill my amendment in the House. I know that because it goes below the national average on unemployment. I just do not want to lose the emergency nature of my amendment. I will join the Senator from Iowa and other Senators in amending the basic act with respect to the length of benefits and the trigger point. The States can also enact emergency plans at a lower level if desired.

I repeat, this is a bill to stimulate jobs and gives business $18 billion in tax incentives. Certainly they can put into the pot, to take care of people who are not working, about $471 million. That is our best figure for two years. The figures may vary slightly. So I think that it is justified. Business does not want people walking around unemployed without relief.

So, reluctantly, I am going to move to table the Miller amendment, and ask for the yeas and nays.

First, Mr. President, I ask unanimous consent to place in the RECORD a telegram from the Governor of the State of Washington.

The PRESIDING OFFICER. Without objection, it is so ordered.

OLYMPIA, WASH.

Hon. WARREN MAGNUSON,
*U.S. Senator, Senate Office Building,*
*Washington, D.C.:*

I have today sent this telegram to the following Senators: Howard Baker, J. Glenn Beall, Clifford Case, John Cooper, Marlow Cook, Hiram Fong, Robert Griffin, Mark Hatfield, Jacob Javits, Charles McC. Mathias, Jr., Bob Packwood, James Pearson, Charles H. Percy, Richard Schweiker and Hugh Scott.

The provisions of floor amendment 628 to H.R. 10947 fill a major income support gap now existing in Federal-State System of Unemployment Compensation. State off and on indicators adopted in Public Law 91–373 to trigger extended benefit period operate to terminate such extended benefits in individual States, contrary to congressional intent. During critical periods of prolonged high unemployment, Washington is one of these States.

Insured unemployment is now above 9 percent in Washington State. Additional State financed benefits have run out. Nevertheless, State indicators under Federal law will terminate extended benefit period early next year. At the same time over 62,000 individuals, many primary wage earners unemployed directly due to cuts in Federal spending, will have exhausted all benefits yet not qualify for public assistance.

The State Unemployment Compensation Fund, which had a $270 million reserve a year ago will be totally exhausted soon and cannot support further State financed emergency benefits.

Our need is immediate and cannot fall on Washington business alone. We urgently require help. I urge your support of this amendment in the interests of the public good and general welfare of the citizens of our Nation.

GOV. DANIEL J. EVANS,
*State of Washington.*

Mr. MILLER. Mr. President——

The PRESIDING OFFICER. The yeas and nays have already been ordered.

Mr. MILLER. Mr. President, may I have the Chair's attention?

I am sorry that the Senator from Washington intends to move to table the amendment, but before he offers the tabling motion——

Mr. MAGNUSON. Mr. President, it is not debatable. Is it?

The PRESIDING OFFICER. A point of order is made.

Mr. MAGNUSON. I will be glad to withhold that motion until the Senator can speak. I thought he was all through.

Mr. MILLER. I understand the Senator to say he intended to offer a tabling motion.

Mr. MAGNUSON. I withhold the motion at this time.

The PRESIDING OFFICER. The Chair understood the Senator from Washington to say that he intended to offer a motion to table.

Mr. MAGNUSON. Very well.

Mr. MILLER. Mr. President, something has been said about an emergency. We are talking about a human emergency in a family, and that emergency is just as acute in a State with 4.5 percent unemployment as in a State with 20 percent unemployment.

Mr. MAGNUSON. It is just as acute in a State with one-half percent unemployment or zero unemployment.

Mr. MILLER. That is the emergency.

Mr. President, may we have order?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MAGNUSON. When the figures show zero, they do not show all the people that have given up looking for a job.

Mr. MILLER. We are not interested in statistics here; we are interested in a human problem, and I think the Senator from Arkansas pointed it up very well.

Much has been said about welfare costs that would be saved. Well, the welfare costs, in my understanding, would exceed the costs of unemployment compensation provided for in this amendment with these percentages. So if we are interested in taking a human approach, is it not better to pay unemployment compensation than to pay welfare?

I believe the argument that was used with respect to the 7.5 percent is no more valid with respect to the 7.5 percent than it is with respect to the 4.5 percent. The Senator from Arkansas, I think, stated the problem. As a national policy, are we going to ignore people in a 4.5 percent State and take care of those in a 6 percent State? We decided that question here a year and a half ago, and said, "No." We said if the unemployment rate is 4.5 percent, the States are covered. That is the way we legislated. Why should we change the rules today?

There is no need for hearings on the basic act or anything else. All we need to do is to be consistent with what we did a year and a half ago.

Finally, the Senator suggests this amendment will kill the bill in the House. I give the House more credit than that. I do not think we are any more humanitarian in the Senate than they are in the House. The House itself went along with the 4.5 percent rate a year and a half ago. Why should it change today? I do not think they have changed. I think the scare talk about the House killing the bill is not responsive to the situation. I do not want to kill the Senator's bill.

Mr. MAGNUSON. Mr. President, if the Senator will yield, because there is no tax provision to take care of the Senator's amendment. That is one reason.

Mr. MILLER. We can find a tax provision very, very readily before we get through with the bill. What we need to establish first is: Is our policy going to change from what we established a year and a half ago? If it is not—and I hope it is not—then we can draft a change for the tax provision in 5 minutes. The question is: Are we going to change policies today and go away from the 4.5 percent rate which we established a year and a half ago in both the Senate and the House?

Mr. MAGNUSON. If the Senator will amend the extended unemployment compensation laws, the basic act, I will join him to keep the 1970 figure, with a tax provision to take care of it. I would join the Senator.

Mr. MILLER. As an amendment to the pending amendments?

I asked the Senator if he is suggesting that as an amendment to the pending amendment.

Mr. MAGNUSON. I did not hear the Senator.

Mr. MILLER. Did I understand that the Senator would be willing to join me in an amendment to the pending amendment along those lines?

Mr. MAGNUSON. We have the basic extended unemployment act of 1970, and that is a legitimate amendment to this bill.

Mr. MILLER. I understood the Senator was using the same language, and I believe he will find, on page 5 of his amendment, that the langauge is in identical form to the extended unemployment insurance act. All we need to do is establish the principle: Do we want to keep it at 4.5 percent, which we established a year and a half ago, or do we want to go to 6? It is that simple. I hope we will stay with the 4.5 percent.

Mr. MAGNUSON. Mr. President, when I mentioned zero, I meant zero. In the history of unemployment statistics, we find the figure about 4 percent off in every State when they establish the unemployment rate. When 1 percent or 0 is reported, there are still a great many people out of work. They just do not report for benefits or qualify for benefits. About 8 percent is the figure that should be added to the percentages given.

If all Senators are through speaking on the matter, I move to table the Miller amendment.

Mr. ALLEN. Mr. President, will the Senator withhold that motion?

Mr. MAGNUSON. I withhold it.

Mr. ALLEN. Mr. President, I do not feel that the amendment offered by the Senator from Washington (Mr. MAGNUSON) should be agreed to, and I also voted against the amendment offered by the Senator from California (Mr. TUNNEY) because it would extend the area of operation of the Magnuson amendment.

A person who is unemployed in a State not covered by the Tunney amendment or the Magnuson amendment and this includes Alabama is just as much unemployed as if he lived in a State where the unemployment is as much as 6 percent. Since these proposals give no relief to Alabamians who are unemployed, though Alabamians would have to pay their portion of the cost, I cannot support these proposals.

Reviewing the present situation, we have 26 weeks under the basic unemployment compensation law. Then there is a period of 13 weeks which is added provided the unemployment rate is 4.5 percent. Now the Magnuson amendment, as amended by the Tunney amendment, seeks to provide 26 additional weeks, making a total of up to 65 weeks. We are changing the basic unemployment compensation law by more than doubling the basic amount of unemployment compensation.

It seems to me that whatever the Senate adopts will not be agreed to by the

House of Representatives, so we are pretty well spinning our wheels here, because this proposal is not germane to the bill as it came over from the House. Even though I voted against the Tunney amendment, I feel that I should vote to support the amendment offered by the Senator from Iowa to extend the provisions of the amendment to the other States, including unemployed Alabamians.

Then, with or without the Miller amendment, it is going to be the position of the junior Senator from Alabama that the Magnuson amendment should be defeated. I shall support the Miller amendment, but whether that is adopted or not, I shall vote against the Magnuson amendment.

Mr. MAGNUSON. Mr. President, I renew my motion to lay on the table the amendment of the Senator from Iowa (Mr. MILLER), and I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. GRAVEL). The question is on agreeing to the motion of the Senator from Washington (Mr. MAGNUSON) to lay on the table the amendment of the Senator from Iowa (Mr. MILLER). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Missouri (Mr. EAGLETON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Minnesota (Mr. HUMPHREY), would each vote "yea."

On this vote, the Senator from Alabama (Mr. SPARKMAN) is paired with the Senator from New Mexico (Mr. MONTOYA).

If present and voting, the Senator from Alabama would vote "nay" and the Senator from New Mexico would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD) and the Senator from Illinois (Mr. PERCY) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Utah (Mr. BENNETT) is detained on official business.

If present and voting, the Senator from Illinois (Mr. PERCY) would vote "yea."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 41, nays 38, as follows:

[No. 311 Leg.]

YEAS—41

Aiken
Anderson
Bayh
Beall
Bible
Brooke
Byrd, Va.
Byrd, W. Va.
Chiles
Church
Cranston
Ellender
Fannin
Fong
Fulbright
Gravel
Gurney
Hansen
Hollings
Inouye
Jackson
Long
Magnuson
Mansfield
Mathias
McGee
Nelson
Pastore
Pell
Proxmire
Randolph
Schweiker
Spong
Stafford
Stevens
Symington
Taft
Thurmond
Tower
Tunney
Williams

NAYS—38

Allen
Allott
Baker
Boggs
Buckley
Burdick
Cannon
Case
Cooper
Dole
Dominick
Eastland
Ervin
Gambrell
Griffin
Harris
Hart
Hartke
Hruska
Hughes
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy
McClellan
McIntyre
Miller
Mondale
Pearson
Ribicoff
Roth
Scott
Smith
Stennis
Stevenson
Talmadge
Weicker
Young

NOT VOTING—21

Bellmon
Bennett
Bentsen
Brock
Cook
Cotton
Curtis
Eagleton
Goldwater
Hatfield
Humphrey
McGovern
Metcalf
Montoya
Moss
Mundt
Muskie
Packwood
Percy
Saxbe
Sparkman

So the motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. BYRD of Virginia). The question now recurs on agreeing to the amendment of the Senator from Washington (Mr. MAGNUSON) as amended.

Mr. MAGNUSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Washington will state it.

Mr. MAGNUSON. The business before the Senate now is the so-called Magnuson amendment as modified by the amendment of the Senator from California and the yeas and nays have been ordered——

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Louisiana is recognized.

Mr. LONG. Mr. President, there has been some discussion of the problem that would be involved in conference with this amendment. Our staff have some ideas as to how we might make some changes in the language without changing the purpose, intent, or effect of the amendment, so that the problem could be better worked out in conference.

For that reason, I ask unanimous consent that the amendment remain subject to amendment, in the event it is agreed to. That being the case, our staff could give their advice as to how we might resolve whatever difficulties might present themselves from a technical viewpoint in the conference.

The PRESIDING OFFICER (Mr. BYRD of Virginia). For clarification purposes, the Chair would inquire of the Senator from Louisiana whether the Senator from Louisiana means the amendment offered by the Senator from Washington as amended.

Mr. LONG. Yes.

Mr. MAGNUSON. Would that allow another vote on the amendment?

Mr. LONG. So that it could be amended subsequently, after it has been agreed to, yes. The reason I say that is I am well aware of the fact that there may be some technical problems involved here.

Mr. MAGNUSON. If my friend from Louisiana would agree to voting on this amendment, we could agree to his request afterwards.

Mr. LONG. Well, after we get that amendment agreed to, we could not amend it. We could hold off voting on the matter and work out the technical amendments that might be useful——

Mr. MAGNUSON. All right. I agree.

Mr. LONG. I think it is necessary.

The PRESIDING OFFICER. The Chair would inquire of the Senator from Louisiana, if his unanimous consent request is agreed to, would it provide for perfecting amendments to be presented at a later date?

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. TOWER. Mr. President, reserving the right to object, and I do not intend to object, may I ask the Senator from Louisiana, does his unanimous consent request apply only to perfecting amendments?

Mr. LONG. What we are talking about here might pertain to more than technical amendments, but what I am really speaking of is that, instead of talking about 6 percent unemployment, in order to have flexibility in conference, it might be necessary to draft the language so as to read "94 percent employment," rather than "6 percent unemployment." But our staff will be able to work out the amendment so that we can compromise, if need be, in the conference. We simply need that ability to do so, in the event the House does not want to accept the amendment precisely the way the Senate sends it to them.

Mr. MILLER. Mr. President, reserving the right to object, do I understand that we will proceed to vote on the Magnuson amendment now?

Mr. MAGNUSON. Yes.

Mr. MILLER. And then at such time as the staff can work out some language we will vote on that, too?

Mr. LONG. We might need more than just a technical amendment, so I do not want to limit myself to that. The Senate usually agrees to technical amendments, anyway. I am merely talking about a means of preserving to the Senate the right to make such modifications as might be necessary on this amendment, so that it will be subject to compromise in conference.

Mr. PASTORE. Mr. President, if the House bill has no comparable amendment, why is not the whole of the amendment going to be in conference and——

Mr. LONG. We discussed for a half hour earlier today the technical problems that would be involved in the conference. All I would like to do here is to reserve the right to amend the amendment so that we can eliminate whatever technical problems might come up in the conference.

Mr. DOMINICK. Mr. President, will the Senator from Louisiana yield for a question?

Mr. LONG. I yield.

Mr. DOMINICK. My understanding, on reading the Magnuson amendment, is that the unemployment compensation benefits will remain in effect for not less than 26 months; which means they could go on indefinitely. It does not say for "not more," it says "for not less." Could I get some kind of expression on that before we know what we are agreeing to?

Mr. LONG. Mr. President, I am merely asking that the amendment remain subject to amendment. The reason I did not ask it to be subject to technical amendment only is that if the Senate finds some essential problem arising, then it could be raised. What concerns me is the fact that there appears to be some difficulty in compromising the matter with the House because of the way the amendment is drafted, and I simply want the opportunity to overcome that defect. The way to preserve the right to make changes in conference, in the fashion the Senate wants it to be in conference, is to rewrite the amendment.

Mr. DOMINICK. Can the distinguished Senator from Louisiana answer this question: Are we going to have a chance to discuss the Magnuson amendment before we vote on it, as I would like to get some answers to some questions I have?

Mr. LONG. The Senator can talk about it all he wants. I prefer not to talk about it any more myself, if we can agree it will be subject to further amendment after it has been agreed to.

Mr. CASE. Mr. President, reserving the right to object—and I am going to object——

Mr. LONG. Mr. President, I withdraw my request. The Senator will not have a chance to object.

Mr. CASE. Let me say to the Senator from Louisiana that I am not speaking out of any sense of spite, but I believe this would be a very bad practice for the Senate to follow—to consent, even once, to this kind of procedure.

Mr. LONG. Senator, I regret to say that we already did it once today, but that is behind us now. Go right ahead.

Mr. CASE. We should not rivet this to the Senate's procedures.

Mr. FANNIN. Mr. President——

The PRESIDING OFFICER (Mr. Byrd of Virginia). Has the Senator from Louisiana withdrawn his request?

Mr. LONG. I withdraw it.

The PRESIDING OFFICER. The unanimous-consent request of the Senator from Louisiana is withdrawn.

Mr. FANNIN. Mr. President, I should like to speak for a few minutes before the vote on the pending amendment. I know that we all have very great sympathy for those who are unemployed, but the pending amendment raises a very fundamental question about the nature of the unemployment insurance program. The regular unemployment program provides benefits for 6 months to persons who are involuntarily unemployed to allow them an opportunity to find another job. Last year, after lengthy and careful consideration the Congress provided for an additional 3 months of unemployment insurance in times of unusually high unemployment, either on a statewide or national basis.

The pending amendment would provide an additional 6 months of benefits beyond the nine months already provided for under present law during times of relatively higher unemployment. I do not believe anyone quarrels with a 6-month period for regular unemployment benefits. I think a good case was made for an additional 3 months in times of higher unemployment when it is more difficult for an unemployed worker to find a job. But I do not believe that even after a full year a worker can simply be considered temporarily unemployed if he has been unemployed for that length of time it seems to me a broader economic approach is necessary and this is what we are attempting to do in the Revenue Act of 1971—to stimulate the economy so as to provide more jobs. This it seems to me is the more appropriate way to deal with chronic unemployment.

Unemployment insurance benefits are financed entirely by Federal unemployment taxes and State unemployment taxes are paid by employers. We may very well ask the question: where does the employers responsibility for an unemployed person end? If a person is still unemployed after a year I would argue that we need a broader approach than simply continuing unemployment insurance payments under the guise of a temporary measure.

I strongly feel that the more appropriate way of dealing with chronic high unemployment will be to enact the Revenue Act of 1971 quickly and provide the needed stimulation for the creation of jobs for the unemployed.

Mr. President, we have in the Revenue Act of 1971 a bill to assist in putting people to work by creating jobs. I believe that the amount of money we are talking about could be more adequately utilized for that purpose than for increasing unemployment benefits.

Mr. President, I oppose the amendment.

Mr. DOMINICK. Mr. President, I wonder whether the distinguished manager of the bill could answer this question which I raised once before.

On page 4, line 21, it specifically states that an emergency extended before.

It reads:

> In the case of any State, no emergency extended benefit period shall last for a period of less than 26 consecutive weeks.

This means, as far as I can see, that it is not limited to 26 weeks, that it goes on indefinitely. I am under the conclusion that most Senators here think that this is simply a 26-week extension. It does not seem to be that at all in terms of the wording of the bill.

I would like to know what the sponsor of the amendment would have to say on that.

Mr. MAGNUSON. Mr. President, as I understand it, the Senator wants to know whether an individual could receive more than 26 weeks of additional benefits under my amendment.

Mr. DOMINICK. It specifically states on page 4, if the Senator reads the bill, lines 21 to 23, that no emergency extension of the benefit period may be for a period of less than 26 consecutive weeks.

Mr. MAGNUSON. The Senator is referring to the State emergency extended benefit period. But on page 7, on line 18, the amendment limits an individual's additional benefits to "26 times his average weekly benefit amount for his benefit year." That is all he could get, 26 weeks of additional benefits.

Mr. DOMINICK. But he could go on year after year, as long as the unemployment stays up.

Mr. MAGNUSON. No. He could not get any more than 26 weeks on the basis of his employment during one base period.

Mr. DOMINICK. So the intent of the sponsor of the amendment is to specifically say that he cannot go for more than 26 weeks.

Mr. MAGNUSON. That is our intent, and that is what the amendment provides.

Mr. DOMINICK. What is the intent of saying that it cannot be for less than 26 weeks?

Mr. MAGNUSON. That is the State emergency extended benefit period that the Senator is talking about, not the individual's benefit period.

Mr. DOMINICK. I cannot understand that either. It specifically says that no emergency extended benefit period—and that is what we are talking about—should last for a period of less than 26 consecutive weeks.

I gather that is true, even if it falls below 4.5 percent.

Mr. MAGNUSON. Once a benefit period is triggered in a State, it must last for 26 weeks, even if the State unemployment rate drops below that triggering rate before 26 weeks is up. That is what the technical language of the amendment says.

### PRIVILEGE OF THE FLOOR

Mr. GRIFFIN. Mr. President, on behalf of the Senator from Illinois (Mr. Percy), I ask unanimous consent that Robert Vastine be accorded the privilege of the floor.

Mr. BYRD of West Virginia. Mr. President, reserving the right to object, is that to be during rollcall votes?

Mr. GRIFFIN. Yes.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. Mr. President, I voted for the Tunney and Miller amendments because I felt that, if we are to move in the direction of a significant Federal takeover of the burden of extending unemployment compensation, then this takeover should be more universal in its application.

I shall be voting against the Magnuson amendment, however, because I am satisfied that the Finance Committee has not had sufficient opportunity to study the full implications of the Magnuson proposal, and, while I am deeply sympathetic over the concerns which motivate that Senator from Washington, I, for one, do not feel that I can responsibly vote in its favor without a great deal more information than the committee is able to present to the Senate at this time.

There is a second reason, however, that I will vote against the Magnuson amendment. The Senate has already enacted earlier this year legislation which is specifically designed to cope with the situation which the Senator from Washington had in mind when he introduced his amendment.

I speak of the Economic Disaster Relief Act of 1971 which provides, among a great many other things, for the extension of unemployment compensation benefits in those areas which have suffered serious economic dislocations of the kind cited by the Senator from Washington for as long as those dislocations continue to exist.

Under the circumstances I feel that the Senate has already acted to meet the kind of emergency spoken of by the Senator from Washington. I, therefore, urge the Senate to vote against the pending amendment.

Mr. BROOKE. Mr. President, I am pleased to cosponsor the amendment offered by my distinguished colleague from Washington, Senator MAGNUSON.

Unemployment has been a persistent problem in this Nation for well over 2 years. As the war in Vietnam has wound down, as we have begun to reorder our priorities from military and foreign involvement to the application of funds and technology to domestic needs, serious dislocations have inevitably occurred.

In my own State of Massachusetts, 186,000 persons are presently unemployed, and the unemployment rate as a whole has reached 8 percent in the last year.

The amendment of the Senator from Washington is designed to meet this problem. In States where the dislocations have been particularly severe—specifically, where unemployment exceeds 6 percent—any unemployed person who has exhausted both his Federal and State unemployment compensation benefits would be eligible for an additional 26 weeks of coverage, with the Federal Government paying 100 percent of the extended emergency coverage.

In these times, unemployment largely results from the changing policies of the Federal Government. Unemployment, in such instances, is not attributable either to the activities of the individual or to the programs and planning of the various companies.

It is therefore only just and equitable that the Federal Government should adopt unemployment policies adequate to the changing needs of the unemployed.

I wholeheartedly support this amendment, and urge its adoption.

Mr. KENNEDY. Mr. President, I am pleased to give my support to Senator MAGNUSON's amendment to provide emergency relief for the unemployed, and I commend him for the contribution he is making to ease the plight of thousands of Americans across the country who have lost not only their jobs but also their lifeline to survival, their unemployment compensation checks.

This amendment will have a substantial and continuing impact in Massachusetts and many other States where unemployment has become an increasingly serious problem in recent months.

The crisis in Massachusetts is clear. Of the 150 major labor market areas in the Nation, eight are located in Massachusetts, and all eight are now classified as areas of "substantial" unemployment by the Department of Labor. Call the roll of leading communities in the Commonwealth, and you find that each has been suffering from unemployment rates in recent months that are higher today than we have known in many years.

Across the State, 188,000 citizens of Massachusetts are out of work today. According to the most recent figures, the progression is appalling:

Boston—5.6 percent unemployed; 82,100 citizens out of work;

Fall River—5.9 percent unemployed; 3,200 citizens out of work;

New Bedford—6.7 percent unemployed; 4,400 citizens out of work;

Worcester—6.7 percent unemployed; 10,000 citizens out of work;

Springfield - Chicopee - Holyoke—7.3 percent unemployed; 16,200 citizens out of work;

Brockton—7.8 percent unemployed; 5,000 citizens out of work;

Lawrence-Haverhill—8.7 percent unemployed; 8,400 citizens out of work; and

Lowell—12.3 percent unemployed; 8,100 citizens out of work.

Compounding the tragedy of losing their jobs, many of our citizens now find that their unemployment insurance has run out. At a time of high and continuing unemployment in the Nation, it is unconscionable for the country to turn its back on citizens who have lost their jobs, especially those who have been out of work the longest. That is the specific goal that this amendment is designed to achieve. It means emergency relief to thousands whose unemployment compensation has been terminated already, or will be terminated in the future, until at last we succeed in restoring the economy to full employment. As such, this action by Congress is long overdue.

One other point needs to be made. It is entirely appropriate for this amendment to be included as part of the Revenue Act of 1971, the President's tax package now being debated on the Senate floor. We do not have to look far to seek the cause of unemployment today. It is the direct and immediate result of 31 months of mismanagement of the Nation's economy by the present administration—a conscious decision made in January 1969 to halt inflation by the draconian tactic of inducing unemployment.

We know that the administration has succeeded all too well in inducing unemployment. The specter of unemployment is seen every month across the Nation in the cold statistics of jobs lost and unemployment compensation paid out. We also know that for more than 2½ years, the administration's policies were a dismal failure in halting inflation. As a result, throughout this period, we suffered through an era, unparalleled in America's economic history, of rising unemployment piled on top of continuing inflation.

We know that the problem is now persistent and severe. Yet, in spite of the freeze and the promise of phase II in the area of inflation, the administration's policies continue to relegate the unemployed to the status of second-class citizens. The administration's reaction to the monthly statistics is a clear example of its shortsighted priorities. Instead of trying to do something about unemployment, they have simply shuffled the people in the Bureau of Labor Statistics in an effort to find officials who will put a better public fact on the distressing figures.

Even the centerpiece of the present bill proposed by the administration—the so-called job development credit—is in reality the investment credit of early sixties, wrapped in a new disguise in an effort to hold out the promise of more jobs. There is not a single provision in the bill that really helps the unemployed, and that is why Congress had to act today. The emergency compensation amendment means new hope to the unemployed in Massachusetts and other States where the problem is most severe, and I hope that it will be promptly enacted into law.

Mr. BYRD of West Virginia. Mr. President, I rise to voice my support for the amendment offered by the senior Senator from Washington (Mr. MAGNUSON), as modified, to H.R. 10947, which would extend emergency unemployment compensation benefits to individuals who have exhausted, under State law, both their regular and all extended Federal and State unemployment benefits.

The emergency benefits proposed in this amendment would be extended to States having an unemployment rate of 6 percent. The Magnuson amendment, as originally introduced, proposed to extend these benefits to States having an unemployment rate of 7.5 percent. The Senator from California (Mr. TUNNEY) submitted an unprinted amendment in the second degree to lower this rate to 7 percent. However, at my request, Senator TUNNEY further lowered the rate in his amendment to 6 percent, and that is the present rate contained in the Magnuson amendment. This percentage would include insured unemployment plus exhaustions. The Federal Government would pay 100 percent of the emergency compensation paid by the State prior to July 1, 1973, and 80 percent of the compensation paid by the State after June 30, 1973. This will allow the States sufficient time to enact a matching requirement of 20 percent in order to maintain their eligibility.

This amendment would be self-financing, in that it would amend the Internal Revenue Code to provide for an increase in the tax rate from 3.275 to 3.29 percent.

Mr. President, this bill offers tax incentives of over $8 billion to business and industry. I have no criticism with this aspect of the bill, and I hope these tax incentives will accomplish their objectives of stimulating the economy, and thus creating additional jobs, which are so badly needed at the present time.

However, I feel that we have an equal obligation to assist the unemployed workers located in States with high unemployment. These individuals have also been hurt by the recent recession and certainly they are no less important to the economy than business or any other group. I want to again emphasize that I am not against the incentives offered in H.R. 10947. I just feel that the unemployed workers deserve equal consideration. The Magnuson amendment would at least be a step toward extending equal consideration to the unemployed located in these high unemployment areas. I offer my complete support to this amendment and I congratulate the Senator from Washington for offering it.

I also want to extend my thanks to the Senator from California (Mr. TUNNEY) for accepting my proposal that the rate of unemployment necessary to qualify States for these emergency benefits be lowered to 6 percent, and for modifying his amendment accordingly.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Washington as amended. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BENNETT (after having voted in the negative). On this vote I have a pair with the Senator from Oregon (Mr. PACKWOOD). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Texas (Mr. BENTSEN), the Senator from Missouri (Mr. EAGLETON), the Senator from Oklahoma (Mr. HARRIS), the Senator from Minnesota (Mr. HUMPHREY), the Senator from South Dakota (Mr. McGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Utah (Mr. MOSS), the Senator from Maine (Mr. MUSKIE), and the Senator from Alabama (Mr. SPARKMAN) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. McGOVERN), the Senator from Minnesota (Mr. HUMPHREY) would each vote "yea."

On this vote, the Senator from Alabama (Mr. SPARKMAN) is paired with the Senator from New Mexico (Mr. MONTOYA). If present and voting, the Senator from Alabama would vote "nay" and the Senator from New Mexico would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Arizona (Mr. GOLDWATER), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD), and the Senator from Illinois (Mr. PERCY) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Illinois (Mr. PERCY) would vote "nay."

If present and voting, the Senator from Kentucky (Mr. COOK) would vote "yea."

The pair of the Senator from Oregon (Mr. PACKWOOD) has been previously announced.

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 47, nays 31, as follows:

[No. 312 Leg.]

YEAS—47

Aiken
Anderson
Baker
Bayh
Bible
Brooke
Burdick
Byrd, W. Va.
Cannon
Case
Chiles
Church
Cranston
Fulbright
Gravel
Griffin
Hart
Hartke
Hollings
Hughes
Inouye
Jackson
Javits
Kennedy
Long
Magnuson
Mansfield
McGee
McIntyre
Mondale
Nelson
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Scott
Stafford
Stevens
Stevenson
Symington
Taft
Talmadge
Tunney
Weicker
Williams

NAYS—31

Allen
Allott
Beall
Boggs
Buckley
Byrd, Va.
Cooper
Dole
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Gambrell
Gurney
Hansen
Hruska
Jordan, N.C.
Jordan, Idaho
Mathias
McClellan
Miller
Pearson
Roth
Smith
Spong
Stennis
Thurmond
Tower
Young

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Bennett, against.

NOT VOTING—21

Bellmon
Bentsen
Brock
Cook
Cotton
Curtis
Eagleton
Goldwater
Harris
Hatfield
Humphrey
McGovern
Metcalf
Montoya
Moss
Mundt
Muskie
Packwood
Percy
Saxbe
Sparkman

So Mr. MAGNUSON's amendment (No. 628), as amended, was agreed to.

Mr. JACKSON. Mr. President, I move to reconsider the vote by which the Senate agreed to the amendment.

Mr. MAGNUSON. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. BENNETT. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, this is to serve notice on the Senate that if no amendments are forthcoming, the leadership will call for third reading very shortly.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, if there are no amendments, I am prepared to call for third reading.

Mr. HARTKE and Mr. BAYH addressed the Chair.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. HARTKE. I had an amendment which I had planned to call up, which calls for an increase in the personal exemption to $800, effective January 1, 1972. Although I preferred not to bring it up at this time, under the circumstance, however, it appears that there is not much choice.

Mr. President, on behalf of the Senator from North Dakota (Mr. BURDICK) and myself, I call up my amendments and ask that they be considered en bloc.

The PRESIDING OFFICER. Is there objection to the consideration of the amendments en bloc? Without objection, it is so ordered.

The clerk will read the amendments.

The assistant legislative clerk proceeded to read the amendments.

Mr. HARTKE. Mr. President, I ask unanimous consent that further reading of the amendments be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendments offered en bloc are as follows:

On page 40, line 22, strike "$750" and insert "$800".

On page 41, line 2, strike "$750" and insert "$800".

On page 41, line 6, strike "$750" and insert "$800".

On page 41, line 8, strike "$1,500" and insert "$1,600".

On page 42, line 17, strike "$750" and insert "$800".

On page 42, line 19, strike "$2,050" and insert "$2,100".

On page 42, line 21, strike "$2,800" and insert "$2,900".

On page 64, strike out the matter above line 1, and insert the following:

*"Percentage method withholding table*

[Amount of one withholding exemption]

| "Payroll period: | |
|---|---|
| Weekly | $15. 40 |
| Biweekly | 30. 80 |
| Semimonthly | 33. 30 |
| Monthly | 66. 70 |
| Quarterly | 200. 00 |
| Semiannual | 400. 00 |
| Annual | 800. 00 |
| Daily or miscellaneous (per day of such period) | 2. 20" |

Mr. HARTKE. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HARTKE. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HARTKE. Mr. President, I ask unanimous consent that I may yield to my junior colleague from Indiana without losing my right to the floor.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. BAYH. Mr. President, we are presently in the process of considering one of the most important pieces of legislation that has come before this body during this year, or will for the remainder of the year. This is the first attention that has been given in 2½ years to the sagging economy of this country. It is an effort on the part of Congress, in cooperation with the President, to try to do something about the more than 5 million Americans who are out of work.

I do not suppose there is a single Member of this body, Republican or Democrat, who does not share this concern. Among the 100 Members, there may well be 100 formulas as to how best to deal with the problem. Each Senator, of course, has the right to propose his own plan, based on his experience and the expertise which he brings to this debate.

I have been giving this matter consideration for a long time. When the administration proposed that by executive fiat, the depreciation schedules be changed, if my memory proves correct, I was the first witness in the hearings held by the Treasury Department in opposition to that proposal. This was the first time in history that the executive branch had undertaken on its own, without coming to Congress to obtain legislative authority, to change the depreciation schedules. I thought it was wrong then, and I am even more convinced now as to the wisdom of the position which I took in January. I ask unanimous consent to have printed in the Record at this point the testimony that I delivered to the Treasury Department in opposition to the ADR system.

There being no objection, the testimony was ordered to be printed in the Record, as follows:

### STATEMENT BY SENATOR BIRCH BAYH OPPOSING THE PROPOSED ASSET DEPRECIATION RANGE SYSTEM

#### INTRODUCTION

I am pleased to have this opportunity to testify concerning the Treasury Department's proposed regulations, first announced on January 11, establishing a so-called Asset Depreciation Range system, eliminating the reserve ratio test, and creating new full and half year depreciation conventions. In view of the repeated statements by high Treasury officials that these regulations will go into effect regardless of what is said or done at these hearings, I strongly suspect that all of us here today merely are participating in an elaborate charade. But I cannot believe that the Treasury Department and the Internal Revenue Service can continue to depart from their long history of professional, non partisan analysis of proposed tax regulations. And I am confident that any fair, public-spirited and impartial determination will conclude that these proposed regulations are the worst of two worlds—they are wrong as a matter of law and wrong as a matter of economic policy.

In view of the sizable permanent revenue loss that would result from the proposed changes—estimated to be $3 billion in fiscal 1972 and increasing to $5 billion annually by fiscal 1975—there can be no doubt that this artificial speeding up of the period over which a deduction for depreciation is permitted in, in reality, an adjustment in the corporate tax rate. Having failed to secure Congressional approval of his 1969 recommendation that the corporate income tax be reduced by 2 percentage points, the President is now seeking to achieve a business tax cut at least *twice* as large by the backdoor of liberalized depreciation. The authority to set tax rates, however, is a Congressional prerogative and not an Executive one—under whatever guise it may take.

Even if the revenue shortfall were not as great, the Treasury Department would be overstepping its authority by attempting to establish the proposed Asset Depreciation Range system. What is at issue here is the fact that the Treasury, acting under its own rule-making powers, has proposed departing from the long-established principle that the reasonable deduction permitted for depreciation must be taken over the "useful life" of the asset to the taxpayer. Instead, the Treasury arbitrarily has selected a range from "guidelines" life of +20 percent over which an asset can be depreciated and leaves it to the taxpayer to choose whatever period may be best for him. Clearly, such a departure is beyond the scope of administrative rule-making.

There is also at issue here not only the question of whether the proposed course of action is the proper one for an economy that is suffering from 6 percent unemployment and continued softness in consumer spending but the dubious wisdom of creating a permanent special interest concession in an already fragile tax system.

#### THE LEGAL ISSUES

The United States Constitution provides, in Article 1, Section 8, clause 1, that "the Congress shall have the power to lay and collect taxes . . ." Historically, this has meant that the President not only has no power to impose new taxes, but he may not repeal existing ones, increase or decrease rates or exemptions or make any other substantial changes in the Internal Revenue Code. On many occasions in the past, Presidents have sought the power to adjust tax rates within specified ranges but to no avail. Congress has guarded its taxing power jealously and, except in the case of the Interest Equalization Tax, it has preserved that power for itself.

The Treasury Department now proposes to permit an arbitrary 20 percent shortening or lengthening of the useful life of an asset for depreciation purposes. That this represents a substantial change in the tax law is evidenced by the fact that it would result in annual revenue losses ranging from $3 billion in fiscal 1972 to nearly $5 billion by fiscal 1975. Furthermore, this special tax break follows Congressional action in 1969 to repeal the investment tax credit and a refusal to act on the President's proposal to reduce the corporate income tax by 2 percentage points. Yet the net effect of the Asset Depreciation Range system, it is interesting to note, is equivalent to a 4 to 6 percentage point reduction in corporate taxes. It would appear, therefore, that the Treasury Department is attempting to implement a policy of tax concessions to business that Congress recently has determined is unwarranted. What is most ironic about this "tax break" is that President Nixon, in seeking repeal of the investment tax credit, said in April, 1969:

"This subsidy to business investment no longer has priority over other pressing national needs.

"In the early 60's, America's productive capacity needed prompt modernization to enable it to compete with industry abroad. Accordingly, Government gave high priority to providing tax incentives for this modernization.

"Since that time, American business has invested close to $400 billion in new plant and equipment, bringing the American economy to new levels of productivity and efficiency. While a vigorous pace of capital formation will certainly continue to be needed, national priorities now require that we give attention to the need for general tax relief."

It is true that the present provisions of Section 167 of the Internal Revenue Code authorize the Treasury to permit a reasonable allowance for depreciation. It is also true that the Treasury is authorized to prescribe methods for determining a reasonable allowance. It is not true, however, that the Asset Depreciation Range system yields a reasonable allowance. Nor is it true that the Treasury Department has the authority to implement the proposed changes under its rule-making powers.

Historically, a reasonable allowance for depreciation has been determined by spreading the cost of a depreciable asset to the taxpayer. Once having estimated the usual life, a taxpayer can elect any one of a number of methods for specifically allocating the allowance to different years within the period of useful life. The basic assumption remains, however—the cost of the asset is to be depreciated over its useful life to the taxpayer.

For 40 years, beginning in 1931 with the Treasury Department's first set of published guidelines for determining useful lives, it has become clearly established that in order for the allowance to be reasonable, depreciation had to be taken over the estimated useful life of the asset to the taxpayer. While the guideline lives have been revised and updated in light of actual replacement experience, first in 192 and most recently in 1962, the concept of useful life was not abandoned. Why abandon it now?

No technical evidence has been presented to indicate that the 1962 guidelines are outdated.

There is no evidence that the 20 percent range selected by the Treasury Department is the proper one.

It hardly seems likely that the 1962 guidelines can be both too long and too short.

It is even less likely that each category of asset lives is outdated by the same 20 percent range.

There have been a number of occasions in the past when it was considered in the public interest to provide for exceptions to the principle of useful life. On these occasions, however, it was not the Treasury Department who implemented the changes but Congress. By specifically amending the Internal Revenue Code in the case of emergency defense facilities, grain storage facilities, and pollution control equipment, Congress has established ample precedent for the view that legislative authority is required before the historic concept of useful life can be abandoned.

The proposed Asset Depreciation Range system, the elimination of the reserve ratio test and the new full and half year conventions—as proposed by the Treasury—followed closely the recommendations sent to the President by his Task Force on Business Taxation. The Task Force strongly urged that a system of capital cost recovery—a system that bears no relation to economic income—be substituted for the present method of providing a reasonable deduction for depreciation and suggested that this could be accomplishd by establishing an asset depreciation range system of ±40 percent from the present guidelines. The Treasury Department's proposed ADR system incorporated all of the major recommendations of the Task Force but proposed a ±20 range.

The Task Force stated, in a section entitled "Implementation of Recommendations":

"We recommend that the proposals discussed above be implemented by appropriate amendments of the Internal Revenue Code. The proposals in section A for substituting in the case of machinery and equipment a system of cost recovery allowances for the present depreciation system involve some matters that have been dealt with under the present system by administrative procedures and regulations rather than by changes in the statute. For example, the reserve ratio test was formally introduced in Revenue Procedure 62-21, and, although our proposal for elimination of the test could be effectuated by administrative action, we strongly urge amendment of the statute to this end. *Moreover, since the shift from depreciation to cost recovery unrelated to the useful life concept does require amendment of the present law, we urge that all the matters covered in the recommendations which are related to such a shift be incorporated in the statute.*" (underline added.)

I do not believe that the mere difference in asset range between the Task Force's recommendation and the President's proposal is sufficient to justify the Treasury's view that these changes can be implemented by administrative fiat.

Despite the Treasury Department's claims, I find absolutely no basis in fact for the view that the 1962 revised guidelines, published as Revenue Procedure 62-21, is sufficient historical precedent for the Treasury to implement the proposed Asset Depreciation Range system on its own authority. In 1962 the Treasury Department sought to improve the procedure for determining a reasonable allowance for depreciation by updating guidelines lives in conformity with actual replacement experience. True, taxpayers were permitted to shorten asset lives for the purpose of depreciating the cost, but only if they could thereafter demonstrate—through the reserve ratio test—that the shorter life was consistent with their actual replacement practices. The proposed Asset Depreciation Range system, in marked contrast, abandons the historic principle of useful life and permits a taxpayer to select any life period within a range established arbitrarily by the Treasury Department. Under the ADR system, the deduction for depreciation will not necessarily bear any relationship to actual asset use. It is, as the President's Task Force described it, a capital cost recovery system, designed not to provide a reasonable allowance for depreciation but to improve the cash flow of corporations and, according to the President, hopefully to provide a small measure of fiscal stimulus. To replace the present law providing for a reasonable allowance for depreciation with a capital cost recovery system, obviously, requires specific Congressional authorization—not merely Congressional acquiescence in the Treasury's attempt to implement the proposed change under its own rule-making power. If that issue cannot be satisfactorily resolved here by the withdrawal of the proposed regulations then it will be decided in a court of law.

### THE ECONOMIC ISSUES

The economic policy questions raised by the Treasury's proposed liberalization of depreciation are as proper a subject for the present hearings as the legal questions—and as serious. They are:

With only 75 percent of industrial capacity currently in use and a seven-year investment boom just having ended, is an investment stimulus really needed now?

With unemployment at 6 percent and consumer spending still somewhat sluggish, is a tax break to stimulate investment in plant and equipment the proper fiscal stimulant?

In terms of national priorities, is private capital spending a more pressing need or a more worthy candidate for tax concessions than public investment for improving state and local government infrastructure or increased spending on human resource programs?

If increased private capital spending is necessary now, is liberalized depreciation the most effective way to encourage such investment?

On all of these counts, the answer is definitely "no."

The main source of our present economic ills is not the moderate falling off in spending for new plant and equipment—as one might logically assume from the President's proposed remedy—but the reluctant consumer. There is still a lack of confidence, a lack of confidence reflected in a personal savings rate that continues to remain high, sluggishness in orders for consumer durables and industrial production and little demand for credit despite the precipitous decline in interest rates. Unfortunately, this lack of confidence seems to be justified by an unemployment rate that continues at or near an intolerable 6 percent. In the present situation, it should be obvious to even so recently a converted Keynesian as President Nixon that the most effective way to stimulate economic growth is to spur demand, to create markets for those goods and services that can be produced with existing facilities.

The most immediate and meaningful way for the federal government to create the necessary demand for what American industry is now capable of producing is to provide an additional 13 weeks of federally financed unemployment compensation benefits for the victims of President Nixon's economic game plan. Another meaningful solution is to create public service employment opportunities, a step the Senate took again on April 1, despite an earlier Presidential veto. And, finally the accelerated public works program would provide a more direct stimulus to employment and meet basic public needs.

These proposals would do more to stimulate economic activity than the proposed changes in depreciation allowances for business—and they have the added value of meeting basic human needs directly and not as the result of any "trickling down" effect.

According to the Treasury's own estimates of revenue loss, it is unlikely that the proposed changes in depreciation will have much of an impact now on aggregate demand—and it is now that we need the proper economic stimulus, not in 1976 when the ADR system's impact will be maximized. And while it is wrong to say that the economically appropriate amount of federal spending is reduced by an ineffective and irrelevant tax cut, it is safe to assume that, politically, it becomes more difficult to enact the necessary spending measures. This, then, is the added burden of the President's plan to cut business taxes.

The proposed changes in depreciation, it should be pointed out, are absolutely irrelevant as an effective antidote to recessions. Unlike the Nelson bill providing for public service employment and my own bill to extend unemployment compensation benefits, both of which are triggered into operation as counter-cyclical measures by a formula responsive to economic conditions, the ADR system would remain in effect in good times and bad. During booms, when investment is likely to be high naturally, the tax loss will be great and the inflationary impact of liberalized depreciation will be magnified. Hardly the proper economic prescription. During recessions, when investment falls off naturally, the tax savings to business will be small and there will be no counter-cyclical impact.

A related point about the adverse long-run impact of liberalized depreciation is that it will (1) tend to substitute more private investment for federal expenditures, since at full employment increased expenditures require higher taxes unless inflation is to result, and so a tax cut for business is likely to produce higher taxes for the rest of us and (2) tend to redistribute income in the form of corporate dividends, and not necessarily result in much increased investment, since accelerated depreciation is not tied specifically to investment but to total capital. In contrast to the investment tax credit liberalized depreciation offers only a negligible incentive to increased spending on plant and equipment.

I must admit that I am hard-pressed to see why, with industry operating at about 75 percent of capacity, industrial production off, and consumer demand soft, the President chose now to attempt to stimulate investment by making it cheaper to install new equipment. As for modernization, it is important to keep in mind that we have just ended a seven year investment boom.

It seems somewhat ironic, indeed, that the very same President who urged the Congress to repeal the investment tax credit would propose this poor substitute. If the administration believes that stimulating business investment is the best way to get our failing economy moving again—an assumption I am not prepared to accept—it ought to propose doing just that directly and not through these sleight-of-hand changes in the depreciation rules. By any standard, the investment tax credit will produce more bang for every tax buck lost.

This brings me to another point about the proposed ADR system. Contrary to the President's January 11th announcement and Secretary Kennedy's accompanying statement, liberalizing the depreciation allowances does not merely defer taxes—it reduces them and in so doing it creates a sizable, permanent revenue loss. According to estimates by Professor Robert Eisner and the Treasury Department's 1970 study on depreciation changes, the revenue loss over the coming decade is likely to be in excess of $33 billion. In the face of so many critical unmet social and human needs, should the federal government be spending $33 billion of our tax dollars to buy some modernization of American industry? Is that what the call for a reordering of our priorities is all about? I think not.

### CONCLUSION

In conclusion, these regulations are unlawful. Despite the so-called assurances that Secretary Connally has said he has received from certain Members of Congress, Congressional silence does not confer statutory authority where none existed.

These regulations are unwise. They would further erode the American taxpayer's confidence in the integrity of our internal revenue system. I urge you to withdraw them.

**Mr. BAYH.** I am not a member of the Committee on Finance. I have discussed this problem at length with the distinguished chairman of the Finance Committee, and his judgment and his wisdom have made a significant contribution, in my mind, to what I feel would be the best solution to the problem which we presently face.

I have discussed the matter at some length with the distinguished Senator from Oklahoma (Mr. HARRIS), who is a member of the Committee on Finance, and he and I, with some of our colleagues, are prepared to offer an amendment which would repeal the ADR plan.

I think this is most important, and hope that many of our colleagues in the Senate will join us in this effort.

In addition, I have discussed a broader, more comprehensive approach to the problem with a number of other Senators. One of the other active members of the Committee on Finance who has been giving the matter his careful attention and consideration is the distinguished junior Senator from Wisconsin (Mr. NELSON). I understand that he is prepared to offer a series of amendments himself. One of those amendments is an amendment which would provide an additional $50 tax credit for each taxpayer, or a $100 tax credit for each couple who file a joint return. This is a proposal which was made some time ago by Mr. Walter Heller, and I feel that it has considerable merit.

It is my judgment that the best approach, now, to stimulating the economy and trying to find a way to bring more equity into the vehicle used to stimulate the economy is to join together the views of those who feel that the ADR is inequitable and that it should be repealed with the views of those who feel that the average taxpayer should be given this $50 or $100 additional tax break. An amendment to accomplish this purpose, to go forward with both of those suggestions in one vehicle, has now been drafted. I intend to offer that amendment. The Senator from South Carolina (Mr. HOLLINGS) is a cosponsor, and the Senator from California (Mr. TUNNEY), the Senator from Oklahoma (Mr. HARRIS), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Alaska (Mr. GRAVEL), and the Senator from Hawaii (Mr. INOUYE) have also indicated their desire to cosponsor the amendment.

Of course. sponsoring the amendment and bringing it up for floor debate is not all that I wish to accomplish. I would like to maximize the chances of passing such an amendment. So, instead of calling up the amendment today, which I had originally planned to do, out of deference to the Senator from Wisconsin (Mr. NELSON), and in the hope that he will join in the effort, because of his interest and the significant contribution he has made to this whole study within the Finance Committee, and the significant contribution he can make to the floor debate, I shall not offer the amendment today, but shall do so the first of next week.

There are a number of other Senators who are concerned that revisions be made. I have discussed with the Senator from New York (Mr. JAVITS) a formula that he proposes. My intention to put this matter off until the first of the week is not done in the desire to slow down the consideration process. I share the concern of the Senator from Montana that we move expeditiously on this measure. But I hope that by Monday we can reconcile some of the differences which exist, so that we may have a better opportunity to explain what would be accomplished by this double-barreled approach, repealing the ADR and giving the taxpayers an additional tax break, and hopefully we can then bring support behind such an amendment.

Hopefully, by the first of the week, all who are interested in this particular kind of proposal can cooperate and get it passed. Frankly, I do not care whether it is mine or somebody else's, but I think it is absolutely indispensable that this type of legislation be enacted.

The Nixon administration's revenue proposals mistake what is wrong with the U.S. economy. For almost a year, unemployment has been stuck between 5.5 and 6 percent. Unemployment among minority groups and blacks has been more than 10 percent—and among minority group youths it has been a scandalous 35 percent.

For an even longer period, moreover, our industrial plant has been underutilized—running at about three-quarters of capacity. That means that our economy has been producing approximately $70 billion per year less in goods and services than would be the case if our men and resources were fully employed.

In my judgment, the Nixon administration makes two major mistakes in trying to deal with these problems under the present suggestion. First, it is proposing permanent changes in our tax laws to deal with problems which are temporary in nature. Take the Asset Depreciation Range System—the ADR—as an example. Here we have a far-reaching change in our tax laws which will not only not have its full impact until the mid-1970's, but is no real incentive to investment at all. Yet this change is being pushed by the administration as an answer to our short run economic problems.

The second big mistake being made by the administration is its belief that the most direct way to spark a recovery is to give tax breaks for investment. But the problem we face is not an insufficient tax incentive for business investment. Investment in plant and equipment has fallen off because the economy was in a recession—and we still have not recovered. Once consumers regain their confidence and spending picks up and we can begin to cut into that intolerable unemployment rate, investment in new plant and equipment will occur naturally. So what we need to do, it seems to me, is to design a tax package that would spark a recovery of consumer spending now and into next year, but without creating any permanent revenue losses.

The administration, unfortunately, has failed to see that lack of consumer demand is the principal factor currently impeding business investment. However, distinguished economists, such as Carl S. Shoup of Columbia, Robert Eisner of Northwestern, Robert Nathan of Washington, D.C., Paul Taubman of the University of Pennsylvania, and Otto Eckstein of Harvard, have all pointed out that business investment is far less responsive to changes in cash flow, as would be produced by the ADR proposals, than to increase in consumer demand.

Therefore, I feel that the proposal I have suggested, which the Senators I have alluded to are willing to cosponsor, is much to be preferred. The matter has been discussed at some length with the distinguished Senator from Louisiana, the chairman of the Finance Committee, and although I hesitate to speak for him, I am of the opinion that he will vote for this amendment to eliminate the ADR proposal and to substitute for it a temporary income tax credit of $50 per individual and $100 per joint return. This amendment would eliminate an annual revenue loss of about $2 billion, it would redress the imbalance that now exists in the bill between the large tax cuts for business and the meager cuts for individuals, and it would provide an even greater fiscal stimulus to our stagnant economy than the present bill.

At the present time, all the risks in designing a stimulative package would appear to be on the downside—that is, that we do too little. Unemployment remains high, as does the savings rate. Capacity utilization figures reveal that one-quarter of our present plant and equipment is idle, and the economy is losing more than $1 billion weekly in potential output. In an economy so weak, the additional $4 to $5 billion provided by this amendment is not only necessary; it is vital to move us from the very fragile recovery we have been experiencing to a year of 6.5 percent real growth.

Mr. President, this proposal for a temporary cut in personal taxes is perfectly fitted to our present economic setting. It provides additional fiscal stimulus to the one sector in the economy that most desperately needs to be stimulated, it does not adversely affect the long-range budget outlook, and it will generate more bang per buck in GNP growth than anything else. This is just what is needed to provide the kind of thrust the economy requires from the American consumer.

It is clear by now that the Nixon-engineered recession has finally bottomed out. But I want to emphasize that there is no indication of a recovery as rapid as that previously predicted by the President in January—there never was—nor is there any real likelihood that this tax package can produce it even belatedly. The GNP figures for 1970 would be far, far short of the magical figure announced in the CEA's annual report; and the 1971 figures, unless some additional fiscal stimulus is provided in the right places, will be far short of the $100 billion increase now being predicted.

Mr. President, the need to redress the rather glaring imbalances in this bill between the permanent tax concessions for business and the meager temporary tax breaks for individuals becomes perfectly obvious when we compare the 1972 revenue loss from ADR and the investment tax credit against the proposed acceleration of the personal income tax cuts previously scheduled for 1973. In the case of business, tax liabilities will be reduced by approximately 15 percent and personal tax liabilities will be reduced by only 3 percent.

In addition to the inequities in this type of fiscal package, Mr. President, there is a $3 billion increase in social security taxes scheduled for January 1, 1972. What this means, if the present tax package is left intact, is that personal income taxes would be reduced $3.2 billion in 1972—but payroll taxes would go up by about the same amount. I simply cannot see how a net fiscal stimulus of $200 million for the American consumer in 1972 is going to help generate a $100 billion increase in GNP. In fact, it can not.

Now, Mr. President, I want to turn to that part of the amendment that would eliminate the administration's proposals for accelerating depreciation. Of all of the proposals I have seen surface in the current debate about how to spark a recovery, the so-called ADR system is the worst. It is beyond me why we should go to such great lengths to arbitrarily distort our tax laws on depreciation in order to permit faster write-offs when there is so much excess capacity today and when the impact of ADR will come in the long run and yet now is when we have a problem.

In effect, what ADR does is create a permanent revenue loss of about $2 billion annually—but without providing any real economic stimulus now. In addition, it has very serious income redistribution effects. The increased cash flow generated by ADR, I suspect, will find its way into increased dividends.

So I am forced to conclude that, unless the present bill is drastically modified, the same people who have paid the price of the Nixon recession—the poor and the average workingman, the average taxpayer—will also pay the price for the feeble and belated recovery to be generated by this inadequate and inequitable tax package.

Mr. President, I reiterate what I said earlier: I am hopeful that the passage of time will give us all the opportunity we need to investigate the ramifications of this proposal and that we can then go forth in harmony, supporting it, under whoever's auspices we decide.

I thank my colleague from Indiana for yielding.

Mr. HARTKE. Mr. President, the amendment I have offered, which is the pending amendment, would make a very simple change in the law.

For years, the exemption for each person, under the law, was $600. In the Tax Reform Act of 1969, we provided for an increase on a graduated level. As a net result of the action in the House of Representatives and the Finance Committee this bill now provides for an increase in the personal exemption to $750 beginning in 1972. This is an increase of $50 over the $700 exemption provided under present law.

My amendment would increase the exemption to $800 per person.

Our country is faced by a severe economic crisis. President Nixon finally recognized that fact on August 15 when he "surrendered" at Camp David, after 2½ years of leading the country into high unemployment, and after fostering the highest rate of inflation in our history. He was faced with a monetary crisis in the middle of that week before August 15; and then he called his political and economic advisers together, and they hurriedly put together a package and presented it to the American people.

It is remarkable that such a program could be viewed with anything except alarm, but the situation had deteriorated so badly in the United States and people were so full of fear, anxiety, and frustration, that when he made his announcement, everyone gave a sigh of relief and said, "At least he has done something."

Mr. President, I talked to a little old lady next morning after the President's announcement who happened to be standing at the desk in a motel in Indiana where I was scheduled to make a speech that evening, and I said to her, "Did you hear the President's speech last night?" She said, "No, it does not make much difference. I have not read it either, but I know it is good for him and bad for me."

I think that is precisely the point here today. The President's economic policy is not a policy but a grab-bag approach which helps big business much more than it does the average taxpayer.

Mr. President, I have never been opposed to the investment tax credit. In fact, I was a cosponsor of the measure in 1962. When President Johnson, in 1965, asked for its suspension, I was the only member of the Finance Committee who opposed the suspension. I said at that time that it was a bad mistake, that we would have to reinstate it in the years to come. Six months later, President Johnson asked Congress to reinstate investment credit at 7 percent, which we did.

In 1969 President Nixon came back and asked for outright repeal of the investment credit.

I believe the President has now recognized his mistake. The same can be said of another measure in the bill, the 7-percent excise tax reduction on automobiles.

Anyone acquainted with tax policy knows that excise taxes are cruelest of all taxes, that they are regressive; they are national sales taxes, creating a heavy burden on the individual who is less able to pay.

So when President Nixon decided to change course August 15 last, and he advocated repeal of the 7-percent excise tax, I said, "Well done." I could not say, "Good and faithful servant," but I could say, "Well done." I also approved the President's decision to accelerate the increase in personal exemption.

My only difference is one of degree with the President, I believe the exemption should be at a level of $1,000—as Senator GORE and I proposed 2 years ago—but I will accept an increase to $800 as appropriate.

Consumer confidence is in a state of shock. We can shake this feeling of hopelessness only by assuring the public that they should resume spending. An increase in the exemption would furnish this assurance. It would furnish the necessary stimulus to our economy so badly needed today. Coupled with this, is that there is no direct stimulus to increase employment—not a single thing. So consumer confidence is shaken, not alone by the wage restraints but also by the threat of unemployment.

That, I suppose, is the reason the stock market slumped again today a little over 7 points and is still going down, revealing that even the big money boys are not in any way satisfied with the predicted economic revival or with the viability of the policies of President Nixon.

Frankly, there are no plans for the future. They are being formulated on a day-by-day basis. We have a government acting strictly out of reaction, not by concerted plan. No planning is being given to the long-term problems of this country's economy except for one simple thing: Everything is being done at this moment to try to assure that President Nixon can gain a temporary respite, by a temporary increase in the economic growth of the country, a temporary hold-back on inflation, a temporary increase in employment, and a temporary reduction in unemployment designed to get through the 1972 elections, with the result we are headed for one of the biggest economic hangovers this country has ever had—if it does not occur before.

This tax bill represents the typical approaches of those individuals who believe this Government is not a people's government, but belongs to a special elite. That was Herbert Hoover's concept. The action taken by President Nixon on August 15 last is similar to the action taken by President Hoover in 1931. President Hoover recognized that corporations needed to be saved and that is why he asked for the institution of the Reconstruction Finance Corporation. As everyone knows, President Hoover, by putting the money in at the top alone did not solve the problem because he ignored the average consumer, and unemployment continued to grow so that the fears, anxieties, and frustrations of the people of this country became more acute.

So what we have before us today is a tax bill in which practically all the "goodies" go to the business side of the economy.

I am saying in effect that if we take the House passed bill we will find that it comes up almost $600 million short of what should actually be withheld from the individual wage earners' salaries. Because the present tax tables result in massive underwithholding.

Some people say that is good. However, it is not good to have deception of this kind practiced on the people. This did not deal with tax liability, but only with tax exemption. I am happy that the Finance Committee accepted my amendment to correct the error.

The Treasury argued long and hard that their intentions were to ease the tax burden by not collecting in 1972—which is, of course, an election year—and delay the full correction to 1973.

We temporarily derailed that election gimmick in the bill. We provided that all deductions necessary should be deducted from the wage earner's salary as he collects his paycheck. However, something else has been practiced on the American people which cannot be so easily corrected. That is that the withholding this year proceeds on the same deceptive basis. The amount of wages being withheld from the taxpayers today is not sufficient to cover tax liability. So, at the end of the year, the taxpayer will be faced with a deficiency which he will have to make up.

The Ways and Means Committee recognized this and to a great extent they alleviated part of that impact when they changed the standard deduction and low-income allowance. They increased the amount of relief that was available to the taxpayer, but by and large all of the relief which is given by the increase in the standard deduction has already been consumed by the Treasury, because they under-withheld this year.

So, what we have is a tax package which gives all of the tax goodies and most of the benefits to the business side of the economy, and the "widow's mite" that goes to the poor people is already exhausted for all intents and purposes, because the amount withheld this year was insufficient.

I am trying to increase the tax exemption to $800 which, as I said before, is not enough, but as much as can be reasonably expected. The cost of my amendment would be about $1.8 billion in 1972 and $1.9 billion in 1973.

Mr. President, if the President really wants to stimulate the economy, as he has said, he should provide more benefits for the man who works for a living so that he can put his money in the stream of commerce.

Mr. President, very simply, we have witnessed a remarkable expansion of material benefits to our people. These material benefits provide houses for people that they never thought of having. They have provided more automobiles than we can use, more entertainment than we can enjoy, and more food than most people should be eating. Yet, we have frustration and anxiety and a great deal of fear in the world about our economic future.

In 1964 we demonstrated in this country that we could cut the tax rate, increase tax revenue, and provide for an expanded economy. However, when the United States got caught up in the quagmire in Vietnam, our economy was caught, too.

The thought was at that time that since we were not at war we did not have to pay for it. However, we were in a war and no one made any plans to pay for it. They thought they could institute higher interest money, tight money, and then increase the taxes with a surtax. I opposed the surtax at that time. I said it would do nothing to stop inflation. The fact is that it contributed to inflation.

Here we are again today, trying to find out how to get out of this mess and how to get our feet back on the ground.

There is a serious question whether my amendment does enough; it puts $2 million on the consumers' side. It may be said that that is not enough to stimulate the economy. But it is a beginning.

In the last 2 years, there has been 7 percent unemployment and an increase in inflation. That means that if we put those people to work and increase the wages of the working people by cutting taxes, they will spend the money.

We could add to that the social security amendments which I have pending at the desk, but which I do not intend to do that unless like amendments are offered. Let them introduce social security amendments, and I will introduce mine. We will then have a Christmas tree that will be more highly decorated than any other Christmas tree. All other Christmas trees will look small by comparison. But I do not want to do that.

The elderly people have been sacrificed on the altar of Nixon's bad judgment. So have the working people. These people did not create the conditions that existed in the country. However, they are asked to pay for the administration's bad judgment.

The $800 exemption should be coupled with the accelerated depreciation range. I tried to do that in the Finance Committee. I would still prefer to do that. If we were to do that and change it from the present 20 percent down to 5 percent, we would have almost exactly balanced the cost of the $800 exemption with the savings gained from reducing ADR.

I say to those people who make that argument, come in and take from the business side and give to the individual; I will be glad to join them. I will be glad for them to add my name to a proposal. I will put my name on it if they think it hurts them with the business community.

I would like to have a little tax justice. I am talking about getting just a little of it, not a whole lot.

I am talking about the taxpayer who is supporting a family, educating his children, paying his taxes. He should be given a decent break. The increase of exemptions by another $50 to $800 is a step in that direction.

Mr. President, I do not know of any questions or comments.

Mr. BENNETT. Mr. President, I have heard the impassioned plea of my friend from Indiana for the poor individual taxpayer who has been so badly treated in the last few years when all the "goodies," to use his phrase, have gone to the corporations.

Mr. President, I would like to read into the RECORD at this point the record with respect to comparative tax benefits that have gone to individuals and to corporations, and then, specifically with regard to this bill.

From 1962 to the present time, cumulatively, individuals have had reductions of $25.5 billion; corporations have had tax reductions of $6 billion. That is for the period 1962 up to the present time.

Now, take the 1969 act and go forward 10 years, assuming there is no change in the pattern of those two acts. By 1980 individuals will have had tax reductions, beginning in 1969, of $167 billion. That is an average of nearly $17 billion a year. Corporations will have tax increases of $55 billion.

That does not sound as though all the "goodies" have gone to the corporations.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. BENNETT. No. I would like to finish my statement, and then I will yield.

If we add the Senator's amendment, we will have increased the $167 to $185 billion of tax reductions to the individuals.

If we carry out the idea—I am not sure he said it specifically, but he discussed it in committee—of eliminating the ADR benefits or tax benefits to corporations, we will add $35 billion more taxes for corporations.

So if we follow his program, by 1980 there will be $185 billion worth of benefits to individuals and corporation taxes will have been increased $90 billion.

The Senator said he wants to be fair. He wants individuals to have tax reductions as good as those of the corporations. But on this basis we can see there are no tax reductions net for corporations over that time.

Let us look at the bill as it came from the Committee on Finance for 1971, the current year. Individual taxes will be reduced $2.90 billion. Corporation taxes will be increased $380 million.

In 1972 individual tax reductions will reach $5.935 billion, or nearly $6 billion. There will be a little decrease for corporations, one-third of that, or $1.9 billion. By 1973 they get a little closer together, with $3.6 billion in reductions for individuals and $2.3 billion in reductions for corporations.

So the idea that this bill was written to decrease the taxes of corporations at the expense of individuals, and that if the present tax system is allowed to operate individuals will be operating under a great handicap, just does not bear up under the actual figures, and these are estimates of the Treasury, based on the present law.

He has had a lot to say about his theory that the only way to get the economy moving again is to put more burdens on the corporations and to give the individuals more money to spend, and that thus they will start the pump.

He did admit as he went by—and I heard him—that the individuals are putting this money into savings. They are not spending it. They are putting it into savings and there is no way to make them spend it.

Why are we interested in some tax relief for corporations? Because it is the corporations that provide jobs; individuals do not provide jobs. Corporations must be healthy if we are to increase our employment rate and solve the unemployment rate, and part of our problem is that we are pricing ourselves out of the world market.

We have lost the battle for a balance between our imports and our exports. We are now importing more than we are exporting. We have to get American business back in a position to compete with products produced in foreign countries so that the American people will again buy American products on a competitive basis. Only by strengthening the power of business to modernize its machinery, and to do all the things necessary to make American products competitive can we hope to either have the jobs in this country or continue to maintain our position in the world against our foreign competitors, whose wage rates are so low and whose products are now coming into this country in an ever-increasing flood. This is the basis of the argument.

The Senator from Indiana feels that we can solve our problem by giving the people more money to spend while we make it harder for business to create jobs, but I believe it has to be a balanced program. We must give business a chance to recover its productive capacity, and at the same time we must be generous with the individual taxpayer. But I submit that if by 1980 we have provided tax reductions of $167 billion for individuals as against tax increases of $55 billion for corporations, then I think we have been adequately generous on the individual's side.

I recognize that my position is not so attractive politically, because corporations do not vote, and, unfortunately, there are those who go to the individual voter in the United States and say, "Vote for me, because I cut your taxes," regardless of the effect of that tax cut.

I hope the Senate will have a sense of responsibility great enough to realize that we cannot jeopardize the future of our productive ability and the ability of our corporations to provide the jobs we need in this country by further overbalancing the relationship between individual tax cuts and, unfortunately, corporate tax increases.

Mr. HARTKE. Mr. President, will the Senator yield now?

Mr. BENNETT. I yield.

Mr. HARTKE. In the first place, does the Senator contend that my amendment does anything to corporations in any way?

Mr. BENNETT. The Senator has worked very hard to reduce or eliminate the ADR.

Mr. HARTKE. I introduced that in the Senate committee. I am for that. But that is not in this amendment. I will be happy to discuss the ADR situation.

Mr. BENNETT. I was anticipating the Senator, because I know what his position is.

Mr. HARTKE. I will tell the Senator what my position is. I am not devious or deceptive in my intent. I do not mind doing that at all. I will tell the Senator what I stand for. I oppose ADR, but ADR is not part of this amendment.

The PRESIDING OFFICER. Will the Senator suspend while we have the yeas and nays ordered?

Mr. LONG. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. HARTKE. As far as business is concerned, I am not antibusiness. I would like to see business have corporate profits so we could eliminate these disastrous deficits we are having, and which President Nixon said we would not have, amounting to $27.5 billion in 1969, $37 billion in 1970, and $35 billion this year. We would have had an even greater deficit except for the fact that the administration took $7 billion of social security funds and put that into the Treasury, treating it as revenue, in order to reduce the deficit this year by $7 billion. That money could have gone to elderly people, if that was what the Nixon administration was interested in doing, instead of doing a public relations job on the deficit.

Mr. BENNETT. Is the Senator asking me a question or making a speech?

Mr. HARTKE. I am asking if there is anything in this amendment that is antibusiness.

Mr. BENNETT. I have answered that I have known from the Senator's position in the committee that he would like to reduce or eliminate the ADR, and to me that is antibusiness. I agree this is another amendment. I was laying out the whole problem in order to show the effect of both of these attitudes over the long range.

Mr. HARTKE. Did the Senator support the 7-percent investment credit or a greater credit?

Mr. BENNETT. The Senator from Utah supported 10 percent, but members of the party of the Senator from Indiana cut it back to 7 percent, so I had no further choice and I supported the 7 percent.

Mr. HARTKE. I just wanted to check that point. I am really amazed over the outcry about getting American business back on its feet by those who then failed to reinstate the credit at a level of 10 percent.

Mr. BENNETT. Mr. President, do I still have the floor?

The PRESIDING OFFICER. The Senator from Utah has the floor.

Mr. BENNETT. I happened to yield for a question.

Mr. HARTKE. I would like to ask how many corporations there are in America. The Senator stated $6 billion went to corporations. I wonder how many corporations there are in America.

Mr. BENNETT. The Senator from Utah is not the Encyclopaedia Britannica. He is sorry he does not have that information at his thumbtips. Perhaps the Senator from Indiana has.

Mr. HARTKE. I may point out that there are over 200 million Americans. In order to deal equitably with the numbers involved, using the Senator's own figures, which I am not sure are correct, $29 billion going to 200 million Americans and $6 billion going to corporations, that would imply that there would have to be at least 40 million corporations in the United States, and I just know there are not that many or anything like it.

Mr. BENNETT. I cannot follow the Senator's arithmetic or assumption

Mr. HARTKE. I will go over the arithmetic again.

There are over 200 million Americans. The figures the Senator from Utah used would indicate that five times as much tax relief was given to individuals—which I applaud, incidentally—as was given to corporations. The fact remains that those figures would mean there would have to be 40 million corporations. I suppose it makes little difference because it is——

Mr. BENNETT. Is not a corporation a combination of individuals?

Mr. HARTKE. That is what I thought.

Mr. BENNETT. That is what I thought, too, so the Senator is assuming 40 million one-person corporations. Corporations are made up of people. They are made up of stockholders. There are millions of stockholders. I do not have the figures at my thumbtips, but it does not compare with the totality of tax relief for individuals as against the totality of tax relief for corporations.

Mr. HARTKE. Oh, no. Let me ask the Senator how much tax relief is in this bill for corporations.

Mr. BENNETT. For 1971, an increase of $380 million. For 1972, a relief of $1.9 billion against a relief of $5.9 billion for individuals. That is on page 18 of the report.

Mr. HARTKE. As I read it, it provides $3.6 billion for the next year.

Mr. BENNETT. I am talking about the total at the bottom of page 18 of the report of the committee.

Mr. HARTKE. In 1972 it shows $2.790 billion.

Mr. BENNETT. The figure the Senator is quoting is a business figure, a combination of corporate and individual businesses that are operated not as corporations.

Mr. HARTKE. That is right. Roughly $3 billion.

Mr. BENNETT. It is still less than half of the $5.9 billion to individuals, if the Senator wants to——

Mr. HARTKE. That is individual business and nonbusiness. That is not individual tax relief.

Mr. BENNETT. Individual nonbusiness is $5 billion. Individual business is roughly $900 million.

Mr. HARTKE. Mr. President, I do not have any more questions.

Mr. BENNETT. Mr. President, I yield the floor.

## ORDER FOR YEAS AND NAYS ON H.R. 10203 AND H.R. 8356

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on H.R. 10203 and H.R. 8356, both of which bills are on the calendar.

Mr. MANSFIELD. Both of which have nothing to do with the pending business.

Mr. MILLER. Mr. President, may I ask what those bills are?

Mr. MANSFIELD. One is an act to amend the Water Resources Research Act of 1964 and the other is an act to pay special allowances to dependents of the uniformed services.

Mr. MILLER. Mr. President, may I ask the majority leader a question?

Mr. MANSFIELD. Yes.

Mr. MILLER. Is it the intention to bring those bills up for a vote this afternoon?

Mr. MANSFIELD. No, not this afternoon.

Mr. MILLER. All the Senator wants to do is get the yeas and nays ordered?

Mr. MANSFIELD. That is correct.

Mr. MILLER. Does the majority leader know when we will vote on them?

Mr. MANSFIELD. Any time from tomorrow on. I will have more to say about that later.

The PRESIDING OFFICER. Is there objection to the unanimous consent request of the Senator from West Virginia? Without objection, it is so ordered.

Mr. MANSFIELD subsequently said: Mr. President, I ask for the yeas and nays on the two bills which I mentioned earlier, on which the Senate agreed by unanimous consent that it was in order to ask for the yeas and nays at this time.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the two measures with one show of hands.

The PRESIDING OFFICER. Without objection, it is so ordered.

The yeas and nays were ordered.

## MESSAGES FROM THE PRESIDENT—APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Leonard, one of his secretaries, and he announced that on November 5, 1971, the President had approved and signed the act (S. 137) to provide for the conveyance of certain public lands in Wyoming to the occupants of the land.

## EXECUTIVE MESSAGES REFERRED

As in executive session, the Presiding Officer (Mr. CHILES) laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(The nominations received today are printed at the end of Senate proceedings.)

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## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. MANSFIELD. Mr. President, if we are prepared to vote, I would suggest that the Chair direct the clerk to call the roll, and I would ask attachés on both sides to ask Senators to remain after the vote.

Mr. MILLER. Mr. President, I would like to say a word or two about the pending amendment.

I have listened to the statements made by my colleague from Indiana with considerable interest. I think he knows how I feel about the pending amendment.

For all practical purposes, I think we could say that the pending amendment would increase the personal exemption from $700 to $800. We can use that figure, I think, for the purposes of the statement I am about to make.

It seems to me that the time is long overdue to stop a regressive approach to our income tax laws. Generally, we have tried to move away from regressivism in our income tax laws, and go on a basis of relative ability to pay. But when it comes to this personal exemption, we have gone in the opposite direction, and I say that things are bad enough now without making them any worse.

What the Senator from Indiana proposes is to add another $100 to the personal exemption. For a taxpayer in the 70-percent income tax bracket, that will mean a $70 tax reduction. For the taxpayer in the low-income tax bracket, of 14 percent, it will mean a $14 tax reduction. If you want to make the rich richer and the poor poorer, I cannot think of a better way to do it than to keep on increasing this personal exemption.

We all know that no family can get by, with two children, on a $700 exemption, or $1,400 a year. They cannot raise two children on that; that is very well understood. But that does not mean that, by increasing that personal exemption, we should give a benefit of $70 to the high-income taxpayer and $14 to the low-income taxpayer.

There is only one way to get rid of that inequity, and that is to provide an across-the-board tax credit, a reduction of the tax itself, so that every child, no matter whether the child is in a poor family or a wealthy family, will be treated the same, and every individual will be treated the same.

Frankly, I am disappointed that an amendment would be offered by anyone to increase this personal exemption and just add to the existing differential between the high-income people and the low-income people. I could not possibly support the amendment, and I think, if our colleagues think the matter through, most of them are going to understand that they do not want to vote themselves a nice, big, juicy tax cut. I would guess that every Member of the Senate is in a 50-percent income tax bracket, at least on the top amount of his income. Some are higher, and some are a little lower. What that means is that, for the Senate as a whole, if we adopt the Hartke amendment, we will give ourselves a $50 tax cut, as against a cut for the people in the lower income brackets of $14; and, of course, if we have a wife, that means we get a $100 tax cut as against $28 for the people in the lowest income bracket. If we have children, it will just compound the difference.

So I would hope, Mr. President, that we could do a better job than we have been doing in recent years on this personal exemption matter, and move over to a tax credit, and the sooner the better. Because once people understand what is happening to them, if they understand that the Senate, this afternoon, votes for a $50 tax cut for its Members, which is what it amounts to, and a $14 tax cut for the great mass of our people, I do not think they will respond very well, and I do not think they should.

I believe, Mr. President, that the best way to dispose of this matter would be to move to lay it on the table. I intend to move to table, and I invite my colleague from Indiana to make any comments he wishes to make before I do so.

Mr. HARTKE. Mr. President, this is a major amendment. If the Senator wishes to move to table it, he may do so, but I would remind the Senator that the Senate voted, by a vote of 58 to 37, in favor of this proposition 2 years ago during the debate on the 1969 Tax Reform Act. The majority of Senators indicated then that they favored the amendment, but it was knocked out by the House conferees.

What the Senator from Iowa proposes is a major change in the tax laws, to eliminate all exemptions and substitute a tax credit. I am familiar with the proposal.

The suggestion of the Senator from Iowa was voted down in the committee. I would hope we could have a vote straight up or down on my amendment.

Mr. LONG. Mr. President, I hope the Senator will not insist on making a motion to table, because the amendment is 100 percent germane. The issue was before the Senate in the form of a similar amendment a couple of years ago, and the majority of Senators voted for it.

It would seem to me that an amendment of this nature ought to be voted on on its merits. There would be no point in having two rollcall votes to find out what we could find out with one.

Even if the Senate should agree to the motion to table, Mr. President, I am well aware of the fact that there are eight Senators absent who would vote for the amendment of the Senator from Indiana if they were here. Everyone can take a look at where he stands after we have voted, and even if the amendment fails by reason of the motion to table, a revised form can be offered again later.

So I hope the Senate will vote directly on the amendment.

Mr. HARTKE. Mr. President, the majority leader is present and can substantiate the fact that, while I was not prepared to call up the amendment today, the majority leader was about to ask for third reading of the bill, and in order to prevent third reading at this time, I agreed that I would go forward, although realizing, as the Senator from Louisiana has pointed out, that eight Senators who favor the amendment were absent, it was not my intention to proceed at this time.

Mr. MANSFIELD. Mr. President, will the Senator yield?

Mr. HARTKE. I yield.

Mr. MANSFIELD. The Senator is absolutely correct, and the majority leader is appreciative of what he has done.

The leadership was prepared to call for third reading. We think an outrageous situation is developing, and we want to see some amendments brought forth. If they are not, there will be a third reading of the bill.

Mr. HARTKE. The majority leader was that adamant. He was very kind and considerate, but he did make it clear that he would move to third reading, and in order to protect the rights of other Senators with amendments, more than anything else, I agreed to move forward at this time, although I knew full well, as the chairman has indicated, that there are eight votes absent today which would be cast for this amendment if they were here. It was not the most propitious moment for the Senator from Indiana to move forward.

Mr. MILLER. Mr. President, with all deference to my distinguished chairman, he was here this morning when one of the amendments of the Senator from Iowa was tabled. It seems to me that what is sauce for the goose is sauce for the gander. I do not see why a motion to table is not in order simply because one rollcall vote might be saved. Maybe my amendment would have survived a rollcall vote.

I think when we have a proposition before the Senate which, if adopted, would give each Senator a $50 tax break and give the great bulk of the taxpayers in this country a $14 tax break, we ought to table it. It just comes down to that. We can all talk about what the Senate has done in the past, but there are a lot of people who have not thought this thing through very well. You would be surprised how many people in this country are beginning to see what we are doing down here. We have been under enough criticism in this body for the tax breaks we have given some high-income individuals. I think we did a great job with the Tax Reform Act of 1969. and I do not think we ought to move too far from that position.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. LONG. If the Senator wants to make his motion, by all means go ahead and make it, and let us vote. Let us go ahead and turn the crank.

Mr. MILLER. I shall do so. I just want to conclude my argument, to make it clear.

I do not think Senators ought to be on record for increasing their own tax benefits disproportionately to those of the great bulk of taxpayers in this country.

Mr. President, I move to table the pending amendment.

The PRESIDING OFFICER. The question is on agreeing to the motion.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion of the Senator from Iowa. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Minnesota (Mr. Humphrey), the Senator from Hawaii (Mr. Inouye), the Senator from Washington (Mr. Jackson), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Ervin), the Senator from Washington (Mr. Jackson), the Senator from South Dakota (Mr. McGovern), the Senator from Alabama (Mr. Sparkman), and the Senator from Minnesota (Mr. Humphrey) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

If present and voting, the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) would each vote "yea."

On this vote, the Senator from Nebraska (Mr. Curtis) is paired with the Senator from Oregon (Mr. Hatfield). If present and voting, the Senator from Nebraska would vote "yea" and the Senator from Oregon would vote "nay."

The result was announced—yeas 37, nays 40, as follows:

[No. 313 Leg.]

YEAS—37

Aiken
Allott
Baker
Beall
Bennett
Bentsen
Boggs
Brooke
Buckley
Byrd, Va.
Chiles
Cooper
Dole
Eastland
Ellender
Fannin
Fong
Gambrell
Griffin
Gurney
Hansen
Hruska
Javits
Jordan, N.C.
Jordan, Idaho
Miller
Nelson
Pastore
Roth
Scott
Smith
Stafford
Stennis
Stevens
Thurmond
Weicker
Young

NAYS—40

Allen
Anderson
Bayh
Bible
Burdick
Byrd, W. Va.
Cannon
Case
Church
Cranston
Fulbright
Gravel
Harris
Hart
Hartke
Hollings
Hughes
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Mondale
Moss
Muskie
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Spong
Stevenson
Symington
Talmadge
Tunney
Williams

NOT VOTING—23

Bellmon
Brock
Cook
Cotton
Curtis
Dominick
Eagleton
Ervin
Goldwater
Hatfield
Humphrey
Inouye
Jackson
McGovern
Metcalf
Montoya
Mundt
Packwood
Percy
Saxbe
Sparkman
Taft
Tower

So Mr. Miller's motion to table Mr. Hartke's amendment was rejected.

Mr. BENNETT. Mr. President, I ask unanimous consent to have printed in the Record a statement by the Senator from Texas (Mr. Tower).

There being no objection, the statement was ordered to be printed in the Record, as follows:

### Statement by Senator Tower

I would like to express my support for the excellent work of the Finance Committee in bringing out a sound tax bill to facilitate the President's program to stimulate economic activity and to raise employment. Business investment has grown very little in the last two years, and it is only through continual and increasing investment that we can achieve the economic growth we need to achieve our most important goals as a nation, such as to provide full employment, to eliminate poverty, to develop an adequate pollution control and recycling technology, to make our cities better places to live, and to provide for an adequate national defense. Hence I support the Committee's approval of increased tax incentives for investment.

In the area of tax relief for individuals, I also approve of the acceleration of tax exemption and deduction increases for individuals for two reasons: one, individuals simply pay too much of their income for taxes at this time, and second, the economy needs the additional stimulus of consumer spending which accelerated tax relief can bring. I would note, however, that federal spending should also be limited when federal revenues are reduced, and I therefore support the President's 5% federal personnel cut, which will largely be accomplished through attrition, and I also support the concept of a spending ceiling on the federal government to try to bring balance into the federal revenue-spending system. I understand that the Senator from Delaware (Mr. Roth) intends to bring up an amendment to limit federal spending, in conjunction with this tax measure. Although I would very much like to support such an amendment, I feel that the tax bill, with its very important fiscal stimuli, should be speeded through the Senate and through conference, which in effect means without the delay that such a major amendment will cause due to opposition that it would likely generate. Hence, although I encourage the Senator from Delaware in his effort to achieve a meaningful ceiling on government spending, I would urge that he utilize a later bill as a vehicle for his amendment, so that I will be able to support his effort.

Mr. MANSFIELD. Mr. President, if I may have the attention of the Senate, up to this moment, five Senators have approached me wanting to make sure that we are going to stay in for a reasonable time today, and wanting to make sure that they did not make a mistake in canceling their engagements for tomorrow.

In addition, three Senators have indicated that they do not intend to bring up their amendments until next week—Monday, Tuesday, or Wednesday.

All this indicates a state of uneasiness so far as the Senate is concerned. It is something which should be put to rest.

There will be a meeting of the Senate tomorrow. There will be votes in the Senate tomorrow.

When the whips on both sides send out a notice saying that there will be a session on Saturday, there will be a session.

When they say that very likely there will be votes, or that there will be votes, then votes will occur, unless a Senator or a group of Senators withholds, postpones, or uses delaying tactics.

If the joint leadership announces that there will be a meeting on Saturday and that there are going to be votes, and then there are none, it places us in a very embarrassing position. It also embarrasses those Senators who have given up engagements to stay here to do the job which they are paid to do.

At the present time, we have 73 amendments drawn up. There are, I believe, 24 amendments at the desk. There are other amendments on the way up from the printers.

Of course, the great majority of these amendments, very likely, will not be offered; but I would hope that Senators would not hold back, or ask for a special day because on that day there will be more Senators in attendance who are favorable to what they propose.

After all, this is part of the President's proposal. This is something which the Committee on Finance spent many weeks considering. It was no easy job.

At this time, I want to express my personal thanks to the distinguished senior Senator from Indiana (Mr. Hartke), whose amendment is now pending, for coming into the breach and offering his amendment when there was nothing but silence in this body, and that despite 73 amendments, with 24 amendments at the desk, and many more on the way.

Thanks to the efforts of the distinguished assistant majority leader, the Senator from West Virginia (Mr. Byrd), who has approached some of our colleagues, and we can say very likely that the distinguished Senator from New Jersey (Mr. Williams) will this afternoon propose one, two, or three amendments, depending on the time; that the distinguished Senator from Wisconsin (Mr. Nelson) is considering the possibility of calling up his amendment and that the distinguished Senator from Connecticut is likewise doing the best he can, to call up an amendment.

I would hope also that other Democrats, such as the Senator from Minnesota (Mr. HUMPHREY), the Senator from California (Mr. CRANSTON), the senior Senator from Minnesota (Mr. MONDALE), the Senator from Alabama (Mr. ALLEN), the Senator from South Carolina (Mr. HOLLINGS)—all of whom have amendments at the desk—would give consideration to calling them up.

I hope that the same would apply on the Republican side as well. Earlier today the joint leadership said that if there was a tendency to delay or postpone, it would be our intention—and my intention specifically—to ask for third reading.

So, I hope that the Senate would allow the joint leadership to get away from this posture of pleading with the membership of the Senate to do something when they have amendments. I hope that Senators would forget their personal inclinations as to a particular day or a particular hour based on the attendance and recognize the fact, as we have said time and time again, that our job is here. That is what we are being paid to do. And may I say in passing that the potential Democratic nominees on the Democratic side are absent less from their duties in this body than other Senators who have, I assume, no inclinations in that direction.

They have done a good job. They have missed very few votes. However, it is the noncandidates who cause the most trouble.

I would hope that what we have said will be taken to heart and that cooperation could be achieved, because we want to get out, if possible, on the 1st of December. And I make that statement regardless of what the House does.

We will do our job. We will face up to phase II of the economic problem hopefully next week. We will dispose of the tax package now before us. We will consider two Supreme Court nominations and the appropriations bill. But we have to have cooperation all of the way around.

Mr. SCOTT. Mr. President, if the distinguished majority leader will yield, first of all, as a point of information, I would like to indicate that so far as I know we have no presidential candidates on this side—at least for this year. We have our candidate, and we will enjoy the second term as well as the first.

In other matters, I join fully in support of what the distinguished majority leader has said. I hope that we get on with the work here.

I am glad the majority leader praised the distinguished Senator from Indiana (Mr. HARTKE) for leaping into the breach.

I would now use the adjuration used by King Henry V when he said:

> Once more unto the breach; once more.

Mr. MANSFIELD. Mr. President, we also have an amendment offered by a Senator by the name of SCOTT which might be called up at the appropriate time.

Mr. SCOTT. I am ready to call it up now. I would be glad to call it up right now.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana.

Mr. HOLLINGS. Mr. President, I would like to ask the Senator from Pennsylvania if he has any more political candidates to leap into the breach.

Mr. SCOTT. My reference was to King Henry V. The Senator from South Carolina is referring to King Richard of the first term and King Richard of the second term.

I was quoting some Shakespeare just to parade some erudition in front of this body.

Mr. HOLLINGS. Mr. President, we wait around here on Tuesday when the Senate is ready to act, and we have to put off all votes on Tuesday for the Republican dinner. I do not know whether they have candidates.

I will say that the Senate is scheduled to leave on December 1. Any Senator who has been invited anywhere has made arrangements a month or two in advance. Obviously, on Saturday many of us are not in a position to call off those commitments, even though the leadership has said there will be votes on Saturday. We have stayed on Saturdays when there have not been any votes.

There is no reason that we cannot come in on Monday and do this. It is begging the question to say that one side has candidates and the other side has none.

The truth of the matter is that we did give consideration to the other side when we had a political dinner. Now, when Saturday comes, we are being looked upon as not doing the job we are being paid to do. I think the record ought to be made clear on that point.

Mr. MANSFIELD. Mr. President, I think the record ought to be made clear also. I think it was the majority leader, a Democrat, who raised this question. And he did so only because I do not recall in recent months when we have had a Saturday session. This is the first one we have had in a long, long time. And the purpose is to make sure, if at all possible, that we can dispose of the business at hand and try to get out by the 1st of December.

I did state that I, too, have been somewhat disturbed on Tuesdays when the Republicans have their luncheons and when the Republicans meet to discuss the business of the moment. However, I think in all candor that I can say that it has caused little inconvenience in doing what we have done, and in allowing this to take place, perhaps we have helped to speed up the Senate a little bit in its progress.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. BYRD of West Virginia. Mr. President, with reference to what my very good friend, the distinguished Senator from South Carolina (Mr. HOLLINGS), said a moment ago about notice being given that there would be votes on Saturdays and that there were no votes on Saturdays. I do not remember any occasion this year—and I may be in error—when the whip notice has carried a notice that there would be votes on Saturday and there were no votes on Saturday.

We try to be very careful and cautious before putting Senators on notice that there will unequivocably, indubitably, and unquestionably be votes on a Saturday.

I do not want to say that there are going to be votes on a Saturday unless I believe there will be votes. And I never say that in the whip notice unless I believe it and mean it.

I do not want to say "wolf, wolf" to Senators and have them cancel their engagements and then not have a vote on any Saturday.

We speak from the utmost sincerity of our hearts when we say there will be Saturday sessions and votes. We are not doing it just to have Senators stay here on the chance that there may be votes. We believe votes will occur when we say it.

I am only one man in the Senate. I do the best I can with the whip notices. I clear them with my leader. I hope that Senators will not believe that the leader and I just go through the motions of saying there will be Saturday sessions and votes only to keep Senators here for nothing. Unless we believe that there will definitely be rollcall votes, the whip notice is less definite.

Mr. SCOTT. Mr. President, may I clear up one matter. The distinguished majority leader pointed out that very little inconvenience that has been caused because of our luncheons. We have always suggested that during the period of time between 12:30 and 2 on Tuesday afternoons, the Republicans have their luncheons and the votes can be had before or after that time.

If we were shown at any time that it was vital to vote on a matter only between 12:30 and 2 o'clock in the afternoon, I am sure that we would be very happy to accommodate the Senate.

I think it is a very poor excuse to say that because Senators have something to eat once a week we are somehow delaying the Senator from South Carolina from keeping an appointment in his home State on Saturday. If there ever was a non sequitur, that is it.

Mr. MANSFIELD. The distinguished Senator from South Carolina does not have an appointment Saturday and he was not one of those who asked that his amendement be delayed. I think the RECORD should be straight in that respect. I think the Senator was speaking generally.

Mr. HOLLINGS. I was speaking generally. But the distinguished Senator from Pennsylvania still had his meal. I am not talking about lunch; I am talking about dinner. In our State we call it supper.

The fact of the matter is that a week ago, if I remember correctly, and I can look it up, my distinguished friend from West Virginia, and he does a superb job and we all agree on that, but in the middle of the week he said we will probably have votes on Saturday. He did not want to say wolf, wolf. I have been here Saturdays with no wolf. I have learned not to stick around here on Saturdays.

Mr. BYRD of West Virginia. Mr. President, will the able Senator yield?

Mr. HOLLINGS. If the Senator does not agree, I know he will say so.

Mr. BYRD of West Virginia. The Senator said there would "probably" be votes. In the whip notice this week I did not say "probably." I said "there will be rollcall votes Saturday, repeat—there will be," not probably. This is the difference and perhaps it has led to some uncertainty at times.

Mr. HOLLINGS. The fact of the matter is, to rectify the RECORD, everybody was ready to vote last Friday. The leadership on this side was due for dinner but we stayed until 6 o'clock and we were late making the engagement. I had to miss the vote, along with others, on the foreign aid bill.

The distinguished Senator from Massachusetts, at my request, to help me, gave a commitment for a live pair. He was present and stayed here. But there was a long and large political headline that the distinguished Senator from Massachusetts did not have the guts to vote. Who ever heard of a Kennedy who did not have the guts to vote? I have never heard such nonsense. They would not tell it like it is.

Now, when we come to the proposition of trying to get this matter going and move it along we cannot do it without fighting and getting tempers started.

Mr. PELL. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. PELL. If the gentleman who made the accusation had been carrying out his constitutional responsibility he would have observed that the Senator was here and voted and gave a live pair.

Mr. AIKEN. Mr. President, would it be possible to get on with the legislation now?

Mr. HOLLINGS. Yes sir.

Mr. MANSFIELD. The attendance is good.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana. The yeas and nays have been ordered.

Mr. MILLER. Mr. President, before we vote I would like to discuss the amendment. Let us understand what we are doing here.

In effect, we are going to vote on the question of whether we are going to increase the personal exemption by $100. As I pointed out earlier, with Senators generally in the 50-percent tax bracket, on an average they will have a $50 tax cut for each personal exemption. The poor devil in the low-income bracket, who is in the low-income area, with the 14-percent tax bracket, will get a $14 crumb.

This is not the way to handle tax equity. There has to be a better way.

If this amendment is rejected, I know the junior Senator from Wisconsin and I will try to devise some way possibly to work a combination on personal exemptions and tax credits, but I do not think we want to go back to our people and tell them that this afternoon we voted a $50 tax cut for ourselves and a $14 tax cut for the great bulk of low-income-tax people in this country.

I hope the amendment is rejected.

Mr. NELSON. Mr. President, I think that no one in this body more consistently makes proposals in the field of taxation and other fields for the benefit of low-income people than the distinguished Senator from Indiana (Mr. HARTKE). I happen to think that this is a pretty good amendment, but not one of his best. I am going to vote against it because I think there is a much better proposal that we could adopt. I think it would be much better to adopt a 1-year tax cut of $100 and $50, for married couples and individuals respectively, for 1 year to pour money into the economy to do what the administration claims it wants to do: stimulate the economy.

All the economists I have talked to feel that is a better way to do it than raising the exemption. For that reason, I am going to vote against the amendment of the Senator from Indiana.

I think the point made by the Senator from Iowa should be emphasized that, in fact, if a tax reduction is given by the device of adding $50 or $100 to the personal deduction, the person in the 70-percent bracket is getting a savings of $70 on that $100 additional deduction, but if he is in the 14-percent bracket, he gets $14. On the other hand, if a tax credit is given of $100 a couple, $50 a person, it is the same amount of money to the person in the $5,000, $6,000, $7,000 bracket as the persoon in the $100,000 to $200,000 bracket.

If money is going to be given back to people out of the tax structure it at least should give the poor as good as break as the rich. That is the main objection to the amendment of the Senator from Indiana. I hope his proposal would be rejected and that we could take up the other proposal subsequent to that.

Mr. LONG. Mr. President, will the Senator yield?

Mr. NELSON. I yield.

Mr. LONG. Mr. President, may I say to the Senator that I am much persuaded by the argument he is making. I would like to do more for the people at the bottom of the list who would be benefited by the Hartke amendment. It occurs to me that someone should offer his amendment to amend the Hartke amendment which would have considerable appeal to the Senator from Indiana, because I know how he feels about these amendments.

Why does not the Senator get the amendment to provide an equal amount of revenue loss in terms of a tax credit instead of providing it in terms of increase in personal exemption? If it is offered in that fashion I should think the Senate might see fit to agree to it and then we could vote on the Hartke amendment as amended. I think a lot of us would prefer to do it that way but we do not want to be construed as being against the general proposition the Senator from Indiana is seeking to achieve. I urge the Senator to propose an amendment along the line he had in mind.

It would seem that an amendment that would in effect provide a tax credit of approximately $25 for a single taxpayer or $50 for a couple would cost about the same in terms of revenue impact, and I believe it would do more good for taxpayers in the zero to $3,000 bracket and those in the $3,000 to $5,000 bracket. It would be a lot better and it would provide the same $25 for someone who is also in a high tax bracket.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. NELSON. I yield.

Mr. McCLELLAN. I only wanted to ask, before the Senator yielded to the Senator from Louisiana, if he had the amendment ready, it seems to me it would be well to propose it as a substitute for the pending amendment. That would get the issue squarely before us, if the Senator has the amendment ready.

Mr. NELSON. The amendment has been submitted. I do not have another copy of it at hand for the moment.

In all fairness to the Senator from Indiana, I just repeat, I do not say it is a bad amendment; I think it is not the best amendment we could adopt. I am prepared to offer it as a substitute and then the Senator from Indiana and I can discuss the relative merits of the two.

Would the Senator be willing to lay aside his amendment temporarily?

Mr. HARTKE. No; I am ready to vote. This matter has been discussed in committee. It is nothing new.

We are talking about the same amount of money and we are going to run into the same problem the Senator from Iowa is talking about. It makes a basic change in the tax law of the country, and that law provides for certain benefits going to individuals, and in order to provide for the revenue loss, taxes will have to be raised for others.

As soon as we go to a family with children with an income of $7,500, it will be found that there will be an actual loss as far as that individual is concerned. The difficulty with this concept is that when we deal with percentages, they sound all right, but when we deal with the realities of American life, it is a different situation.

In substance, the Senator from Wisconsin is proposing that a person without a family, for example, is going to receive the bulk of the tax benefit. If a person is supporting a family, one might say he is doing all right. Even when we get down to the $5,000 bracket, the tax exemption under the bill, as passed by the Senate Finance Committtee, and as passed by the House, would provide for a tax exemption of $70. Under the $800 provision, it goes to $98, which means there is a $28 difference in the bill as presented to the Senate and this proposal. The difficulty is that if we are going to deal with the same amount of money, a person with two dependents will receive $3 less benefits under the amendment proposed by the Senator from Wisconsin than he will under the Hartke amendment.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. HARTKE. I want to make it perfectly clear that, when we deal with simple arithmetic, when we deal with a family with two children, and when we go to three, four, or five children of families with low income, we deal a sharp blow to them. But with the childless couple, I agree that the Senator would give them the benefit of that distribution. For those who are interested in providing some type of class relief, it is a different proposition. We are dealing here with a change in the whole concept of tax law.

The Senator can talk all he wants about it in the street and he will never convince anybody on the street of what he is talking about. I guarantee that, if we increase the exemption from $700 to $800, the average taxpayer will know what the Senator is talking about and he will appreciate it. We are dealing here with people, rather than experts. We have all been astounded and confused by the experts who talk about discrepancies and deficits.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. NELSON. I yield.

Mr. MILLER. I am not sure my colleague from Indiana understands what we are talking about. He talks about a family of a husband and wife and six children. That means eight personal exemptions. He proposes to give an additional $800 tax deduction for tax purposes under his amendment because there are eight exemptions. They are each going to be increased $100, which means $800.

What does that mean to the one in the high bracket? If he is in the 25 percent bracket, it means $560. For the family with a low income, and with a 14-percent tax bracket, it is $112. So he wants to give the one with the larger income a $560 tax break as against the low-income tax break of $112.

The way to handle it more equitably is to take the extra $100 which would go to the benefit of the high income bracket people and give a uniform cut off their actual tax bill, and, roughly, a $25 amount would do that. Then the family consisting of husband and wife and six children, or eight personal exemptions, would have an additional $25 tax credit with those six children, $200, and that is $200 instead of $560 under the Hartke amendment with respect to the higher income and it is $200 instead of $112 for the low-income tax bracket.

Mr. HARTKE. The Senator repeatedly makes reference to the high income tax bracket. What percentage of usable income does it represent? That is what we are talking about. These arguments can be made all day long, and a lot of them deal inappropriately with low income people, but, percentagewise, the benefits are substantial to the man in the low income bracket. The Senator is talking about a man in the 50-percent bracket getting a tax break of $50 to $100. He would hardly notice it.

Mr. MILLER. We have the $100 personal exemption for wife, husband, and six children. That is $800. Under the Hartke amendment he is going to get only $112. Which is better for that family? Which is going to generate more income, where it can do the most good? The $200 tax credit or the $112 tax savings under the Hartke approach? It is practically $100 extra for that family.

I do not think we would have much difficulty in letting people know what is going on and what the difference is.

Furthermore, when they learn that Senators are voting themselves $50 additional for each exemption as against $14 for low income people, I do not think they are going to have much confidence in the Senate.

The PRESIDING OFFICER. Does the Senator from Wisconsin care to hold the floor?

Mr. LONG. Mr. President——

The PRESIDING OFFICER. Did the Senator from Wisconsin yield the floor?

Mr. NELSON. No, Mr. President. Did the Senator wish the floor in his own right or did he wish me to yield to him?

Mr. LONG. I can say to the Senator that there is an amendment being prepared to carry out the objective to which he spoke so that the Senate may vote on it. If the Senator cares to discuss the amendment a while longer, he can. Otherwise I will suggest the absence of a quorum.

Mr. BAYH. Mr. President, would the Senator permit me to ask a question or engage in a little colloquy here?

The Senator from Wisconsin has provided a good deal of leadership in the Finance Committee and in the Senate, and has brought to the attention of the Senate the equity of the tax credit. I have discussed this matter with him and appreciate his feelings, and I must say his position makes a lot of sense to me.

I have been concerned since the original implementation of the new depreciation schedule, the ADR, that this was not going in the right direction. The Senator from Oklahoma and I have prepared an amendment to repeal the ADR. But it became apparent to some of us, in discussing this matter, primarily with the distinguished chairman of the Finance Committee, that perhaps the more equitable and palatable approach would be to tie together the ADR repeal procedure with the idea of the Senator from Wisconsin of the $50 and $100 tax credits.

Could the Senator give us his thoughts as to whether, with this type of parliamentary situation, it might be possible for us to do both of those things?

Mr. NELSON. Is the Senator talking about the ADR repealer?

Mr. BAYH. Yes.

Mr. NELSON. Let me say on that point, and I think it is a very important point, and I know the Senator from Indiana (Mr. BAYH) has been concerned about it for a long time: The ADR proposal ought to be either taken out of the bill or cut to 5 percent. If we are going to give some additional individual benefits, which is what we think ought to be done, we ought to restore to the Treasury the money that is being given to big businesses under the ADR.

I do not think the Senate realizes that under the ADR proposal, in 10 years it will cost the Treasury $19 billion. Mr. Roche, the president of General Motors, stated publicly that he did not think ADR or investment credit were going to do much to induce a rapid expansion of the economy.

What we are interested in is an expansion of the economy, and equity in the tax system. I think the Senator from Indiana is absolutely right; we ought to be discussing this tax cut for individuals in association with the idea that we would either knock out of the bill the ADR, or at least set a 5-percent limit, instead of 20 percent.

If we gave $100 to a couple and $50 to an individual for one year, it would almost all go back into the economy, because it is going to the people who need to spend the money, and it would only cost the Treasury, for 1 year, $4,850 million. But if we leave the ADR in the bill, it is going to cost $19 billion in the next 10 years.

Mr. BAYH. The logic of the Senator from Wisconsin is right on the mark, as far as the Senator from Indiana is concerned. Could I ask him for his parliamentary judgment here? I find myself in a position where I have supported my senior colleague from Indiana, because I feel that to increase the exemption is better than the present position, but the logic of the Senator from Wisconsin—and I have discussed this earlier with the chairman of the Committee on Finance, and he shares this logic—that moving into the area of providing tax credit rather than an exemption gives the tax break where it is needed, would also be preferable to me.

I have shared with the Senator from South Carolina and several other Senators the feeling that if there were some way, parliamentarily, that we could put together a package that would do what the Senator from Wisconsin has suggested in providing the $50 and $100 tax credit, and with the same vehicle repeal the ADR, it would not only provide greater tax equity, but would provide greater fiscal responsibility, because we would not only be giving a benefit, but we would be returning some of the revenue that otherwise would be taken from the Federal coffers.

Does the Senator from Wisconsin have any parliamentary suggestion to the Senator from Indiana and the Senator from South Carolina as to how we can hook these two mules in the same harness?

Mr. NELSON. I think the Senator is making his parliamentary inquiry to the wrong individual. There is a parliamentarian present, Dr. Riddick, and the Senator from Louisiana (Mr. LONG) is a great expert on the rules.

I may be in error, but I do not know of any way without unanimous consent to put the two measures together and hold them together against a motion to separate the issues.

If it were agreeable to the Senate, we would put them together. But I think that if it is understood we will take them up one at a time—would there be any objection to putting them together?

Mr. HARTKE. Mr. President, we had this suggestion in the Finance Committee. None of this is new. The Senator from Wisconsin is talking about a $50 and $100 tax credit; the Senator from Iowa is talking about something entirely different. Now the junior Senator from Indiana is talking about a third item.

I am not confused; I understand what the Senators are talking about. But I say to the Senators, if you want to kill this exemption, you might be well on the road toward doing it. I do not think there is any question about that. There are a lot of people who do not want these exemptions, for reasons best known to them.

If we load this thing up, we could kill it. I know that I could not carry the measure in the Finance Committee, although the Senator from Wisconsin did support an amendment tying the two together.

I am prepared to argue the ADR amendment. But in good conscience there is no way under the sun that the Senator is going to have those proposals tied together on the the floor of the Senate. He might as well be prepared for that. if the Senator can make a good argument on the ADR, I think it should be made, and find out if there are sufficient votes to change ADR.

But if Senators want to kill this benefit to the individual taxpayer, I think they are well on their way toward doing it. I believe we have the votes, though I called my amendment despite the fact that there are 8 Senators not here today who would support it.

Mr. NELSON. Mr. President, I did not offer the ADR amendment and the tax credit amendment as one amendment. I offered them here as two amendments, for the reason that there is no way, without unanimous consent, to take up two propositions like that together, because there will be a request for a division.

I realized that such a request would lie, and so I introduced the $100 and $50 tax credit and the ADR repeal as separate amendments.

My issue with the Senator is not that his amendment is a bad one. I just think there are many better ways to do this than to keep adding increments of $50, $100, and so forth, for deduction purposes, in which case, the higher you are in the income bracket, the bigger the benefit you get. I do not think we ought to be giving $70 out of a $100 increase in deductions to people who are millionaires, and $14 on a $100 increase in deductions to people who are poor. It is as simple as that.

I realize that on any one of these proposals, if you get up to a high enough number of people, as you go up the bracket, it will change. But the fact is that under a proposal of giving an income tax credit, or a reduction in the tax, as proposed by my amendment, of the amount of money that that costs the Treasury, 49-plus percent goes to people with incomes under $10,000, whereas, under the proposal of the Senator from Indiana, 39 percent goes to the taxpayers under $10,000. So there is 10 percent more of the money, under the proposal I am making, going to people whose income is under $10,000 than there is under the proposal made by the Senator from Indiana; albeit, when you start increasing the number of dependents, the Senator is correct—the benefit is higher there. There is no question about that.

Mr. HARTKE. That happens to be America's affluent poor. The affluent poor man of America today works for a living. He supports his children and his family. There are a great deal more people in the total who are earning $10,000, and under, who are supporting five, six, or seven children. They pay their taxes and they educate their children, and this Senator is not going to slap them in the face. This is a false argument.

All I can tell the Senator, again, is that I am thinking of the affluent poor American who is not on welfare, who pays bills, who educates his children, who pays his taxes, and he has plenty of kids. Perhaps the Senator does not think he should have had so many kids, but certainly they did not increase their family size as a result of any change in the personal exemption.

Mr. NELSON. I know what the Senator's concern is about people with inadequate money to support their family at a decent standard, and I share his concern.

I think we have a second problem here that we really ought to consider: What is the best way to get money into the hands of people who need it most?

Mr. HARTKE. Will the Senator yield? I will give him the best way.

Mr. NELSON. Will the Senator wait until I finish, and then give me the best way?

I would point out that the Senator from Iowa made a proposal in the Finance Committee the other day which struck everybody there as very interesting and probably a much better way to take care of the deductions allowable for people in low income groups, with small or large families, which I wish he had made 6 months ago so that we could have had time to evaluate the proposal before this bill came to the floor.

I would regret very much to see us continue to build into the current law any additional personal deductions and then find out in a few months that there is a much better way to adjust the tax system to make it more equitable.

I think we ought to be looking at the best ways to turn money over to the poor. I am not saying that a $50 reduction for the individual and $100 for a couple is the best possible way to do it. I think it is a bit better than the way proposed by the Senator from Indiana.

Mr. BENNETT. Mr. President, will the Senator yield for a question?

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. NELSON. I yield to the Senator from Utah for a question.

Mr. BENNETT. Does the Senator from Wisconsin have an estimate of the tax loss that his proposal would create for that 1 year?

Mr. NELSON. Yes. At $100 a couple and $50 an individual, it would be $4,850 billion.

Mr. BENNETT. In other words, nearly three times the tax loss of the proposal of the Senator from Indiana for that 1 year. There is an amendment to make it 50 and 20.

Mr. NELSON. Yes, that is the purpose. As a matter of fact, the economists I have talked to and people such as the president of General Motors do not think that what came out of that committee is going to do much to stimulate the economy. The economists I have talked to think that if you put $5 billion in the hands of people who are mainly in the low and modest income brackets, they will spend the money and it will stimulate the economy. That is the purpose of the amendment.

Mr. BENNETT. We have just been horse-whipped by the Senator from Indiana because there is a $26 billion deficit this year, and the Senator from Wisconsin would raise it to $31 billion.

Mr. NELSON. I have not finished my amendments. I would propose that we get rid of the ADR, which would save $19 billion in the next 10 years. Then I have an amendment which would set a $1 million limit on the investment credit.

What the Senator knows as well as I, if not better, is that in 1967, under the investment credit, there were 395,000 corporations and businesses and farmers in this country that took advantage of the 7-percent investment credit, and 393,500 of them would all be covered by the limitation of $1 million. The balance of the whole business, approximately $1.9 billion goes to 1,500 corporations, who the Senator knows very well are going to make that investment, anyway. General Motors has its plans. They are going to make their capital investments whether you have a 7-percent investment credit or not. So that is not doing anything to stimulate the economy.

If we set a $1 million limit we save $1.9 billion out of this bill; and then if we eliminate the ADR we would be talking about a $19 billion saving for Treasury in the next 10 years.

All I am saying here is, let us give some money to the people who need it most. Let us give some money to the poor people; let us not give it all to the rich. That is all.

Mr. BENNETT. Does the Senator think that if he gives a $5 billion tax reduction in 1 year, he can take it away the second year?

Mr. NELSON. Yes. I would make it for 1 year. Exactly.

Mr. BENNETT. But does the Senator think he could get away without repeating it the second year?

Mr. NELSON. I am proposing it for 1 year. It would terminate at the end of the year. It would help with the problem the Senator from Indiana was discussing respecting the withholding tax.

Does the Senator think that once you give this money with no termination date on ADR, it is not going to go on forever and ever?

Mr. BENNETT. There is a difference, because ADR is a device to increase and stimulate the production of jobs; but this, one might say, is a $5 billion cash dividend to the people of the United States. Does the Senator think he could take it away from them at the end of 1 year if he gave it to them? Politically, does he think he could stand up on the floor of the Senate and say, "I move we reduce the benefits that the taxpayer now has by $5 billion"?

Mr. NELSON. I simply say that it is better to have a $100 tax benefit this year for a married couple—$50 for a single person—than not to have any. The Senator seems to be saying, "Since you cannot do it forever, do not give them anything." That is not much of an argument.

Mr. BENNETT. We have already increased it from 75 to 750 in this bill, and that is just wiped out, as though there were no benefit, and you start from there.

It must be remembered that the Ways and Means Committee and the Senate Finance Committee have gone that far, and that is a very substantial tax saving.

If the Senator forced me to a choice—I would prefer to vote against both—I would have to stand with the Senator from Indiana.

Mr. NELSON. Which costs less money. I know the Senator from Utah would stand with the Senator from Indiana. It gives less to poor people.

Mr. BENNETT. I know human nature well enough to know that if you held out to the voters a $5 billion piece of candy, you could not turn around at the end of the year and take it away. So you are talking, then, about at least $5 billion for the next 10 years, and that is $50 billion.

Mr. HARTKE. Will the Senator from Wisconsin yield?

Mr. NELSON. I yield.

Mr. HARTKE. I say to the Senator from Wisconsin that the provision for increasing the standard deduction provided for some benefits to those who have low incomes. That is what the House did.

Mr. NELSON. I think that the point here is——

Mr. HARTKE. Well, I say to the Senate, they do not do anything——

Mr. NELSON. Did not the Senator's amendment in the Finance Committee prevail, to require the withholding to be advanced to make it current?

Mr. HARTKE. That amendment did prevail. The withholding this year, in 1971, was in error and the result was an increase in the amount under the standard deduction in the House which had, to a great extent, eliminated all need for a deficiency payment by individuals this year. But the amendment the Senator is referring to now, which I had passed in committee and is now in the bill, dealt with the years 1972 and 1973 because there was going to be a repetition of this deception.

As of January 1, 1972, with the increase in social security payments and tax deductions and the present tax law, many people in this country will have less take-home pay in their first paycheck on January 1, 1972, than they have today. I want to make it possible for them to be able to live, and to continue to send their kids to school.

The Senator, I believe, is talking about the childless couple, to a great extent. That is who would reap the real benefit under the Senator's amendment, and these are the people who get the benefits today. It is those self-supporting families with children, those who educate their children, those who pay their taxes who need the help. They need a thought now. They have been so much neglected.

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. TUNNEY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. MAGNUSON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

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## NUCLEAR POWER IN BRITAIN

Mr. MAGNUSON. Mr. President, Mr. A. Robert Smith, the Washington correspondent for a group of Pacific Northwest newspapers, has written a series of four highly informative articles analyzing the British approach to nuclear reactor development for the generation of electricity. Mr. Smith points out that Britain is the world leader in generating electricity by nuclear energy. This record has been achieved because of public support and confidence in the measures taken to protect the nation's health and environment. This situation is in sharp contrast to the public protest that often accompanies a nuclear powerplant proposal in the United States.

Mr. Smith comes to the conclusion that the British success is attributable to the siting of atom plants in remote areas, the elimination of thermal pollution of waters by utilizing gas cooled plants, and the greater care exercised in establishing radiation and safety standards.

The articles also describe Britain's fast breeder reactor program and their approach toward the disposal of radioactive waste materials produced by nuclear plants.

It appears that the British, in developing peaceful uses of atomic energy, pay more attention to nuclear safety and encourage greater participation by other agencies in nuclear regulation.

Perhaps we can learn from the British experience and this will assist us in solving our own energy crisis.

At this point I ask unanimous consent to print these articles, from the Eugene Register Guard, in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

### BRITAIN, UNITED STATES HAVE SAME PROBLEMS—DITCHING WASTE

(By A. Robert Smith)

WINDSCALE, ENGLAND.—British officials have grave doubts about the American proposal for burying radioactive waste in a salt mine in Kansas.

But they admit they don't know what to do with their own lethal residue from the products of plutonium and nuclear energy.

For the moment, the United Kingdom is doing what the United States is doing—containing the stuff in big steel tanks located at this remote site on the west coast of England in the beautiful lake district, the favored haunt of Wordsworth, Coleridge and other romantic poets of the past.

The British are taking a wait-and-see attitude because they believe these storage tanks offer a suitable means of storing waste until an ultimate solution has been found that will guarantee that this residue won't get loose in the environment while it remains highly radioactive, which is an estimated half million years.

"These materials are such that you can't afford not to be safe," said Tom Tuohy, managing director of British Fuels, Ltd., a government corporation that runs the Windscale facility where fuel for nuclear power plants is manufactured and reprocessed. Military plutonium used to be produced here, but not nearly as much as at Hanford.

Compared to the 75 million gallons of high level waste stored at the Hanford works near Richland, Wash., the United Kingdom has a relatively small quantity—about 100,000 gallons. It is more highly concentrated than the Hanford waste, thus more highly radioactive per gallon.

This vast difference in the quantities mostly reflects the fact that the U.S. is a major nuclear-armed nation while Britain is depending on American protection rather than providing its own vast arsenal of nuclear weapons. Hence, the U.S. has much more lethal waste that must be guarded.

The British safety record nonetheless is better than the American record in handling high level waste, apparently because of different techniques. The safety comparison is emphasized by these blunt facts: (1) leaks in tanks at Hanford have resulted in a quarter of a million gallons of radioactive waste draining into the soil near Richland, Wash., which is more than twice the total waste accumulated by the British here at Windscale; (2) the British claim they have not had one leak in the nearly 20 years since nuclear program began.

This safety record helps the British to justify their wait-and-see attitude about ultimate long range storage methods.

"If we weren't satisfied that what we were doing as absolutely safe, we bloody well wouldn't be doing it," asserted Tuohy.

Eight years ago he said his research staff came up with a process for converting radioactive waste into glass. First, he explained the lethal chemicals are reduced to a dry state, then mixed with phosphates and silica, then heated until they turn to glass.

Windscale technicians produced a "glass" of solid-state radio-active materials in a cylindrical shape 8 feet long and 9 inches in diameter. The purpose of this process is to transform the waste into a form that won't leak into the air or water. Tuohy said he rejected the idea of converting all British high level waste to glass because he—a chemist by training—wasn't convinced of its safety, especially the necessity for applying very high temperatures in making glass.

"Ultimately, we'll go to solids," Tuohy predicted, but when or just how he hasn't decided.

Then, he added, he believes the best long term solution would be to store containers of solid waste in ponds or in air-cooled or water-cooled underground shafts.

He isn't convinced that the U.S. scheme for using salt mines is absolutely safe, because of the difficulty of retrieving the material if it begins to leak to the environment beyond the salt beds after the original metal containers have disintegrated due to corrosion. "I wouldn't want to be the one to try to get that stuff out of there," Tuohy said.

The techniques used at Windscale, which have proved more reliable than those used at Hanford were explained by Tuohy and T. G. Hughes, superintendent of the Windscale chemical plant.

The chief difference seems to be that the British control the temperature of their waste and don't allow it to boil at will in the storage tanks, as occurs at Hanford.

"We try to keep the temperature below 50 degrees centigrade (boiling occurs at 100 degrees)," said Hughes. This, he added, is accomplished by building cooling coils in each tank and wrapping the tank itself in a cooling jacket through which pure mountain lake water carries off excess heat. Temperature control prevents corrosion of the tank, the British believe. Hughes said the oldest tank at Windscale, in use since 1954, shows no sign of deterioration.

Hughes took me on a tour of the site of a new storage tank under construction. Windscale uses smaller tanks than Hanford. The first 8 tanks held 15,000 gallons each, the 9th tank was twice as big, and future tanks may be 60,000 gallons. The one being built will hold 30,000 gallons. Largest tanks at Hanford can hold as much as 1 million gallons each.

The difference in design is perhaps more significant than size differences.

The cylindrical steel tank is housed in a rectangular structure made of concrete lined with stainless steel. The air space between the inner tank and the outer tank is monitored to detect any leaks—and it is also great enough to contain the entire contents of the inner tank in the event it all leaked out.

As at Hanford, Windscale keeps an empty tank ready in case a leak is discovered, necessitating that radioactive waste be pumped out of the defective tank. Unlike Hanford, which has experienced a number of leaky tanks, Windscale has never had to use its emergency tank.

How long the British will stick with tank storage of liquid waste is uncertain. "The technology in this field is still very young," observed Tuohy. "We'd like to bide our time a little longer."

But highly radioactive, lethal waste is piling up at increasing rates each year here as well as in the U.S. and other nuclear countries—a dangerous condition in search of a safe solution.

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### British Generating Most N-Power Electricity

(Editor's Note: For the past month the R-G's Washington Correspondent has been exploring the means by which The British have gained world leadership in development of nuclear energy without the controversies that have hampered its growth in The United States. This is the first of a series of three articles from England and Scotland covering the advent of the nuclear power age in The United Kingdom—and pointing up some possible lessons for The United States.)

(By A. Robert Smith)

London.—Ever since the Suez crisis of 1956 alarmed the British over the prospect of being cut off from their oil suppliers in The Middle East, the government has moved this country pell mell into the nuclear power era.

The consequence today, 15 years later, is that Britain is generating more electricity in atomic power plants than all other countries in the world combined.

Even more astonishing to an American visitor is that this progress has been achieved without the battle royal between industrialists and environmental protectionists that has become so widespread in the U.S.

It's not because the environmental crusade hasn't reached England. Quite the contrary, this movement is very strong here—and the government appears to be most responsive and better organized than in the U.S. to take strong, effective protective measures, as demanded by the people.

The key to the British success in nuclear power development appears to be public confidence in the measures taken to assure that nuclear power plants pose no threat to the safety of the people nor to the quality of their environment.

What did the British do that was different from the American approach in order to gain the confidence of the public?

Three factors are involved: Distance from population centers; lack of thermal pollution, and safety records.

The most noticeable feature of the British program is that all the atomic power plants are located a long way from major population centers.

The first two plants were built in a remote place called Windscale on the west coast as a site of plutonium production for weapons—The British Hanford. All subsequent plants have been built along the coastal perimeter, but none in the midst of large seacoast cities.

Portland General Electric Co., is following this approach to a degree in building its Trojan nuclear power plant away from Portland on the lower Columbia River. Had Eugene Water & Electric Board chosen a site far from Eugene for its proposed plant several years ago, perhaps there would have been no public demand for postponement of construction of that project.

Sites for additional nuclear plants in the Pacific Northwest have yet to be determined, but it goes without saying that the utilities which build them will prefer sites west of the Cascades where most of the population and marketing for energy exist.

The British can readily pursue their policy of geographic dispersal of power stations by virtue of having a nationalized (government owned and operated) electric utility industry. In England it's called The Central Electricity Generating Board and in Scotland it's The Southern Scotland or The Northern Scotland Electricity Generating Board.

In either case, the Board builds its own power plants and transmission lines and sells energy to residential and industrial customers. The entire United Kingdom is served by a national grid comparable to the regional grid of Bonneville Power Administration.

Because of the existence of the Bonneville system, the Pacific Northwest is probably better equipped than any other section of the U.S. to locate its future nuclear power stations on sites best suited to public safety and environmental protection considerations however remote the sites may be.

British Atomic officials are fully aware of the controversy in the U.S. about radiation standards, but there has been little public interest in it—perhaps because most nuclear power plants, out of sight, are out of mind. If few people live near the plants, who is to worry about possible radiation hazards in the shadow of the nuclear reactor?

The second striking aspect of the British approach is that it allows for no heating of streams, rivers, bays or lakes, hence commercial fishermen and conservationists here have no objections on grounds of thermal pollution.

None of the British nuclear plants use water as a reactor coolant, as do most American plants. Most of them are gas-cooled, using carbon dioxide. Even the reactors used for producing plutonium for weapons were air-cooled, unlike the Hanford weapons reactors that utilized Columbia River water for cooling.

British gas-cooled reactors are said to cost more to build than American water-cooled reactors. Britain puts the extra costs onto its electricity bills, but the cost is rapidly being trimmed by more efficient power plants.

Indeed, the British claim that their latest gas-cooled reactor will produce electricity even more cheaply than a conventional coal-burning power plant built right at the mine shaft.

American utilities, trying to persuade the public that thermal pollution wasn't all bad, have given nuclear power a black eye in the U.S.—and in the end many have been forced to yield and build more expensive cooling towers rather than discharge heated water into rivers and bays.

Such cooling water as is used by British nuclear plants in many cases is taken directly from the sea and discharged back into the ocean without apparent harm to marine life. This is a direct benefit of locating the power stations along the seacoasts, this is much easier for the U.K. than it would be for the U.S. simply because no place in England or Scotland is further than 60 miles from the coast, whereas most of the U.S. is hundreds of miles from the nearest seacoast.

It would be more feasible in the U.S. if there were a national power grid—but here again America's private power companies have successfully resisted creating such a grid out of fear of stronger federal regulation that might weaken each utility's position of dominance in its own territory.

The third factor in developing public confidence is the good safety record of nuclear power development here.

Two men were killed recently by a British Admirality reactor being developed for submarines—a steam line ruptured, scalding the men fatally—but nothing so serious has occurred in the commercial power reactor program.

A year after the first nuclear power plant began operations (1956) at Calder, a fire broke out in the reactor. Tom Tuohy, then manager of the plant, told me he led the fire fighting brigade that night, personally directing the first dose of water in what was admittedly a dangerous operation. There was no explosion, the fire was subdued without injury to personnel. Tuohy received more than the usually allowed radiation dose, but says he's suffered no ill effects in the 14 years since.

For 10 weeks after that accident, the milk from cows grazing in the 200 square mile district around Calder was purchased by the government, so that children wouldn't drink it just in case radioactive fall-out from the fire had contaminated nearby pastures.

After that 1957 fire, the damaged reactor was never again used—and a sister plant of similar design was shut down as a precaution against another fire. The cost wasn't available.

G. R. Howells, present general manager of the Calder Works, noted that there have been no fatalities at the plant—yet 5 workers have been killed driving to or from work at the plant pointing up the safety needs on nuclear power sites compared with highway death tolls.

"Nuclear power is one of the safest industries there is," said Howells. "I grew up in South Wales where in the coal business everybody developed silicosis. If the nuclear industry were anything like that, I wouldn't be in it."

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### Britain Working on Nuclear 'Perpetual Motion Machine'

(By A. Robert Smith)

Dounreay, Scotland.—Britain is rapidly completing construction here on a huge device that appears to be mankind's best effort to date to build a perpetual motion machine.

Once started, it could take fuel from sea water and "guarantee you cheap energy for literally hundreds of years."

So says Peter W. Mummery, director of the Dounreay (pronounced dune-ray) Experimental Reactor Establishment of the United Kingdom Atomic Energy Authority (UKREA).

The subject of his confident forecast is called the Prototype Fast Reactor (PFR) designed to generate 250,000 kilowatts of power when it is completed next year. The PFR is a nuclear power plant which is expected to "breed" more plutonium than it consumes as fuel.

If a layman finds this difficult to comprehend, perhaps it is enough to say that uranium enriched with plutonium is used to fuel a fast breeder reactor—and the breeding of more plutonium cuts the fuel cost in half as compared with conventional atomic power plants.

This saving means one of two results:

If sufficient uranium ore can be found at today's prices of $5 to $8 per pound, the PFR will produce electricity much more cheaply than any other nuclear power stations, perhaps below the cost of coal or oil fired plants.

If natural uranium ore is depleted, say in the latter part of this century, it will be economically feasible to extract uranium from sea water at a cost of $50 to $100 per pound to provide fuel for fast breeder reactors.

The combination of virtually unlimited uranium from the oceans, plus a self-perpetuating plutonium supply, are the key elements, then, in Mummery's forecast.

It is based on more than hopeful theory. Since 1959 Britain has been successfully operating a fast breeder reactor of smaller design—14,000 kilowatts—here at Dounreay.

This was the world's first such reactor—producing power and breeding plutonium. It was also the pioneer effort in using liquid sodium as the reactor coolant.

More advanced techniques are being employed in the new PFR, for British scientists now know much more about how to handle this volatile material to obtain the desired objective.

No one knew for certain how to pump liquid sodium before the first fast breeder reactor was built—so the British used a complex system of electrical magnetic pumps. Now they know that sodium's hydraulic properties at reactor temperatures are similar to those of hot water, so that pumping either is very much the same. Sodium must be isolated from both water and air to avoid volatile reactions—but the British have experimented and found such an accidental reaction is manageable, even if unwelcome.

Because of the possible dangers from the first experimental fast breeder, it was located as far away from population centers as one can get in the UK—here on the northern tip of Scotland, where the desolate treeless moors meet the North Sea.

Population of the nearest town, Thurso, about 8 miles away, was 3,000, but has increased to 10,000 because of the influx of Dounreay workers and their families.

The new PFR is being built here, officials explained, because otherwise Dounreay would have to be practically shut down, thus hurting the economy of this area and there are practical benefits in keeping the same technical teams, with their extensive experience, together here until the PFR has been completed.

Already, the UKAEA is establishing a training school here to teach others how to maintain and operate a fast breeder reactor—but their experience thus far demonstrates, said Mummery, "no difficulty in converting fishermen and farmers into liquid sodium plant operators."

A tour of Dounreay at this moment is most opportune because the PFR has progressed far enough for the visitor to be able to see all the complex components being fit together.

Basically the reactor comprises a low pressure vessel, like a big kettle some 40 feet wide and 50 feet deep, made of stainless steel which is enclosed in a leak jacket and placed below ground in a concrete vault. All the components within the vessel—the reactor core, the sodium pumps, the heat exchangers—are suspended from the lid of the vessel to avoid pressing against the sides or bottom—and to afford ready access for repairs or replacement.

Pipes for the hot sodium emerge from the vessel and deliver it to heat exchangers, ultimately energizing steam generators and turbines that produce electricity. Sea water is used for cooling in the condenser of the steam generator.

Once the PFR has proved itself, British atomic officials expect to build a large commercial power plant with a capacity of over 1 million kilowatts based on this fast breeder reactor design. If this proves successful, it will mark a major turning point in mankind's quest for cheap, plentiful energy.

Britain is not alone in this quest. Russia is well along in completion of a prototype fast breeder reactor. France is also building one. Germany, Japan and the U.S. are planning to build one.

The United States has one fast breeder which hasn't turned out as well as had been expected—the Enrico Fermi plant near Detroit, built by Detroit Edison and a private consortium. In eight years since completion it operated the equivalent of only 21 days at full power—61,000 kilowatts—and brought in only $65,000 from the sale of steam compared with an expected revenue of $48.6 million by 1970.

Last spring President Nixon asked Congress for more funds to step up the U.S. effort in fast breeder reactors. The U.S. Atomic Energy Commission has indicated that the U.S. prototype fast reactor will be somewhat larger than the British project here at Dounreay. It remains to be seen whether either one will be as great a milestone as its promoters are claiming.

But even if a great commercial and engineering success, even if the fast breeder reactor comes close to being a perpetual motion machine, it will compound a problem for which none of the nuclear power nations has yet found a certain solution—the safe disposal of lethal high level radioactive wastes that will pose a danger to mankind for the next half-million years.

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### British N-Programs Under Strict Controls

(By A. Robert Smith)

London.—A good many poor Welshmen enjoy a food product called loverbread, made from seaweed gathered along the coast of Wales.

No one outside of Wales paid much attention to this specialty until the advent of the nuclear age when scientists discovered that some of the seaweed contained radioactive isotopes which had been discharged as relatively harmless wastes from the Windscale Atomic works farther up the coast.

Since Windscale is the British Hanford, the place where plutonium for weapons was produced, the question of loverbread might have become something of an issue of public health vs. national security. The manner in which it was handled, however, reveals much about the checks and balances to which nuclear programs are subjected in Britain.

#### MAXIMUM QUANTITY

A survey of loverbread lovers was taken to determine the maximum quantity consumed. Then scientists calculated the permissible limits of ingested radioactive isotopes—ruthenium-106; cerium-144 and zirconium-95/niobium-95 are the most important—if all the seaweed used in a batch of bread were contaminated.

From this information, they calculated the maximum allowable discharges of these isotopes into coastal waters by the Windscale Atomic works. In short, public health—even to the extent of protecting eaters of loverbread—was given a higher value than permitting the atomic works to discharge its wastes at will.

#### YEARLY REPORT PUBLISHED

Supervision of these standards has been assigned to the Ministry of Agriculture, Fisheries and Food, which operates a Fisheries Radiological Laboratory to analyze water samples taken by its technicians from all coastal waters. Each year this agency publishes a report of its findings—and the latest report states that a large margin of safety exists between actual radioactive dumping and the tolerable limit for lover-bread consumers.

#### CITED AS COMPLIMENT

Walter C. Patterson, co-editor of "Your Environment," a British periodical, cites the loverbread case to compliment the British for their approach to Safety Standards.

"There's a world of difference between the Atomic Energy Authority (in Britain) and the Atomic Energy Commission (in the U.S.)," claims Patterson, who is a Canadian and an atomic scientist.

He feels that the AEC is not sufficiently selective and is less careful in determining safety standards than the AEA.

#### NO PATERNALISTIC ATTITUDES

A more noticeable difference to this reporter is the extent to which other government agencies are allowed to pass judgment on atomic programs in Britain. The AEA isn't allowed to have the paternalistic "papa knows best" attitude that typifies the American AEC.

In the U.S. it is hard to imagine the Department of Agriculture or the Bureau of Commercial Fisheries being given any power to supervise AEC operations affecting fish or other food products, or The Public Health Service gaining jurisdiction over radiation standards.

The AEC even resists the idea that a state might wish to set stricter standards than the AEC over commercial nuclear power plants, arguing that the AEC is the most qualified judge.

Another example of British checks and balances occurred recently at Windscale when the AEA sought permission to increase its radioactive discharges to sea via a pipe extending about a mile out from the shore. The AEA asked that the limit be raised from 450 to 2,000 curies per quarter.

The application had to go to two other departments—the Ministry of Fisheries and the Ministry of Housing and Local Government. Fisheries at length gave its consent but local government encountered a snag when it notified the local council of government for the rural district in which Windscale is located.

One member of the local council, who conceded he knew nothing about the technical significance of the request, objected because he wasn't convinced that it would be safe. The question thereupon received wide notice in the press and on the BBC.

To resolve the matter two local councils joined in hiring an independent organization, which is dedicated to preserving the English environment, to analyze the request. The verdict was that the increased discharges would pose no environmental threat. The local council accepted this, so the AEA eventually received its permit—3 years after it filed the request.

Of such delays and such checks and balances in public confidence created in Britain, currently the world leader in nuclear power development.

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## ADDRESS BY SENATOR CANNON BEFORE AIRCRAFT OWNERS AND PILOTS ASSOCIATION IN LAS VEGAS, NEV.

Mr. MAGNUSON. Mr. President, recently my distinguished colleague, the junior Senator from Nevada, the chairman of the Aviation Subcommittee of the Senate Commerce Committee addressed a meeting of the Aircraft Owners and Pilots Association in Las Vegas.

In that address Senator Cannon talked thoughtfully about the role of general aviation in serving the air transportation needs of the United States and of the unique public service benefits provided by general aviation which are not provided by any other form of transportation.

Senator Cannon's remarks, I am sure, will be of interest to the Senate; therefore, I ask unanimous consent that his speech be printed in the Record.

There being no objection, the address was ordered to be printed in the Record, as follows:

### Speech of Howard W. Cannon

I want to welcome all of you to Nevada. I know this is not the first time the AOPA has met here. I am sure it won't be the last. Las Vegas, I am happy to point out, is one of the few cities in the United States that can still welcome so many visiting pilots *and* their planes as well.

As a pilot, I can appreciate his predicament. Although I do frequently fly myself, I flew out here from Washington for this meeting with you today in a commercial jet. It's a great way to travel when they happen to put your luggage on the right airplane. It's also great when the air traffic controllers aren't too busy to keep your flight sitting for half an hour on the ground, waiting to take off, or holding over some big city airport waiting to come down and land.

Well, we all have our troubles—the airlines, too. Business is so bad that when a friend of mine called the airport the other day and asked them when the next plane left for Paris, the ticket clerk answered, "Anytime you say; when can you get out here?"

Having flown here to Las Vegas before, you are by now familiar with the advantages we pilots enjoy throughout Nevada—clean air and a clear view of some of the greatest scenery in the world—and plenty of parking place to make up for the modest amount of turbulence over some of our hills.

I want to talk about the role of general aviation within the overall transportation system in the United States. Yours is a role little understood throughout the country.

General aviation is the only connecting air link most areas of the Nation have. There are thousands of American communities like Winnemucca with no other air service than that provided by pilots like you. And yours is no small operation.

General aviation includes all civil flying except the military and the scheduled airlines. It numbers 135,000 aircraft flown by more than 720,000 pilots flying more than 25 million hours a year, with a very commendable safety record considering the number of hours flown.

To understand the significance of these figures, and to understand the importance of general aviation today, some further comparisons have to be made with scheduled airline operations.

As chairman of the Senate Commerce Subcommittee on Aviation, as a former military pilot and as a member of the Senate Armed Services Committee, as a United States Senator representing the people of this State—and as a pilot and frequent air traveler—I am well aware of almost every facet of aviation in America today. I am familiar with a great many of its problems.

I know, for example, that to the general public, aviation generally means the scheduled airlines with whose advertising they are now very familiar. To the general public aviation also means military flight. To the public, general aviation means very little if anything at all. . . .

Yet general aviation flys thousands more aircraft than do the airlines and the military together.

While general aviation flew that 25 million hours a year I have referred to, the scheduled airlines flew only 5.6 million hours, little more than a fourth of that total.

Not only that, general aviation carries approximately seven million more persons each year than all the U.S. domestic and international airlines combined. In intercity travel alone, general aviation transports a large share of the people who travel by air.

Scheduled airlines serve about 800 airports in the 48 contiguous States today. General aviation operates out of eleven thousand airports.

Twenty percent of all airline flights and 36% of all the passengers they carry are centered at only five cities in the United States. General aviation covers the whole country, intertying towns and cities of this country with more than 3.9 billion airplane miles flown every year. The scheduled airlines fly only 1.5 billion miles a year, slightly more than a third as much.

Now it seems obvious to me that general aviation has quietly built up an extremely impressive record over the years. It is equally obvious that they shouldn't have been as quiet about it as they have.

It looks to me like it's time for your people to start blowing your own horn for a little more attention than you have been getting. Because it is obvious that the role you are playing sould be more widely recognized.

General aviation may now, in the immediate future provide some workable answers to the tangled problems of crowding and urban congestion with which the United States is faced today.

Your present role in moving passengers and goods in areas not served by the airlines should be expanded. And let us look for a moment more closely at that role.

The scheduled airlines provide important service in linking the major centers of population. The size of the aircraft involved and the economics of their operation limits the airlines to this job of connecting major metropolitan areas.

The distribution of our population acts as a further limiting factor because the airlines naturally operate most heavily between the major population centers in this country.

Five of these major urban centers, as I've said before, get the lion's share of this traffic. Nearly three quarters of all the scheduled airlines passengers enplane at 22 large hub areas. This means that the rest of the cities served—more than 800 of them in fifty states—must settle for extremely limited service by the certified air carriers.

That means that if you want to fly between New York, Chicago, Dallas, Los Angeles, San Francisco or Seattle, you've got plenty of scheduled flights to ride—the service is great. But if you want to get into Waco, Texas or Pendleton, Oregon; or Fargo, North Dakota; Knoxville, Tennessee; Harrisburg, Pennsylvania; Macon, Georgia—you can't pick and choose flight time or avoid intermediate stops. If you live in smaller towns or want to visit there—you drive, or take the bus, or fly to the nearest city and rent a car or take the bus—or—if you're really wise and you know about general aviation, you might be able to fly directly into almost any one of the 19 thousand incorporated communities that have no scheduled air service.

People do it all the time but certainly not as often as they should be able to. In domestic operations last year, general aviation carried 177,000,000 passengers of which about 92,000,000 were intercity travelers. This compares favorably with the 154,000,000 passengers carried by the certificated carriers.

General aviation can and should expand that aspect of its operations concerned with providing air commerce connections between the thousands of communities not now adequately served.

That role—tying together by air all these forgotten or inadequately served American communities is important to both the big cities and the small towns of this country. For to meet the social and economic needs of the United States, it is equally important to make both big towns and small accessible by air. That is the unique role, the great opportunity of general aviation today.

This brings up the major problem facing outlying cities and towns which general aviation can help to solve—the draining away of its youth and its talent to the big cities and the opportunities they offer today.

For some years it has been obvious that farmers leave their farms, young people leave rural communities because they can no longer make a living there. To too many of these Americans opportunity seems to have fled to the major centers of population and from all over rural America the young, the unemployed, the disadvantaged have poured into the cities to create only worse problems than those from which they have fled.

Congress is now considering programs designed to reverse this trend and help the rural areas back to economic health. General aviation, it seems to me, can make a very real contribution to this effort.

This is not an impossible dream. Indeed, we see it happening on a small scale whenever we establish or improve a local airport in any city or town that is not a major population center. The mere presence or improvement of the airport alone has a measurable, positive effect on the economic and social life of the community. As air service and commerce increases between that community and others, things look up. Business improves. New industries are made possible. Jobs are created. The drain of local talent into the city slows. For general aviation is an active force in our economic life wherever it operates.

The activities of general aviation are now responsible for the existence and operation of two thirds of all the airports in the United States.

These airports are aided by the business generated by general aviation. Privately owned, they are on the local tax rolls paying substantial taxes for the privilege of providing hundreds of communities with air service.

In addition, general aviation bears a significant share of the cost of all the remaining airports in the United States. General aviation pays a big share of airport income through charges both to the operators of its aircraft and to those airport businesses and facilities that serve them.

General aviation pays fuel taxes alone of nearly $25,000,000 to the Federal Government.

The point of all this is that wherever general aviation goes, it does more than simply provide air service. It helps build and maintain airports, business operations, opportunities, and hope for the future.

General aviation should therefore be considered a factor in any hoped for rural redevelopment and it is my hope to bring this to the attention of those committees and individuals in the Congress now concerned with the problem.

Your future therefore looks bright. General aviation will continue to serve as the only connecting air link most areas of this nation have, and it can certainly strengthen that link and broaden its coverage.

General aviation thus offers a real prospect of bringing all of this great country together into an air transportation system whose advantages are equally shared by city, town and countryside alike.

General aviation offers a good prospect of helping to reverse the drain of people from rural areas into our already overcrowded cities, thus making possible a decentralization of activities and a spread of opportunities to all the people.

Let us hope for and let us all work for that kind of a solution not only to your problems but to those of America. Let us work toward building back into the heartland of this country, always a source of strength throughout our history. General aviation can do much to restore to rural America the right of its citizens to work and prosper without having to leave home.

So, as aviation has long been doing throughout its brief fifty or sixty years of age, perhaps we can once again show this country how to get off dead center and into the air, flying toward a new frontier more promising than anyone may realize today.

Samuel Pierpont Langley, an early American aviation pioneer, once made the observation that knowledge begins with wonder. Perhaps if you set people to wondering a little more about who you are and what you can do, they will come to know and to understand the very real contribution general aviation can make to the future of this country.

Or as we've been saying out here for a century or so, remember—the wheel that squeals is the wheel that gets the axle grease.

To you who are here, to all the 160 thousand members of your organization, the Aircraft Owners and Pilots Association, let me wish you luck and thank you for this opportunity to meet with you today.

To all in general aviation, let me say again, it is high time your past accomplishments, your present services and your potential for the future development of this country were recognized.

I thank you.

## ORDER OF BUSINESS

Mr. NELSON. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Indiana. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. Sparkman), the Senator from New Mexico (Mr. Montoya), the Senator from South Dakota (Mr. McGovern), the Senator from Arkansas (Mr. Fulbright), and the Senator from North Carolina (Mr. Ervin) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Delaware (Mr. Boggs), and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

If present and voting, the Senator from Delaware (Mr. Boggs), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) would each vote "nay."

If present and voting, the Senator from Kentucky (Mr. Cook) would vote "yea."

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from Nebraska (Mr. Curtis). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 40, nays 37, as follows:

[No. 314 Leg.]

YEAS—40

Allen
Bayh
Bible
Burdick
Byrd, W. Va.
Cannon
Case
Church
Cranston
Gambrell
Gravel
Harris
Hart
Hartke
Hollings
Hughes
Humphrey
Inouye
Jackson
Jordan, N.C.
Long
Magnuson
Mansfield
McClellan
McIntyre
Mondale
Moss
Muskie
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Spong
Stevenson
Symington
Talmadge
Tunney
Williams

NAYS—37

Aiken
Allott
Anderson
Baker
Beall
Bennett
Bentsen
Brooke
Buckley
Byrd, Va.
Chiles
Cooper
Dole
Eastland
Ellender
Fannin
Fong
Griffin
Gurney
Hansen
Hruska
Javits
Jordan, Idaho
Kennedy
Mathias
Miller
Nelson
Pearson
Roth
Scott
Smith
Stafford
Stennis
Stevens
Thurmond
Weicker
Young

NOT VOTING—23

Bellmon
Boggs
Brock
Cook
Cotton
Curtis
Dominick
Eagleton
Ervin
Fulbright
Goldwater
Hatfield
McGee
McGovern
Metcalf
Montoya
Mundt
Packwood
Percy
Saxbe
Sparkman
Taft
Tower

So Mr. Hartke's amendment was agreed to.

Mr. BURDICK. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. HARTKE. I move to lay that motion on the table.

The PRESIDING OFFICER. The question is on agreeing to the motion to lay on the table.

Mr. MILLER. Mr. President, I ask for the yeas and nays.

The yeas and nays were not ordered.

Mr. MILLER. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. TUNNEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

Mr. MILLER. Mr. President, reserving the right to object——

Mr. BYRD of West Virginia. Mr. President, there can be no reservation of a right to object to the calling off of a quorum call.

Mr. MILLER. I object. Mr. President, I would like to get the yeas and nays. There is no reason why we cannot have the yeas and nays, and if we can get them, we will go ahead.

I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I ask for the yeas and nays on the motion to lay on the table.

The yeas and nays were ordered.

The PRESIDING OFFICER (Mr. Weicker). The question is on agreeing to the motion to lay on the table the motion to reconsider the vote by which the amendment of the Senator from Indiana (Mr. Hartke) was agreed to. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Massachusetts (Mr. Kennedy), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Ervin), the Senator from South Dakota (Mr. McGovern), the Senator from New Mexico (Mr. Montoya), and the Senator from Alabama (Mr. Sparkman) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) the Senator from Delaware (Mr. Boggs), and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft) and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

If present and voting, the Senator from Delaware (Mr. Boggs), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft) and the Senator from Texas (Mr. Tower) would each vote "nay."

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from Nebraska, (Mr. Curtis). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 42, nays 35, as follows:

[No. 315 Leg.]

YEAS—42

Allen
Bayh
Bible
Burdick
Byrd, W. Va.
Cannon
Case
Church
Cranston
Fulbright
Gambrell
Gravel
Harris
Hart
Hartke
Hollings
Hughes
Humphrey
Inouye
Jackson
Jordan, N.C.
Long
Magnuson
Mansfield
Mathias
McClellan
McIntyre
Mondale
Moss
Muskie
Pastore
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Spong
Stevenson
Symington
Talmadge
Tunney
Williams

NAYS—35

Aiken
Allott
Anderson
Baker
Beall
Bennett
Bentsen
Brooke
Buckley
Byrd, Va.
Chiles
Cooper
Dole
Eastland
Ellender
Fannin
Fong
Griffin
Gurney
Hansen
Hruska

Javits
Jordan, Idaho
Miller
Nelson
Pearson
Roth
Scott
Smith
Stafford
Stennis
Stevens
Thurmond
Weicker
Young

NOT VOTING—23

Bellmon
Boggs
Brock
Cook
Cotton
Curtis
Dominick
Eagleton
Ervin
Goldwater
Hatfield
Kennedy
McGee
McGovern
Metcalf
Montoya
Mundt
Packwood
Percy
Saxbe
Sparkman
Taft
Tower

So the motion to lay on the table was agreed to.

Mr. MOSS. Mr. President, today the Senate moves to consider H.R. 10947, a major program of tax-relief aimed at stimulating economic recovery and full employment.

I fully support the goals of this legislation. I believe that it is long past time for the Federal Government to take strong action to bring an end to the 2½ years of economic waste and human indignities resulting from massive joblessness.

Since January 1969, when the Nixon administration took office, unemployment has risen from 3.5 to 6 percent and has stayed at that tragic level for the past 12 months. In my own State of Utah, the jobless rate has climbed substantially beyond that of the national average.

The magnitude of our present economic predicament demands that the Senate look deeply into the various proposals contained in this bill. This legislation is the major thrust of Federal Government's efforts to fight unemployment. Failure to apply the correct fiscal stimulus to the economy could result in many more months of the present unacceptable rate of unemployment.

H.R. 10947 relies heavily on tax-incentives to the businessman. In addition to the 7-percent investment tax credit, the bill provides for repeal of the automobile excise tax, a liberalized method of granting depreciation allowances and a new system of tax deferrals.

On the other hand, the bill contains only a limited number of incentives directed toward the individual taxpayer, and only a fraction of these take effect this year.

I contend that as long as this tax-relief program continues to emphasize stimulants to increased investment rates as a means of creating more jobs, and ignores the importance of immediate spurs to consumer spending, it will fall short of its desired economic impact. I believe that this bill requires substantial modification before we can ever hope that it will bring about rapid recovery and increased employment.

The evidence is clear. Our main opportunity for creating more jobs in the near future lies not with increased investment in more capital and equipment but with increased consumer demand for goods and services.

Recent surveys show us that only about 73 percent of all existing industrial capacity is now being used. Business is bad in America today, not because there is a shortage of capital equipment, but because customers are not buying the goods at a sufficiently high level to keep plants and machines busy. It becomes obvious that any program to stimulate economic expansion must give the consumer at least as much attention as the investor.

A tax-relief program for 1971 should come to grips with the economic realities of the times. It should be a balanced program which offers incentives to both the business firm to invest and the individual to consume.

I support the 7-percent investment tax credit. I believe that the Federal Government should play a role in stimulating the new technology which is essential to increased productivity.

At the same time, I question the necessity of granting fast writeoffs to business in the same period in which they are eligible for the tax credit. I believe the 20-percent range on the new asset depreciation range system should be significantly modified. This program will cost the Government $35 billion over the next 10 years. It will be a permanent system. Unlike the tax credit, it will hide tax breaks to business under the illusion of increased capital costs.

I believe that the bill should do more to stimulate immediate consumption. I, therefore, will continue to sponsor amendments to make increased personal exemptions retroactive for 1971—from $650 to $750—scheduled to take effect next year. This would mean a cash refund for many taxpayers and lend an immediate boost to consumer spending.

Second, I urge that the Senate increase the 1971 low-income allowance from $1,050 to $1,300. This would have an immediate impact on families making less than $10,000 a year. By putting money in the hands of hard-pressed families of low and moderate incomes, the Senate could be sure that practically all of the new money would go to the consumption of essentials. The effects on areas hard hit by widespread unemployment would be massive.

Neither of the proposals to speed up tax incentives to individuals would have a permanent effect on the Nation's revenue base. These adjustments were already going to take effect in 1972 and 1973. My proposal would merely take advantage of these new fiscal stimulants at a time the economy could certainly use them.

Taken together, these modifications in H.R. 10947 would make for a highly balanced program of tax incentives to encourage the businessman to invest and the individual taxpayer to consume. Such a program stands the best chance of coming to grips with our current economic difficulties.

The PRESIDING OFFICER. The bill is open to further amendment.

## EXECUTIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the Senate go into executive session to consider a nomination which was reported earlier today.

There being no objection, the Senate proceeded to the consideration of executive business.

The PRESIDING OFFICER. The nomination will be stated.

## DEPARTMENT OF JUSTICE

The assistant legislative clerk read the nomination of Scott P. Crampton, of Virginia, to be an Assistant Attorney General.

The PRESIDING OFFICER. Without objection, the nomination is considered and confirmed.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the President be immediately notified of the confirmation of the nomination.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LEGISLATIVE SESSION

Mr. BYRD of West Virginia. Mr. President, I move that the Senate resume the consideration of legislative business.

The motion was agreed to, and the Senate resumed the consideration of legislative business.

## REVENUE ACT OF 1971

The Senate resumed the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. TUNNEY. Mr. President, I send an amendment to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. WEICKER). The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment, as follows:

> On page 72, before line 17, insert:
>
> (c) Amendment to Section 62.—Section 62 (relating to definition of adjusted gross income) is amended by inserting after paragraph (9) the following new paragraph:
>
> "(10) Expenses for household and dependent care services necessary for gainful employment.—The deduction allowed for section 214."
>
> On page 72, line 17, strike out "(c)" and insert in lieu thereof "(d)".

Mr. BYRD of West Virginia. Mr. President, if the Senator from California will yield to me for a moment, I ask unanimous consent, after having discussed the matter with the distinguished mover of the amendment and the distinguished manager of the bill, that time be limited on this amendment to 30 minutes, to be equally divided between the two Senators named.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, the Finance Committee amendment which would provide a new job development deduction for household services and child care is a much needed provision of law. I think that everyone feels it is quite unfair to have a situation where a mother goes out to work and has to spend a substantial portion of her income for a baby sitter.

The only trouble with the committee bill as written is that it makes household service and child-care costs a personal deduction rather than a business deduction. I think it is very important that this work-related activity be a business deduction.

The reason for my amendment and its significance is that if it is a personal deduction those families who do not itemize their personal deductions but use the standard deduction form will not be able to take advantage of the committee provision. If we take a look at the record, we find that of those families who have incomes of less than $10,000, only 32 percent use itemized deductions. That would mean that almost 70 percent of families earning less than $10,000 would not be able to take advantage of the provision in the bill which would give a deduction for hiring a babysitter so that the mother could work.

Mr. PASTORE. Mr. President, will the Senator from California yield for a question?

Mr. TUNNEY. I yield.

Mr. PASTORE. Does the mother have to be a working mother with a personal income of her own? In other words, if we had a joint tax return and the wife was not employed and she sent her child out for day care, would she still be entitled to the deduction, or must she be a working mother?

Mr. TUNNEY. The Senator from Louisiana (Mr. LONG) is now in the Chamber and perhaps he would like to answer that question.

Mr. LONG. The mother would have to be a working mother or she would have to be disabled.

Mr. PASTORE. All right. I thank the Senator.

Mr. TUNNEY. Mr. President, the point is we want to make this deduction available to those families that use the standard deduction and 70 percent of the families that earn $10,000 or less use the standard deduction. However, if it is a business deduction, then those families that use the standard deduction form would be able to take advantage of the deduction as provided for in the committee bill.

This is a simple amendment. Its purpose is to give greater effect and impact to the committee provision. I believe that the distinguished chairman of the committee, the Senator from Louisiana (Mr. LONG), is prepared to accept the amendment.

Mr. LONG. Mr. President, I yield myself 3 minutes.

The PRESIDING OFFICER. The Senator from Louisiana is recognized for 3 minutes.

Mr. LONG. Mr. President, the Senator from California has, in my judgment, a good amendment. After we voted for the relief that was provided in the committee bill for working mothers where both mothers and fathers work, which would help them in hiring someone to look after the child or to do the housework while the mother was working to help increase the family income, we were amazed to find that the revenue costs would be less than estimated. We had estimated that the cost would be around $300 million.

We found, however, that when the estimators completed their estimate, it would only cost about $110 million. The reason for this was the type of situation which the Senator from California has referred to. The people we thought would be taking advantage of this provision would be unable to do so. We thought that we had provided twice as much relief for working mothers, widows, and divorced people who had children to support as we actually did.

This is a good provision as far as it goes, but we did not do as much for working people as we thought we did because of the type of thing the Senator has in mind.

Mr. President, I do not know of anyone who is in opposition to the amendment but I would be happy to yield them the time remaining to me, if someone wishes to speak in opposition to the pending amendment.

Mr. President, I expect to vote for the amendment. I should like to ask for the yeas and nays on it because that will be an indication as to how the Senate feels on this overall proposition.

Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, will the Senator yield me 1 minute in support of the amendment?

Mr. TUNNEY. I yield.

Mr. BAKER. I want to commend the distinguished Senator from California for offering the amendment and also the distinguished manager of the bill, the chairman of the Finance Committee.

This is a measure that has long been needed and one I intend fully to support.

If the distinguished Senator from California is agreeable to having cosponsors, I should like to ask him to add my name as a cosponsor of his amendment.

Mr. TUNNEY. Mr. President, I will be happy to do so.

Mr. President, I ask unanimous consent that the name of the Senator from Tennessee (Mr. BAKER) be added as a cosponsor to this amendment; as well as the following Senators: Senators BAYH, CHILES, HUMPHREY, PASTORE, BIBLE, RIBICOFF, GRAVEL, JAVITS, CASE, BUCKLEY, and STEVENSON. [Laughter.] I am proving that I know all the Senators now.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I would be happy to yield time in opposition to the amendment if someone wishes to speak in opposition.

Mr. RIBICOFF. If the Senator will yield me half a minute, I would like to say that, while the amendment has been offered by the distinguished Senator from California (Mr. TUNNEY), I think that the Senate should be apprised of the fact that its concept originates with the distinguished chairman of the committee, the Senator from Louisiana (Mr. LONG). To the best of my knowledge, this is the first time it was presented to the Finance Committee. We spent a great deal of time on it and the committee was in general agreement with the Senator from Louisiana.

Mr. TUNNEY. Mr. President, I should like to underline what the Senator from Connecticut has just said. It certainly was the whole concept and idea of the distinguished Senator from Louisiana.

This amendment of mine merely attempts to clarify what the Senator from Louisiana had intended all along.

Mr. LONG. Mr. President, let me say that the Senator from California has improved on what we intended to do and I congratulate him.

Mr. PASTORE. Mr. President, I wonder whether the committee—I realize that this is a complicated subject and we cannot do it on the floor of the Senate by way of amendment—but I wonder whether the committee gave some thought to families who have a retarded child and have to board that child at a terrific expense. In many instances, I have seen tragedies befall families where they had to support a retarded child and put it either in a home or in something of that kind, and I was wondering whether some thought had been given to that.

Mr. LONG. Well, that is a different problem, but——

Mr. PASTORE. I know it is a different problem, but I would hope that the committee would study that at some time in the near future.

Mr. LONG. The Senator from Rhode Island has a very good point and I would say that following the vote on this provision, perhaps we can work out what the Senator has in mind. If the Senator himself would like to draft an amendment along that line, perhaps we could consider it.

Mr. RIBICOFF. The thought occurs to me that that is an excellent idea and I would anticipate that H.R. 1, which contains many amendments to the Social Security Act, will come up early next year. And I would be more than pleased to work with the Senator from Rhode Island toward considering such an amendment during our committee and Senate floor discussion on H.R. 1 early next year.

Mr PASTORE. Mr. President, I thank the Senator. I am certainly willing to do that. I appreciate the cooperation of the Senator.

Mr. TUNNEY. Mr. President, I yield back the remainder of my time.

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 2 minutes

Mr. BENNETT. Mr. President, to be sure that we know what we are doing, the Treasury estimates that the bookkeeping change proposed by the Senator from California (Mr. TUNNEY), will cost $110 million.

We are tossing money around here pretty freely. We tossed away nearly $2 billion on the amendment of the Senator from Indiana this morning. Here is another $110 million. I am sure there will be others. I think that the Senator from California (Mr. TUNNEY) has another one that will be a little expensive.

We should just realize that it is nice to pay out these little benefits. However, I wonder when we will reach the point where we consider that we must be responsible as well as generous.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. PASTORE. Mr. President, how much will we toss away when we get to the investment tax credit and the accelerated depreciation allowance? It will run into billions.

Mr. BENNETT. The Senator was not

present in the Chamber this morning when I read the comparison between the benefits we have already given to the individual taxpayers as compared to the added costs we have attached to business.

Mr. PASTORE. But the Senator has not answered my question. I asked him how much we would be tossing when we reach the investment tax credit and the accelerated depreciation allowance. How much money will that cost? If we do not have it now, we will have it later. I may be for it. I would like to know how much this will cost.

Every time we talk about little children and retarded children, we start to talk about how much money we will toss away.

How much money will we toss away on the investment tax credit and the accelerated depreciation allowance?

Mr. BENNETT. To answer the Senator's question, reinstating the 7-percent investment tax credit for corporations will cost $2,885 million in 1972.

Mr. PASTORE. $2,885 million as against $110 million.

Mr. BENNETT. The total bill has already given individuals relief to the extent of $5.9 billion and, corporations, including the investment tax credit, $1.9 billion, because there are other changes that offset part of the revenue loss from the credit.

Mr. PASTORE. The Senator is correct. And we have more people than corporations, and people make America.

Mr. BENNETT. I would like to ask my friend, the Senator from Rhode Island, what makes corporations.

Mr. PASTORE. People.

Mr. BENNETT. I thank the Senator.

Mr. PASTORE. The Senator is correct. The Senator asked an easy question and he got a fast answer.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from California. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. CHILES), the Senator from Missouri (Mr. EAGLETON), the Senator from North Carolina (Mr. ERVIN), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Nevada (Mr. CANNON) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), the Senator from Alabama (Mr. SPARKMAN), and the Senator from Wyoming (Mr. MCGEE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Senator from Ohio (Mr. TAFT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Delaware (Mr. BOGGS), the Senator from Nebraska (Mr. CURTIS), the Senator from Kentucky (Mr. COOK), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the Senator from Ohio (Mr. TAFT), and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 74, nays 1, as follows:

[No. 316 Leg.]

YEAS—74

Aiken
Allen
Allott
Anderson
Baker
Bayh
Beall
Bentsen
Bible
Brooke
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Case
Church
Cooper
Cranston
Eastland
Ellender
Fannin
Fong
Fulbright
Gambrell
Gravel
Griffin
Gurney
Hansen
Harris
Hart
Hartke
Hollings
Hruska
Hughes
Humphrey
Inouye
Jackson
Javits
Jordan, N.C.
Jordan, Idaho
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McIntyre
Miller
Mondale
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Scott
Smith
Spong
Stafford
Stennis
Stevens
Stevenson
Symington
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—1

Bennett

NOT VOTING—25

Bellmon
Boggs
Brock
Cannon
Chiles
Cook
Cotton
Curtis
Dole
Dominick
Eagleton
Ervin
Goldwater
Hatfield
McGee
McGovern
Metcalf
Montoya
Mundt
Packwood
Percy
Saxbe
Sparkman
Taft
Tower

So Mr. TUNNEY's amendment was agreed to.

The PRESIDING OFFICER. The bill is open to further amendment.

Mr. HUMPHREY. Mr. President, I call up my amendment No. 601.

The PRESIDING OFFICER. Will the Senator send the amendment to the desk?

Mr. HUMPHREY. Mr. President, I would like to ask the assistant majority leader if he would like to seek a unanimous-consent agreement on a limitation of time.

Mr. BYRD of West Virginia. Will the Senator please identify the amendment?

Mr. HUMPHREY. This amendment covers the investment tax credit on farm equipment.

Mr. BYRD of West Virginia. Mr. President, I have discussed this amendment with the distinguished Senator from Minnesota, the mover of the amendment and I believe he has indicated he would be willing to enter into an agreement for 10 minutes on a side or 15 minutes on a side.

Mr. HUMPHREY. Fifteen minutes will be more than adequate. I will, more than likely, yield back some time.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time on the amendment be limited to 30 minutes, to be equally divided between the distinguished mover of the amendment and the distinguished manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the name of the distinguished Senator from Kansas (Mr. PEARSON) be added as a cosponsor of the amendment. Inadvertently on my part, I left his name off.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will read the amendment.

The assistant legislative clerk read the amendment (No. 601) as follows:

> On page 3, line 22, before the period insert ", or, in the case of farm machinery and equipment, after December 31, 1970, and before August 16, 1971, pursuant to an order which the taxpayer establishes was placed after December 31, 1970".

Mr. HUMPHREY. Mr. President, the amendment will make the investment credit applicable for farm machinery orders placed from January to March 1971, as well as in the other quarters of the year.

I explained this amendment in considerable detail on the date of November 3, which explanation appears in the CONGRESSIONAL RECORD at page 38996.

The purpose of the amendment, quite simply put, is that the farmers are rather unique in their equipment purchasing. Much of their purchasing is done in the first 3 months of the calendar year.

Farmers spend a total of over $5 billion on heavy machinery each year. I call to the attention of the Senate in fact that that is a rather sizable figure. It is one of the reasons why I have said that until there is a better income level in rural America, we are not going to be able to relieve the problems of unemployment or stimulate the economy.

That figure of $5 billion includes some $1 billion for tractors, $745 million for trucks, $645 million for autos, and another $2 billion for other machinery such as combines, balers, and so forth.

This means that over 119,000 tractors, some 25,944 combines, and over 26,000 balers are purchased by American agriculture enterprise and family farms each year.

Of this number, 25,000 tractors, 2,700 combines, and 1,500 balers are purchased in the first quarter of each year—from January to March 1971.

This totals, in the first quarter, to over $942 million for all machines, including some $223 million for tractors and another $163 million for trucks.

Despite this heavy investment in the first quarter, Mr. President, the Revenue Act of 1971 does not give the farmers credit for any investment credit for these purchases. The act provides that credit will be available for orders after April 1, but not for orders placed before that date.

My amendment will make the 7 percent retroactive and it would provide a total credit, in addition to what is in the bill, of approximately $66 million, which is not a colossal sum in light of the urgent economic needs of the agricultural sectors.

Mr. President, the American farmer has been taking it on the chin again this year. Farm income is at the lowest level in years. Parity prices are low. Farmers are hit heavily by inflation. Net farm income will drop by another $200 or $300 million for the calendar year 1971.

In short, I believe this particular amendment is an effort in the right direction. It is a beginning that would recognize the peculiar and particular conditions that are prevalent in the field of agriculture.

I think this amendment is just, fair, and needed.

I yield to the Senator from Illinois (Mr. STEVENSON).

The PRESIDING OFFICER. The Chair would like to direct the attention of the Senator from Minnesota to the fact that the amendment is not geared to the bill which has been reported to the Senate. As it reads now as to page and line, it is geared to the bill as originally referred to the committee. During the debate on the matter it seemed proper for the Chair to suggest that the Senator from Minnesota should rearrange his amendment.

Mr. HUMPHREY. It should read page 4, line 10. So I modify my amendment by changing page 3, line 22, to read page 4, line 10.

The PRESIDING OFFICER. The amendment is so modified.

Mr. HUMPHREY. I yield to the Senator from Illinois.

Mr. STEVENSON. Mr. President, I rise to commend the distinguished Senator from Minnesota for offering his amendment which I have cosponsored.

Much of the discussion on the floor of the Senate this afternoon has centered on amendments which would make structural changes in the Internal Revenue Code and provide future tax relief. I think this is the first amendment to be offered which would provide immediate relief to consumers and to workers. It would provide immediate relief to a segment of our society which is suffering as much as any other—the farmers.

The investment tax credit provisions of the revenue bill now before us effectively discriminates against the farmer, as the distinguished Senator has pointed out. Farmers typically purchase farm machinery in the early part of the year. Since August 15 no equipment is eligible for the tax credit unless it has been purchased after August 15 of this year, it would be impossible for farmers to derive the same benefits from the investment tax credit that other business operations would enjoy.

This amendment gives the farmer the benefit of the investment tax credit and in doing that it provides him with immediate relief on his 1971 income tax. It would, early next year, effectively put more cash in the pocket of the farmer, and would enable him in the early part of 1972 to purchase more farm equipment.

I would also like to point out that the effect of these purchases will not only benefit the farmer, but also farm equipment dealers and workers in the farm equipment industry, who are also suffering from the tremendous slump in agriculture and from the drastic falloff of orders for farm equipment.

So I think the Senator from Minnesota has made a very sensible and thoughtful suggestion. I intend to vote for the Humphrey amendment, and I strongly hope it passes.

Mr. HUMPHREY. Mr. President, of course the distinguished Senator from Illinois is a cosponsor, and he has been very helpful in bringing this amendment to the floor.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, will the manager of the bill yield me 3 minutes?

Mr. LONG. I yield 3 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, as has been explained, the amendment would extend credit for farm machinery and equipment ordered in the quarter between December 31, 1970, and March 31, 1971, which was the date in the House bill. The date in the House bill was selected in order to protect tax credits of those who relied on statements of public officials concerning the restoration of the credit. There was no statement prior to that date that restoration of the credit was being considered.

So what we are being asked to do now is to provide a windfall for a selected group of taxpayers, giving them an advantage over all other taxpayers.

This amendment cannot be justified as a small business subsidy. When we talk of farmers, we are inclined to think of the man who has the small tractor—I was going to say 10 acres and a mule. That was the situation in the past. Commercial farming today is a very large part of our farming enterprises.

It is to be expected that most of that tax benefit will go to large commercial farmers, who are in a position to buy farm equipment much more frequently than the small farmer. In fact, the proposal would operate to the detriment of the small farmer, because it would give his commercial competitor that much more advantage.

I was the only Senator who voted against the last amendment, and I did it on purpose. I shall vote against this one as well, for two reasons: First for the reasons I have just stated, and second, because this represents another loss of $75 million to the Treasury, all of which would occur in the current fiscal year.

I hope, if we are going to consider ourselves fair and equitable to all taxpayers, we will not give this particular advantage to the commercial farmer in the thought that we are trying to help the small farmer.

Mr. LONG. Mr. President, the reason that the bill before us is retroactive to orders placed on or after April 1 is that at about that time the Secretary of the Treasury went before the U.S. Chamber of Commerce and told them that, while the administration was not recommending the renewal of the investment tax credit, they wanted to encourage people to go ahead and place orders rather than wait for the renewal of the credit. To accomplish that objective, the Secretary gave assurance that if at some future date in the year they decided to recommend the renewal of the investment tax credit, they would urge that it become effective as of April 1.

The reason that the investment credit was extended back to April 1 was to honor that commitment so that businessmen would feel they were not victimized or prejudiced, because they ordered equipment after that date on the basis of the Secretary's statement.

If the investment tax credit were given for orders that had been placed prior to that time, it would give a tax advantage to people who had already bought or ordered the equipment. This, of course, is completely inconsistent with the incentive nature of the credit—to encourage people to make investments they would not have made otherwise. This amendment would provide a tax advantage to farmers that it would not give to anyone else. This would be an inequitable result—a discrimination in favor of farmers.

If we are going to do this, Mr. President, it makes just as much sense for someone else to come in here with a proposal to make the entire investment tax credit retroactive for everybody back to January 1. I suspect that if this amendment carries, this will happen next. If this were to happen, it could cost a considerable sum—perhaps $500 million in addition to the $75 million this amendment would cost.

I would think, Mr. President, that insofar as there is a case for equity, it exists for those who put in orders after April 1. To pass this amendment would be, in effect, to give a tax advantage to farmers just because they are farmers.

I think there is even more appeal to give a tax advantage to a housewife just because she is a housewife, or a working man just because he is a working man.

As a politician, you want to see everybody happy. You do not want to pick out one segment of the economy. When you do it for one, you have to do it for the others, and there would be no stopping point.

I like farmers. They work very hard, and a lot of them have little to show for it when they are through. But we have passed measures to benefit farmers. We passed a good Sugar Act for them, and we will pass any agricultural measure, I think, that can be reported from the Committee on Agriculture and Forestry, to help farmers with their problems.

But I hope we do not proceed, here, to give some special advantage to the farmers, fine people that they are, just because they happen to be farmers.

Mr. HANSEN. Mr. President, will the Senator yield me 3 minutes?

Mr. LONG. I yield 3 minutes to the Senator from Wyoming.

Mr. HANSEN. Mr. President, let me say this: I think there is great merit in what has just been said by the chairman of the Finance Committee. I happen to be a farmer, but the whole idea of the investment tax credit, as I understand it, was to stimulate activity which would result in an increase in jobs. As the chairman has pointed out, to pass this amendment would give an unanticipated windfall to people who have not been encouraged to go out and make purchases. Most of it would not result in increased employment at all; it would give them something they had had no reason to expect; and it does add an increased burden to the Treasury.

Despite my complete agreement with what the distinguished sponsor of the amendment has said, I cannot see that this amendment would further the objective that the President had in mind in proposing that this investment tax credit be adopted. Therefore, I, too, shall have to oppose it.

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 7 minutes remaining.

Who yields time?

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from Arizona.

Mr. FANNIN. Mr. President, I have great sympathy for the plight the farmers find themselves in, but after all, we must take into consideration just what is involved in this legislation.

It was very adequately stated, I think, in the report that came over from the House of Representatives. The measure was designed to put our present lagging economy on the high growth path, to increase the number of jobs and diminish the high unemployment rate, to relieve the hardships imposed by inflation on those with modest incomes, and to provide a rational system of tax incentives to aid in the modernization of our productive facilities.

Mr. President, looking at it from the standpoint of the goals that were stated for this bill, I cannot see that, much as the farmer certainly deserves consideration in many respects for the problems that he faces at the present time, this has any pertinence to this bill. It would in no way provide an incentive for additional purchases, because those purchases have already been made. They were not made in anticipation of any sort of tax incentive.

So I feel this is not the place in which we should give relief to the farmers.

The PRESIDING OFFICER. Who yields time?

Mr. MILLER. Mr. President, will the Senator from Louisiana yield me 3 minutes?

Mr. LONG. I yield the Senator 3 minutes.

Mr. MILLER. Mr. President, I well understand what the Senator from Minnesota is trying to do here. All of us understand very well the need for additional farm income. But I suggest that that would be much better accomplished by an increase in the price supports for 1971 crops. That way, we would have a much broader impact on additional income for farmers than by the selective approach which this amendment would provide.

Another thing I should point out is that the Finance Committee recognizes there is a question of inequities having to do with farm machinery and equipment which was foreign produced, or a part of which was foreign produced. The Senator from Minnesota has a great many farmers in his State, as does the Senator from Iowa, who have foreign produced tractors and equipment. The House of Representatives provided that the President could extend the investment tax credit to foreign produced items, and we received assurance from the Treasury Department that discretion would be exercised with respect to farm machinery and equipment.

The trouble is that the House of Representatives provided for this discretion to be operative only in futurity, as a prospective matter. That, of course, would have prevented the investment tax credit running to those farmers who bought their equipment before the effective date set forth in the bill. So the committee has voted to give the President discretion both prospective and retroactive.

Now, I might point out, the investment credit for the first time has been extended to breeding and dairy livestock. I know that the Senator from Minnesota has great numbers of dairy animals in his State; and now for the first time the investment tax credit has been extended to farmers who acquire such animals.

So I believe, overall, the tax bill is quite fair to the farmers, and that if the Senator from Minnesota wants to get more money into the hands of farmers—and certainly the Senator from Iowa does, too—we would be fairer to do it through the commodity approach than through this tax credit, which would only help a certain number of farmers who happened to buy their equipment after the first of the year, up to the effective date of this bill.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. I yield 2 minutes to the distinguished Senator from Georgia (Mr. GAMBRELL).

Mr. GAMBRELL. Mr. President, I had the privilege of presiding at the time this amendment was offered by the Senator from Minnesota. I thought the amendment had merit at that time, and I still think so. The purpose is to avoid a discrimination against farmers who make their major equipment purchases in the first 3 months of the year. The date which was selected did not do the farmer any good, because he was not planning to make any purchases after March 31, in any event.

It seems to me that it is purely a question of not discriminating against the farmer, rather than a bill or an amendment to discriminate in favor of the farmer. Certainly, I do not think we could say that we are giving a benefit just because someone is a farmer. We did not increase the exemption just because people have wives or just because they have children. We increased the exemption here today, because we thought that this was a segment of the economy that was entitled to some consideration, and in this particular case the consideration is not to be discriminated against in the way farmers are being discriminated against under the proposed bill.

The PRESIDING OFFICER. Who yields time?

Mr. HUMPHREY. Mr. President, I thank the distinguished Senator from Georgia for his remarks.

Mr. President, I have been around this city quite a while, and I do not recall with much clarity the remarks of the distinguished Secretary of the Treasury before the Chamber of Commerce. What is more, the farmers in my State do not recall them, either. If the Secretary of the Treasury wants to talk about agriculture, I suggest that he go before the Farm Bureau, or the Farmers Union, or the NFO, not before the U.S. Chamber of Commerce, a reputable, fine business organization.

The purpose of this amendment is to get some direct benefits to people on farms who have purchased farm equipment. As the Senator from Illinois has pointed out, indirectly, in the months to come, it will have, hopefully, benefits to implement the producers—that is, to farm machinery manufacturers—and to workers in those plants.

May I say most respectfully to my good friend, the Senator from Iowa, that since he has commented about helping farm income, I ask him to join me as a cosponsor of Senate Joint Resolution 172, which would increase those farm loans and farm supports by 25 percent. If we really want to get some money to farm families, that is the way to help. But this will not hurt. This will put $66 million back into the farmers' hands, and it does not mean $66 million back into the hands of the corporate farms. It means back into individual, commercial, family farms, plus others.

If you really want to do something for somebody who needs help, the family farmer needs it more than anybody else.

In addition, many farmers buy much of that equipment in the first 3 months of the year because of the unique nature of their operation. When farmers are going to plant, they plant in early spring. They make their deals for farm equipment in February and March.

All I am trying to do is to take cognizance of the facts of life.

I live in Wright County, Minn., and the people next door to me, the DeMar family, bought a bailer this year, and I will tell you when they bought it. They bought it in the spring. Most likely, they bought it before April.

If you are going to buy a plow, you buy it early. You do not buy it in the latter part of the year.

That is why I have offered this amendment. I do not think it would hurt a bit to have just a little income come back to a particular group of producers in this country who are in trouble.

Mr. THURMOND. Mr. President, will the Senator yield?

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. HUMPHREY. I yield 1 minute to the Senator from South Carolina.

Mr. THURMOND. Mr. President, I want to inquire of the distinguished Senator from Minnesota whether it is not true that farm families today are having a tougher time, a rougher time, making a living than any other segment of the population.

Mr. HUMPHREY. In my judgment, rougher than any other segment of the working population of this country.

Mr. THURMOND. Is it not true, that they do not have laws to protect them, such as the wage and hour laws, and so forth, protect the industrial workers, and that unless some step is taken by the Government to help the farmers they are almost going to become an extinct breed?

Mr. HUMPHREY. The Senator is correct. There are fewer and fewer in numbers each year, due to economic hardship in many instances.

Mr. THURMOND. Is it not true that the cost of what they buy has been going up and up continually—the price of machinery, the price of automobiles, the price of clothing, and everything else they buy; whereas, the price of the product they sell has not been increasing in proportion, in any way at all?

Mr. HUMPHREY. The Senator is correct.

The PRESIDING OFFICER. The minute of the Senator from South Carolina has expired.

Mr. THURMOND. I was going to suggest to the distinguished Senator that if he wishes to add my name as a cosponsor of the amendment, I shall be pleased.

Mr. HUMPHREY. I will be happy to do so.

Mr. President, I ask unanimous consent that the names of the Senator from South Carolina (Mr. THURMOND) and the Senator from Minnesota (Mr. MONDALE) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. HUMPHREY. Mr. President, I ask for the yeas and the nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. Do Senators yield back their time?

Mr. LONG. I yield back the remainder of my time.

Mr. HUMPHREY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back. The question is on agreeing to the amendment of the Senator from Minnesota. On this question the yeas and the nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. CHILES), the Senator from Missouri (Mr. EAGLETON), the Senator from North Carolina (Mr. ERVIN), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Alabama (Mr. SPARKMAN), and the Senator from California (Mr. CRANSTON), are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico (Mr. MONTOYA), the Senator from Wyoming (Mr. MCGEE), and the Senator from South Dakota (Mr. MCGOVERN), would each vote "yea."

On this vote, the Senator from North Carolina (Mr. ERVIN) is paired with the Senator from Alabama (Mr. SPARKMAN).

If present and voting, the Senator from North Carolina would vote "nay" and the Senator from Alabama would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD), the Senator from Illinois (Mr. PERCY), the Senator from Ohio (Mr. TAFT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Ohio (Mr. TAFT) would vote "nay."

If present and voting, the Senator from Kentucky (Mr. COOK) would vote "yea."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Illinois would vote "yea" and the Senator from Texas would vote "nay."

The result was announced—yeas 49, nays 26, as follows:

[No. 317 Leg.]

YEAS—49

Aiken
Allen
Allott
Baker
Bayh
Beall
Bentsen
Bible
Burdick
Byrd, W. Va.
Cannon
Church
Cooper
Fong
Fulbright
Gambrell
Gravel
Harris
Hartke
Hollings
Hughes
Humphrey
Inouye
Jackson
Javits
Jordan, N.C.
Kennedy
Magnuson
Mansfield
Mathias
McIntyre
Mondale
Moss
Muskie
Nelson
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Spong
Stafford
Stevenson
Symington
Talmadge
Thurmond
Tunney
Williams
Young

NAYS—26

Anderson
Bennett
Brooke
Buckley
Byrd, Va.
Case
Eastland
Ellender
Fannin
Griffin
Gurney
Hansen
Hart
Hruska
Jordan, Idaho
Long
McClellan
Miller
Pastore
Pell
Roth
Scott
Smith
Stennis
Stevens
Weicker

NOT VOTING—25

Bellmon
Boggs
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Goldwater
Hatfield
McGee
McGovern
Metcalf
Montoya
Mundt
Packwood
Percy
Saxbe
Sparkman
Taft
Tower

So Mr. HUMPHREY'S amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. GRAVEL. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 652

Mr. RIBICOFF. Mr. President, I call up amendment No. 652 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to state the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

> On page 122, line 21, strike the period and insert in lieu thereof a colon and thereafter the following: "*Provided*, That, notwithstanding any other provision of law, amounts transferred to the Highway Trust Fund under this subsection shall be available to the Secretary of Transportation for obligation and expenditure and under the Urban Mass Transportation Act of 1964, as amended, and such amounts shall be in addition to any amounts authorized for obligation or appropriation under such Act."

### UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. RIBICOFF. I will be glad to yield to the distinguished assistant majority leader.

Mr. BYRD of West Virginia. Mr. President, will the Senator be willing to enter into a time agreement on this amendment?

Mr. RIBICOFF. I will be glad to do so.

Mr. BYRD of West Virginia. Thirty minutes, the time to be equally divided.

Mr. RIBICOFF. That is agreeable to me.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time on the pending amendment be limited to 30 minutes, the time to be equally divided between the mover of the amendment and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. RIBICOFF. Mr. President, during consideration of this legislation, the Senate Finance Committee repealed the 10-percent excise tax on light trucks. In order to replace the resulting loss of funds to the highway trust fund, the committee directed that 7 percent of all the revenues from Federal alcohol taxes—approximately $350 million per year—be diverted to that fund.

I opposed such a move in the committee and oppose it now.

This amendment, introduced by Senators PELL, JAVITS, and myself, would attempt to correct what will represent a gross distortion in our national priorities.

Our amendment provides that those revenues placed in the Highway Trust Fund from the alcohol tax be earmarked for use by the Secretary of Transportation under the Urban Mass Transportation Act.

There are two basic reasons why I oppose the committee's decision.

First, the Highway Trust Fund has an accumulated surplus of $3.648 billion—as of June 1971—and, even with the expected reduction on revenues from the removal of the excise tax on light trucks, a forecasted surplus of $786 million for fiscal year 1972 alone.

In a time of large deficits and critical budget cuts, funds should not be transferred from the Treasury into an oversubscribed account out of which expenditures can only be made for highway-related projects.

It is perhaps ironic that on the same day the Finance Committee voted for the diversion of an expected $350 million into the Highway Trust Fund, the Transportation Committee of the National Conference of Mayors called for an emergency appropriation of the same amount to save the Nation's urban mass transit systems.

Secondly, supporters of the Highway Trust Fund have taken great pride in the fact that no moneys have, heretofore, gone into the fund from any source other than taxes on articles directly used on the highways, such as trucks, tires, gasoline, and oil. Although alcohol is frequently used on the highways, and accounts for nearly half of all automobile fatalities, it could only be called a highway user tax" with bitter irony. Furthermore, only 2.2 percent of the trust fund goes to projects related to highway safety and the alcohol tax revenues, if devoted entirely to safety, amount to nearly three times the current trust fund expenditures for safety programs.

If we are going to rely on the Highway Trust Fund to help solve our Nation's transportation problems, let us at least put it where it is really needed.

If mass transit exists at all, it is usually inadequate and highly expensive.

Fares are rising in every urban area, but the quality of service is usually on the decline.

There presently exists a $2.6 billion backlog of applications for Federal Mass Transit assistance.

And $900 million has been provided by Congress to meet this demand.

Unfortunately, the administration is not committing the money we have appropriated.

I have joined with Senators CASE, WILLIAMS and others in petitioning the President to release these funds immediately.

By adding and spending $350 million more, we could reverse the deteriorating trend and begin to establish the transportation systems American citizens need and deserve.

In addition, if implemented these programs would provide a tremendous impetus to our urban economy.

To simply allow these funds to lie idle in the trust funds is negligent when it could be put to such beneficial use.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. AIKEN. Mr. President, would the Senator's amendment permit money transferred from the highway fund to be spent for railroad purposes?

Mr. RIBICOFF. All mass transit purposes; the Senator is correct.

Mr. AIKEN. Any other forms of transportation?

Mr. RIBICOFF. Buses, subways, and other commuter programs.

Mr. AIKEN. Air transportation?

Mr. RIBICOFF. I do not contemplate air transportation. It would be for the projects in the Mass Transit Act at the present time, rail systems, subways, buses, and transportation of that kind.

Mr. AIKEN. Not anything for air or water transportation?

Mr. RIBICOFF. The Senator is correct.

Mr. AIKEN. How would that leave the highway fund?

Mr. RIBICOFF. The Highway Fund has an unexpended balance now of $3,648 million as of June 1971. The surplus for fiscal 1972 will be $786 million.

Mr. AIKEN. How much of that fund is current and how much has been withheld?

Mr. RIBICOFF. I do not have the figure for that. I think the distinguished chairman of the Public Works Committee is present on the floor and he could supply that.

The question was how much of the surplus has been committed.

Mr. RANDOLPH. I am sorry there is a time limitation on the amendment because I think it is a matter that needs discussion. I am sure the able Senator from Connecticut realizes that the money in the highway trust fund is ready to move into construction of highways all over America, but the problem is that the President is impounding this money. He now has impounded highway funds of $5.4 billion.

I hope I shall have an opportunity later in the debate to go into detail as to how the highway program is ready to go ahead throughout the United States if the funds are made available.

Mr. RIBICOFF. It is ironic that the supporters of the highway trust fund have always boasted that the fund only uses money from highway related taxes. Now they are diverting money from the General Treasury.

Mr. CASE. Mr. President, will the Senator yield?

Mr. RIBICOFF. I am pleased to yield.

Mr. CASE. I want to join the Senator and the Senator from New York in supporting this amendment. It is illogical and contrary to textbook theory as to what is good procedure. It is absolutely necessary.

We who represent areas of the country which need mass transit are shortchanged by the legislative branch and the executive branch alike, and the only way we can get anything like the amount necessary is by some artful dodge like this. It is a shame it has to be done, but it must be done. Congress has done better than the executive branch recently in this matter.

We authorized and appropriated $900 million and we can only get $600 million released. This is too bad. Even this is far too little.

The Senator's amendment, while contrary to, as I say, textbook authority, and contrary to the kind of thing we learned at our mother's knee in the school of good government, is necessary; sometimes we have to rise above principle to get justice.

Mr. JAVITS. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. JAVITS. Mr. President, I cosponsored this amendment with the Senator from Connecticut (Mr. RIBICOFF) because it seems almost inconceivable that the philosophy of the whole highway trust fund concept would be breached, as it is.

By the way, those who are deeply interested in the Highway Trust Fund should be worried about this concept of including unrelated general revenues, unless something like our amendment passes and suggests what should be done with the money. That which goes in irregularily can likewise come out. $350 million in alcohol taxes is going in quite against all the rules of the game. The Highway Trust Fund consists of highway user taxes—and much more could come out if people get the feeling there is nothing sancrosanct about it.

The highways are loaded enough; so the two ideas—that it is inconsistent to include general revenues and that there is nothing sacrosanct about the highway trust fund—coming together make this amendment very compelling.

Finally, it may be argued that this diversion of $350 million to the highway trust fund may be needed for safety research—safety effects, drunken drivers, and so forth. But the law now authorizes for safety research only approximately $120 million for fiscal year 1972 that is to come out of the highway trust fund. This is $350 million from the alcohol tax to be included, so it has no relation to what can be used, except the superficial excuse. So in elementary fairness to the starving mass transit needs of the country, and we have that impact in New York as everyone knows who reads the national newspapers—this is a modest contribution for mass transit.

Mr. President, in a letter circulated by Senators CASE and WILLIAMS, 38 Senators asked the President to release the $300 million he impounded. The answer was that he could not.

Here is a way to relieve the roads of a lot more rubber if we can get $300 million more for mass transit.

Mr. President, I ask unanimous consent that the letter by 38 Senators to the President may be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

The PRESIDENT,
*The White House,*
*Washington, D.C.*

DEAR MR. PRESIDENT: We urge the speedy allocation of the $900 million provided by Congress for the urban mass transit program in fiscal 1972.

There is ample justification for committing the full amount of this appropriation.

After years of neglect, the cost of revitalizing and expanding our urban and suburban transportation systems will be substantial.

One striking measure of the cost is the backlog of applications for Federal assistance placed with the Urban Mass Transit Administration. It presently totals $2.6 billion.

That the states and cities will not be able to undertake the job on their own is beyond question. They understandably must look to the Federal Government as their principal source of financing.

Under the 1970 law, which expanded the mass transit program, it will be possible to provide $3 billion over a five-year period to help finance mass transit improvement. However, if the program is to meet the need, as well as live up to the expectations it has created, it must be adequately funded.

The Administration request for a $600 million program level is a step in the right direction. Under this approach, $510 million would be allocated to capital grants, the heart of any effort to replace, improve and expand local bus, rail and subway systems.

Yet we believe that at least the full $900 million appropriated by Congress is needed. Under the Congressional figure, the allocation to capital grants will be $810 million.

The Urban Mass Transit Administration advises that it can commit the appropriated amount between now and the end of the present fiscal year next June 30. In addition, it believes a substantial portion of the $810 million can be put to use quickly on existing construction projects and thereby create jobs in this period of high unemployment.

Mass transit stands at a critical juncture. Without adequate support from the Federal Government it surely will fail in the vital job which only it can perform.

The Federal Government has made a commitment to help the thousands upon thousands of people living in our metropolitan areas deal with their serious transportation problems. We must meet that commitment.

It is essential that the $900 million be made available promptly.

Mr. PELL. Mr. President, will the Senator yield?

Mr. RIBICOFF. I yield.

Mr. PELL. Mr. President, I commend the Senator from Connecticut. To me it has the element of poetic justice because this revenue, as the Senator pointed out, comes from alcoholic beverages. This amendment would use the mass transit and the mass transportation facilities and persuade more people to travel on them and presumably there would be more drunks on mass transit system than on the highways.

The PRESIDING OFFICER. Who yields time?

Mr. TALMADGE. Mr. President, how much time is remaining to the opponents of the amendment?

The PRESIDING OFFICER. The opponents have 15 minutes remaining and the proponents have 4 minutes remaining.

Mr. TALMADGE. Mr. President, I yield myself such time as I may use.

The PRESIDING OFFICER. The Senator from Georgia is recognized.

Mr. TALMADGE. Mr. President, the Ways and Means Committee of the House and the Committee on Finance of the Senate, when they repealed the excise tax on automobiles also repealed the excise tax on light trucks up to 10,000 pounds. That was done because many families use trucks as their only means of transportation. In the rural areas many times families will have a light vehicle which the family also uses as family transportation.

If we are going to take the excise tax off Cadillacs we should take it off of the farm trucks that are used as a family vehicle. We found when we took that action it was called to our attention by the chairman of the Committee on Public Works, the Senator from West Virgina (Mr. RANDOLPH), that it reduced funds available for the highway trust funds to the extent of $350 million.

We did not want to leave that fund without adequate revenue to continue to build roads. Unfortunately, the President to some extent impounded expenditures from that fund and it is not being used at the present time; but I am sure there will come a day when all unmet needs for roads throughout the length and breadth of this country would be realized and that fund will be released, and when it is we do not want it to be insolvent.

For that reason the Committee on Finance by a large vote saw fit to transfer 7 percent of the alcoholic beverage revenue, which amounted to $350 million, to take up the lost revenues because of the repeal of the excise tax on trucks.

That is the situation. The distinguished Senator from New Jersey refers to the amendment as an "artful dodge." I would not call it that, but I will say it was not considered in the Committee on Finance and I do not think it should be considered on the floor of the Senate without hearings and without the opportunity for people to make their case.

I have supported mass transit. I support it now, but I do not think we should destroy the highway trust funds by this method at this time of night without hearings, without notice, without opportunity for the State highway directors and the Governors of the respective States to make their case. It is that simple.

I yield 2 minutes to the distinguished senior Senator from Vermont.

Mr. AIKEN. Mr. President, I do not think we had better rob the highway fund in order to dump hundreds of millions of dollars more into the railroads, which are losing tremendous sums at the present time.

But it is my understanding that highway construction that was scheduled to be completed by 1974 will not now be completed until 1978, 1979, or 1980. In other words, the highway construction is behind, too. It is very much behind. I do not think we want to ask the rest of the country to give up construction of highways for the benefit of a few urban areas that say they would like the money.

Mr. TALMADGE. Mr. President, I yield 2 minutes to the Senator from Tennessee.

Mr. BAKER. I thank the Senator for yielding.

Mr. President, I, too, support urban mass transit. I always have, but I do not think this is the appropriate place to establish funding for urban mass transit as part of the highway trust fund.

If the distinguished proponents of this amendment would offer an amendment now, or later—and I think it would be better later—to provide, instead of a highway trust fund, for a transportation fund and provide funds for every method of trasnportation, whether it be for airplane tickets, railroad tickets, automobile sales, or even alcoholic sales, which would not be in the same arguable relationship, if that were being offered. I would view it in an entirely different way, because there is no doubt that there is an interdependence and interrelationship between the requirements of highway construction and the requirements of substantial construction of mass transit. But the highway trust fund is for the construction of a particular network of a transportation system in this country that has worked extraordinarily well and has had bipartisan support over a number of years. The end is in sight and I do not think we ought to mess up the formula in this manner.

As a member of the Roads Subcommittee, I assure the proponents of this amendment that, as far as I am concerned, I will view favorably and sympathetically a proposal for a transportation trust fund, but I do not favor the raiding of the highway trust fund as distinguished from a proposed transportation trust fund in this manner at this time.

Mr. GRAVEL. Mr. President, will the Senator yield?

Mr. TALMADGE. Mr. President, I yield 2 minutes to the chairman of the Public Works Committee, the Senator from West Virginia (Mr. RANDOLPH).

Mr. RANDOLPH. Is that all the time?

Mr. TALMADGE. The time is limited. There are only 15 minutes and several Senators have asked for time.

Mr. RANDOLPH. I yield 30 seconds to the Senator from Alaska.

Mr. GRAVEL. The issue seems to be to get funds into mass transit. I do not understand how funds could be gotten into mass transit because the President has impounded mass transit funds and has impounded highway trust funds. How can this act of raiding the highway trust fund get those funds into the mass transit, in view of what the President has done? Why seek to develop this specific vehicle of getting funds into mass transit? I ask the question of whoever will answer.

Mr. RIBICOFF. May I point out that we are not raiding the highway trust fund. The highway trust fund has been given a boon gratuitously by the Finance Committee. By taking funds out of general revenues we are for the first time in history changing the concept of the highway trust fund. If we are going to take funds out of general revenues and put them into a trust fund, let us look at the priorities. The priorities are a starved mass transportation system. The highway trust fund has a surplus of $3.6 billion as of June 1971 and another $786 million for this fiscal year. What we are striving for is a matter of equity, and that is the objective of the amendment.

Mr. GRAVEL. I am sympathetic to that, but is there any way by this amendment to overcome the impounding of funds, either for highways or mass transit, to alleviate the mass transit problem? There is no way this money can be gotten into mass transit.

Mr. RANDOLPH. Mr. President, may I inquire how much time I have?

The PRESIDING OFFICER. The Senator has 2 minutes.

Mr. RANDOLPH. Mr. President, I think it is unfortunate that our able friend from Connecticut and those who join with him express the feeling that this is a gratuitous gift which is being given to the highway trust fund. This is absolutely wrong. It is the replacement of money which would be lost because of the repeal of the tax on the light trucks, a tax which has been going into the trust fund for some time.

It is very important for us to realize that there is a real need for funds for mass transit in this country. There is a real need for further development of our airways system in this country. The Senator from West Virginia has supported funds for airways and airport development. He has supported every piece of legislation for mass transit which has come before the Senate. But he cannot, in an instance of this kind, fail to recognize that the highway trust fund is absolutely necessary to the completion of the interstate system, which will not be brought to fruition until about 1977 or 1978.

Remember that this program, which was anticipated to cost $27 billion, will cost over $70 billion. This is easily understood. There has been an increase in the cost of land for rights-of-way, materials, and manpower. The President of the United States is withholding—impounding, actually—highway funds in the amount of $3.5 billion.

We have unmet needs in our highway program throughout the United States, and these highway needs must be met, I respectfully say to the Senate, without diverting, without removing the amount of money which is anticipated in the amendment.

Very frankly, I cannot conceive that the Senate would adopt the amendment which has been suggested by its sponsors.

Mr. RIBICOFF. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator from Connecticut has 2 minutes and the Senator from Georgia has 5 minutes.

Mr. RIBICOFF. Mr. President, I yield 1 minute to my distinguished colleague from Connecticut and 1 minute to my distinguished colleague from New York (Mr. JAVITS).

Mr. WEICKER. I thank my colleague. Mr. President, I ask unanimous consent to be listed as a cosponsor of the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that that be done.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. WEICKER. Mr. President, certainly I would hope this body will place proper emphasis on our transportation needs and on mass transportation, as embodied in the amendment of my colleague from Connecticut (Mr. RIBICOFF). If this amendment fails, it is my intention, and the intention of others, to see that this money is not applied to the highway trust fund.

I think the time is long past to do something for mass transit, when we have plastered our country with highways, and when I and everyone else pay highway taxes; and I do not want to let the construction industry feel that we are against highways—we are not—but we want to be able to move, whether it is by car or rail or plane.

Mr. JAVITS. Mr. President, the final argument was the best. The Senator from Connecticut (Mr. RIBICOFF) has put it very well. Seventy percent of the American people live in the cities. Do we hear anything about the great crisis in highways or do we hear about the great crisis in the cities? The cities are sagging and being destroyed. One of the great reasons is their great need for improved mass transit.

Here is $350 million. It is a windfall for the highway trust fund. A large amount of those funds has been "impounded" in a sense, too, in that there is a favorable balance left each year. Yet we begrudge $350 million to go to the cities for mass transit.

It does not make any sense. One wants to know who is robbing whom, to paraphase the Senator from Georgia (Mr. TALMADGE). This is a windfall. If there is going to be a windfall, certainly the people who need it most are the 70 percent of the population that is taking the worst beating in the country.

Mr. TALMADGE. Mr. President, I yield 2 minutes to the distinguished ranking minority member on the committee, the Senator from Utah (Mr. BENNETT).

Mr. BENNETT. Mr. President, I had not realized how valuable this time would become. I think I have a little chore to perform on every amendment from now on. I report to the Senate that thus far, you have given away $2.915 billion of the taxpayers' money since we met at 12 o'clock. In four amendments, you have disposed of that amount of money.

I shall continue to count noses on these amendments as the fund rises.

Mr. TALMADGE. Mr. President, I yield 1 minute to the distinguished ranking minority member of the Committee on Public Works, the Senator from Kentucky (Mr. COOPER).

Mr. COOPER. Mr. President, I am not an advocate of continuing the present pattern of highway construction. I support the completion of the Interstate Highway System, but I know that we must support different modes of transportation for the traffic-suffocated areas of our country. We must also open up rural America. I oppose this amendment, for two reasons:

First, I think it is wrong in principle to take money from the general fund and allocate it to the highway trust fund, and second, I think it is bad in principle to earmark funds.

In the Public Works Committee last year in considering and reporting the biennial Federal highway bill, we made an effort to provide funds from the highway trust fund for a study of mass transit systems for the eastern seaboard, the western seaboard, the Chicago area and other traffic impacted areas. It was my amendment. The Senator from Washington (Mr. MAGNUSON) has introduced a bill, which is now before the Senate, to establish an orderly way to provide a mass transportation fund for different modes of transportation, which ought to be supported, because the management of traffic in our great urban areas is one of the critical problems of our time."

But I oppose the pending amendment. I do not think money should be allocated to the highway trust fund, out of the general fund. It would mean the beginning of a precedent for future allocation of general funds. Secretary Volpe is working on this problem, and we must develop a program, with adequate funds, to provide appropriate modes of transportation for the choked traffic areas of our country.

Mr. TALMADGE. Mr. President, I yield myself such time as I may require.

We have heard a lot of talk about mass transit, and I concede that we are desperately in need of mass transit in this country. But Senators speak of it in terms of an idle dream.

Mr. President, in every city in America mass transit is a reality today, with the Interstate Highway System. The Interstate Highway System traverses New York City. The Interstate Highway System traverses Hartford, Conn. The Interstate Highway System traverses Atlanta, Ga. The Interstate Highway System traverses every large metropolitan city in this Nation.

Where does the money come from? Ninety percent of it comes from the U.S. Government. That is the fund the distinguished Senator from Connecticut is asking us to tap, to take away from that particular system, which is a reality, in the hope of utilizing it, at some future time, hopefully for some future mass transit systems in a few localities.

In other words, in the one case we have a reality, in the other a hopeful dream. When we talk about mass transit, the only system we have in 95 percent of America today is the Interstate Highway System. That is the system we want to complete. That is the system paid for, 90 percent, by Federal funds. And that is the system that would be hurt if the amendment proposed by the Senator from Connecticut is agreed to.

I hope it will be rejected. Mr. President, I yield back the remainder of my time.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

### NO MORE MONEY FOR THE HIGHWAY TRUST FUND

Mr. PROXMIRE. Mr. President, I strongly support the amendment by the Senator from Connecticut to use a portion of the revenues from the alcohol tax for urban mass transit, rather than as a further accretion to the highway trust fund.

If there is any fund that does not need any more money, Mr. President, it is the highway trust fund. The Subcommittee on Priorities and Economy in Government of the Joint Economic Committee conducted a thorough analysis of Federal transportation expenditures last year. This investigation fully confirmed that far too much of our total transportation budget is committed to highways. This is done because we have already far too much money in the highway trust fund—as of June 1971 the fund had a surplus of $3.648 billion, and growing all the time. Under present law, this money cannot be spent for anything but highways.

What in the world would be the point of putting more money in the highway trust fund? Are we aiming to pave over the country with concrete?

In fact, the Priorities Subcommittee has recommended—and this recommendation was subsequently endorsed by the entire Joint Economic Committee—that the highway trust fund be completely phased out. This money would then become available for higher priority programs for which funding now is so scarce. One of these programs is urban mass transit, which would receive the 7 percent of the alcohol tax revenues if the amendment by my colleague from Connecticut is approved today. Urban mass transit desperately needs and deserves more funds; highways enjoy a surfeit of funds, and it is this surfeit which has led to the problems pinpointed by the subcommittee's report. I strongly urge my colleagues to support the Ribicoff amendment.

Mr. President, I ask unanimous consent that the portion of the "Report on Federal Transportation Expenditure" which relates to the highway trust fund, dated August 17, 1970, be printed in the RECORD.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### II. ECONOMIC ANALYSIS OF FEDERAL TRANSPORTATION EXPENDITURE

The establishment of the Department of Transportation in 1967 was envisaged as a major step toward coordinated transportation policy decisions; decisions based on analysis of investments in different modes of transportation as alternative means of meeting the Nation's need for mobility; decisions designed to produce fast, safe, and convenient transportation in an efficient manner. The opening sections of the Department of Transportation Act state:

"Sec. 2. (a) The Congress hereby declares that the general welfare, the economic growth and stability of the Nation and its security require the development of national transportation policies and programs conducive to the provision of fast, safe, efficient, and convenient transportation at the lowest cost consistent therewith and with other national objectives, including the efficient utilization and conservation of the Nation's resources.

"(b) (1) The Congress therefore finds that the establishment of a Department of Transportation is necessary in the public interest and to assure the coordinated, effective administration of the transportation programs of the Federal Government; to facilitate the development and improvement of coordinated transportation service. * * *"

As yet these goals remain far from realization. The Department of Transportation is handicapped by legislative restrictions which discourage the needed analysis of alternatives. The way in which Congress handles transportation legislation—with urban mass transit considered by the Banking and Currency Committees, highways by the Public Works Committees, other forms of transportation by the Commerce Committees, and trust fund legislation by the Ways and Means and Senate Finance Committees—places further obstacles in the way of a coordinated approach to transportation policy.

"A more unified approach to transportation expenditure decisions is needed in Congress as well as in the executive branch. The decisionmaking process should be organized so as to permit and require full review both of the relative costs of alternative ways of meeting a given transportation need and of the priority which a proposed transportation investment should be accorded relative to alternative uses of public resources."

### LEGISLATIVE RESTRICTIONS WHICH DISCOURAGE ADEQUATE INVESTMENT ANALYSIS SHOULD BE REMOVED

Section 4(b)(2) of the Department of Transportation Act states:

"Nothing in this Act shall be construed to authorize, without appropriate action by Congress, the adoption, revision, or implementation of—

(*a*) any transportation policy, or

(*b*) any investment standards or criteria."

Section 7(a) reads in part:

"The Secretary, subject to the provisions of Section 4 of this Act, shall develop and * * * revise standards and criteria consistent with national transportation policies, for the formulation and economic evaluation of all proposals for the investment of Federal funds in transportation facilities or equipment, except such proposals as are concerned with * * * (5) water resource projects; or (6) grant-in-aid programs authorized by law."

Both the general prohibition of section 4(b) and the major specific exceptions to section 7(a) would appear to seriously restrict the authority of the Department of Transportation to conduct investment analysis. In 1968 Dr. M. Cecil Mackey, who was at that time Assistant Secretary of Transportation for Policy Development, supplied the following statement in response to questions raised by this subcommittee concerning the possible need to amend these sections of the Department of Transportation Act:

"There would not appear to be special reasons for imposing particular restrictions such as those in sections 7(a) and 4(b)(2) on DOT's authority to manage its programs * * *. The amendment of section 7(a) of the Department of Transportation Act would facilitate implementation of effective economic analysis. There does not appear to be any important administrative or noneconomic reason why the act should remain as it is." [1]

Another witness, testifying before the subcommittee in September 1969, interpreted these two sections of the Department of Transportation Act as "explicit caveats" against engaging in "economic analysis of costs, benefits, and appropriate discount rates." [2] While the present Assistant Secretary of Transportation indicated in our most recent hearings on this subject that he did not feel these provisions were "unduly restrictive," and were designed "to insure that rigid cost-benefit criteria are not * * * made a benchmark against which projects wind up on a go-no-go basis," the subcommittee feels that, at the very least, these provisions of the law should be reexamined with respect to their effect on the authority of the Department to perform needed economic analysis.

"Legislative restrictions which discourage or prohibit adequate investment analysis should be removed. The relevant provisions of the Department of Transportation Act should be reexamined. If it is found that they restrict the authority of the Department of Transportation to perform investment analysis essential to Government program efficiency, the law should be amended."

### SOCIAL COSTS AND BENEFITS MUST BE FULLY INCLUDED IN INVESTMENT ANALYSIS

While cost and benefit estimation is a valuable tool in the decisionmaking process, it is subject to abuse if the concepts are applied too narrowly. Since Congress is concerned with the public value of Federal investments, the social, or external, costs as well as the direct monetary costs must be fully considered. A similarly broad concept must be applied to the estimation of benefits.

In the case of highways, for example, the social costs include such things as noise, air pollution, dislocation of homes and businesses, neighborhood disruption, creation of barriers between neighborhoods, loss of recreational land, and the like. Some of these, such as housing dislocation, are at least partially reflected in the actual dollar costs to the Government of highway construction. Others such as noise and air pollution are not (except to the limited extent that damages may have been awarded to individuals who have brought court actions). Some of the social costs, such as neighborhood disruption, are extremely difficult, and in some cases impossible, to quantify. Additional efforts to measure such costs should be undertaken. Where such costs cannot be quantified, they can and must be explicitly recognized as qualitative factors which should be fully considered in making program judgments.

In the case of benefits, such relatively simple techniques as the estimation of traffic volume obviously are not a sufficient measure of social benefit. A rural highway may have a relatively low traffic volume, but it may provide residents of the area with their only means of mobility, and hence their only access to jobs, schools, and community services. It may open up to industry and tourism areas which were previously inaccessible. By contrast, a new urban highway may bring more cars onto already congested city streets, while at the same time discouraging use of alternative means of transportation. In this latter case, the volume of traffic using the road may on balance be a cost to urban residents and commuters rather than a benefit.

It is also necessary to know how the social costs and benefits of a transportation investment will be distributed among different groups in the population. In the case of highways, for example, the benefits accrue largely to users of the highway (although many of these might prefer alternative means of transportation if adequate alternatives were available) and to owners of strategically placed commercial property. Under our present financing system, the dollar costs of highway construction are paid by purchasers of gasoline, tires, and diesel fuel, regardless of the extent to which they will benefit from the construction of a particular highway. The costs of highway maintenance and repair, as well as the cost of feeder roads, are not, however, financed from Federal gasoline taxes.

Many of the social, or external, costs of highways are paid either by those who must move out to make way for the highway or by those who must continue to live in close proximity to it. Another, more generalized type of social cost is borne by the substantial fraction of the population who are nondrivers—the young, the aged, the poor. These groups are at a growing relative disadvantage as society becomes increasingly dependent on the private automobile. Is it good public policy to assess costs against some groups in order that other groups may benefit? This is a judgmental question relating to the real distribution of income in our society. Fuller information as to the probable distribution of costs and benefits would improve the ability of the Congress to make wise judgments.

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[1] "Economic Analysis of Public Investment Decisions: Interest Rate Policy, and Discounting Analysis." Hearings before Subcommittee on Economy in Government, pp. 171–172.

[2] James Nelson, "Economic Analysis and the Efficiency of Government, Pt. 2." Hearings before the Subcommittee on Economy in Government, p. 488.

The highway "need" estimates contained in the national highway needs reports, which are required to be submitted to Congress every 2 years, are not based on these broad considerations of social cost and benefit. "Need" as used in these reports refers to "capacity adequate to accommodate the highway travel forecast for a given target year."[3]

Since funds are apportioned to the States in accordance with their estimated "needs," the financing system contains a considerable incentive to produce inflated travel forecasts. Furthermore, there is persuasive evidence that the "demand" for highways, as measured by traffic volume, is partly a function of highway availability. Increasing the highway mileage may merely stimulate more automobile travel.

Based on the misleading concept of equating need with travel forecast, the most recent highway needs report estimates that there is a "need" to devote $320 billion worth of our national resources to road construction over the next 15 years. We do not believe that anything like this enormous sum can or will be spared for road construction. The crucial question, however, is: Which parts of this total highway "need" offer a social rate of return sufficient to justify the expenditure of public funds? A more specific and pressing question which the Congress must decide is the extent to which the social value of the remaining segments of the Interstate Highway System justifies the authorization of additional funds. It is now estimated that completion of the presently designated 42,500 mile system will require approximately $12 billion in Federal funds, beyond currently authorized amounts, and this estimate contains no allowance for any future cost increases.

At our recent hearings, Assistant Secretary of Transportation Baker described to the subcommittee analytic efforts currently being undertaken by his Department which are designed to yield conclusions about the comparative value of investment in different modes of transportation. The target date for completion of this analysis is not until 1972. In the meantime, the background information needed to make a major new decision on Federal-aid highway authorizations is simply not available.

In making transportation expenditure decisions, Congress needs access to more comprehensive analysis of social costs and benefits than is currently available. The appropriate agencies of the executive branch should make such information available at the time authorization requests are introduced, and Congress should improve its capability for evaluating such information. Specifically, such analysis should include:

(1) Estimates of the full costs and benefits of proposed transportation investments. External costs and benefits should be included, and an adequate discount rate should be applied to the estimation of future benefits; (2) estimates of the distribution of the costs and benefits of the proposed project among different groups in society, together with an analysis of the extent to which fully adequate compensation of those who are adversely affected by such investment is feasible.

Adequate information of this type is not presently available with respect to uncompleted portions of the Interstate Highway System. Since existing authorizations for the Interstate System extend into fiscal 1974, we believe Congress would be well advised to postpone action on further authorizations until more adequate analysis of the social value of further Interstate Highway expenditures can be made available.

If there are proposed sections of the Interstate System which cannot demonstrate a high social value, Congress should have this information when further authorizations are considered.

### FEDERAL TRANSPORTATION EXPENDITURES SHOULD BE SUBJECTED TO REGULAR BUDGETARY REVIEW

The previous two sections of this report have stressed our belief that more complete economic analysis of proposed transportation investments is essential. Such analysis will really be of value, however, only if our financing system is sufficiently flexible to permit rational use of the analytic evidence. Evidence that a particular transportation need can be met most efficiently by improving the public transportation system, for example, is apt to be ignored if funds are available only for highway construction. Similarly, evidence that urban transportation problems could best be eased by enabling people to live closer to their jobs may be primarily of academic interest if funds are available for transportation systems but not for housing and urban reconstruction.

From its initiation in 1916 until 1956, the Federal aid highway program was financed out of general revenues, so that highway appropriations were subjected to all the usual procedures of budgetary review. In the mid-1950's, it was decided to give a very high budgetary priority to the construction of a comprehensive national highway system. A special financing arrangement, the highway trust fund, was created. Revenues from the Federal gasoline tax and certain other motor vehicle-related taxes were placed in this fund, and the use of these revenues was restricted to the financing of federally aided highway construction.

The receipts of the highway trust fund now exceed $5 billion per year. Total receipts from 1956 through tis scheduled expiration date in September 1972 will approach $60 billion. For 15 years now this important source of revenue has been insulated from any real consideration of the relative value of highway and nonhighway uses. We believe the time has arrived when provision should be made for Congress to again have the opportunity to review annually the uses of this revenue.

It is sometimes argued that it is somehow unfair to use revenues from the gasoline tax and other road-user charges for anything except highway construction. There are several reasons why we do not accept this argument. First, since the average family finds it very difficult to get along in today's world without an automobile, this family has little choice except to pay gasoline taxes. There is no logical basis for regarding payment of these taxes as a "vote" for more highways. Second, we do not view our other excise taxes this way. Alcoholic beverage taxes, for example, are not used to build distilleries, nor are they dedicated to use in constructing facilities for the treatment of alcoholics. Third, even if we were to accept the view that the proceeds of the gasoline tax should be expended only for the benefit of road users, new highways are clearly not the only investment from which road users might benefit. A witness at our recent hearings told of a study he had made indicating that 35 percent of the benefit of a proposed new subway line would accrue to road users, rather than subway users.[4] Yet we do not finance rapid transit from the gasoline tax. Many road users would benefit from making our central cities livable again, so that urban streets would be less clogged with commuters from the suburbs. Yet we do not finance urban reconstruction through the gasoline tax.

There have recently been a number of proposals put forward for broadening the uses to which highway trust fund revenues can be put. These range from the relatively modest proposals put forward by the administration this year to finance forest and public land highways and the highway safety and beautification programs out of the trust fund to sweeping proposals to finance Federal investment in all modes of transportation out of a general trust fund made up of receipts from all the existing Federal transportation user charges, perhaps supplemented by transfers from general revenues.

The Assistant Secretary of Transportation indicated in his testimony before our subcommittee that the Department has various proposals for a general transportation trust fund under active consideration. Several other witnesses at our recent hearings advocated this general trust fund approach. Many of their arguments are quite persuasive. A general trust fund offers one major advantage over the proliferation of separate trust funds for the various modes of transportation, a proliferation evidenced by the establishment this year of an airport-airways trust fund. With a general trust fund it would become possible to allocate funds rationally among transportation modes choosing in each individual situation the mode which will most efficiently and effectively serve our need for mobility.

The disadvantage of the general transportation trust fund approach arises when we come to the question of a rational allocation of budget resources between transportation and nontransportation uses. How can we be sure that we would not lock ourselves into a situation in which we would overinvest in transportation while underinvesting in other aspects of economic development and public well-being? There is clearly, for example, a tradeoff between patterns of residential location and our need for urban transportation. But the establishment of a general transportation trust fund would provide no incentives to analyze housing investment and transportation investment as alternative solutions to the problem of urban mobility, nor would it provide the opportunity to allocate expenditures in accordance with the results of any such analysis.

Thus, while some broader concept of a transportation trust fund would contribute to a more rational allocation of Federal expenditure than at present, this objective would be more completely realized by a return to the financing of transportation investment out of general revenues. There is, of course, need for some assurance of financing continuity where investment projects take several years to complete, but this problem is not unique to transportation investment, and we believe it can be satisfactorily handled without the segregation of revenues into special funds.

Transportation expenditures should be subjected to all the usual procedures of budgetary review. In keeping with the previous recommendation of this subcommittee, subsequently endorsed by the full Joint Economic Committee, that "the trust fund should be abolished as an instrument for financing Federal programs involving investment, construction, or the provision of facilities or services," Congress should take such legislative action as is required to provide for the orderly but expeditious phasing out of the highway trust fund and the return to the financing of transportation expenditures out of general revenues.

The PRESIDING OFFICER (Mr. Tunney). All remaining time has been yielded back. The question is on agreeing to the amendment of the Senator from Connecticut (Mr. Ribicoff). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. Chiles), the Senator from Missouri (Mr. Eagleton), the Senator from North

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[3] 1970 National Highway Needs Report, p. 11.

[4] Christopher Foster, testimony before the Subcommittee on Economy in Government, May 6, 1970.

Carolina (Mr. Ervin), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Alabama (Mr. Sparkman), the Senator from California (Mr. Cranston), the Senator from Louisiana (Mr. Ellender), the Senator from Arkansas (Mr. Fulbright), and the Senator from New Hampshire (Mr. McIntyre), are necessarily absent.

I further announce that, if present and voting, the Senator from Louisiana (Mr. Ellender), the Senator from North Carolina (Mr. Ervin), and the Senator from New Mexico (Mr. Montoya), would each vote "nay."

On this vote, the Senator from South Dakota (Mr. McGovern) is paired with the Senator from Alabama (Mr. Sparkman). If present and voting, the Senator from Alabama would vote "nay" and the Senator from South Dakota would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Delaware (Mr. Boggs), and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from North Dakota (Mr. Young) is detained on official business.

If present and voting, the Senator from Kentucky (Mr. Cook), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) would each vote "nay."

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from Nebraska (Mr. Curtis). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 32, nays 39, as follows:

[No. 318 Leg.]

YEAS—32

Beall
Brooke
Buckley
Case
Church
Fong
Griffin
Harris
Hart
Hartke
Humphrey
Inouye
Jackson
Javits
Kennedy
Magnuson
Mathias
Mondale
Muskie
Nelson
Pastore
Pell
Proxmire
Ribicoff
Roth
Schweiker
Scott
Stevenson
Symington
Tunney
Weicker
Williams

NAYS—39

Aiken
Allen
Allott
Anderson
Baker
Bayh
Bennett
Bentsen
Bible
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Cooper
Eastland
Fannin
Gambrell
Gravel
Gurney
Hansen
Hollings
Hruska
Hughes
Jordan, N.C.
Jordan, Idaho
Long
Mansfield
McClellan
Miller
Moss
Pearson
Randolph
Smith
Spong
Stafford
Stennis
Stevens
Talmadge
Thurmond

NOT VOTING—29

Bellmon
Boggs
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ellender
Ervin
Fulbright
Goldwater
Hatfield
McGee
McGovern
McIntyre
Metcalf
Montoya
Mundt
Packwood
Percy
Saxbe
Sparkman
Taft
Tower
Young

So Mr. Ribicoff's amendment was rejected.

Mr. TALMADGE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. RANDOLPH. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. BAYH. Mr. President, I send to the desk an amendment and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 36, beginning with "The allowance" in line 9, strike out through line 12, and in lieu thereof insert the following:

"There shall be allowed to an individual a credit of $25 ($50 in the case of a married couple filing a joint return) against the tax imposed by this chapter for the taxable year beginning after December 31, 1970, and ending before January 1, 1972, except that such credit shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property)."

Mr. MANSFIELD. Mr. President, will the Senator yield briefly?

Mr. BAYH. I yield.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that there be a time limitation of 40 minutes on the pending amendment, to be equally divided between the sponsor, the Senator from Indiana (Mr. Bayh), and the manager of the bill, the Senator from Louisiana (Mr. Long).

The PRESIDING OFFICER (Mr. Tunney). Without objection, it is so ordered.

Mr. MANSFIELD. It is my understanding that the Javits amendment, which fits into the same pattern, will follow the Bayh amendment. I therefore ask unanimous consent that the same time limitation, under the same circumstances, apply to the Javits amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, that will be the last vote this evening.

Mr. JAVITS. Mr. President, will the Senator from Indiana give me just 30 seconds, in view of the fact that my amendment is on the same pattern as that of the Senator from Indiana and it would be better to deal with both amendments now, to say that the Senator from Indiana (Mr. Bayh) proposes to put the additional personal allowance on the income tax. My amendment would also put a material reduction in the depreciation allowances which have recently been revised. What I propose to do is to use the same fund for the purpose of giving a credit for additional jobs, an extra employment credit, and that is why I say it will help Senators to understand this whole situation, and that the two amendments fit in the same pattern.

Mr. MANSFIELD. I appreciate what the Senator from New York has just said because it explains the reason why it is better that both amendments be considered together.

Mr. JAVITS. Right. I thank the Senator.

Mr. BAYH. Mr. President, inasmuch as I have not had the opportunity to discuss this amendment at length earlier, let me take a few minutes now to explain it in more detail.

Mr. BYRD of West Virginia. If the Senator from Indiana will pardon an interruption at this moment, I ask unanimous consent—as I have been asked by the distinguished majority leader to do—that, immediately following the disposition of the amendment which will shortly be offered by the Senator from New York (Mr. Javits), the Chair then lay before the Senate amendment No. 649 by the Senator from Minnesota (Mr. Mondale), that it be made the pending question, and that time thereon not start running until tomorrow; and that time on the amendment be limited to 2 hours, with the time to be equally divided between the mover of the amendment, the Senator from Minnesota (Mr. Mondale), and the manager of the bill, the Senator from Louisiana (Mr. Long).

The PRESIDING OFFICER (Mr. Williams). Without objection, it is so ordered.

Mr. BAYH. Mr. President, my amendment has just been sent to the desk, cosponsored by the Senator from South Carolina (Mr. Hollings), the Senator from California (Mr. Tunney), the Senator from Wisconsin (Mr. Nelson), the Senator from Massachusetts (Mr. Kennedy), the Senator from New Hampshire (Mr. McIntyre), the Senator from Alaska (Mr. Gravel), the Senator from Hawaii (Mr. Inouye), the Senator from Missouri (Mr. Eagleton), the Senator from Arkansas (Mr. Fulbright), and the Senator from Texas (Mr. Bentsen).

The amendment would repeal the ADR, which is a continuous and permanent tax drain on the Federal Treasury. It would then provide for each taxpayer, retroactive to January 15 of this year, a $25 credit, and a $50 credit for man and wife filing a joint return. This amendment would be limited to 1 year alone.

The measure we have now would take effect next year.

It is the feeling of the sponsors of the amendment that what we need is an immediate impact on the economy, an immediate shot in the arm, and that is why we have provided this immediate 1-year credit.

I shall not go into further detail in discussing the need to eliminate the ADR. I did that earlier. It all gets down to whether we feel we need to have an equitable economic stimulus or whether we need to go ahead with the economic stimulus provided by the administration, which is very uneven in its impact, as it greatly favors business over the consumer.

What we are doing is to eliminate ADR and take the funds gained therefrom and give every taxpayer a $25 credit this year.

Mr. BENNETT. Mr. President, let me point out again that, thus far today, we have reduced the revenues of the United States by $2,915,000,000.

With respect to the year 1971, as I understand the amendment proposed by the Senator from Indiana, these would be an additional reduction of about $2.4 billion, offset by a reduction in the ADR of $0.7 billion. So, in effect, we will have added another $1.7 billion to the reductions that we have voted in the bill for this year, making a total of about $4.6 billion. In order to justify it, he would strike down the whole concept of trying to put American investment in business on any kind of equitable relationship with the investment pattern in foreign countries.

Mr. President, since the Senator from Indiana is not a member of the committee, I think he may not have realized what he is doing.

I hold in my hand a table prepared by the Secretary of the Treasury on comparative capital costs of manufacturing machinery and equipment as influenced by income tax policies, corporation income tax rates, depreciation allowances, and investment allowances and credits.

Using the United States as a base, under present law prior to ADR and without any regard to subsequent changes in the law, and using the after-tax cost in the United States as $100, the after-tax cost of the same equipment in Great Britain is $79—and I am not talking about differences in price, I am talking about differences created by the difference in the tax rates—Japan, $81; Italy $82; West Germany $83; Sweden $83.

With the 7-percent tax credit alone without ADR, the after-tax cost in the United States would be $90–$90.50. They are still all the way below us. But without the three-quarters year convention which the bill removes. ADR plus the 7-percent tax credit, we would reduce the cost to $87.

What are we worried about this for?

Because American products are being priced out of the world market and that part of the economy which depends on exports is drying up. American manufacturers face this set of facts, realizing that they can go to Great Britain and put in the same machinery at a net cost of $79 that would cost them $100 in the United States. Senators can understand one of the reasons why investors are going to Great Britain and that when they do that, they do not hire American workingmen but they hire British workingmen.

Our job, and one of the purposes of this tax bill, is to provide an atmosphere under which American manufacturers can operate in the United States, hiring American workingmen, and be in a better position to compete in the world outside.

This is another case where, on the surface, it will be argued that this is a tax windfall for business. This is a means by which business not only can become competitive but can also hold jobs in the United States.

This is an interesting trade off. In order to get money to put an additional $2.4 billion in the pockets of the taxpayers this year, we will destroy the whole system which over the years has made it possible to do these things. I think the Senate would be very shortsighted to adopt this position which is something for today at the cost of jobs for our children in the years to come.

I hope the Senate will have vision enough to reject this amendment as well as the companion amendment which will be offered later by the Senator from New York.

It is easy to say that this is for business and we do not care what happens to business because they have too many benefits now, anyway.

This is for jobs, American jobs, as against jobs that American capital may create in England, Germany, Italy, and even in Canada.

I hope that we will realize that the simple answer to the question is not a sound one. I hope that the Senate will reject the amendment.

Mr. BAYH. Mr. President, I yield to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I join my distinguished colleague, the Senator from Indiana, and others in this amendment.

When we saw the tax package submitted by the President, the first impression was that it was a balance between business and individuals. It is obvious that business is given about a 23-percent tax break, whereas the individuals have been given about a 7-percent tax break.

The arguments of my distinguished friend, the Senator from Utah, do have merit in that we have to get business to incite production and create jobs. So, we look at it in a dispassionate way and say, "Well, how much should it be; what will make it work?"

I was very interested earlier this week to listen to Walter Heller, one of the most distinguished economists in the country, the former Chairman of the President's Economic Advisers from 1961 to 1962, state that the adoption of the tax credit in 1962 had no effect whatever on jobs until the tax cut of 1964 joined it.

So it is that I and others have sort of joined our minds together to marry together the tax credit for business and relief for individuals.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. BENNETT. On whose time is the Senator talking?

Mr. HOLLINGS. I am talking as a coauthor of the amendment.

Mr. BENNETT. Did the Senator yield time to the Senator from South Carolina?

Mr. HOLLINGS. He did.

Mr. BENNETT. I did not hear that.

Mr. HOLLINGS. So the question then is whether we can take the money—as the amendment intends to do—from business organizations in the amount of—I do not know how much because there is a question in the Finance Committee—but about $2.3 billion and give it in the ameliorated form of $25 to a single individual and $50 to a couple and withhold it until next year and balance it off economically and fiscally.

In the light of the vote on the amendment of the Senator from Indiana, we cannot only do it, but we thereby answer the immediate need of the President's program to pour this money into the economy.

It is striking strange that the opposition to the amendment was ready right off to cut back the package on the ADR's and now all of a sudden want to talk jobs.

I have heard all afternoon, "Look how you are throwing money around; you are adding this, and you are adding that."

However, once it gets into the pockets of business, everyone is going to move to England and away from our shores, they say.

We do not want to be punitive or selfish on one side or the other. We want to help business in the tax credit and we want to help the individual. We want more social sense on the one hand and more economic sense on the other.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. BAYH. Mr. President, the Senator mentioned ADR and the Senator from Utah mentioned England and how they were in a much better position with respect to capital.

However, if you look at what is happening under the British system, I do not think anyone will be ready to move to England.

The average per capita income in England is $1,690 compared to our $4,660.

The rate of GNP from 1960 to 1969 in the United Kingdom was 2.8 and in the United States it was 4.6.

So, I do not think anyone can feel so sorry for where we are competitively at the present time.

Mr. HOLLINGS. The Senator is correct. I want to cut this short because the Senator from Massachusetts wants to talk. And we are on limited time.

We have the industry operating at 73 percent of capacity. The whole idea is that no one is going to leave. We want those machines to get started. They need to start. Consumerism is really the quickest way to profit for the American businessman. We need more consumerism. This will help to give an immediate spurt, the $25 for a single individual and the $50 per couple. They will spend that amount and pour it back into our economy. It will be used to buy machinery and let industry refurbish and come up with more jobs.

Mr. BAYH. Mr. President, I yield to the Senator from Louisiana.

Mr. LONG. Mr. President, we have heard some talk about the revenue-losing votes we have had so far.

This amendment is a revenue loser by about $1.7 billion in the first year. However, every year after 1971, this amendment would make money for the Treasury with the revenue gain increasing to $3.5 billion in 1975. If we want to balance the budget, we ought to vote for the amendment. It saves revenue by reducing the accelerated depreciation in the ADR proposal and it would give a credit of $25 to each individual on his tax return or $50 to a couple filing a joint return.

The amendment would save money for the Treasury and help balance the budget.

In my judgment, this would help to create prosperity and jobs. I am persuaded that business needs customers and they need sales more than they need any more accelerated depreciation.

The investment credit already encourages purchases and helps the economy.

I am persuaded that the investment credit provision in the bill will do more for the people and for the economy than the accelerated depreciation, when you measure one against the other. Every time we have had it, the economy has been improved so much that we eventually had to remove it.

I think this amendment by moderating the incentive to buy and at the same time encourage consumers to buy industry's products would help spur the economy and move it in the direction of tax equity and social justice.

Mr. President, I am satisfied the amendment will be overwhelmingly approved by a tremendous majority of the American people.

Mr. KENNEDY. Mr. President, will the Senator yield me 4 minutes?

Mr. BAYH. Mr. President, I yield 4 minutes to the Senator from Massachusetts.

Mr. KENNEDY. Mr. President, first of all, I want to join in commending the members of the Finance Committee and its distinguished chairman for the improvements they made in the President's tax recommendations and in bringing the proposal now pending before us. I think it is a much sounder approach toward meeting our economic crisis than was originally proposed.

I support the amendment introduced by the Senator from Indiana and the Senator from South Carolina. I think they have effectively explained the amendment, and I hope that it will carry.

Mr. President, one of the features which I find most attractive about it is that it provides a substantial immediate tax benefit to the consumer, the forgotten man in our current economic crisis.

Second, the amendment provides a significant one-shot infusion of money into the economy, and I believe this is what we need if we are to bring the economy back to health.

From both viewpoints, this amendment makes sense. It has a great deal of appeal. It eases the tax burden of the average citizen, provides a dramatic infusion of urgently needed resources into the sick economy.

Mr. President, once before in recent years, we saw the enormous impact that such a stimulus could provide for the economy. We all recall the magnificent achievement of the tax cut of 1964, which got the economy moving again. That is what we need again.

The impact of the amendment passed earlier this afternoon, which was offered by the Senator from Indiana (Mr. HARTKE) and which raised the personal exemption to $800, will not be felt until next year. By contrast, the pending amendment can have an immediate impact on the economy.

With this amendment, we can move well down the road toward restoring the confidence of the American people in the economy. I think it is needed. It is of value to the consumer and it is of enormous importance to our economy. Because of the fact that it is a one-shot, 1-year amendment it is economically sound. It will produce no continuing revenue loss. And, it will provide a much fairer balance between consumer and business interests in this bill.

Mr. President, I hope that the amendment will be accepted by the Senate.

Mr. BAYH. Mr. President, I yield 2 minutes to the Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. BENTSEN. Mr. President, I am pleased to join as a cosponsor and a strong supporter of the Bayh-Hollings amendment to the administration tax bill.

For some time now, Mr. President, I have spoken of the advantages of tax credits as a spur to economic recovery as opposed to those of accelerated depreciation. In an economic slump, tax credits can act as more of an immediate stimulus to the economy; ADR, on the other hand, spreads its benefits over a number of years and has little immediate impact.

I am not opposed to ADR; it is a useful technique which encourages investment in the long run. But Mr. President, our long-run investment outlook is not our most immediate concern. Giving this economy an upward thrust now is of more importance.

I was pleased to see the President call for an investment tax credit to stimulate business expansion, but I have been disappointed that the administration offered no similar credit to spur consumer spending. We know that increases in consumer demand stimulate cash flow and have a direct and visible effect on the economy. We know that tax credits for industry cannot do the job alone.

The Bayh-Hollings amendment is directed to remedying the oversight in the administration bill. It substitutes an income tax credit of $25 per individual and $50 per joint return for the administration's ADR proposals.

This tax credit, which will show up on the bottom line of the individual tax return, will supply the necessary balance between incentives for industry to invest and incentives to encourage consumer spending.

Moreover, I consider the Bayh-Hollings amendment to be superior to the Hartke Amendment, which would increase the individual tax exemption by $150 to $800.

The Hartke amendment, which I did not support, will give, on the average some $70 a year to the high-income taxpayer, but only $14 a year to the low-income taxpayer. The Bayh-Hollings amendment will benefit both high and low-income taxpayers in equal measure and will have the effect of stimulating the economy while treating all citizens alike.

I had previously considered supporting the Hartke amendment, but I believe we can accomplish the same goals more effectively with the Bayh-Hollings amendment.

Moreover, the Bayh-Hollings amendment, estimated at $2.2 billion for its year of operation, would more than be matched by the costs to the Treasury of ADR over a period of years.

Mr. President, it seems to me that the President's package is a halfway and discriminatory measure. It contains some necessary incentives for business without balancing the picture for the consumer. As such, it cannot offer the spur the economy requires.

I believe the Bayh-Hollings amendment is a more equitable and more effective method of achieving economic expansion.

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. HARTKE. Mr. President, I support the amendment of my distinguished colleague from Indiana for two reasons. First, there is no question that this amendment does provide a tradeoff business and individual tax relief. In addition, 70 percent of the present equipment in the United States has a longer life than the rate of depreciation so there is little apparent need for this further distortion of the guideline lives.

On the other side of the coin, the amendment would provide immediate additional stimulus to the economy in the marketplace, where it is most needed. Let us not forget that incentive to industrial development does no good if the consumer cannot—or will not—buy the manufactured goods.

I hope the amendment is agreed to.

Mr. BAYH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. BENNETT. Mr. President, how much time is remaining for the opponents and how much time remains for the proponents?

The PRESIDING OFFICER. The Senator from Indiana has 3 minutes and the Senator from Utah has 13 minutes remaining.

Mr. BENNETT. Mr. President, it has been obvious all day that there are those in this body who have no thought of what it takes to provide a job and develop business which will keep jobs. We have had several amendments, the effect of which has been to give us money in our hands now on the theory that we are going to go out and buy merchandise and thus create jobs.

I wonder if my friends realize that people with money in their hands have been increasing the purchase of imports much more rapidly than the purchase of American-made goods, partly because the tax rules and the subsidies that are available in these other countries which make it possible for them to undersell us in our market.

I agree that a person can be made to

feel better with an injection, but we have to cure him and if no one ever has the patience to work on the long-term cure but every time the problem is presented wants to get us by with this year or next year, or tomorrow, we are going to fall further and further behind.

This is not the time or place to discuss the whole problem of the international mess we are in. That all traces back to the fact that we are not able to provide the capacity to sell our merchandise and our services on the world market. As I see it, the whole issue here is can we have something for today, never mind what happens tomorrow; we will come back tomorrow and set up more tax relief for a temporary basis, instead of trying to do as the President and the Secretary of the Treasury want to do to provide a base for long-range improvement.

Someone said the 7-percent tax credit is supposed to persuade people to buy machinery. Actually if you give some flexibility in the depreciation schedule, you will persuade people to get rid of machinery which is obsolete, not up to date, and replace it with new machinery. In committee we were told the Germans have a knitting machine which is so much better than any we have that we have to permit them to sell it to us in order that we can compete with this new double knit fabric. The Japanese steel industry is so far ahead of us that I do not know how much investment or time it is going to take us to get in a position to compete. But whenever we try to set up tax machinery so we can persuade Americans to make investments in this country and get in a competitive position, we say that is too long-range; let us give tax relief today and give them more money that they will spend to buy Toyotas, and Japanese textiles.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. PASTORE. Mr. President, I agree with my distinguished colleague on all fours. I have said this on the floor. We instituted a Marshall plan where we peddled more than $20 billion all over the world to modernize our competitors abroad. We did it willingly. We find today, as we look around, that our machinery is archaic. We need modernization. They tell us we cannot compete because we have not modernized and we have not been able to get the money to do so.

I tell you frankly, Mr. President, I am one of those who has been for the working man and I am for the working man, but let me say one thing. You have got to have jobs in order to work. Very frankly, I am for this accelerated depreciation allowance as it has been reported by the committee and I hope it will be sustained.

Argument has been made with respect to the investment credit. Fine, good thing. But we need a little cash flow, too, in order that they can go out and have the money to buy this new machinery.

I have traveled the length and breadth of my State. I have been in most textile mills in Rhode Island.

Mr. President, we cannot compare with the kind of machinery and looms they have in some foreign countries.

What has happened to us? There is not a country in the world that has not given concessions to their businesses so that they can compete in the export trade, and we are the only country that does not do it.

We have to look at this realistically. This is not a question of whether one is a liberal or a conservative—it is a question of whether he is realistic. Very frankly, Mr. President, the time has come when one has to be realistic. I am going to support the committee on this particular amendment.

Mr. BENNETT. Mr. President, how much time do I have left?

The PRESIDING OFFICER. The Senator has 7 minutes remaining.

Mr. BAYH. Mr. President, I would like to make one observation with reference to the argument by my friend from Rhode Island. The investment tax credit permits a great incentive for buying new machinery and building new apartment buildings, thus providing jobs, but the accelerated depreciation range means that everybody who already has a machine is going to get an additional tax break. It seems to me that kind of benefit is not going to help the economy of this country. It is giving a special break to those who do not need it.

Mr. PASTORE. Why does the Senator bring an apartment house into the picture? Why does he not bring into the picture the little mill in Rhode Island?

Mr. BAYH. I will be glad to yield——

Mr. PASTORE. I do not care who yields, but I would like an answer.

Mr. BAYH. The little mill in Rhode Island is going to be brought into the picture under the investment credit.

Mr. PASTORE. Provided it has the money to buy the machinery. Where is it going to get the money if it does not have the cash flow? That is the question. I have looked at this question over a long time, and I am not buying philosophy tonight; I am buying realism tonight.

Mr. BAYH. I think the Senator from Rhode Island is sincere in what he says. I am looking at it as realistically as he is.

Mr. PASTORE. That is right. The Senator comes from Indiana and I come from Rhode Island.

Mr. BAYH. We have some antiquated industry in Indiana that I would like to help, but not by giving an automatic tax break to somebody who is not building and who is not modernizing. That is where I differ with the Senator from Rhode Island.

Mr. PASTORE. That is right, and the investment credit goes to many who do not need it, but the fact is that somebody has to be helped, and it all depends on whose ox is being gored.

Mr. BENNETT. Mr. President, I yield myself enough time to reply to the Senator from Indiana. The investment credit in this bill does not apply to apartment houses. It does not apply to buildings. It applies only to machinery and equipment.

Now I yield 3 minutes to the Senator from Wyoming.

Mr. HANSEN. Mr. President, I want to join with my distinguished colleague from Utah and with my distinguished colleague from Rhode Island in urging the Senate to reject this amendment. Discarding everything else and discarding every peripheral argument, I think the issue before us tonight must concentrate on the thrust of most of the proposals contained in the tax revision package. It is in that context that I speak.

Last year this country lost 100,000 textile jobs. We are talking about the kind of things that people with few skills can do. We have lost those jobs to foreign countries because we cannot make the investments necessary to provide the ability to make the kinds of fabrics sold today. If we are going to employ more black people today, many of them must be employed in these knitting industries. We have got to give this industry incentives to invest in equipment and provide jobs. I would say it would affect the people of Wyoming also, because the only market for our wool in the West is found in this country, in American textile plants.

I am concerned about our inability to keep abreast of foreign countries in the steel industry. We have a taconite plant in our State. I visited a plant in Michigan where they also have a taconite plant. This is the type of work that provides jobs for many people. When I visited one of the steelmakers in Japan in 1965, guess who was over there seeing how the Japanese make steel? Representatives from the three largest steel manufacturers in this country were there to see how the Japanese make steel better and more cheaply than we can make it here. They do it in one way: They encourage their industry over there to take advantage of the new technology that we have yet been unable to put into our mills here.

I am concerned for a third reason. We had appearing before the Finance Committee representatives of so-called multinational corporations. These corporations are leaving America. They are taking their technology and their dollars and investing them in Taiwan, Hong Kong, Southeast Asia, and Europe, where they can hire people for from 10 percent to 50 percent of what we pay American workers here. If we want to do something for American jobholders, this is the place where we can do it, and we can do it by rejecting the amendment which will make it difficult for us to compete effectively.

Mr. HOLLINGS. Mr. President, I yield myself 1 minute. Specifically, the ADR was given on September 2 to the textile industry, and it has gone broke on it. We have lost 100,000 jobs with the ADR. So it is not going to help the industry. It is the investment credit. The investment credit says, "Buy machinery so you can go ahead and invest and expand jobs."

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLINGS. On somebody else's time.

Mr. PASTORE. The Senator is pointing at me.

Mr. HOLLINGS. All right. Anybody who talks about the textile industry is going to get an answer. I have never heard anybody talk about knitting machinery from Wyoming.

Mr. BENNETT. Mr. President, I will be glad to yield 3 minutes to the Senator from Rhode Island.

Mr. HOLLINGS. Will the Senator yield me some time?

Mr. BENNETT. The Senator has already had his share of time. He cannot live on mine.

Mr. PASTORE. I wanted to answer the Senator.

Mr. BENNETT. The Senator can answer on the time I have yielded to him.

Mr. PASTORE. Our opponents are saying it does not do any good. What harm does it do? The trouble with the textile industry today is that it is broke. It does not have cash, even in the petty cash. It does not have cash in the petty cash, and the ADR gives them a little cash flow.

That is not the whole answer. I realize that. I understand this is a moderated form. In the long run, it only means that a company accelerates depreciation. It does not depreciate more than what was paid for the merchandise. It only accelerates the depreciation, and it accelerates it for the reason that it brings in a little cash so that it can have some cash to put up a little deposit to take advantage of the investment credit.

I just got through talking with a gentleman in Brown and Sharpe in my State. Mr. President, they used to hire 3,000. They are down to less than 1,000. Most of the machinery and tools are coming from abroad. How do we meet this? Look at West Germany. Look at Japan. Concession after concession. Do Senators realize that a company in Japan can buy steel for export from Japan and get a cheaper price than that which he buys for domestic consumption? They have had gimmick after gimmick, and they have gimmicked us almost out of business.

That is what we are fighting for here tonight. We are fighting to put an American desk in the State Department. That is what we want—an American desk in the State Department. We have an Asian desk. We have a European desk. We have an African desk. It is about time we had an American desk.

Mr. BAYH. Mr. President——

The PRESIDING OFFICER. The Senator from Rhode Island has 1 minute remaining.

Mr. PASTORE. I still have another minute. And so I say to Senators here tonight: The time has come for America to look at itself in the mirror. The reflection is not very good. The American dollar has lost integrity in the world. That is the reason why we are taking this action tonight.

We asked the President of the United States—and we were responsible for it; Senators on the other side of the aisle may brag and take a lot of credit, and pat themselves on the back; but it was the Democratic Party that gave the President the right to freeze wages and prices. He said, at first, "I do not want it," but finally he exercised it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. PASTORE. May I have another minute?

Mr. BENNETT. I gave the Senator all I had.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Indiana.

Mr. BAYH. Mr. President, I wanted to yield 30 seconds to the Senator from Louisiana so he could eloquently explain his support.

The PRESIDING OFFICER (Mr. Williams). All time has expired. The question is on agreeing to the amendment of the Senator from Indiana (Mr. Bayh). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from South Dakota (Mr. McGovern) and the Senator from New Mexico (Mr. Montoya) would each vote "yea."

On this vote, the Senator from North Carolina (Mr. Ervin) is paired with the Senator from Alabama (Mr. Sparkman). If present and voting, the Senator from North Carolina would vote "yea" and the Senator from Alabama would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Delaware (Mr. Boggs) and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft) and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from Idaho (Mr. Jordan) and the Senator from North Dakota (Mr. Young) are detained on official business.

If present and voting, the Senator from Kentucky (Mr. Cook), the Senator from Nebraska (Mr. Curtis), the Senator from Oregon (Mr. Hatfield), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft) and the Senator from Texas (Mr. Tower) would each vote "nay."

The result was announced—yeas 35, nays 37, as follows:

[No. 319 Leg.]

YEAS—35

Anderson
Bayh
Bentsen
Bible
Burdick
Byrd, W. Va.
Cannon
Church
Fulbright
Gambrell
Gravel
Harris
Hart
Hartke
Hollings
Hughes
Humphrey
Inouye
Jackson
Kennedy
Long
Magnuson
Mansfield
Mondale
Moss
Muskie
Nelson
Pell
Proxmire
Randolph
Stevens
Stevenson
Symington
Tunney
Williams

NAYS—37

Aiken
Allen
Allott
Baker
Beall
Bennett
Brooke
Buckley
Byrd, Va.
Case
Cooper
Eastland
Ellender
Fannin
Fong
Griffin
Gurney
Hansen
Hruska
Javits
Jordan, N.C.
Mathias
McClellan
Miller
Pastore
Pearson
Ribicoff
Roth
Schweiker
Scott
Smith
Spong
Stafford
Stennis
Talmadge
Thurmond
Weicker

NOT VOTING—28

Bellmon
Boggs
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Goldwater
Hatfield
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Montoya
Mundt
Packwood
Percy
Saxbe
Sparkman
Taft
Tower
Young

So Mr. Bayh's amendment was rejected.

Mr. PASTORE. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. BENNETT. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

### AMENDMENT NO. 641

Mr. STEVENSON. Mr. President, I want to commend Senator Cranston for his amendment to H.R. 10947, the pending tax legislation. As he points out, the permanent repeal of the auto excise tax would make the production of more pollution-spewing automobiles for our crowded streets a high national priority. The amendment Senator Cranston and I are cosponsoring would reduce pollution and improve our entire transportation system.

The repeal of this tax would cost the Federal Government, already running a $28-billion deficit for fiscal year 1972, $2.2 billion dollars this year and $2 billion the following year. Such huge sums could be used to help meet our Nation's critical transportation needs.

Our amendment would suspend the tax for 1 year rather than repeal it. The 1-year suspension would allow consumers who purchased automobiles expecting an excise tax refund to receive their anticipated relief. And afterwards it would provide funds for improved mass transit facilities, better railroad passenger service, safer city streets, more rationally planned and modernized airports, and relief from air and noise pollution.

In fact, the revenues from this one source in 1973 could double Federal funding for mass transit, and still leave $1 billion for airports, city streets and traffic control devices, Amtrak, and air pollution control.

With a Nation desperate for adequate transportation facilities and services, it is difficult for me to conceive of a better use for these funds.

And it is also difficult to conceive a more striking example of our Nation's disordered priorities than congressional enactment of a $2 billion annual program to produce more automobiles—for that is what repeal of the excise tax would mean.

American consumers deserve immediate tax relief, and increased consumer spending would be the best tonic for our stagnating economy. It would be more appropriate to provide all consumers with additional income through cuts in the personal income tax instead of confining relief to those who purchase new cars. The former approach—embodied in an amendment I have introduced to increase the personal exemption from $650 to $700 retroactive to January 1, 1971—would provide all taxpayers with additional income and allow them to choose the purposes for which they wish to spend it rather than make the production of more pollution-spreading automobiles for our congested streets an overriding national objective.

## AUTHORIZATION FOR STAR PRINT OF COMMITTEE REPORT

Mr. MANSFIELD. Mr. President, on behalf of the Senator from Michigan (Mr. Hart) of the Committee on Commerce, I ask unanimous consent that a star print of Report No. 92–435, Calendar No. 426, be printed. The star print will reflect technical and other minor changes in the report filed on November 8, accompanying S. 2824, the proposed Wholesome Fish and Fisheries Products Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. JAVITS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. JAVITS, Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 35, beginning with line 20, strike out through line 3 on page 40, and insert in lieu thereof the following:

(a) Section 167 (relating to depreciation) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) Class Lives.—

"(1) In general.—In the case of a taxpayer who has made an election under this subsection for the taxable year, the term 'reasonable allowance' as used in subsection (a) means (with respect to property which is placed in service during the taxable year and which is included in any class for which a class life has been prescribed) only an allowance based on the class life prescribed by the Secretary or his delegate which reasonably reflects the anticipated useful life of that class of property to the industry or other group. The allowance so prescribed may (under regulations prescribed by the Secretary or his delegate) permit a variance from any class life by not more than 5 percent (rounded to the nearest half year) of such life.

"(2) Certain first-year conventions not permitted.—No convention with respect to the time at which assets are deemed placed in service shall be permitted under this section which generally would provide greater depreciation allowances during the taxable year in which the assets are placed in service than would be permitted if all assets were placed in service ratably throughout the year and if depreciation allowances were computed without regard to any convention.

"(3) Making of election.—An election under this subsection for any taxable year shall be made at such time, in such manner, and subject to such conditions as may be prescribed by the Secretary or his delegate by regulations."

(b) Reasonable Repair Allowance.—Section 263 (relating to capital expenditures) is amended by adding at the end thereof the following new subsection:

"(f) Reasonable Repair Allowance.—The Secretary or his delegate may by regulations provide that the taxpayer may make an election under which amounts representing either repair expenses or specified repair, rehabilitation, or improvement expenditures for any class of depreciable property—

"(1) are allowable as a deduction under section 162(a) or 212 (whichever is appropriate) to the extent of the repair allowance for that class, and

"(2) to the extent such amounts exceed for the taxable year such repair allowance, are chargeable to capital account.

Any allowance prescribed under this subsection shall reasonably reflect the anticipated repair experience of the class of property in the industry or other group."

(c) Railroad Rolling Stock.—Section 263 (e) (relating to expenditures in connection with certain railroad rolling stock) is amended—

(1) by striking out "shall be treated" and inserting in lieu thereof "shall, at the election of the taxpayer, be treated", and

(2) by adding at the end thereof the following new sentences: "An election under this subsection shall be made for any taxable year at such time and in such manner as the Secretary or his delegate prescribes by regulations. An election may not be made under this subsection for any taxable year to which an election under subsection (f) applies to railroad rolling stock (other than locomotives)."

(d) Effective Dates.—

(1) The amendments made by subsection (a) shall apply to property placed in service after December 31, 1970.

(2) The amendment made by subsection (b) shall apply to taxable years ending after December 31, 1970.

(3) The amendments made by subsection (c) shall apply to taxable years beginning after December 31, 1969.

(e) Transitional Rules.—

(1) Real property.—In the case of buildings and other items of section 1250 property for which a separate guideline life is prescribed in Revenue Procedure 62–21 (as amended and supplemented), the class lives first prescribed by the Secretary of the Treasury or his delegate under section 167(m) of the Internal Revenue Code of 1954 shall be the same as the guideline lives for such property in effect on December 31, 1970. Any such property which is placed in service by the taxpayer during the period beginning on January 1, 1971, and ending on December 31, 1973 (or such earlier date on which a class life subsequently prescribed by the Secretary of the Treasury or his delegate under such section becomes effective for such property) may, in accordance with regulations prescribed by the Secretary of the Treasury or his delegate, be excluded by the taxpayer from an election under such section if a life for such property shorter than the class life prescribed in accordance with the preceding sentence is justified under Revenue Procedure 62–21 (as amended and supplemented).

(2) Subsidiary assets.—If a significant portion of a class of property first prescribed by the Secretary of the Treasury or his delegate under section 167 (m) of the Internal Revenue Code of 1954 consists of subsidiary assets, all such subsidiary assets in such class placed in service by the taxpayer during the period beginning on January 1, 1971, and ending on December 31, 1973 (or such earlier date on which a class which includes such subsidiary assets subsequently prescribed by the Secretary of the Treasury or his delegate under such section becomes effective), may, in accordance with regulations prescribed by the Secretary of the Treasury or his delegate, be excluded by the taxpayer from an election under such section.

Sec. 110. Employment Incentive Credit.

(a) In General.—Subpart A of part IV of subchapter A of chapter 1 (relating to credits against tax), as amended by title VII of this Act, is amended by renumbering section 41 as 42, and by inserting after section 40 the following new section:

"Sec. 41. Expansion of Employment.

"(a) General Rule.—For the purpose of encouraging the expansion of employment there shall be allowed to a taxpayer as a credit against the tax imposed by this chapter an amount determined by multiplying $4 by the number obtained by subtracting the total number of man-days worked by all of his employees during the base period from the number of man-days worked by all of his employees during the most recent calendar year ending during his taxable year.

"(b) Limitations.—

"(1) Amount.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property).

"(2) Overtime.—For purposes of determining the number of man-days worked by the taxpayer's employees, no hours of work by any employee shall be taken into consideration which are in excess of 40 hours during any calendar week, except that hours worked by an employee in excess of 40 hours per calendar week during any month may be taken into consideration to the extent that the man-days worked by such employee during that month are not in excess of the number of man-days during that month which an employee working only 40 hours per calendar week would have worked.

"(3) Application with subpart c.—No man-day worked by any employee whose employment is taken into consideration for purposes of section 40 (relating to expenses of work incentive programs) for any taxable year shall be taken into consideration under this section for that taxable year.

"(c) Definitions.—

"(1) Base year.—As used in this section, the term 'base year' means—(A) For calendar year 1972, the base year shall be calendar year 1971; and (B) for calendar year 1973 the base year shall be calendar year 1972.

"(2) Man-days.—As used in this section, the term 'man-days' means a calendar day on which at least seven hours of work is performed by one employee. In the case of employees working less than seven hours per day each eight hours worked by one or more such employees shall be counted as one man-day.

"(d) Special Rules.—

"(1) NEW BUSINESSES.—A taxpayer who had no employees during the base period, or who was not engaged in business during the full base period, shall determine the credit allowable to him under subsection (a) in accordance with regulations prescribed by the Secretary or his delegates.

"(2) MERGERS, CONSOLIDATIONS, ETC.—Whenever a taxpayer increases the total number of man-days worked by his employees during the taxable year by purchasing or otherwise acquiring the business operations of another taxpayer, he shall adjust his base period in accordance with regulations prescribed by the Secretary or his delegate in order to determine the credit allowable to him under subsection (a) for that and subsequent taxable years.

"(3) No credit shall be allowed under this section for any man-day worked by any employee unless such employee was paid for his work during such man-day at a rate not less than the minimum rate of pay then prescribed under section 6(a)(1) of the Fair Labor Standards Act.

"(e) REGULATIONS.—The Secretary or his delegate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) CLERICAL AMENDMENT.—The table of sections for such subpart, as amended by title VII of this Act, is amended by striking out

"SEC. 41. Overpayments of tax."

and inserting in lieu thereof:

"SEC. 41. Expansion of employment.
"SEC. 42. Overpayments of tax."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after December 31, 1972, and before January 1, 1974.

Mr. BYRD of West Virginia. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER (Mr. STENNIS). The Senate will be in order.

Mr. JAVITS. Mr. President, I yield myself 10 minutes.

Mr. President, this amendment is sponsored by such a large number of Senators that the names are worth reading: Senators BROOKE, HART, MONDALE, CRANSTON, HATFIELD, KENNEDY. MATHIAS, MCGOVERN, STEVENS, TUNNEY, and WILLIAMS; and Senator NELSON, who has been tremendously helpful in working it out with me. The amendment would cut the ADR—that is, the asset depreciation range—from 20 percent to 5 percent. I am told that that actually means a cut of between 50 percent and 70 percent in the revenue loss. I have not cut it completely. There are administration expense problems and other things which dictate that some of it should be retained.

In addition, this is only a 2-year proposition. We may very well go back to it. So it is best to keep it on the books. Reducing ADR to 5 percent raises $1.7 billion during the first 2 years. I use the $1.7 billion for the purpose of establishing a job credit.

Interestingly enough, notwithstanding the title of this bill—"to provide a job development investment credit"—there "ain't none" directly except mine. This is a direct job development credit, because it provides $4 per man day, or about $1,000 per man year, for every additional employee put on by any concern over the base period which precedes it; and the credit cannot be earned unless the employee works at least 7 hours a day, and the employee must be paid the minimum wage. The reason that there is a juxtaposition here is as follows: The position of the Senator from Indiana (Mr. BAYH) and his colleagues, which apparently the Senate by a very narrow margin did not go along with, was that we need to add more purchasing power, that that is what we need to beef up the economy, and that the more we beef up the economy the more it will produce more economic activity and more jobs.

My amendment proceeds on the theory of adding more jobs directly.

The Full Employment Act of 1946 expresses the policy of the United States to provide "conditions under which there will be afforded useful employment opportunities, including self-employment, for those able, willing, and seeking to work, and to promote maximum employment production, and purchasing power.

We are far short of the goal of full employment today—some millions of jobs short of it—and given the most optimistic estimates, there is little chance that we shall achieve it in the near future if we are to operate only within the general parameters of the changes proposed by the administration and embodied in the committee bill.

The amendment which we are offering today will leave ample inducement for American businessmen to modernize their plant and equipment. At the same time, and at no additional revenue cost to the Government, it will provide a direct and immediate spur to every businessman in America to increase his work force during the next 2 years through a tax credit linked directly to additional jobs.

The basic concept of such a tax credit is embodied in S. 2632, a bill which with 13 other Senators I introduced on October 1, 1971. Under it, during the next 2 years, any employer in America whose employees work more man-days in the current year than in the previous one will be eligible for a tax credit in the amount of $4 per man-day, or about $1,000 per man-year. The credit is structured in such a way as to discourage use of overtime and part-time employees. Also, because it is fixed in amount at $4 per man-day, rather than calculated as a percentage of wages, it would operate as a greater incentive in the case of low-wage, marginally skilled employees.

On the basis of computerized estimates prepared by the minority staff of the Joint Economic Committee—estimates are supported by information we have obtained from the Federal Reserve Board and the California economic forecasting project at Berkeley—this tax credit could be expected to generate at least 500,000 additional jobs by the end of the first full year, at a total cost to the Government of $1.8 billion during the first year, tapering off sharply thereafter. That sounds like and is a great deal of money, but it is actually much less expensive—$3,600 per additional man-year—than other proposals such as the investment tax credit—over $6,000 per additional man-year, as estimated by the minority staff of the JEC—or public service employment—$5,000 to $7,000 per man-year—designed to create additional employment.

To put the jobs issue in its proper perspective, I think it is useful to focus on the number of additional jobs we need to create to bring down unemployment to a level of not over 4 percent. According to the Bureau of Labor Statistics, during the coming year over 2 million additional jobs will have to be created to reach 4-percent unemployment by the end of 1972.

That is the goal which we should seek, and our amendment is designed to fit in as part of an overall plan designed to achieve it.

Until very recently, we have sought to achieve the goal of full employment, and at the same time contain inflation, primarily through the use of overall budgetary and fiscal policy. What the past decade has shown, however, is that these traditional weapons of economic management are inadequate or, at best, clumsy tools to achieve that objective. With them we have not been able to move to contain inflation without producing a substantial amount of unemployment; nor have we been able to reduce unemployment below about 4.5 percent without losing price stability.

We are now at the point of searching for more effective tools of economic management. In particular, we are concerned with shaping a new tax policy which will help stimulate economic activity, yet assure the availability of the revenues which we will need to enable us to continue to deal with our pressing social problems. Indeed, the President's economic stabilization program offers a unique opportunity to take new economic initiatives.

A tax credit along the lines proposed in this amendment can furnish a powerful new tool to stimulate additional employment without increasing inflationary pressures. It would provide a direct incentive for additional employment, yet because it would do so by reducing costs it would avoid putting any upward pressure on prices in the way that a simple increase in Government spending would. Furthermore it would have the added virtue of reducing costs in the one area—labor—where our foreign competitors generally have had their greatest advantage over us. Finally, and very importantly, it would help all industries, including service industries which now employ about 50 percent of all Americans, whereas the investment tax credit and the new ADR rules will primarily benefit the capital-intensive industries.

Mr. President, I strongly believe that incentives are necessary to spur American businessmen to modernize their capital facilities and thus remain competitive with the rest of the world. It was for that reason that I supported the original ADR regulations promulgated by the Treasury last February. The bill as reported by the Finance Committee, however, not only would permit the full 20 percent speedup under the ADR rules promulgated by the Treasury last winter, but also would provide a permanent 7 percent investment tax credit, which would do even more to spur investment than the ADR rules. In particular, enactment of the 7-percent investment tax credit would provide $45.1 billion worth of credits to the American businessman during the next 10 years, while the full 20-percent speedup under the new ADR rules would provide an additional $27.5 billion during the same period. I do not believe that both the investment tax credit and a full 20-percent ADR speedup are necessary to stimulate significant modernization of the American industrial plant; part of this money could better be used at this time, in my judgment, to fund programs which will have a more direct and immediate impact in alleviating present unemployment by producing additional jobs. The amendment we have offered today will reduce the cost of the new ADR rules by $1.7 billion during 1971–72, and by $19 billion through 1980. This will leave $53 billion still available through the investment tax credit and the reduced ADR to stimulate investment. I believe that such a sum will provide ample incentive for American business to modernize its capital facilities.

At the same time, we shall be doing something directly about the sticky 6-percent unemployment rate, by stimulating 500,000 jobs at a cost of $1.8 billion at the outside. Let me stress that the employment credit is only used if it adds employment. If not, it is not used at all. But the outside figure which I have, of $1.8 billion, results from the computerization made by the minority staff of the Joint Economic Committee, in my discussions, and theirs, with the Federal Reserve Board and the California economic forecasting project. We believe it is supported and sustained, that the tax credit can be expected to generate at least 500,000 additional jobs by the end of the first full year, at a cost to the Government of $1.8 billion. It will taper off sharply thereafter. But the first year's cost, the maximum effectiveness—to wit, 500,000 jobs—will cost $1.8 billion.

Another thing that is critically important: the investment tax credit in the bill goes as well to the people having the accelerated depreciation. It seems fair, in an emergency, to have a tradeoff, to reduce that somewhat, or considerably, if we can get a direct employment stimulus. The theory of my amendment is to give a direct employment stimulus.

The second point is that the bill seeks a stimulus of economic activity by the investment tax credit. As I said, I am for that. But let us remember, that affects only one-half the American economy, to wit, the manufacturing part of the economy. Under the investment tax credit, the essential benefits will be for equipment and machinery.

The other half of the economy is service. That will not be appreciably benefited by the 7-percent investment tax credit, but the direct employment credit which I provide in the amendment will benefit the service industries.

Indeed, I thought this up with my staff precisely because I was troubled—I know something about business, as I think all my colleagues know—because I recognized that the investment tax credit had application only to one-half. What about the other half? It set me thinking. As a result of that thinking, it resulted in this particular proposition.

Mr. President, we have only a short time for this debate, but I would like to tell my colleagues this: I have checked and rechecked this with the committees, and with many others—the Federal Reserve Board, leading bankers, leading businessmen, and so forth. People have differences with it. They may not like this or they may not like that, but no one has dented the fundamental thesis. They cannot refute the proposition that if we want to help the totality of the American economy and want a direct employment stimulus, a tax credit for jobs, this is the way to do it. Everyone has got to concede that.

So, my colleagues having rejected the other thesis, which I respect, and, as a matter of fact I encouraged the Senator from Indiana (Mr. BAYH) to precede me, although I could not be with him, for the philosophic reasons I have named—I do not believe that our problem is added purchasing power, and we have enormous idle facilities and people do have the money. The savings rate shows that. It simply is a question of their not having the confidence to spend it, or not having the confidence when they look at the unemployment figures or at the international currency situation, and so forth. People have a feeling about that.

By this amendment, on a trade off, so that it costs us no Treasury money—paying serious attention to what my colleague, the Senator from Utah (Mr. BENNETT) has argued—but that it costs no Treasury money, we have a direct relationship between the job and the tax benefit.

I respectfully submit, that is what we should do on an emergency bill, and I hope very much that the Senate will approve the amendment.

Mr. HANSEN. Mr. President, will the Senator from New York yield for a question?

Mr. JAVITS. I yield.

Mr. HANSEN. Mr. President, may I ask my distinguished colleague from New York, for whom I have considerable respect, whether it would be possible, under his amendment, for an employer to shorten the work hours of those persons presently in his employment and to take on additional employees and get the tax credit and really not, overall, put more money into employment than he is presently paying?

Mr. JAVITS. No. That is not so, because the man must work 7 hours a day in order to earn for the employer the tax credit. In other words, he has got to be a full-time employee. He has got to work 7 hours a day in order to earn that tax credit.

Mr. BENNETT. But must all the other employees work 7 hours a day?

Mr. JAVITS. Pardon?

Mr. BENNETT. Must all the other employees work 7 hours a day then?

Mr. JAVITS. Well, we deal with that—let me read the provision——

The PRESIDING OFFICER (Mr. STENNIS). The time of the Senator from New York has expired.

Mr. JAVITS. Mr. President, I yield myself 2 additional minutes.

The PRESIDING OFFICER. The Senator from New York is recognized for 2 additional minutes.

Mr. BENNETT. That is not the same thing I was talking about.

Mr. JAVITS. I am.

Mr. BENNETT. The Senator from New York would cut everyone down to 4 hours, and then hire some more people for 7 hours.

Mr. JAVITS. That is the limitation. I did not deal with the overtime question here. That is what I was going to read to the Senate.

Each man must have 7 hours' work for the purpose of determining the number of man-days worked by the taxpayer's employees. Also, no hours of work by any employee shall be taken into consideration which are in excess of 40 hours during any calendar week.

Mr. BENNETT. We are not talking about the same thing at all. I am talking about underemployment. The employer says, "In order to get these people and get the $4-a-day benefit, I will work everyone else in the plant and will knock them down from 7 to 5 hours. Therefore, I have to have more employees."

Mr. JAVITS. The amendment cancels out that kind of employment as against the base period. Now the provision on that is the definition of the term "man day," as used in this section. The term "man day" means the calendar day in which at least 7 hours of work is performed by one employee, or, in the case of employees working less than 7 hours per day, each 8 hours worked by one or more employees shall be counted as 1 man-day.

So the purpose—and if the Senator is not satisfied with the language, he will be a conferee; I will not—is to cancel out the credit if there is underemployment; to wit, work under 7 hours a day. So we try to catch it at either side.

As I say to the Senator from Utah (Mr. BENNETT), that is my position. That is what I tried to explain. If it is artless or does not accomplish it, the Senator from Utah will have plenty of opportunity to work it out.

Mr. MILLER. Mr. President, will the Senator from New York yield?

Mr. JAVITS. I yield.

Mr. MILLER. I am concerned about two aspects of this. First of all, we have a serious trade problem, a balance of trade which has gone from $7½ billion down to zero. No one knows that better than the Senator from New York, who has spoken out on many occasions and tried to come up with some ideas to help this problem. But when we are in a competitive situation such as we are, until the tide turns, there are some firms in this country doing all they can to maintain the employment that they have right now.

Why should they be discriminated against because some other firm that may not be in a similar position adds on people? We went through the same problem in connection with the DISC problem which is in the bill. We decided that instead of going along with the House approach, which gives a benefit only insofar as there is a substantial increase over the previous record on exports, that we had better give a benefit for the purpose of maintaining exports, too.

I think we had better do something about the firms that are trying desperately to avoid laying off people because of the pressure of competition.

Finally—and I hate to say it—but even with the ADR's and even with the investment tax credit, I am afraid that we are not going to put the U.S. firms on a competitive basis with the overseas firms. It is the overseas firms that are giving us trouble.

We have a monetary problem now which the Secretary of the Treasury is trying to work out. However, even if we get something done there, the firms are going to need ADR's and investment tax credit to get further capital, and I am talking about jobs.

Mr. JAVITS. Mr. President, in the first place, it is perfectly true that the ones who keep their employment stable will not get the benefits. But we are not hurting them. We are talking about foreign competition. We are not hurting them. On the contrary, we are helping the firm that gets the credit, because we reduce the labor cost.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. JAVITS. Mr. President, I yield myself 1 additional minute.

The PRESIDING OFFICER. The Senator from New York is recognized for 1 additional minute.

Mr. JAVITS. Mr. President, one of the arguments made against my proposal by the labor people was because they were afraid that they would be hiring people in the lower wage brackets. My response was that they should think of the stimulus created by employing people and they should think of the training opportunities available when they actually put people in the jobs for on-the-job training. That is essentially the point I make.

Mr. STEVENS. Mr. President, will the Senator yield?

Mr. JAVITS. I yield.

Mr. STEVENS. Mr. President, this is quite similar to the amendment in the last bill, an amendment I offered. We had a provision to provide new jobs by providing a $15,000 tax credit as against 7 percent.

In connection with the provision for new jobs, when the Senator from New York provides this new method, I think he has a better approach than was provided in the amendment adopted by the Senate last time.

I hope the amendment is agreed to.

Mr. LONG. Mr. President, it is estimated by the Treasury Department that the Javits amendment would cost between $5 billion and $6 billion a year.

Striking out the depletion allowance, we would have a revenue loss over the long run of anywhere from $3 billion to $4.5 billion with this amendment. It would actually be more immediate.

The Treasury points out that some businesses are expanding and some are contracting. Some businesses are capturing more markets and some are losing some. The Javits amendment is expected to lose a large amount of revenue because it helps those who are expanding even though others are contracting.

It is quite possible that even during a period of reduction in employment in the country, the Javits amendment would cost us billions of dollars a year. It also would add all sorts of incentives for concerns to find ways where one concern will go out of some product and another concern will go into the manufacture of it. One company might displace another company in the market. They might achieve a tax advantage of billions of dollars.

If this amendment were in the bill, the bill would then be guilty of economic schizophrenia. We have a tax advantage for someone to buy machinery which would make them more efficient, but would tend to displace labor. They would build a lot of plants and modernize. Every time we have used that approach, it has expanded the economy, sometimes so much that we have had to abandon it. That has happened twice already.

These are the incentives industry needs. They encourage business to build more plants and buy more equipment. We are encouraging business to modernize which tends to make them more efficient and displace people on the production line.

Then, on the other hand, the Javits amendment would cost even more money and discourage them from buying labor-saving devices.

On the one hand, we encourage them to buy machines and become more efficient, and on the other hand we encourage them not to buy new machines so that they can use more manpower.

The Senator from New York has a noble purpose in mind. However, I think that purpose has already been achieved by agreeing to the Talmadge amendment which says that if a person is hiring someone off the welfare rolls, we will give him 20-percent cash advantage for taking people off the welfare rolls and training them.

That is as far as we can safely go at this time.

Mr. President, I yield 2 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, I would like to back up what my chairman has said. The Treasury estimates that there will be a loss of $5 billion to $6 billion a year.

Apparently in his figure, the Senator from New York took the arbitrary feedback credits from the effect that employment might have on the economy generally.

The Treasury does not make estimates that way. Their estimates are kept on the same basis as are the other estimates we have talked about. We are faced with a loss of $5 billion to $6 billion a year.

There is nothing in the bill that will provide steady work for a man. The employer gets the credit even if he rolls his employees over, as long as each man works 7 hours a day. At the end of the period, when the subsidy goes off, then of course he would have no further reason to keep any of them, since he has been hiring them largely because they only cost him a small part of what the regular employees would cost him.

Mr. LONG. Mr. President, if General Motors were to engage in fierce competition, as it is able to do, and puts let us say American Motors out of business, General Motors would then get a large tax credit because they are hiring somebody that was displaced that formerly worked for American Motors. So, there is a large cash advantage in putting a competitor out of business.

Mr. BENNETT. The Senator is correct. They could actually employ the same men. I can see a situation in which a company organizes a new subsidy with a different name. It closes one plant and opens a new one, and the new one starts from scratch. So, for every employee they put to work in the new business, they get $4 a day every day.

I think this is very, very dangerous.

Mr. President, we thought about this in the committee and decided against it. I hope the Senate will back us up. I do not think it will have any permanent value in the end. All we are doing is handing $4 a day subsidy to those employers, who for any reason, increase the number of their employees.

Maybe the people we should be concerned about are those whose business is dropping off and are facing the possibility of laying employees off.

Mr. JAVITS. Mr. President, I yield myself 2 minutes.

Mr. President, the arguments made against the amendment, I think, can be answered very effectively.

First, they say that I do not take care of the mergers or consolidations. I do. The amendment gives the Treasury the power to make rules and regulations to see that the purpose and the intent of this section is not cheated by mergers and consolidations.

Second, we have the bugaboo of $4 to $6 billion a year loss. I know why they have used that figure. However, aside from that, if we spend $4 to $6 billion, the boom that would cause would end the unemployment problem in this country. The problem is 2 million jobs. That is the difference between 4 and 6 percent unemployment, 2 million jobs.

I think that Congress would be very happy to pay $4 to $6 billion for that purpose. However, aside from that, the reason for the fallacy in the figures is that they are quoting the gross figure. They do not give credit for the fact that, if 500,000 people are employed, the Treasury will get a certain amount of revenue.

Our figures have been confirmed by the Federal Reserve Board. They do not pass on the amendment, but they confirm that we are figuring correctly. This is $1.8 billion. The loopholes have been closed with respect to overtime, full time, mergers, consolidations, and new firms. If the Senate wants a tax credit, washed out by ADR, that is directly calculated to produce jobs, then we should agree to this amendment.

Mr. LONG. Do I understand the Senator would deny this to a totally new business, a totally new independent business?

Mr. JAVITS. Not at all. I said we give the Treasury authority to write regulations to take into consideration the problems of a new business.

Mr. LONG. To give a simple example, here is one fellow in a new business. It may be a textile business or any new business. Then, here is another firm already in the business. It is an established firm. Let us say they must compete with another firm in that business that knows the business very well. Let us say that they compete very effectively with the old firm. They are doing the same thing except they are more modern.

Mr. President, the amendment has not been thoroughly considered, and after we think about these things we have concluded we better not add this provision to the bill.

But this amendment gives all kinds of advantages to the firm that puts another firm out of business and the Senate would not want to do that, and I am sure the Senator from New York would not want to do it if he considers all the ramifications. It is not as simple as the Senator thinks it is.

Mr. JAVITS. Mr. President, I yield myself 1 minute so that I may answer the Senator.

Reference was made to the provision of the Senator from Georgia (Mr. TALMADGE). The Talmadge provision applies to welfare workers and the estimate of cost there is $25 million. It is a drop in the bucket. This is a situation in which if we spend money we get results and if we do not spend money we do not get results. In the Talmadge amendment we are talking about a small number of employees. Let us not get a mote in our eyes on this substantial proposition.

The Senator from Louisiana (Mr. LONG) and the Senator from Utah (Mr. BENNETT) are distinguished and conservative men. If this goes in the bill it will be in conference. The idea will have been certified by the Senate. I believe it is the only way to get direct jobs.

### EMPLOYMENT TAX CREDIT

Mr. BROOKE. Mr. President, I rise today in support of H.R. 10947, the Revenue Act of 1971. While this measure differs in certain respects from the tax proposals announced by President Nixon on August 15, 1971, it is largely a response to administration initiatives. I supported the President's new economic policy when it was announced and shall continue to do so.

The goal of continued prosperity without war is an admirable one and demonstrates the bold leadership provided by President Nixon at this crucial juncture in our history. As the President stated, prosperity without war requires that we create more and better jobs; stop the rise in the cost of living and protect the dollar from the attacks of international money speculators. Since his announcement, President Nixon has moved swiftly to achieve these three goals.

On Saturday night at midnight, phase I will end and we will embark on phase II of the new economic policy. It is fair to say that the wage-price freeze has been enormously successful because of the cooperation which millions of Americans have provided. Phase II, or the post-freeze economic stabilization program, will be just as successful if we continue to work together in a spirit of cooperation and good will.

On the international front, our problems have not been resolved; however, I am hopeful that we will be able to remove the import surcharge shortly and that other protectionist measures will not be adopted. Such positive steps can only take place, however, if other nations realize that more is to be gained from international cooperation than from diverse policies based on each nation's economic self-interest. I sincerely hope that we will move forward to realine our international economic relationships in such a manner as to prevent future crises and foster increased understanding between the trading nations of the world.

Finally, the President's August 15 message calls for the creation of more and better jobs to solve our unemployment problems and to provide for an orderly growth policy in the years to come. The tax measures before us are ostensibly designed to create a sufficient number of jobs to address these needs; however, they fall short of achieving our goals. It is for that reason that I have joined with Senator JAVITS and others in introducing the employment tax credit proposal contained in Senate bill S. 2632.

This proposal would amend the Internal Revenue Code of 1954 to provide a direct tax incentive to every business in America to expand its work force. In doing so, it is designed to produce more jobs, in less time and at a lower cost to the American taxpayer than any of the proposals currently before you.

Thus, any employer who hires additional employees during the taxable years beginning in 1972 or 1973 would be eligible for a tax credit in the amount of approximately $1,000 for each new employee. For example, if an employer hired one additional worker during 1972 at $5,000 per year, he would be entitled to a tax credit in an amount up to $1,000—or 20 percent of the worker's salary. However, the employer would not receive any credit for merely paying overtime to existing employees.

Preliminary estimates by the Joint Economic Committee, corroborated by the Federal Reserve Board, indicate that the employment tax credit would produce approximately 500,000 new jobs in the first year of operation. Furthermore, reputable economists have concluded that if an employment tax credit similar to that contained in S. 2632 were used as a supplement to President Nixon's tax proposals, employment would increase by 1.9 million workers by the fourth quarter of 1972.

While we have already begun to see considerable progress in the fight against inflation, the fact remains that over 5 million American workers, or 6 percent of our civilian labor force, are presently unemployed. According to the Bureau of Labor Statistics, over 2 million additional jobs will have to be created during the coming year to reach 4 percent unemployment by the end of 1972.

Thus, unless the employment tax credit proposal before you—or some similar job-producing measure—is adopted, we will fall short of the goal of providing a decent job for every American who is willing and able to work. It is difficult to explain to able-bodied defense and aerospace workers, to minority group workers and others—who are ready and willing to work—that jobs simply are not available. By enacting the employment tax credit, we would have made substantial progress in bringing unemployment within tolerable limits.

It should be noted that the employment tax credit is designed to complement President Nixon's tax proposals—including the job development credit—and provide a much-needed fiscal tool to deal more precisely with the problem of periodic unemployment. This proposal would create additional employment not only in capital intensive industries, but also in service industries which would not benefit from the President's job development credit.

In this respect, it is interesting to note that recent surveys of business leaders indicate that the job development credit—or the investment tax credit, as it is commonly known—is more likely to increase corporate profits than to create additional jobs for unemployed workers during the coming year. Most businesses stand to reap substantial profits if it is applied to equipment which has already been ordered or to machinery that would have been ordered even if the tax credit had not been announced.

Although the job development credit has been almost universally welcomed by business leaders, its impact on capital spending plans will be reduced substantially because of excess plant capacity and the long leadtimes involved with the purchase of capital goods. Most companies that participated in a recent New York Times survey indicated that they will replace machinery and equipment at about the same rate they had planned before the President's announcement last month. Consumer spending and the prevailing level of economic activity were generally considered to be more important in determining capital spending requirements than the job development credit.

With the exception of the railroad industry, most companies surveyed indicated that their capital spending requirements were already in place and that there was little likelihood of disturbing them. Other industries clearly do not stand to benefit from the job development credit because they are not capital intensive industries.

Fiscal stimuli of this nature do not go to the heart of the problem—that is, creating more jobs at a time when the problem of unemployment is most acute—because of the "trickle down" effect. Specifically, the job development credit is primarily designed to provide an incentive to businessmen to modernize capital facilities; but it will provide jobs only indirectly and mostly in capital goods industries.

Owing to the fact that almost half of American business is represented by service-oriented—as opposed to manufacturing—industries, a large sector of our economy will not be directly influenced by this fiscal policy tool. This is not to say that employment will not be stimulated by means of the Job Development Credit in the long run; however, our immediate needs will not be met unless more is done.

Senate bill 2632, on the other hand, would provide a direct incentive for all employers—in capital intensive as well as service industries—to expand their work forces now. It would not depend on the acquisition of capital goods and, in doing so, would benefit all industries, including those service industries which do not acquire capital equipment. Thus, a new fiscal policy tool would be created to complement, not replace, the job development credit proposed by President Nixon.

In summary, I urge the distinguished members of this committee to carefully consider adopting the employment tax credit proposals before you for three reasons:

First, it produces more jobs at lower costs to the American taxpayer than the other proposals before you.

Second, it will have a direct and immediate impact on our economy.

And third, its impact is not dependent on the acquisition of capital goods and therefore it reaches service industries which are not affected by the job development credit.

The present high level of unemployment cannot be tolerated. Not only does it represent a waste of valuable resources—both in economic and human terms—but it also constitutes a drain on the American spirit which cannot be permitted at this or any other time.

Because excess plant and equipment capacity exists in many industries and because of the leadtime involved with capital expenditures, it is imperative that we consider proposals in addition to the job development credit which are more precisely designed to eliminate unemployment today rather than waiting until the problem takes care of itself. The cost of failing to act can be seen in the faces of unemployed workers throughout the country. We can and must act tonight to address this problem.

## PROGRAM—UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, this will be the last rollcall vote today. The Senate is coming in tomorrow at 9 a.m.

The first matter before the Senate tomorrow will be the amendment of the Senator from Minnesota (Mr. Mondale), which would postpone the increase in the social security wage base. There is a 2-hour agreement on that amendment.

I am informed by the Senator from Minnesota (Mr. Mondale) that he is not likely to take all of his time and that a vote on that amendment could occur as early as 10:30 a.m. tomorrow. He indicated that he will ask for a rollcall vote.

Mr. President, I ask unanimous consent that on the disposition of the amendment of the Senator from Minnesota (Mr. Mondale) tomorrow, the Chair lay before the Senate amendment No. 670, the amendment of the Senator from New Jersey (Mr. Williams), and that time on that amendment, which would remove the excise tax on urban transit buses, be limited to 30 minutes, to be equally divided between the mover of the amendment and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. LONG. Mr. President, I would like to make one further point with respect to this matter of new businesses.

On page 3 of the Senator's amendment it is stated that a taxpayer who had no employees during the tax period but engaged in business thereafter would get the credit subject to regulation. That is the $64 question. How much would they get under the regulations? A great many other questions along this line, also are unanswered.

Mr. JAVITS. In conclusion, I merely wish to make the point that it is a 2-year bill.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BAYH. Mr. President, on this vote I have a live pair with the junior Senator from South Carolina (Mr. Hollings). If he were present and voting, he would vote "nay." If I were permitted to vote, I would vote "yea." Therefore I withhold my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Texas (Mr. Bentsen), the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from Louisiana (Mr. Ellender), the Senator from North Carolina (Mr. Ervin), the Senator from Arkansas (Mr. Fulbright), the Senator from Alaska (Mr. Gravel), the Senator from South Carolina (Mr. Hollings), the Senator from Montana (Mr. Mansfield), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), and the Senator from Alabama (Mr. Sparkman) are necessarily absent.

I further announce that, if present and voting, the Senator from Alabama (Mr. Sparkman), the Senator from North Carolina (Mr. Ervin), and the Senator from Louisiana (Mr. Ellender) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Delaware (Mr. Boggs), and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from Idaho (Mr. Jordan), the Senator from South Carolina (Mr. Thurmond), and the Senator from North Dakota (Mr. Young) are detained on official business.

If present and voting, the Senator from Kentucky (Mr. Cook), the Senator from Illinois (Mr. Percy), the Senator from Ohio (Mr. Taft), the Senator from South Carolina (Mr. Thurmond), and the Senator from Texas (Mr. Tower) would each vote "nay."

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from Nebraska (Mr. Curtis). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 22, nays 41, as follows:

[No. 320 Leg.]

YEAS—22

Aiken
Beall
Brooke
Case
Cooper
Hartke
Humphrey
Jackson
Javits
Kennedy
Magnuson
Mathias
Mondale
Nelson
Proxmire
Schweiker
Stafford
Stevens
Stevenson
Tunney
Weicker
Williams

NAYS—41

Allen
Allott
Anderson
Baker
Bennett
Bible
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Church
Eastland
Fannin
Fong
Gambrell
Griffin
Gurney
Hansen
Harris
Hart
Hruska
Hughes
Inouye
Jordan, N.C.
Long
McClellan
Miller
Moss
Pastore
Pearson
Pell
Randolph
Ribicoff
Roth
Scott
Smith
Spong
Stennis
Symington
Talmadge

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Bayh, for.

NOT VOTING—36

Bellmon
Bentsen
Boggs
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ellender
Ervin
Fulbright
Goldwater
Gravel
Hatfield
Hollings
Jordan, Idaho
Mansfield
McGee
McGovern
McIntyre
Metcalf
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Sparkman
Taft
Thurmond
Tower
Young

So Mr. Javits' amendment was rejected.

### AMENDMENT NO. 649

The PRESIDING OFFICER. As the Chair understands, the next amendment to be called up, beginning tomorrow, is amendment No. 649, offered by the Senator from Minnesota (Mr. Mondale), which the clerk will state.

The legislative clerk read as follows:

On page 3, before line 1, in the table of contents immediately after the item relating to section 702, insert the following:

“TITLE VIII—POSTPONEMENT OF INCREASE IN SOCIAL SECURITY WAGE BASE

“Sec. 801. One-year postponement.

“Sec. 802. Amendments to Social Security Act.

“Sec. 803. Amendments to Internal Revenue Code.”

Add after the final line:

“TITLE VIII—POSTPONEMENT OF INCREASE IN SOCIAL SECURITY WAGE BASE

“Sec. 801. One-Year Postponement.

“Section 203(c) of the Act entitled ‘An Act to increase the public debt limit set forth in section 21 of the Second Liberty Bond Act, and for other purposes’, approved March 17, 1971 (Public Law 92–5) is amended by striking out ‘1971’ each place it appears therein and inserting in lieu thereof ‘1972’.

“Sec. 802. Amendments to Social Security Act.

“(a) Section 209(a) of the Social Security Act is amended—

“(1) by striking out ‘1972’ in paragraph (5) and inserting in lieu thereof ‘1973’; and

“(2) by striking out ‘1971’ in paragraph (6) and inserting in lieu thereof ‘1972’.

“(b) Section 211(b)(1) of such Act is amended—

“(1) by striking out ‘1972’ in subparagraph (E) and inserting in lieu thereof ‘1973’; and

“(2) by striking out ‘1971’ in subparagraph (F) and inserting in lieu thereof ‘1972’.

“(c) Sections 213(a)(2)(ii), 213(a)(iii), and 215(e)(1) of such Act are each amended—

“(1) by striking out ‘1972’ and inserting in lieu thereof ‘1973’; and

“(2) by striking out ‘1971’ and inserting in lieu thereof ‘1972’.

“Sec. 803. Amendments to Internal Revenue Code.

“(a) Section 1402(b)(1) (relating to tax on self-employment income) is amended—

“(1) by striking out ‘1972’ in subparagraph (E) and inserting in lieu thereof ‘1973’; and

“(2) by striking out ‘1971’ in subparagraph (F) and inserting in lieu thereof ‘1972’.

“(b) Section 6413(c)(1) (relating to special refunds of employment taxes) is amended—

“(1) by striking out ‘1972’ each place it appears therein and inserting in lieu thereof ‘1973’; and

“(2) by striking out ‘1971’ each place it appears therein and inserting in lieu thereof ‘1972’.

“(c) Section 6413(c)(2)(A) (relating to special refunds of Federal employee employment taxes) is amended—

“(1) by striking out ‘or 1971’ and inserting in lieu thereof ‘1971, or 1972’; and

“(2) by striking out ‘after 1971’ and inserting in lieu thereof ‘after 1972’.”

## NOTICE OF FIELD HEARINGS IN KANSAS ON FREIGHT CAR SHORTAGES

Mr. BYRD of West Virginia. Mr. President, on behalf of the distinguished Senator from Washington (Mr. Magnuson), I announce that the Special Subcommittee on Freight Car Shortages will conduct a field hearing in Dodge City, Kans., on the problem of freight car shortages. The hearing will commence at 10 a.m. on November 22, 1971, in the Little Theater, Dodge City Community College, By-Pass at 14th Street. Any person who wishes to testify should notify the committee staff, telephone 225–9351.

## ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on tomorrow, immediately following the recognition of the two leaders under the standing order, there be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Chair lay before the Senate amendment No. 649, and that the time then begin running thereon.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

## ORDER FOR STAR PRINT OF S. 2410

Mr. BAKER. Mr. President, I am advised that S. 2410, regarding the release of certain restrictions in a deed to the Columbia Military Academy contains a latent ambiguity as to the identity of the ownership of the property in question. I therefore ask unanimous consent to have this bill star-printed to include citations identifying the landowner more specifically.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 a.m.

After the two leaders have been recognized under the standing order, there will be a period for the transaction of routine morning business, not to exceed 30 minutes, with statements therein limited to 3 minutes.

At the conclusion of morning business, the Senate will proceed to consider amendment No. 649, offered by the Senator from Minnesota (Mr. Mondale), an amendment dealing with the postponement of the increase in the social security wage base. There is a time limitation agreement thereon of 2 hours. It is my understanding that all of that time may not be used, and that a vote could occur as early as 10:30 o'clock.

I am also informed by the distinguished mover of the amendment that there will be a rollcall vote on that amendment.

On the disposition of amendment No. 649, the Senate will proceed, under the previous order, to the consideration of amendment No. 670, offered by the able Senator from New Jersey (Mr. Williams), an amendment to remove the excise tax on urban transit buses. An agreement has been entered into under which there will be a time limitation of 30 minutes on the amendment, to be equally divided, and it is anticipated that there will be a rollcall vote on that amendment.

Mr. President, there will be rollcall votes tomorrow, and it is expected that the Senate should stay in session as late as 4:30 or 5 o'clock, if amendments are offered and if the legislative business flows as expeditiously as it flowed today.

## ADJOURNMENT TO 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 7 o'clock and 45 minutes p.m.) the Senate adjourned until tomorrow, Saturday, November 13, 1971, at 9 a.m.

## NOMINATIONS

Executive nominations received by the Senate November 12, 1971:

### U.S. District Courts

Levin H. Campbell, of Massachusetts, to be a U.S. district judge for the district of Massachusetts, vice Charles E. Wyzanski, Jr., retired.

Ralph F. Scalera, of Pennsylvania, to be a U.S. district judge for the western district of Pennsylvania, vice John L. Miller, retired.

### U.S. Patent Office

Donald W. Banner, of Illinois, to be Commissioner of Patents, vice William E. Schuyler, Jr., resigned.

### In the Air Force

The following persons for appointment in the Regular Air Force, in the grades indicated, under the provisions of section 8284, title 10, United States Code, with a view to designation under the provisions of section 8067, title 10, United States Code, to perform the duties indicated, and with dates of rank to be determined by the Secretary of the Air Force:

*To be captain (Dental)*

Wilson, Aaron H., Jr., [redacted].

*To be captain (Nurse)*

Hale, Diann A., [redacted].

The following Air Force officers for appointment in the Regular Air Force, in the grade of major, under the provisions of section 8284, title 10, United States Code, with dates of rank to be determined by the Secretary of the Air Force:

Able, William A., Jr., [redacted].
Adams, Glen L., [redacted].
Allen, Charles J., [redacted].
Anderson, John P., [redacted].
Barnes, Jack, [redacted].
Barr, James A., [redacted].
Berg, Raymond A., [redacted].
Bissland, Alexander, [redacted].
Bomar, Jack W., [redacted].
Brazier, Thomas E., [redacted].
Bryant, Richard D., [redacted].
Byrnes, Joseph A., Jr., [redacted].
Campos, Frank, [redacted].
Carter, Charles H., [redacted].
Case, Thomas F., [redacted].
Clark, Harry G., [redacted].
Clark, Jimmie R., [redacted].
Conley, Robert M., [redacted].
Davy, Albert W., [redacted].
Dobbins, Robert S., [redacted].
Durrill, Russell G., [redacted].
Eilers, Charles A., [redacted].
Ellenburg, Grady F., [redacted].
Engle, Robert L., [redacted].
Esposito, Anthony, [redacted].
Few, James C., [redacted].
Fisher, Ralph E., [redacted].
Fox, Eugene H., [redacted].
Frazier, Stephen T., [redacted].
Frey, Russell B., [redacted].
Fuller, Donald O., [redacted].

Funderburg, Charles [redacted]
Gilreath, Bernard S., [redacted]
Guyton, Sidney L., [redacted]
Hall, David M., [redacted]
Hammerle, Robert C., [redacted]
Harvey, Amos C., [redacted]
Hicks, Leo H., [redacted]
Johnson, Albert W., [redacted]
Johnson, Bradley J., [redacted]
Kendrick, Anthony G., [redacted]
Klebe, Alton S., [redacted]
Lentz, Karl O., Jr., [redacted]
Little, Norman R., [redacted]
Lowrey, Jack A., [redacted]
Macko, Charles, [redacted]
Madden, Richard G., [redacted]
Martel, Richard W., [redacted]
McGilvary, David R., [redacted]
Millsap, Luther E., [redacted]
Neely, John K., [redacted]
O'Brien, Denis R., [redacted]
OToole, Joseph W., [redacted]
Peterson, George A., [redacted]
Powers, Elliott, [redacted]
Rackley, Inzar W., Jr., [redacted]
Railey, Douglas J., [redacted]
Ruck, Robert L., [redacted]
Russell, Donald M., [redacted]
Savage, Myron L., [redacted]
Schmidt, Lyle E., [redacted]
Smith, Joe S., [redacted]
Solomon, Leo T., [redacted]
Staton, Willis E., [redacted]
Stine, Joseph M., [redacted]
Strain, Charles R., [redacted]
Tingley, Richard D., [redacted]
Wetzel, Lewis W., [redacted]
White, Ralph L., [redacted]
Williams, Herman H., [redacted]
Williams, Peter D., [redacted]
Wistrand, Robert C., [redacted]
Wrye, Blair C., [redacted]

### IN THE ARMY

The following-named persons for reappointment in the active list of the Regular Army of the United States, with grades as indicated, from the temporary disability retired list, under the provisions of title 10, United States Code, sections 1211 and 3447:

*To be colonel, Regular Army, and colonel, Army of the United States*

Copeland, Kenneth W., [redacted]

*To be major, Regular Army, and lieutenant Colonel, Army of the United States*

Robinson, William B., [redacted]

The following-named persons for appointment in the Regular Army of the United States, in the grades specified, under the provisions of title 10, United States Code, sections 3283 through 3294 and 3311:

*To be major*

Wood, Richard W., [redacted]

*To be captain*

Bernard, Kenneth W., [redacted]
Bredemeier, Laura J., [redacted]
Burns, Marlene G., [redacted]
Frey, William E., [redacted]
Gale, Ronald E., [redacted]
Graham, Edward S., [redacted]
Henchy, Michael J., [redacted]
Janzen, Robert W., [redacted]
Keener, Ross F., Jr., [redacted]
Kelley, Floyd J., [redacted]
Knaebel, Mary L., [redacted]
Krieger, Michael P., [redacted]
Lopez, Jesus, Jr., [redacted]
McDowall, John W., [redacted]
Mullinax, Ellis T., [redacted]
Newbry, Everett G., Jr., [redacted]
Parsons, Al D., [redacted]
Saunders, Phillip A., [redacted]
Seng, George F., [redacted]
Stack, Robert C., Jr., [redacted]
Sutherland, Cameron, [redacted]
Williams, Terrell R., [redacted]

*To be first lieutenant*

Archebelle, Edwin B., [redacted]
Campbell, Colin M., [redacted]
Cestaro, Michael J., [redacted]
Cheney, David H., [redacted]
Clark, Jack L., [redacted]
Comella, Martin C., [redacted]
Cooper, Maxwell A., [redacted]
Cressler, John W., [redacted]
Culwell, Kenneth L., [redacted]
De Perro, John F., [redacted]
Dethlefsen, Mac H., [redacted]
Edwards, Daniel H., [redacted]
Gordon, John C., [redacted]
Gravatt, Arthur B., III, [redacted]
Greene, Robert E., Jr., [redacted]
Guilbeault, Jeanne E., [redacted]
Heinrich, Robert G., [redacted]
Hogsett, Alvin G., [redacted]
Huchun, Kim, [redacted]
Hurley, Michael W., [redacted]
Jackson, Charles M., Jr., [redacted]
Johnson, Clifford I., [redacted]
Johnson, Clyde T., [redacted]
Jones, Thomas D., Jr., [redacted]
Keller, Ulrich H., [redacted]
Lackey, Jimmie R., [redacted]
Lee, Michael F., [redacted]
Matthews, David J., III, [redacted]
Meyer, Elizabeth G., [redacted]
Meyer, John Gilmore, Jr., [redacted]
Miller, Michael W., [redacted]
Mitteer, Jack A., [redacted]
Moyer, Edwin A., Jr., [redacted]
Newbold, Donna E., [redacted]
Olson, Brian L., [redacted]
Ottmer, Peter P., [redacted]
Parkes, Michael A., [redacted]
Ragosta, Ralph J., Jr., [redacted]
Rinke, Wolf Joachim, [redacted]
Roberts, Shelby C., [redacted]
Rodman, Terral L., [redacted]
Ross, Edward W., [redacted]
Shipp, Thomas R., [redacted]
Steiner, Darryl L., [redacted]
Swift, Roy A., [redacted]
Turner, Kenneth D., [redacted]
Valersky, John A., [redacted]
Van Horn, Jerry, [redacted]
Webb, John R., [redacted]
Whittier Walter C., [redacted]
Woolsey, Gerald D., [redacted]

*To be second lieutenant*

Barnes, Richard H., [redacted]
Baxter, John H., III, [redacted]
Cenname, Alfred J., [redacted]
Dearing, John L., [redacted]
Fess, Kenneth E., [redacted]
Guthrie, William R., [redacted]
Houck, William D., [redacted]
Joyce, Michael J., [redacted]
Kelley, Harold V., Jr., [redacted]
Kelly, James C., [redacted]
Kershaw, Dean A., [redacted]
Lescallett, Kenneth L., [redacted]
Luczu, Louis J., [redacted]
Montiel, Ruben R., [redacted]
Nellans, Gale D., [redacted]
Nienhouse, Terry L., [redacted]
Parrack, Cecil T., Jr., [redacted]
Stevenson, Ford L., [redacted]
Throgmorton, Fred J., [redacted]
Wagoner, Donald H., [redacted]
West, Charles E., [redacted]

The following-named distinguished military students for appointment in the Regular Army of the United States, in the grade of second lieutenant, under provisions of title 10, United States Code, sections 2106, 3283, 3284, 3286, 3287, 3288, and 3290:

Aaron, Ralph P., [redacted]
Barlotta, Samuel J., [redacted]
Bauer, Jeffrey P., [redacted]
Beveridge, Mark L., [redacted]
Bippus, David P., [redacted]
Borman, Terry R., [redacted]
Camp, Walter F., [redacted]
Canella, James J., [redacted]
Cippele, Alfred D., [redacted]
Cotten, Frank R. Jr., [redacted]
Cotter, James R., [redacted]
Craig, Wallace H., [redacted]
Crowden, Ronald G., [redacted]
Dias, John P., Jr., [redacted]
Duncan, Debron C., [redacted]
Durgens, Elray, [redacted]
Evans, Thad D., [redacted]
Fender, David A., [redacted]
Ferguson, Stephen K., [redacted]
Gianelloni, James R., [redacted]
Hall, Clark C., [redacted]
Hall, Jon J., [redacted]
Hatch, James P., [redacted]
Hayles, Ralph E., Jr., [redacted]
Hosek, Frank E., [redacted]
Icenogle, Larry F., [redacted]
Inouye, Randall R., [redacted]
Johnson, Craig A., [redacted]
Jones, Clinton C., [redacted]
Karlovetz, James L., [redacted]
Katagihara, Alvin M., [redacted]
Keating, Jeffrey M., [redacted]
Kettler, Keith L., [redacted]
Knudson, Kenneth N., [redacted]
Lanning, Lawrence E., [redacted]
Laurich, Jon S., [redacted]
Main, Thomas E., [redacted]
McAllister, Larry C., [redacted]
McFarling, Leslie H., [redacted]
McGlothlin, Stanley W., [redacted]
Miller, Stephen C., [redacted]
Mittlestadt, Donald R., Jr., [redacted]
Munson, Richard D., [redacted]
Murders, Larry W., [redacted]
Noe, John W., Jr., [redacted]
Ozbolt, Bernard R., [redacted]
Panning, Glen A., [redacted]
Pierce, Stephen H., [redacted]
Robertson, Larry H., [redacted]
Roelke, Norman L., [redacted]
Schroeder, David L., [redacted]
Smith, George H., [redacted]
Tekell, Robert S., [redacted]
Tengan, Wendell T., [redacted]
Thomas, Dwight P., II, [redacted]
Tieszen, Randal M., [redacted]
Truesdell, Stephen C., [redacted]
Ursone, Richard L., [redacted]
Wagner, Stephen B., [redacted]
Warnement, Jerry J., [redacted]
Willey, James M., [redacted]
Yamamoto, Clifford I., [redacted]
Yarnell, Albert R., II, [redacted]

The following-named scholarship students for appointment in the Regular Army of the United States in the grade of second lieutenant, under provisions of title 10, United States Code, sections 2107, 3283, 3284, 3286, 3287, 3288, and 3290:

Dick, Walter F., [redacted]
Fives, John T., [redacted]
Rockstroh, Eric M., [redacted]
Rogers, Michael G., [redacted]

### IN THE MARINE CORPS

The following-named women officers of the Marine Corps for permanent appointment to the grade of lieutenant colonel:

Carolyn J. Auldridge
Vea J. Smith

The following-named women officers of the Marine Corps for permanent appointment to the grade of major:

Barbara E. Dolyak
Karen J. Grant
Lynn Mertes
Charlene M. Summers

The following-named women officers of the Marine Corps for permanent appointment to the grade of captain:

Sandra L. Mahoney
Cheryl J. McCauley
Eleanor J. McElroy
Ingrid M. Pranger
Alice B. Speizman
Linda C. White

The following-named officers of the Marine Corps for temporary appointment to the grade of major:

Ronald E. Ablowich
Carl P. Ackerman
William R. Acree
Charles N. Adams
David H. Adams
James S. Adams
Larry G. Adams
Robert A. Adams
Wayne T. Adams
John L. Adkinson, Jr.
William S. Ainsley III
Alfred J. Allega
Robert T. Allen
John D. Alexander
David G. Amey
Andrew G. Anderson II
David L. Anderson

Donald F. Anderson
John F. Angil
Fred W. Anthes
John C. Arick
Mordecai R. Arnold
Thomas D. Ashe
Lowell E. Austin, Jr.
Clair E. Averill, Jr.
Wayne A. Babb
Larry A. Backus
John C. Baggette
Hubert A. Baker
Maurice R. Banning
Emory W. Baragar
Richard D. Barba
Henry D. Barratt
John J. Barrett
Harvey C. Barnum, Jr.
William C. Bartels
Robert O. Bartlett
Thomas Y. Barton, Jr.
Delbert M. Bassett
Harry C. Baxter, Jr.
George Berthelson
Dale S. Beaver
Frederick W. Beekman III
Richard T. Beitel
Thomas M. Beldon
Donald R. Bell, Jr.
George E. Bement
Charles S. Bentley
Roderick E. Benton
Allan E. Berg
George V. Best, Jr.
Lance V. Bevins
Dennis C. Beyma
Richard L. Bianchino
James W. Bierman
Roy D. Black
Arthur C. Blades
Charlton H. Blanks
Clifford G. Blasi
Harold W. Blot
Michael A. Blunden
Walter G. Boeck
Kenneth L. Bourgeois
Ronald R. Borowicz
Charles R. Bridges
William T. Bridgham, Jr.
Frederick Bubenhofer, Jr.
James A. Brabham, Jr.
Robert A. Bracy
Gary R. Braun
Walter J. Breede III
George D. Brennan II
Patrick J. Brennan
Anthony D. Brewin
Gary E. Brown
Gene A. Brown
Michael E. Brown
Raul B. Brown
Robert D. Brown
Samuel H. Brown, Jr.
Robert A. Browning
Frederick T. Bryan
John G. Burke
Donald E. Burns
Ronald G. Burnsteel
Henry W. Buse III
John M. Butler, Jr.
Thomas C. Byall
Peter E. Byrne
Michael J. Byron
August J. Calimano
Richard D. Camp, Jr.
Jack R. Campbell, Jr.
Thomas E. Campbell
John W. Cargile
Kenneth C. Carlon
Thomas M. Carpenter
Henry S. Carr, III
John J. Carroll
Kenneth L. Carter
Marshall N. Carter
Robert D. Caskey
Gene E. Castagnetti
Paul R. Catalogne
James H. Champion
James M. Chance
Lonnie S. Chavez
David J. Christensen
George R. Christmas
Donald E. Christy
Jorel B. Church
Dennis Churchin
David L. Chilcote
Theodore C. Cieplik, Jr.
John J. Clancy, III
Gary D. Clark
Robert F. Clark
William B. Clary
Roger J. Claus
Robert F. Clemmons
William H. Climo, Jr.
David W. Clingman
Michael L. Cluff
Richard L. Cody
William F. Coenen
Richard V. Coffel
Lee D. Coker
Ernest E. Collins
Randy J. Collins
Bernis B. Conatser, Jr.
Thomas M. Conley
William J. Conley
Anthony C. Conlon
Charles R. Connor
Charles E. Conway, Jr.
Everett E. Cossaboon
Walter J. Costello
Paul H. Courtney
Cryspin J. Cowell
David E. Cox
Edward V. Cox
Merle L. Crabb
Miles H. Crafton, Jr.
Wayne N. Crafton
Richard J. Craig
Richard W. Crain
Robert A. Crane
Dennis W. Craney
John B. Creel, Jr.
Ronald R. Critser
Albert B. Crosby
Harvey F. Crouch, Jr.
Thomas B. Cullen
Paul W. Culwell
James E. Curran, Jr.
Herbert L. Currie
Charles A. Cushman
Reid E. Dahart
Joseph C. Dangler
Charles E. Daniel
Marshall B. Darling
Douglas M. Davidson
James F. Davis
James R. Davis
Leslie H. Davis
Robert G. Dawson
Andrew D. Debona
Carmine J. Delgrosso
Angelo C. Demeo
Thomas F. Demsey
Chadwick H. Dennis
Raymond E. Dennison
Francis T. Dettrey
Ted O. Dickson
Elliott S. Dix
Billy H. Dobbs
Wilson R. Dodge
Howard R. Donehower
David J. Douglas
Francis H. Douglas
Noel E. Douglas
Charles W. Dow
William J. Dowd
Thomas V. Draude
Dennis W. Duerden
Peter A. Duffy
Thomas J. Dumont, Jr.
Dorris A. Duncan
David S. Durham
William G. Dwinell
Joseph M. Dwyer
Joseph J. Dzielski
Terry J. Ebbert
Ronald R. Eckert
Bob E. Edwards
James E. Edwards, Jr.
Jerry A. Edwards
Roy T. Edwards
Francis X. Egan
Norman E. Ehlert
Russell A. Emerson
Robert E. Enis
John O. Enockson
Gene B. Erwin
Harold A. Erwin
Donnie C. Evans
James L. Eyre
Brian J. Fagan
Fred T. Fagan, Jr.
Rupert E. Fairfield, Jr.
Robert W. Falkenbach
Thomas A. Farley
Leo J. Farrell
Robert J. Faught
Frank Ferrante
Peter B. Field
Alan J. Finger
Richard A. Flaherty
Walter J. Fleming
George A. Focht
James J. Foley, Jr.
Elbert A. Foster
James F. Foster
Joel R. Foster
Bert R. Francis
Donald R. Frank
Howard A. Franz
Luis R. Fresquez
Frederick C. Frey
James R. Furleigh
Robert J. Gadwill
William R. Gage
Willard F. Galbraith, Jr.
James A. Gallagher, Jr.
Bruce A. Garnish
Ronald C. Garten
Gerald G. Garwick
Albert R. Gasser, Jr.
Ronald L. Gatewood
Ronald T. Geddes
Robert W. Gehring
Charles R. Geiger
John R. Gentry
Jon R. Gibson
Larry R. Gibson
Robert F. Gibson
Gerald L. Gill
James H. Gillespie
Bobby G. Girvin
Eugene M. Glass
Aloys A. Glose
John A. Goehring
Paul B. Goodwin
Henry F. Gotard
Edwin T. Gray
William B. Gray
Robert R. Green
Richard L. Greene
Joseph P. Greeves, Jr.
Nelson H. Gremmels
Michael V. Griffith
Darcy E. Grisier
Nicholas H. Grosz, Jr.
Norman R. Guidry
Leon A. Guimond
Gordon H. Gunniss
Michael A. Gurrola
Joseph S. Hack, Jr.
John A. Hadley
Joseph J. Hahn, Jr.
Mark L. Haiman
John F. Hales
Samuel T. Hall
Francis X. Hamilton, Jr.
George C. Hamilton
Thomas L. Hampton
David Hancock
Donald L. Hand
Joseph A. Haring
William M. Harborth
James D. Hardaway
John D. Harrill, Jr.
Robert F. Harrington
William G. Harris, Jr.
Edward T. Harrison
John C. Harrison
Frederick F. Harshbarger
Jude M. Hartnett
Alan H. Hartney
Edward J. Hassinger
Leonard C. Hayes
Solomon P. Hill
Richard D. Hearney
Mark T. Hehnen
Hans R. Heinz
Frederick W. Hemphill, Jr.
Thomas W. Hemsath
James C. Henderson
Porter K. Henderson
John B. Hendricks
Gene D. Hendrickson
Billy C. Henry
Jerry L. Henson
Jerome L. Hess
William A. Hesser
Francis E. Heuring
James B. Hickok
Billie E. Hicks
Martin C. Higgins
Jon C. Hill
Michael J. Hilsinger
Thomas F. Hinkle
Marlin N. Hinman
Amos B. Hinson III
Alan W. Hitchens
Daniel A. Hitzelberger
Byron H. Hogue
Kenneth L. Holm
Glenn E. Hooker, Jr.
Richard J. Hooton, Jr.
George P. Howle
Jefferson D. Howell, Jr.
John Y. Howo
Donald E. Hubbard
Ray E. Huebner
Robert A. Hughes
Richard C. Hulit
Gerald Hunt
Abram J. Hunter, Jr.
Robert M. Hunter
Delbert M. Hutson
Fred L. James
Jack C. James
John L. Jenkins
Robert G. Jessee
Harry N. Johnson
Herbert C. Johnson
Robert B. Johnston
Ken H. Johnson
John N. Jolley, Jr.
Patrick J. Jones
Philip T. Jones
Ray C. Jones
Robert E. Jones
Robert L. Jones, Jr.
Thomas E. Jones
William D. Jones
Kenneth D. Jordan
Robert W. Joyce
Hugh L. Julian
Wayne A. Julian
Ernest H. Kasold, II
Thomas P. Keenan, Jr.
John R. Kelbaugh
Gerald J. Keller
Gerard H. Kelly
John A. Kelly
John A. Kelly
James L. Kerney
John H. Key
George A. Kiesel
Roger E. Kilb
Francis J. Kirchner
Francis T. Klabough
Joseph F. Kline
Timothy J. Klug
Frank H. Kos, Jr.
Thomas L. Kosciw
Stephen J. Kott
Eugene L. Kratcoski
Dennis E. Kraus
Charles C. Krulak
William M. Krulak
Larry J. Kuester
Nicholas J. Laduca, Jr.
Carlton E. Land
Richard H. Langenfeld
Alfred Lardizabal, Jr.
Anthony V. Latorre, Jr.
James Lau
Linden T. Laviano
Glenn C. Lawty
Robert P. Learnard
David C. Lecount
Gregory W. Lee
Antone D. Lehr
Edward O. Leroy
Perry C. Lindberg
Theodore P. Lingenfelter
Wayne M. Lingenfelter
Louis A. Link
Bertram L. Linkonis
Raymond A. List
David R. Little
James E. Livingston
Calvin A. Lloyd, II
Edward J. Lloyd
Richard E. Lochner
Robert E. Lorch
L. J. Lott
Darrell M. Lowe
Michael J. Lucci
Howard L. Luttrell
Haymond R. Luzadder
Charles A. Lyle
Peter M. Mack
Kenneth R. Maddox
Robert W. Maddox
Robert A. Madeo
Raymond C. Madonna
Gerald G. Madson
Phillips S. Makowka
Edward J. Manco
James P. Mangan
Anthony E. Manning
William E. Marcantel
Robert C. Marshall
Arville D. Martin
Edward G. Massman
Robert J. Mastrion
Brian M. Mathews
Lyle D. Mathews
Enrique A. Mauri
Gregory A. McAdams
Gary T. McAlpin
John F. McCammon
Frederick A. McCaughan
Thomas C. McClay
Harry M. McCloy, Jr.
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Richard R. McCormick
Kenneth D. McCurry
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Bion E. Merry
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Hubert Mitchell
David F. Miller
Neil F. Mitchell
Robert L. Mitchell
Robert J. Mockenhaupt
Paul J. Montague
Joe D. Moody
Alfred H. Moore
Allen R. Moore
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John B. Moriarty
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Charles H. Mulherin, Jr.
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Joseph F. Mullane, Jr.
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John A. Murray
James M. Myatt
John R. Myrdal
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Herbert Nelke
Jimmie C. Nelson
Eugene T. Nervo
James L. Neyman
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Kenneth E. Noland
Mell B. Nolley
William B. Nye
Gerald J. Oberndorfer
Paul W. O'Brien
Peter J. O'Brien, Jr.
William L. O'Connor
Paul F. O'Keefe
Loren J. Okrina
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Robert V. Olson
Jeffrey W. Oster
Larry J. Oswalt
Sammy L. Owens
John F. Palchak
Nelson Paler
Fred Palka
Richard K. Palmer
Robert L. Pappas
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Jerome T. Paull
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Allan E. Peters
Harold D. Pettengill
Harold J. Phelan
William E. Phelps
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John C. Pilley
Thomas E. Pitts
Marvin F. Pixton III
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Herbert F. Posey
Gary L. Post
David G. Pound
Stanley G. Pratt
Charles P. Preston, Jr.
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David G. Purdy
Charles J. Pyle
Robert A. Queen
Thomas F. Rafferty
Arch Ratliff, Jr.
John P. Ray

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Lawrence E. Reed
Clyde M. Regan
Edmund W. Reilly
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Ronald W. Rensch
Richard R. Reuschling
John A. Ressmeyer
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Edward F. Riley
Michael B. Riley
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Eugene S. Risler III
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Morris R. Roberts
Thomas W. Roberts
Donald J. Robinson II
Jean O. Robinson
John H. Rodgers
John M. Rodosta
Thomas E. Roe
Maurice A. Roesch III
William R. Roll
Joseph G. Roman
Joseph M. Romero
Christopher J. Rooney
Donald L. Rosenberg
Dale C. Ross
George A. Ross
Larry H. Ross
Leo K. Russell
John W. Ruymann
James E. Sabow
Henry J. Sage
William Sahno
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Vinson J. Sanangelo
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Ludwig J. Schumacher
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Denver D. Scott
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Harry J. Shane
Delmas D. Sharp, Jr.
Harry F. Sharp, Jr.
John F. Shea
John J. Sheehan
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Roy H. Shelton, Jr.
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Donald K. Shockey, Jr.
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Moyers S. Shore II
John C. Short, Jr.
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Billy E. Simpson
James M. Sims
Roy W. Sims
Cloyce E. Sinclair
James G. Sketoe
Walter H. Skierkowski
Harold W. Slacum
Albert C. Slater, Jr.
Raymond F. Smart
Clarence D. Smith
George E. Smith, Jr.
Gordon F. Smith
William R. Smith
Ray G. Snyder
Edward W. Sonneborn, Jr.
Charles R. Sorensen
Don F. Sortino
Ronald D. Sortino
Peter B. Southmayd
Gerald R. Sowa
James D. Sparks
William M. Sparks
Burton P. Sperry III
John W. Spivey
Roger F. Staley
Robert D. Staples
John D. Steel
John F. Stennick
Richard L. Stewart
William A. Stickney
Roy J. Stocking, Jr.
Phillip A. Stone
Simon F. Stover
Jerry L. Stricker
J. K. Stringer, Jr.
Frank D. Strong
Laurence A. Stults
William W. Stumpf
Joseph J. Sucha, Jr.
John P. Sullivan
Michael V. Sullivan
Alver J. Swett
Victor M. Szalankiewicz
Glenn S. Tait
Lawrence E. Tanksley
Richard T. Tanner
Walter Tarnopilsky
Augustus T. Tavis
James L. Taylor
Joseph Taylor
Thomas C. Taylor
Gary L. Telfer
Gary E. Thiry
James R. Thomas
Robert A. Tiebout
William E. Tisdale
Richard P. Toettcher
Richard D. Tomlin
Philip H. Torrey III
Patrick L. Townsend
Richard B. Trapp
Henry J. Trautwein, Jr.
Timothy M. Treschuk
Bennie J. Trout
James L. Trudeau
Robert L. Turley
Samuel D. Turner, Jr.
Jimmy Turrietta, Jr.
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Joseph E. Underwood
Kenneth R. Updegrove
Igor R. Valentine
Paul A. Vanderberg
Klaas Vanesselstyn
Daniel P. Vangrol III
Charles W. Vanhorne
Dennis S. Vanliew
Hugh M. Vann III
James E. Vangorder, Jr.
James K. Vanriper
Paul K. Vanriper
Forest N. Varn
Leslie R. Vay
Dellie A. Vick
Michael H. Vidos
John L. Vogt
Bill D. Waddell
David L. Walker
Philip J. Walsh
Milton T. Warring, Jr.
George M. Wastila, Jr.
Lewis C. Watt
Allen B. Webb
Dellas J. Weber
Dwight D. Weber
Malcolm M. Wehrung
Jerry R. Weibel
John D. Weides
George J. Weinbrenner
Julian A. Weingarten
James E. Wells
David B. Werner
John B. Whalen
Carl B. Wheeler
Theodore L. Whisler
Robert C. Whitener, Jr.
George A. Whitfield
Harold W. Whitten
Clifford Wieden, Jr.
Charles E. Wilhelm
Morgan L. Wilkinson
James R. Williams
John A. Williams
John K. Williams
Robert B. Williams
Thomas Williams Jr.
Bobby J. Williamson
Robert J. Wilson
David F. Winecoff
Donald T. Winter
Joseph C. Winter
Thomas J. Wise, Jr.
Regan R. Wright
Robert M. Wright
Edwin A. Wroblewski
Michael W. Wydo
Peter B. Wyrick
Michael D. Wyly
Michael G. Wystrach
Richard A. Yaeger
Carl R. Yale
James H. Yarnell
Rufus C. Young, Jr.
Carl H. Yung
Frank J. Zanin
Stanley M. Zenda

The following-named officers of the Marine Corps for temporary appointment to the grade of captain:

Richard L. Abraham
Garth L. Adams
Larry G. Adkins
Joseph O. Alber
Burt E. Alexander
Robert C. Allen
Steve N. Allen
Gary C. Allord
James H. Amos, Jr.
Joseph T. Anderson
Russell A. Andres, Jr.
David A. Andriacco
Daniel B. Ardoin
Michael L. Aslaksen
Ronald H. Asmus
James W. Atherton
William F. Atwater, Jr.
William R. Autrey
Grey C. Axtell
Peter T. Bahry, Jr.
James E. Bailey
Charles G. Baker
Michael S. Baker
George H. Baldwin, Jr.
Henry W. Baldwin
George W. Ball
Charles J. Barnhart
Michael E. Barnhart
Dale E. Barnes
Harry K. Barnes
Michael J. Barnes
Peter T. Baron
Martin J. Basar
Gary W. Basham
Michael W. Bassler
Marcus M. Baukol II
Albert E. Bauman III
William W. Baumann
David C. Beard
Donald A. Beaufait
Larry R. Beeson
Albert M. Bensley
Robert M. Beasley
Donald B. Beaver
Jennings B. Beavers II
Roy S. Belcher III
Bruce R. Belrose
Edward A. Benes
Gerald B. Benes
Gary W. Benson
James H. Benson
James R. Benson
Ralph L. Bertelson
Dennis M. Bevis
Donald R. Bibb
Kenneth C. Bickley
Steven R. Bland
Richard K. Bloedau, Jr.
Frederick M. Bobbitt
John A. Bohn
Charles F. Bolden, Jr.
Donald R. Bolger
Reed T. Bolick
Dennis L. Boudreaux
Craig P. Boulton
Kenneth W. Bowen
Tillman S. Boxell
Joseph M. Boyle
Michael J. Boyd
James W. Brady
Gary L. Brandt
Stephen C. Brandt
William J. Brennan
Lawrence J. Brent, Jr.
Christopher W. Brindle
William W. Broadway
Matthew E. Broderick
Robert A. Brooks
Michael O. Brosee
Gary W. Bross
David Brown
Jack P. Brown
Kenneth J. Brown
Richard A. Brown
Thomas F. Brunk
Gary L. Bruno
Danny L. Bryant
M. L. Buchanan, Jr.
Robert R. Buckley
Richard D. Buettner
Marcus J. Bumm, Jr.
Gregory J. Burcham
Harold E. Burcham
James D. Burke
Michael W. Burkhart
Lynn A. Burrill
Dennis M. Buckovetz
Randolph C. Burwell
Christopher P. Butler
Donald L. Buzan
Bruce B. Byrum
Conrad H. Cadman
Robert E. Cahill
Charles F. Caldwell
Thomas P. Callahan
Roland E. Carey, Jr.
Reid O. Carlock
Roy L. Carter
William A. Carter
Garry R. Carver
Blake J. Cate, Jr.
Joseph M. Chaisson
Richard W. Chambliss
John B. Champeau
Howard D. Chapin
Orville G. Chase
Robert A. Cheever
Ralph J. Chipman
Carl F. Cain, Jr.
Richard M. Caret
Martin E. Carney
John T. Caselli
Mark H. Caspersen
Richard P. Cassidy
Louis E. Cimaglia
John E. Clancy
James L. Clark, Jr.
William A. Clark III
Larry G. Clarke
Donald R. Clevenger
Larry B. Coffman
Robert L. Collins
William R. Collins
William T. Collins
Leonard J. Comaratta
Paul R. Conner
George S. Converse
Donald C. Cook
Michael L. Cook
Gerald J. Cooper
Gary R. Corn
Wayne L. Courtney
Thomas V. Cowperthwait
James R. Coyle
Larry A. Craig
Thomas M. Craig
Norman B. Crawford
Wallace R. Creel, Jr.
Daniel D. Critchfield
Charles D. Cross
Wayne T. Crowder
Clarence S. Crowe
Anthony H. Cucina, Jr.
Michael J. Cummings
William C. Cuseo
Thomas R. Cushman
John F. Dalton
Stephen J. Danaher
Louis E. Dougherty
Jack A. Davis
James E. Davis
Bruce I. Davis
George B. Davis
William R. Davis III
James L. Dawson
Charles G. Dean, Jr.
Leonard E. Dechant
Peter M. Degnan
Robert R. Degolian
Victor D. Deitz
John F. Demars, Jr.
David K. Denson
Albert A. Desantis, Jr.
Armand H. Desjardin
Charles A. Dittmar, Jr.
James M. Dixon
Ronald B. Dobie
Walter L. Domina
William I. Donaldson, Jr.
Thomas P. Donnelly, Jr.
Charles R. Donofrio
Robert M. Dowd
James H. Dubose, Jr.
Larry W. Dudley
Gregory W. Duesing
Brendan Duff
Richard H. Duff, Jr.
Dennis E. Dugan
Andre J. Dumas
Raymond B. Dunn, Jr.
William R. Dunn
Eugene H. Dunning
James W. Duthie
George E. Dyer
Daniel Dylewsky, Jr.
Douglas C. Earle
Samuel G. Easterbrook II
Jerry D. Edwards
Phillip P. Egoscue
Gordon L. Eisert
Donald E. Elkins
Patrick N. Ellis
Harvey W. Emery, Jr.
Terry W. Emmons
John P. English
Chauncey H. Ervin
Gordon E. Evans
Richard S. Everhart
Richard G. Ewers
Leo A. Falasco
Charles F. Falkenberg
Michael O. Fallon
Paul C. Farmer
Peter M. Farris
William W. Faulkner
Peter O. Fay
Oscar B. Fears, Jr.
David E. Feigel
Roger L. Feldhaus
Alfred T. Felter
John R. Fenton
Jean V. Fitzsimmons
Thomas P. Finnerty
John J. Flaherty
Marvin H. Floom, Jr.
Howard C. Florence
Thomas J. Fong
Melvin W. Forbush
Walter G. Ford
Thomas W. Foster
Roger D. Fouts
Frederick T. Fowler
Edgar Franklin, Jr.
John F. Fraser, Jr.
Paul L. Frederick
Kenneth R. Frederickson
Thomas N. Fremin
Joseph D. Friel
Warren T. Frommelt, Jr.
James A. Fulks
Steve M. Fuqua III
James M. Galbraith
William N. Gamble
Jon A. Gangloff
Milton J. Ganier
Jon N. Garner
Thomas E. Garrick
Anthony L. Gasper
Jesse D. Geren
John W. Gerwig, Jr.
Andre G. Gib
Richard E. Glantz
John X. Golich
Ronald J. Gonzales
Robert B. Goodrich
Adrian J. Gordon
Paul D. Gordon, Jr.
Gary J. Goslin
Joel L. Goza
Richard H. Green
William W. Green
Robert J. Greene
Wallace C. Gregson, Jr.
Thomas J. Greska
Paul S. Griffin
John F. Grossweiler
John W. Ground IV
James M. Guerin
David R. Guernsey
Steven E. Gugas
John W. Guild
Henry E. Gurney
William H. Hackett, Jr.
Clarence E. Hagstrom, Jr.
Earl B. Hailston
Jack M. Hall
Johnie A. Hall
George E. Halloran
Lee A. Haltom III
Roger C. Ham
Robert E. Hamilton
Thomas B. Hamilton, Jr.
Richard D. Hammer
Leon Hammond
Stuart D. Hammons
George W. Hance, Jr.
James H. Haney
Robert P. Hansen
Thomas G. Harkins
William Harley
Thomas F. Harper
Ronald C. Harrington
George K. Harris
Randall R. Harris
Michael J. Hart III
Timothy M. Hartsook
Robert C. Haskett
Jerry B. Hatfield
Dean H. Hattan
John E. Hayes
Daniel J. Healy
Bruce E. Heath
Matthew J. Heck
Richard A. Hedin
Lloyd M. Hekhuis
Robert G. Hempel
John F. Hendry
Clifford F. Henes II
Robert W. Hensley
Ralph E. Henson
John C. Hergert III
Richard S. Heuring
Thomas H. Hicks
William R. Hicks
Walter T. Hicock
Ray W. Hinsch
Michael G. Hire
Michael C. Hodgins

Michael D. Hoke
John J. Holly
John W. Hooper
William J. Horne
Assen A. Horster
Edward F. Houff
Dennis K. Howe
Ernie W. Howe
Paul A. Howes
John C. Howland
Harvey E. Huffman
Marvin E. Hughes
William C. Hunt
William R. Hyatt III
Erin L. Ireland, Jr.
Harry M. Isenberg
Robert A. Iverson
Stephen R. Jackson
Roger A. Jacobs
Richard L. Jaehne
Donald W. James
Barry E. Jankiewicz
Harry Jensen, Jr.
Richard N. Jeppesen
Michael C. Jochum
Fred W. Johnson
Gerald E. Johnson
Kenneth W. Johnson
Maxwell O. Johnson
Richard W. Johnson
Morelle C. Jones
Robert D. Jones
Ronald L. Jones
Richard V. Jordan
Jimmy L. Justice
Ronald L. Kaba
Michael A. Kalashian
Richard H. Kayser
James Keane
Lawrence G. Kelley
John R. Kelly
Clarence W. Kelso, Jr.
Patrick F. Kennedy
Lawrence H. Kener
Charles W. Kershaw II
Edward P. Keszenheimer
Hubert G. King, Jr.
Charles H. Kinney
Samuel V. Kirk
Grover R. Klemmer
Michael J. Kloberdanz
David T. Knapp
Bruce B. Knutson, Jr.
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Bernard F. Kolb
John H. Korneder
John L. Kosinski
Dwight D. Kranz, Jr.
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Steven A. Kux
Steven T. Kuykendall
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Ralph V. Lanning
William P. Lanza
Roy A. Larkin
Ivan G. Larsh
Arthur K. Law
Allan J. Leach
Thomas I. Leach
Frederick E. Leek II
John P. Leonard III
John W. Leslie
Victor J. Levern
Ralph E. Lewis
William M. Liebenow
Alastair J. Livingston
William J. Lohmeyer III
David M. Lohr
Duane D. Loncosky
Andrew K. Long, Jr.
Theodore T. Long, Jr.
Thomas E. Loughlin
Connie B. Lovett
Claude H. Loveless, Jr.
Bernard F. Luby, Jr.
Thomas P. Luddy
Robert C. Lundell
Bruce C. Lyon
Ross M. Macaskill, Jr.
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David B. MacFarlane
John M. Mack
Robert J. Mack
Thomas W. Mackie, Jr.
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Robert W. Magnuson
Michael V. Mahony
Richard J. Marien
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Stephen M. Martin
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Charles P. Minor III
Hubert Minx, Jr.
Joseph A. Mitchell, Jr.
Christopher R. Mohr
Thomas J. Molon
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Jon W. Morrow
Michael C. Morschauser
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Mark K. Mulder
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Curtis W. Murray, Jr.
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Terrence P. Murray
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Stefan Mytczynsky
Martin J. Nacrelli
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William L. Nyland
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Bryan D. O'Connor
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Jerome X. O'Donovan, Jr.
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Willie J. Oler
Richard J. Olsen
John F. O'Neil, Jr.
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John E. Parker, II
Robert D. Parker
Thomas L. Parrish, Jr.
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Larry F. Parsons
Michael L. Patrow
James R. Pazourek
George M. Pease
Daniel P. Pender
John A. Penne
Lawrence E. Pergerson
John D. Perry
Philip J. Persiani
Robert R. Petering
William G. Peters
Thomas H. Petersen
Harry W. Peterson, III
Leslie B. Petty
Gordon W. Phelps
Cheser R. Pino
John E. Platt
Eugene L. Polderdyke
Simon Poljakow
Karl J. Porisch
Richard D. Porrello
John W. Post, Jr.
Joseph W. Pratte
Richard T. Primrose
Phillip E. Prince
Theodore M. Printy
Bernard J. Prosser
Lloyd H. Prosser
Billy J. Pruett
Robert L. Pruett, Jr.
Richard L. Pugh
Jerry B. Pullium
Arnold L. Punaro
Theodore L. Quinter
Burton C. Quist
Norman D. Raderer
Raymond C. Raece
James B. Ramsden
Anthony Raniszewski, Jr.
Arthur J. Rauchle, Jr.
Alfred Rawls, Jr.
James S. Rayburn
John E. Ready
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Robert W. Reid
Raymond W. Reisner, Jr.
Victor F. Reston
Raymond B. Reynolds, Jr.
John E. Rice
Robert L. Richendrfer
Larry M. Ricker
John H. Rickert
Jesse W. Rigby
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John H. Robertus
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Robert Rodriguez
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Michael P. Rohlfs
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Lester D. Roth, Jr.
Thomas H. Rouse
Daniel M. Rowland
Clinton L. Rudesill
Harry G. Rudge
Charles B. Rupp
James A. Ruska
Gilbert A. Rusterholtz
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Joseph E. Satterthwait
John R. Saunders
Paul O. Schaefer
Rex T. Schalch
Martin E. Schechter
Edwin S. Schick, III
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John T. Seabrook
William R. Seagraves
Richard A. Sergo
Irving E. Shafer III
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Darrel W. Sheets
Charles F. Shepard
David H. Skusa
Gordon L. Silliker, Jr.
Colin B. Sillers, Jr.
Herbert P. Silva
Charles H. Silver, Jr.
Daniel C. Silver
Joseph A. Silvoso II
Michael K. Simmons
Ronald C. Skelton
Ronald D. Skow
Clyde E. Smith, Jr.
Herman W. Smith
Lawrence W. Smith III
Thomas O. Smith, Jr.
William A. Smith
Carrol P. Soape
George Solhan
Ricky E. Somerall
Elmer R. Spears, Jr.
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Calvin L. Swanson
Thomas W. Swihart
Michael B. Taggart
Thomas K. Tardy
James W. Taylor, Jr.
Ronald L. Taylor
William M. Taylor
Barry A. Teller
Dan M. Tennent
James P. Terry
Allan G. Thaut
Donald W. Thomas
James L. Thompson
Thomas H. Timberlake, Jr.
Richard J. Tipton
William F. Titterud
Gary G. Todd
John R. Tood
Joseph C. Tomasello
David F. Tomsky
George L. Townsend
Tompson R. Toyama
Dick A. Tracy
Byron M. Trapnell
James N. Treadwell
Mark C. Treanor
Robert A. Tretsch, Jr.
Robert E. Trevino
Rodolfo Tristan, Jr.
Drake F. Trumpe
Courtney L. Tucker
George E. Tucker
William T. Tucker
Thomas D. Turner
Daniel V. Urban
John W. Vagnetti
Edwin R. Valdez
Dyrck H. Vandusen
Rondall L. Vanhoutan
Earnest A. Vanhuss
Richard W. Vaughn
Melvin Voight
James L. Volkmar
Henry J. Vonkelsch III
Rudy J. Wadle, Jr.
Kim A. Wahtera
Arthur J. Walz, Jr.
James H. Weigert
Stephen T. Waimey
Edwin C. Walke
Raymond L. Walter, Jr.
Roger P. Waniata
Buddy A. Ward
William D. Warren
Myron Wasiuta
Urulee Watson
Jeffrey F. Weed
Terence A. Weigel
Charles T. Westcott, Jr.
Robert L. Whitaker
Charles E. White
Virgil W. Whitehead
Cornelius B. Whitehurst
John F. Whittle
Douglas P. Wiita
Patrick D. Wilder
Charles S. Williams, Jr.
Frederick C. Williams, Jr.
John R. Williams
Leslie K. Williams
Rickey D. Williamson
Leonard H. Willis
Charles E. Wilson, Jr.
Paul E. Wilson
Robert L. Windham
Guy C. Windheim
Joe B. Wisdom, Jr.
James D. Wojtasek
Walter J. Wood
Thomas G. Woods
Robert M. Worley
Willie T. Worrell
Donald I. Wright
Ronald J. Wroblewski
Roger A. Wrolstad
Wayne W. Wynkoop
Frank A. Yahner, III
Joseph C. Yannessa
Robert A. Yaskovic
Fred J. Young, Jr.
William A. Young, III
Donald F. Zeller
Jeffrey M. Zimmerman
Ralph P. Zullo

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## CONFIRMATIONS

Executive nominations confirmed by the Senate November 12, 1971:

### DEPARTMENT OF JUSTICE

Scott P. Crampton, of Virginia, to be an Assistant Attorney General.

### OFFICE OF EMERGENCY PREPAREDNESS

Elmer F. Bennett, of Maryland, to be an Assistant Director of the Office of Emergency Preparedness.

### U.S. ARMY

The Army National Guard of the United States officer named herein for appointment as a Reserve commissioned officer of the Army, under provisions of title 10, United States Code, sections 593(a) and 3392:

*To be major general*

Brig. Gen. Ferd L. Davis, SSAN [redacted] [redacted] Adjutant General's Corps.

### U.S. NAVY

Adm. Jackson D. Arnold, U.S. Navy, for appointment to the grade of admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

Vice Adm. Arthur R. Gralla, U.S. Navy, for appointment to the grade of vice admiral, when retired, pursuant to the provisions of title 10, United States Code, section 5233.

### U.S. MARINE CORPS

The following-named officers of the Marine Corps for permanent appointment to the grade of major general:

Louis H. Wilson, Jr.
John N. McLaughlin
Robert R. Fairburn
Homer S. Hill
Leo J. Dulacki
Carl W. Hoffman
William G. Johnson
Herman Poggemeyer, Jr.
William C. Chip

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of major general:

John R. Blandford
William J. Weinstein

The following-named officers of the Marine Corps for permanent appointment to the grade of brigadier general:

Victor A. Armstrong
Thomas H. Miller, Jr.
Robert H. Barrow
Herbert L. Beckington
Leonard E. Fribourg
Robert D. Bohn
William F. Doehler
Edward J. Miller
Wilbur F. Simlik
James H. Berge
James R. Jones

The following-named officers of the Marine Corps Reserve for permanent appointment to the grade of brigadier general:

Louis Conti
Verne C. Kennedy
Harold Chase

NATIONAL OCEANIC AND ATMOSPHERIC ADMINISTRATION

Subject to qualifications provided by law, the following for permanent appointment to the grades indicated in the National Oceanic and Atmospheric Administration:

*To be lieutenants*

Abram Y. Bryson, Jr.
Warren K. Taguchi

IN THE ARMY

The nominations beginning Woodrow W. Stromberg, to be major general, and ending Bruce W. Wolitarsky, to be second lieutenant, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 28, 1971; and

The nomination of Anthony B. Herbert, to be major, which nomination was received by the Senate and appeared in the CONGRESSIONAL RECORD on November 1, 1971.

IN THE NAVY

The nominations beginning Joseph P. Barreca, Jr., to be captain, and ending Lois E. Harden, to be captain, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 26, 1971;

The nominations beginning Robert F. Ace, to be commander, and ending Anna Lea Steenburgen, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 26, 1971;

The nominations beginning Fletcher J. Barnes III, to be commander, and ending William C. Krieg, to be commander, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 28, 1971; and

The nominations beginning Peter S. Capernaros, to be commander, and ending Franz Hatfield, to be ensign, which nominations were received by the Senate and appeared in the CONGRESSIONAL RECORD on October 28, 1971.

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# EXTENSIONS OF REMARKS

## MCI FOSTERS CULTURAL EXCHANGE

### HON. MARGARET M. HECKLER

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mrs. HECKLER of Massachusetts. Mr. Speaker, the world focus is on travel, both for business and leisure purposes. "See America First" is a slogan that has truly touched the hearts of the American people. More and more Americans are taking advantage of every opportunity to spend their leisure time in the enjoyment of our Nation's varied advantages. The cultural assets of our cities and the peace and contentment of our national parks and rural areas are chief tourist attractions to our Nation at vacation time.

But it is not only American travelers whose attention is centered upon the United States today. As we advance in history, all the peoples of the world are closer together in time if not in space. More than ever, foreign nationals are disposed to visit the United States, now that airline travel and improved communications have brought the continents together.

America has much to offer—our cultural life, our scenic beauty, our people of ethnic diversity. These many different factors compose a nation of the greatest possible appeal and potential for tourism. The time is ripe for America to encourage the peoples of other lands to visit, explore, and enjoy our great Nation.

And yet the primary stimulus to visit America for those of other lands remains at this time our technological progress. It is the businessmen of the world who are the most familiar with American geography. Unfortunately, however, too many of our foreign visitors touch only the business places here and hurry home again, without savoring even a taste of our cultural inheritance, and without allowing their families the opportunity to become acquainted with our people and our land. Throughout the world today, business men and women and professionals of every nationality must rush from airport and appointment with little respite representative of American traditions of entertainment or cultural interest.

It is a fact that to experience the predilections of an unfamiliar country in a relatively short period of time, the businessman must have preplanned activities to make the most of his brief leisure. The concept of helping the businessman to achieve full use of his time and to encourage business groups to visit the United States for exchange of ideas with their American counterparts is the basis for a new consulting firm, Marketing Coordinators International, founded on the belief that technological exchange should be combined with travel experience and cultural understanding.

Under the able leadership of Daniel A. Botkiss, president, MCI offers a multifaceted program of cultural preparation and coordination for professional conventions and conferences. This firm stimulates and facilitates visits by business groups to the United States through travel assistance, interpretive services, and professional exchange.

To reach a full segment of the international market, offices have been established in Paris, London, and Caracas, in addition to the Washington headquarters, with new locations planned for 1972 and 1973. The Paris office serves as an illustration of the coordinated concept of cultural exchange on which Mr. Botkiss has founded his new venture.

Directed by Countess Irene Gabrielle de Lambilly, who is chairman and managing director of Les Hôtesses Indépendantes Associées, Paris MCI has undertaken an active campaign to bring groups of businessmen and tourists to conferences in the United States. Exhibitions are arranged, speakers provided, and business tours and conferences are developed in conjunction with the comprehensive exchange program.

This new emphasis on technological and marketing transfer and identification on an international basis should be a great asset to our country in the world market and should serve to enhance our balance-of-payments record as well. I am pleased that American business is actively encouraging foreign travel to the United States in a systematic manner. To acquaint foreign businessmen with the American cultural heritage and geographic beauty will undoubtedly be a step forward toward our national goals of augmenting human awareness and international understanding in the hearts and homes and marketplace of all the peoples of the world.

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## THE TRAGEDY OF NORTHERN IRELAND

### HON. JAMES R. GROVER, JR.

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. GROVER. Mr. Speaker, as a cosponsor with Congressman BIAGGI of House Resolution 672, I have for some time been concerned with the situation in Northern Ireland. I do not wish to exacerbate an already volatile situation by joining with those whose statements are merely calculated to twist the British lion's tail. However the time has arrived when international observation and concern should be turned to that troubled isle in an effort to bring a rational and just political settlement to a problem that increasingly gives indications of developing into a full scale civil war. Traditionally our Nation has had strong ties to both the Irish and British people, and I am certain that men of good will in Britain are as concerned as we are here over the recent reports of brutalities suffered by the Irish.

It is in this regard that I have been particularly distressed by the reports in the world press detailing the inhumane treatment accorded prisoners who have been interned in Northern Ireland. The New York Times of November 9, 1971, published a story concerning the efforts of Amnesty International to secure better treatment of these prisoners and charging that they were subjected to savage beating and torture. I submit for the RECORD a copy of an article in the London Sunday Times of October 17, 1971, detailing these brutalities:

HOW ULSTER INTERNEES ARE MADE TO TALK

The growing success of the British Army's efforts in Ulster to trace suspected IRA men and their weaponry stems, the Army claims, from an increasing flow of information. Privately, the Army acknowledges that most of this is coming from those already detained.

As one Northern Ireland Cabinet minister said on Friday: "Those fellows are singing like hell." If so, what has made them "sing."

There is now a weight of circumstantial evidence which cannot be brushed aside that the interrogation methods being used in Ulster "ought"—to quote a Stormont Opposition MP—"to be unacceptable in a civilised country." Insight with John Whale report:

The military camp at Hollywood, just outside Belfast, has a reassuring name: Palace Barracks. Men of the First Battalion, the Parachute Regiment, are currently stationed there. But visitors to the camp have noticed a special compound at the back, with four huts surrounded by a corrugated iron fence.

The Army seems uncertain what to say about this. "There is a police holding centre there," one spokesman admitted, but of its purpose he said: "I don't think there is an interrogation centre there." But another spokesman agreed: "A certain amount of interrogation did go on at Hollywood straight after internment. It was a police affair, nothing to do with the Army."

The Royal Ulster Constabulary, on the other hand, say: "We are not prepared to disclose whether or not there is a place at Palace Barracks which we use for interviewing persons detained."

### "DISORIENTATION" CENTRE

The facts are these. The compound at Palace Barracks houses an interrogation centre set up by a unit of MI12—the section of Military Intelligence dealing with Ulster. The centre is using top-secret "disorientation" techniques of interrogation to break down suspected IRA men. We have statements, smuggled from prison, by 11 men—all suspected by the Army of being "Provisional IRA leaders—who have been interrogated in this fashion."

The 11 men are: Kevin Hannaway, aged 22, Francis McGuigan, 23, Joseph Clarke, 19, and James Auld, 20, all of Belfast; Patrick McNally, 24, and Bian Turley, 25, of Armagh; Gerald McKerr, 27, of Lurgan; Sean McKenna, 42, of Newry; Michael Donnelly, 22, of Derry; Patrick McLean, 38, of Berargh, Co. Tyrone; and Patrick Chivers, 31, of Toomebridge, Co. Antrim. All these were given the full "disorientation" treatment.

Corroborating details about life in Palace Barracks come from a 12th man, Tony Rosato, a 24-year-old second-year student of modern history and economics at Queen's University, Belfast, who spent 36 hours in the place before his release last Tuesday afternoon. Rosato was not given the treatment.

The technique was the same for all 11 men. They had been rounded up at various points in the province—mostly at Girdwood Barracks in the centre of Belfast. All were blindfolded by having a hood, two layers of fabric thick, placed over their heads. These hoods remained on their heads for up to six days.

Each man was then flown by helicopter to an unknown destination—in fact, Palace Barracks. During the period of their interrogation, they were continuously hooded, barefoot, dressed only in an over-large boiler suit, and spread-eagled against a wall—leaning on their fingertips like the hypotenuse of a right-angled triangle.

### PERVASIVE NOISE

The only sound that filled the room was a high-pitched throb, which the detainees usually liken to an air compressor. The noise literally drove them out of their minds.

At intervals, they would be taken from this room for questioning by RUC Special Branch men. Unless they were cooperative, they were returned to the room. This continued for up to six days.

The "disorientation" technique of interrogation is among the most secret areas of the British armed services' training techniques. Using Russian brainwash techniques, it was refined for British service use by an RAF wing-commander, who committed suicide later. It is taught to select military personnel at the Joint Services Interrogation Centre, whose location is an official secret.

The interrogation at Palace Barracks was organised, so far as we have been able to ascertain, by men from the Joint Services Interrogation Centre. The actual questioning appears to have been carried out by members of the Royal Ulster Constabulary Special Branch.

The statements of the 11 after their experience are jumbled and often incoherent. (One, subsequently released, is now under treatment for mental disorder.) The best description of the actual interrogation technique at Hollywood—as opposed to the disorientation process—comes from the student Tony Rosato.

They said that my brother had said I was a member of the IRA. They said that the girls picked up from my house had said I was a member of the IRA. They asked me to sign a statement, saying that I had made incendiary devices for these girls. The date they said was 1970. I was in Oxford in 1970 and didn't even know these girls.

There were three interrogators. One was what I call the intellectual. He was obviously more intelligent and he was meant to be more intelligent than the others. That was his role, to defeat me intellectually, in my political and socialist ideas. One interrogator would be very kind, smiling at you now and again asking if you would like cups of tea. The other would be brutal and trying to get around the desk to get at you and being restrained by other policemen, who would be saying 'remember they've got these inquiries now.'

Each policeman is on duty in Palace Barracks for about 12 hours a day. There are only two shifts in the day. Each shift behaves exactly the same as the next shift and that is not just coincidental. Each officer uses the same methods, coming up to you and whispering and suddenly changing the tones of his voice and screaming at you. For instance, 'fold those blankets Tony.' There were maybe 40 of them, which I did. A very kind policeman acting the father showed me how to do it. I did it in the same fashion. Another came in and shouted 'what are you doing?' I said I was asked to fold them. He kicked them all over the place and said. 'You silly bastard, you're not meant to do them like that.'

I said to the intellectual interrogator that only a fool, would say no one could break under the treatment. Someone without intelligence might survive it, but I have seen grown men crying and young fellows pleading to scrub the floors, clean out the toilets, because of the pressures in the detention room. You plead for work to clean pebbles or wash windows covered in paint.

The intellectual's whole attempt was to defeat and change my political beliefs. He said, 'Look, Tony. if we let you out—and there is a very good chance we will—will you stop it? Just get your degree and emigrate.'

Mr. Rosato's experience should be set beside those of Mr. Patrick Chivers, one of five detainees released on Friday. He was given the full "disorientation" technique after his arrest at his Toomebridge home on August 9:

I was taken into a room. In the room there was a consistent noise like the escaping of compressed air. It was loud and deafening. The noise was continuous. I then heard a voice moaning. It sounded like a person who wanted to die. My hands were put high above my head against the wall. My legs were spread apart. My head was pulled back by someone catching hold of the hood and at the same time my backside was pushed in so as to cause the maximum strain on my body. I was kept in this position for four, or perhaps six hours until I collapsed and fell to the ground. After I fell I was lifted up again and put against the wall in the same position and the same routine was followed until I again collapsed. Again I was put up and this continued indefinitely. This treatment lasted for two or three days and during this time I got no sleep and no food. I lost consciousness several times.

A prisoner of the surname of Shannon—William Anthony Shannon, of 24 St. James's Place, Belfast—was still untraced yesterday after his arrest a week before. Mr. Rosato had more to say about the detainee he knew as Shannon.

He whispered to me that he had ulcers. He must have been 26, perhaps, crying, and in agony with his stomach. I didn't understand what it was. He said he had been hit a couple of times in the stomach. I thought back to when I went in. They ask if you have any ailments. I had asthma and I told them, and that became another subject for abuse. They took my inhaler off me. They bargained to give you a tablet. My inhaler was used on other people, people who did not know what it was. Policemen would be bragging about a new truth drug and things like this. They would march into a room and the next thing I would hear was my inhaler being used, and police saying "Open your bloody mouth, that thing is dangerous. It is poisonous."

When I was released I could not even walk without looking round me. I couldn't even walk without someone telling me to walk. For the last two days we had been told to walk to the left, walk to the right, to run, to walk slowly to do this, to do that. We had done nothing of our own free will. The only activity on my own I had was purely intellectual. If I scratched myself I was told to stop. My hand was beaten off my head. They try to smash your individuality.

The noise is an essential part of the breakdown technique. One man, Paddy Joe Mclean, of Main Street, Beragh, refers in a signed and witnessed statement to a whole range of disquieting sounds: "Compressed air escaping all the time, moaning, death services, hymns, execution order, protest moans, firing squad, mob singing."

Other testimony related more simply to physical ill-treatment, though accompanied by powerful threats. In a signed and notarised statement, Bernard McGeary, of Ardmore Row, Coalisland, who was held for about 30 hours on 17 and 18 September spoke of his interrogation in a cubicle in a place he believed to be Palace Barracks.

Everybody who questioned me was in plain clothes and had Northern Ireland accents. I was put against the wall, fingertips touching and feet spread apart. One man thumped me in the stomach with his fist while the other stood by to watch me. Meanwhile, the man at the desk and the man beside me shouted questions. This lasted five minutes. The two beaters left and I was questioned for another ten minutes. The two beaters returned and asked if I had talked. Then they put me up against a wall again and did the same thing over again for five minutes. They then said, He better talk before we get back or he will get the needle. They indicated a needle with a handle four inches in length, which was lying on the desk. I was questioned for another five minutes.

Then I was told to sit down, and asked if I had anything more to say to save myself. I would be sent to the Maidstone [detention ship] for 10 or 15 years. They said the interrogations and beatings could go on for a week or more unless I talked. One of the beaters returned and said, "Bannigan has talked and Morgan has talked. At this point I could hear thumps and squeals from behind the partition.

Mr. McGreary told us that when he was let out he had to sign for his belongings. On the back of the same form was a declaration to the effect that he had no complaints about his treatment. He signed that too. "At that stage I would have signed anything."

The army is determined that this phase of its battle with the IRA shall remain secret. The official inquiry under Sir Edmund Compton, now looking into allegations of brutality towards detainees, was given terms of reference specifically designed—according to a high military source—to prevent its inquiring into these interrogation techniques. For Compton can only inquire into brutality "prior . . . to their being lodged in a place specified in a detention order."

This phrase relates of Regulation 11, paragraph 2, of the Special Powers Act—which lays down that the detention order, signed by the Minister of Home Affairs, must refer to a specific place of detention.

So far as we can tell, all those later taken to the Barracks had not only been served with such detention order—but had also, however transiently, been "lodged" in the place specified.

The catch is that they were then served with another document—this one signed personally by Brian Faulkner, Prime Minister and Minister of Home Affairs. [The detention order merely had his rubber-stamp signature.] The second document allowed them to be moved—under Regulation 11, Section 5—to "any place where his presence is required in the interests of justice." The place was the interrogation centre at Palace Barracks.

So anxious was the Army to keep the affair legal within the terms of the Special Powers Act that a few men were flown back to their place of detention, handed the movement order, and then flown for a second time to Palace Barracks—this time, for thorough interrogation. But the fact of an illegal first journey in several cases may be the loophole under which, should he choose, Sir Edmund Compton could look into the affair.

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## U.S. TRADE BARRIERS

### HON. ARTHUR A. LINK

OF NORTH DAKOTA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. LINK. Mr. Speaker, I call attention to an article that appeared recently in the Washington Post:

#### NIXON IGNORES U.S. BARRIERS WHILE PRESSING 10-PERCENT SURTAX

(By Hobart Rowen)

President Nixon and Treasury Secretary John B. Connally, in the high stakes international poker game they're playing to win lowered trade barriers, are trying to convince the world—and appear to have convinced themselves in the process—that the cards have been stacked against the United States in recent years.

And so, with great reluctance (they say) they uncorked a lethal weapon, the 10 percent import surcharge, to set things straight.

Now, it is true that since the Bretton Woods monetary system was set up in 1944, many of the world's currencies have been devalued, and the United States has suffered from this cumulative, competitive cheapening of money.

Moreover, Japan and West Germany were allowed to start out at the end of World War II with deliberately undervalued currencies to give them, as defeated nations, a headstart on economic recovery.

So the dollar had gotten out of whack—it was overvalued, especially in comparison to the yen and the Deutschemark, and a realignment of currencies and reform of the antiquated Bretton Woods system was long overdue.

But the facts on the trade situation do not square with the administration's charges. The truth is that the United States has just as many, if not more, trade restrictions than our partners and competitors all over the world, although one would never learn this from Mr. Connally's Treasury Department.

And the insensitive use of the surtax as a lever to force trade concessions is seriously jeopardizing many long-term and close relationships—as in Canada—which may never be repaired.

A speech given by John C. Renner, Director of the State Department's Office of International Trade on January 30, 1971, deserves to be recalled. It showed:

Although the U.S. and European average tariff rates will be very close at the end of the Kennedy round (8.3 percent and 8.4 percent), a breakdown of major industrial sectors shows that the European community (EEC) will have the highest tariff in none of the 23 major industrial sectors, and the lowest in 11. The U.S. score is not quite so good, the highest in 4, and lowest in 6.

In the distribution among 919 categories of industrial products, the U.S. has considerably more high tariffs and also more lows, whereas the EEC's tariffs are grouped more closely around the average.

A small but significant number of the 919 industrials is also hampered by quantitative restrictions such as quotas. The U.S., Canada, and the U.K. are using this device more freely than a decade ago, while discrimination against Japan—especially by the EEC—is widespread.

On the agricultural side, as everyone knows, the Europeans have a bad record, with a highly protectionist Common Agricultural Policy. But in terms of industrial quotas, according to Renner, the U.S. restrictions "cover a relatively large number of products and relate to the largest amount of trade," whereas the EEC's quotas, which also cover a large number "pertain to a comparatively small amount of trade." Japan's quotas cover the largest number of products and affect "a considerable amount" of trade.

The point of Mr. Renner's exercise in January is just as valid today: all of the industrialized countries, including the United States, maintain substantial tariff and nontariff barriers against industrial and agricultural products.

He said then, and it is worth repeating to his colleagues elsewhere in the U.S. government:

"Unilateral action by any country to restrict trade, changes the balance of concessions arrived at over the years, and is most likely to provoke counteraction to restore equilibrium."

Moreover, the anti-American feeling generated by the bull-in-the-China-shop technique has lost us friends. Thoughtful Canadians (distressed as well that President Nixon erroneously named Japan, not Canada, as the No. 1 U.S. trading partner) wonder whether their government should seek to maintain the historic ties between the two nations. "When they imposed the surtax," said one Canadian sadly, "they didn't even say they were sorry they had to do it."

But U.S. policy, in the face of concern abroad over the possibility of retaliation and world recession seems unbending. Secretary Connally told the American Bankers Association in San Francisco the other day that the surtax "is going to stay on for awhile because it frankly is to our advantage to keep it on for awhile."

Mr. Renner's analysis shows there is plenty of discrimination on our side, running from the American Selling Price valuation system to Buy American practices, now exacerbated by the 7 percent investment tax credit proposal and the DISC idea (see Professor Surrey's separate piece on that issue).

Perhaps Messrs. Nixon and Connally should be reminded that a cutthroat international trade policy between the two great wars brought on Hitler.

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## FOREIGN AID—RARICK REPORTS TO HIS PEOPLE

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. RARICK. Mr. Speaker, I recently reported to my people on foreign aid. I insert my report in the RECORD at this point:

#### RARICK REPORTS TO HIS PEOPLE ON FOREIGN AID

The rejection of the foreign aid bill by the Senate was the most responsible action by that Body in quite some time. The internationalists, however, never give up and on November 5th the Senate Foreign Relations Committee voted unanimously to make an effort to revive foreign aid.

I thought we'd discuss foreign aid today since our nation is again confronted with this costly boondoggle which has cost the American taxpayers in excess of $200 billion when interest is included. American taxpayers have over the past 25 years paid billions in interest on money borrowed by our Government to give to foreign countries.

The United Nations Relief and Rehabilitation Administration which came into being near the close of World War II followed by the Marshall Plan which lasted from 1948–52 are accepted by many as the beginning of foreign aid. A forerunner of these programs, however, should be mentioned in any discussion of foreign aid. I refer to lend-lease. Lend-lease was provided at first to help the British to fight the Germans and to ostensibly help keep the U.S. out of World War II. It was also given to help Russia.

Lend-lease has through the years been replaced from time to time with new labels, appropriations and purposes, but all undertake the same operation—to share with the rest of the world all we have. Harry Hopkins, Roosevelt's Herr Kissinger, stated at a public Russia aid rally at Madison Square Garden in June 1942, "We are determined that nothing shall stop us from sharing with you all that we have . . ." The concept of foreign aid was revealed earlier by Joe Stalin in 1921 when he said that the advanced countries should render aid to other nations to socialize and equalize the economic development of all nations which was so essential for their assimilation in a one-world socialist system.

The apparent purpose of the Lend-Lease bill was to provide munitions to Britain which was in dire need of them at that time. However, the bill was so cleverly drafted that it authorized the President to give almost anything—to anyone.

A most illuminating account of Lend-Lease was provided by Major George Racey Jordan, who, as an officer in the U.S. Army Air Corps, was directly involved in administering the program. Major Jordan relates that his orders to Active Service in May, 1942 read: "United Nations Depot No. 8, Lend-Lease Division, Newark Airport, Newark, N.J. International Section, Air Service Command, Air Corps, U.S. Army." Amazingly, 1942 was three years before the United Nations came into existence!

Except for appropriations by the U.S., Lend-Lease was never an American program. It was from the beginning a branch of the United Nations even before there officially was a U.N. Jordan relates further that detailed information as to what was given to Russia was not published by the Roosevelt Administration for Congress or for the public. In a diary which he kept, Major Jordan recorded the many items which he from first hand knowledge saw being shipped to Russia. Included were a tire plant, aluminum rolling mill, pipe fabricating works, a complete oil refinery, printing machinery, agricultural products and many other materials. Three items of exceptional interest sent to Russia were materials for the atom bomb, our production equipment for the manufacture of gold mining machinery, and our money-printing plates to print military marks for use in Germany as Allied Military Occupation currency. It is estimated that Lend-Lease shipments totaled $11 billion. World War II provided a good cover to give the Soviets most of the progress they made. Major Jordan provides many more details about Lend-Lease in his books *From Major Jordan's Diaries* and *Gold Swindle: The Story of our Dwindling Gold.*

The next label for foreign aid was United Nations Relief and Rehabilitation Administration (UNRRA). This was again a U.N. agency financed by the United States taxpayers. Its purposes was said to be to rehabilitate war-torn Europe and help the European nations recover economically. A large amount, estimated in excess of $1 billion, went to Russia and helped bolster the Soviets in their enslavement of central and eastern European countries.

As the American public began to see through the fallacy of one foreign aid program, the CFR dominated State Department came forth with another new label for a dressed up old program.

Next came Greek-Turkey aid followed by the Marshall Plan. In March 1947, President Truman called upon Congress to provide military and economic aid to nations threatened by powerful neighbors. He recommended $400 million for Greece and Turkey on the border of the Soviet Union to spend in defending themselves. A few months later General George C. Marshall began developing a program for spending billions of American dollars to help war-torn European nations to rebuild their cities, industries, and economies. Under the Marshall Plan both friends and former enemies regained prosperity.

Other titles under which the American taxpayers have paid for the foreign giveaway programs are Point-Four, Mutual Assistance, Mutual Defense, Mutual Security, Economic Cooperation Administration, and International Cooperation Administration. It presently goes under the name of Agency for International Development (AID).

Then, as the general public would wake up and begin to get disenchanted with the foreign giveaway, the share our wealth planners would subtly change the way the program was operated. Outright gifts became "soft" loans, International Agencies were established by our government to "lend" our money to foreign nations instead of giving it to them. The loans are usually long-term and at a very low rate. Even then, many of the loans are never repaid.

Foreign aid has been sold to the American people as a program for containing Communism. Yet, most knowledgeable persons feel that foreign aid is a subversive plot to help remake the entire world under a one-world communistic style government. Evidence to support this point of view was brought out in 1956 by the Senate Internal Security Subcommittee. The evidence showed that foreign policies, including foreign aid, were formulated by American communist Harry Dexter White, alias Weiss, a member of the Council on Foreign Relations, an undercover Soviet spy and Assistant Secretary of the U.S. Treasury in the Roosevelt Administration. White was our principal spokesman at the Bretton Woods Monetary Conference in 1944.

The policies set by that conference have been followed by our government since the end of World War II. They are our policies today. Wonder what happened to our money? They were intended to do the following: (1) to transfer the U.S. gold reserve to other countries; (2) to enhance the industrial capacity of other nations at our expense so as to end American productive superiority; (3) to take markets, domestic and foreign, away from American producers so as to end American domination of world trade; and (4) to make American affairs so interdependent with those of other nations as to destroy American independence and to force the U.S. to become an interdependent part of a worldwide socialist system. During the past 25 years unfortunately these policies have been implemented.

Foreign aid is generally classified as military assistance and economic assistance.

The arguments justifying military aid to other nations are that such aid enables these nations to defend themselves against communism, promotes peace and also saves American taxpayers' money since it is cheaper to equip others to fight than for our men to do the fighting against communism. The records of recent history belie these arguments. More than a billion human beings in over 20 nations have ended up under the yoke of tyrannical communism since our foreign aid programs started. In 1945, America was the strongest nation in the world and the military might of communist nations was no threat. Today the threat is a serious one since they have strengthened their defenses—thanks to our aid—while our own defenses have been deliberately weakened.

By our world wide distribution of arms, American weapons have been used by both sides in numerous conflicts. A good example is the India-Pakistan war of the early 1960's in which both sides used U.S. weapons. As a consequence, both countries hate us for helping the other side. Also, India has now made defense treaties with Russia and Pakistan has denounced us and embraced communist China.

Since mid-1945, we have given Bolivia and Chile in excess of $2 billion, apparently to stimulate their economies and help raise living standards of their poor so they wouldn't become targets for communist exploitation. Nevertheless they have both come under communist regimes.

The proven result of our aid to other nations has been not to finance freedom but socialism—the sophisticated term that means communism.

While the foreign aid has been explained as needed to contain communism, some of it has even gone to bolster communist nations.

Since mid-1945, we have provided Poland $580 million of foreign aid. Yet, at the same time in recent years when American wheat was being unloaded in a Polish harbor, Polish goods for communist North Vietnam were being loaded in other ships.

Not only has foreign aid been a failure in stopping the spread of communism, but it has also caused nations once considered our friends to hate America. We should have learned by now that with nations as with individual persons, friends cannot be bought. Britain, Sweden, Canada, and other nations we have helped actually trade with the Communist enemy that America alone is fighting in the no win war in North Vietnam. South American countries have seized our fishing vessels in international waters and have fined their owners. Argentina, Bolivia, Brazil, Chile, Colombia, Costa Rica, Cuba, Mexico, and Peru have confiscated or expropriated about $3 billion worth of property owned by U.S. businesses with inadequate or no reparations at all. In other instances, damage has been done to American embassies and other installations abroad and our officials have been insulted. Yet, our leaders—Republican or Democrat—continue to dish out foreign aid to these countries.

President Nixon stated in 1969: "Certainly our economic aid to developing nations helps develop our own potential markets overseas." This is simply not so. Sales of American goods have decreased. Why should any foreign countries buy from us what they can get from us free?

Our give away programs have financed foreign government owned or sponsored shipyards, textile mills, steel mills, and cement plants. These industries, subsidized by favored government treatment and with U.S. AID funds, have been able to undersell American domestic goods. The net effect of this has been to cause American businesses to shut down and to swell the unemployment rolls here at home.

And while aiding foreign industries at the expense of American industries, the Nixon administration because of a U.N. sanction refuses to allow American industry to buy high grade chrome from Rhodesia, one of our few real friends left and which offered to help us in Vietnam. American industry buys inferior chrome from Russia, who aids our enemy in North Vietnam, at double the Rhodesian price. This alone removes U.S. products from the competitive price market. And to show the total insanity of the whole chrome situation, Russia—in violation of U.N. sanctions—buys the superior Rhodesian chrome at the lower price.

The foreign aid program has proved detrimental to any interests of America. My first objection to it is that is is unconstitutional. The Constitution, which doesn't even authorize the federal government to finance education and housing in this country certainly doesn't authorize it to tax Americans to perform these functions for foreign countries.

A second objection to foreign aid is that we don't have the money to finance it. With this nation having a public debt approaching $400 billion and an estimated deficit in the budget this fiscal year from $25 to $40 billion, foreign aid is inflationary, fiscally irresponsible, and immoral.

And finally, the program over the past quarter century has promoted the spread of slavery under communism—not freedom. It would be the height of folly to continue this program. Foreign aid should be phased out as soon as possible. The necessary portion of unexpended funds still in the pipeline estimated in the billions should be used to close down the program, AID should be disestablished, and the remaining funds returned to the Treasury.

The argument that foreign aid must be reestablished to give money to Israel so she can buy U.S. airplanes doesn't hold water. I maintain that this country should follow a hands off policy in the Middle East. In a legislative poll taken of my constituents, 61.2% favored a hands off policy by the United States regarding the Mid East dispute. If the American people, however, want Israel to have jet planes, then we should give her the planes, not the money. We can buy planes wholesale and at least cut out the middlemen.

This is the costly record of the U.S. foreign aid—it has helped no people, least of all U.S. citizens.

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## THANKSGIVING DAY SALUTE TO SENIOR AMERICANS

### HON. ELLA T. GRASSO

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mrs. GRASSO. Mr. Speaker, at this time of Thanksgiving, it is a pleasure to offer special thanks to our older friends—those who have given so generously of their vitality and spirit.

In a society increasingly geared to the youth culture, the elderly are too often shunted aside and cast adrift. Today, there are more than 20 million older people in our population of over 200 million. This number is growing at a rate of 330,000 a year. Their needs are real. Income assurance and health care, nutrition, housing and transportation—all are areas that demand our attention and require programs of adequate dimensions. Let us look at some facts.

In the Sixth District, there are some 46,000 persons, aged 65 and older. The latest available figures in Connecticut indicate that the median income of persons between 65–74 years of age is $1,785 a year, while the median income of those 75 years and older drops to $1,153. Over 57 percent of the 65-75-year-olds and some 73 percent of those over 75 have an annual income of less than $2,000. In the area of housing, Connecticut had only 5,072 occupied units of Federal and State financed housing by 1970 for an elderly population of nearly 289,000. In addition, only 2,330 units were either under construction or in the planning stage last year.

Fixed incomes, minimal social security and pension payments, and inadequate medicare coverage place severe limitations on the full and secure retired life older Americans deserve. These difficulties are coupled with a lack of mobility and resulting loneliness and isolation. The valuable skills of the elderly are also often ignored and forgotten.

Since entering the Congress, I have urged far greater commitment from the Government to help older Americans. This year, social security benefits were raised by 10 percent. I supported this legislation, and am also supporting legislation to raise benefits by 50 percent. Other legislation which has my strong backing extends medicare coverage to some persons now not included, establishes a comprehensive drug insurance program for the 20 million Americans covered by medicare, and creates a Select Committee on Aging. In addition I am vigorously supporting legislation to provide low cost, nutritionally sound meals to millions of older Americans; as well as legislation to make available, inexpensive public transportation for the elderly.

The problems and needs of older Americans have always been a special concern of mine. As a Nation we cannot be satisfied so long as millions of our finest, most valuable citizens meet with unnecessary suffering and misfortune in the twilight of their lives. The efforts of Johnny Unitas, Carmella LaSpada, and the American Association of Homes for the Aging in organizing a Thanksgiving Day Salute to Senior Americans are certainly to be commended.

As we now focus our attention during this Thanksgiving season in deserved tribute to our senior citizens, let us commit ourselves as a Nation to take the first steps in building a bold and comprehensive national program to improve the lives of older Americans. There could be no more positive and appropriate way to celebrate Thanksgiving Day.

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## THE TOTAL ENVIRONMENT

## HON. VERNON W. THOMSON

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. THOMSON of Wisconsin. Mr. Speaker, we all share a common concern for the condition of our environment. Sometimes, however, in our eagerness to restore nature to its natural condition, we lose sight of the obvious fact that man is an integral part of the environment. Our efforts to protect our air and waters should be firmly rooted in man's requirements. We are not seeking to conserve nature as an end in itself, but rather as a means to enrich the human condition. Our air and waters must be clean, not for the intrinsic value of clean air or water, but because the very survival of human life depends on it.

Economic development is entering a new era of environmental consciousness. Business decisions are beginning to respect the limitations imposed by our natural habitat. And, yet, these business decisions must also insure production and employment to sustain the population.

Frances L. Harper, editor of the Prescott Journal, in Prescott, Wis., cogently expressed this often-overlooked facet of environmental concern. I am including his November 4 editorial at this point in the RECORD:

### EDITORIAL

As someone pointed out recently, there is more to the environment than the air we breathe, the water we drink and the trees and forests. Our environment also includes the house in which we live, the office, farm or factory in which we work to give us the wherewithal with which to live and the commerce upon which a healthy economy depends. All of these things go to make up the total environment, which, according to the dictionary, is the aggregate of the external conditions and influences affecting the life of an organism.

So far as the environment is concerned, man must be considered as a mere organism. He requires the necessities and the amenities of his life that are part of his environment just as surely as air, water and forests. Pollution control must conform to our total environmental requirements. In short, we need air, water, forests—and factories, homes and businesses.

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## NATIONAL POLICY QUESTIONS INVOLVED IN THE BLUE RIDGE PROJECT

## HON. WILLIAM B. SPONG, JR.

OF VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Thursday, November 11, 1971*

Mr. SPONG. Mr. President, two articles have come to my attention which discuss the fallacy of the concept of "pollution dilution" as it relates to the proposed Blue Ridge power project on the New River in southwest Virginia.

I am concerned over pollution in the Nation's rivers, but I have never believed that the burden of providing clean water for the Kanawha River at Charleston, W. Va., should be borne by the Blue Ridge project to the extent proposed by the Department of the Interior and the Environmental Protection Agency. Using water from the proposed reservoir to flush pollution out of the Kanawha is bad policy. Pollution dilution should not be substituted for at-source treatment.

Mr. President, the articles to which I refer are an editorial published November 5 in the Winston-Salem, N.C. Journal, and an account by Mr. E. W. Kenworthy of the New York Times News Service, published in the Winston-Salem Journal of November 7.

Because national issues are involved, the information in the articles will be of interest to every Member of the Senate. I ask unanimous consent that the editorial and the article be printed in the Extensions of Remarks.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

[From Winston-Salem Journal, Nov. 5, 1971]

### MORE REASON FOR DELAY

The proposed Blue Ridge hydroelectric project, as most Northwest North Carolinians know by now, would require the storage of vast amounts of water on the New River for pollution control downstream in the Kanawha River valley.

But little by little we seem to be getting away from "pollution dilution" as a workable concept. The latest evidence of that was the overwhelming Senate vote in favor of legislation which would eventually outlaw discharges of pollutants into American waterways. Supporters of the bill are looking toward the year 1985 as the target date for this achievement; and although that may well be too ambitious a deadline, the drift toward a policy requiring at-source cleanup is unmistakable.

All of which suggests that the Federal Power Commission ought to delay a while longer the licensing of the Blue Ridge project. A preferable alternative would be to reject the plan outright, and order Appalachian Power Company to come back with a more modest proposal. But that is unlikely. The best hope for critics is to get a delay which will allow time for another in-depth study of the potential consequences.

The Senate's support of a stringent clean-water policy comes at an opportune moment. The FPC has called a special hearing this month to give supporters and opponents of the project a chance to sum up their arguments against it. Chauncey Browning Jr., the attorney general of West Virginia, says he will present to the commission evidence that the Interior Department based its support on "erroneous information" which ought to be stricken from the record.

He is supported in this, at least indirectly, by Stewart Udall, the former Secretary of Interior who endorsed the project when it was first proposed and later withdrew that endorsement.

But the more compelling reason for delay, it seems to us, is the changing shape of our national water policy. We can be fairly certain now that Congress will never adopt a policy based on Interior's faulty dilution concept. That concept, hurriedly embraced without adequate consideration of the damaging effects it would have on the New River valley, always had something of a stopgap flavor, anyway. Even at best, we could dilute the water of the Kanawha only up to a minimum acceptable level, and this, as we now admit, will not be good enough.

Furthermore, it is apparent that there will be no water available for flushing until sometime in the 1980s, if critics go through with their threat to appeal an unfavorable FPC ruling to the federal courts. Given a certain conjunction of events, this could mean that the discharge now responsible for the pollution of the Kanawha will have been eliminated completely before the flushing dams are ever built.

The Blue Ridge controversy has in some ways taken on the air of a Kafkian plot. Whether the FPC has gotten the message remains very much in doubt, however.

[From the Winston-Salem Journal & Sentinel, Nov. 7, 1971]

### "FLUSHPOT" PLAN MAKES DAM A NATIONAL ISSUE

(By E. W. Kenworthy)

(NOTE.—The controversy about building a hydroelectric project on the New River has produced some questions of national interest. E. W. Kenworthy, a New York Times reporter whose speciality is the environment, took a look at the Blue Ridge project. This is what he found about the arguments for and against the project)

WASHINGTON.—On Thursday the Federal Power Commission will hear more arguments about whether a license should be granted to the Appalachian Power Co. for a $350 million hydroelectric project on the New River on the western border of Virginia and North Carolina.

The hearing room will be crowded and tension-laden because the project has aroused bitter opposition, not only locally but also nationally among environment organizations.

The controversy is now approaching a climax after a five-year battle of hearings and lawyers' briefs. The argument on Thursday will be the penultimate administrative proceeding.

Twice—on Oct. 1, 1969, and June 21, 1971—the power commission's presiding examiner, William C. Levy, has issued a license subject to commission review on appeal. Twice opponents have appealed. Now if the commission approves the license, the opponents' last recourse will be the courts.

The Blue Ridge project, as it is known, will produce a whopping 1,800 megawatts of power and an annual income of $39 million for Appalachian Power, a subsidiary of American Electric Power Co. of New York. Its two reservoirs, besides storing water for power, will also store 160,000 acre-feet for flood control and 400,000 acre-feet initially (650,000 by 1987) to be used to dilute the pollution of the Kanawha River by the industrial complex at Charleston, W. Va., 260 miles away.

(An acre-foot is the water necessary to cover an acre to the depth of one foot.)

The reservoir will also obliterate 44 miles of the New River, one of the few remaining clean rivers in the eastern United States, and 212 miles of tributary creeks, including some of the country's best trout water. They will flood thousands of acres of rich bottom land and pastures and about 1,200 homes, requiring the relocation of roughly 5,000 people.

Hence the controversy.

On one side are the presiding examiner and some of the staff of the power commission, the Department of Interior and the power company.

On the other side are the State of Virginia; the State of West Virginia in the person of its Democratic attorney general, Chauncey H. Browning, Jr., Republican Gov. Arch A. Moore, Jr. has tried unsuccessfully to block Browning's intervention); Grayson County, Va., and Ashe and Alleghany counties, North Carolina, whose people would be affected; the Appalachian Regional Commission; a number of state environmental organizations all with national affiliations, and the North Carolina Farm Bureau (North Carolina has also intervened, but in such a minor way as to draw protests from Ashe and Alleghany counties at what they regard as indifference to their interests by Gov. Robert W. Scott and Atty. Gen. Robert Morgan, who intends to run for governor.)

The proponents argue that the project is essential to provide needed power at lowest cost for other areas served by American Electric's system (it would not be used locally); that the opponents are standing in the way of "progress"; that the lakes formed by the reservoirs will enhance the recreational potentialities of the area and prove a boom to what is now "a marginal economy"; that while the fishing will be altered, it will be improved; that while there may be some loss of tax base for the counties, this will be offset by tourist income, taxes on new industry that may locate in the area and by savings on some services such as schools that "may not have to be provided to the same extent" because of the relocation of former residents.

#### VAST CHANGE

The power company, in an environmental impact statement, summed up its arguments for the project in these words:

"The project will unquestionably result in a vast change in the area. Applicant believes that on balance the project and its attendant amenities to thousands upon thousands of people—residents of the area and visitors—are of much greater significance than the possible adverse environmental effects. . . ."

And Mr. Levy, the presiding examiner, said in his decision last June:

"The long-term benefits will create a new and better environment and way of life for many people in the region . . . Low density hunting and fishing, limited tourism . . . will be replaced with large lakes, a substantial increase in fishing benefits and superior water oriented recreation . . . Water quality will be improved all the way down to the Ohio River . . . The New-Kanawha will be a bigger, better, more productive and esthetically pleasing river . . . On balance, the region and the proud, independent, self-sufficient people who live there will benefit from the project."

#### PROUD PEOPLE DISAGREE

Most of the proud, independent and self-sufficient people, judged by seven days of interviews recently, disagree on about every point, and so do the affected counties and the State of West Virginia in their briefs.

They contend that the area is not poverty-stricken and note that good farm land is now valued from $600 to $1,000 an acre and more. They ask what is to become of families whose property is condemned since comparable land is not to be had, even if the company fulfilled its promise to help in relocation. As for improved fishing, recreation and esthetics, they cite the effects on all three of the drawdown of the water level in the two reservoirs for power production and water quality storage for Charleston, which they refer to scornfully as "pollution dilution" or "flushpot."

#### 44.4 FEET

The maximum drawdown on the lower reservoir will be 44.4 feet. On the lower it will be 10 feet between June 1 and Labor Day—the summer recreation season—and 12 feet at other times.

The opponents cite in their briefs extensive testimony at power commission hearings by marine biologists that the bass, for which the New River is famous, will not be able to reproduce because fluctuations in water levels will destroy the eggs, and much of the trout fishing will be destroyed by the backing up of the water in the creeks.

The opponents note that Levy's decisions and the impact statements of the company and the power commission staff did not refer to this expert testimony, but cited only the testimony of their own chosen witnesses.

#### STEEP BANKS

They emphasize that even the company concedes that, except for some fishing, the drawdown of 44 feet will effectively eliminate recreational development in the lower reservoir which in most places will have steep banks.

As for the upper reservoir, Paul J. Johnson, Appalachian's superintendent of hydrogeneration, says that the 10-foot drawdown would expose only 50 feet of mudflats horizontally on the average, and that a 12-foot drawdown would expose only 60 feet on the average. The opponents reply that, while the averages may be correct, in many areas where the flooded land is gently sloping, unsightly, foul-smelling mudflats hundreds of yards wide will be exposed. They question whether the recreation on such a lake will be preferable to that now afforded by the New River, with its drift fishing from flatboats and its canoeing.

Standing in front of the filling station at Grassy Creek that he and his father have run for 50 years and that will be under water, Bradley E. Sturgill, brushing aside all the technical arguments, expressed to a visitor the other day the feeling of many people in the valley.

"I feel it is a dangerous thing" he said. "It's pretty hard to stop progress. But there's more to it than stopping progress. I feel we have about the only river left you can call an unpolluted river. I hate to see it destroyed. We have a lot of fine people along the river. I hate to see them moved out of here. They're going to be unhappy."

#### QUALITY STORAGE

But all the disputes over the effects of the project stem from one cause—the requirement that the company must impound above its power requirements 400,000 acre-feet for "water quality storage," that is, the water to dilute periodically the industrial pollution of the Kanawha into which the New River flows. The companies chiefly responsible for this pollution are Union Carbide, Dupont, Monsanto, FMC-American Viscose, FMC-Organic Chemicals, FMC-Inorganic Division, and Abbott Laboratories.

In their brief, the Conservation Council of Virginia, the West Virginia Natural Resources Council, and the Izaak Walton League charged: "It is for the benefit of these limited operations that the Interior Department would make a sacrificial offering of the New River."

#### BLACK BEAST

For the states the counties and the environmental groups, the Interior Department is the black beast of Blue Ridge because it insisted that provision for water quality storage be included in the project.

It is this provision that has transformed the controversy from one involving parochial interests to one of national import. And it is around this provision that argument will swirl once again this Thursday.

The issue has become national because the Federal Water Pollution Control Act states that while water quality storage may be considered in the planning of any federal project or any project requiring a federal license, "such storage and water releases shall not be provided as a substitute for adequate treatment or other methods of controlling waste at the source."

#### NECESSARY SUPPLEMENT

The project's advocates insist that the 400,000 acre-feet (650,000 by 1987) will be used not as a substitute for treatment at the source, but as a necessary supplement to such treatment because the technology is not now available, and will not be available "in the foreseeable future" to reach West Virginia's immediate goal of 3 parts per million of dissolved oxygen in the Kanawha at Charleston, or its ultimate goal of 4 ppm, without dilution of wastes by "low flow augmentation," that is, "pollution dilution."

The project's opponents, relying on testimony of several nationally known engineers and scientists, insist that technology is now available to treat most of the pollution and will soon become available to treat the remainder. Therefore they contend that the law is being evaded, if not violated.

### DANGEROUS PRECEDENT

Further, the environmentalists believe that if this concept is given federal sanction, it will set a precedent with disastrous consequences, permitting companies to postpone indefinitely the installation of adequate waste treatment systems and contributing to steadily increasing fouling of the nation's rivers.

Lorne R. Campbell, counsel for Grayson County who is also an ardent conservationist, expressed this fear in a brief filed with F.P.C.:

"We believe," he said, "if the project proposed is licensed that every river basin in America will be endangered . . . Any industrial complex, by similar strategies employed in the Blue Ridge project, might contrive to bring about the inundation of thousands of acres of land under the guise of emergency power needs or pollution control."

There are two ironies in the situation. The first is that in the initial plan submitted to the power commission, the power company did not propose any water quality storage; that the whole concept was imposed on it by the Interior Department, acting through the power commission, and that Appalachian still takes a dim view of the concept, although it would now like to have the extra impoundment required for pollution abatement for generation of power.

Thus, in a recent interview in Roanoke, Johnson said:

"We've never asked for the 650,000 acre-feet, but if it's imposed on us by F.P.C., we can live with it. We'd be better off economically without the 650,000 acre-feet for water quality storage."

### SECOND IRONY

The second irony is that there was almost no opposition at state or local level to the company's original project proposed in February, 1965. The company had, the local residents admit, done "a good selling job."

But in June, 1966, one month after the Federal Water Pollution Control Administration had been shifted to the Department of Interior from Health, Education and Welfare, Interior Secretary Stewart Udall, at the urging of his advisers, petitioned to intervene in the proceedings. His petition was granted.

Udall insisted the project include provision for water quality storage. He said later in a news conference that he had indicated to F.P.C. and the company that unless the Blue Ridge project, and "all future water resources projects," incorporated water quality storage, Interior would oppose the granting of a license. The company at first resisted the secretary's demand. Udall, according to his own account at the news conference, discussed the matter "privately" with Donald Cook, president of American Electric Co.

### REVISED PROPOSAL

The result of all this, Udall related, was "a revised proposal." This "modified plan," submitted by the company in June, 1968, provided for water quality storage and closely approximated one prepared by the F.P.C. staff.

Udall has since had a change of mind. In his syndicated column last April 24, he said he had been "misguided" in forcing water quality storage on the Blue Ridge project, and vigorously attacked the whole concept.

The effect of his intervention was a doubling of the size and cost of the original company proposal.

### MUCH HIGHER

The original project would have flooded 19,450 acres—16,600 in the upper reservoir and 2,850 in the lower. The modified project will flood 40,400 acres—26,000 in the upper reservoir and 14,400 in the lower.

The original would have impounded a total of 1,441,000 acre-feet of water; the modified will impound 3,261,000.

The original would have cost $140 million and produced 980 megawatts; the modified will cost about $350 million and produce 1,800 megawatts.

The original would have displaced 500 people, the modified, ten times that number.

Opponents of the modified project are particularly aroused by two things.

The first is that William Levy, the examiner, did not mention in his two decisions the testimony of two expert witnesses—Professor Vinton W. Bacon and Dr. David D. Woodbridge, both with recognized credentials, who testified before the F.P.C. that technology was available now for treating much of the industrial waste dumped into the Kanawha. Instead, they complain, Levy relied almost entirely on the testimony of Curtis Bell, an Interior Department lawyer who was the leading advocate of the project; Edgar N. Henry, head of the West Virginia Water Resources Board, and Richard Vanderhoof, a former Interior Department official now with the Environmental Protection Agency.

The attorney general of Virginia charged in his brief last Aug. 19 that "the presiding examiner has obviously disregarded the evidence in his efforts to sustain his original initial decision," and ignored all recommendations except those of the Department of Interior.

Second, the opponents assert that information supplied to the power commission by Interior was "erroneous" because it assumed, in stating the need for water quality storage, that there would not be any treatment at the source at all.

The power commission staff, in its brief, agreed that Interior's figures were erroneous, and said that therefore the 400,000 acre-feet insisted on by Levy and Interior were "excessive."

### SUGGESTED NO STORAGE

It recommended no more than 250,000 acre-feet of storage for water quality control, and even suggested that no storage be provided.

In a brief for the Environmental Protection Agency, its associate general counsel, Robert W. Zener, said that the Environmental Protection Agency had no objection to licensing the project as proposed and that the question of whether the water quality storage was needed could be left for later determination.

In an interview, Zener was asked what recourse a farmer who had sold his land under condemnation proceedings following issuance of a license for the Blue Ridge project and then, when his land was under water, it was decided that water quality storage was not needed, Zener replied that there was little good farm land that would be taken. He was asked if he had visited the site of the proposed reservoirs.

### WHAT COULD I LEARN?

"What could I learn by going down there?" Zener replied.

And so the lines are firmly drawn on the central issue. In his latest decision, Levy said:

"Conceding that Interior's waste load estimates may be excessive, that a better job of waste-load reduction and pollution control can and should be done by the Charleston area chemistry industry . . . the fact remains that . . . the desired water quality clearly requires low-flow augmentation in addition to adequate at-source treatment."

And Page Evans, standing on a low-water bridge over the Little River, an estuary of the New, the other day put the substance of all the opponents' legal briefs into the language of a countryman:

### "THEIR OWN FLUSHPOT

"As far as we are concerned, it's the ruination of the beauty of our country. Let West Virginia industry build their own flushpot. We don't feel we should be punished 200 miles up the river."

And Guy Halsey of Independence, swinging slowly in a slatted wooden swing on his porch in the warm fall sunshine, looked over his rich green pasture land, and said:

"This is the best land that lays out of doors. The size of the project is too large. We are taking out of production the most efficient land in the county."

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## TRIBUTE TO ROBERT RITTER EYERLY

## HON. DANIEL J. FLOOD

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. FLOOD. Mr. Speaker, thousands of residents in Columbia County, Pa., which I am privileged to represent in the House, were saddened to learn last month of the untimely death of a noted newspaper publisher and civic leader, Robert Ritter Eyerly. Death came at age 58 to this distinguished gentleman, following a short illness.

Robert Eyerly was widely recognized as an astute and capable newsman. When not concerned with the burdensome duties of the publishing field, he found time to give his talent in full dedication to a wide variety of civic and fraternal causes.

Mr. Eyerly was copublisher of the Bloomsburg Morning Press, and for several years the Berwick Enterprise which his firm acquired.

I extend my sympathies to Mr. Eyerly's widow, his relatives and friends, and his associates in the newspaper world, all of whom mourn his passing.

Mr. Speaker, I submit herewith for publication the text of his obituary from the Bloomsburg Morning Press:

### RETIRED MORNING PRESS CO-PUBLISHER, 58, DIES

Robert Ritter Eyerly, fifty-eight, Oak Lane, one of the State's best known newspaper publishers and long a Bloomsburg civic leader, died unexpectedly at his home at 7:20 yesterday morning.

In ill health for some time, a circumstance which led to his retirement on June 30 of this year as co-publisher of The Morning Press and president of The Berwick Enterprise, he had a lively interest in civic affairs and within a week of his death discussed future projects for Town Park.

He was a leader in development of that recreational area and a moving spirit in decision to construct the swimming pool as a memorial to area men and women who made the Supreme Sacrifice in World War II. He was a veteran of that conflict and participated in the invasion of Europe.

### HELD TWO POSTS

At the time of his retirement he was serving as business manager and vice president of The Morning Press Corporation posts he had assumed upon the death of C. T. Vanderslice, a co-publisher, in 1957.

During his illness over a period of more than two years he was frequently hospitalized but often recovered within an unexpectedly short time.

His wife and he were on a European tour in late summer but he returned home earlier than he had originally planned. He was stricken at his home on September 24 and was removed to the Bloomsburg Hospital where he was placed in intensive care. A few days later he was removed to a private room and, after steady progress, returned to his home on September 29.

Survivors include his wife, the former Marjorie Gould; a brother, Paul R. Eyerly, town; a sister, Mrs. Felix (Virginia) Schwammberger, Old Greenwich, Conn., and a number of nieces and nephews.

### RITES THURSDAY

Funeral services will be at eleven o'clock Thursday morning at the William Elwell funeral home, 325 Market street, with the Rev. James T. Berger, rector of St. Paul's Episcopal Church, officiating. Burial will be in New Rosemont cemetery.

### NATIVE OF BLOOMSBURG

A lifelong resident of Bloomsburg, he was the second son (third child) born to the late Paul R. and Amy Ritter Eyerly Sr. He attended the public schools here and then was graduated from The Hill School, Pottstown, where he was a member of the track team.

Because of his interest in newspaper work and his desire to lose no time in entering that field he decided, upon the successful completion of his freshman year at Yale University, to transfer to the Empire School of Printing, Ithaca, N.Y. Shortly after his completion of his course there and some practical experience elsewhere in the field, he entered The Morning Press where he remained active until his retirement.

### INTERESTED IN PHOTOGRAPHY

During his early years with this publication, in addition to working in advertising, he spent considerable time in the development of the photographic and engraving departments and brought them to a standard that set the pace for newspapers of compaarable and frequently much larger size throughout the nation. Among his other duties he was one of the first staff photographers.

### WAR II VETERAN

He served in the 348th Combat Engineers during World War II, with service in the European Theater. His division was one of the units participating in the landing at Omaha Beach, a great maneuver of military history and the action which led to the capitulation of Nazi Germany a year later. He entered service in August, 1943, and was overseas from March, 1944, until January, 1946, when he was returned to the United States because of the serious illness of his father.

### CIVIC ACTIVITY

Immediately upon his return to civilian life he became active in the civic projects of the town. In 1952 he served as president of the Bloomsburg Rotary Club, of which his father was a charter member, and had a leading role in the Bloomsburg Sesqui-Centennial of that year. He also served on the board of directors of this oldest of town civic clubs.

He was the founder in the late forties, of Bloomsburg's first radio station.

### KEY ROLE IN PARK

In the fifties he took a key role in the project for the development of town park. He was motivated in this both by his civic interests and a pledge to his father that he would follow through on the park project which was launched in 1927 when thirty local residents purchased the first thirteen acres in the present forty-acre tract.

After the Depression Thirties and War II delayed development, the project went into high gear with the two fund campaigns for Memorial Swimming Pool, additional park land and other improvements. He had served on the Swimming Pool Authority from its inception.

### HONORED BY PUBLISHERS

He inaugurated the Pennsylvania Newspaper Publishers Association Foundation, devoted to the development and advancement of employes of all member papers, and in recognition of this service PNPA, at its annual sessions early this year, presented him with a plaque. He had served as president from the time the program was launched. Its aim is to provide a trust fund of at least a half million dollars.

He was a member of the American Newspaper Publishers Association, with offices in New York, and served two years on the committee on taxation. He was also a member of the National Press Club, Washington, D.C.

In the PNPA, of which his father was founder, he served two terms as director and was president in 1966. The latter post had been earlier held by his father who had assumed office in the second year of the organization's history and was the first selected by vote of the membership. He also served on numerous committees and at the time of retirement was a member of the board of directors and advisory council.

Other affiliations were Bloomsburg Lodge of Elks, 436; Bloomsburg Lodge of Moose, 623 and Winona Fire Company.

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## L.B.J.: THE VANTAGE POINT—REVIEW BY A TENNESSEAN

## HON. JOE L. EVINS

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. EVINS of Tennessee. Mr. Speaker, Mr. Charles Overby, the distinguished political writer for the Nashville Banner, has written an excellent review of the Vantage Point, the recently published book by President Lyndon B. Johnson reflecting his perspective of the Presidency.

Mr. Overby concludes in his review that:

> President Johnson has imparted in his memoirs a wealth of insights, significant not only for their historical meaning but for their reflection of the man LBJ himself.

Because of the interest of my colleagues and the American people in the period of the presidency between 1963 and 1969, I place the review of this book of history in the Record herewith. The review follows:

[From the Nashville Banner, Nov. 5, 1971]

### Johnson Remembers—Memoirs Reveal Wealth of Insights, Significant for Historical Meaning

(Reviewed by Charles Overby)

Bringing to the Presidency all the drive and determination he exhibited for three decades on Capitol Hill, Lyndon Baines Johnson was not known for hesitation or uncertainty.

A man of action, in deed as well as word, LBJ faced trying times, five years of staggering problems, tragedies and pressures of engulfing proportions.

Unfolding his first-hand account of these times in his memoirs, "The Vantage Point," Johnson describes the phone calls in the middle of the night from the Situation Room, the all-night military and diplomatic strategy sessions, the legislative struggles for domestic programs, the peaks and the valleys of an administration required by history to act with decisiveness.

"My administration was never without at least one crisis," Johnson recalls.

Recurrent theme of the Johnson memoirs is the Vietnam War—why we were there to begin with, how and why our involvement increased, who helped shape our war policies, the pain, the agony, the necessity.

"In 1954 the French knew they could transfer the problem of Southeast Asia's security to our shoulders," Johnson writes. "But if the United States abandoned its responsibilities who would pick them up? The answer, in the short run, was: No one.

"We did not ask to be guardians at the gate, but there was no one else. There was no question in my mind that the vacuum created by our abdication would be filled inevitably by the Communist powers."

As unflinching today as he was then, Johnson emphasized: "If we failed to act in that patient, measured way, I believed that we would be risking far greater casualties, far more danger than we faced in Vietnam."

Now as then, Johnson shows little patience for the nation's fair-weather patriots.

The President recounts the why and wherefores of the SEATO treaty, cornerstone of American involvement in Southeast Asia, a document ratified by the Senate 82–1 that states flatly the U.S. will give military protection to Southeast Asia if its security is threatened by aggressive forces.

Johnson details the care he took to bring Congress into his Vietnam deliberations, chiefly through the Gulf of Tonkin resolution which authorized the President in advance to take actions he deemed necessary to the security of South Vietnam.

Both houses gave near unanimous approval to that blank-check policy.

What Johnson is saying and what the evidence supports is that the Senators who later turned sour on the war approved of, even contributed to, increased American involvement in Vietnam.

Johnson imparts the numerous efforts he made for peace in Vietnam. In its appendix, "The Vantage Point" lists 16 bombing pauses, ranging from one day to the halt of all bombing of the North ordered on the eve of the 1968 election, also 17 contacts with North Vietnam and 72 "major peace initiatives."

In the end, of course, Johnson made the politically supreme sacrifice, choosing to retire from the White House rather than cloud his peace initiatives with campaign politics.

The former President writes of his decisions to retire: "I was never more certain of the rightness of my decision. I was putting everything I could command and everything I had personally into the search for peace—not a false peace carrying the seeds of a new war, but a true peace forged to endure, with freedom intact."

"The Vantage Point" represents more than a dissertation of historical events, it presents, at times, a folksy insight into Johnson's White House days.

In the closing weeks of his administration, President Johnson exerted every effort to help President-elect Nixon and his staff make the transition of power.

So smoothly had the transition gone, Johnson writes, that an unprecedented event took place, with Johnson's personal staff in the White House mess.

"The White House staff reception, I was told, began rather stiffly and formally, since few of the men knew each other and even fewer had much in common politically. Some of those attending the party were eyeing each other suspiciously, while others made half-hearted attempts at conversation.

"Finally Charlie Murphy, sensing the situation, got up and delivered a humorous little speech. 'We want to welcome you here tonight,' he said, 'and we hope you will feel welcome. You will find that the typical Lyndon Johnson staff member is a peculiar breed of cat. He is very loyal to his boss. And when Lyndon Johnson tells him to do something, he does it, without question. Well, tonight President Johnson has told us to be nice to the Nixon people, and you might just as well make up your minds that we're going to be nice to you.' Everyone laughed and the tension evaporated."

From the time he assumed the Presidency in the aftermath of President Kennedy's assassination at Dallas to the day he returned to the hill country of Texas, Johnson has imparted in his memoirs a wealth of insights, significant not only for their historical meaning but for their reflection of the man L.B.J. himself.

## NORTHWEST TEXAS NEEDS NATIONAL CEMETERY

### HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. PRICE of Texas. Mr. Speaker, I rise to introduce legislation authorizing the Secretary of the Army to establish one or more national cemeteries in northwest Texas.

At the present time there are no national cemeteries in this area of the State. The nearest in-State facilities lie far to the south at Fort Bliss in El Paso and at Fort Sam Houston in San Antonio. This means that the national pledge that every veteran should have the right to be buried in a national cemetery reasonably close to his home has not been fulfilled as far as the needs of Texas residents are concerned.

As a people emerging from a costly conflict in lives in Southeast Asia, we are confronted with the solemn and sad, but ever increasing, need to provide additional burial space for those who have made the supreme sacrifice in Vietnam, for those who have fought in other wars, and for war veterans' immediate families.

Regrettably our Nation has not kept pace with the increasing demands for veterans' burial grounds, and a nationwide shortage of national cemetery facilities is becoming more acute with each passing day. According to the Department of the Army, it and the Department of Interior operate only 52 national cemeteries that are still open and available for the burial of deceased veterans. During this decade, 14 of these cemeteries will be closed. Before the turn of the century an additional 20 will also cease to inter veterans. Given this trend, the approximately 750,000 servicemen who are being separated annually from the Armed Forces will find even greater restrictions being placed on their privileged burials in national cemeteries.

Mr. Speaker, when a good hard look at our public policies toward national cemeteries is taken it becomes quite obvious that the cemeteries have largely been created in particular spots as a result of historical accidents rather than deliberate planning. Most of them are located near Civil War battlefields, hospitals, or prison camps. They also have a magnetic attraction for military bases. I believe this placement policy should be abandoned in favor of a policy that reflects the true needs of our veterans and their families. The overall picture must be examined. The location of pockets of veterans throughout the Nation must be determined. More rational Federal land use policies must be divised.

While all these things will help ease the present situation and will help redress the growing imbalance between national cemetery spaces and veterans' burial needs, immediate attention must be given to expanding the national cemetery system in areas where the need exists but where there are no facilities available to meet regional in-state needs. Northwest Texas is such as area; this is why I implore my colleagues to give the Secretary of the Army authority to establish one or more national cemeteries in this portion of the State.

## MRS. ROMANA BANUELOS

### HON. JOHN G. SCHMITZ

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. SCHMITZ. Mr. Speaker, the recent nomination of Mrs. Romana Banuelos of Gardena, Calif., as Treasurer of the United States was followed by an outburst of news reports linking her with illegal aliens who had been found among the numerous employees of her large-scale manufacturing business. In the interests of fairness, and in view of Mrs. Banuelos' record as a member of a minority group who made good in our free enterprise system, I am taking this opportunity to call the attention of my colleagues to a well-stated editorial in the Los Angeles Herald-Examiner presenting the other side of this story. I insert the following editorial:

[From the Los Angeles Herald-Examiner, Oct. 19, 1971]

THE BANUELOS CASE

Critics of Mrs. Romana Banuelos' nomination as treasurer of the United States should note some heretofore ignored facts.

Mrs. Banuelos is a highly successful businesswoman. She has attained a position of respect granted few women in banking and she has parlayed a little taco stand into a multi-million-dollar manufacturing business that employs many of her fellow Americans of Mexican extraction.

The fact that illegal aliens were found working at Mrs. Banuelos' food products plant in Gardena would have rated nothing more than an activity report of Dept. of Immigration agents, were it not for the fact that Mrs. Banuelos has been nominated for a top post by the President.

Such "raids" are frequent occurrences. The department receives a tip and acts, arresting any illegal aliens found on the premises. Immigration agents know where to look—and they make frequent checks at those places. The "warnings" supposedly issued Mrs. Banuelos on five previous occasions were merely the department's notification that illegal aliens had been found in the employ of a firm she controlled.

To suggest that Mrs. Banuelos should have prevented hiring of such persons is to be totally unaware of the procedures involved. Few employers have the staff to verify the immigration status of every person applying for a job. That is the Immigration Dept.'s job. Each of the people hired in Mrs. Banuelos' plant had been issued a Social Security number by the federal government. The blame belongs to Social Security for issuing the cards to illegal aliens, making it possible for them to go to work.

Mrs. Banuelos is innocent according to law. There is no law against hiring illegal aliens—the aliens themselves broke a law by falsifying information to obtain Social Security numbers, but Mrs. Banuelos had no way of knowing which ones were guilty.

A final point should be taken into account. These people have been used by the liberal establishment to pile up fraudulent statistics to further liberal causes. Surveys among Spanish-speaking people include illegal aliens as well as registered aliens—with a resultant lower educational level for the group as a whole—and more money allotted for special educational programs.

Since most illegal aliens are not fortunate enough to work for an employer such as Mrs. Banuelos, most of them are paid sub-standard wages, making them live in poor conditions—and piling up more statistics. For the same unfortunates to be used now as a weapon against one who has worked consistently for ethnic betterment is almost inconceivable.

Mrs. Banuelos' career reflects well on the American free enterprise system. She is a credit to womanhood and to Americans of Mexican descent. She is able and suited to do the job for which the President has nominated her and her appointment should be confirmed without further attempts at character assassination.

## FOUR NASHVILLE STUDENTS EARN AWARDS FROM THE NATIONAL COUNCIL OF TEACHERS OF ENGLISH

### HON. RICHARD H. FULTON

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. FULTON of Tennessee. Mr. Speaker, this week, I learned of the achievements of four young Nashvillians, high school writers whose talents have earned them awards from the National Council of Teachers of English, and whose efforts I believe should be brought to the attention of my distinguished House colleagues.

Honored as first-place winners in Tennessee are Mr. David S. Noble, 917 Davidson Drive, a student at Peabody Demonstration School seeking a college major in English and psychology; and Mr. Robert Anthony Perkins, 2022 Clifton Avenue, a student at Pearl High School looking to gain college training in law and the literary arts.

Announced as runners-up are Miss Debra Lynn Brown, 6117 Elizabethan Drive, attending Hillwood High School and preparing for psychology and English literature college coursework; and Miss Alison Reynolds Cook, 119 Pembroke Avenue, a student at Hillsboro High School planning journalism and history collegiate studies.

These students were selected from the more than 7,000 high school juniors nationwide who last year were nominated by their schools for the NCTE achievement awards competition. The number of winners and runners-up allotted any State was determined by that State's number of Representatives in Congress. All told, 852 awards were granted this year, and as the national council notes:

> The finalists, now seniors, are among the most competent high school students in English in the country.

These four Nashvillians, now recommended for scholarships as a result of their work, have my congratulations and best wishes as they move toward their college days. I am sure my colleagues will join me in paying these students tribute, and I ask unanimous consent that their achievements be noted in the RECORD.

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## NOVEMBER 11—VETERANS DAY

## HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. ANDERSON of California. Mr. Speaker, over half a century ago, President Woodrow Wilson proclaimed November 11 as Armistice Day, to honor those who had fallen in the war said "to end all wars."

Celebrations were regularly held each year after the end of World War I, but it was not until 1938 that Congress passed a law declaring that each November 11 "shall be dedicated to the cause of world peace and hereafter celebrated and known as Armistice Day."

Regretably, the peace that was ours in 1918 was interrupted by a Second World War—then by Korea—and now, Vietnam.

Thus, by evolution, Armistice Day became known as Veterans Day—to pay homage to all those who had worn their country's uniform. We pay tribute to both the dedicated veterans of yesterday, and the active servicemen of today.

Again, in 1968, the Veterans Day was changed from the historically significant date of November 11 to "the fourth Monday in October."

Whether we agree with this latest change or not, let us never forget November 11 and those who fought and died—trudging their way through the mud and rain and the shell-pocked fields of France to bring us peace in 1918.

Nor can we forget those who fought and died in North Africa, Normandy, Guadalcanal, and Iwo Jima. Or those veterans of more recent vintage—Inchon, Pusan, Porkchop Hill and, most recently, the Mekong Delta, Danang, Khe Sanh, Pleiku.

From the Revolutionary War to the present, more than 39 million men and women have served their country in uniform during wartime. Those who have defended our Nation, with their very lives when necessary, have rightfully earned the honor and respect of all Americans.

Mr. Speaker, we can never restore the lives of the fallen—nor fully repay the loyalty of their souls—but we can honor the nobility of those who survived and their loved ones.

As President Lincoln reminded us over 100 years ago, we must "care for him who shall have borne the battle and for his widow and orphan."

We have passed the Widows' Equity Act, H.R. 10670, to establish a survivor's benefit plan. This bill is now in the Senate awaiting action.

But, two measures demand our attention. First, we must enact legislation which would provide a pension of at least $100 a month for our 1.6 million living veterans of World War I. This pension would be paid without regard to the annual income of the recipient. Of the surviving veterans of World War I, slightly less than half have an annual income from all sources of less than $2,500 per year.

The World War I veterans of this country deserve a pension; not as a matter of need, but as a matter of right. They fought to preserve our flag; they earned our respect and they earned our thanks. I am pleased that the Veterans Affairs Committee is currently holding hearings on this legislation.

Second, we should enact legislation to equalize the retirement pay of members of the uniform services of equal rank and years of service. This would allow us to honor a moral obligation to retired servicemen, which we broke in 1958.

Ever since 1958, when the system was switched, a serviceman who retires keeps getting the same pay as long as he lives, except for periodic cost-of-living adjustments.

In short, the change has created a marked inequality among peers—an equality which will continue to widen unless Congress restores the traditional system of computing retired pay on the basis of current active duty rates.

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## REHABILITATIVE CENTER HELPS WITH SOLID WASTE PROGRAM

## HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. ROGERS. Mr. Speaker, the issue of solid waste disposal is receiving increased attention by the American people, and rightly so, for we have, in the past 40 years, disposed of enough solid waste to cover an area seven times the size of the State of Rhode Island.

However, many citizens are not just talking about solid waste problems—they are making significant contributions to coping with the problem and to reduce its severity.

One such effort is being undertaken by the Pioneer Occupational Center for the Handicapped in Stuart, Martin County, Fla. The occupational center, with the cooperation of the Martin County Conservation Alliance, has been collecting newsprint, magazines, and cardboard on the third Saturday of each month.

The solid waste material is then taken by truck to West Palm Beach for recycling and the proceeds from the sale of the solid waste is used for the training of handicapped individuals at the occupational center.

To date, since April 1971, when the project began, approximately 276 tons of waste material has been collected from Indian River, St. Lucie, and Martin Counties and taken to the recycling facility.

I commend Mr. Ray N. Radtke, executive director of the Pioneer Occupational Center, his staff and trainees for their excellent contribution to improving our environment and I am hopeful that other handicapped centers throughout the Nation will consider similar programs.

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## SPEEDY TRIAL

## HON. WILLIAM J. KEATING

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. KEATING. Mr. Speaker, today, I am introducing a bill designed to give meaning to the sixth amendment right to speedy trial. This legislation goes further, and is more comprehensive in scope, than any measure thus far introduced in Congress attempting to deal with congestion in our Nation's courts.

The median time interval for the disposition of criminal cases has been steadily rising over the past several years. The situation in courtrooms across the Nation has deteriorated to the point where criminal justice has become a matter of disposing of statistical masses. This aids neither society nor the defendant. This only perpetuates the cycle of crime and increases disrespect for justice under the law. In summary, there can be no argument that we must guarantee all criminal defendants the right to a speedy trial. As stated in the Magna Carta:

> To no one will we deny justice, and to no one will we delay it.

This legislation is needed for many reasons. For one, speedy trial is without question an effective deterrent to crime. If a deterrence to crime is to be established, there must be a clear, direct, and swift connection between the commission of a crime and the apprehension, trial, and sentencing of an offender. On the other hand, when trials are delayed for months, as they often are, the connection between the defendant's crime and his sentence is broken.

Delays before trial are also responsible for many crimes committed by defendants who are free on pretrial release. The President's Commission on Crime in the District of Columbia, reporting in 1966, found that 7.5 percent of the persons released on bail in the District were later indicted for offenses allegedly committed while free and awaiting trial. Obviously, an important step in reducing the danger of criminality released defendants is to shorten the time between arrest and trial.

Delay in bringing criminal defendants to trial also results in countless lost convictions, and reductions of charges for serious crimes to charges for minor crimes. It is a simple fact that the longer the time for trial is delayed, the more memories fade, witnesses die or become unavailable, and cases become stale. It is also fact that clogged court dockets result in increased pressures on prosecutors to give the defendant a lesser charge in return for a guilty plea and waiver of jury trial.

Current delays also lower the esteem that citizens have for the criminal justice system. For if this system is to operate effectively, the citizenry must believe that justice is operating fairly. Unless an attempt is made to head off the disaster that our criminal justice system is headed toward, we may look forward only to increasing disgust, complete cynicism, and popular pressure for radical change.

Anxiety and uncertainty about their

fate, experienced by many defendants, is one of the obvious costs of delay. The heaviest burden of all falls on the poor defendant who cannot afford bail or retained counsel, and who faces pretrial incarceration. These are the defendants whose jobs and family are completely interrupted when accused of a crime. These are the defendants who cannot return to a normal life until their trial date has arrived or they have decided to plead guilty. Clearly, something must be done.

Mr. Speaker, this bill will require the trial of Federal criminal defendants within 60 days of their arrest. Failure to accomplish this will result in dismissal of the charge against the defendant. It is recognized that highly unusual circumstances may require a longer period of time to bring some defendants to trial. Allowance for such cases is made in the bill. However, the overwhelming number of criminal cases will not fall under this category. In these instances, the defendant simply must be given a speedy trial.

My proposal also provides for closer and more effective supervision of persons released on bail prior to trial. This would be accomplished through the establishment of pretrial service officers throughout the entire Federal district court system. These officers would supervise released defendants, recommend appropriate release conditions, aid defendants in finding employment, medical, and other social needs, and perform those functions necessary to insure fair and equitable treatment for criminal defendants awaiting trial. To achieve this goal, $20 million would be authorized annually for expenditure in Federal districts.

Finally, those States which fail to make the reforms necessary to follow the example of Federal courts will face having funds from the Law Enforcement Assistance Administration cut off. Since receipt of these Federal funds is a privilege enjoyed by the States, and not an inalienable right, this provision in the bill is intended only to provide States with an incentive to act. Although this incentive should not be required, this is the only action which the Federal Government may take without infringing upon the integrity and inviolability of State court systems.

Mr. Speaker, I urge the prompt consideration of this bill. The need for this legislation is clear. As stated in the task force report to the 1968 Presidential Commission:

> As the backlog of cases becomes overwhelming, clearing the docket comes to be an end in and of itself, and haste rather than intelligent deliberation is the norm of practice. Disposition by dismissal or by guilty plea is often characterized by little attention given to the panel and correctional needs of the offender.

The time to act is now. Enactment of this bill into law will be required if the constitutional guarantee of right to speedy trial is to have substantive meaning.

## AMERICA—THE MELTING POT

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## HON. WILLIAM R. COTTER

OF CONNECTICUT

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. COTTER. Mr. Speaker, all too often we read in the news of the hatred and bigotry that is manifested in today's society. It is sad that we so often forget of the cooperation and understanding that does occur among the peoples of many different cultural and ethnic backgrounds living in the United States today.

Most recently I saw an article appearing in the Hartford Times that reminded me of the cooperation that can, and indeed does, exist here in America. Mr. Speaker, I submit this article to be printed in the RECORD so as to remind us all of the lessons we may learn from our children, and also to reassert the concept that America is still the melting pot of the world.

The article follows:

### NO CHILD IS WITHOUT A FLAG AT BURNS

(By John Cleary)

In the entrance lobby of the Dominick F. Burns School on Putnam Street there's a row of little flags, each the national emblem of a different nation. Each flag represents one or more pupils in the school who were born in that country or whose parents came from there.

The flags are the gift of the Connecticut Bank and Trust Company. Principal Herbert F. Shedroff says, "The bank's gift is a valued community participation in the life of the school. This school is very much a part of the community in which it's located—not just the city of Hartford, but a high-density residential district with a distinctly international flavor."

The school has been nicknamed the "United Nations School" for the diversity of ethnic origins represented among the children. Shedroff hasn't yet counted up this year's national origins, but last year there were at least 26. By "national origin" he means that a child or one of his parents was born in the country named:

Chile, Colombia, Peru, Venezuela, Brazil, Portugal, Poland, Canada, Italy, Greece, the Philippine Republic, Romania, China, Hungary, Lithuania, Germany, France, Switzerland, Yugoslavia, England, Scotland, Ireland, the Netherlands; two countries now parts of the Soviet Union, Latvia and the Ukraine, and the section of the Eastern Mediterranean whose people are usually called Armenian.

And, of course, the United States of America.

There's a serious purpose behind the nickname of the school. Shedroff said, "Children who feel they belong to any minority are likely to have bad feelings about themselves. Their self-image is poor because they are so frequently 'put down.' We try to teach them explicitly and by and by example that diversity is a source of richness. This is a love school.

"The children get the message better than their parents. When we began to emphasize the dignity and color of each different ethnic culture, the window-breakage rate went down. The children began to have pride in the school.

"But it's difficult to get the parents of a French-Canadian child, for example, to identify in himself anything in common with a Puerto Rican or a Portuguese. Our parents organization moves chiefly on the work of members of our staff."

At the Burns School, it isn't a PTA; it's a PTSA—a Parent-Teacher-Student Association. "The children have a part in decision-making and the shaping of policy," Shedroff said.

The diversity of languages presents the staff with some problems. "It's more important for a child to be able to tell time than just to be able to tell time in English," Shedroff said. "If he speaks Spanish at home, we teach him to tell time in Spanish first."

The staff is multilingual. The guidance counsellor is fluent in Portuguese. A fifth-grade teacher speaks Greek. (The school has all grades from kindergarten through eighth). Several para-professionals speak other languages.

The ethnic mix of the children reflects that of the neighborhood, roughly bounded by Washington Street, Madison Street, Pope Park and Capitol Avenue. It has long had a large French-Canadian population, and in recent years many Puerto Rican families have moved in.

"It's a low-rent district," Shedroff said. "Immigrants tend to settle here first when they come to Hartford. Some of them become stabilized here, like the French Canadians and the Portuguese. Others drift away a few at a time."

Among Burns' distinguished alumni is Mayor Athanson. Another (who would still be a pupil if his family had not moved to another school district) is Wesley Robinson who last year, at the age of 12, was chosen by a national magazine to visit the Marshall Space Flight Center and experience for a few days the training of an astronaut.

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## MARINE COMMANDANT PRAISES BROTHER SERVICES

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## HON. JACK BROOKS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BROOKS. Mr. Speaker, the distinguished Commandant of the Marine Corps, Gen. Leonard F. Chapman, Jr., paid honor to the other services as well as the Marine Corps on the Marine Corps 196th anniversary, November 10, 1971, at a memorial ceremony held at the Iwo Jima Memorial Monument. He stated that the greatest tribute to fallen comrades and to those still held captive is in the readiness of every weapon, and every marine to fulfill the purpose of the Marine Corps: The defense of the United States. I insert his remarks in the RECORD at this point.

### REMARKS OF GENERAL CHAPMAN

Today, on the 196th anniversary of the birth of our Corps, we have joined together to honor all Marines who have given their lives in fulfilling the purpose of our Corps: "fighting our country's battles."

Today, as is our custom, we remember the battles fought, the work accomplished, and the past and present honors bestowed upon our Corps. And we remember the Marines, the few good men who chose to serve and gave their lives in that service.

But as Marines, professionals, who are proud of their Corps and its service, we know that no force can stand alone in the line of battle. So today, in paying honor to those

Marines who have fallen, we also pay honor to our brothers of the Army, the Navy, the Air Force and the Coast Guard. And we look to our left and right with great pride to see their flags, like our own, decorated with the battle streamers of this country's history. It is a good history. We are proud to share it.

Now, another hard and long conflict has become a part of our Corps history. Several months ago the last Marine unit left the Republic of Vietnam. Only a few hundred Marines remain there. This marks the first Marine Corps anniversary since 1964 that Marine battalions and squadrons have not been engaged in combat. And today we think of the Marines still held POW in enemy hands. Today we remember the purpose of our Corps remains unchanged. We are ready—every Marine, every weapon, and every piece of equipment is in constant readiness to fulfill that purpose: The defense of the United States.

And in this is our greatest tribute to fallen comrades, and those held captive.

## THE RHODESIA BOYCOTT: THE END OF A SAD ERA

### HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. PRICE of Texas. Mr. Speaker, I must applaud the action taken by the House this past evening in voting to put an end to the ridiculous and self-defeating policy of embargoing the importation of chromium ore from Rhodesia. For years apologists and functionaries in this Government have attempted to legitimize a masochistic policy which has made us the laughing stock of the world.

We have been constantly rebuked and reminded of the importance of living up to our "commitments" to the United Nations—an organization which has had no difficulty at all in turning its back on the United States time after time. As an extension of our own civil rights problems here at home, the United States was duped into going along with a U.N. sponsored program of sanctions against Rhodesia which has only served to cut off our nose to spite our face. While liberals here and abroad have sought to justify a Rhodesia boycott to show disapproval of that government's internal policies, they have overlooked the fact that they have placed the United States in the position of dependence for a strategic material upon the U.S.S.R., whose government is undoubtedly the most notorious, sinister, and antilibertarian in the entire world. We have been "Uncle Sap," and while we have been chastized about living up to our "commitments," other pious U.N. members have continued to carry on a brisk under-the-table trade with Rhodesia, whose clientele list probably includes the U.S.S.R.

Mr. Speaker, if we have any feelings toward the internal affairs of the Rhodesian Government, we can better offer a constructive influence only if channels of communication and trade are open—we can accomplish nothing by maintaining a stone-faced, hard-nosed stance. And certainly, if we are now willing to talk with and trade with the Russians, and the Red Chinese, there can be no justification whatsoever for maintaining an unrealistic policy toward friendly, independent, and strategically important Rhodesia.

Mr. Speaker, I especially commend the distinguished chairman of the Armed Services Committee, Mr. Hébert, my good friend Jim Collins of Texas, and Senator Harry Byrd of Virginia for their constructive and skillful efforts. I strongly urge the Senate to give its final assent to the military procurement bill as amended and for the President to sign the bill into law.

And as a final note, I believe the action of the House is most timely in giving its approval of this important bill on the eve of the sixth anniversary of Rhodesia's Independence Day. May I extend warmest congratulations to the people of Rhodesia whose strength of character make November 11 a day worth celebrating.

## THREAT TO MIDDLE-CLASS AMERICA

### HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BROYHILL of Virginia. Mr. Speaker, the uproar in Detroit, over the anticipated court order for massive, city-suburban schoolbusing, highlights what is in store for most large metropolitan areas nationwide. Only a constitutional amendment, as provided in House Joint Resolution 620, to counteract the Supreme Court's Swann decision, can stop it now.

I would like to point out, Mr. Speaker, that the "flight to the suburbs"—which in recent years has been accelerating, partly because of increased overcrowding and air pollution in the "asphalt jungles"—predates the famous Brown desegregation decision by at least a third of a century. The flight started at the end of World War I when city dwellers who could afford it moved to the outskirts of town, where they could raise their children in a cleaner, healthier, less crowded, more attractive environment.

As wages and salaries rose, blue collar city workers became white collar workers, and followed the more affluent to greener pastures. And as more and more city blacks became better and better educated and entered the professions, they too became middle class and moved to the suburbs. This upward and outward mobility of blacks as well as whites in the pursuit of happiness is now threatened by court orders to bus suburban children back into the overcrowded, crime-ridden, polluted, inner cities from which their families fled.

There are exceptions perhaps, but I cannot believe that Americans, black or white, who seek a better way of life for themselves and their children in the suburbs do so because of animosity against the less fortunate who are left behind.

Surely there are better ways to help the city poor—through provisions for more parks, vastly improved educational and job opportunities and opportunities for outward mobility—than to drag great numbers of middle-class children back into the "asphalt jungles."

Mr. Speaker, I urge passage of House Joint Resolution 620; and I insert a New York Times report of October 2, 1971, on Detroit's busing dilemma at this point in the Record.

#### Bus Ruling Jars Detroit Suburbs

A Federal judge's ruling that Detroit's schools are segregated has started an uproar in the suburbs.

Even though there is no order calling for any city suburban black-white busing, protests and short boycotts involving thousands began this week.

The issue of exchanging city blacks with suburban whites was raised by a white anti-busing group in Detroit. There is not likely to be any decision on the matter for some time. Federal Judge Stephen Roth, who ruled that the Detroit system was guilty of segregation although he blamed almost all of society for the problem, is scheduled to begin hearings on a solution this week, and the hearings could go on for months.

The Detroit system with 300,000 children is two-thirds black, and integration in the city alone would leave all city schools largely black. The suburban schools are largely white.

#### SUBURBANITES UPSET

Suburbanites are concerned that the judge might order the state to create a metropolitan school district, stretching from the all-white schools of Dearborn—for years an openly segregated community—on Detroit's west to the rich Grosse Pointe suburbs to the east and to the rows of working and middle class suburbs in a band a few miles north of Detroit.

Any such plan would mean sharing Detroit's school troubles, which many of the suburban residents moved from. The big Detroit district averages about $650 in spending per student while the suburbs may run past $1,000.

The Detroit schools score low on standardized learning tests, and racial fighting in integrated schools is not uncommon. Since the new school year started, for example, there have been outbreaks of violence at Ford High School in Detroit and Ferndale High, an integrated suburban school.

The dispute has political implications, too. The Democratic state party chairman, James McNeely, said this week he supports busing as a method of eliminating inequality in education. But the heart of the opposition comes from working class and solidly Democratic suburbs.

#### HEAVY ABSENTEEISM

In Warren, Mich., for example, a solidly Democratic suburb on election day, absenteeism ran into the thousands and passed 40 per cent in some schools after a call for a one-day boycott to protest the possibility of city-suburban busing.

Republican office holders have been more cautious: Senator Robert P. Griffin, who will run for re-election next year, said he opposed force busing but also opposed boycotts. Gov. William Milliken said he favored integrated schools but it would take "the wisdom of Solomon" to work out a plan.

The Governor and Frank Kelley, Democratic attorney general who is a likely candidate to oppose Senator Griffin also announced a state court challenge this week to the property tax system that is used to finance the schools.

Any effort to find a more equitable method of financing schools is connected to the integration issue because the large black areas generally have less tax base per pupil, and thus less money to spend on schooling.

### BACKGROUND OF DISPUTE

The controversy began after the Detroit board of education last year ordered white students, the minority, spread more thinly in the Detroit schools for integration. The Legislature killed the plan and ordered a decentralized school system in Detroit, which blacks supported.

Conservative white groups in Detroit then led a successful recall movement against the board of education members. The National Association for the Advancement of Colored People then brought suit against the state and the Detroit school board. But the suburban busing question was not raised in this suit.

The Citizens Committee for Better Education, which is against busing, intervened in the suit saying that all suburban schools should be included in any desegregation plan for Detroit, which started the worries in the suburbs.

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## MONTHLY CALENDAR OF THE SMITHSONIAN INSTITUTION

## HON. HENRY P. SMITH III

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. SMITH of New York. Mr. Speaker, our late colleague, the Honorable James Fulton, placed in the RECORD each month the Smithsonian calendar of events. I have been requested to carry on that tradition, and I am honored to do so. The November calendar of events follows:

### NOVEMBER AT THE SMITHSONIAN

#### MONDAY, NOVEMBER 1

Exhibition: Washington from Banneker to Douglass: 1791–1870. Portraits, photographs and documents, including the original Emancipation Proclamation signed by Lincoln in 1863, portray the history of the Nation's Capital from a perspective rarely used—Washington's black community. A second part of this exhibit, Washington in the New Era: 1870–1970 will open in February 1972. National Portrait Gallery, through January 28.

Exhibition: Early Electrical Appliances. Household appliances ranging from egg beaters to shavers to a marshmallow cooker. Many of the objects were given to the Smithsonian by individual donors as the result of a plea from the curator printed in newspapers across the country. All are early examples of their type, some dating from the late 19th century. In the new Hall of Electricity, first floor, Museum of History and Technology.

#### WEDNESDAY, NOVEMBER 3

Lunchbox forum: The Changing Rationale of the Federal Government in Airport Development: 1926–1970. An informal discussion by Dr. Elmore A. Champie, FAA Historian. Sponsored by the National Air and Space Museum. Room 449 Smithsonian Institution Building. 12 noon—Bring your lunch!

Free film theatre: John J. Audubon. Documentary tracing the steps of Audubon through Europe and North America. Scenes are taken from his most famous books, Birds of America, revealing the painstaking detail of his work. 12:10 and 1:10 p.m., Natural History Building auditorium.

#### THURSDAY, NOVEMBER 4

Free film theatre: John J. Audubon. Repeat. See November 3 for details.

#### NOVEMBER 4 TO 11

Black Arts Week. Black artists are being honored at the National Collection of Fine Arts by a week of special activities in conjunction with the opening of an exhibit of works by William H. Johnson, a major black artist.

Films: Two programs shown daily in the Lecture Hall, NCFA.

10:30 a.m. First World Festival of Negro Arts; Five—five celebrated black artists and their various techniques; John Otterbridge—the sculptor, his background and ideas.

1 p.m. Black Dimensions in Contemporary American Art; Bernie Casey—the poet-painter on art and life; Aretha Franklin, Soul Singer.

Tours: William H. Johnson Exhibition. Nov. 4–5, 8–11, 11 a.m., 1 and 3 p.m. Nov. 7 from Noon to 5 p.m. on the hour. Art by Black Americans (1930–1950). Self-guided tour with written material available.

#### FRIDAY, NOVEMBER 5

Exhibition: William H. Johnson (1902–1970). Paintings, watercolors, drawings, and prints by this little known but highly talented black American artist comprise the major fall exhibition of the National Collection of Fine Arts. Through January 9, 1972.

Exhibition: Fisheries and Wildlife Centennial. Graphics and photographs on the 100-year history of national involvement in fisheries and fish management, from the original National Fish Commission to the present National Marine Fisheries Service, National Oceanographic and Atmospheric Administration, and the Bureau of Sport Fisheries and Wildlife. Included are old and new photographs showing the progress made in research and service, as well as a "Did You Know" section of under-sea curios. Museum of Natural History.

#### SATURDAY, NOVEMBER 6

*Black Arts Day*

Panel Discussion: *Black Arts Today*. Moderator: Mrs. Evangeline Montgomery, black art consultant, Oakland Museum, California. Panelists: Leroy Gaskin, Samella Lewis, Lois Jones Pierre-Noel, and Percy Ricks. 11 a.m., Granite Gallery, National Collection of Fine Arts.

Lecture: *W. H. Johnson and His Contemporaries*, by Carroll Greene, consultant on Afro-American art for the Museum of Modern Art, New York. 3 p.m., Granite Gallery, National Collection of Fine Arts.

Music From Marlboro: First of a three-part series presented by the famed Marlboro Music Festival of Vermont. Works by Mozart, Boccherini, and Brahms performed by violinists Pina Carmirelli and Ronald Copes, violists Philipp Naegele and James Dinham, cellists Jerry Grossman and Steven Doane, and oboist Georges Louis Haas. 5:30 p.m., Natural History Building auditorium. Series tickets are $12.50; single tickets, $5, student tickets, $1.50 with I.D. at the door as available. Special Associates rates: $11, series; $4, singles. The remaining concerts will be held on February 5 and March 25. For information call 381–5395.

#### MONDAY, NOVEMBER 8

Botany Seminar: *Floral Anatomy and Systematics of Eugenia* (*Myrtaceae*), by Dr. Rudolf Schmid, Visiting Research Associate, Department of Botany. 6 p.m., Natural History Building, Room WW531. Public is invited.

#### TUESDAY, NOVEMBER 9

Illustrated Lecture: *Chinese Landscape, Blue and Green*. Professor Martie Young, Cornell University, traces the history of landscape paintings of the "blue and green" technique, that first appeared in the T'ang Dynasty (A.D. 618–907) and was revived periodically through the centuries by Chinese artists. 8:30 p.m., Freer Gallery of Art.

#### WEDNESDAY, NOVEMBER 10

Lunchbox Forum: *Early New England Aviation—Depression Years*. Informal discussion by Lt. Col. Franklin E. Jordan, AUS, Retired. Sponsored by the National Air and Space Museum. Room 449, Smithsonian Institution Building. 12 noon—Bring your lunch!

Free Film Theatre: To be announced. 12:10 and 1:10 p.m., Natural History Building auditorium.

#### THURSDAY, NOVEMBER 11

Free Film Theatre: To be announced. 12:10 and 1:10 p.m., Natural History Building auditorium.

Changes of address and calendar requests: mail to Mrs. Fisher, 107 Smithsonian Institution Building, Washington, D.C. 20560. When applicable, please include old calendar label.

#### FRIDAY, NOVEMBER 12

Lecture: *Man and His Environment*, by Marshall T. Augustine, sedimentation specialist, Maryland Department of Water Resources. Man's impact on his environment from colonial days to the present with special attention to present day exploitation of natural resources for development of subdivisions, industrial parks, highways and surface mining and suggestions on preventive and remedial measures. Sponsored by the National Parks and Conservation Association. 8 p.m., Natural History Building auditorium.

Folk Concert: *Grant Rogers*, folksinger, guitarist, songwriter and fiddler. 8:30 p.m., History and Technology Building auditorium. Sponsored by the Smithsonian Division of Performing Arts and the Folklore Society of Greater Washington. FSGW members, free; non-members, $1. For ticket information call 381–5395.

#### SUNDAY, NOVEMBER 14

Symposium: *Print Prices Today*. Sponsored by the Washington Print Club. Moderator: Alan Fern, Assistant Chief, Prints and Photographs Division, Library of Congress. Panelists: Elizabeth Stevens, and Sylvan Cole. 3 p.m., Granite Gallery, National Collection of Fine Arts.

#### WEDNESDAY, NOVEMBER 17

Lunchbox Forum: *A Slide Visit to West Coast Aviation Museums*. Informal discussion by Carl F. Emde of TRW Systems. Sponsored by the National Air and Space Museum. Room 449, Smithsonian Institution Building. 12 noon—Bring your lunch.

Free Film Theatre: *Hippo; Antelopes on the Plains of Africa; High Over the Borders*—annual bird migrations from North to South America. A series of short films on animals and birds from the New York Zoological Society. 12:10 and 1:10 p.m., Natural History Building auditorium.

Meeting Royal Sikkim: 3 p.m. Fashion show and reception. See box, this page.

#### THURSDAY, NOVEMBER 18

Creative Screen: *Daguerre: The Birth of Photography*—the fascinating early history of photography depicting Daguerre and contemporaries; *Pas de Deux*—An unforgettable ballet, stroboscopic effects and the ingenuity of Norman McLaren produce film as art; *Daphnis and Chloe*—still photography, kinetic light, and special effects present the abstract visualization of Maurice Ravel's *Suite No. 2*. National Collection of Fine Arts, 11 a.m., 12 noon, 1 and 2 p.m.

Free Film Theatre: Hippo! Antelopes on the Plains of Africa; High Over the Borders. Repeat. See November 17 for details.

FRIDAY, NOVEMBER 19

Folk Concert: Malvina Reynolds, a leading writer of contemporary folksongs, in a special concert sponsored by the Folklore Society of Greater Washington and the Smithsonian Division of Performing Arts, 8:30 p.m., Natural History Building auditorium. Admission: FSGW members, $1; non-members, $2.

Exhibition: Thomas Eakins: His Photographic Works. Approximately 200 photographs by or of the great 19th century American artist including portrait photographs that served as notes for paintings and examples of the artist's outdoor work. National Collection of Fine Arts, through January 3, 1972.

SATURDAY, NOVEMBER 20

Creative Screen: Daguerre: The Birth of Photography; Pas de Deux; Daphnis and Chloe. Repeat. See November 18 for details.

MONDAY, NOVEMBER 29

Audubon Lecture: Outdoor Yearbook. Karl Maslowski, photographer for Walt Disney and writer for Cincinnati Enquirer, will show a color movie of usual and unusual natural phenomena with the sounds of 60 different species of wildlife. 5:15 and 8:30 p.m., Natural History Building auditorium.

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## FAITH, HOPE, AND CHARITY

## HON. ROMANO L. MAZZOLI

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. MAZZOLI. Mr. Speaker, I would like to call to the attention of my colleagues a newspaper article which appeared in the Louisville Times on September 17, 1971.

It concerns Mr. L. A. (Lewis) Gerton of Louisville, Ky., who, despite the fact he lost his sight 4 years ago, is able to see certain things quite clearly.

I would like, most particularly, to call attention to Mr. Gerton's observation that financial benefits alone do not meet the needs of our handicapped citizens.

What is more important than money, in the words of Mr. Gerton, is simply the gift of a "little kindness, a little humanity."

Because I think that Mr. Gerton's message to those of us who are more fortunate is an important one, I insert the following article, by Miss Laurel Shackelford, in the RECORD.

### FAITH HOPE AND CHARITY: THE BLIND HELP OTHERS

(By Laurel Shackelford)

About 3:45 p.m. yesterday L. A. (Lewis) Gerton called the regular monthly meeting of Faith Hope and Charity to order by tapping his collapsible blindman's cane on a marred, but sturdy, Sunday-school table in the basement of Grace Hope Presbyterian Church.

Gerton is a tall, good-looking man who enjoys dressing sharply even though he cannot see the results. Yesterday he had on a bright purple pullover sweater, with leather trim, and grey plaid slacks. The sighted women at the meeting admired the apparel and Gerton was pleased.

Gerton has always been a man on the go, especially since he lost his sight four years ago through glaucoma. He is involved with a lot of projects—he's chairman of the board of directors of the Jackson Area Council and teaches ceramics at Grace Hope—but his favorite is the Faith Hope and Charity group.

Gerton started the group about three years ago when he learned there were a number of blind people in the area who needed to get out of the house once in a while, people who needed a little fun.

The purpose of the group is to help other people and to help each other. Members who can afford it pay a dollar a month dues, plus 25 cents for the birthday fund.

The dues help fund the group's special projects, such as delivering Christmas baskets to nursing-home shut-ins, and are occasionally used to help a Faith Hope and Charity member who has an emergency. Proceeds from the birthday fund are given to each member on his birthday.

Collecting the dues is a serious, time-consuming matter at the meetings. One woman who has sight collects the money and calls out the names of the people who have paid, while two other members—one with sight and one without—record the figures.

When they are finished with the business affairs, Louis Matthews, a blind man, begins recording the minutes, which will be read at the next meeting, in Braille.

JUST A LITTLE RESENTFUL

Gerton is not bitter about being blind, just a little resentful.

He believes people with sight are fooling themselves when they think they have done their bit for the blind by having the state send them a disability check each month.

He said, "They figured they took the blindman off the streets by giving him money. They seem to think a little money is the answer. It's not. Most of us could make more money by begging. But more importantly, we're looking for a little kindness, a little humanity."

He said, "Blind people are almost like children in this respect. You have no idea how excited the group gets when I tell them someone is going to take an interest in us, that someone is going to come see us. But that rarely happens—people fall down on what they said, and the group gets so disappointed."

Gerton told about a seminary student who took an interest in the group last year and wrote to 75 area churches asking for volunteers who would be interested in "adopting" a blind person.

Gerton said the seminarian thought it would be nice if the church members would stop in to see the blind people a couple times a week, perhaps bringing them a little present and sitting and talking to them for awhile.

However, none of the churches answered the letters, according to Gerton, and the Faith Hope and Charity members still remember the disappointment.

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## MAN'S INHUMANITY TO MAN—HOW LONG?

## HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1,600 American prisoners of war and their families.

How long?

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## NATURE AND MAN—AND WATER

## HON. WAYNE N. ASPINALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. ASPINALL. Mr. Speaker, the RECORD of this body in recent years has been filled with predictions of doom and foreboding concerning the environment; what man is doing to it; and with cries for the elimination of all activity that makes it possible for man to use our resources for any basic economic purpose. Perhaps no field of public activity has been so attacked and castigated as have our water resource development programs.

Those of us who have been privileged to be active in the water field have recognized the potential for some adverse effect and have supported measures to limit such effects without depriving ourselves of all benefits of the works of man. I was, therefore, deeply impressed and encouraged by a recent speech by one of our distinguished colleagues, the Honorable JIM WRIGHT of Texas, who was precisely on track when he made an eloquent request for balance between "use" and "preservation" of our natural resources.

Mr. WRIGHT addressed the All States Banquet of the National Water Resource Association during that organization's annual convention in Dallas, Tex., on November 4, 1971. I was privileged to be present on that occasion and am glad to share his remarks with all of my colleagues, feeling that they are well worth careful reading regardless of one's persuasion.

Mr. WRIGHT's remarks follow:

### NATURE AND MAN—AND WATER

(Remarks of Congressman JIM WRIGHT)

Tonight I want to talk with you about Nature and Man.

Let us think together of Man and Nature—and of Water, nature's most priceless gift and man's most useful servant.

In the Book of Genesis, we find the commandment that man is to "subdue the earth." Obviously this did not mean to ravage the earth. But, of equally obvious truth, it does not mean to be subdued by the earth.

Nature is a marvelous mechanism. So is the human body. Both were engineered and created by the Divine Intelligence to perform their appointed functions efficiently and effectively.

But just as the human body can get out of balance and require corrective surgery to perform its functions properly, so also nature itself can get out of balance and require the corrective, healing surgery of man to perform its functions effectively, efficiently, and beneficially in the interests of both nature and man.

Nature exists for man, and man is expected to exercise beneficent dominion.

He is not expected to prostrate himself supinely before the floods; nor to abandon the arid earth to dust where water lies beneath the soil; nor let the waters wash away the land and leave both man and earth bereft. All of our knowledge cries out against such folly.

PARABLE OF THE DAM

Recently George W. Ball, former Under Secretary of State, wrote a whimsical little story which he called the *Parable of the Dam.* It was published in *Newsweek* magazine. Secretary Ball no doubt intended its deeper meaning to apply to the world of international affairs. But the parable has a more direct and even more obvious application in light of recent developments in the United States.

The story goes like this:

Since the beginning of time, the villages in a mountain canyon had been periodically ravaged by floods. Finally, the leaders convened a great meeting and decided to invest their efforts and resources in building a large, strong dam.

Thereafter, for a quarter of a century, the dam sheltered the villages from disaster, prosperity prevailed, and life was tranquil—until, at last a new generation began to grow up, free from the apprehensions of the past and filled with exciting ideas about a world of song and beauty.

Inevitably the new leaders turned their attention to the dam. It was, they announced, huge and ugly and an affront to the environment. Besides it blocked out the sunset.

One leader wrote a folk song proclaiming it a symbol of imperialist megalomania, and people spoke excitedly of little else, until someone brought forth an argument that seemed quite unanswerable. After all, it was pointed out, no one ever talked about flood damage except the old fogies over 30 who were not to be trusted anyway. Who among the new leaders could recall any floods in his lifetime?

It was perfectly clear that floods were completely outmoded, a matter of the past—perhaps just a fiction manufactured to frighten the people. Since there had not been one for 25 years, clearly there would not be another.

So, after a season of demonstrations, more speeches, a pageant and several rock festivals, they blew up the dam and used the fragments for a people's playground. And let me tell you straight, man, when the waters came down it was really the Age of Aquarius!

### THE "ECOLOGY" MOVEMENT

In the past two years, a sudden public awareness of our environment has burst upon the scene like an earthquake. To those of you who for decades have led the lonely and often thankless struggle for conservation and environmental quality, this should be great good news. A public awakening was long overdue! But—as is so often the case—the price we pay for long public neglect is a sort of hysterical over-reaction.

Unfortunately, among the new converts there is vast misunderstanding of all that the dedicated handful of conservationists has been doing for all these years. There is a deadly tendency to want to stop everything, to tear out all that man has built, to reverse the hard-won victories the conservation movement has achieved, and—incredibly—to turn the clock back to the unenlightened era when nature ravaged man and man was powerless to protect himself.

For many in the newly popular "ecology" movement, scapegoats have become more popular quarry than solutions. Stopping programs of resource development has become more fashionable—and it was always easier—than performing those programs.

### ENVIRONMENTAL POLICY ACT

For some the Environmental Policy Act of 1969 has been misconstrued as a trumpet call to retreat into the past and seek the improbable goal of a dead and distant age before man's massive intrusion, when nature was supreme—an age when floods were thought to be the inevitable will of God and when it was the accepted rule that a river would cleanse itself in seven miles without any help from man.

But those who so interpret the commandment of that legislation have failed to understand its meaning. And this misunderstanding exists not only among the enthusiasts of the preservationist movement, but among some in our agencies of administrative government—and, sadly, in some of our Federal courts.

Let me quote the purposes of the Environmental Policy Act as set forth in the very preamble to that legislation. These are the purposes declared by Congress:

"To declare a national policy which will encourage *productive and enjoyable harmony* between man and his environment (and I underline those words, productive and enjoyable harmony); to promote efforts which will prevent or eliminate damage to the environment and biosphere and *stimulate the health and welfare of man;* to enrich the understanding of the ecological systems and natural resources *important to the Nation;* and to establish a Council on Environmental Quality."

Nowhere do I read in these purposes any intent to halt the development of our nation's water resources.

Nowhere do I see expressed a desire to lock up our rivers for the exclusive enjoyment of those few who wish only white-capped waters running rampant and uncontrolled.

Nowhere in that legislation is implied a call for retrogression. The law contains no mandate for any self-appointed group to exalt itself above the established agencies of orderly government and bring their work to a grinding halt!

Nowhere in that law do I read any intent to abrogate the clear will of Congress as reflected in water development projects fully authorized for construction—and some of them already begun—by the Bureau of Reclamation, the Soil Conservation Service, and the Corps of Engineers.

Yet, sadly, some have mistakenly read into the passages of that law a commandment to do these very things.

### MAN'S EXPERIENCE

My father once told me that, unless each generation can capitalize upon the *mistakes* of its predecessors and avoid a *repetition* of those same mistakes, we'd suffer the greatest waste of all—the waste of man's hard-won experience.

I am not so young, and neither perhaps are most of you, that we cannot recall the ups and downs of an uncontrolled public economy, the booms and busts of an unprotected farm economy, the flickering lights of rural America where electrification was only a dream—or the devastating floods and droughts inflicted by a nature uncontrolled by man.

The Environmental Policy Act provides the machinery for a valuable service—new tools to evaluate the environmental effect of each of our public decisions. Congress most emphatically *did not* intend that only the *adverse* effects of every act should be subject to evaluation. To adopt such an attitude would lead us to but one conclusion: do nothing!

### A BALANCED VIEW

It was quite clearly intended by Congress that the machinery originated in that act should give us the information for a *balanced* view.

While we do want to know of any possible effects on wildlife, we are preeminently concerned with the effects on *human* life. That, in any sane scale of values, must always come first!

Obviously, when navigation opens up the gates of commerce and job-producing enterprise to an underdeveloped area and helps reverse the massive tides of migration to the overcrowded cities, that is a *positive* environmental effect!

When the Soil Conservation Service builds levees and up-stream dams and encourages terracing and cover cropping to retard the siltation of our reservoirs, that is a *positive* environmental impact.

When homes and businesses are saved from periodic floods and the human wreckage that lies in their wake, who can regard the environmental effect as anything but *positive?*

When the waters of subterranean streams bring forth their bounty and transform deserts into gardens where the family of man can live and prosper, this is a *positive* environmental impact.

When a city is given a dependable water supply, the living environment is *enriched.*

When a reservoir provides the means of wholesome outdoor recreation for thousands of city-bound Americans, the environmental quality has been *enhanced.*

When the management practices of enlightened man augment low flows downstream, stabilize the river banks and replace the stagnant pools where only mosquitoes have bred, the environment quite manifestly has been *improved.*

Each of these effects is *positive* and *helpful* to the human race. Congress most emphatically does not intend that any one of them shall be slighted or ignored.

### CONGRESSIONAL INTENT

This year in Congress we have had two votes which clearly establish the will of the people's elected representatives.

The first came upon an amendment to the Agriculture Appropriation bill which would have directed that we halt all works of channelization including those already approved by Congress and subject them all to further "study."

The second came upon a motion to amend the Public Works Appropriation by stopping the development of a key project in the Delaware River program—one on which construction already had begun—until further vaguely defined "studies" might be conducted.

Both amendments were decisively defeated! And this should be an unmistakable expression of the clear intent of Congress that the soundly conceived works of water resource development shall go forward unimpeded!

The projects which would have been delayed or denied by these amendments had already been studied and restudied. They had been analyzed, evaluated, adopted and begun—just as numerous others against which well-meaning but pitifully misinformed minorities have sought injunctions in the courts.

It is devoutly hoped that the courts will understand the intent of Congress as expressed in these resounding votes and govern themselves accordingly.

### STUDY NO SUBSTITUTE FOR ACTION

There comes a point in every human society when study must give way to action. The average water resource development project of the Corps of Engineers today must traverse the labyrinthine path of almost 18 years of study and restudy between the point of a survey resolution and the turning of the first spadeful of dirt.

To suggest that, after all this, the will of Congress be stymied and the directed action be stalled simply for the sake of further "study" is reminiscent of the words of Kipling in his description of old men. He said:

"They peck out, dissect, and extrude to the mind
The flaccid tissues of long-dead issues
Offensive to God and mankind
Like vultures over an ox
That the Army has left behind."

Study at best is merely a guide and precursor to action. It is not a substitute for action!

### CONSERVATION AND DEVELOPMENT

Conservation and development are not mutually exclusive. Development of the earth's resources is the tool by which man carries out the goal of conservation.

There is no irreconcilable gulf between a sound ecology and a sound economy.

To be a wise conservationist or an intelligent environmentalist does not mean to halt our development and harnessing of the water resources of our planet. To greater or lesser degree this has been necessary since man first intruded upon the earth. It is more necessary today than ever because there are more and ever more people.

We cannot, alas, keep people from intruding upon the earth. And the interest of people must come first.

### POPULATION PRESSURES

Already the stark statistics of population growth contain in their overtones a prophecy of world famine. Already, in spite of our pockets of affluence, we see a preview of this prophecy on the subcontinent of India.

At the beginning of the Christian era, there were only some 250 million people on the entire earth. Within our generation, we shall have more than that right here in the U.S.—on about seven percent of the world's land area.

It took mankind more than 3,000 years to achieve a population of three billion people. Demographers forecast that we shall double this in 30 years. In three decades, if the present trend continues, we shall add to the living total as many as our progenitors added in more than three millennia.

The same amount of land and air and water and mineral resources, then, must be made to serve more and ever more people. Every year in our own country, we have a population growth equivalent to a new state of Maryland.

Not much longer can agricultural surpluses be our problem in the United States. Instead, we rapidly approach the time when we shall need millions of additional acres in production if we are merely to feed our own people—let alone the famine-bent billions of a hungry world.

Every drop of water that can be conserved, every inch of top soil that can be saved, every field and forest we can renew, every ore and mineral we can develop and conserve, and every stream we can cleanse of pollution will be our greatest possible gifts to future generations.

This is why the work of your association is so extremely important. And this is why the development of our resources must never slacken.

As most of you know, this nation used only about 40 billion gallons of water a day in 1900. This year we will use more than 400 billion gallons daily. The entire structure of our modern life depends, therefore, upon the maximum development and conservation of this finite resource.

### NATURE'S ENDOWMENT AND MAN'S CHOICE

The amount of water in the world is constant—unvarying and abundant. The total quantity has been precisely the same since the very beginning when . . . God created the heaven and the earth. And the earth was without form and void; and darkness was upon the face of the deep. And the spirit of God moved upon the face of the waters.

An unending cosmic rotation steadily moves man's lifegiving liquid by gravity through the gentle and incessant flow of streams to the great reservoirs of our oceans, then draws it skyward by the sun's attraction to be purified anew, conveys it by cloud and wind, and returns it by rain to refresh the thirsty earth and renew man's lease on life . . . *ad infinitum*. It is an ever-recurring miracle, the most wondrous natural marvel of a wondrous universe.

Science can comprehend it, but never quite duplicate it. Man cannot change it. He can locally and temporarily befoul the process, and bring death. He can fail to act, quibble and quarrel with his neighbor while the tides of man outpace the provender of nature. Or he can form a sort of divine partnership with nature, help it along—and preserve life. This is his choice.

Twentieth-century America, like the prodigal son, has drawn heavily upon the bank account of its native endowment and squandered the substance in riotous misuse. More bountifully endowed than any nation in history, we've adopted the rather casual assumption that Providence protects America. We've extracted the riches of our natural legacy, exploited them to build a shining society, and wasted them in copious quantities.

We recall that other civilizations, also blessed with a spark of greatness, have strutted across the stage of world eminence only to fade and wane, their brief, bright promise unfulfilled. In the uncomprehending sand and heat of arid desert waste, their monuments lie buried.

Let no future archeologist tell the story for us. We have the knowledge to tell it for ourselves—if we have the wisdom. There is enough water to serve our needs for future time, if we learn to use and reuse it well. And there is enough time to do what we must. But there's not much of either to spare.

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## HOUSE RESOLUTION 630

## HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. JACOBS. Mr. Speaker, I was wondering if at this late date any Member of Congress or any member of the executive branch would care to say he or she is willing, from this day forward, to give his or her life, limb, sanity, or freedom—POW even for another day—further to prop up the Saigon dictatorship.

Other Americans are being ordered to do so today.

Following is the language of House Resolution 630, which I introduced on September 30, 1971:

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madame Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on July 1, 1971, that the policy of her government is: "If the United States Government sets a terminal date for the withdrawal from South Vietnam in 1971 of the totality of United States forces and those of the other foreign countries in the United States camp, the parties will at the same time agree on the modalities:

"A. Of the withdrawal in safety from South Vietnam of the totality of the United States forces and those of the other foreign countries in the United States camp;

"B. Of the release of the totality of military men of all parties and the civilians captured in the war (including American pilots captured in North Vietnam), so that they may all rapidly return to their homes.

"These two operations will begin on the same date and will end on the same date.

"A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the Armed Forces of the other foreign countries in the United States camp, as soon as the parties reach agreement on the withdrawal from South Vietnam of the totality of the United States forces and those of the other foreign countries in the United States camp."

Resolved, That the United States shall forthwith purpose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from South Vietnam within sixty days following the signing of the agreement: Provided, That the agreement shall contain guarantee by the Democratic Republic of Vietnam and the Provisional Revolutionary Government of the Republic of South Vietnam of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

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## GEORGE ROCHE III—NEW PRESIDENT OF HILLSDALE COLLEGE

## HON. EDWARD HUTCHINSON

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. HUTCHINSON. Mr. Speaker, there are still some institutions of higher education in America, independent colleges, which continue to jealously guard their freedom from State control. Among them is Hillsdale College, a very fine small college of liberal arts in southern Michigan within my congressional district. Our colleague, the gentleman from Illinois (Mr. CRANE) and our former colleague, Hon. E. Ross Adair, now U.S. Ambassador to Ethiopia, are members of its board of trustees.

On October 9, 1971, it was my privilege to attend the inauguration of Dr. George C. Roche III as the 11th president of Hillsdale College. His inaugural address was so filled with the kind of educational philosophy so much needed in the Nation today that I asked him to permit me to include it in the RECORD.

I commend it to my colleagues. The inaugural address follows:

### INAUGURAL ADDRESS

(By Dr. George C. Roche III)

Things fall apart; the centre cannot hold;
Mere anarchy is loosed upon the world,
The blood-dimmed tide is loosed, and everywhere
The ceremony of innocence is drowned;
The best lack all conviction, while the worst
Are full of passionate intensity.

In these words, William Butler Yeats described a collapsing world, a world gone mad, lost beyond recall. Sadly enough, Yeats' poetry has a prophetic ring today. We are confronted with distress and confusion on every hand, and nowhere have these symptoms been more apparent than on the college campus. Many Americans, especially the young, seem to be saying that their present life is not worth living, that our institutions and indeed our entire social structure have been found wanting. There seems to be abroad in the land a desire to start life anew, to reaffirm the unique aspects of individual personality.

A large proportion of the distress, confusion and alienation which so many people suffer today is directly traceable to the sad estate of present-day higher education. The proper goal of education is the development of the individual. And the great task is to bring the educational structure back to that purpose. Unfortunately, the trend continues in the opposite direction. The multiversity, to use the term coined by Clark Kerr, would appear to be a modern hybrid with a scale of values oriented toward everything but the individual student. While such a bureaucracy cannot educate, it lends itself admirably well to social engineering, to turning out technically proficient automatons ideally suited to running the system without questioning its values. This is one of the valid complaints our students have. We can see this in a bit of doggerel originating from the Berkeley uprising, to be sung to the tune of Beethoven's Ninth Symphony:

> From the tip of San Diego,
> To the top of Berkeley's hills
> We have built a mighty factory,
> To impart our social skills.
> Social engineering triumph,
> Managers of every kind
> Let us all with drills and homework
> Manufacture human minds!

Small wonder that our young people feel alienated when caught in the grip of the monstrous multiversities which leave no room for the development of individual personality.

A second failing of present-day education has been the calculated retreat from the lasting values by which society may be ordered and the individual's life may be governed. One of the patron saints who helped to produce the intellectual climate of twentieth-century America was J. Allen Smith, the history professor who originated the debunking view of the Founding Fathers and the United States Constitution later made famous by Charles Beard's *An Economic Interpretation of the Constitution*. Smith, in a moment of reflection, apparently had his misgivings. "The trouble with us reformers is that we made reform a crusade against standards. Well, we've smashed them all, and now neither we nor anyone else have anything left! Nothing left! Strong words, coming from a prophet of the modern academy.

How did we reach such a stage of moral bankruptcy? One of the most basic principles of the Deweyite pragmatism and instrumentalism which infect our schools and our social order is that the truth of an idea is measurable only by the consequences to which it leads. Presumably, if the consequences of an idea are good, then the proposition is true. How do we measure good consequences? The good, so we are told by the instrumentalist, is that which achieves the proper social goals. Does the individual have judgment in this matter? Is there some Divine sanction by which we can evaluate these "proper social goals?" The modern answer to both questions has been "No." The measure of good is now to be exclusively social, eliminating individual judgment, eliminating any fixed standard of right and wrong, and indeed eliminating the very concept of truth.

Today, many of our young people are more concerned than previous generations to know "the reason why," to examine the moral premises of our society. Perhaps they hunger for this because our present institutional structure offers them so few values and principles on which to build their lives.

The state of education today is, like the state of our civilization, the sad consequence of ideas which have been enjoying increasing popularity in recent decades, mistaken ideas on the nature of man and the meaning of human life. Today's educational structure and today's society, valuing neither individual personality nor the guidance of a fixed moral order, tend to produce "other-directed men," hollow men, rootless men, men without enduring conviction, ignorant of the past and careless of the future. Various social critics have identified this new creature produced by your modern educational and social structure. For José Ortega Y Gasset, the distinguished Spanish philosopher, they were the "mass men." For Wilhelm Roepke, the distinguished German political economist, they were the proletariat. For the distinguished Christian apologist and professor of Medieval and Renaissance literature, Clive Staples Lewis, they were "men without chests," men deprived of those very attitudes and understandings concerning the nature of the human experience which make it possible for us to be fully human. Describing the new-style intellectual thus produced, Lewis wrote:

"It is not excess of thought but defect of fertile and generous emotion that marks them out. Their heads are no bigger than the ordinary: it is the atrophy of the chest beneath that makes them seem so. And all the time—such is the tragi-comedy of our situation—we continue to clamour for those very qualities we are rendering impossible. You can hardly open a periodical without coming across the statement that what our civilization needs is more 'drive' or dynamism, or self-sacrifice, or 'creativity'. In a sort of ghastly simplicity we remove the organ and demand the function. We make men without chests and expect of them virtue and enterprise. We laugh at honour and are shocked to find traitors in our midst. We castrate and bid the geldings be fruitful."

There *are* certain values which distinguish man from animal. These values are the essence of civilization. These values are the essence of education. The primary failure of contemporary higher education has been the failure to communicate those values.

### ULTIMATE VALUES

What can we say concerning the values which we must communicate to our young if civilization is to endure?

First—such values have strong religious overtones. The Christian experience of the Western World—with its emphasis upon human personality, upon the unique character of every soul, upon the concept of human dignity, upon the nature of rights, duties, and personal responsibility—is the cornerstone upon which our system rests.

Second—Western civilization and the American experience draw heavily upon the idea of ordered liberty as reflected in our law and politics. The freedoms which built our society derive from the recognition of the necessity for restraints upon political power and the insistence that only private, voluntary cooperation can build a sense of true community.

A third portion of the values which must be reflected in education if society is to endure might be summarized as a willingness to credit the past with substance. As Richard Weaver once described our modern society, "One would think, from the frantic attempts made to cut ourselves off from history, that we aspire to a condition of collective amnesia." Yet the past has a great deal to teach us if we will but listen. In fact, no restoration of values is possible unless we appreciate the wisdom and experience which the past offers us.

We are told on every hand that the clock cannot be turned back. But such an assumption means that we are prisoners of the moment, that an idea must be "new" to have meaning. And yet surely those things of lasting value, of permanent significance, are not affected by the passage of time. If time did affect the truth of an idea, then truth itself would become impossible.

As Fulbert of Chartres told the world in the eleventh century, and as Edmund Burke and Russell Kirk have reminded their contemporaries in the eighteenth and twentieth centuries, "We are dwarfs mounted upon the shoulders of giants."

Despite our vaunted "modern breakthroughs in knowledge," it is doubtful that anyone now alive possesses more wisdom than a Plato, an Epictetus, a Paul, or an Augustine. Yet much of what passes for "education" in our time either denies this accumulation of past wisdom or belittles it in the eyes of the student. Truth, after all, is a measure of WHAT IS, a measure of an infinite realm within which the individual is constantly striving to improve his powers of perception. As the indvidual draws upon his heritage and applies self-discipline, he comes to recognize more and more of that truth and to understand it. The individual is thus able to find himself and his place in the universe, to become truly free, by recognizing a fixed truth, a definite right and wrong, not subject to change by human whim or political dictate.

The individual can be free only when he serves a higher truth than political decree or unchecked appetite. Such a definition of freedom in consonance with a higher law has its roots deep in the consciousness of civilized man. It is this premise, founded upon intuitions concerning the nature of the human experience, that lends substance to that great tradition of liberal education in its original meaning. Unless he seeks only the freedom of a shipwrecked sailor, the freedom to drown in an existential sea, the individual desperately needs to recognize that his truly liberating capacity to choose must be hinged upon a moral framework and upon certain civilized preconditions which at once limit and enhance his choice. It is this recognition which constitutes civilization.

What is it then, that civilized and properly educated men come to value? One possible answer is given by Harold Gray, the creator of Little Orphan Annie and of the equally delightful Maw Green, Irish washerwoman and homey philosopher *par excellence*. In one of Gray's comic strips, he confronts Maw Green with a slobbering, unkempt, aggressive boob, who shouts, "I got rights, ain't I? I'm as good as any o' those big shots! Nobody's better'n me! I say all men are born equal! Ain't that right?"

Maw Green maintains her boundless good humor and agrees that all men are indeed born equal, but she turns aside to confide to the reader, "But thank Hiven a lot of folks outgrow it!"

Perhaps that civilizing task of "outgrowing it" is how the educative process can best help the individual. It is in pursuit of that civilizing task that we must cultivate a healthy distrust for today's dominant political mystique, substituting a proper respect for tradition, community and universal moral values.

### OUR RESPONSIBILITIES

We live in an age in which we hear on every side, "It does not matter what a man believes." A proper view of education must be founded upon the fervent belief that it matters a very great deal what each of us believes. Not everyone may be a philosopher, but one can scarcely hope to order his life or find meaning in the world around him unless he has some idea of the underlying problems of the universe and of the human experience, some guiding rationale which serves to provide a pattern and purpose to his existence.

I believe that most persons in this nation still harbor within their hearts many of the ancient verities. As a people, or at least as individuals composing our society, we believe in God, in right and wrong, in individual dignity and decency, and in the necessity for individual freedom.

Many men, including some fine thinkers presently sitting in this audience, have provided excellent definitions of education. One of my favorites is the definition provided by Jacques Maritain, the distinguished French philosopher:

"We may now define in a more precise manner the aim of education. It is to guide man in the evolving dynamism through which he shapes himself as a human person—armed with knowledge, strength of judgment, and moral virtues—while at the same time conveying to him the spiritual heritage of the nation and the civilization in which he is involved, and preserving in this way the centurys-old achievements of generations."

What are the prerequisites for such a traditional liberal education? First, we must be free from political influence. A liberal education is premised upon the achievement of freedom. The word "liberal" comes from a Latin word signifying "free." Unless education liberates, it ceases to be truly liberal. And such liberating truths cannot be presented unless the educational structure is left independent enough to espouse those truths, regardless of any political pressure. The sad record of educational institutions which have fallen into the hands of the state should make this point abundantly clear.

A second prerequisite for a truly liberal educational institution would be that the values which we intend to impart to our young people must be values which live in us, as teachers, as parents, as an institution devoted to truly liberal education. In his book, *The Idea of A University*, John Henry Newman wrote over a century ago:

"The general principals of any study you may learn by books at home; but the detail, the color, the tone, the air, the life in it, you must catch all these from those in whom it already lives."

We cannot expect to share values with our young people unless those values hold a significant place in our own lives.

After hearing even these first two prerequisites, you may wonder whether the task I am describing is possible of achievement. The process of preserving civilization is always supremely complex and demands a high order of performance. This will be especially true in our own age, an age immersed in relativism, scientism, skepticism, and all the forces dedicated to the destruction of truth and the destruction of individual personality. And yet, however dark the picture men of good will must not despair. God does not ask that we win, but He does ask that we try.

As well, in every challenge there is an opportunity. Presumably, the greater the challenge, the greater the opportunity. Despite the fact that our modern educational structure is so largely controlled by forces opposed to the values I have been describing here, I beg you, do not underestimate the power of men dedicated to the achievement of their deeply held aims. If enough of us decide that we truly want to achieve such educational standards, we can surpass ourselves. The money, the teachers and the students can be found, students who in time will form the leadership community through which these ideas will spread.

Those who effect great revolutions are always small in number. Such people need not wait to become a majority. No one else *can* do the job except those who understand what needs to be done. The disruptive influence of political centralization in education will continue until it has been overshadowed and rendered meaningless by a moral force of sufficient intensity, a force generated by individuals who understand what is at stake and who serve notice by their own example that a better way exists to educate our young.

The Old Testament recalls the doubts which assailed the prophet Isaiah in circumstances not unlike our own. As Albert Jay Nock recounts the Biblical tale, Isaiah despaired of preaching the truth in a society which seemed unconcerned about such matters. The Lord counseled the prophet to worry less about all those skeptics who did not understand, urging Isaiah to concentrate instead upon the Remnant of good people who, though unknown to Isaiah, were out there somewhere, waiting for the message.

It has been suggested that man has two duties on earth. He must come to know God and must make the effort to realize himself as a person. It may well be that, when our understanding has progressed far enough, we will find that knowing God and realizing ourselves as persons are different facets of the same single reality. Some men with such understanding already exist. They are the Remnant to whom Isaiah was instructed to carry the message.

May God grant us the wisdom and courage to play some small role in insuring that this school, this nation and this civilization shall have a future as well as a past.

## HOUSE JOINT RESOLUTIONS 8598, 10870, AND 11170

## HON. RALPH H. METCALFE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. METCALFE. Mr. Speaker, a few years ago, scientists discovered the cause of a disease that has been afflicting millions of individuals of black ancestry since the beginning of time.

Until now, however, very little attention was given to this disease, and often people with this affliction went for a lifetime without ever knowing that such a disease existed, not to mention that they themselves had the disease and that it might be transferred to their offsprings.

At present, an estimated 50,000 black Americans have sickle cell disease. At least 5,000 require hospitalization each year and many others are treated as outpatients in hospital emergency rooms. In addition, these patients are subject to general lassitude due to anemia, chronic infections, and other complications. Most never live beyond the age of 30.

The most important and effective measure of decreasing incidents of sickle cell anemia is prevention through what is called genetic counseling. This means that the black population must become aware of the disease and of its inherited trait, and that blood tests can and should be given to detect the 8-plus percentage of Americans who are carriers of this trait.

This Congress should establish programs for the treatment and control of this disease that affects such a large number of black Americans.

I have cosponsored three bills which will provide funds for the detection, treatment, and research of sickle cell anemia.

I cosponsored a bill which will provide for the establishment of a national sickle cell anemia institute. The institute will conduct and support comprehensive programs for the diagnosis, treatment, and prevention of sickle cell anemia; establish related traineeships in the institute and elsewhere; establish nationwide screening programs to determine incidents and traits among school age children; develop counseling and education programs in consultation with community representatives to make known the services available under this legislation; and provide assistance to the Secretary of Defense for screening persons entering the Armed Forces for the disease.

I also cosponsored a supplemental appropriations bill that would restore the $6 million that was cut from the Health, Education, and Welfare appropriations for 1971–72 to aid current programs for the detection, treatment, and research of the disease.

In addition to these two bills, I have cosponsored a sickle cell anemia proposal to attack the sickle cell problem on a local level. This bill would provide funds for local community efforts to screen for the disease and would make large grants for major research in a pilot program here in the District of Columbia.

In December, the congressional black caucus, along with the National Dental Association, the National Medical Association, Howard University, and Meharry Medical College, will sponsor a national health conference on the status of health in the black community at Meharry in Nashville, Tenn.

The conference will be divided into eight discussion workshops, one of which will be a section on special minority problems. Sickle cell anemia will be discussed in this workshop and hopefully, participants in this conference will bring this disease, along with other social health problems affecting the black community, to an appropriate level of concern for the total black population.

If sickle cell crises can be avoided through treatment and prevention, much greater control of this disease may be possible in the future. Only extensive clinical trials and better understanding of the disease can enable those afflicted to live longer with less pain and disability.

## THE DROPOUT AS REVOLUTIONARY

## HON. RICHARD H. ICHORD

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. ICHORD. Mr. Speaker, since that brilliant Frenchman Alexis de Tocqueville so eloquently analyzed democracy in America early in the 19th century, we have learned that the most penetrating views of the American body politic are frequently rendered by foreign observers. I think it is fair to say we tend to learn more about ourselves as a nation by seeing it through non-American eyes.

Such is very definitely the case with the much too infrequent commentaries from the pen of Dr. Frank Knopfelmacher, a professor at the University of Melbourne, Australia. I recall reading a column written by him in 1970 on the Students for a Democratic Society which fairly and concisely put that organization and its leaders into sharp focus with respect to student unrest at that time.

His latest contribution to our understanding is entitled "The Dropout as Revolutionary," which appeared on the editorial page of the Wall Street Journal on October 25, 1971. Dr. Knopfelmacher correctly assesses not only the nature of today's revolutionaries in the

American society but also notes the inherent strength of our Nation to withstand the nihilism of the extreme left among our youth. With particular adroitness, he lays bare the fallacies popularized by Charles Reich's best-selling "The Greening of America" which glorifies the dropout mentality of the "hippie" cult and the antiestablishment do-nothings of our era which Reich calls the Consciousness III as opposed to the ordered society of democracy and technology he calls Consciousness I and II. Pointedly, Dr. Knopfelmacher notes:

> The serious problem is, surely, how to work safeguards of individual liberty into the interstices of the managerial-corporate state which cannot be abolished because with it our technetronic culture would also go, and with it our civilization. For whenever a Reichian Consciousness III switches on the light on his desk to write an essay against Consciousness I and II on his electric typewriter, he votes against his essay with his typewriter keys.

For the benefit of those of my colleagues who may have missed this significant article by Dr. Knopfelmacher, I now insert it in its entirety in the RECORD at this point. I thank you, Mr. Speaker.

The article follows:

### THE DROPOUT AS REVOLUTIONARY

(By Frank Knopfelmacher)

Serious political theory can be—very roughly—divided into three categories which I shall call respectively, the conservative, the liberal and the revolutionary. Their dominant themes run throughout the history of Western political thought, and while they sometimes overlap, it is by and large possible to fit any one thinker at any one time into one of the three.

Not much needs to be said about liberalism, which possibly has dominated America since the establishment of the U.S. The basis of this ideology is the belief that human secular destiny can be steadily improved by improving the environment, and that the human person is, by and large, the function of his natural and social conditions and if you change the latter for the better you will improve the former.

The revolutionaries differ from both the liberals and the conservatives in that their "ultimate" beliefs are closer to those of the liberals, yet the more immediately practical ones appear to be based on much the same assumptions as those of the conservatives. The revolutionaries share the liberal's trust that man can be perfected, or at least progressively improved, but unlike the liberals they don't believe that this can be achieved without a catastrophic restructuring of the world as it is and as it has been since the beginning of civilization.

#### A MIXED BAG

The New Left in America and elsewhere is revolutionary, insofar as it is made up of serious people who in some sense mean what they proclaim and who are not mere poseurs, TV entertainers, or promoters of exciting homo-erotic fashions in the textile trade. Their prophets from Marx to Marcuse have made it abundantly clear that they reject our society in toto. By and large, also, the New Revolutionaries tend to display the classical specific differences in tactics, temperament, organizational methods and philosophy which have always emerged, in one way or another, within revolutionary movements; there are elitist Leninist or crypto-Leninist followers of Lukacz (whose work has been bowdlerized and popularized by Marcuse), the participatory democrat-anarchists who favor elective soviets, the advocates of more or less organizationally undirected individual action and nihilistic terror, and finally, the drop-outs, the hippie-freak element.

The drop-outs, which can be further subclassified according to costume, style of noise-making and manner of deviance, are, strictly speaking, not revolutionary. Their actions tend to be irreductibly apolitical and their life-style is far too erratic to lend itself to systematic political manipulation and direction by revolutionary technicians. Yet their actions tend to have unforeseen and unintended political consequences. The drop-outs are at the same time despised and courted by the revolutionary and counter-revolutionary alike, since both regard them as a hopeful sign. For the revolutionary, the drop-out represents a symptom of decadence in the target society, while for the counter-revolutionary, a sign of decay in the quality and morals of the revolutionary movement, Charles Reich's book, "The Greening of America," is essentially an apotheosis of the drop-out and his penumbra of attentuated imitators, and it represents an attempt to elevate him to the status of the revolutionary par excellence.

The central political thesis of the book is the proposition that the American corporate state will disintegrate purely as a result of a mental metamorphosis in its subjects and not as a result of political or revolutionary action. People's consciousness will simply change from II to III and the corporate state will wither away. The old corporate, anti-human Gesellschaft will give way to a free yet organic society of spontaneous sensualists and creative artistic producers.

The Consciousness III chaps are not exhorted by Reich to do anything. As a matter of fact they are actually exhorted to do nothing political in the ordinary usage of the term. They are merely urged to drop out, to fall if possible on the soft cushion of sustaining corporate wealth and to enjoy themselves.

#### THE ANATOMY OF A BESTSELLER

What made Reich's book into a bestseller? Why should it have sold so many more copies than other intellectually more competent books, which have appeared roughly at the same time, and which were written for a similar, fairly well-educated, middle to upper-middle-brow public? Why should men of affairs, and their wives, used to sound arguments in the pursuit of their corporate business and to good material texture in their private pleasure, prefer a discourse on the redemptive properties of Consciousness III on skis, in hip clothes, to sober and rationally argued treatises based on sound political knowledge and adequate empirical evidence? Perhaps somewhat underneath Reich's Consciousness III there lurks the old impish One and Two, an eye for the fast buck and a promoter's instinct for what the public loves.

Even if one were to accept fully Professor Eugene Genovese's hypothesis that the American New Left is made up largely of economic parasites extruded from the loins, nurseries and schools of a liberal middle class which has by now mismanaged everything, including the socialization of their children, one may nevertheless concede that the enterprise of radically chic social parasitism is occasionally inconvenient, at times morally disturbing, and an object of sarcasm from both conservatives and from more seriously committed revolutionaries. The sense of one's own basic fraudulence—living in affluence and leisure, spouting a revolutionary rhetoric, and inducing in oneself counterfeit emotions of communion with the wretched of the earth—spoils at times one's delight with the game.

Reich's doctrine frees "the kids" and their parents from all this. Reich, in fact, says that in being a social parasite one is being a revolutionary. There have been occasional parasitic playboys who were also revolutionaries—who, as it were, "made it" in revolutionary politics, e.g. the younger Verkhovensky. Yet, according to Reich, the playboy no longer has to make it since he is it. No wonder the book should please so many. The law-enforcement agencies and their allies will naturally opt for revolution in the minds, rather than by bombs, violence and political subversion. The media will welcome a revolutionary who does not question the legitimacy of property, but the most delighted will surely be the liberal academics and the college presidents, for here at least is a radical whose message does not increase the insurance rates of academic real-estate. The replacement of arsonists and bullies by bums and deviates will relieve many an administrative headache.

The people who should be disturbed by the prominence of Reich's book are those—American and non-Americans alike—whose personal freedom and survival is linked with the fortunes of the American republic. For it is obvious that the real revolutionary, as against the psycho-revolutionary of Reich's Consciousness III, represents no serious danger in America. Like all modern state machines in developed countries, the American state apparatus is effectively unchallengeable from within. Foreigners like myself, and even some natives, are deceived into believing that a violent revolution is possible in America by the degree of tolerated violence and dissent, and by the remarkable extent to which Americans tend to doubt the stability of their social order. The amount of slippage in the American law-enforcement apparatus is, perhaps greater than in any other highly industrialized society, and certainly greater than in other "English-speaking" cultures, but there is no evidence that a head-on challenge against the social order would not be swiftly and successfully crushed.

The New Left is divided into two groups, of which by far the greater part would opt for the role of comfortable social parasitism celebrated in Reich's book. The values of that group have now permeated American society down to the women's magazines and comic books. The situation is reinforced by the fact that the belief in the basic dispensability of government in the pursuit of individual happiness is one of the most cherished American myths. In no other developed country is the need for sovereignty and government viewed with greater suspicion than in America. Indeed, the lurking feeling that governments are dispensable after all, or if not, that they should be reduced to the barest minimum provides an occasional link between the thinking of the Left and the conservative Right in their joint nostalgia for a vanished past. It is a part of American tradition and, hence, even conservatives are highly vulnerable to it.

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#### THE TOTALITARIAN CHALLENGE

At the present time the still open societies of America and her allies are challenged by totalitarian despotisms of various kinds, of which the USSR remains the most formidable. They can withstand the challenge only if they consolidate and extend their institutions of conflict management to prevent disruption of the minimum of continuity and coherence which are a prerequisite for the successful conduct of world affairs, and if they can confront the system of terror and propaganda which threatens us from without by a force based on an internalized sense of civil responsibility.

There is only one libertarian counter to terror and totalitarianism—determined resistance based on a civic consensus rooted in loyalty to the Republic, and supported by a variety of virtues, shrewdly tamed vices and skills which together constitute the functioning human person within the context of his culture-bearing polls. The polls, any polls other than a tyranny, requires Consciousness II. Consciousness III is for those who wish to live like animals, men whom the ancients called cynics—the dog-like.

If the Reich ideology were to prevail in the U.S., and if Americans in large numbers were to follow the pied pipers of social irresponsibility, we might yet see the "greening" of America, since the grass might grow where the machines of civilization once stood. And life would again become solitary, poor, nasty, brutish and short, though admittedly with lots of unpolluted fresh air.

Yet, more likely, we would witness the internal disintegration and eventual conquest of a sensate, demoralized and self-hating mass of crazed consumers by other tyrannical societies based on order, myth, hierarchy and unrestrainted violence. And their regime would be oppressive in the palpably real sense rather than in the contrived-pickwickian sense propagated by Marcuse and aped by Reich as a sophist's weapon against the legitimacy of the social order of the American Republic.

## MUSIC FROM THE HEART: JOE BATAAN

## HON. CHARLES B. RANGEL

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. RANGEL. Mr. Speaker, one of the most promising sounds in contemporary music is rising from East Harlem in the 18th Congressional District. I am speaking, of course, of Joe Bataan, the Latin bandleader who has attracted national notice and an international following.

Joe Bataan grew up in East Harlem and, despite his professional success, has chosen to live in his own community where his music, in the words of Felipe Luciano:

> Talks of cops, riots, unwed mothers, prayers to God, abandoned children, and the names of streets in El Barrio.

New York Magazine carried an article on Joe Bataan, his years in the streets of East Harlem, his experiences at Coxsackie prison and his music which has endeared him to millions of Americans. I commend it to my colleagues.

The article follows:

[From New York Magazine, Oct. 25, 1971]

### THE SONG OF JOE B

(By Felipe Luciano)

There was a time in El Barrio when only one thing mattered, whether you lived on Dragon turf or Viceroy turf. Legends persist about the shootouts between the two gangs, the all-night orgies, the humiliating defeats, the fistfights between individual warriors that lasted for hours. The Torres brothers and George Robles of the Viceroys, Georgie Bass and Joe Bataan of the Dragons: *"Ellos fueron los malos."* They were the bad ones.

In the early fifties very few escaped the milieu of gang culture. Some died violently with 22 stab wounds in their chests or were hit by a garbage can full of bricks pushed from the top of a tenement. Some went to jail convicted of murder, assault or rape. Some got married early and began the life of pack mules, pulling cold, gray metal racks of cheap dresses down Eighth Avenue in the garment district. Others went to drugs, a life alien to the gang style. The gangs were a collective endeavor, you fought *together;* smack was an individual experience. If you had to cut your brother's throat to get the money needed to buy a nickel bag you'd do it . . . and justify it later.

Those of us growing up then in El Barrio cherished the legends of gang heroism and exploits. But by now most of the warriors have died, in spirit if not in fact. Except for Joe Bataan. His rep is still intact in East Harlem. He survived the streets and prison to become a successful Latin singer and bandleader. In 1966 his first album, *Gypsy Woman,* put him on the record charts and last January he formed his own record company, Ghetto Records.

Joe B, as he's known in the Latin music business, is a street singer, our own troubadour. His ties to his past are ever present in his recordings. That is the real reason Joe Bataan is loved. It is not so much for the quality of his voice but for the memories he evokes in Puerto Ricans in the inexorable melodic lines of "oldie but goodie" grind-'em-up cuts like "When We Get Married," "Gypsy Woman," and "Sad Girl."

Latin and soul music have been the traditional musical forms in Spanish Harlem; Latin music because it represents our own unique life-force, and soul because for better or worse our destinies are inextricably tied to that of the black nation insofar as we live, work, and die with it. In every slum in New York there were always several singing groups who would stand on street corners hunched up in a circle to avoid the ridicule of passing adults and to make sure the harmony was tight. Hands cupped over their ears to magnify the sound, they would croon for hours in the sultry ghetto summers or the dry cold of New York winters. They sang songs like "The Wind," "Valerie," "Florence," "Who Wrote the Book of Love," "Tears on My Pillow," and "Look in My Eyes"—cuts that still crack the facades of some of the meanest hustlers in Harlem.

I first met Joe Bataan at Coxsackie prison in 1965. When I set eyes upon the big dude that we had talked so much about as children in El Barrio, I thought, "Damn, the mother can't be over five-seven. He's as short as me." He was the celebrity in "Spain," the Puerto Rican sector of the jail, and he charmed the entire prison population. His appearances at the annual talent shows in Coxsackie, where he would accompany himself on the piano singing both commercial and original songs, are still talked about by the inmates.

Joe B was born in 1942 of black and Filipino parents. He grew up in El Barrio during the mid-to-late fifties when "jitterbugging" (gang warfare) was at its height with stabbings every other week and shootouts in between. It was the time of Red Devil lye mixed with Pepsi-Cola thrown into the eyes, and Mau Mau Chaplins in Fort Greene being benevolent enough to give a rival gang member a jug of wine before they threw him off a project roof. It was the time of fancy earrings in the earlobe and stocking caps made from our mothers' torn nylons which we wore to keep the kinky hair down.

Those were the days when manhood was determined by how well you could imitate Frankie Lymon and the Teenagers, by wearing your gang sweater into school or, what was worse, into alien turf, and by your expertise on pigeons, whether you could tell the difference between a clinker, a tiplet, a tumbler, a baldie, and a homing.

Puerto Rican women always had it worse than their male counterparts. Couple the strict Catholic morality of their parents (particularly the fathers, who didn't mind their sons' sowing their wild rice and beans as long as their daughters remained pure) with the morality of the streets and you find a state of conflict that boggles the mind. Femininity was throwing a hooky party while your parents worked, and going out with the prez of the Viceroys. It was trembling, sweating, groping and clawing in a wine-smelling hallway, all sounds muffled so that Señora Martinez, *la bochinchera* (the gossip) next door, wouldn't find out.

I was eleven years old and though my only interests were shooting water on buses and cars with open-ended beer cans and playing hot peas and butter on 112th Street in El Barrio, I had already heard about Bataan. I had never seen him, but then again I had never seen Old Testament David. Both warriors were very real to me then. Joe's becoming prez of the Dragons had nothing to do with elections but rather with the swiftness of his hands, their impact on someone else's jaw and, of course, the fact that his heart pumped hot blood, not Kool-Aid. He had already graduated from Patrick Henry J.H.S., a school infamous in El Barrio for the quality of Dragon gang leadership and the quantity of illiterates, and had gone on to the New York High School of Commerce.

After his stint with the Dragons, Joe took over the presidency of the Young Copasetics, another gang in East Harlem. His youth was a disadvantage in fighting gangs with older members because they would be totally humiliated if they knew they had gotten stomped by a seventeen-year-old kid. They would usually come back for blood. Needless to say, Joe never told anybody his real age. But there was also an advantage to being young. As Joe put, "I was pretty reckless, but I knew that if I ever offended a dude, they wouldn't give me much time."

Bataan had a rough year in '59. He had suffered the paranoia of a gang leader who comes to the gut-churning realization that he is a target every hour, every day. Though he had dropped out of Commerce, he felt no elation. At that time dropouts, particularly non-white, lower-class dropouts, knew that there were only three ways of burrowing out of the get-tow: the gun, the diploma, or whatever soul you retained that white folks were willing to buy. They knew that all of the options were just a hustle. America's con games for the coons.

If you didn't go to school, you just hung out on the block. You sat on fire escapes and draped yourself over stoops and outer doorways of tenements trying to look as mean as Bogart. The usual mean street look was a scowl, out of which protruded a toothpick and a cigarette. Other identifying affectations were a hat turned backwards on your head, the latest style of clothing, some chump change in your pocket and nothing in your brain except total boredom.

This pervasive boredom led Joe to get arrested on a felony charge. He had been busted from time to time on gang-related charges but had always emerged without serving time. This time it was a stolen car and a black cop who wouldn't accept a bribe from Joe's family. After being freed on bail, Bataan entered Benjamin Franklin High School.

There were two institutions that were integral to the stability and wellbeing of Puerto Ricans in East Harlem—Franklin High and the Thomas Jefferson pool. The school kept you warm in the winter and the pool kept you cool in the summer. Both were on Italian turf. Gang membership was determined by ethnic background and geographic location and in most cases, your nationality determined where you lived. Thus, in East Harlem if you were an Italian you lived east of Third Avenue and if you were a Puerto Rican you lived anywhere west of Third Avenue up to Fifth Avenue bounded by 110th and 125th Streets. When Puerto Rican and Italian gangs fought each other it was a family affair. It was not uncommon to see older Italian men in their summer undershirts throwing beer bottles at the backs of fleeing Puerto Ricans or Puerto Rican mothers screaming encouragement from their windows as their sons fought Italians in the street below.

In addition to the threat of the Italians to the east, Bataan's former Dragons had to worry about the Viceroys to the north, the most famous Puerto Rican gang in El Barrio. The conflict between the Dragons and the Viceroys was traditional, like a hillbilly mountain feud. Most of the Viceroys were black P.R.s and the majority of the Dragons were white P.R.s Rigid social lines separating white P.R.s from their black-skinned brothers emanate from the slave days in Puerto Rico. "Unconscious racism" was not a familiar term in El Barrio at that time, but it did almost as much damage to the Puerto Rican tribe as poverty.

Through some miracle, Joe B. survived his Franklin experience despite the fact that he was one of only three Dragons in the school. But, in the end, he didn't have much time to fight. Six months after entering Benjamin Franklin he was finally sentenced to five years in jail.

Joe cultivated his musical talent at Coxsackie in spite of the unsympathetic jail administration. Under the tutelage of Mark Francis, a brilliant black music instructor, he started learning the fundamentals of music.

When Bataan was paroled in 1962 after serving two years, his friends had made a social transition from gangfighting to partygoing. The former teenage members of the Viceroys and the Dragons were now young adults who frequented the Latin dance halls on weekends. Going dancing was the new sign of maturity in East Harlem. At first Joe attributed the deterioration of the gang structure to death, jail and early marriage. What he didn't notice was the glazed look in his friends' eyes, the limp handshakes and the constant drowsiness of his neighbors.

Heroin was beginning to have its impact on the Puerto Rican youth. No more fights, no more camaraderie. The gang for some Puerto Ricans was the only family they had, and it was gone. Nobody wanted any action anymore. It was now time to be cool, ultra cool, as cool as Death nodding his head on a street corner to music that only he heard and understood.

The warriors of the Puerto Rican tribe fell, seduced by a drug, humiliated by a poison. The ebony princes of the Viceroys fell, the *jibaros* (mountain people of Puerto Rico) of the Dragons fell, but they weren't the only gangs in El Barrio. Small gangs like the Turbans and the Young Copasetics died too. Heroin was like an amoeba with pseudopods reaching into Black Harlem and destroying the Imperial Lords and the Tiny Tots. The Lower East Side where the Sportsmen had reigned for years was now a wasteland. Even the Redwings, a proud and fierce Italian gang that controlled virtually everything east of Second Avenue in East Harlem, succumbed to the wrath of the devil.

The white venom eventually seeped into Brooklyn. In Brownsville, the Roman Lords, the Spanish Romans, the Frenchmen, the Count Bishops, the Jolly Midgets and the John Quells all were rotted away by dope. Bedford-Stuyvesant, which housed the El Quintos, the Stompers, the Bishops, and plenty of Chaplins, was like a disaster area.

But one of the biggest tragedies was to watch the Chaplins die. They were the biggest black gang in Brooklyn, with divisions in every community: Fort Green Chaplins (formerly the Mau Maus), Jefferson Avenue Chaplins, Albany Avenue Chaplins, Marcy Avenue Chaplins, the Canarsie Chaplins, etc. During the height of the Chaplins' power one Easter Sunday in the Brooklyn Paramount, Murray the K, the rock and roll deejay, asked the audience in jest, "How many of you'all out there?" A scream pierced the darkness of the theater: *"Chapliiiiins"* and almost the entire audience stood up. I didn't stand and I survived the wrath of the Chaplins only because my cousin was prez of the Little People's Division of the Canarsie Chaplins.

All the famous gangs from these slum communities fought the decisive battle and lost. They could duke it out with each other but they couldn't duke it out with themselves. "Going to Duke City," a phrase we used to mean a fight was going to take place, was never heard. The gangs went from communal fighting to communal nodding.

Joe B realized that what was now respected in his community was the almighty transition, the ability to make good from B.D. (Before Dope) to A.D. (After Dope). He worked for two years as a stock and delivery boy in the garment district, had a bit part in *The Cool World*, a film about gang warfare in Harlem, and for a while tried Bronx Community College.

In 1964 he was arrested again for violation of parole and sent back to Coxsackie.

After serving the final year of his sentence Joe came out rattled but determined to deal with himself and the world. Having received his high school diploma in jail, he entered Hunter College and simultaneously started a little band "with anyone who could blow." The small Latin dance halls where Joe played still exist in Manhattan, Brooklyn and the Bronx. They're usually rented lofts and storefronts frequented by older Puerto Ricans and serve as social clubs. It's not uncommon in our communities to see P.R. women wearing their hair in Minute Maid hair rollers through the week just to be able to fluff it out for the dance on Saturday night and confession on Sunday morning. Puerto Ricans sweat it out all week and let it all hang out on the weekends. Everyone goes to the dances—the pimps, the dope fiends, the hustlers, the workers and the students. It's almost always difficult to tell who is who because the same grimy guy you saw under a car on Friday, on Saturday looks as clean and sharp as a hustler on Seventh Avenue.

In these same dance halls Joe's new group was paid less than the union scale for musicians, but who the hell cared. With a jail record it would've been difficult for Joe to get the necessary cabaret license; furthermore, none of these marginal enterprises made the kind of money needed to pay union rates. The contract was simple and usually verbal. "You play a little, we pay a little," Joe remembers. "Man, I was carrying big pianos to dances without pay just because I wanted to play. People thought I was crazy."

The conflict in his life between music and school became apparent when he found himself doing more playing than studying. And a wife (the former Sylvia Roman, whom he had married in 1961) and child placed added demands on his time. Joe left Hunter College. Months passed as he endured the grueling schedule of one-night stands. Finally, Jerry Masucci, a producer from Fania Records, discovered Joe B and with his first album, *Gypsy Woman*, Bataan became a Latin bandleader celebrity in the barrios of New York.

I walked into Manhattan Center recently just as Bataan's group was starting its set. Joe beats out the rhythm with his foot to the uptempo tune "Puerto Rico Me Llama." The band constructs a driving rhythm that eventually soars into the musical bridge with trombones straining at their upper registers. The percussion in Joe's band provides the polyrhythmic foundation that is the trademark of Latin bands. Joe Bataan did not invent the mambo; it's as old as Cuban and Puerto Rican farmers, but it still swings.

The effect of a fast mambo or guaguanco on a Puerto Rican crowd must be seen to be appreciated. There are the usual stage clingers entranced by the poetry of the musicians' movements. Pete, *el timbalero* (the timbal player), is the most active body in the band as he sways from side to side, his arms seemingly detached from his body as they flail against the drum tops with rim shots and rolls. *El congero* (the conga player), Rocky, is eighteen and plays with youthful exuberance. Latin band is usually three fourths percussion and one fourth brass, reeds, or violins. But there is a percussion group within the percussion group—the congas, the timbals and the bass. It is this group that can make or break a tune. Louie is the only bassist I've seen sit down to play. With a cigarette always in his mouth and his eyes squinted to avoid the smoke, Louie plucks his strings looking straight into the crowd as if looking for his long lost brother. Then there are the two trombones, Robert and Eddie, mod dressed, blaring out melodic lines. There's Mel, the Latin lead solo and drummer who has to run from playing the cowbell to the traps. And there's Karl, the guitar player, Italian, brought up poor and respected for his technique.

Finally, there's Joe Bataan sitting at the piano—leading them home, watchful like a daddy.

But the dancers are their own music. *Portorros* (slang for Puerto Ricans) forget propriety and themselves when they get up to dance. Watch the women move, heads thrown back laughing heartily at some dude's rap, their brown hair alive and curling up under the sweat, showing the kinkiness that is their heritage. Watch the men twirling their partners in the most complex pattern of steps imaginable. The mambo used to be smooth and fluid. These days the youngbloods have made it into a test of Latino hipness: Who can turn the girl the most and which couple has the most intricate dance steps. The men draw crowds as they tear up the dance floor with their extraordinary clothing and their seemingly impossible steps.

There are the old folk, *los ancianos*, not afraid to dance a stiff boogaloo. And there are couples doing the grind. If done correctly, the grind is a slow, close dance done either passionately with limbs almost interlocking and some heavy breathing, or sensuously, with barely perceptible movement. It's as varied as love-making. Like *"el abrazo,"* the warm, all encompassing embrace of Latinos, the grind is eloquent. It screams through gritted teeth, "I love the hell outta you," or whispers gently. "I love you . . . dearly." It is, assuredly, nothing like the foxtrot.

Despite their enormous popularity in the Spanish-speaking communities, bands like those led by Joe Bataan, Tito Puente, Tito Rodriquez, Eddie Palmieri, and Machito have not been able to break into the big time. No one seems to care about promoting these great Latin bands nationally. The few Latin records that reach the larger commercial market are rejected because of the Spanish name on the label. American business and the public will sooner or later find out that there is more to Puerto Rican culture than José Feliciano and Santana.

Black musicians and singers had a similar problem several years ago. The hottest cuts coming from the black community were heard only on "ethnic stations." It took a political movement, black nationalism, to struggle for change. And when white rock artists acknowledged black songs and inflections as the sources of much of their music, America began to realize where the heavy stuff really came from. Puerto Rican music is already beginning to influence white musicians. Many bands lift entire pieces off the musical charts of Latin bands. Some Latin musicians call this robbery and lambaste the guilty for not acknowledging the source of their "hot tempoed" numbers. But, as Joe B points out, the white world is not solely responsible for the lack of success of Latin bands. "Latin bandleaders are plagued by petty jealousies," Joe says. "Get a group of them together to form something like Latin Power, and when it comes to struggling to make it happen, hell, they cop out, saying, 'When you get it together, come see me.' At the same time they'll go around the corner and work with another company whose sole interest is to suck them dry. The older bandleaders are scared of losing what they have and the young ones are still struggling."

Joe B and his band also have an internal problem, acquiring a mastery of musical technique—sight reading, arranging, composing, transposing. Joe says, "I'm in such a bag, I ain't got no time. What I don't have in terms of musical training, I have to make up with my ideas. I don't really believe you need a musical education to be an accomplished musician and to reach people. It comes from the heart. But without technique you never get to the money."

Things are beginning to come together for Joe B, however. His newly formed record company, Ghetto Records, has had the number-one and number-two spots on the Latin record charts in the past few months with Paul Ortiz' "Tender Love" and Joe Acosta's "I Need Her." Ghetto records is getting more air play than any other Latin company except the very successful Fania Records. Joe himself has just released a new album, *Sweet Soul*, and he's waiting to see if it takes off. Joe was recently invited back to Coxsackie prison by his former music teacher and the warden. He spoke to the inmates about his problems while in prison, the dreams that kept him going, and the realities of facing the world again once he was out. He's still riding high on that visit to Coxsackie. "It was a great experience," he says jubilantly.

Joe Bataan has never forgotten his people. He lives in El Barrio, unlike some of the big bandleaders who moved away physically and spiritually, and this has endeared him to Puerto Ricans as much as the memories he evokes with his style of singing. Joe Bataan is tangible, you can see him walking along 106th Street and shopping on Third Avenue with his wife and two children. Andy Gonzales, a Latin bassist who now works with Dizzy Gillespie, once told me, "Whatever happens on the streets you'll hear in Joe Bataan's records." It's true. Bataan's songs talk of cops, riots, unwed mothers, prayers to God, abandoned children, and the names of streets in El Barrio we all know.

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## HEALTH PLANNING

## HON. WENDELL WYATT

OF OREGON

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. WYATT. The magazine, Portland, published by the Greater Portland Chamber of Commerce, contains a short but thoughtful piece on comprehensive health planning. It was written by Les AuCoin, a State representative from Washington County. I would like to share the following article with my colleagues:

### COMPREHENSIVE HEALTH PLANNING ASSOCIATION

(By Les AuCoin)

The prestigious, often conservative Fortune Magazine said in its January, 1970 issue ". . . the time has come for a radical change. The financial distortions, the inequities and the managerial redundancies in the (health care) system are the kind that no competent executive could fail to see or would be willing to tolerate for long."

When Fortune calls for a "radical" change, we know something must be wrong. The cost of health care benefits to employees is the fastest rising cost now faced by business and industry. It's true in the Portland metropolitan area.

Hospital costs have reached all time new highs. Health insurance premiums continue to go up. The hard fact is most Oregonians could still be financially destroyed by a prolonged serious illness in the family, a fact which Fortune says is virtually impossible in countries such as West Germany, Sweden and Great Britain. And none of those countries devote as large a percentage of their gross national product to medical care as does the U.S.

Health care is not the first "crisis" to strike our communities. The dynamics of what brings such a problem to a climax are not readily understood. However, the staggering problem of delivering the best health care to every American at a price we can afford is becoming a national frustration.

A dozen new plans have been produced in the Congress. At least six of those can be considered major health plans to be debated by the country.

The Chamber's Congressional Action this year said, "Employers as a group are the largest single private purchasers of health care services, and unions are pushing hard at the bargaining table for broader and more complete coverage. In 1968 (the latest figures available) business spent between $12 and $13 billion for this purpose."

In the metropolitan area, the Comprehensive Health Planning Association, created by Congress in 1966 (the Partnership in Health Act) is attempting to conduct short and long range planning in health care and health care systems. CHPA is a voluntary, nonprofit, non-government organization. Its Board of Directors is made up of 38 representatives from almost every segment of the metropolitan community.

In order to share in the Federal largess, hospitals and organizations seeking Federal monies for new programs, for manpower training, for special public health programs, must present their plans through CHPA before state, regional and federal officials will even consider their proposal for funding.

A new state law says hospitals must obtain a Certificate of Need before new construction or remodeling can take place. Local comprehensive health planning groups will be the clearinghouse for such needs.

CHPA committees are broadly based in consumers and providers of health services. As a consumer of health services, each businessman is entitled to participate in the planning decisions of CHPA. A number already are.

Zane Campbell, active in Chamber activities, is a member of the Board of CHPA and of the State Comprehensive Health Planning Group. Waldemar Seaton, formerly of PGE, is a newly elected Board member. V. F. Booker of the Freedom Bank is a newly elected consumer representative.

Comprehensive Health Planning Association for Metropolitan Portland has been getting the job done. It has hired the best Executive Director it could find in Richard A. Rix. Rix came to Portland from Iowa and New York where he was the head man for two significant health planning associations. Rix has gathered around him a staff of professional planners who have already made an impact on the health community.

After years of frustration, a coordinated Emergency Services Plan is about to emerge. By combining a half dozen reports and the expert opinion of dozens of witnesses, the volunteer committee and the professional staff will be soon announcing a plan to coordinate ambulance services, emergency manpower, communications, industrial safety, emergency rooms in hospitals and other facilities into a working unit.

Comprehensive Health Planning Association deserves the support and attention of the business community. If for no other reason than its own self interest, business should be giving it active manpower support and its pledge of financial assistance.

Comprehensive Health Planning Association is financed one-half by federal grants and the other half by local contributions. The association operates on a $160,000 budget a year currently.

Contact with CHPA can be made at the Portland metropolitan office, phone number 224-2560, located in the Marquam Plaza Building at 2525 S.W. Third.

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## VOTING ON NATIONAL CANCER ATTACK ACT OF 1971 ON MONDAY, NOVEMBER 15, 1971

## HON. PAUL G. ROGERS

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. ROGERS. Mr. Speaker, I am pleased to announce that H.R. 11032, the National Cancer Attack Act of 1971, has been placed on the suspension calendar for Monday, November 15, I am hopeful that this bill—which will provide the most extensive and comprehensive attack on a single disease in the history of this Nation—will be overwhelmingly passed by my colleagues.

Mr. Speaker, this bill is the product of intense work by the Subcommittee on Public Health and Environment. Following 4 weeks of hearings—1 day of which was at a major cancer center, Roswell Park Memorial Institute in Buffalo, N.Y.—and hours of meeting in executive session a unanimous subcommittee voted to report H.R. 11302 to the full committee on Interstate and Foreign Commerce. The bill was ordered reported to the House by a vote of 26 to 2 with two minor amendments, which were agreed to unanimously. Attempts to substantively change the provisions of the bill were overwhelmingly rejected by the full committee.

Mr. Speaker, copies of the committee report are available in the House Document Room and the Office of the Clerk of the Interstate and Foreign Commerce Committee. Because of the intense interest surrounding this landmark legislation, I include the text of the bill and a section-by-section analysis in the RECORD at this point:

### H.R. 11302

A bill to amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer as soon as possible.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE

SECTION 1. This Act may be cited as "The National Cancer Attack Act of 1971".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds and declares—

(1) that cancer is the disease most feared by Americans today;

(2) that new scientific leads, if comprehensively and energetically exploited, may significantly advance the time when more adequate preventive and therapeutic capabilities are available to cope with cancer;

(3) that cancer, heart, and lung diseases and stroke are the leading causes of death in the United States;

(4) that the present state of our understanding of cancer, heart, and lung diseases and stroke is a consequence of broad advances across the full scope of the biomedical sciences;

(5) that in order to provide for the most effective attack on cancer it is important to use all of the biomedical resources of the National Institutes of Health, rather than the resources of a single Institute; and

(6) that the programs of the research institutes which comprise the National Institutes of Health have made it possible to bring

into being the most productive scientific community centered upon health and disease that the world has ever known.

(b) It is the purpose of this Act to enlarge the authorities of the National Cancer Institute and the National Institutes of Health in order to advance the national attack upon cancer.

### NATIONAL CANCER ATTACK PROGRAM

SEC. 3. (a) Part A of title IV of the Public Health Service Act is amended by adding after section 406 the following new sections:

### "NATIONAL CANCER ATTACK PROGRAM

"SEC. 407. (a) In his capacity as an Associate Director of the National Institutes of Health, the Director of the National Cancer Institute shall coordinate all of the activities of the National Institutes of Health relating to cancer with the National Cancer Attack Program.

"(b) In carrying out the National Cancer Attack Program, the Director of the National Cancer Institute shall:

"(1) With the advice of the National Cancer Advisory Council, plan and develop an expanded, intensified, and coordinated cancer research program encompassing the programs of the National Cancer Institute, related programs of the other research institutes, and other Federal and non-Federal programs.

"(2) Expeditiously utilize existing research facilities and personnel of the National Institutes of Health for accelerated exploration of the opportunities for the conquest of cancer in areas of special promise.

"(3) Encourage and coordinate cancer research by industrial concerns where such concerns evidence a particular capability for such research.

"(4) Collect, analyze, and disseminate all data useful in the prevention, diagnosis, and treatment of cancer, including the establishment of an international cancer research data bank to collect, catalog, store, and disseminate insofar as feasible the results of cancer research undertaken in any country for the use of any person involved in cancer research in any country.

"(5) Establish or support the large-scale production or distribution of specialized biological materials and other therapeutic substances for research and set standards of safety and care for persons using such materials.

"(6) Support research in the cancer field outside the United States by highly qualified foreign nationals (where the Director determines that such support can reasonably be expected to inure to the benefit of the American people); support collaborative research involving American and foreign participants; and support the training of American scientists abroad and foreign scientists in the United States.

"(7) Support appropriate manpower programs of training in fundamental sciences and clinical disciplines to provide an expanded and continuing manpower base from which to select investigators, physicians, and allied health professional personnel, for participation in clinical and basic research and treatment programs relating to cancer, including where appropriate the use of training stipends, fellowships, and career awards.

"(8) Call special meetings of the National Cancer Advisory Council at such times and in such places as the Director deems necessary in order to consult with, obtain advice from, or to secure the approval of projects, programs, or other actions to be undertaken without delay in order to gain maximum benefit from a new scientific or technical finding.

"(9)(A) Prepare and submit, directly to the President for review and transmittal to Congress, an annual budget estimate for the National Cancer Attack Program, after opportunity for comment (but without change) by the Secretary, the Director of the National Institutes of Health, and the National Cancer Advisory Council; and (B) receive from the President and the Office of Management and Budget directly all funds appropriated by Congress for obligation and expenditure by the National Cancer Institute.

"(c) The National Cancer Advisory Council shall meet at the call of the Director of the National Cancer Institute or of such Council's Chairman, but not less than four times in each calendar year.

"(d)(1) There is hereby established the President's Cancer Attack Panel which shall be composed of three persons appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the National Cancer Attack Program. At least two of the members of the panel shall be distinguished scientists or physicians.

"(2)(A) Members shall be appointed for three-year terms, except that (i) in the case of two of the members first appointed, one shall be appointed for a term of one year and one shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(B) The President shall designate one of the members to serve as Chairman for a term of one year.

"(C) Members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(3) The Panel shall meet at the call of the Chairman but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(4) The Panel shall monitor the development and execution of the National Cancer Attack Program under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the program shall immediately be brought to the attention of the President. The Panel shall submit to the President annually an evaluation of the efficacy of the National Cancer Attack Program and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Cancer Institute.

### "NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS

"SEC. 408. (a) The Director of the National Cancer Institute is authorized to provide for the establishment of fifteen new centers for clinicial research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. Such centers may be supported under subsection (b) or under any other applicable provision of law.

"(b) The Director of the National Cancer Institute, under policies established by the Director of the National Institutes of Health and after consultation with the National Cancer Advisory Council, is authorized to enter into cooperative agreements with public or private nonprofit agencies or institutions to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for existing or new centers (including, but not limited to, centers established under subsection (a)) for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. Federal payments under this subsection in support of such cooperative agreements may be used for (1) construction (notwithstanding any limitation under section 405), (2) staffing and other basic operating costs, including such patient care costs as are required for research, (3) training (including training for allied health professions personnel) and (4) demonstration purposes; but support under this subsection (other than support for construction) shall not exceed $5,000,000 per year per center. Support of a center under this section may be for a period of not to exceed three years and may be extended by the Director of the National Cancer Institute for additional periods of not more than three years each, after review of the operations of such center by an appropriate scientific review group established by the Director of the National Cancer Institute.

### "CANCER CONTROL PROGRAMS

"SEC. 409. (a) The Director of the National Cancer Institute shall establish programs as necessary for cooperation with State and other health agencies in the prevention, control, and eradication of cancer.

"(b) There are authorized to be appropriated to carry out this section $20,000,000 for the fiscal year ending June 30, 1972, $30,000,000 for the fiscal year ending June 30, 1973, and $40,000,000 for the fiscal year ending June 30, 1974.

### "AUTHORITY OF DIRECTOR

"SEC. 410. The Director of the National Cancer Institute (after consultation with the National Cancer Advisory Council), in carrying out his functions in administering the National Cancer Attack Program and without regard to any other provision of this Act, is authorized—

"(1) if authorized by the National Cancer Advisory Council, to obtain the services of not more than fifty experts or consultants who have scientific or professional qualifications, in accordance with the provisions of section 3109 of title 5, United States Code (but any such expert or consultant may be appointed for a period in excess of one year);

"(2) to the extent that the Director of the National Cancer Institute deems it necessary in order to recruit specially qualified scientific or other professional personnel without previous competitive service, to establish the entrance grade for such personnel at not to exceed two grades above the grade otherwise established for such personnel under the applicable provisions of title 5 of the United States Code;

"(3) to acquire, construct, improve, repair, operate, and maintain cancer centers, laboratories, research, and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Director deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the National Cancer Institute for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"(4) To appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as he deemed desirable to advise him with respect to his functions;

"(5) to utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

"(6) to accept voluntary and uncompensated services;

"(7) to accept unconditional gifts, or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

"(8) to enter into such contracts, leases, cooperative agreements, or other transactions, without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5), as may be necessary in the conduct of his functions, with any public agency, or with any person, firm, association, corporation, or educational institution; and

"(9) to take necessary action to insure that all channels for the dissemination and exchange of scientific knowledge and information are maintained between the National Cancer Institute and the other scientific, medical, and biomedical disciplines and organizations nationally and internationally.

### "SCIENTIFIC REVIEW; REPORTS

"SEC. 410A. The Director of the National Cancer Institute shall, by regulation, provide for proper scientific review of all research grants and programs over which he has authority (1) by utilizing, to the maximum extent possible, appropriate peer review groups established within the National Institutes of Health and composed principally of non-Federal scientists and other experts in the scientific and disease fields, and (2) when appropriate, by establishing, with the approval of the National Cancer Advisory Council and the Director of the National Institutes of Health, other formal peer review groups as may be required.

"(b) The Director of the National Cancer Institute shall, as soon as practicable after the end of each calendar year, prepare in consultation with the National Cancer Advisory Council and submit to the President for transmittal to the Congress a report on the activities, progress, and accomplishments under the National Cancer Attack Program during the preceding calendar year and a plan for the program during the next five years.

### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 410B. For the purpose of carrying out this part (other than section 409), there are authorized to be appropriated $400,000,000 for the fiscal year ending June 30, 1972; $500,000,000 for the fiscal year ending June 30, 1973; and $600,000,000 for the fiscal year ending June 30, 1974."

(b) Section 301(d) of the Public Health Service Act is amended by adding at the end thereof the following: Provided further, That, under procedures approved by the Director of the National Institutes of Health, the Director of the National Cancer Institute may approve grants for research or training purposes—

"(1) in amounts not to exceed $35,000 after appropriate review for scientific merit but without requirement or review and approved by the National Cancer Advisory Council, and

"(2) in amounts exceeding $35,000 after appropriate review for scientific merit and recommendation for approval by such council."

### REPORT TO CONGRESS

SEC. 4. (a) The President shall carry out a review of all administrative processes under which the National Cancer Attack program, established under part A of title IV of the Public Health Service Act, will operate, including the processes of advisory council and peer group reviews, in order to assure the most expeditious accomplishment of the objectives of the program. Within one year of the date of enactment of this Act the President shall submit a report to Congress of the findings of such review and the actions taken to facilitate the conduct of the program, together with recommendations for any needed legislative changes.

(b) The President shall request of the Congress without delay such additional appropriations (including increased authorizations) as are required to pursue immediately any development in the National Cancer Attack program requiring prompt and expeditious support and for which regularly appropriated funds are not available.

### PRESIDENTIAL APPOINTMENT OF INSTITUTE'S DIRECTORS

SEC. 5. (a) Title IV of the Public Health Service Act is amended by adding after part F the following new part:

### "PART G—ADMINISTRATIVE PROVISIONS

### "DIRECTORS OF INSTITUTES

"SEC. 454. The Director of the National Institutes of Health and the Directors of the National Cancer Institute, the National Heart and Lung Institute, and the National Institute of Neurological Diseases and Stroke shall be appointed by the President. The Directors of the National Cancer Institute, the National Heart and Lung Institute, and the National Institute of Neurological Diseases and Stroke are designated as Associate Directors of the National Institutes of Health, and shall report directly to the Director of the National Institutes of Health."

(b)(1) Section 5314 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(58) Director, National Institutes of Health."

(2) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraphs:

"(95) Deputy Director, National Institutes of Health.

"(96) Deputy Director for Science, National Institutes of Health.

"(97) Associate Director, National Institutes of Health—Director, National Cancer Institute.

"(98) Associate Director, National Institutes of Health—Director, National Heart and Lung Institute.

"(99) Associate Director, National Institutes of Health—Director of National Institute of Neurological Diseases and Stroke."

### EFFECTIVE DATE

SEC. 6. (a) This Act and the amendments made by this Act shall take effect sixty days after the date of enactment of this Act or on such prior date after the date of enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) The first sentence of section 454 of the Public Health Service Act (added by section 5(a) of this Act) shall apply only with respect to appointments made after the effective date of this Act.

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## SECTION-BY-SECTION ANALYSIS

### TITLE

*Section 1.* The Act is titled "The National Cancer Attack Act of 1971."

### FINDINGS AND DECLARATION OF PURPOSE

*Section 2.* States that cancer is the disease most feared by Americans; that if the new scientific leads are comprehensively and energetically exploited, they may advance the time when more adequate preventive and therapeutic capabilities can cope with cancer; that cancer, heart and lung diseases, and stroke are the leading causes of death in the United States; that the present understanding of these diseases is the result of broad advances of all the biomedical sciences; that the most effective attack on cancer should use all of the resources of the National Institutes of Health; that the programs of the National Institutes of Health have produced the world's most productive scientific community centered upon health and disease; and that the purpose of this Act is to enlarge the authorities of the National Cancer Institute and the National Institutes of Health in order to advance the national attack on cancer.

### NATIONAL CANCER ATTACK PROGRAM

*Section 3(a).* Amends Title IV of the Public Health Service Act to include the following new sections:

*New Section 407(a).* As an Associate Director of the National Institutes of Health, the Director of the National Cancer Institute is to coordinate all cancer-related activities of the National Institutes of Health with the National Cancer Attack Program.

*New Section 407(b).* Assigns to the Director, National Cancer Institute, a range of responsibilities necessary to accomplish the conquest of cancer. Specifically, this subsection would require the Director of the National Cancer Institute to:

(1) With the advice of the National Cancer Advisory Council, plan and develop an expanded, intensified, and coordinated cancer research program encompassing the programs of the National Cancer Institute, and under policy control by the Director, NIH, related programs of the other research institutes, and other Federal and nonfederal programs.

(2) Expeditiously utilize, and under policy control by the Director, NIH, existing facilities and personnel of the National Institutes of Health to rapidly explore opportunities for the conquest of cancer in areas of special promise.

(3) Encourage and coordinate cancer research by industrial concerns which evidence a capability for such research.

(4) Collect, analyze, and disseminate all data useful in the prevention, diagnosis, and treatment of cancer, including the establishment of an international cancer data bank.

(5) Establish or support the large-scale production or distribution of specialized biological materials or other therapeutic substances for research and set standards of safety and care for their use.

(6) Support meritorious foreign research, collaborative research involving American and foreign scientists, and the training of Americans abroad and foreign scientists in the United States.

(7) Support appropriate manpower training programs in fundamental sciences and clinical disciplines, including the use of stipends, fellowships, and career awards to provide an expanded manpower base from which health professional personnel will be selected to participate in clinical and basic research programs related to cancer.

(8) Call special meetings of the National Advisory Cancer Council as the Director deems necessary to gain maximum benefit from new scientific or technical findings.

(9) Prepare and submit an annual budget estimate for the national cancer attack program directly to the President after the Secretary, the Director, National Institutes of Health, and the National Advisory Cancer Council have had an opportunity to make comment on but not change the estimates. Receive from the President and the Office of Management and Budget directly the funds appropriated by the Congress for the National Cancer Institute.

*New Section 407(c).* The National Advisory Cancer Council shall meet at the call of its chairman of the Director of the National Cancer Institute but not less than four times each calendar year.

*New Section 407(d).* President's Cancer Attack Panel. Establishes a three-person panel (of whom at least two shall be distinguished scientists or physicians) appointed by the President to appraise the national cancer attack program. Members shall be appointed for three-year terms (except that appointment provides that terms of original members will be staggered so that one term expires yearly) with a member to be designated each year by the President as chairman. Vacancies will be filled for remainder of unexpired term. The Panel will meet at the call of the chairman but not less than 12 times a year. A transcript will be kept of the meetings of the Panel, which shall be public information. The function of the Panel will be to monitor the National Cancer Attack Program and report directly to the President. It shall immediately bring to the President's attention any delays or blockages in program execution and shall annually report to him on the efficacy of the program with suggestions for improvements. At the President's request, it shall also submit a list of names of persons for consideration for appointment as Director of the National Cancer Institute.

### NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS

*New Section 408.* The Director of the National Cancer Institute is authorized to provide for the establishment of 15 new centers for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. This subsection also authorizes cooperative agreements with public and private nonprofit agencies for the planning, establishment, strengthening, and basic operating support of existing or new centers. Federal payments may be used for construction, staffing, basic operating costs, training, and demonstration purposes but support shall not exceed $5 million per year per center, excluding construction. Support under this subsection shall be for three years but may be extended by the Director, National Cancer Institute, for additional three-year periods after review by an appropriate scientific review group.

### CANCER CONTROL PROGRAMS

*New Section 409.* The Director of the National Cancer Institute shall establish programs as necessary for cooperation with State and other health agencies in the prevention, control, and eradication of cancer. For this purpose, there are authorized to be appropriated $20 million, $30 million, and $40 million for fiscal years 1972, 1973, and 1974, respectively.

### AUTHORITY OF DIRECTOR

*New Section 410.* Authorizes the Director of the National Cancer Institute, after consultation with the National Advisory Cancer Council, to:

(1) Obtain the services of not more than 50 experts or consultants who have scientific or professional qualifications, if authorized by the National Advisory Cancer Council.

(2) Recruit specially qualified scientific or other professional personnel (without previous competitive service) at two grades above the grade otherwise established for such personnel.

(3) Acquire, construct, improve, repair, operate, and maintain cancer centers, laboratories, research, and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property as necessary, and acquire by lease buildings in the District of Columbia or adjacent area for use of the National Cancer Institute for a period not to exceed 10 years.

(4) Appoint advisory committees.

(5) Utilize the services of other Federal, State, or local public agencies.

(6) Accept voluntary and uncompensated services.

(7) Accept unconditional gifts or donations of services.

(8) Enter into contracts, leases, cooperative agreements, and other transactions as may be necessary to the conduct of his functions.

(9) Assure that all channels for the dissemination and exchange of scientific knowledge and information are maintained between the National Cancer Institute and other disciplines and organizations, nationally and internationally.

### SCIENTIFIC REVIEW

*New Section 410A(a).* The Director of the National Cancer Institute shall provide for proper scientific review of all research grants and programs over which he has authority. He shall utilize to the maximum extent possible appropriate peer review groups established within the National Institutes of Health but when appropriate may, with the approval of the Director, National Institutes of Health, and the National Advisory Cancer Council, establish other formal peer review groups as may be required.

### REPORTS

*New Section 410A(b).* The Director of the National Cancer Institute, in consultation with the National Advisory Cancer Council, shall prepare an annual program report to the President for transmittal to the Congress. This report shall include the activities, progress, and accomplishments of the cancer program during the preceding calendar year as well as a plan for the program for the next five years.

### AUTHORIZATION OF APPROPRIATIONS

*New Section 410 B.* For programs other than Cancer Control, there are authorized to be appropriated $400 million, $500 million, and $600 million for fiscal years 1972, 1973, and 1974, respectively. Sums appropriated under this section shall remain available until expended. This section, and section 409, constitute the exclusive authorizations in the Public Health Service Act for the programs and activities of the National Cancer Institute.

*Section 3(b).* Section 301(d) of the Public Health Service Act is amended by adding new language to provide that the Director of the National Cancer Institute, under procedures approved by the Director, National Institutes of Health, may approve grants not to exceed $35,000 after appropriate review for scientific merit but without advisory council review and approval. Grants in excess of $35,000 would continue to require approval by the advisory council.

### REPORT TO CONGRESS

*Section 4.* The President shall conduct a review of all administrative processes under which the National Cancer Attack Program shall operate. Within one year, such findings shall be reported to the Congress together with recommendations for any legislative changes. This section also directs the President to request without delay any additional appropriations and authorizations as are required to immediately pursue any development in the National Cancer Attack Program for which regularly appropriated funds are not available.

### PRESIDENTIAL APPOINTMENT OF INSTITUTES' DIRECTORS

*Section 5(a).* Amends Title IV of the Public Health Service Act to include the following new part: "Part G—Administrative Provisions."

*New Section 454* provides for Presidential appointment of the Director, National Institutes of Health, and the Directors of the National Cancer Institute, National Heart and Lung Institute, and the National Institute of Neurological Diseases and Stroke. The Directors of the NCI, NHLI, and NINDS are also designated as Associate Directors of the National Institutes of Health and shall report directly to the Director of the National Institutes of Health.

*Section 5(b).* Elevates in rank certain officials of the National Institutes of Health. The Director of the National Institutes of Health is elevated to Executive Level III. The following officials are elevated to Executive Level IV; the Deputy Director, National Institutes of Health; the Deputy Director for Science, National Institutes of Health; the Director, National Cancer Institute; the Director, National Heart and Lung Institute; the Director, National Institute for Neurological Diseases and Stroke, the latter three as Associate Directors of the National Institutes of Health.

### EFFECTIVE DATE

*Section 6.* Provides that the Act take effect 60 days after its date of enactment. This section also provides that Section 454 (requiring that certain NIH officials be presidentially appointed) shall apply to officials appointed after the effective date of this Act.

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## PRICE INTRODUCES WATER QUALITY BILL

## HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. PRICE of Texas. Mr. Speaker, this afternoon I am introducing a series of amendments to the Federal Water Pollution Control Act. While my proposals are based on the legislation that passed the Senate last week, they are designed to correct what I consider to be some substantial defects in the Senate-passed measure.

In the process of drafting my proposals, I discussed the Senate bill at some length with appropriate officials in the White House and the Environmental Protection Agency. Not only did we concur in our judgments regarding the flaws in the Senate measure, the bill I am introducing today is a direct product of these conversations.

To restore the quality of our Nation's water is a monumental task. It will take a great deal of time, effort, and expense. Because it is such an important endeavor, one with such important consequences, great care must be taken to insure our efforts are well conceived and well executed. Bearing these thoughts in mind, I analyzed the Senate-passed bill and concluded that although it has much to recommend it, it is deficient in certain key respects.

In terms of the available funds that can be diverted to clean up the Nation's water, the Senate bill sets forth a framework of Federal expenditures that are excessive when viewed in relation to the general availability of our national resources. Like it or not, the Nation is in a financial squeeze. We can no longer act like it does not make any difference how we spend our money or on what we spend it The plain fact of the matter is that the Federal Government cannot successfully be "Uncle Sugar" to the Nation and world; our present economic difficulties bear graphic witness to that. Regrettably, the Senate bill fails to take economic and fiscal realities into account and for this reason, if left unchanged, it may well do an ultimate disservice to the cause of clean water and may further erode the belief the average American has in the promises of the Federal Government. My proposal is designed to make the Federal Water Pollution Control Act more manageable and effective. It establishes a more reasonable framework that can, insofar as is practically possible, eliminate water pollution from the national scene by the target date of 1985.

Despite the statements made regarding the importance of the several States in combating pollution, the terms of the

Senate bill relegate the States to a secondary role and place the Administrator of the Environmental Protection Agency in the driver's seat. Not only does such policy downgrade the importance of the States in combating pollution; there is considerable doubt in my mind whether the EPA Administrator and his staff can adequately make the tens of thousands of individual decisions on pollution standards that will have to made under the Senate bill as written. My bill, in contrast, makes the States and the Federal Government more equal partners in the war on water pollution, and better preserves the constitutional balance between Federal and State levels of power and spheres of influence.

Finally, my bill holds the present line on the level of Federal financing for the construction of waste treatment centers and other pollution control facilities. Under present law, the Federal Government can contribute up to 55 percent to such projects, and the States contribute the rest. According to the Senate bill, however, the Federal share is increased to a maximum of 70 percent, an increase I find unsupportable in terms of other conflicting claims on scarce Federal dollars; for example, national defense, education, transportation, and health. I also am not convinced that increasing the Federal share up to 70 percent will stimulate the construction of more waste treatment facilities. I say this because, despite the fact that the present pollution abatement grants were started in 1966 with a Federal share of 30 percent, as of last September 13 States had still not taken the necessary steps to qualify for the increased Federal grants of 55 percent. This is but another example of the fact that complex problems cannot be solved by merely burying them in tax dollars.

Mr. Speaker, in the main, the changes I have made in the Senate bill are technical in nature. They are designed to make the war on water pollution be conducted on a more efficient and more effective basis than will be possible under the Senate bill as is presently written. It is my hope that my proposals will provide a starting point from which the House Public Works Committee can construct a truly workable bill.

In closing, I urge my colleagues to give this proposal their closest attention. The American people have a right to enjoy clean water. We in Congress have the responsibility to provide the legislative framework within which this much-sullied right can be realized. We have, however, an even larger responsibility in this affair, for the United States is the foremost polluter of water in the world. As we know, water is the source of all life. If it is rendered unfit for use, mankind and all life on this planet will face extinction. Some environmentalists are predicting that world water supplies will reach the critical pollution point before the close of this century. If it does, this Nation will bear a substantial share of the blame, for we have within our power the ability to avert this catastrophe.

We must clean up our water—ultimately, it is a matter of life or death.

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## THE LATE HON. A. WILLIS ROBERTSON

## HON. DAVID E. SATTERFIELD III

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. SATTERFIELD. Mr. Speaker, I wish to join with my colleagues from Virginia and throughout the Nation in paying tribute to my friend, the Honorable A. Willis Robertson, who passed away on November 1.

Willis Robertson was a dedicated public servant who loved his State and Nation. He was a strong man—a man's man—and in every instance of public service he conducted himself with dignity and forthrightness.

He served Virginia as a State senator, as a commonwealth's attorney, as chairman of the State Commission on Game and Inland Fisheries, and then for 14 years in the House and 20 years in the Senate.

Willis Robertson was throughout his life an ardent conservationist. While the public record lists his many contributions in the areas of banking, currency, and economics, he, on one occasion stated:

> I would be happy if history records my efforts on behalf of conservation as being a worthwhile contribution to my day and generation.

His integrity and patriotism were never questioned and his devotion and strict adherence to the Constitution were fundamental to his philosophy.

I am honored to have known Willis Robertson. Virginia and this Nation are better for his service. He deserves the gratitude of all Americans.

I insert the following editorial from the Thursday, November 4, 1971, Richmond Times-Dispatch in the RECORD at this point:

A. WILLIS ROBERTSON

Sen. A. Willis Robertson served his state and his country well. He was an able, high-minded conservative whose knowledge of banking, currency, taxes and the tariff were exceptional, but whose greatest contribution of all was probably as a pioneer in the sphere of conservation and the preservation of our wild life and scenic resources from pollution and destruction.

He served with great ability back in the 1920's as the first chairman of the just-established State Commission on Game and Inland Fisheries. When he went to the House of Representatives, he served for 12 years as chairman of the Committee on Wildlife Conservation. During that period he was copatron of the Pittsman-Robertson Act to provide grants in aid to the stages for upland game, and of the Migratory Duck Stamp Act to provide funds for refuge and breeding of migratory birds. Under other legislation that he sponsored, the U.S. Forest Service was directed to make the conservation of wildlife in our millions of acres of National Forest one of its major aims.

In the House he also was appointed to the powerful Ways and Means Committee, which handles all tax legislation. He was the first Virginian in a third of a century to be named to that body, and he rose to become the highest ranking Virginian on the committee since 1850.

Willis Robertson was elected to succeed Carter Glass in the Senate upon the latter's death, and he proved a worthy successor, especially in the field of banking and currency. Robertson became chairman of the Senate Committee on Banking and Currency, and a recognized authority in the field.

He rose fairly frequently on the floor of both the House and Senate, and was a speaker of exceptional ability, who got his facts firmly in mind before undertaking to discuss any question. A strong believer in states' rights, he was never a demagogue or rabblerouser. As an orator on ceremonial occasions he reminded one of the old "stem-winders" of an earlier generation, for he gestured frequently and spoke in the rhetorical style that has now passed almost completely away.

Willis Robertson's defeat for reelection in 1966 by 611 votes at the hands of William B. Spong Jr. is attributable, ironically enough, to the Conservative Party, which urged its adherents to stay out of the primary, since Robertson had not resigned from what it termed "the foul and filthy Democratic party." The result was that one of the leading conservatives in the Senate was retired from that body.

Willis Robertson was a companionable man, with a great love for hunting and fishing in both of which he was a recognized expert. He liked to raise his voice in song, and during the Korean War he belonged to a congressional quartet which entertained the hospitalized soldiers with barbershop harmonies. He was also a raconteur of unusual gifts.

Although, by an astounding coincidence, he and Harry F. Byrd Sr. were born within two weeks of each other in Martinsburg, W. Va., and they entered the Virginia Senate and the U.S. Congress in the same year, they did not remain lifelong political intimates. Robertson's practice of regularly endorsing the Democratic nominee for the presidency did not appeal to Byrd. Robertson felt that "to maintain party government you have got to maintain party regularity and support some candidates you don't personally care for" Byrd disagreed.

The integrity and patriotism of Willis Robertson were strongly marked characteristics, as they were of Harry Byrd. The two men differed sincerely on some questions.

Sen. Robertson accumulated few material goods during his more than half a century of public service, but he died with the admiration and respect of his fellow-citizens. He was entitled to feel that he made a lasting contribution to his state and to his country.

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## POLAND'S INDEPENDENCE DAY

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. DERWINSKI. Mr. Speaker, today, November 11, is Independence Day for Poland. We all know that, since the close of World War II, Poland has been a captive of the Communists. Her people have been oppressed since the Russian forces drove into the country during World War II, prohibited the restoration of the legitimate government of Poland, and then forced onto the people of Poland a Communist regime which has so badly served them for the past 26 years.

The Polish Government in Exile continues its activities on behalf of Poland and, therefore, I believe it appropriate to place into the RECORD a message from the President of the Polish Government in Exile on the occasion of Poland's historic Independence Day.

The message follows:

MESSAGE OF THE PRESIDENT OF THE REPUBLIC OF POLAND, TO THE POLISH NATION ON THE OCCASION OF POLAND'S INDEPENDENCE DAY, NOVEMBER 11, 1971

His Excellency August Zaleski, President of the Republic of Poland/in-exile/, has issued in London the following message to Poles all over the world on the occasion of Poland's Independence Day, proclaimed in pre-war Poland to commemorate to the restoration of Polish independence in 1918:

Citizens of the Republic of Poland and Poles in the Free World:

The history of a nation is a constant struggle for the preservation of values that are transmitted from father to son, from one generation to another. The nation's glories are reflected on all its members, and all of them take part in its sorrows. Descendants pay for the faults of their ancestors or benefit by the services they have rendered. Hence the great importance in a nation's life of the achievements of each several generation. As Article 5 of the Polish Constitution of 1935 succintly expresses it: "The creativeness of every individual citizen is the lever of collective life."

In celebrating the anniversary of the recovery of Polish independence on 11 November 1918, we pay homage to all those who, by their common effort, reasserted the nation's right to live and develop freely after more than a century of enslavement. Under the leadership of Józof Pilsudski the nation successfully resisted the onslaught of a new tyranny which threatened it from the east. The noble principles of self-determination, proclaimed during the war by President Woodrow Wilson and embodied in the victors' charter, restored freedom not only to Poland but to many other peoples of central and eastern Europe.

Poland, however, was not to enjoy its independence for long. The treacherous attack of Nazi Germany and Soviet Russia in September 1939 plunged the world into the Second World War. In the tragic aftermath of that war, not only were Poland and her neighbors robbed of political and cultural freedom, but the whole world was placed under a permanent threat as a result of the division into rival spheres of influence.

Today, more perhaps than ever, those of us Poles who remained outside our country after the war are in duty bound to contribute, by their own labor and their own efforts, to the defence of those values which are our nation's heritage: its right to be independent once more and to live its life in justice and freedom.

AUGUST ZALESKI.

## REDESIGNATE NOVEMBER 11 AS VETERANS DAY

### HON. WILMER MIZELL

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. MIZELL. Mr. Speaker, I rise at this time to join with my distinguished colleague from Florida (Mr. YOUNG), and with others in this body, in introducing a resolution to redesignate November 11 as the official date for observance of Veterans Day.

Mr. Speaker, I was not a Member of Congress at the time the so-called Monday Holiday Act was considered and passed, so I am not very familiar with the circumstances that led to this important date in our national life being discarded for the sake of a day of idle pleasure.

Frankly, I am disappointed and dismayed that Congress ever approved of making a national observance of such historical significance and meaning into nothing more than the third day of a 3-day weekend.

This practice has now been followed for 3 years, and in that time, Veterans Day and all it should mean to the American people has been seriously diminished and neglected.

I believe it is time we correct this mistake, and I think it is fitting that we begin our effort on this day, November 11, and that we rededicate ourselves and our country to the principles and ideals for which this Nation's veterans fought and suffered and died.

Our debt to them can never be fully repayed, but by the passage of this resolution we can show them once again that they hold a very special and important place in our society, and that they deserve our respect and our abiding gratitude.

## POLAND'S INDEPENDENCE DAY

### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. DERWINSKI. Mr. Speaker, 53 years ago today the guns on the western front, which had been booming for more than 4 years, became silent—an armistice had been reached between the Allied Powers and Germany. November 11, 1918, proved to be a turning-point in history, as it marked the conclusion of a world-wide conflict.

Americans observed Armistice Day for several decades, but the day became an anachronism when the nations of Europe resumed fighting in 1939. The observance was replaced last month by Veterans Day, the fourth Monday in October, when we honored the veterans of all our wars. In Poland, however, November 11 retains great significance. There it is observed as Independence Day.

Poland, a nation that took great and justifiable pride in its long and glorious history, disappeared from the map of Europe in the latter part of the 18th century when three partitions by Austria, Prussia, and Russia eventually robbed it of all its territory. It was not to become free again for almost a century and a quarter.

Germany and Austria-Hungary fought against Russia during World War I, which meant that Poles fought on both sides, brother against brother. The collapse of Russia in March 1917, and the final defeat of the central powers a year and a half later gave Polish patriots, who had been busy behind the scenes, their opportunity to reestablish the nation whose people had suffered so much from their oppressors.

Poland declared its independence on November 11, 1918, a declaration that was recognized the following summer by the treaty of Versailles. No longer were Poles to be referred to as Austrian Poles, German Poles, and Russian Poles. They were now Poles, no more and no less, citizens of a free country.

Poland enjoyed her independence for but 20 years. In 1939 her neighbors, National Socialist Germany and Communist Russia, divided its territory, the fourth partition of Poland. Nazism was destined to be defeated after 5½ years of bitter fighting, but communism remains firmly in the saddle today and unhappy Poland is one of the many colonies that make up the far-flung Soviet Empire.

Mr. Speaker, long-intrenched regimes have been disestablished before and international communism is no more endowed with immortality than was nazism or the dynasties that preceded it. May God speed the day when Poland and the other countries behind the Iron Curtain will once again be free.

## NEEDED: EXTENSIVE OVERHAUL OF STATE DEPARMENT BY OUTSIDE PANEL

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Wednesday, November 10, 1971*

Mr. ASHBROOK. Mr. Speaker, two further items of indictment of the U.S. State Department have recently appeared in the press which make a thorough overhaul of that Department urgently necessary. The November 15 issue of Time dealt with conditions in the Foreign Service, with particular emphasis on the tragic case of Charles W. Thomas, who had been selected out of the Service, had tried vainly to appeal his case to officials at State, had tried to no avail to seek gainful employment in other areas, and finally shot himself to death in April of this year. President Nixon asked for a report on the tragedy and one State Department official admitted that the Thomas case did help expedite proposed reforms. The reforms advanced by State unfortunately do not correct one serious condition—an appeals procedure for Foreign Service officers outside of the control of the Department. One official is quoted in the Time article as saying:

> I don't care if a grievance panel is headed by Charles Evans Hughes or Jesus Christ, it still remains an in-house procedure without any chance of outside appeal.

The second item describes the State Department in operation at the U.N. during the admission of Red China debate. The veteran columnist of the Chicago Tribune, Walter Trohan, recounts how the State Department types at the debate tried to muzzle Congressman EDWARD DERWINSKI of Illinois who is serving as a congressional delegate to the U.S. mission at the U.N.

The two above-mentioned accounts demonstrate graphically why, whether in matters of policy or personnel, the complete State Department structure is in dire need of a revamping and, as in the case of a new grievance procedure for FSO's—by a review mechanism outside of the Department itself.

I insert at this point the two items mentioned above:

THE STATE DEPARTMENT

UNDIPLOMATIC REFORMS

Charles W. Thomas was a desperate man. A lawyer and a career diplomat, Thomas, 45, had been "selected out" of the Foreign Service. Reason: he had not been promoted from the Class 4 level to Class 3 within the mandatory eight years. He was dismissed with only one year's salary and $323 a month (money he had himself put into a retirement fund) to support a wife and two children. In nearly three dispiriting years Thomas endured early 2,000 job rejection letters; he was "too old" or "too qualified," and anyway, he had been fired by the State Department. Finally on an April afternoon in Washington, Charles Thomas took up a gun and shot himself to death.

There is a Kafkaesque cast to the Thomas tragedy. Try as he might, Thomas could not get his day in court to determine whether his selection-out was based on the fact that he had received poor performance ratings or that the State Department had somehow failed to consider his highly favorable ratings. In fact, it was the latter. Thomas had carved a distinguished career in posts such as Tangier, Port-au-Prince and Mexico City, where he became a specialist in Mexican radical politics. Indeed, he had high marks from his superiors and colleagues alike; the explicit blemish on his record was an observation by a Mexico City superior that Thomas did not exercise proper "control" over his secretary.

In contrast, a laudatory report from the Foreign Service Inspector, Ambassador Robert McClintock, was accidentally misfiled under the name of another Charles W. Thomas, then Consul General in Antwerp. The report was eventually logged into its proper place, two days after Thomas had been turned down by the promotion board. The board deemed it too much bother to reopen the case.

### *Fang and claw*

The Thomas affair is certainly the most shocking to occur within the labyrinth of Foggy Bottom personnel practices, but it is by no means the only one of its kind. Willard Brown, a Class 2 officer, discovered after his selection-out that the State Department had lost all of his personnel records and that consequently his name had not been considered for promotion for several years. Nor are good men being passed over just for clerical errors. The selection process in the department has traditionally been the last word in Darwinistic elitism. McClintock, although a highly regarded professional, had a reputation for sending overly favorable reports on many officers. With little negative to go on, promotion boards used the tiniest criticisms as justification for passing over a candidate. Hence Thomas' dismissal.

There are 3,000 field officers and aides serving in the Foreign Service, and around 100 are weeded out every year. Two hundred more resign annually. The process follows a fundamental Government pattern. Every man is rated at least once a year by his superior, who then passes his reports on to a departmental reviewing officer, who in turn presents his recommendations to the reviewing boards. While no one in the department argues that incompetents should not be winnowed out, the feeling is that the rating system has deteriorated into an endless round of pettifoggeries and petty jealousies, where too frequently the men who do not play up to their superiors' vanities wind up on the short end.

This fang-and-claw attitude has prompted a thorough reappraisal of the State Department's personnel system. Rather belatedly, Deputy Under Secretary William Macomber Jr., the department's top administrative officer, called in Thomas' widow Cynthia and offered her virtually any job she wanted. More broadly, the selection-out rules have been changed to prevent the flagrant injustice in the systems. Now an officer who achieves Class 5 cannot be fired until he has reached age 50 or served 20 years. This way, at least, he is entitled to retirement pay.

### *Scornful*

Further, the State Department has set up new, formidably titled Interim Grievance Procedures, the first major amendment to the Foreign Service Act since it was passed in 1946. These procedures are to last until employee-management relations are reformed under a plan projected by President Nixon. However, many officers are scornful of Macomber's new measures, since they stipulate that an employees must first take up his grievance with his superior—against whom the grievance is usually brought in the first place—and can only appeal to a board picked by the department. Says one legal official at State: "I don't care if a grievance panel is headed by Charles Evans Hughes or Jesus Christ, it still remains an in-house procedure without any chance of outside appeal."

Help is forthcoming from the outside. The Senate Foreign Relations Committee last week refused to report the confirmation of Howard P. Mace, 55, as U.S. Ambassador to Sierra Leone, which is tantamount to defeat of his nomination. As director of personnel for four years, Mace was the source of much of the department's interior turbulence. He was known behind his back as the "executioner," the man primarily responsible for the selecting-out process. Officers also noted that under his aegis men with high diplomatic potential were often bypassed for plush jobs in favor of men little experienced in diplomacy from his department. Congress is also taking more direct measures. There are two bills pending before Congress that would overhaul and codify the grievance system.

Concerned DOS officers are seizing their own initiative. A group has banded together to launch a class action against the Secretary of State; to raise money for this expensive exercise, they have instituted the Charles W. Thomas Fund. One junior officer invoked a more primitive grievance procedure. Furious over what he considered an unfair performance rating, he stopped his superior in a corridor of the State Department and cut loose a smacking right cross to the nose.

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[From the Chicago Tribune, Nov. 8, 1971]

### STATE DEPARTMENT TYPES FAIL UNITED STATES

(By Walter Trohan)

WASHINGTON.—The other day, while we watched his pretty and accomplished daughter Maureen, 10, take her pony over the jumps at the International Horse Show in the District of Columbia National Guard Armory, Rep. Edward J. Derwinski (R., Ill.) told the sad story of the American defeat in the United Nations by the expulsion of Nationalist China from that body. It was a tale to freeze the blood and make the hair stand on end.

Derwinski, a veteran of 13 years of service in Congress, who is serving temporarily on the United States delegation to the U.N., placed the blame squarely where he feels it belongs—the State Department types at the U.N. who seek to control the words and actions and even the thoughts of the members of the delegation (and frequently do so). He also saw the visit of Henry Kissinger to Peking, the Red Chinese capital, as giving some American allies the green light to block Nationalist China.

The congressman emphasized that the State Department types are not traitors in thought, word, or deed. It's just that they seem to put the interest of every other country ahead of their own. They try to put, themselves in the position of Mohammed's coffin, which is halfway between heaven and earth, so that they are at best only half Americans.

When Derwinski wanted to answer any Communist speaker, a State Department type was at his hand to shush him. This had obviously worked with delegation members in the past, but Derwinski made it clear that he was the one to decide whether he would speak or not. And when the congressman chided delegates of nations who had said they would support the U.S. proposal to admit Red China and retain Nationalist China, the department types had attacks of the dithers.

The State Department types appealed to George Bush, U.S. ambassador to the U.N. Bush told Derwinski that while he can say what he feels impelled to say, it would be appreciated if the congressman would advise him about what he proposed to do. Derwinski makes it clear that he feels that one of this country's major difficulties at the U.N. is that the State Department lacks the guts to do what should be done against the Communist bloc.

Some of the trouble stems from President Nixon's failure to keep his campaign promise to clean out the State Department. The department isn't a nest of traitors, as some extremists contend. The great trouble is that so many can't seem to realize that what is best for the United States is also good for its friends and bad for its enemies. They seem to consider diplomacy as something above and beyond the call of reason.

Part of the trouble stems from the fact that the State Department is now pretty much of a club or closed corporation. Virtually all the ambassadorial plums fall to career men, where they used to go to men who had made their marks in business and industry or other fields, men who were often heavy contributors to the party in power. These were wealthy enough to afford the expenses of the office and were competent to deal on their own, even though they accepted advice from career men below them.

Now the State Department types are convinced that if they don't rock the boat they can expect to crown their careers with the rank of ambassador and never more sit below the salt at dinner tables. Not rocking the boat means to many cooperating as far as they can with countries other than their own and subordinating American interests, even to unfriendly powers.

Finally, it means working for that nebulous goal of one world, which was the impossible dream that was accepted as workable reality a generation ago. The world has been fragmenting so rapidly that 10 per cent of the world's population in Africa holds the majority power in the U.N. General Assembly, and nationalism is the greatest force in almost every country but our own.

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## LANDMARK DECISION IN PRISON REFORM CASE

## HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mrs. ABZUG. Mr. Speaker, the recent tragic events at Attica Prison, in upstate New York, have again brought the need for drastic prison reform into the national spotlight. By and large, our correctional institutions are designed, operated, and funded more for revenge than for rehabilitation.

Last week, in ruling on a lawsuit brought by the American Civil Liberties Union, U.S. District Judge Robert H. Merhige, Jr. found that certain practices of the Virginia State prison system violated the eighth amendment to the U.S. Constitution, which prohibits the imposition of cruel and unusual punishment. Among the practices enjoined by Judge Merhige's order were limiting prisoners' diets to bread and water for breaking prison rules, using chains, handcuffs, and tear gas unnecessarily, confining more than one inmate in any "solitary" cell—these cells measure 6½ feet by 10 feet—except in emergency circumstances, and interfering with prisoners' efforts to file court documents or communicate with their lawyers.

The plaintiffs in the case were represented by Philip Hirschkop, a noted Washington lawyer in the field of civil rights and civil liberties, who was specially retained by the ACLU to handle this case.

Mr. Speaker, I include the text of two news stories about this landmark decision, as well as the text of Judge Merhige's order and scholarly opinion in the RECORD at the conclusion of my remarks:

[From the New York Times, Nov. 1, 1971]

### U.S. JUDGE BIDS VIRGINIA HALT ABUSE OF PRISONERS

(By Ben A. Franklin)

WASHINGTON, October 31.—A Federal judge in Virginia has issued a sweeping injunction against that state's prison system, barring as cruel and unusual punishment of inmates the regular use of bread and water, chains, physical punishment, enforced nudity and the censorship of mail.

The order of Federal District Judge Robert H. Merhige Jr., accompanied by a 78-page opinion, was filed yesterday without public notice at his court in Richmond. It was released here today by Philip J. Hirschkop of suburban Alexandria, Va., the lawyer who argued the case for the plaintiffs.

The prohibitions were effective immediately.

Mr. Hirschkop, who was engaged by the American Civil Liberties Union, called the courts' action "a bill of rights for inmates."

"I think you have to expect the state to appeal this decision," he said, "unless Governor Holton can prevail upon his Attorney General and others to accept it. I really expect an appeal, but I do not think that any important part of Judge Merhige's order will be stayed pending the appeal. This is going to be affirmed."

Key state officials received advance notice of Judge Merhige's findings several days ago so that his ruling could be put immediately into effect.

Judge Merhige declared in his opinion that the evidence presented during a two-week trial last November disclosed "a disregard of constitutional guaranties of so grave a nature as to violate the most common notion of due process and humane treatment."

He specifically enjoined the State Department of Welfare and its Division of Corrections from doing the following:

Imposing bread and water punishment on any inmate for any infraction of prison rules.

Using chains, handcuffs, hand-restraining tape or tear gas "except when necessary or required to protect a person from imminent physical harm or to prevent escape or serious injury to property." Testimony at the trial disclosed that such restraints were used commonly on "obstreperous" inmates, often without disciplinary hearings.

Using physical force "against any inmate for purposes of punishment."

Forcing nudity or bodily restraint of any kind as a means of punishment or otherwise "for any period longer than it shall be reasonably necessary to secure the services of a doctor" to determine whether an inmate must be restrained to protect himself from self-inflicted injury.

Placing more than one inmate in the same solitary confinement—Virginia's solitary cells are 6½ to 10 feet—"except in an emergency."

Interfering with or imposing punishment for efforts by inmates to file court documents, to have confidential communication with lawyers, even when confined to solitary, and to write legislative or other government officials.

The judge also ordered the restoration of "good time," or credit toward early release for good behavior, to all prisoners who had been docked such time without hearing or "without compliance with minimum standards of due process," such as written charges and written findings by disciplinary boards.

Judge Merhige gave the defendants, who are the top correctional officials and the directors of many of the 36 state prison facilities, 60 days to institute uniform due-process hearing procedure for cases involving the docking of good time.

All prisoners now in solitary or "padlocked cells" as a result of discipline that cost them good time were ordered freed from such confinement pending a rehearing.

In most Virginia prisons, particularly the maximum-security penitentiary in Richmond and the medium-security state prison farm at Goochland, Judge Merhige said, a prisoner who is docked good time and placed in solitary is effectively denied any reaccumulation of good time as long as he remains in solitary. Such punishment, he said, has been meted out for "indeterminate" periods.

In a specific reference to the so-called C-cell, the solitary confinement cell block at the Virginia State Penitentiary in Richmond, where a week of the trial was held, Judge Merhige directed that prisoners being held there be afforded full due-process hearings within 30 days or be released to the general prison population.

The judge ordered the State Division of Corrections to prepare and distribute to the court, as well as to Virginia's 6,000 state prisoners, a complete list of rules and regulations setting forth "standards of behavior expected of each inmate" and the minimum and maximum punishments for each rule violation.

"In many instances," the judge found, "punishment has been of such a nature as to be abusive and violative of the most generic elements of due process and humane treatment."

#### VIOLATIONS FOUND

Judge Merhige ruled that Virginia's prison system had consistently violated the Eighth Amendment to the Constitution, which prohibits cruel and unusual punishment.

He said that inmates could be sentenced to punishment for such undefined offenses as insolence, sarcasm or agitation and that there was no appeal.

He noted that prisoners committed to solitary confinement were sometimes placed on bread and water, were in every case given a diet of no more than two meals a day, were allowed to shave and take showers only once a week and were denied exercise, sometimes for months.

In cases of misconduct, "obstreperousness," "agitation" or "bad attitude," Judge Merhige said, the trial record disclosed that inmates were denied mattresses and forced to sleep on a concrete floor.

Mr. Hirschkop said that two different United States Courts of Appeals overturned within the last three years district court findings less sweeping than Judge Merhige's, but he described the Virginia case as "the first one of these suits with such a massive trial record."

The case is known as Landman v. Royster. The plaintiffs included Robert J. Landman, who is now free after serving a sentence for armed robbery. M. L. Royster, the former superintendent of the state prison farm, is dead.

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[From the Washington Post, Nov. 1, 1971]

### VIRGINIA PENAL REFORMS ORDERED

(By William Nye Curry)

Finding that Virginia state prison officials "violate the most common notions of due process and humane treatment," a federal district judge has ordered sweeping reforms in the way the officials discipline inmates.

The judge, Robert R. Merhige, Jr., of Richmond, decreed an end to a multitude of traditional prison practices, such as diets of bread and water. Judge Merhige outlawed physical force as a form of punishment, and he set forth far-reaching "minimum standards" for officials to follow to protect inmates' constitutional rights.

And his action, which immediately affects 5,700 inmates in 35 state facilities, also called for officials to suspend any present punishment not meeting those minimum standards.

Judge Merhige's findings and orders were contained in a 78-page opinion filed in Richmond Saturday. It was the result of 10 days of trial a year ago in which five prisoners challenged the constitutionality of the prison system's disciplinary process—prison regulations, the adjudication of alleged violations and the punishment imposed. Merhige ruled in their favor on all three points.

Judge Merhige said, "The proof shows three general classes of constitutional deprivation. . . . Discipline has been imposed for the wrong reasons. It has been imposed in cases of what may have been validly punishable misconduct but without the requisites of procedural due process. And punishment of a sort that the Constitution bars in any event has been imposed."

He said, "The evidence adduced has disclosed as to each of these points a disregard of constitutional guarantees of so grave a nature as to violate the most common notions of due process and humane treatment by certain (prison officials)."

The prisoners' American Civil Liberties Union lawyer, Philip J. Hirschkop, hailed the ruling as "the best prison opinion in the country." He said two similar findings in New York and Missouri have been overturned on appeal, but Merhige has the factual evidence "to make it stick" if there is an appeal.

Virginia Attorney General Andrew P. Miller said he has not yet studied the ruling to decide on any appeal. He said he expects to meet today with Otis L. Brown, director of the Department of Welfare and Institutions, to discuss that possibility, among others.

Brown, in a telephone interview, said he has not thoroughly reviewed Judge Merhige's orders but that "I'm sure there will be some problems" in carrying them out.

W. K. Cunningham Jr., director of the division of corrections, declined to comment. According to Merhige's opinion, Cunningham's vast power over prisoners' lives invites intrusions on their right, and cannot continue.

The Merhige ruling, which applies only to Virginia's prison system for now, reflects a growing nationwide challenge to longstanding prison conditions once taken for granted. The challenge has taken a form varying from the Virginia prisoners' lawsuit to the inmate insurrection this fall at the Attica state prison in New York.

(The ruling does not cover Virginia's 96 county jails and 66 other lockups.)

For 25 pages, Judge Merhige summarized case histories in which he found abuses. The judge noted that the testimony of convicted men can be open to doubt, but he also observed, "All of the unreliable testimony in the case has not, however, come from members of the plaintiff class (the prison population)."

Merhige said, "The court has observed a disturbing number of inconsistencies in the officials' accounts of applicable rules . . . Testimony by prison administrators illustrated the accuracy of Tolstoy's observations about the limits of bureaucratic power.

"A specific order invariably deteriorates in content as it travels from chiefs to subordinates on the line. Higher prison officials, generally speaking, displayed a confident perception of the rules and procedures applicable in various situations. Lower officers who in fact implement the rules were, however, less sure about the regulations governing the prisoners' conduct and their own."

The result, Judge Merhige said at one

point, is that "administrators have not been in complete control of their subordinates." And, he went on, new prison regulations issued last year are not sufficient to prevent further instances where officials have exceeded the legal limits of discretion.

Judge Merhige made these specific findings, among others:

Prisoners were held in solitary confinement—one for 265 days—without "even the rudimentary elements of a hearing or opportunity to defend any allegations made against (them)."

Punishments were imposed because prisoners attempted to help fellow inmates file suits and take other court actions.

Letters to attorneys and legislators were not mailed by prison officials, in violation of First Amendment rights.

One inmate's term was extended a year and 11 days after he read aloud a letter to another inmate. He was given no hearing.

Others were punished for talking to their attorneys about prison conditions and challenging racial segregation of prisoners in court.

"Disciplinary action was accorded . . . in some instances simply upon the whim of a guard."

"Regulations which existed frequently became clear only when one was punished for a violation (of them)."

Officials at road camp 30 in Fairfax County refused an inmate's requests for a doctor.

"The purpose and intended effect of a (bread and water) diet is to discipline a recalcitrant by debilitating him physically. Without food, his strength and mental alertness begin to decline immediately . . . Moreover, the pains of hunger constitute a dull, prolonged sort of corporal punishment . . . The court has no difficulty in determining that it is a violation of the Eighth Amendment," which forbids cruel and unusual punishment.

Restraint of two prisoners with chains and handcuffs "constituted physical torture" and is "unconstitutionally excessive."

"Four men were penned like animals in a small cell, designed for one, for 14 days without respite."

Judge Merhige held that such instances as these are not isolated but "have been a consistent course of conduct by prison administrators and those beneath them . . ." The judge then issued the orders designed to overcome the shortcomings he said exist.

Most far-reaching, perhaps, was a "panoply of guarantees" to protect inmates' rights during disciplinary action, except those with minor punishments, such as a small fine.

First, Judge Merhige said, an "impartial tribunal" shall hear allegations of infractions, and, unlike the practice in the past, officials who report the infraction may not sit on the tribunal.

The inmates shall have a right to a hearing, which includes the right of defending himself and the cross-examination witnesses. "The court appreciates the concern of prison officials," Merhige wrote, "that interrogation by prisoners of the guard force may be at variance with their respective positions in the penal heirarchy."

Inmates should be permitted to have lay counsel to present their case, and if there is a possibility of "the loss of substantial rights" the inmate may obtain a lawyer.

The judge said the above "minimum standards" must be followed "when solitary confinement, transfer to maximum security confinement or loss of (time off for good behavior) are imposed, or a prisoner is held (locked in his cell) for more than 10 days."

Judge Merhige gave the prison system 15 days to submit to him a list of rules governing inmates' behavior "and the minimum and maximum punishments to be accorded" for violations. He ruled out "such ill-defined offenses as 'misbehavior' and 'agitation.' "

The rules must be circulated to inmates, too, the Judge said. He also gave the system a limited period to rehear past violations in accord with his ruling. Until then, existing punishments will be suspended, he ordered.

Time off for good behavior that has been revoked shall likewise be restored, he said. The physical restraint of inmates shall be only for the inmates' protection, not punishment, and be based on a doctor's written report.

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[In the U.S. District Court for the Eastern district of Virginia, Richmond Division, Civil action No. 170–69–R (C.A. No. 417–70–R, C.A. No. 419–70–R)]

ROBERT J. LANDMAN, ET AL. v. M. L. ROYSTER, ETC., ET AL.

ORDER

For the reasons stated in the memorandum of the Court this day filed, and deeming it proper so to do, it is adjudged, ordered and decreed as follows:

The defendants, their successors, agents, servants, employees, and all acting in concert therewith, be, and they are hereby, enjoined and restrained from performing, causing to perform, or permitting the performance of any acts found in the memorandum of the Court to be violative of the prohibition against cruel and unusual punishment, and specifically:

1. The imposition of a bread and water diet on any inmate of the Virginia State Penitentiary System, or

2. The use of such force as chains, handcuffs, tape or tear gas, except when necessary or required to protect a person from imminent physical harm, or to prevent escape or serious injury to property. In no event shall the use of any of the foregoing be for a longer period than is necessary to isolate any prisoner against whom said actions may have been taken. In no event shall *any* physical force be used against any inmate for purposes of punishment.

3. No inmate shall be kept nude, or restrained, for any period longer than it shall be reasonably necessary to secure the services of a doctor, to the end that said doctor may determine whether or not said inmate's health will be affected thereby, and further whether or not such nudity or restraints are required by reason of a substantial risk of said inmate injuring himself. No inmate shall be so confined or restrained except in those cases wherein a doctor affirmatively states, in writing, that the health of the inmate will not be affected thereby, and that the inmate presents a substantial risk of injuring himself unless said steps are taken. Any such statement shall contain reasons upon which the doctor's conclusions are based.

4. No inmate shall be put in a solitary cell with any other inmate except by reason of an emergency and in no event for longer than it shall be reasonably necessary to make other arrangements.

5. The defendants will cause to be put into full force and effect, forthwith, those minimum due process standards referred to in detail in the Court's memorandum, and they are enjoined from the imposition of penalties prior thereto except as may be necessary to maintain order within the State Prison System until such time as arrangements have been made for the orderly implementation of the requirements of due process referred to in the Court's memorandum.

6. No inmate shall be prevented from exercising his rights of access to the courts and counsel by way of confidential mail communication or interviews by counsel at the place of the inmate's confinement. There shall be no undue interruption of mail from or to members of the legislative and executive branches of the government while acting in said capacity.

In addition, the said defendants, their successors, agents, servants, employees and all acting in concert therewith, shall cause all good time lost to the individual inmates of the Virginia Prison System as may have resulted from the lack of hearings or those hearings conducted without compliance with the minimum standards set forth in the Court's memorandum of this date be restored. Upon the restoration of such good time, in accordance with this provision of this order, leave is granted the defendants to re-try in accord with due process standards those inmates thereby affected within sixty (60) days from this date. Those inmates confined in padlocked or solitary cells who have not been accorded a hearing encompassing the minimum standards of due process, as set forth in the Court's memorandum, shall be released from such confinement, subject to a hearing or rehearing within sixty (60 days from this date, pursuant to and in accord with the Court's memorandum.

Inmates in C-cell and other maximum security units shall be afforded hearings as contemplated by the Court's memorandum on the derelictions which gave rise to their special incarceration, within thirty (30) days from this date, or shall be released to the general population.

In addition, the defendants are mandatorily enjoined to prepare and file with the Court within fifteen (15) days of this date a list of rules and regulations concerning standards of behavior to be expected of each inmate, and the minimum and maximum punishments to be accorded those who violate any of said rules and regulations. The defendants shall in addition take such steps as may reasonably be necessary to cause each member of the inmate population to be aware of the rules and regulations aforesaid.

The defendants shall file with this Court a concise report of each incident in which physical restraints or tear gas is used in connection with any inmate. Said report shall be filed within five (5) days of any such incident and shall describe the period of time in which any such restraints have been so used against any inmate, and the reason therefor. Copies of such reports shall be forwarded to counsel for the plaintiffs.

Defendants shall forthwith take the necessary steps to inform all members of the custodial staff of all units of the Virginia State Penitentiary system of the injunctive terms of this order.

Defendants shall report in detail to the Court within twenty (20) days from this date such steps as they have taken in compliance with this order.

All other issues in this cause be, and the same are hereby, continued until the further order of the Court.

Copies of this order and the memorandum referred to herein shall be forwarded to all counsel of record, and a copy of the order shall be mailed by certified mail to each of the named defendants.

ROBERT H. MERHIGE, Jr.
*U.S. District Judge.*

Date: October 30, 1971.

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[In the U.S. district court for the eastern district of Virginia, Richmond Division, Civil action No. 170–69–R]

ROBERT J. LANDMAN, ET AL. v. M. L. ROYSTER, ETC., ET AL.

MEMORANDUM

This class action by prisoners of the Virginia Penal System is brought against defendants charged with the powers and duties encompassing the maintenance and supervision of the correctional system of the Commonwealth of Virginia. The jurisdiction of the Court is acquired pursuant to 28 U.S.C. §§ 1343(3), (4), 2201, and 42 U.S.C. §§ 1981, 1983, 1985.

Defendants named in the complaint, or their successors, are the Director of the Department of Welfare and Institutions, the Director of the Division of Corrections, the

Superintendent of the State Penitentiary, and the Superintendent of the State Farm.

Plaintiffs, who are representative of the class they purport to represent, mount their attack upon the administration of discipline within the prisons: the reasons for invoking sanctions, the adjudication process, and the various penalties imposed. The evidence adduced has disclosed as to each of these points a disregard of constitutional guaranties of so grave a nature as to violate the most common notions of due process and human treatment by certain of the defendants, their agents, servants and employees.

One of the principal issues before the Court has to do with lack of appropriate due process prior to punishing members of the class for supposed infraction of rules. As the Court has already indicated, it finds that in many instances punishment has been of such a nature as to be abusive and violative of the most generic elements of due process and humane treatment.

Of necessity the Court must herein set out an extensive review of the testimony to illustrate the existence of what the Court finds to have been a consistent course of conduct by prison administrators and those beneath them, resulting in the denial of the fundamental elements of due process.

A prefatory remark is due on a point of terminology. The good conduct allowance—"good time"—is a credit of ten days against one's sentence for each twenty days served without a rule infraction. Va. Code § 53–213 (Supp. 1970). The Director of the Department of Welfare and Institutions is empowered to impose forfeitures and restorations of accumulated good time. Va. Code § 53–214 (1967 Repl. Vol.).

**"C–cell" inmates at the Virginia State Penitentiary and occupants of other "segregation" units there and at the Virginia State Farm enjoy substantially fewer privileges than men among the general population.** Prisoners in C-cell cannot be employed in any work program; thus they are denied the opportunity to earn money. A reduced diet—two meals a day—is served. Religious services and educational classwork are unavailable, although men may be visited by a chaplain. There is no access to a library, although the men can receive magazines (under a recent change in rules) and books. The likelihood of release on parole is almost nonexistent for men placed in C-cell, and in practice there is no chance that lost good time will be restored. In addition, showers are permitted only at weekly intervals instead of daily, and men in some segregation units are unable to exercise outdoors.

In the Virginia penal system there are five major units and about thirty smaller correctional field units. About 1100 inmates, all felons, are housed in the maximum security Virginia State Penitentiary, located in the City of Richmond. The Virginia State Farm, a medium security facility, holds about 1200. The Virginia Industrial Farm for Women contains about 300 inmates. Southhampton and Bland Correctional Farms each hold about 450. The combined Correctional Field Units, minimum security institutions, hold some 2200 inmates. There are about 30 of these "road camps;" the permanent ones house about 80 to 90 men, and the semi-permanent units contain 50 to 60.

The volume of testimony concerning rules generally covering sanctions and their application in specific instances is immense. Even allowing for the changes in policy which no doubt took place over the time period—over two years—embraced by the deposition and ore tenus evidence presented, the Court has observed a disturbing number of inconsistencies in the officials' accounts of applicable rules. These factfindings must be read, and compared with the evidence, with the awareness that when it is said that a given disciplinary procedure is followed, the Court is speaking of theory and not necessarily practice, and, at that, theory as expressed by the most apparently authoritative individual.

There was at the time the Court heard this case no general, central set of regulations for the penal system stating which offenses justify the taking of a prisoner's good time or his commitment to a solitary cell.

As of July, 1970, according to depositions then taken, the Superintendent of the Virginia State Penitentiary was empowered to take a man's good time in any amount on the recommendation of a disciplinary committee. No guidelines exist for the penitentiary fixing the range of penalties available for particular infractions. Men in C-cell maximum security section seem generally to be ineligible for restoration of good time. For men among the general population there is a rule of thumb that good time cannot be restored unless a man has served at least twelve months without an offense.

The disciplinary committee does not call as a witness the guard who reported an offense. Needless to say, cross-examination is therefore impossible. No written charges are served on the prisoner before or after the proceedings, and lawyers may not participate. The committee does not make factfindings. No formal appeal procedure exists.

The Disciplinary Committee jurisdiction, in late 1970, was extended to cover offenses committed in C-cell. It now, therefore, generally hears as well any charge that may result in solitary confinement. The question whether a man should be placed in C-cell in the first instance, however, is not always determined by a disciplinary committee hearing. This decision may be made by the Superintendent alone.

Once he is in C-cell, a man's release to less rigorous quarters may be gained by means of a recommendation to W. K. Cunningham, Jr., Director of the Division of Correction, by a committee composed of the Penitentiary Superintendent, Assistant Superintendent, and two high guard officers.

As of July, 1970, a C-cell inmate could be moved by a guard into meditation without a hearing. Only the Superintendent or Assistant Superintendent could order the man's release. A guard could request leave to keep a man in solitary for more than 30 days, in which event a written report by the guard was to be passed on to Cunningham who, on the basis of the report, would approve or disapprove the request. The meditation cells measure about 6½ feet by 10 feet and contain a mattress (at night), a sink and commode. The usual C-cell diet is served, although bread and water is reserved as a selective form of additional punishment. A man may also be denied use of his mattress for up to about three days as a form of penalty, in which case he sleeps on the bare cement with a blanket.

If a penitentiary prisoner is continually obstreperous in solitary, there is no further method used to control him other than by chaining or tear gassing. On occasion a man's clothing may be taken if he appears to be a suicide risk or a menace to others.

Transfers from the general population to C-cell, since at least 1969, were in theory made only on the recommendation of the disciplinary committee to the Superintendent. Peyton, the Superintendent in February of that year, said, however, that such a transfer, made solely on the recommendation of the Assistant Superintendent, would not necessarily violate regulations. It was his practice, he said, to interview all prisoners in C-cell every six months to determine whether a return to general population was indicated. Criteria determining the decision to place a man in C-cell or remove him were extremely hazy. A man's attitude, his disruptiveness, tendency to challenge authority, or nonconforming behavior, as reflected in written or oral guards' reports, may condemn him to maximum security for many years.

In 1969 C-cell inmates' offenses for which good time might be lost were "tried" usually by the Assistant Superintendent on the record of a guard officer's report.

In the penitentiary the B-basement category of punitive segregation was instituted in September of 1968. Superintendent Peyton himself selected the inmates who were to be placed there. Conditions there were substantially as in C-Building, but somewhat more restrictive. For several months, for example, B-basement inmates were not permitted outdoors for exercise.

Isolation of prisoners in maximum security cells of this sort has often been effected without any formalities. No investigation was made into Leroy Mason's responsibility for a prison work stoppage, yet for that reason, apparently, he was placed in C-cell for nearly two years. As a matter of practice no hearings were held, according to Oliver, when he was at the Penitentiary, on the question of transfers into C-cell, and inmates were held there at the discretion of himself and the then superintendent, Peyton. Generally speaking these two administrators relied exclusively upon written reports submitted by the guards in retaining men such as Mason, Landman, Hood, and Arey in maximum security units. Elaboration as to the Court's findings as to each of these men will be set forth in later paragraphs.

The Assistant Superintendent at the Penitentiary may "padlock" a man without any hearing for any length of time.

In the penitentiary it appears that several disciplinary sanctions are imposed by guards acting alone, or with the permission of the officer in charge. Meditation prisoners lose their mattresses for misconduct, for example. Mechanical restraints such as chains, tape, and handcuffs are placed on rambunctious inmates by guards. At least once an inmate was taken directly to meditation from death row by a guard captain. Several times fines have been imposed by guards. Furthermore, one Captain Baker has both charged inmates with offenses and sat on disciplinary committees which sentenced them to meditation.

Superintendent R. M. Oliver described the punishment procedures which prevailed at the Virginia State Farm in December of 1970.

There are 32 solitary cells at the southside part of the State Farm, and 16 at northside. Permissible punishment, without special authorization by the Director of the Division of Corrections, is 30 days' confinement. Prisoners are given a mattress at night only; during the day they sit on the floor or on the toilet bowl. Two meals per day are served. It is standard fare, save that no beverage, dessert, or second helpings are provided. Prisoners in solitary cells could not initiate legal proceedings nor answer any letters save those concerning pending proceedings or family crises.

Confinement under this regimen is directed only by a disciplinary committee composed of a guard lieutenant, Assistant Superintendent Jackson, a guard captain, and Mr. R. O. Bennett. The group meets as soon as possible after the offense, preferably within 24 hours. Mr. Oliver stated that he would object to assistance by lawyers at such hearings and likewise to lay counsel's presence as encouraging excessive "hassling." He would not object to using written charges in cases of serious offenses but saw no need for written factfindings.

At the State Farm a prisoner may be taken by a guard directly to a solitary cell if he is incessantly disruptive. In any case, however, a hearing by disciplinary committee is held within 24 hours of the alleged offense. At least since February of 1969, a committee has met on questions of good time loss, which they might recommend to the Superintendent, and transfers to maximum security.

Confinement to maximum security areas at the State Farm (formerly C–5 now M

Building) entails a reduced diet, rationalized on the basis that the inmate is not working, weekly showers only, and no outdoor exercise.

At the State Farm, testified Assistant Superintendent Jackson, no prisoner would be confined to meditation without a hearing before himself. Once at least, he said, he placed a prisoner in meditation not for violation of any regulation but because he was mentally incapable of abiding by rules governing life in the general population.

Solitary confinement cells at the State Farm are similar to those at the Penitentiary. The bread and water regimen is now very rarely used, and meditation inmates have not in recent years been deprived of clothing as a type of punishment. Both of these sanctions, however, are held in reserve.

Current practice on good time loss is for the disciplinary committee to forward its recommendation that a man lose good time to the Superintendent. That officer almost invariably approves the recommendation and determines, all on the basis of written reports, by how much time a man's sentence should be lengthened. No specific guidelines prescribing penalties for various offenses exist.

The Assistant Superintendent of the Virginia State Farm may place a man in confinement in his own cell—"padlocked"—without a hearing. This is usually done on a guard officer's recommendation. There is no maximum term.

As of July 1970, the Superintendent of one Field Unit had four men in solitary for various offenses, such as general "misbehavior." While this witness' testimony was to some extent inconsistent and contradictory, the Court concludes that men at this particular Field Unit have been jailed summarily, without a hearing, on the authority of either the Superintendent or a guard. Such solitary confinement has been for an indeterminate period in the sense that as of the time of the taking of evidence in this case the witness could not say for how long those then in solitary would be so confined. In at least one instance a hearing of sorts was held in the Superintendent's office in which one of the men who sat in judgment of the accused prisoner was the guard who had accused him.

This witness also said that no particular standards governed his requests that good time be taken. No hearings are held at which the men are allowed to disprove the information on the basis of which good time loss is recommended.

In 1969, one Reynolds, Superintendent of Field Unit No. 9, stated that he permitted men in meditation to write an attorney whenever they wished, even when held in isolation cells. Whenever an offense meriting taking good time was involved, he said, he would call the inmate accused before him; he did not mention that a formal hearing was requisite.

At Bland Correctional Farm, disciplinary proceedings are conducted by a committee including the Superintendent, Assistant Superintendent, and a captain of the custodial force. Good time forfeiture is often haphazardly administered. After one incident including a sitdown strike involving several inmates, the Superintendent docked several participants all their good time, despite that some had accumulated far more than others, and even though in professed theory the amount forfeited is related to the gravity of the offense. At the hearings inmates were not informed of their right to present evidence by witnesses.

The Superintendent of Unit 7 confirmed that on one cold day when several inmates declined to work, some were given the choice of road work or solitary confinement. One Wade Thompson was sent to solitary. A prisoner named Melton, whom the witness felt had instigated or agitated the strike, was also sent to solitary. No firm evidence lay behind this finding of "agitation" by Melton. Nevertheless the man was kept in jail and put on a diet of bread and water for two days out of three because the administrators disapproved of his "attitude." Although permission is nominally required for extended "jail" terms and bread and water, Blankenship, the Superintendent, did not secure this before the extra sanctions were imposed.

Good time also was taken. This witness stated that he had never held a formal hearing of any sort on restoring lost good time, and the Court so finds.

Good time administration in the field units is in the control of D. P. Edwards, Superintendent of the Bureau of Correctional Field Units, who acts on the basis of written reports and recommendations by the disciplinary courts in the various field units. A guard is often one member of the court panel, although theoretically not the man who reported a violation. Procedure is not fixed by written rules, but the practice prescribed for field units does not provide for a written notice of charges but does allow some cross-examination and the presentation of a defense. This code of practice is passed on by word of mouth to camp superintendents at regular meetings.

A man at a field unit who claims to be ill will be taken to a doctor at his request; there is, however, no provision for regular visits by doctors to some units, much less to men in solitary. There are no medical staffs at any field units.

A prisoner who escapes, or attempts to escape, is automatically docked all accrued good time when he is recaptured, whether or not he is tried and convicted, and he is not considered eligible for restoration of that credit. When a prisoner is put in solitary he sometimes stops accruing good time and some times does not, depending on the administrators' views of his attitude.

Certain principles with respect to discipline apply throughout the Virginia Penal System in theory. There have been, however, no general rules which establish those offenses for which commitment to solitary confinement or the taking of good time may be imposed.

Confinement in meditation is ordered by the institution superintendent or assistant superintendent after a hearing. One of these officials and one or more of his subordinates hear the case. In theory the complaining officer presents his charge in the inmate's presence, and then the presiding hearing officer asks the convict to make a defense or explanation. The prisoner may then depart while the discplinary committee discusses the case. Subsequently a decision is announced.

The prisoner about to be tried is not given a written notice of the charge he faces. Only custodial personnel sit on the disciplinary boards. No explicit recognition of the prisoner's right to cross-examine exists. After the hearing no written factfindings are made or given to the prisoner. No particular process for appellate review exists, although no one can complain by letter to higher officials.

Before his hearing an inmate, if considered violent, may be held in a detention lockup on a guard's authority, but in theory no guard may commit a man to meditation. Nor does an accusing guard sit on the adjudiciary panel.

No lawyer or lay assistant is permitted to represent or advise an accused prisoner.

These rules also govern proceedings resulting in a recommendation to deny good time. There are no procedures set up to review requests to restore good time.

Until very recently, an inmate in solitary confinement was subject to almost total restriction of his correspondence privileges. On entering meditation he might send a form letter to his family explaining his status and that he could not correspond or receive visitors. The man could receive mail from an attorney, however, and correspond with counsel concerning pending litigation only. He could not file suit.

Meditation cells are equipped with a mattress at night only. No man is fed on a bread and water diet save with the permission of the Director of the Division of Corrections. A doctor's approval is not required, however, and this practice is authorized on the basis of brief written requests. A man in meditation is alone, save when overcrowding requires the placement of more than one man in an isolation cell. The only reading matter is a Bible.

The use of further restraints such as chaining or gagging is not covered by regulation, but is left to the discretion of the unit superintendent. Cells almost uniformly are equipped with a sink and a commode. No specific regulation allows inmates to have a toothbrush, toilet paper, soap, and so forth. Most are given a towel. They are permitted to shower and shave once a week only. A doctor does not regularly visit men in solitary cells. In the penitentiary a man will be examined by a doctor only if the male nurse—a former military medical corpsman or man of equivalent training—recommends that he be taken to the hospital.

W. K. Cunningham, the Director, testified that no intelligible guidelines govern the taking of good time, save that escapees and escape attempts always result in full forfeiture. He could not recall any instance of his overruling a superintendent's decision to take good time. Field Unit superintendents forward their recommendations to Mr. Edwards, the overall superintendent of field units; he usually follows their lead. The individual unit superintendents are for the most part former guards who worked up through the ranks, and not all are high school graduates; in fact a majority are not.

The great majority of prisoners have lost good time restored to them, according to Cunningham nonetheless he testified that in the last eight months of 1970 only one penitentiary inmate received such grace.

Disciplinary boards have at times included the accusing guard. Furthermore, although representation by another is forbidden, the Director testified that some inmates are so very dull mentally that they probably cannot properly present their case.

Good time has been taken in amounts at least as large as one year on the basis of the briefest of guards' reports. Maximum security confinement has often been imposed out of unsubstantiated fear, suspicion, or rumor. In some cases this form of detention has been used for prisoners who were simply too feeble minded to adhere to the usual prison routine.

On October 1, 1970, less than two months before trial on this case, Division Guideline 800 was put into effect. These regulations, as adapted to cover all institutions, govern inmate discipline. They are set out in full as "Appendix A." These were the first substantive regulations on the subject put into effect in the Virginia penal system.

The new guidelines require a three to five member "adjustment committee" composed "normally" of department heads or their assistants. A counselor—a social worker assigned to one of the large institutions—may be present if one of his charges is accused.

There is provision for notice of charges to the inmate, although not in writing. The inmate is put in "detention" pending hearing, which takes place within 48 hours. There is some vague provision for witnesses and cross-examination, at the discretion of the committee chairman. The result of the hearing is recorded and transmitted to the Superintendent for "review and approval;" whether that officer can reverse a not guilty verdict is unclear.

The new regulations do not forbid a charging officer from sitting in judgment. Presumably this practice will be disapproved in theory, as in the past. In practice, however, an accusing official has sat on the panel; Assistant Superintendent H. P. Jackson of the State Farm has done so numerous times.

Offenses are described only as major or minor misconduct. There is no apparent restriction on available penalties, save that corporal punishment is outlawed, and described "minor" penalties can be imposed by a guard supervisor, with appeal to the committee.

The guidelines place conditions on the use of solitary confinement cells. Normal practice will be to permit an inmate to keep his usual clothing. The cells are to be lighted and heated, and occupants receive something to sit on in the daytime. Mail is not substantially curtailed, and "jail" terms are limited to 15 days. However, a "supervisor officer" may direct the removal of all furnishings and clothing from the cell if the inmate is "destructive," and a man can be kept in isolation longer than 15 days at the order of the Director. Alternatively, he may be placed in a maximum security cell "until he can, with reasonable safety, be returned to the general population."

Forfeiture of good time is imposed on the recommendation of the adjustment committee to the institutional superintendent. That official withholds his decision for seven days while the inmate presents his case to him in writing. There is no procedure established to cover the restoration of lost good time, although the discipline board may "set new behavioral goals . . . and offer restoration of good time." Final authority to restore credit, however, seems to rest in the superintendent, as it did previously.

Procedure for transfer to maximum security facilities is not established, although there is provision for a "formal review" every 120 days of each inmate's "behavior and attitude."

Finally there is a saving provision reserving full authority over disciplinary matters in the Director.

Copies of these regulations were not sent to inmates.

The rules do not seek to define offenses. As before, inmates may be penalized for "abusive language," a term particularly vague in its content in the prison milieu, where the norms of polite conversation do not prevail. Whether language is "abusive," according to Cunningham, depends a great deal on the tone of voice or manner in which words are spoken. In the past, nevertheless, men have been punished for "abusive language" on the basis of written guards' reports which sometimes did not even report the words spoken.

"Insubordination," "insolence," and "sarcasm," likewise offenses, are also undefined; their substance is left to the judgment of administrators. A superintendent also may penalize men for "poor work" and "disrespect" if their conduct is such, in his opinion.

Whether a man has in fact attempted to escape or has escaped will be left to the determination of the adjustment board and the superintendent, as before.

"Agitation" is also undefined. Cunningham states that it consists of influencing others to do illegal things, or acts which would be disturbing to the institution. Guards' reports, however, occasionally give no specifics as to the acts constituting "agitation."

No maximum time of padlock confinement is fixed by the new rules. Cunningham stated that the decision to padlock a man must be made by an official of the office of Assistant Superintendent or higher, but the "minor misconduct" provision appears to allow the chief guard officer to impose this penalty.

The guidelines make no reference to the practice of imposing fines. In the past this has been done summarily by guard officers.

Maximum and minimum amounts of good time that can be taken for various offenses are not set forth. As before, these will be governed, under guideline 800, by patterns and rules of thumb passed on orally. Moreover in practice a superintendent's decision to take or restore good time will not be effectively appealable. At most correctional field units this means that the ruling will be made by a man without a high school education or any special training in the goals and techniques of penology.

Guideline 800 also authorizes a continuation of the practice of confining mental defectives in the maximum security segregation cells. The inmates Elbe and Gonzales were referred to C–5 segregation at the State Farm for the offense of having insufficient mentality to participate in ordinary prison business. This is still authorized for those who "cannot safely function in the regular inmate population."

Regular appeal procedures are not established. In the past prisoners aggrieved by decisions against them have been able to "appeal" to the institution superintendent or the Director, by writing a letter. Review, however, has been highly informal, and the Director has not hesitated to go outside the record to secure information on a man's behavior both on the incident in issue and in the past. Never, however, has he reversed a superintendent's decision to take good time.

The Court finds that the reserved powers clause would retain for Cunningham the power to take good time without a committee hearing, to place someone in a solitary cell without a statement of reasons, and to keep a man in maximum security indefinitely on his sole order. Despite that according to Guideline 800 a normal diet is served in isolation, the director may still nonetheless impose a bread and water menu. Moreover, even the adjustment committee may extend a man's term in "jail" if it finds that he committed a second offense during his first fifteen-day term.

Cunningham had informed no fixed opinion on whether counsel should be admitted to the disciplinary committee hearings. He thought that lawyers might be unfamiliar with the goals and means of penology, even by comparison with some of the guards. The director had no objection to the presence of lay counsel, however.

Going to the Court's findings concerning not only the named plaintiffs but others of the class, the Court makes the following additional factual findings:

### ROBERT JEWELL LANDMAN

Landman, a prisoner now released from the Virginia system after having served his full term on August 28, 1970, had been technically eligible for parole for six years prior to his release.

Commencing in 1964, Landman embarked upon a career, well-known to this Court, as a writ-writer. The evidence before the Court is that between that time and the time of his release, on behalf of himself he filed a minimum of 20 suits, and it is estimated that in addition he assisted fellow inmates in approximately 2,000 other petitions.

Landman's troubles with the prison authorities apparently commenced with his having written a letter to one of the local newspapers, for which he served 20 days in solitary confinement. This was followed with correspondence to the then Governor, and in 1964 he was sent to what is known as the "C" Building and placed in punitive segregation where he was held for a period of 150 days. He was removed from there and put in the general population until January 1965 when he was moved to a prison camp. His move from the penitentiary to the camp came the day before he was due to confer with a local attorney.

His reassignment to the penitentiary from the camp undoubtedly came about by reason of his having by then commenced his writ-writing endeavors, and in May 1965 it was recommended that he be placed in the "C" Building for his efforts in that regard. In "C" Building his life appears to have been a series of transfers to and from solitary confinement. In at least one instance he was put in solitary confinement for 58 days and never given any reason whatsoever for this confinement.

Apparently for assisting another prisoner in preparing a writ in 1966, he was once again put in solitary confinement.

This Court finds that up to November 1966, the man was punished 16 times and had good time taken from him once. He served a total of 266 days in solitary confinement and 743 days on padlock.

In August of 1968, this Court entered a consent injunction enjoining the prison officials from denying inmates of the Virginia State Penitentiary certain of their rights. The day following the injunction, Landman was once again put in solitary confinement for a period of 40 days, allegedly for conferring with another prisoner. Landman's attempts to contact his lawyer were to no avail. From March 15, 1969, to July, Landman was placed on what is known as "padlock," wherein a padlock is placed on a particular cell so that when all other cells are opened electronically, that particular cell remains closed.

In short, the Court finds that there was imposed upon Landman over 265 days of solitary confinement and in no instance did he receive even the rudimentary elements of a hearing or opportunity to defend any allegations made against him. The Court is satisfied that Landman's exercise of his right to file petitions with the courts, and his assisting other prisoners in so doing, were the primary reasons for the punishments put upon him.

### CALVIN M. AREY

Arey was placed in solitary confinement on December 6, 1965. Although the record is devoid of any accounts of violence on the part of Arey, he had with justification been considered an escape risk and remained in "C" Building for a period of more than 4½ years until released into the general population in July 1970. At least twice while in maximum security he was placed in solitary confinement, one of the times for allegedly discussing with Landman an order of this Court, and he, like Landman, was transferred to solitary confinement for a period of 42 days during which time neither of them was permitted to file legal pleadings or to send letters to courts or attorneys; and in one instance he was placed in solitary confinement for reading to inmates a letter that he had received from a state senator. No notice or hearing of any kind was held in regard to these punishments, nor in regard to his loss of good time which he sustained. It would appear from the evidence that Arey's good time was taken on the basis of information received from a guard and upon the recommendation of the Assistant Superintendent that his good time be taken. Not even the rudimentary elements of a hearing or opportunity to be heard was given this man prior to the taking of good time.

The fact that some of the matters which gave rise to the many punishments received by Arey may well have been factually, accurate can in no way be used as an excuse for the failure to accord him due process.

The record abounds with evidence of Arey's attempts to communicate with attorneys, only to be subjected to delay or frustration. In at least one instance Arey was forbidden by the Superintendent to communicate with an attorney who was not then currently representing him. Perhaps the most striking example of the indignities suffered by Arey is exemplified by an incident which occurred on August 13, 1968. On that day radio news reports gave an account of this Court's injunction against the employment of certain methods of punishment in the state prisons.

According to punishment reports submitted by guards, Arey yelled to other inmates concerning the Court order, telling the population of "C" Building generally that tear gas and the taking of bedding had been prohibited. Arey's commitment to solitary for this was approved by Superintendent Peyton who, so far as the evidence before this Court shows, failed to check out the account of the occurrence with anyone who had been allegedly present. The prison records as to this incident show the spaces on the form designed to record the members of the disciplinary panel who heard the case to be blank. Obviously no hearing was held. In fact it was standard practice at that time, the Court finds, to discipline men in C-cell without any hearing. On occasion, according to the testimony of R. M. Oliver, a committee might sometimes be used.

Arey was released from his isolation on September 23rd. That same day he found on his cell cot a letter he had tried to send to an attorney on August 14th; permission to mail it had been refused. He, of course, had been denied leave to write counsel during his solitary confinement.

The record shows that a letter went from Superintendent Peyton going to Director Cunningham, which indicates as well that copies of this Court's order mailed by an attorney to certain prisoners were intercepted apparently on instructions of an Assistant Attorney General.

It was three days after his release from meditation, where he had not been allowed to shave, brush his teeth or comb his hair, and after having been on a bread and water diet for two days out of three while incarcerated in a cell which contained only a sink and a commode, and, in the night, a mattress and two blankets, that he wrote a letter to a state senator which ultimately was returned to him without having been mailed. The letter, which concerned penitentiary conditions, was taken to R. M. Oliver who disapproved this correspondence. No satisfactory explanation for this action has ever been received.

In 1969 Arey received a copy of a letter from a state senator which he read aloud to another inmate. While there is some dispute over how loud he spoke and what extemporaneous remarks he added, as a consequence a guard filed a punishment report. While no hearing was held, Arey lost all accumulated good time and stayed in meditation until February 5, 1970. The effect of the loss of good time was to extend his term by a year and eleven days.

Arey was kept in C-cell through 1969 and well into 1970. In early 1969 no concrete reason could be given by Peyton as to why Arey was still in maximum security. At least one official testified that it was principally on account of his alleged disruptive, contentious attitude. The same official, however, in conversation with the state senator who visited the prison, stated that Arey's litigiousness was at least a contributing cause for the resolve to keep him in C-cell.

In mid-1969, after J. D. Cox succeeded Peyton as Superintendent, a four-man review committee for the penitentiary recommended to W. K. Cunningham that Arey, Leroy Mason and several others be returned to the general population from C-cell. Cunningham rejected this proposal and the men were kept in segregation for many more months.

### ROY E. HOOD

Hood had been in the penal system continuously since 1963 and in at least two instances escaped from road camps and undoubtedly has admittedly caused difficulty, in some instances, during his stay, although in at least one instance he had been made a trusty. Some of the punishment accorded Hood, such as allegedly for refusal to work, fails to show up on the records kept by the authorities.

While in most instances Hood knew of the reason for a particular punishment, the Court finds that he has been put in "the hole", or solitary confinement, in some instances without benefit of any opportunity to be heard as to whether the punishment was either deserved or appropriate. He has lost good time under the same circumstances.

From January 1967 to November 1968 this particular prisoner was apparently devoid of any particular problems until he conferred with an attorney, and within eight days thereafter he was transferred to the penitentiary. Interestingly enough, the attorney with whom he had conferred was the same attorney who was representing the inmates in their suit to desegregate the penitentiary. The attorney had conferred with Hood and one Lambur, and had asked the prisoners to send him information concerning alleged tear gas incidents which might be useful in a case he was then litigating. The same day of the conference prisoner Lambur was incarcerated in a high security section and, as heretofore stated, eight days later Hood was transferred to the penitentiary and put in a padlocked cell. No satisfactory reason for the treatment accorded these men has ever been given. The response received to his several inquiries as to why he had been accorded the treatment referred to was a brief notation from an official to the effect that Hood knew the answers as well as he did.

The files reflect a letter from the Director indicating that Hood and others had been sent to the penitentiary as a result of "agitation" that they were allegedly committing among State Farm inmates. The evidence before this Court shows that the agitation apparently was Hood's inquiries about tear gas incidents.

On March 31, 1969, guards took an inmate named Hargrove from a cell near Hood in a fashion that Hood thought was rough. On that same day he wrote to an attorney—the same attorney with whom he had conferred at the State Farm—and in this letter he wrote of the alleged rough treatment and remarked about alleged poor medical care. The following day he was placed in B-basement, a high security area. That the prison authorities imposed summary punishment on Hood for exercising his right to communicate with an attorney about conditions of confinement is clear. As a consequence he remained in B-basement for thirteen months.

### LEROY MASON

A named plaintiff, Leroy Mason, admitted to the Richmond Penitentiary in 1965, had no noteworthy clashes with prison authorities prior to 1968. In early 1968 Mason was known by the authorities to have contacted an attorney concerning certain prison conditions, in particular the alleged segregated nature of the State Penal System. In July 1968, while he was working as a Chaplain's Assistant at the penitentiary, there came about an inmates' non-violent strike or work stoppage. The Court finds that Mason had no prior knowledge of the work stoppage.

The then Superintendent, Peyton, suggested that the prisoners go to their respective work places and elect several spokesmen with whom he would confer. Of those spokesmen Mason was elected as an inmate representative, and generally he spoke for those representatives and met with Superintendent Peyton several times, but continued to perform his regular job. By that time Mason was a named plaintiff in a class action suit pending in this Court for the purpose of requiring a racial desegregation of the Virginia Penal System.

On July 19, 1968, four guards came to Mason's cell, handcuffed him and took him to the isolation cell block in the prison hospital where he remained in what amounted to solitary confinement for approximately a month. It is to be noted that another spokesman, one Pegram, met the same fate. Prison records indicate that the transfer of Mason was allegedly for refusal to return to work, for his own protection, and in an effort to keep him incommunicado. No hearing in regard to this punishment was held and he was kept in an isolation cell for approximately thirty days.

Shortly after being released from isolation he was transferred on August 20, 1968 to the maximum security lockup, i.e. C-cell segregation block, and was held there until April 27, 1970. In addition, it was ordered that he lose ninety days good conduct time.

The Court finds that he was not accorded any hearing, and in addition his release from maximum security had been recommended for some time prior to his actual release from same. The record is devoid of any valid reason as to why he was not released sooner. While the Court is not fully apprised as to the use of punishment report forms in the prisons, it notes with some interest that the report of Mason's August 20th transfer to C-cell was apparently received by the Superintendent's office on August 19th.

While much disciplinary action was accorded many of the prisoners without notice or hearings and for reasons still vague to the Court, and in some instances simply upon the whim of a guard, in the treatment accorded Mason the record is devoid of any justification, and the Court is therefore satisfied that his punishment was attributable to his instituting an action in this Court for purposes of desegregating the Virginia Penal System.

Superintendent Peyton had stated that he could not say for sure whether Mason had stopped work during the strike. According to Peyton's explanation Mason was put into isolation only to keep him out of danger and contact with other inmates. Yet in spite of the uncertainty expressed by Peyton concerning any alleged work stoppage by Mason, ninety days good time penalty was imposed for allegedly refusing to work.

In late 1969 in spite of recommendations of the prison staff that Mason be released from maximum security, Cunningham refused to go along with the recommendation apparently on the basis of Peyton's reports that Mason had been a strike ringleader. Mr. Cunningham's justification for the continued refusal to air these charges in a hearing was based on the grounds that an emergency condition still persisted at the penitentiary. The proffered justification for Mason's segregation confinement and loss of good time is so specious as to add weight to the Court's conclusion that he had been penalized for his participation in a law suit begun in January 1968 in this Court in which he sought and achieved the desegregation of the Virginia * * *.

### THOMAS C. WANSLEY

Wansley, serving a life term, had apparently been in no difficulty prior to the strike in July 1968. He, like Mason, was one of the original parties in the suit filed in February 1968, for the purpose of desegregating the penitentiary. Wansley was one of several hundred inmates who refused to work on July 18th at the time of the alleged work stoppage. The Court finds that shortly thereafter he did request an opportunity to return to work. As a consequence of his actions he was placed in solitary confinement from July 1968 to August 1968 and kept in a cell for a period of ten months.

The Court is satisfied that, unlike Mason, Wansley knew of the contemplated work stoppage. It is of particular note that Wansley remained confined for some considerable period after other striking prisoners were returned to their regular duties. It is a fair assumption, and the Court finds, that the reason for this was his actions in the suit to desegregate the Virginia Penal System.

Penitentiary records indicate that the padlocking of Wansley was allegedly for "agitating" by advising other prisoners to file suits contesting their treatment and by telling others, after his return from Court on August 13, 1968, that guards were barred from using tear gas against them and, apparently according to him, would be jailed if they did. Wansley, the Court finds, was never formally confronted with this alleged charge of agitation and never saw the prison reports prior to the trial of this case. In short, he was put under padlock on the basis of reports that he was yelling in the cellhouse and "agitating." The witness Oliver recalled no details save that Wansley had not been violent. Peyton, in February 1969, made no effort to justify Wansley's detention beyond saying "in his judgment" he should be confined.

As already indicated, the trial of the issues before the Court consumed many days of testimony in which the Court heard at least 46 witnesses, including the named plaintiffs, and read designated depositions of others. As one would expect, the witnesses called on behalf of the plaintiff were for the most part prisoners who either were or had been confined in places of incarceration under the jurisdiction of the defendants. The Court is satisfied that the testimony received is representative of conditions existing generally throughout the Virginia Penal System.

The Court has attempted to bear in mind in its ultimate conclusion that the burden is upon the plaintiffs to prove their case by a preponderance of the evidence, and this the Court is satisfied has been done.

The following additional factual findings are intended to be illustrative to the end that the Court's legal conclusions based upon same may be more readily understandable:

### FREDDIE LEE HYTHON, JR.

Hython, a State Farm inmate for approximately six years prior to the date of hearing in this case, refused to perform work at that facility allegedly because another inmate had threatened him and he feared to mingle in the population. He explained his plight to a guard lieutenant and he was forthwith ordered to an isolation cell.

Hython's testimony has been waived by the Court in light of the Court's conclusion that apparently he was a person of extremely limited intellectual capability. He had had his good time taken from him several times without benefit of a hearing, although he did have at least one hearing concerning good time forfeiture.

### NATHAN BREEDEN

Breeden, a prisoner at the State Farm, was incarcerated in the C–5 high security section at his own request because of his alleged fears of persons in the general population. His testimony was of significance to the Court in that it corroborated the allegation brought out during the trial that it was common practice to place mentally ill inmates in solitary confinement.

While incarcerated in C–5 Breeden witnessed, in a manner of speaking, the death of another inmate, one Philip Lassiter. The Court finds that in late August of 1970, Lassiter was placed in a meditation cell by reason of the fact that he was mentally disturbed and his behavior was sometimes uncontrollable. Breeden, through an inmate named Marsh Whitney, secured copies of records of Lassiter's psychiatric care over the prior three years.

Between August 25th and Lassiter's death, while Lassiter was confined to a meditation cell, he screamed day and night apparently seeking help. Indicative of Lassiter's state of mind was that on that day he plugged the commode in his cell with a shirt, causing the flooding of his cell.

Efforts, were made by Breeden to bring to the attention of the prison nurse the records he had secured from inmate Whitney. On August 27th Breeden spoke to a lieutenant and subsequently gave him a copy of what purported to be a doctor's letter diagnosing Lassiter's condition as chronic schizophrenia. On August 29th Breeden wrote to Superintendent R. M. Oliver about the case.

Lassiter continued to scream for help until he died on August 31st. At least four inmates in nearby cells corroborated Breeden's account including the fact that at some point, which the Court determines to be approximately August 26th, at least one guard had an altercation with Lassiter concerning a food tray, during which Lassiter, if not the guard, landed some blows.

It should be noted that Superintendent Oliver said that Lassiter had been placed in solitary confinement at his own request, and while he knew that the inmate was under psychiatric care, he never received reports of Lassiter's alleged screaming.

The Court finds that while it was not the routine practice to put mentally disturbed persons in solitary cells, they were occasionally placed there for want of other space pending commitment proceedings.

### EDWARD R. BELVIN

The prisoner, Belvin, a person with a Sixth Grade education, had lost 66 days good time for alleged attempted escapes. He was accorded no hearings prior to the taking of his good time. The prison administration simply sent him a "green slip" revising his sentence. As a consequence of these sanctions, 66 days were added to his term.

In April, 1970, Belvin was in the prison hospital for treatment of a nervous condition. On one occasion he threatened to scream if he was not given a shot which he felt he needed. As a result he was taken to a meditation cell without a hearing. There the guards restrained him by handcuffing him and chaining his body to the cell bars. They wrapped tape around his neck and secured that to the bars also. Belvin remained in this position for fourteen hours until a guard cut him down at 4:00 a.m. Belvin was kept nude in a bare meditation cell for seventeen days during April. His clothing was taken because he refused to surrender a food tray to guards.

Guards in the penitentiary have had the authority to chain a violent man until recently; currently it can be done only at the Superintendent's orders. Prison policy, however, dictates that mentally disturbed inmates not be so treated, but rather that commitment proceedings be begun as soon as possible. It is inexplicable why Belvin was placed in an ordinary punishment cell rather than some less brutal form of confinement. He had reportedly twice attempted suicide prior to this episode, yet medical supervision appears to have been lax. The decision to chain him was made by guards, without the prior approval of any doctor, yet this incident did not, so far as the record shows, result in so much as a reprimand for those responsible.

### BARRY CLINTON JOHNSON

Johnson, a prisoner under sentence of death, was placed in meditation three times. In January, 1969, he spent about seven days in meditation for complaining to guards and arguing about officials' treatment of money sent to him at the prison. The guards' reports recount a very poor attitude in making requests and nasty remarks about personnel. No hearing was held; Johnson gathered from a guard that his complaints about his money were cause for his "jailing." Just before his confinement, Johnson filed a complaint in this Court along with one Short alleging mistreatment by guards.

The second time, Johnson was reported as having harassed a guard when he inquired of him about some shirts which another correctional officer had promised him. The week before he had been shot with tear gas in his cell and had written to Phillip J. Hirschkop, an attorney in his case, complaining about the incident. He also encouraged other inmates subjected to such treatment to write Hirschkop. Before his transfer to solitary, Johnson was accorded a semblance of a hearing in that he was taken to a bank office and confronted with the charge by three guards, two of whom were officers. The allegedly harassed guard was not present at this hearing to be questioned. The guards sent him to meditation without advising him of the length of his stay.

In July, 1970, Johnson was sent to solitary for loud talking, although the man with whom he allegedly was engaged in loud talking was not punished. One guard, Captain Baker, had previously threatened to punish him for cursing other guards. Another, Gibbs, told him to stop complaining to courts and lawyers or he would be placed in solitary. Johnson was taken to solitary by five or six guards and brought the next morning to the guards' office. There, Gibbs threatened to cut off commissary privileges, hot water, and coffee if he did not cease his complaints. Others accused him of cursing a guard; he denied it, but they refused to check out his story. Less than two weeks before this incident Johnson had written a complaint letter to the Governor of Virginia.

When he was taken to C-cell solitary the third time, Johnson was punched by Captain Baker with a tear gas gun and when, at Baker's orders, chained to the cell bars. This endured for five days. His waist and arms were secured to the bars in such a fashion that he could just barely recline. He was not released in order to urinate or defecate.

At trial there was no cross-examination of this witness.

### SAMUEL MACKMAN

Mackman, a fifteen-year veteran of the Richmond penitentiary, gave accounts of being placed in solitary and losing "good time" for breaking up a fight and for having requested his prescribed medicine. On October 31, 1968, punishment report has it that Mackman threatened to hit a guard, one Catron. This occurred, the prisoner said, after Catron shot him with tear gas for failing to eat.

In January of 1969, Mackman lost 90 days good conduct time for "yelling . . . cursing and raising hell." He spent ten days in meditation and received a "green slip" extending his sentence 90 days. No hearing was held.

When the authorities concluded that Mackman in fact had only sought to break up a fight, they restored good time earlier lost. No hearing was held on the charge, however, at any time.

### BERNARD R. BOWSER

Inmate Bowser, serving a five year sentence, has lost good time without any hearing. The Court is satisfied that Bowser, on being placed in meditation, was cognizant of the reason for it as well as the reason for good time being taken. The Court does find that no hearing, in at least several instances, was held with a view to finding the facts.

The same situation exists as to the witness Robert Powell and one Wiley A. Reynolds, another State Farm prisoner who although he did receive the benefit of one or more hearings, stated the accusing guard was sometimes not present. The Court concludes that the regulations which existed frequently only became clear when one was punished for a violation.

### WADE EDMOND THOMPSON

Wade Edmond Thompson testified concerning discipline in the correctional field units, the state convict road force. At Field Unit No. 27, he was placed in solitary confinement three times.

The first time, in March of 1969, a guard complained of his conduct and he was brought before a lieutenant, acting as superintendent. The complaining guard and a state highway employee were present as well. After about a week Thompson was released from "jail"; he learned sometime later that the charge had been insubordination.

In August, 1969, Thompson, feeling unwell, requested to see a doctor. Instead he was given the option of working on the road or going into solitary. He chose the latter.

In January of 1970, Thompson, having had a series of run-ins with one particular guard, was brought before the Superintendent on the latter's complaint. The guard stated that Thompson had used profane language; another verified this, and the prisoner was sent to solitary by the Superintendent without an opportunity to state his side of the case.

On his request, Thompson was transferred to Unit No. 7 soon thereafter. At that camp, in February of 1970, Thompson and a number of others refused to work when the temperature fell to eleven degrees. Thompson was called into the Superintendent's office. He told that official that he would not work in such cold weather, as he understood he was not required to do, under applicable regulations. He was ordered to solitary confinement, where he spent twenty-four days, without a disciplinary hearing. Some weeks after his release he learned that he had lost sixty days' good time. Conditions in "solitary" were extremely crowded; from four to seven men were put in a one-man cell.

Thompson later went to Field Unit No. 18, from which he escaped. After trial and conviction for this offense, he was also docked eighty days of good time; no hearing was held.

This witness approached the Superintendent of Unit 18 to request another transfer, stating that he had difficulty living under the regulations. As an example, he stated that a guard in the mess hall had once forced another prisoner to eat a raw sweet potato. In response to this complaint, the Superintendent ordered Thompson summarily taken to solitary confinement. While in "jail," Thompson complained of his plight in a letter to Philip Hirschkop, an attorney. The very day that the letter was mailed, he was given a hearing on his infraction by three guards. The charge was "agitating" the inmate who balked at eating raw food. In fact, Thompson never spoke to the man, nor did he tell anyone save the Superintendent of the incident. This was the only "hearing" that Thompson ever was granted on the issue.

### STANLEY DOUGLAS POWELL

Powell, an inmate of Correctional Field Unit No. 4, for six months prior to trial, stated that he was summarily punished for allegedly cursing a guard. Two days after the offense he was taken aside by that guard, Anderson, and one other; the latter ordered him to strip naked. Lieutenant Anderson thereupon struck him with a nightstick. Powell was taken to a doctor some time later and his head was stitched up. The same day he was taken before the Superintendent and ordered into solitary confinement. At some point during this episode, Powell wrote his brother about the incident. Anderson, having apparently intercepted the mail, called him in and said that if he made no trouble about the beating he need not go to "jail." Powell spent eighteen days in solitary confinement; he never had a hearing, nor was he given reasons for his punishment.

The guard, Anderson, testified that he struck Powell only after being attacked himself. Cunningham stated, however, that it is the policy throughout the penal system that any man who attacks a guard loses all of his good time. This did not occur in Powell's case. The Court rejects the account given by Lieutenant Anderson.

### THOMAS JEFFERSON

Jefferson gave an account of a series of units. His innocence of misconduct may be and indeed is open to question; nevertheless the procedures followed in imposing sanctions is not seriously disputed.

At Field Unit 16 he was sent to solitary three times at the order of various guards or guard officers. No hearing or statement of reasons was offered. A bread and water diet was enforced at various times.

As soon as he was transferred to Unit 2, Jefferson was jailed for 31 days for misbehavior without a hearing. Following an argument with guards in the dinner line, Jefferson was committed to solitary a second time. The guards refused to let him see the superintendent. When he argued, a guard shot him with tear gas and kicked him, although he did not resist. Twice again that day he was tear gassed in his cell. This jail term lasted 56 days, during which Jefferson did not have a shower nor get a change of clothing. In addition, he lost between sixty and ninety days of good time. No hearing was ever held.

Jefferson's reputation as a trouble maker accompanied him to Field Unit 4. Only minutes after his arrival he was jailed for "misbehavior"—cursing a guard. Jefferson, who is black, says this occurred when a white guard called him "boy." No hearing was held on this offense. This was the first of twenty-one terms he spent in "jail" in Unit 4. His offenses included refusing to work, refusing to work in cold weather, and talking to civilians on the highway. For an escape attempt he lost 60 days' good time. No hearings were held in any case, but he knew generally the nature of his alleged offense each time he was punished.

Superintendent Honeycutt of Field Unit No. 2 wrote to D. P. Edwards, Superintendent of the Bureau of Correctional Field Units, after the chow line affair, stating that he intended to keep Jefferson in a solitary cell indefinitely until his attitude toward authority changed for the better. Honeycutt in theory had no power to confine a man more than thirty days, but Edwards made no objection.

### TIM SCOTT

Scott witnessed part of Jefferson's chow line melee. Jefferson was loud, Scott says, but he made no physical threats, nor did he resist physically. Another inmate persuaded him to submit and go to jail, according to Scott's testimony, which the Court accepts.

Scott himself is an adherent of the Black Muslim faith. As part of his religion he must each day wash the exposed parts of his body. At Field Unit 2 he was committed to a solitary cell when he was discovered washing in a basin in the dormitory. A guard, one Wyatt, directed him to stop. Scott protested that he was not breaking any regulation, but continued to wash. The guard drew up a charge and Scott went before the superintendent the next day. That official confronted him with Wyatt's charge and asked why he had not complied with the guard's order; Scott again replied that rules had been posted and no regulation forbade using the basin in the evening. He was sentenced to seven days in jail.

* * * * *

A guard lieutenant then brought him some medicine which had been prescribed and told him to take it. Another inmate told him that the "medicine" was suppositories, not to be taken orally; Scott had received no instruction. The lieutenant returned and discovered that Scott had not taken the medicine. After a hearing of sorts before the guards, the details of which do not appear, the prisoner was taken to another camp and put in solitary for nineteen days. On his return to Camp 11 he was notified that he had lost 30 days' good time for "misconduct." He asked the superintendent what his offense was; that officer said that Scott had asked to see the doctor when there was nothing wrong with him and then refused to take his prescribed medicine. Scott infers that he was punished because only a few days before a man in his camp, one Page Early, had died while begging to be allowed to see a doctor, and the authorities wanted to keep the matter quiet. In fact the superintendent and a guard told other inmates that if they tried to get word of Early's death out of the institution and into court they might be put in solitary or lose good time.

Scott's Islamic religion threatened to bring other sanctions upon him. A guard sergeant threatened him with transfer from Camp 2 if he continued to prosetylize; a captain directed him to speak to no more than one or two at a time. Such restrictions are not imposed upon conversations on other topics, nor is the use of the washbasin restricted for others as it is for Scott. Cunningham himself said that by Scott's own account he had committed no offense.

### GEORGE D. CEPHAS

Cephas experienced back trouble while assigned to Field Unit No. 26 in July of 1969. The camp authorities had him taken to two doctors on three different occasions. One of these told a guard lieutenant that Cephas should not be assigned to road work; the other confirmed that he needed medication, but that he should work. Some days after his last examination, Cephas had an attack of pain allegedly so severe that he could not get out of bed. The guard captain had him shackled and moved to Camp 30, where he spend twenty-six days in meditation. At Camp 30 Cephas' requests to see a doctor were denied. After his "jail" term he was returned to Camp 26 and reassigned to road work, although the foreman apparently allowed him to do light work. This was Cephas' only offense in prison.

### FREDDIE LEE COLLINS

Collins, who has spend most of his term in Correctional Field Unit No. 2, was placed in solitary confinement three times between November 1969 and April 1970. Each time the charge was poor or unsatisfactory work. No formal hearing was held. Instead he was simply called before the superintendent, who informed him that his guards had reported Collins' misconduct. Collins went to jail. On one occasion the superintendent said merely that "his guards don't lie." During the twenty-one day stay Collins lost twelve pounds.

### DAVID LEON BROOKS

Brooks also was committed to solitary confinement in field units three or four times without a prior hearing. At one time in October 1968, he lost 60 days of good time and was jailed for allegedly refusing to work. During one period of confinement Brooks was kept nude in his cell for nine days.

### CHARLES LEE MELTON

Charles Lee Melton had a substantial record of infractions at Field Units 2, 31 and 7. "Jail punishment reports" indicate that in most cases the decision to punish was made by a two or three man board, including the superintendent. At unit 31, Melton said, he was usually given a chance to explain his conduct by Superintendent Sumner.

On December 4, 1968, according to the defendants' records, Melton was jailed for the following reason:

Offense: When E. Phillips #90872 was put in solitary, he said, might as well put him in.

Melton was heard on this "charge" by the superintendent alone. Records show that he was not released until March 12, 1969. Until February 12 he received full rations only every third day. Meals the other days consisted of four slices of bread, served twice each day. During the first 32 days of "jail" a window was left open in Melton's cell and snow fell in on him.

From July 29, 1970, through September 15, 1970, Melton was in a meditation cell in Camp 7; during this time his diet was bread and water for two of every three days and his weight fell from 160 to 140 pounds.

After his three month term in meditation had been served in 1969, Melton was transferred to the penitentiary where he was notified that he had lost all his accumulated good time—over twelve months—for refusing to work. No hearing was held.

Testimony by prison administrators illustrated the accuracy of Tolstoy's observations about the limits of bureaucratic power. A specific order invariably deteriorates in content as it travels from chief to subordinates on the line. Higher prison officials, generally speaking, displayed a confident perception of the rules and procedures applicable in various situations. Lower officers who in fact implement the rules were, however, less sure about the regulations governing the prisoners' conduct and their own.

The rules for years has been that, absent claims of gross violations of fundamental rights, federal courts will make no inquiry into the manner in which state prison officials manage their charges. *McCloskey* v. *Maryland,* 337 F. 2d 72 (4th Cir. 1964). It is not difficult to discern the principal rationales for this doctrine. A prisoner after all is presumed to have been justly convicted and sentenced; that presumptively valid judgment imposed a punishment of confinement under certain contemplated conditions. "Lawful incarceration brings about the necessary withdrawal or limitation of many privileges and rights, a retraction justified by the considerations underlying our penal system." *Price* v. *Johnstone,* 334 U.S. 266, 285 (1948). This is not to say that prisoners possess no further rights to be infringed or liberties to be taken. However, while confined, their fate is by law in the hands of administrators whose acts, like those of most administrative decision-makers, may be presumed legal.

Furthermore, courts have, perhaps implicitly, honored the theory of criminal punishment that holds that men who have been found guilty of violations of criminal laws may be utilized, so to speak, by society for ends related to the general welfare, such as the deterrence of similar acts by others and the alteration of their own patterns of behavior. Criminal activity, it is thought, once proved by legal procedures, fairly works a forfeiture of any rights the curtailment of which may be necessary in pursuit of these ends, such as the right of privacy, association, travel, and choice of occupation. Because federal courts have considered themselves both lacking in the authority to dictate those uses to which society may put convicts and without the specialized knowledge to test the necessity of losing certain liberties to accomplish various goals, they have not generally questioned such deprivations. Even now no court has required that states adapt their penal system to the goal of rehabilitation.

Moreover, in a society concededly subject to increasing legal regulations, prisoners more than any others are subjected to state control. State officials govern inmates' lives by a series of decisions on an hourly, indeed continual, basis. Many of their decisions may be subject to more than colorable constitutional attack. If each is to be subject for federal examination of a plenary sort, the energy and time of the federal judiciary and of state penal officials would be diverted to an inordinate extent. Even if the law permitted many such matters to be determined without the taking of testimony, little if any saving in time would be accomplished. Concerns of judicial efficiency must be among the reasons which cause courts to pause in considering whether Congress intended federal civil rights jurisdiction to extend over such claims. See *Sostre* v. *McGinnis,* —— F. 2d ——, 8 Cr. L. Rptr. 2437 (2d Cir., Feb. 24, 1971); *Weddle* v. *Director,* 436 F. 2d 342 (4th Cir. 1970).

Nevertheless, whether detention should be imposed at all has always been matter for federal review. In consequence any substantial restriction upon access to a federal forum for examination of the legality of confinement has been barried as well. See, *e.g., Johnson* v. *Avery,* 393 U.S. 483 (1969); *McDonough* v. *Director,* 429 F. 2d 1189 (4th Cir. 1970).

Recent caselaw too supports inquiry into prison administrators' restriction of constitutional rights other than that of liberty itself.

There is no doubt that discipline and administration of state detention facilities are state functions. They are subject to federal authority only where paramount federal constitutional or statutory rights supervene. It is clear, however, that in instances where state regulations applicable to inmates of prison facilities conflict with such rights, the regulations may be invalidated. *Johnson* v. *Avery, supra,* 486.

Prior to *Johnson* and since, federal courts have directed state and federal penal officials to honor convicts' claims to religious freedom, freedom of speech and association, and freedom from racial classification. See, *e.g., Brown* v. *Peyton,* 437 F. 2d 1228 (4th Cir. 1971); *Carothers* v. *Follette,* 314 F. Supp. 1014 (S.D. N.Y. 1970); *Lee* v. *Washington,* 390 U.S. 333 (1968). The reasoning supporting such intervention must be that the prison authorities have shown no compelling need to suppress these rights. Plainly stated, they have not shown such remarkable success in achieving any conceivable valid penological end by means which entail the abridgement of these constitutional guarantees as might make their denial seem worthwhile. Cf. *In re Gault,* 387 U.S. 1 (1967).

Courts have also intervened when sentences are administered in a manner that seems unintended and unauthorized by the convicting court. Relief is justifiable in some cases on the fairly basic rationale that to extend or augment punishment beyond that imposed by a state court is to penalize without due process. A valid state judgment affords no license to exceed its terms. *Perkins* v. *Peyton,* 369 F. 2d 590, (4th Cir. 1966).

Inquiry into the administration of sentences has also been promoted by the trend elsewhere in law to reject the so-called right-privilege distinction. Although state law may authorize the grant or withdrawal of certain benefits during incarceration, and state authorities may be taken, in sentencing, to contemplate the administration of their judgments in conformity with state law, still the federal Constitution circumscribes governmental power to withhold such benefits arbitrarily or discriminatorily.

Finally, penal authorities have been constrained to refrain from punishment deemed cruel and unusual in situations where some other penalty might legally be imposed. Some courts have, further, held that any penalty at all for an act which could not legally be a violation amounts to cruel and unusual punishment. *Carothers* v. *Follette, supra,* 1026.

Rejection of the right-privilege distinction as a sterile form of words has likewise cast doubt upon the logical difference between deprivations constituting "punishment" and those presented as techniques for the maintenance of "control" or "security." Presumably the consequence of labeling a deprivation a matter of control is that it may be imposed without procedural preliminaries. The distinction is unpersuasive. Substantial deprivations of rights even in matters called civil where no misconduct is alleged have not been permitted without due process. Reasons of security may justify restrictive confinement, but that is not to say that such needs may be determined arbitrarily or without appropriate procedures. In an obvious sense, too, any treatment to which a prisoner is exposed is a form of punishment and subject to eighth amendment standards. This is not to say, though, that prison officials may not treat their charges as individuals. Deprivations of benefits of various sorts may be used so long as they are related to some valid penal objective and substantial deprivations are administered with due process. "Security" or "rehabilitation" are not shibboleths to justify any treatment. Still courts must keep in mind that a recognized valid object of imprisonment is not just to separate and house prisoners but to change them. When it is asserted that certain disabilities must be imposed to these ends, courts may still inquire as to the actuality of a relation between means and end. The test of necessity will, as mentioned above, be more stringent when a deprivation of a fundamental constitutional right is involved. When officials assert lack of funds needed to achieve their goals by means which would not infringe constitutional rights, moreover, the attempted justification will usually fail. *Hamilton* v. *Love,* —— F. Supp. ——, 9 Cr. L. Rptr. 2293 (E.D. Ark. June 2, 1971).

Extensive evidence was presented and detailed factfindings have been made for the reason that the plaintiffs contend, and the Court has concluded, that the constitutional violations of which they complain are not isolated deviations from normal practice but rather indicated traditional procedures in the penal system. When such a showing is made it is the Court's duty not solely to amend so far as possible the defaults of the past but to prevent their likely recurrence in the future.

The Court, at trial, granted counsel a certain amount of leeway in presenting evidence; as a result the record runs at some points far afield into issues not strictly of constitutional scope. For this reason it bears examination not only by lawyers but by any officials of our state government concerned to provide a penal system better, perhaps, than required by minimum constitutional guaranties.

One problem raised and not resolved by a study of the cold record, the credibility of much of the testimony, pervades this case as it has few others in this Court's experience. Witnesses drawn from a society of convicts as a rule may not have so refined a regard for the value of truth as most citizens. All of the unreliable testimony in the case has not, however, come from members of the plaintiff class. Custodial personnel life with their charges in a climate of minimum tension; it would be surprising indeed if an exchange of standards and values did not take place between them. Prison administrators too, perhaps understandably, may develop a self-protective instinct that manifests itself in a tendency to preserve and fall back on the written record of propriety, although it may not reflect reality. These observations must lead this Court, and anyone else concerned with maintaining fairness in the operation of our penal system, to conclude that the fairest rules must fail to fulfill that goal if they are not administered by fair-minded and intellectually capable men. The work of custodial personnel is such as to frequently try the patience of Job. Nevertheless, the daily administration of rules for conduct of an admittedly different society requires not only firmness but awareness of the purpose of incarceration.

The proof shows three general classes of constitutional deprivation, each a subject for injunctive relief. Discipline has been imposed for the wrong reasons. It has been imposed in cases of what may have been validly punishable misconduct, but without the requisites of procedural due process. And, punishment of a sort that the Constitution bars in any event has been imposed.

Just as the cruel and unusual punishment clause restrains the judiciary and the legislature, *Ralph* v. *Warden,* —— F. 2d ——, (4th Cir. 1970), *reh. denied,* —— F. 2d —— (4th Cir. 1971), so also it limits the discretion of administrators. The evidence here shows that these limits have been exceeded.

In gauging the compliance of Virginia officials with this constitutional command, the Court has not found it necessary to explore deeply the question whether a practice in issue constitutes a punishment. Compare *Trop* v. *Dulles,* 356 U.S. 86 (1958). As noted above, in an obvious sense any term of incarceration, with all of its incidents, constitutes a penalty. The purposes of the eighth amendment might best be served by treating the preliminary issue as thus resolved. Any treatment imposed upon the convict would then be tested by the cruel and unusual standard. See, *e.g.*, *Holt* v. *Sarver*, 309 F. Supp. 362 (E.D. Ark. 1971), aff'd. —— F. 2d ——, 9 CrL. Rptr. 2171, (8th Cir., May 5, 1971). A deprivation imposed for purposes not of deterring misconduct in the institution but instead for some nonpuntive end, such as disabling a man from injuring himself or property, or for no specific purpose at all, might nonetheless be unconstitutional. A defect in that approach taken alone is that it tends to obscure the issue of disproportion between offense and penalty—a valid eighth amendment inquiry—when a deprivation has concededly been imposed as a consequence of past misconduct within the prison and for the end of deterrence and example. A prisoner is both a participant in society as a whole and a member of the smaller penal community, a relatively closed society subject to a separate set of rules. The cruel and unusual test may validly be applied, in effect, on both levels to intraprison discipline.

Courts have not articulated detailed standards establishing what penalties are cruel and unusual. It is recognized that standards may change. Indeed it is hoped that they will.

The basic concept underlying the Eighth Amendment is nothing less than the dignity of man. . . . The Amendment must draw its meaning from the evolving standards of decency that mark the progress of a maturing society. *Trop* v. *Dulles, supra*, 100–01.

The provision, some have suggested, may be violated by the imposition of a penalty that is excessive in comparison with prevailing practice, disproportionate with the gravity of the crime, or greater than is necessary to achieve the permissible aims of punishment. *Rudolph* v. *Alabama*, 375 U.S. 889 (1963) (Goldberg, J., dissenting from detail of certiorari). It is cruel and unusual, furthermore, to impose any punishment whatsoever upon an individual guilty of no harmful act but solely possessed of an incriminating condition. *Robinson* v. *California*, 370 U.S. 560 (1962).

A penalty may likewise violate the clause even though it consists only of exposing an individual to a high probability of suffering grievous injury. Cruelty exists for example in imposing on a man the anguish of continued uncertainty as to his fate, with knowledge that severe consequences may befall him for unforeseeable reasons against which he is powerless to protect himself:

This punishment is offensive to cardinal principles for which the Constitution stands. It subjects the individual to a fate of ever-increasing fear and distress. He knows not what discriminations may be established against him, what proscriptions may be directed against him, and when and for what cause his existence in his native land may be terminated . . . It is no answer to suggest that all the disastrous consequences of this fate may not be brought to bear on a stateless person. The threat makes the punishment obnoxious. *Trop* v. *Dulles, supra*, 102; See also, *Holt* v. *Sarver, supra*, 309 F. Supp. at 372–73.

Our own Court of Appeals has stated that lawful incarceration must not include exposure of the prisoner to the risk of arbitrary and capricious action, *Landman* v. *Peyton*, 370 F. 2d 135, 141 (4th Cir. 1965), *cert. denied* 388 U.S. 920 (1967).

Although most of the administrators who testified in this case stated that the imposition of a bread and water diet is now extremely rare, the issue is not moot nor unsuitable for injunctive relief. The director still retains the power to approve bread and water, and in the past he has done so on application by subordinates. Moreover, subordinates have on their own initiative used the practice without approval in the past.

Bread and water provides a daily intake of only 700 calories, whereas sedentary men on the average need 2000 calories or more to maintain continued health. Evidence is not presented on the other nutritional shortcomings of a bread diet, but it does no violence to doctrine of judicial notice to remark that vitamin, protein, and mineral content is probably deficient as well. The purpose and intended effect of such a diet is to discipline a recalcitrant by debilitating him physically. Without food, his strength and mental alertness begin to decline immediately. It is a telling reminder too that prison authorities enjoy complete control over all sources of pleasure, comfort, and basic needs. Moreover, the pains of hunger constitute a dull, prolonged sort of corporal punishment. That marked physical effects ensue is evident from the numerous instances of substantial weight loss during solitary confinement.

Even the Superintendent of the Virginia State Farm, one of whose foremost concerns, and rightly so, must be the safe confinement of dangerous men, has not found it necessary to use bread and water in his memory. Other officials report a very rare use of the tactic. A current manual on prison practices strongly disapproves any disciplinary diet which impairs health. American Correctional Association, Manual of Correctional Standards (hereinafter A.C.A. Manual), 417 (1966).

The practice is therefore both generally disapproved and obsolescent even within this penal system. It is not seriously defended as essential to security. It amounts therefore to an unnecessary infliction of pain. Furthermore, as a technique designed to break a man's spirit not just by denial of physical comforts but of necessities, to the end that his powers of resistance diminish, the bread and water diet is inconsistent with current minimum standards of respect for human dignity. The Court has no difficulty in determining that it is a violation of the eighth amendment. *Jackson* v. *Bishop*, 404 F. 2d 571 (8th Cir. 1968); *Wright* v. *McMann*, 321 F. Supp. 127 (M.D. N.Y. 1970).

Likewise, to restrain or control misbehavior by placing an inmate in chains or handcuffs in his cell is unconstitutionally excessive. The evidence showed that in Belvin's case this practice left him with permanent scars, and in his case and that of Johnson it caused lack of sleep and prolonged physical pain. Neither man was released to respond to a call of nature, nor could they eat. Further details are not necessary in order to reveal that it constituted physical torture.

Corporal punishment should never be used under any circumstances. This includes such practices as . . . handcuffing to cell doors or posts, shackling so as to enforce cramped position or to cut off circulation, . . . deprivation of sufficient light, ventilation, food or exercise to maintain physical and mental health, forcing a prisoner to remain awake until he is mentally exhausted, etc.

. . . *The regulations of well-run prisons usually provide, in effect, that force may be used only when necessary to protect one's self or others from injury, or to prevent escape, or serious injury to property*. A.C.A. Manual, *supra*, 417 (italics original).

Corporal punishment of this variety is outmoded and inhuman. The Constitution forbids it, and this Court shall enforce that ban. It is not contended that a man in a locked solitary cell cannot be kept from escaping, injuring others, or destroying things of value. The only justification for the policy is to prevent self-injury. (Ironically, Belvin seems to have been seriously cut by his "protective" chains, either despite or on account of his own efforts). The Court simply cannot conceive that no less drastic means can achieve that legitimate end. The extent of the constitutional guaranty is not fixed by the administrators' budget or imagination. *Jackson* v. *Bishop*, *supra*, 580. Here the evidence shows that Belvin's fetters were put on without medical approval.

A doctor, if called on for a recommendation, might well have prescribed some form of drug treatment. Only recently have penitentiary officials sought to borrow some strait jackets for such emergencies. Indeed to a great extent the control of violent inmates has been left in the hands of guard personnel, who call to their superiors' attention incidents such as Belvin's experience only after the fact by brief written reports. Thus efforts to explore alternative treatment methods have not been exhausted; indeed they have hardly been commenced. On this showing the practice of fettering inmates in closed cells is both cruel and unnecessarily so.

The practices of taking inmates' clothing while in solitary and keeping them in unheated cells with open windows in the winter have been disapproved in *Wright* v. *McMann*, *supra*. Such penalties, which work to degrade an inmate by denying him any of the sources of human dignity and imperil his health as well, are cruel and unusual. The Court recognizes, as pointed out by the prison authorities, that recalcitrant inmates may well, and undoubtedly do, break windows deliberately—nevertheless this conduct can surely be punished by a method less likely to endanger the health of the inmate. See also, *Anderson* v. *Nosser*, 438 F. 2d 183 (5th Cir. 1971). The Court will permit an inmate to be kept nude in his cell only when a doctor states in writing that the inmate's health will not thereby be affected and that the inmate persents a substantial risk of injuring himself if given garments.

The instances of chaining, denial of clothing, and exposure to cold have, on the evidence, not been everyday occurrences. New regulations in Guideline 800 also purport to outlaw some of these practices. Nevertheless injunctive relief seems appropriate for the reason that in the past punishments of this sort have been inflicted by guards acting alone. Administrators, in other words, have not been in complete control of their subordinates. There is no particular reason to believe that this situation is being remedied. See *Landman* v. *Peyton, supra*. Only injunctive relief will adequately protect the plaintiff class.

On occasion prisoners in solitary confinement have been deprived of their mattresses and blankets as punishment for misconduct. The new guidelines authorize this to be done to punish "destructive behavior." In the past this has been done for such offenses as noisemaking, as in Moon's case. The penalty is undoubtedly harsh, but the Court is not persuaded that it is cruel and unusual. There is no evidence that it had a substantial effect upon anyone's health. If the cell is otherwise clean, and well heated, and the prisoner keeps his clothing, it should not be detrimental. Other cases holding solitary confinement, which included a denial of bedding, cruel and unusual generally included the element of unsanitary conditions. See *Wright* v. *McMann*, *supra*, 321 F. Supp. at 139–41; *Knuckles* v. *Prasse*, 302 F. Supp. 1036, 1061–62 (E.D. Pa. 1969); *Hancock* v. *Avery*, 301 F. Supp. 786, 792 (M.D. Tenn. 1969); *Jordan* v. *Fitzharris*, 257 F. Supp. 674 (N.D. Calif. 1966).

The practice of crowding several men into a single "solitary" cell, however, must be condemned. Ware Edmond Thompson was held for twenty-four days in a meditation cell at Field Unit No. 7. When first "jailed," he was put in a one-man cell with six or seven others. All had apparently refused to work in cold weather, but there is no evidence that any threatened violence. Thompson was taken briefly to a solitary cell at another camp, but then for some reason he was returned to Unit 7 and kept for a further two weeks in a cell with three other men. Three men slept on two mattresses, and the fourth slept in one corner with his feet stretched over the others. They were also denied the usual Bible to read. Several administrators stated that more than one man should be put into a solitary cell only if emergency conditions required it. In Thompson's case, however, no such justification is shown. Clearly if a number of men had earned a term in meditation, the authorities had the capacity to distribute them among various penal units. The crowding is thus shown unnecessary and takes on a vindictive aspect.

Cases involving overcrowding in prison cells have generally included aggravating conditions such as denial of clothing, unhygienic conditions, and other abuses. *Anderson* v. *Nosser, supra; Knuckles* v. *Prasse, supra.* Here there is no sign that health was in fact jeopardized. *Anderson* and *Knuckles* concerned conditions that prevailed for less than three days. Four men here were penned like animals in a small cell, designed for one, for fourteen days without respite. Lack of space made sleeping very difficult. If confined men retain any claim at all to human dignity, they cannot be needlessly so dealt with for such long periods of time. The system's new guidelines provide that superintendents shall "proceed to alleviate [excess occupancy] as promptly as possible." Again, in view of the system's past difficulties in securing compliance with its regulations at lower levels, the Court shall enjoin extended, unnecessary confinement in solitary cells of more men than the cell was meant to hold.

Tear gas has also been used to silence noisy, misbehaving men while confined to their cells. Thomas Jefferson was gassed three times, and others have been gassed in their cells at the penitentiary. The problem of dealing with convicts who persist in disturbing entire cell blocks and inciting others to join in the disorder is a real one. The Court has not found any instances of gassing men in cells who were not currently disruptive. Yet the use of gas to disable a man physically who poses no present physical threat constitutes a form of corporal punishment, the use of which in such a situation is generally disapproved. Undoubtedly it is effective, but it is painful, and its abuse is difficult to forestall. The problem appears to arise because there appears to be no way to isolate a misbehaving inmate to an area where his rantings will not disturb anyone. This difficulty is, however, one of the system's own creation. If chaining a man to his bars, punishing him with a strap, and other corporal punishment should be enjoyed, *Jackson* v. *Bishop supra,* this Court cannot make a principled distinction which would permit the use of tear gas to punish or control the nonthreatening inmate.

There was evidence, furthermore, that some inmates were not permitted to shower during extended stays in solitary. Relief on this score will be denied because there is no proof that at such times they were also denied the necessary sanitary items so that they might wash in their cells.

The Court would not enter upon a review of the procedural aspects of prison discipline were there a lack of evidence in this case that discipline had been imposed upon men guilty of no infraction. Unfortunately, there is credible evidence to the contrary. Many of the prisoner witnesses, who testified that they were placed in solitary cells or lost certain privileges, readily admitted that they had disrupted legitimate prison functions. Others, however, just as plainly were penalized for communicating with courts or lawyers in a fashion that might not be punished, for protected litigation activities, for offenses that simply had not occurred, or on the basis of unfounded suspicion. In other cases the reasons men were punished cannot be determined with certainty; had more explicit procedural directions been followed in such cases there might well be no question now. These factors distinguish this case from *Sostre* v. *McGinnis, supra,* where the evidence did not disclose a pattern of due process violations, and from such cases as *Burns* v. *Swenson,* 430 F. 2d 771 (8th Cir. 1970), and *Courtney* v. *Bishop,* 409 F. 2d 1185 (8th Cir. 1969), where procedural faults did not work to deny any fundamental rights.

Still, matter for preliminary inquiry is whether this Court ought to consider any claim of unlawful denial of good time credit prior to the exhaustion of state court remedies. The general rule is that the 1971 Civil Rights Act, 42 U.S.C. § 1983, will not serve as substitute for the federal habeas corpus remedy, such that one might avoid the exhaustion requirement by invoking the former. *Brigham* v. *McGinnis,* —— F. Supp. ——, 9 Cr. L. Rptr. 2050 (2d Cir., Mar. 16, 1971). So stated, the rule begs the question: When must a claim be presented in habeas?

Recent caselaw has expanded the scope of federal habeas corpus, so that the writ is available to achieve relief other than immediate release. See, *e.g., Peyton* v. *Rowe,* 391 U.S. 54 (1968). In consequence it has been said that "[i]nsofar as one attacks only the state computation of sentence-service, and not the validity of the entire sentence, habeas corpus is still the proper remedy in those exceptional cases where the state's computation of service of a sentence presents a federal question." *Schiro* v. *Peyton,* No. 13,086, *mem. decis.* (4th Cir. Dec. 23, 1968).

In a sense, of course, any claim of violation of a prisoner's constitutional rights amounts to an allegation that he is "in custody in violation of the Constitution . . . ," 28 U.S.C. § 2254(a). Still it has long been clear that many such claims, whether or not they might have been raised in a habeas case, see Developments in the Law—Federal Habeas Corpus, 83 Harvard L. Rev. 1038, 1079–87 (1970), are nonetheless properly presented in a civil suit in equity.[1] Prevailing precedent in this Circuit permits claims that good behavior time has been arbitrarily denied, and that injunctive relief is therefore owing, to be litigated in § 1983 action, and indeed disapproves the use of habeas corpus. *Roberts* v. *Penelew,* 313 F. 2d 548 (4th Cir. 1963). If the scope of habeas has since expanded, see *Johnson* v. *Avery, supra; Peyton* v. *Rowe, supra,* there is nonetheless no reason to assume that the ambit of § 1983 has thereby *pro tanto* contracted. Other circuits as well have dealt with "good time" claims under the Civil Rights Act. *United States ex rel. Campbell* v. *Pate,* 401 F. 2d 55 (7th Cir. 1968); *Douglas* v. *Sigler,* 386 F. 2d 684 (8th Cir. 1967). The rule of *Rodriguez* v. *McGinnis, supra,* does not prevail in this Circuit.

Whether certain procedural prerequisites are required before intraprison discipline is imposed is governed by conventional due process standards, adapted as may be necessary to the prison environment. The argument that the right to be free of the substantial restraints of solitary confinement, "padlock," or maximum security segregation or to earn statutory "good time" are matters of mere legislative or administrative grace fails in the face of current constitutional doctrine.

The constitutional challenge cannot be answered by an argument that public assistance benefits are "a 'privilege' and not a 'right.'" *Shapiro* v. *Thompson,* 394 U.S. 618, 627 n. 6 (1969). Relevant constitutional restraints apply as much to the withdrawal of public assistance benefits as to disqualification for unemployment compensation, *Sherbert* v. *Verner,* 374 U.S. 398 (1963); or to denial of a tax exemption, *Speiser* v. *Randall,* 357 U.S. 513 (1958); or to discharge from public employment, *Slochower* v. *Board of Higher Education,* 350 U.S. 551 (1956). The extent to which procedural due process must be afforded the recipient is influenced by the extent to which he may be "condemned to suffer grievous loss," *Joint Anti-Fascist Refugee Committee* v. *McGrath,* 341 U.S. 123, 168 (1951) (Frankfurter, J., concurring) and depends upon whether the recipient's interest in avoiding that loss outweighs the governmental interest in summary adjudication. Accordingly, as we said in *Cafeteria & Restaurant Workers Union* v. *McElroy,* 367 U.S. 866, 895 (1961), "consideration of what procedures due process may require under any given set of circumstances must begin with a determination of the precise nature of the governmental function involved as well as of the private interest that has been affected by governmental action." See also, *Hannah* v. *Larche,* 363 U.S. 420, 440, 442 (1960). *Goldberg* v. *Kelly,* 397 U.S. 254, 282–83 (1970); see also, *Caulder* v. *Durham Housing Authority,* 433 F. 2d 993 (4th Cir. 1970).

Our Court of Appeals has given effect to this principle in a closely related area, that of parole revocation. *Bearden* v. *South Carolina,* No. 14,079, —— F. 2d —— (4th Cir. June 10, 1971). The court there required, at a minimum, notice of allegations said to amount to noncompliance with parole conditions, and an opportunity for a hearing at which one might present witnesses. The Fourth Circuit has also expressed concern over the lack of certain due process elements in the Penitentiary, which lack may bring about the arbitrariness that the due process clause forbids. In *Landman* v. *Peyton, supra,* the court took note that the entrusting of disciplinary matters to guards, so that contact between prisoners and administrators is seldom made, invites capricious and partial decision making. *Id.,* 141.

In dictum, the Second Circuit has recognized the requirement of procedural fairness:

> We would not lightly condone the absence of such basic safeguards against arbitrariness as adequate notice, an opportunity for the prisoner to reply to charges lodged against him, and a reasonable investigation into the relevant facts—at least in cases of substantial discipline. *Sostre* v. *McGinnis, supra.*

That case has been followed in this Circuit in *Bundy* v. *Cannon,* —— F. Supp. ——, 9 Cr. L. Rptr. 2254 (D. Md., May 26, 1971), where the court required procedural safeguards prior to withholding of good time credit, transfer to maximum security, and solitary confinement.

Similar possible penalties were found sufficiently grievous in *Clutchette* v. *Procunier,* —— F. Supp. ——, 9 Cr. L Rptr. 2291 (N.D. Cal., June 21, 1971), to require notice, hearing before an impartial tribunal, confrontation, the presentation of witnesses, counsel or a substitute, and written factfindings. See also, *Nolan* v. *Scafati,* 430 F. 2d 548 (1st Cir. 1970); *Meola* v. *Fitzpatrick,* —— F. Supp. ——, 8 Cr. L. Rptr. 2404 (D. Mass., Feb. 2, 1971); *Carothers* v. *Follette, supra; Kritsky* v. *McGinnis,* 313 F. Supp. 1247 (N.D. N.Y. 1970); *Morris* v. *Travisono,* 310 F. Supp. 857 (D.R.I. 1970).

As directed in *Cafeteria Workers, supra,* the Court must identify and analyze the precise nature of the individual interest at stake and compare it with the purpose and function of the governmental body. See also, *Hannah* v. *Larche, supra,* 440–53. The disciplinary function fulfilled in the decision to place a man in solitary confinement, to deny good time credit, to "padlock" him in his cell involuntarily, or to impose the substantial disabilities of maximum security confinement, adjudicates the question of a substantial deprivation or grievous injury. Whether cast in terms of a finding of unfitness to circulate in the general population or seen as a determination of guilt, the decision to place a man under greater than usual restraint is founded upon a finding of noncompliance with general prison standards. Cf. *Goldberg* v. *Kelly, supra.* The effort to depict "C" cell and the like as a rehabilitative facility, usable at the penal authority's discretion, is unsuccessful. See *Howard* v. *Smyth, supra.*

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[1] See, *e.g., McDonough* v. *Director,* 429 F. 2d 1189 (4th Cir. 1970); *Blanks* v. *Cunningham,* 409 F. 2d 220 (4th Cir. 1969); *Jackson* v. *Godwin,* 400 F. 2d 529 (5th Cir. 1968); *Abernathy* v. *Cunningham,* 393 F. 2d 775 (4th Cir. 1968); *Arey* v. *Peytor,* 378 F. 2d 930 (4th Cir. 1967); *Landman* v. *Peyton,* 370 F. 2d 135 (4th Cir. 1966); *Howard* v. *Smyth,* 365 F. 2d 428 (4th Cir. 1966); *Coleman* v. *Peyton,* 362 F. 2d 905 (4th Cir.), *cert. denied,* 385 U.S. 905 (1966); *Rivers* v. *Royster,* 360 F. 2d 592 (4th Cir. 1966); *Edwards* v. *Duncan,* 355 F. 2d 993 (4th Cir. 1966); *Fircus* v. *Director,* 331 F. 2d 613 (4th Cir. 1965; *Childs* v. *Pegelow,* 321 F. 2d 487 (4th Cir. 1963), *cert. denied* 376 U.S. 932 (1964); *Roberts* v. *Pegelow,* 313 F. 2d 548 (4th Cir. 1963); *Sevell* v. *Pegelow,* 291 F. 2d 196 (4th Cir. 1961).

The individual interest at stake is obvious—the avoidance of severe punishment. The privileges at stake are substantial. A man in solitary confinement is denied all human intercourse and any means of diversion. Padlock confinement isolates the individual as well from his fellows. Maximum security confinement is a lesser penalty, but like the others it interrupts a prisoner's efforts at rehabilitation and curtails many recreational activities. Loss of good time credit may in effect amount to an additional prison sentence. On the other hand, the effect on a man in prison of a further sixty day term may be less than the effect of a sixty day jail term on a free man. The prisoner, one assumes, has already suffered loss of his job and damage to his reputation, and his family ceased to rely upon him, when he was convicted, whereas the free man may find these interests imperiled by even a short sentence. The losses which ensue from a prison disciplinary action may not be as lasting as the employment opportunities at stake in *Greene* v. *McElroy,* 360 U.S. 474 (1959) and *Willner* v. *Committee On Character and Fitness,* 373 U.S. 96 (1963). At the same time deprivation may be momentarily as telling as the loss of financial support or housing which were treated in *Goldberg* and *Caulder*.

A proper consideration is the effect that the introduction of procedural safeguards may have on legitimate prison functions both within and without the ambit of discipline. The security of a population confined against its will in close quarters is a prime concern. Moreover, administrators must have a certain leeway in allocating scarce resources available for rehabilitative purposes. The speed with which misbehavior is punished may rightly be considered essential to its effectiveness. Administrators with many nondisciplinary duties must not be sidetracked from their tasks. Minor on-the-spot exactions for minor offenses may well be deemed necessary to keep order effectively; it is not only major regulations, after all, that must be enforced.

However, to say that individual rights may be sacrificed to custodial or rehabilitative necessity is not to state that courts will not inquire as to the need for such sacrifices and the reality of the claimed benefits. *In re Gault, supra,* 17–31.

In these adjudicatory proceedings the Court concludes that certain due process rights are both necessary and will not unduly impede legitimate prison functions.

First, the decision to punish must be made by an impartial tribunal. This bars any official who reported a violation from ruling. *Goldberg* v. *Kelly, supra,* 271; *Escalera* v. *New York City Housing Authority,* 425 F. 2d 853, 863 (2d Cir. 1970). A substantial question arises whether field unit officials can ever so divorce themselves from events in their small units sufficiently to sit impartially. The Court has not been shown that this is impossible, but in any individual case participation in occurrences giving rise to a charge shall bar any man from sitting in judgment. There appears to be no reason to require that the disciplinary board be composed of any specific number of individuals. Each member of a panel must, however, be free of prior involvement with the incident under examination so that he may settle the case on the basis of the evidence at the hearing.

Second, there shall be a hearing. Disposition of charges on the basis of written reports is insufficient. Prisoners are not as a class highly educated men, nor is assistance readily available. If they are forced to present their evidence in writing, moreover, they will be in many cases unable to anticipate the evidence adduced against them. "Particularly where credibility and veracity are at issue . . . written submissions are a wholly unsatisfactory basis for decision." *Goldberg* v. *Kelly, supra,* 269. Necessarily a hearing encompasses the right to present evidence in defense, including the testimony of voluntary witnesses.

A hearing must be preceded by notice in writing of the substance of the factual charge of misconduct. Only with written notice can a prisoner prepare to meet claims and insist that the hearing be kept within bounds. *In re Gault, supra,* 33. A reasonable interval to prepare a defense must be allowed as well, but the Court declines to fix any definite period. Rather whether a trial has been too speedy must be determined on a case-by-case basis.

Cross-examination of adverse witnesses likewise is necessary. The Court appreciates the concern of prison officials that interrogation by prisoners of the guard force may be at variance with their ordinary respective positions in the penal hierarchy. Because most disciplinary cases will turn on issues of fact, however, the right to confront and cross-examine witnesses is essential. *Escalera* v. *New York City Housing Authority, supra,* 862. It is, however, well within the power of the disciplinary official or tribunal to restrict questioning to relevant matters, to preserve decorum, and to limit repetition.

Fundamental to due process is that the ultimate decision be based upon evidence presented at the hearing, which the prisoner has the opportunity to refute. *Goldberg* v. *Kelly, supra,* 271; *Escalera* v. *New York City Housing Authority, supra,* 862–63. "To demonstrate compliance with this elementary requirement, the decision maker should state the reasons for his determination and indicate the evidence he relied on," *Goldberg* v. *Kelly, supra,* 271. To permit punishment to be imposed for reasons not presented and aired would invite arbitrariness and nullify the right to notice and hearing.

The Court will not require an appellate procedure. However, if higher authorities than the disciplinary committee feel duty bound to re-examine decision, their review must be restricted to the charge made and the evidence presented. The practice of going outside the record in search of bases for punishment must cease. "It is as much a violation of due process to send an accused to prison following conviction of a charge on which he was never tried as it would be to convict him upon a charge that was never made." *Cole* v. *Arkansas,* 333 U.S. 196 (1948).

In addition, for the reason that the evidence shows that some inmates are unfortunately intellectually unable to represent themselves in discipline hearings, the tribunal should permit a prisoner to select a lay adviser to present his case. This may be either a member of the noncustodial staff or another inmate, serving on a voluntary basis. See *Bundy* v. *Cannon, supra.* Notice of charges shall include the information that such assistance is available.

In other instances where proceedings may result in the loss of substantial rights, the right to representation by counsel has been considered an essential element of due process. "Counsel can help delineate the issues, present the factual contentions in an orderly manner, conduct cross-examination, and generally safeguard the interests of the recipient." *Goldberg* v. *Kelly, supra,* 270; see *Caulder* v. *Durham Housing Authority, supra,* 1004. Following *Bearden* v. *South Carolina,* No. 14,079, —— F. 2d —— (4th Cir. June 10, 1971), it seems that there is no requirement that the state provide legal aid. However, where substantial sanctions are possible and the assistance of counsel may be of benefit, retained counsel is necessary to protect the factfinding and adjudication process unless there is shown some "compelling governmental interest in summary adjudication," *Caulder* v. *Durham Housing Authority, supra,* 1004 n. 3, the fulfillment of which is inconsistent with the right to retained counsel. Cf. *Brown* v. *Peyton, supra,* 1231. The state has not endeavored to do so, other than by testimony that the presence of counsel might turn the hearing into a "hassle." The Court does not accept this speculation as well-founded. Experience with *pro se* trial litigants indicates that the contrary is more likely true. On the other hand, the Court has observed that prison officials legitimately desire to conduct disciplinary proceedings speedily. Therefore a prisoner who desires to secure counsel for hearing may be required to notify the committee of that fact, and postponement of the hearing to secure counsel may reasonably be limited to four days.

These minimum due process standards are necessary when solitary confinement, transfer to maximum security confinement, or loss of good time are imposed, or a prisoner is held in padlock confinement more than ten days.

The imposition of the minor fines disclosed by the evidence, for example, or, hypothetically, loss of commissary rights, restriction of individual recreational privileges, or padlocking for less than ten days, do not require this panoply of guaranties. The right to be represented by another may be omitted. Written notice may be dispensed with, and appellate review need not be formally conducted. The Court will only require verbal notice and the opportunity for a hearing before an impartial decision maker, with a chance to cross-examine the complaining officer and to present testimony in defense. As always, however, procedural formality may not shield arbitrary action. Impartiality and a chance to air the facts may be expected to prevent arbitrary action as well as the good faith factual errors which the Court has observed in the record.

Few of the opinions to date on prison discipline treat in depth the real problem of vagueness in institutional regulations. The evidence, however, shows that the purposes of the constitutional requirement of reasonable specificity—fair warning so that one may conform to the rules, and exactness so that arbitrary penalties or penalties for protected conduct will not be imposed—have been ill-served by the rules enforced against Virginia prisoners. Particularly in a situation where the safeguard of public trial is absent, cf. *McKeiver* v. *Pennsylvania,* —— U.S. ——, 39 U.S.L.W. 4777, 4786, (June 21, 1971) (Brennan, J., concurring and dissenting), and necessarily so, other procedural safeguards against arbitrariness should not be slighted. *Morris* v. *Travisono, supra,* 861, notes the seriousness of the problem, but does not resolve it. *Talley* v. *Stephens,* 247 F. Supp. 683 (E.D. Ark. 1965), required in cases of corporal punishment that recognizable standards of conduct be set. Likewise it is settled that imprisonment does not remove a prisoner's right to be free from arbitrary sanctions. *Landman* v. *Peyton, supra.* The Constitution requires even of minor criminal laws that they give in advance fair notice of forbidden acts. *Palmer* v. *City of Eucild,* —— U.S. ——, 39 U.S.L.W. 4612 (May 24, 1971); *Bouie* v. *City of Columbia,* 378 U.S. 347 (1964). Virginia prisoners have been penalized for such ill-defined offenses as "misbehavior" and "agitation." Recent amendments to discipline procedure have not sharpened the outlines of these offenses.

On the other hand, existing regulations governing maximum security facilities, which are in the record, demonstrate that the prison authorities are capable of phrasing their requirements with reasonable specificity. The Court does not imply approval of all of those rules; they show, however, that the authorities themselves believe in the practical value and feasibility of rules. See also the disciplinary code reproduced in *Bundy* v. *Cannon, supra.*

To recanvass the full range of justifications for the vagueness doctrine would unduly prolong this opinion. For useful commentary, see *McGautha* v. *California,* —— U.S. ——, 39 U.S.L.W. 4529, 4542–62 (May 3, 1971) (Brennan, J., dissenting); *Soglin* v. *Kaufman,* 418 F. 2d 163 (7th Cir. 1969). In the prison context these considerations argue for application of the requirement:

1. At least in Virginia, where discipline has been used to suppress litigation efforts, the need exists to establish in advance, to avoid a chilling effect, the limits of administrators' power.

2. Like other elements of due process, prior notice of standards of behavior enhances the prisoner's sense of fair treatment and contributes to rehabilitation. See *In re Gault, supra.*

3. Equal treatment of similar conduct—at least to the extent of recording offenses, if not in penalties—will be more certain with fixed rules.

4. The ingredient, in vagueness law, of something like a doctrine forbidding delegation of legislative powers is essential in prison, where the risk of arbitrary action by lower officials is great.

5. The need for judicial review of prison disciplinary actions may greatly decrease in the future if violations of existing rules can be shown.

6. Prison life is highly routine; it therefore ought not to be difficult to establish in advance reasonably clear rules as to expected behavior. Automatic compliance may be expected of many.

7. Specificity has been required in the academic sphere, where administrators likewise are not specialists in legislation.

8. Severe sanctions may result in prison; the greater the individual loss, the higher the requirements of due process.

Countervailing considerations deserve mention:

1. Life is complex in prison as well as outside, and all forms of misbehavior cannot be anticipated. Some may go unpunished for want of a rule.

2. Administrators ought not to be put to the choice of foregoing discipline in such cases or resorting to the ordinary criminal process, for flexibility may work to the benefit of the institution and the inmates as well.

3. Legalistic wrangling over whether a rule was broken may visibly undermine the administration's position of total authority, necessary for security's sake.

4. Prisoners, unlike free men, must well know that they are considered potentially dangerous men and must expect to be highly regimented. In such cases the law requires less in the way of notice, and places a greater burden on the individual to make inquiry or ask permission before acting. Cf. *United States* v. *International Minerals & Chemical Corp.,* —— U.S. ——, 39 U.S.L.W. 4650 (June 1, 1971).

The objections to the application of some vagueness principle may all be met simply by relaxing the standard somewhat in deference to the state's legitimate needs, rather than by abandoning it. The Court concludes, therefore, that the existence of some reasonably definite rule is a prerequisite to prison discipline of any substantial sort. Regulations must in addition be distributed, posted, or otherwise made available in writing to inmates. Discussion here will be confined to those bases for punishment disclosed in the evidence.

"Misbehavior" or "misconduct," for which for example, Jefferson and Scott were penalized, offers no reasonable guidance to an inmate, *Giaccio* v. *Pennsylvania,* 382 U.S. 399 (1966), whereas it leaves the administrator irresponsible to any standard. Penalties may not be imposed on this ground.

"Agitation" appears to encompass discussing litigation with other prisoners, assisting them in litigation, or advising them as to the law It also includes, as is apparent from Thompson's case, complaining to the authorities, and according to Cunningham, it may include the giving of incorrect legal advice Prison authorities may legitimately fear the incitement of rule violations and the interruption of orderly activities, and may punish men who engage in such conduct. However, the ban on "agitation" at once gives no fair warning that certain conduct is punishable and, in practice, includes the rendition of legal advice and the preparation of legal pleadings, protected activities.

On the other hand, the Court is not persuaded that the offenses of "insolence," "harassment," and "insubordination," directed against custodial or administrative personnel, are unduly vague. This is not to say, however, that in a given case the imposition of sanctions on such grounds may not be found arbitrary if not based on evidence.

The evidence has shown as well certain instances of the imposition of penalties for constitutionally protected activities. The law by now should be clear that whereas prison officials may reasonably regulate the preparation of legal pleadings in service of valid state interests, they may not prohibit or punish inmates for conducting litigation of their own or for rendering assistance to other inmates, in the absence of any other adequate source of legal aid. *Johnson* v. *Avery, supra; Ex parte Hull, supra; Nolan* v. *Scafati, supra; Gittlemacker* v. *Prasse,* 423 F. 2d 1 (3d Cir. 1970); *Blanks* v. *Cunningham supra; Landman* v. *Peyton, supra; Coleman* v. *Peyton, supra; Edwards* v. *Duncan, supra; Meola* v. *Fitzpatrick, supra.* These rights have been construed to extend to prisoners desiring to sue under the Civil Rights Act, *Nolan* v. *Scafati, supra; Blanks* v. *Cunningham, supra.* There is also a corollary right to communicate for the purposes of enlisting an attorney's aid. *McDonald* v. *Director, supra.* The evidence as to procedural irregularities makes it unnecessary to analyze in depth how these rights have been abridged in disciplinary proceedings according to the evidence. Nevertheless express findings of fact have been made as to each instance in which such abuses were disclosed, for the sake of a complete record.

The exercise of the right to contest confinement or punishment has also been restricted by less sophisticated means. Landman and Hood were transferred to the Penitentiary from lower security institutions. Arey was kept in maximum security for many months, and some of his letters to attorneys simply were not mailed. Hood's correspondence with counsel was intercepted and copied. Landman and Johnson were explicitly told to refrain from filing complaints or, in Landman's case, doing so for others. Landman's papers too have been taken or destroyed. Mason was kept in "C" cell as retribution for his successful desegregation suit.

In addition, for many years persons held in meditation could not file suits or write to counsel. Counsel have suggested that recently this prohibition has been lifted. In view of the difficulty, which the Court has mentioned before, which administrators have experienced in securing compliance with regulations by subordinates, and the tardiness of changes in regulations, injunctive relief is nonetheless due. *Lankford* v. *Gelston,* 364 F. 2d 197, 203 (4th Cir. 1966); *Rakes* v. *Coleman,* 318 F. Supp. 181 (E.D. Va. 1970).

Arey's attempts to communicate with a state legislator likewise deserves relief, on the evidence. The Court can conceive no interest that the State's executive arm might have in keeping whatever information penitentiary inmates may have out of the hands of lawmakers. Compare *New York Times Co.* v. *United States,* —— U.S. ——, 39 U.S.L.W. 4879 (June 30, 1971). No witness has suggested one. Interruption of mail to public officials infringes upon the first amendment rights of prisoners and likewise the right of legislators to be informed. *Palmigiano* v. *Travisono,* 317 F. Supp. 776, 786 (D.R.I. 1970). An injunction shall issue as to this practice.

Appropriate relief for the class shall look both to past and to future violations. Damages are not at issue in this instant proceeding. The Court shall direct that all good time lost as a result of hearings conducted without compliance with the standards set forth herein be restored, with leave to retry those punished within a reasonable time. Those confined in padlocked or solitary cells likewise shall be released, subject to retrial. Men reasonably thought dangerous may be detained apart from the general population pending their hearings. Inmates in "C" cell and other maximum security units shall be afforded hearings on the derelictions which gave rise to their incarceration within thirty days or shall be released to the general population. Injunctive relief shall likewise be granted as to those practices deemed cruel and unusual or violative of other constitutional rights.

Rehabilitative treatment, to repeat, constitutes no talismanic state interest which will justify any exactions from individual prisoners. In this case the state officials have candidly not attempted to make it so; the word rarely was spoken in the course of the trial. Partly because they failed to assert the necessity for current disciplinary procedures for the sake of rehabilitation, the Court has presumed to intrude as it has into the workings of the system.

For the time may come in the future when substantial reasons for depriving men of various liberties, to the end that their behavior may be amended, may be presented. "Prison authorities have a legitimate interest in the rehabilitation of prisoners, and may legitimately restrict freedoms in order to further this interest, where a coherent, consistently-applied program of rehabilitation exists." *Brown* v. *Peyton, supra,* 1231. At such time the best justification for the hands-off doctrine will appear. While courts by definition are expert in the field of quasi-criminal procedures, their knowledge of the administration of programs that educate and change men may rightly be questioned. Likewise, it may be imagined that judicial intervention or formal administrative procedures might be positively harmful to some rehabilitative efforts.

This is not to say, of course, that courts should then abandon the individual. However, where the state supports its interest in certain practices by demonstrating a substantial hope of success, deference may be owing, and courts may tend to find certain rights, now protected by conventional procedures, implicitly limited while a man is incarcerated.

ROBERT H. MERHIGE, Jr.,
*U.S. District Judge.*

Date: October 30, 1971.

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## TRADE: TOO MUCH OF A GOOD THING

### HON. RICHARD BOLLING

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BOLLING. Mr. Speaker, the following article by Richard Ablin presents a point of view too little considered in current discussions of international trade. The article appeared in the Wall Street Journal of November 10. It follows:

[From the Wall Street Journal, Nov. 10, 1971]

### Trade: Too Much of a Good Thing

(By Richard Ablin)

It is commonly overlooked in current discussion of the so-called international monetary crisis that the stakes are at least as high for the trade surplus nations as for the deficit nations. More precisely, they are much higher.

That this is overlooked is a classic example of the fallacies of composition that have continuously plagued the field of international trade since at least the merchantilist times of the 17th and 18th centuries. More sales are always good for an individual businessman or exporter, ergo more exports are always good for a nation.

But trade can thrive only in a state of balance. A nation can increase its exports indefinitely only by increasing its total imports at about the same rate. Otherwise where will foreign countries get the additional currency needed to purchase its exports? If the exporting nation accepts the currency of the importer or of some third country (e.g. the dollar) it will inevitably find itself in a ridiculous position. Since it will be earning steadily more foreign currency than it spends for imports it will simply be heaping up indefinitely larger reserves of foreign currency.

What on earth for? Is it in the interest of a nation, after it has provided itself with a reasonable liquid reserve against emergencies, to go on converting the labor and capital of its people into an endlessly growing heap of foreign currency (or even foreign time deposits paying low interest)? What this means is simply that part of the increased product of its people cannot redound to their benefit in the form of higher real wages and other incomes and higher living standards. In effect, the people of such a curiously managed economy produce more and more only to save more and more so that the fruits of their growing productivity can be enjoyed as higher living standards by the people of importing countries overseas.

#### SOME ARE 'SITTING PRETTY'

The nations on the other side of this unbalanced trade, on the other hand, are in a real sense sitting pretty. They experience a growing "import surplus"—imports larger than and growing faster than exports. For the extra imports, which contribute directly to their real living standards, they pay, not in sweat and real wealth, but by exporting pieces of paper or, even more simply, entries in a bank account.

Well, then, why, if the export surplus country is in a fundamentally ridiculous position, and the import surplus country in a very convenient one, does the pressure for an end to the trade imbalance generally come from the latter?

This is unfortunately very simple to answer as well. It is merely another example of the political and psychological supremacy of concentrated producer interests over much larger but diffused consumer interest. The industries in direct competition with the undervalued exports of the surplus country protest loudly and vociferously. Since the benefits of the under pricing of imports are spread almost evenly over the entire population and represent only a very small fraction of their total real income, they do not react with anything like the same furor.

By the same token, the "exploited" population of the surplus country—Japan, for example—hardly notices its marginal loss of real income due to the exclusion of a larger and larger export surplus from domestic market supplies (thus keeping prices higher than they otherwise would be), while the export industries of the surplus country are keenly alive to any threat to their continued expansion.

So we see the pathology of a long-engrained trade imbalance under fixed exchange rates. The trouble obviously arises from the long persistence of the tendency toward undervaluation of one currency and overvaluation of the other. This has led industries to adopt to an unhealthy resource allocation, creating the vested special interests that resist disturbance. The fact is that a reduction of export profitability in the surplus country would not mean the end of sales but a reorientation of some resources and sales toward the home market. Of course, such a process cannot proceed without friction. Each export firm would redirect some sales to the home market and some export-oriented firms would naturally suffer losses or even bankruptcy. More will imagine that they face such losses and so the resistance to a change in the exchange rate will be intense. It is quite a natural trait for men (and firms) to fight harder to resist retreat or ruin than to obtain windfall gains or extra prosperity.

This all explains clearly enough the resistance of special interests to socially beneficial change. It does not excuse the governments of these countries for paying more attention to such pressures than to the obvious general interest. Perhaps, however, it should lead us to expect that the governments which, by maintaining excessively rigid exchange rates, are responsible for the disequilibrium in the first place, would pay some attention to the problems of those who stand to lose because of the need finally to remove it. They can do this in two ways, by moving toward equilibrium gradually rather than abruptly, or by compensating the obvious losers for their worst losses.

The first point militates against the attitude expressed by Treasury Secretary Connally with his demand for a $13 billion turnabout in the U.S. trade balance. Here is the representative of a power that has permitted the gradual development of disequilibrium not over 2 or 3 years, but over 15 years, during which time industries world-wide could be fully adapted to the overvaluation of the U.S. dollar, demanding that the imbalance be eliminated in one coup. Worse still, since we cannot really know the "turnabout" in U.S. trade appropriate to present market forces without an extended period of free flotation of the dollar—without capital export restrictions or import surcharges—the insistence on measures that will bring about a particular change may just as well reverse the disequilibrium as end it.

#### AN EQUITABLE SOLUTION

The second alternative suggests the best, most economical and equitable solution. Let currencies float freely to their true equilibrium rates so that the public need not be deprived of the full benefit of an early return to equilibrium. And let governments in formerly surplus countries seek to remove the sting by paying special temporary compensation to export industries and, perhaps, to industries particularly dependent upon imported inputs in formerly deficit countries. Such compensation should of course, be related not to the quantity of continued exports, but to the capital losses suffered by the investors (and workers) who have specialized in the affected industries.

But however refined the policy adopted toward sectorial losses in a correction of the disequilibrium, by no means should we accept the tacit reversal of basic national interest so commonly seen in journalism and governmental statements alike. It is pre-eminently the interest of the surplus countries to end the absurdity of a persistent imbalance. By no means should the U.S. or the deficit country adopt a belligerent or extreme tone in order to browbeat the surplus countries into appropriate action—and this is the image that the U.S. has apparently begun to project. If not "benign neglect," a gentle prod is all that makes any sense. The surplus countries will finally stop intervening in foreign currency markets to keep at least a part of the dollar's overvaluation when they finally tire of accumulating absurdly large reserves of inconvertible dollars.

The danger of the present U.S. tone is that, by giving the impression that we are the one most interested in a sharp reversal of the present situation we shall wrongly convince other countries that they are expected to sacrifice something significant or even vital merely for our benefit. Nothing could more greatly stimulate nationalist obstinacy abroad. And this is an exact reversal of the true state of affairs. The surplus countries stand to gain the most from a return to balanced growth in trade. We are actually being a little altruistic even to prod them in this direction.

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## HIGHER EDUCATION BILLS ARE ON THE WRONG TRACK

## HON. ROBERT H. MICHEL

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. MICHEL. Mr. Speaker, as one of the 38 House Members voting against the higher education bill a few days ago, I was interested to see the following article in a recent edition of the Chicago Sun Times. The author, D. J. R. Bruckner, terms the House bill destructive, and warns that—

> Congress at last seems about to find a way to wipe out variety and excellence in higher education at the same time.

I commend the article to the attention of my colleagues:

### Higher Education Bills Are on the Wrong Track

(By D. J. R. Bruckner)

New York.—The search has been long, but Congress at last seems about to find a way to wipe out variety and excellence in higher education at the same time. The House higher education bill is more destructive than the one voted by the Senate, but perhaps a conference committee will agree on all the worst features of both and dissipate the rich intellectual heritage of the United States with a single measure.

The Senate bill actually had some good features. Most of the money it would make available would go into grants to students; it would give special support to graduate students, and it would give money to institutions in proportion to the number of students in each one receiving federal grants. That system of aid would tend to distort the balance and limit the freedom of a university, but not disastrously.

However, it included an ingenious device of mischief that the House did not get into its bill: a special fund to be used by the Office of the Commissioner of Education to promote innovation and experiment in universities and colleges. Evidently the principle is: Grab them by their greed and the educators will wreck their own institutions without any outside help.

On the whole, the House is a better vandal. Its bill would allocate two-thirds of its funds strictly on a per capita basis. It provides a little padding of the formula to give an extra buck or two to small institutions, but in general it would simply enrich the big ones. Payments would go to the institutions rather than the students, which ought to encourage them to grow like mad.

In a fit of sanity, the House voted down a pernicious section that would have denied funds to any institution the government thought was not giving males and females an equal chance. For some reason, the section, as proposed, would have exempted church-affiliated institutions, possibly on the grounds that faith justifies chauvinism. The House will have another chance to resurrect this one.

Hundreds of universities and colleges are in serious financial trouble. They need help. But Congress is rushing into this crisis without sufficient consideration of what education is, might be, or should be. It seems to think of higher education as a kind of resource supply and service industry. Higher education will meet all needs, correct all wrongs, open all doors, improve all people's fortunes, eliminate all physical differences, end all discrimination, enlighten all ignorance and triumph over all evil. American mediocrity will then become superior to any mediocrity known in history.

There are 3,000 institutions of what is called higher education in the United States. A few of them are places of learning. Is there any reason to think that America could afford the commitment of resources needed to make them all places of excellence? Their present financial condition is evidence to the contrary. Three hundred, maybe. But only maybe. And is the society so rigidly controlled and so unimaginative that it can think of no access to life and dignity except the academic portal?

Unless the question of access to higher education is decided first, the attempts by the federal government to fund that education will, in the long run, destroy both standards and variety in learning. A recognition of this priority would not be politically embarrassing to any member of Congress or any administration, if they did not make it so.

The people of the United States are not ignorant of the value of a group of learned people, nor are they so silly as to think that intellectual excellence is a group experience. They are not going to be offended if the poitical leadership of America recognizes that excellence is essentially discriminatory; even if all people were equally bright, all people cannot do everything at the same time. The politics of spreading the money around is phony; it is an ignoble response to the lobbying of the institutions themselves.

If present trends continue, many of the smaller private colleges will probably be absorbed into state systems. That would not be a bad development, especially if the states would allow them to continue being different. And, if the states need financial help for their institutions, it would be much the safest method to give it to them as part of general revenue sharing.

Finally, if the federal government gives aid to private institutions, there are reasonable means of doing this. One is to give direct grants, without strings, to students, allowing universities to assess more realistic tuitions and fees, and leaving them with their freedom. Or, if the government insists on giving money directly to institutions, then it should face the fact that some are better than others, that there is great variety in the educational institutions, and that grants have to be tailored according to some judgment about the worth of the recipient.

Given the complexity and cost of the enterprise, could Americans establish some of the great private institutions of the United States today? I suspect Americans could not; the task would be beyond the United States. Americans ought to be very careful about preserving them, then, and very cautious.

## PHOSPHATES IN DETERGENTS

### HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BOB WILSON. Mr. Speaker, many Americans have found themselves in a quandry trying to analyze and assimilate the mass of conflicting testimony on the dangers to our environment caused by phosphates in detergents. Several congressional committees are currently considering the problem. Two months ago, the administration cast some much-needed light on the controversy in announcing that eutrophication due to phosphates is a problem only in a limited number of areas and that the Environmental Protection Agency will study and identify those bodies of water which have a eutrophication problem due to phosphates. In the meantime, a warning has been issued to the public on the hazards of the untested products which have hastily appeared on the market in the wake of the phosphate controversy. Howard J. Morgens, the president of Procter & Gamble Co., in an address delivered in October before the annual meeting of the company's shareholders in Cincinnati presented an excellent case history of the phosphate controversy and the myriad complexities in which it has become enmeshed. I know my House colleagues will find his comments of interest and insert his speech at this point:

PHOSPHATES IN DETERGENTS

(By Howard J. Morgens)

The story of phosphates in relation to detergents, the environment and public health represents an interesting case history of how confusion and misunderstanding can sweep the country.

It started in 1967 when a federal agency said that phosphates were "polluting" the lakes and should be removed from detergents. This statement was based on quite inadequate information and without any understanding at all of the alternatives.

The country accepted this well-intentioned but ill-considered statement as gospel. The word spread like wildfire. Many segments of the press and a number of politicians fanned the flames. Some state and local governments leaped to legislate against phosphate detergents. Opportunistic manufacturers rushed to sell non-phosphate detergents without anything approaching adequate testing. It became the fashion in certain circles to talk emotionally about detergents "choking the life out of our rivers and streams" and "murdering or poisoning our lakes."

Since those first days, however, the subject of phosphates and eutrophication has received a great deal of quiet study by independent scientists across the land—by medical, environmental and sanitation authorities and by men who have spent their lives studying algae and the chemistry of fresh water lakes. More than fifty of these independent scientists submitted testimony last spring to the Federal Trade Commission. Since then, many others have testified before local and state organizations. We cannot say that all scientists agree on this subject; indeed, it may be impossible ever to get all scientists to agree on anything. However, the overwhelming majority of the scientists who came forward used their specialized knowledge to oppose irrational actions and attitudes in regard to phosphates in detergents. This ground swell of independent scientific opinion was well under way before the Federal Government began to change its views.

Since those early days also, the subject of phosphates and eutrophication probably has received more study by all branches of the Federal Government involved with public health and the environment than any other health-environmental subject has ever received. These various departments of the government have recently united to take a new stand based upon new knowledge.

On September 15, 1971, the Federal Government issued a statement attempting to give the country a clear direction for dealing with this complex problem. The Council on Environmental Quality, the Department of Health, Education and Welfare, and the Environmental Protection Agency all joined forces to urge people to continue to use detergents containing phosphates. They asked state and local governments to reconsider any laws they may have passed against them.

However, we have not yet come full circle. Once people have expressed themselves publicly on an issue of this kind, they find it difficult to reverse their position regardless of the facts. Many of those people who rushed blindly to accept the original statement of one branch of one Federal agency now refuse to accept the considered and combined view of all the Federal departments concerned with public health and the environment. Confusion in the public mind still exists. It is hoped that this statement will explain how all this confusion came to pass.

It began with a desire to do something about the eutrophication of lakes—a process which is marked by an excessive growth of algae.

The men in the Federal Government who originally considered this problem of eutrophication started by recognizing that some 15 or 20 chemicals nourish the growth of algae. These same chemicals, of course, nourish the growth of all life—yours and mine—all human, animal and plant life whether on land or in water. These 15 or 20 nutrients include carbon, nitrogen, phosphorus, calcium, iron, sodium, potassium and many others. If any one of these nutrients is eliminated completely, we die. Every living cell of either plants or animals requires all of them.

These same men decided that if they could "control" any one of these 15 or 20 nutrients, they could control the growth of algae. They decided rather arbitrarily that phosphorus was the most "controllable." Because it was considered the most controllable nutrient phosphorus was labeled a *pollutant*. Then the finger was pointed at detergents because they contained phosphates, and the detergents became in the public eye a pollutant. The public thinks of something that pollutes the water as something nasty, dirty, or vile. When the term is applied to either phosphates or detergents, nothing could be further from the truth.

A few key facts were either overlooked or discovered later.

First of all, it came to be recognized that the vast majority of homes in the United States can use detergents containing phosphates without in any way contributing to eutrophication or in any other way harming the environment.

No one knows today exactly how large this vast majority of homes is. Outstanding independent scientists testified before the Federal Trade Commission that 85% of the homes in the country can use phosphate detergents without having any adverse effect upon the nation's waters. In answering questions at a press conference on September 15, an Administration spokesman said that from 70 to 85% of the homes did not contribute to eutrophication by using phosphate detergents. Mr. Russell E. Train, Chairman of the President's Council on Environmental Quality, in his letter to the Federal Trade Commission dated September 22, 1971, said on this point that ". . . phosphates are not the limiting nutrient, and hence a pollution problem, for a number of communities and in certain important types of water bodies. Phosphates are rarely the limiting nutrient in salt waters and rapidly flowing rivers."

The fact is that eutrophication is a problem only in shallow slow moving bodies of water. Most of those homes which discharge their sewage into septic tanks draining into the earth make no contribution to eutrophication by using phosphate detergents because in most areas of the country the earth forms an effective barrier to phosphate penetration. *All* those homes in municipalities whose sewage treatment facilities discharge their effluent into the oceans or into rivers that eventually flow into the oceans cannot contribute to eutrophication. Remember that the only attack on phosphates in detergents that has ever been made is that they contribute to eutrophication. It is difficult to escape the arithmetic which says that some 80 to 85% of the homes in this country cannot harm the environment by using detergents containing phosphates.

Secondly, it has been learned that, even in those limited areas of the country where eutrophication is a problem, phosphates are not always the villain.

It is difficult for anyone today to make a definite statement of fact on this point also because almost every lake has a different water chemistry. In some lakes, carbon or carbonates can be the critical element. In others nitrogen can be the limiting factor. There are lakes with very high phosphate content that show no sign of eutrophication. There are lakes with very low phosphate content with heavy algae growth.

Phosphates can help to nourish the growth of plant life in a lake only when they are present in proper combination with all other nutrients. If what we eat or drink contains too many phosphates, our bodies absorb only what is needed. Similarly, if a lake contains more phosphates than can be used in proper combination with all other nutrents in that lake, those excess phosphates can't nourish the growth of algae or other plant life. Phosphates by themselves do not cause eutrophication in any body of water.

The Administrator of the Environmental Protection Agency announced on September 15 that a study would be made by his agency to identify those bodies of water that have a eutrophication problem *due to phosphates!* Such a study is badly needed because there is a great lack of knowledge on this point.

Thirdly, even after the Government identifies those lakes which have a eutrophication problem due to phosphates, there is an increasing question about whether the problem in those lakes can be "controlled" by the elimination of phosphates from detergents alone.

In other words, if phosphates are in fact more "controllable" than the 15 or 20 other nutrients, what must be done to achieve that control?

There are many sources of phosphates other than detergents. All human waste, all animal waste, all agricultural run-off contain phosphates. Leaves that fall, trees and shrubs and weeds that die all produce phosphates that flow into our lakes in the run-off of surface waters from the land. Within the lakes themselves, all fish and plant life produce phosphates when they die.

Thus, algae can be a problem in farm ponds and lakes that are never exposed to detergents. Algae was a problem in Lake Erie long before the advent of detergents. When the white man first discovered Green Bay, it was so named because of the algae on its surface.

The Environmental Protection Agency has stated that once it identifies those lakes which have a eutrophication problem *due to phosphates* it will help the communities which border those lakes to control the problem through better sewage treatment plants. Such sewage treatment can remove 85% to 90% of the phosphates from municipal sewage along with many other nutrients that nourish the growth of algae. This is the only sound way to control the problem.

Here again in recent months a great deal has been learned about the removal of phosphates and other nutrients by means of sewage treatment. Testimony before the House of Representatives' Committee on Public Works last month revealed that technology has been developed, and is available now, to remove phosphates from sewage and other waste water in an efficient manner in today's existing waste water treatment plants. It further revealed that this technology can, right now, be rapidly and inexpensively implemented. Technically, almost all present sewage disposal plants could be made to remove phosphates in a period of months rather than years. The Environmental Protection Agency is currently sponsoring a demonstration project in the City of Grand Rapids, Michigan, where this technology is being used. Thus, here again, the Government has developed new knowledge on this subject.

In summary, 80% to 85% of the homes in this country cannot harm the environment by using detergents containing phosphates. Even if all detergents containing phosphates were eliminated from the remaining 15% to 20% of the homes, there is no assurance, and certainly no proof, that this step alone would have any significant effect upon eutrophication problems. There is a need to identify those lakes in which phosphates—as opposed to some other nutrient—may be the cause of a eutrophication problem and the Environmental Protection Agency is now doing this. In those lakes in which eutrophication exists due to phosphates, improved sewage treatment may be the best and, indeed, the only answer to the problem, and this answer can be applied rapidly and inexpensively to existing sewage treatment plants.

Another very compelling fact, of course, is that there are no safe materials that can be satisfactorily substituted for phosphates in laundry detergents in the United States at this time. Procter & Gamble is convinced that NTA is a safe alternative to phosphates but we have agreed, at the request of Federal agencies, to delay using it in this country until further testing has been completed. As far as other alternatives are concerned, the United States Government—after many months of study—has now spoken repeatedly and quite emphatically about them. On September 15 the Surgeon General and the head of the Food and Drug Administration again warned of the dangers of most *non*-phosphate detergents now being sold in this country, saying that the labeling of these products as "hazardous substances" may not be sufficient warning. Detergents are, after all, in quite a different category from hazardous products like drain cleaners due to the volume of detergents used in the home, their frequency of use, the many rooms in the home in which they are used and stored, and the fact that for generations they have been symbols of safety.

There are, of course, two types of *non*-phosphate detergents. There are those that are safe but just won't get dirty clothes clean and these account for about 15% of all non-phosphate detergents sold. Then there are those that rely on highly alkaline and corrosive materials for what cleaning power they have and these account for an estimated 85% of all non-phosphate detergents moving to the consumer today. Procter & Gamble could easily make either type of these products—and improve its profits in so doing—but we have consistently stated our conviction that this would not be a responsible thing for us to do.

However, the fact that *non*-phosphate detergents can be dangerous to people should not be used to disguise the errors in previously taken positions about detergents which contain phosphates. Neither should the hazardous nature of most *non*-phosphate products be used to hide the new understanding about the very limited role which phosphate detergents play in the eutrophication problems of the country.

This does not mean that we should not continue to learn more about eutrophication and about excess algae wherever they may exist and about the best method of solving these localized problems. Procter & Gamble, for one, will continue to work intensively to develop sound alternatives to phosphates in detergents and to prove their safety both to the environment and to people. When we have developed such products and proven their safety, they will be made available to the public promptly.

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## AEC COMMISSIONER WILLIAM O. DOUB LAYS IT ON THE LINE

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## HON. ORVAL HANSEN

OF IDAHO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. HANSEN of Idaho. Mr. Speaker one of the most important and forthright statements indicating the new directions that the Atomic Energy Commission is likely to take in the licensing and regulation of nuclear powerplants was made recently by one of its newest members, William O. Doub. In addressing a meeting of the Atomic Industrial Forum in Miami, Fla., last month, Commissioner Doub discussed some of the factors that have contributed to delays in licensing nuclear powerplants and some steps that can be taken by the Commission and by the industry to deal with the problem while protecting the right of the public to participate in the decisionmaking process.

Commissioner Doub is uniquely qualified to speak on this subject. He brings to his assignment on the Commission a wealth of background in the field of utility regulation. Prior to his appointment to the Commission in August, he served as chairman of the Maryland State Public Service Commission.

Mr. Speaker, I include as part of my remarks the text of Commissioner Doub's speech to the Atomic Industrial Forum:

### "THE RIGHT TO BE HEARD"—LAYING IT ON THE LINE

(Remarks by William O. Doub)

It is a distinct honor and pleasure for me to be here today. The Forum brings together an unusually stimulating and perceptive segment of the nuclear community, and I look forward to meeting many of you personally.

The topic for your symposium session is "The Crisis in the Licensing and Regulation of Nuclear Power Plants." While there may be divergent viewpoints as to the aptness of the word "crisis" for describing the present situation, there is an undeniable and widely shared concern as to the ability of the nuclear licensing process to cope with the demands which are being placed upon it—a problem to which I am devoting a substantial amount of my time together with my fellow Commissioners.

At a time when the Nation is demanding more electrical power and when nuclear facilities are being called upon to meet a constantly mounting share of that energy demand, we have been encountering vexing—and frankly untenable—delays in completing the licensing consideration of nuclear power plants.

There is, to be sure, a complex mix of factors which enter into the overall "delay" picture. A full survey of these matters is plainly not feasible within the scope of my brief remarks this afternoon. Instead, following the enjoinder to "particularize," which I hope will soon become the hallmark of our licensing hearings, I am going to focus on one element in this mix, that of public participation in decision-making on nuclear plant siting, construction, and operation. This is not to imply that other important parts of the regulatory program are not receiving vigorous review, and I intend to comment briefly on some of these aspects also.

So that there will be no mistaking the guiding premise in my approach to this subject, let me state my basic and fundamental belief at the outset. In my judgment there are sound practical and social reasons why the public properly claims and is afforded the right to be heard in our licensing proceedings. Public participation is a cornerstone of administrative law and is an inherent and necessary factor in the regulatory processes of a public agency such as the Atomic Energy Commission. As far as I am concerned, this right of the public to be heard is non-negotiable and should not be the subject of time-consuming debate. For in the final analysis, it is the public which derives the very real benefits from the safe operation of well designed and constructed nuclear power plants and which must as a corollary of that benefit shoulder the associated environmental costs.

I recognize that many thoughtful observers are disquieted by the fact that the systematic environmental inquiry, which is an integral part of the nuclear licensing process, is singularly absent (at least at the Federal level) when it comes to the construction of fossil-fueled plants which concededly have appreciable environmental consequences of their own. Some environmentalist and other concerned groups are seeking to fill this "gap," using legislation such as the National Environmental Policy Act (NEPA) to require broad-gauged environmental reviews in individual cases, like that of the Four Corners project in the Southwest. More broadly, power plant siting legislation now pending in the Congress would provide a national structure for thermal plant environmental reviews on an across-the-board basis.

But whatever the future may hold in the non-nuclear sphere, in the nuclear area we are presently operating within the demanding framework of existing law, and of court decisions applying that law. The Calvert Cliffs decision,[1] regardless of individual personal opinions as to its merits, leaves no doubt as to its "holding" and I believe that the AEC is being responsive to its clear definition of the agency's responsibilities under NEPA. Nuclear plants are now subject to a plenary environmental review prior to the issuance of a construction permit—and then again before operation—and at each stage affected segments of the public have the legal right to be heard in a quasi-judicial proceeding.

Of course, as I am continually discovering, stating these obvious requirements is one thing; translating them into a viable regulatory process—one which keeps step with a dynamic technology and equally dynamic social patterns—is quite another matter. And nowhere is this more evident than with the hearing phase of the process. We are confronted today with formidable problems in restructuring our hearing procedures so as to meet not only our obligation to the participating public but also our responsibility to the general public—a responsibility to arrive at sound decisions in a timely fashion. This present broad-gauged AEC responsibility demands a total in-depth review of the AEC licensing program with equal attention to the past approach of industry intervenors, and the utilities in the process. My initial reaction—which is more than just an impression—is that there is need for considerable improvement across the board.

The dimensions of problems are reflected in the increasingly lengthy proceedings which we are seeing in plant licensing. In some instances, hearing times are beginning to be measured in years—not simply weeks or even months. Parenthetically, as we all know, the time factor between the filing of an application and the granting of a construction permit or operating license has been increasing in recent years on the average of something in excess of 20% annually. And a look to the future, with the additional review responsibilities stemming from the *Calvert Cliffs* decision, serves only to underline the potential scope and the seriousness of these matters.

What are some ways that the hearing procedures and the actual conduct of the hearings can be improved? This is the focus of our attention this afternoon.

In approaching the matter, I should like to put to one side the legislative proposals affecting plant siting—nuclear and otherwise—now before the Congress. We have, whatever their outcome, an independent administrative obligation to act now with the means we presently possess.

Moreover, I am not disposed to be pessimistic about the possibilities for substantial progress through changes which are within our present capabilities: changes which build on concepts which have been subjected to intensive reexamination in recent months by the Commission. I would like to share with you some of these possibilities this afternoon. While the majority of my suggestions—particularly the ones for procedural change—are within the domain of the AEC, before I conclude these remarks I should like to discuss several suggestions for changes which the industry itself might undertake and also some observations for those environmental groups which have taken an active interest in our licensing proceedings.

Let me turn first to the licensing hearing itself the ground rules under which it is conducted, and the role—and responsibilities—of the respective parties in a contested proceeding.

I see no inconsistency between active public participation in the decision-making process and the legal prerequisite that this participation take place in a reasonably ordered manner. Indeed, if it cannot, the concept of public participation will be on a collision course with another concept—that of the necessity for the administrative process to permit decision-making on a basis timely enough to serve vital public needs.

I am not willing to concede that there is any inherent incompatibility between these two concepts. Hearings, of course, take time; but agencies, like courts, are not without means to so structure a proceeding as to accomplish its purpose with the maximum possible dispatch. The Commission recently issued proposed amendments to its procedural guidelines (Appendix A to Part 2) which were designed to take account of the fact that reactor licensing had passed from an era of essentially uncontested hearings, where public education was a primary function of the licensing proceeding, to one of contested hearings, where the settlement of disputed matters was the central purpose of our adjudicatory process.

The recent *Calvert Cliffs* decision clearly called for a reexamination of the matters dealt with in those proposed guidelines; and we are now in the process of recasting them—as well as some of the basic procedural rules in Part 2 itself—to take account of *Calvert Cliffs* and also of suggestions received from industry, environmental groups, and some further thoughts of our own. I might add that we expect shortly to complete a new draft issuance of Part 2 and its appendix and that we plan to discuss our proposals with representatives of industry and environmental organizations and to assess their further comments prior to adoption of new procedures.

As to our present thinking, let me outline briefly some of the procedural changes we are considering. Functionally, these changes are built around two objectives, which I view as being mutually complementary: First, to provide for earlier public participation in licensing proceedings, within a context of maxmium and convenient public access to facility licensing information and, second, to demand a sharper focus on matters which are actually in controversy, and a greater discipline in dealing with those matters, during the hearing phase of the licensing process.

To be more specific about the direction the thoughts of some of us are taking:

In the sphere of earlier public participation, consideration is being given to allowing intervention in licensing proceedings at a much earler point in time than is now permitted—even under our early notice procedure. This is a step which some environmentalists have been urging the AEC to take to facilitate public participation and to expedite the conduct of the later hearing—and I believe it makes sense.

As a correlative step, we would plan to assure that the application and all of its amendments, the staff-applicant correspondence, the safety review and NEPA documents, and the like, would be conveniently accessible to the public as they become available from the date of the filing of the application onward. We have just recently moved in this area by establishing a public document room at each site locality.

As an additional measure in pursuit of this objective, we are considering liberalizing further our rules dealing with availability of AEC records by eliminating certain of the present privilege exemptions for internal documents. This would not only broaden information access to the public—desirable in and of itself—but could also appreciably lessen the time loss involved in licensing proceedings through protracted arguments over document production.

Early, readily available access to all of the foregoing information, and a forthright approach in the manner and attitude of applicants with regard to the production of information—about which I'll say more in a moment—could make early intervention a highly useful step. It is painfully apparent to me that a considerable, and to a large degree unnecessary, amount of time is expended by concerned parties in simply trying to acquire what I believe should be readily available information regarding the proposed plant.

Let me add one further thought on the matter of early public participation. I can well understand the concern—if not the sense of frustration—of local citizens and civic and environmentally minded groups who observe site preparation and construction to grade of a proposed plant prior to an opportunity to be heard. I believe constructive steps are needed to come to grips with this problem, and we will be giving this additional attention.

Turning to the matter of providing a sharper focus and a more orderly process for the contested hearing, we are looking at the following steps:

Early identification of the issues to be considered in operating license hearings and restriction of testimony to those matters which are actually in controversy;

Greater utilization of the prehearing mechanism for the purpose of showing substantiality of issues both in construction permit and operating license proceedings, as a prerequisite to the raising of radiological safety or NEPA contentions;

Greater utilization of prehearing conferences and procedures to better define and narrow controverted issues and to deal with related discovery matters; and

Recognition of the authority of the licensing boards to impose limitations, where appropriate, on the time within which a hearing or any part of it may be completed. This last point, as some of you will recall, is in line with the provisions of our revised NEPA regulations in Appendix D to Part 50.

I believe, moreover, that our procedures should contain some express recognition of the role which can properly be played by party settlements of disputed matters in contested licensing procedures. Settlement by mutual agreement of all parties is an accepted aspect of judicial proceedings and, as a practical matter, it is an essential ingredient in day-to-day business and personal affairs. There are sound public interest considerations for encouraging this kind of settlement of disputed matters in our licensing procedings and our procedures should not only reflect this but also provide mechanisms which take account of productive party settlement efforts.

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[1] *Calvert Cliffs' Coordinating Committee, Inc., et al.* v. *United States Atomic Energy Commission, et al.* (Nos. 24,839 and 24,871, D.C. Cir., July 23, 1971).

Beyond these and other measures which might be adopted, a cardinal objective on our part will be to set the tone for the conduct of hearings by our presiding officers—a tone which while demanding recognition of legitimate party rights would also require the shouldering of corresponding responsibilities. The boards would be urged in this regard to use the tools given them by our rules and in principal accepted by the courts as precepts of effective administrative law—for control of prehearing and hearing schedules, for preventing abuse of discovery mechanisms and for maintaining rein over hearing examination and cross-examination—to move the parties to completion of the decisional record as expeditiously as possible consistent with the right of all parties to be heard.

Having said all this, I want to emphasize that a licensing hearing is obviously not an opportunity for a free-for-all nor is it a Hyde Park where unlimited oratory can be practiced. Such a hearing functions—or should function—within reasonably defined sensible and logical rules. Intervenors, equally with the staff and applicant, must be required to respect the rights of all participants. Hearing boards are obligated to consider all timely presented, relevant evidence, but should not unduly accord special privileges to any one participant. In practical terms and putting it bluntly, this means that no one has the right nor should be permitted to use a hearing simply as a device to delay a decision on construction or operation of a plant.

In advancing these suggestions, I would not want to appear the pollyanna or to profess to believe that licensing miracles can be wrought with these or any other rules changes. But I do believe that earlier, informed, public participation can only help the licensing process; and, further, that such participation provides the most viable framework for subsequent adherence to firm procedural groundrules.

As to the efficacy of those groundrules, we must, of course, recognize their practical, and proper, limits. We do know, however, that our country's judicial system has been able to achieve similar goals within the framework of procedural rules roughly parallel to our own; and I know from my own experience as People's Counsel before, and then as Chairman of the Maryland Public Service Commission, that fair and well-defined rules administered by tough, impartial and fair-minded hearing officers can do a great deal to move a proceeding forward to its conclusion.

I promised earlier that I would have a few thoughts regarding changes in approach on the part of the industry which could help in the amelioration of hearing delays.

At the outset, let me remind you that the hearing is only the capstone of an overall process which begins with utility planning and ends with governmental licensing. The public's disposition to raise contentions for governmental consideration at the relatively late adjudicatory stage is, more often than you may care to acknowledge, a byproduct of a utility-applicant's failure to do its "homework" with its constituency in the earlier phases of the process. In all too many cases a frustrated, confused, and often alarmed citizenry has no other recourse than to contest an application—if initially only to acquire information.

I am speaking now of early, open and full communication of utility plans for facility siting and construction. I recognize that some utilities have established a fairly impressive track record in this regard of late, and that others are improving on past performance. But we still see instances of plant construction plans that are disclosed relatively close to, if not contemporaneous with, the filing of governmental licensing requests. And we also know that public information programs, when they have been mounted—as they increasingly are these days—have ofttimes been found to be superficial by responsible environmental groups; and that some utilities may not be prepared to give these groups the hard information they are seeking. This old-line, close to the vest approach is a residual byproduct of a philosophy of managerial prerogatives that is not viable in an economy such as this where electricity plays such a significant role.

Moreover, the impact of delays that occur at the hearing stage cannot be divorced from events within a utility's control that occurred much earlier: less than adequate plans for load growth; indecisiveness in making basic determinations, such as whether to go fossil fuel or nuclear; woefully incomplete initial construction permit applications; failure to develop in-house quality assurance expertise; not pressing for licensing hearings as early as one might because of what may be termed "local resistance" factors. These are only the examples that most readily come to mind.

In another vein, the industry has quite rightly urged the Commission to utilize rulemaking for the establishment of generally applicable design and other standards, rather than leaving matters to *ad hoc* facility review and adjudication. The Commission has, in fact, been moving in this direction but our pace is in no small measure influenced by the degree of standardization which obtains among the equipment vendors and particularly the architect-engineers. Reading some of Craig Hosmer's comments in this year's Joint Committee hearings on the regulatory program, I am convinced that there is considerable room for improvement on this score. Whereas there appears to be a gradual and encouraging trend toward limiting the types of nuclear steam supply systems being offered by the vendors, the non-nuclear portions of the plants (by far the largest fraction of the investment made by the utilities) change from one plant to the next. In my own mind, this seems to be an unnecessarily expensive approach and there is no question that it complicates the regulatory process when the interaction between the nuclear and non-nuclear portion of each plant must be exhaustively studied in a safety context.

In terms of the hearing itself, the most useful step I could urge upon the utility-applicant is maximum openness with information in its possession. Proprietary information may present special problems but, with limited exceptions such as that, I frankly believe that a license applicant is best advised to make available to a requesting intervenor the greatest amount of information possible. And I include within the "availability" category information which may only be arguably relevant. The hearing boards, after all, will ultimately determine the evidentiary admissibility of any information furnished. The dividends realized in enhanced communication—and in simple savings in hearing time—make this, to my thinking, the eminently sensible course.

Since I am being liberal with my advice today, it is only appropriate that I save a few words for the representatives of environmental organizations. I hope you will be frank and recognize that these organizations have been instrumental in rightfully bringing to light a national lack of concern about the environment. As a result, a striking and irreversible change in the outlook of policy makers has occurred and "concern for the environment" is no longer a catch phrase but a mandate that we must follow and enforce. As in most matters involving radical change, adaptation has been accompanied by the need to resolve practical as well as legal and administrative problems. For example, in the past, a primary complaint of a number of the environmentalists was the jurisdictional refusal of the AEC to consider the full environmental impact of proposed nuclear plant licensing actions. The grounds for that complaint went by the boards, so to speak, with the enactment of NEPA, the subsequent Calvert Cliffs decision and our recent procedures implementing that decision. We now have a system, and scope of review, which is truly unique insofar as environmental examination of industrial undertakings is concerned.

The basic question confronting us now is whether this system can be made to work in a fashion timely enough to serve essential public needs—or whether it will be overwhelmed, as some are fearful. I can only assume that it is in the best interest of environmentalists to help us make the new system work, as they have repeatedly stated in the past that it could be made to work. Responsible participation in our proceedings and a recognition of the practical limits of the new system—particularly at this early state—will be key elements in this regard.

I would hope also that the emotionalism which has marked the approach of some to the question of nuclear plant environmental impact will be tempered in the cold light of the NEPA review process. The Commission fully intends, as Chairman Schlesinger has stated, to be responsive to the conservation and environmental concerns of the public. But we would be serving no sound public purpose, and defeating NEPA's ends, if we were to deal with these matters other than through the process of dispassionate and balanced assessment.

## CONCLUSION

Let me add a concluding observation on the licensing "crisis" we are examining this afternoon.

I harbor no illusions as to the magnitude of the task facing the Commission as we move forward into what, in a very real sense, is a new era of licensing responsibility. We are called upon to match the capabilities of a dynamic and complex technology to the urgent energy and environmental needs of the country, and to accomplish this within a legal and social framework which calls for the most sophisticated type of decision-making.

But meeting the challenge which changes poses is hardly a novel experience for either the Commission or you members of the nuclear community. The Commission's licensing program and the industry it covers never have been static. They are today the end-product of evolvement and of adaptation to the constantly changing circumstances of the past 15 or so years.

Without pretending to special insights—only a willingness to tackle the problems—I am cautiously optimistic for the future. We have available the talents of an unusually gifted group of people, both in the public and the private sectors, and the pressing needs of our country provide an unremitting reminder that we have no choice but to succeed.

## FACTS AND MYTHS IN WORLD AFFAIRS

### HON. PHILIP M. CRANE

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. CRANE. Mr. Speaker, there have for some time been many myths about world affairs and America's international role which have been given currency by spokesmen in the Congress, in the academic community, and in the mass media.

One of these myths is that America has been arrogant, even imperialistic, in its use of power. Such a charge, of course, overlooks the fact that at the end of World War II the United States was the only Nation in possession of the atomic bomb. Had we desired to do so, we could have imposed any kind of peace we chose upon the world.

Instead of imposing an American peace, we permitted communism to dominate the nations of Eastern Europe and to come to power in China. We assisted our former enemies, the Germans and the Japanese, to become free and prosperous. We ignored the construction of the Berlin wall, and the revolts in East Germany, Czechoslovakia, and Hungary. This may have all been foolish, even acting against self-interest. But it was hardly arrogant, or imperialistic. Still, despite the facts, these false charges are heard with increasing frequency.

Many other myths are also being heard. One is that the cold war is over and that communism has changed its goal of world domination. Recently, the distinguished journalist, Edgar Answel Mowrer, now retired and living in New Hampshire, discussed what he called the facts versus the myths of foreign policy.

To the statement that communism has really changed and that the cold war is over, Mr. Mowrer writes:

> Within the USSR, Red China and even Red Cuba, the Cold War has never been so much alive. Communist leaders admit this. Western democrats refuse to believe they mean what they say.

To the charge that recent events in Southeast Asia have proven the domino theory to be invalid, Mr. Mowrer states that:

> To the contrary, North Vietnam's military determination has already helped Communism in Thailand, Burma and India—with no end in sight.

I wish to share Mr. Mowrer's thoughts with my colleagues, and insert his analysis into the Record at this time:

#### A LONG VIEW OF FACTS VERSUS MYTHS

(EDITOR'S NOTE.—A former foreign correspondent and syndicated newspaper columnist, Edgar Ansel Mowrer has viewed the U.S. and its relations with the rest of the world close-up for half a century. Now retired and living in New Hampshire, he occasionally writes on world events as he sees them. In this report, Mowrer discusses what he calls the "facts" versus the "myths" of foreign policy.)

(By Edgar Ansel Mowrer)

Myth: "The Cold War is over."

Fact: Within the USSR, Red China and even Red Cuba, the Cold War has never been so much alive. Communist leaders admit this. Western democrats refuse to believe they mean what they say.

Myth: "The United States is fighting in Vietnam primarily to keep South Vietnam democratic—and obviously failing."

Fact: Americans are fighting in Vietnam to prevent the spread of a totalitarian system that aims at subjugating the entire world—that is, in defense of their national interest.

Myth: "Events are proving Eisenhower's 'domino theory' of Communist expansion in Southeast Asia an illusion."

Fact: To the contrary, North Vietnam's military determination has already helped Communism in Thailand, Burma and India—with no end in sight.

*Myth:* "The war in Vietnam has revealed the limits of American power."

*Fact:* Untrue. The United States *could* have won the war in six months and perhaps eliminated the regime in North Vietnam in the process had it not refrained from using all possible weapons—through fear of provoking the Soviet Union.

*Myth:* "The Vietnam war is really just a police action."

*Fact:* Only because neither the Kennedy nor the Johnson Administrations realized how hard it is for a democracy to support the restrictions inherent in an undeclared war. Had either secured a proper declaration from Congress, the American people's attitude toward the struggle in Vietnam would have been totally different. And how can you call a struggle in which some 50,000 fine young Americans have died a "police action"?

*Myth:* "Former Secretary of Defense McNamara helped relax the Cold War by his acceptance of military parity with Moscow."

*Fact:* Nonsense. Such acceptance has not only nourished the Cold War but will, if not speedily reversed, sooner or later, lead either to a nuclear war or to the acceptance of a Soviet ultimatum by an American Administration.

*Myth:* "By trading with Red China, the democratic countries are increasing the rivalry between Peking and Moscow and strengthening democracy."

*Fact:* Only up to a point. Any strengthening of Communist countries encourages their common aggressivity. In a war against capitalist imperialism, they will cooperate—as Russia and Red China are doing in Vietnam.

## STATE MAY FACE ELECTRIC, GAS SHORTAGES

### HON. ELWOOD HILLIS

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. HILLIS. Mr. Speaker, I would like to call the attention to Members of the House of the critical effects that face us as a result of the United Mine Workers' strike.

Unless this strike is soon ended, many Americans will be out of work.

I would like for the Members to read the following newspaper story which was published in the Indianapolis Star.

The article follows:

#### STATE MAY FACE ELECTRIC, GAS SHORTAGES

(By John S. Mason)

Hoosiers may face shortages of both electricity and natural gas this winter, W. W. Hill Jr., chairman of the Public Service Commission of Indiana, said yesterday.

The electric problem is caused by coal shortages at generating plants due to the United Mine Workers' strike, now in its fifth week.

The natural gas shortage, due to inadequate national supplies, is a greater long-term problem, Hill said.

If the coal strike continues, electric service cutbacks will occur before the end of the month, Hill said.

He will meet Wednesday with officials of electric utilities most seriously threatened by the coal shortage to discuss plans for possible service cutbacks.

Officials of Indianapolis Power and Light Company, Southern Indiana Gas and Electric Company and Public Service Indiana have indicated they will attend.

Some Public Service Indiana plants may have to cut back service in about two weeks if they do not receive additional coal, it was learned.

Underground supplies of coal are plentiful and only the strike threatens electric power supplies, Hill said.

The natural gas shortage stems from a lag in development of natural gas wells. This occurred because the Federal government long imposed a low price limit on natural gas, making well exploration and development unprofitable, Hill said.

In recent years the Federal government has allowed natural gas prices to increase, making well exploration profitable enough to attract investment.

Vaughn C. Beaty, deputy chief engineer of the PSC's accounting and engineering department, said the cost of gas to the retailer increased an average of 11½ per cent between August, 1970 and August, 1971.

Seriousness of this winter's gas shortage will depend on how severe Indiana's winter weather is, he said. Most Indiana gas utilities use natural gas at least in part.

PSC and gas utility officials are working out plans for cutbacks in natural gas service.

The first plan, for Central Indiana Gas Company of Muncie, was approved by the commission earlier this week.

Under the Central Gas plan, first gas users to feel cutbacks would be "interruptible" customers, large industrial users who buy gas at reduced rates with the provision that continuous service is not guaranteed.

These users, who have alternate power sources available, can expect service cutbacks this winter, Beaty said.

Some industrial users who purchase gas on a constant supply basis also can expect service cutbacks, particularly if winter weather is severe, he said.

Large commercial store and similar users would be next on the cutback list.

Last service to be affected would be that provided residences, schools, hospitals and other "human needs," Beaty said.

However, the shortage is not expected to be severe enough to affect commercial or human needs users this winter, Beaty said.

One pipeline firm has informed its utility customers it will reduce the amount of natural gas it supplies by 3 to 6 per cent this winter.

"This is a sizable amount," Beaty said.

While "critical problems" are not expected, there will be more "curtailment of gas service" than in the past, Beaty said.

Development of new wells may ease the shortage problem within about two years, Beaty said.

However the shortage "could be a little worse" next winter, depending upon the speed with which new wells are put in service, Beaty said.

## FOUNDING OF THE PERSIAN EMPIRE

### HON. GRAHAM PURCELL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. PURCELL. Mr. Speaker, last week the capable Ambassador of Iran, Dr. Amir Aslan Afshar, spoke before the 26th annual meeting of the Iran American Chamber of Commerce in New York.

On the occasion of the 2,500th anniversary of the founding of the Persian Empire it seems significant to me that, in the scope of things, the United States is a comparatively young nation. However significant the matters before the Congress might seem at this time, it is the context of history that the majority of all peoples destined to populate the earth will judge us. Let us legislate and couch our actions, Mr. Speaker, toward that end, as well as to answer the pressing problems of the present and immediate future.

We in the United States are fortunate to have such a capable Ambassador from Iran as Dr. Afshar. Because his speech so aptly illustrates the progress made under the Shahanshah Arymehr, in his "White Revolution," I commend it to my colleagues. As an outsider's opinion, the people of Iran are fortunate to have such a forward looking leader guiding Iran now what, we here can only hope, will be a prosperous and rewarding second 2,500 years.

The statement follows:

### STATEMENT OF HIS EXCELLENCY, DR. AMIR ASLAN AFSHAR, AMBASSADOR OF IRAN TO THE UNITED STATES BEFORE THE 26TH ANNUAL MEETING OF THE IRAN AMERICAN CHAMBER OF COMMERCE IN NEW YORK ON NOV. 5, 1971

Your Excellency Ambassador Hoveyda, Mr. Miklos, Mr. Consul General, President Cross, Honorable Members of the Iran-American Chamber of Commerce and distinguished guests:

Let me first extend my thanks to Mr. Cross for his kind and warm introduction regarding myself and my country, I am greatly honored to have the privilege of addressing the 26th annual meeting of the Iran-American Chamber of Commerce, a forum which permits our two countries to engage in a continuing effort to strengthen our economic and commercial ties.

This year's annual meeting is especially significant because it coincides with the 2500th anniversary celebration of the founding of the Persian empire and the declaration of human rights which is being celebrated not only in our country but throughout the world. A nation draws strength from its history and on this occasion we pause to recall our great heritage stretching back thousands of years, but which is little known to some westerners. The late Dr. Arthur Pope, an eminent scholar who devoted his life to the study of Iran's cultural heritage and who now rests in peace in the country he loved and admired so much, put it most eloquently when he said:

"In western education, Persia has, since the days of Xenophon, been a blank page, or at most, a footnote to the history of ancient Greece. Yet, scholars now agree that the Iranian Plateau was probably the cradle, first of the human race and later of civilization itself. Independent considerations have led Sir Arthur Keith, Dr. Henry Field, and Professor Ellsworth Huntington, working separately, to the belief that man emerged as Homosapiens in the land of Persians. That this land and the adjoining regions in the Northwest produced the first civilized communities now seems certain to most scholars."

For sixty known centuries—some even say for 7,000 years—the Iranian Plateau has contributed ideas and techniques which have helped to sustain and humanize mankind. writing, numbers, the art of agriculture and of working metals, the sciences of astronomy and mathematics, the beginning of religions and philosophical thinking—these all come from the near east, and the fountain head of much near eastern culture was on the Iranian Plateau.

The 2500th anniversary celebration was also a celebration commemorating the emergence of a modern and dynamic Iran. The world witnessed a strong, viable, self-sufficient, prosperous nation standing as a bastion of freedom and democracy in the turbulent region of the Middle East. News media throughout the world focused on this aspect of the commemoration.

For example, one of this country's leading newspapers, the Christian Science Monitor, in a comprehensive article headlined, "prosperity, Vitality Mark Iran's 2500th Year," Summarized the prevailing view throughout the world by observing "Iran has become an Asian power commanding respect and admiration from its neighbors and the world's big powers alike." And the well known British publication, the economist, commented: "The Shah has put his message across: Iran is now a force to be reckoned with."

This was more than a national commemoration; it had international significance because the founding principles of the Persian empire were based on the declaration of human rights set forth by Cyrus the Great which included a rule of law based on morality, justice and equality. Her imperial highness, Princess Ashraf Pahlavi has recently presented for posterity a replica of the cylinder containing this declaration of human rights to the United Nations.

This momentous and unique occasion in history, brought to Iran world leaders from the corners of the globe who were able to meet in a congenial atmosphere free of tension, and exchange ideas which are proving to be of great value and significance. The fact that Iran could host such a distinguished gathering and marshal various sectors of the country together to achieve this noble goal indicates not only the pride, national spirit and unity of the people of Iran, but also the world-wide recognition of Iran's past and present contribution to world civilization.

The unity and pride of the Iranian people and their desire to show the world their new Iran is indicative of the results of the White Revolution led by my august sovereign, His Imperial Majesty the Sahanshah Aryamehr. The revolution was achieved without repressive tactics but, instead, was a positive, bloodless revolution of far-reaching consequences; hence it is known as the white revolution since it is being fashioned without the violence typically associated with such drastic changes. It was achieved, under the enlightened leadership of His Imperial Majesty—aptly called in a recent U.S. News & World Report article, a "king and revolutionary," a combination rarely found. He has blended modern technology, modern managerial concepts and a reordering of priorities for the benefit of all of the people.

Although time does not permit a full discourse on all aspects of the White Revolution, which I am sure are familiar to you, a few highlights should be mentioned. Iran has implemented a vast land reform program of such a magnitude that Iran's peasants now own their own land. The success of our land reform, one of the few of its kind successfully implemented, is widely recognized and admired throughout the world. A dedicated group of 75,000 youths have banded together to serve in the literacy corps throughout the country to teach all how to read and write and set an example for other countries in combating the illiteracy problem. Iran's goal for the 2,500th anniversary celebration was 2,500 new schools, but 3,000 have already been built from funds contributed by people of different walks of life. To maximize their efficient use, we nationalized our water resources and put our forests under public ownership. On the other hand, showing that we ascribe to no particular ideological dogma, state-owned industrial plants were sold to private corporations and industries. Iran has established profit sharing for factory workers. We have greatly improved our health services through the establishment of a public health corps. We have established universal women's suffrage. Now women have equal rights in all phases of Iranian life. We have women members of the lower house and the senate and a woman Minister of Education. Her Imperial Majesty Empress Farah, Shahbanou of Iran stands as a shining example of the role of women in Iran with her outstanding work in the arts and social welfare programs. We created village courts of equity where the farmer or townsman can get a fair hearing in minor grievances or disputes. The White Revolution—a revolution for all of the people which has gained the support of all the people—has thus brought even greater political stability to Iran.

As I am sure you sophisticated observers of economics and commerce are well aware, political stability breeds economic stability. Iran stands as a classic example of this rule. The facts speak for themselves. Per capita income, which was approximately $180 ten years ago, has almost doubled and now exceeds $350. The gross national product is expected to increase 11% this year, a growth rate second only to Japan. Foreign investment, always a good barometer of investment confidence of the world community, has risen to 1.3 billion dollars, of which $700 million is American capital.

These are the facts. But what is the story behind the facts? Basically we see an economy no longer entirely tied to oil but which has been diversified to include many industries such as petrochemicals, tires, pharmaceutical products, appliances, cars, machinery and other consumer goods. The constant traffic jam in Teheran caused by Iranian made automobiles attests to our progress in this area. Perhaps the harried pedestrian attempting to cross a main thoroughfare can take comfort in knowing that by diversifying our industries we in Iran now produce over 90% of our needs in consumer goods.

Just as our industries have diversified so have our exports, whereas in the past our exports traditionally were raw materials, and carpets, we are presently exporting finished goods such as clothing, shoes, transistors, television sets, air conditioning units and all kinds of electrical appliances, buses and automobiles in large quantities.

Although we have turned inward to revitalize our economy we have not abdicated our international responsibilities but in fact have taken a greater role in the council of nations. With the withdrawal of the British from the Persian Gulf at the end of the current year the role of Iran will be even greater in the future.

As a founding member of the United Nations, one of the cardinal principles of Iran's foreign policy has been respect for the charter of the United Nations and we have always adhered to the resolutions of this body.

Iran will fulfill its international responsibilities using the same simple principles it has always followed: A peaceful settlement of disputes, understanding of the problems of others, a support for efforts to maintain justice, cooperation to bridge the gap between the poor and the wealthy countries and cooperation to combat illiteracy. These principles have been exemplified in the peaceful solution set forth to the Bahrian principle which was lauded by U Thant of the United Nations as an example for the solution of international disputes. These have also been exemplified in the fruitful mediation undertaken by the Shahanshah of Iran between Pakistan and Afghanistan and between Pakistan and Malaysia which resulted in amicable settlement.

We live in peace with our neighbors as illustrated by our close cooperation with Turkey and Pakistan and our friendly relations with the Soviet Union and Afghanistan. And, there is and has always been a cordial relationship between the United States and Iran, even prior to the emergence of this great country as a global power with immense international responsibilities. Both countries recognize the rights of individuals to pursue their freedom and both countries view government as a vehicle to bring a better life to their people. Iran is most grateful, and will never forget, the helping hand extended by America during the dark days following World War II; the United States will always maintain a warm spot in the hearts of every Iranian.

Iran and the United States have also been trading partners for many years and this Chamber of Commerce through its dedicated and distinguished members has played a significant role in strengthening not only economic and commercial ties between the United States and Iran but also in promoting friendship between our two countries. Last year you celebrated your twenty-fifth anniversary. I offer my congratulations and hope that you will one day celebrate your twenty fifth hundred anniversary.

Let me say that our energies in Iran are directed to the improvement of the lives of our people as well as making a positive contribution to world peace, stability and prosperity. We can achieve these goals by using technology and harnessing our resources in an organized and efficient manner. I think that it was most eloquently put by my august sovereign in his welcoming speech at the 2500th anniversary celebration which carried the theme that man's eternal and changeless nature is an effort toward perfection when he said:

"Each one of us must try as hard as possible, as much as circumstances allow, to turn the world into one of love, peace and cooperation for mankind, a world in which every person may enjoy the benefits of science and civilization."

Thank you very much—I have enjoyed being here tremendously.

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## THE SECOND MILE

## HON. CLARENCE J. BROWN

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BROWN of Ohio. I am pleased at this time to place in the RECORD the full text of a recent sermon entitled, "The Second Mile" by Lowell Russell Ditzen, D.D., LL.D., L.H.D., Litt.D., which I wish to bring to the attention of my colleagues:

### THE SECOND MILE

Text: ". . . whosoever shall compel thee to go a mile, go with him twain."—Matthew 5:14

Scripture: Matthew 5:33–48

The Bible is alive! It is contemporary!

The longer I read it the more I find myself present when first it came into being. The more vividly, too, do I find it speaking to us and to our times.

Let me give you an example. I have visited the land, as have some of you, where Jesus walked and where He spoke to His day and to eternity. Recently, reading again the Sermon on the Mount, the scene was before me. There came to me a picture of how one individual was affected by what was said on that occasion.

Though the multitude seemed welded into united attention as the Master spoke, one young man, who had recently seated himself on the hillside above Capernaum, seemed to be only partially listening. If you had watched him you would have been aware of a restlessness that came from deep within him.

His eyes roved. They took in the flower-jeweled hillside that curved down to the waters of Galilee. He looked intently for a moment at the gray-red escarpment on the opposite shore, above which rose the Syrian plain. His eyes, sharp with seeking, might even have noted, through the crystal air, the tip of Mount Hermon far to the north.

His body, naked to the waist, glistened with perspiration. Across his shoulders were raw, red bruises, as though he had just been freed from some heavy burden.

Someone, unknowing, might have asked, "Is he a slave?" But any native would have immediately answered, "No, no slave." The tunic tied loosely at his girdle was of too fine a fabric. The careful chiseling of his face and the independent set of his chin revealed a high-bred youth. If he were a slave, he had not long been subjected to serfdom.

Yet it was obvious, as you looked at him, that there was conflict in that man. His jaw was tense. His eyes smoldered with resentment, and the knuckles of his fists were white, as though anxious to strike a blow of retaliation or vindictiveness.

And why should it not have been so?

For, a few hours earlier, he had been on the road toward Magdalena, where it was his monthly custom to spend the day with the wisest man of the area, a great tutor and scholar. Nearing the place, he was accosted in the middle of the road by a Roman legionnaire, stumbling and groggy with his carousal of the night before. He obviously was being transferred from one barracks to another. The soldier roughly turned him about, tore his tunic down to his waist, and taking off the full burden of his impedimenta, lashed it firmly on the other's shoulders. Then he commanded huskily, "You know the law. Carry it now one mile."

The young man burned with anger at every step that he took. The thought of his grandfather's counsel that "as life requires us to do things, we must do them with patience and without resentment," was an old man's folly. He seethed at the century-long injustice, practiced by the ancient Persians centuries before, which legalized impelling the person or conveyance of a citizen to carry the goods or the messages of royalty or the conquering soldiers. Here he was, a man of refined tastes and affections, being required to act like a beast of burden.

Finally the irksome mile ended.

People were gathered on a hillside listening, apparently, to some itinerant preacher. Wearily he settled among them, trying to find in the scenery about him, in the impersonality of the situation, some release of the inner anger that ate at his heart.

Then the sound of that voice speaking, the quiet authority of the "rabboni," captured his attention. And he found himself increasingly alerted—with an electric intensity that began to shock out of his mind and system the dragging anger—as he heard these words: "You have heard it has been said, 'an eye for an eye and a tooth for a tooth,' but I say unto you, do not resist one who is evil. But if anyone strikes you on the right cheek, turn to him the left also."

He had never heard such daring, such unconventional words! The books of Exodus, Leviticus, Deuteronomy, all condoned the principle of retaliation—"an eye for an eye, a tooth for a tooth." Why, it was an old law as far back as Hammurabi!

And then he was taut with surprise and shock, like some woodland animal that has been pierced by the huntsman's arrow, as he heard the Teacher say *"And whoso shall compel thee to go one mile, go with him twain."*

From years of talking with boys and girls and men and women. I know that there is someone listening in this congregation who feels he's wrongly compelled to go that awful mile—who has a sense of resentment at what life has required him or her to do—someone who feels forced to assume and carry burdens that didn't seem to be in the original contract of life—someone for whom duty is a painful thing, who asserts that he's being taken advantage of, who feels he's overburdened, that there are unjust expectations made of him. I know this person is here, because that person is a part of me.

And the words that the Master spoke, seemingly so long ago, need speaking today—the words that say, "There's no real mastery of life, no real mastery of yourself, when you're always struggling against life's minimal requirements." You're a whining slave. You're increasingly ineffectual until, as someone said who had the second mile idea, "You stop kicking about what you have to do, and give the kick to yourself."

Not as inelegantly as that, it could be put this way, "You begin really to build yourself into a fulfilled person when you let the idea get hold of you *to do more than is required!* Make of life a quality and a quantity beyond what is expected! Do it and you become a mighty precious person to yourself and to those about you."

The application of this principle is so obvious in our work. Where is the growing edge? Where is the most vital part of any institution, any industry, any profession, any calling? Is it in the clock-watching group? The individual lamenting about what he has to do? The dropouts? The one who cries about what the job is doing to him? Or the one who says, "What are the opportunities here? What additional responsibility can I take on? What can I do for this company?" Not "What can my customer's clients do for me," but "How can I most fully help my customers, my boss, my employees, my clients, my patients, my parishioners, my constituents, my subscribers?"

What marks a great teacher? A great student? Isn't it always the quality that is willing to go the second mile?

In this mood, if someone were foolish enough to ask me to nominate a Commencement address that was to be emphasized in every graduating assembly in the country, I would be moved to give the theme in fifteen words. There are three points:

(1) Life will always demand that you go one mile.

(2) You go two!

(3) Now get going!

There's power there. There's the rootage of ultimate success wherever we are and in whatever we have to do, as we get the spirit of not just one mile—but two.

I want here to talk to the young people and the youth in every heart here today, no matter what your chronological age.

Our country is going through troubled waters! We have grave problems, both nationally and internationally, economically, socially, politically, morally. It's a time of flux and change with our concerns vastly more complex over what they were when I, as a boy, became conscious of our corporate life.

I know few of the answers. But this I do know—we have *portentous opportunities!*

One of the fields that intrigues me is that of "Cybernetics." It concerns the various forms of technology and control that will determine the future. For example, with a properly programed computer we can foresee the end results which will come from any given action. This we could not do with the beginning of the automobile—see the landscape chewed by highways, the parking lots, the air pollution, the mobility of our population, the problems in our urbanization.

But mankind will not be moved forward by these means and instruments ecologically, politically, humanely by people who resent going mile one.

This is Labor Day Weekend. Can I reach someone who will use this occasion to live more unselfishly; who will dedicate himself to our country's welfare more sincerely; who will work for our future with creativity and hope? Friend, our past and our future call out to enroll you as a "second miler."

II

Looking at it from another angle, one of the surest ways to really get a "kick," use what word you will—to get "joy" in living is in this way.

I knew a man some years back who was in the social service field, employed by an institution. Due to a change in personnel, he was asked to be in charge of the Boy Scout troop. He whined about it. It wasn't a part of the original deal. He had no training or inclination. And, he growled, as for dealing with twelve-year-old boys, he'd rather try training a cage full of panthers. Grudgingly! Resentfully! He went at what appeared to be a nasty necessity, a duty.

Some time later I saw that individual inquiring about sources for maps that could be used in his Boy Scout program. He was happy as a lark! I asked him about the change and, in essence, he said that he went to the first Boy Scout meeting jaded and resentful. But he couldn't escape the eyes of a towheaded boy who had come, eager and hopeful, to his first meeting as a Boy Scout. The lad was expecting so much. My friend said, "I couldn't be a traitor to what I read in that boy's eyes." He went on to say, "The interesting thing is that, as I began reading about the history of the Boy Scout movement, its programs, its aims, and as I began devising means of keeping ahead of that boy and others so they wouldn't be let down, *I found that I was the one who was getting the lift.*"

Isn't it always so?

In cooking a meal, when does it become fun? When it's another one of those painful, regular duties that comes three times a day, 365 days a year, and one wants to get rid of it as fast as possible with a minimal effort? Or when one treats a meal with the extra touch—the special recipe of grandmother's is prepared with care, the food is arranged beautifully, and the best linen and candles may be placed on the table. When is it fun? When is there joy and lift, in one mile or two?

When do we get a "kick" out of human relations? When we do the minimal in the way of social duty, what's expected, what we think is required—saying "thank you" to the hostess, being sure we won't forget talking to this individual five minutes about the weather, and don't overlook talking to those boring ones on raising dogs, about baseball, or stamp collecting, and then getting away as fast as possible? Or when in human relationships, with interest, inquiry, concern, and really caring, there is the second mile of interest and concern and support?

A helpful book some years back divided life into the four categories of work and worship and love and play. Ask yourself when ones does what is required—when do the tasks and demands of life—turn that corner of drudgery and become play, become fun? When is there delight and love in what one is doing? When does it have a preciousness, almost of sacramental quality? Well, the individuals who are the one-milers will never know. It's only those who go two.

Here's the matter of religion. How do we get the real meaning out of religion? Not from the point of view that says, "Oh, I suppose it's the thing to do. We're in a community where there's a social pressure to belong to the church."

"It's the thing to do. I'll join the church because my wife twists my arm and tells me I ought to go to it for the sake of appearance and the children. But it gripes me. I'm offended by some of the tenets of orthodox theology. Religious leaders, I find, are not realistic. I find references made to God and vague spiritual values that really are irritating." Grudgingly, one mile.

Friends, you or I don't get any treasures of faith until, in this area as in every other one, we get the second mile attitude. There are ethical principles, alive and vital, in every religious tradition. How can these be applied specifically in business, in my industry?

There are Christian ideals of justice in human affairs and good will that have been held up for two thousand years. What can be done to give them impact in our world? People for centuries have talked about prayer, about the healing of the spirit, of the mind, and the body. How about going two miles in investigating this avenue of human experience and practicing it in my life?

Where is both progress and joy to be found? One mile? Or two?

I wonder, as I ask myself, if it really is imagination that sees that young man all resentful, centuries ago, by the shore of Galilee, listening to the Master. Is it imagination?

Yes, in a sense.

But perhaps, in an even truer sense, it isn't imagination. For He was there, and is here too.

And the words that were spoken there that day so long ago, and the spirit that prompted them—are they limited to one circumstance, one day in Palestine, centuries ago?

Yes, but also, no! For the One who spoke them, speaks them still. And hearts and minds—as then, so now—need to listen to them and apply them, to really get from life these: "Whoso shall compel thee to go a mile, go with him twain."

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## THE WATERSHEDS PAPER

## HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BOB WILSON. Mr. Speaker, as a Member long interested in the problem of our defense posture vis-a-vis the Soviet Union, I read with particular interest a recent column by Joseph Alsop and am pleased to share his comments with my House colleagues.

[From the Washington Post, Oct. 27, 1971]

### THE WATERSHEDS PAPER

(By Joseph Alsop)

Something called "The Watersheds Paper" is circulating in the governmental inner circle; and it is causing talk. The paper's details are naturally not discoverable, but its main point is known. The point is that a watershed in world affairs has been passed, and a quite new situation has been created, because of the enormous increase of Soviet nuclear-strategic power.

The point is well taken, alas. Yet one can hardly imagine an official paper putting the problem bleakly enough to describe the real nature of this new world situation, even if a major watershed is beginning to be timidly and belatedly recognized.

The essence of the new situation is very simple, however. With their vastly increased nuclear-strategic power, the Soviets can comfortably think about doing all sorts of things that would have been quite unthinkable before. One such is the surgical nuclear strike, to destroy the Chinese Communist nuclear program, which the Soviets have in fact been actively and methodically preparing.

The illustration is particularly relevant, because the Soviet preparations abovementioned have conspicuously included a huge, immensely costly build-up of conventional military power along the Sino-Soviet frontier. The two kinds of investment in power go hand in hand, in other words; and each serves the other.

No sane person can suppose this country will do anything but wail and wring hands, if the Soviets eventually decide to make the unprovoked nuclear attack they have been getting ready for. That particular aspect of the new world situation will not be changed in the least by President Nixon's forthcoming visit to Peking.

As the Chinese also lack the means to defend themselves, what still seems unthinkable to most people in this flabby-minded country, is in truth an almost risk-free choice for the Soviets. The sole remaining question, in fact, is what the Soviet choice will be in the period before the Chinese gain the power for a counter strike.

It is vitally important to note, moreover, that the same rules apply in other areas more vital to U.S. interests than the Sino-Soviet border. Particularly at sea, the build-up of Soviet conventional power has been worldwide in its potential impact. And in the new world situation, the American "deterrent" cannot be rationally expected to "deter" anything at all, except (one hopes) a direct Soviet nuclear attack on this country.

Hence, lots of other formerly unthinkable things have become things the Soviets can quite comfortably think about. Here consider the troubled Middle East. Our State Department is overjoyed at the moment because the Soviets have become "our silent partners"—the phrase is actually used—in pressing for an interim agreement on the Suez front.

The Soviets are undoubtedly exerting a strong negative pressure on Egypt's President Anwar El-Sadat, to prevent him from reopening hostilities with the Israelis. There is a real chance that this will end by Sadat's accepting terms for an interim agreement that the Israelis can also accept.

Suppose, then, that this is the outcome. Israel will still be very much there, as a permanent irritant to inflame the Arab world against the U.S. Meanwhile, however, the main result of an interim agreement will be the reopening of the Suez Canal, about six months after the agreement has been reached.

When that happens, all the problems of the Soviet Navy in the Indian Ocean will be automatically solved. At present, Soviet vessels in those waters are commanded from Vladivostok, halfway 'round the world, because that is their nearest port. With the canal reopened, the nearest port will be Odessa. And Soviet naval power in the Indian Ocean will be predictably multiplied by ten.

Meanwhile the Persian Gulf, where the world oiltap is conveniently located, is being left a political and military vacuum by the departure of the British. No place on earth is more beautifully arranged for the practice of 19th century gunboat diplomacy. Ask yourself, then, what will happen if the Soviets do the unthinkable in the Persian Gulf—if they in fact end by resorting to gunboat diplomacy to gain control of the world oil-tap?

In the new world situation, the answer is that the U.S. will do nothing, once again, but wail and wring hands. So it seems a bit odd, to a returning traveler, that so many Americans also want to impair the world balance of power still further, by needlessly losing the war in Vietnam.

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## THE DAVIS-BACON ACT OUGHT TO BE REPEALED

## HON. ROBERT PRICE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. PRICE of Texas. Mr. Speaker, I speak today on behalf of a measure which I am cosponsoring with my colleague, BILL ARCHER. This legislation would repeal the Davis-Bacon Act, which requires contractors and subcontractors working on Federal and federally assisted projects amounting to $2,000 or over to pay laborers and mechanics at least the rates prevailing on similar contract projects in the area in which the work is to be performed.

The original Davis-Bacon Act, enacted in 1931, was designed to protect local wage standards against the then popular practice of importing cheap labor into a local community. The law was essentially an emergency measure passed to help stabilize wages in the construction industry. It was also hoped the act would increase wages and prices thereby helping to pull the Nation out of depression. Lastly, many were beginning to conclude that in labor-management relations, the cards were stacked in favor of management. Davis-Bacon seemed a logical way for the Government to offer unions a helping hand.

Today it is an entirely different game with the building trades holding the high cards. They no longer need the Government to do battle for them as is evident by recent wage settlements they have won. For example, contracts negotiated in 1970 provided for annual wage increases averaging 15 percent over the life of major contracts, while in the first quarter of 1971 new contracts pushed that figure up even higher to increases averaging 16 percent.

Mr. Speaker, because of the Davis-Bacon Act wage rates on Federal projects have been artificially set at an extremely high level rather than being a reflection of market forces. Continuing the Davis-Bacon Act means Federal endorsement of severe inflationary pressures.

Furthermore, there are many problems in administering the act and determining the prevailing wage rate. The General Accounting Office recently completed a survey of Labor Department wage rate determinations covering a 10-year period for 29 selected construction projects. GAO estimated that, as a result of minimum wages being established at rates higher than those actually prevailing in the area of the project, construction costs increased 5 to 15 percent.

Repeal of the Davis-Bacon Act would not deny construction workers Government protection. Contractors would still be subject to the Fair Labor Standards Act and the Contract Work Hours Standards Act. But repeal of the Davis-Bacon Act would help the construction industry return to free collective bargaining and voluntary agreements between labor and management.

Mr. Speaker, today conditions in the construction industry are far different from what they were in 1931. Management no longer maintains an unfair advantage over labor, and construction workers no longer receive substandard earnings. In 1931, the Davis-Bacon Act was designed to aid the struggling worker; today it supports inflation and limits free collective bargaining. I strongly urge my colleagues to repeal this outdated harmful law.

## REA CO-OPS

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## HON. DAVID R. OBEY

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. OBEY. Mr. Speaker, most of my colleagues are aware of the very useful work being performed by rural electric co-ops throughout this country. It was rural electrification which "lighted" our rural areas 35 years ago, and their growth is truly vital to the continued growth of rural America today.

Recently the National Rural Electric Cooperative Association of region V, including the States of Illinois, Iowa, and Wisconsin, held their annual meeting in Des Moines, Iowa. The farm and rural leaders passed a number of resolutions reflecting their attitudes toward issues of concern to Americans in both rural and urban communities. I think it would be worth the time of my colleagues to read them, and I ask that they be printed below:

NATIONAL RURAL ELECTRIC COOPERATIVE ASSOCIATION, REGION V, DES MOINES, IOWA

### 5-1. REAFFIRMING FAST ACTIONS

Resolved, we reaffirm our support of the Continuing Resolutions adopted at the NRECA Annual Meeting at Dallas, Texas, February 18, 1971, subject to the following amendments:

Be it resolved that Continuing Resolution No. 38 be deleted, and in lieu thereof, the following Resolution, titled Rural Housing, be substituted:

38. *Rural Housing*—We recommend that the level of the Farmers Home Administration insured housing program be set at 300,000 units a year beginning with the current fiscal year so as to make possible the achievement of the rural part of the national housing goal set by Congress in 1968. We urge NRECA, state-wide associations, power supply and distribution systems to continue their vigorous support of the National Rural Housing Campaign which in large measure has been responsible for the tremendous momentum gained by the FmHA rural housing program during the past year.

Be it further resolved that Continuing Resolution No. 48 be amended by omitting the period after the word program and adding the following phrase: *and as a step towards compliance with the Federal Occupational Safety and Health Act of 1970.*

Be it further resolved that Continuing Resolution No. 52 be amended by striking the words Women's Participation from its title and by striking the first two sentences and by striking the word *also* from the next sentence.

Be it further resolved that the following resolutions be added to the list of Continuing Resolutions:

63. *Reorganizing USDA*—We recommend that as an alternative to the Administration's proposal for reorganizing the Department of Agriculture out of existence that the USDA be given the official overall responsibility for the mission of rural development which it is obviously better suited to perform than any other existing or proposed department by virtue of its rural people, and its extensive local field operations. Further, we recommend that Congress devise a comprehensive, nationwide rural development program to be undertaken by the Department of Agriculture with provisions for additional components that the USDA will require along with provisions for expanding existing components and for changes or innovations in existing USDA structure that will be necessary to insure success.

64. *Community Facilities*—We recommend that the Farmers Home Administration insured water and sewer loan programs beginning in fiscal 1972 be set at a level of $750 million and that the accompanying grant program be set at $250 million. Water and waste disposal systems for rural America are especially essential for the sound orderly growth and ecology of the country. We urge rural electric systems to help develop, support and organize such services as necessary to provide necessary management, maintenance and other technical assistance to them as appropriate to maintain their feasibility.

65. *Streamline FmHA*—We urge Farmers Home Administration to streamline its administrative procedures in order to increase the productivity of its local county offices involving such things as standardization of regulations, enlisting the assistance of third parties in preparing loan documents, and contracting for as much of the detail work of servicing loans as possible. We also urge the Congress to appropriate adequate funds for additional FmHA personnel in order to handle the agency's tremendously expanded workload.

66. *Geothermal Resources*—We urge the Congress to amend the present law on disposition of geothermal resources underlying Federal lands, first, to provide that the U.S. Geological Survey shall explore and assess the magnitude of such geothermal resources; and secondly, to establish by law policies governing the disposition of such resources to prevent monopoly control over them and to assure preference in their sale to publicly owned and consumer-owned power systems.

67. *National Power Grid*—We reaffirm our support for development of a national power grid capable of moving large blocks of electricity back and forth across the country as may be required to meet load requirements; with various segments of the systems to be owned and operated by individual electric systems or voluntary combinations of such systems without limitation as to type or ownership, and in such manner as to preserve the pluralistic character of the industry and the integrity of individual participating systems. The capacity of the grid should be planned so as to accommodate the needs of all systems desiring to participate in its utilization. We support and urge construction and operation by the Federal government of such transmission facilities as are necessary segments of a national power grid, but are uneconomic in terms of return necessary to justify private investment.

68. *Women's Task Force*—We urge every distribution system to organize and support a Women's Task Force as a means to generate active local participation. We also urge NRECA to continue assisting these groups as is within its resources.

69. *Mobile Home Standards*—Because there is no required national uniform inspection or certification program for mobile homes, we encourage member systems to seek adoption as a minimum standard of their state government, the industry standard for Mobile Homes, A119.1, American National Standards Institute.

70. *Women's Action*—We strongly urge that women be made equals in the rural electrification program. Women can and must be placed in positions of leadership. They should be nominated and elected to the board of directors of our electric cooperatives. They can competently serve on advisory committees and aid effectively in special projects sponsored by the systems. We especially recommend that all systems develop an active program to involve women in cooperative governmental affairs committees. We recognize the need for zealous interest in consumer affairs. Women are substantial users of electricity and are the major

purchasers of appliances, furniture, clothing, foods and other supplies used in the home. Our cooperatives must offer assistance, aid in securing educational resource persons and materials, and support efforts by women in securing better laws and protection for the consumer.

71. *Nuclear Fuel Enrichment*—We strongly oppose AEC's revised nuclear fuel enrichment price criteria, and urge prompt passage of legislation requiring that such prices be based on actual cost incurred by the Government in providing the service. Also we remain strongly opposed to the sale of any of AEC's gaseous diffusion nuclear fuel enrichment plants.

### 5–2. NATIONAL FUEL POLICY

Whereas, the United States is currently experiencing a progressively worsening shortage of fossil fuels, including natural gas, coal and oil, which threatens the ability of electric utility systems to meet their public responsibility of providing reliable service, and

Whereas, this shortage has been accompanied by sharp increases in gas, oil and coal unit prices of from 50% to 100%, and

Whereas, there exists a significant interlock of corporate control over the production and processing of otherwise competitive power plant fuels; for example, nine major oil companies, which also produce large quantities of natural gas, hold substantial interests in the coal, oil shale and uranium industries, and

Whereas, such interlocking control could reduce or eliminate price competition between various fuel types, thereby raising the cost to the American public of nearly all goods and services, and

Whereas, certain types of anti-trust law violations can, as a practical matter be prosecuted only by the Federal Government, which in some cases is also uniquely capable of preventing repetitions of such violations.

Now, therefore, be it resolved that we urge the President, the Congress, the Federal Trade Commission and the Department of Justice to explore all avenues which may uncover evidence of potential violations of existing anti-trust laws in the fuel industry, to vigorously prosecute all such violations and to enact laws designed to prevent future abuses of the economic power peculiarly inherent in large energy companies;

Be it further resolved, that:

(1) We urge the Federal Trade Commission to investigate the mergers of major oil and coal companies, and urge Department of Justice cooperation in such investigations.

(2) We urge the Department of Justice to conduct a grand jurry investigation of coal prices;

Be it further resolved that we urge the President and the Congress to take all further measures necessary to assure the nation of an adequate fuel supply in future years, including limitation on export of coal and removing restrictions on import of oil.

### 5–3 ACCESS TO NUCLEAR POWER

Whereas, the Congress has amended the Atomic Energy Act of 1954 to require that the U.S. Atomic Energy Commission, prior to issuing a license for the construction of any nuclear power plant, investigate the antitrust implications of said plant and obtain from the Attorney General of the U.S. his opinion as to whether operation of the proposed facility is likely to violate any antitrust law, and

Whereas, the Congress has further amended the 1954 Act to empower the AEC to deny a license for any such plant which it deems will so violate the anti-trust laws, or to condition its licensing on implementation by the applicant of measures designed to avoid such violations;

Now, therefore, be it resolved that we express appreciation to Congress for these changes in the law, and urge the AEC and the Department of Justice to exercise a high order of vigilance in these matters, and to vigorously apply and enforce the anti-trust provisions of the nuclear power plant licensing law so that small electric systems are assured of their rightful share of benefits attributable to nuclear power stations.

### 5–4. ESSENTIALITY OF REA LOANS AT 2-PERCENT INTEREST AND CFC PROGRAM

Whereas, many people's needs for modern central station electric service are being met only because of the Federal program of loans at two percent interest to consumer-owned rural electric systems, and

Whereas, the economic development of rural areas, especially those which are, either because of economic problems or declining population or both, disadvantaged, is possible only if those areas have electric service on a par with that of more fully developed areas at fully competitive rates, and

Whereas, the rural electric systems which borrow capital from the Rural Electrification Administration sign and carry out agreements—in return for the privilege of borrowing at an interest rate of two percent—to serve customers in remote areas on the same basis as those living near the sources of electric power, and

Whereas, many systems have expressed their willingness to supplement their REA loans with higher cost capital, and have for this purpose organized and invested in their own self-help supplemental financing institution, the CFC (National Rural Utilities Cooperative Finance Corporation);

Now, therefore, be it resolved, that we oppose any and all efforts to phase out the REA program in its present form with interest rates at two percent;

Be it further resolved that we petition the Administration and the Congress to provide adequate funds for loans at two percent interest to meet the full capital requirements of both distribution and power supply cooperatives serving areas suffering from lack of population or from economic under-development while at the same time meeting the basic requirements in all other rural service territories;

Be it further resolved that we pledge our cooperation with each other to assure the success of our supplemental financing operation through CFC and to assure adequate funding for the REA program in its present form.

### 5–5. DEFERMENT OF PRINCIPAL PAYMENTS

Whereas, the House and Senate Appropriations Committees of the Congress have this year for the second time advised the Administration to use existing authority to accelerate the capitalization of our supplemental financing institutions, CFC, and

Whereas, such existing authority is the power to defer capital repayments by REA borrowers who would voluntarily invest in CFC amounts equivalent to the deferred payments, and

Whereas, use of the opportunity pointed out by Congress potentially could provide a large increase in capital for CFC and enable it to increase its lending operations much faster than would otherwise be possible;

Now, therefore, be it resolved that we urge the Administration to give REA borrowers the opportunity through voluntary payment deferments to increase their CFC investments above and beyond those required for membership in keeping with the advice of the Congressional appropriations committees.

### 5–6. IMPROVING RURAL-URBAN UNDERSTANDING

Whereas, this Nation will not be able to solve either the rural or the urban crisis unless and until city and rural people understand each other's problems and are willing to work together to improve the economic and social conditions of our urban and rural areas, and

Whereas, the Committee for Low-Cost Capital for Rural America has recommended that rural electric systems and their statewide associations foster greater rural-urban understanding by inviting urban Members of Congress to visit rural electric service areas to learn, first-hand, of the problems and potentials of life in rural America, and

Whereas, a number of rural electric systems and statewide associations have already begun to implement this recommendation by sponsoring rural visits by urban Congressmen that have resulted in a meaningful dialogue on rural and urban problems;

Now, therefore, be it resolved that we commend those rural electrics and statewides which have pioneered in this Rural-Urban Exchange Program, and that we urge all rural electrics and statewides to become active this year in this program in the interest of better rural-urban understanding and cooperation.

### 5–7. CONSUMER PROTECTION

Whereas, all Americans, regardless of their vocations and divergent interests, share a common interest as consumers, and

Whereas, there are all too many examples of fraudulent and deceptive practices used by the unscrupulous and the negligent to the detriment of the consumer's pocketbook and, all too frequently, to his health and safety, and

Whereas, we and other consumers deserve to be protected against fraud, price-gouging and indifference to the needs of consumers;

Now, therefore, be it resolved that particular emphasis be placed on working with consumer groups, such as Consumer Federation of America and its affiliated local and state organizations, in behalf of meaningful consumer protection legislation, as these efforts will result in the double benefit of protecting our individual interests as consumers and of showing urban Congressmen and their constituents that rural electrics support legislation which directly benefits all people, urban and rural.

### 5–8. ELECTRIC RATES

Whereas, the concept of lowest cost electricity has proved to be an important factor in the development of our nation and the improvement in the standard of living of our citizens, and

Whereas, the cost of electricity is an important element in the cost of all goods and services;

Now, therefore, be it resolved that although we recognize that increased costs experienced by power suppliers means that some increases in electric rates may be inevitable, we reaffirm our support of the concept of providing power at the lowest possible cost, and

Be it further resolved that we also urge the Administration to do all within its authority to hold the line on wholesale power rates as part of its policy of combating inflation.

### 5–9 RECOMMENDED NRECA BYLAW CHANGE

Whereas, the delegates of Region V support the National Rural Electric Cooperative Association in providing valuable and essential services for its members in matters of vital national concern relating to rural electrification, and

Whereas, the delegates of Region V believe that the National Rural Electric Cooperative Association can be of increased service to its members through certain improvements in its procedures and operations;

Now, therefore, be it resolved that the delegates of Region V recommend to the National Rural Electric Cooperative Association that appropriate changes be made in its By-Laws and other procedures whereby the Board of Directors of NRECA be composed of Members, Directors or elected officers of a member system and that no employee of the member system be eligible for election to the NRECA Board of Directors, and that such Board of Directors meet not less than four times each year to consult and develop effective policies and procedures to meet the needs of its members;

Be it further resolved that the delegates of Region V and its member cooperatives recommend that the National Rural Electric Cooperative Association continue its wholehearted cooperation with the Rural Electrification Administration and devote its energies and resources to those problems directly affecting rural electrification.

### 5-10. COOPERATIVE-MUNICIPAL COOPERATION

Whereas, rural electric cooperatives and municipal electric systems have numerous common characteristics and share many common problems;

Now, therefore, be it resolved that rural electric cooperatives be urged to explore the possibilities of gaining strength in the wholesale power area by working together with municipal electric systems;

Be it further resolved that we strongly oppose any Internal Revenue Service regulations that impose taxes on bonds issued for construction of generating facilities which would serve more than one locality, thus depriving municipals of the economies of large scale operation and depriving co-ops of a source or power vitally needed by consumers.

### 5-11. ACTION COMMITTEE FOR RURAL ELECTRIFICATION (ACRE)

Whereas, the rural electrification program is dependent upon public acceptance and legislative support;

Now, therefore, be it resolved that we support the Action Committee for Rural Electrification (ACRE) as a voluntary vehicle through which we as individuals can promote the interest of the rural electrification program by helping our friends in state and national office;

Be it further resolved that we urge all directors, employees and members of rural electrics to maintain annual memberships in ACRE and to join the Century Club if possible;

Be it further resolved that we invite special contributions from members and non-members, and participation in special ACRE functions such as luncheons and dinners so that ACRE has the broadest possible base of support.

### 5-12. KEEPING G&T A VIABLE FORCE

Whereas, G&T loans are, and have been from the beginning, a most vital element in the REA program because they have provided the rural electric systems with effective bargaining leverage and have given the systems a realistic alternative when existing power suppliers refuse or are unable to provide wholesale power on acceptable terms and conditions, and

Whereas, this bargaining leverage is even more important to the rural electrics today as they have to struggle to survive in an industry where technology and economics are putting a dangerous squeeze on the smaller electric systems, and

Whereas, the G&T program cannot serve as a bargaining tool if wholesale power suppliers can feel assured that Congressional and/or Administrative policy decisions or lack of loan funds will put a lid on G&T loans, and

Whereas, over and above the bargaining leverage aspect of G&T loans, the backlog of loan requirements enabling G&Ts to meet their existing commitments to pools and member systems is approaching $1-billion;

Now, therefore, be it resolved that we urge REA and CFC to continue their work with the G&T systems in the development of ways to finance generating units and transmission systems with two basic objectives in mind:

(a) To obtain at the lowest possible cost the number of dollars required to take care of the ongoing load requirements, and

(b) To effectively retain in the G&T program the bargaining leverage it must have to stay alive;

Be it further resolved that the 1972 fiscal year plan now being developed to blend REA, CFC and private money market funds be commended for its ingenuity in providing funds;

Be it further resolved that all deliberate haste be exercised to insure implementation of the new plan before the end of the fiscal year.

### 5-13. GRANTS FOR RURAL DEVELOPMENT

Whereas, prominent national leaders including the President have emphasized the importance to the national welfare of reversing migration from rural to urban areas, and

Whereas, 1970 Census figures reveal continuing out-migration at a high rate with more than 1,400 counties having lost population during the decade of the 1960's, and

Whereas, the chaotic consequences of rural out-migration are evident everywhere and can only result in the social and economic bankruptcy of countless rural communities as well as many of our largest cities unless there is a national commitment of sufficient magnitude to correct rural-urban imbalance, and

Whereas, the leadership and efforts of the Federal Government in rural redevelopment have been too limited and too fragmented among too many agencies:

Now, therefore, be it resolved that the Administration and Congress should provide funds so that the Rural Area Development program can make grants-in-aid for rural industrial developments which would provide more jobs in the rural areas, thus stopping the out-migration to the cities and hopefully produce an in-migration to rural areas.

### 5-14. NATIONAL ENERGY POLICY

Whereas, the economic and social structure of our country is dependent upon an abundant and reliable supply of electric energy, and

Whereas, the people in many parts of the Nation live in constant danger of blackouts and brownouts, and

Whereas, the Nation's requirements are increasing 100 percent every 100 years, much faster than supply facilities are being expanded, and

Whereas, industry and commerce, which take 60 percent of our total consumption of electric energy, can expand only when and where they can get adequate electric service, and

Whereas, the American laboring man and woman increase their productivity by using ever-increasing amounts of electric energy—the present amount used by the average worker being equal to the labor of 560 persons, and

Whereas, increases in generation and transmission of electric power are inhibited by many factors including environmental problems, inadequate supplies and high prices of desirable fuels, a trend toward monopolistic control of energy sources, inadequate technology, and the lack of a national power grid, and

Whereas, our national resources can be marshalled and allocated properly to meet the power crisis only if the Nation develops a national power policy;

Now, therefore, be it resolved that we give our utmost support to the prompt development of a national energy policy aimed at ensuring all Americans an abundant, dependable, enduring supply of electric power at lowest possible cost consistent with conserving our environment and resources;

Be it further resolved that we seek the active help of all groups and individuals who are, or can be made aware of their vital stake in such a policy;

Be it further resolved that we ask the major political parties and candidates for national office to take policy positions on this matter to the end that during the next campaign there will be a fair debate of the issues, leading to affirmative action in the next Congress.

### 5-15. RESEARCH & TECHNOLOGICAL DEVELOPMENT

Whereas, as consumer owned organizations, rural electric cooperatives have a special interest in improving quality of life for all consumers everywhere,

Whereas, the nation's rural environmental, economic and social development is greatly dependent upon our ability to generate, transmit and distribute electric power in a way that is compatible with today's and tomorrow's environmental requirements, and

Whereas, the national interest requires the assignment of top priority in use of funds and scientific talent to research which is designed to improve technology for meeting our new environmental challenges, to conserve and better utilize the nation's dwindling energy resources, and to develop new sources and ways to generate electrical energy and meet the rapidly growing demands of an expanding economy;

Now, therefore, be it resolved that the rural electric cooperatives pledge their full support for a greatly expanded and massive research and development effort to develop the technology for providing a continued abundance of electric power according to priorities adopted by NRECA membership at their 1971 Meeting in Dallas, Texas, February 18, 1971; and that they urge the President and Congress to take necessary action to provide for the necessary funding—preferably, since the need for such is a national problem that affects all citizens, through direct appropriations of general revenues but if necessary, by means of earmarked taxes as provided by the Magnuson Bill.

### 5-16. RURAL ELECTRICS—COMMUNITY BUILDERS

Whereas, rural America cannot prosper and expand without the dependable services of the rural electric cooperatives and, on the other hand, the rural electric cooperatives cannot exist for long without a growing and prospering rural population, and

Whereas, experience the last several decades demonstrates that people, especially young people, will not stay in rural America unless they can have housing, water, sewer systems, electricity, and the whole range of community facilities, and income opportunities comparable with that obtainable in other parts of the country, and

Whereas, more and more the Congress, the Administration and the Nation recognize that this country can move forward only if all segments move forward together and the government has underscored this recognition by providing programs to help achieve rural-urban balance—an example of this being the $1,825,000,000 that has been made available for rural housing, rural water and sewer systems alone for this fiscal year;

Now, therefore, be it resolved that the rural electric systems of America, having the tremendous stake that they do in the growth of rural America, commit themselves to a dynamic program of leadership in building their communities for themselves and for the future, since such a program will spell growth for the systems and greater prosperity for their areas;

Be it further resolved that, since agriculture still remains the major industry in rural areas, we lend support and cooperation to those who seek to increase a stable farm income, reversing the downward trend that is now causing severe problems for rural America.

### 5-17. RURAL DEVELOPMENT HEARINGS

Whereas, governmental actions in the field of rural development still are fragmented and inadequate despite the congressional commitment in the Agricultural Act of 1970 to give highest priority to this problem area;

Now, therefore, be it resolved that we commend the Rural Development Subcommittee of the Senate Agriculture Committee including its chairman, Senator Hubert H. Humphrey, and its members for holding hearings in various parts of the country to determine what government actions are needed;

Be it further resolved that we urge the Congress to follow up promptly on the basis of the Subcommittee's findings with legislation and financing to carry out more aggressively rural development programs.

### 5–18. SENATE SUBCOMMITTEE HEARING

Whereas, rural electric systems are confronted with staggering problems in obtaining and providing their consumer members adequate supplies of electric power at reasonable cost;

Now, therefore, be it resolved that we commend the Senate Subcommitee on Agriculture Credit and Rural Electrification—its chairman, Senate George McGovern, and its members—for scheduling public hearings to examine the problems that solutions may be determined;

Be it further resolved that all systems take advantage of the Subcommittee's invitation to supply facts about their own situation.

### 5–19. ECONOMIC STABILIZATION

Whereas, any emergency action to deal with the inflation is bound to have inequities such as have been experienced by individual citizens, groups, and business institutions, including some rural electric systems, since the freeze was announced August 14, and

Whereas, there now is time to develop in the second phase those measures that will be more equitable generally and that will deal more effectively with problems that usually are outside the national spotlight, such as:

(a) the extreme underemployment in rural areas,

(b) the continuing increase in farm production expenses while there is a downward trend in net farm income,

(c) the need for maintenance of adequate power services in rural areas,

(d) the rural out-migration problem;

Now, therefore, be it resolved that we urge the Administration to incorporate in the second phase plan the following:

1. Designation of REA to handle for the Federal Government those rural electric cases involving the economic stabilization program.
2. Selection of representation from the rural electrification program to serve on the body to be established to develop and supervise the new control program.
3. Early release of the full REA $545-million loan fund appropriated by Congress in the interest of rural development, job creation, and increasing the productivity of rural industry.
4. Acceleration of Federal programs to assist rural area development.
5. Provision in the investment tax credit proposal of a differential in favor of enterprises that locate or expand in rural areas and that could provide jobs for chronically underemployed and unemployed people.
6. Presentation to Congress of legislation dealing with the farm income depression.

### 5–20. FARM CREDIT LEGISLATION OF 1971

Whereas, the credit needs of agriculture and of rural America continue to grow and have changed significantly since the original Farm Credit System laws were enacted, and

Whereas, the Commission on Agricultural Credit, a panel of 27 farm and rural leaders which included NRECA General Manager Robert D. Partridge, conducted a 10-month study of present and future credit needs of farmers and rural communities which resulted in recommendations for modernizing and expanding the scope of the Farm Credit System's lending operations to meet the changing needs of rural America, including the growing need for loans for rural farm and non-farm homes and home improvements, and

Whereas, these recommendations are the basis for the Farm Credit legislation introduced in the first session, 92nd Congress, and approved by the Senate;

Now, therefore, be it resolved that we commend the Commission on Agricultural Credit for its forward looking recommendations in this area, the Farm Credit Administration for translating these recommendations into proposed legislation and the Senate for passing the Farm Credit legislation;

Be it further resolved that we urge the House of Representatives to act promptly and favorably on the bill as passed by the Senate;

Be it further resolved that a copy of this resolution be sent to the Members of Congress representing this Region.

### 5–21. STUDY OF NEED FOR DIRECTORS' LIABILITY INSURANCE

Whereas, the Boards of Directors of rural electric cooperatives make many decisions involving the interests of the members and many other individuals and business concerns, and

Whereas, the amounts of money involved in directors' decisions are increasingly large and

Whereas, the discharge of official duties may on occasion subject directors personally to the risk of litigation;

Therefore, be it resolved that we request NRECA to survey the needs for, availability and costs of insurance covering liability risks incurred by directors of rural electric systems in the discharge of their official duties and to report the results at the 1972 annual meeting if not before.

### 5–22. APPRECIATION

Be it resolved that the delegates here assembled take this means of expressing our appreciation to all those who are helping to make our program the effective endeavor that it is. Particularly, we want to give recognition to:

1. The NRECA officers and directors for their leadership and dedication.
2. Robert D. Partridge, General Manager of NRECA, for his dynamic leadership and to his staff for their service and devotion to our program.
3. David A. Hamil, Administrator of REA, and his staff, for their great devotion to rural electrification. We especially appreciate the cooperation and support of Mr. Hamil and his staff in our effort to establish the National Rural Utilities Cooperative Finance Corporation.
4. The many individuals, suppliers, the Savery Hotel, the I. A. E. C. and other rural electric cooperatives, NRECA and other organizations which have contributed to the success of this meeting.

### 5–23. IN MEMORIAM

Whereas, we feel deeply the loss of several of Region V's finest rural electric cooperative leaders during the past year;

Now, therefore, be it resolved that we pause a moment in silence and pay our respects to those leaders who have served our program so long and so well.

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## TRIBUTE TO AN UNSUNG HERO

## HON. JAMES R. MANN

OF SOUTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. MANN. Mr. Speaker, every now and then an extraordinary contribution to mankind is substantially overlooked by society in general. Spartanburg Post No. 28 of the American Legion is to be commended for bringing to the attention of the people of that community, and hence to my attention, one of the unsung heroes of our country. Howard Wofford McCravy of Spartanburg, S.C., while serving in the South Carolina State Senate, introduced and pursued to passage the first schoolbus stop law enacted in the United States. Since that time, most, if not all, of the States have adopted similar legislation. It has saved the lives of many schoolchildren. It was motivated by love and compassion. It is an unfortunate commentary upon modern society that some of the most humane of our achievements as a people go unnoticed, while the petty, the vindictive, the divisive receive front-page play in the news media.

I am privileged to call to the attention of the Nation the contribution of Senator Howard Wofford McCravy. I ask that there be published at this point the following story from the South Carolina Legionnaire of October 1971:

[From the South Carolina Legionnaire, October 1971]

### SPARTANBURG POST NO. 28 HONORS UNSUNG HERO OF THOUSANDS OF OUR CHILDREN

Spartanburg Post No. 28, commanded by the wide awake WWI Legionnaire Commander John D. Rush, recently honored one of their long time members whom they discovered was definitely an Unsung Hero to thousands of children and now many grown citizens of our great state when it was discovered that former State Senator Howard Wofford McCravy was the author of the original South Carolina School Bus Stop Law.

The Post selected as the date for this honor the birthday of the honoree, Monday, 30 August and presented him with a "Citation For Public Service."

Accompanying the Citation was a resolution passed by the Post in which it pointed out that Senator and Legionnaire McCravy had in fact been the author of the original School Bus Stop Legislation and that this legislation, not only fathered by the honoree but piloted through the South Carolina Legislature, has been copied by most of the other 49 states of the Union as well as bringing out the certain fact that this humane and necessary legislation has saved the lives of many innocent children as well as prevented many injuries, pain and suffering.

The resolution also brought to light the fact that never before had the Senator received any recognition for this remarkable foresight and love of our children and in its resolved clause extended to him the grateful thanks of parents, and school administrators throughout the Nation for his compassion for children, which has resulted in untold benefits to the entire population of the United States of America.

We note with interest a postscript added to the report received by this publication that Senator McCravy was enroute one morning to attend a session of the Legislature when he came upon the scene of a fatal accident of a school child run over while attempting to board a school bus. This moving experience prompted the Senator to take immediate action to insure it not being repeated. (A picture of the presentation appears in the middle spread of this issue.)

The South Carolina Legionnaire joins with Post No. 28 in congratulating Senator McCravy. We are proud to have him as a member of our great organization.

## HON. JAMES WRIGHT ADDRESSES THE NATIONAL WATER RESOURCES CONVENTION IN DALLAS

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## HON. OLIN E. TEAGUE

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. TEAGUE of Texas. Mr. Speaker, the question of water, its sources, its availability, its cleanliness has always been of concern to mankind. Today probably more so because of the great concern which the Congress has placed on our environment. One of our colleagues in this body has manifested a greate interest in water and mankind's future since his assignment to the public works committee, and that is my friend from Texas, the Honorable Jim Wright. Under leave to extend my remarks in the Record, I wish to include the text of Mr. Wright's remarks to the National Water Resources Association Convention in Dallas, Tex., November 4, 1971:

### Nature and Man—and Water

(Remarks of Congressman Jim Wright, National Water Resources Association, Dallas, Tex., November 4, 1971)

Tonight I want to talk with you about Nature and Man.

Let us think together of Man and Nature—and of Water, nature's most priceless gift and man's most useful servant.

In the Book of Genesis, we find the commandment that man is to "subdue the earth." Obviously this did not mean to ravage the earth. But, of equally obvious truth, it does not mean to be subdued by the earth.

Nature is a marvelous mechanism. So is the human body. Both were engineered and created by the Divine Intelligence to perform their appointed functions efficiently and effectively.

But just as the human body can get out of balance and require corrective surgery to perform its functions properly, so also nature itself can get out of balance and require the corrective, healing surgery of man to perform its functions effectively, efficiently, and beneficially in the interests of both nature and man.

Nature exists for man, and man is expected to exercise beneficient dominion.

He is not expected to prostrate himself supinely before the floods; nor to abandon the arid earth to dust where water lies beneath the soil; nor let the waters wash away the land and leave both man and earth bereft. All of our knowledge cries out against such folly.

### PARABLE OF THE DAM

Recently George W. Ball, former Under Secretary of State, wrote a whimsical little story which he called the *Parable of the Dam*. It was published in *Newsweek* magazine. Secretary Ball no doubt intended its deeper meaning to apply to the world of international affairs. But the parable has a more direct and even more obvious application in light of recent developments in the United States.

The story goes like this:

Since the beginning of time, the villages in a mountain canyon had been periodically ravaged by floods. Finally, the leaders convened a great meeting and decided to invest their efforts and resources in building a large, strong dam.

Thereafter, for a quarter of a century, the dam sheltered the villages from disaster, prosperity prevailed, and life was tranquil—until, at last a new generation began to grow up, free from the apprehensions of the past and filled with exciting ideas about a world of song and beauty.

Inevitably the new leaders turned their attention to the dam. It was, they announced, huge and ugly and an affront to the environment. Besides it blocked out the sunset.

One leader wrote a folk song proclaiming it a symbol of imperialist megalomania, and people spoke excitedly of little else, until someone brought forth an argument that seemed quite unanswerable. After all, it was pointed out, no one ever talked about flood damage except the old fogies over 30 who were not to be trusted anyway. Who among the new leaders could recall any floods in his lifetime?

It was perfectly clear that floods were completely outmoded, a matter of the past—perhaps just a fiction manufactured to frighten the people. Since there had not been one for 25 years, clearly there would not be another.

So, after a season of demonstrations, more speeches, a pageant and several rock festivals, they blew up the dam and used the fragments for a people's playground. And let me tell you straight, man, when the waters came down it was really the Age of Aquarius!

### THE "ECOLOGY" MOVEMENT

In the past two years, a sudden public awareness of our environment has burst upon the scene like an earthquake. To those of you who for decades have led the lonely and often thankless struggle for conservation and environmental quality, this should be great good news. A public awakening was long overdue! But—as is so often the case—the price we pay for long public neglect is a sort of hysterical over-reaction.

Unfortunately, among the new converts there is vast misunderstanding of all that the dedicated handful of conservationists has been doing for all these years. There is a deadly tendency to want to stop everything, to tear out all that man has built, to reverse the hard-won victories the conservation movement has achieved, and—incredibly—to turn the clock back to the unenlightened era when nature ravaged man and man was powerless to protect himself.

For many in the newly popular "ecology" movement, scapegoats have become more popular quarry than solutions. Stopping programs of resource development has become more fashionable—and it was always easier—than performing those programs.

### ENVIRONMENTAL POLICY ACT

For some the Environmental Policy Act of 1969 has been misconstrued as a trumpet call to retreat into the past and seek the improbable goal of a dead and distant age before man's massive intrusion, when nature was supreme—an age when floods were thought to be the inevitable will of God and when it was the accepted rule that a river would cleanse itself in seven miles without any help from man.

But those who so interpret the commandment of that legislation have failed to understand its meaning. And this misunderstanding exists not only among the enthusiasts of the preservationist movement, but among some in our agencies of administrative government—and, sadly, in some of our Federal courts.

Let me quote the purposes of the Environmental Policy Act as set forth in the very preamble to that legislation. These are the purposes declared by Congress:

"To declare a national policy which will encourage *productive and enjoyable harmony* between man and his environment (and I underline those words, productive and enjoyable harmony); to promote efforts which will prevent or eliminate damage to the environment and biosphere and *stimulate the health and welfare of man;* to enrich the understanding of the ecological systems and natural resources *important to the Nation;* and to establish a Council on Environmental Quality."

Nowhere do I read in these purposes any intent to halt the development of our nation's water resources.

Nowhere do I see expressed a desire to lock up our rivers for the exclusive enjoyment of those few who wish only white-capped waters running rampant and uncontrolled.

Nowhere in that legislation is implied a call for retrogression. The law contains no mandate for any self-appointed group to exalt itself above the established agencies of orderly government and bring their work to a grinding halt!

Nowhere in the law do I read any intent to abrogate the clear will of Congress as reflected in water development projects fully authorized for construction—and some of them already begun—by the Bureau of Reclamation, the Soil Conservation Service, and the Corps of Engineers.

Yet, sadly, some have mistakenly read into the passages of that law a commandment to do these very things.

### MAN'S EXPERIENCE

My father once told me that, unless each generation can capitalize upon the *mistakes* of its predecessors and avoid a *repetition* of those same mistakes, we'd suffer the greatest waste of all—the waste of man's hard-won experience.

I am not so young, and neither perhaps are most of you, that we cannot recall the ups and downs of an uncontrolled public economy, the booms and busts of an unprotected farm economy, the flickering lights of rural America where electrification was only a dream—or the devastating floods and droughts inflicted by a nature uncontrolled by man.

The Environmental Policy Act provides the machinery for a valuable service—new tools to evaluate the environmental effect of each of our public decisions. Congress most emphatically *did not* intend that only the *adverse* effects of every act should be subject to evaluation. To adopt such an attitude would lead us to but one conclusions: do nothing!

### A BALANCED VIEW

It is quite clearly intended by Congress that the machinery originated in that act should give us the information for a *balanced* view.

While we do want to know of any possible effects on wildlife, we are preeminently concerned with the effects on *human* life. That, in any sane scale of values, must always come first!

Obviously, when navigation opens up the gates of commerce and job producing enterprise to an underdeveloped area and helps reverse the massive tides of migration to the overcrowded cities, that is a *positive* environmental effect!

When the Soil Conservation Service builds levees and up-stream dams and encourages terracing and cover cropping to retard the siltation of our reservoirs, that is a *positive* environmental impact.

When homes and businesses are saved from periodic floods and the human wreckage that lies in their wake, who can regard the environmental effects as anything but *positive?*

When the waters of subterranean streams bring forth their bounty and transform deserts into gardens where the family of man can live and prosper, this is a *positive* environmental impact.

When a city is given a dependable water supply, the living environment is *enriched.*

When a reservoir provides the means of wholesome outdoor recreation for thousands of city-bound Americans, the environmental quality has been *enhanced.*

When the management practices of enlightened man augment low flows downstream, stabilize the river banks and replace the stagnant pools where only mosquitoes have bred, the environment quite manifestly has been *improved.*

Each of these effects is *positive* and *helpful* to the human race. Congress most emphatically does not intend that any one of them shall be slighted or ignored.

### CONGRESSIONAL INTENT

This year in Congress we have had two votes which clearly establish the will of the people's elected representatives.

They first came upon an amendment to the Agriculture Appropriation bill which would have directed that we halt all works of channelization including those already approved by Congress and subject them all to further "study."

The second came upon a motion to amend the Public Works Appropriation by stopping the development of a key project in the Delaware River program—one on which construction already had begun—until further vaguely defined "studies" might be conducted.

Both amendments were decisively defeated! And this should be an unmistakable expression of the clear intent of Congress that the soundly conceived works of water resource development shall go forward unimpeded!

The projects which would have been delayed or denied by these amendments had already been studied and restudied. They had been analyzed, evaluated, adopted and begun—just as numerous others against which well-meaning but pitifully misinformed minorities have sought injunctions in the courts.

It is devoutly hoped that the courts will understand the intent of Congress as expressed in these resounding votes and govern themselves accordingly.

### STUDY NO SUBSTITUTE FOR ACTION

There comes a point in every human society when study must give way to action. The average water resource development project of the Corps of Engineers today must traverse the labyrinthine path of almost 18 years of study and restudy between the point of a survey resolution and the turning of the first spadeful of dirt.

To suggest that, after all this, the will of Congress be stymied and the directed action be stalled simply for the sake of further "study" is reminiscent of the words of Kipling in his description of old men. He said:

"They peck out, dissect, and extrude to the mind
The flaccid tissues of long-dead issues
Offensive to God and mankind;
Like vultures over an ox
That the Army has left behind."

Study at best is merely a guide and precursor to action. It is not a substitute for action!

### CONSERVATION AND DEVELOPMENT

Conservation and development are not mutually exclusive. Development of the earth's resources is the tool by which man carries out the goal of conservation.

There is no irreconcilable gulf between a sound ecology and a sound economy.

To be a wise conservationist or an intelligent environmentalist does not mean to halt our development and harnessing of the water resources of our planet. To greater or lesser degree this has been necessary since man first intruded upon the earth. It is more necessary today than ever because there are more and ever more people.

We cannot, alas, keep people from intruding upon the earth. And the interest of people must come first.

### POPULATION PRESSURES

Already the stark statistics of population growth contain in their overtones a prophecy of world famine. Already, in spite of our pockets of affluence, we see a preview of this prophecy on the subcontinent of India.

At the beginning of the Christian era, there were only some 250 million people on the entire earth. Within our generation, we shall have more than that right here in the U.S.—on about seven percent of the world's land area.

It took mankind more than 3,000 years to achieve a population of three billion people. Demographers forecast that we shall double this in 30 years. In three decades, if the present trend continues, we shall add to the living total as many as our progenitors added in more than three millennia.

The same amount of land and air and water and mineral resources, then, must be made to serve more and ever more people. Every year in our own country, we have a population growth equivalent to a new state of Maryland.

Not much longer can agricultural surpluses be our problem in the United States. Instead, we rapidly approach the time when we shall need millions of additional acres in production if we merely are to feed our own people—let alone the famine-bent billions of a hungry world.

Every drop of water that can be conserved, every inch of top soil that can be saved, every field and forest we can renew, every ore and mineral we can develop and conserve, and every stream we can cleanse of pollution will be our greatest possible gifts to future generations.

This is why the work of your association is so extremely important. And this is why the development of our resources must never slacken.

As most of you know, this nation used only about 40 billion gallons of water a day in 1900. This year we will use more than 400 billion gallons daily. The entire structure of our modern life depends, therefore, upon the maximum development and conservation of this finite resource.

### NATURE'S ENDOWMENT AND MAN'S CHOICE

The amount of water in the world is constant—unvarying and abundant. The total quantity has been precisely the same since the very beginning when—

God created the heaven and the earth.
And the earth was without form and void;
And darkness was upon the face of the deep
And the spirit of God moved upon the face of the waters.

An unending cosmic rotation steadily moves man's lifegiving liquid by gravity through the gentle and incessant flow of streams to the great reservoirs of our oceans, then draws it skyward by the sun's attraction to be purified anew, conveys it by cloud and wind, and returns it by rain to refresh the thirsty earth and renew man's lease on life . . . *ad infinitum*. It is an ever-recurring miracle, the most wondrous natural marvel of a wondrous universe.

Science can comprehend it, but never quite duplicate it. Man cannot change it. He can locally and temporarily befoul the process, and bring death. He can fail to act, quibble and quarrel with his neighbor while the tides of man outpace the provender of nature. Or he can form a sort of divine partnership with nature, help it along—and preserve life. This is his choice.

Twentieth-century America, like the prodigal son, has drawn heavily upon the bank account of its native endowment and squandered the substance in riotous misuse. More bountifully endowed than any nation in history, we've adopted the rather casual assumption that Providence protects America. We've extracted the riches of our natural legacy, exploited them to build a shining society, and wasted them in copious quantities.

We recall that other civilizations, also blessed with a spark of greatness, have strutted across the stage of world eminence only to fade and wane, their brief, bright promise unfulfilled. In the uncomprehending sand and heat of arid desert waste, their monuments lie buried.

Let no future archeologist tell the story for us. We have the knowledge to tell it for ourselves—if we have the wisdom. There is *enough* water to serve our needs for future time, if we learn to use and reuse it well. And there is *enough* time to do what we must. But there's not much of either to spare.

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## KISSINGER'S ABOUT FACE ON POLICY

## HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

**Mr. DERWINSKI. Mr. Speaker, as a member of the Foreign Affairs Committee, I have a special interest in the continuing debate over the conduct of our foreign policy and the shadowy role of Presidential adviser, Henry Kissinger. He is quite properly the subject of controversy.**

**In a concise, hard-hitting column from the Chicago Tribune of November 5, the veteran columnist of the Chicago Tribune, Walter Trohan, discusses Kissinger and foreign policy.**

**The article follows:**

### KISSINGER'S ABOUT FACE ON POLICY

(By Walter Trohan)

WASHINGTON.—Only six years ago Henry A. Kissinger branded as "suicidal" the policy of Communist appeasement on which he has embarked the President and the United States. The assistant to the President on national security affairs has done a complete about face.

In 1965, while he was at Harvard University, Kissinger wrote a book, "The Trouble Partnership," which was published by the McGraw-Hill Book Co. In this book he clearly warned against efforts by our leaders to deal with their Communist Russian counterparts. He wrote frankly and to the point.

". . . Since leaders generally do not reach eminence without a touch of vanity and since some stake their prestige on their ability to woo their Soviet counterparts, they tend to present their contacts with the Soviets as a considerable accomplishment. But the real issues have gone unresolved because they are genuinely difficult; hence they are usually avoided during summit diplomacy in favor of showy but essentially peripheral gestures.

"The vaguer the East-West discourse, the greater will be the confusion in the West. Moreover, each leader faces two different audiences, toward his own people he will be tempted to leave the impression that he has made a unique contribution to peace; toward his allies he will be forced to insist that he will make no settlement in which they do not participate. Excessive claims are coupled with reassurances to uneasy allies which are in turn tempted to pursue bilateral diplomacy.

"Such a course is suicidal for the West. It will stimulate distrust within the alliance. The traditional western balance of power diplomacy will reappear manipulated by the Kremlin. [One may substitute Peking, if one pleases.] Any Soviet [Peking] incentive to be responsible will vanish. The Soviet [Peking] leaders will be able to overcome their difficulties with the assistance of the West and without settling any of the outstanding issues.

"Since in the Kremlin [or Peking]—as in the West—there must be many who consider the status quo preferable to change, the result is likely to be diplomatic paralysis obscured by abstract declaration about peace and friendship."

The U.S.-promoted move to get Red China into the United Nations has stimulated distrust within the western alliance. Nationalist China was expelled by the votes of our allies. Allies were encouraged to vote against Nationalist China by Kissinger's second trip to Red China at the time admission was an issue in the U.N. Already France is pursuing a course of bilateral diplomacy with the Kremlin. So is Canada.

Much is promised of President Nixon's visits to Red China and Red Russia, but the result may be what Kissinger said, "showy but essentially peripheral gestures." Mr. Nixon has been led to do what he promised in his campaign for the White House he would not do—recognize and aid Red China. With Red China in the U.N., there is no necessity for Peking to make any concessions; they have what they want. A valuable bargaining point has been surrendered.

Undoubtedly, Kissinger played a major role in the new policy, perhaps even greater than Secretary of State William P. Rogers. The German-born adviser has long craved such power.

Under Mr. Nixon, Kissinger is something of a swinger. When he isn't playing ring around the rosy with the leaders of the Kremlin or Peking, he is swinging various more or less well known jet set flames. Altho he mixes women and statecraft, many here believe he is no expert on either.

## EXEMPTION OF SUBSTANDARD WAGES FROM WAGE RESTRAINTS DURING ECONOMIC STABILIZATION

## HON. WILLIAM F. RYAN

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. RYAN. Mr. Speaker, there is a growing sentiment in the Congress that economic stabilization legislation as finally enacted must contain a provision which exempts substandard wages from Government restrictions on wage restraints until these wages rise to the point where they are no longer substandard. I have introduced legislation concerning this matter—H.R. 11406 and House Concurrent Resolutions 414, 423, and 434, with cosponsors. The House Banking and Currency Committee has adopted this legislation as follows:

> (T)he Economic Stabilization Act . . . shall be implemented in such a manner that wage increases to any individual whose earnings are substandard or who is amongst the working poor shall not be limited in any manner, until such time as his earnings are no longer substandard or he is no longer a member of the working poor.

In this connection I think it vital to consider a report of the U.S. Department of Labor, Bureau of Labor Statistics on cost estimates for urban family budgets. The report points out that a minimum budget for a family of four in an urban area is $6,960 a year. For a family in a small city and town the analogous figure is $6,512 a year.

This report is impressive because of the care and depth of its analysis. There is a regional breakdown; consumption costs are given; and budgets for families of various sizes are analyzed. The following summary was released by the U.S. Department of Labor on December 21, 1970:

### SPRING 1970 COST ESTIMATES FOR URBAN FAMILY BUDGETS

The U.S. Department of Labor's Bureau of Labor Statistics has updated its estimates of the annual costs of family budgets at three levels. Based on spring 1970 prices, the new budgets are about 6 percent higher than the previous estimates, which were for spring 1969. Budget costs varied widely among cities and regions, with the lowest costs in small cities and in the South.

The U.S. average budget cost for an urban family of four ranged from $6,960 a year at a lower level, to $10,664 at an intermediate level, and to $15,511 at a higher level. These costs are for a very precisely defined urban family of four: a 38-year-old husband employed full time, his nonworking wife, a boy of 13, and a girl of 8. After about 15 years of married life, the family is well established, and the husband is an experienced worker. The budgets are illustrative of three different levels of living and reflect the costs of different specified types and amounts of goods and services. The family has, for each budget level, average inventories of clothing, housefurnishings, major durables, and other equipment. The dollar estimates pertain only to an urban family with the specified characteristics; no estimates are available for rural families. The estimates, even at the lower level, do not represent the cost of a minimum or subsistence level of living.

### CONSUMPTION COSTS

Family living expenses—including food, housing, clothing, transportation, medical care, etc.—were updated to 1970 by applying changes in the Consumer Price Index to the spring 1969 budget estimates for these components. These expenses came to 80 percent of the total budget, at the lower level. The remaining 20 percent covered gifts and contributions, occupational expenses, life insurance, and social security and personal income taxes. In the intermediate budget, consumption costs represented 77 percent of the total budget. For the higher budget, these costs were 73 percent of the total budget.

The cost of all food (at home and away from home) was 34 percent of consumption costs in the lower budget, 30 percent at the intermediate, and 27 percent at the higher level. Similarly, medical care took 10 percent of the lower consumption costs, but only 7 and 5 percent at the intermediate and higher levels, respectively. Total housing (including not only shelter costs, but also the cost of housefurnishings and household operation) reversed this pattern. At the lower level, where shelter was provided by a rented dwelling unit, housing was 26 percent of all consumption costs. It was 30 percent in the intermediate and 33 percent in the higher budget. Roughly the same proportion (about 14 percent) was spent on clothing and personal care at all three levels, and for transportation the proportionate differences between the levels were small. (See first chart.)

### CONSUMPTION COSTS FOR DIFFERENT FAMILY TYPES

How family consumption costs for an equivalent level of living vary for urban families whose size and composition differ from the budget family is shown in the following table.

ESTIMATED ANNUAL COST OF FAMILY CONSUMPTION FOR SELECTED FAMILY TYPES, URBAN UNITED STATES SPRING 1970[1]

| Family size, type, and age | Lower level | Intermediate level | Higher level |
|---|---|---|---|
| Single person under 35 years | $1,944 | $2,872 | $3,971 |
| Husband and wife under 35 years: | | | |
| No children | 2,721 | 4,020 | 5,560 |
| 1 child under 6 | 3,443 | 5,087 | 7,035 |
| 2 children, older under 6 | 3,998 | 5,908 | 8,169 |
| Husband and wife, 35 to 54 years: | | | |
| 1 child, 6 to 15 years | 4,553 | 6,728 | 9,304 |
| 2 children, older 6 to 15 years[2] | 5,553 | 8,205 | 11,346 |
| 3 children, oldest 6 to 15 years | 6,441 | 9,518 | 13,161 |
| Single person, 65 years and over | 1,555 | 2,297 | 3,177 |
| Husband and wife, 65 years and over | 2,832 | 4,185 | 5,786 |

[1] For details on estimating procedures, see "Revised Equivalence Scale," BLS Bulletin 1570-2.

[2] Estimates for the BLS 4-person family budgets.

### DIFFERENCES IN LIVING COSTS AMONG THE URBAN AREAS

Area cost indexes (based on urban U.S. equaling 100) reflect not only differences among the areas in price levels, but also regional variations in consumption patterns and differences in climate, types of transportation facilities, taxes, etc. Thus, they are estimates of comparative cost indexes and not simply comparative price indexes.

Consumption costs in metropolitan areas were about 8 percent higher than in nonmetropolitan urban areas, for the lower budget. The metropolitan-nonmetropolitan difference was 13 percent for the intermediate budget and 17 percent for the higher. Total budget costs were lowest in the South, where small cities had the lowest indexes at all three levels. The inter-area range in costs was narrowest in the low budget and widened as the level rose.

All indexes relate to the costs for established families in each area. They do not measure cost differences associated with moving from one area to another, or the living costs of newly arrived residents in a given community.

Further details on the budgets are presented in the accompanying tables.

### CHANGES IN LIVING COSTS, 1967–1970

Since the three family budgets were first published in spring 1967, consumption costs for each of the budget levels have risen 14 percent. Total budget costs—including social security payments and Federal, State, and local income taxes—rose by approximately 18 percent between 1967 and 1970. The rise in taxes, which accounted for 30 to 40 percent of the increase in the different budgets, reflects in part the effect of progressive income taxation on rising money incomes, as well as changes in tax laws at 11 governmental levels. As a result, for the illustrative 4-person budget family the distribution of income between consumption and taxes changed between 1967 and 1970 as follows:

BUDGET LEVEL

| | Lower | | Intermediate | | Higher | |
|---|---|---|---|---|---|---|
| | 1967 | 1970 | 1967 | 1970 | 1967 | 1970 |
| Total budget | 100 | 100 | 100 | 100 | 100 | 100 |
| Cost of consumption | 82 | 80 | 80 | 77 | 77 | 73 |
| Other costs[1] | 5 | 5 | 5 | 5 | 6 | 6 |
| Taxes[2] | 13 | 15 | 15 | 18 | 17 | 21 |

[1] Includes gifts and contributions, life insurance, and occupational expenses.

[2] Social security and disability payments, plus Federal, State, and local personal income taxes at 1969 rates.

### ESTIMATING METHODS

The 1970 estimates of consumption were derived by applying price changes between spring 1969 and spring 1970, reported in the Consumer Price Index, to the appropriate spring 1969 final cost of each main budget class of goods and services. This method of updating provides only an approximation of current budget costs because the Consumer Price Index reflects spending patterns and prices paid for commodities and services purchased by wage earners and clerical workers generally without regard to their family type and level of living. Other costs and Old Age, Survivors', Disability and Health Insurance were also updated to spring 1970, but personal taxes were computed from tax rates in effect for 1969.

## SENATOR BUCKLEY SCORES UNWISE "CHILD DEVELOPMENT" BILL

### HON. BILL ARCHER

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. ARCHER. Mr. Speaker, on September 30, the House added—by a narrow vote of 186 to 183—a comprehensive "child development" program to H.R. 10351, the Economic Opportunity Act Amendments of 1971.

The bill contains a revolutionary concept and is obviously far more than another antipoverty measure. The distinguished junior Senator from New York, JAMES L. BUCKLEY, has made a penetrating analysis of this unwise and dangerous proposal. This analysis is contained in a speech which the Senator recently gave before the New York State Associated Press Editors Association luncheon in Rochester.

The Senator also makes some cogent comments surrounding the tragedy which occurred at the Attica State Prison. I commend the Senator's remarks to the attention of my colleagues. The full text of the speech follows:

ADDRESS BY SENATOR BUCKLEY

It's a pleasure to be here today—and a special pleasure to appear before this audience. It isn't often that I get a chance to catch a whole room full of you at one time; and with your leave, I intend to take full advantage of the situation. In the first place, it gives me an opportunity to express my appreciation for the objectivity and fairness of your coverage of my campaign and of my work in the Senate to date. Your task is not an easy one by any means. I have had to discover on my own these last eight months how hard it is to get a straight story out of someone who may not want to tell it to you, and I sympathize with the difficulties you face in trying to keep the public informed. Let me therefore take this occasion to say "Thank you"—and to express the hope that we will continue to enjoy cordial relations in the future.

Appearing before you today has also given me a chance to pull together some of my own thoughts on the role of the press in a free society. I offer them to you in the hope that they will prod some of you into thinking a little more self-consciously about the kind of contribution an informed and vigorous press can make to the nation.

It occurs to me, at the outset, that you and I have a good deal in common. We are all doers of the public business. As such we bear a public trust that imposes grave responsibilities—not the least of which derives from the knowledge that the lives of thousands, perhaps millions, will be affected by what we do and say.

Moreover, you and I share a deep and abiding concern for the state of the nation. We spend most of our waking hours—and a good many others as well—trying to articulate why this or that proposal is in the public interest.

But what you and I have in common most of all, I suspect, is the hard necessity of having to act, and what's more, having to act so much of the time with inadequate—or in some cases—even false information. We know that what we decide to do or not to do creates ripples of influence extending ever outward, affecting the lives—and certainly the fortunes—of many whom we shall never know or see. And whether our influence in any particular matter be great or small, we know from experience that the consequences of our action are often unpredictable. Yet, knowing all this, we cannot avoid the iron necessity of having to decide.

With these thoughts in mind, let me turn to two events of recent vintage which seem to me to contain the seeds of a valuable experience and which I commend to you for your further consideration.

The first of these concerns Senate bill No. 2007, a bill that I daresay no one in this room can identify. I make that statement with some confidence, because until a few days before it was voted on, I didn't know what was in it either. It was simply there as the pending business when the Senate returned from its summer recess. Even though the bill passed the Senate on September 9 by a vote of 49 to 12, I daresay a working majority of the Senate was unaware of what was really in it. And one of the reasons why neither I nor a sizeable number of my colleagues knew what was in the bill is that *you* didn't tell us. I suspect the reason why you didn't tell us is that you hardly gave a second thought to a bill innocuously titled, "S. 2007, a bill to provide for the continuation of programs authorized under the Economic Opportunity Act of 1964, and for other purposes."

In short, a simple two-year extension of OEO, or so it seemed. But if you had paused to study the bill, you would have found that the phrase "and for other purposes" included what may prove to be one of the most deeply radical pieces of social legislation ever considered in the halls of Congress. I refer to the proposed establishment by the federal government of so-called "comprehensive child development" centers, to the tune of 100 million dollars for this year, rising sharply to two billion dollars next year, and to who knows what heights thereafter.

Now to many of you, the phrase "comprehensive child development" may seem innocuous enough. But I believe that even a cursory glance at the bill would disabuse you of that idea rather rapidly. For what is proposed here is not just a fancy federal baby-sitting service for children of the disadvantaged. As the name implies, it is truly comprehensive—both as to the number of people to be covered and as to the range of services sought to be provided. As to eligibility, the bill would cover, immediately, better than 32 per cent of the population. And in the future, it proposes to include every child in the nation, without regard to income. I cannot do better on this point than to read to you from Section 501(a) of the bill:

"The Congress finds that (1) millions of children in the nation are suffering unnecessary harm from the lack of adequate child development services, particularly during early childhood years; (2) comprehensive child development programs, including a full range of health, education, and social services, are essential to the achievement of the nation's children and should be available as a matter of right to all children regardless of economic, social, and family backgrounds."

For those of you who may want to know what "a full range of health, education, and social services" might entail, let me read to you from the report of the Senate Committee on Labor and Public Welfare. This proposal would, among other things, authorize the federal government to establish:

"Comprehensive physical and mental health, social and cognitive developmental services; food and nutritional services (including family consultation); special programs for minority groups, Indian, and bilingual children; specially designed programs (including after school, summer, weekend, and overnight programs); identification and treatment of physical, mental, and emotional problems, including programs for emotionally disturbed children; prenatal services to reduce malnutrition, infant and maternal mortality, and the incidence of mental retardation; special activities for physically, mentally, and emotionally handicapped children and children with special learning disabilities; training in the fundamentals of child development for family members and prospective parents; use of child advocates to assist children and parents in securing full access to other services; and other activities."

Let there be no mistake about it: a federal comprehensive child development program will establish the federal government as the most important, and ultimately the strongest arbiter of child-rearing practices in the United States. For those of you who may still be skeptical, I would ask you to listen to the words of Dr. Reginald Lourie, who testified in favor of the bill during the Senate hearings. Comprehensive child development, he said, should begin as early as possible because, in his words:

"In the first 18 months of life, the brain is growing faster than it ever will again. It is then also *more plastic and most available for appropriate experience and corrective interventions.*"

I have not pulled that statement out of George Orwell's *1984*, nor have I taken it out of context. Dr. Lourie means precisely what he says, and the implications of what he says, frankly scare the living daylights out of me. Dr. Lourie, I might add, is no johnny-come-lately to this business. He is a widely recognized authority on children and recently served as director of the Joint Commission on the Mental Health of Children. His opinions are precisely those which will dominate the planning and implementation of the federal child development programs proposed in S. 2007. Now I have nothing against Dr. Lourie personally. I have no reason to suspect that his intentions are anything less than perfectly benevolent. But experience teaches us to be most on our guard precisely when the government's intentions are most benevolent.

Unfortunately, I am only one man, and mine only one voice. The public, like me until a few weeks ago, like most members of Congress even at present, simply has not been informed on this issue. It matters less to me at the moment whether you happen to favor or oppose such legislation than whether the public has been informed of what's at stake. I can say that with genuine conviction because I have every confidence that if the American people knew what was tucked away in Senate bill S. 2007 and its House counterparts, they would be raising howls of protest from coast to coast because I believe that the American parent is not yet prepared to delegate the development of his child to the white-coated bureaucrats who will inevitably dominate the program.

I mention this issue not only because its implications concern me deeply, but also to remind you of something we are all prone to forget: that public officials no less than the public at large are dependent upon the working press for much of their information—even about their own affairs. You, ladies and gentlemen, much more than any member of Congress, are really the final arbiters of what shall, or shall not, be considered an important or controversial piece of legislation. And "comprehensive child development," it seems to me, deserves that much-abused label "controversial" as much as any piece of legislation in recent memory. Consider: the Congress of the United States is about to enact into law a bill that would put the federal government irrevocably into the business of providing virtually complete physical and mental services to every child that is conceived, from the prenatal stage right on through grammar school. That, it seems to me, is a major step—indeed, a revolutionary step—on the part of the federal government. That, it seems to me, is something that elected officials ought to consider most carefully. That, it seems to me, is something the public has a right to know about in detail.

Now, having that off my chest, let me turn to a second matter, one that arises out of the tragic events at Attica State Prison. On balance it seems to me that the press is not doing as thorough a job as it might, and in so failing, runs the risk of alienating large segments of public opinion. If the mail which has come into my office is any indication, there is a growing resentment against the rather easy way in which events at Attica are being likened to the slaughter at My Lai; against the casting of the prisoners as the heroes, and the Governor as the villain, of some heart-rending proletarian drama; against the way in which the final significance of the events there is being limited to an argument on behalf of penal reform; against the way in which some members of the press seem to gloat in discovering yet another flaw in American institutions. Consider, for example, a story put out by one of the wire services on the aftermath of Attica. The lead read as follows:

"A boiling controversy over the deaths of 42 men in the Attica prison revolt continued unabated yesterday with sharp criticism in the U.S. and abroad on the way officials handled the insurrection."

The article went on to quote a dispatch filed by Ivor Key, the U.S. correspondent of the London *Daily Express*, as follows:

"For the first time in four years of living and working here, I am shocked to the point where I seriously question whether this is the country I want to raise my children in!"

The wire story neglected, however, to report the next two paragraphs of Mr. Key's dispatch, which I shall now read:

"True, a nation's pulse cannot be taken from the thousand hardened criminals who took over the jail.

"But my fear is that the courts and politicians, mainly for their own ends, have become so liberal to the criminal that we are on the verge of wholesale anarchy."

In short, the wire service story carried the completely opposite implication of that which Ivor Key sought to convey. This, I suspect, was an act of reportrial negligence and not of malice, but it reflects a compulsion for national self-flagellation which may destroy us yet.

Or consider this example of television news reporting by a New York City station: for two hours, live and during prime time, six panelists discussed the issues of Attica. So interested were city viewers that the station reported receiving more than 1000 telephone calls.

Sadly though, New Yorkers watched only one side, one point of view of the Attica story, for the six panelists were for the most part of the same philosophical stripe and all were highly critical of the Governor's action. Where was the balance in this news report?

This, it seems to me, is no small matter. If there is one thing I have acquired since going to Washington, it is a sizeable and still growing respect for the common sense, courage, generosity, and essential fairness of the American people. But I have discovered as well that they are also capable of fear; fear at times for their own physical safety, but most especially, fear for the stability and safety of their country. They are a people who, like Ivor Key, fear to raise their children in a land grown so permissive. And as a consequence, despite their generosity; despite their sense of justice; despite their sympathy for the disadvantaged; despite their knowledge that Attica might have been handled differently, they simply will not buy the pro-prisoner story line that seems to characterize so much of the reporting on the mutiny. To cast convicted robbers, rapists and thugs as the oppressed victims of a tyrannical social order simply will not wash with the great majority of the American public. They are rather more inclined to accept the view of columnist John Roche who wrote recently in another context that "The beginning of wisdom is to know who is going to shoot you if he gets the chance. From there you can go on to Plato and the classics." And, he might have added, on to penal reform. The failure of the press to highlight the frankly and avowedly *political* character of the Attica revolt does an injustice not only to those prisoners who refused to take part in the riot—three of whom, incidentally, were viciously slaughtered by their fellow inmates during the insurrection—but it does an injustice also to the cause of penal reform. For it is the public who in the last analysis must say yea or nay to penal reform; and it is the public, certainly, who must pay for it.

Nor will it wish to argue, as some have, that the Attica tragedy reveals the fundamentally racist character of American institutions. This is an old saw, of course, a continuation of the theme that was echoed in certain quarters during the '68 presidential campaign, in which it was alleged that "law and order" was a code word for racism. This prompted one wag to remark, well, if "law and order" is a code word for racism, I'd like to know what the code word is for "law and order." Because that happens to be what the country most urgently needs. Those who claim that criminal justice in the United States is racist fail to note that the most common victim of violent crime is both black and poor.

The Attica revolt, in short, is being viewed by the public somewhat differently than it is being viewed by certain segments of the press. Rather than perceiving the issue in terms of penal reform, the public sees it as but another example of growing lawlessness. For the public believes—and I speak here for myself as well—that we are only now reaping in our prisons the harvest of seeds of lawlessness that were planted elsewhere and long ago. The public believes, as I do, that the root cause of Attica has less to do with the state of our prisons than it does with the state of our attitudes towards the law. Somewhere along the way in the last few years, the idea somehow got itself accepted that one must obey only those laws with which he agrees, and that one who disobeys a law, so long as he is righteous enough, is entitled to relative impunity.

That sounded pious, safe, and harmless enough in the early Sixties, at least in the Northeast, so long as the laws in question were court orders in Birmingham, Alabama. And even when the spirit of disobedience rooted itself on the Berkeley campus in 1964, few public officials and even fewer reporters saw it as anything other than a classic vindication of the rights of conscience. In the last four or five years, however, the spirit of disobedience has acquired a rather more sinister aspect. For some of my colleagues, it took a bomb in the Capitol building and a brace of Mayday demonstrations to convince them that one man's "civil disobedience" is another man's mayhem, and that the distinction between the two is often impossible to maintain. Indeed, many public officials and members of the press are only now catching up with the common sense exhibited by the American people as early as eight or nine years ago. For the American people sensed then, as indeed they sense even more strongly now, that in a democratic republic it is really only obedience to the law which separates civil society from the jungle, and that if you destroy reverence for the law you end up destroying the possibility of civilization altogether. And events such as those which took place at Attica remind the public that the line which separates us from barbarism these days is very thin indeed. The public's concern for law and order is neither racist nor oppressive, although it could become both if mutinous convicts are continually held up as the heroic revolutionary vanguard of some new social order.

I think the difference between the public's perception of the Attica tragedy and the view generally prevailing in the media is a difference which deserves your most searching consideration. For I think that the press has tended to underestimate—and in some cases it has actually pooh-poohed—the public's concern for law and order. And I suspect that a good deal of the public's distrust of the media may stem from this issue alone.

I think you would do well to ponder the fact that the public, rightly or wrongly, tends to associate the media (or at least large segments of it) with the encouragement of lawlessness. It is for this reason that I am somewhat skeptical about whether the recent Supreme Court case on the Pentagon Papers was really such a great and grand victory for the freedom of the press. Whether it turns out to be a triumph or a tragedy will depend less on the verdict in the Supreme Court than it will on the verdict in the court of public opinion. The same holds true, I believe, with regard to the recent effort in the House of Representatives to cite CBS for contempt of Congress. Had the choice been mine, I would have voiced my indignation at some of the techniques used in such documentaries as "The Selling of the Pentagon." But, here too, the ultimate vindication or condemnation of CBS will be determined less by a vote of Congress than by the determination of the public at large.

In closing, I would like to leave you with this thought. We who devote ourselves to the public business—you in trying to inform public opinion, I by trying to influence it, both of us in trying to lead it aright—we sometimes tend to forget that in a democracy public opinion is, in the final analysis, everything. It is the ultimate arbiter of public morals no less than of public dress. Above all, it is the ultimate arbiter of the law. And it is the law which decides, in turn, who shall enjoy how much freedom and when. It is therefore necessary to remind ourselves from time to time that the last redoubt of freedom of the press is a favorable opinion among the very public whose right to know you so earnestly—and at times so courageous—seek to defend. The public, I think, better understands the distinction between liberty and license than do many members of the press; they understand that the line between civilization and anarchy is measured by obedience to the law; and they understand that that line must sometimes be drawn in blood. They understand, too, that a free society depends on the self-discipline of its people; that anything which erodes that self-discipline erodes freedom itself, because a free society cannot co-exist with chaos. If a people will not maintain the public order through a willing submission to the law—even bad law—then order will inevitably be imposed on them, and that will mean the eclipse of all our freedoms.

This, I submit, is the true significance of the road to Attica; a significance which we who cherish the freedom of the press will ignore at our peril.

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## TIME FOR ACTION

### HON. ROBERT L. F. SIKES

OF FLORIDA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. SIKES. Mr. Speaker, the great importance of forestry continues to be spelled out in appropriate language by leading figures in this field. Kenneth B. Pomeroy, chief forester of the American Forestry Association, wrote a very informative article entitled "Time for Action" which appeared in the December 15, 1970, issue of Southern Lumberman. His article emphasizes the objectives set forth in new forestry legislative programs which have passed the House and are now pending in the Senate. I submit it for reprinting in the RECORD:

### TIME FOR ACTION

(By Kenneth B. Pomeroy)

What are we going to do about private forests?

We have talked about them since Ben Franklin noted a lack of fuel wood within wagon haul of Philadelphia.

We have counted them—4,500,000.

We have measured them—309,000,000 acres.

We have inspected them. Some need planting. Others are cluttered with useless relics of former tree crops. Only 29 per cent are in satisfactory condition.

We have weighed their role in the national economy. They must produce wood more efficiently if future needs are to be met.

All of these observations and more have been documented expertly by the Southern Forest Resource Council in its excellent report *The South's Third Forest.* Additional findings have been reviewed by "Trees For People," a national task force of conservation, industry and public advisors.

The time for talk and study has passed. No magic formula has been found. Nor is one likely to be devised. Techniques that work abroad fit different economic and social conditions. We must rely upon our own proven methods.

The initial stage is to place greater emphasis on activities that forest owners cannot handle adequately by themselves.

Why? Because private forests serve all the people—forests yield pure water; they shelter wildlife; they cleanse the air; they add beauty to the countryside; and they furnish wood for countless uses.

But these vital public services must be provided under threats of loss by fire, damage by wind and attack by diseases or insects. We can help our own cause by reducing the risks so that land owners can practice better forestry. There are several ways to do this.

1. *Protect forests from fire.*

Protection of present and future crops is basic to sound management. Yet 31 million acres, six per cent of all commercial forests, do not receive any protection at all. A much larger area, over 200 million acres, is not protected adequately.

Why does this situation exist? It exists because citizens, you and I, have not insisted that adequate funds be appropriated.

Federal appropriations for cooperative forest fire protection under the Clarke-McNary Act of 1924 have not been made at the level authorized by Congress. The Congress authorized an annual appropriation of $20,000,000, but after much prodding by state foresters, forest industries and conservationists, only provided $16,469,000 for the current year.

This key forestry appropriation should be increased to the full authorization of $20,000,000. It can be and will be only if you insist upon it.

2. *Controlling diseases and insects.*

Disease and insects cause losses estimated in the billions of dollars annually. They attack shade trees in cities as readily as timber trees in forests. Dutch elm disease has changed the appearance of many communities. Gypsy moths defoliate hardwood forests in the Northeast. Bark beetles ravage pine forests in the South. Dwarf mistletoe damages trees in the West. Sawflies and tip moths deform young trees everywhere.

Some of these pests have been held in check in the past with DDT and other chemicals now known to be harmful to animals, birds, fish and people. Urgently needed are new, less-hazardous methods of control. Some promising leads have been found by research workers. Their efforts should be accelerated and intensified greatly.

Appropriations at the Federal level should be increased from the present allotment of $4,783,000 for insect research and $2,810,000 for disease research to at least $10,000,000 for both activities.

3. *Provide technical assistance.*

Technical assistance, some free and some at modest cost, has been available to limited numbers of forest owners for some time. More people should benefit from this service. But 4,500,000 owners are far too many to be aided by 800 cooperative Federal-State service foresters and 300 consulting foresters. At best one public forester can only aid about 100 owners in a year. Consulting foresters are more limited in their contacts because they usually work on larger properties. Add to these limitations the fact that tenure of ownership averages about 15–20 years and it becomes apparent why many forest owners are not receiving the benefits of professional guidance.

The Federal share of the Cooperative Forest Management program is now bumping against its authorized ceiling of $5,000,000 annually. In 1971 the Congress will be asked to raise the authorization in order to meet rising costs of operation. At the same time the Congress and the states should be urged to double manpower on the ground so that technical assistance programs can be implemented more fully.

The ranks of consulting foresters should be expanded ten-fold. These men, spurred on by private incentive, can perform services a public forester can not provide. For example, a consultant can work on a property as long as it takes to get the job done, whereas a public forester may be limited to three or four days in which to show the landowner how it ought to be done.

Consulting foresters, being private businessmen, face the same hurdles as young attorneys in establishing their business. It takes money to tide them over during the year or two required to create a flow of funds. For example, work done today may not be paid for until months later. Meanwhile, there are payments to make on equipment and payrolls to meet.

The Tennessee Valley Authority and the National Association of Consulting Foresters have attempted to break this bottleneck with an agreement that enables TVA to underwrite certain establishment costs during a two-year period. Two promising young foresters have been selected for the program. They will be aided with referrals from TVA and other public agencies.

This pioneering effort holds great promise. It should be initiated in other forested regions.

4. *Cost-sharing.*

Conversion of useless brushy areas to productive forests, planting trees to assure a future supply of wood, protection of watersheds, improvement of wildlife habitat and enhancement of the environment are public-interest activities that usually require considerable labor to initiate but do not yield cash returns on the investments for a long time. Many forest owners may not be in a position to undertake such projects, because of age or financial limitations. Yet future economic and social needs of the nation require that private forests fulfill their role.

There are two ways to solve the problem; i.e., regulation as in some other countries, or public assistance in the form of cost-sharing. Regulation was ruled out in this country two decades ago. What about cost-sharing?

Public assistance in the form of cost-sharing under the Agricultural Conservation Program has been available since the mid-1930's. Yet total accomplishments have been but a "drop in the bucket" compared to the job that needs to be done.

Seventy-five million acres of private land needs to be planted. The actual acreage planted annually is slightly more than one million acres. The accomplishment is not enough to keep up with new areas being denuded by fire and other causes.

One hundred forty million acres of partially productive private forests need stand improvement such as thinning and removal of useless cull trees that occupy valuable growing space. Here again annual accomplishments are pitiful in comparison to the magnitude of the job.

A separate assistance program, geared to the needs of forestry, should be devised. It should contain the following key features:

(a) Be in the public interest;

(b) Emphasize long-term activities that forest owners are not likely to undertake by themselves;

(c) Require owners to commit themselves to a forest plan of long enough duration to make assistance effective;

(d) Make assistance available over a period of years;

(e) Consider cost-effectiveness in establishing priorities for assistance.

A forestry assistance program is being drafted now by the Administration for presentation to the Congress early in 1971. When its details become available, it should be studied carefully.

5. Other incentives.

Utilization, marketing, taxation, leasing and insurance also are important factors in an owner's forest management program. These considerations vary considerably from one locality to another and for that reason are not being discussed in detail here. But, all are important to the successful management of the small, privately-owned forest and must be dealt with before these lands can yield their full potential.

#### SUMMARY

Fire protection, insect and disease control, technical assistance and cost-sharing are basic elements of efforts at the Federal level to improve management of 4,500,000 private, non-industrial forests. Aggressive action should be taken immediately on each element so that owners can achieve the objectives of which their properties are capable.

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## HOW JANE'S FIGHTING SHIPS GETS ITS INFORMATION

## HON. BOB WILSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BOB WILSON. Mr. Speaker, the most authoritative compilation of statistics on the navies of the world is Jane's Fighting Ships. Each new edition is studied carefully by all major nations as a means of measuring the strength of individual navies. How this vital information is gathered by Jane's and the significance of great growth in the Soviet fleet were covered in a recent interview with Norman Polmar, the editor of Jane's, in the San Diego Union. Knowing that this is information of interest to our colleagues, I insert the Union interview in the RECORD.

[From the San Diego Union, Sept. 5, 1971]

### JANE'S FIGHTING SHIPS EDITOR GIVES HIS VIEW: WHY IS THE SOVIET NAVY NO. 1?

(NOTE.—Norman Polmar is an associate of Lulejian & Associates, a research organization, and the American editor of Jane's Fighting Ships, the world's most authoritative compilation of data on navies of the world.)

Question: How long have you been the American editor of Jane's Fighting Ships?

Answer: Four years.

Q: How difficult is it to come by the essential facts that appear there?

A: It is relatively easy but extremely tedious and extremely frustrating at times. All of the information that is in the book is visible in the broad world. But it is a fantastic problem of sifting, for instance, the hearings of eight congressional committees. It also entails going through a very large number of publications, some in foreign languages. The Soviets publish a tremendous amount of material, some of which goes directly to the Jane's people. Some is translated; some is not. The Eastern and Western European nations are very maritime oriented and publish a large amount of material.

Q: Have you ever seen any evidence that the Soviet Union is interested in making propaganda out of what you publish in Jane's?

A: My natural inclination is to answer that in the affirmative. However, I have seen nothing direct. In fact we have tried to obtain Soviet photographs which obviously are unclassified. These are available from Western sources, but we would like to get them from a Communist source and we haven't been able to.

Q: How often do you discover something in the public domain which some nation, let us say the United States, has classified?

A: Often. As an example, Navy regulations prohibit photographs of submarines with periscopes and antennas raised. And yet, you find a large number of photographs in Jane's of U.S. submarines with periscopes and antennas in the raised position, all of which have been released by the Navy.

Q: How does this happen?

A: In some cases the general rules are too broad for the real situation. In others, Navy people don't know all the rules, and aren't familiar with all the problems.

Q: Does anybody ever offer you secret material?

A: I have come across some material of this type. When I do, I call one of my contacts in government. If he says do not use that, I won't.

Q: Comparing Jane's of today and Jane's of 1921, what fraction of the book is occupied by the United States Navy, as contrasted with the rest of the navies of the world?

A: Today the U.S. Navy has, roughly, one third of the book. In the 1920's we had, perhaps, a quarter of the book. At that time, the British Navy was the largest; the U.S. was the second largest. Today the United States Navy occupies a third of the book because auxiliary ships, including the experimental, research, survey and intelligence ships, have a much more important role than they did in the 1920's. Today we are also talking about amphibious warfare, which didn't exist as a category in the twenties. The current Jane's Fighting Ships has a section of 15 pages on amphibious warfare ships and landing craft, a section which, as an entity, did not exist in the 1920's.

Q: What percentage of the book does the Soviet Navy occupy?

A: In the 1920's the Soviet Navy was usually last. The Soviets built no ships in the twenties. Their first five-year plan, about in 1925 or 26, was when they started to build a few submarines. Their first five-year plan had five submarines in it. In the 1920's and 1930's the Soviet Union was not a major naval power. The Soviets had the world's largest submarine fleet at the beginning of World War II. It accomplished this on next to nothing.

Q: What does this Soviet naval growth mean in terms of maritime strength?

A: I see a tremendous growth in their navy in numbers of modern units. What is particularly frightening is that every year or two we see a new type of surface warship, a new class of submarine, a new missile, a new electronic system, a new radar.

Q: Does this mean focus on research and development?

A: Yes, and research and development at a rate which is faster than ours if you take any item, say shipboard ash trays.

Q: Do they have better ashtrays than we do at this time?

A: In some areas they have, such as submarines weapons and submarine anti-ship weapons. They can go after our warships with submarine-launched missiles which can probably reach beyond the range of our own anti-submarine warfare weapons, whereas the only means the U.S. has of attacking Soviet ships is with torpedoes. Torpedoes leave something to be desired.

Q: How does Jane's vouch for the authenticity of the data concerning the Soviet vessels?

A: It doesn't. It stands on the prestige of 74 years of publication. And there is no better source.

Q: Is there a considerable contrast between accessibility of the United States fleet to you and accessibility to you of the Soviet fleet?

A: There is a problem with the Soviet fleet. You will notice that pages on U.S. ships have more facts and more exact numbers.

Q: How big a staff do you have to gather Soviet data?

A: About four to six people.

Q: Do you, for example, go out to look for Soviet ships?

A: Yes, there are people all over the world, in navies, who contribute to Jane's Fighting Ships.

Q: Why doesn't the Soviet Union build aircraft carriers?

A: They don't have the facilities. It would be cheaper for them to buy something like Newport News, Va., by several orders of magnitude, rather than to go out and start building such a facility. Second, they don't have the years of experience of operating carriers or flying aircraft from them, of operating screen ships, of replenishing them at sea. This experience comes long and hard. We have made a lot of mistakes in carrier aviation and we have 50 years of experience. Also, we are very strong in carriers. Where the Soviets are looking for counters to our navy, they are not going to try to match us where we are already strong.

Q: How long do you think it will be before the Russians can overtake us in submarine nuclear strength?

A: They are overtaking us this year, 1971, in terms of number of nuclear powered submarines.

Q: What are the numbers?

A: As of July of this year they had 92 to 94. We are building them at the rate of four or five a year. They are building them at the rate of nearly 15 a year. I also am very concerned about the increasing vulnerability of our bombers and our Minute Man missiles. I don't think we should adopt only one strategic defense system. I think that the United States has a fantastic option in ULMs, a long range submarine system missile, which can force the Soviet Union to defend itself at great distances. It forces Soviets to go to a 360 degree defense against ballistic missiles.

Q: How much naval research and development should we be doing?

A: We have not produced a strategic missile since 1967. If tomorrow the President said "go build me one" it would be at least four years before we had one. I think that submarine technologies and missile technologies have advanced tremendously since the early 1960's when the Polaris was designed. We should take the most advanced missile design we can develop and build it. For instance, there are a number of advantages in putting missiles in canisters outside of submarines. It would balk the possibility of detecting by satellite a missile coming through the water. Tubes in the submarine tell you exactly where it is. Canisters float off. You can launch them 20 minutes later by sonar control, after the submarine is a mile away.

Q: Do we or the Soviets have the advantage in detection capability?

A: I think we are ahead. However, I am bothered, speaking on the basis of unclassified literature, because the Soviet Union every year or two, comes out with a new type of submarine and a new type of surface ship. I am sure they are doing a lot under water also in both ship board sensors and bottom-laid sensors. It seems logical if submarines are so important in warfare today, that Russia also is going ahead in underwater research and development.

Q: What was the origin of Jane's Fighting Ships?

A: Fred Jane was a British newspaperman in the late 1800's. He was in the Mediterranean covering some small naval conflict and, with his story, he sent hand sketches of the ships. When he got back to England, the paper wanted to put together all the sketches and publish a special section. I don't think the special section ever was printed, but a book publisher heard of this, and 75 years ago he published a book which contained sketches and the names of ships and size of their biggest guns. It was a very scanty book with about 200 ship drawings. With advent of the photoengraving process at the turn of the century the publishers started a book with pictures of ships. Pretty soon they were covering all the navies, giving strengths as well as descriptions on all vessels.

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## MILITARY PROCUREMENT CONFERENCE REPORT

## HON. JOHN H. DENT

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. DENT. Mr. Speaker, the House last night acted wisely in agreeing to the language contained in the Military Procurement Conference Report with respect to Rhodesian chrome. Mr. E. F. Andrews, vice president of purchases, Allegheny Ludlum Industries, Inc., spoke to this in testimony before the Senate Foreign Relations Committee. His presentation was cogent and persuasive, and relates directly to the problem faced by so many of the specialty steel producers in my area. I am pleased to include it in the RECORD for the benefit of my colleagues:

PRESENTATION OF E. F. ANDREWS

Mr. Chairman, my name is E. F. Andrews. I am Vice President of Purchases, Allegheny Ludlum Industries, Inc. One of our member companies, Allegheny Ludlum Steel Corporation, is a major producer of stainless and specialty steels. I also represent the Tool and Stainless Steel Industry Committee and am chairman of the Critical Materials Supply Committee of the American Iron and Steel Institute. We appreciate this opportunity to speak in favor of S-1404.

As one who spends a major portion of his waking hours concerned with the problems of materials supplies for this country, I am quite naturally interested in any legislation that has as its purpose the protection of such supplies.

The United States is very much a negative nation in regards to the availability of strategic raw mateirals. It has been reported that, of the 30 strategic metals, so defined by the Office of Emergency Preparedness, 25 must be imported by the United States in order to supply the needs of important American industries. For this reason, we strongly supported the Boggs' Amendment establishing a Materials Policy Commission so that we, as a nation, could start officially addressing ourselves to the long-range problems of critical material shortages and hopefully adopt laws and enunciate policies that will protect and provide for the nation's future material needs. S-1404 is in harmony with the purpose of that commission in that it would be established to prevent the unilateral action of one segment of government from interrupting the flow of vital and strategic materials to our shores regardless of how meritorious the intent of such action may be. It reduces the danger of unwise and unnecessary injury to this country while not preventing support of the issues involved.

It already has been said in these hearings that the Rhodesian sanctions and their effect on the chrome situation are a perfect case in point. As a major consumer of chrome we are quite familiar with the effects of those sanctions on the economy of the United States, the Specialty Steel Industry, and its employees.

The importance of chrome to industrial America cannot be overstated. While steel remains the most useful, most versatile, and most reasonably priced metal in modern industrial civilization, specialty steels—developed and manufactured by a large group of relatively small companies in the United States—not only have those three principal characteristics but, in addition, in their latest forms and new specifications, have made possible not only our nation's aerospace program but also its advanced communications, improved power generation and distribution, its growing Chemical Industry, greater comfort and efficiency at home and at work, and continuing progress in such advancing sciences as oceanology, ecology, surgery, medicine and health care, and atomic particle physics. From the last named will come not only new sources of energy but great new strides in scientific progress in virtually every field.

Thus, gentlemen, when we speak of alloying elements—and chrome of course is an important one of these—we are talking about no ordinary commodity. It goes to the root of our industrial civilization. In fact, by definition, stainless steel is a corrosion resistant, ferrous alloy containing 11% chrome or more. In other words, broadly speaking, there is no substitute for chromium insofar as corrosion resistant or stainless steel is concerned.

Nearly 70% of the world's known metallurgical chrome reserves (see Attachment 1) are found in Rhodesia. To our knowledge, there has not been a new find of chrome reserves since World War II, and there are no known competitive deposits in the Western Hemisphere. Prior to sanctions, Rhodesia was our largest supplier of metallurgical, high-grade chrome ore. Due to the sanctions, this has diminished to zero, with the main benefactor of this attractive and profitable volume of business being the Soviet Union. In fact, according to the United States Bureau of Mines' data, in 1970, of the 363,840 short tons of chromium contained in ore, with a chrome content of 46% or better, 224,877 short tons, or better than 60%, were imported from the Soviet Union.

In spite of the fact that the world price of chrome ore had dropped from 1956 through 1966, the Russians, acting in a highly "capitalistic" manner, increased their price to us more than 100% since the sanctions were imposed (see Attachments 2 and 3). As evidence of the fact that this rise is substantially greater than inflation during this period of time, when one examines the years 1967 through 1970, we cite the following cost increases which were incurred for various commodities consumed by the Steel Industry:

[In percent]

| | |
|---|---|
| Grinding wheels | 21 |
| Graphite electrodes | 14 |
| Refractories | 20 |
| Bearings | 15 |
| Ingot molds | 16 |
| Mill rolls | 16 |
| Coke | 50 |
| Fuel oil | 31 |
| Manganese ore | —15 |
| 75% ferrosilicon | 19 |
| Vanadium | 42 |
| APT tungsten | 57 |
| Nickel | 56 |
| Cobalt | 10 |
| Fluorspar | 10 |
| Magnesium | 5 |

But now, looking at the impact of the rise in chrome ore prices during this time, we see ferrochrome silicon up 80% and high carbon ferrochrome up 67% (see Attachments 4 and 5). In fact, if we examine Attachment 4, the dotted line shows the price rise of silicon in ferrochrome silicon over the past four years, and the solid line shows the rise in the cost of chrome contained in this product over the same period of time.

The situation would undoubtedly have been worse had it not been for sizable disposals from the Federal Government stockpile during this time. It is estimated that, during 1969, 31% of the metallurgical chrome consumed in this country came from the stockpile, and something over 20% in 1970. In order to provide this material to industry, the O.E.P. has seen fit to continually drop the stockpile objectives, thus making material available. This action is deemed by some members of Congress as being unwise because of chrome's strategic importance and the zero production in the United States. Over 900,000 tons of material have been sold out of the stockpile since 1966. However, the availabibity of high-grade, metallurgical chrome ore from this source will someday run out; therefore, we must not count upon this as a long-range answer to our problems. Reduction to the new objective of 1,500,000 tons of ore will take us to below a two-year supply.

As we said earlier, Russia has been the major source of supply; but if you will look again at Attachment 1, you will see that the Bureau of Mines estimates that Russia possesses only 5.6% of the world's supply of chrome—yet this is now our major source. Russia is now selling us chromite limited to 450,000 tons per year at ever-increasing prices. It is our understanding that they are now requesting customers to take one ton of fines with each ton of good material. Is this, by policy, to hold up the price or is it all they have to sell us? We are at the bottom of this barrel also. One could rightfully ask the question—are we buying Russian material at inflated prices while they supply their needs with Rhodesian material at lower prices?

As stated above, the stockpile is our second source. This will also run out in time, and good grade metallurgical lump is low at this time. In fact, a large part of the Government's stockpile is unsuitable for metallurgical use.

Turkey is our third source. According to the United States Bureau of Mines, Turkey has only 2% of the world supply. Turkish output of ore is just under 500,000 tons per year, of which approximately 250,000 tons per year are exported, almost entirely to the United States.

According to the April 12, 1971, issue of Metals Week, the Japanese have just completed an arrangement with the Turkish producers to take 100,000 tons of this material per year on a long-term contract.

Thus, our three sources—Russia, 50–60% of our needs; the stockpile, 20–30%; and Turkey, 10–15%—present a bleak picture of our major sources of supply. The outlook for chrome can only be for tightening availability and rising prices, so long as we deny ourselves access to the 70% of the world's supply in Rhodesia.

South Africa is a fourth source and is limited in its metallurgical suitability. But even here, there are those who desire to extend the sanctions to that country.

While denying ourselves this major and vital raw material, one needs only to visit Southern Rhodesia to realize that its chrome ore has been finding its way into the world markets. There is little ore seen above ground although they work the mines seven days a week. As we know, they were unable to ship but a mere 15% of the 150,000 tons approved many months ago for import. The United Nations has itself offered the best evidence of the sanctions' failure. In the third report of the United Nations Security Council Sanctions Committee, published in June, 1970, it was estimated that Rhodesian exports were running at approximately 70% of their presanctions level. Twenty-one complaints of violations were investigated by the U.N. involving chrome ore from Rhodesia to France, Japan, Netherlands, Italy, Spain, and West Germany. It is generally admitted that we and Britain are the only ones seriously abiding by the sanctions.

We realize that the Government has made a noble effort to try and prove conclusively that this material is flowing into the hands of members of the United Nations in the free world. Indications are that it is not flowing directly from Rhodesia to these nations but is probably being trans-shipped when repackaged. This we do know—the mines are operating in Rhodesia, and there is no ore being stockpiled there. The free world would probably have run out of chrome a long time ago if the major supplies from Rhodesia were totally cut off from the free world market.

Thus, many reliable sources indicate that substantial quantities of this material are flowing into the hands of foreign specialty steel producers, undoubtedly substantially aiding foreign producers of specialty steels in moving into and capturing large segments of the American market for specialty steels, producing a chaotic price situation here, bringing about unemployment and affecting the profitability of small American companies to the point where there is serious question about their economic viability. A question has been raised as to the impact of the cost of chrome on stainless steel. Neither time nor space here will permit complete detail of the effect on all the multiple grades of specialty steels produced, but let us suggest the following example that would cover the majority of the tonnage. There are approximately 400 pounds of chrome contained per ton of 18–8 stainless steel. Thus, a 1c price increase in chrome would increase the cost per ingot ton by $4.00. With a 50% yield factor, the cost per finished product would thus be $8.00 per ton. Since the Rhodesian embargoes, the cost of low carbon ferrochrome, for example, has risen 14c.

Thus, the cost per ton of stainless steel would be $112 per ton. Last year, approximately 900,000 tons were produced. Thus, the industry impact would have been a $100 million cost increase. Also, markets have been sufficiently encroached upon that we are beginning to see cutbacks in vital programs. Foreign producers of specialty steel, who are beneficiaries of the Rhodesian sanctions, have penetrated the American market for specialty steels, at the end of four months of 1971, at an all-time high, exceeding 22%. For individual specialty steel products, the penetration is even greater: some 35% of stainless steel cold rolled sheets; 68% of the market for stainless steel wire rods; 54% of the market for stainless steel wire. One can rightfully ask how much embargoed Rhodesian ore is contained in this imported stainless steel coming into this country, adding insult to the injury of the unemployed or about-to-be unemployed American steelworker. We are able to identify Rhodesian chrome ore coming into this country as ore, but there is no known way to identify it if it is contained in stainless steel sheet. I am sure that the unemployed steelworker wonders who is being helped and who is being hurt by these sanctions. Fortune magazine reported in April that the Rhodesian growth in real GNP was better than 4% per year, substantially more solid than either the United States or Britain. France, Japan, and

Germany are reportedly continuing to trade. A visit to Rhodesia reveals a very stable, busy, growing country, with Toyotas and Renaults very much in evidence.

Chrome is but one example of what could happen in many other vital materials if similar unilateral actions are taken. For example, there was a proposal before the United Nations to extend these sanctions to Portugal and South Africa. To have extended them to South Africa would have cut us off from 90% of the world's metallurgical chrome. It would have also placed us in an emergency situation with regard to vanadium supplies. A simliar sanction against the Congo would cut off our cobalt; against Canada, our nickel; against Mexico, our fluorspar; and against Brazil, our iron ore. Were it not for the substantial American stockpile, we would now be dependent upon Red China for tungsten. The list could go on and on. S-1404, we believe, is designed to permit us to support those political and social issues throughout the world that have merit and deserve our support without injuring ourselves economically and militarily more than the one we bring such action against. We therefore urge your immediate and enthusiastic support of this resolution. Thank you very much, Mr. Chairman.

CHROMIUM RESERVES OF THE WORLD

[Amounts in thousands of short tons]

| | As chromite | | As metal | | As high Cr chromite | |
|---|---|---|---|---|---|---|
| | Amount | Percent | Amount | Percent | Amount | Percent |
| Republic of South Africa | 2,200,000 | (74.5) | 575,000 | (74.2) | 110,000 | (22.5) |
| Southern Rhodesia | 660,000 | (22.2) | 175,000 | (22.5) | 330,000 | (67.4) |
| Turkey | 11,000 | (.4) | 3,000 | (.4) | 9,900 | (2.0) |
| United States | 8,800 | (.3) | 2,000 | (.3) | 440 | (.1) |
| Philippines | 8,250 | (.3) | 1,000 | (.1) | 1,650 | (.3) |
| Finland | 8,250 | (.3) | 2,000 | (.3) | | |
| Canada | 5,500 | (.2) | 1,000 | (.1) | | |
| Other | 12,485 | (.4) | 1,000 | (.1) | 8,983 | (1.8) |
| Total free world | 2,913,285 | (98.1) | 760,000 | (98.0) | 460,973 | (94.1) |
| U.S.S.R. | 55,000 | (1.8) | 15,000 | (2.0) | 27,500 | (5.6) |
| Albania | 1,650 | (.1) | 800 | (.1) | 1,650 | (.3) |
| World total | 2,969,935 | (100.0) | 775,800 | (100.1) | 490,973 | (100.0) |

Source: U.S. Bureau of Mines, best estimate.

PRICE QUOTATIONS OF VARIOUS GRADES OF FOREIGN CHROMITE

| | 1965 | 1966 | 1967 | 1968 | 1969 | 1970 | 1971 |
|---|---|---|---|---|---|---|---|
| Rhodesia: 48 percent $Cr_2O_3$, 3:1 Cr/Fe ratio | $31.00-$35.00 | $31.00-$35.00 | $31.00-$35.00 | NA | NA | NA | NA |
| Turkey: 48 percent $Cr_2O_3$, 3:1 Cr/Fe ratio | 29.50- 31.50 | 29.50- 31.50 | 32.50- 33.50 | $34.50-$35.50 | $37-50-$38.50 | $47.50-$48.50 | $56-$6 |
| South Africa: 44 percent $Cr_2O_3$ | 20.00- 21.50 | 20.00- 21.50 | 18.00- 21.50 | 19.00- 21.50 | 19.00- 21.50 | 26.00 | $30 |
| U.S.S.R.* 55 percent $Cr_2O_3$, 4:1 Cr/Fe ratio | 25.00 | 29.25 | 30.40 | 34.10 | 44.00 | 58.00 | $70 |

*Actual prices to Foote Mineral Co., f.o.b. Burnside.

Source: U.S. Bureau of Mines.

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## TV PROGRAM SPOTLIGHTS LOWER EAST SIDE

### HON. BELLA S. ABZUG

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mrs. ABZUG. Mr. Speaker, on October 12 a very sensitive and informative program on the problems of the Lower East Side, called "The Melting Pot Grows Older," appeared on WNBC-TV's New York illustrated series.

This area, the gateway to the promise of America for successive waves of immigrants from many lands and speaking many languages, is changing, in some cases for the better, in others for the worse.

As the narrator, Ken Alvord, points out, in the early days—

> If times were hard and prospects were dim for the parents then, there was always hope for the children. They became educated, grew up, left the poverty and the tenements behind.

But, he asks—

> Can it still happen here amidst the winos and junkies and garbage and the wreckage of abandoned buildings? . . . Today's conditions are not the same as yesterday's. The poverty is more hopeless, the dangers more acute. In such an environment the children must do their best. Simply to survive.

I am including in the RECORD at this point the full script of this excellent TV program.

THE MELTING POT GROWS OLDER

(Written and Produced by Tom Schactman; photography Art Goldman; film editor Vince Sarubbi)

Mr. ALVORD. Gateway to New York and to the rest of the country for more than a century and a half, the lower East Side. Ghettoes within ghettoes, impacted, poor, alive—America's melting pot. The tenements are fading, yielding to the inevitability of the high-rise. The old ethnic waves have climbed out of poverty and passed on. But still these few square miles are first homes to thousands of new immigrants and to those left from earlier waves unable or unwilling to change. As America soars into modernity and assimilation, can the people and the character of the lower East Side survive?

ACT I

In the flux of changing progress America's immigrants sought from their new home, often the customs brought from the old country submerged, dissolved and were lost for ever. But here on the lower East Side of Manhattan, many things from many old countries survive. A bocci game on a Sunday afternoon is the focal point for Italians from what is known as Little Italy—an island, comfortable and familiar in the caldron of the big city.

In former years people from the specific regions and even from individual towns would migrate many thousands of miles to settle not only in one area, but often in one block to be near people and customs they knew. Today the old neighborhood lines are changing, melting, but the style of life continues. The problems of the lower East Side have grown more acute with the passage of time. The claustrophobic atmosphere of the tenements teeming with people and the streets where the people go to escape the tenements. The ethnic groups, different as they are, live in many ways similar lives—conditioned by similar environments. This used to be an Italian food market. Now it is run by Chinese, but the change is barely noticeable. The style continues. In the shops the various nationalities express themselves at their most characteristic. Each country's people brought with them native foods—cheeses, meats, wines, vegetables. In the new country the shops that sold them bound the settlers to their places of origin. Today, shops like this have a further function. Magnets, they draw back to the neighborhood those who managed to climb out of the poverty and insularity here. They may live elsewhere now, but their hearts and their stomachs all return here. When the annual festival of San Genaro, now in its 45th year, comes each year to Mulberry Street, Little Italy sounds its own glory to the whole city. Spilling onto the streets, the tenement dwellers find the excitement and amusement in the carnival. For the myriad ethnic clusters at the lower East Side like this provide one of the few recreational activities available to those who are poor and often unable to get along in English very well. Many of the national groups have annual festivals. The Chinese, the Hungarians, Germans and Poles in addition to the Italians. Though today they are mostly secular carnivals, their beginnings were religious.

They stem from a time on the lower East Side when the houses of worship formed the centers of the small communities. They were islands of calm in the turmoil of ghetto life, providing a link with quieter origins in the past. This place, the Marble Church's cemetery on East First Street, was such an island to tenement dwellers. The gravestones speak the old, near-forgotten history of New York. Before the city became a jumble of building blocks and crowded streets. Before even the first tenement was built in 1833. Markers here date back to the 1700's. A member of the Roosevelt family whose farm covered the territory now between Chambers and Jane Streets is buried here. The lower East Side is awash with American history. The early Dutch settlers' farms or boweries were along the East River. Their names are our streets today—Delancey, Doyer, Van Cortlandt, Gouverneur, Bayard. Distinguished by hills and large ponds—nowhere to be seen—the East Side was mostly a swamp. The area between Houston and Third Street was cut off from the mainland and was called Manhattan Island. Many skirmishes of the Revolutionary War were fought along Grand Street. Nathan Hale was hung at the corner of Market and East Broadway. Washington's first residence as President on Cherry Street seen here is now the site of the foundations of the Brooklyn Bridge. In Peter Stuyvesant's time—he donated land for a church on his farm and in 1795 the cornerstone of St. Mark's Episcopal Church was laid. St. Mark's has seen many changes in the territory around it. It was thought of as the northern edge of town in 1785. Generations of immigrants worshipped here, peered at the old burial mounds, passed by the church as the area prospered, weathered and later went into decline. Like all the other immigrants, the latest and perhaps the most alien group, the hippies passed by as well. St. Mark's Place became the focal point for the flower children, the dropouts, the freaks, many of whom thought by escaping to the East Village they too were starting a new life in a new land. Rock music, long hair, psychedelia—freedom from all the strictures of straight society, a new culture alien to the old. But for these seekers too the promised land was not all they expected it to be. The newness and excitement passed quickly and the centers of the attraction, the high centers of rock music closed down, thrusting the area once more into decline. What has been left behind in the East Village are drugs, crime, venereal disease, poverty, violence. These people are trying to fight such problems. The concern of Project Eye-opener of St. John's Lutheran Church are those belated immigrant runaways. Each year hundreds of thousands of young people run away from home; a great many flee to the East Village. They come seeking love and freedom. And what they find is neither lovely nor free, but very often ugly and dangerous. Project Eye-opener tries to help parents locate their runaway children. Here they show pictures of runaways to people in the neighborhood. It is an arduous task finding a long-haired teenager here—like finding a needle in a haystack. And when on occasion they are found, it is not always possible to convince them to leave the new land. Reverend Fred Eckhardt:

Reverend ECKHARDT. . . . in the East Village there—how long have you really been here in town?

MALE VOICE. Just about a week.

Reverend ECKHARDT. Well, you know there is a great deal of difference between here and the West where you came from. How do you feel about it now?

MALE VOICE. Well, I feel—I don't want to go home. I really feel I can stay in—in the Village.

Reverend ECKHARDT. Well, you know, Billy, we know a lot of other kids who thought they could make it too, and—a great deal of danger in the Village. I hope you don't get in bad company. And very soon—why don't you go home? Your folks love you—are there—any indication of it? Problems?

MALE VOICE. I can't talk to my parents. They really don't have any love for me.

Mr. ALVORD. In the bewildering complexity of the lower East Side, immigrants have always sought an ideal. But fantasies must yield to reality. And as ever, reality is uncompromising and harsh.

End Act I.

ACT II

Mr. ALVORD. America, nation of immigrants. America, the melting pot. "Give me your tired, your poor, your homeless yearning to breathe free." They came from everywhere. Escaping starvation in Ireland, death in China, poverty in Italy. Fleeing the Austrian army or the Cossacks of the Czar. Escaping religious programs, or just leaving generally intolerable conditions in Europe or Asia for the great promise of America, the golden land. Ellis Island to be remembered for all their lives as the place where they first set foot on American soil. Here they were detained for weeks, inoculated, indoctrinated, their papers processed. Here families were reunited with relatives who had proceeded them and then sent the money for their passage. Since records first were kept in 1920 America has opened up its arms to 45 million foreigners. In the late part of the 19th century and early decades of the 20th, over half a million people each year came to this country, many of them destined for the lower East Side. For the most part they were peasants, oppressed in their home lands, largely unwanted. They carried with them all their worldly possessions for a grave in a country whose language and customs were totally foreign to them. The lower East Side soon teemed with over a quarter of a million immigrants who found that the land of their dreams was bustling, exciting, crowded and harsh. Sweat shops, disease, intense poverty, fires, tenement living. Built initially as ghetto housing to contain the immigrants, the tenements still serve that purpose today. The more things changed, the more they stayed the same. Despite the harshness, the immigrants found their own joys and entertainment. It was an exciting time, especially for the children for whose sakes the new starts had been made. The newcomers suffered and struggled. Formed unions to protect their labor. Founded schools, newspapers, churches, temples, countless business enterprises. Each generation built on the work of the last. The eternal story of people struggling up out of poverty. Grand Street, Canal Street, Orchard Street—these became the marketplaces of the city. For the immigrants. Here anything a tenement dweller might need could be purchased at prices that were always negotiable.

The pushcarts of the peddlers were their department stores. It was the dream of free enterprise come to life. America fulfilling its promise. Many a merchant got his start with a pushcart along Orchard Street. Today Orchard Street is still a shopping extravaganza thronged with those seeking bargains and the entertainment of the colorful parade. Nearly anything can be bought on Orchard Street though clothes are the big attraction. The ethnic atmosphere has changed. The middle Europeans giving way to later immigrants like the blacks and Puerto Ricans. The pushcarts full of clothes have been replaced by the stores and the stalls of modern merchants, but much else remains the same. The excitement of bargains. The fun of a snow-cone on a hot summer's day.

From Broadway to the East River, from 14th Street down to City Hall, throughout the history of the lower East Side the cast of characters has been perpetually changing, but the immigrant story remains the same. From insularity and poverty to assimilation and a foothold in the middle class, making way for the next immigrant group. One group that resisted change is the Chinese. Isolated by language and color they neither assimilated nor dispersed. Remaining, they have fallen heir to more than the old problems. Overcrowding, always a problem, was accelerated by a recent jump in the immigration quota which coincided with a rise in the historically low crime rate of the area. And so the island that is Chinatown, like the rest of the lower East Side, slides steadily down into the morass of today's urban problem. Removed from the gleaming towers of mid-Manhattan, the lower East Side has always seemed physically and spiritually separate. But the old immigrants could eventually be assimilated into a white society. Today's newcomers—blacks, Puerto Rican, brown—have no such chance. In these crumbling tenements, some built a hundred years ago and inadequate even then, the early immigrants passed their lives. Now the same buildings provide fertile soil in which all of the urban problems fester and seethe. The new immigrants have become our hard-core poor. There are few bottom-rung jobs, traditionally filled by immigrants in modern society, so they languish and the problems multiply. Among these the most serious is drugs. As they lead regularly to crime and violence, the Lower East Side Service Center tackles the problems of addiction head-on. Along with a Methadone program, the Center gives hope and training to those whom our society and its problems have caused to fail.

MALE INSTRUCTOR. So how you doing, Rodriguez, any question? — The correct size is ⅞ by 2¾ except you got three mistakes. You didn't put down the material it is made out of—You also didn't put down what parts become machine.

Sudent RODRIGUEZ. Right.

MALE INSTRUCTOR. Also, more of your fractions should be decimals.

Mr. ALVORD. Vocational training and guidance, educational and remedial programs, assistance with welfare and legal problems, services for families with drug users—these are the main works here. Some who come are the new immigrants. Some are the old. A group of elderly Chinese addicted to opium and then to heroin are now in Methadone. Ex-convicts who can't get a job, those overlooked in the tumult of the city, newcomers have become victims.

Male INSTRUCTOR. Now you see the pin bar holes? You see this little shield over here? In order to start the plate on, you get it underneath the shield, line it up on the pin bar holes and just hold it like this before you roll it up, huh?

Mr. ALVORD. The drug users who come here for help and treatment are, of course, only the tip of the iceberg, those actively seeking to help themselves.

Male INSTRUCTOR. That's it. Put some tension on there. Hold it down like that. Now you are rolling. That's it. You got it.

Mr. ALVORD. 600 were treated here last year, but the problems they personify are symptomatic of a malaise far more general and serious than the poverty which affected most of the early immigrants on the lower East Side. If times were hard and prospects were dim for the parents then, there was always hope for the children. They became educated, grew up, left the poverty and the tenements behind. The immigrant version of the American dream fulfilled. Can it still happen here amidst the winos and junkies and garbage and the wreckage of abandoned buildings? It is often argued that it should be happening here, that the children of the new immigrants should grow up and surpass their parents as the old immigrants did. But today's conditions are not the same as yesterday's. The poverty is more hopeless, the dangers more acute. In such an environment the children must do their best. Simply to survive.

End act II.

ACT III

Mr. ALFORD. St. Mary's on Grand Street dates back to 1833, but the parish it served for 140 years is all but gone now. The tenements around the church were finally torn down to make way for new buildings. The first tenements were the most efficient way known of crowding immigrants into small spaces for high profit. Even the new tenement law of 1901 which eliminated many bad building practices did not help much. But we know better ways of squashing people now. And so in the Seward Park urban renewal area, near St. Mary's, already the site of large co-ops, the last rows of tenements finally are coming down. Although few are sad to see them go, what is going with them is something of the character of the area. For when the tenements come down, the people just seems to disappear. St. Mary's was a parish of relatively poor Catholics, the new buildings of the surrounding area are filled primarily with middle-class Jews. The Grand Street Guild of St. Mary's, which will erect the new apartment houses, fears that their original parishioners long since relocated out of the East Side, will not be able to come back to occupy the new buildings when they are ready. Even today the new buildings have taken over large portions of the old tenement areas; most of the waterfront section—since the days of the Dutch a center of perpetual activity—has been torn down and now blocks on blocks of high-rises line the East River from 14th Street down more than a mile to the foot of the Brooklyn Bridge, housing more than a thousand people. Co-op City, other low- and middle-income dwellings marching from the river perceptibly westward, somewhat cold and sterile in their monumental sterility. The wave of the future. The buildings push ever higher. The financial and governmental complexes of lower Manhattan creep nearer and the charm of polyglot ghettoes like Henry Street between Catherine and Market seems irrevocably compromised. The Telephone Company has bought up most of this block. They are not building now, but in ten years they may. Today in one small tenement the clashes and meltings of 100 years of immigration can be read. But soon there may be no names left. There is a relocation office right down the street.

The block is charged with history. The Jacob Riis house is now a church, with Chinese, English and Spanish services—incredible diversity of national origins, all here in one small block. But for how much longer? All over the lower East Side we read in the signs the fading of the days of strong ethnic enclave. Where 100 signs boasted in Polish or Russian, only a few remain, antique and faintly apologetic in the modern city. Along the great thoroughfare of East Broadway, the Yiddish language once flowered forth in a half dozen newspapers tying together Jewish immigrants from many countries. Today the circulation of the Yiddish papers has dwindled to a few thousand readers, most of them old. Change and more change. An area perpetually in transition. Progress passes by, but still some of the old ones remain, scattered in pockets about the old neighborhoods, still living much as they did in younger days. The children grow up and move away, seeking a better life. The tenements crumble, torn down for the march of the co-ops. The pushcarts give way to the bodgas, as new immigrants come in and take the places they themselves once filled. Perhaps they have experienced too much change in their lives and are no longer willing to flow with it having grown old. It might be feasible for them to move away, to change, but they don't want to. So, they play a few games, sit in the sun, feed the pigeons, and talk, as the melting pot grows older. And the lower East Side they once knew changes and crumbles and slowly disappears. This is Ken Alvord for New York Illustrated.

## J. W. McSPADDEN WILL RETIRE AS TREASURER

### HON. ED EDMONDSON

OF OKLAHOMA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. EDMONDSON. Mr. Speaker, in January 1969 it was my pleasure to share with my colleagues the story of a remarkable man and dedicated public servant, Mr. J. W. McSpadden, of Tahlequah, Okla.

At that time, Mr. McSpadden, at age 84, was contemplating seeking his 26th term as city treasurer of Tahlequah. About the possibility of running for reelection he stated:

> I won't make up my mind until I see how I feel.

When it was time to file, he felt fine. He won another term and is still serving.

On November 17, 1971, J. W. McSpadden will end a record 54 years as city treasurer. He will be greatly missed in city hall, and his place will be hard to fill, but the many people who have benefited from his work through the years wish him great happiness in his well-earned retirement.

I insert an article, in the Record from the November 4, 1971, edition of Mr. McSpadden's hometown paper, the Pictorial Press:

#### TAHLEQUAH TREASURER ENDS 54 YEAR CAREER

A 54 year reign as Tahlequah City Treasurer will end November 17 for J. W. McSpadden, who is believed to hold the record for the longest in city government in Oklahoma.

McSpadden, 87, announced his decision to retire from office several months ago.

Mayor Jack Ross named George McJunkin of Liberty State Bank to serve the remainder of McSpadden's term during the November council meeting Monday night. The council voted approval.

McSpadden was named Tahlequah City Treasurer in 1917 to replace H. B. Upton, who had resigned in mid-term.

A native of Tahlequah, McSpadden lives at 317 Bluff. Both his father and grandfather moved to Tahlequah prior to statehood.

McSpadden served as Cherokee County's first automobile tag agent, and held the job for 14 years. He also owned and operated the Tahlequah Mill and Elevator from 1915 to 1962.

His wife, Callie, died in 1964 and McSpadden has eight children, four sons and four daughters.

## PRESIDENT NIXON BEGINS ENVIRONMENTAL AWARDS PROGRAM FOR NATION'S HIGH SCHOOL STUDENTS

### HON. JENNINGS RANDOLPH

OF WEST VIRGINIA

IN THE SENATE OF THE UNITED STATES

*Thursday, November 11, 1971*

Mr. RANDOLPH. Mr. President, the young people of our country continue to express a real concern for the environment. Almost daily we learn of instances in which young people are actively involved in making the United States a better place to live in through their efforts to end pollution.

The youth of America do more than just talk about the environment: they are dedicating their energies and enthusiasm to improving the situation.

In response to many requests from students who want to be involved, President Richard Nixon is beginning a new program of awards for those working in environmental protection. The incentive provided by this program should lead to even greater student participation in the campaign for a clean world.

Mr. President, this worthwhile effort started by President Nixon was explained in a letter from William D. Ruckelshaus, Administrator of the Environmental Protection Agency, to the principals of the country's 38,000 public and private high schools.

I ask unanimous consent that this letter be printed in the Record.

There being no objection, the letter was ordered to be printed in the Record, as follows:

Environmental Protection Agency
*Washington, D.C., October 25, 1971.*

Dear Principal: President Nixon's deep commitment to the restoration and preservation of our environment has been warmly embraced by the American people, and has won the wholehearted, bipartisan support of the Congress.

The crusade to protect our natural inheritance has captured the imagination of young people, particularly. To them, and to their own children in the years ahead, it is truly a matter of life, itself.

Since December of 1970, when the President created the Environmental Protection Agency, we literally have been swamped with letters from high school students who want to "do something."

The President has initiated his Merit Awards Program to give them that opportunity.

The program is designed not only to get them in on the action at every level of individual competence, but to provide environmental educational opportunity and motivational stimulus.

I urge you to read the enclosed handbook and to establish the President's Environmental Merit Awards Program at your school.

Although this first letter is necessarily a general one, I would like to hear from you personally—by letter or on the enclosed card. Please, also advise me of the name of the faculty member whom you appoint to head the President's Program.

The poster is for your bulletin board—as a suggested starter for other student-designed artwork calling attention to the Merit Awards.

Sincerely yours,
William D. Ruckelshaus,
*Administrator.*

## UNITED STATES TO BUY RHODESIAN CHROME IN SPITE OF U.N. BOYCOTT

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. RARICK. Mr. Speaker, Thursday night in consideration of the conference report on military procurement, the House voted 251 to 100 to retain section 503 of the conference report authorizing U.S. industry to import chrome ore from Rhodesia.

This vote has been discussed by the communications media and in fact the action itself is unknown to many people in our country. What a striking comparison this is to the news coverage accorded another recent vote involving the U.N.—the seating of Red China.

Perhaps the significance of the vote is best explained in the arguments of those opposing Rhodesian trade who claimed that such action would be in violation of the U.N. economic sanctions. In fact, it was even suggested that if the House adopted the resolution we would be guilty of deliberate wrongdoing by openly defying the United Nations.

Most Members who voted for the legalizing of free trade with Rhodesia did so knowing that the military requires chrome to defend our Nation. They placed their country above the spiteful sanctions by the U.N.

A related newsclipping follows:

[From Manchester Union Leader, Nov. 5, 1971]

### WASHINGTON, LONDON AND UN MUST FACE REALITY OF INDEPENDENT STATE—UNITED STATES COULD END RHODESIA BOYCOTT FARCE

(By Prof. Edward McGlynn)

A ray of light shone through the United States Senate when that august body, following the lead of Virginia's Sen. Harry Byrd, voted 46 to 36 to permit the import of Rhodesian chrome ore.

Chrome is a vital defense material essential for such items as jet aircraft, missiles, and nuclear submarines, but since 1966 our defense industry has been denied the use of Rhodesian chrome and has been forced to rely upon imports from the Soviet Union, the world's other principal source of this vital mineral.

Former President Lyndon Johnson, in keeping with the United Nations' international boycott of Rhodesia, prohibited trade between our two countries. The economic boycott was the world body's chief weapon against the breakaway British colony that had dared to unilaterally declare its independence of London. The then British Prime Minister, Harold Wilson, swore to bring the Rhodesians to their knees within a few weeks but finding this impossible he threw the problem to the United Nations, which chose to attempt to break the Rhodesian economy via an international boycott.

In retrospect the "Rhodesian crisis" of 1965–66 seems farcical. The Rhodesian declaration of independence caused the United Nations to go into emergency session. Many Third World spokesmen called upon Britain to crush the rebellion by force but public opinion polls revealed that the great majority of Britons opposed the use of troops in Rhodesia.

Frustrated by the reluctance of the British government to employ force, Egypt's President Nasser and Ghana's Kwame Nkrumah actually went through the motions of declaring war against Rhodesia, in what was probably the most laughable aspect of the entire silly situation. The American news media spoke of an imminent blood bath in Rhodesia. But no massive revolts or foreign invasions took place.

#### REMAINS STABLE

Today, six years after its declaration of independence, Rhodesia remains one of Africa's most stable countries. And while many of those leaders who inveighed against Rhodesia—Johnson, Wilson, Nasser, and Nkrumah—are out of power or deceased, the man who led the Rhodesians to independence, Prime Minister Ian Smith, is still very much in command of the situation in Salisbury, the Rhodesian capital.

While the United Nations' boycott admittedly harmed Rhodesia, its impact was not so great as London and Washington hoped it would be. Even Harrison Baldwin, the former military editor of the New York Times, admits that the boycott was a failure and proved more harmful to the United States than to Rhodesia as it made this country dependent upon the Soviet Union for its source of chrome.

Political pundits in Washington maintain that the House of Representatives will follow the lead of the Senate and vote to permit the importation of Rhodesian chrome. Should the United States resume trade with Rhodesia it will not only bolster the Rhodesian economy but will also put Ian Smith in a good bargaining position next month when negotiations with Britain resume over the issue of legalizing Rhodesian independence.

#### WONDER AT NIXON

One fascinating aspect of the Rhodesian issue has been the attitude of the Nixon administration. While President Nixon has held out the olive branch to Red China and other Communist states, he has done nothing to improve our relations with Rhodesia. As recently as March 1970 Washington severed our last official link with Rhodesia by withdrawing our consul from Salisbury. And last month the White House unsuccessfully sought to defeat Senator Byrd in his effort to have the Senate endorse the resumption of trade between the United States and Rhodesia.

Many wonder why the President seeks better relations with Communist lands while at the same time continuing to follow a policy that was designed to destroy Rhodesia—one of Africa's few stable countries and a land of strategic importance that has done us no harm.

Sooner or later Washington as well as London and the United Nations will have to face the hard fact that the Republic of Rhodesia is a sovereign independent state, and as such a reality of international life.

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## DO NOT GIVE UP THE SHIPS YOUR TAX DOLLARS HELPED TO BUILD

## HON. LEONOR K. SULLIVAN

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mrs. SULLIVAN. Mr. Speaker, a bill scheduled to come before the House next week from the Committee on Merchant Marine and Fisheries would wash out a huge investment by American taxpayers in five fine passenger ships built with Federal construction subsidies. The legislation would permit the bargain-rate sale of those ships to foreign maritime interests which would then use those same ships to carry American tourists on ocean cruises out of American ports.

Instead of American seamen manning the ships, foreign seamen would do so, and all of the wages paid to the crews would go to support foreign economies, not the families of American citizens. The fares paid by passengers embarking at American ports, instead of bolstering the American economy, would go abroad—every cent of this money—to increase further our serious balance-of-payments deficit. And the American flag would virtually disappear, probably for good, from the passenger or cruise trade out of Eastern ports; at most, under the terms of this revised bill, there would be only one American-flag passenger ship in operation on the East Coast, and even that one is not certain.

The five ships involved in the bill H.R. 11589 are the SS *Brasil*, the SS *Argentina*, the SS *Constitution*, the SS *Santa Paula*, and the SS *Santa Rosa*. They are famous liners on which countless passengers have enjoyed luxurious and, above all, safe ocean transportation.

Because the ship lines which own them have been unable or unwilling to exercise the ingenuity to operate them successfully as cruise ships, now that point-to-point ocean passenger transportation has succumbed to the competition of the big jets, the Congress is being asked to let the ship lines dispose of them to foreign purchasers despite the contracts entered into when the construction subsidies were authorized. Under the law, a ship built with subsidy may not be sold foreign for 25 years.

The American taxpayers, who invested millions of dollars in the construction of these ships, including the special cost of features important for national defense purposes, would write off the investment so that the ship lines which now own the ships can claim substantial tax benefits.

As the ranking member of the Committee on Merchant Marine and Fisheries, I oppose the giveaway of these five ships. I hope a clear majority of the Members of the House will join me, Mr. Speaker, in voting against H.R. 11589 when it comes before us.

#### PREVIOUSLY, SEVEN SHIPS WOULD HAVE BEEN INCLUDED

Originally, the legislation to dispose of our passenger ships to foreign purchasers included not only the five ships I have already named but also the SS *Independence*—sister ship to the *Constitution*—and the SS *United States*, the finest, fastest, safest passenger ship in existence. A bill to permit the foreign sale of all seven ships was reported from the committee on September 28, as H.R. 10577, but was indefinitely postponed in the Rules Committee after a spirited hearing in which I strongly opposed the entire bill, but particularly the provision to permit disposal of the SS *United States*, whose $75 million original cost included a $40 million subsidy by American taxpayers.

During the marathon session of the House last Thursday, lasting until 2:30 a.m., Friday morning, the newer bill, H.R. 11589 was introduced and, at 8 p.m. Thursday night we were notified there would be a committee meeting on it at 11 a.m. Friday. At that meeting, the revised bill, exempting the SS *Independence* and the SS *United States*, was approved, and it was reported to the House that same afternoon. So this has been a rush-rush-rush proposition to bail out the owners of the five remaining ships and permit them to dispose of them in time for 1971 tax deductions. The bill was cleared by the Rules Committee on Tuesday.

I am pleased that the SS *United States* would not be sold abroad under the revised legislation. It would be a national disgrace, I feel, to sell this ship to foreign interests after the taxpayers spent $40 million to build into it incomparable features for national defense purposes. I am also pleased that the revised legislation leaves out the SS *Independence*, which American cruise interests have indicated a desire to purchase and use. It is my firm conviction that the other five ships can also be used by American interests in the lucrative American cruise trade. It would take ingenuity, a willingness on the part of the unions to cooperate—and I have been assured that such cooperation will be forthcoming—and some sensible revisions in our subsidy program as regards cruise operations. If foreign interests can operate them profitably, why can not we?

None of the five ships included in H.R. 11589 is presently in operation. All are in layup. Offers have been made for purchase of two of the five ships by an American group of investors, but as long as there is the possibility of H.R. 11589 being enacted, the present owners are not anxious to dicker, preferring to wait until foreign interests can also bid for them.

### MINORITY VIEWS ON H.R. 11589

Mr. Speaker, I submit at this point my minority views in House Report 92-617 on the bill H.R. 11589, as follows:

### MINORITY VIEWS OF REPRESENTATIVE LEONOR K. SULLIVAN

As the ranking majority member of this committee, and having sat through the hearings on this bill, I cannot in good conscience support H.R. 11589, that would permit the sale to foreign registry of certain U.S.-flag passenger vessels. I recognize that this bill differs from H.R. 10577, upon which I expressed minority views in House Report No. 92-519.

The present bill does remove the SS *United States* and the SS *Independence* from the provisions which would permit foreign sale.

With respect to the SS *United States*, I am pleased that this great ship will not go to foreign interests. I expressed strong views in the report accompanying H.R. 10577 that this vessel should be excluded from the provisions of the bill. It is indeed a national symbol and was built to serve this country in peace time not only as a passenger vessel but to be available in the event of emergency for a troop carrier. Accordingly, I agree with that portion of the bill which would direct the Secretary of Commerce to purchase this vessel at its depreciated book value either for retention in our National Defense Reserve Fleet or for sale or charter to a new owner for service under the American flag.

Likewise, I approve that portion of the bill which in effect denies authority for the foreign sale with respect to the SS *Independence*. The hearings disclosed that there is an American operator prepared to buy this vessel for service in the cruise trade of the United States. I believe this new owner should be given every opportunity to pursue this venture to a successful conclusion. Further, I would hope that the Maritime Administration would provide all the necessary assistance toward that end.

At the same time, I must once more express my strong views against this bill to the extent that it would authorize the foreign sale of the SS *Brasil*, SS *Argentina*, SS *Constitution*, SS *Santa Paula*, and SS *Santa Rosa*. My reasons for this were also expressed in the minority views contained in the report accompanying H.R. 10577. I do not believe that the Maritime Administration has thoroughly explored all possible avenues by which these ships can once more sail under the American flag. I feel that the Maritime Administration has not fully discharged its responsibilities in connection with U.S.-flag passenger ships, because of the admitted fact that they have conducted no formal study of the problem involved.

I must once more reiterate that the cruise trade out of our ports is lucrative. Enormous sums are being expended by our citizens to foreign corporations without a single dollar coming back to the United States. This of course has a substantial adverse effect on our balance-of-payments account.

Furthermore, in the light of a new offer this week to the Moore-McCormack Lines for the purchase of two of the ships, namely the SS *Argentina* and SS *Brasil*, to be used as cruise ships from American ports under the U.S. registry, I think is further evidence that this legislation should not be enacted at this time.

In conclusion, I regard this legislation at best to be premature and not in the best interests of the United States.

LEONOR K. SULLIVAN.

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CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
*Washington, D.C., November 5, 1971.*
Hon. EDWARD A. GARMATZ,
*Chairman, House Committee on Merchant Marine and Fisheries, Washington, D.C.*

DEAR MR. CHAIRMAN: I am sorry that I cannot attend the meeting that was called last night for 11 a.m. this morning, due to a commitment I have with people from my district on a highway problem. I would appreciate your reading this letter into the record, knowing that I cannot vote by proxy.

According to the information given to me by you last night, two of the proposed amendments to be made to the bill, H.R. 10577, would eliminate the SS *United States*, which would be taken over by our Government and the exemption also of the SS *Independence*.

While I believe the exemption of these two ships is a move in the right direction, I am sure you, as chairman, know that there has also been a legitimate offer by another cruise operator and the investor who expects to negotiate the purchase of the two Moore-McCormack ships, the SS *Brasil* and the SS *Argentina*. This is a legitimate offer by legitimate individuals who hope to begin at once to work with our Maritime Administrator and to negotiate for the purchase of the two ships from the owners of Moore-McCormack Lines. This leaves three ships in question.

As I said in my previous letter of September 23, 1971, I am opposing the sale of these passenger liners owned by firms with U.S. registry. I am still of the opinion that these ships can be taken over by some American operating firm to be operated under the U.S. flag, if given the opportunity to do so. Therefore, I still oppose this legislation at this time and feel I must use every means possible to defeat the bill should it be voted out of Merchant Marine and Fisheries Committee and sent to the Rules Committee for action.

Sincerely yours,
LEONOR K. SULLIVAN,
*Member of Congress, Third District, Missouri.*

### SOME IMAGINATIVE IDEAS FOR USING OUR AMERICAN FLAGSHIPS

Mr. Speaker, during the maneuvering which has been going on over this legislation, a letter came to me from a maritime official who presented some truly imaginative ideas for the use of our American-flag passenger ships in coastwise cruising—a field in which foreign operators by law cannot compete. This letter came from a former navigator on the SS *United States*, Mr. Richard D. O'Leary, now the assistant general manager of the Norfolk Port and Industrial Authority, and is well worth reading. The letter is as follows:

NORFOLK, VA.,
*November 8, 1971.*
Hon. LEONOR K. SULLIVAN,
*Merchant Marine and Fisheries Committee, House of Representatives, Washington, D.C.*

DEAR MADAM: It would appear that the Congress is about to pass legislation to permit the sale of American passenger ships to foreign interests. American operators who are largely unaware of recent passenger ship market trends have used historical demand and cost data to show why American ships are no longer useful.

At the same time foreign companies have adapted to market trends and are creating new product offerings by modifying their ships to suit changes in the market, while simultaneously generating new demand by using modern, imaginative marketing techniques.

Conditions are changing so rapidly in the industry that historical demand and cost data is not necessarily relevant. Conditions associated with past operations have vastly changed and should be carefully reevaluated before a decision to sell is made. Of more importance, business conditions, from an American point of view, have become unique. Exploitation of these unique conditions combined with adaptation of techniques employed by foreign operators make some American passenger operations feasible. These ships should not be sold without a more careful study of the industry and its future.

My background and experience have allowed me to gain a good deal of knowledge about all aspects of this business. I spent five years on the bridge of the liner United States as Second and Third Officer from 1957 to 1962. After that, I became Commandant of Midshipmen at the U.S. Merchant Marine Academy at Kings Point. I also worked for the Maritime Administration in Washington promoting the American Merchant Marine. More recently, I have been working as Assistant General Manager of the Norfolk Port and Industrial Authority and Managing Director of the Virginia Cruise Corporation.

More importantly, I have personally led the effort to make Norfolk the third major cruise gateway on the East Coast. As you may know, Cunard Line will be sailing the Queen Elizabeth 2 from this port and also placing its newest ship, the Cunard Adventurer here for weekly sailings on a regular basis.

The Port Authority, along with Cunard, is planning a major promotional program to generate new business in the central part of the Eastern Seaboard. My involvement in this project over the last two years has given me an opportunity to learn a good deal about the passenger ship business from an entirely new perspective. As a matter of interest, I have attached an article that appeared this month in the Baltimore Chamber of Commerce magazine that rather objectively reports on my work in this area.

Although not well known, people around the world, especially on the U.S. East Coast, are traveling by ship (cruising) in rapidly increasing numbers. It is a booming business with tremendous future potential. More foreign research and marketing funds are being spent to motivate the American consumer toward cruising than have ever before been spent in the passenger ship industry.

American passenger ships are lying idle and their value as business resources are rapidly diminishing. It is a buyers market for these ships. Concurrently, the labor unions whose personnel would work on these U.S. ships have indicated a willingness to consider attractive long-range agreements in order to recapture some of the positions that have been lost. It would seem that the elements are right for an imaginative American entrepreneur to investigate the potential for operating American passenger ships under these conditions. Certainly it would seem that the U.S. government would exert tremendous effort to find some way to usefully employ these resources that have been created with large amounts of taxpayers money.

Yet, almost all of the testimony of the ship owners and the government officials charged with promotion of the American Merchant Marine describe a hopeless situation with only one solution—sale of the ships to foreign interests. The same private and public entities that did not foresee the possibility of this bleak situation when they planned and successfully acquired public money for these ships, now say there is no hope for their use by American interests.

In my judgment, the position of these interests is lacking in vision and imagination, and more importantly, in a determined desire to turn around a situation which probably has a solution. If we continue to walk away from every business problem without really making a thorough effort to explore potential, it is the future of the country itself that is bleak.

I am not suggesting that all these ships can be operated against the type of competition that now exists. I am suggesting that with boldness, imagination, and determination at least some of these ships can be usefully employed in a way that will bring more return to the public interest than the funds involved in their sale. Below are some of my own ideas on how these ships might be usefully employed.

Let me start by stating that under any operator, one of the first things that would have to be done is to have the ships surveyed by an efficiency team. It is well known that most of the ships were models of inefficiency under past operations. Formulas that relate the number of crew to number of passengers should be developed and agreed to by the unions under any type of operation.

There is one area of passenger ship operations in which foreign interests cannot compete; that is coastwise service. Increased and more sophisticated foreign marketing efforts will cause Americans to go to sea in increasing numbers. Research has shown that cruise business is a "high repeat" business. Statistics show that better than 50% of the people who go on cruises do it again. In general, awareness of travel by sea is increasing rapidly in the American consumer market. I believe this interest is transferable to coastal travel, and careful employment of one or more U.S. vessels in the coastwise service might produce remarkable results.

For instance, one or more of the smaller ships might be scheduled between U.S. East Coast ports in a way that would be an attractive proposition from the consumer's point of view and also offer great operational cost savings. Much of the luxury and inefficiency could be eliminated and a modest price offered.

The idea would be to employ the ships in such a way that they would be primarily in the "floating hotel" business and secondarily, in the transportation business.

In the summer a ship might be operated between Norfolk, Baltimore, and New York, or between Boston and New York. The schedule would allow the ships to be in port much of the time and always over the weekend, so that only a reduced number of deck and engineering personnel would be on the payroll and weekend overtime could be greatly reduced. Much of the operating crew could be assigned on the short sea voyage much as night officers are presently assigned. Two ships in such an operation would eliminate the need for return transportation by providing round-trip employment.

The idea of sailing into New York harbor on a ship, and the convenience and glamour of a shipboard hotel would have great appeal to people in the middle section of the East Coast or New England. On the other hand, the idea of sailing to Tidewater Virginia and visiting Virginia Beach and Williamsburg and the other Virginia attractions, would have appeal to many people. The same is true of New England.

In winter months the ships might run from mid-Atlantic ports to Cape Kennedy (Disney World), Port Everglades, or Miami, and serve as floating hotels.

Or perhaps ships could run on a "See the East Coast by Water" concept with stops at various East Coast ports. Other possibilities are numerous.

The key to this proposition is that present laws prohibit foreigners from engaging in this business, thus there is no competition. Freight and mail contracts might add to the economic viability of such ventures. There are many interesting origins and destinations on our coastlines that the right American ships might connect for an American public that is becoming increasingly sea travel conscious.

It would have to be a carefully constructed operation from an operating cost point of view and it would have to be *marketed.*

If subsidy was considered a prudent investment for such a venture, the fact that present laws do not provide for subsidy in the domestic trade represents but a small obstacle, considering the fact that it seems possible to obtain legislation to sell the ships.

Another idea I have had relates solely to the S/S United States. The S/S United States has two characteristics that separate her from the other laid-up American ships. She is very large and very fast. The quality of her construction, and her speed, size, and depressed value are what make the ship attractive to foreign purchasers.

The only plan that I have heard of proposed by American interests envisions some alterations to the ship in order to compete with foreign ships in the cruise trade, and in the super-luxury "round the world" service. I don't believe this ship could ever again compete in this kind of business.

I believe the secret to her successful employment is to steal concepts from what foreign interests would probably do with her. Her characteristics of size and speed make her suitable to move large numbers of people at a high speed. If the concept of transportation of large numbers of people in comfort is substituted for the concept of transporting smaller numbers of people in luxury, the ship gains a new dimension. She can transport people economically. This in turn, opens a whole area of marketing opportunities.

The ship has a commercial capacity of 1900 and a military lift capacity of a full division, about 17,000.

If the ship were reconfigured to carry 3200 people in modest but comfortable surroundings, the possible results from an economic point of view are very interesting. In my judgment, this reconfiguration would not be as great or as expensive a task as might be supposed. The Greeks are masters at changing the configuration of passenger ships, and we might borrow their techniques.

The former per diem operating costs to United States Lines when the United States was in transatlantic service amounted to about $77,000 per day in 1968. In addition, the government provided about $27,000 per day in operating differential subsidy for a total cost of about $100,000 per day.

Revenue during the same period amounted to about $50,000 per day resulting in a very unprofitable situation. Of course, these costs are based on a grossly inefficient type of operation.

The operation I have in mind would involve creating a top capacity for about 3200 passengers on the ship in modest accommodations similar to a modestly priced hotel. The ship would be employed from about April through September on the Atlantic on an itinerary from New York to one European gateway port. From October to March she would operate from Los Angeles to Honolulu. The Atlantic voyages would be of 4½ days' duration and the Pacific voyages would be somewhat shorter.

The price would be established at a level that would be competitive with economical air fares. The Atlantic fares would be from $99 to $199 and the Pacific fares from $75 to $150—about $20 to $50 per day. The price would include a selection of good food served buffet style with a limited selection of entrees. Beds would be made once per day and basic housekeeping accomplished. While the ship is in a U.S. port, only crew members actually engaged in work would be paid. Major cleaning of the ship would be accomplished by shore gangs in port, at either end of the voyage. There would also be a modest entertainment program offered.

According to preliminary marketing research done by the Graduate Business School at the University of Virginia, there would be a tremendous demand for this type of service in the college market alone.

The concept could be marketed offering "Transportation For The People" on two attractive itineraries during good seasons from both coasts. On the Atlantic run it would serve as an inducement to Europeans to visit this country.

Marketing could be aimed at attracting people who would like to have a "sea experience" and those who do not care to fly, as well as those who could not otherwise afford a vacation at a more expensive per diem rate. The value of this offering (i.e., five days of travel, food, and lodging) versus the eight hours in the air could be exploited.

Under such an operation at 90% capacity, revenues would be in the area of $86,000 to $100,000 per day, without income from concessions, etc. This concept of operation should allow very large cost savings and should put the operation in the black, even with increased cost of certain items such as fuel. These savings would be in large crew reductions approaching 50%, large cost savings in food, as well as cost savings in general efficiency of operation. Perhaps a quasi-public authority could perform this operation with a goal of merely breaking even.

This is not meant to be a definitive plan of operation, but rather I have tried to demonstrate how a new concept can drastically change the economics of operating an American passenger ship.

Aside from this possibility, I feel certain there are other uses of the *United States* that have merit that may have been proposed or have not yet been thought of. The ship, because of its fame and uniqueness would lend itself well to many projects, either private or public. The idea of converting her into a traveling American ship of commerce with space rented by American business for exhibits of American products and technology might help improve our balance of trade. The idea of a great sea-going university would seem to have merit.

Such projects should be analyzed from a macro-economic point of view and from the point of view of national public relations value.

The *United States* is the finest commercial vessel ever built and during the 1950s was a symbol of our technological leadership. She brought great glory to the country during a period when our position of maritime leadership was eroding. In my judgment, it would be disgraceful not to find an American use for this vessel for the next few years until she reaches a respectable old age from an operating point of view.

There are also reasons why these vessels should not be sold which are related to defense. Several of these ships have had features built into them, at great cost, at the request of the Department of Defense. For example, length of the S/S United States was governed by the demands of getting through the Panama Canal, and many of her basic characteristics were dictated by the ability to turn her into a troop carrier on short notice.

As a reserve naval officer and a student of transportation, it is almost inconceivable that we could with any confidence write off every possibility for the need to transport personnel by ship in all future contingencies. (During two world wars we have experienced great disadvantages, and demand for tremendous amounts of money because of our pragmatic attitude and short-sightedness with regard to merchant vessels). To me, the idea of requiring an agreement from prospective foreign purchasers not to alter defense features and return the ships to this country under certain conditions is less than a satisfactory arrangement and an implicit acknowledgment of the possible need for these ships.

In general, I think it would be a mistake to sell most of these ships at this time, even if it is necessary for the government to relieve the present owners of the financial drain they are experiencing in maintaining them.

From a national point of view, the funds involved are so insignificant that I think the proposition of government purchase of some of these vessels should be considered. The opportunity for a foreign sale is not likely to disappear in the near future so the funds could be largely recaptured and hasty action could be avoided.

I believe that a carefully appointed task force with a goal and a strong desire to find a way to productively employ some of these resources would be successful. I even believe that if nothing is done that American business interest will develop in these vessels in the next two years because of changing conditions in the sea travel business.

As an American I am concerned that we have not looked hard enough at this situation. It is simply inconceivable to me that we cannot find a better alternative than the course we seem about to take. There is no great urgency for the sale other than the financial relief of the companies involved, which might be handled in some other way. This obviously is an important decision that is irrevocable once it is made. It is deserving of further exploration and careful deliberation.

Yours very truly,

RICHARD D. O'LEARY.

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[From the October 1971 Issue of Baltimore]

## GUESS WHAT NEARBY PORT IS BEATING US IN THE CRUISE BIZ?

(By John C. Schmidt)

It's Norfolk, and the Virginia city is waging an aggressive promotional campaign which seems destined to make it the third major passenger cruise port on the East Coast.

In mid-July, several dozen representatives of Baltimore's commercial, governmental and marine communities met at Danny's Restaurant to applaud the humor of comedian Victor Borge and hear vice president Reginald Martine, Jr., of Norwegian Caribbean Lines, for which Mr. Borge was billed as "honorary commodore," announce a series of six passenger cruises from Baltimore in 1972. The occasion was reported in the financial and maritime pages of local papers, and Mr. Borge's appearance drew TV film crews.

At an earlier, similar gathering in late April at Norfolk's Golden Triangle Hotel, there was no comedian present, but Richard B. Patton, president of Cunard Lines, Ltd.-North America, was. He announced that Norfolk had been chosen as home base for Cunard's newest cruise vessel, the *Adventurer*, and that the 700-passenger ship would make a total of 26 week-long Caribbean cruises from Norfolk between May and November of next year. He commented that Norfolk and the *Adventurer* were "made for each other" and announced the opening of a regional office of Cunard in the tidewater Virginia city. In Norfolk, it was Page One news.

In the view of Baltimore travel promoters, the situation represented by these two incidents is such that this city's future as a passenger cruise port, if it is to have one, may be decided for years to come within the next few seasons. For not only has Norfolk quietly but effectively captured a strong foothold toward becoming the third major East Coast gateway behind New York and Miami, but Baltimore is doing virtually nothing even to place itself in contention for this position. According to Mr. Patton, Baltimore was never considered as a base for the *Adventurer*.

One reason for this, in a sense, is that Norfolk got there first. But the winning of the new Cunard liner was no isolated bit of good luck or fortunate timing. A few months earlier it had been announced by Cunard that the pride of its fleet, the *Queen Elizabeth II*, would make two long-duration cruises from Norfolk next January and February. Also previously announced was news that Holland-American Line's *Nieuw Amsterdam* would cruise twice from Norfolk in January instead of once, and that three other vessels, the *Hanseatic*, the *Bohème* and the *Skyward*, would make up to half a dozen embarkations from Norfolk which had not previously been scheduled.

This brings the total of major passenger cruise ship visits to Norfolk in 1972 to as many as 36, whereas previously the port had rarely had more than one a year. Baltimore, including the announced spring and fall sailings by Norwegian Caribbean for 1972, can look forward to ten—the six of the Norwegian Caribbean Lines, two of which are charters, and four of the Greek Line, which began its Baltimore cruises in 1968.

Norfolk's ability to build virtually overnight a business from one cruise a year to three dozen is basically the story of the missionary zeal of one man and of the enthusiasm and support for the cruise-port idea that he has received in the Norfolk area. The man is Richard D. O'Leary, 38-year-old former navigator for the *United States*, which, coincidentally, is now laid up in Norfolk, sharing the fate of almost all other American passenger ships.

Mr. O'Leary came to Norfolk in the spring of 1969 from Washington, D.C., where he was doing promotional work for merchant marine interests. He was hired by Norfolk principally to promote the container business, but part of his job as assistant general manager of the quasi-public Norfolk Port and Industrial Authority was to be also managing director of the Virginia Cruise Corporation, a small, non-profit operation not unlike Maryland Cruises. (Maryland Cruises was originated in 1962 as a joint venture of the Chamber of Commerce and the Maryland Port Authority—each of which invested $10,000—principally to get the cruise business started in Baltimore. In that, it was successful, and successful, too, in promoting the cruise idea among the public. The organization has been to all intents and purposes out of business since 1967.)

Having made some 120 sailings on the *United States*, O'Leary's cruise-ship orientation (a bathroom to him is still a head) soon surfaced and was given a strong boost when he and his wife booked passage on what was then Norfolk's once-a-year passenger sailing. "This immediately started me thinking about expanding Norfolk's role as a cruise port," he explains. "As I looked at it—and I tried to look objectively—I found only pluses, no minuses, as far as getting further into this business."

He says he had long believed in a need for a third major cruise port on the East Coast, and his first effort was to see if research would support that belief. One of the important things he found was that the widely held belief that the passenger ship business had been dealt a death blow by the jet airplane simply wasn't so. Jets did effectively kill the trans-Atlantic trade, but in order to remain in business, steamship companies turned to cruising.

"People read about all the American ships being laid up and think passenger business is dead," Mr. O'Leary exclaims. "The opposite is true—it's a booming business! Between 1965 and 1968, it grew about 15 per cent a year. In 1969, it was up 27 per cent. Last year, even with an 'off' economy, it still went up. The other significant thing we found is that there are right now 23 new passenger ships being built around the world—all foreign ships I'm sorry to say—to go into the East Coast trade."

Research gave equal support to O'Leary's feeling that two widely separated ports on the East Coast were not adequate to best serve the needs of people living in the Mid-Atlantic and Midwestern parts of the country. He makes the point that one-third of the nation's population lives within a day's drive or an hour's flying time from Norfolk, including such potentially right target cities as Washington, D.C., Baltimore, Pittsburgh and the rapidly-growing cities in the Carolinas.

"I think if you were to start all over again and do a marketing study of these parts of the country with respect to cruise business, you wouldn't want to set up two embarkation points at either end of the coast 1,200 miles apart. This deprives people living in the vast midsection of the country of any reasonable alternative."

Persons living in the central part of the country must either pay to travel north to New York and then pay to travel south again on a ship, which he says hardly makes good economic sense, or they must go to Florida. "And whether you drive or fly to Florida from the middle part of the country," O'Leary says, "the difference in cost between going there and coming here to Norfolk, for example, for two people is just about equal to the price of one of the cruise tickets."

Convinced that he was on solid ground, O'Leary proceeded to sell his idea. He admits that when he started, many people, even in Norfolk, thought he was crazy. He began with a road map of the United States on which he had circled the region from which he believed Norfolk could draw cruise business. The road map was soon replaced by more sophisticated surveys, comparisons of operating costs among various ports and marketing studies conducted both by his people and a New York advertising firm, Ogilvy & Mather, Inc. One of the agency's contributions was a revealing study of travel agents' attitudes toward Norfolk, which proved to be a valuable tool in planning.

As it developed, Mr. O'Leary's approach was first to point out the disadvantages of the present two-cruise-port situation and then to cite the advantages of Norfolk as an alternative.

Where New York was concerned, drawbacks cited included complex air schedules, costly taxi rides, squalid dock conditions, overcrowding, labor difficulties, general disenchantment with the city and a location one full day farther away from the warm latitudes than Norfolk.

Miami, in addition to the expense of getting there, has poor port facilities, according to O'Leary, and, in his words, "is a very unnatural place to cruise from—it's all been done there by sheer promotion." Both New York and Miami, he contends, share the disadvantage of having their best cruise seasons during their worst weather—New York in winter and Miami in summer.

Other East Coast ports as far north as Boston and as far south as Savannah were studied by the Norfolk group to assess their cruise potential. The only serious contender to emerge was Baltimore, which offered many of the advantages of Norfolk. These included a good harbor, relatively low port charges, a stable labor situation and convenient parking for cruise passengers. Baltimore was even thought to have an edge over Norfolk in terms of air schedules to anticipated market areas.

"But Baltimore has the major drawback compared to Norfolk of being about ten steaming hours up the Chesapeake Bay," O'Leary points out. "This means that on a cruise out of Baltimore, you spend a total of about 20 hours—almost a full day—essentially within the confines of the harbor. This is particularly critical on short cruises, and since this is the type of business we see developing for this region, we feel that Baltimore is at a serious disadvantage, especially if there is ever lively and competitive cruise promotion between the two ports.

"Although I am certain this will be difficult for Baltimore people to accept, the fact remains that Baltimoreans will be able to purchase a better cruise travel package from Norfolk, because they will be able to trade off a $21 plane fare or a five-hour drive for an extra day at sea." (O'Leary says he is not now planning an aggressive campaign in Baltimore in connection with the *Adventurer*, although some effort will be made to draw passengers from this area.)

Once his data were assembled, O'Leary went to work on local marine interests, port authority officials, city fathers, politicians, bankers, businessmen, civic leaders and others whose influence held sway in Norfolk. While the city has long suffered from a conservative image and has been regarded as an apathetic coal port and Navy town, this is no longer true, and O'Leary got the backing he needed. James J. Gara, the chairman of the Norfolk Port and Industrial Authority, summed up the prevailing feeling at the meeting last April: "We will attempt to gain support for this program within both the public and private sectors of the economy. We will work to make this the most convenient, pleasant and inexpensive passenger interface on the coast." (As an indication of the change that has taken place in Norfolk recently, the Chamber of Commerce proposed essentially the same idea about developing cruise business ten years ago and got nowhere.)

O'Leary's next approach was to travel interests throughout the eastern and midwestern parts of the country. With John L. Roper III, a port authority commissioner and executive vice president of the Norfolk Shipbuilding and Drydock Company, he spent six weeks visiting almost every company operating passenger vessels on the East Coast, knowing full well that he was proposing something revolutionary in the tradition-bound and historically non-innovative steamship industry.

At a meeting he had arranged last November in New York with Cunard president Patton to discuss the then-proposed visits of the *QE II*, O'Leary laid out the whole scheme for developing Norfolk as a major cruise port. He was able to show with hard data the points in Norfolk's favor and more, because of the backing he had received at home, was able to offer to share with Cunard some of the risks involved.

The port authority, for example, would underwrite a promotional campaign costing several hundred thousand dollars. Some of this would be city money channeled through the Norfolk Department of Community Promotion, the balance from revenue which the port authority generates through industrial development and operation of Norfolk's airport.

The authority also agreed to refurbish the Norfolk International Terminals, scene of the embarkation of thousands of troops in World War II, by installing baggage handling systems and such amenities as elevators, carpeting and a lounge. The authority would conduct joint advertising campaigns with local hotels, car rental agencies and airlines and arrange with bus companies to provide free transportation of cruise passengers to dockside.

The arguments and the freshness of Norfolk's approach were enough to persuade Patton, in his words, to take the full plunge, and the *Adventurer* deal was the result. "The thing that led us to Norfolk was the enthusiasm of the port authority," Patton says. "O'Leary is a good man, but alone he couldn't have done it. The city and the port authority gave him a tremendous amount of support."

The promotional program now being mounted is two-pronged. One effort is aimed at travel agents and brokers throughout the Middle-Atlantic region and Midwest, including such cities as St. Louis, Cincinnati and Chicago. Agents are being supplied with informational brochures on the *Adventurer* sailings and on the various collaborative plans being worked out among the airlines and hotels serving Norfolk.

"This should appeal to a lot of people who have been on a cruise and know what it's all about," Mr. O'Leary says. "But we're also putting a lot of effort into selling the idea of going on a cruise to people who've never done it, and it's estimated that only one quarter of one per cent of the people in this country have cruised. Most people have the idea that cruising is very expensive and that only the rich can afford it.

"We're going to show people how for about $50 a day you get everything you need on a cruise: transportation, lodging, entertainment, six wonderful meals a day, plus the excitement of an ocean voyage and that wonderful life at sea. And you can forget about problems like traffic, noise, street crime, pollution and so forth. At sea, they don't exist."

The basic strategy for approaching both groups, O'Leary says, is packaging. Cunard is now planning to fly some passengers to the *Adventurer* from cities such as Baltimore. Beyond that will be the free transportation for passengers between airport or hotels and dockside.

O'Leary is developing an even more imaginative plan which will take advantage of the many tourist attractions in the tidewater Virginia area, such as Williamsburg, Yorktown and Virginia Beach. He envisions a combined cruise and land vacation package which he tentatively calls "The Best Two Weeks in America," which would include several days in Washington and visits to the Norfolk area's historic shrines, in addition to a week-long cruise.

For the long-range future, if the cruise business develops as successfully as hoped, he foresees a large new downtown complex of hotels, motels, a parking garage, restaurants, night clubs and other facilities catering especially to the cruise passenger trade.

All this, he acknowledges, will require a lot of effort. "Most of the promotion of the cruise business that's been done up to now is very passive in nature. And most of it has been designed to appeal to people who have already cruised. To generate the new business we want, I think we have to do more to sell the idea of cruising, as much as to sell a particular cruise deal—we have to make people cruise-conscious. I would like to see the industry get together and do some joint institutional promotion along these lines. I think it would pay off."

Among the more enthusiastic supporters of the port authority's plans is the Norfolk Chamber of Commerce and Convention Bureau. This does not necessarily go without saying, for in some port cities, including Baltimore, passenger cruise business has not been so eagerly sought.

Curtis E. Brooks, assistant executive vice president of the Norfolk chamber, sees two principal benefits to the city from increased cruising: more immediate business for hotels and vendors of many types, such as florists, photographers and caterers; and long-range benefits resulting from the exposure of the city and its attractions to thousands of persons who otherwise would never have gone there.

"We know from experience that every cruise ship attracts to the port not only passengers themselves, but many relatives and well-wishers who come for bon voyage parties and the like," Mr. Brooks says. "The average is from two to three visitors for every passenger, and most of these people will spend at least one night. Already, two of our hotels are preparing independent advertising pieces telling what they will do for *Adventurer* passengers, such as special rate discounts and complimentary cocktail parties.

"Also, since we are responsible for promoting Norfolk as a convention site, we are very interested in this aspect of cruising, for there are many groups that have conventions and are exclusively interested in cruising. Our new convention center is well along toward completion now, and with the cruise possibility, we'll have a strong selling point to lay before these groups that we didn't have before."

Brooks has made a study of the economies which a large convention-cruise group can effect. "If a group can get together enough people to charter the entire ship—which for the *Adventurer* would be about 350 couples—they can either charge their members an average of $100 less per ticket, or charge the regular rate and make a good deal of money for the organization, something on the order of $50,000 for one cruise."

Another reason why Norfolk is especially interested in building a cruise business, the chamber official says, relates to industrial development. A regular schedule of passenger sailings will bring through the community many people who are potential investors in business and industry. As Brooks puts it: "The investor's mind is never idle. If he looks around while he is here and likes what he sees, there is a strong possibility that he will keep this area in mind as investment opportunities arise."

While outwardly optimistic about the chances for success of the cruise business in his city, Brooks admits that everyone from the Mayor on down realizes that there is a lot at stake beyond the financial and physical resources which the city is committing to the effort.

"We think this comes at a very good time psychologically," says Brooks, "because after a long period of low-level activity in Norfolk, there is now a rising tide of dissatisfaction with just holding our own and a good deal of enthusiasm for taking a chance.

"And this is a big chance. If we don't succeed in this venture, the prospects in our lifetime for becoming a cruise port, we believe, are lost. This is a once-in-a-lifetime shot, literally, and the reputation and the future of the community are clearly on the line."

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### BALTIMORE BEGINS TO MOVE

Two developments in recent weeks indicate that interest in promoting more passenger cruises through the port of Baltimore is gaining momentum, both on official and semi-official levels.

Largely at the instigation of a small number of local businessmen, a meeting was held in August to discuss the cruise situation in Baltimore. It was attended by Maryland's Secretary of Transportation Harry R. Hughes, by the Attorney General and by representatives of the Maryland Port Administration, the Baltimore Area Convention and Visitors Council and the Economic Development Department.

At the meeting it was decided to urge the Governor to appoint an "outstanding dollar-a-year man" to lead an effort to attract more passenger cruise business to the city. (The group proposed a candidate for this position, but at press time for this issue he had not yet been approached or identified.)

One of the businessmen involved said he came away from the meeting encouraged because there was a mood of general enthusiasm on the part of the parties concerned and considerable sympathy for the idea that, in his words, "We just can't sit around and place second to Norfolk in this matter. The key to it now is to get the right man to head up and coordinate the effort."

On the official level, the Maryland Port Administration is moving ahead with plans to request $12 million in its budget for fiscal 1972–1973 for the construction of a major passenger terminal at Locust Point near Fort McHenry. If the request is approved by the Department of Transportation and the Legislature, this new terminal could be a reality by 1975.

Passenger cruises from Baltimore are now handled through a converted cargo shed at the Dundalk Marine Terminal, and while Port Administration officials say this service is adequate for the amount of cruise traffic that goes through the port, they acknowledge that it has serious drawbacks.

According to Joseph L. Stanton, port administrator, the most serious problems stem from the fact that the Dundalk Marine Terminal is already at the stage of over-utilization. And, the arrival and departure of each cruise ship in effect places one berth normally used and needed for cargo out of service for three days.

The proposed new terminal, Mr. Stanton said, would be a first-class facility with all the necessities and amenities for the comfortable movement of people in and out, including a large protected parking area. He added his belief that if such a terminal is approved and constructed, it would have to be a subsidized operation for a long time to come, and even optimistically speaking, given about 20 cruises a year through the port, it would just about break even on its operating costs. Twenty cruises a year is a figure which a Port Administration study indicates could be supported by the region from which the city would expect to draw cruise passengers.

Mr. Stanton acknowledged that backers of increased cruise trade believe that the economic benefits to the city from such a facility would justify its cost in the long run. He says there are also people who believe equally strongly that the economic impact of increased passenger cruising through the port would be of little consequence. A lot, he said, will depend on the kind of promotion that crusing is given by travel agents, the steamship lines and the various local promotional agencies.

### UNION LEADERS DISPUTE STATEMENT MADE IN COMMITTEE REPORT

Mr. Speaker, the committee report on H.R. 11589 states that as a consequence of informal discussions between representatives of the shipowners and the National Maritime Union, "it was stated to the chairman, in clear and unequivocal terms, that agreement had been reached which would eliminate objection to the bill" by eliminating the SS *United States* and the SS *Independence* from its purview. President Joseph Curran, of the National Maritime Union, disputes that statement, and assures me his union strongly opposes H.R. 11589.

Mr. Hoyt S. Haddock, executive director of the AFL-CIO Maritime Committee, of which Mr. Curran is chairman, has sent the following letter to the chairman of the Merchant Marine and Fisheries Committee on this same point:

AFL-CIO MARITIME COMMITTEE,
*Washington, D.C., November 8, 1971.*

Hon. EDWARD GARMATZ,
*Chairman, House Merchant Marine and Fisheries Committee, House Office Building, Washington, D.C.*

DEAR MR. CHAIRMAN: No U.S. flag passenger ship should be sold to foreign flag interests so long as there exists an opportunity to operate it under the U.S. flag.

I have before me House Report No. 92-617, accompanying H.R. 11589, a bill "To authorize the sale of certain passenger vessels". Beginning on page 9 the report says, "After H.R. 1577 was reported by your committee, informal discussions continued between representatives of the owners and representatives of the National Maritime Union. As a consequence of these discussions, an informal meeting was arranged in the office of the chairman of your committee on Thursday, October 28, 1971. This meeting was attended by representatives of two of the owners and by representatives of the National Maritime Union. It was stated to the chairman, in clear and unequivocal terms, that agreement had been reached which would eliminate objection to the bill. The proposal was that the bill be amended to remove the SS Independence and SS United States from its purview. This gave rise to the introduction of H.R. 11589, on November 4, 1971, which by its terms carries out the agreement made between the union and the owners.

On Thursday, October 28, 1971, I attended a meeting in your office together with Nicholas Pasco, Moore McCormack Lines, Richard Kurrus, American Export Isbrandtsen and Ben Man, Deputy Executive Director, AFL-CIO Maritime Committee.

Mr. Chairman, the committee report, as quoted above, correctly states ". . . an informal meeting was arranged in the office of the chairman of your committee . . .". Yes, this was an informal meeting, and I made it quite clear that I was not speaking for anyone at this meeting except Hoyt Haddock. I also stated that I personally believed that we should find a method which would assure the continued operation of U.S. flag passenger ships.

Mr. Chairman, no statement was made in that meeting which could have been interpreted by you or anyone else present ". . . that agreement had been reached which would eliminate objection to the bill." I stated in very clear language that Chairman Joseph Curran of the AFL-CIO Maritime Committee could not and would not change his position of opposing the sale of any U.S. flag passenger ship to foreign interests. I further stated that I would report the results of our meeting to Mr. Curran, recalling that he makes the policy not me. I don't understand how I could have made my position clearer. At this informal meeting we did discuss:

1. The possibility of removing the SS *Independence* from the bill because an agreement had been reached between a Mr. Matalon and the American Export Isbrandtsen Lines and Moore McCormack Lines to operate her under the U.S. flag. You stated that you thought everyone understood that this agreement would be carried out when H.R. 10577 became law.
2. The need to keep the SS *United States* was also discussed and you agreed that you would use your good offices to have the Maritime Administration explore all possibilities of returning the ship to active duty as a passenger ship, trade fair ship, hospital ship or a floating university. We also discussed:
3. Amending the law to permit twelve (12) months cruising;
4. Your involvement with the Maritime Administration in insisting on a feasible passenger ship program;
5. You would consider a new operating subsidy approach which we had developed that could eliminate rate cutting and assure that U.S. flag passenger ships would be on a parity with foreign flag passenger ships;
6. Giving the Federal Maritime Commission authority to set minimum rates and maximum sailings for passenger ships; and
7. The problems which could face the maritime pension and welfare funds, including your involvement in a solution to these problems.

So much for the setting the record straight, with respect to your unfortunate inclusion in the report referred to hereinabove.

The Congress should not consider selling any U.S. flag passenger ship foreign so long as there exists a possibility of operating them under U.S. flag. Clearly such a possibility does exist.

Mr. Chairman, I am in complete agreement with the minority views of Congresswoman Leonor K. Sullivan ranking majority member of the House Merchant Marine and Fisheries Committee.

Sincerely yours,

HOYT S. HADDOCK,
*Executive Director.*

### H.R. 11589 SHOULD BE DEFEATED

Mr. Speaker, H.R. 11589 should be defeated. A genuine effort should be made by the Maritime Administration to find American interests to operate the five ships so that they would remain American-flag ships, carrying our flag as well as our own citizens on the high seas.

If sold foreign, the ships would still be operated out of American ports, carrying mostly American passengers. But not a dime of the income from the passengers would be spent in this country, and all the wages would go to foreign seamen. And we would write off a huge investment by the American taxpayers while at the same time giving a windfall tax concession to the former owners.

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## THE CRISIS IN CHILD CARE—THE PARENT REPLACEMENT PROGRAM

## HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. RARICK. Mr. Speaker, additional voices of indignation and protest are heard because of the impending takeover of America's children by Federal planners aided by their psychologists, psychiatrists, social workers, change agents, and assorted paraprofessionals.

I insert for the benefit of our colleagues a most perceptive, illuminating, and thought-provoking commentary on the Federal child care threat as appearing in issue No. 8 of the publication "Rough Beast," 1952 Connecticut Avenue NW., Washington, D.C., and entitled "The Crisis in Child Care—A Federal Fantasy" by Marilyn P. Desaulniers.

The commentary follows:

### THE CRISIS IN CHILD CARE—A FEDERAL FANTASY

On the surface, day care centers sure seem like a good idea, and not just for working mothers and the children of the poor. Every, but every, non-working mother from time to time needs someone to take care of her kid because she has business, or—Why not? simply wants to get away and do something by herself or with a friend, and wouldn't it be nice if there were a friendly neighborhood day care center where she could leave the child, confident that he would receive the same loving care she generally tries to give him? But what if the available day care centers were run by the state (anybody's state, Nixon's, Muskie's, McGovern's, anybody's)? What if they weren't day care centers as we've by-and-large known them up to now, but "development" centers, and with billions of dollars to spend on the "developing" and huge staffs to implement the programs and a vast bureaucracy to administrate them and great banks of computers overseeing the whole thing, something like the Defense Department? What if parents didn't have a choice about them? What if parents had to send their children there, like to school? What if a representative of a center, a "developer," could come into your home and give you instructions on how you had to deal with your kids at home? What if it were decided they couldn't come home but had to reside at the center for full-time "developing"? Sound far-fetched? There are people in the United States today with big plans, and the plans are beginning to be approved by yours and our elected representatives in Congress at this very minute. For instance, there's Dr. Urie Bronfenbrenner, a top consultant to the government on child "development" programs. He has testified to a Congressional committee that "it is not the parent . . . it is society that has responsibility" for child "development." That quote is from the article which follows. Read on.

Legislation to provide free or low cost child care for millions of American children is presently under consideration by both houses of Congress. Promoted as a means of getting welfare mothers into jobs, or with the emphasis on concern for the child and a determination to provide everything from dental to mental health for him and his family, the basic argument offered by the Nixon Administration is a "crisis" in day care a picture of horrible child neglect by working mothers, single parents, or simply indifferent families

Like any fiction, however, believing in the crisis in child care described by the Executive Branch requires a suspension of the audience's critical faculties. The simple processes of arithmetic, for example, must be discarded in considering the statistics offered to support direct federal control of early childhood education.

For, despite the method of presenting the figures in a confusion of fractions and percentages, spaced by paragraphs of incoherent sophistry and circular thinking, the documentation of a child-care "crisis" depends for its acceptance on sheer mind-boggling abuse of the English language which dulls the senses and obscures the fact that the figures used actually prove that no crisis exists at all, nor even any significant problem, nor any real desire for day-care facilities by those most directly affected, the mothers of the children.

The mainstay document used to establish the urgent need for immediate federal entry into the business of child care is the Children's Bureau (HEW) publication, 461–1968. Its figures are usually expressed in a variety of arithmetic forms, such as "one-half the children are cared for in their own homes," "13% were cared for by their own mothers at work," or "nearly one million cared for themselves." The relevant base figures are generally lacking in the "crisis" documentations, and the confused presentations are not subject to analysis. Only access to the basic document itself could give any idea of the real value of such statistics. And, their meaning in normative terms is far short of a national crisis—in fact, no crisis at all.

The Children's Bureau study of the nation's 12.3 million children, under 14, whose mother work included those whose mothers were employed part-time as well as full-time, and for periods of as little as 26 weeks in the year. The effect of their situations, therefore, should weight the statistics concerning the actual number of working mothers as well as the need for expanded child-care facilities. This has not been done.

Ignoring any interpretations, however, the existing totals show that 92% of the children of working mothers were totally supervised during the mothers' absence, while the "latchkey children" whose plight is the emotional bomb in the issue make up less than 1/12th of the children under consideration (and, most of these are older children, including early teen-agers, who are semisupervised after school for an hour or so).

The most recent figures indicate that, nationally, between 6,000 and 8,000 younger children may lack supervision while the parents work. Although neglect of even one child is of proper concern, such figures compared to the 12.3 million children whose mother's work, or the nearly 50 million of the same age whose mothers do not, is scarcely cause for the *massive* involvement of the federal government in this area.

Indeed, the official figures themselves indicate a possible national child-care deficiency that relates to less than 1/60th of all the nation's children under 14 in its broadest estimates, and more accurately involves .6% of the same group.

The federal government, however, with its newly created Office of Child Development (HEW; the OCD is separate from and equal to the Children's Bureau and the Office of Education) to supervise the nation's youth, purports to find a crisis in this situation justifying a minimum annual expenditure of $12 billion! With the application of these billions, Dr. Edward Zigler, the chief of the Office of Child Development, described in a recent interview the failures of American parents that he intended to undo in his capacity as the Nixon Administration's "super parent" for American children.

He intends more sex education for the little ones, and more baby-sitting demanded as part of required high school courses in "parenthood." By training them in advance, he intends to insure that tomorrow's adults do not stray from the state's ideas of how they should raise their children. In the meantime, he looked forward to expanding the parent training already in effect under some federal programs for Dr. Zigler does not believe that Americans are very good parents. Thus, by introducing federal funding to child care, *federal supervision even in the child's own home would be required under the Federal Interagency Day Care Standards*. The physical, emotional, mental, and social affairs of the child and his family would be directed by the agencies under federal control. Even the meals served in the home would be open to question and change under the guidance of health and nutrition experts a requirement of the Federal Day Care Standards already operating in limited fashion today.

In such a noble crusade, can anyone be deterred or hampered by the mere fact that only 35% of all the nation's married women with or without children work at all? Or that the mothers of only 1/5th of the nation's children under 14 are employed? Or that ⅔ of working and 71% of nonworking mothers expressed a strong preference for child care performed in their own home? Is it reasonable to expect "super parent" and his friendly lawmakers, or the non-representative special interest lobbies to be influenced by the Children's Bureau analysis that "care of children outside the home or family . . . plays a relatively limited role at the present time"? The government's own figures show that only 2% of all the children of working mothers are presently cared for in day-care facilities.

The unreal quality of the thought processes is staggering in its disregard for fact and in its single-minded pursuit of a predetermined objective: federal control of the first vital years of life, for, with the entrance of federal funds directly or indirectly into any day-care program in any community, the requirements of the Federal Interagency Standards are automatically introduced to the organization and definition of day care.

Via the bureaucratic vocabulary, innovative definitions (much like creative spelling) have been built into administrative requirements, corrupting any normal understanding of words into a nightmare of clique-thinking combined with an ever present contempt for accuracy and language. With Joycean extravagance, it indulges not merely double entendre, but precariously derived multiple levels of meaning in the commonest words and phrases until the structure and goals of agency directives are perceptible only to the initiate. Thus, in federalese, "day care" equals "early childhood education" equals "preschool education" equals "early childhood development" equals "human growth and development" equals "comprehensive development of school age children"; that is, whatever effects the child's "functioning in cognitive, affective, motivational self-image, emotional and social areas; in other words, in all of those areas which contribute to creating an effective adult" (quoted from the presentation of the Office of Child Development and Children's Bureau in December 1969, when the two bureaucracies were organized as one, before the Select Subcommittee on Education, House of Representatives). Further identifying this all-inclusive direction of the child as a definition of "education," the presentation admitted the implications of such government activity by the identification of "society as the third parent for every preschool child" a monolithic and totalitarian description that is a functional element in all federally assisted programs.

It is therefore strictly in the terms of *federal* definitions that a shortage of day-care facilities and a "national child-care crisis" must be understood. After all, at the same time that HEW insisted there was "a critical national shortage of day-care facilities . . . "the Westinghouse Learning Corporation Study discovered 63,000 unfilled day-care slots. However, excepting those already under the Federal Standards, few could meet the requirements.

The Westinghouse Study identified most existing day-care facilities as either "custodial" or "educational." The first was described as "approximating good home care," the second as providing "trained personnel on the staff and intellectually stimulating environments, i.e. games and toys designed for specific learning objectives, musical instruments, art equipment, animals, plants, good books, and they keep progress records on the children." Neither of these kinds of day care is acceptable to the federal government because they are not comprehensive enough, i.e. extending to the social, mental, emotional and developmental areas of the child's life, and that of his family, to include "all institutional settings," such as the home.

There are indeed few formal or informal arrangements for children (including in-home care by auntie or grandma) which meet the Federal Interagency Standards for day care. Nor, among the non-federal providers of such services is there any desire to meet them. Few outside the federal priesthood (where such miracles of national crises are wrought) are willing to promote or endorse the interagency requirements without the backing and muscle of the federal government; for few parents with a choice would expose their children to the requirements' processes and the concept that "society is the third parent."

The federal faith, however, is demanding, and all who come under its stern guidance must learn the ways of combining fait accompli with illogical premises. Thus, society is the third parent, and the government is society. Therefore, government must be "super parent."

Acting out its private fantasies, the federal bureaucracy already indulges its monolithic self-image with such demands as that under Title 45, Chapter II Code of Federal Regulations, Part 220.18(c)(1)(ii). This little known exercise of central government control of children requires that, with reference to care in the child's own home, "child care provided by relatives, friends, or neighbors must meet standards . . . that, as a minimum, cover age, physical and emotional health" and more. Thus, Grandma or Aunt Jane are subject to tests for emotional health before mother can leave the baby with them; and who knows what male chauvinist mental health worker will determine that the hormonal stresses of a 40ish neighbor prohibit her from coming into watch little Joe after school? After all competition is eliminated, the alternative is of course a federally approved day care center.

The applications hypothesized here are not nearly so fantastic as those already carried out by the straight-faced social revolutionaries in their determination to control children's personalities and values. The revolution is here, and we'll all raise our children the way "super parent" thinks we should, no matter how great our misgivings about a project oblivious to mere facts and unconcerned about little things like individual liberty, free will, or self-determination.

Representing as it does a step backward toward the cradle from the acknowledged constitutional infringements of the elementary and Secondary Education Act of 1965, no greater concern about the Bill of Rights can be expected from this new federal assault on the legal rights of parents, the sovereignty of state and local governments, or the protections of the First Amendment. Just as Title II of ESEA specifically provided for by-passing state governments, through direct federal funding where such funding was prohibited by the state's constitution, so the myriad "child care" programs under consideration in the House and Senate, with the endorsement of the Nixon administration, also proposed to disregard local and state government requirements for teacher certification (S. 2007, already passed by the Senate); to reduce safety and fire codes of state and local governments as they apply to child-care facilities; and through announcement of a "federal responsibility" for child care, create a sort of reservation for American children in every community, under the sole control of the central government.

The concern of that government for the children already enjoying its superior parenthood is difficult to discern in testimony before the Select Subcommittee on Education which revealed that child-care centers in New York were shut down because of serious fire and safety hazards—presumably they were operating due only to a shortage of city inspectors. The reaction of the federal priesthood to such experience is terrifyingly consistent with its other encounters with real life. It proposes to lower fire and safety standards for child-care centers, on the theory that the mean old state and local governments are unrealistically strict in their requirements for buildings housing children. And, it's tough enough keeping the propaganda ball rolling, without having to meet sticky requirements for trained personnel or safe buildings or adequate lighting. If this does a little more damage to the Constitution in the process, why just trot out the fictional "crisis" and insist that the problem is urgent and explain that "we have to do something. . . ." Even commit institutional suicide.

The alliance of child-care programs with the Elementary and Secondary Education Act of 1965 is organic. S2007 tied the two programs together under Title V. The "research" funded under Title IV of ESEA is a major element in promoting expanded childcare programs. Preschool programs directed at total populations are funded under Title III of this disastrous piece of legislation. The concept of total development of the child—mental, physical, emotional, social—was introduced to private as well as public elementary and secondary schools through the same Title III.

The Elementary and Secondary Education Act of 1965 did not travel under the guise of crisis legislation, although it was railroaded through the Congress. It wore, instead, religious ecumenical garb, drawing all religious faiths together under the gentle direction of the central government, through the imagery that the child, not the parochial or private school, was the recipient of federal funding. Such imagery has not been carried so far that families of these children actually receive a tax credit of perceptible proportions, but, as new packaging to sell federal entry into the religious domain, it wasn't bad for a starter.

It wasn't good enough to rely on, however, since President Johnson apparently felt it necessary to communicate his desire to the Senate that ESEA be approved without debate or amendment. And, since he was bargaining with a landslide victory behind him, good politicians all, they did, thus preparing the way for the federal government to feed its totalitarian visions with small programs, and develop an appetite for big ones wherein the "comprehensive development" of children from infancy would be a recognized "federal responsibility."

Thus, perceiving that children already in school hadn't been properly raised. Title III programs (designed to provide services lacking or in short supply) rushed group therapy, preventive psychiatry, mental health, "family-life" education, sensitivity training, increased psychological services and liaison with community mental health centers for drug treatment of "behavior problems" into public and private schools across the country. Recognizing the dangerous lack of government direction in the early years of the children, special curricula structured with modern operant conditioning techniques were substituted for standard classroom texts and courses in every required subject, from social studies to language, from gym to health education. Each of these "Education Systems 70s" products of super-parenthood is designed to produce specific "behavioral changes" through application of the built-in conditioning. The specific stated intent of these general classroom activities is the creation and direction of ethical and moral values as determined by a public/government agency.

After all, the ecumenical bargain had been sealed: federal cash in return for the abolition of First Amendment guarantees. And who can blame Dr. Urie Bronfenbrenner, a consultant for federal child development programs, for the casual reference to the trade-off when testifying before the House Select Subcommittee on Education and Labor on proposed universal federal child care in December 1969? "Separation between church and state," he explained, "which was an important separation at the time, had the effect of splitting responsibility for the child's development. There was subject matter which became the school's responsibility and his development as a human being, which became the responsibility of the family and the church." A mere historical reference, in the past tense. (No more before this same committee which had the greatest responsibility for the Elementary and Secondary Education Act of 1965 was any challenge issued to the public burial of the free practice of religion.)

In an agreeable exchange with Mr. Collins, of the Subcommittee, Dr. Bronfenbrenner concurred with the legislator's equation that society equals government and that ". . . it is not the parent . . . it is society that has the responsibility" for child development. The best way to introduce such concepts, it was agreed, was to begin by promoting them for the poor "because we can get it done there" just as so many other outrages have been introduced to American communities during the past ten years by inviting the majority to judge minorities and then impose on them "social solutions" that include assaults on human dignity and civil liberties alike. The fine print, however, says that what is a cure for minority groups is likely a good preventive for the rest of the population. And the righteous judges soon find themselves labeled "bad parents," their children being inculcated with religious, political and social values by public agencies.

Thus, federally funded child care has developed primarily as a program for the "economically deprived," "cultural minorities," and welfare families. The willingness of otherwise nice people to strip these groups of their rights and dignity was clothed in the language of social justice-cum-urgent need. Since continuing welfare dependence, in the judgment of the behavioral scientists, did not reflect persistent vocational handicaps but, rather, cultural and personality defects, the rationale for imposing government-directed value systems expressed itself as "breaking the welfare cycle," or eliminating the curse of poverty.

C. Kenneth Johnson, manager of the Washington, D.C. model for Federal Child Care has explained the "change" in the meaning of day care, from a philosophy of service to families to a "preventive program" for "very young children" in recent testimony. "We know that by the time the child reaches 6 to 8 years of age, he has his whole personality, his whole style of living, his sense of values—those have been pretty much developed by this time." The concept of Federal Child Care Standards, in his words, is to give "this child an opportunity to develop the way we think he should be developing, at a very early age in life."

"Unfortunately," he admitted, "this change [in defining child care] is only in the minds of those people who are most directly involved in day care."

The change, however, becomes operational in every instance where federal funding is directly or indirectly involved, for, 4–Cs, Community Coordinated Child Care, is the required organizational form under Federal Interagency Day Care Standards. 4–Cs is the administrative tactic by which all organizations, groups and professionals in the community are penetrated and absorbed by the federal apparatus. It no longer relies only on funded programs to provide the "super parent's" philosophy of child-rearing to special groups. A qualification for receiving federal funds, under the Interagency Standards, is a guarantee that in terms, of philosophy and common goals all professionals, church and civic organizations, as well as public facilities, have been coordinated with the agency seeking the grant. The rationale for this mechanism of central government control is that it "will prevent duplication of services."

Thus, continuing as well as expanded day-care programs, funded directly or indirectly by the federal government, provide the means of converting every child-directed activity in affected communities into the extensions of a federal "super parent." If you think it couldn't happen, consider briefly the proprietor of a private preschool faced with the demand that he comply with coordination or be responsible for denying day care to the children of needy mothers in the community. The application is as valid for church-operated facilities. What businessman or minister could hope to explain such callous disregard for our social problems? For shame.

The lack of clear explanation of federal definitions makes resistance even harder. Day-care or child-care facilities in the minds of the general public are best defined by the two kinds which the Westinghouse Study defined as "custodial" and "educational." The term "comprehensive" is generally delivered to the public in terms indicating free medical care for low-income children. When the Administration glowingly reports on its "commitment to the first five years of life," it refers to providing everything necessary for "optimal development" of the child, whatever that may be. However, the sum total of the purple prose and statistical sleight of hand, generated on behalf of massive, multi-billion dollar federal entrance into the lives and homes of American children from infancy, omits any reference to the "change" in the definition of day care, which "is only in the minds of those people who are most directly involved in day care."

It is little wonder, then, that Senator (a sponsor of federal child-care legislation) remarked on the fact that the programs were being enacted "without much public notice." It is scarcely surprising that Dr. Zigler himself commented that "people don't recognize the monumental nature of this legislation and what effect it can have on the country in 20 years."

Take the federal definition of government equals society, and the observations of another federal consultant in support of "super parenthood," and the effect of such programs on the country in 20 years is totally predictable: "It is possible," says expert Bruno Bettelheim, "to create a viable personality type wholly different from that of the parents, in a single generation."

Different, no doubt. But, like the other products of this federal fantasy, this one is also flawed, for, according to the Office of Education, Planning, Research and Evaluation, in December 1969, although "over the past decade, evidence has accumulated in the behavorial sciences as to the relative malleability of the child in his early years . . . what experiences are appropriate for what developmental stages . . . what environmental conditions provide experiences which optimize development" are not yet known.

After ten years of experience and experiment with child development programs, the Office of Child Development admitted, "As we enter the 1970's we are still seriously deficient in (a) our understanding of how children develop, (b) the causes and nature of the deficits found among disadvantaged children, (c) the technique for appraising the state of development and (d) the design and delivery of programs and curriculum to prevent or overcome developmental deficits."

The situation could scarcely be made clearer; the federal child-care experts don't know what they are doing, can't show any good reason for doing it, and can't measure their own programs adequately to determine the effects of all this intervention in the development of children.

The same statement, in fact, frankly admits that, in practice, "the results of those experiences [with developmental programs] have not been fully reassuring. In fact, in some cases they have been rather difficult. We have been discouraged by some of the findings."

Not discouraged enough, however. For despite the inability of any expert or federal child-care official to predict the results of deliberate tampering with the developmental processes of infants and children, despite the admitted lack of any benefits from the preceding ten years' experiences, the current proposals in House and Senate are designed to increase the use of the behavioral sciences on increasingly younger children in experimental procedures contemptuously labeled "child care."

Thus the House Education Committee summed up testimony on universal early childhood education and day care: "One can make the case, I obviously don't, that we don't know enough about what makes the difference in the development of children; therefore, we do nothing . . . until we have satisfied ourselves that adequate research has been done . . . Now, in earlier testimony with other childhood experts, we were told, no, that is not the attitude to take, 'You should go ahead with programs, and at the same time, carry on very effective and careful evaluation of ongoing programs,' which is one very important means of conducting research."

The key words, "conducting research," are identical with the processes activated in elementary and secondary schools through federal funds. The philosophy and goals are also the same. Thus, from a standard text on activities in the regular classroom, it is interesting to note that the title "Introduction to Educational Research: A methodology of design in the behavioral and social sciences" identifies the changed definition of education described by the Office of Child Development. Published in 1963, this standard reference contains suggestions on helping teachers overcome their reluctance to experiment on other people's children (pg. 49), identifies the "change" in education away from imparting skills and information and toward study of the child and his development under manipulated circumstances—with emphasis on his value systems (pp. 91, 92, 353, 379). With the expressed anticipation that educational research will be to the behavioral sciences what clinical psychology was in the past (pg. 477), emphasis is placed on study of children's value systems in "intrafamilial" contexts (pg. 479).

Recognizing the possibility of damage to the "normal and healthy" child-subjects of this educational research, the text contains the suggestion that the experimentation be carried out under the concept of "liability without fault," a flat statement that the government should assume responsibility for rehabilitation of damaged children or payment of indemnities to the families of those who cannot be rehabilitated. For, says this text by Carter V. Good, Dean, School of Education, University of Cincinnati, government-as-society supports most of the experimentation to begin with.

How ironic that the increasing number of children with emotional problems has been blamed on the parents by those tampering with the children. What skillful misdirection permits the use of these tragic figures to justify increased federal "child-care" and "education" programs, wherein no information or skills are imparted, wherein no care for any child exists? How ingeniously the proven failure of Head Start and other "remedial" programs is used to justify access to even younger children.

But, the federal fantasy of a child-care crisis is not amusing. It is as dangerous to the survival of the nation's political, social, and economic institutions as any foreign aggression.

Whether sold to Women's Lib as a way to free women from the home, or to professional women as a humane provision for those less fortunate than themselves, to welfare mothers as a "Head Start" to help their children catch up with the middle class, or to welfare critics as a way to get those lazy mothers off the dole and into jobs—whether promoted to liberals in the properly vague but beautiful language of social justice, or to conservatives with creative statistics indicating a national crisis that does not exist, the sheer dishonesty of the advertising indicates the quality of the product, and the level of acceptance its promoters would expect from the public if its nature were understood.

The echoes of Dachau and Auschwitz in the potentially dangerous, involuntary experimentation on children would not likely be acceptable to the American public. Nor could the citizens really be expected to endorse the assumption that the central government should control moral and ethical values through a private arrangement to disregard First Amendment guarantees.

The deliberate attack on the political existence of state and local governments, begun with the Elementary and Secondary Education Act and continuing through current child-care standards and legislation, presents the serious possibility that the collapse of these sources for representation in the Congress will, as they succumb, render the House and the Senate illegal bodies like the "coordinated" Reichstag of 1933.

Certainly, imposing federal standards and regulations at the expense of state constitutions and local control casts doubt on the viability of the federal system. The value of the individual vote is diminished in direct proportion to the erosion of its Constitutional resources and the expansion of central government control.

The definitions of federal child care and education, in their many guises, are expressions of authoritarian contempt for the principles of individual liberty, free will, and self-determination. The support of too many individuals and groups has been secured for them simply by rewording the old saw that the end justifies the means.

Subjected to the artificial crises trumpeted day and night, by media sophmorically determined to change the world, the resistance of normally rational people collapses under emotional overload. Pressed from all sides to support the kindly central government's plan to take responsibility for infants and children, even before birth, and loved by the federal priesthood's miracles of statistics and pseudoscience, paraded with the modest assurance that Super Parenthood will prevent all social, physical, mental and economic ills forever more, too many responsible leaders have succumbed.

The sheer stun-effect of so much illogic and garbled prose silences initial objections. Subsequent failure of the promoters to communicate the facts—thus promoting propaganda instead of news—effectively isolates objectors in an environment where they seem alone in disagreement and, therefore, in error.

There are undoubtedly more fools than villains, more mad scientists than fascists, more who are coerced than coercing. But the fact remains that federally funded programs of child care and education (since ESEA) represent an expression of monolithic, total power by the central government, at the expense of the states, local governments, the federal system, the Constitution, and the individual's essential human dignity and liberty.

Only public rejection of these programs can halt them. Letters to the President, your Senator and Representative are in order. But, the time is short. And the Administration has let it be known that only a massive outcry will stop expansion of the cynical "child care" and "early childhood education" to every community, family and child in America.

Who has the youth, said Adolf Hitler, has the future. No government, if we dream of liberty, should ever have control of our children—Marilyn P. Desaulniers. The author is completing a book. "Revolution from the Top; The Making of Nazi America."

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## DEDICATION AND ENTERPRISE OF OUR FEDERAL WORKERS

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 12, 1971*

Mr. DULSKI. Mr. Speaker, over the years our many dedicated Federal employees have been maligned time after time in the public eye.

This is both unfortunate and unfair—as anyone knows who deals with the Government and its employees on a regular basis. As in any large organization, there are exceptions—but that only goes to prove the rule.

Since I came to Congress in 1959, and immediately was assigned to the House Committee on Post Office and Civil Service, I have come to know well of the conscientious work and the working conditions of our Federal employees. I had some knowledge of their plight before I came to Washington since I had served several times as a Federal employee in my home city.

Mr. Speaker, I believe the report this year by the Civil Service Commission speaks for itself in indicating the caliber of people who serve in our Federal establishment. I include the text of the announcement from the Commission as a part of my remarks.

PRESS RELEASE BY U.S. CIVIL SERVICE COMMISSION, NOVEMBER 8, 1971

Federal employees made record contributions to Government economy and efficiency valued at $344.8 million through their suggestions and superior accomplishments during Fiscal Year 1971, Chairman Robert E. Hampton of the U.S. Civil Service Commission announced today. This all-time record in the 17-year history of the Government-wide Incentive Awards program exceeded the previous high of $343.5 million recorded in Fiscal Year 1967.

Assessing the results, Chairman Hampton stated:

"I wish to commend these Federal employees who have so admirably demonstrated their awareness of the great need for economy and high level of performance in Government. This evidence of their efforts and initiative sets a high example for Federal employees and should be of particular interest to American taxpayers as an illustration of employee contributions to achieving greater Government efficiency and economy."

A total of 96,879 employee suggestions achieved savings of $170,844,320 in reduced man-hours and costs of materials and equipment, and contributed immeasurable benefits in improved services to the public and increased efficiency. Employees received $5,060,038 in cash awards for adopted ideas, with an average cash award of $82, compared to $65 the previous year. Average benefits to the Government per cash award were $2,125 for FY 1971, compared to $1,873 the previous year.

For meritorious performance exceeding job requirements, 105,937 Federal employees received a total of $17,835,240. Benefits totaled $173,949,083 and were 75.6% higher than in FY 1970. The average lump-sum performance award in FY 1971 was $185, and average benefits per cash award were $1,410.

The largest special achievement award ($10,000) was earned by a group of 29 engineers and technicians of the Radar Techniques Branch, Naval Research Laboratory, Washington, D.C., for developing radar equipment that can "see" over the horizon. In addition to its immediate value in military use, this development will contribute to safety in commercial and private air traffic control. The Naval Research Laboratory has been a pioneer in radar technology since its invention there by Dr. Robert M. Page, the laboratory's retired director. (Dr. Page was a recipient of the President's Award for Distinguished Federal Civilian Service.)

Another notable award recipient was James S. Griffiths, a special agent with the Department of the Treasury, who received $1,000 for his outstanding initiative and judgment in working to eradicate counterfeiting in the Los Angeles area. Under his leadership, over $1,180,000 in counterfeit bills was seized in 5 cases alone.

The following agencies had outstanding results in their Incentive Awards programs:

Army led all agencies in dollar benefits from suggestions ($62.1 million) and from special achievements ($61.7 million).

Navy established a new Department record of $33 million in measurable benefits through the suggestion program.

Air Force, second among agencies in benefits from suggestions, topped the $50 million mark for the fifth time in 6 years with over $54.3 million.

The Incentive Awards programs of the Department of the Treasury, District of Columbia Government, and General Services Administration showed significant increases in all areas—including more suggestions received, more adopted, more special achievement awards granted, and increased dollar benefits.

Other individuals receiving awards for exceptional accomplishments included:

E. P. Davitt, a General Engineer at Naval Ordnance Systems Command Headquarters, Washington, D.C., who earned $9,705 for developing the Sonobuoy Missile Impact Location System at less than one-fifth of the cost of designing, engineering, and manufacturing a competitive system, with a savings to Government of over $18 million. (Mr. Davitt was a 1971 winner of the Presidential Management Improvement Award.)

Walter K. Sterling, engineering technician at the U.S. Naval Air Station, Patuxent, Md., who received $7,455 for suggesting and developing an adapter device to carry practice bombs on training flights. His idea resulted in estimated savings of $6,353,181 during the first year of use.

A five-member team of research scientists at NASA's Ames Research Center, Moffet Field, Calif., who received $5,000 for their outstanding contributions to scientific progress in the field of deep-space radio communications.

Clarence M. Poole, a physical examination specialist with the Department of the Army, Fort Benning, Ga., who was awarded $3,350 for suggesting an improved method for processing the release of enlisted men who disqualify physically for military service. His idea has achieved savings of $1,249,740 and produced additional immeasurable benefits.

Paul L. Glasener and Robert E. James, Agency for International Development, who were granted $2,790 for their team effort in finding a way to significantly reduce costs of shipping voluntary agency food shipments to India.

Stanley Hansen, a marine surveyor for the Department of Commerce, San Francisco, Calif., who was granted $1,255 for devising a way to take impressions of ships' gears using materials and techniques similar to those used by dentists and dental technicians. This development, which permits engineers to determine the condition of gears without costly disassembly, has been adopted by the U.S. Coast Guard and the American Bureau of Shipping.

Pierre C. Boucher, a poultry products marketing specialists with the Department of Agriculture, who was awarded $1,220 for suggesting the use of an improved method of packaging dried egg mix used in direct food distribution programs.

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## MAN'S INHUMANITY TO MAN—HOW LONG?

## HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. SCHERLE. Mr. Speaker, a child asks: "Where is daddy?" A mother asks: "How is my son?" A wife asks: "Is my husband alive or dead?"

Communist North Vietnam is sadistically practicing spiritual and mental genocide on over 1600 American prisoners of war and their families.

How long?

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## PHASE II PROGRAM

## HON. RICHARD T. HANNA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. HANNA. Mr. Speaker, the President's phase II program is based on too narrow a premise to solve our present economic dilemma. It assumes that our sole battle to reduce inflation is in containing the wage-price spiral. I do not agree. Certainly, where the load of amortizing unused capacity is not absorbed in loss of profit, it is a cost distributed in higher prices. Additionally, where there exist inefficiencies in production and distribution, these are also read out in price structures. Finally, with a tax proposal to give 7 percent incentive credit for adding to an already excessive production capacity and tolerating both a reduction in earnings and a high unemployment, we are enduring a substantial loss in tax revenue. I would point out, Mr. Speaker, that there are in reality two sources for governmental deficits. The first and more widely known of course, is spending too much. The second, and equally as successful yet not too well-known, is collecting too little. To my mind, this loss in tax take is contributing more to the budget deficit than the so-called excess spending.

When you realize that the most predictable consequence of increasing wages and increasing wage earners is to increase tax revenue, the essence of governmental benefits from a full employment economy becomes apparent.

It therefore strikes me that where wage increases do not, or should not, effect price increases, they should be encouraged. Also, some price increases which reflect honest and fair assessments of costs should not be measured as inflationary. Again, programs and policies for increased employment should be promulgated and fostered and these cannot be limited to investment credit inducements. Rather, investment tax credits should be tied to the following:

First, actual increase in jobs;

Second, demonstrated increases in efficiencies of production and delivery of goods and services; and

Third, demonstrated increases or improvements in markets.

These, it would seem, have more dynamics than the mere encouragement of investment per se.

Our problem now lies in the total effort of both management and labor to make our production competitive. It lies also in recognizing we have underconsumption of a serious kind which suggests increases in purchasing power at home and increases in market activity abroad. Once we have the dynamics of full employment, our tax revenues will quickly fill the gap now suffered in revenue which is largely responsible for our present shocking deficit, a deficit revealingly portrayed by my esteemed colleague from Texas (Mr. MAHON) whose committee has projected a 4-year deficit for the present administration of in excess of $100 billion—a deficit we simply cannot afford, by any meaning of the word. For further background on this disturbing figure, I urge my colleagues to review Chairman Mahon's remarks in the Record of October 28 at page 38053.

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## THE SUSAN B. BILL?

### HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. GUDE. Mr. Speaker, our distinguished colleague, the Honorable Seymour Halpern, has recently proposed that the $2 bill be reissued carrying the portrait of Susan B. Anthony. I believe this to be an excellent suggestion and the gentleman from New York is to be congratulated for offering it.

Should the $2 denomination again be brought into use, the Federal Government could realize an annual savings of $2.1 million in printing costs. This, at a time when our economy is in need of all the help it can get, is a positive contribution.

Additionally, with the gospel of women's liberation deservedly gaining converts, I think it most appropriate that Mrs. Susan B. Anthony, a woman who contributed so much both to womanhood and to our national heritage, be honored in this fashion.

The Washington Daily News has published an editorial in support of this proposal and I would like to share it with my colleagues at this point.

The editorial follows:

[From the Washington Daily News, Nov. 3, 1971]

#### The Susan B. Bill?

Rep. Seymour Halpern's proposal to reissue the $2 bill and put suffragette Susan B. Anthony's picture on it seems to us to have a lot going for it.

The $2 denomination, discontinued in 1966, makes even more sense today when the buck doesn't go nearly as far as it used to. And it would save the government an estimated $2.1 million a year in printing costs by replacing half of the ones with bills of twice that value.

True, Founding Father Thomas Jefferson, whose serenely handsome face used to grace the $2 bill, would be replaced by the rather grim visage Susan B. presented to a male chauvinist society.

But richly honored Tom already is represented on the nickel. And, Virginia gentleman that he was, we can't believe he'd mind a bit stepping aside for a lady whose company he might have found tedious but whose zeal for social progress he certainly would have admired.

One hitch seen by New York Republican Halpern and cosponsors of his proposal is that Women's Libbers will view it as an insulting sop to their ambition to innumerable high offices. Their suspicion might be merited if he had proposed putting Susan B. on a $3 bill.

But, given the economic temper of the times, Susan B. Anthony on a $2 bill might become even more familiar to the citizenry than two famous males popularized by our coinage. The Indian on the old penny. And the buffalo on nickels when nickels used to buy a good cigar.

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## LEGAL SAFEGUARDS FOR U.S. WORKERS IN DANGER

### HON. THADDEUS J. DULSKI

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Friday, November 12, 1971*

Mr. DULSKI. Mr. Speaker, the very capable Federal Spotlight reporter for the Washington Evening Star, Joseph Young, has indicated that plans are afoot to change the legal safeguards with regard to Federal employees.

This is a matter which merits our concern and I call the article to the attention of all our colleagues:

#### U.S. Moves To Fire "Subversives"; Automatic Ouster Called for in Plan

(By Joseph Young)

The Nixon administration is drafting plans for the automatic firing of all federal employes who are members of any organization the government decides is "subversive" or "revolutionary-terrorist."

The plan would abolish present legal safeguards adopted following the witch-hunts of the Joseph McCarthy era in the 1950s and the loyalty programs of the late 1940s.

It would apply to both "sensitive" as well as "non-sensitive" jobs in government.

Mere membership in a group listed by the attorney general as "subversive" is not now grounds to fire a federal employe. The government must prove that an employe is an "active and knowing" member of such an organization.

The proposed new standards would bring the dismissal of an employe if the government decided his continued employment "would not promote the efficiency of the service."

Apprised of the administration's proposed changes, federal employe union leaders expressed alarm that this could result in a new witch-hunt in the federal service.

They also express concern that the proposal would mean virtually any employe could be fired on vague charges.

##### WHO LISTS ORGANIZATIONS?

The union leaders ask who is to determine in these rapidly changing times of social stress and upheaval which organizations are "subversive" or "revolutionary" and which are not?

Federal union leaders say there is a grave danger that government employes belonging to groups demanding an end to the fighting in Vietnam or in the cause of school and housing integration and other social issues would stand to lose their jobs if the plan becomes effective.

Asst. Atty. Gen. Robert C. Mardian, chief of the Justice Department's internal security division, referred to the proposal in remarks prepared for an Atomic Energy Commission security conference. Mardian has also indicated the administration's thinking on the matter in testimony before Congress.

The ideas discussed by Mardian are only "working proposals," a Justice Department spokesman said today.

"These proposals," he said, "are simply part of our current evaluation of the existing security system."

Officials have not yet decided whether it would take new legislation or only a presidential order to put the proposals into effect, if a decision is made to implement them, the spokesman added.

##### DESCRIBED AS "LEGALISM"

In his remarks to the AEC group, he described as "legalism," federal court decisions which carefully circumscribed operations of internal security programs.

He said that "legal distractions . . . have placed an onerous, if not impossible, burden on government and industrial security officers," and that the new standards are part of several proposals to correct this.

Among others he named was a July 2 executive order from President Nixon authorizing the Subversive Activities Control Board to hold hearings and designate groups that fall into the "subversive" or "revolutionary-terrorist" category.

This order is under attack in Congress. There have been bills introduced by Sen. Sam Ervin, D-N.C., to bar use of federal funds to enforce the order.

Mardian argued that evaluating the membership in groups "dedicated to revolutionary-terrorist" principles would offer a "more realistic" test than present standards.

##### JUSTICE DEPARTMENT VIEW

Mardian argued that government agencies should be able to fire employees if membership in an offending group would diminish his agency's efficiency.

Mardian added that "the vast majority of Americans would . . . agree that persons who are knowing members" of such groups "should not be employed in even non-sensitive positions, not simply because they are disloyal, but because such people are not likely to improve the delivery of governmental services of a government system they are trying to destroy."

Queried by Jared Stout of the Newhouse News Service as to which additional organizations would be named as subversive or which kind of activities by federal employes would be regarded as subversive or revolutionary-terrorist, Justice Department spokesmen declined to do so.

A Justice Department spokesman said the proposed plan could take the form of either legislation or a presidential executive order.

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## RUSSIAN GRAIN SALE HISTORIC STEP

### HON. PAUL FINDLEY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. FINDLEY. Mr. Speaker, the sale of nearly 3 million tons of U.S. feed grains to the Soviet Union, announced last week, is an historic event of great importance to the American farmer.

The shipments that will be made between now and July 1972, equal more than 15 percent of all U.S. feed grain exports last year. This is particularly significant as we are in the midst of harvesting the largest corn crop in history. In addition to the tremendous lift this gives to agriculture, it also benefits the U.S. balance-of-payments position, since the Soviet Union will pay for the grain with U.S. dollars.

Beyond the immediate benefits of such a large sale—2 million tons of corn alone—are the long-term implications for U.S. agriculture.

This sale is further evidence that the Russians are making a serious effort to produce more meat and poultry products, and it means that they could be a continuing an important market for the feedstuffs required for a thriving livestock industry. While feed grains made up the initial sale, a good potential for sales of soybeans to Russia also exists.

It is an historic development that has opened the door to a new market of great potential for the U.S. farmer. I am inserting in the RECORD as part of my remarks the initial announcement of the sale from the U.S. Department of Agriculture and a fact sheet outlining the products being sold:

[From U.S. Department of Agriculture News]

UNITED STATES TO SELL GRAIN TO SOVIETS

WASHINGTON, November 5.—Two U.S. firms have firm offers to sell more than $125 million worth of grain to the Soviet Union and an agreement has been reached with the U.S. maritime unions to make the overseas shipment, Acting Secretary of Agriculture J. Phil Campbell announced today.

The Secretary said approximately 3 million tons of feed grains, "primarily corn," but including barley and oats will be involved in the sale.

"This historic development opens the door to an important market for American farm products—not only for this year but it can develop future avenues of trade that will be even more important to American farmers," Mr. Campbell said.

The sales of grain to the Soviet Union have been made by Continental Grain Company and Cargill, Inc., Mr. Campbell said. The grain, primarily corn, will be delivered between now and July, 1972. Payment will be in cash, with U.S. dollars.

Mr. Campbell also praised the leadership of President Nixon and the "statesmanship" of union leaders in negotiating to ship the grain.

Mr. Campbell called the agreement to move the grain a "breakthrough which offers major possibilities for American farmers."

The grain sale, which is equivalent to more than 15 percent of all U.S. feed grain exports last year, comes at a time when the U.S. is harvesting a record 5.4 billion bushels of corn.

The record corn crop is the result of increased plantings by farmers to offset a possible loss to a new, more virulent strain of corn blight, which cut the size of last year's crop by 15 percent. But weather conditions kept the blight in check, and a record production was the result.

Mr. Campbell said the corn involved in the sales will come from the free market—that part of the barley and oats will be from Government stocks and will move at world prices.

"These historic sales of grain to the Soviet Union may open a new era of understanding with the people of the Soviet Union," Mr. Campbell said. "There is every indication that Russia is expanding its livestock industry. Two USDA-sponsored teams which have recently completed study missions in Russia report that if the Russians carry out their present intentions they will need substantial quantities of feed stuffs which the United States is in a position to supply."

Mr. Campbell said, the arrangement that led to the completion of the sales agreement between the commercial grain companies and the Soviet Union is a result of President Nixon's charge to his staff to do everything practical to break a long impasse over the handling of grain shipments to the Soviet Union.

The Maritime Act of 1970 provides for a significant modernization of our merchant fleet. This Administration initiated this legislation to make it possible to compete in an ever-expanding market, and we are confident that the U.S. flag fleet will be competitive and will participate in new export fields.

GRAIN SALES—SOVIET UNION

I. CORN

2,000,000 metric tons=80,000,000 bushels—15% of last year's exports.

II. BARLEY

600,000 tons=28 million bushels—36% of last year's exports.

III. OATS

300,000 tons=21 million bushels—117% of last year's exports.

EXPORTS

[1970–71]

*Million bushels*

| | |
|---|---|
| Corn | 509 |
| Barley | 77 |
| Oats | 18 |

PRODUCTION

[1970]

| | |
|---|---|
| Corn (billion bushels) | 4.1 |
| Barley (million bushels) | 410.0 |
| Oats (million bushels) | 909.0 |

[1971]

| | |
|---|---|
| Corn (billion bushels) | 5.4 |
| Barley (million bushels) | 470.0 |
| Oats (million bushels) | 885.0 |

## DELBA AWARD TO MILTON BERLE

### HON. CRAIG HOSMER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. HOSMER. Mr. Speaker, the dedicated and public-spirited members of the Downtown Long Beach Associates next month will pay a richly deserved tribute to a great American entertainer and humanitarian—Milton Berle.

Milton will be the 1971 recipient of the "DELBA" award, presented annually by the Downtown Long Beach Associates to recognize the often unheralded humanitarian and philanthropic activities of our show business personalities.

In recent years, the organization has honored Danny Thomas and Bob Hope with this fine award and the presentation to Milton Berle will give it added lustre.

He is truly one of the giants of the entertainment industry, called "Mr. Show Business," "Mr. Entertainment" and "Mr. Television." But like many stage personalities, there is another side to Milton Berle that the public rarely sees.

Berle's stage personality, like many a movie villain, is entirely different than the real-life Milton Berle. While he comes off brush, arrogant, and fast onstage, it is just his act. In person, Milton Berle is rather a gentle man, kind, considerate, an innate gentleman. It is a personality far removed from the nightclub Berle.

He is a quiet humanitarian, sometimes too much so for his business managers. He has amassed millions as an entertainer but he would have given it all away if his advisers had not limited him to $150 a week pocket money.

Berle's talents need no detailed renumeration. His versatile artistry has found expression on the stage, motion pictures, nightclubs, radio—and television. Berle long was tagged "Mr. Television" for good reason. He was the first superstar of the youthful industry and he has remained consistently on top during the years of its growth.

Berle has probably done more benefits than any other star in show business. His philanthropies are many, and he gives to them generously of his time and money. A beloved figure in the world at large, Berle rehearses as hard for a benefit show as he does for the engagements which have earned him millions over the years.

No greater accolade can be given Milton Berle than when the Television Academy of Arts and Sciences honored him with this well-earned tribute: "The industry honors the man who made the industry."

Berle has come a long way since he started in show business at the age of 5.

He made his debut on television in 1929—to a closed-circuit audience in Chicago of 129 persons. He later became the first big name to break into TV when he bowed on NBC–TV's "Texaco Star Theatre" June 8, 1948.

Until 1956, he rode the medium s pinnacle of popularity for 8 consecutive years.

During much of that time, he stood alone as the first and biggest attraction offered by the electronic infant.

Known then as "Mr. Tuesday Night," he literally cleared the Nation's streets as millions turned to the nearest TV set—usually in appliance stores or at the home of a prosperous neighbor or relative—to catch his weekly hour-long show. Berle is generally credited with selling more TV sets in those days than all the Nation's appliance salesmen combined.

But where the comedic Milton Berle is more widely known, there is a serious acting side to Berle. His Emmy-nominated performance in television's "Doyle Against the House" and his critically acclaimed performance of the harassed agent in "The Oscar" added a new dimension to this multitalented performer's artistry.

In fact, his performance in "The Oscar" was so widely praised in Germany that the U.S. mission in West Berlin petitioned the White House to name Berle head of the U.S. delegation to the 1966 Berlin Film Festival. This, President Johnson did and Berle acquitted himself with distinction at the festival.

Mr. Speaker, I am pleased to join my friends of the Downtown Long Beach Associates in paying tribute to a great entertainer and wonderful human being.

## AN ADMINISTRATION CRITIC MEANS NEVER HAVING TO SAY YOU ARE SORRY

### HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. SCHERLE. Mr. Speaker, Monday, the weekly publication of the Republican National Committee, has printed many a telling observation of the political scene. Under the able editorial hand of John Lofton, Monday has been the source recently of some excellent political analysis. A good example of the kind of sound reporting which has made Monday respected on both sides of the aisle is the following article from the November 8 issue:

BEING AN ADMINISTRATION CRITIC MEANS NEVER HAVING TO SAY YOU ARE SORRY

Being a liberal critic of the Nixon Administration means never having to say you're sorry—even when the facts ultimately prove your charges wrong.

Back in February of 1969, after company executives of three major Southern textile manufacturers assured Defense Deputy Secretary David Packard that they would take "affirmative action" to reach equal employment goals, the Department of Defense announced approval of $9.4 million in contracts to the three firms.

"The lesson of my experience is that one can move ahead at the fastest pace on these employment issues when one enlists the cooperation and personal backing of the top executives of a company," Packard testified before a Congressional subcommittee explaining the Administration's flexible approach. "I believe that this is the best way to achieve what we are working for."

### CRITICS WANT BLOOD

But the Administration critics disagreed. They wanted no part of any effort which emphasized mediation, persuasion and voluntary cooperation.

Massachusetts Sen. Edward Kennedy, as head of the Judiciary Subcommittee on Administrative Practices, called a hearing and sternly rebuked Deputy Secretary Packard for awarding the contracts on the basis of "nothing more than a gentleman's agreement."

Former Vice President Hubert Humphrey accused the Administration of inconsistency and a "marked disparity between words and deeds."

Michigan Sen. Philip Hart called the Defense Department decision "unfortunate." Minnesota Sen. Walter Mondale charged that the Department of Defense "is the first Federal agency in the new Administration to impede efforts for racial justice here at home." Eight black Democrats in the House wrote the President expressing concern.

### WASHINGTON POST CRITICAL

The *Washington Post* editorially criticized the Administration's procedure as an "odd act" and warned: "They will have the most cause for regret if they opened a Pandora's box of resistance and regression."

In another editorial the *Post* labeled as "disturbing" Deputy Secretary Packard's personal, special dealing with the companies and said that "That way lies real trouble."

The "trouble" the *Post* worried about has now occurred but it is not quite what the Administration's critics suggested it might be. According to Defense Department statistics released at the end of September 1971, the Nation's five largest textile firms (including the three awarded contracts in 1969), show substantial increases in minority employment during the period 1968–1971.

### MINORITY EMPLOYMENT IMPROVES

Reviews conducted by the Defense Department's Contracts Compliance Office show that in these five companies—Burlington Industries, Dan River Mills, J. P. Stevens, Fieldcrest Mills and Spring Mills—employment of minority males increased 25.7 percent; minority female employment rose 118 percent and total minority employment increased from 21,031 to 31,182, an increase of 48.3 percent.

Back in 1969, before Sen. Kennedy's subcommittee, Deputy Defense Secretary Packard told the Massachusetts Democrat: "We can measure progress by the results they have achieved and I think that's the important part of it."

Now that they have been proven wrong, will Sens. Kennedy, Mondale, Humphrey and Hart; the eight black Democrats in the House and the *Washington Post* admit they were in error? Don't hold your breath.

## FORMER SPEAKER OF CUBAN HOUSE OF REPRESENTATIVES BECOMES AMERICAN CITIZEN

### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. RARICK. Mr. Speaker, Mr. Antonio Martinez-Fraga, a former Cuban Congressman, twice Speaker of the House and a Senator for many years prior to the overthrow of Cuba by Castro, has now become an American citizen and I am proud to say resides in my congressional district.

Mr. Martinez-Fraga has recently written to me expressing his views on the dangers which threaten our liberties and of his dedication to our country as the last bulwark of freedom.

I feel that all our colleagues will benefit by reading Mr. Martinez-Fraga's letter and will appreciate the inner feelings of one of our new citizens who knows firsthand what it is to have been forced to flee from the Communist menace which has subjugated his country and people and of his intense devotion to the United States as his adopted country.

I ask that his letter follow and commend it to our colleagues.

KING'S FOREST,
*Covington, La., November 8, 1971.*

Hon. JOHN R. RARICK,
*House of Representatives*
*Washington, D.C.*

DEAR MR. RARICK:

As a Cuban—who has had the honor of being a congressman, twice Speaker of the House and a senator for many years up to the unfortunate Batista's coup d'etat in 1952, and a graduate as a lawyer and a doctorate in International Laws and Public Affairs at Havana University—I have performed during my exile in America for more than twelve years my best efforts and sacrifices for the freedom of the Cuban people from the Russian slavery represented by its puppet Fidel Castro, the notorious gangster at the service of the International Communism since the bloody episode of Bogota, Columbia, in 1948.

But the fulfillment of my duty could not and cannot be accomplished especially after the personal and unconstitutional pact negotiated between the late president John F. Kennedy and the also late communist dictator Nikita Khrushchev in order to secure to the Soviet Union its control and domination upon Cuba—just in the heart of the Western Hemisphere—in exchange for a promise which could never be verified during the so-called Cuban crisis in 1962, nor thereafter. This last and dramatic chapter of the Monroe's doctrine funeral has never been approved by the U.S. Senate, and it is a permanent violation of the Joint Resolution approved by the Legislative Branch in Congress assembled on October 3, 1962.

Such irreparable fact, direct result of serious political mistakes, has been increasing the growing peril under which the United States has to live as long as Communism stands for the total domination of the world. And all Cubans who have been received by the American people with open arms cannot ignore such peril, nor they either can forget their eternal debt of gratitude with the American people. I think that now my time has come to start paying such special kind of indebtness, and the best way to do that for all Cubans in America is acquiring the American citizenship, so that we can fight with our votes in defense of America, the only country in the world which is able to save mankind from the Soviet Union domination. But now, when the United States is suffering the most perverse subversion put in motion by Communism from inside America; now, when such a subversion is largely coming from the Russian colony in the Caribbean Sea, especially through Canada. But now, when the "new isolationists", the demagogic politicians, the faint-hearted and weak-kneed peacemakers, the color bearers of the protests and strikes, the outstanding representatives of the very well-known communist organizations, the notorious preachers who claim that the cold war is only a memory perpetuated by the "military-industrial complex", and that the necessary and successful nuclear test on Amchitka Island in Alaska would be a tremendous crime against mankind, but all of them unified, by chance perhaps, under the flying colors of the radical liberals whose purposes are to crush the moral principles of the American family, to destroy the American economy, to reduce to ashes our military defenses, and to break the enforcement of the law and order in evident coincidence with the same finality pursued by Communism. Such a decision has to be taken now, when you, as well as many congressmen and senators are fighting with real courage against the aforementioned small but numerous groups. Now, in order to use in due time the powerful weapon of the American citizenship: the vote.

All of us, the Cubans from birth, in the United States should begin paying our debt of eternal gratitude helping America to be saved, and through America when time comes with the help of God to restore freedom in Cuba and in all the unhappy countries which are dying under the thumb of Communism.

Therefore, one of our most important civic duties now, as American citizens, is to alert the Cuban exiles toward the above-mentioned purposes.

God bless you, Mr. Rarick, that is my salute and the salute of my family as new American citizens.

Very respectfully,
ANTONIO MARTINEZ-FRAGA, LL.D.

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## SEND THE U.N. SPIES TO MOSCOW?

### HON. JOHN M. ASHBROOK

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. ASHBROOK. Mr. Speaker, the June 1971 issue of the publication of the Veterans of Foreign Wars, VFW magazine, carried a very informative article by FBI Director Hoover entitled "Mao's Red Shadows in America."

In the article Mr. Hoover stated:

> Red Chinese intelligence in the United States, as compared with Soviet Russia's, has a major handicap in that Peking is not recognized diplomatically by this country nor is it a member of the United Nations. This deprives the Red Chinese of a legal base from which to operate spies. A high percentage of Soviet espionage, for example, is carried out by Soviet diplomats assigned to either the Soviet embassy in Washington or the USSR's Mission to the United Nations in New York.

Mr. Hoover's statement, of course, predated the infamous action of the United Nations in admitting Red China to the world body while at the same time expelling our friend and ally, the Nationalist Chinese Government on Taiwan. The Red Chinese now have a "legal base from which to operate spies"—the United Nations. In another example of its excellent coverage, the New York Daily News of November 11 carried a front-page headline reading "Red China Envoy Tabbed As Spy."

Two articles on page 3 of the News pointed out that Kao Liang, the head of Red China's advance party at the United Nations, is an old intelligence pro who has done yeoman work for the Chinese Reds in a number of African nations. Now, in addition to the U.S.S.R., the Soviet-bloc nations and Cuba, we can look forward to a Red Chinese network of spies working from an additional legal base within our country. Year after year, Mr. Hoover in his annual appropriations statements, has warned of the increasing activities of the Communist representatives here in the United States in addition to the "illegals" who sneak into the country and ply their espionage wares. On March 17, 1971, before a House subcommittee of the Appropriations Committee Mr. Hoover stated:

> Some of the Soviet-bloc intelligence officers in our country are "illegals" who have no ostensible connection with the USSR. They are deep-cover intelligence professionals who easily blend into our population using assumed identities. Eventually each becomes the nucleus of an espionage network. The detection and identification of these deep-cover agents constitute counterintelligence problems which require much detailed and extensive investigative effort.

Now that the Chinese Reds have a U.N. base, they can take a lesson from Fidel Castro on how to use their U.N. mission as a base for intelligence operations and in coordinating the efforts of violence-prone radical groups of American citizens who seek to create trouble both here and in Latin America. Lest one doubt that there are American citizens who will do the revolutionary bidding of Mao and the Reds, the above-mentioned article by Mr. Hoover in the VFW magazine should dispel such doubts. This article which was first inserted in the Congressional Record on June 15 of this year by Congressman John Schmitz, of California, is of such importance that I am again inserting it at the end of my remarks.

Concerning the use of the U.N. as an espionage base and what possible solution might eliminate this problem, a resolution on the U.N. passed earlier this year by the American Legion at Houston, Tex., recommended consideration, among other things, of the following:

> For the second 25 years Russia should provide a U.N. site and buildings.

If such a change were to come to pass, it would indeed be interesting to see how the Soviets would handle the likes of Kao Liang in Moscow.

I request that the following material be inserted in the Record at the end of these remarks:

The two items from the New York Daily News by its news bureau and reporter William Federici; excerpts from Mr. Hoover's appropriations statement of March 17, 1971; the article from the VFW magazine, "Mao's Red Shadows in America"; and the American Legion resolution on the U.N.

[From the Daily News, Nov. 11, 1971]

### CHINA ADVANCE MAN CALLED AN EXPERT SPY

Washington, Nov. 10.—Kao Liang, head of Red China's advance party at the United Nations, is an espionage expert who once selected African recruits for guerrilla training at Chinese camps in Cuba, United States officals disclosed today.

These officials, revealing Kao's role as a top Chinese intelligence agent, told The News that he was active in East Africa between 1961 and 1967.

While ostensiblv serving as a journalist for Peking's New China news agency, they said, Kao was a major figure in a pro-Peking coup in Zanzibar in 1964, then moved to the French Congo (Brazzaville), when he advised the government's counterespionage police and serve as China's chief guerrilla recruiter for East Africa.

Kao arrived in New York Monday as head of a six-man advance party for the official Peking UN delegation scheduled to arrive tomorrow. He paid his first visit to UN headquarters yesterday.

U.S. intelligence maintains a fat file on the Chinese diplomat-journalist, who was kicked out of India in 1960 for "tendentious reporting."

Kao had arrived in New Delhi as a New China news agency correspondent four years earlier. About a year after his expulsion, he surfaced as a roving correspondent in Africa.

Soon after, Western intelligence identified him as the principal Chinese Communist espionage agent in East Africa. He was expelled from Mauritius, an island nation in the Indian Ocean off the African mainland, in 1964.

He was reportedly active in Nepal and in Switzerland, where he attended the 1961 Geneva conference in Laos. His most recent public appearance was last spring, when he accompanied the Chinese ping-pong team to Japan for a tournament that led to the historic invitation for a U.S team to visit Red China.

Sources said that Kao passed out money and arms to pro-Chinese insurgents in Zanzibar in 1961. One of them was Shiek Abdul Rahman Muhammed, a New China news agency stringer who emerged as foreign minister after the coup.

While in Africa, Kao lived lavishly, maintaining a large house and car and throwing expensive parties. He left Africa in March 1967.

#### BEGAN WITH NEW CHINA

The Chinese news agency, like the Tass news agency, its Soviet counterpart, is considered by United States intelligence as a front for espionage activities in some countries. Red China's deputy foreign minister, Chiao Kuan-hua, who heads the official delegation to the UN, began his career as a correspondent for the agency before entering the diplomatic service.

Using the UN as a cover for espionage is not new, according to U.S. sources. Last month, American intelligence sources leaked a charge that Vladimir Pavlichenko, a director of the UN public information office, is an officer of the Soviet intelligence agency, the KGB.

American intelligence estimated that at least half the Soviet officials at the U.N. are KGB agents.

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### INSCRUTABLE SUPERSPY PLAYS IT COOL . . .

(By William Federici)

United States authorities had expected that at least one member of Peking's advance party to the United Nations would be a spy. But when the word was passed through the intelligence network that Kao Liang was to head the group that arrived Monday, intelligence people here flipped.

So far, Kao, the man billed as a top Red Chinese agent, has spent most of his time here looking for an unbugged home for the delegation.

#### SECURITY CHIEF FRONT

But nobody is taking any chances. The 5-feet, 10-inch, 175-pound superspy is being watched by an assortment of undercover cops, as well as by agents from Russia, Britain and the United States, to mention but a few.

Everybody, including local police, have been given a complete description of Kao's modus operandi.

There are strong suspicions that his role here will be that of "coordinator," never making any subversive contacts or deals himself but fronting as chief security officer for the new mission.

Kao's appointment here was considered "very interesting" by one top U.S. agent. "Either they think we wouldn't believe it possible that he would be used as a spy, or their intelligence chief is a very sophisticated man and they are going to make the most of him."

#### ANOTHER IS REAL SPY?

Meanwhile, Kao has made the agents' job easy. He has been photographed repeatedly and is talking freely and pleasantly to any man with a badge.

One government agent believes that Kao's main job here will be to keep an eye on another member of the advance party, who is the real spy.

Privately, agents say there is the possibility that Kao is being rewarded for a series of jobs well done all over the world and assigned to great duty in the glass house on the East River.

Nobody has told U.S. authorities where the Red China delegation will take up permanent residence here. But it is expected that Kao will be the man who selects it and finally tells them, "when he thinks it is necessary," a source said.

### ESPIONAGE AND COUNTERINTELLIGENCE

#### THE SOVIET BLOC

Mr. Hoover. The most serious threat to the security of our country is Soviet Russia and its satellites. As the power of the USSR has grown since the end of World War II, so has the intensity of the Soviet-bloc espionage aimed at the United States. The FBI as a result has been confronted with a constantly increasing volume of work.

There has been a steady increase over the years in the number of personnel from the Soviet-block countries assigned in the United States. As of March 1, 1971, there were 1,172 Soviet-block officials and 1,454 of their dependents in our country. The buildup is evident when we compare these figures to the 806 officials and 1,174 dependents here as of July 1, 1966. Not included in the figures cited are the numerous couriers, members of special delegations and other officials temporarily in this country but not assigned to official establishments.

(Discussion off the record.)

Mr. Hoover. A Soviet defector has stated that 70 to 80 percent of all personnel assigned to Soviet diplomatic establishments work in the intelligence field.

I hand to the Chairman two charts which show the number of Soviet-bloc personnel in this country since 1966 and a breakdown by countries of the personnel currently here.

Mr. Rooney. The two charts referred to by the Director will be inserted at this point in the record without objection.

Mr. Hoover. The targets of the Soviets aided by the intelligence services of the satellite countries of Poland, Czechoslovakia, Romania, Hungary, Bulgaria, and Mongolia, are our most closely guarded military, scientific, political, economic and industrial secrets. In addition to engaging in clandestine activity to obtain vital data of these types, the Soviet-bloc intelligence officers collect a wealth of publicly available information at conferences and conventions as well as from periodicals and magazines to which they subscribe.

Some of the Soviet-bloc intelligence officers in our country are "illegals" who have no ostensible connection with the USSR. They are deep-cover intelligence professionals who easily blend into our population using assumed identities. Eventually each becomes the nucleus of an espionage network. The detection and identification of these deep-cover agents constitute counterintelligence problems which require much detailed and extensive investigative effort.

### COMMUNIST CHINA

Despite its differences with the Soviet Union, Red China continues to regard the United States as the common enemy of the people of the world and its propaganda is designed to stimulate disruption of our society. The so-called "sleeping giant," Red China, has awakened from the lethargy of the cultural revolution and is forging ahead with its intelligence-gathering and revolution-inspiring activities against the United States.

Although the Chinese Communists have no diplomatic establishment in the United States, they carry out their intelligence activities through representatives in Canada and broad-based contacts among established Chinese-American communities in this country. The large number of Chinese entering this country as immigrants or temporary visitors includes some undercover agents dispatched to gather intelligence.

The Chinese Communists have shown support for revolutionaries in the United States. Eldridge Cleaver, Black Panther Party Minister of Information and a fugitive from justice, was hosted in Peking in September 1970 prior to the opening of the Black Panther's international office in Algiers.

A number of pro-Chinese Communist organizations and groups within our country militantly oppose the U.S. policy on Vietnam as well as the Chinese Nationalist Government. One of these is the Red Guard in San Francisco, a militant group of oriental youths which encourages its members to become proficient in the use of firearms. Another militant organization is I Wor Kuen (meaning righteous, harmonious fist) which is composed exclusively of Chinese-Americans, many of whom are from the educational community. This group, based in New York City, contends the yellow race is oppressed and should fight for equality. The I Wor Kuen has a publication which parrots the lines of the Black Panther Party and the Students for a Democratic Society.

Also active in this country is a 500-member group of native Taiwanese who advocate the overthrow of Chiang Kai-shek and self-determination for the Formosan people. The ever-increasing violent posture of this group surfaced in April 1970 when two of its members attempted to assassinate Chiang Kai-shek's son, Vice Premier Chiang Ching-Kuo, who was visiting in New York City.

Our work in Chinese Communist matters has increased consistently over the years and with the intensification of intelligence efforts by Red China, this work is expected to increase substantially.

### CUBA

Fidel Castro uses the Cuban Mission to the United Nations as his base for intelligence operations inside the United States. Officers of the Cuban Intelligence Service make up over half of the entire complement at the Cuban Mission.

These agents are well-trained professionals dedicated to Castro. Cloaked in diplomatic immunity, they have been deeply involved in such varied activities as the dissident student movement, the Puerto Rican independence efforts and the racial and New Left movements. There is mounting evidence of Cuban Government support of individuals and groups engaged in violence in our country, such as the Weatherman faction of the Students for a Democratic Society, the Puerto Rican Socialist Workers Party, the Armed Revolutionary Independence Movement of Puerto Rico, and Cuban-trained Puerto Rican terrorists, Filiberto Ojeda Rios, Narcisco Rabell Martinez, and Roberto Todd Pagan.

On October 9, 1970, the Department of State, acting on documented evidence developed by the FBI, declared two Cuban intelligence officers persona non grata. Rogelio Rodriguez Lopez and Orlando Prendes Gutierrez were counsellor and first secretary, respectively, at the Cuban Mission to the United Nations. Rodriguez was the intelligence principal of Jennifer Enid Miles, a foreign national who admitted that she had been recruited by the Cuban Intelligence Service to develop in Washington, D.C., political intelligence of interest to the Cuban Government. Until her voluntary departure from the United States, she was employed in a clerical capacity at the embassy of a friendly foreign government.

Castro made a lasting impression on the dissident groups which visited and worked in Cuba during the past year. Some 1,300 members of the Venceremos Brigade, for example, went to Cuba to cut sugar cane. While there, they were subjected to heavy doses of revolutionary propaganda and constantly reminded that they were the vanguard of the revolution in the United States. The members of these groups provide the Cuban Intelligence Service with excellent recruitment possibilities.

While the Cuban Government has curtailed the refugee flow to other countries, the freedom flights continue to bring over 3,000 refugees into the United States each month. The vast majority of Cuban refugees are genuinely anti-Castro; however, some have actually been covert agents dispatched from Cuba with intelligence assignments.

Even though we are confronted with much additional work, we cannot relax our vigilance in attempting to neutralize Castro's continuing efforts to build up his intelligence potential in our country.

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[From VFW magazine, June, 1971]

## MAO'S RED SHADOWS IN AMERICA

(By John Edgar Hoover)

Mao Tse-tung, the Red Chinese dictator, is some 6,000 miles from the United States. But the shadows of pro-Peking subversion are daily becoming a more serious problem in this country.

### EXAMPLE 1

It was a warm evening in May. In a city not far from San Francisco several cars drove through a suburban area and then parked. Their occupants hurried into an attractive small home. A friendly gathering of people.

But, not quite. This was a meeting of a "collective" (or cell) of the Revolutionary Union (RU) a group dedicated to Mao Tse-tung and his doctrine of the Marxist-Leninist revolution.

Inside, the meeting came to order. The chief speaker, one of RU's West Coast leaders was talking.

"The RU," he said, smacking his fist into his hand, "is placing far too much emphasis on theoretical work. Reading, studying and theory have their place—but not now. The times demand direct action."

He paused for a moment, almost caught up in a rage. He turned and slowly looked into the eyes of every member present, as if he were talking to each individually. This was a group small in numbers, but hysterically dedicated to the teachings of Chairman Mao.

The leader leaned forward, almost hissing between his teeth. "We must start arming. Only in this way will we awaken the revolutionary masses."

### EXAMPLE 2

The man had entered the United States from a foreign country. He was a "tourist"—there was no doubt about that. He wouldn't stay permanently. But he had assignments other than just sightseeing. As a pro-Peking intelligence agent, he was gathering information of many types.

In the eyes of this spy, and his masters in Red China, the U.S. was the "citadel of imperialism," "Enemy Number One"—a nation with a vast array of scientific, technological, military and other types of information which, as much as possible, must be stolen or otherwise obtained for use by Mao's government.

### EXAMPLE 3

The woman was medium in stature. Her brown eyes reflected a cold, steel fanaticism. She stood behind the podium with a sheaf of papers scattered in front of her.

"I have lived in the Peoples' Republic of China under Chairman Mao. His thoughts and teachings have brought success to the 'people's revolution.' He represents the wave of the future. You must learn more about him—who he is, what he stands for and what you can do to help him.

"You are in an excellent position to tell the story of Mao to Americans. Many of you here today are students. You are working with students on college campuses and young people in industry. Carry to them Chairman Mao's message of revolution."

The group?

A New England cadre training session of the Progressive Labor Party (PLP), a pro-Maoist activist organization with headquarters in New York.

The woman speaker?

A person very closely connected with the Peking regime.

What do these three incidents tell us?

First, there is a variety of pro-Maoist groups in the United States, such as the Revolutionary Union and the Progressive Labor Party, which, although often in dispute over the tactics of bringing about the revolution, are working zealously for the Red Chinese cause.

Second, this nation today is the target of a growing Red Chinese espionage campaign designed, among other things, to gather confidential data for Peking.

Third, Red China desperately wants to make contact with and influence our rising generation, both college and high school students as well as youthful workers employed in industry.

Let's examine in more detail these Maoist thrusts.

The two main pro-Maoist groups, highly competitive with each other, are the Progressive Labor Party and the Revolutionary Union. Each has its own program, origins and, on occasion, feuds with the other. But both are fanatically loyal to Mao doctrines.

PLP's chief contribution to the Red Chinese cause has been the "pulling off" of an almost unbelievable revolutionary feat—that of not only influencing, but ideologically capturing a sizeable number of America's most militant and radical youth!

Here is what happened—and this technique looms as a threat as to what can happen in the subversive indoctrination of youth.

First of all, we must realize that the PLP is what we call an Old Left group, that is, it draws its ideological roots from the Bolshevik Revolution of 1917 (as do the pro-Moscow Communist Party, USA, and the Socialists Workers Party or Trotskyists). Actually PLP was formed in 1962 by dissidents expelled by the Communist Party after bitter internal dissension caused by the Sino-Soviet dispute.

Moreover, not only is PLP Old Leftist (which means strict discipline), but it represents the most orthodox, traditional and dictatorial interpretation of Marxism-Leninism, namely, that delineated by Mao.

Yet, despite this Old Left background, PLP was able, through hard work, masterly maneuvering and a keen sense of strategic timing, to so project a "face" of activism, revolutionary zeal and youthful appeal as to strike deep roots on college campuses.

The Worker-Student Alliance (WSA), a PLP-sponsored college group, grew steadily. (The name comes from PLP's emphasis that students and workers form an alliance to bring about the Communist revolution.) In June, 1969, WSA even attempted to gain control of the New Leftist Students for a Democratic Society (SDS).

This attempt tore SDS apart, leading to the rise of factions, such as the extremist-anarchist Weatherman, which were to become separate entities. The WSA faction claims to be the legitimate SDS and today, with headquarters in Chicago, it calls itself by this name and issues a newspaper, *New Left Notes*, the name of SDS's former official paper.

In other words, an Old Left group, believing in Maoist Communism, with its strict discipline, organizational control, and concept of the dictatorship of the proletariat, was able to influence and control students who, caught up in the mood of New Left extremism, were denouncing the "tyrannical Establishment" and demanding more "freedom!"

Surely, PLP's exploit must rank as one of the most remarkable and paradoxical in Marxist history in this country.

In late December last year, WSA–SDS held a national convention in Chicago, with an estimated 900 to 1,000 registered.

PLP's newspaper, *Challenge*, headlined the proceedings: "Best SDS Convention: 'Worker-Student Unity is Key to Victory'" and wrote:

"Over a thousand students came from dozens and dozens of schools from every corner of the country. . . . This convention showed that SDS is a strong and growing organization composed of students who want to ally with workers, and NOT a group of crazy terrorists."

As part of the convention proceedings, delegates conducted on-the-street agitation, handed out PLP literature, made personal contact with workers:

"Nearly 400,000 flyers were handed out. Many students on the brigades (organized by the convention) passed out PLP leaflets. All 100,000 PLP flyers were given out in the first two days, 6,000 *Challenges* were sold, and over 600 workers from the communities and factories gave us their names and phone numbers so that we would work together in the future."

Here is a pro-Maoist group, active on campuses, which says, among other things:

"We see that millions are awakening to the need to seize power and set up a dictatorship of the working class . . . Resist the military; fight ROTC and veterans organizations. Agitate inside the armed forces if drafted: There are many ways of resistance within the Army, literature, discussions, organized rebellions, sabotage. Disrupting the courts: Carry the struggle to the courts—turn the court into a political forum . . . Hate the law of the land and the law enforcement officer. Indoctrinate the workers in industry with Maoist Communism. Make the university an agency for propagandizing the revolution."

Membership of the parent PLP group is not large, running over 300. However, through the WSA–SDS, this pro-Maoist organization is able to reach thousands of young people, especially on campuses. It is known, for example, that PLP maintains close contact with pro-Red Chinese organizations abroad. The Chinese Communist subsidize the PLP through the purchase of its publications. PLP leaders have been in periodic contact with Chinese agencies and these leaders on occasion have visited the Chinese mainland.

No wonder PLP proudly sent greetings to Mao Tse-tung last fall on the occasion of the 21st anniversary of his regime's seizure of power.

What about PLP and WSA–SDS opinion regarding the use of violence?

Being Old Leftists, they are not opposed in principle to violence, but they do not feel the time is yet ripe for its use to bring about a revolution. Hence, they oppose the anarchist style of Weatherman violence:

"SDS is Not against violence," says an article in *New Left Notes*, "but we oppose the mindless violence of small terrorist groups isolated from the people, lashing out in frustration at friend and enemy alike. This includes aimless property destruction and attacking other students and workers on campus."

A growing minority inside PLP and WSA-SDS, however, is chafing at this policy of nonviolence. This group feels that violence is needed to bring about the destruction of the hated Establishment. Much will depend on the outcome of this internal argument.

The second major Maoist group's emphasis, is on violence. The Revolutionary Union believes guerrilla warfare is essential to revolutionary action:

"We recognize the need for organized armed struggle against the power of the state . . ." "The people must be armed . . ." "The organized repressive violence of the state (police) must be met with the organized revolutionary violence of the people."

As one observer commented, RU's policy is "g before p"—guns before politics!

FBI investigation reflects that RU members have accumulated weapons and have engaged in firearms and guerrilla warfare training.

Originally based in the San Francisco area, RU has now spread to other cities, in the South, Midwest and East.

Membership is not large, perhaps several hundred. Adherents have come from former members of the Communist Party, USA. At the same time, RU has been successful in attracting both high school and college activists. One youthful member of RU claims to have lived in China and participated in Mao's infamous Red Guards. Key leadership has been given to RU by self-styled intellectuals.

The RU has been rent recently by a violent dispute on the question, "When the revolution?"

In late 1970, a splinter group, calling itself Venceremos, split from the parent RU. This group feels that RU is hesitating on its commitment to armed struggle now, preferring to build a mass base before an actual insurrection. In Venceremos' eyes, the time for an armed struggle is now:

"We believe that armed struggle is an actuality now, not an eventuality."

These militants give strong support to the Black Panther Party: "We support the Black Panther Party and recognize it as the vanguard of the American revolution. We want to unite with the Black Panther Party in every way possible."

What is Mao's fascination for these individuals? Here is a man in a distant foreign country, whom these radicals have never seen. They know little, if anything, about Red China. Why are they so infectiously enamored with him and Peking's program?

For some of the old-line Marxists in the PLP and the RU, Mao is the personification of the "original purity" of Marxism-Leninism, a Communist leader who bitterly resisted the Khrushchev brand of "revisionism." To these comrades, the Soviet Union and its mouthpiece in this country, the Communist Party, USA, have betrayed the "revolution." They feel that Mao, as one of international Communism's pioneers, alone held firm to the original revolutionary principles of Lenin and his successor, Stalin.

To these adherents, Mao is a man of the "old school," believing in discipline, strict organizational control and Communist orthodoxy. They view Mao's "Great Cultural Revolution" as a purge necessary to oust the decadent and revisionist elements which are gradually creeping into Communism.

For the younger members, Mao (like Fidel Castro and Che Guevara) is a charismatic guerrilla leader who fought the "Establishment of his day" and won. They think in terms of the young, tempestuous, romantic guerrilla leader. They feel Mao's call to arms is what is needed in the United States.

All the time, the red wind of espionage from the Far East continues to blow. The FBI's investigation reflects stepped-up intelligence activity by Peking.

Red Chinese intelligence in the United States, as compared with Soviet Russia's, has a major handicap in that Peking is not recognized diplomatically by this country nor is it a member of the United Nations. This deprives the Red Chinese of a legal base from which to operate spies. A high percentage of Soviet espionage, for example, is carried out by Soviet diplomats assigned to either the Soviet embassy in Washington or the USSR's Mission to the United Nations in New York.

Peking is attempting espionage in a variety of ways, one is to endeavor to introduce deep cover intelligence agents into the United States, trained Peking agents who clandestinely enter this country using false identities and identifications and attempt under the cover of being an American to conduct spy operations.

Third countries are used as bases of attack against the United States. The New China News Agency, an agency of Communist China, has an office in Canada. Though claiming to be a legitimate news-gathering organization, it is obvious that the New China News Agency serves as Red China's chief propaganda outlet abroad and has the potential of supplying Peking with intelligence of all types.

Penetration of Chinese ethnic groups in the United States is also tried. The overwhelming majority of Chinese Americans are loyal to this country, and only a very small percentage are sympathetic to Peking. Yet, Mao leaders constantly seek to identify those Chinese Americans who might help them, especially among the younger elements who might have a sentimental pride in the so-called "accomplishments" of Mao in the ancestral homeland.

Recruiting of agents among indigenous pro-Maoist American groups, such as the Progressive Labor Party, Worker-Student Alliance and the Revolutionary Union, is yet another method. The indoctrination of members of these groups in Mao ideology makes them prime candidates for the carrying out of Red Chinese espionage assignments.

Spy couriers are developed. They are individuals who travel between the United States and other countries and can engage in spy activities. This also includes the development of mail drops in third countries whereby spy data can be transmitted.

We must be alert constantly to the possibility that, following an established espionage pattern, we may find the Red Chinese attempting to introduce "sleeper agents" into the United States among the thousands of Chinese refugees who immigrate annually. The same observation applies to hundreds of Hong Kong-based merchant seamen who desert in American ports, some of whom vanish into the American mainstream.

The shadow of Mao Tse-tung can be seen and felt in the United States today. We can expect the subversive danger to grow as time passes. The only way to meet it is to be prepared. This the FBI is doing through its investigations and the training of its personnel. For example, we are giving instruction to FBI agents in the various Chinese dialects. In this way, our agents are capable of conversing in the native tongue, and the FBI will be able to handle present and likely future contingencies.

Above all, the FBI needs the constant and concerned cooperation of patriotic Americans such as the men and women of the Veterans of Foreign Wars. You, as veterans, know the perils of subversion.

My associates and I are deeply grateful for the splendid cooperation which you have given the FBI. To all the readers of the *V.F.W. Magazine*, we say, "thank you."

### SUBJECT: UNITED NATIONS ORGANIZATION

Whereas, when the United Nations Organization was formed in San Francisco in 1945, The American Legion acquiesced in United States membership with the provision that it not become a World Government; that our sovereignty not be impaired; that it not become "the cornerstone of United States foreign policy;" and

Whereas, by 1953 House and Senate hearings caused misgivings as to U.N. activities and personnel, as shown by two articles in the Legion Magazine; and

Whereas, the U.N. now has 127 members, one but a tiny island, others of county size, yet all having a vote equal to that of the United States despite the fact that 66 have failed to pay all dues and assessments; and

Whereas, in the 1970 U. N. General Assembly, the Soviet Union, its satellites, and votes of neutralist nations, with those of Canada, Italy, Sweden, Cuba and Chile, mustered a majority of 51 to 49 for admission of Communist China; and

Whereas, the next session might remove the two-thirds voting requirement for admission, and the United States being $400 billion in debt and forced to curtail foreign aid, will be deserted like a sinking ship; now, therefore, be it

Resolved, by The American Legion in National Convention assembled in Houston, Texas, August 31–September 1, 2, 1971, that the Legion's Foreign Relations Commission formulate an up-to-date Legion policy toward the United Nations for submission to the May 1972 NEC meeting, giving consideration to the following:

1. The Peking government does not qualify as a legitimate one having seized the China mainland by force; likewise Tibet; and is an aggressor in both Korea and Vietnam.
2. Russia has 3 votes in the Assembly; the United States should demand one each for Alaska and Hawaii before the next session.
3. U. N. staff personnel being apportioned on population, Communist China with 800 million people, would fill more positions than the 5 other largest nations.
4. The Two-China policy is a deception and sell-out, because loss of face for the U. S. in the Orient is serious.
5. A new Association of Free Nations of the World might be preferable to U. S. withdrawal from the U. N. which Russia might try to hold together under her sway.
6. For the second 25 years Russia should provide a U. N. site and buildings.
7. Congress should limit our dues to $30 million and 30% of assessments.
8. The term of our quota of U. N. employees should be 4 years so that the disloyal and incompetent can be replaced and not be reinstated with back pay by the U. N.
9. The United States financial contribution be limited to its fair share of the cost of operation in a ratio of one nation, one vote to the total membership in the United Nations.

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## THE TRANS-ALASKA PIPELINE: CONCERNS OF THE CORDOVA DISTRICT FISHERIES UNION

### HON. NICK BEGICH

OF ALASKA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. BEGICH. Mr. Speaker, on February 16, 1971, at the Department of Interior hearings on the environmental impact statement for the Trans-Alaska Pipeline, I testified as follows:

> As an Alaskan who is dedicated to the development of a prosperous economy for the people of my State, I want to insure that the present impact statement is a comprehensive and probing analysis into the environmental aspects of the project. I want to be certain it contains none of the fatal shortcomings of the prior report.
>
> I want to know that this project can be accomplished with minimal damage to the genuine principal resource of Alaska—its magnificent natural environment. If you can prepare a final statement that will stand up to incisive public scrutiny on this issue, then a project of unprecedented economic value to Alaska and the Nation can begin. Simply stated, I want your final statement to be excellent because I want full knowledge regarding the environmental impact, and I want it to be excellent because I believe it must be so for the project to begin. My comments and criticisms are offered in that spirit.

I still adhere to that position and believe that in the case of the pipeline, as well as all aspects of our Government, that openness of the process is the best guarantee of wise decisionmaking. Today, I am inserting in the RECORD a fact sheet prepared by the Cordova District Fisheries Union, made up of fishermen from the Prince William Sound area of Alaska. They raise a number of concerns which should certainly be considered as the final environmental impact statement is prepared.

The fact sheet follows:

### FACT SHEET

#### MEMBERSHIP

The Cordova District Fisheries Union—478 membership in 1971. All members are commercial fishermen that fish in Prince William Sound and the adjoining Copper River Delta areas.

#### INVESTMENT

Average investment in equipment, vessels and other related fishing equipment of all Union members in the aggregate is estimated at over 11 million dollars according to a recent survey. This figures out to an average investment of $23,200 for each individual member. The only source of income for the majority of fishermen is from the waters of Prince William Sound and the Copper River areas.

#### CORDOVA

The town of Cordova is the center for the great majority of all fishery activities in the Prince William Sound and Copper River districts. The population is estimated to be 1,500 in the summer and 1,100 in the winter. A recent survey indicated that 84.9 per cent of all local business in Cordova is directly dependent on the fishery. The total value of all fishery products up to and including the wholesale level was $19,613,680.00 in 1969, the latest year for which complete figures are available. Up to 90 per cent of this value is directly attributable to the various salmon species that are fished in the area.

#### PRINCE WILLIAM SOUND

One of the great natural sounds in North America. Well over two thousand miles of rugged beautiful shoreline lay within the confines of the confines of the several large outer islands that separate it from the open ocean. The Sound is very irregular in outline, with great arms spreading in all directions. Many of the islands and peninsulas in the Sound are low and tree covered, but behind these rise eternal barriers of ice and snow. On the north shore glaciers come down to the heads of the bays.

The waters of the Sound are very deep and are chilled by large amounts of ice from the surrounding glaciers. The meeting of cold water and the colder air from the mountains with the warmer waters and vapor-laden airs of the Gulf of Alaska causes changeable weather, and sudden wind squalls and thick fogs are common.

During very cold weather ice sometimes forms in the arms of the Sound which reach well into the mountains, and is at times heavy enough to impede navigation.

#### FISHERY RESOURCES

According to the Alaska Department of Fish and Game there are 679 salmon spawning streams located within the Sound. The Department of Fish and Game also estimates that as high as 20 per cent of all salmon that spawn in the Sound do so in areas within Valdez Arm. Valdez Arm is the proposed location for the terminus of the trans-Alaska pipeline. The five species of salmon that spawn in the Sound are the king (spring), sockeye (red), cohoe (silver), chum (dog) and pink (humpback). All of these species return to the area of their origin to complete the life cycle and replenish the species. All are dependent on clear unpolluted waters and well sorted gravel areas for deposition of the eggs. A large portion of the pink and chum salmon deposit their eggs in what is referred to as the intertidal zone. This zone is the area that is affected by the rising and falling tides each day. The mechanism that causes the adult salmon to return to the precise area of origin each spawning cycle is little understood by scientists, but it is strongly suspected that some delicate chemoreceptive structure within the fish is responsible for this ability.

Juvenile salmon when they emerge from the gravel in the spring are at the most delicate and critical phase of the life cycle. They migrate from the streams and intertidal gravels into the estuarine waters where they are dependent on a plentiful supply of food organisms. The fry spend three to five months in the estuaries where they can often be seen by the thousands as they dimple the surface of the water. The Prince William Sound estuary is also an important rearing area for many other species of fish and shellfish. A large part of its productivity originates in the intertidal and littoral zones. Species other than salmon that are also abundant are halibut, red snapper, shrimp, king tanner and dungeness crab, octopus, many species of bottom fish, and several different types of clams.

#### WILDLIFE RESOURCES

In Prince William Sound are found many species of mammals and birds. Sea otters, which were once extremely abundant but were nearly harvested to extinction during the fur trade are now growing each year in numbers. Sea lions and hair seals are plentiful through the Sound. Other sea mammals in the Sound are porpoises, blackfish, little piked whales, bowhead whales, and killer whales. Fur seals pass occasionally through the area.

Port Valdez is used by many types of birds, including waterfowl, shorebirds and sea birds. Prince William Sound is habitat for migrants of many species. Almost the entire world population of black brant migrates across the Gulf of Alaska in the fall and as many as 40 per cent of all the continent's swans and a large proportion of the game ducks that winter in California pass through Prince William Sound during migration.

The Copper River Delta to the east is important nesting habitat for trumpeter swans and many geese and ducks, including the dusky Canada goose, which has no other nesting grounds.

The tremendous fish, wildlife, and scenic values have led the U.S. Forest Service to recommend and study Prince William Sound as a Wilderness Area in the western portion.

### THE PROBLEM

The problems associated with the construction and operation of a massive oil transfer and super tanker facility at the village of Valdez, Alaska located in Port Valdez in Prince William Sound pose large numbers of unresolved and very likely, irresolvable, problems. A number of these will be mentioned briefly.

### LOW LEVEL CHRONIC POLLUTION

The Department of the Interior draft environmental impact statement of January 1971 states, "There will be considerable tankship traffic to transport the oil through Prince William Sound, the Gulf of Alaska and other waters. Although the frequency and volumes of spills cannot be predicted, the volume handled is expected to result in some biologically-significant oil losses to the marine environment . . The productive littoral and intertidal zones of the Sound would be particularly vulnerable, both to gradual deterioration resulting from chronic low level pollution and to the short and long-term effects of major spills."

### LACK OF STUDIES

To the present date, 5 November, 1971, there have been no studies conducted in the field to determine what the effects of the so called low-level pollution will be on the valuable salmon resources of Prince William Sound. In private discussions with scientists at the University of Alaska at Fairbanks it has been learned that influence from oil industry funding has determined the nature if not the content of the studies that have so far been conducted. The fisheries biologists at the University's Institute of Arctic Biology are extremely dismayed that some of the research proposals which they have offered in attempts to resolve some of the serious questions have been given no consideration, while funding by the oil industry has been provided to the Institute of Marine Science whose director is known to be eagerly anticipating increased oil moneys for his department.

### ATTITUDE OF ALYESKA PIPELINE SERVICE COMPANY CHAIRMAN, MR. E. L. PATTON

It was learned recently by Cordovans from a Valdez news editorial that Mr. E. L. Patton was wondering what all the controversy was regarding fish. He is reported to have told the Valdez press at a luncheon interview that some industry people are maintaining two tanks of fish, one of which is receiving a controlled amount of Prudhoe Bay oil. He indicated that the oil fed fish appeared to be fatter and healthier than those in the control tank.

### SUPERTANKERS

The Seattle based Puget Sound Pilots Association has recently had a split in its ranks. Some members contend that Puget Sound would be subjected to unwarranted pollution threats should super-tanker traffic be allowed in the area. This from an organization that is responsible for the safe passage of large vessels through Puget Sound. Coast Guard materials indicate that 250,000 dwt. vessels are not safely maneuverable at slow speeds and that from cruising speed it takes as much as eight miles and up to forty minutes to stop during which time the helmsman has only limited control.

The economic pressures on the ship captains for quick turn-around times introduces elements of risk that sometimes results in disaster.

If the American Petroleum Institute reserve figures for Prudhoe Bay oil are rejected as being excessively conservative and one uses figures produced at the University of Alaska's School of Social, Economic and Government Research and suggested reserves possibly totaling 50 billion barrels are achieved, this would indicate super-tankers on the Alaska coast for at least seventy years. Is it reasonable to expect that a fragile fishery resource such as salmon can survive that encroachment.

### THREAT TO NORTH PACIFIC OCEAN RESOURCES

As a result of oil occurrences of undetermined origin scientists of the federal Sport Fish and Wildlife Agency have stated that we may be already unknowingly destroying large water-fowl populations that reside much of the year in the north Pacific waters. This came to light as a result of large numbers of bird carcasses and oil covered seals that washed ashore on over 1000 miles of Alaska coastline from February-April 1969. It is not unlikely that ballast pumping at sea by the small Cook Inlet oil tankers was responsible for this occurrence which became evident as a result of winter storms blowing the remains ashore to be found by fishermen, trappers and others living along the remote coast. It can be assumed that this is only the beginning of much greater problems to come. Jacques Cousteau in recent statements indicated that areas that he knew as formerly rich in marine life are now virtually dead due to pollution.

### TOO MUCH AS YET UNKNOWN

Neither the state of Alaska nor the oil industry is willing to take the time necessary to conduct the studies that would indicate what the real cost to the fisheries resources or the individual fishermen would be. The fact is that very little is known about the effects of oil on the marine biota. Woods Hole Oceanographic Institute, one of the few scientific groups that has done extensive research into the effects of hydro-carbons of marine resources is not inclined to agree that oil and fish can co-exist. The senior chemist at Woods Hole, Dr. Max Blumer, stated in Senate Sub-Committee hearings that his findings indicate that "the presence of an oil port and of refineries is incompatible with the maintenance of an unpolluted environment. I believe that the seriousness of oil pollution has been underestimated because of the lack of in-depth studies of its long term effect. I believe that the public health hazard of oil pollution is just now coming into focus and that more stringent limitations will have to be placed on the acceptability of polluted foods."

### FISHERMEN FEARFUL FOR THE FUTURE

It appears to many Alaskan fishermen that they are fighting for their very existence. The Cordova District Fisheries Union members agreed this year to assess themselves one cent for each fish caught in order to bring a law suit in federal court to attempt to prevent development of the trans-Alaska pipeline terminus on the Alaskan coast. The Cordova fishermen feel that the people of the United States have a right to hear their story.

### SOLUTION

Before a permit to construct the trans-Alaska pipeline can be issued there must be adequate in-depth studies conducted to determine just what is at stake with regard to the affected marine resources that are the heritage of all of the people of the United States. To date there has been no public forum where any discussion of the cost-benefit ratio has been brought to people's attention. What has been unfortunately emphasized by the oil industry's expensively funded public relations propaganda is the fundamentally false specter of "Energy Crises", when what is basically at stake is the carefully shored up import quota system that has over the years created artificially high oil prices, cheated the American consumer, and depleted our own domestic reserves.

What is drastically needed now is a total North American energy policy. The United States government should direct its attention to the real potential of the Canadian and Alaskan Arctic oil resources and plan for long range development with these resources in mind. Many independent experts feel that the logical place to begin is with a joint-venture with our Canadian neighbors to construct a pipeline to the lower forty-eight states. It is apparent that all agree that transportation of oil by pipeline is far safer than transportation by supertanker.

The fishermen of Alaska and the Pacific coast ask a very simple question: Why take unnecessary chances?

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## OUR FISHING FLEET NEEDS GOVERNMENT HELP AND COOPERATION

### HON. GLENN M. ANDERSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Thursday, November 11, 1971*

Mr. ANDERSON of California. Mr. Speaker, our fishing industry is in jeopardy. First, our fishermen are harassed and their boats seized by pirate nations which violate international law.

Second, the oceans have become septic tanks—full of garbage, waste, and pesticides.

Third, our fishing fleet is in direct competition with the huge "floating factories" of the sea operated by foreign governments.

In the first instance, ironically, we must first convince our own State Department that they must take action to show the pirate nations that we will not tolerate piracy on the high seas. The State Department is content to wait until the International Conference of the Sea in 1973 before taking action. Meanwhile, the pirate nations go their merry way—collecting our foreign aid, misusing our patrol boats, receiving preferential treatment in exporting coffee and sugar to the United States, and continue to seize our fishing vessels and demand ransom. While the State Department fiddles, our fishermen get "burned" on the high seas.

I was pleased to coauthor H.R. 7117, which has passed the House and is now in the Senate. This bill is designed to, first, mandate the Secretary of State to withhold foreign aid from those nations who seize our vessels on the high seas; and second, immediately reimburse those fishermen who were forced to pay ransom.

In the second instance, we have passed a bill, H.R. 9727, designed to do our part in cleaning up the world's oceans. This bill, now in the Senate, prohibits the unregulated dumping of waste material into the oceans. In accomplishing this purpose, the transportation and dumping of radiological, chemical or biological warfare agents and high level radioactive wastes would be banned. There would also be a ban placed upon the transportation and dumping of all other waste materials, unless authorized by the Administrator of the Environmental Protection Agency or the Secretary of the Army, as the case may be.

The clean water bill, S. 2770, which recently was adopted by the Senate, contains a similar provision prohibiting the unauthorized dumping into the oceans. As a result, we can anticipate the enactment of a stringent ocean dumping bill in the near future.

Third, Mr. Speaker, we must move on all fronts to revitalize our fishing industry so that we can compete with the foreign-subsidized fleets, such as those operated by Russia and Japan.

At this point, Mr. Speaker, I place in the RECORD an article that appeared in the October 1971 issue of the Reader's Digest entitled "Why Our Fishing Fleet Is Sinking." This article states the problem with shocking clarity, and it also offers solutions to the problem that, I believe, merit our consideration.

### WHY OUR FISHING FLEET IS SINKING

(By James E. Roper)

In July 1966, a freshly outfitted commercial fishing boat, the *San Vito*, sailed from Aberdeen, Wash., on a proud mission: to catch the first load of hake for the economically hard-pressed town's new fish-reduction plant. But a dismaying discovery awaited the *San Vito* at the fishing grounds 12 miles offshore. Eighty huge Soviet fishing vessels, 4,500 miles from home, were already there, scooping up hundreds of tons of hake and scattering the rest. The *San Vito*, darting among Soviet ships two and three times as big, could catch only a few fish. "It was a disaster," moaned her captain.

Worse was to come. Before the summer was out, the Soviet fleet swelled to 100 vessels, with 3,800 persons aboard, hungrily ranging the hake fisheries off both Washington and Oregon. At night, lights on the boats twinkled as if a city had risen from the sea.

Off New England, a Soviet fleet has invaded the haddock grounds, causing the American catch to drop from 62,000 tons to probably less than 10,000 tons this year, and forcing a 50-percent rise in U.S. retail prices. This spring, while American boats off Massachusetts refrained from catching yellowtail flounder because of quota regulations, Soviet vessels hauled in tons of the fish for Moscow tables.

With such moves, Soviet fishermen are taking enormous catches from Alaska to California and from Maine to North Carolina, even sending Soviet-sponsored Cuban trawlers into Florida waters where Americans are forbidden to fish.

Nor are the Soviets alone. The Japanese, the Norwegians, the Peruvians have outfished the United States. The world catch has doubled over the last decade, while ours has *fallen* slightly. The United States catch is so inadequate that we have become the world's biggest importer of fish products, which caused a balance-of-payments drain of $921 million last year.

#### RISE OF THE FLEET

To understand what we're up against, one needs to see a truly progressive fishing nation in action. Take the Soviets.

In 1953, the new Kremlin leaders decided that the cheapest way to provide their people with badly needed animal protein was through massive distant-water fishing. To this end, they purchased models of the best Western trawlers and refrigerator boats, then duplicated them until they had learned to design their own. This done, they began to spend vast sums on the construction of a fishing fleet, port facilities and processing plants.

Today, Russia is investing more than any other country in fishery expansion. It is enlarging its 18,500-vessel fleet with 200 to 300 new craft a year. Its 200 oceanographic-research vessels give it the world's greatest capacity to study the sea. (The information collected is also valuable, of course, for submarine warfare—and the Russians may know more than we do about the waters off our mid-Atlantic states.)

Thirty schools have been established to train ships' officers and technicians, who are attracted by the fact that fishing has become the fourth-highest-paid industry in the Soviet Union. Vast shore facilities have been constructed in the Soviet Far East, and the Arctic Circle city of Murmansk is now the world's busiest fishing port, handling a million tons of fish per year.

#### NOTHING ESCAPES

The Soviet Ministry of Fisheries directs the operation with naval precision. First, exploratory vessels laden with scientific equipment map sea bottoms, study water currents and temperatures and identify likely fishing grounds. Next, a few boats fish experimentally. If the catch is good, out goes a full fleet, a formidable array ranging up to 300 ships. A veteran U.S. skipper back from fishing off New England reported, "I sailed for 100 miles, never out of sight of a Russian vessel. Some are so big you could put one of our boats on their decks and never see it."

When scout boats using echo sounders and other sophisticated gear locate a school of fish, the Soviet fleet commander radios catcher boats—sometimes a dozen or so lined up shoulder to shoulder—to sweep through the area. "Nothing escapes—nothing!" says a dismayed American fisherman. The trawlers deliver their catch to giant factory ships, where the fish are frozen, canned or otherwise processed at sea. Supply ships ferry out water, fuel and food, even relief crews. The fleet stays at sea for as long as a year.

Sometimes the big Soviet ships over-fish an area, poach in exclusively American waters, break American nets or bully American fishermen in smaller coastal boats. But mostly the Russians follow the rules of the sea. In fact, the U.S. government feels that Moscow is generally cooperative in conserving marine resources. One U.S. official explained: "The Russians know they can catch more than their share of whatever is conserved."

#### VIGOROUS COMPETITION

Other countries also reap rich sea harvests. Little Peru hauls in the world's largest tonnage, almost all of it anchoveta caught within 40 miles of her coast. Peru grinds the anchoveta into meal for animal feed, then sells much of it to the United States.

The next largest harvest—and most valuable at $2.5 billion a year—is collected by Japan, which, like Russia, sends a huge fleet of catcher and factory ships thousands of miles to distant waters. Since 1962, Japan has doubled her high-seas fishing fleet to 3,000 vessels, some even more efficient than the Soviets'. Last May, 320 Japanese ships were off Alaska for the high-seas salmon season. The Japanese fish in vigorous competition with Americans throughout the Bering Sea and, to some extent, off Washington and Oregon, for crabs, herring, pollock, flat fish and other species. They also roam the North Atlantic, although mostly for species that Americans ignore, such as squid.

Japan has 164 major marine research institutions. The government itself operates 497 research vessels, and energetically swaps information with commerical fishermen. Japan has entered about 50 joint ventures in foreign countries, and, according to a Washington analyst, received "substantial benefits to her domestic fishing industry."

Communist China, fishing close to shore, ranks fourth among the world's fishing nations, and Norwegian fishermen, benefiting from a government program to scrap old boats and build new ones, range around the world. They increased their catch 20 percent last year and sold more than $18 million worth to the booming frozen fishstick market in the United States alone.

#### DISMAL RESPONSE

Instead of rising to this global challenge, the United States has let its own fishing industry stagnate. The fleet and its techniques of locating, harvesting and preserving fish are obsolete. Of the 13,000 U.S. boats larger than five tons, 14 percent are more than 50 years old, 54 percent are more than 20 years old; only 16 percent have hydraulic winches, only eight percent have refrigeration. The crews, too, are old: full-time Boston fishermen, for instance, have a median age of 59. Young men take better-paying city jobs.

The industry itself is much to blame. In American fishing, one person usually owns one boat and operates it with fierce independence—in the tradition the Pilgrims established in 1620. Today this means that one American boat ordinarily does not help another American boat locate fish. The result is that many cannot compete against a foreign fleet operation. And the independent American captain rarely accumulates enough capital to buy a new boat, reequip his old one or pioneer new technology.

Federal and state governments, moreover, impose some curious handicaps, often forcing American fishermen to use inefficient methods. One federal law, in effect since 1793, requires the use of U.S.-built boats. This has been a boon to the U.S. shipbuilding industry for 178 years, but today it means that an American fisherman must pay up to twice as much for a boat as his foreign competitor.

Then, too, an American may not use a net to catch halibut in the North Pacific; he may not use electronic equipment to locate salmon off Washington. All this in the name of conservation.

#### UNTOUCHED BOUNTY

The most conservative estimates are that the present world catch of fish could be tripled without impairing future resources. Our National Marine Fisheries Service estimates that the American industry could perhaps quintuple its catch without even leaving American shores. Obviously, then, we should get on with the job of finding economically feasible ways of taking our share of the ocean's harvest.

Numerous fishery authorities see the ultimate solution in a joint government and industry effort, emphasizing these basic points:

The federal government, which has long neglected our fishermen as politically unimportant, must start treating them as vital to the economic and political goals of the United States. It must not sacrifice them automatically to the interests of other groups. Twice the U.S. Tariff Commission has ruled that imports of fish were damaging fishermen, but Washington responded by lowering our tariffs on fish even further in return for foreign tariff concessions on U.S. exports.

The federal government must vigorously support our fishermen in conflicts with foreigners. Congress has finally declared that Americans have exclusive fishing rights within 12 miles of our shores, but we were one of the last major powers to set such a limit. And we still tolerate Peru's and Ecuador's enforcement of their unilaterally declared 200-mile limit. When they haul American tuna boats into port, the U.S. government ends up meekly paying the fines—as much as $155,340.

Washington must centralize its scattered efforts to help: at times, 22 federal agencies have had a say in commercial fishing. The industry must modernize, with government subsidies if need be.

Both government and industry must do more basic research on the seas around us and, specifically, learn better ways to locate, catch, handle and market fish. Dayton L Alverson, of the National Marine Fisheries Service, remembers visiting a Soviet scientific boat in the Black Sea: "It had more electrical equipment than all the Service's vessels combined."

State governments must lay aside local politics and remove the restrictions that make American fishing unnecessarily inefficient.

Most of all, fishermen must cast off their lethargy and work toward becoming efficient enough to face a competitive world without permanent subsidy.

"There are no reason why we cannot be a major exporter of fish and fish products," said the late Wilbert Chapman, nationally known fishing authority and government consultant. "We rail against the Russians for developing fisheries off our coasts. What we refuse to face up to is that a communist society is out-competing us capitalists by applying science and technology to its operations. We must stop crying and do what needs doing."

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# SENATE—*Saturday, November 13, 1971*

The Senate met at 9 a.m. and was called to order by the President pro tempore (Mr. ELLENDER).

## PRAYER

The Chaplain, the Reverend Edward L. R. Elson, D.D., offered the following prayer:

O Thou Creator of all beauty and order in the universe, help us to tidy up our lives as we begin this day. Tune our lives to Thy spirit and put us in focus with reality that we may quit ourselves as a people who love and serve Thee. For added duties give added strength. Bind us to one another that in unity of spirit we may advance the welfare of the Nation and bring a blessing to the whole world. As we work this day prepare us for the worship and rest of the Sabbath. May goodness and mercy follow us wherever we go and in whatever we do. Hear us, O Lord, in these supplications and in the deeper longings left unsaid.

In His name who was lifted up upon a cross. Amen.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of the proceedings of Friday, November 12, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## THE CALENDAR

Mr. MANSFIELD. I ask unanimous consent that the Senate proceed to the consideration of Calendar Nos. 431, 432, 433, 434, and 436.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## ADDITIONAL RESERVE OFFICERS' TRAINING CORPS SCHOLARSHIPS

The bill (H.R. 4729) to amend section 2107 of title 10, United States Code, to provide additional Reserve Officers' Training Corps scholarships for the Army, Navy, and Air Force, and for other purposes, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–441), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### PURPOSE OF THE BILL

The purpose of H.R. 4729 is to increase the number of ROTC scholarships and, at the same time, place certain restrictions on the use of these scholarships in the ROTC program.

### BACKGROUND OF THE BILL

Army and Air Force ROTC enrollments have dropped substantially over the past 3 years. In the beginning of academic year 1968–69, there were 218,466 students enrolled in the program; in academic year 1969–70, 161,507; and in 1970–71, 114,950. The reduction is due largely to two factors. One is that many students have taken a wait-and-see attitude with respect to their status under the selective service draft, anticipating that they may avoid military service altogether. The other factor is a decline in the number of schools which require all physically able male students to participate in the first 2 years of ROTC.

The overall decline in enrollment between fiscal years 1969 and 1971 is 51 percent for the Army and 45 percent for the Air Force. Navy enrollments have not suffered the same decline mainly because the Navy program is smaller and the percentage of scholarships higher than with the Army and Air Force. Navy nonscholarship enrollment shows a decline of approximately 37 percent.

The final measure of success insofar as numbers are concerned is, of course, whether the number of ROTC graduates meets the objectives set by the services.

The Navy forecasts that its ROTC graduation objectives for fiscal years 1971 and 1972 will be met. The Air Force anticipates a minor shortfall in graduating cadets in fiscal year 1971 and is concerned about the fiscal year 1972 production shortfall which will be in excess of 400 officers. The Army's ROTC graduates will decline, but it will meet its graduation objectives for 1972. However, in projecting the current freshmen and sophomore enrollments through to their graduations, both Army and Air Force anticipate a shortfall. It is difficult to project the magnitude at this time because of changes in the Selective Service System. A large number of ROTC enrollees are draft induced.

### EXPLANATION OF THE BILL

As introduced H.R. 4729 would have increased the number of ROTC scholarships from 5,500 for each service to an amount equal to 10 percent of the total officer force. This would increase the number of authorized scholarships from 16,500 to 33,400 by fiscal year 1976. The House ascertained that there are many more students attending ROTC who are not on the scholarships than those who were.

Thus, this brought into focus whether the payment of tuition, books, fees, and subsistence to some students, while only paying subsistence in the last 2 years to others was really the best method by which to attract students into the ROTC program. Therefore, the House requested the Department of Defense to initiate a study to determine whether a more effective officer procurement program could be obtained by increasing the subsistence allowance to all and reducing the number of scholarship students. The Department agreed to undertake such a study and to have the results forwarded to the Congress early in 1972. However, the House determined that the decrease in the number of students entering the ROTC program forecast a critical officer shortage if it did not increase the number of scholarships at the present time. Therefore, an interim solution was provided by increasing the numbers as shown above. This is a substantially lower number than requested originally by the Department of Defense. The committee agrees with this reduction and has been assured by Defense witnesses that this will in no way jeopardize the program.

The House also amended H.R. 4729 to provide that not more than 20 percent of the persons appointed as cadets or midshipmen by the Secretary in any year may be appointed from persons in the 2-year Senior Reserve Officers' Training Corps courses. The Department had originally asked that 50 percent of such appointments be made for a 2-year program. Heretofore, there have been no scholarships provided, except to students who would undertake a 4-year program. However, it is now estimated that by 1980 more than half of the students enrolled in higher educational institutions will be in junior colleges as an increasing number of universities are considering the restriction of their enrollment to upper class and graduate students. In order to attract the bright, young graduates of junior college programs into ROTC, a reduced pilot program appears to be in order.

The House also added a provision requiring that 50 percent of the cadets and midshipmen must qualify for instate tuition rates at their respective institutions and will receive tuition benefits at that rate.

At present, a ROTC student is permitted to select any school which has a ROTC program. During the course of the hearings it was learned that the instate rate for tuition at the University of California is $500 per semester as distinguished from $1,500 tuition per semester for an out-of-State student. It is believed that the Government will get more for its money if limitations are placed on the number of students who could attend out-of-State schools without providing an undue hardship on either the student or the service.

The services will permit military students to go to schools of higher learning which have withdrawn from the ROTC program only in those cases where there is a unique capability at a particular university.

The committee agrees with the House that it is morally wrong for the military to spend dollars sending students to a particular college or university which has chosen not to cooperate with the military services in providing career opportunities for those students who desire to make the military their career.

### FISCAL DATA

As submitted by the administration, the increased budgetary requirements for the Department of Defense as a result of this legislation were estimated to be as follows:

[In million]

| Fiscal year: | *Cost* |
|---|---|
| 1972 | $6.3 |
| 1973 | 16.1 |
| 1974 | 26.0 |
| 1975 | 33.4 |
| 1976 | 41.0 |

However, because of the reduction in the number of scholarships available and the other charges, the costs in each of the next 5 years are estimated to be $3.16 million.

## SUBSISTENCE ALLOWANCES FOR MARINE CORPS OFFICER CANDIDATE PROGRAMS

The bill (H.R. 6723) to provide subsistence allowances for members of the Marine Corps officer candidate programs, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-442), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### PURPOSE OF THE BILL

The purpose of the bill is to provide financial assistance to certain Marine Corps officer candidates while they are pursuing a baccalaureate degree, in order to procure required future Marine officer accessions.

### EXPLANATION OF THE BILL

The platoon leaders class program was organized in 1935 and is the oldest Marine Corps sponsored officer procurement program for civilian college students. Formal training is accomplished at the Officer Candidates School in two 6-week courses for those candidates approved while enrolled as college freshmen or sophomores. For those who enroll as juniors, a single 10-week training course is given. Thus, there are two types of programs: one consisting of two 6-week training periods; and the other of a single 10-week training program. Through the years, the platoon leaders class program has provided a dependable "base" for officers accessions, although often augmented by other short-term programs when officer requirements increased. Marine Corps reliance on the platoon leaders class program is illustrated by the following recent statistics of officers commissioned through civilian source Marine male officer programs.

| Fiscal year | Percent PLC-source officers | Percent all others |
|---|---|---|
| 1968 | 40 | 60 |
| 1969 | 37 | 63 |
| 1970 | 33 | 67 |

During the many years the platoon leaders class program has been in existence, it has remained virtually unchanged in basic concept. The college undergraduate enlists as a class III inactive reservist, completes two periods of active duty for training during the summer vacation, is commissioned upon receipt of a baccalaureate degree, and is subsequently ordered to active duty unless further delayed for an advanced degree. Each member of the platoon leaders class program accrues longevity from the date of enlistment. He receives pay and allowances only for the period of active duty for training. He has never received financial assistance of any type during the academic year except such as may have occurred as a result of his being eligible for pay by virtue of injuries incurred during training.

As indicated above, those in the platoon leaders course accrue longevity by virtue of their membership in the enlisted reserve. The committee is aware that longevity credit is not authorized by virtue of membership in the various ROTC programs and for the cadets and midshipmen at the three military service academies. These are matters which have been settled by law over a period of many years. Participants in the ROTC programs, for the most part, and the academy programs receive far greater benefits of various kinds during their membership in these programs than those in the platoon leaders course.

The committee therefore wishes to emphasize that membership in the enlisted reserve, carrying with it longevity credit which has been a part of the platoon leaders program for a number of years, should not be considered a precedent for demands by those in the ROTC or academy programs for similar recognition.

The platoon leaders class program has recently experienced increasing shortages of new candidates:

| Platoon leaders class quota attained: | Percent |
|---|---|
| Fiscal year 1968 | 97 |
| Fiscal year 1969 | 77 |
| Fiscal year 1970 | 72 |

In order to continue the necessary input of platoon leaders class candidates, service-connected incentives are required. It is considered that monetary subsidization of platoon leaders class applicants would greatly increase the enrollment incentive.

The present platoon leaders class program poses a financial problem to those students who are not financially well-to-do. The student is required to devote a portion of his summers to training which reduces his earning power to assist in paying for his education. Accordingly, considering the high cost of a college education, many qualified and desirable officer candidates are lost. If the proposed legislation were passed, the financial assistance provided in the platoon leaders class program would offset the loss of earning power and, therefore, make the program more attractive to qualified undergraduates.

It is envisioned that under normal circumstances, financial assistance would be provided to a selected platoon leaders class candidate only during the school year (9 months) and then only if he satisfactorily completes the required military training during the previous summer. There would be no additional clothing, training, or travel expenses beyond those currently existing in the present platoon leaders class. A stipend equal to that paid to members of the Senior Reserve Officers' Training Corps is considered an appropriate amount to provide partial assistance in defraying educational costs, though not so much as to be the main attraction for enrollment. In return for acceptance of financial aid, individual candidates would become liable for a minimum of 2 years' enlisted service should they fail to complete the program by acceptance of a commission, with an increasing service obligation of 6 months for each part or whole school year during which financial assistance was received. With acceptance of a commission, an officer's initial period of active duty would be increased by 6 months for academic year during which he received subsidy, commencing with a 2½-year obligation for those who complete the program without drawing any subsidy.

The program as envisioned would be phased into operation to reach a maximum goal of 3,000 officer candidates drawing a stipend at any one time.

### FISCAL DATA

The cost of the program for the next 5 years based on 1970 dollars is estimated as follows:

| Year | Number of officer candidates | Cost |
|---|---|---|
| 1 | 1,000 | $900,000 |
| 2 | 1,500 | 1,350,000 |
| 3 | 2,000 | 1,800,000 |
| 4 | 2,500 | 2,250,000 |
| 5 | 3,000 | 2,700,000 |

The above figures are based on the assumption that the subsistence allowance for members of the Senior Reserve Officers' Training Corps will be increased to $100 per month as is currently proposed. The cost of the program would reach a maximum of $2,700,000 annually. Authority for the program is required for 5 years, with extension to be the subject of future study and recommendations.

### DEPARTMENTAL POSITION

The Department of the Navy on behalf of the Department of Defense strongly recommends enactment of this legislation as indicated by a letter from the Acting Secretary of the Navy which is set forth below and made a part of this report.

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## INCREASED SUBSISTENCE ALLOWANCES FOR SENIOR RESERVE OFFICERS' TRAINING CORPS

The bill (H.R. 6724) to amend section 209 (a) and (b) of title 37, United States Code, to provide increased subsistence allowances for Senior Reserve Officers' Training Corps members, was considered, ordered to a third reading, read the third time, and passed.

Mr. MANSFIELD. Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92-443), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### PURPOSE OF THE BILL

Section 209 (a) and (b) of title 37, United States Code, was enacted to provide members of the ROTC, appointed under sections 2104 and 2107 of title 10, United States Code, with a subsistence allowance. A member selected for advanced training under section 2104 of title 10, United States Code, is entitled to a subsistence allowance of not less than $40 per month nor more than $50 per month beginning on the day he starts advanced training. A financial-assistance-grant member appointed under section 2107 of title 10 is entitled to a subsistence allowance at the rate of $50 a month beginning on the day that he starts his first term of college work.

The allowance for the financial-assistance-grant member is derived from the act of August 13, 1946, chapter 962, section 4, 60 Stat. 1058. This act established the so-called Holloway Plan whereby certain Naval Reserve Officers' Training Corps students were provided with full tuition scholarships at selected colleges and universities. In addition to the payment of tuition, the Government paid for books and laboratory fees, and the student was provided with retainer pay at the rate of $600 per year. Subsequent amendments changed the retainer pay from the rate of $600 per year to retainer pay at the rate of $50 per month. The purpose of the allowance—originally called retainer pay—was to help defray the cost of food, lodging, and incidental expenses.

It has been noted above that the $50 allowance was originally established in 1946, and, for finanical-assistance-grant students has remained unadjusted since that time. The subsistence allowance provided full coverage of room and board expenses at 85 percent of these institutions in 1946. In 1970, the $50 per month allowance will not cover room and board expenses at any of the 53 schools having an NROTC program.

The Committee agrees that the $100 per month is a proper allowance for ROTC cadets. The Committee also agrees with the House amendment which would prohibit cost of living adjustments to this $100 per month allowance without congressional approval. Further, the Committee is in agreement that no justification exists for the payment of subsistence allowance during the first 2 years while the cadets are not in school and have no military obligation to participate in summer training.

### FISCAL DATA

The bill as introduced is estimated to have cost $22,600,000 annually. By reducing the number of months a first- and second-year ROTC student could draw subsistence, we have reduced the bill by approximately $930,000 per year. Additionally, because the number of scholarships requested were also reduced, this amounts to a further reduction of $1,500,000 or a total committee reduction in the bill of $2,430,000. Thus, the total annual cost of the program is now estimated to be $20,170,000.

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## PILOT RATING REQUIREMENTS FOR MEMBERS OF UNIFORMED SERVICES

The bill (H.R. 7950) to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, with respect to pilot rating requirements for members of the Army, Navy, Marine Corps, and Air Force; and to insert a new section 2003 of the same title, was considered, ordered to a third reading, read the third time, and passed.

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–444), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### PURPOSE OF THE BILL

The purpose of the bill is to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, so as to eliminate specific flying hour requirements and certain obsolete provisions, and to add a new section to the same title to permit military pilots to be trained in a manner consistent with mission need, safe operation in U.S. airspace, and up-to-date pilot training techniques.

### EXPLANATION OF THE BILL

The current law, written in 1916 and amended in 1926, requires that for pilot training a pilot must fly in a heavier-than-air space craft for at least 200 hours. New techniques in flight simulators make this requirement over-restrictive with respect to current and future development in flight training. The language in this bill would eliminate that requirement and would substitute therefor a provision which would permit the Secretary of a military department to prescribe an undergraduate pilot course of instruction.

### DEPARTMENTAL POSITION

The Air Force on behalf of the Department of Defense strongly recommended enactment of this legislation.

### FISCAL DATA

Enactment of this proposed legislation would not result in an increase in budgetary requirements.

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## PROMOTION OF MEMBERS OF THE UNIFORMED SERVICES IN A MISSING STATUS

The bill (H.R. 8656) to amend titles 37 and 38, United States Code, relating to promotion of members of the uniformed services who are in a missing status, was considered, ordered to a third reading, read the third time, and passed.

**Mr. MANSFIELD.** Mr. President, I ask unanimous consent to have printed in the RECORD an excerpt from the report (No. 92–446), explaining the purposes of the measure.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

### PURPOSE OF THE BILL

The purpose of this bill is to insure that promotions of personnel carried as missing under title 37, United States Code, are valid for all purposes, including Federal benefits to survivors, even when the date of death of the missing member is later determined to have occurred prior to the promotion date.

### EXPLANATION OF THE BILL

Under the present law, title 38, United States Code 402(a), dependency and indemnity compensation paid to the survivors of a serviceman who dies on active duty are based on the pay grade held by the member on the date of his death. If this date is determined to have been prior to the effective date of promotion, the promotion cannot be considered in determining compensation payments.

After the cessation of hostilities in Southeast Asia, there is a strong possibility that personnel accounting and identification procedures for those members carried in a missing status, as defined in title 37, United States Code 551(2)(B) will uncover positive evidence that many of them died during the period of their captivity. Under title 37, United States Code 556, the service Secretary or his designee is charged with the responsibility of making status determinations in these cases. The actual date of death for these people must be based on the evidence and information available, such as aircraft wreckage and remains, intelligence data, eyewitness reports of released prisoners, and other similar sources. In certain cases where conclusive evidence such as this may not be available, a presumptive date of death will be made predicated on circumstantial evidence. Although any money credited to a member's account or received by his next of kin as a result of promotion to a higher grade is not repayable to the Government, the family must suffer the anguish of being notified that payment of death gratuities and any subsequent benefits will be based upon the lower grade held on the date of death.

Enactment of this bill would provide for increased dependency compensation payments to survivors based on the higher grade or rank held and may serve to alleviate some of the burden borne by survivors in these cases.

The effective date of February 28, 1961, is necessary to cover all missing in action personnel of the Vietnam conflict.

### FISCAL DATA

Enactment of this bill will not result in any increase in budgetary requirements to the Department of Defense. However, assuming the worst possible circumstances, the additional cost of the Veterans' Administration will not be in excess of $135,000 yearly.

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## NEW U.S. TROOP WITHDRAWALS FROM VIETNAM

**Mr. MANSFIELD.** Mr. President, I commend President Nixon for his announcement yesterday afternoon that 45,000 U.S. troops will be withdrawn in the months of December and January. This is a decided increase over the 14,000 a month withdrawal rate which is in effect at present. It is an indication that by the end of January 1972, U.S. forces in Vietnam will be reduced to somewhere around 139,000 men.

It is anticipated, based on what the President said, that before the end of January arrives he will make another decision and report it to the American people.

It is to be hoped that this acceleration will continue and that it will not be too long before all American troops will be withdrawn from Southeast Asia and "the rug pulled out from under" those of us who have been advocating such a procedure. I am delighted at the prospect if it means all U.S. Forces will be withdrawn sooner.

It is to be hoped, also, that the reason for the 2-month announcement lies in the possibility that there may be negotiations. There have been no negotiations up to this time. I feel quite certain that the President is working through all possible channels, public and private, to bring about an end to the war in Vietnam. I wish him all the success in the world.

I am hopeful, too, that when the final withdrawal is announced, it will be final and there will be no residual U.S. force left in Indochina.

May I say that I adhere quite strongly to the views expressed by Gen. Matthew B. Ridgway—a soldier in the tradition of George Marshall—who advocated in a Foreign Affairs Quarterly article last summer that there should be a complete withdrawal within 9 months and that the only military personnel left should be the Marines who would be on guard at the U.S. Embassy, as they are in practically every other country in the world.

The President is to be commended for stepping up the withdrawal rate. I hope that the acceleration will continue; that it will not be too long before our prisoners of war are released and the fate of the locatable MIA's is determined; and that this war, which has caused so much damage to this country, mentally, physically, socially, culturally, and otherwise, will be brought to an end.

**Mr. GRIFFIN.** Mr. President, I commend the distinguished majority leader for his statement. It was temperate and statesmanlike, which is in keeping with the statement he is generally disposed to make. I associate myself with most of what he has said.

The announcement yesterday by President Nixon and his answers to questions presented at the press conference provide a most encouraging picture for all of us who want the war in Southeast Asia to come to an end, particularly to get U.S. troops out of there.

It was heartening for the President to state and acknowledge a fact; namely, that the offensive combat role of U.S. troops in Vietnam has already ended.

As the distinguished majority leader has said, the rate of withdrawal will be significantly stepped up as a result of the announcement yesterday. Surely, even the most dubious, the most doubtful must be convinced by now that this President is doing what he said he would do; namely, to bring our role in that war to an end. The President is doing just that. He has kept every promise he has made, up and down the line.

Mr. President, I ask unanimous consent that a transcript of the President's announcement and news conference be printed in the RECORD.

There being no objection, the transcript was ordered to be printed in the RECORD, as follows:

### TRANSCRIPT OF PRESIDENT NIXON'S NEWS CONFERENCE ON FOREIGN AND DOMESTIC AFFAIRS

#### OPENING STATEMENT

Won't you be seated, ladies and gentlemen?

Ladies and gentlemen, I have an announcement of a substantially increased troop withdrawal from Vietnam. When I entered office on Jan. 20, 1969, there were 540,000 Americans in Vietnam and our casualties were running as high as 300 a week.

Over the past three years, we have made progress on both fronts. Our casualties, for example, for the past five weeks have been less than 10, instead of 300, a week, and with regard to withdrawals, 80 per cent of those who were there have come home—365,000.

I have now had an opportunity to appraise the situation as it is today. I have consulted with my senior advisers and I have an up-to-date report from Secretary Laird.

Based on those consultations and consultations with the Government of South Vietnam, I am now able to make this announcement: Over the next two months, we will withdraw 45,000 Americans. I will make another announcement before the First of February. As far as that second announcement is concerned, before the First of February, the number to be withdrawn—the rate that is—as well as the duration of the announcement, will be determined by three factors.

First, by the level of enemy activity and particularly by the infiltration route and its rate, because if the level of enemy activity and infiltration substantially increases, it could be very dangerous to our sharply decreased forces in South Vietnam.

Second, the progress of our training program, our Vietnamization program in South Vietnam, and third, any progress that may have been made with regard to two major objectives we have, obtaining the release of all our P.O.W.'s wherever they are in Southeast Asia and obtaining a cease-fire for all of Southeast Asia.

Those three criteria will determine the next announcement, both its duration and its rate.

Now, I will be glad to take questions on this announcement or any other subject, domestic or foreign, you would like to make.

#### QUESTIONS AND ANSWERS

##### *1. Laos and Cambodia*

Q. Mr. President, to be clear on the cease-fire, that includes Laos and Cambodia as well as South Vietnam?

A. That is our goal, Mr. Lisagor. Yes, sir. As you know, we offered that in my talks of last year in October. We have been continuing to offer it. We would, of course, believe that attaining that goal would bring peace to the whole area, which is what we want, and of course would greatly reduce any need for a very heavy American aid program that presently we have for particularly Cambodia.

##### *2. Prisoners of war*

Q. Mr. President, do you have any reason for encouragement on the release of prisoners of war from any source?

A. No reason for encouragement that I can talk about publicly. I can say, however, that we are pushing this subject as I have indicated on several occasions in a number of channels and we have not given up. We will never give up with regard to our prisoners of war. That is one of the reasons why an announcement is being made for a shorter period rather than a longer period, because the moment that we make an announcement that is too long, it means that whatever negotiating stroke we might have is substantially reduced.

##### *3. Infiltration by enemy*

Q. Mr. President, what has been the most recent trend towards the infiltration by the enemy and do you have figures for that and also, what rate would have to be maintained for you to carry out your optimum plan?

A. We would have to examine that situation at the time. The infiltration rate has come up some as it always does at this time of year. However, it is not as high now, just as the casualties are not as high now and the level of enemy activity as it was last year. We want to see however, what the situation is in December and January, which, as you all know, are the key months when infiltration comes along, because that will determine what the activity will be in April, May, June and July on the battlefield.

Q. Mr. President.

A. Yes, Mr. Bailey.

##### *4. February troop ceiling*

Q. To be clear, what is your new Feb. 1 troop ceiling or are you doing it the way you have done it before by setting a new troop ceiling at the end of the withdrawal period?

A. It will be a new troop ceiling for the end of the withdrawal period. I think we would have to cover that later. The 45,000 should be taken off the present ceiling. We are reducing the ceiling by 45,000.

Now, incidentally, I should say, too, that in terms of the withdrawal, I think it would be proper to inform the press on this matter. We are going to withdraw 25,000 in December and 20,000 in January. Obviously we would like to get a few more out before Christmas and we were able to do this after Secretary Laird made his report.

Q. In this present situation, you are announcing a two- or three-months—

A. Two months.

Q. Two-months withdrawal, whereas the last time it was seven or eight months, I believe. How does this situation, in terms of negotiating need that you spoke of, differ from the other one and can you tell us if you now, as a result of this two-month withdrawal, foresee an end to the United States combat role in Vietnam?

A. Well, first, the situation is very different because, as wet get down in numbers, each withdrawal has a much more dramatic effect on the percentage that we had there; 45,000 as against, for example, 184,000, which is the present troop ceiling, is a lot different from 25,000 as against 539,000 or 540,000, which was our first withdrawal program.

So, consequently, it is essential, as we get closer to the end, if we are going to maintain any negotiating leverage, that the withdrawal periods, in my opinion, be somewhat shorter.

With regard to the other questions that we have on this—does that cover that point?

Q. Yes, sir. About the combat role though.

A. Well, the combat role, let us understand, based on the casualties, as far as the offensive situation is concerned, is already concluded. American troops are now in a defensive position. They, however, will defend themselves, and what casualties we have taken—they are very small—will be taken in that defensive role.

You will find, as you analyze the battlefield reports, as I do from time to time, that the offensive activity, search and destroy, and all the other activity that we used to undertake, are now being undertaken by the South Vietnamese.

##### *5. Role of U.S. troops*

Q. Mr. President, have you sent or are you sending orders to the forces in South Vietnam regarding the offensive and defensive role? Could you outline that for us?

A. That is a matter which is worked out by General Abrams in the field, and it is one that has just gradually come about. No orders need to be given for that purpose. And, incidentally, that is possible due to the fact that the South Vietnamese have gained the capability to handle the situation themselves.

Also, there is another reason. As we get to 184,000, and at the end of this period, 45,000 less than that, what offensive capabilities we have are very, very seriously limited.

##### *6. Peace negotiation*

Q. Mr. President, you said there was no movement on the prisoners-of-war issue. Is there anything at all to report on negotiations either through Paris or through some other means?

A. I would respond to that only by saying that we have not given up on the negotiating front. This announcement is somewhat of an indication that we have not given up on the negotiating front. I, however, would not like to leave the impression that we see the possibility of some striking breakthrough in negotiations in the near future.

But we are pursuing negotiations in Paris and through whatever other channels we think are appropriate.

##### *7. Private POW talks*

Q. One might infer from what you said previously that there has been progress on the prisoner question privately. Would that be a correct inference to draw?

A. No, it would not be a correct inference to draw. I wish it were, because this issue should, of course, as well all, I think, be separated from the issue of the combat role of Americans and our withdrawal program. It is a humanitarian issue. We have not, as yet, had any progress in our talks with the North Vietnamese in getting them to separate that issue from the rest.

On the other hand, we have not given up on the negotiating track, and we are going to continue to press on that track because that is the track on which we eventually are going to have success in getting our prisoners back.

##### *8. Progress on prisoners*

Q. There has been no progress, either publicly or privately, on getting release of our prisoners?

A. I do not want to give any false encouragement to those who are the next of kin or who are close relatives of our prisoners. I can only say, however, that we, on our part, have taken initiatives on a number of fronts here. So the possibility of progress in the future is there. As far as the enemy's position is concerned, it is still intransigent.

##### *9. Air power in Vietnam*

Q. Mr. President, from the conditions that you know now in Vietnam and Southeast Asia, can you foresee in the near future a substantial diminution of American air power use in support of the Vietnamese?

A. Well, air power of course, as far as our use of it is concerned, will continue to be used longer than our ground forces, due to the fact that training Vietnamese to handle the aircraft takes the longest lead times, as we know, and we will continue to use it in support of the South Vietnamese until there is a negotiated settlement or, looking further down the road, until the South Vietnamese have developed the capability to handle the situation themselves.

As far as our air power is concerned, let me also say this: As we reduce the number of our forces, it is particularly important for us to continue our air strikes on the infiltration routes. If we see any substantial set-up infiltration in the passes, for example, which lead from North Vietnam into Laos and, of course, the Laotian trail which comes down through Cambodia into South

Vietnam—if we see that, we will have to step them up.

That is why we have been quite categorical with regard to that situation, because as the number of our forces goes down, their danger increases, and we are not going to allow the enemy to pounce on them by reason of our failure to use air power against increased infiltrations, if it occurs.

### *10. Peking-Moscow trip*

Q. Mr. President, do you expect to discuss methods, possibly, to help alleviate the situation in Indochina in your visit to Peking and to Moscow?

A. I do not think it would be helpful to indicate at this time what we will discuss with regard to Indochina when our visits to Peking and Moscow take place. We are hopeful and continue to be hopeful that we can make progress on handling this problem ourselves, and that it may not have to be a problem that will have to be discussed in those areas.

Incidentally, I think it would not be well to speculate as to what, if anything, either Peking or Moscow can or will do on this matter. All that I can say is that we are charting our own course, and we will find our own way to bring it to a halt.

We will, of course, welcome any assistance; but we are not counting on it from either source.

### *11. North Vietnam's strength*

Q. Is it not true that at this particular point the North Vietnamese are probably at their weakest they have been since the war, and is this because of floods and lack of resources?

A. The major reason they are the weakest since the war is because of Cambodia and Laos, and the floods, of course, have hurt them, too.

Miss Thomas?

### *12. 1968 campaign promise*

Q. In connection with your answer on negotiations, is what you are saying that perhaps you might not be able to keep your 1968 promise to end the war, which I believe was your campaign pledge, rather than just ending America's role in the war?

A. I would suggest that I be judged at the time of the campaign, rather than now, on that. I would also suggest that every promise that I have made I have kept to this date and that usually is a pretty good example of what you might do with regard to future promises.

### *13. Residual U.S. forces*

Q. Mr. President, we read much speculation that you plan to keep a residual force, 40,000 or 50,000 men, in Vietnam until the prisoner-of-war issue is settled completely and all prisoners are out. Is that still valid?

A. Well. Mrs. Cornell [Laughter.]

Q. Touche. [Laughter.]

A. First, if the situation is such that we have a negotiated settlement, naturally that means a total withdrawal of all American forces. It also not only means a total withdrawal of American forces in South Vietnam, it means a discontinuation of our air strikes and also withdrawal of forces stationed in other places in Southeast Asia or in the Asian theater that are directly related to the support of our forces in Vietnam.

That is, in other words, what is involved if we can get a negotiated settlement. If we do not get a negotiated settlement, then it is necessary to maintain a residual force for not only the reason—and this is, of course, a very primary reason—of having something to negotiate with, with regard to our prisoners, but it is also essential to do so in order to continue our role of leaving South Vietnam in a position where it will be able to defend itself from a Communist take-over.

Both objectives can be fulfilled, we believe, through a negotiated settlement. We would prefer that. If they are not fulfilled through a negotiated settlement, then we will have to go another route and we are prepared to do so.

### *14. Amnesty for exiles*

Q. Mr. President, do you foresee granting amnesty to any of the young men who have fled the United States to avoid fighting in a war that they consider to be immoral?

A. No.

### *15. Arms limitation talks*

Q. Mr. President, you met this afternoon with our SALT negotiating team, which is returning to Vienna. Earlier this year you expressed the hope that some kind of agreement could be made. Do you foresee some kind of SALT agreement before the end of the year?

A. We have made significant progress in the arms limitation talks. The progress, for example, with regard to the hot line and the progress with regard to accidental war is quite significant. Also, we have made significant progress in the discussion on limitation of defensive weapons and we are beginning now to move into discussions on offensive weapons.

Whether we are able to reach agreement by the end of the year, I think, is highly improbable at this point. I say highly improbable—not impossible. It depends on what happens.

Our goal is—and I discussed this at great length with Mr. Gromyko when he was here—our goal is, of course, at the highest level to urge our negotiators to try to find a common basis for agreement. But it must be a joint agreement. We cannot limit defensive weapons first and then limit offensive weapons. Both must go together. It will happen.

I would say this: I believe we are going to reach an agreement. I believe we will make considerable progress toward reaching that agreement before the end of the year. I think reaching the agreement before the end of the year is probably not likely at this time, but great progress will be made and I think by the end of the year we will be able to see then that our goal can be achieved.

### *16. Wage-price guidelines*

Q. Mr. President, are you satisfied with the guidelines laid down by the pay commission and the price board and are you concerned about the effect of a likely bulge of increases in wages and prices after the freeze and public confidence on Phase Two?

A. Well, the possibility of some bulge, of course, has always been there, as you know, so when I announced the freeze it was widely speculated that once the freeze was off and once we then moved to guidelines, that there would be therefore some increase in wage rates and some increase also in prices. The freeze could not be kept on indefinitely.

However, I think the decisions of both the pay board and the price board have been very sound. They did not, in some instances, perhaps, reach the goals some would have liked. I think some businessmen thought the wage increases should have been in the neighborhood of 3 to 4 per cent. That would have been a very good thing from their standpoint, perhaps. It would have been totally unrealistic. It would have broke the board wide open.

I think 5.5 per cent is an achievable goal. That would be a substantial reduction insofar as the wage-price push for 1971, as compared to 1960, 1969, and 1968.

As far as prices are concerned, the guidelines that have been laid down would cut the rate of inflation approximately in half. That is real progress.

One other point I should make. I noticed that many of you very properly have written about the uncertainty with regard to Phase Two. That is inevitable. It is inevitable in any free economy. We can have total certainty only with total control of the economy. But with a totalitarian economy we have no freedom as far as our economy is concerned and we would destroy the major advantage the United States has in its competitive position in the world, in other words, the free-enterprise system.

I believe that this answer of the pay board and the price commission is a very realistic one. I believe it will succeed and one of the major reasons I believe it will succeed is the enormous public support that we had not only during the 90-day period, but that we continue to have for the period after the freeze. That public support will make this work.

Q. Mr. President, could I be quite clear on the withdrawal?

A. You mean "perfectly clear," right? [Laughter.]

Q. Is the 45,000 to be taken from the 184,000, sir? Does it come from the Dec. 1 target figure?

A. Yes, that is right. You take your ceiling of Dec. 1 and take 45,000 from that and you get where we will be on Feb. 1. Let me point out, incidentally, that we are always slightly below our ceiling, as you know, with regard to actual withdrawals. But we have set as the ceiling for Feb. 1 the 45,000 from 184,000, but we will probably be below that at that time by a few hundred or maybe even a few thousand.

### *17. Date for Peking trip*

Q. Mr. President, have you set a date to go to China yet?

A. I have nothing to announce on that at this time.

### *18. Reaction of Thieu*

Q. Mr. President, if we can assume that President Thieu was informed at least of the withdrawals, can you tell us what his reaction was?

A. Complete approval. President Thieu, along with General Abrams, and General Binh and the others who work together in the combined joint chiefs over there, have been, just as Secretary Laird has reported, enormously impressed with the speed of the training program and the ability of the South Vietnamese to defend themselves.

It has gone faster than we had thought, and also, as was pointed out by one of the earlier questioners here, the level of enemy activity has not been as great as it was, due to the fact that the enemy doesn't have the punch it had. Cambodia took a great deal out of the enemy's punch. Laos took a great deal out of its punch. And in addition to that, those torrential floods have made it difficult for the enemy to be as effective in its attacks as it was previously.

That does not mean, however, looking to the future, that we must not be on guard. That is why I said we are going to watch this infiltration route and rate very, very carefully in the critical months of December and January before making another withdrawal announcement.

### *19. Aid for Cambodians*

Q. Mr. President, in your most recent foreign aid bill, you requested a total of $341-million in military and economic aid for Cambodia. The head of the Government of Cambodia has just renounced democracy as a viable form of government, which some people think has analogy to earlier developments in Vietnam. What assurance can you give the American people that we are not sliding into another Vietnam in Cambodia?

A. We didn't slide into Vietnam. That is the difference. In Vietnam, conscious decisions were made to send Americans there to become involved in combat. I am not criticizing the decision; I am reflecting what the situation was.

It was not a question of sliding in; but was a question of decisions being made, first, to send American combat troops in. Those were first made by President Kennedy, the first troops that went in; and then the decisions to bomb in the north. Those were made by President Johnson, and the increases in forces.

Let's look at Cambodia. We have made a conscious decision not to send American troops in. There are no American combat troops in Cambodia. There are no American combat advisers in Cambodia. There will be no American combat troops or advisers in Cambodia.

We will aid Cambodia. Cambodia is the Nixon doctrine in its purest form. Vietnam was in violation of the Nixon Doctrine. Because in Cambodia what we are doing is helping the Cambodians to help themselves, and we are doing that rather than to go in and do the fighting ourselves, as we did in Korea and as we did in Vietnam. We hope not to make that mistake again if we can avoid it.

*20. Stock market advice*

Q. Mr. President, in May of 1970, when stocks hit their biggest low of the year, you gave counsel to buy. Now that we have reached the biggest low in 1971, what is your counsel today to the American investor?

A. Don't sell. [laughter].

I would like to comment on that particular matter, because if my advice had been taken, you would have done reasonably well then, as you know. As I said in Detroit, whether it is investments in stocks or bonds, or, for that matter, in real property, which is my only source of investment, if I may paraphrase what one of the television commercials I have heard often enough, I am bullish on America. However, I would strongly advise anybody who invests to invest on the long term, not the short term.

On the long term, 1972 is going to be a good year. When we see, for example, inflation cut in half, which is our goal, when we see employment beginning to rise—it rose over a million during the period of the freeze—and when we see something else, when we see our economy now being built on the basis of peace rather than war, this is a time when people looking to the future, planning to hang on, could, it seems to me, well invest in America with the hope that their investments will prove well.

1968, for example, was a very bad time to buy, and yet it appeared to be like the best of times. Stocks were high. Unemployment was low. Everybody thought we had high prosperity, but prosperity was based on 300 American casualties a week, 500,000 Americans in Vietnam, 25 to 30 billion dollars being spent on a war in Vietnam and on a burgeoning rate of inflation.

At that time, therefore, I would not have advised, and I trust many brokers did not advise their clients, to buy, because when prosperity is based on war and inflation, you are eventually going to have a setback.

The new prosperity that we are working toward—and we have some rocky times; we have had some and we may have some more—but looking toward the year 1972, as I appraise the situation, the new prosperity, based on jobs in peacetime, on peace production primarily, and based on a checked rate of inflation, will be a much sounder prosperity and, therefore, a better time to invest in America.

Q. Thank you, Mr. President.

## TRANSACTION OF ROUTINE MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of routine morning business, not to exceed 30 minutes, with statements therein limited to 3 minutes. Is there morning business?

Mr. BYRD of West Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. BYRD of Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## THE FISCAL SITUATION OF THE UNITED STATES

Mr. BYRD of Virginia. Mr. President, the Revenue Act of 1971 as reported by the Committee on Finance reduces the revenues for fiscal 1972 by $11.2 billion. It reduces the revenues for fiscal 1973 by $9.8 billion. Those figures include ADR's.

Mr. President, the Senate yesterday in amending the pending bill further reduced the revenues by slightly less than $3 billion.

The deficit for the fiscal year which ended this past June was $30 billion. The Joint Committee on Internal Revenue Taxation estimates the deficit for the current fiscal year at $35 billion.

I think it is cause for serious concern that the Government has been running these tremendous deficits for last year and the current fiscal year. For that reason it seems unwise to reduce the revenues further while the deficit is so large.

## QUORUM CALL

Mr. BYRD of Virginia. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## PROGRAM

Mr. GRIFFIN. Mr. President, if I may be recognized, I would like to ask, for the benefit of the Senate, what the distinguished majority leader can tell us about the schedule for the rest of the day and also anything he can tell us about the schedule for next week.

Mr. MANSFIELD. Mr. President, for the information of the Senate and in response to the question raised by the distinguished acting Republican leader, it is anticipated that there will be a number of rollcall votes today, and there is a possibility even that the first vote will occur around 10:30.

Following that, we will have an amendment offered by the distinguished Senator from New Jersey (Mr. Williams), on which there is a 30-minute limitation, and on which very likely there will be a rollcall vote. Other amendments will be offered today, and other votes will be taken.

It is anticipated that the Senate, in view of the hard day's work completed last night, will be in until 4 or 5 o'clock this afternoon. I think that would be a reasonable time unless, of course, the Senate decides otherwise.

It is hoped that the unfinished business will be completed sometime around the middle of next week. However, that is only a hope at present. We do not know.

It is anticipated that following the disposal of the tax legislation before the Senate, either the defense appropriations bill or phase II of the President's economic package will be taken up. So we do have some important legislation.

Speaking personally, I am tremendously pleased with the way in which the Senate functioned yesterday and the amount of work which it accomplished. Regardless of how one voted, I thought the Senate was operating at its best.

## UNANIMOUS-CONSENT AGREEMENT TO PROVIDE FOR 15-MINUTE ROLLCALL VOTES FOR THE REMAINDER OF THE SESSION

Mr. MANSFIELD. Mr. President, in view of the fact that we have for the last several days had the first of the rollcall votes for the day on a 20-minute basis, as has been the custom throughout the year, I ask unanimous consent, with the approval of the acting minority leader, that beginning today and for the rest of the session the rollcall votes be limited to 15 minutes, with the proper notification, on the five-bell basis, be in effect as it has been over the past several days.

Mr. BYRD of West Virginia. Mr. President, there was some suggestion yesterday by our able colleague (Mr. Hughes) that the warning bells ring midway.

Mr. MANSFIELD. I think that is a good idea in order to give Senators a little more time. I amend my request to that extent. I hope that the attachés on both sides will notify Senators of this situation and inform them that this will be the procedure for the rest of the session.

The PRESIDENT pro tempore. Is there objection to the request of the majority leader? The Chair hears none, and it is so ordered.

## COMMUNICATIONS FROM EXECUTIVE DEPARTMENTS, ETC.

The PRESIDENT pro tempore laid before the Senate the following letter, which was referred as indicated:

### Proposed Amendment of Title 28, United States Code

A letter from the Director, Administrative Office of the United States Courts, transmitting a draft of proposed legislation to amend title 28 of the United States Code to provide for the appointment of officers and employees of the Court of Claims, the Court of Customs and Patent Appeals, and the Customs Court, and for other purposes (with an accompanying paper); to the Committee on the Judiciary.

## SENATE RESOLUTION 192—SUBMISSION OF A RESOLUTION TO CREATE A SELECT COMMITTEE ON THE COORDINATION OF THE U.S. ACTIVITIES ABROAD TO OVERSEE ACTIVITIES OF THE CENTRAL INTELLIGENCE AGENCY

(Referred jointly to the Committees on Armed Services and Foreign Relations.)

Mr. SYMINGTON. Mr. President, I submit a resolution, and I ask unanimous consent that it be jointly referred to the Committee on Armed Services and the Committee on Foreign Relations.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The resolution reads as follows:

S. Res. 192

Whereas, it is the responsibility of the Senate to exercise general oversight with respect to the foreign relations of the United States; and

Whereas all Ambassadors of the United States are the President's representatives in the countries to which they are accredited and are responsible for supervising and coordinating the activities of all United States Government agencies in that country; and

Whereas the activities abroad of all United States Government departments and agencies affect the conduct of the foreign relations of the United States: Therefore be it

*Resolved,* That there is hereby created, effective at the beginning of the Second Session of the Ninety-Second Congress, a select committee to be known as the Select Committee on the Coordination of United States Government Activities Abroad (hereinafter referred to as the Select Committee) to consist of six Senators of whom three shall be appointed by the chairman of the Committee on Foreign Relations from among the members of that committee, and three shall be appointed by the chairman of the Committee on Armed Services from among the members of that committee. No more than two of the members appointed from each such standing committee shall be from the same political party. The chairmanship of the Select Committee shall alternate at the beginning of each new session of the Congress between the Chairman of the Committee on Armed Services and the Chairman of the Committee on Foreign Relations or their respective designee.

Sec. 2. (a) It shall be the function of the Select Committee to oversee the coordination of activities of United States Government departments and agencies, including the Department of Defense and the Central Intelligence Agency, operating abroad under the authority of the Ambassador and affecting the foreign relations of the United States. In carrying out its functions under this resolution, the Select Committee shall keep itself fully and currently informed of all such activities.

(b) The Select Committee shall meet at least once a month while the Senate is in session and at such other times as the Select Committee shall determine.

Sec. 3. (a) For the purposes of this resolution, the Select Committee is authorized in its discretion (1) to make expenditures from the contingent fund of the Senate, (2) to hold hearings, (3) to sit and act at any time or place during the sessions, recesses and adjournment periods of the Senate, (4) to employ personnel, (5) to subpena witnesses and documents, (6) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable basis the services of personnel, information, and facilities of any such department or agency, (7) to procure the temporary services (not in excess of one year) or intermittent services of individual consultants, or organizations thereof, and to provide assistance for the training of its professional staff, in the same manner and under the same conditions as a standing committee of the Senate may procure such services and provide such assistance under section 202 (i) and (j), respectively, of the Legislative Reorganization Act of 1946, (8) to interview employees of the Federal, State, and local governments and other individuals, and (9) to take depositions and other testimony.

(b) The Select Committee shall have a professional staff of at least three members appointed by agreement of the two senior members of the Select Committee from the majority party and the two senior members of the Select Committee from the minority party.

(c) Subpenas may be issued by the Select Committee over the signature of the chairman or any other member designated by him, and may be served by any person designated by such chairman or member. The chairman of the Select Committee or any member thereof may administer oaths to witnesses.

(d) A majority of the members of the Select Committee shall constitute a quorum for the transaction of business, except that a lesser number, to be fixed by the Select Committee, shall constitute a quorum for the purpose of taking sworn testimony.

Sec. 4. All departments and agencies of the United States Government which conduct activities abroad under the authority of any Ambassador of the United States shall keep the Select Committee fully and currently informed of their activities abroad.

Sec. 5. The Select Committee shall take special care to safeguard information affecting the national security.

Sec. 6. The expenses of the Select Committee under this resolution, which shall not exceed $250,000 through February 28, 1973, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the Select Committee.

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## SENATE CONCURRENT RESOLUTION 50—SUBMISSION OF A CONCURRENT RESOLUTION TO AUTHORIZE PRINTING OF HANDBOOK ENTITLED "GUIDE TO FEDERAL PROGRAMS FOR RURAL DEVELOPMENT" AS A SENATE DOCUMENT

(Referred to the Committee on Rules and Administration.)

Mr. TALMADGE. Mr. President, when I became chairman of the Senate Commitee on Agriculture and Forestry, I immediately established a Subcommittee on Rural Development. I felt that the problems of the rural areas of the Nation demanded more attention and a greater effort on the part of the Federal Government.

The lack of job opportunities and economic activity in many of our rural areas has driven millions of people into the Nation's cities. The subcommittee has attempted to examine the causes of the decline of some of our rural areas and it has attempted to devise legislation which will revitalize rural America.

The subcommittee has held extensive hearings on the problems and the promise of rural America, both in Washington and in field hearings around the country. One recurring theme that has come from these hearings has been the local citizens' dismay and frustration in attempting to deal with a complex and confusing Federal bureaucracy. Not only are Federal rural development programs underfunded and scattered in a number of different Federal agencies, but there is no centralized coordination of programs in the executive branch designed to aid the people of rural America.

Our committee is attempting to deal with this problem through legislation. Two bills pending before the committee include provisions for the coordination of the rural development activities within the executive branch. My distinguished colleague from Oklahoma (Senator BELLMON), has proposed an amendment to S. 1612, the President's rural revenue sharing proposal, which would go a long way toward the coordination of rural development activities in Government.

One important provision of this amendment would require that an office be established as near as possible to the headquarters of every multijurisdictional planning and development district in the States. This office would have all the necessary information in regard to all rural development programs and it would accept the filing of applications for funds under these programs.

I believe that the Bellmon approach has considerable merit, for it attempts to coordinate Federal programs on the local level. It is the local level which is important to the average citizen. A citizen's impression of his government is formed primarily by his contacts with the officials in the local offices of government.

One of the things that the Subcommittee on Rural Development noted during its hearings and studies is that there is no good Federal publication which is designed to tell local government officials and lay leaders what Federal assistance is available.

The need for this kind of information is much greater in rural America than it is in our large cities. Large cities can, of course, afford to hire experts and technicians who can seek Federal funds on a full-time basis. The smalltown mayor and the rural county commissioner have no such assistance. They must rely on their own knowledge and on the information given to them by their representatives in Congress. Where there are good multicounty planning districts, the local government officials can get information through the staffs of these districts. Our examination of existing documents which are supposed to explain Federal programs convinces us that there is no government published document which gives an understandable explanation of the Federal programs available for the development of rural America.

The Office of Management and Budget does publish annually a "Catalog of Federal Domestic Assistance." The first thing that is wrong with this document is that it is too big and poorly organized to be understandable by a small town mayor or lay leader. It contains information about several hundred programs that have no relevance to rural America. It contains a great deal of unnecessary statements which are difficult to understand about programs that are relevant to rural America. I have examined this document myself and I would not know where to begin looking to find information about a specific problem.

The OMB publication is organized according to the Federal Government's pattern of agency organization, not according to the needs of the ultimate user of Government services.

In addition, the catalog of Federal domestic assistance omits a great deal of information that is quite essential for an understanding of the Federal Government. It does not tell a smalltown mayor a rural businessman, or a lay leader where to go or what to do. But the most important shortcoming of the OMB publication is that it fails to use plain English. Apparently it is not within the capacity of the Federal bureaucracy to produce literature which the average person can understand.

When the junior Senator from Delaware (Mr. Roth) was a Member of the House of Representatives he did considerable work in classifying and disseminating information about Federal assistance programs. He even had a catalog of these programs published as a House document. I understand that the publication of the Roth compilation led to many improvements in the OMB catalog of domestic assistance programs. However, Mr. Roth's compilation was published in 1969 and it was not aimed specifically at rural development programs. Moreover, it follows the agency pattern of organization in its organization of Government programs rather than classifying programs according to the needs of the people who use Government services.

I have been extremely impressed by the "Guide to Federal Programs for Rural Development" that was published by the Independent Bankers Association. Senator Humphrey, chairman of the Rural Development Subcommittee, brought this document to my attention and I have distributed a few copies to some interested people in my State. These people were very enthusiastic about the publication and requested several additional copies to give to their friends. Senator Humphrey and I became interested in making this document available to the leaders of rural America.

The organizational structure of this "Guide to Federal Programs for Rural Development" is designed to be of greatest usefulness to the local banker, county agriculture agent, and lay leader who is largely unfamiliar with the organizational structure of the Federal Government and with the detail laws and regulations governing the programs they operate. The following paragraphs taken from the introduction to this publication explain its basic organizational structure:

> There are four general categories covered in this Guide: Part I—Business, Industry and Agriculture; Part II—Community Facilities; Part III—Community Functions and Services; Part IV—Planning. Each category (or section) is printed on a different colored paper stock in order to make the guide-book as "easy-to-use" as possible.
>
> Each Chapter in this handbook is devoted to a specific community development function for which there are related or matching Federal assistance programs. The Chapters are intended to parallel "spheres of interest" at the local level; and each Chapter includes the government-wide approach to a particular local problem. This type of organization brings the resources of several different Departments and agencies together under one Chapter heading. All programs with similar objectives will be found side-by-side, regardless of how they are separated organizationally at the Federal level for administrative or budget purposes.
>
> Individual programs are described in summary form, and arranged alphabetically under chapter headings. Cross references are used to avoid repetition.

I know that the U.S. Congress should not be in the printing business. However, I feel that it is our right and our responsibility to print documents which are really needed to help people cope with our gigantic Federal bureaucracy.

I believe that we can have this guide to Federal programs printed for a bargain price. The Independent Bankers Association contracted with John A. Baker, former Assistant Secretary of Agriculture for Rural Development, to produce this book.

If the Senate had to contract to have this job done again, the research and composition required would cost the Congress at least $50,000. In order to get this document published for the use of rural development leaders around the country, the distinguished Senator from Minnesota (Mr. Humphrey) asked the president of the Independent Bankers Association for the right to publish the book as a Senate document. Mr. Donald M. Carlson graciously gave his consent for the publication.

Therefore, I am today submitting a Senate concurrent resolution to authorize the printing of the "Guide to Federal Programs for Rural Development" as a Senate document with 12,000 copies for the Committee on Agriculture and Forestry.

The concurrent resolution reads as follows:

S. Con. Res. 50

> *Resolved by the Senate (the House of Representatives concurring)*, That with the permission of the copyright owner the handbook entitled "Guide to Federal Programs for Rural Development", published by the Independent Bankers Association of America, be printed with emendations as a Senate document, and that there be printed 12,000 additional copies of such document for the use of the Senate Committee on Agriculture and Forestry.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

S. 325

Mr. BEALL. Mr. President, on January 27, 1971, I introduced S. 325 which would establish a survivors annuity program for widows of military personnel.

I am pleased that Senator Margaret Chase Smith, the ranking Republican member of the Civil Services Committee, in cosponsoring this measure and I ask unanimous consent that at the next printing of the bill her name be added.

The PRESIDING OFFICER (Mr. Stafford). Without objection, it is so ordered.

S. 2507

At the request of Mr. Bayh, the Senator from Minnesota (Mr. Humphrey) was added as a cosponsor of S. 2507, to amend the Gun Control Act of 1968.

S. 2551

At the request of Mr. Roth, the Senator from Montana (Mr. Mansfield), the Senator from Utah (Mr. Moss), and the Senator from Tennessee (Mr. Brock) were added as cosponsors of S. 2551, to provide for a national program for an improved national securities transfer system, including a commercial securities depository corporation, and for other purposes.

## REVENUE ACT OF 1971—AMENDMENTS

AMENDMENT NO. 671

(Ordered to be printed.)

Mr. TUNNEY proposed an amendment to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

AMENDMENTS NOS. 672 THROUGH 674

(Ordered to lie on the table and to be printed.)

Mr. FULBRIGHT submitted three amendments, intended to be proposed by him, to House bill 10947, supra.

AMENDMENT NO. 675

(Ordered to be printed and to lie on the table.)

Mr. NELSON submitted an amendment, intended to be proposed by him, to House bill 10947, supra.

## ADDITIONAL COSPONSORS OF AMENDMENTS

AMENDMENT NO. 619

At the request of Mr. Stevenson, the Senator from Massachusetts (Mr. Kennedy) was added as a cosponsor of amendment No. 619 to the bill (S. 2712) to extend and amend the Economic Stabilization Act of 1970, as amended, and for other purposes.

## ADDITIONAL STATEMENTS

## OUR FOREIGN AID PROGRAM

Mr. MANSFIELD. Mr. President, in the Billings, Mont., Gazette of November 8, 1971, appears a rather thought-provoking editorial entitled "Toward Better Aid."

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record, as follows:

Toward Better Aid

> The death in the Senate of the creaky, costly foreign aid program that has functioned since Marshall Plan days need not be considered calamitous.
>
> It opens the door for a revaluation of the whole idea of aid, and creates the opportunity to introduce new programs geared closer to the need of developing nations.
>
> Indeed, a presidential commission has already blueprinted radical reforms for the aid program, including a complete separation of

military and economic aid; the dissolution of the old Agency for International Development; and the creation of a new U.S. lending agency that would make capital available on a loan basis to nations desiring to modernize their economic infrastructure.

The old foreign aid program deserved to die. In the postwar years it was a valuable primer for the economies of war-torn nations. And in the 50s and 60s, the program was justified as a tool of the cold war: if people in the poverty nations were given the means to advance, they would not turn toward communism.

That idea was never sound: the belly-theory of anti-communism was invalid. Poverty has little to do with the communization of nations; indeed, communism flourished in many of the more prosperous nations. And so that rationale died a quiet death.

Then, more recently, the aid seemed to exist simply as a part of the status quo: we continued with it because we had always done it. We did it even though it had little visible effect on the economies of recipient nations. We did it because there had evolved a large aid bureaucracy whose business was to promote and administer foreign aid.

The demise of the aid program will surely result in a great debate on the merits of future aid programs. And out of that debate, will, we hope, emerge a new concept of lending and technical assistance that will enable a rich and generous people to share some of our bounty with the world's desperate and hungry ones.

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## THE GULFCOAST PULPWOOD ASSOCIATION STRIKE

Mr. HARRIS. Mr. President, there is a myth in this country—which a lot of powerful people want to see perpetuated—that poor black people are the enemies of poor white people. That is not so. Their only enemies are the politicians and others in our society who have profited for so long from the division between blacks and whites.

This is the lesson we must learn and make clear to the Nation from the strike of the Gulfcoast Pulpwood Association against the Masonite Corp. in Mississippi.

Three thousand wood haulers—half of them black and the other half white—have gone on strike in protest over Masonite's new procedure for measuring the wood these men haul. This new procedure has reduced the hauler's incomes by 20 to 25 percent. When you are making between $2,000 and $3,000 a year—which is the average income for these men—you begin to realize that it is not enough in this country just to be white anymore.

White wood haulers in Mississippi have realized this—and joined forces with blacks to win a strike that will decide whether they and their families will ever have the opportunity to share in the good things in American society.

I support the strike of the Gulfcoast Pulpwood Association, and will do whatever I can to help them in their struggle. My deepest hopes are that this common effort of the black and white people of Mississippi is only the beginning of a new effort across the country, a political movement in which people of all types of backgrounds will stand up together to fight the entrenched interests in America.

## PAY BOARD AND PRICE COMMISSION REGULATIONS

Mr. MATHIAS. Mr. President, every American is affected by the regulations of the Pay Board and the Price Commission. I believe the detailed provisions of these regulations, which have been published today in the Federal Register, should be disseminated as widely as possible. For this reason, Mr. President, I would like to ask unanimous consent that the regulations be printed in full at this point in the RECORD.

There being no objection, the regulations were ordered to be printed in the RECORD, as follows:

There being no objection, the regulations were ordered to be printed in the RECORD, as follows:

### TITLE 6—ECONOMIC STABILIZATION

### CHAPTER I—COST OF LIVING COUNCIL

### *Part 101—Coverage, exemptions and classification of economic units*

Part 101—Coverage, Exemptions and Classification of Economic Units is added to Title 6, Chapter I, Code of Federal Regulations.

Since the immediate implementation of Executive Order No. 11627 is required, the Council finds that notice and public procedure with respect to these regulations is impracticable and that good cause exists for making the regulations effective in less than 30 days. Therefore, Title 6 of the Code of Federal Regulations is amended by adding a new Title 6, by adding a new Chapter I, and by adding a new Part 101, as set forth below, effective at 12:01 a.m. on November 14, 1971.

DONALD RUMSFELD,
*Director, Cost of Living Council.*

Subpart A—General

Sec.
101.1 Purpose and scope.

Subpart B—Price Adjustments—Classification and Procedures

101.11 Price category I firms; prenotification and reporting requirements.
101.13 Price category II firms; reporting requirements.
101.15 Price category III firms; monitoring and spot checks.
101.17 Reclassification.

Subpart C—Pay Adjustments—Classification and Procedures

101.21 Category I pay adjustments; construction pay adjustments; prenotification requirements.
101.23 Category II pay adjustments; reporting requirements.
101.25 Category III pay adjustments; monitoring and spot checks.
101.27 Reclassification.

Subpart D—Exemptions; Items Not Included in Coverage

101.31 General.
101.32 Exemptions.
101.33 Items not included in coverage.

Subpart E—Definitions

101.51 Definitions.

Subpart F—Special Temporary Provisions

101.101 Special provisions applicable from Nov. 14, 1971–Jan 1, 1972.

AUTHORITY: The provisions of this Part 101 issued pursuant to Economic Stabilization Act of 1970, as amended, Public Law 91–379, 84 Stat. 799; Public Law 91–588, 84 Stat. 1468; Public Law 92–8, 85 Stat. 13; Public Law 92–15, 85 Stat. 38; Executive Order No. 11627, October 15, 1971, 36 F.R. 20139.

### Subpart A—General

§ 101.1 Purpose and scope.

(a) The purpose of this part is to establish the economic units and transactions which are covered by, and exempt from, the controls, standards and criteria established for the post-freeze economic stabilization period. The purpose is also to establish categories of economic units which must comply with the prenotification, reporting, and other procedural requirements prescribed by the Cost of Living Council. In general, such controls, standards and criteria are applicable to all price adjustments and to all pay adjustments, unless otherwise provided, regardless of the category into which any such adjustment falls. However, the procedural requirements vary depending upon the category.

(b) This part applies to all price adjustments and all pay adjustments which occur during the post-freeze economic stabilization period, except those which are specifically exempt under this part.

(c) This part does not apply to economic transactions which are not prices, rents, wages, and salaries within the meaning of the Economic Stabilization Act of 1970, as amended. Examples of transactions not within the meaning of the Act are:

(1) State or local income, sales and real estate taxes;
(2) Workmen's compensation payments;
(3) Welfare payments;
(4) Child support payments; and
(5) Alimony payments.

(d) The Cost of Living Council may allow such exceptions or permit such exceptions as it deems appropriate with respect to the coverage, classification, and other procedural requirements prescribed in this part. Requests for exceptions to and exemptions from the coverage, classification, and other procedural requirements of this part shall be submitted to the Cost of Living Council through procedures established by the Internal Revenue Service.

### Subpart B—Price Adjustments—Classification and Procedures

§ 101.11 Price category I firms; prenotification and reporting requirements.

(a) A price category I firm is a firm with annual sales or revenues of $100 million or more.

(b) Each price category I firm shall submit a prenotification to the Price Commission of each proposed price adjustment in accordance with regulations issued by the Price Commission.

(c) No proposed price adjustment shall be put into effect by any price category I firm unless such price adjustment has been approved or permitted to take effect in accordance with regulations issued by the Price Commission.

(d) Each price category I firm shall submit quarterly reports to the Price Commission with information on prices, costs, and profits in accordance with regulations issued by the Price Commission.

§ 101.13 Price category II firms; reporting requirements.

(a) A price category II firm is a firm with annual sales or revenues from $50 million to $100 million.

(b) Each price category II firm shall submit quarterly reports to the Price Commission with information on prices, costs, and profits in accordance with regulations issued by the Price Commission.

§ 101.15 Price category III firms; monitoring and spot checks.

(a) A price category II firm is a firm with annual sales or revenues of less than $50 million.

(b) The price adjustments of price category III firms are not subject to prenotification or reporting. However, they are subject to monitoring and spot checks, as are price adjustments by firms in other categories.

§ 101.17 Reclassification.

(a) Upon the recommendation of the Price Commission, the Director of the Cost of Living Council has authority to reclassify firms so as to subject a price category II firm to the procedures applicable to price category I firms, and to subject price category III firms to the procedures applicable to price category I firms or price category II firms.

(b) If the pay adjustments of a firm are classified as category I pay adjustments, the Director of the Cost of Living Council has authority to reclassify the firm, for price adjustment purposes, as a price category I firm. If the pay adjustments of a firm are classified as category II pay adjustments and for price adjustment purposes, the firm is classified in category III, the Director of the Cost of Living Council has authority to reclassify the firm as a price category II firm.

## Subpart C—Pay Adjustments—Classification and Procedures

§ 101.21 Category I pay adjustments; construction pay adjustment; prenotification requirements.

(a) A category I pay adjustment means a pay adjustment which applies to or affects 5,000 or more employees or which applies to or affects employees who are engaged in construction as defined by section 11(a) of Executive Order No. 11588, March 29, 1971.

(b) Prenotification of each proposed category I pay adjustment shall be submitted to the Pay Board in accordance with regulations issued by the Pay Board.

(c) No proposed category I pay adjustment shall be put into effect unless such pay adjustment has been approved or permitted to take effect in accordance with regulations issued by the Pay Board.

§ 101.23 Category II pay adjustment; reporting requirements.

(a) A category II pay adjustment means a pay adjustment which applies to or affects from 1,000 to 5,000 employees.

(b) Each category II pay adjustment shall be reported to the Pay Board in accordance with regulations issued by the Pay Board.

§ 101.25 Category III pay adjustments; monitoring and spot checks.

(a) A category III pay adjustment means a pay adjustment which applies to or affects less than 1,000 employees.

(b) Category III pay adjustments are not subject to prenotification and reporting. However, they are subject to monitoring and spot checks as are pay adjustments by firms in other categories.

§ 101.27 Reclassification.

(a) Upon the recommendation of the Pay Board, the Director of the Cost of Living Council has authority to reclassify category II pay adjustments to category I pay adjustments, and to reclassify category III pay adjustments to category I pay adjustments or category II pay adjustments.

(b) If a firm is a price category I firm, the Director has the authority to classify all pay adjustments of the firm as category I pay adjustments. If a firm is a price category II firm, the Director has the authority to classify all pay adjustments of the firm as pay category II pay adjustments, unless that firm's pay adjustments are already classified as category I pay adjustments.

## Subpart D—Exemptions; Items Not Included in Coverage

§ 101.31 General.

Price adjustments with respect to the property and services set forth in this subpart are exempt from or not included in the coverage of the economic stabilization program established pursuant to the Economic Stabilization Act of 1970 and Executive Order No. 11627, October 15, 1971.

§ 101.32 Exemptions.

(a) *Raw agricultural products.* Agricultural products which retain their original physical form and have not been processed. Processed agricultural products are products which have been canned, frozen, slaughtered, milled, or otherwise changed in their physical form. Packaging is not considered a processing activity. Examples:

| *Exempt* | *Nonexempt* |
|---|---|
| Live cattle, calves, hogs, sheep and lambs. | Carcasses and meat cuts. |
| Live Poultry | Dressed broilers and turkeys. |
| Raw milk | Pasteurized milk and processed products such as butter, cheese, ice cream. |
| Shell eggs, packaged or loose. | Frozen, dried or liquid eggs. |
| Sheared or pulled wool. | Wool products. |
| Raw honeycomb honey. | Processed and blended honey-butter product. |
| Mohair. | |
| Hay: bulk, pelleted, cubed or baled. | Dehydrated alfalfa meal or alfalfa meal pellets. |
| Wheat | Flour. |
| Feed grains including: | |
| Corn | Mixed feed. |
| Sorghum | Cracked corn. |
| Barley | Rolled barley. |
| Oats | Rolled oats. |
| Soybean | Soybean meal and oil. |
| Leaf tobacco | Cigarettes and cigars. |
| Baled cotton, cottonseed, cotton lint. | Cotton yarn, cottonseed oil, cottonseed meal. |
| Fresh potatoes, packaged or not. | Frozen french fries. dehydrated potatoes. |
| Unmilled rice | Milled rice |
| All raw nuts—shelled and unshelled. | Roasted, salted or otherwise processed nuts. |
| Fresh mushrooms | Canned or freeze dried mushrooms. |
| Fresh mint | Mint oil. |
| Fresh hops. | |
| Dried beans, peas, and lentils. | |
| Sugar beets and sugar cane. | Refined sugar. |
| Maple sap | Maple syrup and sugar. |
| All seeds for planting. | Seeds processed for other uses. |
| Raw coffee bean | Roasted coffee bean. |
| All fresh vegetables and melons including: | Canned and frozen vegetables. |
| Tomatoes. | |
| Lettuce. | |
| Sweet corn. | |
| Onions. | |
| Green beans. | |
| Cantaloupe. | |
| Cucumbers | Dill pickles. |
| Cabbage | Packaged slaw. |
| Carrots. | |
| Watermelons. | |
| Green peas. | |
| Asparagus. | |
| Pepper. | |
| Broccoli. | |
| Cauliflower. | |
| Spinach. | |
| Green lima beans. | |
| Honeydews. | |
| Escarole. | |
| Garlic. | |
| Artichokes. | |
| Eggplant. | |
| Brussels sprouts. | |
| Beets. | |
| Unpopped popcorn | Popped popcorn. |
| Stumpage, or trees cut from the stump. | Milled lumber. |
| All fresh or naturally dried fruits, packaged or not, including: | Canned, artificially dried frozen fruit or juices. |
| Fresh oranges | Glazed citrus peel. |
| Grapes and raisins. | Canned grapes, wine. |
| Apples | Applesauce. |
| Peaches | |
| Strawberries | |
| Grapefruit | |
| Pears | |
| Lemons | |
| Plums and prunes | Canned prunes and prune juice. |
| Cherries | |
| Cranberries | |
| Avocados | |
| Blueberries | |
| Apricots | |
| Tangerines | |
| Olives, uncured | Canned olives. |
| Nectarines | |
| Raspberries | |
| Blackberries | |
| Figs | |
| Tangelos | |
| Limes | |
| Dates | |
| Papayas | |
| Bananas | |
| Pomegranates | |
| Currants | |
| Persimmons | |
| Garden plants and cut flowers. | Floral wreath. |

(b) *Seafood products.* Raw seafood products including those which have been shelled shucked, iced, skinned, scaled, eviscerated, or decapitated.

(c) *Custom products and services.* (1) The folowing products when custom made to individual order:

(i) Leather goods;
(ii) Wigs and toupees;
(iii) Fur apparel;
(iv) Jewelry.

(2) The following custom services when provided to individual order:

(i) Tailoring of clothing;
(ii) Framing of pictures and mirrors;
(iii) Taxidermy.

(d) *Exports, imports, and shipping rates.* (1) Exports, including products sold to a domestic purchaser who certifies that the product is for export.

(2) Imports, but only the first sale into U.S. commerce.

(3) International ocean shipping rates.

(e) *Damaged and used products.* Damaged products and used products other than rebuilt products.

(f) *Government property.* (1) Abandoned or confiscated property sold by a government agency (Federal, State or local) pursuant to authorization of a court.

(2) Property sold by the United States, including lease-sales.

(g) *Real estate.* (1) Sales:

(i) Unimproved real estate.

(ii) Real estate with improvements completed prior to August 15, 1971.

(iii) Real estate with improvements completed on or after August 15, 1971, if

(*a*) The sales price is determined after the completion of construction; or

(*b*) The wage rates are known to the builder and are not altered by actions of the Pay Board after the sales price is established.

(2) Rentals:

(i) Industrial, farm, and nonresidential commercial property.

(*a*) Rental units, including houses, apartments, or any other residential rental property, on which construction is completed, and which are offered for rent for the first time, after August 15, 1971.

(*b*) Rehabilitated dwellings for which the cost of rehabilitation exceeds one-third of the total value of the rehabilitated property (including the cost of rehabilitation), offered for rent in the newly rehabilitated condition for the first time after August 15, 1971.

(h) *Securities and financial instruments.* (1) Securities as defined in § 101.51.

(2) Property subject to net leases as defined in 26 United States Code 163(4)(a).

(3) Commercial paper.

(4) Commodity futures sold on an organized commodities exchange but not including the commodity (unless otherwise exempt).

(i) *Miscellaneous.* (1) Royalties and other payments from the sale of copyrights, manuscripts, and like materials prepaid for publication.

(2) Dues paid to nonprofit organizations.

(3) Wages below the minimum wage established by Federal law.

(4) Insurance premiums charged for all new life insurance policies including ordinary, term, and group policies, and individual endowments and annuities (fixed and variable), but excluding credit-life insurance.

(5) Antiques.

(6) Art objects including paintings, etchings, and sculpture.

(7) Collectors' coins and stamps.

(8) Precious stones and mountings into which precious stones are set.

(9) Rock and stone specimens.

(10) Handicraft objects.

§ 101.33 Items not included in coverage.

The following items are not covered by this part or Executive Order No. 11627, October 15, 1971, on and after the effective date of this part.

(a) *Federal pay adjustments.* Federal Government employees' pay adjustments which are based upon Federal law and regulations and are determined by Presidential directives and adjustments in the compensation and allowances of members of the Armed Forces.

(b) *Raw sugar prices.* Raw sugar price adjustments, which are controlled under the provisions of the Sugar Act of 1948, as amended.

### Subpart E—Definitions

§ 101.51. Definitions.

As used in this part—

"Annual sales or revenues" means the total income of a firm during its most recent fiscal year from whatever source derived.

"Cost of Living Council" means the Council established pursuant to Executive Order No. 11615, August 15, 1971, as amended, and continued under the provisions of Executive Order No. 11627, October 15, 1971.

"Employer" means a firm which employs one or more persons who receive a wage or salary.

"Exception" means a waiver in a particular case of the requirements of any order or regulation issued pursuant to the Economic Stabilization Act of 1970, as amended.

"Exemption" means a general waiver with respect to a certain class of property, services, or economic transactions set forth in Executive Order No. 11627, October 15, 1971, or these regulations and which excludes such property, services, or economic transactions from the application of the Economic Stabilization Act of 1970, as amended.

"Firm" means any person, corporation, partnership, joint-venture, or sole proprietorship or any other entity however organized, including charitable, educational, or other eleemosynary institutions and any Federal, State, or local governmental entity.

"Pay adjustment" means a change in wages and salaries which includes all forms of direct or indirect remuneration or inducement to employees by their employers for personal services, which are reasonably subject to valuation, including but not limited to: Vacation and holiday payments; bonus; layoff and severance pay plans; supplemental unemployment benefits; night shifts, overtime, production; and incentive pay; employer contributions for insurance plans (but not including public plans, e.g. old age, survivors, health, and disability insurance under the Social Security system, Railroad Retirement Acts, Federal Insurance Contributions Act, Federal Unemployment Tax Acts, Civil Service Retirement Acts and the Carriers and Employees Tax Act); savings, pension, profit sharing, annuity funds, and other deferred compensation and welfare benefits; payments in kind, job perquisites; housing allowances; uniform and other work clothing allowances (but not including employer-required uniforms and work clothing whether or not for safety purposes); cost-of-living allowances; commission rates, stock options, and other fringe benefits; and benefits which result in more pay per hour or other unit of work or production (e.g. by shortening the workday without a proportionate decrease in pay).

"Pay Board" means the Board established pursuant to section 7, Executive Order No. 11627, October 15, 1971.

"Prenotification" means notice submitted to the Price Commission or Pay Board relating to a proposed price adjustment or pay adjustment.

"Price adjustment" means a change in the unit price of property or services or a decrease in the quality of substantially the same property or services, unless exempt or outside the scope of the Economic Stabilization Act of 1970, as amended.

"Price Commission" means the Commission established pursuant to section 8, Executive Order No. 11627, October 15, 1971.

"Security" means any note, stock, treasury stock, bond, debenture, evidence of indebtedness, certificates of interest or participation in any profit-sharing agreement, collateral-trust certificate, preorganization certificate or subscription, transferable share, investment contract, voting-trust certificate, certificate of deposit for a security, fractional undivided interest in oil, gas, or other mineral rights, or, in general, any interest or instrument commonly known as a "security," or any certificate of interest or participation in, temporary or interim certificate for, receipt for, guarantee of, or warrant or right to subscribe to our purchase, any of the foregoing.

### Subpart F—Special Temporary Provisions

§ 101.101 Special provisions applicable from Nov. 14, 1971-Jan. 1, 1972.

Notwithstanding the provisions of §§ 100.11 and 100.21:

(a) Pay adjustments scheduled to take effect between November 14, 1971 and January 1, 1972 pursuant to existing contracts or pay practices in effect before November 14, 1971, need not be prenotified to, or approved by, the Pay Board, but must be reported to the Pay Board in accordance with its regulations and will be otherwise subject to such regulations. The provisions of this subparagraph shall not apply to pay adjustments which are subject to the provisions of Executive Order No. 11588, March 29, 1971.

(b) After November 14, 1971 and until January 1, 1972, a price category I firm is not required to submit a prenotification and obtain approval of a proposed price adjustment if it meets the criteria of § 300.51 of this title.

[FR Doc. 71-16762 Filed 11-12-71; 7:08 pm]

## CHAPTER II—PAY BOARD

### *Part 201—Stabilization of wages and salaries*

On August 15, 1971 the President announced a freeze on prices, rents, wages, and salaries for a period of 90 days ending midnight, November 13, 1971. By Executive Order No. 11627 of October 15, 1971, the President provided for an orderly transition from the 90-day general freeze to a more flexible system of economic restraints. Under that Order, the President established a Pay Board to be composed of 15 members (i.e., five representatives each from labor, business, and the general public) to be appointed by him. On November 8, 1971, the Pay Board adopted policies governing pay adjustments to be effective after the 90-day general freeze. A statement of that policy is set forth below as an appendix to regulations prescribed by the Pay Board.

Pursuant to the authority vested in the Pay Board by the Economic Stabilization Act of 1970, as amended (Public Law 91-379, 84 Stat. 799; Public Law 91-558, 84 Stat. 1468; Public Law 92-8, 85 Stat. 13; Public Law 92-15, Stat. 38), Executive Order No. 11627 (36 F.R. 20139, October 16, 1971), and Cost of Living Council Order No. 3 (36 F.R. 20202, October 16, 1971), the Pay Board hereby adopts the following regulations (including the policy statement) in implementation of the President's economic program. A new Chapter II—Pay Board is hereby established in title 6—Economic Stabilization of the Code of Federal Regulations and a new Part 201—Stabilization of Wages and Salaries is added thereto.

Because of the need for immediate guidance from the Pay Board with respect to the provisions contained in these regulations, it is hereby found impracticable to issue such regulations with notice and public procedure thereon under 5 U.S.C., sec. 553(b), or subject to the effective date limitation of 5 U.S.C., sec. 553(d).

*Effective date.* This part shall be effective at 12:01 a.m. on November 14, 1971.

GEORGE H. BOLDT,
*Chairman of the Pay Board.*

Subpart A—Introduction
Sec.
201.1 Purpose.
201.2 Extent to which the regulations under this chapter supersede or affect prior regulations and other published matter.
201.3 Definitions.
Subpart B—Pay Stabilization
201.10 General wage and salary standard.
201.11 Review of new contracts and pay practices in relation to the wage and salary standard.
201.12 Reduction of wages and salaries.
201.13 Scheduled increases in wages and salaries for services rendered after August 15, 1971, and before November 14, 1971.
201.14 Wage and salary increases effective after November 13, 1971.
201.15 Unaffected wages and salaries.
Appendix—Policies Governing Pay Adjustments Adopted by the Pay Board November 8, 1971

AUTHORITY: The provisions of this Part 201 issued under Economic Stabilization Act of 1970, as amended (Public Law 91-379, 84 Stat. 799; Public Law 91-558, 84 Stat. 1468; Public Law 92-8, 85 Stat. 13; Public Law 92-15, Stat. 38), Executive Order No. 11627 (36 F.R. 20139, Oct. 16, 1971), and Cost of Living Council Order No. 3 (36 F.R. 20202, Oct. 16, 1971).

## Subpart A—Introduction

### § 201.1 Purpose.

The purpose of these regulations is to establish rules and standards to stabilize wages and salaries, as defined in § 201.3, in accordance with the provisions of Executive Order No. 11627, and to provide guidance and procedures for an orderly transition from the 90-day general freeze imposed by Executive Order No. 11615. All persons are required by law to comply with the provisions of the Economic Stabilization Act of 1970 as amended, and all Executive orders, regulations (including this regulation), circulars, and orders issued thereunder, and all persons are expected to comply voluntarily with such law, orders, and regulations. The policies governing pay adjustments, adopted by the Pay Board on November 8, 1971, are attached as an appendix to this part.

### § 201.2 Extent to which the regulations under this chapter supersede or affect prior regulations and other published matter.

(a) To the extent that any provision of Economic Stabilization Regulation No. 1, as amended, or any provision of the circulars issued pursuant thereto is inconsistent with the provisions set forth in this chapter, the provisions of this chapter shall be controlling.

(b) To the extent that neither the Cost of Living Council nor the Pay Board issues regulations with respect to specific matters concerning wages and salaries, such matters shall continue to be subject to Economic Stabilization Regulation No. 1, as amended, and the circulars issued pursuant thereto.

### § 201.3 Definitions.

For purposes of this part—

"Party at interest" means:

(1) A bargaining representative of employers who could be required to pay the wages and salaries in question, or in the absence of such bargaining representative, an employer who could be required to pay the wages and salaries in question; or

(2) A bargaining representative of employees who could receive payment of wages and salaries in question, or in the absence of such bargaining representative, an employee who could receive payment of wages and salaries in question.

"Wages and salaries" includes all forms of direct and indirect remuneration or inducement to employees by their employers for personal services, which are reasonably subject to valuation, including but not limited to: Vacation and holiday payments; bonuses; layoff and severance pay plans; supplemental unemployment benefits; night shift, overtime, and incentive pay; employer contributions for insurance plans (but not including public plans, e.g. old-age, survivors, health, and disability insurance under the Social Security system, Railroad Retirement Acts, Federal Insurance Contributions Acts, Federal Unemployment Tax Acts and Civil Service Retirement Acts); savings, pension, profit sharing, annuity funds, and other deferred compensation and welfare benefits; payments in kind; job prerequisites; housing allowances; uniform and other work clothing allowances (but not including employer-required uniforms and work clothing whether or not for safety purposes); cost-of-living allowances; commission rates, stock options, and other fringe benefits which result in more pay per hour or other unit of work or production (e.g. by shortening the workday without a proportionate decrease in pay).

## Subpart B—Pay Stabilization

### § 201.10 General wage and salary standard.

On and after November 14, 1971, the general wage and salary standard shall be applicable to new labor agreements and, where no labor agreement is in effect, to existing pay practices. On and after such date, permissible annual aggregate increases will be those normally considered supportable by productivity improvement and cost of living trends. Initially, the general wage and salary standard is established as 5.5 percent. The appropriateness of this figure will be reviewed periodically by the Pay Board, taking into account such factors as the long-term productivity trend of 3 percent, cost of living trends, and the objective of reducing inflation.

### § 201.11 Review of new contracts and pay practices in relation to the wage and salary standard.

In reviewing new contracts and pay practices, the Pay Board will consider ongoing collective bargaining and pay practices, and the equitable position of the employees involved, including the impact of recent changes in the cost of living upon the employees' compensation.

### § 201.12 Reduction of wages and salaries.

No reduction in wages and salaries being paid November 13, 1971, will be required pursuant to this part unless and to the extent that such wages and salaries were increased in violation of the Economic Stabilization Act of 1970, as amended, and orders and regulations issued pursuant thereto.

### § 201.13 Scheduled increases in wages and salaries for services rendered after August 15, 1971, and before November 14, 1971.

Payments of scheduled increases in wages and salaries for services rendered by employees after August 15, 1971, and before November 14, 1971, which were not made because prohibited by the freeze, may be made retroactive only if approved by the Pay Board. The Pay Board may approve such payments in the following circumstances applicable to individual cases or categories of cases:

(a) It is demonstrated that the employer of the employees on whose behalf such payment is being sought raised the prices for his products or services prior to August 16, 1971, in anticipation of wage and salary increases scheduled to be paid to such employees after August 15, 1971.

(b) It is demonstrated that a wage and salary agreement or pay schedule or practice adopted after August 15, 1971, succeeded an agreement, schedule, or practice that expired or terminated prior to August 16, 1971, and retroactivity is demonstrated to be an established past practice of an employer and his employees or retroactivity had been agreed to prior to November 14, 1971.

(c) It is demonstrated that the proposed retroactive payment satisfies such further criteria as the Pay Board may hereafter establish to remedy severe inequities.

### § 201.14 Wage and salary increases effective after November 13, 1971.

Existing contracts and pay practices previously set forth will be allowed to operate according to their terms except that specific contracts or pay practices are subject to review, when challenged by a party at interest or by five or more members of the Pay Board, to determine whether any increase is unreasonably inconsistent with the criteria established by this Board. In reviewing existing contracts and pay practices, the Pay Board will consider ongoing collective bargaining and pay practices and the equitable position of the employees involved, including the impact of recent changes in the cost of living upon the employee's compensation.

### § 201.15 Unaffected wages and salaries.

Until further action of the Pay Board, those classes of wages and salaries which were held by the Cost of Living Council not to be subject to control by the freeze shall not be affected by this part. However, this section shall not exempt any contracts subject to Executive Order No. 11588 of March 29, 1971, relating to the stabilization of wages and prices in the construction industry, as amended by Executive Order No. 11627 of October 16, 1971, further providing for the stabilization of the economy, from the general wage and salary standards in this part.

## APPENDIX

### *Policies governing pay adjustments adopted by the Pay Board, November 8, 1971*

1. Millions of workers in the Nation are looking to the Pay Board for guidance with respect to permissible changes in wages, salaries, various benefits and all other forms of employee total compensation. It is imperative to have a simple standard with as broad a coverage as possible at as early a date as possible. There is probably a need for exceptions and for individual consideration of special situations as soon as practical, and guidance to the millions whose pay relations are relatively simple is an early essential.

2. This general pay standard is intended, in conjunction with other needed measures, to meet the objectives which led to the establishment of this Board.

3. The general pay standard should be applicable to:

(1) Changes that need approval before becoming effective;

(2) Changes that must be reported when they become effective; and

(3) All other changes requiring compliance but not requiring specific approval or reporting.

4. (a) Effective November 14, 1971, the general pay standard shall be applicable to new labor agreements and, where no labor agreement is in effect, to existing pay practices. The general pay standard would provide:

On and after November 14, 1971, permissible annual aggregate increases would be those normally considered supportable by productivity improvement and cost of living trends. Initially, the general pay standard is established as 5.5 percent. The appropriateness of this figure will be reviewed periodically by the Board, taking into account such factors as the long-term productivity trend of 3 percent, cost of living trends, and the objective of reducing inflation.

In reviewing new contracts and pay practices, the Pay Board shall consider ongoing collective bargaining and pay practices and the equitable position of the employees involved, including the impact of recent changes in the cost of living upon the employees' compensation.

(b) Existing contracts and pay practices previously set forth will be allowed to operate according to their terms except that specific contracts or pay practices are subject to review, when challenged by a party at interest or by five or more members of the Board, to determine whether any increase is unreasonably inconsistent with the criteria established by this Board. In reviewing existing contracts and pay practices, the Pay Board shall consider ongoing collective bargaining and pay practices and the equitable position of the employees involved, including the impact of recent changes in the cost of living upon the employee' compensation.

(c) Scheduled increases in payment for services rendered during the "freeze" of August 16 through November 13, 1971, may be made only if approved by the Board in specific cases. The Board may approve such payments in cases which are shown to meet any of the following criteria:

(1) Prices were raised in anticipation of wage increases scheduled to occur during the "freeze."

(ii) A wage agreement made after August 15, 1971 succeeded an agreement that had expired prior to August 16, 1971, and retroactivity was an established practice or had been agreed to by the parties.

(iii) Such other criteria as the Board may hereafter establish to remedy severe inequities.

5. Following approval of special procedures by the Pay Board with respect to hearing "prior approval" cases and other special situations, application may be made for an exception to the general pay standard and for a hearing on such matters as inequities and sub-standard conditions.

6. No retroactive downward adjustment of rates now being paid will be required by operation of the general pay standard unless the rates were raised in violation of the freeze or of the general pay standard.

7. Provisions may be considered for vacation plans, in-plant adjustments of wages and salaries, in-grade and length of service increases, payments under compensation plans, transfers and the like.

(FR Doc. 71-16753 Filed 11-21-71; 4:43 pm)

## CHAPTER III—PRICE COMMISSION

### *Part 300—Price and rent stabilization*

It is the purpose of the regulations hereby adopted to provide guidance and procedures for the implementation of Price Commission policies designed to achieve a goal of holding average price increases across the economy to a rate of no more than 2½ percent per year. It is expected that all persons will voluntarily comply with the provisions contained in these regulations and all orders and other guidance issued hereunder.

In order to prescribe regulations for the stabilization of prices and rents after November 13, 1971, a new Chapter III—Price Commission is hereby established in Title 6—Economic Stabilization of the Code of Federal Regulations, and a new Part 300—Price and Rent Stabilization is added thereto and the following regulations are hereby adopted effective November 14, 1971:

Subpart A—General

Sec.
300.001 Summary.
300.011 General rule.
300.012 Manufacturers.
300.013 Retailers and wholesalers.
300.014 Service organizations.
300.015 Rental of real property.
300.016 Regulated public utilities.
300.051 Prenotification firms.
300.052 Reporting firms.
300.080 Other considerations.
300.101 Definition of terms.
300.201 Seasonal patterns.
300.202 Taxes.
300.203 Contracts entered into prior to August 15, 1971.
300.204 Formula-determined rentals.
300.401 Exemptions.
300.498 May 25, 1970, limitation date.
300.499 Price Commission address.

Subparts B-E [Reserved]

Subpart F—Base Price

300.501 In general.
300.505 Sales and leases of personal property and services.
300.507 Sales and leases of real property.
300.509 New property and new services.
300.511 Geographic limitation.
300.513 Definitions.

Subpart G—Procedures and Administration

300.601 Records and ceiling price lists.
300.612 Exceptions by ruling.
300.613 Rulings.
300.614 Adverse determinations and appeal.
300.615 Failure to obtain relief.
300.616 Reports of alleged violations.
300.651 Penalties.

AUTHORITY: The provisions of this Part 300 issued under the Economic Stabilization Act of 1970, as amended (Public Law 91-379, 84 Stat. 799; Public Law 91-558, 84 Stat. 1468; Public Law 92-8, 85 Stat. 13; Public Law 92-15, 85 Stat. 38), Executive Order No. 11627 (36 F.R. 20139, October 16, 1971), and Cost of Living Council Order No. 4 (36 F.R. 20202, October 16, 1971).

### Subpart A—General

§ 300.001 Summary.

The rules contained in this subpart relate to increases in prices and rents which are allowable after November 13, 1971, with respect to:

(a) Sales and leases of personal property,
(b) The furnishing of services, and
(c) Sales and leases of real property.

See § 300.011 for the general rule regarding increases in prices with respect to sales and leases for property and with respect to services. For special rules applicable to—

(d) Manufacturers, see § 300.012,
(e) Retailers and wholesalers, see § 300.013,
(f) Service organizations, see § 300.014,
(g) Rental property, see § 300.015,
(h) Regulated industries, see § 300.016.

For rules relating to firms required to notify the Price Commission before a price and rent increase can take effect, see § 300.051. For rules relating to firms required to make periodic reports to the Price Commission, see § 300.052. See § 300.101 for definitions of terms used in this subpart. For rules with respect to certain special situations, see §300.201 and following. For rules exempting certain transactions from the operation of this subpart, see §300.401.

§ 300.011 General rule.

Except as otherwise provided in this subpart, no person may charge a price or rent, with respect to any transaction involving sales or leases of property or services occurring after November 13, 1971, which exceeds the base price as determined under the rules prescribed in Subpart F of this part.

§ 300.012 Manufacturers.

A manufacturer may charge a price in excess of the base price (as determined under Subpart F of this part), to reflect allowable cost increases in effect on or after November 14, 1971, reduced to reflect productivity gains; provided, however, that the effect of all of a manufacturer's price changes is not to increase its profit margin as a percentage of sales, before income taxes, over that which prevailed during the base period (as defined in § 300.101).

§ 300.013 Retailers and wholesalers.

(a) *In general.* A person engaged in retailing or wholesaling may charge a price in excess of the base price where—

(1) The customary initial percentage markup with respect to the property sold is equal to or less than such person's customary initial percentage markup which prevailed during the base period (as defined in § 300.101), provided

(2) The effect of all such person's price changes is not to increase its profit margin as a percentage of sales, before income taxes, over that which prevailed during the base period.

(b) *Posting Requirement.* (1) a retailer is required to display prominently at the place of sale, base prices with respect to:

(i) All food products (except those which are exempt under the provisions of § 300.401); and

(ii) Those 40 items in each department which have the highest sales volume, or those items which account for 50 percent of total sales in each department, whichever is less.

Such base prices must be posted on or before January 1, 1972. No increase in price is allowable under paragraph (a) of this section until such base prices have been posted.

(2) A retailer must utilize the following interim procedure until base prices are posted under subparagraph (1) of this paragraph, with respect to base prices for all products (except for those exempted under § 300.401), and thereafter, with respect to base prices not posted under subparagraph (1) of this paragraph:

(i) There shall be posted on each floor of his establishment at least one sign (minimum of 22" x 28"), as specified below, announcing availability of base price information:

Base Price Information

Information regarding the lawful base price for any item sold by this store not posted may be obtained by filling in a Base Price Information Request Form available at (specify location) and by handling it to (fill in). You will receive a speedy answer by mail.

(ii) There shall be made available in at least one location on each selling floor, Base Price Information Request Forms, as specified below:

Base Price Information Request Forms

Please furnish me with your base price on the following item sold in your store:

Item ----------------------------------------
(Describe)
Retail price--------------------------------
Style No-----------------------------------
Department where sold------------------
Name ------------------------------------
Address ----------------------------------
--------------------- Zip --------

(c) The retailer shall respond to each such written request for base price information within 48 hours from receipt of the request using a letter, in substance similar to the one specified below, and signed by the owner or by an officer of the company:

To: (Name, Address, City, Zip)

Dear ---------------------------:

In reply to your request, we are pleased to inform you that our base price for --------
----------------------------------------
is $-------.

Sincerely,

--------------------------
Owner or company officer

§ 300.014 Service organizations.

A person which is a service organization may charge a price in excess of the base price with respect to the furnishing of services or the leasing of personal property only to reflect allowable cost in effect on November 14, 1971, and cost increase incurred after November 14, 1971, reduced to reflect productivity gains: *Provided, however,* That such increased price shall not result in an increase in such person's profit margin as a percentage of sales, before income taxes, which prevailed during the base period.

§ 300.015 Rental of real property.

(a)-(c) [Reserved]

(d) *Special record requirement.* Persons leasing or offering to lease any real property shall maintain records showing—

(1) The base price (as defined in Subpart F of this part) charged with respect to each unit of real property,

(2) The reason for any difference in the price described in subparagraph (1) of this paragraph and the price allowable on or after November 14, 1971, and

(3) The reason for any difference between the price described in subparagraph (1) of this paragraph and the maximum price allowable during the period beginning August 15, and ending November 13, pursuant to executive Order 11615.

Such records shall be made available upon the request of any tenant, prospective tenant, or representative of the Price Commission.

§ 300.016 Regulated public utilities.

(a) *In general.* A person which is a regulated public utility as defined in section 7701 (a)(33) of the Internal Revenue Code of 1954 (26 U.S.C. section 7701(a)(33)) may charge a price, rate, or tariff in excess of the base price if such increase has been approved by a regulatory agency. A regulated person who had gross receipts of $100 million or more during its most recent fiscal year ending on or before November 13, 1971, shall inform the Price Commission of all requests for rate increases and immediately notify the Commission in writing of any agency order granting an inrcease and of any other authorized increase. A regulated person who had gross receipts between $50 and $100 million during its most recent fiscal year ending on or before November 13, 1971, shall immediately notify the Commission in writing of any agency order granting an increase and of any other authorized increase.

(b) *Special rule.* In the case of rate increases which were approved by a regulatory agency before November 14, 1971, but which were not permitted to take effect due to Executive Order 11615, such rate increase may take effect with respect to transactions occurring after November 13, 1971. However, before such increases may take effect, such regulatory agency shall review such increases with regard to their consistency with the purposes of the Economic Stabilization Act of 1970, as amended.

### § 300.051 Prenotification firms.

(a) *In general.* A person which is a prenotification firm (as defined in § 300.101) may not charge a price in excess of the base price before the Price Commission has approved such increased price. However, in the event the Price Commission does not act upon a requested price increase within 30 days after receipt by the Price Commission of the request for such increase, such increase may go into effect.

(b) *Exceptions.* Prenotification requirements are not applicable:

(1) For wholesalers and retailers.

(2) With respect to price changes resulting from calculation of a base price under Subpart F of this part or from the operation of § 300.203, relating to contracts entered into prior to August 15, 1971.

(3) In respect of any price increase which reflects increases in costs of labor which become effective during the period November 14, 1971, through December 31, 1971.

(c) *Manner of notification.* Such person shall notify the Price Commission of its intention to raise the price of a product or service on forms to be prescribed by the Commission and shall provide information sufficient to enable the Commission to make a determination with respect to such proposed increase. If the Commission finds that the information submitted is not sufficient to make such a determination it shall notify the person and the 30-day period provided in paragraph (a) of this section shall begin to run from the time the additional information is submitted.

(d) *Reporting requirement.* Such person shall file a quarterly report with the Price Commission within 15 days after the end of each fiscal quarter commencing with its first fiscal quarter ending after November 13, 1971. Such quarterly reports shall be made on forms to be prescribed by the Commission and shall contain the information required by such forms.

### § 300.052 Reporting firms.

(a) *In general.* A person which is a reporting firm shall file a quarterly report with the Price Commission in the form provided in paragraph (b) of this section within 15 days after the end of each fiscal quarter commencing with its first fiscal quarter ending after November 13, 1971.

(b) *Manner of filing.* The quarterly report required under paragraph (a) of this section shall be made on forms to be prescribed by the Commission and shall contain the information required by such forms.

### § 300.080 Other consideration.

In making any determination, the Price Commission will take into account whatever factors it considers relevant to an equitable resolution of the case and considers necessary to achieve the overall goal of holding average increases across the economy to a rate of no more than 2½ percent per year.

### § 300.101 Definition of terms.

(a) *In general.* Except as otherwise provided, the definitions contained in this section shall only apply for purposes of Subpart A of this part.

(b) *Organizations subject to freeze*—(1) *Manufacturer.* The term "manufacturer" means a person who carries on the trade or business of making, fabricating, or assembling a product or commodity by manual labor or machinery for sale to another person or persons.

(2) *Retailer and wholesaler*—(i) *Retailer.* The term "retailer" means a person who carries on the trade or business of selling property to ultimate consumers.

(ii) *Wholesaler.* The term "wholesaler" means a person who carries on the trade or business of purchasing property and, without substantially changing the form of such property, reselling it to another person who is not the ultimate consumer.

(3) *Service organization.* The term "service organization" means a person who carries on the trade or business of selling or making available services, including the leasing of property to another person or persons. The term also includes nonprofit organizations, governments and governmental instrumentalities which carry on such activities. The term also includes a person which provides professional services.

(4) *Person.* The term "person" includes any individual, trust, estate, partnership, association, company, corporation, or instrumentality of a governmental unit. However, such term does not include a foreign government, an instrumentality of a foreign government or an international organization.

(c) *Accounting terms*—(1) *Customary initial percentage markup.* The term "customary initial percentage markup," means, the customary initial percentage markup, determined on an item, product line, department, store or other pricing unit basis according to the person's customary pricing practice. For these purposes, the initial markup is that markup which is applied to merchandise when first offered for sale.

(2) *Allowable cost.* The term "allowable cost" means any cost, direct or indirect, unless disallowed by the Price Commission.

(3) *Profit margins.* The term "profit margin," means the ratio that net profits (determined before taxes) bears to gross sales as reported on the person's published financial statement and in accordance with generally accepted accounting principles consistently applied. For purposes of determining net profits, extraordinary items and taxes on income shall not be taken into account.

(d) *Reporting requirements*—(1) *Firm.* The term "firm" means a person whose gross income, in whole or in part, is derived from sales. For purposes of this section, if a firm or firms are controlled directly or indirectly by another firm, the controlled firm or firms and the controlling firm shall be treated as a single firm.

(2) *Reporting firms.* The term "reporting firm" means a firm subject to the requirements of § 101.13 of Chapter I, Part 101 of this title.

(3) *Prenotification firms.* The term "prenotification firm" means a firm subject to the requirements of § 101.11 of Chapter I, Part 101 of this title.

(e) *Base period*—(1) *Base period.* The term "base period" means the average of any two of a person's last 3 fiscal years ended prior to August 15, 1971, the selection of such 2 fiscal years to be made by such person.

(2) *Markup base period.* The term "markup base period" shall mean, at the person's option, either

(i) The last customary initial markup prior to November 14, 1971, or

(ii) The person's last fiscal year ending prior to August 14, 1971.

(f) *Base price.* The term "base price" means base price as defined in Subpart F of this part.

(g) *Other definitions*—(1) *Product.* The term "product" means an item of tangible personal property offered for sale to another person or persons.

(2) *Product line.* The term "product line," means an aggregation of products of the same manufacturer or different manufacturers, substantially similar as to intended function, usage, and structure, and offered for sale simultaneously, or within the same commercial season, by a person or persons.

(3) *United States.* The term "United States" means the States, the District of Columbia, the Commonwealth of Puerto Rico.

### § 300.201 Seasonal patterns.

(a) *In general.* Notwithstanding any provisions of this subpart, prices (including rents) which normally fluctuate in distinct seasonal patterns may be adjusted subject to the provisions of this section.

(b) *Distinct fluctuation.* Prices must show a large or otherwise distinct fluctuation at a specific, identifiable point in time. Such distinct fluctuations must be an established practice that has taken place in each of the past 3 years. New persons may determine their qualifications from those generally prevailing with respect to persons similarly situated, selling or leasing in the same marketing area. If there are no such similar persons in the immediate area, qualification may be established by reference to the nearest similar marketing area.

(c) *Time of price fluctuation.* The price fluctuation referred to in paragraph (b) of this section may not take place at a time other than the time at which such fluctuation took place in the preceding year unless the date of the price fluctuation is tied to a specific event such as a previously planned introduction of new models.

(d) *Allowable price.* If the requirements of paragraphs (b) and (c) of this section are met, the maximum price which may be charged by such person shall be either—

(1) The base price determined under the provisions of Subpart F of this part, or

(2) The price charged by such person during the first 30 days of the period following the seasonal price adjustment in the preceding year, whichever is greater. For purposes of this subparagraph (2), the price charged during such 30-day period shall be the weighted average of the prices charged on all transactions occurring during such period.

(e) *Limitation.* Notwithstanding the provisions of paragraph (d), of this section, the price charged by such person may not result in an increase of its profits margin as a percentage of sales, before income taxes, over that prevailing during the base period.

(f) *Return to nonseasonal prices.* Prices must be adjusted downward at the same date or identifiable point in time as in the previous season.

### § 300.202 Taxes.

Notwithstanding any other provision of this subpart, prices with respect to transactions occurring after November 13, 1971, may be increased dollar-for-dollar to reflect increases in excise taxes (including sales and use taxes), and duties on imports (including the import surcharge imposed by the President on August 15, 1971), but not increased franchise, gross receipts, property, or income taxes.

### § 300.203 Contracts entered into prior to August 15, 1971.

Notwithstanding any other provisions of this subpart, the price specified in any binding contract for the sale of property or services entered into prior to August 15, 1971, with respect to any delivery or performance occurring after November 13, 1971, shall be allowable provided that the contract price shall not exceed that amount which would result in an increase in the person's profit margin as a percentage of sales, before income taxes, over that prevailing during the base period.

### § 300.204 Formula-determined rentals.

Leases of personal or real property entered into prior to August 15, 1971, in which the periodic rental price is determined by means of a formula specified in the lease agreement may continue with such formula in effect. However, any increases in the periodic rental price due to the passage of time or increases in the consumer price index shall not be allowed.

### § 300.401 Exemptions.

The provisions of this Part 300 shall apply to all transactions involving the sale or lease of property and services except those enumerated in Subpart D of Part 10 of this title.

### § 300.498 May 25, 1970, limitation date.

No provision in this subpart shall operate to require a person to establish a price or rent which is lower than the average price which was received by the person in arms-length transactions involving the property or service on May 25, 1970. In cases where there were no arms-length transactions on May 25, 1970, involving the person, the nearest date preceding May 25, 1970, on which such a transaction did occur shall be deemed to be May 25, 1970, for purposes of this section. However, the rules contained in this section shall not apply if the person did not offer the property or service on May 25, 1970, due to causes other than the temporary closing of his business.

### § 300.499 Price Commission address.

Any document, report, or other information required by these regulations to be sent directly to the Price Commission shall be addressed to—Price Commission, 2000 M Street NW., Washington, DC 20508.

## Subparts B—E [Reserved]

## Subpart F—Base Price

### § 301.501 In general.

The rules in this subpart relate to the determination of the base price for the purposes of applying the provisions contained in Subpart A of this part, after November 13, 1971, with respect to:

(a) Sales and leases of personal property,

(b) The furnishing of services, and

(c) Sales and leases of real property.

The base price is either (1) the ceiling price permitted for the period beginning August 15, 1971, and ending November 13, 1971, or (2) such ceiling price as adjusted in accordance with the rules provided in this subpart which shall then constitute the base price. See § 300.505 for rules relating to the determination of the base prices with respect to sales and leases of personal property and with respect to services, § 300.507 for rules relating to the determination of base prices with respect to sales and leases of real property, and § 300.509 for rules relating to the determination of base prices with respect to sales and leases of new property and with respect to new services, as therein defined.

### § 300.505 Sales and leases of personal property and services.

(a) *Sales of personal property and services.* The base price with respect to sales of personal property and services is the highest price charged by the person to a specific class of purchasers in a substantial number of transactions involving such personal property or services during the freeze base period (as defined in § 300.513).

(b) *Leasing of personal property.* The base price with respect to the leasing of personal property is the highest price charged to a specific class of purchasers with respect to leases of the same or substantially identical personal property in a substantial number of transactions during the freeze base period.

(c) *Ten-percent rule.* For purposes of paragraphs (a) and (b) of this section and paragraph (b) of § 300.507, the highest price in a substantial number of transactions during the freeze base period shall be the highest price at or above which 10 percent of the units were priced in transactions with a specific class of purchasers during the freeze base period.

### § 300.507 Sales and leases of real property.

(a) *Sales of real property.* This section applies to sales of real property not exempted under § 300.401. The base price with respect to the sale of any interest in real property which is held by the person for sale in the ordinary course of trade or business is the highest price received with respect to the same type of interest in similar real property during the freeze base period. In the case of a sale of an interest in real property which is not held for sale in the ordinary course of a trade or business, such interest shall be deemed to be new property for purposes of paragraph (d) of § 300.509.

(b) *Leases of real property*—(1) *In general.* The base price for a lease of an interest in real property is the highest price charged by the person with respect to the same or substantially identical rental units in a substantial number of transactions during the freeze base period. A provision is a lease of an interest in real property executed prior to August 15, 1971, which provides for an increased rental to take effect August 14, 1971, may take effect after November 13, 1971, to the extent such increased rental does not exceed the base price for the rental of such real property.

(2) *Property vacant during freeze base period.* If the property had been vacant for more than 1 year prior to the beginning of the lease period, the provisions of § 300.509 (b) relating to new real property shall apply.

### § 300.509 New property and new services.

(a) *In general.* For purposes of this section, new property or new services means property or services which the person has not offered for sale (or lease in the case of property) at any time during the 1-year period immediately preceding the date on which the person is offering the property or service for sale (or lease).

(b) *Lease of real property.* In the case of a person offering real property for lease which was never previously leased, the base price shall be determined by a computation based on the average arms-length price received by persons leasing comparable property in the same marketing area. For purposes of determining the average price referred to in the preceding sentence, only a quantity of transactions which is not insubstantial in relation to the total number of such transactions need be taken into consideration. A property, or part thereof, which undergoes a substantial capital improvement shall be treated as new property for purposes of a lease. For purposes of this paragraph a substantial capital improvement means a permanent improvement or betterment made to increase the value of the property or to restore the property or part thereof, the cost of which equals or exceeds at least 3 months' rent and exceeds $250.

(c) *Personal property or services.* Personal property or services shall be deemed new if substantially different from other property or services in purpose, function, quality, or technology or if the use of such property or service effects a substantially different result. Property or services that differ from other property or services only in appearance, arrangement, combination, or function shall not be considered as new. A change in fashion, style, form, or packaging will not ordinarily be deemed to create a new property or service. A property, or part thereof, which undergoes a substantial capital improvement shall be treated as new property for purposes of a lease. For purposes of this paragraph a substantial capital improvement means a permanent improvement or betterment made to increase the value of the property or to restore the property, the cost of which equals or exceeds at least 3 months' rent and which exceeds $100.

(d) *Base price determination.* In the case of a person offering new property or new services, the base price shall be deemed to be, at the election of such person, either—

(1) The price determined under the method prescribed in paragraph (e) of this section, or

(2) The price determined under the method prescribed in paragraph (f) of this section.

(e) *First method.* The method referred to in paragraph (d)(1) of this section is a method by which a person may determine the price with respect to new property or services by a computation based on the unit cost (including direct and indirect costs) of a similar property or services of such person plus a factor for profit (before income taxes) which equals the profit rate actually earned with respect to such similar property or services. The rules in this paragraph shall not be applicable to transactions involving property or services with respect to which the person offers no other property or services which are similar thereto.

(f) *Second method.* The method referred to in paragraph (d)(2) of this section is a method by which a person may determine the price with respect to new property or services by a computation based on the average prices received in a substantial number of arms-length transactions by persons selling or leasing comparable property or services in the same marketing area.

### § 300.511 Geographic limitation.

The provisions of this subpart shall not be applicable to transactions for sales, leases, or services occurring outside the United States. For purposes of this paragraph, a transaction shall be deemed to occur outside the United States if delivery of the property or rendering of the service which is the subject matter of the transaction occurs outside the United States, or if real estate which is the subject matter of the transaction is located outside the United States. If personal property which is the subject of a lease is used both inside and outside the United States during the period of the lease, the transaction shall be deemed to have occurred exclusively in the United States and the provisions of this subpart shall apply. Similarly, if services are partially rendered in the United States, and partially outside the United States, the services shall be deemed to have been performed exclusively in the United States.

### § 300.513 Definitions.

(a) *In general.* Unless otherwise indicated, the definitions contained in this section shall apply for purposes of Subparts F and G of this part.

(b) *Transaction.* A "transaction" shall be deemed to occur at the time and place a binding contract is entered into between the parties to the transaction. A "transaction" shall mean an arms-length transaction, and shall include only transactions between unrelated persons which are not members of a controlled group.

(c) *United States.* The term "United States" means the States, the District of Columbia, and the Commonwealth of Puerto Rico.

(d) *Person.* The term "person" includes any individual, estate, trust, partnership, association, company, corporation, governmental unit, or instrumentality of a governmental unit. However such term does not include a foreign government, an instrumentality of a foreign government, an international organization.

(e) *Freeze base period.* The term "freeze base period" means either—

(1) The period beginning July 16, 1971, and ending August 14, 1971, or

(2) If a person had no transaction during the period specified in subparagraph (1) of this paragraph the nearest preceding 30-day period in which he had a transaction.

(f) *Unrelated person.* The term "unrelated person" refers to a person other than a person described in 26 U.S.C. section 267(b), as amended.

(g) *Controlled group.* The term "controlled group" means a controlled group of corporations are defined in 26 U.S.C. section 1563(a).

(h) *Price.* The term "price" includes commissions, membership dues, margins, rates, fees, charges, tariffs, and premiums without regard to the form in which paid. The term also includes rents for the lease of real or personal property.

(i) *Service.* The term "service" includes all services rendered by one person for another person other than in an employment relationship (determined under the normal common law rules). The term also includes for example professional services of any kind and services rendered by membership associations for which dues are charged.

(j) *Sale.* The term "sale" includes all sales, exchanges, transfers, and dispositions.

(k) *Lease.* The term "lease" includes any contract for the use of real or personal property of any description.

(l) *Rent.* The term "rent" means any price for the use of real or personal property of any description. The term also includes any charge, no matter how denominated in the lease or other agreement, for the use of any property or for any service in connection with the use of leased property.

(m) *Class of purchasers.* The term "class of purchasers" means purchasers to whom a person has charged a comparable price for comparable property or service during the freeze base period pursuant to customary price differentials between those purchasers and other purchasers. The term "customary price differentials" includes, but is not limited to, price distinctions based on discounts, allowances, add-ons, premiums, and extras based on differences in volume, grade, quality, or location or type of purchaser, or terms or conditions of sale or delivery.

## Subpart G—Procedure and Administration

### § 300.601 Records and ceiling price lists.

(a) *In general.* Any person who sells property or services, or leases property subject to the price and rent stabilization requirements of this Part 300 shall keep such permanent books of account or records as are sufficient to establish the base prices for all such property or services offered for sale or lease by such person and the prices at which such property or services were actually sold or leased.

(b) *Inspection of records or lists.* Records required to be maintained under paragraph (a) of this section shall be made available for inspection at any time upon the request of an officer or employee of the Internal Revenue Service for the purpose of ensuring compliance with the requirements of this part.

(c) *Special rule for imported items.* In addition to the records and lists required to be maintained under paragraphs (a) and (b) of this section, any item which has been imported into the United States and upon which an import surcharge has been imposed by the President in conjunction with other measures taken under the Economic Stabilization Act of 1970, as amended, shall when sold, clearly have indicated upon the accompanying sales ticket or invoice the exact amount of the import surcharge the seller is passing on to the customer or that such an import surcharge though so imposed, is not being passed on.

(d) *Period for keeping records.* All records required to be kept under this section shall be maintained and preserved by the person required to keep such records for at least 4 years after the last day of the calendar year in which the transactions or other events recorded in such accounts or records occurred or the property was acquired by such person, whichever is later.

### § 300.612 Exceptions by ruling.

(a) *In general.* The Chairman of the Price Commission, or his delegate, will by rulings make such exceptions from the operation of this Part 300 as the Price Commission deems necessary for the purpose of preventing or correcting gross inequities.

(b) *Requests for exceptions.* Except as otherwise prescribed by the Price Commission, persons requesting exceptions from the operation of this Part 300 should submit their request, in writing, to the District Director of Internal Revenue for the district in which such person has his residence or principal place of business. The request should state the reason why the exception is being requested and should contain sufficient information to establish to the satisfaction of the Price Commission that—

(1) The application of the provisions of this part to such person would result in a serious hardship or gross inequity, and

(2) That the request for exception is not part of a plan having as one of its principal purposes the avoidance of the purposes of the Economic Stabilization Act of 1970, as amended, and this Part 300. (See § 300.613 for a more detailed description of the manner in which a request for determination by the Price Commission should be made.)

### § 300. 613 Rulings.

(a) *In general.* In the interest of sound administration of the Economic Stabilization Act of 1970, as amended, and this Part 300, the Internal Revenue Service will answer inquiries of persons regarding their status for price and rent stabilization purposes and as to the applicability of this Part 300 to their proposed acts or transactions.

(b) *Price stabilization ruling.* A "Price Stabilization Ruling" is an official interpretation of the law by the Internal Revenue Service which has been published in the Price Stabilization Bulletin. Price Stabilization Rulings are published for the information and guidance of the Price Commission, Internal Revenue Service officials and others concerned.

(c) *Ruling guidelines.* (1) Rulings will be issued only with respect to prospective transactions.

(2) Rulings will not be issued on alternative plans of proposed transactions or on hypothetical situations.

(3) A ruling will not be issued if the national office of the Internal Revenue Service knows or has reason to believe that the same or identical issue in connection with a possible violation of this part by the person who is the subject of the ruling request is before any field office of the Service or any other agency charged with enforcement of this part.

(4) Further, a ruling will not be issued with respect to a matter upon which a recent court decision adverse to the Government has been handed down until the Government has decided whether to follow the decision or litigate further.

(d) *Instructions.* Any person requesting a ruling should direct such request, in writing to the District Director of Internal Revenue for the district in which such person has his residence or principal place of business. Each request for a ruling must include—

(1) A complete statement of all such information as is relevant to the status of the person and proposed transaction under this Part 300,

(2) Copies of all relevant documents affecting such status or transactions, and

(3) A statement, executed under penalty of perjury, that such statements and documents, to the knowledge of the person making the request, are true and accurate. Only one ruling request may be made with respect to a particular transaction, and no ruling request may be made with respect to an issue described in paragraph (c)(3) of this section.

(e) *Determination letters.* In the discretion of the Internal Revenue Service the request of the person may be answered with a determination letter directed solely to the attention of the person in cases in which the Service deems the question not of sufficient importance to the Price Commission, the Internal Revenue Service, or the public in general to warrant the issuance of a ruling.

### § 300.614 Adverse determinations and appeal.

If a person receives an adverse determination letter (as described in paragraph (e) of § 300.613) he may, within 10 days, file a written request for a conference with the district director who issued such adverse determination letter. If the district director fails to reverse his initial determination following such conference, the person affected may, within 10 days after notice of such final determination, file written application for an appeal, together with a brief outlining the basis for such appeal, with the Price Commission. A copy of the application for appeal and the brief shall, at the same time, be directed to the Internal Revenue Service, Attention: Assistant Chief Council (Stabilization), Washington, D.C. 20224.

### § 300.615 Failure to obtain relief.

If a person is denied relief by the Price Commission, either because of an adverse determination or because of the Price Commission's refusal to grant an appeal, such person may, within 30 days, file an action for relief in the appropriate U.S. District Court.

Whenever any person has reason to believe that a violation of these regulations has taken place, such person should contact the nearest office of the Internal Revenue Service. Such cooperation on the part of every citizen will insure that the price stabilization program achieves its maximum and intended effect.

### § 300.651 Penalties.

(a) *Illegal practices.* Any person who, by means of inducements, commissions, kickbacks, retroactive increases, transportation arrangements, premiums, discounts, special privileges, tie-in agreements, trade understandings, in the falsification of records, the substitution of inferior commodities, the failure to provide the same services and equipment previously sold or leased, or in any other manner seeks to obtain a higher price or rent than is permitted by this part shall be subject to the provisions of paragraphs (b) and (c) of this section.

(b) *Injunctions.* Whenever it appears that any person is engaged, or is about to engage, in any act or practice described in paragraph (a) of this section, the U.S. Government may, in its discretion bring an action in the proper district court of the United States to enjoin such acts or practices. Upon a proper showing, a permanent or temporary injunction or restraining order may be granted. In addition, upon proper applications, such court may issue mandatory injunctions commanding any person to comply with any provision of this Part 300.

(c) *Fines.* Any person who willfully violates the provisions of this Part 300 shall, upon conviction thereof, be subject to a fine of not more than $5,000 for each violation. See section 204 of title 2 of Public Law 91-379 (84 Stat. 800).

Because the purpose of this Price Commission regulation is to provide immediate guidance as to the price and rent stabilization rules applicable after November 13, 1971, it is hereby found impracticable to issue this Price Commission regulation with notice and public procedure thereon under 5 U.S.C., section 533(b), or subject to the effective date limitation of 5 U.S.C., section 553(d).

C. JACKSON GRAYSON, Jr.,
*Chairman of the Price Commission.*

[FR Doc. 71-16759 Filed 11-12-71; 4:43 pm]

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### COST OF LIVING COUNCIL

[Order No. 5]

#### SECRETARY OF THE TREASURY

#### *Delegation of Authority Concerning Implementation of Stabilization of Prices, Rents, Wages, and Salaries*

Pursuant to the Economic Stabilization Act of 1970, as amended (hereinafter referred to as the Act), and the authority delegated to the Cost of Living Council by Executive Order No. 11627 (hereinafter referred to as the Executive order) it is hereby ordered as follows:

1. There is hereby delegated to the Secretary of the Treasury (hereinafter referred to as the Secretary), subject to the general policy guidance of and coordination with the Cost of Living Council (hereinafter referred to as the Council) and in accordance with the general policy of the Act, authority to interpret, implement, administer, monitor, and enforce the stabilization of prices, rents, wages, and salaries pursuant to the coverage, classifications, and implementation procedures established by the Council. Such functions will include, but not be limited to, the following:

(a) Operation and maintenance of local service and compliance centers established in support of the economic stabilization program in Standard Metropolitan Statistical Areas and such other places as the Secretary may determine;

(b) Dissemination of information and guidance to the public;

(c) Issuance of rulings and the receiving, analyzing, and responding to inquiries relating to the application of regulations and other guidance issued by the Council and the establishment and operation of an appeal procedure;

(d) Receiving, analyzing, investigating, and preparing and forwarding recommendations upon applications for exceptions and exemptions from coverage, classifications, and the implementation procedures to the Council for decision;

(e) Conducting monitoring investigations as to the effectiveness of the stabilization program;

(f) Receiving, investigating, and resolving by obtaining compliance, where possible, complaints received with respect to program violations and recommending enforcement action to the Council, where necessary;

(g) Making factual determinations on behalf of the Council in furtherance of any functions herein delegated; and

(h) Maintaining adequate records and the making of periodic reports to the Council.

2. All executive departments and agencies shall furnish such necessary assistance to the Secretary as may be authorized by law.

3. The Secretary may redelegate to any agency, instrumentality, or official of the United States any authority under this order, and may, in carrying out the functions delegated by this order, utilize the services of any other agencies, Federal or State, as may be available and appropriate.

4. The Director, Office of Emergency Preparedness, shall continue to exercise responsibility and authority under Council Order No. 1 as necessary to complete actions in process and to effectuate an orderly transfer of functions to the Pay Board established by section 7 of the Executive order and the Price Commission established by section 8 of the Executive order.

5. Nothing in this order shall be construed to limit or otherwise supersede the authority heretofore delegated to the Pay Board by Council Order No. 3 or to the Price Commission by Council Order No. 4.

6. This order shall be effective at 12:01 a.m., November 14, 1971.

By direction of the Council.

DONALD RUMSFELD,
*Director.*

[F.R. Doc. 71-16760 Filed 11-12-71; 4:43 am]

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### PRICE COMMISSION

[Order No. 1]

#### SECRETARY OF THE TREASURY

#### *Delegation of Authority Concerning Implementation of Stabilization of Prices and Rents*

Pursuant to Executive Order 11627 and the authority delegated to the Price Commission (hereinafter referred to as the Commission) by Cost of Living Council Order No. 4 (hereinafter referred to as the order), it is hereby ordered as follows:

1. There is hereby delegated to the Secretary of the Treasury (hereinafter referred to as the Secretary), subject to the general policy guidance of and coordination with the Commission and consistent with the general policy of Executive Order 11627 as developed by the Cost of Living Council, authority to interpret, implement, administer, monitor, and enforce the stabilization of prices and rents pursuant to the criteria, standards, and implementation procedures established by the Commission. Such functions will include, but not be limited to, the following:

(a) Operation and maintenance of local service and compliance centers established in support of the economic stabilization program in Standard Metropolitan Statistical Areas and such other places as the Secretary may determine;

(b) Dissemination of information and guidance to the public;

(c) Issuance of rulings and the receiving, analyzing, and responding to inquiries relating to the application of regulations and other guidance issued by the Commission and the establishment and operation of an appeal procedure;

(d) Receiving, analyzing, investigating, and preparing and forwarding to the Commission for decision recommendations upon applications for exceptions from the criteria, standards, and the implementation procedures;

(e) Conducting monitoring investigations as to the effectiveness of the stabilization program;

(f) Receiving, investigating, and resolving by obtaining compliance, where possible, complaints received with respect to program violations and recommending enforcement action to the Commission, where necessary;

(g) Making factual determinations on behalf of the Commission or in furtherance of any functions herein delegated; and

(h) Maintaining adequate records and the making of periodic reports to the Commission.

2. All executive departments and agencies shall furnish such necessary assistance to the Secretary as may be authorized by law.

3. The Secretary may redelegate to any agency, instrumentality, or official of the United States any authority under this order, and may, in carrying out the functions delegated by this order, utilize the services of any other agencies, Federal or State, as may be available and appropriate.

4. This order shall be effective at 12:01 a.m., November 14, 1971.

By direction of the Commission.

C. JACKSON GRAYSON, Jr.,
*Chairman.*

[FR Doc. 71-16761 Filed 11-12-71:4:43 pm]

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### PAY BOARD

[Order No. 1]

#### SECRETARY OF THE TREASURY

#### *Delegation of authority concerning implementation of the stabilization of wages and salaries*

Pursuant to Executive Order 11627 and the authority delegated to the Pay Board (hereinafter referred to as the Board) by Cost of Living Council Order No. 3 (hereinafter referred to as the order), it is hereby ordered as follows:

1. There is hereby delegated to the Secretary of the Treasury (hereinafter referred to as the Secretary), subject to the general policy guidance of and coordination with the Board and consistent with the general policy of Executive Order 11627 as developed by the Cost of Living Council, authority to interpret implement, administer, monitor, and enforce the stabilization of wages and salaries pursuant to the criteria, standards, and implementation procedures established by the Board, Such functions will include, but not be limited to, the following:

(a) Operation and maintenance of local service and compliance centers established in support of the economic stabilization program in Standard Metropolitan Statistical Areas and such other places as the Secretary may determine;

(b) Dissemination of information and guidance to the public;

(c) Issuance of rulings and the receiving, analyzing, and responding to inquiries relating to the application of regulations and other guidance issued by the Board and the establishment and operation of an appeal procedure;

(d) Receiving, analyzing, investigating, and preparing and forwarding to the Board for decision recommendations upon applications for exceptions from the criteria, standards, and the implementation procedures;

(e) Conducting monitoring investigations as to the effectiveness of the stabilization program;

(f) Receiving, investigating, and resolving by obtaining compliance, where possible, complaints received with respect to program violations and recommending enforcement action to the Board, where necessary;

(g) Making factual determinations on behalf of the Board or in furtherance of any functions herein delegated; and

(h) Maintaining adequate records and the making of periodic reports to the Board.

2. All executive departments and agencies shall furnish such necessary assistance to the Secretary as may be authorized by law.

3. The Secretary may redelegate to any agency, instrumentality, or official of the United States any authority under this order, and may, in carrying out the functions delegated by this order, utilize the services of any other agencies, Federal or State, as may be available and appropriate.

4. This order shall be effective at 12:01 a.m., November 14, 1971.

By direction of the Board.

GEORGE H. BOLDT,
*Chairman of the Pay Board.*

[FR Doc.71-16763 Filed 11-12-71; 7:18 pm]

## A TRIBUTE TO POLISH INDEPENDENCE DAY

Mr. WILLIAMS. Mr. President, 53 years ago the proud and courageous people of Poland, determined to, once again, obtain and preserve a "free and united Poland," announced their independence. November 11, 1918, will continue to be appropriately honored by Poles and their descendants as "Polish Independence Day." It is especially fitting that all Americans join in paying tribute to this outstanding accomplishment.

Prior to 1918, however, the people of Poland were faced with both triumph and disappointment. A successful attempt to establish a constitutional government in the late 1700's demonstrated the Polish desire to become a self-governing nation, and its capability of self-determination. Unfortunately, however, the powerful Russian Army destroyed this form of government following only 1 year of existence, and soon divided this small country with Prussia.

The ensuing years were intermittently shared with hardship and misrule. A continual struggle by Russia and Germany to control Poland eventually led to the German occupation in the early 1900's. It was not until 1918, following the disarming and expelling of German troops, that the people of Poland were once again given the opportunity to proclaim their independence.

Mr. President, although these years of renewed liberation and self-government were again short lived for these courageous people, their struggle to be free continues. It is, therefore, particularly appropriate that we, in the United States, acknowledge this great accomplishment and pay special tribute to "Polish Independence Day."

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## POLITICAL PRISONERS IN CUBA

Mr. GURNEY. Mr. President, in light of recent proposals advanced by certain Senators regarding a change in the Nation's position toward the Castro government of Cuba, I should like to bring to the attention of the Senate a matter of great importance. It is the exceedingly poor condition of Castro's political prisoners inside Cuba.

I ask unanimous consent that an article published recently in the Miami News and a letter from a constituent of mine on the subject be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

### "TIGER CAGE" PRISONS REVEALED

(By Hilda Inclan)

Thousands of persons locked in tiny, airless cells in Communist Cuba, wasting away, waiting to die . . .

Their only "crimes," in many cases: Their political inclinations.

This is the gist of letters smuggled into this country from prisoners in those jails; from prisoners in the 1971 version of the infamous "Tiger Cages" of the Vietnam War, where thousands of prisoners of war were herded together like animals.

They are men and women from all walks of life; sugar cane cutters, blue-collar workers, peasants, clerks, doctors, teachers, technicians, newspapermen.

The Miami News today is publishing from one of these prisoners a letter that reveals details never before made public in English. He is in the Boniato jail.

Prisoners in this jail, in Oriente Province, have been kept incommunicado for two years. Their entire dinner fits in a small can of condensed milk.

Plagued by scurvy and other diseases, they are denied medical attention. The windows in their tiny 5′ by 10′ cells are securely boarded up with steel plates. They are allowed no sunshine or exercise. Their bathroom is a hole in the floor.

Two persons are in each cell.

"It seems impossible that what we are telling is actually happening here," the Boniato prisoner wrote. "Only you, those that were here, the Frenchmen that were prisoners of the Communists in Indochina, the North Americans taken prisoner in Korea; only they know that we are not lying."

Pictures of German concentration camps after World War II shook the world. But no pictures can be taken of Cuba's prison camps.

In Boniato, no outsiders can enter.

In another prison camp—in Manacas—conditions are slightly better. Isolation is not as complete.

Still, a sugar mill worker who would have been freed in December was murdered Aug. 5.

He fell to the ground, a gunshot wound in his head, a victim of the rage of the Prison Camp Director.

He was shot during a flurry that occurred when prisoners from another jail were being transferred to Manacas. Other prisoners were wounded.

In Boniato, three other political prisoners were killed by guards during an alleged escape attempt.

The letter, and others, being smuggled out by the prisoners at great personal risk, are the only way they have of communicating their plight to the outside world.

The method of smuggling the letters out cannot be told.

Some of the prisoners in Boniato, Manacas and other jails have been there virtually since Fidel Castro came into power in 1959.

All are accused of anti-Castro activity and opinions.

They all share the same cells, the same fate.

Estimates as to the number of prisoners run as high as 100,000. No one seems to know for sure exactly how many jails there are.

### TRANSLATION—"WE ARE SUBJECT TO EXTERMINATION"

"Tiger Cages" of Cuba, Boniato Prison, June 10, 1971 My dear brother . . .!

This letter is not an outcry, it isn't a call for help. We know that we are alone. We know about the apathy of international bodies, of the press of the free world, that which appears to be so dynamic in denouncing injustices but doesn't say one word about what is going on in the prisons of Cuba. What do they want, that we send them photographs? The communist jails are not the jails of democratic countries. Nobody can enter here. This is the only piece of paper that I have been able to get to write to you. The physical integrity of many prisoners will be risked to try to get these lines out to you.

Our situation is very difficult. These are the "Tiger Cages" of Cuba. All of the political prisoners of Boniato are being subjected to the most brutal and inhuman plan of physical extermination that America has heard of in all its history.

We've already been here for two years incomunicado in cells with windows and doors hermetically walled up with steel plates. The total lack of light has made many of us almost blind. I am writing this letter lying down on the floor, using the very soft light that comes in through the small space underneath the bottom of the door. . . .

The cells are five feet wide and ten feet long. That's the way political prisoners here live, two for each cell, without getting out of their cells for years. As a bathroom we have a hole in one corner and a faucet that never has any water. Our excrement and our urine accumulate constantly in fetid puddles. We lack any articles of personal hygiene. Our food doesn't reach 900 calories per day. Everything served is carefully weighed. One lunch fits inside an empty can of condensed milk; one dinner, the same; that is our plate, one of those cans. Our breakfast; hot water with sugar and one ounce and a half of bread.

### "LOOK LIKE PRISONERS IN CONCENTRATION CAMP"

Our diet is composed solely of corn flour and boiled noodles and white rice, all of it served with tiny spoons. The absence of proteins and other foods is total. There are men here whose weight has gone down to 70 pounds. I must weigh 115 pounds. The last time they came over to weigh us with a portable scale my weight was 120 pounds. I have lost 35 pounds. My thighs measure 15 inches, my biceps 10. My legs, 11, my waist, 26. All of us look like the prisoners in the concentration camps at the end of the Second World War. Those photographs shocked the world. But here, no pictures can be taken.

Our fate is that of every prisoner of the communists that will not accept their "rehabilitation" plan: physical extinction and biological experimentation is our destiny.

There is no medical assistance. All of us are sick. Scurvy is creating havoc here. Our bodies are full of some dark pustules, our gums are swollen, our teeth are loose, bloody. Hemorrhages through the nose follow every sneezing spell. Our ankles, in many of us, are a hodgepodge of varicose veins. It's been more than ten years already, and you've been more than ten in communist jails.

Skin illnesses, ulcerations of all mucous tissues, mouths full of sores, constant diarrhea. It seems impossible that some of the men here be alive. They are ghosts. The government promised in this type of imprisonment to "punish" us for our decision not to go into the "rehabilitation" plan, and to reduce us to rags. They have already accomplished that. A. — We are already rags. Physically, we will never again be men. Many of us will die here.

We are being subjected, scientifically, to a plan of mental and physical liquidation directed by Czech, Cuban Communist and Russian doctors. They experiment biologically with us, observe us constantly, and subject us to diverse stimuli.

Many of us have reached a crisis point and gone mad. There's been several suicide attempts. The terror and the physical tortures of these years have been too much.

Fernando Lopez del Toro hung himself. We are under the constant threat that the people in the garrison may come over and beat us savagely; the constant pressures, the total isolation. For two years, our families have known absolutely nothing about us. The government denies to them our real situation. That is why I'm telling you, our situation is very difficult.

But we expect nothing from Democracy or from the Latin American governments that have ignored us and turned their backs on our sacrifice.

To denounce this situation to the world is useless. We have become disillusioned about the reception given these letters. It seems impossible to the outside world that what we are telling them is actually happening here. Only you, those that were here, the Frenchmen that were prisoners of the Communists in Indochina, the Northamericans taken prisoner in Korea; only they know that we are not lying.

We are here, in the "Tiger Cages of Cuba," dying for Democracy, defending the principles of the free nations. But it is sad to fight defending freedom and justice and be forgotten by the free and just men of the world

Long Live Free Cuba!
Long Live Democracy!
Down with communism!
Your brother,
A.
Tiger Cages of Cuba
Political Prison of Boniato, Oriente, Cuba.

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Hialeah, Fla.,
*October 5, 1971.*

Mr. Edward J. Gurney,
*U.S. Senate,*
*Washington, D.C.*

Dear Mr. Gurney: Thank you for your letter congratulating me for becoming a citizen of the United States.

I am proud of being a citizen of this wonderful country where I have found the freedoms that I was denied in my native land. I believe that with my background I can fully appreciate the freedoms endowed by your ancestors, since I know the distress of living without them, and I can assure you that I would take active part in government.

But just because I have attained these rights does not mean that I must forget those who are still suffering, specially those in communist jails. This is the reason I am writing you, to ask you to please bring this subject up in Congress, so that the United States will formally accuse Cuba before the United Nations regarding the brutal treatment given to the political prisoners in the communist island.

I am enclosing a letter secretly taken out of the Boniato prison in Cuba, which appeared in a recent issue of the Miami News. Please read it, and learn of the atrocious conditions in which these prisoners live, and let other Congressmen know about it.

This man is not alone, there are close to 100,000 political prisoners living under identical conditions. These men are hopeless, and have no faith, any more, in what the free world can do for them. Let it be the United States, the greatest nation on earth, the champion of freedom and democracy, who accuses Castro and his government of this ignominious prison. The United Nations should force him to better the living conditions of these human beings whose only crime have been defending freedom and justice.

Very truly yours,
Celia Suarez.

## THE NECESSITY OF ENLIGHTENED EDUCATION

Mr. MATHIAS. Mr. President, at this time of increasing concern over the financial crisis facing our Nation's institutions of higher education, I think it appropriate that we take time to remember the absolute necessity of enlightened education to the individual and to this Nation. We cannot afford to imperil such quality through financial neglect of our colleges and universities. Richard Franko Goldman, president of Baltimore's famed Peabody Institute of Music, recently brought this point home in an address on the occasion of the Institute's annual convocation. This address illustrates the potential of education at its best. I ask unanimous consent that the text of his speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### Address by Richard Franko Goldman

I shall take a few minutes of your time today to talk about a concept of education, and particularly about how this concept relates to the Peabody. What kind of school Peabody is, should be, or will be, is a matter of concern to all of us. And I will try today to outline very briefly some of the thoughts and ideas that motivate me as Director and President.

I shall begin by quoting one of the great educators and artist-philosophers of all time. Goethe observed that "the instruction which the true artist gives us opens the mind." On that simple observation, we can begin to construct an abbreviated and condensed, but nevertheless workable definition of what both art and education ideally can be.

Education is of course—and this seems to us merely a platitude—an opening of the mind. But although most would acquiesce in the platitude, everything possible is done in general education today to *prevent* the opening of the mind. On this, I recommend to you a somewhat incendiary book, recently published, by Ivan Illich. The book is entitled "Deschooling Society." Illich is quite serious about his thesis that the school, as now constituted, must be abolished if real education is to be made possible. Education today, as most of us know, is confused with the acquisition of skills (some marketable, some not), with the retention of what are presented as facts (without of course any reference to antecedent principles), with the arithmetic of curricula, and the confirmation of local or transient prejudices.

This is, of course, *not* the opening of the mind. We must assume that education has been, is, and always will be possible, but this may indeed prove to be a rash assumption. For the moment, however, I will make it, and try to talk a bit about our school in this context. One must, also, begin with negatives. The concept of instruction by the true artist, as Goethe intended it, is not exactly the concept of education requiring the accumulation of a specified number of points over a given period, usually four years, in the field (more or less) of specialization, whether this be academic or professional. Students here have made a choice; the art and practice of music. For some of you, I am afraid, the study of music means simply the development of a marketable skill (let us hope that it will remain marketable!); to others among you, it may mean that, but much more besides. It is to both kinds of musicians that I wish to address myself.

I daresay that I have already distressed and disturbed some of you by my off-hand reference to the development of skills. I hope, however, that you will give me credit for being very much in favor of skill. I assure you that I am. But I do wish to insist, as many have done before me, that skill alone is not art, and that the acquisition of a technical or mechanical skill is not the result of education, but of training or physical education.

Training and education are not the same, but our current simplifications do not always make this distinction. We have reached a fairly simple-minded view of education, especially in the United States, in which an arithmetical total of points qualifies anyone for a degree, and in which the possession of a degree, conversely, guarantees that the possessor is "educator." We award "academic" degrees in Physical Education, in Retail Marketing, and a wondrous variety of other intellectual pursuits, in which, no doubt, baton-twirling will eventually be included.

There are many absurd ideas abroad. We even hear such extraordinary phrases as "terminal education." We are told that everyone has a *right,* without any effort implied, to "receive" an education. But education is simply not something that one *receives;* nor is it anything that ever ends or ought to end. To learn, rather than to be taught, is a privilege, not a right; it also implies willingness, interest and liveliness. It is easy to be taught, but it is hard to learn. Education cannot be made easy; it is by nature difficult. And if it does not go on and on and on, it is possible to say that it never began. And, despite rumors to the contrary, there has never been a demand for education in any higher sense; the demand is for some easy substitute that will provide an officially sanctioned illusion.

As a result of the delightfully mad idea that education, like any other product, can be packaged and sold in 4-year installments, we are faced with the mountainous task of educational book-keeping, with questions of courses, credits, simplifications, complications, specializations, and with the idea of the Curriculum, which has become a sacred cow, tended by "officially" sanctioned groups of evaluators, accreditors, educational lobbyists, and statisticians who send out endless questionnaires in an attempt to find out what time it is, or what percentage of your faculty is left-handed. We are afflicted by a low seriousness about higher things. The curriculum becomes a matter of formal and rigid design, departure from which is punishable by statute. But it should perhaps be remembered that the word *Curriculum* in Latin originally meant race-course, and one can perhaps draw a moral from our derived definition. You may run as fast as you can to the finishing line, but do not be surprised if, as you think you are getting there, that finishing line seems to be moving faster than you are.

There are, I fear, a number of practical realities. An institution, even an enlightened one, cannot be totally disorganized or even unorganized. But we can cope with the organization if we keep our minds and hearts alive to the ideal possibilities.

To return to Goethe for a word of transparently simple sense that can be directly applied to the Conservatory: "It is but a part of art that can be taught; the artist needs it all." This, our artist-teachers understand, because they are artists. They know that skill alone is not art, and that skill itself is not easy. They know that art and life are whole and inseparable, not to be divided up into little segments not related one to another. They know this because the teacher and the artist in each of them also are whole and inseparable. Our teachers and artists say to us, again in Goethe's words: "Let us keep a clear and steady eye on what is in ourselves; on what endowments of our own we mean to cultivate; let us be just to others; for we ourselves are to be valued only insofar as we can value."

And what of our endowments and our values? Let us consider for a moment some reasons for our being here at all. The first reason is simple: we are here at the service of the art of music, the practice and study of which imply the value which we attribute to it. We are not, ideally, here simply occupied with Voice or Trombone or Conducting or Counterpoint, but rather with the sum of all these and more. And just as music is larger than the sum of all of these, so it is larger than all of us. This is something we must never forget. The uses of musical skill are many, but perhaps the most rewarding and enduring is the formation of the mind and spirit through the understanding of those masterpieces that have come to us from the past, or of those that may today exist in our midst. Let us remember that the *past* now includes Webern, Schoenberg and Stravinsky. That we may perceive continuity, and yet still place our skills at the service of the present, is an essential aim of education in music, or, for that matter, in any thing at all.

To take a parallel example: we may choose to learn German for a variety of reasons, such as becoming a stewardess on a Lufthansa plane; but one of the more plausible, if less immediately practical reason, is to be able to read Schiller or Goethe or Nietzsche or Hesse in the original. And it is surely one of the properties of a serious education that it forms us to *prefer* reading Schiller or Goethe to reading Hitler. So also education forms our minds to prefer reading any original work to any prepared summary, opinion or commentary. Such education is, in virtue of its realization, simultaneously a selection. We must see and think for ourselves, must learn to prefer the artist to the commentator, and (if I may be permitted) the poet to the pedant. We must learn, in fact, that the music is more important that the program note.

In music we have certain advantages. We deal almost always with the thing itself, the real thing, the object of our study. We *perform* Mozart instead of reading anecdotes about his life or writing essays on his character. This is the justification—and no other is needed—for the development of skills and techniques. For the *educated* or *complete* musician knows that Bach, Mozart and Beethoven are not merely vehicles for his skills. They are indeed the justification of his cultivation of his endowments. And this cultivation never ceases. The end is acquaintance with the masterpiece, even with the beautiful and the sublime; but it is not easy; for of the masterpiece it has been said: "We must grow up to it; it will not descend to us."

Thus, in a very real sense, before you can do anything for Mozart, in the way of understanding and performing, there is much that Mozart must have done to, or for, you. And you must be willing and able to accept and realize what Mozart or Beethoven can do for you, and to know that compared to this, what you can do for them is very little, even at best. At that best, your understanding and love can then provide a living and moving experience for your listeners and hearers; you will have communicated some knowledge of your own, and that communication, in turn, is also a part of an education, both your own and that of those surrounding you whose lives you can in some small way influence.

We must not think that we can learn or know everything. That is an illusion that has nothing to do with education. In this Phi Beta Kappa address of 1909, Woodrow Wilson, then President of Princeton, said: "The mind does not live by instruction. It is no prolix gut to be stuffed. . . . The object of a liberal training is not learning, but discipline and enlightenment of the mind. . . . What we should seek to impart in our colleges, therefore, is not so much learning itself as the spirit of learning. You can impart that to young men, and you can impart it to them in the three or four years at your disposal. . . . (This spirit) means citizenship in the world of knowledge, but not ownership of it."

What we must know is how much there is to know, and to find some basis of judgment to determine what is worth knowing. Education, conceived in this way, should have as its primary aim that of enabling us to recognize excellence, whether artistic, intellectual or moral. It should teach us not to settle for the second best of all possible worlds, whether in art or music, or morality. For education, and particularly esthetic education, is indeed and must be, directed toward moral ends.

By this I mean simply that response to education requires a certain transcending of one's self, or one's immediate capacities and interests, at the same time as it means the establishment of a real self, of a "selfhood" as conceived by philosophers such as Karl Jaspers and Martin Buber. It involves a humility and a reverence for what is truly to be revered, and what is truly beyond us, and for what can help us grow in perception ultimately reflected in conduct.

We cannot continually live on the rarefied plane of the masterpiece, of works such as the D minor Quartet of Mozart or the Opus 131 of Beethoven. They are not for every day, for such intensity of experience can be tolerated only when every nerve is prepared and every sense alive. But one must know that they are there, and that there are illuminated occasions when one can experience them. One must sometimes experience *awe*, and the D minor and Opus 131 are awful and terrifying; one must experience the sense of one's own littleness, but at the same time of one's limitless potential. We can learn to know that despite our own insignificance, if we are responsive, how important and great man can be, at least for a moment.

Philosophers from Plato to our own day have cherished the belief that the study of any art, the pursuit of any artistic discipline, should conduct the mind to Ideas of Order, Ideas of Harmony and Ideas of Perfection. To do things reasonably, to do things congruously, to do things well—these are not ignoble ends. The opened and activated spirit does not arrive at these ideas or these ends by an immediate gravitation; it progresses toward them on a long road that takes more than four years to travel. But one must be willing to begin.

If Peabody is to be the kind of educational institution that I should like it to be, we must learn together how to perceive and to value what is excellent, enduring, transcendent and alive. We must strive not only to become better artists, but better people. We must be aware of the light this is given us, and attempt to make our own small light, felt.

## FEDERAL SALARY ADJUSTMENTS

Mr. MOSS. Mr. President, last night I addressed the Veterans' Administration Council, assembled in Washington, on a very difficult subject—Federal salary adjustments. All day, bits of information on phase II of the President's economic plan were trickling out. The President himself made an announcement of permissible pay increases to be effective on November 13, 1971. I struggled to get final, accurate word to these elected representatives of the Federal employees of the Veterans' Administration—the second largest department of our Government in terms of number of employees.

During the day, I was told that the President's freeze of the pay increase granted to Federal workers as of January 1, 1972, remained in force—that indeed he may not have power to unfreeze, since he acted under the terms of the law in his action to freeze, and Congress failed to disapprove the freeze within the time granted to it by law. However, at 6 o'clock on November 12, the TV news reported the freeze lifted from Federal salaries next January, and a phone call to the wire services confirmed this information.

Therefore, at 8 o'clock I passed this word to several hundred Federal employee representatives. You can picture my embarrassment to find I was misinformed and that I had passed along the misinformation. My speech, as written, was correct. Federal salaries remain frozen through June 30, 1972, even though military salaries and private industry salaries may rise at once. The Federal employees are victimized unfairly.

I ask unanimous consent that my speech be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### Phase II and the Federal Employee

(By Senator Frank E. Moss)

I talk to you tonight on the eve of phase II of the President's new, new economics. The big question is what is going to happen when the thaw sets in tomorrow. I wish I could turn the clock ahead and tell you.

The painful spelling out of phase II is now underway. Both the price and pay commissions are working long hours, and each day we learn a little more of what our future holds.

We already know that some hikes will be allowed in the private sector. The pay board voted earlier this week to apply a five and one half percent yardstick to new pay increases coming due after November 14. As I understand it, the five and one half percent criterion is intended as an average, and it is possible some agreements may exceed this figure for equity reasons, and some may be limited to a smaller percentage raise. But the important point is that the wage freeze is to be allowed to thaw a little, and that an increase in the neighborhood of five and one half percent will be permissible any time after November 14.

As things now stand, this thaw will not apply to the Federal employee. He will not be allowed the 5.6% wage increase the Bureau of Labor Statistics said he is entitled to on January first under the provisions of the Federal Pay Comparability Act of 1970. He will not be allowed any part of it in January. The freeze the President placed on the Federal pay raise still stands, denying to the Federal employee any benefits other wage earners may receive under the new guidelines.

It is risky to make any positive statements about what will, or will not, happen in Washington, particularly on Capitol Hill. But in my opinion there could be some clearer pay raise weather ahead for the Federal employee. The United States Senate could act in his behalf and the House of Representatives could too. I can't speak for the White House.

You all know what has happened thus far to the Federal employee pay raise. The Nixon administration bitterly opposed lifting the freeze in the first week in October, when I led the fight in the United States Senate to do so.

And, as you are also aware, we lost this fight by a sizeable vote.

You might be interested in hearing about some of the "behind the scenes" maneuvering.

On Wednesday, October 6, the United States Senate passed, quickly and by a substantial margin, the Moss-Mathias amendment to the military appropriations bill guaranteeing equitable treatment to all wage earners under phase II—whether they worked for the government or for private industry.

By this action the Senate said that the Federal employee should be given a pay raise at the same level which the pay commission decided was equitable for the private enterprise employee. We did not say the raise should be set at the 5.6% level which BLS has said was necessary to achieve comparability. We merely said that if wages in the private sector were allowed by the pay commission to rise, the same wage increase should be allowed for the Federal employee.

We had every reason on that Wednesday in October to believe that the Senate would take the next logical step and put an end to the special "freeze" on Federal salaries. For, how could the principle of equitable treatment possibly be implemented if private industry wages were to be "unfrozen" on November 14 while Federal wages were to remain "frozen" for an additional seven and one half months—until June 30, 1972?

But overnight the administration whips went to work, and many Senators who voted for this principle on Wednesday, reversed themselves and voted against this principle when the crunch came on Thursday. The Moss Resolution went down—resoundingly.

Some people have criticized my challenge of the administration on this Federal pay issue. They said that I was somehow "interfering" with the administration's economic program—worse yet, that I was obstructing its efforts to fight inflation.

I don't agree. For two and a half years, Congress asked the President to do something about the economy. For two and a half years, the Congress argued for an adequate incomes policy to fight inflation and for an adequate program of fiscal incentives to create more jobs. For two and a half years the administration followed its "game plan" and said everything was fine . . .

Then on August 15, 1971, the administration made a complete turnabout. With unemployment at its highest level in a decade, with inflation eating up our savings at a greater rate than we could earn interest on it, with the economy on the brink of catastrophe, the President agreed to act.

And what did he do? He put together a program composed largely of those same proposals which he had so long resisted. Now people are saying that no one should question any part of the new program.

I believe that criticism is essential—it is the breath of a democracy. I believe, moreover, that it was the criticism of our economic policies by the Congress and the press and the public which helped bring about the needed change.

Like everyone else, I want the administration's program to succeed—we must control inflation, we must bring down prices, we must put our economic House in order. But free and open discussion in the American tradition cannot go out the window while we seek these most desirable goals.

Furthermore, I feel that it is the role of the Congress not only to question those policies which they feel are wrong, but to offer constructive alternatives. Criticism by itself is sterile, constructive recommendations and action are not.

I like to think it was the constructive action we tried to take a month ago in the United States Senate to right a wrong inflicted upon the Federal employee which triggered the alternative solution offered last week.

What Senator Mathias and I tried to do in early October, and which was opposed on the floor by some of the members of the Senate Post Office and Civil Service Committee, has now become, in November, the official position of that committee. For on November 3, the committee unanimously reported a bill which would in one stroke lift the freeze the President has placed on federal pay raises and allow the Federal employee to receive pay increases on January 1 to the extent that wage earners in the private sector are authorized wage adjustments by the wage board.

A similar bill by Congressman Udall has been ordered reported in the House.

As I said earlier, it is hazardous duty to be positive about what congress will do with any piece of legislation, but there is a good chance, in my opinion, that the new bill will be considered by the Senate, and I hope, passed. There is considerable steam behind it—steam generated by the American Federation of Government employees, the AFL–CIO, and other representatives of organized labor, and by the protests of thousands of individual Federal employees.

I also can't help but wonder whether the sudden mellowing in the views of several Republican members of the Post Office and Civil Service Committee, and their sponsorship of a proposal they voted to defeat on the Senate floor only a scant month ago, could indicate that the administration is having some second thoughts about a policy which treats in such a cavalier fashion those who might be called "its own."

I don't know—I can only wonder.

We shall see.

Now, on this eve of Phase II, what else is there which indicates the shape of things to come for the federal employee.

By its very nature, a freeze captures a moment of time and locks us into it. Nothing is ever quite the same again—A period of history is gone forever.

The first question about Phase II that most federal employees want answered is this:

Will longevity pay step raises be resumed?

As of this afternoon, no formal decision had been announced, regardless of what you may have read in the newspapers. But I can assure you that longevity pay step raises will be allowed.

I talked with the pay board late this afternoon and I was told that a notice is being prepared to appear in the Federal Register either tomorrow morning or Monday morning (depending on how fast the attorneys can work) which will spell out the regulation allowing step increases.

So they are everything but official tonight.

Longevity pay step raises, however, will not be retroactive to cover the three month period of Phase I. Those that occurred during Phase I will be made effective only with the beginning of Phase II.

There are some other things we can also say with assurance about Phase II:

Promotions of positions of greater responsibility will continue to be permissible for federal employees.

The setting of initial pay for new employees will not be affected—that usual regulations will be followed.

Federal employees returning to service will have their salary set depending on the job they have accepted.

Pay may be increased if there was an administrative error in processing the personnel action.

Premium pay will not be affected, regardless of when the employee begins to work over-time or night or holiday or Sunday or hazardous duty.

There will be no retroactive payment for any within grade or quality increases which were frozen during Phase I. This is true for both wage and general schedule employees.

Phase II, whatever it may bring, will not sweep into law a cornucopia of Federal employee legislation. There have been times, in the past, when a legislator could appear before an audience of this sort and honestly label a session of the Congress—or a full Congress itself—as a landmark Congress for the Federal employee—as one in which singular progress has been made in providing employee benefits and strengthening employee rights. The first session of the 92nd Congress will not fall into this category.

Few of the bills pending which establish new pay schedules, such as the wage board bill, or increase the Federal share of payments, such as the health insurance bill, are likely to see final action.

This is true also of the fringe benefit bills, such as the measure on which the House has held hearings to allow a person to retire when his age and years of service total 80, and of other bills improving early retirement prospects. I doubt that they are going anywhere right now either.

The economic belt-tightening in which the country is engaged in an effort to stem inflation, makes very unlikely the passage and signing of bills which bring economic benefits to the Federal worker.

I look on these days of phase II as a period in which friends of the Federal worker must be vigilant to make sure that the Federal employee is treated fairly and equitably, and that none of the rights and privileges he now has are taken away from him.

As much as I regret it, I fear that the establishment of new programs or the making of old ones more equitable must wait for more propitious times—that is, if they would increase Federal take-home pay.

In the few minutes I have remaining, I would like to use you, the members of the Veterans Administration Council, as a sounding board for reactions on some new legislation I am developing.

I am concerned, as I know you are too, about what is going to happen to the many men and women who are being "riffed" from the Federal Government under the President's instructions to cut personnel back by five percent. Some agencies and departments may be able to make the adjustments by attrition—by cutting jobs through retirements and normal job turnovers—but others are having to let people go.

I know, because a number of them from my State have appealed to me to help them repair their shattered plans and altered status. The rif notices have come like bolts out of the blue, and few families have enough of an economic cushion to keep up for many months their house and insurance and car payments, and buy their groceries and children's shoes, without a salary check, or some other type of income trickling in.

A "riffed" person is particularly up against it when there is also a federal freeze on hiring. And, when in addition, the employee lives in an area of high unemployment, when there are few jobs in private industry, he is in monumental trouble.

The bill I shall propose in the next few days is patterned after the Emergency Employment Act of 1969. It would amend Civil Service Laws to provide funds for local and State government in areas of high unemployment to hire "riffed" Federal employees for periods up to two years. This would make available to hard-pressed local governments the talents and skills of federally trained public servants who would, in many instances, be able to step right into a job, and do it well.

It would give the "riffed" Federal employee the assurance of being useful and receiving a paycheck during his period of transition, and afford him time to find another job for which he is suited either in private industry or the Federal Government. It might also even provide him with permanent employment with the State or county unit by which he is employed, should this prove advantageous both to him and the local government involved. Or the temporary job might teach him new skills he could use in finding a permanent one elsewhere. The possibilities are great; the horizons are limitless.

I see in this program also a sturdy vehicle to help us readjust from a war to peacetime economy—from the changing priorities we are already facing as the war in Vietnam winds down. Some Federal agencies will have less work as the war ends—others will have more as we concentrate more fully on domestic problems.

There are likely to be large segments of our Federal work force in transition between jobs—and out of luck completely in areas where there are no other Federal installations, and transfer elsewhere is not practical for one reason or another and where private jobs are scarce too.

The type of program I am envisioning could be a life-saver in the months and years ahead—as I see it. But I would like your opinion.

## JUVENILE DELINQUENCY HEARING IN BALTIMORE

Mr. MATHIAS. Mr. President, on October 8, I held a hearing in the city of Baltimore on the problems of juvenile delinquency. The hearing was also intended to elicit comment from the Baltimore community on S. 2148, the Juvenile Delinquency Prevention and Rehabilitation Act of 1971 which I introduced on this subject along with 30 of my Senate colleagues.

I was grateful for the participation of Mr. Michael J. Kelly, administrative assistant and criminal justice coordinator for the mayor of Baltimore, and Messrs. Robert M. Thomas, John T. Enoch, and James Bundy, who make up the Ad Hoc Juvenile Delinquency Committee of the Baltimore City Bar Association.

I found these hearings most helpful in my inquiry into the causes of juvenile delinquency and possible avenues of Federal interest in its prevention. I hope this will be just a first of its kind. I know of no more useful way to spend my time and energy than on the eradication of crime and the assistance of America's youth.

Mr. President, I ask unanimous consent to print in the Record various statements presented at this hearing.

There being no objection, the statements were ordered to be printed in the Record, as follows:

### Statement of Senator Charles Mathias, Jr.

I want to welcome you all here today for what I hope to be a productive exchange between those of us here who are on the dias, and those of you who are in the audience and will be testifying.

I hope that you will all be free to ask questions and respond to any of the testimony. I do not wish to control these hearings; they are for the benefit of all of you as well as for the benefit of the Federal legislative process.

In my capacity as a member of the Senate Judiciary Committee, I have called these hearings for two reasons. First, and most importantly, I want to get a greater understanding of the problems of juvenile delinquency in the state of Maryland. This, I hope, will be the first of a number of statewide hearings. It is my earnest intention to explore this problem in the greatest detail. I have started in Baltimore City, for I feel that the need is the greatest in the large urban areas, and it is here where the Federal Government has been guilty of the greatest neglect.

My second reason for having these hearings at this time is to get some reaction from you regarding a piece of legislation which I have recently introduced in this field of Juvenile Delinquency. Senate Bill 2148, with well over one-fourth of the Senate as cosponsors is, in my mind a unique—even revolutionary—piece of legislation.

We have attempted here today to gather individuals from different professions and interests throughout the city. There are indeed so many people who have something valuable to say in this important area that no doubt we have excluded many. Let me say, however, if any of you who, after listening to the testimony today, feel that you would like to make a further contribution to this hearing, this committee will receive your testimony and insert it into its permanent record.

I do not wish to take up much of the time, for I am here today to hear you—to listen and ask questions—not to make a speech. But let me briefly explain to you Senate Bill 2148.

[Reference to a displayed chart.]

This chart clearly indicates what S. 2148 does to the present law. There should be extra copies of this bill for those who want to follow as I explain, as well as a limited number of copies of the present law governing federal distribution of law enforcement funds.

The Law Enforcement Assistance Administration (or LEAA) was established as part of the Safe Streets Act of 1968. It required each state to establish a State Planning Agency which would have the function of submitting to the LEAA a comprehensive law enforcement plan for that state which, if approved, would be funded by the federal government. In Maryland, this state agency is called The Governor's Commission on Law Enforcement and the Administration of Justice. Funds are appropriated to LEAA by Congress; this fiscal year almost $500 million is given to implement this federal grant program, with about 7 million of this going to our Governor's Commission.

So we are talking about a considerable amount of money.

#### FIRST COMPARISON

At the present time, this comprehensive state plan submitted to LEAA does not require a juvenile justice component. This to me is just ridiculous, when in many jurisdictions, offenses by juveniles comprise over 50 percent of the total crime picture. If we are to alleviate this category of crime, *at the very least we must plan for it.*

#### SECOND COMPARISON

At the present time, even though juvenile delinquency comprises such a high percentage of a jurisdiction's crime, there is no guarantee that the state will spend the needed money to combat it. Each state can spend any amount it wishes. This amendment requires 40 percent of all Federal assistance from LEAA to be spent on juvenile delinquency. This figure is not inflexible and it might be altered. But the objective of this section is to assure that a certain amount of this Federal assistance will be spent on juvenile delinquency.

#### THIRD COMPARISON

At the present time, states are not pursuing as vigorously as I would like them to alternative methods of incarceration. We have seen—we now know—that bad prisons produce bad results, that our traditional institutions are simply not doing the job. And, the more inadequate the job, the more you—the public—will suffer, S. 2148 requires 50% of the money appropirated under this new Title F to be allocated to alternative methods of incarceration and rehabilitation. The bill does not attempt to dictate what these alternatives should be; it only recognizes the present failure and requires the states to find substitutes. And again, the 50 percent figure is only for purposes of the bill's introduction.

#### FOURTH COMPARISON

This is an area which I am most concerned about; a problem which I believe we have just *got* to correct. Most states still house and treat—at one particular correctional level—both juveniles and adults. They put them in the same cell, with the juvenile's cell companions often becoming his teacher in crime. The juvenile comes out of the correctional experience a lot worse than he was when he went in, and the whole vicious recidivistic cycle begins—and ends with one of you. In the area of status crimes—which are juveniles crimes which if committed by adults would not be punishable as crimes—the juvenile has most to lose. For it is here, if he or she is treated like the adult criminal recidivism is the greatest and the sameness of treatment is the unfairest. Status crimes for instance are truancy and runaways—crimes which really require no criminal intent and are purely inherent to juveniles. These crimes—if they are to remain crimes—must be treated distinctly and this bill accomplishes this objective.

#### FIFTH COMPARISON

Presently, many states just don't put enough energy into creating advanced techniques to fight juvenile delinquency, in addition to creative alternative method of incarceration mentioned above, the juvenile justice component must contain other advanced techniques. For instance, disagnostic facilities and services on a state wide, local and regional level, comprehensive drug abuse education and prevention programs, and delinquency prevention programs including family and school counseling, are all encouraged in this amendment.

#### SIXTH COMPARISON

Eighty-five percent of money alocated to the states by LEAA is presently being distributed on the basis of overall population. The total juvenile and adult population is considered. None of the money reflects the juvenile populations of each state and the added expense or burden which that risk population incurs. S. 2148 requires 85 percent of its appropriation to be distributed to the states on the basis of their juvenile population.

#### SEVENTH COMPARISON

At the present, LEAA is spending about $90 million, or 19 percent of its funds, on the prevention and treatment of juvenile delinquency. S. 2148 authorizes to be appropriated $500 million. This would raise that proportion figure to about 50 percent, which would then be in line with the proportionate amount of crimes committed by juveniles and the law enforcement energies spent to alleviate the problem.

#### END CHART

The bill is clearly designed to give more money to states and to those cities with big juvenile delinquency problems.

The fight against juvenile delinquency is not an easy one. It must start in the home, continue in the school and be watched over by our city, state and Federal governments. But clearly, if we lose this fight, our nation has the most to lose. Quite frankly, ladies and gentlemen, we *are* losing this fight.

The juvenile delinquents of today can be the taxpayers of tomorrow or the criminals of tomorrow. The choice is both theirs and ours.

I have some figures about Baltimore City crime but since our time is so short—I will withhold these and refer to them in my questioning.

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### Crimes of Juvenile Population

Crimes of violence, among the juvenile population, increased over a ten year period. Measuring 1970 against 1960 there were 151 percent more arrests for crimes of serious violence. I think what this reflects is the climate of our country—the climate of our society over the last several years—where violence has become an accepted way of life; one to which we have become inured. I think the Vietnam conflict has certainly been a significant contributing factor to this escalating violence, and I think the availability of weapons is certainly a contributing factor. I think that what is happening among juveniles, insofar as crimes of violence are concerned, is merely an indication of what is happening throughout our whole social fabric.

The fact is that in cities you have the tensions, the hostilities, and the breeding grounds for sudden eruptions and violence that are not found, too often, in the suburbs. As I indicated before, juvenile crime in the suburbs is increasing at a greater rate than in the cities, although it is basically a property type offense. I think that in our cities the crowded conditions, the deprivations of some of the young people, the fact that so many youths have dropped out of school, the availability of weaponry, and the tremendous increase in drug use by adolescents have contributed immeasurably to the increase in violent crimes committed by young people. The simple fact is that just like their older comrades in the drug field, youths must resort to crime to satisfy their drug habits. I would say that approximately 50 percent of the crimes of violence that we see in Juvenile Court, the assaults and robberies, have their roots in drugs. This is particularly a serious problem in our metropolitan areas today.

I must say, in all candor, that I do not feel the "correctional system" as such, has been able to make a satisfactory adjustment in this area. I say this, not because they do not see the need, not because they do not want to, but because they just do not have the tools and the equipment to be able to cope with the situation. The training schools are no more than warehouses. At present, the average length of a child's residence in a training school in Maryland is four months. This is essentially because authorities have to push children out the back door to make room for those coming in the front door.

If we had alternative facilities for training schools and if the training schools themselves were able to segregate out the hardcore incorrigibles, then we could concentrate on those youths who need the treatment. We could give these children much lengthier treatment, more in-depth treatment. One of the superintendents of the training schools told me recently that 10 percent of his juvenile population demands 90 percent of the time of the staff, so that the other 90 percent of the children get 10 percent of the attention of the staff.

I think that this bill is one of the most significant and vital pieces of legislation introduced in the United States Congress in many, many years. If we look at our priorities correctly, this is, to me, the most fundamental problem facing our society. I think that the enactment of this legislation would be the greatest step toward meeting the crime problem that we all decry and towards meeting the basic needs of our children.

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### Testimony of Mr. Ronnie Clark, Investigator, Public Defenders Office, Baltimore, Md.

To try to throw out of the minds all those terrible myths about America, to try to look at it as clearly as possible, one is still confronted with a whole system of contradictions. A great many of these contradictions are due to the fact that American people have not yet, by and large, been able to resolve their relationship to the old world that they fled or to the new world that to some degree at least, one may say they conquered. The Black problem in America is certainly the greatest and the most significant contradiction in American life today. It may also prove to be, after all, the most hopeful fact in all of our history. Black Americans are so uncertain of themselves because there is nothing, in effect, at one's back; by that I mean—when you look back to find out who you are, you find yourself before a kind of vanishing history. Vanishing, in fact, all the way back to the shores of Africa and never really excavated into any useful human terms on the continent in which we now live. We have that and now the conclusion is that everybody in America knows, feels that everything is changing. Everything!

If you are an American of African ancestry it may take some time to discover exactly who you are, and we are talking about nearly 30 million people who are embarked in one way or another in their search. No one knows what this present course will bring about and many suffered a certain terror for this reason. It means that there are a great many things that one takes for granted, and if everything is changing the identity that I have involved is terribly menace and indeed may disappear. How are we going to reconstruct a reality that will be our identity. That will serve us through our lives again? You forget, therefore, in America, what you get in every society when this begins to happen. You get a tremendous social strain, stress, and chaos. Very hard to read it from the outside and very hard to endure and sometimes very hard to read from the inside. There are those people, of course, everywhere, forever, who are determined that change shall not come. They're among us, they are in every generation and I suppose it's one of the parts of the human condition. Then there are those people, and thank heaven they appear in every generation, too, who are aware that the very constant in life is change, and they struggle to implement this change so that you get, for an example, a Senator Mac Mathias, a man who has embarked upon a campaign to better the life conditions of his constituents regardless of race, creed, or color. It is with this fact in mind that I offer the foregoing testimony in support of his campaign to rectify the inequities in the Senate Bill S. 2148.

It is without reservation that I can attest to both personally and as, shall we say, a sort of crusader in seeing that justice is brought to the Black community especially among its juveniles.

I can say that if this type of concern was available during my childhood and my early teens, there is a very good possibility that I would not have ran afoul of the law.

My name is Ronnie Clark, ex-school dropout, ex-addict, ex-convict, and currently a fugitive in the white man's society because I'm black. I was born in Baltimore City some 25 years ago and as a result of the racist society in which I was born, I became the product of a broken home because this society did not then, as it will not now, allow a Black man the satisfaction of advancing on his own merits.

I attended the public schools of Baltimore City in which I managed to learn a little of nothing that was relevant to my existence in a Black ghetto. I was taught the run of the mill subjects by teachers who really didn't give a damn—whose only interest was in getting a paycheck each pay-day. The school system itself was not interested in giving Black children skills that would enable them to learn the type of material that would enable them to identify with their surroundings, and to me this was my first introduction to the White man's penal institutions—taught nothing, expected to learn even less, but told "I must be able to cope within this honkie society." I finally was kicked out of both Forest Park and Carver for truancy and fighting, but not before I had learned the lesson that the White man wanted me to learn. I was an addict—a hard-core addict—at the age of 13, introduced to this hellava existence by my older friends.

At the age of 16, the Orioles felt I had enough potential to become a professional baseball player and signed me to a contract to play with their farm team in Bluefield, West Virginia. But, under my physical condition—drug addiction—I was forced to return home to seek relief for this habit. From then on, it was a constant down-hill pattern.

It was only a short time after returning that I got "ripped off" for larceny and was placed on probation, which I immediately violated and was busted on another larceny charge and incarcerated in the Baltimore City Jail. Before my life of crime ended, I had been "ripped off" approximately 25 times for various charges, ranging from misdemeanors to felonies, for such things as pushing drugs to homicide.

Now, let me tell you about this damn place they send you for so-called rehabilitation. At age 16, I was locked up at Baltimore City Jail, with hardened criminals. This is where my education began. I believe in that short period of time, I learned more tricks on how to be a better thief than I learned during my 11 years in the public schools. After being sentenced, I was sent to Maryland State Penitentiary and then to Hagerstown. There were no facilities in any of these institutions for teaching juveniles any type of useful trade except at Hagerstown.

While at Hagerstown, I was enrolled in a butcher shop class and believe it or not, I completed the course. But, would you believe that whitey had another trick bag for me when I hit the street on parole. I applied for a job in a Government-funded program to be told simply that there were no jobs available for ex-drug addicts. Trained by the establishment to come out and steal again. This is what they have for most young Blacks who have had the unfortunate experience of being sent to your so-called rehabilitation centers.

Let's not get me wrong. I did receive a thorough education in racism, direct, overt. Beyond a shadow of a doubt—racism. My teachers were White, Anglo-Saxon, Protestant, God-fearing, flag-waving and nigger hating * * *. These kindergarten dropouts and fugitives from the hills of Tennessee and dummies from the clay pits of Georgia hated a Black man more than God hates sin.

Then one bright day a newly scrubbed know nothing honkie tells you—"I have come to counsel you on how to survive in society." This individual who really doesn't know his * * * from a hole in the ground about the way Blacks live or drug addiction is going to put the in-mates on the straight and narrow, but the only thing they succeed in doing is drawing a paycheck, because the majority of the programs that are effective in the prisons are run by in-mates and all the personnel do is police you. Their major concern is security.

Something has to be done to modify this system. We first have to start with the fact that the reason that you have a large segment of Blacks on addiction is because, until recently, when the Great White Witch started riding the backs of the nice suburbia honkie kids in suburbia, we did not have a drug problem in the United States, because we all know whitey didn't sell dope, shoot dope, and hang on corners all night. You do not see the pigs running up and down the streets in suburbia and taking names on every corner because whitey's kids didn't do any wrong. But, now it has hit the fan and whitey finds that his kids, in a more sophisticated way, are being turned on and strung out on the Great White Witch. So he's concerned. He is becoming concerned about what is going on in the institutions because his kids are finding out what it is like behind those closed doors. But the Black kids know how to survive in this jungle. But the man still shows his contempt and hatred for the Black kid because whitey is not called in for offenses like Black kids. He is not subjected to confinement in the same ratio as Black kids for the same identical crime. He is released in the custody of his parents because they say "we're going to get him to the doctor for psychiatric help." But tell me how in the hell is a Black mother on welfare going to get her little Black baby the same type of help.

We can help do something about this problem by not snatching the Black kids out of society or trading one institution for another. But give them some hope such as half-way houses equipped with personnel who understand the problem and put some programs in them for him. Allow him to remain where he can establish a meaningful society. Locate the problem and work with the problem and not the result. Ask the kid what he wants to do and help him to do it. Help him to learn to deal with himself.

I've been home now since August 1970, clean, because the urinalysis test verifies this fact, and I take them regularly to maintain my job with the Public Defender's office where I am an investigator seeking to aid my brothers who are in the same bind that I was in a year ago. I can relate because I know where they are coming from and I know where they are going. I got my Ph. D. from the University of the Streets. But, I feel that when a program such as this is successful, whitey will find a way to kill it. Will Steve Harrison, Chief Public Defender, who really gave me a chance to start a new life for myself be allowed to continue his crusade? In the event he isn't appointed permanent chief of Baltimore City, will my coworkers and I die because of our backgrounds? Will we die? Because a dream is a hope, and a hope is a chance, and Steve Harrison gave us our chance.

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### STATEMENT OF EDDIE M. HARRISON, DIRECTOR, PRETRIAL INTERVENTION PROJECT

Senator McC. Mathias and Honorable Members of the Committee: I wish to express my appreciation for this opportunity to speak at this hearing and urge the passage of the proposed Juvenile Delinquency Prevention and Rehabilitation Act of 1971.

The problem we are faced with today is a prime concern of everyone. The cry has gone out from Courts, prosecutors, police, correctional institutions and parole departments throughout the country for increased funds to meet a situation that has grown to crisis proportions and is still growing.

Statistics concerning the rate at which crime has increased are readily available, and rather than waste time restating figures which are common knowledge to most of us, I would like to present my views on the problems and possible solutions to crime as they relate to our urban areas, and in particular as they relate to youthful offenders.

First, let us realize that crime is *not* a problem in Baltimore or in any other large urban area. More mace, guns, riot equipment, judges, police, prisoners, and a slight change in the law could solve any city's crime problem by simply eliminating those persons accused of crimes for an indefinite period. But by doing so we would be fostering the same situations that resulted in the recent Attica massacre.

I along with many others contend that crime is *not* the real problem that we should be concerned about. The commission of a crime is only the symptom of a much greater and more complex maze of problems. We can never hope to cause any substantial decrease in crime as long as we continue to ignore the problems of the people accused of the crime. Simply stated, the *real* problem is the social, economic, political and educational deprivation of human beings who refuse to be suppressed.

I speak to you in two capacities; first, as a man who started out as a juvenile offender in 1957 and was a part of the identical problems we are attempting to solve in 1971; and secondly, as Director of the Pre-Trial Intervention Project, which on a very small scale is just beginning to provide what I consider to be a realistic approach to the problems we are actually faced with.

To clarify my statement concerning crime, I would like to relate an experience from my childhood. I was put out of junior high school after numerous conflicts with teachers and other students. I was a trouble-maker in the first degree and created a problem for the school. The obvious solution was to have me transferred to another school.

This proved not to be much of a solution after all, because instead of waiting to be put out of the second school, I just refused to attend. I eventually became known to the juvenile authorities. Their solution was to remove me from the community and place me in the School for Boys at Laurel, Maryland. At no time during the whole process did anyone consider *my problems!* The school dealt with its problem—a trouble making juvenile. The Juvenile Court dealt with its problem—a delinquent youth. And I wandered by the wayside, labeled a juvenile delinquent, until in 1960 I was charged with first degree murder, convicted, and sentenced to die in the electric chair.

This course, in varying degrees, can be multiplied by 12,000, and it will give you an approximate account of what the situation in Baltimore City could look like for the coming year, if our public institutions do not come to grips with the real situation and apply viable and realistic methods of solving those problems. As in my case at school, I felt that education was not relevant to my everyday living experience. The things I needed to know could not possibly be taught in school; for example, how to shoot crap, pimp, back numbers, and cut dope. The real problem was that the standards of my environment, though considered abnormal and in fact illegal by the established society, were normal and acceptable to my peer group. Just as committing a crime was not a problem to me, learning to shoot crap was not a problem for the school or for the Court. No one understood that I was simply trying to assert my manhood and be respected among my peers as a success. In no way, then, could society correct the problem I created for them without first having an indepth understanding of the conditions which caused it.

As Director of the Pre-Trial Intervention Project, I am charged with the responsibility of guiding youthful offenders toward more socially acceptable methods of dealing with the realities of their environment and how to attain their adulthood.

All of us here today have the equal responsibility of effecting the type of change that will enable more people to escape the vicious cycle which begins with being born poor and deprived.

I am here today to urge support for the proposed "Juvenile Delinquency Prevention and Rehabilitation Act of 1971" which points up the neglect on the part of the Federal Government to spend sufficient money and effort to solve the growing problems of juvenile delinquency. As the rate of crime has increased over the years, we should have responded with new treatment approaches and realistic preventative measures in proportion to the expenditures in apprehension and detention of persons suspected of crime.

Perhaps the Omnibus Crime Control and Safe Streets Act of 1968 was a step in that direction. However, I too feel that the federal aid offered under that Act should concentrate more heavily in the area of juvenile delinquency prevention, because, plainly, the present methods and facilities for dealing with juveniles are not only grossly inadequate but simply do not work. By insisting that states who receive federal aid under this Act allocate considerable monies to developing new types of prevention and rehabilitation programs for juveniles, these agencies are forced to recognize the entire scope and magnitude of the problem facing them.

In supporting the present bill, S. 2148, I strongly recommend that consideration be given to the pre-trial diversion concept, which removes alleged offenders from the traditional court process at a crucial point and, with supportive services, attempts to deal with the problems which may have led the individual to commit criminal acts.

In conclusion, it is my sincere hope that this Bill is passed by the Congress so that agencies needing assistance will receive proper guidelines in realistic and essential utilization of those funds.

Thank you.

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### STATEMENT OF DR. JOEL ELKES, JOHNS HOPKINS UNIVERSITY

I welcome the opportunity to testify in strong support of this farsighted Bill. It is clear that there is a link between crime and youth. More somber still is the rising spectre of crimes committed by children. I think we know some of the factors which make for crime: Poverty, crowding, urbanization, a breakdown of family life, unfulfilled high expectations, the free availability of small cheap guns, the continued presentation of violence on TV, and an antiquated welfare system, are among such factors. Organized crime has also become part of the highly profitable economic cycle of Drug Abuse. I believe that we also know the remedies. A profound turning around of our National priorities: Housing, Work, Education, restoration of Family and Community, and a productive use of leisure. If I restate the obvious, it is simply to make the point that in Juvenile Delinquencey and Drug Abuse, we are merely witnessing the overt symptoms of a deeper disorder, which is within our means to treat, if and when we so decide. Until then, our work in delinquency will be merely remedial. Yet even in such remedial work, there is hope and opportunity. For, in such work, carried out now, and carefully evaluated over time, there may lie the germ of many innovations and social inventions which may serve our youth well when the process of reordering and recovery truly gets on its way. The analogy of the peacetime application of wartime inventions may not be out of place. We are "at War"; against poverty, crime, drug abuse, alcoholism, juvenile delinquency. We have to deal with emergencies. We are in need of economic, social and educational inventions of high order. We are in need of new kinds of institutions, new attitudes; in need of people trained appropriately in new mixes of skills and approaches. It is this opportunity which I sense in this Bill.

There is a relation between environment and interpersonal attitudes and values. If the environment breeds and perpetuates crime, alternative environments must be provided. The bill rightly addresses itself to the traditional models of Correctional institutions and Detention Centers, which are not preventing recidivism. A restructing of existing institutions is not easy, but should be tried. A *network* of alternative facilities is needed, reaching from Out-patient care and Screening Centers, through Halfway Houses, Group Homes, Residential Centers, to Training schools, which should live up to the mission implied in this term. Yet one would submit that such efforts would be well meant, and ineffective, unless they are accompanied by a profound change in attitude and responsibility in the community to which the offender returns. Environments shape people. Values are socially generated, maintained and reinforced. A society fearfully relegating its responsibilities to authority and to the "expert" colludes in the very process it wishes to avoid. Participation by the community in the preventive and rehabilitative process is essential.

The family and the school are the most important nurturing agents in this process. It is the failure of the family *as* a school, and the lack of any social institutions to take over its functions, which has, in large measure, led to the erosion of culture and community which we are witnessing. Urban and suburban children are both deprived. In an age of mass communication, (where the average child spends as much time in front of a television screen as he will in a college classroom) the American family, traditionally strong and well joined, seems to have abrogated much of its native responsibility. I happen to be committed to the concept of a *self-helping society*, i.e. a society capable of using the skills of the expert without abrogating its primary responsibility for its own well being. The concept of Self-Help, Accountability, and Responsibility have always been at the heart of the American ideal. Our specialized technologies could be used to serve these ends, rather than defeat them.

I suppose that what I am arguing for is a *Systems Approach* to our problem aimed at creating, in each community, a self-reinforcing network of competent persons and institutions who are charged with planning *with* the young, opportunities and outlets for the young. The coping capacities of young people can be very great provided they have Support (including peer support); Models (including peer models); and are allowed an honest access to their feelings. Children first learn to love and to hate, and learn many things on this primitive template.

If awareness of hate, including self hate, passes unexpressed, it bars the awareness or expression of other feelings, including affection. There is a blunting of feeling, the shrinking of self-image, or flight into florid phantasy, which may be acted out in crime. Good communication can, thus lead to good self-communication; constructive channeling of aggression through work, gaming, or 'rapping' in a peer group can provide alternative to the loneliness of the street, or the way of the gun.

I would submit that the Behavioral Sciences may have a good deal to offer in dealing with the present emergency. We know something about the Learning Process in man. We know, for example, that motivation is deeply connected with learning. That nothing spurs a youngster like curiosity, and the sense of personal discovery. We know that man responds more readily to reward than to punishment; that social recognition among peers, and in the family, can powerfully enhance self-image, and, thus, one's perception of the world. We know that awareness of hate and other negative emotions is as important to effective functioning as awareness of sterile 'positive' phantasies. We know that reality of the self is best experienced through a combination of work, play, and love between people. To put it another way, an honest access to real feelings, as and when they are experienced, coupled with well-rewarded tasks in a system in which social values are shared and reinforced, run as a kind of common denominator through a good family, and a good school and a well working institution.

The young of today are the parents of tomorrow. By helping the young toward personal competence and responsibility; by giving them opportunities to foster these qualities through contact with younger children, or with peers, or in the service to dependent people, we may, in fact, be training competent parents for tomorrow.

A number of techniques are now available to enhance personal competence, personal awareness, achievement, and motivation. Other techniques include parent effectiveness training, and an understanding of the rules governing family life. Yet other techniques include Behavior Modification, and the use of Positive Reinforcement, including social or interpersonal reinforcers to enhance academic performance and social skills. Some approaches employ mixtures of programmed instruction and group methods to teach youngsters some of the basic elements of citizenship. Also, a range of experimental techniques is being tried in various imaginative experiments to enhance the effective element in cognitive education. Yet, a carefully planned use of these 'mixes' in the prevention, treatment, or the rehabilitation of juvenile delinquency is still lacking.

The lack, as always, is of trained people. I would like to recommend four lines of action.

1. *A survey* of all facilities and resources in the juvenile care area in each state, cutting across agencies, and bureaucratic domains, to identify persons, institutions, and organizations who could participate in the design of alternative environments, educational methods, and care systems for the young. A mutually reinforcing Network of Resources, and persons could be established in each state, region by region, county by county. A Special Action Office of Youth, responsible directly to the Governor of each state, could initiate and maintain such a process. The application of the Behavioral Sciences in such an approach is still in its infancy.

2. *The creation of Centers* (*or Colleges*) *for Training for Youth Leaders.* These Centers should be charged with developing curricula in the applied Social, Behavioral, and Educational Sciences relevant to training of youth leaders for field work. A Center (or College) could act as a coordinating body for field experience and field placement. It should emphasize Learning by Doing; and should judge its product by performance in the field, rather than academic distinction. There is already considerable emphasis on interpersonal skill training, and the application of behavioral sciences in community colleges. Yet a central resource would catalyze the development of effective new mixes of instruction, and the acquisition of skills.

3. The Systematic *Creation of Work Opportunities for the Young,* preferably in the area in which they live; the work to be done part-time while at school, and full-time during vacation. This could be done through the setting-up of corporate entities, bringing together private initiative and public funds to train youngsters in skilled trades, and personal services. Training opportunities could be arranged through State and Vocational Schools and Colleges. Compensation could come from counties or cities, through private contributions, or public funds. A series of *Neighborhood Work Programs* where skills are fed directly into the youngsters' community, (with the ensuing pride and recognition) could go some way toward absorbing the frustrated energies of such children.

4. For specialized at 'risk groups,' the creation of work and training programs *away* from their neighborhood. These special environments should combine work and values, cognitive skills, and development of interpersonal relationships. Specialized Sheltered Workshops, or Farm Communes well led, vested with responsibility and some self-governance, could be envisioned in this category.

In essence, I suppose, we speak of the biological need of Youth for Hope. We must create an Ecology for Hope.

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### Statement by Dr. Stephen M. Berman, Director of Psychological/Psychiatric Services

Senator and Gentlemen: I appreciate the opportunity to address you today. Although I don't presume to be so bold as to speak with such authority as if I have the answers to juvenile delinquency and crime, I hope, as a result of my training and professional endeavors that I will be able to identify some causes of juvenile delinquency, the consequences for which individuals and society pay so dearly, and finally, to demonstrate the need for positive movement towards a solution such as the bill we are discussing here today.

Research has repeatedly demonstrated that delinquency and criminal behavior are learned and not inborn. Further, that problem behavior in a child is indicative as well as predictive of future problems in adulthood. This is most certainly substantiated by the fact that most people who are presently incarcerated in penal institutions have a history of criminal and delinquent behavior dating back to childhood. We must first recognize that juvenile problems not dealt with have a much greater probability and propensity of working their way into more intricate and serious adult offenses—offenses against property as well as persons.

Clearly, then, we must consider the prevention and correction of juvenile delinquency as a process of habilitation as opposed to rehabilitation; the thought presented here is that rehabilitation means restructuring what was once appropriate, turned inappropriate, eventually restructured back to appropriate behavior while habilitation refers to the original learning, understanding and carrying out of appropriate behavior.

The task that our society must come to grips with concerns not only strong programming, but direct involvement with the parents, neighborhood and community if we are to achieve the goal of adequately responding to the task of defeating juvenile delinquency. Juveniles must learn self-discipline, self respect, confidence, respect and not fear of the law, and be able to incorporate the meaning and nature of their lives as individuals with respect to the total society. If any degree of success is to be achieved, I am positive that the parents and community must be totally immersed in a mammoth effort or it is doomed to failure. The correctional system as it is presently structured, has not met with the success desired and this is due to the lack of parental and community involvement. Too often the term corrections and correctional facilities are limited to institutions whether they are of a maximum, medium, or minimum security type. Only when the stark realization strikes us that corrections must extend into society will we be able to cope with the rehabilitation of convicted felons and the prevention of juvenile delinquency. The major thrust here is that the habilitation or rehabilitation of juvenile delinquents as well as adult offenders cannot be conquered through administrative, custodial and treatment efforts alone. It must include the people in the free society. Time and time again it has been shown that the recidivist returns because he has not been able to adjust nor gain acceptance in a free society. The proposition that a juvenile or an adult be taken from an environment and institutionalized or incarcerated and after a period of time be returned to the same environment that originally contributed to his deviant behavior, with the expectation that he will somehow be changed for the better and become a productive citizen, borders on moronic simplicity.

It is imperative that juvenile delinquency and criminal behavior as well as the correction of same be recognized as a massive social problem; one that can no longer be cast aside as not demanding immediate attention and swift action. In certain primitive and ancient societies the way deviant behavior was treated was to banish the individual. With the idea in mind of habilitation and rehabilitation of persons as well as the realization that it is no longer feasible or even possible in most cases to banish individuals, we must accept and deal with this huge social problem.

It is not only necessary to educate the offender, but also the public as well. In this way all persons will be afforded a better understanding of this social problem and remove the stigmas and sterotypes which it fosters. In so far as prevention is concerned, juveniles must be made knowledgeable in relation to the world in which they live and taught sellable skills in addition to promoting specific interests and hobbies. In order to effectively and efficaciously deal with the massive problem of juvenile delinquency and ensuing rehabilitative efforts, all energies must be centered in and around the individuals in our neighborhoods and communities and for the most part be directed at the heart of these areas so that the pulse of society as well as of the individual who makes it up can be intelligently dealt with. In view of what has been stated above, I wholeheartedly endorse Senate Bill S. 2148. Thank you for the opportunity of speaking before you today and if you have any questions, I will be most happy to answer them.

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### Statement of the Baltimore Police Department, Represented by Lt. Col. George C. Schnobel, Maj. Edwin L. Lawrence, and Maj. Clarence E. Roy

Senator Mathias—ladies and gentlemen: As a member of the Baltimore Police Department, I wish to thank you for the opportunity to bring before you some facts concerning juvenile delinquency in our great city of Baltimore.

Commissioner Donald D. Pomerleau would like to have made this presentation himself, but a prior out of town commitment has prevented him from being here.

However, he has asked me to express these sentiments concerning juvenile delinquency and Senate bill #2148.

In order to make this presentation as concise and succinct as possible, I have purposely divided it into three (3) categories:

(1) The growing problem of juvenile delinquency in Baltimore.

(2) The efforts being made by our department to prevent and combat juvenile delinquency, and

(3) The present needs to modernize and expand our facilities for processing juvenile offenders.

The crime picture in Baltimore indicates a severe rise in the number of juvenile offenders in recent years. The fact that this picture is reflected across our Nation is obvious. The uniform crime report, published by the Federal Bureau of Investigation, indicates that 1,346 persons under the age of 18 years were arrested for murder or nonnegligent manslaughter in 1970, in the United States. The report also informs us that 312,066 youths were arrested for larceny, theft. These figures would certainly indicate the need for the proposed legislation.

Baltimore police officers arrested a total of 8,803 persons under the age of 18 years in 1965.

By 1970, the same category of arrests totaled 12,835.

As of August 31, 1971, our officers had arrested 10,377 youthful offenders.

A projected figure for the year 1971 would exceed 13,500 arrests.

The flagrant use of narcotics and dangerous drugs has played a significant role in the rise of juvenile offenses.

The expertise of the modern day police officer in the detection of drugs and drug violations, has also contributed to the rising arrest figures. For instance:

In 1965, only 55 youths were arrested for violations of narcotic and drug laws.

However, in 1970, the police arrested 497 juveniles for narcotic violations.

359 males, 74 females.

Of course, the social and economic factor also enters the picture. The appalling detail in the youthful crime picture is the 60% rate of recidivists in Baltimore.

Many programs have been implemented by the police department in our efforts to combat the delinquency problem.

The Boys Clubs, one of our most fruitful programs, was established in 1944. Because of its success and demands for its services, the number of Boys Clubs was increased to four in 1945. There are many activities involved in the program which stress the development of the total person, including:

(1) Athletic programs.

(2) Instructions in arts and crafts.

(3) The use of wood working tools in fully equipped workshops.

(4) Bus trips to places of interest to boys.

(5) Each club is equipped with ping pong tables, pool tables and television sets for use by the boys.

During the winter months, the boys are taken to indoor swimming pools on Wednesday nights, while others are instructed in the proper care and use of rifles. (This portion of the program is affiliated with the National Rifle Association.)

During the summer months, the summer camp is in full swing. Located at Fort Ritchie, in Cascade, Md., atop the Catoctin Mountains, the camp offers the use of three large barracks, a dining hall, athletic fields, hiking areas as well as boating and swimming facilities.

The summer program is available to all club members at a price of $15.00 for a two (2) week period. This fee represents about one third the cost of their keep. (Underprivileged children who cannot afford this fee are taken to camp, free of charge). Approximately 500 boys take advantage of the camp each summer. The far reaching value of this program cannot be estimated. Over 20,000 boys have been taken to camp during the past 26 years. However, it has been found that the personal, sympathetic and constructive guidance provided by the police officers have resulted in creating good wholesome attitudes and conduct on the part of the boys.

This is reflected by the fact that over 350 former members of the Boys Clubs have become police officers. Former members have also gone on to become successful doctors, lawyers and clergymen. Many are commissioned officers in the various military services. Several members of the Maryland legislature, the head football coach at Towson State College and one member of the U.S. Foreign Service are former Boys Club members.[1]

Since there was no allocation of money in our budget for such a program, a search for community support was necessary. The variety clubs of Baltimore agreed to assist us and did so for many years, until the cost became prohibitive.

In 1954, a group of prominent businessmen formed an organization to be known as "Buddies, Incorporated" and have supported the Boys Clubs in fine fashion. However, since "Colt Night" has been discontinued, these men are looking for new sources of financial assistance.

It is my belief that each of the nine police districts should have a Boys Club in operation, and that their activities should be expanded.

Another valued program involves our four store front centers which are located in the inner city. These are convenient neighborhood locations for citizens, including juveniles, to meet and talk to members of the police department in an informal atmosphere. The officers assigned to the store fronts also participate as coaches for little league baseball clubs, basketball teams, softball and football teams. They also organize clubs for boys and girls in the neighborhood. These officers also transport children to rock and roll shows at the civic center and arrange trips to the Naval Academy, Enchanted Forest, Friendship Airport, Washington, D.C., Fort McHenry and other places of interest.

The most recent program adopted by the community relations section is the use of a large command truck, which has been utilized as a mobile unit, manned by community relations personnel.

This unit responds to areas in the city which have experienced social unrest.

The truck is constructed so that upon arrival at a given location, its sides can be opened, creating a roof and flooring which expand the size of the vehicle tremendously. The officers exhibit films pertaining to crime prevention, education, and even cartoons for the little tots.

Many juveniles seek the advice of the officers pertaining to their own particular problems.

The use of this unit has been praised by community leaders, as well as the parents throughout the areas.

This unit acts as a mobile store front.

During the year 1970, the community relations section presented a drug abuse program in many elementary, junior and senior high schools. Officers in this division are graduates of the Bureau of Narcotics and Dangerous Drugs Training School in Washington, D.C.

Our community relations section is also involved in Project Go, a program co-sponsored by industry and commerce. The Baltimore public schools and the police department. This project is designed to:

(1) Involve the pupil in curriculum development;

(2) Help the pupil in planning for his future;

(3) Make the school important as a vehicle for growing opportunities in careers;

(4) Help the pupil develop an awareness of his potential;

(5) And assisting the pupil in developing realistic concepts of his self worth and dignity.

The officer friendly program, another involvement of the community relations section began its operation in November, 1970. This program is co-sponsored by our department and the Sears Roebuck Foundation.

The objectives of the program are to provide the primary grade children with the opportunity to develop an understanding of his rights, responsibilities and obligations, as junior citizens living in the city of Baltimore. The program is set up in three phases:

(1) The orientation period

(2) A class room demonstration

(3) A follow up period

The program is geared to the kindergarten and first grade levels.

Four officers are assigned to Officer Friendly and in the short time it has been in existence, they have reached 20,000 children in 120 schools.

In the fall of 1969, Sergeant Dickerson, officer Day, and Reverend Metcalf, a local minister, inaugurated the "Police Awareness Program" in the high schools of one of our police districts.

This was a pilot program to test the value of police involvement in public schools.

The officers hoped to create a better understanding between the police and the youth of our city, through better communication. Funded by the Mayor's Commission on crime, the program far surpassed the officer's expectations.

The officers announce their coming in advance, to overcome the apprehension of students who observed their entrance into the schools. Classes were first shown a slide presentation which dealt with the major functions of the police department.

These classes were followed up by the personal appearance of an officer in each individual classroom, at which time the officer initiated a dialogue with the students. There were no prepared talks on the part of the officers. They allowed the students to decide the subject matter. In this way, the officers found that many misunderstandings could be erased. Many attitudes toward policemen were changed. The students began to understand why police have to react to certain situations in various manners. All question by the students were answered honestly, a point which the students quickly recognize.

In the fall of 1970, two additional officers joined the staff and the program was geared to reach as many high schools as possible throughout the city.

As a result, the officers were able to relate to 18,000 students on at least two (2) occasions. Again, the reaction was quite positive. The program has been acclaimed by the Mayor, the President of the City Council, School Principals Department heads and the news media. The programs that I have described are each making a great contribution to the prevention of juvenile delinquency but they should be expanded.

A greater need, at this time, is the upgrading of youth detention to be coupled with youth rehabilitation.

Our present facility at the Pine Street Station is slated for demolition within a matter of weeks.

We will then be housed in the northeastern police station. This move represents an improvement, but should be considered a temporary arrangement at best.

The northeastern district facility, presently approved by the courts, will rapidly reach the point of saturation.

There will be a limited number of rooms and beds and when these are filled to capacity, detention cells will have to be used for supplemental quarters.

The number of juvenile detentions are increasing and during the detention period, the youth has a bed but little else.

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[1] George Freeburger, City Council Charles Wheatley.

For instance, there are inadequate facilities for the juveniles to bathe and there is no form of recreation during the detention. There is an urgent need in the city of Baltimore for a juvenile reception center, staffed by the Department of Juvenile Services—probation and after care division, who could process the child during the initial confinement period.

The use of police station or jail cells prior to the evaluation of the child is no longer socially acceptable.

It would remove the police from the "jailing" process into the more desirable field of juvenile protection.

A desirable atmosphere would reflect that of a reception center rather than a police facility.

Processing of the youthful offenders by the Department of Juvenile Services would allow our youth and patrol divisions to concentrate more vigorously on the problem of crime prevention.

You have probably already come to the conclusion that something must be done to assist local law enforcement agencies in preventing and combating juvenile delinquency. The Senate bill before us has within it's text a means of helping to alleviate this problem. Through this amendment to the Omnibus Crime Control and Safe Streets Act of 1968, a larger portion of the allocated funds would be used for preventing and combating juvenile delinquency. These funds are desperately needed if we are to make a positive impact upon crime involving our young people.

Presently, our facilities for handling youthful offenders are archaic and totally inadequate for the simple reason that there are insufficient funds to update and improve them. Although we are using our present manpower to it's greatest efficiency, we are unable to meet the continuing requests for juvenile services. If we had the funds available, we could increase the number of officers and related personnel working in this area.

Remember, the youthful offenders of today will be the hardened criminals of tomorrow, if positive action is not taken.

### Statement by D. N. Fornaro, President, Metropolitan Baltimore Council, AFL–CIO Unions

I speak in favor of S. 2148 to provide for a comprehensive grant program for the prevention of juvenile delinquency and for the rehabilitation of juvenile delinquents.

The time has long past that definite and constructive procedures be instituted for the prevention of juvenile deliniquency and especially, for the rehabilitation of juvenile delinquents. We have sat still too long and watched the sore of juvenile delinquency fester and spread the disease among our young people, those to whom the reins of leadership will be passed. Oh, I know that many arguments will be ventured as to the whys of this problem of juvenile delinquency—an unpopular, undeclared war—the uncertainty of the times—the change of accepted manners and morals—and many others, but while the whys are being argued, the problem is growing greater. The need for action is long overdue—the time has past when we can foolishly waste precious time in arguing—something must be done and it must be done yesterday!

**S. 2148 is a start—it is a beginning—a step to be followed by another and another—but at least for the present, a step.** To merely remove from society a juvenile who has committed a wrong and close him away in an institution to brood, to harbor resentments, is no sane or logical answer to our problems. These juveniles must be provided with every opportunity to understand themselves, their weaknesses, their needs, their rights and their responsibilities. They must be given every opportunity to be able to take their place in the community as responsible, law-abiding citizens, with a definite place in society and a definite role which they must fill. For many, the process will be long because they must first become a vital part of a family unit, which is of course the firm basis of any community, of any society. Too many of our juvenile delinquents have never known the security of a family, have never felt the warmth of a home where love and respect prevail, have never been made to feel that they are important, as human beings who are vital and needed in the family unit. *Would* that we could start from the very beginning and correct all the wrongs that society has committed on these young people, but unfortunately, time has wickedly denied us that opportunity. And so, we must take up the task of working backwards to rehabilitate those who are delinquents and hope that in doing so, we can prevent the need for such extensive rehabilitation programs in years to come.

It is noteworthy to me that in S. 2148 specific attention has been given to the provision for "special training and other qualifications in order to meet personnel standards required in dealing effectively with juvenile delinquents and pre-delinquents". This, to me, is especially significant because it is an indication that at least we have realized that our young people deserve to be treated as special, that a program of this importance must be dealth with by those especially trained to communicate with the juvenile, and thereby be more effective in his rehabilitation and more importantly, in the prevention of possible delinquency.

I could go on at greater length about the merits of this bill, but suffice it to say that I support S. 2148. It is, I hope, only a stepping stone, to be improved and enlarged until hopefully one day the need for rehabilitation programs will be minor as a result of an adequate and positive prevention program. Perhaps it could be summed up with an old saying—"an ounce of prevention is worth a pound of cure."

### Mr. Herman Katkow, Director of the Mayor's Advisory Committee on Small Business

I presume that the invitation for me to testify this afternoon was extended in my official capacity as the Director of the Mayor's Advisory Committee on Small Business. However, I would also use this opportunity to express views based upon my experience and observations as a businessman in a high crime area, as a father, and as a deeply concerned citizen. Let me confess that I bring with me no data that might be considered "expert" testimony—I assume that the statistics and the case histories are available from other sources.

Over the years the problems of small businesses have been so numerous, what with competition from chain stores and discounters, deteriorating neighborhoods, inability to obtain adequate insurance, lack of capital, high taxes, urban renewal and shoplifting, just to name a few, that one might have been hard-pressed to identify problem #1, and indeed, problem #1 may have varied from one small businessman to another. In recent years, however, identification has been no problem at all. Few would disagree that crime is our prime problem, and that a substantial part of that problem is that of juvenile crime. We tend to think of juvenile crime in terms of overt anti-social actions which break the law, which, of course, is correct. Insofar as the small businessman is concerned, however, there is an additional element which cannot really be so classified, and is yet, part of the very same problem. For lack of better definition, I'll call it juvenile harassment. The juveniles involved here are generally the younger ones, whose actions, for lack of alternative things to do, take the form of group loitering in front of and in the vestibules of stores, baiting the merchant and his employees in various ways and other varieties of game-playing. This group possesses a high degree of amorality and can really be considered as a cadre of criminals-in-training. It is no exaggeration to say that crime has been a major contributing factor to the closing of many small businesses and a strong deterrent to attracting new businesses in the inner city. I might add, parenthetically, that while a few years ago, the term "inner city" referred to a few selective areas generally located just beyond the boundaries of our Central Business District, today, it can be applied to just about anywhere between downtown and the Beltway.

This, of course, has resulted in less goods and services being available to the residents, an acceleration in the decline of the neighborhoods, and an increasing erosion of the tax base. It has been estimated that within ten years, more than half of the population of the United States will be under 25 years of age. We really have little time or alternatives. We *must* find solutions to juvenile crime and find them quickly.

I am glad that this bill resists the temptation to again hack away at the exposed branches of the crime problem by the usual recommendations for beefing up security and more punitive measures, but looks to the much more difficult job of getting down deeper into the twisted and tangled roots from which the problem grows. The former is certain to be more politically popular and more easily saleable, but I believe it would be a most grievous mistake if we utilized the funds provided in this bill only for that. We are witnessing daily, often in the most tragic way, the futility of imposed discipline. Of course, it is necessary, but, at least, it can only be of short term duration. The only discipline worth the use of the word must be self-directed and self-controlled. This *inner* discipline is the only permanent solution to juvenile delinquency. I believe the most serious problem we face, and that which mitigates against this solution, is the complete lack of motivation by those who are potential or actual delinquents. Even among those young people who tend to shy away from actual law breaking, there is a very large element who have become completely disenchanted with the status quo, or to use their own vernacular have been "turned off" from the "system" and have developed a set of values completely different than ours. The more sophisticated of this element try in many ways to tell us—we, who are identified as the "establishment"—of the great social and economic inequities that our system has produced. We tend to give them better and more rational arguments than they give us—but despite the most legitimate justifications that we can muster, the harsh fact remains—yes, there *are* great inequities, and if we are to be completely honest with ourselves, we are only taking teeny baby steps in trying to resolve them. They do not believe the lip service we render as to ameliorating people problems when they see $30 billions per year and thousands of lives poured down the drain in Southeast Asia during the past decade. Some of this frustration and feeling of powerlessness has got to rub off on their less sophisticated peers who may justify criminal actions with a feeling of retaliation against those they see as responsible for their plight.

Last week, I sat as a member of a small group discussing drug abuse. I would like to bring you one observation made by our guest at that meeting, a man who has dealt with narcotic addicts on a privileged communication basis every day for many years. He stated that, despite the tremendous diversities that existed within the hundreds of addicts he has counseled, there was one factor that was common to all of them, be they black or white, rich, poor or middle class, juvenile or adult, male or female. That factor is a sense of worthlessness. I would submit that a similar feeling of lack of self-esteem or even self-hatred is a consistent pattern among juvenile delinquents, be they addicts or not. They have been told by society, by parents, and others in various ways that they are just no good s.o.b.'s and will never amount to anything—they have been told this, verbally or non-verbally, so often that it becomes a self-fulfilling prediction.

Every now and then, when I run across something I consider profound, I jot it down. A European philosopher wrote this in another generation, but it seems to apply even more today: "Man would fain be great and sees that he is little, would fain be happy and sees that he is miserable, would fain be perfect and sees that he is full of imperfections, would fain be the object of the love and esteem of men, and sees that his faults merit only their aversion and contempt. The embarrassment wherein he finds himself produces in him the most unjust and criminal passions imaginable, for he conceives a mortal hatred against that truth which blames him and convinces him of his faults." This bill provides funds to seek new and innovative ways to deal with the problem of juvenile delinquency. Extensive research is needed in how to provide motivation—how to furnish a sense of achievement and accomplishment. The problem is as much psychological as it is educational and economic. In addition to the group therapy these new programs might provide, I would hope they would borrow heavily from the experience gained in such varied programs as Junior Achievement, Daytop Village, George Junior Republic, and others, all designed for active individual participation building towards the ultimate goal of self-pride and self-discipline.

I would further hope that funds would be available to study and to recommend a new experimental, controlled program of education beginning in the elementary schools, and utilizing a highly specialized teaching cadre who can travel from school to school so that each class would have at least one weekly session. Such a program, however titled, would have as its primary objective the instilling within each child a feeling of high regard for his own individual status, and should include such subject matter as sex education and drug abuse. Some will scorn this kind of approach as impractical and unrealistic. However, as a businessman, I am of necessity a pragmatist, or perhaps a better self classification is a "practical idealist", and when I see how the world has changed in our time, and is continuing to change, creating new problems and intensifying old ones, and how these problems cry out for new approaches, then I must feel that perhaps the idealistic approach is truly the genuinely practical one.

I would close with another profound bit I jotted down recently—this one in years by an American psychiatrist: "Man's humanity to man can be a kind of medicine for individuals who have been deeply afflicted by inhumanity."

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### Statement by Edward J. McNeal, Executive Vice President of the Maryland Retail Merchants Association

My name is Edward J. McNeal and I appear here as the Executive Vice President of the Maryland Retail Merchants Association. We are appreciative of the opportunity to testify before you today and to make comments upon Senate Bill 2148, introduced by Senator Mathias and twenty-five other Senators.

In presenting our testimony today, we wish to indicate at the outset that we do not profess great expertise in the field of juvenile delinquency or the rehabilitation of juvenile delinquents. We have, however, over the past few weeks, under the auspices of the Retail Merchants Association of Baltimore, been conducting a campaign directed primarily at the juveniles, which concerns itself with the serious problem of shoplifting.

About thirty days ago the FBI released, in its annual report, statistics which revealed the startling figure that the incidents of shoplifting had increased 221% in the past ten years. This economic loss is one that is shared not only by the stores but by all those who seek to acquire goods.

Our studies indicate that a substantial percentage of all the shoplifting which is done by amateurs is done by teenagers between the ages of 13 and 19. Our program is not designed primarily as a vehicle to apprehend, prosecute and convict the teenager, but rather to inform him of the consequences of shoplifting and hopefully to deter him from stealing in the first place.

We take no pleasure in apprehending anyone in our stores, and in fact we are in the business of selling and would much prefer to concentrate on that rather than to establish an elaborate security force to apprehend the thief. We certainly take no pleasure in spending tens of thousands of dollars for elaborate electronic equipment and other devices, all designed to curb this ever-growing social problem.

We would much prefer, as I am sure your committee and the Congress would prefer, to see ways and means developed whereby offenders could be made aware of the consequences of their acts and whereby genuine and constructive rehabilitation programs were made available. Only through this kind of an approach will long-term benefits accrue to individuals and to society as a whole.

We are particularly pleased to note the proposal which you have under consideration today has as its purpose providing assistance to local government to develop and implement programs and projects for the prevention of juvenile delinquency and for the rehabilitation of the delinquents. This we applaud; and congratulate you, Senator, for taking the initiative.

We particularly note, among the services that might be provided, under this proposal, is the expanded use of probation as an alternative to incarceration, including programs of probation subsidies. An interesting suggestion was made to us by one of the District Court judges at the beginning of the anti-shoplifting program. This judge said that it is very frustrating to him to see the young offender brought before him with no previous record and to have the facts presented which give clear indication that the person apprehended is guilty. The dilemma that he faces every day is either to grant probation or to subject the individual to a severe penalty which is provided for under the law.

He frankly admitted that more often that not be granted probation, but he indicated he would much prefer to have some alternative . . . perhaps the development of a clinic whereby the subject could be granted probation subject to his attendance at a series of classes once a week for a stated period in which he would be subjected to a specific course on the dangers inherent in the acts which he had committed, e.g., how these acts have the potential of jeopardizing his future, his entrance to college, his permanent work record, or any one of a number of opportunities.

As we read the legislation which you have before you, an opportunity might be developed to create such a clinic or a school, and the judge to whom I refer might be able to grant probation to an individual subject to the qualification that he attend this clinic for a period of time.

We are embarked on a massive public awareness campaign through the media of television, radio and the press, and we are receiving excellent cooperation. We have as our goal the curtailment of the serious problem of shoplifting because we believe that everyone suffers when people steal from stores. Ours, in a sense, is a negative kind of effort designed to curb a serious problem.

The way we see it, the legislation which you have before you provides an outstanding opportunity for a constructive, positive effort. It gives to the states and the local sub-divisions the chance to utilize much-needed federal funds to create new programs and to take action in a positive way to deter the youngster from activities which have the potential for permanently damaging his future. Sure, we are interested primarily today in the problem of shoplifting, but as citizens of the community we realize that there are many other problems, particularly the drug problem, which are commanding the immediate and serious attention of the Congress.

In the limited expertise that we have in this field, we would lend our enthusiastic support to the proposal which you have before you because we believe that it provides a positive alternative to the beginning of a life of crime.

We applaud the stated purposes of the act. We know of no more constructive way to assist the young offenders or potential offenders than to develop and implement a program for the *prevention* of juvenile delinquency and the rehabilitation of juvenile delinquents. Only through this means will we prevent them from going on to more serious offenses and prevent them from permanently jeopardizing their future.

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### A Letter Written to Mr. Robert Bonnell of Baltimore

Mr. Robert Bonnell,
*Baltimore, Md.*

Dear Bob: I thank you for the support you give to Senate Bill 2148 introduced by our own Senator Mathias out of great concern for our young people of today.

We desperately need programs and facilities to deal with thousands of young people here in America who are very apt to find themselves becoming juvenile delinquents unless something is done. In the area of drug abuse alone, we know our most critical need in Maryland is for residential facilities for adolescents and at the moment we have *none*. While countless young people can be helped by ambulatory programs, seeing a doctor or going to group therapy, on a once a week basis; there are many, many more who need to be taken out of their environment completely for three to nine months. This is necessary if they are going to "get their heads together" and determine what they want to do with their lives while they are protected from the daily pressure from their peers to "do some stuff" or to continue firing up. There are so many of these young people, I would say a majority, who we can help to get over the hump and live full productive lives if we can give them assistance now. They need help in recognizing their strengths, developing their abilities, knowing how great they really are but they can't do it alone and most families are not prepared to give the concentrated attention this calls for.

Many people don't realize that many young people, and some not so young, while on methadone programs are still supplementing their methadone with additional methadone or with heroin and are continuing to get involved in crime in order to do this. Methadone is an important tool when properly controlled and with supportive services, but we need so much more for our adolescents. I hope you will give Senator Mathias' bill all the support you can possibly give. Our young people are fantastically good but they do need help.

Faithfully,

Frederick Hanna,
*Rector, All Saints Episcopal Church.*

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### Statement of Robert C. Hilson, Director of the Department of Juvenile Services of the State of Maryland

Senator Mathias and other distinguished Committee Members, I deem it a pleasure to have this opportunity to appear before you to express my views on Senate Bill 2148 and its potential impact, not only upon the juvenile system, but also its impact upon the entire criminal justice system.

My name is Robert Hilson and I am the Director of the Maryland Department of Juvenile Services—the State Agency charged with the administrative responsibility for the provision of those services rendered to the several juvenile courts and for the operation of the State juvenile training, diagnostic, detention and rehabilitation institutions. I am also here today representing Dr. Neil Solomon, Secretary of Health and Mental Hygiene for the State of Maryland under whose administration, the Department of Juvenile Services falls.

Senate Bill 2148 undoubtedly is one of the most enlightened pieces of legislation concerning delinquency that I have seen. Enlightened because it begins at the most crucial stage of our justice system enlightened because major focus is placed on those considered to be most amenable to change; and enlightened because of the emphasis and stress placed on the development and expansion of rehabilitation programs which are community-oriented rather than institutionally-oriented.

Unfortunately, our juvenile courts have had far too few alternatives available to them as dispositional means of handling the many troubled youth who appear before them. Even more unfortunate is the fact that far too little attention and resources have been directed in the areas of prevention and proper diagnoses of needs, which in effect, would have a direct correlation with the number of inadequate resources available to the courts for dispositions.

Maryland is very fortunate in having legislation which vests responsibilities for comprehensive services under a single State agency, i.e., thhe Department of Juvenile Services. It is the goal and objective of the Department to develop appropriate community based programs of varying types to meet the varying needs of our youngsters. It is our considered opinion that the overwhelming majority of our troubled youth can, and will, make the necessary changes in attitude and behavior within such community programs, thereby leaving the institutional programs available only for those selected youngsters who require external controls whereby they can return to the community where the ultimate adjustment has to be made.

The Department of Juvenile Services has embarked upon a program to attain these goals. Presently we have well over 250 children in residential care in the community through the use of specialized foster homes, group homes, purchase of services from private vendors, etc. These youngsters might well have been confined to institutions were it not for this approach. We, however, have just begun to scratch the surface as to the needs in this area. And, as usual, the availability of funding is the major reason for the pace at which we are proceeding. State funding for the Department has steadily increased during the four years of the Department's existence; federal funds under the Omnibus Crime Control and Safe Streets Acts of 1968 have been utilized to the extent available. Yet, additional massive amounts of funding are required if we are ever to make a dent in the increasing rates of delinquency, and in the development of programs which prevent delinquency and which are truly rehabilitative for the adjudicated youngster.

There is no question that traditional methods of treating delinquency have not been successful. Recidivism rates remain high; staff frustrations increase by the inability to supply them with the needed tools to do the job so many of them desperately desire; and community and legislative responses continue to mount at what appears to be an ineffective use of the tax dollar.

New and innovative programs must be developed. The children of today have different needs than those of a generation ago yet we are still, to a large extent, operating on principles developed several generations ago. Change is long overdue and Senate Bill 2148 provides a vehicle for this change. Forty percent of Federal funding granted to a State should indeed be a minimum amount and I am not unaware of the many, many needs in the other areas of our criminal justice systems. However, I feel that the emphasis must be placed at the juvenile level if we are going to make any changes at all in the adult system. Money *effectively* spent at this level should certainly reduce the need for increasing funding at the adult level. Changes *must* be made at the juvenile level, particularly in the area of juvenile delinquency prevention. These youngsters deserve the opportunity, which heretofore has not been available in sufficient quantities, to make the needed changes within themselves and within the community if they are to avoid what has been for too many of them, a graduation into the adult system. Senate Bill 2148 would permit this opportunity.

We heartily support your efforts as expressed in the Bill.

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### LETTER SUBMITTED BY GEORGE P. BROWN, DIRECTOR, INSTITUTE OF CHILDREN

Hon. CHARLES McC. MATHIAS, Jr.
*U.S. Senator, U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR MATHIAS: Thank you for enclosing a copy of your Bill S. 2148 and inviting me to submit comments. To me, the most impressive features of this proposed legislation, in addition to the attention directed at rehabilitation of the delinquent, are: (1) The provisions for prevention through the employment of a variety of community based services—family and individual counseling, advanced educational concepts and practices which improve the youths abilities to think and to learn. (2) A body of persons referred to as the administration with the responsibility for assessing the merits of a grant proposal, after setting down rules and regulations to be adhered to.

Left not spelled out in this Bill is the consideration of who will constitute the administration. This is a very crucial consideration because it is well established that the causes of any given socially unacceptable behavior have multiple causes that cut across disciplinary lines and therefore members of all such disciplines should have representation on any such administrative board in order to assure that all factors operating in a particular case receive due weight. One of the major recommendations of the Joint Commission on Mentally Ill Children which incidentally was chaired by a resident of Maryland, Dr. Reginald Lourie, was that advocate groups, multidisciplinary in composition, be established at federal, state and local levels to assure the provision of comprehensive services to all children and their families. Important members of such boards would be lay citizens. A model of this kind could, it seems to me, be included in your legislation which would greatly enhance the likelihood of its achieving its goals.

It is very heartening to see evidence, exemplified by your bill, that there is concern for the welfare of our fallen families and their children. Hopefully, in the not too distant future, the statement made in the preface of the Report of the Joint Commission on Mentally Ill Children to the effect that America neglects its children will no longer have validity.

Again thank you for inviting me to offer comments and suggestions.

Sincerely,

GEORGE P. BROWN, Sr., M.D.
*Superintendent, Regional Institute for Children and Adolescents—Baltimore.*

### STATEMENT OF JACK COHEN, EXECUTIVE VICE PRESIDENT, BOYS' TOWN HOMES OF MARYLAND

Ladies and gentlemen: It is my pleasure to speak here today, in support of this bill which strives to assist our nation in its battle against Juvenile Delinquency, spiraling crime rates, costly expenditures and the terrible loss of human resources. I am here as a "friendly critic" . . . in an effort to present certain views, that in my opinion, would greatly enhance the funding methods, directing emphasis to specifics.

Since 1961, when the Juvenile Delinquency Act began, efforts have been made to attack our nation's No. 1 problem—crime.

We are all aware that a multitude of factors contribute to the over-all problem; however, it has become quite obvious that massive efforts must be directed toward Juvenile Delinquency Prevention and Rehabilitation.

Herein lies a "fuzz" area that needs more definition and more specific direction. Since actual criminal activity confronts us daily and since the need for more apprehension and more containment is most obvious, the major portion of funds never reach the area of pure prevention.

This is easily understood, since our city fathers do not find pure prevention "dramatic or visual" . . . thereby continuing to spend available funds elsewhere.

In 1970–71 merely six percent of safe streets funding was directed to the area of pure prevention.

This is a big mistake!

The 15-year-old boy commits more serious crime in the United States than any other age group.

Only 1½ per cent of Baltimore's teen-agers commit 45 per cent of the City's crime.

Each year in Maryland, 1200 youngsters, for want of a better place, are sent to hard-core penal institutions, where more likely than not, they were trained to be criminals instead of tamed to be good citizens.

For many, many years such facilities were the only available route . . . and as many as 70 to 80 per cent of the "rehabilitated" boys became "repeaters" within a very short time.

This terrible recidivism rate points up the need for new approaches.

Boys' Town Homes of Maryland is one of those groups that seeks to head off crime, to diagnose the potential delinquent early . . . long before he is the 15-year-old boy.

We believe in getting these troubled youngsters early . . . we work toward preventive programs . . . designed to offer "Pre-Entry" therapy, to prevent the youngster from incarceration and keeping him out of the Criminal Justice system.

We believe that this process must begin early in his elementary school education after the first sign of serious antisocial behavior patterns.

Our "pilot" program, now more than five years old, is greatly responsible for a movement away from training school incarceration and to the establishment of community-based, "people size" homes, serving approximately a dozen boys (8–12 years of age) for a period of six months to a year.

It can cost up to $300,000 to keep one offender locked away from society for a period of 35 to 40 years. Isn't it good business to spend approximately $7,000 a year now . . . and avoid the big price tag later?

To reduce incarceration . . . we must reduce recidivism!

When we reduce recidivism we reduce crime.

In an effort to make Senate Bill S. 2148 more effective and more likely to deal in specific areas of concern, I suggest:

(1) That we acknowledge rehabilitation to be that type of therapy that deals with a discharged offender or criminal after he has been incarcerated in a security facility . . . attempting to break the "repeater" pattern.

(2) We suggest that we acknowledge that the term "pure prevention" be that type of therapy that deals with youth when he first

shows serious antisocial behavior patterns and prior to his assignment to a training school or institution.

This effort should be designed to prevent the first incarceration and motivated to keep this troubled youngster out of the Juvenile Justice system entirely. It can truly be considered Pre-Entry therapy.

(3) In order to start promptly enough and to gain the greatest opportunity for correction, we suggest that the priority age group be limited, directed to the 6-12-year-old child.

If the 15-year-old boy commits the most serious crime in the United States, it is obvious that our target for "pure prevention" should begin early enough with the elementary school child.

In this light, we suggest the following changes to Part "F" Sections 471 through 474—

(A) We suggest that an appropriation of $100 million—no less than $75 million be specifically directed to the area of "pure prevention" and pre-entry therapy.

(B) We suggest that Section 474 be changed to: "Determination of funding be determined by population of juveniles 6–17 years of age (not 11–17)."

COMMENT

Utilizing the 11–17 category would be a direct contradiction to Section 473, which "directs professionals from elementary and secondary schools to detect, work with and divert from the Juvenile Justice system, any youngsters in need of assistance.

This obviously means the age of initial contact and concern must be as early as the 6-year-old. The "pure prevention" would most likely be applicable in the 6-12-year-old age group if we are going to prevent the occurrence of the 15-year-old criminal.

"Rehabilitation" however, would most likely be applicable in the 11-17-year-old age group, since a very large percentage of youth do begin incarceration in training schools at 11 years of age.

In our Boys' Town Homes program (8-12-year-olds), the first five boys released to their own home environment, were 11 to 12 years old.

We therefore, take strong objection to a late start . . . we must stop pushing aside the first and second-grader who shows signs of future criminal activity, simply because he is more easy to ignore, in the presence of the overbearing criminal activity that is ever present. We must stop pushing the mild offender and troublesome child to the "rear of the bus."

"When you find yourself knee deep with alligators . . . it is quite difficult to remember that you should have long ago drained the pond!"

(C) We suggest that Section 471 be changed to read: "It is the purpose of this Part to assist states and units of general local government and through sub-grants, assist non-profit, private agencies or organizations to develop and implement programs and projects for the Prevention of Juvenile Delinquency and for the Rehabilitation of juvenile offenders."

COMMENT

State and city agencies must be encouraged to seek out non-profit, private agencies, religious groups and organizations . . . and encourage their participation in "pure prevention" and "rehabilitation" programs.

They must encourage community groups to take hold and bring forth a multitude of "Pilot" programs such as: Big Brothers, Scouting, and Boys' Town Homes of Maryland, to seek other ways to fight the spiraling crime percentage.

As an objection to the appalling crime activity, Boys' Town Homes of Maryland was created over five years ago and pioneered the first move toward "preventive crime", through the use of small community-based homes instead of institutional incarceration . . . encouraging "Preventive" and "Corrective" Therapy as early as 8 years of age.

Today, all of Maryland's surrounding states—Virginia, Delaware and Washington, D.C., are already adopting community-based homes as a substitute for training schools and institutions.

Most times, our professionals are too overburdened, too entrenched, underfinanced and understaffed, to "reach out" for the new, less dramatic, "pilot" approaches—such as "pure prevention" and pre-entry Therapy.

Please, Ladies and Gentlemen, let us begin early and act effectively . . . let us prevent incarceration because it is six to seven times more costly and more difficult to achieve successful results.

When you save a boy . . . you gain a man!

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## FORMER SENATOR SPESSARD HOLLAND OF FLORIDA

Mr. MUSKIE. Mr. President, I wish to express my deep personal grief at the recent death of the distinguished former Senator from Florida, Spessard Holland. Certainly one of the pleasures of my career in the Senate was the opportunity to work with and know this outstanding American.

Senator Holland served the public in every level of government. He was a county prosecutor, a judge, a member of the Florida State Legislature, Governor of the State of Florida, and finally a U.S. Senator. In each of these public offices, he served ably and well. This great diversity of experience enhanced the contribution that Senator Holland made in the Senate in the consideration of national legislation. Few men in the Senate could draw on such a wealth of experience to aid the Senate in the consideration of the great issues of our time.

As someone who has been concerned for some time with the environment, I should like to acknowledge Senator Holland's contributions in this area. As Governor of Florida, he established the Game and Fresh Water Fish Commission which did much to preserve the environment of Florida. He is rightly known as the father of the Everglades National Park.

Spessard Holland is no longer with us, but his contributions to his State and to our society remain.

Mr. MATHIAS. Mr. President, Tom Wicker is a sensible man. Few citizens, journalists or otherwise, can rival his intellectual grasp of the problems of our Nation and our age. But unlike many of those who may aspire to be his intellectual equals, he is also able to distinguish between the objective and the subjective, between the facts and the emotions.

An example of his ability in this regard is a recent article in the New York Times entitled "The Rehnquist Dilemma," and I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### THE REHNQUIST DILEMMA

(By Tom Wicker)

The spectacle of Senator Edward Kennedy defending the reputation of William Rehnquist against allegations by Joseph Rauh of the A.D.A. suggests the painful dilemma in which liberals and civil libertarians have been placed by Mr. Rehnquist's nomination to the Supreme Court.

This nomination is not like that of Clement Haynsworth, whom President Nixon earlier tried to put on the Court. Judge Haynsworth was not confirmed by the Senate on the ostensible ground that his record on the bench showed a lack of perception of possible conflict-of-interest situations.

Nor is the Rehnquist case similar to that of Mr. Nixon's other rejected nominee, G. Harrold Carswell. Judge Carswell was found to have made misstatements to a Senate committee, and his confirmation hearings disclosed a glaring lack of qualification for the Supreme Court.

The Rehnquist matter is not even like that of Lewis Powell, whom Mr. Nixon has also named to the Court.

Mr. Powell is a pillar of the Southern establishment, a good credential in the Senate; he is 64 years old and his tenure on the Court will be limited by that; he is not expected by most observers to become a powerful leader within the Court.

Mr. Rehnquist is a horse of a very different color. At 47, he can look forward to a long and active tenure on the bench. Moreover, his record is that of a hard-working and vigorous champion of conservative political causes, both in Arizona and within the Nixon Administration. Persons in and out of the Administration who know his work credit him with superior intellect and skill in the law.

Thus Mr. Rehnquist on the Court is altogether likely to become a driving force for the principles he espouses. There are those who believe that as the years go along he will be a more formidable leader than Chief Justice Burger in the conservative wing of the Court—a wing that may already be in the majority on some issues and will almost surely become dominant if Mr. Nixon wins another term in the White House.

It is no wonder, then, that liberals and libertarians are desperately casting about for means of defeating the Rehnquist nomination in the Senate. Mr. Rehnquist's record of opposition to civil rights measures, his strong advocacy of state powers that would threaten Bill of Rights guarantees—at least what many people passionately believe to be guarantees—his youth and his obvious leadership qualities might alter the course of the Supreme Court for decades to come.

But the hard fact is that no one has as yet produced any evidence of the kind of ethical tangles that ruined Judge Haynsworth's chances—and before that led to the resignation of Abe Fortas from the Court; nor has anyone been able to identify misstatements like those that sank Judge Carswell, let alone a lack of legal or intellectual qualifications.

It was, in fact, on the matter of Mr. Rehnquist's integrity that Senator Kennedy rebuked Mr. Rauh. The latter had suggested that the nominee had been less than candid in denying ever having been a member of the John Birch Society. The Senator could hardly be sympathetic to a man of Mr. Rehnquist's views, but he insisted that the nominee's basic integrity was unchallenged.

So the real question before the Senate is whether it can, or should, reject Mr. Rehnquist solely because of his political views. On the one hand, the writers of the Constitution, in giving the Senate the power to confirm or reject Presidential nominees to the judiciary, clearly meant the legislative branch to play a substantive role with the executive branch in this process. The Senate has the right, therefore, to judge for itself the qualifications of a man to sit on the Supreme Court.

On the other hand, to make that judgment solely on the basis of his political views (which, after all, may change) is dangerous business. It presumes some kind of rightfull political orthodoxy; it would tend to politicize the courts according to the temporary political coloration of Congress; it could punish some individuals for their ideas and frighten others out of having any.

Moreover, it is bound to lead to retaliation, as it did when Republicans and conservatives defeated President Johnson's nomination of Justice Fortas to be Chief Justice, at least partially on political grounds. Paying off that score had a good deal to do with Judge Haynsworth's subsequent rejection.

It may be argued that Mr. Nixon should not have handed Senators this dilemma by appointing an activist political figure to a nonpolitical court, but the precedents are ample, and the Senate is likely to compound the damage if it denies Mr. Rehnquist his Court seat solely because of his political views.

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## AGENDA FOR PHARMACISTS

Mr. HUMPHREY. Mr. President, on October 14, 1971, I addressed the 73d annual convention of the National Association of Retail Druggists, meeting in New Orleans, La.

In my remarks I laid out a three-point agenda for America's pharmacists in addressing the national priority of achieving quality health care for the American people. First, it is essential that our pharmacists undertake a major educational drive to overcome the extensive problem of drug abuse in America. Second, they have a vital role to play in the national effort to control the dispensing of dangerous drugs. And third, retail druggists must directly participate in the development of effective health care delivery systems across the Nation.

In connection with these programs, I outlined several legislative objectives which I believe must be achieved in the present Congress. I ask unanimous consent that the full text of my remarks be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### REMARKS BY SENATOR HUBERT H. HUMPHREY

Few statements about the neighborhood drugstore have been as emphatic and to the point as that made recently by Willard Simmons, who has done such an outstanding job as your executive secretary. "The community's first line of defense," he said, "in providing effective health care for all citizens lies in the efficiency of the independent retail pharmacist."

I say this is a vital truth that must be heard in America today as we struggle to get our forces in position to launch a major attack on the grave problems threatening the denial of the effective prevention and treatment of illness to increasing numbers of people.

I call on you today to move forward from this vital line of defense at three critical points. First, it is essential that our pharmacists press home a major educational drive to overcome the extensive problem of drug abuse in America.

Second, there must be a combined assault to establish effective controls over the dispensing of dangerous drugs and to stop the traffic in narcotics.

And third, as I have urged on previous occasions, our pharmacists must insist upon being in the vanguard of our Nation's offensive against inadequate health care delivery and sharply rising hospital and medical costs.

The pharmacist is the only health-care professional whose exclusive specialization is in the area of drugs, including drug abuse. He is exceptionally well equipped both to screen and to promulgate information on the "generic equivalents" of "uppers" and "downers", "snappers", "yellow submarines", and "Dolly"—that lexicon of totally new names that frightens not only parents but our children and youth.

That is why I have strongly endorsed the national education and information program, recently announced by the American Druggist Blue Book, to assist the nation's 55,000 drug stores in focusing public attention on the growing drug abuse epidemic across America. The sign to be posted in the neighborhood drug store under this program says it all: "This Pharmacy Is A Drug Abuse Information Center."

And Richard Wilson and my friend George Wilharm, NARD, past president, have rendered an important service in calling a meeting earlier this year to plan the expanson of N.A.R.D.'s program of education and publicity about drugs. The emphasis on this program's theme, "Never Abuse . . . Respect Drugs," ought to be the rallying point of a nationwide effort to bring under control the spreading physical and psychological dependence upon drugs that undermines human dignity and destroys people's ability to cope effectively with reality, thereby tearing the fabric of society.

You are all aware of my proposal that pharmacists in uniform be utilized as an integral part of drug abuse education teams in our armed services. Colleges of pharmacy are already doing a tremendous job in an all-out faculty-student campaign on their respective university campuses to get across the message of drug abuse to the youth of America. But unfortunately, our military services have failed to recognize this outstanding resource that can effectively "reach" hundreds of thousands of young men and women. Bill Skinner, of the American Association of Colleges of Pharmacy, has put the case very well, in saying that "what is needed is an officer who knows drugs, has authority to deal with the causes of drug abuse on various command levels, and who has the respect of the troops he educates. Today's pharmacy graduate is just the man for the job." And yet, in response to my request, the Department of Defense has been unable to identify the number of pharmacists used in drug education programs, nor does it know how many of these potential drug abuse educators are in the military ranks as jeep drivers, typists, and infantrymen.

But the neighborhood pharmacists have a vital job to perform right in their own towns as well. So often, parents are unaware of the chemical components of diet pills, pain pills, pep pills, and tranquilizers—that whole family of "mind-altering" drugs whose abuse can be quite "legal" but whose effect can be physically and psychologically destructive from an overdose, or even a so-called "adult" dosage taken by a child, or just from the refusal of the patient to follow the pharmacist's directions about the period of time between doses. And yet so often the person on the other side of the pharmacy counter really hopes for guidance from the pharmacist that he or she cannot get elsewhere about a prescription or an over-the-counter drug purchase.

The second line of attack in which the pharmacist must be involved in defending the health of the American people is in the area of establishing controls over the traffic in dangerous drugs. Congress launched this offensive last year in the enactment of the Controlled Dangerous Substances Act. But we have learned that there is much more to be done before this attack can be pressed home.

I have introduced legislation for a two-pronged offensive, through the establishment of a Drug Cure and Control Authority as an independent agency to coordinate the many drug abuse programs in the Federal Government. One thrust is aimed at public education and the treatment and rehabilitation of the drug addict. The other is aimed at more vigorous and better coordinated law enforcement to crack down on the illegal narcotics traffic. I feel the Administration's proposal fails to give adequate attention to this vital requirement for effective enforcement of the law.

And I have introduced further legislation to establish drug abuse treatment programs at our community mental health centers across the land. We have simply got to reach the abuser of drugs where he is, if we are truly concerned to help him, and if we want to break the web of despair before others become trapped in it.

The pharmacist is going to have an increasingly vital role as we struggle to bring drug abuse and narcotics addiction under control. You are all aware that our major pharmaceutical companies are moving toward a crash program to develop antagonist drugs to combat narcotics addiction. The problem is severe, or it would not have led one physician to recommend recently that control at present may be possible only through giving addicts the drugs that they crave.

And yet we have not begun to recognize the scope of the problem if the words "drug abuse" paint for us only a picture of an addict in the throes of withdrawal in a filthy tenement. For there is a great measure of truth in the charge that America has become a drug-abused society, taking pills to get started and then to slow down, to get a lift or to relax, and so on. And psychiatrists are becoming increasingly concerned about a possible trend toward the excessive prescription of psychoactive drugs to treat what may be really life situations and problems outside the pale of psychiatry or medicine.

Medical practitioners and pharmacists must be working together now if such problems are going to be solved. I strongly believe that the dispensing of drugs must be the responsibility of the pharmicist who is able to evaluate the quality and properties of various and constantly "new" drugs, and who must keep accurate records and assure the use of proper labels and containers. He has strong professional and business incentives to perform these tasks to the best of his ability, and these incentives should be respected and strengthened.

Finally, the voice of our nation's pharmacists must be heard as plans are developed to bring rising health care costs under control and to assure the effective delivery of health services. In fiscal 1970, Americans spent $67.2 billion for medical care, but it is expected that this level will jump to $105.4 billion by fiscal 1974. And we know that the paychecks of the American people will not increase 56 percent by then to meet these costs.

One fact that is often overlooked, however, is that prescription costs have been held down, the average charge reported in a pharmacy survey for 1970 being $4.06, or only some 4 percent higher than the previous year—and a reported net decline over a longer period. Meanwhile, with average sales showing an increase, these pharmacies reported a net profit at the lowest level since 1932. Now these are facts, and they should be kept clearly in mind as we seek to determine the inflationary forces pushing up our health care costs.

But it is also a fact of life that there can be no further delay in the establishment of a national program of health-cost insurance, tied to a comprehensive program to substantially expand our health care resources and assure their equitable distribution and the efficient delivery of health services.

We must, in short, guarantee every child at birth a right that is as precious as the right of citizenship—the right to good health.

To do this we must match supply with the heavy demand for adequate health care that exists in America today. That means more hospitals, more doctors, nurses, and allied professional personnel, more regional medical programs for our rural areas and neighborhood health centers for the inner city, and assistance for more group practice plans.

And a national program of health insurance must be designed to meet the needs of people, providing for the effective prevention as well as the immediate treatment of illness, and at a reasonable cost, and with efficient administration that assures adequate and prompt compensation to health care providers.

There is a great deal we can learn from the strengths and weaknesses of the Medicare and Medicaid programs. I have been particularly concerned to fill one of the major gaps in medicare coverage for the elderly—prescription drugs for home patients. Last May I introduced legislation to include this coverage. Of importance to retail pharmacists is the requirement in this bill that reimbursement be on the basis of actual acquisition cost plus a dispensing allowance to cover such elements as cost of overhead, professional services, and a fair profit, in clear recognition of variable factors affecting costs and services in different local areas. I strongly believe that this requirement should be directed to all health insurance and group practice plans. A second basic requirement, also included in my bill, is that the pharmacy must be reimbursed within a reasonable period, or the Government will have to pay interest on the debt.

Prescription drugs represent the largest single personal health expenditure that the aged must meet almost entirely from their own resources. But there is another reason for expanding this coverage, and that is that drug therapy is carrying more and more of the burden of restoring people to health and usefulness. Why, then, under Medicare, should a person have to be hospitalized to be furnished drugs? This is a grossly inefficient practice, taking up badly needed hospital bed space, and contributing to skyrocketing health care costs. It is well known that many patients can receive drugs for an entire year for the price of one day's stay in the hospital.

This then, is the three-fold agenda I want the pharmacists of America to pursue vigorously over the coming months: Drug abuse education; the control of dangerous drugs; and involvement in the planning and development of health-care plans to assure equity, efficiency, and reasonable compensation in the delivery of health services to all the people of America.

You have an enviable and proud tradition, going back more than 4,000 years, in the performance of these tasks—a tradition of professionalism and of good business sense, but above all, a tradition of human compassion. You have an increasing responsibility to be a health advisor in your neighborhood. This is a profound challenge, but it also presents an unparalleled opportunity to serve the people of this great land.

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## REIMBURSEMENT OF REASONABLE COSTS OF HOSPITAL SERVICES

Mr. MATHIAS. Mr. President, many of my colleagues will be interested I think in what, seemingly, is a rather insignificant provision of H.R. 1, the social security amendments, which is now pending before the Senate Finance Committee.

This provision, even if obscure, is nevertheless very significant. It is of great importance not only to our Nation's hospitals, many of which are in desperate financial straits, but indeed to the quality of medical care for many millions of Americans. And I refer, Mr. President, to a group of Americans which, the Congress has already acknowledged, are in great medical need: the beneficiaries of medicaid and maternal and child health programs.

The provision of H.R. 1 to which I address myself is section 232, which relates to reimbursement of reasonable costs of hospital services. The Maryland Hospital Association has recently and very eloquently written to me in opposition to section 232:

> This proposed amendment would permit the states to make their own determinations of what constitutes the "reasonable cost" of hospital care delivered to beneficiaries of the Medicaid and Maternal and Child Health Programs. Further, this section forbids such payments to exceed those paid under Medicare, but it *grants permission to the states to pay less than the Medicare per diem.*

As further described by the Maryland Hospital Association, this provision is threatening to the very existence of some Maryland hospitals—so much so, the association suggests that—

> It will move up the due date for financial collapse of those hospitals that choose to continue to care for and about the patients covered by the two programs.

What is more, the MHA asserts that—

> Consideration of the patient has been neglected in this formula and that is the most depressing aspect of the entire matter.

Mr. President, section 232 of H.R. 1 obviously raises a number of very serious questions. For the benefit of my colleagues in the Senate I ask that the entire text of their letter be printed in the RECORD

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

LUTHERVILLE, MD.

Hon. CHARLES McC. MATHIAS, JR.,
Hon. J. GLENN BEALL,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR MATHIAS AND SENATOR BEALL: Your colleagues on the Senate Finance Committee are preparing to decide an issue of such profound importance to voluntary hospitals that we are compelled to approach you in this somewhat unusual manner to request unusual joint action.

We ask that you deliberately involve yourselves in the Finance Committee's current consideration of H.R. 1, the Social Security Amendments Bill of 1971.

As in previous versions, this measure contains a number of provisions which Maryland hospitals believe will add difficulty to their responsibility to see that certain government health insurance programs work properly. New administrative irritants are presented by some provisions while other provisions would introduce hindrances to the actual process of delivery hospital care and services to covered patients. Both of you will recall past correspondence from me conveying our objections to elements of this sort in other legislative proposals.

The bill in question is different. Irritants and hindrances aside, H.R. 1 contains one section so threatening to the very existence of some Maryland hospitals that we draw your attention only to it in seeking your joint action on the matter.

See Section 232. This proposed amendment would permit the states to make their own determinations of what constitutes the "reasonable cost" of hospital care delivered to beneficiaries of the Medicaid and Maternal and Child Health Programs. Further, this section forbids such payments to exceed those paid under Medicare, but it *grants permission to the states to pay less than the Medicare per diem.*

That is a generous invitation and it is one that no state will choose to ignore.

In Maryland, where hospitals are now reimbursed by Medicaid and the Maternal and Child Health Programs on the basis of the raw cost of delivering services (a basis we contend is inadequate in the first place), the effect on some institutions of a Section 232 state license will be quick and grim. Especially in light of the recent consultants' study—documenting the various ways that Maryland hospitals have been battered by cost-based reimbursements—we can anticipate the immediate consequences of an approval of this amendment. It will move up the due date for financial collapse of those hospitals that choose to continue to care for and about the patients covered by the two programs. Other institutions will immediately see that they no longer enjoy the choice.

Our alarm over this matter is grounded not only upon our knowledge of what it will do to hospitals, but also upon our perception of what the thing itself represents.

Section 232 reveals a peculiar legislative assumption that some hospitals are able to enrich themselves by serving a volume of patients covered by the programs in question. The only institutions that serve such a volume, however, are the ones located in the inner city. If Congress permits and encourages the states to squeeze further in that place, the people of the inner city will have no hospitals available to them. Look at the financial condition of such institutions already.

Section 232 also suggests to us that the Congress—or some members of it—believe that a new way has been found to ease certain financial burdens of the states. This amendment, we agree, appears to constitute an easy way to do just that—far easier than say through formal revenue sharing. If we are correct in identifying the prime political virtues of Section 232 i.e., it will give the appearance of decisive action to cut hospital costs; it will provide financial relief to the states; and it is directed against an industry that has yet to earn respect for its political clout, then we can be certain that this section can indeed win Congressional approval. Somehow, consideration of the patients has been neglected in this formula and that is the most depressing aspect of the entire matter.

I would fail to execute an important duty if I did not take additional space here to carry this tact further in advising you of the enormous resentment now held by hospital trustees, administrators and medical staffs in Maryland over the ease and frequency with which the federal and state governments are escaping their enacted commitments to health care.

Hospital people in this state are sick and tired of being sick and tired over the ways and means by which the executive and legislative branches of government eviscerate their own health care creations. The players are familiar—the executive with his rules and regulations and the lawmaker with his amendments. Together they set out not to abandon or repeal a program (for to do so on the cold basis of cost alone would embarrass), but to make it impossible for those entrusted with *the duty to deliver on the promises of the program* to do so.

Physicians and hospitals are entrusted with the delivery responsibilities of such health care programs. Neither can understand how government can manage its constant surprise over the fact that health care is expensive. Neither can understand how government can advance a Section 232 and not see at the same time that if you liquidate the very institutions that care for the governmentally-insured patient, you also strike at the patient himself.

We specifically and respectfully request you to take whatever actions you can take together to delete Section 232 from H.R. 1 before it is reported out of the Senate Finance Committee.

We look forward to hearing from you as soon as possible.

Sincerely,

RICHARD J. DAVIDSON,
*Executive Vice President.*

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## CANADA AND THE NEP

Mr. GRAVEL. Mr. President, high among the cases of either bungling or bad judgments in the conception and implementation of President Nixon's new economic policy must be the shoddy treatment of our closest neighbor—Canada. As a result, anti-American feeling in Canada has probably never been higher. Add to this the recent Amchitka nuclear test in the face of deep-felt and widespread Canadian opposition and the near term outlook for United States-Canadian relations is gloomy indeed.

Contrary to the President's remark that Japan is our largest trading partner, trade between Canada and the United States is equivalent to the United States's trade with Japan, Germany, Italy, France, and Great Britain combined—some $11 billion. The United States takes 70 percent of Canada's exports and provides 75 percent of her imports. This latter figure represents 25 percent of all U.S. exports.

The President's 10-percent import surcharge directly affects about $2¼ billion in Canadian exports to the United States—mostly in the processed and manufactured products sectors which are labor-intensive. Canada's manufacturing sector—already adversely affected by the appreciation of the Canadian dollar—produces 40 percent of her total exports and 83 percent of that 40 percent goes to the United States. In the agricultural sector certain Canadian exports enter the U.S. duty free and certain others come in under fixed import quotas; but there remain about 65 percent of Canada's agricultural exports valued at $219 million on which the surcharge will apply.

These statistics indicate some of the realities the import surcharge portion of the President's new economic policy foists onto the Canadians. It was in this context that Prime Minister Trudeau in a September interview remarked with admirable restraint:

> It's a bit disconcerting—but when the Americans look at what they're doing they say: "Well you know, we're doing this to the Europeans," they don't seem to realize what they're doing to Canadians.

In our efforts to rectify the Japanese and German international trade and finance relations with us we have surely—and I believe unnecessarily—complicated life for the Canadian Government. I understand that some quick estimates of the likely impact of the surcharge on Canadian firms—many of them multinational in character—are a direct loss of export sales at annual rates of $400 million after 3 months, $700 million after 6 months, and $900 million after 1 year. The resulting loss of jobs in export industries might approach 40,000, 70,000, and 90,000 over these respective periods. Of the 1,300 firms responding to the Canadian Government's inquiry, 150 said they would have difficulty surviving if the surcharge lasted a year. Those particular companies export about $377 million worth of goods and services to the United States and employ around 45,000 persons. And this at a time when the number of unemployed in Canada is nearing a half million—or 7 percent of the work force.

As virtually everyone agrees, the real key to the hurtfulness of the administration's 10-percent surcharge is the length of time it stays on. Such crass protectionist features have a way of hanging on, and Secretary Connally has given no reason for optimism in his statements on the matter. From Canada's point of view if this surcharge remains in effect, employment would be exported from Canada to the United States at a time when unemployment in Canada is running at a level higher than that in the United States.

Moreover, Canada's export opportunities in U.S. markets will be damaged further if Congress approves the adoption of the President's "job investment-tax credit" with a buy American provision and the proposed disc legislation.

These are perhaps some of the considerations which prompted Prime Ministre Trudeau to say in the same interview mentioned earlier:

> If we can decipher what the Americans are doing, assuming they themselves can make it clear, then we will be able to discuss with the Canadian people what posture we must follow, and what posture we would advise to them.

It is informative to recall the purposes of the 10-percent import surcharge as expressed by the President on August 15 and elaborated by other spokesmen:

To encourage the U.S. trading partners to revalue their currencies in terms of the American dollar;

To encourage the lowering or removal of tariff and nontariff barriers that discriminate against American imports;

To encourage other nations to accept a greater share of their international responsibilities.

Canada's record in these three areas deserves high marks indeed. Canada has held its foreign exchange reserves in U.S. Treasury bills and dollars instead of gold. Its dollar was floated in May of 1970 and has stabilized around a 6- or 7-percent upward revaluation. The United States has not contended that Canada maintains protectionist trade restrictions that hinder our exports to that country the way Japan does, for example. Canada is a NATO ally, shares the defense of the North American continent in Norad, and conducts a significant foreign aid and development program.

Therefore, Mr. President, in the administration's own terms there is no real explanation for applying the 10-percent import surcharge to Canada except indifference or ignorance.

Everyone understood the need for the United States to undertake a new economic program to strengthen both the external and the internal position of the U.S. economy. This program contains some elements with great constructive potential. I think primarily of the initiatives to reduce the rate of cost and price inflation in the United States. There is no question but what inflation in the United States has contributed greatly to the present international finance problem, and good price performance in the United States will contribute greatly to its solution.

Unfortunately, the new U.S. program contains elements that are prejudicial to the development of world trade on a sound and sustainable basis. There is great danger that our policies may set the tone for other countries, and that a solution of the imbalance in world trade and payments will be sought through widespread use of protective practices. As pointed out by E. J. Benson, Canada's Minister of Finance, and others, this is what will happen if international cooperation fails to find a means of adjusting the world imbalance within a framework of expanding trade. This is what will happen if countries are left to deal with the situation in isolation.

The cumulative spreading of restrictive trade practices would be a disaster for all of us. It would mean the end of the expanding world trading system, from which the world has derived such great benefit in the past 25 years. Some would be hurt worse than others. Canada is among those who have the greatest interest in an open trading system, and who is most vulnerable to a fracturing of that system. But no country would be immune. Even those who depend relatively little on world trade could not escape the widespread frustration and political turmoil that would be spawned by a shrinking of world commerce.

In light of the way we have treated Canada so far in our new economic policies it is the mark of considerable magnanimity that the Canadian Government, in the wake of the President's announcements, has directed its efforts on the international front toward dampening tendencies abroad to adopt countermeasures of retaliation which would escalate into a trade war.

Still the Canadians are quite properly keeping careful watch for what signals we may give. It is hard not to sympathize with Mr. Trudeau when he says of the United States:

> They will have to realize that Canadians are also a proud nation and that if they are really trying to rearrange the North American Continent so that we are just a supplier of natural resources and that we won't be able to find jobs for our growing labour force and we won't be able to have an advanced technological society that we can manage ourselves, that is a very, very serious hypotheses. I don't think the Americans realize this or envisage it.

For my part, I feel that we have once again not distinguished ourselves in dealing with our closest friend and neighbor with whom we share the continent and a highly integrated pair of economics. I hope the administration will recognize this and rectify these mistakes as phase II of the NEP unfolds. It does not really become us to treat Canada in the manner of the person who never writes to his friend and counts on the presumed strength of that friendship to weather the neglect.

## THE GOLDEN RULE

**Mr. MATHIAS.** Mr. President "Do unto others as you would have others do unto you" is one of the oldest rules governing the conduct of man. It has been called the Golden Rule. Unfortunately one does not hear the Golden Rule quoted very often today. It seems that modern man is deaf to the words his ancestors preached. Perhaps, in the jargon of the 1970's, the Golden Rule cannot hack it and is destined to be buried with relics from the past.

WBAL-TV, in Baltimore, believes that a resurrection of the Golden Rule is in order. In an advertisement, the station discussed the problems that could be eliminated if man would do unto others as he would have others do unto him.

I commend WBAL's initiative and ask that the station's message be included in the Record.

There being no objection, the advertisement was ordered to be printed in the Record, as follows:

### When Did They Repeal the Golden Rule?

A recent FBI report cites the alarming fact that, during the past decade, "serious crimes" in the U.S. increased nearly fourteen times faster than the population.

This started us wondering, too, about increases in the "little crimes."

Not the countless misdemeanors which clog court dockets, but rather those minor abuses committed daily by, and upon, our fellow citizens—those little acts of carelessness or callousness which add their slight, but persistent, burdens to the general malaise.

Disrespect for the rights of others, thoughtless slander, cheating (in all its varied and subtle forms), rudeness, unwillingness to hear other points of view, littering (including the mindless scattering of verbal, as well as more tangible, rubbish), infecting our young with our ignorances and prejudices—the list is seemingly endless.

Each little bit adds to the common load, to further worsening of the quality of life.

Now, we doubt that the link between "serious crimes" and "little crimes" is quite as obvious as 19th century essayist Thomas De Quincey's wry observation:

"If once a man indulges himself in murder, very soon he comes to think little of robbing; and from robbing he next comes to drinking and Sabbath-breaking, and from that to incivility and procrastination."

Still, the suspicion lingers that unpleasantness just may be contagious.

A possible remedy has been suggested which, frankly, we almost hesitate to mention.

For one thing, it has been around such a long time, and everyone has heard it. For another, it sounds too simple.

Do unto others as you would have others do unto you.

Never has anything been more sorely needed, or more seldom mentioned, than this Golden Rule in today's plastic world. Despite the cynics' jeers, we can't think of a better guideline for helping people get along with people—whether neighbor with neighbor, or nation with nation.

Yet, judging by mankind's record, it must be the most difficult of all rules to follow.

Or, in reality, has the Golden Rule been working for us all along, whether we subscribe to it or not?

Could it be that those scowling store clerks, those gruff business associates, those abrasive people down the street, are possibly—just possibly—giving us only what they get?

If so, maybe it's time we find out if pleasantness can be contagious, too.

We're not suggesting, of course, that a mere reaffirmation of the Golden Rule would solve all the world's woes.

But it might be worth a try.

Let's work together . . .

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## ISRAEL SHOULD BE ALLOWED TO SURVIVE

**Mr. RIBICOFF.** Mr. President, on November 7, the distinguished senior Senator from Missouri, who serves both the Senate Foreign Relations and Armed Services Committees, spoke on the subject of American assistance to Israel. In his address, Senator Symington authoritatively set the record straight on this issue. Refuting the false claims of Israel's detractors, Senator Symington pointed out that—

> Despite the heavy military contributions to these other countries, the State of Israel has never received one cent of grant military assistance from the United States. All transactions with respect to military equipment have been made either through the Foreign Military Sales program, or by direct commercial sales.

He then compared this with the fact that—

> The Arab nations who currently threaten the existence of Israel have received $1.5 billion in military assistance from American taxpayers.

Senator Symington summed up his careful analysis of total American economic assistance to Israel by stating that the true figure of what the United States has given Israel in its struggle for survival is $660 million, less than one-half of 1 percent of our total foreign aid costs.

In conclusion, the Senator urged widespread support of Senate Resolution 177, calling for the immediate shipment of Phantom jets to Israel. This measure, in which Senator Symington had such a vital role, is only the latest in a number of important actions undertaken by Senator Symington in order to protect vital American interests in the Middle East. His deep understanding of the military, strategic, and foreign policy implication of our Nation's policies in the Middle East, and his leadership in the Senate on this subject, rank him as one of America's foremost statesmen in this area.

The widespread support recently shown in the Senate during consideration of the foreign aid bills for American economic and military assistance to Israel, makes Senator Symington's remarks last week particularly timely.

I ask unanimous consent that the text of Senator Symington's remarks be printed in the Record at this point:

There being no objection, the address was ordered to be printed in the Record, as follows:

### Israel Should Be Allowed To Survive

Thank you, very much, for the honor you extend me this evening at your Forty-sixth National Convention. This evening I could never forget.

Nineteen years ago next January, Colonel—now General—Chaime Herzog, military attache to his brother-in-law Ambassador Abba Eban, came to my newly acquired office in the Senate and asked this question:

"If the United States gives arms to certain countries behind the Iron Curtain, countries you know would never be on your side in any real confrontation, why won't your Government sell them to Israel, who you know would?"

As Secretary of the Air Force under President Truman at the time the State of Israel was founded in 1948, I was well informed about the sympathetic interest and efforts of my Government towards that creation; therefore it appeared a logical question.

Nineteen years later it would still appear logical. The cast of characters has been altered, but the thrust of Herzog's question is equally pertinent.

The United States continues to defend the so-called free world in such places as Korea, Vietnam, and Europe, with relatively little help from some of its allies and none whatever from others.

Why, therefore, should there be continuing hesitancy on the part of the Administration in the selling—note that word "selling," not "giving"—of military equipment to a country of the free world that has been willing, and continues to be willing, to invest the blood of its youth as well as its treasure in the defense of its freedom.

The cost of the Vietnam, Laos, Cambodian, and Korean ventures, along with our defense expenditures in Europe and other parts of the globe, have been heavy indeed; whereas the cost of our grant military aid to Israel has been nothing.

Under these circumstances, and in any case, surely it is to our own national interest to stand by a country which is both willing and anxious to be a partner in the fight for freedom and self-determination. Based on the realities of the world in which we live today—and not on any theoretical or nostalgic basis—this would clearly seem to be in our own interest.

For years the old other two countries which make planes of the type Israel needs for its security, France and the Soviet Union, have been either giving or selling their latest model planes to the Arab countries; and that means Israel now has but one source of plane supply left if it is to survive—the United States.

This Administration justified its current policies of withholding plane sales on the grounds it is maintaining a "military balance" between Israel and the Arab states.

Well, as Governor Al Smith used to say, let's look at the record.

About fifteen months ago we received irrefutable evidence that Soviet pilots were flying MIG-21's out of Egypt; and only a few weeks ago were told by this Administration that Soviet pilots are currently flying in Egypt new MIG-23 (Foxbat) planes, the world's most modern long-range fighter. (In passing, the United Arab Republic is the first country in which the Soviets have stationed Foxbats outside the borders of Russia proper.)

Despite intelligence reports which state regularly that the ratio of number of planes favors the Arab countries against Israel by around six to one, this Administration, in defending its "non-sale" policy, has consistently maintained that the superior quality of the Israeli pilots balances out this tremendous difference in quantity.

If the balance was right, however, prior to our finding out that these Mach 3 Foxbat planes were stationed in the UAR along with their Russian pilots, how can said balance be right today?

Now to another aspect of this strange situation.

An oft repeated story has gained some credence around Washington to the effect that this Government of yours and mine has been giving at least as much support to Israel as to any other nation.

Once again, "Let's look at the record."

How many here tonight realize that from 1945 to the present the United States has distributed over $149 billion in foreign aid to some 130 countries around the globe, more than $40 billion of which has been in military assistance?

To South Vietnam we have now given the most—$15.2 billion in various forms of assistance up to the fiscal year 1971. Much additional has been hidden in the Defense Budget and it would appear inevitable that further United States assistance will continue for some time.

Next in given aid is South Korea, a nation that has fought bravely against Far East communist satellites—but no more bravely than Israel has against Middle East communist satellites.

To South Korea we have given some $10.1 billion (that figure not including the cost of the Korean War); and this year this Administration is requesting an additional $642 million for Korean military assistance.

To India, a country which consistently criticizes our polices and almost never votes with us in the United Nations on important issues—example, the recent expulsion of Nationalist China—we have given over $8 billion.

Turkey, Taiwan and Italy have each received some $5 billion in aid from the United States.

The following nations have received more aid from the United States than has the State of Israel: Great Britain, France, Pakistan, Greece, Germany, Japan, Brazil, Yugoslavia, the Netherlands, Spain, Iran, the Philippines, Belgium, Thailand, Laos and Indonesia.

In addition we gave Indochina—the four countries of North and South Vietnam, Laos and Cambodia, prior to their partition in 1954—over a billion and a half dollars.

Now as to Israel.

Despite the heavy military contributions to these other countries, the State of Israel has never received one cent of grant military assistance from the United States. All transactions with respect to military equipment have been made either through the Foreign Military Sales program, or by direct commercial sales.

Compare that with the fact the Arab nations who currently threaten the existence of Israel have received $1.5 billion in military assistance from American taxpayers.

With respect to economic assistance, since Israel first became a nation the United States has provided a total of $1.3 billion in economic aid. In that connection, however, let us note that in ranking the largest recipients of United States overseas loans and grants—military and economic—Israel is not even among the first 20, actually is twenty-fourth on the list.

There have also been vague and inaccurate rumors about the purchase of Israeli bonds and straight contributions on the part of our citizens; so let's get that record straight.

Since 1953, United States citizens have invested $1,402,000,000 in these non-tax-deductible bonds; and up until July of this year those investors have received a total of $667 million return on their investment.

In addition, the United Jewish Appeal, a voluntary agency, has collected some $1.55 billion during a similar period. This money has been given to various voluntary agencies in Israel.

Although contributions to the United Jewish Appeal are considered "tax deductible" by the United States Government, these funds are transferred strictly on a non-governmental basis, both here, and in Israel.

With respect to these two types of private transactions, at our request the U.S. Treasury Department now estimates that the total loss of revenue resulting from the tax deductible nature of the $1.55 billion contributed to the United Jewish Appeal is $430 million.

This latter amount, however, is partially offset by an estimated revenue gain of $130 million paid on the investment return of $667 million on Israeli bonds; therefore, the net revenue loss to the United States Treasury is $300 million.

In other words, if this net revenue loss of $300 million is added to the $360 million of grants-in-aid, the total amount our Government has given Israel in 22 years—nearly a quarter of a century—is less than $700 million; or, if loans are included, total assistance amounts to $1.4 billion.

Loans really shouldn't be included, however, because, contrary to what has happened with respect to loans to many other countries, Israel is completely current in its repayment of these borrowings.

In other words, and in summary, the true figure of what we have actually given this nation in its struggle for survival is some $660 million. That is less than one half of one percent of the total cost to us of foreign aid since the program was started.

Most of my adult life has been connected in some fashion with problems that have to do with the security of the United States—and after long experience I am certain in my own mind that the more brave and resourceful friends we have in this nuclear space age, the better for our own future.

This presentation to you this evening is based on the cold, hard facts. No one can know the people of Israel over a period of years, however, without developing for them friendship and deep respect; and that is the chief reason why I am truly grateful at receiving this award. That is why also I urge you to join seventy-seven of my Senate colleagues in a plea to this Administration to sell Israel the planes they consider essential to their security and progress.

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## FOREIGN MILITARY AID

Mr. MATHIAS. On Thursday, November 4, the Council for a Livable World sponsored a conference in Washington on the subject of foreign military aid. Few topics are of more immediate importance to the Congress today than foreign aid and I believe that the conference provided a very useful contribution to our deliberations. I should like to share with my colleagues two of the presentations made at the conference: the first an address by the distinguished senior Senator from Idaho, FRANK CHURCH; the second a speech by the former Assistant Secretary of Defense for International Security Affairs, Paul C. Warnke, I ask unanimous consent that the speeches be printed in the RECORD.

There being no objection, the speeches were ordered to be printed in the RECORD, as follows:

### CLOSING THE DOOR ON ARSENAL DIPLOMACY

(By Senator Frank Church)

One week ago, the United States Senate rejected the 1972 Foreign Aid Bill. Whether this action will be viewed in future years as a beginning of the end of our "arsenal diplomacy" remains to be seen.

What can be said is that for a generation the United States, in the eyes of the world, has seemed more intent on furnishing swords than plowshares. During the last 20 years, we have bestowed on foreign governments $8.1 billion in military vehicles and weapons, $7.1 billion in aircraft, $6.1 billion in ammunition, $2 billion in ships, $2.2 billion in communications equipment, $1.5 billion in missiles and $3.1 billion in other supplies. Services, granted in the form of base construction, training, repairs and spare parts, amounted to an additional $8 billion for a staggering total of $37 billion dispensed abroad since 1950.

The armaments which these sums represent—that is, delivered weapons—are no less staggering:

Nearly 4,400 F-84 fighters; more than 2,800 F-86 fighters; nearly 3,350 aircraft trainers; 22,000 tanks; 83,000 trailers; 160,300 two-and-one-half ton trucks; 2.3 million carbines; 2.4 million rifles; 77,500 machine guns; 30,000 mortars; and 32,500 missiles.

As if to augment these massive gifts of arms, the Defense Department is now engaged in a rambunctious sales campaign. Our subsidized sales to foreign governments already exceed $16.1 billion, while Pentagon officials anticipate orders worth another $15 billion in the next decade.

Clearly, these Pentagon-packaged sales—quite apart from ordinary commercial sales by private American manufacturers—have become a big business in which our Federal Government plays a central role. Today, the United States Government is the principal arms dispenser of the world—giving away, arranging credit and promoting the sale of a volume of arms more than six times that of our nearest rival, the Soviet Union. It is estimated that, since 1945, the total military outflow from the United States is an estimated $165 billion. However, government accountants throw up their hands at the task of ever obtaining an exact accounting. In January of this year, the chief auditor of the Congress, Comptroller General Elmer Staats, told the Joint Economic Committee that nowhere in government is there a complete tabulation of the billions we have spent to arm foreign nations.

Reviewed historically, this lavish dispersal of armaments is a relatively new development—a development that cuts against the grain of our national traditions. Before World War II, sentiment in this country was decidedly against export of weapons. Munition makers were scorned; their trafficking in arms condemned as mischievous, if not evil.

The shift came in 1940 with the outbreak of World War II. France was to fall in May of that year, and Great Britain brought under siege. President Roosevelt approved transfer of 50 American destroyers to the British Navy in exchange for rights to build military bases on British territory in the Western Hemisphere. The gates to the American arsenal, thus pried apart, were soon thrown open to the enormous demands of the war. Under the far-reaching Lend-Lease Act, we furnished $48.5 billion worth of weapons and supplies to 42 foreign governments—nine-tenths of which went to Great Britain, the Soviet Union and France.

The guns of World War II, however, had hardly fallen silent before we commenced a new program of arms aid. We provided Chiang Kai-shek with arms and supplies originally worth $800 million in an unsuccessful effort to help him retain his faltering grip on the mainland. Starting in 1947, with the Truman Doctrine, we helped Greece, threatened by a Communist guerrilla war, and Turkey, then under intense Soviet pressure. The onset of the "Cold War" brought additional demands for military aid—demands which intensified with the invasion of South Korea. In 1950, Congress voted $1.3 billion in military assistance to 14 countries, thus inaugurating the post-war period of "arsenal diplomacy" for the United States.

Subsequently, the dollars rained so thick and fast that, at one point unfilled orders in the "pipeline" exceeded $12 billion, leading Congress, in some embarrassment, to level off new appropriations at about $1.5 billion a year. Even so, between mid-1950 and mid-1955, our military aid totaled $14 billion, more than one-half of the total $26 billion in foreign aid during that five-year period. By 1963, an all-time high of 67 foreign governments were receiving some form of assistance from us; each had its own special shopping list brought to our disbursement window. Currently, 46 countries are allocated assistance. And more than 8,900 Americans are engaged abroad administering our arms-disbursement programs. In addition, 320,000 foreign soldiers from 70 countries have been trained within the United States or at special schools operated abroad, at a total cost of $1.4 billion.

In recent years, however, financial pressures have increased the emphasis on sales. Much of what we gave away for 20 years, we are now selling. During the past five years of sales for cash or easy credit, 30 countries have bought for cash and 15 for credit. Total sales to date exceed $13 billion.

"Buy American," *Business Week* once reported "is becoming an increasingly prevalent slogan in the world arms market." It has an Orwellian cast because under our "Food-for-Peace" program approximately $700 million in military sales have been consummated, through the device of counter-part funds to recipient nations.

So it has happened that, within the short span of 30 years, the pendulum of our governmental policy toward export of arms has swung all the way from naive abstention to zealous promotion. Neither extreme is acceptable; the time has come for us to recover our balance.

To be sure, our present involvement is based, like a stool, on the legs of three seductive arguments: First, that we give military aid to help foreign governments resist Communist aggression from without and subversion from within; second, that we give it to strengthen our influence with the military elite in other lands, frequently an important bulwark against Communist penetration; third, that the sale of weapons helps to redress the deficit in our balance of payments—caused, in large part, by the overseas deployment of our own troops.

These arguments grow out of our immediate post-war experience. In the wake of World War II, the westward thrust of Russian power did threaten to engulf Western Europe. The Marshall Plan—NATO formula produced spectacular results in rejuvenating the war-torn economy of Western Europe and forging a common shield against the Soviet Union.

The general success of this policy in Europe inoculated our thinking on other fronts. Around the whole periphery of the Communist world, in the Middle East and Asia, we were soon applying the same formulas for assistance that had worked so well in Western Europe. But in these seething countries which had just thrown off colonial rule, conditions called for a highly discriminating kind of military aid. Instead, we slapped it on with eager hands.

We agreed to support armed-force levels totally devoid of strategic reality, as though it were possible for Turkey or Iran, without American intervention, to defend themselves successfully against a major Russian attack, or for Taiwan to resist successfully an all-out invasion from the mainland of China.

Such unrealistic force levels, fed by our military assistance programs, have inevitably imposed top-heavy burdens on the fragile economies of many of these underdeveloped lands, with the result that we have had to prop them up with huge financial transfusions just to prevent their collapse. We have robbed our effort to better the threadbare life of the multitudes, as we fostered that repugnant spectacle, so familiar around the rim of Asia today, a "combination of ill-fed people and well-fed armies deploying the most modern equipment."

In the course of this policy, the scale of our military aid has led to scandalous waste. Many a country on the periphery of the Communist world has been turned into a dumping ground for American military equipment. A staff report of the Foreign Relations Committee issued this year points out that the GAO found in one country that although the military assistance program had been "virtually completed" in 1966, the Defense Department decided to keep the program staff in operation and not until 1969 was the staff even reduced. We also have been told of parking lots filled with rusting vehicles and rows of tanks inoperative for lack of trained mechanics.

But these logistical excesses are more than matched by the political naivete which has characterized our military assistance programs in Asia and the Middle East. With the containment of Russia and China our avowed objective, we have been easily seduced into fueling regional arms races motivated more by ancient rivalries than by any shared concern over the threat of Communist aggression. We armed Greece and Turkey to strengthen their defenses against the Soviet Union, but they spoil over Cyprus, where U.N. troops have been sent to police an uneasy truce. We armed Pakistan that she might better resist invasion by Russia or China, but Pakistan didn't reckon either Russia or China an enemy and knew, in any case, that the arms had value only as against India.

All this is not to say that we should never have embarked on a military assistance program in Asia or the Middle East. In a country such as Korea, arms aid was essential to deal with the militant nature of the Communist threat, and may have to be extended to cover the withdrawal of half of our own troops. But the program should have been restricted to countries where the need was clearly apparent, and, where given, scaled to the capacity of recipient countries to absorb.

The second broad justification for serving up American military hardware on a global platter, much of it to countries far removed from Communist neighbors, is that it serves to bolster resistance to subversion from within, and gives us more leverage with the military "elite" in many foreign lands. By supplying American weapons, so the argument goes, we can win favor with the army commanders and thus contribute to the maintenance of internal stability.

Our obsession with stability betrays our misconception of the dynamics of change in underdeveloped societies. Violent revolution will eventually occur wherever legitimate grievances can find no other outlet. Even if it served our interest to generally suppress revolutions elsewhere—which it assuredly does not—we haven't bayonets enough in our arsenal, or money enough in our treasury, to quench the smoldering fires of revolution wherever they occur. Therefore, instead of globalizing our military assistance in pointless proliferation, we should converge it on those particular fires which, in our own national interest, we must try to put out.

The revolutions which have concerned us most are those the communists either start or try to take over. Usually they are labeled by the insurgents as "wars of liberation." When any government is so challenged, its survival depends less upon the weapons we supply than upon the willingness of the population to rally behind it. If the great bulk of the people are loyal, then the guns and ammunition we furnish can make the difference. This was the case for us in Greece, as it was for the British in Malaya. But in Cuba, where the Batista government was loathed, the weaponry we gave it proved of no avail against Castro. He didn't walk over Batista's army, he walked through it.

The most poignant example, of course, is Vietnam itself. Our involvement there began with the military aid we extended to the Saigon Government, equipping it with forces vastly superior to its adversaries. Yet, the Saigon Government steadily lost ground. Massive injections of U.S. weapons, ammunition, equipment and supplies failed to turn the tide against the insurgents, though they were overmatched in numbers and totally outgunned. Our own troops had to be summoned and the war converted into an American engagement.

The lesson of Vietnam should make us wary of instituting new military aid programs elsewhere. But it hasn't happened that way. Even now, we are rapidly expanding our military aid in Cambodia, from a modest start of $7 million 18 months ago, to $341 million for this fiscal year!

And far from the theater of war in Southeast Asia, we are busily engaged in instituting new—and perpetuating old—military aid programs, even in the most unlikely place of all, Africa. Here our favorite rationalization is that the gift of arms may gain us favor with the restless young African armies which have either seized or which threaten to seize political power. We cling to this belief despite all the evidence which has accumulated against it. As an institution, particularly in unstable lands, the military will often assert control over the government, but its allegiance can never be bought by the gift of arms.

The army we equipped in Iraq brought down the government we supported by a coup which caught us by surprise. The military assistance we furnished the armed forces of the Dominican Republic did not prevent them from overthrowing the elected regime of Juan Bosch, which we strongly favored at the time. Moreover, the same army later proved unable to put down the subsequent uprising in Santo Domingo, where the landing American marines only underscored, as it did in Vietnam, the failure of military aid.

For that matter, the communist powers have done no better. In Indonesia, it was a Soviet-equipped army which turned upon the Indonesian Communist Party, putting 200,000 or more of its members to the sword. In Algeria, it was Russian-furnished tanks which ringed Ben Bella's palace and helped overthrow the Soviet-supported leader. Even in Egypt, the military aid that Sadat receives from the Soviet Union equips the very security forces that regularly suppress communist activity along the Nile.

Not only have we refused to recognize that foreign armies are a risky investment, but we seem never to take into account the political cost we bear for supporting them. In any poor country of Asia, Africa or Latin America, where there is an unconscionable concentration of wealth in the hands of the few, where civil liberties are suppressed and despotism dominates, the army is usually the hated symbol of the status quo. Military governments, however stable they may appear, tend to be brittle as well as repressive, and lavishing upon them "Made-in-America" tanks and jet fighter planes can't help but estrange the United States from the discontented people, thus delivering into Communist hands a lively issue to exploit against us.

For these reasons, our military grants, which have become a routine part of the foreign aid package we offer foreign governments, ought to be terminated in most cases. The give-away arms program should be drastically curtailed.

As for our sales of the wares of war, helping to alleviate our balance-of-payments deficit, we should not let such palliatives blind us to far more important long-range foreign policy considerations. It may make good fiscal sense to sell arms to developed nations—Britain or Canada or West Germany—but we should avoid export sales into troubled regions where war hangs in the balance and we should never promote sales contracts that conflict with our basic foreign policy objectives. Yet, as it now stands, the tail often wags the dog, with short-range tactics frequently usurping our long-term strategic interests.

There are beginnings of encouraging signs of change.

The 1971 report of the Senate Foreign Relations Committee on our military-economic aid program states:

"The issue is not 'should we provide aid?' It is 'How?' and 'How much?' The first question must be answered before the second can be approached sensibly—and the old answers of the past to 'How?' are outmoded and discredited. The future of foreign aid is bleak indeed until a new program can be developed which will command greater respect and support, both with the public and the Congress, than the current program commands."

The pressures which have made the United States the leading arms merchant to the world must be thoroughly probed. The beginning of wisdom is the recognition that there is a problem and then the search for answers can begin.

The defeated foreign aid bill contained authorizations for 46 countries to receive military grant aid and 43 to receive military sales or credit assistance. In recent years, the Committee has attempted to construct the program, both as to the number of recipient countries and the amount of funds authorized. In the latest instance, the Committee reduced from $705 to $565 million the authorization for military grant assistance. Before the bill was defeated on the Senate floor, my amendment to reduce it further by another $113 million was approved by nearly a two-to-one majority. The depth of the feeling against military grant aid was best expressed by Senator Kennedy who said that this program is "the worst aspect of the bill now before us, contaminating what remains by its very presence."

A few minutes later, the Senate killed the entire bill. Again and again, we in the Senate have asked for meaningful revision of foreign aid, particularly the military component, only to be ignored by the Executive Branch. The Senate vote apparently has gotten the message across. Now, perhaps, we can draft a new and sensible program.

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### REMARKS OF PAUL C. WARNKE

The entire focus of this Conference has, of course, been dramatically altered by last week's vote of the United States Senate to reject the Foreign Aid Bill. Despite widespread criticism of the program and growing uncertainty as to its basic objectives, the abrupt Senate action came as a shock and a surprise. Because of the many programs designed to alleviate massive human suffering and to improve the international quality of life, continuation of American participation in aid to poor countries seems to me essential. But, at the same time, we must not miss the present opportunity to take an over-all look at foreign aid and to analyze and even dissect its various components.

Among the most important consequences of this development should be the complete separation of military aid from economic aid. Virtually everyone who has studied the aid program over the past several years, either from within or from without Government, has concluded that this separation should take place. Indeed, I don't think it will be possible to regain any wide base of support for foreign aid if the persistent and uneasy pairing of economic and military assistance continues to leave the entire aid program in the context of the Cold War between the United States and the two Communist giants.

Accordingly, it would be my hope that the Congress can find some formula to continue emergency relief and economic development programs on an interim basis pending the working out of a new and comprehensive foreign aid program. I also hope, however, that no such stopgap approach will be applied to military assistance. Instead, the unexpected development of last week should lead the Congress to do that which should have been done long ago—that is, to look at military aid not as a prepackaged composite, but instead on a country-by-country basis, with each individual decision being made in light of our own stakes and the impact of our arms on the well-being of the people of the area.

I regard it as both unfortunate and inaccurate that the insistent Administration response to the Senate vote is to characterize it as a threat to our national security and a blow to our hopes of bringing about a peaceful world through negotiations. I don't believe that either our own security or the interests of peace are served by continued shipment of weapons of war to every corner of the globe. Neither do I agree that more military aid to small American allies is necessary to permit us to withdraw our forces overseas. If our own security requires strong military capability in some area, we cannot leave our fate even in friendly foreign hands. If our security is not endangered, we should be shown some very good reason for fueling someone else's fight.

I should make it clear that I don't believe that peace would be ensured if only we would disarm unilaterally. I don't discount the great military strength possessed by the Soviet Union, nor can I feel fully confident that the Soviet Union, under its present or some future leadership, can be trusted always to forgo the use of military force to achieve its objectives. Nor, at this early stage in our efforts to bring about improved relations, can I be confident that the People's Republic of China can be counted upon to refrain voluntarily from the development and exercise of its immense military potential.

But most of our military aid is of little or no utility in terms of the military threats that are or may be posed by China and Russia. The NATO Alliance and our assured nuclear retaliatory capability are the means by which any Soviet aspirations for military conquest can be kept in check. Of the NATO group, only Greece and Turkey are recipients of military aid. Our programs for these countries can be reviewed in terms of their over-all importance to the strength of the NATO forces. Included in this review should be the countervailing consideration posed by overt American financial support for a Greek government that shows no signs of moving to restore democratic processes. The strength of NATO depends not on troops and firepower alone but also on its morale and the domestic support within each nation for its role as a NATO member. Military assistance to Greece contributes incrementally to NATO's physical strength. But our partial subsidization of a regime resolutely opposed to the principles of freedom can only erode NATO's moral base.

Outside of Western Europe, it is, I suggest, silly to think that military aid to small countries can be of any significance to deterrence of the Soviet Union or the People's Republic of China. This, to me, has been one of the obscured premises of the Nixon Doctrine. It has now been made explicit. As phrased by Secretary Rogers: "The Nixon Doctrine . . . provides that we will gradually reduce our troop strength in some of the Asian countries and, at the same time, support them financially and in military ways so they can take up the slack."

We have, in the past, followed a policy consistent with the thesis that military aggression from China or Russia had to be anticipated and could be controlled. But to the extent that there is genuine threat of military aggression from one or both of these countries, American military assistance—whether doubled, trebled or increased by any other multiple—is not a realistic alternative to direct American military participation. A Defense Department spokesman is quoted as saying: "We think the substitution of money for U.S. manpower is a policy worth pursuing." As against Soviet or Chinese threats, it's no policy at all.

Only the American guarantee of direct involvement can provide a military deterrent to aggression against Western Europe. In the Pacific, our naval and air forces, and the absence of any Chinese amphibious capability, provide military protection for the countries off the Asian mainland. But no amount of military assistance to the small countries of Asia could make them remotely a match for a China or a Soviet Union bent on military conquest.

Insofar as the threat of superpower confrontation is concerned, military aid to small American allies, or even to big American allies outside the NATO context, can only be an irritant. Our greatest hope here, indeed the only real hope for world survival, is a course of development in relations that will keep all of the superpowers away from mutual annihilation. In this respect, all of us must welcome the President's efforts to arrive at mutually beneficial understandings with Peking and with Moscow. And in disengaging ground forces from Asia or elsewhere, the proffer of increased military aid may make the withdrawal of American troops politically more palatable, and the lives of our ambassadors a little easier, but this is at very best an inordinately expensive palliative.

The twin constraints on the superpowers are the common sense realization that the game isn't worth the candle and the fear of other superpower retaliation. Accordingly, in continuing military assistance to Korea, to Taiwan, to Pakistan, to the Middle East and to countries in Africa and South America, we must justify it on grounds other than the continuation of a cutrate Cold War by use of American proxies.

In some instances, it seems to me, the elimination of an American military presence and an increase in American military aid might significantly increase the risk of local conflict and hence the dire prospect of superpower involvement.

We can and should, in my opinion, continue to remove American troops from Korea. They are irrelevant to any Chinese threat and unneeded to provide a purely incremental part of South Korea's ground force superiority over North Korea. But would an effort to make the South Koreans completely self-sufficient militarily, by providing an air force to match that of North Korea, actually lessen the danger of forceful attempts at reunification of that divided peninsula?

Military aid to Taiwan was once justified as keeping alive the hope of eventual recovery of the mainland. I assume we need no longer indulge that myth. But what then is the present justification for substantial military assistance? Does Taiwan need more—or as much—to defend itself? And would its decisions be sounder if it had to finance modernization of its forces out of its own healthy economy?

The sorry history of military aid to India and Pakistan need not be recounted this morning. But certainly the Pakistani do not regard our arms aid as necessary to defend themselves against China, which has become their principal arms supplier. The role of outside nations, and of the United States in particular, should be to reduce tensions between Pakistan and India and find some solution to the Bengali tragedy, rather than in arming the potential antagonists.

The Middle East presents, of course, a special problem because of our special interest in Israel. The amount and type of arms necessary to provide Israeli security must be considered apart from any over-all program of military assistance and, in my view, should be dealt with outside the Cold War context. No amount of Israeli military might can match Soviet capability. But Israeli security from attack by the other nations of the area can provide the confidence that may permit an eventual resolution of the local problem. As for aid to countries like Jordan, I am not impressed by the argument that we must furnish it or else they will turn to the Russians. I see no political gain and surely no military necessity in our insistence in remaining No. 1 in the sale of arms to countries that don't need them and can't afford them. The only practical purpose in arming Jordan is to help King Hussein maintain control in a sorely divided nation. Is this a legitimate goal for American military aid in Jordan or anywhere else?

Insofar as military assistance in Africa or South America are concerned, the traditional justifications have been the continuation of American influence and the preservation of internal security. There are, I submit, a lot of unanswered questions about the influence we derive from arms supply. A State Department White Paper of a couple of years ago documented persuasively the thesis that the withdrawal of military assistance was ineffective in influencing a country's internal policies. I submit that this is equally true of the bestowing of military assistance. Military hardware may be an effective bribe for vocal support internationally. It has yet to be shown to be a useful tool for improving domestic behavior. I would prefer to believe that the instability and poverty in South America reflect an absence of American influence, rather than the results of our positive efforts. Our military aid there, and in Greece, cannot fairly be blamed for causing military coups. But it obviously did not serve to prevent them. Our influence should be directed in the poorer countries, toward economic programs that may better the lot of the ordinary citizen rather than indulging the whims of a fading military elite.

Regrettably, in the present state of world affairs, we can't get entirely out of the arms business. Until we can move toward genuine political accommodation, arms limitation, and mutual troop reduction, we cannot, I believe, afford to disband the NATO military alliance. History gives us special responsibilities in Korea and in the Middle East. But any program to substitute American military aid for American military presence is self-defeating, misleading and dangerous. At best, it can only retard the development of the kind of relations with the other superpowers where our competition can be confined to the political and diplomatic arenas. Far more likely is the possibility that such a substitution will intensify local antagonisms and encourage efforts to resolve political differences by military force. At worst, the local hostilities that ensue can lead to direct involvement of the nuclear superpowers.

If the Nixon Doctrine rests on increased military aid, then it's no new policy for the 70's. It is, instead, an effort to continue an old policy by less effective means. Before accepting the means, the American people should insist first that we know and accept the policy.

## THE RIGHT TO HEALTH

Mr. HUMPHREY. Mr. President, last month I was invited to deliver the fourth annual Harold S. Diehl lecture at the annual meeting of the American Public Health Association in Minneapolis, Minn. I called for new directions in domestic and international health care under a firm public policy commitment that the right to health must be regarded as a basic right for every American citizen.

We know that a major and comprehensive effort must be made to meet the deep concern of the American people over the inadequacy and rising costs of our health care delivery system. That effort should include an intensive and sustained program of research on major diseases where information on the latest developments is immediately collated and disseminated. Second, the maldistribution of our health care resources must be corrected through the widespread establishment of health centers in rural areas and in the inner city. And these centers, tied in with medical schools and major hospitals, can initiate innovative measures for the prevention and diagnosis of illness, as well as its treatment.

Third, there must be a substantial expansion of educational resources to provide more doctors, and particularly now more paramedical and allied health professions personnel; and existing medical manpower must be more effectively organized on an areawide basis through the extensive promotion of such programs as group practice plans.

And while reforming our health care system, we must design an insurance system that will effectively help people to meet the costs of health care.

But we must also come to recognize that illness cannot be dealt with only through medical research and treatment. We must get at the broader causes of ill health that lie in the increasing tensions of daily life, in deteriorating and unsafe neighborhoods, in the degradation and despair of poverty, and in widespread child malnutrition that is not confined to poor families.

However, the establishment of effective health care in America will not succeed until we address the international challenges of major diseases and widespread illness. America must make a major investment in international medical research, accelerating measures to combat deadly sicknesses that afflict entire peoples, and providing for the instantaneous telecommunications exchange of medical discoveries and progress.

Basically, we must come to recognize health as fundamental to hope and progress at home and throughout the community of nations.

Mr. President, I ask unanimous consent that the full text of my remarks before the American Public Health Association be printed in the Record.

There being no objection, the speech was ordered to be printed in the Record, as follows:

### Remarks by Senator Hubert H. Humphrey

I am honored by your invitation to deliver the Fourth Annual Harold S. Diehl Lecture, however uncertain I may feel about following the distinguished presentations by Dr. Robert Q. Marsden, Sir George Godber, and by my good friend, Dr. Luther Terry.

It has been my high privilege and genuine pleasure to have known Dr. Diehl as a personal friend since the days when I served as mayor of this great city and he was dean of the University of Minnesota Medical School. And this nation remains in debt to this great man for his intensive efforts in the American Cancer Society to focus public attention on the health hazards of cigarette smoking.

There is an old proverb that speaks to a profound concern of the American people today:

> "He who has health, has hope.
> He who has hope, has everything."

Hope is what makes for a dynamic people, for change, and for improvement. But hope in the promise of the future is diminished in direct proportion to the difficulties people confront in obtaining adequate health care, and to the continuing prevalence of major diseases in America despite remarkable advances in their prevention, treatment, and cure.

I am speaking about crowded hospital wards—about entire rural counties without a doctor—about the heavy burden of high medical costs—about the poor mother in the city ghetto who must take her sick child miles to a hospital clinic and then wait in line for hours.

I am talking about arteriosclerosis that accounted for almost one-half of all deaths from all causes in the United States in 1968—about cancer that will strike two of every three families over the years—about the 20 million people in America suffering from some form of mental or emotional illness and the 126,000 children born this year who will be diagnosed as retarded—about the 17 million Americans afflicted with severe arthritis requiring medical care, while arthritis and rheumatism rank second among the chronic conditions which prevent people from carrying on their major activity—and about the harsh fact that 94 times every day of the year an American man, woman, or child will lose his or her sight.

These killing and crippling diseases can and must be overcome.

The right to health must be regarded as a base right for every citizen.

And we must recognize that the conquest of major diseases and the establishment of effective health care delivery systems demand a comprehensive and sustained *international* program of close cooperation. Far too often, the political leaders of the world, in their attempt to solve major problems, have forgotten that in vast regions of the globe—in many areas of Africa, South Asia, the Middle East, and Latin America—we are dealing with largely sick populations. The solution of the social and economic problems of these areas is directly inter-related with the solution of the health problems of the people. And the major diseases known to man do not respect national boundaries. There can be no East-West ideological conflict, for example, in the conquest of cancer.

But in America we must begin now, today, to launch an all-out attack on the causes of ill health and disease. This demands a fundamental political decision at the national level to channel resources, knowledge, and hard cash into the establishment of a sustained and comprehensive drive to make health care and biomedical research in America second to no other nation.

First, government must recognize that effective medical research demands a continuity in Federal funding. It takes time for a research team to work together and to develop a precise and instantaneous information exchange network with other research centers. A temporary shut down of laboratory experimentation and clinical treatment creates a lag period many times over in the progress of research.

Yet, the Administration "defunded" some 19 research clinic programs under the National Institutes of Health in 1970. And its original budget request for NIH research programs for fiscal 1972, with the exception of the $100 million Special Cancer Research appropriation, actually represented a decrease of $20 million below the level of appropriations for these research programs in 1971.

However, the will of Congress was made absolutely clear in the enactment of the final appropriations bill in August, which included an increase of $142 million in NIH research program funds. And it will probably be necessary, once again, for Congress to strongly oppose the impoundment of any of these appropriated funds by the executive branch.

On-going, widespread, and diverse biomedical research programs are absolutely essential in the discovery of new cures and new methods of treatment for major diseases. To make this point abundantly clear, we need only recall the sharp decline in death rates for polio, whooping cough, hypertensive heart disease, and tuberculosis that have resulted from these discoveries.

But the second part of a new national program to protect the health of the American people bears directly on the process of achieving these discoveries. And that is the establishment of an extensive information system to collate, index, evaluate, and disseminate the results of new developments in medical science.

An important beginning was made by Congress in the enactment of legislation establishing the National Library of Medicine. But except for the recent passage of appropriations for building construction and facilities improvement, the library has been forced to operate on a minimal budget.

Third, the Federal Government must target all health resources assistance on bringing health care to the people. Men, women, and children who are sick and without hope must be the focus of our concern—not expanded research for the sake of publishing more technical monographs; not improved hospital facilities for the greater convenience of doctors alone.

There are two programs of direct relevance here: Regional Medical Programs and Neighborhood Health Centers. And both are few and far between.

Regional Medical centers play a vital role in the delivery of health care throughout this country, particularly in rural areas where there is a serious shortage of doctors and medical facilities. Yet this year it was clear that the administration had cut back on this program.

Over Fiscal 1971, Congress had appropriated a total of $121.6 million for the regional medical programs, recognizing the progress being made in experimental health delivery systems in rural areas, in advanced training programs for nurses to handle physical examinations so that doctors could concentrate their attention on special medical problems, or in the development of a college training program in the allied health professions, to cite only a few examples.

In Minnesota, the RMP has helped train 631 nurses, 544 doctors, and 114 medical electronic technicians for intensive coronary care units. The program has also worked to improve 119 medical libraries in community hospitals.

But the Administration impounded $44.5 million in funds appropriated by Congress for these programs. In its original budget request for the current fiscal year, the Administration went even further, asking for less than half of what the Congress had appropriated the previous year. But Congress appropriated almost $103 million.

Nevertheless, there is more to be done. The regional medical centers are not yet effectively tied in to medical schools and to both public and private research centers. Nor is there yet a close cooperation of the private and public health professions in these programs.

But there must also be an intensive effort to improve health care in the inner city. The vital program of Neighborhood Health Centers, receiving assistance from the Office of Economic Opportunity, must be transformed from an experimental project into a substantially expanded, permanent program where preventive as well as curative medicine is practiced, and where diagnosis through multiphasic health screening makes the detection of disease as important as its treatment. And there must be an emphasis upon making out-patient services directly accessible and readily available to community residents, particularly to assure good health care for children and infants.

Neighborhood health centers cannot stand alone, however. They must be tied in whereever possible with medical schools and community hospitals, providing the essential back-up of specialized resources and services.

Nor can health professionals involved in neighborhood health centers overlook the vital importance of sustained programs of education in personal health care and nutrition for neighborhood residents.

The fourth part of a new health program for America must be the substantial expansion of professional personnel resources. We know that our Nation is currently short 50,000 doctors, 18,000 dentists, 150,000 nurses and thousands more allied and para-professional health personnel. But even last year, 61 of our 101 medical schools were drawing Federal distress funds simply to remain in operation.

And the total supply of health personnel is only part of the problem. The health manpower that exists is maldistributed—it is concentrated in middle-class suburban America.

It has remained for Congress to address these problems. It has had to reverse budget cutbacks in funds for medical school construction grants. It has had to act and act again, in the face of Administration vetoes, to expand medical education resources. Right now, additional health manpower and nurses training bills are in conference, awaiting final action.

I cannot understand the Administration's sense of priorities in medical education. Though the Soviet Union's population is only 17 percent larger than ours, their medical schools turn out 350 percent more graduates. Meanwhile, the United States is importing about 1,700 foreign-trained physicians every year, who now make up about 14 percent of our available medical manpower, and account for a much higher percentage of our hospital internships and residencies.

We must continue to expand the range of health education opportunities—through increased scholarships, particularly for youths of lower-income families; through expanded and improved medical school resources and streamlined curricula; and through a greater emphasis on the paraprofessional fields. And we must place the emphasis on getting the graduates where they are needed, through appropriate incentives.

And I believe the redistribution of medical manpower can be greatly furthered by making financial aid available for starting hundreds of additional group practice plans. These should be allied with efficiently administered hospitals, where there is professional and public participation in the formulation of policies, and where there is an area-wide coordination of total health care resources. In any such program, the health professional should be assured reasonable and adequate compensation, and the person seeking health care should be granted a reasonable freedom of choice.

Last year, Congress had to over-ride a Presidential veto of a major new program of hospital construction and modernization which it had enacted to meet a national need for the modernization of 455,000 bed spaces, and the provision of 250,000 new hospital bed units. Hospital costs have soared, while again and again we witness patient beds crammed into hospital corridors. This is unconscionable, and every effort must be made to bring the supply in line with the demand before hospital costs can be brought under control.

Matching supply and demand—that is the key, I believe, to the establishment of an effective, comprehensive health care system. And we must design an insurance system that will effectively help people to meet the costs of health care.

But a new program of health care for America cannot be addressed solely to the problems of costs and of resources. For we are talking about the care of people. And health care professionals must expand the horizon of their perception and study to recognize the impact of the physical and social environment on health.

I am talking about the tensions of everyday life that continue to rise with the pace of our existence. What has been termed the threat of "future shock", an adaptational breakdown in the face of the pace of social change, is already very much with us.

That is why preventive as well as curative psychiatric care must be made an integral part of group-practice or health center programs. That is why we must recognize the impact of the political environment on health—the deep need of people for livable, decent, and safe cities. And that is why the despair of poverty must be assigned a key role in the causes of ill health.

And I am talking about the extensive evidence of malnutrition among children, even children of higher-income families.

That is why I intend to press for legislative action on the Universal Child Nutrition and Nutrition Education Act, which I recently introduced, to eliminate the incredible patchwork of limiting legislation and regulations that afflict our child nutrition programs. We must assure that every child has the right to good nutrition.

These are the comprehensive and perceptive investments that the United States simply must make if the health of the American people is to be protected. Our goal should be to assure each child born a right that is as precious as the right of citizenship—the right to health. For it is health that nourishes hope, and it is hope that has always been the strength of this great Nation.

But we cannot be satisfied with doing the job of establishing effective health care within our own boundaries. Nor will we succeed in this effort unless we recognize the international challenges of major disease and sickness, which demand a comprehensive and sustained attack by the entire community of nations.

It is in recognition of this basic truth that I undertook the chairmanship of the International Health Study of the U.S. Senate in the late 1950's. The work of that Senate committee opened a whole new range of challenges and opportunities in the conquest cf disease, to the American public.

We pressed hard for the enactment of a Joint Resolution to establish a National Institute for International Medical Research. I called upon Chairman Krushchev to agree to a program of unlimited Soviet-United States cooperation in a united war against cancer.

These were startling proposals at the time, but I strongly feel they are absolute requirements now. We must launch an offensive for health, and it must be international in scope.

There is an acceleration of activity in this direction. Vital programs of medical research, vaccination, and treatment under the auspices of the World Health Oragnization are having increasing success in combatting tropical diseases, such as malaria, and in turning back tuberculosis and smallpox and yaws. Cholera has been resurgent, however, and the control of trachoma and leprosy is made difficult by limited resources and manpower.

And the Stockholm conference on pollution represents an important recognition of the broader scope that must be given to an attack on the causes of disease and ill health.

Important programs are underway to exchange medical knowledge and research, as exemplified by the enactment of the International Health for Peace Act, providing vital financial assistance and scholarships.

These are but a few examples of what can be accomplished. But further opportunities can be seized. We must continue to support the establishment of American sponsored research hospitals in areas of greatest need, as has been done in Poland. This can be furthered by the use of generated currencies under American aid programs, and administered through the establishment of binational foundations.

We must give central importance to the expansion of basic research across the world—a critical resource for medical science, that is in incredibly short supply.

The United States should make a substantial investment in the World Health Organization program for the mass eradication of selected diseases.

And the United States Public Health Service must have the means to make its technical know-how available to the world.

Let us, then, launch an international war against the enemy which limits mankind, deprives him of his birthright, cuts him down prematurely—the enemy of disease and disability.

And let us recognize that an important step can be taken, through an unselfish and cooperative health effort, to create a climate of relationships out of which further political agreements between East and West may some day be reached, and the basic right of the new nations of the world to equality of opportunity for development be given full recognition.

It is this climate of hope and promise for all peoples that we earnestly seek.

Let us, therefore, dare to try!

## HAROLD D. MILES

Mr. MATHIAS. Mr. President, I rise to salute Harold D. Miles, a 15-year-old Annapolis, Md., youth who last summer rescued two little girls and a man from drowning. Young Mr. Miles has been presented citations for heroism both by President Nixon and by the Governor of Maryland, Marvin Mandel.

Mr. President, I ask unanimous consent that the Senate join in honoring Harold D. Miles by printing in the Record the report of the Annapolis Evening Capital of his awards.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Nixon, Mandel Cite Hero, 15

(By Kathryn Woestendiek)

An Annapolis youth who saved two little girls and a man from drowning last month has received recognition for heroism from both President Nixon and Governor Marvin Mandel.

Harold D. Miles, 15, son of Mr. and Mrs. Elmer J. Miles of 721 Monterey Ave. received a letter and certificate from Nixon Monday praising his recent act of heroism.

"Your willingness to help others in need deserves the respect and admiration of all our fellow Americans," the President's letter in part said, "and in recognition of your outstanding humanitarian concern, I want you to have the enclosed certificate. It comes to you with my best wishes for the future."

Young Miles met yesterday with Sen. Robert Pascal and Gov. Mandel and was presented an award for heroism as well as a silver plate embossed with the state seal.

He has also received a letter of appreciation from the family of the two little girls whose lives he saved.

Mr. and Mrs. Virgil Brown, parents of Robin, 9, and Cheryl Downs, 11, thanked Harold for rescuing their daughters as well as attempting to prevent the drowning of Annette Lorraine Brown, 10.

The family also extended thanks to Harold's mother, for ordering the ambulance that transported the victims to Anne Arundel General Hospital.

Miles saved the children and the man, a relative, from drowning in Weems Creek on July 26.

## REPRESSION IN NORTHERN IRELAND

Mr. RIBICOFF. Mr. President, the violence and acts of terror in Northern Ireland are bound to continue and increase in intensity unless the oppressed minority there feel there are genuine prospects for peaceful alternatives.

Today's New York Times carries an account by Tony Lewis, writing from London, of the ordeal of one man interned without trial under the Special Powers Act. The article states that there was nothing special about this particular episode, and shows, according to Lewis, "why, despite all the announced reforms of recent years, the Catholics remain so totally alienated from the Ulster system." Lewis, who in the past has written perceptively on this subject, gets to the crux of the issue in Northern Ireland today.

The end of internment, and the abolition of the current Parliament in Northern Ireland are two of the key elements in Senate Resolution 180, which I introduced, and which is cosponsored by Senators Kennedy and Williams.

As time goes on, more people, in Britain, in the United States, and elsewhere, will come to the inescapable conclusion that the present system in Northern Ireland, as Mr. Lewis states, "can never bring peace."

I would like to call this article to the attention of all of my colleagues who are seeking a better understanding of the crisis in Ulster.

I ask unanimous consent that the text of the column by Mr. Lewis, "The Incident of Mr. Fox," be printed at this point in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### The Incident of Mr. Fox

(By Anthony Lewis)

London, November 12.—It began with a letter from the Ardoyne, a Roman Catholic ghetto of Belfast.

"My husband's name is John Joseph Fox, he was in the British Army for six and one-half years, also he was on reserve. We came home to Ireland after 25 years in England where all the children were born. . . .

"Now they have taken my husband into prison from his home on the 9th of August and he is still a detainee at Crumblin Road Prison. He was beaten up terrible, in fact he thought it was the end for him. . . . I know they have made a mistake so why don't they let him go? I just don't understand. . . ."

Mrs. Fox wrote to Victoria Brittain, an English journalist who had stayed in the Ardoyne last spring on assignment for The Times of London. Miss Brittain turned the letter over to The Times, which printed it.

Stormont, the Northern Ireland Government, at once denounced the letter as false. Mr. Fox was not being detained without trial as a suspected terrorist, an official said: He was in jail awaiting trial on a charge of car theft. He had appeared in court on that charge on Aug. 25, been remanded to prison (denied bail), and appeared and been remanded again on five later occasions.

When that official denial was published, it seemed odd. Do British courts really deny bail in auto theft cases? Could a man be held in jail for months before trial on such a charge? A simple check showed that the answer to these questions was no.

The Stormont statement was in fact a farrago of untruths. Officials, asked to check, took two days and then admitted they had been wrong: Mr. Fox was being detained under the Special Powers Act, just as his wife had said. The facts were:

Mr. Fox was charged with the theft of a car last June. He pleaded innocent, producing what he said was a canceled check for the car and its proper documents. He was freed on bail of $1,200, later reduced to $480.

On Aug. 9, the day Stormont began interning suspected Catholic terrorists, Mr. Fox was seized under the Special Powers Act and taken with other detainees to Crumlin Road Prison. If it were not for that, officials now agree, he would be free on bail. But the Government has neither lifted the detention order nor proceeded with the car theft case.

Mr. Fox has now been detained under the Special Powers Act for more than three months. Ordinarily Stormont decides within 28 days whether it has grounds to enter a formal internment order against a suspect, but even that has not happened. Mr. Fox is in limbo. And his prison is not in Greece or Brazil or the Soviet Union but in what the Ulster Protestants proudly insist is a part of the United Kingdom.

There is nothing very special about the episode—it does not come near the worst horrors of Northern Ireland. It just happened to be played out before a public audience, and it shows why things are as they are: why, despite all the announced reforms of recent years, the Catholics remain so totally alienated from the Ulster system.

If you live in the Ardoyne, you are convinced that there is no truth in Stormont, that there can be no real commitment to equal rights. You are convinced also that there is no assurance of fair treatment from the Ulster police, or of justice in an Ulster court.

None of this is to say, from an outsider's viewpoint, that injustice is all on one side. It would be impossible to say that after the I.R.A.'s cruelties, or after the terrible scenes of Bogside women shearing and tarring a girl because she loved a British officer.

But no nice balance from outside can change what the Catholic one-third of Northern Ireland perceives as reality: It lives in a sectarian Protestant state, created fifty years ago for the very purpose of maintaining Protestant domination, and there can be no hope until the structure of that sectarian state is dismantled.

That is the truth that successive British Governments have tried to avoid: The Sormont system, with its separate, perpetually Protestant Parliament and Executive for Northern Ireland, can never bring peace. No one should pretend that there is an easy way out of the Irish troubles, but the way has to begin with British recognition that the Stormont idea has failed.

## OBSCURE COLLEGES DESERVE AID

Mr. MATHIAS. Mr. President, amidst the growing national concern for the financial plight of our colleges and universities, I would like to bring to the attention of my colleagues a type of college which is particularly threatened. As described in a recent article by Eric Wentworth in the Washington Post, the Carnegie Commission on Higher Education has issued a report underscoring the difficulties faced by our Nation's 500 "invisible colleges," seven of which are located in Maryland. Coauthored by Calvin B. T. Lee, new chancellor of the University of Maryland's Baltimore County campus, the report makes evident the vital role which this type of small private college plays in offering American students a diversity of choice, as well as a chance to secure their education in a close, cohesive atmosphere. Furthermore, the authors suggest that "subsidizing these small private colleges could prove less costly in many cases than further expanding the public higher education facilities." Mr. President, I ask unanimous consent that the full text of Mr. Wentworth's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Obscure Colleges Deserve Aid

(By Eric Wentworth)

If America's 500 "invisible colleges" are to be rescued from extinction, the states are going to have to subsidize them, according to the Carnegie Higher Education Commission.

A commission report—written by Alexander W. Astin, research director for the American Council on Education, and Calvin B. T. Lee, new chancellor of the University of Maryland's Baltimore County campus—contends that these colleges "by and large . . . justify their existence."

As Astin and Lee define them, "invisible colleges" include those private, four-year campuses which tend to be small, unselective, underfinanced, often church-linked and concentrated in the Southeast and Midwest.

They have names like Avila and Biola, Yankton and Yampa Valley, St. Mary of the Woods and St. Mary of the Plains, Olivet Nazarene and Free Will Baptist Bible, Embry-Riddle Aeronautical Institute and the Kansas City Art Institute.

Local institutions on their "invisible colleges" list included:

District of Columbia: Benjamin Franklin College Capitol Institute of Technology, Gallaudet College, Southeastern University and Washington Bible College.

Maryland: Columbia Union College, Eastern College, Maryland Institute College of Art, Ner Israel Rabinical College, Peabody Conservatory of Music, Saint Mary's (formerly Saint Charles College) and Woodstock College.

Virginia: Bridgewater College, Eastern Mennonite College, Frederick College, Lynchburg College, Randolph-Macon Women's College, St. Paul's College, Shenandoah College and Virginia Union University.

Despite their obscurity, these colleges represent about a third of all four-year institutions and enroll nearly half a million students, both white and black.

The "Invisible Colleges" deserves to survive, Astin and Lee assert, because they provide diversity in an era when the more prominent institutions have been playing follow-the-leader.

Moreover, they "provide a warmer and more cohesive atmosphere . . . give the student greater opportunities to participate in a number of activities, and . . . have traditionally designed their programs to suit a student clientele that is in many respects similar to the less able and less well-prepared students who are currently imposing a heavy burden on the public institutions."

Astin and Lee believe these colleges neither can nor should upgrade their students, faculty and other academic resources to the levels of more elite institutions.

They thus propose a novel approach for state aid, suggesting that "it might be possible to convince legislators that subsidies should be based on an institution's lack of selectivity; preference might be given to those institutions whose entering students' high school grades and ability test scores fall below a certain level."

The authors propose that subsidies be further limited to support for strengthening the colleges' "unique educational programs," for developing new programs to help less able or poorly prepared students, and for helping boost enrollment.

Many of these colleges, they point out, have uneconomically low enrollments at present. They face increasing competition from low-tuition public colleges which largely attract the same types of students.

On the other hand, increasing enrollments at the "invisible colleges" could help ease some of the growth pressures at state-run campuses. Indeed, the authors suggest, subsidizing these small private colleges could prove less costly in many cases than further expanding the public colleges.

Astin and Lee thus propose that both state and federal policymakers take a closer look at the role of "invisible colleges" and include them in higher education planning.

Some 35 states, according to the Chronicle of Higher Education, are providing direct or indirect aid to private colleges at present. Others are considering such steps.

## CONCLUSION OF MORNING BUSINESS

The PRESIDENT pro tempore. Is there further morning business? If not, morning business is concluded.

## REVENUE ACT OF 1971

The PRESIDENT pro tempore. Under the previous order, the Chair will now lay before the Senate the unfinished business, H.R. 10947, which the clerk will report.

The legislative clerk read the bill by title, as follows:

A bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDENT pro tempore. The pending amendment is No. 649, offered by the Senator from Minnesota (Mr. Mondale), with a limitation of 2 hours, equally divided and controlled by the proponents and the opponents of the amendment.

Mr. MONDALE. Mr. President, I yield myself such time as I may need.

The PRESIDENT pro tempore. The Senator may proceed.

Mr. MONDALE. Mr. President, this amendment would defer for 1 year the social security tax increase scheduled to go into effect next year.

Under the present law a $3 billion social security tax increase is scheduled for January 1, 1972. This comes about because the amount of earnings subject to the social security tax rises from $7,800 to $9,000 under existing law. In addition, the social security bill now before the Committee on Finance calls for a further increase in the tax base to $10,200, and an increase in the tax rate from 10.4 to 10.8 percent.

Coupled with the tax base increase already legislated for 1972, this would represent one of the largest social security tax increases in history. We do not know either when or in what form the social security bill will finally pass Congress, but there can be little question that these tax increases come at the wrong time from the standpoint of economic recovery. Almost all economists agree that economic recovery now requires a major increase in consumer spending. But while the present tax bill includes some cuts for individuals, unfortunately these cuts are largely canceled by the social security tax increases scheduled to go into effect January 1, 1972.

I will shortly distribute to Senators a table showing the effect of scheduled increases in social security taxes upon the individual tax savings which will come out of this tax bill. The table shows that when one looks at social security tax increases and individual tax relief through an increased exemption together, rather than separately, there is virtually no tax relief for the individual taxpayer. This is true even when the effect of the Hartke amendment increasing the personal exemption to $800 is included.

For example, a family with an income of $10,000 under the present law pays $962 in income tax. Under the House-passed bill he would pay $905 in income taxes. With the Hartke-adopted increase of personal tax exemptions he would pay $867. His maximum tax saving therefore is $95 under presently scheduled taxes.

But, Mr. President, if you subtract the scheduled social security tax increase of $62 from the $95 saving, as one must do, the net tax saving to a family with an income of $10,000 is only $33. So there is practically no aggregate improvement at all for the average taxpayer.

Mr. President, I ask unanimous consent to have printed at this point in the Record the complete table and analysis to which I have referred.

There being no objection, the table and the analysis were ordered to be printed in the Record, as follows:

INDIVIDUAL TAX SAVINGS AFTER SCHEDULED INCREASE IN SOCIAL SECURITY BASE TAKES EFFECT

[Average family of 4. Assumes deductible personal expenses of 10 percent]

| Income | Tax liabilities | | | Savings w/$800 exemption | Social security increase | Tax saving after social security increase |
|---|---|---|---|---|---|---|
| | Present law | H.R. 10947 | W/ $800 exemption | | | |
| $5,000 | $170 | $98 | $70 | $100 | | $100 |
| $7,500 | 561 | 484 | 450 | 111 | | 111 |
| $10,000 | 962 | 905 | 867 | 95 | $62 | 33 |
| $12,500 | 1,371 | 1,309 | 1,266 | 105 | 62 | 43 |
| $15,000 | 1,864 | 1,820 | 1,776 | 88 | 62 | 26 |
| $20,000 | 3,060 | 3,010 | 2,960 | 100 | 62 | 38 |
| $25,000 | 4,296 | 4,240 | 4,084 | 112 | 62 | 50 |

Mr. MONDALE. Mr. President, my amendment to defer this social security tax increase for 1 year has received the support of a number of economists and others concerned with economic problems. Deferral of the increase was recommended by the Joint Economic Committee in its excellent 1971 midyear review of the economy, dated August 16, 1971.

In the report of the Joint Economic Committee, which incidentally, was agreed to on a bipartisan basis, the committee said:

> The increase in the social security tax base presently scheduled for January 1972 should be postponed until January 1973. The further increase in the tax base and the increase in the tax rate presently being considered by Congress as part of social security and welfare reform legislation (H.R. 1) should be instituted on a gradual basis, beginning no sooner than January 1973.

The committee then stated as follows:

> Our second recommendation, the postponement of social security tax increases, has been less widely discussed. The magnitude of scheduled and contemplated social security tax increases may not be generally recognized. An increase in the social security tax base from $7,800 to $9,000 is already scheduled for January 1972, as a result of action taken by Congress last spring postponing this tax increase from the January 1971 starting date originally recommended by the Administration. This Committee supported that postponement. January 1971 was not an appropriate time to raise taxes. The continued sluggish performance of the economy makes it highy probable that January 1972 will be an equally inappropriate time to raise taxes. Therefore we believe that this increase in the tax base should be postponed for an additional year.
>
> The social security and welfare reform legislation presently being considered by Congress (H.R. 1) contains, as presently formulated, a further increase in the social security tax base from $9,000 to $10,200 and an increase in the social security tax rate from 10.4 to 10.8 percent, both scheduled to take effect in January 1972. Coupled with the tax base increase already legislated, these provisions would result in one of the largest social security tax increases in history and would exert a significant and most unfortunate restraining effect on the economy. Therefore, we believe that these further tax increases should be put into effect gradually, with none of them beginning any earlier than January 1973. The social security trust funds presently contain a large surplus. Even without the tax increases, this surplus will grow by some $7 to $8 billion in fiscal 1972. Thus, postponement of these tax increases does not present any danger of impairing the sound financing of the social security system. There was virtually unanimous agreement among our witnesses, however, that the whole system of Social Security taxation raises increasingly serious questions of equity and that major reform should be given high priority.

Mr. President, this delay in the increase in social security taxes was also supported by the Committee on Economic Affairs of the Democratic Policy Council and it received enthusiastic endorsement from many of the witnesses participating in the Joint Economic Committee's recent hearings on the President's new economic policies. The Senator from Wisconsin (Mr. PROXMIRE), chairman of the Joint Economic Committee, has summarized this testimony as follows:

> Postponement of Social Security tax increases scheduled for next January received widespread support from witnesses, including Heller, Schultze, Ackley, Okun and Nathan. . . . They all said that we ought to suspend it, that we should not impose it, that it would depress the economy, that it is unnecessary and could be postponed without a permanent loss of revenue.

It is quite clear that a broad spectrum of the Nation's top economists agree that we can safely defer the imposition of the social security tax increases for an additional year.

Mr. President, I ask unanimous consent that I may have printed in the RECORD some of the comments made by economists with respect to this issue.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### EXCERPT FROM A STATEMENT BY PROF. OTTO ECKSTEIN, DATA RESOURCES AND HARVARD UNIVERSITY BEFORE THE JEC

Postpone for one year, part or all of the social security tax increases scheduled to take effect next January. In total these will add $7 billion to the tax bill paid by workers and employers in calendar 1972 (assuming enactment of the social security provisions in H.R. 1). A fully employed worker, earning $10,000 per year will pay $175 extra in social security taxes next year (and his employer another $175). On the other hand, that same worker, assuming he headed a family of four, would get only about $80 in income tax benefits from the speedup in tax reliefs proposed by the President. If half of the scheduled social security increase were postponed, the fiscal impact would be a $3 billion reduction in tax liabilities.

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### EXCERPT FROM A STATEMENT BY ARTHUR M. OKUN, SENIOR FELLOW, BROOKINGS INSTITUTION

Social security taxes are slated to rise on January 1, 1972—$3 billion is scheduled by present law and an additional $4½ billion is proposed by H.R. 1. If the H.R. 1 provisions are enacted, a family with a $10,000 income will have a net *increase* in combined income and payroll taxes.

The tax proposals are also unbalanced in their effects on various industries. They would provide $8 billion of incentives for the production of business equipment and automobiles, on top of the $3 billion from accelerated depreciation. In contrast, they virtually ignore all other industries, which produce nearly 90 percent of our national product.

The imbalances are incontrovertible. They are also, in my view, economically and socially unjustifiable.

Mr. MONDALE. Mr. President, the economy desperately needs further stimulation. I do not believe it is generally recognized how slow and sluggish the present economy is, how desperately short we are of the growth we need to achieve full employment, and regain the economic productivity which full employment brings.

The figures for 1971 show that in the first quarter the gross national product rose by an annual rate of 7.7 percent; in the second quarter it dropped to 4.8 percent; and in the third quarter it dropped again to a sluggish and wholly inadequate rate of 2.9 percent in real dollar terms, which is the thing we must be concerned with.

Let us compare that growth—that stagnant level of growth—and what is needed if we are interested in full employment. According to the President's manpower report, the labor force will grow at an annual rate of 1.6 percent. Productivity increases will improve at a rate of about 3 percent. Therefore, about a 4.5-percent growth rate in real terms is required to merely stay even with the growth rate of the labor force.

In other words, there must be at least a 4.5-percent growth rate if we are to avoid growing unemployment, that is unemployment higher than the already unacceptable level of 5.8 percent, which everyone knows understates the unemployment rate existing in the country.

I think any reasonable view of the economy demonstrates the need for more stimulation, for more growth: The best way to achieve it is to improve the power and the capacity of the consumer to buy, to spend as a consumer.

Postponement of the social security base increase will have favorable fiscal effects, and it has several other virtues as well.

First, it brings some relief to middle income taxpayers who are already paying excessive taxes.

If one looks at the disproportionate way in which we are delivering tax relief in the bill before us, one would have to agree with Walter Heller, who said, in effect, that the bill gives a great big juicy steak to big business and a picked-over soupbone to the average taxpayer.

The House income tax bill over the next 10 years would provide business $75 billion worth of tax relief and individual tax relief of only $14 billion. That degree of individual relief came about only because the committee went much further than the President asked to bring some relief to the individual taxpayers. I commend them for those changes, but under that improved bill we still are offering to big business the most tax relief ever accorded to them in their history; and when one considers the social security increase, the average taxpayer's bill will be largely unaffected. Moreover, this continues a trend which since 1961 has seen corporate taxes decline drastically as a percentage of total Federal taxes while social security taxes have increased even more strikingly.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the trend of corporate taxes, personal taxes, and social security taxes as percentages of gross national product.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 1.—THE FEDERAL SECTOR AT FULL EMPLOYMENT AS A PERCENT OF POTENTIAL GROSS NATIONAL PRODUCT: NATIONAL INCOME ACCOUNTS

| Calendar years | 1961 | 1970 | 1972 |
|---|---|---|---|
| Personal taxes | 8.7 | 9.2 | 8.6 |
| Corporate taxes | 4.6 | 4.3 | 3.6 |
| Indirect business taxes | 2.7 | 2.1 | 1.8 |
| Social security taxes | 3.9 | 5.0 | 6.0 |
| Total revenues | 20.4 | 20.5 | 20.0 |

Mr. MONDALE. Mr. President, I ask unanimous consent to have printed at this point in the RECORD a table showing the distribution of income tax revenue loss over the next decade.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE I.—DISTRIBUTION OF INCOME TAX REVENUE LOSS, REVENUE ACT OF 1971 (H.R. 10947)

[Billions of dollars]

| Calendar year | Business | | | | Individuals | | | |
|---|---|---|---|---|---|---|---|---|
| | ADR | 7 percent investment credit | DISC | Total | Personal exemptions | Standard deductions | Low-income allowance | Total |
| 1971 | $0.7 | $1.5 | | $2.2 | $0.9 | | $0.4 | $1.3 |
| 1972 | 1.7 | 3.6 | $0.1 | 5.4 | 1.9 | $0.3 | 1.0 | 3.2 |
| 1973 | 2.4 | 3.9 | .2 | 6.5 | | | 1.1 | 1.1 |
| 1974 | 2.9 | 4.2 | .2 | 7.3 | | | 1.1 | 1.1 |
| 1975 | 3.5 | 4.5 | .2 | 8.2 | | | 1.2 | 1.2 |
| 1976 | 3.7 | 4.8 | .3 | 8.8 | | | 1.2 | 1.2 |
| 1977 | 3.4 | 5.1 | .3 | 8.8 | | | 1.3 | 1.3 |
| 1978 | 3.1 | 5.5 | .3 | 8.9 | | | 1.3 | 1.3 |
| 1979 | 3.1 | 5.8 | .4 | 9.3 | | | 1.4 | 1.4 |
| 1980 | 3.0 | 6.2 | .4 | 9.6 | | | 1.4 | 1.4 |
| Total | 27.5 | 45.1 | 2.4 | 75.0 | 2.8 | .3 | 11.4 | 14.5 |

Sources: U.S. Treasury. Joint Committee on Internal Revenue Taxation.

Mr. MONDALE. Mr. President, social security tax relief, it seems to me, is desperately needed to achieve equity for the middle income taxpayers.

Second, this form of tax relief, has the virtue of involving no permanent revenue loss to the Federal Treasury.

In contrast, the President's 1971 tax proposals would reduce Federal revenues by $8 billion a year permanently. Over the next 10 years, that means a $80 billion loss in Federal funds.

I think that is a highly doubtful public policy at a time when increased revenues are desperately needed for many compelling reasons here at home, whether it be for welfare reform, health insurance reform, pollution control, to bring fiscal relief to State and local governments, or for the many other high priority national needs.

What is needed now are short-term measures to stimulate consumer spending, without undermining or destroying the Federal tax base. Deferral of the social security tax increase is such a measure.

Third, this proposal heads off a rise in the cost of labor to business. This is because the employer pays half of any social security tax increase. By holding down the cost of labor, this amendment will tend to encourage employment.

In other words, in addition to stimulating the economy in terms of increased consumer purchasing, postponement of the social security tax increase also reduces the cost of labor to the employer and encourages an increase in the labor force for that reason as well. As the social security tax rises, as it is rising today so steeply, this consideration is of very great importance.

A number of arguments have been made against the deferral of this tax increase.

First, it is argued that deferring the social security tax increase will have no impact on the economy until the second half of 1972.

The argument is as follows: The social security tax increase scheduled to go into effect next January involves an increase in the tax ceiling from $7,800 to $9,000.

The tax is applied to total wages starting at the beginning of the year and continuing until the tax ceiling is reached. Therefore, deferral will not have a significant impact until the third quarter—when workers start to reach the ceiling.

To be sure, it would be better if we could find policies that would stimulate the economy immediately. At the same time, however, there can be little doubt that the fiscal help provided by deferring this tax increase will be needed in the second half of 1972.

Few people now believe that we will be at full employment by the third quarter of 1972. Indeed, most economists predict that unemployment will be within the range of 5 to 6 percent, perhaps even higher late in 1972. If the unemployment growth rate trends I have just referred to continue, unemployment will still be of great concern late in 1972. In that case, stimulus will be needed at that time to continue to work down our unemployment rate. Late 1972 is hardly the time for an onerous tax increase to become effective. Unless we defer the increase, next year the economy will be hit with a $3 billion tax increase when it can least afford it. This could be a cruel blow, indeed.

The second argument against deferral is that the tax increase is required to maintain the financial soundness of the social security system.

The answer to this is that the old-age-survivors, and insurance disability trust funds are generating surpluses. For 1971, the surplus is expected to be $3.4 billion. For subsequent years, the surpluses are shown in the table which I ask unanimous consent to have printed at this point in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

NET INCREASE IN FUNDS, OLD-AGE AND SURVIVORS INSURANCE AND DISABILITY INSURANCE TRUST FUNDS

[In billions]

| | Under present law | Under House-passed Social Security bill (H.R. 1) |
|---|---|---|
| 1972 | $7.2 | $2.7 |
| 1973 | 13.0 | 2.9 |
| 1974 | 14.9 | 2.9 |
| 1975 | 16.6 | 12.8 |

Mr. MONDALE. Mr. President, the trust funds are generating surpluses because social security financing is based on some extremely conservative assumptions.

If these assumptions were discarded in favor of more realistic ones, it would be possible to considerably reduce social security taxes. Recently reports have been appearing in the press indicating that the Nixon administration is considering this very move. Adoption of more realistic assumptions has been unanimously recommended by the social security system's advisory council. This council is a prestigious, nonpartisan group of experts and advisers. In their report, entitled "Report of the 1971 Advisory Council on Social Security," dated April 5, 1971, they clearly come out for a revision in the actuarial assumptions and methodology by which we fund the social security benefits.

Mr. President, I ask unanimous consent that the recommendations of the advisory council on this subject be printed in the RECORD at this point.

There being no objection, the recommendations were ordered to be printed in the RECORD, as follows:

*Actuarial Assumptions and Methodology*

7. *Earnings Assumption.*—The Council recommends that the actuarial cost estimates for the cash benefits program be based—as the estimates for the hospital insurance program now are—on the assumptions that earning levels will rise, that the contribution and benefit base will be increased as earnings levels rise, and that benefit payments will be increased as prices rises.

* * * * *

*The Size and Function of the Trust Funds*

10. *Current-Cost Financing.*—The financing of the program should be on a current-cost basis, with the trust funds maintained at a level approximately equal to one year's expenditures.

Mr. MONDALE. According to the Washington Post on October 31 of this year, the conclusions of the social security advisory council also won the support of the Social Security Administration and of the Secretary of Health, Education, and Welfare, Mr. Richardson. I ask unanimous consent to have printed in the RECORD an article entitled "1972 Social Security Dividend Eyed," written by Vincent J. Burke and published in the Washington Post of October 31, 1971.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### 1972 SOCIAL SECURITY DIVIDEND EYED

(By Vincent J. Burke)

Confronted with evidence that cash benefits of the Social Security System are overfinanced for the next 40 years, the Nixon administration is considering asking Congress to declare an election-year dividend.

The dividend could be used up entirely

canceling a major portion—$20 billion a year—of the staggering load of new payroll taxes scheduled to be imposed in the coming decade.

But it seems more likely that political pressures would dictate that a share of the dividend be passed out to beneficiaries in the form of an election-year increase in benefit payments.

The extraordinary plan—which President Nixon probably will find politically irresistible—would produce an actuarial surplus in the Social Security trust fund by shifting the system to a less conservative method of accounting in determining whether the fund is in balance.

### STARTING IN 2010

The new method of accounting would, however, require sharp increases in tax rates, starting in the year 2010, when the present generation of American youth starts going on the benefit rolls.

If the new method should be enacted, and all of the "dividend" applied to erasing future tax increases, it would have this effect on Social Security taxes.

Tax rates—At present employees and their employers each pay 5.2 per cent of covered earnings—and the rate would rise to 7.4 per cent by 1977 under terms of a House-passed Social Security liberalization. If the new accounting method should be enacted, there still would have to be one more quick increase in the tax rate to help cover a deficit in Medicare's hospitalization fund. But then the rate could be frozen for decades at 5.4 per cent.

Taxable earnings—The plan would not prevent a steady rise in the maximum Social Security tax. The amount of earnings subject to tax (now $7,800 and scheduled to rise next year to $9,000) would continue rising in future years. This would be necessary to provide cost-of-living increases for beneficiaries and cover rising hospitalization costs.

### WAYS OF SPENDING

In theory, the "dividend" generated by the shift in accounting methods could be "spent" in three different ways.

1—All of it could be used to provide relief to this generation of workers and businessmen from a portion—$20 billion a year—of the additional Social Security taxes which now confront them in the coming decade. Even if this were done, the payroll tax of every worker and employer would still rise above today's level. But the increase would be much smaller than is now in prospect.

2—All of it could be used to provide an across-the-board increase of close to 50 per cent in cash benefits for the 26 million persons on the rolls (who include 20 million voters over 60). But there seems no chance that the administration or Congress would choose this option, since it would require the quick imposition of a staggering new load of Social Security taxes on every worker and employer and self-employed person covered by the program.

### TWO-WAY ADJUSTMENT

3—A combination prospective tax and immediate benefit adjustment—the option with the greatest political appeal—would permit some increase in the election-year benefit boost of five per cent which the House already has voted to put into effect next July.

Under the present accounting method, the projections indicate that by the end of the decade a worker earning $15,000 might be paying 7.4 per cent of $15,000, or $1,110 in Social Security taxes. Under the new accounting method, this projected tax payment would drop to 5.4 per cent on $15,000, or $810.

The shift to the less conservative accounting method would require these two steps:

1—The pretense would be abandoned that the Social Security System will someday accumulate a gigantic retirement fund to help pay future benefits. As a matter of explicit policy, the retirement fund would operate in the future as it generally has in the past with only enough reserve to pay one year's benefit.

2—Future tax needs for the retirement fund would be projected on the assumption that wages (and prices) will rise, instead of remaining level for the next 75 years, the present conservative assumption.

### BACKED BY COUNCIL

Both steps were unanimously recommended last spring by the Social Security System's advisory council whose members, broadly representative of the public, included spokesmen for business, labor and private insurance companies. Since then, the two-part plan has won the backing of the Social Security Administration and Elliot L. Richardson, Secretary of Health, Education, and Welfare, and is being considered now at the Office of Management and Budget.

The first step is not controversial, but the second is opposed as imprudent by Robert J. Myers, former chief actuary of the Social Security System.

It is the second step that unlocks the door to the actuarial windfall. Because retirement benefits are weighted in favor of low-income workers, rising wages tend to produce a "profit" for the Social Security System over and above the amount needed to pay cost-of-living benefit increases.

Congress has used the profit from past wage rises to periodically liberalize benefits or postpone scheduled rises in tax rates. However, if the new accounting method were adopted, the actuarial profit achieved by projecting future rises in wages would be extracted from the retirement system in one fell swoop.

If these were done, Congress would have to boost current Social Security Tax rates whenever it chose to hike benefits above levels required to keep up with the cost of living. Rising wages could no longer be counted upon to generate profits in the Social Security System for Congress to use in periodically tinkering with liberalizing changes.

### SORT OF PERPETUAL MOTION

Thereafter, if wages continued to rise almost twice as fast as prices (as they generally have in the past), the retirement system could operate for 40 years as a sort of perpetual motion machine. A benefit escalator would automatically boost benefits periodically to offset rises in the cost of living and a wage escalator would increase periodically the amount of wages subject to the payroll taxes. But there would be no need to hike the retirement fund's tax rates until 2010.

This is conceivable only because there will be for 40 years a fairly constant ratio between the number of benefit-collectors (persons over 65) and the number of benefit-payers (persons 20 to 64).

However, starting in or about 2010, this ratio will begin changing radically as the bumper crop of post-World War II babies (today's youth under 26) begins going onto the benefit rolls. Then, the ratio of beneficiaries to taxpayers will rise sharply, requiring tax rates to be set higher, perhaps 25 to 30 per cent.

Presumably, the resistance of the taxpayers would escalate, accordingly. By then, however, persons over 65 would constitute a much greater portion of the voting populace—and would wield proportionately greater political power—than they do today.

### THIRTEEN-MONTH RESERVE

Because it would destroy a fiction that is part of the mythology of Social Security, an announced decision to limit the future size of the retirement fund might trouble some Americans. But "pay-as-you-go" is the practice that has been followed for years. Money currently paid out to beneficiaries comes from taxes currently paid in by workers and employers. The fund now has a reserve big enough to pay only 13 months of benefits.

Myers, a nationally known actuary who developed cost projections for the Social Security System for several decades, objects switching to the rising-wage method of projecting the system's tax needs because it assumes that wages in the future will continue to rise almost twice as fast as prices. (The difference being what economists call "productivity"). Myers says it's imprudent to assume future productivity gains will be anywhere as great as in the past and notes that in the last few years productivity gains have been almost non-existent.

But the proposal has gained support among business and labor representatives in Washington, a development that Rep. John W. Byrnes, of Wisconsin, senior Republican on the House Ways and Means Committee, finds deplorable, but understandable.

"The business guy thinks if he can postpone his taxes, that's great," Byrnes said. "And labor unions want to avoid payroll tax increases and raise benefits by taxing money out of general revenues, making the system a welfare hybrid.

"The attitude seems to be that if we can postpone the day of reckoning, let's do it. Let somebody else worry about it. We have become a soft society. We want our cake and let's not pay for it."

Mr. MONDALE. Mr. President, by the end of 1971, the social security trust fund will have a reserve of about $41 billion—more than the cost of supporting the system for 1 year. Moreover, the trust funds are generating surpluses, for the reasons just noted. Therefore, it is hard to see what harm can come from deferring next year's $3 billion tax increase.

This is not the only change that needs to be made in financing social security. The payroll tax is one of our most regressive taxes. It falls disproportionately on lower- and middle-income workers. The rapid increase in social security taxes—they are now the second largest source of Federal revenue—highlights the need for comprehensive reform.

Mr. President, earlier this year the distinguished Senator from Maine (Mr. MUSKIE) and I introduced a measure to fundamentally reform and revise our present method of funding and financing social security benefits. I ask unanimous consent to have printed in the RECORD the measure which Senator MUSKIE and I introduced, together with selected editorial comments in support of that proposal, and more particularly in support of the need for a fundamental reform in the financing of social security.

There being no objection, the bill and editorials were ordered to be printed in the RECORD, as follows:

### S. 2656

A bill to amend chapters 2 and 21 of the Internal Revenue Code of 1954, and title II of the Social Security Act, to reduce social security tax rates and provide a new method for their determination in the future, to remove the dollar limitation presently imposed upon the amount of wages and self-employment income which may be taken into account for tax and benefit purposes under the old-age, survivors, and disability insurance system (making allowance for personal income tax exemptions and the low-income allowance in determining such amount for tax purposes), and to increase benefits under such system to reflect the next tax and benefit base

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

### TAX AND BENEFIT BASE

SECTION 1. (a) (1) (A) (i) Chapter 2 of the Internal Revenue Code of 1954 (relating to tax on self-employment income) is amended by inserting immediately after section 1401 the following new section:

"SEC. 1401A. DEFINITION OF SOCIAL SECURITY INCOME.

"For purposes of this title, the term 'social security income', in the case of any individual with respect to any taxable year, means the wages and self-employment income paid to or derived by such individual in such year, reduced by the sum of—

"(1) the total dollar amount of any personal exemptions to which such individual is entitled for such year under section 151, and

"(2) an amount equal to the low-income allowance which is determined with respect to such individual for such year under section 141(c) (or which would be so determined if such individual were eligible for and claimed the standard deduction under section 141 for such year);

except that with respect to periods before 1972, such term means only the individual's wages and self-employment income as determined under the provisions of sections 3121 (a) and 1402 which were in effect with respect to such periods."

(ii) The heading of section 1402 of such Code (relating to definitions) is amended by inserting "other" before "definitions".

(iii) The table of sections for chapter 2 of such Code is amended by striking out the second item and inserting in lieu thereof the following:

"Sec. 1401A. Definition of social security income.

"Sec. 1402. Other definitions."

(B) Section 1402(b) (1) of such Code (relating to self-employment income) is amended—

(i) by striking out "; and" at the end of subparagraph (E) and inserting in lieu thereof "; or", and

(ii) by striking out subparagraph (F).

(2) (A) Title II of the Social Security Act is amended by inserting immediately after section 210 the following new section:

"DEFINITION OF SOCIAL SECURITY INCOME

"SEC. 210A. For purposes of this title, the term 'social security income', in the case of any individual with respect to any taxable year, means the wages and self-employment income paid to or derived by such individual in such year; except that with respect to periods before 1972, such term means only the individual's wages and self-employment income as determined under the provisions of sections 209 and 211 which were in effect with respect to such periods."

(B) Section 211(b) of such Act is amended—

(i) by striking out "; and" at the end of subparagraph (E) and inserting in lieu thereof "; or", and

(ii) by striking out subparagraph (F).

(b) (1) (A) Section 3121(a) (1) of the Internal Revenue Code of 1954 (relating to definition of wages) is amended to read as follows:

"(1) that part of the remuneration, received by an individual during any payroll period, which is equal to the number of withholding exemptions claimed by such individual under chapter 24 with respect to such payroll period multiplied by the amount of one such exemption as shown in the table in section 3402(b) (1); except that this paragraph shall not apply in determining an individual's 'wages' for purposes of the tax imposed on employers with respect to wages received by such individual under section 3111 (a)".

(B) Section 3122 of such Code (relating to Federal service) is amended by striking out the second sentence.

(C) Section 3125 of such Code (relating to returns in the case of governmental employees in Guam, American Samoa, and the District of Columbia) is amended by striking out the last sentence of subsection (a), the last sentence of subsection (b), and the last sentence of subsection (c).

(D) Section 6413(c) (1) of such Code (relating to special refunds of certain employment taxes) is amended—

(i) by striking out "or (E) during any calendar year after the calendar year 1971, the wages received by him during such year exceed $9,000,"; and

(ii) by striking out ", or which exceeds the tax with respect to the first $9,000 of such wages received in such calendar year after 1971".

(E) Section 6413(c) (2) (A) of such Code (relating to applicability in case of Federal employees) is amended by striking out "$7,800 for the calendar year 1968, 1969, 1970, or 1971, or $9,000 for any calendar year after 1971," and inserting in lieu thereof "or $7,800 for the calendar year 1968, 1969, 1970, or 1971,".

(F) Section 6654(d) (2) (B) of such Code (relating to failure by individual to pay estimated income tax) is amended to read as follows:

"(B) The term 'adjusted self-employment income' means the net earnings from self-employment (as defined in section 1402(a)) for the months in the taxable year ending before the month in which the installment is required to be paid."

(2) (A) Section 209(a) of the Social Security Act is amended by striking out paragraph (6).

(B) Section 213(a) (2) of such Act is amended by striking out "$9,000" where it appears in clauses (ii) and (iii) and inserting in lieu thereof "twelve times the second figure specifically set forth in the last line of column III of the table in section 215(a) (as in effect on the last day of the year)".

(C) Section 215(e) (1) of such Act is amended by striking out "the excess of $7,800 in the case of any calendar year after 1967 and before 1972, and the excess of $9,000 in the case of any calendar year after 1971" and inserting in lieu thereof "and the excess of $7,800 in the case of any calendar year after 1967 and before 1972".

(c) The amendments made by subsection (b) (except paragraphs (1) (F) and (2) (A) (ii) thereof) shall apply only with respect to remuneration paid after December 1971. The amendments made by subsection (a) and by subsections (b) (1) (F) and (b) (2) (A) (ii) shall apply only with respect to taxable years beginning after 1971. The amendment made by subsection (b) (2) (C) shall apply only with respect to calendar years after 1971.

### DETERMINATION OF SOCIAL SECURITY TAX RATES

SEC. 2. (a) (1) Section 1401(a) of the Internal Revenue Code of 1954 (relating to rate of tax for purposes of old-age, survivors, and disability insurance) is amended—

(A) by inserting "beginning before January 1, 1972" after "imposed for each taxable year" in the matter preceding paragraph (1);

(B) by adding "and" after the semicolon at the end of paragraph (2);

(C) by striking out "January 1, 1973" in paragraph (3) and inserting in lieu thereof "January 1, 1972";

(D) by striking out "and" at the end of paragraph (3);

(E) by striking out paragraph (4); and

(F) by adding at the end thereof (after and below paragraph (3)) the following:

"and there shall be imposed for each taxable year beginning after December 31, 1971, on the social security income of every individual derived in or attributable to such taxable year, a tax as follows:

"(4) in the case of any taxable year beginning after December 31, 1971, and before January 1, 1975, the tax shall be equal to 4.0 percent of the amount of the social security income for such taxable year; and

"(5) in the case of any taxable year beginning after December 31, 1974, the tax shall be equal to the percentage determined (with respect to such income) under section 3126."

(2) Section 1401(b) of such Code (relating to rate of tax for hospital insurance purposes) is amended—

(A) by inserting "beginning before January 1, 1972" after "imposed for each taxable year" in the matter preceding paragraph (1);

(B) by striking out "January 1, 1973" in paragraph (1) and inserting in lieu thereof "January 1, 1972";

(C) by striking out paragraphs (2) through (5); and

(D) by adding at the end thereof (after and below paragraph (1)) the following:

"and there shall be imposed for each taxable year beginning after December 31, 1971, on the social security income of every individual derived in or attributable to such taxable year, a tax as follows:

"(2) in the case of any taxable year beginning after December 31, 1971, and before January 1, 1975, the tax shall be equal to 1.2 percent of the amount of the social security income for such taxable year; and

"(3) in the case of any taxable year beginning after December 31, 1974, the tax shall be equal to the percentage determined (with respect to such income) under section 3126."

(b) (1) Section 3101(a) of such Code (relating to rate of tax on employees for purposes of old-age, survivors, and disability insurance) is amended—

(A) by striking out "the calendar years 1971 and 1972" in paragraph (3) and inserting in lieu thereof "the calendar year 1971"; and

(B) by striking out paragraphs (4) and (5) and inserting in lieu thereof the following:

"(4) with respect to wages received during the calendar years 1972, 1973, and 1974, the rate shall be 4.0 percent; and

"(5) with respect to wages received after December 31, 1974, the rate shall be the percentage determined (with respect to such wages) under section 3126."

(2) Section 3101(b) of such Code (relating to rate of tax on employees for hospital insurance purposes) is amended—

(A) by striking out "1971, and 1972" in paragraph (1) and inserting in lieu thereof "and 1971"; and

(B) by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) with respect to wages received during the calendar years 1972, 1973, and 1974, the rate shall be 1.2 percent; and

"(3) with respect to wages received after December 31, 1974, the rate shall be the percentage determined (with respect to such wages) under section 3126."

(c) (1) Section 3111(a) of such Code (relating to rate of tax on employers for purposes of old-age, survivors, and disability insurance) is amended—

(A) by striking out "the calendar years 1971 and 1972" in paragraph (3) and inserting in lieu thereof "the calendar year 1971"; and

(B) by striking out paragraphs (4) and (5) and inserting in lieu thereof the following:

"(4) with respect to wages paid during the calendar years 1972, 1973, and 1974, the rate shall be 5.2 percent; and

"(5) with respect to wages paid after December 31, 1974, the rate shall be the percentage determined (with respect to such wages) under section 3126."

(2) Section 3111(b) of such Code (relating to rate of tax on employers for hospital insurance purposes) is amended—

(A) by striking out "1971, and 1972" in paragraph (1) and inserting in lieu thereof "and 1971"; and

(B) by striking out paragraphs (2) through (5) and inserting in lieu thereof the following:

"(2) with respect to wages paid during the calendar years 1972, 1973, and 1974, the rate shall be 1.2 percent; and

"(3) with respect to wages paid after December 31, 1974, the rate shall be the percentage determined (with respect to such wages) under section 3126."

(d)(1) Subchapter C of chapter 21 of such Code (general provisions relating to taxes on employees and employers under Federal Insurance Contributions Act) is amended by redesignating section 3126 as section 3127 and by inserting after section 3125 the following new section:

"SEC. 3126. DETERMINATION OF TAX RATES.

"(a) INITIAL DETERMINATION OF RATES.—On or before October 1, 1974, the Secretary or his delegate and the Secretary of Health, Education, and Welfare shall jointly estimate and determine (in acordance with subsection (c))—

"(1) the rates of tax under sections 1401(a), 3101(a), and 3111(a) which would be required in current prices, for the five-year period beginning January 1, 1975, and for each subsequent five-year period beginning on or before January 1, 2045, to assure that social security revenues for the five-year period involved will be equal to social security expenditures for such period and that the total amount in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund will not be less at the end of such five-year period (assuming the continuation of the current method of allocation between such Funds) than 90 percent of the estimated amount of the social security expenditures to be made during the first year of the immediately following five-year period; and

"(2) the rates of tax under sections 1401(b), 31u1(b), and 3111(b) which would be required in current prices, for the five-year period beginning January 1, 1975, and for each subsequent five-year period beginning on on before Juanary 1, 1995, to assure that hospital insurance revenues for the five-year period involved will be equal to hospital insurance expenditures for such period and that the total amount in the Federal Hospital Insurance Trust Fund will not be less at the end of such five-year period than 90 percent of the estimated amount of the hospital insurance expenditures to be made during the first year of the immediately following five-year period.

"(b) PERIODIC REVIEW OF RATES.—On or before October 1, of 1979 and of each fifth year thereafter (up to October 1, 2044, in the case of rates specified in subsection (a)(1), and up to October 1, 1994, in the case of the rates specified in subsection (a)(2)), the Secretary or his delegate and the Secretary of Health, Education, and Welfare shall jointly review the rates of tax determined under subsection (a) for the five-year period beginning on the following January 1. If in their judgment any of the rates as so determined do not give the assurance required by subsection (a) they shall jointly redetermine such rates in the manner provided by such subsection; and such redetermination shall supersede the estimate and determination made with respect to such rates for the five-year period involved under subsection (a).

"(c) METHOD OF DETERMINATION.—The rates of tax determined under subsection (a) or (b) with respect to any calendar year in a given five-year period shall be such that—

"(1) the total revenue received in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as a result of the tax under section 3101(a) with respect to wages received during such calendar year will be the same as the total revenue received in such Trust Funds as a result of the tax under section 3111(a) with respect to wages paid during such calendar year;

"(2) the total revenue received in the Federal Hospital Insurance Trust Fund as a result of the tax under section 3101(b) with respect to wages received during such calendar year will be the same as the total revenue received in such Trust Fund as a result of the tax under section 3111(b) with respect to wages paid during such calendar year; and

"(3) the rates of the taxes under sections 1402(a) and 1402(b) on social security income derived in or attributable to taxable years beginning in (or with the first day of) such calendar year are equal to the rates of the taxes under sections 3101(a) and 3101(b), respectively, with respect to wages received during such calendar year.

"(d) DEFINITIONS.—For purposes of this section—

"(1)(A) the term 'social security revenues' means all amounts appropriated to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund under section 201 (a) and (b) of the Social Security Act, plus all interest and proceeds from sales and redemptions credited to such Trust Funds under section 201(f) of such Act, plus any other amounts (including amounts described in sections 201(g), 217(g), 218(h), and 228(g) of such Act) which may be appropriated or transferred to or deposited in such Funds in accordance with any provision of the Social Security Act or of any other law;

"(B) the term 'social security expenditures' means all benefit payments made from such Trust Funds (as described in section 201(h) of such Act) under sections 202, 223, and 228 of such Act, plus all administrative expenses incurred in connection with the payment of such benefits or otherwise incurred in connection with the programs involved, plus any other amounts which may be transferred from or expended out of such Funds in accordance with any provision of the Social Security Act or of any other law;

"(2)(A) the term 'hospital insurance revenues' means all amounts appropriated to the Federal Hospital Insurance Trust Fund under section 1817(a) of the Social Security Act, plus all interest and proceeds from sales and redemptions credited to such Trust Fund under section 1817(e) of such Act, plus any other amounts which may be appropriated or transferred to or deposited in such Fund in accordance with any provision of the Social Security Act or of any other law; and

"(B) the term 'hospital insurance expenditures' means all benefit payments made from such Trust Fund under part A of title XVIII of such Act, plus all administrative expenses incurred in connection with the payment of such benefits or otherwise incurred in connection with the program under such part A, plus any other amounts which may be transferred from or expended out of such Fund in accordance with any other provision of the Social Security Act or of any other law.

"(e) ROUNDING.—Each rate of tax determined under subsection (a) or (b) shall be rounded to the nearest .1 percent (or to the next higher .1 percent if it is a multiple of .05 but not of .1).

"(f) PUBLICATION AND EFFECTIVE DATE OF NEW RATES.—Upon determining under subsection (a) or (b) the rates of tax to be imposed under sections 1401, 3101, and 3111 during any five-year period, the Secretary or his delegate (on or before October 1 of the calendar year in which the determination is made) shall publish such rates in the Federal Register; and, if any such rate as so determined for such five-year period is different from the corresponding rate for the year in which the determination is made, he shall also publish in the Federal Register the actuarial assumptions and methodology used in making the estimates and determinations involved. The rates as so published shall be effective—

"(1) in the case of the tax under section 1402, with respect to taxable years beginning in (or with the first day of) the five-year period with respect to which the determination is made.

"(2) in the case of the tax under section 3101, with respect to wages received during such five-year period, and

"(3) in the case of the tax under section 3111, with respect to wages paid during such five-year period."

(2) The table of sections for subchapter C of chapter 21 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 3126. Determination of tax rates.
"Sec. 3127. Short title."

(e)(1) Chapter 2 of such Code (relating to tax on self-employment income) is amended by redesignating section 1403 as section 1404, and by inserting after section 1402 the following new section:

"SEC. 1403. CREDIT FOR TAX ON WAGES.

"(a) IN GENERAL.—The amount of tax deducted under section 3102 from the wages of any individual shall be allowed to the recipient of such wages as a credit against the tax imposed by section 1401.

"(b) YEAR OF CREDIT.—The amount so deducted during any calendar year shall be allowed as a credit for the taxable year beginning in such calendar year. If more than one taxable year begins in a calendar year, such amount shall be allowed as a credit for the last taxable year so begnning."

(2) The table of sections for chapter 2 of such Code is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 1403. Credit for tax on wages.
"Sec. 1404. Miscellaneous provisions."

(f) The amendments made by this section shall apply only with respect to taxable years beginning after December 31, 1971, and with respect to wages received or paid after December 31, 1971.

### BENEFITS RESULTING FROM INCREASE IN TAX AND BENEFIT BASE

SEC. 3. (a) Section 215(a) of the Social Security Act is amended by adding at the end thereof (after the table of benefits) the following new paragraph:

"In order to reflect in the computation of benefits any social security income in excess of the maximum amount specifically set forth in column III of the preceding table, the Secretary shall determine, keep current, and publish in the Federal Register a revision of such table, extending columns III, IV, and V in the manner provided in this paragraph. The amounts on each additional line of column III shall be the amounts on the preceding line increased by $5 until the second figure in the last such additional line of column III is equal to the second figure in the last line of such column as specifically set forth in the table plus one-twelfth of $10,000. The amount on each additional line of column IV, up to and including the line on which in column III appears the figure most nearly equalling the second figure in the last line of such column as specifically set forth in the table plus one-twelfth of $5,000, shall be equal to the amount on the preceding line (in column IV) increased by an amount (per dollar of difference between the second figure in column III on such additional line and the second figure in column III on the preceding line) equal to one-half of the amount (per dollar of difference between the second figure in the last line of column III as specifically set forth in the table and the second figure in the next-to-last line of such column) by which the last figure specifically set forth in column IV of the table exceeds the next-to-last figure specifically set forth in such column; and the amount on each remaining additional line of column IV shall be equal to the amount on the preceding line (in column IV) increased by an amount (per dollar of difference between the second figure in column III on such additional line and the second figure in column III on the preceding line) equal to one-fourth of the amount (per dollar of difference between the second figure in the last line of column III as specifically set forth in the table and the second figure in the next-to-last line of such column) by which the last figure specifically set forth in column IV of the table exceeds the next-to-last figure specifically set forth in such column. The amount on each additional line of column V shall be equal to 1.75 times the amount on the same line of column IV. Any amount determined under the preceding provisions of this paragraph which is not a multiple of $0.10 shall be increased to the next higher multiple of $0.10. For purposes of the first sentence of this subsection and section 203 (a), and for all other purposes of this title, the extension of the table as determined and published in the Federal Register at any given time under this paragraph shall be deemed to be a part of such table as in effect at such time."

(b) The amendment made by subsection (a) shall apply with respect to monthly insurance benefits payable under title II of the Social Security Act for months after December 1971, and with respect to lump-sum death payments under such title in the case of deaths occurring after December 1971.

### TECHNICAL AND CONFORMING AMENDMENTS TO SOCIAL SECURITY ACT

SEC. 4. (a) The following provisions of title II of the Social Security Act are amended by striking out "wages and self-employment income" each place it appears and inserting in lieu thereof "social security income":

1) Subsection (h) of section 201.

(2) Subsection (b)(1)(B), (d)(1) (last sentence), (d)(2), (d)(6), (e)(1) (C) and (D), (e)(4), (e)(5), (f)(1)(C), (f)(5), (f)(6), (g)(1) (D) and (F)(iii), (g)(1) (last sentence), (h)(2) (B) and (C), (i) (third sentence), (k)(1), (k)(2)(A), (l), (m), (n)(1), (q)(4)(B), (q)(5) (A)(ii) and (D), (q)(7) (B) and (C), (t)(4) (A), (B), and (D), (t)(5), (t)(6), and (v) of section 202.

(3) Subsections (a), (b), (c)(4), (d)(1), (f)(1), (f)(7), (h)(1)(B), (h)(3), and (i) of section 203.

(4) Subsections (a)(1) and (d) of section 204.

(5) Subsections (c)(2), (c)(6), and (o) of section 205.

(6) Subsection (1)(4)(B) of section 210.

(7) Subsection (g)(2) of section 215.

(8) Subsection (h)(1)(B) of section 216.

(9) Subsection (a)(1), (a)(2), (b)(2), (e)(1), (e)(2), and (f)(1) of section 217.

(10) Subsection (b)(3) of section 222.

(11) Subsection (a)(1) of section 224.

(12) Subsections (a)(6), (a)(7), (a) (last two sentences), (d), (e), (f)(1), and (g) of section 224.

(13) Section 225.

(14) Subsection (a) of section 229.

(b)(1) Section 201(a)(4) of such Act is amended—

(A) by inserting "or social security income (as defined in section 1401A of such Code)" immediately before "reported";

(B) by striking out ", which self-employment income" and inserting in lieu thereof "or social security income, which self-employment income or social security income"; and

(C) by striking out "records of self-employment income" and inserting in lieu thereof "records of self-employment income and social security income."

(2) Section 201(b)(2) of such Act is amended—

(A) by striking out "self-employment income (as so defined)" in clause (D) and inserting in lieu thereof "self-employment income (as so defined) or social security income (as defined in section 1401A of such Code)"; and

(B) by striking out "records of self-employment income" and inserting in lieu thereof "records of self-employment income and social security income."

(c) Section 202(u)(1) of such Act is amended by striking out "there shall not be taken into account" and all that follows and inserting in lieu thereof "there shall not be taken into account any social security income of such individual or any other individual which is derived in or attributable to a taxable year in which such conviction occurs or any prior taxable year."

(d)(1) Section 205 (c)(2) of such Act is amended by inserting "and other social security income" after "self-employment income" where it first appears.

(2) Section 205(c)(3) of such Act is amended by inserting "or other social security income" after "self-employment income" each place it appears.

(3) Section 205(c)(4) of such Act is amended—

(A) by striking out "wages or self-employment income" each place it appears in the matter preceding subparagraph (A) and inserting in lieu thereof "wages or self-employment income, or other social security income,";

(B) by inserting "or other social security income" after "self-employment income" in subparagraph (A);

(C) by striking out "self-employment income" the first two places it appears in subparagraph (C) and inserting in lieu thereof "social security income other than wages"; and

(D) by striking out "self-employment income" the last two places it appears in subparagraph (C) and inserting in lieu thereof "social security income".

(4) Section 205(c)(5) of such Act is amended—

(A) by inserting "or other social security income" after "self-employment income" where it first appears;

(B) by striking out "wages or self-employment income" each place it appears in the matter preceding subparagraph (A) and inserting in lieu thereof "social security income";

(C) by inserting "or other social security income" after "self-employment income" in subparagraph (B);

(D) by striking out "self-employment income" in subparagraph (F) and inserting in lieu thereof "social security income other than wages"; and

(E) by striking out "wages or self-employment income" in subparagraph (G) and inserting in lieu thereof "social security income".

(e) Section 208(a) of such Act is amended by redesignating paragraph (3) as paragraph (4), and by inserting after paragraph (2) the following new paragraph:

"(3) whether other social security income was derived, or the amount of such income or the period during which it was derived or to which it is attributable, or the person by whom it was derived; or".

(f) Section 212 of such Act is amended—

(1) by striking out "SELF-EMPLOYMENT INCOME" in the heading;

(2) by striking out "self-employment income derived during any taxable year" in the matter preceding subsection (a) and inserting in lieu thereof "social security income (other than wages) derived in or attributable to any taxable year"; and

(3) by striking out "self-employment income" in subsections (a) and (b) and inserting in lieu thereof "social security income (other than wages)".

(g) Section 213(a)(2) of such Act is amended—

(1) by striking out "self-employment income" in the matter preceding clause (i) and inserting in lieu thereof "social security income (other than wages)": and

(2) by striking out "has self-employment income for a taxable year" and inserting in lieu thereof "for a taxable year has social security income (other than wages)".

(h)(1) Section 215(b)(1)(A) of such Act is amended by striking out "his wages paid in and self-employment income credited to" and inserting in lieu thereof "; social security income credited to".

(2) Section 215(b)(2)(B) of such Act is amended by striking out "the total of his wages and self-employment income" and inserting in lieu thereof "; social security income".

(3) Section 215(f)(2) of such Act is amended by striking out "wages or self-employment income" and inserting in lieu thereof "social security income".

(i) Section 1870 of such Act is amended by striking out "wages and self-employment income" where it appears in subsections (b)(4), (e)(2), (e)(3), and (e)(4) and inserting in lieu thereof "social security income".

(j) Whenever the term "wages and self-employment income" is used in any other provision of law or any regulation or document, with respect to the insurance system established by title II of the Social Security Act or the coverage of any individual thereunder, such term shall be construed to mean "social security income" as defined in section 210A of the Social Security Act and section 1401A of the Internal Revenue Code of 1954.

(k) This section, and the amendments made by this section, shall take effect January 1, 1972.

### TECHNICAL AND CONFORMING AMENDMENTS TO INTERNAL REVENUE CODE OF 1954

SEC. 5. (a)(1) The heading of chapter 2 of the Internal Revenue Code of 1954 (relating to tax on self-employment income) is amended by striking out "SELF-EMPLOYMENT INCOME" and inserting in lieu thereof "SOCIAL SECURITY INCOME".

(2) The table of chapters for subtitle A of such Code (relating to income taxes) is amended by striking out the item relating to chapter 2 and inserting in lieu thereof the following:

"CHAPTER 2. Tax on social security income."

(b) Section 1402(h)(1)(B) of such Code (relating to exemption for members of certain religious faiths) is amended by striking out "wages and self-employment income" each place it appears and inserting in lieu thereof "social security income".

(c) Section 1403(a) of such Code (relating to title of chapter) is amended by striking out "Self-Employment" and inserting in lieu thereof "Social Security".

(d) The amendments made by this section shall take effect January 1, 1972.

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[From Christian Science Monitor,
Nov. 2, 1971]

### FINANCING SOCIAL SECURITY

President Nixon's tax bill and congressional response to it recognize the need to spur the lagging economy by means of personal and corporate tax cuts. But in this context, there is an apparent inconsistency in the fact that social security payroll taxes, scheduled to go up as of Jan. 1, 1972, will siphon $5.2 billion more out of workers' paychecks.

The contradiction inherent in cutting income taxes simultaneously while raising payroll taxes has been noted by many economists and congressmen. To correct it, the Joint Economic Committee has proposed that the 1972 increase be postponed until January,

1973. This makes good economic sense, and it should be done.

However, the fact that another $5.2 billion is to be taken mainly from the paychecks of low- and middle-income workers raises further questions about the social security system.

To achieve this added income, Congress rewrote the withholding schedule last March so that the wage base on which the tax is assessed will go up from $7,800 to $9,000, with employer and employee each contributing 5.2 percent of the worker's salary. Under this schedule, the maximum tax on a worker would rise from $405.60 to $468. Future increases, already scheduled under the same law, would bring the employer-employee contribution up to 6.05 percent each, for a maximum worker contribution of $544.50 by 1987. These figures do not include other possible increases that might be written into the welfare reform bill in its final form. In the House version of that bill, passed in June, the taxable base would rise to $10,200 with a maximum 7.4 percent deduction by 1987. And that could go up still further, if a clause guaranteeing cost-of-living increases is retained.

Such snowballing of social security taxes over the years has raised total collections from $765 million in 1937, the first collection year, to $43 billion in 1971. If HR–1 were passed as written, the amount would reach $51.5 billion in 1973.

Critics of the payroll tax argue with reason that most of this increase has fallen on the low- to middle-income taxpayer. In so doing, it has pretty much offset efforts to cut the federal tax burden on this same class of earners. Unlike the progressive income tax, the withholding tax has a cutoff ceiling. Its effect is thus regressive. Lower-income workers depend more heavily on that first $7,800 or $10,200 than do higher-income people.

This anomaly has been noted by as nonpartisan a group as the respected Brookings Institution, which has proposed several ways by which social security financing could be subsidized from general revenues.

Another approach is reflected in a bill (S 2654) introduced by Senators Muskie and Mondale. They would make the system more progressive in effect by eliminating the taxable wage ceiling and allowing the same exemptions as are allowed for personal income taxes. The two Democratic senators would also allow a deduction equal to the low-income allowance, which exempts poor persons from income taxes. Employer contributions would remain equal to the employees' share, reflecting all exemptions. And the tax rate would be adjusted to maintain an annual balance between income and outgo.

Faced with the need to increase social security funding from one direction or the other, Congress is going to have to make some hard political choices. Strong opposition can be expected to the Muskie-Mondale proposal from Republicans and business interests, who resist the idea of transferring the principle of progressive taxation to the social security system. At the same time, this sector will likely favor the pay-as-you-go aspect of the two Democratic senators' bill. As for the Brookings Institution proposals to shift all or part of the costs of social security over to the general revenue budget, this is likely to prove little more palatable than a graduated payment system with no cutoff point for higher-income earners.

In weighing the options, one key fact should be kept in mind. Contrary to the belief of many Americans that they are putting aside dollars for their own retirement through payroll taxes—which is the way the system was originally designed—most of the money withheld from payrolls for social security is being dispensed to current recipients.

In effect, instead of saving for his own retirement the young working taxpayer is supporting his retired parents through a government-controlled system, rather than maintaining them at home as used to be the case. This means that the "trust fund" aspect of social security, based on a "save for tomorrow" philosophy, has given way to something more closely resembling the welfare or guaranteed minimum income systems which other countries fund out of general revenues. While this may be regrettable in some respects, there is an element of equity in it. Today's retirees, who put aside their payroll taxes in good faith that these funds would carry them through their autumn years, have had their savings eroded by an inflation in large part caused by policies pursued by their progeny. They deserve compensation through benefits geared to today's costs. That obligation should spur Congress to find an acceptable formula for getting the job done.

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[From the Washington Post, Oct. 6, 1971]

### WHO SHOULD PAY FOR SOCIAL SECURITY?

Senators Muskie and Mondale have introduced a bill which raises a fundamental economic issue: Who should pay for social security? The senators allege that the vast social security system is not only inadequately, but extremely unfairly financed: too much of the burden falls on the low and moderate wage earners. We agree and we commend them for their courage in plunging into the thicket of social security finance to try to focus national attention on this thorny but vital question.

Although almost everyone is now covered by social security, there is surprisingly little public concern about the taxes that pay for the system. Ask even a quite knowledgeable person to name the second laregst source of federal tax revenue and he is likely to hesitate. He knows the largest source is the personal income tax. The second largest source, he guesses bravely, must be the corporate income tax. Wrong. A glance at the federal budget reveals that the second largest revenue item is "social insurance taxes and contributions," scheduled to bring in nearly $50 billion in fiscal year 1972, one quarter of all federal revenue and substantially more than the corporate income tax.

At this point the knowledgeable person may protest that the social security payment is an insurance premium, not a tax. Perhaps, but it is a compulsory premium, deducted from one's paycheck just as the income tax is. Moreover, there is no close relationship between social security benefits received and the amount a particular individual has contributed. Under the law millions of people receive social security benefits who have made little or no contribution and all current beneficiaries receive benefits substantially in excess of the value of their past payments. It is time to stop pretending that the federal government just happens to be running an insurance company and face the fact that, like all civilized countries, we have a national pension system under which the working population pays taxes to support a decent level of living for those past working age. Once the problem is put that way, without the confusion of the tenuous insurance analogy, it clearly makes sense to ask, not only whether the benefits are indeed adequate, but whether the tax burden is equitably distributed.

If an "equitable" tax is one that relates an individual's contribution to his ability to pay, the social security payroll tax gets low marks for equity. Everyone pays a flat 5.2 per cent of his earnings up to $7,800 and his employer puts in a like contribution. There are no exemptions, everyone pays on the first dollar of earnings including the very poor. A large family pays the same tax as the small one with the same earnings. Since no one pays on earnings over $7,800, people with high salaries pay a smaller proportion of their earnings than people with low salaries.

Senator Muskie attempted to dramatize the problem for an Iowa audience recently with an example. "A dishwasher in Sioux City takes home $70 a week. He puts 5.2 per cent of that into social security—and he can't afford to buy a bike for his daughter. Across town, the corporate executive with $40,000 income just bought his son a new car. He's not worried about the social security tax . . . because that tax doesn't apply to any income over $7,800." That certainly does not sound very fair and one might wonder why liberal politicians have been so slow in pointing it out.

There are at least three reasons why the inequities of the payroll tax have received so little notice. First, the tax did not start out so inequitably. When it was enacted in the 1930's it applied to earnings up to $3,000, which in those days included 95 per cent of the earnings of those covered by the system. The ceiling has risen, but not as fast as average earnings, with the result that an increasing share of the burden has gradually been shifted to those in the lower part of the income distribution. Second, the payroll tax is much bigger than it used to be, both absolutely and relative to the income tax. Over the past few years income tax rates have come down while payroll tax rates have gone up; an increasing proportion of the total tax burden is being carried by the less equitable tax. Third, liberals have been reluctant to criticize the payroll tax because, with all its faults it has proved such an easy and publicly acceptable way to raise the revenue needed to support the social security system.

Senators Muskie and Mondale are not proposing to do away with the payroll tax—just to make it less burdensome to low and middle income earners. Their bill would remove the $7,800 ceiling on earnings subject to tax, and permit some exemptions from taxable earnings to relieve the burden on low-earners and people with dependents.

If the rate were kept at the present 5.2 per cent with the proposed changes, most taxpayers (63 million of them) would pay less and about 8 million people with high earnings would pay more.

The two senators may not have hit on the optimum formula, but they are certainly heading down the right track. We are glad they have raised the issue of social security finance and turned the spotlight on the shocking unfairness of throwing an increasing share of the burden of paying for social security on those least able to afford it. We hope their proposal will receive the serious attention it deserves.

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Mr. MONDALE. But our proposal today to postpone the increase in the social security tax base is a much more modest one. It would bring some tax relief to the middle-income taxpayer, and increase the likelihood that consumer spending would regain its strength and promote economic recovery. At the same time it avoids the further dissipation of badly needed Federal revenue.

Postponing the increase in the social security tax base will give us time to consider important changes in the financing of social security.

As I have mentioned, the bill which Senator Muskie and I have introduced does propose major changes in social security financing. It is aimed at promoting the principles of equity and progressivity in social security taxation. The present system of taxation, at a flat rate, places a crushing burden on the low- and middle-income wage earner. A delay in the tax base increase should give us time to develop a social security tax system providing the progressive features we have come to expect in other tax areas.

I would hope we could delay this tax increase for an additional year, and use the time for a review of the present, I think, indefensible taxing system.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. PASTORE. What concerns me is, what will happen in the likelihood we decide to raise social security benefits, which I think is the important thing?

If we want to put money in the hands of people who are going to spend it, I know from my own experience that people on social security are having a hard job of it to get by. Of course, we keep promising that we are going to do it next year; we are going to do it later on. The big question is can we afford to postpone the payment of the contribution of industry, where we have provided a 7-percent investment tax credit, and we have already passed the ADR, which are two great boons for business. Now, on top of all this, we are going to forego their responsibility to pay into this social security fund? It is also a fact that people who are employed are in a better position to pay toward social security than those who are collecting it, for the simple reason that the latter have reached an age where they had to leave their jobs.

My big question at the moment is, Are we not better off if we increase the benefits now, rather than forego the payment into the fund?

Mr. MONDALE. I thank the Senator. I recall the question, because it is the same question that the Senator from Rhode Island put to Walter Heller the other day.

Mr. PASTORE. I raised it in committee, that is right.

Mr. MONDALE. I would give the same answer Mr. Heller gave, and that is that we can do both. It is not a question of being restricted to one or the other. We can delay the imposition of the social security tax increase, which amounts to about $3 billion, and achieve the results to which I have made reference earlier in my remarks, and we can also, and I think should, increase social security benefits.

The Senator from Rhode Island knows that I have joined with him and many others in this body in urging liberalization of benefits for those eligible under social security. I refer the Senator to a table which I introduced earlier, which shows that in 1971 there is a residual of $41 billion in the social security fund; that builds to $48 billion in 1972, $61 billion in 1973, $76 billion in 1974, and $93 billion, under present law, in 1975.

So there are adequate funds to liberalize benefits and also to delay for a single year—and that is all this amendment would do; it does not reform the social security financing system—the increase in social security taxes.

I would like to see the financing system reformed, and I hope it will be. But this amendment simply delays for a single year the $3-billion input into that fund.

Mr. PASTORE. I have been told by the staff of the Committee on Finance—and I am only repeating what has been said to me—that under the bill that was sent from the House of Representatives over here, H.R. 1, which contained this increase in benefits, plus special benefits for widows, children, and so forth, we will have to increase social security tax payments.

There seems to be an inconsistency here. The Senator from Minnesota says we can do both, and I am told we cannot even raise the benefits without raising the tax. I would like to have this explained.

My point is that if we want to place money into the hands of people who will spend it and do it immediately, I say, let us pull out from H.R. 1 that social security aspect, and do it now, then I think we would be a lot better off, because what the Senator is doing is forgoing the obligation on the part of the people who can afford to pay it as against the people who, if they got the money, would have to spend it. I do not know of anyone on social security, really, who saves any money.

Mr. MONDALE. I agree with the Senator from Rhode Island. But the Senator's question asumes that we cannot raise social security benefits. I disagree. I think we can. That is what I think Walter Heller said the other day, and I think we could have both and ought to have both.

There is another feature to this particular proposal, in that it decreases the cost of employment, so that, in addition to stimulating the economy, it makes it less expensive to hire labor, and that contributes to the incentives by reducing unemployment.

If it were a question of forgoing social security benefits, I would be opposed to this amendment. I think there is no such conflict. I think we could and should have both.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. LONG. Mr. President, I am not sure which approach the Senator wants to use; but if one proceeds on the assumption that social security revenues ought every year to bring in just enough money to pay for the benefits that are paid out, on a cash-in and cash-out basis, then the amount of social security increases in the bill that the House has sent us—and I might mention that the Senate approved almost everything in that bill last year by a vote of 81 to 0—would completely wipe out any excess in that fund.

The Senate is always of a disposition—I have never seen it fail, and I do not think I will find the Senate voting any differently in the future—to put on benefits in addition to what the House passes, for no better reason than the House has a closed rule and the Senate does not. Senators can offer their individual suggestions, and some will be appealing and will muster a majority vote. So there is no doubt in my mind, and I think the Senator from Minnesota will agree with me, that when social security legislation next comes up in the Senate, this body will vote for benefits that exceed what the House passed.

If that is the case, even to do what the Senate has already approved unanimously last year and what the House has already sent over in H.R. 1 would more than wipe out any excess in the trust funds.

Does the Senator propose that we finance the benefits that the House has already proposed, and which have already passed the Senate by unanimous vote last year, by depleting the social security fund and postponing the day when we have to raise taxes, or does he propose to finance the benefits simply by running a deficit until the fund is all gone?

Mr. MONDALE. I think there is a question of how we look at the fund. If we look at it in the conservative actuarial basis that many do, and try to be ready for some sort of deficit in the year 2010, I suppose that makes a point. But as I have shown all the experts think that this is the wrong way to view the fund. The truth is that we have a surplus in the fund of $41 billion right now. My amendment affects for only a single year the amount of the surplus flowing in the fund. We can easily delay this increase for a year, help the economy, and increase social security benefits at the same time.

Mr. LONG. That $41 billion is not a surplus: it is the trust fund itself.

Mr. MONDALE. Yes. But it depends on how we look at that fund. I think there is a great need to examine the fund and to reform it along the lines which the Senator from Maine and I suggested in the bill we introduced earlier this year. There is no question of depleting the fund. But it is wrong to build up unnecessary surpluses with unnecessary taxes which hit working people particularly hard.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. MONDALE. I yield.

Mr. RIBICOFF. May I have the attention of the distinguished chairman at the same time, for some inquiries I would like to make?

What would the cost of the Senator's amendment be to the fund?

Mr. MONDALE. Approximately $3 billion.

Mr. RIBICOFF. And what would be the impact of the Senator's amendment on the medicare fund?

Mr. TALMADGE. $400 million.

Mr. RIBICOFF. Would the distinguished chairman enlighten us as to the status of the medicare fund today? Do we have a surplus?

Mr. TALMADGE. It will be broke in 1974.

Mr. LONG. It is in a deficit position, and it will completely run out of funds in 1974.

Mr. RIBICOFF. In other words, if the amendment of the distinguished Senator from Minnesota were adopted, not only would it have an effect upon the social security basic fund, but also it would have a deleterious effect on the medicare fund, which is in bad shape.

Mr. LONG. That is correct.

Furthermore, to the extent we reduce taxes now, we will have to raise them by even more later on. What kind of sense does that make?

Mr. RIBICOFF. May I ask this question of the distinguished chairman, with the permission of the distinguished Senator from Minnesota: H.R. 1 contains many provisions affecting social security. Is that not correct?

Mr. LONG. Yes.

Mr. RIBICOFF. It is my understanding that the chairman of the Committee on Finance has assured the majority leader, as well as myself, that as soon as this bill is finished or the beginning of next year, depending upon adjournment, H.R. 1 will be given priority by the distinguished chairman of the Finance Committee. Is that correct?

Mr. LONG. The Senator well knows that we were proceeding on the basis that H.R. 1 was our priority bill for this Congress until the President presented his suggestion that we have this freeze on all prices and wages and that we pass this economic package, which is the pending bill, to try to stimulate the economy. After this bill is behind us, we plan to go back to H.R. 1, and to stay with it until we can complete action on that measure.

Mr. RIBICOFF. In H.R. 1 there are many amendments and revisions to the Social Security Act in its entirety. Is that not correct?

Mr. LONG. The Senator is correct, and I might add that many have already passed the Senate by unanimous vote.

Mr. RIBICOFF. May I also comment to the distinguished Senator from Minnesota—for whom I have the greatest respect as one of the most constructive Senators of this body—that many complicated factors are involved in social security. The Senator is correct in saying that the time has come for a very careful look at social security. I think the Senator is also correct in saying that we have about reached the stage to reexamine some of the basic concepts and structures of the social security system.

But may I point this out to the distinguished Senator: There are many of us who have thoughtful ideas of how the social security fund can best be used. If I may have the permission of the distinguished Senator from Rhode Island, I should like to mention an idea he has which has great merit. The idea is that, instead of excusing the payment of this tax, we should utilize these taxes for the purpose of raising social security benefits.

The distinguished chairman has talked to me about an idea that I think is constructive. As I indicated yesterday, our chairman does have some excellent ideas. The chairman, who is concerned about poverty in this country and is concerned about the working poor—even though his concepts and mine diverge in many instances—has talked with me about a proposal in the case of people who work and do not pay an income tax, because they do not earn enough.

Perhaps we should rebate to them the social security taxes that they pay and that are paid by their employers. Under such a plan a man with two children, married, earning $4,000, who pays no income tax, who has been paying into the fund 5 percent, and whose employer has been paying 5 percent, would be getting $400 a year, in order to try to encourage the working poor to work.

The reason I bring up these two suggestions is that within a few months, we will have on this floor the social security bill. There are enough ideas being advanced, including the thoughts of the distinguished Senator from Minnesota, that it would seem to me that the Finance Committee, when it goes back to marking up H.R. 1, should very seriously take into consideration the concepts of the Senators from Minnesota, Rhode Island, and Louisiana, and many others, including economists such as Prof. Walter Heller, who have felt that the time has come to reexamine the social security fund.

I fear that if the amendment of the distinguished Senator from Minnesota is adopted, we will be making it impossible to do a thorough, constructive job on real social security reform. While I sympathize with the Senator from Minnesota for what he is trying to do, I will find myself constrained to vote against him, because I think he will be setting back social security reform.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG. Mr. President, in line with the point just mentioned by the Senator from Connecticut, we have had a discussion on this matter and it is true, as the Senator has said, that the social security tax hits the low-income worker harder than income tax. The Senator from Connecticut and I have both agreed, and we plan to join next year in offering a proposal which we have been working on which would provide that for persons who do not make enough money to pay an income tax, we will rebate to them or make payment to them—we had in mind not taking it out of the social security fund, but from general revenues—of an amount equal to their social security contribution.

I personally think that we should consider even paying them not only the 5 percent they have contributed, but also the 5 percent contributed on the part of the employer, because that is income generated by those people. We would prefer to pay to these low-income workers the amount of the taxes generated by their work and endeavor, both the employer contribution and the employee contribution, which would increase their income by approximately 10 percent, so that if those people would have that additional amount of money as a work incentive, they would tend to be lifted out of poverty by giving them an amount equal to their social security tax contribution.

That proposal would cost a great deal of money. As a matter of fact, I think the cost involved in the Senator's amendment here may be not quite that much. It would be a great deal of money, but it would be an efficient way to help working people who, through no fault of their own, have to get along on low earnings.

Mr. RIBICOFF. There is pending before Congress and the country the problem of what we will do in the whole field of health care. At this time, none of us knows what form of health care system will be adopted. There is the President's proposal. We have the proposal of the Senator from Massachusetts (Mr. Kennedy) and others, and also the social security bill, H.R. 1, which contains a substantial number of health care reforms, which would have to be cut back if the Mondale amendment were agreed to. Given increased health care costs, a medicare trust fund that will soon be exhausted unless changes are made, and a desire to implement constructive reform along the lines of the suggestions of the Senator from Rhode Island (Mr. Pastore) and the chairman, it would be impractical to accept the amendment of the distinguished Senator from Minnesota.

So, would it be the feeling of the distinguished Senator from Louisiana that, while the amendment offered by the Senator from Minnesota has some merit, it could await 2 more months or so, while we consider various reform proposals?

Mr. LONG. Let me mention two things. First, every bit of money involved in the pending amendment we will be needing for the benefits which the Senate has already indicated by a unanimous vote it is willing to provide, and which the House has also indicated it is willing to provide by sending us H.R. 1. Second, if we want to move in terms of reducing revenues, I think we could draft a much more efficient provision that would be far more helpful to the poor. That is, after all, where we would like to do something if we are going to make reductions in the social security tax picture. I would think we could draft something far more effective for those who need it the most than the bill here would provide.

Our point of view is that, in terms of tax relief, we could provide a far more efficient device to help those who need it the most. On the other hand, I think that all the revenues to the trust fund under present law, and more besides, will be needed to provide a very well merited social security increase, which we intend to recommend to the Senate this coming year. In fact, we would have, probably, voted on it already had it not been for the controversy over the welfare provisions of H.R. 1.

Mr. RIBICOFF. My prediction would be that the Senator from Minnesota would support many of these proposals. He realizes that the benefits will accrue to people who are in the lower ranges of income and those who are retired and now find great difficulty making ends meet in the inflationary economy we now have.

Mr. LONG. Knowing how the distinguished Senator feels toward the aged, the sick, the children, and the poor, my guess is that he will want to do more than we on the committee have recommended, and we have already recommended, which would use up all the trust fund revenues.

Mr. RIBICOFF. If this revenue were lost to the fund, then we would be prevented from pursuing a wide range of alternative social security reform measures.

Mr. LONG. Either that, or we would be placed in what I think is an even more indefensible position: that of having cut taxes that would be triggered in January, and then putting on a tax increase sometime next year. I think the public would not understand why we would vote to cut taxes 1 month and then double them the following month. We would do far better, I think, voting for a more modest tax increase, which is what we will have to do to shore up the medicare trust fund, to provide for a social security benefit increase and to raise widows' benefits, and many other provisions.

Mr. PASTORE. For those of us who are not members of the Finance Committee, and for the benefit of all Senators, my very dear friend from Connecticut, Mr. RIBICOFF, has made a categorical statement that if this amendment proposed by the Senator from Minnesota should carry, it would be impossible next year to do the things that he has been talking about; that is, increasing benefits and doing all the other things which have been recommended by the House-passed bill.

Does the chairman of the Finance Committee agree with him categorically on that statement?

Mr. LONG. Yes, if we are to preserve the fiscal soundness of the trust funds. There is an alternative——

Mr. PASTORE. Either that or we raise taxes.

Mr. LONG. Or deplete the fund. Keep in mind that the amount in the fund now is sufficient to pay out only about 1 year's benefits. It has generally been agreed that we should keep at least 1 year's benefits in the fund, which is about what there is now.

Mr. PASTORE. My inescapable conviction is that if we can do anything today on social security, we should raise the benefits. If we want to put money in the pockets of the people who will spend it, then let us give it to the recipients of social security.

We have already taken care of industry. We did it last night. We gave them ADR's. We are going to give them a 7-percent investment tax credit. We have already provided for the individual taxpayer a dependency allowance of up to $800. However, we have done precious little or nothing for the people over 65 who are on social security.

If we are going to help anyone on social security, let us give it to the people who are poor. They need it. They will spend it. They will not put it in a savings account. They will spend it for rent, food, and clothes.

Mr. LONG. Mr. President, as the Senator knows, there are persons who feel we could reduce the size of the social security trust fund. What I have said is not meant to be critical of the Senators who are for the amendment.

The pending amendment provides a $1.8-billion tax cut for business—the employer share of social security taxes. Practically all of us on this side of the aisle think we have given business enough tax reduction in the bill already. Some feel we have gone too far already. However, as between voting a $1.8-billion tax cut for business or a social security benefit increase, I could not agree with the Senator from Rhode Island more, that those people who have been the most affected by inflation should be the beneficiaries of congressional action.

As between the two, if we have to choose, I would much prefer them to have a 5-percent increase than to reduce social security taxes on employers.

Mr. PASTORE. That is the point I make. When did the House pass their bill?

Mr. LONG. In June, I believe.

Mr. PASTORE. And the House said at that time they were entitled to a 5-percent increase. Here we are. We have not passed the bill in the Senate. Almost 6 months will have passed. I doubt that we will have H.R. 1 passed in the Senate before February. Then we will be in conference. And the people will have been waiting almost a year to get a miserable 5 percent that we promised to them a year ago. If that makes sense, I do not know what does.

Mr. LONG. I agree. The pending amendment would reduce the taxes that would otherwise pay for the 5-percent benefit increase. As between a benefit increase and the alternative of cutting the tax, we would do better to pay the benefits.

Mr. RIBICOFF. Mr. President, if the Senator would yield further, there is nothing to stop us when we pass the social security measure, H.R. 1, from taking into account the delay and establishing a fund to make the social security benefits retroactive. This would allow us to take care of the problem that has been so cogently put by the Senator.

I point out something else. The senior Senator from Louisiana, as I look at the summary of the amendments, has a series of very worthwhile proposals. To me, many of the proposals of the Senator are preferable, from the standpoint of best utilization of available funds, than that of the Senator from Minnesota. I have a fear that if we begin to pass amendments relating to social security in this bill, it will start a runaway Senate which will keep piling one social security amendment on after another. We will then find ourselves in a state of chaos. Then when we begin consideration of H.R. 1, we will perhaps be harpooning the President's family assistance program. So, it would seem to me that to try to write a Social Security Act by a series of amendments now will not make best use of the judgment of the Senate as to how these valuable funds in the social security fund should be expended.

Mr. LONG. Mr. President, in addition to that, when we talk to the House conferees about this measure, if we want to talk about Senate social security proposals, they will say, "Where are our social security proposals? We are the House which is supposed to initiate revenue bills. We sent you a bill 6 months ago. Where is it?"

That committee is headed by Representatives MILLS and BYRNES. They have a way of being so insistent as to be almost insulting about this kind of thing, when we propose to lift out some item about which they have given us a comprehensive suggestion.

This will happen when we want to talk about our suggestions rather than talking about the package they sent us.

I feel that this is not the appropriate time to consider or propose social security measures.

We are going to need all this revenue and a lot more to do the things that I am positive the Senator from Minnesota wants to accomplish. And I know that is the feeling of the Senator from Rhode Island. I am confident that the Senator from Indiana wants to do that, and so does the Senator from Connecticut. Everyone here wants to do that: improve the social security program. And I know I share those feelings and want to do these things. Why would we want to reduce the revenue now and then have to turn around and vote for a tax increase next year when we act on social security benefits?

Mr. HARTKE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. HARTKE. Mr. President, I agree with what the Senator from Minnesota wants to do. If there is any defect in the amendment it is that it does not go far enough.

For too long a time now poor and lower middle-class people have been the victims of a system which is clearly regressive. It is a system which bears heaviest on those with the least ability to pay. I am talking about those people working for a living and not those who are welfare recipients. I am talking about the man who earns a paycheck and goes to work every morning and comes home at night and sits up with crying children and his wife is complaining about the amount of money in his paycheck, and who finds he cannot make ends meet.

There is a story about Will Rogers who used to say that when he was about ready to make the ends meet, somebody moved the ends. That is the case today. A lot of people simply cannot make ends meet.

I am reluctant to help President Nixon out of an economic crisis which is clearly of his own making. He has put us in this mess. Now he is asking us to use programs that have been long advocated to put this country back on its feet. This amendment if passed will give a needed push to consumer spending. I will support this amendment not because it will help the President, but because it will help the country.

What the Senator from Rhode Island and the Senator from Connecticut are talking about is the effect of inflation on social security legislation generally. The Senator from Minnesota and I are talking about a temporary expedient which will provide purchasing power to a section of the economy which desperately needs it.

The basic fact is that millions of Americans who work for a living can no longer pay their bills. The wage earner is the No. 1 victim of an economic crisis which was not of his making. It is Nixon that caused that trouble.

He says that he is keeping every promise he ever made to the American people. And even some he didn't make. If he had promised to give us a recession, I did not hear about it. However, he has one now.

The Senator from Minnesota wants to pull the country out of the mess that Nixon put us in and I agree with that purpose.

Mr. LONG. Mr. President, I yield the floor at this time.

The PRESIDING OFFICER. Who has the floor?

Mr. MONDALE. Mr. President, I yield myself such time as I may require. I had promised some Senators that, if possible, I would try for a vote at 10:30.

Does the Senator from Louisiana have any objection to that?

Mr. BENNETT. I would like about 2 minutes.

Mr. LONG. I am aware of the fact that there is an awareness by Senators to vote that soon. If we can accommodate them, I would be happy to do so, but I am not sure I can. For example, the Senator from Utah wants to speak on the subject. How much time does the Senator desire?

Mr. BENNETT. I would like 2 minutes.

Mr. MONDALE. Mr. President, I would like to ask one more question and then I will be finished.

The PRESIDING OFFICER. The Senator from Minnesota has the floor.

Mr. MONDALE. I would like to ask the Senator from Indiana a question. Earlier I submitted a table which showed that under present law this year there is a $41 billion surplus in the social security fund and it will build to $93 billion in the present law by 1975. With that realization, is it not possible to have this one-shot tax deferral and still have benefits for social security recipients?

Mr. HARTKE. There is no question, as anyone knows who has watched the development of this program, and I think the Senator from Connecticut, who is an expert on this subject will agree, there is going to be a major change in the social security system. The administration, whether out of the goodness of its cold heart or whether for other reasons is trying to figure a way to get its hands on the surplus in the trust fund.

The real tragedy of the social security fund lies in the fact that this administration, under combined budget procedures, took $7 billion of the money contributed to the social security fund and put it into the general fund and treated it as revenue to reduce the budget deficit under the old accounting procedure from a $30.5 billion deficit to a $23.5 billion deficit. That has been treated as income by the administration although it has to be repaid with interest. This piece of accounting slight-of-hand cheats the social security recipient while artificially reducing the massive deficits run up by the Nixon administration.

The Senator from Minnesota is correct that there is a surplus in the social security fund. And for what is that surplus being used? It is being used to fund the cost of the war.

If Nixon thinks that war is over, tell him to stop using the social security fund to pay for the planes, and the bombs, and the guns, that continue the killing over there. Mr. President, it is wrong to use the workingman's social security deductions to pay for a war. It should go, as stated by the Senator from Rhode Island, to the people who are old.

As of January 1, unless something is changed, the withholding pay will be more in that first paycheck than it is in December. And all this talk about tax cuts, including my proposal on the $800 exemption, will mean that the amount of take-home pay, and that is what the wage earner understands, will be less on January 15 than it was on December 31. I will say to the Senator from Connecticut, yes, if the Senate is going to deal with social security reform, many amendments are more preferable than this expedient action the Senator from Minnesota is talking about. If this is the only amendment dealing with social security I do not intend to call up my amendments which would radically rework the social security laws, but if we are going to change the social security laws I want to go all the way with my amendments and have real reform.

It is time to realize that our mistreatment of the elderly must stop. I regret that reform of social security cannot take place if we are going to have meaningful welfare reform, we must have social security with it.

If you really want to cure Nixon's recession, this is one of the most significant ways to do it.

I commend the Senator for his proposal and I will support him.

Mr. MONDALE. Mr. President, the Joint Economic Committee which studied this problem unanimously recommended this 1-year deferral.

Mr. BENNETT. Mr. President, will the Senator yield to me for 3 minutes?

Mr. LONG. I yield 3 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, we are anxious to get to a vote so I am not going to again go over all the arguments made so effectively by the chairman. There are two matters I would like to point out.

If we go this route, since social security taxes are collected beginning with the first dollar of wages, any benefit that this amendment will provide will not start next January; it will not start before about the middle of November, and no one will feel the effect until that time. By then, in spite of the pessimism of my friend from Indiana, the economy may not need it at that time.

The amendment would reduce benefits very substantially for the famliy of the young worker who dies or becomes disabled in the next few years. These young workers have the benefit of high rates. Some of us who have been in social security since the beginning find our benefits are reduced because for 20 or 25 years we were being credited with low rates.

It is estimated that this amendment could make a difference of as much as $34 a month in family benefits to a young worker who dies in the next 2 or 3 years, or $11,000 in benefits over the lifetime of that family.

Before we vote I would like to continue to talk about the aggregate costs we are piling up. In the bill that came from the House there were $7.6 billion in tax reductions. Using the figures of the Senator from Minnesota (Mr. MONDALE), if we agree to this amendment we will add another $3 billion in tax reductions, so that becomes something over $10 billion of tax reductions we will have piled on top of an economy that cannot raise enough taxes now within $25 billion to pay for the cost of the program.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. LONG. I will yield the Senator an additional 2 minutes.

In addition to what the Senator said, the President's fiscal plans are based on the assumption there will be a delay in initiating the family assistance plan.

Mr. BENNETT. The Senator is correct.

Mr. LONG. Similarly, the President has requested a delay in enacting and implementing revenue sharing, and that there be some postponements and savings in some other Federal programs which would tend to offset to some extent the tax cuts that are in this bill, so that there would be some compensating savings. His economic program, in other words, included some expenditure cuts as well as some revenue cuts.

If one looks at this amendment on a consolidated budget basis, it is a big deficit proposal. That is the only way one can view it.

Mr. BENNETT. The Senator is correct. I thank the chairman for bringing this to my attention.

Mr. President, it is 10:29 a.m. and I am happy to yield the floor. I hope we can get to a vote.

Mr. LONG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. LONG. There is time remaining. The Senator from Louisiana would like to move to table this amendment at some point because if this is to be the matter we vote on, I believe some Senators would like to offer amendments in the nature of a substitute or perhaps have other suggestions. I do not have in mind offering amendments myself but there are those who would offer a substitute, or other amendments in the social security area.

May I inquire as to the parliamentary situation with regard to time insofar as it concerns offering amendments to the amendment?

The PRESIDING OFFICER. Amendments to the amendment would not be in order until the time had been consumed on this amendment or yielded back, except by unanimous consent.

Mr. LONG. Mr. President, if an amendment to the amendment is offered after time is yielded back, will time be available on the amendment?

The PRESIDING OFFICER. Amendments will be in order, but will not be debatable except by unanimous consent.

Mr. LONG. In that case, I ask unanimous consent that amendments to the amendment have a time limitation on them of 20 minutes, to be equally divided between the mover of the amendment and the Senator from Minnesota.

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MONDALE. What is the purpose of the request? As I understand, we have a unanimous agreement to vote on my amendment at the conclusion of 2 hours.

Mr. LONG. I may say to the Senator that I have about 30 minutes left. I am willing to yield my 30 minutes back and make a motion to table. If the motion to table does not carry, I am aware of the fact that there is at least one amendment that would be offered to the amendment, and perhaps there are others. The Senate should have an opportunity to know what they are and have an explanation of them. I feel there should be 10 minutes allotted to the Senator sponsoring such an amendment and 10 minutes on the other side.

Mr. MONDALE. I would be willing to yield back my time for the purpose of voting on the merits of my amendment. Does the Senator have any objection to that, rather than tabling it?

Mr. LONG. If we are going to wander into the social security area, other amendments will be offered. The question is whether we will have time to debate those amendments. That is all I had in mind. I think there should be consent to my request so that if amendments are offered they can be debated at that time. I do not think it would be proper to debate or even offer alternative suggestions any further while we are on the amendment itself which is pending.

Mr. MONDALE. I would have no objection. I wish the Senator would not do it, but I would not have any objection to a unanimous-consent agreement making it in order to do that. I wish he would not do it.

Mr. LONG. I seldom ask unanimous consent to do something that I do not need to do. I can always yield back my time.

Mr. MONDALE. The point is, if the Senator is going to move to table, he can do it an hour from now as a matter of right. If he is going to do it, he may as well do it now.

Mr. LONG. All I want is to ask unanimous consent that if the motion to table fails, we will have some time on amendments to the amendment in order to discuss those amendments.

Mr. MONDALE. I have no objection.

Mr. LONG. Mr. President, I ask unanimous consent that there be 10 minutes on each side.

The PRESIDING OFFICER. Did the Senator yield back his time?

Mr. LONG. Not yet, but I will yield it back when there is an agreement.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. LONG. Mr. President, I am prepared to yield back my time if the Senator from Minnesota is prepared to yield back his.

Mr. MONDALE. Mr. President, I yield back my time.

Mr. LONG. Mr. President, I yield back my time.

The PRESIDING OFFICER. All time is yielded back.

Mr. LONG. Mr. President, I now move that the amendment be tabled, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, may I ask if the yeas and nays have been ordered?

The PRESIDING OFFICER. They have not been on the motion to table.

Mr. LONG. Mr. President, I ask that the yeas and nays be ordered.

The yeas and nays were ordered.

The PRESIDING OFFICER. The clerk will call the roll.

Mr. BAKER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. BAKER. Is the rollcall vote on the motion to table?

The PRESIDING OFFICER. On the motion to table the amendment of the Senator from Minnesota.

The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Georgia (Mr. Gambrell), the Senator from South Carolina (Mr. Hollings), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Hawaii (Mr. Inouye), the Senator from Alaska (Mr. Gravel), and the Senator from Michigan (Mr. Hart) are necessarily absent.

I further announce that, if present and voting, the Senator from Wyoming (Mr. McGee) would vote "nay."

On this vote, the Senator from North Carolina (Mr. Ervin) is paired with the Senator from Alaska (Mr. Gravel). If present and voting, the Senator from North Carolina would vote "yea" and the Senator from Alaska would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from New York (Mr. Javits), the Senator from Idaho (Mr. Jordan), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from Maryland (Mr. Beall), the Senator from Kentucky (Mr. Cooper), and the Senator from North Dakota (Mr. Young) are detained on official business.

If present and voting, the Senator from Kentucky (Mr. Cook), the Senator from Nebraska (Mr. Curtis), the Senator from Oregon (Mr. Hatfield), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), and the Senator from Texas (Mr. Tower) would each vote "yea."

The result was announced—yeas 41, nays 25, as follows:

[No. 321 Leg.]

YEAS—41

Aiken
Allott
Anderson
Baker
Bennett
Bible
Boggs
Burdick
Byrd, Va.
Cannon
Church
Eastland
Ellender
Fannin
Fong
Griffin
Gurney
Hansen
Hruska
Jackson
Jordan, N.C.
Long
Magnuson
McClellan
Miller
Pastore
Pearson
Pell
Ribicoff
Roth
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Symington
Taft
Talmadge
Thurmond
Weicker

NAYS—25

Allen
Bayh
Bentsen
Brooke
Buckley
Byrd, W. Va.
Case
Fulbright
Harris
Hartke
Hughes
Humphrey
Kennedy
Mansfield
Mathias
Mondale
Moss
Muskie
Nelson
Proxmire
Randolph
Schweiker
Stevenson
Tunney
Williams

NOT VOTING—34

Beall
Bellmon
Brock
Chiles
Cook
Cooper
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Gambrell
Goldwater
Gravel
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Montoya
Mundt
Packwood
Percy
Saxbe
Scott
Tower
Young

So the motion to lay on the table was agreed to.

## PROGRAM

Mr. MANSFIELD. Mr. President, for the information of the Senate, and to emphasize what has already been said, the joint leadership has agreed—and the Senate has indicated its approval—that from now on, the rollcalls will be for 15 minutes, with the warning signal given halfway.

Second, in response to a question raised by the distinguished acting Republican leader, it was indicated that the Senate would be in session until 4 or 5 o'clock this afternoon, which will be a reasonable day's work. But if the Senate desires to go beyond that, the joint leadership will be willing to go along with it.

Mr. GRIFFIN. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. GRIFFIN. I think it should be made clear that the unanimous-consent agreement reducing the time for rollcalls to 15 minutes applies not only to today but for the rest of the session as well.

Mr. MANSFIELD. The rest of the session; that is correct. I am glad the Senator added that, because that is the fact.

## ORDER FOR ADJOURNMENT UNTIL 10 A.M. MONDAY, NOVEMBER 15, 1971

Mr. MANSFIELD. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m., Monday next.

The PRESIDING OFFICER. Without objection, it is so ordered.

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### REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The PRESIDING OFFICER. Pursuant to the previous order, the amendment of the Senator from New Jersey (Mr. WILLIAMS) will now become the pending question. The amendment will be stated.

The legislative clerk read as follows:

On page 109, between lines 18 and 19, insert the following:

"(D) EXCLUSION FOR LOCAL TRANSIT BUSES.—The tax imposed by subparagrapt (A) shall not apply to a sale by the manufacturer, producer, or importer of buses which are to be used predominantly by the purchaser in mass transportation service in urban areas."

The PRESIDING OFFICER. Does the Senator from New Jersey ask unanimous consent that his amendment may be modified as he submitted it?

Mr. WILLIAMS. Yes.

The PRESIDING OFFICER. Is there objection? The Chair hears none and it is so ordered.

There is a limitation of 15 minutes to a side on this amendment. Who yields time?

Mr. WILLIAMS. I yield myself 4 minutes.

Mr. President, the purpose of this amendment is to repeal the present 10 percent manufacturer's excise tax on local transit system buses.

Section 401 of H.R. 10947 repeals the present 7-percent excise tax on automobiles and the 10-percent excise tax on light-duty trucks and buses—under 10,000 pounds. The only buses which fall into this weight category are the mini-type buses. Local transit buses weigh from 19,000 to 25,000 pounds.

This amendment would apply to buses which provide mass transportation service in urban areas. It would not repeal the excise tax on the so-called over-the-road buses which operate on intercity routes.

The present 10-percent excise tax on buses applies only to private bus systems as publicly owned systems are not subject to the tax.

Last year, 1,442 local transit buses were purchased by publicly and privately owned systems. Of this total an estimated 300 were purchased by private systems. The excise tax realized on these buses amounted to less than $1.2 million.

While the revenue realized by the Federal Government from the excise tax on buses is negligible, to the individual bus company it is a sizable amount. The average 50-passenger city transit bus requires payment of a Federal excise tax of as much as $4,000. This tax must, of course, be passed on to the purchaser as part of the purchase price. This is an added cost burden which privately owned systems no longer can afford. Such a tax is not in the country's best interest as it thwarts rather than contributes toward adequate and up-to-date transit systems able to provide fast and efficient transportation to the maximum number of people.

In recognition of the important role of urban transit systems and the serious financial problems that they all face, Congress only last year passed milestone legislation to provide a $3.1 billion, 5-year capital grant program for urban mass transit.

It, therefore, seems incongruous that at a time when the Congress had finally given first-priority consideration to transit, that it should impose an excise tax of 10 percent on urban transit buses purchased by private systems. It should be borne in mind that 938 of the 1,079 urban transit systems in the United States are privately owned. In view of the mounting deficits, many of these privately owned systems face the prospect of going out of business or selling out to the towns and cities which they serve and which are already sorely pressed and are not desirous of assuming additional financial burden. Two hundred and fifty-eight cities over the last 17 years have lost their transit service. To aid these companies, the least we can do is to repeal the 10-percent excise tax on urban mass transit buses.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. WILLIAMS. I am happy to yield to the Senator from West Virginia.

Mr. RANDOLPH. My helpful colleague, the Senator from New Jersey, is correct about the problem of the operation of these private bus systems in many communities of the United States.

In the two largest cities in West Virginia, Huntington and Charleston, we have had privately owned bus companies operating for many, many years. Within the past few weeks and months, these operations have come to a halt, due to severe financial problems and strikes. In both areas, local officials have been in contact with Federal and State officials, and Members of Congress in efforts to develop plans for public transit authorities which will be able to assume responsibility for operation of transportation services. In the case of Charleston, the West Virginia Public Service Commission revoked the franchise of the bus company and granted a temporary franchise to the Kanawha Valley Regional Transportation Authority to operate the buses, with partial funding coming from Emergency Employment Act. This action, while resuming needed operation of the buses, does not provide a final solution. The acute public transportation problem continues to exist.

In Huntington, local officials have been working diligently to develop a plan for the takeover of the bus operations by a transit authority. However, differences involving the appraised value of the company, together with the complicating factor of a current strike, have precluded substantial progress in formulating a transportation plan.

Mr. President, I refer to these two cases in some detail to emphasize that public transportation problems are very real not just in the metropolitan areas with millions of people but also in medium sized areas. There are other cities in our State with difficult transportation problems, including Weirton, Wheeling, and Parkersburg.

The Senator from New Jersey states the case well. This is a grave situation which exists in perhaps 100 or 200 communities or more—I am not sure of the figures—throughout the United States of America.

We cannot allow, if I understand my obligation correctly, systems of transportation so urgently needed to take people to and from work to close shop, as it were, in this country. We are only adding to the problem of the movement of people and products if we fail to give the necessary relief. Although it may not be always sound from the standpoint of a hard financial analysis, the mobility of people and the changing conditions in transportation can and must be met.

As Senators know, this problem is not new. Many of us have tried to develop answers to the vexing problem of failing local bus service. During the 91st Congress, I sponsored, S. 3293, legislation to permit the use of urban highway funds to support bus service. In the course of considering Federal-aid highway and economic development legislation this coming year I shall address this issue and seek establishment of an effective assistance program.

I appreciate the thorough manner in which the Senator from New Jersey, who has been a leader in mass transit, is attempting to carry this argument, hopefully, to approval by the Senate. I should like to ask the Senator from New Jersey to add me as a cosponsor of his amendment.

Mr. WILLIAMS. I am gratified that the Senator from West Virginia would like to be a cosponsor. Mr. President, I ask unanimous consent that the name of the Senator from West Virginia (Mr. RANDOLPH) be added as a cosponsor of my amendment.

The PRESIDING OFFICER (Mr. BAYH). Without objection, it is so ordered.

Mr. WILLIAMS. Mr. President, I am grateful for the Senator's contribution to this colloquy and to his understanding of what we as supporters of mass transit are faced with in this country. We should certainly find ways to encourage and improve transit within our towns and cities. We should not discourage it. This 10-percent excise tax could well play a part in discouraging mass transit participation by private companies.

Mr. RANDOLPH. One further comment. As I understand it, there are at least 50 privately owned operations now on the ragged edge of bankruptcy. I am not sure that that figure is correct, but I do believe the situation is very acute and involves not only the employment of people in the companies concerned, but more to the point, the hundreds of thousands of people who will have no form of transportation as they go to and from their places of gainful livelihood.

Mr. WILLIAMS. I appreciate the Senator's statement. There are 81 privately owned transit companies in serious financial difficulty. During the past 17 years, 258 cities have lost their transit systems entirely. This is fully descriptive of the plight of urban transportation. When I say "urban," I mean not only the great cities but also the towns of America.

Mr. CASE. Mr. President, will my colleague from New Jersey yield to me?

Mr. WILLIAMS. I am happy to yield to my distinguished colleague.

Mr. CASE. I would be happy to be a cosponsor of the Senator's amendment.

Mr. WILLIAMS. I shall be happy to do so. Mr. President, I ask unanimous consent that my colleague, Mr. CASE, be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. CASE. Mr. President, we have worked together on this matter without regard to party lines, and we will continue to do so. I thoroughly support the amendment. It is not a big item, yet it may save some companies from bankruptcy. Some companies in the cities are attempting to reduce their services, which has led to a loss of revenue and a loss of patronage, but most of all to a loss of service to the people of our State.

We must do all we can, and this is a step in the right direction.

Mr. WILLIAMS. I certainly appreciate the comments of my distinguished colleague. In terms of money, the figure is small, but it can be critical where the private bus company is just hanging on and wants to improve its service and purchase new buses.

Mr. FANNIN. Mr. President, will the Senator respond to one or two questions regarding what assurance we have that the benefits would be carried through to the purchaser of the equipment?

Mr. WILLIAMS. There is that assurance.

Mr. FANNIN. We have that language in previous legislation where it is mandatory that this be carried through. Does the Senator's amendment provide that this would be carried through? Do we have that assurance?

Mr. WILLIAMS. That is certainly the intention.

Mr. FANNIN. I understand it is the intention——

Mr. WILLIAMS. If there is any meaning in the wording of the amendment that might make our intent questionable, I would be glad to change it in order to make sure that this is exactly where the benefits would go.

Mr. FANNIN. I want to try to determine what language was used in the previous stipulation on equipment. We did have language for that purpose.

Mr. LONG. If the Senator will allow me to trespass on his time for a moment to reply to that, I would like to point out that this amendment is subject to the provisions in the committee report indicating that the tax saving should be passed on. It fits in that section of the bill. The Senator from Massachusetts (Mr. KENNEDY) indicated that he wants to offer some legislative language in the bill to require the Secretary of the Treasury to provide regulations to assure that the tax savings on the repeal of the auto tax are passed on. I do not object to that. In fact, it was the intent of the committee as shown in its report that the tax savings with regard to the repeal of the automobile and light truck excise taxes be passed on to the consumer. Since this amendment would be in the same section, I believe we would have the same assurance in this regard that we would have with regard to the automobile and light truck excise taxes.

Mr. WILLIAMS. I did not know that was in question. I am certainly glad the Senator raised that point.

Mr. FANNIN. Another question I would like to pose to the Senator from New Jersey, in this particular stipulation, on the manufacturer of imported buses, does the Senator have any idea how much money is involved there so far as the importation of buses would be concerned?

Mr. WILLIAMS. I rechecked that this morning. No companies that fit this category have been importing buses and there are no orders pending for imported buses. My language follows language in other parts of the legislation. It would apply to domestic manufacturers who have historically produced our nation's buses. All the orders we know of are for American-made buses.

Mr. FANNIN. The whole idea of the bill is to assist the American producer and exclude the importer. The Senator's amendment seems to provide for the selling by the manufacturer of——

Mr. WILLIAMS. Of buses.

Mr. FANNIN. Of buses—was that not stricken——

Mr. WILLIAMS. I had submitted it that way to the desk.

Mr. LONG. I have great sympathy for what the Senator from Arizona has said, but if the amendment were to be in the form the Senator desires, it will cause the administration to oppose it. The administration is very much concerned about upholding its obligations under GATT; so if the exemption is to be in the bill, in the case of imports it should be in a form which, when we go to conference, it will be possible to provide for suspension of the tax in the case of imports of these buses to be used for mass transit.

This would make it possible for the President to be in a better bargaining position to insist that foreign countries remove their discrimination against our exports. This provision of the bill also allows the President discretionary authority to extend the benefits to those countries that are not discriminating against our commodities.

Mr. WILLIAMS. Mr. President, I understand this language is the same as used in a similar area of the bill which deals with vehicles.

Mr. LONG. The amendment is offered in a form that in conference we could make conform to the other provisions of the bill. If we strike out the provision that relates to imported buses, we would not in conference be able to make it conform to the other provisions of the bill. We would then have the opposition of the administration and, in all probability, the House would decline to accept the exemption at all because we would not have the power to conform it to the other sections of the bill.

Mr. FANNIN. Where we are not now importing buses, we do not need to give an incentive for buses to be imported. I understand that some companies are operating in Canada. I refer to some of the companies from across the ocean that are now manufacturing and probably will be manufacturing trucks, buses, and other items. If it is in Canada, it is subject to the excise tax.

Mr. LONG. Mr. President, the way the amendment is drafted, we can conform it in conference to the general language used for imported cars and trucks where we have suspended the tax. However, the modification that might be necessary to avoid a conflict with the administration's views on the General Agreement on Tariffs and Trade could not be accomplished if we did not have this language. We should not make any modifications to the amendment at this time, but let us work it out in conference and then conform it to the other provisions in the bill.

Mr. FANNIN. Mr. President, if that is the feeling of the chairman of the committee, I withdraw my request.

Mr. BENNETT. Mr. President, will the Senator yield me 3 minutes?

Mr. LONG. Mr. President, I yield 3 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, may I have the attention of the Senator from New Jersey. As the amendment is written, it seems to me that there is nothing in it which would prevent privately owned bus systems from buying buses and then turning right around the next day and selling them without the tax to a sightseeing company or some other company not intended under the amendment. I hope that we can make some legislative history on this point.

Mr. WILLIAMS. As the printed copy reads, the Senator is correct. That is why I modified it to put in language that would require that they be predominantly used in mass transportation services in urban areas.

Mr. BENNETT. That is not my point. The Washington bus company could buy 10 buses and the day after they buy them they could use them in their transit system. They are not in any other business. However, the next day they can sell them to the Gray Line Co., which is a sightseeing bus company.

I would suggest to the Senator that another sentence be added to provide as follows: "which are predominantly used by the purchaser in mass transit urban areas for at least 1 year." In that way, they really become used buses by the end of that first year.

Mr. WILLIAMS. That is certainly my objective, and hope. The administrative problems, I cannot assess. But you have correctly stated my objective, and I would be willing to accept your language. Perhaps the chairman of the committee can assess the administrative imponderables.

Mr. LONG. Mr. President, I would think that this matter could be resolved in conference and taken care of as suggested, or, if it is possible to draft an amendment, we could take care of it now. The intent of the amendment is clear, however, and I understand that with the modifications made we may not need any further change.

Mr. BENNETT. If the Senator wants to offer an amendment, that would be agreeable as far as I am concerned or we could work it out in conference along that line.

I agree that is what we will try to do. That is what I would have in mind. The sponsor of the amendment wants it for buses used in urban mass transit, and he is not trying to use it for buses not used in urban mass transit.

Mr. WILLIAMS. Exactly. And the best procedure might be to put in the protective phrase.

Mr. LONG. Mr. President, might I suggest that we simply vote on the amendment and before the bill is finally passed, we will have the staff prepare an amendment, if any is needed, that will include the suggestion of the Senator from Utah.

Mr. BENNETT. That is fine with me. We have made the legislative history as to the intent of the amendment very clear which is the intent of the sponsor of the amendment. So, I am sure we can work it out.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. MILLER. Mr. President, have the yeas and nays been ordered?

The PRESIDING OFFICER. The Chair saw sufficient hands for the yeas and nays to be ordered.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the yeas and nays be vitiated.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MILLER. Mr. President, I am not unsympathetic with the Williams amendment. However, I propose to offer an amendment to the amendment, to add at the end of the Williams amendment these words before the words "buses," "livestock trailers and—"

There is a problem that the Senator from New Jersey is trying to resolve. We have a problem with respect to livestock trailers. As so well pointed out yesterday in the debate on the Humphrey amendment, the agricultural areas of the country are in a depressed state. We need a broad-based benefit. This is not going to be very big because the 10-percent excise tax that goes into the livestock trailer, I am quite sure, is going to be passed on to "Mr. Farmer."

If we want to be helpful across the board, we ought to take the excise tax off here. I might say to the Senator from Utah that my information is that we have practically no imported livestock trailers. I do not think we will run into any problem on that point. However, all of us from States that have livestock growers know that they pay hauling rates which include the cost of the excise tax. That is where it is passed on. The livestock owner does not absorb the cost. He passes it on to the farmer.

I hope the Senator from New Jersey would be amenable to conforming this amendment to his, and I think we can get the job done both ways.

Mr. WILLIAMS. Mr. President, the amendment seems to be nongermane. However, I have seen a lot of buses used for the transportation of people in which the people are herded in like cattle. So perhaps there is some germaneness.

I have no feeling about this matter. However, I am sure that the chairman will want to assess the impact of this amendment.

The amendment that I have offered has a negligible impact to the Treasury. It is less than $2 million, as a matter of fact. But I can only speak with respect to the amendment which I have offered.

Mr. MILLER. Mr. President, my understanding is that the cost of my amendment would be somewhere in the range of the Senator's own amendment. So, I do not think we are talking about a lot of money here.

I repeat that we want broad-based help in the rural areas of the country as far as the farmers are concerned. Some areas of the country have a very broad based farming population, and they are going to pay the excise tax. This is one way to provide some relief which is needed.

Mr. WILLIAMS. I would accept the amendment.

Mr. LONG. Mr. President, I hope the Senate does not get involved in all of that. These are two separate questions. I would like to suggest we vote with regard to the Senator's proposal and he is talking about buses used in urban transit. Then, if the Senator from Iowa wants to raise the matter with respect to what he wants to do about livestock trailers—and I think we have taken pretty good care of farmers in things of that sort—that should be raised on its own merits. That is an entirely different matter than the matter about the buses, and I hope we have the opportunity to vote on one and then the other.

Frankly, if the Senator accepts it, I would be compelled to ask for a division so we will have two separate votes.

I suggest we vote on the Senator's amendment.

Mr. WILLIAMS. Mr. President, I defer to the chairman of the committee.

Mr. LONG. Then, if the other amendment is offered, we can take a look at it and see what the costs are and the problems involved, and submit it on the merits.

Mr. GRIFFIN. Mr. President, will the chairman of the committee yield?

Mr. LONG. I yield.

Mr. GRIFFIN. I agree with the chairman on his approach. Certainly, I am not necessarily opposed to what the Senator from Iowa wishes to do. But the junior Senator from Michigan is interested in making sure that Congress does not go too far in the matter of repealing excise taxes. We appreciate the fact that the committee bill is helpful and justified in this area—but I hope the Senate will not go so far that the bill cannot become law.

I am concerned that more and more amendments, some of them not germane, are being adopted. It is beginning to look more and more like a Christmas tree with a variety of ornaments.

It seems to me that if the words "livestock trailers" were inserted prior to "buses" in the pending amendment, as I read it, the language would be technically deficient and would not accomplish the purpose of the Senator from Iowa. It would then read "manufacturer, producers, or importer of livestock trailers and buses which are used by the purchaser in mass transportation service in urabn areas." Of course, there are no such livestock trailers.

I think it would be well if the advice of the chairman were followed and the Senator from Iowa offered his as a separate amendment.

Mr. MANSFIELD. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Who yields time?

Mr. MILLER. Mr. President, will the Senator yield?

Mr. WILLIAMS. I yield.

Mr. MILLER. There is only one answer to the comment made by the Senator from Michigan. The "which" clause modifies "busses." That is a grammatical interpretation. It is an absurdity to interpret it any other way.

If we are going to have a vote separately, we might as well have a vote on the amendment to the amendment.

I appreciate the reaction of my friend from New Jersey. I was hoping we would not have a hassle over this. There is no reason they could not be coupled. We might as well have this as an amendment to the amendment. I am not trying to delay the Senate; I am trying to speed it up. I hope there is not objection to this. The Senator from New Jersey recognizes it. I hope we can have a vote on the amendment to the amendment by voice vote and then go ahead on the Williams amendment.

The PRESIDING OFFICER. Who yields time?

Mr. BENNETT. Mr. President, will the Senator yield to me for 2 minutes?

Mr. LONG. I yield.

The PRESIDING OFFICER. The Parliamentarian advises the Chair that all time of the distinguished Senator from Louisiana has expired.

Mr. WILLIAMS. Do I have time?

The PRESIDING OFFICER. The Senator from New Jersey has the great sum of 1 minute remaining.

Mr. WILLIAMS. I yield to the Senator from Utah.

Mr. BENNETT. The bill already contains a provision that the tax shall not apply to trailers up to 10,000 pounds. Now, the farm trailers above 10,000 pounds are pretty good-sized trailers. I do not know why we would have to take care of them expressly.

Mr. MILLER. Mr. President, will the Senator from New Jersey yield?

Mr. WILLIAMS. I yield 30 seconds to the Senator.

Mr. MILLER. The Senator from Utah well knows that in talking about livestock trailers we are talking about livestock trailers in excess of 10,000 pounds. They do not bring them in in anything except large trailers. So I am trying to meet a gap.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment.

Mr. MILLER. Mr. President, I send to the desk an amendment to the amendment and ask that it be read.

The PRESIDING OFFICER. The amendment will be read.

The amendment was read as follows:

On line 4 insert "livestock trailers and" before the word "buses."

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa (putting the question).

The amendment was rejected.

The PRESIDING OFFICER. The question is on agreeing to the amendment (No. 670) of the Senator from New Jersey, as modified. The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. EAGLETON), the Senator from North Carolina (Mr. ERVIN), the Senator from Georgia (Mr. GAMBRELL), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator fram Alaska (Mr. GRAVEL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Michigan (Mr. HART), the Senator from Missouri (Mr. SYMINGTON), the Senator from New Hampshire (Mr. MCINTYRE), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN), the Senator from Georgia (Mr. GAMBRELL), the Senator from Wyoming (Mr. MCGEE), and the Senator from New Mexico (Mr. MONTOYA) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD), the Senator from New York (Mr. JAVITS), the Senator from Idaho (Mr. JORDAN), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Connecticut (Mr. WEICKER) and the Senator from North Dakota (Mr. YOUNG) are detained on official business.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Nebraska (Mr. CURTIS), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. SCOTT) and the Senator from Texas (Mr. TOWER) would each vote "yea."

The result was announced—yeas 63, nays 0, as follows:

[No. 322 Leg.]

YEAS—63

Aiken
Allen
Allott
Anderson
Baker
Bayh
Beall
Bennett
Bentsen
Bible
Boggs
Brooke
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church
Cooper
Eastland
Ellender
Fannin
Fong
Fulbright
Griffin
Gurney
Hartke
Hruska
Hughes
Humphrey
Jackson
Jordan, N.C.
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
Miller
Mondale
Moss
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tunney
Williams

NAYS—0

NOT VOTING—37

Bellmon
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Gambrell
Goldwater
Gravel
Hansen
Harris
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Tower
Weicker
Young

So Mr. WILLIAMS' amendment, as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. KENNEDY. I yield.

### UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that time on the amendment of the Senator from Massachusetts (Mr. KENNEDY) be limited to 20 minutes, to be equally divided between the distinguished mover of the amendment and the distinguished manager of the bill, and that upon the disposition of that amendment, the amendment of the distinguished Senator from Minnesota (Mr. HUMPHREY) be called up, and that time on that amendment be limited to 30 minutes, to be equally divided between the distinguished mover of the amendment and the distinguished manager of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia?

Mr. GRIFFIN. Mr. President, reserving the right to object, I do not believe that we could agree to 10 minutes on the first amendment——

Mr. BYRD of West Virginia. Ten minutes on a side.

Mr. GRIFFIN. Without having some indication of what the amendment of the Senator from Massachusetts is all about.

Mr. LONG. Call up the amendment.

Mr. KENNEDY. Mr. President, I send my amendment to the desk and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 122, line 3, add the following new subsection:

"(i) BENEFIT TO ULTIMATE PURCHASER.—The Secretary of the Treasury or his delegate shall prescribe such regulations as may be appropriate to insure that the benefit of the repeal or suspension of tax in this section shall be available to the ultimate purchasers of tax-repealed articles."

Mr. GRIFFIN. Mr. President, if I correctly understand the purpose of the amendment, I believe it relates to the auto excise tax repeal; is that correct?

Mr. KENNEDY. That is correct.

Mr. GRIFFIN. I would have no objection to the objective of the Senator's amendment. It is a matter that the committee intended to cover in the committee report. So far as this particular Senator is concerned, I would have no objection.

Now, as to the other unanimous-consent request that coupled with it——

Mr. BYRD of West Virginia. Mr. President, would the distinguished Senator from Minnesota indicate the nature of his amendment?

Mr. HUMPHREY. Mine relates to a report to Congress and to the Comptroller General on the impoundment of funds. It merely calls for a report by the President to Congress and to the Comptroller General of such funds as are impounded, and of the amounts thereof.

Mr. GRIFFIN. If I may, I wish to point out to the majority whip with respect to these particular requests that no provision is made for time to discuss a possible amendment to the amendment.

Even when the time allotted for the principal amendment is relatively short, I believe that 5 or 10 minutes of time should be available for discussion if an amendment to the amendment is proposed.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, in connection with each of these amendments, time on any amendment to an amendment, motion or appeal with the exception of nondebatable motions, be limited to 10 minutes, to be equally divided between the mover of such and the distinguished manager of the bill.

The PRESIDING OFFICER. Is there objection to the request of the Senator from West Virginia? The Chair hears none, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, if the distinguished Senator from Massachusetts will yield further. I ask unanimous consent that on the amendment No. 669 to be offered by the distinguished Senator from New York (Mr. BUCKLEY), there be a time limitation of 30 minutes, to be equally divided between the mover of the amendment and the manager of the bill, with the same understanding as to amendments in the second degree, motions, and appeals.

Would the distinguished Senator from New York indicate the nature of his amendment?

Mr. GRIFFIN. I would appreciate that, unless the Senator from New York will indicate the number of his amendment.

Mr. BUCKLEY. Mr. President, the amendment is No. 669. Its purpose is to urge the President to exempt from the import surcharge at the earliest possible date goods produced by Canada and Mexico.

Mr. GRIFFIN. I have no objection.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **BYRD** of West Virginia. Mr. President, with the indulgence of the able Senator from Massachusetts, I make one further request.

I ask unanimous consent that on an amendment to be offered today by the distinguished Senator from Wisconsin (Mr. NELSON), there be a time limitation of 1 hour, to be equally divided between the distinguished mover of the amendment and the distinguished manager of the bill, with the same understanding with regard to amendments, motions, and appeals as heretofore.

Mr. **GRIFFIN**. Mr. President, here again, I think if there were some indication as to which amendment by Mr. NELSON will be offered, it would be helpful to Senators.

Mr. **NELSON**. Mr. President, my amendment would set a $1 million limitation on the capital investment against which the 7-percent tax credit may be applied.

The **PRESIDING OFFICER**. Is there objection to the request of the Senator from West Virginia? Without objection, it is so ordered.

Mr. **BAKER**. Mr. President, if I may have the attention of the acting majority leader, I have one small amendment I wish to offer, and if he wants to get a 10-minute limitation on it, I shall be glad to do it. It has to do with an exception from the excise tax suspension on buses and automobiles.

Mr. **BYRD** of West Virginia. Mr. President, I ask unanimous consent that there be a time limitation of 20 minutes on the amendment of the distinguished Senator from Tennessee (Mr. BAKER), to be equally divided under the same conditions; and I ask unanimous consent, if it is agreeable to the Members, that the amendments on which the Senate has agreed to time limitations be considered in the order that we have referred to them.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

The Senator from Massachusetts is recognized.

Mr. **KENNEDY**. I yield myself such time as I may require.

Mr. President, the clerk has stated the amendment. It is a very straightforward amendment to the automobile excise tax repeal, which the committee itself considered in its deliberations. The purpose of the amendment is to insure that benefit of the repeal is passed through to the consumer, the purchaser of the automobile. In other words, the amendment is intended to insure that the repeal means lower prices to the purchaser, not higher profits to the dealers.

On page 79 of the committee report, it is clear that the committee, as well as the House, were concerned to insure that the benefits from the excise tax repeal would actually be passed on to the consumers. The Senate committee report requests a review and a periodic report by the Council of Economic Advisers on the extent to which the excise tax reduction is actually passed on to the purchasers.

The amendment I have offered would ask the Secretary of the Treasury to prescribe regulations to insure that the benefit of the repeal or suspension of the tax will be available to the ultimate purchasers themselves. We want to insure, Mr. President, that the consumers will really have the benefit of this reduction in the tax, and this amendment asks the Secretary of the Treasury to develop regulations to achieve that goal.

I think the amendment is consistent with the approach of the Finance Committee. They considered the issue in the course of their deliberations. The committee report requests an after-the-fact review by the Council of Economic Advisers. I think we can carry our intention one step further, and give more protection to consumers who are buying automobiles and other lightweight vehicles, by requiring the Secretary of the Treasury to develop safeguards that will operate in advance. I hope that the committee will take the amendment to conference, and that it will be accepted.

We have all heard the repeated stories in recent weeks that the repeal of the excise tax will be a big windfall for the dealers, because they will simply give purchasers lower new car discounts or lower trade-in allowances, thereby capturing the benefit of the repeal that ought to be received by the purchaser. Obviously, we cannot close every avenue, but I think the amendment will be helpful in enabling the Secretary of the Treasury to prevent at least the most flagrant abuses, and I hope it will be accepted.

Mr. **LONG**. Mr. President, I yield myself 2 minutes.

We have language in the Financial Committee report designed to do what the Senator from Massachusetts seeks to accomplish. I ask unanimous consent that the paragraph appearing in the report at the bottom of page 79 and the top of page 80 be printed in the Record at this point.

There being no objection, the excerpt from the committee report (No. 92–437) was ordered to be printed in the Record, as follows:

### Committee Report Excerpt

In repealing (or suspending) the excise taxes on passenger automobiles, light-duty trucks, etc., the committee, as did the House, intends that the full amount of the repealed tax be passed on to the consumer, thereby reducing the price of the automobile or the truck. The major automobile manufacturers have pledged to pass the tax reduction on to consumers. To give added assurance that this consumer benefit actually occurs and continues in the case of passenger automobiles and light-duty trucks, the committee, as did the House Committee on Ways and Means in its report, requests that the Council of Economic Advisers review vehicle prices and report periodically to Congress regarding the extent to which the tax reduction is in fact being passed on.

Mr. **LONG**. Mr. President, the Senator from Massachusetts seems to feel that it is possible for the Secretary, by means of regulations, to more effectively assure that the benefit of this excise tax cut does get to the consumer. As I understand, he has in mind situations such as a purchaser of an automobile being made to accept a smaller price for his trade-in car, with the result that, although he is theoretically getting a tax cut or a price reduction, it tends to be washed out by a lower price on the car he trades in. It may be that there is a way to prevent this type of denial to the purchaser of the full benefit of its tax repeal. If the Secretary of the Treasury could draft regulations that would help to assure that the consumer gets the full benefit of the repeal of this tax, I would have no objection to it. I am not positive, however, that there is a way to do it, but if it can be done, I would be happy to see it.

Mr. **KENNEDY**. I recognize that there may be some technical questions, but I think it is important that the Senate go on record very strongly—as I think it has, but I think this reinforces it—that it is the intention of the Senate to insure that the benefits of this tax cut will be passed on to the consumer.

I would hope the committee could take it to conference and, working it out with the Treasury, make every effort to achieve it.

Mr. **LONG**. I would be willing to vote for the amendment. If anyone cares to oppose the amendment, I would be happy to yield time to him.

Mr. **BENNETT**. Mr. President, will the Senator yield me 2 minutes?

Mr. **LONG**. I yield.

Mr. **BENNETT**. The amendment is not printed, so I have not had a chance to study it. Does it impose a penalty on an automobile dealer who, in the course of the kind of negotiation that always goes on in the sale of a new car, could be brought to court, because of an allegation that he did not allow quite so much for the used car, because he was attempting to get around the tax cut?

Mr. **KENNEDY**. No penalty is suggested in this amendment. There is only the requirement that the Secretary must establish these regulations. Of course, the dealers themselves will have to comply—with such regulations. I realize that there may be some technical questions in terms of the feasibility of regulations that would be 100 percent effective. But it does seem to me that the Secretary can prescribe regulations in a variety of areas, such as recordkeeping, discount pricing, and other subjects, and that these regulations can be extremely effective, both as guidelines and as deterrents to dealers.

I think all of us are concerned, as the chairman of the committee has pointed out, with the question of trade-ins and markdowns on new vehicles. Obviously, in this sort of ambiguous area, there is a real danger that the benefit of this tax cut will be going to the dealer rather than to the consumer. I think the clear intent of all of us here is that it should go to the consumer.

I hope that the amendment will be accepted and that the committee will work with the Treasury Department in drafting these regulations and achieving this purpose.

Mr. **BENNETT**. I appreciate the explanation of the distinguished Senator from Massachusetts. Having had a little experience in this business, I know that it is almost impossible to lay down a rule and attempt to enforce it with respect to judgment as to the owner of a used automobile.

Mr. **BYRD** of West Virginia. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. Is there further discussion of the amendment?

Mr. KENNEDY. I yield back the remainder of my time.

Mr. BENNETT. I yield back the chairman's time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from Massachusetts. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Georgia (Mr. Gambrell), the Senator from Oklahoma (Mr. Harris), the Senator from Michigan (Mr. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Ervin), the Senator from Wyoming (Mr. McGee), and the Senator from New Mexico (Mr. Montoya) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Wyoming (Mr. Hansen), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from New York (Mr. Javits), the Senator from Idaho (Mr. Jordan), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from North Dakota (Mr. Young) is detained on official business.

If present and voting, the Senator from Kentucky (Mr. Cook), the Senator from Nebraska (Mr. Curtis), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), the Senator from Texas (Mr. Tower), and the Senator from Oregon (Mr. Hatfield) would each vote "yea."

The result was announced—yeas 65, nays 0, as follows:

[No. 323 Leg.]

YEAS—65

Aiken
Allen
Allott
Anderson
Baker
Bayh
Beall
Bennett
Bentsen
Bible
Boggs
Brooke
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church
Cooper
Eastland
Ellender
Fannin
Fong
Fulbright
Gravel
Griffin
Gurney
Hartke
Hruska
Hughes
Humphrey
Jackson
Jordan, N.C.
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
Miller
Mondale
Moss
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams

NAYS—0

NOT VOTING—35

Bellmon
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Gambrell
Goldwater
Hansen
Harris
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Tower
Young

So Mr. Kennedy's amendment was agreed to.

The PRESIDING OFFICER. Under the previous order, the Senator from Minnesota is recognized for the purpose of offering his amendment. The clerk will report the amendment.

The assistant legislative clerk proceeded to state the amendment.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

After the item relating to section 702, insert the following:

TITLE VII—FEDERAL IMPOUNDMENT INFORMATION

Sec. 801. Short title.
Sec. 802. Amendment of Budget and Accounting Procedures Act of 1950.

At the end of the bill add the following new title:

TITLE VIII—FEDERAL IMPOUNDMENT INFORMATION

Sec. 801. Short Title.

This title may be cited as the "Federal Impoundment Information Act".

Sec. 802. Amendment of the Budget and Accounting Procedures Act of 1950.

Title II of the Budget and Accounting Procedures Act of 1950 is amended by adding at the end thereof the following new section:

"REPORTS ON IMPOUNDED FUNDS

"Sec. 203. (a) If any funds are appropriated and then partially or completely impounded, the President shall promptly transmit to the Congress and to the Comptroller General of the United States a report containing the following information:

"(1) the amount of the funds impounded;

"(2) the date on which the funds were ordered to be impounded;

"(3) the date the funds were impounded;

"(4) any department or establishment of the Government to which such impounded funds would have been available for obligation except for such impoundment;

"(5) the period of time during which the funds are to be impounded;

"(6) the reasons for the impoundment; and

"(7) to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

"(b) If any information contained in a report transmitted under subsection (a) is subsequently revised, the President shall promptly transmit to the Congress and the Comptroller General a supplementary report stating and explaining each such revision.

"(c) Any report or supplementary report transmitted under this section shall be printed in the first issue of the Federal Register published after that report or supplementary report is so transmitted."

Mr. HUMPHREY. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

PRIVILEGE OF THE FLOOR

Mr. AIKEN. Mr. President, I ask unanimous consent that Mr. Stephen Terry, or Mr. Charles Weaver, members of my staff, be granted the privilege of the floor during the debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, as we consider H.R. 10947, the Revenue Act of 1971, a relevant area of discussion is the administration's disposition of tax revenues that it collects.

The legislation currently before the Senate involves a reduction in tax revenues of over $8 billion.

At the time that we are considering this measure as part of the effort to halt severe unemployment and inflation, I believe that the Congress must also recognize the fact that the administration has collected at least $8 to $12 billion in tax revenues which it is currently impounding.

Mr. President, President Nixon's economic program falls woefully short in providing jobs for the more than 5 million Americans out of work. The fiscal stimulus legislation before us now does not insure that people will be put to work immediately following final passage of the bill. There is no mechanism to create jobs for the unemployed who are exhausting their unemployment compensation every week.

Not only does the President refuse to spend billions of dollars which could create jobs now, but he refuses to inform the Congress of the precise amount of congressionally appropriated funds that the Office of Management and Budget has placed in reserve. Furthermore, the OMB will not provide Members of Congress with an itemized list of impounded funds.

I speak from experience in this area because I have been attempting since mid-September to obtain the precise amount of impounded funds as well as an itemized list of impoundments. OMB Director George Shultz has written to me saying that my request would be granted. However, I have not received the information I requested and the information that all Members of Congress and the public deserve to have.

At the end of September, I introduced the Federal Impoundment Information Act which would require the President to notify promptly the Congress and the Comptroller General, when appropriated funds are partially or completely impounded.

The Deputy Director of the OMB, Mr. Caspar W. Weinberger, has written the distinguished chairman of the Government Operations Committee to give his comments on the legislation which I offered. Mr. Weinberger concluded that the legislation would create excessive work for the OMB, interfere with pending legislation in the Congress because we would have to receive and review the reports of impoundments and could confuse the public.

With all candor, Mr. President, the Deputy Director's opposition to this legislation seems to be based on rather weak excuses of added workload and some additional costs because of the reporting procedures. I find it difficult to believe that Mr. Weinberger would have us believe that the OMB reports of impoundments to Congress would encumber the legislative branch to the extent that it would fall behind in its work, or that the added costs of informing the Congress and the public are too great.

It is clear to me that the OMB is unwilling to support this legislation because the President is able to impound billions of dollars in a semisecret fashion away from the eyes of the Congress and the public.

Mr. Weinberger claims that a quarterly report of impoundments is sent to the House Appropriations Committee by each executive agency. Few members of Congress have ever seen these reports and certainly the public does not have access to these documents. Both the Congress and the public have a right to know the exact amount and why tax revenues appropriated by Congress are not being spent.

In order to secure this right for the Congress and the American public, I am today offering an amendment to H.R. 10947 that will insure that when tax revenues appropriated by the Congress are impounded, the Congress and the public will be informed by the President. In his notification report the President would be required to include the following:

First, the amount impounded; second, the date on which the funds were ordered to be impounded; third, the date the funds were impounded; fourth, any department or establishment of the Government to which the impounded funds would have been available for obligation except for such impoundment; fifth, the period of time during which the funds are to be impounded; sixth, the reasons for the impoundment; seventh, to the maximum extent practicable, the estimated fiscal, economic, and budgetary effect of the impoundment.

Mr. President, I believe this amendment goes to the heart of the relationship between the executive branch and the Congress. We are asked to approve legislation that will reduce tax revenues by $8 billion. But at the same time, Members of Congress are not informed of the amount of unspent, collected tax revenue. I urge my colleagues to join with me in correcting this serious imbalance of information between the executive and legislative branches of Government.

Let me say that a considerable amount of time has been devoted to hearings on impoundment. It is my judgment that what we are seeking here is a bill which effectuates an accurate reporting from the executive branch as to the impoundment amounts.

I believe the amendment has considerable merit. It recognizes the problem that many of us have had.

Mr. RANDOLPH. Mr. President, I am pleased to join my diligent colleague, the Senator from Minnesota (Mr. HUMPHREY), in this amendment to require detailed reports to the Congress before appropriated funds may be curtailed, withheld, or impounded by the President. Unrestricted executive action in holding and releasing funds has excluded the Congress from exercising its proper role in overseeing the administration of vital national programs. This proposal, which I am privileged to cosponsor, would reestablish the cooperative nature of the legislative and executive process. I am gratified to be associated with this effort which is actually a continuation of my endeavors on the issue of unilateral action by the executive branch in withholding appropriated funds. Senate action, favorable to the amendment, will be strong evidence of our determination to know the facts on Presidential impoundments and provide information on which Congress can act.

Mr. LONG. Mr. President, I have no objection to the amendment. If someone wishes to speak in opposition, I would be glad to yield him time.

Mr. BENNETT. Mr. President, will the Senator yield 2 minutes to me?

Mr. LONG. I yield 2 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, which committee is it that has held extensive hearings on the amendment?

Mr. HUMPHREY. I know that the distinguished Senator from North Carolina (Mr. ERVIN) has given a good deal of attention to this matter. Hearings were held before his subcommittee.

Mr. BENNETT. Mr. President, it seems to me that since the bill is in the jurisdiction of the Finance Committee, the amendment is truly nongermane. I would hope that it would be offered to a bill under the control of one of the two committees that have had hearings on it. The Finance Committee has never had any hearings on this measure.

Mr. HUMPHREY. Mr. President, may I say most respectfully to the Senator from Utah that this relates to tax funds, funds raised under the terms of revenue acts.

It is a matter that I think is of critical importance. One of the purposes of the pending bill is to stimulate the economy.

As to impounded funds, I think that from a budgetary point of view the appropriated funds ought to be spent for the purposes for which they are appropriated. It was the direction of the Congress that that be done. Otherwise, we ought to know why not.

That is the only purpose of the amendment. It does not direct the President to do anything else except to inform the Congress as to what funds are being impounded, for what reason, and under what department or branch the funds are impounded.

Mr. BENNETT. The Senator from Utah made the only point involved here, I think. This may be greatly opposed when we get to conference. The House Ways and Means Committee is very jealous of its prerogative and right to issue regulations affecting taxes, and since we have to go before that conference and say that we have no jurisdiction over this particular idea, that it has never been offered to us for hearings, and testimony was heard before other committees, I fear that there will be objection.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. LONG. Mr. President, I yield additional time to the Senator from Utah.

Mr. BENNETT. I just think this is a fruitless and futile gesture to put this in the pending bill. On that basis, I rest my opposition. I agree with my friend, the chairman of the Finance Committee that it is probably inconsequential. However, sometimes these questions of jurisdiction become quite consequential in the minds of people who feel that the jurisdiction is taken away from them.

Mr. GRIFFIN. Mr. President, will the Senator yield?

Mr. LONG. I yield to the Senator from Michigan.

Mr. GRIFFIN. Mr. President, I wish to associate myself with the arguments made by the ranking minority member of the committee. It seems unfortunate that we are confronted with an unprinted amendment that is not germane, the jurisdiction of which is clearly within the province of other committees.

The Senator from Minnesota pointed out that the pending bill deals with taxes and revenues. That is true. However, the Senator's amendment deals with appropriations rather than taxes. Furthermore the hearings referred to apparently were held by some other committee. The hearings held are not of much benefit to Senators since we had no advance notice of this amendment. The amendment was not printed, and we have had no access to the hearings that were held.

Finally, it would be of great help to the Senate and the country if Senators could confine themselves to offering amendments that are germane to the pending bill.

Mr. BENNETT. Mr. President, I am prepared to yield back the remainder of my time.

Mr. HUMPHREY. I wish to add the Senator from West Virginia as a cosponsor of the amendment, and I am prepared to yield back the remainder of my time.

The PRESIDING OFFICER. If Senators are prepared to yield back their time will they please do so.

Mr. BENNETT. I yield back my time.

Mr. HUMPHREY. I yield back my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Minnesota (Mr. Humphrey). The yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Georgia (Mr. Gambrell), the Senator from Michigan (Mr. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Ervin), the Senator from Wyoming (Mr. McGee), and the Senator from New Mexico (Mr. Montoya) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Wyoming (Mr. Hansen), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from New York (Mr. Javits), the Senator from Idaho (Mr. Jordan), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), the Senator from Texas (Mr. Tower), are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

The Senator from North Dakota (Mr. Young) is detained, on official business.

If present and voting, the Senator from Kentucky (Mr. Cook) and the Senator from Pennsylvania (Mr. Scott) would each vote "nay."

On this vote, the Senator from Illinois (Mr. Percy) is paired with the Senator from Texas (Mr. Tower). If present and voting, the Senator from Illinois would vote "yea" and the Senator from Texas would vote "nay."

On this vote, the Senator from Oregon (Mr. Hatfield) is paired with the Senator from Nebraska (Mr. Curtis). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 48, nays 18, as follows:

[No. 324 Leg.]

YEAS—48

Aiken
Allen
Anderson
Bayh
Bentsen
Bible
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church
Eastland
Ellender
Fulbright
Gravel
Harris
Hartke
Hughes
Humphrey
Jackson
Jordan, N.C.
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
Mondale
Moss
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Smith
Sparkman
Spong
Stafford
Stennis
Stevenson
Talmadge
Tunney
Weicker
Williams

NAYS—18

Allott
Baker
Beall
Bennett
Boggs
Buckley
Cooper
Fannin
Fong
Griffin
Gurney
Hruska
Miller
Roth
Schweiker
Stevens
Taft
Thurmond

NOT VOTING—34

Bellmon
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Gambrell
Goldwater
Hansen
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Tower
Young

So Mr. Humphrey's amendment was agreed to.

Mr. HUMPHREY. Mr. President, I move that the Senate reconsider the vote by which the amendment was agreed to.

Mr. LONG. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER (Mr. Bayh). Pursuant to a previous order, the Senator from New York (Mr. Buckley) is now recognized. He is to be followed by the Senator from Wisconsin (Mr. Nelson), who will be followed by the Senator from Tennessee (Mr. Baker).

Mr. BUCKLEY. Mr. President, I call up my amendment No. 669 and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 182, after line 8, it is proposed to insert:

Sec. 606. Products of Canada and Mexico.

The President is urged to exempt at the earliest feasible dates articles which are the product of Canada and Mexico from any exercise of the authority conferred on him by section 601 and from the import surcharge imposed under Proclamation 4074.

Mr. BUCKLEY. Mr. President, on my amendment, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. BUCKLEY. Mr. President, I believe this is a simple amendment, one which I hope will not prove to be controversial.

The purpose of the amendment is to urge the President to lift the import surcharge on goods imported from our immediate neighbors, Canada and Mexico, just as soon as this can be accomplished within the framework of our overall effort to achieve reform of the international monetary system and to secure a more appropriate balance in our international trade.

The amendment recognizes that the imposition of the surcharge has had a particularly harsh impact on Canada and Mexico because of the unique dependence of their economies on trade with the United States. In each case, their exports to this country account for about 70 percent of their total exports; and of their total exports, 25 percent in the case of Canada, and 38 percent in the case of Mexico, are affected by the surcharge. Thus the impact of the President's Proposition 4074 is dramatically greater on their economies than it has been on any other of our trading partners.

I recognize that at present we have a significant trade deficit with Canada, and one of the major contributing factors to this has, of course, to do with the automobile agreement, as to which I would trust that the President is trying hurriedly to initiate discussions.

The effect on our economy accounted for about $1 billion last year, out of a total trade deficit of about $2 billion. On the other hand, I think we should keep in mind that Canada, some time ago, freed her dollars in relation to ours. This is a major step adverse to her trade, a step which, undoubtedly, in the near future will have the effect of rectifying some, if not most, of the present imbalance.

In the case of Mexico, over the past several years, the trade balance has clearly been in favor of the United States; therefore, the purposes of the surcharge certainly do not seem to warrant the harsh impact it has had on that country.

I suggest, therefore, that, given the special relationship which exists between the United States and each of its immediate neighbors, it is important that Congress signify in this manner its understanding of their difficulties and its desire to see them relieved of this additional burden on the economy at the earliest possible date.

Mr. President, I have no further remarks. If the sponsor of the bill has none, I should be glad to yield back the remainder of my time.

Mr. LONG. Mr. President, Canada and Mexico are good friends of the United States, as are most other countries to which this 10-percent import surcharge applies.

But with regard to Canada, we have had one of our most severe problems which has compounded our balance-of-payments difficulties. This amendment would seek to put pressure on the Secretary of the Treasury and the President of the United States to remove the surcharge with regard to Canadian and Mexican products before they remove it on the products of others.

We have some serious commercial problems with those countries. One of the most serious problems came about because we passed a bill to help Canada sell automobiles in this country—the United States-Canadian automobile agreement—and Canada has not fulfilled her part of the bargain. Their failure to do what was intended under that agreement has caused our balance of payments to turn from a favorable balance to a very unfavorable balance with Canada.

We have these matters under negotiation with them. The Secretary of the Treasury is doing the very best he can to resolve that matter in a way that meets U.S. interests compatibly with Canadian interests.

I do not think we ought to be singling out Canada for favored treatment any more than some of the other countries with whom we want to cooperate, but with regard to whom it must be a two-way street.

The Secretary of the Treasury came before our committee when this matter started, and he implored the members of the committee to try to understand his problems, and not to jerk the rug out from under him, or indicate a lessening of congressional support, until he could resolve this balance of payments crisis.

Insofar as this amendment would have any effect at all, it would indicate a slightening of support for the Secretary of the Treasury and the President in trying to work out our differences with Canada and Mexico. We want the surcharge to come off with regard to those nations as soon as our differences can be practically worked out, but we do not want to do anything to put pressure on the Secretary of the Treasury, or do anything other than protect the interests of this country in negotiating with those countries.

I do not see why this body would want to weaken the hand of the President of the United States or the Secretary of the Treasury in the present critical phase of those negotiations. Therefore, I hope the amendment will be defeated.

Mr. BENNETT. Mr. President, will the Senator yield me 3 minutes?

Mr. LONG. I yield 3 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, why should we pick out two nations, one on either side of us, one of which, as the chairman has pointed out, is probably giving us more trouble with our export-import problem than any other nation with which we deal?

The other is just there by accident of geography; we do not have any particular trouble with Mexico. But if I were in Brazil or Argentina, or any other Latin American country where we have a favorable balance of trade, I would be saying, "Why do you single out Mexico and Canada? Why do you not lift ours first? Why give special consideration to those two countries?"

I am sure the President and the Secretary of the Treasury are working just as hard as they can to accomplish the purpose for which the tax was imposed, and I think it would not help them accomplish that purpose if the Senate says, "Look you have got to single out these two, never mind the others."

I believe it would be very bad judgment either to try to force the hand of the President on any of them, or to specifically mention two.

Mr. LONG. Mr. President, will the Senator yield at that point?

Mr. BENNETT. I yield.

Mr. LONG. The Senator recalls, does he not, that when the Bay of Pigs crisis occurred, Castro felt that Nicaragua had permitted Americans to train people there to try to liberate Cuba, and it has been said since that time that efforts have been made to assassinate the president of that country because he was so friendly to the United States?

Those people have a very unfavorable balance of trade with us. They are subject to the 10-percent surcharge, and they have virtually risked their existence standing by our side. Why would we want to favor Mexico over Nicaragua or our other friends in the area, when they have at least as much right to an exemption as Mexico and Canada.

We want to lift the surcharge as soon as we can, but we realize we have a problem, and we need cooperation from all of our friends and allies.

Mr. BENNETT. Mr. President, I hope that the Senate will not attempt to set up this kind of a priority and impose this psychological pressure on the Secretary of the Treasury. I talked with him just 15 minutes ago. He has just returned from Japan, where he has been attempting to work on this problem. I do not think we should say to him, "Mr. Secretary, forget Japan, and help Mexico."

Mr. LONG. Is it not true that the Secretary of the Treasury plans to recommend to the President that the surcharge be lifted, and that the President plans to lift the surcharge, just as soon as they think they can, all factors considered?

Mr. BENNETT. I am sure the Senator from Louisiana has had that personal assurance from the President, as I have, and there is no question about it. So I think we can leave the question of the orderly procedure to the President and the Secretary and not try to second-guess them.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the name of the Senator from Alaska (Mr. GRAVEL) be added as a cosponsor of my amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. I yield 2 minutes to the Senator from Vermont.

Mr. AIKEN. Mr. President, I shall vote for this amendment, because I feel it will have a very healthy effect upon other great producing countries of the world which are making it difficult and costly for us in the realm of world trade.

The amendment would not compel the President to do anything. It does not repeal the 10-percent surcharge. It is only a recommendation.

I would gladly include Nicaragua, or even the rest of the Western Hemisphere, but I do not think they are seriously affected, because most of what we bring in from Nicaragua and those Central American countries is not subject to the 10-percent surcharge. Certainly most imports from Mexico are not. Even 75 percent of our imports from Canada are not subject to the tax. So it would be a very friendly gesture at this time, to show to the Canadians and the Mexicans that we are really trying to work out something with them and then settle down and have a fair and reasonable trade policy for the whole world.

As I say, I feel if we pass this amendment, some of the other great producing countries of the world, which have been taking the bulk of the business we have lost, will realize that if they go too far, they will force situations which will react upon them even more strongly than they do in the Western Hemisphere.

I do not like the trend toward isolation in our country—but other great nations can force it upon us—and Canada and Mexico as well.

Mr. LONG. Mr. President, Mexico is perhaps the most developed country in Latin America. There is no good argument, other than the fact that Mexico shares a common boundary with us, for singling Mexico out over all these other countries of Latin America, many of which have a far greater need of expanding their exports to the United States, and have demonstrated the utmost of friendship, good will, and cooperation with the United States.

Furthermore, Mr. President, with regard to Canada, you could not pick out a better example of a country with regard to which we ought to back the Secretary of the Treasury until he gets this matter worked out. For example, in 1970, we had an unfavorable balance of trade with Canada of over $2 billion. How did it get that way? The best indications are that it got that way because we passed this Canadian Auto Agreement. I was the manager of that bill, and I asked the Senate to vote for it. But at that time, we had a $613 million advantage. Now we have a disadvantage of $1,651 million a year in automobile trade with Canada. I was led to believe it was a free trade agreement. Now it appears that it was free trade only one way—into the United States—while the Canadians continue to protect their industry.

Why is it that way? Because Canada did not do what Canada was supposed to do under the agreement. Now we are trying to get the matter worked out to where we think Canada will do what she is supposed to do under the agreement. Frankly, it is a miracle to me that the United States would take that kind of beating without moving on this subject sooner.

But it is being worked out. I think the most inappropriate thing we could do would be to put pressure on the Secretary of the Treaury to do anything until this matter is resolved.

Mr. AIKEN. The Senator has cited figures showing imbalance of our trade with Canada. How does the balance-of-payments stand?

Mr. LONG. The balance of trade is minus $2 billion, and the overall balance-of-payments deficit with Canada is minus $1.651 billion.

Mr. AIKEN. Does the Senator take into account that a good share of Canadian industry is owned by Americans?

Mr. LONG. Yes. The overall balance of payments takes all that into account, including dividends and everything else. So we are in a minus position of $1,651 billion. This is one of the largest items that must be corrected if we are ever going to straighten out our balance of payments.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LONG. I yield to the distinguished Senator from Utah.

Mr. BENNETT. Mr. President, how much time does the Senator have?

The PRESIDING OFFICER. The Senator from Louisiana has 4 minutes.

Mr. BENNETT. Mr. President, I should like to read from the committee report, speaking of Canada and the automobile agreement:

> In this regard, the committee notes with concern that nearly seven years after the agreement was signed the Canadian duty remains virtually unchanged and Canadian citizens still cannot import automobiles duty-free from the United States, although there is no such restriction on imports from Canada. This Canadian restriction and other conditions frustrate the achievement of the free-trade objectives of the agreement. They artificially permit the continuation of a price differential and interfere with commercial decisions in an industry in which it has been agreed that market forces would be allowed to operate freely.

Mr. AIKEN. May I ask a question of the Senator from Utah? He is speaking of the automobile industry, and it is important. What about the airplane industry? Are the engines which the big airplane companies import from Europe subject to the 10-percent surcharge now?

Mr. BENNETT. Is the Senator talking about airplane engines that come into the United States?

Mr. AIKEN. For example, Lockheed, which uses a British engine.

Mr. BENNETT. The Senator and I are not talking about the same thing. I am talking about the lack of reciprocity in our automobile trade with Canada which has caused a sharp change in our overall trade balance with Canada, and the Senator is talking about the surcharge on aircraft engines.

Mr. AIKEN. That is right.

Mr. BENNETT. I am sure that airplanes manufactured in Europe are subject to the 10-percent surcharge.

Mr. AIKEN. Are the Rolls-Royce engines subject to it?

Mr. BENNETT. Yes.

Mr. AIKEN. I do not know about that.

Mr. BENNETT. The staff assures me that I am right, that they are subject to the surcharge.

Mr. AIKEN. That is one thing that has happened to our economy—instead of buying in Utah, Vermont, and Louisiana, or other States they are buying from foreign countries. The Common Market is not being developed in order to expand U.S. exports abroad; I am sure of that.

Mr. LONG. This amendment would urge the President to take off the 10 percent with respect to Mexico, before we could settle our differences. For several years, Mexico has had a 10-percent surcharge with respect to goods from the United States, and it will continue to be that way unless we can work it out and equalize the differences. Why should we prejudice a successful negotiation by telling the President to grant a special favor to a country which we want to negotiate with.

Mr. BUCKLEY. Mr. President, I ask unanimous consent that the names of the Senator from Washington (Mr. JACKSON) and the Senator from California (Mr. TUNNEY) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BUCKLEY. I thank the Senator from Vermont for his support.

I have tried to make clear in my remarks in offering the amendment that I was totally cognizant—and I am sure Congress is totally cognizant—of the special difficulties which are offered by the automobile agreement. It is for that reason—because of these difficulties—that I did not seek to make the exemptions mandatory.

I recognize that there are other sensitive areas which need to be negotiated, and I commend the efforts of the Secretary of the Treasury to do that. But, far from considering any amendment of this sort as a handicap to the Secretary, I would think it would give him the ability to reassure our geographical neighbors that the sensitive Congress is sufficiently sympathetic to their problems which result from that geographic propensity that they can see themselves being relieved of this added burden once mutually satisfactory arrangements have been negotiated.

We cannot ignore the fact that because of the accident of geographical location, both Mexico and Canada have developed over the years a particular dependence on their trade with the United States. Because of this unique relationship, because 70 percent of their total exports go to the United States, I feel that a special exemption or a special attitude is warranted in their case.

We in North America have to learn to work together effectively. I think that too often the United States tends to take her two neighbors for granted, tends to ignore their special problems which are created not deliberately by the United States but because of the effect which anything we do automatically has on those peoples and on those economies. I think that for Congress to record its concern for that impact of our policies on Canada would do a great deal to insure the spirit of cooperation which would help the Secretary in his negotiations.

Mr. AIKEN. If the Senator will yield, the Senator is well aware that not long ago Congress appropriated $200 million to assist the Lockheed Corp., which buys Rolls-Royce engines from England? I assume that part of this $200 million—and I believe $50 million already has been advanced—could be used to pay the surtax which is paid on the engines brought in from the Rolls-Royce Co.

Mr. BUCKLEY. That might quite likely be the effect.

I also invite attention to the fact—I don't have the figures with me; I wish I had—that a significant portion of the balance-of-payments deficit is undoubtedly the result of continuing American capital investment in Canada. I have always felt that such investments are in the long run healthy for the country and that, therefore, this imbalance we see, if we eliminate the factor of the automobile agreement, is probably not nearly as significant as would appear.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. I yield back the remainder of my time.

Mr. BUCKLEY. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

The question is on agreeing to the amendment of the Senator from New York. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. CHILES), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. EAGLETON), the Senator from North Carolina (Mr. ERVIN), the Senator from Georgia (Mr. GAMBRELL), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. ERVIN), and the Senator from New Mexico (Mr. MONTOYA), would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON) and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD), the Senator from New York (Mr. JAVITS), the Senator from Idaho (Mr. JORDAN), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from North Dakota (Mr. YOUNG) and the Senator from Arizona (Mr. FANNIN) are detained on official business.

On this vote, the Senator from Illinois (Mr. PERCY) is paired with the Senator from Oregon (Mr. HATFIELD). If present and voting, the Senator from Illinois would vote "yea" and the Senator from Oregon would vote "nay."

On this vote, the Senator from Texas (Mr. TOWER) is paired with the Senator from Pennsylvania (Mr. SCOTT). If present and voting, the Senator from Texas would vote "yea" and the Senator from Pennsylvania would vote "nay."

On this vote, the Senator from Kentucky (Mr. COOK) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Kentucky would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 29, nays 36, as follows:

[No. 325 Leg.]

YEAS—29

Aiken
Allott
Baker
Boggs
Buckley
Burdick
Church
Cooper
Fulbright
Gravel
Griffin
Harris
Humphrey
Jackson
Kennedy
Magnuson
Mansfield
Mathias
Mondale
Nelson
Roth
Spong
Stafford
Stevens
Stevenson
Taft
Thurmond
Tunney
Williams

NAYS—36

Allen
Anderson
Bayh
Beall
Bennett
Bentsen
Bible
Brooke
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Eastland
Ellender
Fong
Gurney
Hartke
Hruska
Hughes
Jordan, N.C.
Long
McClellan
Miller
Moss
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Schweiker
Smith
Sparkman
Stennis
Talmadge
Weicker

NOT VOTING—35

Bellmon
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Fannin
Gambrell
Goldwater
Hansen
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Tower
Young

So Mr. BUCKLEY's amendment (No. 669) was rejected.

### AMENDMENT NO. 543

The PRESIDING OFFICER (Mr. PROXMIRE). Under the previous order, the Senator from Wisconsin (Mr. NELSON) is recognized.

Mr. NELSON. Mr. President, I call up my amendment No. 543.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk proceeded to read the amendment.

Mr. NELSON. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

On page 3, line 9, before "RESTORATION" insert "PARTIAL".

On page 3, line 15, strike out "Section" and insert "Subject to the provisions of subsection (c), section".

On page 4, line 19, strike out the closing quotation marks and after line 7 insert the following:

"(c) LIMITATIONS.—

"(1) IN GENERAL.—Subsection (a) shall apply—

"(A) in the case of a corporation, only to the extent that the qualified investment for the taxable year does not exceed $1,000,000, and

"(B) in the case of any other taxpayer, only to the extent that the qualified investment for the taxable year does not exceed $1,000,000.

"(2) SPECIAL RULES.—

"(A) MARRIED INDIVIDUALS.—In the case of a husband or wife who files a separate return, the amount specified in paragraph (1)(B) shall be $500,000 in lieu of $1,000,000. This subparagraph shall not apply if the spouse of the taxpayer has no qualified investment for, and no unused credit carryback or carryover to, the taxable year of such spouse which ends within or with the taxpayer's taxable year.

"(B) CONTROLLED GROUPS.—In the case of a controlled group, the $1,000,000 amount specified in paragraph (1)(A) shall be reduced for each component member of such group by apportioning $1,000,000 among the component members of such group in such manner as the Secretary or his delegate shall by regulations prescribe. For purposes of the preceding sentence, the term 'controlled group' has the meaning assigned to such term by section 1563(a).

"(C) OTHER TAXPAYERS.—Under regulations prescribed by the Secretary or his delegate, rules, similar to the rules provided by sections 46(d) and 48(f)(3) shall be applied for purposes of this subsection.

"(3) SPECIFICATION OF PROPERTY.—Under regulations prescribed by the Secretary or his delegate, the taxpayer shall specify property placed in service during the taxable year to which (after the application of this subsection) subsection (a) applies. With respect to such property (to the extent of the qualified investment attributable to such property taken into account under this section), paragraphs (5) and (6) of section 46(b) and the last sentence of section 47(a)(4) shall not apply."

On page 4, line 24, strike out "described in section 50" and insert "to which section 50 applies".

On page 5, beginning with line 10, strike out all down to line 14 on page 5 and insert the following:

(4) The table of sections for subpart B of part IV of subchapter A of chapter 1 is amended by adding at the end thereof the following:

"Sec. 50. Partial restoration of credit."

On page 27, beginning with line 17, strike out all through line 3 on page 21.

### UNANIMOUS-CONSENT AGREEMENT ON STEVENS AMENDMENTS

Mr. BYRD of West Virginia. Mr. President, will the Senator yield to me for the purpose of making certain unanimous-consent requests?

Mr. NELSON. Mr. President, I yield to the Senator from West Virginia.

Mr. BYRD of West Virginia. Mr. President, if I may have the attention of the Senator from Alaska (Mr. STEVENS), I ask unanimous consent, after having discussed this matter with the Senator from Alaska, that on each of the two amendments to be offered by Mr. STEVENS there be a limitation of 30 minutes, the time to be equally divided between the mover of the amendment and the manager of the bill.

Mr. GRIFFIN. Mr. President, reserving the right to object, again I would like to know what the amendment is about and also whether there would be time available for amendments to the amendment.

Mr. BYRD of West Virginia. With the same understanding as heretofore with respect to amendments to amendments, motions and appeals.

Mr. STEVENS. Mr. President, these are two amendments I offered in the form of original bills previously. I have discussed them with members of the staff.

Mr. GRIFFIN. Could the Senator please tell us what they would do?

Mr. STEVENS. One amendment deals with the procedural aspects of due process in connection with the construction of a levy by the Internal Revenue Service.

The other amendment has to do with the problem of granting a reduction for repair or improvements to individual homes.

Mr. GRIFFIN. I understand that the revenue aspects of the second one are quite substantial.

Mr. STEVENS. The revenue aspects of the second measure approach $500 million a year.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request?

Mr. GRIFFIN. Mr. President, I have no objection.

The PRESIDING OFFICER. Will the Senator from West Virginia clarify his request? Was the provision with respect to an amendment to an amendment 10 minutes?

Mr. BYRD of West Virginia. Ten minutes, to be equally divided on amendments in the second degree, motions, or appeals, with the exception of nondebatable motions.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that this time not be charged against the time of the Senator from Wisconsin.

The PRESIDING OFFICER. Without objection, it is so ordered.

### UNANIMOUS-CONSENT REQUEST ON ROTH AMENDMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent on amendment No. 642, which will not be called up today, an amendment by the Senator from Delaware (Mr. ROTH), which deals with a ceiling on the Federal spending, that there be a limitation of 2 hours, such time to be equally divided between the mover of the amendment and the distinguished manager of the bill; and further providing for 30 minutes on any amendment, motion, or appeal thereto, with the exception of nondebatable motions, the time to be equally divided between the mover of such and the manager of the bill.

Mr. LONG. Mr. President, I regret that I must object at this time. When the amendment is called up, I may be able to agree. However, I do not want to do so in advance.

### UNANIMOUS-CONSENT AGREEMENT ON TUNNEY AMENDMENT

Mr. BYRD of West Virginia. Very well. Mr. President, I ask unanimous consent that the time on the amendment to be offered by the Senator from California (Mr. TUNNEY) be limited to 30 minutes, the time to be equally divided between the mover of the amendment and the manager of the bill; with the further understanding that that amendment be laid down at the close of business today and made the pending business for Monday.

Mr. GRIFFIN. Mr. President, reserving the right to object, and I certainly hate to object, I think that we ought to let the Senate have some idea of what these amendments are about, especially if we are going to limit our time to less than an hour. I think that an hour on any amendment might not be too bad without getting into too much detail. However, if we are going to limit the time to less than an hour, we ought to know what they are about before agreeing.

Mr. BYRD of West Virginia. Mr. President, I think the Senator is well within his rights.

Mr. President, I change the request to 1 hour to be equally divided.

The PRESIDING OFFICER. Without objection, it is so ordered.

### YEAS AND NAYS ORDERED

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that it be in order to order the yeas and nays on the Tunney amendment at any time.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask for the yeas and nays on the Tunney amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. Will the Senator from Wisconsin yield further so that the Senator from West Virginia may explain the provisions for amendments to the Tunney amendment?

Mr. NELSON. I yield.

Mr. BYRD of West Virginia. With the understanding that the time not be charged to either side.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD of West Virginia. With respect to the Tunney amendment, the time will be limited to 1 hour, to be equally divided between the mover of the amendment and the manager of the bill; provided further, that time on any amendment to that amendment, motion, or appeal, with the exception of nondebatable motions, be limited to 30 minutes, the time to be equally divided between the mover of such amendment, motion, or appeal, and the manager of the bill; and, provided further, that at the close of business today, the amendment be laid before the Senate and made the pending question. The yeas and nays have been ordered thereon.

The PRESIDING OFFICER. Without objection, it is so ordered.

The Senator from Wisconsin is recognized.

Mr. NELSON. Mr. President, this amendment would set a $1 million ceiling on the 7-percent investment credit. Up to $1 million of investment in plant and equipment would be eligible for the credit. In effect, every firm would be limited to a total investment credit of 7 percent of $1 million, or $70,000.

This amendment is similar to the recommendation of the National Federation of Independent Business presented in testimony before the Finance Committee.

Small- and medium-sized firms and farmers would receive the full credit. These groups are much less able to borrow at reasonable interest rates than the large corporations. They have been hit much harder by the recent credit squeeze.

Moreover, it should be our policy to encourage family farmers and small businessmen. They are the "backbone" of the Nation. Both have been going through particularly trying times recently.

This limited credit would cost the Treasury $1.7 billion in 1972, according to the Joint Committee on Internal Revenue Taxation. This contrasts with a cost of $3.6 billion in 1972 for the unlimited credit. In short, this amendment would save the Treasury $1.9 billion in 1972 and increasing amounts thereafter. Over the next 10 years, it would save well over $25 billion.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the maximum qualified investment and the revenue loss at the 1972 level of investment.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

*Revenue loss at 1972 level of investment*

[In millions]

| Maximum qualified investment: | *Loss* |
|---|---|
| $25,000 | $850 |
| $250,000 | 1,400 |
| $1,000,000 | 1,700 |
| $5,000,000 | 2,250 |
| No ceiling | 3,600 |

Source: Joint Committee on Internal Revenue Taxation.

Mr. NELSON. Mr. President, my amendment would not affect the great bulk of American firms. Thus, in 1968, about 400,000 firms took the investment credit. But as shown in the table below, only 2,700 firms would have been affected by a ceiling of $1 million.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing qualified investments and the number of corporation returns.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

| Qualified investment (maximum): | *Number of corporation returns* |
|---|---|
| $25,000 | 74,000 |
| $250,000 | 9,200 |
| $1,000,000 | 2,700 |
| $5,000,000 | 1,200 |

Source: Joint Committee on Internal Revenue Taxation.

Mr. NELSON. Mr. President, although only the corporations at the top would be affected by this amendment, the saving of revenue is considerable. Indeed, one of the notable features of the investment credit is that its benefits are highly concentrated among a few firms at the top.

Table 3 shows this concentration for 1967. In that year, while 395,625 corporations received $2.075 billion from the investment credit, the top 21 firms received $419.4 million in benefits—only 20 percent of the total. The top 301 firms received $1,209 million—58 percent of the total. The top 808 firms received 70 percent of total.

Mr. President, I ask unanimous consent to have printed in the RECORD table number 3 which shows returns with investment credit by size of credit in 1967.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 3.—RETURNS WITH INVESTMENT CREDIT BY SIZE OF CREDIT, 1967

| Size of credit | Number of returns | Total amount of credit (millions) |
|---|---|---|
| 10 million plus | 21 | 419.4 |
| 1 to $10,000,000 | 280 | 789.9 |
| 500,000 to $1,000,000 | 197 | 137.6 |
| 250,000 to $500,000 | 310 | 108.3 |
| 100,000 to $250,000 | 749 | 116.0 |
| $50,000 to $100,000 | 1,030 | 71.6 |
| $25,000 to $50,000 | 2,204 | 74.9 |
| $20,000 to $25,000 | 1,145 | 25.0 |
| $15,000 to $20,000 | 1,841 | 30.6 |
| $10,000 to $15,000 | 4,167 | 48.9 |
| $6,000 to $10,000 | 7,908 | 56.4 |
| $2,500 to $6,000 | 22,406 | 82.4 |
| $500 to $2,500 | 91,614 | 114.1 |
| Under $500 | 261,754 | |
| Total | 395,625 | 2,075.0 |

NOTES

The top 21 firms received $419,400,000 from the credit; 20.2 per cent of the total.

The top 301 firms received $1,209,300,000 from the credit; 58 .3 percent of the total credit.

he top 808 firms received $1,455,200,000 from the credit; .1 percent of the total credit.

Mr. NELSON. Table 4 shows the benefits of the investment credit to a few large corporations over the 9-year period that the credit was in effect. General Motors received $297 million, United States Steel $207 million, and Union Carbide $89 million. In some cases, the credit resulted in a tax cut of up to 30 percent.

In short, this amendment restricts the credit available to about 2,700 firms. It does this at a saving of $25 billion over the next 10 years.

On the whole, the investment credit is a waste of money. With industry operating at 73 percent of capacity, most economists doubt it will have much impact on investment and jobs in the short run.

Many businessmen agree with the economists. As Chairman John Roche of General Motors said recently:

> It should be understood that most companies of any size determine their purchases of equipment by the needs of the business and not by any short-term tax advantages.

Mr. Roche then went on to say that what mattered was consumer purchasing power:

> It must be noted that the tax credit and accelerated depreciation applies only after equipment is purchased and put to use. This, like the other elements of the program, means very little unless we can achieve the improved economy the President has called for.

Mr. Roche's argument has been supported by numerous surveys.

Mr. President, I ask unanimous consent to have printed in the RECORD a table showing the investment tax credit for selected corporations.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

TABLE 4.—INVESTMENT TAX CREDIT FOR SELECTED CORPORATIONS

[Millions of dollars]

| | General Electric | | Union Carbide | | PPG Industries | | General Motors | | U.S. Steel | |
|---|---|---|---|---|---|---|---|---|---|---|
| | Amount | Percent tax rate reduction | Amount | Percent tax rate reduction | Amount | Percent tax rate reduction | Amount | Percent tax rate reduction | Amount | Percent tax rate reduction |
| 1962 | $5.5 | 2 | (1) | (1) | $1.2 | 2 | $16.9 | 2 | $8.2 | 6 |
| 1963 | 7.4 | 2 | (1) | (1) | 2.5 | 6 | 29.1 | Nil | 12.0 | 6 |
| 1964 | 6.0 | 4 | $12.6 | 9 | 1.1 | 3 | 35.1 | 2 | 13.4 | 6 |
| 1965 | 9.0 | 2 | 13.5 | 7 | 1.7 | 5 | 39.7 | 2 | 13.7 | 6 |
| 1966 | 13.9 | 4 | 18.1 | 12 | 2.1 | 5 | 49.8 | 4 | 20.8 | 10 |
| 1967 | 14.3 | 4 | 19.3 | 18 | 2.5 | 8 | 31.5 | 2 | 33.4 | 31 |
| 1968 | 17.6 | 6 | 17.7 | 17 | 7.2 | 18 | 39.4 | 2 | 38.6 | 28 |
| 1969 | 10.3 | 4 | 7.4 | 9 | 3.0 | 5 | 35.8 | 4 | 35.3 | 35 |
| 1970 | 3.0 | 0 | (1) | | 2.0 | 14 | 19.9 | 9 | 31.3 | (1) |
| Total | 87.0 | | 88.6 | | 21.3 | | 297.2 | | 206.7 | |

[1] Not available.

Mr. NELSON. Mr. President, the New York Times of September 20, 1971, carried a column by Michael Jensen entitled "Tax Credit Seen as a Spur to Profits Not Jobs," The column began:

> President Nixon's proposed tax credit of 10 percent on business investments in new machinery and equipment appears more likely to increase corporate profits than to create additional jobs for unemployed workers next year.
>
> And although the tax credit has been almost universally welcomed by business leaders, it probably will not have a major effect on capital spending plans for 1972, particularly during the first half of the year according to a New York Times survey.
>
> Most companies said they will replace machinery and equipment at about the same rate they had planned before last month's announcement of the proposed tax credit.

If the large business tax cuts proposed by the administration are not going to increase investment, their likely result will be to increase corporate cash. Indeed, the new depreciation rules—ADR—have already had this effect.

On October 22, 1971, the Wall Street Journal featured a story headed: "Corporations Manage To Rebuild Cash, Cut Their Short-term Debt: Surge in Depreciation Funds, Increasing Profits, Bring Huge Climb in 'Cash Flow'."

The text included a table and text which I ask unanimous consent to have printed in the RECORD.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

TABLE 3

[Dollars in billions]

| | Profits | Depreciation | Cash flow |
|---|---|---|---|
| 1969: | | | |
| 3d quarter | $43.0 | $51.9 | $94.9 |
| 4th quarter | 42.3 | 53.2 | 95.5 |
| 1970: | | | |
| 1st quarter | 41.5 | 54.4 | 95.9 |
| 2d quarter | 41.3 | 55.7 | 97.0 |
| 3d quarter | 42.9 | 56.7 | 99.6 |
| 4th quarter | 39.2 | 58.0 | 97.2 |
| 1971: | 42.9 | 62.6 | 105.5 |
| 2d quarter | 46.0 | 64.0 | 110.0 |
| 1971: | | | |

> As Phase 2 of President Nixon's new economic program approaches, much has been made of the lagging profit record—especially by management spokesmen fearful of any move to control profit increases in coming months. A statistic frequently cited is that after-tax profits now amount to less than 5% of gross national product, the lowest rate since before World War II.
>
> When the big rise in depreciation is taken into account, however, the picture appears much less gloomy. In fact, cash flow has recently been climbing even as a percentage of GNP, and currently it about matches the rate that prevailed in the early 1960's, when business activity was expanding rapidly. A major factor in the especially rapid rise or cash flow this year was the Treasury Department's decision last June to liberalize depreciation regulations, retroactive to Jan. 1, 1971. Economists say one effect of this move, which is being challenged in the courts and may well be scaled down in Congress, has been to make corporations seem more starved for cash than they really are.

Mr. NELSON. This amendment would save $1.9 billion that will otherwise go to the largest corporations. This $1.9 billion represents 7 percent of about $27 billion of investment expenditures.

Is it not reasonable to assume that these very large corporations would undertake these capital expenditures even without the investment credit—or at least would undertake most of it—say $25 billion of it? Do we really want to spend $2 billion of Federal revenue to get $2 to $3 billion more capital spending by these large corporations?

This amendment would be a major improvement in H.R. 10947. It would greatly cut down the enormous corporate tax cuts. It would provide us with some additional revenue which could be used in the short run to stimulate consumer spending. In the longer run, this revenue could be used for the many priority items on the agenda of social reform. Finally, the amendment would return a measure of fairness to a tax package that now is blatantly biased in favor of the corporations.

Mr. President, I would point out this very significant fact and emphasize it. There will be about 400,000 firms and farmers in America that will take advantage of the investment credit. Of those 400,000 firms 397,300 will be totally covered by the $1 million limitation. Those 397,300 firms will receive a $1.7 billion investment tax credit. The other 2,700 firms—of the 400,000—will receive, under the present bill, $1.9 billion. So we have a situation in which 2,700 giant corporations get a tax benefit of $1.9 billion, whereas 397,300 firms get a benefit of $1.7 billion.

The key argument by the administration in support of all its proposals in this bill is that this is a job creation bill. I have not been able to get the Treasury or anybody else to tell me what new jobs will be created by the 2,700 firms that will be getting a tax benefit of $1.9 billion. Those firms will spend about $25 billion in capital investment and they will spend it whether or not there is a 7-percent investment credit. So, where is there job creation claimed by the administration?

It is estimated they might spend $2 billion more than they otherwise would spend. So we are asking the taxpayers of the country to give them $2 billion in tax benefits to get them to spend $2 billion more than they would otherwise spend in capital investments. So if, as estimated, with a 7-percent tax credit they will spend $27 billion in capital investments instead of the $25 billion they would spend anyway. So we are going to give the big corporations $2 billion in tax benefits to induce them to buy $2 billion more in capital goods.

I do not think it is a justifiable expenditure of taxpayer money. It is nothing but a tax give away to the largest corporations in America.

Mr. President, if we want to do something meaningful with this $1.9 billion, give it to the taxpayer in the low-tax brackets, who have to spend the money, because they do not have enough to adequately feed, clothe, and house their families. Let them receive a little of the benefits in this tax bill.

We would be better off to limit it to $1 million and keep the $1.9 billion and give it to the people in the lower-income bracket.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 21 minutes remaining.

Mr. FANNIN. Mr. President, the purpose of this tax bill is to stimulate the economy and provide additional jobs for the American workingman. It is illogical, therefore, to limit the amount available for the job development credit. We should be doing all we can to offer incentives to all companies, regardless of size, to purchase new equipment and to make them more competitive with foreign firms if we want to keep our jobs from going abroad.

The amendment would reduce by approximately 74 percent the amount of Job Development Credit—JDC—allowed to corporations. The credit provided by the bill would cost about $3.6 billion in the first full year, 1972, and of this, about

$2.9 billion would go to corporations. The Senator's proposed limit, however, would cut this down to $800 million.

The total cost of JDC would be reduced—in terms of 1972 liabilities—from $3.6 to $1.5 billion, a reduction of $2.1 billion.

The proponents of this limit advance an argument that the credit is not likely to provide an incentive for more investment by larger firms. Larger firms, they argue, make investments because they are forced to do so. There is no evidence whatever for this point of view. The argument is tantamount to an assertion that large firms make investment decisions without regard to tax or cost considerations. But large businesses, like small ones, seek profit, and consider new investments in terms of cost and expected returns. It is perfectly clear that large firms, just as small firms, will undertake investment projects if they are thought to be profitable and reject those thought to be unprofitable. JDC reduces the cost of investment for both large and small firms and will induce greater investment by both.

There is some evidence on this point. In 1962, corporations with assets under $1 million purchased property which was eligible for investment credit in an amount which came to 2.4 percent of their total assets. By 1965, their purchases of credit property rose to 3.1 percent of assets, an increase in the ratio of 30 percent. For firms with assets over $250 million the ratio of credit property to assets with 1.6 percent in 1962 and 2.5 percent in 1965, an increase in the ratio of 56 percent. Thus, large companies increased their relative investment in machinery and equipment under the 1962 credit more than smaller companies.

Still another problem with this amendment is that the credit that it does allow to large corporations will be wasted from an incentive standpoint. In 1972 and 1973 the proposal will allow $1.6 billion of credit per year. Of this, $175 million will go to the 2,500 firms large enough to be affected by the ceiling. For these 2,500 firms, the credit will be a fixed $70,000. Expenditures in excess of the level yielding $70,000 in credit cannot be affected by the credit and for such expenditures the credit can provide absolutely no incentive. In these circumstances the credit would be allowed only for investment that was going to occur anyway. The credit provides cash but not an incentive for job development. Per dollar given up, the credit under the amendment is bound to have less effect than the credit in the bill.

The net effect of the proposal is that we would remove the incentive with respect to corporations doing nearly 81 percent of the corporate investment to reduce the cost—in the corporate sector—by 74 percent. This is bad policy.

The intricate interrelations of large and small firms should also lead us to reject the amendment. Small businesses do subcontracting and similar work for large businesses. If the investment growth of large firms is reduced, this would directly cut the market opportunities for small firms.

Finally, the limitation is very discriminatory across industries. It is an economic fact of life that firms in certain industries require a large capital stock in order to operate efficiently. Examples of such industries are steel, chemicals, automobile, and public utilities. By limiting the amount of credit available to firms in these industries, consumers of products produced by these industries will be deprived the benefits of lower capital costs.

Technically, the provision creates problems, because of efforts in larger businesses to organize as separate corporations to avoid the limit. There can be a related corporation rule but this becomes difficult to police and would still leave loopholes.

Mr. President, we cannot lose sight of the fact U.S. corporations must operate as efficiently as possible if they are to compete in this highly competitive industrial world. At present, we do not have corporations that are competing with large foreign corporations. They are not competitive. So to take their power away from them, to reduce their ability to compete in the world's market is a great mistake.

Today it takes well over $25,000 in capital investment to create one new industrial job. The total labor force is expected to grow by some 15 million during the 1970's and it will require at least $30 billion annually in new expenditures just to employ this net addition to the work force. A more favorable public policy climate to enable the corporate sector to provide such investment flows is certainly needed now and throughout the 1970's.

Clearly, the previous 7 percent credit was successful in encouraging capital investment, employment, and increased productivity over its lifetime in the 1960's. While other factors were involved, it was not just coincidental that from 1962 to 1968 investment in producers durables increased 10½ percent per year, output per manhour in manufacturing industries rose at better than 3 percent per year, and employment in manufacturing went up by 2.8 million. Currently employment in manufacturing is over 1 million below its 1968 average. Part of this loss can be attributed directly to the loss of the investment credit and the slackening of capital spending.

Prompt action must be taken to reestablish incentives for capital investment. If new jobs are to be created, if productivity is to be increased, and if our high standard of living is to be extended to all citizens without inflationary results, American business must be encouraged constantly to improve and modernize its plant and equipment. New jobs result only from greater productive activity.

This is a very important factor in what we are trying to do in the proposed legislation. This body should be considering methods to increase incentives to purchase new equipment; not to build in severe disincentives, as this amendment would do.

Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Arizona has 24 minutes remaining; the Senator from Wisconsin has 24 minutes remaining.

Mr. FANNIN. I reserve the remainder of my time.

Mr. FULBRIGHT. Mr. President, will the Senator from Wisconsin yield?

Mr. NELSON. I yield.

Mr. FULBRIGHT. May I clear up what percent of the overall tax credit went to 808 firms?

Mr. NELSON. In 1967, some 395,000 firms, businesses, and farmers took advantage of the 7-percent investment credit. Of those 395,000 firms, 808 received 70 percent of the total credit that was given.

Mr. FULBRIGHT. They would be companies of the size of General Motors and United States Steel?

Mr. NELSON. The top companies of our country.

Mr. FULBRIGHT. I was under the impression that companies like IBM, A.T. & T., and others of that size did not rely on tax credits of this kind to determine whether they would install new machinery; their business is so big that they buy the latest equipment whenever it is needed.

Mr. NELSON. I think that is perfectly clear. As a matter of fact, I tried to get the Treasury representatives, in an executive session of the Committee on Finance, to explain to me how much more capital investment big corporations would make with the 7-percent investment credit than without it.

I suggested to them that if the top 2,000 companies, or thereabouts, were to make a capital investment of $25 billion next year, how much more would they make if they got a 7-percent investment credit. I suggested to the Treasury that they should make an agreement that if the investment credit does not increase the investments of those companies substantially, we ought to repeal that provision next year. But the Treasury was not prepared to agree to that because they know it will not cause any significant increase in capital investment.

General Motors will make their planned capital investment whether or not Congress passes a 7-percent investment tax credit. So will A.T. & T. and IBM. So will all the rest of the big companies. This is just part of the administration's tax-sharing program for the rich.

We are going to take the little people's revenue and share it with the largest corporations in America; that is the only kind of revenue-sharing program we can get passed in this Congress.

Let me read to the distinguished Senator from Arkansas what Chairman of the Board John Roche of General Motors had to say recently:

> It should be understood that most companies of any size determine their purchases of equipment by the needs of the business, not by any short-term tax advantages.

Mr. Roche then went on to say that what mattered was consumer purchasing power. He said:

> It must be noted that the tax credit and the accelerated depreciation applies only after equipment is purchased and put to use. This, like the other elements of the program, mean very little unless we can achieve the improved economy the President has called for.

So we have Mr. Roche saying exactly the same thing as Walter Heller, former Chairman of the President's Council of Economic Advisers: That you have got to put purchasing power in the hands of the consumers in order to stimulate the economy. That is what has been said by a number of Senators during the last 2 days here on the floor of the Senate. As Mr. Roche says, what matters is consumer purchasing power.

The investment tax credit does not add to the consumer purchasing power at all. It is not a job creation program. As I have said, it is a fat man's revenue-sharing program, created by the administration to boost the profits of the richest corporations in this country.

Mr. FULBRIGHT. If I understand it correctly, 2,700 of the companies would share the $1,900 million. Is that correct?

Mr. NELSON. Yes. Everybody would be permitted to apply a 7-percent tax credit against a million-dollar capital investment.

Mr. FULBRIGHT. But if the Senator's amendment were to go into effect, it would save $1,900 million?

Mr. NELSON. Yes.

Mr. FULBRIGHT. And it eliminates 2,700 firms?

Mr. NELSON. No, it does not eliminate 2,700 firms. Those 2,700 firms are allowed to take a tax credit against $1 million in capital investments, but not above.

Mr. FULBRIGHT. And the amount disallowed, over and above the $1 million, would save the taxpayers $1.9 billion?

Mr. NELSON. That is correct.

Mr. FULBRIGHT. Which means, then, that if the Senator's amendment is adopted, it would save $1.9 billion which would otherwise be paid to 2,700 firms?

Mr. NELSON. Correct.

Mr. FULBRIGHT. That is all?

Mr. NELSON. That is correct.

Mr. FULBRIGHT. So it would have the effect of not giving $1.9 billion to 2,700 firms.

Mr. NELSON. That is correct.

Mr. FULBRIGHT. As they are the biggest ones and the least likely to be influenced by any such minor considerations to a firm of that size?

Mr. NELSON. That is correct.

Mr. FULBRIGHT. General Motors, as I understand, had the biggest month in their history in September of this year, in sales; is that correct?

Mr. NELSON. Yes.

Mr. FULBRIGHT. I do not know what the point of this is, to give them another several million.

Mr. NELSON. I think the Senator knows very well what the point is: to fatten up the treasuries of the richest corporations in America, while forgetting about the little people of this country, it is as simple as that. Under the guise of creating jobs they are going to give away $2 billion a year to those who need it least.

Mr. FULBRIGHT. The only thing that would really induce a greater degree of investment and jobs would be more customers, would it not?

Mr. NELSON. Yes; and Mr. Roche went on to say that what mattered was consumer purchasing power.

Mr. FULBRIGHT. Yes.

Mr. NELSON. So if we gave that $1.9 billion to the consumers, that would do more than giving it to the 2,700 corporations.

Mr. FULBRIGHT. It would seem that way to me. I do not understand the answer to that. What is the other argument? What is the answer to the Senator's argument?

Mr. NELSON. Well, you hear these answers, you know, they sort of spin around in space, and are kind of fuzzy, and do not really mean anything. When one is able to stand on the floor of the Senate and answer the proponents of this legislation with quotations from the chairman of the board of the biggest corporation in the world, you would think that ought to be answer enough; would the Senator not agree?

Mr. FULBRIGHT. I would have thought so.

Mr. NELSON. I usually am not given to quoting Mr. Roche in support of any position I take, but here he is, on the side of the liberals here, who want to create purchasing power.

I would ask the distinguished Senator from Arizona to tell me how many billions of dollars more of capital investment is going to be made by those 2,700 corporations because of the 7-percent investment credit than they would otherwise make. Treasury spokesmen thought maybe $2 billion, or an increase from $25 to $27 billion. They are going to spend almost all of that anyway, or 95 percent. So if we are going to spend $2 billion more for an estimated increase in their capital investment by these 2,700 corporations from $25 to $27 billion, we are asking the taxpayers to give them $2 billion in tax credits in order to make $2 billion more in capital investments. That is a whale of a lot of the taxpayers' money to give away, dollar for dollar, and it is not creating jobs anyway, because 95 percent of all those capital investments are going to be made by those corporations without it.

No one has been able to explain it to me; I have been asking this question of financial experts from all over for the last month, and have not been able to find an answer that my 10-year-old boy would find believable.

Mr. FANNIN. Mr. President, I yield 5 minutes to the Senator from Ohio.

Mr. TAFT. Mr. President, there is a very, very basic fallacy in the approach of the Senator from Wisconsin with regard to the investment credit—or the job investment credit, as the President very correctly calls it.

The purpose of the job investment credit is to stimulate productivity in this country. That is its primary purpose.

I do not care what the chairman of the board of General Motors may say about what his investment policies may be with regard to the investment tax credit, the fact of the matter is that on the record, we have got economic results. I do not care what Mr. Heller may conjecture, we have got economic results as to what has happened when the investment credit has been in effect in this country and when it has not. The rate of increase in productivity has been approximately doubled during those periods on the last occasions when we have had the investment credit, as compared to those eras in which we have not had it.

Let us go on from that. The Senator from Wisconsin asked what jobs are involved. I will tell you what jobs are involved. At least a thousand jobs are involved in the machine tool industry, in the major machine tool areas of this country. I happen to come from one of those areas, so I am very much aware of what the result would be.

The Senator speaks of corporate giants. They have to have a tremendous accumulation of capital, and therefore may be earning an extremely small return. Steel companies, for example, earn only 1 or 2 percent on their capital investment, and they may well have use for a tax credit well above the million-dollar figure in the steel industry.

What has happened in the steel industry? Why are we in trouble in the steel industry today? Why is steel production down?

I will tell you. It is because in many instances increased imports are coming in and comparing very favorably in price with anything we can produce in this country, in spite of the tremendous additional transportation costs.

Let us take the average figure, having nothing to do with wage differentials between Japan and the United States, which are about $3 an hour. Let us take the average figure of the number of man-hours it takes to produce a ton of steel in this country as compared with Japan. I wonder if the Senator from Wisconsin knows what that is.

The average number of man-hours in this country is 7.3. The average number of man-hours it takes in Japan is 5.7, regardless of the wage differential.

Mr. NELSON. Mr. President, will the Senator yield for a brief question?

Mr. TAFT. I am glad to yield for a brief question.

Mr. NELSON. What is the Senator's explanation as to the reason why it takes fewer man-hours to produce a ton of steel in Japan than here?

Mr. TAFT. I will give the Senator a very brief explanation. The Japanese have new oxygen furnaces. We do not have nearly so many oxygen furnaces. Furthermore, this relates to another subject the Senator from Wisconsin is very much interested in, environmental pollution. An oxygen furnace has very much less environmental pollution involved in its operation than the old blast furnace.

We are trying to give these companies an incentive to go out and make the additional investment that is necessary in order to reestablish America's position in steel productivity. There are thousands and thousands of jobs involved in the equipment required for those new type oxygen furnaces. There are many very small companies in this country who will take on workers and put on jobs if we enact this investment credit. It will make it more possible for companies to go ahead and do something about it.

This investment credit for these large companies, just as much as for the small companies, is going to result in the placing of orders for equipment. The placing of orders for equipment will be for companies of all sizes in this country. Every company is going to be involved in producing some of the parts necessary for the particular capital investment involved. That is the whole theory behind the investment credit, and the Senator has overlooked it.

Mr. NELSON. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

Mr. NELSON. The claim of the administration of proponents of the bill, is that this is a job-created bill. Will the Senator answer this question for me, which the Treasury Department could not answer? The question is, How much more capital investment will these top 2,500 corporations make with the 7-percent investment credit than they would make without it?

The best guess is that they are going to make an investment of $25 billion, and they might be induced to go to $27 billion.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FANNIN. How much additional time does the Senator wish?

Mr. TAFT. Three minutes.

Mr. FANNIN. I yield 3 additional minutes to the Senator.

Mr. NELSON. I took some time, if the Senator needs more.

My question is this: What does this 7-percent investment credit do to induce an expansion of jobs in the economy when almost everybody agrees that almost all this money is going to be invested in capital by big companies, anyway?

Mr. TAFT. I do not believe the Senator is correct in that. I think it is an unsound assumption, on the basis of a remark by the chairman of General Motors Corp. The board of directors, in looking at whether or not they are going to make a capital investment, have to look at how quickly they are going to recover their capital. That is one of the problems in the productivity picture.

I cite some figures that I put in the record as early as May 5 of last year with regard to the rate of cost recovery allowance in the United States as compared to our major industrial competitor.

The rate, for example, in the United States in the first year is about 7.7 percent of recovery. Of course, the tax credit would greatly speed up that recovery for those companies taking advantage of it. In the first seven taxable years we recover only 66 percent.

Compare those figures with Japan, where there is 11 percent recovery in the first year and 100 percent the first 7 years.

In Sweden, there is 30 percent recovery in the first year and 100 percent in 7 years.

In the United Kingdom, there is 12 percent in the first year and 102 percent in 7 years.

These are the major countries with which we are competing.

In West Germany, it is 9 percent and 83 percent.

The United States, through its tax policies, is putting itself at a major disadvantage with its principal industrial competitor. It is about time we did something about it. One of the most effective things we can do about it is to make the investment credit applicable to all companies.

One thing the Senator has not discussed it not allowing the investment credit for amounts over a million dollars for very large corporations whose percentage of profit, in the case of steel, may be far lower for its hundreds of thousands of stockholders than the percentage of profit of some company that may take the million dollars, or most of it, and have a smaller rate, with a smaller number of stockholders, and the overall effect is highly discriminatory.

Mr. FULBRIGHT. Mr. President, will the Senator yield?

Mr. TAFT. I yield.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FANNIN. I yield the Senator 2 additional minutes.

Mr. FULBRIGHT. I do not disagree with what the Senator said about the general effect of the tax credit. All we are talking about here are the very large corporations. It has been my impression for some time that a number of our largest corporations are the least efficient in the business today. We have already had an example of the Pennsylvania Railroad, the biggest railroad in the country, going broke. We have the example of Lockheed, which is the biggest contractor with the Government and ought to be very profitable. Many of its contracts are cost-plus. I do not know how they are able to reach the point of bankruptcy, which was the case before we gave them a loan.

I thought that traditionally—and the Senator knows much more about this than I do—the most efficient of the steel companies, which is the sickest of all these businesses, has been the medium-sized companies.

United States Steel, for many years, has not been considered as efficient as National Steel or Inland Steel—some of the medium-sized steel companies. It is an example.

Mr. TAFT. United States Steel shut down its plant in Youngstown this year because it does not have modern equipment. This resulted in a loss of 2,500 jobs in that area.

Mr. FULBRIGHT. It is shown by its bureaucracy as well as other things.

Mr. TAFT. The reason United States Steel has not gone ahead and made the investment there is that it has not been economical for it to do so. If we provide an investment credit, they will very likely reconsider.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. FULBRIGHT. Mr. President, will the Senator from Wisconsin yield me time?

Mr. NELSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Wisconsin has 11 minutes, and the Senator from Arizona has 13 minutes.

Mr. NELSON. I yield 3 minutes to the Senator from Arkansas.

Mr. FULBRIGHT. I submit to the Senator from Ohio—he comes from one of the principal steel producing States—that United States Steel had a dismal record during the earlier investment credit period, long before this. They did not equip themselves with better machinery. They have not been competitive with other companies in this country, much less with the Japanese.

The thrust of this amendment is not to take the credit away from the largest 2,700 companies but to limit it to $1 million investment per company. Out of approximately 83,000 companies, all of them would continue to get what they normally would under the previous experience, except the very largest ones.

United States Steel is probably the least efficient in the business. If the Senator wants to rescue them, why can it not be done as it was in the case of Lockheed, by giving them a direct loan, instead of subsidizing companies like General Motors and IBM, who do not need it, except to put it into the pockets of their shareholders.

Most of them are very profitable companies, with exceptions such as United States Steel, which is one of the least efficient of any major industrial corporation, excluding, of course, such companies as Lockheed and other special pets of the Government. They have been pampered to the point where there is no incentive for them to be efficient.

In the aid program, which many supported steel is bought from United States Steel and shipped abroad at cost-plus, I suppose. Private people in this country, however, have been buying Japanese steel.

I do not see why we use this device. The Senator from Wisconsin is saying that it should be given to everybody, where it is likely that they will need it—those who are investing a million dollars or less. The unlimited 7-percent proposal takes care of 2,700 out of 83,000 firms. Spread around that way, it is quite logical that many more jobs will be inspired by that. If you want to take part of the $1.9 billion and give a direct loan to United States Steel simply because you set the precedent for Lockheed, I think that ought to be considered. They are probably as worthy as Lockheed or Pennsylvania Railroad.

The PRESIDING OFFICER. The time of the Senator has expired. Who yields time?

Mr. FANNIN. I yield myself 3 minutes.

Mr. President, I should like to respond to what the distinguished Senator from Wisconsin has stated about these large corporations not wanting this tax credit or not needing it.

Mr. NELSON. They want it, all right.

Mr. FANNIN. The chairman of the board of the General Electric Co.—it is a fairly large company, one of the largest in the world—said this on October 12 of this year:

> In the United States, productivity—in terms of output per man hour—increased 14% between 1964 and 1970. Among our major trading countries the increase ranged from 22% in the United Kingdom to 99% in Japan.

I would call that to the attention of the Senator from Arkansas, that we know United States Steel is one of those industries which is not competitive now because it has not had the incentive nor the encouragement to go forward.

I want to finish this statement:

> It is certainly true that output per man-hour in other countries has grown much more rapidly than in the U.S. in recent years. It should! All other industrial countries

have much greater incentives to modernize their manufacturing facilities to increase productivity—via their tax structures, such as our pre-1969 investment tax credit of 7%, much more rapid depreciation for tax purposes, and so forth.

Mr. BENNETT. Mr. President, will the Senator from Arizona yield?

Mr. FANNIN. I yield.

Mr. BENNETT. Mr. President, we have got ourselves in a trap talking about United States Steel and General Motors. Let me bring our minds into another aspect on which every Member of the Senate will agree that help is needed. I am talking about the railroads, most of whom would spend more than $1 billion in the purchase of new rolling equipment and the modernization of their track and other equipment if they had it.

The Department of Transportation estimates that for the next 9 years we will need an investment in rolling stock of $15.3 billion. This investment translates into an actual investment of $1.7 billion and acquisition each year of 83,000 new freight cars. Here I am quoting from the testimony given the committee by a representative of the Association of American Railroads.

He said:

> The actual cash outlay necessary to underwrite this program—only over the 9 years—is some $8.1 billion, that is explained and shown in Exhibit D of my written testimony.
>
> We cannot hope to achieve this goal without the credit. Freight orders in 1970 were only 58,201—a non-credit year—far short of the 83,000 acquisition called for by DOT.
>
> However, during 1966—a 7-percent credit year—our orders reached a peak of 112,898 cars.

Nearly double.

Yet we are making a blanket sweep across the economy and saying, "All we are doing is helping General Motors." I am sure that most western Senators are concerned every year because there are not enough freight cars to haul the farm produce.

Mr. PASTORE. Mr. President, will the Senator from Arizona yield?

Mr. FANNIN. I yield.

Mr. PASTORE. The strong assertion has been made here, which is the predicate of this amendment, to the effect that the big firms we have been talking about, whether or not they get the 7-percent investment credit, will spend a lot of money for expansion anyway. Does the committee agree with that?

Mr. BENNETT. No. The committee rejected that idea when it was offered in committee.

Mr. PASTORE. The argument has been made here, a specific case, that Mr. Roche, president of General Motors, says they have plans to spend many billions of dollars and that they will spend it anyway, whether they have the 7-percent or not. Did all the others testify the same way and, if not, who are they?

Mr. BENNETT. Mr. Roche did not testify, so far as I know. This is a statement outside the committee. I do not know what its context is or what the situation was in which the statement was made.

Mr. PASTORE. In other words, Mr. Roche never came before the committee to say so, did he?

Mr. BENNETT. No.

Mr. PASTORE. Well, now, is there any proof at all that the big firms will spend that money anyway, whether we give it to them or not? It would be foolish to give it to them if they are going to spend the money anyway. On the other hand, it would be foolish not to give it to them if they were going to spend the money if they got it.

Mr. BENNETT. We go back to the basic problem of increasing the productivity of our existing capacity. In the Senator's State of Rhode Island, with the question of textile mills, he knows that the millowners will spend more money and go further with modernization programs if they have the credit.

Mr. PASTORE. That is true, but I cannot imagine anyone in our State really spending more than $1 million in 1 year; but I can imagine this, that a lot of small firms in the State, if the big companies are going to spend more than $1 million in 1 year, they might give their contracts to the small companies in our State. I can see the benefits that way, if that is the case.

Mr. BENNETT. It is the blocking off of a lot of business to the small companies to whom the Senator is willing to give the 7-percent investment credit, if the big companies were not in a position to buy the machinery that the small companies make. General Motors does not make the machinery with which it makes its cars.

Mr. PASTORE. That is true. Another thing, we have mentioned General Electric. We have some small General Electric plants in my State, but I do not think they buy more than $1 million a year for the plants in my State but, over all, I suppose, they would get the benefit of it if they were granted a 7-percent investment tax credit.

Mr. BENNETT. That is right. May I read one more paragraph from the statement of Mr. Barnett, on behalf of the Association of American Railroads:

> **Moreover, the credit will also have an immediate and forceful impact on unemployment. Our car and locomotive builders and suppliers during the effective years of the 7-percent credit employed in excess of 500,000. We all remember what happened to them when that credit was suspended—the plants that were closed—and the drastic reductions in their work forces.**

That is another aspect of the proposition. I do not think that we should take a doctrinaire approach and pick a figure and say in effect that no one is entitled to more than $70,000 of investment credit, which is equivalent to the purchase of $1 million in equipment and machinery and, therefore, regardless of its need, regardless of the value it will have for the economy, and chop it off, on the theory that we are going to help only the little man. As I have tried to say, General Motors does not make the machinery which it buys to make its cars with the money which generates the 7-percent investment credit.

It does not do a machine manufacturer any good to know that he could have a 7-percent investment credit if his customers, the big companies, cannot have it to buy what he produces. This goes all through the economy. In fact, I think it would be safe to say that the 7-percent investment credit in the larger factories would probably have more benefit for smaller business than if we left them with the 7-percent investment credit and took it away from their customers.

It is very interesting.

I hold in my hand a copy of the report of the committee, that in 1967, early 1968, the machine tool business had risen to a volume of $500 million—nearly $600 million—and when the credit was taken off, it dropped below $300 million and by the end of the year, 1970, it was down to a little above $100 million. That is the effect of the 7-percent investment credit.

Mr. FULBRIGHT. Mr. President, will the Senator from Utah yield?

Mr. BENNETT. I yield.

Mr. FULBRIGHT. But that assumption would wipe it all out. The Senator is not proposing to wipe it all out.

Mr. BENNETT. We are wiping it out, all but $800 million. We are wiping out $2.1 billion, leaving only $800 million.

Mr. FULBRIGHT. Not according to——

Mr. NELSON. The figures are not 74 but 400,000 corporations and businesses will take advantage if it, of which 27,000 of those corporations will use $1,900 million—$3,600 million——

Mr. FULBRIGHT. That is right. Would the Senator allow one observation relative to the railroad question?

The Southern Railway Co., during the last several years, without this credit, but because of good management, has modernized and innovated its company. It is one of the most profitable railroads in the country. What we intend to do here is what we did in the case of Lockheed and Pennsylvania Railroad—to subsidize bad management. The Southern Railroad Co., has proved that it can be done and can be efficient.

Mr. BENNETT. Mr. President, the Southern Railway probably modernized on a 7-percent investment tax credit.

Mr. FULBRIGHT. Then, why would the Senator completely discount the effect of good management? It surprises me, since the Senator from Utah was president of the National Association of Manufacturers, that he is downgrading good management.

Mr. BENNETT. Oh, here it comes. The witness testifying before the committee was with the Western Pacific. That is as good a railroad as we have in the United States.

Mr. FULBRIGHT. It does not need it. It is one of the better ones. We have a lot of them that are very poorly managed. I do not know why we should subsidize the less-efficient companies.

The Senator referred to the enormous increase in productivity of the Japanese. I submit that it is not because they have a tax investment credit. They have the best labor relations. They have fewer strikes and less time lost through strikes or slowdowns than any modern country in the world. They hardly ever have a strike, and if they do, it is on Sunday or on some other day when it will not interfere with productivity.

The same way with Sweden. That country has good labor relations.

Mr. BENNETT. The Senator is not

arguing about the comparative labor relations as between Sweden, Japan, and the United States. We are talking about one means by which productivity can be increased.

Mr. NELSON. Mr. President, whose time is being used?

Mr. BENNETT. My time. I will reserve the remainder of my time.

The PRESIDING OFFICER (Mr. STAFFORD). The Senator has 1 minute remaining. Who yields time?

Mr. NELSON. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Wisconsin has 8 minutes remaining.

Mr. NELSON. Mr. President, the proponents of the bill have been talking about putting our corporations in a better tax situation. I would point out that the effective corporate tax rates in the major industrialized countries show that the United States is just about exactly in the middle.

The effective corporate tax rates in the United States, including depreciation and all other factors, is 42.10 percent. West Germany is 43.30 percent. Canada is above us.

So, France, Germany, Canada, and Italy are taxed at a higher rate than the United States. Germany as everyone knows is one of our toughest competitors.

Mr. TAFT. Mr. President, will the Senator yield at that point for a question?

Mr. NELSON. I yield for a question.

Mr. TAFT. Mr. President, is not the Senator omitting the matter of the writeoff of equipment? I gave the Senator earlier the figures for many of these countries which show that they have a greater writeoff than does the United States. The tax credits would have a direct effect upon this situation.

Mr. NELSON. No. This figure is the effective corporate tax rate in the major industrialized countries. It includes accelerated depreciation, percentage depletion, and taxes.

Mr. President, I will have printed in the RECORD in a few days some testimony by Prof. Walter Adams, of Michigan State University, on the steel industry. He testified yesterday on matters before the subcommittee concerning the efficiency of the steel industry of the United States. I suppose he is the most distinguished student of our steel industry in this country.

He stated that the trouble with the steel industry in this country is spelled "incompetent management." He said that given good, tough, continued competition from Japan, maybe they will modernize and compete. He said that the worst thing we can do is to put such a barrier against Japanese steel in favor of the incompetent steel industry.

That is the problem, the incompetence of the management of the steel industry in America. It is not the 7-percent investment tax credit.

As to modernization, we had investment tax credit benefits in this country for 9 years, from 1962 to 1970. During that 9-year period, United States Steel alone got $206,700,000 in tax investment credits.

So, they had 9 years in which to modernize. But they did not modernize. They are even behind Europe. So, the investment tax credit is not going to help do anything about the management of that company.

I repeat that what we are talking about here is a tremendous giveaway of the taxpayers' money to a group of companies that do not need it. Surely, it will benefit them. It will increase their benefits. There is no question about that. It will help their stockowners. There is no question about that. However, everyone knows that starting with the chairman of the Board of General Motors, all of the economists in this country agree that what we need is to increase the purchasing power of the people to stimulate the economy.

The $2 billion we are giving away to these 2,700 corporations would be better spent for the purposes of stimulating the economy by giving it back to the taxpayers in the lower income bracket than by giving it away in a 7-percent investment tax credit, giving away almost $2 billion to the top 2,500 corporations in this country. They will get about $2 billion, while some 397,300 corporations end up getting less money—$1,700 million.

Mr. HARRIS. Mr. President, will the Senator yield?

Mr. NELSON. Mr. President, I yield to the Senator from Oklahoma.

Mr. HARRIS. Mr. President, I commend the distinguished Senator from Wisconsin for the excellent work he has done on this bill and particularly in regard to the accelerated depreciation range.

Mr. President, the investment tax credit should be eliminated from this bill. I wish also we could have ended the accelerated depreciated range. There is no indication that either will fulfill the function for which it is intended, and there is every reason to believe that it will instead provide a huge windfall for the big corporations. The investment tax credit will cost more than $3.6 billion in fiscal year 1972, and, if continued, will cost over $45 billion by 1980. And to what end? We are getting the same story we got when it was first offered in 1962: That it will improve our trade position, increase productivity, and promote jobs and economic growth.

What the investment tax credit did in the 1960's was to stimulate an excess capital goods boom which generated inflationary pressures—adding to the economy's productive capacity at a much faster pace than the demand for goods and services. It was not until 1964, when a massive tax cut was instituted and there were substantial increases in public investment due to Great Society programs, that there was an appreciable increase in employment.

Proponents of the investment tax credit argue that stimulating new equipment expenditures ultimately increases labor productivity. However, in his testimony before a House committee in 1969, Paul McCracken, Chairman of the Council of Economic Advisers, states:

> We have tried to make some rough estimate of what the effect would be on the long run growth capacity of the economy if we were to terminate the investment tax credit. I do not recall the figure precisely, but it was surprisingly small.

This implies rather conclusively that the past investment tax credit had very little impact on the growth potential of the economy. On the international front, then Secretary of the Treasury Kennedy added that even with the tax credit our trade position with Japan continued to erode.

We can see, then, that what the administration is leading us to believe about the results of this bill are all so much rhetoric. What this bill really does is give away billions of dollars to the big corporations.

The investment tax credit has been misnamed the "Job Development Tax Credit." No one seems to be able to tell how many and what kind of jobs will be created by this bill. It is admitted by many notable economists, even some in the administration, that the effect of the tax credit on the level of investment will be marginal at best. If that is so, its contribution to decreasing unemployment will be marginal at best. There is much evidence to make us believe that the tax credit may actually have a negative effect on employment. Surely, with plant capacity being utilized at only 73 or 74 percent, there can be little incentive to invest in expansion. What industry lacks today is not machinery but customers, and the investment credit could—by parallel decreases in Federal spending—actually lead to the decrease in available jobs—much less create new jobs. The cutback in Federal employment and the postponing of needed social programs hits the low- and middle-income American while making fat the wallets of the big corporations. I see very little in such a program that would warrant a title "Job Development Investment Credit."

Mr. President, as you well know I am suspicious of concentrations of economic and political power. I think the people of the United States have also had a history of rightful suspicion of concentrated power.

The investment tax credit will bestow most of its benefits on capital-intensive firms, and these firms frequently are found in oligopolistic and monopolistic industries. Small, new, and less capital-intensive firms are discriminated against by the structure of the tax credit, while large firms reap high tax benefits. This discriminatory treatment caused by the investment tax credit cannot help but further the concentration of economic power in our society. Those firms with most to gain include manufacturers of machine and equipment, equipment leasing companies, heavy users of equipment and financial corporations. Those with the least to gain will be the little man, the noncapital-intensive firms, the wholesale and retail dealers, and new independent companies. This giveaway to the large corporations can lead to profit increases of over 10 percent at minimum. Yet, corporate profits are now at a healthy level, and cashflows have increased substantially during the present recession.

The prime determinant of business investment is demand. Investment in plant and in equipment will fall off when the economy is generally sluggish and excess capacity makes additional plant and equipment unnecessary. In such a situation, the investment tax credit is likely to have little effect, particularly in the short run. With unemployment too high and output too low, policy should be directed to stimulating the economy in such a way as to put people quickly back to work, train those lacking necessary skills for realistic employment and invest where new capital is most needed. It is common knowledge that by increasing public expenditures we can both overcome deficiencies in public facilities and services and accelerate economic expansion, yet the administration seems to assume that all public spending is wasteful and evil. Instead they feel that by giving money to the big healthy corporation, that it will eventually trickle down to the people. That is neither logical nor practical. The President's program runs a real risk of creating a difficult social and economic situation if it fails to stimulate the economy sufficiently, which is very possible, while concentrating most of the tax relief on big business.

I wish we could eliminate the investment credit altogether, but that does not seem possible. Therefore, I intend to support the amendment of the distinguished Senator from Wisconsin (Mr. Nelson).

I hope very much that the Senate will agree to the amendment.

Mr. NELSON. Mr. President, I thank the Senator from Oklahoma.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Wisconsin has 1 minute remaining.

Mr. NELSON. Mr. President, I yield back the remainder of my time.

Mr. BENNETT. Mr. President, I understand that I have one minute remaining.

The PRESIDING OFFICER. The Senator from Wisconsin is correct.

Mr. BENNETT. Mr. President, the chart to which I referred earlier shows very graphically that when they put on the 7-percent investment tax credit, as was done in 1963, the figure went up dramatically. When we took it off, as was done at the end of 1964, it went down. When it was put back on in 1967, it went up even higher than it had done in 1963. But when it was taken off the last time, in 2 years—15 months—it carried the investment in machine tools down to a level lower than at any point in the last 10 years. So we are dealing with a very powerful tool.

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. RIBICOFF. The United States today is fourth in machine tool production.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from Wisconsin.

Mr. LONG. Mr. President, I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Wisconsin. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. Chiles), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Georgia (Mr. Gambrell), the Senator from Michigan (Mr. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Evins) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Wyoming (Mr. Hansen), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from New York (Mr. Javits), the Senator from Idaho (Mr. Jordan), the Senator from Iowa (Mr. Miller), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. Cook), the Senator from Nebraska (Mr. Curtis), the Senator from Oregon (Mr. Hatfield), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), and the Senator from Texas (Mr. Tower) would each vote "nay."

The result was announced—yeas 13, nays 53, as follows:

[No. 326 Leg.]

YEAS—13

Aiken
Bayh
Burdick
Byrd, W. Va.
Church
Fulbright
Gravel
Harris
Hughes
Kennedy
Mansfield
Mondale
Nelson

NAYS—53

Allen
Allott
Anderson
Baker
Beall
Bennett
Bentsen
Bible
Boggs
Brooke
Buckley
Byrd, Va.
Cannon
Case
Cooper
Eastland
Ellender
Fannin
Fong
Griffin
Gurney
Hartke
Hruska
Humphrey
Jackson
Jordan, N.C.
Long
Magnuson
Mathias
McClellan
Moss
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NOT VOTING—34

Bellmon
Brock
Chiles
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Gambrell
Goldwater
Hansen
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Miller
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Tower

So Mr. Nelson's amendment was rejected.

The PRESIDING OFFICER (Mr. Stafford). Under the previous order, the Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I call up my amendment, which is at the desk. I ask that the reading of the amendment be dispensed with, but that the amendment be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment is as follows:

On page 109, line 18, it is proposed to insert the following:

"(D) Exclusion for Domestically Produced Boxes and Containers, Etc.—The tax imposed by subparagraph (A) shall not apply to a sale by the manufacturer or producer of any box, container, receptacle, bin, or other similar article which is not designed for the transportation of freight and which is not designed to be permanently mounted on or permanently affixed to an automobile truck chassis or body or a truck trailer or semitrailer chassis or body, or parts or accessories designed primarily for use on, in connection with, or as a component part of any such aforesaid article.".

And, On page 109, line 16, insert before the word "during" the following: "or excluded pursuant to subparagraph (D)".

The PRESIDING OFFICER. On this amendment there is a limitation of 20 minutes of debate, to be divided evenly between the Senator from Tennessee and the Senator from Louisiana (Mr. Long).

Mr. BAKER. Mr. President, I yield myself such time as I may utilize.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I shall not take long. The purpose of the amendment is to add to the list of exclusions from the impact of the excise tax on trucks and automobiles, the containers which are manufactured to be used in conjunction with trucks for the disposal of solid waste.

The system involves metal or other types of containers that are manufactured for placement at locations to receive solid waste from industrial, municipal, and other waste disposal sources. Periodically, trucks specially equipped with crane hoists collect and move the containers from the concentration points to points of ultimate disposition of the waste.

The language of the bill as reported would include an excise tax on that portion of the system which is not a part of the truck. The amendment would make it clear that it is the intention of Congress to exclude from the impact of the excise tax only that portion of the system which is not a part of the truck.

It is pointless to state. of course, that we have excluded from the excise tax buses used for urban transit, light trucks, light truck chassis, and light bodies placed on tractors that are used primarily on the highways. Also, in the tax reform bill of 1969 we excluded the concrete-making machinery which is used on a truck, but is not a part of the truck. We also, by interpretation of previous law, excluded other devices of this sort.

It seems to me that the issue before us is whether a portion of a system is clearly not a part of a truck or a vehicle ought to be taxed or to have an excise tax as a part of the truck system. I think it should not; and the purpose of the amendment is to make that clear.

Mr. President, I reserve the remainder of my time.

Mr. LONG. Mr. President, I yield myself 2 minutes.

Mr. President, my understanding is that the article to which the Senator has reference is something which in many cases is purchased by governmental units, because it is used in the course of collecting garbage, trash. Is that correct?

Mr. BAKER. I am not sure what the proportion is. Many of them are sold to cities, for municipal waste collection systems, but many are also sold to industry.

Mr. LONG. They are used mostly for waste disposal; is that right?

Mr. BAKER. Yes.

Mr. LONG. So many of the units are sold to units of Government, such as cities, counties, and States which already are exempt from this tax. Is that correct?

Mr. BAKER. A very high percentage of it would go for that purpose, Mr. President. I do not have a breakdown, but they are the largest single group of users.

Mr. LONG. Mr. President, I do not object to the amendment. The container units for trash which are not sold to units of government are often used by contractors working for governmental units and I see no reason for their having to pay the tax. Even in other cases we would not want to increase the costs of waste collection. However, the majority leader has indicated that he would prefer that we vote by record vote today, so I must ask for the yeas and nays on the amendment.

Mr. BAKER. I ask for the yeas and nays, Mr. President.

The yeas and nays were ordered.

Mr. BAKER. Mr. President, I am prepared to yield back the remainder of my time on the amendment.

The PRESIDING OFFICER. Does the Senator from Louisiana yield back his time?

Mr. LONG. Mr. President, unless there is someone who wishes to use time in opposition, I yield back the remainder of the time in opposition.

The PRESIDING OFFICER (Mr. Stafford). All remaining time having been yielded back, the question is on agreeing to the amendment of the Senator from Tennessee (Mr. Baker). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. Chiles), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Georgia (Mr. Gambrell), the Senator from Oklahoma (Mr. Harris), the Senator from Michigan (Mr. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), and the Senator from Missouri (Mr. Symington) are necessarily absent.

I further announce that, if present and voting, the Senator from North Carolina (Mr. Ervin), the Senator from Wyoming (Mr. McGee), and the Senator from New Mexico (Mr. Montoya) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon) and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Wyoming (Mr. Hansen), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senator from New York (Mr. Javits), the Senator from Idaho (Mr. Jordan), the Senator from Iowa (Mr. Miller), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. Cook), the Senator from Nebraska (Mr. Curtis), the Senator from Oregon (Mr. Hatfield), the Senator from Illinois (Mr. Percy), the Senator from Pennsylvania (Mr. Scott) and the Senator from Texas (Mr. Tower) would each vote "yea."

The result was announced—yeas 62, nays 1, as follows:

[No. 327 Leg.]

YEAS—62

Aiken
Allen
Allott
Anderson
Baker
Bayh
Beall
Bennett
Bentsen
Bible
Boggs
Brooke
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Cooper
Eastland
Ellender
Fannin
Fong
Fulbright
Gravel
Griffin
Gurney
Hartke
Hruska
Hughes
Humphrey
Jackson
Jordan, N.C.
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—1

Moss

NOT VOTING—37

Bellmon
Brock
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Gambrell
Goldwater
Hansen
Harris
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Miller
Mondale
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Tower

So Mr. Baker's amendment was agreed to.

Mr. STEVENS. Mr. President, I call up my amendment, which is at the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 72, following line 19, insert the following:

Sec. 211. (a) section 6331 of the Internal Revenue Code of 1954 (relating to levy and distraint) is amended by redesignating subsection (d) as (e) and by inserting after subsection (c) the following new subsection:

"(d) Salary and Wages.—

"(1) In general.—Levy may be made under subsection (a) upon the salary or wages of an individual only after the Secretary or his delegate has notified such individual of his intention to make such levy.

"(2) Jeopardy.—Paragraph (1) shall not apply to a levy if the Secretary or delegate has made a finding under the last sentence of subsection (a) that the collection of tax is in jeopardy."

(b) The amendments made by subsection (a) shall take effect on the first day of the first month which begins more than ten days after the date of the enactment of this Act.

Mr. STEVENS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. STEVENS. I yield myself 5 minutes.

Mr. President, this is a bill that I introduced previously. It is in the form of an amendment. It has been modified. This amendment is designed to require the Internal Revenue Service to give notice to an employee before levying on the salary or wages of an individual. I gave some examples at the time I introduced this bill.

For example, I was told that a taxpayer had claimed that he had already paid a deficiency that the IRS said was still owed. The IRS notified the taxpayer that the question was being looked into. The next thing the taxpayer knew, his salary was attached.

Recently, I was told of a situation in which a young attorney in my State had a fee coming to him from a client—from an independent school district. That fee was attached before he had any notice that he had any levy.

The bill, as I originally introduced it, would have required a notice of levy and a hearing. There has been strong objection to the hearing, and we have deleted that requirement. This would provide the taxpayer with a notice of the fact that there was a levy outstanding against his income.

I think this is a first step, at least, in a new concept of due process for taxpayers so far as taking care of their reputation is concerned. The young attorney who had his fee levied upon suffered some embarrassment that he could have taken care of immediately if he had been given notice of the intention of the IRS to levy.

I know that these levies are presented in delinquent situations, and perhaps they require other considerations. But I hope that this amendment will be adopted, so that in conference the committee can work with the IRS and see whether they can modify their regulations and find some way to give taxpayers notice before this action is taken—in particular, the attachment of money on a deficiency when the taxpayer had gone to the IRS and asked that the matter be looked into, was told it would be, and the next thing he knew, his salary was levied upon. I think this action should not be taken until absolutely necessary and the final notice to the taxpayer ought to be given, at least.

Mr. BROOKE. Mr. President, will the Senator yield?

Mr. STEVENS. I yield.

Mr. BROOKE. Is it the Senator's intent that the notice be given prior to the levy?

Mr. STEVENS. Notice ought to be issued that a levy would be issued.

Mr. BROOKE. Is there any time in which the IRS must notify the taxpayer prior to the act of levy?

Mr. STEVENS. There is no time limit provided in the amendment; just that they have to notify the taxpayer of the intent to make a levy.

Mr. BROOKE. Could that be made in the notice that goes out the same day from the IRS to the taxpayer?

Mr. STEVENS. After the taxpayer receives that notice. That is the committee's feeling. I discussed this with the staff of the Finance Committee, and it is their feeling that there is a problem that should be worked out by the IRS itself. They will be on notice that we have taken cognizance of the problem and this will put the burden on the IRS to come up with a reasonable alternative, if this is unworkable.

Mr. BROOKE. In order to make legislative history, I am trying to ascertain the intent of the Senator from Alaska, that the notice will be received by the taxpayer prior to the time the levy is made; is that not correct?

Mr. STEVENS. Yes; except in the case of a jeopardy assessment. Where there is some indication that there may be jeopardy, so far as the Government is concerned, there is an exception that would not apply to the jeopardy assessment, and in other cases they should give notice to the taxpayer before making the levy.

Mr. BROOKE. Because of the kind of case the Senator from Alaska discusses, the taxpayer would be at no advantage if he received a notice that a levy had been made because he was injured, as I understand it, from the Senator's case.

Mr. STEVENS. That is correct.

Mr. BROOKE. So that the notice should be received prior to the time the levy is made.

Mr. STEVENS. That is correct. That is the intent of my amendment.

Mr. BROOKE. I thank the Senator from Alaska.

Mr. LONG. Mr. President, as this amendment is modified, I see no objection to it. It may be that the Treasury Department may have objections to it and, if so, we will be able to explore the matter in conference. It may be that this matter will require further study, but I would be willing to accept the amendment and we can discuss it with the Treasury while the bill is in conference. Perhaps we can agree to it, or perhaps we can agree on a modification which still meets the essential purposes of the Senator from Alaska.

Mr. STEVENS. Mr. President, I thank the Senator from Louisiana.

Mr. President, I yield back the remainder of my time.

Mr. BENNETT. Mr. President, just for the purpose of making legislative history, I am reading from a letter addressed to the chairman on August 16, 1971, written by John S. Noland, Acting Assistant Secretary, where he is describing the present process:

> Once an assessment is made, every reasonable effort is made to secure voluntary payment before the Internal Revenue Service resorts to levy action. Normally, three notices are sent to the taxpayer after assessment of the tax, and a period of five months or more will elapse before any action is considered. During this period the taxpayer has ample opportunity to make payment, or if his financial circumstances are such that he cannot do so, there is an adequate opportunity to meet with the Service and to make some arrangement for extended payments.
>
> If the taxpayer continues to ignore his tax obligation, he is notified verbally or in writing that this levy action will be taken unless payment is made promptly. This notice normally precedes the actual levy by at least two weeks, unless the taxpayer has already been granted the privilege of paying his tax in installments. Any such agreement includes the provision that, in the event of default, levy action will be taken without further notice, and the taxpayer signifies in writing that he understands this condition.

Mr. BROOKE. I thank the Senator very much for reading this information into the RECORD. I take it that the practice of giving notice within 2 weeks would be satisfactory to the Senator from Alaska. But the excerpt the Senator from Utah just read from indicates that it is oral or in writing.

Mr. BENNETT. That is correct.

Mr. BROOKE. It would seem to me that it would be the intent of the Senator from Alaska to make it mandatory that the notice be in writing. I think that a 2-week period would be an ample period, particularly in view of the other notices which the taxpayer receives prior to the time of the actual levy.

It is most helpful to have this stronger legislative history we are trying to make here, and now we will make it mandatory that the notice will be in writing rather than orally.

Mr. BENNETT. Thank you, Mr. President.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. STAFFORD). All the time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Alaska (Mr. STEVENS).

On this question the yeas and nays have been ordered and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. CHILES), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. EAGLETON), the Senator from Louisiana (Mr. ELLENDER), the Senator from North Carolina (Mr. ERVIN), the Senator from Arkansas (Mr. FULBRIGHT), the Senator from Georgia (Mr. GAMBRELL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico (Mr. MONTOYA), the Senator from Arkansas (Mr. FULBRIGHT), and the Senator from Wyoming (Mr. MCGEE) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD), the Senators from New York (Mr. JAVITS and Mr. BUCKLEY), the Senator from Idaho (Mr. JORDAN), the Senator from Iowa (Mr. MILLER), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Delaware (Mr. BOGGS), the Senator from Kentucky (Mr. COOK), the Senator from Nebraska (Mr. CURTIS), the Senator from Oregon (Mr. HATFIELD), the Senator from Illinois (Mr. PERCY), the

Senator from Pennsylvania (Mr. Scott), and the Senator from Texas (Mr. Tower) would each vote "yea".

The result was announced—yeas 59, nays 0, as follows:

[No. 328 Leg.]

YEAS—59

Aiken
Allen
Allott
Anderson
Baker
Bayh
Beall
Bennett
Bentsen
Bible
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Cooper
Eastland
Fannin
Fong
Gravel
Griffin
Gurney
Hartke
Hruska
Hughes
Humphrey
Jackson
Jordan, N.C.
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
Moss
Nelson
Pastore
Pearson
Pell
Proxmire
Randolph
Ribicoff
Roth
Schweiker
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Stevenson
Taft
Talmadge
Thurmond
Tunney
Weicker
Williams
Young

NAYS—0

NOT VOTING—41

Bellmon
Boggs
Brock
Buckley
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ellender
Ervin
Fulbright
Gambrell
Goldwater
Hansen
Harris
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Miller
Mondale
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Tower

So Mr. Stevens' amendment was agreed to.

Mr. MANSFIELD. Mr. President, it is my understanding under the agreement reached that the amendment of the distinguished Senator from Alaska is to be made the pending business. It is my further understanding that there has been a time limitation of 30 minutes attached thereto.

I ask unanimous consent at this time that that time be reduced to 20 minutes under the same circumstances outlined.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, there will be one more amendment after that, an amendment by the distinguished Senator from Minnesota (Mr. Humphrey), a tax awareness amendment. I have talked with the manager of the bill and the ranking Republican member of the committee, and I ask unanimous consent that on that amendment there be a time limitation of 20 minutes, the time to be equally divided between the sponsor of the amendment and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. When that has been done we will be through, but the net result will be 10 rollcall votes this Saturday.

The PRESIDING OFFICER. The Senator from Alaska is recognized.

Mr. STEVENS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. STEVENS. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with and that the amendment may be printed in the Record.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

On page 106 after line 2, insert:

(a) part VII of subchapter 1 of the Internal Revenue Code of 1954 (relating to additional itemized deductions for individuals) is amended by redesignating section 218 as section 219 and by inserting after section 217 the following new section:

"Sec. 218. Repair or Improvement of Taxpayer's Residence.

"(a) Allowance of Deduction.—There shall be allowed as a deduction the ordinary and necessary expenses paid during the taxable year for the repair or improvement (including painting, papering, carpentry work, plumbing, electrical work, roofing and glazing, and any similar items) of property used by the taxpayer as his principal residence.

"(b) Limitations.—The deduction allowed a taxpayer under this section shall not exceed $1,000 for any taxable year. No deduction may be allowed under this section with respect to any capital expenditure."

(b) The table of sections for such part VII is amended by striking out

"Sec. 218. Cross references."

and inserting in lieu thereof

"Sec. 218. Repair or improvement of taxpayer's residence.

"Sec. 219. Cross references."

(c) Section 62 of such Code (relating to definition of adjusted gross income) is amended by inserting after paragraph (8) the following new paragraph:

"(9) Repair or improvement of taxpayer's residence.—The deduction allowed by section 218."

Sec. 2. The amendments made by this Act shall apply only with respect to taxable years ending after the date of the enactment of this Act.

Mr. STEVENS. Mr. President, today I am introducing an amendment to the Internal Revenue Code of 1954 to permit a deduction for expenses incurred by a taxpayer in making repairs and improvements on his personal residence.

Specifically, my amendment would permit the deduction of ordinary and necessary expenses paid during the taxable year for the repair or improvement of property used by the taxpayer as his principal residence. Qualified repairs and improvements would include painting, papering, carpentry work, plumbing, electrical work, roofing and glazing, and similar activity. The deduction allowed a taxpayer under this legislation would be limited to $1,000 in any taxable year. As a further limitation, a deduction would not be permitted for capital expenditures incurred in connection with the taxpayer's personal residence. Also, the deduction would apply only to taxable years ending after the date of enactment of this act.

Mr. President, my amendment is designed to accomplish several important purposes. First, it would help to alleviate the tremendous financial burden imposed on residential homeowners, who are subject to ever increasing property taxes, special assessments, and other levies. This tax relief would be somewhat analogous to that already provided to the owners of rental and business property under existing law. As you know, such owners are permitted to deduct specified amounts for the depreciation of their property. In addition, section 167(k) of the Internal Revenue Code permits a 5-year depreciation of rehabilitation expenditures incurred in connection with rental property occupied by low and moderate income homeowners.

The enactment of the amendment that I am introducing today would also make home ownership more attractive by helping to alleviate prohibitive repair costs. As a result, more people would have the opportunity to experience the pride of home ownership and the sense of community associated with owning and being responsible for one's own dwelling. Moreover, the quality of life in many areas would be significantly improved since more homeowners would have the economic wherewithal to make improvements and repairs which they have postponed for lack of sufficient funds.

This legislation should also have a beneficial impact on carpenters, plumbers, roofers, painters, electricians, and similar workers all of whom have been adversely affected by the slump in home construction. The beneficial economic consequences to be derived from increased activity in these trades will extend far beyond the workers involved to many manufacturing and service related industries which are heavily dependent upon the consumer dollar. Thus, the "ripple" effect should stimulate new activity in many sectors of the economy.

In my State of Alaska, where residential repair costs are from 25 percent to 50 percent higher than in the "Lower 48" States, this amendment should have a very salutary effect. All of the factors which I have referred to are present but are magnified by our very high costs, often deplorable housing conditions, rigorous natural environment, and high unemployment. As an example, the unemployment rate in my State is usually more than twice the national average, and is even greater in rural Alaska, where it is not uncommon to find villages with from 80 to 100 percent unemployment during certain seasons of the year. In addition, we have more substandard housing than virtually anywhere else under the American flag. In rural Alaska, almost all of the residential dwellings fall far below acceptable standards. The enactment of the legislation which I am introducing today would help to alleviate these conditions by facilitating home improvements and repairs and by stimulating new economic activity and the creation of additional jobs.

Mr. President, for all of the reasons that I have outlined today. I urge favorable consideration for this amendment.

Mr. President, the purpose of the amendment is to permit a deduction for the ordinary and necessary expenses of the improvement of homes up to $1,000 per year. This would include painting, papering, carpentry work, plumbing, electrical work, roofing, glazing, and similar activity which is paid for by taxpayers on their principal residence, with a limit of $1,000 in any taxable year, with no deductions for capital expenditures.

I know it will be said that the cost would be $500 to $600 million a year. If that is so, if the cost would be $500 to $600 million a year, there would be $2 billion paid to the small laborer, the small contractor, the carpenter, the plumber, the electrician and the roofer. These are the very people affected by the current economic conditions.

Mr. President, I feel this is an incentive. We are trying to find some way to put money back into circulation. This would be an incentive to taxpayers to do that.

As a sidelight, at one time after the 1960 flood in Fairbanks, we faced the problem of how to get people to start rebuilding their homes. We devised a similar incentive and provided that the State would, in fact, make a contribution to those people who would rebuild in the winter.

If there is a cost involved, as I am sure the chairman or the ranking minority member of the committee will outline, of $500 to $600 million, it will be a loss to the Government on the one hand, as far as the loss of income that would have been received from taxpayers, but they have not offset it with money they will receive from taxes from the small carpenter, the small contractor, who would be doing the work.

I think it is necessary to do something to provide an incentive to homeowners to refurnish and modernize their homes and to keep them from being in disrepair.

Mr. President, that is my argument in favor of the amendment. I think the amendment is worthwhile and I hope it will be agreed to.

Mr. LONG. Mr. President, I yield such time to the Senator from Utah as he may require.

Mr. BENNETT. Mr. President, this is one of those situations where I can say it hurts me more than anybody else because the Bennett family has been in the paint business for 50 years. But I still must rise to oppose the amendment.

This amendment would allow a deduction for the cost of repairing a personal residence, and as an "above-the-line" deduction in determining adjusted gross income. Thus, it is allowed in addition to the standard deduction. On this basis, it will cost $700 million per year.

Since roughly 30 million taxpayers are homeowners and thus will claim the deduction, whether or not they "itemize," it will further complicate the individual tax return and its actual preparation. The costs will have to be listed; the limit will have to be applied; the deduction cannot be adjusted for in the withholding tables, so there will be greater overwithholding, and so forth.

On tax policy and equity grounds, this is a bad amendment. These are personal expenses, and there is even less reason for making them deductible than the cost of business suits worn to work, lunches during the work week, automobile repair costs where the automobile is used for commuting, and so forth. We should not make personal expenses deductible unless there is some major policy reason, such as encouraging support of charities or educational institutions—charitable contributions deduction.

On equity grounds, it is equally objectionable. It provides no equivalent benefit for the large number of families and single persons who "rent," and because of economic or other considerations are forced to do so. They pay for "repairs" in the rent they pay.

It provides more benefit to higher income taxpayers. Most high-income taxpayers will certainly use this opportunity whether or not they would otherwise "repair" their homes, to let the Government pay up to 70 percent of the cost of a new paint job, new roof, repapering, and so forth. Low-income taxpayers who get only a 14-percent benefit from the deduction still will not have the funds in many cases, if they did not otherwise, to make the repairs. For the 7 or 8 million families with incomes below the poverty levels, the deduction provides them no help whatsoever.

We cannot afford to spend $700 million in Federal revenues to encourage home repairs which would be accomplished in any event if really necessary, particularly where the $700 million would be spent in such an inequitable way. This is part of our tax base, and if we begin the process of eroding it by allowing deductions for personal expenses whenever some emotional argument is made—helping the homeowner—we will have embarked on a serious reversal of long-standing policy and nobody knows what the end would be.

Therefore, Mr. President, I believe the amendment should be rejected.

Mr. President, I have another reason for asking that it be rejected. Thus far today we have not passed a single amendment which would reduce the Federal revenue. This is a great change from what we did yesterday because yesterday we reduced the Federal Treasury by approximately $3 billion. One of the clerks and I figured out that we were giving money away yesterday at the rate of $5 million a minute. Today we have done better and I hope we do not break the record now.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second? There is a sufficient second.

The yeas and nays were ordered.

Mr. STEVENS. Mr. President, I have two points to make relative to what the Senator from Utah has said.

First, as to people who rent apartments or who rent homes, the cost of the repairs is deductible by the person who owns the rental unit. It is not deductible by a homeowner who lives in his own home. That is what this amendment would rectify. It would provide equality as between a rental owner and a homeowner.

Second, those in higher brackets would use these deductions. I hope they will, because if they do, at a cost to the Treasury of $700 million, it would result in about $2.5 billion to $3 billion of income. It would bring $500 million or $200 million or $300 million of income to the people who are currently unemployed. I thought this was a bill to stimulate employment through the use of tax policy, and if there is a way to do it, this is certainly one way to do it. It is a cheap and very worthwhile goal, at the same time.

I personally do not believe we can equate the loss of revenue by the United States with the loss to a taxpayer who is going to deduct the amount it costs him when we take into account the amount that is going to come in to the Treasury from plumbers, painters, and others who will be employed. I think we ought to take into account the loss of income to persons who are unemployed. It seems to me that this is a method that will provide work for those now unemployed in great numbers.

Mr. President, I ask unanimous consent that my colleague from Alaska be joined as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I am ready to yield back the remainder of my time.

Mr. STEVENS. I yield back the rest of my time.

Mr. LONG. I yield back the remainder of my time.

The PRESIDING OFFICER. All time has been yielded back. The question is on agreeing to the amendment of the Senator from Alaska. The yeas and nays have been ordered, and the clerk will call the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. Chiles), the Senator from Idaho (Mr. Church), the Senator from California (Mr. Cranston), the Senator from Missouri (Mr. Eagleton), the Senator from North Carolina (Mr. Ervin), the Senator from Georgia (Mr. Gambrell), the Senator from Oklahoma (Mr. Harris), the Senator from Michigan (Mr. Hart), the Senator from South Carolina (Mr. Hollings), the Senator from Hawaii (Mr. Inouye), the Senator from Wyoming (Mr. McGee), the Senator from South Dakota (Mr. McGovern), the Senator from New Hampshire (Mr. McIntyre), the Senator from Montana (Mr. Metcalf), the Senator from Minnesota (Mr. Mondale), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), and the Senator from Missouri (Mr. Symington) are necessarily absent.

On this vote, the Senator from New Mexico (Mr. Montoya) is paired with the Senator from Wyoming (Mr. McGee).

If present and voting, the Senator from New Mexico would vote "yea" and the Senator from Wyoming would vote "nay."

I further announce, that, if present and voting, the Senator from North Carolina (Mr. Ervin) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. Bellmon), the Senator from Delaware (Mr. Boggs), and the Senator from Ohio (Mr. Saxbe) are absent on official business.

The Senator from Tennessee (Mr. Brock), the Senator from Kentucky (Mr. Cook), the Senator from New Hampshire (Mr. Cotton), the Senator from Nebraska (Mr. Curtis), the Senator from Kansas (Mr. Dole), the Senator from Colorado (Mr. Dominick), the Senator from Arizona (Mr. Goldwater), the Senator from Wyoming (Mr. Hansen), the Senators from Oregon (Mr. Hatfield and Mr. Packwood), the Senators from New York (Mr. Javits and Mr. Buckley), the Senator from Idaho (Mr. JORDAN), the Senator from Iowa (Mr. MILLER), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Tennessee (Mr. BAKER) is detained on official business.

If present and voting, the Senator from Illinois (Mr. PERCY) and the Senator from Pennsylvania (Mr. SCOTT) would each vote "nay."

On this vote, the Senator from Kentucky (Mr. COOK) is paired with the Senator from Texas (Mr. TOWER). If present and voting, the Senator from Kentucky would vote "yea" and the Senator from Texas would vote "nay."

On this vote, the Senator from Oregon (Mr. HATFIELD) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Oregon would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 15, nays 45, as follows:

[No. 329 Leg.]

YEAS—15

Aiken
Bayh
Case
Cooper
Gravel
Hartke
Humphrey
Jackson
Magnuson
Pastore
Pearson
Randolph
Ribicoff
Stevens
Thurmond

NAYS—45

Allen
Allott
Anderson
Beall
Bennett
Bentsen
Bible
Brooke
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Eastland
Ellender
Fannin
Fong
Fulbright
Griffin
Gurney
Hruska
Hughes
Jordan, N.C.
Kennedy
Long
Mansfield
Mathias
McClellan
Moss
Nelson
Pell
Proxmire
Roth
Schweiker
Smith
Sparkman
Spong
Stafford
Stennis
Stevenson
Taft
Talmadge
Tunney
Weicker
Williams
Young

NOT VOTING—40

Baker
Bellmon
Boggs
Brock
Buckley
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Ervin
Gambrell
Goldwater
Hansen
Harris
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Miller
Mondale
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Tower

So Mr. STEVENS' amendment was rejected.

### AMENDMENT NO. 645

Mr. HUMPHREY. Mr. President, I call up my amendment No. 645.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk read as follows:

On page 209 insert after the last sentence the following new title VIII: Tax Expenditure Awareness Act:

An act to require the Secretary of the Treasury to provide each taxpayer with an analysis of the proportionate dollar amounts of his tax payment which were spent by the Federal Government, during the latest fiscal year for which data is available, for certain items

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) chapter 77 of the Internal Revenue Code of 1954 (relating to miscellaneous provisions) is amended by adding at the end thereof the following new section:

"SEC. 7517. TAX EXPENDITURES ACCOUNTING.

"(a) STATEMENTS BY SECRETARY.—Upon the receipt of each individual's income tax return, the Secretary or his delegate shall furnish to that individual a statement setting forth in dollar amounts the proportionate amounts of that individual's income taxes which were spent by the Federal Government, based upon the most recent budget message of the President, for each of the following:

"(1) national defense;
"(2) space research and technology;
"(3) agriculture and rural development;
"(4) natural resources;
"(5) transportation;
"(6) community development;
"(7) housing;
"(8) education;
"(9) manpower;
"(10) health;
"(11) social services;
"(12) welfare payments;
"(13) veterans' pensions;
"(14) veterans' benefits and services;
"(15) law enforcement;
"(16) general administrative expenses of government;
"(17) interest payments;
"(18) foreign aid consisting of military assistance; and
"(19) foreign aid consisting of economic and technical assistance.

"(b) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such chapter is amended by adding at the end thereof the following new item:

"Sec. 7517. Tax expenditure accounting."

SEC. 2. The Director of the Office of Management and Budget shall furnish to the Secretary of the Treasury in December of each year a report, based upon data from the most recent fiscal year for which such data is available, setting forth that part of the total Federal outlays for such fiscal year which was expended for each of the items listed in section 5717(a) of the Internal Revenue Code of 1954.

Mr. HUMPHREY. Mr. President, I ask unanimous consent that the names of the Senator from Alaska (Mr. GRAVEL) and the Senator from California (Mr. TUNNEY) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, this will be the last amendment and the last vote for today. May we have order?

The PRESIDING OFFICER. The Senate will be in order. The Senator from Minnesota may proceed.

Mr. HUMPHREY. Mr. President, I understand we have 10 minutes to a side. Is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. HUMPHREY. I shall attempt to explain this amendment briefly, and hopefully in a manner that all of my colleagues can readily understand.

The purpose of the amendment is to chart a course toward greater citizen interest and accountability in the budget and financial decisionmaking of this country. I think we all know we are in the area of the big budget—about a $225 billion budget—and our Government expends enormous sums of money for all kinds of functions—national defense, aerospace, medical research—and that this money all comes ultimately from the productive enterprise of this Nation.

Even though our citizens pay a great deal in taxes, they lack information on how to require accountability, or persuasively seek to redirect Government expenditures. Once the income tax is paid, the citizen is seldom kept informed about what that tax money is used for, or purchases. As a result, people are skeptical that they are getting their money's worth. And they are certain that they are buying some goods and services that are not necessary or vital to their well-being.

We have heard a great deal of talk, Mr. President, about reordering our priorities, and it generally ends there, with talk. Until we begin to understand where this tax money goes, how it is expended, and devise that accounting, we are not going to have the kind of awareness that I think a taxpayer ought to have as to what our Government is doing with the taxpayers' receipts and with the Federal revenues.

It is one thing, Mr. President, to have a big picture in the paper that shows you what happens with the tax dollar. I submit that when most of us get our bills from a department store, we do not want them just to be an accounting that we owe so much.

Many is the time I have asked, "Would you please give me a detailed accounting of what the purchases were rather than the sum total?"

This amendment accomplishes that purpose. After the Internal Revenue Service has received each individual return and has determined the amount of tax each individual would pay, the IRS would send to the taxpayer a breakout of that tax: How much John Jones' tax money was spent on the following functions—and I list them, from national defense, space research, agriculture, natural resources, transportation, community development, housing, manpower, health, social services, social security, welfare, veterans pensions, benefits, and services, law enforcement, general administrative expense of Government, interest payments, foreign military assistance, and foreign economic assistance.

Thus, if the taxpayer, filing jointly or separately, paid, let us say, $1,000 in calendar year 1971 in Federal income taxes, the Internal Revenue Service would send him a notification, after the payment, that $408 of that money was spent on national defense, that $19 went on space, that $32 went for all programs related to agriculture, that $13 went for natural resources, that $47 went for commerce and transportation, that $16 went for community development, that less than $37 went for education, that $66 went for health.

I know the argument will be made that it is going to cost a great deal. Mr. President, I have worked on this for some time, and I have received the cooperation of the Internal Revenue Service. I have been informed that the total computer cost for the printout of the computer for this procedure would be less than $350,000.

Mr. President, I think the taxpayer is entitled to a receipt. I think he ought to know for what his money went.

I say that when a taxpayer pays his tax bill, he ought to know for what it went—other than in the generalities we usually give him.

I believe this amendment merits approval. I think it would be a distinct service. I have mentioned the purpose of this amendment to the Assessors Association, the U.S. Conference of Mayors, the National Association of County Officials, and a host of other groups. There is overwhelming support for this kind of accountability.

I would hope that the amendment might be adopted.

Mr. LONG. Mr. President, the Senator said that the only cost of his proposal would be a $350,000 computer cost. He must keep in mind that his amendment would require that after a taxpayer pays his taxes, as I understand it, a letter has to be mailed to him saying, "Your tax was $6.15, and of the $6.15, $3.09 went to national defense, 11 cents went to the post office, 15 cents went to something else, and so many dollars and so many cents went to the space endeavor, and so much went to health, so much went to welfare payments," and so forth. It would cost about $7 million to mail these letters to all 65 million taxpayers.

We could save this $7 million in mailing costs just by putting the information on the tax return package—just say 48 percent goes to national defense, 11 percent goes to this, and such a percentage goes to that. But the Senator does not want to do it that way. He wants to subsidize the junk mail business—not so far as the junk mail dealers are concerned, but so far as the Post Office is concerned. I hope he is not going to do it at Christmas time, when the mail is heavy.

It would be much more efficient to give this information over television, rather than pack it on the mail carrier's back and have him fight Fido in the front yard to get in with a letter to tell you something that you may well already know. After people get that the first year, they are going to throw it in the trash basket; because they will understand that this information, broken into dollars and cents, is no more than the information broadcast on television and published in the newspapers.

There are a great number of things we could spend money on, that taxpayers need rather than incur an expense of $7 million in mailing costs alone, for something that most taxpayers already know. The press has done everything in its power to educate the taxpayer on this cost by putting it in the newspapers every year. They show him the percentage of the budget that goes for all the items to which the Senator refers.

I submit that if you want to do this kind of information, the electronics media would be a far more effective way to talk about how much money is spent on natural resources or transportation or community development, rather than mailing all this stuff to people.

It seems to me that this is merely a Federal make-work project. I think we can do a great deal more good by putting people to work picking up trash rather than by creating trash.

I would be willing to go along with the Senator and say that if anybody wants to know this information, all he has to do is to mail in a request for it and we will send him all the information he wants and even refund whatever postage and other expense he might have incurred in asking for it.

I am curious to know this: Is the Senator also going to inform the taxpayer how much it cost him to mail this thing through the mail, which I think is totally unnecessary? If you broke it all down, would he still get the information he wanted? Would he not want to know how much it cost to fight fire ants? That is an important item in Louisiana.

I think it would make better sense to put on the taxpayer's return: "If there is anything you want to know about where your tax money went, write us, and we will send you what you want to know." "We will send you the whole agricultural yearbook," or, "We will send you everything the mind of man could conceive about the subject"; and he would have more information in this way about what he wanted to know than if he received in the mail a breakdown stated on the same basis as every newspaper and television station in the country has already broken it down and stated it.

Mr. HUMPHREY. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Minnesota has 4 minutes.

Mr. LONG. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Louisiana has 6 minutes.

Mr. BENNETT. Mr. President, will the Senator yield?

Mr. LONG. I yield 3 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, after so stellar a performance, I probably should not have risen. But it occurs to me that we may have made a mistake a little earlier this afternoon when we took the tax off the trash containers. Perhaps we should have retained that tax so we could collect enough on the containers to cover the cost of this flood of trash.

The other thing that rises in my mind is the specter of a horrible computer error, when the taxpayer gets a notice that he paid $45 in taxes and that $3,700,000 of that has gone for fighting fire ants in Louisiana. I do not know where we would end.

Mr. President, I think we can trust the American people to be able to do the arithmetic necessary to translate percentages into dollars; and if we cannot, I think we might send out a mailing from Congress to all our constituents, saying, "Send us your tax form, and we will compute your tax for you."

Mr. LONG. I would say to the Senator from Minnesota that if he insists on sending the taxpayers this information, why do we not let every Senator mail it out under his frank and at least get some credit for it?

Mr. FULBRIGHT. Mr. President, will the Senator yield me 30 seconds?

Mr. LONG. I yield.

Mr. FULBRIGHT. I think it is a bad idea, too, because if you inform the people how their money is wasted, there probably will be a revolt. They will not pay any taxes at all.

Mr. HUMPHREY. Mr. President, I appreciate the good humor of my colleagues today. Now that we have had the entertainment, we will get down to the serious part of the business.

First, the American public, the taxpayer, is entitled to a receipt and is entitled to know for what his money goes.

Second, Senators and Representatives surely think so, because they mail tons of newsletters every week out of this place—tons of it. All kinds of information goes out from the Government to the people to get information from the people.

I want the Government trying to give information to the people about what the Government is doing with the people's money.

The IRS says it will cost $350,000 or less for the computer printout and at a maximum cost, $4 million for all the mailing—not $7 million but $4 million.

We collect over $200 billion in taxes every year. We collect a great deal of that in individual taxes. I think that the man or woman who pays that bill is entitled to know for what his money goes.

We do not use percentages when we go to a filling station. We do not say, "Give me a percentage of this from my income. I want to know how much it is on oil, gas, or brakes, and so forth." That is all we are asking for here.

I think the amendment is worthwhile. The IRS is not opposed to it.

The cost will be less than what the Government is doing to get information from the people. It will cost less than the spying activities the Army conducts at mass meetings.

So let us give the public something for a change.

Mr. LONG. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. LONG. Mr. President, the Senator said that the IRS did not object. He did not say that the Treasury Department did not object. He said this thing would cost $350,000. Perhaps so. But the minimum mailing cost would have to be about $7 million. I do not believe the public is anxious about that spending item because we are spending too much money the way it is now. I have had no one request this information of me, not any taxpayer, in the 23 years I have been here. Most of the public is outraged at the money we are spending now, and then to fill up their mail boxes with junk mail which they did not request at a time when many have been working diligently to get junk mail cut off anyway, would outrage them even more.

If the Senator wants to amend his amendment so that if someone wants information about spending he could write to his Congressman and say, "Please send me this information," or under a special service the Senator from Minnesota himself could provide what the taxpayer wanted to know. The Senator from Minnesota could give him a lot more detail about it, I am sure. But I believe the public thinks we are spending too much money already and would not like us to consider spending another $7 million, even for this.

As I say, I have not had a request from any taxpayer in the 23 years I have served here, and in the years I have served as chairman of the Finance Committee, to have any information of this kind sent to him. If the taxpayer asks what our costs are in Europe, or the amount of money we put out for national defense, or information as to interest on the national debt, and we give them that, I have found that they are generally satisfied. But I would say that to spend $7 million to provide information to someone who does not want it, or direct information to someone who has not indicated any interest in having it, is not a good idea.

I find no particular appeal in the kind of report which the Senator thinks would be interesting. I think that if any taxpayer knew it would cost $7 million to mail this information out, after receiving the first letter, he would say, "Please discontinue filling up my mailbox with junk mail."

Mr. President, there is no demand for this information, but if the Senator thinks that everybody wants it, then I would say let us vote on the amendment, but I think it would be a mistake to adopt it, and I urge the Senate to reject it.

Mr. GURNEY. Mr. President, if the Senator will yield me 1 minute, I was curious and most interested to hear the distinguished Senator comment on the fact that taxpayers are reluctant to spend any more money.

I received a letter from a constituent in my State, a very short letter—and I got the message quickly.

It read:

> Don't vote anything more for me. I can't afford it.

[Laughter.]

Mr. HUMPHREY. Mr. President, let me make just one point. I do not think it is junk mail to tell a man for what he has paid. A lot of junk mail goes out from Congress and the executive branch, but this is not one of them.

I am not going to argue with the figures except to say that the Internal Revenue Service says that $4 million will be the maximum cost and that is one-third of the price of an F-14 airplane.

I submit that when the taxpayer gets his breakdown, he might agree that we are spending too much money, and this, therefore, may be the best amendment to save money in the Government that we have ever had. People will know for what the money is going. They will know that we voted against certain things. They want to see economy in Government and as a result of this amendment we might get a little.

Mr. President, the amendment has some merit. I am through.

I yield back the remainder of my time.

Mr. LONG. Mr. President, one last comment. It may well turn out that sending out this kind of information would make taxpayers still more reluctant to pay their taxes. As the Senator from Arkansas said to me a few minutes ago, some person will say, "My goodness, we are spending too much money. So far as I am concerned, I am going to refuse to pay any more income taxes."

Senators know that people have done that about the Vietnam war. Adoption of this amendment might make it more difficult to collect our taxes and, therefore, it would increase the cost of the Government. It may be true that we can say, "Here is the way we spent your money and you may not be satisfied, but you had better pay your income taxes or we will put you in jail because it is a Federal penalty not to pay your taxes."

Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. STAFFORD). All time on the amendment has now been yielded back.

The question is on agreeing to the amendment of the Senator from Minnesota (Mr. HUMPHREY).

On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Florida (Mr. CHILES), the Senator from Idaho (Mr. CHURCH), the Senator from California (Mr. CRANSTON), the Senator from Missouri (Mr. EAGLETON), the Senator from Georgia (Mr. GAMBRELL), the Senator from Oklahoma (Mr. HARRIS), the Senator from Michigan (Mr. HART), the Senator from South Carolina (Mr. HOLLINGS), the Senator from Hawaii (Mr. INOUYE), the Senator from Wyoming (Mr. MCGEE), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Hampshire (Mr. MCINTYRE), the Senator from Montana (Mr. METCALF), the Senator from Minnesota (Mr. MONDALE), the Senator from New Mexico (Mr. MONTOYA), the Senator from Maine (Mr. MUSKIE), and the Senator from Missouri (Mr. SYMINGTON) are necessarily absent.

Mr. GRIFFIN. I announce that the Senator from Oklahoma (Mr. BELLMON), the Senator from Delaware (Mr. BOGGS), the Senator from Ohio (Mr. SAXBE) and the Senator from South Carolina (Mr. THURMOND) are absent on official business.

The Senator from Tennessee (Mr. BROCK), the Senator from Kentucky (Mr. COOK), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Kansas (Mr. DOLE), the Senator from Colorado (Mr. DOMINICK), the Senator from Arizona (Mr. GOLDWATER), the Senator from Wyoming (Mr. HANSEN), the Senators from Oregon (Mr. HATFIELD and Mr. PACKWOOD), the Senators from New York (Mr. JAVITS and Mr. BUCKLEY), the Senator from Idaho (Mr. JORDAN), the Senator from Iowa (Mr. MILLER), the Senator from Illinois (Mr. PERCY), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from Texas (Mr. TOWER) are necessary absent.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Kentucky (Mr. COOK), the Senator from Nebraska (Mr. CURTIS), the Senator from Pennsylvania (Mr. SCOTT), the Senator from Illinois (Mr. PERCY), and the Senator from Texas (Mr. TOWER) would each vote "nay".

The result was announced—yeas 19, nays 42, as follows:

[No. 330 Leg.]

YEAS—19

Brooke
Byrd, W. Va.
Case
Cooper
Gravel
Hartke
Hughes
Humphrey
Kennedy
Mansfield
Mathias
Moss
Nelson
Pell
Proxmire
Randolph
Stevenson
Tunney
Williams

NAYS—42

Aiken
Allen
Allott
Anderson
Baker
Bayh
Beall
Bennett
Bentsen
Bible
Burdick
Byrd, Va.
Cannon
Eastland
Ellender
Ervin
Fannin
Fong
Fulbright
Griffin
Gurney
Hruska
Jackson
Jordan, N.C.
Long
Magnuson
McClellan
Pastore
Pearson
Ribicoff
Roth
Schweiker
Smith
Sparkman
Spong
Stafford
Stennis
Stevens
Taft
Talmadge
Weicker
Young

NOT VOTING—39

Bellmon
Boggs
Brock
Buckley
Chiles
Church
Cook
Cotton
Cranston
Curtis
Dole
Dominick
Eagleton
Gambrell
Goldwater
Hansen
Harris
Hart
Hatfield
Hollings
Inouye
Javits
Jordan, Idaho
McGee
McGovern
McIntyre
Metcalf
Miller
Mondale
Montoya
Mundt
Muskie
Packwood
Percy
Saxbe
Scott
Symington
Thurmond
Tower

So Mr. HUMPHREY'S amendment was rejected.

Mr. MILLER subsequently said: Mr. President, I ask that the permanent RECORD reflect my position on the record votes taken on November 13, 1971, as follows:

No. 327 Leg.—Baker amendment to exclude from the excise tax on trucks and automobiles containers to be used with trucks for the disposal of solid waste—yea;

No. 328 Leg.—Stevens amendment to require the Internal Revenue Service to give prior notice to taxpayers on whose salary a levy is to be attached to recover delinquent taxes—yea;

No. 329 Leg.—Stevens amendment authorizing a tax deduction of up to $1,000 for expenses to maintain or improve a residence—nay;

No. 330 Leg.—Humphrey amendment No. 645 to require Internal Revenue Service to furnish individual taxpayers with an annual statement showing how his taxes were spent—nay.

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## BIRTHDAY GREETINGS TO SENATOR BENNETT

Mr. MANSFIELD. Mr. President, I take this occasion to extend felicitations and congratulations to the distinguished senior Senator from Utah (Mr. BENNETT) on this, his birthday. I did not know about it until a few moments ago.

I have watched WALLACE BENNETT day in and day out in the performance of his tasks, doing them without complaining, but with integrity and dedication. He is one Senator who has never made a request which was in the least out of line, and he has never requested a postponement of a vote or the postponement of a piece of legislation. He has done so much for his State and for the country, and he has performed so magnificently on the pending business before us, which is a most difficult and comprehensive bill, and a bill that very few of us understand. However, the Senator from Utah and the chairman of the committee have done a magnificent job.

Again, I extend congratulations and best wishes.

Mr. LONG. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield.

Mr. LONG. Mr. President, I wish to join my majority leader in extending congratulations to the Senator from Utah on his birthday.

It is rather typical of Wallace Bennett that he has been here working diligently all day on Saturday, as he is every Saturday when there is work to be done. Now, after a great deal of hard work, some of us have just discovered it is his birthday. As I said, it is typical of Wallace Bennett. If there is work that must be done, he is there regardless of what the problem is or what the situation may be. We all admire him and love him for the fantastic work he has done for his country and his State over the years.

It is an honor to serve with him; it is more than an honor—it is also a pleasure, because he is the kind of Senator who always thinks of the national interest. He has never had a petty thought in his life. He will cooperate and work with his colleagues on any reasonable basis where there is a prospect for advancing the national interest.

We are all very proud to have him with us. Those of us who serve on the Committee on Finance with him, where he is the ranking minority member, are especially proud of him.

Mr. GRIFFIN. Mr. President, I would like to add that I am delighted that the distinguished majority leader has taken notice of the fact that today is the birthday of Senator Wallace Bennett. He is truly a Senator's Senator. He is beloved, respected, and admired by everyone in this body on both sides of the aisle.

I join the statements that have already been made in wishing Senator Bennett happy returns on his birthday, and best wishes for many more.

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## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### AMENDMENT NO. 671

The PRESIDING OFFICER. Pursuant to the previous order, the Chair lays before the Senate the amendment of the Senator from California, which will be stated.

The amendment was read as follows:

On page 71, line 2, insert the following: Strike out "$12,000" and insert in lieu thereof "18,000".

## ORDER FOR SENATE TO CONVENE AT 9 A.M. ON TUESDAY THROUGH FRIDAY OF NEXT WEEK

Mr. MANSFIELD. Mr. President, I ask unanimous consent that on Tuesday, Wednesday, Thursday, and Friday of next week the Senate convene at the hour of 9 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MANSFIELD. Mr. President, as far as next Saturday is concerned, that is still open to question. We will see how the situation develops in the meantime.

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## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The PRESIDING OFFICER. Does the Senator from California seek recognition?

Mr. TUNNEY. Mr. President, yes, but I first yield to the Senator from West Virginia.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that time on the amendment by Mr. Tunney not begin to run until Monday.

The PRESIDING OFFICER. The Chair wishes to advise the Senator from West Virginia that that has already been ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on Monday, at the conclusion of the period for the transaction of routine morning business, the Chair lay before the Senate the amendment of the distinguished Senator from California (Mr. Tunney).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, as we all know, the American motion picture industry in recent years has been suffering the consequences of the Nation's economic recession most severely. Unemployment in the industry has been disastrously high, and in recent years has been far worse than has existed in virtually all other industries.

This has resulted in a terrible hardship for thousands of families in California. In particular, it has deeply affected many local communities. It has severely impeded our efforts to expand equal employment opportunities where there have been no jobs available.

I have been deeply concerned by the impact of this unemployment in my home State of California and across the Nation. Thus, in the past few weeks, I have been working particularly closely with the Committee on Finance and its most capable chairman, the distinguished Senator from Louisiana (Mr. Long) to assure that the economic benefits which are being made available under the administration's economic package apply equally to the movie industry. I am most appreciative of the cooperation of the Senator from Louisiana (Mr. Long) in this endeavor. He has been willing to spend a substantial amount of time discussing the alternatives for action with me and has agreed to include a substantial discussion of problems in the industry in the Finance Committee's report on the Revenue Act of 1971 which we are presently considering on the floor of the Senate.

Mr. President, I think it is most significant that this year, for the first time, we are stating directly that the investment tax credit, which has benefited other industries in this country shall now be made available to the motion picture industry. In past years when this credit has been employed, it has been generally available for depreciable, tangible personal property. In the past however, questions have arisen whether motion picture and television films are tangible as distinct from intangible personal property eligible for the credit. There seems to me to be no doubt that such should be the case, but as I have indicated, it has been in doubt.

A recent court case decided this question in favor of the taxpayer but, of course, in the absense of a definitive appeal on the question, there could continue to be uncertainty. Thus I am particularly pleased that the committee has agreed to clarify this area. As the committee report makes clear:

> The Committee agrees with the court that motion picture and TV films are tangible personal property eligible for the investment tax credit.

If I might address a question to the distinguished chairman of the Committee on Finance I take it, that this language is intended to resolve finally the uncertainty over the eligibility of films for the investment tax credit, is it not?

Mr. LONG. The Senator is correct.

Mr. TUNNEY. And in determining the amount of credit available with respect to a particular motion picture or TV film, all costs of production which the taxpayer capitalizes are to be taken into account in determing the basis of the film, is that not also correct?

Mr. LONG. The Senator from California is correct. The committee's report makes it clear that all costs of production which the taxpayer capitalizes should be taken into account. The committee felt that it was important to clarify this point as you and I have discussed earlier, and therefore the language of the report is explicit.

Mr. Tunney. Mr. President, I am most appreciative that the distinguished chairman has stated this point so clearly. I believe it will be of substantial importance in the legislative history of this bill and thus I thank him for his assistance.

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## ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS ON MONDAY NEXT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on Monday, following the recognition of the two leaders under the standing order, there be a period for the transaction of routine morning business, not to exceed 30 minutes, with statements therein limited to 3 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## LIMITATION OF DEBATE ON AMENDMENT NO. 655, BY MR. SPARKMAN

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at such time as amendment No. 655, by Mr. SPARKMAN, is called up, there will be a limitation thereon of 1 hour, to be equally divided by the mover of the amendment (Mr. SPARKMAN) and the manager of the bill (Mr. LONG); provided further, that time on any amendment to the amendment, motion, or appeal, with the exception of nondebatable motions, be limited to 30 minutes, to be equally divided between the mover of such amendment, motion, or appeal, and the manager of the bill.

This request has been cleared with the manager of the bill, with Mr. SPARKMAN, Mr. RIBICOFF, and Mr. NELSON.

I assume that the amendment will be called up on Monday, following the disposition of the amendment by Mr. TUNNEY.

Mr. GRIFFIN. Mr. President, reserving the right to object, will the distinguished majority whip yield for a brief quorum call?

Mr. HUMPHREY. Mr. President, will the distinguished Senator from Michigan withhold his request so as to permit me to speak for a few minutes before the quorum call?

Mr. GRIFFIN. Surely.

## NOMINATION OF DR. EARL BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. HUMPHREY. Mr. President, Mr. Earl Butz, President Nixon's nominee to replace Secretary of Agriculture Clifford Hardin, formerly served as an Assistant Secretary under Secretary of Agriculture Ezra Taft Benson during the 1950's. Mr. Butz' nomination for this high office of Secretary of Agriculture is neither surprising nor inconsistent with the administration's current agricultural policies and programs. Mr. Butz was one of—if not the chief architect of—and spokesman for—Secretary Benson's farm policies.

Those of us who were around during that period remember only too well the adverse impact that Mr. Benson's farm policies had on American agriculture—depression level prices; surplus; high Government costs; massive reduction in the number of family farms; encroachment of nonfarm interests in agriculture; forced migration from farms and small communities to our larger cities, and extensive deterioration of rural America.

Those happenings are now being repeated by this administration. Therefore, one should not be surprised at Mr. Butz's nomination. That is, if it is his and the administration's intention to continue present farm policies. Today's low-farm prices, mounting surpluses, rising Government farm program costs, and declining farm income all give me cause to wonder regarding the true significance of Mr. Butz' nomination. Furthermore, the public statements he made while serving under Mr. Benson also make it difficult for me to identify him as a champion of family farm agriculture. For instance, he was quoted in the Record Stockman of March 10, 1955, as saying:

> **Adapt or die! Resist and perish . . . Agriculture is now a big business. Too many people are trying to stay in agriculture that would do better somewhere else!**

Mr. President, this is not just an isolated quote. It is merely typical of the statements made by Mr. Butz during his term in office as an Assistant Secretary of Agriculture.

I call attention to Mr. Butz' past, not for the purpose of suggesting that it should be used to bar his nomination, but merely for the purpose of stressing the importance of our asking now what policies and programs he intends to pursue for family farm agriculture in this country if he is confirmed by the Senate.

Yesterday, I asked the distinguished chairman of the Senate Committee on Agriculture and Forestry (Mr. TALMADGE) to schedule at least 1 day of open hearings on Mr. Butz' nomination so that both members of the committee and responsible organizations can examine and comment on his qualifications and policy orientation. Chairman TALMADGE has agreed to do this.

Mr. Butz currently serves on the board of directors of several major corporations either involved in or having interests in agriculture.

They are all prominent corporations, highly regarded, of course. The corporations are as follows:

Ralston Purina Corp.;

I. J. Case Co. of Racine, Wis.;

Standard Life Insurance Co. of Indiana; and

International Mineral and Chemical Corp.

He also has established and maintained close relationships with the banking interests of this country.

Again, Mr. President, I mentioned these facts not to suggest any wrongdoing, but merely to stress the importance of our examining these relationships carefully to insure and assure both the American people and Mr. Butz that no conflicts of interest will either occur or be implied once he takes office if confirmed by the Senate.

The food and feed grain producers of this Nation are in serious economic trouble today. Prices are at all-time lows for these commodities and all indicators for the future point to a worsening of the situation. I would like to think that this change in leadership at the Department of Agriculture suggests that the farmers of this country might expect some improvements to be made in current policies and programs of that Department. Clearly, that opportunity now exists if the President and Mr. Butz wish to pursue such changes. If they do, they can count on my support. If they do not, they can depend upon my opposition.

I have introduced and testified on legislation which I believe will correct the problems created by the administration set-aside programs for wheat and feed grain. S. 2729 which I introduced would establish reserve inventories for these commodities to insulate them from continuing their price depressing impact on the marketplace. It would also provide protection from arbitrarily "dumping" at a later time to artificially depress prices. It is this aspect of the building up of Government inventories that concerns me when I hear rumors of USDA money going into the market to buy several hundred million bushels of grain without such protective machinery to avoid the "dumping" of grain within the next few weeks.

I know that a number of our distinguished colleagues and Members of the other body have called upon the Secretary of Agriculture and the President to make large purchases of grain in the market in order to bolster grain prices. This is commendable, provided that such purchases do not result in dumping, later on, to depress prices and thereby promote more instability and insecurity in the marketplace. I have to say, quite honestly, that this has happend before, and I do not want to see it happen again. That is why the bill which I have introduced together with some other Senators would insulate these purchases of grain commodities from the marketplace and permit their release only under certain conditions set forth in the legislation.

The other measure I introduced was Senate Joint Resolution 172 which would require the Secretary to do three things: First, return to a base-acreage program for feed grains in 1972; second, institute an additional diversion payment program for wheat in 1972; and third, increase the loan levels for both 1971 wheat and feed grain crops.

Mr. President, in order to resolve both the short- and long-run problems that we now face concerning these crops, both S. 2729 and Senate Joint Resolution 172 must be enacted before this session of Congress adjourns.

I will be asking Mr. Butz about these measures when he appears before our committee, because I believe it is important to establish immediately whether this administration's farm policies are likely to be changed under Mr. Butz or whether they will remain the same. Millions of farm families and main street businessmen in rural America are awaiting the answer to that question.

We shall also want to ask Mr. Butz his views on such things as the rural development bank, the school lunch program, and a number of other measures that are pending in the committees of Congress.

I do not want my remarks to be interpreted as any personal comment on Mr. Butz. I know him as a fine man and a good gentleman. But I am concerned about the policies he will pursue. It is my judgment that these policies come from on high; that is, from the President himself or from the Office of Management and Budget. I would hope that the President, in light of the severe conditions that now exist in rural America, would give careful study to the farm program. The authority is available to change whatever is underway. The act of 1970 authorizes the Secretary to make those changes. I would hope, therefore, that immediate action would be taken to make substantial purchases of grain from the marketplace. I would hope that the loan rate would be increased, thereby increasing the price of grain in the marketplace.

One further note: I have just received information today that prices for feeder calves hit an all-time high last month of $36.80 per hundredweight.

On the face of that, it sounds good, because it means high prices for feeder calves. But, Mr. President, what it means is that this is directly related to the current low feed grain price situation. It indicates an expansion of the cattle industry which such low prices for feed grains usually creates. It is a signal that livestock numbers are on the rise, which if left unchecked, with no rise in feed grain prices, will result in an excess of livestock over utilization next year which will, of course, mean a sharp decline in livestock prices.

Mr. President, there is not a single member of the Committee on Agriculture and Forestry, which studied these matters, who does not know that low feed grain prices are reflected, about a year later, in low cattle and hog prices. This is a historic truth, it is not a new observation. That situation has been with us for the last 40 years.

The statistic I have is clear and unmistakable. Therefore, I would urge remedial action at once on feed grain prices, not only to help the feed grain producer of this year and next year, but that high cost, high quality agriculture which is involved in dairying, in cattle, and in hogs. These are all high cost operations; and if we get into high cost operations without corresponding prices for the products, we can end up with some of the best farmers in America having to liquidate their investments, go out of business, and thereby seriously jeopardize the entire agricultural economy.

### REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. BYRD of West Virginia. Mr. President, does the Chair now wish me to repeat my earlier unanimous-consent request?

The PRESIDING OFFICER. Will the Senator repeat it?

Mr. BYRD of West Virginia. I ask unanimous consent that, at such time as amendment No. 655 by Mr. SPARKMAN is called up, time thereon be limited to 1 hour, to be equally divided between and controlled by the able mover of the amendment and the able manager of the bill (Mr. LONG); provided further, that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 30 minutes, to be equally divided between the mover of such amendment, motion, or appeal and the distinguished manager of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

### PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for Monday is as follows:

The Senate will convene at 10 o'clock a.m.

After the two leaders have been recognized under the standing order, there will be a period for the transaction of routine morning business of not to exceed 30 minutes, with statements therein limited to 3 minutes.

At the conclusion of morning business, the Senate will resume its consideration of the pending amendment offered by the distinguished junior Senator from California (Mr. TUNNEY). At that time, the agreement with reference to time will begin operating. There will be 1 hour on the amendment, to be equally divided, and 30 minutes on any amendment in the second degree, motion, or appeal, except nondebatable motions. The yeas and nays have been ordered on the Tunney amendment. Therefore, there will be a yea and nay rollcall vote on Monday, circa 11:30 a.m.

There will be additional rollcall votes on Monday. It is expected that the amendment (No. 655) offered by the Senator from Alabama (Mr. SPARKMAN), on which there is a time limitation agreement, will be called up on Monday, probably, but not for certain, immediately upon disposition of the amendment offered by Mr. TUNNEY.

Mr. President, the Senate will run early and late daily next week, the distinguished majority leader having already entered an order, with the unanimous consent of the Senate, that the Senate convene on Tuesday, Wednesday, Thursday, and Friday at 9 a.m. Senators may expect rollcall votes daily. It is hoped that the Senate will complete action on the unfinished business, the Revenue Act of 1971, by Tuesday or Wednesday of next week.

Following the disposition of the Revenue Act of 1971, the Senate will proceed to the consideration of either the defense appropriation bill or the phase II economic measures, not necessarily in the order I have stated. There will be rollcall votes daily, and, as the distinguished majority stated a few minutes ago, judgment will be reserved with respect to Saturday next until the picture is more clear.

### ADJOURNMENT UNTIL MONDAY AT 10 A.M.

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 10 o'clock a.m. on Monday next.

The motion was agreed to; and (at 4 o'clock and 46 minutes p.m.) the Senate adjourned until Monday, November 15, 1971, at 10 a.m.

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# EXTENSIONS OF REMARKS

## UTILITIES AND CIVIC RESPONSIBILITY

### HON. ROBERT P. GRIFFIN

OF MICHIGAN

IN THE SENATE OF THE UNITED STATES

*Saturday, November 13, 1971*

Mr. GRIFFIN. Mr. President, recently the newly installed chairman of the American Gas Association, Ralph T. McElvenny of the Michigan Consolidated Gas Co., delivered a very thoughtful and constructive address before the annual meeting of the association in Boston.

I was particularly impressed and encouraged by the emphasis placed by Mr. McElvenny on the responsibility of industry generally, and his own gas industry in particular, to play a more active role in the development and improvement of the communities they serve.

Mr. President, the efforts by Michigan Consolidated Gas Co. to build low- and moderate-income housing in Detroit—an effort with which I am very familiar—exemplifies the real concern and commitment of the new AGA president.

I ask unanimous consent that Mr. McElvenny's address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

STATEMENT OF RALPH T. MCELVENNY

CAPITALIZING ON TODAY'S CHALLENGES

*Today*

It is a pleasure to appear here today at the concluding session of the convention. You have heard much expert testimony these past few days on the course of our industry and the unprecedented challenges confronting us. Many of these challenges are not confined to our industry but are symptomatic of all business. They reflect deep-seated uncertainties, particularly in academia and among our youth, about our nation's priorities, our business principles, and our individual value systems. Today I would like to place some of these challenges in perspective and to indicate my thinking on where our Association should be moving in the months immediately ahead.

*Price freeze*

Before doing so, however, I would like to comment briefly about the most serious problem immediately confronting our industry—the President's 90-day price freeze and the policies to be followed by the Federal Government after its scheduled expiration on November 13. Under this freeze, as you all know, the rates of regulated utility companies were frozen at currently effective levels just as in the case of unregulated businesses. Whatever the practical necessities of the President's across-the-board action, the fact is that it created particular hardships for regulated utilities, many of which had had rate increase applications pending before regulatory commissions for many months and were already absorbing the cost increases which necessitated the rate relief requested.

If our industry is to fulfill its vital public service responsibilities, it is essential that after November 13, 1971, regulation of utility rates be returned to the state and federal agencies established many years ago for that specific purpose. It is a fundamental tenet of utility regulation that rates must be fixed at levels which will permit the utility to attract capital and maintain its credit. This simply reflects the fact that utilities are obligated to meet the demand for additional service and must provide that service safely and efficiently—all of which requires continuing capital investment. Only if utility rate regulation is conducted under these principles by the agencies who are expert in the field can the gas industry carry out the vast gas supply programs required to maintain adequate service to the public and fight inflation, which is everyone's enemy, by bringing needed fuel supplies to our vast productive machine. At the same time, the utilities should make sure that any increases in rates they may seek are fully justified and are no more than necessary to permit them to obtain additional gas supplies and render adequate service to their markets.

The AGA has already filed a vigorous statement with the President's Cost of Living Council urging the return of utility rate regulation to the respective state and federal agencies, as has INGAA. NARUC has adopted a resolution taking the same position. I urge you all to give this matter the attention and support which it deserves.

### *State of the gas industry*

I would like next to spend a few moments on the present state of the gas industry as I see it and the attitudes I believe our Association should take toward certain of the problems affecting our industry.

To begin with, I feel very strongly that the gas industry has a tremendous future and that our attitude should be one of confidence and optimism. Of course, the gas industry has problems. Any progressive, dynamic industry has problems. But the problems of today are merely the challenges, goals and opportunities of tomorrow.

I have been involved in the gas business now for over 25 years. During that period our industry has gone through a number of phases, each of which involved its own set of problems. Immediately after World War II we were faced with gas shortage and allocation problems not unlike those with which we are presently confronted. This was followed by an era of expansion and competition between pipelines, and sometimes between distribution companies, over service to new territories. Next we entered into a period of vigorous competition with coal and fuel oil, followed by a period during which competition with electric utilities appeared to be the major problem. Now we have come back full circle to gas shortages and allocations.

I have recited this history merely to indicate that circumstances can and do change rapidly and that we must not let the problems of today obscure our vision of a continually growing, expanding, healthy industry. I think, frankly, that the gas industry sometimes has a tendency to overreact to the problems of the moment. By that I do not in any way wish to minimize the gas supply problem that now confronts us. What I am saying is that, in my opinion, the doomsayers who are writing off the future of the gas industry are premature by at least a couple of hundred years and that, when the 21st Century is ushered in, the gas industry will be alive and well and providing service in every city and town of the United States.

Let me remind you of some of the advantages our industry enjoys. The gas industry sells a product that is in great demand. It has a solidly-based reputation for reliable service to 150 million Americans, and its product is delivered underground, causing relatively few ecological problems. Its service is essential to the economy and the welfare of the nation. It is recognized as making a positive contribution towards improving the environment.

I would agree that these assets could be dissipated if we were unable to overcome the current trend in the discovery and production of new gas supplies. But let me remind you of a few salient facts in that regard.

First, recognition of the fact that the industry faces a shortage of supply is very recent. I recall that less than five years ago, when our System was attempting to construct a new pipeline to import Canadian gas into the United States—now completed and expanded—other interests opposed the project on the ground that U.S. gas supplies were more than adequate and that introduction of Canadian gas would adversely affect the competitive position of the domestic gas and coal industry. Similarly, during the mid-1960s the Federal Power Commission rolled back producer prices without adequate evaluation of the effect of that action upon the exploration for future gas supplies; I should add in candor that many members of our industry and several State Commission urged the FPC to take the action it did.

I want to emphasize, therefore, that the gas shortage problem is one to which the industry is only beginning to address its tremendous resources of skill and ingenuity. Furthermore, we are fortunate in the fact that it is a problem that is susceptible of technological solution—an area where our nation's greatest strengths lie. Surely a nation which has several times put men on the moon and returned them safely to earth can successfully tap the vast hydrocarbon deposits as yet undeveloped in our country. I am entirely confident that the resources of industry and government that are now being marshalled will successfully meet the challenge of providing adequate supplies to meet the energy requirements for which gas is best suited and necessary.

In this connection, I wish to make two personal observations. First, without minimizing the gravity of the gas shortage or the pressures generated by customers and regulatory agencies to provide more gas, I would again caution against overreacting to the problems of the moment. By this I mean that we should not forget the sound economic principles on which the gas industry was founded or turn to short-range expedients that have no economic justification. Soundly conceived gas supply projects based upon research and analysis and a broadly-based, orderly increase in exploration and development are what is required.

Second, when we talk about overcoming the gas shortage, we should not give anyone the impression that it is either feasible or desirable to provide gas for every conceivable energy requirement for which gas can be used. Indeed, in some respects the gas shortage has served a useful purpose in that it has required all of us to reconsider from a new perspective the proper role and the economic value of gas in the total energy picture.

### *Conservation—Upgrading use*

In my view, the time has come when gas companies have both the duty and opportunity to reshape the markets they serve—to upgrade their product both in terms of the uses for which it is employed and the value of the commodity they deliver. Because of a combination of historical factors, gas is now and has for a number of years been significantly underpriced in relation to other forms of energy. In view of the present shortage of gas and the new awareness of its value in combatting air pollution, it seems clear that uneconomic and wasteful uses of gas can no longer be tolerated.

An example of the changed thinking that is increasingly evident today among the public and the regulatory commissions is seen in the study on gas supplies released last month by Chairman Joseph Swidler of the New York Public Service Commission. The study not only calls for incentives to develop potential gas reserves but also recommends end-use controls. It urges that domestic supplies of natural gas be directed to "high-priority, firm markets," and endorses federal government regulation so that all fuels be directed to their most efficient uses. Although further controls are not to be desired, they may be the price we will be required to pay during the current period of gas shortage and pending the development of our great gas supply potential.

I might state that our System's largest distribution company, Michigan Consolidated Gas Company, has already adopted, with the approval of the Michigan Public Service Commission, a Controlled Service Program which establishes priorities for new gas service based upon the end-use of the gas. Under this plan, domestic and commercial uses, including space heating, are given highest priority. Industrial plants with access to alternate fuels are in a lower category, while those who need gas to comply with air pollution control regulations are assigned higher priority. The lowest priority, as you would suspect, is for straight boiler fuel. The company has the responsibility to make the determination, within the guidelines, as to whether or not a load can be supplied.

The necessity of upgrading the end-use of gas is essential for another very practical reason, namely, the fact that the cost of new gas supplies is going to increase very significantly over the next decade. Prices of new natural gas discovered in the United States have already been increased by the FPC to provide additional incentive for increased exploration and development. Imported LNG, natural gas from the Arctic and gas produced from coal are all estimated to cost approximately double the present city-gate price of natural gas. While the cost impact of these new supplies is ameliorated to some extent by the fact that they can be rolled in with the older, lower-cost supplies, the price effect will nevertheless be very substantial. For that reason alone, it behooves the gas distribution companies to reshape their marketing policies to place more emphasis on the efficient and high end-use of gas.

Fortunately, because gas is presently underpriced, is so adaptable and efficient, and because of its great value in combatting pollution, the market for higher-priced gas appears to be more than adequate to assimilate all of the new supplies in prospect. However, having recited a little earlier the many phases the gas business has passed through in the last 25 years, I would not want to wager very much that we would not be back in some kind of competitive situation 10 or 15 years from now.

### *Changing financing patterns*

Another significant recent development in our industry, and of great portent for the future, is the change in the traditional method of financing the acquisition and development of natural gas reserves. In the past, the great petroleum companies have found the gas reserves and have done the necessary development work, stripped the gas and brought it to a central delivery point where it was purchased by the pipeline for interstate transportation. Under this procedure the oil companies themselves provided the vast amount of capital necessary to find and develop the reserves. Now, however, some of this financing burden is being shifted to the natural gas industry. The pipelines and the distribution companies are now being requested to advance money required to develop the reserves and, in many cases, to contribute toward financing the exploration programs as well. Thus, in addition to providing the massive amounts of capital necessary to build the transmission and distribution facilities to bring the gas to market, our industry is now facing the necessity of also putting up tremendous sums to help finance the exploration and development activities. This extra burden will involve hundreds of millions of dollars annually. But if we can feasibly handle this added burden and reach the point where we are not so dependent upon others, we will have achieved the real benefit of having gained greater control of our future.

In summary, therefore, for the reasons stated, I believe that the present state of the gas industry is good—not because we do not have some very serious practical problems facing us, but because we have begun to recognize those problems and to mobilize the vast human and technical resources of the industry to meet them.

### *Business leadership*

Let me turn now from the problems of the gas business to the problems of business generally. Because broad problems of this kind do not have the same immediate impact upon a company as the problems peculiar to that company and its industry, we are tempted to ignore them or to assume that others are attempting to find solutions.

I am convinced that the management of any substantial company in a community, and particularly utility managements, must take leadership positions in community and civic affairs. We as corporate citizens in a great public service industry have unique community responsibilities. Because we serve a very large segment of the population in our communities, we are particularly affected by the moods, attitudes and frustrations of the people in our communities.

Furthermore, utilities more than any other kinds of business, are rooted in the communities they serve. They cannot move their facilities to sections of the country where the business climate is considered to be more favorable. They cannot tell a customer to take his business elsewhere if he doesn't like the service. They are always fair game for politicians or agitators looking for a public controversy to exploit. Public ownership of utilities in many other countries of the world is a constant reminder that private ownership—although far better—is not an essential and inevitable condition.

Let me suggest, therefore, that a gas company's goals and objectives should include some significant contribution to the improvement of the communities it serves. Our System has attempted to meet its community responsibilities in a number of ways. For example, Michigan Consolidated pioneered the construction of low and moderate income housing in the City of Detroit. Within little more than a year we constructed over 500 housing units in the Detroit area, and following our example other organizations have constructed several thousand more. We had expected to construct about 500 units per year but are currently prevented from doing so by an order of the Security and Exchange Commission reversing its earlier approval of our program. Your Association, as well as the Administration, is supporting legislation before Congress to permit our system and other utilities similarly situated to engage in this type of activity.

In addition, we sponsor a program for on-the-job training of inner-city high school youths, who received both school credit and compensation from the company for their work. We have an active department of community affairs which devotes full time to supporting and coordinating our company's efforts with responsible community organizations. I personally devote considerable time to the New Detroit Committee, an organization established following the Detroit riots of 1967 to focus the efforts of business and the black community on alleviating the conditions out of which the riots arose.

A utility company must give special attention to providing employment to members of minority groups and it must have an affirmative program for the promotion of these qualified men and women to positions of increasing responsibility. We in the gas industry can help ourselves and help our communities by providing such job opportunities. In the past, I am afraid, the utility industry has been somewhat laggard in this important area of responsibility.

I should emphasize that, in my opinion, much of the current antagonism toward business and the "consumerism" movement, particularly as it relates to the gas industry, is unjustified and ill-considered. I believe that business is doing a much better job than it is given credit for in the universities and political forums. And I am convinced that our industry has both the right and the duty to resist efforts to further control and restrict management's ability to manage.

But I should add very candidly that we as an industry, and business as a whole, have not been very successful in selling our point of view. As I will indicate more fully in a moment, educational programs and improved communications are essential to refute the half-truths and untruths which underlie much of the current criticism. At the same time, however, we must critically reexamine our performance both as gas companies and members of the larger business community. And we must recognize that a passing grade in public approval of our performance is much higher today than in the past. In short, my friends, we must answer our critics by telling them what a good job we are doing—and by proving it!

### *The AGA program*

I would like now to direct your attention to some of our AGA activities. You have heard many of the details earlier in this convention. In general, our game plan for 1972 looks similar to the one which has been pursued successfully this year. Our major goals remain as before, namely, to increase gas supply and conserve energy resources, to speed technological progress through research, to develop more profitable markets and to communicate more effectively with all of our publics. Under Jack Tankersley's administration we have moved forward on all of these fronts.

In the supply area, which remains our overriding concern, the Association has aggressively and articulately presented the gas industry's case for unlocking more natural gas supplies. The major parts of this program have been:

To support higher wellhead prices.

To promote more frequent lease sales in the Federal domain and particularly in offshore Louisiana, and to improve the leasing procedure for federal lands so as to develop more gas reserves more quickly.

To endorse legislation to ensure contract price sanctity as an inducement to increase supplies.

It is our purpose to continue vigorously to advance this program throughout the year. At the same time, AGA is committed to an active research program to develop new synthetic gases and supplementary supplies.

### *Research*

Of major importance, of course, is the accelerating coal gasification research program and the important new agreement with the U.S. Department of the Interior. Under this agreement, $30 million a year will be provided over a four-year period—$20 million from government and $10 million from the gas industry—to speed up pilot plant development. With this program, the level of research in which our Association is directly involved will have tripled over the present effort.

The impact of today's national priorities and the unfolding energy shortage are plainly evident in our research program. Current plans AGA research budget in 1972 to be devoted call for more than 50 percent of the regular to the area of gas supply, distribution and storage, up from about one-third of the funds devoted to this effort in 1971.

Emphasis on research activities in the utilization area has declined correspondingly. This year some 55 percent of the regular program funds were allocated to climate control, and residential and commercial gas applications. This will drop to approximately 33 percent in 1972. Basic research will continue at nearly the same level.

### *Marketing program*

Just as the research program has responded to the energy situation, so has the industry's marketing program. In May of 1970 the Marketing Executive Committee established five objectives which can be broadly divided into two areas. The first is to maintain the image of gas in the marketplace and to preserve profitable loads. The second involves communicating the industry's position on higher prices, conservation and acceptance of social responsibility.

At the time the new objectives were adopted, the entire AGA residential print advertising budget of about $2 million was assigned to product promotion. This year, about 30 percent of the program has been allocated to statements regarding supply, conservation and—broadly—the relationship of price to the great value of our product. It is anticipated that this type of advertising may well exceed 50 percent of the total effort in the coming year.

While advertising relating to residential use has changed significantly, the new trend is even more pronounced in AGA's industrial and commercial campaign. The technology and energy leadership themes, including gas supply and conservation, dominate the 1972 program schedule. It is also significant that the mass-audience TV specials sponsored by the Association will be accompanied increasingly by institutional messages on vital industry issues.

While our print and television advertising programs are being redirected to provide a better understanding of the industry's achievements and its basic requirements, AGA's public relations program is increasingly being concentrated on the basic problems which must be solved if the goals of our industry are to be reached. Able industry TV and radio spokesmen are being recruited to explain the complexities of supply and price matters. Background information in "white papers," feature articles in newspapers and magazines and presentations on radio and TV are placing the energy picture in perspective and giving the public an informed view of our position.

### *Better communications*

Now what does all this mean in terms of our guidelines for a productive Association program for the coming months? It means that AGA executives have taken most seriously, indeed, the suggestion of NARUC President George Bloom at our Executive Conference that while wrestling with the energy gap, the industry must take positive steps to close the information gap.

Mr. Bloom was most convincing in stressing the need for clear, strong communication with the public. He made it clear that we must all—companies and associations alike—work harder to make sure that public officials at all levels of government have a thorough understanding of the energy industry, and particularly the natural gas segment. The consumers must be informed, he said, because "today's social considerations have a much greater impact than ever before on utility operations and the energy industries."

Thus, it seems to me that a major goal of AGA and our companies must, of necessity, be improved communications among ourselves and with all of our publics. We have a substantial, on-going program in regard to supply, technology and markets, as well as a vigorous program of communications. We have not yet, however, won full public understanding and active support of our industry goals. We must overcome the deficiency not only by our deeds but also by telling our story more effectively than ever before. This will surely include explaining to the consumer the facts concerning our present gas supply tightness, the real value of gas and the necessity of higher rates to bring large additional supplies of this superior fuel to hungry markets.

At the Association level, therefore, we will devote much attention next year to achieving the maximum coordination of all forms of public communication—advertising, public relations, government relations, marketing, operations and research. We now have a working level committee chaired by President Don Hart to achieve this objective and to cut down on the communications time lag.

### *Government relations*

Because of its importance, I have left to the end my comments on the Association's activities at the government level.

The last decade has seen a sharply growing trend in the involvement of the Federal government in areas which at one time were held to be the exclusive domain of business. A part of this has resulted from the failure of industry to recognize the development of various problems and to act promptly or adequately to meet them. Government involvement has progressed to the point where any party or any administration or any Congress is likely to advocate measures involving consumer protection, the environment, the energy shortage, product safety—or any of a host of other issues—without any real consideration of the economic burden which would be imposed or the real need for additional legislation.

This trend has made it imperative for the gas industry—and all industry—to become increasingly vigilant and active in the legislative arena—to see that the facts are presented and understood. In this regard, AGA has found it necessary on a number of occasions to present testimony on legislative measures before Congress. AGA has also been increasingly active in connection with regulation involving the Department of Interior, Transportation, Commerce and the Treasury, the Federal Power Commission and the Environmental Protection Agency.

### *Consumerism*

The field of consumerism will continue to occupy a great deal of AGA's time and effort both on Capitol Hill and with the appropriate agencies. Pending before this Congress are matters concerning product safety, manufacturing product standards, consumer class action, independent consumer agencies and consumer representation by the Federal government. New, stricter and more costly standards of construction have recently been imposed.

As you know, consumerism is a very fashionable word today. I would like to remind you that we of the gas industry have been engaged in active consumerism programs for 40 years with our Blue Star certification program and over 10 years with our National Appliance Field Observation Program.

Both have been successful. However, I am sure that none of us would argue the point that the appliance field observation program has been less effective than we would like it to be. At the request of the Consumer Affairs and Safety Committee, a task force has been working on a recommended revision of this program.

This revised program we hope will be the vehicle for more effective cooperation between the utilities and the appliance manufacturers. The program will require support of the entire industry and a considerably greater than normal participation from certain companies. I urge that each of you who will be asked to take part in this new program to respond as fully as possible.

Our activities in the environmental area will include monitoring the enforcement of the Clean Air Act amendments of 1970 and the pending omnibus water quality legislation—including possible controls of offshore oil and gas production. Other matters of concern include the nationwide health and safety standards being implemented under the Department of Labor and the development of regulations under the Pipeline Safety Act of 1968, and many more.

It is axiomatic, however, that the major efforts of AGA must be directed to the continuing assessment of the nation's energy crisis and a search for solutions consistent with national economic and environmental goals.

On the basic problem of gas supply, the FPC has undertaken a National Gas Survey to establish the magnitude of our gas reserves, competitive and price factors, capital requirements, technological needs, and other matters. An authoritative and objective study would appear to be a necessary prelude to the establishment of a sound national energy policy. Bill Elmer heads our representation on the national study group. I commend your support for this project and your companies' cooperation in supplying necessary data as the study goes forward.

I cannot leave this topic of government relations without noting the tremendous shift in the last decade on the part of corporations and trade associations to the Washington scene. The AGA move, more than a year ago, reflects this industry's response. The increasing involvement of government in business underlines the soundness of that move. It is important for our industry to recognize that the dialogue which has been building between government and industry has created a tremendous interdependency. We have built a bridge but we must be ever vigilant that it does not become a one-way passage.

### *The year ahead*

In closing, let me urge again that we in the gas business keep open our options and attempt to maintain the initiative on the national scene. A great foundation has been laid this year in our Association's program. With the implementation of our reorganized and strengthened staff, we have much greater potential for effective action. It remains for us to capitalize fully on our opportunities. I look forward to an interesting year in this job and, with your help and support, I am confident that it can be a productive one for the industry and the nation.

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# HOUSE OF REPRESENTATIVES—*Monday, November 15, 1971*

The House met at 12 o'clock noon and was called to order by the Speaker pro tempore (Mr. Boggs).

## DESIGNATION OF SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

THE SPEAKER'S ROOMS,
*November 15, 1971.*

I hereby designate the Honorable HALE BOGGS to act as Speaker pro tempore today.

CARL ALBERT,
*Speaker of the House of Representatives.*

## PRAYER

The Chaplain, Rev. Edward G. Latch, D.D., offered the following prayer:

*Come unto me, all ye that labor and are heavy laden, and I will give you rest.*—Matthew 11: 28.

Almighty God, without whom all our labor is in vain, prosper our work this day and may we so respond to Thee that the programs planned and the progress accomplished may be in accordance with Thy holy will.

We pray for our Nation set amid the perplexities of a changing order and faced with new tasks. Bestow upon our people a responsiveness to duty, a willingness to work, a desire to lift the level of life about them, and an utter loyalty to Thee. By Thy grace make us all joyful in spirit, radiant in life, steadfast in faith, and eager to serve that we may usher in a better day for all mankind.

In the mood of the Master we pray. Amen.

## THE JOURNAL

The SPEAKER pro tempore. The Chair has examined the Journal of the last day's proceedings and announces to the House his approval thereof.

Without objection, the Journal stands approved.

There was no objection.

## MESSAGE FROM THE SENATE

A message from the Senate by Mr. Arrington, one of its clerks, announced that the Senate had passed without amendment bills of the House of the following titles:

H.R. 4729. An act to amend section 2107 of title 10, United States Code, to provide additional Reserve Officers' Training Corps scholarships for the Army, Navy, and Air Force, and other purposes;

H.R. 6723. An act to provide subsistence allowances for members of the Marine Corps officer candidate programs;

H.R. 6724. An act to amend section 209 (a) and (b) of title 37, United States Code, to provide increased subsistence allowances for Senior Reserve Officers' Training Corps members;

H.R. 7950. An act to repeal sections 3692, 6023, 6025, and 8692 of title 10, United States Code, with respect to pilot training requirements for members of the Army, Navy, Marine Corps, and Air Force; and to insert a new section 2003 of the same title; and

H.R. 8656. An act to amend titles 37 and 38, United States Code, relating to promotion of members of the uniformed services who are in a missing status.

## A COMMUNICATION FROM THE CHAIRMAN OF THE COMMITTEE ON PUBLIC WORKS

The SPEAKER pro tempore laid before the House the following communication from the chairman of the Committee on Public Works; which was read together with the accompanying papers, referred to the Committee on Appropriations:

WASHINGTON, D.C.,
*November 10, 1971.*

Hon. CARL ALBERT,
*Speaker of the House of Representatives, Washington, D.C.*

MY DEAR MR. SPEAKER: Pursuant to the provisions of Section 201 of Public Law 89–298, the Committee on Public Works of the House of Representatives on November 10, 1971, adopted Committee resolutions authorizing the following water resources development projects:

Murrells Inlet, Georgetown County, S.C., and

Northport Harbor, Wis.

Kindest personal regards.

Sincerely,

JOHN A. BLATNIK,
*Chairman.*

## CONSENT CALENDAR

The SPEAKER pro tempore. This is Consent Calendar day. The Clerk will call the first bill on the Consent Calendar.

## CONSENTING TO THE KANSAS-NEBRASKA BIG BLUE RIVER COMPACT

The Clerk called the bill (H.R. 8116) to consent to the Kansas-Nebraska Big Blue River compact.

There being no objection, the Clerk read the bill as follows:

### H.R. 8116

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Congress consents to the Kansas-Nebraska Big Blue River Compact which is substantially as follows:

### "KANSAS-NEBRASKA BIG BLUE RIVER COMPACT

### "PREAMBLE

"The State of Kansas and the State of Nebraska, acting through their duly authorized Compact representatives, Keith S. Krause for the State of Kansas and Dan S. Jones, Jr., for the State of Nebraska, after negotiations participated in by Elmo W. McClendon, appointed by the President as the representative of the United States of America, and in accordance with the consent to such negotiations granted by an Act of Congress of the United States of America, approved June 3, 1960, Public Law 489, 86th Congress 2nd Session, have agreed that the major purposes of this Compact concerning the waters of the Big Blue River and its tributaries are:

"A. To promote interstate comity between the States of Nebraska and Kansas;

"B. To achieve an equitable apportionment of the waters of the Big Blue River Basin between the two States and to promote orderly development thereof; and

"C. To encourage continuation of the active pollution-abatement programs in each of the two States and to seek further reduction in both natural and man-made pollution of the waters of the Big Blue River Basin.

"To accomplish these purposes the said States have agreed as set forth in the following Articles.

### " 'ARTICLE I—DEFINITIONS

" 'As used in this Compact:

" '1.1 The term "State" shall mean either State signatory hereto, and it shall be construed to include any person, entity, or agency of either State who, by reason of official responsibility or by designation of the Governor of the State, is acting as an official representative of the State;

" '1.2 The term "Kansas-Nebraska Big Blue River Compact Administration," or the term "Administration," means the agency created by this Compact for the administration thereof;

" '1.3 The term "Big Blue River Basin" means all of the drainage basin of the Big Blue and Little Blue Rivers in Nebraska and Kansas downstream to the confluence of the Big Blue River with the Kansas River near Manhattan, Kansas;

" '1.4 The term "Big Blue River Basin in Nebraska" means all of the drainage basin of the Big Blue River in Nebraska and is exclusive of the drainage basin of the Little Blue River in Nebraska;

" '1.5 The term "minimum mean daily flow" means the minimum mean flow for any one calendar day;

" '1.6 The term "pollution" means contamination or other undesirable alteration of any of the physical, chemical, biological, radiological, or thermal properties of the waters of the basin, or the discharge into the waters of the basin of any liquid, gaseous, or solid substances that create or are likely to result in a nuisance, or that render or are likely to render the waters into which they are discharged harmful, detrimental, or injurious to public health, safety, or welfare, or that are harmful, detrimental or injurious to beneficial uses of the water;

" '1.7 The term "water project" means any physical structure or any man-made changes which affect the quantity or quality of natural water supplies or natural streamflows and which are designed to bring about greater beneficial use of the water resources of an area;

" '1.8 The term "natural flow" means that portion of the flow in a natural stream that consists of direct runoff from precipitation on the land surface, ground-water infiltration to the stream, return flows to the natural stream from municipal, agricultural, or other uses, and releases from storage for no designated beneficial use;

" '1.9 The term "inactive water appropriation" means a water right that is subject to cancellation or termination for non-use.

### " 'ARTICLE II—DESCRIPTION OF THE BASIN

" '2.1 The Big Blue River, a tributary of the Kansas River, drains an area of 9,696 square miles in south central Nebraska and north central Kansas. About 75 percent of the Big Blue River Basin is in Nebraska, and the remainder is in Kansas. The Big Blue River and its principal tributary, the Little Blue River, join near Blue Rapids, Kansas. From there, the Big Blue River flows generally southward to join the Kansas River near Manhattan, Kansas, as shown on Exhibit A.

" '2.2 Much of the upper portion of the basin in Nebraska is underlain with sands and gravels that supply large quantities of water to irrigation wells. The lower portion of the basin in Nebraska and that portion of the basin in Kansas lack significant ground water supplies except within the major stream valleys.

### " 'ARTICLE III—ORGANIZATION OF COMPACT ADMINISTRATION

" '3.1 ADMINISTRATION AGENCY. There is hereby established an interstate administrative agency, to be known as the "Kansas-Nebraska Big Blue River Compact Administration," to administer the Compact.

" '3.2 ADMINISTRATION MEMBERSHIP. The Administration shall be composed of one ex officio member and one advisory member from each State, plus a Federal member to be appointed by the President if he so desires. The ex officio member from each State shall be the official charged with the duty of administering the laws of his State pertaining to water rights. Said official shall designate a representative who may serve in his place at meetings of the Administration. All actions taken by the designated representative in the transaction of the business of the Administration shall be in the name of the official he represents and shall be binding on that official. The advisory member from each State may serve in any capacity within the Administration. He shall reside in the Big Blue River Basin portion of the State he represents.

" 'The Governor of each State shall appoint the advisory member from that State for a term of 4 years. This appointment shall be made within 90 days after the effective date of this Compact.

" '3.3 ADMINISTRATION GOVERNMENT. The Administration shall hold its first meeting within 120 days after the effective date of this Compact, and it shall meet at least annually thereafter. The Federal member, if one be designated, shall serve as Chairman, without vote. If no Federal representative is appointed, the Administration shall select a Chairman, in addition to such officers as may be provided for in rules and regulations, to serve at the will of the Administration. A meeting quorum shall consist of the ex officio members from both States, or their designated representatives. Each State shall have but one vote, cast by the ex officio member or his representative. All actions must be approved by both ex officio members or their representatives. Minutes of each meeting shall be kept, and they shall be available for public inspection.

" '3.4 ADMINISTRATION POWERS AND DUTIES. The Administration shall have the power to adopt rules and regulations consistent with the provisions of this Compact, to enforce such rules and regulations, and to otherwise carry out its responsibilities. It may institute action in its own name in courts of competent jurisdiction to compel compliance with the provisions of this Compact and with the rules and regulations it adopts.

" 'The Administration is hereby authorized to employ the technical and clerical staff necessary to carry out its functions, and to maintain the office and appurtenances necessary to conduct its business. It may employ attorneys, engineers, or other consultants. It may purchase equipment and services necessary to its functions.

" 'The Administration shall publish an annual report including a review of its activities and financial status. It may also prepare and publish such other reports and publications as it deems necessary.

" 'In order to provide a sound basis for carrying out the apportionment provisions of this Compact, the Administration shall cause to be established such stream-gaging stations, ground-water observation wells, and other data-collection facilities as are necessary for administering this Compact; and it shall install such other equipment and collect such data therefrom, for a period of not less than 5 years, as are necessary or desirable for evaluating the effects of pumping of wells on the flows of the Big Blue and Little Blue Rivers at the Kansas-Nebraska State line. The well area to be considered is described in article V, paragraph 5.2.

" 'The Administration shall have authority to accept funds from local, State, and Federal sources. It may enter into cooperative agreements and contribute funds to support such data-collection and analysis programs as are necessary for administration of the Compact.

### “ ‘Article IV—Responsibility of Each State

“ ‘4.1 Expenses of Administration. Each State and Federal member of the Administration shall receive such compensation and such reimbursement for travel and subsistence as are provided by the government he represents, and he shall be paid by that government.

“ ‘Budget. Each year, the Administration shall prepare a properly documented budget covering the anticipated expenditures of the Administration for the following fiscal period. Each State shall make provision in its budget for funds to pay its share of the expenses of the Administration, which shall be divided equally between the States of Kansas and Nebraska. The Administration shall establish a fund to which each State shall contribute equally and from which the expenses of the Administration shall be paid.

“ ‘4.3 Records and Information. The State of Kansas and the State of Nebraska shall cooperate with the Administration and furnish to it such records, information, plans, data, and assistance as may be reasonably available; and they shall keep the Administration advised of Federal activities in connection with planning, design, construction, operation, and maintenance of water-resource projects in the Big Blue River Basin.

“ ‘Any local, public, or private agency collecting water data or planning, designing, constructing, operating, or maintaining any water project or facility in the Big Blue River Basin shall keep the Administration advised of its investigations and of any proposed changes and additions to existing projects and facilities, and it shall submit plans for new projects to the Administration for review of those project aspects affecting surface-water flowage and quality.

### “ ‘Article V—Appointment of Waters of the Big Blue River Basin

“ ‘5.1 Principles of Appointment. The physical and other conditions peculiar to the Big Blue River Basin constitute the basis for this apportionment, and neither of the signatory States hereby, nor the Congress of the United States by its consent hereto, concedes that this apportionment establishes any general principle with respect to any other interstate stream.

“ ‘The States of Kansas and Nebraska subscribe to the principle of including storage capacity for low-flow regulation in reservoirs constructed by the U.S. Bureau of Reclamation and the U.S. Army Corps of Engineers, and to the principle of such administration as is required to assure that water released from storage for low-flow regulation shall remain available in the stream to accomplish its intended purpose.

“ ‘5.2 Nebraska Apportionment.—The State of Nebraska shall have free and unrestricted use of the waters of the Little Blue and Big Blue River Basins in Nebraska, such use to be in accordance with the laws of the State of Nebraska, subject to the limitations set forth below.

“ ‘(a) Water appropriations of record in the Little Blue and Big Blue River Basins in Nebraska on November 1, 1968, that were then inactive, shall be cancelled by due process of laws in effect in that State.

“ ‘(b) During the period, May 1–September 30 the process of laws in effect in that State.

“ ‘(b) During the period, May 1–September 30 the State of Nebraska shall regulate diversions from natural flow of Streams in the Little Blue and Big Blue River Basins by water appropriators junior to November 1, 1968, in order to maintain minimum mean daily flows at the state-line gaging stations (which are now located at Fairbury and Barneston, respectively, but which may be relocated at such other places as may be designated state-line gaging stations by the Administration) during each month as follows:

Little Blue River

| | |
|---|---|
| May | 45 cfs |
| June | 45 cfs |
| July | 75 cfs |
| August | 80 cfs |
| September | 60 cfs |

Big Blue River

| | |
|---|---|
| May | 45 cfs |
| June | 45 cfs |
| July | 80 cfs |
| August | 90 cfs |
| September | 65 cfs |

“ ‘When such action is necessary to maintain the above schedule of flows, the State of Nebraska shall:

“ ‘(1) Limit diversions by natural-flow appropriators in Nebraska in accordance with their water appropriations;

“ ‘(2) Close, in reverse order of priority, natural-flow appropriations with priority dates subsequent to November 1, 1968, including rights to store water in the conservation-storage zones of reservoirs;

“ ‘(3) Enjoin all persons not holding valid natural-flow appropriations from taking water during periods when the exercise of junior natural-flow appropriations is being restricted

“ ‘(4) Regulate, in the same manner that diversion of natural flows is regulated, withdrawals of water from irrigation wells installed after November 1, 1968, except equivalent wells drilled to replace wells installed before that date, in the alluvium and valley side terrace deposits within one mile from the thread of the river and between the mouth of Walnut Creek and the Kansas-Nebraska State line on the Little Blue River and between the mouth of Turkey Creek and the Kansas-Nebraska State line on the Big Blue River (as delineated on Exhibits A and B of Supplement No. 1 to the Report of the Engineering Committee) provided that, if the regulation of such wells fails to yield any measurable increases in flows at the state-line gaging stations as determined by the investigations to be undertaken under Article III, paragraph 3.4, the regulation of such wells shall be discontinued. Determination of the effect on streamflow of the pumping of such wells shall rest with the administration.

“ ‘Delivery of water under the terms of this article shall be deemed to be in compliance with its provisions when the amounts passing the state-line gaging stations are substantially equivalent to the scheduled amounts. Minor irregularities in flow shall be disregarded.

“ ‘(c) The storage capacity provided in reservoirs in the Little Blue River Basin in Nebraska shall be limited to a total of 200,000 acre-feet. Similarly, the storage capacity in reservoirs in the Big Blue River Basin in Nebraska shall be limited to 500,000 acre-feet. These limitations are exclusive of storage capacity that may be found necessary for regulation and use of waters imported into these basins in Nebraska; exclusive of storage capacity in small reservoir projects where the storage of water for subsequent use is less than 200 acre-feet; exclusive of storage capacity allocated to sedimentation and flood control; and exclusive of storage capacity allocated to, and from which water is released to accomplish low-flow augmentation for improvement of water quality, for fishery, wildlife, or recreation purposes, or for meeting the flow schedules at the Kansas-Nebraska State line as set out in Article V, paragraph 5.2.

“ ‘5.3 Kansas Apportionment. The State of Kansas shall have free and unrestricted use of all waters of the Big Blue River Basin flowing into Kansas from Nebraska in accordance with this Compact, and of all waters of the basin originating in Kansas, excepting such waters as may, in the future, flow from Kansas into Nebraska.

“ ‘5.4 Transbasin Diversion. In the event of any importation of water into the Big Blue River Basin by either State, the State making the importation shall have exclusive use of such imported water, including identifiable return flows therefrom. Neither State shall authorize the exportation from the Big Blue River of water originating within that basin without the approval of the administration.

### “ ‘Article VI—Water Quality Control

“ ‘6.1 The States of Kansas and Nebraska mutually agree to the principle of individual State efforts to control natural and man-made water pollution within each State and to the continuing support of both States in active water pollution control programs.

“ ‘6.2 The two States agree to cooperate, through their appropriate State agencies, in the investigation, abatement, and control of sources of alleged interstate pollution within the Big Blue River Basin whenever such sources are called to their attention by the Administration.

“ ‘6.3 The two States agree to cooperate in maintaining the quality of the waters of the Big Blue River Basin at or above such water quality standards as may be adopted, now or hereafter, by the water pollution control agencies of the respective States in compliance with the provisions of the Federal Water Quality Act of 1965, and amendments thereto.

“ ‘6.4 The two States agree to the principle that neither State may require the other to provide water for the purpose of water quality control as a susbtitute for adequate waste treatment.

### “ ‘Article VII—General Provisions

“ ‘7.1 Right to Store Water in Upper State. The right of the State of Kansas or of any person, corporation, local agency, or entity in Kansas to construct or participate in the future construction and use of any storage reservoir or diversion works in the Big Blue and Little Blue Basins of Nebraska for the purpose of regulating water to be used in Kansas shall never be denied: *Provided*, That such right is subject to the laws of the State of Nebraska and that any such storage for use by Kansas shall be excluded from the limitations on storage under Article V, paragraph 5.2(c).

“ ‘Releases of water from storage provided by Kansas interests in the State of Nebraska shall not be counted toward meeting the minimum flow requirements at the State line under the provisions of paragraph 5.2(b).

“ ‘7.2 Disclaimer. Nothing contained in this Compact shall be deemed:

“ ‘1. To impair, extend, or otherwise affect any right or power of the United States, its agencies, or its instrumentalities involved herein;

“ ‘2. To subject to the laws of the States of Kansas and Nebraska any property or rights of the United States that were not subject to the laws of those States prior to the date of this Compact;

“ ‘3. To interfere with or impair the right or power of either signatory State to regulate within its boundaries the appropriation, use, and control of waters within that State consistent with its obligations under this Compact.

“ ‘7.3 Invalidity in Part. Should a court of competent jurisdiction hold any part of this Compact to be contrary to the constitution of either signatory State or to the Constitution of the United Sates, all other severable provisions of this Compact shall continue in full force and effect.

“ ‘7.4 Future Review. After the expiration of 5 years following the effective date of this Compact, the Administration may review any provision hereof; and it shall meet for such review whenever a member of the Administration from either State requests such review. All provisions hereof shall remain in full force and effect until changed and amended within the intent of the Compact by unanimous action of the Administration, and until such changes in this Compact are ratified by the Legislatures of the respective States and are consented to by the Congress of the United States, in the same manner that this Compact is required to be ratified and consented to before it becomes effective.

"'7.5 TERMINATION. This Compact may be terminated at any time by appropriate action of the Legislatures of both signatory States. In the event of amendment or termination of the Compact, the water-resource developments made in compliance with, and reliant upon, this Compact shall continue unimpaired.

"'ARTICLE VIII—RATIFICATION

"'8.1 This Compact shall become binding and obligatory when it shall have been ratified by the Legislature of each State and consented to by the Congress of the United States and when the Congressional Act consenting to this Compact includes the consent of Congress to name and join the United States as a party in any litigation in the United States Supreme Court, if the United States is an indispensable party and if the litigation arises out of this Compact or its application, and if a signatory State is a party thereto.

"'8.2 Notice of ratification by the Legislature of each State shall be given by the Governor of that State to the Governor of the other State and to the President of the United States, and the President is hereby requested to give notice to the Governor of each State of the consent by the Congress of the United States.'

"In witness whereof the authorized representatives have executed three counterparts hereof, each of which shall be and constitute an original, one of which shall be deposited with the Administrator of General Services of the United States, and one of which shall be forwarded to the Governor of each State.

"Done at Lincoln, Nebraska, this 25th day of January 1971.

"Keith S. Krause
"KEITH S. KRAUSE,
"Commissioner for the State of Kansas.
"Dan S. Jones, Jr.
"DAN S. JONES, JR.
"Commissioner for the State of Nebraska.
"Approved:
"Elmo W. McClendon
"ELMO W. MCCLENDON
"Representative of the United States of America"

With the following committee amendment:

Page 17, after line 23, add a new section 2, renumbering the present section 2 to section 3:

"SEC. 2. To carry out the purposes of article VIII of the compact, the Congress hereby consents to have the United States named and joined as a party in any litigation in the U.S. Supreme Court, if the United States is an indispensable party and if the litigation arises out of the compact or its application, and if a signatory State is a party thereto."

The committee amendment was agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, H.R. 8116 will give the consent of Congress to the compact negotiated between the State of Kansas and Nebraska on the Big Blue River, a major tributary of the Kansas River. The consent of Congress to negotiate this compact was granted by the act of June 3, 1960.

The compact has been agreed to by the negotiators, including a representative of the United States designated by the President, and was ratified by the legislatures of the two States in April 1971, by unanimous vote in each case. Consent of Congress as provided by H.R. 8116 completes the processing of this important instrument.

The text of the compact is set out in H.R. 8116. The Interior and Insular Affairs Committee considered the document in connection with our hearings and found no basis for objection in any of its provisions. Neither did we ascertain any objections on the part of the State governments, the House delegations from the signatory States, or from the public at large. The bill is supported by the administration.

The compact provides a workable formula for the apportionment of the flows of the Big Blue River, sets limits on conservation storage in the State of Nebraska, and creates an administrative body for management of compact affairs.

The compact also provides that it shall become binding when the Congress consents to have the United States joined as a party litigant in any action in the Supreme Court growing out of the compact in which either or both States are parties to the action. H.R. 8116 specifically contains this provision.

For these reasons, I am pleased to offer the measure to the House for its consideration and recommend its enactment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## DESIGNATING THE MOUNTAIN PARK RESERVOIR, OKLA., AS THE TOM STEED RESERVOIR

The Clerk called the bill (H.R. 9418) to designate the Mountain Park Reservoir, Okla., as the Tom Steed Reservoir.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object, I would simply inquire as to whether or not we are now as in the past, such as cases of the designation of the Truman Reservoir on the Osage River in Missouri, or the Arkansas River Senator McClellan complex under the jurisdiction of the Corps of Engineers and perhaps others; are we now and by virtue of this bill completely forgoing the past policy of the Congress not to name such projects after living—and, indeed, in this case an honored seated Member—individuals?

Mr. EDMONDSON. Mr. Speaker, will the gentleman yield?

Mr. HALL. I will be glad to yield to the gentleman from Oklahoma.

Mr. EDMONDSON. Mr. Speaker, I thank the gentleman from Missouri very much for yielding, because the gentleman correctly states what has been a general policy of the Congress for many years, but I think a study of the record will indicate that there have consistently been exceptions to that policy at fairly regular intervals throughout the years, going back to Jefferson's time.

Mr. HALL. Mr. Speaker, will the gentleman tell us how you define "consistent exceptions"?

Mr. EDMONDSON. When you have exceptions almost every 10 or 15 years throughout the years, although the general policy prevails, I think you have some fairly consistent exceptions in the case of outstanding individuals where the local people in the State want to pay the honor to them.

In this instance, the local people joined in asking our delegation in Congress to introduce this bill to honor our colleague, the Honorable TOM STEED. The citizens of the two towns that are immediately adjacent to the reservoir and are served by its water supply asked for it, and the Mountain Park Conservancy District asked for it.

Mr. HALL. Mr. Speaker, at the risk of appearing to be somewhat rude, but in order to expedite the business of the Congress, there is no question in this Member's mind about the deservedness of the subject person, so I do not think we need to go into that.

I appreciate the gentleman's remarks, and I would hope that the "consistent exceptions" be kept minimal in the future, but I certainly withdraw my reservation.

Mr. EDMONDSON. I thank the gentleman very much.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

H.R. 9418

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Mountain Park Reservoir, Oklahoma, authorized to be constructed by the Act of September 21, 1968 (82 Stat. 853), shall be known and designated hereafter as the Tom Steed Reservoir. Any law, regulation, map, document, record, or other paper of the United States in which such reservoir is referred shall be held to refer to such reservoir as the Tom Steed Reservoir.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## TRANSPORTATION OF MAIL BY THE U.S. POSTAL SERVICE

The Clerk called the bill (S. 996) relating to the transportation of mail by the United States Postal Service.

Mr. GROSS. Mr. Speaker, I ask unanimous consent that the bill be passed over without prejudice.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Iowa?

There was no objection.

## CHAPEL OF THE ASTRONAUTS

The Clerk called the bill (H.R. 11487) to authorize the Administrator of the National Aeronautics and Space Administration to convey certain lands in Brevard County, Fla.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. GROSS. Mr. Speaker, reserving the right to object, I wonder if anyone could give us any indication of what this bill may eventually cost?

Mr. TEAGUE of Texas. Mr. Speaker, will the gentleman yield?

Mr. GROSS. I yield to the gentleman from Texas.

Mr. TEAGUE of Texas. Mr. Speaker, it costs nothing to the Federal Government.

Mr. GROSS. Except for the land.

Mr. TEAGUE of Texas. The Government is selling the land to this organization.

Mr. GROSS. Mr. Speaker, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill, as follows:

H.R. 11487

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Administrator of the National Aeronautics and Space Administration is authorized to convey for fair market value to the Chapel of the Astronauts, Incorporated, a nonprofit Florida corporation, all right, title, and interest of the United States in not to exceed seven acres of unimproved land situated adjacent to the present Visitor Information Center, John F. Kennedy Space Center, National Aeronautics and Space Administration, Brevard County, Florida, together with necessary rights of vehicular, pedestrian and utilities access, for the purpose of construction, operation, and maintenance thereon by the said corporation of a nondenominational, nonsectarian, nonprofit public facility for worship or meditation and a memorial to the Astronauts, who have served as envoys of all mankind in the exploration of outer space, including the moon and other celestial bodies, which facility shall be open at all times to any individual or group without discrimination as to race, creed, color, or national origin: *Provided,* That—

(1) such conveyance shall take place when the Administrator determines that (A) said corporation is ready, willing, and financially and otherwise able to construct, operate, and maintain the said facility, and (B) the plans for such facility are appropriate for the intended purpose, will not detract from the surrounding Government facilities and have made adequate provision for access by, and accommodation of, the public and for the safe operation of the facility and surrounding Government facilities; and

(2) the deed of conveyance shall include suitable covenants (A) restricting the use of the property to the purpose for which it was conveyed, (B) requiring the corporation to construct, maintain, and operate the facility for, and in a manner appropriate to, the purposes for which the property was conveyed, without at any time impairing the safety or interfering with the operation of surrounding Government facilities; and (C) providing that title to the land conveyed thereunder and any improvements thereon shall revert to the United States, without payment of compensation therefor, whenever the Administrator or the official having jurisdiction and control over adjacent Government-owned land, determines that any of the foregoing covenants are breached.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## INVESTMENT COMPANY ACT AMENDMENT

The Clerk called the bill (H.R. 9758) to amend the Investment Company Act of 1940, as amended.

There being no objection, the Clerk read the bill as follows:

H.R. 9758

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 27(f) of the Investment Company Act of 1940, as amended (15 U.S.C. 80a-27(f), is amended to read as follows:

"(f) With respect to any periodic payment plan (other than a plan under which the amount of sales load deducted from any payment thereon does not exceed 9 per centum of such payment), the custodian bank for such plan shall mail to each certificate holder, within sixty days after the issuance of the certificate, a statement of charges to be deducted from the projected payments on the certificate and a notice of his right to withdrawal as specified in this section. The Commission may make rules specifying the method, form, and contents of the notice required by this subsection. The certificate holder may within forty-five days of the mailing of the notice specified in this subsection surrender his certificate and receive in payment thereof, in cash, the sum of (1) the value of his account, and (2) an amount, from the underwriter or depositor, equal to the difference between the gross payments made and the net amount invested. The Commission may make rules and regulations applicable to underwriters and depositors of companies issuing any such certificates specifying such reserve requirements as it deems necessary or appropriate in order for such underwriters and depositors carry out the obligations to refund sales charges required by this subsection."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## NAMING OF VETERANS' ADMINISTRATION HOSPITAL AT BEDFORD, MASS., FOR EDITH NOURSE ROGERS

The Clerk called the bill (H.R. 950) to designate a Veterans' Administration hospital in Bedford, Mass., as the Edith Nourse Rogers Memorial Veterans' Hospital.

There being no objection, the Clerk read the bill as follows:

H.R. 950

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Veterans' Administration hospital at Bedford, Massachusetts, shall hereafter be known and designated as the Edith Nourse Rogers Memorial Veterans' Hospital. Any reference to such hospital in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the Edith Nourse Rogers Memorial Veterans' Hospital.

With the following committee amendment:

Page 1, after line 9, add the following:

SEC. 2. The Administrator of Veterans' Affairs is authorized to provide such memorial at the above-named hospital as he may deem suitable to preserve the remembrance of the late Edith Nourse Rogers.

The committee amendment was agreed to.

Mr. MORSE. Mr. Speaker, I would like to take this opportunity to thank the chairman and the members of the Committee on Veterans' Affairs for bringing this bill to the floor of the House.

I feel that it is indeed appropriate that the Veterans Administration hospital in Bedford, Mass., should be designated the Edith Nourse Rogers Memorial Hospital and stand as a memorial to the dedication Mrs. Rogers always showed for our Nation's veterans.

Mrs. Rogers represented the Fifth Massachusetts Congressional District, which I am now privileged to represent, for 25 years until her death in 1960. During her distinguished career in the House, Mrs. Rogers served on the Veterans' Affairs Committee and made the cause of better hospital care for the Nation's veterans one of her major concerns. As the ranking Republican member of the committee, she was instrumental in the passage of the GI bill in 1944. She served as chairman of the Committee on Veterans' Affairs during both the 80th and 83d Congresses.

During her long service in the Congress, Mrs. Rogers was especially interested in the entire operation of the Bedford Hospital, located in her congressional district, and I feel that the designation of this facility in her memory is a fitting tribute to her steadfast dedication to the cause of veterans everywhere.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed.

The title was amended so as to read: "A bill to designate the Veterans' Administration hospital at Bedford, Mass., as the Edith Nourse Rogers Memorial Veterans' Hospital, and for other purposes."

A motion to reconsider was laid on the table.

## SERVICEMEN'S GROUP LIFE INSURANCE COVERAGE FOR CADETS AND MIDSHIPMEN

The Clerk called the bill (H.R. 9096) to amend chapter 19 of title 38 of the United States Code, to extend coverage under servicemen's group life insurance to cadets and midshipmen at the service academies of the Armed Forces.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

Mr. HALL. Mr. Speaker, reserving the right to object, I query how much this would be used by these students already being educated and trained at the expense of the Government. They are being given complete security and sanctified protection by the Government. I wonder if this is included in the report, because there should be some explanation before this goes through on the Consent Calendar.

Mr. MONTGOMERY. Mr. Speaker, will the gentleman yield?

Mr. HALL. I yield to the gentleman from Mississippi.

Mr. MONTGOMERY. Mr. Speaker, I thank the gentleman for yielding. As the Chairman of the Subcommittee on Insurance and Veterans Affairs, I would like to answer the gentleman's question and comment on the bill.

The bill has been recommended by the Veterans' Administration and was unanimously approved by our committee.

The cadets and midshipmen are covered for all other veterans' benefits and were inadvertently left out of the coverages extended to the military services in this group life insurance program.

There will be no cost to the Government. These young cadets, over 12,000 of them, in the four service academies are in excellent health and, as I said earlier, there will be no cost to the Government. This is optional—they do not have to take the insurance if they do not desire it. It would cost about $2.50 per month to the midshipman or the cadet.

Mr. HALL. Now, as to my question, is there any estimate; as to the numbers of those to whom this additional benefit is to be proffered; who would participate or accept it?

Mr. MONTGOMERY. Ninety-eight percent of the active duty servicemen participate now. I would think well over 95 percent would take advantage of the program.

Mr. HALL. I doubt very much that these men in these sanctuaries, so to speak, will participate to that degree.

But I have no objection to this insurance and if it is requested by the departments involved, I withdraw my reservation of objection.

The SPEAKER pro tempore. Is there objection to the present consideration of the bill?

There being no objection, the Clerk read the bill as follows:

### H.R. 9096

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 765 of title 38, United States Code, is amended by—

(1) striking from paragraph (B) of clause (1) "and";

(2) striking the period at the end of paragraph (C) of clause (1) and inserting "; and" in place thereof; and

(3) adding the following new paragraph to clause (1):

"(D) full-time duty as a cadet or midshipman at the United States Military Academy, United States Naval Academy, United States Air Force Academy, or the United States Coast Guard Academy."; and

With the following committee amendments:

Page 1, line 9, strike out "and".

Page 2, line 6, add the following at the end thereof: "; and

"(4) adding immediately after the word "grade" in paragraph

"(A) of clause (5) the following: ", or as a cadet midshipman at the United States Military Academy, United States Naval Academy, United States Air Force Academy, or the United States Coast Guard Academy".

The committee amendments were agreed to.

Mr. MONTGOMERY. Mr. Speaker, H.R. 9096 would extend servicemen's group life insurance coverage to cadets and midshipmen at the U.S. Military, Naval, Air Force, and Coast Guard Academies. As the Members know, the Congress established this new group insurance program in 1965 for all persons in the active service. Although cadets and midshipmen at the academies and their survivors are now, and have been for many years, included in title 38, United States Code for all of the established veterans' programs, unfortunately the specific statutory wording of the entitlement provision in the SGLI law was such as to deny them coverage thereunder. According, this bill, in effect, merely places them in the same position as they should have been placed under the original law in 1965. I should point out that while this insurance coverage is automatic in the first instance every serviceman has the privilege of declining coverage in whole or in part. The Defense Department deems such cadets and midshipmen as full-time members of the military community and, therefore, along with the Veterans' Administration, favors this bill. The young men concerned are in excellent health and we are advised that the extension of this coverage would involve no additional cost to the Government.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

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## TO PROVIDE UNIFORM DEFINITIONS OF CERTAIN BENEFICIARIES OF SERVICEMEN'S GROUP LIFE INSURANCE

The Clerk called the bill (H.R 9097) to define the terms "widow," "widower," "child," and "parent" for servicemen's group life insurance purposes.

There being no objection, the Clerk read the bill as follows:

### H.R. 9097

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 765 of title 38, United States Code, is amended by adding the following definitions thereto:

"(7) The term 'widow' or 'widower' means a person who is the lawful spouse of the insured member at the time of his death.

"(8) The term 'child' means a legitimate child, a legally adopted child, an illegitimate child as to the mother, or an illegitimate child as to the alleged father, if (a) he acknowledged the child in writing signed by him; or (b) he has been judicially ordered to contribute to the child's support; or (c) he has been, before his death, judicially decreed to be the father of such child; or (d) proof of paternity is established by a certified copy of the public record of birth or church record of baptism showing that the insured was the informant and was named as father of the child; or (e) proof of paternity is established from service department or other public records, such as school or welfare agencies, which show that with his knowledge the insured was named as the father of the child.

"(9) The term 'parent' means a father of a legitimate child, mother of a legitimate child, father through adoption, mother through adoption, mother of an illegitimate child, and father of an illegitimate child but only if (a) he acknowledged paternity of the child in writing signed by him before the child's death; or (b) he has been judicially ordered to contribute to the child's support; or (c) he has been judicially decreed to be the father of such child; or (d) proof of paternity is established by a certified copy of the public record of birth or church record of baptism showing that the claimant was the informant and was named as father of the child; or (e) proof of paternity is established from service department or other public records, such as school or welfare agencies, which show that with his knowledge the claimant was named as father of the child. No person who abandoned or willfully failed to support a child during his minority, or consented to his adoption may be recognized as a parent for the purpose of this subchapter. However, the immediately preceding sentence shall not be applied so as to require duplicate payments in any case in which insurance benefits have been paid prior to receipt in the administrative office established under subsection 766 (b) of this title of sufficient evidence to clearly establish that the person so paid could not qualify as a parent solely by reason of such sentence."

SEC. 2. The provisions of this Act shall apply only to Servicemen's Group Life Insurance in effect on the life of an insured member who dies on or after the date of enactment of this Act.

Mr. MONTGOMERY. Mr. Speaker, H.R. 9097 would also amend the servicemen's group life insurance provisions of the law so as to provide a uniform definition of the terms "widow," "widower," "child," and "parent." Experience under the program to date discloses that there is a great lack of uniformity in determining eligibility of beneficiaries since the insurer must follow the State law applicable in each case. As a result, a "child" may receive the insurance in one case under a particular State statute whereas a similar "child" of a veteran who perhaps was killed under the same circumstances but resided in another State would be barred.

The SGLI program is federally sponsored and, since its inception in 1965, has required a subsidy in Federal funds on almost a matching basis. We believe that the definitions of beneficiaries should therefore be uniform and this would be entirely consistent with the definitions of beneficiaries of other veterans' programs which are now spelled out in title 38. Enactment of the bill will not result in any additional cost to the Government.

Mr. Speaker, H.R. 11334 would provide a new option under national service life insurance policies under which an insured might elect to have his dividends used to purchase additional paid-up NSLI. This bill is another effort on the part of our committee to find means that are actuarially sound to extend some relief to the holders of term policies under which—as all members have become painfully aware—the premiums are increased every 5 years and at the higher ages become practically prohibitive. Under this bill, if a veteran elects the option, we are advised that in 15 to 20 years he can accrue, depending on various factors, additional paid-up insurance of $3,000 to $4,000. In such a case, he could well afford to drop a portion of his term insurance then running at an excessive premium.

The committee is informed that the option to use dividends to purchase additional paid-up insurance is a right now enjoyed by most commercial life insurance policyholders and, therefore, it seems most appropriate to incorporate this new option in the NSLI program. As I stated, enactment of the bill would constitute a further effective and sound approach in our continuing efforts to minimize the ever-increasing term insurance premium problem. It would establish a program under which the holders of NSLI term policies could acquire some permanent plan coverage on which no premium would be payable. The premiums on term insurance increase with the age of the insured on each 5-year renewal, and at the older ages are practically prohibitive. This creates financial hardship and dissatisfaction. The Veterans' Administration advises that their experience shows that it often results in a reduction or discontinuance of the insurance at a time when it is most likely to mature. The paid-up insurance authorized by the bill would alleviate some of these hardship cases.

It is estimated that the cost of the bill, other than the administrative cost, will be negligible. The initial cost of notifying all policyholders of the benefits of the bill is estimated to be about $450,000. Thereafter, the administrative cost will approximate $7,900 per 1,000 dividend option changes.

Mr. Speaker, H.R. 11335 would authorize a new modified life plan of NSLI with reduction at age 70. This, again, represents another small step toward extending an additional avenue under which term policyholders may find that they can salvage some portion of their insurance before it is too late.

Our committee recommended, and the Congress enacted in 1965, a new modified life plan of NSLI with reduction at age 65, it was possible to extend this plan with a premium somewhat higher than the term premium but lower than the required premium for converting to ordinary life insurance, and at a premium that would remain level throughout the lifetime of the insured. In such case, the principal amount of the insurance would be reduced by 50 percent at age 65. The bill before us would authorize such a plan but make it more attractive by postponing the reduction until the insured reached age 70. Under the bill, all holders of the present age 65 plan will be given the opportunity to exchange to the new plan, without a showing of good health, but subject to a one-time additional payment necessary for the higher reserve value and, of course, at a slightly higher premium. The committee was assured that the adoption of this new plan in the insurance program will in no way impair or adversely affect the values, dividends, and so forth, to which policyholders under the various other plans of insurance are now entitled.

Enactment of the bill will involve no additional benefit cost to the Government. It is estimated that the administrative cost the first year will be approximately $100,000.

Mr. Speaker, I ask permission to revise and extend my remarks on the bill H.R. 9096.

Mr. Speaker, I ask permission to revise and extend my remarks on the bill H.R 9097.

Mr. Speaker, I ask permission to revise and extend my remarks on the bill H.R. 11334.

Mr. Speaker, I ask permission to revise and extend my remarks on the bill H.R. 11335.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

## TO DESIGNATE THE VETERANS' ADMINISTRATION HOSPITAL IN SAN ANTONIO, TEX., AS THE AUDIE L. MURPHY MEMORIAL VETERANS' HOSPITAL

The Clerk called the bill (H.R. 11220) to designate the Veterans' Administration hospital in San Antonio, Tex., as the Audie L. Murphy Memorial Veterans' Hospital.

There being no objection, the Clerk read the bill as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Veterans' Administration hospital now under construction at San Antonio, Texas, shall hereafter be known and designated as the Audie L. Murphy Memorial Veterans' Hospital. Any reference to such hospital in any law, regulation, document, record, or other paper of the United States shall be deemed a reference to it as the Audie L. Murphy Memorial Veterans' Hospital.

With the following committee amendment.

Page 1, after line 9, add the following:

"Sec. 2. The Administrator of Veterans' Affairs is authorized to provide such memorial at the above-named hospital as he may deem suitable to preserve the remembrance of the late Audie L. Murphy."

The committee amendment was agreed to.

Mr. TEAGUE of Texas. Mr. Speaker, H.R. 11220 provides for the naming of the new VA hospital, which is about to be completed in San Antonio, Tex., in memory of the most decorated soldier of World War II, Audie L. Murphy.

Mr. Speaker, it was a great honor for me to introduce this bill and it is cosponsored by all members of the Texas congressional delegation. A companion bill has also been introduced in the Senate by Senators BENTSEN and TOWER and it is my fervent hope that this legislation will be promptly enacted.

Mr. Speaker, just as the name of Sgt. Alvin York epitomized the heroes of World War I, Audie Murphy is remembered by most all Americans as the hero of World War II. Both of these great citizen soldiers came from similar backgrounds—they were born and lived their early years in rural areas of our country—they both suffered from poverty during childhood and in their young adult lives. Notwithstanding many handicaps, unlike many today, when their country went to war to protect liberty and freedom they, along with millions of America's finest young men from all walks of life, joined the Armed Forces of America to help defeat our country's enemies. Both of these heroic men fell upon hard times after their military service but their indomitable courage and their personal dignity remained with them until the end. They symbolize the generations of men who have been willing to put their personal safety aside to preserve freedom for their fellow man.

During World War II, Audie Murphy, the son of a Texas tenant farmer, was awarded 24 citations for his battlefield deeds, including the Medal of Honor and a battlefield commission as second lieutenant. In January 1945, the infantry company which Lieutenant Murphy commanded in eastern France was besieged by six German tanks. Lieutenant Murphy ordered his men to withdraw to prepared positions in a woods, while he remained forward at his command post and continued to give fire directions to the artillery by telephone. Behind him, to his right, one of our tank destroyers received a direct hit and began to burn. Its crew withdrew to the woods. Lieutenant Murphy continued to direct artillery fire which killed large numbers of the advancing enemy infantry. With the enemy tanks abreast of his position, Lieutenant Murphy climbed on the burning tank destroyer, which was in danger of blowing up at any moment, and employed its .50 caliber machinegun against the enemy. He was alone and exposed to German fire from three sides, but his deadly fire killed dozens of Germans and caused their infantry attack to waiver. The enemy tanks, losing infantry support, began to fall back. For an hour the Germans tried every available weapon to eliminate Lieutenant Murphy, but he continued to hold his position and wiped out a squad which was trying to creep up unnoticed on his right flank. Germans reached as close as 10 yards, only to be mowed down by his fire. He received a leg wound, but ignored it and continued the single handed fight until his ammunition was exhausted. He then made his way to his company, refused medical attention, and organized the company in a counterattack which forced the Germans to withdraw. Lieutenant Murphy's indomitable courage and his refusal to give an inch of ground saved his company from possible encirclement and destruction and enabled it to hold the woods which had been the enemy objective.

After having been wounded three times in later combat activity, young Audie Murphy returned home to a nation eager to honor its war heroes. He wanted to stay in the Army and become a career soldier but was turned down after being classified 50 percent disabled because of his war wounds.

Twenty-five years later patriotic attitudes among many have changed. Seldom does a discharged combat serviceman come home to a heroic welcome. More often than not he fades into society without recognition while vocal minorities capture the headlines by burning their draft cards and blowing up public buildings.

The $36 million San Antonio VA hospital is soon to be completed. When this great medical center opens its doors to receive sick and disabled veterans, it will be one of the most modern hospital facilities in the world.

Mr. Speaker, by dedicating the new San Antonio VA hospital to a gallant American soldier who has passed from our midst, it is my fervent hope that in these troubled times the spirit and gallantry of Audie Murphy will help rekindle a greater degree of patriotism in all Americans, especially among our young adults, to defend the freedoms which Audie Murphy so valiantly fought to preserve for them.

Mr. Speaker, I am pleased to state that

this legislation has great support among veteran leaders in Texas and there follows communications I have received on this bill from the Department Commander's of the Veterans of Foreign Wars and the American Legion:

DEPARTMENT OF TEXAS, VETERANS
OF FOREIGN WARS OF THE UNITED
STATES

*Austin, Tex., September 22, 1971.*

Re Veterans' Administration Hospital, San Antonio, Tex.

Hon. OLIN E. TEAGUE,
*Congressman from Texas, Rayburn House Office Building, Washington, D.C.*

DEAR CONGRESSMAN TEAGUE: The Veterans Administration is now in the process of constructing a Veterans Administration Hospital in San Antonio, Texas.

It is my understanding that some of the Hospitals in the past have been named for outstanding individuals who have distinguished themselves while serving in the Armed Forces in the United States, or who have distinguished themselves as a Public Servant.

We the Officers and Members of the Veterans of Foreign Wars, wish to call upon you to use your influence to have the above mentioned Hospital named after Audie L. Murphy. I am sure that you are familiar with the late Audie Murphy's distinguished record as a Second Lieutenant in the United States Army, Commanding Company B, 15th, Infantry, 3d Infantry Division.

He, as you probably know, was born in Farmersville, Texas, and was one of the most decorated Veterans of World War II.

Your usual consideration to this request will be sincerely appreciated.

With my kind regards, I am
Yours in comradeship

MEL STANLEY,
*Department Commander, Veterans of Foreign Wars, Department of Texas.*

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THE AMERICAN LEGION
DEPARTMENT OF TEXAS, AUSTIN—
RESOLUTION NO. 1

Whereas, Audie Leon Murphy, born June 20, 1924, at Kingston, Texas, was America's most decorated soldier of World War II, having earned twenty-four awards for combat action in North Africa and Europe including the Medal of Honor; and

Whereas, With the death of Audie Murphy, the Nation lost one of the most courageous men ever to wear the military uniform of the United States in defense of freedom; and

Whereas, His example is a memorial to all persons; and

Whereas, It is fitting and proper to name the Veterans Administration Hospital, now under construction at San Antonio, Texas, in honor of this distinguished Texan; now, therefore be it

*Resolved,* That the American Legion, Department of Texas, Veterans Affairs and Rehabilitation Commission, assembled at Austin, Texas, this 9th day of October 1971, go on record with this resolution to support and seek legislation to name the VA Hospital now under construction at San Antonio, Texas "Audie Murphy Veterans Administration Hospital," and be it further

*Resolved,* That copies of this resolution be be forwarded to the Administrator of Veterans Affairs, Mr. Donald E. Johnson; Honorable Olin E. Teague, Chairman, Veterans Affairs Committee of the House of Representatives; and the two Texas Senators, Honorable John Tower and Honorable Lloyd Bentsen, and to all Texas Congressmen.

GIL MOODY,
*Department Commander.*

Attest:
W. H. MCGREGOR,
*Department Adjutant.*

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read "A bill to designate the Veterans' Administration hospital in San Antonio, Texas, as the Audie L. Murphy Memorial Veterans' Hospital, and for other purposes."

A motion to reconsider was laid on the table.

### USE OF DIVIDENDS TO PURCHASE ADDITIONAL PAID-UP NATIONAL SERVICE LIFE INSURANCE

The Clerk called the bill (H.R. 11334) to amend title 38 of the United States Code to provide that dividends may be used to purchase additional paid up national service life insurance.

There being no objection, the Clerk read the bill as follows:

H.R. 11334

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 703 of title 38, United States Code, is amended by adding the following sentence at the end thereof:

"The limitations of this section shall not apply to the additional paid up insurance the purchase of which is authorized under section 707 of this title."

SEC. 2. Section 707 of title 38, United States Code, is amended to read as follows:

"§ 707. Payment or use of dividends

"(a) Until and unless the Veterans' Administration has received from the insured a request or directive in writing exercising any other dividend option allowable under his policy, any dividend accumulations and unpaid dividends shall be applied in payment of premiums becoming due on insurance subsequent to the date the dividend is payable after January 1, 1952.

"(b) The Administrator, upon application in writing made by the insured for insurance under this subsection, and without proof of good health, is authorized to apply any dividend due and payable on national service life insurance after the date of such application to purchase paid up insurance. Also, the Administrator, upon application to in writing made by the insured within six calender months after the effective date of this amendatory Act, and without proof of good health, is authorized to apply any national service life insurance dividend credits and deposits of such insured existing at the date of his application to purchase paid up insurance. Any dividends, dividend credits, or deposits on endowment policies may be used under this subsection only to purchase additional paid up endowment insurance which matures concurrently with the basic policy. Any dividends, dividend credits, or deposits on policies (other than endowment policies) may be used under this section only to purchase additional paid up whole life insurance. The paid up insurance granted under this susbection shall be in addition to any insurance otherwise authorized under this title, or under prior provisions of law. The paid up insurance granted under this subsection shall be issued on the same terms and conditions as are contained in the standard policies of national service life insurance except (1) the premium rates for such insurance and all cash and loan values thereon shall be based on such table of mortality and rate of interest per annum as may be prescribed by the Administrator; (2) the total disability income provision authorized under section 715 of this title may not be added to insurance issued under this section; and (3) the insurance shall include such other changes in terms and conditions as the Administrator determines to be reasonable and practicable."

SEC. 3. The analysis of chapter 19 of title 38, United States Code, is amended by deleting therefrom:

"707. Dividends to pay premiums."

and inserting in lieu thereof

"707. Payment or use of dividends."

SEC. 4. The amendments made by this Act shall take effect on a date established by the Administrator but in no event later than the first day of the first calendar month which begins more than six calendar months after the date of enactment of this Act.

With the following committee amendment:

Page 1, strike out line 3 and all that follows thereafter down through line 9 on page 2 and insert the following:

That section 703 and section 741 of title 38, United States Code are amended by adding at the end thereof the following new sentence: "The limitations of this section shall not apply to the additional paid up insurance the purchase of which is authorized under section 707 of this title."

"Sec. 2. Section 707 of title 38, United States Code, is amended—

(1) by striking out "in writing for payment in cash," in subsection (a) and inserting in lieu thereof "or directive in writing exercising any other dividend option allowable under his policy,";

(2) by adding at the end thereof the following new subsection:

"(c) The Administrator, upon application in writing

AMENDMENT OFFERED BY MR. MONTGOMERY TO COMMITTEE AMENDMENT

Mr. MONTGOMERY. Mr. Speaker, I offer an amendment to the committee amendment.

The Clerk read as follows:

Amendment offered by Mr. MONTGOMERY to the committee amendment: On page 2 beginning at line 12, after "703", insert "and" section 741".

The amendment to the committee amendment was agreed to.

The committee amendment, as amended, was agreed to.

COMMITTEE AMENDMENTS

The SPEAKER pro tempore. The Clerk will report the remaining committee amendments.

The Clerk read as follows:

Committee amendments: Page 2, line 16, strike out "amendatory Act" and insert "subsection".

Page 3, line 15, insert "; and" immediately after the quotation mark, and between lines 15 and 16 insert the following:

(3) by amending the side heading to read as follows: "§ 707. Payment or use of dividends".

The committee amendments were agreed to.

The bill was ordered to be engrossed and read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

### NEW MODIFIED LIFE PLAN OF NATIONAL SERVICE LIFE INSURANCE WITH REDUCTION AT AGE 70

The Clerk called the bill (H.R. 11335) to amend section 704 of title 38, United

States Code, to permit the conversion or exchange of national service life insurance policies to insurance on a modified life plan with reduction at age 70.

There being no objection, the Clerk read the bill as follows:

H.R. 11335

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 704 of title 38, United States Code, is amended effective the first day of the first calendar month which begins more than six calendar months after the date of enactment of this Act by the addition of the following new subsection thereto:

"(e) On and after the effective date of this subsection and under such regulations as the Administrator may promulgate, insurance may be converted to or exchanged for insurance on a modified life plan under the same terms and conditions as are set forth in subsections (b) and (c) of this section except that at the end of the day preceding the seventieth birthday of the insured the face value of the modified life insurance policy or the amount of extended insurance thereunder shall be automatically reduced by one-half thereof, without any reduction in premium. Any insured whose modified life insurance policy issued under this subsection is in force by payment or waiver of premiums on the day before his seventieth birthday may be granted insurance on the ordinary life plan upon the same terms and conditions as are set forth in subsection (d) of this section except that in applying such provisions the seventieth birthday is to be substituted for the sixty-fifth birthday. Notwithstanding any other provision of law or regulations the Administrator under such terms and conditions as he determines to be reasonable and practicable and upon written application any payment of the required premiums, reserves, or other necessary amounts made within one year from the effective date of this subsection by an insured having in force a modified life plan issued under subsections (b) or (c) of this section, including any replacement insurance issued under subsection (d) of this section or other provision of this title, can exchange such insurance without proof of good health for an amount of insurance issued under this subsection equal to the insurance then in force or which was in force on the day before such insured's sixty-fifth birthday, whichever is the greater."

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. MONTGOMERY. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the veterans' bills just passed.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

## APPROVING AN ORDER OF THE SECRETARY OF THE INTERIOR CANCELING IRRIGATION CHARGES AGAINST NON-INDIAN-OWNED LANDS UNDER THE MODOC POINT UNIT OF THE KLAMATH INDIAN IRRIGATION PROJECT, OREGON

The Clerk called the bill (H.R. 489) to approve an order of the Secretary of the Interior canceling irrigation charges against non-Indian-owned lands under the Modoc Point unit of the Klamath Indian irrigation project, Oregon.

There being no objection, the Clerk read the bill as follows:

H.R. 489

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That, in accordance with the Act of June 22, 1936 (49 Stat. 1803; 25 U.S.C. 389–389e), the order of the Secretary of the Interior dated December 31, 1968, canceling $76,302.29 of irrigation assessments and costs and any interest and penalties accrued thereon, chargeable against non-Indian-owned lands in the Modoc Point unit of the Klamath Indian irrigation project is hereby approved.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD).

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 489 is to approve an order of the Secretary of the Interior which cancels $76,302.29 in irrigation assessments against non-Indian lands in the Modoc Point unit of the Klamath Indian irrigation project, plus accrued interest and penalties. The order of the Secretary of the Interior was issued pursuant to the act of June 22, 1936 (25 U.S.C. 389), and under the terms of that act the order will not be effective until approved by Congress.

All units of the Klamath Indian irrigation project are being operated by the landowners without cost to the United States, except the Modoc Point unit. The Modoc Point Irrigation District, organized under Oregon law, is willing to accept a transfer of the unit if all remaining construction charges against the lands are canceled.

The Secretary's order of December 31, 1968, cancels the remaining reimbursable charges against the non-Indian lands, conditioned on the completion of an agreement with the irrigation district to take over the unit. After that order is approved by enactment of the pending bill, the Secretary of the Interior will cancel administratively under authority of the Klamath Termination Act of August 13, 1954, the remaining reimbursable charges against the Indian lands in the project.

The irrigation system needs to be rehabilitated and extended at an estimated cost of $302,000. This cost would be beyond the ability of the water users to pay, unless the existing reimbursable charges are canceled. The cancellation of these charges will permit the irrigation district to assess the lands for the rehabilitation and betterment work, and the assessment will be within the economic ability of the lands to pay.

The committee is convinced that the proposed cancellation, together with a transfer to the irrigation district of all future responsibility for operation and maintenance of the unit, will be in the financial interest of the United States. The Secretary of the Interior shares that conclusion.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## DECLARING THAT CERTAIN FEDERALLY OWNED LAND IS HELD BY THE UNITED STATES IN TRUST FOR THE LAC DU FLAMBEAU BAND OF LAKE SUPERIOR CHIPPEWA INDIANS

The Clerk called the bill (H.R. 2185) to declare that certain federally owned land is held by the United States in trust for the Lac du Flambeau Band of Lake Superior Chippewa Indians.

There being no objection, the Clerk read the bill as follows:

H.R. 2185

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That all right, title, and interest of the United States in and to the northwest quarter, northwest quarter, section 35, township 41 north, range 5 east, forth principal meridian, Wisconsin, containing forty acres, more or less, including improvements thereon, is hereby declared to be held by the United States in trust for the Lac du Flambeau Band of Lake Superior Chippewa Indians of Wisconsin, subject to valid existing rights-of-way of record and to the continued use of the fire observation tower located on the above-described land by the State of Wisconsin, for so long as it is needed for fire protection purposes.

SEC. 2. The Indian Claims Commission is directed to determine in accordance with the provisions of section 2 of the Act of August 13, 1946 (60 Stat. 1050), the extent to which the value of the title conveyed by this Act should or should not be set off against any claim against the United States determined by the Commission.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 2185, introduced as the result of an executive communication from the Department of the Interior, is to convey to the Lac du Flambeau Band of Lake Superior Chippewa Indians of Wisconsin the beneficial interest in 40 acres of Federal land. The land was purchased by the United States in 1932 for $500, and it has a present value of $2,100. Although the conveyance will be made without the payment of a consideration, the value of the land will be considered for set-off purposes in any future claim allowed by the Indian Claims Commission.

The land is located within the reservation, is no longer needed by the Department of the Interior in connection with the administration of Indian affairs, and is desired by the Band for use in connection with its forest management plan and its recreational development plan.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## AUTHORIZING THE ACQUISITION OF A VILLAGE SITE FOR THE PAYSON BAND OF YAVAPAI-APACHE INDIANS

The Clerk called the bill (H.R. 3337) to authorize the acquisition of a village site for the Payson Band of Yavapai-Apache Indians, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 3337

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) a suitable site (of not to exceeed eighty-five acres) for a village for the Payson Band of Yavapai-Apache Indians shall be selected in the Tonto National Forest within Gila County, Arizona, by the leaders of the band in cooperation with the Secretary of the Interior and the Secretary of Agriculture.

(b) Upon the transfer of the land referred to in section 3, the lands selected under subsection (a) for the village site are hereby eliminated from the Tonto National Forest and all right, title, and interest of the United States in and to such lands are hereby declared to be held by the United States in trust as an Indian reservation for the use and benefit of the Payson Band of Yavapai-Apache Indians.

Sec. 2. The Payson Band of Yavapai-Apache Indians shall be recognized as a tribe of Indians within the purview of the Act of June 18, 1934, as amended (25 U.S.C. 461–479, relating to the protection of Indians and conservation of resources), and shall be subject to all of the provisions thereof.

Sec. 3. There is authorized to be appropriated such sums as may be necessary for the acquisition (within the boundaries of the Tonto National Forest) by the Secretary of the Interior (after consultation with the Secretary of Agriculture) of lands (or interests in lands) for the purpose of transfer to the Secretary of Agriculture as additions to the forest in lieu of the lands to be eliminated from the forest by the first section of this Act.

With the following committee amendments:

Page 1, lines 6 and 7, strike out "band in cooperation with" and insert "band, subject to approval by".

Page 2, strike out lines 1 through 2 and insert the following:

(b) The Secretary of Agriculture is authorized and directed to convey without consideration all right, title, and interest of the United States, except as provided in section 2 of this Act, in and to the property selected pursuant to this section to an association, which shall be an Arizona corporation organized for the benefit of the Payson Band of Yavapai-Apache Indians and whose membership shall be the members of the Payson Band of Yavapai-Apache Indians, subject to the following conditions:

(1) Such association shall use such property only in accordance with its corporate purposes set out in its original articles of incorporation, such articles to be subject to the approval of the Secretary of the Interior prior to their being filed with the Arizona Corporation Commission.

(2) Title to such property shall be held by such association for the common benefit of all the members of such association and no part of such property shall ever be conveyed for the benefit of any private organization, association, group, or individual, and such restriction shall appear in the Articles of Incorporation.

(3) Such other conditions as the Secretary of Agriculture, in consultation with the Secretary of the Interior, shall deem necessary to protect the interest of the United States.

If any condition imposed by this section is breached at any time, all of the real property conveyed under authority of this Act shall revert to the United States.

The conveyance of such lands shall eliminate them from the Tonto National Forest.

Sec. 2. Any conveyance under this Act shall contain a reservation to the United States of all minerals included under the mining laws and mineral leasing laws for which the land as of the date of issuance of the conveyance is deemed by the Secretary of Agriculture, after consultation with the Secretary of the Interior, to be valuable or prospectively valuable, together with the right of the United States, its lessees, permittees, or licensees to prospect for, mine, and remove them under applicable provisions of law.

The committee amendments were agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the Record.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 3337 is to convey to the Payson Band of the Yavapai-Apache Indians not more than 85 acres of land in the Tonto National Forest for use by the Indians as a village site.

The Payson Band is a part of the San Carlos Apache Tribe. The members of the band lived on private land called Indian Hill from 1904 to 1954, when the land was sold. The Indians then migrated to the Tonto National Forest where they lived without specific authority in unsanitary and unhealthful surroundings. There is a need to relocate the Indians on a more satisfactory site, and a new site containing about 15 acres has been agreed upon by the Indians, the Department of the Interior, and the Department of Agriculture.

An unrestricted title to the land will be conveyed to a membership corporation organized under Arizona law and composed of members of the band. The title will revert to the United States if the land is not used in accordance with the conditions stated in the bill. The conveyance also reserves to the United States all minerals in the land.

The committee did not adopt an amendment recommended by the Department of the Interior which would disclaim any Federal responsibility to provide special services to these Indians because of their status as Indians. By omitting this language, and also the language in the bill specifically recognizing the band as a separate tribe of Indians, the committee intended to maintain the status quo, neither affirming nor disaffirming their eligibility for a particular service under present law.

The committee also disapproved an amendment proposed by the Department of Agriculture that would have authorized the Federal purchase of lieu lands, costing $60,000, to replace the national forest lands conveyed to the Indians. The Department made no showing that additional lands are needed, and the departmental witness did not insist on this amendment.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## PROVIDING FOR DISPOSITION OF JUDGMENTS FUNDS FOR CONFEDERATED TRIBES OF THE COLVILLE RESERVATION

The Clerk called the bill (H.R. 6291) to provide for the disposition of funds arising from judgments in Indian Claims Commission dockets numbered 178 and 179, in favor of the Confederated Tribes of the Colville Reservation, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 6291

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the funds that may hereafter be deposited to the credit of the Confederated Tribes of the Colville Reservation to pay a judgment arising out of proceedings presently pending before the Indian Claims Commission in docket numbered 178 and the funds appropriated by the Act of July 6, 1970 (84 Stat. 376), to pay a judgment in favor of the Confederated Tribes of the Colville Reservation, and others, in Indian Claims Commission docket numbered 179, and apportioned to the Confederated Tribes under the Act of April 24, 1961 (75 Stat. 45), and interest thereon, after payment of attorney fees and other litigation expenses, shall be distributed per capita to enrolled members of the Confederated Tribes of the Colville Reservation, who were born on or prior to and living on the date of this Act.

Sec. 2. None of the funds distributed per capita under the provisions of this Act shall be subject to Federal or State income tax. Any per capita share payable to a person under twenty-one years of age or to a person under legal disability shall be paid in accordance with such procedures, including the establishment of trusts, as the Secretary determines will adequately protect the best interest of such persons.

With the following committee amendments:

Page 1, line 3, strike out "that may hereafter be".

Page 1, lines 5 and 6, strike out "presently pending".

Page 2, lines 7 to 9, strike out "per capita" and the remainder of the sentence, and insert in lieu thereof: "on a per capita basis, each share amounting to not more than $950, to the extent such funds are available, to each person born on or prior to and living on the date of this Act, who meets the requirements for membership, in the Confederated Tribes of the Colville Reservation. The remaining balance of such funds, and the interest thereon, shall be combined and distributed with any other tribal funds that may hereafter become available for per capita distribution."

The committee amendments were agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the Record.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 6291 is to authorize the use of a judgment against the United States that was recovered by the Confederated Tribes of the Colville Reservation in the Indian Claims Commission. The net amount available is about $5,216,452. The money has been appropriated, but it may not be used until authorizing legislation has been enacted.

The bill provides for a per capita distribution of the entire sum. There are about 5,309 tribal members, and about half of them live away from the reservation. A per capita distribution will serve the best interests of the entire group. The tribe has other income which will finance reservation programs and provide educational assistance.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## AMENDING THE ACT OF AUGUST 9, 1955, TO AUTHORIZE LONGER TERM LEASES OF INDIAN LANDS LOCATED OUTSIDE THE BOUNDARIES OF INDIAN RESERVATIONS IN NEW MEXICO

The Clerk called the bill (H.R. 7701), to amend the act of August 9, 1955, to authorize longer term leases of Indian lands located outside the boundaries of Indian reservations in New Mexico.

There being no objection, the Clerk read the bill as follows:

H.R. 7701

*Be in enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the second sentence of the first section of the Act entitled "An Act to authorize the leasing of restricted Indian lands for public, religious, educational, recreational, residential, business, and other purposes requiring the grant of long-term leases", approved August 9, 1955 (25 U.S.C. 415), is amended by inserting immediately after "the pueblo of Zuni," the following: "Indian trust or restricted lands located outside the boundaries of Indian reservations in the State of New Mexico,".

With the following committee amendment:

Page 1, strike out lines 8 through 11, and insert "415), is amended by inserting immediately after the word 'except' the first time it appears the words 'leases of land located outside the boundaries of Indian reservations in the State of New Mexico, and' ".

The committee amendment was agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the Record.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 7701 is to grant 99-year lease authority for trust or restricted Indian land in New Mexico that is located outside the boundaries or reservation.

The act of August 9, 1955 (69 Stat. 539) authorizes the Indian owners of trust or restricted land to lease the land, with the approval of the Secretary of the Interior. The term of the lease normally may not exceed 25 years, with one option to renew for 25 years.

In the case of specified reservations, leases may be for as long as 99 years. This long term lease authority has been granted by Congress on a selective basis after a need for the authority has been demonstrated, because a lease for 99 years effectively alienates the land during the lifetime of present owners.

The Navajo Reservation is one of the reservations where long-term lease authority has been granted. There are, however, about 4,000 Navajo allotments outside the reservation, mostly in New Mexico, and these allotments may not be leased for long terms without the enactment of this bill. The bill will also apply to some Navajo tribal land located outside the reservation, and to some allotments to Indians who are not Navajos.

The long-term lease authority is needed to permit the full economic development of the lands.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## PROVIDING FOR DISPOSITION OF JUDGMENT FUNDS FOR THE YANKTON SIOUX TRIBE

The Clerk called the bill (H.R. 7742) to provide for the disposition of funds to pay a judgment in favor of the Yankton Sioux Tribe in Indian Claims Commission docket numbered 332–A, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 7742

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the funds appropriated by the Act of July 22, 1969 (83 Stat. 49), to pay a judgment to the Yankton Sioux Tribe in Indian Claims Commission docket numbered 332–A, together with the interest thereon, after payment of attorney fees and litigation expenses, and such other expenses as may be necessary in effecting the provisions of this Act, shall be distributed as provided herein.

Sec. 2. Prior to the approval of this Act and/or date of this Act, the Yankton Sioux Tribal Business and Claims Committee is hereby authorized and directed, pursuant to General Indian Tribal Council meeting held on March 3, 1971, to use not to exceed $150,000 of the tribal funds standing to the credit of the Yankton Sioux Tribe of Indians in the State of South Dakota arising from the judgment award on docket numbered 332–A, known as the Royce 151 claim and that this fund or so much thereof as may be needed shall be used to pay the expenses and compensation of the competent experts that is needed for assistance and that these experts will be assisting in the final completion of the litigation on the combined Sioux Laramie lands and Royce 410 Yankton homelands along with the issues of consideration and offsets in docket numbered 332–C and the accounting claim in docket numbered 332–B.

Sec. 3. The Yankton Sioux Tribal Enrollment Committee shall prepare a roll of all persons born on or prior to and living at midnight on January 28, 1968, who meet the membership requirements of the tribal constitution approved on October 5, 1932, as amended. Applications for enrollment for the purpose of this payment must be filed with the tribe within one hundred and twenty days after the date of this Act.

Sec. 4. The judgment fund, less funds otherwise provided in section 2, shall be distributed per capita to those persons whose names appear on the roll prepared in accordance with section 3 of this Act. Sums payable to adult living enrollees or to adult heirs or legatees of deceased enrollees shall be paid directly to such persons. Sums payable to enrollees or their heirs or legatees who are less than eighteen years of age or who are under legal disability shall be deposited in a local depository and paid in accordance with such procedures as the Yankton Sioux Tribe determines appropriate to protect the best interests of such persons. Shares of schoolchildren may be budgeted for school purposes at not to exceed $10 per month per school term. The balance of the share of an individual schoolchild may be paid directly to said schoolchild upon his or her reaching eighteen years of age.

Sec. 5. The funds that are distributed per capita under the provisions of this Act shall not be subject to Federal or State income tax. No part of any of the funds distributed in accordance with the provisions of this Act shall be subject to any lien, debt, or attorney fees except delinquent debts owed by the tribe to the United States or owed by individual Indians to the tribe or the United States. The funds distributed in accordance with the provisions of this Act shall not be considered as "other income" within the meaning of the Social Security Act or be in lieu of aid to dependent children.

Sec. 6. The Secretary of the Interior is authorized to prescribe rules and regulations to carry out the provisions of this Act.

With the following committee amendments:

Page 1, line 10 through page 2, line 15, strike out all of section 2 and insert a new section 2 as follows:

"Sec. 2. The Secretary of the Interior shall withhold from distribution a sum not to exceed $150,000, pending a decision by the Yankton Sioux Tribal Business and Claims Committee regarding the needs of the tribe for expert witnesses in the Yankton Sioux claims in Indian Claims Commission dockets Nos. 332–B, 332–C, and 74. The sum withheld may be used for such purpose or for other programing needs, subject to the approval of the Secretary."

Page 2, lines 16 through 23, strike out all of section 3 and insert a new section 3 as follows:

"Sec. 3. The Secretary of the Interior, in cooperation with the Tribal Council, shall prepare a roll of all persons born on or prior to and living on the date of this Act who meet the requirements for membership of the Yankton Sioux tribal constitution approved on October 5, 1932, as amended."

Page 3, lines 6 through 13, strike out the word "deposited" and the remainder of the section, and insert the following: "paid in accordance with such procedures, including the establishment of trusts, as the Secretary of the Interior determines appropriate to protect the best interests of such persons."

Page 3, lines 14 through 23, strike out all of section 5 and insert a new section 5 as follows:

"Sec. 5. None of the funds distributed per capita under the provisions of this Act shall be subject to Federal or State income taxes."

The committee amendments were agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the Record.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 7742 is to authorize the use of a judgment against the United States that was recovered by the Yankton Sioux Tribe in the Indian Claims Commission. The net amount available is about $1,234,555. The money has been appropriated, but it may not be used until authorizing legislation has been enacted.

The bill provides for withholding $150,000 from the judgment to finance the cost of expert witnesses in litigation that is still pending. The balance of the judgment will be distributed per capita to all members of the tribe. The membership is estimated to be around 2,900, more than half of whom live away from the reservation. Both the tribe and the Department of the Interior agree on the need of this per capita distribution. Reservation programs will be financed from other sources.

The bill was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

## AUTHORIZING THE PURCHASE, SALE, AND EXCHANGE OF CERTAIN LANDS ON THE KALISPEL INDIAN RESERVATION

The Clerk called the bill (H.R. 8381), to authorize the purchase, sale, and exchange of certain lands on the Kalispel Indian Reservation, and for other purposes.

There being no objection, the Clerk read the bill as follows:

H.R. 8381

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That for the purpose of effecting consolidations of land situated within the Kalispel Indian Reservation in the State of Washington into the ownership of the Kalispel Indian Community and its individual members and for the purpose of attaining and preserving an economic land base for Indian use, alleviating problems of Indian heirship, and assisting in the productive leasing, disposition, and other use of tribal and individually allotted lands on the Kalispel Reservation, the Secretary of the Interior is authorized in his discretion to:

(1) Purchase for the Kalispel Indian Community with any funds available to such tribe and to otherwise acquire by gift, exchange, or relinquishment any lands or interests in lands or improvements therein within the Kalispel Indian Reservation.

(2) Sell or approve sales of any tribal lands, any interest therein, or improvements thereon.

(3) Exchange any tribal trust lands, including interests therein or improvements thereon, for any lands or interests in lands situated within such reservation.

SEC. 2. The acquisition, sale, and exchange of lands for the Kalispel Indian Community pursuant to this Act shall be upon request of the business community or the Kalispel Community Council of the Kalispel Indian Community evidenced by a resolution adopted in accordance wtih the constitution and bylaws of the tribe, and shall be in accordance with a consolidation plan approved by the Secretary of the Interior.

SEC. 3. Any moneys or credits received by the Kalispel Indian Community in the sale of lands shall be used for the purchase of other lands, or for such other purpose as may be consistent with the land consolidation program, approved by the Secretary of the Interior.

SEC. 4. The Secretary of the Interior is authorized to sell and exchange individual Indian trust lands or interests therein on the Kalispel Indian Reservation held in multiple ownership to the Kalispel Indian Community or to other Indians if the sale or exchange is authorized in writing by owners of at least a majority of the trust interests in such lands; except that no greater percentage of approval of such trust interests shall be required under this Act than in any other statute of general application approved by Congress.

SEC. 5. That, notwithstanding any general statutory prohibition against the use of tribal funds to acquire land in Washington if the acquisition would exempt the land from local taxation, the title to any lands or any interest therein acquired pursuant to this Act shall be acquired in the name of the United States of America in trust for the Kalispel Indian Community and shall be subject to the same laws as other Indian trust lands on the Kalispel Indian Reservation.

SEC. 6. Any tribal land may, with the approval of the Secretary of the Interior, be encumbered by a mortgage or deed of trust and shall be subject to foreclosure or sale pursuant to the terms of such mortgage or deed of trust in accordance with the laws of the State of Washington. The United States shall be an indispensable party to any such proceedings with the right of removal of the cause of the United States district court for the district in which the land is located, following the procedure in section 1446 of title 28, United States Code: *Provided,* That the United States shall have the right to appeal from any order of remand in the case.

SEC. 7. The second sentence of section 1 of the Act of August 9, 1955 (69 Stat. 539), as amended (25 U.S.C. 415), is hereby further amended by inserting the words "the Kalispel Indian Reservation."

With the following committee amendments:

Page 1, line 11, strike out "to:".

Page 2, strike out lines 1 through 10 and insert "to sell or approve sales of any tribal trust lands, any interest therein, or improvements thereon."

Page 2, line 11, strike "acquisition, sale, and exchange" and insert "sale".

Page 3, lines 2 and 3, strike out "Community or to other Indians" and insert "Community, to any member thereof, or to any other Indian having an interest in the land involved,".

Page 3, lines 8 to 15, strike out all of Sec. 5 and renumber the following sections.

Page 3, lines 16 to 18, strike out "Any tribal land may, with the approval of the Secretary of the Interior, be encumbered by a mortgage or deed of trust and" and insert "The Community Council of the Kalispel Indian Community may encumber any tribal land by a mortgage or deed of trust, with the approval of the Secretary of the Interior, and such land".

Page 4, line 5, after "inserting" insert "after 'the Fort Mohave Reservation,' ".

Page 4, line 6, delete "Reservation." and insert "Reservation,".

The committee amendments were agreed to.

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD.)

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 8381 is to give the Kalispel Indian Community additional land management authority within the Indian reservation.

The bill authorizes the Secretary of the Interior to sell tribal lands within the reservation on behalf of the Kalispel Indian Community. Any sale of tribal lands must be approved by the tribe in accordance with its constitution, and must conform to a land consolidation plan approved by the Secretary of the Interior. The proceeds of sale must be used to purchase other lands, or in furtherance of a land consolidation program.

The bill also authorizes the Secretary of the Interior to sell or exchange "heirship" land on request of the owners of a majority interest in the land. The committee amendment limits a sale to the tribe, to a member of the tribe, or to an Indian who has an undivided interest in the land.

The bill was ordered to be engrossed and read a third time, was read the third time and passed.

The title was amended so as to read: "A bill to authorize the sale of certain lands on the Kalispel Indian Reservation, and for other purposes."

A motion to reconsider was laid on the table.

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## PROVIDING FOR THE DISPOSITION OF JUDGMENT FUNDS OF THE PUEBLO OF LAGUNA

The Clerk called the bill (H.R. 10352) to provide for the disposition of judgment funds on deposit to the credit of the pueblo of Laguna in Indian Claims Commission, docket numbered 227, and for other purposes.

There being no objection, the clerk read the bill as follows:

H.R. 10352

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the unexpended balance of funds on deposit in the Treasury of the United States to the credit of the pueblo of Laguna that were appropriated to pay a judgment by the Indian Claims Commission in docket numbered 227, and the interest thereon, after payment of attorney fees and expenses may, be advanced or expended or invested for any purpose that is authorized by the tribal governing body and approved by the Secretary of the Interior, including the transfer to the unrestricted funds of the pueblo of Laguna.

SEC. 2. Any part of such funds that may be distributed to members of the pueblo shall not be subject to Federal or State income tax.

The SPEAKER pro tempore. The Clerk will report the committee amendment.

Mr. ASPINALL. Mr. Speaker, I ask unanimous consent that a similar Senate bill (S. 2339) to provide for the disposition of judgment funds on deposit to the credit of the Pueblo of Laguna in Indian Claims Commission, docket No. 227, and for other purposes, be considered in lieu of H.R. 10352.

Mr. HALL. Mr. Speaker, are we not going to complete action on the committee amendment first?

The SPEAKER pro tempore. The Clerk will report the title of the Senate bill first.

The Clerk read the title of the Senate bill.

Mr. ASPINALL. Mr. Speaker, may I say at this time that the Senate bill which I asked to have before us is the same as the House bill with the amendment, so I ask for its consideration instead of the House bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Colorado?

There being no objection, the Clerk read the Senate bill as follows:

S. 2339

An act to provide for the disposition of judgment funds on deposit to the credit of the Pueblo of Laguna in Indian Claims Commission, docket numbered 227, and for other purposes

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the unexpended balance of funds on deposit in the Treasury of the United States to the credit of the Pueblo of Laguna that were appropriated to pay a judgment by the Indian Claims Commission in docket numbered 227, and the interest thereon, after payment of attorney fees and expenses, may be advanced or expended or invested for any purpose that is authorized by the tribal governing body and approved by the Secretary of the Interior, including the transfer to the unrestricted funds of the Pueblo of Laguna.

SEC. 2. Any part of such funds that may be distributed to members of the pueblo shall not be subject to Federal or State income tax.

Mr. ASPINALL. Mr. Speaker, the purpose of S. 2339 is to authorize the use of a judgment against the United States that was recovered by the Laguna pueblo in the Indian Claims Commission. The net amount available is about $821,747. The money has been appropriated, but it may not be used until authorizing legislation has been enacted.

The bill authorizes the money to be used for any purpose authorized by the tribal governing body and approved by the Secretary of the Interior. Unlike most bills of this kind, the bill also authorizes the money to be transferred, with the approval of the Secretary, to the unrestricted funds of the pueblo. If this should happen, the Secretary would have no further responsibility with regard to the use of the money. The Secretary advised the committee that the tribe is competent to handle the money, and that he has no objection to the inclusion of this language in the bill.

The Senate bill was ordered to be read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 10352) was laid on the table.

The SPEAKER pro tempore. This concludes the call of the eligible bills on the Consent Calendar.

## AMENDING INVESTMENT COMPANY ACT OF 1940, AS AMENDED

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of S. 2216, to amend the Investment Company Act of 1940, as amended, which is a Senate bill identical to H.R. 9758 as passed on the Consent Calendar.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

Mr. HALL. Mr. Speaker, reserving the right to object, will the distinguished gentleman from West Virginia relate the Senate bill he is asking unanimous consent to take up to the bill which was just passed by the House on the Consent Calendar?

Mr. STAGGERS. The Senate bill is identical.

Mr. HALL. To which one?

Mr. STAGGERS. The Investment Company Act amendment, which is numbered 80 on the list.

Mr. HALL. And the gentleman says it is just the same as the bill under consideration today, and he affirms the Senate version is identical in all respects to that version passed by the House?

The amendments are germane and there are no additional costs?

Mr. STAGGERS. That is correct.

Mr. HALL. Mr. Speaker, I withdraw my reservation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill as follows:

S. 2216

An act to amend the Investment Company Act of 1940, as amended

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 27(f) of the Investment Company Act of 1940, as amended (15 U.S.C. 80a–27(f)), is amended to read as follows:

"(f) With respect to any periodic payment plan (other than a plan under which the amount of sales load deducted from any payment thereon does not exceed 9 per centum of such payment), the custodian bank for such plan shall mail to each certificate holder, within sixty days after the issuance of the certificate, a statement of charges to be deducted from the projected payments on the certificate and a notice of his right of withdrawal as specified in this section. The Commission may make rules specifying the method, form, and contents of the notice required by this subsection. The certificate holder may within forty-five days of the mailing of the notice specified in this subsection surrender his certificate and receive in payment thereof, in cash, the sum of (1) the value of his account, and (2) an amount, from the underwriter or depositor, equal to the difference between the gross payments made and the net amount invested. The Commision may make rules and regulations applicable to underwriters and depositors of companies issuing any such certificates specifying such reserve requirements as it deems necessary or appropriate in order for such underwriters and depositors to carry out the obligations to refund sales charges required by this subsection."

The Senate bill was ordered to be read a third time, was read the third time and passed, and a motion to reconsider was laid on the table.

A similar House bill (H.R. 9758) was laid on the table.

## SUPPORT VOICED FOR H.R. 11589, THE PASSENGER SHIP SALES BILL

(Mr. VAN DEERLIN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. VAN DEERLIN. Mr. Speaker, H.R. 11589, to permit the sale to foreign interests of five U.S.-flag passenger ships, seems to have become embroiled in a great deal of controversy—despite a resounding vote of confidence by the Merchant Marine and Fisheries Committee.

It would be splendid if we could be assured of keeping these ships—once the pride of our passenger fleet.

But the harsh realities of economics and changing modes in transportation dictate that we should at least maintain options in determining the future of these ships, and that is what H.R. 11589 would allow us to do.

Representing a port area, I am naturally most concerned about whatever effects enactment of this legislation might have on employment in maritime and related industries.

If I thought this bill would take jobs from Americans, I would oppose it. But I am convinced the opposite is true—the shipping lines involved will be able to turn the proceeds from the sale of these vessels into orders for new merchant ships, creating hundreds of seagoing jobs.

Likewise, new employment will be generated in our hard-pressed domestic shipbuilding industry. One such yard, the National Steel & Shipbuilding Co., is in my own district, in San Diego. The firm currently is working to build a backlog of orders to provide job stability in an area where unemployment now exceeds 6 percent.

Passage of H.R. 11589 would put my constituent yard in a position to bid for two of the merchant ships that would have to be constructed with proceeds from the sale of the five obsolescent passenger liners.

Other shipbuilding companies and parts suppliers, in other parts of the country, would also stand to benefit. Overall, our maritime posture would be strengthened if the laid-up passenger ships could be replaced by urgently needed merchant marine vessels—all flying the U.S. flag.

In short, the net effect of H.R. 11589 would be to generate jobs, rather than take them away.

I am completely sympathetic to the purposes of this bill, and urge our colleagues to join in supporting it.

## ARTICLES CRITICAL OF AMBASSADOR OF UNITED STATES TO GREECE ARE NOT CONCLUSIONS OF THE SUBCOMMITTEE ON EUROPE.

(Mr. MONAGAN asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, the New York Times and Washington Post yesterday carried articles critical of the Ambassador of the United States to Greece and authored by the staff consultant of the Subcommittee on Europe of the House Committee on Foreign Affairs.

As a member of the Subcommittee on Europe, I wish to state that the conclusions in this well-publicized report are not the conclusions of the subcommittee. The subcommittee never considered this report and its existence was unknown to me until a few days ago.

The subcommittee is in no position to have an opinion on the merits of the report since its members took no part in the investigation which apparently was done solely by the staff consultant. Incidentally it might be inferred that there was a bias in the investigation in view of the fact that practically no contact was made with officials of the current government in Athens, but whether or not the evidence supported the conclusions of the report, the subcommittee did not consider and pass on it.

The question of the judgment and the activities of an Ambassador to the United States is a delicate and complex one. I feel it probable that I might not agree with all the policies and judgments of the Ambassador in question, but it is highly objectionable to permit a staff consultant to issue an appraisal of these judgments and policies without the knowledge or authority of the subcommittee whose sanction is lent to the report.

It is said that the report did not come before the subcommittee for consideration because approval might not be obtained. This would seem to be a reason against publication rather than for such release. At any rate, the staff member has compromised his usefulness by this unwise and premature disclosure.

Mr. ROONEY of New York. Mr. Speaker, will the distinguished gentleman from Connecticut yield?

Mr. MONAGAN. I yield to the gentleman from New York.

Mr. ROONEY of New York. Mr. Speaker, is the staff member to whom the gentleman from Connecticut referred still an employee of the Foreign Affairs Committee?

Mr. MONAGAN. As far as I know, he is.

Mr. ROONEY of New York. Well, he should not be.

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## CONFERENCE REPORT ON H.R. 11418, MILITARY CONSTRUCTION APPROPRIATIONS, 1972

Mr. SIKES. Mr. Speaker, I call up the conference report on the bill (H.R. 11418) making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes, and ask unanimous consent that the statement of the managers be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The Clerk read the statement.

(For conference report and statement, see proceedings of the House of November 10, 1971.)

Mr. SIKES (during the reading). Mr. Speaker, I ask unanimous consent that further reading of the statement be dispensed with.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

Mr. HALL. Mr. Speaker, reserving the right to object, will the gentleman explain the bill and allocate the usual time, inasmuch as copies of the conference report are not yet available on the floor to Members?

Mr. SIKES. I fully intend to explain the bill, and I trust we can have a complete understanding of the actions of the conferees before conclusion of the discussion.

Mr. HALL. That would be most helpful.

Mr. Speaker, I withdraw my reservation.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Florida.

Mr. SIKES. Mr. Speaker, we bring to the House today the conference report—House Report No. 92-664—on H.R. 11418 making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes. The conference agreement would provide $2,037,097,000 in new budget authority. This is $92,708,000 below the budget as recommended by the Department of Defense. The bill is $24,651,000 higher than the House version which was passed on October 27, 1971.

However, the conferees fully support the additions. There are a number of reasons for the increase and the committee feels they are sound. For instance, there were an unusually large number of losses of facilities by fire, storm, and other reasons which commonly are called act-of-God causes. There is a $2½ million addition for planning for alternate facilities for Culebra, in the Caribbean. This is necessitated by the fact that the Navy has been instructed to prepare an alternate plan to provide target areas due to population increases and other complications which affect existing activities. This study should proceed as rapidly as possible, but the status was such that the project was not included when the bill passed the House.

A close look at the Senate action will show that the Senate cut deeply into family housing and in lieu thereof added many other items. Some of these were sufficiently noteworthy that the House conferees accepted them. However, we in the House are particularly concerned with the need to continue to deal with the critical problem of family housing and troop housing construction. In this bill we make the strongest effort ever, through addition of new housing, and by modernization and improved maintenance of other structures which are now inadequate. The House conferees feel housing is essential to retention and morale in the services.

In the main this bill provides substantial improvement in modernization of Air Force depot plants and continues in a small way the improvement of outdated naval aviation rework facilities.

We substantially held the line on providing funds for the U.S. share in the NATO infrastructure program. It is important to bear in mind that it is only through the infrastructure that we recoup funds for our facilities in NATO countries. In this program we pay 30 percent and the allies pay the remainder. But for all construction other than through infrastructure, the United States pays the entire bill. We are not happy in the progress negotiators are making in obtaining funding through NATO for our facilities and we are constantly urging tighter negotiations by all of our representatives. The fact remains that it is better to get as much as we can through this program than to underfund it and destroy it and get nothing in reimbursement.

There is no change in the bill in safeguard funding. It remains at the same level as carried in the bill passed by the House and the Senate. There is continued construction for two sites. There is advance preparation for the third and fourth, and planning only in case it is required for the fifth. This is a striking contrast to the need for 12 sites which once the Pentagon felt to be essential if we are to provide reasonable protection from a Russian or Chinese missile strike and to be able to launch a retaliatory strike. Very probably this situation is in part a result of the SALT talks. The Russians have been able to lull us into a sense of security. This is what usually happens when we become involved with endless negotiations with other powers. We have obtained nothing firm from the talks except occasional statements from the negotiators intended to express pious hope and to soothe the American public. In the meantime the Russians have an antiballistic missile capability which they continue to improve.

I feel that we have reached a sound compromise with the other body and I urge prompt approval of the conference action.

Now let me provide more specific details about the action of the conferees.

The most significant aspect of the conference agreement is that it has retained all but $4,283,000 of the funds provided for family housing in the bill which passed the House. The amount appropriated for family housing is $933,955,000. This is $33,335,000 over the Senate and $25,805,000 over the budget request. Of the total provided, $92,820,000 is estimated to be required for the payment of debt obligations in connection with family housing acquired under previous programs, leaving $841,135,000, which constitutes new budget authority. Of this amount, approximately one-third or $289,821,000, is for new construction including improvements. These funds and prior-year balances available will allow for construction of the 9,432 new units authorized for the fiscal year 1972 program. Included are funds for 88 units to replace thoroughly inadequate housing at Camp Drum, N.Y., and 90 units at Woomera, Australia, to be financed from funds available to the Air Force—as recommended by the Senate. In addition, the conferees' recommended allowance would provide for increases above the budget request and the Senate bill for urgently needed minor construction, improvements, and up to approximately 500 Navy and Air Force units for which prior-year authorizations remain available. The committee expects to be consulted in advance with regard to the location of any units at Long Beach or the construction of units overseas. The conferees deleted $2,501,000 for Army new construction, but retained $5,832,000 deleted by the Senate, with the proviso that these funds may be used for badly needed Army family housing improvements but not for the conversion from coal to oil of heating plants in housing units in Germany.

The House held strongly for the additional money for family housing because the House conferees believe that military family housing has been shortchanged in the past and that there is and will continue to be for the foreseeable future a critical deficiency in both numbers and quality of housing available to military families. This must be corrected for humanitarian as well as practical reasons. We cannot expect military families to be involuntarily separated from each other—approximately 21,000 are at the present time—to pay excessive and in some areas gouging rents, or to live in inadequate homes because of a lack of sufficient good housing where their sponsors are assigned. At present about one-half million military families suffer these conditions. Conversely, we cannot expect to attract and retain a sufficient number of qualified personnel in the Armed Forces if their families are not taken care of.

In total, the amount agreed to in conference is a reduction of $92,708,000 from the budget, $24,651,000 above the House bill, and $34,785,000 above the Senate bill. Excluding, for a moment, the additional amount provided for family housing, the amount agreed to for military construction is $118,513,000 under the budget. This represents a cut of more than 8 percent in the amount requested for military construction. Each of the services has a tremendous backlog of facilities which need to be modernized or replaced. During the Southeast Asia conflict, they have been able to do very little replacement; in fact, they have fallen behind.

I feel that this is the maximum that the Congress wisely can cut from the program. The Senate considered items totaling $12,128,000 which were submitted by the Navy and Air Force and authorized to replace facilities destroyed by fire, wind, and so forth, or were required for rebasing of SAC alert aircraft. Adjusting for these projects, the conference action is $16,806,000 over the House bill. Major items included in this increase for the Army are: Airfield facilities to support the 101st Airborne Division at Fort Campbell, Ky., and a weapons evaluation facility at Yuma Proving Ground, Ariz. The conferees agreed to the latter only on the provision that it not be used in any way to support the further relocation of activities from Aberdeen Proving Ground, Md. We expect the Army to follow the letter and the intent of this prohibition.

For the Navy are moneys for the first increment of a management engineering complex at Charleston Naval Shipyard in South Carolina and additional planning funds to carry out a study of alternate range facilities in the Culebra area, for which funds were authorized in the military construction authorization act for fiscal year 1972. The Navy cannot accomplish this study within the prescribed time and perform a sufficient level of design work on its fiscal year 1973 program without these additional funds.

Recommended for the Air Force are a navigator academic training facility at Mather Air Force Base, Calif., and a composite medical facility at Pease Air Force Base, N.H. The latest information available to the committee indicates that it makes sense to provide this replacement for antiquated facilities at the Portsmouth Naval Hospital at this time.

Again let me state that I believe the conference action fully merits the confidence and support of the House.

I will include a comparative statement detailing the action on this bill in the Record.

The statement follows:

COMPARATIVE STATEMENT OF NEW BUDGET (OBLIGATIONAL) AUTHORITY FOR 1971 AND BUDGET ESTIMATES AND AMOUNTS RECOMMENDED IN THE BILL FOR 1972

| | | | | | | Conference action compared with— | | | |
|---|---|---|---|---|---|---|---|---|---|
| | New budget (obligational) authority, fiscal year 1971 | Budget estimates of new (obligational) authority, fiscal year 1972 | New budget (obligational) authority recommended in House bill | New budget (obligational) authority recommended in Senate bill | New budget (obligational) authority recommended by conference action | New budget (obligational) authority, fiscal year 1971 | Budget estimates of new (obligational) authority, fiscal year 1972 | New budget (obligational) authority recommended in House bill | New budget (obligational) authority recommended in Senate bill |
| Military construction: | | | | | | | | | |
| Army | [1] 321,758,000 | [2] 469,700,000 | 437,274,000 | 432,946,000 | 438,316,000 | +116,558,000 | −31,384,000 | +1,042,000 | +5,370,000 |
| Navy | 302,483,000 | 405,500,000 | 343,766,000 | 357,536,000 | 355,500,000 | +53,017,000 | −50,000,000 | +11,734,000 | −2,036,000 |
| Air Force | 284,147,000 | 316,600,000 | 273,031,000 | 291,954,000 | 289,189,000 | +5,042,000 | −27,411,000 | +16,158,000 | −2,765,000 |
| Defense agencies | 46,300,000 | 25,400,000 | 14,801,000 | 14,801,000 | 14,801,000 | −31,499,000 | −10,599,000 | | |
| Transfer not to exceed | (20,000,000) | (20,000,000) | (20,000,000) | (20,000,000) | (20,000,000) | | | | |
| Military construction: | | | | | | | | | |
| Army National Guard | 15,000,000 | 29,000,000 | 29,000,000 | 29,000,000 | 29,000,000 | +14,000,000 | | | |
| Air National Guard | 8,000,000 | 10,600,000 | 10,600,000 | 10,600,000 | 10,600,000 | +2,600,000 | | | |
| Army Reserve | 10,000,000 | 33,500,000 | 33,500,000 | 33,500,000 | 33,500,000 | +23,500,000 | | | |
| Naval Reserve | 5,000,000 | 10,900,000 | 10,900,000 | 10,900,000 | 10,900,000 | +5,900,000 | | | |
| Air Force Reserve | 4,000,000 | 5,700,000 | 6,581,000 | 5,700,000 | 6,581,000 | +2,581,000 | +881,000 | | +881,000 |
| Total, military construction | 996,688,000 | 1,306,900,000 | 1,159,453,000 | 1,186,937,000 | 1,188,387,000 | +191,699,000 | −118,513,000 | +28,934,000 | +1,450,000 |
| Family housing, Defense | [3] 797,664,000 | [4] 908,150,000 | 938,238,000 | 900,620,000 | 933,955,000 | +136,291,000 | +25,805,000 | −4,283,000 | +33,335,000 |
| Portion applied to debt reduction | −90,278,000 | −92,820,000 | −92,820,000 | −92,820,000 | −92,820,000 | −2,542,000 | | | |
| Subtotal, family housing | 707,386,000 | 815,330,000 | 845,418,000 | 807,800,000 | 841,135,000 | +133,749,000 | +25,805,000 | −4,283,000 | +33,335,000 |
| Homeowners assistance, fund, Defense | | 7,575,000 | 7,575,000 | 7,575,000 | 7,575,000 | +7,575,000 | | | |
| Grand total, new budget (obligational) authority | 1,704,074,000 | 2,129,805,000 | 2,012,446,000 | 2,002,312,000 | 2,037,097,000 | +333,023,000 | −92,708,000 | +24,651,000 | +34,785,000 |

[1] Excludes $325,200,000 for Safeguard construction.

[2] Excludes $172,500,000 for Safegurad construction not considered in bill.

[3] Excludes $8,800,000 for Safeguard family housing.

[4] Excludes $11,070,000 for Safeguard family housing not considered in bill.

Mr. Speaker, I yield 5 minutes to the gentleman from Michigan (Mr. Cederberg).

Mr. CEDERBERG. Mr. Speaker, the distinguished chairman of the subcommittee, the gentleman from Florida (Mr. Sikes) has adequately explained this conference report.

The conferees agreed on the amounts which are essential for military construction for the services during the present fiscal year.

I have no further requests for time.

Mr. SIKES. Mr. Speaker, I yield such time as he may require to the distinguished gentleman from New York (Mr. Rooney).

Mr. ROONEY of New York. Mr. Speaker, I should like to express my thanks and the thanks of the people of Brooklyn and of the civilian employees at the Brooklyn Army Base, to the distinguished gentleman from Florida (Mr. Sikes) and the distinguished gentleman from Michigan (Mr. Cederberg) and their fellow conferees for their successful action at the House-Senate conference with regard to denial of funds for the removal of the Brooklyn Army Base out of Brooklyn.

I should like to ask two questions.

First of all, do I understand correctly that the increase of the House figure—$437,274,000—for Military Construction, Army to the figure $438,316,000 agreed to by the conferees—a difference or increase of $1,042,000—is solely to provide for an airfield complex at Fort Campbell, Ky., in the amount $2 million and a weapons evaluation facility at Yuma Proving Ground, Ariz., in the amount $2,921,000, and for no other purpose?

Mr. SIKES. If my friend will yield, the answer is "yes."

Mr. ROONEY of New York. I thank the distinguished gentleman.

The second question is, do I further correctly understand that the House position denying the requested funds for projects at the military ocean terminal in New Jersey, administrative facilities for relocation of Department of Defense activities, in the amount $3,040,000 and an associated electric substation for $400,000, has been agreed to by the Senate and House conferees on this bill and in the pending conference report?

Mr. SIKES. If the gentleman will yield further, again the answer is "yes."

Mr. ROONEY of New York. I once again thank the distinguished gentleman from Florida and his colleagues.

Mr. WYMAN. Mr. Speaker, while $8 million is but a small part of a $2 billion bill, I regret that the House conferees saw fit to yield to the other body to permit an add-on of $8.1 million to construct a 55-bed hospital at Pease Air Force Base in my district. At my request this appropriation was rejected by the full House Appropriations Committee last month. It ought not to be included in this bill because it is extraordinarily wasteful of the taxpayers' money.

Within 4 miles of Pease Air Force Base there is an existing 189-bed naval hospital that is only 31-percent occupied. Need more be said? In my district or not, I am not here to squander the public money.

I believe it constitutes a breach of faith with the taxpaying public to vote $8 million for a brandnew 55-bed hospital when an equivalent facility could be constructed for millions of dollars less at the Portsmouth Naval Hospital 4 miles away, where there is administrative and support facilities in being right now. Even if a 55-bed additional facility were to be physically added, the nurses quarters, officers quarters, administrative offices, messhalls—they are all there. Why build new ones at Pease?

If, in fact, a new 55-bed facility is really needed, which I seriously question, it can be provided at the Portsmouth Naval Hospital for a great deal less than $8 million. Nobody denies this, even the Air Force.

When this Nation is operating at a deficit approaching $30 billion a year; when labor is asked to hold off on wage increases; when management is asked to keep prices down—it amounts to an abdication of responsibility by this Congress to reasonably protect the public purse, to vote today to waste these added unnecessary millions.

The truth of the matter here is that the Air Force planned and budgeted for this facility at Pease at a time when the Portsmouth Naval Shipyard was under a closure order. Subsequently President Nixon canceled the closure order but neither the Air Force nor the Assistant Secretary of Defense for Installations and Logistics withdrew the request for the Pease hospital or would admit to the savings possible by restructuring facilities at the naval hospital.

It is in the overall interests of all military personnel, active and retired, and their dependents, that whatever structural additions may be necessary to upgrade the Portsmouth Naval Hospital to meet Air Force requirements should be undertaken at Portsmouth where there are 189 beds right now. On no theory is a 55-bed hospital at Pease adequate to serve the area, and adding a brandnew 55-bed hospital at Pease on top of an existing 189-bed hospital there already that is only 30.6-percent occupied, is patently unjustifiable.

It is most unfortunate that this situation should prevail because of insistence on acceding to Air Force requests by the other body. As a member of the Appropriations Committee and its Subcommittee on Defense, I want to make it clear that I want no part of such waste, that the House Appropriations Committee took this money out of the bill, and that I have voted in committee and shall vote today on this floor, against such unnecessary waste of tax dollars.

I do not rise to kill a needed benefit to my congressional district. I rise in behalf of a better way, at millions of dollars of savings, and in the best interests of tens of thousands of residents of the seacoast region of both New Hampshire and Maine. I oppose the brandnew hospital at Pease Air Force Base for reasons of economy and efficiency.

I would also observe the likelihood that construction of such a new hospital may well be a Trojan horse in disguise in relation to the future of the Portsmouth Naval Shipyard should anything happen to President Nixon, for with Pease Air Force Base having its own independent hospital facilities and no longer dependent on the Portsmouth Naval Hospital it is bound to be just that much easier for the enemies of the Portsmouth Naval Shipyard to press for a new closure order for the navy yard.

Essentially my opposition rests, however, not on this contingency, but with regard to the obvious waste of taxpayers money in building a brandnew 55-bed hospital and supporting facilities, 4 miles away from an existing 189-bed naval hospital that is only 31-percent occupied. This, to me, represents a scandalous indifference to the public interest.

Mr. SIKES. Mr. Speaker, I move the previous question on the conference report.

The previous question was ordered.

The conference report was agreed to.

AMENDMENT IN DISAGREEMENT

The SPEAKER pro tempore. The Clerk will report the amendment in disagreement.

The Clerk read as follows:

Senate amendment No. 1: Page 2, line 4, strike out "$437,274,000," and insert "$432,946,000,".

MOTION OFFERED BY MR. SIKES

Mr. SIKES. Mr. Speaker, I offer a motion.

The Clerk read as follows:

Mr. SIKES moves that the House recede from its disagreement to the amendment of the Senate numbered 1 and concur therein with an amendment, as follows:

In lieu of the sum stricken and inserted by said amendment insert the following: "$438,316,000".

The motion was agreed to.

A motion to reconsider the votes by which action was taken on the conference report and the motion was laid on the table.

## GENERAL LEAVE

Mr. SIKES. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks on the matters discussed on the conference report on the military construction bill and to include certain statistical facts.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Florida?

There was no objection.

## THE NATIONAL CANCER ATTACK ACT OF 1971

Mr. STAGGERS. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11302) to amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer as soon as possible, as amended.

The Clerk read as follows:

H.R. 11302

A bill to amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer as soon as possible.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE

SECTION 1. This Act may be cited as "The National Cancer Attack Act of 1971".

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. (a) The Congress finds and declares—

(1) that cancer is the disease most feared by Americans today;

(2) that new scientific leads, if comprehensively and energetically exploited, may significantly advance the time when more adequate preventive and therapeutic capabilities are available to cope with cancer;

(3) that cancer, heart, and lung disease and stroke are the leading causes of death in the United States;

(4) that the present state of our understanding of cancer, heart, and lung diseases and stroke is a consequence of broad advances across the full scope of the biomedical sciences;

(5) that in order to provide for the most effective attack on cancer it is important to use all of the biomedical resources of the National Institutes of Health, rather than the resources of a single Institute; and

(6) that the programs of the research institutes which comprise the National Institutes of Health have made it possible to bring into being the most productive scientific community centered upon health and disease that the world has even known.

(b) It is the purpose of this Act to enlarge the authorities of the National Cancer Institute and the National Institutes of Health in order to advance the national attack upon cancer.

NATIONAL CANCER ATTACK PROGRAM

SEC. 3. (a) Part A of title IV of the Public Health Service Act is amended by adding after section 406 the following new sections:

"NATIONAL CANCER ATTACK PROGRAM

"SEC. 407. (a) In his capacity as an Associate Director of the National Institutes of Health, the Director of the National Cancer Institute shall coordinate all of the activities of the National Institutes of Health relating to cancer with the National Cancer Attack Program.

"(b) In carrying out the National Cancer Attack Program, the Director of the National Cancer Institute shall:

"(1) With the advice of the National Cancer Advisory Council, plan and develop an expanded, intensified, and coordinated cancer research program encompassing the programs of the National Cancer Institute, related programs of the other research institutes, and other Federal and non-Federal programs.

"(2) Expeditiously utilize existing research facilities and personnel of the National Institutes of Health for accelerated exploration of the opportunities for the conquest of cancer in areas of special promise.

"(3) Encourage and coordinate cancer research by industrial concerns where such concerns evidence a particular capability for such research.

"(4) Collect, analyze, and disseminate all data useful in the prevention, diagnosis, and treatment of cancer, including the establishment of an international cancer research data bank to collect, catalog, store, and disseminate insofar as feasible the results of cancer research undertaken in any country for the use of any person involved in cancer research in any country.

"(5) Establish or support the large-scale production or distribution of specialized biological materials and other therapeutic substances for research and set standards of safety and care for persons using such materials.

"(6) Support research in the cancer field outside the United States by highly qualified foreign nationals (where the Director determines that such support can reasonably be expected to inure to the benefit of the American people); support collaborative research involving American and foreign participants; and support the training of American scientists abroad and foreign scientists in the United States.

"(7) Support appropriate manpower programs of training in fundamental sciences and clinical disciplines to provide an expanded and continuing manpower base from which to select investigators, physicians, and allied health professional personnel, for participation in clinical and basic research and treatment programs relating to cancer, including where appropriate the use of training stipends, fellowships, and career awards.

"(8) Call special meetings of the National Cancer Advisory Council at such times and in such places as the Director deems necessary in order to consult with, obtain advice from, or to secure the approval of projects, programs, or other actions to be undertaken without delay in order to gain maximum benefit from a new scientific or technical finding.

"(9)(A) Prepare and submit, directly to the President for review and transmittal to Congress, an annual budget estimate for the National Cancer Attack Program, after opportunity for comment (but without change) by the Secretary, the Director of the National Institutes of Health, and the National Cancer Advisory Council; and (B) receive from the President and the Office of Management and Budget directly all funds appropriated by Congress for obligation and expenditure by the National Cancer Institute.

"(c) The National Cancer Advisory Council shall meet at the call of the Director of the National Cancer Institute or of such Council's Chairman, but not less than four times in each calendar year.

"(d)(1) There is hereby established the President's Cancer Attack Panel which shall be composed of three persons appointed by the President, who by virtue of their training, experience, and background are exceptionally qualified to appraise the National Cancer Attack Program. At least two of the members of the panel shall be distinguished scientists or physicians.

"(2)(A) Members shall be appointed for three-year terms, except that (i) in the case of two of the members first appointed, one shall be appointed for a term of one year and one shall be appointed for a term of two years, as designated by the President at the time of appointment, and (ii) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

"(B) The President shall designate one of the members to serve as Chairman for a term of one year.

"(C) Members of the Panel shall each be entitled to receive the daily equivalent of the annual rate of basic pay in effect for grade GS-18 of the General Schedule for each day (including traveltime) during which they are engaged in the actual performance of duties vested in the Panel, and shall be allowed travel expenses (including a per diem allowance) under section 5703(b) of title 5, United States Code.

"(3) The Panel shall meet at the call of the Chairman but not less often than twelve times a year. A transcript shall be kept of the proceedings of each meeting of the Panel, and the Chairman shall make such transcript available to the public.

"(4) The Panel shall monitor the development and execution of the National Cancer Attack Program under this section, and shall report directly to the President. Any delays or blockages in rapid execution of the program shall immediately be brought to the attention of the President. The Panel shall submit to the President annually an evaluation of the efficacy of the National Cancer Attack Program and suggestions for improvements, and shall submit such other reports as the President shall direct. At the request of the President, it shall submit for his consideration a list of names of persons for consideration for appointment as Director of the National Cancer Institute.

### "NATIONAL CANCER RESEARCH AND DEMONSTRATION CENTERS

"SEC. 408. (a) The Director of the National Cancer Institute is authorized to provide for the establishment of fifteen new centers for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. Such centers may be supported under subsection (b) or under any other applicable provision of law.

"(b) The Director of the National Cancer Institute, under policies, established by the Director of the National Institutes of Health and after consultation with the National Cancer Advisory Council, is authorized to enter into cooperative agreements with public or private nonprofit agencies or institutions to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for existing or new centers (including, but not limited to, centers established under subsection (a)) for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. Federal payments under this subsection in support of such cooperative agreements may be used for (1) construction (notwithstanding any limitation under section 405), (2) staffing and other basic operating costs, including such patient care costs as are required for research, (3) training (including training for allied health professions personnel) and (4) demonstration purposes; but support under this subsection (other than support for construction) shall not exceed $5,000,000 per year per center. Support of a center under this section may be for a period of not to exceed three years and may be extended by the Director of the National Cancer Institute for additional periods of not more than three years each, after review of the operations of such center by an appropriate scientific review group established by the Director of the National Cancer Institute.

### "CANCER CONTROL PROGRAMS

"SEC. 409. (a) The Director of the National Cancer Institute shall establish programs as necessary for cooperation with State and other health agencies in the prevention, control, and eradication of cancer.

"(b) There are authorized to be appropriated to carry out this section $20,000,000 for the fiscal year ending June 30, 1972, $30,000,000 for the fiscal year ending June 30, 1973, and $40,000,000 for the fiscal year ending June 30, 1974.

### "AUTHORITY OF DIRECTOR

"SEC. 410. The Director of the National Cancer Institute (after consultation with the National Cancer Advisory Council), in carrying out his functions in administering the National Cancer Attack Program and without regard to any other provision of this Act, is authorized—

"(1) if authorized by the National Cancer Advisory Council, to obtain the services of not more than fifty experts or consultants who have scientific or professional qualifications, in accordance with the provisions of section 3109 of title 5, United States Code (but any such expert or consultant may be appointed for a period in excess of one year);

"(2) to acquire, construct, improve, repair, operate, and maintain cancer centers, laboratories, research, and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Director deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the National Cancer Institute for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"(3) to appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as he deems desirable to advise him with respect to his functions;

"(4) to utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

(5) to accept voluntary and uncompensated services;

"(6) to accept unconditional gifts, or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

"(7) to enter into such contracts, leases, cooperative agreements, or other transactions, without regard to sections 3648 and 3709 of the Revised Statutes of the United States (31 U.S.C. 529, 41 U.S.C. 5), as may be necessary in the conduct of his functions, with any public agency, or with any person, firm, association, corporation, or educational institution; and

"(8) to take necessary action to insure that all channels for the dissemination and exchange of scientific knowledge and information are maintained between the National Cancer Institute and the other scientific, medical, and biomedical disciplines and organizations nationally and internationally.

### "SCIENTIFIC REVIEW; REPORTS

"SEC. 410A. The Director of the National Cancer Institute shall, by regulation, provide for proper scientific review of all research grants and programs over which he has authority (1) by utilizing, to the maximum extent possible, appropriate peer review groups established within the National Institutes of Health and composed principally of non-Federal scientists and other experts in the scientific and disease fields, and (2) when appropriate, by establishing, with the approval of the National Cancer Advisory Council and the Director of the National Institutes of Health, other formal peer review groups as may be required.

"(b) The Director of the National Cancer Institute shall, as soon as practicable after the end of each calendar year, prepare in consultation with the National Cancer Advisory Council and submit to the President for transmittal to the Congress a report on the activities, progress, and accomplishments under the national cancer attack program during the preceding calendar year and a plan for the program during the next five years.

### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 410B. For the purpose of carrying out this part (other than section 409), there are authorized to be appropriated $400,000,000 for the fiscal year ending June 30, 1972; $500,000,000 for the fiscal year ending June 30, 1973; and $600,000,000 for the fiscal year ending June 30, 1974."

(b) Section 301(d) of the Public Health Service Act is amended by adding at the end thereof the following: "*Provided further*, That, under procedures approved by the Director of the National Institutes of Health, the Director of the National Cancer Institute may approve grants for research or training purposes—

"(1) in amounts not to exceed $35,000 after appropriate review for scientific merit but without requirement of review and approval by the National Cancer Advisory Council, and

"(2) in amounts exceeding $35,000 after appropriate review for scientific merit and recommendation for approval by such council."

### REPORT TO CONGRESS

SEC. 4. (a) The President shall carry out a review of all administrative processes under which the national cancer attack program established under part A of title IV of the Public Health Service Act, will operate, including the processes of advisory council and peer group reviews, in order to assure the most expeditious accomplishment of the objectives of the program. Within one year of the date of enactment of this Act the President shall submit a report to Congress of the findings of such review and the actions taken to facilitate the conduct of the program, together with recommendations for any needed legislative changes.

(b) The President shall request of the Congress without delay such additional appropriations (including increased authorizations) as are required to pursue immediately any development in the National Cancer Attack program requiring prompt and expeditious support and for which regularly appropriated funds are not available.

### PRESIDENTIAL APPOINTMENT OF INSTITUTE'S DIRECTORS

SEC. 5. Title IV of the Public Health Service Act is amended by adding after part F the following new part:

### "PART G—ADMINISTRATIVE PROVISIONS

### "DIRECTORS OF INSTITUTES

"SEC. 454. The Director of the National Institutes of Health and the Directors of the National Cancer Institute, the National Heart and Lung Institute, and the National Institute of Neurological Diseases and Stroke shall be appointed by the President. The Directors of the National Cancer Institute, the National Heart and Lung Institute, and the National Institute of Neurological Diseases and Stroke are designated as Associate Directors of the National Institutes of Health, and shall report directly to the Director of the National Institutes of Health."

### EFFECTIVE DATE

SEC. 6. (a) This Act and the amendments made by this Act shall take effect sixty days after the date of enactment of this Act or on such prior date after the date of enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) The first sentence of section 454 of the Public Health Service Act (added by section 5(a) of this Act) shall apply only with respect to appointments made after the effective date of this Act.

The SPEAKER pro tempore. Is a second demanded?

Mr. SPRINGER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. STAGGERS. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, last year the House passed House Concurrent Resolution 675 which expressed the unanimous sense of the Congress that the conquest of cancer is a national crusade, and stating that the Congress should appropriate the necessary funds so that the citizens of this land and other lands may be delivered from the greatest scourge in history. This bill is designed to carry through on the policies expressed in that concurrent resolution.

This bill results from 11 days of hearings before the Subcommittee on Public Health and Environment, followed by 4 days of subcommittee executive session consideration, and 2 days of executive session consideration by the full committee.

All issues involved in this legislation have been thoroughly considered and debated, and the bill was ordered reported to the House by a vote of 26 to 2. I hasten to add that the two votes against the bill reflected a disagreement over the method of achieving our objective, rather than any disagreement with the objective itself.

Mr. Speaker, we are unanimous in the Congress, and throughout this land that everything possible that can be done should be done to conquer cancer. This disease is the most feared of all diseases, although it ranks second as the leading cause of death. The very word "cancer" carries with it connotations which frighten each of us. It is a word that is often used as a synonym for something loathsome and vile. We want cancer conquered, and if it is possible to do so, we want it done at the very earliest possible date.

We believe that the bill now before the House will accomplish that objective.

Last year the Senate Committee on Labor and Public Welfare established a panel of consultants on the subject of cancer which submitted a report to that committee in November of 1970. The report summarizes the cancer problem, and makes a number of recommendations. Members will find in the report of this committee a summary of these recommendations made by the panel of consultants and the ways in which this bill carries out each of the recommendations. So far as I am aware, there is only one real difference between Members who support this bill in its entirety and those who propose alternatives, and this relates to the extent to which the new program will be administered separately from the National Institutes of Health. The issue is presented by amendments which were rejected by the committee overwhelmingly providing in substance that the director of the cancer attack program should report directly to the President.

The Senate bill states that the new cancer attack program shall be within the National Institutes of Health, but the remainder of the bill is inconsistent with this concept, since it provides complete authority for the director of the proposed new cancer authority, and provides that he report directly to the President.

The bill before us now provides independent budget authority, but otherwise keeps the program within the National Institutes of Health, and provides for the establishment of a three-member panel which would meet at least 12 times yearly to oversee the administration of the program. This panel will report directly to the President, and if at any time the panel discovers that there are any delays or blockages in the cancer attack program, they will call this problem immediately to the attention of the President.

Authorities in the field of cancer research have been somewhat divided on the question of whether the new emphasis on cancer should be administered within NIH or outside NIH, although in fairness I must say that it would appear that the majority of cancer researchers advocated the approach of the Senate bill, and the administration has expressed its support of the Senate bill. Virtually to a man, the remainder of the scientific community is opposed to the separation of the cancer program from NIH, and favors the approach contained in H.R. 11302.

The administration appears to have taken four different positions. At first they were opposed to any legislation; then they proposed their own bill; then they appeared before our committee and supported the Senate bill; and the last of their positions is support of the Senate bill with a substantial number of amendments adopted by the Subcommittee on Public Health and Environment.

Overall, the bill would enlarge the authorities of the National Cancer Institute; authorize the construction, and funding of the operation, of cancer research centers; and would reactivate cancer control programs which have been allowed to lapse in recent years. The bill contains mechanisms for expediting administrative procedures for the approval of grants, but retains the existing system of peer review of applications for scientific merit.

Mr. Speaker, as I mentioned, all the issues involved in the bill have been thoroughly considered and debated and discussed. The Subcommittee on Public Health and Environment was unanimous in recommending the bill to the full committee, and the full committee was overwhelmingly in support of the bill. I think the bill should pass the House unanimously.

Mr. Speaker, in my motion to suspend the rules, I have added amendments to the bill to delete the proposed section 410(2), as well as the amendments relating to the executive grade level of the Director, Deputy Director, and Associate Director of the National Institutes of Health. These are matters which are within the jurisdiction of the Post Office and Civil Service Committee, and are being deleted at the request of that committee.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. STAGGERS. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Speaker, I would direct this question to the chairman and to the ranking minority member who will be handling the debate.

Since there are only 40 minutes of debate permitted under a suspension of the rules, I would like to know if the chairman and the ranking member are going to grant time, or would they grant time to the opposite side. If the leadership on both sides of the aisle are going to support the bill there would be no time whatsoever for the opposition to indicate the very severe differences between what was recommended by the panel of experts and by the President, and passed by the Senate as opposed to provisions contained in the House bill.

Mr. STAGGERS. I would say yes to the

gentleman, that with the exception of the subcommittee chairman, the gentleman from Florida, (Mr. Rogers) the rest of the time that I have for allotment will be to those who are opposing the bill.

Mr. ADAMS. Can we have an indication on how much time that would be?

Mr. STAGGERS. That will be determined after I get through speaking. It depends on how much time we have left to divide up so that everyone will have time.

As I said, I do want the subcommittee chairman to have some time, then there are four others who want to speak on the bill.

Mr. ADAMS. Mr. Speaker, I would just ask the gentleman from Illinois (Mr. Springer) if anyone on his side is going to oppose the bill and, if not, if some time could be allocated to the opposition?

This is not in any way a partisan matter, but there is a severe difference of opinion as to how to approach the problem.

Mr. SPRINGER. Mr. Speaker, I am indeed sorry, but at the time the gentleman from Washington spoke to me on the floor of the House I was under the mistaken impression that we would have 30 minutes on each side, and of course, since it is under a suspension of the rules, we only have 20 minutes allotted to each side.

All I can tell the gentleman is that I will try to be as short as I possibly can, and if I can yield time to him I will, but I have already allotted all of my time.

Mr. ADAMS. In other words, then, for those who are opposing the bill, so far as you know, their time will have to come out of whatever is left at the end on this side.

Mr. STAGGERS. We will try to be fair.

Mr. TIERNAN. Could I at this time, since the gentlemen have already indicated the allotment of time to members of the committee—could I make a request at this time that I be granted some time?

Mr. STAGGERS. The gentleman is already on the list.

Mr. TIERNAN. Thank you very much.

Mr. SPRINGER. Mr. Speaker, we have readjusted our time and I will yield 3 minutes to the gentleman from Washington (Mr. Adams) who may use it as he wishes.

Mr. STAGGERS. Mr. Speaker, I yield 5 minutes to the gentleman from Florida (Mr. Rogers).

Mr. ROGERS. Mr. Speaker, today we have an opportunity to cast our votes in favor of the most extensive and comprehensive attack on a single disease—cancer—ever launched in the history of this Nation.

Mr. Speaker, no disease is more insidious and more feared by our citizens today than is cancer. It is time for an all-out national effort against this dread disease.

Mr. Speaker, the National Cancer Attack Act of 1971 will do just that.

The bill, H.R. 11302, which is before you today is a product of careful and detailed consideration by our Subcommittee on Public Health and Environment. We listened carefully to over 50 witnesses from Government, medicine, and the scientific community and the public at large including the American Cancer Society and members of the National Panel of Consultants on the Conquest of Cancer over a 4-week period. We did not confine our hearings just to Washington. We also visited one of the Nation's great cancer research centers, the Roswell Park Memorial Institute in Buffalo, N.Y., to gain firsthand knowledge of our Nation's present research effort in a clinical setting.

I think it is important to note that the director of that great clinical center in New York is enthusiastically endorsing the bill before you today.

I want to commend each member of the subcommittee for the fine work they devoted to this bill which really is a composite work of all members of the subcommittee. I wish to commend each member—Mr. Satterfield, Mr. Kyros, Mr. Preyer of North Carolina, Mr. Symington, Mr. Roy, Mr. Nelsen, Mr. Carter, Mr. Hastings, and Mr. Schmitz—for his efforts. Each contributed individually to the molding of this legislation.

This bill comes to you from the subcommittee as a unanimous bill. There were but two votes against it in the full committee.

Mr. Speaker, this bill gives new vigor to cancer research through the establishment of a national cancer attack program which provides for an increased organizational efficiency for the National Cancer Institute within its present framework as part of the greatest biomedical research ever assembled in the history of mankind—the National Institutes of Health.

The bill streamlines the National Cancer Institute's administrative procedures. It protects the budget of the National Cancer Institute by providing that the Director of the NCI shall transmit his budget directly to the President without change, but with comment by, the Director of NIH and the Secretary of HEW.

It also states the goal and the commitment to funding at a specified level of money and not merely an open-ended authorization. We are saying to the American people that we commit ourselves in the fight against cancer to $400 million this year, $500 million next year, and $600 million the following year—$1½ billion over the next 3 years.

But this bill, contrary to the Senate bill, which some would espouse—not very many but some—does much more than simply improve the procedures of the National Cancer Institute and insure adequate funding. It actually reestablishes programs to help people—cancer control programs. It reestablishes programs such as the testing for early detection of breast cancer, cervical cancer, and oral cancer which were financially phased out a year ago. It also authorizes generous support of existing clinical research centers and the establishment of 15 new cancer research centers across this country.

Mr. Speaker, the bill provides for a three-man President's Cancer Attack Panel, whose duty it will be to monitor the development of the national cancer attack program and report directly to the President. This will enable direct oversight of the program by highly qualified individuals, who will meet at least 12 times a year, to evaluate the program and make suggestions for improvements, as well as to report directly to the President on any delays or blockages in rapid execution of the program. This approach was suggested by the subcommittee's ranking minority member, Mr. Nelsen and was readily agreed to by the subcommittee.

Mr. Speaker, a few months ago, Dr. Edward David, the President's distinguished science adviser, embraced the approach of retaining the Federal research effort within NIH which ultimately was to become a principal feature of the bill reported by our committee. Dr. David stated:

> Having honed and sharpened our biomedical research mechanism, the National Institutes of Health, we should now use it and call upon it as we embark on this new adventure. To isolate the cancer effort would prejudice the very outcome we seek. The problem of cancer straddles virtually all the life sciences—molecular biology, biochemistry, virology, pharmacology, toxicology, genetics—any one of these, or all of them, will contribute to the final solution. No one is wise enough to pick and choose just those components of the total biomedical spectrum that will be vital. Who knows what new discovery will become vital even next year? . . . the Administration feels that the instrument for our campaign against cancer must be forged from and within the National Institutes of Health to assure the greatest chance of success.

Mr. KYROS. Mr. Speaker, will the gentleman yield?

Mr. ROGERS. I yield to the gentleman from Maine.

Mr. KYROS. Is it not true that throughout the hearings on the cancer bill and the discussions, the majority of the scientific and medical community in the United States gave overwhelming support to the measure before the House?

Mr. ROGERS. No question about it. The approach of the bill before you today is endorsed by on overwhelmingly united scientific and medical community. The president of the National Academy of Science, as well as the Academy of Medicine of the National Academy of Sciences, have stated strong support of this approach. Scores of national organizations, including the Americal Medical Association, the American Hospital Association, and the Association of American Medical Colleges, as well as practically every significant scientific body in the United States, supported the concept of maintaining the Federal cancer research effort within the NIH. Several recipients of the Nobel prize in medicine, including a Nobel laureate whose award was based on his treatment of cancer patients, expressed support of the approach contained in this bill. Heads of 72 medicine departments of medical schools throughout the country expressed approval of the committee's approach. Thirteen faculty of Harvard Medical School, each long associated in cancer research or the treatment of cancer patients, publicly supported the course of action contemplated in this bill.

The committee has presented to the

House a bill which constitutes a balanced innovative approach which was conceived after rational study and close scrutiny by the hard-working members serving on the subcommittee. It is our firm belief—and a unanimous one—that the National Cancer Attack Act will invigorate the best of biomedical science toward finding solutions to a complex and devastating disease. Our citizens deserve assurance that every opportunity to overcome the torments of cancer will be provided. This bill insures such opportunity. I urge my colleagues to pass it overwhelmingly.

Mr. SPRINGER. Mr. Speaker, I yield myself 5 minutes.

Mr. Speaker, it has been shown that cancer is the disease most feared in the United States today. Of the 200 million Americans now alive, 50 million will develop cancer at present rates of incidence and 34 million will die of this painful and often ugly disease if better methods of prevention and treatment are not discovered. Cancer deaths last year were eight times the number of lives lost in 6 years in Vietnam, five and one-half times the number killed in automobile accidents, and greater than the number of Americans killed in battle in all 4 years of World War II.

Progress across the broad front of biomedical science has opened up new avenues of scientific inquiry into the phenomena of malignancy. These leads, if comprehensively and energetically pursued, could substantially enlarge our limited understanding of this disease process and thus advance our preventive and therapeutic capability.

The question as to how we might best undertake an effort of this magnitude has been the subject of much discussion and debate. The approach of the Senate was to establish a conquest of cancer agency which would be, for all practical purposes, completely independent and outside of the National Institutes of Health. This approach troubled a great number of distinguished members of the scientific and biomedical research community, and many of them voiced their concerns in hearings before the Subcommittee on Public Health and Environment.

The nature of cancer, we are told, is deeply embedded in the most elemental life processes and is an obscure and complex part of the life cycle. Major progress in the conquest of cancer is, in the final analysis, dependent upon greater understanding of the basic life cell and its response to both internal and external forces.

It is important to realize that the new leads which seem to offer promise for advances in cancer have emerged in scientific fields which, at the time, were far removed from the mainstream of scientific effort in cancer. These scientific achievements came in the fields of virology, immunology, genetics, and cell biology. No one can predict with certainty the fields from which will come the findings that will provide further insights into the nature of cancer. A greater scientific attack upon cancer must be in a setting which assures the closest relationship to the broad array of biomedical research concerned with the nature of life and disease.

It was feared that the Senate approach of an independent agency would separate cancer research and other biomedical research to such an extent that the total effort would be fragmented rather than enhanced.

Our bill provides for independent budget authority but otherwise keeps the effort within the National Cancer Institute of the National Institutes of Health and enlarges its authorities. To insure that the effort is expanded and moves ahead as expeditiously as this bill envisions, there is provided a mechanism whereby the power of the Office of the President can be asserted in various situations if needed. This is accomplished in the bill by providing for a three-member panel to oversee the administration of the program. This panel will report directly to the President, and if at any time the panel discovers that there are any delays or blockages in the cancer attack program, it will immediately alert the President to the problem.

It is my sincere judgment, and the judgment of the overwhelming majority of my colleagues on the committee, that the approach to the cancer problem offered by this bill is the proper approach and one that will hasten the day when this dread disease can be conquered. I strongly urge unanimous passage of this extremely important bill.

Mr. TIERNAN. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield only for a question.

Mr. TIERNAN. Is it not true the President approved the Senate bill as passed?

Mr. SPRINGER. He approves this bill.

Mr. TIERNAN. But the President also approves the Senate bill.

Mr. SPRINGER. I said the President approves this bill.

Mr. PICKLE. Mr. Speaker, will the gentleman yield?

Mr. SPRINGER. I yield to the gentleman from Texas.

Mr. PICKLE. Mr. Speaker, my question is: Does the President prefer this bill, or does he accept it?

Mr. SPRINGER. All he said was that is a good bill, and he approves it.

Mr. PICKLE. I think there is a great deal of difference.

Mr. SPRINGER. Mr. Speaker, I yield at this time for a unanimous-consent request by a member of the committee, the gentleman from Montana.

(Mr. SHOUP asked and was given permission to extend his remarks at this point in the RECORD).

Mr. SHOUP. Mr. Speaker, cancer is an 89-cent problem in America. That is what we have been spending on cancer research in this country for every man, woman, and child, less than the cost of a necktie or a pair of women's pantyhose. It is not much. In fact it is very little when compared to our $410 per capita expenditure in 1969 for defense, $125 for every person in this country for running the Vietnam war, and $19 each for foreign aid and the space program.

Saving lives should be our greatest accomplishment, yet the 1969 per capita expenditure for maintaining and utilizing our ability to flex military muscle across the sea was $125. Over 100 times more money was spent on foreign escapades of dubious value than was spent to combat the most feared family of diseases in this country. The paltry expenditure of 89 cents on a per capita basis is a national disgrace.

The fear of cancer in America is very well founded. Within the next year, one of every 25 Americans will develop cancer and over half of those will die. Of those dying 50 percent will be under 65 years of age, relatively young people in our society. In fact with the truly young, cancer causes more deaths among children under age 15 than any other disease. Over 16 percent of all deaths in the United States are caused by cancer, making it our second greatest killer, second only to heart disease.

While the public outcry against senseless death has been so resolutely focused on the casualties of the Vietnam war, few have marched down the streets of America demonstrating against a casualty list 18 times greater than the last 6 years of Vietnam casualties combined. Five and one-half times the number of people killed in car wrecks last year, died of cancer. More Americans were killed by cancer just last year than died during 4 bloody years of World War II.

The death bell of cancer continues to toll unimpinged by our puny efforts. John Donne's words ring terribly true for cancer today:

> Ask not for whom the bell tolls, it tolls for thee.

I dare say not a single American exists who has not been touched by cancer in some way. But despite the depth of the problem, despite the vast killing effect it has had on our society, we spent less than one four-hundredths as much last year for finding a way to successfully treat cancer than we spent to maintain our complex national defense combine, cost overrides and all.

What is more frightening, is the fact that the incidence of cancer is increasing. Not only are there a great number of Americans reaching more advanced ages, but also because of the sharp increase in lung cancer, polluted air and self-pollution from cigarette smoking, our susceptibility is on the rise. It is estimated that if the American people stop smoking cigarettes, that alone would eliminate about 15 percent of all cancer deaths. We know that human cancer is caused by certain chemicals, by certain types of radiation, and probably by viruses. But the true nature of cancer is not yet fully known. It is erroneous to think of cancer as a single disease with a single cause that will be subject to a single form of immunization as in the case of polio. Factually speaking cancer is comprised of many diseases and it results from a variety of causes that will have to be dealt with in a variety of ways.

As our knowledge is expanded more and more members of the cancer family will become preventable. The cure rate for cancer in general is gradually improving. In 1930, only about 1 case in 5 was curable. Today we cure 1 case in 3. It is estimated that the cure rate could be brought close to 1 in 2 by better application of knowledge which exists today.

There are three methods for curing cancer today including surgery, radiation therapy, and chemotherapy. Some types of cancer are far more curable than others; however, it is still true that those cancers which disseminate rapidly are seldom curable today. This represents a major gap in our existing knowledge. There have been major advances in the fundamental knowledge of cancer in the past decade. These advances in knowledge have opened up far more promising areas for intensive investigation than have ever heretofore existed. Some of these areas of special promise are: First, the identification of the factors that cause cancer; second, viruses causing cancer; third, cell and tumor biology; fourth, immunology or the host resistance against cancer; fifth, epitomology or the variables in cancer incidence; sixth, cancer preventative measures; seventh, improved diagnosis; eighth, chemotherapy or the use of drug techniques; ninth, radiotherapy and; 10th, surgery.

I am convinced that we are on the verge of a significant breakthrough in the control of cancer. But to really be effective we must exploit the great opportunities which are presented as a result of recent advances. To implement such a program we must have first, an administration with clearly defined authority. Second, a comprehensive national plan for attack is badly needed, and third, the financial resources have tc be readily available. H.R. 11302 is designed to fulfill these three requirements.

The National Cancer Institute is identified and given greater stature with its Director given the title of Associate Director in the National Institutes of Health. It cuts the redtape surrounding the granting assessment of grants. The budget as prepared by the National Cancer Institute shall be sent directly to the President with comments only by the National Institutes of Health and the Secretary of Health, Education, and Welfare. A three-man oversight panel shall be appointed to oversee the National Cancer Institute and to report directly to the President. A national plan of attack is spelled out specifically within the bill. Critical research centers will be increased in number by 15 and cancer control programs which were phased out a year ago will be reactivated and expanded on the budget proposed in the bill, $1.59 billion for 3 years.

Recognition of problems and compassion for the victims of cancer is indeed commendable, but only an honest commitment of resources and finances can make possible the real conquest of cancer. Lest there be some misunderstanding, I would hasten to state that I am not under the illusion that the expenditure of money, even massive amounts of it, will automatically cure cancer or anything else. But it is my contention that by making finances and resources available over a broader spectrum, to include within this conquest a greater number of the scientific community, the greater chance we will have to identify, or perhaps stumble upon, the answers to our cancer problem. Quite contrary to the views of many, I am convinced that this action, as proposed in this bill, will present a more effective program through strengthening the National Institutes of Health than it would by the creation of a separate entity dedicated and directed toward the matter of cancer and cancer alone.

Mr. Speaker, I urge my colleagues to support H.R. 11302.

Mr. SPRINGER. Mr. Speaker, I yield 4 minutes to the gentleman from Minnesota (Mr. NELSEN) the ranking Republican member on the subcommittee.

Mr. NELSEN. Mr. Speaker, I am extremely proud to have had a hand in the development of H.R. 11302, the National Cancer Attack Act of 1971, both in the Public Health and Environment Subcommitte, which drafted it, as well as in our full Interstate and Foreign Commerce Committee, which gave it an overwhelming vote of approval.

We anticipate that the House of Representatives will give it similar strong support, because it is, indeed, one of the most important single pieces of legislation to be considered by Congress in this session. Its urgent need is underscored by the fact that the dread disease, cancer, is today the Nation's second largest killer. Its victims run into millions of citizens, many of whom die in great anguish and suffering.

Several colleagues on our Public Health Subcommittee joined me in filing additional views in the report accompanying this bill to the House floor. Since these views sum up my own so well, I take the liberty of pointing them out at this point in my remarks:

> While we concur in the committee report which is an excellent presentation of the purposes and details of the Cancer Attack bill as developed in our Subcommittee on Public Health and Environment, we would like to add our comments concerning those provisions of our bill having to do with the authority of the President over the cancer research program.
>
> President Nixon in presenting his national health strategy outlined a bold and necessary program to deal with cancer research. Many of those who testified on the legislation before our subcommittee felt the President's declared desire to have a direct line of authority over the cancer program should be provided so that he could effectively monitor the efforts of the National Cancer Institute. Many also felt it would be unwise to separate the cancer agency from the National Institutes of Health, fearing fragmentation of cancer research might result.
>
> To meet the goals expressed by President Nixon, H.R. 11302 provides that he appoint an Associate Director of the National Institutes of Health who will serve as Director of the National Cancer Institute. It also provides that the President appoint a three-man cancer attack panel to give him the muscle he needs to assure an effective and accelerated cancer research program. This panel will provide a direct channel of communication between the President and the Director of the National Cancer Institute and will act as overseers to monitor the development and execution of the national cancer attack. This panel will submit to the President an annual report evaluating the efficacy of the program and provide him with suggestions for improvements.
>
> The budget of the National Cancer Institute as developed by the administration will be sent directly to the President for his approval as to the adequacy of funds to meet his program objectives.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. NELSEN. I yield to the gentleman from Washington.

Mr. ADAMS. Mr. Speaker, is it not true that the President of the United States requested a separate agency, the panel recommended a separate agency, the Secretary of Health, Education, and Welfare said he wanted a separate agency, and the Senate passed a bill carrying out these recommendations 79 to 1, and this bill is going to run into that directly if we pass it today?

Mr. NELSEN. I do not agree with the gentleman's conclusion.

The bill before us is not the bill we started with. Many amendments were added that moved to accommodate some of the objectives outlined in the Senate bill. It is my understanding that the Secretary preferred the Senate bill but found that the House bill as amended would give the President the tools that he needs.

Mr. ADAMS. I will read to the gentleman this quote and ask if this is not true: On November 3, to Chairman STAGGERS, Secretary Richardson said:

> This Department * * * strongly supports expansion of the national effort to conquer cancer and therefore urges adoption of the provisions of S. 1828—

Which we would offer as a substitute—

> in lieu of H.R. 10681—

Which is your bill—

> which, we believe, provides the best means to accomplish this task.

There is a clear issue here. Either we are going to go with your bill or with what everybody else has recommended.

Mr. NELSEN. This bill will accommodate what the President wants. I am sure that the President will accept it.

Mr. SPRINGER. Mr. Speaker, I yield 4 minutes to the distinguished gentleman from Kentucky, a member of the subcommitee, who has taken an active part in this.

Mr. CARTER. Mr. Speaker, we have before us today for consideration H.R. 11302, the so-called National Cancer Attack Act of 1971. Fifty-one million people living in the United States today can expect to suffer from one form of cancer or another. Approximately 34 million will die of cancer unless we discover a way to contain, control, or cure this disease.

For approximately 8 years it has been thought that breakthroughs in research and treatment of certain cancerous conditions resulting in cures would be made shortly. We have waited these 8 years without such breakthroughs. It has become apparent that a new concentrated attack by men skilled in detection and treatment of cancer should be made.

At the present time, there are six cancer treatment centers within the United States. These clinics are composed of the finest and most dedicated men in research, diagnosis and treatment of this dreadful disease.

No disease alarms the public as much as cancer. To concentrate the efforts of the most knowledgeable men in the cancer field, it is necessary that we today enact this National Cancer Attack Act of 1971.

Although no complete breakthroughs have been made, much improvement in detection and treatment has been accomplished.

Birkitt's tumor, a cancerous condition

occurring in certain portions of Africa, is now amenable to treatment.

Acute leukemia, which resulted in death in younger patients within a year, is now subject to better control.

Hodgkin's disease, for which at one time there was no cure, can be controlled in a large percentage of the cases which occur.

To assist in carrying out a new cancer study and to formulate the steps necessary for conquest of cancer, a panel of consultants composed of 13 eminent laymen and 13 knowledgeable scientists was appointed. These men, by and large, agreed that a new and more amply funded cancer institute should be formed and that the head of the National Cancer Institute should report directly to and be responsible to the President for direction of a greatly expanded and revitalized cancer program.

There was much discussion in the subcommittee concerning the Senate bill and H.R. 11302. The present bill, H.R. 11302, does not fully comply with the recommendations of the panel of consultants. However, it does require the appointment of a Director of the National Cancer Institute who will also be a Deputy Director of the National Institutes of Health, and who will report to the President concerning budgetary requirements. The Director of the National Institutes of Health and the Secretary of Health, Education, and Welfare have the right to comment but not to change such budgetary requests as he may make.

This compromise was arrived at after much discussion and debate. I submit that this compromise will give the Director of the National Cancer Institute the power he needs to effectively obtain the funds necessary to administer the cancer program.

He will receive assistance from the National Cancer Advisory Council, which is composed of the Surgeon General, the Chief Medical Officer of the Veterans' Administration, a medical officer designated by the Secretary of Defense, and 12 members appointed by the Surgeon General, with the approval of the Secretary of Health, Education, and Welfare. These men should be leaders in the fundamental sciences, medical sciences, and public affairs. Six of the 12 must be outstanding in the study and treatment of cancer. The National Cancer Advisory Council shall meet at the call of the Director of the National Cancer Institute, or of such Council's chairman, but not less than four times a year.

Under section 407, subsection (D)(1), there is established the President's cancer attack panel which shall be composed of three persons appointed by the President, who, by virtue of their training, experience, and background are exceptionally qualified to evaluate the national cancer attack program. At least two of the members of the panel shall be distinguished scientists or physicians.

One member shall be designated as chairman by the President. This panel shall meet not less than 12 times a year. The panel shall monitor the development and execution of the national cancer attack program and report directly to the President. Any delay in the execution of the program shall be brought to the attention of the President.

Under section 3, subsection 408(a), the Director of the National Cancer Institute is authorized to provide for the establishment of 15 new centers for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer.

The Director of the National Cancer Institute, under policies established by the Director of the National Institutes of Health, and, after consultation with the National Cancer Advisory Council, is authorized to enter into cooperative agreements with public or private nonprofit agencies or institutions to pay all or part of the cost of planning, establishing, or strengthening, and providing basic operating support for existing or new centers for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. Federal payments under this subsection in support of such cooperative agreements may be used for construction, staffing and other basic operating costs, including such patient care costs as are required for research, training and demonstration purposes, but support under this subsection—other than support for construction—shall not exceed $5,000,000 per year per center.

Under section 3, subsection 409, it is provided that the Director of the National Cancer Institute shall establish programs as necessary for cooperation with State and other health agencies in the prevention, detection, control, and eradication of cancer.

There are authorized to be appropriated to carry out this section $20,000,000 for the fiscal year ending June 30, 1972, $30,000,000 for the fiscal year ending June 30, 1973, and $40,000,000 for the fiscal year ending June 30, 1974.

By means of such programs established, chest X-rays for detection of lung cancer, pap smears, and other means of early detection of cancer will be provided for at State and local levels. For instance, a test is in the process of development which will permit detection of lung cancer from concentrated specimens of sputum. This test would permit lung cancer detection long before it was visible on a chest film.

This is money well spent. X-ray programs and papanicolau smear tests have resulted in early diagnosis of many cancerous conditions and provided the basis for cures. This is probably one of the basic reasons why cures have increased from 1 in 5 in the past few years to 1 in 3.

Under subsection 410 of section 3 of this bill, the Director of the National Cancer Institute is empowered to obtain the services of no more than 50 experts or consultants who have scientific or professional qualifications. The appointment of 50 distinguished young scientists to revitalize the National Cancer Institute is a consummation devoutly to be wished. It is necessary to introduce new blood into the National Cancer Institute. Every agency or bureau of the Federal Government needs a cleansing and a transfusion of new blood every few years, just as the Veterans' Administration did after World War II.

Under subsection 410B, of section 3, for the purpose of carrying out this part of the act, there is authorized to be appropriated $400,000,000 for the fiscal year ending June 30, 1972; $500,000,000 for the fiscal year ending June 30, 1973, and $600,000,000 for the fiscal year ending June 30, 1974.

This brings the total sum to be authorized to $1,590,000.

The Director of the National Cancer Institute can approve grants of as much as $35,000 without requirement of review and approval of the National Cancer Advisory Council. This is helpful. However, in amounts exceeding $35,000, appropriate review by the National Cancer Advisory Council is required. The Director of the Cancer Institute can give immediate assistance to those programs which show promise of early breakthroughs, improved methods of detection, prevention, or treatment. Such assistance previously has not been possible.

Under subsection 4(a) of section 3, within 1 year of the date of the enactment of this act, the President shall submit a report to Congress of the findings of his review of the administrative processes under this program and the actions taken to facilitate the conduct of the program, together with recommendations for any needed legislative changes.

By and large, this is an effective piece of legislation, and should result in well-directed, coordinated, dedicated efforts to eradicate this most dreadful of diseases.

Mr. ROY. Will the gentleman yield?

Mr. CARTER. I yield to the distinguished gentleman.

Mr. ROY. Thank you very much for yielding.

I wish to associate myself with the remarks of my distinguished colleague (Mr. CARTER) in support of this bill.

I am sure that both he and I went into these hearings without any predetermined idea. We worked on it very carefully and both formally and informally discussed the matter with a large number of scientists and physicians. We feel that the House bill achieves that which is necessary to have a national attack on cancer succeed.

Mr. ADAMS. Will the gentleman yield for a question?

Mr. CARTER. I yield to the gentleman.

Mr. ADAMS. This bill's fundamental difference is there is no direct line to the President in the House bill whereas there is in the Senate and there was in the panel recommendations. Is that not correct?

Mr. CARTER. For all practical purposes there is a direct line in that there is a cancer attack panel of three men to whom the Director of the Cancer Institute can report.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SPRINGER. Mr. Speaker, I yield the gentleman 1 additional minute.

Mr. CARTER. It goes directly to this panel and is relayed to the President. So it is all right. It is a good compromise.

Mr. ADAMS. It is really a compromise.

Mr. CARTER. And he can go directly to the President for his budgetary requests.

Mr. GUDE. Will the gentleman yield?

Mr. CARTER. I yield to the gentleman.

Mr. GUDE. I thank the gentleman for yielding.

It seems to me the fact that the Director would be appointed by the President indicates that we are injecting politics into a matter which should be a medical-professional operation. Is that not correct? Is that the conclusion that the committee came to?

Mr. CARTER. I do not think there will be any political considerations whatever in this case. No President would appoint a person to such a panel for a political reason.

Mr. GUDE. I mean the appointment of the Director by the President, whereby he would be reporting directly to the President. In other words, I am concerned over the precedent that would be set by making the director of the program a Presidential appointee as this tends to imply that the program, while at NIH, is basically a policy rather than a scientific function and, therefore, a matter for political determination.

Furthermore, since the agency's budget may eventually exceed that of NIH, such an arrangement would introduce competitive lines of communication and command. The outcome of such a scheme would be disastrous—its potential for undermining the scientific integrity of NIH and the authority of its Director seems inescapable. What I want to stress is that instead of fragmenting our work to date, the national cancer attack program will build upon the existing strengths of the National Cancer Institute which I believe is the best and most expedient means to our goal. I hope I have made myself clear.

Mr. CARTER. What it does is make the channels more direct between the President and the National Cancer Institute, and that is exactly what we wanted.

Mr. STAGGERS. Mr. Speaker, I yield 1 minute to the gentleman from Washington (Mr. ADAMS), a member of the committee.

Mr. SPRINGER. Mr. Speaker, I will yield 3 additional minutes to the gentleman from Washington if he will allot that time.

Mr. ADAMS. Does the gentleman from Rhode Island have any time? If not, I will yield the gentleman from Rhode Island 1 minute of that time, if I might, which will leave me, as I understand it, with 4 minutes.

Mr. SPRINGER. Mr. Speaker, I yield the gentleman from Washington 2 minutes only.

Mr. ADAMS. And you will yield 1 minute to the gentleman from Rhode Island, so I will have 1.

The SPEAKER pro tempore. The gentleman is recognized for 2 additional minutes, or 3 minutes.

Mr. ADAMS. I thank the Chair.

Mr. Speaker, I would simply say to the House that we cannot possibly have a debate under these circumstances, and no one who is going to vote one way or another on this is going to be accused of being for or against cancer. That is ridiculous.

The Senate and House bill approaches, however, are completely different. The President of the United States came to this House and to the Senate and said he wanted a separate agency based upon the recommendations of a special panel that has worked on this problem for months. That panel included doctors and scientists as well as prominent lay people. The panel recommendations in a bill went first to the Senate and a compromise was made there to keep the agency within the National Institutes of Health but at the same time to have direct authority to go to the President. That is the cancer bill.

This bill before the House today is simply an NIH reorganization bill.

The President said he wanted direct authority, and he does not have it in this bill. This issue involves Government organization. It is very much organizational, and it should be determined in this House. When one says that everybody in the medical and scientific community is in agreement on this bill, that is nonsense. The medical and scientific community are split, and I will tell you how it is split.

Mr. Speaker, the medical community is split as to how to best approach this problem. Those who treat cancer and are involved in clinical research favor the bill, S. 1828, and if we come before this House under a rule, I would offer that bill as a substitute.

Mr. ROGERS. Mr. Speaker, will the gentleman yield? I am sure the gentleman does not want to leave the wrong impression.

Mr. ADAMS. I am giving the impression that I got from talking with the various parties concerned.

Mr. ROGERS. Well, it is my opinion that the gentleman's impression is incorrect.

Mr. ADAMS. Mr. Speaker, the biomedical community wants to keep things as they are. The subcommittee attempted to make a further compromise on S. 1828, and I think the gentleman will agree with me as to what that compromise is. It states that the Director of the Cancer Agency will not report to the President but to the Director of the National Institutes of Health.

The second thing that will happen is in the budgeting authority. Under the Senate-passed bill the budget goes directly to the President of the United States and the Office of Management and Budget, like any other independent agency, and money is allocated back in similar fashion.

In this bill, however, there are comments on the budget to be made by the National Institutes of Health and by the Department of Health, Education, and Welfare as the budget proposal progresses, and if you know the system, you know that when someone comments, it can sit on their desk for a long period of time of they oppose it.

Mr. Speaker, I know that the gentleman from Kentucky (Mr. CARTER), and the gentleman from Kansas (Mr. ROY) and many others have spent a great deal of time and hard work on this bill, but let us not kid ourselves that this is a noncontroversial bill. It is controversial not in terms of attacking cancer, but in terms of what should be done. You will have the Senate-passed bill, a bill which was passed by a vote of 79 to 1, that includes what the President of the United States proposed, or you are going to have a different bill which elevates a number of institutes within the National Institutes of Health and is in effect, just a reorganization of the National Institutes of Health.

So, Mr. Speaker, I hope we will vote down the bill.

Mr. SPRINGER. Mr. Speaker, I yield 1 minute to the distinguished gentleman from Rhode Island, a member of the subcommittee (Mr. TIERNAN).

Mr. STAGGERS. Mr. Speaker, I yield to the gentleman from Rhode Island 1 minute.

Mr. TIERNAN. Mr. Speaker, I want to take this opportunity to thank both the ranking minority member of the committee and the distinguished chairman of the committee, the gentleman from West Virginia (Mr. STAGGERS), for giving me this time.

I do want to say that the chairman of the subcommittee and the members of the committee have worked very hard to come out with legislation that is needed in this field of great urgency.

However, I think the Members of the House should have in mind what is really happening.

The panel that was appointed under the Senate resolution made specific recommendations as to how we were going to find the cure for cancer in the seventies as the President of the United States has said. The recommendation by that panel was that the Cancer Institute be made an independent agency directly under the President of the United States and that the funds for that agency would be directly appropriated by the President and that these funds would not be transferred to the Director of the National Institutes of Health.

Mr. Speaker, the Senate made a slight compromise in that request because there was some opposition to the bill in the Senate. What they did was to keep the Institute for Cancer within the structure of the National Institutes of Health. They kept it there but they said that it would be under the direct control of the President of the United States so that the President could achieve the cure for cancer in the seventies, or if he did not, we would know why he did not do that. That was the compromise that was struck in the Senate in order to meet these conflicting interests of the National Institutes of Health and what the President of the United States wants.

I tried to get out of the ranking minority member the fact that the President wanted the Senate bill. So now, what has happened?

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SPRINGER. Mr. Speaker, I yield 1 minute to the gentleman from Texas (Mr. PICKLE).

Mr. STAGGERS. Mr. Speaker, I yield 1 additional minute to the gentleman from Texas (Mr. PICKLE).

Mr. PICKLE. Mr. Speaker, I thank the gentlemen for yielding me this time.

Mr. Speaker, as a member of the Commerce Committee, I supported H.R. 11302 on final passage in the committee. However, before I voted for this bill, I voted for the amendments to this legislation which were defeated. I also voted to substitute the Senate bill for H.R. 11302. The House committee bill is a good bill, but I don't think it goes far enough fast enough. It is regretted that this bill comes before us today on suspension calendar where we can neither amend nor substitute.

Everybody is against cancer—the argument is how to fight it, how to direct the attack, how to either rearrange the present machinery or build another mechanism for carrying out the fight.

I submit that the American public does not care so much about the "how" of our legislation; I submit that the American people want to know about the "when."

It is clear to me that we need to get away from some of the fancy reasons and get down to a basic decision. The question before us is clear. The scientific community is split on the "how."

Reflecting on one side of the split, the Senate version would create an independent agency within the National Institutes of Health and would have the Director report to the President. Some of us on the committee voted for this Senate version, which I had originally cosponsored.

On the other side of the argument, the House version requires the Director to report to the Director of the National Institutes of Health. The House version also creates a Cancer Attack Panel, which is designed to be a buffer of consultants who report to the President on various activities of the National Cancer Institute.

In an attempt to heal the breach, I offered an amendment in committee that was neither bold nor imaginative—the main thing that I can say for it is that it makes sense. The amendment I offered would do both.

The amendment I offered in committee and had intended to offer during floor debate would keep the cancer work within the framework of the National Institutes of Health but would give the President the flexibility to require the Director to report directly to the White House, if needed. I think this amendment keeps the best of both measures.

The amendment I planned to offer reads as follows:

> On page 14, line 16, after the word "and" insert the following: "except to the extent that the President may from time to time otherwise direct."

I think this is a blending of the two aproaches now being offered in the House and Senate. Both approaches have a great deal of merit.

My amendment had the general support of the administration, the American Cancer Society, the panel of cancer consultants appointed by the Senate Labor and Public Welfare Committee to recommend the best approach in fighting this insidious disease, the Secretary of HEW, and of the cancer hospitals and clinics in the United States.

Let us back up and restate both basic positions in straightforward terms. The Senate version, in effect, would create an independent agency within the National Institutes of Health with the Director required to report to the President. The House committee version would require the Director to report to the Director of the National Institutes of Health, and also would create a cancer attack panel which is supposed to be a buffer consultant group which would report to the President on the activities of the National Cancer Institute.

The House version recognizes the merit of 33 years of research already on the books at NIH. In the last three decades, the Government scientists have served up good—and dramatic—breakthroughs in finding the cause and cure of many diseases. Our scientists have developed data which private research has assimilated and amplified along the same lines.

But the fact remains—the progress on cancer has been painfully slow. The movement at times has been barely discernible. Yet we know that cancer is the one disease most feared by the American public.

It was this fear, this cry for help, this indignation over delay, which prompted the President to make his pledge to pump new money, new initiative, and new priorities into the search for the illusive cure.

I am neither pointing nor wagging a finger at anyone. Instead, I am trying to put into words the great restlessness, the great uneasiness that pervades our Nation. Let us bring cancer out of the shadows. Let us find a cure. Let us settle this procedural question and give the scientists the money they need so they can more efficiently get to work.

I regret, Members of the House, that the committee did not adopt an amendment that I had offered in committee which I had hoped would have been a compromise between the Senate and the House versions. It would have changed the language to read that the Director of the National Cancer Institute would report to the NIH "except to the extent that the President may from time to time otherwise direct."

I think that would have kept the major thrust in the NIH, but still would allow the President to step in and give some direction. As it is, the President has no real direction except perhaps either through the budget or the cancer attack panel. The question is, Is that control? I submit to you that is not control because the cancer attack panel is a sort of a floating committee that has no authority other than to run to the President and tell him what has happened. One member of the committee said that this ought to be called the "floating cancer" bill, because the cancer attack panel is floating off in the medical ozone, and has no power except to run to the President and sort of tattletale to him, and say "We think this is something you ought to know."

There is little communication. It is telephone line communication; that is about all. I wish we could have combined both the versions of the House and the Senate, and I think if we had started a little earlier before commitments had been made, that this probably could have been brought about because both the House and the Senate versions are very, very fine legislative bills, and they should both be commended for the work they have done on field.

But I submit to you the hope, as this bill goes to conference, that they will give consideration to the language I suggest, that says that the Director of the National Cancer Institute would report directly to the NIH "except to the extent that the President may from time to time otherwise direct." That is a good and sensible compromise. If that language was adopted, the fight would be over.

The SPEAKER pro tempore. The time of the gentleman has expired.

Mr. SPRINGER. Mr. Speaker, I yield 2 minutes to the distinguished gentleman from New York (Mr. HASTINGS).

Mr. HASTINGS. Mr. Speaker, the question has been raised as to whether the President actually supports this proposal and is in favor of this proposal.

I would like to read into the RECORD from a release from the White House of May 11, 1971, when the President gave his national health message, and this was prior to the passage of the Senate of their bill, and prior to the House giving consideration to the cancer bill.

The President said:

> In the past the National Institutes of Health have had considerable success in fostering coordination and cooperation and, in the process, they have earned both the respect of the scientific community and the gratitude of thousands who live happier and healthier lives because of NIH successes. It is for this reason that I have asked the Congress to establish a cancer cure program within the National Institutes of Health, where it can take the fullest advantage of other wide-ranging research.

The President, unfortunately, in consideration of the Senate bill did not have the advantage of knowing that this House would come up with this superior piece of legislation—and in fact that is what this House of Representatives has done.

Mr. ADAMS. Mr. Speaker, will the gentleman yield?

Mr. HASTINGS. I cannot yield to the gentleman from Washington, since I do not have time to do so, and the gentleman knows that I gave him 3 minutes of my time.

The House at this time should support the House of Representatives in the position it has taken in this matter over the Senate version, because I believe that a compromise has been assured.

I have received telegrams from many medical and scientific groups in my State of New York who say that the time has come to pass the best bill available, and that is the compromise version that the House has brought out.

I might point out that the New York Times and the Washington Post—newspapers I do not always agree with, and they do not always agree with my position—and many other major newspapers in the United States support the approach taken by the House in the cancer attack legislation.

I believe that without any hesitation it can be said that this bill is in fact the best compromise possible after many, many months of work, and it should receive the unanimous support of the House of Representatives.

Mr. STAGGERS. Mr. Speaker, I yield 1 minute to the gentleman from Florida (Mr. PEPPER).

(Mr. PEPPER asked and was given permission to revise and extend his remarks and include extraneous matter.)

Mr. PEPPER. Mr. Speaker, I am no enemy of the National Cancer Institute because I was one of the cosponsors of the bill in 1937 setting up that Institute.

However, I would prefer the bill passed by the Senate and supported by the administration, and I introduced that bill in the House. However, I do feel this committee and the subcommittee headed by my able friend, chairman of the Health Subcommittee, the gentleman from Florida (Mr. Rogers) have approached to a large degree the course that it is necessary to take in order to eliminate three weaknesses of the National Cancer Institute in the past:

First, the lack of adequate money;

Second, the business-as-usual bureaucratic approach to the program, and

Third, the lack of adequate and effective direction and coordination at the top.

Mr. Speaker, I hope that further progress can still be made in conference on this bill and if we do not achieve a determined and effective campaign against this terrible killer, cancer, this committee will produce additional and amending legislation next year which will exert the full effort of this Nation to find the cause and cure of cancer.

Mr. Speaker, one of the inadequacies of the National Cancer Institute which has in my opinion diminished the success of the Institute has been the lack of funds sufficient to meet the challenge of this complex and awful disease.

As I said, I was one of the authors of the bill adopted in 1937 to set up the National Cancer Institute.

Thereafter, the appropriations for the fiscal years following were as follows:

| | |
|---|---|
| 1938 | $400,000 |
| 1939 | 400,000 |
| 1940 | 570,000 |
| 1941 | 570,000 |
| 1942 | 565,000 |
| 1943 | 535,000 |
| 1944 | 530,000 |
| 1945 | 561,000 |
| 1946 | 549,000 |

On January 8, 1947, I introduced in the Senate S. 93, which is described in the Digest of General Public Bills as a bill:

> To authorize and request the President to undertake to mobilize at some convenient place or places in the United States an adequate number of the world's outstanding experts and coordinate and utilize their services in a supreme endeavor to discover means of curing and preventing cancer.

I, as chairman of a subcommittee of the Senate Education and Labor Committee, held lengthy hearings on S. 93 in which some of the outstanding authorities of the country appeared in behalf of my bill—which was cointroduced in the House by former Senator M. M. Neely. Due to our combined efforts to bring to the consciousness of the Congress and the country the momentous challenge of cancer, we obtained an appropriation for fiscal 1947 of $1,821,000 for cancer research.

Under the impetus of all the efforts made to try to mount a meaningful and effective campaign against cancer, the Congress almost without exception provided an increasing amount in each succeeding budget to fight cancer. The appropriations for the fiscal years 1948 through 1972 were as follows:

| | |
|---|---|
| 1948 | $14,500,000 |
| 1949 | 14,000,000 |
| 1950 | 18,900,000 |
| 1951 | 20,086,000 |
| 1952 | 19,657,000 |
| 1953 | 17,887,000 |
| 1954 | 20,237,000 |
| 1955 | 21,737,000 |
| 1956 | 24,978,000 |
| 1957 | 48,432,000 |
| 1958 | 56,402,000 |
| 1959 | 75,268,000 |
| 1960 | 91,257,000 |
| 1961 | 111,000,000 |
| 1962 | 142,836,000 |
| 1963 | 155,742,000 |
| 1964 | 144,340,000 |
| 1965 | 150,011,000 |
| 1966 | 163,768,000 |
| 1967 | 175,656,000 |
| 1968 | 183,356,000 |
| 1969 | 185,149,000 |
| 1970 | 190,362,500 |
| 1971 | 230,383,000 |
| 1972 | 337,531,000 |

(This includes the $100 million requested by the President and provided by Second Supplemental for 1971)

All these appropriations add up to the figure of $2,619,976,220.

This is a lot of money, but, Mr. Speaker, that amount of money covers the period from 1937 through 1972, a period of 35 years. I ask the question: If we had done more beginning in 1938 and each year thereafter than we did, might we not be nearer to finding the cause and cure of cancer than we are today? And might not many lives which have been tragically and terribly lost in those intervening years have been saved?

The reason we have not had more adequate funds during all those intervening years is partially due to the procedure which has had to be followed in order to get funds. The Director of the National Cancer Institute had to submit his budget to the National Institutes of Health which had to evaluate the cancer request with all the other competing claims on the NIH. When the Director of the National Institutes of Health settled upon a figure which he could recommend, then the matter had to go to the Department of Health, Education, and Welfare, or the comparable department. And again the claim funds for research in cancer had to meet the competition of all the other demands on that department. When that department determined how much it could approve, the matter then had to go to the Bureau of the Budget and the cancer request had to meet the same competition with all the claims that the budget had to consider.

At every stage the funds for cancer research were cut, and research to find the cause and cure for cancer suffered, and people suffered and died in vast numbers all over America.

The bill passed by the Senate and supported by the administration would have put the direct responsibility for adequate funds for cancer research upon the President of the United States, bypassing all these other impediments which such requests, even now, have to meet. That is the reason that I favor and think we should have enacted the Senate bill supported by the President, who was willing—indeed requested—this responsibility and opportunity.

The Interstate and Foreign Commerce Committee through its able Health Subcommittee has chosen not to follow the route pursued by the Senate and recommended by the President, but it does provide that the budget request of the Director of the National Cancer Institute shall go directly to the President and that the Director of the National Institutes of Health and the Secretary of Health, Education, and Welfare can only make comment upon and cannot deny this budget request.

Furthermore, this bill provides that there shall be a presidential panel to report to the President periodically upon the progress being made in cancer research. Also this bill provides for additional competent staff in the agency which can be used to evaluate all of the research and the work being done by the agency in research to bring it all closer together and make it more meaningful, one part with another. This too is good.

Moreover, perhaps the greatest contribution of the pending bill, as also of the bill passed by the Senate and recommended by the President, is to give to the Congress and the country and to those who are working in the field of cancer research an awareness of the emergency, a sense of the imperative motivation which must guide this research.

While I am disappointed that our committee has not chosen to follow the Senate bill, I do commend the committee for having broadened immeasurably the scope of the National Cancer Institute and its opportunity for finding the cause and cure of cancer. As I said, I hope further progress can be made in conference with the other body and that the distinguished Committee on Interstate and Foreign Commerce will keep this matter under immediate and the most concerned review and see to it that through this measure and any amendments that may be necessary there will be adequate funds for all that can be done to find the cause and cure of cancer and that effective administration of that effort and a sense of urgency comparable to the tragedy that cancer imposes on the people of this country will actuate their efforts.

Mr. Speaker, I very much hope that the distinguished Committee on Interstate and Foreign Commerce will now proceed to make changes in the structure and operation of the other Institutes in the National Institutes of Health in a manner comparable to the improvements which this bill makes over the existing law relative to the National Cancer Institute. And to begin such an effort I am introducing a bill to make such changes in the National Heart Institute. I hope my bill will receive concerned consideration from the distinguished Interstate and Foreign Commerce Committee at the earliest possible time.

Mr. STAGGERS. Mr. Speaker, I yield 1 minute to the gentleman from New York (Mr. Rooney).

(Mr. ROONEY of New York asked and

was given permission to revise and extend his remarks and include certain testimony.)

Mr. ROONEY of New York. Mr. Speaker, I realize there is not a single Member of this body who is opposed to the speedy solution and cure of cancer. This is a subject I have been interested in since the 80th Congress, 24 years ago, when I introduced a bill then known as H.R. 292.

Further, I have been a victim of the dread cancer. I had lung cancer and was successfully operated on for it at the U.S. Naval Medical Center in Bethesda.

So you see, I have some familiarity with this subject.

The bill I wish to become law is not this pending bill. I am going to vote against suspending the rules and against this bill, H.R. 11302. I support a bill that passed the other body practically unanimously, to wit, 79 "ayes" and 1 "no." That was the bill the President wanted. This is the bill known as S. 1828, which everybody who is really interested in this subject wants—not the pending bill.

On Thursday, September 16, 1971, I testified before the Subcommittee on Public Health and Environment of the House Committee on Interstate and Foreign Commerce. I shall call to your attention the testimony I gave at that time:

> Thank you, Mr. Chairman and distinguished members of this subcommittee. I am truly pleased to be able to appear before you this morning on behalf of House Concurrent Resolution 2 which calls for the mobilization of our resources into a national crusade against cancer and expresses the sense of Congress:
>
> "That sufficient funds be appropriated necessary for a program of cancer research and for the buildings and equipment with which to conduct the research and for whatever other purposes are necessary to the crusade so that citizens of this land and all other lands may be delivered from the greatest medical scourge in history."
>
> Twenty-four years ago, in the 80th Congress, I introduced H.R. 292, the first of many bills I have introduced over these many years calling for a national drive to eliminate cancer. Now, you might think that one would get discouraged coming back to the same subject so often; but I am not. I was heartened in the last session of the Congress when my resolution, House Concurrent Resolution 675, making it the sense of Congress that a national crusade against cancer be launched, was passed by the House on July 15, 1970, passed the Senate, amended, on August 28, 1970, and the House agreed to the Senate amendments on September 30, 1970, marking final adoption. I was also heartened when the President asked for an extra $100 million this year to financially launch the campaign that so many of us have sought for so many years. And this $100 million, while it startles some people perhaps, is just a fraction of what cancer is costing our people today.
>
> Mr. Chairman, I am sure I need not acquaint the members of this committee with the vileness of cancer and its accompanying unrelenting statistics. I would be what they call a competent witness on the subject since I suffered from lung cancer and was successfully operated on for it at the U.S. Naval Medical Center in Bethesda in 1966. Even so, I feel it is good for all of us to realize that over the days as we formulate an urgent bill on this subject for action by the House of Representatives, Americans will die of cancer at the rate of about 1,000 per day. Of the 200 million Americans alive this minute, one-quarter of them, or 50 million Americans, will contract cancer, and of that ill-fated group, more than half will die. Many, many of these deaths will be accounted for by children and young people for, contrary to supposition, cancer is not a disease that comes with aging. It kills more young people and children than any other disease.
>
> In 1969 (the year of the latest figures available) 323,330 persons died of cancer in this country. An estimated total of 964,000 persons in all were under treatment for cancer of one type or another. An approximate $1.8 billion was spent that year for direct costs of the treatment, such as hospital care, nursing home care, and physician and nurse services. A total of 175,000 man-years of productivity accounting for another $1.2 billion were lost that same year as a result of illness or disability of members of the working force as a result of their having cancer. Although these figures are estimations at best, the National Cancer Institute figures that total economic costs of cancer, including estimated direct expenditure, indirect cost of morbidity, and present value of lifetime earnings, amounted to approximately $12.3 billion in that 1 year. I am sure I do not really have to point out that these figures would be extremely low today in view of the skyrocketing costs of hospital and medical care and other segments of the cost of living—and dying.
>
> Why then has it taken so long to come to the point we are at today? Well, perhaps it is because until now we were not capable of what we propose here today. Our scientific knowledge and technology grows in quantum jumps and has done so unheralded over the years until we now are at the point where we approach the very real goal of a major breakthrough on the cure of cancer. Cancer unfortunately, has been with us since time immemorial but until as recently as 25 years ago there was little or no headway made. In fact, it is only within very recent memory that people started to even mention it as a cause of death.
>
> But we find now, that although the death rate from the various forms of cancers goes on inexorably climbing, we also have begun to crack some of the mysteries surrounding the disease. Radiotherapy and surgery are recording advances never before dreamed of, and even more promising is the field of chemotherapy which has made great progress in the treatment of leukemia and is showing promise in lung and other cancers.
>
> In recent days we have noted reports in the newspapers of advances in the treatment of Hodgkin's disease. There have also been recent discoveries in the areas of viral, genetic, and hereditary research, which are very promising according to the leading experts in the field.
>
> In short, the goal is within our reach. We have the beginnings of the know-how; we have the financial resources; we have the impetus and Lord knows we have the desire. What we need now is the vehicle.
>
> Until now, Mr. Chairman, cancer research activities have been, in many areas, uncoordinated, and it is the feeling of many experts in the field of cancer study that the bill, S. 1828, would do much to correct this picture. S. 1828 would create a semi-independent agency within the National Institutes of Health which would provide a fresh approach to the control and management of our cancer program. The Conquest of Cancer Agency, as it would be called, would be financially and administratively independent of the director of the National Institutes of Health, but he would serve on the Advisory Council of the agency and play a part in budget matters before the proposed budget was presented to the President and the Congress. He would be joined on the board of the Advisory Council by the Secretary of Health, Education, and Welfare and the director of the Office of Science and Technology.
>
> Section 407 of the Senate-passed bill, S. 1828, would assure that cancer research stay under the National Institutes of Health, while at the same time guaranteeing it the authority and autonomy to prevent funds being diverted from it. I am sure, Mr. Chairman and members of the committee, that you are all familiar with the report of the National Panel of Consultants on the conquest of cancer prepared for the Committee on Labor and Public Welfare in the other body. The findings of that esteemed group are basically contained in the bill, S. 1828, and I think, therefore, that that bill deserves favorable consideration by this committee.
>
> I thank you, Mr. Chairman and members of the committee, for your patience and courtesy in listening to me today.
>
> Mr. Rogers. Thank you so much for giving us your time and giving us your viewpoints, which certainly will be considered by the committee.
>
> Mr. Kyros?
>
> Mr. Kyros. Thank you, Mr. Chairman. I want to welcome my good friend from New York for whom I have the greatest respect. I think your testimony has been helpful.
>
> In the Senate-passed bill, is it necessary to obtain the advice and consent of the Senate? Don't you think it would be better not to have that proviso in there, Mr. Rooney?
>
> Mr. Rooney. I think that could be worked out. That is a matter that could be satisfactorily arbitrated.
>
> Mr. Kyros. That particular point?
>
> Mr. Rooney. I listened to your discussion with the Senator from Wisconsin on this very same point.
>
> Mr. Kyros. So you think that part could be modified?
>
> Mr. Rooney. I think so.
>
> Mr. Kyros. Thank you very much. I am delighted to see you here this morning.
>
> Mr. Rogers. Mr. Nelsen?
>
> Mr. Nelsen. I want to say thank you, Mr. Rooney, for your usual fine presentation. I noted your reference to having been a victim yourself. My son 7 years ago was at the Mayo Clinic with a brain tumor. Today he is in good health and looks just great. So I have a similar interest, with one of my family having been a victim.
>
> So I, too, join with you in the hope that in these things where there appear to be some differences of opinion as to the detail of the bill that we can work it out as you suggest. Thank you so much.
>
> Mr. Rooney. It is principally a question of getting the show on the road.
>
> Mr. Rogers. Are there any other questions? Thank you so much for your presence.

Mr. STAGGERS. Mr. Speaker, I yield 1 minute to the gentleman from Maine (Mr. Kyros).

Mr. KYROS. Mr. Speaker, actually the President is in favor of the bill before the House today and the reasons are very clear and simple.

This bill does not dismantle the National Institutes of Health, the same National Institutes of Health which you just heard a minute ago helped our colleague (Mr. Rooney) to be alive today.

Mr. ROONEY of New York. Mr. Speaker, will the distinguished gentleman from Maine yield?

Mr. KYROS. I yield to the gentleman.

Mr. ROONEY of New York. No; I give the credit for being alive today to the U.S. Navy.

Mr. KYROS. Thank you, but I am sure that research from the National Institutes of Health also helped.

Furthermore, this bill provides direct access to the President. It is the bill supported by all medical schools, and by the American Medical Association, the American Hospital Association, the Association of American Medical Colleges, practically every significant scientific body in the United States, several recipients of the Nobel prize in medicine, and the heads of 72 medicine departments of medical schools throughout the country. All of these supported the concept of maintaining the Federal cancer research effort within the NIH, and all expressed opposition to the approach contained in the Senate-passed bill.

I want to take this moment to commend Members on both sides of the aisle, and particularly the gentleman from Florida (Mr. ROGERS), who in the face of a 79 to 1 vote in the other body, obtained after 3 days of hearings, nevertheless proved in a most deliberate manner in extensive and comprehensive hearings which sharply delineated the issue, what the relationship of the new agency should be to the NIH. Mr. ROGERS' painstaking efforts have, I believe, borne fruit in this well-shaped legislation.

I want also to single out my colleague, ANCHER NELSEN, of Minnesota, the ranking minority member of the Public Health Subcommittee, who assisted so ably in fashioning the National Cancer Attack Act.

Mr. SATTERFIELD. Mr. Speaker, there can be no doubt about the need for greater emphasis upon our efforts to determine the causes of and develop a cure for cancer. H.R. 11302 will fulfill that need by providing the most extensive and comprehensive attack on a single disease in the history of this Nation.

This measure was developed after the most careful and concerned consideration by the Subcommittee on Health and Environment of the Interstate and Foreign Commerce Committee. It represents a fine, realistic blend of the best aspects of existing research efforts in the National Institutes of Health and the more desirable suggestions of the administration to create a new concentrated effort in this field.

In considering the best method to administer the national attack on cancer program it was decided that it would be preferable to preserve existing interdisciplinary cooperation by utilizing, while strengthening, the National Cancer Institute rather than to create a new independent agency with its inevitable bureaucracy whose future relationship with the National Institutes of Health would have been a matter of grave doubt and whose very existence would have constituted an obvious threat to the future of the National Institutes of Health.

Accordingly, H.R. 11302 places directorship of the national attack on cancer in the hands of the Director of the National Cancer Institute, who is elevated to the position of Associate Director of the National Institutes of Health. In his capacity as Associate Director of NIH, the Director of the National Cancer Institute, is specifically charged with creating a national plan and developing an expanded intensified and coordinated attack on cancer.

The bill, in an effort to provide the degree of independence necessary for effective planning and development provides, first, that the Director of the National Cancer Institute shall be appointed directly by the President of the United States. Second, that the Director of the National Cancer Institute shall prepare and submit a budget directly to the President of the United States with comment, but without change, by the Secretary of Health, Education, and Welfare, the Director of the National Institutes of Health and the National Cancer Advisory Council. Third, that all funds appropriated by Congress for obligation and expenditure by the National Cancer Institute shall be delivered directly from the President and the Office of Management and Budget to the Director of the National Cancer Institute. Fourth, for a total of $1.5 billion to be expended for this purpose during the next 3 fiscal years in order to provide significant direction to the attack on cancer.

By designating the Director of the National Cancer Institute to head the attack on cancer program and by keeping its administration within the National Institutes of Health, H.R. 11302 will assure a continuation of the interdependence between the several disciplines within NIH which are so essential to success. This will make possible an enlargement in the base for research—including cancer—and the capability to maintain a free exchange of information and ready availability of findings between cancer research and all other biomedical research efforts.

In order to provide effective oversight by the President of the United States, H.R. 11302 will establish a three-man President's cancer attack panel to consist of at least two distinguished scientists and a qualified layman if the President so desires. This three-man panel will appraise the national cancer attack program, monitor and develop its execution, identify and report any delays or blockages in its functioning and report in every instance directly to the President of the United States. The panel is directed to report directly to the President on any other matter when requested and is charged with the duty to make an annual evaluation of the program and to forward it to the President together with suggestions and recommendations for improvements.

To reinforce the capability of the Director of the National Cancer Institute to effectively implement the program, H.R. 11302 would preserve the expert knowledge and experience of the National Cancer Advisory Council by retaining that body not only to perform its usual functions but when called upon, to counsel and advise him when necessary to obtain the maximum benefit from any new scientific or technological finding. In conjunction with this provision is the express direction to utilize existing peer groups or to create others when needed and thus to assure the retention of the existing scientific peer review system.

Furthermore, H.R. 11302 will expedite procedures for the approval of grants. Specifically it will authorize the Director of the National Cancer Institute to make grants in amounts not to exceed $35,000 after appropriate review for scientific merit by a peer group only and to make grants in excess of $35,000 after appropriate review for scientific merit and recommendation by the National Cancer Advisory Council.

In an effort to help bridge the gap between research and treatment, H.R. 11302 will authorize the establishment of 15 new centers for clinical research training and demonstrate advance diagnostic treatment methods relating to cancer which when added to the eight centers now authorized will bring the authorized total to 23 to be distributed on a geographic basis across this country. Hand in glove with this effort the bill will direct that the Director of the National Cancer Institute shall reestablish those cancer control programs which were phased out for fiscal reasons in 1970. For this purpose it will authorize appropriation of $90 million over the next 3 fiscal years.

Another important provision which is essential to successful planning, development and operation of the national cancer attack program lies in authority which the bill will vest in the Director of the National Cancer Institute to obtain the services of not more than 50 experts or consultants who have scientific or professional qualifications essential to the program.

This bill is a realistic one which adequately expresses the commitment of Congress and the people of the United States to provide a well funded flexible program which will ultimately produce success in conquering this terrible disease.

Mr. FOUNTAIN. Mr. Speaker, I am pleased to learn that the distinguished chairman of the Subcommittee on Health and Environment (Mr. ROGERS) has offered a committee amendment to strike certain personnel provisions contained in H.R. 11302. Section 5 of the bill would amend title IV of the Public Health Service Act to provide for elevating the Director, National Institutes of Health, to executive level III, and the two NIH Deputy Directors as well as three Institute Directors to executive level IV.

This is a matter of great concern to the Intergovernmental Relations Subcommittee which has been working for many years to obtain more rational administration in the National Institutes of Health and to increase the efficiency of NIH, the Public Health Service, and the Department of Health, Education, and Welfare. The subcommittee staff has worked with the staff of the Manpower Subcommittee headed by my able and distinguished colleague from North Carolina (Mr. HENDERSON), to remedy the unsuitable personnel provisions included in H.R. 11302.

Mr. Speaker, I can understand the temptation to emphasize the importance of the national cancer attack program by elevating the grade and pay level of its Director. However, to extend this same reasoning to five additional positions in NIH does violence to the relationship of these administrators to their superiors in the Public Health Service and in the Department, as well as to civil service concepts in general.

As proposed in this bill, the NIH Director would be elevated to executive level III, the same level as the Under

Secretary of Health, Education, and Welfare. In addition, five other NIH officials would be elevated to level IV, the same level as the Assistant Secretary for Health and Scientific Affairs—the official to whom the NIH Director and other top officials of the Public Health Service report. It should be obvious that this is an irrational structure and cannot be justified. It would not be conducive to sound public administration.

Mr. Speaker, I cannot support a provision of this kind which would create a subordinate position in the Public Health Service at a level equal to the Undersecretary of Health, Education, and Welfare, and five even more junior positions at the same executive level as the Assistant Secretary who has responsibility for the entire Public Health Service.

We would have great difficulty in explaining such a gross distortion of the Federal civil service structure to our constituents. I believe there is something radically wrong if the Federal Government must offer subcabinet salaries to attract scientific, professional, and administrative personnel to an operating unit within the Department of Health, Education, and Welfare.

I make no judgment on whether higher salaries may be justified for some individuals in the Public Health Service. If this is the case for the Director of the Cancer Institute in the event that the Congress should enlarge his responsibilities, such action may be justified in that case.

Mr. Speaker, I should like to point out that one of the NIH Institute Directors for whom a higher salary level is proposed in this bill is presently under investigation by the Intergovernmental Relations Subcommittee. It is alleged that this official, as well as a number of other NIH officials, have engaged in irregular travel expense practices. While our investigation has not been completed, I can report that the official in question has spent a total of 5 months during the past 2 years at his cottage in Woods Hole while being paid $25 a day per diem. The explanation offered by the official for such prolonged absence from his office at the National Institutes of Health is that it is important for him to have time to conduct his personal research and to have sufficient leisure to read the scientific literature.

I make no judgments at this time on the validity of his claims. What I think is significant in the context of the legislation before the House today is that the Director of a large Institute at NIH apparently feels that his full-time attendance is not required at the Institute in order to discharge his duties. If this is the case, Mr. Speaker, it raises a serious question as to whether the Congress has created too many separate Institutes at NIH and has overstaffed them for the programs being performed. An alternative conclusion might be that some of the officials responsible for carrying out the health research programs authorized by the Congress are not doing as vigorous a job as we in the Congress intend when we authorize these programs and appropriate funds to carry them out.

Mr. JOHNSON of California. Mr. Speaker, I rise today in support of H.R. 11302, the National Cancer Attack Act of 1971. First of all, I think it is clear to all of us that a massive assault must be mounted on this dread disease which kills thousands of Americans of all ages and from all walks of life each year.

Cancer affects one out of every four individuals in this Nation. More than 51 million Americans now living will develop some form of cancer, and unless a cure is discovered soon, 34 million of these will die of that disease.

On an annual basis the death toll from this disease averages some 330,000 Americans.

A national panel of consultants has made an exhaustive study of the threat which this disease poses to our Nation and has concluded that a major systematic attack on cancer is feasible and victory can be achieved if we embark upon this crusade now.

The question is not whether to proceed but how.

The distinguished Committee on Interstate and Foreign Commerce, under the leadership of its chairman, Congressman STAGGERS of West Virginia, conducted exhaustive hearings on this legislation earlier this fall and the recommendations which we have before us today reflect the committee's vision as to how best the cancer research can be conducted to fulfill a national commitment to find a cure for the disease.

The National Cancer Attack Act of 1971 reflects the findings of the scientific community already working on this disease for they were particularly concerned about preserving the essential exchange among the scientific disciplines within the National Institutes of Health. Therefore, the proposal set before us builds upon existing strengths of the National Cancer Institute, increasing its authorities, funding, and other resources, and placing the responsibility of meeting this challenge in the hands of an Associate Director of the National Institutes of Health. The mandate given to him by the Congress and the President is to coordinate all cancer-related research, inside and outside the Federal Government, and wage a comprehensive attack upon cancer to achieve the goal which we all seek, namely, the conquest of cancer.

As a sponsor of the Conquest of Cancer Act, I support the committee's recommendations wholeheartedly and urge that we enact this legislation today and get on with the challenge.

Mr. BURKE of Florida. Mr. Speaker, I was especially pleased to join with those of my colleagues who supported H.R. 11302. Cancer is one of the most feared of all human maladies. The pain, suffering, and grief caused by this disease are monstrous. It is estimated that 345,000 Americans will die this year from cancer. It is further estimated that 600,000 new cancers will be diagnosed in the coming year.

The basic understanding of cancer's causes and its cure is still an elusive goal. Man's counterattack against it has produced victories of a sort; 40 years ago, less than one-fifth of all known victims survived 5 years after diagnosis but now one-third live at least that long. Five years of life after diagnosis is hardly a great victory. Five years anticipation of a slow certain death strains the moral fiber of the individual and tears at the heartstrings of all his family and friends. We have all seen or known people who have died of this dreaded disease and we all know its ravages before death.

President Nixon in a speech stated that—

> The conquest of cancer is one of the most important efforts of our time.

In his message to the Congress on the state of the Union on January 22, 1971, and again in a special message to the Congress concerning a national health strategy on February 18, 1971, he said he was determined to wage a successful fight against this dread disease; and called upon the Congress to appropriate an additional $100 million to support the effort.

Cancer is second only to heart disease in the number of deaths in this country. If the present incidence of cancer were to continue at the same rate, some 52 million Americans who are alive today will contract this disease. This means that cancer would strike one out of every four individuals in this country—and two out of every three American families. In the next 10 years alone, 3½ million Americans would die from cancer unless we stop it.

Needless to say all of us in the Congress are concerned with conquering this dreaded disease, but the issue is not whether cancer should be conquered but which will be the fastest way with the least expenditure of taxyayers' money.

The House and the Senate differ on this issue. The Senate feels that the medical profession knows enough about the disease to adopt a crash-program approach comparable to the Manhattan project during World War II. They proposed and passed legislation, S. 1828, on July 7 by a vote of 79 to 1 to provide for a National Cancer Institute which would lead an existence for all practical purposes divorced from the rest of the medical research establishment.

The House on the other hand feels that the scientific community who argue that not enough basic research has been done in basic cancer research have a valid point. A vast majority of scientists have testified that no single line of research can solve the problem, and that isolation of the cancer fight from the mainstream of biomedical effort not only will slow it down, but, also will weaken the other elements of NIH from which promising leads might come.

H.R. 11302, provides that the number of NCI research centers be increased from 8 to 23, that the process of awarding study grants be speeded up; and that a watchdog commission to oversee the expanded NCI be set up by the President.

I introduced legislation on May 18, 1971, H.R. 8525, to amend the Public Health Service Act so as to promote the public health by strengthening the national effort to conquer cancer. My bill provided for a cancer-cure program established in the National Institutes of Health. Further, the program, acting in coordination with the other programs and activities of NIH would have as its objective the conquest of cancer at the earliest possible time.

My bill in essence is the same as the House bill proposed by PAUL ROGERS. The mechanics of implementation are slightly different but the intent and method are the same.

Since 1947, the male cancer rate has climbed from 280 per 100,000 to 304, while the death rate has risen by nearly 40 percent. Black men are 65 percent more likely to suffer from cancer of the prostate than whites, 250 percent more susceptible to cancer of the esophagus. Black people are more cancer prone than whites. The only decrease in cancer has been in women. Since 1947 the incidence rate has dropped from 294 per 100,000 to 256. Fatalities among women have also declined dramatically, largely because of earlier detection of uterine cancer. Progress can be made; what is needed is more money and better organization. It is time that we stop talking and pass proper legislation to find cures for cancer. The vote on H.R. 11302 is a step forward. Now let us finish the job and end this dreaded disease.

Mr. DONOHUE. Mr. Speaker, I most earnestly urge and hope that the substantive objective of this national cancer attack bill, H.R. 11302, with strengthening amendments to perhaps bring it more in line with the measure already passed by the Senate, will be overwhelmingly approved by the House.

As is commonly known, cancer is truly the No. 1 health problem affecting the American people and the occurrence of cancer is, unfortunately, increasing.

In appreciation of the significance of such increase, together with the warning of the experts that the nature of cancer is not yet fully known, we have the clear legislative duty of enlisting and marshaling the most effective scientific resources in the country to win the fight against cancer.

The authorities tell us that there has been some encouraging progress in the war on cancer but a national and concentrated program is urgently needed now in order to more effectively pursue recent advances in diagnosing, curing, and eliminating cancer. Many of the experts who have been long and devotedly engaged in the fight against cancer tell us that this can best be done by making three significant improvements in the existing structure.

A national cancer agency and director must be set up, associated with the National Institutes of Health, but with independently defined authority and responsibility; a comprehensive national plan must be developed to project a cooperative and systematic attack on the terribly complex causes of cancer and adequate financial resources must be made available to speed the accomplishment of the overall purpose. These are the foundation improvements that this measure is designed to achieve and that we hope it will.

Mr. Speaker, the vital importance of the cancer solution problem to the American people is obvious. This measure, in itself and with suggested strengthening amendments, represents a most impressively organized and promising effort toward the earliest possible detection of and cure and elimination of cancer and it is unquestionably in the overriding national interest.

I know that the House will fully and carefully consider and exercise its most conscientious judgment on all the provisions of the bill and any proposed amendments and I am sure that the final action of the great majority of the Members will reflect a major forward step in our united march to victory over the scourge of cancer.

Mr. DULSKI. Mr. Speaker, I am delighted with the speed with which the House Committee on Interstate and Foreign Commerce has moved to consider legislation to deal with the massive attack on the scourge of cancer.

The subcommittee, chaired by the gentleman from Florida (Mr. ROGERS), held comprehensive hearings over a period of several weeks which included testimony from individuals representing all elements of the scientific, governmental, and the civic communities.

I was particularly gratified that the subcommittee chose to conclude its hearings with an onsite session in my home city of Buffalo, N.Y., where the subcommittee heard testimony from top research and clinical specialists of Roswell Park Memorial Institute, the oldest and one of the largest cancer institutes in the world.

During the midday recess of the hearing, the committee members were given a tour of key portions of the institute where they could see at first hand both the basic research and the treatment work being done in the field of cancer.

The visit of the subcommittee to Buffalo so impressed the members of the subcommittee that I had hoped some way could be found to have the entire committee as well as other Members see at first hand the work being done.

### CANCER EXHIBIT ARRANGED

Since it was impossible to arrange a visit of a larger group to Buffalo on short notice, I asked officials of Roswell Park Memorial Institute to assemble as quickly as possible a photographic exhibit which highlighted both the research and treatment work being done there.

Such an exhibit was brought to Washington a week ago and all Members were advised of its availability in room 210, Cannon House Office Building.

Dr. Gerald P. Murphy, director, and Dr. Edward A. Mirand, associate director, came to Washington for the day to provide expertise and counsel to the many individuals who took advantage of the exhibit.

The work at Roswell demonstrates perhaps better than many other examples the fundamental necessity that there be very close coordination and relationship between the basic research on cancer and the clinical treatment of patients.

That is, the scientists who are working in the laboratories on the purely technical side need to have close rapport with their colleagues who are utilizing the results of basic research in actual treatment of patients.

### RESEARCH, TREATMENT RAPPORT VITAL

Valid complaints have come to my attention that in some areas of cancer research, unlike at Roswell, this close coordination is lacking.

Indeed, one of the criticisms raised about the current operation of the National Institutes of Health is that it is too heavily oriented to basic research with application and dissemination of research results being a secondary consideration.

An example cited to me is that today—7 years after introduction of a good measles vaccine which was developed with federally funded research—there still are epidemics of measles and many deaths from measles, and the toll is increasing annually. I am told further that, ironically, children at the highest risk for measles are the least likely to be immunized.

Mr. Speaker, I was an original sponsor of the Conquest of Cancer Act and was gratified at the strong position of support which was given to the cancer attack program by the administration. The Senate, as has been pointed out, approved a modified Conquest of Cancer Act.

The pending bill seeks to deal with the problem of cancer in a somewhat different fashion than the Senate-passed bill.

### HOPEFUL FOR COMPROMISE

As one who has been supporting and seeking support of others for cancer research ever since I came to Congress in 1959, I am very hopeful that the conflict between the House and Senate versions will not wind up in a stalemate.

In view of the strength of support for the House measure in the House committee, I am in full support of H.R. 11302. I hope sincerely, that in the House-Senate conference a final version can be worked out expeditiously so that the massive drive against cancer can get underway without further delay.

Neither the pending bill nor the Senate bill is perfect, but they both go a long way toward doing a job of attacking cancer with all the vigor the great resources of our country can muster. My interest is in results.

One of the important improvements in the program which is evident in the House bill is the provision for a speedup of the procedure for handling smaller grants, specifically those of $35,000 or less.

The committee report says that some 40 percent of all grant applications are in this area. Certainly, one of the great frustrations under the current system is the protracted delay that occurs so often in clearing research grants applications.

### TWO SPEEDUPS PROVIDED

What is more, the House bill has a second speedup provision which allows the Director of the National Cancer Institute to call upon the National Cancer Advisory Council at any time to meet and consider larger grants that look promising and warrant expedited consideration.

There is absolutely no question as to the widespread concern about the increasing number of cancer cases. There have been some impressive breakthroughs in various areas and there is prospect for other important developments. These prospects can be enhanced by the massive attack proposed under both the House and Senate bills.

Mr. Speaker, in the interest of moving forward with an aggressive cancer attack program, I support without hesitation H.R. 11302 as it came from the House Committee on Interstate and Foreign Commerce.

As I said earlier, my own interest in the conquest of cancer began long before I came to Congress. My election to the House gave me the opportunity to seek legislation and appropriations to further the drive.

Shortly after I first arrived in 1959, I published a newsletter containing a lead item from which I quote the opening paragraph:

> We have voted billions of dollars for conquest of outer space. It will be a thrilling experience for the first man who reaches the moon. But I would rather be the first to discover a cure for cancer, heart disease, or mental health.

The pending legislation is without doubt the most comprehensive and farsighted legislation in this field which I have had the opportunity to act upon in my service here.

### COMMEND EXPEDITED ACTION

Mr. Speaker, I want to express my deep appreciation and my commendation to the chairman of the full committee (Mr. STAGGERS), the chairman of the subcommittee (Mr. ROGERS) and the other members of the committee for the expeditious manner in which they have handled this bill.

I would like particularly to express my appreciation to the members of the committee for agreeing to amend the bill in order to eliminate two provisions which are of great concern to the Committee on Post Office and Civil Service, of which I am chairman.

I am referring to the deletion from section 3 of that portion permitting entrance at two grades above normal for specially qualified scientific or other professional personnel in the National Cancer Institute.

The other portion of the bill is section 5(b) which would have raised the levels in the executive schedule for certain positions in the National Institutes of Health.

Our Committee on Post Office and Civil Service, in cooperation with the Civil Service Commission, has been opposing adjustments in pay scales in bills which do not come before our committee.

### NO INTENTION TO BLOCK

Our committee has no intention of blocking legitimate requests for pay adjustments, but in line with its responsibility and jurisdiction over pay levels, it needs justification for proposed changes.

I would like to assure the Members that any valid justifications presented to our committee will receive sympathetic consideration.

The deletion of the two aforementioned pay items in the pending bill has relieved me of the embarrassing predicament of being forced to raise doubts about a piece of legislation which I feel is far too important to be delayed on technical questions which can and should be handled in another manner.

Mr. Speaker, I support fully H.R. 11302 as amended by the committee and urge its passage. I renew my hope for an early agreement between the House and Senate conferees on this important legislation to press the attack on cancer.

Mr. HASTINGS. Mr. Speaker, it is my privilege to support the passage of H.R. 11302, the National Cancer Attack Act of 1971. As a member of the Subcommittee on Public Health and Environment, I feel this bill, which represents hours of discussion and deliberation, is the most viable mechanism to stimulate the necessary multifaceted approach to the conquest of cancer.

I would like to compliment the gentleman from Florida, Chairman PAUL ROGERS, for his outstanding efforts, and the entire subcommittee for their endorsement of a unified approach.

The Cancer Attack Act makes the following provisions which will permit the optimum flexibility in developing the methodology necessary to expand our research capabilities:

First. A speedup of procedure of grant process by allowing grants of $35,000 and under to be reviewed by peer group on merit and then passed to director of NCI for approval instead of waiting for National Cancer Advisory Council. This should effect nearly 40 percent of all grant applications.

A second speedup provision allows the NCI director to call in the National Cancer Advisory Council at any time. Presently, this group meets quarterly. This allows for fast consideration of grants that look promising and could result in a breakthrough.

Second. Clinical research centers, which now number 8 will be increased by 15 and will be eligible for block grants from the NCI director. These grants can provide up to $5 million per center. In the past, as many as 30 or 40 separate grants were required to maintain a clinic's work.

Third. Cancer control programs which were financially phased out a year ago will be reactivated and placed under the control of NCI. Funds for these programs over a 3-year period are $90 million. This includes PAP tests for cervical cancer, breast checks, and oral examinations, and the training for personnel in cancer. The gathering of cancer statistics will also be included to give the medical-scientific communities better profiles of the disease.

Fourth. The budget for NCI is sent directly to the President, with the Director of NIH and the Secretary instructed to comment, but not alter it. As a further check on the adequacy of the budget, the outside NCAC will also comment.

Fifth. The budget proposed in the bill is $1.590 billion for 3 years. The Senate bill contains no specific authorizations.

Sixth. The Director of the NCI will be given the title of Associate Director and to give notice that the bill will not downgrade the two other major institutes, this position will also be given the directors of the National Heart and Lung Institute and the National Institute of Neurological Diseases and Stroke.

Seventh. Because of the President's interest and concern over the problem, the committee bill has created a three-man panel to oversee the NCI as the President's watchdog. They report to the President as to the progress, effectiveness, and operations of NCI and make recommendations to the President.

Eighth. To develop a comprehensive program, the bill requires a national plan of attack.

I trust that now the House and Senate will move ahead swiftly in conference to deliver this essential legislation to the President before the year's end to be signed into law.

Mr. BROOMFIELD. Mr. Speaker, the National Cancer Attack Act presents for the first time a well-organized and funded program to fight cancer. This terrible disease, which will afflict one out of every four Americans alive today, has long plagued the health and welfare of our people.

There is no better time than now to initiate the first major assault upon cancer. Indeed, for many Americans who are still alive today it is already too late to turn back this fatal disease. Nonetheless, medical research has uncovered many new answers—new keys which may unlock the solution to this perplexing problem.

However, these new possibilities raise more questions which in turn must be satisfied. We must, rather than despair, redouble our efforts if we are to succeed.

I propose, Mr. Speaker, that we have passed the point where we have the option to delay this all out attack until some future time. Cancer has grown to epidemic proportions. It strikes indiscriminately and silently.

The cost of this multiyear program pales when it is compared to such programs as space research and the Vietnam conflict. Additionally, the potential return from a cure for cancer or a successful means to retard its fatal advance when computed in terms of human life and suffering is beyond description.

Mr. Speaker, I daresay that there is no family in this country which has been left untouched by this perplexing killer. And yet, we can defeat this adversary. It is possible if we only allocate the time and money that a cure can be discovered.

A cure is within our grasp; we can prevent the needless suffering and loss of so many innocent victims. If we should ignore the challenge of cancer, if we fail to act decisively to combat its dread effect, the true tragedy will be reflected in the senseless loss of thousands of Americans who will die for no other reason than our failure to act immediately.

Mr. PRICE of Texas. Mr. Speaker, this afternoon the House is considering a critically important piece of legislation, the National Cancer Attack Act of 1971. I fully support this proposal and I urge my colleagues to give it their full endorsement as well.

Given current rates of incidence, 650,000 new cases of cancer will be diagnosed in the United States during 1972. The next year will also be marred by 340,000 cancer-related deaths. And as incredible as it may seem to us in the quiet of this Chamber, unless the rate at which cancer is spreading throughout our population can be reduced, one out of every four Americans who are living today will someday contract this dreaded disease.

To my way of thinking, we are in a race against a clock which is not measuring the time of day, but a clock which is measuring the state of health and well-being of millions of Americans. That we are losing this race is all too painfully clear.

This is the Nation that tapped the resources, created the technologies, and focused the energies of some of its best minds toward the goal of putting a man on the moon. We accomplished this goal in the span of one decade, a goal that mankind has dreamt of through the ages. I am confident this Nation is equally well equipped to conquer cancer and minimize its threats to not only the health of the American people, but to people of the rest of the world as well.

Upon those of us in Congress rest the burdens of establishing, by law, the most effective means of focusing public and private resources on the problems of cancer, and then channeling sufficient amounts of public revenues into these resources. Not only are these tasks clearly defined and capable of reasonably swift resolution, the bill before the House today provides a sound starting point.

In terms of content the National Cancer Attack Program Act of 1971 is similar in many respects to legislation I introduced some months ago, and for this reason I am quite familiar with the terms of the bill to be voted on today. It establishes a national cancer attack program within the National Institutes of Health and by so doing capitalizes on the existing governmental structures and programs in the health area. In my mind, this would better utilize the institutions of the Federal Government than would have been the case if, as some advocated by liberals, a separate cancer agency had been established in the executive branch. Moreover, this bill has the added advantage of allowing the development of the new medical technologies needed to successfully conquer cancer to be developed within the already well developed and highly sophisticated framework of the National Institutes of Health. This structural arrangement will provide opportunities for a wide variety of medical fields to profit from new breakthroughs in cancer research. I say this because the fundamental knowledge which is essential to the conquest of cancer is also essential to the solution of many other disease problems, diseases of the heart, diseases of the lungs, and so forth. In addition, new information about life processes derived from expanding cancer research within the National Institutes of Health system can also have immense value in casting new light on other biological processes within the human body.

In closing, I would leave my colleagues with this grim thought. On the basis of the best information available, it has been estimated that unless rapid progress is made in understanding and controlling cancer, 3.5 million Americans will die from some form of cancer during the next 10 years. If this grim prediction comes true, we have no one to blame but ourselves; for, as a nation and a people, we have the means and the abilities to conquer cancer. Regrettably, it still remains to be seen whether we have the necessary resolve to get on with the task ahead.

Mr. GALLAGHER. Mr. Speaker, while I am pleased that the Congress and administration have chosen to join in my proposal for a national commitment to cure cancer, I am yet dissatisfied with the amount of funds authorized toward that goal—for it is clear that no matter how much we spend on this great effort a good result will pay us back many times. It is clear that our economy suffers more loss from permitting cancer to continue its killing game than that economy could ever pay to stop cancer. I am talking about income taxes lost through the loss of able bodied men and women who cease to function because of cancer. I am talking of medicare payments, insurance payments, and hospital payments produced by a disease which saps the very essence of human dignity. The price we pay for permitting cancer to charge us the ultimate tax—our lives, is far greater than the price I am proposing to end this scourge once and for all. Yet while I am dissatisfied with the amount being authorized today I am terribly gratified that what I called for years ago, a nationalliy funded war on cancer, has finally come to pass.

Mr. Speaker, I take the liberty of enclosing for the RECORD a letter which I sent to Premier Kosygin of the U.S.S.R. on July 15, 1970, and the reply he mailed to me.

I wrote this letter at a time of considerable frustration because of the difficulties of trying to get our Nation to declare a new kind of war. A war for the improvement of the quality of life. A war against a terrible disease. A war against cancer. The letter follows:

JULY 15, 1970.

His Excellency ALEKSEY NIKOLAYEVICH
KOSYGIN,
*Chairman, Council of Ministers of the Union of Soviet Socialist Republics, Moscow, USSR.*

DEAR MR. CHAIRMAN: This letter is as unusual for me to write as it must be for you to receive.

During my more than 12 years as a member of the House Foreign Affairs Committee many issues of great importance have developed between our nations; yet now a matter of shared concern and mutual significance compels this direct communication with you. This matter involves an area in which both your country and mine have expended considerable effort and national resources; it affects the basic question of human life.

Mr. Chairman, I am not referring to the threat of nuclear war. Rather, I am referring to an international menace which has already realized its potential for destruction by taking the lives of millions of persons throughout the world each year: that menace is cancer.

I have proposed in the Congress that the United States undertake a firm national commitment to cure and control cancer in this decade. Under my proposed legislation, such a commitment would involve the direction of at least $6.5 billion over the next ten years to eradicate the menace of malignancy from our earth.

But, as you must know, the weary wheels of bureaucracy often fail to spin with sufficient speed in the face of major new proposals. However, as you have also undoubtedly noticed, the wheels of the American Government seem to spin somewhat more quickly when sparked by a specific catalyst: namely, counter-action by the Government of the USSR.

In fact, both of our nations have done wheel-stands in response to one another. We have demonstrated a certain unmistakable sensitivity in response to the respective actions of our respective republics. Actually, what we have really demonstrated is more akin to a knee-jerk reflex reaction! It is as if the age-old proverb could now be applied to international affairs: one nation proposes, the other disposes.

Thus, the reason for this letter.

To be precise, Mr. Chairman, I have been attempting to find an effective means of spurring my country to action on my cancer cure commitment legislation. I have considered every possible parliamentary maneuver, every potential political squeeze, and every conceivable public outcry. Finally, I believe that I have found the appropriate method to spur public support and thus the political support which must follow.

Accordingly, Mr. Chairman, I write formally to ask you to proclaim a 10 year national commitment by the USSR to cure and control cancer in this decade!

It would seem certain that the result of such a proclamation would be to spur my country into racing your country for the goal of cancer cure.

In case my suggestion seems of dubious merit, let me say that there are sufficient analogies from past experience to justify this approach. For example, you launched Sputnik, thereby indicating what could have only been an intention to race us for outer space; a knee jerked on the other side of the world, and we decided to race you for the Moon.

In the field of national defense, you know that the Soviet Union has only to breathe out the hint of new weapons development for us to inhale the information with renewed decision to build a bigger ABM, or a better MIRV, or a bolder Polaris. In this way, your policy helps us to defend our policy which helps you to defend your policy. When I visited Moscow University, I gathered from your students that the reaction cycle is not unilateral.

So, just as the United States could not afford a missile gap, neither could we possibly afford a cure gap. If you announced the firm goal of cancer cure, we would obviously have to close the gap by working with equal speed and dedication towards that goal.

And you know, Mr. Chairman, it seems to me that if we must have races in this world, then the race I suggest would be far more worth the running than any of the others before it: an international race for the human race in which no nation, or person, could lose. This could be the first international contest to eliminate disease instead of to increase our capacity to make war.

From such a race, in fact, we might perhaps realize that here is an area where we could do better by pooling our resources, our talents, and our commitments in a common crusade for a common humanity. Neither the space race nor the arms race could ever hope to match the significance of a truly human race.

I know that your country is now working as strenuously as is mine towards finding a cure for cancer. But the problem on both sides is the lack of a firm financial commitment and a fixed time goal. We both lack a nationally coordinated and properly funded commitment to cure cancer and the fear of cancer within a measured time period.

Yet the only obstacle which now stands between cancer and its cure is money. This point is supported by more than 600 eminent American scientists, educators, and physicians who signed a special public statement endorsing my cancer cure proposal, and expressing their conviction that cancer can be cured if my proposal were adopted. We have the technology; we require the commitment. And is it not time, Mr. Chairman, that we stopped using man for technology and started using technology for man?

I might say here that all of this backing for my bill produced virtually no impact whatsoever; not one word in The New York Times. Now, if the USSR made such a proclamation, you can well imagine the height of the waves of publicity which you would generate, the magnitude of public awakening which you would produce, and the great forward motion that could then begin.

So again, please let me urge you to announce that the Soviet Union intends to cure cancer in this decade. Indeed, even if the great press of other important matters makes it inopportune for you to proceed with a firm national cancer cure commitment at this time, or if, perhaps, you have already decided upon such a firm commitment with as little public notice as my proposal has received, please make the announcement anyway! Our respective nations have made many statements during the years of our rivalry that neither side always meant; most of the time, these statements involved communists making nasty comments about capitalists, and vice versa. Other times, we have directed threats at one another which were not (thank heavens) fulfilled. So, if you have to say something which you may not really mean, at least here is a chance to say something which is good and constructive at the same time. An announcement of this sort would benefit us all; for when it comes to cancer, we are neither capitalists or communists, but we are all potential victims.

Mr. Chairman, I wish that I were entirely facetious about this matter, but this is not possible. For you, I, and every human being know the anguish of cancer. We all live within its long shadow, our lives darkened by its grim terror. And we have all seen once vigorous human lives badgered and beaten by this brazen killer.

I also wish, Mr. Chairman, that I could devise another means for making our countries take up the gauntlet for a firm cancer cure commitment in this decade. But it seems these days that governments cannot respond to an ordinary plea, made by an ordinary man without benefit of computers, matrices, or geometric progressions, on behalf of all of our ordinary lives. I believe that these lives—all of our lives—are well worth the saving. And recalling your visit to my State at Glassboro, New Jersey, and the spirit your visit engendered, I think that you believe this too.

I further believe that if our two great nations can find a common goal, and can undertake a joint effort in this one area of cancer cure, then perhaps we can locate other common bonds to help move the world away from the precipice of war to the more fruitful fields of peace, using our large treasury of resources to eliminate misery, poverty, disease, and injustice. This could be our first mutual step.

I look forward to your reply.

Sincerely,

Cornelius E. Gallagher,
*Member of Congress.*

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Moscow, Oct. 30, 1970.

Hon. Cornelius E. Gallagher,
*U.S. House of Representatives,*
*Washington, D.C.*

Dear Mr. Gallagher: I received your letter and fully share your concern over the problem which cancer diseases present to the health and lives of millions of people.

In the Soviet Union, as the American oncologists are well aware, much has been done in the field of prevention and treatment of cancer. But we, of course, are not going to limit ourselves to what has been done up to now. In 1969 the Soviet government took a decision to construct a new big oncological center in Moscow.

Cooperation between the Soviet and American oncologists in this important area of medical and biological science can, undoubtedly, play a positive role in achieving the noble goal of saving mankind from this formidable disease. The Soviet Union on its part is ready to further expand cooperation with the United States in this and other areas of medicine.

The suggestion to start a kind of "competition" between the USSR and the USA in combating cancer does not seem to me to be appropriate. In our opinion, in such a noble area as fight against cancer and other diseases it makes more sense to proceed by uniting the efforts of various countries rather than by rousing rivalry among them.

Availing myself of this opportunity I would like to ask you to convey my best wishes to the citizens of the town of Glassboro which is within your congressional district. I recall with appreciation the hospitality shown to me by the citizens of that town.

Sincerely,

A. Kosygin.

I wish to applaud President Nixon who on May 11, 1971 in his state of the Union speech adopted my proposal and made the cure of cancer a national goal of the United States. From that moment on the campaign gathered momentum until we now have the President and the Congress united in its purpose that that war on cancer will be funded and will be fought unconditionally until this dreaded disease is eliminated. My feeling today is quite different from those days when I wrote to Mr. Kosygin. This is a rewarding moment.

As the one who originated the concept of a national war on cancer, I applaud this action in the House as a significant milestone in the campaign to conquer this dreaded disease which has cast its long shadow over so many homes.

I realize that differences exist between this leigslation and that passed by the other body and it is my fervent hope that these can be ironed out quickly so that we may get on with the job at hand.

After all the important thing is that the Nation mount a commitment so that a cure for cancer can be found, and found as quickly as possible. When you consider that about 52 million people now living in the United States probably will have some form of cancer during their lives and that about 34 million of them will die from this disease unless new treatments or cures are found it is quite obvious why it is important that we move forward.

I take pride, Mr. Speaker, in knowing that it was back in 1969 that I proposed a resolution in this House to increase cancer research and to eliminate cutbacks which were being made at that time.

Then in 1970 and again this year I offered a resolution which finds that it is both necessary and desirable that a national commitment be immediately undertaken to achieve a cure and control for cancer within this decade. This year the number of cosponsors reached almost 140. My proposal had the backing of over 600 scientists, researchers, and doctors.

I even wrote Soviet Premier Kosygin suggesting international cooperation in the battle against cancer, a disease which claimed Mr. Kosygin's wife several years ago. Interestingly enough he agreed with me and when he responded to my letter suggested that this be a war which the United States and the Soviet Union could wage together for mankind.

We cannot stand by while this disease continues to reap its harvest from the world's population. It now has reached the horrible level of claiming more than 300,000 Americans each year. What a waste, Mr. Speaker, what a waste. How many great minds have been cut off from the Nation because of our failure to cure cancer? How much love have we lost for our failure to cure cancer?

The approach which I sponsored called for spending of no less than $650 million a year for 10 years on the national cancer research program, with $250 million of this to build five new cancer research institutes during the initial 2 years.

I notice that the funding level in this 3-year authorization bill totals almost $1.6 billion, which figures out to be about $530 million annually, and that the bill envisions authority to support 15 new centers for clinical research, training, and demonstration of advanced diagnostic and treatment methods relating to cancer. Another valuable feature of this legislation is the inclusion of specific authorization—$90 million over the 3-year period—to reactivate the cancer control programs which were financially phased out a year ago.

I recognize that the legislation passed by the other body would create a new agency which technically would remain within the existing National Institutes of Health but would have independent status and would report directly to the President while this legislation is geared toward strengthening the National Cancer Institute.

While these are different roadways, the objective at the end of the journey is the same. We all want an end to the pain, suffering and death wrought by this killer disease. And it is in this spirit, Mr. Speaker, that I am sure the conferees of the two bodies will meet to find a commonly desired route to conquer cancer. As I have tried to stress during this debate, what is important is that we get this program moving immediately. We need to insist that enough money is provided for a cancer cure commitment.

What we need is a massive human lobby, a lobby for life, which will insist that the Government provide the money for a cancer cure commitment.

Cancer already has claimed far too many victims, Mr. Speaker, and it is a staggering thought to realize that more than 1 million citizens of our great Nation are under treatment for this killer disease.

It is past time that we gear up for an all-out war on cancer. Let us hope and pray, Mr. Speaker, that with such a concerned effort by everyone concerned the day may come when even the word cancer is eliminated from our medical language. Now let us begin.

Mr. KYROS. Mr. Speaker, 2 weeks ago a unanimous Subcommittee on Public Health and Environment, of which I am a member, reported to our full committee, H.R. 10681, as amended, the National the Roswell Park Memorial Cancer Instiby our subcommittee, including a visit to Cancer Attack Act of 1971. This action tute in Buffalo, N.Y., and hours of consideration in executive session. It is our followed more than 4 weeks of hearings unanimous position that the national attack on cancer can best be approached through streamlining the National Cancer Institute, while maintaining the integrity of the National Institutes of Health, the world's foremost national institute. In fact and in form, I feel it would be a great error to separate the Cancer Institute from the other nine member institutes of the NIH, all of which have contributed to some degree in cancer research. To me, it makes no sense to separate cancer research from this enormous scientific community, when indeed to achieve our goal, we should open lines of coordination and cooperation. As an example of this, our most recent breakthrough on leukemia came as a result of research on sponges, and our latest advance in the role of viruses in cancer came from a man working on polio virus.

Besides maintaining the integrity of NIH, our bill makes the following eight improvements in existing law:

First, it provides for a speedup of procedure of the existing grant process by allowing grants of $35,000 and under to be reviewed by peer groups on merit, and then passed to the Director of NCI for approval, instead of the present procedure, which requires waiting for additional approval by the National Cancer Advisory Council. This will accelerate approval of nearly 40 percent of all grant applications.

A second speedup provision allows the NCI Director to call in the NCAC at any time. Presently, this group meets only quarterly. This allows for fast consideration of grants that look promising, and could result in a breakthrough. There are no such provisions in the Senate bill.

Second, clinical research centers, which now number eight will be increased by 15 and will be eligible for block grants from the NCI Director. These grants can provide for up to $5 million annually to each center. In the past, as many as 30 or 40 separate grants were required to maintain a clinic's work.

Third, cancer control programs which were financially phased out a year ago will be reactivated and placed under the control of NCI. Funds for these programs over a 3-year period are $90 million. This includes Pap tests for cervical cancer, breast checks and oral examinations, and the training for personnel in cancer. The gathering of cancer statistics will also be included to give the medical-scientific communities better profiles of the disease.

Fourth, the budget for NCI will be sent directly to the President, with the Director of NIH and the Secretary of Health, Education, and Welfare instructed to comment, but not alter it. As a further check on the adequacy of the budget, the outside National Cancer Advisory Council will also comment.

Fifth, the budget proposed in the bill is $1.590 billion for 3 years. The Senate bill has no money figures.

Sixth, the Director of the NCI will be given the title of Associate Director and to give notice that the bill will not have the undesirable effect of downgrading the two other major institutes, this position will also be given the directors of the National Heart and Lung Institute and the National Institute of Neurological Diseases and Stroke.

Seventh, because of the President's interest and concern over the problem the committee bill has created a three-man panel to oversee the NCI as the President's watchdog. They will report to the President as to the progress, effectiveness and operations of NCI and make recommendations to the President.

Eighth, to develop a comprehensive program, the bill requires a national plan of attack, a feature also not covered in the Senate bill.

I regret that so serious and so critical an issue as the national attack on cancer has become much too political. This is, unfortunately, due largely to the recent expenditure of $53,000 to place full page ads in over 20 newspapers, including those in the congressional districts of every member of our subcommittee. These ads, which voiced support of the Senate version, somehow failed to mention the existence of the House bill or the fact that our subcommittee has heard from over 50 witnesses during hearings on the various cancer bills. I believe, however, that any attempts to stampede the Congress will fail. Since the appearance of these ads, editorial comment has begun to focus on the merits of the House approach. Every recent editorial I have seen on the subject endorses the House subcommittee measure.

The House approach has been endorsed by a considerable number of scientific and medical organizations—including the American Medical Association, the Association of American Medical Colleges, the Association of Professors of Medicine, the National Academy of Sciences, the American Hospital Association—as well as several Nobel laureates, including Dr. Charles Huggins, who received the Nobel prize for the treatment of cancer patients. Indeed, as recently pointed out in Science magazine:

> No major scientific body apart from the American Cancer Society supports the (Senate) proposal.

I believe that our approach, which streamlines the cancer fight and yet prevents unwarranted fracturalization of the National Institutes of Health, is by far the most sensible and most efficient means to attack cancer, and I urge support of the committee action by the House.

Mr. PODELL. Mr. Speaker, we have before us today for the first time a comprehensive bill designed to attack America's most dreaded disease—cancer. The National Cancer Attack Act of 1971 proposes to channel American knowledge and ingenuity toward the conquest of this killing disease. By passing this most needed legislation, we will, over the next 3 years, spend over a billion and a half dollars in assaulting the mysteries of cancer. This money will be spent for construction, operation, and repair of cancer centers, laboratories, research, related facilities, and the employment of scientists, doctors, researchers, and other personnel in this fight.

The Cancer Act will authorize funds that would be spent over the next 3 years for the establishment of 15 new cancer centers for clinical research, training, and demonstration of advanced diagnostic and treatment methods. This landmark legislation would also allow for the harmonization of State and other health organization's programs. In carrying out its attack on cancer, the National Cancer Institute, under the auspices of the National Institutes of Health—NIH—will coordinate a tremendous number of activities. The cancer attack program under this legislation will plan and develop an expanded, intensified, and coordinated cancer research program, will have the full cooperation and the use of existing research facilities and personnel of NIH, will coordinate any cancer research done by private industries, will produce and distribute on a large scale the specialized biological materials and substances necessary for research, and disseminate all gathered data throughout the world for the ultimate victory over this disease.

The Conquest of Cancer Act, as presently envisioned, utilizes all the available resources of NIH by retaining the Cancer Institute within the National Institutes' organization. However, another approach has been suggested by equally concerned and dedicated people. These individuals contend that Congress should create a separate agency for the purpose of achieving the conquest of cancer. While I would vote for this other approach, with equal vigor, I believe that the organizational setup as envisioned in H.R. 11302 is superior.

Under the unified approach of this bill, the Cancer Institute will have the advantage of utilizing the biomedical resources of NIH. This coordinated approach, aimed at finding a cure for cancer, will bring to bear the combined knowledge of the Cancer Institute and the National Institutes of Health. The use of already existing research facilities and personnel will accelerate the exploration of opportunities for the conquest of cancer while avoiding the difficult problem of forming a whole new organization, administrative entanglements, obtaining office space and setting up laboratories and research facilities.

On the other hand, in order to set up an independent agency to attain the conquest of cancer, our Government would need to spend enormous additional amounts of money. The NIH already has experienced personnel and existing facilities that would be duplicated if the Cancer Institute became an independent agency. The taxpayers money would be far better spent on fighting cancer rather than in creating additional agencies.

We already suffer from a proliferation of bureaucracy in the form of different commissions and agencies. Advisory commissions alone spend approximately $75 million a year for operating expenses.

Proponents of the independent agency approach to achieve the conquest of cancer further argue that far greater achievements are possible if the cancer agency is independent of NIH. In underscoring their argument, the National Aeronautics and Space Administration—NASA—is singled out as an independent agency that brought about quick and spectacular results in the field of space exploration. It is my belief that the achievements of NASA were caused by our already advanced technology in space research and not because NASA was an independently created agency.

NASA became an independent agency not because of an attempt to make it a success, but rather, because of the world situation existing at the time of NASA's creation. Congress intent in setting up NASA was not to establish another Federal agency, but rather, to take space research and exploration out of our defense budget. During the time of heightened tensions with the Russians, Americans criticized our large expenditures for defense as a reason for the continuation of the cold war. To show the Russians not all of our moneys were directed toward bombs, but also toward peaceful research, we separated our space program from the Defense Establishment. NASA's success was a result of tremendous research done prior to its inception and it was not successful solely because it became an independent agency.

For the reasons mentioned above, I favor the conquest of cancer bill (H.R. 11302) now before the House. I want to see this bill adopted without change, but most of all, I want to see an end to cancer. To spur us toward this goal, I would like to pass on some startling statistics for my colleagues. Of the more than 200 million Americans living today, 25 percent, or 50 million, will in some way or another be inflicted with a form of cancer. In addition, 17 percent of all Americans, or 34 million people will die of one form of cancer or another. We must pass into law the most effective means of saving those lives.

Mr. BROYHILL of North Carolina. Mr. Speaker, I rise today in support of H.R. 11302, the National Cancer Attack Act of 1971, and I strongly urge my colleagues to lend their active support to this vital legislation.

The President has expressed the need for an intensive campaign to find a cure for cancer. The Congress has recognized this need and the study done by the Subcommittee on Public Health and the Environment has been intensive. The bill before us today is the product of this study and was unanimously reported to the House Interstate and Foreign Commerce Committee on which I am proud to serve. The full committee subsequently overwhelmingly endorsed the subcommittee bill.

The research into the causes of cancer has shown the picture to be a many faceted one. It is because of the wide spectrum of research that is presently being conducted that the Interstate and Foreign Commerce Committee has recommended that the national program for the conquest of cancer be retained within the National Cancer Institute of the National Institutes of Health. The need for a well-integrated plan of biomedical research and a flexible administration of these programs has been urged by the leading scientists in the cancer research field. Research scientists testifying before the House subcommittee indicated their preference that this invaluable work be continued within the existing structure of the National Institutes of Health. The Director of the National Cancer Institute, in his capacity as an Associate Director of the National Institutes of Health, would assure this coordinated effort and maintain the vital interrelationships among the scientific community.

Notwithstanding our hopes, it is not likely that the conquest of cancer is imminent. Too many questions remain unanswered.

No one disputes the need for additional moneys to continue and intensify the battle, but money is not the only answer. We must recognize that only through the introduction of new ideas and new testing methods can we hope to win this struggle.

It has been suggested that the program for cancer research "make haste more slowly." We must proceed in a sure and deliberate manner to insure that we reach our goal.

I believe that this bill before us today gives us the tools with which to work that goal—the conquest of cancer.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from West Virginia (Mr. STAGGERS) that the House suspend the rules and pass the bill H.R. 11302, as amended.

The question was taken.

Mr. ADAMS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 350, nays 5, not voting 75, as follows:

[Roll No. 386]

YEAS—350

Abernethy
Abourezk
Abzug
Addabbo
Anderson, Calif.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Arends
Aspin
Aspinall
Badillo
Baker
Baring
Begich
Belcher
Bennett
Bergland
Betts
Bevill
Biaggi
Biester
Bingham
Boggs
Boland
Bow
Brademas
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byrne, Pa.
Byrnes, Wis.
Byron
Caffery
Camp
Carey, N.Y.
Carney
Carter
Casey, Tex.
Cederberg
Celler
Chamberlain
Clancy
Clark
Clawson, Del
Clay
Cleveland
Collier
Collins, Tex.
Colmer
Conable
Conte
Cotter
Coughlin
Crane
Culver
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Donohue
Dorn
Dow
Drinan
Duncan
du Pont
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gude
Hagan
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heckler, Mass.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Keating
Kee
Keith
Kemp
King
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landgrebe
Landrum
Latta
Leggett
Lennon
Lloyd
Long, Md.
Lujan
McClory
McCollister
McCormack
McCulloch
McDade
McEwen
McFall
McKinney
McMillan
Madden
Mahon
Mailliard
Martin
Matsunaga
Mayne
Mazzoli
Meeds
Michel
Miller, Ohio
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall
Mizell
Mollohan
Monagan
Montgomery
Morgan
Morse
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
O'Neill
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Poage
Podell
Poff
Powell
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, N.Y.
Reuss
Rhodes
Riegle
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio
Rooney, Pa.
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Satterfield
Saylor
Scherle
Scheuer
Schmitz
Schneebeli
Schwengel
Scott
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Calif.
Smith, Iowa
Snyder
Spence
Springer
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Terry
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Thone
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Waggonner
Waldie
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion

NAYS—5

Adams
Brasco
Corman
Rooney, N.Y.
Tiernan

NOT VOTING—75

Abbitt
Alexander
Anderson, Ill.
Ashbrook
Ashley
Barrett
Bell
Blackburn
Blanton
Blatnik
Bolling
Cabell
Chappell
Chisholm
Clausen, Don H.
Collins, Ill.
Conyers
Danielson
Dellums
Derwinski
Diggs
Dowdy
Downing
Dulski
Edwards, La.
Ford, William D.
Frelinghuysen
Galifianakis
Gibbons
Goodling
Halpern
Hansen, Idaho
Hébert
Jones, Ala.
Lent
Link
Long, La.
McCloskey
McClure
McDonald, Mich.
McKay
McKevitt
Macdonald, Mass.
Mann
Mathias, Calif.
Mathis, Ga.
Melcher
Metcalfe
Mikva
Miller, Calif.
Mitchell
Moorhead
Mosher
Moss
Pelly
Purcell
Rangel
Roberts
Rosenthal
Rousselot
Runnels
Sandman
Sarbanes
Skubitz
Smith, N.Y.
Steed
Stokes
Stuckey
Vigorito
Wampler
Whalley
Widnall
Wilson, Charles H.
Wright
Zwach

So (two-thirds having voted in favor thereof) the rules were suspended and the bill as amended, was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Anderson of Illinois.
Mr. Mann with Mr. Derwinski.
Mr. Blatnik with Mr. Frelinghuysen.
Mr. Dowdy with Mr. Blackburn.
Mr. Macdonald of Massachusetts with Mr. Bell.
Mr. Charles H. Wilson with Mr. McCloskey.
Mr. Abbitt with Mr. Ashbrook.
Mr. Barrett with Mr. Goodling.
Mr. Ashley with Mr. Don H. Clausen.
Mr. Downing with Mr. Hansen of Idaho.
Mr. Dulski with Mr. Metcalfe.
Mr. Moorhead with Mr. Lent.
Mr. Moss with Mr. McClure.
Mr. Mikva with Mrs. Chisholm.
Mr. Miller of California with Mr. McDonald of Michigan.
Mr. Mathis of Georgia with Mr. McKevitt.
Mr. Link with Mr. Pelly.
Mr. Jones of Alabama with Mr. Rousselot.
Mr. Cabell with Mr. Mathias of California.
Mr. Chappell with Mr. Sandman.
Mr. Roberts with Mr. Mosher.
Mr. Rosenthal with Mr. Conyers.
Mr. Vigorito with Mr. Collins of Illinois.
Mr. Stuckey with Mr. Skubitz.
Mr. Blanton with Mr. Smith of New York.
Mr. Sarbanes with Mr. Dellums.
Mr. McKay with Mr. Veysey.
Mr. William D. Ford with Mr. Stokes.
Mr. Galifianakis with Mr. Diggs.
Mr. Rangel with Mr. Halpern.
Mr. Runnels with Mr. Whalley.
Mr. Danielson with Mr. Mitchell.
Mr. Steed with Mr. Widnall.
Mr. Alexander with Mr. Zwach.
Mr. Gibbons with Mr. Purcell.
Mr. Melcher with Mr. Wright.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent for the immediate consideration of a similar Senate bill (S. 1828) to amend the Public Health Service Act so as to establish a Conquest of Cancer Agency in order to conquer cancer at the earliest possible date.

The Clerk read the title of the Senate bill.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from West Virginia?

There was no objection.

The Clerk read the Senate bill as follows:

### S. 1828

An act to amend the Public Health Service Act so as to establish a Conquest of Cancer Agency in order to conquer cancer at the earliest possible date

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Conquest of Cancer Act".

SEC. 2. The Public Health Service Act is amended by adding following section 406 the following:

"FINDINGS AND DECLARATION OF PURPOSE

"SEC. 407A. (a) The Congress hereby finds and declares—

"(1) that the incidence of cancer is increasing and is the major health concern of the American people;

"(2) that the attainment of better methods of prevention, diagnosis, and treatment of cancer deserve the highest priority; and

"(3) that a great opportunity is offered as a result of recent advances in the knowledge of this dread disease to conduct energetically a national program for the conquest of cancer.

"(b) In order to carry out the policy set forth in this part it is the purpose of this part to establish a Conquest of Cancer Agency as an independent agency within the National Institutes of Health.

"CONQUEST OF CANCER AGENCY

"SEC. 407B. There is hereby established a Conquest of Cancer Agency as an independent agency within the National Institutes of Health.

"SEC. 407C. (a) The Conquest of Cancer Agency shall be administered by a Director who shall be appointed by the President, by and with the advice and consent of the Senate, and who shall serve under the direction of the President. There shall be in the Agency a Deputy Director who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director shall perform such functions as the Director may prescribe and shall be the Acting Director during the absence or disability of the Director or in the event of a vacancy in the position of Director.

"(b) The Director is authorized to appoint within the Agency not to exceed five Assistant Directors.

"FUNCTIONS OF THE AGENCY

"SEC. 407D. In order to carry out the purpose of this part, the Director shall—

"(1) carry out all research activities previously conducted by the National Cancer Institute, together with an expanded, intensified, and coordinated cancer research program, and shall administer the authority of the Secretary under this Act with respect to cancer;

"(2) make such grants or contracts as are desirable to accomplish the purposes of this part;

"(3) expeditiously utilize research facilities and personnel for accelerated exploration of the opportunities for the conquest of cancer in areas of special promise;

"(4) encourage and coordinate cancer research by industrial concerns where such concerns evidence a particular capability for such research;

"(5) strengthen existing cancer centers, and establish new cancer centers as needed in order to carry out a multidisciplinary effort for clinical research and teaching, and for the development and demonstration of the best methods of treatment in cancer cases;

"(6) collect, analyze, and disseminate all data useful in the prevention, diagnosis, and treatment of cancer, including the establishment of an international cancer research data bank to collect, catalog, store, and disseminate insofar as feasible the results of cancer research undertaken in any country for the use of any person involved in cancer research in any country;

"(7) establish or support the large-scale production or distribution of specialized biological materials and other therapeutic substances for research, including viruses, cell cultures, and animals, and set standards of safety and care for persons using such materials;

"(8) support research in the cancer field outside the United States by highly qualified foreign nationals, collaborative research involving American and foreign participants, and the training of American scientists abroad and foreign scientists in the United States;

"(9) support appropriate manpower programs of training in fundamental sciences and clinical disciplines to provide an expanded and continuing manpower base from which to select investigators and physicians for participation in the programs, including where appropriate the use of training stipends, fellowships, and career awards; and

"(10) prepare and submit an annual budget estimate for the program directly to the President for review and transmittal to Congress and receive from the President and the Office of Management and Budget directly the funds appropriated by Congress for obligation and expenditure by the Agency.

"ADMINISTRATIVE PROVISIONS

"SEC. 407E. (a) The Director is authorized, in carrying out his functions under this part, to—

"(1) appoint and fix the compensation of personnel of the Agency in accordance with the provisions of title 5, United States Code, except that (A) to the extent the Director deems such action necessary to the discharge of his functions under this part, he may appoint not more than fifty of the scientific, professional, and administrative personnel of the Agency without regard to provisions of such title relating to appointments in the competitive service, and may fix the compensation of such personnel, without regard to the provisions of chapter 51 and subchapter III of chapter 53 of such title relating to pay rates, at rates not in excess of the highest rate paid for GS-18 of the General Schedule under section 5332 of title 5 of such Code; (B) to the extent that the Director deems necessary to recruit specially qualified scientific or other professional personnel without previous competitive service he may establish the entrance grade therefore at not to exceed two grades above the grade otherwise established for such personnel under such provisions;

"(2) make, promulgate, issue, rescind, and amend rules and regulations as may be necessary to carry out the functions vested in him or in the Agency and delegate any of his functions to any officer or employee under his direction or his supervision;

"(3) acquire (by purchase, lease, condemnation, or otherwise), construct, improve, repair, operate, and maintain cancer centers, laboratories, research and other necessary facilities and equipment, and related accommodations as may be necessary, and such other real or personal property (including patents) as the Director deems necessary; to acquire by lease or otherwise through the Administrator of General Services, buildings or parts of buildings in the District of Columbia or communities located adjacent to the District of Columbia for the use of the Agency for a period not to exceed ten years without regard to the Act of March 3, 1877 (40 U.S.C. 34);

"(4) employ experts and consultants in accordance with section 3109 of title 5, United States Code;

"(5) appoint one or more advisory committees composed of such private citizens and officials of Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act;

"(6) utilize, with their consent, the services, equipment, personnel, information, and facilities of other Federal, State, or local public agencies, with or without reimbursement therefor;

"(7) accept voluntary and uncompensated services;

"(8) accept unconditional gifts, or donations of services, money, or property, real, personal, or mixed, tangible or intangible;

"(9) enter into such contracts, leases, cooperative agreements, or other transactions without regard to section 529 of title 31, United States Code, as may be necessary in the conduct of his functions, with any public agency, or with any person, firm, association, corporation, or educational institution, and make grants to any public or nonprofit private agency, organization, or institution;

"(10) allocate and expend, or transfer to other Federal agencies for expenditure, including the National Institutes of Health, for cancer-related programs, such funds made available under this part as he deems necessary, including funds appropriated for construction, repairs, or capital improvements;

"(11) take necessary action together with the Director of the National Institutes of Health so that all channels for the dissemination and cross-fertilization of scientific knowledge and information existing prior to the effective date of this Act between the National Cancer Institute and the other Insitutes of Health shall be maintained between the Agency and the Institutes of Health to insure free communication between cancer and the other scientific, medical, and biomedical disciplines; and

"(12) take such other actions as may be required for the accomplishment of the objectives of the Agency.

"(b) Upon request made by the Director, each Federal agency is authorized and directed to make its services, equipment, personnel, facilities, and information (including suggestions, estimates, and statistics) available, to the greatest practicable extent, consistent with other laws to the Agency in the performance of its functions with or without reimbursement.

"(c) Each member of a committee appointed pursuant to paragraph (5) of subsection (a) of this section who is not an officer or employee of the Federal Government shall receive an amount equal to the daily rate prescribed for GS–18 under section 5332 of title 5, United States Code, for each day he is engaged in the actual performance of his duties (including traveltime) as a member of a committee. All members shall be reimbursed for travel, subsistence, and necessary expenses incurred in the performance of their duties.

"(d) The Director shall, by regulation, provide for proper scientific review of all research grants and programs over which he has authority (A) by utilizing, to the maximum extent possible, appropriate peer review groups within the National Institutes of Health, and (B) when appropriate, by establishing, with the approval of the National Cancer Advisory Board, other formal peer review groups as may be required.

### "REPORTS

"SEC. 407F. The Director shall, as soon as practicable after the end of each calendar year, prepare and submit to the President for transmittal to the Congress a report on the activities of the Agency during the preceding calendar year.

### "NATIONAL CANCER ADVISORY BOARD

"SEC. 407G. (a) There is hereby established in the Agency a National Cancer Advisory Board to be composed of the Director of the National Institutes of Health and eighteen members appointed by the President, by and with the advice and consent of the Senate. Not more than twelve of the appointed members of the Board shall be scientists or physicians and not more than eight of the appointed members shall be representatives of the general public. Appointed members shall be appointed from among persons, who by virtue of their training, experience, and background are exceptionally qualified to appraise the programs of the Agency. The Secretary, the Director of the Office of Science and Technology, and the Director shall be ex officio members of the Board.

"(b)(1) Appointed members shall be appointed for six-year terms, except that of the members first appointed six shall be appointed for a term of two years, and six shall be appointed for a term of four years as designated by the President at the time of appointment.

"(2) Any member appointed to fill a vacancy occurring prior to expiration of the term for which his predecessor was appointed shall serve only for the remainder of such term. Appointed members shall be eligible for reappointment and may serve after the expiration of their terms until their successors have taken office.

"(3) A vacancy in the Board shall not affect its activities and eleven members thereof shall constitute a quorum.

"(c) The President shall designate one of the appointed members to serve as Chairman for a term of two years.

"(d) The Board shall meet at the call of the Chairman but not less often than four times a year and shall advise and assist the Conquest of Cancer Agency in the development and execution of the program.

"(e) The Director of the Conquest of Cancer Agency shall designate a member of the staff of the Conquest of Cancer Agency to act as Executive Secretary of the Board.

"(f) The Board may hold such hearings, take such testimony, and sit and act at such times and places as the Board deems advisable to investigate programs and activities of the Conquest of Cancer Agency.

"(g) The Director shall submit to the Board for its evaluation, comments, and recommendations, each year's program plan and budget prior to the formal submission of the budget request to the President.

"(h) The Board shall submit a report to the President for transmittal to the Congress not later than January 31 of each year on the progress of the Conquest of Cancer Agency toward the accomplishment of its objectives.

"(i) The Board shall supersede the existing National Advisory Cancer Council, and the members of the Council serving on the effective date of this section shall serve as additional members of the Board for the duration of their terms then existing, or for such shorter time as the President may prescribe.

"(j) Members of the Board who are not officers or employees of the United States shall receive compensation at rates not to exceed the daily rate prescribed for GS–18 under section 5332, title 5, United States Code, for each day they are engaged in the performance of their duties, including traveltime, and while so serving away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, in the same manner as the expenses authorized by section 5703, title 5, United States Code, for person in the Government service employed intermittently.

"(k) The Director shall make available to the Board such staff, information, and other assistance as it may require to carry out its activities.

"(l) The board shall insure that the Director, by regulations, maintains scientific peer review of research grants and programs.

### "DEFINITIONS

"SEC. 407H. For the purpose of this Act the term—

"(1) 'Director' means the Director of the Conquest of Cancer Agency;

"(2) 'Agency' means the Conquest of Cancer Agency;

"(3) 'Board' means National Cancer Advisory Board;

"(4) 'cancer center' means such cancer research facilities as the Director determines are appropriate to carry out the purposes of this part, including laboratory and research facilities and such patient care facilities as are necessary for the development and demonstration of the best methods of treatment of patients with cancer, but does not include extensive patient care facilities not connected with the development of and demonstration of such methods;

"(5) 'construction' includes purchase or lease of property; design, erection, and equipping of new buildings; alteration, major repair (to the extent permitted by regulations), remodeling and renovation of existing buildings (including initial equipment thereof); and replacement of obsolete, built-in (as determined in accordance with regulations) equipment of existing buildings;

"(6) 'function' includes power and duty; and

"(7) 'Federal agency' means any department, agency, or independent establishment of the executive branch of the Government including any wholly owned Government corporation.

### "AUTHORIZATION OF APPROPRIATIONS

"SEC. 408. For the purpose of carrying out any of the programs, functions, or activities authorized by this part, there are authorized to be appropriated for each fiscal year such sums as may be necessary."

### COMPENSATION OF THE DIRECTOR AND THE DEPUTY DIRECTOR

SEC. 3. (a) Section 5315 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(94) Director, Conquest of Cancer Agency."

(b) Section 5316 of title 5, United States Code, is amended by adding at the end thereof the following new paragraph:

"(131) Deputy Director, Conquest of Cancer Agency."

SEC. 4. (a) The heading of title IV of the Public Health Service Act is amended to read "TITLE IV—CONQUEST OF CANCER AGENCY; NATIONAL RESEARCH INSTITUTES".

(b) The heading to part A of title IV of such Act is amended to read "Part A.—CONQUEST OF CANCER AGENCY AND NATIONAL CANCER INSTITUTE".

### NATIONAL CANCER INSTITUTE MADE PART OF CONQUEST OF CANCER AGENCY

SEC. 5. (a) Section 401 of the Public Health Service Act, including the heading thereto, is amended to read as follows:

### "NATIONAL CANCER INSTITUTE

"SEC. 401. The National Cancer Institute shall be a part of the Conquest of Cancer Agency.".

(b) Section 402 of the Public Health Service Act is amended by striking out all that precedes clause (a) of such section, except the heading thereof, and inserting the following in lieu of such stricken matter:

"SEC. 402. In carrying out the purposes of section 301 with respect to cancer, the Conquest of Cancer Agency, in consultation with the National Cancer Advisory Board, shall—".

(c) Section 403 of the Public Health Service Act is amended (1)(A) by striking out "Surgeon General" wherever it appears in such section and inserting "Conquest of Cancer Agency" in lieu thereof; (B) by striking out "he" and "him" wherever either appears in such section and inserting "the agency" in lieu thereof; and (C) by striking out "section 402" wherever it appears and inserting "section 402 and section 407D" in lieu thereof; and (2) by striking out "Institute" in subsection (b) thereof and inserting in lieu thereof "Agency or Institute".

### MERGER OF FUNCTIONS OF NATIONAL ADVISORY CANCER COUNCIL

SEC. 6. (a)(1) Sections 301(d), 301(i), 403(b), and 403(c) of the Public Health Service Act are amended by striking out "National Advisory Cancer Council" and "National Cancer Advisory Council" as it may variously appear therein, and inserting in lieu thereof "National Cancer Advisory Board". The word "Council" as used in any such section to describe the National Advisory Cancer Council or the National Cancer Advisory Council, is amended to read "Board".

(2) Section 217 of such Act is amended by striking out "the National Advisory Cancer Council" wherever it may appear.

(b)(1) Section 404 of the Public Health Service Act is amended by striking out "The council is authorized" preceding clause (a), and inserting in lieu thereof "The National Cancer Advisory Board is authorized".

(2) Such section is further amended (A)

by striking out "Surgeon General" wherever it may appear and inserting in lieu thereof "Conquest of Cancer Agency"; (B) in clause (a) thereof by striking out "section 402" and inserting "section 402 or section 407D" in lieu thereof.

### EFFECTIVE DATE

SEC. 7. (a) The amendments made by the preceding provisions of this Act shall take effect sixty days after the date of enactment of this Act or on such prior date after the enactment of this Act as the President shall prescribe and publish in the Federal Register.

(b) Notwithstanding the provisions of subsection (a), members of the National Cancer Advisory Board (as authorized under section 407G of the Public Health Service Act, as amended by this Act) may be appointed in the manner provided for in such section, at any time after the date of enactment of this Act. Such officers shall be compensated from the date they first take office, at the rates provided for in section 407G of the Public Health Service Act, as amended by this Act. Such compensation and related expenses of their offices shall be paid from funds available for the functions to be transferred to the Conquest of Cancer Agency pursuant to this Act.

### AMENDMENT OFFERED BY MR. STAGGERS

Mr. STAGGERS. Mr. Speaker, I offer an amendment.

The Clerk read as follows:

Amendment offered by Mr. STAGGERS: Strike out all after the enacting clause of S. 1828 and insert in lieu thereof the provisions of H.R. 11302, as passed.

The amendment was agreed to.

The Senate bill was ordered to be read a third time, was read the third time, and passed.

The title was amended so as to read: "To amend the Public Health Service Act so as to strengthen the National Cancer Institute and the National Institutes of Health in order to conquer cancer as soon as possible."

A motion to reconsider was laid on the table.

A similar House bill (H.R. 11302) was laid on the table.

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## GENERAL LEAVE

Mr. STAGGERS. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to extend their remarks in the RECORD on the bill just passed.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

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## DUES FOR U.S. MEMBERSHIP IN INTERNATIONAL CRIMINAL POLICE ORGANIZATION

Mr. EDWARDS of California. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11350) to increase the limit on dues for U.S. membership in the International Criminal Police Organization.

The Clerk read as follows:

### H.R. 11350

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Act of June 10, 1938, as amended (22 U.S.C. 263a), is further amended by deleting "$28,500" and inserting in lieu thereof "$55,000".

SEC. 2. The Secretary of the Treasury is authorized to pay to the International Criminal Police Organization the unpaid balance of the dues for the calendar year 1970. There is authorized to be appropriated not to exceed $23,000 to carry out the provisions of this section.

The SPEAKER pro tempore. Is a second demanded?

Mr. WIGGINS. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California (Mr. EDWARDS).

Mr. EDWARDS of California. Mr. Speaker, the bill H.R. 11350 would increase the limit on dues for U.S. membership in the International Criminal Police Organization and would allow the United States to pay that part of its calendar year 1971 dues which it has not been able to pay because of the present statutory ceiling.

Mr. Speaker, Interpol, the International Criminal Police Organization, is independent of the United Nations and other world agencies. It is an independent organization of 109 member countries designed to coordinate the police work of its members in law enforcement and crime prevention. It has become increasingly involved in fighting international drug traffic, and it should play an important role in this effort in the future.

Interpol performs no independent investigatory functions, but rather serves to transmit the needs of one country to another. For example, if a fugitive from the United States is thought to be fleeing to France, Interpol is the mechanism whereby we request the assistance of the French police in apprehending the individual. Within the United States, Interpol is represented by the Treasury Department.

Under existing law, 22 U.S.C. 263(a), there is a ceiling of $28,500 per annum on the total dues to be paid by the United States for membership in Interpol. H.R. 11350 raises the ceiling to take account of an increase in dues effective in the calendar year 1970 and provides authorization for payment of part of our 1970 dues which are still outstanding. Legislation was introduced in the last session to raise the limit, but no action was taken, and the United States could not pay its dues in full because of the statutory limit.

The United States share of the costs of Interpol represents only about 6 percent of the total amount of dues payable and is equivalent to the individual shares to be paid by each of the following members: France, Germany, United Kingdom, and Italy.

The limit established by H.R. 11350 is that proposed by the Treasury Department with a very slight cushion to take account of fluctuations in the dollar which have caused the Treasury Department to modify its original request.

Mr. Speaker, H.R. 11350 allows continued U.S. support of an international police organization which provides vitally important services to our country. This measure received the unanimous support of the Judiciary Committee and warrants the same acceptance by this body.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. EDWARDS of California. I yield to the gentleman from Iowa.

Mr. GROSS. I thank the gentleman for yielding. This is a five-nation organization, is that correct?

Mr. EDWARDS of California. No, that is not correct. It is an organization of many countries. There is a list of the countries in the hearings. The five mentioned are the major contributors, each contributing 6 percent of the annual dues.

Mr. GROSS. But the other four countries are contributing 6 percent. Do I correctly assume from this that some of the other 119 countries in this organization are paying less?

Mr. EDWARDS of California. That is correct.

Mr. GROSS. It is not contemplated that the United States pay more than 6 percent?

Mr. EDWARDS of California. No, that is certainly not contemplated.

Mr. GROSS. Nor is it contemplated that this will ever become an international police force or be other than a clearinghouse for information; is that correct?

Mr. EDWARDS of California. That is correct.

Mr. GROSS. I thank the gentleman.

Mr. EDWARDS of California. I yield to the gentleman from California (Mr. WIGGINS).

Mr. WIGGINS. I thank the gentleman for yielding.

Mr. Speaker, I strongly urge the passage of H.R. 11350, which was introduced at the request of the Department of the Treasury.

The bill has two related purposes: First, to increase the authorization for payment of the annual dues of the United States to the International Criminal Police Organization—Interpol—and, second, to authorize payment of the unpaid balance of this country's Interpol dues for calendar year 1970.

It is imperative that both of these steps be taken promptly, if the United States is to maintain in good standing its membership in this very worthwhile international organization. The Congress has not raised the $28,500 statutory ceiling on the authorization for payment of our annual Interpol dues since the general assembly of Interpol voted a general dues increase in 1969.

Computed at the current rate of exchange of U.S. dollars to Swiss francs, the current annual dues assessed against the United States amount to approximately $53,550. The slightly higher authorization contained in section 1 of the bill, $55,000, was provided to allow for possible additional small fluctuations in the exchange rate before the dues are actually paid.

Likewise, the authorization for payment of $23,000 in back dues contained in section 2 of the bill was based on the figure of $22,254.36 which the United States is computed at current exchange rates to owe for calendar year 1970.

Since 1938 this country has maintained membership in Interpol, which collects and disseminates information about individual criminal offenders and offenses to authorized police agencies in the 109 participating nations.

Interpol is completely independent of the United Nations and maintains its own Secretariat in Paris which is staffed by experts in various enforcement fields who prepare reports and studies on law enforcement subjects of international concern. U.S. membership significantly assists American efforts to combat such illicit activities as smuggling, counterfeiting and trafficking in illegal drugs.

The annual dues currently assessed against the United States represent only about 6 percent of the total amount of dues payable by member nations, and is the same portion paid by each of several countries which are considerably smaller in population than the United States: France, Germany, Italy, and the United Kingdom.

The Department of the Treasury, which since 1958 has been officially designated by the Attorney General as the U.S. representative to Interpol, assured the subcommittee during hearings held on this bill in September that, in light of the benefits which accrue to American law enforcement agencies from U.S. membership in Interpol, the relatively modest U.S. expenditure for dues to the organization represents a real "bargain."

I am confident that the House will agree and pass H.R. 11350 today.

Mr. EDWARDS of California. I yield such time as he may consume to the gentleman from Virginia (Mr. POFF).

Mr. POFF. Mr. Speaker, I was pleased to join with the distinguished chairman of the Committee on the Judiciary (Mr. CELLER) in sponsoring H.R. 11350, a bill to raise the statutory ceiling on the total annual dues authorized to be paid by the United States for membership in the International Criminal Police Organization.

The bill also authorizes the Secretary of the Treasury to pay approximately $23,000 in dues to the organization still owed by the United States for calendar year 1970.

These supplemental and increased annual authorizations are made necessary by an increase in annual dues assessed against each member nation by the membership of Interpol in 1969.

The United States benefits from its membership in Interpol more than our relatively small annual expenditure for dues would suggest. Unlike the United Nations, Interpol does not look to this country for payment of a grossly disproportionate share of its annual operating expenses. On the contrary, it would appear from the evidence adduced at the hearings which the subcommittee conducted on this bill that the United States actually pays less for its membership in Interpol than our use of its services and facilities might justify, on a strictly proportional basis.

For example, during fiscal year 1971 fully 37 percent of the requests for information on various international criminals and offenses processed through the National Central Bureau of Interpol for the United States, located in the main Treasury Building in Washington, were made by various local, State, and Federal law enforcement agencies to foreign police agencies, while the remaining 63 percent of the cases involved requests for information made to American police agencies by foreign law enforcement organizations.

The U.S. share of the total dues assessed all member nations is no greater than the shares of Britain, France, Germany, or Italy, which are all classified as "group I members" along with the United States.

Interpol maintains a relatively small but highly skilled staff at its headquarters near Paris, where records of fingerprints, modus operandi, and other useful information on international criminals is stored. The staff engages in research and the preparation of studies on topics of interest to law enforcement agencies working in the international area.

Perhaps most importantly, there can be cited specific cases in which use of the services of Interpol by American law enforcement officers has facilitated the arrest of persons engaged in illicit international operations. On June 3, 1971, for example, the Bureau of Customs seized over 200 pounds of hashish in Hollywood, Calif., as a result of a tip passed along from Interpol Damascus to Interpol Washington.

It is arguable that only a few cases such as this—and there are indeed others—would justify the annual expenditure of the relatively small sums authorized by this bill.

It is important to law enforcement agencies operating at every level of government in the United States that we maintain our membership in the only international agency for police cooperation existing today. This country has belonged to Interpol since 1938, and today more than ever, that membership is valuable to the internal peace and security of the United States.

I urge the House most earnestly to allow the Treasury Department to continue American cooperation with law enforcement agencies throughout the world by passing H.R. 11350.

Mr. EDWARDS of California. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore (Mr. MCFALL). The question is on the motion offered by the gentleman from California (Mr. EDWARDS) that the House suspend the rules and pass the bill H.R. 11350.

The question was taken.

Mr. HAYS. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present. The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 347, nays 0, not voting 83, as follows:

[Roll No. 387]

YEAS—347

Abernethy
Abourezk
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Arends
Aspin
Aspinall
Badillo
Baker
Baring
Begich
Bennett
Bergland
Betts
Bevill
Biaggi
Biester
Bingham
Blanton
Boggs
Boland
Bow
Brademas
Brasco
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byrne, Pa.
Byrnes, Wis.
Byron
Caffery
Camp
Carey, N.Y.
Carney
Carter
Casey, Tex.
Cederberg
Celler
Chamberlain
Clancy
Clark
Clawson, Del
Clay
Cleveland
Collier
Collins, Tex.
Colmer
Conable
Conte
Corman
Cotter
Coughlin
Crane
Culver
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Donohue
Dorn
Drinan
Duncan
du Pont
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frenzel
Frey
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Goldwater
Gonzalez
Grasso
Gray
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gude
Hagan
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hathaway
Hawkins
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Keating
Kee
Keith
Kemp
King
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landgrebe
Landrum
Latta
Leggett
Lennon
Lloyd
Long, Md.
Lujan
McClory
McCollister
McCormack
McCulloch
McDade
McEwen
McFall
McKinney
McMillan
Madden
Mahon
Mailliard
Martin
Matsunaga
Mayne
Mazzoli
Meeds
Michel
Miller, Ohio
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall
Mizell
Mollohan
Monagan
Montgomery
Morgan
Morse
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
O'Neill
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Poage
Podell
Poff
Powell
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, N.Y.
Reuss
Rhodes
Riegle
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sarbanes
Satterfield
Saylor
Scherle
Scheuer
Schmitz
Schneebeli
Schwengel
Scott
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Calif.
Smith, Iowa
Snyder
Spence
Springer
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Waggonner
Waldie
Wampler
Ware

Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion

NAYS—0

NOT VOTING—83

Abbitt
Alexander
Anderson, Ill.
Anderson, Tenn.
Ashbrook
Ashley
Barrett
Belcher
Bell
Blackburn
Blatnik
Bolling
Cabell
Chappell
Chisholm
Clausen, Don H.
Collins, Ill.
Conyers
Danielson
Dellums
Derwinski
Diggs
Dow
Dowdy
Downing
Dulski
Edwards, La.
Evins, Tenn.
Ford, William D.
Frelinghuysen
Galifianakis
Gibbons
Goodling
Green, Oreg.
Halpern
Hanna
Hansen, Idaho
Hébert
Heckler, Mass.
Jones, Ala.
Lent
Link
Long, La.
McCloskey
McClure
McDonald, Mich.
McKay
McKevitt
Macdonald, Mass.
Mann
Mathias, Calif.
Mathis, Ga.
Melcher
Metcalfe
Mikva
Miller, Calif.
Mitchell
Moorhead
Mosher
Moss
Pelly
Purcell
Rangel
Roberts
Rosenthal
Rousselot
Runnels
Sandman
Sebelius
Skubitz
Smith, N.Y.
Steed
Stokes
Stratton
Stuckey
Teague, Tex.
Thompson, N.J.
Vigorito
Whalley
Widnall
Wilson, Charles H.
Wright
Zwach

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Anderson of Illinois.

Mr. Anderson of Tennessee with Mr. Derwinski.

Mr. Blatnik with Mr. Frelinghuysen.

Mr. Dowdy with Mr. Blackburn.

Mr. Macdonald of Massachusetts with Mr. Bell.

Mr. Charles H. Wilson with Mr. McCloskey.

Mr. Abbitt with Mr. Ashbrook.

Mr. Barrett with Mr. Goodling.

Mr. Ashley with Mr. Don H. Clausen.

Mr. Downing with Mr. Hansen of Idaho.

Mr. Dulski with Mr. Metcalfe.

Mr. Moorhead with Mr. Lent.

Mr. Moss with Mr. McClure.

Mr. Mikva with Mrs. Chisholm.

Mr. Miller of California with Mr. McDonald of Michigan.

Mr. Mathis of Georgia with Mr. McKevitt.

Mr. Link with Mr. Pelly.

Mr. Jones of Alabama with Mr. Rousselot.

Mr. Cabell with Mr. Mathias of California.

Mr. Chappell with Mr. Sandman.

Mr. Roberts with Mr. Mosher.

Mr. Rosenthal with Mr. Conyers.

Mr. Vigorito with Mr. Collins of Illinois.

Mr. Stuckey with Mr. Skubitz.

Mr. Dow with Mr. Smith of New York.

Mr. Stratton with Mr. Dellums.

Mr. William D. Ford with Mr. Stokes.

Mr. Galifianakis with Mr. Diggs.

Mr. Rangel with Mr. Halpern.

Mr. Runnels with Mr. Whalley.

Mr. Danielson with Mr. Mitchell.

Mr. Steed with Mr. Widnall.

Mr. Alexander with Mr. Zwach.

Mr. Gibbons with Mr. Purcell.

Mr. Melcher with Mr. Wright.

Mr. Hanna with Mr. Sebelius.

Mr. Teague of Texas with Mr. Belcher.

Mrs. Green of Oregon with Mrs. Heckler of Massachusetts.

Mr. Evins of Tennessee with Mr. Mann.

Mr. ROONEY of New York changed his vote from "nay" to "yea."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. KASTENMEIER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days to revise and extend their remarks on the bill just passed, H.R. 11350.

The SPEAKER pro tempore. Without objection, it is so ordered.

There was no objection.

## PERSONAL EXPLANATION

Mr. SEBELIUS. Mr. Speaker, I was present in the House Chamber, seeking to reach the well to be recognized, when the vote was being announced. Had I been recorded, I would have voted "yea."

## COPYRIGHT PROTECTION IN CERTAIN CASES

Mr. CELLER. Mr. Speaker, I move to suspend the rules and pass the Senate joint resolution (S.J. Res. 132) extending the duration of copyright protection in certain cases.

The Clerk read as follows:

S.J. Res. 132

*Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,* That in any case in which the renewal term of copyright subsisting in any work on the date of approval of this resolution, or the term thereof as extended by Public Law 87–668, by Public Law 89–142, by Public Law 90–141, by Public Law 90–416, by Public Law 91–147, or by Public Law 91–555 (or by all or certain of said laws), would expire prior to December 31, 1972, such term is hereby continued until December 31, 1972.

The SPEAKER pro tempore. Is a second demanded?

Mr. RAILSBACK. Mr. Speaker, I demand a second.

PARLIAMENTARY INQUIRY

Mr. DINGELL. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state it.

Mr. DINGELL. Mr. Speaker, is the gentleman who just demanded a second opposed to the bill and does he propose to vote against it?

The SPEAKER pro tempore. Is the gentleman from Illinois (Mr. RAILSBACK) opposed to the bill?

Mr. RAILSBACK. No; I am not, Mr. Speaker.

The SPEAKER pro tempore. Is the gentleman from Michigan (Mr. DINGELL) opposed to the bill?

Mr. DINGELL. I am, Mr. Speaker, and I do demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from New York (Mr. CELLER).

Mr. CELLER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this legislation can only be understood in the context of the projected general revision of the copyright law.

In the 90th Congress the Committee on the Judiciary processed and the House passed a general copyright law revision bill. Among many other provisions, that measure contained significant changes in the duration of copyright, from the present term of 28 years plus a 28-year renewal.

Under the revision proposal future copyrights are to receive a term measured by the life of the author plus 50 years. Copyrights already subsisting but not yet expired on the effective date of the revision are to receive a 19-year extension—from the present 56 years to 75 years.

Ever since we began work on the revision in 1962, the Committee on the Judiciary and the Congress have seen to it that subsisting copyright holders shall not lose the benefit of this extension of term merely because delays in the other body have prevented the revision bill from taking effect.

As a result, copyright holders have a real and reasonable expectancy that their copyright interests will survive long enough to benefit from the revision, an expectancy that should not now be thwarted. Certainly authors, composers, and lyricists should not be punished because of intransigence or because of delay in the other body.

I realize that some of my colleagues have become restive and believe that the interim extension should not be renewed. I believe, however, that we are confronted with a new situation. In introducing this measure in the other body, its author, the distinguished Senator from Arkansas (Senator MCCLELLAN) pointed out that the copyright revision bill has been delayed in the Senate principally because of the cable television controversy. He noted that the deadlock seemed about to be broken.

More recently—only last week, indeed—compromise of the CATV issue appears to be in the making, partly through intervention of the White House. However, adequate time does not remain for action on the copyright law revision bill and, therefore, another interim extension becomes necessary.

Since I received that communication from the Senator from Arkansas, I am informed that the compromise has been consummated due to the White House intervention, and that all difficulties between the broadcasting industry and the CATV are in process of being resolved and the way is now clear for the copyright law revision bill.

I know I shall be accused of inconsistency in supporting this measure, because last year I told the House that I would not support any further interim extension. Let me say a word about this. Much is going to be made, I think, by the gentleman from Michigan (Mr. DINGELL) because of my statement that I would not under any circumstances offer a renewal of the interim extension bill.

Apart from reflecting an unhealthy reliance on consistency for its own sake—and I remember Churchill once said, "I would rather be right than consistent," and I remember what Emerson said, that consistency was the hobgoblin of small minds—apart from reflecting an unhealthy reliance on consistency for its own stake, this position ignores the significant changes that have taken place, the progress that appears to be under way in the Senate and among the parties with respect to the CATV issue, and the White House has now indicated a clear-cut effort to straighten this thing out.

I submit that my position is not significantly more inconsistent than is the posture of those who have in the past supported interim extensions but who now express elaborate concern about what they call "retrospective rewards of authorship at the expense of the public domain." Of course, copyright protection is at the expense of the public domain. This is our democratic method of stimulating and rewarding authorship. We do not live by bread alone. Music, opera, drama, painting, movies, literature are part and parcel of our lives. Those who create these forms enrich our existence. This bill is for the benefit of those creators. Those who create these forms indeed, I repeat, enrich our existence. These arts must be nurtured and encouraged. Our daily chores would be exceedingly drab without the beauty and spirituality given us by these art media.

Our copyright laws are devised to encourage these arts, to enhance new creations. We should go out of our way to help, not hinder, authors, composers, poets, dramatists, producers, and publishers.

Both Houses have consistently supported the copyright term proposed in the revision bills, as the repeated enactment of the interim extension measures demonstrates.

These interim extensions granted to date do not add up to more than 9 years of the total 19-year extension of the term that is contemplated in the revision bill.

It must always be remembered that both the House copyright revision bill of 1967 and the pending Senate copyright revision bill contain this 19-year extension of all renewal terms subsisting at the effective date of the revision from 28 to 47 years. The succession of interim extension measures, of which Senate Joint Resolution 132 is the latest, indicates the congressional purpose that presently subsisting copyrights should, as far as possible, remain eligible for the longer term that will be enjoyed by holders of copyrights that have not expired by the effective date of the revision. In short, the intent and purpose of the Congress has been to avoid lapses of copyright protection on the eve of the revision, rather than to select a particular term of years apart from the revision. It would be particularly unfair if copyrighted works should now be permitted to fall in the public domain for lack of an interim extension.

A case in point involves two of the Peter Pan books by James Barrie. In his will Barrie left the proceeds of his copyrights to the Hospital for Sick Children in London. There have been substantial motion pictures and TV rights flowing from these copyrights. If the basic book titles are allowed to fall into the public domain, these subsidiary rights will also disappear at the end of next month.

Among the living authors who would lose copyright protection are Rebecca West, Louis Untermeyer, and Frank Swinnerton.

Some of the widows of prominent authors who would also be affected are: Mrs. Edgar Lee Masters, Mrs. Sherwood Anderson, and Mrs. Elmer Rice.

The surviving children of several authors would also be deprived of protection. For example, the children of Ring Lardner, Vachel Lindsay, William Butler Yeats, Sinclair Lewis and Mrs. Belloc Lowndes.

Two other authors whose family or heirs would be deprived of protection are James Joyce—Ulysses and Portrait of the Artist as a Young Man—and Somerset Maugham—Of Human Bondage.

Other important authors whose titles would fall into the public domain if this legislation fails includes George M. Cohan, Joseph Conrad, Mary Roberts Rinehart, Eugene O'Neill, Richard Harding Davis, Eugene Field, Howard Pyle and Edith Wharton.

I do not think we want to do wrongs to these famous authors and their heirs and children and widows. We must give them protection so that in the future authors will feel that they can rely on that protection when they give us something new and novel that is worthy of copyright. For all these reasons I urge the Members to vote for the resolution before us.

Mr. BOGGS. Mr. Speaker, will the gentleman yield?

Mr. CELLER. I yield to the gentleman from Louisiana.

Mr. BOGGS. Mr. Speaker, I would like to commend the distinguished gentleman from New York, the chairman of the Judiciary Committee, for his statement. I would also like to commend the gentleman from Wisconsin (Mr. KASTENMEIER) who has worked hard and diligently for a great many years on a comprehensive revision of the copyright laws of this country.

Let me see if my recollection is correct. In 1967 we passed the comprehensive copyright revision bill; is that correct?

Mr. CELLER. That is correct.

Mr. BOGGS. For all practical purposes it has been pending in the other body ever since then?

Mr. CELLER. That is correct.

Mr. BOGGS. So that what we have been up against on the House side is the failure of the other body to act on the very comprehensive piece of legislation that the gentleman's committee, guided by the chairman of the subcommittee, the gentleman from Wisconsin (Mr. KASTENMEIER) has worked on and which was reported out and passed by the House.

Mr. CELLER. That is correct.

Mr. BOGGS. If we fail to act today many thousands, if not hundreds of thousands, of copyright owners will be affected in addition to the very famous authors and authoresses the gentleman mentioned.

Mr. CELLER. Yes. I did not have time to mention everybody. I just picked out a few famous authors and composers.

Mr. BOGGS. I hope the House will act favorably, Mr. Speaker.

Mr. DINGELL. Mr. Speaker, I yield myself 10 minutes.

Mr. Speaker, we are engaging now in our annual exercise in frustration in renewing dreary and tired old copyrights which have been in existence for too long a time.

All of my colleagues received a letter from me citing and quoting the remarks of the distinguished chairman of the Judiciary Committee announcing, during the session just past, on December 7, 1970, that that day was the date on which we would be extending copyrights for the last time.

I believe it ought to be known, Mr. Speaker, that the history of this Nation is one which has been built upon a friendliness for the arts. The copyright system of this Nation recognizes that friendliness and the need to afford a measure of protection to those who innovate and contribute to our cultural values. For that reason we have given an original period of 28 years, plus an additional 28 years of time. Beginning in 1962 with a 3-year extension, followed by a 2-year extension, and then by four annual 1-year extensions, we now find ourselves with a period of life for copyrights in excess of 66 years, according to the chairman of the Judiciary Committee.

I would point out to my colleagues that there comes a time when every author can be presumed to have exhausted his right to special and peculiar interests in the fruits of his genius. Certainly, at the end of 66 years such a time has come, and those documents should revert to the public domain and become the property of all the people.

It has been mentioned by my distinguished friend, the chairman of the Judiciary Committee, that it is necessary for us to take care of the heirs and assignees of a number of distinguished authors. I would point out that each of the authors he has mentioned, and his heirs and his assignees, has had the benefit of the earnings of those copyrights for in excess of 66 years. And I say that is quite time enough.

Last year on December 7 my good friend from New York, the distinguished chairman of the Judiciary Committee, and I had a little colloquy about this. I pointed out to Chairman CELLER that the time had come when we should no longer be moving forward with an extension of these tired and dreary old copyrights. I will read the colloquy that took place at that time.

My good friend from New York says that "a foolish consistency is the hobgoblin of little minds." That may well be, but I would point out that the gentleman from New York established this consistency about seven times by continuing to extend copyrights under the general impression afforded this body that this was the last time the copyright bills were going to be before us for extension. I now read from a colloquy in the CONGRESSIONAL RECORD referred to above between the gentleman from New York (Mr. CELLER) and myself at the time of the last extension.

> Mr. DINGELL. How many more times are we going to have these copyright bills before us?
>
> Mr. CELLER. I have told those in the other body who are responsible for passing this very bill that we are now considering

> that I would under no circumstances renew this copyright provision, but that they must pass the comprehensive compromise code, otherwise there would be no more extensions. This is the last extension.

I am happy to hear the gentleman say that because I feel we have a bill, a resolution, for the extension of copyrights usually at the request of the same people. I think it is about time the House quit extending these copyright laws.

Mr. CELLER. I am in thorough agreement with the gentleman's point of view in that respect.

Mr. DINGELL. Mr. Speaker, I think it is time we take a look to see who the real beneficiaries of these documents are that are going to have the benefit of extending the copyrights. The answer is they are usually not the author, because the author has usually long since passed on to his eternal reward. Indeed, it is not usually the heirs, because the heirs have usually either died or seen the rights in the copyright assigned either by the copyright holder, the original author, or have since assigned them themselves. The real beneficiaries of this bill are ASCAP and B.M.I., the two holding corporations which are well known for their ability to narrowly evade the requirements of the antitrust laws and some of the ruthless practices in which they engage with regard to copyrights.

So we find ourselves at the end of this session, as we do at the end of each session, faced with the prospect of yet another extension, not for the authors and not for the heirs who have seen their copyrights assigned but for the corporate holders of the copyrights.

It is interesting to note that we are not talking about the first extension but we are talking about the seventh extension. On what basis? On the basis that perhaps the Senate might send us yet another bill relating to copyrights. Perhaps an overall code revision relating to copyrights.

In one reads the bill submitted to us by the distinguished Committee on the Judiciary, one must search very hard to find any justification for the legislation before us. One thing that is submitted to us as justification from the agencies downtown is a letter from Mr. L. Quincy Mumford, the Librarian of Congress, in which he says:

> We support S.J. Res. 132 with the fervent hope that the enactment of the general revision bill can be accomplished before the end of the next session of Congress.

But during the last Congress—and I might say the inconsistency of the gentleman from New York (Mr. CELLER) is no less glaring than that of the Librarian of Congress—the Librarian of Congress said the last time we had this miserable matter before us, as follows:

> It is important that this fifth interim extension of the subsisting copyrights be the last of the series.

So, Mr. Speaker, we find ourselves now listening to the pleas of the gentleman from New York that this body should again participate in his inconsistencies, in the further and unnecessary extension of copyrights.

I would point out that there is no real need for it. These matters have been exclusive property for in excess of 60 years of all of the beneficiaries of the copyrights.

I want to point out also that most of the original holders of the copyrights have long since passed on to glory, and it is usually the corporate assignees of the holders who would be the principal beneficiaries.

I would say it is time we took the gentleman from New York at his word and permitted the copyrights to expire and permitted the public, the American people, to get the benefit of having these copyrights pass into the public domain. After all, it was the original intention of the Founding Fathers and of the Congress that these things should now lie in the public domain after the lengthy period of private ownership which has been given them, after the lengthy period of extension which the Congress has so generously, under the leadership of the gentleman from New York, accorded the corporate assignees of the original beneficiaries.

The bill should be defeated.

Mr. CELLER. Mr. Speaker, I yield such time as he may consume to the gentleman from Ohio (Mr. McCULLOCH).

(Mr. McCULLOCH asked and was given permission to revise and extend his remarks.)

Mr. McCULLOCH. Mr. Speaker, I have heard described the extension of the legislation in this field from some of the most able and dependable Members of the House. This is the 15th of November and the new session of Congress comes soon after the first of January. There is hardly time enough to do all that should be done in reviewing that which we have gone over before. For that reason, I believe the joint resolution now pending before the House should be adopted.

Mr. Speaker, I intend to vote that way.

The SPEAKER pro tempore (Mr. BOGGS). The question is on the motion offered by the gentleman from New York (Mr. CELLER) that the House suspend the rules and pass the Senate joint resolution (S.J. Res. 132).

The question was taken.

Mr. ROONEY of New York. Mr. Speaker, on that I demand a division.

The SPEAKER pro tempore. For what purpose does the gentleman from Michigan rise?

Mr. DINGELL. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

### PARLIAMENTARY INQUIRY

Mr. ROONEY of New York. Mr. Speaker, a parliamentary inquiry.

The SPEAKER pro tempore. The gentleman will state his parliamentary inquiry.

Mr. ROONEY of New York. I take it that the Speaker pro tempore did not hear me demand a division.

The SPEAKER pro tempore. In response to the parliamentary inquiry of the gentleman from New York, the gentleman from Michigan (Mr. DINGELL) made the point of order that a quorum was not present, which takes precedence over the request of the gentleman from New York.

Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 302, nays 49, not voting 79, as follows:

[Roll No. 388]

YEAS—302

Abernethy
Abourezk
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Arends
Aspinall
Baker
Baring
Begich
Belcher
Bennett
Betts
Bevill
Biaggi
Biester
Bingham
Blanton
Boggs
Boland
Brasco
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byrne, Pa.
Byrnes, Wis.
Byron
Caffery
Camp
Carey, N.Y.
Carney
Carter
Casey, Tex.
Cederberg
Celler
Chamberlain
Clancy
Clawson, Del
Cleveland
Collier
Collins, Tex.
Conable
Conte
Corman
Cotter
Coughlin
Crane
Culver
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Denholm
Dennis
Devine
Dickinson
Donohue
Duncan
du Pont
Dwyer
Edmondson
Edwards, Ala.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Forsythe
Fountain
Frelinghuysen
Frenzel
Frey
Fulton, Tenn.
Fuqua
Garmatz
Gettys
Giaimo
Goldwater
Gonzalez
Grasso
Gray
Green, Pa.
Gross
Gubser
Gude
Hagan
Haley
Hall
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hathaway
Hawkins
Heinz
Henderson
Hicks, Mass.
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Kazen
Keating
Kee
Keith
Kemp
King
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landgrebe
Landrum
Latta
Leggett
Lennon
Lloyd
Long, Md.
Lujan
McClory
McCollister
McCormack
McCulloch
McDade
McEwen
McFall
McKinney
McMillan
Madden
Mailliard
Martin
Matsunaga
Mayne
Meeds
Michel
Miller, Ohio
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall
Mizell
Monagan
Montgomery
Morgan
Morse
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
O'Hara
O'Konski
O'Neill
Passman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pirnie
Poage
Podell
Powell
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Quie
Quillen
Railsback
Randall
Rees
Reid, N.Y.
Rhodes
Riegle
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roy
Roybal
Ruth
Ryan
Sarbanes
Satterfield
Saylor
Scherle
Scheuer
Schneebeli
Schwengel
Scott
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Calif.
Smith, Iowa
Snyder
Spence
Springer
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stubblefield
Symington
Talcott
Taylor

Teague, Calif.
Teague, Tex.
Terry
Thompson, Ga.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Veysey
Waggonner
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion

NAYS—49

Aspin
Badillo
Bergland
Brademas
Burton
Clark
Clay
Dellenback
Dent
Dingell
Dorn
Dow
Drinan
Eckhardt
Edwards, Calif.
Fraser
Gallagher
Gaydos
Green, Oreg.
Griffin
Griffiths
Grover
Hamilton
Hays
Hechler, W. Va.
Helstoski
Hicks, Wash.
Hillis
Ichord
Karth
Kastenmeier
Mazzoli
Mollohan
Nedzi
Nix
Obey
Pike
Poff
Price, Tex.
Rarick
Reuss
Roush
Ruppe
St Germain
Schmitz
Stratton
Sullivan
Vanik
Waldie

NOT VOTING—79

Abbitt
Alexander
Anderson, Ill.
Anderson, Tenn.
Ashbrook
Ashley
Barrett
Bell
Blackburn
Blatnik
Bolling
Bow
Cabell
Chappell
Chisholm
Clausen, Don H.
Collins, Ill.
Colmer
Conyers
Danielson
Dellums
Derwinski
Diggs
Dowdy
Downing
Dulski
Edwards, La.
Ford, Gerald R.
Ford, William D.
Galifianakis
Gibbons
Goodling
Halpern
Hansen, Idaho
Hébert
Heckler, Mass.
Jones, Ala.
Lent
Link
Long, La.
McCloskey
McClure
McDonald, Mich.
McKay
McKevitt
Macdonald, Mass.
Mahon
Mann
Mathias, Calif.
Mathis, Ga.
Melcher
Metcalfe
Mikva
Miller, Calif.
Mitchell
Moorhead
Mosher
Moss
Patman
Pelly
Purcell
Rangel
Roberts
Rosenthal
Rousselot
Runnels
Sandman
Skubitz
Smith, N.Y.
Steed
Stokes
Stuckey
Thompson, N.J.
Vigorito
Whalley
Widnall
Wilson, Charles H.
Wright
Zwach

So (two-thirds having voted in favor thereof) the rules were suspended and the Senate joint resolution was passed.

The Clerk announced the following pairs:

Mr. Thompson of New Jersey with Mr. Anderson of Illinois.

Mr. Hébert with Mr. Gerald R. Ford.

Mr. Blatnik with Mr. Ashbrook.

Mr. Barrett with Mr. McKevitt.

Mr. Moorhead with Mr. Mitchell.

Mr. Link with Mr. Metcalfe.

Mr. Diggs with Mr. Derwinski.

Mr. Abbitt with Mr. Blackburn.

Mr. Cabell with Mr. Lent.

Mr. Charles H. Wilson with Mr. Collins of Illinois.

Mr. Dowdy with Mr. Mathias of California.

Mr. McKay with Mr. Don H. Clausen.

Mr. William D. Ford with Mr. Rangel.

Mr. Jones of Alabama with Mr. Goodling.

Mr. Dulski with Mr. Halpern.

Mr. Macdonald of Massachusetts with Mr. Hansen of Idaho.

Mr. Mathis of Georgia with Mr. McClure.

Mr. Vigorito with Mr. Stokes.

Mr. Moss with Mr. McCloskey.

Mr. Roberts with Mr. Mosher.

Mr. Runnels with Mr. Rousselot.

Mr. Ashley with Mrs. Chisholm.

Mr. Galifianakis with Mr. Pelly.

Mr. Rosenthal with Mr. Conyers.

Mr. Wright with Mr. Sandman.

Mr. Mikva with Mr. Dellums.

Mr. Alexander with Mr. Skubitz.

Mr. Purcell with Mr. Smith of New York.

Mr. Melcher with Mr. Whalley.

Mr. Steed with Mr. Widnall.

Mr. Chappell with Mr. Zwach.

Mr. Danielson with Mr. Bell.

Mr. Downing with Mrs. Heckler of Massachusetts.

Mr. Colmer with Mr. McDonald of Michigan.

Mr. Gibbons with Mr. Anderson of Tennessee.

Mr. Mahon with Mr. Mann.

Mr. Miller of California with Mr. Patman.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## GENERAL LEAVE

Mr. CELLER. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill just passed and include extraneous matter.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from New York?

There was no objection.

## LIBERALIZATION OF DISABILITY AND DEATH PENSION

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11651) to amend title 38 of the United States Code to liberalize the provisions relating to payment of disability and death pension, and for other purposes.

The Clerk read as follows:

H.R. 11651

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) subsection (b) of section 521 of title 38, United States Code, is amended to read as follows:

"(b) If the veteran is unmarried (or married but not living with and not reasonably contributing to the support of his spouse) and has no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $130. For each $1 of annual income in excess of $300 up to and including $1,000, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,000 up to and including $1,500, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,500 up to and including $1,800, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,800 up to and including $2,200, the monthly rate shall be reduced 6 cents; and for each $1 of annual income in excess of $2,200 up to and including $2,600, the monthly rate shall be reduced 7 cents. No pension shall be paid if annual income exceeds $2,600."

(b) Subsection (c) of such section 521 is amended to read as follows:

"(c) If the veteran is married and living with or reasonably contributing to the support of his spouse, or has a child or children, pension shall be paid according to the following formula: If annual income is $500 or less, the monthly rate of pension shall be $140 for a veteran and one dependent, $145 for a veteran and two dependents, and $150 for three or more dependents. For each $1 of annual income in excess of $500 up to and including $900, the particular monthly rates shall be reduced 2 cents; for each $1 of annual income in excess of $900 up to and including $3,200, the monthly rate shall be reduced 3 cents; and for each $1 annual income in excess of $3,200 up to and including $3,800, the monthly rate shall be reduced 5 cents. No pension shall be paid if annual income exceeds $3,800."

(c) Subsection (b) of section 541 of title 38, United States Code, is amended to read as follows:

"(b) If there is no child, pension shall be paid according to the following formula: If annual income is $300 or less, the monthly rate of pension shall be $87. For each $1 of annual income in excess of $300 up to and including $600, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $600 up to and including $1,900, the monthly rate shall be reduced 3 cents; and for each $1 of annual income in excess of $1,900 up to and including $2,600, the monthly rate shall be reduced 4 cents. No pension shall be paid if annual income exceeds $2,600."

(d) Subsection (c) of such section 541 is amended to read as follows:

"(c) If there is a widow and one child, pension shall be paid according to the following formula: If annual income is $600 or less, the monthly rate of pension shall be $104. For each $1 of annual income in excess of $600 up to and including $1,400, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,400 up to and including $2,700, the monthly rate shall be reduced 2 cents; and for each $1 of annual income in excess of $2,700 up to and including $3,800, the monthly rate shall be reduced 3 cents. Whenever the monthly rate payable to the widow under the foregoing formula is less than the amount which would be payable to the child under section 542 of this title if the widow were not entitled, the widow will be paid at the child's rate. No pension shall be paid if the annual income exceeds $3,800."

(e) Subsection (d) of such section 541 is amended by striking out "$16" and inserting in lieu thereof "$17".

(f) Subsection (a) of section 542 of title 38, United States Code, is amended by striking out "$40" and "$16" and inserting in lieu thereof "$42" and "$17", respectively.

SEC. 2. Section 503 of title 38, United States Code, is amended by (a) inserting "(a)" immediately preceding "In" at the beginning of such section, and (b) adding at the end thereof the following new subsections:

"(b) Where a fraction of a dollar is involved, annual income shall be fixed at the next lower dollar.

"(c) The Administrator may provide by regulation for the exclusion from income under this chapter of amounts paid by a veteran, widow, or child for unusual medical expenses."

SEC. 3. Paragraph (2) of section 3012(b) of title 38, United States Code, is amended by striking out "month" and inserting in lieu thereof "calendar year".

SEC. 4. Section 4 of Public Law 90–275 (82 Stat. 68) is amended to read as follows:

"SEC. 4. The annual income limitations governing payment of pension under the first sentence of section 9(b) of the Veterans' Pension Act of 1959 hereafter shall be $2,200 and $3,500, instead of $1,900 and $3,200 respectively."

SEC. 5. (a) Paragraph (30) of section 101 of title 38, United States Code, is amended by striking the phrase "for ninety days or more".

(b) Paragraph (3) of subsection 521(g) of such title 38 is amended by inserting immediately before "World War I" the phrase "the Mexican border period or".

SEC. 6. This Act shall take effect on January 1, 1972.

The SPEAKER pro tempore. Is a second demanded?

Mr. TEAGUE of California. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without

objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas is recognized.

Mr. TEAGUE of Texas. Mr. Speaker, I yield myself such time as I may consume.

### GENERAL LEAVE

Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to extend their remarks on the bill H.R. 11651.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, H.R. 11651 is one of the most important bills our committee has considered this year and, together with the survivors' benefit bill, H.R. 11652, which we will consider next, is the result of a very substantial effort on the part of the subcommittee on compensation and pension. The Honorable W. J. BRYAN DORN is the chairman of that subcommittee and the Honorable JOHN PAUL HAMMERSCHMIDT is the ranking minority member on that subcommittee. The other members of the subcommittee are as follows: The Honorable RAY ROBERTS, the Honorable G. V. (SONNY) MONTGOMERY, the Honorable JOHN P. SAYLOR, and the Honorable WILLIAM LLOYD SCOTT.

The modern system for the payment of pension based on the non-service-connected disability or death of a war veteran has traditionally involved a basic premise of "need" on the part of the beneficiary. Accordingly, there have been established statutory income limitations which have been liberalized from time to time but which have been retained in principle to serve as the benchmarks for determining the extent of need in each individual case, in the light of certain equities and with a view to preventing undue hardship, the Congress has provided a limited number of specific exclusions from countable income in determining pension eligibility.

With the exception of such exclusions, however, all income must be considered. As a result, from time to time as income from other sources is increased, notably in the programs of social security, railroad retirement, civil service retirement, and private pension plans, the resulting impact on the veterans' pension program is direct and sometimes very substantially adverse. The committee is particularly aware, as are most members, of the growing concern among pensioners of the potential adverse effect of the recent social security increase on the amount of pension, if any, they may be entitled to in 1972. The committee has given long and serious study to this problem which defies any perfect solution as long as the basic concept of need is retained, as it must be, in the pension system.

In the light of the foregoing, the committee is enthusiastic in recommending to the House a new formula approach as a substitute for the existing statutory tables dealing with pension rates and income limitations. In this connection, I wish to express the committee's admiration for the ingenuity of the Veterans' Administration in devising this new approach as a technical service in the first instance and commend the Administrator for his later policy endorsement for such approach. We believe it will effectively minimize future concern as to the adequacy of the veterans' pension program, vis-a-vis other income maintenance programs.

Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from South Carolina (Mr. DORN) who will discuss in greater detail the various provisions of this important bill.

Mr. DORN. Mr. Speaker, the major veterans' bill, H.R. 11651, to which our chairman has just addressed his remarks, would provide an average increase of approximately 6.5 percent in the rates of non-service-connected pension payable to veterans and widows. The various pension rates and income limitations have been restructured under a formula devised and recommended by the Veterans' Administration. Under this formula, we are assured by the Veterans' Administration that notwithstanding the 10-percent increase in social security no veteran or widow on the pension rolls will suffer any reduction in pension. In fact, in view of a cost of living factor included in the increased rates, we are assured by the Veterans' Administration that practically all, if not all, pensioners will receive some increase.

Under the bill, the top income limitation is raised by $300 and a similar increase is provided for pensioners under the so-called old law. Comparable rate increases are provided for orphan children.

Upon the recommendation of the Veterans' Administration, we have also included in the bill a provision which excludes from income amounts paid by a claimant for unusual medical expenses. Further, where a veteran's spouse died during the year his pension as a married veteran will not be reduced or terminated until the end of the calendar year rather than the end of the month prior to the date of the spouse's death, as at present.

Finally, the bill corrects a problem relating to the service requirements under which a Mexican border veteran was granted eligibility for pension in our pension bill last year so as to clearly reflect what we believe was the original intent of that provision, namely, to fully equate Mexican border veterans with World War I veterans for pension purposes.

The cost of the bill for the first full year has been estimated as $127.2 million, increasing to $136.9 million the fifth year.

Mr. Speaker, I believe it is very relevant to quote the following from the testimony of the Veterans' Administration in the recent hearings on this bill:

> The cost of living council has exempted income maintenance programs, like pensions and dic, from coverage during the current freeze period. Based on this ruling, and recognizing our obligation to both the nation's economic goals and to the veteran and his family in this critical time, the Veterans' Administration feels justified in supporting an adjustment in these benefit payments to compensate for price increases since the time when benefits were last increased. We feel that price changes constitute a reasonable and appropriate benchmark for this subcommittee to use in determining the magnitude of adjustment needed.

Mr. Speaker, at this point I ask permission to insert as a part of my remarks a more detailed explanation of the eight major objectives of the bill followed by an explanation of the application of the new pension formulae, together with pertinent tabular and cost data which I am sure the members will find most informative.

Mr. Speaker, I urge approval of H.R. 11651. I believe it is an excellent bill which goes far toward solving pressing problems in the pension program and at the same time strengthen and improve this major benefit for war veterans and their survivors who are in need.

I include the following information for the RECORD:

The bill is designed to accomplish the following objectives, effective January 1, 1972:

First, provide an average cost-of-living increase of approximately 6.5 percent in non-service-connected pension rates payable to approximately 1.6 million veterans and widows and prevent such pensioners from losing any of their VA pension because of the 1971 increase in their social security benefits. The committee wishes to emphasize that such assurance against loss of pension is only in connection with the increased social security payments received by a pensioner on his own behalf. The last general increase in such pensions was effective January 1, 1971.

Second, increase by $300 the maximum annual income limitations for the non-service-connected pension program, thus providing an income limitation of $2,600 for single pensioners and $3,800 for pensioners with dependents.

Third, establish new formulas for payment of pension which will be more responsive to the needs of veterans and widows and, as long as a pensioner's income does not exceed the maximum annual limitation, preclude the loss of aggregate income in the future when a pensioner might receive an increase in income from some other source, regardless of the source.

Fourth, provide a cost-of-living increase in the pension rates payable to widows for children in excess of one, and to eligible children receiving non-service-connected death benefits.

Fifth, in determining a pensioner's income for pension purposes, exclude from the counting of income amounts paid by the claimant for unusual medical expenses.

Sixth, in the case of loss of a dependent of a payee by reason of marriage, divorce. or death during the year, permit the VA to continue paying benefits as if there had been no loss until the end of the calendar year, rather than reducing or terminating benefits at the end of the month prior to the date of the event.

Seventh, increase by $300 the annual income limitations for veterans and widows under the "old law" pension program which was in existence prior to July 1, 1960, the effective date of Public Law 86-211.

Eighth, liberalize the present law regarding the number of days a veteran of the Mexican border period must have served in Mexico, or on the borders thereof, in order to receive a non-service-connected pension. This provision will substantially equate the service eligibility of such veterans, their widows and children with that of veterans of World War I and their widows and children for pension purposes.

The formulas mentioned in (3) above would specify a maximum monthly rate for each group within designated income categories, and each individual's monthly benefit rate would be computed by reducing the maximum rate by a specified number of cents for each dollar by which the minimum income limitation for that group is exceeded. For example, under subsection (a) of the first section of the bill for a single veteran under 38 U.S.C. 521 the maximum monthly pension would be $130 based upon annual income of $300 or less. This monthly amount would be reduced by 3 cents for each dollar of annual income by which income exceeds $300, up to and including $1,000; by 4 cents for each dollar of income in excess of $1,000 up to and including $1,500; by 5 cents for each dollar of income exceeding $1,500 up to and including $1,800; by 6 cents for each dollar of income up to $2,200; and by 7 cents for each dollar of income up to and including $2,600. The minimum monthly rate would be $22. No pension would be paid if annual income exceeds $2,600.

There follow tables setting forth the current rates of pension payable to veterans and widows and showing certain new rates set forth in $100 increments for easy reference to typical examples which would be authorized under the formula provided by the bill:

H.R. 11651

| Income not more than— | Veteran alone |  | Veteran and dependents |  |  |  |
|---|---|---|---|---|---|---|
|  |  |  |  | No loss formula |  |  |
|  | Current | No loss formula | Current | 1 dependent | 2 dependents | 3 or more |
| $100 | $121 | $130 | $132 | $140 | $145 | $150 |
| $200 | 121 | 130 | 132 | 140 | 145 | 150 |
| $300 | 121 | 130 | 132 | 140 | 145 | 150 |
| $400 | 119 | 127 | 132 | 140 | 145 | 150 |
| $500 | 117 | 124 | 132 | 140 | [1]145 | [1]150 |
| $600 | 125 | 121 | 130 | 130 |  |  |
| $700 | 112 | 118 | 128 | 136 |  |  |
| $800 | 108 | 115 | 126 | 134 |  |  |
| $900 | 104 | 112 | 124 | 132 |  |  |
| $1,000 | 100 | 109 | 122 | 129 |  |  |
| $1,100 | 96 | 105 | 119 | 126 |  |  |
| $1,200 | 92 | 101 | 116 | 123 |  |  |
| $1,300 | 88 | 97 | 113 | 120 |  |  |
| $1,400 | 84 | 93 | 110 | 117 |  |  |
| $1,500 | 79 | 89 | 107 | 114 |  |  |
| $1,600 | 75 | 84 | 104 | 111 |  |  |
| $1,700 | 69 | 79 | 101 | 108 |  |  |
| $1,800 | 63 | 74 | 99 | 105 |  |  |
| $1,900 | 57 | 68 | 96 | 102 |  |  |
| $2,000 | 51 | 62 | 93 | 99 |  |  |
| $2,100 | 45 | 56 | 90 | 96 |  |  |
| $2,200 | 37 | 50 | 87 | 93 |  |  |
| $2,300 | 29 | 43 | 84 | 90 |  |  |
| $2,400 |  | 36 | 81 | 87 |  |  |
| $2,500 |  | 29 | 78 | 84 |  |  |
| $2,600 |  | 22 | 75 | 81 |  |  |
| $2,700 |  |  | 72 | 78 |  |  |
| $2,800 |  |  | 69 | 75 |  |  |
| $2,900 |  |  | 66 | 72 |  |  |
| $3,000 |  |  | 62 | 69 |  |  |
| $3,100 |  |  | 58 | 66 |  |  |
| $3,200 |  |  | 54 | 63 |  |  |
| $3,300 |  |  | 50 | 58 |  |  |
| $3,400 |  |  | 42 | 53 |  |  |
| $3,500 |  |  | 34 | 48 |  |  |
| $3,600 |  |  |  | 43 |  |  |
| $3,700 |  |  |  | 38 |  |  |
| $3,800 |  |  |  | 33 |  |  |

[1] With higher income, lesser rates are paid according to formula.

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| Income not more than— | Widow alone |  | Widow and 1 child |  |
|---|---|---|---|---|
|  | Current | No loss formula | Current | No loss formula |
| $100 | $81 | $87 | $99 | $104 |
| $200 | 81 | 87 | 99 | 104 |
| $300 | 81 | 87 | 99 | 104 |
| $400 | 80 | 86 | 99 | 104 |
| $500 | 79 | 85 | 99 | 104 |
| $600 | 78 | 84 | 99 | 104 |
| $700 | 76 | 81 | 98 | 103 |
| $800 | 73 | 78 | 97 | 102 |
| $900 | 70 | 75 | 96 | 101 |
| $1,000 | 67 | 72 | 95 | 100 |
| $1,100 | 64 | 69 | 94 | 99 |
| $1,200 | 61 | 66 | 92 | 98 |
| $1,300 | 58 | 63 | 90 | 97 |
| $1,400 | 55 | 60 | 88 | 96 |
| $1,500 | 51 | 57 | 86 | 94 |
| $1,600 | 48 | 54 | 84 | 92 |
| $1,700 | 45 | 51 | 82 | 90 |
| $1,800 | 41 | 48 | 80 | 88 |
| $1,900 | 37 | 45 | 78 | 86 |
| $2,000 | 33 | 41 | 76 | 84 |
| $2,100 | 29 | 37 | 74 | 82 |
| $2,200 | 23 | 33 | 72 | 80 |
| $2,300 | 17 | 29 | 70 | 78 |
| $2,400 |  | 25 | 68 | 76 |
| $2,500 |  | 21 | 66 | 74 |
| $2,600 |  | 17 | 64 | 72 |
| $2,700 |  |  | 62 | 70 |
| $2,800 |  |  | 59 | 67 |
| $2,900 |  |  | 56 | 64 |
| $3,000 |  |  | 53 | 61 |
| $3,100 |  |  | 51 | 58 |
| $3,200 |  |  | 48 | 55 |
| $3,300 |  |  | 45 | 52 |
| $3,400 |  |  | 43 | 49 |
| $3,500 |  |  | 41 | 46 |
| $3,600 |  |  |  | 43 |
| $3,700 |  |  |  | 42 |
| $3,800 |  |  |  | 42 |

### FORMULA APPLYING TO PENSIONERS

#### VETERAN ALONE[1,2,3]

Top monthly rate—$130. (Countable income $300 per annum or less)

If income is in excess of $300 per annum, the $130 monthly payment is reduced on an individual basis through application of the following formula:

$301 through $1,000, payment reduced in amount of 3¢ per $1.00 of income above $300.

$1,001 through $1,500, payment reduced in amount of 4¢ per $1.00 of income above $1,000.

$1,501 through $1,800, payment reduced in amount of 5¢ per $1.00 of income above $1,500.

$1,801 through $2,200, payment reduced in amount of 6¢ per $1.00 of income above $1,800.

$2,201 through $2,600, payment reduced in amount of 7¢ per $1.00 of income above $2,200.

#### VETERAN AND ONE DEPENDENT[3,5]

Top monthly rate—$140. (Countable income $500 per annum or less)

If income is in excess of $500 per annum, the $140 monthly payment is reduced on an individual basis through application of the following formula:

$501 through $900, payment reduced in amount of 2¢ per $1.00 of income above $500.

$901 through $3,200, payment reduced in amount of 3¢ per $1.00 of income above $900.

$3,201 through $3,800, payment reduced in amount of 5¢ per $1.00 of income above $3,200.

For example, a veteran with one dependent, with countable income other than pension of $3,399, will receive monthly pension computed in the following manner:

|  |  |  |
|---|---|---|
| $900 | $3,200 | $3,399 |
| 500 | 900 | 3,200 |
| $400×.02¢=$8 | $2,300×.03¢=$69 | $ 199×.05¢=$9.95 |

The above figures ($8, $69, $9.95) added produce a total of $86.95, which is then subtracted from $140 (the maximum monthly for this category of pensioner), to provide for payment of pension in this case in the amount of $53.05. This veteran, under current law, is eligible for a pension payment of $50, therefore he will receive a monthly increase of $3.05.

#### WIDOW ALONE[2,4]

Top Monthly Rate—$87 (countable income $300 per annum or less)

If income is in excess of $300 per annum, the $87 monthly payment is reduced on an individual basis through application of the following formula:

$301 through $600, payment reduced in amount of 1¢ per $1.00 of income above $300.

$601 through $1,900, payment reduced in amount of 3¢ per $1.00 of income above $600.

$1,901 through $2,600, payment reduced in amount of 4¢ per $1.00 of income above $1,900.

#### WIDOW AND CHILD[2,3,4]

Top Monthly Rate—$104 (countable income $600 per annum or less)

If income is in excess of $600 per annum, the $104 monthly payment is reduced on an individual basis through application of the following formula:

$601 through $1,400, payment reduced in amount of 1¢ per $1.00 of income above $600.

$1,401 through $2,700, payment reduced in amount of 2¢ per $1.00 of income above $1,400.

$2,701 through $3,800, payment reduced in amount of 3¢ per $1.00 of income above $2,700.

#### FOOTNOTES

[1] Pension reduced to $30 after second full month of hospitalization or domiciliary care by the VA.

[2] Applicable rate increased by $110 per month for veterans and $55 per month for widows who are patients in nursing homes or require aid and attendance of another person because of their disabilities. Similarly, the rate a veteran receives is increased by $44 per month when he is permanently "house bound" because of his disabilities.

[3] Under present law, no pension is payable if income other than pension exceeds $2,300 per annum in the case of the veteran or widow alone, or $3,500 in the case of the veteran or widow with dependent or dependents.

[4] $17 additional per month for each dependent above one.

[5] If a veteran has two dependents, payment is increased by $5; if three or more, by $10 per month.

There follows an itemized breakdown of the cost of H.R. 11651 by years, by categories of beneficiaries, and in toto for the first 5 years:

H.R. 11651

| Year | Caseload | Costs |
|---|---|---|
| SEC. 1 |  |  |
| The first 5 years costs and caseloads for paras (a) through (d)—Increased pension rates for veterans and survivors are: |  |  |
| 1 | 1,637,246 | $110,700,000 |
| 2 | 1,647,773 | 112,500,000 |
| 3 | 1,661,103 | 114,200,000 |
| 4 | 1,672,332 | 115,900,000 |
| 5 | 1,692,684 | 118,100,000 |
| year costs and caseloads for para (e)—Increase in rate for children from $16 to $17 are: |  |  |
| 1 | 147,211 | 2,100,000 |
| 2 | 151,524 | 2,200,000 |
| 3 | 156,070 | 2,200,000 |
| 4 | 159,800 | 2,300,000 |
| 5 | 164,346 | 2,400,000 |
| Para (f)—Increases in children's rate to $42 and $17 are: |  |  |
| 1 | 594,100 | 9,000,000 |
| 2 | 643,100 | 9,800,000 |
| 3 | 688,400 | 10,400,000 |
| 4 | 722,300 | 11,000,000 |
| 5 | 746,900 | 11,300,000 |
| Total costs of sec 1[1]: |  |  |
| 1st year |  | 121,800,000 |
| 2d year |  | 124,500,000 |
| 3d year |  | 126,800,000 |
| 4th year |  | 129,200,000 |
| 5th year |  | 131,800,000 |
| Fiscal year 1972 cost |  | 60,900,000 |

| | Number affected | Costs |
|---|---|---|
| SEC. 2 | | |
| Paragraph (b)—Minimal. | | |
| Paragraph (c)—Extension of unusual medical expenses are: | | |
| 1 | 26,750 | $1,900,000 |
| 2 | 27,200 | 2,000,000 |
| 3 | 27,650 | 2,100,000 |
| 4 | 28,150 | 2,100,000 |
| 5 | 28,600 | 2,100,000 |
| Fiscal year 1972 costs | | 950,000 |
| SEC. 3 | | |
| End-of-year rule changes of dependency are: | | |
| 1 | 10,300 | 1,800,000 |
| 2 | 10,300 | 1,800,000 |
| 3 | 10,300 | 1,800,000 |
| 4 | 10,300 | 1,800,000 |
| 5 | 10,300 | 1,800,000 |
| Fiscal year 1972 costs | | 950,000 |
| SEC. 4 | | |
| Increase in limitations for old law cases are: | | |
| 1 | 5,038 | 1,700,000 |
| 2 | 4,831 | 1,600,000 |
| 3 | 4,481 | 1,500,000 |
| 4 | 4,129 | 1,400,000 |
| 5 | 3,776 | 1,200,000 |
| SEC. 5 | | |
| Paragraph (a)—Minimal | | |
| Paragraph (b)—No cost: | | |
| Total cost of H.R. 11651:[1] | | |
| 1st year | | 127,200,000 |
| 2d year | | 129,900,000 |
| 3d year | | 132,200,000 |
| 4th year | | 134,500,000 |
| 5th year | | 136,900,000 |
| Costs by fiscal year: | | |
| 1972 | | 63,600,000 |
| 1973 | | 128,600,000 |
| 1974 | | 131,100,000 |
| 1975 | | 133,400,000 |
| 1976 | | 135,700,000 |
| 1977 | | 139,200,000 |

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[1] Total caseload figures are not shown, since there would be a significant number of beneficiaries that would benefit from more than 1 provision of the bill. A summation of the caseload figures shown under the various sections would be distorted by these duplications.

Mr. SAYLOR. Will the gentleman yield?

Mr. DORN. I yield to the gentleman from Pennsylvania.

Mr. SAYLOR. We put a provision in the bill that says in case there are unusual medical expenses that they need not be reported as far as income is concerned.

Has the committee determined how much should be considered as unusual medical expense?

Mr. DORN. Neither the subcommittee nor the full committee considered how much would be extenuating or unusual circumstances in case this happens.

I might say that the total cost of this bill is $127 million, and at the end of 5 years it is estimated to be $137 million.

Mr. SAYLOR. Mr. Speaker, if the gentleman will yield further, for what might be considered unusual expenses for someone whose income is in the lower bracket would not be considered unusual expenses for someone whose income is in a bracket above the income limitation in this bill.

Mr. DORN. Well, of course, what this bill is designed to do is really to help people in the poverty category. I hesitate to even refer to our veterans who fought for our country in such phraseology but, nevertheless, that is true. This just raises them above the poverty level and makes sure that they will not lose any of their payments because of the 10-percent increase in social security.

With reference to the gentlemen's question we expect the Veterans' Administration to regulate on unusual medical expenses in the case of pensioners along the same lines now used for dependent parents. That regulation is as follows:

1262. (L) Unusual Medical Expenses. In claims for dependency and indemnity compensation (38 U.S.C. 415(g)(2)) and making determinations under VA Regulation 1262 (B)(2) in claims for pension under Public Law 86-211, there will be excluded from the amount of a claimant's annual income any amounts paid for unusual medical expenses. This includes expenses paid by a parent or spouse by reason of his illness and those paid for members of his family. "Members of his family" means those persons, including relatives in the ascending as well as descending class, whom the parent or spouse is under moral or legal obligation to support and who are members of his household (Jan. 1, 1965)

(1) A determination of whether the circumstances in the individual case represent "unusual" expenses will be made on the pertinent facts. Generally this situation will encompass expenses incurred by reason of chronic invalidism or for surgery or prolonged illness. Brief periods of illness with moderate medical expenses, which did not materially interfere with a normal mode of living, are not included (Jan. 1, 1963)

(2) Expenses paid by a parent or spouse for maintenance of the parent or spouse or paid by the parent or spouse for maintenance of a member of his family (who is actually or constructively a member of his household) in a nursing or convalescent home may be deducted. (Jan. 1, 1965)

(3) Except as provided in subdivision (4), the exclusion of unusual medical expenses is applicable only to amounts actually paid. Expenses incurred but unpaid are not deductible. It is not material that the expenses were incurred by reason of illness in a prior year. Deductions are limited to amounts paid in a particular calendar year. In the absence of doubtful circumstances the claimant's statement as to amounts paid will be accepted. (Jan. 1, 1963)

(4) Where a claimant indicates that he expects to have medical expenses which meet the requirements of this subparagraph (e.g., maintenance in a nursing home), an estimate of amounts which will be paid for such expenses may be accepted. Where an estimate of such expenses has been accepted for the purpose of authorizing prospective payments, any necessary adjustment in the award will be made upon receipt of an amended estimate or after the end of the calendar year upon receipt of an income questionnaire. (Jan. 1, 1965)

Mr. SAYLOR. Mr. Speaker, I rise in support of H.R. 11651. This measure provides for an overall increase in pension of approximately 6.5 percent for all veterans and widows on the pension rolls, and is designed to overcome the increased cost of living for those Veterans' Administration beneficiaries who are subsisting on only the lowest of incomes. Most importantly it will prevent any reduction in pension next year that, under existing law, would have resulted from the increase in social security benefits awarded in 1971.

The bill raises the income levels by $300 in all categories, including the pensioner receiving benefits under the Veterans Pension Act of 1959.

It increases the rates under a new formula which establishes several income levels with any future changes due to increased income minimized by relating them in terms of a reduction of a specified number of cents for each dollar of increase over the established levels.

Another important feature provides that a veteran, widow, or child when confronted with unusual medical expenses may deduct them from their declared incomes.

I consider this a timely bill and am in favor of it.

Mr. TEAGUE of California. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, this is a pension bill. Members are aware of the fact that each time social security is increased, it can and in most instances does have an adverse effect upon veteran pensioners who receive both social security and pension.

Public Law 92-5, enacted earlier this year, authorized a 10-percent increase in social security benefits. Unless the Congress acts to protect them, thousands of pensioners, widows, and veterans alike, will have their Veterans' Administration payments reduced or terminated next January 1. The bill before you will prevent that possibility from happening by insuring that no pensioner will suffer the reduction or termination of his pension benefits solely because of the 1971 social security increase received in his own behalf. The bill accomplishes this purpose by establishing a new formula for the payment of pension which will be more responsive to the needs of veterans and widows and, as long as a pensioner's income does not exceed the new maximum annual income limitation of $2,600 for single pensioners and $3,800 for pensioners with dependents, it will preclude the loss of aggregate income in the future when a pensioner receives an increase in income from other sources.

In the process of accomplishing this worthy purpose, the bill provides an average cost-of-living increase of approximately 6.5 percent for approximately 1.6 million veterans and widows.

Although I am not a voting member of the Subcommittee on Compensation and Pension, I did attend most of the hearings and executive sessions relating to the consideration of this legislation. I was impressed with the diligence with which the subcommittee considered more than 100 bills, all offering potential solutions to the problems of pensioners. I want to commend the members of the subcommittee consisting of Mr. DORN, chairman, Mr. HAMMERSCHMIDT, ranking minority member, and their colleagues, Mr. ROBERTS, Mr. SAYLOR, Mr. MONTGOMERY, and Mr. SCOTT for bringing to the floor this fine piece of legislation.

The SPEAKER pro tempore. Does the gentleman from California desire to yield further time?

Mr. TEAGUE of California. Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas (Mr. HAMMERSCHMIDT), the ranking minority member of the subcommittee which handled this bill.

Mr. HAMMERSCHMIDT. Mr. Speaker, the bill before this House today represents a giant step forward in solving the dilemma in which most veterans who are in receipt of both monthly pension payments and social security benefits or other income maintenance programs find themselves.

Years before any of us became Members of the House of Representatives, the Congress determined that need, disability, and unemployability were essential prerequisites in determining a veteran's entitlement to nonservice connected pension benefits. Need is also a factor in ascertaining a widow's eligibility for pension.

In recent years, disability, and unemployability have been eliminated as determining factors for veterans who have reached 65 years of age. Although there has been varied opinion as to the level of income that is representative of true financial need, the Congress has consistently adhered to the philosophy that the payment of pensions to veterans and widows must be based upon financial need.

Various levels of need and the amount of pension payable are determined by a schedule of limitations on income from other sources as set forth in the law. As income increases, the amount of pension payable is reduced. Since Social Security payments and other retirement annuities are, in fact, income it follows that increases in these types of payments cause the reduction or termination of a veteran's or widow's pension.

Just a few years ago, the schedule of income limitations was divided into three income brackets. There was a significant difference in the amount of pension payable to those in each of the three groups. Thus, it was possible for a veteran to receive a modest increase in social security while suffering a far greater reduction in his Veterans' Administration pension. To correct this ridiculous situation in which an increase in social security could cause a loss in total income, the Congress revised the schedule of income limitations.

Under current law, there are 20 odd income brackets in increments of $100, ranging from a minimum for an unmarried veteran of $300 to a maximum of $2,300. Each of these income levels warrants a different rate of pension. While this schedule does eliminate the possibility of a reduction in total income upon receipt of an increase in social security, it is still possible for a veteran to lose several dollars a month in pension every time his social security or other retirement benefits are increased.

In order to preserve the status quo with respect to pensioners, the Congress has reacted to the several social security increases in recent years by carefully revising upward the rates of pension and the maximum income limits. This repeated action has protected veterans' pensions and minimized the adverse effect of the several social security increases.

Despite the improvements I have cited, we are still in the position of reacting to protect the veteran pensioner each time social security is increased.

The bill we are presently considering will, in my judgment, greatly improve the pension program and permit the Congress to consider the need for future pension increases on an independent basis and not necessarily under the stimulus of a social security increase.

This measure, first of all, protects each veteran and widow currently on the pension rolls against a reduction in pension that would otherwise occur on the 1st of January 1972, as the result of the 1971 social security increase received on his or her own behalf. It eliminates the existing statutory schedules of income limits and pension rates and substitutes an entirely new formula for determining the monthly pension payment. In the case of a veteran without dependents, the bill establishes a monthly pension rate of $130 if the income from other sources is less than $300 annually. For each dollar of annual income over $300 and up to $1,000, the $130 pension rate is reduced 3 cents. The next $500 of income up to $1,500 reduces the rate by 4 cents for each dollar. The next $300 up to $1,800 annually reduces the rate by 5 cents for each dollar, while each dollar of the next $400 up to $2,200 annually reduces the pension rate by 6 cents. Finally, each dollar of the next $400 up to a maximum income limit of $2,600, reduces the pension by 7 cents for each dollar.

This, Mr. Speaker, I repeat, is the formula set forth in the bill for the veteran without dependents. A similar formula, but varying somewhat in income levels and rates of pension is established for veterans with dependents as well as for both categories of widows.

The most significant comparisons with existing law to keep in mind are these. The maximum monthly pension payable is increased from $121 to $130 for the veteran without dependents. For the veteran with dependents, the maximum payment is increased from $132 to $140 monthly for one dependent; from $137 to $145 for two dependents and from $142 to $150 for three or more dependents.

In the case of widows, the maximum monthly pension is increased from $81 to $87 if there are no minor children and from $99 for widows with one child with $16 for each additional child to $104 and $17 respectively.

The maximum annual income limits for entitlement to any pension for both veterans and widows are increased from $2,300 to $2,600 if there are no dependents and from $3,500 to $3,800 for those with dependents.

The $300 increase in annual income limits also applies to those veterans and widows who are receiving pension under laws in effect prior to 1960, thus protecting them against reduction or termination of pension because of a Social Security increase.

Mr. Speaker, the bill also contains proportionate increases for children without parents who are in receipt of pension benefits. It permits pensioners to exclude from the computation of income amounts paid for unusual medical expenses. In case of the loss of a dependent during a year, the bill permits the Veterans' Administration to continue paying pension at the same rate until the end of the calendar year.

Finally, Mr. Speaker, the bill permits veterans of Mexican border service to receive benefits under the same criteria that is applied to veterans of the Nation's wars.

This bill is sound legislation. In the process of creating a more workable and more equitable pension program, the committee in this measure had provided an overall increase of approximately 6.5 percent to 1.6 million veterans and widows in receipt of pension benefits. The bill was reported unanimously from the compensation and pension subcommittee and it was reported unanimously from the full committee on Veterans' Affairs. The reduction formula concept embodied in this measure enjoys the support of the administration. I shall vote for the bill and urge my colleagues to do the same.

Mr. EDMONDSON. Mr. Speaker, H.R. 11651, liberalizing non-service-connected pension rates and income limitations, is urgently needed by thousands of American veterans.

I have personally sponsored legislation on both subjects and commend the committee for acting to deal more fairly with our veterans, many of whom are living today at poverty levels because of existing payment and income limitation levels.

H.R. 11651 is a good step in the right direction and will surely receive overwhelming approval.

Mr. ROBERTS. Mr. Speaker, I am pleased to rise in support of H.R. 11651. I am privileged to serve on the Compensation and Pension Subcommittee of the Committee on Veterans' Affairs, which held extensive hearings on all bills pending before our committee affecting the non-service-connected pension program, and I feel that H.R. 11651, which the Compensation and Pension Subcommittee reported after a thorough study of this program, is an outstanding bill and one which merits the support of my colleagues in the House of Representatives.

When considering the non-service-connected pension program, I think it is important to keep in mind that this program was initiated for the principal purpose of providing financial assistance to totally disabled veterans based upon need. Many bills which were considered by the subcommittee and for which there has been strong support by some groups provided no benefit whatsoever for the veterans in the lower income brackets and the ones who obviously are in the greatest need of financial assistance. H.R. 11651 benefits all veterans and widows who are now receiving non-service-connected pension benefits. It provides for an average cost-of-living increase of approximately 6.5 percent to approximately 1.6 million veterans and widows receiving benefits under the so-called new pension program. It provides for an annual increase of $300 in the income limitations for veterans and widows receiving pensions under both the old and new pension programs. As a result of the increase in the rates and income limitations, the Veterans' Administration has assured our committee that no pensioner would lose or have a reduction in his pension solely because of the recent increase in social security payments received by the pensioner on his own behalf.

One of the very important features of H.R. 11651 for elderly and seriously disabled veterans is the one which provides that in determining a pensioner's income for pension purposes, the Veterans' Administration shall exclude from the counting of income amounts paid by the claimant for unusual medical expenses. This feature probably will be more beneficial to the elderly and seriously disabled veterans than any other feature.

Many veterans and widows receiving pension benefits are constantly fearful that when they receive an increase in their income from some other source, this could cause a reduction in their pensions in an amount greater than the increase in their other income and thus result in a loss in their total income. H.R. 11651 establishes a new formula for payment of pension which will be more responsive to the needs of veterans and widows and, as long as a pensioner's income does not exceed the maximum annual limitation, preclude the loss of aggregate income in the future when a pensioner might receive an increase in income from some other source, regardless of the source.

Also under the provisions of this bill, Mr. Speaker, children now receiving non-service-connected death pension would receive a cost-of-living increase in their pension rates.

H.R. 11651 further proposes to liberalize the present law regarding the number of days that a veteran of the Mexican Border must have served in Mexico, or on the borders thereof, to receive a non-service-connected pension.

Because of the many benefits that H.R. 11651 provides for those persons receiving non-service-connected pension benefits, and particularly the more needy and elderly veterans of World War I, I strongly recommend this bill to my colleagues and urge its approval.

Mr. HILLIS. Mr. Speaker, today I rise to support two bills which were approved by the House Committee on Veterans' Affairs.

This legislation is aimed at helping the World War I veteran and his widow.

The World War I veteran has long been the forgotten man. Even though I favored legislation which would go further in helping him during his retiring years, I would like to compliment our outstanding chairman, Congressman OLIN TEAGUE, of Texas, who was so influential in getting this legislation passed.

This legislation will enable widows of servicemen who were killed in action to receive an increase in monthly payments.

These measures will also make certain that veterans and widows who are receiving pensions for disability or death that is unrelated to military service will receive monthly increases.

Approximately 176,000 widows will receive a 10-percent increase in their monthly dependency and indemnity compensation rates and 46,000 children will receive a 5-percent increase if these bills are passed.

This legislation will also provide a cost-of-living increase in non-service-connected pension rates payable to approximately 1.6 million veterans and widows and would prevent these pensioners from losing any of their VA pensions because of the 1971 social security benefit increases.

It is my hope that Members of Congress will see their way fit to support this legislation and help these forgotten veterans.

Mr. TEAGUE of California. Mr. Speaker, I have no further requests for time.

Mr. TEAGUE of Texas. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. TEAGUE) that the House suspend the rules and pass the bill H.R. 11651.

The question was taken.

Mr. SAYLOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 351, nays 0, not voting 79, as follows:

[Roll No. 389]

YEAS—351

Abernethy
Abourezk
Abzug
Adams
Addabbo
Anderson, Calif.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Arends
Aspin
Aspinall
Badillo
Baker
Baring
Begich
Belcher
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Blanton
Boggs
Boland
Bow
Brademas
Brasco
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byrne, Pa.
Byrnes, Wis.
Byron
Caffery
Camp
Carey, N.Y.
Carney
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clark
Clawson, Del
Clay
Cleveland
Collier
Collins, Tex.
Colmer
Conable
Conte
Corman
Cotter
Coughlin
Crane
Culver
Daniel, Va.
Daniels, N.J.
Davis, Ga.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Donohue
Dorn
Dow
Drinan
Duncan
du Pont
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gude
Hagan
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hathaway
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, N.C.
Jones, Tenn.
Karth
Kastenmeier
Kazen
Keating
Kee
Keith
Kemp
King
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landgrebe
Landrum
Latta
Lennon
Lloyd
Long, Md.
Lujan
McClory
McCollister
McCormack
McCulloch
McDade
McEwen
McFall
McKinney
McMillan
Madden
Mahon
Mailliard
Martin
Matsunaga
Mayne
Mazzoli
Meeds
Michel
Miller, Ohio
Mills, Ark.
Mills, Md.
Minish
Mink
Minshall
Mizell
Mollohan
Monagan
Montgomery
Morgan
Morse
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nedzi
Nelsen
Nichols
Nix
Obey
O'Hara
O'Konski
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Poage
Podell
Poff
Powell
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, N.Y.
Reuss
Rhodes
Riegle
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarbanes
Satterfield
Saylor
Scherle
Scheuer
Schmitz
Schneebeli
Schwengel
Scott
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Calif.
Smith, Iowa
Snyder
Spence
Springer
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Terry
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion

NAYS—0

NOT VOTING—79

Abbitt
Alexander
Anderson, Ill.
Anderson, Tenn.
Ashbrook
Ashley
Barrett
Bell
Betts
Blackburn
Blatnik
Bolling
Cabell
Celler
Chappell
Chisholm
Clausen, Don H.
Collins, Ill.
Conyers
Danielson
Dellums
Derwinski
Diggs
Dowdy
Downing
Dulski
Edwards, La.
Ford, William D.
Galifianakis
Gibbons
Goodling
Halpern
Hanna
Hansen, Idaho
Hawkins
Hébert
Heckler, Mass.
Ichord
Jones, Ala.
Leggett
Lent
Link
Long, La.
McCloskey
McClure
McDonald, Mich.
McKay
McKevitt
Macdonald, Mass.
Mann
Mathias, Calif.
Mathis, Ga.
Melcher
Metcalfe
Mikva
Miller, Calif.
Mitchell
Moorhead
Mosher
Moss
O'Neill
Pelly
Purcell
Rangel
Roberts
Rosenthal
Rousselot
Runnels
Skubitz
Smith, N.Y.
Steed
Stokes
Stuckey
Vigorito
Whalley
Widnall
Wilson, Charles H.
Wright
Zwach

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed:

The Clerk announced the following pairs:

Mr. Hébert with Mr. Anderson of Illinois.

Mr. Celler with Mr. Halpern.

Mr. Ashley with Mrs. Chisholm.

Mr. Mann with Mr. Ashbrook.

Mr. Mathis of Georgia with Mr. Hansen of Idaho.

Mr. Danielson with Mr. Bell.

Mr. Dulski with Mr. Lent.

Mr. Purcell with Mr. Blackburn.

Mr. O'Neill with Mr. Rousselot.

Mr. McKay with Mr. McClure.

Mr. Charles H. Wilson with Mr. Don H. Clausen.

Mr. Abbitt with Mr. Goodling.

Mr. Alexander with Mr. Pelly.

Mr. Blatnik with Mrs. Heckler of Massachusetts.

Mr. Cabell with Mr. McCloskey.

Mr. Chappell with Mr. Skubitz.

Mr. Dowdy with Mr. Smith of New York.

Mr. Rosenthal with Mr. Conyers.

Mr. Moorhead with Mr. Metcalfe.

Mr. Melcher wtih Mr. McKevitt.

Mr. Galifianakis with Mr. Rangel.

Mr. William D. Ford with Mr. Dellums.

Mr. Diggs with Mr. Derwinski.

Mr. Barrett with Mr. Stokes.

Mr. Moss with Mr. Mathias of California.

Mr. Runnels with Mr. McDonald of Michigan.

Mr. Downing with Mr. Mosher.

Mr. Mikva with Mr. Collins of Illinois.

Mr. Miller of California with Mr. Mitchell.

Mr. Gibbons with Mr. Whalley.

Mr. Link with Mr. Widnall.

Mr. Jones of Alabama with Mr. Zwach.

Mr. Wright with Mr. Hawkins.

Mr. Roberts with Mr. Stuckey.

Mr. Steed with Mr. Vigorito.

Mr. Ichord with Mr. Hanna.

Mr. Leggett with Mr. Betts.

Mr. Anderson of Tennessee with Mr. Macdonald of Massachusetts.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

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## LIBERALIZATION OF PROVISIONS RELATING TO PAYMENT OF DEPENDENCY AND INDEMNITY COMPENSATION

Mr. TEAGUE of Texas. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 11652) to amend title 38 of the United States Code to liberalize the provisions relating to payment of dependency and indemnity compensation.

The Clerk read as follows:

H.R. 11652

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That section 411 of title 38, United States Code, is amended to read as follows:

"(a) Dependency and indemnity compensation shall be paid to a widow, based on the pay grade of her deceased husband, at monthly rates set forth in the following table:

| "Pay grade | Monthly rate | "Pay grade | Monthly rate |
|---|---|---|---|
| E-1 | $184 | W-4 | $262 |
| E-2 | 189 | O-1 | 232 |
| E-3 | 195 | O-2 | 240 |
| E-4 | 206 | O-3 | 257 |
| E-5 | 212 | O-4 | 272 |
| E-6 | 217 | O-5 | 299 |
| E-7 | 227 | O-6 | 337 |
| E-8 | 240 | O-7 | 365 |
| E-9 | [1]251 | O-8 | 399 |
| W-1 | 232 | O-9 | 429 |
| W-2 | 241 | O-10 | [2]469 |
| W-3 | 249 | | |

"[1] If the veteran served as sergeant major of the Army, senior enlisted adviser of the Navy, chief master sergeant of the Air Force, or sergeant major of the Marine Corps, at the applicable time designated by section 402 of this title, the widow's rate shall be $270.

"[2] If the veteran served as Chairman of the Joint Chiefs of Staff, Chief of Staff of the Army, Chief of Naval Operations, Chief of Staff of the Air Force, or Commandant of the Marine Corps, at the applicable time designated by section 402 of this title, the widow's rate shall be $503.

"(b) If there is a widow with one or more children below the age of eighteen of a deceased veteran, the dependency and indemnity compensation paid monthly to the widow shall be increased by $22 for each such child.

"(c) The monthly rate of dependency and indemnity compensation payable to a widow shall be increased by $55 if she is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person."

SEC. 2. Section 413 of title 38, United States Code, is amended to read as follows:

"Whenever there is no widow of a deceased veteran entitled to dependency and indemnity compensation, dependency and indemnity compensation shall be paid in equal shares to the children of the deceased veteran at the following monthly rates:

"(1) One child, $92.

"(2) Two children, $133.

"(3) Three children, $172.

"(4) More than three children, $172, plus $34 for each child in excess of three."

SEC. 3. (a) Subsection (a) of section 414 of title 38, United States Code, is amended by striking out "$32" and inserting in lieu thereof "$55".

(b) Subsection (b) of section 414 of such title is amended by striking out "$88" and inserting in lieu thereof "$92".

(c) Subsection (c) of section 414 of such title is amended by striking out "$45" and inserting in lieu thereof "$47".

SEC. 4. (a) Subsection (b) of section 415 of title 38, United States Code, is amended to read as follows:

"(b)(1) Except as provided in paragraph (2) of this subsection, if there is only one parent, dependency and indemnity compensation shall be paid to him according to the following formula: If annual income is $800 or less the monthly rate of dependency and indemnity compensation shall be $100. For each $1 of annual income in excess of $800 up to and including $1,200, the monthly rate shall be reduced 3 cents; for each $1 of annual income in excess of $1,200 up to and including $1,600, the monthly rate shall be reduced 4 cents; for each $1 of annual income in excess of $1,600 up to and including $1,900, the monthly rate shall be reduced 5 cents; for each $1 of annual income in excess of $1,900 up to and including $2,100, the monthly rate shall be reduced 6 cents; and for each $1 of annual income in excess of $2,100 up to and including $2,600, the monthly rate shall be reduced 7 cents. No dependency and indemnity compensation shall be paid if annual income exceeds $2,600.

"(2) If there is only one parent and he has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to him under either the formula of paragraph (1) of this subsection or under the formula in subsection (d), whichever is the greater. In such a case of remarriage the total combined annual income of the parent and his spouse shall be counted in determining the monthly rate of dependency and indemnity compensation under the appropriate formula."

(b) Subsection (c) of such section 415 is amended to read as follows:

"(c) Except as provided in subsection (d), if there are two parents, but they are not living together, dependency and indemnity compensation shall be paid to each according to the following formula: If the annual income of each parent is $800 or less, the monthly rate of dependency and indemnity payable to each shall be $70. For each $1 of annual income in excess of $800 up to and including $1,100, the monthly rate shall be reduced 2 cents; for each $1 of annual income in excess of $1,100 up to and including $1,700, the monthly rate shall be reduced 3 cents;and for each $1 of annual income in excess of $1,700 up to and including $2,600, the monthly rate shall be reduced 4 cents. No dependency and indemnity compensation shall be paid to a parent whose annual income exceeds $2,600."

(c) Subsection (d) of such section 415 is amended to read as follows:

"(d) If there are two parents who are living together, or if a parent has remarried and is living with his spouse, dependency and indemnity compensation shall be paid to each such parent according to the following formula: If the total combined annual income is $1,000 or less, the monthly rate of dependency and indemnity compensation payable to each parent shall be $67. For each $1 of annual income in excess of $1,000 up to and including $1,300, the monthly rate shall be reduced 1 cent; for each $1 of annual income in excess of $1,300 up to and including $3,400, the monthly rate shall be reduced 2 cents; and for each $1 of annual income in excess of $3,400 up to and including $3,800, the monthly rate shall be reduced 3 cents. No dependency and indemnity compensation shall be paid to either parent if the total combined annual income exceeds $3,800."

(d) Subsection (g) of such section 415 is amended by redesignating paragraph (2) as (3), and by inserting immediately after subparagraph (1)(M) the following new paragraph:

"(2) Where a fraction of a dollar is involved, annual income shall be fixed at the next lower dollar."

(e) Such section 415 of title 38, United States Code, is further amended by adding the following new subsection at the end thereof:

"(h) The monthly rate of dependency and indemnity compensation payable to a parent shall be increased by $55 if such parent is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person."

SEC. 5. Section 417 of title 38, United States Code, is amended by striking out subsection (a) thereof, and by striking out "(b)".

SEC. 6. Sections 321 and 341 of title 38, United States Code, are each amended by striking out "(or after April 30, 1957, under the circumstances described in section 417(a) of this title)".

SEC. 7. Section 724 of title 38, United States Code, is amended by adding at the end thereof the following new subsection:

"(c) In any case in which insurance continued in force under this section matures on or after January 1, 1972, an amount equal to the amount of premiums, less dividends, waived on and after that date shall be placed as an indebtedness against the insurance and, unless otherwise paid, shall be deducted from the proceeds. In such case, the liability of the Government under subsection (b) of this section shall be reduced by the amount so deducted from the proceeds."

SEC. 8. Any person who before January 1, 1972, was not eligible for dependency and indemnity compensation under such title by reason of the provisions of the prior section 417(a) of title 38, United States Code, may elect, in such manner as the Administrator of Veterans' Affairs shall prescribe, to receive dependency and indemnity compensation, and an election so made shall be final. A person receiving, or entitled to receive, death compensation on December 31, 1971, shall continue to receive death compensation, if otherwise eligible, in the absence of an election to receive dependency and indemnity compensation.

SEC. 9. Subsection (b) of section 322 of title 38, United States Code, is amended to read as follows:

"(b) The monthly rate of death compensation payable to a widow or dependent parent under subsection (a) of this section shall be increased by $55 if the payee is (1) a patient in a nursing home or (2) helpless or blind, or so nearly helpless or blind as to need or require the regular aid and attendance of another person."

SEC. 10. This Act shall take effect on January 1, 1972.

The SPEAKER pro tempore (Mr. BOGGS). Is a second demanded?

Mr. TEAGUE of California. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Texas will be recognized for 20 minutes and the gentleman from California will be recognized for 20 minutes.

The Chair recognizes the gentleman from Texas.

### GENERAL LEAVE

Mr. TEAGUE of Texas. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks on the bill H.R. 11652.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. TEAGUE of Texas. Mr. Speaker, the chairman of the Subcommittee on Compensation and Pension, Mr. DORN, will explain the details of H.R. 11652, but I want to make some general comments concerning this second major proposal which our committee is recommending for the consideration of the Members.

One of the major obligations of our Nation in the field of veterans' legislation is directed to providing reasonable monetary assistance to widows, children, and dependent parents of veterans who died in the service or as a result of service-incurred disabilities. The modern program designed for this purpose was the outcome of extensive hearings and deliberations on the part of a Select Committee on Survivors Benefits which presented its recommendations in 1956. The legislation enacted was effective January 1, 1957. During the succeeding years this program for widows and other survivors has proven to be a marked improvement over the previous program. However, it has been necessary to amend it from time to time as the need for further improvements have been demonstrated.

H.R. 11652 is basically a rate increase bill which can be fully justified in the light of the cost-of-living increases which have occurred since the Congress last had under consideration the adequacy of the rates.

Mr. Speaker, I yield such time as he may consume to the chairman of the subcommittee, the gentleman from South Carolina (Mr. DORN).

Mr. DORN. Mr. Speaker, H.R. 11652 is basically designed to provide a much needed cost-of-living increase in DIC benefits for widows, children, and depended parents of veterans who died as a result of service-incurred disabilities. Under the bill, approximately 176,000 widows will receive a 10-percent increase in their monthly DIC rates and 46,000 children will receive a 5-percent increase. The higher increase for widows results from the fact that the effective date of their last statutory increase was December 1, 1969, whereas the children rates were last increased on July 1, 1970. Bearing in mind that the increases under the bill will not be effective until January 1, 1972, the percentages I have mentioned will represent approximately the percentage rise in the cost-of-living figures.

The bill will also provide an average increase of 6.5 percent in the DIC rates payable to approximately 68,500 dependent parents. As you know, there are certain income limitations for this class of beneficiaries and the top limitation will be increased by $300.

Incidentally, this is consistent with the increase in the income limitation provided under the pension bill which has just been approved by the House.

With regard to the rates of DIC which are payable according to income, the bill sets up a new formula based on income. The principle of this formula was devised and recommended by the Veterans' Administration and was discussed in detail during our previous consideration of the pension bill, H.R. 11652.

For many years certain widows have been relegated to the death compensation rates rather than the higher DIC rates because their husbands unfortunately died with a so-called inservice waiver of their national service life insurance premiums. In effect, this has caused considerable hardship and, although liberalized to some extent in the past Congress, we have been made aware of great inequities that still exist. A provision in this bill would further liberalize this situation so that all widows may now receive the higher DIC rates. This provision was also recommended by the Veterans' Administration.

Finally, we recommend two minor amendments to the bill as introduced, which would grant an additional aid and attendance allowance of $55 per month to a dependent parent receiving death compensation—the bill as introduced extends this allowance to a parent receiving DIC—and a similar additional DIC allowance to a child who has become permanently incapable of self-support.

The cost of the bill for the first full year has been estimated as $67.8 million, increasing slightly each year thereafter and reaching $70.9 million the fifth year.

Mr. Speaker, at this point I insert in my remarks pertinent tabular and cost data which I believe will be useful and informative to the Members:

Mr. Speaker, I urge approval of H.R. 11652.

I include the following:

H.R. 11652 DIC—WIDOWS

| Pay grade | Current rate | Proposed 10-percent increase |
|---|---|---|
| E-1 | $167 | $184 |
| E-2 | 172 | 189 |
| E-3 | 177 | 195 |
| E-4 | 187 | 206 |
| E-5 | 193 | 212 |
| E-6 | 197 | 217 |
| E-7 | 206 | 227 |
| E-8 | 218 | 240 |
| E-9 | 228 | 251 |
| W-1 | 211 | 232 |
| W-2 | 219 | 241 |
| W-3 | 226 | 249 |
| W-4 | 238 | 262 |
| O-1 | 211 | 232 |
| O-2 | $218 | $240 |
| O-3 | 234 | 257 |
| O-4 | 247 | 272 |
| O-5 | 272 | 299 |
| O-6 | 306 | 337 |
| O-7 | 332 | 365 |
| O-8 | 363 | 399 |
| O-9 | 390 | 429 |
| O-10 | 426 | 469 |
| E-9—Senior NCO of Service | 245 | 270 |
| O-10—Chairman, Joint Chiefs or Chief of Staff | 457 | 503 |

H.R. 11652 DIC—PARENTS

| | Only 1 parent | | 2 parents not together | | 2 parents—together or remarried with spouse | |
|---|---|---|---|---|---|---|
| | Current | Formula | Current | Formula | Current | Formula |
| Income not more than— | | | | | | |
| $100 | $96 | $100 | $66 | $70 | $64 | $67 |
| 200 | 96 | 100 | 66 | 70 | 64 | 67 |
| 300 | 96 | 100 | 66 | 70 | 64 | 67 |
| 400 | 96 | 100 | 66 | 70 | 64 | 67 |
| 500 | 96 | 100 | 66 | 70 | 64 | 67 |
| 600 | 96 | 100 | 66 | 70 | 64 | 67 |
| 700 | 96 | 100 | 66 | 70 | 64 | 67 |
| 800 | 96 | 100 | 66 | 70 | 64 | 67 |
| 900 | 94 | 97 | 64 | 68 | 64 | 67 |
| 1,000 | 91 | 94 | 61 | 66 | 64 | 67 |
| 1,100 | 87 | 91 | 58 | 64 | 62 | 66 |
| 1,200 | 81 | 88 | 54 | 61 | 60 | 65 |
| 1,300 | 75 | 84 | 50 | 58 | 58 | 64 |
| 1,400 | 69 | 80 | 46 | 55 | 56 | 62 |
| 1,500 | 62 | 76 | 41 | 52 | 54 | 60 |
| 1,600 | 54 | 72 | 35 | 49 | 52 | 58 |
| 1,700 | 46 | 67 | 29 | 46 | 49 | 56 |
| 1,800 | 38 | 62 | 23 | 42 | 46 | 54 |
| 1,900 | 31 | 57 | 20 | 38 | 44 | 52 |
| 2,000 | 25 | 51 | 16 | 34 | 42 | 50 |
| 2,100 | 18 | 45 | 14 | 30 | 40 | 48 |
| 2,200 | 12 | 38 | 12 | 26 | 38 | 46 |
| 2,300 | 10 | 31 | 10 | 22 | 35 | 44 |
| 2,400 | | 24 | | 18 | 33 | 42 |
| 2,500 | | 17 | | 14 | 31 | 40 |
| 2,600 | | 10 | | 10 | 29 | 38 |
| 2,700 | | | | | 27 | 36 |
| 2,800 | | | | | 25 | 34 |
| 2,900 | | | | | 23 | 32 |
| 3,000 | | | | | 21 | 30 |
| 3,100 | | | | | 19 | 28 |
| 3,200 | | | | | 17 | 26 |
| 3,300 | | | | | 14 | 24 |
| 3,400 | | | | | 12 | 22 |
| 3,500 | | | | | 10 | 19 |
| 3,600 | | | | | | 16 |
| 3,700 | | | | | | 13 |
| 3,800 | | | | | | 10 |

### THE FORMULA APPLYING TO DEPENDENT PARENTS

#### ONE PARENT

Top Monthly Rate—$100. (Countable income $800 per annum or less)

If income is in excess of $800 per annum, the $100 monthly payment is reduced on an individual basis through application of the following formula:

$801 through $1,200, payment reduced in amount of 3¢ per $1.00 of income above $800.

$1,201 through $1,600, payment reduced in amount of 4¢ per $1.00 of income above $1,200.

$1,601 through $1,900, payment reduced in amount of 5¢ per $1.00 of income above $1,600.

$1,901 through $2,100, payment reduced in amount of 6¢ per $1.00 of income above $1,900.

$2,101 through $2,600, payment reduced in amount of 7¢ per $1.00 of income above $2,100.

#### TWO PARENTS NOT LIVING TOGETHER

Top Monthly Rate—$70 each. (Countable income of each parent $800 per annum or less)

If income of each parent is in excess of $800 per annum, the $70 monthly payment is reduced on an individual basis through application of the following formula:

$801 through $1,100, payment reduced in

amount of 2¢ per $1.00 of income above $800.

$1,101 through $1,700, payment reduced in amount of 3¢ per $1.00 of income above $1,100.

$1,701 through $2,600, payment reduced in amount of 4¢ per $1.00 of income above $1,700.

### TWO PARENTS LIVING TOGETHER

Top Monthly Rate—$67 each. (Joint countable income is $1,000 per annum or less)

If joint income is in excess of $1,000 per annum, the $67 monthly payment is reduced on an individual basis through application of the following formula:

$1,001 through $1,300, payment reduced in amount of 1¢ per $1.00 of income above $1,000.

$1,301 through $3,400, payment reduced in amount of 2¢ per $1.00 of income above $1,300.

$3,401 through $3,800, payment reduced in amount of 3¢ per $1.00 of income above $3,400.

For example, in the case of two parents living together, the beneficiaries might have joint countable income of $3,453. Their DIC payment will be computed as follows:

| | | |
|---|---|---|
| $1,300 | $3,400 | $3,453 |
| 1,000 | 1,300 | 3,400 |
| $300×1¢=$3 | $2,100×2¢=$42 | $53×3¢=$1.59 |

The above figures ($3, $42, $1.59) added produce a total of $46.59, which is then subtracted from the maximum monthly rate of $67, to provide for payment of DIC to these dependent parents in the amount of $20.41. Under current law, these parents are eligible to receive $10 per month, an increase under H.R. 11652 of $10.41 per month.

A comparison of old and new rates for widows receiving dependency and indemnity compensation follows:

WIDOWS[1]

| | Current rate | H.R. 11652 |
|---|---|---|
| Pay grade: | | |
| E-1 | $167 | $184 |
| E-2 | 172 | 189 |
| E-3 | 177 | 195 |
| E-4 | 187 | 206 |
| E-5 | 193 | 212 |
| E-6 | 197 | 217 |
| E-7 | 206 | 227 |
| E-8 | 218 | 240 |
| E-9 | 228 | 251 |
| W-1 | 211 | 232 |
| W-2 | 219 | 241 |
| W-3 | 226 | 249 |
| W-4 | 238 | 262 |
| O-1 | 211 | 232 |
| O-2 | 218 | 240 |
| O-3 | 234 | 257 |
| O-4 | 247 | 272 |
| O-5 | 272 | 299 |
| O-6 | 306 | 337 |
| O-7 | 332 | 365 |
| O-8 | 363 | 399 |
| O-9[2] | 390 | 429 |
| O-10[3] | 426 | 469 |

[1] Applicable rate increased by $55 per month if beneficiary qualifies for aid and attendance.

[2] E-9 Senior NCO of service $245; under H.R. 11652 $270.

[3] O-10 Chairman Joint Chiefs or Chief of Staff, $457; under H.R. 11652, $503

### COST

There follows an itemized breakdown of the cost of H.R. 11652 by years, by categories of beneficiaries, and in toto for the first 5 years.

### H.R. 11652

### SEC. 1

The estimated 5-year costs for sec. 1 are as follows:[1]

| Year: | Cost |
|---|---|
| 1 | $45,500,000 |
| 2 | 47,100,000 |
| 3 | 48,200,000 |
| 4 | 49,500,000 |
| 5 | 50,700,000 |
| Fiscal year 1972 costs (6 months) | 22,700,000 |

The costs and caseloads detailed by paragraph are:

PAR. (a)—DIC RATE INCREASE TO WIDOWS

| Year | Widows | Annual cost |
|---|---|---|
| 1 | 183,000 | $43,600.00 |
| 2 | 190,000 | 45,200.00 |
| 3 | 194,000 | 46,200.00 |
| 4 | 199,000 | 47,400.00 |
| 5 | 204,000 | 48,600.00 |

PAR (b)—DIC WIDOWS WITH 1 OR MORE CHILDREN; EACH CHILD FROM $20 TO $22

| Year | Children | Annual cost |
|---|---|---|
| 1 | 75,400 | $1,800,000 |
| 2 | 79,900 | 1,900,000 |
| 3 | 82,490 | 2,000,000 |
| 4 | 85,900 | 2,100,000 |
| 5 | 89,300 | 2,100,000 |

PAR. (c)—DIC WIDOWS A. & A. AT $55

No change to present law.

### SEC. 2

The estimated 5-year costs and caseloads for sec. 2 are:

INCREASED RATES TO DIC CHILDREN ALONE

| Year | Children | Annual cost |
|---|---|---|
| 1 | 46,600 | $1,800,000 |
| 2 | 46,100 | 1,800,000 |
| 3 | 45,600 | 1,700,000 |
| 4 | 45,100 | 1,700,000 |
| 5 | 44,700 | 1,700,000 |

### SEC. 3

The estimated 5-year costs and caseloads for sec. 3 are:

PARS. (a), (b), AND (c)—HELPLESS DIC CHILD, 1 CHILD FROM $32 TO $55, CHILD FROM $88 TO $92, AND (c) $45 TO $47

| Year | Children | Annual cost |
|---|---|---|
| 1 | 6,700 | $700,000 |
| 2 | 7,700 | 700,000 |
| 3 | 8,700 | 800,000 |
| 4 | 9,600 | 900,000 |
| 5 | 10,500 | 1,000,000 |

### SEC. 4

The 5-year estimated costs for sec. 4 are:

| Year: | Costs |
|---|---|
| 1 | $15,500,000 |
| 2 | 15,000,000 |
| 3 | 14,300,000 |
| 4 | 13,700,000 |
| 5 | 13,100,000 |
| Fiscal year 1972 costs (6 months) | 7,750,000 |

The costs and caseloads for sec. 4 detailed by paragraphs are:

PARS. (a) THROUGH (d)

| Year | Caseload | Costs |
|---|---|---|
| 1 | 50,427 | $2,900,000 |
| 2 | 48,551 | 2,900,000 |
| 3 | 46,440 | 2,700,000 |
| 4 | 44,329 | 2,600,000 |
| 5 | 42,218 | 2,500,000 |

PAR. (e)—DIC TO PARENTS $55 A & A AND SEC. 9. DEATH COMPENSATION TO PARENTS $55 A & A

| | DIC parents | | Compensation parents | | Total parents | |
|---|---|---|---|---|---|---|
| Year | Number | Annual cost (millions) | Number | Annual cost (millions) | Number | Annual cost (millions) |
| 1 | 3,200 | $2.112 | 15,900 | $10.494 | 19,100 | $12.6 |
| 2 | 3,300 | 2.178 | 15,100 | 9.966 | 18,400 | 12.1 |
| 3 | 3,400 | 2.244 | 14,200 | 9.372 | 17,600 | 11.6 |
| 4 | 3,500 | 2,310 | 12,300 | 8.778 | 16,800 | 11.1 |
| 4 | 3,500 | 2,310 | 12,300 | 8.778 | 16,800 | 11.1 |
| 5 | 3,600 | 2.376 | 12,400 | 8.184 | 16,000 | 10.6 |

### SECS. 5 THROUGH 8

The 5-year estimated costs and caseload for secs. 5-8 are:

| Year | Caseload | Costs |
|---|---|---|
| 1 | 3,400 | $4,400,000 |
| 2 | 3,400 | 4,400,000 |
| 3 | 3,400 | 4,400,000 |
| 4 | 3,400 | 4,400,000 |
| 5 | 3,400 | 4,400,000 |

Note: Though there would be some savings to the insurance fund(s) as a result of implementation of sec. 7, the amount would be insignificant. The amounts shown above, thus, would be attributable to the "Compensation and pensions" appropriation.

| Total cost of H.R. 11652:[1] | |
|---|---|
| 1st year | $67,800,000 |
| 2d year | 69,000,000 |
| 3d year | 69,400,000 |
| 4th year | 70,200,000 |
| 5th year | 70,900,000 |
| Costs by fiscal year: | |
| 1972 | 33,900,000 |
| 1973 | 68,400,000 |
| 1974 | 69,200,000 |
| 1975 | 69,800,000 |
| 1976 | 70,600,000 |
| 1977 | 71,200,000 |

[1] Total caseload figures are not shown, since there would be a significant number of beneficiaries that would benefit from more than 1 provision of the bill. A summation of the caseload figures shown under the various sections would be distorted by these duplications.

**Mr. TEAGUE of California.** Mr. Speaker, the bill, H.R. 11652, will provide a cost of living increase in dependency and indemnity compensation benefits payable monthly to the survivors of veterans who died in service or as the result of service-incurred disabilities. Included in the group that will benefit from this legislation are the widows, orphans, and dependent parents of men who died on the battlefield of our Nation's wars.

The increases are 10 percent for widows, 5 percent for children when there is no widow involved, and an overall increase of 6.5 percent for dependent parents. The variation in these percentages results from the fact that the increases are representative of increases in the cost of living since the last adjustment in the rates for each of these categories of survivors.

I want to express my appreciation to the gentleman from South Carolina (Mr. DORN), chairman of the Subcommittee on Compensation and Pension, and the gentleman from Arkansas (Mr. HAMMERSCHMIDT), the ranking minority member, and their colleagues on the subcommittee for presenting this needed legislation. The Veterans' Administration has expressed its support of an adjustment in these benefit payments to compensate for price increases since the time when benefits were last increased. This is needed legislation, Mr. Speaker, and I shall support it.

**Mr. TEAGUE of Texas.** Mr. Speaker, I have no further requests for time.

**Mr. TEAGUE of California.** Mr. Speaker, I yield such time as he may consume to the gentleman from Arkansas (Mr. HAMMERSCHMIDT), the ranking minority member of the subcommittee.

**Mr. HAMMERSCHMIDT.** Mr. Speaker, H.R. 11652 will auhorize a much-needed cost-of-living increase in the monthly rates of dependency and indemnity compensation payable to the survivors of veterans who died in service or as the result of service-connected disabilities.

Mr. Speaker, let me emphasize the fact that this bill relates exclusively to the survivors of service-connected deceased veterans. They are the widows, children, and dependent parents of men who were killed in action or died as the result of war wounds, injuries, or disabilities. The Congress has, since its beginning, given the highest priority consideration to this deserving group and no group of our citizens is more deserving of the compassion and generosity of a grateful nation. The increased cost of living has affected the survivors of our war casualties in the same manner as it has affected other segments of our society. H.R. 11652 authorizes increases in monthly benefits that are commensurate in most instances with the percentage rise in the cost of living since the last adjustment in their monthly benefits.

Existing law authorizes monthly payments of dependency and indemnity compensation to widows, with the amount based upon the pay grade of her deceased husband. These rates currently range from $167 per month for military pay grade E–1 to $457 monthly for the widow of the highest ranking O–10. If the widow has minor children, these rates are increased by $20 for each child.

Monthly payments to this deserving group were last adjusted on December 1, 1969. Since that time, the cost of living as measured by the Consumer Price Index has risen more than 9 points. The bill proposes an approximate 10-percent increase in monthly payments ranging from $184 monthly for the widow of an E–1 to $503 monthly for the highest ranking O–10. The additional allowance for children is increased to $22 for each child.

The Veterans' Administration also pays benefits to approximately 46,000 orphaned children of service-connected deceased veterans. These children are paid a flat statutory rate that is unrelated to the military rank of their deceased father. The payments currently range from $88 for one child to $164 for three children, plus $32 for each child in excess of three. Under the bill, these rates are raised to $92 and $172, respectively, plus $34 for each child in excess of three.

Under the law, parents are also entitled to monthly dependency and indemnity compensation payments. Unlike widows and children, however, parents receive benefits only if they meet certain dependency criteria. Dependency, under the law, is determined by a schedule of limitations on annual income, much in the same manner as the schedule utilized in the non-service-connected pension program. For example, in case of only one parent, a total annual income of less than $800 a year entitles the parent to the maximum monthly DIC payment of $96. The minimum DIC payment for one parent under existing law is $10 monthly for an annual income of more than $2,200 and less than $2,300.

This schedule, under the committee's proposal, is eliminated and an entirely new formula which is more responsive to increases in income from other sources is substituted. The new formula would prevent any loss of total income when the parent receives an increase in income from sources other than the DIC payments.

The bill also provides an aid and attendance allowance of $55 per month for dependent parents if they are in a nursing home or are so disabled they require the regular aid and attendance of another person. This is similar to the benefit that is already provided to certain seriously disabled veterans and widows. The current allowance of $32 for a helpless child who is incapable of self-support upon reaching the age of 18 years is increased to $55 monthly under the bill.

Mr. Speaker, this bill will provide needed increases to 176,000 widows, 46,000 children, and 68,500 dependent parents of service-connected deceased veterans. Administration spokesmen, during the hearings that produced this legislation, said:

> We believe DIC beneficiaries should be granted an adjustment in benefits to compensate for price increases that have occurred since the last benefit increase.

H.R. 11652 accomplishes this purpose. I urge that it be passed.

Mr. SAYLOR. Mr. Speaker, I rise in support of H.R. 11652. This bill will give a sorely needed cost-of-living increase to the widows, children, and dependent parents of those veterans who either died in service or after discharge from a service-incurred disability.

The increases are approximately 10 percent to widows, 5 percent to children, and 6.5 percent for dependent parents.

Income limitations are increased by $300 for dependent parents.

A very important change is an additional allowance of $55 to the parent who is a patient in a nursing home or who is so helpless or blind as to be in need of a regular aid or attendant. This same extra allowance is extended to parents receiving death compensation under the law in effect prior to January 1, 1957.

This measure also will permit those persons receiving death compensation because they were ineligible to elect to receive dependency and indemnity compensation to now make an election in favor of the latter.

The current extra allowance of $32 to a child who is over 18 and incapable of self-support will be increased to $55.

I believe this legislation is necessary and so favor it.

Mr. EDMONDSON. Mr. Speaker, I commend the great Committee on Veterans' Affairs for its action in recommending passage of H.R. 11652, and strongly support the bill.

Adjustment of payments to the widows and children of deceased veterans is urgently needed, and the bill substantially improves the economic position of these Americans.

I am sure the bill will be overwhelmingly approved.

Mr. ROBERTS. Mr. Speaker, as a member of the Compensation and Pension Subcommittee of the Committee on Veterans' Affairs, which favorably reported H.R. 11652, I am pleased to rise in support of it.

This bill proposes to provide a cost-of-living increase for a most deserving group—widows, children and dependent parents of veterans who died as a result of service-incurred disabilities.

Dependency and indemnity compensation benefits for eligible widows were last increased effective December 1, 1969. H.R. 11652 proposes to provide a 10-percent increase in the benefits for those widows and this amount of increase will more than adequately cover the percentage of increase in the cost of living since the date of their last increase.

Dependency and indemnity compensation benefits for eligible children were last increased July 1, 1970. Therefore, the 5-percent increase proposed by H.R. 11652 for these beneficiaries more than represents the increase in the cost of living since the date of their last increase.

H.R. 11652 further proposes to increase by $300 the annual income limitations for dependent parents receiving dependency and indemnity compensation benefits as well as provide an average increase of about 6.5 percent in the monthly rates. As a result of this bill's proposed rate and income limitation increases for dependent parents' DIC benefits, the Veterans' Administration has assured us that no dependent parent would lose his DIC payments nor have a loss in his aggregate income solely because of the 1971 increase in his social security benefits.

Under the current law, widows receiving dependency and indemnity compensation benefits are entitled to an additional $55 monthly aid-and-attendance allowance if they are suffering from disabilities which require the constant assistance of another person or they are patients in nursing homes. This bill proposes to also provide the additional $55 monthly aid-and-attendance allowance to eligible parents receiving benefits under the dependency and indemnity compensation program or the death compensation program.

H.R. 11652 would establish a new formula for the payment of dependency and indemnity compensation benefits to dependent parents whereby when a dependent parent receives an increase in income from some other source and, as long as his other income does not exceed the income limitation of the dependency and indemnity compensation program, he would not have a loss in his aggregate income. I think this is an outstanding feature of this bill and one which will do much to help relieve a dependent parent's anxiety in reference to the possibility of the loss in total income because of a reduction in DIC payments whenever there is an increase in his income from some other source.

Mr. Speaker, I am pleased to recommend this bill to my colleagues and urge its adoption.

Mr. TEAGUE of California. Mr. Speaker, I have no further requests for time.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Texas (Mr. TEAGUE) that the House suspend the rules and pass the bill, H.R. 11652.

The question was taken.

Mr. SAYLOR. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 350, nays 0, not voting 80, as follows:

[Roll No. 390]

YEAS—350

Abernethy
Abourezk
Abzug
Adams
Addabbo
Anderson, Calif.
Anderson, Tenn.
Andrews, Ala.
Andrews, N. Dak.
Annunzio
Archer
Arends
Aspin
Aspinall
Badillo
Baker
Baring
Begich
Belcher
Bennett
Bergland
Betts
Bevill
Biaggi
Biester
Bingham
Blanton
Boggs
Boland
Bow
Brademas
Brasco
Bray
Brinkley
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Buchanan
Burke, Fla.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Burton
Byrne, Pa.
Byrnes, Wis.
Byron
Caffery
Camp
Carey, N.Y.
Carney
Carter
Casey, Tex.
Cederberg
Chamberlain
Clancy
Clark
Clawson, Del
Clay
Cleveland
Collier
Collins, Tex.
Colmer
Conable
Conte
Corman
Cotter
Coughlin
Crane
Culver
Daniel, Va.
Daniels, N.J.
Davis, S.C.
Davis, Wis.
de la Garza
Delaney
Dellenback
Denholm
Dennis
Dent
Devine
Dickinson
Dingell
Donohue
Dorn
Dow
Drinan
Duncan
du Pont
Dwyer
Eckhardt
Edmondson
Edwards, Ala.
Edwards, Calif.
Eilberg
Erlenborn
Esch
Eshleman
Evans, Colo.
Evins, Tenn.
Fascell
Findley
Fish
Fisher
Flood
Flowers
Flynt
Foley
Ford, Gerald R.
Forsythe
Fountain
Fraser
Frelinghuysen
Frenzel
Frey
Fulton, Tenn.
Fuqua
Gallagher
Garmatz
Gaydos
Gettys
Giaimo
Goldwater
Gonzalez
Grasso
Gray
Green, Oreg.
Green, Pa.
Griffin
Griffiths
Gross
Grover
Gubser
Gude
Hagan
Haley
Hall
Hamilton
Hammerschmidt
Hanley
Hanna
Hansen, Wash.
Harrington
Harsha
Harvey
Hastings
Hathaway
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hicks, Wash.
Hillis
Hogan
Holifield
Horton
Hosmer
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Johnson, Calif.
Johnson, Pa.
Jonas
Jones, Tenn.
Karth
Kastenmeier
Kazen
Keating
Kee
Keith
King
Kluczynski
Koch
Kuykendall
Kyl
Kyros
Landgrebe
Landrum
Latta
Leggett
Lennon
Lloyd
Long, Md.
Lujan
McClory
McCollister
McCulloch
McDade
McEwen
McFall
McKinney
McMillan
Macdonald, Mass.
Madden
Mahon
Mailliard
Martin
Matsunaga
Mayne
Mazzoli
Meeds
Michel
Miller, Ohio
Mills, Md.
Minish
Mink
Minshall
Mizell
Mollohan
Monagan
Montgomery
Morgan
Morse
Murphy, Ill.
Murphy, N.Y.
Myers
Natcher
Nelsen
Nichols
Nix
Obey
O'Konski
O'Neill
Passman
Patman
Patten
Pepper
Perkins
Pettis
Peyser
Pickle
Pike
Pirnie
Poage
Podell
Poff
Preyer, N.C.
Price, Ill.
Price, Tex.
Pryor, Ark.
Pucinski
Quie
Quillen
Railsback
Randall
Rarick
Rees
Reid, N.Y.
Reuss
Rhodes
Riegle
Robinson, Va.
Robison, N.Y.
Rodino
Roe
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Rostenkowski
Roush
Roy
Roybal
Ruppe
Ruth
Ryan
St Germain
Sandman
Sarbanes
Satterfield
Saylor
Scherle
Scheuer
Schmitz
Schneebeli
Schwengel
Scott
Sebelius
Seiberling
Shipley
Shoup
Shriver
Sikes
Sisk
Slack
Smith, Calif.
Smith, Iowa
Snyder
Spence
Springer
Staggers
Stanton, J. William
Stanton, James V.
Steele
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Stubblefield
Sullivan
Symington
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Terry
Thompson, Ga.
Thompson, N.J.
Thomson, Wis.
Thone
Tiernan
Udall
Ullman
Van Deerlin
Vander Jagt
Vanik
Veysey
Waggonner
Waldie
Wampler
Ware
Whalen
White
Whitehurst
Whitten
Wiggins
Williams
Wilson, Bob
Winn
Wolff
Wyatt
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Young, Tex.
Zablocki
Zion

NAYS—0

NOT VOTING—80

Abbitt
Alexander
Anderson, Ill.
Ashbrook
Ashley
Barrett
Bell
Blackburn
Blatnik
Bolling
Cabell
Celler
Chappell
Chisholm
Clausen, Don H.
Collins, Ill.
Conyers
Danielson
Davis, Ga.
Dellums
Derwinski
Diggs
Dowdy
Downing
Dulski
Edwards, La.
Ford, William D.
Galifianakis
Gibbons
Goodling
Halpern
Hansen, Idaho
Hawkins
Hébert
Heckler, Mass.
Jones, Ala.
Jones, N.C.
Kemp
Lent
Link
Long, La.
McCloskey
McClure
McCormack
McDonald, Mich.
McKay
McKevitt
Mann
Mathias, Calif.
Mathis, Ga.
Melcher
Metcalfe
Mikva
Miller, Calif.
Mills, Ark.
Mitchell
Moorhead
Mosher
Moss
Nedzi
O'Hara
Pelly
Powell
Purcell
Rangel
Roberts
Rosenthal
Rousselot
Runnels
Skubitz
Smith, N.Y.
Steed
Stokes
Stuckey
Vigorito
Whalley
Widnall
Wilson, Charles H.
Wright
Zwach

So (two-thirds having voted in favor thereof) the rules were suspended and the bill was passed.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Anderson of Illinois.

Mr. Celler with Mr. Halpern.

Mr. Ashley with Mrs. Chisholm.

Mr. Mann with Mr. Ashbrook.

Mr. Mathis of Georgia with Mr. Hansen of Idaho.

Mr. Danielson with Mr. Bell.

Mr. Dulski with Mr. Lent.

Mr. Purcell with Mr. Blackburn.

Mr. Davis of Georgia with Mr. Rousselot.

Mr. McKay with Mr. McClure.

Mr. Charles H. Wilson with Mr. Don H. Clausen.

Mr. Abbitt with Mr. Goodling.

Mr. Alexander with Mr. Pelly.

Mr. Blatnik with Mrs. Heckler of Massachusetts.

Mr. Cabell with Mr. McCloskey.

Mr. Chappell with Mr. Skubitz.

Mr. Dowdy with Mr. Smith of New York.

Mr. Rosenthal with Mr. Conyers.

Mr. Moorhead with Mr. Metcalfe.

Mr. Melcher with Mr. McKevitt.

Mr. Galifianakis with Mr. Rangel.

Mr. William D. Ford with Mr. Dellums.

Mr. Diggs with Mr. Derwinski.

Mr. Barrett with Mr. Stokes.

Mr. Moss with Mr. Mathias of California.

Mr. Runnels with Mr. McDonald of Michigan.

Mr. Downing with Mr. Mosher.

Mr. Mikva with Mr. Collins of Illinois.

Mr. Miller of California with Mr. Mitchell.

Mr. Gibbons with Mr. Whalley.

Mr. Link with Mr. Widnall.

Mr. Jones of Alabama with Mr. Zwach.

Mr. Wright with Mr. Hawkins.

Mr. Roberts with Mr. Stuckey.

Mr. Steed with Mr. Vigorito.

Mr. O'Hara with Mr. Powell.

Mr. Jones of North Carolina with Mr. Kemp.

Mr. McCormack with Mr. Nedzi.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

## AUTHORIZING GRANTS FOR THE NAVAJO COMMUNITY COLLEGE

Mr. HALEY. Mr. Speaker, I move to suspend the rules and pass the bill (H.R. 5068) to authorize grants for the Navajo Community College, and for other purposes, as amended.

The Clerk read as follows:

H.R. 5068

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Navajo Community College Act."

PURPOSE

SEC. 2. It is the purpose of this Act to assist the Navajo Tribe of Indians in providing education to the members of the tribe and other qualified applicants through a community college, established by that tribe, known as the Navajo Community College.

GRANTS

SEC. 3. The Secretary of Interior is authorized to make grants to the Navajo Tribe of Indians to assist the tribe in the construction, maintenance, and operation of the Navajo Community College. Such college shall be designed and operated by the Navajo Tribe to insure that the Navajo Indians and other qualified applicants have educational opportunities which are suited to their unique needs and interests.

AUTHORIZATION OF APPROPRIATIONS

SEC. 4. For the purpose of making grants under this Act, there are hereby authorized to be appropriated not to exceed $5,500,000 for construction, plus or minus such amounts, if any, as may be justified by reason of ordinary fluctuations from 1971 construction costs as indicated by engineering cost indexes applicable to the types of construction involved, and an annual sum for operation and maintenance of the college that does not exceed the average amount of the per capita contribution made by the Federal Government to the education of Indian students at federally operated institutions of the same type.

The SPEAKER pro tempore. Is a second demanded?

Mr. STEIGER of Arizona. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The gentleman from Florida, Mr. HALEY, will be recognized for 20 minutes, and the gentleman from Arizona (Mr. STEIGER) will be recognized for 20 minutes.

The Chair recognizes the gentleman from Florida.

Mr. HALEY. Mr. Speaker, I yield 6 minutes to the gentleman from Colorado (Mr. ASPINALL).

Mr. ASPINALL. Mr. Speaker, the purpose of H.R. 5068 is to authorize a Federal financial contribution to the construction and operation of the Navajo Community College, which is a college established and operated by the Navajo Tribe.

The bill as amended by the committee authorizes the appropriation of \$5½ million as a grant to the Navajo Tribe to assist the tribe in the construction of the college. The bill also authorizes the appropriation of annual sums as a grant to the Navajo Tribe to assist in the operation and maintenance of the college. The latter sum may not exceed the average amount of the per capita contribution made by the Federal Government to the education of Indian students at federally operated institutions of the same type.

The Navajo Community College is the first college established on an Indian reservation, and it is the only college established and operated by an Indian tribe.

The college has been in operation since January 1969. It is presently using available space in the Many Farms High School building, which is a Federal school located on the reservation. Construction of the college buildings has begun, however, and construction will be undertaken in three stages as funds are available. The total estimated cost of construction is \$17,000,000. This bill authorizes the Bureau of Indian Affairs to furnish \$5,500,000 of that amount.

The annual cost of operation will vary with the number of students that are enrolled. The tribe has asked the Bureau of Indian Affairs to contribute \$1,200,000 based on an enrollment of 400 students, and \$3,360,000 based on an enrollment of 1,500 students. Both of these figures are within the formula adopted by the committee. The average per capita cost of Indian students attending three schools of higher learning that are operated by the Bureau of Indian Affairs is \$3,700.

The Office of Economic Opportunity contributed the major portion of the funds used for the operation of the college to the present time. The grants totaled \$2,292,899, and they were made as a part of a demonstration and research program. The OEO's evaluation is that the demonstration was a success, that the college is functioning successfully, and that it should be continued on a permanent basis.

The Navajo Community College is different from the ordinary community college. It is tailored to meet the unique needs of the Navajo people, adults as well as children. The student body includes people of all ages, and the curriculum includes academic, vocational, and adult education subjects. The college is intended to supplement, and not be a substitute for, other college opportunities. Some students may prefer to attend off-reservation colleges. Some of them may prefer to start at the community college and continue elsewhere. Others will not wish to leave the reservation and will want an education fitted to their reservation way of life. The college recognizes these different needs.

Enactment of the bill will involve the appropriation of \$5,500,000 for construction money in fiscal years 1973 and 1974, and the appropriation of annual sums for the operation of the college that would not exceed \$5,500,000 per year on the basis of present cost figures. For purposes of comparison, it should be noted that in connection with the elementary and secondary educational programs on the Navajo Reservation the Federal Government has spent more than \$117,500,000 for construction during the past 10 years, and the current operation expense is more than \$53 million per year. The proposed expenditures for the Navajo Community College are modest in comparison.

Mr. STEIGER of Arizona. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I wish to tell the distinguished gentleman from Colorado (Mr. ASPINALL) how very enthusiastic I am about this legislation and sincerely appreciate the efforts of both the gentleman from Colorado and the gentleman from Florida (Mr. HALEY) in bringing this legislation before the House.

Mr. Speaker, the purpose of this bill is to authorize Federal financial contribution to the construction and operation of the Navajo Community College in an amount not to exceed \$5,500,000 for construction, plus or minus amounts justified by reason of fluctuations from 1971 construction costs as indicated by applicable engineering cost indexes and an annual sum for operation and maintenance of the college that does not exceed the average amount of the per capita contribution made by the Federal Government to the education of Indian students at federally operated institutions of the same type.

The Navajo Community College was established by and has been run by the Navajo Tribe of Indians since January 1969. Current enrollment is 571. Expected enrollment after completion of the new facilities is 1,500. The college has been funded by the tribe, the Office of Economic Opportunity, and by gifts and contributions. Since its inception, the college has been operating in unused space in the Many Farms High School in the Navajo Reservation at Many Farms, Ariz. That space will shortly be needed by the high school.

This college is unique and the need for it is unique. The Navajo population of school-age children is 55,181. There is no other local institution of higher learning on the reservation. Many Indians are unwilling to leave their homes to attend colleges. Many of those that do leave find their new environment hostile and drop out. Many cannot find the type of training they want. The college is tailored to meet the needs of the Navajo people—adults and children. People of all ages will be attending the school. The curriculum contains academic, vocational, and adult education subjects. At full capacity, it is estimated that two-thirds of the students enrolled in the college will be taking vocational-technical courses.

In order for the college to expand to an expected enrollment of 1,500, Federal funds will be needed. The estimated cost of building and equipping the college plant is \$17,000,000. The Navajo Tribe anticipates contributing \$1,000,000 toward construction and about \$2,000,000 are expected to be contributed by industry, foundations, and individuals of which \$98,000 have already been committed. The Department of Housing and Urban Development is expected to loan \$5.5 million, and the Bureau of Indian Affairs is expected to allocate a like amount. The Economic Development Administration is expected to allocate \$3,000,000 toward construction.

Annual operating costs will increase as the college enrollment increases. Presently, those costs are about \$1.3 million. The tribe is currently contributing \$250,000 a year toward operations and expects to continue making contributions. The Bureau of Indian Affairs has been asked to contribute \$1,200,000 toward operating funds for an enrollment of 400 and \$3,360,000 when enrollment is at full capacity. The need for Federal operating grants, in part, depends on the number of non-Bureau of Indian Affairs scholarship students able to meet tuition charges from personal or scholarship funds. The Committee on Interior and Insular Affairs agreed with the general policy recommendation of the Department of the Interior that the amount of Federal support for Indian students attending the college should not exceed the present per capita amount which the Federal Government pays for the education of Indian students at federally operated institutions. The bill limits annual Federal grants for operations to that amount.

I also want to point out that the college is and will be open to anyone qualified for admittance. To make that absolutely clear, the Committee on Interior and Insular Affairs amended the bill to so state.

The project, the Navaho Community College, is an example of Indian self-determination at its very best. It is the first college established on an Indian reservation and operated by an Indian tribe. The project is worthy of Federal assistance. I urge my colleagues to support this bill.

Mr. Speaker, I yield such time as he may consume to the ranking member of the committee, the gentleman from Pennsylvania (Mr. SAYLOR).

Mr. SAYLOR. Mr. Speaker, I rise in support of H.R. 5068, a bill which would authorize the appropriation of \$5.5 million for construction money which will probably be appropriated in fiscal years 1973 and 1974; and the appropriation of annual sums for operations, all for the Navajo Community College.

This is a case of helping those who have helped themselves. The Navajo Community College was established by the Navajo Indian Tribe in 1969. It is open to all qualified applicants. The college is run by the Navajo Tribe. The tribe contributes \$250,000 annually toward operation of the college and expects to contribute \$1 million toward construction of the new college plant. The Office of Economic Opportunity contributed a major portion of the cost of the college's operation to the present time under its demonstration and research grants program. OEO's evaluation of the project, as testified to before the Committee on Interior and Insular Affairs, is that it is an unqualified success.

The Navajo Tribe recognized the need for education beyond high school to keep abreast of our rapidly changing technologically oriented economy. Although some Indians do leave their reservation, enroll in existing colleges and successfully complete the prescribed course of study, of 760 Navajos enrolled in college in 1969, only 47 graduated. The reasons advanced for that woeful statistic are that tribal members are not generally willing to leave their homes to attend college; that the curriculums offered are not relevant in many instances, and that they have great difficulty in adjusting to an environment essentially alien to all they have known. In contrast to that depressing statistic, the present enrollment at the Navajo Community College is reported to be 571 students. Anticipated enrollment when the college reaches full operating capacity is 1,500.

In answer to the problems met by Navajo students at existing off-reservation colleges, the curriculum offered at the Navajo Community College encompasses not only educational subjects, but vocational and technical subjects as well. Students at the college are young and old alike. The college administrators estimate that eventually two-thirds of the student body will be enrolled in vocational and technical courses.

The college is presently accredited by other colleges in Arizona, New Mexico, and Utah and is working toward nationwide accreditation. The North Central Association of Colleges and Secondary Schools has recognized the college and awarded it correspondent status.

For this college to succeed, for it to meet the anticipated needs of the Navajo Indian community, it is going to have to have permanent quarters and associated equipment. It is presently operating out of borrowed rooms in the Many Farms High School located on the reservation under an agreement with the Bureau of Indian Affairs. Several institutions, foundations, and individuals have contributed money or will contribute money toward construction of the campus. The Department of Housing and Urban Development will loan funds for the project. The tribe, itself, will contribute funds. Of the $17 million necessary for construction, the Federal Government has been asked to contribute as a grant $5.5 million, a little over one-third.

It costs money to operate a school as well. The Federal contribution to operations will be in an amount that does not exceed the average amount of the per capita contribution it now makes to the education of Indian students at federally operated institutions of the same type. The tribe and others will also contribute.

In order to insure that this Indian-established, Indian-operated, and Indian-designed school will be built; in order to assure the Indians of the Navajo community and other qualified applicants will have the educational opportunities suited to their needs and interests, I urge your support in passing this bill.

Mr. CRANE. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Illinois.

Mr. CRANE. I have a question in connection with the $117 million that has been appropriated over the past 10 years for the construction of schools on the Navajo Reservation.

Mr. STEIGER of Arizona. I do not have the figure before me but there have been a great number of schools erected for elementary and secondary education for the some 130,000 Navajo people. Yes; I assume, since the gentleman has figures there, they are probably accurate.

Mr. CRANE. Then the $117 million deals with primary and secondary schools exclusively; is that correct?

Mr. STEIGER of Arizona. Yes. Heretofore there has been no institution of higher learning on the Navajo Reservation at all. So, the $117 million to which the gentleman refers—and I see the figure now—is only in connection with elementary and secondary education.

Mr. CRANE. Mr. Speaker, if the gentleman will yield further, then the question I have is this: Are not the regular colleges and universities in the States of Arizona and New Mexico and elsewhere in the United States, for that matter, available to graduates of those primary and secondary schools on the reservation?

Mr. STEIGER of Arizona. Yes. There has been no prohibition against Indian attendance at any non-Indian college or university. However, the historical facts are that the Indian students in the non-Indian colleges and universities simply have not been able to cope with the non-Indian curriculum and, therefore, the dropout rate has been phenomenal.

As the gentleman knows, I am highly conservative when it comes to the expenditure of tax dollars, but in my view this will be money extremely well spent because it will require the Indians themselves to make a major contribution and especially the Navajo Tribe to make a major contribuition.

It will require that the students themselves achieve a level at which they are able to achieve and make themselves self-sufficient, and thus remove a burden which has heretofore been present. I am enthusiastic about this program because the BIA has nothing to do with this program, and that makes me, as I say, very enthusiastic about its possible success.

Mr. CRANE. I too share the gentleman's enthusiasm over the absence of the Bureau of Indian Affairs' involvement, but I was questioning the primary and secondary levels of education there, and wondering if they are equipping the Navajo youngsters upon graduation from high school to assume the normal curriculum, unless the overwhelming emphasis in this post-high-school education would be almost exclusively a vocational and technical training designed to meet the needs of the Navajo Reservation.

As I understand it, a portion of it will be performed in technical and vocational training, but I also gather that a portion of it will be designed to help the Navajo youngsters in their transition from the high school to the liberal arts curriculum beyond their 2-year experience in a community college at the colleges and universities of their choice.

Mr. STEIGER of Arizona. I appreciate the gentleman's concern, and his concern is justified, but in this instance in which the Indians have taken control over their own elementary and secondary educational schools, such as at Rough Rock and at Many Farms, we have found that these Navajo children are better able to go on and cope with both Indian and non-Indian higher education. Because the gentleman's concerns are valid I would tell the gentleman that this, as far as I am concerned, is a step in the right direction, but it is by no means the entire ball game.

Mr. HALEY. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Florida.

Mr. HALEY. Mr. Speaker, I thank the gentleman for yielding, and I have taken this time for the purpose of responding to the gentleman's question.

This college will not prohibit in any way an Indian who wants to attend the college of his or her choice. This is a college that we are trying to build so that the Indians can learn a career and be able to cope with many things. He does not have to be a Ph. D. to make a living. And I might add, as I am sure the gentleman is well aware, the fact there are other colleges in the State of Arizona and the other States involved, but when these Indians attend these schools, these schools may be hundreds of miles from any Indian reservation. So what we are really trying to do is to assist the Indians to get on a footing of some equality by receiving an opportunity aimed at preparing them to go through their later life.

Mr. KYL. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman from Iowa.

Mr. KYL. Mr. Speaker, the gentleman from Illinois has, of course, asked a very intelligent question, and has opened up an entire area of discussion here. He ought to have a complete response.

In the first place, the Navajo Reservation is a special place with special problems. You have to remember that one out of every six Indians in the United States is a Navajo, so you have a big concentration of Indian population here. Further, as a matter of hard, cold, practical facts, 60 percent of the adult Navajo Indians do not speak English. What you have here is not a vestige of Indian civilization and Indian life, but a very practical, living example of the same.

Now, we have adopted the philosophy in recent years that we are not going to try to remake our Indian citizens in our own image. We are, as far as possible, retaining for those people all that they consider is good from their own culture.

This immediately creates a big problem for the Indian, and for the Government, and everybody else. But if we are going to permit the Indians to retain their culture we also have to find ways of accommodating that culture and the education of these Navajos into our own culture so that the Indian will have an opportunity to move either way.

This school will offer a unique opportunity. The student will have an opportunity to go to school and to take academic subjects which prepare him for transfer to another institution.

But beyond that, this is really a pilot project which has already been proven beneficial and workable. There will be people in this community college who never went to high school. There will probably be people who never were in school at all. There will be people who had their education interrupted. In my own mind, and I think this particular philosophy might appeal to the gentleman from Illinois, when I look at the Navajo's culture itself, I see many things we ought to adopt in a measure in our civilization. For instance, the Navajo believes sincerely that a man is part of nature, but a no more important part than anything else. We can use some of that philosophy. The Navajo believes that he suffers ill health when he falls out of harmony with the balanced nature. There is something in each culture with benefit for both.

This Navajo college, I am convinced, offers the best opportunity we have ever had to give these people control of their own education and to get the things they need in that education.

Mr. CRANE. Mr. Speaker, will the gentleman yield?

Mr. STEIGER of Arizona. I yield to the gentleman.

Mr. CRANE. Mr. Speaker, I appreciate the remarks the gentleman just made. Certainly, I am all in favor of permitting individuals in our society to the extent possible to develop their own cultures.

In the debate we had on the floor just last week, I commented on the fact that unfortunately historians have worked to blur some of those cultural inputs in American society in times past which I think is unfortunate because there is a richness in all of these cultures.

My concern over this bill is not so much the moneys allocated for vocational or adult education, but those falling under the designation "academic."

If by academic that phrase is intended to comprehend traditional requirements of a liberal arts college and university, it would seem to me that it might be more prudent to divert the moneys from that emphasis in the bill to making scholarships available to these Navajo youngsters who can make that transition and permit them to go to the University of Arizona or University of New Mexico or to Northwestern University in my own congressional district.

Mr. STEIGER of Arizona. I would just respond to the gentleman by saying that there is in my view more than an adequate mix of both the academic and vocational current proposed plans—or two-thirds vocational.

So I think all of the objections have been complied with.

Mr. Speaker, I yield back the balance of my time. I have no further requests for time.

Mr. HALEY. Mr. Speaker, I recommend the enactment of H.R. 5068.

The Navajo Community College started as an experiment in 1969 with financial backing from the tribe, from several governmental agencies, private foundations, and business organizations. It has demonstrated during the past few years that the college will fill a long-felt need of the Navajo people. It has support from Indians of all ages, and it is time now to provide a firm statuory base for the future operation of the college.

The construction costs are estimated to total about $17 million although the full amount of the money is not "in hand," so to speak; most of it is committed and the college can reasonably be expected to raise the rest of the money that is needed. The contribution to construction costs that is authorized by this bill is $5,500,000, and that is a reasonable sum when compared with the $100,000,000 plus in Federal money spent on elementary and primary school construction on the Navajo Reservation during the past 10 years.

The Federal contribution to the annual operating costs of the college will be limited to the average per capita cost of sending an Indian student to one of the Federal schools for post high school education.

The Indian Affairs Subcommittee expects to maintain continuing legislative oversight of the college, and I have great hope that the college will make an increasing contribution to the education of all age groups on the reservation.

Mr. RHODES. Mr. Speaker, we have before us H.R. 5068, "A bill to authorize grants for the Navajo Community College, and for other purposes." I strongly support this bill and urge that it receive favorable consideration by this body.

For many years the Navajo Tribe has expended substantial efforts to insure educational opportunities for tribal members. Clear proof of this commitment is provided by the figures showing an increasing number of Navajo students enrolled in and completing academic programs.

Yet for the Navajo there are often sacrifices standing in the way of education that few of the rest of us have had to face. There is a sizable number of Navajo high school graduates who are neither interested nor willing to leave their homes to go to college, and, furthermore, many of those who do leave for college will face the very serious problem of trying to adjust to a totally new environment.

Attempting to meet this dilemma, the Navajo Tribe organized and established the Navajo Community College in 1969. Since that time the college has been operating out of the Many Farms High School on the reservation. But, enrollment has increased because the program is working, and there is a desperate need for a separate facility. The Navajos need assistance to meet construction costs and operational expenses. This bill is designed to provide such aid.

The Navajos have done a good job in establishing this institution and the early steps in the accreditation process have already been achieved. I urge the passage of this worthwhile piece of legislation.

Mr. HALEY. Mr. Speaker, I have no further requests for time.

### GENERAL LEAVE

Mr. STEIGER of Arizona. Mr. Speaker, I ask unanimous consent that all Members may have 5 legislative days during which to extend their remarks on the bill H.R. 5068.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Arizona?

There was no objection.

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Florida (Mr. HALEY) that the House suspend the rules and pass the bill H.R. 5068, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

## INVOLUNTARY CONVERSION TREATMENT FOR REDWOOD TRACTS TAKEN FOR PARK

Mr. ULLMAN. Mr. Speaker, I move that the House suspend the rules and pass the bill (H.R. 11080) relating to the income tax treatment of just compensation received from the United States with respect to property taken under the act of the Congress which established the Redwood National Park, as amended

The Clerk read as follows:

### H.R. 11080

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) this Act shall apply to any taxpayer—

(1) property of which was compulsorily or involuntarily converted into other property or money by reason of the establishment of the Redwood National Park in Del Norte and Humboldt Counties, California, pursuant to the Act of October 2, 1968 (Public Law 90-545),

(2) which elects the application of this Act pursuant to subsection (b), and

(3) which agrees to accept compensation for the property so converted to the maximum extent of the available resources provided in section 5 of such Act of October 2, 1968 (to the extent such resources are offered to such taxpayer by the Secretary of the Interior or his delegate).

Nothing in paragraph (3) or in any other provision of this Act shall be deemed to affect in any way the right of any person to administrative or judicial proceedings to determine the fair market value of property converted or of property received pursuant to such Act of October 2, 1968.

(b)(1) An election made by the taxpayer to which this Act applies shall be made at such time and in such manner as the Secretary of the Treasury or his delegate may prescribe.

(2) In connection with any such election—

(A) the taxpayer shall choose whether or not paragraph (2) of section 2(a) is to apply with respect to all amounts described in such paragraph (2), and

(B) the taxpayer shall, at such time and in such manner as the Secretary of the Treasury or his delegate may prescribe, designate the particular properties with respect to which, the reduction of basis required by section 2(b) is to be made.

(3) Any election made by the taxpayer to which this Act applies, and any choice or designation described in paragraph (2), shall be binding for the first taxable year affected thereby and for all subsequent taxable years, unless the Secretary of the Treasury or his delegate permits a revocation of such election, choice, or designation, as the case may be.

SEC. 2. (a) In applying section 1033(a)(3) of the Internal Revenue Code of 1954 (relating to involuntary conversions) in the case of a taxpayer to which this Act applies—

(1) The term "other property similar or related in service or use to the property so converted" includes (A) property to be held for productive use in a trade or business of the same kind as one in which the taxpayer, or a corporation controlled by the taxpayer, was engaged on October 2, 1968, and (B) land (and any interest in land), standing timber, and contract rights to cut timber.

(2) The term "acquisition of control of a corporation owning such other property" includes amounts received as payment pursuant to such Act of October 2, 1968, which are paid after October 2, 1968, to purchase or redeem any stock of the taxpayer which was issued during the period beginning on January 1, 1967, and ending on December 31, 1971, in the acquisition of control of a corporation (or to purchase or redeem stock equivalent thereto in number and class of shares).

(3) In lieu of the period referred to in subsection (a)(3)(B), the replacement period referred to in subsection (a)(3(A)—

(A) except as provided in subparagraphs (B) and (C), shall be the period beginning on January 1, 1967, and ending on December 31, 1973, or

(B) in the case of any money received after December 31, 1970, pursuant to such Act of October 2, 1968, shall be 3 years after the close of the taxable year in which such money is received.

(b) To the extent gain is not recognized because subsection (a)(2) applies, such gain shall be applied to reduce the basis for determining gain or loss of the following categories of property held by corporations controlled by the taxpayer on October 2, 1968, or corporations, control of which was acquired before January 1, 1972, in the following order:

(1) Property which is similar or related in service or use (within the meaning of section 1033 of such Code, as modified by subsection (a) of this section);

(2) Property which is of a character subject to the allowance for depreciation under section 167 of such Code;

(3) Other tangible property; and

(4) Intangible property

The manner and amount of the reduction to be applied to a particular property within any of the categories described shall be determined under regulations prescribed by the Secretary of the Treasury or his delegate.

The SPEAKER pro tempore. Is a second demanded?

Mr. WALDIE. Mr. Speaker, I am in opposition to the bill, and I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

The SPEAKER pro tempore. The Chair recognizes the gentleman from Oregon (Mr. ULLMAN).

Mr. ULLMAN. Mr. Speaker, this bill, H.R. 11080, relates to the reinvestment of money and property which is received by taxpayers for redwood tracts which are taken by the United States for the purpose of establishing a Redwood National Park in California.

A bill provides, in general, that upon the election of the taxpayer, gain is not to be recognized for Federal income tax purposes when money is received from the United States for the redwood tracts. For the taxpayers to obtain nonrecognition of gain under this bill, the money must be reinvested in property used in a trade or business engaged in by the taxpayer when the redwood tracts were taken or, it must be used, in certain situations, to redeem its own stock.

In 1968, Congress provided for the creation of a Redwood National Park in California. To create this park redwood timberlands of a number of taxpayers were taken for public use. These taxpayers will be paid, or have been paid, in part in cash and in part in other timberland which the United States is exchanging for the redwood tracts. Present law allows nonrecognition only if the proceeds from an involuntary conversion are reinvested in property which is "similar or related in service and use," or, in the case of real property, property which is of a "like kind." Since the supply of redwood timber is limited it will not be possible in many situations for the taxpayers to reinvest the cash proceeds in redwood property. Also, some of these taxpayers were involved only in redwood logging and were not equipped to engage in the cutting of other types of timber.

Because of these circumstances, the committee felt that it was appropriate to allow these taxpayers, whose property was taken for the creation of the national park, to reinvest the sale proceeds in other businesses of the same kind as those in which the taxpayers were engaged at the time their redwood tracts were taken by the United States.

The provisions of this bill will apply only when three conditions are met. First, the bill has application only when property is taken by the United States under the Redwood Act. Second, the bill applies only at the election of the taxpayer. Third, the bill applies only if the taxpayer agrees to accept, as part of the compensation of the redwood tracts, certain other timberlands which the United States has offered to the taxpayer in exchange for the redwood property. This latter requirement was suggested by the Department of the Interior, which has no objection to the bill.

If these three qualifications are met the taxpayer then may obtain nonrecognition of the gain on the redwood property if the money is either: First, invested in property used in a trade or business in which the taxpayer was involved at the time of the taking; or Second, used, under certain conditions, to redeem the taxpayers own stock.

The right to redeem its own stock, and obtain nonrecognition, is limited to the extent the taxpayer issued stock during a 5-year period, 1967 through 1971, to acquire control of another corporation. Under present law, taxpayers reinvesting sales proceeds from an involuntary conversion in stock of another corporation, need not reduce the basis of the assets of that corporation by the amount of gain not recognized. This bill treats taxpayers more severely by requiring a basis reduction.

In this connection, I wish to make a point that, due to a printer's error on page 4 of the committee report, was not made entirely clear in that report. Under the bill, the gain not recognized because of the redemption of stock will be applied to reduce the cost—or other basis—of the property of the controlled subsidiaries in the following order:

First, to property similar to that converted,

Second, to depreciable property,

Third, to other tangible property, and

Fourth, to intangible property.

The period during which taxpayers may reinvest sales proceeds under this bill expires at the end of 1973, or 3 years after the close of the taxable year in which the sales proceeds were received, if later. It is estimated that this bill will reduce revenues by $25 million over the period the bill is applicable. The Treasury does not oppose this bill.

Because the redwood bill came through the Committee on Interior and Insular Affairs, at this time I yield to the distinguished chairman of that committee, the gentleman from Colorado (Mr. ASPINALL).

Mr. ASPINALL. Mr. Speaker, the legislation now before the House involves the income tax treatment of involuntary conversions resulting from the creation of the Redwood National Park in the State of California.

At the time that the Committee on Interior and Insular Affairs and the Congress was considering the authorization of this important national park, everyone recognized that the quantity of old-growth redwoods was severely limited. Conservationists testified that a park should be created so that the giants of nature would not disappear from the face of the earth. Timber companies argued that they should be permitted to harvest them at a reasonable rate because substitute sources of the product could not be found elsewhere. Many citizens living in the communities involved lamented the prospect of the demise of the redwood forest products industry.

Because we were persuaded that a national park should be created to protect a substantal portion of the remaining redwood forests of northern California, the park was authorized. At that same time, in order to resolve the matter as expeditiously as possible, to avoid future cost escalation, and to prevent the harvesting of timber in the area during the period of time between the authorization and the funding, the Congress provided for the legislative taking of the lands within the park boundaries.

As a result of that action, the owners of lands subject to the terms of that act were automatically and immediately divested of title to their property. Naturally, the act provided that they should receive just compensation for their holdings, as is always the case when lands are condemned, but questions concerning the ramifications of this action on the taxable income of the persons and companies involved remained unresolved.

During our deliberations on that legislation, it was emphasized that suitable substitute lands of the same quality and quantity were not available for purchase by any landowner holding lands within the park. Because of this fact, the Interior and Insular Affairs Committee was urged to recommend an amendment which would allow affected companies to reinvest the proceeds arising from the involuntary sale of their lands to the Government in other activities without suffering a tax penalty. We could not make such a recommendation, because we had no jurisdiction over legislation affecting the Nation's tax laws, but I did agree to introduce legislation to grant the equitable relief sought because of these unusual circumstances. This legislation is the outgrowth of that commitment.

During the 91st Congress, the Committee on Ways and Means considered a comparable measure (H.R. 14873) and recommended its enactment on December 18, 1970, but the matter was approved too late to be considered by the House. This year, similar legislation was reintroduced. It has again been reviewed and reported favorably by the committee having primary jurisdiction over tax measures. There is no question in my mind that this matter has been thoroughly reviewed and I fully support the recommendations which the committee has made.

Mr. Speaker, the basic thrust of this legislation has been explained by our colleague from Oregon (Mr. ULLMAN). There is no need for me to consume the time of the House repeating the points already made. I merely wanted to take this moment to refresh the memories of the Members on the background which led to the introduction of this legislation.

I recommend the approval of H.R. 11080, as recommended by the Committee on Ways and Means.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield to the gentleman from Texas for a question.

Mr. BROOKS. Mr. Speaker, I would like to ask the acting floor leader of this legislation, my distinguished and old friend, the gentleman from Oregon, if he believes that this policy—of allowing recipients of funds—to reinvest them in whatever they want in effect—should be true for other types of forests?

If the Federal Government took for national parklands or some other place hardwoods or pine, for instance, would not those companies, geared up to operate pine or hardwood timbering operations, be entitled to the same treatment?

Mr. ULLMAN. Mr. Speaker, I would say to my friend, the gentleman from Texas, that one reason this legislation is before us is because we created the park and through involuntary conversion took a substantial bloc of the redwood timber from four different companies. But another reason we have the legislation is that, because of the limited supply of redwood forest, there just simply is not enough redwood available for reinvesting, so we thought it was only fair under those particular and unique circumstances to allow the tax deferral with respect to reinvestments in other businesses that the companies were then in.

Mr. BROOKS. Did they not take into consideration in determining the value of that land on which they based their payments the scarcity and the value of it as it stood there?

Mr. ULLMAN. The timber companies contend that they did not. As a matter of fact, it probably will be some time before the final valuation is placed on the timber.

Mr. BROOKS. They are in court on that now?

Mr. ULLMAN. They are, and will be for some time, I presume. This is written right in the bill, that the bill is not to affect in any way the right of any person in determining the fair market value of the property.

Mr. BROOKS. Does the gentleman feel pine timber owners or mixed hardwood owners would have that same opportunity, since they of course allege it is difficult to acquire pine or hardwood, or any other kind of timber?

Mr. ULLMAN. Might I say that pine is not in short supply. Redwood is grown in a very limited area, and pine is grown throughout the Nation. One could never make that argument.

In this case there is a very limited commodity, and there was not land available. The amount of forest they did make available for exchange was completely taken by the four companies involved in the transaction.

Mr. Speaker, I am willing to yield briefly to the ranking minority member of the committee, the gentleman from Wisconsin (Mr. BYRNES).

Mr. BYRNES of Wisconsin. Mr. Speaker, I might like to comment later. If there is opposition to the legislation it would be well to have them use some of their time.

Mr. CAREY of New York. Mr. Speaker, will the gentleman yield?

Mr. ULLMAN. I yield briefly to the gentleman from New York (Mr. CAREY).

Mr. CAREY of New York. I just wanted to add that I had the privilege of being a member of the Subcommittee on National Parks of the Committee on Interior and Insular Affairs when we in a sense put together the elements of the compromise that produced the Redwood Park. I now serve on the committee with the gentleman handling this bill.

I assure the Members of the House there was an overriding consideration of attempting to get the utmost acreage of redwoods at the most economical possible cost. The longer we delayed the less possibility there was of getting a decent redwood stand in our National Park for preservation.

I defend now, as I did then, the principle of the exchange of lands in order to reduce the cost and add acreage of redwoods. This is one element of the compromise which, if not passed, would be an attempt to renege on the part of the Congress on the deal we entered into to try to preserve as much employment as possible at the same time we created the park.

I support the bill most firmly.

Mr. ULLMAN. I thank the gentleman from New York.

The SPEAKER pro tempore. The Chair recognizes the gentleman from California (Mr. WALDIE).

Mr. WALDIE. Mr. Speaker, I do not want to suggest what I am proposing here, that this bill be voted down, would be in any way a reneging on any commitment. I have read the reports thoroughly, and I recall there was a proposal to exchange land as a part of the purchase price. That proposal has been implemented, and as to those quantities of the purchase price represented by an exchange of land this bill has no application. They are treated as every other taxpayer of the United States is treated. They get a section 1033 investment privilege by the investment in the exchange of lands.

It is only in the cash that this bill treats these four companies unlike any other taxpayer in the United States.

In cash, then, that is roughly a $25 to $30 million tax break. It cannot be described in any other way. No other taxpayer in the United States except for these three companies by this special legislation will receive this sort of tax treatment. They have the right now to receive and they are receiving fair and just compensation. They have the right, as does every other taxpayer in the United States, to invest that fair and just compensation in like or similiar property. If they do that, they escape the captal gains consequences of that condemnation action.

However, they want more than that right which every other taxpayer has. They want a special privilege above and beyond that so that they incur no tax whatsoever because the like or similar property available to them is not totally and completely to their liking.

Now, why should we, as Congressmen representing this country, give those four companies that extra break when we have already required in the law that they be given just and fair compensation?

Let me describe what we have already given or offered them in order that we might better understand how much they are in need when they come before us asking for this particular tax loophole and tax break. Here is what we have done.

Arcata—we have suggested $22,135,000 be offered to them in cash. We have offered that. We have also offered $40 million in land. They have accepted the land. As to the $40 million worth of land they will incur not $1 of tax consequences under existing law. They do not want to incur any tax consequences under the cash that they will receive. We have offered them $22 million together with their $40 million worth of land. They brought suit against the United States of America 2 weeks ago asking for $63 million in cash. So we do not know how much money we are going to have to pay them or how much tax relief they will ultimately receive if this bill is passed.

The committee report suggests $25 million, but that is a suggestion based on uncertainties as to what the court is going to say ultimately we will have to pay these companies.

It is not poor companies we are dealing with, because one of the conditions, you will recall, is that they must have received property in kind as well as cash before they can ask for absolution from the payment of any tax on the gain represented by the cash.

Georgia Pacific refused an offer of land. They want only cash, and they have received $27,565,000 in cash. They are not going to get and I presume they are not, therefore, asking for a preferential position in terms of how their gains should be treated taxwise, because they are not seeking them. As of this afternoon, I called the Department of the Interior and found that they have not sought, and, in fact, have written that they are not seeking an exchange of land in kind. They are out from under the provisions of this bill. Georgia Pacific with about $27 million will be treated just like every other taxpayer in the country. They will have to find like or similar property to invest in as described in the existing code.

Simpson, the third company involved, has $783,000 in cash and in land which has been offered, $1,450,000. So there are no tax consequences on the land and very little tax consequences under the capital gains tax treatment on the $783,000, and with the opportunity to reinvest in like or similar property under the existing code, they have very little tax consequences. It hardly seems, then, equity for Simpson to require special legislation.

Miller has been offered in cash $3,781,000 and already accepted about $8 million in property. No tax consequences as to the property. They will receive some tax consequences as to the $3,781,000, but that is it.

So you see for whom this bill is being drafted. It is being drafted and presented for the Arcata Lumber Co. which has been offered $22 million and is now suing for $63 million and which rejected the offer.

They have accepted $40 million in land.

That describes the condition of the people for whom the great worry and concern is all about, that they are being treated so unfairly and inequitably, that our Government must manifest its concern with the presentation of this legislation.

Mr. Speaker, it does not make a great deal of sense to me that they are being treated that unfairly and inequitably that we ought to go out of our way to make a special case for them, and say to them that they may have this $120 million for their redwood lands that we are acquiring for the people of the United States and that they will have to pay capital gains on, roughly, $63 million of that, unless they can find somewhere else in which they can invest it under the existing law. The sponsors of this bill claim that to be a tremendous hardship. They do not want them to have to undergo that disadvantage of finding property in which they can invest and so they are preparing a special bill for these companies which says that they can invest all that they receive into any other business they might be engaged in at the time of the date of the acquisition of the redwood parklands.

Could you ask for anything better than that, to get the proceeds from a condemnation without one dime of taxes, and not only that, but you describe where you want to invest and the Congress of the United States will enact legislation to permit you to do that.

Mr. Speaker, I think this is special interest legislation. I think it is unwarranted and I ask for a "no" vote on it.

Mr. WAGGONNER. Mr. Speaker, will the gentleman yield?

Mr. WALDIE. Yes, I yield to the gentleman from Louisiana.

Mr. WAGGONNER. Up to a point what the gentleman says is so, but the reasoning and the rationale behind allowing for what really in effect amounts to a tax deferral is that it is totally impossible to reinvest in redwood.

Mr. WALDIE. If the gentleman will permit me to respond, the fact of the matter is the rarity of redwood which you describe as a disadvantage for investment purposes——

Mr. WAGGONNER. I did not say it was a disadvantage. I said it was not available.

Mr. WALDIE. In other words, therefore it creates a disadvantage as to their ability to take advantage of a "like" investment in order to escape tax consequences, but the very rarity of the redwood forests has resulted in this tremendous amount of premium that is paid. We are paying them for the rarity of that redwood forest. In other words, it is an unhappy thing that they do not have the opportunity for reinvestment in a business venture to their liking. However, they are not limited to reinvesting in redwood forests. It would be inconvenient for them to have to do that, to invest in other forests and timberlands.

I do not think we owe Arcata Lumber Co. the sort of preferential treatment that this legislation represents.

Mr. WAGGONNER. Mr. Speaker, if the gentleman will yield further, I think if the gentleman were a part of that lumber company and, against his will, his property is taken, he might feel differently.

Mr. WALDIE. I would state to the gentleman that I would be just as selfish in that instance as Arcata is here, but if I were representing the people of the United States as I purport to do, I would oppose it.

Mr. ULLMAN. Mr. Speaker, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman from Oregon.

Mr. ULLMAN. I think what the gentleman does not realize or is not stating is the fact that under the existing law reinvesting in kind by buying stock of a company, the taxpayer does get a very distinct advantage because the tax basis of the property of that company does not have to be reduced in basis.

In other words, under existing law it is possible to avoid tax because you can get a very distinct advantage in tax basis. Under this bill, where they are redeeming stock, if they take this option, then they do have to reduce the tax basis of their property.

Then they have to carry through the necessary low base that they got in their redwood investment onto their other investment. So all it is is tax deferral. It is not a tax giveaway at all. And if there is a tax giveaway, it is in the existing law that allows you to reinvest in like kind, and get the adjusted basis in the process, and that is not included in this bill at all.

Mr. WALDIE. I only respond to the gentleman if the consequences tax-wise are as minimal as the gentleman suggests there is no necessity of enacting this legislation. They can pursue their relief under the existing tax law without the special legislation if we are providing them such minimal benefits by this legislation, as the gentleman suggests.

Mr. SEIBERLING. Mr. Speaker, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman from Ohio.

Mr. SEIBERLING. In reading the committee report under the heading "Effect on the Revenues of the Bill," it states that—

> Your committee estimates that the bill will reduce revenues by $25 million over the period the bill is applicable.

Does that not mean there will be a net loss to the Government?

Mr. WALDIE. I believe the gentleman from Oregon had reference, though, to this position in the bill. If the $25 million that is estimated by the committee report as revenue loss, constitutes only a reduction in base, ultimately the Federal Government would theoretically recoup this when the properties in which the money is invested were subsequently sold, if ever. That is the catchword, "if ever." And if there are to be subsequent resales before we can recoup our loss I can see no reason to give the tax deferral. A tax deferral would suggest they are undergoing temporary great hardship and should get a deferral to get over a rough period, and ultimately we will get the money back. This is not a tax deferral. It is a technical tax deferral. But you only engage in tax deferral when you are trying to assist a company over a rocky period. This is tax avoidance, and it is an attempt to have it glossed over.

Mr. SEIBERLING. It still means the loss of the revenue for that amount of money for that period.

Mr. WALDIE. It clearly means a loss of interest for that amount of money during the period in which they seek to recoup it.

Mr. Speaker, I reserve the balance of my time.

Mr. ULLMAN. Mr. Speaker, I yield to the gentleman from Wisconsin (Mr. BYRNES).

Mr. BYRNES of Wisconsin. Mr. Speaker, I support H.R. 11080.

The act establishing the Redwood National Park in California transferred title of redwood lands belonging to private taxpayers to the United States. Under the act, the United States is required to make payment for the lands taken, either by the transfer of other timber lands, by the payment of cash, or by a combination of cash and land.

Under the provisions of existing tax law relating to involuntary conversions, taxpayers whose property is condemned are entitled to defer any gain that they realize on the property condemned, but only if they invest the proceeds in property of a like kind. In view of the special circumstances involved in the creation of the Redwood National Park, the committee decided to broaden the category of investments in which the proceeds of the involuntary conversion may be invested while still granting deferral of the gain. Since the supply of redwood timber is limited, it may be very difficult for the taxpayers involved to obtain additional tracts of redwood timber. Some of the taxpayers confined their timber business solely to redwood logging, and related manufacturing and sales activities, and do not desire to deal in other kinds of timber, although they are engaged in other business endeavors not associated with the lumber industry.

The committee's bill therefore permits deferral of the gain on the land condemned under the Redwood act where the proceeds are reinvested in property used in any trade or business of the same kind as one in which the taxpayer—or a corporation controlled by the taxpayer—was engaged on October 2, 1968, the date the property was condemned by the government. Additionally, under certain circumstances, the money obtained pursuant to the involuntary conversion may be used by a corporation to redeem its own stock subject to certain basis adjustments, with the deferral rules being applicable.

The bill was unanimously reported by the committee, Mr. Speaker, with the support of the Treasury Department. However, I want to make it clear that the Treasury Department felt it was important to indicate that the expansion of the normal like kind criteria for determining when deferral of gain will be permitted in the case of involuntary conversions is justified because of the particular and unique circumstances of the Redwood act, and that the action taken by the committee today is not to be considered as a precedent for any general liberalizations of the present tax rules applicable to involuntary conversions. I agree with the views expressed by the Treasury Department.

Mr. Speaker, I think the point to be remembered here is that this is not an ordinary sale of property readily available in the marketplace by the people who own it. The redwood lands here involved are unique property that was transferred to the United States by an act of Congress that was in fact based upon the unique nature of redwood forest lands. Reference has been made to a $25 million reduction of revenues resulting from this bill. I think it can be equally said that this $25 million estimate would be a windfall to the Government because the Redwoods Act forced these people to sell the property to the Government, creating a capital gain on which these revenue estimates are predicated.

The very uniqueness of the property caused the Government to condemn the property for public benefit. In view of this it seems unreasonable to currently impose a tax unless they invest in property of a "like kind." It seemed only fair under the circumstances to permit the taxpayer to defer any fine on the gain as long as the proceeds from the involuntary conversion are invested in a trade or business the taxpayer was engaged in on the date of the conversion. This seems to me, Mr. Speaker, the only fair thing to do under the circumstances.

Mr. WALDIE. Mr. Speaker, I yield myself such additional time as I may consume just to respond to the argument just made.

It is true that it is an involuntary conversion. It is a condemnation of sorts—a legislative condemnation. But that is not unique. That is not a unique set of circumstances that should elicit a unique response such as this legislation.

The tax code is designed to take care of such hardships, if any there be, that result from a condemnation. These people ought to have recourse to the existing tax code without an expansion of its provisions just to fit their closely held little circumstance of the Arcata Lumber Co. This is a unique response to a common situation and that is where my personal objections lie.

Mr. BYRNES of Wisconsin. Mr. Speaker, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman.

Mr. BYRNES of Wisconsin. The very uniqueness of this property is the reason why we enacted the Redwood National Park Act because the redwood is so unique. Therefore, since we are going to take this unique property away from this particular taxpayer, it is not sufficient; it does not seem to me to be sufficient to say that you will get a deferral of your gain if you invest in like property.

The fact is there is no really like property to this. If there was, we would not have created the Redwood National Park lands. It was that very uniqueness that makes this situation unique and requires, it seems to me, this particular adjustment in the law to coincide with this uniqueness.

Mr. WALDIE. There has been an adjustment and there is an adjustment as to that uniqueness in the purchase, and that is why Arcata is suing for $63 million more than the $20 million offered and it does not seem to me that a further unique response is necessitated under these laws.

Mr. GROSS. Mr. Speaker, will the gentleman yield?

Mr. WALDIE. I yield to the gentleman from Iowa.

Mr. GROSS. Is not land taken every day from citizens in this country?

Mr. WALDIE. Yes, it is.

Mr. GROSS. Suppose they take an Iowa farmer's farm. This farm may be unique to him. He may not be able to replace it in comparison with the farm that he presently owns. Does he get this kind of a tax break?

Mr. WALDIE. If he had sufficient influence with Members, he could seek it—whether he would get it would be a question.

Mr. GROSS. I thank the gentleman for his response.

The SPEAKER pro tempore. The question is on the motion of the gentleman from Oregon (Mr. ULLMAN) that the House suspend the rules and pass the bill H.R. 11080, as amended.

The question was taken.

Mr. WALDIE. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 148, nays 203, answered "present" 1, not voting 78, as follows:

[Roll No. 391]

YEAS—148

Abernethy
Adams
Anderson, Ill.
Andrews, Ala.
Arends
Aspinall
Baring
Belcher
Betts
Blanton
Boggs
Bow
Brooks
Broomfield
Brotzman
Brown, Mich.
Brown, Ohio
Broyhill, N.C.
Broyhill, Va.
Burke, Mass.
Burleson, Tex.
Burlison, Mo.
Byrnes, Wis.
Camp
Carey, N.Y.
Casey, Tex.
Cederberg
Chamberlain
Clawson, Del
Collier
Colmer
Coughlin
Crane
Davis, Ga.
Davis, S.C.
Davis, Wis.
Dellenback
Dingell
Dorn
Edmondson
Edwards, Ala.
Esch
Fascell
Findley
Fisher
Flood
Flynt
Foley
Fountain
Frelinghuysen
Frenzel
Fulton, Tenn.
Fuqua
Garmatz
Gettys
Goldwater
Gonzalez
Green, Oreg.
Griffin
Griffiths
Gubser
Hagan
Haley
Hammerschmidt
Hansen, Wash.
Harvey
Hicks, Wash.
Hogan
Hosmer
Johnson, Calif.
Johnson, Pa.
Jones, Tenn.
Karth
Kazen
Kee
Kluczynski
Kuykendall
Kyl
Landrum
Lennon
Lloyd
McDonald, Mich.
McEwen
McFall
McMillan
Macdonald, Mass.
Mahon
Mailliard
Mayne
Michel
Mizell
Montgomery
Myers
Natcher
Nelsen
O'Konski
Passman
Patman
Patten
Pepper
Pettis
Pickle
Pike
Poage
Poff
Price, Tex.
Quie
Railsback
Reid, N.Y.
Rhodes
Robinson, Va.
Robison, N.Y.
Rostenkowski
Ruth
Satterfield
Saylor
Schmitz
Schneebeli
Schwengel
Scott
Shriver
Sikes
Sisk
Slack
Smith, Calif.
Smith, N.Y.
Stanton, J. William
Steiger, Ariz.
Steiger, Wis.
Stephens
Stratton
Talcott
Taylor
Teague, Calif.
Teague, Tex.
Thompson, Ga.
Thomson, Wis.
Ullman
Veysey
Waggonner
Wampler
Ware
White
Williams
Wilson, Bob
Wyatt
Young, Tex.
Zablocki

NAYS—203

Abourezk
Abzug
Addabbo
Anderson, Calif.
Anderson, Tenn.
Andrews, N. Dak.
Annunzio
Archer
Aspin
Badillo
Baker
Begich
Bennett
Bergland
Bevill
Biaggi
Biester
Bingham
Boland
Brademas
Brasco
Bray
Brinkley
Buchanan
Burke, Fla.
Burton
Byrne, Pa.
Byron
Caffery
Carney
Carter
Celler
Clancy
Clark
Cleveland
Collins, Tex.
Conte
Cotter
Culver
Daniel, Va.
Daniels, N.J.
de la Garza
Delaney
Denholm
Dennis
Dent
Devine
Dickinson
Donohue
Dow
Drinan
Duncan
Dwyer
Eckhardt
Edwards, Calif.
Eilberg
Erlenborn
Eshleman
Evins, Tenn.
Flowers
Ford, William D.
Forsythe
Fraser
Frey
Gallagher
Gaydos
Giaimo
Grasso
Gray
Green, Pa.
Gross
Grover
Gude
Hall
Hamilton
Hanley
Hanna
Harrington
Harsha
Hastings
Hathaway
Hays
Hechler, W. Va.
Heinz
Helstoski
Henderson
Hicks, Mass.
Hillis
Holifield
Horton
Howard
Hull
Hungate
Hunt
Hutchinson
Ichord
Jacobs
Jarman
Jonas
Kastenmeier
Keating
Keith
Kemp
King
Koch
Kyros
Landgrebe
Latta
Long, Md.
Lujan
McClory
McCollister
McCormack
McCulloch
McDade
McKinney
Madden
Martin
Matsunaga
Mazzoli
Meeds
Miller, Ohio
Minish
Mink
Minshall
Mollohan
Monagan
Morgan
Morse
Murphy, Ill.
Murphy, N.Y.
Nedzi
Nichols
Nix
Obey
O'Hara
O'Neill
Perkins
Peyser
Pirnie
Podell
Powell
Preyer, N.C.
Price, Ill.
Pryor, Ark.
Pucinski
Quillen
Randall
Rarick
Rees
Reuss
Riegle
Rodino
Roe
Rogers
Roncalio
Rooney, N.Y.
Rooney, Pa.
Roush
Roy
Roybal
Ryan
St Germain
Sandman
Sarbanes
Scherle
Scheuer
Sebelius
Seiberling
Shipley
Shoup
Smith, Iowa
Snyder
Spence
Springer
Staggers

Stanton, James V.
Steele
Stubblefield
Sullivan
Symington
Terry
Thompson, N.J.
Thone
Tiernan
Udall
Van Deerlin
Vander Jagt
Vanik
Waldie
Whalen
Whitehurst
Whitten
Wiggins
Winn
Wolff
Wydler
Wylie
Wyman
Yates
Yatron
Young, Fla.
Zion

### ANSWERED "PRESENT"—1

Ruppe

### NOT VOTING—78

Abbitt
Alexander
Ashbrook
Ashley
Barrett
Bell
Blackburn
Blatnik
Bolling
Cabell
Chappell
Chisholm
Clausen, Don H.
Clay
Collins, Ill.
Conable
Conyers
Corman
Danielson
Dellums
Derwinski
Diggs
Dowdy
Downing
Dulski
du Pont
Edwards, La.
Evans, Colo.
Fish
Ford, Gerald R.
Galifianakis
Gibbons
Goodling
Halpern
Hansen, Idaho
Hawkins
Hébert
Heckler, Mass.
Jones, Ala.
Jones, N.C.
Leggett
Lent
Link
Long, La.
McCloskey
McClure
McKay
McKevitt
Mann
Mathias, Calif.
Mathis, Ga.
Melcher
Metcalfe
Mikva
Miller, Calif.
Mills, Ark.
Mills, Md.
Mitchell
Moorhead
Mosher
Moss
Pelly
Purcell
Rangel
Roberts
Rosenthal
Rousselot
Runnels
Skubitz
Steed
Stokes
Stuckey
Vigorito
Whalley
Widnall
Wilson, Charles H.
Wright
Zwach

So (two-thirds not having voted in favor thereof) the motion was rejected.

The Clerk announced the following pairs:

Mr. Hébert with Mr. Gerald R. Ford.
Mr. Charles H. Wilson with Mr. Mathias of California.
Mr. Blatnik with Mr. Hansen of Idaho.
Mr. Barrett with Mr. Halpern.
Mr. Cabell with Mr. Ashbrook.
Mr. Danielson with Mr. Bell.
Mr. Dowdy with Mr. Blackburn.
Mr. Dulski with Mr. Conable.
Mr. Gibbons with Mr. du Pont.
Mr. Jones of North Carolina with Mr. Goodling.
Mr. McKay with Mrs. Heckler of Massachusetts.
Mr. Mathias of Georgia with Mr. Don H. Clausen.
Mr. Moorhead with Mr. Lent.
Mr. Mikva with Mr. Mitchell.
Mr. Leggett with Mr. Conyers.
Mr. Vigorito with Mr. Stokes.
Mr. Link with Mr. McCloskey.
Mr. Moss with Mr. Fish.
Mr. Chappell with Mr. McClure.
Mr. Ashley with Mrs. Chisholm.
Mr. Jones of Alabama with Mr. Mills of Maryland.
Mr. Rosenthal with Mr. Dellums.
Mr. Diggs with Mr. Derwinski.
Mr. Alexander with Mr. Pelly.
Mr. Abbitt with Mr. McKevitt.
Mr. Corman with Mr. Clay.
Mr. Downing with Mr. Rousselot.
Mr. Galifianakis with Mr. Hawkins.
Mr. Evans of Colorado with Mr. Rangel.
Mr. Stuckey with Mr. Skubitz.
Mr. Steed with Mr. Mosher.
Mr. Mann with Mr. Collins of Illinios.
Mr. Melcher with Mr. Metcalfe.
Mr. Runnels with Mr. Whalley.
Mr. Purcell with Mr. Widnall.
Mr. Wright with Mr. Zwach.
Mr. Miller of California with Mr. Mills of Arkansas.

Messrs. ROYBAL, LONG of Maryland, BEGICH, Mrs. HICKS of Massachusetts, Messrs. BURKE of Florida, HARSHA, and CARTER changed their votes from "yea" to "nay."

The result of the vote was announced as above recorded.

## INSURED EMERGENCY LOANS

Mr. ABERNETHY. Mr. Speaker, I move to suspend the rules and pass the bill (S. 2559) to amend the Consolidated Farmers Home Administration Act of 1961 to authorize insured emergency loans, as amended.

The Clerk read as follows:

S. 2559

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That the Consolidated Farmers Home Administration Act of 1961 is amended by adding at the end of subtitle C a new section as follows:

"SEC. 328. Loans meeting the requirements of this subtitle and any amendatory or supplementary Act may be insured, or made to be sold and insured, in accordance with and subject to sections 308 and 309 and the last sentence of section 307 of this title: *Provided,* That loans made under this section shall not be included in applying the $100,000,000 limitation in section 309(f) (1)."

The SPEAKER pro tempore. Is a second demanded?

Mr. BELCHER. Mr. Speaker, I demand a second.

The SPEAKER pro tempore. Without objection, a second will be considered as ordered.

There was no objection.

Mr. ABERNETHY. Mr. Speaker, this bill has passed the Senate. It has bipartisan sponsorship of Senators from several different States. The same is true of comparable bills which were introduced in the House.

Mr. Speaker, I introduced one of the House bills but to expedite action on this important measure, our committee has brought the Senate passed bill, S. 2559 to the floor today.

The object of this bill is to permit the emergency loan program of the Farmers Home Administration to operate on an insured basis. This program has been very successful to date. It has made loans available to farmers throughout the land who have been stricken with disasters of various and sundry kinds such as droughts, tornadoes, floods, and so forth.

Frequently, the emergency credit revolving fund from which these loans are made becomes dissipated and it becomes impossible to help those farmers in need. The fund must be replenished by the appropriations process which, through nobody's fault, is often time-consuming. In waiting for the appropriation of additional funds, farmers often suffer irreparable damage because the loan funds sometimes come too late to be of any help and the harm is done. All to frequently, the lack of prompt assistance results in the farmer losing all that he has worked for through much his life. We want to be able to give a farmer who has been stricken by natural disaster a chance to get back on his feet.

The enactment of this legislation will permit this excellent program to operate on a far more flexible basis by permitting the use of the private money market instead of having to always draw on Treasury funds.

Mr. Speaker, this bill will help the American farmer and rancher who is so often placed at the mercy of natural disaster. This program has kept many of our farmers on the farm and this bill proposes to do a better job of this in the future.

I am convinced that the best way to handle these emergency loans is to permit them to be made on an insured basis. The insured or guaranteed approach has worked well in the FHA farmownership and water and sewer loan programs. It will work equally as well in the emergency loan program.

The bill has the support of the administration. It passed the Senate unanimously, and was unanimously reported from the House committee. I urge the House to pass this legislation.

(Mr. ABERNETHY asked and was given permission to revise and extend his remarks.)

The SPEAKER pro tempore. The question is on the motion offered by the gentleman from Mississippi that the House suspend the rules and pass the bill S. 2559, as amended.

The question was taken; and (two-thirds having voted in favor thereof) the rules were suspended and the bill, as amended, was passed.

A motion to reconsider was laid on the table.

## ADDITION TO PROGRAM FOR WEDNESDAY, NOVEMBER 17

Mr. O'NEILL. Mr. Speaker, I take this time to announce the chairman of the Ways and Means Committee will call up on Wednesday four bills, reported unanimously by the Ways and Means Committee, and I ask unanimous consent to list them in the RECORD at this time.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

The bills are as follows:

H.R. 640. Duty-free importation of upholstery regulators, upholsterer's regulating needles, and upholsterer's pins;

H.R. 6065. Extending for an additional 10 years the period during which States may obligate certain transferred funds for administrative purposes;

H.R. 7577. Amending section 3306 of the Internal Revenue Code with respect to the services of insurance agents and solicitors who are compensated on a commission basis; and

H.R. 10604. Amending title II of the Social Security Act to permit payment of the lump-sum death benefit in the case of an insured individual whose body is unavailable for burial.

## SALARY ADJUSTMENTS FOR FEDERAL EMPLOYEES

(Mr. WHALEN asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. WHALEN. Mr. Speaker, on October 4 I joined a majority of my colleagues in voting against House Resolution 596, which would have disapproved the President's proposal to delay a pay raise for Federal employees from January 1, 1972, to July 1, 1972.

I voted "nay" for two reasons. First, I felt if Congress raised the lid at that time, all of the initial efforts to engender public support for economic stabilization would be undermined.

Second, 5 weeks ago we did not know

whether previously negotiated private sector wage increases would be allowed after November 12. Further, if raises ultimately were permitted by the Pay Board, the percentage of increase would have been a matter of conjecture.

For example, the autoworkers under their existing contract are scheduled to receive a 3-percent increase on November 23, 1971, to be followed by a cost-of-living adjustment on December 6, 1971. On October 4, however, the Congress could not determine whether the Pay Board would allow either, both, or any of these contracted increases. Therefore, had Congress on that date set a specific amount and time for a pay increase for Federal employees, it would have been inequitable to workers in the private sector.

My negative vote on House Resolution 596 also was prompted by my confidence that, once phase II of the President's new economic plan was announced, adjustments could be made to provide equitable treatment for all employees—both Federal and private. Minority leader Gerald R. Ford voiced this same conviction when he stated during floor debate on House Resolution 596:

> If there is a general increase granted to all employees in the private sector, all employees, then I will support comparable pay increases in the Federal sector, as I think I should on the basis of good conscience.

Mr. Speaker, I am introducing today legislation which will assure Federal employees that after January 1, 1972, they will receive salary adjustments comparable to those authorized for employees of the private sector under the guidelines established for phase II of the NEP. The Senate Post Office and Civil Service Committee unanimously reported a similar bill last week. The Senate probably will consider the committee's recommendation in the near future. I urge the House also to act expeditiously on this legislation. Certainly, we in this body must give substance to our earlier promises and our expressed convictions of equitable treatment for all employees.

## WATERSHEDS AND THEIR DEVELOPMENT

(Mr. SCHWENGEL asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SCHWENGEL. Mr. Speaker, the Subcommittee on Conservation and Watershed Development under the wise and able leadership of Congressman James Kee has just completed its sixth hearing on the problems, the capabilities, and the effectiveness of watersheds and their development as it relates to the challenge of the full use of water through a program for nailing the raindrop and preserving the greatest natural resource we have—the soil, and how it can contribute to the solutions to the pollution of our waters.

Mr. Speaker, we are preparing a report for the full membership of the subcommittee, for the Public Works Committee, for the Congress, the Department of Agriculture, and the President of the United States. This report will reveal some of the weaknsss, but also the very many successful installations and their fine contributions to the local and national interest. It will reveal that the early decisions to establish a watershed program based upon the conservation program initiated by the administration of Theodore Roosevelt, furthered under the administration of Franklin D. Roosevelt, and improved on by every administration since, was good judgment and was very much in the public interest.

Today, as we confront this very important challenge to solve the problem of pollution in our waters, the work of this subcommittee and the program to carry it on in the Department of Agriculture and in other Government agencies to bring about a real solution to water pollution becomes even more important.

A study conducted by a number of people who are interested in preservation of the soil and the wise use of our natural resources has told us, as reported by the Department of Agriculture, that 700 times as much solid waste goes into the streams and rivers and waters of America as goes into those same places from all other sources of pollution. This includes, of course, the pollution caused by municipalities and the industries of America. While we wrestle mightily with the solution to pollution in these areas, we must continuously remind ourselves that the solution to pollution in these areas without the solution to pollution in the watershed areas of America will be no solution to pollution in the streams and rivers of America.

Mr. Speaker, in the days ahead I shall take the floor periodically to call attention to the challenge and the need of a coordinated, total program to meet the real solution to all pollution.

## MODERN DAY McCARTHYITES—EXPERTS IN SMEAR AND INTIMIDATION

(Mr. TALCOTT asked and was given permission to address the House for 1 minute, to revise and extend his remarks and include extraneous matter.)

Mr. TALCOTT. Mr. Speaker, American citizens who live away from Washington do not have a good opportunity to weigh or evaluate the motivations and behavior of some of the witnesses who appear before congressional committees.

Two witnesses before the Senate Judiciary Committee relative to Supreme Court nominees, Lewis F. Powell, Jr., and William H. Rehnquist, stooped to new lows of smear by innuendo and misrepresentation. Clarence Mitchell and Joseph L. Rauh, persistent and perennial witnesses against most anybody who disagrees with their political and social philosophy, are generally afforded extensive and laudatory media coverage.

When neither facts nor reputable opinion could be assembled to support their narrow objectives they resorted to smear and misrepresentation simply for the sake of smear and misrepresentation.

The lead editorial of the Washington Evening Star of November 11, 1971, entitled "The Advocate" is a forthright, accurate and representative evaluation of the testimony of Messrs. Mitchell and Rauh.

Citizens throughout the land should know the kinds of witnesses who are solicited by the Senate Committee on the Judiciary. They should know the level and caliber of the testimony presented. They should know the motivations of the witnesses. They should know the true objectives of the witnesses. They should know that "McCarthyism" did not begin or end with Joe McCarthy. Latter day McCarthyism is more crude and obvious—and more persistent. All citizens should know and understand this, so I include the editorial in the Record at this place:

### The Advocate

Since our original conditional endorsement of the nominations to the Supreme Court of Lewis F. Powell Jr. and William H. Rehnquist, we have made no further comment on President Nixon's choices. Our reticence was based both on the two men's obvious intellectual credentials and on the failure of their opponents to produce anything untoward in their judicial or personal backgrounds.

We break this silence now on the basis of no new evidence either for or against Powell and Rehnquist. But we cannot remain mute in the face of the campaign of innuendo and smear, ineffective as it has been, against Rehnquist.

On Tuesday, in joint testimony before the Senate Judiciary Committee, Clarence Mitchell and Joseph L. Rauh Jr., of the Leadership Conference on Civil Rights (a pressure group of 127 labor, religious and civil rights organizations), launched an attack against the assistant attorney general the vagueness of which was matched only by its intemperance.

The 47-year-old Arizonan, Mitchell and Rauh maintained, was "a laundered McCarthyite' whose confirmation would be "an insult to Americans who support civil rights." By Rehnquist's appointment, Mitchell said, "the foot of racism is placed in the door of the temple of justice." An affidavit by Rehnquist to the effect that he is "not now and never has been a member of the John Birch Society" drew from Rauh the remarkable statement that this served only to raise fresh doubts about Rehnquist's possible association with the ultra-right organization, a remark which even Senator Kennedy, who marches to the civil rights drum, could not stomach.

To the extent that one can determine what it is that Rehnquist's foes are driving at, it seems that they charge him with opposing a Phoenix open accommodations ordinance in 1964, of denouncing civil rights marchers in the same year and of fighting efforts to wipe out de facto school segregation in Phoenix in 1967.

The curious thing about the entire exercise is that Powell, who has come in for virtually no criticism, almost certainly is just as conservative as Rehnquist. One is left with the distinct impression that the civil rights lobby has decided to stage a symbolic fight to prevent Rehnquist's confirmation because his more active judicial role—his function as a Justice Department advocate—makes him more vulnerable than the Virginian.

What Mitchell and Rauh are saying is roughly similar to the dictum of the East European Stalinists: "If you are not with us, you are against us." What they fail to see—or pretend to fail to see—is that the actions and statements of Rehnquist (like those of Powell) stem less from any anti-civil rights or anti-Negro animus than from a consistent and overt conservative judicial philosophy which holds that there are principles of equal or greater importance than those to which Mitchell and Rauh give their exclusive and sectarian devotion.

We are unaware of any constitutional prohibition against the presence of a conservative on the Supreme Court. Nor can we find in the small print of the Bill of Rights any requirement that appointees subscribe to the dictums of the American Civil Liberties Union, the Leadership Conference on Civil Rights, or any other pressure group.

On the basis of all the testimony to date, Powell and Rehnquist emerge as men of integrity, consistency, professional competence and intellectual distinction. The attack by Rauh and Mitchell, itself a classic example of "laundered McCarthyism," was, to say the least, bush league. If that is the best (or worst) their opponents can produce, both men should be speedily approved by the Senate, as indeed they almost certainly will be.

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## THE SPEAKER HAS BEEN SELECTED FOR ROA'S MAN OF THE YEAR AWARD

(Mr. SIKES asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. SIKES. Mr. Speaker, on Thursday of last week members of the House Armed Services Appropriations and District Committees, together with the Democratic and Republican House leadership, met for luncheon with the national president and the national staff of the Reserve Officers Association of the United States.

At this meeting, ROA's national president, Brig. Gen. Gerald A. Hart, a much decorated fighter pilot from World War II and today one of the Air Force's Reserve leaders, made an announcement which should bring pride to every Member of this body.

This announcement was that the Speaker of the House, the Honorable CARL ALBERT, has been selected to receive ROA's top award for the tremendous contribution he has made during the past quarter century to the national security of this Nation. This is the award given annually to the citizen who has contributed most to national security and it is known as the Minute Man of the Year Award. This recognition is not given lightly. It is considered one of the most prestigious awards which is given in this country. We also know that no recipient who has ever received it merited it more richly than does CARL ALBERT. He has supported by deeds as well as words the concept that every citizen of this great country must be willing, if need be, to give his energy, time, and talent to the military service and even to risk his life to preserve our freedom. CARL ALBERT gave this service to his country during World War II, and he continued long afterward as a Reservist available for service at his country's call. CARL ALBERT believes—as he told the luncheon group in characteristic humility in accepting the award—that as important as many new and progressive requirements in our society are, that national defense always must come first unless our country is secure, most things for the good of our people are impossible.

ROA's president, General Hart, made clear in his announcement that the award to CARL ALBERT was based upon his sturdy character and his devotion to the principles of progress and freedom.

This announcement by ROA follows:

### ROA NEWS RELEASE

The Reserve Officers Association of the United States has selected for its 1972 award to "the citizen who has contributed most to national security" Rep. Carl Albert, Speaker of the House of Representatives and for 25 years a member of Congress from Oklahoma's Third District.

Brig. Gen. Gerald A. Hart, an Air Force Reserve leader, who is ROA's National President, made the announcement today to a group of House leaders lunching with Mr. Albert.

He will be the 15th recipient of the award, popularly known as ROA's "Minute Man of the Year" Award.

General Hart said the citation and plaque will be presented at the Association's annual Mid-Winter Banquet at Washington on February 25, at the Washington Hilton Hotel.

The Banquet will be a highlight of ROA's 50th Anniversary celebration. The Association, formed after World War I, held its first convention at Washington in 1922. Since that date, it has worked for "a military policy which will provide adequate national security."

The "Minute Man Award" has been given annually to a leader in the continuing fight for military preparedness, with programs directed also toward keeping before the public George Washington's admonition that "every citizen who enjoys the protection of a free government owes his services in defense of it."

Speaker Albert, General Hart told the congressional group, has met fully the standards always applied to this selection.

"Carl Albert served with distinction in the nation's Armed Services in a time of peril," he said. "He left the Service after victory had been achieved in World War II, and offered his continuing service in the Congress—an offer his fellow citizens have accepted thirteen times.

"He has worked to build a better America, and to insure a lasting peace. He has worked for progress, and the strengthening of all our free institutions.

"At the same time, he has been a stalwart and effective advocate of preparedness and of support for the men and women who have preserved our freedom in the past, and for those who in the future must shoulder the same responsibility.

"Carl Albert fully meets the criteria for the Minute Man Award . . . as those who were given this public acclaim in previous years. No American has done more to insure that our nation remains strong and free, and that it can remain safe and at peace."

Recipients of the "Minute Man" Award in the past have been Brig. Gen. David Sarnoff, Chairman of the Board of RCA; the late Senator Richard B. Russell, Chairman of the Senate Armed Services Committee; Mr. Bryce Harlow, Special Assistant to the late President Eisenhower; Maj. Gen. High M. Milton, a reservist who became Chief of Army Reserve and Army Under Secretary; Rep. Carl Vinson, Chairman of the House Armed Services Committee; the late Senator Dennis Chavez, Chairman of the Defense Appropriations Committee; Senator Margaret Chase Smith, ranking member of the Senate Armed Services Committee; the late Rep. L. Mendel Rivers, House Armed Service Committee Chairman; Senator John C. Stennis, Chairman of the Senate Preparedness Subcommittee; Rep. Robert L. F. Sikes, Chairman of the House Committee on Defense Construction; Rep. F. Edward Hébert, Chairman of the House Subcommittee on Reserve Forces; the Hon. John W. McCormack, former Speaker of the House of Representatives; Mr. Melvin Laird, former House member, now Secretary of Defense; Senator J. Strom Thurmond, Senate Armed Service Committee member and former ROA National President.

## JOSEPH SMITH, FRONTIER PROPHET, 1805–1844

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Missouri (Mr. RANDALL) is recognized for 45 minutes.

Mr. RANDALL. Mr. Speaker, Independence, Mo., is known as the home of the 33d President of the United States. It is equally well known as the world headquarters of the Reorganized Church of Jesus Christ of Latter Day Saints.

All of the people of my home city are proud to have located in our midst the headquarters of this great church. It is my honor and privilege to represent President W. Wallace Smith and most of the other leaders of the Reorganized Church in the Congress of the United States.

Yesterday afternoon, Sunday, November 14, at about 4 o'clock, a copy of the only known life portrait of Joseph Smith, Jr., founder of the Reorganized Church of Latter Day Saints, was presented to the National Portrait Gallery by Mr. Smith's grandson, W. Wallace Smith, now president of his church.

The presentation ceremony was impressive. It was a mild afternoon for this time of year. The event was called a private ceremony, which meant by invitation only. The gallery management had indicated they would like to have the guests kept as low as 150 on the second floor sculpture court but to be on the safe side, they planned for 200. Before the ceremony was concluded, nearly double that number were present.

The National Portrait Gallery, located on F Street at Eighth NW., Washington, is a part of the Smithsonian Institution. It was established in 1962. It is housed in the third oldest Government structure in Washington on the very site on which L'Enfant in his original plan for the city designated as a pantheon to the Nation's immortals. The building is located about midway between the Capitol and the White House. Its cornerstone was laid when Andrew Jackson was President. The building was originally built to house the U.S. Patent Office. The architect, Philip Johnson, called it, perhaps with some exaggeration, "The greatest building in the world." By the middle of the 19th century, it housed the Department of the Interior and later the National Museum which enshrined the original document of the Declaration of Independence.

At the time of the Civil War, this building was called, "the noblest of Washington buildings," when it temporarily became a makeshift hospital, where Walt Whitman came "to soothe and relieve" wounded troops who were also nursed by a Patent Office copyist named Clara Barton. It was in this same building that the ball was staged in celebration of Abraham Lincoln's second inauguration.

It was in this historic building, then, on a beautiful Sunday afternoon in November that a copy of the only known life portrait of a great church leader, Joseph Smith, was presented in a second floor hall of the National Portrait Gallery situated on the very spot designed by L'Enfant for a pantheon. Because it contains the portraits of great men and women the gallery could be said to be a place of living history.

In October 1968 upon the occasion of the gallery's official opening, President W. Wallace Smith declared as he loaned the original picture of Joseph Smith to the National Portrait Gallery:

> History has come full circle from the days of Joseph Smith; a man who was once despised and persecuted for his beliefs now has his picture hanging in the National Portrait Gallery as one having contributed greatly to the religious life of the nation.

It should be recalled that the remarks were made at the time the gallery staged an exhibition of 125 distinguished American compatriots, among whom was Joseph Smith, Frontier Prophet, 1805–1844, as a part of the category, "The American Finds God in Diverse Ways." This original portrait of Mr. Smith remained on loan for the duration of the opening exhibition and was returned in December of that year to Independence, Mo.

As one of its publications, the Gallery published a booklet entitled "A Discourse in Portraits," and in the introduction of this book is stated:

> We hope that gifts of money for acquisitions and/or portraits in any medium will soon begin to appear.

Following this publication, Mr. Marvin Sadik, Director, was contacted by phone and inquiry was made of his sentiments about acquiring a Smith portrait for the gallery. He replied that he was overjoyed at the prospect and he was so enthusiastic that a group of business and professional people, members of the Washington, D.C., congregation of the Reorganized Church of Latter Day Saints wrote to President W. Wallace Smith and outlined Mr. Sadik's two propositions which were:

First. He hoped to acquire the original for which he would send, at gallery expense, Adrian Lamb, top copy artist in the country, to paint a copy of the original and present it to the church in exchange for the original.

Second, if the church would not consent to this, then he would accept any sensitively done copy of the original.

President Smith, on March 24, consented to the second proposal to have a copy made by a competent artist for the gallery. Mr. Sadik, the director of the National Portrait Gallery, did not rule out other artists, but indicated a preference to have the copy of the portrait made by Adrian Lamb. Mr. Lamb was contacted and his response was yes, he would be highly pleased to paint the portrait, and he would be free to leave for Independence around the first of June.

Without any recitation of the costs it can be reported that now that the director of the gallery had given permission for a copy of the original by Adrian Lamb and Mr. Lamb had consented to do the work, it meant that travel expenses and other costs had to be provided in a very short time. It was at this point that a group of 10 business and professional people, all residents of the Washington, D.C., area and all members of the Massachusetts Avenue congregation of the Reorganized Church of Jesus Christ of Latter Day Saints held their first meeting to invite individuals and churches to contribute to this worthy cause. The members of this group were Louella Johnson, Virginia Lambert, Alta Koyle, Armand Bailey, Margaret Farrar, Edna Van Syoc, Ada Fallon, Eleanor Switts, Ada Mesle, and Beatrice Purcell.

There was a lot of work to be done because by the middle of June Mr. Lamb was in Independence busily painting on the portrait. Letters had to be written to branches and missions for an appeal for funds. The motto of the group became, "Forward in faith." They were rewarded because little by little the necessary funds came in from 21 States.

It was on July 2 that Mr. Lamb wrote to Miss Louella Johnson in these words:

> Mission accomplished. The results are good and I am pleased that our picture comes up to standard.

Mr. Lamb took the picture from Independence, Mo., back to New York with him for it to dry and be framed. There in New York an exact replica of the original oak frame was made.

Around the first of August, this year the portrait was shipped to the National Portrait Gallery. When it arrived Mr. Sadik observed it was "very handsome, indeed," and notified the group of 10 that it would be placed before the gallery's board for approval on October 27. On that date the picture was approved and on October 28, Portraits, Inc., Mr. Lamb's agents, were presented with full settlement for painting the copy and all members of the group gave a sigh of relief that they had met the deadline.

The foregoing is what we believe to be a reliable and accurate account of the painting of the copy by Adrian Lamb from the original of Joseph Smith as it hangs in the Heritage Gallery of the Auditorium at Independence, Mo.

The program yesterday afternoon was not long but it was beautiful in its brevity. The master of ceremonies, Roger Yarrington, pastor of the Washington, D.C., Massachusetts Avenue branch of the church, in his opening remarks said:

> On September 16, 1842, in Nauvoo, Illinois, Joseph Smith, Jr., the American prophet, wrote in his diary that a "Brother Rogers" had begun painting his portrait.
>
> Today, the only known portrait of Joseph Smith, Jr. painted from life hangs in the Auditorium in Independence, Missouri, the world headquarters of the Reorganized Church of Jesus Christ of Latter Day Saints. It is assumed that it is the portrait referred to in Joseph Smith's diary, and that the companion portrait of his wife, Emma Smith, was painted at about the same time by the same artist.
>
> The portraits were possessions of the Smith family for many years. In 1953 the portraits were restored by James Roth of the Nelson Art Gallery in Kansas City. They have been viewed by hundreds of thousands of visitors to the Auditorium gallery where they are on permanent display.

Mr. Yarrington then introduced the artist Adrian Lamb who announced that as he worked upon the copy, he concluded that Joseph Smith in his lifetime was surely a man of great courage and wisdom. He went on to say that the Auditorium of the headquarters of the RLDS church, was a religious place that inspired him in his work. He concluded by saying that he hoped that his picture was a sensitively done copy of the original, and that he had done his best to provide a subtleness to the picture.

After Mr. Lamb's words, Mr. Yarrington introduced Miss Virginia Lambert, one of the group of 10 whom he described as one "who has given leadership to this project." Miss Lambert proceeded to describe the work of the group who had collected the generous gifts which made the copy of the portrait possible. Her words were, "Good news travels fast," and went on to say that while "blessings from Heaven start with nothing," they were finally able to reach a successful conclusion to their efforts.

In all fairness it should be acknowledged that it was Miss Louella Johnson who was chairman of the group of 10 who set out to assemble the necessary compensation for the artist. Someone in the course of the afternoon described Miss Johnson in what I know was intended to be complimentary terms as the "spark plug for the fund raising." On the Sunday afternoon of the presentation she yielded modestly to one of her workers, Miss Virginia Lambert, for the introduction of Director Marvin S. Sadik, director of the National Portrait Gallery.

Mr. Sadik, as he stepped forward to introduce President W. Wallace Smith, mentioned that this was a momentous month in the Smith family because the presentation of this copy of the portrait by the grandson of Joseph Smith on November 14 comes just about halfway between the birthday of President Smith and his wedding anniversary. With this, introduction the stage was set for the remarks of President W. Wallace Smith, the man who was elected the fifth president of the Reorganized Church of Latter Day Saints in 1958. He had come to our Nation's Capitol to present the copy of the portrait of his grandfather which would hereafter hang in the National Portrait Gallery between two other great religious leaders, a famous cardinal of the Catholic Church upon the one side and Mary Baker Eddy upon the other.

It is my privilege to read into the RECORD at this time the presentation remarks of President W. Wallace Smith, as follows:

### JOSEPH SMITH, FRONTIER PROPHET, 1805–1844

> Today's event is a milestone along the road to recognizing Joseph Smith, Jr., as the great leader, which he was, both in civic and religious matters. It is also a partial vindication from the charges leveled against him during the period of his sojourn in Jackson, Clay and Caldwell Counties in Missouri.
>
> His spiritual perception, which made him a great religious leader whose influence has endured, has long since been acknowledged. But his political convictions are not as well known. His insight into the structure of government being required to be responsive to the needs of minorities within the general society indicates that some of today's problems are not new at all but were perceived by him even then. Evidence of his convictions is contained in a statement recorded in his journal late in 1843:
>
> "It is morally impossible for this people in justice to themselves, to vote for the reelection of President Van Buren, a man who criminally neglected his duties as chief magistrate in the cold and unblushing manner which he did, when appealed to for aid in the Missouri difficulties. His heartless reply burns like firebrand in the breast of every

true friend of liberty . . . 'Your cause is just, but I can do nothing for you.'

"As to Mr. Clay, his sentiments and cold contempt of the people's rights are manifested in his reply . . ."

This situation prompted him to become a candidate for the presidency of the United States of America at the State Presidential Convention which convened in Nauvoo, Illinois on May 17, 1844, a little more than a month before Joseph Smith and his brother, Hyrum, were killed in the jail at Carthage, Illinois on June 27, 1844.

History is replete with the accounts of accomplishment of this dynamic leader. As his grandson and leader of the Reorganized Church of Jesus Christ of Latter Day Saints, I can affirm that the church has not only been legally adjudged to be "the true and lawful continuation of, and successor to" the church which Joseph Smith, Jr. was commissioned to organize in 1830, but that it has been most faithful in preserving and expressing the philosophy of the movement many places in the world. From its headquarters in Independence, Missouri, it has borne witness of Jesus Christ to many nations, races, and cultures throughout the world.

The original portrait from which this copy was made is on display in the Heritage Museum and Gallery in the Auditorium at Independence, Missouri, which also houses the headquarters of the Reorganized Church of Jesus Christ of Latter Day Saints.

Mr. Adrian Lamb, a portrait artist of distinction, was recommended to the committee representing Washington, D.C. congregations of the Reorganized Latter Day Saint Church by Mr. Marvin Sadik, the Director of the National Portrait Gallery. Subsequently Mr. Lamb was commissioned to paint the portrait you see before you and which will now hang with distinction among other works of art which are so adequately housed and preserved in this wonderful facility.

We are indebted to Mr. Sadik for his assistance in making this occasion possible. We are indeed grateful to the members of the church for their devotion and assistance in this worthy project. We want also to compliment Mr. Lamb for his faithful reproduction of this priceless masterpiece.

Mrs. Smith and I take a great deal of pleasure and satisfaction in being here to present his portrait of my grandfather Joseph Smith, Jr., to the National Portrait Gallery of the Smithsonian Institution here in the capital of our great nation.

Mr. Sadik, director of the gallery, then accepted the portrait of Joseph Smith as he put it "with pleasure." He went on to say it was a privilege to accept this copy on behalf of the Commission whose prerogative it was to determine what pictures will hang in the gallery. He described Joseph Smith as a "great religious leader". With that comment a memorable presentation was concluded.

Mr. Speaker, I am convinced that as more archeological discoveries are made, Joseph Smith's star will glow ever brighter. Already, by countless numbers of his faithful followers, among the membership of the church he founded he is eulogized as one of the greatest personages since the first century.

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## STABILIZATION PROGRAM MOVES CLOSER TO AMENDMENTS ADOPTED BY BANKING AND CURRENCY COMMITTEE, DESPITE WHITE HOUSE PRESSURES

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Texas (Mr. PATMAN) is recognized for 30 minutes.

Mr. PATMAN. Mr. Speaker, the Banking and Currency Committee is currently putting together a phase II legislative package which will make possible a workable and equitable economic stabilization program.

Unfortunately, the administration sent the Congress a hastily drafted bill—much too vague to meet the rigorous requirements of a full-scale stabilization program. The committee has been required to adopt a number of amendments to make the legislation specific and to provide the kind of equity which will create broad national confidence in the program.

In the end, Mr. Speaker, I am convinced that we will have a good bill—a bill which meets the requirements of the President and at the same time protects the public. We are providing the tools to make this all-important stabilization program work.

It is unfortunate that some in the administration have decided to make the stabilization issue partisan. We need a broad bipartisan effort and I hope that the President will restrain his political advisers until we put this wage-price program together. The White House and its new Director of the Cost of Living Council—Donald Rumsfeld—have issued statements for the specific purpose of distorting what the Banking and Currency Committee is doing. In an attempt to generate public opinion against the Congress and the Democrats, Senator ROBERT DOLE, the Republican National Chairman, has been going around the country repeating these distortions and Secretary of Housing and Urban Development George Romney has been carrying out the same political hatchet job in speeches outside of Washington.

On the surface, these attacks appeared aimed solely at the Banking and Currency Committee and the Democrats, but in reality, they are also attempts to influence the Pay Board and the Price Commission. Under the guise of attacking the Banking and Currency Committee, the White House was attempting to influence the negotiations and deliberations going on inside the Pay Board last week.

The Pay Board's actions—on the crucial issues—were undertaken in a atmosphere of heavy White House bombardment on the pay issue—ostensibly aimed at the Banking and Currency Committee. As the Banking and Currency Committee amendments have been looked at more carefully, and as the furor from the White House has quieted, there has apparently been some reconsideration within the Pay Board. Now we understand the Pay Board is planning to come back tomorrow and reconsider some of the key issues which the Banking and Currency Committee has dealt with in its markup sessions. The Washington Post carries a headline this morning on the Pay Board: "Retroactivity an even bet."

The Pay Board and the Price Commission are trying to do a good job and they have had little time to collect data and they have not had the opportunity to conduct hearings on any of the issues before them. The Banking and Currency Committee has been struggling with these problems most of the fall—through hearings and studies—and we well know how difficult it is to come up with an equitable program in such a short period of time.

Now that the smoke is beginning to settle after the administration's distortions of the committee's actions, it is becoming obvious that the Pay Board in many respects is moving closer to the amendments adopted in the committee 10 days ago. In the end—the White House statements notwithstanding—I think there will be general public understanding that the Banking and Currency Committee did not embark on a "radical" course when it adopted its amendments. In the end, I am convinced that the White House attack will stand out clearly as an attempt at political gamemanship.

The problems of the contracts are difficult and complex, but this is one of the areas that must be settled before the stabilization program can work successfully. Without this issue settled, the stabilization effort was certain to face chaos.

Despite the claims of the administration—and administration-inspired editorials—the committee amendment does not require that all deferred wage increases in existing contracts be allowed. In fact, the committee was extremely careful to make sure that the President and his Pay Board retained the necessary power if these contracts were grossly disproportionate. In short, the committee backed noninflationary wage agreements and left the President with full power to deal with any that he could legitimately characterize as grossly disproportionate and inflationary.

It is absurd—as some have suggested—to think that all of these agreements are inflationary or that they would result in price increases. This is simply not the truth.

In this connection, it must be recognized that a number of the contracts we are talking about do not involve big unions. Many involve relatively low-income workers—maintenance people, office help and the like. Also, they involve thousands of teacher contracts and other nonunion wage agreements, and I doubt that many of these—if any—are grossly disproportionate. The granting of these wage increases could hardly cause an inflationary bulge as one television commentator describes the situation.

No one in the administration has discussed where the money for the deferred pay now resides. This money is, of course, in the corporate treasuries and much of it has been invested in certificates of deposit and similar interest-bearing instruments. This is a bonanza about which the administration is strangely silent.

The pay issue, however, is only one amendment. It is simply part of a broad package which is being put together—primarily through Democratic leadership—in the committee in an attempt to provide the equity and confidence necessary for this program. I hope at some point the newsmen will take a look at the hearing record which is filled with complaints from organizations like the American Bar Association, consumer groups, and others concerned about key features of the administration's bill.

If the committee had failed to deal

with these inadequacies, it could have been sharply criticized—and rightfully so. The committee is not going to be intimidated by the White House's attempt to turn public opinion against these congressional initiatives.

Mr. Speaker, I am proud of the fact that virtually all of the Democrats on the committee have participated in putting together the amendments to this bill. The participation in these improvements has been widespread. The junior Members as well as the senior Members of the committee have contributed greatly to this effort and the amendments have come from Members with widely differing philosophical viewpoints. It has been a broad cooperative committee effort in the very best sense.

In this regard, I do not want to neglect commending the courage of the Republican Members who have supported these amendments in a sincere effort to make this a more workable piece of legislation.

Mr. Speaker, I do not want to take the time to go over all of the amendments today but let me list a few of the major improvements that have been adopted to date. Other amendments will be offered before we conclude the markup. Some of the major amendments adopted include provisions:

Requiring that interest rates be stabilized if the President uses any part of the authority under the wage-price act.

Giving the consumer the right to seek civil damages when victimized by price violations.

Validating legal contracts executed prior to August 15 covering wages and fringe benefits unless the Pay Board finds that the wages granted under the contracts are "grossly disproportionate" to other wages and benefits. In short, the committee is on record as approving noninflationary wage agreements.

Exempting workers below the poverty level from any wage restrictions.

Requiring that actions of the Pay Board and Price Commission be taken by a majority of the members of those bodies and not solely by the chairmen. This would apply to any commission, committee or board established under the economic stabilization act.

Establishing a board to study and report on excess profits.

Refusing to ratify all actions taken by the administration under phase I of the stabilization program. This action was taken to assure that the legislation would not deprive any person of his legal rights in challenging any unreasonable or illegal action taken under the administration of phase I.

Establishing specific administrative procedures requiring publication of orders and regulations and allowing interested parties to comment before the rules become final.

Requiring public utilities and mass transit systems to obtain prior approval from the President—presumably this would be delegated to the Price Commission—before rates or fares are increased. Every person uses the services of one or more public utilities and it is important that any rate increase be considered carefully because of its widespread effect on the cost of living.

Establishing local boards to allow complaints and to clarify orders and regulations issued under the wage-price program. This would enable people to have their problems heard without resorting to costly and time-consuming judicial remedy.

Giving the President greater flexibility in any possible rollbacks by eliminating the reliance on the May 25, 1970 date contained in present law. Under the committee amendment, he would be able to set the base at whatever level he deems appropriate.

These are the amendments which the Administration has criticized and which they are seeking to have overturned. At some point, I hope that the administration lobbyists will take a look at the words of Secretary of the Treasury John Connally when he appeared before the Banking and Currency Committee on the extension of the wage-price law last February 23.

In answer to a question concerning the administration's actions in the event of a wage-price program, Secretary Connally stated:

> Congressman, so far as I know I am thinking of coming to the Congress asking for specific authority with respect to rules, regulations, appropriations, in order to implement a full wage and price administration.

The Secretary went on to say:

> I think he (the President) would clearly want some expression, some additional expression, not only in terms of appropriation but in terms of authorities and a mandate in effect from the people themselves expressed through the Congress that they were really prepared for wage and price controls—mandatory wage and price controls and all that that entails.

Mr. Speaker, the Banking and Currency Committee is following the Secretary's wise counsel on this issue. We are doing exactly what he suggested only last February.

It should be realized—as implied in Secretary Connally's words—that the American people will not accept a program merely laid down by presidential edict. Some spokesmen indicated that the President's word should be the last word on the wage-price program and that the Congress should simply rubber stamp all of the proposals. This is dangerous and it is the kind of philosophy which could lead to failure for the entire wage-price effort.

It is dangerous—for both businessmen and workers—and the entire citizenry—when political leaders take on the mantle of infallibility. The basic strength of the Constitution is based on a carefully worked out series of checks and balances—on three separate branches of Government. The administration is suggesting very strongly that it does not agree with these basic concepts of our system.

The administration's attack on the amendments borders on the absurd. After all, it was the Banking and Currency Committee which drafted and pushed through the original bill. The committee has an obvious responsibility to take an active role in shaping phase II. The Pay Board is operating under powers delegated by the Congress and certainly Congress has a right—a specific constitutional duty—to spell out and define these powers.

In some nations of the world, proclamations by chief executives are substituted for the lawmaking process. I hope that we never see the day when this is true in the United States. It might well be easier to allow all of phase II to be established by edict, but I think we owe the Constitution and the American people a little more than this.

Mr. Speaker, the committee has originally hoped to report this bill last week, but there was strong pressure to postpone action. The postponement was voted 18 to 16. I opposed the postponement because I am committed to expediting this legislation. In fact, I have met with the President on two occasions and it was his stated desire that this legislation move as rapidly as possible.

Unfortunately, when the motion to postpone was before the committee last Thursday, the Republican Members—Members of the President's own party—supplied the margin which assured the delay. Mr. Speaker, the President's last word was a request for expeditious consideration and I have received no communication from the White House changing this request. So, I am at a loss to explain the Republican Members' action in postponing the bill.

Some newspapers have speculated that the delay was sought so that the administration could lobby the committee and overturn the amendments adopted to date. I place in the RECORD a copy of an article from the American Banker with the headline: "House Banking Puts Off Action on Phase II Bill to November 30, Giving GOP Time To Recruit Votes:"

[From the American Banker, Nov. 12, 1971]

HOUSE BANKING PUTS OFF ACTION ON PHASE II BILL TO NOV. 30, GIVING GOP TIME TO RECRUIT VOTES

(By Joseph D. Hutnyan)

WASHINGTON.—The House Banking and Currency Committee—with Republicans providing a majority of the votes—decided Thursday to postpone until Nov. 30 final action on President Nixon's Phase Two bill.

The postponement gives committee Republicans almost another three weeks to try to recruit votes to make the revisions in the bill which were requested by President Nixon.

The Senate Committee on Banking, Housing and Urban Affairs—meeting on the same legislation Thursday—adopted an amendment which would require Senate approval of future Presidential appointments to the Price Commission and the Pay Board. The committee is scheduled to resume deliberations Tuesday.

The Phase Two bill requested by Mr. Nixon would extend to April 30, 1973 his authority to set wage and price controls, and grant him power to establish controls on dividends and interest.

The House Banking and Currency Committee jolted Mr. Nixon last week when it tacked on to his bill a provision sanctioning retroactive pay increases held up by the freeze, and language compelling him to take action to stabilize interest rates whenever he sets ceilings in the wage and price sectors.

The President said decisions on retroactive pay raises and interest rate limitations should be left to the citizen and government boards established by him to supervise Phase Two. He urged the committee to strike from his bill amendments adopted in these areas.

Both controversial revisions were sponsored by committee Democrats last week and were adopted by one-vote margins.

Committee Republicans on Thursday did not have the votes to reverse last week's decisions, and it was not possible to say whether the GOP would be successful when the committee meets again.

Two Republicans—Rep. Florence P. Dwyer of New Jersey and Margaret M. Heckler of Massachusetts—cast key votes last week when they voted with the Democrats for the changes which President Nixon denounced.

Both Mrs. Dwyer and Mrs. Heckler appeared to stand firm on the issue during the Thursday closed meeting.

The vote to postpone final action on the Phase Two bill was 18–16. Eleven Republicans and 7 Democrats provided the majority.

All of the votes against the postponement were cast by Democrats with two exceptions—Mrs. Dwyer and Mrs. Heckler.

Committee chairman Wright Patman, D., Tex., told reporters after the Thursday meeting that he opposed the motion to postpone action on the bill until Nov. 30.

"I felt the bill had been thoroughly considered and that I would rather go through with it now," he said.

The chairman said he understood that some Republican votes were cast for the delay because the GOP was preparing a substitute bill to be offered at the next session.

He also said some committee members voted for the postponement after it became evident that the House could not schedule it for a floor vote until later this month.

While the committee during the Thursday session did not resolve the issues which most trouble Mr. Nixon, it did vote on a number of revisions.

It approved amendments which would:

Permit President Nixon to roll back wages and prices beyond May 25, 1970 levels—the limit in the present law used by the President to invoke wage and price restraints.

Set up a network of local protest boards which would hear citizen complaints stemming from and price regulations, and render advisory opinions.

Require public utilities and transportation companies to obtain prior approval of rate or fare increases.

Inform President Nixon that Congress would like to see him submit a balanced budget showing a reduction in Federal spending next year in hopes this would speed the end of economic controls.

Direct that future wage and price regulations be published, and that public government be received before putting them into effect.

Similar stories were carried by other news media and this would indicate that the committee will be coming under heavy pressure to reverse itself. The committee amendments have been carefully drawn after two sets of hearings and extensive staff work and I am convinced that the Members will stand by their position, political pressures from the White House notwithstanding.

These political pressures cannot be allowed to prevent the Congress from putting together the kind of law which will make phase II workable and equitable.

Mr. Speaker, I place in the Record a copy of a speech I made last week to the Symposium on Government Corporations here in Washington on phase II:

### Remarks of the Honorable Wright Patman, Chairman, House Banking and Currency Committee to the Symposium on Government Corporations, Madison Hotel, Washington, D.C., November 9, 1971

These are fast-moving days on the economic front, for the past 90 days, this Nation has been trying to absorb the rapid turnaround of the Nixon Administration on the economy. The Administration has gone from "do nothing" policies to the active imposition of mandatory controls over a wide segment of the society.

As this audience knows, the concept—the legislation for wage-price authorities—originated in the Banking and Currency Committee in early June of 1970. The course of this legislation has been one of the strangest in history.

When the Democrats introduced the bill, they were castigated by the Administration and by many financial writers who were convinced that the Congress had gone off the deep end. The President took to national television to denounce the Banking and Currency Committee and used the White House lobbying apparatus in an attempt to block the passage of the bill in the summer of 1970.

For the next 12 months, the President continued his sniping at the Democratic initiatives. But slowly, through a series of actions—the Administration moved farther and farther away from traditional Republican economic policies and closer and closer to the more active programs being advocated by the Democrats.

Finally, at Camp David, the weekend of August 15, the President and his Economic Advisors faced the facts and agreed to use that hated Democratic law. This was a shock—a traumatic experience—for many of the old guard economists in the Republican camp.

Regrettably, the Administration did very little to prepare its own people—its own economic staff—for the eventuality of a wage-price program. The Government had sat idly by for a full year without planning for the possibility that the wage-price law might have to be used. There was no emergency contingency planning and no studies carried out which might have guided the President when he imposed the controls on August 15. As a result, the Administration could only require a flat across-the-board freeze.

The lack of planning prevented the Administration from taking a more imaginative approach—one which would have dealt with the obvious inequities which always exist in this kind of complex program. This was unfortunate and the Administration is still paying a heavy price for its lack of contingency planning. Much of the public confidence was sapped and many groups stiffened their opposition because of the meat-axe approach the Administration took.

But Phase One is almost behind us and the real attention now must be focussed on coming up with a Phase Two economic program which is workable and equitable. As Phase II has developed, there have been lots more strange happenings.

On October 7, the President went on national television to announce his Phase II recommendations. Almost immediately, these recommendations were talked about in the press as "The Program" without regard to the fact that much of it required legislation. The newspapers and newsweeklies started running charts and background data on exactly how the program would operate. The Congress apparently wasn't supposed to do anything—except possibly rubber-stamp whatever the President sent up in the form of legislation.

In other words, we were going to have Government By Proclamation—by Television Pronouncement—the Constitution notwithstanding.

Don't get me wrong. All of us in the Congress—from both parties—want to see this program work and we want to cooperate with the Administration wherever possible. I have met the President on several occasions and I have promised him my support for expeditious consideration of the Phase Two legislation.

But, this cooperation does not mean that Congress should abandon its function as the legislative branch. It has a duty to study the President's proposals, to revamp them where needed above all to make certain they are fair and equitable for the American people. No President is well served by a Congress which simply rubber-stamps his proposals.

The Banking and Currency Committee has spent most of this Fall working on various facets of the wage-price program—and other key legislation—such as the Bank Reform Act—has been placed on the back burner.

Last week, the Committee started marking up the Phase II economic package. A number of amendments were adopted, and I am convinced that all of these enhance the program and will make it much easier for the President to convince the American people that its Government is moving in an equitable manner.

Frankly, the bill sent forward by the Administration was poorly drafted and some areas were so ambiguous that the law might be endangered in the courts if the Congress does not make the necessary changes. Actually, the Committee amendments—which had been worked out over weeks of research and drafting—are designed to give the legislation—and Phase II—two basic things—equity and clarity.

The Administration was asking for some pretty outlandish things in its bill. For example, it wanted the Committee to rubber stamp an across-the-board ratification of all orders and regulations—and interpretations—which had taken place since August 15. Included apparently would be a lot of areas the Administration has never bothered to inform the public or the Congress about over the past 90 days. In short, we were being asked to ratify the unknown. The Committee could not go along with this, and the section had to be stricken from the bill.

The Committee also took steps to make sure the average citizen—the consumer—had some recourse when he got stuck with price-gouging. So we pushed through a requirement which allows the consumer to seek civil damages if he is charged above legal ceilings during the period of the wage-price stabilization program. The Administration has conceded that it has no real plans for detailed policing of prices; so this amendment enlists the aid of the consumer in policing prices. It should be a deterrent to violations of the price orders.

As this audience knows, the President has been extremely vague about what he might do in cases where there are "excess or windfall" profits. His attitude on this has heightened the feeling among some that the stabilization is placing an unfair burden on the wage-earner while corporate profits are left unchecked. To make sure that someone is watching the profit question, the Committee adopted language insisting that a Board on Excess Profits be created and that it make regular reports on the situation. This at least assures that the spotlight will be kept on this area and should help convince the American people that runaway profits aren't going to be allowed during this program.

A similar situation exists in the area of interest rates and credit controls. You may not agree with me about this issue, but let me assure you that the American people are upset that the lending institutions have not been included in the stabilization program.

This has to be corrected, and that's why I insisted on an amendment last week which will require that orders and regulations stabilizing interest rates will have to be issued whenever similar orders are issued on prices, wages, rents, salaries and other areas. In short, this amendment will require that interest rates—and credit charges—be controlled if there are other controls in effect. If this language stands up through the House and the Senate, it will mean that the President can no longer ignore this part of the economy. The language of the amendment is clear on this point.

Despite some slight reductions in the prime rate and money market rates, now is the time to apply interest rate controls. They are needed now particularly to help control the high interest rates on consumer lending.

They are also needed as a bulwark to withstand the heavy pressures that are certain to appear in 1972. The Federal Government will be going into the market to finance record deficits; state and local government will be heavy borrowers; and the business community must have the loan funds to fuel the expansion so badly needed in the economy.

In fact, if the Administration's economic program—centered around the investment tax credit—has any validity at all, then we are going to see a heavy loan demand in 1972.

In my opinion, the financial community has been one of the big losers in the Administration's failure to apply controls equally across the economy. The public resents the favored treatment that has been accorded lenders under the New Economic Program, and if this continues, it may well affect future legislative efforts for all segments of the industry. My mail has reflected this public resentment, and this attitude will grow as the wage-price program bites harder into the economy.

It is my hope that the Administration will see the folly of its ways and support steps to put real equity into the wage-price program.

Last week, the committee also took actions designed to bring some order out of the chaos that has been created by the Administration's vagueness on pay contracts and related matters. Obviously, Phase II can't go forward successfully until these areas are settled.

The Committee voted to recognize the validity of agreements that were entered into by private parties prior to the August 15 freeze, but left with the President the full authority to block any wage contract which was "grossly disproportionate" to other wages in the economy generally.

The Committee's action has been misinterpreted all over the lot. Some news stories carried accounts of the pay amendment without noting that the President retained authority to block the inflationary wage agreements. The White House—apparently without reading the amendments—issued a blast shortly after the Committee action further adding to the confusion and misinformation.

Despite the claims of the Washington Post's Financial Editor in his Sunday column, the Committee amendment does not require that all deferred wage increases in existing contracts be allowed. In fact, the Committee was extremely careful to make sure that the President and his Pay Board retained the necessary power if these contracts were "grossly disproportionate."

The strange thing about the White House statements—and staff leaks to the columnists—is that the Committee action is not very far from the President's own assurances to the American people on the issue.

When Phase II was announced on October 7, President Nixon told his national television audience:

"We will permit some adjustments of prices and wages that fairness demands, but we will not permit inflation to flare up again."

The next day, Secretary Connally conducted a press conference and he repeated the same message:

"It (pay increase) depends on whether or not their peculiar situation requires a small, or a large increase, in order to bring them into an equitable position with their counterparts in the economy."

Now the Banking and Currency Committee comes forth last week and says that the pay increases are to be allowed unless they are "grossly disproportionate" to other wages in the economy. That seems awfully close to the Secretary's words.

In this connection, it must be recognized that a number of the contracts we are talking about do not involve "big unions." Many involve relatively low-income workers—maintenance people, office help and the like. Also, they involve thousands of teacher contracts, and I doubt that many of these—if any—are grossly disproportionate. The granting of these wage increases could hardly cause an "inflationary bulge" as one television commentator describes the situation.

The Committee also took other steps to protect the low-income families by exempting from coverage the "working poor." We are trying to eliminate poverty in this nation and it makes little sense to adopt a law which would, in effect, assure that low-income workers would be kept in a poverty status.

This entire wage-price program needs to be a broad bi-partisan effort, and I sincerely hope that the President's statement of last Thursday night does not disturb this approach. The President is trying, but he is surrounded by a lot of people out of the public relations and advertising world, and sometimes these advisors shoot from the hip. I guess this is a problem that all Presidents have.

The problem was intensified yesterday morning when the Republican National Committee released a statement by its Chairman—Senator Dole—charging that the Banking and Currency Committee had meddled in the President's business. This is a sad state of affairs when a political leader claims that a Committee of Congress—carrying out its legislative function—is "meddling." Perhaps all of this can be dismissed as excessive campaign rhetoric, but it also has a sinister and dangerous overtone.

It is dangerous—for both businessmen and workers—and the entire citizenry—when political leaders take on the mantle of infallibility. The basic strength of the Constitution is based on a carefully worked out series of checks and balances—on three separate branches of government. The Republican Party is suggesting very strongly that it does not agree with these basic concepts of our system.

The Administration's attack on the amendments borders on the absurd. After all, it was the Banking and Currency Committee which drafted and pushed through the original bill. The Committee has an obvious responsibility to take an active role in shaping Phase II. The Pay Board is operating under powers delegated by the Congress and certainly Congress has a right—a specific Constitutional duty—to spell out and define these powers.

In some nations of the world, proclamations by chief executives are substituted for the law-making processes. I hope that we never see the day when this is true in the United States. It might well be easier to allow all of Phase II to be established by edict, but I think we owe the Constitution and the American people a little more than this.

Whatever happens at the White House—and at the Republican National Committee—the Congress will continue to carry out its functions—its constitutional responsibility. The responsibility is even greater on this particular piece of legislation because of the broad powers implied in a wage-price control program. These are awesome powers for any Chief Executive and it is essential that the Congress lay down the ground rules carefully.

In the end, I am convinced we will work out a law which meets all of the President's requirements and at the same time gives the people the proper protection. This program must work for the survival of the whole nation.

Thank you very much for inviting me.

## TAKE PRIDE IN AMERICA

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. MILLER) is recognized for 5 minutes.

Mr. MILLER of Ohio. Mr. Speaker, today we should take note of America's great accomplishments and in so doing renew our faith and confidence in ourselves as individuals and as a nation. To buy a good suit of clothes in France takes 75 hours of work and in Great Britain, it requires 40 hours. In the United States only 24 hours are needed for the same item.

## ABORTION

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Maryland (Mr. HOGAN) is recognized for 60 minutes.

Mr. HOGAN. Mr. Speaker, on May 3, 1971, the Senator from Oregon (Mr. PACKWOOD), introduced two abortion bills in the other body. The first was a bill to authorize abortions performed by licensed physicians throughout the United States "upon any female person who requests that action" within the first 140 days—20 weeks—of a pregnancy, and after that time if failure to perform an abortion might "endanger the life or health" of the woman, S. 1750. The second bill introduced by Senator PACKWOOD would authorize abortions under exactly the same conditions in the District of Columbia, S. 1751.[1] Neither the two bills themselves, nor Senator PACKWOOD's stated rationale in sponsoring them, have received anything like the scrutiny they warrant.

In introducing his bills, Senator PACKWOOD began his remarks by stating that his intention was "to take the Government out of the business of enforcing compulsory pregnancy" and to "permit women to control their own fertility, by early termination of pregnancy if necessary,"[2] both nationwide and specifically in the Nation's Capital. It is not clear in what sense the Government has ever "enforced compulsory pregnancy," since it is not clear how pregnancy is ever compulsory at all, except in cases of rape, and Senator PACKWOOD's two bills are not intended to deal with the problem of rape. In no other case, however, is a woman ever "compelled" to be pregnant; she must be assumed to know that pregnancy is a possible consequence of entering into a marriage or sexual relationship. In such a relationship, as in all other areas of life, she must also expect to have to take the consequences of acts she freely undertakes. Would even Senator PACKWOOD care to see established as the new norm of our society the general principle he seems to be asserting here; namely, that people are not obliged to take responsibility for acts they undertake?

As for controlling her fertility, a woman has always been able to do that simply by declining to enter into a marriage or sexual relationship. Once she has entered into such a relationship, however, she implicitly accepts a wide range of

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responsibilities, fully recognized by the laws, which go far beyond the occurrence of possible pregnancies. Should divorce, for example, or a husband's obligation to support his family, be made purely elective for any who find they do not want to face all the consequences of their decision to marry? This would be no more illogical than elective abortion for women who simply decide that they do not "want" to support the children they have nevertheless conceived. To concede such women the "right" to abortion would be to establish irresponsibility as the new norm of society; this would have incalculable consequences reaching far beyond abortion and personal and sexual behavior.

Moreover, today, by the use of modern contraceptive techniques, a woman who has no moral objections to contraception is able to control her own fertility to a greater extent than has ever before been possible in human history. It is ironic that abortion should be increasingly called for at the very time when other methods have been most effectively developed. No method, of course, except total sexual abstinence, is 100-percent effective in preventing pregnancy. Nevertheless, a failure to prevent pregnancy in a given instance in no way establishes the "right" to remedy the mistake by killing the child who has been conceived, any more than such a failure establishes any obligation of society to permit such a violent and brutal remedy. For, as the prominent Protestant moral theologian, Dr. Paul Ramsey, of Princeton University, has aptly pointed out, what Senator Packwood euphemistically calls "termination of pregnancy" really means "Killing the fetus in order to terminate the pregnancy."[3] Abortion always involves the destruction of a living, though unborn, human being.

The scientific evidence that the human embryo or fetus is a unique irreplaceable human being from the time of conception can be found in any appropriate biology or medical textbook. In his "Foundations of Embryology," for example, Dr. Bradley M. Patten writes:

> Every one of the higher animals starts life as a single cell—the fertilized ovum . . . The union of two such sex cells (male germ cell and female germ cell) to form a zygote constitutes the process of fertilization and initiates the life of a new individual."[4] Within four weeks of this conception—as soon as a woman can verify the fact that she is pregnant, and hence can even consider having an abortion—the heart of the new individual inside her is already pumping its own blood. Within eight weeks of conception—the point at which many abortions are actually performed—the new human individual has "a pumping heart with fully deployed blood vessels and has all other internal organs. The face is completely formed, and the arms, legs, hands, feet, toes and fingers are partially formed. The fetus will react to tickling of the mouth or nose, and there is readable electrical activity coming from the brain."[5]

To assert, in the face of this scientific evidence, that the fetus is not a living human being would be comparable to asserting that the earth does not rotate on its axis or revolve around the sun.

Laws restricting the performance of abortions do not, therefore, represent the enforcement by the state of "compulsory pregnancy," as Senator Packwood alleges. Their intent is properly to protect the rights of the child, once a living child has been conceived. As a recent Federal court decision—December 1970—upholding the restrictive Ohio abortion statue, which prohibits the operation except to save the life of the mother, has declared;

> Once human life has commenced, the constitutional protections found in the fifth and 14th amendments impose upon the State the duty of safeguarding it."[6]

This principle has been increasingly recognized in the law in cases far removed from the question of abortion. For example, an unborn child can inherit. He can have a guardian appointed. He can sue for injuries inflicted while in the womb. The leading academic authority on the law of torts has declared that an "unborn child in the path of an automobile is as much a person in the street as the mother" and the Michigan Supreme Court, in July 1971, has ruled to the same effect in an exactly analogous case.[7]

Legal doctrine such as this reflects the law's increasing recognition of the scientific facts about human conception and prenatal development. Where the courts have looked at these facts, the humanity of the unborn child has been explicitly recognized. For example, a case extending the unborn child's right to sue for injuries even to nonviable children recognizes that—

> The mother's biological contribution from conception on is nourishment and protection but the foetus has become a separate organism and remains so throughout its life. That it may not live if the protection and nourishment are cut off earlier than the viable stage of its development is not to destroy its separability; it is rather to describe conditions under which life will not continue. Succeeding conditions exist, of course, that have that result at every stage of its life, postnatal as well as prenatal. The complaint here, in alleging that plaintiff was in being in the third month of his mother's pregnancy, alleges a conclusion of fact consistent with generally accepted knowledge of the process.[8]

In the light of the scientific facts, then, and of the legal recognition of those facts, it is clear that the remark of Clare Booth Luce about abortion being primarily a "woman's problem"—a remark favorably quoted by Senator Packwood—simply does not speak to the real issue. Not merely a woman but a child is involved—not to mention a man, for Senator Packwood's bill placing the abortion decision solely in the hands of the woman effectively nullify the rights of a father over his children.

Similarly, Senator Packwood's comment that—

> The debate on abortion has . . . been centered entirely on theological discussions of when individual life or personhood begins.

Again fails to speak to the real issue involved in abortion. Opponents of permissive abortion are quite prepared to leave theology out of the picture entirely. The Constitution of the United States by itself provides sufficient reason to reject elective abortion. The purely theological question of when a soul, assuming human beings have souls, is infused into each new human individual is irrelevant to the question of when medical abortions might legally be performed under a constitutional system which professes to take into account the rights of all. The guarantees in the Constitution remain regardless of the outcome of any theological debate; they remain even if Senator Packwood is correct in his assertion that the moral aspects of abortion can never be settled "so as to be accorded unreserved acceptance by all." Constitutional guarantees, in the American system, do not depend upon "unreserved acceptance by all," as the courts have consistently held in civil rights cases.[9]

For example, the moral aspects of slavery, formerly, were never settled, nor, today, have the moral aspects of discrimination been settled to the satisfaction of everybody. Nevertheless, the thrust of recent civil rights legislation is clear. The 14th amendment itself was adopted precisely to make clear what was already implicit in the Constitution; namely, that its legal guarantees could not be denied to any person within the jurisdiction of the State. The Constitution cannot admit of categories, whether of slaves, of blacks, or of the unborn, which are to be arbitrarily considered categories of "nonpersons," and hence denied the equal protection of the laws. This constitutional guarantee of equal protection has been held to apply even to business corporations as persons. How can it be denied to unborn children who are in actual fact living human beings?

Thus, while it may be sadly true that women who today have decided they do not want the children they have conceived are caught in "tragic dilemmas," as Senator Packwood remarks, it is equally true that these dilemmas are mostly of their own making; they arise from a mistaken belief that, merely because a child has not yet managed to get born, he may be done away with because he is unwelcome or burdensome to others. Such a notion as this can no more be introduced into the American legal and constitutional system with impunity than disease germs can be introduced into a healthy body without fear of harm. To admit the principle that unborn human beings are expendable is to establish in principle that the 14th amendment's guarantees of equal protection are meaningless; it also would raise the ominous question of what other categories of human beings are expendable.

Senator Packwood speaks of "real women suffering," of women "deeply mired in poverty, frantic with concern over what another baby will mean in an already overburdened household," and of those who simply "cannot think of coping with a baby." It is necessary to wonder about the future of a country whose citizens in any number "cannot think of coping with a baby." What could such people cope with? It seems unlikely that the Oregon Territory, for instance, would ever have been settled by people such as this.

Nevertheless, it is unnecessary to deny that many cases of hardship are very real. No doubt many more efforts to alleviate poverty and suffering are re-

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quired of the richest Nation in the history of the world. The good intentions of those who point to these evils in American society must be granted, and the social duty of all Americans to contribute to the well-being of the less fortunate must be insisted upon as a matter of public policy. An unescapable requirement of any measure proposed to deal with hardship, poverty, or suffering, however, must surely be that such a measure does not violate the rights of others. Abortion-on-request proposals totally fail to recognize that the unborn child has any rights. No matter how real they may be, neither sufferings nor tragic dilemmas—universal for all human beings in any case, at least in some stages of their lives—can legitimately serve as pretexts for inflicting injury, much less death, upon others. The law which would allow this is no longer a law based upon right and justice but upon selfishness, convenience, and expediency.

It is, of course, perfectly true—though, again, that does not make it right—that abortion is nevertheless resorted to today on a vast and increasing scale in many States and countries. The 165,000 legal abortions performed in New York City in the first year of New York's abortion-on-demand law[10] exceeded even the expectations of the proponents of permissive abortion. An enormous demand for abortions clearly exists. The fact that many people do want abortions, however, is hardly in itself a valid argument for legalizing the practice, if it is indeed true that it violates the rights of the child. Assault and larceny are similarly occurring on a vast and increasing scale, yet nobody argues that the laws which prohibit these crimes should be repealed merely because more and more people have apparently decided it is all right to commit them. The only way the laws against abortion can be seen as any different from those against assault or larceny is by leaving out of account not merely the child's rights, but the very fact of his existence. Only then can the question of abortion be reduced to one of a woman's control of "her own body." It is this that Senator PACKWOOD regards as the "substantive issue" involved in abortion. When the child is left out of account, abortion becomes a purely technical matter, and, as the Senator says, "the question is not whether but how society should deal with it."

Senator PACKWOOD adds the further argument that—

> A middle- or upper-class woman can usually get an abortion performed by a physician, no matter what the law says. She may have it in her own hospital with the procedure disguised under some other medical term, or she can go to another country where the practice is more liberal.

This is true, and it means that the poor and disadvantaged cannot easily resort to the same subterfuges by which the rich and affluent are able to break the law.

This widespread disregard of the law by the well-to-do, by some hospitals and some members of the medical profession is regrettable and deplorable, but should the response to it be to repeal the laws which are being violated? Or should it not be a greater effort to enforce these laws? The criminals go unapprehended and unpunished in an estimated four out of every five crimes committed in the United States,[11] but this is hardly an argument for repealing the laws against crime. There exists no well-financed lobby arguing that nobody should be "discriminated against" in his criminal undertakings, as the abortion lobby argues, in effect, that nobody should be prevented from violating the abortion laws if anybody manages to violate them. The motto of the U.S. Department of Justice is "equal justice under law," but this ideal is hardly achieved by doing away with the law. It is achieved by enforcing the law equally.

In the light of these general comments on the rationale Senator PACKWOOD offers for his two bills which would legalize abortion in the District of Columbia and in the Nation at large, it is now possible to comment on the specific "benefits" which the Senator from Oregon believes the passage of these bills will bring. He enumerates these benefits in the course of his remarks in the CONGRESSIONAL RECORD:

> First, it would clear the air by admitting that the practice of abortion exists and should be brought into the open where it can be dealt with according to safe medical procedures. Deaths and maiming from abortion could be virtually eliminated.

It is hardly necessary to pass laws in order to admit that the practice of abortion exists. Nobody denies that it exists. The question is: What should a society which is not merely humane but also just do about it? If a practice is inherently vicious, as abortion surely is, the result of bringing it out into the open will only be to make it more acceptable to more people; and, consequently, to increase the total number of abortions performed. Those who might have been deterred by the law will join those prepared to seek abortion regardless of the law. Since the total number of abortions will be greater, what Senator PACKWOOD calls "deaths and maiming from abortion" will be greater too. Abortion is by no means a completely safe procedure, even when performed by a doctor in a hospital. Prior to New York's noble experiment" with abortion on demand, it might have been possible to argue, as Senator PACKWOOD does argue, that legalization would permit abortion to be dealt with according to safe medical procedures. It is no longer possible to argue this. In New York, short-term complications for the woman have been running at a rate of 12.4 per 1,000 abortions; they include such phenomena as hemorrhage, infection, shock, retained tissue, perforated uterus, and lacerated cervix.[12] Long-term complications are yet to be verified. At least 15 women have died as a result of legal abortions,[13] a maternal death rate three times higher than anticipated by the New York City Health Services Administration when the law was passed to take effect on July 1, 1970.[14] In addition, since women are traveling to New York for abortions from all over the United States, the medical statistics in New York for post-operative complications are showing up in the woman's State of residence, not New York. There have been at least 40 recorded cases of infants born alive in New York City's first year of experience with the new law.[15] It truly becomes very hard to sustain the thesis that abortion involves only a woman's control over her own body when live infants are ripped from the protection of the womb and left to die gasping for breath in a sterile hospital basin.

> Second, it would command respect as an evenhanded law, enforceable, fair, nondiscriminatory, protecting and giving the same right to every woman, whatever her race and social class, wherever she may live. It would take the state out of the business of enforcing compulsory pregnancy on unwilling women.

No law which completely ignores the rights of at least one of the parties involved in every abortion—the child—can long command respect as either evenhanded or fair; such a law may be nondiscriminatory as far as women are concerned but there is no conceivable way it could discriminate more against children since it would allow their liquidation at will or whim. It is hard to understand how the term "enforceable" could be applied to such a law. There is nothing to enforce. A law such as this is simply an abdication of the law: everyone would be allowed to do as he pleases in the matter of abortion. Senator PACKWOOD's further comment about enforcement of "compulsory pregnancy" has already been discussed above. He continued:

> Third, it would leave the moral, ethical, and religious issues to the individual conscience, guided by whatever counsellor is trusted, leaving the legislature to protect the civil rights of the individual. Churches and other organizations would be free to advocate their positions as fervently as they wish. While the numbers of abortions might rise with such a law, at least at first, there is also the possibility that when women could seek assistance and counseling more openly, without fear, some abortions would be averted as other support and alternatives were offered. We might hope that the decision to deal with this problem on a national scale, thereby for the first time really revealing the scope of the problem, would serve as a challenge to greater effort for those who say better social conditions are the solution to the problem of abortion.

It is vain to speak of the legislature protecting "the civil rights of the individual" in the context of a law which would permit elective abortion. The civil rights of no individual are safe or secure when the rights of any—for example, the unborn—are nullified, in this case by the State's failure to protect them. As for leaving abortion to the "individual conscience," the Episcopal Bishop of Michigan, the Right Reverend Richard S. Emrich, has most eloquently shown the unacceptability of leaving a moral and ethical judgment which would affect the rights of third parties to the "individual."

Bishop Emrich writes:

> Abortion is for me and for millions of others, the killing of innocent human life. It is not like eating fish on Friday, or going to church on Sunday, or, like the Mormons, refusing to drink coffee. It is a completely central, fundamental, basic moral question involving the value of human life and I simply cannot say, "Let's be tolerant. You kill and I would not kill." If the law permits abortions

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Footnotes at end of article.

> for any reason—I am compelled to say that what is wicked would then be legal. I will not be quiet for the sake of "peace" or "tolerance" any more than I would be quiet before gas chambers. In some ways, we are a pluralistic society but if we cannot agree on the value of human life, then I say we are a corrupt society.[16]

It is not sufficient for the individual conscience to reject abortion for one's own self; the individual conscience must also reject it on behalf of the child victims. No one who seriously believes that the killing of innocent human beings is wrong can easily and tranquilly live in a society which legally sanctions such killing. This attitude should be especially understandable at a time when so many are in conscience finding intolerable the killing which results from a war in which their nation is involved. Anyone who has been involved in one of the State "right to life" committees can testify that many—among the most stable and productive in society—will work tirelessly on the abortion issue and give unstintingly of their own time and resources. The doctrine that abortion should be elective is an outrage to the consciences of such people, and attempts to legalize the practice, to the extent that they are successful, will also "polarize" still one more group against the "system," at a time when a fragmented American society can scarcely afford the alienation of still more people from its laws and Government. In any case, once abortion is legal it is no longer something one can choose to avail oneself of or not. Once it is legal, medicaid or other public health programs will subsidize abortions. This is actually the case where abortion has been legalized in one degree or another; it was bound to be the case when one of the stated aims of abortion "reform" has been to provide the indigent the same access to abortion which the well-to-do have managed by evading the law.

Senator PACKWOOD expressly endorses this aim, and hence his idea that with legalization those who oppose abortion would still be "free to advocate their positions as fervently as they wish" would have little meaning: everybody would be paying for abortions with their tax moneys no matter how abhorrent some might find them. Employees would be obliged to contribute to health and insurance programs paying for legal abortions as a henceforth standard medical practice. In the context of modern healthcare practices, elective abortion would mean compulsory support of abortion by the majority who are not demanding this lethal operation as a new "right." Moreover, it is quite unlikely that the problem of abortion will be altered in any way because, through greater freedom, women will be motivated to seek "counseling more openly, without fear." Counseling is already abundantly available today, yet the demand for abortions continues to rise, in part, perhaps, because almost all the organizations with counseling programs in this area have already accepted the abortion-on-request mentality; many of the women seeking abortions have been, in fact, "counseled" to receive them. It seems clear too that "social conditions" cannot be a major cause of the "abortion explosion." Few countries or periods of history, if any, can match the general prosperity that has prevailed in America during precisely the period that "reform" of abortion laws has become an issue. Senator PACKWOOD is himself the witness that it is mostly the affluent who are currently getting the abortions; if they can afford the psychiatrist who in most places must certify that they need the abortion, they can surely afford whatever "counseling" might help them.

Whatever other evils may be laid at the door of "social conditions" of poverty and deprivation, these conditions can hardly be the cause for very many of the abortions being sought right now—55.5 percent of the women who had legal abortions in New York City during 1970 came from out of State, and could presumably afford the fare to travel to New York for their abortions. More than half of all the abortions were performed on women under 24 years of age.[17] It seems to be quite out of the question that so many young women could have been "frantic with concern over what another baby will mean in an already overburdened household" or that they could already be worn-out with excessive child-bearing. Medical or psychiatric reasons were cited in less than 2 percent of all the New York abortions.[18] The New York law, then, is hardly benefiting the "hard cases" of which the proabortion propaganda so regularly speaks. Rather, the law seems to be providing legal cover for careless, callous and wanton destruction of thousands of children for no other reason that that they are not wanted; and providing society's endorsement on an unprecedented scale of the proposition that people need not be responsible for the consequences of their own actions. He said:

> Fourth, it would leave doctors free to practice medicine and hospitals to furnish facilities for such medical practice without foisting on them the burden of trying to interpret the will of society and of making decisions the rest of us do not want to face up to.

As has been pointed out from within the medical profession itself,[19] abortion on demand leaves no scope for the practice of medicine at all, in the true sense of the word. The patient does not ask the doctor to examine her condition, diagnose it through his medical knowledge and skill, and then prescribe or carry out an appropriate remedy. The patient simply demands an abortion.

If he complies, the physician is following her prescription; he is reduced to the level of a technician who merely carries out the procedure. Moreover, the practice of medicine has traditionally involved healing and the saving of life. Even doctors formerly performing therapeutic abortions only did so because they believed the operation was necessary to save the life or health of the mother. With abortion on demand, however, there is no other aim in view except the willed destruction of the child; the aim is purely destructive; this is the negation of the practice of medicine. Furthermore, once abortion is legalized, neither doctors nor hospitals will be free to refuse to perform abortions. Already, in New York, lawsuits have been filed against hospitals on this very issue.[20] Once abortion is accepted as "standard medical practice," both doctors and hospitals can be sued for malpractice if they fail to provide the standard medical care available in a community.[21] Without crediting Senator PACKWOOD's assumption that abortion is indeed a matter within the purview of "the will of society"—the Constitution, again, does not regard decisions on life or death in this light—it should nevertheless be obvious that both doctors and hospitals will have less trouble interpreting laws which strictly forbid abortions except under conditions spelled out in the law—for example, to preserve the life of the mother; abortion on demand, however, will mean, an open Pandora's box from which doctors and hospitals will be the first to suffer.

The Senator continued:

> Fifth, it would insure that virtually all abortions would be done at an early stage of pregnancy. One of the emotional issues raised whenever changing abortion laws is discussed, is the specter of viable fetuses being delivered and allowed to die. Because of the genuine concern of many, I have incorporated in this bill a very conservative time limit—16 weeks—within which an abortion would be allowed. This would make absolutely certain that there would be no abortion of a viable fetus.

Senator PACKWOOD's two bills actually provide for 20 weeks, not 16 weeks, as the time limit after which abortions can no longer be performed on request. After 20 weeks, they can only be performed if—

> In the judgment of the physician performing such abortion, a failure to perform such abortion is likely to endanger the life or health of such female person.

In practice, however, such a time limit is close to meaningless. The question of determining what conditions might endanger a woman's health is left solely to the physician. It is also a reasonably well-documented fact that physicians doing abortions today are simply taking the fact that a woman desires an abortion as itself the evidence that her health is endangered. There are no longer any clear-cut and definite medical or psychiatric "indications" for abortion accepted in the contemporary medical literature.[22] In this situation, the judgment of the doctor is purely subjective. In practice this can lead to a situation such as the one that in fact now obtains in the District of Columbia, where a statute, recently upheld by the Supreme Court, which allows abortion only to preserve the life or health of the mother, is actually treated as an abortion-on-request law. A recent article in the Washington Post, "Abortion Forces Bid To Push Washington into Big League," confirms how little effect what the laws says may have on physicians, if the law is in fact not enforced:

> The U.S. Supreme Court's decision last April 21 cleared up much of the legal haze over the abortion issue that resulted from the ruling by a U.S. District Court judge here that the District of Columbia abortion law was too vague to be enforced. The Supreme Court upheld the law, but in so

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Footnotes at end of article.

> doing required that the prosecution prove that the woman's mental or physical health was not at stake in order to prosecute the physician.
>
> Doctors say that successful prosecution on these grounds will be very difficult, and that the District can, in effect, be considered as legal a place for abortions as Hawaii, Alaska, California, Washington State, and New York.
>
> If Washington is to compete with New York City for a large share of the market, it will have to do so by drawing from the South and Midwest, areas where Washington is more accessible than New York . . .[23]

In a permissive climate such as this, where what many herald as the liberation of women from child bearing is actually seen as a particularly sordid "market" in human life, and where some doctors seem to be doing pretty much as they please without fear of prosecution, it is unlikely that a legal provision restricting abortions after 20 weeks will have much effect. Legal provisions in effect now are apparently not having any effect. Nor will a mere time limit provide any guarantee that there would be "no abortion of a viable fetus," as Senator Packwood hopes. The progress of medical science has already pushed viability back to about 20 weeks in any case. A doctor comments:

> The youngest survivor in medical literature is of about 20 weeks' gestation. Survivors with a birth weight between 1 and 2 pounds are documented. Practically no knowledgeable person considers the age of survivability as immutable; too many variables are involved. In this day of DNA synthesis, test-tube incubation, intrauterine transfusions, talk in high circles of chromosomal manipulation and in vitro generation, the 20-week survivability standard is about as sacred as the 4-minute mile.[24]

With the development of an artificial placenta, perhaps within the next decade, fetuses born as early as 12 weeks after conception might possibly survive.[25] In short, limiting elective abortion to some period before the supposed viability of the fetus accords neither with the scientific evidence regarding the developmental process of every human being from conception through birth, which admits no such cutoff point. Nor does it accord with modern medicine's increasing ability to insure the survival of children born long before the normal term of gestation.

All these, then, are the "benefits" which Senator Packwood sees as resulting from the passage of his elective-abortion bills. Merely on the basis of the analysis attempted here, they seem to be questionable benefits, especially when it is considered that, in order to realize them, the constitutional protections inherent in the fifth and 14th amendments must be suspended as far as the unborn child is concerned.

There remains to be considered the question of why Senator Packwood wants an abortion law which would be national in scope. Legislation on this subject has never been considered within the province of Congress. As President Nixon commented, in rescinding a Department of Defense directive which was allowing abortion virtually on request in military hospitals, regardless of the laws in force—

> Historically, laws regulating abortion in the United States have been the province of the States, not the Federal Government. That remains the situation today, as one State after another takes up this question, debates it, and decides it. That is where the decision should be made.[26]

Senator Packwood, however, believes national legislation is necessary because:

> The present laws are such a hodgepodge—the situation is in a state of flux, with State legislatures moving in different directions—and strong countermoves underway to move them in the opposite direction. What is permissible this year may not be permissible next year; what is criminal today may be sanctioned tomorrow.

In this situation, it is perhaps not surprising that those favoring elective abortion would like to see the question settled at one stroke. This may be all the more true since abortion "reform" has not been faring so well lately as it did between 1966–70, when 13 States liberalized their statutes in one degree or another, while Alaska, Hawaii, New York, and Washington State virtually legalized the practice. During 1971, however, abortion reform bills failed in the legislatures of Colorado, Connecticut, Florida, Georgia, Illinois, Indiana, Iowa, Maine, Maryland, Massachusetts, Minnesota, Mississippi, Montana, Nevada, New Hampshire, North Carolina, and North Dakota.[27] The momentum of legalized abortion has clearly stopped, at least for the moment. Clearly, the passage of a Federal bill would obviate the need to fight the battle in the legislature of each State in the face of rising opposition.

However, there is serious question whether Senator Packwood's national abortion bill would not be in conflict with the 10th amendment to the Constitution which provides that—

> The powers not delegated to the United States by the Constitution, nor prohibited by it to the States, are reserved to the States respectively, or to the people.

The Federal Government has never pretended to have the authority to regulate abortion in the Nation as a whole, any more than it has attempted to regulate local medical or hospital practice directly, or claimed primary jurisdiction in the province of the criminal law. Laws regulating medical practice, like laws prohibiting murder, are State laws. The passage of Senator Packwood's national abortion law by Congress would constitute an assault on American federalism in every way comparable to its assault on the individual rights guaranteed by the 14th amendment. The Congress should reject S. 1750 as outside its proper province.

It is certain, however, that the Congress does have the authority to regulate abortion in the District of Columbia. This is not to say that S. 1751 is in any sense a desirable bill for the District. Rather, the Congress should consider tightening up the present District of Columbia law, in view of the fact that it is being interpreted to allow abortion virtually on demand. Passage of a more restrictive law would not be a retrogressive step. In spite of today's widespread abortion mentality, the debate going on in many States is proving that the American people have not by and large accepted the arguments for abortion on demand. The excesses of the permissive laws in New York and elsewhere are entering the public consciousness. It is clear that the victories permissive abortion has gained up to now were achieved with little opposition and little public consciousness of what was taking place. But now the opposition is beginning to appear.

An authoritative study of all the major polls taken on abortion during the decade of the sixties has recently revealed that, while there is considerable variation among Americans regarding the acceptance of abortion, depending upon the reasons for it, over 80 percent of all Americans oppose simple abortion on demand.[28] The results of this public opinion study are certainly confirmed by the defeat of reform or repeal legislation in State after State as it begins to dawn on the legislators and the public what the abortion reformers are really aiming at.

Moreover, in Iowa, Louisiana, Massachusetts, Minnesota, Ohio, and Vermont, State and Federal courts in the last year or two have been upholding as strictly constitutional laws which forbid abortion except to save the life of the mother.[29] Finally, as already noted above, the President of the United States has declined to accept the arguments for abortion. His statement on the subject might appropriately serve as the policy of the Nation:

> From personal and religious beliefs I consider abortion an unacceptable means of population control. Further, unrestricted abortion policies, or abortion on demand, I cannot square with my personal belief in the sanctity of human life—including the life of the yet unborn. For, surely, the unborn have rights also, recognized in law . . .[30]

In summary, then, neither of Senator Packwood's abortion bills deserves to be enacted by the Congress—for the reasons outlined above, especially because neither bill recognizes that the Constitution of the United States forbids the denial to any person of the equal protection of the laws.

### FOOTNOTES

[1] *Congressional Record, Senate*, May 3, 1971. Pages 13155–56.

[2] *Ibid.*, as are all quotations from Senator Packwood's remarks in introducing his two abortion-on-request bills.

[3] Quoted in *AMA News*, October 5, 1970.

[4] Patten, Bradley M. *Foundations of Embryology*, McGraw-Hill, New York, 1964, Page 2.

[5] Cited by Byrne, Robert M. "Abortion On Demand: Whose Morality?" Notre Dame Lawyer, Vol. 46, No. 1, Fall, 1970. Pages 6–7. Byrne draws his scientific evidence from H.M.I. Liley, *Modern Motherhood* (rev. ed., 1969) and Andre Hellegers, M.D., "Fetal Development," *Theological Studies* 3, 7 (1970).

[6] Quoted from a typescript of the federal court decision distributed by the National Right to Life Committee.

[7] Prosser, W. *Law of Torts* (3rd ed., 1964), Page 355; for the Michigan decision see Detroit *News*, July 10, 1971.

[8] Kelly v. Gregory, 282 App. Div. 542, 125 N.Y.S. 2d. 696 (Sup. Ct. 1953). Cited by Byrne, *loc. cit.*, Note 5, above.

[9] See, for example, the cases cited by Byrne, *loc. cit.*, Note 5 above.

[10] The New York *Times*, July 1, 1971.

[11] This figure cited by Wertham, Frederick, M.D. *A Sign for Cain: An Exploration of*

*Human Violence.* The MacMillan Company, 1966. Page 31.

[12] Press Release of the Administrator, New York City Health Services Administration, February 7, 1971.

[13] The Washington *Post,* June 30, 1971.

[14] See Scott, Lael. "Legal Abortions, Ready or Not." *New York* magazine, Vol. 3, No. 21, May 25, 1970.

[15] *Life in America,* June, 1971.

[16] The Detroit *News,* May 10, 1971.

[17] The Washington *Post,* June 30, 1971.

[18] Figures summarized from available statistical data by Bernard J. Pisani, M.D., Director, Department of Obstetrics and Gynecology, St. Vincent's Hospital, New York, in a personal communication.

[19] See, for example, Connor, Edward J., M.D., F.A.C.O.G. and Aydinel, Orhan, M.D., F.A.C.O.G. "Therapeutic Abortion-Washington, D.C." *Medical Annals of the District of Columbia,* Vol. 39, No. 3, March, 1970.

[20] See *Medical Tribune and Medical News,* August 24, 1970.

[21] See Ramsey, Paul. "Feticide/Infanticide Upon Request." Condensed in Medical-Moral Newsletter, Vol VII, Nos. 3 & 4, November and December, 1970.

[22] See, for example, Callahan, Daniel. *Abortion: Law, Choice and Morality.* The MacMillan Company. New York, 1970, for an exhaustive review of the medical and psychiatric literature, both here and abroad. Since Dr. Callahan himself favors a modified abortion-on-request policy, his finding that there are no longer any clear-cut agreed-upon "indications" for therapeutic abortion would seem to be all the more impressive.

[23] The Washington *Post,* June 7, 1971.

[24] Diamond, Eugene, M.D. "Humanizing the Abortion Debate." *America* magazine, July 19, 1969.

[25] See Cavanaugh, Denis, M.D. "Reforming the Abortion Laws: A Doctor Looks at the Case." *America* magazine, April 18, 1970.

[26] Statement of President Nixon printed in full in, *inter alia, The Wanderer,* April 27, 1971.

[27] "Newsletter," National Right to Life Committee, April and May, 1971.

[28] See Blake, Judith. "Abortion and Public Opinion: the 1960–1970 Decade." *Science,* Vol. 171, 12 February 1971.

[29] See "Special Legal Report: Courts Defend the Unborn." "Newsletter," National Right to Life Committee.

[30] Statement of President Nixon, Note 26 above.

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## ADEQUATE MEDICAL CARE FOR ELDERLY

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Massachusetts (Mr. BURKE) is recognized for 20 minutes.

Mr. BURKE of Massachusetts. Mr. Speaker, I rise today to discuss the problems of the elderly in the area of health care and costs. I do not intend to assign any oratorical priority to this problem and claim it is the most serious problem facing the elderly. Last week I devoted a full speech to the problems of adequate income confronting the elderly. Next week I intend to take up the problem of adequate housing. I see nothing to be gained by putting one of these problems ahead of another. It is the combination of all three of these most pressing and overwhelming concerns which make old age the difficult period of life it is. I suppose what makes the problem of health costs such an overwhelming preoccupation for the elderly is that this is the age bracket of our population which is confined for the most part to fixed incomes. While health costs are free to spiral at a dizzying pace through the ceiling, the incomes of those most affected by these costs are fixed in the form of either pensions or social security benefits. The irony in all of this, if that is an appropriate choice of words, is that we have a situation where those least able to pay are those who most often have to pay. Statistics confirm what common sense would indicate, that those over 65 are faced with the greatest need for medical attention. Last year, the average medical bill, for instance, for each aged person is estimated to be $791 or more than six times the average youth's bill of $123 and almost three times the intermediate aged bill of $296. Yet this is the age group most likely to be affected by chronic illness, as well as general incapacitation requiring either constant medical or custodial attention.

At the outset it would be worthwhile, in order to appreciate the gravity of the present crisis in health care for the elderly to examine statistically what again common knowledge claims has happened to health costs in general in recent years. The figures in fact, speak for themselves. In the last 20 years each person's average medical bill has grown from $79—using 1950 as a base year—to $324 in 1970, representing an average yearly increase of 7.3 percent. When adjusted to account for the average increase in wage levels, over the same 20-year period, we find that we have a net real increase in health costs of 4.3 percent over the same 20-year period. But I have serious reservations whether this figure should in fact be weighted in this manner in view of the fact that the age group we are discussing happens to be, for the most part, on fixed incomes which just have not participated in the general increase in wage levels for the economy as a whole.

Clearly, it was pressure of this magnitude and this form which drove men of good conscience in the early 1960's to conclude that something had to be done then and there, unless the aged were to be forced to resign themselves to a dismal future with only two prospects, either financial ruin or lack of needed medical attention. These staggering increase in the cost of health care, in other words, provided the incentive to pass legislation providing health insurance for those over 65. Medicare, the resulting legislation, has justifiably been referred to as one of the legislative milestones of the 1960's. I know Chairman MILLS is proud of the tremendously important role he played in devising a bill which would pass both Houses and accomplish this objective. It certainly stands as a monument to the memory of the late, great John Fogarty, my dear colleague from Rhode Island. As originally conceived, medicare was a truly great step forward in the annals of this Nation's history, not just in legislation for the elderly, but in the annals of social legislation in general. It was the embodiment of our Nation's commitment to provide for the needs of our elderly citizens in the vital area of medical care. Rather than making it a handout or charity for those too proud to accept it, it was set up in the form of a social insurance program whereby workers during their productive years, and their employers, would begin to pay toward hospital and related care costs they would meet in their senior years. Today it is estimated that some 20 million persons are enrolled in the program. There can be no denying that there has been improvement in the lot of the elderly as a result of the program. In premedicare days, that is, before 1966, it is estimated that some three-tenths of an aged person's medical bill was paid for with public funds. By fiscal year 1970 it is estimated that fully two-thirds of the total bill for medical aid for the aged was Government funded, with medicare alone contributing some 43 percent and medicaid picking up the remaining 16 percent. Medicaid, a program administered by the States to aid the needy has certainly come in for its share of criticism lately, but at this stage I am only interested in focusing on the contribution it makes toward helping the elderly meet their medical expenses. According to my calculations this still leaves 29 percent of the average aged person's health bill properly classified as out-of-pocket expenses. Viewed from another angle, I think the impact of the medicare program can be seen even more dramatically. In pre-medicare days, 69 cents of every dollar spent on health care came from the individual's own finances. By fiscal year 1970, 67 cents of each dollar spent on health care was paid for by all levels of Government—in other words, almost the complete reversal of the case in 1965.

Now, if we were to leave the story at this point, as too many have, and walk away from it feeling our job has been done and we have succeeded beyond our wildest expectations, we would be making a very serious mistake. While I would hate to think of the situation facing the elderly without medicare, that is not the same as saying I am satisfied that we have gone far enough. The fact is that, whether because of or in spite of massive Federal and State involvement in health care programs for the elderly such as medicare and medicaid, there are still far too many cases being brought to every Congressman's attention where individuals in old age are being hounded to the grave by staggering and impossible medical costs. Had medical costs been frozen in at their 1965 level, the legislation might still need updating, but perhaps the word "crisis" would be an exaggeration. But as we all know, the State and Federal governments have not been able to get a handle on medical costs and they have probably risen more in the past 4 years than any other single sector of the economy. Thus, financial ruin is still a very real possibility for too many of our elderly, after they have either gone over the present 60 cost-free days of in-hospital treatment or exhausted their individual lifetime reserve. Even the statistics quoted above, impressive as they are, must be viewed with the knowledge that while 67 cents of each dollar spent on health care is being paid for by all levels of government today, since more dollars are being charged for health care, the 33 cents of each dollar borne by the individual adds up to a very significant amount indeed. In some cases, the individual is really not any better off when he pays his share of the bill, than 6 years ago. If this were an exceptional situation, my remarks might be of very limited interest indeed but the fact is that these cases are too numerous to document here and I am sure other Congressmen have encountered similar situations.

Another indication of the increased financial burden on those with fixed incomes, even under the medicare program, is that the deductible under part A of the medicare program of inpatient hospital treatment has just been increased to $68 by the Secretary of Health, Education, and Welfare. As I pointed out on October 4, on the floor of this House, this announcement by a high administration official in the midst of a wage-price freeze would seem to go against the spirit of that program. This $8 increase represents a 13½ percent increase in the cost of medical service. To someone living on social security benefits who is used to watching percentage increases in the cost of living very carefully, this is indeed a significant increase. As I said then:

> 13⅓ percent increase in the cost of services in one sector of the economy—the result of a government announcement—is a bad example for the rest of the economy.

The situation is much more serious when we consider the fact that since July 1966 the deductible has been increased a total of four times. As a matter of fact, the new $68 figure represents a difference of $28 over the $40 figure at which the program began back in July of 1966. To me, this development is indicative of the way all kinds of costs have been allowed to increase under the medicare program, almost surreptitiously, buried as these announcements are in the inner recesses of the Federal Register and couched in the most obtuse legalese the HEW is capable of.

When we examine what has happened under part B of the medicare program, the voluntary supplementary program which covers the costs of doctors' services and a number of other items and services not covered under the basic program embodied in part A, the situation is even more serious if possible. Part B is largely financed through monthly permiums contributed by enrollees with matching funds from the Federal Government. What has been the record of monthly premiums paid under part B? From July 1966 when the monthly premiums stood at $3, we found ourselves in July 1971 with a monthly premium of $5.60—close to a 100-percent increase. As a matter of fact, many are now watching to see whether HEW will announce a further increase at the end of this year, pending completion of its current review of costs of the medicare program. H.R. 1, which has passed the House and is currently languishing in the Senate, does attempt to address itself to this upward trend in monthly premiums by freezing them at the present $5.60 level and permitting further increases only when there are increases in social security benefits. But even this illustrates just why the elderly never seem to get ahead under our present programs. Every time there is an increase in social security benefits, there is always someone ready to increase costs. Often it can only appear to the elderly that what the Government gives with one hand with such great fanfare and publicity, it takes away with the other hand clandestinely and without much advance notice. And I am only talking about costs that are effected by Government decree. I have not even mentioned all the elements in the cost of living which are outside direct Government control. This is the principal reason I have such serious reservations about the prospect of any real improvement in the lot of those totally dependent upon social security benefits, if all they have to depend on is a cost of living adjustment mechanism. Five dollars and sixty cents might not seem much to someone earning $300 or $400 a month, but to some one trying to live on $100 or less the situation is almost impossible.

But none of the above statistics, I think illustrate as serious a threat to the financial peace of mind of our elderly under the medicare program than the prospect that with the passage of H.R. 1 the period of cost-free hospitalization under medicare will be reduced from 60 days to 30 days. Even under the current law with provision for 60 days of free hospitalization, there are far too many well documented cases where many of our elderly citizens are encountering financial ruin—whether their own or close relatives'—if they happen to be in the middle-income bracket and need hospitalization of more than 60 days. Actually the H.R. 1 reduction to 30 days represents a distinct improvement over the original administration request to reduce the period of free hospital care from 60 to 15 days. This is but another example of the numerous frontal attacks on the medicare program—reducing, chopping, eating away at the modest coverage the original sponsors of the legislation intended. The elderly, consequently, are beginning to get the message and, not surprisingly, they do not like what they hear. Chronic illness is not so infrequent that anyone can be happy at the prospect of seeing coverage cut from 60 to 15 days, or even 30 days. I am talking now about hospitalization. But what of the thousands around the country who are faced with the prospect of spending the remainder of their lives in custodial care? My constituent mail is replete with stories of how widowers and widows were financially ruined by the costs of providing minimal home nursing or long-term nursing home care. This, in my opinion, is the most serious flaw in the current medicare set up. Because of old age, many find it necessary to spend time in convalescence and custodial care for long periods of time with no protection under the present system. Many defenders of the status quo argue, whatever happened to family loyalty of the old days when one member of the family took care of the others? The irony is that I know of many first-hand instances where members of the family were forced to take a job simply to pay for the visits of a nurse or doctor to their home on a regular basis, to treat one of their close relatives.

Another staggering contributor to the rising medical costs associated with growing old is the cost of medication and prescription drugs. The cost of prescription drugs is now the largest single medical expense the elderly must meet almost entirely from their own finances. It is for this reason that I was one of the first of 113 Congressmen to cosponsor H.R. 2355 which would expand medicare to include the cost of prescription drugs consumed out of hospitals. Congressman OBEY is to be congratulated for the leadership he displayed in introducing this far-seeking piece of legislation. It would constitute a real measure of relief to the elderly were it to pass, as the prescription drug expenditure is more than 3 times the average facing persons under 65. Confronted with these statistics, the many financial and administrative arguments raised against the Federal Government's picking up the tab for this integral part of health care appear miniscule, indeed, and so much concern about very little.

Quite apart from the problem of costs, important as they are, are the more difficult-to-pin-down gaps in coverage under the present medicare program. Unfortunately, it requires considerable time to be specific about this aspect of the problem since it requires discussion on a case-by-case basis. I think the following case, however, illustrates the sort of problem which occurs all too frequently under the present program. It is based directly on correspondence over a long period of time with one of my constituents. One gentleman has corresponded with me on numerous occasions on the serious illness of his wife, who after several operations, was transferred to an extended care facility and finally returned home. Only one of the many major health problems under medicare raised by this particular constituents was the medicare certified home health agencies' provision.

Under the medicare regulations governing home health agencies and the services they provide, an agency is only required to provide two services, one of which must be skilled nursing care. The agency may choose the other service it must provide in addition to nursing.

The Social Security Administration regional representative for health insurance informed my constitutent that the health center available to him, and the only one in his town, provided skilled nursing services and choose to provide physical therapy as its other required service. While this particular agency could, if it wished, provide other services in addition to nursing and physical therapy it is not required to do so under the medicare provisions. Consequently because this particular health center did not choose to provide home health aid services, this gentleman's wife was not eligible to receive such services. As an aside, it is interesting to note that several surrounding towns provided homemaker services, however, for my constituent to receive them it was necessary for him to do so only on a private basis for his wife.

To me this is just another indication of regulations that work against the sick and elderly—all in a program that was designed to assist people when they needed help the most.

The human element here just cannot be ignored. In the midst of his running battle to reclaim expenses from his local social security office, the person dearest to his heart passed away. Within days after the funeral, the poor man was required to meet a deadline and file a notice of appeal. I could go on and on—but suffice it to say, whatever else it has done, medicare has not brought peace of mind to this family.

Having spent this much time criticizing the present program it is only natural to conclude by asking, where do we go from here? What should be done? I know that until now the main focus of attack by the organizations representing the elderly has been to expand present programs and reform piecemeal existing legislation. I hope I will be excused if I despair together with the elderly in my district about the magnitude of the task and the time it would require to be successful. Again, it would seem that we are asking the present generation of elderly to be patient with the promise that future generations will be better off. This sacrificed generation approach is something I find repugnant and not worthy of this Nation and its capabilities. I find myself looking with greater hope on the infinite possibilities offered by the present hearings being conducted by the Ways and Means Committee on the various national health insurance proposals. In this connection, I find myself struck by the manner in which the chairman of that committee put the problem into prospective at the opening of those hearings. Chairman MILLS was quoted on that occasion as stating the problem as follows:

> The ability to produce the highest quality care—but with services so unevenly available that the U.S. lags behind many other nations in major health indices.
>
> The capacity to consume 7 per cent of the gross national product (sum of all U.S. goods and services), but almost half the increased health care expenditures in the last decade went for higher prices not more services.
>
> Rapid growth in the number of hospital and nursing home beds—but so lacking in planning as to create costly surpluses in many areas and shortages in others.
>
> A medical education system which responds to increased demand for physicians' services largely by importing thousands of less well trained foreign medical graduates, aggravating the already serious maldistribution of physicians.
>
> A largely non-profit hospital system which actually makes "profits" from a cost-plus payment system lacking incentives for efficient services.
>
> And a clientele which is increasingly resentful of trying to find the way through a maze of referring practitioners to find services for which a higher and higher part of the family budget must be used and this without confidence that the care finally obtained is appropriate or of high quality.

The idea of national health insurance is nothing new. If you can believe it, as far back as World War I, the American Medical Association which was then an up and coming radical group proposed a comprehensive, tax-financed, health insurance package. It was only natural that the idea would be revived in the New Deal and later in the Fair Deal, again during the New Frontier and most recently during the Great Society.

At this late date I hope I would not be considered too premature if I went so far as to say that support is galvanizing behind the concept and it is an idea, if ever there was one, whose time has come.

One need go no further to find proof of the truth of this assertion than to look at the number of health insurance proposals which have been filed this session of Congress. When Congress recessed in August, there had already been filed a total of 10 different national health insurance proposals. This seems to me to be clear evidence something is about to happen when you see this many public officials wanting to get into the act and have a say about the final shape of things to come. When you see the present administration come out with its own plan, the National Health Insurance Partnership Act, then you can be sure that there is on the part of the electorate a growing impatience with the absence of any genuine national health insurance scheme.

And why would they not be? Why would the people not be fed up with skyrocketing medical costs? Why would the people not be fed up with the failure of medicare and medicaid to solve the problem? I know, both of these programs were passed with tremendous enthusiasm. The Congressmen who voted for them felt they were ushering in an historic new era of social services to the people. When I think back on it, we thought that the day medicare passed, this Nation had reached a new millenium, utopia was just around the corner. Perhaps we needed this kind of childlike faith and boundless optimism or even that much help for those in our society who needed help the most would not have been given. But medicare has not done the job. Serious reflection would indicate it could not possibly do the job.

No one can disagree with the opinion that medicare and medicaid are not the answer to this Nation's crisis in health care. It seems to me that it should not be beyond the capabilities of the richest, most technologically advanced nation in the world to devise a system which will come to grips with the problem of health care, whether viewed from the angle of delivery or cost. Other nations around this world, considerably less well off than ours, have addressed themselves to this problem. Some of the nations of Europe tackled the problem while their cities and countrysides literally were still smouldering from the bombing and destruction of World War II. They made it their first order of business. The population apparently would not have it any other way. Churchill was pushed aside because Atlee had the health plan and Churchill did not. Now no one is saying that the Europeans have managed to eliminate all of the bugs from a national health insurance system. The critics who were around at its inception are still around making constructive suggestions for reforming the system. But no one, and I repeat no one, in a position of responsibility in those countries today is advocating dismantling the system. When I read all the mail coming in against a national health insurance scheme for this country, I find myself agreeing with some of the criticisms and recognizing some of my own fears about what might possibly happen. But the crisis is getting no better for the lack of a plan—for the lack of action. It is clearly going from worse to worst. The way things now stand the Federal Government is basically powerless to control the costs and the quality of delivery but at the same time it is accused of contributing to the deterioration and quality of care and the increase in costs because of what little it has done to date; namely, medicare and medicaid. In other words, by stopping and standing still in our efforts to see to it that no American goes without health care because it just is not available or they cannot afford it, we are in danger of causing just what we set out to cure in 1960. There are some things apparently that do not lend themselves to a piecemeal approach and medical care is apparently one of these. Even the AMA and the AHA and the chambers of commerce seem to be telling us is that medicare and medicaid do not go far enough and that they have indirectly caused a good deal of the present problem. They admit something further has to be done and have filed their own proposals to do this. There is no question in my mind that piecemeal approaches to social legislation invariably wind up having the effect of putting the greatest burden on the low-income families in our society. Not the really poor, they qualify invariably according to some cutoff level formula. Of course, the well to do usually manage to find the money or contribute to an insurance scheme to take care of the vital matters of life and death. So what are we left with? That great broad cross section of our society where I am convinced the majority of our people find themselves, the low- and middle-income group. They are the ones who are bearing the brunt of the burden of skyrocketing medical costs and prohibitive insurance premiums. All you have to do is work in a Congressman's office 1 day and you will learn, if nothing else, from the mail received each day just how many Americans cannot afford to go to a hospital or pay for the care they need.

So, I say now is the time for the majority of the American people to stand up and be heard. To do away with poverty levels and means tests, which have never been administered properly any way by our bureaucracies. To scrap medicare and medicaid and with those programs all the divisiveness, mismanagement, and ineffectiveness that goes with those programs. Now is the time for a single comprehensive insurance program open to all Americans and backed up by the full faith and credit of the U.S. Government which owes us no more and no less, as part of our inalienable right to health and happiness in the world's greatest democracy. Sure it is going to cost: all good things do cost money. But in view of the billions we are currently throwing away on the current medicare and medicaid programs, the money is already being spent. It is just a matter of spending it in a better, fairer way. Hospital and medical costs will then be completely responsive to control. Right now there are a number of people walking the streets of this country who can neither afford private hospital insurance or to pay medical bills. This to me is an intolerable situation. A national insurance scheme would in effect be another element in a policy which would even out the mountains facing individuals by having everyone bear a proportionate share of the cost. Sure this will be a tax burden, but it will not be a burden which will wipe any family out, as our present system, or lack of one, does. As to those who argue this will produce nothing but long waiting lines outside of doctors' offices, all I can say is that I would rather see some people getting medical attention who perhaps don't need it in order to see that everyone who needs it gets it. Right now I know this is not the case. I could sleep more comfortably at night even if some overuse resulted under a national health insurance scheme than I am at present knowing full well that some people are going without vital medical attention because they cannot afford it and no one cares. As for the doctors going on strike and not wanting to be part of a system run by big brother, doctors are still practicing in every country in Europe today and the medical schools are still turning down applicants for lack of space. Sure the forces we will have to overcome are great but we must come out fighting for the most we can get now so that what we do get will be better than what we now have and it must come before too much more time goes by.

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Wisconsin (Mr. ASPIN) is recognized for 20 minutes.

Mr. ASPIN. Mr. Speaker, when the bill H.R. 11731, the Defense Appropriation Act of 1971, reaches the floor of the House later this week I intend to offer a 2-percent efficiency amendment that would hold fiscal 1972 spending to the fiscal 1971 level. Today I would like to explain to my colleagues what the amendment would do and why I intend to offer it. I will discuss how defense costs have increased recently despite an anticipated decrease, the inadequate explanation by the Committee on Appropriations in its report accompanying H.R. 11731 and the reasons I believe a 2-percent efficiency amendment should be adopted.

I

Mr. Speaker, my amendment is very straightforward. The bill reported by the Committee on Appropriations provides for $71 billion, the adoption of my amendment would hold defense spending to the fiscal 1971 level of $69.5 billion. My amendment would cut the defense appropriation by $1.5 billion, an effective efficiency cut of 2 percent.

The committee in its report for H.R. 11731 correctly points out that in the past, after a war, defense spending has declined. Quite the opposite has been true as the war in Vietnam has slowly wound down. Defense spending in constant dollars has been increasing. The American people are paying more and, I believe, are getting less in terms of real security for their defense tax dollar.

This year's budget shows an increase of $3.1 billion in defense spending when the dollar figures are adjusted for inflation and the decreased costs of the war in Vietnam as indicated in table I.

*Table I*

| | |
|---|---|
| New Budget Obligational Authority fiscal year 1971 | $69.5 |
| Fiscal year 1971 BOA adjusted for inflation | 71.9 |
| Estimated Savings from Vietnamization fiscal year 1972 | 4.0 |
| Fiscal year 1971 BOA adjusted for inflation and Vietnamization | 67.9 |
| New Budget Obligational Authority fiscal year 1972 | 71.0 |
| Adjusted increase fiscal year 1971–72 | 3.1 |

Table I adjusts the fiscal year 1971 budget for inflation and the savings of the Vietnamization program for fiscal year 1972. If defense spending did not increase in constant 1972 dollars then the defense budget would be $67.9 billion. Thus the bill that the committee has reported to the House includes an increase of $3.1 billion.

This large increase—$3.1 billion—in spending is difficult to justify given major decreases in cost that have occurred since the beginning of the Vietnam war. Both strategic forces modernization and baseline general purpose forces costs have declined using constant 1972 prices.

TABLE II

[In billions of constant 1972 dollars]

| Procurement use | 1964 | 1965–71 | 1972 |
|---|---|---|---|
| Strategic nuclear forces | $6.1 | $3.3 | $3.3 |
| Non-Vietnam general purpose forces | 13.2 | 14.8 | 14.1 |

| Anticipated savings: | Billions |
|---|---|
| Decrease cost-strategic nuclear forces | $2.8 |
| Non-Vietnam general purpose forces | .9 |
| Total | 3.7 |

Thus not only has the defense budget increased by more than $3 billion in the last year, but savings that had been anticipated have not materialized.

Neither the administration nor the committee have explained where this $3.7 billion has gone. Thus we can only guess what has happened to these funds. Three possibilities come to mind: Continued goldplating and cost growth in the development and procurement of new weapons systems; failure to cut back the support structure proportionate to the reduction in operating combat forces; and vested interests succeeding in keeping marginal forces and programs. In all likelihood no single factor accounts for all the more than $3.7 billion in waste; it is probably some combination.

II

In its report accompanying H.R. 11731 the committee discusses an unadjusted increase of $1.5 billion that has occurred in the last year.

They write:

> The increase of $1.5 billion is supported by a number of factors. High costs due to economic inflation have caused defense costs to rise. The desire to continue ongoing programs and installations in order to provide jobs and in order to avoid a further increase in unemployment is probably a factor. Also the military services, as is not uncharacteristic of government agencies generally have sought the opportunity to keep their budgets at a high level and have included favored programs in the Budget which could not be funded when the war made heavier demands on appropriations.

I would like to discuss in detail each one of these three reasons offered for the increase on defense spending—inflation, employment, and the delay of favored programs.

Testifying before the Appropriations Subcommittee on the Department of Defense the Department's Comptroller, Mr. Robert C. Moot, indicated that the administration excepted a 3½-percent increase in defense costs due to inflation. As indicated earlier in table I when the fiscal year 1971 budget is adjusted for inflation and the savings that Secretary of Defense Laird estimates result from the Vietnamization program, the cost of defense is still increasing in real terms by $3.1 billion. The real cause of the increasing cost of defense is not inflation.

The President's new economic policy should further decrease the cost of inflation in fiscal 1972. If Secretary of the Treasury Connally achieves his goals of 2 percent inflation for calendar year 1972 the real increase in defense expenditure would be $3.6 billion.

Defense costs could be reduced if the Secretary of Defense adopted a major recommendation of the Blue Ribbon Panel on Defense. That group suggested that the Department of Defense ought to be able to raise its own productivity 1 percent or half of the cut that I propose should be anticipated automatically.

III

The second reason offered by the committee for the increase in war spending was the maintenance of employment. I find this argument most disturbing. All of us know that increasing defense spending is not an efficient or economically sound mechanism to maintain employment or create jobs. Defense industries produce goods that Americans do not consume. Government, when it spends on defense to maintain jobs, in effect, creates a new kind of WPA. In the 1970's the committee seems to be implicitly saying, we will make work for highly trained and skilled engineers even though we really do not need the products that they produce.

At the same time that the committee argues that the defense spending is rising to maintain employment, this administration has impounded approximately $12 billion of fiscal year 1971 funds that could not only maintain jobs but create thousands of new jobs.

In testimony before a Senate subcommittee on March 23 of this year Mayor Alioto of San Francisco revealed that $792 million appropriated by this House has been impounded by the administration. The detailed items are listed in table III.

*Table III.—Federally impounded funds fiscal year 1971*

[In millions of dollars]

| | |
|---|---|
| Water and sewer facilities | $200 |
| Public housing | 192 |
| Transportation | 200 |
| Urban renewal | 200 |
| Total | 792 |

This $792 million as indicated in table III if spent would not only create thousands of jobs, it would be a giant step forward in meeting the problems of our cities—old and dilapidated housing, poor urban transit, and outdated and inadequate water and sewer facilities.

The committee's desire to maintain employment and the administration's refusal to release these funds comes to the heart of one of the principal reasons that I offer this amendment—to reorder our national priorities. Economic adjustments are difficult for individuals and communities and Government must help them make the necessary adjustments. But to spend on defense to maintain jobs while denying funds to meet the Nation's more pressing needs that would create thousands of new jobs, I believe dramatically illustrates how terribly misguided our national priorities have become.

IV

The third justification offered by the Committee on Appropriations for the increase in defense spending has been the desire of the military services to fund favored programs, that were delayed because of the fighting in Vietnam.

Not only is this reasoning false, but it reveals the inability and the unwillingness of those of us in Congress to withstand the pressure brought to bear by the Pentagon bureaucracy to fund often ill-conceived, problem-ridden, and even unnecessary programs.

The fact of the matter is, Mr. Speaker, that not only were few, if any, favored programs delayed by the war, but our fighting of the war in Vietnam allowed the military to conduct the most thorough modernization program since World War II.

Procurement for general purpose forces not engaged in Vietnam actually increased on the average during the 7-year period 1965–71 after allowing for inflation. Considerable modernization was financed by the war itself. As older equipment was attrited, replacements were procured. In many cases, replacements were of newer generations and models with more sophistication, reliability, maintainability, and firepower than the material and weapons that they replaced.

In addition, the administration has announced that from $3 to $5 billion in military equipment and stocks will have been returned to this country by next June. Much of his material was purchased during the war. To the extent it was treated as a Vietnam-related cost, the modernization that this material represents is in addition to the average increased non-Vietnam procurement mentioned above.

When the Committee on Appropriations mentions favored programs, it surely cannot be referring to either general purpose forces or the modernization of strategic weapons systems. As demonstrated in table II, these costs should have actually decreased since fiscal 1964. While there are many programs that fall into the favored program category, I shall only briefly discuss three: the F–14, the Navy's shipbuilding program, and the B–1 manned bomber.

Even the committee itself recognizes problems connected with the F–14 program. The plane is also the subject of separate views signed by the gentleman from Maryland (Mr. LONG) and the gentleman from Illinois (Mr. YATES). Yet, despite all the doubts expressed and the committee's recommendation that the Navy explore every avenue available under existing airframe and advanced technology * * * to minimize as far as possible the total number of F–14A's purchased, the bill reported to this House includes $801.6 million to build 48 F–14A's, precisely the action the committee recommends against. The committee has recognized problems with the F–14 program, but failed to do anything about it.

Another favored program is the $1.4 billion new ship and ship conversion program. In this case, some of the ships are unnecessary under current Navy force level plans.

Included in this bill will be $370 million for the B–1 manned bomber. Members of this House and the other body have called into question the wisdom of building a new manned bomber. Many of us have serious doubts about such an aircraft's survivability and reliability.

The committee presents three arguments to justify an unadjusted increase of $1.5 billion in defense spending. I have calculated the increase when adjusted for inflation and Vietnam savings as $3.1 billion. The inflation argument is irrelevant, since inflation coupled with Vietnam savings still indicates an increase of defense spending in constant 1972 dollars of $3.1 billion. The committee attempts to justify the increase on the basis of employment, while the administration impounds billions of dollars that could create thousands of jobs. I know of no more glaring example of this Nation's misguided priorities than a double standard of billions for aerospace and impounding of funds for our cities. The committee admits that it is funding a series of favored programs and admits, at least, implicitly that it cannot stand the pressure from the Pentagon bureaucracy. The most distressing case is the F–14 where the committee recommends that the Navy do one thing—build as few F–14A's as possible—and then hands them $801.6 million to do exactly the opposite.

In sum, it is my contention that the Committee on Appropriations has made a very poor case for an adjusted increase for military of constant 1972 dollars of $3.1 billion.

V

I would like to now discuss with my colleagues in detail why I am proposing this 2 percent efficiency amendment that is a ceiling on defense expenditures. There are three principal reasons that have led me to offer this amendment—the obvious need to eliminate waste in the Defense Department and defense industries, to reorder our national priorities, and to reassert the role of the Congress in policymaking.

I demonstrated earlier that after adjustments for inflation and savings from Vietnamization that there will be $3.1 billion increase in defense spending in fiscal year 1972 compared to last year. In addition, I indicated that expected decreases in defense costs of aproximately $3.7 billion have failed to materialize.

Mr. Speaker, the American people are being asked to pay more for defense and they are getting less not only in quantity, but often in quality.

The Senate Armed Services Committee in its report on the defense authorization bill said:

> If the geometric cost increase for weapon systems is not sharply reversed, then even significant increases in the defense budget may not insure the force levels required for our national security . . . If we can afford a permanent force structure of only one-fifth as many fighter aircraft or tanks as our potential adversaries—because our systems are about five times more expensive than theirs—then a future crisis may find us at a sharp numerical disadvantage. Present trends, if continued, make it unlikely that this level of funding will be adequate in the near future for the development and procurement of sufficient weapons to equip our forces. But to protect the national security, we must be assured that we will be able to have sufficient forces in time to defend ourselves; an insufficient number of costly, complex and ineffective weapons cannot assure us of this. The present trend of manpower and weapon system costs means that we will soon see either striking increases in Defense budgets, a sharp decline in force levels and readiness, or reform of the weapon system development and procurement process. If defense budgets are to remain more or less constant, as now seems likely, and consume an ever smaller part of the nation's resources, then the present development and procurement policies are no longer open to us. They only point the way to burdensome increases in defense spending, inadequate forces for defense, or to both of those unacceptable alternatives.

On August 4 of this year I pointed out to my colleagues the increasing cost of replacements of a variety of weapon systems:

INCREASED COST OF REPLACEMENT WEAPONS

[In constant fiscal year 1970 dollars]

| Weapon | Date | Amount |
|---|---|---|
| (1) Tanks: | | |
| M–3 | Early 1940's | $125, 000 |
| M–48 | Early 1950's | 175, 000 |
| M–60 | Early 1960's | 200, 000 |
| M–60–A1–E2 | Early 1970's | 500, 000 |
| XM–803 (MBT–70) | Middle 1970's | 900, 000 |
| (2) Air-to-air munitions: | | |
| AIM–9B | Late 1905's | 10, 000 |
| AIM–7D | Middle 1960's | 50, 000 |
| AIM–7F | Early 1970's | 120, 000 |
| AIM–54 | Middle 1970's | 400, 000 |
| (3) Fighter aircraft: | | |
| P–51 | Early 1940's | 200, 000 |
| P–86 | Late 1940's | 400, 000 |
| F–100C | Middle 1950's | 1, 100, 000 |
| F–104C | Late 1950's | 1, 600, 000 |
| F–4B | Early 1960's | 3, 500, 000 |
| F–15 | Middle 1970's | 9, 000, 000 |

An F–4 costs less than $5 million a copy. An F–14 will surely cost more than the current estimate of $16.7 million. How can we possibly replace a full fleet of F–4 aircraft with F–14's without spending around $20 billion? The only alternative is to build fewer airplanes. I believe that Senator PROXMIRE was essentially right when he said that the United States has begun to engage in the more expensive gold-plated unilateral disarmament in history.

Many of our major weapons systems are either oversophisticated or simply unnecessary. The committee quite correctly endorses the Air Force's new lightweight inexpensive prototype programs. It is undoubtedly true that the United States could build a decent fighter for much less than we are paying for the F–14. Goldplating and cost growth are problems that have plagued almost every major weapon system in recent years.

Some systems in addition to being unnecessarily sophisticated are also unneeded. This appropriation includes funds for seven DD–963's for approximately $600 million. These new escorts are not needed to escort the 12 carrier Navy that the United States will be maintaining by 1980.

The United States must maintain an effective national security posture, but if we continue on our current course we might bankrupt ourselves in the process. That is why I am calling for a ceiling that is, in its effect, a 2-percent efficiency cut. The Department of Defense's track record in cost and cost overruns is well known to the Members of this House and to the American people. A recent Gallup poll revealed that 50 percent of the American people want to spend less on defense. Everybody knows that there is waste in the military services. Many of us, like myself, served in the military and know exactly how wasteful our military is.

My point, Mr. Speaker, is a simple one. With a 2-percent efficiency cut the Congress can discipline the Department of Defense to modernize its operations and become more efficient, eliminating wasteful programs and projects. The Blue Ribbon Defense Panel has already suggested a 1-percent productivity allowance which the Department has not put into effect.

All of us are concerned about efficiency in our Federal Government. Here is a tested straightforward method—a ceiling—that can trim down and tighten up the operation of the Defense Department.

In addition, to disciplining the Defense Department with the 2-percent efficiency ceiling would be a first step in reordering national priorities. Earlier I mentioned almost $800 million that the Nixon administration has impounded. This is money that could revitalize our cities and create thousands of jobs. The passage of the 2-percent efficiency cut in the form of a ceiling would announce to the American people that the time for a change had come. It would demonstrate to the American people that this House is ready to devote its energies and resources to the problems of the environment, the cities, and education.

With the passage of this amendment we would take only a first step in reordering national priorities. It is, however, the first step that would be a giant step—a sign that Government must become more efficient and responsive to the needs of all our citizens.

The third reason I am offering my 2-percent efficiency cut is to reassert the role of the Congress in policymaking. For too long we in the Congress have been unwilling to tackle the defense budget because it was too technical and too complex. All of us may have felt that only the military could decide "how much is enough" for defense.

While all of us thought that the military was merely carrying out its technical function, it has been the Pentagon bureaucracy that has been making policy as well as technical decisions regarding our Nation's defense posture. This House has not only a constitutional right but an obligation to reassert its role in the crucial aspect of policymaking. The Executive has no monopoly over the powers of war and the purse.

The question of how much is enough is not technical but a matter of policy. In the past it has been decided by the Pentagon. Rightfully the decision should rest with the Congress.

When this House decided not to build the SST it was not a question of our technical ability to build the plane, it was a matter of policy. Given the cost, its effects on the environment and other factors, we declared that the SST was not worth the expense. This week, when I offer my amendment we will have an opportunity to trim down the defense budget to the level we spent last year. This action, which is not a technical matter, would be a judgment by this House that the Defense Establishment can be more efficient and withstand a reduction of 2 percent. The passage of this amendment would indicate a change in national priorities and a reassertion of the proper constitutional role of the Congress.

I submit that a 2-percent efficiency cut would make our Defense Establishment more efficient and modern. The way to create jobs is not through a new aerospace WPA, but by reordering our national priorities and attacking those problems that need our immediate attention. By disciplining the wasteful Defense Department's spending, this House can reinvigorate its own constitutional role and function.

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## PADRE OF THE YEAR—RT. REV. MSGR. JOHN J. McGRATH

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Illinois (Mr. Shipley) is recognized for 5 minutes.

Mr. SHIPLEY. Mr. Speaker, a very good friend of mine, Rt. Rev. Msgr. John J. McGrath has recently been named Padre of the Year by the National Catholic Youth Federation and has been honored by the Illinois General Assembly. I would like to place in the Congressional Record a copy of the resolution that was adopted by the Illinois House of Representatives:

### Illinois House of Representatives House Resolution No. 489

Whereas, for more than a quarter-century he has performed his priestly duties in great joy and thanksgiving to his God for having given him the call to devote his life on this earth to ministering to the spiritual needs of his people; and

Whereas, he has served parishes at Springfield, Illinois, New Berlin and currently is the pastor of St. Anthony parish in Effingham; and

Whereas, an integral part of his ministry has been his joyful service to young people through 23 years as Director of the Catholic Youth Organization in the Springfield Roman Catholic Diocese; and

Whereas, this "complete" priest was recognized by Pope Paul VI in June, 1966, who elevated him to the rank of Domestic Prelate; and

Whereas, his guidance and counsel to the youth have produced rich rewards in seeing these young people grow into maturity reflecting the qualities manifested by his teachings; and

Whereas, his selfless devotion to these youth is being acknowledged on Saturday, November 13, 1971 by the National Catholic Youth Federation in convention in Washington, D.C., by presenting him with its "Padre of the Year" Award; therefore, be it

Resolved by the House of Representatives of the seventy-seventh General Assembly of the State of Illinois, that we warmly congratulate Rt. Rev. Monsignor John J. McGrath, who proudly points to his young formative years "back of the yards" in Chicago, for this well-deserved recognition being paid to him by this national organization of young people; and that a suitable copy of this preamble and resolution be forwarded to Monsignor McGrath.

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## FRENCH ACT ON FOREIGN AID: A STRIKING COMPARISON

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, at a time when our discussion on foreign assistance has been characterized by much heat and acrimony, it is interesting to note that the French National Assembly has approved the largest French foreign aid appropriation on record in what the Washington Post reported was, "an effortless exercise marked neither by formal debate or rollcall vote."

The article, by Jonathan C. Randal, which described this process and which appeared in the November 5 edition of the Post, notes—

> From the extreme right to the extreme left, not a single question was asked in the National Assembly. . . . Far from being embarrassed, the officials left the impression that the budgetary imprecision reflected the lack of public opposition to continuing foreign aid.

The comparison of the actions of the Congress and the National Assembly on foreign assistance is quite striking. I am sure that my colleagues will find the following article interesting:

[From the Washington Post, Nov. 5, 1971]

### Record Aid by France Approved

(By Jonathan C. Randal)

Paris, November 4.—The National Assembly today formally approved the largest French foreign aid appropriation on record in an effortless exercise marked neither by formal debate or roll-call vote.

Foreign aid has become such an accepted part of French government practice that the 15 deputies still present after a long discussion of other foreign policy questions marked their approval by a show of hands.

From the extreme right to the extreme left, not a single question was asked in the National Assembly. It was probably just as well, for not a single official among the half-dozen questioned could estimate the total official aid budget for 1972.

Their inability was symptomatic of the French tradition of scattering various aid contributions among various ministries, the most important of which came under the foreign ministry budget which was approved in the vote.

Far from being embarrassed, the officials left the impression that the budgetary imprecision reflected the lack of public opposition to continuing foreign aid.

#### SECOND ONLY TO DUTCH

All those queried insisted that the global government effort was a record high. Together with private investment, France is second only to the Netherlands in relative foreign-aid generosity. Both nations' contributions are well above the United Nations goal which asks industrialized nations to devote 1 per cent of gross national product to aid.

Statistics provided by the Organization of Economic Cooperation and Development show that in 1970—the last year surveyed—total French aid amounted to $1.8 billion, representing 1.24 of the French GNP.

Government aid—much of it straight grants in France's case—amounted to .65 per cent of GNP, compared with a U.S. total of .96 percent of the GNP. Less than a third of the American aid came from government funds.

France's performance is all the more astounding since apposition to foreign aid started earlier in France than elsewhere and still has a small, vocal coterie of devotees.

"CARTIERISM" OF 1950'S

Its once-powerful champion, Paris Match journalist Raymond Cartier, indeed lent his name to a doctrine, "Cartierism," which opposed foreign aid on the ground that France itself needed the hospitals, roads, schools and other social infrastructure that the government provided the underdeveloped world.

In the 1950s Cartierism reached its political zenith when it was incorporated into the ideological arsenal of those favoring rapid independence for France's expensive and far-flung empire.

Post-independence scandal in France's former colonies, involving misappropriation of funds, general waste and conspicuous prestige projects, gave Cartierism a new, but short-lived, fillip in the 1960s.

But not even the abrupt end of the special relationship between France and Algeria this year, marked by the nationalization of French oil interests in its former North African territory, sufficed to force a parliamentary debate at budget time.

MOST TO FORMER POSSESSIONS

Much of the government ease in winning parliamentary support for foreign aid is because nearly 86 per cent of the total goes to former French possessions which reciprocate in a number of ways.

French aid is "tied" to purchases of French equipment, the banking system of most recipient countries is still run by France and the former colonies bank their foreign-exchange reserves with the Bank of France.

Only once in the last decade has French foreign aid actually declined—in 1965. However, the increase in aid in the ensuing two years was so small that it represented an effective reduction given the inroads of inflation.

But in 1968 the aid budget increased by 28 per cent to make up for previous years, and since then annual increases have averaged more than 12 per cent.

## A REALISTIC EXCHANGE RATE

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, the declaration by President Thieu that the accommodation rate for the exchange of the piaster would be raised to 400 to the dollar supports the contention which I made in debate at the time of the adoption of this year's foreign aid bill that the current exchange rates were unfair to the United States. It also indicates the complete unreliability of the certification on November 2 by Dr. John A. Hannah, Administrator of the Agency for International Development, the agent of the President, that the rate of 275 to the dollar was fair to the United States.

Unfortunately, the rate of 400 which is approximately the actual black market rate today will apply only to U.S. Government employees and GI's and not to U.S. Government transactions generally.

This development emphasizes the value of the Monagan amendment which was placed in the 1969 foreign aid bill and refined in the 1971 bill. Clearly the rate of 400 should be extended to all transactions between the United States and South Vietnam. In addition, the AID agency should take off the blinkers and make its certification conform to reality for the benefit of the sorely burdened U.S. Taxpayer.

## FINCH'S LATIN AMERICAN JAUNT QUESTIONED

(Mr. MONAGAN asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. MONAGAN. Mr. Speaker, I was disturbed to read recently that Robert H. Finch, counselor to President Nixon, was planning to leave on a trip to Latin America as a representative of the President in visits to six Latin American countries. My concern arises not from the fact that the President is showing some interest in this area of the world since consistent attention to its problems has been lacking in this administration. I am troubled because the gentleman from California is not one who has had the type of experience with Latin American countries and problems that is required for such a representative. Without a qualified person, a visit of the sort Mr. Finch plans will be simply cosmetic.

Nothing could be less understanding and less knowledgeable than Finch's characterization of the Kennedy and Johnson Latin American policy as "lumping the Latin American countries together as banana republics." While misguided and oversold in many ways, the Alliance for Progress and the Kennedy and Johnson choice of Ambassadors sought to differentiate between these varied countries and to give them understanding and knowledgeable representation.

Finch's "litmus paper test" approach to equal treatment of dictatorships and democratic governments also represents a peculiar and untraditional policy for the United States. While we might remain correct in our relations with dictatorships and renounce intervention in their affairs, that has not meant that we condoned repression of liberties, and this certainly has not been the policy of our Government whatever Mr. Finch's private opinions might be. I suggest that it would be desirable for the administration to use the abilities of Assistant Secretary Meyer in its contacts with Latin America, or if it is found desirable to go outside the regular State Department, to obtain the services and advice of the many experts on Latin America who are available. However knowledgeable Mr. Finch might be in the domestic affairs of the United States, his expertise in this area provides no qualification for the delicate mission which he has undertaken at a time when Latin American problems are receiving inadequate attention, and when signs of disintegration of our policy and deterioration of relations are everywhere apparent. The renewal of our policy and the restoration of traditional good relations should have a top priority. The proposed Finch trip is not adequate to achieve this objective.

## DAMAGE IS SHOWING

(Mr. ASPINALL asked and was given permission to extend his remarks at this point in the RECORD and to include extraneous matter.)

Mr. ASPINALL. Mr. Speaker, the time-worn practice of "repeating a story often enough in order to gain believers" has been at work once again and it is taking its toll. The community of Grand Junction, Colo., has been coping with a problem involving the disposition of uranium mill tailings. Despite the temptation to panic, that seems to be so popular with some segments of our citizenry, the people of Grand Junction have approached this problem in a most reasonable manner, seeking to find out all of the facts possible before making decisions.

There has already been too much oversimplification of this question and I do not want to add to it but, in the interest of time, let me describe the problem in this manner. We are seeking to determine what danger, if any, exists in the low level radiation arising from the uranium mill tailings that have been placed under buildings; what remedial methods are available to eliminate or reduce the radiation below the danger point; and we are trying to determine where the responsibility for paying the cost lies.

Time is needed to make these determinations, but in one important sense time has run out for the people of Grand Junction. This is very succinctly described in a recent editorial in the Grand Junction Daily Sentinel and I urge my colleagues to read it with care:

[From the Grand Junction (Colo.) Daily Sentinel, Nov. 5, 1971]

DAMAGE IS SHOWING

We agree with Congressman Wayne N. Aspinall that federal, state, medical and Atomic Energy officials must get together immediately and set guidelines to determine whether uranium tailings should or should not be removed from Mesa County homes and schools.

However, there was no action taken in the recent Washington hearings indicating that the AEC felt responsible for—or is going to take the lead in—decisions on removal. There was not even any indication that removal will be considered.

This is a blow to Mesa County. While it is true that it has not yet been established whether or not the tailings are a health hazard, it has been proven that their presence is damaging the community.

The health hazard is relevant to those whose health may be damaged. They need to have that question answered. Further, the community itself needs to be rid of the tailings hazard.

For two or three years, Grand Junction has been battered by TV shows, slick magazine stories, big-town newspaper headlines, and pseudo-expert commentators. Most of the stories have been distorted, twisted, unreliable and damaging.

Truth has become as irrelevant as it might in a case of a "haunted house." Belief that the house is evil will send it into disrepute. It will become unsalable and end in decay and ruin, regardless of the truth.

News media in Mesa County—and some others in Colorado—set the record straight; to emphasize that nothing has been proven, to point out that we are in no more danger (and probably considerably less) than residents of smog-ridden Denver or thousands of children going to schools sitting on the San Andreas fault in California.

Nobody listens. Our people had they chosen to believe the scare stories, could have panicked. To their credit, they have remained calm. In this they have shown considerably more sense than residents of distant areas.

But the effect of those distant reactions is being felt in our community. It is beginning to cost the county in hard cash, in growth and development. While the truth of the tailings health hazard is not relevant to this particular threat, the threat is with us and growing.

Our people have believed:

1. That danger standards would be set by established authorities.

2. That those standards would be made public and remedial recommendations implemented where necessary.

3. That since Colorado has two men on the Joint Congressional Committee on Atomic Energy (JCAE), the commission would understand the urgency involved, would discover the truth and take action to remove danger promptly. And by danger, we mean danger to the image of the community as as well as danger to health.

Up to now, the people have held to these beliefs. But now there is very real, defensible concern both about the possible damage to health and the absolute, provable damage to the area's image.

That concern is coupled with a concern about the behind-the-scenes maneuverings of the AEC; with the continued delay in authoritative information; and with the charges that the recent JCAE subcommittee hearings were rigged.

Pious platitudes about environmental protection in construction of nuclear power plants or "the need for more information" about tailings in Grand Junction homes is not enough.

Residents of the area have been patient, but enough has become too much.

## NASHVILLE—HOME OF COUNTRY AND WESTERN SOUND

(Mr. FULTON of Tennessee asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. FULTON of Tennessee. Mr. Speaker, for years, Nashville has been known for its music. It is the "home" of the country and western sound, the second largest recording center in the world, and the birthplace or new locale for some of America's greatest performing talent.

I now would like to bring to my colleagues' attention another Nashville "sound," a sound which sprang from Southern cottonfields as the Negro Gospel music, was adapted and transported worldwide by Nashville's Fisk University "Jubilee Singers," and will be heard in Washington December 2 when the Jubilee Singers perform in concert at Kennedy Center.

The singers, since 1871, have presented to every type of audience the deep human emotions—sorrow, joy, despair, confidence, failure, triumph—comprising the "soul" of spiritual music. They have touched the ears and hearts of European royalty and statesmen: Queen Victoria, King George and Queen Mary, Lady Astor, Gladstone, and Clemenceau to name a few. They have packed the music halls in Milan and Rome, played at the Salle Gaveau in Paris and Festival Hall in London. They have traveled to Holland, Scotland, Sweden, and Russia drawing great response to "Steal Away to Jesus," and in Germany sung the famous Lutheran hymn, "Praise God From Whom All Blessings Flow," in Martin Luther's own room at Wittenberg.

In the United States, there are few towns which have not been exposed to the Singers' moving Gospel strains. They have, to a great degree, contributed to the popularity of this music, and the acceptance of the Negro spiritual as a truly American musical form. They have also helped build Fisk, in early days providing concert funds to keep the school in operation, in later years using proceeds for construction of the new buildings and facilities required of a growing university.

That my colleagues and all Washingtonians will have the opportunity, the privilege of hearing this fine group is to me most pleasing. That the Kennedy Center, in its inaugural year, will host the Singers' centennial celebration seems most fitting.

And I urge every Member, both in this statement and in the "Dear Colleague" notice he will receive, to avail himself of this chance to hear what "Jubilee" is all about.

## H.R. 3599—PROTECTING THE CITIZEN FROM "BIG BROTHERISM"

(Mr. SAYLOR asked and was given permission to extend his remarks at this point in the Record and to include extraneous matter.)

Mr. SAYLOR. Mr. Speaker, I wish to commend my colleague from Oregon, Congressman Al Ullman and the other sponsors of H.R. 3599, who have at great risk to their political images, introduced and fought for this bill to protect American citizens who own .22 caliber weapons from additional harassment by the agents of "Big Brother."

The bill in question is not one of those earth-shattering pieces of legislation about which there needs to be a "great debate." The measure before us is a simple snipping away of the redtape which has grown like a bad weed since the unfortunate passage of the Gun Control Act of 1968.

I believe it is well understood by most Members of the House that the 1968 law was a bad piece of work resulting from the national emotional binge following the Kennedy-King assassinations. That act has not cut down on the number of crimes committeed throughout the Nation. It has not made the streets any safer. It has not locked up the criminals who use guns. It has not brought about the domestic peace its advocates so loudly proclaimed. In fact, about the only thing the 1968 act has done is provide the Orewellian machinery for the constant harassment of millions of law-abiding American citizens who happen to own firearms.

H.R. 3599 adjusts this situation to some degree and I fully support the bill. But frankly, this is the piecemeal approach. The only way to end the useless and disgusting snooping into the lives of citizens by the agents of the Alcohol and Firearms Division of the Treasury Department is to repeal the Gun Control Act.

## LEAVE OF ABSENCE

By unanimous consent, leave of abscence was granted to:

Mr. Galifianakis (at the request of Mr. Boggs), for today, on account of official business.

Mr. Mathias of California (at the request of Mr. Gerald R. Ford), for November 15 through 19, on account of official business.

Mr. McDonald of Michigan (at the request of Mr. Anderson of Illinois), for today, on account of official business.

Mr. Roberts (at the request of Mr. Teague of Texas), for November 15, on account of official business.

Mr. Mikva (at the request of Mr. O'Neill), for November 15 and balance of the week, on account of official business.

Mr. Barrett (at the request of Mr. O'Neill), for Monday, November 15, on account of illness.

Mr. Mathis of Georgia (at the request of Mr. O'Neill), for November 15, on account of official business.

Mr. Dellums (at the request of Mr. Boggs), for today, on account of official business.

Mr. Danielson (at the request of Mr. Boggs), for today, on account of official business—discussing current legislation before the North American Judges Association.

Mr. Mitchell (at the request of Mr. Boggs), for today, on account of official business.

## SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

Mr. Randall, for 45 minutes, today.

Mr. Patman, for 30 minutes, today, and to revise and extend his remarks and include extraneous matter.

(The following Members (at the request of Mr. Shoup), to revise and extend their remarks, and to include extraneous matter:)

Mr. Miller of Ohio, today, for 5 minutes.

Mr. Hogan, today, for 1 hour.

Mr. Buchanan, on November 18, for 1 hour.

Mr. Steiger of Arizona, on November 17, for 1 hour.

(The following Members (at the request of Mr. Denholm), to revise and extend their remarks and to include extraneous matter:)

Mr. Gonzalez, today, for 10 minutes.

Mr. Burke of Massachusetts, today, for 20 minutes.

Mr. Aspin, today, for 20 minutes.

Mr. Shipley, today, for 5 minutes.

Mr. Gibbons, on November 17, for 60 minutes.

## EXTENSION OF REMARKS

By unanimous consent, permission to revise and extend remarks was granted to:

Mr. Sikes in five instances, and to include extraneous matter.

Mr. Satterfield, at the request of Mr. Staggers, to revise and extend his remarks following Mr. Kyros on the bill just passed.

(The following Members (at the request of Mr. Shoup) and to include extraneous material:)

Mr. Steele.
Mr. Scherle in 11 instances.
Mr. Conable.
Mr. Derwinski in two instances.
Mr. Whitehurst.
Mr. Lujan.
Mr. Gross in two instances.
Mr. Edwards of Alabama.
Mr. Johnson of Pennsylvania.
Mr. Devine.
Mr. Hunt.
Mr. Hosmer in two instances.
Mr. Del Clawson.
Mr. Chamberlain in two instances.
Mr. Gude.
Mr. Riegle in two instances.
Mr. Wyman in two instances.
Mr. Price of Texas.
Mr. Broomfield.
Mr. Peyser in five instances.
Mr. Broyhill of Virginia in two instances.
Mr. Burke of Florida.
Mr. Carter in two instances.
Mr. Kemp.
Mr. Steiger of Arizona.
Mr. Schmitz.
Mr. McDonald of Michigan.
Mr. McClory.
Mr. Hogan in two instances.

(The following Members (at the request of Mr. Denholm) and to include extraneous matter:)

Mr. Hathaway.
Mr. Evins of Tennessee in two instances.
Mr. Dingell.
Mrs. Hansen of Washington in two instances.
Mr. Harrington in three instances.
Mr. Rodino.
Mr. Rarick in three instances.
Mr. Hagan in three instances.
Mr. Rogers in five instances.
Mr. Waldie.
Mr. Gonzalez in three instances.
Mr. Gaydos in five instances.
Mr. Boggs.
Mr. Fraser in two instances.
Mr. Hicks of Washington.
Mr. Hamilton.
Mr. Thompson of New Jersey in two instances.
Mr. Begich in five instances.
Mrs. Sullivan in two instances.
Mr. Jacobs in three instances.
Mr. Dow in two instances.
Mr. Hungate in three instances.
Mr. Pickle in three instances.
Mr. Johnson of California in two instances.
Mr. Koch in three instances.
Mr. Wolff.
Mr. Podell in three instances.
Mr. Edmondson in two instances.
Mr. O'Neill in five instances.
Mrs. Hicks of Massachusetts.

## ADJOURNMENT

Mr. DENHOLM. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 6 o'clock and 11 minutes p.m.), the House adjourned until tomorrow, Tuesday, November 16, 1971, at 12 o'clock noon.

## EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

1284. A communication from the President of the United States, transmitting a proposed budget amendment for the fiscal year 1972 for the Commission on the Organization of the Government of the District of Columbia (H. Doc. 92–174); to the Committee on Appropriations and ordered to be printed.

1285. A letter from the Assistant Secretary of State for Congressional Relations, transmitting a copy of Presidential Determination 72–5 relative to the furnishing of sophisticated weapons systems to various countries, pursuant to section 504(a) of the Foreign Assistance Act of 1961, as amended; to the Committee on Foreign Affairs.

1286. A letter from the Director, Administrative Office of the U.S. Courts, transmitting a draft of proposed legislation to amend title 28 of the United States Code to provide for the appointment of officers and employees of the Court of Claims, the Court of Customs and Patent Appeals, and the Customs Court, and for other purposes; to the Committee on the Judiciary.

## REPORTS OF COMMITTEES ON PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XIII, reports of committees were delivered to the Clerk for printing and reference to the proper calendar, as follows:

Mr. MILLS of Arkansas: Committee on Ways and Means. H.R. 7175. A bill to limit, in the case of certain vessels, the application of the duties imposed on equipments and repair parts purchased for, and repairs made to, U.S. vessels in foreign countries; with amendment (Rept. No. 92–668). Referred to the Committee of the Whole House on the State of the Union.

Mr. MILLS of Arkansas: Committee on Ways and Means. H.R. 11186. A bill to exempt from duty certain equipment and repairs for vessels operated by or for any agency of the United States where the entries were made in connection with vessels arriving before January 5, 1971; with amendment (Rept. No. 92–669). Referred to the Committee of the Whole House on the State of the Union.

## PUBLIC BILLS AND RESOLUTIONS

Under clause 4 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. BIAGGI:

H.R. 11753. A bill for the relief of Assyrians; to the Committee on the Judiciary.

H.R. 11754. A bill to amend title 38 of the United States Code to exclude certain increases in benefits under the Social Security Act from consideration as income for the purpose of determining eligibility for pension under title 38, and for other purposes; to the Committee on Veterans' Affairs.

By Mr. BRADEMAS:

H.R. 11755. A bill to revise the Welfare and Pension Plans Disclosure Act; to the Committee on Education and Labor.

By Mr. FISHER:

H.R. 11756. A bill to amend the Occupational Safety and Health Act of 1970 to exempt retail lumber dealers, in States having laws regulating safety in the retail lumber business, from the Federal standards created under such act; to the Committee on Education and Labor.

By Mr. GAYDOS:

H.R. 11757. A bill to amend the Fair Packaging and Labeling Act to provide that the commodity label required by that act must disclose the manufacturer's name and place of business, and packer's name and place of business if different from the manufacturer; to the Committee on Interstate and Foreign Commerce.

By Mr. HALPERN (for himself, Mr. Addabbo, Mr. Boland, Mr. Burton, Mr. Daniels of New Jersey, Mr. Dulski, Mr. Garmatz, Mr. Gude, Mrs. Hansen of Washington, Mrs. Heckler of Massachusetts, Mr. Helstoski, Mr. Kemp, Mr. Kuykendall, Mr. Lent, Mr. Mann, Mr. McCloskey, Mrs. Mink, Mr. Mitchell, Mr. Reid of New York, Mr. Rosenthal, Mr. Symington, Mr. Ware, Mr. Charles H. Wilson, and Mr. Veysey):

H.R. 11758. A bill to provide for the issuance of two-dollar bills bearing the portrait of Susan B. Anthony; to the Committee on Banking and Currency.

By Mr. HALPERN (for himself, Mrs. Griffiths, Mr. McCollister, Mr. Pryor of Arkansas, and Mr. Roy):

H.R. 11759. A bill to provide for the issuance of two-dollar bills bearing the portrait of Susan B. Anthony; to the Committee on Banking and Currency.

By Mr. HARSHA:

H.R. 11760. A bill to encourage national development by providing incentives for the establishment of new or expanded job-producing and job-training industrial and commercial facilities in rural areas having high proportions of persons with low incomes or which have experienced or face a substantial loss of population because of migration, and for other purposes; to the Committee on Ways and Means.

By Mr. KARTH:

H.R. 11761. A bill to amend chapter 89 of title 5, United States Code, to provide improved health benefits for Federal employees; to the Committee on Post Office and Civil Service.

H.R. 11762. A bill to amend chapter 81 of subpart G of title 5, United States Code, relating to compensation for work injuries, and for other purposes; to the Committee on Education and Labor.

H.R. 11763. A bill to amend subchapter III of chapter 83 of title 5, United States Code, relating to civil service retirement, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11764. A bill to amend the age and service requirements for immediate retirement under subchapter III of chapter 83 of title 5, United States Code, and for other purposes; to the Committee on Post Office and Civil Service.

H.R. 11765. A bill to increase the contribution of the Federal Government to the costs of employees' health benefits insurance; to the Committee on Post Office and Civil Service.

H.R. 11766. A bill to restore to Federal civilian employees their rights to participate, as private citizens, in the political life of the Nation, to protect Federal civilian employees from improper political solicitations, and for other purposes; to the Committee on House Administration.

By Mr. LANDRUM:

H.R. 11767. A bill to suspend the duties on fluorspar until the close of January 1, 1974; to the Committee on Ways and Means.

By Mr. MILLS of Maryland:

H.R. 11768. A bill to direct the Secretary of Agriculture to release on behalf of the United States a condition in a deed conveying certain lands to the State of Maryland, and for other purposes; to the Committee on Agriculture.

By Mr. O'KONSKI:

H.R. 11769. A bill to amend the Postal Reorganization Act of 1970, title 39, United States Code, to eliminate certain restrictions on the rights of officers and employees of the Postal Service, and for other purposes; to the Committee on Post Office and Civil Service.

By Mr. PATTEN:

H.R. 11770. A bill to authorize grants and loan guarantees for construction or modernization of hospitals and other medical facilities in the District of Columbia; to the Committee on the District of Columbia.

By Mr. WHALLEY:

H.R. 11771. A bill to retain November 11, as Veterans' Day; to the Committee on the Judiciary.

By Mr. CHARLES H. WILSON:

H.R. 11772. A bill to permit suits to adjudicate disputed titles to lands in which the United States claims an interest; to the Committee on the Judiciary.

By Mr. JACOBS:

H.R. 11773. A bill to amend section 135 of title 4 of the District of Columbia Code to exclude the personnel records, home addresses, and telephone numbers of the officers and members of the Metropolitan Police Department of the District of Columbia from the records open to public inspection; to the Committee on the District of Columbia.

By Mrs. MINK (for herself and Mr. Matsunaga):

H.R. 11774. A bill to authorize a study of the feasibility and desirability of establishing a unit of the national park system in order to preserve and interpret the site of Honokohau National Historical Landmark in the State of Hawaii, and for other purposes; to the Committee on Interior and Insular Affairs.

By Mr. TALCOTT:

H.R. 11775. A bill to amend the Communications Act of 1934 to establish orderly procedures for the consideration of applications for renewal of broadcast licenses; to the Committee on Interstate and Foreign Commerce.

By Mr. THONE (for himself, Mr. Hechler of West Virginia, Mr. Mazzoli, Mr. Ware, Mr. Winn, Mr. Helstoski, Mr. Cleveland, Mr. Derwinski, Mr. Denholm, Mrs. Abzug, Mr. Anderson of Illinois, Mr. Mikva, Mr. Forsythe, Mrs. Green of Oregon, Mr. Robison of New York, Mr. McCollister, and Mr. McClory):

H.R. 11776. A bill urging units and individual members of the armed services to engage in civic works; to the Committee on Armed Services.

By Mr. WHALEN:

H.R. 11777. A bill relating to comparability adjustments in pay rates of Federal employees; to the Committee on Post Office and Civil Service.

By Mr. YOUNG of Florida (for himself and Mr. Winn):

H.J. Res. 968. Joint resolution to amend title 5 of the United States Code to provide for the designation of the 11th day of November of each year as Veterans' Day; to the Committee on the Judiciary.

By Mr. CASEY of Texas:

H. Con. Res. 458. Concurrent resolution accepting the gift of the "Centennial Safe" and expressing the thanks of the Congress to the late donor, Mrs. Charles F. Deihm, and authorizing its display in the Capitol to create interest in the forthcoming bicentennial; to the Committee on House Administration.

By Mr. RARICK:

H. Con. Res. 459. Concurrent resolution expressing the sense of Congress that no action should be taken on the part of the Federal Government, any State or political subdivision thereof that would remove the song "Dixie" from its proper place in the history of the United States and that region of the United States known as the South, or prohibit it from being played as a part of any public function or gathering; to the Committee on the Judiciary.

By Mr. HELSTOSKI (for himself, Mr. Abourezk, Mrs. Abzug, Mr. Burton, Mr. Corman, Mr. Dellums, Mr. Drinan, Mr. Forsythe, Mr. Green of Pennsylvania, Mr. Halpern, Mr. Harrington, Mr. Leggett, Mr. Mikva, Mrs. Mink, Mr. Mitchell, Mr. Moss, Mr. Rooney of Pennsylvania, Mr. Rosenthal, Mr. Ryan, Mr. Sisk, and Mr. Thompson of New Jersey):

H. Res. 705. Resolution expressing the sense of the House of Representatives relative to the Pakistani civil war and the furnishing of relief assistance to persons affected by it; to the Committee on Foreign Affairs.

## MEMORIALS

Under clause 4 of rule XXII,

282. The SPEAKER presented a memorial of the Legislature of the State of California, relative to establishment of national cemeteries; to the Committee on Veterans' Affairs.

## PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BURTON:

H.R. 11778. A bill for the relief of Thomas G. Jolley; to the Committee on the Judiciary.

By Mr. CLARK:

H.R. 11779. A bill for the relief of George Nicolaros; to the Committee on the Judiciary.

By Mr. DELLUMS:

H.R. 11780. A bill for the relief of Thomas G. Jolley; to the Committee on the Judiciary.

By Mrs. MINK:

H.R. 11781. A bill for the relief of Esther Nano Ramos; to the Committee on the Judiciary.

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# SENATE—*Monday, November 15, 1971*

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. Ellender).

The PRESIDENT pro tempore. The Senate will be led in prayer today by the guest Chaplain, the Reverend W. Benjamin Holmes, rector of the Church of St. Martin-in-the-Fields, at Philadelphia, Pa., which happens to be the home church of our good friend the Senator from Pennsylvania (Mr. Scott).

### PRAYER

The Reverend W. Benjamin Holmes offered the following prayer:

Almighty God, whose perfect will for mankind is made known through the imperfect councils of men, we praise Thee for instruments of government whereby the impoverished are fed and sheltered, the young are educated, the sick are healed, the trespassers find justice and mercy, and the complexities of contemporary life are interwoven so that we may live in some peace and our self-interests find some reasonable compromise.

We thank Thee for these Thy servants and for those who assist and enable them to do their work, for their willingness to leave family and hearth, for their readiness to listen to each other, their ability to discern the possible in the midst of chaos and confusion of conflicting interests and, above all, for their private vision of life in this Nation.

Bless them in the use of their power, comfort them in their moments of cynicism, doubt, and loneliness, accept their limitations, forgive them their inadequacies, restore constantly, we beseech Thee, the stream of hope in their fellow men that we so deplenish by the hostility, callousness, and selfishness that we express to them.

Above all, O Lord, grant the Members of this council the knowledge that they are Thy chosen servants to bring Thy kingdom on earth. Amen.

Mr. SCOTT. Mr. President, it is a great privilege to welcome as our visiting Chaplain, the Reverend W. Benjamin Holmes, rector of the Church of St. Martin-in-the-Fields at Philadelphia, Pa., as that is my home church—as the President pro tempore just noted.

The church was established by members of the Houston and Woodward families a good many years ago. It is a beautiful church in the English style, in a quiet and pleasant community.

Dr. Holmes became rector some 4 years ago. Before that, I had the honor to serve on the vestry of St. Martin-in-the-Fields. So it is a great pleasure to note this occasion and to welcome him here. Since I have so few opportunities to return to Philadelphia, I am very glad that my rector was able to come down here to pray over all of us—but especially to one who needs it the most; namely, myself.

Mr. President, I am happy now to yield to my distinguished colleague, Mr. Schweiker.

Mr. SCHWEIKER. Mr. President, I thank my senior colleague for yielding to me. I am delighted to join him in honoring the Reverend Holmes for offering the opening prayer of the Senate this morning. It is quite fitting and proper that we have the rector of the home church of my distinguished colleague from Pennsylvania, who is also the Republican leader on this side of the aisle.

I am delighted to join in tribute to the Reverend Holmes for offering the prayer this morning.

## THE JOURNAL

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the reading of the Journal of proceedings of Saturday, November 13, 1971, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## WAIVER OF THE CALL OF THE CALENDAR

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the call of the legislative calendar, under rule VIII, be dispensed with.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## COMMITTEE MEETINGS DURING SENATE SESSION

Mr. MANSFIELD. Mr. President, I ask unanimous consent that all committees may be authorized to meet during the session of the Senate today.

The PRESIDENT pro tempore. Without objection, it is so ordered.

## A NEWSPAPER REPORTER'S FAREWELL TO VIETNAM

Mr. MANSFIELD. Mr. President, in the National Observer for the week ending November 20, 1971, an article is published, taken from the Chicago Daily News, entitled "A Writer Says His Good-by to Vietnam." The writer is Mr. Keyes Beech, one of the outstanding reporters in all of Asia—if not the most outstanding one.

Mr. President, when Mr. Beech speaks, he speaks from knowledge and understanding.

I ask unanimous consent that his well-thought-out and frank article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### A WRITER SAYS HIS GOOD-BY TO VIETNAM

(By Keyes Beech)

After 10 years, more or less, the time has come to say farewell to Vietnam. I said good-by once before, but it didn't take. Tet, 1968, changed my mind and brought me back. That Tet changed lots of people's minds, including Lyndon Johnson's.

People sometimes eye me curiously and ask why I've stayed so long. One reason, I suppose, is that I was curious to see how it would turn out. Now I'm not sure I'll live long enough to find out.

Vietnam, as someone has observed, is a fickle mistress. It's time I traded her in.

After all these years I know that I should have something terribly profound to say, but I haven't. Not really. I doubt there is anything new to say about Vietnam. For every truth about Vietnam, there is an opposing truth. Truth is in the eye of the beholder.

#### WAITING FOR A HISTORY

Fifteen or 20 years from now, someone will get around to writing the definitive history of this war, but not before. For the present I'm rather like the Australian who said upon leaving this place after three years:

"I don't want to talk to anybody about Vietnam who doesn't know what I'm going to say before I say it."

Or, as a bright young colleague of mine remarked after a stormy evening: "All arguments about Vietnam end the same way. Everybody finally goes to bed."

Then he added casually: "I don't give a damn about your generation. I just want to get my generation out of here."

I gave him an A for honesty.

Probably it is irrelevant by now, but the Communists lost the shooting war in 1968. Yes, the war still goes on, and, yes, people are still being killed. It may go on for years. But wars often go on long after the decisive battle is fought.

The Communists' 1968 Tet offensive was the decisive battle of this war. Hanoi gambled everything on that offensive and lost. It has never recovered. Neither, for that matter, has the United States, for different reasons. Herman Kahn, the human think-tank, summed up things better than most when he said:

"Any military operation that results in the abdication of the President of the United States can hardly be called a failure. On the other hand, I'll bet there is no rejoicing in the streets of Hanoi tonight over the military outcome."

#### LETHAL CONSEQUENCES

In carrying the war from the countryside to the cities, including the streets of Saigon, Hanoi was aiming for a knockout blow. But the risk was great because it meant the enemy had to fight far from his sanctuaries.

The consequences were lethal. Up to Tet, 85 per cent of all enemy casualties were the result of Communist-initiated actions. After Tet that situation was radically reversed. The enemy became the hunted, and we the hunters.

The Communists were now fighting on our terms, in massed formation in relatively open terrain, terribly vulnerable to awesome U.S. firepower. We slaughtered them by the thousands, the tens of thousands.

Hanoi could afford to lose the bodies. It could not afford to lose the leadership. By autumn 1968, the big-unit war was over for all practical purposes.

Tet was a milestone in another sense. It was the beginning of Vietnamization. Because ARVN (South Vietnam army) did fight, because the Saigon government did not collapse, and because there was no "general uprising" to welcome the invaders, Washington decided something might yet be salvaged from the ruins of its policy.

So many rationales have been invented to justify our presence here that the original one has been forgotten. It was very simple: to deny South Vietnam to the Communists.

To that extent we have succeeded. We have never understood the enemy, and we still don't understand him. So we fought the only kind of war we knew how, which was largely World War II all over again.

We stomped him to death. We ran over him in our bulldozers. We plowed him under with Rome plows. We rained destruction on him from our invisible B-52s. We mowed him down with artillery and gunships.

There was nothing very noble about this, but it was effective. Today the enemy's main-force units have been driven out of the South and back to border sanctuaries. In most places he is back where he started in the early '60s.

He has by no means given up. He can't afford to give up. But at best he is engaged in a holding operation. That isn't a great deal to claim after losing more than 600,000 dead.

But what, someone will ask, do we have to show for more than 45,000 dead?

It's a good question, my friend, and I don't have the answer. Call me back 5 or 10 years from now.

#### DEMOCRACY: GENERATIONS AWAY

One thing we don't have is a democracy business. President Nixon made one of the few honest statements ever made on Vietnam by an American President recently when he said it would take generations for democracy to take root here. He might have added: if ever.

The Vietnamese were considerably more realistic. "We Vietnamese know Vietnam isn't ready for democracy," Maj. Gen. Nguyen Ngoc Loan once said. "But we have to talk about it to keep you interested."

Remember Loan? He was the one who made all the front pages during the 1968 Tet offensive when he shot an unarmed Viet Cong in the head.

Another thing we don't have in South Vietnam is self-determination. President Nguyen Van Thieu, with considerable assistance from the Nixon Administration, saw to that during his recent one-man election.

What we and Thieu wanted was a contested election, which Thieu would be sure to win. His chief opponent, retired Gen. Duong Van Minh, refused to go along with that, much to the outrage of Thieu and Ambassador Ellsworth Bunker. So Thieu ran all by himself.

Does all this mean that South Vietnam will go to the Communists once the Americans leave? A great many Americans in some rather high places think so.

#### A GUT FEELING

I don't share that view. But please don't ask me for a scenario. This country is hell on scenarios. Call it a gut feeling. Somehow the Vietnamese will muddle through. If the Communists weren't able to take over the country at peak strength in 1968, I don't see how they can do it now or in the foreseeable future.

Invariably, people ask me what lessons we have learned from Vietnam. The most obvious lesson is not to get involved in another Vietnam. If that sounds cynical or smart-alecky, I don't mean it that way.

But I would like to think that Vietnam has taught us a lesson in something else, a lesson in humility. Never has so small and primitive a country turned such a powerful nation on its ear.

In closing I would like to offer a salute to that skinny little Viet Cong somewhere out there in the jungle shivering in the monsoon rains.

He is one hell of a fighting man.

Mr. SCOTT. Mr. President, will the distinguished majority leader yield?

Mr. MANSFIELD. I yield.

Mr. SCOTT. I asked the distinguished majority leader to yield, because the name of Keyes Beech is one very well known to me. I was a junior officer on the flagship U.S.S. *Mount Olympus* steaming into Tokyo Bay in 1945.

From across the water, on the U.S.S *Mount Olympus,* I witnessed the surrender of the Japanese on the deck of the U.S.S. *Missouri.* One of our passengers was Keyes Beech. I remember him because he was the first member of the press that I met, as I recall, as we landed in Yokohama.

I believe that Mr. Beech stayed in Japan longer than any other member of the press, and more continuously. I came to know him very well in a place called "No. 1 Shinbone Alley" which was a gathering place for the press—perhaps I should also say a watering place—in Tokyo. It was the leading center for news and information, a sort of oasis for visiting press and friends.

Keyes Beech made a great name for himself in Japan, not only as a correspondent but also because he discovered that there was a need for paperback books. He wrote a great many romantic and lusty novels, which were translated into Japanese and read with enthusiasm by the Japanese, who must have received another impression of Americans from his paperback books. But Mr. Beech has bad a long and distinguished career and I am most glad that the distinguished majority leader has placed his article in the RECORD.

Mr. MANSFIELD. Mr. President, I am delighted that the joint leadership sees eye to eye on the matter of Mr. Keyes Beech who, in our opinion, is really one of the top flight reporters in the world. Perhaps, I should say, without question, based on the long period that he served in the Far East, he is the best known and most knowledgeable reporter covering the American press in that area.

## TEACHERS' PAY INCREASES

Mr. MANSFIELD. Mr. President, I listened with interest to the program on "Face the Nation" yesterday, in which the chairman of the economic boards created by the President answered questions posed by reporters.

I noted that the matter of teachers' pay raises was brought up and that some encouragement was forthcoming that they would be given reconsideration.

May I say that if any group has a right to be reconsidered, it is the teachers group which, over a period of months before the August 15 wage-price-rent control freeze went into effect, had signed contracts in good faith and had looked forward to the increases in this school year.

May I say further that, overall, to the best of my knowledge, these increases in teachers pay agreed to last spring, last summer, and even last winter, were not overly high insofar as the percentage of increase was concerned, but did mark the recognition of a group which has done much to bring about a better understanding of this country. Indeed, these are people who have dedicated themselves, by and large, to a profession which offers a great deal of understanding for this Nation, its problems, and its difficulties.

So, without giving any advice whatsoever to the Wage-Price Board, I want to say that I am delighted they are going to reconsider this matter. I am hopeful that justice will be done to the teachers of this country, come Friday or Saturday next.

## PERIOD FOR TRANSACTION OF ROUTINE MORNING BUSINESS

The **PRESIDENT** pro tempore. Under the order previously entered, there will be a period for the transaction of routine morning business for not to exceed 30 minutes, with statements therein limited to 3 minutes.

Is there any morning business?

## PETITIONS

Petitions were laid before the Senate and referred as indicated:

By the PRESIDENT pro tempore:

A concurrent resolution of the Legislature of the State of Michigan; to the Committee on the Judiciary:

"SENATE CONCURRENT RESOLUTION No. 172

"A concurrent resolution applying to the Congress for a convention to propose an amendment to the Constitution of the United States

"Resolved, By the Legislature of the State of Michigan, That said Legislature, hereby and pursuant to Article V of the Constitution of the United States, makes application to the Congress of the United States to call a convention for the proposing of the following amendment to the Constitution of the United States:

" 'ARTICLE —

" 'No student shall be assigned to nor compelled to attend any particular public school on account of race, religion, color or national origin'; and be it further

"Resolved, That this application by the Legislature of the State of Michigan constitutes a continuing application in accordance with Article V of the Constitution of the United States until at least two-thirds of the legislatures of the several states have made similar applications pursuant to Article V, but if Congress proposes an amendment to the Constitution identical with that contained in this resolution before January 1, 1974, this application for a state application shall no longer be of any force or effect; and be it further

"Resolved, That since this method of proposing amendments to the Constitution has never been completed to the point of calling a convention and no interpretation of the power of the states in the exercise of this right has ever been made by any court or any qualified tribunal, if there be such, and since the exercise of the power is a matter of basic sovereign rights and the interpretation thereof is primarily in the sovereign government making such exercise and since the power to use such right in full also carries the power to use such right in part the Legislature of the State of Michigan interprets Article V to mean that if two-thirds of the states make application for a convention to propose an identical amendment to the Constitution for ratification with a limitation that such amendment be the only matter before it, that such convention would have power only to propose the specified amendment and would be limited to such proposal and would not have power to vary the text thereof nor would it have power to propose other amendments on the same or different propositions; and be it further

"Resolved, That a duly attested copy of this resolution be immediately transmitted to the secretary of the Senate of the United States, the Clerk of the House of Representatives of the United States, to each member of the Congress from this State and to each House of each State Legislature in the United States.

"Adopted by the Senate, October 27, 1971.

"Adopted by the House of Representatives, October 28, 1971."

A petition from the Association for Grand Jury Action, Inc.; ordered to lie on the table.

## REPORTS OF COMMITTEES

The following report of a committee was submitted:

By Mr. BIBLE, from the Committee on Interior and Insular Affairs, with amendments:

S. 2601. A bill to provide for increases in appropriation ceilings and boundary changes in certain units of the national park system, and for other purposes (Rept. No. 92–452).

## INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first time and, by unanimous consent, the second time, and referred as indicated:

By Mr. McGEE:

S. 2858. A bill for the relief of Juan Leo DeHerrera. Referred to the Committee on Veterans' Affairs.

By Mr. McINTYRE:

S. 2859. A bill for the relief of Leonard Davis. Referred to the Committee on the Judiciary.

By Mr. PERCY:

S. 2860. A bill to amend the Internal Revenue Code of 1954 to allow a deferment of income taxes to individuals for certain higher education expenses. Referred to the Committee on Finance.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. PERCY:

S. 2860. A bill to amend the Internal Revenue Code of 1954 to allow a deferment of income taxes to individuals for certain higher education expenses. Referred to the Committee on Finance.

### HIGHER EDUCATION EXPENSES TAX DEFERMENT ACT

Mr. **PERCY**. Mr. President, if you believe, as I do, that educating our young is an investment in the very growth and development of our country, then we must make the availability of the best possible higher education for our young people a prime national goal. To help this country keep faith with the education birthright of our children, I am introducing today the Higher Education Tax Deferment Act as a much needed complement to existing and proposed student financial aid programs.

Virtually all American parents hope that they can send their children to college. At a time when a bachelor's degree can cost between $10,000 to $20,000, relatively few families, even those with substantial incomes, are prepared in advance for the staggering financial burden of higher education.

My constituents, through correspondence and during the course of "listen ins" I have conducted around the State, have made the magnitude of this problem increasingly clear to me. The increasing cost of tuition bills, the expenses of room and board, and the related fees and charges of a college degree have forced many to take on second jobs or to place second mortgages on their homes. The hardship is particularly great for parents who have more than one college age child eligible for higher education at one time.

Exactly how many young people are deprived of a college education because of the lack of financial resources is difficult to determine, but it is unquestionably true that the rapidly increasing cost of higher education is a fact that no longer can be ignored.

The price of a year on almost every campus has jumped by at least 50 percent over the last 10 years, passing the $4,000 per year mark at many private universities. Current and projected college costs are growing faster than income, and annual expenditures per student have been rising three times as fast as the cost of living.

Congress has acted to some degree to relieve the financial plight of parents contemplating a college education for their children. Still, Federal student financial aid programs are woefully inadequate in light of the tremendous rise in costs involved in sending children to college. Present Federal programs provide relief in the form of scholarships, work-study programs and loans to those most in need, as they should. A 1968 HEW study on the adequacy of present student financial aid programs found that 94 percent of the total student financial needs from the lowest income quartile—mean family income of $2,321—was covered either by grants, work-study wages, loans, or by some combination of the three. By contrast, only 31 percent of the needs of those in the second highest income quartile—mean family income of $8,359—was covered by formal aid programs, of which roughly half came from loans. Thus, as a result of this concentration on lower income groups, often there is no financial assistance available for the student from a middle-income family whose needs are also great.

Under the Federal tax laws, a family of four with one child in college and a net income of $10,000 a year would be required to pay $1,019 in income taxes, with, generally, an additional $300 in State and local taxes. Of this family, the College Scholarship Service expects a yearly contribution of $1,690 toward their child's college expenses before he is eligible for assistance, leaving only $6,991 for the family's everyday necessities of food, clothing, and shelter. A similar family earning $15,000, having $12,682 after taxes, would be required to contribute as much as $3,010.

The distressing fact is that families in the middle-income groups who are expected to meet a large portion of the burden from their own resources either have no savings plans for college or have plans that are dangerously inadequate. A 1967 study sponsored by the college scholarship service discovered that among families whose mean gross income is $14,000, 62 percent have saving plans for college, but the average amount actually saved was $310, about $100 per child.

Thus, so many families, good citizens who work hard to pay the mortgage, meet tax obligations and educate their children, are often burdened by a payment that they either cannot meet or must sacrifice to meet. Most student financial aid officers are only too familiar with the problems of parents whose income should be adequate to finance their children's higher education, who have every intention of doing so, but who simply cannot meet the college bills when they fall due. While the lower-income families may need complete financing to attain their higher education goals, middle-income families also require and deserve some help.

While my tax deferment bill is not the final answer to the skyrocketing cost of higher education, it will help middle-income families to meet college expenses as they come up. My bill would allow a taxpayer to defer a part or all of his taxes while he is paying the expenses of higher education for himself or his dependents.

My bill recognizes the great need not only for academic learning but also for quality career education. Assistance would be available for those who choose to pursue post secondary training in colleges and universities, as well as to those in technically oriented schools, be they public or private. The bill also recognizes the needs of part-time students, many of whom would be unable to obtain a higher education without working.

Under the tax deferment plan, an undergraduate or a graduate student would be eligible for a deferment of as much as $1,500 per academic year. Unlike a tax credit, the amount deferred, like a loan, must be paid back with interest at 7 percent. Repayments would be adjusted according to a taxpayer's income level, amounting to a 20 percent tax surcharge.

This bill is designed to benefit middle-income families and not wealthy individuals who can afford higher education costs. The available deferment for a taxpayer paying the higher education expenses of either himself or his dependent would begin to be phased out when taxes owed equal $1,500 and would be completely phased out when taxes owed equal $3,000. The available deferment for a family of four with one child in college would begin to phase out when the family income reaches $14,000 a year and would completely phase out when its income reaches $21,000.

I ask unanimous consent that a table outlining the available benefits to various income groups and the bill itself be printed at this point in the Record.

There being no objection, the bill and table were ordered to be printed in the Record, as follows:

S. 2860

A bill to amend the Internal Revenue Code of 1954 to allow a deferment of income taxes to individuals for certain higher education expenses

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That this Act may be cited as the "Higher Education Expenses Tax Deferment Act."

Sec. 2. (a) Subchapter A of Chapter 1 of the Internal Revenue Code of 1954 (relating to determination of tax liability) is amended by adding at the end thereof the following part:

Part VII—Deferment of Taxes in Connection With Higher Education Expenses

Sec. 59. Deferment of Taxes.

"(a) General Rule.—There shall be allowed to a taxpayer who is an eligible individual a deferment of a portion of the tax imposed by this chapter for a taxable year which is not in excess of the amount of the net qualified higher education expenses paid by him during that year, subject to the limitations of subsection (b).

"(b) Limitations.—

"(1) Maximum Amount.—The amount of the tax deferred under subsection (a) shall not exceed in any taxable year, the lower of—

"(A) 75 percent of the net qualified higher education expenses paid by the taxpayer during that taxable year;

"(B) $1,500 per academic year for an undergraduate student (not to exceed a total of $7,500 for any student; or not to exceed, when added to any amount deferred on behalf of the same individual as an undergraduate or graduate student, $10,000); or

"(C) the amount of tax imposed by this chapter for such taxable year, reduced by twice the amount that such amount exceeds the amount of tax deferrable, except for the provisions of this subparagraph, multiplied by the number of students for the payment of whose qualified education expenses a deferment is claimed.

"(2) Minimum amount.—The amount of tax deferred for any taxable year under subsection (a) shall not be less than 2 percent of the taxpayer's gross income.

"(3) Number of claimants.—Only one taxpayer who is an eligible individual with respect to any student in a taxable year may claim a deferment under subsection (a) with respect to the net qualified higher education expenses of such student. If more than one eligible individual claims a deferment with respect to a particular student for any taxable year, the eligible individual who has the highest priority shall be permitted to claim the deferment. Eligible individuals have priority in the order in which they are listed in subsection (c)(1).

"(c) Definitions.—For purposes of this part—

"(1) Eligible individual.—The term 'eligible individual' means—

"(A) a taxpayer who is eligible to claim a personal exemption deduction for a student at an eligible institution;

"(B) a student at an eligible institution;

"(C) the spouse of such student;

"(D) the parent, step-parent, foster-parent, or guardian of such student;

"(E) the parent, step-parent, foster-parent, or guardian of the spouse of such student.

"(2) Eligible institution.—The term 'eligible institution' means—

"(A) an instituiton of higher education;

"(B) a vocational school; or

"(C) with respect to students who are nationals of the United States, an educational institution located outside of the United States which is comparable to an eligible institution under subparagraph (A) or (B) of this paragraph and which is approved for purposes of this part by the Secretary or his delegate.

"(3) Institution of higher education.—The term 'institution of higher education' means an institution of higher education as defined in section 1201 (a) of the Higher Education Act of 1965.

"(4) Vocational school.—The term 'vocational school' means an area vocational education school as defined by section 108 (2) (C) and (D) of the Vocational Education Act of 1963.

"(5) Qualified higher education expenses.—The term 'qualified higher education expense'—

"(A) means an expense incurred by a student at an eligible institution during the taxable year payment of which is made during such year, including, but not limited to, tuition and fees required for the enrollment and attendance of such student at such institution, other fees attributable to educational activities at such institution, the cost of books, supplies, and living expenses, including room and board (except that living expenses shall not exceed $150 multiplied by the number of months during the taxable year such student was enrolled as a full-time student at such institution); but

"(B) does not include any such expense which, in the case of a student who is a candidate for a baccalaureate or higher degree, is not attributable to courses of instruction for which credit is allowed toward such degree, or, in the case of an individual who is not a candidate for such a degree, which is not attributable to courses of instruction necessary to fulfill requirements for the attainment of the educational, professional, or vocational objective for which he is enrolled in such institution.

"(6) Net qualified higher education expense.—The term 'net qualified higher education expense' means the amount of a student's qualified higher education expenses for a taxable year reduced by the total amount of student financial aid received by such student during that year, including, but not limited to, funds made available to students under the National Defense Education Act or any other Act of Congress or of any State, benefits paid under chapters 31, 34, or 35 of title 38, United States Code, scholarships, grants, and other stipends.

"(7) Full time student.—The term 'full time student' means an individual who is enrolled at and attending an eligible institution and who is carrying at least 75 percent of the normal full-time hours of instruction or other activity required by such institution.

"(8) State.—The term 'State' means each of the United States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

"(d) Terms of Deferment; Repayment.—

"(1) Interest.—Amounts deferred under subsection (a) shall bear interest at the rate prescribed by section 427(b) of the Higher Education Act of 1965 beginning on the day after the last day of the taxable year in which the qualified higher education expenses on which such deferment is based were paid, but shall not be subject to any other interest or penalty until after the date on which payment is due under this subsection.

"(2) PAYMENT SCHEDULE.—Amounts deferred under subsection (a) shall be paid, with interest as provided in paragraph (1), in each taxable year subsequent to the taxable year with respect to which any amount was deferred under subsection (a), except in those taxable years with respect to which an additional tax deferment is claimed under such subsection.

"(3) AMOUNT OF PAYMENT.—The amount of the payment due under this subsection for any taxable year prior to the last taxable year of a taxpayer is an amount equal to 20 percent of the amount of tax imposed by this chapter on such taxpayer for the taxable year until the amount so deferred has been paid, with interest. If the amount remaining unpaid, with interest, in any taxable year is less than such 20 percent, it shall be the amount due for that taxable year. The amount of the payment due under this subsection for the last taxable year of a taxpayer is the aggregate amount, with interest as provided in paragraph (1), of any amounts deferred under subsection (a) and not paid as of the first day of such last taxable year.

"(4) PREPAYMENT.—A taxpayer may pay any amount due under this subsection before the date on which it is due and no additional interest or penalty shall be due on account of such prepayment.

"(5) SUSPENSION OF RETIREMENT INCOME CREDIT.—The credit provided by section 37 (relating to retirement income) shall not be allowed to any taxpayer who has deferred any amount under subsection (a) until such amount has been paid in full together with any interest due on such amount.

"(e) REGULATIONS.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this part."

(b) The table of contents of such Code is amended by inserting after the item relating to part VI of subchapter A of chapter 1 the following:

"Part VII. Deferment of taxes in connection with higher education expenses ..................... 59

SEC. 3. (a) Subchapter B of chapter 65 of the Internal Revenue Code of 1954 (relating to rules of special application with respect to credits and refunds) is amended by adding at the end thereof the following new section:

"SEC. 6428. DEFERMENT OF TAX; REFUND OF AMOUNTS WITHHELD.—

"(a) GENERAL RULE.—In the case of a taxpayer who elects to defer a portion of the tax imposed by chapter 1 for any taxable year under the provisions of section 59(a) (relating to deferment of tax for certain expenses of higher education), the Secretary or his delegate is authorized to refund to such taxpayer an amount of such taxes paid or withheld for such taxable year equal to the amount of the deferment under section 59(a) for such year reduced by any amount of such taxes not paid by such taxpayer for such taxable year.

"(b) REGULATIONS.—The Secretary or his delegate is authorized to prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such subchapter is amended by adding at the end thereof the following new item:

"Sec. 6428. Deferment of tax; refund of amounts withheld."

SEC. 4. The amendments made by this Act shall apply with respect to taxable years beginning after December 31, 1971.

TABLE 2.—HIGHER EDUCATION EXPENSES TAX DEFERMENT ACT, MAXIMUM TAX DEFERRABLE—FAMILY OF 4 WITH 1 ELIGIBLE STUDENT

| Adjusted gross income | Tax liability | Maximum tax deferrable |
|---|---|---|
| $7,500 | $514 | $514 |
| $9,000 | 744 | 744 |
| $10,000 | 905 | 905 |
| $11,000 | 1,066 | 1,066 |
| $12,000 | 1,288 | 1,288 |
| $13,000 | 1,391 | 1,391 |
| $13,582 | 1,500 | 1,500 |
| $14,000 | 1,578 | 1,422 |
| $15,000 | 1,765 | 1,235 |
| $16,000 | 1,952 | 1,048 |
| $17,000 | 2,139 | 861 |
| $18,000 | 2,335 | 665 |
| $19,000 | 2,548 | 451 |
| $20,000 | 2,760 | 240 |
| $21,000 | 2,972 | 28 |
| $21,129 | 3,000 | 0 |

Source: Office of the Secretary of the Treasury, Office of Tax Analysis.

Mr. PERCY. Mr. President, our investment in the education of our children is an investment in our society. According to the latest Bureau of Census figures, the average lifetime earnings for high school graduates is $374,094. Those who have completed 4 years of college averaged $584,094 in lifetime earnings, and that figure increases to $633,119 for those with 5 or more years of college.

While college graduates generally earn more money than those with less education, the benefits extend far beyond either the size of their bank accounts or the returned tax dollars to the Treasury. A recent Carnegie Higher Education Commission study reported that college graduates are more likely to be happy, healthy, and hopeful than less educated Americans. An investment in higher education is an investment in people, the very best investment we can make for the future of our country.

## ADDITIONAL COSPONSORS OF BILLS AND JOINT RESOLUTIONS

### S. 1424

At the request of Mr. McGEE, the Senator from South Dakota (Mr. McGOVERN) was added as a cosponsor of S. 1424, a bill to amend chapter 89 of title 5, United States Code, to provide improved health benefits for Federal employees.

### S. 1580 THROUGH S. 1591

At the request of Mr. PERCY, the Senator from Maryland (Mr. MATHIAS) was added as a cosponsor of S. 1580 through S. 1591, bills dealing with additional health and other benefits to the elderly.

### S. 2465

At the request of Mr. CHILES, the Senator from Wyoming (Mr. McGEE), the Senator from Maine (Mr. MUSKIE), the Senator from Montana (Mr. MANSFIELD), the Senator from California (Mr. TUNNEY), and the Senator from New Mexico (Mr. ANDERSON) were added as cosponsors of the bill (S. 2465) to establish the Everglades-Big Cypress National Recreation Area in the State of Florida, and for other purposes.

### S. 2711

At the request of Mr. FONG, the Senator from Michigan (Mr. HART) was added as a cosponsor of S. 2711, a bill to amend section 312 of the Immigration and Nationality Act to relax certain literacy requirements for naturalization.

### S. 2828

At the request of Mr. NELSON, the Senator from Minnesota (Mr. HUMPHREY) and the Senator from Montana (Mr. METCALF) were added as cosponsors of S. 2828, the Family Farm Act of 1972.

## REVENUE ACT OF 1971—AMENDMENTS

### AMENDMENT NO. 677

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS submitted an amendment intended to be proposed by him to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### AMENDMENT NO. 679

(Ordered to be printed and to lie on the table.)

Mr. PERCY submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

### AMENDMENT NO. 680

(Ordered to be printed and to lie on the table.)

Mr. HARRIS submitted an amendment intended to be proposed by him to the bill (H.R. 10947), supra.

### AMENDMENTS NOS. 682, 683, AND 684

(Ordered to be printed and to lie on the table.)

Mr. TAFT submitted three amendments intended to be proposed by him to the bill (H.R. 10947), supra.

### AMENDMENT NO. 685

(Ordered to be printed and to lie on the table.)

Mr. CRANSTON (for himself, Mr. STEVENSON, and Mr. WILLIAMS) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 10947), supra.

### AMENDMENT NO. 686

(Ordered to be printed and to lie on the table.)

Mr. MATHIAS (for himself, Mr. SCOTT, and Mr. CRANSTON) submitted an amendment intended to be proposed by them jointly to the bill (H.R. 10947), supra.

## BIG THICKET NATIONAL PARK, TEX.—AMENDMENT

### AMENDMENT NO. 676

(Ordered to be printed and referred to the Committee on Interior and Insular Affairs.)

Mr. BENTSEN submitted an amendment intended to be proposed by him to the bill (S. 118) to establish the Big Thicket National Park in Texas.

## DEPARTMENT OF DEFENSE APPROPRIATIONS, 1972—AMENDMENT

### AMENDMENT NO. 681

(Ordered to be printed and referred to the Committee on Appropriations.)

Mr. GRAVEL submitted an amendment intended to be proposed by him to the bill (H.R. 11731) making appropriations for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes.

## ADDITIONAL COSPONSORS OF AMENDMENTS

### AMENDMENT NO. 533

At the request of Mr. Javits, the Senator from Minnesota (Mr. Humphrey), the Senator from Arkansas (Mr. McClellan), and the Senator from Illinois (Mr. Stevenson) were added as cosponsors of amendment No. 533, intended to be proposed to the bill (H.R. 10947) an act to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### AMENDMENT NO. 657

At the request of Mr. Percy, the Senator from New Jersey (Mr. Case), the Senator from Wisconsin (Mr. Proxmire), and the Senator from Michigan (Mr. Hart) were added as cosponsors of amendment No. 657 intended to be proposed to H.R. 10947, the Revenue Act of 1971.

### AMENDMENT NO. 642

At the request of Mr. Roth, the Senator from California (Mr. Cranston) was added as a cosponsor of amendment No. 642, intended to be proposed to the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### AMENDMENT NO. 643

At the request of Mr. Kennedy, the Senator from Michigan (Mr. Hart) was added as a cosponsor of amendment No. 643, intended to be proposed to the bill (H.R. 10947), the Revenue Act of 1971.

## ANNOUNCEMENT OF HEARING ON CERTAIN TREATIES PENDING BEFORE THE COMMITTEE ON FOREIGN RELATIONS

Mr. SPONG. Mr. President, on behalf of Senator J. W. Fulbright, chairman of the Committee on Foreign Relations, I wish to announce that the Committee on Foreign Relations will hold a public hearing on Friday, November 19, on the following treaties:

First. The Nice Agreement Concerning the International Classification of Goods and Services to Which Trademarks Are Applied—Executive M, 91-2.

Second. Tax Protocol With France—Executive O, 91-2—and Tax Convention With Japan—Executive E, 92-1.

Third. Treaty to Maintain the Rio Grande and Colorado Rivers as the Boundary Between the United States and Mexico—Executive B, 92-1.

Fourth. The Locarno Agreement Establishing an International Classification for Industrial Designs—Executive I, 92-1.

Fifth. Protocol Enlarging the Membership of the Council of the International Civil Aviation Organization—Executive K, 92-1.

The hearing on these treaties will be held in room 4221 of the New Senate Office Building, beginning at 10 a.m. Any person wishing to testify should communicate with the clerk of the committee without delay.

## ANNOUNCEMENT OF HEARING ON THE NOMINATION OF EARL L. BUTZ TO BE SECRETARY OF AGRICULTURE

Mr. TALMADGE. Mr. President, I wish to announce the Senate Committee on Agriculture will hold a hearing Wednesday, November 17, on the nomination of Earl L. Butz of Indiana to be Secretary of Agriculture. The hearing will begin at 10 a.m., in room 324, Old Senate Office Building. Anyone wishing to testify should contact the committee clerk as soon as possible.

## ANNOUNCEMENT OF AN OPEN HEARING BY SUBCOMMITTEE ON PARKS AND RECREATION

Mr. BIBLE. Mr. President, I wish to announce to the Members of the Senate and other interested parties that the Subcommittee on Parks and Recreation will hold an additional open hearing on S. 36, to preserve and promote the resources of the Connecticut River Valley and specifically to create the Connecticut Historic Riverway in the State of Connecticut, on November 22, at 2 p.m., in room 3112, New Senate Office Building. The subcommittee held a previous hearing on this legislation on November 8.

## ADDITIONAL STATEMENTS

## REPRESENTATIVE H. JOHN HEINZ III OF PITTSBURGH, PA.

Mr. SCOTT. Mr. President, the newest Member of Congress is H. John Heinz III. He is from Pittsburgh. He succeeds the late Bob Corbett, who, at the time of his death, was the dean of the Pennsylvania delegation.

John Heinz will make an outstanding Congressman. He has a bright future. I have a special feeling of warmth for this young man since he worked for me 1 year and helped in my campaign in 1964. An excellent editorial, entitled "New Face in Politics," was published in the Pittsburgh Press of November 4, 1971. The editorial also refers to my Pennsylvania colleague, Dick Schweiker, and to former Representative and Governor of Pennsylvania Bill Scranton.

I ask unanimous consent that the editorial be printed in the Record.

There being no objection, the editorial was ordered to be printed in the Record,

### New Face in Politics

There was only one congressional election in the U.S. Tuesday, and the result was to give the Allegheny County Republican Party a fresh new representative endowed with the qualities it takes to win.

H. John Heinz III, bearer of a famous name, well-educated, well-to-do and only 33, took on the assignment of trying to keep the Republican Party in power in the 18th congressional district (North and East Hills) by running for the seat vacated by the death of Rep. Robert J. Corbett, veteran of 28 years in Congress.

Mr. Heinz won by better than 2 to 1 over a popular and energetic opponent, John E. Connelly.

There had been some trepidation among Republicans over their party's chances in the district.

Rep. Corbett, an astute campaigner, had held the congressional seat largely through the building of what was mostly a personal organization. With a Democratic registration majority of 16,000, the chances for any new GOP candidate did not appear too bright.

Mr. Heinz, youthful and skillful at handling issues, changed that outlook. His victory in the special election puts him in the forefront as a new Republican luminary.

But his tenancy in Congress is good for only the remaining 14 months of the term Mr. Corbett started last January.

In a forthcoming reapportionment of Pennsylvania's congressional districts, occasioned by the loss of representation as a result of the 1970 census, this district's boundaries are sure to be changed.

Right after Mr. Corbett's death eliminated the incumbent congressman, plans were drafted to split off parts of the district to make it conform to the new population ratio.

Then the death of Rep. James G. Fulton, also a Republican, in the neighboring 27th (South Hills) district, opened up other possibilities for reapportionment.

With two Republican incumbents eliminated, the districts could be combined in a manner which would comply with the population ratio without ousting any holdover congressmen.

The Republicans may have second thoughts about any such arrangement, now that they have discovered a successful new campaigner in their ranks. And the Democrats, whose legislative majorities in Harrisburg will enact the new congressional apportionment, may want to take another look at their plans too.

Mr. Heinz may be in politics for quite a while. The emphatic majority by which the 18th district voters elected him forecasts other campaigns to come.

It may be recalled that William W. Scranton, another young man of wealth and ability, started as a congressman and then went on to become one of Pennsylvania's most successful governors. And Richard S. Schweiker of Montgomery County, of similar pedigree, started as a congressman and parlayed his win into a seat in the U.S. Senate.

It's good to know that new men of this caliber are coming up on the horizon—and that the future seems to hold bright promise for them.

## FARM OUTLOOK BRIGHT, SAYS THE RETIRING SECRETARY OF AGRICULTURE

Mr. SYMINGTON. Mr. President, when back in Missouri last Saturday, I noticed in the St. Louis Globe-Democrat an article entitled, "Farm Outlook Bright, Hardin Says."

In that I had just come from a talk and discussions in one of the leading farm areas of my State, if that assertion by the retiring Secretary of Agriculture is correct, then the people of agriculture with whom I talked, and who make their living from the land, do not know what they are talking about.

I ask unanimous consent that the article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the St. Louis Globe-Democrat, Nov. 13, 1971]

### Farm Outlook Bright, Hardin Says

Washington.—Agriculture Secretary Clifford M. Hardin, who is turning in his Cabinet suit for a job in industry, says the farm situation will be brighter by spring and that President Nixon stands tall in the countryside.

Hardin, whose resignation was announced Thursday, appeared in good humor at a farewell news conference Friday. He said he expects few ripples in turning the reins over to Earl L. Butz, a Purdue University dean and former Eisenhower farm official.

Asked about Mr. Nixon's farm belt prospects for 1972, Hardin replied:

"I think they're very good. Yes, indeed, I do . . . and I think you'll see the farmers' situation improving during the winter and spring months."

Livestock prices are expected to improve, he said, and farmers can look forward to corn prices picking up if they use the government's price support program fully to keep excess grain off the cash markets.

Hardin refused to speculate on what Butz might do to help boost sagging corn prices, knocked down sharply by a record crop this year of more than 5.55 million bushels.

"I'm not going to dig a hole for him to dig out of," Hardin said.

At the White House Thursday when the Cabinet switch was announced, Butz acknowledged corn prices are too low and pledged a helping hand.

Hardin, 56, said his resignation will be effective sometime next week. Then he will join the Ralston Purina Co., St. Louis, as head of corporate research and development.

Hardin discounted criticism he had not been aggressive enough on behalf of farmers. The record of farm legislation, he said, suggests otherwise.

## TRIBUTE TO FORMER SENATOR HOLLAND

Mr. AIKEN. Mr. President, one of the great privileges I have enjoyed as a Member of the Senate has been that of working with Spessard Holland, both as a member of the Committee on Agriculture and Forestry and the Subcommittee on Agricultural Appropriations of which he was chairman.

Spessard Holland was one of the most outstanding Senators I have known.

As a Senator, his first love was good government, and he steadfastly supported this ideal during his 24 years of service in this body.

He knew the value of a dollar and insisted upon value received for each dollar appropriated.

But perhaps his strongest influence was in the field of agriculture.

He knew this field thoroughly and his knowledge of citrus growing, livestock raising, vegetable growing, and crop raising was unsurpassed.

He was extremely devoted to his home State and Florida never got the short end of any stick so long as Spessard Holland represented it in the Senate.

He was, however, eminently fair to all the States.

When he retired at the end of his term last year, not only the State of Florida but the Nation lost a powerful disciple of good government, and I also lost a friend.

In the passing of Spessard Holland, the United States has lost a great statesman, and American agriculture lost a loyal friend.

My wife, Lola, and I join all others in extending our heartfelt sympathy to his devoted wife, Mary.

## THE POCKET VETO AND THE CONSTITUTION

Mr. KENNEDY. Mr. President, the October issue of the American Bar Association Journal contains an excellent and informative article by Mr. Benny L. Kass on the current controversy over the scope of the President's pocket veto power under the Constitution. The article includes a useful analysis of the relevant Supreme Court precedents, a discussion of the bill recently pocket vetoed by the President, and a summary of the legislation now pending in both the Senate and House of Representatives to deal with the question.

Mr. President, I believe that Mr. Kass' article will be of interest to all of us concerned with the issue, so I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the American Bar Association Journal, October, 1971]

### THE LAWYER'S WASHINGTON

### THE POCKET VETO: AN EXCLUSIVE BONE OF CONTENTION

Every student of the Constitution knows that when a bill passes both houses of Congress, the President of the United States has but ten days to act upon it. He may sign the bill, in which case it becomes law. He may veto the bill and return it to the house in which it originated, giving Congress an opportunity to override the veto by a two-thirds vote of both houses. Or he may do nothing, in which case Paragraph 2, Section VII, Article I, of the Constitution provides:

"If any Bill shall not be returned by the President within ten Days (Sundays excepted) after it shall have been presented to him, the Same shall be a Law, in like Manner as if he had signed it, unless the Congress by their Adjournment prevent its Return, in which Case it shall not be a Law."

When this last event happens, it is commonly called a "pocket veto", and in recent months a considerable controversy has been stirred up between Congress and President Nixon as to whether two bills suffered a pocket veto.

President Nixon received two bills from Congress on December 14, 1970. One was the Family Practice of Medicine Act, which had passed the Senate by a 64–1 vote and the House by 346 to 2, and which authorized the appropriation of $225 million over three years to help train family-practice physicians. The other was a private bill granting the Foreign Claims Settlement Commission jurisdiction to consider a dispute.

Both bills were sent to the President on December 14; thus the ten-day period expired on December 25. But the Senate, in which the bills had originated, recessed for the Christmas holiday from the close of business Tuesday, December 22, until the following Monday, December 28. Since the Senate was not in session on December 25, President Nixon announced that the bills had been pocket vetoed. No formal veto message was sent to Congress.

A legislative confrontation came quickly. When Congress reconvened, Senator Edward Kennedy, Democrat of Massachusetts, accused the President of introducing "an arbitrary element into the legislative process—an element never contemplated when the pocket veto provision was written into the Constitution by the Founding Fathers". According to Senator Kennedy: "This promiscuous use of the pocket veto in this situation was obviously designed to avoid an embarrassing vote in Congress on a veto that would surely have been overridden. The President's action raises the possibility of similar arbitrary vetoes every time Congress takes a brief recess."

But the Justice Department, in defense of the President's action, responded that the use of the pocket veto not only conformed to the two judicial precedents in the area but also "to the consistent practice of other Presidents during the last quarter century". Assistant Attorney General William H. Rehnquist wrote to Senator Kennedy that, "while I believe that the President was on very firm legal ground in taking the action he did, there is no doubt that the use of the pocket veto power has been a bone of contention between the President and the Congress throughout the years."

Indeed, it is a bone of contention, going back a long way in history. By 1928, for example, the first definitive survey into the use of the pocket veto cited more than 400 bills and resolutions that were neither signed nor returned by Presidents. And in recent years, almost every President has used the pocket veto as a means of stopping unwanted legislation.

### IS AN "ADJOURNMENT" AS SIMPLE AS IT SOUNDS?

In the words of the Constitution, a bill held by the President for more than ten days becomes law "unless the Congress by their adjournment prevent its return, in which case it shall not be a law". Sounds simple, but what is an "adjournment"? Clearly when Congress adjourns *sine die*, at the end of a Congress, the President has the constitutional right to exercise the pocket veto. In effect, he has no choice, for there is no Congress in session to which he may return his veto message.

There are, however, many other periods when one or both houses are in adjournment. In *The Pocket Veto Case*, 279 U.S. 655 (1929), the Supreme Court held that the word "adjournment" was not limited to a final adjournment. The Court, through Justice Sanford, concluded:

"We think that under the constitutional provision the determinative question in reference to an "adjournment" is not whether it is a final adjournment of Congress or an interim adjournment, such as an adjournment of the first session, but whether it is one that "prevents" the President from returning the bill to the House in which it originated within the time allowed. It is clear, and, as we understand, is not questioned, that since the President may return a bill at any time within the allotted period, he is prevented from returning it, within the meaning of the constitutional provision, if by reason of the adjournment it is impossible for him to return it to the House in which it originated on the last day of that period."

The Court ruled that an interim adjournment of Congress at the end of a session prevented the return of a bill by President Coolidge, and it upheld his pocket veto. It is significant to note that while the Court drew no distinction between the types of adjournments—whether at the end of a Congress *sine die*, at the end of a session or within a session—the issue at hand was, in fact, adjournment at the end of a session.

An interesting collateral issue was then raised as to whether the bill must be returned to the house itself while it is in session or whether it may be returned to the house, although not in session, by delivering it to an officer or agent of the house. The Court decided "that the 'House' to which the bill is to be returned, is the House in session". According to Justice Sanford:

"Aside from the fact that Congress has never enacted any statute authorizing any officer or agent of either House to receive for it bills returned by the President during its adjournment, and that there is no rule to that effect in either House, the delivery of the bill to such officer or agent, even if authorized by the Congress itself, would not comply with the constitutional mandate."

Nine years later the Court again had occasion to consider the pocket veto question. In *Wright* v. *United States*, 302 U.S. 583, (1938), a majority of the Court held that when only the Senate had adjourned, and the adjournment was for a period of three days, "Congress", as that term is used in the constitutional provision, had not adjourned. Therefore, a pocket veto was not available to the President.

In the *Wright* case, a bill that had originated in the Senate was vetoed by President Roosevelt and returned with his objections to the Senate during a three-day adjournment of that body. The House of Representatives was in session. The bill with the President's message was received by the Secretary of the Senate and submitted by him to the Senate when it reconvened two days later. The issue was whether the veto was effective since the President's objections had not been received within the ten-day period by the originating house while in session. In a majority opinion written by Chief Justice Hughes, the Court held that as the Senate alone had adjourned, the constitutional provision did not apply, and the veto was effective.

*Wright* considerably limited the opinion and dictum of the *Pocket Veto Case*. In the latter case the Court said (in a statement that does not appear to have been necessary to its holding) that even though one or both houses of Congress were to authorize an agent to receive messages from the President, "the delivery of the bill to such officer or agent . . . would not comply with the constitutional mandate".

The Court in the *Pocket Veto Case* was concerned with the impropriety of delivering a bill during a period of adjournment to "some individual officer or agent not authorized to make any legislative record of its delivery, who should hold it in his own hands for days, weeks or perhaps months . . . In short, it was plainly the object of the constitutional provision that there should be a timely return of the bill, which should not only be a matter of official record definitely shown by the journal of the House itself . . but should enable Congress to proceed immediately with its reconsideration."

The Court in *Wright* responded to these concerns. Chief Justice Hughes wrote: "However real these dangers may be when Congress has adjourned and the members of its Houses have dispersed at the end of a session—the situation with which the Court was dealing [in *Pocket Veto*]—they appear to be illusory when there is a mere temporary recess."

While it is true that the recess taken in the *Wright* case was for only three days, it is hard to imagine the Court ruling differently for temporary or interim adjournments when only a few more days are involved. Indeed, in his letter to Senator Kennedy, even Mr. Rehnquist recognized this when he wrote: "There is undoubtedly a legal 'gray area' with respect to the question reserved in the *Wright* case—whether a pocket veto is appropriate during an adjournment for more than three days by one house of Congress. Advice from this office in the past has been to the effect that in this situation, without controlling judicial decision to guide him, the President ought to disapprove a bill by the *normal veto message and return*, rather than by the pocket veto" (emphasis added).

### WHY WAS THE POCKET VETO USED FOR THESE BILLS?

Returning, then, to the two bills which were the subject of President Nixon's pocket veto, there is a real question why the President apparently ignored advice to disapprove the bills by the normal veto message. Fred B. Rooney, Democrat of Pennsylvania, the principal House sponsor of the Family Practice of Medicine Act, believes that the President, faced with a 346–2 vote in the House and a 64–1 vote in the Senate, took advantage of the pocket veto "because he knew if he did send a veto message back to the Congress, the Congress would override his veto unanimously".

During a roundtable discussion at a meeting of the Subcommittee on Separation of Powers of the Senate Judiciary Committee, Senator Kennedy asked Mr. Rehnquist why the President took the "rather extraordinary procedure of the pocket veto" instead of returning the bill with a veto message. Mr. Rehnquist responded that by the time the President determined to veto the measures, Congress had adjourned: "I felt at this point he had no choice after Congress had adjourned. If it is an adjournment which under the constitutional language prevents the return of the bill, if he wishes to veto it, he must pocket-veto it."

No matter what the legal merits of the qustion are, the fact remains that President Nixon's pocket veto thus far has been effective. But Congressman Rooney, Senator Kennedy and Senator Sam Ervin, Democrat of North Carolina, have indicated their intention to test the constitutionality and legality of the vetoes, and recently there have been a number of developments.

### HOW CAN THE POCKET VETO BE TESTED?

One method of bringing the issue to court is for Congress to treat the Family Practice of Medicine Act as a valid public law and appropriate funds for its implementation. If the Nixon Administration were unwilling to spend the appropriated monies, then a legal action could be brought to test the validity of the purported pocket veto.

Following this approach, on May 11 Congressman Rooney introduced an amendment to an appropriation bill that would have appropriated $25 million to implement the provisions of the act. Responding to a point of order that there can be no appropriation for something that is not authorized, Speaker of the House Carl Albert ruled the amendment invalid, stating:

"The Chair is not oblivious to the fact that certain questions have been raised about the legal propriety of this veto. However, the Chair cannot rule on this constitutional question. The Chair may only refer to the statutes at large or the United States Code to find the authorization required to support this appropriation. Since no such statute can be cited, the Chair must sustain the point of order."

And the Senate similarly refused to make the appropriation.

Another method of testing the pocket vetoes might be to proceed on the private claim. One of the vetoed bills would have conferred jurisdiction on the Foreign Claims Settlement Commission to pass upon a $215,200 claim of the estate of Miloye Sokitch, a refugee from Yugoslavia. After the Germans had occupied Yugoslavia in World War II, they handed over a manganese mine owned by the Sokitch family to the Italians, and the family's loss of ore from the mine is the basis of their claim.

In April of this year the Sokitch family filed their claim with the commission, alleging jurisdiction on the basis that the private bill is now law. If the commission rejects that view and holds the pocket veto authority validly used, this may open the door for an ultimate Supreme Court ruling. Although commission rulings on claims usually are final and not subject to court review (22 U.S.C. § 1623(h)), because of the constitutional issue involved, a federal district court might be willing to accept the case for review.

### CONGRESS MOVES TO DEFINE "ADJOURNMENT"

Only time and a possible judicial decision will determine the ultimate legality of the Family Practice of Medicine Act and the private claim statute. Many members of Congress believe, however, that Congress should act to prevent what they regard as the possibility of future abuse of the pocket veto power by defining what "adjournment" means. For example, Congress probably will have recessed at least seven times during 1971, and presumably the President would be able to exercise the pocket veto during at least some of those recesses.

Senator Ervin, along with Representatives Emanuel Celler, Democrat of New York, and William M. McCulloch, Republican of Ohio, have introduced bills that would define the scope of the pocket veto (S. 1642 and H.R. 6225). Specifically, the word "adjournment" in the Constitution would be defined as an adjournment *sine die* by either the Senate or the House of Representatives. The bills also would make it clear that if the respective house were not in session when a President wants to return a bill, then presentation to an officer designated and authorized by that house to receive bills under those circumstances would constitute a valid return of the bill. Both bills have been referred to the respective committees on the judiciary, where they are under active consideration.

In June of 1833, James Madison wrote Henry Clay on the President's duty to return bills to Congress, stating:

> It is obvious that the Constitution meant to allow the President an adequate time to consider the bills . . . presented to him, and to make his objections to them; and on the other hand that Congress should have time to consider and overrule the objections. A disregard on either side of what it owes to the other, must be an abuse, for which it would be responsible under the forms of the Constitution.

The legislative bone of contention has been hauled out again. Perhaps this time, Congress—and the courts—will have an opportunity to bury it completely.—Benny L. Kass

*(Now a lawyer in Washington, D.C., Benny L. Kass formerly served on the legal staffs of two Congressional committees. He was educated at Northwestern University (B.S. 1957), the University of Michigan (LL.B. 1960) and George Washington University (LL.M. 1967).*

## NOMINATION OF WILLIAM REHNQUIST TO THE SUPREME COURT

Mr. GOLDWATER. Mr. President, needless to say, we have heard many thousands of words of arguments for and against President Nixon's latest nominations for seats on the Supreme Court to fill existing vacancies. And I am sure that I do not have to point out that the weight of opposition to the President's selections has fallen on Mr. William Rehnquist, a highly qualified constitutional lawyer from the State of Arizona.

Mr. President, I have no complaint about arguments being raised against Mr. Rehnquist so long as they have a direct bearing on an implication which might reflect upon his qualifications to serve on the highest court of the land.

We have already heard about Mr. Rehnquist's exceptional performance during many hours of close questioning by members of the Senate Judiciary Committee.

What the situation boils down to at the present time is strictly a question of Mr. Rehnquist's political views and whether they are in accord with those of some of our liberal Members of this body. Nothing that I have heard so far has in any way qualified or diminished my belief that Mr. Rehnquist would make one of the finest members ever to serve on that distinguished body, so it is with disgust and even a little sadness that I denote a deliberate effort to smear an honorable and highly qualified attorney in order to prevent the confirmation of a man who might add to the conservative forces on the High Court.

On November 2, it will be recalled, I denounced on the Senate floor a rumor campaign which was then underway to cast an unfavorable reflection on Mr. Rehnquist. As I mentioned at that time, the tactics being employed were beginning to look exactly like the one that Mr. Rehnquist's critics used to call "McCarthyism."

The unfair and reprehensible attempt at character assassination in this case began on a talk show the night of November 8, when a guest accused Mr. Rehnquist of being a member of the John Birch Society. And almost before Mr. Rehnquist could reply to the charge his friends and associates were being plagued with questions from newsmen on whether the charge was correct. I have personal knowledge of this because the very next day, when I held a news conference in Atlanta, Ga., the first question put to me was what I thought of charges that Mr. Rehnquist had been a member of the John Birch Society. I labeled the allegation a deliberate lie; but I must say, Mr. President, that any neutral observer listening to that recorded question and answer would be justified in believing that it was merely my word against that of a newspaperman who presumably had some inside information.

For all this, I think the campaign against William Rehnquist reached its alltime low before the Judiciary Committee, where Clarence Mitchell and Joseph Rauh, representing the Leadership Council on Civil Rights, were testifying and where Mr. Rehnquist had presented a sworn statement to the fact that he was not and had never been a member of the Birch Society. When the statement was presented to the Judiciary Committee, both Mr. Mitchell and Mr. Rauh made it plain that they did not believe the statement. Mr. Rauh stated for the record that Mr. Rehnquist's statement "was the weakest denial I have ever heard." He went on to add: "What of all the possible relations short of membership? I am flabbergasted."

This deliberate, underhanded smear was too much even for committee members who have the strongest reservations about the Rehnquist nomination; and in this connection, I want to warmly commend the senior Senator from Massachusetts (Mr. KENNEDY) for his quick and forthright action to put an end to innuendo rather than fact in the case of Mr. Rehnquist. Senator KENNEDY told Rauh his suggestion was completely unwarranted and uncalled for. He added that while he had reservations about the nominee, he was completely satisfied that the John Birch charge was false. The Senator from Indiana (Mr. BAYH), another committee member having reservations, said his investigation provided no evidence that the charge was correct. To cap it all, Senator KENNEDY admonished the witnesses not to spread charges without evidence, adding:

> You have left an atmosphere that I think is rather poisonous.

Mr. President, the smear tactics resorted to in this case come with particular ill grace from Mr. Rauh, who was one of the loudest voices in the country complaining about "guilt by association" when questions of Communist associations by persons holding sensitive Government jobs came into question back in the early 1950's.

With some of the opponents of Mr. Rehnquist, the familiar double standard is beginning to emerge. Those who were so sensitive about any hint that some liberal might actually hold membership in the Communist party now take the position that since Mr. Rehnquist was accused of belonging to a rightwing organization he must prove himself innocent beyond any conceivable objection.

It is most unfortunate that the smear tactics have reached such a low point on such an important matter. They not only distort the record and unfairly persecute the nominee, but they reflect most unfairly upon the Senate.

This situation was set forth very effectively in an editorial published in the Wall Street Journal of Friday, November 12, 1971. It commended Senator KENNEDY for cutting off a leftwing smear directed against Supreme Court nominee William Rehnquist. I ask unanimous consent that the editorial be printed in the RECORD at the conclusion of my remarks.

**Mr. President, I should like to say, further, that I believe it is time to bring the President's nominations for the Supreme Court to a vote in the Judiciary Committee and in the Senate. The record is about as complete as it can get. Further delay will merely encourage the smear artists to extend their propagation of the big-lie technique.**

**There being no objection, the editorial was ordered to be printed in the RECORD, as follows:**

### AN EXAMPLE OF DECENCY

Senator Edward Kennedy provided a fine example of fundamental decency the other day in cutting off a left-wing smear directed against Supreme Court nominee William H. Rehnquist.

Clarence Mitchell and Joseph L. Rauh Jr. were representing the Leadership Conference on civil rights before the Senate Judiciary Committee. The purpose of the exercise was to say that they disagreed with some positions Mr. Rehnquist had taken in the past, and to incant the litany about this meaning the nomination was an "insult" and "the foot of racism is placed in the door of the temple of justice," etc.

It happened that the night before, a talk-show guest some place had accused Mr. Rehnquist of being a member of the John Birch Society. The nominee promptly submitted a sworn statement that he is not now and never has been a member of that group. This did not satisfy Mr. Mitchell and especially Mr. Rauh. "The weakest denial I've ever heard," said the latter. "What of all the possible relations short of membership?" Mr. Rauh complained, "I'm flabbergasted."

"Your suggestion is completely unwarranted and uncalled for," Senator Kennedy interrupted. He said that while he had reservations about the nominee, conversations left him "completely satisfied" that the John Birch charge was false. Senator Birch Bayh, another committee member who also has reservations provided no evidence of the charge. Senator Kennedy told the witnesses they should not spread such charges without evidence, and that "you have left an atmosphere that I think is rather poisonous."

Senator Kennedy clearly recognizes that smear tactics can be used on both sides of the ideological fence. Such tactics, in fact, come with particular ill grace from those who see themselves as special guardians of civil liberties, from those who would be most outraged if the tables were turned. If, say, someone objected that a nominee's affidavit denying Communist Party membership did not cover all the possibilities no doubt Mr. Rauh would be not merely flabbergasted but apoplectic.

By now we are becoming accustomed to this particular double standard; in fact, Mr. Rauh's charge that the nominee is a "laundered McCarthyite" was a fair warning of what was to come. Today the invocation of that word is almost always a signal that the speaker is about to use precisely the tactics he is ostensibly deploring, only for opposite ideological purposes. So you have Mr. Rauh taking the position that since Mr. Rehnquist was accused he must prove himself innocent beyond any conceivable objection.

In blowing the whistle on such tactics by his natural allies, Senator Kenendy has acted in a responsible political manner. That we frequently disagree with him is no secret, but we must say he clearly recognized what political leaders more often should; that excessive charges are good neither for the case they are intended to serve nor for the political health of the nation.

## CHINA IN THE U.N.

Mr. FULBRIGHT. Mr. President, in these days of agitation and heated issues, it is most refreshing and encouraging to receive the views of those whose interest in such issues is based on thoughtful and objective deliberation.

Prof. Maurice Waters of Wayne State University in Detroit, Mich., forwarded to me a copy of his letter to the President of the United States with regard to the recent United Nations vote admitting the People's Republic of China to its international body.

I ask unanimous consent that Professor Waters' letter be printed in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

WAYNE STATE UNIVERSITY,
*Detroit, Mich., October 29, 1971.*

PRESIDENT OF THE UNITED STATES,
*The White House,*
*Washington, D.C.*

DEAR MR. PRESIDENT: I am writing to express a deep concern regarding the reaction in this country to the United Nations vote on the representatition of China. As a person who has spent some time working at the U.N., and studying and writing about it, I have been acutely aware of the great emotional feelings that prevail in many circles in this country. I am also aware that much of the public discussion on radio, television and in the newspapers, and the debates on the floor of Congress reveal either an ignorance of some of the issues, both legal and political, or an unwillingness to face up to them honestly and forthrightly. That such a condition should be reflected in the news media and in Congress is extremely distressing, primarily because both should be sources of information and should provide bases for rational thinking and judgment. When men in high office state, as Ambassador Bush did immediately after the U.N. Assembly vote, that the U.N. has reached a turning point having for the first time voted to expel a member state or, as Senator Dominick said when interviewed on NBC TV, that it was outrageous to permit those forces interested in destroying capitalism and the Free World to gain the upper hand in the U.N., and that the Chinese Peoples Republic had killed nearly 34 million Chinese, statements that are either misleading or false, or based upon totally inadequate evidence, then the nation suffers badly because the public does not have the mature and responsible leadership it so desperately needs in these serious times.

It seems that one must acknowledge, as

our Founding Fathers in fact acknowledged, that every people has a right to choose their own government, and that every government that is meeting the juridical test of ruling authoritatively over its people must be acknowledged as the legitimate government of that country. It does not mean that one's own government must recognize it, although the constitutive theory may be the wisest one to adopt, but it does mean, where membership in international organizations is concerned, that governments that are in exile cannot provide any useful service to the cause of peaceful settlement of disputes if they continue to have their representatives seated in such organizations. In effect, permitting the Chiang kai-Shek delegate to speak for the Chinese people has been foolish and nonproductive. Once that government had to flee from the mainland of China, there was no reason any longer to permit it to maintain representation in the U.N. It was, in fact, only able to do this because of U.S. insistence, pressure and diplomatic maneuvering. In my own estimation, from what I observed and have learned about the issue, the emotional "binge" in the U.N. which apparently angered the President and members of Congress, was just a natural response to the realization that the country which for so long had "ruled the roost" on a matter they defined as absurd had finally been defeated. The fact that those representatives who came from Formosa were decent and honorable men does not alter the circumstances that they were illegitimate representatives. We, as a nation, would have been infinitely better off if our government had not made what is, in fact, a representation issue into one of great national importance. That error we were bound to suffer from eventually. It was therefore absolutely inevitable that when we were defeated, we would feel a loss of face. Had the very latest United States move to partially rectify our mistake succeeded, we might have been confronted in the near future with a very real loss, namely, that the Chinese Peoples Republic would have two votes in the U.N. once the two China delegations were brought under the one government speaking from Peking.

Contrary to Ambassador Bush's statement, the U.N. has not ousted a government, but finally agreed that the representatives who had been sitting for so long were no longer acceptable to the majority of nations, according to the latter's conscience and their own conception of national interest. There is no doubt that a two-thirds vote was not necessary on this matter because, in fact, no state was expelled.

Furthermore, to now take the position, as Senators Buckley, Brock, Dominick and no doubt others take, that we should reduce our financial support to the U.N. or to states who voted contrary to us, is childish, an act of petulance and reminiscent of the Soviet Union's behavior and of France's when they would not support the U.N. in its Congo operation. Surely, no Senator in the U.S. Senate would urge that his state refuse to accept the majority vote of the U.S. Congress just because his own state, small or large, had been opposed to that vote. How can the U.S. be a good member of the U.N. and a respected and responsible world power if it is going to treat the U.N. decision so disrespectfully and with such a parochial understanding of international relations.

I would urge you to exert leadership and lend your voice to instill a note of reason and calm reflection into the national debates that have erupted.

Very respectfully yours,
MAURICE WATERS, *Professor*.

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## NUTRITION AND DIET

Mr. **PERCY**. Mr. President, I would like to bring to the attention of the Senate an excellent series of articles on nutrition and diet which appeared in the Chicago Tribune last week. In this comprehensive six-part series by Ronald Kotulak, many of the problems surrounding the myths of adequate nutrition are examined as one of the causes of poor nutrition in both infants and adults. Important sections of these articles also deal with nutrition and pregnancy and the importance of diet to our health.

These subjects have been studied by the Select Committee on Nutrition and Human Needs in the past and will be a source of further indepth investigation by the committee in the near future. I commend these articles to Senators and ask unanimous consent that they be printed in the RECORD.

There being no objection, the articles were ordered to be printed in the RECORD, as follows:

[From the Chicago Tribune, Nov. 7, 1971]

### MALNUTRITION HITS MANY: YOUR DIET JUST MAY BE KILLING YOU

(By Ronald Kotulak)

Most Americans have long taken food for granted. But now many scientists have become alarmed that our foods and eating habits have deteriorated so badly that malnutrition is widespread thruout the land, affecting the middle-class American as well as the ghetto dweller. This is the first in a series of articles exploring the crisis.

You are what you eat, but to a growing number of nutrition experts, what you are isn't so good.

In fact, the federal government has finally admitted that many of us are eating ourselves sick.

As a nation, we have the highest rate of heart disease in the world and one of the highest infant death rates; we don't live as long as people in many other countries; and death rates from many other diseases are higher here than in other nations.

"Most all of the health problems underlying the leading causes of death in the United States could be modified by improvements in diet," declares Dr. C. Edith Weir, assistant director of the human nutrition research division of the U.S. Department of Agriculture.

Americans have long thought of themselves as well-fed, healthy people. So it has come as quite a shock to learn from studies conducted in the last five years that there is widespread malnutrition in our land of plenty. The health of 30 million Americans at all economic levels may be threatened by one form or another of dietary deficiency experts say.

Malnutrition has reached the level of a national disaster, claims Dr. George M. Briggs, chairman of the nutritional science department at the University of California in Berkeley.

More costly than alcoholism, drug abuse, or crime, it accounts for $30 billion a year in poorer health, mental problems, obesity, physical deficiencies, and increased susceptibility to other diseases, he says.

#### NOT JUST A POVERTY PROBLEM

Malnutrition does not just occur among the poor. It cuts across all socioeconomic lines, affecting the well-off American, the millions of females constantly on and off diets, and the harried housewife who has become totally confused about what foods offer proper nutrition.

"I don't think there's really any question that malnutrition exists to a high degree in the United States population," says Dr. Myron Winick, of the Cornell University Medical College, one of the nation's leading nutrition experts.

But many find that evaluation difficult to believe. They see apparently fit people and relatively few cases of severe nutrient deficiencies that cause scurvy, rickets, or beriberi.

The signs of malnutrition are there, but they are hidden.

#### WEAKENS WITHOUT DESTROYING

"The less dramatic manifestations of malnutrition—growth retardation, weight loss, increased burden of chronic diseases, depression, weakness, retarded convalescence from disease and trauma, poor performance in pregnancy—are widespread and of great significance," says the American Medical Association's Council on Foods and Nutrition.

In other words, suboptimal levels of some nutrients may not cause any easily recognized disease, but will keep a person from functioning at his peak either mentally or physically, and make him more prone to illness.

More than 50 nutrients in the forms of proteins, vitamins, and minerals are known to be important for proper health.

The trouble is that too many people fail to eat a varied enough selection of foods to provide them with the desired amounts of these nutrients, says Dr. Fredrick J. Stare, chairman of Harvard's nutrition department.

#### BIG LOSS IN FOOD VALUE

Furthermore, the preparation, preservation, and storage of foods from the time of harvest to the time the housewife prepares them causes some loss of nutrient content, he adds. For some vitamins and minerals, the loss in the processing and preparation cycle may be 100 per cent.

The body can often compensate for low intake of certain nutrients, but what this adjustment eventually costs the total health of the body is unknown, Dr. Weir says.

For instance, the increase in adult onset diabetes may be the payoff of marginal intakes of chromium for the last 25 years, she explains. Chromium, found in liver, has recently been pinpointed as important in insulin metabolism.

#### FEED OUR ANIMALS BETTER

"The American public is eating a strange diet," Berkeley's Dr. Briggs says. "We feed our farm animals better, giving them all the vitamins and minerals we take out of the food for humans."

Much of the $100 billion a year Americans spend on food is spent unwisely on "junk" or "empty calorie" foods that lead to nutritional deficiencies, he says.

He points out that the average American annually consumes 276 pounds [dry weight] of sugar, fat, and white flour [often not enriched] that go into making snacks, convenience foods and soft drinks with little nutritional value.

On the other hand, he says, the average person annually eats only 259 pounds of the foods that experts regard as nutritious: meat, poultry, fish, eggs, milk, cheese, fresh fruits, and vegetables.

"This is a terrible diet, and I wouldn't feed it to a pig without fortifying it," he asserts.

#### DOG FOOD IS A DIET FOR SOME

This strange diet has given rise to such bizarre things as traveling business executives being treated for scurvy because they avoid citrus fruits and eat mostly meat and potatoes. There are also reports that some elderly people living on skimpy budgets eat dog food because it is cheaper and more nutritious than many other foods designed for human consumption.

Our eating habits are undergoing drastic changes. We are eating more processed or convenience foods, more meals away from home, fewer meals together as families, and more mini-meals and snacks.

One of the most revealing studies of the breakdown in our nutritional habits was conducted by Dr. Howard Bauman, vice president for science and technology of the Pillsbury Co. and a member of the A. M. A.-Food Industry Liaison Committee.

### FINDS HOUSEWIVES PUZZLED

When first asked, most women are satisfied that they are doing a good job of meeting the nutritional needs of their families, Dr. Bauman says.

But, on further questioning, it turns out that only about half of them come even reasonably close to knowing what balanced meals are, he says. Some 50 to 60 per cent of the homemakers frequently provide nutritionally inadequate meals, the Pillsbury surveys show.

Much of their nutritional knowledge is based on folk beliefs and half-remembered advice from magazines, he reports.

If their families, particularly the children, are well, active, and look good, with good color and bright eyes, the homemaker is confident she has done a good job of feeding them what they need, even tho the taste and appearance of food is her primary consideration in purchasing food, he adds.

### TASTE WINS OUT, SURVEY SHOWS

"In survey after survey, women admit that when faced with the choice between serving less appetizing nutritional food and foods that the family likes, even tho they are not as nutritional, they usually opt in favor of the appetizing but less nutritional foods," Dr. Bauman reports.

The only major health consideration that consistently occurs to homemakers is dealing with overweight, he says.

The husband plays a big role in barring balanced meals, he finds. In most homes the husband's preferences determine what will be served.

To add to the problem, many mothers are losing the battle against their children's overconsumption of snacks and soft drinks "which are unhealthy as well as spoiling the children's appetite for the dinner meal," Dr. Bauman notes.

### EATING PATTERNS ADD PROBLEMS

The accelerated disintegration of the family that eats together is further increasing the nutritional problem.

In up to 50 percent of the families, one or more members regularly skip breakfast, and 75 per cent of the families do not eat breakfast as a family unit.

No less than 50 per cent of school age children either have no breakfast or a nutritionally inadequate breakfast, Dr. Bauman reports.

One of the most stunning examples of the effect of food on humans has recently occurred in Japan. Until a few years ago, the shortness of the Japanese was attributed to their generic inheritance.

But contemporary teenagers in Japan tower over their parents and are as tall as American youths. The reason: a switch from the traditional rice and fish diet after the war to a high protein, Americanized food pattern.

Nutritional research has entered a promising new era where better health, a longer active lifespan, and greater satisfaction from work, family, and leisure time can be expected, Dr. Weir says.

Among the expected benefits, she says, are:

A 25 per cent reduction in heart and vascular diseases, which now affect more than 5 million Americans; a 20 per cent reduction in respiratory and infectious diseases; a 10 per cent drop in mental disease; a 50 per cent drop in the infant death rate; a 50 per cent reduction of osteoporosis; an 80 per cent reduction in obesity; a 33 per cent drop in alcoholism; and a 20 per cent decline in cancer.

Better food also can improve learning ability by raising the I. Q. levels of some persons in the 70–80 I. Q. range by at least 10 points, Dr. Weir says.

"The benefits we are talking about," she points out, "are not just for low-income groups but are those likely to accrue on a national basis."

## Survey Stuns AMA—Well-Fed United States? That's Just a Myth

(By Ronald Kotulak)

Studies that opened the nation's eyes to the existence of hidden hunger and malnutrition are described in the second of a series of articles on malnutrition in America.

The myth that hunger and malnutrition do not exist in America was punctured in 1968 and destroyed this year.

Now there is growing concern among health officials that the price we are paying for this hidden malnutrition is that our children don't grow as tall as they should, are more sickly, and aren't able to learn normally.

### STUDY APPEARS IN 1968

Furthermore, the studies indicate that while malnutrition is more prevalent among people in the poverty income bracket, it is nevertheless widespread among middle-class Americans.

The first study to call attention to the plight of the underfed and undernourished appeared in 1968 when the Citizens' Board of Inquiry into Hunger and Malnutrition in the United States reported that one-third to one-half of the very poor may experience hunger of varying intensity and duration.

Stunned by this disclosure, the American Medical Association stated: "The existence of hunger, in a society that can afford to abolish it, is morally and economically indefensible."

But the "Hunger U.S.A." report was only the beginning. Congress ordered the Department of Health, Education, and Welfare to conduct a survey of nutrition among Americans.

### FAIL TO PROVIDE FUNDS

However, the legislators neglected to provide funds for the survey.

Normally, without enough money to conduct the study, the most that could be done would be a spot check of doctors by telephone. And since doctors haven't been reporting malnutrition problems, they were not likely to reveal any trouble.

But this was not to be. A plucky nutritionist who suspected that America did have a deep-seated nutrition problem took charge of the survey and scraped up enough funds to do a first-rate job.

### SURPRISED AT FINDINGS

However, even Dr. Arnold Schaefer, of HEW's health service and mental health administration, was surprised at the findings of his survey. While bits and pieces of the study, which was conducted from 1963 through 1970, have been reported earlier, the preliminary report was sent to Congress last April.

"I don't think there's any doubt that enough evidence was accumulated during our survey to indicate that there are widespread nutritional problems," Dr. Schaefer said.

"People aren't falling over dead from malnutrition, but there are sufficient numbers whom we consider to be nutritional health risks," he said.

### ONE IN FIVE IS RISK

Dr. Schaefer estimated that based on his survey, which included more than 83,000 persons, as many as one in five Americans may be a nutritional health risk of some kind.

The most widespread problem was iron deficiency with 25 per cent of the people studied having insufficient amounts in their blood, he said. Many were anemic because of their iron deficiency and needed immediate medical treatment, he added.

"Anemic kids just aren't very good students in school," he said. "They are tired and lethargic. There isn't any doubt that anemia does have an effect on their physical output and mental attitude."

### VITAMIN A LEVELS LOW

Twenty-five per cent of the persons in the 10-state study had unacceptable vitamin A levels, and there were lesser deficiencies for vitamin C, proteins, riboflavin, folic acid, and thiamine.

The 10 states in the survey were Texas, Louisiana, Kentucky, Michigan, New York, West Virginia, California, Washington, South Carolina, and Massachusetts.

Some 15 to 30 per cent of the children in the study had stunted growth, Dr. Schaefer said.

"To me that's serious," he explained. "That means the children are not getting the chance to grow to their physical maximum capability."

### DISCOVER RICKETS

Another big surprise was the discovery of rickets, which is caused by a deficiency of vitamin D, in 3 per cent of the infants up to 5 years of age, Dr. Schaefer said.

"That's uncalled for. God almighty, everybody said we eliminated rickets with the advent of fortified milk." The apparent cause of this deficiency, which causes bowlegs, is that many infants, especially in poverty areas, were fed powdered milk that did not contain vitamin D. As a result of this finding, the Department of Agriculture has begun putting vitamin D in powdered milk.

Some areas, such as Texas, had a high goiter rate because only 40 per cent of the salt sold there contained iodine, which prevents the enlargement of the thyroid gland in the neck.

### NUTRIENT IS NECESSARY

The vitamin A deficiency uncovered in the survey is particularly ominous since it is a nutrient that is required for the proper structure of every cell and some scientists feel it is vital in fighting infections, Dr. Schaefer said.

The eye is the favorite target of a vitamin A deficiency. Mild deficiencies can lead to night blindness and severe shortages can cause permanent blindness. An estimated 80,000 of the world's children under the age of 4 go blind each year because of a lack of vitamin A.

Altho the complete findings of the survey have yet to be made public, it is clear that these nutritional deficiencies are found in every socio-economic level, Dr. Schaefer said.

### WIDE INCOME RANGE

Some 40 per cent of the persons in the survey were below the poverty level but the rest were above it, he said. The annual family income ranged from $100 to $140,000.

For example, in Washington about 25 per cent of the people above the poverty level had a vitamin A deficiency as compared with 17 per cent of those in the poverty bracket.

The main reasons given for malnutrition were ignorance about what constituted a nutritious diet, lack of money to buy proper food, and indifference to good eating habits.

Worried about Dr. Schaefer's findings, the A.M.A. said "Malnutrition is debilitating; those so affected cannot perform optimally.

### ESTIMATES ARE UNRELIABLE

"Current estimates of the numbers so affected are unreliable but the cost in human waste is great indeed and the effect in terms of future performance cannot be accurately measured."

For his efforts in uncovering the nutritional deficiencies in our land, Dr. Schaefer has met with frustration. He has charged that the federal government is attempting to delay or stop publication of the full report on the grounds that it might be politically embarrassing.

He has since left the HEW in despair because "they are now spending more money to study the problem than to eliminate it." He is a consulting nutritionist with the Pan American Health Organization.

The government, however, has apparently taken some heed of Dr. Schaefer's finding and has stepped up its food supplementation programs for needy people.

Almost at the same time that Dr. Schaefer started his survey, Dr. George M. Owen of Ohio State University began a similar study of iron deficiencies in a large sample of average American children.

His findings involving more than 3,000 children, were just as startling: 7 per cent of the children between 1 and 6 years of age were anemic and some 45 per cent had iron deficiencies.

"Iron deficiency is a relatively common occurrence among preschool children regardless of socio-economic status," Dr. Owen said. Furthermore, there is preliminary evidence linking iron deficiency to stunted growth, he added.

Disturbed by these findings, Dr. Philip Handler, president of the National Academy of Sciences, concluded "there is rising malnutrition in the United States."

### EXTENT NOT KNOWN

"We don't know the extent of it but acute malnutrition has begun to appear again in American hospitals. That disturbs me greatly because malnutrition is occurring in a country that can produce vast agricultural surpluses it doesn't know what to do with."

Additional evidence of malnutrition has come from the Department of Agriculture, which released a report in 1968 stating that a study of 7,500 households asking people what they bought and ate revealed that half had inadequate diets.

More and more experts are beginning to think along the lines of Dr. Grace A. Goldsmith, dean of the school of Public Health and Tropical Medicine at Tulane University, who insist that "in this country, there is no economic reason why government and industry working together cannot make available a nutritionally adequate diet for all consumers."

### WARNS OF CONSEQUENCES

If nothing is done, warns the A.M.A., the consequences may be disastrous:

"Hunger and malnutrition is only one of the reasons for the fierce resentments of the U.S. poor. But it is one that can be removed in very large degree.

"The cost of a massive attack upon hunger and malnutrition will be great in money; the cost of doing nothing will be immeasurable in terms of lost human potential and social unrest."

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## MALNUTRITION, U.S.A.: BAD DIET IN PREGNANCY CAN STUNT, KILL BABIES

(By Ronald Kotulak)

(How a mother's bad diet affects her unborn baby is told in the third article of a series on malnutrition.)

Because of the lack of proper nutrition during pregnancy, thousands of American babies are doomed to die each year before reaching the age of one month.

Others who manage to survive will be marked with stunted brains and bodies.

These are some of the findings scientists are beginning to uncover as they seek answers to such questions as why America has a relatively high infant death rate, why many people are never able to reach their full potential, and why slums perpetuate slums.

### MYTH ABOUT MOTHERS

For generations it has been widely believed that an unborn infant held a privileged place because it could "rob" its mother of any nuritional ingredients essential to its own development.

Now there is growing evidence that the unborn baby has to compete with its mother's body for the available supplies of nutrition. If the mother doesn't eat right, it is more likely the baby who will suffer severe and permanent effects.

"Thousands of American babies die each year because of their mothers' bad diets and unwise use of drugs," said Dr. Tom Brewer, who works with lower income mothers at the Contra Costa County Clinic, Richmond, Cal.

### DANGER IN POOR DIET

Inadequate diets during pregnancy lead to stillbirths, low birth weight or premature infants, babies with brain damage and less intelligence, and babies who contract infections, easily, he said.

The problem is especially serious among teen-age mothers because their own growth requires extra nutrition.

Some experts are becoming concerned that with the sharp rise in teen-age pregnancies, we may be breeding an inferior race.

The United States probably has more teenage marriages and pregnancies than any other nation in the world, said Dr. C. Edith Weir, assistant director of the human nutrition research division for the U.S. Department of Agriculture.

### FEAR OF DEFECTS

"This creates the likelihood of a steadily increasing percentage of birth defects due to poor nutrition, because, the younger the mother, the less likely she is to enjoy professional guidance during pregnancy and the more likely she is to commit all the nutrition sins common to teen-agers," she said.

The life-threatening nature of these nutritional sins was recently documented by a Chicago Board of Health study conducted by Florence Smith, assistant director of nutrition, and Dr. Jack Zackler, deputy health commissioner.

The study of pregnant girls 15 years old or younger revealed that almost 044 per cent had poor diets. Some 6.4 per cent had fair diets and only 30 per cent had good diets.

### "EMPTY CALORIE" PROBLEM

Twenty per cent ate two meals or fewer each day and they frequently consumed "empty calorie" items such as soft drinks, candy, potato chips and french fries.

The infant death rate among these girls, who came mainly from poor neighborhoods, was higher than the average for some underdeveloped countries.

To see if this death rate could be reversed, the board started a pilot project to give a group of them adequate nutrition and medical care. The board soon found the death rate from these high-risk mothers could be drastically reduced.

### FEWER BABIES DIE

This group of mothers then had fewer infant deaths than the average for mothers in Chicago who were being cared for by private doctors.

The latest Board of Health figures from January to September of this year revealed that the infant death rate in this high risk group had been cut by two-thirds.

Based on this type of evidence, many authorities feel that poverty breeds poverty. According to Dr. Charles Lowe, formerly chairman of the American Academy of Pediatrics' nutrition committee, a poorly nourished mother will give birth to a lower than average weight baby.

### HOW CYCLE WORKS

The infant is in danger of serious malnutrition which, if uncorrected, can lead to growth depression and possibly to mental retardation, he said.

"An infant so endowed most likely will become a handicapped adult, if he survives. The female with this heritage when adult becomes a prime candidate to emulate her mother—completing the cycle."

Malnutrition affects the brain in two ways, said Dr. Myron Winick, a nutritionist at Cornell University Medical School. If malnutrition occurs during pregnancy or the first six months of life when brain cells are rapidly dividing, permanent stunting of the brain may occur.

If malnutrition occurs later, after the first six months, a child's learning ability may be seriously reduced, Dr. Winick said.

### ONE CORRECTABLE

The first type of damage is uncorrectable but the second type can be remedied with a proper diet, he added.

Concludes Dr. Philip Handler, president of the National Academy of Sciences: "There is ample evidence that protein malnutrition [in pregnancy] leads to a reduced number of brain cells."

Alarmed at the increasing number of low birth weight babies at all social levels in America, the academy's National Research Council a couple of years ago studied the problem.

It found the increase in premature births was probably due to the traditional advice doctors have been giving to pregnant women, cautioning them to keep their weight down. Mothers were told that a weight gain from 10 to 15 pounds was acceptable but that they should not go over 20 pounds.

### STRIKES DOWN BELIEF

As a result of the study, the academy struck down the old taboo of limited weight gain for pregnant women, stating they should be allowed to gain as much as 24 pounds or more.

Evidence showing that the weight of babies at birth is directly related to the nutritional status of the mothers was recently reported by Dr. Aaron Lechtig, medical officer of the Institute of Nutrition of Central America and Panama.

The results of the major study showed that supplying a number of Guatemalan mothers a cupful of a high-protein food supplement each day produced dramatic results, Dr. Lechtig said.

The infant mortality rate for these mothers was reduced by 50 per cent and they produced babies that weighed an average of one pound more than the children of similar mothers who followed their routine diets, he said.

### LINKED TO LEARNING

Iron deficiency anemia has long been linked to slower learning because of the victims' lack of attention and concentration. Since iron plays a major role in aiding blood cells to carry oxygen to body tissue, a shortage of the metal is believed to prevent sufficient oxygen from reaching brain cells.

When malnourished youngsters at a New Orleans school were given two meals a day to eliminate their iron deficiency, there was a marked increase in their attention and motivation, Dr. Jefferson L-Sulzer, psychology professor at Tulane University, said.

The President's Committee on Mental Retardation reports that among the poor, severe mental retardation is two to three times higher than the average. They suggest that this greater rate of retardation may be due to poor nutrition, prematurity, poor hygiene, or a combination of all three.

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[From the Chicago Tribune, Nov. 10, 1971]

## THERE'S LOT MISSING IN CONVENIENCE FOODS

(By Ronald Kotulak)

Many experts are taking a second look at the foods we are putting into our mouths to see if they need something extra. The fourth in a series of articles on malnutrition explores their reasoning.

A growing number of nutritional experts are demanding that better, more nutritious food products be made available to satisfy the American appetite.

Prodded by reports of epidemic levels of malnutrition in low- and middle-class families, the Federal Food and Drug Administration [FDA] is reassessing the nutritional standards for the more than 10,000 edible items now being sold.

### VITAMIN A IN YOUR COLA?

But to many experts, that step is not enough. They want manufacturers not only to restore the nutrients that processing takes out of foods but also to add vitamins, minerals, and proteins to the oceans of soft drinks and mountains of snacks that now make up so much of our diet while providing no nutrition.

I feel quite strongly that man's nutrition in his new life environment will depend more and more on fortified foods, particularly fortified cereal products," said Dr. Fredrick J. Stare, chairman of the nutrition department at the Harvard School of Public Health.

The new life environment he is talking about is one in which man is using more processed and packaged foods, minimeals, and snacks. These habits, as well as skipping meals, unwise dieting, less eating together as family units, and general ignorance of good nutrition, have contributed to the disintegration of our eating habits.

### MIGHT FORTIFY SUGAR, TOO

To the list of foods to be fortified, said Stare, "I might add fortified potatoes and fortified sugar, cheap and efficient sources of energy. And energy is a basic need, perhaps after water the most basic requirement of our diet.

"We will be fortifying these basic foods, possibly even tea, coffee, and soft drinks, not only with vitamins and minerals but also with amino acids [proteins] and fatty acids," Dr. Stare said.

India has already taken this path by fortifying commonly used salt with iodine to prevent goiter and vitamin A to prevent blindness.

We are in a nutritional chaos. The human body is a complex chemical factory that requires a wide range of essential nutrients, most of them on a daily basis, to operate at its optimum level.

### FIFTY-SEVEN NUTRIENTS NEEDED

To feed our chemical factories we need at least 57 nutrients [there are undoubtedly some not discovered yet]. The nutrients consist of 13 vitamins, 22 amino acids [the protein we eat is broken down into amino acids, which our bodies then reconstruct into human protein], and 17 minerals, in addition to fatty acids, other fats, sugars, starches, and water.

The proteins are needed for growth and the maintenance of our body tissues. The vitamins and minerals are used to regulate cellular activity. And the fats and carbohydrates are needed for energy.

But it has become evident from studies that because of the new lifestyles, as well as poverty, Americans are not coming even close to meeting these daily nutritional requirements.

One of the reasons is that people often become confused about how to classify the new product. For instance, they may eat a pizza pie or frozen egg roll as their main food during a meal, assuming they fulfill their nutritional needs.

### JUMPS TO WRONG CONCLUSION

"When the individual consumer no longer can place foods into appropriate classes, he begins to do some classification of his own, and probably puts some foods into classes which are erroneous and consumes them on the assumption they provide certain things to his total diet that simply are not there," explained Dr. Ogden C. Johnson, director of nutrition for the FDA's bureau of foods.

The startling magnitude of the malnutrition problem in America was recently documented in the 10-state nutritional survey conducted by the Department of Health, Education, and Welfare. The survey covered low- and middle-income families.

The survey revealed that in some states, up to 46 per cent of the children were stunted in growth, and one of every five persons had an iron deficiency; in another state, nearly 7 per cent of the preschool children suffered from rickets, and up to 40 per cent of the citizens consumed inadequate amounts of vitamin A. Low levels were also found for folic acid, riboflavin, vitamin C, and thiamine.

### BIG CHANGE IN 10 YEARS

Just 10 years ago our food patterns were somewhat simpler, and we stood a better chance of meeting our nutrient requirements by eating a variety of foods from the four basic classes: meat, fish, eggs, poultry, legumes, and fats and oils; whole-grain and enriched breads and cereals; milk and other dairy products; and fresh fruits and vegetables.

But this pattern has drastically changed. Approximately 70 per cent of the foods we eat now are processed in one manner or another, while our consumption of fresh fruits and vegetables, important sources of vitamins and minerals, is steadily declining.

Nutritionists now recognize that this great trend toward processed foods is shortchanging us in vitamins and minerals.

### NO PROBLEM IN ADDITION

"A considerable part of the vitamin content of fruits and vegetables present at harvest may be lost in subsequent handling, transport and processing operations," said Frederic R. Senti of the United States Department of Ariculture.

It would be an easy matter to put these lost nutrients back, and "such enrichment of selected food products would be a feasible and economical way to improve the dietary intake of vitamins and minerals for a large part of our population," Senti said.

For instance, the popular dehydrated instant potato mixes are so thoroughly processed that they have lost all of their natural vitamin C. The loss is critical, because the potato is perhaps the main source of vitamin C in our diet.

One of the most important factors in the destruction of nutrients in our food is the final preparation of foods in the home, restaurant, or school cafeteria, said Dr. R. E. Hein, manager of food research for the H. J. Heinz Co., Pittsburgh.

The steam table can destroy much of what had been preserved in all the prior steps of processing so that the nutritious vegetables people often think they are eating actually are providing nothing more than bulk, he said.

### VITAMINS JUST DISINTEGRATE

Most vitamins disintegrate in air, light, and heat. When fresh vegetables containing these nutrients are cooked, the losses range up to 40 per cent for vitamin A, 100 per cent for vitamin C, 75 per cent for niacin, 80 per cent for thiamine, and 55 per cent for Vitamin E, he said.

Since just standing around will cause vitamins to deteriorate, fresh vegetables should be stored in a cool place and eaten as soon as possible, he advised.

Many of these nutrients are dissolved in the cooking water, which is frequently poured down the drain—"another practice that helps make the sewage system better nourished than the American family," said Marcella Katz, nutrition director of the Health Insurance Plan of Greater New York.

When cooking vegetables, a minimum amount of cooking time will help preserve more of the nutrients, experts say. The leftover water should be used for soups and gravies.

### BETTER LABELING URGED

Alarmed at the growing nutritional crisis, the FDA has launched a program of nutritional labeling in which food manufacturers will be encouraged to label their products so shoppers can see a listing of all the vitamins, minerals, and proteins the goods contain, if any.

If the labeling program is to help solve the ignorance of malnutrition, it must be reasonably simple and understandable for the housewife as well as the nutritionists, said Dr. Virgil O. Woodicka, director of the FDA's bureau of foods.

While the nutritional labeling program will be voluntary, it now appears likely that so many companies will enter the program that few will dare to stay out, Wodicka said.

### WHAT IT HAS, NOT HAD

The labeling program, expected to begin soon, will require that the manufacturer show the actual nutritional value inside the food package, not what the ingredients contained before processing.

"If a nutrient is declared on the label and the food in the package does not, in fact, supply the declared amount of that nutrient, this constitutes misbranding and is eminently actionable under the law," he warned.

So serious does the FDA now consider the nutritional crisis that even stronger steps are being proposed to help consumers who are unwilling or unable to help themselves to adequate nutritional status.

The FDA is gearing up for a massive food fortification program that will allow manufacturers to add vitamins, minerals, and protein to most products.

### WILL ENCOURAGE ADDITION

"To sum up the regulatory prospect with respect to fortification, or more specifically, the addition of pure nutrient to foods, is that there will be considerably less restriction and, in fact, some encouragement of this practice where it is necessary or desirable to guarantee an appropriate level of nutrition in the food as eaten," Dr. Wodicka said.

"The FDA already has asked the National Academy of Sciences to establish nutritional guides for classes of foods, and the first two guidances, for complete dinners and formulated main dishes, are close to publication," he said.

"The purpose of the guideline program is to provide to the consumer those nutrients that the consumer might have reason to expect in the food offered and at the levels it might be expected."

"The principle is one of guaranteed nutrition rather than one of nutritional supplementation or medication."

### DIFFERS FROM OLD PROCESS

In this respect, the nutritional guidelines program differs from earlier supplementation programs in which nutrients were added to foods that never contained them or in higher amounts than normally found in the products.

The first of these was the addition of iodine to salt to prevent goiter, followed by the enrichment of flour during World War II with nutrient levels above those naturally occurring in whole grain.

That step was widely credited with the virtual elimination of clinical deficiency diseases in this country. When wheat is milled into white flour, almost all of the nutrients are removed.

### FOOD INDUSTRY EAGER

Dr. Wodicka said that the emphasis will be given to having people meet their nutritional requirements thru natural foods, since all essential nutrients are not known and the proper amounts of some others are in doubt.

The food industry is eager to make more healthful foods, but has been hampered by FDA reluctance in the past to update the enrichment and fortification standards.

According to Dr. W. H. Sebrell Jr., director of the Institute of Human Nutrition at Columbia University "Our past experience with fortification makes it clear that the future in this area is most promising and essential for our health and well-being."

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## Overweight? Mom May Be To Blame

(By Ronald Kotulak)

The reasons for the high number of fat Americans are told in this, the fifth of a series of articles dealing with malnutrition.

No one would purposely condemn a child to a life of fatness. Yet there is growing evidence that many mothers are inadvertently programming their babies to become obese adults.

Obesity is the most prevalent chronic disease in America today and it is increasing. It is our most visible sign of malnutrition.

Some 10 million adolescents are obese and about one-third of these are estimated to be seriously ill with overweight.

### MANY BORDER ON OBESITY

The United States Public Health Service estimates that one-sixth of the population borders on obesity and that 60 to 70 per cent of men and women over 40 years of age are above their best weight. A person is generally considered to be obese if he weighs more than 20 per cent above the average for his age and height.

In a study comparing obese with nonobese adolescents, Dr. Sherrel L. Hammar, who treats obesity problems among youngsters at the Pacific Institute of Rehabilitation Medicine in Honolulu, found three characteristics typical of obese children.

They had an increased number of feeding problems and food concerns in infancy, they were given solid foods earlier than the nonobese group [as early as six weeks after birth], and their parents used food, particularly sweets, to bribe them into good behavior.

### MAY ESTABLISH PATTERN

Overfeeding and overconcern about food early in infancy may establish a biological pattern for obesity, said Dr. Myron Winick, a nutritionist at the Cornell University Medical College.

Fat is larded away in the body in adipose tissue and the number of fat cells a person has is determined quite early in life, probably by the age of 3, he said.

If a child is overweight during the period that his fat cells are multiplying, then he will get more fat cells and the chances are very high that he will be an obese child, an overweight adolescent and a fat adult, Dr. Winick said.

In this type of obesity, each fat cell may have the normal amount of fat in it, but there are too many fat cells, he explained. These cells also tend to be somewhat bigger than the average fat cell.

In adult obesity, a person may have a normal amount of fat cells but each cell is stuffed with too much fat, he said.

This may be the reason why it is so difficult for a person who has been obese from childhood to lose weight, said Dr. Donald T. Forman, a biochemist at Evanston hospital.

### LOSES FROM ADIPOSE CELLS

When an obese person loses weight, he loses fat from these adipose cells, he said. The cells shrink, but their number remains the same.

Since cells deprived of their normal intake will send out chemical messages telling the body they want more food, these shrunken fat cells may constantly be perking up the dieter's appetite, Dr. Forman said.

"Early feeding habits have lifelong import," he said. "The child with normal weight will have a normal number and size of adipose tissue cells.

"The fat child will have larger cells and more of them, clamoring to be fed thruout his life. If he wants to maintain normal weight, he'll have to battle his cells to do it."

For most, the battle for weight control is too much. A long-term study of 200 overweight youngsters showed that 86 per cent of the boys and 80 per cent of the girls carried excessive fat into adulthood.

According to these experts, prevention in the form of sound eating habits and normal weight early in life is the best way to avoid obesity later.

### NO FUN BEING FAT

So far, the field of medicine has failed to make much of a dent in permanent weight modification for the obese person who was fat from childhood.

And it certainly is no fun being a fat teenager, according to Dr. Hammar's study which showed that even parents often failed to have any warm feeling for their obese offspring and that brothers and sisters frequently harassed and belittled them.

"Altho life in the family environment may be most unpleasant, ridicule and rejection by their peers often prevent normal progress toward independent activity and create a frustrating, depressing role for these young people," he said. "Relief is frequently sought thru eating, and a vicious cycle occurs."

What worries doctors most about obesity, however, is that it is linked with bad health. It is regarded as a form of malnutrition because it involves faulty or imperfect nutrition.

Overweight people have far more problems with heart disease, diabetes, kidney disease, high blood pressure, respiratory disorders, postural difficulties, low back pain, and varicose veins.

### SPAWN DIET FADS

America's sizable obesity problem has spawned a $100-million-a-year fad diet business, but most of these diets are useless and some may be harmful, said Dr. Philip L. White, director of the American Medical Association's Food and Nutrition Department.

In order to lose weight under any diet, you must reduce your intake of calories so that your body burns off some of the stored fat. When your body gets too much food, it stores it in the form of fat.

The sound way to drop pounds is to reduce calories without reducing intake of essential nutrients, Dr. White said. Increasing exercise and establishing proper eating habits will help keep the weight off.

### TRICK IN MOST DIETS

The trick in most commercial diets is to get people to lose weight on a high-protein, low-carbohydrate diet or just the opposite on a low-protein, low-carbohydrate diet or just the opposite on a low-protein, high-carbohydrate diet, he said.

Most of these diets say you can eat all you want of certain types of appealing foods such as meat, cheese, and eggs. But the idea of eating all you want to lose weight is nonsense, Dr. White said.

### AVOIDS PROPER BALANCE

In most of these cases, the dieter gradually becomes weary of the same foods and whether he realizes it or not he begins eating less, Dr. White explained. This is what leads to weight reduction, the fact that a person is eating less and not what he is eating, he said.

The problem with this type of diet is that it avoids a proper balance of foods. Nutrition is achieved thru a balance of a wide variety of foods. If this variety is severely limited, then the dieter may be endangering his health, Dr. White said.

Such health hazards have recently been documented among strict followers of the Zen Macrobiotic diet. Cases of scurvy, anemia, emaciation, kidney damage, and even death have resulted from this diet, reports the A. M. A.

One of the most popular fad diets today, Irwin Stillman's "Doctor's Quick Weight-Loss Diet," offers a new twist, Dr. White said. It urges dieters to drink up to eight glasses of water a day.

To most people on this diet it is a mystery how drinking so much water can reduce weight, but actually water has nothing to do with losing weight since a person excretes exactly as much water as he takes in, Dr. White said.

Like other fad diets, this one is a high protein, no carbohydrate diet and people who lose weight on it do so because they eat less, he explained.

And there is no magic food such as grapefruit that has the ability to eat away body fat, he added. "That's asinine."

So lucrative has the weight reduction field become that some doctors have limited their practices to treating obese patients. The A. M. A. frowns on this practice when the main regimen for treatment is a reliance on such drugs as amphetamines to suppress appetite.

### SAFE TREATMENT OF OBESITY

"It is clear that the safe treatment of obesity involves a combination of reduced food intake and an increased energy output," the A. M. A. said.

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## NEW HOPE IS SEEN IN WONDER WATERS

(By Donald Kotulak)

(How trace elements affect health is told in the last of a series of articles describing malnutrition in America.)

Some 1,500 years ago Caelius Aurelianus, a physician in Africa, prescribed the use of alkaline spring waters to cure mood disorders.

Several months ago, a Texas scientist reported that in some Texas cities the drinking water may be similar to the ancient spring water, the wonder drug of its day.

And, he reported, these cities have far fewer cases of mental illness than towns with regular drinking water.

### CREDIT LITHIUM IN WATER

Many scientists now believe that the centuries-old spring water remedy for mania and other disorders, which still is used in some European countries, is effective because the water contains trace amounts of the metal lithium.

Lithium is found in the drinking water in El Paso where the rate of admissions to state mental hospitals is drastically lower than in Dallas which has no lithium in the water, said Dr. Earl B. Dawson, a research assistant professor at the University of Texas Medical Branch in Galveston.

The discovery is even more astonishing in view of the fact that the Food and Drug Administration recently approved the use of lithium carbonate for the treatment of manic-depressive disorders. The drug appears helpful in treatment of depression and other mental diseases.

Some trace elements are known to be essential to human health, such as the body's need for iron to prevent anemia. There are more than 100 of these elements.

Many can be found in hardly measureable traces in our food and water, but no one yet knows what the bulk of them do for us.

Nutritional experts say that we may now be getting an inadequate supply of trace elements. There are two reasons for this. One is that continuous farming practices have depleted the ground and the other is that modern food processing removes many trace elements.

In their studies to understand trace elements, scientists have found that drinking water with lithium in it produces better mental health and that a number of other minerals may be able to protect from heart attacks and strokes.

Dr. Dawson thinks that lithium may be important for human nutrition and that it may turn out to be an essential nutrient.

During a three-year study, be found that El Paso has 130 micrograms of lithium per liter of drinking water.

### CHECKS COMMITMENTS

When he checked the rate of commitments to state mental hospitals per 10,000 population between El Paso and Dallas, which has no lithium in the water, he found remarkably fewer cases in El Paso.

Dallas had three times as many admissions for psychosis, six times more admissions for neurosis and three times more for personality disorders, Dr. Dawson said.

"The main selling point of the Carlsbad Springs in Czechoslovakia is their lithium water," he said. "People drink this water and get a feeling of euphoria and tranquility."

### TAKES PART IN SURVEY

Dr. Dawson came across his unusual finding while taking part in the national 10-state nutritional survey which began in 1968. He studied 24 Texas communities and found a persistent relationship between the levels of lithium in the drinking water and lower rates of mental disease. The lithium is washed into rivers from granite rocks, he explained.

A study associating trace elements to production from cardiovascular disease was conducted by Dr. Hansford T. Shacklette, a research botanist for the United States Geological Survey.

The findings came to light after the federal scientists became puzzled about why persons living in one part of Georgia had 50 per cent fewer heart attacks and strokes than those living in another part of the state.

The only significant difference between the two groups was that the group which had lower death rates were exposed to more trace elements in their food and water, Dr. Shacklette said.

Studies of the trace elements in the soil showed that the area with less heart disease had greater concentrations of aluminum, barium, calcium, chromium, copper, iron, potassium, magnesium, manganese, niobium, phosphorus, titanium, and vanadium.

"If geochemical differences between the high death rate area and the low death rate area do, in fact, have a causal relationship to death from cardiovascular disease, the cause would appear to be a deficiency . . . of the elements which were studied," Dr. Shacklette said.

### ROLE OF ELEMENTS

The known role of trace elements is to help put cellular enzymes together. They act like catalysts and this is why such small amounts have such a big effect. Enzymes are critical since they direct and speed up the chemical reactions necessary for life. They also influence the effect of hormones and vitamins.

The effectiveness of metals in such minute quantities, their interaction with enzymes and hormones and the profound metabolic changes resulting from deficiency, toxicity, or imbalance of trace elements, suggest they may be as important to human nutrition as the vitamins.

Dr. C. Edith Weir, assistant director of the U.S. Department of Agriculture's human nutrition research division, said preliminary studies indicate a possible relationship between diets that are submarginal in trace elements and the health of succeeding generations.

### TECHNOLOGY IS BLAMED

Changes in food technology, including formulation of foods, may result in chronic marginal intakes of some nutrients, especially trace elements, with the development of subclinical deficiencies not recognized at this time as being nutritionally caused, she said.

The National Research Council, in its Recommended Dietary Allowances, lists fluorine, iron, iodine, copper, zinc, and manganese and cobalt as essential for man and it regards chromium, molybdenum and selenium as possibly essential.

But there has been recent research, especially with animals, indicating that tin, nickel, bromine, arsenic, cadmium, barium, vanadium, and strontium may play important nutritional roles. Additionally, there are some 20 to 30 other trace elements that have been found in living tissues altho no one knows what they do.

The importance of zinc is becoming evident. It is necessary for wound healing and a number of studies have found that half the patients undergoing surgery in hospitals have a zinc deficiency. As a result, some hospitals are giving all surgery patients zinc supplements.

Many trace elements, however, are removed from processed foods and perhaps they should be put back in, at least to the levels at which they occur naturally, said Dr. Walter Mertz, chief of the U.S. Department of Agriculture's Vitamin and Mineral Nutrition Laboratory.

For example, milling wheat into white flour removes most of the trace element content, including zinc, manganese, copper, molybdenum, cobalt, and others, he said.

### ENRICHMENT PROPONENT

"I'm a very strong proponent of looking into enrichment and fortification [returning trace elements and vitamins to foods]," he said. "I do believe we need it very badly."

"These data should alert us to the possibility that nutritional problems for any one of these elements may be shown at some later time to exist in humans," he added.

## THE TRAGEDY IN ULSTER—II—STORMONT AND THE INCIDENT OF MR. FOX

Mr. KENNEDY. Mr. President, the New York Times for Saturday, November 13, 1971, contains a significant column by Anthony Lewis on an incident that symbolizes the repression and disillusionment of the Catholic minority in Northern Ireland.

The incident concerns the plight of Mr. John Joseph Fox, who was arrested on August 9 and has now been detained without charges or trial for more than 3 months under the Special Powers Act and the internment policy being carried out under the act by Stormont, the Government of Northern Ireland. Mr. Lewis uses the incident to point up his conclusion that, so long as the present Stormont system continues, it can never bring peace to Northern Ireland.

Two of the principal reforms that Senator Abe Ribicoff and I proposed in Senate Resolution 180, the Senate resolution we introduced last month on Northern Ireland, were a call for the end of internment and a call for the dissolution of the Stormont government and the institution of direct rule of Ulster from London. In recent days, there have been increasing reports that such steps may be near, in part because of increasing pressure by the Labor Party in Britain. I believe, therefore, that Mr. Lewis' analysis will be of interest to all of us concerned with ending the violence and brutality in Northern Ireland. I ask unanimous consent that it be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

[From the New York Times, Nov. 13, 1971]

### The Incident of Mr. Fox

(By Anthony Lewis)

London, Nov. 12.—It began with a letter from the Ardoyne, a Roman Catholic ghetto of Belfast.

"My husband's name is John Joseph Fox, he was in the British Army for six and one-half years, also he was on reserve. We came home to Ireland after 25 years in England where all the children were born. . . .

"Now they have taken my husband into prison from his home on the 9th of August and he is still a detainee at Crumblin Road Prison. He was beaten up terrible, in fact he thought it was the end for him. . . . I know they have made a mistake so why don't they let him go? I just don't understand. . . ."

Mrs. Fox wrote to Victoria Brittain, an English journalist who had stayed in the Ardoyne last spring on assignment for The Times of London. Miss Brittain turned the letter over to The Times, which printed it.

Stormont, the Northern Ireland Government, at once denounced the letter as false. Mr. Fox was not being detained without trial as a suspected terrorist, an official said: He was in jail awaiting trial on a charge of car theft. He had appeared in court on that charge on Aug. 25, been remanded to prison (denied bail), and appeared and been remanded again on five later occasions.

When that official denial was published, it seemed odd. Do British courts really deny bail in auto theft cases? Could a man be held in jail for months before trial on such a charge? A simple check showed that the answer to these questions was no.

The Stormont statement was in fact a farrago of untruths. Officials, asked to check, took two days and then admitted they had been wrong: Mr. Fox *was* being detained under the Special Powers Act, just as his wife had said. The facts were:

Mr. Fox was charged with the theft of a car last June. He pleaded innocent, producing what he said was a canceled check for the car and its proper documents. He was freed on bail of $1,200, later reduced to $480.

On Aug. 9, the day Stormont began interning suspected Catholic terrorists, Mr. Fox was seized under the Special Powers Act and taken with other detainees to Crumlin Road Prison. If it were not for that, officials now agree, he would be free on bail. But the Government has neither lifted the detention order nor proceeded with the car theft case.

Mr. Fox has now been detained under the Special Powers Act for more than three months. Ordinarily Stormont decides within 28 days whether it has grounds to enter a formal internment order against a suspect, but even that has not happened. Mr. Fox is in limbo. And his prison is not in Greece or Brazil or the Soviet Union but in what the Ulster Protestants proudly insist is a part of the United Kingdom.

There is nothing very special about the episode—it does not come near the worst horrors of Northern Ireland. It just happened to be played out before a public audience, and it shows why things are as they are: why, despite all the announced reforms of recent years, the Catholics remain so totally alienated from the Ulster system.

If you live in the Ardoyne, you are convinced that there is no truth in Stormont, that there can be no real commitment to equal rights. You are convinced also that there is no assurance of fair treatment from the Ulster police, or of justice in an Ulster court.

None of this is to say, from an outsider's viewpoint, that injustice is all on one side. It would be impossible to say that after the I.R.A.'s cruelties, or after the terrible scenes of Bogside women shearing and tarring a girl because she loved a British soldier.

But no nice balance from outside can change what the Catholic one-third of Northern Ireland perceives as reality: It lives in a sectarian Protestant state, created fifty years ago for the very purpose of maintaining Protestant domination, and there can be no hope until the structure of that sectarian state is dismantled.

That is the truth that successive British Governments have tried to avoid: The Stormont system, with its separate, perpetually Protestant Parliament and Executive for Northern Ireland, can never bring peace. No one should pretend that there is an easy way out of the Irish troubles, but the way has to begin with British recognition that the Stormont idea has failed.

## ADDRESS BY SENATOR BEALL BEFORE MARYLAND CHAPTER, ASSOCIATION OF THE U.S. ARMY

Mr. BEALL. Mr. President, recently I had the pleasure of addressing the Maryland chapter of the Association of the

U.S. Army which met at Fort Meade, Md., on November 4, 1971. Coming as it did, shortly after the Senate defeat of the original foreign aid package, I was able to take advantage of this opportunity to explain in considerable detail my thinking on this matter. The Senate has subsequently enacted the two-part modified foreign aid program, proposed by the Foreign Relations Committee.

I ask unanimous consent that my speech be printed in the RECORD.

There being no objection, the speech was ordered to be printed in the RECORD, as follows:

### SPEECH BY SENATOR J. GLENN BEALL, JR.

Last Friday night when, by a vote of 41–27, the Senate refused to authorize the continuation of America's foreign assistance program for another year, it surprised the Administration, the Nation, the World—and the United States Senate. I believe it is fair to say few of us in Washington would have predicted that this vote would turn out as it did. While foreign aid authorization legislation has periodically been in trouble in the House of Representatives, there was only one previous occasion in recent years when the vote was even close in the Senate.

Many reasons have been ascribed by various people for the Senate's unexpected reversal of form:

There are those who lay the blame at the doorstep of the Administration contending that they did not make enough of an effort to win votes for the program. Perhaps this is true. I was not contacted by anyone in the Administration requesting my vote, pro or con, on this measure. Nor was I contacted by anyone from the Agency for International Development, which is even more surprising, because this is the agency with the primary responsibilty for administering the foreign aid programs.

There are those who say that the defeat of this bill was the result of the action taken by the United Nations in expelling the Nationalist Chinese Government from that body. I was bitterly disappointed by the United Nations' action in this matter, although, I think that it is diplomatically reasonable and desirable to bring Mainland China into the United Nations. After all, the People's Republic of China contains 800 million people and it is certainly desirable to open lines of communication with these people. The United Nations, however, must be an inclusive and not an exclusive organization if it is to serve successfully as a forum where the nations of the world can talk out their differences. But even so, I don't think that the action taken in the United Nations is sufficient reason for the United States to discontinue the entire foreign aid program.

Many Americans, and many members of the United States Senate, are deeply frustrated by the continuing conflict in Southeast Asia. The foreign aid bill, as reported by the Senate Foreign Relations Committee, contained the so-called "Cooper-Church Amendment" which restricted the President's ability to spend money where needed in Southeast Asia. Such a proposal would clearly have restricted the President's options as he seeks to sucecssfully conclude the withdrawal of America's military presence in Vietnam. The Administration made a strong and successful effort to have this particular section deleted from the bill, during the course of the floor debate, and thus there are those who think this affected the outcome of the Foreign Aid Bill.

Others attribute the defeat of this legislation to the fact that there is growing disenchantment with foreign spending during a period when our own nation is confronted by serious social and economic problems requiring the expenditure of large sums of public money at home. Many blame our present economic dislocations on excessive federal spending and see foreign aid as a convenient and domestically painless area to cut.

Some claim the bill lost because it includes very generous doses of military assistance, and there are those who cannot see military assistance as an extension of our foreign policy.

There are those who feel that the legislation lost because there were 32 members of the Senate who were not present when the vote was taken.

And, finally, there is a growing "isolationism" or "neoisolationism" which seems to be prevalent in our country, and the defeat of the foreign aid bill last Friday night may be the first clear-cut manifestation of this feeling.

I believe that all of these factors, in varying degrees, probably contributed to the vote ending our foreign aid. A study of the roll call vote indicates that an interesting coalition developed between some Senators who are ideologically to the right and who have traditionally opposed most foreign aid expenditures and a group of Senators who are ideologically to the left and who have recently become disenchanted with the kind of programs which we have previously embarked upon, particularly where military assistance is involved.

In any event, it now becomes a question of what to do about the siutation that we have created for ourselves. Personally, I do not feel that it is in the best interest of the United States of America to resign from the world. I think that the political, economic, and social well-being of our country depends to a great extent on our ability to maintain a position of leadership in the world—diplomatically, and economically (militarily). The facts seem to indicate that the outward looking foreign policy pursued by the United States in the years since World War II has served to avert World War III, not to hasten it. I think it is clear to any student of history that the isolationism practiced by the United States during the 1920s and the 1930s was not in the least a deterrent to our involvement in World War II. While I am *not* satisfied with our foreign aid program as it has developed and been administered in recent years, I do not think that there is sufficient justification to abruptly terminate this program and lay down the burden of responsibilities we have borne for the last quarter of a century.

Let us look at some of the positive aspects of the foreign aid programs and the contributions it makes to the overall foreign policy of the United States. As we all know, President Nixon is seeking to reduce America's presence abroad without creating a dangerous power vacuum that could bring about instability, chaos, and a golden opportunity for our adversaries to advance their cause. The Nixon doctrine makes the overall objectives of our foreign aid program substantially more important in light of the diminished role of the overt U.S. presence abroad.

One need only examine the primary objectives of the foreign assistance program as enunciated by the President himself, to begin to grasp the magnitude of its importance as an extension of our foreign policy. In a message to the Congress, the President stated that the goal of our foreign aid program is to "strengthen the defense capabilities and economies of our friends and allies." The President went on to state that it is in our nation's best interest to "assist the lower income countries in their efforts to achieve economic and social development." Addressing himself further to this point, the President has said "that the prospect for a peaceful world will be greatly enhanced if the two-thirds of humanity who live in these countries see hope for adequate food, shelter, education, and employment in peaceful progress rather than in revolution."

I have always believed that one of the greatest facets of the American spirit is our compassionate response to the human consequences of national disasters and political upheavals. Disasters, both at home and abroad, have always brought out the best in the American personality and the foreign assistance apparatus gives us the vehicle to relieve such suffering whenever and wherever it occurs.

One of the real problems when we talk of foreign aid results from the fact that there is a general misunderstanding about the program and its goals among the American people. There are many in our country who believe that foreign aid is simply a matter of giving money to irresponsible, corrupt, and overwhelmingly ungrateful recipients.

I think it is important to note that the foreign aid program is generally divided into three categories. Those being economic assistance, technical assistance, and military assistance. And it is also important to note that the funds to support this program flow to approximately 4,000 American companies and approximately 1,000 private institutions in all fifty states. Let us look for a minute at how these monies are spent:

1. In fiscal year 1970, agency for International Development funds bought $976 million worth of goods from all regions of the United States, this accounting for 98% of AID-financed commodity procurements for that year. Among the items purchased were many that need additional markets such as farm commodities; if you are acquainted at all with the farm picture today you know that new markets are essential to the farmer.

2. As of June 30th, 1970, AID had 1284 active technical service contracts with private institutions, companies, and individuals valued at $63 million. At a time when we are trying to expand our economy and produce new employment opportunities, the loss of these funds would be a serious blow.

3. Likewise, American carriers—airlines, shipping agencies, and others—earned over $90 million in 1970 transporting our products to less developed countries. Once again, industry would be hard put to make up the difference, and employment would suffer accordingly.

4. During fiscal year 1971 the foreign assistance program actually made a small contribution to the plus side of our balance of payment problem. Approximately $79 million flowed in as a result of payments of principle and interest on prior years' loans.

I think it well to point out that the consequences of the lack of a foreign aid program do not end here either:

U.S. efforts to assist underdeveloped nations to curb their skyrocketing population explosion will come to an end.

International programs aimed at cutting off the flow of narcotics and dangerous drugs will end.

U.S. participation in programs such as UNICEF will end—to the detriment of millions of children throughout the world.

Disaster relief programs that have enabled the United States to quickly and effectively respond to earthquakes, floods, famines, etc. will cease to exist.

There are today ten million refugees from the civil war in Pakistan. Think of it—that number is more than twice the population of the State of Maryland—and almost the entire U.S. program of refugee relief in this troubled region was contained in this defeated measure.

U.S. suppliers can expect to lose approximately $3 billion worth of orders for supplies and services in the coming year with a corresponding loss of jobs, a serious blow to our economy.

Approximately 15,000 students in underdeveloped nations are now enrolled in educational programs and institutions financed by the United States. These are the future leaders of the "Third World". What will their reaction be to this precipitous American action?

And, of course, our investment in men and material and money in the conflict in Southeast Asia would be vitally affected. While our military involvement is coming to an end, the whole Vietnamization program is supported through aid from this nation. No longer would we be able to provide the equipment or technical advice needed by the South Vietnamese to give them a chance for a free society when we depart.

One of the purposes of all foreign military assistance is to make other nations strong enough to defend themselves so that they can then strengthen their own economies. But cutting all assistance off in the middle of the stream we are seriously endangering the lives of many thousands of Vietnamese as well as the nation. It would be the most absolute breach of faith by this nation within memory.

This same reasoning would apply to Cambodia. HR 9910 contained $341 million of aid for this nation.

The anti-communist Cambodian Republic has confounded many of its critics by its mere survival and its gradual consolidation of strength. The Lon Nol government is presently holding its own against five North Vietnamese divisions. I think it is clear that the collapse of the government of Cambodia would free these seasoned troops for combat in South Vietnam against our rapidly diminishing forces there, and seriously endanger American lives.

And last, but certainly not least, the Foreign Assistance Act of 1971 contained over $300 million worth of aid to Israel. In the face of the rapid Soviet build up of men and material in Egypt and other Arab states I think it is utterly inconceivable that this nation could so abruptly terminate its economic and military assistance to Israel in its hour of greatest need. We cannot let this happen.

With these serious consequences facing us, I think it's clear that the Senate must reassess the vote of last Friday night. It would be easy to acquiesce and let the program die. But we must not let this happen.

Instead, I call on the Senate to act in concert with the Nixon Administration in the formulation of a new bill that recognizes the continuing need for foreign aid. We can change the system. We can make it better. We can require that our loan be repaid. We can demand that assistance go for those purposes for which it is intended. We can put teeth into enforcing the ways and means of administering the program. But we can't just drop it!

We must recognize the value of foreign aid—not just to other nations—but to our own. Foreign aid—the right kind of foreign aid—is necessary for our country as well as theirs. Let's be selfish about it! It helps our nation!

The world today is small—it is getting smaller. We cannot return to a policy of isolationism because such a policy ignores all the realities of the modern world.

America is a strong nation. But we need help. We need friends that can police their own neighborhoods.

We seek to build the foundation for a generation of peace in the last quarter of this century and foreign aid is an integral part of this effort.

I personally would prefer not to consider the implications of a decision by this nation to pursue the concept of a "little America". I am firmly convinced that a "little America" cannot guide a troubled world toward a better tomorrow. A "little America" cannot deter the expansionist tendencies on the part of our major adversaries. A "little America" cannot help to lead the underdeveloped nations into the 21st century and perhaps more importantly, a "little America" cannot guarantee the freedom and safety of its own people. This is why I have consistently supported and will continue to support responsible policies designed to preserve our nation's military, diplomatic, and economic eminence in the world today.

That is the challenge that lies before us and only history will tell whether the American nation had the wisdom and courage to reach out and achieve true greatness.

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## WELFARE FACTS AND FICTION

Mr. RIBICOFF. Mr. President, earlier this year I placed in the RECORD an analysis I made of the myths and facts surrounding welfare in America.

The Department of Health, Education, and Welfare recently prepared its own analysis of welfare facts and fiction.

Since the debate on welfare reform will hopefully culminate in Senate action early next year, it is important that the basis upon which we legislate is reality, not fantasy.

I ask unanimous consent that the HEW study be printed in the RECORD.

There being no objection, the study was ordered to be printed in the RECORD, as follows:

### WELFARE MYTHS VERSUS FACTS

U.S. DEPARTMENT OF HEALTH,
EDUCATION, AND WELFARE,
*Social and Rehabilitation Service.*

#### AN OBSERVATION

People who work for a living—and pay taxes—frequently find it difficult to understand those who do not.

In this country, the "work ethic" spans the years from pioneer times to the present. It is a good one. We would not have a strong, productive Nation without it.

How do we explain, then, that every year different millions of fellow citizens are in and out of jobs, unable to earn enough to support themselves and their families, or dependent partially or entirely on public funds in order to survive? Why do welfare rolls grow and grow and grow when the country is economically more affluent than at any time in history? Are welfare recipients lazy, cheats, chiselers? Or is the welfare system wrong?

President Nixon identified the flaws in the system when he proposed welfare reform in August 1969. His recommendations to create a new income maintenance program with built-in work incentives expressed what millions of Americans had sensed but had been unable to articulate: "If we do not find a way to become a working nation that properly cares for the dependent, we shall become a Welfare State that undermines the incentive of the working man . . . "

This leaflet makes no attempt to explain the present welfare system and its shortcomings. Its purpose is, rather, to explode some of the popular misconceptions which have proliferated over the years about welfare recipients, especially those who receive Aid to Families with Dependent Children (AFDC)—misconceptions that not only malign the victims of poverty but the social workers who labor with dedication to make the present inadequate welfare system work.

JOHN D. TWINAME,
*Administrator,*
*Social and Rehabilitation Service.*

#### MYTH

Welfare families are loaded with kids—and have more just to get more money.

#### FACT

The typical welfare family has a mother and three children. Since 1967, the trend has been toward smaller families on welfare. The birth date for welfare families, like the birth rate for the general population, is dropping.

Most children in welfare families (90 percent) are two years old or older. Studies show that the average family receives assistance for about two years. It is clear, then, that the majority of welfare children were conceived or born *before* the family applied for assistance. Also, the typical payment for an additional child is $35 a month, hardly enough to cover the cost of rearing an additional child. Some States impose maximum payment limits; families reaching that ceiling—usually a 4- to 5-person family—get no additional money for another child.

#### MYTH

Most welfare families are black.

#### FACT

The largest racial group among welfare families—49 percent—is white.

Blacks represent about 46 percent. Most of the remaining 5 percent are American Indians, Orientals, and other racial minorities. Latin American families cut across racial lines; 14.4 percent of AFDC families are of Latin birth or ancestry: Mexican, Cuban, Venezuelan, etc.

Families headed by females account for most of those on welfare—black or white. Studies have shown that such families are significantly less able to survive economically than those with both parents present, regardless of race.

#### MYTH

Why work when you can live it up on welfare?

#### FACT

The average payment to a welfare family of four with no other income varies among States, from a low of $60 per month in Mississippi to a high of $375 per month in Alaska.

In all but four States, welfare payments have been below the established poverty level of $331 per month, or $3,972 per year, for a family of four. Unfortunately, some of the Nation's working poor—ineligible for assistance under the present welfare system—earn less than the poverty level, too.

Each State establishes its own "need standard"—the amount required for the necessities of family living. A State standard may be below or above the poverty line. A State will use its "need standard" as a base for determining eligibility. However, 38 States pay less—some much less—than their own established standard of need. The Federal Government shares the cost of payments made by the States.

Welfare reform proposals—establishing a Federal income floor nationally for welfare families—would provide an even base for payments and increase recipients' incomes in at least eight States now paying the lowest amounts. The working poor would get a cash assist as well, insuring that a family head would always be better off by working. Under welfare reform, any family head who is able to work but remains unemployed would have to take a job or job training in order to receive welfare benefits.

#### MYTH

Give them more money and they'll spend it on drink and big cars.

#### FACT

Most welfare families report that if they received any extra money it would go for essentials. A survey of welfare mothers showed that almost half would spend it primarily for food. Another 28 percent said they would spend any additional money on clothing and shoes. The survey found that 42 percent of mothers bought used clothing or relied on donated clothing to help make ends meet. Seventeen percent of the mothers said their children occasionally stayed home from school because they lacked decent clothes and shoes.

Nearly 10 percent of the mothers in the survey said they would spend extra money on rent for better housing, and 13 percent said they would spend it on a combination of food, clothes, and rent.

MYTH

Most welfare children are illegitimate.

FACT

A sizeable majority—approximately 68 percent—of the more than 7 million children in welfare families were born in wedlock, according to data compiled by the Social and Rehabilitation Service.

In addition, most middle- and upper-income families have always been able to purchase family planning counseling and services from private physicians. However, only in the past few years has government made a concerted effort to deliver such services to the poor.

MYTH

Once on welfare, always on welfare.

FACT

*Length of time on welfare*

Sixteen percent—less than 6 months.
Seventeen percent—6 months to 1 year.
Nineteen percent—1 to 2 years.
Eleven percent—2 to 3 years.
Fourteen percent—3 to 5 years.
Fifteen and .7 percent—5 to 10 years.
Seven and .3 percent—more than 10 years.

The average welfare family has been on the rolls for 23 months.

Studies by the Social and Rehabilitation Service, HEW, show that at any given time about two-thirds of welfare families will have been receiving assistance for less than three years. The number of long-term cases is relatively small—only 7.3 percent have been on welfare for 10 years or more. Such cases are likely to involve some form of disability.

Government-sponsored surveys show that the majority of welfare families are also embarrassed by, and discontented with, welfare. Most want to move off the welfare rolls, but it takes the average family about two years to overcome its problems.

Proposed welfare reforms are designed to strengthen work incentives, eliminate barriers to employment, and thus help present recipients rejoin the work force as soon as possible.

MYTH

Welfare people are cheats.

FACT

Suspected incidents of fraud or misrepresentation among welfare recipients occur in less than four-tenths of one percent of the total welfare caseload in the Nation, according to all available evidence. Cases where fraud is established occur even less frequently.

Another 1 to 2 percent of welfare cases are technically ineligible because of a misunderstanding of the rules, agency mistakes, or changes in family circumstances not reported fast enough. These are human and technical errors; it is not cheating.

While the proportion of those who deliberately falsify information is very low, both the Federal and State governments seek to eliminate them from the welfare rolls as well as to remove all errors in determining eligibility. The overwhelming majority of recipients, like most other Americans, are not willfully misrepresenting their situations.

State agencies are required to check the eligibility of AFDC families at least once every six months; those with unemployed fathers, once every three months. The Federal Government also analyzes State records and makes on-site checks of a portion of each State's welfare cases.

Many publicized charges of cheating or ineligibility simply have not stood up under investigation.

MYTH

The welfare rolls are full of able-bodied loafers!

FACT

Less than one percent of welfare recipients are able-bodied unemployed males: some 126,000 of the more than 13 million Americans on Federal/State-supported welfare (April 1971 statistics). Most of them—80 percent—want work, according to a Government-sponsored study; about half the men are enrolled in work training programs.

The largest group of working-age adults on welfare are 2.5 million mothers of welfare families, most of whom head families with no able-bodied male present. About 14 percent of these mothers work, and 7 percent are in work training. Many of the other mothers confront serious barriers to employment under the existing welfare system. But if day care were available for their children, and if job training and jobs were to be had, it is estimated that another 35 percent would be potential employees. An additional 4 to 5 percent of mothers have some employment potential, but require more extensive social rehabilitative service to prepare them. (The proposed welfare reform program includes provisions for day care, job training, public service jobs, and more extensive service for welfare recipients.

The remaining 40 percent of welfare mothers have little or no employment potential because they care for small children at home, have major physical or mental incapacities, or other insurmountable work barriers. In spite of this. 70 to 80 percent of welfare mothers consistently report they would work if present barriers to employment are overcome.

*Factors in the employability of welfare mothers*

(From a 1969 study—in percent)

| | |
|---|---|
| Needed at home to care for small children, have a long-term disability | 40 |
| Employable if job training, jobs and day care were made available | 35 |
| Already employed full- or part-time | 14 |
| In work-training programs or waiting to be accepted | 7 |
| Need extensive medical or rehabilitative services before becoming employable | 4 |

*Federally assisted welfare population*

(As of April 1971—in percent)

| | |
|---|---|
| Children | 55.5 |
| Mothers | 18.6 |
| Aged | 15.6 |
| Blind and disabled | 9.4 |
| Able-bodied fathers | 0.9 |

MYTH

Welfare's just a dole, a money handout.

FACT

Money is necessary to a family lacking subsistence, but it usually takes more than just cash to help the typical welfare family get on its feet and back into the mainstream of our society.

The Social and Rehabilitation Service asked welfare agencies what social services they had given to welfare families besides money. Here's what the agencies reported and the percentage of families receiving each kind of service (most families received more than one service):

(In percent)

| | |
|---|---|
| Health care advice and referrals (including Medicaid) | 55.7 |
| Counseling on financial and home management | 54.2 |
| Employment counseling | 51.0 |
| Services to secure child support | 37.5 |
| Services to improve housing conditions | 36.2 |
| Services to enable children to continue school | 27.8 |

Other services which many agencies provide include those related to child welfare, vocational rehabilitation, and youth development. This range of social services has been found essential in helping disadvantaged people move toward independence and constructive living.

Welfare reform, among other things, would separate the administration of cash payments from the delivery of social services. The goal is improved social and rehabilitation services, more accessible services, and more coordinated services to those in need.

## THE COLLEGE PRESIDENCY TODAY—ADDRESS BY DR. JAMES L. FISHER, PRESIDENT, TOWSON STATE COLLEGE

Mr. MATHIAS. Mr. President, recently a symposium entitled "The College Presidency Today" was held at Morgan State College, Baltimore, Md., in recognition of the inauguration of Dr. King V. Cheek, Jr., as Morgan State's seventh president. I invite the attention of Senators to a speech made on that occasion by Dr. James L. Fisher, president of Towson State College, Towson, Md. Dr. Fisher has given us, in his own words, "an honest testament about the presidency today from a man who is happy in the office."

During these times of increasing concern about the whole area of higher education, Dr. Fisher has eloquently expressed a sense of mission which, I think, is essential for enlightened and effective leadership of our colleges and universities. I ask unanimous consent that the address be printed in the RECORD.

There being no objection, the address was ordered to be printed in the RECORD, as follows:

### THE COLLEGE PRESIDENCY TODAY

For me to condense a statement on the college presidency today into 20 minutes is for me to force out an abstract that will be wanting in both insight and content. There are so many things that I want to tell you about this subject that I simply cannot do justice to it this evening.

When I was invited to participate in this symposium my response was "yes" for two reasons—my sincere admiration and affection for President King V. Cheek and my quick assessment that because I live this subject I could prepare an acceptable paper without much effort. Let me tell you that at least for me, this assignment wasn't that easy. My first draft immodestly read as if a college president today were a superhuman, my second made him a human saint, and yet I knew instinctively that both estimates were wrong, for I certainly knew that at least this college president was completely moral, rent through with the passions of joy and despair, and with the whole gambit of human strengths and weaknesses.

This third draft is a combination of the three—superman—saint—and the real man. I leave to you the definitions.

However, through all three preparations I remembered these words of Dag Hammarskjold which have meant much to me in office;

"Around a man who has been pushed into the limelight, a legend begins to grow as it does around a dead man. But a dead man is in no danger of yielding to the temptation that nourishes his legend to accept its picture as reality. I pity the man who falls in love with his image as it is drawn by public opinion during the honeymoon of publicity."

For purposes of grim reminder and objectivity I will first briefly style the shape of higher education today, then I shall speak of the presidency and the implementation of that office. I have decided to personalize this part for to do otherwise would cloud my impressions and, quite frankly, the third person would only amount to a transparent veil for me. If nothing else, what I am giving you is an honest testament about the presidency today from a man who is happy in the office.

First, the state of higher education. Since the early 1960's, higher education throughout the world has been in a state of turmoil that has included revolution, disintegration and violence. Universities in Paris, London, Tokyo, Berlin, Berkeley, New York, College Park, and Baltimore have been scarred by a Damoclian sword of disruption. Insidious attitudes born of distrust and a misguided sense of justice and morality have resulted in a foolish passion that yielded violence, bombings and death. We were stunned when many of our better members adopted a self-righteous belief that the way to freedom was to enslave others either in mind or body, and that the only free forum was theirs. Through these years the collective university stumbled on as if drugged by fear or stupidity. A worshipful society looked on in stunned disbelief that was at first sympathetic and later hostile. The world's citadels of reason and dispassion became hotbeds of hatred and unhearing zealotry.

University presidents were called wasteful, foolish, and incompetent. They had heart attacks, nervous breakdowns, were beaten, and some died in office. They went out so fast that on one occasion a full page of the *Chronicle of Higher Education* was filled with the tense faces of newly appointed college presidents.

Why? What could account for this terrible condition? Some persist in blaming the Vietnamese War, a new awareness of the plight of the poor, the domestic racial situation, the wanton destruction of our natural resources and the generally declining quality of life.

To deny the basic importance of these issues to our citizens is to be unthinking or unmoral. But to a growing number of persons in higher education, they stood as symptoms of a deeper problem that was the very nature of the American university. We were as the ancient Romans, unable or unwilling to look at ourselves.

Those who had been styled the shepherds of higher education, both administrator and faculty, had unintentionally but surely developed a system of education that was antithetical to the goals and needs of students. We rewarded behavior that was the diametric opposite of our stated purposes. We developed and enhanced programs that prepared research scholars and pretended that they were qualified and committed to teaching undergraduate students. Our stars were those who taught three-hour loads at the graduate level, published articles and books, and could hold undergraduate teaching in disdain. We assumed that what was best for the discipline or the college was best for the student and, of course, it follows that we assumed that everybody was a good teacher so we didn't need to evaluate the process. Our principal function, teaching, was assigned to our newer members and to anxious graduate assistants. And even on campuses that had not arrived at this antediluvian state of excellence, dedicated teachers felt bound to silence or apology for their lesser role and, quite naturally, therefore, aspired to become somebody in the yesterday land of the Harvards.

We had pushed our most promising young people into the university ovens of dehumanization, and from World War II to the 1960's the situation intensified.

Finally in exasperation, in 1964, students rose up for reasons that were pure but symptomatic. They were really saying to us, "I'm here. I'm somebody. You tell me I'm important and treat me like I'm a disease."

And when the students struck, we were surprised. Historians will shake their heads in wonder that our assembled wisdom could be so unseeing.

But, as I have implied, today there is emerging a new breed president, the kind of person who places human needs above institutions and whose priorities are consistent with these goals. Although still woefully few, these men and women are growing in number and impact. They are persons of courage, insight and conviction—persons who are neither afraid to love or lead. King Cheek is in their vanguard. I liked the way Dr. Cheek was characterized in a recent article in *Ebony* magazine. He was styled as a "dynamic young black Joshua before the walls of American education's old Jericho."

There is implicit in what I have said about the state of higher education today an obvious presidential characteristic—a sense of mission. He must hold a conviction that is sound and in which he is so secure that he can fend off the articulate contextual argument of yesterday and at the same time inspire others to his banner. He must embody a few unmistakable goals and he must bear them in mind with every decision. He must know that his presidential influence is limited and he should use it only for issues that threaten or deny his fundamental goals. To waste his official substance in a display of power over petty issues is to play his cards for pennies.

While he must deny none, neither can he compromise his mission except through new truth. He must be and feel confidently relevant, so much so that in doubtful hours, when even friends waver, he has the courage to stand forth alone. I cannot overemphasize the need for this characteristic in today's college president.

The mystique of presidential leadership in the new university is almost impossible to describe, but where it exists, people prosper. Oh, they anguish in the process of achieving a Franciscan-like fulfillment, but change occurs and somehow things are better. When a student body and a faculty know that their president really cares about them, "in times of crisis" they will follow and support him to the point of personal sacrifice.

By now you must sense that I have a certain belief, born no doubt out of my own prejudices, that the central person exercising moral and political leadership (in the most enlightened sense of the words) for an institution, be it college or country, must be its president. And so, to me, a most important ingredient in presidential leadership is the ability to foster trust and inspire confidence. While I do not pretend to these things, I strive for them. It is obvious that each president must establish his own credibility. I believe that he can best accomplish this through his own activities and life style. His rhetoric must shine through in his behavior and his attitudes, for I certainly agree with the implied criticism rendered by John Hope Franklin, who wrote these eloquently simple yet demanding words: "Why does such a gap exist between our public statements and our private deeds?"

The days of presidential detachment are over. If justice needs a voice the president must have the wisdom and courage to say what must be said. And at the same time, he must protect the precious neutrality of the university for he must preserve at all costs the right of others in his community to be and become unneutral. If he sees inequity or inefficiency, he must deny it. He must be able to fight antiquated and unfair systems and not men. If faculty or students need defense, he must defend them. If they need criticism, he must render it honestly. If the system is so far behind the needs of its people that it is preparing them for a non-existent world, then he must be the first to speak out . . . He must blow the trumpet loudly, because today he can do no less.

Today's president must provide a tentative sense of direction and attitude for his community and he must spend himself in their accomplishment. He must do so in a manner constantly revealing his respect for individuals, students and faculty, and their right and responsibility to participate in the shaping of the institution.

And in this I see no contradiction, for I stand convinced that an effective president can provide direction and at the same time respect and accommodate himself to a system of representative participation. Indeed, I believe that though his approach may appear schizophrenic to some, it is the only way that meaningful change can come to our institutions.

The president must know and feel the needs of the people he serves. To do this he must be with, among, and of them. He should regularly expose himself in informal settings to the scrutiny of all his community, and most especially students. He should listen to their aspirations, know their problems and feel their dreams. He must be able to stand in their shoes so fully that he is not tempted to judge or condemn or confuse. He must have experienced their struggle for identity in both a personal and representative way. Their arrival must be his peace.

What I am saying is not simply moral, it is essential to the survival of higher education, for any who know our history know that virtually all our progress has come through the influence of students—sometime vigorous but always productive. I liked Charles de Gaulle's words when greeted on his return to power by cries of acclaim from his countrymen. He answered, "je vous ai compri." ("I have understood you.") The president must understand.

Today's president must surround himself with men who are better than he. For him to be so insecure as to be comfortable only in the professional company of lessers is a guarantee for failure. His associates must be both able and good. In the eyes of the president they must be so wise that he in times of trouble will honestly ask them for advice, not out of courtesy but because he so values their judgment. There must be an administrative camaraderie that includes all of these—high respect, forgiveness, and love.

Yes, they must also be committed to at least the general parameters of the mission, for today no president can afford to have dissenting administrators. From faculty and students, yes, for their contrary positions will keep us honest and tested and are basic to the spirit of university. But today's administrator has but three choices—to agree with the president, to change the president's mind, or to resign. For once a decision is made, he implements it in both deed and spirit.

As for me, the college presidency is my life. It is a process of joint consumption; I consume the office as it consumes me. The presidency is with me on public platforms and in private places. To think that I can truly shed it on vacation, on the tennis courts, in the exercise of poetry, painting and pages of philosophy, or in the company of tested and loved associates and family amounts to childish naivete. To me, for a college president today to expect otherwise should amount to his resignation. Yes, I need the challenging exhaustion of athletic competition, the creative discipline of art and scholarly excursion, the freedom and non-judgmental acceptance of loved ones, and the anonymity of other places, but ever present is the mission and the responsibility of the office. The presidency drives and drains me. It inspires me to things beyond myself to the point of self wonder. In the quiet aftermath of frustration and lesser failure, I admit to passing thoughts of a more relaxed and personal—perhaps I should say selfish—life. But each day I revel in the job and capitalize on the rare opportunity to make real the mission that is mine.

I hope that when I go I will be remembered by these inelegant words from a cowboy's tombstone in Arizona:

"He done his damnedest."

## VOTER PARTICIPATION BY YOUNG VOTERS

Mr. McGEE. Mr. President, I ask unanimous consent to insert in the Record a Gallup poll published in Newsweek magazine a few days ago concerning the effect of voter participation by citizens between the ages of 17 and 23.

One of the submerged issues involved in considering S. 2574, the voter registration bill which I reported earlier this week from the Committee on Post Office and Civil Service, is the relative benefit that substantially increased voter participation would give to the major political parties. There appears to be a conviction generally unexpressed, that increased registration and voting might tend to benefit the Democratic Party because most of the qualified electorate who do not now register and vote may be philosophically, economically, or socially inclined toward the Democratic Party.

This Gallup poll contradicts that supposition. According to this poll the greater the participation by young voters, the greater the benefit to the President and the Republican Party. Gallup's survey shows that if 42 percent of the youth group votes, the President loses against two prominent Democrats and does not better than tie a third; while if 100 percent of the youth group votes, the President leads all three Democrats.

In light of the unexpressed, but obvious, sentiment on the part of some Members of this body to scuttle a national voter registration program, I think these statistics bear careful consideration.

There being no objection, the poll was ordered to be printed in the Record, as follows:

NEWSWEEK POLL (GALLUP), YOUTH 17 TO 23, OCT. 25, 1971

| | If all voted | If 70 percent voted | If 42 percent voted |
|---|---|---|---|
| Nixon | 39 | 40 | 35 |
| Muskie | 38 | 43 | 48 |
| Wallace | 13 | 10 | 9 |
| O/undecided | 10 | 7 | 8 |
| Nixon | 39 | 41 | 38 |
| Humphrey | 37 | 40 | 42 |
| Wallace | 13 | 11 | 10 |
| O/undecided | 11 | 8 | 10 |
| Nixon | 41 | 42 | 40 |
| Lindsay | 33 | 37 | 40 |
| Wallace | 13 | 10 | 9 |
| O/undecided | 13 | 11 | 11 |

## THE FBI INVESTIGATION OF MR. SCHORR

Mr. BYRD of Virginia. Mr. President, there is something disturbing about the White House-ordered FBI investigation of Daniel Schorr, a CBS news commentator.

The White House had complained about Mr. Schorr and presumably regards him as a less than accurate reporter.

Yet the White House says that the reason it had the FBI investigate Mr. Schorr is not that it disliked the way he covered the Nixon administration for CBS, but that it wanted to offer him a job—apparently an important one, since it required an FBI investigation.

The White House explanation does not increase its credibility record.

One wonders just why the White House would want to offer an important and sensitive Government position to a television commentator whose reliability it questions. Nor had Mr. Schorr been informed that he was being considered for an important Government position. Certainly, there seems something pretty fishy in all of this.

I do not know Mr. Schorr. By the time I return to my apartment each evening from my Senate office, it is nearly 8 p.m., and the TV commentaries are over. So I get very little news from television.

But as a citizen, a U.S. Senator, and a former newspaperman, I have great concern when the FBI is used to investigate the personal life and qualifications of one who has been critical of the Government.

I commend the senior Senator from North Carolina (Mr. Ervin) for having his Subcommittee on Constitutional Rights look carefully and thoroughly into this rather strange matter.

## "PHYSICIAN, HEAL THYSELF," PARTS III AND IV

Mr. KENNEDY. Mr. President, on last October 13, I asked that two articles written by the distinguished journalist, Mr. Anthony Lewis, be printed in the Record. Today, I should like to submit two additional installments in this series for inclusion in the Record.

In the third installment, Mr. Lewis deals with the problem of physicians' fees and compares various aspects of the difference in atmosphere between Britain and the United States which affects the nature of a health care delivery system. He concludes the article, referring to Wesley Hall, president of the AMA, by saying:

> Wake up, Wesley Hall. The American public is tired of reactionary, selfish medical leadership and so are more and more doctors. You are losing your audience.

Mr. President, I ask unanimous consent that the articles be printed in the Record.

There being no objection, the articles were ordered to be printed in the Record, as follows:

### Physician, Heal Thyself: III

(By Anthony Lewis)

London, Nov. 5—American doctors are an articulate group. That much is shown by the reaction to two recent columns in this space criticizing aspects of medicine in the United States. The doctors wrote, some in a defensive or abusive vein but many in constructive disagreement.

Not surprisingly, they were especially irritated at the comment that too many American doctors care too much about money. For the medical profession to top all others in income, it was said, is evidence of a sick society. That phrasing was doubtless unduly provocative.

Doctors, and some of their wives, asked why people who had studied and trained for so long should not get the highest financial reward. Was it better to enrich pop singers, or athletes, or journalists? Dr. William A. Rolston of New Orleans wrote:

"If the professions were to be salaried in proportion to their value to humanity, as indeed they should be, it is logical to assume that the medical profession should be among the highest paid."

But America is not Erewhon, and men are not paid according to their social deserts. Among doctors, for example, the most highly trained may well be found in research work or teaching, at modest salaries.

No, the reason that doctors do so well in the United States (median income over $40,000 in 1969) is largely supply and demand. They control a scarce commodity desperately wanted by the consumer. And some—not a majority but enough—are greedy in using their economic leverage.

What happened after Medicare began is no secret. Seeing that more money was going to be available, many doctors simply raised their fees. When a patient complained to one distinguished general practitioner, he replied that others were doing it and he might as well get his share. As a private British doctor, a Harley Street specialist, said to an American the other day: "There is too much commerce in your medicine."

Some American doctors said as much in writing here. Dr. Harry H. Gordon, of the Einstein College of Medicine in New York, wrote: "One point is critical—that so many physicians have adopted the mores of their affluent patients in pursuit of the dollar. There is too little sense of a calling, too little appreciation of the satisfactions that come from helping people."

Now in fact most American doctors are dedicated men and women who work immensely hard and long for whatever they earn. Too much moralizing about their income is not in order. But the elements of greed in the profession are still significant for a practical reason: The aim of assuring all Americans medical care without fear of bankruptcy—as the country now earnestly desires—cannot be achieved unless any new system modifies or limits the law of supply and demand in medical economics, including doctors' fees.

The Medicare experience makes that clear. If the Federal Government were now to supply vast new funds for private medical care without any change in the system, the result would be to inflate costs enormously.

The doctors point out, fairly, that they are not the only cause of medical inflation by any means: hospital and drug and other costs mount, too. But taking one problem at a time, it is clear that any new Federal program will have to take a new approach on doctors' fees. One possibility would be to provide fixed levels of compensation for doctors serving certain numbers of patients on a panel, as in Britain.

An English doctor now living in New York, Arnold Miles, raised a question about all this that many may ask. He wrote:

"In the U.S. a man is judged by, and lives for, material gain. Until the values of this society change, it is surely hypocritical to expect doctors voluntarily to be less materialistic than their neighbors. Dedication is not an accepted form of currency, so why should not the doctor live by the current ethic?"

Yes, the materialist values of our society ought to be questioned altogether, if that is what Dr. Miles means to suggest. There are enough horrors in the tax system to occupy reformers for a long time. But it is not unfair to begin with the area of medical care.

No society can be called civilized that allows the money ethic to dominate in matters of life and death. The United States, one way or another, is going to reconstruct its way of delivering medical care. And many doctors are coming to accept—as they did in Britain a generation ago—that the process will require a fresh social commitment from them.

The problem is not, in the end, whether it is right or wrong for doctors to earn more than other people. It is that American doctors have allowed their powerful spokesman, the A.M.A., to make the mode of private practice and fees an obstacle to necessary change.

### PHYSICIAN, HEAL THYSELF: IV

(By Anthony Lewis)

LONDON, November 7.—Two columns in this space last month contrasted British and American medical care. They were commenting on a charge by the president of the American Medical Association, Dr. Wesley Hall, that standards under Britain's National Health Service were tragic. The articles pointed out that health standards had risen dramatically here during the twenty years of the service and more than comparable American figures.

Numerous doctors have written to warn against the danger of facile comparisons between Britain and the United States. Some of the letters merely paraded standard A.M.A. horribles: Americans are free, while the British learned to take orders during the war and now have been socialized. But others made serious points.

Britain is a tiny country, in which even provincial doctors in most cases are in easy reach of London or other metropolitan centers. It has a relatively homogeneous society, with a long tradition of honesty in the public service. The British accept hierarchies to a remarkable extent, for instance in the commanding position given to medical specialists and the limited openings for younger doctors.

An American health program would have to be different in many ways. It should be administratively decentralized, with real independence and diversity allowed in regional or even smaller units. It neither could nor should attempt the rigid structuring of the profession that tends to apply in Britain.

That still leaves one very large difference—in the character of the two countries' populations. Several doctors made the point that a nation's standards of health may depend less on its quality of medical care than on its level of nutrition or other social factors. Dr. John V. Waller of New York wrote:

"In England there has been no problem of an uneducated, unfed, unemployed and under-housed minority comparable to that pertaining here. Eliminate those minorities and our statistics would compare favorably."

There was a moving letter from Dr. Joseph Kramer, who three years ago left a pediatric practice in the suburbs for New York's Lower East Side. If the A.M.A.'s Dr. Hall ever got to his slum area, Dr. Kramer said, he wouldn't say the situation was tragic—"He would be in shock!" Dr. Kramer continued:

"I thought that I would swoop into the slums, open an office and wipe out disease. You know what's needed down here? Housing—I see at least one rat bite a week, the most recent just over the eyelid of an eleven-month-old baby. So, Department of Community Medicine, how do you handle that? What about drugs . . .?"

Yes, the state of society matters more than the state of medical care. When an Administration tries to cut off subsidized school lunches for one million or so needy American children, everyone ought to be sickened.

But the differences between Britain and the United States should not prevent us from borrowing the best features of the National Health Service, notably its insistence on universality—the right of everyone in Britain to use the service if he wishes. Some better-off people go to private doctors, but the middle class overwhelmingly relies on the Health Service, thus preventing it from becoming a segregated system for the poor. That is crucial.

Nor does concern about underlying faults in American society mean that we should be complacent about the medical system. Least of all should doctors, that is what is so sad about the A.M.A.

Dr. Hall also wrote a letter critical of the British-American comparison. His concluding argument was: "About 85 per cent of British health care is financed through central Government tax revenues. On that basis, American taxpayers would have had to pay some $57 billion last year for Federal health programs (instead of the $19.6 billion they actually paid)."

Can Dr. Hall really believe that anyone would be naive enough to be moved by that argument? Any across-the-board Federal program would of course largely replace private expenditure. What matters is the total national cost.

The United States now spends 6.9 per cent of its gross national product for medical care, far more than Britain and in fact more than any other country. For that it gets a non-system that leaves millions without any doctors and makes others fear bankruptcy if they became ill.

Wake up, Wesley Hall, The American public is tiring of reactionary, selfish medical leadership, and so are more and more doctors. You are losing your audience.

## RESPECT FOR THE FLAG

Mr. GURNEY. Mr. President, in recent times we have witnessed many instances of outright abuse of the American flag. Oftentimes it appears that too many Americans have failed to consider the significance of the Nation's banner. There is much that could be said in favor of patriotism and respect for our Star-Spangled Banner, and I think my good friend, Lee Caron, has managed to say most of it.

Lee is an entertainer in Brevard County, Fla., who produces a variety-type show for a nightclub. One portion of Lee's show is dedicated to developing patriotism. I commend Mr. Caron's dedicated Americanism and ask unanimous consent that his commentary about the American flag be printed in the RECORD.

There being no objection, the commentary was ordered to be printed in the RECORD, as follows:

### THE FLAG

As a child I did the Pledge of Allegiance because I was told to and out of rote, but as the years went by, and now that I'm an adult and listening to all the TV and news media about our militants, and watching them spit and burn our flag, I get mad because I love this beautiful flag of ours.

On different occasions when I would do something patriotic to an audience some reactions I received were that it was flag waving. Even sometimes called "Corny." Well, I believe that the greatest privilege any person can have is to wave the flag of this country.

Have you ever looked, really looked at our flag and thought of what it stands for, or wondered what it has gone through? Can you imagine if our great American symbol could talk, what it would say?

(Flag) Hello there! Remember me? Some people call me "Old Glory," others call me the "Stars and Stripes", I have also been referred to as the 'Star Spangled Banner," but—whatever they call me, I am your flag, or as I proudly state—the Flag of the United States of America. There is something that has been bothering me, so I thought I might talk it over with you—because its about you—and—me.

I remember some time ago, I think it was on Memorial Day, people were lined up on both sides of the street to watch the parade—the town's high school band was right behind me and naturally, I was leading the parade. When your Daddy saw me coming along waving in the breeze he immediately removed his hat and placed it against his left shoulder so that his right hand was over his heart—remember And you, yes, I remember you, standing there straight as a soldier, you didn't have a hat, but you were giving the correct salute—your right hand over your heart.

Oh, I was proud as I came down your street. There were some soldiers home on leave and they were standing at attention giving the military salute; also, some VFW veterans with their caps at jaunty angles were saluting smartly. Ladies as well as the men paid me the reverence I deserve—Now I may sound a little conceited—well, I am—I have a right to be, because I represent the greatest and finest country in the world—the U.S.A. More than one aggressive nation has tried to haul me down, but they all felt the fury of this freedom loving country. Remember—many of you had to go overseas to defend me— Well, now things aren't the same. What has happened? I'm still the same old flag! Oh, I've had a few more stars added since you were a boy. A lot more blood has been shed since that Memorial Day parade a long time ago. Dad is gone now. The old home town has a new look. The last time I came down your street I saw that some of the old landmarks were gone—But in their place shining majestically in the sun were a number of new buildings and homes . . . Yessir ! ! ! The old home town sure has changed. But now, I don't feel as proud as I used to when I come down your street. You just stand there with your hands in your pockets and give me a small glance, then look or turn away. When I think of all the places I've been: Anzio, Guadalcanal, the Battle of the Bulge, Korea, and now Vietnam; I wonder what's happened? I'm still the same old flag.

Now I see children running around and shouting as I pass by. They don't seem to know who I am. I saw an old man take his hat off, and then look around, he didn't see anybody else with theirs off, so he quickly put his back on.

Is it a sin to be an American patriot anymore? Have you forgotten what I stand for? Have you forgotten all the battlefields where men fought and died to keep this nation—your nation free? When you salute me—you're actually saluting them.

Take a look at the memorial honor rolls sometime. Look at the names of those who never came back and are resting neath white crosses on a far away shore. Some of them were friends of yours, or maybe even went to school with you—that's who you're saluting ! ! !

Well it won't be long until I come down your street again. So when you see me, stand straight, place your hand over your heart, and you will see me waving back. My salute to you. I'll show you that I too remember.

## CIGARETTE SMOKING

Mr. MOSS. Mr. President, the evidence continues to mount. Just last week, the Surgeon General of the United States, Dr. Jesse Steinfeld said that cigarette smoking was the No. 1 health problem in the United States. Now, Sir George Godber, chief medical officer of the Department of Health in Great Britain, reports that cigarette smoking is the biggest single avoidable killer in the United States. If we need any more evidence, just wait for the December 31, 1971 report of the Secretary of Health, Education, and Welfare on the health consequences of smoking.

And the tobacco industry says there is still a controversy. Balderdash. Mr. President, I ask unanimous consent that an article from the November 7, 1971, New York Times concerning this matter be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### Smoking Is Called No. 1 British Killer

LONDON (AP)—Smoking is the biggest single avoidable killer in Britain, the Department of Health reported.

"This is still predominantly a smoking community, giving every incentive to children and adolescents to follow the foolish examples of their elders," said Sir George Godber, chief medical officer of the Department of Health, in his annual report.

"At a conservative estimate," he continued, "smoking causes one in every eight deaths among men aged 35 to 44, one in four of those 45 to 64, and one in five of those 65 to 74."

Tobacco strikes through lung cancer, bronchitis and coronary heart disease, he added, helping keep the life expectancy of the British male at 69.1 years, one of the lowest in the Western world. Out of 31 nations listed, England and Wales rate 17th, Northern Ireland 20th and Scotland 28th.

Deaths in England totalled 540,196 in 1970, compared with 543,425 in 1969. Cancer deaths rose from 108,290 in 1969 to 109,342.

## ESTABLISHMENT OF GENOCIDE AS A CRIME

Mr. PROXMIRE. Mr. President, article I of the Genocide Convention establishes genocide as a crime. It has been argued that the Senate should not ratify the convention because it is not proper for this treaty, or any treaty, to establish a crime. Is this an unprecedented action?

The Interim Convention on Conservation of North Pacific Fur Seals passed the Senate without a dissenting vote. It is in many ways similar to the Genocide Convention and may help us answer this question. Article III of the fur seal convention states that the parties will prohibit all pelagic sealing in the North Pacific that is not done in accordance with the treaty. It, therefore, implicitly declares nontreaty sealing to be a crime. With the passage of the Fur Seal Act of 1966 this prohibition was enacted into law.

Mr. President, this is a strong indication that article I of the Genocide Convention is not proposing anything new in the history of U.S. treatymaking. It seems that there is some precedent for a treaty to establish a crime.

The world has known too many cases of genocide. Now for the first time in history the nations of the world are banding together to take action to prevent any further occurrence of genocide. Seventy-five nations, including almost all of our NATO and SEATO allies, have ratified the Genocide Convention. The time has come for the United States to stand up and be counted as being against this crime.

Mr. President, the Senate should ratify the Genocide Convention without delay.

## TRIBUTES TO ROBERT A. LEFLAR, PROFESSOR OF LAW, UNIVERSITY OF ARKANSAS

Mr. FULBRIGHT. Mr. President, earlier this year I had the honor and distinct pleasure of joining in a special dedicatory issue of the Arkansas Law Review in tribute to Robert A. Leflar, distinguished professor of law at the University of Arkansas.

This special issue contains numerous articles and tributes which reflect the high esteem in which Bob Leflar is held by the legal community of our Nation.

Therefore, Mr. President, in order to share with Senators some of the tributes paid to this truly eminent jurist, I ask unanimous consent to have printed in the RECORD excerpts from the Arkansas Law Review.

There being no objection, the excerpts were ordered to be printed in the RECORD, as follows:

[From the Arkansas Law Review and Bar Association Journal, Spring 1971]

### Leflar Testimonial

(By Warren E. Burger, Chief Justice of the United States)

Other contributors to this issue of the Review will be discussing the specifics of Professor Leflar's various ocntributions to the law. For that reason I confine myself to an overview of his career, and in particular his role in helping to bridge the gap between two words of law: the practitioners, and the academicians.

Professor Leflar's career has a uniquely American flavor. It could hardly have occurred elsewhere, for in most countries the legal profession is much more rigidly compartmentalized than here. Even in England, which has no career judiciary such as is found in civil law countries where a judge grows up in the system, one who is basically an academician cannot aspire to go on the bench; nor can one who is on the bench think of leaving it for other legal work. Nor can an academic lawyer in England expect to assume a position of controlling leadership in practical law reform.

In the United States, however, conditions are such that a man of Leflar's capacity and versatility cannot only attain distinction of a scholar and teacher, but also as a judge and as a leader in down-to-earth law reform. Although he has been a law professor, and was Dean of the School of Law of the University of Arkansas from 1943 to 1954, he has also served as an Associate Justice of the Supreme Court of Arkansas, as a Commissioner on Uniform State Laws for 25 years, as Chairman of the Arkansas Statutory Revision Commission for ten years, and as Chairman of the Arkansas Constitutional Revision Commission since 1967, to mention only some of his more important activities. One of the most interesting of his assignments has been as Director of the Appellate Judges Seminars, held each summer since 1956 at the New York University Law School under the auspices of the Institute of Judicial Administration. The idea of a "school for judges" is itself somewhat astounding, but even more astounding is the fact that it is run and administered by a professor, who presides with aplomb over both his judicial faculty colleagues and his judicial "student body."

As Professor Leflar's career attests, the legal profession in America is fluid, not rigid, and there is excellent communication between its various elements; it exemplifies the value of the "great partnership" of lawyers, judges and law teachers. Able men can and do move from one key spot to another, enriching their own lives while at the same time bringing fresh points of view to whatever tasks are currently demanding their talents. Some of America's most notable achievements have resulted from this "partnership" of the three groups. The various federal rules of procedure, the restatements and model codes of the American Law Institute, and the standards of criminal justice promulgated by the American Bar Association, the work of the Institute of Judicial Administration, to mention only a few. Herein lies much of the strength of the legal profession in America. Robert Leflar has been one of the great contributors.

### The Sterling Leflar of Arkansas

(By Roger J. Traynor, professor of law, University of California, Hastings College of the Law; Chief Justice of California, retired).

Blessed is the nation that has attained greatness step by step, *löffelweise*, through communities joined in a national network that yet retain regional distinction. Such a community is Fayetteville, Arkansas, the home of Robert A. Leflar, sparked from the flint of the Ozarks. The farmers and traders who founded it in 1828 must have had a hare's spoon-shaped ear to the ground, a *Löffel* for strategic location, as well as an eye for beauty. Roughly a generation after its founding, it became a tug-of-war prize in the Civil War. It fell captive to one side and then the other, but not for long. When it emerged free of entangling alliances, it retained an identity all its own. Now this town of some thirty thousand people is frequently singled out as one of the most distinctive communities in the United States.

The citizens of Arkansas knew the worth of their hill town. Armed with plowshares, they lost no time in advancing to their share of booklearning, and by 1871 they had established a state university at Fayetteville. The children of Arkansas would have a way clear to a matchless education. When they looked up from their printed text for the day, which they could reckon as of no more durable form than the familiar lumber it had once been, they could look out on a scene that inspired faith in the land. Though the hills were a sound and lightspectacle of perennially changing vistas, though storm and buzz saw regularly felled the green sentinels, there remained the outline of a durable range of continuity. The campus bells that echoed through the thin air marked more than the time of day. They marked all that remained timeless despite days that were named and numbered.

Geography is a relevant preamble to a statement about one of Arkansas's greatest native sons, though it takes time to perceive that relevance. I first met Robert Leflar in 1958, not in his own highlands, but along the Atlantic Coast where large cities were already spilling over in every direction to become one monstrous pudding precariously crusted with concrete strips. I had come to the Appellate Judges' Seminar, sponsored by the Institute of Judicial Administration at New York University and directed by Professor Leflar, well-known also as Judge Leflar by virtue of his service on the Supreme Court of Arkansas.

The seminar classes met in the lowlands, in the heart of Greenwich Village and within view of the countless disjointed tall buildings whose heads point upward for a place in the sun. The only semblance of continuity in the longicorn loners is a common proximity to the Statue of Liberty that gives them a status by association as symbols of strength. The semblance is a sometime thing, constantly dispelled by the shatter and clatter of old sentinels rammed to rubble to make way for new pretenders. No reassuring outline endures in the mad sequence of gap and new filling and new gap.

For a goodly number of judges and their families, their first journey to the Seminar is also their first glimpse of urban bedlam on a massive scale. The Leflar family in New York—Robert and Helen and their two young sons—have cushioned the jolt for others simply by being themselves. At Hayden Hall, overlooking Washington Square, where visiting judges are housed on some eighteen floors, the Leflar household at the roof penthouse has a settling influence. Urban fright subsides in newcomers when they step into a temperamental small elevator and find the Leflars, laden with kitchen supplies or books, unobtrusive and yet friendly, and looking for all the world as if they were going eighteen paces up a pleasant country road.

It is no common faculty to make people feel at home. In the Leflars it is one of substance, not form. They do not speak the cool small talk of the wordly; they do not undertake the folksy knit-one, purl-one overtures of instant egalitarians. Their courtesy is in a low key. Their special quality is a percolating sense of fun that may find sudden expression in a sunny phase or quizzical glance, quickening others to stop, look, and listen.

It is extraordinary that people so responsible should be possessed of such happy impishness. I still cannot predict when an imp will make its presence felt in a serious Leflar sentence. Its unexpected presence, perhaps surprising even its possessor, can lift the mood of an assembled company from the merely sublime to that sublimely uproarious state where laughter induces new perceptions.

Those invisible spirits speak in various Leflar voices. One of the most engaging expresses itself in a muffled mutter, tossing off asides while the visible Leflar looks at you calmly with owlish eyes or takes to stargazing. The occasion might be a late-day gathering when chatter mounts on such trivia as the comparative merits of plays or restaurants. Out of the blue comes a subdued monotone: In case of hunger, repair to your own kitchen. Peace, good food, and a chance to catch up on comparative law. Amen.

Did one really hear that small voice? Well, surprise twists and turns appear to be characteristics of the family speech. Up at the penthouse deck young Robert and Charles might be soberly doing chores, in line with the ethic of responsibility that is also characteristic, along the garden border that stretches round the building. They shrug off compliments at their industry. It's a great way to see the city, they convey to you courteously, adding that there is plenty of time left over for projects all their own. You soon learn that the projects all their own are complicated beyond the ken of many an adult.

Helen Leflar, too, leaves it to those around her to make whatever balance seems appropriate between her pleasantly noncommittal voice and the twinkle in her eyes. Versed in the mysteries of streets like West Fourth, whose names defy the compass, she has been the volunteer guide of many a Seminar group through the back country of New York City. We could of course take a taxi, she has a way of beginning, but then what would you see. After a pause there are sprightly sequiturs, hinting at the wonders at see-level. We could of course take a subway, but that would only save time at a great loss. Could there possibly be anyone who would not want to walk to that little old place no more than a few miles from Washington Square?

At faculty meetings Bob Leflar talks shop in a direct and frugal speech that would have served him well as an editorial desk. It is easy to see how he has become the very spirit of the Seminar as he moves from workshop to dinner assembly to post-dinner groups, bringing his bird's-eye view of fifty jurisdictions plus one to newcomers eager to expand their sights and to oldtimers equally concerned to keep their sights well adjusted to a changing world. With fine judicial discretion, he knows when to enjoin others relentlessly to remain at their reading and when to declare a break for the informal pursuit of open questions. It is no wonder that he was able to enlist such teaching colleagues as Justice William Brennan of the United States Supreme Court, Judge Fred Hamley of the Ninth Circuit, Judge John Minor Wisdom of the Fifth Circuit, Judge Walter Schaefer of the Illinois Supreme Court, and Chief Justice Frank Kenison of the New Hampshire Supreme Court. Their pioneering inspired others of like caliber to join the ranks. The Chief Justice of the United States, Warren Burger, has recorded with pride his service at the Seminar and has encouraged other judges to take part in it.

I have never ceased to marvel at how Bob Leflar could bring together so amiably, often to a consensus that would have beneficent repercussions throughout the country, so many judges of diverse background, temperament, and training, accustomed to having the last word in their home territories. There was some magic in the Leflar manner that was not entirely explained in terms of gentleness and outstanding intellectual qualities.

I had yet to meet Robin Löffel of Fayetteville.

Then, in the spring of 1967, I went to Fayetteville to give a lecture at the Law School. The journey from San Francisco was far from streamlined. There was a change at Fort Smith to the small plane that flew to Fayetteville. Night was falling as we approached the town. The stunning beauty of the region took us by surprise, though we had read about it often enough. We had even marked an ancient schoolbook, which departed from its stilted language to editorialize that more people should make their homes in the Ozarks. It called upon schoolchildren to look closely at an illustrative picture of lakes and trees and to explain why this out-of-doors land was called The Land Of A Million Smiles. If you looked at the trees intently enough, if you knew how to look at them every which way, they smiled back at you.

There were no more doors on the imagination than on the land, we mused, as our plane began its bumpy descent. At the Fayetteville airport, much like a small railroad station, the weariness of travel quickly gave way to invigoration in the clear air of the Ozarks. Then Bob Leflar appeared, with several students in tow, and smiled at us. I hope you recognize me, he said jauntily; you've seen a lot of me in New York. He presented his companions, young men and women with the friendly courtesy of those who have never been other than liberated spirits. Off we all went to the nearby hotel and we spoke for awhile about their mountains and our Sierras, and also about the wild places where doors multiply and falling plaster takes the place of falling leaves.

Even now, the memory of that visit has healing power in time of stress. We heard the gentle voices of America at a gathering of friends in the Leflar home. Once again, the young Leflars were immersed in projects of their own making. On the outdoor deck, looking out at the neighboring green hills, we understood why the Leflars of New York would always return to their home in Fayetteville. It was a place where a child growing up would have reason to love his country and where adults would find in public service the natural expression of their love of country.

Bob Leflar spoke of his students with almost parental affection and mostly he spoke of their future. There was so much work ahead for them in the law. Now and again a marginal note emerged in his fierce concern. I'll bank on their taking any place in stride, he said, but I want to make sure they'll be more than a match for the tasks that await them in Arkansas.

They have the example par excellence before them. It will take many scholars to do justice to all that Professor Leflar has done to mitigate conflict in conflict of laws. His academic work is but one piece of his great career. The judges who have been his students at the New York Seminar, aware of his own stint on the supreme court of his state, envisage him as the ideal judicial colleague. However great the loss to his court when his term ended, he became free to render perhaps even more valuable service to his state and country. Among other tasks, he has worked heroically to advance the law of his state through statutory and constitutional revision.

How could a man remain so lighthearted throughout such uphill work? What guardian imps guarded his sweet soul? The rudiments of an answer came at the close of our visit to Fayetteville, as we waited for the plane. We bantered away the twinges of sadness that attend such leave-takings. Are you a silver spoon?, Madeleine asked him. Leflar sounds so much like Löffel. Are you perchance Robin Löffel?

Could be, said Robin; could be that Löffel forebears gave up asking people to pronounce the name correctly because they had to get on with all the work to be done. Then he looked at us intently and added: You had better believe it's going to be done. Anyway I believe it.

On my desk is a recent announcement from the American Judicature Society that on February 8, 1971, Robert A. Leflar would give an address on judicial administration and its improvement, captioned *No Task For The Short Winded*.

The fulfilment of the task, his colleagues would add, depends on people like Bob Leflar, who has brought to his work a superlative mind, superlative character, and one thing more. He has also brought just the right measure of flint to make what he believes in come true.

### ROBERT A. LEFLAR: TORTS REALIST

(By Ralph Bischoff, Charles L. Denison Professor of Law, New York University School of Law)

Separating the many sides of Bob Leflar is impossible. He is one person whether teaching Conflicts or Torts or expounding on legal education, whether administering New York University's Summer Seminars for Appellate Judges[1] or chairing the 30-member Arkansas Constitutional Revision Study Commission and the Constitutional Convention of 1969–70,[2] or whether functioning as Associate Justice of that state's Supreme Court or just writing as a legal scholar. It has been my good fortune to know him in many of these activities, though particularly as a scholar, colleague and friend at New York University. In one respect I am sure to I have missed a great deal; namely, I am too near his age to ever have been his student. Students at the University of Arkansas School of Law have described to me the athletic figure approaching the School shortly before his class at nine—they are already attending a 7:30 class—from the direction of his home. As I write this, he is teaching a large class of Torts, some two hundred eager first-year students. For the first weeks he instills in them a bit of fear and a maximum of respect. However, soon they too realize that here is a friend, as well as a scholar and great teacher. I am sure his colleagues will not begrudge my calling him "Mr. School of Law."

In the many semesters and summers that Bob Leflar has spent at New York University School of Law, I have seen him particularly as colleague and co-teacher in Torts as well as "Chief Judge," i.e., Director of the Seminars for Appellate Judges. Without any reflection on younger colleagues who have taught Torts with me, the real experience has been in those years when the "other section" had as its professor either Warren Seavey or Bob Leflar. Warren Seavey visited with us many times after his retirement from Harvard, and it was from him that Leflar and I first learned our Torts; but whether the "other section" had the old master or Bob Leflar, I knew they were favored students.

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[1] Leflar, *Seminar for Appellate Judges*, 4 JOUR. SOC. PUB. T.L. 150 (1958).

[2] Symposium, *Comments on the Proposed Arkansas Constitution*, 24 ARK. L. REV. 155 (1970).

As for the many summers with the Judges' Seminars, this is a story in itself, one with which many readers will be familiar. The details of this Seminar do not belong in this piece. Suffice to say that in 1955 the idea was born that judges should have the opportunity of going back to school. "Acquiring a legal education is a lifetime job."[3] Every summer since then, some twenty to twenty-five judges from the highest courts of the states, the federal Courts of Appeal and the Canadian courts, have spent two to three weeks stimulating each other with the aid of a faculty made up of a few from New York University and a core of judges who return year after year. I mention only a few: Burger and Brennan of the Supreme Court, Hamley of Washington, Kennison of New Hampshire, Traynor of California, Schaefer of Illinois, Roberts of Pennsylvania, Desmond of New York and so forth. During recent summers as an additional seminar has been held for intermediate appellate judges. The director, "Chief Judge" and catalyst has been and is Bob Leflar. For each seminar, I have been privileged with him to lead discussions in Torts in a sort of Socratic manner. Has negligence outlived its usefulness? Is proximate cause a label for a result? Since the courts created the common law, why can they not change it? Is comparative negligence a question for legislature or courts? Which of the traditional immunities should remain? Long after we both have retired, I shall hear the "Chief" bang on the table with the flat of his hand as he calls the seminar to order.

The above may explain why I talk about the man as he arrives at his seventieth birthday and retirement. My interpretation of his ideas on the law of Torts are gained from conversations, from these summer seminars and, of course, from his writings. Although the emphasis on his legal scholarship has been in Conflict of Laws, many articles and reviews have focused on Torts. At my request, the Library of New York University School of Law assembled the lengthy list of his writings, attached here as an appendix. Aside from the chief treatise on Conflicts,[4] the list includes over eighty articles in law reviews and over thirty book reviews.

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[1] The editors wish to express their appreciation to Professor Ralph Bischoff, New York University, for his compilation of the major portion of this bibliography.

[3] Leflar, *Continuing Education for Appellate Judges*, 15 Buffalo L. Rev. 370 (1965); *also*, Leflar, *Seminars for Appellate Judges*, 52 Judicature 112 (1968); Leflar, *Appellate Judges Seminars*, 21 Ark. L. Rev 190 (1967).

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## Dr. Robert Allen Leflar

(By Edward L. Wright, member of the Arkansas Bar; A.B., 1923, Little Rock College; J.D., 1928, Georgetown University. Mr. Wright served as president of the American Bar Association, 1970–71)

Fifty years ago this summer I first met Robert Allen Leflar while we were members of the same R.O.T.C. training company at Fort Snelling, Minnesota. Since that time our personal and professional paths have intertwined frequently and intimately. Each succeeding year has added to my respect, admiration, and affection for this remarkable man. Others will speak in detail of his stature as a Professor of Law at both the University of Arkansas and New York University, as Dean of the University of Arkansas School of Law, as Director of the Appellate Judges Seminar of the Institute of Judicial Administration, as Associate Justice of the Supreme Court of Arkansas, and as author of works on conflict of laws. My brief and sincere tribute to him will be from the vantage points of a friend of nearly a half century and a coworker in the organized bar.

The place of a man's birth does not determine the greatness of his mind. Given the opportunity for education and development, the expression of genius is not the product of geography. Bob Leflar was born and reared in Siloam Springs, Arkansas. When he came into the world on March 22, 1901, the first of eight children born to Lewis D. and Viva Pilkington Leflar, Siloam Springs was a relatively obscure community with a population of 1,748. Yet the influence of Bob Leflar has profoundly affected not only his native state but the nation as well.

In 1922 Bob Leflar received his B.A. degree from the University of Arkansas. For the next two years he taught school, one year each at Stuttgart High School and at John E. Brown College in Siloam Springs. Those were lean years for a young man determined to go to law school. And to Harvard Law School he went, receiving his LL.B. degree cum laude in 1927. I shall not dwell on the hardships and sacrifices of his student days at Harvard, for he would not want me to do so; I shall simply state for the record that in this period he was entirely "on his own" and worked at various jobs to keep himself in school.

Since 1927 Bob Leflar has had a continuous relationship with the University of Arkansas School of Law at Fayetteville, first as Professor, then as Dean, and now as Distinguished Professor of Law, although there have been periods when he was absent on leave in the performance of other legal assignments. Until comparatively recent years, few members of the law teaching fraternity had active interests in the work of the organized bar, but Bob Leflar is an outstanding exception. From his early teaching days he has been a most effective worker in the Arkansas Bar Association, the American Bar Association, the National Conference of Commissioners on Uniform State Laws, and the American Judicature Society.

It was my privilege to serve twelve years with Bob Leflar as a fellow Commissioner of the Conference of Commissioners on Uniform State Laws, of which he is now a life member. No Commissioner of that unique and hard-working body is more highly regarded than Bob Leflar. In the orderly deliberations of the Conference, his counsel is constantly sought. As a craftsman of the highest skills, his imprint may be found in the countless uniform acts adopted through out the United States.

Bob Leflar's outstanding qualities as a legal draftsman and as a leader of men have been given prominent recognition by bench, bar, and state officials through his secretaryship of the Arkansas Criminal Law Reform Commission, 1934–37; his Chairmanship of the Arkansas Statute Revision Commission, 1945–54; his Chairmanship of the Arkansas Constitution Revision Commission, 1967–68; and his Presidency of the Arkansas Constitutional Convention, 1969–70. But his interests and talents are not confined to the law; as illustrations we can cite that he has served as President of the Southwest Athletic Conference and is the commissioned author of a centennial history of the University of Arkansas.

On January 25, 1969, Robert Allen Leflar received the coveted Research Award from the Fellows of the American Bar Foundation at its annual meeting. I was present at the occasion and I shall never forget the characteristic grace and modesty with which he accepted this honor. The Award is given annually to a single recipient "In recognition of his outstanding contributions to the law and the legal profession through his research in law and government." The following is a portion of what Chairman E. Dixie Beggs of the Fellows said about Bob Leflar when the Award was presented:

"Research and scholarship have always been viewed by lawyers as noble activity. In past years this award has been presented to some of this country's most outstanding scholars—Herbert Wechsler, Austin W. Scott, E. Blythe Stason, John Cobb Cooper, Herbert F. Goodrich—men whose lives have been devoted to scholarship.

"Another such man is this year's recipient, Dr. Robert Allen Leflar. His whole career reflects a scholarly interest in research and leadership in translation of research into law.

"The contributions of Dr. Leflar to the law through his scholarly research and leadership cannot be overemphasized, and I take great pleasure in presenting this award to a distinguished lawyer highly deserving this great honor."

Today Bob Leflar is serving with great distinction as a member of the American Bar Association Committee on Standards of Judicial Conduct, which is engaged in the work of completely redrafting the current Canons of Judicial Ethics. Never in the history of the United States has the interest of the public in the action of judges, on and off the bench, been so great. The ongoing activities of the American Bar Association are numerous, varied, and important, but none is more important than the work of the Committee on Standards of Judicial Conduct.

Nearly forty-four years have passed since Robert Allen Leflar taught his first class at the University of Arkansas School of Law at Fayetteville. His influence for good in his beloved Arkansas and the nation since that time cannot be measured quantitatively, but this we know: it will continue in vital form far, far beyond the forty-four years that lie immediately ahead.

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## A Tribute to Dr. Robert A. Leflar

(By Dr. David W. Mullins, President, University of Arkansas)

One serious problem confronting American legal education is that Robert A. Leflar can't be everywhere at once. However, this is not Dr. Leflar's fault. He has done his very best by such things as commuting between the University of Arkansas and New York University and serving as visiting Professor of Law at such institutions as the University of Kansas, the University of Missouri and the University of Colorado.

They used to say you would have to "get up early" if you wanted to catch "Bob" Leflar. He might have been on a 7 a.m. flight to Little Rock, on a New York jet, or meeting a 7:30 a.m. class on Conflict of Laws. This is in the days when he was commuting between New York and Arkansas and had little sympathy for New York students when they blamed commuting problems for poor grades. Leflar, who always arrived on time, traveled about 1,400 miles to do so, using two airplanes, a bus, an automobile, and a taxi or two subways. He lectured in New York on Mondays and Tuesdays and on the UA's Fayetteville campus on Thursdays, Fridays and Saturdays. To keep up with his split schedule he had two residences, two wardrobes and two offices.

Typically, he refused to let his hours on airplane flights go to waste. He once told a newsman that he read an average of two books on each trip. When the writer of this article was selected to become President of the University of Arkansas, he received a congratulatory letter from Dr. Leflar which was written aboard a plane during one of his commuting trips. Interestingly, Dr. Leflar said he couldn't provide a return or "place" address because "I don't know what State I'm over at the present time."

For a man of such caliber, it is easy to write a tribute. As pointed out in the *Distinguished* Alumnus Citation recently awarded him by the University of Arkansas, Dr. Leflar is a man whose career has been *distinguished* in the highest sense of the word. He is one of only two individuals ever to be honored with the rank of *Distinguished* Professor at the University, and was the first to be so designated. In 1969, he received the American Bar Association's Award for *Distinguished* Research in Law and Government. For fifteen consecutive years he has conducted a Seminar at New York University for newly appointed and elected Appellate Judges of State Supreme Courts and the United States Court of Appeals. He has served as the *Distinguished* Chairman of the Arkansas Constitutional Revision Study

**Commission and President of the Arkansas Constitutional Convention. And he is the *Distinguished* Journalist who now is writing the Centennial History of the University of Arkansas.**

**He also has won distinction through any number of other major achievements. He served as an Associate Justice of the Arkansas Supreme Court. An avid sports fan, he was President of the Southwest Athletic Conference in 1948 and 1949. He was Dean of the University's School of Law for 11 years. He was acting President of the University in 1947. He has served for 25 years as Arkansas Commissioner on Uniform State Laws. He has served the Federal Government in several capacities and is a member of the Federal Mediation and Conciliation Service Labor Arbitration Panel and of the American Arbitration Association.**

**In light of all of these accomplishments, it is no wonder that Dr. Leflar was elected Man of the Year in 1969 in a poll conducted by the Arkansas Democrat.**

**Dr. Leflar received his Bachelor of Arts Degree at the University in 1922, taught high school at Stuttgart, and then taught journalism at John Brown University while editing a weekly Siloam Springs newspaper. Deciding on a legal career, he enrolled at Harvard Law School for his LL.B. and his Doctor of Juridical Science degrees. He joined the UA Faculty in 1927 and became Law Dean in 1943. He has written several important law review articles and is the author of nationally recognized textbooks in the field of Conflict of Laws.**

**The Appellate Judges Seminar is a good example of Leflar's major contribution to the legal profession. As Director of the Seminar, Dr. Leflar is responsible for organization, selecting the participating judges, employing the faculty, finding topics to be discussed, assigning topics to faculty members and serving as a member of the Seminar Faculty. The Seminar is important nationally because it keeps appellate judges aware of the best procedures and practices of other courts throughout the country and keeps the justices abreast of new trends in the law. It is enthusiastically received because it gives justices a chance to gain knowledge outside the restrictive legalistic confines of their own jurisdiction.**

**Dr. Leflar exemplifies to the highest degree the type of scholar who is concerned not only with knowledge in his field, but in ways in which this knowledge can be applied to the progress and improvement of our society. This is dramatically illustrated in the services he has rendered to his State, including his work in the proposed revision of the State Constitution and in his service on the State Supreme Court.**

Unfortunately, the history of the University which Dr. Leflar is preparing will not adequately reflect the achievements of one of the most exceptional men in the life of the University—the history's author. Since Dr. Leflar modestly refrains from dwelling upon his own career, other historians of the future must be charged with the considerable responsibility of describing his outstanding contributions to his University, the State, the Southern Region, and the nation. His contemporaries can only say, with great admiration and affection, that he is one of the greatest articulators of the law, its meaning and its services, in his day and time.

### TRIBUTE TO ROBERT A. LEFLAR

(By Senator J. WILLIAM FULBRIGHT, Democrat, Arkansas; chairman, Senate Foreign Relations Committee)

It is an honor for me to participate in this special dedicatory issue of the *Arkansas Law Review* in tribute to Robert A. Leflar. Bob **Leflar has had a long and distinguished career as a jurist and an educator. He is widely respected both in the legal profession and among legal academicians. His directorship of the Appellate Judges Seminars at New York University has brought him personal and professional recognition and has reflected credit on our State and the institution he represents. Arkansas should be exceptionally proud to have Bob Leflar as a citizen and on the faculty of its law school.**

**As a teacher, Bob Leflar has achieved a respect from his students equalled by few. Two generations of Arkansas lawyers have experienced the quality of his instructional ability and have benefited from his depth of knowledge and his respect for the law and the legal profession. His former students whom I have known consistently recall the humor and wit which were present in his lectures. His Treatise on Conflict of Laws is internationally recognized as the definitive work in that area. One of my constant fears while President of the University of Arkansas was that Arkansas might lose Bob to another law school. It is my belief that he could have assumed the Deanship of any one of this country's great law schools. Yet his roots were in Arkansas, and Arkansas should consider itself fortunate that he decided to make his contribution here.**

**Bob Leflar has played an important role in our State's recent history. He, perhaps more than any other man, is responsible for the proposed new constitution for Arkansas being presented to the voters. Its recent rejection was a matter of concern to many of us and a deep disappointment to him. Yet, characteristically, Bob Leflar has continued to work for its reconsideration.**

**It is my hope, shared by many, that our law school, the University, Arkansas, and the nation's legal profession may continue to have Bob Leflar's active counsel and guidance for many years to come. He is one of our State's native sons and one of our proud possessions.**

### ROBERT A. LEFLAR, ASSOCIATE JUSTICE

(By George Rose Smith, LL.B., University of Arkansas, 1933. Associate Justice, Supreme Court of Arkansas, since January 1, 1949. (Judge Smith is the only present member of the court who served with Leflar)

On August 25, 1949, Dean Robert A. Leflar was appointed associate justice of the Supreme Court of Arkansas, to fill the vacancy created by the death of Justice R. W. Robins. Justice Leflar served as a member of the court only for the remaining sixteen months of Judge Robins' term of office, being ineligible under the Constitution[1] to succeed himself. Despite the demands of his new position, Leflar continued to carry out many of his administrative duties at the law school, driving from Little Rock to Fayetteville almost every weekend. In later years, it will be remembered, Leflar commuted by air from Fayetteville to New York while he was teaching both at the University of Arkansas and at New York University.

Leflar made an excellent judge. One great merit of a bench court lies in the likelihood that the ultimate decision in a particular case will be a fusion of divergent views. To that end a certain willingness to give and take, to accept at times half a loaf, is an indispensable element of what is thought of as a judicial temperament. In fact, the most serious defect an otherwise well-qualified justice may have is an attitude of militant advocacy, characterized by a persistent unwillingness to budge one inch from his original conclusions about the case at hand.

No doubt years of experience as a teacher tend to enable a person to see both sides of even the most hard-fought controversy. Whatever the reason, Leflar brought to the court an approach to the cases that was exceptionally judicial. Unlike most new judges, he seldom persisted in his own beliefs to the point of writing a dissenting opinion.[2] There were many instances in which he helped make an opinion with which he had not at first been wholly in agreement. In fact, I remember one case in which a proposed dissenting opinion so completely convinced Judge Leflar that he rewrote his own suggested majority opinion to reach the opposite result, carrying all but one of the other judges with him.

Leflar's contributions as a judge will naturally be remembered mostly by the majority opinions (66 in number) that he wrote during his sixteen months in office. Before turning to those opinions, I should like to insert a preliminary note of caution:

Appellate advocates are apt to think that their own cases present, pretty much without exception, issues of great theoretical and practical importance. In fact, almost the opposite is true. Appellate litigation tends to be routine. True, the scales are often so evenly balanced that the decision is difficult, but the competition is between rules of law settled long ago, with innovations being a rarity.

Hence, landmark decisions are few. Think, for example, of Cardozo—surely one of America's greatest masters of the common law. How many outstandingly significant decisions did he hand down during some eighteen years on the New York court? There come to mind such classics as *MacPherson v. Buick Motor Company*,[3] *Palsgraf v. Long Island Railroad Company*,[4] *Epstein v. Gluckin*,[5] *Meinhard v. Salmon*,[6] *Loucks v. Standard Oil Company*,[7] and others, but the list is not long. Hardly one great opinion a year, perhaps not even half that many.

Thus no disparagement is implied in the observation that there did not fall to Justice Leflar the opportunity to write any of the great cases in American law. But his work as a judge was of consistently high quality. His opinions were uniformly well written, clearly worded, and straight to the point. Among the best are *Wisinger v. Stewart*,[8] *Williams v. Harris*,[9] *and Hill v. Wilson*.[10]

But a judge's worth is to be tested by the content of his opinions rather than by their form. Here is to be found the difference between what Llewellyn called the Grand Style and what he called the Formal Style. The Grand Style is not a way of writing but a way of considering and deciding cases. Rules are shaped and reshaped to allow the law to keep pace with the times. Considerations of policy are always taken into account. Statutes are implemented beyond their strict letter in accordance with purpose and reason. By contrast, the Formal Style is characterized by a wooden approach to precedents and by a literal reading of all statutes, no matter how loudly policy, reason, and justice may shriek against the result.

In the matter of construing statutes, Llewellyn had this to say:

> Thus in the period of the Grand Style of case law statutes were construed "freely" to implement their purpose, the court commonly accepting the legislature's choice of policy and setting to work to implement it. (Criminal statutes and, to some extent, statutes on procedure were exceptions.) Whereas in the Formal period statutes tended to be limited or even eviscerated by wooden and literal reading, in a sort of long-drawn battle between a balky, stiff-necked, wrongheaded court and a legislature which had only words with which to drive that court. . . .
>
> One last thing is to be noted: If a statute is to make sense, it must be read in the light of some assumed purpose. A statute merely declaring a rule, with no purpose or objective, is nonsense.
>
> If a statute is to be merged into a going system of law, moreover, the court must do the merging, and must in so doing take account of the policy of the statute—or else substitute its own version of such policy.

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Footnotes at end of article.

Creative reshaping of the net result is thus inevitable.[11]

Leflar's opinion in *Morley v. Capital Transportation Company*[12] typifies the Grand Style of statutory construction, with a dissenting opinion in the Formal Style. The court was called upon to construe a statute levying a tax upon "motor busses." The preamble to the act recited as a basis for the new law the fact that street cars had been replaced in some municipalities by motor busses. The Capital Transportation Company had replaced its street cars with busses that were rubber-tired vehicles, but their motors were powered electrically by means of a flexible trolley rather than mechanically by means of a gasoline tank. The question was whether such busses, popularly called trackless trolleys, were taxable under the new statute.

Leflar's opinion carefully and fairly analyzed the competing arguments of counsel and concluded that the electric busses were taxable as motor busses. He reasoned that, as a matter of policy and fairness, the legislature, in taxing vehicles that had replaced street cars, was not primarily concerned with whether the new vehicles had electric motors or gasoline motors. That approach was summarized in this final paragraph in the opinion:

> There is nothing in the nature of "trackless trolleys" that makes inappropriate the application of the statute to them. Everything in their physical characteristics and mode of operation makes it as fair as appropriate for the statute to be applied to them as to other motor busses falling within the statutory description. It would be unfair to the owners of gasoline busses and contrary to the spirit and purpose of the statute if "trackless trolleys" were not taxed under it. The statute purports to cover these busses, and we hold that there is no justification for an interpretation that would take them out of the coverage which appears on the face of the statute.

It is significant that the dissenting judge, viewing the case in the Formal Style, quoted the foregoing paragraph as the basis for what was the real heart of his disagreement: "Now I submit that this paragraph shows in itself the fundamental error; because it impliedly admits that the Court is extending a taxing statute beyond its strict language." One could hardly find a better example of the contrast between the Grand Style and the Formal Style of deciding cases. In such situations Justice Leflar instinctively took the right view.

An interesting innovation was introduced in a case which Leflar chose to style as *A. v. B.*[13] The case involved the adoption of a child born out of wedlock. In a compassionate effort to conceal the child's identity Leflar omitted the names of all concerned and used instead the letters *A* and *B*.[14]

In closing, I must mention not only the great pleasure that I experienced in serving on the bench with Justice Leflar but also the genuine benefits that are to be derived from such an association with him. In a way those benefits have been shared by hundreds of American judges, for it is doubtful if Leflar would have been selected to conduct the annual appellate judges' seminars at New York University if he had not himself had judicial experience. Thus his service on the bench must be regarded as doubly beneficial to the law.

FOOTNOTES

[1] ARK. CONST. amend. 29.

[2] New judges *do* tend to cling to their own points of view. Statistics are not available, but perhaps my own experience is not far from the average. In my first and second years on the bench I wrote 23 dissenting opinions; in my twenty-first and twenty-second years I wrote four. What a remarkable improvement in the abilities of my colleagues!

[3] 217 N.Y. 382, 111 N.E. 1050, Ann. Cas. 1916c 440, L.R.A. 1916F 606 (1916).

[4] 248 N.Y. 339, 162 N.E. 99, 59 A.L.R. 1253 (1928).

[5] 233 N.Y. 490, 135 N.E. 861 (1922).

[6] 249 N.Y. 458, 164 N.E. 545, 62 A.L.R. 1 (1928).

[7] 224 N.Y. 99, 120 N.E. 198 (1918).

[8] 215 Ark. 827, 223 S.W.2d 604 (1949).

[9] 215 Ark. 928, 224 S.W.2d 9 (1949)

[10] 216 Ark. 179, 224 S.W.2d 797 (1949).

[11] K. LLEWELLYN, THE COMMON LAW TRADITION: DECIDING APPEALS 373–74 (1960).

[12] 217 Ark. 583, 232 S.W.2d 641 (1950).

[13] 217 Ark. 844, 233 S.W.2d 629 (1950).

[14] When the case was tried both *A* and *B* were married couples, but Leflar scorned the puristic suggestion that the case be styled "*A. et ux. v. B. et ux.*" Moreover, the B's were actually the appellants; so this is the only instance in the Arkansas Reports in which the appellees are listed first in the style of the case. By such radical and progressive departures from precedent did Bob Leflar demonstrate the boldness of his thinking!

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## BOB LEFLAR'S IMPACT ON THE JUDICIAL PROCESS

(By Albert Tate, Jr., Associate Justice, Louisiana Supreme Court; Chairman, Appellate Judges' Conference, Section of Judicial Administration, American Bar Association)

A young judge with three years' appellate service, I first met Bob Leflar when registering to attend one of his judicial seminars at New York University. A country boy from Louisiana meeting a country boy from Arkansas, I made polite conversation about the conflict of laws, a subject I had just learned he taught. Unaware of his distinction in the field, and indeed innocent of any real acquaintance with conflicts thinking since law school days, I remarked how satisfying recently had been the resolution of the lone issue of conflict of laws I had ever been called upon to decide—in a dressed-up version of my remarks, "a pure law issue, no worry about policy or justice, just find the correct rule by legal reasoning and apply it."[1]

This remark must have seemed incredibly naive or incredibly stupid to this distinguished scholar, one of the authors of the revolution just about to result in new approaches in the judicial resolution of conflicts of law. Typically, this decent Arkansas gentleman gave no indication of this, as he politely changed the subject—although, just as typically, this honest and frank scholar could not indicate agreement with a view he did not share, even in an innocuous social conversation. In the seminar that followed, I learned his own beliefs about conflicts of law—not advanced to convert others, but to stimulate their thinking. (In the fact, of course, his writings and the perceptiveness of his views did make converts.[2])

But I do not propose to discuss here the tremendous contributions to legal thinking and scholarship made by his writings in the fields of conflict of laws and torts, let alone those about judicial administration, legal education (both garden variety and continuing), and assorted other topics. (It is appropriate, however, to note that not only in the conflicts area, but also in others his earlier writings often foreshadowed by well more than a decade the changed law of the future.[3]

My purpose, more, is to note his major contribution to the understanding through the United States of the nature and function of the judicial process. I wish to dwell particularly upon the contribution he has made in this regard by vitalizing the appellate judiciary through his association with a substantial proportion of the appellate judges of America, well more than half, in seminars and conferences inspired and led by him particularly those at New York University's Institute of Judicial Administration.[4]

The Judicial process, the process by which litigated disputes are adjudicated, is accomplished ultimately through men serving as judges. The judges themselves usually come on the bench fresh from a busy practice, usually concentrated in a few legal areas. They are often, as I was, influenced by the notion that to decide legal issues they just need to "find" *the* law-rule applicable and then apply it—somehow convinced that certainty can always be attained by the same process of synthesizing and explaining past decisions they formerly utilized as advocates (which actually so often yielded the opposing advocates two satisfying, but contrary, law-rules to apply). The judges often come to the bench believing that, outside of the area of their expertise, in which they recognize growth has occurred and is occurring, the "tough" law[5] they learned in law schools retains its eternal verity and remains unaffected by subsequent changes in society and legal thinking.

With such preconceptions, until recently judges came to the bench without any particular training in the judicial function, and they never received any thereafter. They were, so to speak, put at once in the batter's box and started to swing at the issues thrown to them to decide, kept busy swinging year after year, and often never had the occasion or opportunity to think about the fundamental purpose of the game. In the detached world of appellate judges, they also tended to become insulated from contact with the people and the bars they served, and to have their thinking constricted to the limits of the isolated and in-bred small courts upon which they served.

In contrast, today, continuing education for the judiciary is recognized as a necessary feature of a judicial system. Concomitant with the rapid changes in our society of the last decade or two, there have been rapid new developments in legal theory and applications. New statutes and new approaches have been conceived for more effective regulation of our ever more complex economic and social institutions and malaises. Judicial techniques and judicial precedents, sufficient for other times, have been found wanting for today's needs. Just as county commissioners, pediatricians and teachers find institutionalized techniques essential to their becoming acquainted with recent developments in the fields of their own responsibilities, so judges find that judicial conferences, seminars and workshops are, more and more, necessary for a judicial system which desires to have its judges keep in touch with current developments in judicial administration and substantive law—not to speak of one which desires to enhance its efficiency and the responsible performance of its duties by creative evaluation and improvement of its functioning.

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[1] Some years later the writer had occasion to discuss this decision and his misanalysis in it. Tate, Book Review, 39 TUL. L. REV. 163, 171–77 (1964).

[2] *See, e.g.*, Clark v. Clark, 107 N.H. 351, 222 A.2d 205 (1966); Woodward v. Stewart, — R.I. —, 243 A.2d 917 (1968); Heath v. Zellmer, 35 Wis. 2d 578, 151 N.W.2d 664 (1967).

[3] For example, *compare* Leflar, *The Social Utility of the Criminal Law of Defamation*, 34 TEX. L. REV. 984 (1956), with Garrison v. Louisiana, 379 U.S. 64 (1964); and *compare* Leflar, *Negligence in Name Only*, 27 N.Y.U. L. REV. 564 (1952) *with* developments reported in Keeton, *Judicial Law Reform—a Perspective on the Performance of Appellate Courts*, 44 TEX. L. REV. 1254 (1966) and in Prosser, *The Fall of the Citadel (Strict Liability to the Consumer)*, 50 MINN. L. REV. 791 (1966).

[4] The honoree has described these in several articles, including Leflar, *Seminars for Appellate Judges*, 52 JUDICATURE 12 (1968) and Leflar, *Continuing Education for Appellate Judges*, 15 BUFFALO L. REV. 370 (1966).

[5] Leflar, *Taught Law is Tough Law*, 8 WAYNE L. REV. 465 (1962).

In the vanguard of this movement to help the judiciary maintain its validity and its ability to serve the needs of modern society has been Bob Leflar. Although the initial impulse came from the ABA's Section of Judicial Administration, Bob Leflar can be regarded as the guiding Moses and spiritual father of the New York University Appellate Judges Seminars,[6] which themselves inspired so many other developments in continuing judicial education. His insights, developed from his own broad experience (including judicial service, as well as elective candidacy[7]) his broad and authoritative legal knowledge; his concepts of the areas where discussion might be most fruitful; his essential practicability and common sense; his perception that appellate judges are *people* administering, not solely abstract rules of law, but also justice for *people;* his sympathetic understanding of and basic liking for most human beings, including, relevantly, the judges at his seminars: for these and similar reasons, most appellate judges have felt their two weeks or so at seminar with Bob Leflar to be one of the most stimulating periods of their judicial careers, and one of the most pleasant.

For these reasons, also, through the appellate judges' seminars Bob Leflar has made a direct and significant contribution during the past decade to the philosophy of judicial decision. He has done this not by indoctrination but instead by encouraging our judges to examine openly the nature and function of the judicial process, and to draw their own conclusions.

In so many instances, the frank exchange of views between judges has helped them and the other participants to comprehend and refine a theory of judicial decision which may justify practices and approaches barely (and sometimes, previously, shamefully) acknowledged; the determinative use of policy as the basis for decision, for instance, rather than the word-logic used to justify it. (Bob, who sits not as an exponent, but rather as the wise Socrates helping the discussion with perceptive questions here and there, has rarely expressed himself positively on the issue. However, I believe his view might be that we judges should not only ourselves realize the policy basis of a decision we make, but we should also articulate it, as part of our opinion's resolution of the issue by conventional legal techniques.[8] The articulated real reason may serve better as a rational basis for future growth of the law than a legalistic non-reason.)

In almost all instances, the thoughtful re-evaluation by us judges of the way we do our work, as a result of attending a Leflar seminar, has led us to a much more profound understanding of our function in the judicial process—a better understanding which must inevitably lead us to make more significant contributions to the administration of justice in the appellate courts throughout the country. Without a period set aside for reflection upon the fundamentals of our craft, we judges might never have the opportunity or incentive to undertake such creative re-evaluation.

I am not here speaking of the seminars' value to judicial efficiency by acquainting our judges with the latest developments in judicial administration, or with the new techniques developed to meet the surfacing problems of appellate congestion. Nor am I speaking of the practical value of familiarizing ourselves with national research facilities, nor of finding out by mutual exploration the best ways, for instance, to use law clerks or to write opinions (or how to *not* write opinions in cases which can be decided by memoranda per curia). I am speaking more of a judge's coming to realize that his duty is not so much to apply rules mechanically (although this may be appropriate in clear-cut situations), as it is to effectuate the social purpose of a law-rule. This realization may constitute a fundamental breakthrough—a difference in approach and function similar to that between a carpenter mechanically following specifications and an architect with the responsibility for adapting materials and designs to the functional needs of the situation.

The idea that even appellate judges can be educated, and the functioning of their courts thereby improved, is now commonly accepted. When the concept of appellate seminars originated, however, its success was by no means assured. Several factors contra-indicated acceptance. Most appellate judges are pretty busy with court work, or think they are. Many do not feel they need much improvement (and of course they usually are able and dedicated men). Human beings are creatures of habit, and until recently courts had a way of keeping on doing things the same way as always, despite the availability of better ways or the desirability sometimes of accommodating methodology to changed circumstances.[9] Chief Justice Vanderbilt is supposed to have had reservations because the major items of interest at most judicial conferences he had attended had been solely pensions and pay raises.

In my opinion, the smash-hit status attained by the appellate seminars could not have been attained without Bob Leflar's leadership and imagination. The selection of the discussion topics is helped by advance polling of the judges to attend, but the final choice usually closely parallels the curriculum originated by him. The topics are a fine blend of the practical day-to-day concerns, of substantive law developments, and of sophisticated examination of abstract legal theory and jurisprudential philosophy. The advance reading helps return the judge to the library and to an overview of the judicial function for which he, in the busy practice of deciding cases, might not otherwise find time. Above all, the ten days or two weeks of discussion with fellow judges, in the peaceful atmosphere of a university and away from the pressing demands of the docket, offer an exhilarating opportunity to think and talk and read and dream about first things, and to come away refreshed with a clearer understanding of judicial responsibilities and an eagerness to perform them well.

But, without Bob Leflar the appellate judges seminars could not have succeeded so well as they have. The format is his conception. His personal contributions to the discussions are an important reason for the easy flow of view, for the willingness of us participating judges to lay aside preconceptions and pomposities and roll up our sleeves and get into the fray, to listen with tolerance to positions we may abhor, to become interested in concepts and approaches previously unknown, and to awaken to implications and nuances of substantive law or legal philosophy we previously had little time to consider. Bob Leflar does not preach so much as raise questions; but the questions are good ones, and often raise fundamental issues. His deadpan Arkansas humor sometimes underscores a point. What I am trying to say, I guess, is that the effectiveness of the discussions has owed a lot to the quality of Bob's remarkable personality, unassuming yet forceful. The participants like him, and they respect his mind and learning and practical experience. He serves as the essential catalyst by which is released the contributions of the participating judges, each enriching the experience for all.

Deepened by the experience, the participants (now more than four hundred of the seven hundred-plus appellate judges of America) return to their own courts, and their courts benefit by the insights gained at the seminars. Often, the judges themselves, as did we in Louisiana, see the value of such intensive discussion of fundamentals at a time set aside for the purpose, and therefore on their return establish periodic seminars for the judges of their own state. Such conferences, of course, lack the valuable pollination through participation by judges from other jurisdictions; but they do afford intra-state exchange of views and procedures, itself of value in a multi-court jurisdiction.

Further, without derogating the importance and the volume of the work of the trial bench, in the final analysis the judges on the appellate courts determine the approaches and the directions and the outer bounds of the process by which judicial adjudications are made. In perceiving that the functioning of the judicial process of America could be substantially improved through seminars for the appellate judiciary, Bob Leflar conceived an escalating notion of continuing inspiration and rededication.

Each year about forty judges (twenty from high and federal circuit courts, twenty from state intermediate courts) attend the seminars, a fair cross-section from America's eighty-plus appellate benches. Each year they return to enrich their home courts with insights and experiences gained. Year by year the number of judges so enriched has increased—and, from my own personal experience, I think I can say, once our thinking and imagination has been activated by the seminar experience, we tend to continue wanting to learn and grow in the years afterwards. The inter-judge and inter-court stimulation increase year by year, so that throughout the United States appellate courts are no longer the static, isolated bodies they once were. The appellate judges themselves, with revitalized interest in judicial administration and the judicial process, tend to share and communicate this interest throughout the judicial system they serve.

Other major social and legal factors have also contributed. Nevertheless, through his appellate judges' seminars and his personal influence and writings, Bob Leflar has all by himself made a major contribution to the quest for improvement in, and the better understanding of, the judicial process so notable over the past decade. He himself is a substantial cause of the current judicial rejection of the concept of law as a set of self-contained mechanical rules of neutral social value. The influence of his thinking—even more, of his encouraging *others* to think—has been and is a major factor in the present willingness of American appellate courts to accept their responsibility for rational and creative development and application of law-rules.

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[6] Burger, *School for Judges*, 33 F.R.D. 139 (1963).

[7] This modest man refers briefly to his judicial service and candidacy in Leflar, *The Quality of Judges*, 35 IND. L.J. 289 (1960).

[8] Leflar, *Some Observations Concerning Judicial Opinions*, 61 COLUM. L. REV. 810, 816–17 (1961).

[9] For instance, long after the typewriter (and even after Xerox), at least one high court does not circulate in advance of conference proposed opinions, nor reports on recommendations to grant or deny a writ of review. Just as did their predecessors of one hundred fifty years ago, the justices for the first time at conference learn, from an oral reading, of the action or opinion they are supposed to sign at the conclusion of the reading.

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## ROBERT A. LEFLAR: A TRIBUTE TO A PROFESSIONAL

(By Robert R. Wright, Dean of the College of Law, Director of the Law Center, and Professor of Law, the University of Oklahoma. Professor of Law, University of Arkansas (1963–70))

> Then said a teacher, Speak to us of Teaching.
> And he said:
> No man can reveal to you aught but that which already lies half asleep in the dawning of your knowledge.
>
> * * *
>
> If he is indeed wise he does not bid you enter the house of his wisdom, but rather leads you to the threshold of your own mind.
>
> —Kahlil Gibran, The Prophet.

In a sense it seems somewhat out of place and singularly inappropriate to be writing an article in an issue of the *Law Review* devoted to Bob Leflar. It is not because he does not deserve it; it is because I do not think he is quite ready for it. It seems a little like turning a thoroughbred out to pasture after he had just won the Triple Crown. My view of Bob Leflar (distinguished professor emeritus though he may technically be) is always of a man beginning things and doing things and not of a man about to retire from the field of battle. Bob Leflar, nearing 70, has more irons in the fire and more things going than 95% of the law professors in the United States. From empirical observation, I would say that his view of "retirement" is when a man goes home around five o'clock in the afternoon, instead of putting in what he would personally regard as a decent day's work.

But the rules of the University of Arkansas Board of Trustees force them to do their duty in this case in the same manner as in others and to turn Man of War out to pasture in his prime as if he were some garden variety form of animal (for whom the rules were made) instead of the war horse that he is. Arkansas must do his duty—and so must Arkansas' man at Oklahoma. Therefore, I am quite pleased that a distinguished professorship at the University of Oklahoma College of Law will be held during the spring semester of 1971–72 by Robert A. Leflar.

You have to realize in the beginning that I find it difficult to approach the subject of Bob Leflar objectively. It is a bit different than dealing with the Rule in Shelley's Case [1] or the Arkansas stallion, jack and seed horse statutes.[2] The burden of the subject matter is overwhelming. Shelley is long since dead and doesn't give a damn about his case anymore, and the stallion, jack and seed horse statutes are largely notable for their entertainment value—somewhat on the same order as the question of whether Arkansas' Rana Catesleianas can go out to California and be permitted to outjump interior frogs.[3] Leflar is a subject of substance, and unlike Coke (of whom I also like to write), he is very much around to tell me where I go astray when I write about him. Moreover, when you get around to looking at all the things Leflar has *written*,[4] and all the law reviews in which he has published,[5] you begin to accumulate something approaching the *Harvard Classics*. Deans have more important things to do than read all that stuff—like making sure that the Physical Plant (known locally as the sons of Dracula) has not charged more than ninety-six dollars for three men to replace a lock, or that a requisition for yellow pads has been approved by several vice-presidents, two or three accountants and a bursar (whom I used to think only existed on British vessels). Of course, it is just as Leflar once said in a faculty meeting in which some serious, inane discussion was taken place as to whether a certain man should be brought in as an Assistant Professor or an Associate Professor, and I had remarked that somewhere in between Dean and Janitor would be appropriate. Leflar pointed out that I had the "range" wrong with respect to Law School status. "The only thing lower than a Janitor," said Leflar, "is a Dean." In many respects he was correct. A Dean is to some extent a Janitor with academic degrees and with some access to power and to "side honors" from those who do not know the truth. Leflar, a great Dean, knew the truth.

That is where we begin, I suppose. The students, now lawyers, said it best in the late 1950's with one of their ribald skits, when they referred to Bob Leflar (to the tune of "Holy, Holy, Holy") as:

Robert Allen Leflar
Dean of Arkansas's Law . . .

He has been that, and more. And we know it, and it is time that we acknowledged it. He has been the overriding figure in Arkansas law—the intellectual symbol of the quality of our law, the teacher of those who make the law and those who try it in the crucible of the courtroom—for fully two generations. Dean Waterman began the law school, and he was a mighty figure; but not even Julian S. Waterman exercised the influence over the legal profession in Arkansas that belongs to Bob. We are his products, and when we do the good things, the wise things, the work that wins cases—many times it is because of him and his influence. He was and is the master craftsman; and he has made us better than we were before, better than we were likely to have been without him. He has led us, as the prophet said, to the threshold of our understanding. To me he was the good teacher, the great scholar, the maker of lawyers, the architect of law. He still is, and thus it is as appropriate that we honor him now as it would have been some years before or some years to come.

### I. LEFLAR, THE LEGAL EDUCATOR

It was altogether fitting that in honor of its centennial year, the University of Arkansas should ask Bob Leflar to write a new history of the University. He was the first man to hold the chair of Distinguished Professor at Arkansas, and certainly in its history he must stand in the front rank of those professors who have distinguished themselves at Fayetteville. His eminence as a legal educator extends far beyond the confines of the Ozarks to the point that within the law he has long since become a national figure. So many times, professors and deans from prominent law schools and leading attorneys and judges from throughout the nation, upon learning my background, have asked me about Bob and paid him high compliments. It is not just that they knew of him; they knew him personally or had worked with him in the past or were currently working with him, and invariably they would laud the quality of his work, his keen insight, his contribution to a particular project or to the profession generally. His scholarly contributions in the law of conflicts have marked him as one of the leading thinkers and authorities in that field.[6] In his work as Professor of Law and Director of the Appellate Judges program [7] at New York University, he has won renown throughout the legal profession and particularly among the judiciary for a program that has likely influenced the quality and style of the decision-making process in federal and state appellate tribunals throughout the United States. Thus, Leflar, the teacher/scholar, has earned a rare place even among distinguished law teachers. (The emphasis there should be on "*earned*".) [8]

But let us dwell for a time at least on Leflar's views on legal education generally, his place in it, and upon his contribution to legal education in Arkansas in particular.

It is a matter of history that the University of Arkansas Law School, since its institution of classes in Fayetteville in September, 1924, has only had four deans—Julian S. Waterman, Robert A. Leflar, Joe E. Covington, and Ralph C. Barnhart.[9] The small number of its deans, considering the fact that the school is now nearing the half-century mark, is a tribute to the leadership of these men and the conditions of development and stability which they created.[10] Whether as a teacher or a dean, Leflar has been an integral part of this nearly fifty years of growth in legal education in Arkansas. He joined the faculty in 1927, only three years after the school's inception and in the same year that it was approved for membership in the Association of American Law Schools (having been fully accredited by the American Bar Association almost two years earlier, in January, 1926).[11] He taught at Arkansas continuously during the period since then, except for one year during which he completed the requirements for his S.J.D. at Harvard, a year as Visiting Professor at the University of Kansas, and a year as Visiting Professor at the University of Missouri.[12] In more recent times, he has served on both the faculties of New York University and Arkansas, and during one year commuted back and forth by air, teaching in both locations. NYU would have liked to have had his services on a full-time basis, as would have some other prominent American law schools. The fact that he remained inextricably attached to Arkansas is a tribute to his dedication to the institution. As the years passed, he came more and more to feel a responsibility for it, a sort of professional stewardship which tied his future to the future of the Bar of Arkansas. "A man would be a fool to say that he would never leave," he would say. But whatever his reasons, he never did, even when opportunities beckoned. So, nearly a half-century of Arkansas lawyers bear his imprimatur, and since over half of the Arkansas Bar is composed of the University of Arkansas law graduates, it is literally true that over half of the Arkansas Bar is Leflar-educated. It is a much stronger Bar because of it.

A professor who devotes most or all of his teaching career to a single institution makes a singular contribution to that school, particularly if he is an able man whose impact the students will carry with them. And if the particular institution happens to be a state university, such a teacher will cast the shadow of his influence across the entire bench and bar of the state. His views will influence its legal development; his attitudes will touch and affect the growth of the law and the quality of the practice within the jurisdiction; and his traits will become those of many of his intellectual progeny. If he is a man of quality, he will usually be viewed as too "liberal" even by those whose professional education has taught them that law provides the vehicle for social and economic change and thus produces an orderly society. Without question, Leflar has universally been viewed in Arkansas as a "liberal," and properly so, although in the best and traditional sense of the word and not in the current pattern of misuse which occasionally elevates a down-and-out barnburning radical into the ranks of "liberalism." Moreover, when a lawyer is a teaching professional rather than a practicing professional, he will usually suffer from allegations that he is "impractical" or a "visionary." Leflar has no doubt been the subject of such assertions from time to time in Arkansas, although he was "practical" enough to sit on the state supreme court and to preside over the creation of a very down-to-earth, proposed new constitution for Arkansas and equally practical enough to steer clear of issues which would surely doom it in advance. Thus, in the words of Dean Page

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Footnotes at end of article.

Keeton of the University of Texas Law School, if a legal educator "works hard and lives courageously, it can then be said that he lived for a time, and it made a difference." [13]

No great educator, of the law or otherwise, will amount to very much unless he is both courageous and a first-rate "visionary." To the layman, and even to those lawyers who are inclined to employ the word negatively, this may mean that the individual in question is up on cloud nine except when he comes down once a month to pay the rent and the utility bills. Unfortunately, some people in the teaching profession manage to promote the distortion by assuming that very image. I have heard some of them (who usually teach liberal arts courses) from time to time speak of the "outside world" or "outside community" (i.e., the non-campus or non-academic community—the "town" rather than the "gown"). Unless these people work in the pure physical sciences, where knowledge of human nature may be of lesser consequence, their "vision" is about as valuable as that of Mister Magoo on a Saturday night drunk. The true man of vision in the best sense of the word, is the man who does in fact know human nature and the weaknesses and proclivities of men, who knows history and the interrelationship of time and men and events, and who finally and most importantly can apply the knowledge to see and mold the direction of society and to determine how and where it must go to achieve its better goals. It was men of this stripe whom Judge Learned Hand had in mind when he ascribed to law schools the function of "contriving new methods, of discovering new ideas, of surveying new territory . . ." [14] By these standards, Bob Leflar is indeed guilty of being the "liberal visionary" of which some might accuse him. More than once, he foresaw time and events and steered us toward the calm waters in a practical and yet courageous manner. In the law he pursued new ideas and new methods in the manner Judge Hand suggested. Primarily, Leflar's contribution in this latter area lay in the field of conflict of laws, in his work as a Commissioner on Uniform State Laws, and in his direct participation in the law-making process in Arkansas as a member of the state supreme court. Even so, within the law school context, his influence served to keep the University law school up-to-date in its practices and approach to law teaching In his history of the school up to 1962, he discusses the "continuous re-evaluation of courses and curriculum." [15]

As for "liberals", it might be said that there are those who only preach the liberal virtues and those who practice them. Certainly Thomas Jefferson, America's foremost liberal, was not just a preacher but a practitioner, whose words were given substance in the Declaration of Independence, the Bill of Rights and the Virginia Statute of Religious Liberty, among other documents. Leflar, the practitioner, was Dean of the Law School at the time when it became predictable that the United States Supreme Court would require that Negroes be afforded equal access to law schools of equal quality in states of their residence. But the court had not yet said this—as they later would in such cases as *Sweatt v. Painter,*[16] *McLaurin v. Board of Regents,*[17] and the *Sipuel*[18] decisions—when the determination was made at Arkansas that qualified Negro applicants would be admitted. The result was that before any Court decision required it, Arkansas admitted the first Negro since Reconstruction to a "white" institution of higher learning in the South.[19] The fact that later cases would have made it mandatory does not eliminate the fact that this was accomplished voluntarily at the University of Arkansas Law School; and the fact that the Board of Trustees and the Governor acquiesced in this action [20] is a tribute not only to Leflar's vision but also to the political acumen with which he approached the situation. It would be many years before Robert Kennedy and Ross Barnett would lock horns over James Meredith at Ole Miss and before George Wallace would stand in the University of Alabama's "schoolhouse door." That these things did not occur at the University of Arkansas, that the Fourteenth Amendment came peacefully and without rancor to the Ozarks, must be attributed in no small measure to Bob Leflar.

And so, one canont help but think of Bob Leflar when he reads Dean Keeton's words:

[T]he importance of the rule of law will not change; and the legal educator will take his place, as it seems to me he already has, as free society's leading spokesman for those fundamental notions that underlie the expressions, "the rule of law" and "a free society." [21]

As Dean of the Law School, however, Leflar made a much more tangible and non-philosophical contribution in presiding over the construction of Waterman Hall,[22] which provided the school with more modern and spacious facilities than it had ever known, even though it has now outgrown those facilities and faces a serious need for additional library, office and classroom space on the Fayetteville campus. The Law School had begun in the basement of Old Main and had later acquired its own small building, which was adequate for its needs at the time but which by the late 1940's had become demonstrably inadequate. The result was described in these words:

In the summer of 1951 Dean Leflar, who had just completed a short appointive term on the Arkansas Supreme Court, was authorized by the Board of Trustees to seek contributions from lawyers in the state toward construction of a new Law School building. Approximately $75,000 was pledged, and the Board provided the balance of the $365,000 cost from University funds. Planning of the new structure had been under way for years. The result was a building, Waterman Hall, uniquely suited for law school purposes. The building has since been studied and copied by a number of other law schools in their new construction.[23]

In building Waterman Hall, Leflar and the law faculty acquired as much space and quality as they could for their money. They envisioned the school growing to the point that a maximum of around 250 students would be in attendance—substantially more than had ever previously been enrolled. Waterman Hall was built to accommodate 250 comfortably and even to take as many as 300, if necessary, but no one in 1951 could have envisioned the demands of twenty years in the future. By the latter half of the 1960's, enrollment had begun to grow by leaps and bounds and the requirement of an undergraduate degree (along with the taking of the Law School Admission Test) did little to slow it. Today, the School of Law has grown out of its "small school" status and into the medium-sized category. Over 1,500 people [24] have graduated from the Law School—to form the majority of the Arkansas Bar and to become civic leaders, businessmen, public officials, judges, law professors and deans.[25]

What they have achieved, and what quality and reputation the school has acquired in so short a span, relates in no small measure to what Bob Leflar gave them and to what he gave the school. His legacy is his energy, his loyalty and his devotion, just as much as it is his teaching and his reputation as a scholar.

And what should a law school be? When I was Director of Continuing Legal Education on the University law faculty, I thought it would be well to have Leflar express his views on the subject as a part of the 1965 fall legal institute. His discussion of the subject, which was reproduced in the *Law Review*,[26] provided certain salient views on what a good law school should be. Among them were these:

(1) A good law school should be a part of a university "because no school that is not part of a university, partaking of its university's cultural and academic atmosphere, has ever amounted to much."

(2) Obviously, a good law school should be approved by the ABA's Section of Legal Education and by the AALS, but there is "no magic" in such approval, because these are only minimal standards—only starting points for a good law school.

(3) "The first test of a law school's quality is the teaching that is done in it," but nothing is harder to measure. Good teaching will give a student the understanding of fundamental rules, principles, policies and the organization of the legal system, will cause him to master the technique of in-depth analysis, will cause him to appreciate the law's relationship to society, and will give him an interest in the law sufficient to "induce him to spend the rest of his life trying to learn something about it."

(4) It would be ideal if the first and second years could take care of the "subject matter courses" and the third year could be spent in "problems and drafting courses, seminars that check into narrow areas of the law in thorough detail, interdisciplinary courses that would tie law in with" human concerns and jurisprudential courses that would enable the student to think deeply on the broader picture of the law.

(5) "For the men good enough to make the staff, the law review gives the best education that law schools afford."

(6) The main value of a bar examination is that "it compels the student to engage in a comprehensive review of all that he has studied so far, at the close of his period of formal education."

(7) "After the faculty, the law library is the most important part of any law school" which means "the right boks and plenty of them, which can be expensive" and which assumes the extensive use of the library by both students and faculty alike.

(8) While the building is less important than a good faculty, a good usable library, and an atmosphere of learning, an adequate building is essential in order to accommodate the major functions and needs of the institution.

(9) Law school administrators must have reasonable autonomy within the university structure to do things that they can do better than the central administration and to fulfill the school's ties to the legal profession.

(10) A good faculty "with as low a student-faculty ratio as is reasonably possible, is the most important feature of any law school." Classes which are too large detract from the teaching process. "A good faculty is hard to get, and harder to keep."

(11) Good law teachers are made, not born. They have to work at it, and they are also expected to demonstrate their scholarly abilities through periodic articles and research. But a law teacher's main job is teaching, and if he does not take it seriously, he ought not to be in teaching. He must also be something of a long-term planner and train lawyers for tomorrow, not today or yesterday.

(12) Admission standards should exclude students who clearly cannot make the grade in law school. This is hard to do, because personal drive is hard to measure, but it is cruel to admit people who are likely to flunk out after a year and thus take a year out of their lives.

(13) The mounting costs of legal education to the student should not make law schools a haven for the well-to-do. Scholarship and loan funds should be made available to those who need them.

(14) Placement programs, student orga-

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nizations, continuing legal education, a law alumni organization, and a good moot court or skills program are important ancillary activities of law schools.

(15) Faculty participation in efforts to improve the law is quite important, as is faculty service to the university community.[27]

He concluded: "No law school ever became great by merely continuing to do what it has done in the past. That is the way to lose greatness. Only persistent work coupled with creative imagination can open the future's doors. When the doors are opened, wisdom and common sense must choose the paths beyond."[28]

And so, "Leflar on Legal Education," without specifically saying so, leaves us with a challenge to achieve the quality which is the mark of a good law school. Quality does not come cheap. To achieve the objectives which he set forth as the definitive characteristics of a first-rate operation is to make a financial and professional commitment to the University of Arkansas Law School considerably beyond what has yet been the case. For although we could point out examples of how Arkansas meets each of the criteria which he set forth, it would be generally conceded that the fulfillment of those characteristics is uneven and imperfect at best. Through financial inadequacy, Arkansas has not yet achieved what the legal profession or the faculty would wish for it, or what Bob Leflar has spelled out for it. That it has come as close as it has, can largely be attributed to the dedication and efforts of a relatively few men (and Leflar in particular). There are many gaps to be filled, and one of the greatest is that which results from the retirement of Bob Leflar.

## II. LEFLAR, THE SCHOLAR

It would be not only presumptuous, but rather difficult, for someone who does not purport to be an authority on a subject to evaluate the work of someone who is. A truly worthwhile evaluation of Leflar's contribution to his particular specialty, the law of conflicts, should come from someone like Professors Albert Ehrenzweig, David Cavers, Elliott Cheatham, Russell Weintraub, Eugene Scoles, Roger Cramton, or one of several others who might be named.[29] These are "conflicts" men, who are sometimes thought of as a rather esoteric breed in the law teaching world. I recall the remark of one law professor—not a "conflicts" man, naturally—that he thought the whole field could be taken care of by a good statute. He was being facetious, and I feel confident that he was in error anyway because the people who would be picked to draft the statute would be leaders in the field, who would never agree, and each of whom would espouse his own theory of what was "true" and "good." It would be like a gathering of theologians talking about church union, in which each would advance his own view of the Deity. As an outsider looking in (which is obviously the only way I can semi-intelligently discuss the field of conflict of laws), it would appear that conflicts theories have been in almost a continuing state of flux, the movements of which rather resemble the perambulations of an amoeba. The original *Restatement of Conflict of Laws* must surely be least or close to it on the value scale of Restatements. Not only does it largely fail to express what the law is; it fails just as much to express what the law should be (or at least what conflicts scholars *think* it should be, since their thoughts run in unison only on certain basics). The ability to bring order out of chaos, or at least out of a well-spring of different views, has seemed to be the task confronting conflicts scholars. It is my belief as an onlooker that Leflar has done a better job of it than most anyone else.

Dean Roscoe Pound has noted the substantial effect of doctrinal writing on American law.[30] This effect may be seen in the conflicts field in the writing of Justice Joseph Story in the nineteenth century, whose book dominated during that period.[31] Modern thinking, however, probably begins with the split between Professor Joseph H. Beale of Harvard and Professor Ernest G. Lorenzen of Yale.[32] Beale took a rather mechanical approach to the subject, and his thinking dominated the *Restatement*, published in 1934, and also generally formed the basis for Judge Herbert Goodrich's text which appeared in 1927.[33] Lorenzen and his followers attacked this approach and the Lorenzen school of thought probably influenced the text by Professor George Stumberg [34] of Texas, which was less rigid in its analysis. The great Walter Wheeler Cook also opposed the Beale approach.[35] The *Restatement (Second)*,[36] though seeking more flexibility than the original version, has nonetheless been criticized on a rather continuing basis by Professor Ehrenzweig.[37] The late Professor Brainerd Currie of Duke also set forth views the subject of which have been widely and favorably discussed.[38]

The major problem in the conflicts field, stated perhaps too simply, is what law applies when, under what conditions, in what situations, to what extent, and why.[39] (Parenthetically, it might be noted that to a substantial degree, conflicts situations actually stem from our peculiarly American system of multiple sovereignty,[40] and that every conflicts scholar, who wishes to preserve his domain, should be a dyed-in-the-wool states' righter. This oversimplification ignores international disputes, of course.) Conflicts problems, of course, are quite serious business, since the outcome of the lawsuit may hinge upon the law of which jurisdiction is applied. Will an Arkansas court apply the substantive law of Arkansas to Mr. Ecks of Oklahoma City, who has a problem with Mr. Wye of Little Rock, when they are both in court in Washington County, Arkansas? The answer is not "yes", but "maybe" (or "probably"). You have to know more about it in order to say. And what if Mr. Ecks of Oklahoma City and Mr. Wye of Little Rock are in court in Caddo Parish, Louisiana? Or what if they engaged in a transaction which occurred or a tort situation which arose in Caddo Parish, Louisiana, and they are both in court (though only God and the conflicts scholars know why) in Tarrant County, Texas? Well, of course, the more complicated this sort of multi-state milieu gets, the more the conflicts scholars rub their hands in glee. These are problems to titilate a first-rate jurisprudential juggler, not some pedestrian property or contracts man.

When you get into choice of law problems, you get into all kinds and conditions of theories. Suffice it to say that I think all or most conflicts men would agree today that it just cannot be simplified and rigidified to the point that Beale might have liked. As a one-time equity teacher (before equity was combined with damages and restitution to form the course in remedies), I would have to say that much of the sense or spirit of equity seems to have permeated the thinking of conflicts scholars. Because what they are seeking is a generalized formula with enough flexibility in it that by a judicious and equitable application of it, a court can feel its way toward what most nearly approximates justice and fairness in a given situation, rather than saying rather arbitrarily that a particular law automatically will govern.

Now to get back to Bob Leflar and his work, it seems to me that what Bob has achieved (other than write the text which most lucidly and carefully expresses the modern American law of conflicts) [41] is to synthesize some of the best thinking into the sort of generalized formula of which I speak. I will not deal here with the "most significant relationships" [42] test or "center of gravity" [43] rule, or with the principles which different courts have employed. Suffice it to say that in more recent times, conflicts scholars have concerned themselves with the identification of factors or considerations which control or bear upon the outcome in situations involving a choice of law. Leflar undertook to analyze the cases and the considerations with the idea of "identifying, summarizing and listing the choice-influencing considerations." [44] He arrived at a list of five: (1) Predictability of results; (2) Maintenance of interstate and international order; (3) Simplification of the judicial task; (4) Advancement of the forum's governmental interests; and (5) Application of the better rule of law.[45]

It is seldom the good fortune of any of us to see our pronouncements become living law as enunciated by the courts. But in the case of the five choice of law considerations which Leflar summarized, this is increasingly becoming true. In a New Hampshire case, *Clark* v. *Clark*,[46] speaking through Chief Justice Kenison, the court summed up the five factors about as they have been expressed and applied them to the facts at hand. The Supreme Court of Wisconsin, a state tribunal which has often stood among the forefront of the more enlightened jurisdictions in the United States, followed Leflar's choice-influencing considerations in *Heath* v. *Zellmer*,[47] and then again applied the considerations in several later cases.[48] Rhode Island (and to some extent other states) have followed suit,[49] and legal encyclopedias and law review articles have praised the Leflar approach.[50]

Leflar is the first to admit that these "choice-influencing considerations are not eternal" and that the result will not be the same in similar cases, "because different courts will weigh the considerations on different scales." [51] Then, does not this flexibility in effect create chaos in choice of law problems? Not so, says Leflar, because "all must agree that there is virtue in flexibility for some areas of choice of law." [52] Therefore, "the search for truly relevant considerations, and frank recognition of their controlling effect, is particularly needed." [53] Thus:

"The variety is already there, presumably as it should be, but what is lacking is a reasonably clear explanation of what it is that justifies now one choice between jurisdictions and next a different one. Intelligent analysis in terms of the choice-influencing considerations should produce that explanation. Even in these areas it seems that no more flexibility than before is in prospect. The difference should be not in greater variety of results or more judicial freedom to reach various results, but in more realistic reasoning, more openly stated, behind the results." [54]

What he has done is to define the criteria, to identify the considerations, to leave the flexibility which may produce justice—or which may equally lay bare ignorance or parochial prejudices. The burden of Leflar's "choice-influencing considerations" thereby falls upon the courts, as it ultimately must, and they will adjudicate wisely or suffer the adverse judgment of history and time. For law is not chemistry, and to the extent that Beale sought to apply the litmus paper test to the law of conflict of laws, he demonstrated a remarkably poor look down the jurisprudential road. As Professor Willard Hurst of Wisconsin has observed:

> The most creative, driving and powerful pressures upon our law emerged from the social setting. Social environment has two aspects. First, it is what men think: how they size up the universe and their place in it; what things they value, and how much; what they believe to be the relations between

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cause and effect, and the way these ideas affect their notions of how to go about getting the things that they value. Second, it is what men do: their habits, their institutions. Ideas and institutions obviously are inseparable aspects of men's history. We do not have to try to decide which, if either, is the more powerful.[53]

For we exist in the midst of constant change, and law is the tool by which society responds. We reach out to grab our moment in time, to seize it for better or worse, for good or for ill. And so it is that Leflar's "choice-influencing considerations" say: These are the criteria, the guidelines, the channelized principles from which you draw to find justice. Now, find it. And the good judges will, and the poor judges never could anyway.

### III. LEFLAR, THE LAWMAKER

When I was a child, growing up in South Arkansas in the depression, Leflar was already making laws.[56] When I was an undergraduate college student, Leflar was then on the state supreme court determining disputes on appeal.[57] He has always performed well at that sort of thing, of course. But I will not dwell on those activities. Nor will I devote space to an enumeration of his service to the National Conference of Commissioners on Uniform State Laws, of which he is a lifetime Commissioner from Arkansas, and to which he has contributed far beyond the ability of the average member of this somewhat lawyer-intellectual elite which has produced so many laws of national significance.

For despite its unfortunate failure at the polls, perhaps the crowning achievement in the life of Bob Leflar, the lawmaker, was the Arkansas Constitution of 1970—which may very well yet find acceptance in many of its provisions upon submission of those individually or upon resubmission of the entire document (perhaps in some modified form). I will not go into detail discussing this constitution since it has already received recent widespread attention in the State press and since an issue of the *Law Review*[58] was devoted to a symposium on the subject. Suffice it to say that its defeat seems to be attributable in large measure to an unfortunate combination of misunderstanding, ignorance and apathy—spiced with a liberal sprinkling of resistance to change, fear of increased taxes and prejudices of one variety or another.[59] Like most Arkansans, I did not agree with all of its provisions, and there were some (which I see no need to go into) to which I felt rather strongly opposed. Nonetheless, the benefits of the Constitution of 1970 far outweighed its defects, and the State is much the poorer for not having approved it. The result of its rejection is that there are hands tied by the past which should be free to work toward the future. The economic development of the State and its local governing units remains seriously hampered by the antiquity and limitations of the old Charter. This perhaps is the legacy of the defeat which will in the long run most hamper the State in its efforts to move forward, because if there is anything that people of all political hues seem to agree upon in Arkansas, it is that the State needs to move forward economically. It cannot do so when its State and local administrative structure is an antiquated drain upon the resources of the State, when its cities are constricted in their growth and development, when basic tax reform is needed, and when otherwise legitimate revenue-producing sources remain outside of even the ability of the people to vote them in by popular election or through their representatives in the legislature. Similarly, judicial and governmental reforms, of a basic nature, are needed if efficiency is to prevail over inertia.

Leflar, and a few before the constitutional movement had really gotten under way,[60] had recognized that Arkansas could not go on with a constitution which was a century old—a document which was the product of a rural, populist socio-economic structure, which was a reaction to reconstruction, was overly detailed and which no longer had any relevance to a growing, changing society. This does not mean that certain basic truths no longer existed—nor did the Constitution of 1970 even suggest that such was the case despite occasional red herrings to the contrary. It did mean, as the great majority of educated men and women realized and as all of them should have realized, that the world of the Victorians, the world of a small-town Little Rock,[61] a world free of urban problems and modern economic needs and unrest among the young had long since passed into the mists of time. The 1970 Constitution, however one might view isolated segments of it, was as essential as blood is to the body. Its failure does not alleviate the need for massive transfusions in Arkansas government.

It was singularly appropriate that Arkansas' most distinguished legal scholar should preside over the drafting of such a document. The convention brought together a mixed variety of political views from throughout the State, although quite predominantly conservative. They produced a conservative document, in the sense that conservation in the true and best sense of the word merely preserves that which is sound while seeking to produce a legal order which recognizes and responds to constant and ever-continuing change. It was, on the whole, a well-written and carefully reasoned document, and those who wish to see the State move forward will continue in their efforts to incorporate its essentials into basic law. Over the long haul, the Constitution of 1970 will likely have left a greater legacy than those who defeated it yet realize.

### IV. LEFLAR IN RETROSPECT

*. . . I'm in the autumn of the year,*
*and now I think of my life as vintage wine from fine old kegs, from the brim to the dregs.*
*It poured sweet and clear;*
*It was a very good year.*[62]

Bob's career, his contributions to his profession, have always been like vintage wine. For him, they have all been very good years. The stories about him are legion, as are those students who remember him with a mixture of awe, fondness and respect. You were always prepared for Leflar. One way or another, in the early morning hours—anytime but always sometime—you prepared. And as of that moment, you became a better lawyer without knowing it.

Time has a way of changing people and things, but not Bob in the eyes of his students. Those in 1949 saw him about as those did in 1969, as the consummate teacher-scholar. All that changed was his reputation, and it grew as the years passed; and those of us who studied under him grew with it. For in all of life, we carry bits and pieces of others with us for better or worse. All of us are part of an interrelating whole; the lives of other men touch us and shape us and we become part of them and carry them with us down through the years. So it is that over two generations of Arkansas lawyers and Arkansas law bear the Leflar imprint. There will be days on which courts will be a bit better or wiser than they are—and Bob Leflar will be there. There will be times when a lawyer will stand tall in a country court to do the good thing, the right thing, the courageous thing—and Bob will be there. There will be lawyer-statesmen arise in the halls of Congress and in the legislature to speak the truth as they see it—and Bob will be with them. There will also be the quiet, gentle days, the days of simple efficiency and calm, effective analysis; and that is Bob Leflar too.

We will remember him for many things, but perhaps the most for his part in helping us grow, in those years beyond today when we recall the warm Ozark sun, the crisp beauty of an Ozark autumn, the days of our youth, and the greatness and the wonder of the law.

### FOOTNOTES

[1] Wolfe v. Shelley, 76 Eng. Rep. 206 (K.B. 1581). *See* Wright, *Medieval Law in the Age of Space: Some "Rules of Property" in Arkansas*, 22 Ark. L. Rev. 248, 250 (1968).

[2] Ark. Stat. Ann. §§ 78–1136 through 1139 (Rep. 1957). *See* Note, *Legislative and Judicial Dynamism in Arkansas: Poisson v. d'-Avril*, 22 Ark. L. Rev. 724, 732 (1969) by McClodd and LePeu.

[3] Ark. Stat. Ann. § 47–508 (Repl. 1964) makes it illegal to export bullfrogs from Arkansas to other states, but Arkansans will recall that in 1970 after some minor legal gymnastics, it was decided that Arkansas' champion jumping frog could participate in the annual Calaveras County, California, jumping frog contest (which was won by the Arkansas entrant).

[4] Other than his books, Leflar has published at least 120 law review articles or other materials (and I fear I missed a few in making a hurried count). In the words of the great historian, Will Durant, "How shall we do justice so briefly to so powerful a personality, and so fertile a pen?" W. Durant, IV The Story of Civilization: The Age of Faith 71 (1950).

[5] Outside of the *Arkansas Law Review*, its predecessor, the *Law School Bulletin*, and state bar publications, Leflar has published in the *Harvard Law Review*, *University of Pennsylvania Law Review*, *Michigan Law Review*, *Stanford Law Review*, *Tennessee Law Review*, *Journal of Public Law*, *Missouri Law Review*, *Vanderbilt Law Review*, *New York University Law Review* (and its predecessor), *Boston University Law Review*, *Law and Contemporary Problems* (of the Duke Law School), *California Law Review*, *Texas Law Review*, *Mississippi Law Journal*, *American Bar Association Journal*, *George Washington Law Review*, *Illinois Law Review*, *Oklahoma Law Review*, *Cornell Law Quarterly*, *Rocky Mountain Law Review* (Univ. of Colorado) *Washington University Law Quarterly*, *Journal of Legal Education*, *Columbia Law Review*, *UCLA Law Review*, *Journal of the Missouri Bar*, *Ohio State Law Journal*, *Indiana Law Journal*, *Wayne Law Review*, *Buffalo Law Review*, *Cleveland-Marshall Law Review*, *Judicature*, *Trusts and Estates*, *Journal of the Society of Public Teachers of Law*, *Southwestern Law Journal* (of SMU), *Notre Dame Lawyer*, *American Law School Review*, *American Bar Association Section of Real Property Law*, *Tex Counselor's Quarterly*, and *the Trust Bulletin*.

[6] In reviewing Leflar's newest edition of his book, entitled *American Conflicts Law* (1968), Professor Albert A. Ehrenzweig of the University of California at Berkeley, himself one of the greatest conflicts scholars, stated in *Comparative Conflicts Law*, 16 Am. J. Com. Law 615, 616 (1968):

Here a great judge and scholar, to my knowledge uniquely, has at the same time achieved both a first edition with a totally fresh approach and a new title, and a third edition building on the experience and growing perfection of two predecessors. In 1938, Leflar published his first text on the conflicts law of Arkansas. Not only did he thus decisively and definitively shape the law of his state. But everybody knew that the modest title concealed a national treatise which avoided the pretense and diffusiveness of other texts by concentrating on the complete analysis of the case law of one state. When in 1959 this book was followed by a Student Edition on The Conflict of Laws, Leflar raised the curtain, quickly to occupy the stage with the leading scholars in the field.

He adds, in mentioning catch phrases with which the courts and legal scholars have concerned themselves:

> This sorry maze of "modernism" Leflar has cut through with the sure hand of an experienced judge and wise man. In four bold steps he shows us the way to new certainties. First, he assures us "it is still law that the courts apply. After the 'gimmicks' are gone, the choice is between one rule of law or another." Second, "a court may well prefer what it regards as the better, sounder rule of law. . . ." Third, "courts in practice more often than not do use their own law rather than that of some other state. . . ." But, fourth, in their choice courts rely on several "choice influencing considerations." These considerations . . . have, during the short period since their first publication, become the principal tool of several distinguished courts in preference over the Second Restatement's obscurantist formulae.

Ehrenzweig concludes:

> Perhaps this eulogy can fittingly conclude with the comment that one can hardly find anywhere a better treatment of the law of jurisdiction and the conflict law of crimes than in the book under review.

*Id.* at 617.

And he adds that the book is likely "the best American treatise on the conflict of laws. This book will be on every judge's, every scholar's, and every student's desk for a long time to come and American law will be the better for it." *Id.* at 619.

Similarly, the outstanding conflicts scholar, Elliott E. Cheatham, Professor of Law at Vanderbilt and Charles Evans Hughes, Professor Emeritus at Columbia, commented on Leflar's most recent edition in these words.

> This excellent book sets out clearly the law of its time and is a major aid to anyone who works now in its intricate and intriguing field. It does still more and so has long lasting value. Throughout it seeks the fundamentals on which the application and development of the law should rest. In the minute examination of a particular case it is all too easy to overlook such larger factors as "the law's total task," "national interests that transcend state interests," and his choice-influencing considerations. Through attention to these factors, which Professor Leflar states so well, there will be developed conflict of laws principles adequate to the needs of the rapidly changing interstate and international systems.

22 Ark. L. Rev. 804, 809–810 (1969).

In his book review in 21 S. C. L. Rev. 133, 135 (1968), Professor David H. Means describes Leflar's work as "the considered judgments of a contemporary master of the subject of Conflicts of Laws."

*See also*, Felix, *Book Review*, 34 Mo. L. Rev. 304 (1969).

[7] *See* Leflar, *The Appellate Judges Seminar at New York University*, 9 J. Legal Ed. 359 (1956), one of a number of articles which Leflar has written on the subject of the appellate judges program at NYU and his work with it. Suffice it to say that the program has become familiar to every appellate judge, both federal and state in the United States and that large numbers of these judges have attended or served as instructors or lecturers for the seminar. The program is Leflar's own unique contribution to continuing legal education, and both the quality of the program and its effect on America's judicial elite mark him not only as a particular pioneer in the field of continuing legal education, but also as having a direct hand in shaping the concepts, attitudes and approach of the American judiciary.

[8] It should be stated (although I doubt that anyone has done so quite as bluntly) that the average state university law school is not the place to go to gain a national reputation. Most law professors attempt to gravitate, if they possibly can, to the Ivy League schools, to NYU, to Chicago or a Big Ten school, to Berkeley or Stanford, or to a scattered few others such as Virginia, Duke or Texas. They feel that the chances of acquiring a "name" are better there, because the school's prestige will help—with some variance based on the institution. Although Bob has served as Professor of Law at NYU, he has largely been associated over the years with Arkansas, and it is credit to the quality of his work that he first rose to high repute without the aid (or crutch) of one of the institutions named. In so doing, he unquestionably enchanced the reputation of the University of Arkansas Law School. His life is the example of a man who, by retaining a close association with a particular state and state university, raises the esteem of both the state and its school and has an extraordinary impact upon that particular jurisdiction. This is a reward that even the best of the Ivy League scholars seldom acquire. Perhaps it is a good reason why young professors should more carefully consider the choice which Bob Leflar made. Unfortunately, money or prestige will often lead the good ones elsewhere. Moreover, few professors, including those who staff the institutions I have mentioned, ever illuminate their fields sufficiently to achieve a prestige comparable to Bob Leflar's. Too many let the institution's prestige illuminate their otherwise limited contribution. They reflect light; Leflar generates it.

[9] *See* Leflar, *Legal Education in Arkansas: A Brief History of the Law School*, 16 Ark. L. Rev. 191 (1962). In making this statement, I am taking the history of the school only from its establishment by Dean Waterman in the fall semester of 1924, on the Fayetteville campus, and I am not including the earlier efforts to establish a school either at Fayetteville or at Little Rock, which Leflar's article discusses. Dean Waterman contended that graduates of the "Law Department" of the University of Arkansas, established first in Fayetteville and later in Little Rock in the late nineteenth century, were University of Arkansas Law graduates; but President John C. Futrall disputed this contention. Leflar, *id.* at 200, states that Waterman won the point, and pre-1915 graduates of the School of Law are listed as alumni. This being so, it might well be contended that the first Dean of the University of Arkansas School of Law was Frank M. Goar in 1890. On a national level, however, the University of Arkansas School of Law is generally viewed as having its inception in 1924, with Waterman as the Dean. Waterman was Dean from 1924 to 1943; followed by Leflar from 1944–54; Covington from 1954–58; and Barnhart since 1958. In listing the four deans, I am listing only those named on a permanent basis, and I do not mean to ignore the fact that Professor Emeritus E. B. Meritwether served as Acting Dean during the year following Dean Waterman's death. *See* Leflar, *id.* at 202. Judge Meriwether served practically all of his professional life as a professor of property, wills, trusts, and related subjects at the University of Arkansas, was and is extremely dedicated to the school, and is remembered fondly by his students. Dean Covington, after many years of service in a number of capacities at the University of Arkansas (including Acting President and Provost), became Dean of the University of Missouri School of Law in 1958.

[10] None of them, unfortunately—and without any criticism intended—was ever able to solve the financial problems of the University of Arkansas School of Law. The burden is too great for a single man. And so, many able professors have "passed through" Arkansas, teaching there for a time, and then moving on for more money and for what they deemed to be greater opportunity. This problem, soluble only by a mass effort on the part of the Bar and the Law School's friends on the Board of Trustees and in the legislature, is quite obviously the school's major difficulty. I have known of far more professors who left Arkansas somewhat regretfully than those who left happily. The unfortunate thing is that legal education is, dollar for dollar, the cheapest form of professional education; and the University of Arkansas could create an outstanding state university law school, perhaps of regional significance, for far less money than it could acquire prestige in perhaps any other field. I look forward to the day when Arkansas will seek this excellence, realizing that there are not too many Leflars around who can lift a school on the weight of their own reputations.

[11] *See* Leflar, *supra*, note 9, at 194, 201.

[12] *Id.* at 201.

[13] Keeton, *Legal Education: Developments, Objectives, and Needs*, 20 Ark. L. Rev. 31, 41 (1966).

[14] Hand, *Have the Bench and Bar Anything to Contribute to the Teaching of Law?*, 24 Mich. L. Rev. 466, 480 (1926).

[15] Leflar, *supra* note 9, at 211.

[16] 339 U.S. 629 (1950). (University of Texas)

[17] 339 U.S. 637 (1950). (University of Oklahoma).

[18] Sipuel v. Board of Regents of University of Oklahoma, 332 U.S. 631 (1948), 333 U.S. 147 (1948).

[19] Leflar, *supra* note 9, at 209.

[20] *Id.* at 208.

[21] Keeton, supra note 13 at 40.

[22] For a discussion of the construction of Waterman Hall, *see* Leflar, *Waterman Hall at Arkansas*, 6 J. Legal Ed. 379 (1954).

[23] Leflar, *supra* note 9, at 210.

[24] This is the author's estimate, based on a projection of older figures available to him.

[25] The school has produced two deans (at three universities), professors at American University, Arkansas, Denver, Kentucky, Missouri, North Carolina, Oklahoma, South Carolina, and a teaching fellow at Harvard. Arkansas law graduates have taught as visiting professors at Cornell, Iowa, Minneosta, Texas, Oklahoma, and elsewhere. Arkansas law graduates dominate the bench and bar of the State. Congressman David Pryor is a graduate of the schools, as is Attorney General Ray Thornton, former Attorney General Joe Purcell, U.S. District Judge J. Smith Henley, U.S. District Judge Paul X. Williams and the late U.S. District Judge Gordon Young. Senator J. William Fulbright once served on the faculty as did former Senator Claude Pepper of Florida. By far the bulk of recent State Bar Presidents in Arkansas are UA graduates.

[26] Leflar, *Legal Education: The Making of a Good Law School*, 20 Ark. L. Rev. 50 (1966).

[27] *Id.* at 50–60.

[28] *Id.* at 60.

[29] *See* note 6, *supra*, as to Ehrenzweig and Cheatham.

[30] 3 R. Pound Jurisprudence 387 (1959).

[31] *See* R. Leflar, American Conficts Law 1 (1968); and Lorenzen *Story's Commentaries on the Conflict of Laws—One Hundred Years After*, 48 Harv. L. Rev. 15 (1934).

[32] R. Leflar, *supra* note 31, at 1.

[33] Which is now H. Goodrich, Conflict of Laws (E. Scoles, ed., 1964).

[34] G. Stumberg, Principles of Conflict of Laws (3d ed. 1963).

[35] W. Cook, The Logical and Legal Bases of the Conflict of Law (1942).

[36] Primarily the work of Professor Willis L. M. Reese of Columbia, *See* Reese, *Conflict of Laws and the Restatement Second*, 28 Law and Contemp. Prob. 679 (1963). Leflar served as one of the advisers on this Restatement.

[37] *See* A. Ehrenzweig, A Treatise on the Conflict of Laws (1962).

[38] B. Currie, Selected Essays on the Conflict of Laws (1963) is a superb collection. Currie had a way with words that few law professors have.

[39] This is the problem as I see it, and it necessarily points the way to a definition of criteria.

[40] I thought this idea was perhaps unique, but *see* R. Leflar, *supra* note 31, at 13.

[41] *See* note 6, *supra*.

[42] R. Leflar, *supra* note 31, at 219–22.

[43] *Id.* at 364–67.

[44] *Id.* at 244.

[45] *Id.* at 245.

[46] 107 N.H. 351, 222 A.2d 205 (1966).

[47] 35 Wis.2d 578, 151 N.W.2d 664 (1967).

[48] Zelinger v. State Sand and Gravel Co., 38 Wis.2d 98, N.W.2d 466 (1968); Conklin v. Horner, 38 Wis.2d 468, 157 N.W.2d 579 (1968).

[49] In Woodward v. Stewart, 243 A.2d 917, 923 (R.I. 1968), *cert. denied,* 393 U.S. 957 (1968), the Rhode Island Court stated: "Like the Supreme Court of Wisconsin, we are persuaded that those guidelines combine a 'workable brevity' with a 'reasoned analysis,' leading this court to their application when faced with a conflicts of law situation." This case was followed in Brown v. Church of Holy Name of Jesus, 252 A.2d 176 (R.I. 1969).

Other courts, while following the "most significant relationships" test and not expressly adopting the five choice-influencing considerations developed by Leflar have nonetheless been affected by them and by the New Hampshire and Wisconsin decisions. Thus, in Fuerste v. Bemis, — Iowa —, 156 N.W.2d 831 (1968), the Iowa Court indicated that Wisconsin law on the subject of the guest statute might be superior to Iowa law, but that the New Hampshire and Wisconsin courts apparently did not intend that "this one consideration" "predominate over the others." It may be inferred, however, that in a situation which was regarded as creating greater doubt as to which law applied, Iowa would consider the matter in the light of the choice-influencing considerations which Wisconsin and New Hampshire adopted from Leflar. Similarly, in Beaulieu v. Beaulieu, 265 A.2d 610 (Me. 1970), the Maine Court adopted the "most significant relationships" test without specifically taking into account the five considerations—but it relied heavily on the New Hampshire decision in the Clark case.

Mississippi *seems* to have adopted as relevant considerations both the five choice-influencing considerations of Leflar and the factors set forth in the Restatement (Second). In Mitchell v. Craft, 211 So.2d 509, 514 (Miss. 1968), the Mississippi Court states: "In a major contribution in this field, Robert Leflar has synthesized and analyzed five principal, choice-influencing considerations." The Court then discusses these in the light of the facts of the case and applies them along with the Restatement (Second) §§ 6, 145, 175 *et al.*

Arkansas has yet to adopt the Leflar considerations, although considering previous references to Leflar as a prime authority in Arkansas conflicts cases, it would perhaps not be unreasonable to assume that the Arkansas Court would apply these considerations in an appropriate case.

[50] *See* Annot., *Torts—Lex Loci Deliciti,* 29 A.L.R.3d 603, 631 (1970): Professor Robert A. Leflar has made a major contribution to American conflicts law in identifying "five choice-influencing considerations which seem to incorporate all the basic considerations. . . ." *See also* Coyne, *Contracts, Conflicts, and Choice-Influencing Considerations,* 1969 U. Ill. L.F. 323 (1969); and Juenger, *Choice of Law in Interstate Torts,* 118 U. Pa. L. Rev. 202 (1969).

[51] R. Leflar, *supra* note 31, at 264.

[52] *Id.* at 265.

[53] *Id.*

[54] *Id.*

[55] J. Hurst, The Growth of American Law: The Law Makers 11 (1950).

[56] The reforms in criminal procedure in Arkansas in the mid-1930's were in large measure a product of Leflar's handiwork. *See* Leflar, The Criminal Procedure Reforms of 1936—Twenty Years After, 11 Ark. L. Rev. 117 (1957).

[57] Leflar, *supra* note 9, at 210.

[58] 24 Ark. L. Rev. 155–243 (1970).

[59] *See* Arkansas Gazettes, Nov. 22, 1970, p. 1A, cols. 4–6; p. 2A, col. 3; p. 5A. This extensive discussion in the Gazette reveals that a political scientist at the University of Arkansas at Little Rock, Prof. Robert Johnston, ran two polls before the election under a project sponsored by Brown University. Johnston's poll was at random, by telephone, and probably would be subject to valid criticism by professional pollsters in that it apparently involved no carefully selected cross-section of voters. Nonetheless, the poll unquestionably has a certain degree of validity and, for the most part, supports what one might suspect. The educational groups who voted *for* the proposed Constitution reflected this support. Those who voted *for* the Constitution, according to the poll, included 73% of those with graduate or professional degrees; 67% of those with college degrees; 58% of those with some college training; 46% of those who were high school graduates; 45% of those with some high school education; but only 28% of those with less than a 10th grade education. Thus, the Constitution found substantial majority support among all those who had at least some college education and seemed to diminish in support on almost a parallel basis to the lack of education of the voter. Among economic groups, the poll showed substantial support among teachers (75%), professionals (68%) and businessmen (52%). Sales employees were 48% behind the Constitution, according to the poll. But among blue-collar workers, the Constitution found only 42% support, and only 22% of the farmers supported it. The poll indicated support was greatest in urban areas and poorest in rural areas, with the small towns in between. More younger people favored the Constitution than older people. In the 21 to 29 age group, 61% supported it; of those 30 to 39 years of age, 51% voted for it. After that, however, the index of support dropped below 50%. Of those age 40 to 49, only 43% supported it, and only 40% of those age 50 to 59 voted for it. In the 60 to 69 age bracket, a mere 31% supported the document with their votes. Strangely, after that the curve turned upward with 39% of those of age 70 or over giving the document their votes—apparently evidencing either senility or the wisdom of years, depending upon one's outlook.

It may be concluded from the foregoing that those less resistant to change—the college educated and those under 40—will give their approval to a new Constitution such as this one. This offers some hope for the future amelioration of the deleterious effects of the 1874 Constitution.

The reasons for voting against the document, as evidenced by those who expressed themselves, are hardly a commentary on voter information or wisdom. The Gazette report indicated that a number of Justice Building employees opposed the document because of its opposition from former state supreme court justice Ed F. McFaddin, the best-known of the vocal opponents of the new Constitution. One provision feared by the owner of a TV shop was wholly nonexistent. Trial judges voted against it in some instances because the judicial article combined courts of law and equity and thus would have caused them to have to gain knowledge in areas in which they had not been adjudicating. (Obviously, this was not true of all judges, but a few expressed this position.) Perhaps a very good reason why the document ran into difficulty, however, was expressed by some residents of the white-collar Sturbridge area of Little Rock. As one man expressed it, "They threw everything in it." The opposition of some people to a few of the items they new about in the Constitution led them to oppose the entire document, rather than view the total document on balance. Certainly, there were a number of items in it which this writer opposed, but you have to view the totality of the instrument and see how it compares to the old one.

[60] *See* Barnhart, *A New Constitution for Arkansas,* 17 Ark. L. Rev. 1 (1963).

[61] In 1874, *all* the towns in Arkansas with more than 1,000 residents had a *collective* population of 20,000 about the present size of Helena-West Helena, and less than two-thirds the size of Fayetteville. *See* Leflar, *Constitutional Revision in Arkansas,* 24 Ark. L. Rev. 155, 158 (1970). The 1874 Constitution was thus not even attuned to a small-town environment. It was prepared for a county-rural orientation in its entirety.

[62] Drake, "It Was a Very Good Year" © ASCAP. This was used in the 1970 Law Day skit in the portion relating to Leflar.

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## FOREIGN AID

Mr. McGEE. Mr. President, in this morning's edition of the Washington Post Bernard D. Nossiter paints a somewhat startling picture of how our foreign aid program stacks up with the rest of the non-Communist world.

As Mr. Nossiter points out:

> Other rich, non-Communist nations are either maintaining or increasing what is labeled "assistance" and a few are stepping it up sharply. Over the last three years, Washington has cut back its official program from $3.5 billion to $3.1 billion in 1970.

In other words, while the U.S. Senate debates the question of whether to reduce our foreign aid program, whether to cut it out completely, or whether some new approach should be taken, some 15 other nations have moved to step up their programs by substantial increases in their commitments.

Mr. Nossiter also points out that:

> In virtually all these other countries, the aid program faces no consequential political opposition and enjoys wide support from the establishment political parties.

I think it is worth noting this fact, particularly in light of recent events in this body.

As the world's richest and most powerful Nation, the United States finds itself in the most embarrassing position of ranking very low among the rich non-Communist nations with foreign assistance programs.

I believe it is time to reestablish some semblance of rationale in our debate over foreign assistance and to face the realities of the world around us. I do not believe we should be retreating from our international obligations and cloak ourselves in selfish arrogance.

I, therefore, ask unanimous consent that Mr. Nossiter's article be printed in the Record.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Foreign Aid Is Alive and Well—In Other Countries

(By Bernard D. Nossiter)

Paris.—Foreign aid, or more accurately, a mixed program to promote exports, investment, influence and development in the third world, is alive and generally flourishing outside the United States.

Other rich, non-Communist nations are either maintaining or increasing what is labeled "assistance" and a few are stepping it up sharply. Over the last three years, Washington has cut back its official program from $3.5-billion to $3.1-billion in 1970. But the other 13 Western aid givers plus Japan and Australia have moved in precisely the opposite direction. Their programs have expanded from $3.1 billion in 1967 to $3.8 billion last year. They overtook Washington even before the Senate acted.

In virtually all these other countries, the aid program faces no consequential political opposition and enjoys wide support from the establishment political parties. In Scandinavia, Canada and the Netherlands, the government typically comes under fire for not doing enough for the world's poor.

In a few countries, notably France, Britain and Germany, a scattering of rightists complain that aid is money down a rathole. And everywhere, left youths charge that it is a scheme to perpetuate a new form of neocolonialism on behalf of privileged investors and exporters. But outside of the United States, the program as a whole is nowhere regarded as in serious difficulty.

This relative immunity flows largely from the absence of any clear link between aid schemes and highly charged foreign and military adventures. In Japan, where 96 yen out of every 100 loaned for development must be spent on Japanese goods and only one aid yen in five is contributed to international organizations like the World Bank, the dominant business community appreciates that foreign assistance is largely a subsidy for themselves. Elsewhere, the pattern of self-interest may be less pronounced and the humanitarian aspect enjoys more popular support. But in no case—unlike the United States—is a substantial portion poured into shoring up unpopular regimes that foreign and defense ministries have labeled as vital to the nation's interest.

Perhaps the closest analogue to the United States is Portugal. There the bulk of what is called "aid" goes to the ex-colonies of Angola and Mozambique in an effort to reduce revolutionary movements. But if there is opposition to such spending, it can not surface in a totalitarian regime.

These are the chief conclusions emerging from an inquiry here into non-Communist aid schemes outside the United States. Paris is the place to come for such a study because it is the headquarters of the Development Assistance Committee, an arm of the Organization for Economic Cooperation and development, monitoring and promoting the aid programs of rich, non-Communist nations.

Despite the generally secure and growing levels of other nations' aid, the D.A.C. is not patting its members on their backs. Summing up the latest, 1970 review, chairman Edwin Martin observed that aid, as a share of the rich world's total output, actually fell a bit last year, from 0.36 per cent to 0.34 per cent. In other words, the rich slightly reduced the burden on themselves.

Martin, a former assistant secretary of state, said the record was "not encouraging." Moreover, after allowing for inflation and the rise in population in the third world, he figured that the buying power of aid per person was probably no higher than it had been ten years earlier, in 1960.

However the record is scored, it is nevertheless clear that other countries are experiencing nothing like the crisis of confidence over aid now embroiling the United States. In virtually all countries, the program moves through legislatures with little or no attention, and nowhere else is it the occasion for a searching foreign policy review.

Indeed, the program's link to foreign policy is often obscure or deliberately obscured and public opinion polls typically turn up sizeable if unenthusiastic majorities who think their country should help the poor. In Germany, with a program strikingly free of obvious self-interest, the powerful business community is pressing for a shift in aid to Latin America and Africa where industrialists see markets and investment outlets. But in Japan, with a scheme already tailored to business interests, government officials are slowly changing their program to emphasize development for its own sake.

Four nations—Britain, France, Germany and Japan—account for two-thirds or the bulk of the non-Communist aid given outside the United States. Apart from Germany, the other three send their help where their commercial and political interests clearly lie. Britain and France spend nearly 90 per cent of their nation-to-nation aid in former colonies, money that opens the way for cultural and political influence, opens markets for exports and opens doors for investment. Japan does much the same and most of its aid yen goes to those Asian nations that Japan once tried to embrace by force in the "co-prosperity sphere."

Among major powers, only the United States matches Japan in insisting that aid loans be spent on the "donor's products. But French and British aid does not go out without strings either.

Some 77 per cent of French development loans be spent on the "donor's" products. The British figure is 55 per cent.

In contrast, Germany provides half its aid to India, Pakistan, Israel and Turkey, countries where its cultural and political hegemony is virtually zero. Moreover, two of every three marks that Germany lends for development can be spent wherever the borrower finds its cheapest to buy.

The relative "purity" of the German program is not hard to understand. Its aid program reflects in part a conscience deeply troubled by World War II, the outsized aid for relatively well-to-do Israel especially reflects this fact, in addition, and until recently, Bonn was exceptionally attentive to Washington's wishes and Washington was pushing others to help Turkey, India and Pakistan.

There is no simple measure of disinterest in aid. The most common way of comparing each nation's performance is to measure the share of its total output or gross national product that goes into the official aid program. On this basis France leads the non-Communist league with 0.65 per cent, followed by the Netherlands at 0.63 and Australia at 0.59.

The United States is a poor twelfth at 0.31 per cent, trailed only by Japan, Italy, Switzerland and finally Austria at 0.13 per cent.

But this conventional measure is unsatisfactory as a gauge of altruism for several reasons. For one thing, it counts as aid the hundreds of millions of dollars that Washington pumps into Asia as supporting assistance—really a prop enabling regimes of varying stability to support outsized armies. It also counts France's big contributions to Martinique and Portugal's to Angola and Mozambique.

A better measure, perhaps, is the share of aid going to multilateral organizations like those of the United Nations or the World Bank. Aid given to these groups is less likely to buy political and military objectives because it is distributed as a lump and not identified as to national source.

On this basis, Norway comes out best with sixty per cent of its aid flowing through international organizations. Italy, with both a relatively and absolutely miniscule program, is next at 57 per cent, followed by Sweden, 46 per cent. The United States is once again near the bottom, 13th, with 13 per cent; Britain shows only 11 per cent; Australia, 6 per cent and Portugal, 1 per cent.

Another good measure of selfless assistance is the share of united development loans, money made available to the poor for spending on goods wherever they are cheapest. Here, published for the first time, is the league table of united aid loans. The precentages are official but authoritative:

Norway—100; Portugal—100; Sweden—100; Netherlands—79; Germany—67; Italy—54; United Kingdom—45; Belgium—27; France—23; Austria—12; Japan—4; United States—3; Australia (no loans, grants only); Canada, Denmark and Switzerland, zero.

In other words, all Canadian, Danish and Swiss aid loans must be spent in the "donor" country and thus amount to a disguised subsidy for exports. Virtually the same is true for Japan and the United States. In contrast, Norway and Sweden give their recipients a completely free hand. Portugal also comes in this category, but that is only because Lisbon gains nothing formally tying its own hands on expenditures in rebellious ex-colonies.

Although the point has been properly made that aid programs elsewhere are less overtly influenced by political and military considerations, Washington is not alone in taking them into account. Thus Britain has mounted sizeable efforts in Malaysia and Singapore to compensate for the withdrawal of its troops. Similarly, in the days of the now discredited Hallstein doctrine, Bonn cut off new aid from African countries recognizing East Germany.

The use of aid to generate economic pressure is not unknown elsewhere, either. Thus when France has had trouble with Tunisia over wine and Algeria over oil and gas, Paris has not hesitated to play the aid card in the diplomatic bargaining game.

This inquiry does not examine the role of private investment because economists and officials differ widely over whether profit-seeking funds should count as assistance and even whether foreign investment promotes or retards development in the third world. The D.A.C. counted $6.7 billion of profit-seeking investment flowing from the rich to the poor last year, virtually the same as the aid total from all 16 nations. But nobody has an accurate count of how much was brought home in dividends. The best estimates range from $4 billion to $7 billion, a sum equal to more than half and possibly more than all the private investment.

In contrast, only $448 million came back to the rich as interest payments on development loans, less than 7 per cent of the total spent for gifts, technical assistance and loans.

Despite the return of dividends, proponents of investment by the wealthy among the poor argue that in any event the money creates an asset—develops oil resources, builds a plant and the like—that would otherwise not exist and also provides jobs and teaches skills that would not be created. Opponents argue that foreign investment ties poor countries to the narrow, economic interests of international corporations, breeds political interference and preserves the best jobs and the exploitation of the richest resources for foreigners.

Indeed, the argument can be and is carried one step further. Does official or governmental aid promote or hold back economic development? The D.A.C. leaders, like most aid officials among member countries have no doubts. Aid helps. It adds to or complements domestic savings and provides hard currency with which to buy necessary goods and services abroad. But there are some skeptics, even deep within the D.A.C. They wonder if aid does not substitute for domestic savings, enabling recipients to continue in slack ways.

One familiar example is India. Some officials there contend that, thanks to foreign aid, Delhi has been spared from hard and necessary political decisions like taxing the incomes of rich farmers or enforcing largely paper laws to break up big land holdings.

In any event, the experts agree there is no statistical link between large amounts of aid and rapid growth. India and Pakistan got the most assistance last year, $1.1 billion for Delhi and $470 million for Pakistan: Neither is a star performer in terms of economic growth. South Vietnam, with $450 million was the third biggest aid recipient, but the money goes to repair war ravages and development is not a consideration.

On the other hand, South Korea is the fourth biggest aid beneficiary and its growth rate is near the world's top. Israel and Taiwan both get large chunks of aid in relation to their population and both grow rapidly too.

One shrewd official here sums it up. "I know I can't make the numbers prove anything about the utility of aid. Nevertheless, I am strongly for it and in increasing amounts. If you like, it's an act of faith."

The amount, in dollars, of government aid program—loans, technical help and grants—for D.A.C. members in 1970, expressed in millions of dollars, and after subtracting repayments of principal on loans:

United States, 3,050; Germany, 559; Japan, 458; United Kingdom, 447; Canada, 346; Australia, 203; Netherlands, 196; Italy, 147; Belgium, 120; Sweden, 117; Denmark, 59; Norway, 37; Switzerland, 30; Portugal, 29; and Austria, 19.

## DR. WALTER HELLER: ADVOCATE FOR EXPANSION

Mr. MOSS. Mr. President, when Prof. Walter Heller of the University of Minnesota speaks out on economic issues, it behooves White House policymakers to take heed. Between 1961 and 1965, this man's economic policies guided an unbroken expansion that created 7 million new jobs, doubled profits, increased the Nation's real output by a third, and closed the $50 billion gap between actual and potential gross national product.

Dr. Heller, whose latest contribution to political economic thinking appeared in yesterday's Washington Post, has long been an advocate of Federal tax cuts as a means of stimulating a sluggish economy. He has also been an incisive critic of such policies when they fail to address current economic realities.

As far back as 1955, he was chiding a Republican administration for its heavy reliance on special tax relief to corporations as a means of stimulating growth. Dr. Heller, who later became known as "Mr. Tax-cut" for his successful advocacy of tax relief while serving as Chairman of President Kennedy's Council of Economic Advisers, attacked the Eisenhower program for assigning only a supporting role to broad-based tax reduction aimed at expanding consumer markets and increasing sales volume.

It is significant that when a Democratic President returned to the White House in 1960, CEA Chairman Heller remained consistent in his advocacy of individual tax-relief aimed at stimulating a broad-based, vigorous consumer spending. The major across-the-board tax reductions of 1964 and 1965 offered $15 billion for the consumer and $4 billion for the business firm—a sharp contrast to the untested "trickle-down" philosophy of the Nixon administration.

Since leaving office, Professor Heller has continued to promote his views publicly to the benefit of both the Congress at large and the Democratic Party leadership. He has persisted in his call for stimulants to consumer spending as the key to economic expansion.

In the article which appeared yesterday, he argues most pursuasively that President Nixon's efforts to contain inflation will fail unless there is sufficient fiscal stimulus to increase production during the "Phase II" period. He maintains there is a strong connection between increased output and increased productivity—output per unit of labor. Unless output and productivity are stimulated significantly, the 5.5-percent wage guidelines for phase II wage increase could simply result in that much more inflation.

Administration economists should pay close attention to Dr. Heller's thoughts on noninflation expansion. Between 1961 and 1965, when the economy was growing at an unprecedented rate and employment opportunities were increasing substantially, prices remained stable. During that 5-year period, inflation was less than 2 percent a year, a far better record, it should be noted, than the current administration's most optimistic goal.

I ask unanimous consent that this article be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### HELLER: EXPANSION A MUST

(By Walter Heller)

Conventional economic wisdom associates stimulation of demand with an increase in inflationary pressures. The fear of these pressures has perhaps stayed the hand of the White House in its new economic program. Why else would it have accompanied its bold wage-price and international monetary initiatives on August 15 with such a weak-kneed program of fiscal stimulation?

The wait-and-see attitude at the Federal Reserve Board may also reflect a fear of rekindled excess demand inflation—wait and see if that $100 billion year really develops without moving from a supportive to an aggressive policy of monetary expansion.

The traditional answer to the "take-it-easy, inflation-is-just-around-the-corner" approach to economic expansion is based on the existing $70 billion GNP gap, 6 per cent unemployment, and 73 per cent operating rates in manufacturing. With this much slack, and no bottlenecks in sight, rising demand will express itself in rising output, more jobs, and higher incomes, not in higher prices.

At a time when excess demand is $70 billion away—a time when it will take three consecutive annual $100 billion advances in GNP just to catch up once more with our economic potential—bold fiscal and monetary expansion carries little risk of inflation.

But to argue that economic slack will keep expansion from being converted into inflation is essentially a passive or negative argument. Less well understood is the positive argument that, given reasonably effective wage-price restraint in Phase II, strong expansion will actually help subdue inflation. Strong expansion will generate the rising productivity that provides the vital grist for the mills of the Price Commission and the Pay Board in grinding out more moderate price and wage yardsticks as Phase II progresses.

Rising demand and rising output in today's slack economy quickly translate into rising output per man hour. Overhead costs are spread thinner. As more units of output are produced with the same machinery, equipment and plant, and without a corresponding increase in payrolls, average unit costs of output will fall.

Left to themselves, producers would be sorely tempted to capture most of this productivity surge in higher profits and higher wages, sharing little of their gains with consumers. The genius of an effective incomes policy, of successful Phase II wage-price restraints, will be to nudge business and labor into sharing their gains with consumers and thus convert rising output into receding inflation.

Within broad limits, the more rapidly output rises, the larger will be the productivity advance that the Price and Pay boards have to play with, i.e., to use in setting tough standards for prices and wages without unduly squeezing business profits and labor earnings.

For example, if productivity advances at a 4 per cent clip in 1972, the Pay Board's 5½ per cent yardstick for average pay advances would imply an increase in average unit labor costs of 1½ per cent. But if recovery lags and productivity crawls ahead at only a 2 per cent rate, a 5½ per cent wage standard would imply a 3½ per cent increase in unit labor costs, thereby making it far more difficult for the Price Commission to clamp a tight lid on prices.

On the more optimistic assumption of a 4 per cent productivity advance, converted into a tighter price yardstick and a consequent easing of inflation during 1972, the Pay Board would have less cost-of-living catch-up to build into its 1973 yardstick. It could then lower the 1973 pay standard a notch toward the 3 per cent trend growth in productivity.

In short, since productivity is the name of the game, rapid expansion is vital to the success of Phase II. And, in turn, success in Phase II will translate into more consumer and investor confidence and hence a stronger expansion.

Another vital interlock of expansion is with our international monetary and trade negotiations. On one hand, a successful reordering of exchange parities and a relaxing of trade barriers can make an important contribution to sound economic recovery. But again causation runs the other way as well. How can we expect our trading partners to bear the economic brunt of more expensive exports to us and cheaper imports from us unless we soften the blow by vigorous expansion of U.S. demand?

Given the current softness of many foreign economies, negotiations that will cut their exports and boost their imports are generating great unease and trepidation. To create an atmosphere within which our trading partners can come half way or even more, we must be able to assure them that vigorous U.S. economic expansion will offset much of the adverse trade effect of renegotiated parities and lowered trade barriers.

In other words, U.S. negotiators have to be able to hold out the prospect of a strong favorable income effect as a short-run offset to the negative price effects of U.S. initiative.

Given these imperatives, both the Price Commission and the Pay Board, not to mention our international monetary and trade negotiators, should exact a firm "do-all-possible" pledge from the administration and the Federal Reserve System to assure speedy economic recovery in 1972. With much of the economy other than autos and housing still listless, the President should be calling on the Congress to step up the temporary tax relief in the bill which is now before the Senate.

The Senate should sharply enlarge personal income tax relief. Without compromising federal revenues in the longer run—when they will be needed for high-priority social uses and for the renewed battle against demand inflation when we reach full employment—a temporary tax reduction—for example, a "recover tax credit" of perhaps $100 per married couple—should be enacted for 1972.

This would add another $5 billion to disposable income, thus energizing consumer spending and putting some of our grossly underutilized industrial capacity (roughly a quarter of our manufacturing capacity is idle today) back to work.

Side-by-side with this action, the Congress should declare a mortatorium on further payroll tax increase. What economic sense does it make to cut income and automobile taxes to stimulate the economy and then let $7½ billion in new payroll tax hikes in 1972 ($3 billion already in the law plus $4½ billion on the way via H.R. 1) to nullify much of the stimulative effect?

For better balance in the tax bill and to protect the revenues for the longer pull, the Senate should drop the depreciation liberalization (ADR's) completely and limit the 7 per cent investment credit to a two- or three-year period.

In short, bolder expansionary policy is not only the fastest way to generate the jobs we desperately need, boost labor earnings and profits, and create incentives to increase capital spending for new capacity—but given reasonable vigilance in our price and wage boards in Phase II, it will also be an effective engine of disinflation.

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## DISENCHANTMENT OF THE NATION'S YOUTH

Mr. DOMINICK. Mr. President, I am becoming increasingly troubled by the educational disenchantment of our Nation's youth. I believe that a great deal of this stems from a lack of relevant educational values and goals in today's world. Recently, in my individual views to S. 650, the Educational Amendments of 1971, and in a speech before the Colorado Library Association, I advocated a redefinition of educational priorities stressing relevant skills and vocational training and deemphasizing the importance of college education and college degrees for all students.

Soon thereafter, I was most encouraged by an interview on the same topic with U.S. Commissioner of Education Sidney P. Marland, Jr., published in U.S. News & World Report. In the interview, Commissioner Marland speaks with strong convictions about one of his top educational priorities—career education. He envisions a career education program which creates "social value and prestige in a wholly different kind of education for the nearly 50 percent of young people who choose not to enter college, and for the much larger percentage which includes those who enter but soon "exit."

Career education requires a massive societal reeducation of the value of skills and trades. Commissioner Marland's interview and my speech define the problem, and hopefully represent some initial steps toward this reeducation. Commissioner Marland's interview in the November 1, 1971 issue of U.S. News & World Report contains frank and authoritative answers to some of our most vexing educational problems by a very committed man. I recommend that Senators read the entire interview.

Mr. President, because of its length, I ask unanimous consent that only that portion of the interview relevant to career education be printed in the Record.

I also ask unanimous consent that the text of my October 1, 1971, speech to the Colorado Library Association be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

[Excerpts from an interview with the U.S. Commissioner of Education, Nov. 1, 1971, U.S. News & World Report]

### New Ideas for Better Schools

There are still too many young people leaving school because the schools simply are not providing a satisfactory experience for them. So we see clearly the unhappy statistics surrounding the dropout, the ugliness of drug abuse in our schools, the children from disadvantaged backgrounds who are failing to learn adequately, and the young people who just become disenchanted with the institution of education. I can't give you hard statistics, but I can assure you that not only young people from disadvantaged environments or from minority groups are asking more of the schools than we're giving them. This is part of my concern as I speak favorably of the other side of the coin—the side that shines—the side that shows we're doing a pretty good job for the great majority of our young.

Question: Is there anything that can be done about these young people who have become disenchanted with formal schooling?

Answer: I recommend a very substantial reform in education. I call it "career education." It's only the beginning of an idea now, but it's an idea for which the time may have come.

From the extraordinary vantage point that I have in Washington, I see ways in which the federal government—through its initiative, through its leadership, through the modest amount of leverage that we have with federal funds—may be able to change the universe of education in favorable ways to respond to this challenge.

Question: What do you mean by career education? Is that a euphemism for vocational training?

Answer: An emphatic "No!" This is anything but a trading of names, although I would be quick to say that vocational and technical education has a very large part to play in career education. But let me tell you a little bit more about the idea:

To begin with, our society has developed a kind of folklore that says to be good you must go to college—to be somebody you must have at least an A.B. degree. For many years, that was a very appropriate goal, and it served as a world model to increase the intellectual, social and economic level of our country.

But we have come to the point where a kind of self-hypnosis has set in. People are convinced that this is the only way to glory. And I hold that it is not true. I'm not talking only about differences in intellect. I'm talking about differences in aspiration, in goals; differences in human needs and what people want to do with their lives. I think there is a false set of values surrounding the whole theme of vocational-technical education that says, "That's for the other people, but my children are going to go to college."

Question: Grease education, it used to be called——

Answer: Yes, the dirty-hands school. That's the idea that's been held by many people. And if anything can come of my time of service in Washington, I hope it will be to correct that.

At present, about 54 per cent of high school graduates go on to higher education. And if you look closely at the average high school graduating class, you will see that no more than about 10 to 12 per cent studied vocational-technical programs leading directly to salable skills. And in between for all the rest of the young people there is that dubious euphemism, the general curriculum—which is a put on. It doesn't lead to anything.

I hold that we should do away with the general curriculum, which young people in our high schools now find to be a put-on. It contains no intrinsic motives, no tangible goals. It does not lead to satisfying and rewarding employment.

In talking about career education, I'm not trying to discourage young people from going to college——quite the contrary. What we must do is create social value and prestige in a wholly different kind of education for the nearly fifty per cent of young people who choose not to enter college, and for the much larger percentage which includes those who enter but soon exit. I want to give exposure to what the world of work is all about to all children.

You see, a career is something that you and I were trained for one way or another, just as did your doctor and your architect and your attorney and the man who prints your magazine. Many of us have come upon it accidentally, without very much planning and without very much information on which to make very important life choices, and, by chance or by the grace of the Almighty, we found ourselves where we are.

Now, that's a haphazard way to go about planning a life, notwithstanding the Almighty's wisdom. I hold that along about fifth, sixth or seventh grade, along about age 12 or 13, there ought to be some systematically planned information made available to young people through the curriculum so they can have a hand in shaping their own lives in a thoughtful and informed way.

Question: Do you have a plan to accomplish this?

Answer: We're now developing in the Office of Education 15 clusters-of-work categories—or curricular systems. One cluster, for example, is the health sciences, ranging all the way from the hospital orderly up to and including a highly specialized surgeon.

Then there is the electronic cluster. That has to do with everything from how to put in an electric socket to the construction and operation of a very sophisticated computer.

Those are just two examples. All the way through career education there must be the underlying academic learning that supports the specific or the generalized cluster of jobs.

This idea is far from jelled. It would be a mistake for me or for anybody in Washington to declare it as a fixed or final concept, although there is considerable enthusiasm for the idea across the country, as we explore the possibilities with school leaders, teachers and citizens at large.

Question: How would career education work in actual practice?

Answer: The concept is that the student should be ready when he leaves school—I didn't say graduate, necessarily—either to enter postsecondary education or to go directly into the world of work with pride, satisfaction and competence. He may want to be a service-station attendant at age 15, and leave school to do that. A year later he may want to come back and study about transmissions; he becomes a transmission expert for his community. Then perhaps he comes back again for some business courses. By the time he is 30 or 35 years old, he owns a garage and has become a businessman as well as a skilled craftsman.

In career education, the school system is constant, and students spin off from it and spin back onto it.

A young woman at age 14 or 15 may begin to think seriously about the health sciences. She graduates from high school and has, let's say, a year in community college and becomes a licensed practical nurse. After three or four years of earning money and finding satisfaction, she says, "I think I'll go back."

So back into the system she goes and becomes a two-year or a four-year graduate nurse.

The point is that the system is alway there supporting her or him.

I believe that one of the very important aspects of career education is that we will suddenly and finally begin to motivate young people with perfectly good minds who are not now learning effectively in school. As an educator—a teacher—that is one of my overriding hopes for the future, as I try to lend the power and influence of my office toward better schools for America.

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[Speech of Senator PETER H. DOMINICK, before the Colorado Library Association, October 1, 1971]

### EVOLVING EDUCATION: A CHALLENGE TO THE LIBRARIES

I will concentrate my comments on the tremendous challenges that I believe the libraries and other sources of knowledge will be confronted with during the decade of the seventies. I shall further confine my comments to those particular challenges created by a post-secondary educational system which is developing needs for increased emphasis on educational individuality rather than on formalized educational structure.

To remain a viable educational tool in the face of these needs, the libraries must develop relevant innovative resources to meet the divergent demands of America's high school graduates. It is important to stress that the phrase "post-secondary education" include not only the formalized education offered by colleges, universities and vocational institutions, but also the composite of experiences gained through work, the military, and independent study, among others.

Educators have become increasingly concerned over student discontent in our institutions of higher learning, and the increasing numbers of aimless college students they are graduating. Two of the more highly respected recent studies on post-secondary education, the Newman "Report on Higher Education", and the Carnegie Commission's special report on higher education, "Less Time, More Options—Education Beyond High School", conclude that our society's headlong rush to mystically ordained higher education institutions is proving ineffective as an educational tool and is systematically killing off the necessary and previously respected trades and careers which literally built our country. A preview of the effect of our over-sold higher educational system is best exhibited by the comparison of the salary of an unemployed Ph. D. and that of a bricklayer, a steel worker, a mechanic or a plumber.

The effectiveness of post-secondary education in America is indicated by the Carnegie Commission's estimate that of the students who were to enroll in American colleges and universities this fall, over 60 per cent of them will fail to get the degree to which they aspire—47 per cent will fail to earn a bachelor's degree and of those those who proceed to graduate school, another 15 per cent will dropout before they obtain the second degree. Statistics or estimates do not indicate the very substantial number of students who don't drop out, but are instead caught in what the Newman Report calls the "academic lockstep." Strong society pressures exerted by parents, peers, faculty, and employers keep students in an academic lockstep when they should be pursuing an occupation or a career which has relevance to their talents and desires. Instead, these students continue to attend college as a socially conditioned reflex, all the while becoming dependent upon the academic atmosphere and increasingly virgin of perspectives shaped only by non-academic experiences. More often than not, the lockstep student discovers that after four to seven years of college, he doesn't have the practical aptitudes necessary for his chosen profession or that he simply doesn't like the work.

Both of the previously cited reports suggest that the answer to our higher educational quagmire lies in a more relaxed, less structured form of what the Carnegie Commission terms "lifelong learning." Rather than perpetuating the present apartheid educational distinctions of "student" or "non-student," education should be made more a part of life. Students should not be separated from the realities of life, but rather they should mingle with their fellow citizens as part-time students and on-the-job training students and step-out rather than drop-out students. The value of off-campus experience is probably best illustrated by the high performance and sense of purpose which returning GI's and Peace Corps volunteers bring to college. Armed with these experiences, they are able to make intelligent and relevant career choices and then pursue these choices with diligence.

To accomplish this requires a massive re-education of our society. Americans must be taught that post-secondary education need not include attendance at a college or a university. Americans must be taught that college attendance is not a precondition to future success. The dignity and appreciation of trade and career occupations must be restored so that they can once again be considered a viable occupational alternative. Once Americans stop deifying college educations in and of themselves, then they can proceed with the task of creating a proper educational environment.

That environment would consist of a lifelong learning process integrating generations of students and emphasizing less formal tools of education. Particular educational emphasis would be placed on apprenticeship and job-training programs, work/experience programs, vocational schools, and the community colleges. To accomplish this objective, colleges and universities should capitalize on their prior successes with work/experience programs in legal aid services for law students, internships for medical doctors, and the military's training of paraprofessional corpsmen by allowing credits for such experience. The importance of community colleges in such an educational scheme is apparent even today. In 1968, two million students—25 per cent of all higher educational enrollment—were in two-year institutions, and over 80 per cent of these were in community colleges.

One of the principal beneficiaries of the diversified higher educational system would be the large state universities which today, because of financial and administrative problems, have centralized into large bureaucracies. For example, the State University of New York has 65 campuses and 314,000 students; the City University of New York has 11 campuses and 123,000 students; the University of California has 10 campuses and 147,000 students; and the California state college system has 19 campuses and 288,000 students. The product of these multi-universities is generally an homogenized education which is not responsive to the individual needs of the students. By relaxing the pressures of student admissions, the universities and colleges could stop administering and start educating with the net result being an improvement in the quality rather than in the quanity of the education. Less students would be run through a mechanized degree system, and more students would find universities better able to respond to their educational needs and interests. College and university students would be provided with rounded curricula and course requirements rather than being forced down some of today's narrow-gauged course studies. The result would be a student with a rounded and varied education—an aerospace engineer who could contribute to our environmental problems or a social worker who could assist as a paramedic.

The burden the library system must carry in such an emerging educational environment is substantial. A less structured educational system requires greater involvement of informal education sources, such as libraries. Life long learning to a great extent, requires a continuous intellectual stimulation to keep the part-time or step-out students interested in subsequent educational improvement. I see the libraries furnishing a very strong segment of this intellectual stimulation. Through their resources, they must keep the older prospective students intellectually alive.

Perhaps the greatest challenge the libraries, as well as other educational tools, face is to develop innovative programs to re-educate the American society to the values and dignities of a trade or career occupation. Vocational source materials must be made available in libraries as a good-faith, first-step effort toward the improvement of the image of vocational education. Once the dignity of skill and career occupations is restored, the libraries then would become a principal source of material to broaden and diversify the education of those individuals seeking the skill and career occupations. This once again will require innovative resources to provide the necessary stimulation to keep them interested in educational self-improvement.

In conclusion, I believe that the very real educational contribution that the library system can make in our evolving higher educational environment depends entirely upon the initiative exercised by you—the library administrators.

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## WEATHER MODIFICATION

Mr. DOMINICK. Mr. President, I invite the attention of Senators to an interesting article on weather modification. It is entitled "A Call for Action," and was written by Vincent J. Schaefer, director, Atmospheric Sciences Research Center, State University of New York at Albany.

Mr. Schaefer is one of the pioneers in weather modification. He was part of a research team at the General Electric Co. which developed, beginning in 1946, and later with Project Cirrus, sponsored by the Defense Department, the basic technology used in weather modification today. He reviews some of the problems which have delayed any substantial realization of its potential benefits. He is critical of the statistical analysis methodology which has been used by the Government and others in testing the effects of weather modification, and feels it is responsible for much of the delay. He suggests a reassessment of all that has been done in this field since 1946, and development of a long range program designed to apply this technology to beneficial use. He observes that the success of such a program will be dependent on active participation by the private sector, which is largely responsible for advancing weather modification technology to its state today.

In view of increasing demands on this country's limited water resources by our constantly expanding population, I agree with Mr. Schaefer that we should be thinking about the possibility of a long range program to augment our water supply through weather modification.

Due to the length of the article, I have taken excerpts from it. The full article appears in the 1970 "Journal of Weather Modification."

I ask unanimous consent that these excerpts be printed in the Record.

There being no objection, the excerpts were ordered to be printed in the Record, as follows:

During the first decade following my demonstration on 13 November 1946 (23 years and one day from the time I am writing this paper), there were some persons who would not believe that it was possible to employ dry ice (or silver iodide) to modify natural clouds in the free atmosphere. It took nearly twenty years for my experiment of 25 November 1946 in dispersing a supercooled ground fog, to be recognized as a valid undertaking for clearing supercooled fogs or low stratus in the vicinity of airports despite our demonstration of success at the Rome Air Force Base in the Mohawk Valley on 24 November 1948, and our now famous 17 miles long "race track-L"—"gama"—and "Figure Four" patterns cut into clouds during that same year. Following these successful demonstrations we even worked up a series of operational procedures for conducting airport clearing operations—in 1948—21 years ago!

Following my initial seeding with dry ice, Dr. Bernard Vonnegut of our group dscovered the effectiveness of silver iodide for producing effects equivalent or even superior to dry ice under some conditions. The acceptance of silver iodide as an effective substance for massive cloud seeding was not as readily accepted by some persons as dry ice even though it was quickly adopted by commercial operators as more adaptable to field operations. However, the debate as to its effectiveness when dispensed from ground generators still occupies the attention of a number of persons and a few diehards continue to deny its usefulness.

Following the termination of Project Cirrus operations (requested by our advisory group in General Electric when we lost our trained pilots due to the Korean War) a number of other field and flight activites were initiated by other groups in the United States. In other countries, notably Australia, France, Russia, Israel, Japan and Switzerland, intensive studies were started shortly after the announcement of my first laboratory and field experiments.

In 1952 at General Electric we disbanded our group whereupon I left to join the Munitalp Foundation and subsequently recruited Ray Falconer, Don Fuquay, and Paul MacCready. Bernie Vonnegut and Maynard went to Arthur D. Little where they were joined by Charlie Moore. Duncan Blanchard joined the Woods Hole Oceanographic Institute. Dr. Langmuir retired from General Electric but returned an active interest in weather dynamics and helped me in some of my activities with Jack Barrows in organizing Project Skyfire in the U.S. Forest Service. He and I were modelling tradewind clouds shortly before he died in 1957. We all retained a continuing interest in weather modification and continued the friendships nurtured by our earlier work with Dr. Langmuir at G.E.

It was during this period that a number of commercial cloud seeding firms were organized and began to offer services to farmers, ranchers, municipalities, irrigation districts, and similar groups of private and public organizations. In some instances the potentials for weather modification were exaggerated to varying degrees so that after a few years many of the customers became disillusioned. Thus, a considerable proportion of "rain making" as it was sometimes referred to became a subject of questionable merit. Contracts were cancelled and earlier critics were able to say, "I told you so." During his period, however, a number of stubborn and knowledgeable persons, who had the courage of their convictions, stayed in the field quietly conducting their operations, carefully watching the scientific community and adopting new ideas and findings as rapidly as their own experimental trials convinced them of the usefulness of the reported new knowledge. Those who had the fortitude and stick-to-it-iveness through this critical period just ending have developed an operational competence and the reputation of being effective weather engineers. This is about to pay off for these persistent pioneers.

In the early Fifties following the ineffectiveness of some commercial groups to produce obvious changes in the weather pattern they had promised to modify, it became obvious to those interested in obtaining an estimation of the economic value of some of the field operations that it would be desirable to establish proof of the value of the methods then in use.

It was at this time that an intensive effort was made to use statistical methods for testing the operational effectiveness of cloud seeding. This, I now believe, was a major mistake in our procedure. I am sure that some very competent scientists will not agree with this statement. However, I believe strongly in the contention made by Langmuir in 1948 during a meeting at Schenectady sponsored by the National Academy of Sciences that "weather" is basically a divergent phenomenon—one that is controlled by a nearly infinite number of small random events. As he said at the time, "It may be far easier to control the weather than to predict it!" Having worked with him for more than a quarter of a century, I was very much aware of his basic philosophy, his ability to take advantage of serendipitous events and his uncanny sense of "guessing" about the basic causes of important scientific phenomena and their interrelationships.

He was in strong agreement with some of the ideas expressed by pioneers such as Findeisen who in 1937 said,

"The recognition of the fact that quite minute, quantitatively inappreciable elements, are the actual cause setting into operation weather phenomena of the highest magnitude, gives the certainty that, in time, human science will be enabled to effect an artificial control on the course of meteorological phenomena. It would be going beyond the limits of the present work to discuss in detail the possibility of exercising a kind of technical control over the course of weather conditions. From the considerations under survey here, we have now come to quite new points of view on this. It can be boldly stated that at comparatively moderate expense, it will, in time, be possible to bring about rain by scientific means, to obviate the danger of icing, and to prevent the formation of hailstorms. Through the energy transformations thus secured, various other weather phenomena (e.g. temperature, wind) will be brought under a certain kind of control, which perhaps never, in a direct manner could, to an appreciable extent, be acted upon in the atmosphere. The colloido-meteorological investigations, by themselves with the only assistance of research work on the means to get some control over the weather factors, have opened up a new field for their efforts. They obviously only can solve those various problems with the close assistance of aerology."

Dr. Langmuir encouraged me to establish the routine measurement of ice nuclei on the summit of Mt. Washington which started in 1948 and has continued to the present time. In the studies there I found that the concentration of ice nuclei varied by as much as a million fold. If one concedes that the concentration of "natural" ice and cloud nuclei have any relationship to the micro- and macrophysics of clouds, it is a logical corollary that the concentration of such particles in the free atmosphere should have some effect on the development of weather and weather systems. If this is true then it is quite obvious that some aspects, at least of meso and synoptic weather systems, could be affected by the randomness of the generating areas of ice and condensation nuclei and the mass movements of these infected air masses. These vary from settling cirrus, dust storms, volcanic eruptions, forest fires, air pollutions, storms at sea, and other factors most of which cannot be classed as steady or predictable sources of such particles.

Is it any wonder that statistical methods have utterly failed to provide us with clear cut or even hopeful answers to the efficacy of cloud seeding operations? As a complete novice in the complex realm of statistics and statistical methods I still fail to see how these procedures can possibly help us to solve our current problems in testing the effectiveness of weather modification efforts. It is obvious, of course, that if the weather behaved in an orderly and repetitive manner it should be a simple matter to test the effectiveness of some specified procedures using statistical techniques. However, when one is a field man and has spent several decades on mountain tops and other places looking at the variabilities of the day after day weather, it soon becomes clear that there are few things about weather which can be used for making statistical comparisons. In fact, about the only factor which can be controlled in a realistic manner is the intentional seeding process and even this will be modified by the natural or inadvertent sources of nuclei from near and distant air pollution sources.

Thus, I believe the time has arrived when it is necessary to have the courage of our convictions and again resort to private enterprise, economic need and the ingenuity of our United States system to mount a major effort of work with local communities, municipalities, farmers organizations, ski slope operators and others having a big stake in the availability of atmospheric water resources which might be managed in a useful manner.

I am increasingly convinced that if we wait for the university community or the government to mount such an operation, it will never happen. This is not to say that the way will be an easy one! It will be necessary first of all, to solve the "people" problem. This cannot be done entirely by the federal or even the state governments. There is not enough continuity or desire on the part of those involved to get the job done in an effective manner although their services and mechanisms must be utilized. The university community cannot be involved either since they are much more capable by training and interest to become involved in basic rather than applied problems and are not a mission oriented community. Some will have transient interests in such an area but are not likely to have the "follow through" that is essential. Hopefully they can, however, be encouraged to devote considerable energies toward unravelling the complex and often baffling features of natural weather systems and cloud physics.

Only private free enterprise actuated by need and economic advantage is likely to apply the necessary effort to make such a program successful. In addition, it will be imperative to have the community likely to benefit from such services actively and intimately involved especially with their pocketbooks. If a proper educational effort is injected into the preliminary plans, I believe that the "people" problem will automatically be solved.

I should hasten to add that at the present time there are a few pioneers who understood all of these aspects of the problem more than fifteen and even twenty years ago who have not deviated in their objectives or services to the community. If it were not for their enterprise and intestinal fortitude we would now have a much larger job to do to "get going." Nor do I say that statistical methods are of no value whatsoever.

I believe we should be smart enough in sizing up the experience of the past 23 + years to determine the useful aspects of all the efforts which have been expended during this period so that we can extract from it the useful factors and then collectively and individually reassess the situation and move ahead without further delay. Those who seize this opportunity, and I believe a fair number of them are in the Weather Modification Association, should have an exciting and satisfying future.

One reason why I have been forced to this conclusion is that shortly after World War II, I heard many of my friends in meteorology associated with the government and the academic community say that if they could get a radar network established they would be able to solve the forecasting problem. When a radar network became established and things didn't improve very much we heard that a very large computer was needed if satisfactory forecasts were to be made. Then we were told that weather satellites both moving and in a fixed position above the atmosphere would provide the necessary information. Now we are told that our forecasting problem will be solved by the World Weather Watch. While I presume some improvements have occurred in the course of these developments, I find myself wondering whether Langmuir wasn't right and that there will always be random factors which will forever defy man in his efforts to develop reliable methods of forecasting the weather in the detail that is desired by the average person.

One of the features of nearly all of the rather crude statistical comparisons which have been made of privately or publicly sponsored seeding operations most of which are still underway and have been running from ten to fifteen years, is the evidence in most instances of effects which indicate anomalous but positive precipitation increases during all or most of the operational periods as compared to the historical record. This tends to be the pattern which appears in most instances when the operation is carried out by knowledgeable and capable organizations.

In recent years, the introduction of more and more physical evaluation techniques has supplied us with many cause and effect relationships associated with radar anomalies, silver concentration increases in the fallen precipitation, crystal and structure of snow, concentration and size of snow particles, variation in rate of precipitation induced by the pulse operation of seeding generators, the size patterns of raindrops, and changes in cloud structure. Most of these physical studies can be used to support the evidence of precipitation augmentation by 5 to 20% above the historical target/control patterns.

I believe the time has come when an intensive effort should be mounted to do everything possible to take advantage of every opportunity to effectively control the weather pattern for some useful objective whether it be for moisture transport, lightning or hail prevention, rain or snowfall augmentation, or similar objectives. There is nothing which need prevent those who wish to conduct physical observations of seeding effects to work in such areas but they should not in any way control the basic objective of the effort to produce economic benefits for the recipients whatever their immediate and long range needs may be.

It is time to get moving!

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## THE 10TH ANNIVERSARY OF THE MIKE DOUGLAS TELEVISION SHOW

Mr. SCOTT. Mr. President, next month the Mike Douglas television show, produced in Philadelphia for a nationwide audience, will observe its 10th anniversary. The date is December 10. Mike has contacted me to advise of his plans to have a mammoth birthday celebration at station KYW in Philadelphia, an affiliate of Westinghouse Broadcasting Co. He also has invited me to be a guest at his celebration and to be on his December 3 show. I would love to attend and hope we are out of session at that time.

Mr. President, the Mike Douglas show has made many contributions to the entertainment field. The most interesting guests have enabled the audience to gain an exceptional opportunity to see and hear such a diversified program. Mike Douglas is an interesting individual. He has a wonderful wit and a pleasant singing voice. His show reaches about 80 percent of the Nation. Mike has been doing the show in Philadelphia since 1965 and is now a resident of the Greater Philadelphia area.

Mr. President, I wish to extend 10th anniversary wishes to Mike Douglas and all those who make his interesting show possible.

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## TOY SAFETY

Mr. MOSS. Mr. President, on November 6, 1969, the Child Protection and Toy Safety Act became law. I am proud to have sponsored this legislation. In reviewing toy safety progress 2 years later, I am most pleased to note that our objective—providing safer, healthier, and a happier environment for children—is being met for the most part.

In the beginning we were faced with intolerable delays on the part of the Food and Drug Administration, the agency charged with carrying out the mandate of the act. But over the past 10 months, we have seen progress in the effectiveness of the legislation. Credit for this must be given to those at the Food and Drug Administration who seriously believe in product safety. The FDA has launched an extensive information program, providing the media with much of the information it needed in order to effectively communicate advice on toys.

The Food and Drug Administration has banned 144 toys from the market. Many of these toys have been redesigned and are again on the dealers' shelves, but there is insufficient manpower to check every dealer to see whether the banned toys have been removed. Therefore, I particularly urge gift givers to check the list closely and examine each toy closely to make sure that it is not on the banned list or, if it is, that the version in the store is the redesigned product.

Most toys are safe and most toy manufacturers take care to build nonhazardous toys. But we are well aware that a number of hazards are built into some playthings.

When we were investigating toys prior to passage of the act, we found that there were toy ovens which heat to more than 500 degrees; there were non-insulating wiring connections and places where water seepage could cause shock or short circuiting; cute, cuddly stuffed animals which when exposed to reasonable abuse exposed long sharp pins; dolls with straight pins holding hair ribbons to the head; and, rattles which come apart subjecting the child to sharp spikes and projectiles.

I would not want to put a damper on Christmas. As a matter of fact, the Washington Evening Star recently called me Santa Claus in an article about my toy safety efforts. So I would like to go over some of the items that should be checked when looking at prospective Christmas gifts for children.

Before purchasing each toy, carefully check to see whether it has sharp edges or glass or plastic which might shatter. Look for gears and springs that can catch onto clothing or little fingers. Check the thermal properties of the toys—it should not use any flammable materials or have surfaces which attain high temperatures. Try to assess its breakability; small broken off pieces can be easily swallowed.

Building blocks should be well finished and smooth. Metal toys should have rolled edges to protect against cuts. Arrows and darts should have rubber cups securely fastened. Guns which shoot projectiles are meant only for older children and should be used under supervision.

With electric toys, check to see how the service cords attach to the appliance. Examine the potential heat hazards on the surfaces. Some of the toy ovens now on the market have locks which keep them from opening until the temperature has gone down. Still, be wary of all thermal toys—they may not open until the temperature goes down, but a child can still get a severe burn from the surface temperatures. Some experts have advised that play appliances using electrical current might best be set aside. For younger children nonoperational toys sufficiently stimulate the imagination. And for older children, the real household appliance operated under the supervision of an adult, serves a more educational function.

The Christmas shopper has his work cut out for him. There are many considerations to which the shopper must be alert, but being alert every day of the year will mean that the wonderful Christmas gift remains a safe toy for the happy child.

Mr. President, I ask unanimous consent that the Evening Star article and the Food and Drug Administration's list of banned toys be printed in the Record.

There being no objection, the items were ordered to be printed in the Record, as follows:

[From the Evening Star, Oct. 24, 1971]

## CONSUMER CONTACT: SANTA'S TOY BAG PARTIALLY BANNED

(By Arthur E. Rowse)

Santa Claus is riding early this year, and his real name is Frank E. Moss, the Democratic Senator from Utah.

Moss's bag is safer toys. As chairman of the Senate Consumer Subcommittee, he has been leading a campaign to get the Food and Drug Administration to enforce the 1969 Child Protection and Toy Safety Act which Moss cosponored with Sen. Warren G. Magnuson, D-Wash.

The federal agency ran into heavy criticism last year when it waited until a few days before Christmas before taking any action to get unduly hazardous toys off the market. By that time, it was too late to keep such dangers out of reach of wide-eyed children on Christmas Day.

Continued pressure from Moss and other consumer advocates, plus the addition of limited funds for enforcing the law, has changed the picture this year. The FDA has officially banned 140 toys because of safety hazards since last December.

But for some reason the agency sought to keep the list secret, although most of the toy names had appeared on lists of recalled products. Upon learning of the FDA's unwillingness to publicize the list, Moss publicly criticized the agency and urged it to reconsider its decision.

It didn't take the agency long to respond. Later that same day, it notified Moss that it would release the list of 140 banned toys, and Moss hailed the FDA "for a quick change of policy."

According to the FDA, most of the toys on the list have already been redesigned or have been taken off the market. As one official explained, that means any that are still being sold presumably have been redesigned in order to remove that alleged hazard.

In many cases, this means that easily removable parts that could be swallowed have been glued tight, sharp corners and prongs have been removed or blunted and warning labels have been added. Most of the toys are rattles and dolls intended for toddlers.

If you have purchased a toy banned by the FDA for a defect that has not been corrected—such as loose or sharp parts—you are entitled under the law to get your money back.

But you must first know which toys have banned and then must determine whether the hazard has been corrected. The "List of Banned Toys" and the reason for banning each is available from the FDA Information Office, 200 C St. SW, Washington, D.C.

From the list, you can determine the particular hazard of each toy, but you may have to take the toy apart to tell whether the hazard has been eliminated. Some people may simply prefer to avoid toys on the banned list.

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## LIST OF BANNED TOYS AS OF SEPTEMBER 16, 1971

### REASONS FOR BANNING AND DATE OF NOTIFICATION

(NOTE.—Most of the toys on this list have been redesigned or their production ended since the date of notification.)

Champion Ring Darts—Lawn Darts: Haecker Industries, Philadelphia, Pa.; December 21, 1970; inadequate labeling.

King Model 1700—Lawn Dart: Change Athletic, 2615 Hunting Park, Philadelphia, Pa.; December 21, 1970; inadequate labeling.

Jarts: R. B. Jarts, Inc., Glens Falls, N.Y.; December 21, 1970; inadequate labeling.

Javelin Darts—Lawn Darts: Hasbro Industries, Pawtucket, R.I., December 21, 1970; inadequate labeling.

Lawn Darts—Lawn Dart: Regent Sports Co., 2500 Ranick Road, Hauppauge, N.Y., December 21, 1970: inadequate labeling.

Rocket Lawn Darts—Lawn Dart: Towne & Country Games, Ltd., Yonkers, New York, December 21, 1970; inadequate labeling.

Squeeze "Zoo-Zee": Stahlwood Manufacturing Co., 601 West 50th Street, New York, N.Y., December 21, 1970; squeaker removes.

"Dizzy Doodle" Doll—squeeze toy: Park Smith Corporation, New York, New York, December 21, 1970; squeaker removes.

Rubber Squeeze toy football player: Leisure Group, 100 Tubb Avenue, West Point, Mississippi, December 21, 1970; squeaker removes.

Kooky Eyes—Squeaker toy: Azrak Hemway Corporation, New York, New York, December 21, 1970; squeaker removes.

Toy Rolling pin squeeze toy: Plaki Company, Youngstown, Ohio, December 21, 1970; squeaker removes.

Squeeze Toy Pig: J. L. Prescott Co., Arrow Molded Products Div., 493 Boulevard E., Patterson, New Jersey, December 21, 1970.

Little Angel play ball: Childhood Interest, Roselle Park, New Jersey, December 21, 1970; squeaker removes.

"Toys for Fun" squeeze doll: J. L. Prescott Co., Patterson, New Jersey, December 21, 1970; squeaker removes.

Toy poodle rubber squeeze toy: J. L. Prescott Co., Patterson, New Jersey, December 21, 1970; squeaker removes.

Blue Fox Model Youngster—Archery Set: Bear Archery Company, Grayling, Michigan, December 21, 1970; inadequate labeling.

Fleetwood Archery Cub Archery Set—Fleetwood Archery: Superior, Michigan, December 21, 1970; inadequate labeling.

Jerry Pets Stuffed Poodle: Jerry Elsner Co., New York, New York, December 21, 1970; sharp eyes.

Stuffed toy cat: Georg Jensen, Inc., 601 Madison Avenue, New York, New York, December 21, 1970; sharp eyes.

"Kooky-Eyes" Squeeze Doll: Uneeda Doll Co., Inc., Brooklyn, New York, December 21, 1970; removable eyes—possible ingestion.

Star Musical Rattle: Star Manufacturing Co., 100 Water Street, Leominster, Massachusetts, December 21, 1970; sharp prongs.

Tumbler ball toy: Stahlwood Manufacturing Co., 601 West 50th Street, New York, New York, December 21, 1970; small pieces.

"Honey Baby" Doll: P & M Doll Co., Inc., New York, New York, December 21, 1970; pins holding hair ribbons.

"Baby Beth" Doll: Allied Doll & Toy Corp., Brooklyn, New York, December 21, 1970; straight pin holding hair ribbon.

Little Sophisticate Doll, Model No. 79000 [exemption granted collector's item] Uneeda Doll Corporation, Brooklyn, New York, December 21, 1970; sharp hair pins & straight pin holding ribbon.

"I Cry Mama" Doll: Goldberger Doll Co., Inc., 538 Johnson Avenue, Brooklyn, New York, December 21, 1970; sharp wires.

"Candy at Play" Doll: Fun World, Inc., 200 Fifth Avenue, New York, New York, December 21, 1970; pin.

"Your Dream Bride" Doll #2080: Eugene Doll Co., Inc., 4012 2nd Avenue, Brooklyn, New York, December 21, 1970; pin in head band.

"Mini-Bend-A-Family" Doll: Pensick & Gordon Co., 6501 Flotilla Avenue, Los Angeles, California, December 21, 1970; sharp wires.

Toy Basket: Fun World, Inc., 200 Fifth Avenue, New York, New York, December 21, 1970; plastic spike.

"Jiggly" Rattle: Bomar Company, Division of Kitty Products, Inc., 542 East Squantum Street, Squantum, Massachusetts, December 21, 1970; sharp metal and protrusions when handle breaks.

"Magic Action Hammer": Childhood Interests, Roselle Park, New Jersey, December 21, 1970; sharp edges when broken.

Jackie Twisting-Waist Doll: Fun World, Inc., 200 Fifth Avenue, New York, New York, December 21, 1970; sharp pin in hat and dress.

"Moody" Doll: Holiday Fair, Inc., 48 West 37th Street, New York, New York, December 21, 1970: pins and long wire spike in neck.

Stuffed Head: Georg Jensen, Inc., 601 Madison Avenue, New York, New York, December 21, 1970; sharp eyes.

Stuffed Toy Dog or Doll: LaMar Toy Company, 148 39th Street, Brooklyn, New York, December 21, 1970; sharp eyes.

"New Born Baby" T. 80: Goldberger Doll Mfg. Co., 538 Johnson Avenue, Brooklyn, New York, December 21, 1970; sharp wires in arms and legs.

Toy Telephone Rattle: Childhood Interests, Roselle Park, New Jersey, December 21, 1970; small pieces.

Musical Merry-G-Round Canelon: F. W. Woolworth & Co., New York, New York, December 21, 1970; sharp spike.

"Squeaking" Toy Donkey: A. Ponnock, Inc., East State St. & River Road, Camden, New Jersey, December 21, 1970: squeaker removes.

Musical Hour Glass: Tico Toys, Pawtucket, Rhode Island, before April 6, 1971: squeaker removes.

Soft Baby Stuffed Dolls: Collette Toy Novelty Co., Inc., Long Island City, New York, May 26, 1971: sharp wires.

Mascon Squeeze Toy Cheerleader: Leisure Group, Inc., West Point, Mississippi, Before January 22, 1971; squeaker removes.

Bend-A-Family: Miner Industries, New York, New York, Before April 9, 1971; laceration/puncture hazard.

Plastic Squeeze Toy #20892, #1030/70: Tidy Ties Corporation, Importer, Monroe, Louisiana, About April 22, 1971; squeaker removes.

Talkie Tiger: Sanitoy, Inc., New York, New York, April 1, 1971; squeaker removes.

Protecto Squeeze Me Toy #838: Reliance Products Corporation, Woonsocket, Rhode Island, Before May 20, 1971; squeaker removes.

Stuffed Donkey #1422: Herman Pecker & Co. (dealer), New York, New York, March 29, 1971; sharp wire in ear.

Leatherette Grandpa Dog #386: Herman Pecker & Co., Inc., New York, New York, March 29, 1971; sharp wire on glasses.

Stuffed Easter Bunny #3502: Easter Unlimited, New York, New York, April 21, 1971; sharp wires.

Toy Squeeze Doll #64034, #64039, #63542; Tidy Ties Corporation, Monroe, Louisiana, April 28, 1971; squeaker removes.

Baby Gift Set #Y7452: Childhood Interests, Roselle Park, New Jersey, April 22, 1971; squeaker removes, small objects, small parts.

Pata Cake Baby Rattler: F. W. Woolworth & Company, New York, New York, April 23, 1971; sharp prongs.

Musical Rattle #37–T4037: New York Merchandise Co., Dallas, Texas, April 22, 1971.

Squeeze Toy Giraffe #125: Sanitoy, Inc., New York, New York, May 4, 1971; squeaker removes.

Musical Carousel #320: Plastic Toy & Novelty Corp., Brooklyn, New York, May 4, 1971; sharp prongs.

Hedgehog Squeaker Teethers: F. A. O. Schwartz, New York, New York, June 18, 1971; squeaker removes.

Squeeze Me Toy #835: Reliance Products Corp., Woonsocket, Rhode Island, May 6, 1971: squeaker removes.

Stuffed Dolls # 127B: Collette Toy Novelty Co., Long Island City, New York, May 11, 1971; sharp wires.

Squeaker Toys # 6565, 6576, 6590: Tidy Ties Corporation, Monroe, Louisiana, May 5, 1971; squeaker removes.

Stuffed Toy Bunny # 3450 (Mr. or Mrs. Cuddly Bunny), Eastern Unlimited, Inc. New York, New York, June 7, 1971; sharp wire in ears.

Rattle # 521, Electro Plastics, Inc., Newark, New Jersey, May 19, 1971; small pieces and sharp edges.

Rattle # 538, Toy Plastic Hammer, Electro Plastics, Inc., Newark, New Jersey, May 19, 1971; small pieces.

Rattle # 522, Happy Mates Happy Toys Electro Plastics, Inc., Newark, New Jersey, May 20, 1971; sharp pieces.

Rattle # 540: Happy Mates Action Rattle, Electro Plastics, Inc., Newark New Jersey, May 19, 1971; small pieces and sharp edges.

Rattle # 530: Happy Mates Rattle Balls, Electro Plastics, Inc., Newark New Jersey, May 19, 1971; small pieces and sharp edges.

Toy Green Cat, Squeze Toy # 679, Happy Toy 661: Electro Plastics, Inc. (dist.) Newark, New Jersey, June 7, 1971; squeaker removes.

Stuffed Dolls # 131 c/1: Collette Toy and Novelty Co., Long Island City, New York, May 26, 1971; sharp wires.

Squeeze Toys # 314: Stahlwood Toy Mfg. Co., New York, New York, June 8, 1971; squeaker removes.

Dolly Rattle # 632: Stahlwood Toy Mfg. Co., New York, New York, June 9, 1971; small objects.

Whirle Suction Toy # 660: Stahlwood Toy Mfg. Co., New York, New York, June 8, 1971; sharp edges and small objects.

Toddler Set Containing Suction Cup, Flipn'Roll # 822: Stahlwood Toy Mfg. Co., New York, New York, June 9, 1971; small objects.

Horseshoe Rattle # 200: Stahlwood Toy Mfg. Co., New York, New York, June 8, 1971; sharp edges and small objects.

Pretzel, Rocking Horse & Wishbone Toy #924: Stahlwood Toy Mfg. Co., New York, New York, June 8, 1971; squeaker removes.

Squeaker Toy #63542 with Special Squeaker: Tidy Ties Corporation, Monroe, Louisiana, May 12, 1971; squeaker removes.

Debbie Teen #1360 1/10, Thor Import, Inc., Dallas, Texas, May 27, 1971; sharp wires.

Musical Bells #105: Binky Baby Products Co., New York, New York, June 22, 1971; small objects.

Stuffed Myrtle Turtle: Len Art Mfg. Company, Petaluma, California, June 14, 1971; sharp wire & "I Love You"; sharp pin.

Toddly Toy (cat) #3/186: Star Mfg. Company, Leominster, Massachusetts, June 14, 1971; small objects.

Shake Me Rattle #818: Reliance Products Corp., Woonsocket, Rhode Island, June 14, 1971; sharp edges & small objects.

Klatter Balls #2915052: Sears, Roebuck & Company, Chicago, Illinois, Binky Baby Products (importer), New York, New York, June 22, 1971; small objects.

Baby Toys #6257 & 6258: Baby World Company, Inc., Great Neck, New York, June 14, 1971; sharp wire.

Reggie Rabbit (packaged with *Whitman's* Sampler): Imported by R. Dakin & Co., Inc., Brisbane, California, May 14, 1971; sharp wires.

"Poly-Fluff Animals": Consolidated Productions, Ft. Lauderdale, Florida, June 21, 1971; sharp nose.

Baby Rattler #831, #832, #833, and #834: Childhood Interests, Inc., Roselle Park, New Jersey, June 22, 1971; small objects.

Hour Glass: Mego Corporation, New York, New York, July 7, 1971; small objects & sharp edges.

Stuffed Yellow Teddy Bear: Fun World, Inc., New York, New York, July 13, 1971; sharp wires in ear.

Musical Chime Rattle #587: Binky Baby Products, Inc., New York, New York, around July 13, 1971; small objects.

Toy Rattle #289: Binky Baby Products Co., Inc., New York, New York, July 13, 1971; small objects.

Rolling Fun Ball #377: Binky Baby Products Co., Inc., New York, New York, July 13, 1971; small objects.

Teething Rattle #39/70: Binky Baby Products Co., Inc., New York, New York, July 13, 1971; small objects.

Happy Hassock: Kasta Corporation, Bellevue, Iowa, July 13, 1971; squeaker removes.

Toy Clown #26345: W. T. Grant Company, New York, New York, July 13, 1971; small objects.

Stuffed Bunny: Dollcraft Novelty Co., Inc., New York, New York; July 14, 1971; laceration/puncture hazard.

Squeeze Toys #690: J. L. Prescott Co., Arrow Molded Products Division, Passaic, New Jersey, July 13, 1971; squeaker removes.

Squeeze Toys, boy & girl likeness, Dreamland Creations, Bronx, New York, July 12, 1971; squeaker removes.

Rooster Pull Toy with Rattle Eggs #205, Mego Corporation, New York, New York, July 12, 1971; small objects.

Miss Fashion Doll, Blatt Distributing Company, La Mirada, California, July 14, 1971; sharp wire.

Musical Nursery Bells #640: Stahlwood Toy Mfg. Co., Inc., New York, New York, July 13, 1971; small objects.

Squeeze Toys #131: Binky Baby Products, Inc., New York, New York, July 12, 1971; squeaker removes.

Klatter Balls #793: Binky Baby Products, Inc., New York, New York, July 12, 1971; small objects.

Jingle Bells #764: Sanitoy, Inc., Palisades Park, New Jersey, July 13, 1971; small objects.

Happy-Mates Rattle #52: (improved design), Electro Plastics, Inc., Newark, New Jersey, July 12, 1971; small pieces.

"Squeeze N' Hammer Rattle" #538: (improved design), Electro Plastics, Inc., Newark, New Jersey, July 12, 1971; small pieces.

Dog Squeeze Toy #780/1: Louis A. Boettinger Co., Inc., Hewlitt, New York, July 28, 1971; squeaker removes.

Bear with Dark Glasses Squeeze Toy BV-5: Louis A. Boettinger Co., Inc., Hewlitt, New York, July 28, 1971; squeaker removes.

Cat and Duck Shape Squeeze Toy BV-8; Louis A. Boettinger Co., Inc., Hewlitt, New York, July 28, 1971; squeaker removes.

Colorscope Rattle No. 561: Louis A. Boettinger Co., Hewlitt, New York, July 27, 1971; small objects.

Assorted Rattles No. 5619P: Baby World Co., Inc., Grafton, W. Virginia or Great Neck, New York, July 23, 1971; small objects.

Telephone Shaped Rattle No. 6623: Baby World Co., Inc., Grafton, W. Virginia or Great Neck, New York, July 23, 1971; small objects and sharp edges.

Assorted Squeeze Toys No. 6500: Baby World Co., Inc., Grafton, W. Virginia or Great Neck, New York, July 22, 1971; squeaker removes.

Klatter Balls No. 238: Baby World Company, Grafton, West Va. or Great Neck, New York, July 23, 1971; small objects.

Klatter Ring No. 5868: Baby World Company, Inc., Grafton, West Virginia or Great Neck, New York, July 23, 1971; small objects.

Plastic Doll Squeeze Toy No. 297: Binky Baby Products Co., Inc., New York, New York, July 22, 1971; squeaker removes.

Duck Squeaker Toy No. 3-680: Star Mfg. Company, Inc., Leominster, Massachusetts, July 23, 1971; squeaker removes.

Monkey Squeaker Toy No. 3-160: Star Manufacturing Company, Leominster, Massachusetts, July 23, 1971; squeaker removes.

Tutti Fruitee Squeeze Toys No. 140: Stahlwood Toy Mfg. Company, Inc., New York, New York, July 21, 1971; squeaker removes.

Indian Drums No. 3715: Sally Distributors, 119 North Fourth Street, Minneapolis, Minnesota, July 26, 1971; sharp nail & small objects.

Toy Stuffed Porpoise: S. Dakin & Company, San Francisco, California, July 28, 1971; sharp wires in flippers.

Rattle Balls No. 907: Stahlwood Toy Mfg. Co., Inc., New York, New York, July 26, 1971; small objects.

Cuddle Rabbit #9406: Knickerbocker Toy Company, Middlesex, New Jersey, August 18, 1971; sharp wire in ear.

Animal Squeeze Toys #275: Stahlwood Toy Mfg. Company, New York, New York; August 18, 1971; squeaker removes.

Pata Cake Baby Rattler (new design): F. W. Woolworth & Company, New York, New York, August 18, 1971; sharp wire & small object.

Party Favors: Carousel Party Favors, Inc., Los Angeles, Calif., August 19, 1971; noisemaker removes.

Klatter Balls #4530: Formulette Company, Inc., Long Island City, N.Y., August 18, 1971; small object.

Jumbo Fun Ball #440: Formulette Company, Inc., Long Island City, N.Y., August 18, 1971; small objects.

Whiskers Toy Squeeze Lion: Ashland Rubber Products Corp., Ashland, Ohio, August 23, 1971; squeaker removes.

Shake N' Rattle #921: Stahlwood Toy Mfg. Co., New York, New York, August 23, 1971; small objects.

Whistle Packaged in "Cracker Jacks": Cracker Jacks Company, Chicago, Illinois, August 23, 1971; small object.

Squeeze Lion #3/187: Star Mfg. Company, Leominster Massachusetts, July 23, 1971; squeaker removes.

Xylophone Player #9151: Larami Corporation, August 25, 1971; sharp edges.

Suction Toy Rattle #674: Electro Plastics, Inc., Newark, New Jersey, August 31, 1971; small objects.

Toy Truck Kit. #5044: Nodel & Sons Toy Corporation, New York, New York, September 2, 1971; small objects.

Baby Toy Kit #5088: Nodel & Sons Toy Corporation, New York, New York, September 2, 1971; small objects.

"I Squeak for a Squeeze" Stuffed Mouse: Rushton Company, Atlanta, Georgia, September 8, 1971; sharp wires in ears & eyes.

Musical Ball: The Playhouse Company, Minneapolis, Minnesota, September 8, 1971; sharp prongs.

Patty Happy Landings Doll: Lovee Doll & Toy Company, Inc., New York, New York, September 15, 1971; straight pin in tam.

Squeeze Toys #2521 and 2548: West Bros. of DeRidder, DeRidder, Louisiana, September 15, 1971; squeaker removes.

Toy Whistle #662: Ralph Pressner, Metairie, Louisiana, September 15, 1971; small object.

Vinyl Bendy Dogs: Paul E. Sernau, Inc., New York, N.Y., August 18, 1971; sharp wires [exemption granted. Item used only as a part of an adult novelty ash tray.]

## NOMINATION OF WILLIAM REHNQUIST TO THE SUPREME COURT

Mr. FANNIN. Mr. President, the vicious smear campaign that is being waged against William Rehnquist is appalling. It is incredible that such wild and groundless accusations should be made against this fine, extremely well qualified nominee for the highest court in our land.

It is significant that the attempt at character assassination is being led by people who have little or no personal knowledge of William Rehnquist.

People who know William Rehnquist, who have worked with him or against him, and who are familiar with his work, respect him as a man of high character who is devoted to law and to the Constitution of the United States.

The most meaningful assessments of William Rehnquist might well be those made by persons who have opposed him politically within Arizona.

On November 5, 1971, the Arizona Republic published a letter to the editor from Mr. Herbert Ely, the chairman of the Democratic Party in Arizona.

Emphasizing that he was commenting on the Rehnquist nomination as an individual and not as party chairman, Mr. Ely wrote:

Although I would not have nominated William Rehnquist as justice of the Supreme Court, nevertheless, as a Senator I would vote to confirm the appointment.

The President is entitled to someone of his own philosophical bent, providing the nominee is competent to serve and is not so extreme or radical that his biases would preclude judicial objectivity and thus make him dangerous to the republic as a Supreme Court justice.

From a decade of personal experience with William Rehnquist, I found him to be qualified to serve on the U.S. Supreme Court both in intellect and legal scholarship. He is a man who happens not to share my political philosophy. But in my opinion he is neither an extremist or a bigot.

Mr. President, here we have a political opponent who has known William Rehnquist personally for 10 years, who has done battle with him in several election campaigns, declaring that: ". . . in my opinion, he is neither an extremist or a bigot."

It seems to me that Mr. Ely's assessment is infinitely more valuable than the innuendo from those who, for one reason or another, now seek to block the Rehnquist nomination.

Mr. President, I ask unanimous consent to have printed in the RECORD the complete text of Mr. Ely's letter.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

### Rehnquist Well Suited for Supreme Court

EDITOR, THE ARIZONA REPUBLIC: I write in response to your Oct. 31 editorial, "Vicious anti-Rehnquist tactics," and the accompanying cartoon.

I wish to make clear my position on the nomination of William Rehnquist to the Supreme Court, and to respond to your editorial handling of Mr. Rehnquist's nomination (as an individual, not as chairman of the Democratic Party).

I have stated before, and restate here, that although I would not have nominated William Rehnquist as justice of the Supreme Court, nevertheless, as a Senator I would vote to confirm the appointment.

The President is entitled to someone of his own philosophical bent, providing the nominee is competent to serve and is not so extreme or radical that his biases would preclude judicial objectivity and thus make him dangerous to the republic as a Supreme Court justice.

From a decade of personal experience with William Rehnquist, I found him to be qualified to serve on the U.S. Supreme Court both in intellect and legal scholarship. He is a man who happens not to share my political philosophy. But in my opinion he is neither an extremist or a bigot.

We debated in Phoenix on various occasions on a variety of topics. There has been a charge made that he has been aligned with the John Birch Society. My experience is the contrary.

In one particular debate (approximately a four-hour ordeal on open-end television) on the subject of dissent in a free society, a John Birch member was the third panelist. Bill Rehnquist's views were essentially opposed to the views expressed by the member of the John Birch Society.

When Rehnquist testified against the public accommodations bill for the City of Phoenix, I was there and testified for it. His position, in my opinion clearly wrong, was based not on a racist basis but on a philosophical belief that problems of racial injustice can be solved best by voluntary action.

Your editorial, however, went beyond support for Mr. Rehnquist. Its attack on liberals and others who would oppose Rehnquist was unwarranted, and will tend to polarize in an unfortunate way various groups in the community.

Detailed scrutiny of nominees for the highest court in the land is salutary. The Supreme Court, after all, makes decisions which affect the very fabric of our society. There are some who apparently have a different opinion of Rehnquist based upon facts not personally known to me. They should be heard and, indeed, if they feel he would make a poor justice, they have an obligation to expound their views.

There are many of us who believe that, particularly since 1954 (when the landmark desegregation case was decided), the Supreme Court has opened vistas of freedom through the protection of individual rights and liberties and has been a bulwark for a broad and healthy interpretation of the Bill of Rights. Many Americans rightfully do not wish the Court to back away from these interpretations. I understand and share their concern.

Your editorial further suggested that social, remedial legislation is inappropriate. But it is a little late in the game to be arguing such an anachronistic position. In public accommodations, to which you specifically referred, the facts are in. Those who oppose such legislation have been proved wrong.

In Phoenix, restaurants and motels which were closed to minorities before such legislation are now open to blacks and browns. The fears of businessmen have proved ill-founded and, if anything, their business has prospered because of these laws.

A final word for people who are opposing William Rehnquist: The remedy for keeping "strict constructionist," conservative judges off the bench is a political remedy and a very specific one—namely, to defeat President Nixon in 1972.

HERBERT L. ELY.

PHOENIX.

Mr. FANNIN. Mr. President, the Arizona Republic on October 27, 1971, published an editorial which refuted vague allegations that William Rehnquist is a "sophisticated racist." I ask unanimous consent that this editorial and another Republic editorial, published on November 11, 1971, be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

### No Racism for Rehnquist

The Southwest chapter of the NAACP is exposing itself to embarrassment by branding former Phoenix attorney William Rehnquist, one of President Nixon's two nominees to the Supreme Court, as a "sophisticated racist." It cannot make the charge stand.

The Rev. George Brooks, former leader of the Maricopa County NAACP chapter, declared soon after the President's announcement that Rehnquist had shown his opposition to civil rights bill by opposing a "1968" civil rights bill in the State Legislature. He soon modified that and began to speak more vaguely about Rehnquist's behavior in the "mid-60s."

The State Legislature did pass a Civil Rights Act in 1965. But leading Arizona Democrat Harold Giss of Yuma, then Senate Majority Leader as well as chairman of the Senate Judiciary Committee, said Rehnquist could not be cited as having taken a racist position.

Senator Giss added that he considered Rehnquist an outstanding nominee. Such is also the opinion of former State Supreme Court Chief Justice Charles Bernstein, also a Democrat, who described Rehnquist as a lawyer of exceptional ability.

In addition, yesterday morning the moderate-liberal Christian Science Monitor editorialized: "This newspaper reacts positively to the two newest Supreme Court nominations of President Nixon . . . the President is to be commended for seeking men of quality . . ."

And Herb Ely, liberal chairman of the Arizona Democratic Party, has said that he has "immense respect" for Rehnquist, even though the two of them may disagree on most political issues. Ely said he believes the Nixon nominee would be a first-rate justice.

We believe that neither slyness nor racism has any part in Rehnquist's personality. The NAACP has gone far astray by equating the Supreme Court nominee's conservative views with racial bigotry.

Prominent Arizonans of many diverse views utterly fail to agree with the group. The NAACP had better climb down from its shaky limb.

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### Look Who's Talking

The ugly campaign to discredit Supreme Court nominee William Rehnquist has been marked by calumny and rumor. But it has not been without its humorous aspects, even though the humor is unintended.

We think specifically of the opposition to Rehnquist by Joseph L. Rauh Jr., of the Americans for Democratic Action, and the Leadership Conference on Civil Rights. Even Sen. Edward Kennedy rebuked Rauh for his "uncalled for and unwarranted" personal attacks on Rehnquist.

If there is one thing Rauh is big on, it is civil liberties. No person in Washington has ever been more vocal in support of those rights. And few people have never spoken so passionately one way and acted directly opposite.

Writing in The Progessive, May 1950, Rauh said: "Let us do away with confidential informants, dossiers, political spies . . . No one can guess where this process of informing will end." Just four years later Rauh, at that time chairman of the ADA, paid $8,500 to a self-confessed liar and confidence man—a confidential informant and political spy who was supposedly compiling dossiers on government officials.

The whole incident is part of federal grand jury records, and is amusingly detailed in William Buckley's "Up From Liberalism." Briefly, the story is this:

One Paul Hughes, 35, tried to sell the McCarthy staff and the FBI a lurid tale of high treason at a U.S. Air Force base. Both agencies sent him packing. Whereupon Hughes approached Rauh, Clayton Fritchey (then editor of the Democratic Digest), and the Washington Post with a grotesque and bizarre story, supposedly based on his knowledge as a McCarthy staff member, of intrigue between McCarthy and the White House . . . of McCarthy informers in the CIA and the State Department . . . of an arsenal of pistols, Lugers, and submachine guns that McCarthy and his staff had amassed in the basement of the Senate Office Building.

When Hughes told Rauh that McCarthy's spy on the ultraliberal New York Post was that newspaper's cooking editor, Rauh quickly informed Post editor James Wechsler—and later told the jury that McCarthy shouldn't have anybody on the newspaper, a vivid contrast to his view that loyalty risks should be allowed to hold government jobs.

Rauh and Fritchey agreed with a Hughes memorandum of December 1953 that phone taps could be used against McCarthy, that ethics should be relaxed to prove and document McCarthy's guilt, that "being nice, too ethical or squeamish, will accomplish less than nothing, where McCarthy is concerned."

The Washington Post prepared 12 articles on Senator McCarthy, based on the Hughes revelations. But when it began to check them out, the tissue of lies was revealed.

". . . Rauh and company had for years moralized about the venality of the secret informer—even when used under sanction of custom, law, and relevant administrative rulings, subject, in the end, to all judicial safeguards," wrote Buckley.

"Now it developed that even while they were loudly condemning the use of 'political spies' and 'secret informers,' they were themselves making deliberate, extended, and blanket use of a man whom they believed to be a political spy and secret informer—one who, moreover, had told them explicitly and in writing that he was not merely being personally disloyal to his employer, but was prepared to use illegal methods to get his alleged information."

That is the sort of man who now charges that William Rehnquist does not have the proper respect for civil liberties!

## SENATOR SPESSARD L. HOLLAND, LATE A SENATOR FROM FLORIDA

Mr. ALLEN. Mr. President with the retirement and subsequent death of the Honorable Spessard L. Holland, the Nation, as well as his native State of Florida, lost a great patriot and one of her most distinguished sons. The United States Senate, where Senator Holland made an outstanding record during an illustrious career of almost 25 years, lost some of its greatness and some of its luster on his retirement from the Senate; for, surely, it was Senator Holland and Senators of his type who earned for the U.S. Senate the accolade of "greatest deliberative body in the world."

In the Senate Reception Room, just off the Senate Chamber, are portraits of five former U.S. Senators. The room contains no other portraits. These Senators were chosen as the five greatest U.S. Senators of all time by a Senate committee, headed by then Senator John F. Kennedy, that had been appointed to name the five greatest U.S. Senators. Predictably, Webster, Calhoun, and Clay were named, as were Robert A. Taft and Robert LaFollette. Outstanding as were all five of these famous Senators, without question, in the judgment of the junior Senator from Alabama, Senator Spessard Lindsey Holland was the peer of the greatest of these great Senators.

Senator Holland's superior intellect and silver-tongued eloquence; his integrity and statesmanship; his fairmindedness and courtesy; his logic, leadership, and dedication all contributed to his greatness.

Mr. President, a man is judged by the company he keeps, by his deeds, by his thoughts and motives, by his dedication, sincerity and integrity—yes, and by the books he reads and the music to which he listens. But, Mr. President, I suggest that a man can also be judged by the men he most admires—by who his heroes are. To the junior Senator from Alabama, Senator Holland was one of his heroes, one of the public figures that he most admired. I welcome judgment by this standard.

I had the privilege of serving with Senator Holland only in the 91st Congress, but I did have the good fortune of enjoying a close association with him, on and off the Senate floor.

Many times—actually dozens of times—I had the privilege of sitting at the same table with him at lunch in the Senators private dining room at the table reserved for Democratic Senators. While I figuratively sat at his feet on those occasions, I actually sat beside him and listened intently and with great interest as Senator Holland told of the history and traditions of the Senate, and of the many great issues that had been debated in the Senate, and of the renowned statesmen who had served in the Senate. What greater authority could have been found than Senator Holland?

Mr. President, Mrs. Allen and I were always deeply touched by the love that Senator and Mrs. Holland had for each other. She was seldom absent from his thoughts or his conversation. We had the pleasure of attending their 50th wedding anniversary and, with hundreds of their friends, shared with them the happiness of the occasion. We pray that the Lord will comfort and sustain Mrs. Holland in her loss.

Senator Holland has been gathered unto his fathers and will never again be physically present in this Chamber, but the memory of his greatness and of his illustrious record will live on as long as our Republic stands.

## QUORUM CALL

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. STEVENSON). The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

## CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Is there further morning business? If not, morning business is concluded.

## REVENUE ACT OF 1971

The PRESIDING OFFICER. Under the previous order, the Chair now lays before the Senate the unfinished business, H.R. 10947, which the clerk will report.

The legislative clerk read the bill by title, as follows:

A bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

The Senate proceeded to consider the bill.

Mr. MANSFIELD. Mr. President, what is the pending question?

The PRESIDING OFFICER. The pending question is on the amendment of the Senator from California (Mr. TUNNEY), which will be read:

The amendment was read, as follows:

On page 71, line 2, strike out "$12,000" and insert in lieu thereof "$18,000".

The PRESIDING OFFICER. The time is under control.

Mr. MANSFIELD. Mr. President, I suggest the absence of a quorum, and I ask unanimous consent that the time be taken out of both sides equally.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. TUNNEY. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. TUNNEY. Mr. President, the amendment which I am offering this morning would have the effect of amending the committee bill in that it would increase from $12,000 to $18,000 the point at which the deduction for expenses of child care and domestic help would begin to phase out. Other provisions of this deduction would remain unchanged from the bill proposed by the Committee on Finance, as amended. For example, the maximum deduction of $4,800 would be available for child care and domestic help expenses if incurred to allow the taxpayer to get a paying job.

There are four main arguments for the amendment which I would like to bring to the attention of the Senate.

First, child care and domestic help expenses are work-related and ought to be business expenses at this level, just as they are for lower income families.

One news commentator on television several days ago commented that if John D. Rockefeller needed to hire a new secretary in order to be able to utilize his time more effectively in his work, he would be able to obtain a business expense under present Federal tax laws. If, on the other hand, a mother wants to go out and earn some money, perhaps so that her family can live better or so that her children can have more opportunities, and she wants to hire somebody to help care for her home and help look after her children, she is not able to claim such a salary cost as a business expense. It really is not fair to grant relief to the businessman to hire a secretary and at the same time not grant that same relief to the mother who wants to work.

Second, I think that the committee and its very distinguished chairman, the Senator from Louisiana (Mr. LONG), have made a very wise decision in including in this legislation a deduction for the working mother. I think it demonstrates an awareness of the realities of life. However, I believe that the $12,000 limit is unrealistically low. I realize that the $12,000 limit was put on because it was assumed $12,000 would be the median income for families in the coming year. However, it seems to me that families should be able to take such a deduction beyond the median when we are talking about work-related activities.

Third, the Bureau of the Census has studies which show that families in the middle-income range face large tax burdens from all sources. I was able to develop some information on that point. Families with an income of between $8,000 and $10,000 have total State, local, and Federal taxes which represent 16.7 percent of their income. In the $10,000 to $15,000 range, it is 19.1 percent. In the $15,000 to $25,000 range it climbs to 21.1 percent.

As Senators know, the Senate has already accepted an amendment of mine which would make this deduction available to more low-income families. Beyond this the committee bill gives its greatest tax reductions generally to lower income families.

Inasmuch as Federal taxes alone increase progressively, we ought to have some additional form of tax relief for families with incomes between $12,000 and $18,000—particularly when that form of tax relief would allow a mother to work, and at the same time it would have the added benefit of giving work to a babysitter.

Fourth and finally, I feel that the deduction is necessary to avoid discriminating against women who do want to work and who are married and who have children. When a mother must work, it is unfair to require that she spend most or all of her salary on child care and domestic help expenses.

My amendment would allow a deduction of the most obvious work related expense women can have, and that is the expense that comes when a woman who works must have someone to take care of her children.

I sincerely believe that the innovative decision made by the Finance Committee and by its distinguished chairman (Mr. Long) can be improved by increasing from $12,000 to $18,000 the amount of money a family can earn while taking full advantage of the benefit that is contained in the committee bill.

Mr. LONG. Mr. President, will the Senator yield?

Mr. TUNNEY. I yield.

Mr. LONG. I am going to yield some time in opposition to another Senator, but I am personally strongly in support of the amendment.

As one who worked in committee to get the committee to agree that there should be a deduction available for amounts paid to someone who looks after children while one is working, or looks after the house while one is working, I could not agree more with the Senator from California.

Frankly, while the provision in the bill is a good one——

Mr. TUNNEY. Excellent.

Mr. LONG. And I am 1 million percent in favor of it—as it stands now when one goes home and talks with his constituents, about half of the working mothers are not getting the benefit of the deduction under present law while half of them are, and a Senator must spend half his time explaining why one-half of the working mothers do not get the benefit of the deduction while the benefit is available for the others. People say, "What is wrong about the fact that I am able to make $700 a month? What is evil about that?" I think it is appropriate to regard such an expense as a business expense of a mother.

A mother on the "Today" television program said not long ago that she felt that if David Rockefeller could deduct as a business expense the salary of a secretary that he needed, then she should be able to deduct as an expense the cost of hiring somebody to take care of the house while she is working.

When you accept the logic of that argument, as the Senate has done, then to cut it off at the $12,000 income level means two things: First, that a lot of people will not be able to use it; and second, if they do use it, they will have its benefits very much reduced, on the theory, in effect, that if a family income is above $12,000 for a family of three, four, or five, they should not be permitted the full benefit of a deduction.

That just does not make much sense. I can understand why you might say you would not want to provide this benefit where the family income is $30,000, $40,000, $50,000, or $100,000; but to say you have gone beyond the point at which the deduction should be allowed at $12,000 is really not logical. If we did that, we would spend more time explaining and defending our votes not to extend it than anything else we could do in this bill.

Assume a case where a mother is working and making $700 a month, and the father is working and making $800 a month, and assume they hire someone for $400 a month to look after their children and tend their home while they are both out working. You will have great difficulty in explaining to those people why they should not have this deduction. What is wrong about them making $1,500 a month—$18,000 a year—with two people out working?

The Senator has a very good amendment. I urge him to offer it, because I think this would be a tremendous improvement on what we were able to do in the committee.

Mr. TUNNEY. Mr. President, I should like to ask the Senator a question, if I may.

Mr. LONG. Yes.

Mr. TUNNEY. When the distinguished chairman developed this excellent creative idea in the committee, did he feel that there would be more mothers able to take advantage of it than has subsequently turned out to be the case, based on his conversations with personnel of the Treasury Department?

Mr. LONG. Mr. President, I personally think we should do much more for people who hire someone to do domestic work than we are doing in this bill, and I tried to do much more than that. We arrived at the point where there appeared to be about a tie vote on doing more than this; and in order to try to get the committee in agreement on something, I suggested we simply take the $12,000 income limit in the House-passed welfare bill, H.R. 1, and see how many votes we could muster for the formula there.

But I am frank to say that I really do think that after the committee started thinking about this matter, most of the committee members have felt inclined to agree that we could do more in this area, and that it makes sense.

The cost of this proposal, may I say, shocked some people, to begin with, but further revenue estimates have indicated it would not cost nearly as much as we had thought. I regret to state the reason why it would not cost as much as we thought this provision for a deduction for domestic help was going to cost. The reason was that people at this income level cannot afford to hire people at $400 a month; so the cost in revenue to the Government is limited by the fact that we are restricting the benefit of the provision to people who cannot afford to fully use it.

When you get up to about $18,000, you are getting to people who can afford to fully use the $400 deduction for hiring someone to look after their children.

Mr. TUNNEY. And that will make for more employment.

Mr. LONG. Yes. The committee voted for the provision now in the bill on the basis of the estimate that it would cost about $300 million. What we propose to do with the Tunney amendment that was adopted last week, and this amendment added to it, would not cost as much as we thought when we included the provision in the bill, and the reason it would not cost as much is that people at this level of income, even the $18,000 level, would not hire domestic help to the extent they would like to, because they just cannot afford it.

Mr. TUNNEY. I think the Senator is absolutely correct. I saw estimates that the cost of this particular provision would be $55 million, but that is not really a true cost, because it is clear that the couple who are going to hire a housekeeper to take care of their children are going to provide employment for someone who would not have had employment otherwise, and it is quite probable that the person who would not have had the employment otherwise would be on welfare. Also, the parent who is then able to work will pay taxes to the Treasury on that income. So I think when we talk about a cost of $55 million, we are only talking about one side of the balance sheet. We are talking about the loss in taxes, but we are not talking about the saving to the Treasury in not keeping a potential housekeeper on welfare.

Mr. LONG. The Senator is absolutely correct. There is not one dollar of feedback in this estimate of what the overall cost would be. It is estimated that the committee amendment, plus the two Tunney amendments, would cost about $315 million. But you are not going to find one penny of feedback in that estimate.

Where are they going to find the people to look after their children? Most of those people are presumably unemployed today. So when you put those people to work, you are going to take them off welfare, at tremendous tax savings. Most people would rather put such people to work than put them on welfare. So there is a two-way benefit: First, you benefit a working woman by permitting her to employ someone to help with domestic duties and help look after her children; and second, you benefit the people who are being employed because those people are then able to earn enough to make their own way, or, if they are on welfare, they can supplement their welfare payments so that that family, too, can live a little better, while Uncle Sam saves money in the process.

So if you look at the feedback involved, it probably would not cost more than $200 million to do this. There is no doubt in my mind that if we want to help people earn their own way and take people off welfare and put them to work, this provision would go a long way in that direction.

Mr. TUNNEY. I think that when the Senator from Louisiana created the idea in committee, he was trying to accomplish this precise result. It may be that as a result of the amendment we are offering, we are going to allow more families to take advantage of this excellent idea.

I should like to read into the RECORD some recent Treasury estimates.

Under the bill with the first amendment expanding low-income coverage that I offered and the Senate offered last week, at least 1 million families would use the child-care and domestic service expense deduction. There are 10 million husband-and-wife families with children under 14 who earn from $7,000 to $15,000 annually. Two million additional husband-and-wife families have children under 14 and earn $15,000 to $20,000.

Of these, about 600,000 families have full-time working mothers. About 400,000 families would use the deduction under this second amendment.

I think it is quite clear that we would be putting more people to work. It will save so much in welfare costs, and I compliment the Senator from Louisiana for having come up with this great idea.

Mr. LONG. Mr. President, considering the Senate's priorities, it would seem to me that here we are affording a husband and wife an opportunity to live better while at the same time creating a job.

I am well aware of one particular tragedy, because it occurred very near where I live, just across the street, where a mother had no one to help her with the children. She left to go down the street for about half an hour, tied the door shut with a string, there was an open fire, apparently a log rolled out of the fireplace, the house burned down, and two little children burned to death in that house.

When you witness this kind of tragedy, you realize how important it is that we provide care for children. This is a problem that a great number of people have. Frankly, it is more important to the mothers invovled in these families than it is for a plant to displace a perfectly good machine in order to put a more futuristic machine in its place.

So I think that in terms of the overall priorities we have in mind, this is a good way to create jobs and help those who are already working.

Mr. TUNNEY. I thank the Senator.

Mr. LONG. Mr. President, I yield to the Senator from Utah the time in opposition.

Mr. BENNETT. Mr. President, this is a very appealing political tax approach. We have seen it many, many times before. If $1 is good, then $2 is better. And we keep on going up.

I think that with this amendment we cross an interesting line. We are not providing tax relief to take care of the one-parent family, where it is usually necessary for the mother to go out to work and she needs some help to pay for care necessary for her children. We are now moving into the range where we are providing tax relief for the wife who does not have to go out to work but who, in order to get a new automobile or better clothes or for any reason of that kind, would like to go out to work and have the Federal Government provide tax relief to take care of her child.

While it is pointed out that the amendment says that we are simply raising the base from $12,000 to $18,000, we are raising it so high that before the tax relief completely phases out, we are looking at an income of $27,600 a year. On this basis, the Treasury's latest estimate is that we are adding nearly another $100 million loss to the Treasury for the purpose of providing the privilege of employing domestic servants to people whose income goes up to $27,000 a year, in order that the wife can work to supplement the income—well above the poverty level, well above the question of need.

This amendment, presumably, is limited to the providing of help for child care; but it is so written that once a person qualifies for it, once a family qualifies for it, the money can be spent for domestic help of any kind.

If a family entertains a great deal and can show that the expense is employment related, it may get tax relief for the bartenders they bring in for their entertainment. I think the only exception to the household help provision is for chauffeurs; but on the ground that they are getting caretakers, they can hire gardners and hire any other type of domestic help, whether or not they actually need child care. To me, it opens the matter up to the point where it becomes very difficult to defend.

The proposal does nothing to alleviate the problems of low-income families with young children. We have already taken care of that. The problem of child care is the problem of mothers who are required to work in order that children may have some of the necessities, not the luxuries, of life. The problem should not be to ease the tax burden so that the wife may, as I say, work to secure a second car or an extended vacation or a better home or better clothes. That is what we are getting into when we raise the level at which the phase out starts to $18,000 so that the deduction in not completely phased out until an income level of $27,000.

I suppose the Senator from Utah is old fashioned. I can understand the sacrifice in relations with our children that a mother must make if she has to go out to work. But I am wondering whether we should provide tax incentive for a mother who does not have to go out to work, to leave her children in the care of hired domestics. We can read many sage observations on the part of psychologists and psychiatrists that many of our problems in society today grow out of the fact that there is no communication between parents and children, that the breakdown of the family and the home is one of the real causes of the very serious problems we face in the country today. Now we are being asked to provide a tax benefit to make it possible for that breakdown to be accelerated.

The proposal makes it less costly for the wife of a middle-income taxpayer to pass off the motherly duty of child rearing to an employee so that the mother can secure outside employment. As I say, it has no benefits for the woman who has to work in order to take care of her family.

The proposal contains a number of interesting deficiencies, from a technical standpoint. Since it limits the amount that can be deducted on a monthly basis, the IRS would have to look at the expenditures of that family for outside help of all kinds on a monthly basis. Some months they might have to disallow part of the deduction. One can imagine the additional auditing problems that would be added.

As I say, I realize that this has an appealing background. It is nice to be able to go out and say to your constituents, including those up to the $25,000 bracket, "We have provided you with tax relief, and you can spend it on any kind of domestic service you want—so long as you have a child under 15 and your wife works." Those are the only conditions. I believe she has to work only 30 hours a week in order to qualify. This is a nice little tax loophole, a nice little bonanza, for people who really do not need it, and it is going to cost the rest of us almost $100 million a year in additional taxes that we must make up to provide it.

So I can understand why my friend, the chairman of the committee, would support it; because it is basically an extension of his idea, and it is an appealing extension. But I think we should look, also, at the cost to the Treasury and the fact that we have moved out of the question of necessity into the area where it can provide some very pleasant amenities to people who really do not need it.

Therefore, Mr. President, I expect to vote against the proposal, and I hope that my colleagues will join me.

Mr. TUNNEY. Mr. President, I just cannot agree with the distinguished Senator from Utah that this represents a loophole, any more than it represents a loophole in a tax law to allow a businessman to claim a business expense for a secretary. The secretary he hires makes the businessman more effective and allows him to do his job better. The way the committee bill is amended, it does provide for a business expense in the case of a mother who desires to work. I do not see any reason why we should not say to that mother that she has a right to claim as a business expense the cost of household help to take care of her children so that she can go out to work.

I do not know of any distinction between the two cases, other than the fact that in one case we are talking about a man and in the other case we are talking about a woman. I feel strongly that if we are going to give equal rights to women as well as to men, a woman should be given the opportunity to have a business expense writeoff for the cost of her doing business. I really believe that the question of the family breakdown is an ancillary point. There are many other factors involved, psychological and sociological, that bring about a family breakdown. I do not believe that this amendment will cause any further breakdown in the family that would not have occurred anyway.

Mr. LONG. Mr. President, will the Senator from California yield?

Mr. TUNNEY. I yield.

Mr. LONG. Some may not like to recognize it, but it is true that the idea that a woman is entitled to take a job and help bring income into the family, particularly if she can make arrangements for someone to discharge the family responsibilities and take care of the domestic work that ordinarily would be her task, has caught on in this country. It is accepted. The idea that a woman's place is in the home and that she cannot hire someone to do the household work in order to increase the family income is no longer current. Rather, it is recognized today as a right of women to do so. Some may not like it but at least, to that extent, the women's liberation movement has caught on.

Mr. TUNNEY. I would agree with the Senator.

Mr. LONG. Some women make better secretaries and business executives than they do housekeepers. If they want to hire a good housekeeper, they should have that privilege. The question is whether she can deduct the expense of it. That is what we are talking about.

Mr. TUNNEY. I could not agree with the Senator more.

Mr. President, one other point I would like to make. It is clear from reading the committee language, section 214, that the purpose of this provision is to enable a woman who has a child under the age of 15 to take advantage of this benefit. It is not designed to enable a family to write off the cost of a butler or a gardener, or someone like that. The language is clear.

It states:

> "(1) The term 'qualifying individual' means—
>
> "(A) a dependent of the taxpayer who is under the age of 15 and with respect to whom the taxpayer is entitled to a deduction under section 151(e),

It goes on to say in (b) (2):

> The term 'employment-related expenses' means the following expenses, but only if they are incurred to enable the taxpayer to be gainfully employed:
>
> "(A) expenses for household services, and
>
> "(B) expenses for the care of a qualifying individual.

Mr. BENNETT. Mr. President, will the Senator from California yield?

Mr. TUNNEY. I yield.

Mr. BENNETT. I can ask this question because I do not drink. But would not the Senator consider that if someone had a big party and brought in a bartender and a couple of girls to serve drinks in their home, that that would not be a household service?

Mr. TUNNEY. It depends on the definition. Under the Senator's definition——

Mr. BENNETT. It is service in the household. I think it is a household service.

Mr. TUNNEY. It is clear that the purpose of the provision is not to pay for a butler serving drinks but to pay for a babysitter or some other individual to take care of the child while the mother is working and to provide normal domestic services.

Mr. President, I would like to ask the distinguished chairman of the committee, who drafted the language, what he intended.

Mr. LONG. Mr. President, I suggest that this language can be further restricted if necessary. That is one of the things we can do in conference, in the event the Senator's amendment is agreed to. We have drafted the language so as to exclude a chauffeur and similar non-employment-related household services. It may be that we could draft the language much closer. We could work on that, although I think the requirement that the expenses be incurred to enable the taxpayer to be gainfully employed should be adequate.

But, on the other hand, I do not know why, if someone is working as a cook, we should make it against the law to have a drink after a hard day's work. I do not know why we should make it against the law for a cook to bring a bottle of beer to a workingman when he comes home from work if that is in addition to his other duties. I know that in some homes it would be objectionable, but if one enjoys having a drink at dinner, I do not know why we should make it against the law.

But, let us talk about the intended result of this provision. Here we are talking about a situation where a man and wife with perhaps five children are making $1,500 a month combined income, which works out to $18,000 a year. So we are talking about allowing the benefit of a tax deduction for a man and wife where both work and have children in school—some perhaps may have six or eight children. They have to hire someone to look after the children and do the housework while they are both out working.

The PRESIDING OFFICER (Mr. BENTSEN). The time of the Senator from California has expired.

Mr. TUNNEY. Mr. President, will the Senator from Utah yield me 2 minutes?

Mr. BENNETT. I am happy to yield 2 minutes to the Senator from California.

Mr. TUNNEY. I should like to add to what the Senator from Louisiana has said that it is the purpose of the amendment to allow a mother to work and have someone at home taking care of the child and caring for the house, or to use the services of the day-care center. I think that there is something to be said for the committee language allowing a little bit of flexibility. After all, we do not want the Federal Government sending IRS agents to everyone's home to make the mother punch a timeclock, and the person working for the mother punch a timeclock, to determine how many minutes a day are spent doing various jobs. Obviously, the suggestion of the Senator from Louisiana that, occasionally, we might have a member of the household doing something other than the job for which he was hired, that is, taking care of the child, is logical, but if the major purpose of being in the home is to take care of the home, then I think the purpose of the committee language is served, and we have given the mother the opportunity to have an outside job and provide employment for someone who might very well not be employed otherwise—the mother on the one hand or the babysitter on the other.

I should like to point out to the distinguished Senator from Utah that there are many secretaries who serve their bosses drinks on occasions, and bosses do not lose a business expense deduction as a result thereof. [Laughter.]

Mr. BENNETT. Well, the Senator from Utah does not impose that on his secretary.

But I think the Senator sees the difficulty. We will be moving into an area now where the service is not needed. The Senator would move us into an area where it would be done for the convenience of the parents. Once we get into that area, we can stretch the thing out to include any service, except a chauffeur, as long as it is employment related.

I see no reason for continuing debate. I think the issue is clear: Are we going to spend $100 million a year of the Federal taxpayer's money to help married couples with incomes as high as $27,600 a year by permitting them to employ household help and deduct the full amount of the expenses incurred up to an income level of $18,000 and a portion of the expenses up to an income level as high as $27,600?

Is this good tax policy? Is this equitable? Is this good social policy to encourage a mother to go out and work if she does not have to?

I agree there are certain circumstances in which she may have to, and we have taken care of that in providing a scale that begins at $12,000 and fades out at $21,600.

I think the issue is clear. I am willing to yield back the remainder of my time.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BENNETT. I yield.

Mr. LONG. Mr. President, we have a bill here that creates jobs. We are talking about an expense. If people do not provide someone to look after their children, in most instances they are in violation of a State criminal law for child neglect. We can have the situation where children burn to death if the house catches on fire when there is no one to look after them when the mother has left home temporarily.

This is an expense that in many instances is required by law. If that mother is going to go to work, we are saying that should be recognized as a deduction. The deduction will create jobs and help reduce the welfare burden.

How can one say we should not permit this at all when it is an out-of-pocket expense and we allow a tax deduction for an expense that is not an expense at all. We give an accelerated depreciation allowance on machinery amounting to billions of dollars. We also give additional billions of dollars for tax investment credit for an expense which does not exist, and do not even require a basis reduction for depreciation purposes.

So, if we can do that to create jobs, why not allow a deduction for an out-of-pocket expense for which they have very little choice? That is the argument for the amendment.

Mr. BENNETT. Mr. President, I do not know how many jobs this will create. If the mother is now working and is paying for a child-care arrangement, she gets the deduction. She does not have to hire anyone else. It covers the expenses she already has. And I think that most of the people with incomes of above $18,000 a year, between $18,000 and $20,000, up in that category, probably already have their child care arranged. So, this is just a nice windfall for people in that category.

Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Utah has 11 minutes remaining.

### QUORUM CALL

Mr. BENNETT. Mr. President, on my own time, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield to me for 2 minutes?

Mr. FANNIN. Mr. President, I yield 2 minutes to the Senator from West Virginia.

Mr. BYRD of West Virginia. I thank the Senator.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

### UNANIMOUS-CONSENT AGREEMENT ON AMENDMENTS NO. 564 AND 655

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that immediately following the disposition of the pending amendment the Senate proceed to take up the amendment cosponsored by the Senator from Illinois (Mr. STEVENSON) and the Senator from Kansas (Mr. PEARSON), amendment No. 564; that time thereon be limited to 1 hour, to be equally divided between the distinguished mover of the amendment (Mr. STEVENSON) and the distinguished manager of the bill (Mr. LONG); that time on any amendment thereto be limited to 20 minutes, to be equally divided between the mover of the amendment in the second degree and the distinguished manager of the bill, and that the same provisions apply with regard to time on motions and appeals, with the exception of nondebatable motions, as with respect to amendments in the second degree.

The PRESIDING OFFICER. Is there objection?

Mr. McCLELLAN. Mr. President, reserving the right to object, what time is the Sparkman amendment scheduled for?

Mr. BYRD of West Virginia. It is my intention, if the Senate agrees to this unanimous-consent request, to then schedule the amendment by Mr. SPARKMAN immediately following the amendment by Mr. STEVENSON, which would put it at about 12:30.

Mr. McCLELLAN. The Sparkman amendment?

Mr. BYRD of West Virginia. Yes.

Mr. McCLELLAN. That will be entirely satisfactory. I have to leave later this afternoon and I want to be present to vote on the Sparkman amendment. I understood it would be scheduled as the second amendment today.

Mr. BYRD of West Virginia. That was the thought earlier, but I understood that the distinguished Senator from Alabama was conducting hearings until noon, and that he wanted to schedule his amendment in the early afternoon.

Mr. McCLELLAN. That would be very satisfactory. How much time is allotted for that amendment?

Mr. BYRD of West Virginia. One hour.

Mr. McCLELLAN. It is quite satisfactory to me if it comes up at 1 o'clock or 2 o'clock.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon the disposition of the amendment No. 564, by Mr. STEVENSON, the amendment by Mr. SPARKMAN (No. 655), then be laid before the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I am pleased to be a supporter of both of Senator TUNNEY's amendments permitting a tax break for child care and domestic expenses. Together, these amendments would assist at least 1½ million working mothers in their efforts to supplement the family income while raising children. We are all aware of the dilemma faced by mothers of low income or middle income families. These women must choose between staying at home to properly raise their children and maintaining a job to pay for that health care and education which each mother believes is essential to her children's development. As we consider something as precious as the development of this Nation's children, I believe we should provide an alternative which eliminates the very difficult dilemma facing families today. Therefore the fairness of the amendment pending now which permits families with a combined income of $12,000 to $18,000 a year to deduct a portion of their child care and domestic help expenses from their income tax should not be underestimated. For these families are no less deserving than those earning less than $12,000 who were originally covered.

The need for quality assistance in the home has been increasing dramatically in the last 30 years. While the proportion of working mothers with preschool children was 10 percent in the 1940's and 40 percent in the 1960's, it is estimated that the percentage will increase to between 60 and 70 percent in the decade of the 1970's. And the crucial fact is that of these millions of working mothers, nine out of 10 work to satisfy an otherwise unmet economic need such as basic support, medical bills, future educational expenses, et cetera.

The need for a second income is a need affecting all income groups. For instance, for those families in which the husband is making $10,000 or more a year, 40.8 percent of mothers with children aged 6 to 17 are working; of the mothers with children under 6 years, 26.3 percent are working. On the assumption that in most of these families husband and wife are both making close to $7,000, the additional income which the wife is able to contribute to the family is essential. This amendment would encourage middle class as well as low income families to pay for high quality child care and household assistance without worrying about unduly shrinking their total income.

The effects of increasing child care opportunities will become increasingly evident over the years. According to research which I have done in connection with my Universal Child Care and Child Development Act as well as the Women's Equality Act, there are at least 14 million children in this Nation who have working mothers. Since eight out of 10 of these children now are cared for through makeshift arrangements, their educational development would directly benefit from provisions permitting their families to deduct the expense of higher quality care.

I commend this amendment to the Senate and hope that it will decide to extend child care deductions to those families who are earning between $12,000 and $18,000.

Mr. BENNETT. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is on agreeing to the amendment of the Senator from California (Mr. TUNNEY). On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Georgia (Mr. GAMBRELL), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. McGOVERN), the Senator from New Mexico (Mr. MONTOYA), and the Senator from North Carolina (Mr. JORDAN) are necessarily absent.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Iowa (Mr. HUGHES), the Senator from North Carolina (Mr. JORDAN), and the Senator from South Dakota (Mr. McGOVERN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Idaho (Mr. JORDAN), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) is absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Colorado (Mr. ALLOTT). If present and voting, the Senator from South Carolina would vote "yea" and the Senator from Colorado would vote "nay."

On this vote, the Senator from Texas (Mr. TOWER) is paired with the Senator from Nebraska (Mr. CURTIS). If present and voting, the Senator from Texas would vote "yea" and the Senator from Nebraska would vote "nay."

The result was announced—yeas 59, nays 24, as follows:

[No. 331 Leg.]

YEAS—59

Anderson
Baker
Bayh
Beall
Bellmon
Bentsen
Bible
Boggs
Brooke
Buckley
Burdick
Byrd, W. Va.
Cannon
Case
Chiles
Cranston
Eagleton
Eastland
Ellender
Fong
Fulbright
Gravel
Griffin
Harris
Hart
Hatfield
Hollings
Inouye
Javits
Kennedy
Long
Magnuson
Mansfield
Mathias
McClellan
McGee
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Percy
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Spong
Stennis
Stevens
Stevenson
Symington
Taft
Tunney
Williams

NAYS—24

Aiken
Allen
Bennett
Brock
Byrd, Va.
Church
Cook
Cooper
Dole
Dominick
Ervin
Fannin
Goldwater
Gurney
Hansen
Hruska
Miller
Pearson
Roth
Scott
Smith
Stafford
Weicker
Young

NOT VOTING—17

Allott
Cotton
Curtis
Gambrell
Hartke
Hughes
Humphrey
Jackson
Jordan, N.C.
Jordan, Idaho
McGovern
Montoya
Mundt
Saxbe
Talmadge
Thurmond
Tower

So Mr. TUNNEY's amendment (No. 671) was agreed to.

## MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the Senate by Mr. Leonard, one of his secretaries.

## EXECUTIVE MESSAGE REFERRED

As in executive session, the Presiding Officer (Mr. MCGEE) laid before the Senate a message from the President of the United States submitting the nomination of H. Guyford Stever, of Pennsylvania, to be Director of the National Science Foundation, which was referred to the Committee on Labor and Public Welfare.

## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### AMENDMENT NO. 564

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the amendment (No. 564), as modified, of the Senator from Illinois (Mr. STEVENSON), which the clerk will state.

The second assistant legislative clerk proceeded to read the amendment.

Mr. STEVENSON. Mr. President, I ask unanimous consent that further reading of the amendment be waived.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment will be printed in the RECORD.

Mr. STEVENSON's amendment (No. 564), as modified, is as follows:

On page 40, line 9, strike out "$675" and insert in lieu thereof "$700".

On page 40, line 15, strike out "$675" and insert in lieu thereof "$700".

On page 40, line 19, strike out "$675" and insert in lieu thereof "$700".

On page 40, line 21 strike out "$1,350" and insert in lieu thereof "$1,400".

Mr. LONG. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. STEVENSON. The personal exemption for 1971 is now $650. The House of Representatives and the Senate Finance Committee have approved increases in the $650 personal exemption to $675. This amendment would simply increase the present $650 level to a new level of $700. It would affect only 1971, and would have no effect on subsequent years.

The effect of the increase from the $675 personal exemption approved by the other body and the Senate Finance Committee to $700 would be immediate relief to individual taxpayers in the amount of about $1 billion. That $1 billion would not only be relief for individual taxpayers, but it would also be an immediate stimulus to the economy. The effect that could be anticipated would be the conversion of that $1 billion into spending by consumers.

Most economists would agree that this is the stimulus most needed by the economy. Consumer spending has been lagging. The most recent statistics on consumer spending continue to show that consumer spending is increasing at an inadequate rate, and that this, in turn, is one of the most serious brakes upon the economy.

The PRESIDING OFFICER. Will the Senator from Illinois suspend while order is restored? The Senator is explaining his amendment. Senators who wish to converse will please retire to the cloakroom.

The Senator may proceed.

Mr. STEVENSON. Mr. President, this amendment requires very little explanation. As I have already indicated, it simply increases the personal exemption from the $675 approved by the House of Representatives and by the Senate Finance Committee for 1971 to a new level of $700. The immediate relief, not future relief would be about $1 billion in increased spending by consumers, with a consequent stimulus to the economy.

I might point out that the Senate has already approved an amendment offered by the Senator from Indiana (Mr. HARTKE) which increases the personal exemption for 1972 to $800. The exemption at present is $650. The bill reported by the Finance Committee would increase it to $675 for this year. In relation to the $800 level for 1972, $700 for 1971 would be a very modest increase.

Mr. MILLER. Mr. President, will the Senator from Illinois yield for a question?

Mr. STEVENSON. I am glad to yield to the Senator from Iowa.

Mr. MILLER. I would like to understand this amendment thoroughly. As I understand it, we would be providing for an additional $25 personal deduction for the calendar year 1971?

Mr. STEVENSON. 1971.

Mr. MILLER. The Senator is talking about purchasing power. What would this mean to the purchasing power of a low-income individual in the 14-percent tax bracket?

Mr. STEVENSON. For a family of four, it would be very little. I am told approximately $28. As the Senator knows——

Mr. MILLER. No; I am talking about a single individual now, in a low-income bracket of 14 percent.

Mr. STEVENSON. It would only make a difference of about $6 or $7.

Mr. MILLER. I am sorry; I did not hear the Senator.

Mr. STEVENSON. I am told it would only make a difference of about $6 or $7.

Mr. MILLER. $6 or $7? If my mathematics is correct, I would take the $25 extra deduction and multiply it by 14 percent, and I get $3.50.

Mr. STEVENSON. That would be the effect of an increase in the exemption from $675 to $700 for a single individual. My previous answers pertained to an increase from the present personal exemption of $650 to a personal exemption of $700.

Mr. MILLER. What would it do in increased purchasing power for the wealthy taxpayer in the 70-percent tax bracket?

Mr. STEVENSON. It would clearly do more for the wealthy individual. As his income goes up, his tax rates go up, so the effect of the exemption is to give him a larger benefit; that is true.

Mr. MILLER. What would that be? I would like to make sure we are on the same wavelength.

Mr. STEVENSON. About $17.50.

Mr. MILLER. So, as between a single taxpayer in the low income area, with a tax bracket of 14 percent, and the wealthy income person with a tax bracket of 70 percent, there would be $3.50 in additional purchasing power for the low income person, and $17.50 for the high income person; is that correct?

Mr. STEVENSON. That is correct. But very few tax returns are filed by single individuals in the 70-percent tax bracket.

Mr. MILLER. Do the Senator's mathematics agree with mine?

Mr. STEVENSON. Yes.

Mr. MILLER. Now, to carry my question a step further, let us take a husband and wife with six children, who have eight personal exemptions. That would mean that the Senator's amendment would give them an additional $25 for each exemption, or a total of $200 more in personal exemption deductions. For the low-income person in the 14-percent tax bracket, would the Senator agree that would work out to a total additional purchasing power of $28?

Mr. STEVENSON. The Senator is correct.

Mr. MILLER. Now, if we take the same size family in the wealthy category, in the 70-percent income tax bracket, that is an additional $200 of deductions, and at 70 percent that would mean an additional purchasing power for that family of $140; does the Senator agree?

Mr. STEVENSON. The Senator is correct. We are going to give the Senate additional opportunities to vote on additional amendments which would provide more relief to the low-income taxpayers, including an amendment by Senator HUMPHREY, which I am cosponsoring. That amendment would increase the low-income allowance, often called the minimum standard deduction, to $1,300, retroactive to January 1, 1971. It is now only $1,050 for 1971.

Mr. MILLER. May I say to the Senator from Illinois, we will take those amendments up as they come. I am interested in understanding the amendment that is now before the Senate, that the Senator from Illinois has offered, and I want to make crystal clear what it would do by way of the purchasing power that the Senator was talking about.

Mr. STEVENSON. It is really very simple. It would provide $1 billion in increased spending through relief for individual income taxpayers, but obviously a wealthy family would get more relief than a less wealthy one. However since most families are not in the 70-percent tax bracket, wealthy families would not get most of the relief. In fact nearly 70 percent of the tax cut would be centered on households with income below $15,000 annually.

Mr. MILLER. And in the last example I gave, that would be $28 for the low-income individuals for a husband-and-wife-and-six-children family, and $140 for the same size family for the high-income, high-tax-bracket family in the 70-percent bracket; does the Senator agree?

Mr. STEVENSON. Yes.

Mr. MILLER. I thank the Senator.

Mr. PEARSON. Mr. President, will the Senator yield?

Mr. STEVENSON. I yield to the distinguished Senator from Kansas.

Mr. PEARSON. Mr. President, I am pleased to have the opportunity to present, with the Senator from Illinois (Mr. STEVENSON) and the Senator from Minnesota (Mr. HUMPHREY), an amendment to H.R. 10947 providing an increase of $50 in the personal deduction on the Federal income tax.

If adopted, our amendment would have the effect of saving American taxpayers nearly $1 billion more than the present legislation provides by adding an additional $25 to the $675 now proposed as the standard personal deduction. The additional increase will not only implement and hasten the restoration of a normalized economy along lines proposed in the President's new economic policy, but will also add an immediate stimulus to the economy, an action which will most assuredly dovetail with the NEP's long-term salutary effects.

Mr. President, I support the measures the administration has offered to restore the economy. I believe that Congress should promptly enact the fundamental tax reductions and credits Mr. Nixon has proposed.

But Congress should not consider itself limited to the precise formula developed by the administration. Nor should we, in our desire to cure the ills which beset the economy, hurriedly approve these measures without exposing them to the light of debate and detailed discussion.

The American people are deeply disturbed about the present state of the economy. Their patience, understanding, and willingness to sacrifice during the freeze exemplified the best in our character and strength as a nation. But as we prepare to move into phase II of the NEP, apprehension will increase as the American taxpayers realize that it may be quite some time before freedom in the marketplace is restored. And as long as these restrictions—no matter how temporary—remain in effect, full confidence in the economy and its ability to advance and prosper will be somewhat inhibited.

Therefore, Mr. President, I believe it is essential to demonstrate to the individual taxpayer in a real and substantive way that the Government is confident in the success of its plan and that new prosperity and full employment are not merely dreams, but realities. It is my belief that the additional increase in the standard deduction is a sound way to demonstrate this confidence, and I support it for that reason.

I also believe, however, that in considering the tax proposals, we should attempt to strike a balance in our distribution of benefits among all aspects and sectors of the economy. We have an opportunity now to do much more than restore national and international confidence in the dollar. Success of our plan means that every American should benefit from such a restoration. In this regard, attention should be given to the adoption of special tax incentives to spur economic development and jobs in rural areas, so that a balance of growth between urban, industrialized centers, and rural communities can develop.

Likewise, Mr. President, we must achieve a balance between the benefits available to Americans in the immediately foreseeable future as well as those which will materialize in the coming years. On September 8, the Secretary of the Treasury stated in his testimony on the tax proposals before the House Ways and Means Committee that, spread over the years 1969–73, tax payments of individuals will have been reduced by $34 billion.

No one can deny that, as a long-term goal, this is indeed an impressive accomplishment. But, upon further analysis, it becomes apparent that the increase in the 1971 personal deductions for most low- and middle-income workers will be substantially negated as a result of next year's increase the social security tax. Although I understand the necessity for an increase of this nature, it means that unless the income tax breaks for the individual taxpayer are increased, an imbalance between tax cuts for the individual and tax cuts for the corporate structure will result.

I realize that in the long run, a balance could be restored through the creation of additional jobs and greater productivity. Nevertheless, it remains clear that the immediate impact on the individual consumer is limited at best.

Therefore, Mr. President, I urge approval of our amendment, in the interest of restoring the economy, encouraging the confidence of the American people in our plan for restoration, and providing a balance of benefits to all sectors of national life. Our proposal is a positive action, one which is responsive to the needs of all taxpayers, and it will not impede our efforts to restore the economy. In my judgment, it can only spur recovery by providing an added stimulus to the American consumer.

As a cosponsor of this amendment with the distinguished Senator from Illinois, I would really only repeat basic points that he developed in his explanation of this amendment. It would add a greater balance to the tax incentives that the President seeks, which I support, for industrial expansion and for consumer purchasing power. More than that, Mr. President, I think it adds some continuity and some consistency now, with the passage of the so-called Bayh amendment.

Under the Revenue Act of 1969, the personal exemption was scheduled to go to $700 in 1972 and $750 in 1973. The House passed 1971 bill, H.R. 10947, provided for an increase in the personal exemption to $750 in 1972.

While there is no great advantage in the consistency of the step, I think this amendment does provide for the orderly adjustment not only of revenues of the Government but also of the taxpayer himself. As the Senator so clearly explained, it falls into a consistent pattern in providing that it go back to the retroactive date of January 1, 1971.

Let me say in conclusion, that I think this amendment—and I have supported the President in this plan—provides for greater balance and gives a greater sense of certainty in a time when there is great public apprehension, not only at the end of Phase I of the absolute freeze but also as we go into a period of great adjustment, great accommodation, and great uncertainty as to prices and wages—what sort of incentives we need in this country.

I say to the Senator from Iowa, who brings great talent, knowledge, and experience to the Finance Committee, that the arguments he makes in relation to what this does for the low-income taxpayer could be made in relation to every exemption which of necessity must be consistent to every taxpayer.

I thank the Senator for yielding.

Mr. STEVENSON. I thank the distinguished Senator from Kansas for his statement and support, including his cosponsorship of this amendment.

As he points out, it would make for a smoother transition to the higher personal exemptions which we can expect for 1972, and it gives the tax proposals before us more balance.

Most economists would agree that what the economy most needs now is a stimulus to accelerate spending. Yet, the great incentives, the tax concessions in the proposed legislation before the Senate, are for business, which is now operating at only 73 percent of capacity. The accelerated depreciation schedules approved by the Senate committee would cost the Treasury approximately $1.7 billion in fiscal year 1972. The 7-percent investment credit would cost the Treasury in 1972, about $3.6 billion. The removal of the excise tax on the sale of automobiles is going to benefit those consumers who purchase automobiles. It is also going to benefit the automobile industry. The repeal of that one tax alone will cost the Treasury in 1972 about $2 billion.

In addition, there are provisions such as the DISC provision. In the entire package, there is precious little relief for the hard-pressed individual taxpayer and very little incentive to the economy where the economy needs it most.

Mr. President, I yield the floor.

Mr. BENNETT. Mr. President, it is my understanding that no time has been used by the opposition to the amendment.

The PRESIDING OFFICER. The Senator is correct.

Mr. BENNETT. Mr. President, will the Senator yield me such time as I may require?

Mr. LONG. I yield the Senator 15 minutes.

Mr. BENNETT. Mr. President, this is a very serious problem. If this amendment is adopted, it could become known as the amendment to make the taxpayers mad, as I shall try to point out.

It is going to make the Treasury mad, because it takes nearly a billion dollars out of the taxes due next year. It takes nearly a billion dollars more out of the revenue of the Government.

Last Friday, by amendments on this floor, we reduced the Federal revenue by $2.5 billion. Now we are taking out nearly another billion dollars.

As the Senator from Iowa makes perfectly clear, the effect on the individual taxpayer is comparatively negligible. For the man in the 14-percent bracket, it is $3.50. For the rich man in the 70-percent bracket, it is $17.50. For that little saving, you would deprive the Government of almost $1 billion. But, as I said, it is going to be the amendment that makes the taxpayer mad. The tax forms for 1971 are already being printed. They have gone so far that they cannot be stopped and reprinted if we are going to get them in the hands of the taxpayers by January 1.

What difference does that make, you might suggest? There are millions and millions of small taxpayers who, through the withholding system, overpay their taxes and count on the refund they are going to get as soon as they get the new tax form and can file for it. They are not going to get their refund soon after January 1, if we have to go back and reprint the forms. It will cost $5 to $8 million just for the job of reprinting, but that is not all. It has just been pointed out to me that 10 million taxpayers got refunds in January and February last year. So 10 million Americans are counting on that and would not be able to get it until sometime past that point because of the delay caused by reprinting the tax forms to reflect this amendment.

It seems to me that this is another case in which there are those who would like to destroy the President's program—another billion dollars out of the revenue—and we have already been told that this is only the beginning. There are other amendments to come which would have the same effect, but would change the effect of the exemption or make it apply differently to different people.

The point has been made constantly, over and over again, that we should not look to business to provide the jobs. We should not help business modernize or help it expand. All we have do is put money in the hands of the people and then they will go out and spend it and jobs will automatically blossom. The people who argue that way forget that, in the current circumstances, the people have greatly increased the volume of their savings. They are not spending the money that they get. They are socking it away in savings accounts until the uncertainty clears up. So anyone who wants to argue that by cutting taxes $1 billion now, we are increasing the purchasing pattern of the American people by $1 billion, I think, is begging the question very much.

I return to the point of the 10 million Americans who, if this passes, will not be able to file their refund requests on time. It would not only cost about $1 billion in a tax loss but it would just about drive the ordinary taxpayer up the wall.

Mr. President, I hope that the Senate has respect enough for the needs of the taxpayers of this country, under the circumstances, to reject the amendment.

Mr. PEARSON. Mr. President, will the Senator from Utah yield for a question?

Mr. BENNETT. I yield.

Mr. PEARSON. This is a question I do not actually know the answer to—like so many other questions asked here; but I was under the impression that the bill as reported by the committee on November 9 had increased the personal exemption from $650 to $675—

Mr. BENNETT. That is right.

Mr. PEARSON. And that the bill just came to the floor with a report on November 9. Have the tax forms actually been printed between the action of the Senate Committee and November 15 which we are taking up now, before we even pass the bill?

Mr. BENNETT. The Finance Committee reported to the floor a bill covering this increase and, on the basis of that action, the Treasury Department did begin to print the forms. It had to.

Mr. PEARSON. Is it subject to a time limitation? It is not the amendment of the Senator from Illinois and the Senator from Kansas, really, which is causing such a great problem in the printing. That went to the printing press before now, before even the conference report came in on this particular bill.

Mr. BENNETT. The Finance Committee figure was the same as the House figure so it was obvious that there would be no conference problem.

We had to assume that the Senate would support its committee because they had to get the forms out. If they had not been out, we would have had even more difficulties in making it possible for people to file their returns.

Mr. PEARSON. I thank the Senator.

Mr. BENNETT. So the forms are out, showing the personal exemption at $675. Most of them have already been printed.

Mr. STEVENSON. Mr. President, I do not believe that the IRS and the Treasury Department have been quite so contemptuous of the Senate as the Senator from Utah suggests. We have been in touch with the IRS and they tell us that as long as the exemption is decided upon by November 26 there will be no serious difficulties. There will be a minor increase in expense and there might be about a week's delay in getting the returns out to the taxpayers. The Senator from Utah has labeled this, "The amendment to make the taxpayers mad." I am not an authority on the taxpayers in Utah. Maybe they rejoice every time their taxes go up. In my case, in the State of Illinois, they rejoice every time their taxes go down.

Speaking for my own constituents, I feel reasonably confident they would gladly wait that extra week in exchange for a little tax relief and, if they have refunds coming, Mr. President, they do not have to wait—all they have to do is go down to the IRS office and get a flat sheet. The only delay will be in the printing of the forms with the explanations that go out through the mail.

The only other point which the distinguished Senator from Utah made was that my amendment does not amount to very much. It does not amount to a great deal of cost to the Treasury. That is one of the reasons I do not think there should be any serious objection. Collectively, it will aid all individual taxpayers to the extent of $1 billion. That is better than nothing. That is $1 billion which, translated into increased consumer spending, will benefit the economy.

The Senator from Utah also said that our people are saving more than before. That is true. That is one of the problems we have been having. The savings rate is about 8 percent of income now, nearly 2 percent higher than the normal rate. So if we apply the same savings rate to income made available to consumers under this amendment, we can assume that maybe 8 percent of the additional income—maybe a little more—would not get translated immediately into spending, but about 92 percent—in other words, slightly over $900 million—would. A $900 million increase in consumer spending is $900 million benefit to the economy, where most economists agree it is most needed.

Mr. President, I now yield to the distinguished Senator from Minnesota (Mr. MONDALE).

Mr. MONDALE. Mr. President, I rise to offer an amendment in the nature of a substitute to the pending amendment as offered by the Senators from Illinois and Kansas, and send it to the desk and ask that it be stated.

The PRESIDING OFFICER (Mr. McGEE). The Chair is advised that the amendment is not in order at this time until all time is used or yielded back.

Mr. MONDALE. Mr. President, may I ask the authors of the amendment and those in opposition—

Mr. STEVENSON. Mr. President, how much time do I have remaining and how much time remains to the opposition?

The PRESIDING OFFICER. The Senator from Illinois has 10 minutes remaining and the opposition has 23 minutes.

Mr. BENNETT. Mr. President, on the opposition's time, may I ask the Chair to state the rules under which we are operating with respect to amendments to an amendment?

The PRESIDING OFFICER (Mr. McGee). The Chair is advised that on a second degree amendment, under the order fixing a time limitation, there is 20 minutes, but that under the procedures of the Senate when there is a unanimous consent agreement, which operates as at the present time, limiting time on an amendment, it excludes offering a second degree amendment until all the time on the first degree amendment has been yielded back or used. Unanimous consent, of course, can change that procedure.

Mr. BENNETT. Mr. President, a further parliamentary inquiry—in operating under that rule, if time were yielded back, would we then hang without a vote on the amendment until after the amendment to the amendment has been considered?

The PRESIDING OFFICER. Yes, that would be correct. If all time were yielded back, we would proceed to the second degree amendment with a time limitation on it, and that would take precedence in action.

Mr. PEARSON. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Kansas will state it.

Mr. PEARSON. I understand that the Senator's amendment was in the nature of a substitute. Would the same rule so apply there?

The PRESIDING OFFICER. Yes. It would still apply to an amendment in the form of a substitute.

Mr. BENNETT. Mr. President, I would be happy to yield 5 minutes to the Senator from Minnesota in order to have him explain his amendment on this time for the sake of knowing what we are talking about.

The PRESIDING OFFICER. Is that agreeable with the Senator from Minnesota?

Mr. MONDALE. Mr. President, might I first ask a unanimous consent so that I may be permitted to call up my amendment in the form of a substitute notwithstanding the earlier unanimous-consent agreement?

Mr. BENNETT. Mr. President, I would have to object because we are not through presenting our case in opposition to the amendment.

The PRESIDING OFFICER. Objection is heard.

Mr. MONDALE. I might, at this point, then, use the short time offered to me by the Senator from Utah.

The PRESIDING OFFICER. The Senator from Minnesota is recognized for 5 minutes.

Mr. MONDALE. Mr. President, this amendment would substitute for the Stevenson-Pearson amendment a higher personal income tax exemption.

The PRESIDING OFFICER. The Chair would like to ask the Senator from Minnesota if the page numbers should be modified in line with the number adjustments.

Mr. MONDALE. Yes. I ask unanimous consent that the page numbers be adjusted to reflect the desired form.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. MONDALE. Mr. President, the Stevenson amendment makes the scheduled personal income tax exemption $700 retroactive to January 1, 1971. My amendment would increase the amount of that personal income tax exemption from $700 to $750 and also make it retroactive to January 1 of this year.

My reasons for suggesting this are based upon sound principles. I believe that the economy is being understimulated and that we need more purchasing power now to produce jobs and get people back to work.

Yesterday, in the Washington Post, there was a very strong article written by Walter Heller. He said that the key problem confronting the economy is that it is stagnant and flat. It is growing hardly at all, and surely not enough to provide the jobs we need.

My amendment is designed to treat this stagnation by increasing the amount of money in the hands of the average taxpayer. Stimulation must come from increased spending by the average citizen. The average consumer spends about 92 cents out of every dollar. The quickest way to get increased economic stimulation in the form of purchases of goods and services is to increase the amount of money in the hands of the average taxpayer.

Mr. President, that is the nature of my amendment.

Mr. BENNETT. Mr. President, I thank the Senator from Minnesota.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I yield 3 minutes to the senior Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 3 minutes.

Mr. PERCY. Mr. President, I shall regretfully have to oppose the pending amendment. My very distinguished colleague from Illinois knows my position, for we have had discussions on this point and we simply see the issue differently.

I firmly supported the gradual increase in personal exemptions to $750. In fact, my amendment to the tax bill then pending helped to bring about that provision. However, I do feel that the effect on consumer buying of the pending amendment will be very minimal. I think that to change the deduction at this time, at this late stage, when we have already spent $25 million to print and distribute the 1971 income tax forms, which could not be reprinted in time, would mean that taxpayers would have tax forms showing the exemption of $675. Millions of tax returns would be incorrectly filed. It would mean that Internal Revenue would have to recompute millions of tax returns and mail out refunds to millions of taxpayers.

It would create terrible confusion.

Increasing the exemption from $675 to $700, when we consider the average family of four with an income of perhaps $10,000, that would mean, at a 20-percent tax level, only $20 difference in their annual tax returns.

I do not think that will allow the economy to be significantly stimulated, particularly considering that Americans are already saving at an annual rate of 8.3 percent today.

Furthermore, I point out that an article published in the Outlook column of the Wall Street Journal today, states:

> The crescendo of the cash registers now grows loud enough for even the deaf to hear.

We cannot say today that consumer retail sales are not good. The articles states:

> October saw more than a million new cars sold in 1 month in the United States for the first time in history. The flow of new autos to streets and highways at such a clip offers little comfort to traffic jam sufferers, but it hardly bespeaks sluggish consumer buying power.

The article also points out that consumer durable goods, from bicycles to color TV sets, also sell at a brisk pace, and that the September furniture industry orders were a whopping 18-percent over a year ago.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield 1 additional minute to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for an additional minute.

Mr. PERCY. Mr. President, I ask unanimous consent that the entire article to which I have referred be printed in the Record at the conclusion of my comments.

There being no objection, the article was ordered to be printed in the Record, as follows:

### Appraisal of Current Trends in Business and Finance

Phase 2's coming finds the economy more steady in its course than the country's nerves. The stock market reflects the nerves. And, faced with the uncertainties of the wage-price-control fog at home and the worry about trade disruption on the global scene, the securities market has been a jittery barometer of late. But in the more basic market out on the firing line of retail trade, there has been little uncertainty. The crescendo of the cash registers now grows loud enough for even the deaf to hear.

October saw more than a million new cars sold in one month in the U.S. for the first time in history. The flow of new autos to streets and highways at such a clip offers little comfort to traffic jam sufferers, but it hardly bespeaks sluggish consumer buying power. And autos aren't alone. Other consumer durables, from bicycles to color TV sets, also sell at a brisk pace. September furniture industry orders were a whopping 18% above a year ago.

Much has been said about the importance of consumer spending in the recovery from the 1970 recession. And there has been considerable head-wagging about its "sluggishness." Against this backdrop, it will be well to trace the record of retail sales since last November (the recession low) to the present. The Commerce Department figures below show seasonally adjusted monthly sales in billions. (Rounded figures prevent totals from "adding" precisely.)

| Month | Total sales | Durable goods | Non-durables |
|---|---|---|---|
| November 1970 | $31.3 | $8.9 | $22.4 |
| December 1970 | 31.8 | 9.2 | 22.6 |
| January 1971 | 32.3 | 10.0 | 22.3 |
| February 1971 | 32.9 | 10.2 | 22.6 |
| March 1971 | 33.2 | 10.5 | 22.7 |
| April 1971 | 33.6 | 10.7 | 22.8 |
| May 1971 | 33.5 | 10.6 | 22.9 |
| June 1971 | 33.8 | 10.8 | 23.0 |
| July 1971 | 33.7 | 10.7 | 22.9 |
| August 1971 | 34.7 | 11.3 | 23.4 |
| September 1971 | 35.2 | 11.8 | 23.4 |
| October 1971 | 35.3 | 11.7 | 23.6 |

As a barometer of consumer buying sentiment, the important column above is the middle one. Spending on nondurables—such things as food, clothing, gasoline—is not affected too much by minor ups and downs in the economy. And thus the steady climb of only 5% in nondurable sales over the period held down the rise in total retail sales to only 13%.

But, hidden behind these lesser gains, sales of consumer durables are now clipping along 31% above last year's November low point.

Nor, contrary to much popular opinion, does this big gain in retail trade reflect mere inflation of prices. It is primarily an increase in physical volume. Nondurable goods retail prices are up somewhere in the 3% range from a year ago, but on durables, where the action is, the price increases from last November's level average closer to 2%.

There is nothing now to suggest that this consumer buying pace isn't going to continue. With the big Christmas merchandising season just ahead, a survey by this newspaper just last week found most interviewed retailers predicting holiday sales will top last year's by 8% to 10%. For the first time in many moons, some of the storekeepers even spoke of possible shortages developing in some lines. With productive capacity being what it is, the shortage talk probably shouldn't be taken too seriously, but it is symptomatic of activity on the retail front.

In line with rising retail sales is the third quarter Commerce Department report on the relation between the public's spending and its saving. While still high by historical standards at 7.7% of disposable personal income, the savings rate is now the lowest since early 1970.

Commerce Department calculators figured people were saving at an annual rate of some $58 billion in the third quarer. That was actually about half-a-billion dollars less than in the recession-low final quarter of last year. But the disposable personal income (after taxes) in this past quarter, put at an annual rate of over $749 billion, was up some $48 billion from the $701 billion figure of fourth-quarter of 1970.

If the strong and rising consumer buying surge continues, it is hard to escape the conclusion that swelling production must follow in its traces. And that indeed is what most economists are still predicting.

Taking cognizance of all the confusing uncertainties associated with the Phase 2 wage-and-price-control effort, New York's First National City Bank, in its Monthly Economic Letter, commented last week: "It is noteworthy, however, that these uncertainties have not colored assessments of the likely course of the economy in 1972, although they are a factor in the recent decline in stock prices. The consensus is that the rate of advance in real output in 1972 will be the most rapid in six years, and that it will be accompanied by a decline in the unemployment rate and a further slowdown in the rate of inflation."

The bank's economists appear to be more concerned about a possible resurgence of inflation in late 1972 or early 1973 than about a slowdown in the economy.

The widespread slashing of payrolls that kept consumers in such a nervous state throughout last year seems to be clearly past. From a level well under 4% at the end of 1969, the seasonally adjusted unemployment rate bounded steadily upward for a full year, reaching 6.2% in December of last year. While it hasn't fallen much since then, it has stopped rising. The latest figure (Oct.) was 5.8%.

One little-noticed trend laterly has been the increase in "temporary" employes on business-payrolls. It is explained on the ground that employers, feeling the need for more help, are following this course because they are reluctant to hire permanent employes until an economic uptrend has been fully established. This could herald the expansion of full-time payrolls.

There is no doubt that the Phase 2 confusion puts a wet blanket on business management's psychology. And there is no doubt that, to a lesser degree, worry about the foreign trade muddle does the same. Both involve uncertainty. Both foster a "wait and see" attitude. But the fog of uncertainty may clear sooner than expected. And, when it does, expansive forces could be quickly more evident.

JOHN O'RILEY.

Mr. PERCY. Mr. President, the article points out that from a low in November 1970, of $8.9 billion, durable goods sales increased to $11.7 billion by October 1971, and total retail sales have increased in the same period from $31.3 billion to $35.3 billion.

The steady increase in consumer retail sales is a strong indication that the confidence of the consumer is a great deal better than it is in Wall Street.

I do not think that an amendment coming at this late date that would cause tremendous confusion and cost the Treasury $900 million of needed funds, would be worthwhile on this particular point, particularly when we are cutting down on welfare and other humanitarian programs because we do not have the money to carry them on.

The money for these programs will have to come from somewhere. If we are going to help someone, should we not help those people who cannot even file income tax returns and today are being deprived of welfare checks, rather than giving it to those who do not need it nearly as much.

I agree that it is a wonderful proposal with an election coming on. I would like to vote for it and so would many of my colleagues. However, in good conscience, I cannot do so.

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 2 minutes.

Mr. MILLER. Mr. President, quite apart from the printing of the tax forms and their delivery to the taxpayers, it seems to me that the amendment does not meet the problem we are trying to solve.

In effect, it would mean that an individual in the low-income area would have $3.50 additional purchasing power. However, at the same time it would give a wealthy person in the higher bracket $17.50 purchasing power. The people in the $50,000, $60,000, and $70,000 bracket do not need any more purchasing power. They already have plenty. It is the people in the low area who need more purchasing power. If one believes in regressive taxation, he had better vote for the amendment.

If we take a look at the family consisting of husband, wife, and 6 children, and in the low-income tax bracket, that would mean $28 purchasing power. However, as to the person in the $70,000 bracket, it would give them $140 purchasing power. They do not need it.

The Mondale amendment would be even worse, and I will have more to say when that gets before the Senate.

It seems to me that we ought to get the purchasing power in the areas where it is needed. This is a repressive amendment. I hope it will be rejected.

Mr. MONDALE. Mr. President, will the Senator from Illinois yield for a question?

Mr. STEVENSON. Mr. President, I yield 4 minutes to the Senator from Minnesota.

Mr. MONDALE. Mr. President, one of the arguments in opposition to my amendment to increase the personal exemption to $750 in 1971 seems to be the cheery assumption that the economy is doing well and that economic growth is adequate.

I placed in the RECORD on Saturday a table showing growth of gross national product and consumption in real terms. In the second quarter of 1971, GNP grew 4.8 percent and consumption 6.2 percent. In the third quarter of 1971, and that is the latest figure, GNP increased by only 2.9 percent and consumption 3.6 percent. These are the latest official figures of the Bureau of Labor Statistics.

Does the Senator from Illinois feel that these growth rates are adequate to reduce unemployment and to increase productivity in this country?

Mr. STEVENSON. No. The gross national product in real dollars is now increasing at an annual rate of something less than 3 percent. That is not enough to even keep unemployment from rising. Consumer spending between the third quarter of 1970 and the third quarter of 1971 in real dollars increased by 3.9 percent. That compares with an average increase in the years from 1960 to 1966 of 4.8 percent.

The most recent figures indicate consumer spending is continuing to lag. Industry, as we know, is operating at only about 73 percent of capacity. So what is proposed? What is proposed are more and more tax concessions to industry so industry can modernize and improve plants that are only operating at 73-percent capacity.

What is needed to get the economy rolling is increased consumer demand which will automatically call forth greater utilization of already existing industrial capacity.

Mr. MONDALE. One argument which opponents of consumer tax relief use is the fact that automobile sales are rising. But the increase in auto sales as a result of the projected cut in the auto excise tax is an argument for similar tax relief in other areas. This is because consumer purchases of autos have been stimulated because, in effect, the excise tax cut puts money in the hands of the consumer if he buys a new car.

Mr. STEVENSON. It is an advantage to those consumers who are wealthy enough and who are in a position for one reason or another to buy an automobile and, as my distinguished colleague from Illinois pointed out, those consumers purchasing automobiles now are having an impact on the economy.

Mr. MONDALE. But the overall figures—unemployment figures—have not changed. We are at a level of economic activity which, if anything, probably will continue to result in an unacceptable level of unemployment.

Yesterday the Washington Post published an article by Walter Heller. He states that the gross national product must grow at the real rate of about 4.5 percent a year, if unemployment is not to rise. This is because labor productivity increases about 3 percent per year. The labor force grows at 1.5 percent, so that a 4.5-percent growth rate is essential just to maintain present unacceptable levels of unemployment.

The PRESIDING OFFICER (Mr. BYRD of Virginia). The time of the Senator from Minnesota has expired.

Mr. STEVENSON. I yield an additional minute to the Senator from Minnesota.

Mr. MONDALE. So if these figures are correct, the latest official figures which show gross national product growing at only 2.9 percent indicate that unemployment will probably increase, not decline. Does the Senator agree?

Mr. STEVENSON. I do agree. I think most economists would agree with Mr. Heller. They believe that what the economy needs most is a stimulus to consumer spending.

Mr. MONDALE. The effect of the Senator's amendment and the effect of my modification would be to move tax savings forward immediately so that money will get into the hands of the consumer immediately, rather than a year from now.

Mr. STEVENSON. The consumer would reap the benefits of this tax relief early next year. This would be an immediate benefit and have an immediate imimpact on the economy.

I commend the Senator for offering a very constructive substitute.

Mr. MONDALE. Mr. President, I ask unanimous consent to have printed in the RECORD the article by Walter Heller, to which I have referred, which was published in the Washington Post yesterday, and also two tables showing the Federal income tax burden under the present law, under the Revenue Act of 1971, and under my amendment.

There being no objection, the material was ordered to be printed in the RECORD, as follows:

### OUTPUT GAINS ANTI-INFLATIONARY: HELLER: EXPANSION A MUST

(By Walter Heller)

(Dr. Heller, former Economic Council chairman under Presidents Kennedy and Johnson, wrote the following article at the request of The Washington Post. He presently is professor of economics at the University of Minnesota.)

Conventional economic wisdom associates stimulation of demand with an increase in inflationary pressures. The fear of these pressures has perhaps stayed the hand of the White House in its new economic program. Why else would it have accompanied its bold wage-price and international monetary initiatives on Aug. 15 with such a weak-kneed program of fiscal stimulation?

The wait-and-see attitude at the Federal Reserve Board may also reflect a fear of rekindled excess demand inflation—wait and see if that $100 billion year really develops without moving from a supportive to an aggressive policy of monetary expansion.

The traditional answer to the "take-it-easy, inflation-is-just-around-the-corner" approach to economic expansion is based on the existing $70 billion GNP gap, 6 per cent unemployment, and 73 per cent operating rates in manufacturing. With this much slack, and no bottlenecks in sight, rising demand will express itself in rising output, more jobs, and higher incomes, not in higher prices.

At a time when excess demand is $70 billion away—a time when it will take three consecutive annual $100 billion advances in GNP just to catch up once more with our economic potential—bold fiscal and monetary expansion carries little risk of inflation.

But to argue that economic stack will keep expansion from being converted into inflation is essentially a passive or negative argument. Less well understood is the positive argument that, given reasonably effective wage-price restraint in Phase II, strong expansion will actually help subdue inflation. Strong expansion will generate the rising productivity that provides the vital grist for the mills of the Price Commission and the Pay Board in grinding out more moderate price and wage yardsticks as Phase II progresses.

Rising demand and rising output in today's slack economy quickly translate into rising output per man hour. Overhead costs are spread thinner. As more units of output are produced with the same machinery, equipment and plant, and without a corresponding increase in payrolls, average unit costs of output will fall.

Left to themselves, producers would be sorely tempted to capture most of this productivity surge in higher profits and higher wages, sharing little of their gains with consumers. The genius of an effective incomes policy, of successful Phase II wage-price restraints, will be to nudge business and labor into sharing their gains with consumers and thus convert rising output into receding inflation.

Within broad limits, the more rapidly output rises, the larger will be the productivity advance that the Price and Pay boards have to play with, i.e., to use in setting tough standards for prices and wages without unduly squeezing business profits and labor earnings.

For example, if productivity advances at a 4 per cent clip in 1972, the Pay Board's 5½ per cent yardstick for average pay advances would imply an increase in average unit labor costs of 1½ per cent. But if recovery lags and productivity crawls ahead at only a 2 per cent rate, a 5½ per cent wage standards would imply a 3½ per cent increase in unit labor costs, thereby making it far more difficult for the Price Commission to clamp a tight lid on prices.

On the more optimistic assumption of a 4 per cent productivity advance, converted into a tighter price yardstick and a consequent easing of inflation during 1972, the Pay Board would have less cost-of-living catch-up to build into its 1973 yardstick. It could then lower the 1973 pay standard a notch toward the 3 per cent trend growth in productivity.

In short, since productivity is the name of the game, rapid expansion is vital to the success of Phase II. And, in turn, success in Phase II will translate into more consumer and investor confidence and hence a stronger expansion.

Another vital interlock of expansion is with our international monetary and trade negotiations. On one hand, a successful reordering of exchange parities and a relaxing of trade barriers can make an important contribution to sound economic recovery. But again causation runs the other way as well. How can we expect our trading partners to bear the economic brunt of more expensive exports to us and cheaper imports from us unless we soften the blow by vigorous expansion of U.S. demand?

Given the current softness of many foreign economies, negotiations that will cut their exports and boost their imports are generating great unease and trepidation. To create an atmosphere within which your trading partners can come half way or even more we must be able to assure them that vigorous U.S. economic expansion will offset much of the adverse trade effect of renegotiated parties and lowered trade barriers.

In other words, U.S. negotiators have to be able to hold out the prospect of a strong favorable income effect as a short-run offset to to the negative price effects of U.S. initiative.

Give these imperatives, both the Price Commission and the Pay Board, not to mention our international monetary and trade negotiators should exact a firm "do-all-possible" pledge from the administration and the Federal Reserve System to assure speedy economic recovery in 1972. With much of the economy other than autos and housing still listless, the President should be calling on the Congress to step up the temporary tax relief in the bill which is now before the Senate.

The Senate should sharply enlarge personal income tax relief. Without compromising federal revenues in the longer run—when they will be needed for high-priority social uses and for the renewed battle against demand inflation when we reach full employment—a temporary tax reduction—for example, a "recover tax credit" of perhaps $100 per married couple—should be enacted for 1972.

This would add another $5 billion to disposable income, thus energizing consumer spending and putting some of our grossly underutilized industrial capacity (roughly a quarter of our manufacturing capacity is idle today) back to work.

Side-by-side with this action, the Congress should declare a moratorium on further payroll tax increase. What economic sense does it make to cut income and automobile taxes to stimulate the economy and then let $7½ billion in new payroll tax hikes in 1972 ($3 billion already in the law plus $4½ billion on the way via H.R. 1) to nullify much of the stimulative effect?

For better balance in the tax bill and to protect the revenues for the longer pull, the Senate should drop the depreciation liberalization (ADR's) completely and limit the 7 per cent investment credit to a two- or three-year period.

In short, bold expansionary policy is not only the fastest way to generate the jobs we desperately need, boost labor earnings and profits, and create incentives to increase capital spending for new capacity—but given reasonable vigilance in our price and wage board in Phase II, it will also be an effective engine of disinflation.

FEDERAL INCOME TAX BURDEN UNDER PRESENT LAW, UNDER THE REVENUE ACT OF 1971[1] AND UNDER THE MONDALE AMENDMENT, FOR 1971

[Assuming deductible personal expenses of 10 percent of income]

| | Present law | Committee bill | Saving over present law | Mondale amendment | Saving over present law |
|---|---|---|---|---|---|
| Married couple, 2 dependents: | | | | | |
| $4,000 | $52 | $35 | $17 | 0 | $52 |
| $5,000 | 206 | 178 | 28 | $133 | 73 |
| $7,500 | 607 | 578 | 29 | 527 | 80 |
| $10,000 | 1,019 | 1,000 | 19 | 943 | 76 |
| $12,500 | 1,469 | 1,446 | 22 | 1,380 | 89 |
| $15,000 | 2,018 | 1,996 | 22 | 1,930 | 88 |
| $20,000 | 3,110 | 3,085 | 25 | 3,010 | 100 |
| $25,000 | 4,352 | 4,324 | 28 | 4,240 | 112 |
| Married couple, no dependents: | | | | | |
| $3,000 | $97 | $84 | $13 | $63 | $34 |
| $4,000 | 254 | 230 | 24 | 208 | 46 |
| $5,000 | 422 | 386 | 36 | 362 | 60 |
| $7,500 | 853 | 829 | 24 | 800 | 53 |
| $10,000 | 1,266 | 1,257 | 9 | 1,228 | 38 |
| $12,500 | 1,754 | 1,743 | 11 | 1,710 | 44 |
| $15,000 | 2,310 | 2,298 | 12 | 2,260 | 50 |
| $20,000 | 3,456 | 3,442 | 14 | 3,400 | 56 |
| $25,000 | 4,764 | 4,748 | 16 | 4,700 | 64 |

[1] Figures are from pp. 88–89 of House report on H.R. 10947.

Mr. LONG. Mr. President, I would be happy to yield to anyone who wishes to speak on the amendment.

SEVERAL SENATORS. Vote! Vote!

Mr. LONG. Otherwise, I am ready to yield back our time.

Mr. STEVENSON. I am glad to yield back my time.

Mr. MONDALE. Mr. President, I call up my amendment, No. 582, as modified, and ask that it be stated.

The PRESIDING OFFICER. The amendment will be stated.

The amendment was read as follows:

On page 40, line 9, strike out "$675" and insert in lieu thereof "$750".

On page 40, line 15, strike out "$675" and insert in lieu thereof "$750".

On page 40, line 19, strike out "$675" and insert in lieu thereof "$750".

On page 40, line 21, strike out "$1,350" and insert in lieu thereof "$1,500".

The PRESIDING OFFICER. Who yields time?

Mr. HANSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. HANSEN. Do I understand that the unanimous-consent request proposed by the distinguished Senator from Minnesota may be acted upon only after all time has been yielded back?

Mr. MONDALE. Mr. President, will the Senator yield?

Mr. HANSEN. I yield.

Mr. MONDALE. This is not a unanimous-consent request.

The PRESIDING OFFICER. There was provision in the original unanimous-consent request for amendments to the amendment, with 20 minutes to a side.

Mr. HANSEN. I thought an earlier ruling indicated that the proposal now before the Senate made by the Senator from Minnesota (Mr. MONDALE) could not be acted upon until all time had been yielded back. Am I correct?

The PRESIDING OFFICER. All time has been yielded back.

Mr. HANSEN. On both sides?

The PRESIDING OFFICER. Yes.

Mr. MONDALE. Mr. President, I yield myself 5 minutes. How much time is available?

The PRESIDING OFFICER. Ten minutes to a side.

Mr. MONDALE. Mr. President, the arguments made by the distinguished Senator from Illinois and his cosponsor, the Senator from Kansas (Mr. PEARSON) for a $700 exemption retroactive to January 1, 1971, apply to my substitute to raise the personal exemption to $750 retroactive to the same date.

The biggest missing element in this Nation's economic policy today is adequate concern about stimulating growth to provide employment and industrial productivity. I am surprised that the administration continues to underestimate the need to deal with that problem. Yesterday the article in yesterday's Washington Post by one of the Nation's most distinguished economists, Dr. Walter Heller, stresses this point. In the article Professor Heller points out that such growth is absolutely essential. He points out that growth is the best prescription for fighting inflation because the more the economy expands, the more the fixed costs are spread over greater volumes of output, and the better able industry is to live within the confines of the present economic control program. With growing output, industry can have stable prices and expanded profits. We faced the same issue in the early 1960's when we had a similarly sluggish economy with under use of productivity and high unemployment. We began first with the strategy to improve business profits and to try to increase business purchases, the 7-percent tax credit.

Walter Heller points out it did not work out as well as anticipated; that it only began to work effectively when it was coupled with a tremendous tax reduction for the average consumer in 1962 or 1963. It was only then that the economy began to move and to achieve the rapid and impressive economic growth rates which are now a part of history of the mid-1960's.

Mr. LONG. Mr. President, I yield myself 2 minutes.

The pending amendment would increase the cost of the Stevenson amendment up to a figure of $2.7 billion. The objections to the Stevenson amendment spelled out by the distinguished Senator from Utah and other Senators would apply to this amendment, the principal one being that it would greatly increase the revenue loss. Most people would not get this benefit until they filed their tax returns, and it would make the tax return forms obsolete. It would also involve a very heavy revenue loss.

It is difficult to see how this amendment could encourage people to engage in further productive endeavor, because it applies to a tax liability that has already been incurred.

For that reason, Mr. President, it would seem to me that every argument that supports the side against the Stevenson amendment would apply with much greater force to the Mondale amendment, because it would greatly increase our deficit. It is difficult to see how it would provide any stimulating effect on our economy that would make a difference in the short run. For that reason, I would be compelled to vote against it.

Mr. BENNETT. Mr. President, I would just like to take a minute or so to express my agreement with the position taken by the chairman of the committee. We can get carried away with our enthusiasm for providing tax relief until we have no income left. We are now engaged in a game of leapfrog, one man trying to leap over the other man and increase the benefits the other man has offered. I think it is a pretty expensive game to play at $900 million to $1 billion per leap.

I hope the Senate will realize that, tempting as these suggestions are, we have the responsibility of providing the revenue on which this Government operates. I am sure that many of those who see the glittering temptation of tax amendments also are anxious to have the Government increase its expenditures for programs that are just as politically desirable as tax decrease. We cannot have it both ways.

So I hope the Senate will reject both the amendment of the Senator from Minnesota and the Senator from Illinois, for which the former is a substitute.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I would like to ask the Senator from Illinois if he is in support of the amendment of the Senator from Minnesota.

Mr. STEVENSON. I intend to vote for the substitute amendment.

Mr. LONG. If the Senator intends to vote for it, then I would ask unanimous consent that the Senator have the privilege of modifying his amendment to accept the amendment of the Senator from Minnesota.

The PRESIDING OFFICER. Is there objection?

Mr. STEVENSON. Yes, Mr. President, I must object.

The PRESIDING OFFICER. Objection is heard.

Mr. LONG. It would seem to me then, Mr. President, if the Senate wants to do this, we may as well find out by one rollcall rather than two. I am prepared to yield back my time, and when I do, I will then move to table the amendment, which would carry this amendment with it.

I ask the Chair if that is not correct—that a motion to table the Stevenson amendment would carry with it the Mondale amendment.

The PRESIDING OFFICER. The Senator from Louisiana is correct.

Who yields time?

Mr. MONDALE. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MONDALE. The amendment offered by the Senator from Minnesota is in the nature of a substitute, and I do not believe the motion to table my amendment also underlies the amendment for which I seek to offer a substitute.

The PRESIDING OFFICER. The Senator from Louisiana stated he would move to table the amendment offered by the Senator from Illinois. If that motion prevailed, it would take with it the amendment of the Senator from Minnesota.

Mr. MONDALE. Mr. President, a further parliamentary inquiry. Is that the pending business? The pending business, I understand, is the amendment which I have offered.

The PRESIDING OFFICER. The Chair will read from page 643 of Senate Procedure, under "Rule XXIII, Amendment, Tabling of":

> An amendment to a bill may be laid on the table without prejudice to that bill . . .

The section pertinent to the inquiry of the Senator from Minnesota reads:

> an amendment to which an amendment has been proposed and is pending, may be laid on the table, and if such a motion is agreed to, the amendment proposed thereto is carried with it.

Who yields time?

Mr. MONDALE. I yield myself 1 minute. My amendment is in the nature of a substitute, but I shall not argue that.

Permit me to say this: It is strange that mammoth, $2 billion tax cuts for big business are called manageable and are said to be good for the economy, but $10, $15, or $20 to the average citizen in the form of tax relief is called an irresponsible fiscal act. This is especially strange in light of the fact that most economists who are respected in this society say that the major economic problem today is the understimulation of the economy, and that the best way to stimulate the economy is to increase purchasing power.

I think the economists are right. There is another theory put forward by those who oppose tax relief to consumers because they say it is irresponsible. These people think that if you just keep giving big business more and more and more money, a little bit of it will trickle down and the average American might spend some of it. I disagree with that philosophy. I do not think it will work. I do not think when it has been tried it has worked.

For example, I ask unanimous consent to have printed in the RECORD at this point an article entitled "Money in the Till," written by Alfred L. Malabre, Jr., and published in the Wall Street Journal of October 22, 1971, showing that American big business is surfeited with cash, with rising and dramatic increases in cash flows for the American corporation, and the article points out that the accelerated depreciation bonanza of $4 billion given to big business has helped do that.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Wall Street Journal, Oct. 22, 1971]

### MONEY IN THE TILL: FIRMS REPLENISH CASH, TRIM THEIR SHORT-TERM DEBT

(By Alfred L. Malabre, Jr.)

However sluggish some aspects of the business recovery may be, one long-depressed item is making a strong comeback—corporate cash.

Less than 18 months ago, business analysts were openly wondering whether the financial collapse of the cash-starved Penn Central Transportation Co. would be merely the opening round in a series of major bankruptcies. Today, many corporations are still low on cash, but the general picture is much brighter than after the Penn Central failure.

John Gorman, an economist at the Commerce Department, voices the opinion of many analysts in and out of government. "The fact hasn't received much attention, but we've witnessed a vast improvement in the financial positions of corporations during the past year or so," he says, "I regard this as a very healthy development."

#### A "DRAMATIC" CHANGE

A. Gary Shilling, chief economist of Estabrook & Co., a New York securities firm, agrees. "There's no question that many corporations have managed to put their houses in order," he declares. "The change from the cash-hungry situation that prevailed a year ago is dramatic."

The trend can be glimpsed in government statistics that show the amount of cash held by corporations and the amount of their current liabilities, or obligations that must be paid within a year. The dollar figures in the table below are in billions.

| | Corporate cash | Current liabilities |
|---|---|---|
| 1969: | | |
| 3d quarter | $66.3 | $330.9 |
| 4th quarter | 67.6 | 342.7 |
| 1970: | | |
| 1st quarter | 65.4 | 347.7 |
| 2d quarter | 63.2 | 352.7 |
| 3d quarter | 63.0 | 353.6 |
| 4th quarter | 66.6 | 355.2 |
| 1971: | | |
| 1st quarter | 65.9 | 356.5 |
| 2d quarter | 68.9 | 356.3 |

Since the pit of the 1969–70 recession, the table shows, corporations have added nearly $6 billion in cash to their coffers. Still more significant, in the view of many economists, there has been a sharp slowing in the long climb of current liabilities. In fact, the liabilities actually fell slightly in the second quarter, the latest period for which data are available. This marks the first decline in 13 years.

The improving ability of corporations to pay their bills can be seen by measuring their cash as a percentage of their current liabilities. In the third quarter of 1970, this so-called corporate liquidity ratio stood at only 17.8%, down from 20% a year earlier. In the latest 1971 quarter, the ratio was back up to 19.3%, higher than at any time since late 1969.

"I would not have thought it possible for this much progress to be made in such a short period of time," says Tilford Gaines, chief economist at New York's Manufacturers Hanover Trust Co.

Analysts attribute the improvement in the liabilities picture chiefly to the fact that many corporate treasurers, frightened by the Penn Central's failure to pay its bills, have been scrambling to convert their companies' short-term debt, such as bank loans, into long-term debt, such as bond issues. Long-term debt, of course, must eventually also be paid off, economists note. But at least, as the government's Mr. Gorman puts it, the settlement dates have been "shoveled into the future."

#### THE ROLE OF PROFITS

The climb in corporate cash in recent quarters partly reflects the fact that corporate profits have been on the increase. After-tax profits in the second quarter, the latest period for which figures are available, amounted to $46 billion, at an annual rate, up from a recession low of $39.2 billion in the final three months of 1970. While a decided improvement, the recent rise still leaves the after-tax profit level slightly below the total for as long ago as 1965, when a dollar was worth about 25% more than today.

The main factor in the corporate cash buildup, economists claim, is the rapidly rising amount that companies have recently been deducting from pre-tax profits for the depreciation of such fixed assets as machine tools. While they don't appear as profits in company earnings reports, these depreciation funds are nearly as good as profits, according to analysts. Cash from depreciation, for example, can be used to meet all sorts of corporate expenses, including the purchase of additional machinery, which can lead in turn to larger profits.

"Unquestionably, profits backed by heavy depreciation funds are worth more than profits that are not," says an analyst at Chase Manhattan Bank. The table below pinpoints the rise of depreciation funds, as well as the profit picture, since mid-1969. The figures, at seasonally adjusted annual rates, are in billions, and the last column, titled cash flow, represents the sum of columns one and two.

| | Profits | Depreciation | Cash flow |
|---|---|---|---|
| 1969: | | | |
| 3d quarter | $43.0 | $51.9 | $94.9 |
| 4th quarter | 42.3 | 53.2 | 95.5 |
| 1970: | | | |
| 1st quarter | 41.5 | 54.4 | 95.9 |
| 2d quarter | 41.3 | 55.7 | 97.0 |
| 3d quarter | 42.9 | 56.7 | 99.6 |
| 4th quarter | 39.2 | 58.0 | 97.2 |
| 1971: | | | |
| 1st quarter | 42.9 | 62.6 | 105.5 |
| 2d quarter | 46.0 | 64.0 | 110.0 |

As Phase 2 of President Nixon's new economic program approaches, much has been made of the lagging profit record—especially by management spokesmen fearful of any move to control profit increases in coming months. A statistic frequently cited is that after-tax profits now amount to less than 5% of gross national product, the lowest rate since before World War II.

When the big rise in depreciation is taken into account, however, the picture appears much less gloomy. In fact, cash flow has recently been climbing even as a percentage of GNP, and currently it about matches the rate that prevailed in the early 1960s, when business activity was expanding rapidly. A major factor in the especially rapid rise of cash flow this year was the Treasury Department's decision last June to liberalize depreciation regulations, retroactive to Jan. 1, 1971. Economists say one effect of this move, which is being challenged in the courts and may well be scaled down in Congress, has been to make corporations seem more starved for cash than they really are.

Many economists view the improved financial status of most corporations as a solid plus in the business outlook for the months just ahead. A major reason that the business recovery has been disappointingly sluggish, many say, is the fact that since the Penn Central collapse, corporations have been using available funds increasingly to trim their short-term debt, rather than to buy, say, new machinery, an expenditure that would spur business activity.

Looking ahead, many analysts anticipate that, with healthier financial positions, corporations will be more apt to channel available funds into spending that will tend to lift economic activity. "Until now, corporate efforts to rebuild liquidity have acted as a sort of sponge, sopping up funds that would otherwise be spent on new facilities," says an analyst at New York's First National City Bank. "Now, however, the sponge isn't so dry anymore, and as a result we should begin to see more corporate money moving into areas that contribute directly to economic growth, new jobs and so on."

A dramatic example of improved financial strength is provided by Norfolk & Western Railway, a company whose balance sheet appeared exceptionally strong even during the 1969–70 recession. In the first six months of 1971, the carrier's cash holdings jumped about $21 million, while its current liabilities remained approximately unchanged. As a result, N&W's liquidity ratio soared to 63% at midyear, up from an already-healthy 49% at the end of 1970. Hamilton M. Redman, vice president for finance, explains that during 1970 "everybody suddenly realized that the balance sheet needed much more attention than it had been getting."

Economists generally believe President Nixon's new economic policy certainly won't hurt corporations' financial strength, and most predict that the new measures will help strengthen corporate finances, to the extent that they lead to a more vigorous economic recovery. In any event, most forecasters are convinced that corporate profits are in the middle of a sustained rise, a trend that obviously would further strengthen corporate balance sheets.

Normally, such a rise in profits would be followed by a boost in dividend payments. But the Nixon administration has placed heavy pressure on corporations not to increase dividends while the fight against inflation goes on. As a result, some analysts say, corporations will find themselves with even more cash than would normally be kept on hand after an improvement in operations. Mr. Shilling of Estabrook predicts that at least some of this would-be dividend money will be used instead to pay off debts.

Mr. MONDALE. What is needed are purchasers buying commodities, so that production can increase, people can be put back to work, and idle productivity put back to work.

That is what this country needs, that is responsible, and I believe that if we proceed in that way, we will have the kind of economy that can fight inflation, give people jobs, and deal with the tremendous unmet social needs of this country. That is what needs to be done, and those who consistently resist every attempt to help the average taxpayer, but stand and sing "Glory Hallelujah" for every extra billion dollars we give to big business, I think, are going to have some tough questions from the American voters in the next election, and they should have.

Mr. LONG. Mr. President, let me make it clear that I asked unanimous consent that if the Senator from Illinois wanted to agree to the substitute amendment, we let him accept it as a modification of his amendment. That was declined by the mover of the amendment.

It seems to me, if the Senate wants to get into this particular area, there are all kinds of ways to provide additional tax cuts, if we want to do it. I have voted for some of them myself that have cut revenues considerably more than the Stevenson amendment, although I would think, as a matter of fiscal responsibility, that it might be well to insist that there be some reduction of other tax reductions in the bill to cushion the cost to the public of putting in these additional cuts.

I should think that Senators would have all the opportunities they want to vote for all the tax cuts they want. There will be additional choices, beyond the choices we have voted for. If Senators want to, they can vote to repeal the whole Internal Revenue Code before this bill is behind us. But I should think we could get on with the job by disposing of this matter, if the Senate is so disposed, by one vote. If the motion to lay on the table does not carry, we can see if the Senate wants to increase this matter so as to lose $2.7 billion rather than just $1 billion.

But when it is appropriate, I shall move to lay on the table the Stevenson amendment, which would carry the amendment to the amendment with it, just to get on with the business of the Senate.

The PRESIDING OFFICER. The Senator's 1 minute has expired.

Mr. LONG. I am ready to yield back the remainder of my time, if Senators on the other side will yield back theirs.

The PRESIDING OFFICER. Does the Senator from Minnesota yield back the remainder of his time?

Mr. MONDALE. Yes. Mr. President, I withdraw my amendment.

The PRESIDING OFFICER. The amendment is withdrawn.

Several Senators addressed the Chair.

Mr. LONG. I yield to the Senator from Iowa.

The PRESIDING OFFICER. All time on the original amendment has expired.

Mr. MILLER. Mr. President, if the pending amendment in the nature of a substitute has been withdrawn, I shall withhold my remarks. I thank my colleague for yielding.

The PRESIDING OFFICER (Mr. BYRD of Virginia). All time having expired, the question is on agreeing to the amendment of the Senator from Illinois (Mr. STEVENSON).

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLER. I thought the Senator from Louisiana was going to move to table the amendment by the Senator from Illinois.

Mr. LONG. Mr. President, I ask unanimous consent that I may have just 1 minute.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. LONG. I was intending to move to table only because I wanted to see if the Senate wanted to conclude its engagement in this area by one vote rather than two. But if we are to have just one vote on the Stevenson amendment, I have no objection to voting on it up or down, on its merits.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Illinois (Mr. STEVENSON). On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. McGOVERN), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Minnesota (Mr. HUMPHREY). If present and voting, the Senator from South Carolina would vote "nay" and the Senator from Minnesota would vote "yea."

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES) would vote "yea."

Mr. SCOTT. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from New Hampshire (Mr. COTTON), the Senator from Nebraska (Mr. CURTIS), the Senator from Idaho (Mr. JORDAN), the Senator from South Carolina (Mr. THURMOND) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Alaska (Mr. STEVENS) and the Senator from Ohio (Mr. SAXBE) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Tennessee (Mr. BROCK) and the Senator from Michigan (Mr. GRIFFIN) are detained on official business.

If present and voting, the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. CURTIS) and the Senator from Texas (Mr. TOWER) would each vote "nay."

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Minnesota (Mr. HUMPHREY). If present and voting, the Senator from South Carolina would vote "nay" and the Senator from Minnesota would vote "yea."

The result was announced—yeas 38, nays 44, as follows:

[No. 332 Leg.]

YEAS—38

Allen
Bayh
Burdick
Byrd, W. Va.
Cannon
Case
Chiles
Church
Cranston
Eagleton
Fulbright
Gravel
Harris
Hart
Hatfield
Inouye
Jordan, N.C.
Kennedy
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Pastore
Pearson
Pell
Proxmire
Ribicoff
Sparkman
Stevenson
Symington
Tunney
Williams

### NAYS—44

Aiken
Anderson
Baker
Beall
Bellmon
Bennett
Bentsen
Bible
Boggs
Brooke
Buckley
Byrd, Va.
Cook
Cooper
Dole
Dominick
Eastland
Ellender
Ervin
Fannin
Fong
Gambrell
Goldwater
Gurney
Hansen
Hollings
Hruska
Javits
Long
McClellan
Miller
Packwood
Percy
Randolph
Roth
Schweiker
Scott
Smith
Spong
Stafford
Stennis
Taft
Weicker
Young

### NOT VOTING—18

Allott
Brock
Cotton
Curtis
Griffin
Hartke
Hughes
Humphrey
Jackson
Jordan, Idaho
McGovern
Montoya
Mundt
Saxbe
Stevens
Talmadge
Thurmond
Tower

So Mr. STEVENSON'S amendment was rejected.

### UNANIMOUS-CONSENT AGREEMENT ON AMENDMENT NO. 654

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on amendment No. 654 by Mr. HOLLINGS there be 2 hours to be equally divided between the able mover of the amendment and the distinguished manager of the bill, and that time on any amendment thereto, motion, or appeal, with the exception of nondebatable motions, be limited to 30 minutes, to be divided equally between the mover of such amendment in the second degree, motion or appeal and the manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. MILLER. Mr. President, reserving the right to object, may I ask a question? I understand we are operating under a 1-hour limitation now. This request would extend that to 2 hours.

Mr. BYRD of West Virginia. No. This would have nothing to do with the amendment now pending.

Mr. MILLER. I understand that, but I understand further that we are operating under a 1-hour limitation on all amendments.

Mr. BYRD of West Virginia. No; that is not correct. May I say, most respectfully, we are operating just from amendment to amendment, with no general understanding as to time.

Mr. MILLER. May I ask my colleague from West Virginia what the amendment is about?

Mr. BYRD of West Virginia. The distinguished Senator from South Carolina is here.

Mr. President, I ask unanimous consent that this little bit of time not be charged.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. Mr. President, amendment No. 654 deals with sales and property tax reimbursement, which I presented before the Finance Committee.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request made by the Senator from West Virginia?

Mr. BENNETT. Mr. President, I have no objection.

The PRESIDING OFFICER. The Chair hears no objection to the unanimous-consent request, and it is so ordered.

Mr. BYRD of West Virginia. Mr. President, if the Senator will yield futher, I ask unanimous consent that amendment No. 654 be laid before the Senate upon the disposition of amendment No. 655, which is the amendment by the Senator from Alabama (Mr. SPARKMAN).

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on amendment No. 653 by Senator HOLLINGS there be a time limitation of 1 hour, the time to be equally divided between the mover of the amendment and the manager of the bill; provided further, that on any amendment in the second degree, motion or appeal, with the exception of nondebatable motions, there be a limitation of 20 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that amendment No. 653 be called up upon the disposition of amendment No. 654.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that on an amendment to be offered by the Senator from Indiana (Mr. BAYH), on accelerated depreciation, there be a time limitation of 1 hour, to be equally divided between the mover of the amendment (Mr. BAYH) and the manager of the bill (Mr. LONG); provided further, that on any amendment in the second degree, motion or appeal, with the exception of a nondebatable motion, there be a limitation of 20 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the amendment by Mr. BAYH be laid before the Senate upon the disposition of amendment No. 653 by Mr. HOLLINGS.

The PRESIDING OFFICER. Without objection, it is so ordered.

### AMENDMENT NO. 655

The PRESIDING OFFICER (Mr. BYRD of Virginia). Pursuant to the previous order, the Chair now lays before the Senate amendment No. 655 which the clerk will report.

The legislative clerk read as follows:

Add at the end of title III thereof a new section as follows:

SEC. 316. (a) Section 103(c)(4) of the Internal Revenue Code of 1954 (relating to certain exempt activities) is amended—

(1) by striking out in subparagraph (E) "energy, gas, or water, or" and by inserting in lieu thereof "energy or gas,";

(2) by striking out the period at the end of subparagraph (F) and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following:

"(G) facilities for the furnishing of water, if available on reasonable demand to members of the general public."

(b) Section 103(c)(6) of such Code (relating to exemption from industrial development bond treatment for certain small issues) is amended—

(1) by striking out "$1,000,000" in subparagraph (A) and by inserting in lieu thereof "$5,000,000"; and

(2) by striking out subparagraphs (D), (E), (F), (G), and (H).

(c) The amendments made by this section shall apply with respect to obligations issued after January 1, 1969.

### ORDER OF BUSINESS

Mr. RIBICOFF. Mr. President, could I ask unanimous consent to have this amendment postponed, as I have an amendment to the amendment which is in the process of being drawn up and which is not out of the typewriter yet.

Mr. McCLELLAN. Mr. President, reserving the right to object——

The PRESIDING OFFICER. Who yields time?

Mr. SPARKMAN. Mr. President, I ask unanimous consent that we may have a short discussion, without the time being charged to either side.

Mr. BYRD of West Virginia. Mr. President, reserving the right to object——

The PRESIDING OFFICER. Is there objection?

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that that discussion be limited to 2 minutes.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. SPARKMAN. Mr. President, I want to ask the Senator from West Virginia, what would be the next amendment and how long would it take?

Mr. BYRD of West Virginia. Mr. President, in response to the inquiry of the able Senator from Alabama, the next amendment which has been clocked into the program, by unanimous consent, following the Sparkman amendment, will be an amendment by the distinguished Senator from South Carolina (Mr. HOLLINGS) on which there is a time limitation of 2 hours. That would be followed by another amendment by the Senator from South Carolina (Mr. HOLLINGS) on which there is a limitation of 1 hour. That would be followed by an amendment by the distinguished Senator from Indiana (Mr. BAYH) on which there is a limitation of 1 hour. That makes a total of 4 hours, not counting the time for rollcall votes or any time on amendments in the second degree, motions, or appeals.

Mr. SPARKMAN. I had assured the Senator from Arkansas, after getting clearance with the leadership, that this amendment would be called up in the early afternoon because the Senator has to leave and he was very much interested in the amendment.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that 1 additional minute be allowed for this colloquy.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. McCLELLAN. Mr. President, I have the same understanding of the leadership. I do not want to oppose anything the Senator from Connecticut has in mind, but I want to be here to support the amendment and to be able to vote for it.

Mr. RIBICOFF. My feeling is, in view of the fact that the Senator has half an hour, by the time his time expires my amendment will be out of the typewriter.

Mr. SPARKMAN. Very well. We will go ahead.

### PRIVILEGE OF THE FLOOR

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent on behalf of the Senator from Connecticut (Mr. RIBICOFF) that Mr. John Koskinen and Mr. Theodore Leary of his staff be allowed the privilege of the floor during consideration of the Sparkman amendment and any amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Who yields time?

Mr. SPARKMAN. Mr. President, I ask unanimous consent that Mr. Robert Locklin of my staff also be permitted the privilege of the floor during consideration of this amendment and any amendments thereto.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, at the request of the Senator from Maine (Mr. MUSKIE), I ask unanimous consent that Richard Fay be allowed on the floor of the Senate, except during rollcall votes, while the Senate is debating H.R. 10947.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, do I correctly understand that we have 30 minutes to a side on this amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. SPARKMAN. I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Alabama is recognized for 5 minutes.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the names of the Senator from Arkansas (Mr. FULBRIGHT) and the Senator from West Virginia (Mr. RANDOLPH) be added as cosponsors of this amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, this amendment has to do with industrial development bonds. Senators will recall that several years ago, the Congress authorized tax-exempt status for industrial development bond issues not exceeding $5 million. During the time that Congress was considering this legislation, as a part of a compromise worked out with the Treasury Department, the section providing exemption for these small issues made the further provision that the exemption be available only if the total capital expenditures made on the development project during the 6-year period beginning 3 years before the date of the bond issue and ending 3 years after that date did not exceed $5 million.

Mr. President, this provision in the law has created a number of problems. Obviously, when one of these exempt bond issues is used, the industry for which it is used is limited in the amount of further capital expenditures that it, or anyone else, may make on the industrial development project. This is because of the fact that, under the law as presently written, should the capital expenditures on the project amount to $1 more than $5 million during the 6-year period, the tax-exempt status of the bonds is lost. This not only affects the marketability of the bonds; it brings about numerous requests for tax rulings on the question of what constitutes a capital expenditure, and, more important, it has the effect of discouraging industrial expansion.

Mr. President, this provision in the law has simply created so many problems that it has seriously hindered the utilization of this very fine program which contributes so much to industrial development. My amendment will clear up this provision in the law by doing away with the 6-year limitation on capital expenditures. If my amendment is adopted, the tax exemption will continue to be limited to issues of no more than $5 million. The amendment simply removes the restriction against further capital expenditures. Of course, if further capital expenditures are made and if they are financed by bonds, those bonds would be taxable.

Mr. President, there is the provision in the law that the limitation on these bond issues will not apply to issues which are used to provide various kinds of public facilities, one of which is water systems. However, this provision has been interpreted by regulations insofar as water systems are concerned to cover only water systems which serve a single municipality or two counties, whichever is the greater. In many areas of the country, there is a need for water systems which serve more than two counties.

Accordingly, my amendment would also remove this restriction.

Mr. President, the exemption in our tax laws for small issues of industrial development bonds has made a tremendous contribution to industrial development throughout the country. It has been especially helpful in providing jobs in rural areas of the country. All Senators are aware, I am sure, of the great need to provide jobs in rural areas in order to halt the increasing urbanization of our population. I do not mean to say that this program has not been helpful in urban areas. It has. But it has truly made a significant contribution in rural America.

Mr. President, I reserve the remainder of my time.

Mr. President, I yield 5 minutes to the Senator from Arkansas (Mr. McCLELLAN).

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 5 minutes.

Mr. McCLELLAN. Mr. President, I wish to commend the distinguished Senator from Alabama for offering this amendment, and I am very happy that I am permitted to cosponsor it.

Mr. President, national attention has been focused on the pressing plight of our cities for so long and with such intensity that we have often overlooked the equally pressing problems of our rural areas.

Today, however, that situation is changing and concern over the deteriorating economic conditions of many of our rural sections is being voiced daily. The President has spoken on the issue many times. And in the last Congress more than 40 bills were introduced dealing with rural problems.

During the latter part of the 91st Congress, I urged the President in Senate Resolution 463, to adopt and implement a national policy which would encourage industry to decentralize and expand in rural areas. Thirty-eight Senators cosponsored that resolution. This year I introduced S. 10, a more comprehensive version of that resolution. To date 43 Senators have joined me in cosponsoring this bill. I am hopeful of getting this bill passed during this Congress. Some hearings have been held and more are to be scheduled.

Mr. President, S. 10 has a dual objective—to revitalize withering, rural economies while at the same time giving urban areas—especially our decaying and compacted inner cities—an opportunity to concentrate on their own programs of revitalization and restoration.

S. 10 is not a complicated bill. It would simply establish a national growth policy by encouraging rural development and thereby reverse present migration trends which only serve to further drain the ebbing resources of our major cities.

The pending amendment to the tax bill to remove restrictions on the $5 million limitation on tax-exempt industrial development bonds is, I believe, another effective way to help develop rural America. Certainly, it is in keeping with the expressed concern over trying to help some of our job-starved rural areas. As members know, present law prohibits public financing support of large projects by limiting the capital spending of the recipient firm to a total of $5 million in any one location over a period of 3 years before and 3 years after the issue. In my judgment this limitation should be removed, thereby providing much more flexibility to municipalities which are trying to build an industrial base and generate jobs.

My own view is that the Senate should seriously consider raising the limitation from $5 million to $10 million. Certainly at today's inflated prices an increase to $10 million is modest.

The industrial development bond is a simple, straight-forward method of helping the rural areas to help themselves. It does not involve a big new Government agency or a complex Federal administrative apparatus. It simply gives the people an opportunity to use this developmental tool as a means to grow and to create new jobs.

Prior to 1968 municipalities had the authority to issue tax-exempt industrial bonds. In 1968 the issues were limited first to $1 million and then to $5 million with certain restrictive provisions. I was pleased to join with the Senator from Nebraska (Mr. CURTIS) in sponsoring legislation to increase the limitation to $5 million (S. 3782, 90th). That increase was subsequently incorporated into law by way of an amendment to a revenue act. The House accepted the increase to $5 million; however, it did impose restrictions which were written into the final law. The limitation and restrictions were deemed necessary since there were apparently some abuses in the authority.

Mr. President, I concur in the need to place a reasonable limitation on the authority—a limitation that gives due regard for Federal revenues—and I have no reservations about imposing appropriate restrictions to curb any possibilities of abuses.

In my judgment, however, we are unnecessarily restricting and hampering rural growth by unrealistic limitations on these issues.

Mr. President, our rural areas need help.

If we want to be constructive and successful in our efforts to put rural America back into the economic mainstream;

If we want to effectively implement our concern about the lack of jobs in those areas;

If we are ever to reverse the migratory trends that are depleting the countryside and adding to the big-city woes, then we should adopt this modest amendment.

Mr. President, this is what has happended in my State with respect to this amendment.

According to information furnished by the Arkansas Industrial Development Commission, Arkansas has had 306 issues of industrial bonds since June 16, 1959, in the amount of $667,594,350. The industries involved employ 50,553.

Since the limitation on these bonds was put into effect in October 1968, there have been 61 issues in the amount of $114,188,000 to plants employing 7,909.

Thus, in the 9 years before the limitation, average annual issues totaled $61,489,593 with a resulting average total jobs amounting to 3,738. In the 3 years since the limtation was placed on industrial bonds, the average annual issues totaled $38,062,783 with jobs averaging 2,636.

| *Average annual issue* | *Jobs* |
|---|---|
| $61,489,593—Prelimitation | 3,738 |
| $38,062,783—Postlimitation | 2,636 |
| $23,426,810 | 1,102 |

In other words, Mr. President, the annual growth rate was 1,100 jobs greater before the limitation was imposed than at the present time.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield the Senator from Arkansas 1 additional minute.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 1 additional minute.

Mr. McCLELLAN. Mr. President, these jobs that are being kept in my State are responsible for relieving the pressure on the big cities and congested centers of this country where people go to find jobs. If they cannot find jobs, they wind up on the relief rolls.

For this reason, it is much cheaper to grant this tax exemption. It is much more economical when the Government provides these jobs where the people are born and raised than to pay the welfare costs arising from their relocation.

States are not able to finance the bonds without this tax exemption. Without it the people will go into the metropolitan centers where they cannot find jobs and then go on welfare where they become a burden to that community and a burden to the Government.

The amendment should be agreed to.

Mr. LONG. Mr. President, I favor the amendment. I yield to the Senator from Arizona.

Mr. FANNIN. Mr. President, I yield myself 5 minutes.

The PRESIDING OFFICER. The Senator from Arizona is recognized for 5 minutes.

Mr. FANNIN. Mr. President, I certainly agree that we want to help provide jobs for our people. At the same time, we do have problems as to how it is done.

Mr. President, this amendment to section 103 of the Internal Revenue Code would again open the door to abuse in the area of sale—and lease back of property by municipalities to corporations for the purpose of unfairly enticing corporations to relocate at the expense of the Federal Government.

Section 103 of the code, provides that interest on obligations of State and local governments generally is exempt from Federal income tax. The term "obligations" means some kind of a written instrument executed by the State or political sub-division thereof, in the exercise of its borrowing power.

The Revenue and Expenditure Control Act of 1968 withdrew tax exempt status from industrial revenue bonds which State and local governments were using to finance and attract private industrial development within their jurisdictions. This legislation applies generally to industrial development bonds issued after April 30, 1968, and was intended to prevent State and local governments from abusing the tax-exempt status of their obligations by using it as a basis for interstate competition to attract industry. The legislation, however, provides a special exemption for industrial development bonds which are part of an issue of $1 million or less and where substantially all of the proceeds from the issue are used first to acquire, construct, reconstruct, or improve land or depreciable property, or second to redeem all or part of a prior bond issue which was issued to acquire the property described above.

Mr. President, if we increase the limitations from $1 million to $5 million we will again be in an area where this method of financing is subject to abuse.

Mr. President, this is my great concern. A similar amendment was considered in the committee and voted down. It was a little more expensive in amount, but not as to coverage. The cost to the government would be less expensive, though the issue was up to $10 million rather than $5 million. However, as I say, it did not provide the coverage that is provided under the pending amendment.

Mr. President, this is, from everyone's standpoint, a very undesirable change in the tax law. It is proposed under the guise of benefiting local governmental authorities, but in fact it will operate to the serious detriment of the overwhelming majority of State and local governments.

Industrial development bonds are simply a device to enable private businesses to borrow funds by using the tax exemption privilege of State and local governments. The device arose as a means of attracting industry to a locality by the significantly lower financing costs available through tax exempt borrowing.

This device was stopped by Congress in 1968 because nearly every State had begun to issue industrial development bonds. Before Congress acted, the ability of any one State or locality had been, for the most part, neutralized; on the contrary, the State and local governments had found it necessary to offer the tax exempt financing benefits to industry as a defensive matter—they had to offer this advantage to keep from losing industry. The problem we have is that the States outbid each other. I know that most of the States in this country now have provision in the State to permit issue of these bonds.

The principal undesirable result that flowed from all of this was the increased competition for the very limited funds available for purchase of tax exempt bonds. This, of course, forced the interest rate on all tax exempt issues to rise, in turn raising significantly the financing costs of States and localities attempting to meet the pressing demands for capital needed to provide critical governmental services such as police and fire protection, schools, and sewage disposal.

Thus the 1968 legislation served its purpose well. Appropriate exceptions were made for semigovernmental functions carried on by private industry which had traditionally been financed through tax exempt bonds—such as airports, mass transit facilities, pollution control facilities, and others. Also an exception was made for issues of $1 million and less.

The present amendment would increase the $1 million exemption to $5 million; to that extent it would allow the competition among States and localities to be renewed—to the detriment of financing for traditional governmental functions.

In short, a vote for this amendment is a vote against the cities and other local governmental authorities most in need of help. The least we can do is help these hard-pressed local governments by protecting the integrity of their tax exempt financing privilege.

The cost is estimated at $350 million.

Mr. President, to go into this matter in a little more depth I want my colleagues to know that the Treasury is strongly opposed to this amendment.

Under present tax law, a State or local government may issue up to $5 million of tax-exempt industrial revenue bonds, but only if the total capital expenditures with respect to the facility being financed by the bonds do not exceed $5 million during the 3 years before, and the 3 years after, the date of issue. The proposed amendment would increase this $5 million exemption to $10 million.

Industrial development bonds are a mechanism to provide tax-exempt financing for private industry. Typically, a State or local government will issue its tax-exempt bonds and use the proceeds to construct a facility for the use of a private business. The facility is leased to the private user at a rental sufficient to meet the debt service on the bonds. Since the interest paid on the bonds is exempt from Federal taxes, the cost of borrowing is lower for the municipality, and this savings is passed on to the industrial user in the form of a lower rent.

At current interest rates, the availability of tax-exempt financing represents a significant savings in the annual interest paid with respect to borrowings to finance such facilities. For example, if the taxable interest cost on a $10 million facility is 7.5 percent and the tax-exempt cost is 5 percent, the proposed amendment would result in an annual savings to the user of approximately $250,000. Over the life of a 20-year bond, the use of tax-exempt financing could result in a subsidy of some $5 million for each facility.

This tax bill already includes two significant steps to reduce the cost of capital equipment for industry. The 7-percent job development credit is designed to reduce the cost of new machinery and equipment and thus facilitate the construction of new factories. The new class life depreciation system represents a liberalization of tax depreciation policies on capital investment and also will act as such an incentive. These incentives encourage new capital investment in a healthy way which will increase the productivity of our workers without any serious and disruptive side effects on the economy.

Additional tax incentives for industrial investment in the form of tax-exempt financing through industrial development bonds will, however, have very serious disruptive effects on State and local government financing, and this additional kind of incentive simply is not necessary or advisable at this time.

The provisions in this bill are also opposed by the Securities and Exchange Commission because other problems are involved.

I have a memorandum from the Securities and Exchange Commission which states in part:

> Although it does not appear on the face of the bill, the proposed amendment would also affect the amount of such bonds which would be exempt from certain provisions of the Securities Act of 1933, tne Securities Exchange Act of 1934 and the Trust Indenture Act of 1939, in view of the provisions of Title IV of the Employment Security Amendments of 1970 (Public Law 91–373) which were enacted August 10, 1970, as explained below.

Mr. President, I ask unanimous consent that the memorandum prepared by the Securities and Exchange Commission be printed in the Record at this point.

There being no objection, the memorandum was ordered to be printed in the Record, as follows:

### Memorandum Prepared by the Securities and Exchange Commission for the Senate Committee on Finance With Respect to S. 1644, 92d Congress

S. 1644 which was introduced on April 23, 1971 by Senator Dole, would amend Section 103(c)(6) of the Internal Revenue Code of 1954 so as to increase the small issue exemption thereunder for certain classes of industrial development bonds from $5,000,000 to $10,000,000 under Clause (D), and from $250,000 to $500,000 under Clause (F).

Although it does not appear on the face of the bill, the proposed amendment would also affect the amount of such bonds which would be exempt from certain provisions of the Securities Act of 1933, the Securities Exchange Act of 1934 and the Trust Indenture Act of 1939, in view of the provisions of Title IV of the Employment Security Amendments of 1970 (Public Law 91–373) which were enacted August 10, 1970, as explained below.

Insofar as S. 1644 would increase the amount of industrial development bonds which would be exempt under the Securities Act of 1933, the Securities Exchange Act of 1934 and the Trust Indenture Act of 1939, all of which are administered by this Commission, the Securities and Exchange Commission would be opposed to enactment of the bill in its present form. However, the Commission takes no position with respect to the effect of the bill on the exemptions for such bonds under the Internal Revenue Code as such, and this memorandum will discuss only those aspects of the bill which would have an impact on the federal securities laws mentioned above.

#### I. BACKGROUND OF PERTINENT FEDERAL SECURITIES LEGISLATION

The Securities Act of 1933 was enacted to afford to investors generally full and fair disclosure of the nature and character of the securities which are offered for sale in interstate commerce or through the mails so as to enable them to exercise an informed judgment regarding their suitability for their investment objectives.

The Securities Exchange Act of 1934 was enacted the following year to provide generally for continuous information to be available to securityholders regarding the issuer of securities listed on national securities exchanges which they may have acquired, to give them a voice with respect to their interests in the issuer and to prevent unfair use by corporate insiders of information regarding the issuer which is not available to all securityholders. This Act was amended in 1964 to extend such benefits and protections to holders of unlisted securities of issuers having over $1,000,000 in assets and 500 or more shareholders.

The Trust Indenture Act of 1939 was enacted to afford to holders of debt securities the benefits of disinterested and impartial trustees, under trust indentures meeting specified statutory requirements, to look out for their interests and to act in their best interests in the event of a default by the obligor on the securities, as well as to eliminate conflicts of interests between such trustees and the issuer and underwriters of such securities.

Certain exemptions are provided by each of these Acts for securities of certain classes, for securities involved in certain types of transactions, or for securities issued by certain classes of issuers. Among the latter are the exemptions provided in Section 3(a)(2) of the Securities Act of 1933 [15 U.S.C. 77c(a)(2)] and Section 3(a)(12) of the Securities Exchange Act of 1934 [15 U.S.C. 78c(a)(12)] for securities issued or guaranteed by the Federal, State or local municipal governments or their political subdivisions or instrumentalities.

Prior to enactment of Public Law 91–373, Section 3(a)(2) of the Securities Act of 1933 exempted from all except the anti-fraud provisions of that Act:

"Any securities issued or guaranteed by the United States or any Territory thereof, or by the District of Columbia, or by any State of the United States, or by any political subdivision of a State or Territory, or by any public instrumentality of one or more States or Territories, or by any person controlled or supervised by and acting as an instrumentality of the Government of the United States pursuant to authority granted by the Congress of the United States, . . ."

During such period, Section 3(a)(12) of the Securities Exchange Act of 1934 provided that for the purposes of that Act:

". . . The term 'exempted security' or 'exempted securities' shall include securities which are direct obligations of or obligations guaranteed as to principal and interest by the United States; such securities issued or guaranteed by corporations in which the United States has a direct or indirect interest as shall be designated for exemption by the Secretary of the Treasury as necessary or appropriate in the public interest and for the protection of investors; securities which are direct obligations of or obligations guaranteed as to principal and interest by a State or any political subdivision thereof or any agency or instrumentality of a State or any political subdivision thereof or any municipal corporate instdumentality of one or more States; . . ."

Section 304(a)(4) of the Trust Indenture Act of 1939 [15 U.S.C. 777d(a)(4)] incorporates by reference for the purposes of this Act the exemption set forth in Section 3(a)(2) of the Securities Act of 1933 and in Section 3(a)(12) of the Securities Exchange Act of 1934.

#### II. HISTORY OF EXEMPTION FOR INDUSTRIAL REVENUE BONDS

##### *A. Under The Federal Securities Laws*

Industrial revenue bonds as in use today were unknown at the time of the passage of the Securities Act of 1933 and the Securities Exchange Act of 1934. Their genesis springs from the municipal revenue bonds which came into existence during the mid-30s at a time when municipalities had reached the maximum permissible limits of their legal debt obligations or taxing power. At that time a new type of security was devised to raise funds with which to acquire and provide for the benefit of the citizens of a community certain services which prior to then might normally have been obtained with funds raised through taxation. Such services included new toll roads, bridges, tunnels, as well as airports, municipal water works, municipal power plants, sewer and sewage disposal systems, etc. Revenues obtained from such service were designated to be used for the payment of principal and interest on such revenue bonds, and the holders of such bonds could only look to such sources for payment, except that in some cases the full faith and credit of the municipality or State issuing such bonds were also pledged in an effort to obtain more favorable interest rates.

The present-day industrial revenue bond came into existence after World War II as a variation on the municipal revenue bond, but for an entirely different purpose. It was used as an inducement to entice manufacturers and other industries and employers to move into their communities so as to provide jobs as a solution to the post-war unemployment problems, and also to help boost sagging local economies. Funds obtained from their sale were employed in the purchase of land and construction of plants thereon which were then leased to such potential employers and businesses on a long-term lease basis generally geared to the normal life expectancy of the plant which had been constructed. Such bonds usually provide that the revenues obtained from such lease arrangements are pledged to the payment of interest and principal on the bonds in question, and the purchaser can look only to such revenues for repayment since the full faith and credit of the issuing municipality or authority are not pledged thereunder and they cannot be paid from tax revenues. Such arrangement is designed to obviate any constitutional challenge on the right of a municipality or an agency thereof to issue such securities for such private purposes and on the issuance of general obligation bonds without a vote of the electorate. As a fringe benefit, the municipalities may also exempt the lessee from local taxation on such property for certain periods primarily because title to the land is in the name of the municipality or its agency. Lease payments in such cases are normally scaled so as to pay off the entire obligation on the bonds in question during the life of the lease.

As industrial revenue bonds grew in popularity as a means of encouraging local economic expansion, the amounts required to accomplish such purposes increased, and problems in financing were created since the local investors could not always absorb all of the issues proposed. In such cases, such bonds began to be offered in neighboring States and to be underwritten by underwriters and offered in interstate commerce. When brought to the attention of the Commission, the securities in question were found not to meet the test for exemption under the Securities Act of 1933 when they were offered and sold outside of the State, and thus were not eligible for either the exemption in Section 3(a)(11) of the Act for purely local financing, or the exemption in Section 3(a)(2) of the Act since investors could not look to the government or governmental agency named thereon for payment, but could only look to the revenues produced on the property constructed for private lessees not engaged in any essential governmental function or service for the community within the meaning of that section. For the same reason they failed to meet the requisite test for exemption under Section 3(a)(12) of the Securities Exchange Act of 1934 and were likewise not exempt under the Trust Indenture Act of 1939.

After asserting this conclusion on a case by case basis for several years the Commission decided in February 1968 to clarify this position by publishing a proposed rule under both Acts for public comment [Release Nos. 33–4896, 34–8248, published at 33 Federal Register 3142]. On August 28, 1968, the Commission announced adoption of Rule 131 under the Securities Act of 1933 [17 CFR 230.131] and Rule 3b–5 under the Securities Exchange Act of 1934 [17 CFR 240.3b–5], in Release Nos. 33–4921, 34–8388 [published at 33 Federal Register 12647]. Copies of these rules as proposed and adopted are attached thereto, and the releases contain an explanation of the rationale behind their adoption.

Following adoption of such rules, some municipalities raised questions concerning the impact of these rules on the issuance of bonds by municipal and other governmental units of the type described earlier as municipal revenue bonds, and the Commission thereupon amended Rule 131 and 3b–5 to make it clear that those bonds issued by a State or municipality to finance revenue producing projects of a governmental service nature such as toll roads, municipal water systems, transportation facilities, municipal recreational facilities and the like were still regarded as exempt under Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934 as were also the industrial revenue type bonds under which the full faith and credit of the State or municipality was pledged for payment of principal and interest. The amendment to these rules was to make it clear that only those industrial revenue bonds for the payment of which the investor-purchaser could look only to the revenues produced under the leasing arrangement and not the full faith and credit or taxing power of the State or municipality would be subject to these Acts, [attached Release Nos. 33–5055, 34–8850; 35 Federal Register 6000].

### B. ENACTMENT OF TITLE IV OF PUBLIC LAW 91–373

When the Employment Security Amendments of 1970 bill was introduced as H.R. 14705 and passed by the House of Representatives on November 13, 1969 it contained no provision relating to exemptions under the federal securities laws for industrial revenue bonds, nor was such a provision in the bill when it was reported out to the Senate by its Committee on Finance. However, Title IV was added to the bill during debate on the floor of the Senate on April 7, 1970 when it was presented as an amendment to H.R. 14705 and was adopted by voice vote [Congressional Record, Vol. 116, Part 8, pp. 10578–10579]. The Conference Committee retained Title IV in the bill and it was accepted by both Houses of Congress when the Conference Report was adopted by them [Congressional Record, Vol. 116, Part 19, pp. 25608 to 25617, and Vol. 116, Part 20, pp. 27305–27323], and the bill was enacted into law on August 10, 1970 as Public Law 91–373.

Title IV of Public Law 91–373 amended both Section 3(a)(2) of the Securities Act of 1933 and Section 3(a)(12) of the Securities Exchange Act of 1934 to add to each of them the following language: "or any security which is an industrial development bond (as defined in section 103(c)(2) of the Internal Revenue Code of 1954) the interest on which is excluded from gross income under section 103(a)(1) of such Code if, by reason of the applicattion of paragraph (4) or (6) of section 103(c) of such Code (determined as if paragraphs (4)(A), (5), and (7) were not included in such section 103(c)), paragraph (1) of such section 103(c) does not apply to such security;".

As a result of such amendment, securities which heretofore were not exempt were to be treated the same as those issued by a State or municipal government or governmental authority where the full faith and credit as well as the taxing power of such State or municipality were pledged or where they were issued in connection with the furnishing of an essential governmental function or activity. The exemption was limited to a maximum of $1,000,000 except that it could be increased in certain instances to $5,000,000 by action of the government concerned upon certain specified findings spelled out in the Internal Revenue Code.

### III. COMMISSION'S VIEWS ON EXEMPTIONS ADDED BY TITLE IV OF P.L. 91–373

The Commission was not afforded an advance opportunity to comment on the proposed amendment in Title IV of Public Law 91–373 either through an oversight or through a misunderstanding regarding what may have been believed to have been a change of position. The first notice of such amendment was received after Title IV had been added and the bill had been sent to Conference, when the Commission received informal word of such action from the Office of Management and Budget. It was the concensus then that the only way any Commission objection to Title IV could be given recognition was by way of delaying further consideration of the Employment Security Amendments of 1970 which could have been fatal to the bill since it was so close to the time for adjournment of Congress. It was also decided that it would not be proper at that time for the Commission to recommend a veto to the President merely on the basis of the inclusion of this rider since the bill itself was otherwise a very important piece of legislation which had been sought by the Administration and by most members of the Congress.

Nevertheless, the Commission felt then, and it feels now, that such an amendment was ill-advised and runs contrary to the purpose and intent of the federal securities laws that investors are entitled to exercise informed judgment in purchasing securities based on full and fair disclosure of the nature and character of the securities which they are asked to purchase.

The Commission feels that an investor could easily be misled to believe that he is purchasing a "government guaranteed" security where the name of the State or municipality or that of one of its agencies appears on the security and only after reading the fine print does he find out that he cannot look to that issuer for payment but can only hope that the enterprise leasing the particular property involved is successful long enough to be able to pay off the interest and principal on the bonds as they become due. He is not afforded the protections of the federal securities laws in obtaining the minimum essential information prior to making up his mind and in giving him the remedies to which he would be entitled for any breach of the requirements of such laws. He should be entitled to know before making such purchase, for example, that his investment would depend upon the success of the lessee's venture and that it could be unfavorably affected if the enterprise leasing the property is not successful, if the lessee's business should terminate, become insolvent or be rendered obsolete and no other lessee could be found for the property on at least the same terms, and that in any case he could not rely upon the issuer of the bonds to make good on the payment of interest and principal if the revenue generated from the property in question is insufficient.

The Commission believes that the Title IV exemptions added to the federal securities laws are unfair to the investors concerned and that there appears to be no substantial reason for expanding them any further; in fact the Commission would prefer that such exemptions be repealed rather than enlarged.

Accordingly, the Commission does not favor enactment of S. 1644 insofar as it would affect those provisions of the Internal Revenue Code incorporated by reference by Title IV of Public Law 91–373, and which would have the effect of expanding further the federal securities laws exemptions for industrial development bonds.

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### Notice of Proposed Rule 131 Under the Securities Act of 1933 and Proposed Rule 3b-5 Under the Securities Exchange Act of 1934

Notice is hereby given that the Securities and Exchange Commission has under consideration a proposal to adopt two new rules relating to "industrial revenue bonds"; Rule 131 under the Securities Act of 1933 and Rule 3b-5 under the Securities Exchange Act of 1934. "Industrial revenue bonds" generally are instruments issued in the name of a government or its instrumentality to finance the acquisition of a revenue producing facility which is leased to a private commercial or industrial company, to whose specifications the facility is usually created. The principal and interest on the bonds are payable from the proceeds of the lease, and the bonds are not backed by the taxing power and general credit of the governmental instrumentality in whose name they are issued. Such a bond is an instrument that represents: (1) an obligation on the part of the government or its instrumentality to perform certain acts, usually to collect the rental under the lease and to use it to discharge interest, sinking fund and other monetary obligations contained in the instrument; and (2) an interest in the obligation of the private company to make payments under the lease in order to provide funds for payment by the governmental instrumentality in whose name the bond is issued of principal and interest on the bond. Since the purchaser of an industrial revenue bond looks principally, if not entirely, to the lease payments for the payment of principal and interest on the bond, he is in reality purchasing an interest in the lease obligation of the private company. The new rules are proposed for the purpose of identifying the interest in the obligation of the private company as a separate "security" issued by the private company. These rules do not relate to, and have no effect on, the obligation of the government or its instrumentality nor do they require registration by the government or instrumentality. The purpose of the rules is to provide prospective investors with adequate information concerning the nature of the obligation of the private lessee and sufficient information about the lessee and its business as well as the terms, nature and identity of the persons involved in the distribution to enable investors to make informed investment judgments.

Since the typical industrial revenue bond financing plan represents a financing by a private company, investors should be given information concerning the business, prior experience, fiscal responsibilities and earnings of the company that has leased the facility, as well as the terms and conditions of the lease arrangement, in order to assess the worth of such investment. The municipality or other governmental unit usually has no significant obligation under the bond, except to the extent of applying lease payments received from the private company to the payment of principal and interest. The investor cannot look to the municipality for interest payments or repayment of the principal; he can look only to the possibility of success or failure of the private company. The municipality serves as a conduit through which the amounts payable under the lease arrangement flow from the private company to the bondholder. In these circumstances, the investor is offered an interest in an obligation of the private company which is a "security" within the meaning of the securities acts and should have the benefit of the disclosures required by the Securities Act of 1933 and the Securities Exchange Act of 1934 when applicable.

The proposed rules do not question the availability of the exemption, provided in Section 3(a)(2) of the Securities Act, to the obligations of municipalities or of the states or their political subdivisions or instrumentalities. Such exemption is not available, however, to the separate security issued by the private company. Absent an exemption under the Act, the securities of the private company will be subject to the registration and prospectus delivery requirements of Section 5 of the Securities Act. Registration will not be required by the municipality or other political subdivision or instrumentality.

On the basis of available information, it appears that substantial amounts of these bonds have been sold to the public. Accordingly, the Commission believes that the proposed rules are appropriate to inform persons who may be issuers of securities identified by the rules, as well as person offering, selling, distributing or dealing in such securities, as to their obligations under the securities acts. Consideration should also be given to the applicability of the Trust Indenture Act of 1939 to the securities identified in the rules. It should be emphasized that the application of the registration requirements of the Securities Act to the securities of private companies which are identified in the proposed rules is intended to provide investors with material financial and other information concerning the private company and the nature and limitations of its obligations. The rules are not intended to affect the determination whether to utilize financing plans involving the issuance of industrial revenue bonds.

### PROPOSED RULE 131

Under paragraph (a) of the proposed rule, any part of an obligation evidenced by any bond, note, debenture, or other evidence of indebtedness issued by any state or territory of the United States, any political subdivision of a state or territory, or any agency or instrumentality of one or more states, territories or political subdivision thereof, which is payable from from rentals received in respect to property which will be used under a lease by or for industrial or commercial enterprises, shall be deemed to be a separate security issued by the lessee under the lease. In addition, as essentially the same kind of financing plan could be carried out by a governmental body or instrumentality loaning the proceeds of the bonds to private enterprise or selling the revenue producing facilities to private enterprise on a deferred payment basis, paragraph (a) provides that any part of the obligation evidenced by any bond, etc. which is payable from payments received under a loan or sale arrangement, shall be deemed to be a separate security issued by the obligor under such loan or sale arrangement

The proposed rule is directed to financing plans in which any part of the principal and/or interest on a bond, note, debenture or evidence of indebtedness issued in the name of a government or its instrumentality is payable from payments which are to be made under a lease, sale or loan arrangement by private enterprise for property or money to be used by industrial or commercial enterprises. The rule does not apply to revenue bonds issued by a state, a political subdivision, a municipality or a public instrumentality to finance a revenue producing public project operated by such issuer, such as toll roads, municipal water systems, transportation systems or municipal recreational facilities. The rule also is not intended to apply to financing plans involving the issuances of revenue bonds which are to be funded by payments under a lease, sale or loan arrangement if the user of the facility or property is a state or a political subdivision or public instrumentality of a state or a municipality which is the lessee or obligor.

The Commission is aware that for many years issuer of the securities identified in this rule have not considered their obligations to be separate securities and that they have acted in reliance on the view, which they believed to be the view of the Commission, that registration under the Securities Act was not required. Under the circumstances the Commission does not believe that such issuers are subject to any penalty or other damages resulting from entering into such arrangements in the past. Paragraph (b) provides that the rule shall apply to transactions of the character described in paragraph (a) only with respect to bonds or other evidences of indebtedness issued after the adoption of the rule.

The text of the proposed rule is as follows:

Rule 131. Definition of Security Issued Under Governmental Obligations.

(a) Any part of an obligation evidenced by any bond, note, debenture, or other evidence of indebtedness issued by any State or Territory of the United States, any political subdivision of a State or Territory, or any agency or instrumentality of one or more States, Territories or political subdivisions thereof, which is payable from payments to be made in respect of property or money which is or will be used, under a lease, sale, or loan arrangement, by or for industrial or commercial enterprises, shall be deemed to be a separate "security" within the meaning of Section 2(1) of the Act, issued by the lessee or obligor under the lease, sale or loan arrangement.

(b) This rule shall apply to transactions of the character described in paragraph (a) only with respect to bonds, notes, debentures or other evidences of indebtedness issued after ———, 1968.

### *Proposed Rule 3b–5*

The Commission believes that it is appropriate to adopt proposed Rule 3b–5 to make it clear that securities identified under Rule 131 are also "securities" within the meaning of Section 3(a)(10) of the Securities Exchange Act of 1934. The provisions of the proposed rule correspond to those of Rule 131. The proposed rule is intended to inform brokers and dealers who deal in industrial revenue bonds, that consideration should be given to the existence of separate securities issued in connection with the issuance of industrial revenue bonds, in determining their obligations under the Securities Exchange Act, where any part of the obligation evidenced by any bond, note, debenture or other evidence of indebtedness is payable from payment made in respect of property or money which is or will be used under a lease, sale or loan arrangement by or for industrial or commercial enterprises. Such separate securities ordinarily would not be exempted securities within the meaning of Section 3(a)(12) of the Act.

The text of the proposed rule is as follows:

Rule 3b–5. Non-Exempt Securities Issued Under Governmental Obligations.

(a) Any part of an obligation evidenced by any bond, note, debenture, or other evidence of indebtedness issued by any State or Territory of the United States, any political subdivision of a State or Territory, or any agency or instrumentality of one or more States, Territories or political subdivisions thereof, which is payable from payments to be made in respect of property or money which is or will be used, under a lease, sale or loan arrangement, by or for industrial or commercial enterprises, shall be deemed to be a "separate" security within the meaning of Section 3(a)(10) of the Act, issued by the lessee or obligor under the lease, sale or loan arrangement.

(b) This rule shall apply to transactions of the character described in paragraph (a) only with respect to bonds, notes, debentures or other evidences of indebtedness issued after —————, 1968.

All interested persons are invited to submit their views and comments on the proposed rules, in writing, to the Securities and Exchange Commission, Washington, D.C. 20549, on or before March 29, 1968. Except where it is requested that such communications not be disclosed, they will be considered available for public inspection.

By the Commission.

ORVAL L. DUBOIS,
*Secretary.*

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### ADOPTION OF RULE 131 UNDER THE SECURITIES ACT OF 1933 AND RULE 3b–5 UNDER THE SECURITIES EXCHANGE ACT OF 1934

The Securities and Exchange Commission announced today that it has adopted the Rule 131 under the Securities Act of 1933 and Rule 3b–5 under the Securities Exchange Act of 1934. The new rules relate to "industrial revenue bonds."

Proposed rules were published for comment on February 1, 1968 in Securities Act Release No. 4896 (Securities Exchange Act Release No. 8248). The Commission received many helpful comments that pointed out problems that would be created by the rules in the form in which they were proposed, and that suggested means of overcoming these problems. In light of these comments, the Commission determined to revise the proposed rules to meet the objections raised in these comments and incorporate some of the suggestions for revision.

As was pointed out in the Release announcing the proposed rules, the typical industrial revenue bond financing plan represents a financing by a private company. Accordingly, investors should be given information concerning the business, prior experience, fiscal responsibilities and earnings of the company that has leased the facility, as well as the terms and conditions of the lease arrangement, in order to assess the worth of such investment. The municipality or other governmental unit usually has no significant obligation under the bond, except to the extent of applying lease payments received from the private company to the payment of principal and interest. The investor cannot look to the municipality for interest payments or repayment of the principal; he can look only to the possibility of success or failure of the private company. The municipality serves as a conduit through which the amounts payable under the lease arrangement flow from the private company to the bondholder. In these circumstances, the investor is offered an interest in an obligation of the private company which is a "security" within the meaning of the securities acts and should have the benefit of the disclosures required by the Securities Act of 1933 and the Securities Exchange Act of 1934 when applicable.

There appeared to be a failure on the part of many persons who submitted comments to understand that the proposed rules were interpretive rules that identify securities of private companies which are offered and sold in industrial revenue bond financing plans, and that the proposed rules were not intended to affect the exemptions for municipal or governmental bonds contained in the securities acts. In addition, in some of the comments it was noted that although the Release announcing the proposed rules pointed out that the rules would not affect the exemption for municipal or governmental bonds, they were broad enough in scope to have a contrary implication. As a consequence, the rules have been revised to remove such implication.

### RULE 131

Paragraph (a) of the rule has been modified to relate specifically to Section 3(a)(2) of the Act. This was accomplished by deleting the words "State or Territory of the United States, any political subdivision of a State or Territory, or any agency or instrumentality of one or more States. Territories or political subdivisions thereof," and substituting therefor the words "governmental unit specified in Section 3(a)(2) of the Act."

Many of the comments that were received pointed out that a definition of the term "industrial or commercial enterprises" should be included in the rules, and gave suggestions as to how that term should be defined. In the light of those comments, the Commission has added a new paragraph (b), which states that "An obligation shall not be deemed payable from industrial or commercial enterprises if such obligation relates to a public project or facility owned and operated by or on behalf of and under the control of a governmental unit specified in Section 3(a)(2) of the Act." This paragraph would make it clear that registration is not required where the lessee is a governmental unit specified in Section 3(a)(2) of the Securities Act.

Paragraph (b) of the proposed rule has been relettered (c) and the word "issued" in the last line of the paragraph has been changed to the word "sold" and the rule will become effective January 1, 1969. These changes were made in response to comments that pointed out certain technical and timing problems that were raised by the proposed rule.

The rule is directed to financing plans in which any part of the principal and/or interest on a bond, note, debenture or evidence of indebtedness issued in the name of a government or its instrumentality is payable from payments which are to be made under a lease, sale or loan arrangement by private enterprise for property or money to be used by industrial or commercial enterprises. The rule does not have the effect of requiring registration of revenue bonds issued by a state, a political subdivision, a municipality or a public instrumentality to finance a revenue producing public project operated by such issuer, such as toll roads, municipal water systems, transportation facilities and systems or municipal recreational facilities, or revenue bonds which are to be funded by payments under a lease, sale or loan arrangement if the user of the facility or property is a state or a political subdivision or public instrumentality of a state or a municipality which is the lessee or obligor. New paragraph (b) of the rule is designed to remove all doubt as to the effect of the rule. In this connection, concern was expressed in many comments that the rule would have the effect of requiring registration of bonds issued to finance construction of airports, wharves, recreational and sporting facilities and convention facilities. Paragraph (b) would clearly make the rule inapplicable to the financings of such facilities that are owned by a municipality and operated by it or a public instrumentality.

It should be noted, however, that if the municipality were not to control the facility but were to lease it or sell it to a private enterprise to operate for a profit, the bonds would be payable from an industrial or commercial enterprise and registration would be required, absent an available exemption. On the other hand, the Section 3(a)(2) exemption would be applicable where a governmental unit having taxing authority or other resources guarantees payment of the bond obligation in the event of default under the lease, or where such governmental unit is responsible for all the bond payment obligation even though a portion or all of the facility is leased to a private enterprise. Further, whether or not Section 3(a)(2) of the Act is applicable, if the securities are offered and sold exclusively to residents of the state in which the lessee company is organized and doing business and in which the facility is located, the exemption in Section 3(a)(11) of the Act would be available; or if the securities are not publicly offered, the exemption in Section 4(2) of the Act would be available.

It should be noted that the rule relates only to that part of an obligation evidenced by industrial revenue bonds which is payable from an industrial or commercial enterprise. Thus, if the lease obligation is in an amount less than the principal amount of the bonds, registration would be required of only that portion representing the lease obligation. Similarly, if a facility were leased to two separate lessee companies, each of which was obligated to make lease payments representing a portion of the principal amount of the bonds, each would be required to register its respective portion of the lease obligation.

The Commission has determined, based on a number of lease obligations that have recently been registered, that existing rules, procedures and policies under the Trust Indenture Act of 1939 are adequate in connection with the applicability of that Act to the securities indentified in the rules. For example, the indenture, which contains the provisions required by the Trust Indenture Act of 1939, may be executed between the trustee and the lessee and the lessee will be required to file the necessary reports and perform the other obligations of an obligor thereunder. However, it has been the practice for the municipality to execute the indenture and to assign its rights under the lease to the indenture trustee, in which case the lessee assumes the statutory functions of an obligor in the lease.

The text of Rule 131 follows:

Rule 131. Definition of Security Issued Under Governmental Obligations.

(a) Any part of an obligation evidenced by any bond, note, debenture, or other evidence of indebtedness issued by any governmental unit specified in Section 3(a)(2) of the Act which is payable from payments to be made in respect of property or money which is or will be used, under a lease, sale, or loan arrangement, by or for industrial or commercial enterprise, shall be deemed to be a separate "security" within the meaning of Section 2(1) of the Act, issued by the lessee or obligor under the lease, sale or loan arrangement.

(b) An obligation shall not be deemed payable from industrial or commercial enterprises if such obligation relates to a public project or facility owned and operated by or on behalf of and under the control of a governmental unit specified in Section 3(a)(2) of the Act.

(c) This rule shall apply to transactions of the character described in paragraph (a) only with respect to bonds, notes, debentures or other evidences of indebtedness sold after December 31, 1968.

### *Rule 3b–5*

Rule 3b–5 has been modified in the same manner as Rule 131.

Rule 3b–5 makes it clear that securities identified under Rule 131 are also "securities" within the meaning of Section 3(a)(10) of the Securities Exchange Act of 1934. The provisions of the rule correspond to those of Rule 131. The rule informs brokers and dealers who deal in industrial revenue bonds, that consideration should be given to the existence of separate securities issued in connection with the issuance of industrial revenue bonds, in determining their obligations under the Securities Exchange Act, where any part of the obligation evidence by any bond, note, debenture or other evidence of indebtedness is payable from industrial or commercial enterprises. Such separate securities ordinarily would not be exempted securities within the meaning of Section 3(a)(12) of the Act. In such instances all the provisions of the Exchange Act and the Commission's rule thereunder will apply to any part of the obligation evidenced by the bond which is not issued by a lessee or obligor described in Section 3(a)(12) of that Act.

The text of Rule 3b–5 follows:

Rule 3b–5. Non-Exempt Securities Issued Under Governmental Obligations.

(a) Any part of an obligation evidenced by any bond, note, debenture, or other evidence of indebtedness issued by any governmental unit specified in Section 3(a)(12) of the Act which is payable from payments to be made in respect of property or money which is or will be used, under a lease, sale, or loan arrangement, by or for industrial or commercial enterprise, shall be deemed to be a separate "security" within the meaning of Section 3(a)(10) of the Act, issued by the lessee or obligor under the lease, sale or loan arrangement.

(b) An obligation shall not be deemed payable from industrial or commercial enterprises if such obligation relates to a public project or facility owned and operated by or on behalf of and under control of a governmental unit specified in Section 3(a)(12) of the Act.

(c) This rule shall apply to transactions of the character described in paragraph (a) only with respect to bonds, notes, debentures or other evidences of indebtedness sold after December 31, 1968.

By the Commission.

ORVAL L. DUBOIS, *Secretary*.

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### AMENDMENT OF RULE 131 UNDER THE SECURITIES ACT OF 1933 AND RULE 3b–5 UNDER THE SECURITIES EXCHANGE ACT OF 1934

The Securities and Exchange Commission has amended Rule 131 under the Securities Act of 1933 and Rule 3b–5 under the Securities Exchange Act of 1934. Each rule relates to "industrial revenue bonds" and was designed to define those circumstances where bonds issued by a municipality or other governmental unit specified in Section 3(a)(2) of the Securities Act and in Section 3(a)(12) of the Securities Exchange Act of 1934 would be deemed to involve the issuance of a separate security by an industrial or commercial enterprise under a lease, sale or loan arrangement. The purpose of the amendment is to clarify certain situations where no such separate security will be deemed to be involved.

Questions have been raised concerning the impact of the registration requirements of the Securities Act and Rule 131 thereunder to the issuance of bonds by municipal and other governmental units to finance airport improvements for leasing to airlines serving their areas. A similar question has been raised under Rule 3b–5 as to the existence of a separate security for the purposes of the Securities Exchange Act. These questions have been raised notwithstanding the following statement which was included in the Commission's Release No. 4921 under the Securities Act, announcing the adoption of Rule 131:

". . . The rule does not have the effect of requiring registration of revenue bonds issued by a state, a political subdivision, a municipality or a public instrumentality to finance a revenue producing public project operated by such issuer, such as toll roads, municipal water systems, transportation facilities and systems or municipal recreational facilities, or revenue bonds which are to be funded by payments under a lease, sale or loan arrangement if the user of the facility or property is a state or a political subdivision or public instrumentality of a state or a municipality which is the lessee or obligor. New paragraph (b) of the rule is designed to remove all doubt as to the effect of the rule. In this connection, concern was expressed in many comments that the rule would have the effect of requiring registration of bonds issued to finance construction of airports, wharves, recreational and sporting facilities and convention facilities. Paragraph (b) would clearly make the rule inapplicable to the financing of such facilities that are owned by a municipality and operated by it or a public instrumentality."

In view of the concern which has been expressed that paragraph (b) of Rule 131 as presently written might be construed as being applicable only if, for example, a particular airport facility, such as a hangar or a commissary, were to be operated and controlled by or on behalf of a governmental unit, the Commission has concluded that paragraph (b) should be clarified in such respect. The amendment of paragraph (b) of Rule 131 would make it clear in subdivision (3) thereof that it is not the purpose of the paragraph to require as a condition to its applicability that each separate facility constituting a part of a public project be operated and controlled by a governmental unit if the public project as a whole is owned by and under the general control of a governmental unit or an instrumentality thereof.

The amendment also makes explicit in subdivision (1) what had previously been implicit in Securities Act Release No. 4921 that the rules would not apply to any obligation which is payable not only out of the payments from the arrangements referred to in paragraph (a) but also from other substantial sources of revenue of the governmental unit.

The text of amended Rule 131(b) under the Securities Act of 1933 is as follows:

(b) An obligation shall not be deemed a separate "security" as defined in paragraph (a) hereof if, (1) the obligation is payable from the general revenues of a governmental unit, specified in Section 3(a) (2) of the Act, having other resources which may be used for the payment of the obligation, or (2) the obligation relates to a public project or facility owned and operated by or on behalf of and under the control of a governmental unit specified in such section, or (3) the obligation relates to a facility which is leased to and under the control of an industrial or commercial enterprise but is a part of a public project which, as a whole, is owned by and under the general control of a governmental unit specified in such section, or an instrumentality thereof.

The text of amended Rule 3b–5(b) under the Securities Exchange Act of 1934 is as follows:

(b) An obligation shall not be deemed a separate "security" as defined in paragraph (a) hereof if, (1) the obligation is payable from the general revenues of a governmental unit, specified in Section 3(a) (12) of the Act, having other resources which may be used for payment of the obligation, or (2) the obligation relates to a public project or facility owned and operated by or on behalf of and under the control of a governmental unit specified in such section, or (3) the obligation relates to a facility which is leased to and under the control of an industrial or commercial enterprise but is a part of a public project which, as a whole, is owned by and under the general control of a governmental unit specified in such section, or an instrumentality thereof.

The foregoing action was taken pursuant to Section 19(a) of the Securities Act of 1933 and Section 23(a) of the Securities Exchange Act of 1934. Since the action relates to interpretative rules and is simply a clarification of the Commission's prior interpretation of the scope of the statutory exemptions for securities of governmental instrumentalities, the Commission finds that notice is unnecessary and that the amendments to the rules may be made effective immediately. Accordingly, the amended rules shall be effective as of March 31, 1970.

By the Commission.

ORVAL L. DUBOIS, *Secretary*.

Mr. PROXMIRE. Mr. President, this is, from everyone's standpoint, a very undesirable change in the tax law. It is proposed under the guise of benefiting local governmental authorities, but in fact it will operate to the serious detriment of the overwhelming majority of State and local governments.

Industrial development bonds are simply a device to enable private businesses to borrow funds by using the tax exemption privilege of State and local governments. The device arose as a means of attracting industry to a locality by the significantly lower financing costs available through tax exempt borrowing.

This device was stopped by Congress in 1968 because nearly every State had begun to issue industrial development bonds. Before Congress acted, the ability of any one State or locality had been, for the most part, neutralized; on the contrary, the State and local governments had found it necessary to offer the tax exempt financing benefits to industry as a defensive matter—they had to offer this advantage to keep from losing industry.

The principal undesirable result that flowed from all of this was the increased competition for the very limited funds available for purchase of tax exempt bonds. This, of course, forced the interest rate on all tax exempt issues to rise, in turn raising significantly the financing costs of States and localities attempting to meet the pressing demands for capital needed to provide critical governmental services such as police and fire protection, schools, and sewage disposal.

Thus the 1968 legislation served its purpose well. Appropriate exceptions were made for semigovernmental functions carried on by private industry which had traditionally been financed through tax exempt bonds—such as airports, mass transit facilities, pollution control facilities and others. Also an exception was made for issues of $1 million and less.

The present amendment would increase the $1 million exemption to $5 million; to that extent it would allow the competition among States and localities to be renewed—to the detriment of financing for traditional governmental functions.

In short, a vote for this amendment is a vote against the cities and other local governmental authorities most in need of help. The least we can do is help these hard-pressed local governments by protecting the integrity of their tax exempt financing privilege.

Mr. RIBICOFF. Mr. President, I have an amendment to the Sparkman amendment which I send to the desk.

The PRESIDING OFFICER. Is the Senator simply sending an amendment to the desk?

Mr. RIBICOFF. Yes. I will call it up at the proper time.

The PRESIDING OFFICER. The amendment is received, and will lie on the desk .

Who yields time?

Mr. RIBICOFF. Mr. President, will the Senator from Arizona yield to me 10 minutes in opposition to the amendment?

Mr. FANNIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arizona has 23 minutes remaining.

Mr. FANNIN. I yield 10 minutes to the Senator from Connecticut.

Mr. RIBICOFF. Mr. President, the problem of the tax treatment of industrial bonds is not a new one. We dealt with it first in the Revenue and Expenditure Control Act of 1968. When we considered the Renegotiation Act later the same year the treatment of industrial revenue bonds was liberalized.

The problem which faced us at that time was that industrial revenue bonds were being used extensively and often abused. Originally, industrial revenue bonds may have had a worthwhile purpose; namely, to attract industry to areas in need of economic development. This original purpose, however, has been long gone. According to my last count there were 44 States using industrial revenue bonds. As a result, industrial revenue bonds generally do not make investment in one State more attractive than investment in another State. Instead, these bonds merely represent an unjustified subsidy reducing the interest cost to industrial corporations and representing a tax loophole for wealthy investors.

The worst part of it is—and this is the point which is usually overlooked—the tremendous growth in the use of industrial revenue bonds in recent years has actually hurt rather than helped State and local governments. The demand for increasing and new varieties of governmental services have caused States and local governments to rely more and more on the municipal bond market to obtain necessary funds. The increased need for these funds has placed severe demands on the municipal bond market and driven up the cost of these bonds. The tremendous growth of industrial revenue bonds has further aggravated this situation since these bonds have used up the relatively limited quantity of funds available for State and local bonds. Generally, the effect has been to substantially increase the cost of State and local government bond financing. Under today's conditions this is the very last thing we should seek to do.

Mr. President, it was reasons of this type which led the Senate to limit the income-tax exemption for interest on industrial revenue bonds to a maximum of $1 million. Later some of my colleagues argued that we ought to permit plants to be built up to a limit of $5 million on the grounds that these were small industries. I approved that proposal. However, the Congress agreed finally to permit industrial revenue bonds to be used up to a total of $5 million but only where the total expenditure may with respect to a plant in the period beginning 3 years before and ending 3 years after the bond issue, aggregated no more than $5 million. Now, the distinguished Senator from Alabama (Mr. SPARKMAN) proposed to take this restriction off. He would permit any industrial bond issue to be exempt up to a total of $5 million.

This will have the effect of exempting a very large portion of all industrial revenue bonds and will almost put us back into the same position we were in when the tax-free issues of industrial bonds were first limited. The average size of an industrial plant issue today amounts to about $9 million, so you can see from this that if we exempt the first $5 million of any issue we will in fact be exempting more than one-half of all industrial issues if they seek State or local industrial bond financing. I can think of no more crippling amendment that we could provide insofar as State and local governments, generally, are concerned. Nothing that I can think of would be so likely to drive up the cost of the financing and to make it difficult to finance new issues for school construction, for highways, for sewage treatment plants, and the many other pressing needs of our local governments.

The Treasury Department for much the same reasons that I have given you, strongly opposes this amendment. The Treasury Department opposes this amendment not only because it increases the use of tax exempt bonds in a manner which will have serious disruptive effects on the State and local bond market, but also because it narrows the tax base by substituting more tax exempt income for taxable income and in this manner extenuates the problem of tax preferences.

The SEC opposes this amendment because these issues are excluded from the reporting requirements of the Securities Act and, as a result, even though these, in fact, are corporation issues rather than true Government issues, investors are not afforded proper protection.

It is ironic that this amendment should be added at this time when we are restoring the 7-percent investment credit. The 7-percent credit will be a substantial aid to industrial development throughout the country and certainly we need not add further to this by increasing the exemption with respect to interest on industrial bonds.

I strongly oppose this amendment. Historically we have heard that these bonds help develop jobs, but the AFL–CIO has always opposed the program. Local government supposedly favors these bonds but the National Association of Counties has always objected to their use. And the Advisory Council on Intergovernmental Relations—representing a broad cross-section of State, local, and Federal officials—has sought to have industrial development bonds totally removed from the tax exempt market.

We successfully curbed a large part of the abuses in this program in 1968. I would hope that we would not subject the cities and States of our country to those abuses again.

Mr. President, I therefore urge my colleagues to oppose the amendment of the Senator from Alabama.

Mr. FANNIN. Mr. President, if I believed that this amendment would provide an advantage to State and local governments in attracting industry, I would be very much in favor of it. But it does not provide an advantage to State and local governments in attracting industry since virtually all States authorize industrial revenue bonds. It does not have the great appeal that has been expressed. Congress dealt with this problem in 1968, and allowed industrial development bonds up to $5 million only where the total cost of the facility was under $5 million. Even with that restriction, the use of these bonds is growing at a faster rate today than in the early 1960's.

Mr. President, I have a chart which shows the industrial revenue bond issues for 1960 to 1970. They reached a peak in 1967 and 1968 and then fell off in 1969, following the legislative action of Congress. These bond issues, however, started picking up again in 1970.

Mr. President, I ask unanimous consent that the chart be printed in the RECORD at this point.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

INDUSTRIAL REVENUE BONDS, 1960-70

[Dollar amounts in millions]

| Year | Number of issues | Amount | Average amount per issue |
|---|---|---|---|
| 1960 | 55 | $41 | $0.7 |
| 1961 | 46 | 72 | 1.6 |
| 1962 | 66 | 84 | 1.3 |
| 1963 | 69 | 133 | 1.9 |
| 1964 | 90 | 192 | 2.1 |
| 1965 | 91 | 210 | 2.3 |
| 1966 | 124 | 499 | 4.0 |
| 1967 | 180 | 1,372 | 7.6 |
| 1968 | 165 | 1,606 | 9.7 |
| 1969 | 68 | 51 | .8 |
| 1970 | 82 | 110 | 1.3 |

Source: Investment Bankers Association.

Mr. FANNIN. Mr. President, in 1968, Congress enacted tax changes to halt the proliferation of industrial development bonds. During the 1960's, a large number of State and local governments authorized the issuance of industrial development bonds. The practice was initially developed as a means to attract new industry to underdeveloped areas by offering business the use of the issuer's tax exemption. As more States authorized these bonds, the competitive advantage in luring industry to a particular area was neutralized. Large numbers of industrial development bond issues were competing with school bonds, sanitary bonds, and so forth. Thus, while the industrial users were saving money through the use of tax-exempt issues, there was a corresponding increase in the interest paid on traditional municipal financings.

Prior to the 1968 legislation limiting the use of industrial development bonds, there had been a steady increase in the use of this device. In 1960, 55 such issues were sold, representing a total face amount of $41 million; an average of $700,000 per issue. In 1968, the last year before the new provision was in effect, there were 165 such issues representing an annual face amount of $1.6 billion; an average of $9.7 million per issue. From 1960 through 1968, the aggregate face amount of industrial revenue bonds was over $4 billion.

The 1968 legislation continued to allow tax-exempt financing of projects whose total cost does not exceed $5 million.

In other words, that legislation continued to allow the use of industrial revenue bonds for small industrial plants.

The amendment before us, however, would extend this privilege of issuing $5 million of tax-exempt bonds for an industrial plant to all plants, regardless of their size—regardless of whether a $5 million or $100 million plant was involved. Under the proposed amendment, the first $5 million of costs of any industrial plant—regardless of its size—could be financed by tax-exempt municipal bonds.

Mr. SPARKMAN. Mr. President, will the Senator yield?

Mr. FANNIN. I yield.

Mr. SPARKMAN. The Senator pointed out that this big increase swelled up to 1968.

Mr. FANNIN. Yes.

Mr. SPARKMAN. We all recognize the fact that there was an abuse of the old law.

The PRESIDING OFFICER. The Senator's 2 minutes have now expired.

Mr. SPARKMAN. I yield myself 1 minute.

We all recognize the fact that it had been abused.

We agreed to a limitation back in 1968. As I recall it, we wrote it into the bill on the Senate floor, but when we got to the House they wrote in these 6 drag years, under which no company could spend a dollar on capital expenditures. We are not changing the limitation. We are trying to remove those 6 years.

This operates primarily under the section 502 program of the Small Business Administration. All through this land we can find places where these section 502 projects have gone in and utilized this program and provided jobs in areas where they badly needed jobs. We gave liberally to big business. This is a plea for small business. The amount is no more in my amendment than it is under the present law. It takes away the 6 drag years.

Mr. FANNIN. I do agree that States originally had some benefits. Many individual States have had benefits, my own State included. But by 1968, so many States were issuing these bonds that the competitive advantage had disappeared. The procedure we followed in 1965 in allowing small issues of these bonds was to prevent a $100 million plant from being constructed with it. There were limitations, and they were called for.

I am concerned about the long-term effect of the expansion in tax exempt industrial development financing which this amendment would permit and, in fact, encourage. This effect will be an increase in the cost of financing for traditional government projects, such as schools, bridges, police, and fire protection. States will have to pay more to finance these services because of the subsidies this amendment will provide to private industry. In other words, financing for these activities would be forced to compete with large industrial development bond issues. Local taxpayers will have to pay higher taxes to finance their schools, so that some States can attempt to lure industry away from other States in an effort that in the end is bound either to disrupt the economy as a whole or to fail because all States offer the same subsidy.

The Senator knows this is a competitive situation. One State will offer an incentive. Then another State in competition with it for these industries will offer the same or more lucrative opportunities for the industry. So it goes back and forth, without really making a great change, other than increasing the cost to the taxpayers, and here we are talking about $350 million, which is a sizable sum.

The Securities and Exchange Commission also is opposed to any expansion of the small issue exemption. Under a 1970 amendment to the securities laws, industrial development bonds which are exempt as "small issues" under the tax law are also exempt from the application of the Federal securities laws. This means that prospective investors in such bonds are not afforded the protection of the disclosure requirements in those laws. An investor could easily be misled to believe that he is purchasing a Government guaranteed security where the name of the issuing municipality appears on the security. Since the proposed amendment would bring a number of issues into the category of exempt small issues, it would have the undesirable effect of expanding the scope of this exclusion from SEC disclosure requirements.

Mr. SPARKMAN. Mr. President, will the Senator yield for a question?

Mr. FANNIN. On the Senator's time.

Mr. SPARKMAN. Mr. President, I yield myself 2 minutes.

I have the highest regard for the Senator from Arizona, but the statement that has been prepared for him simply does not jibe with the facts and does not make sense. It does not cost the Government anything more, because the limit is still the same, $5 million. It just takes away the 6 years in which that company or that plant or that man could not spend one extra dollar for capital improvements. If he does, he loses his whole tax benefit. Why put these chains on him? This is a small business proposal.

I did not hear this argument made in connection with rapid depreciation, which I support. I did not hear any of this argument in connection with the 7-percent investment credit, which I support. I think they are both good for the economy of the country. But now when we have this small business provision, which I also think is good for the economy of the country, I do not see how one could stand up here and blandly vote for rapid depreciation and investment tax credit—I did, and I believe in them—but when we come to the small businessman, say it is going to cost the Government more money. It cannot exceed the sum already provided. The limit is the same. All we are doing is keeping the law, except we are saying to small business, "When you get this $5 million tax-exempt loan, you are handcuffed for 6 years. You cannot spend another dollar."

There is another provision which lets money made available under the program which the distinguished Senator from Vermont wrote into the law a few years ago go into water and sewer systems throughout the country. This has benefited very greatly small towns and rural areas. There is a limitation there, under the interpretation of the Internal Revenue Service, that they cannot go outside a metropolitan area or an area that is bigger than two counties.

I know that in my State there are places where three or four or five counties are trying to work together to get the benefits written into the law, and which was promised to people in the rural areas, which would provide them with the decent living provided by water and sewer systems. That is what we are trying to do. All this is a part of the amendment. I say it is a good amendment, which should be written into law.

Mr. FANNIN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Arizona has 12 minutes remaining.

Mr. FANNIN. Mr. President, with reference to what the distinguished Senator from Alabama has said, I would not expect him to be for this amendment unless he thought it would increase the issuance of industrial development bonds. Now, if it does increase industrial development bond issues, it is going to cost more money. If I thought we were going to have additional benefits from the amendment, I would be in favor of what is proposed, but no one area of the country would receive any competitive advantage from the increased usage of industrial development bonds, because practically all States now have that privilege. So I do not think the amendment would have the effect the Senator from Alabama refers to. Moreover, as I indicated, it is not a small business amendment since it would allow tax-exempt bond financing regardless of whether a $10 million or a $100 million plant were involved.

I certainly want to help create jobs, but I do not agree at all that the way to do that is to encourage the issuance of industrial development bonds. Today, the only one who benefits from industrial development bond financing is the private industry which obtains lower cost financing for a plant it was going to build in any event. The State issuing the bonds obtains no benefit and the taxpayers obtain no benefits.

There are many reasons why this proposal should not be adopted. I think the principal reason, however, is that it would create tremendous additional pressures on the municipal bond market and thus would drive up interest costs on all municipal bonds, especially those affecting our schools and our other pressing local governmental needs.

I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, how much time do I have?

The PRESIDING OFFICER. The Senator has 15 minutes remaining.

Mr. SPARKMAN. I yield 3 minutes to the Senator from Tennessee (Mr. BAKER).

Mr. BAKER. Mr. President, I thank my colleague from Alabama for yielding so I may make these remarks in support of the amendment.

I was happy to cosponsor the amendment which effectuated the compromise on this issue when it was offered by the distinguished Senator from Alabama some time ago. In that debate I think all of us agreed—and the distinguished Senator from Connecticut was in the forefront of that debate—that there were substantial abuses in the industrial development bond concept.

So a compromise was worked out that provided for a $5 million limitation on the amount of bonds that might be sold and still maintain a tax free status. As I say, I participated in those negotiations and that compromise, and I think it was a good compromise. I think $5 million is a realistic and reasonable limitation to put on them.

But, Mr. President, we now run up against one of those situations which not infrequently occur, that some of our friends in the executive department of the Government do not exactly interpret the statute the same way we thought we understood it, so that the unfortunate effect has been to provide that we put an unrealistic ceiling on the further operation, development, or expansion of facilities built with the proceeds of industrial development bonds.

The example used by the Senator from Alabama, as I understood him, was that if $5 million in industrial development bonds were sold, and the interest income from those bonds qualified as tax-free income, and then later the lessee company that operated that plant chose to use its own money, say $1 million of its own private funds to expand, upgrade, renovate, or modernize that plant, then the interest income from the whole $5 million would lose its qualification as tax-free income.

That situation, Mr. President, was not one of the intended effects of the compromise we reached. The amendment by the distinguished Senator from Alabama, in my judgment, does nothing more than clarify an unintended conflict which has developed between the interpretation of the statute as we passed it and what we as legislators intended at the time.

So I think the amendment is necessary and desirable, and I commend the Senator from Alabama for offering it.

The PRESIDING OFFICER. Who yields time?

Mr. FANNIN. Mr. President, is there any Senator who would like to make a further statement in opposition?

If not, I am prepared to yield back the remainder of my time.

Mr. SPARKMAN. No, no, Mr. President, I cannot do that.

Mr. FANNIN. How much time remains, Mr. President?

The PRESIDING OFFICER. The Senator from Arizona has 8 minutes. The Senator from Alabama has 12 minutes.

Mr. FANNIN. I reserve the remainder of my time.

Mr. SPARKMAN. Mr. President, I yield 3 minutes to the Senator from Georgia (Mr. GAMBRELL).

Mr. GAMBRELL. Mr. President, I should like first to address a question to the distinguished Senator from Alabama with reference to this amendment, to clarify it for me.

If this amendment is adopted, as I understand, if there is additional investment within the 3-year period, that is not exempted; in other words, it is only the principal investment that is made that is under tax-exempt financing, but any additional investment would not be, within that period?

Mr. SPARKMAN. Five million dollars is the maximum of the tax exemption. But it is worse than the Senator says. If the $5 million loan is made, then for 3 years after that, the borrower cannot spend one single dollar of capital payments. Suppose something breaks down, and he has to buy new machinery. He loses his exemption. All in the world I am trying to do is take out those 3 years, before and after.

Mr. GAMBRELL. After the amendment is adopted, if that situation should arise and an additional investment should be made, based on borrowed money, would that be subject to tax exemption?

Mr. SPARKMAN. It would not.

Mr. GAMBRELL. It would not?

Mr. SPARKMAN. It would not. Only the $5 million would be tax exempt.

Mr. GAMBRELL. So the effect of the amendment does not extend the $5-million limit?

Mr. SPARKMAN. No; not by $1.

Mr. GAMBRELL. This is, I think, a very important point, because, as the Senator has said several times, this is not an effort to increase the amount of the exemption, and in that respect does not deny the Federal Treasury one single tax dollar by way of any additional exemptions.

My own experience in this field of municipal finance and tax-exempt financing—and the Senator knows this, I am sure, very well—has been that in the bond market for municipal securities, any kind of little possible variation which might cause the bonds to lose their tax exemption does not simply impair their marketability, it just abolishes it. The possibility that at some later date within 3 years, someone out there would make a mistake or forget they were not supposed to make a capital investment, is something that would break the tax-exempt status, and this is something the market has no control over. The bonds are sold into the hands of people all over the country, and they become subject to tax exemption. How do you tell the investor in this market that his bond has now become subject to taxation? I think this is an important point.

The PRESIDING OFFICER. The Senator's 3 minutes have expired.

Mr. SPARKMAN. Mr. President, I ask unanimous consent that the names of the Senator from Texas (Mr. BENTSEN) and the Senator from Georgia (Mr. GAMBRELL) be added as cosponsors of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. SPARKMAN. Mr. President, I yield 3 minutes to my colleague from Alabama.

Mr. ALLEN. I thank my distinguished colleague.

Mr. President, I urge my fellow Senators to support amendment No. 655, because it is designed to promote capital investment by industry and the creation of additional jobs. I know of no amendment that has been adopted, on such a small scale, that will be as productive as this amendment in promoting capital investment and in creating jobs.

A companion bill has been introduced in the House of Representatives by the chairman of the Ways and Means Committee, Mr. WILBUR MILLS. I ask unanimous consent that a copy of that bill, H.R. 11124, be printed in the RECORD at this point.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That (a) section 103(c)(4) of the Internal Revenue Code of 1954 (relating to certain exempt activities) is amended—

(1) by striking out in subparagraph (E) "energy, gas, or water, or" and by inserting in lieu thereof "energy or gas,";

(2) by striking out the period at the end of subparagraph (F) and inserting in lieu thereof ", or"; and

(3) by adding at the end thereof the following:

"(G) facilities for the furnishing of water, whether or not to the general public."

(b) Section 103(c)(6) of such Code (relating to exemption from industrial development bond treatment for certain small issues) is amended—

(1) by striking out "$1,000,000" in subparagraph (A) and by inserting in lieu thereof "$5,000,000"; and

(2) by striking out subparagraphs (D), (E), (F), (G), and (H).

(c) The amendments made by this Act shall apply with respect to obligations issued after January 1, 1970.

Mr. SPARKMAN. Mr. President, may I ask the Senator, is that not almost identical with our amendment?

Mr. ALLEN. It is identical, word for word, except as to the issue date of the securities proposed to be affected by the amendment, and a little different language which will assure that these water systems provided for in the amendment will be available on reasonable demand to the general public.

This amendment would remove a provision from the existing law that pretty well nullifies the exemption sought to be given thereby, because the existing law provides that if the entity issuing the bonds has made capital investments in the 3 years preceding the issuance of the bonds, or if it makes capital investments in the ensuing 3 years, then the securities cannot be tax exempt.

This puts a tremendous burden on the issuing entity, and it is self-defeating, in that once the bonds are issued and the improvements are made, then no further improvements can be made for 3 years, even if there is great need for additional improvements.

So the pending amendment eliminates the 3 back years and the 3 prospective years in which there may be no capital investments.

There was no real reason for that prohibition in the original law, that the junior Senator from Alabama can detect. This amendment would leave the ceiling exactly where it is, at $5 million, but would provide a method for getting the bonds issued and the capital investment made.

The PRESIDING OFFICER (Mr. BROCK). The Senator's 3 minutes have expired.

Mr. ALLEN. I yield myself 1 additional minute.

I know of at least one industry waiting on the passage of this bill to add to its existing facilities in my State, to the extent of several million dollars. They contemplate putting on some 2,500 new employees. This bill does carry the concept of the President's plan to create more jobs, to provide for more capital investment, and to promote rural development, for most of the plants are in small towns and rural areas.

I urge my colleagues to vote favorably on the amendment.

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Alabama has 4 minutes remaining.

Mr. SPARKMAN. Mr. President, the Senator from Alabama will bear me out in this statement. Under the industrial bond development plan, we have been able, in Alabama, to locate in small towns, in rural areas, many small businesses that have given employment to people who needed jobs. Is that not correct?

Mr. ALLEN. That is definitely correct. Furthermore, it carries out the concept of rural development which the administration is interested in, which the Committee on Agriculture and Forestry is interested in, and which the Subcommittee on Rural Development, headed by the distinguished Senator from Minnesota (Mr. HUMPHREY), is greatly interested in.

Mr. SPARKMAN. We have bills here that the administration sent up, urging rural development.

Mr. President, one thing I am afraid of in the President's economic program—and I am supporting it wholeheartedly—the only part in it of which I am afraid, is that of unemployment. Yet, here is something that makes it possible to get jobs where they are needed.

I want to point out another thing. I want to emphasize what the Senator from Georgia said. As it stands now, if this law continues, how are you going to sell a $5 million bond issue? You would almost have to shave it down by something so as to make room for those capital improvements. The way it is now, you spend $1 on capital improvements after you get that loan, and then the tax-exempt status is lost with respect to the whole issue. Who would buy a bond issue of that kind?

Mr. President, I have referred to section 502 of the Small Business Act. I want to say that that was written into the small business law primarily upon the example that New England had set. Several States in New England, if not all of them, had local industrial development associations, and many of them were assisted by the States. Arkansas had one. It was primarily upon the example that we had from those areas that we wrote into the law section 502. It is under that section that most of these bond issues are made. It is a rural development program. It is a small business program. It is one that makes for better economy throughout the country, and we certainly ought to vote for it.

Mr. President, I am ready to yield back the remainder of my time, if I have any more time.

Mr. FANNIN. Mr. President, I will take 2 minutes, and then I will yield back the remainder of my time.

Mr. SPARKMAN. I reserve the remainder of my time, then.

Mr. FANNIN. Mr. President, why was this device stopped by Congress in 1968? Because there is a limited market for tax-exempt bonds—high-bracket individual investors—and the floodings of the market with these bonds had sharply raised interest rates on all other bona fide State and local bond isues—for school financing, road construction, and other needed State and local government purposes. I think we need to reemphasize that the net effect of these industrial development bond issues is that State and local taxpayers, in general, pay a higher interest rate to finance their government needs so that some States can lure manufacturing plants away from other States by enabling the private business to pay a lower interest rate to finance their factories.

The PRESIDING OFFICER. Does the Senator from Arizona yield back the remainder of his time?

Mr. FANNIN. If the Senator from Alabama will.

Mr. SPARKMAN. I yield back the remainder of my time.

Mr. FANNIN. I yield back the remainder of my time.

The PRESIDING OFFICER. All time on the amendment has been yielded back.

Mr. RIBICOFF. Mr. President, I have at the desk an amendment to amendment No. 655 which I believe could correct some of its deficiencies.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. RIBICOFF. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

On page 2, line 15, insert the following:

Section 103(c) is further amended by adding a new paragraph (8) as follows:

(8) Employee Housing: The exception provided in paragraph (6) shall not apply to any industrial development bond issued by any state, territory or possession of the United States or any political subdivision thereof that has not complied with the following requirements:

Definitions

(A) As used in paragraph (8), except where otherwise specified, the following terms shall bear the definitions provided—

(i) "facility" shall mean any building, complex of buildings, plant, factory, installation or other place of business financed by an industrial development bond which is occupied by more than 25 employees;

(ii) "company" shall mean any person, corporation, partnership, or association with more than twenty-five employees;

(iii) "immediate area" shall mean any area which is within the corporate limits of the community in which a facility is located and which is within a reasonable commuting distance as defined by the Secretary;

(iv) "Secretary" shall mean the Secretary of Housing and Urban Development or his designee;

(v) "Commissioner" shall mean the Commissioner of the Internal Revenue Service or his designee;

(vi) "community" shall mean any political subdivisions of a State;

Community Agreement

(B) (i) Before approving the tax exempt status for any industrial development bond issue under this section, the Commissioner must have received from the Secretary certification that the community in which the facility is to be located has entered into an agreement with the Secretary whereby adequate housing is or will be made available to persons employed as a result of the construction of the facility.

(ii) Should, after the acceptance of the agreement by the Secretary, any community fail to comply with its approved agreement, the Secretary shall bring suit in the United States District Court for the District of Columbia to secure an injunction to require such community to conform to its agreement.

(iii) The agreement required by paragraph (B) (i) shall contain a timetable for provision of the housing units required under the agreement: *Provided*, That at least one-half of such units shall be in existence within six months after the actual completion date of the facility, with the remaining units to be in existence within twelve months after the completion date.

(C) (i) Should the Secretary determine that a change in the local situation, the size of the facility or other relevant factors necessitates a modification of the agreement, he may approve such modifications, if they are proposed by the community or require a community to make necessary modifications: *Provided*, That such modifications do not impede the effectuation or achievement of the purposes of paragraph (8);

(ii) Should the Chairman determine that, as a result of the size, location, and accessibility of two or more communities, it would facilitate implementation of the purposes of this Act for such communities to develop a joint agreement he may approve such a plan: *Provided*, That any such agreement otherwise meets the requirements of paragraph (8); *And provided further*, That each such community shall be jointly and severally liable for specific performance under paragraph (B) (ii).

(D) The community's agreement shall also provide the necessary assurances from the company that any previous employees of the company who might lose their jobs as a result of the new facility shall be given the right of first refusal for the new jobs.

FINANCIAL ASSISTANCE

(E) Each community that files an agreement under paragraph (8) may also file an application with the Secretary for financial assistance and the Secretary shall grant to each an amount not to exceed $100,000 to reimburse such community for the expense of developing an agreement to conform to the requirements of paragraph (8).

APPROPRIATIONS

(F) For fiscal year beginning July 1, 1971, and for each fiscal year thereafter there are authorized to be appropriated sufficient funds to allow the Secretary to fulfill the requirements of paragraph (8).

The PRESIDING OFFICER. Each side on the amendment to the amendment has 15 minutes.

Mr. RIBICOFF. Mr. President, I have opposed the use of industrial development bonds for many years because they are a subterfuge which only serve to undermine the legitimate municipal bond market.

I am also opposed to them because these tax exempt bonds are being used by communities which have exhibited a noticeable lack of concern for meeting the needs of the incoming company's employees.

I do not believe that such local communities should be allowed to tap the Federal treasury and then turn their backs on problems these bonds create—such as the shortage of housing for the new workers. Yet this is precisely what is happening across the Nation. Federal funds are being used to establish plants in communities which do not have an adequate supply of housing.

Consider the situation nationwide. The growth of manufacturing and service jobs in the suburbs and beyond has begun to distort our labor market because those most able to fill those jobs are often unable to reach them. Our present housing policies have served to effectively exclude millions of low- and moderate-income Americans from new employment opportunities.

Most of the Nation's housing units now being constructed are going up outside the cities. The housing being built, however, is simply too expensive for low- and moderate-income families. The land is there to be used, but all but the most expensive housing has been zoned out through the use of large-lot zoning and the absence of any provisions for low density multifamily housing.

For example, the 20 local governments in a 400-square-mile area around Princeton, N.J., have zoned enough underdeveloped land for industry and research firms to support 1,200,000 jobs. The same towns, however, have zoned the remaining land to house only 144,000 workers—one-tenth of the potential work force.

The effect of such practices is obvious.

The House Banking and Currency Committee found earlier this year that 28.4 million families—101 million people—cannot afford payments on a $20,000 mortgage. Yet the median sales price for an existing single family home is now over $25,000.

In fact, approximately 80 percent of the housing on the market nationally now is above the level a family with an

$8,000 income can afford. This means that the people who need the jobs opening up in new areas are trapped in the central city. The result is a scarcity of needed employment for the poor and in some cases an actual shortage of low- and moderate-income employees for new concerns. Numerous communities are now discovering that they have even priced their teachers, firemen, policemen and other municipal employees out of their own cities.

The only solution to this housing shortage and labor market distortion is to build more housing units near the new jobs. Unless the Government begins to assist in building the necessary housing, the unemployment, welfare and social dependency now endemic to the central cities will continue to soar upward at an alarming rate.

I believe it is unconscionable for the Federal Government to subsidize the establishment of industry in a community which does not have an adequate supply of housing for its employees.

Yet this is how many tax-exempt industrial development bonds are being used.

Too many towns offering such bonds want the benefits an industry brings in, but none of the responsibilities, such as schooling or housing the new employees.

Furthermore, people in the town which is losing the industry to another community find that people who have worked for 20 or 25 years no longer have a job.

The purpose of this amendment is simply to bring equity to the situation. If a community wants to use tax exempt industrial development bonds, it has an obligation to arrange for adequate supply of housing for the new employees the bonds will bring us.

Furthermore, any employee whose job is being lost because a plant is moving from one section of the country to another section of the country should have priority on that job. So, if a company should be moving from Wisconsin or Rhode Island or Connecticut to Alabama, Georgia, or Arkansas, the employee in Connecticut or Rhode Island or Wisconsin should have the right of first refusal on the job opening up in the new plant.

That, in essence, is the amendment I have offered to the amendment of the distinguished Senator from Alabama.

Mr. NELSON. Mr. President, will the Senator yield for a question?

Mr. RIBICOFF. I yield.

Mr. NELSON. Do I correctly understand that the theory of the requirement in the Senator's amendment, that they give first preference to a current employee, is that if we are going to have legislation which uses tax exempt revenue bonds, under a statute passed by Congress, to induce industries to build in a particular community, they should then be required to give their older employees—that is, their current employees—in whatever community they are now living, the right to their job in the new plant, as a preferential matter, over any other new employee?

Mr. RIBICOFF. That is correct.

It has been said that these new plants will generate new jobs in rural areas. The distinguished Senator from Alabama referred to a new plant that gave 2,500 jobs to people in Alabama. That is all well and good. But where did that plant come from, and what happened to those 2,500 employees in the community that lost that plant?

Mr. ALLEN. Mr. President, will the Senator yield?

Mr. NELSON. The Senator from Connecticut has the floor.

Mr. RIBICOFF. I yield.

Mr. ALLEN. I will state, for the Senator's benefit, inasmuch as he was quoting the junior Senator from Alabama, that this is an enlargement of an existing plant that has been in Alabama for several decades, and it is not a plant that has been raided from another State. It is merely the enlargement of an existing plant.

Mr. RIBICOFF. I am pleased to be corrected. But in many instances they are not the enlargement of existing plants, but they are plants that are being taken from one section of the country to another and are aided by tax-exempt industrial development bonds.

Nothing is as cruel as to take a job from a man who has worked on it and lived in a community for 20 or 25 years, who is now 50 or 52 years of age, and who suddenly finds the plant is sold out from under him, and has gone to another community, which issues tax-exempt bonds that Uncle Sam pays for. If that man is willing to move to the new community, he should have the first shot at any new job he can qualify for.

Mr. PASTORE. If the Senator will yield, as a matter of fact, that is the historic story of the moving, the exodus, of the textile industry out of New England. I mean, concessions were made in other States to which we had been making concessions on this floor time and again because of their low per capita wealth. In every case we gave them the advantage and the consideration because they were the more depressed States and we were happy to do this. Then along with that in those States came special, nontax, situations which were attracting textiles to go out of Rhode Island.

When I was Governor of Rhode Island, the gross income of my State was 45 percent from the textile industry. Today it is less than 15 percent.

Mr. President, do you know where those factories are? They are in Alabama, North Carolina, and South Carolina. They are all over the South.

Mr. RIBICOFF. May I ask the Senator at that point, what happened to the workers in Rhode Island who lost their jobs?

Mr. PASTORE. Many of them went on relief.

Mr. SPARKMAN. Mr. President, will the Senator from Connecticut yield right there?

Mr. RIBICOFF. I am pleased to yield.

Mr. SPARKMAN. There is not a single textile plant in the State of Alabama that came down. We have had textile plants from 1830 and we have had them ever since throughout the State. Furthermore, I want to answer the question of the Senator from Rhode Island—he may not remember but JOHN MCCLELLAN remembers and BILL FULBRIGHT remembers, because they were here when we had a terrific fight over trying to equalize freight rates in this country. In those days, they could buy cotton from the South, have it shipped to New England, manufacture it into goods, and then send it to Chicago and sell it there more cheaply than we could in the South, because of freight rates.

Mr. PASTORE. I never resisted that——

Mr. SPARKMAN. I am not saying that the Senator did, but when those freight rates were equalized and made fair, then there was no need to ship cotton to New England or to manufacture it there and ship it back to the South.

Mr. PASTORE. That may be so——

Mr. SPARKMAN. That is the reason the plants came down.

Mr. PASTORE. I am saying that Federal money was used to finance and construct the mills—modern mills——

Mr. SPARKMAN. Not in my State.

Mr. PASTORE. I do not know whether in the Senator's State, but in the South—in the South——

Mr. RIBICOFF. If that is the case, may I make this comment to my colleague. If we say the purpose is not to raid the northern plants then, may I ask, what objection is there to giving priority to the northern worker from the northern plant who has followed his job south? I mean, is there any objection on your part, then, to complying with a request to give priority to that northern worker who has lost his job after 30 years? I would like an answer to that from my Southern colleagues.

Several Senators addressed the Chair.

Mr. RIBICOFF. I yield to the Senator from Georgia.

Mr. GAMBRELL. I am not sure I can answer that question specifically, but I would like to say that I think there is a red herring running loose in this Chamber today, because the tax-exempt financing we are talking about is just as available in Connecticut as it is in Georgia. We are not talking about the matter of concessions to build a textile plant in Georgia, in North Carolina, in South Carolina, or in Alabama. The same financing program can be used to build textile plants in Connecticut or in Rhode Island, and if there is a need to keep jobs in Connecticut or Rhode Island, this plant can be used.

Mr. RIBICOFF. May I say to the distinguished Senator from Georgia that Connecticut does not permit the use of these bonds. Nevertheless, if a northern town took a plant from the South, then the new plant should give priority to the Southern worker who lost his job. This should apply throughout the 50 States.

Mr. PASTORE. Mr. President, I will give you one example. We were called upon to support the TVA. We supported the TVA. Since they were not paying any taxes to the Federal Government, they were able to give reduced rates to their commercial users. What happened? You would pick up the New York Times or Newsweek and you would find their invitation, "Come to us because electricity is cheaper." This was after we helped them build the plant at the TVA, and only because they were tax free. In our State, because our public utilities are not tax free, they have to pay taxes to the tune of 52 percent of their profits. So that we were losing our mills. So what did we do? We came on the floor of the Senate and developed and financed the TVA and then they used the TVA to take our industries away from us. If that is not pirating, I do not know what pirating is.

Mr. RIBICOFF. Mr. President, I ask for the yeas and nays on this amendment.

The yeas and nays were ordered.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield to me?

Mr. RIBICOFF. The Senator from South Carolina (Mr. HOLLINGS) asked me to yield to him and I would like to do that now and then yield later to the Senator from North Carolina.

Mr. HOLLINGS. Mr. President, my friend from Rhode Island comes on and talks about his concern for the textile mills. Well, he could just as well be talking about Tokyo now. The fact is, the Senator could very well talk about two things: One is about the municipal tax-free bonds—the industrial development bonds. There are no other States developing more industry in the South than the State of South Carolina. Governor Hodges and myself, we never used the new development bonds in bringing industry to our State. We came to the Senator's State of Connecticut and adopted his program of industrial and technical programs and we put those in, but we never used TVA power in South Carolina, either.

The fact is, that is the worst way to run industry away, that is, to take away from the taxing power of a particular community which is going to build a school or wants to provide public facilities. Industry is not coming to southern communities where they have been denuded of their taxing power by giveaways and gimmicks and otherwise. They cannot provide for fine community facilities. They could say, "Here we have good educational facilities," and you are in the wrong key."

Regarding the textile industry, I had the Senator from Maine (Mr. MUSKIE) come down and he could not find it, if it had moved down 10 years before, because it has gone over to Tokyo now.

Mr. RIBICOFF. Will the Senator from Alabama (Mr. SPARKMAN) yield time to some of his colleagues on this colloquy so that I may have a few minutes left for my side? I will be glad to yield to the Senator from North Carolina (Mr. JORDAN) and to the Senator from Arkansas (Mr. MCCLELLAN) on the time of the Senator from Alabama.

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER (Mr. BROCK). The Senator from Connecticut has 4 minutes and the Senator from Alabama has 15 minutes.

Mr. SPARKMAN. How many?

The PRESIDING OFFICER. Fifteen minutes.

Mr. RIBICOFF. I have 4 minutes.

Mr. SPARKMAN. Mr. President, the Senator from Alabama has not used any of his time. The Senator from Connecticut yielded to me on this colloquy so that the Senator from Alabama has not used any of his own time yet.

Mr. RIBICOFF. The Senator has 15 minutes remaining.

Mr. SPARKMAN. Oh, was it 15 minutes? I am sorry. I thought we had 20 minutes. Yes, I yield.

Mr. RIBICOFF. If the Senator would please yield some of his time to his colleagues so that I could answer some of their questions.

Mr. SPARKMAN. Yes, I am very pleased to yield—wait a minute—wait a minute——

Mr. RIBICOFF. Go ahead.

Mr. SPARKMAN. I thought the Senator was going to yield some time.

Mr. President, I wonder whether I could say a few words before we continue. I have considerable sympathy with the Senator from Connecticut in his general overall thesis here. He presented a program to the Committee on Banking, Housing and Urban Affairs which was much more comprehensive than this one. When he presented it to me today, I said, "I wish you would wait and let it come on the housing bill and let us see what we can do with it as a part of the housing bill."

Mr. McCLELLAN. Mr. President, will the Senator from Alabama yield right there?

Mr. SPARKMAN. We are going to act on that in the early part of the new year.

I want to remind the Senator from Rhode Island (Mr. PASTORE) that it is true the TVA is not taxed, as you and I are; but they give more money to the Federal Treasury each year, I suppose, than any taxation on them would amount to. They do not pay on navigation or on flood control and neither does any other part of the country, but they pay on their power. Every dollar's worth of power that they sell they pay into the Treasury.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield.

Mr. PASTORE. Mr. President, will the Senator deny that in other States they buy TVA power that is tax free and at a much lower rate than the rate in Rhode Island?

Mr. SPARKMAN. They are not tax free since they are required by law to pay into the Treasury a certain amount each year.

Mr. PASTORE. A certain amount that they cannot use.

Mr. SPARKMAN. They are far ahead on the payment schedule.

Mr. President, I yield 2 minutes to the Senator from North Carolina.

The PRESIDING OFFICER. The Senator from North Carolina is recognized for 2 minutes.

Mr. JORDAN of North Carolina. Mr. President, we never have used it. We do not get TVA power there. We do not get any of it in North Carolina. They do have some cheaper rates, that is quite true. However, I think the distinguished Senator from South Carolina (Mr. HOLLINGS) hit the nail on the head when he said we had better go to Tokyo, South Korea, Taiwan, and Hong Kong to find out what happened to the plants. American money was spent to accomplish that.

Mr. PASTORE. Mr. President, no one fought harder about the situation that the Senator is talking about than the Senator from Rhode Island. I have been defending the mills in the South. However, we are talking about tax concessions to build plants and, at the same time, taking the work out of other States. Whether it goes into Rhode Island or South Carolina or North Carolina, when this is done, we should give the jobs to the people who have lost jobs because of those concessions. What is wrong with that? It works both ways.

If we in Rhode Island were to take advantage of this market and build a mill and take it out of South Carolina, the workers in South Carolina would have first preference to come to Rhode Island and work in that mill. What is fair for one is fair for the other.

Mr. JORDAN of North Carolina. Is the Senator saying that they have to move or that they have a right to move?

Mr. RIBICOFF. No. My amendment provides that in the event a company uses tax-exempt bonds to move a plant from one section of the country to another, two things must be done. The company must give first priority to the people that had been working in the plant at its previous location.

Mr. JORDAN of North Carolina. Does the Senator mean the worker has to move there?

Mr. RIBICOFF. No. The worker must be given the opportunity to move there if he wants to do so.

Second, if he chooses to move, the community must make arrangement for a sufficient supply of adequate housing so that when a person moves he will have a decent place in which to live.

Mr. JORDAN of North Carolina. Is the Senator proposing to put him on a pension before he moves?

Mr. RIBICOFF. No. He may, however, be forced to go on welfare if he does not move because his job was shipped out from under by the use of tax exempt industrial development bonds.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. SPARKMAN. I yield 2 minutes to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 2 minutes.

Mr. AIKEN. Mr. President, Vermont lost its lowest wage industry, the textile industry, some years ago. We have been better off since that textile industry went to other lower wage States. It has been replaced by electronic and plastic industries and by other high-grade industries until today the average worker in Vermont gets a larger rate of pay and takes home more pay than workers in four of the other New England States. The only reason that he does not get more than the worker in Connecticut is that Connecticut has been so involved in Government contracts and contracts at higher prices that they can continue to pay higher wages—although at present Connecticut has a much higher level of unemployment.

I will say that Vermont encourages people to come there with their industries. And when an industry moves from Connecticut or any other State to Vermont, their employees usually come with them if they want to. However, up to recently they have not had the opportunity. New industry has now been developed to encourage them to come to Vermont. The latest census shows Vermont to have had a 14-percent increase in population in the last decade.

The State of Vermont pays one-fourth the cost of rural water and sewerage programs. That has been a tremendous help in developing rural living and rural industry. It is the only State that does that, so far as I know.

Mr. President, I want to add one other thing. We do not have the TVA in Vermont. However, we have the lowest electric rates of any State in the Northeast. We are, in effect, the yardstick for the Northeast in the electric field.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. SPARKMAN. Mr. President, I yield 1 additional minute to the Senator from Vermont.

The PRESIDING OFFICER. The Senator from Vermont is recognized for 1 additional minute.

Mr. AIKEN. Mr. President, the monopoly-minded utility boys in the other States around our State do not like that one bit. They are now doing the best they can to make our power companies fail so that they can take them over.

We are doing all right. One company in southern New England which bought a machine tool business in Vermont and took it over has been losing business to foreign countries so fast that it is not funny. Overall we still have the best wage rates in the Northeast, the lowest power rates, the lowest rate of unemployment, and the most contented men and women that one ever saw.

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator from Alabama has 6 minutes remaining.

Mr. SPARKMAN. Mr. President, I yield 1 minute to the Senator from Mississippi.

The PRESIDING OFFICER. The Senator from Mississippi is recognized for 1 minute.

Mr. STENNIS. Mr. President, in addition to the other points that have been mentioned, I know that as a matter of fact, this is, in the first place, a very small tax exemption. It just increases it to $5 million.

Mr. SPARKMAN. Mr. President, it does not change the amount.

Mr. STENNIS. We had a terrible struggle a few years ago to even survive there.

I appreciate the fact that it was set at a certain figure and the Senator from Rhode Island was agreeable to that.

A great deal of this is used to create small, new industries for villages and rural communities that are helping to supply the expanded demand of the economy of the Nation.

With respect to light bulbs, for instance, the first factory in the South that made light bulbs was located in Mississippi a few years ago. We have been the purchasers and the consumers for many years. Now through this little effort, we are getting the opportunity to have small industry located there. It benefits those with small incomes. It is a miraculous thing to watch how it works.

I hope the amendment is agreed to.

Mr. SPARKMAN. Mr. President, I yield 2 minutes to the Senator from Arkansas.

The PRESIDING OFFICER. The Senator from Arkansas is recognized for 2 minutes.

Mr. FULBRIGHT. Mr. President, the existing law has worked extremely well in my State. Of the plants that I am aware of in my State, the major ones use the domestic raw materials such as the aluminum in the bauxite which is to be found there and the fuel and water transportation.

It appears to me that the amendment is not necessarily to provide housing.

The senior Senator from Arkansas has discussed with me, and we are all aware of the fact, that we face a shortage of housing and that there is unfunded apportion for housing already. We cannot get the money.

Mr. McCLELLAN. Mr. President, will the Senator yield?

Mr. FULBRIGHT. I yield.

Mr. McCLELLAN. Mr. President, in the last 2 fiscal years, 5,178 units have been authorized and funded at a cost of $21 million-plus. We have pending applications for 14,028 units.

We had applied for funding in the amount of $96 million. In other words, we were only able to get one-third of what we wanted to get funded. If we want to achieve the objectives of the distinguished Senator from Connecticut, we ought to be given priority to build houses.

Mr. FULBRIGHT. They do not move the plants there. Those plants are indigenous to our local climate and raw materials.

We have only a few textile plants. They did not come from New England. There is one that makes a certain kind of velveteen. It is a branch of a plant from Virginia. It did not originate in New England.

It appears that the Senator's amendment is designed to prevent the Sparkman amendment from being agreed to.

If he is serious about doing something about housing, which I would support, I do not know why the Senator does not pursue the matter in the regular course with the chairman of the Committee on Housing, who has already stated it would be put in the regular bill carrying housing authority. I am for the housing bill and I would vote for more money.

We have been underfunded. This money for rural water and sewers, which is very much needed in my State, has been impounded. But there are many implications involved here. The Sparkman amendment is a constructive way to reduce the population trend toward the swelling urban ghettos of the North and to encourage people to live in rural areas. I would guess an insignificant percentage of employees in plants in Arkansas came from other areas.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. RIBICOFF. Mr. President, I yield myself 1 minute in order to reply.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. RIBICOFF. If what the Senator from Arkansas states is so, there would be no problem because if they did not take a plant from another section of the country there would be no obligation to give an employee a job.

I am trying to be practical and fair, and so far I have heard nothing to controvert the equity, soundness, and decency of my amendment.

Mr. FULBRIGHT. There is nothing here that says they have to pick up the plant and bodily move it.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 2 minutes remaining.

Mr. SPARKMAN. I yield 1 minute to the Senator from Tennessee.

The PRESIDING OFFICER. The Senator from Tennessee is recognized.

Mr. BAKER. Mr. President, I want to say that in the overall view the amendment to the amendment offered by the distinguished Senator from Connecticut, in my humble judgment, has the effect of making a challenge to the validity for this method of financing.

I believe the ultimate question on the vote is whether we will have industrial development revenue bonds with a tax-free status. I thought we settled that question in the previous session when we had extended debate and agreed on a compromise between unlimited financing of this type and the limitation of $5 million. I think $5 million is reasonable.

If the Senate were to agree to this amendment to the amendment it would have the practical effect of killing industrial bonds for industrial financing, and I am opposed to it.

Mr. RIBICOFF. Mr. President, I will vote for the Sparkman amendment if my amendment is agreed to. My purpose is to put some social purpose behind the use of tax exempt industrial development bonds.

Mr. PASTORE. I know there is very little time left but I wish to say that is my sentiment too. If the amendment of the Senator from Connecticut is not carried, I will vote for the Sparkman amendment. I am not gaging one against the other.

Mr. BAKER. Mr. President, do I have time remaining?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. SPARKMAN. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. SPARKMAN. Mr. President, I shall use that minute for one purpose.

I have read this amendment. I do not see any tie-in with a plant being moved. The only place we have anything about employees with respect to being in some other plant is where it states:

> The community's agreement shall also provide the necessary assurances from the company that any previous employees of the company who might lose their jobs as a result of the new facility shall be given the right of first refusal for the new jobs.

There is nothing there about housing and there is nothing there about plants being reimbursed.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. RIBICOFF. Mr. President, the answer is in section (B) (1) of my amendment. Section (D) provides that if a company does move as a result of these bonds the first refusal of jobs should be given the employee whose plant was moved out from under him.

That is the substance of my amendment.

The PRESIDING OFFICER. All time has expired on the amendment.

Mr. AIKEN. Mr. President, what amendment is the Senate now going to vote on?

The PRESIDING OFFICER. This is the amendment of the Senator from Connecticut to the amendment offered by Senator from Alabama.

Mr. AIKEN. We are voting on the amendment offered by the Senator from Connecticut to the amendment offered by the Senator from Alabama?

The PRESIDING OFFICER. The Senator correctly stated the parliamentary situation.

The yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. ELLENDER), the Senator from Montana (Mr. MANSFIELD), and the Senator from Georgia (Mr. TALMADGE) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON), and the Senator from Iowa (Mr. HUGHES) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from Idaho (Mr. JORDAN), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from North Dakota (Mr. YOUNG) are detained on official business.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from Pennsylvania (Mr. SCOTT), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "nay."

The result was announced—yeas 37, nays 42, as follows:

[No. 333 Leg.]

YEAS—37

Bayh
Bible
Brooke
Burdick
Cannon
Case
Church
Cranston
Eagleton
Gravel
Griffin
Hart
Hatfield
Hollings
Inouye
Javits
Kennedy
Magnuson
Mathias
McGee
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Packwood
Pastore
Pell
Percy
Proxmire
Ribicoff
Schweiker
Smith
Symington
Tunney
Williams

NAYS—42

Aiken
Allen
Anderson
Baker
Beall
Bellmon
Bennett
Bentsen
Boggs
Brock
Buckley
Byrd, Va.
Byrd, W. Va.
Chiles
Cook
Cooper
Cotton
Dole
Dominick
Eastland
Ervin
Fannin
Fong
Fulbright
Gambrell
Gurney
Hansen
Hruska
Jordan, N.C.
Long
McClellan
Miller
Pearson
Randolph
Roth
Sparkman
Spong
Stafford
Stennis
Stevenson
Taft
Weicker

NOT VOTING—21

Allott
Curtis
Ellender
Goldwater
Harris
Hartke
Hughes
Humphrey
Jackson
Jordan, Idaho
Mansfield
McGovern
Montoya
Mundt
Saxbe
Scott
Stevens
Talmadge
Thurmond
Tower
Young

So the Ribicoff-Nelson amendment to the Sparkman amendment was rejected.

The PRESIDING OFFICER. The question now recurs on agreeing to the amendment of the Senator from Alabama (Mr. SPARKMAN).

Mr. SPARKMAN. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

The PRESIDING OFFICER. On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The second assistant legislative clerk called the roll.

Mr. BENNETT (after having voted in the negative). Mr. President, on this vote, I have a pair with the Senator from Nebraska (Mr. CURTIS). If he were present and voting, he would vote "yea." If I were at liberty to vote, I would vote "nay." Therefore, I withdraw my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Oklahoma (Mr. HARRIS), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I further announce that the Senator from Louisiana (Mr. ELLENDER), the Senator from Montana (Mr. MANSFIELD), and the Senator from Georgia (Mr. TALMADGE) are absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) and the Senator from Iowa (Mr. HUGHES) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from Idaho (Mr. JORDAN), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

The Senator from Arizona (Mr. GOLDWATER), the Senator from Pennsylvania (Mr. SCOTT), and the Senator from North Dakota (Mr. YOUNG) are detained on official business.

If present and voting, the Senator from Texas (Mr. TOWER) would vote "yea."

The pair of the Senator from Nebraska (Mr. CURTIS) has been previously announced.

On this vote, the Senator from South Carolina (Mr. THURMOND) is paired with the Senator from Pennsylvania (Mr. SCOTT). If present and voting, the Senator from South Carolina would vote "yea" and the Senator from Pennsylvania would vote "nay."

The result was announced—yeas 55, nays 23, as follows:

[No. 334 Leg.]

YEAS—55

Aiken
Allen
Baker
Bayh
Beall
Bellmon
Bentsen
Bible
Boggs
Brock
Burdick
Byrd, W. Va.
Cannon
Chiles
Cook
Cooper
Cranston
Dole
Dominick
Eagleton
Eastland
Ervin
Fong
Fulbright
Gambrell
Gravel
Hansen
Hollings
Hruska
Inouye
Jordan, N.C.
Long
Magnuson
McClellan
McGee
McIntyre
Metcalf
Miller
Mondale
Moss
Muskie
Packwood
Pastore
Pearson
Pell
Percy
Randolph
Roth
Sparkman
Stafford
Stennis
Stevenson
Symington
Tunney
Weicker

NAYS—23

Anderson
Brooke
Buckley
Byrd, Va.
Case
Church
Cotton
Fannin
Griffin
Gurney
Hart
Hatfield
Javits
Kennedy
Mathias
Nelson
Proxmire
Ribicoff
Schweiker
Smith
Spong
Taft
Williams

PRESENT AND GIVING A LIVE PAIR, AS PREVIOUSLY RECORDED—1

Bennett, against.

NOT VOTING—21

Allott
Curtis
Ellender
Goldwater
Harris
Hartke
Hughes
Humphrey
Jackson
Jordan, Idaho
Mansfield
McGovern
Montoya
Mundt
Saxbe
Scott
Stevens
Talmadge
Thurmond
Tower
Young

So Mr. SPARKMAN's amendment was agreed to.

Mr. SPARKMAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. LONG and Mr. RANDOLPH moved to lay the motion on the table.

The motion to lay on the table was agreed to.

## MESSAGE FROM THE HOUSE

A message from the House of Representatives by Mr. Hackney, one of its reading clerks, announced that the House had agreed to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11418) entitled "An Act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes."; that the House receded from its disagreement to the amendment of the Senate numbered 1 to the bill and concurred therein with an amendment in which it requested the concurrence of the Senate.

The message also announced that the House had passed, without amendment, the following bills:

S. 2216. An act to amend the Investment Company Act of 1940, as amended; and

S. 2339. An act to provide for the disposition of judgment funds on deposit to the credit of the Pueblo of Laguna in Indian Claims Commission, docket numbered 227, and for other purposes.

The message further announced that the House had passed H.R. 11341, an act to provide additional revenue for the District of Columbia, and for other purposes.

## HOUSE BILL REFERRED

The bill (H.R. 11341) to provide additional revenue for the District of Columbia, and for other purposes, was read twice by its title and referred to the Committee on the District of Columbia.

## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### AMENDMENT NO. 654

The **PRESIDING OFFICER**. Under the previous order, the Chair lays before the Senate amendment No. 654 by the Senator from South Carolina (Mr. HOLLINGS), which will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. **HOLLINGS**. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The **PRESIDING OFFICER**. Without objection, it is so ordered and, without objection, the amendment will be printed in the RECORD.

The amendment is as follows:

At the appropriate place, insert the following:

SEC. .(a) This section may be cited as the "Tax Reimbursement Act of 1971".

(b) Commencing with taxable year 1971, the Secretary, through the Internal Revenue Service, shall pay annually to any eligible family which applies for such payment an amount determined under subsections (b) and (c) as reimbursement for sales taxes on food and property taxes on a residence paid by the family during the preceding calendar year.

(c) The amount payable to any family under subsection (a) as reimbursement for sales tax on food shall be determined by multiplying the combined State and local sales tax rate in effect for that calendar year in the locality in which such family lived by the cost of the low-cost food plan established by the Department of Agriculture for that calendar year for a family of that size and composition. For the purpose of this subsection, any locality in which there is no sales tax shall be held and considered to impose a combined State and local sales tax of 4 percent on purchases of food.

(d) The amount payable to any family under subsection (a) as reimbursement for property tax imposed on that family's residence shall be:

(1) in the case of a residence owned by a family an amount equal to the property taxes paid by the family during the preceding calendar year;

(2) in the case of a residence which is rented by the family, an amount equal to 20 percent of the total rent paid by the family during the preceding calendar year, exclusive of any charges for utilities, services, furnishings, or appliances furnished by the landlord as part of the rental agreement.

(e) A family entitled to a payment under subsection (a) shall file an application with the Secretary in such manner as he shall prescribe. The application shall be filed on or before April 15 for a calendar year ending on the next preceding December 31. The applications shall set forth the applicant's address, the income of the family for the calendar year, the age and sex of each member of the family, whether any member of the family was pregnant or nursing an infant during such calendar year, the total amount paid during the calendar year as property tax or rent for the household, and such other information as the Secretary shall deem appropriate.

(f) The amount of the payment to which the family is entitled under subsection (a) shall be reduced by 50 cents for each dollar of income received by the family during that taxable year in excess of the poverty level income established for a family of that size and composition.

(g) As used in this section, the term—

(1) "family" means an individual living alone, or two or more persons living together in the same household provided these persons are over 65, or related by blood, adoption, or marriage, including a common law union recognized by the laws of the State wherein the persons reside; and

(2) "poverty level income" means minimum family size annual income levels established by the Bureau of the Census in its 1970 Current Population Report adjusted annually by the Secretary to reflect changes in the Consumer Price Index; and

(3) "Secretary" means the Secretary of the Treasury.

(h) The Secretary of the Treasury shall prescribe such regulations as shall be necessary to carry out the provisions of this section.

(i) There are authorized to be appropriated such sums as may be necessary to carry out the provisions of this section.

SEC. 4. (a) Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1954 (relating to items specifically excluded from gross income) is amended by redesignating section 124 as 125 and by inserting after section 123 the following new section:

"SEC. 124. AMOUNTS RECEIVED UNDER THE TAX REIMBURSEMENT ACT OF 1971.

"Gross income does not include amounts received during the taxable year under the Tax Reimbursement Act of 1971 as reimbursement of food sales and property taxes paid during the taxable year."

(b) The table of sections of such part III is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 124. Amounts received under the Tax Reimbursement Act of 1971.

"Sec. 125. Cross references to other Acts."

Mr. **HOLLINGS**. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. **HOLLINGS**. Mr. President, I ask unanimous consent that the names of the Senator from Wisconsin (Mr. NELSON) and the Senator from Minnesota (Mr. MONDALE) be added as cosponsors of the amendment.

The **PRESIDING OFFICER**. Without objection, it is so ordered.

Mr. **HOLLINGS**. Mr. President, it seems that Congress repeatedly in the past decade has been enacting revenue act after tax reform act after investment credit act after tax reform act, all designed to make more equitable the tax burden, and all sold on the basis of helping the poor.

We had the Revenue Act of 1962, the Revenue Act of 1964, an Investment Credit Act of 1967 and, again, the Tax Reform Act of 1969.

Each time the intent was to obtain a job for the poor or lessen the burden of the poor.

And the fact of the matter is that each has not only missed its mark but also has slightly and positively drawn tighter the tax noose about the neck of the poor.

Some would withdraw in shock and say, "What about the low-income allowance plus the personal exemption which shields the poor from exactions of the Federal income tax?"

True, personal exemptions are permitted to all taxpayers, not just the poor, and when you compare the amount of tax revenue lost per personal exemption, we find that three-quarters of the revenue loss accrues to the benefit of those groups other than the needy.

While State, local, and other Federal tax measures continue to increase, sales tax, property tax mostly by way of rentals,. sick pay, unemployment insurance, workmen's compensation insurance, and social security tax continue to grow.

The average Federal legislator feels that he has just about excluded the poor from the impact of taxation where in truth 28 percent of the poor's income is taken each year in State, local, and Federal taxes.

Of course, one reason for this misapprehension is that the Federal income tax represents only about 2 percent of the 28 percent taxation burden that is carried by the poor. The Revenue Act of 1971 only exacerbates the pitiful predicament. It relieves the haves, it relieves the havesomes, but the relief gun completely misses the target of have-nots.

Before elaborating upon this, I ask unanimous consent to have printed in the RECORD an analysis of the Tax Reform Act of 1969 by Paul M. Dodyk, professor of law at the Columbia University appearing in the Columbia University Law Review of May 1971.

This, to me, is the finest discourse, rendered from the hand of a technician rather than that of a bleeding heart, and it includes the compassion that we think we demonstrate each time we vote on a so-called tax reform act.

There being no objection, the analysis was ordered to be printed in the RECORD, as follows:

## THE TAX REFORM ACT OF 1969 AND THE POOR

(By Paul M. Dodyk, professor of law, Columbia University. B.A., Amherst, 1959; B. Phil., Oxford, 1961; LL.B., Harvard, 1964)

### I. INTRODUCTION

The purpose of this article is to assess the impact of the Tax Reform Act of 1969[1] (hereinafter referred to as the Reform Act), and more particularly the individual income tax provisions of that Act, on the tax structure of this country from the vantagepoint of the poor. I am impelled to adopt this per-

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spective on the Reform Act because of a conviction that the interest of the poor are too often unrepresented in the tax councils of the nation and that this lack of representation has permitted to remain unanalyzed numerous aspects of the Internal Revenue Code of 1954 (hereinafter referred to as the Code) which are distinctly detrimental to the interests of the poor.

The perspective which I seek to represent is that of the lowest income stratum of our society. Though debates have raged over the meaning of poverty in a modern industrialized society, no extended definition of that class is necessary for present purposes. It is widely recognized that a large segment of our society lacks the wherewithal to provide for themselves the essentials of a decent and healthful existence, and it is their perspective which I seek to represent. One attempt, though an imperfect one, to define the scope of this class has been the Poverty Index developed by the Department of Health, Education and Welfare.[2] Another is that of the New York City Human Resources Administration whose subsistence schedule for families receiving welfare is set forth in Table IV.[3] Whatever the precise dimensions of this class, the basic point is that there is a large group of people in this country who lack the means to provide for themselves the most basic essentials of life: food, clothing, shelter, medical assistance, education. Various methods have been suggested for dealing with the needs of the deprived. Some suggestions involve tax innovations which would hopefully induce the channelling of increased economic resources to serve these needs; most involve the establishment of direct expenditure programs of one sort or another. All but a few such suggestions have foundered, the reason most commonly advanced being lack of funds. It is not my purpose to recommend a program for the satisfaction of these needs. Nor am I proposing any particular adaptation of the Code to serve these needs. Rather, I seek only to draw attention to certain aspects of the American system of taxation which have over the years worked grave yet unremarked disservice to the interests of this segment of the population and to suggest certain largely unexplored possibilities for redirecting the financial benefits presently conferred by the Internal Revenue Code.

### *A. The relevance of tax expenditures*

A significant, though by no means exclusive, aspect of this assessment will be an examination of what are sometimes called "tax expenditures"—those provisions of the Code that cause the base to which the federal income tax is applied to be narrower than a comprehensive income tax base including all income from whatever source derived—and an attempt to explore the relevance of these tax expenditures to the poor. Among the most commonly mentioned of these tax expenditures are percentage depletion of gross income from natural resource exploitation, the exclusion of social security benefits from taxable income, and the various capital gains preferences.

The conceptual foundation underlying most discussions of tax expenditures is based upon acceptance of the Haig-Simons concept of income—that is, consumption, plus increase in net worth during any given period (hereinafter referred to as "comprehensive tax base")—as the theoretically proper measure of income for purposes of a system of taxation based on taxpayers' relative abilities to pay.[4] Acceptance of the concept of a comprehensive tax base, then, means acceptance of the proposition that income taxes should be apportioned in accordance with taxpayers' total incomes, defined as consumption plus increase in net worth, from whatever source derived.[5] Acceptance of the concept also entails the recognition that deviations from the comprehensive tax base are departures from a tax system based upon relative abilities to pay, in order to advance other objectives, most commonly, encouraging or discouraging certain kinds of behavior or promoting efficient tax administration.[6] Under this view, departures from the comprehensive tax base by means of exclusions, deductions, credits, lower tax rates, and the like are "tax expenditures" which accrue to the benefit of some more or less limited class of taxpayers and which are to be justified, if at all, not in terms of income tax theory but in terms of the contribution which the tax expenditure makes to the attainments of some other public purpose.[7]

Needless to say, the phrase "consumption plus increase in net worth" falls far short of providing clear resolution of all the innumerable problems that arise in the course of constructing a comprehensive definition of income. Books have been written in the effort to give that concept sufficient content to guide the resolution of those many problems.[8] And some writers have pointed out the many hard definitional problems involved in any attempt to sort out tax expenditures from the basic structural elements of an expenditure-free income tax.[9] The focus of the present effort does not permit joining issue in that debate. Without intending to belittle the significance of those questions, it is necessary for present purposes to assume the validity of the tax-expenditure concept and the distinctions imported thereby.

A convenient summary of the major tax expenditures built into the Code (the tax expenditure budget) is found in the 1968 Annual Report of the Secretary of the Treasury which is set forth, in amended form, in Table I.[10] That budget is an effort to set out "the major respects in which the current income tax bases deviate from widely accepted definitions of income" [11] in order to estimate the revenue loss (or "tax expenditure") arising from such deviations, to categorize tax expenditures in accordance with the functional categories employed in the Federal Budget, and to facilitate comparison of direct expenditures and tax expenditures. The Treasury study does not attempt to identify every variance between taxable income under the Code and what would result from thorough-going application of a comprehensive tax base.[12] It does, however, find its theoretical grounding in that concept and identifies most of the Code's significant departures from that concept.

Of what relevance are these tax expenditures to the poor? Discussion of such expenditures normally concerns the "efficiency" with which they attain their ostensible objectives, the effects of their use on the governmental decision-making process, their revenue cost, or their impact on horizontal equity.[13] There has seldom been public discussion of their relevance to problems of deprivation. This silence is more than a little strange, for it comes in the midst of a cacaphonous conflict over "priorities." Rarely in the history of the country has there been such dissension over the uses to which our national productivity is being or should be put, or over the morality of customs currently prevailing in the distribution of income. The peristence of deprivation in a society that is said to be the world's wealthiest has become to many an increasingly unbearable anomaly. The full force of the storm has gathered over the choice between defense expenditures and social welfare expenditures such as public assistance, housing, health, and education. Despite insistent demands for the satisfaction of these pressing domestic needs, the Administration currently in office, plagued by the most persistent inflation in recent times and constrained by the fiscal requirements of what it perceives to be its international obligations, has been unable to find economic resources commensurate with these demands. In light of this apparent impasse over the satisfaction of public needs, it is more than a little surprising that the tax expenditures built into the Code have not come under renewed scrutiny, for these expenditures are of profound significance in determining the distribution of income and, concomitantly, the condition of the poor.

### *B. The perceptions of the deprived*

Of the many things that could be said of the relevance to the poor of the Code and its structure of tax expenditures, I would like to focus on four principal perceptions.

1. *The Dimensions of the Tax Expenditure Budget.* First, tax expenditures are of importance to the poor because they reflect decisions to commit enormous amounts of revenue to the service of certain public purposes and to the benefit of certain private citizens. The aggregate sgnificance of these expenditures for the distribution of income and the allocation of productive resources is vast. Viewed from the perspective of the deprived, the patterns of purpose and benefit served by these provisions (as, for example, the decision to spend billions to encourage natural resource exploitation rather than to provide universally adequate medical care) stand in need of re-examination. This article is, however, not the proper forum for indulging in quick judgments about the wisdom of prevailing preferences and deprivations. More appropriate is the objective of taking some aggregate measure of the revenues spent through tax expenditures and of assessing the impact of the Reform Act on the amount of such expenditures. One of the principal objectives of the Reform Act was to curtail the long continued erosion of the tax base arising from the increasing significance of tax expenditures.[14] Upon completing these introductory remarks, I turn first to a brief recapitulation of the Reform Act's most significant individual income tax provisions designed to restore comprehensiveness to the tax base.[15] I do so in an attempt to provide a preliminary assessment of the Reform Act's accomplishments and of the opportunities that remain for redirection of the public revenues disbused through tax expenditures.

2. *Subsidization of Private Needs Through the Tax Expenditure Budget.* A second perception is that these tax expenditures commit public revenues to support the satisfaction of certain needs—such as housing, medical care, education—and that such support confers private benefits on those classes of people who are able to benefit from them. Moreover, the needs subsidized are matters of central concern to the well-being of all Americans—both those who have sufficient income to benefit from tax expenditures and those who do not. Yet, despite an increasingly painful awareness of the current inadequacies in the provision of housing, education, medical care, and public assistance to the poor, there has been surprisingly little analysis of the way in which the kindred benefits of these "implicit federal programs" have been distributed among different income classes. If the result of the Code's current structure of tax expenditures is to channel large amounts of revenue to subsidize the satisfaction of some universally experienced human need and to channel that revenue largely to the well-to-do, and if at the same time the poor are unable to satisfy that same need, perhaps more searching scrutiny of the distributive consequences of these tax expenditures is required. Certain provisions of the Code that deal with housing will be analyzed as a means of exploring the relevance of such expenditures to the poor.[16]

3. *Taxing the Poor.* A third perception involves the problem of taxing the poor.[17] Though it is commonly acknowledged that a modern industrial state such as the United States should not tax those who lack the income to provide for themselves the minimum essentials of health and common decency, it is as commonly acknowledged that the federal income tax has in recent years done exactly that. One of the principal purposes of the Reform Act was to end our re-

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Footnotes at end of article.

liance on the poor for tax revenues[18] and, to accomplish this purpose, the Low Income Allowance was created.[19] In a later section I shall undertake a brief analysis of the Reform Act's accomplishments in terminating the governmental reliance on the poor for revenue and the effectiveness of current tax expenditure techniques in dealing with this problem.[20]

4. *Income Maintenance and the Code.* Finally, I close with a few words about the Code and the problem of greatest concern to the poor: that is, not being poor any more. Just as the Code contains implicit programs for the support of housing and the amelioration of state and local tax burdens, so also it contains programs directed at income maintenance. Of what significance are these programs? To whose benefit do they redound? What opportunities are there for redirecting these income maintenance programs to benefit the poor? How significant a contribution would such redirection make toward altering the distribution of income in this country so as to assure to all the people the prerequisites of decent living?[21]

## II. TAX EXPENDITURES AND THE TAX REFORM ACT OF 1969

### *A. The aggregate significance of tax expenditures*

Table I sets forth, in amended form, the Tax Expenditure Budget contained in the Report of the Secretary of the Treasury for 1968.[22] The Budget has been altered by the addition of categories for the imputed rental value of owner-occupied housing and personal exemptions, and certain other categories necessary to facilitate evaluation of the Reform Act's changes.[23] Even the most cursory perusal of Table I will reveal the significance of the implicit federal programs implemented in the interstices of the Code. The expenditures involved are enormous, totaling approximately 70 billion during fiscal 1968, an amount rivaling the $97.4 billion collected through the federal income tax for that year.[24] Put another way, in the fiscal year 1968 the federal government spent as much public revenue through the federal income tax as it collected from individual income taxes ($68.7 billion).[25] One need hardly go on to point out that the aggregate amount of the revenue involved is of such magnitude as to make critical re-examination of the supported programs essential to any serious search for a way out of the current impasse between public need and fiscal constraint. Turning from aggregate figures to specific items, one finds the following order of significance among the specific items of expenditure which comprise the tax expenditure budget:

(1) personal exemptions, $23 billion;

(2) capital gains preferences, $8.5 billion;

(3) deduction of charitable contributions, $3.2 billion;

(4) exclusion of income earned by employee pension plans, $3 billion;

(5) deduction of medical insurance premiums and medical expenses, $2.6 billion;

(6) exclusion of imputed rental value of owner-occupied housing, $2.6 billion;

(7) credits and exemptions for the aged and exclusion of social security payments, $2.3 billion;

(8) deduction of mortgage interest, $1.9 billion;

(9) deduction of real property taxes, $1.8 billion;

(10) exclusion of state and local bond interest, $1.8 billion;

(11) deduction of individual income taxes, $1.35 billion;

(12) exclusion of the excess of percentage over cost depletion, $1.3 billion;

(13) deduction of consumer credit interest, $1.3 billion.[26]

It has long been recognized that the ultimate effect of these various tax expenditures has been to make the reality of federal income taxation far less burdensome than the threatening egalitarian shadow cast by the rate tables.[27] One of the principal announced purposes of the Reform Act was to limit the corrosive influence of tax expenditures on the federal income tax base.[28]

### B. *Individual income tax provisions of the reform act*

1. *The Minimum Income Tax.* Of the many provisions directed at limiting corrosion of the tax base, perhaps the most ingenious is the new minimum tax on tax preferences.[29] Weary of fighting tax expenditures head-on (and losing), the Treasury resolved to limit the impact of tax expenditures by persuading Congress to impose a 10% minimum tax on tax "preferences." For purposes of the minimum tax, "preference" is defined to mean: (1) the untaxed portion of long-term capital gains; (2) the excess of percentage over cost depletion; (3) the excess over option price, of stock subject to qualified or restricted options, of the stock's fair market value at the time the option is exercised; (4) the excess of accelerated depreciation deductions over deductions allowable on a straight-line basis in the case of real property; (5) the excess of accelerated depreciation deductions subject to recapture under Code section 1245 over deductions allowable on a straight-line basis in the case of personal property subject to net lease; (6) excess investment interest (as defined below);[30] (7) depreciation deductions in excess of those otherwise allowable under Code section 167 arising out of depreciation over a 60-month useful life as permitted by section 57 (a)(4) in the case of certified pollution control facilities and by section 57(a)(5) in the case of railroad rolling stock; and (8) the excess of a financial institution's bad debt reserve allowance over its actual bad debt experience.[31]

The minimum tax applies only to the amount by which the sum of these preference items exceeds $30,000 plus the amount of federal income tax otherwise imposed upon the taxpayer.[32] The tax applies even though the preferences do not result in a tax saving (as where the taxpayer is in a net loss position for the year and is unable to avail himself of the net operating loss provisions of section 172), and it applies in addition to possible future recapture of deductions as in the case of accelerated depreciation under Code sections 1245 and 1250.

Though the Reform Act's minimum tax represents an ingenious means of striking at certain extreme tax avoidance situations, and though it may provide a basis for the development of more far-reaching legislation in the future, it is of rather limited efficacy in its present form. Take, for example, a married taxpayer, Mr. *X*, who was fortunate enough during 1970 to realize $64,000 in taxable income and $250,000 in capital gains. The tax on his ordinary income is $24,420. The tax on his capital gains, using 1970 rates, is 25% of the first $50,000 (or $12,500) plus 29½% of the remaining $200,000 (or $59,000), making a total of $71,500. To these taxes must be added a 2½% surtax (or $2,398) making a total tax burden of $98,318. His tax preference is $125,000, the "excluded" portion of his capital gains. From this $125,000 Mr. *X* is entitled to subtract his $30,000 exemption plus his regular tax of $98,318 for a total minimum tax shield of $128,318, more than enough to defeat application of the minimum tax altogether. Had Mr. *X* had no taxable income other than his capital gains of $250,000, his tax situation would be only slightly changed. His regular tax, including surcharge, would be $73,287 which, when added to his exemption of $30,000, would shield from minimum tax all but $21,713 of his tax preference and result in a minimum tax of $2,171; this represents an increase in Mr. *X*'s average effective tax rate of .0087.[33]

#### 2. *Capital Gains Amendments*

a. *The alternative capital gains tax.* The Reform Act also makes a frontal attack on one of the most expensive of the tax expenditures, namely, that group of preferential provisions governing the taxation of capital gains. First, the Act limits significantly the role played by the alternative capital gains tax of 25%. Under the pre-Reform Act provisions of the Code, an individual taxpayer was able either to deduct one-half of capital gains and pay his ordinary income tax on the other half, or to pay a tax of 25% on the entire capital gain, whichever was lower. Under the Reform Act, the deduction of one-half of one's capital gains emerges unscathed. The alternative tax continues to be applicable to capital gains up to $50,000 per year ($25,000 per year for married taxpayers filing separately), but beginning in 1972 it will not be available for capital gains in excess of $50,000 per year.[34] During the intervening years of 1970 and 1971, the alternative tax (on capital gains over $50,000 per year) scales transitionally upwards to 29½% and 32½% respectively. The net effect of this change, coupled with the minimum tax, is that after 1971 capital gains will be taxable at a rate that can be as high as 40%: one-half the capital gain may be taxed at a marginal rate as high as 70% (which is equivalent to 35% of the entire capital gains) while the other half of the capital gain may be subject to the minimum tax at a rate of 10% (representing an additional 5% of the entire capital gain).

b. *Capital losses.* The Reform Act also limits the utility of long-term capital losses. Under the pre-Reform Act Code an individual taxpayer was directed to deduct his long-term capital losses from his long-term capital gains and his short-term capital losses from his short-term gains. Any excess of long-term capital loss was deductible against short-term capital gain, and any excess in short-term capital loss was deductible from long-term capital gain. Any excess capital loss (long-term or short-term) over capital gain was deductible from ordinary income of up to $1,000 per year. There was, in short, precious little difference between long-term and short-term capital loss. Except in the case where a taxpayer had realized both long-term gain and short-term gain and was deciding whether to realize either long-term or short-term loss aggregating less than his total capital gain (in which event he would want to realize the short-term loss), either loss would produce the same result.

The Reform Act has added another difference by making long-term losses deductible against ordinary income on a $2-for-$1 basis.[35] To reduce one's ordinary taxable income by $1, $2 of long-term loss must be deducted. Long-term losses may still be deducted on a dollar-for-dollar basis against long- and short-term capital gains, and short-term losses may still be deducted from long-term gains, short-term gains, and up to $1,000 of ordinary income per year on a dollar-for-dollar basis. Capital losses (long- and short-term) can still be carried forward indefinitely, but long-term losses must be reduced on a two-for-one basis to the extent deducted from ordinary income.[36] Whether long-term capital losses carried forward must be reduced to the extent deductible from ordinary income, whether or not deducted, is unclear. Net long-term capital losses realized prior to January 1, 1970, retain their dollar-for-dollar potency as deductions against ordinary income even though carried forward into 1970 and later years.

c. *Deferred taxation and restricted stock.* The Reform Act also included provisions to limit the use of certain capital-gains-produc-

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ing devices as techniques of executive compensation. Prior to the Reform Act, the Code permitted capital gains treatment of certain distributions to employees from qualified pension, profit-sharing, or bonus plans if the distributions were made within a distributee's single taxable year. The Reform Act requires an employee to include as ordinary income that portion of the lump-sum distribution that is contributed to the plan by his employer after December 31, 1969.[37] Pre-1970 employer contributions and income earned by the plan remain entitled to capital gains treatment.

Similarly limited in utility are restricted stock plans. Under such plans, a corporation typically grants an employee stock that is forfeitable to the corporation if the employee leaves its employ within a stated period. Prior to the Reform Act, the employee would include nothing in his income upon receipt of the stock. Upon lapse of the restriction or earlier sale, the employee would include as ordinary income the lower of (i) the value, determined without regard to forfeitability, of the stock when received or (ii) the value of the stock when the restrictions lapsed. The excess over and above this value of any amount realized upon the sale or exchange of the stock was treated as a capital gain. Such plans permitted the taxpayer to defer payment of tax until lapse of the restriction and to obtain capital gains treatment of all increments in value after receipt of the restricted stock.[38] The Reform Act permits the recipient of restricted stock to defer taxation if the stock (or other property) is subject to substantial risk of forfeiture and cannot be transferred free of such risk, but requires that the recipient include as ordinary income the value of the stock at the time the restrictions lapse or the stock becomes transferable free of the restriction.[39] The recipient of restricted stock is thus disabled from obtaining capital gains treatment of increments in value accruing between the receipt of the stock and the lapse of the restrictions. The Reform Act offers the recipient the option of including in ordinary income the value of the stock upon receipt determined without regard to forfeitability but no deduction is allowed should the stock later be forfeited.

d. *Sales of life estates*. Another intriguing possibility for reaping capital gains in order to avoid ordinary income was sanctioned by *McAllister v. Commissioner*.[40] Involved in *McAllister* was the not uncommon situation in which a taxpayer receives, upon the death of his benefactor, a life interest in securities held in trust. Were the taxpayer to retain the life estate, the income received from the securities would typically be taxable as ordinary income. If, however, the taxpayer sold that life estate, he would be entitled both to deduct his basis (here determined with reference to the value of the trust securities upon the benefactor's death) from the sale proceeds and to treat the difference as a capital gain. Furthermore, the purchaser of a life estate would be entitled to amortize his purchase price against the income accruing to him from the life estate [41] and whatever net income remained was often taxable at a lower rate than that which would have been applied to the seller. Such rules could not but whet the imagination for tax-saving possibilities inherent in the creation and sale of life estates.

The Reform Act makes this game decidedly less attractive by disallowing the selling life tenant a deduction for his basis in the property unless his transfer is part of a transaction wherein the entire property of which his life interest is a part is being disposed of.[42] The Reform Act does not, however, challenge the capital gains status of the proceeds received upon sale of a life estate.

e. *Earned income*. Coupled with these limitations on capital gains preferences is the Reform Act's limitation on the rate of tax imposed on earned income to 60% for taxable years commencing after December 31, 1970, and before December 31, 1972, and to 50% for taxable years commencing thereafter.[43] The 50% maximum rate on earned income, combined with the minimum tax on preferences and the elimination of the alternative tax on capital gains, will do much to narrow the dispersion of effective tax rates in the upper income brackets and to restore some measure of horizontal equity at those levels. Earned income is defined to include most payments received as compensation for the rendering of personal services, whether in the form of wages and salaries, professional fees, or proceeds from the licensing or disposition of property by the individual who creates the property. It does not, however, include (i) deferred compensation within the meaning of Code section 904, (ii) compensation deferred subject to a risk of substantial forfeiture unless received before the end of the taxable year following the year in which the recipient's right is not subject to substantial risk of forfeiture, or (iii) compensation received in any year in which the taxpayer elects to average his income pursuant to Code sections 1301 and 1302. The earned income tax ceiling is applicable only to earned income and cannot be applied to reduce rates of tax applicable to income derived from other sources where a taxpayer enjoys both earned and unearned income.[45] Moreover, the amount of taxable income subject to the earned income tax ceiling is reduced by the greater of (i) the excess of an individual's tax preferences over $30,000 or (ii) the excess over $30,000 of the average of an individual's tax preferences over the current and past four years.[46]

3. *Limitations on Deductions.*

a. *Excess investment interest*. The Reform Act also limits the use of various deductions to reduce a taxpayer's taxable income. Most closely related to the capital gains problem is the deduction of interest incurred to finance property held to produce capital gains, a practice which produced complicated stratagems such as that frustrated by Justice Brennan, writing for the Supreme Court, in *Knetsch v. United States*.[47] The Reform Act treats excess investment interest—defined as the excess of interest on borrowing to carry investment property over and above net investment income from such property—as a preference subject to minimum tax until December 31, 1971.[48] For all taxable years beginning thereafter, one-half of excess investment interest over and above $25,000 per year will be disallowed.[49] Net investment income is defined as the excess over investment expense of gross income from interest, dividends, rents, royalties, net short-term capital gains from the disposition of investment property, and depreciation recapture.[50] It is interesting to note that in disallowing the deduction for investment interest, the Reform Act makes yet another breach in the alleged administrative inability to distinguish between income-producing and other interest; that alleged inability has long served to justify the general deductibility of interest payments.[51]

b. *Charitable contributions*. The Reform Act also places significant restrictions on the deductibility of charitable contributions. Prior to the Reform Act, donors were generally permitted deductions for the fair market value of contributed property if they gave their entire interest therein to a charity, up to a maximum of 20% of their adjusted gross income for the run-of-the-mill charity and 30% for certain favored charities. As such deductions were allowed even though the contributed property would have produced ordinary income if sold, giving became for some taxpayers both more blessed than receiving and more profitable than selling. For example, a taxpayer with a 70% marginal rate of tax who had an asset with a fair market value of $1,000 and a basis of $200 could realize $700 in tax savings by contributing it, but only $440 after tax by selling it. The relative rewards of charity were even more attractive where the property was more charitably valued by the appraiser than by the market place. For those donors who sought to mix business with generosity, the Code permitted allocation of the entire basis of an asset sold to a charity to the sale proceeds so that one selling an asset worth $1,000 with a basis of $200 to a charity for $200 was permitted to realize no gain while deducting $800 as a charitable contribution.

The Reform Act limits all these possibilities. First of all, deductions for the charitable contribution of property which would produce income taxable at ordinary rates if sold are limited to the taxpayer's basis.[52] Property which can be sold at long-term capital gains rates is still deductible at its fair market value when contributed. The Reform Act limits deductions for property which would produce both ordinary income and capital gains if sold at fair market value to the fair market value of the property less the amount which would have been taxable as ordinary income, in effect applying the pre-1969 rules for recapturable depreciation deductions and the like.[53] To limit the inflation of deductions by extravagant valuations, the Reform Act took the rather draconian step of limiting the deduction for tangible personal property contributed by an individual to its basis plus one-half of its appreciation if such property is unrelated to the charity's exempt purpose (except for governmental donees in which case the property need only be related to any charitable purpose) or if such property is donated to certain nonoperating foundations.[54] Sales to charities now require an allocation of basis between the donative and commercial aspects of the transaction; thus, the taxpayer selling a long-term capital asset worth $1,000 to a charity for its basis of $200 will be permitted to allocate only one-fifth of the basis, or $40, to the sales proceeds.[55] The result is a taxable gain of $160 and a charitable deduction of $800. A taxpayer selling other than a long-term capital asset, having no deduction for his unrealized appreciation, would apparently not be required to allocate his basis.

Also severely limited by the Reform Act are deductions for charitable contributions of less than the donor's entire interest in property. To limit the taking of current deductions for charitable contributions of remainder interests where there is great uncertainty as to the value of the charitable remainder, the Reform Act requires that intervening income interests be explicitly defined. Deduction of charitable remainders is permitted where the income interest is in (i) a "pooled income fund," which is a commingled trust fund controlled by the donee or some party other than the donor in which the donors or other private beneficiaries have life interests in income fixed by reference to the trust's income for the current year, or (ii) a "charitable remainder trust" wherein the income beneficiaries' interests are defined in terms of specified amounts per annum (not less than 5% of the initial market value of the trust corpus) or specified percentages of the net fair market value of the trust assets (which is to be not less than the lower of 5% of the fair market value of the trust assets or the current income of the trust).[56] The deductibility of a charitable contribution of a nontrust remainder interest in a taxpayer's personal residence or farm property is still permitted, but the value of the remainder interest must take into account intervening depreciation and must reflect a 6% discount rate.

Turning to charitable deductions of income interests, contributions of the right to use a taxpayer's property or a part thereof

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are no longer allowed.[57] Similarly, the short-term charitable trust, whereby a taxpayer was enabled to remove from his gross income the return of a trust established for two or more years, is destroyed by the Reform Act.[58] To obtain the benefits of exclusion, a taxpayer must comply with the generally applicable ten-year trust period. If the trust is of shorter duration, the taxpayer must include its income in his gross income and take a deduction for the present value of the amount to be contributed. Such deductions are allowable only if the charity's income interest is a fixed annuity or a specified percentage of the current market value of the corpus, computed annually.

Such deductions are of course allowable only if within the annual percentage limitations imposed on the deduction of charitable contributions, but the Reform Act liberalizes these limitations, raising from 30% to 50% of adjusted gross income the contributions to favored charities that may be deducted.[59] However, the unlimited deduction of charitable contributions, formerly available to taxpayers whose charitable contributions and income taxes exceeded 90% of their taxable income in eight of the preceding ten taxable years, has been eliminated. Finally, deductions for contributions of long-term capital assets still may not exceed 30% of adjusted gross income unless the taxpayer elects to subject such contributions to the limitations placed on the contribution of tangible personal property, that is, deduction of only the taxpayer's basis and one-half of his gain.[60]

c. *Repeal or investment tax credit.* The Reform Act also limited the utility of a variety of deductions designed to stimulate commercial investment. Most important was the repeal of the investment tax credit which had permitted the deduction of 7% of the cost of depreciable personal property used to generate income.[61]

d. *Depreciation and recapture.* Also deleted from the Code were most provisions permitting accelerated depreciation of real property. Double-declining-balance and sum-of-the-years-digits methods of depreciation formerly available for all new real property have been limited to new residential real property. All other new real property is limited to methods of depreciation not faster than 150% declining balance, and all used real property is limited to straight-line or comparable ratable methods, except for used residential property with a useful life of at least 20 years which may be depreciated by the use of the 125% declining-balance method.[62]

Coupled with these limitations on accelerated depreciation of real property are stiffened recapture provisions. The recapture method generally applicable to real estate prior to the Reform Act, which treated as ordinary income 100% of the gain on sales less than 1% for each month the property was held in excess of 20 months (up to the total amount of depreciation previously deductible in excess of what would have been deductible on a straight-line basis), is made available only to government-assisted projects constructed or acquired before 1975.[63] Gain reflecting prior accelerated depreciation on the sale of residential property or rehabilitated low-income housing is recapturable as ordinary income at a rate of 100% of the gain less 1% for each month property is held in excess of 100 months. Gain reflecting accelerated depreciation on the sale of all other forms of real property is recapturable in full.

These stiffened recapture rules apply only to depreciation taken after December 31, 1969, and the old depreciation rules continue to apply to buildings acquired or contracted for before July 25, 1969, or begun before July 25, 1969 and acquired by the taxpayer as an original user thereafter.

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Footnotes at end of article.

deductions reflected in gains on the sale remain unchanged. However, the Reform Act contains certain provisions setting a 60-month useful life without allowance for salvage to encourage certain specific types of investment, such as the rehabilitation of low income housing, the installation of pollution control facilities certified by the appropriate state and federal authorities, qualified railroad rolling stock, and certified coal mine safety equipment.[64]

e. *Percentage depletion rates.* Also somewhat restricted by the Reform Act are the tax-sheltering potentialities of natural resource exploitation. Most significant is a reduction of percentage depletion rates for oil and gas wells from 27½% to 22% of gross income.[65] Reduced by a percentage point, from 23% to 22% or 15% to 14%, depending on the mineral's classification, are depletion rates for all metal mines and most of the more valuable mineral products,[66] except gold, silver, copper, iron ore, and oil shale, all of which remain depletable at 15%. Also unaffected by the Reform Act are all resources depletable at the lower rates of 10% (*e.g.*, coal, sodium chloride), 7½% (*e.g.*, clay, shale), and 5% (*e.g.*, gravel, sand, stone).

The general rules permitting the accelerated depreciation of personal property and requiring the recapture of all depreciation

f. *Production payments.* Further limiting the utility of percentage depletion deductions are the Reform Act's restrictions in regard to production payments. Pre-Reform Act rules made the sale of production payments (the right to receive a share of production or income from a mineral property) by mineral owners an economically attractive possibility.

Production payments have been widely used by mineral owners to sell partial interests in their properties and as part of a three-cornered method of disposing of an entire mineral interest, known as an ABC transaction. In the former situation, a mineral owner would sell a "carved-out production payment" consisting of the right to receive some fraction of the production, revenue, or income from a mineral deposit until a specified sum had been paid out.[67] Proceeds from the sale of the production payment would be included in the seller's income as depletable income. The purchaser of the production payment would be treated as the acquirer of a depletable economic interest in the minerals with the result that the seller could exclude from his gross income the revenue used to pay out the production payment. One common use of carved-out production payments was to avoid the limitation of percentage depletion deductions to 50% of taxable income. Year-end sales of production payment were used to inflate taxable income so as to enable producers to take full advantage of the 27½% of gross income which they were allowed to deplete.

Under the Reform Act, the sale of a "carved-out" production payment will be treated as a loan to the seller by the purchaser of the production payment with the consequent exclusion of the "loan" proceeds from the seller's gross and taxable income and the inclusion of the revenue servicing the payment of the production payment "loan" in the seller's income.[68] The producer is thus deprived of the power to shift depletable gross income between tax years by the sale of production payments.

In the typical *ABC* transaction, *A*, the owner of a mineral interest, sells the interest to *B*, with *A* retaining a production payment which he sells to *C*.[69] *A* obtains capital gains treatment of his gain on the sale, and *B* and *C* both acquire depletable interests in the mineral property. In the heyday of the ABC transaction, *B*, the new owner of the mineral property, would have been entitled to exclude from his gross income the revenue servicing the production payment, yet he could deduct all operating expenses of the well or, as an alternative, he could claim percentage depletion of the income accruing to him and such other deductions as were consistent with percentage depletion. *C* would normally amortize what he paid for the production payment over its life and report the excess as income. In effect, *B* was empowered to finance part of the cost of acquiring a mineral property by securing *C's* participation, yet he could obtain a current "deduction" of the amounts required to amortize his loan from *C*, rather than add the amount of the loan to his basis and depreciate it as productive property. This result was achieved by virtue of the exclusion from *B's* income of the revenue which paid out *C*'s production payment. By treating *C*'s participation in the *ABC* transaction as a loan, the Reform Act requires *B* to include in his gross income the entire amount of the revenue produced by the property. Moreover, payments to *C* are deductible only to the extent that they represent interest, since they are treated as loan repayments, not operating expenses. *B* does, of course, get the benefit of a higher basis in the mineral property for amortization purposes; or, as an alternative, he can claim percentage depletion of the income servicing *C*'s production payment; however, the economic advantages of these alternatives are obviously much less attractive than pre-Reform Act treatment.

The precise inpact of the Reform Act's changes on the mineral industry is difficult to gauge. The effect of the one significant change in depletion rates, that for oil and gas, depends in part on the provision limiting percentage depletion deductions to 50% of taxable income. In fact, the average effective rate of percentage depletion for producers has always been limited to less than 27½% of gross income by the 50% limitation; and for many producers, the Reform Act's alteration of percentage depletion rates will be of little if any significance. Furthermore, the production payment is but one of many modalities for creating and conveying partial interests in mineral properties. Whether other legal forms can be adapted to serve the purposes formerly served by the production payment and whether these or other forms can avoid the Reform Act's limitations on production payments remains to be seen.

### *C. The impact of Reform Act measures upon the tax expenditure budget*

What impact will these Reform Act measures have upon the tax expenditure budget of approximately $70 billion? As is evident from Table I, the most significant change is the repeal of the investment tax credit which alone is estimated to save some $3.3 billion in tax expenditures. Next in order of significance are the limitations on accelerated depreciation of real property; these limitations will reduce tax expenditures by an estimated $1,005 million. The group of Reform Act provisions affecting capital gains should further reduce tax expenditures by somewhat more than $630 million, consisting of $330 million saved by increases in capital gains rates; $175 million in adjustments to corporate capital gains; $65 million by limitations on the deductibility of capital losses; $50 million by elimination of capital gains treatment of lump-sum distributions from qualified pension and similar plans; $10 million from reforms affecting the taxation of sales of life estates; and an additional amount, for which no estimates are currently available, that will be saved by the reforms affecting compensation by means of restricted stock and certain other aspects of the capital gains/ordinary income distinction.

Also significant are those provisions affecting the exploitation of natural resources which are estimated to involve a $450 million reduction in tax expenditures and the novel minimum tax scheme which will save an estimated $320 million. Certain provisions of the Reform Act not within the purview of this article, such as the elimination of multiple corporate surtax exemptions ($235 million), and the limitation of bad debt reserve deductions by financial institutions ($410 million), will also entail significant savings. Of lesser significance are the fiscal results of certain changes in the taxation of trusts ($100 million), and the limitation on deductions for investment interest expense, charitable contributions, and farm losses, each of which is estimated to involve savings of $20 million.

Whatever the achievements of the Reform Act, they cannot be said to include a fundamental assault upon the tax expenditure concept. In part, this is due to the limitations imposed upon the Treasury's reformist aspirations by the maelstrom of political force encountered. The reduction of oil and gas depletion by 5½% and of the depletion of other minerals by 1% or nothing, when faithful homage to the comprehensive tax base would have indicated the abolition of percentage depletion altogether, is symptomatic of this dimension of the Reform Act's limitations.

More significant is the fact that the reformist impulses which gave birth to the Reform Act never contemplated a thoroughgoing assault on the tax expenditure citadel. Of the 56 categories of pre-Reform Act tax expenditures listed in Table I, only 10 are directly amended by the Reform Act. And even if the Treasury had succeeded in attaining all its objectives, the bulk of the Code's tax expenditures, and the revenues expended thereby, would have been unaffected. Of the over $70 billion of public revenue annually disbursed through the tax expenditure budget, the Reform Act will eliminate little more than $65 billion, or somewhat under 10%. Looking at the matter another way, Mr. X, the taxpayer whose plight we considered in analyzing the minimum tax [70] and whose income was $314,000, would have paid $88,920 in tax, or 28.3% of his income, prior to the Reform Act; he would pay $106,920, or 34.0% of his income, under the Reform Act. In either case, his tax is a far cry from the $191,180, or 60.9%, which he would pay were current rates of income tax applicable in full to his entire income.

Moreover, the ultimate effect of the Reform Act is not to limit but to enlarge the amount of public revenue disbursed through tax expenditures. For every dollar saved, nearly two new ones were spent. Some $5.75 billion is dedicated to raising the level of personal exemptions from $600 to $750; some $1,373 billion is spent to make the standard deduction more generally available; some $750 million is devoted to liberalizing the Code's income-splitting provisions; some $625 million is spent on the Low Income Allowance (exclusive of the 1970 "phase-out" provisions) and some $2.027 billion on the elimination of that "phase-out." [71]

To be sure, some of the funds are committed to diminishing the exaction of federal revenues from the poor and so reflect a redirection of federal tax expenditures to benefit the deprived. That effort, however, absorbs but a small fraction of the revenues involved. The Low Income Allowance, designed to relieve from taxation the "poor," as perceived and defined by Congress, involves a revenue loss of $625 million compared to new tax expenditures aggregating $9.6 billion and to a total tax-expenditure budget of approximately $75 billion.[72] Even if one takes the view that a somewhat larger fraction of these new tax expenditures insure to the benefit of the poor, the basic point remains unaffected. The amount of public revenue disbursed through the tax expenditure budget prior to the Reform Act was vast, and it remains vast today. Whatever the Reform Act's achievements in limiting certain extreme tax avoidance techniques and restoring equity in the taxing of higher income individuals,[73] it left unexplored and unexploited most of the significant opportunities for the redirection of public revenues to uses benefitting the least privileged members of our society.

Footnotes at end of article.

TABLE I.—THE REFORM ACT AND THE TAX EXPENDITURE BUDGET [74]

| Budget function | Pre-Reform Act tax expenditure (millions) | Change effected by Reform Act (millions) |
|---|---|---|
| NATIONAL DEFENSE | | |
| 1. Exclusion of military benefits | $500 | None |
| 2. Exclusion of certain veteran's benefits | 550 | None |
| Total | 1,050 | None |
| INTERNATIONAL AFFAIRS | | |
| 3. Exemption for income earned abroad | 40 | None |
| 4. Exemption for income earned in U.S. possessions | 80 | None |
| 5. Western Hemisphere trade corporations | 50 | None |
| 6. Exclusion of gross-ups on dividends from less developed countries | 50 | None |
| 7. Exclusion of income of controlled foreign subsidiaries | 150 | None |
| Total | 370 | None |
| AGRICULTURE | | |
| 8. Expensing and capital gains treatment in farming | 800 | −$20 |
| 9. Capital gains treatment of lumber income | 130 | None |
| Total | 930 | −20 |
| NATURAL RESOURCES | | |
| 10. Expensing of exploration and development costs | 300 | None |
| 11. Excess of percentage over cost depletion | 1,300 | −450 |
| 12. Coal and iron capital gains | 5 | None |
| Total | 1,605 | −450 |
| COMMERCE | | |
| 13. Investment tax credit | 2,300 | −3,300 |
| 14. Excess depreciation on buildings | 500 | [75] −1,005 |
| 15. Dividend exclusion | 225 | None |
| 16. Corporate capital gains | 500 | None |
| 17. Excess bad debt reserves | 600 | −410 |
| 18. Credit union exemption | 40 | None |
| 19. Deduction for consumer credit interest | 1,300 | None |
| 20. Expensing R. & D. expenditure | 500 | None |
| 21. $25,000 surtax exemption | 1,800 | −235 |
| 22. Tax deferral for shipping companies | 10 | None |
| Total | 7,775 | −4,950 |
| COMMUNITY DEVELOPMENT AND HOUSING | | |
| 23. Deduction of mortgage interest | 1,900 | None |
| 24. Deduction of real property tax | 1,800 | None |
| 25. Exclusion of the imputed net rental value of owner-occupied housing | 2,600 | None |
| 26. Excess depreciation of rental housing | 250 | None |
| Total | 6,550 | None |
| HEALTH AND WELFARE | | |
| 27. Added exemption for aged, retirement income credit, and OASDHI exclusion | $2,300 | None |
| 28. Added exemption for the blind | 10 | None |
| 29. Exclusion of sick pay | 85 | None |
| 30. Exclusion of unemployment insurance | 300 | None |
| 31. Exclusion of workmen's compensation | 150 | None |
| 32. Exclusion of public assistance | 50 | None |
| 33. Exclusion of employee pension plan income | 3,000 | None |
| 34. Self-employed retirement plans | 60 | None |
| 35. Exclusion of group life insurance | 400 | None |
| 36. Exclusion of accident and death benefits | 25 | None |
| 37. Exclusion of employer provided medical insurance premiums and medical care | 1,100 | None |
| 38. Exclusion of private unemployment insurance | 25 | None |
| 39. Exclusion of employee meals and lodging | 150 | None |
| 40. Exclusion of life insurance interest | 900 | None |
| 41. Deduction of medical expenses | 1,500 | None |
| 42. Deduction of child care expense | 25 | None |
| 43. Deduction of casualty losses | 70 | None |
| 44. Standard deduction | 3,200 | +$1,373 |
| 45. Low income allowance (as reduced by phase out provisions) | | +625 |
| 46. Elimination of low income allowance phase out | | +2,027 |
| 47. Personal exemptions | 23,000 | +5,750 |
| 48. Deduction of charitable contributions | 3,200 | −20 |
| Total | 39,550 | +9,755 |
| EDUCATION AND MANPOWER | | |
| 49. Additional student exemption | 500 | None |
| 50. Deduction of contributions to educational institutions | 170 | None |
| 51. Exclusion of scholarships | 50 | None |
| 52. Earned income preference | — | +100 |
| Total | 720 | +100 |
| AID TO STATE AND LOCAL GOVERNMENT FINANCING | | |
| 53. Exemption of State and local bond interest | 1,800 | None |
| 54. Deduction of individual income taxes | 1,350 | None |
| 55. Deduction of general sales taxes | 775 | None |
| 56. Deduction of gasoline taxes | 400 | None |
| 57. Deduction of personal property taxes | 150 | None |
| 58. Deduction of other taxes | 125 | None |
| 59. Deduction of property taxes on owner-occupied houses [76] | 1,800 | None |
| Total (State and local nonbusiness taxes) | 4,600 | None |
| Total (including State and local bond interest exclusion) | 6,400 | None |

TABLE I.—THE REFORM ACT AND THE TAX EXPENDITURE BUDGET[74]—Continued

| Budget function | Pre-Reform Act tax expenditure (millions) | | Change effected by Reform Act (millions) |
|---|---|---|---|
| OTHER | | | |
| 60. Capital Gains Treat-, ment (Including (1) increased basis at death; (2) Exclusion of one-half of capital gains; and (3) alternative tax.) | $5,500 | −$8,500 | −650 |
| 61. Minimum tax | | | −320 |
| 62. Trust rule changes | | | −100 |
| Total | 5, 500 | −8, 500 | −1, 070 |
| Total pre-reform act preferences | | $68, 605 | −71, 650 |
| Aggregate effects of the Reform Act: | | | |
| A. Reduction of preferences | −6, 490 | | |
| B. Increase in preferences | +9, 855 | | |
| C. Net change in preferences | | +3, 365 | |
| Post Reform Act preferences | | | |
| Total | | 72, 015 | −75, 015 |

### III. THE INTERNAL REVENUE CODE'S REGRESSIVE HOUSING PROGRAM: THE DEPRIVED'S PERSPECTIVE

The point is not merely that the Internal Revenue Code conceals in its interstices implicit federal programs involving vast amounts of public expenditure. These programs are designed to subsidize the satisfaction of certain needs. In satisfying these needs, tax expenditure programs confer benefits upon certain classes of persons and not upon other classes—particularly, not upon the poor. At the same time, the unbenefitted classes of persons experience the very same needs. To be sure, the poor may benefit from other programs—most commonly, direct expenditure programs—satisfying these needs, but one must not casually assume that the benefits conferred upon the poor by these other programs bear an equitable relation to the benefits conferred upon other classes of citizens by tax expenditure programs; for the fact of the matter is that the equitable questions implicit in the coexistence of tax expenditure and direct expenditure programs directed at the same end have seldom been subjected to serious scrutiny. The entire notion that the federal government spends money through the Code to satisfy private needs has not been widely appreciated. Indeed, it is only in the recent past that any systematic attempt has been made to categorize these expenditures in a fashion suitable for comparison with direct expenditure.[77]

Take, for example, the problem of housing. One need hardly dwell at length upon the statistics to establish the proposition that this country is experiencing a serious shortage of adequate housing. The 1960 Census of Housing reported that nearly one of four housing units in the country—12.6 million units—was deteriorating, dilapidated, or lacking some plumbing facilities.[78] That substandard housing units are occupied largely by the poor is equally plain. A recent study of substandard housing units in New York City revealed that 22% of the occupant households had incomes of less than $2,000; 44%, less than $3,000; 60%, less than $4,000; and 83%, less than $6,000.[79] Despite the existence of 12.6 million substandard housing units and nearly seven million families who are officially recognized as poor [80] the federal government had succeeded in building only 636,000 housing units during the period from the inception of the federal low-rent public housing program through the end of 1966.[81] The problem, of course, is and has always been lack of funds.

Yet at the same time that the federal government has limited its direct housing expenditures to such modest proportions, it has engaged in a massive housing program within the confines of the Code. During fiscal 1968, the federal government spent over $7 billion through the Code to support private housing.[82] Under the Code a home owner is allowed to deduct both the interest paid to carry his mortgage [83] and the real property taxes imposed on his dwelling.[84] During the fiscal year 1968, deductions for interest payments on residential mortgages cost the federal government $2.2 billion in lost taxes and deductions for residential real property taxes cost some $2.3 billion.[85]

In addition, the net rental value of owner-occupied housing is excluded from a homeowner's gross income. By means of such exclusion, the homeowner is enabled to remove from his tax base the return on capital invested in his dwelling. Through the tax loss resulting from the exclusion of such imputed income is difficult to estimate, it is clearly of great significance and is here estimated at not less than $2.6 billion.[86]

Each of these provisions, the deductions for mortgage interest and residential real property taxes and the exclusion of the rental value of the owner-occupied housing, represents a deviation from the comprehensive tax base, a decision to exempt from taxation part of a taxpayer's income devoted to providing housing for himself. In this sense, the Code contributes to the taxpayer's housing expense the amount of tax foregone by virtue of these tax expenditures, and so subsidizes the cost of his housing.

It is true that other purposes served by these provisions can be identified. The deduction for mortgage interest is in part a result of the Treasury's alleged inability to find an equitable way of administratively differentiating mortgage interest from interest which is deductible because of its income-producing character.[87] The deduction for real property taxes is said to be a federal accommodation alleviating the difficulties of raising state and local revenues.[88] The exclusion of the imputed rental value of owner-occupied housing is both the result of administrative difficulties in valuing residential property and the logical consequence of permitting the exclusion of imputed income generally. In all of these assertions there is some truth. However, the fact remains that, whatever other purposes may be ascribed to these provisions, they have the effect of reducing a taxpayer's income tax by reason of his home ownership and so may be properly characterized as housing subsidies, benefitting those persons in a position to take advantage of them.

At the same time that the federal government spent over $7 billion to subsidize housing through the tax expenditure budget contained in the Internal Revenue Code, only $1 billion was spent by means of direct expenditure for all housing and community development purposes.[89] As is evident from this comparison of direct and tax expenditures and from the rather modest achievement of federal housing programs over the years, the truly significant federal housing program is administered not by the Department of Housing and Urban Development but by the Internal Revenue Service.

To whose benefit does this implicit federal housing program accrue? What income classes receive the benefit of this program? Because of the paucity of available information, it is difficult to provide a definitive answer to the question; however, there are a number of ways of arriving at tentative answers. First, there is the obvious fact that the proportion of deductible or excludable housing expense which a taxpayer is able to recoup by means of deduction or exclusion increases with his taxable income. The higher a taxpayer's taxable income and hence the higher his marginal rate of tax, the greater the proportion of his housing expense will be recouped through deduction or exclusion. A taxpayer with a marginal tax rate at the maximum of 70% will enjoy a $700 tax saving for each $1,000 of deduction or exclusion; a taxpayer with a marginal tax rate at the minimum of 14% will enjoy a tax saving of $140 for each $1,000.[90]

Further light is cast on the distribution of the Code's housing subsidies by Table II [91] which sets forth for fiscal 1968, by adjusted gross income class, (i) the amount of real property taxes deducted, (ii) the amount of mortgage interest deducted, (iii) an estimate of the amount of imputed rental of owner-occupied housing excluded, and (iv) estimates of the revenue expended by these deductions and this exclusion. Due to the limited information available, the estimates are necessarily approximate and provide only rough orders of magnitude of the distribution of these benefits among income classes.

Looking from the bottom of the income scale up, less than $188 million, or approximately 2.5% of the $7 billion spent through the Code by reason of the deductions for mortgage interest and real property taxes and the exclusion of net rental value inures to the benefit of taxpayers with adjusted gross incomes under $5,000 per annum. The vast majority of all persons regarded as poor by most governmental agencies concerned with the problem will be found in this category. As is indicated in Table IV,[92] the maximum New York State welfare budget (one of the country's most generous) for a family of six was recently established at $5,228 per annum, so that only those families with seven or more members can have appreciably more than $5,000 per annum and still be officially recognized as deprived.* It is therefore clear that the poor are virtually excluded from participation in the Code's housing program. Turning next to those taxpayers above the level of poverty but with adjusted gross incomes of only $5,000 to $10,000, one finds that class of taxpayers to be receiving about $1.5 billion of the $7 billion of potential tax revenue spent on housing, or approximately 20%. Three-quarters of the funds spent on housing through the Internal Revenue Code inure to the benefit of taxpayers with adjusted gross incomes of more than $10,000 per annum, who, with rare exceptions, can by no stretch of the imagination be deemed needy, with $3.3 billion accruing to those with adjusted gross incomes of $10,000 to $20,000 and $2.1 billion to those with adjusted gross incomes in excess of $20,000 per annum.

Turning from aggregate considerations to the impact of these provisions on individual taxpayers, one finds that the average amount of federal housing subsidy per tax return increases directly and dramatically with a taxpayer's income, ranging from $.88 per return for a taxpayer with an adjusted income of $1,000 to $2,000 to $7,286 per return for a taxpayer with income in excess of $200,000. Taxpayers with adjusted gross incomes (A.G.I.) of $4,000 to $5,000 received federal housing subsidies averaging $19.18 per return; those with an A.G.I. of $9,000–$10,000, the sum of $102.79; those with an A.G.I. of $10,000–$15,000, the sum of $183.28; those with an A.G.I. of $20,000—$25,000, the sum of $430.97; and those with an A.G.I. of $30,000–$50,000, the sum of $827.68.

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Footnotes at end of article.

* This comparison assumes that there is one return per family unit. To the extent that the number of returns exceeds the number of families, the result is that increased numbers of taxpayers showing adjusted gross income of less than $5,000 are in fact nonpoor as they enjoy higher disposable incomes because of their family situations. This would mean that some portion of the 2.5% of housing subsidies accruing to taxpayers with adjusted gross incomes of less than $5,000 accrues to nonpoor families.

TABLE II.—SUBSIDIZATION OF PRIVATE HOUSING THROUGH THE INTERNAL REVENUE CODE [93]

| Adjusted gross income class | Real estate taxes deducted (thousands) | Revenue lost (thousands) | Mortgage interest deducted (thousands) | Revenue lost (thousands) | Imputed value of owner-occupied housing (thousands) | Revenue lost (thousands) | Total housing assistance (thousands) | Total housing assistance per return |
|---|---|---|---|---|---|---|---|---|
| $1,000 to $2,000 | $19,582 | $2,741 | $5,197 | $728 | $22,519 | $3,152 | $6,621 | $0.88 |
| $2,000 to $3,000 | 69,841 | 9,778 | 27,038 | 4,185 | 80,318 | 11,244 | 25,207 | 4.27 |
| $3,000 to $4,000 | 137,286 | 20,693 | 66,642 | 9,996 | 157,872 | 23,794 | 54,483 | 9.80 |
| $4,000 to $5,000 | 219,864 | 35,178 | 153,969 | 25,635 | 252,670 | 40,446 | 101,259 | 19.18 |
| $5,000 to $6,000 | 282,554 | 48,034 | 272,924 | 46,397 | 324,875 | 55,236 | 149,667 | 29.93 |
| $6,000 to $7,000 | 338,843 | 57,603 | 434,000 | 73,780 | 389,620 | 66,240 | 197,623 | 39.72 |
| $7,000 to $8,000 | 478,973 | 91,004 | 571,606 | 108,605 | 549,735 | 104,650 | 304,259 | 64.73 |
| $8,000 to $9,000 | 591,818 | 112,445 | 768,368 | 145,990 | 680,570 | 129,160 | 387,595 | 82.52 |
| $9,000 to $10,000 | 628,701 | 119,453 | 812,626 | 154,399 | 781,405 | 137,310 | 411,162 | 102.79 |
| $10,000 to $15,000 | 2,831,275 | 662,880 | 3,519,578 | 774,307 | 3,255,650 | 762,220 | 2,199,407 | 183.28 |
| $15,000 to $20,000 | 1,353,775 | 338,444 | 1,494,237 | 373,559 | 1,565,950 | 389,160 | 1,101,163 | 300.86 |
| $20,000 to $25,000 | 558,575 | 164,801 | 565,001 | 158,200 | 676,765 | 189,520 | 512,521 | 430.97 |
| $25,000 to $30,000 | 307,122 | 98,279 | 275,770 | 88,146 | 333,165 | 112,010 | 298,435 | 573.83 |
| $30,000 to $50,000 | 550,492 | 214,692 | 344,496 | 134,353 | 632,960 | 246,890 | 595,935 | 827.68 |
| $50,000 to $100,000 | 331,910 | 175,912 | 126,463 | 67,025 | 381,685 | 202,281 | 445,218 | 1,484.06 |
| $100,000 to $200,000 | 107,930 | 66,907 | 21,037 | 13,043 | 123,985 | 76,935 | 156,885 | 2,490.02 |
| Over $200,000 | 65,877 | 46,835 | 5,930 | 4,091 | 75,750 | 53,845 | 104,771 | 7,286.00 |
| Total | 8,874,418 | 2,265,679 | 9,464,882 | 2,182,439 | 10,285,494 | 2,604,093 | 7,052,211 | ............ |

These figures plainly reveal that the federal housing subsidies contained in the Code are inversely related to need, benefitting most those who are least in need, and so are in a sense "regressively" distributed.‡ Thus the federal government is engaging in regressive subsidization of a need that is universally experienced—by the deprived as well as the affluent—and is doing so at a time when this need remains manifestly unfulfilled for a major segment of our population. What is more, the significant of the Code's subsidies cannot be doubted. During fiscal 1968, over $7 billion was spent in this fashion and over $2 billion was spent to subsidize the housing needs of taxpayers with adjusted gross incomes of more than $20,000 per annum, an amount more than twice the federal government's total direct expenditures on all housing and community development affairs.

The point may be generalized. The structure of the Code is shot through with departures from the comprehensive income tax base—deviations which, whatever their origin, have the effect of reducing a taxpayer's income tax burdens by reason of assorted personal expenditures and exigencies. In affording tax relief, these provisions subsidize those needs. Moreover, the needs subsidized include the most fundamental and universally experienced of human needs. Apart from housing, one can find in the Code provisions that subsidize taxpayer expenditures for needs such as medical care, education, and income maintenance. Though universally experienced, each of these needs is inadequately provided for among the needy. In most cases, the dispersion of benefits accorded by these tax expenditure programs is the simple unanalyzed reflex of the deduction or exclusion mechanism used to effect tax relief—a mechanism which increases the amount of the subsidy with the taxpayer's income. In many cases, the amount of revenue so spent is substantial. In each case, the decision so to distribute public revenues stands in need of re-examination. The amount of public revenue expended for the satisfaction of a particular need through tax expenditures and direct expenditures need to be calculated. The distribution of these funds among the various income classes needs to be determined. The extent and seriousness of unsatisfied needs must be gauged. And finally, the wisdom of currently prevailing practices in distributing public revenues to satisfy these needs should be reexamined in light of the information developed by such inquiries.

## IV. THE REFORM ACT AND TAXING THE POOR

### *A. Taxing the poor*

Up to this point, we have focused on the Code's function as a source of subsidies supporting the satisfaction of private wants, and we have examined the magnitude of such subsidies and the way in which they are distributed. But from the perspective of the deprived, the problem is not merely that the Code disburses large amounts of public revenue in a regressive fashion; the Code contributes to the further deprivation of the poor by subjecting them to the federal income tax. It is commonly agreed that persons who lack the wherewithal to provide for themselves the basic essentials of a decent living should not be called upon to contribute to the public revenue.[94] Recognition of that principle has always been a part of the federal income tax structure. By providing basic exemption levels below which no tax is imposed, the Code seeks to relieve from taxation those at the bottom of the income spectrum. Until the Second World War, these exemption levels did indeed relieve from taxation not only all those who could be said to be needy, but considerably more as well, with exception levels ranging from $3,000 for a single person (equivalent to $8,982 in 1960 prices) and $4,000 for a married couple ($11,976 in 1960 prices) at the inception of the current income tax system to $1,000 for a single person ($2,128 in 1960 prices) and $2,500 for a married couple ($5,319 in 1960 prices) in 1939.

Despite public adherence to the view that the poor should not be taxed, the fiscal exigencies of the Second World War and ensuing difficulties produced exactly that result. The basic pattern which confronted the draftsmen of the Reform Act was fixed in 1948 when a personal exemption of $600 each for the taxpayer, his spouse, and his dependents was established. However, during the ensuing 21 years inflation eroded the real value of the exemption from $716 in 1948 to $468 in 1969, measured in relation to 1957–59 prices. Availability of the standard deduction of 10% of a taxpayer's adjusted gross income increased the tax-free minimum income for an individual to $667.[95] Introduction of the minimum standard deduction in 1964 enabled taxpayers to shield from tax an additional $200 plus $100 for each personal exemption (up to a maximum of $1,000), thus increasing tax-free income to $900 for a single person, $1,600 for a married couple, and $3,000 for a married couple with two children.[96]

The impact of inflation upon exemption levels eventually forced Treasury recognition that the federal income tax had come to burden the poor. The Treasury Department's Tax Reform Studies and Proposals[97] (hereinafter referred to as the "Treasury Report") acknowledged the "[a] major problem of the individual income tax is that the tax is imposed on some people whose incomes fall below the poverty line,"[98] and went on to estimate that more than 20%, or 2,180,000, of the 10,670,000 families living in poverty were subject to federal income tax.[99] Based on standards developed by the Department of Health, Education and Welfare, the Report estimated that, though a single person required a disposable minimum income of $1,735, the Code imposed a tax on all income over $900; though a married couple required $2,240, the tax began at $1,600; though a married couple with two children required $3,535, the tax began at $3,000.[100]

### *B. The Reform Act's accomplishments*

To ameliorate the tax situation of the poor, the Reform Act created the Low Income Allowance, a two-part deduction consisting of a "basic allowance" and an "additional allowance." The basic allowance is simply the old minimum standard deduction; that is, $200 plus $100 for each personal exemption up to a maximum of $1,000. The additional allowance is computed by subtracting the basic allowance from a base figure set at $1,100 in 1970, $1,050 in 1971, and $1,000 in 1972. This reduction of the base figure will be offset by planned increases in personal exemption levels from $650 in 1971 to $700 in 1972 and $750 in 1973. The net effect of the Low Income Allowance is to increase the amount of a taxpayer's income shielded from tax to the amount of his exemptions plus $1,100. The result of adopting the Low Income Allowance, as demonstrated in Table III, will be to exempt from taxation approximately the amount of income which Congress deemed to be minimally sufficient for subsistence. As that table demonstrates, the Reform Act significally reduces the impact of income taxation upon the poor, relieving most poor families of tax by virtue of the approximate equality of poverty thresholds and Taxability Thresholds.

### *C. The Reform Act's limitations*

The Reform Act's accomplishments in limiting the impact of taxation upon the poor, though important, are limited. They are limited both because of the unrealistic definition of poverty adopted by the Congress and because of the limited role played by the federal income tax in the American tax structure.

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‡The term regressive is here used because of the connotations acquired by the term "progressive" over the years of tax usage. Although the term progressive may be mathematically defined as a relation of any variable to income in which the variable increases more rapidly than income, the term has also acquired a broader social significance connoting a certain positive relation to egalitarian income distribution. A "progressive" income tax advances equalitarian income distribution because the burdens of taxation increase more rapidly than taxpayer's incomes. The distribution of the Code's housing benefits is concomitantly "regressive" because access to these benefits increases more rapidly than income and thereby renders the distribution of income less egalitarian.

Footnotes at end of article.

1. *Failures in Defining the Poor.* In defining the target class to be benefitted by the Low Income Allowance, the Congress adopted the Poverty Index developed by the Department of Health, Education and Welfare and adjusted by 6% the 1966 figures yielded by that Index for family groups of varying size in order to take account of inflation.[101] Passing the congressional failure to equate its new Taxability Thresholds with the Poverty Thresholds thus developed, the first question to be asked is why only a 6% adjustment was made to the H.E.W. 1966 Index. Such an adjustment was clearly inadequate at the time the Reform Act was enacted at year-end 1969, as evidenced by the fact that the consumer price index stood at 113.1 in 1966 and 131.3 in December, 1969.[102] It was even more clearly inadequate as a projection of the probable state of economic affairs at the end of the Allowance's first effective year; by December 1970, the index had in fact reached a level of 138.5. An adjustment of approximately 20%, rather than 6%, was necessary to update the 1966 Poverty Index figures realistically, and Table III shows the effect of such an adjustment.

TABLE III

| Family size | Post Reform Act taxability threshold | 1966 HEW poverty threshold plus 6 percent | 1966 HEW poverty threshold adjusted to December 1970 |
|---|---|---|---|
| 1 | $1, 700 | $1, 735 | $2, 012 |
| 2 | 2, 200 | 2, 240 | 2, 598 |
| 3 | 2, 400 | 2, 755 | 3, 196 |
| 4 | 3, 500 | 3, 535 | 4, 103 |
| 5 | 4, 100 | 4, 165 | 4, 831 |
| 6 | 4, 700 | 4, 675 | 5, 433 |
| 7 | 5, 300 | 5, 755 | 6, 676 |

More serious than the failure to make an adequate adjustment for inflation is the dubious judgment involved in basing the Code's Taxability Thresholds on the H.E.W. Poverty Index in the first instance. That Index was developed by the Department of Health, Education, and Welfare in an attempt to refine the benchmarks—$3,000 for a family of two or more and $1,500 for a single individual—which the Council of Economic Advisors adopted in 1964 in connection with the federal government's war on poverty.[104] It is based on work done earlier by the Department of Agriculture. The Department of Agriculture has long prepared a food plan for the purpose of estimating the cost of food needed to satisfy minimal nutritional requirements. This plan, known as the "low cost plan," yielded a minimum food cost estimate of $5.90 per person per week for a four-member family in January, 1964 prices.[105] In the mid-sixties the Department began to issue its "economy" food plan devised for "temporary or emergency use when funds are low." [106] The economy plan yielded a minimum food cost estimate of $4.60 per person per week for January, 1964. It is the latter plan which lies at the core of the H.E.W. Poverty Index.[107] Per-person food costs are translated into aggregate food budgets for families of different sizes, ages, sex compositions, and places of residence (urban or rural). Some indication of the food budget's spartan quality is given by the following description.

> For a meal all four of them ate together, she could spend on the average only 95 cents, and to stay within her budget she must allow no more a day than a pound of meat, poultry, or fish altogether, barely enough for one small serving for each family member at one of the three meals. Eggs could fill out her family fare only to a limited degree because the plan allows less than 2 dozen a week for all uses in cooking and at the table, not even one to a person a day . . . [108]

Footnotes at end of article.

To derive its Poverty Index from these food cost estimates, H.E.W. merely multiplied the estimates by three. The multiplier is based on H.E.W.'s empirical studies which demonstrated that lower income families spend approximately one-third of their budget on food.[109] In effect, the H.E.W. Poverty Index is built on spending habits of the poor existing in the mid-1950's, on assumptions that yielded $1.50 per person per day for persons living in a four-member family to cover all nonfood expenses (in 1966 prices).[110] What is important to note is that the Department made no attempt to develop a list of basic nonfood needs or to determine their cost. However inadequate the provision for such needs by the poor whose expenditure patterns gave rise to the H.E.W. multiple of three, these inadequacies are faithfully reflected in the Poverty Index. The H.E.W. Poverty Index is thus in no sense a comprehensive normative standard of need.[111] Whatever utility the Index may have for H.E.W.'s analytical purposes, it is of doubtful validity as a Taxability Threshold.

This is not the place for an extended discussion of the measure that might properly be used to fix Taxability Thresholds. Suffice it to note that alternatives, specifically designed to determine the income required to survive in a fashion compatible with minimum standards of health and decency, are available. Welfare agencies in most states have long grappled with such problems. By way of example, Table IV shows a comparison of the Reform Act's Taxability Thresholds and a recent welfare estimate of need for the State of New York.

TABLE IV [112]

| Family size | Post Reform Act taxability threshold | New York State maximum welfare budget as of June 1, 1970 |
|---|---|---|
| 1 | $1, 700 | $1, 908 |
| 2 | 2, 200 | 2, 648 |
| 3 | 2, 400 | 3, 168 |
| 4 | 3, 500 | 4, 032 |
| 5 | 4, 100 | 4, 668 |
| 6 | 4, 700 | 5, 228 |
| 7 | 5, 300 | 5, 988 |

While the New York welfare budget standards are themselves subject to criticism, they were at least developed in an attempt to estimate comprehensively a family's needs. The fact that they are so significantly higher than the Reform Act's Taxability Thresholds not only further demonstrates the inadequacy of those thresholds, but also creates the awkward situation that a person earning $1,908 receives less than he would were he on welfare because welfare payments are not subject to Social Security or federal income taxes.[113]

2. *The Limited Role of the Federal Income Tax in the American Tax System.* The federal income tax is but one of the ways in which American governments—federal, state, and local—raise revenue. The principles that give rise to the demand that the poor be relieved of taxation provide little, if any, basis for distinguishing among the various taxes used to support the American governmental system. The ultimate significance of the Reform Act in ameliorating the impact of taxation upon the poor can therefore be properly assessed only in the context of the entire tax system and its impact upon the poor.

The federal government collects revenue by means of individual income taxes, corporate income taxes, excise and customs taxes, payroll taxes, and estate and gift taxes, all but the last of which affect the poor. Indeed, not only do these other federal taxes affect the poor, but a recent Tax Foundation study concluded that families having incomes of less than $2,000 paid less of their income through federal income taxes than through any other federal tax save estate and gift taxes.

TABLE V [114].—FEDERAL TAXES AS A PERCENTAGE OF INCOME FOR FAMILIES HAVING ANNUAL INCOMES OF LESS THAN $2,000

| Tax | 1961 | 1965 |
|---|---|---|
| Individual income | 2. 0 | 1. 9 |
| Corporate income | 4. 4 | 4. 5 |
| Excise and custom | 3. 4 | 3. 3 |
| Payroll | 3. 0 | 3. 2 |
| Total | 12. 8 | 12. 9 |

Most significant for the shape of the future is the federal government's increasing reliance on payroll taxes to finance Social Security and other public welfare benefits. During the decade from 1960 to 1970, individual income tax revenues increased by 124% while employment taxes increased by 255%,[115] F.I.C.A. taxes are currently imposed at a rate of 10.40% on all earnings up to $7,800 per year, half payable by the employee and half by the employer. As Table V indicates, in 1965 the federal government collected more than half again as much from payroll taxes imposed on the poor as from individual income taxes.

The significance of the Reform Act's revisions shrinks still further when attention is turned to the impact of state and local taxes upon the poor, for these taxes actually consume more of the poor's income than do all federal taxes. As is shown in Table VI, state and local taxes, particularly state sales and local property taxes, account for approximately 15% of the poor's income.

TABLE VI [116]—STATE AND LOCAL TAXES AS A PERCENT AGE OF INCOME FOR FAMILIES HAVING ANNUAL INCOMES OF LESS THAN $2,000

| Tax | 1961 | 1965 |
|---|---|---|
| Individual and corporate income | 0. 4 | 0. 6 |
| Sales and excise | 5. 7 | 6. 1 |
| Property | 6. 7 | 6. 9 |
| Social insurance | 1. 6 | 1. 5 |
| Total | 14. 4 | 15. 1 |

Moreover, the expansion of state and local expenditures and the consequent reliance on revenue measures bearing on the poor is at the moment outstripping the increase in federal expenditures. Thus, during the decade from 1959 to 1969, total federal expenditures increased from $91 billion to $191.9 billion while state and local expenditures increased from $46.8 billion to $121 billion.[117] And looking further back, one finds state and local governmental receipts steadily increasing as a percentage of gross national product from 5% in 1945, to 6.6% in 1950, to 7.1% in 1955, to 8.6% in 1960, and 9.3% in 1965.[118]

### *D. Future prospects for taxation of the poor*

The Reform Act's accomplishments in ameliorating the impact of taxation upon the poor are thus severely limited. The Act's attempt to eliminate the imposition of federal income taxes is deeply flawed by a niggardly definition of the class to be relieved. Moreover, no matter how successful the Reform Act may be in eliminating the imposition of federal income taxation on the poor, its impact on the overall tax status of the poor is bound to be marginal; for federal income taxes comprise only 2% of the total of 28% paid out in federal, state, and local taxes by taxpayers having incomes of $2,000 or less.[119]

To ameliorate the impact of American taxation on the poor in a truly significant fashion, it will be necessary to ease the burden of state, local, and federal taxes of all kinds. It may be objected that such a suggestion strays beyond the boundaries of federal income tax reform both in terms of moral obligation and technical capacity. However, if one takes seriously the principles that underlay adoption of the Low Income Allowance, continued taxation of the poor through these other avenues remains a problem to be faced—a problem, moreover, which realistically can be dealt with on a comprehensive basis only through the Code. To hope for 50 states and countless local governments to take the necessary ameliorative action is surely futile, particularly in light of their current fiscal exigencies.

Nor is there satisfactory refuge in the notion that it is technically impossible to solve this problem through the Code. Without belittling the many problems inevitable in such an effort, fiscal techniques suitable to such a purpose seem readily identifiable. Refunds of excess taxes paid or withheld have been with us since the inception of the federal income tax, as has the notion of allowing deductions from income or credits against tax for tax payments to other jurisdictions. All that is technically required is to adapt these techniques to repay to taxpayers all tax payments—federal, state or local—that have the result of reducing after-tax incomes to a level below those minimum standards necessary for a decent and healthful existence. One would first determine the amount of all taxes paid by a deprived taxpayer. This could be accomplished through taxpayer declaration, as is the practice with the present deduction of state and local taxes; the taxpayer could rely upon tables similar to those currently used to estimate such taxes for purposes of deduction. One would also establish minimally acceptable standards of living. The federal government would then refund to all taxpayers whose incomes were reduced below such standards by state, local, or federal taxes, the amount of such tax that is necessary to restore the taxpayer's income to the minimum acceptable standard. To provide continuously effective relief from such taxation, refunds should be integrated into the withholding system and paid periodically throughout the year. Through such relatively simple adaptations of existing tax techniques, the federal income tax system could accomplish that abstention from fiscal dependence on the poor which the Reform Act so diffidently approaches.

The cost of such an effort would doubtless be considerable, but the present confrontation between need and fiscal exigency need not inevitably balk efforts to relieve the poor of taxation. At least such efforts should not be abandoned without renewed scrutiny of related programs presently being implemented to relieve the burdens of state and local taxation. Just as the Code contains a program to subsidize private housing needs, so also does it expend considerable amounts of revenue to subsidize state and local financing. During fiscal 1968, deductions allowed for the purpose of ameliorating the impact of state and local taxation cost the federal government $6.2 billion in the aggregate.[120] Some indication of the distribution of these benefits among different income strata has already been considered in connection with Table II.[121] That table indicates that of the $2.266 billion in revenue lost by reason of this deduction some $.068 billion, or 3% inures to the benefit of taxpayers with adjusted gross incomes of less than $5,000; and $.497 billion, or 22% to taxpayers with adjusted gross incomes below $10,000 per year. Another indication of the distribution is provided by Table VII which sets forth the amounts of (i) real estate taxes, (ii) general sales taxes, (iii) state and local income taxes, and (iv) total taxes deducted by taxpayers in various adjusted gross income brackets and the tax revenue lost by such deductions.

As Table VII demonstrates, only $1.06 billion, or 4.5% of the $23.7 billion total amount of taxes deducted is deducted by taxpayers with adjusted gross incomes of less than $5,000; $7.02 billion, or 29.6% is deducted by taxpayers with adjusted gross incomes of $10,000 or less per year. The amount of deductions taken for taxes is thus markedly skewed toward the higher adjusted gross income classes.

TAX REFORM ACT

TABLE VII[122].—DISTRIBUTION OF DEDUCTIONS FOR TAXES PAID

| Adjusted gross income class | Real estate taxes (thousands) | General sales taxes (thousands) | State and local income taxes (thousands) | Total taxes (thousands) | Revenue lost (thousands) |
|---|---|---|---|---|---|
| $1,000 to $2,000 | $19,582 | $10,786 | $2,615 | $42,166 | $5,903 |
| $2,000 to $3,000 | 69,841 | 38,310 | 10,795 | 153,154 | 21,446 |
| $3,000 to $4,000 | 137,286 | 82,153 | 30,726 | 327,392 | 49,109 |
| $4,000 to $5,000 | 219,864 | 137,194 | 60,767 | 540,041 | 86,407 |
| $5,000 to $6,000 | 282,554 | 196,818 | 91,279 | 729,836 | 124,072 |
| $6,000 to $7,000 | 338,843 | 253,534 | 144,700 | 1,006,168 | 171,049 |
| $7,000 to $8,000 | 478,973 | 290,182 | 186,700 | 1,203,753 | 228,713 |
| $8,000 to $9,000 | 591,818 | 355,480 | 247,485 | 1,489,536 | 283,012 |
| $9,000 to $10,000 | 628,701 | 363,284 | 268,810 | 1,531,172 | 290,923 |
| $10,000 to $15,000 | 2,831,275 | 1,528,051 | 1,438,625 | 6,896,658 | ,417,265 |
| $15,000 to $20,000 | 1,353,775 | 700,927 | 921,601 | 3,416,853 | 853,813 |
| $20,000 to $25,000 | $558,575 | $282,252 | $522,492 | $1,544,309 | $432,407 |
| $25,000 to $30,000 | 307,122 | 144,312 | 332,433 | 856,962 | 274,215 |
| $30,000 to $50,000 | 550,492 | 244,253 | 777,229 | 1,689,085 | 658,743 |
| $50,000 to $100,000 | 331,910 | 134,574 | 698,374 | 1,237,153 | 655,691 |
| $100,000 to $200,000 | 107,930 | 35,640 | 340,380 | 515,770 | 319,777 |
| $200,000 to $500,000 | 45,570 | 11,889 | 206,106 | 282,922 | 195,216 |
| $500,000 to $1,000,000 | 11,555 | 2,914 | 76,309 | 97,555 | 67,013 |
| $1,000,000 or more | 8,752 | 2,592 | 80,092 | 98,677 | 68,103 |
| Total | 8,874,418 | 4,815,145 | 6,407,518 | 23,659,162 | 6,202,877 |

Since the tax revenue lost per dollar of deduction increases with the taxpayer's income, tax expenditures subsidizing the burdens of state and local taxation are even more heavily skewed in favor of the upper income classes. Thus, of the $6.2 billion of tax revenue lost by virtue of the Code's efforts to relieve taxpayers of the burdens of state and local taxes, only 2.6% inures to the benefit of taxpayers having adjusted gross incomes of less than $5,000. Similarly, only $1.1 billion or 18% inures to the benefit of taxpayers having adjusted gross incomes of less than $10,000. In short, nearly 80% of the tax revenue lost by virtue of the Code's current program for the amelioration of state and local tax burdens inures to the benefit of taxpayers having adjusted gross incomes of more than $10,000 per year.

The federal government is thus currently spending some $4.6 billion to relieve taxpayers of the burdens of state and local taxation, and, as in the case of its housing subsidies, it is distributing such benefits in a manner that is based on neither need nor per capita equality, but rather is directly related to the taxpayer's income. Put more simply, the federal government is distributing its tax-relief subsidies regressively. It is doing so at a time when all elements of the American governmental system continue to rely heavily upon the poor for tax revenues, taking approximately one out of every four dollars of their meager incomes through taxes of all types. Some measure of relief could be afforded the poor by redirection of the $6.2 billion currently being spent to relieve the burdens of state and local taxation. This amount would doubtless fall far short of the funds necessary to eliminate governmental fiscal dependence on the poor. Such reduction would, however, constitute an ameliorative act of considerable significance, particularly when compared with $.625 billion devoted to that purpose by the Reform Act.[123]

### V. TAX EXPENDITURES AND THE AMELIORATION OF POVERTY

Of the many ways in which the tax expenditure budget is relevant to the poor, the one of greatest interest from the perspective of the deprived is the amelioration of poverty itself. The relevancies upon which we earlier focused, such as the Code's implicit housing and tax-subsidy programs, though of importance, are of only limited significance to the poor. More central to their perspective is the basic failure in the distribution of income that has given rise to a population of nearly 30 million who are officially recognized by the federal government as being poor.[124] Measured by the spartan standards of the Health, Education, and Welfare Department's Poverty Index, some 29,650,000 people found themselves poor, including 12,500,000 children and 5,400,000 aged persons.[125] The so-called "poverty gap," the amount by which the aggregate income of the poor falls short of acceptable minimum standards, has been variously estimated at $11 to $12.5 billion.[126] The relevance of the tax expenditure budget to the elimination of this poverty gap and to improving the material condition of this population is of central concern to the deprived.

Certain aspects of the relevance of the tax expenditure budget to the central problem of poverty are foreshadowed by our earlier discussion. We have already touched upon the potentialities for benefitting the poor by departing from the Code's current reliance on exclusions and deductions, and we have noted the possibility of integrating into the Code a system of transfer payments designed to relieve the poor of all tax exactions, state, local, and federal.[127] Similar transfer payment programs designed to extend the Code's housing subsidies to the poor could doubtless be devised.[128] However, such specific purpose transfer programs are in a sense but partial approaches toward the basic problem of income maintenance itself.

Rather than dealing with such specific aspects of deprivation as the exaction of tax revenues or housing inadequacy, the transfer program could be directed at the basic income maintenance problem itself by designing the transfers so as to guarantee each family a level of income commensurate with minimum requirements of health and decency. Just as taxpayers now file income tax returns, they would, under such a system, file declarations of anticipated income. If the declaration showed an anticipated income falling below acceptable minimum standards, the federal government would make periodic payments of the amounts necessary to guarantee a minimum annual income. The suggestion that a guaranteed annual income be integrated into the Code is of course not a novel one. Much has been written on the

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Footnotes at end of article.

subject of a guaranteed annual income, or as it is sometimes awkwardly styled, the negative income tax.

This is not the place to reconsider the structure and problems of so ambitious an undertaking. Rather, I limit my present comments to noting that such a transfer program within the structure of the Code, like the more modest programs earlier discussed,[129] is certainly a technical possibility, and to pointing out that the Internal Revenue Code is already deeply involved in income maintenance programs.

A number of the tax expenditure programs implicit in the Code are designed primarily or partially for the purpose of supporting income maintenance. Perhaps the clearest example of the Code's income maintenance policy is the exclusion from income of Social Security payments.[130] This exclusion has long been a part of the Code's policy. Though historically it may have been based in part on constitutional doubts concerning the taxation of gifts, its contemporary justification is clearly based on the desirability of easing the financial condition of persons dependent upon Social Security payments for income. Similarly justified in terms of income maintenance are the additional exemption for aged taxpayers and the retirement income credit.[131] Nor can the monetary significance of these programs be doubted, for the three of them accounted for tax expenditures of $2.3 billion in fiscal 1968.[132] Similarly directed at income maintenance are the Code's exclusions from income of sick pay ($85 million),[133] unemployment insurance $300 million),[134] workmen's compensation ($150 million), [135] public assistance ($50 million),[136] and private unemployment insurance ($25 million).[137] In a somewhat different category, but also closely related to income maintenance, is the exemption from income tax of income earned by employee pension plans ($3 billion)[138] and self-employed retirement plans ($60 million).[139] Such income is exempted from tax for the purpose of aiding the accumulation of funds to support pension payments and so to maintain the income of the group benefitted. Standing on a similar footing is the exemption from tax of interest earned on life insurance savings which cost the Federal Government some $900 million in lost revenue during 1968.[140]

As Table VIII makes clear, these programs involve a substantial commitment of Federal resources to income maintenance, involving expenditures of $6.87 billion.

TABLE VIII.—*Income maintenance programs* [141]

[In millions]

| | *expenditure Tax* |
|---|---|
| Exclusion of Social Security Payments, Retirement Income Credit and Aged Exemption | $2,300 |
| Exclusion of Sick Pay | 85 |
| Exclusion of Unemployment Insurance | 300 |
| Exclusion of Workmen's Compensation | 150 |
| Exclusion of Public Assistance | 50 |
| Exclusion of Private Unemployment Insurance | 25 |
| Exclusion of Income from Self-Employed Retirement Plans | 60 |
| Exclusion of Income From Employee Pension Plans | 3,000 |
| Exclusion of Life Insurance Interest | 900 |
| Total | 6,870 |

As in the case of the Code's implicit housing and tax subsidy programs, the wisdom of spending nearly $7 billion to support income maintenance programs through exclusion of certain types of income may be questioned. Approaching income maintenance by such exclusions reflects a judgment that the beneficiaries of these categories of income stand in need of tax relief to support their incomes. Basing an income maintenance program on categories of income necessarily precludes a precise focusing of support on persons who are in financial need. For most categories of income, there is simply no precise correlation between the type of income and the need of the beneficiary. Take, for example, the exclusion of Social Security payments from income. A priori, the assumption that Social Security beneficiaries are as a group in need of income maintenance support would seem eminently reasonable. However, on further reflection, one notes that an individual's right to receive Social Security benefits is not related to need but rather to his work experience. In point of fact, it is estimated that approximately 40% of all Social Security payments go to persons [142] who would not be in financial need had they not received these benefits. The proportion of non-needy persons benefitted by the exclusion of income earned by employee pension plans and life insurance payments is doubtless even greater.

Redirection of these billions to benefit the deprived would make a material contribution to ameliorating their condition. It would not, however, make available the funds necessary for a comprehensive income maintenance system. We have thus far identified approximately $7 billion in tax expenditures directed at income maintenance. Since some significant portion of these funds presently accrues to the benefit of the poor, the amount that could be redirected to their further benefit is necessarily smaller. As noted above, the amount of additional income necessary to close the "poverty gap" has been estimated at $11 to $12.5 billion, and this measure is based on the exceedingly spartan standards of the H.E.W. Poverty Index.[143] Moreover, the cost of actually implementing a program directed at comprehensive amelioration of the income deficiency of the poor would be considerably higher than the $11 to $12.5 billion poverty gap, primarily because of the costs of administering the program and designing it so as to limit the work disincentives created by the guaranteed income.[144] Estimates of the cost of a workable comprehensive income maintenance system have approximated $20 to $25 billion.[145] Redirection of the income maintenance programs identified above can make a significant, but by no means sufficient, contribution toward funding a comprehensive income maintenance program.

There is, however, another possibility. Personal exemptions available to every taxpayer have always been a basic structural element of the federal income tax. The Reform Act's most expensive single change was an increase in personal exemption levels from $600 to $750 per person.[146] The amount of lost revenue attributable to personal exemptions is enormous, approximating some $23 billion prior to the Reform Act and $28.75 billion after taking the Reform Act's changes into account.[147]

On first impression, it may appear somewhat odd to direct attention to personal exemptions as a possible source of revenue to fund a comprehensive income maintenance program. After all, it is the personal exemption, coupled with the Low Income Allowance, which shields the poor from the exactions of the federal income tax. However, although personal exemptions are customarily justified in terms of their effect in shielding the lower income strata from tax, the fact of the matter is that most of the tax forgone by virtue of the personal exemption does not accrue to the benefit of the needy. Personal exemptions are permitted to all taxpayers, not just the poor, and as with deductions, so with personal exemptions: the amount of tax revenue lost per personal exemption varies directly with the taxpayer's taxable income from $14 per $100 of exemption at the bottom of the tax rate schedule to $70 per $100 of exemption at the top. As Table IX indicates, less than a quarter of the revenue loss by virtue of personal exemptions accrues to taxpayers having adjusted gross incomes of less than $5,000 per year. Three quarters of the revenue lost—over $15 billion a year—thus accrues to the benefit of persons other than the needy.

TABLE IX [148].—DISTRIBUTION OF REVENUE LOST BY PERSONAL EXEMPTION

[In thousands]

| Adjusted gross income class | Exemptions | Revenue loss |
|---|---|---|
| Under $5,000 | $35,793,832 | $5,370,000 |
| $5,000 to $10,000 | 44,183,692 | 8,360,000 |
| $10,000 to $15,000 | 26,275,178 | 5,720,000 |
| Over $15,000 | 14,520,260 | 4,060,000 |

Obviously, then, large amounts of revenue currently expended by means of personal exemptions on persons not in need could be redirected to support an income maintenance program directed at the poor. Of course, personal exemptions do not serve merely to shield the poor from tax. They also serve to reduce the tax imposed on larger families vis-a-vis smaller families with like income in recognition of the higher living costs of such larger families and so serve equitable interests apart from shielding the poor from federal income tax. Whether the values to be gained through a comprehensive income maintenance program warrant subordination of such equitable interests may be fairly debated. As matters stand now, we reduce the tax burdens of parents with an income of $10,000 in recognition of their parental burdens, but we do not contribute to the parental burdens of a couple with an income of $2,350.

One finds a similar dispersion of benefits among income classes arising from what the Reform Act somewhat paradoxically calls the Low Income Allowance. Though enacted for the avowed purpose of relieving the poor of taxation, the allowance is structured in such a way that $3.00 is put in the hands of the nonpoor for every dollar put in the hands of the poor, as that class is defined by Congress. Whereas the revenue loss from the Low Income Allowance is estimated at $625 million, the revenue loss estimated from use of the Low Income Allowance by the nonpoor (that is, from elimination of the phase-out) is $2.027 billion.[150] As with personal exemptions, the $1,100 Low Income Allowance is available not only to the poor but to all taxpayers who choose to take advantage of it. To some extent dispersion of the benefits of the Low Income Allowance (and of personal exemptions) beyond the needy is inevitable. One could hardly provide an $1,100 Low Income Allowance to an individual with an income of $1,734 ($1,734 being the Reform Act's Poverty Threshold) and none to an individual with an income of $1,736. It would, however, have been possible to reduce the Low Income Allowance by a dollar (or some fraction thereof) for each dollar the taxpayer's income exceeds $1,735. Congress was not unaware of this possibility. It consciously rejected that possibility and chose, as Table X indicates, to spend $2,027 billion in making the Low Income Allowance available to all taxpayers regardless of their income.

TABLE X

| Adjusted gross income class (thousands) | Revenue loss | |
|---|---|---|
| | Low income allowance (millions) | Elimination of phaseout (millions) |
| $0 to $3 | $552 | $202 |
| $3 to $5 | 72 | 788 |
| $5 to $7 | 1 | 594 |
| $7 to $10 | | 335 |
| $10 to $15 | | 83 |
| $15 to $20 | | 16 |
| $20 to $50 | | 8 |
| $50 to $100 | | 1 |
| Over $100 | | |

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Footnotes at end of article.

The Internal Revenue Code thus contains a variety of tax expenditure programs designed in one way or another to maintain income. Many billions of dollars are spent in the implementation of these programs. The aggregate amounts spent rival, if they do not exceed, the estimated requirements of a comprehensive income maintenance system. Though the Code's income maintenance programs contribute significantly to the income of our lowest income strata, by far the greater part of these tax expenditures do not accrue to the benefit of the deprived. Redirection of these tax expenditures would provide the necessary funding for an income maintenance program far more ambitious and more nearly adequate than any of the proposals now receiving serious public consideration.

### VI. SUMMARY

The major points may be briefly recapitulated. The basic problem stems from the existence of extensive deprivation in America which results in people who cannot adequately provide for their needs. Though widely deplored, such inadequacies remain unremedied. Financial inability is the reason most commonly advanced to excuse our continued failure to provide for the basic needs of the deprived.

"Not only has it proved impossible to locate funds for such needs; it has proved impossible to forego fiscal dependence on the poor. In recent years, state, local, and federal taxes have taken approximately 28% of the poor's income. Though one of the Reform Act's primary proclaimed purposes was to end fiscal dependence upon the poor, it succeeded in reducing the poor's overall tax burden by less than 10%, from 28% to 26% of their income."

Meaningful amelioration of fiscal dependence upon the poor can be accomplished only by departure from the techniques of deduction and exclusion which have traditionally circumscribed the reach of tax relief measures and channelled their benefits to the privileged. By replacing the network of deductions through which the Code presently channels tax relief with a transfer payment system that restores to each taxpayer who lacks the wherewithal for minimally decent self-support all taxes exacted from him, fiscal dependence on the poor can be eliminated. Such elimination will prove costly, for our present dependence on the deprived is great. However, we do find it possible to spend over $6 million annually on relieving the state and local tax burdens of the more fortunate. Before one resignedly accepts the defense of financial constraint, this program of tax relief for the more fortunate should be re-examined.

The relief of state and local tax burdens is but one example of the ways in which the Internal Revenue Code regressively subsidizes private needs, that is, it is only one of the ways in which the Code distributes benefits not in accordance with need or per capita equality, but in relation to income. Perhaps the clearest example of the Code's regressive subsidization of basic human needs is to be found in the housing area. By means of deductions for residential mortgage interest and real property taxes and the exclusion of the net rental value of owner-occupied housing, the Code spends more than $7 billion annually to support private housing expenditure. Less than 1/6 of that amount is expended directly by the federal government for all housing and community development needs. As with tax relief, so with housing, one finds in the interstices of the Internal Revenue Code expenditure programs that commit vast amounts of public revenues to the service of basic human needs that the deprived also experience but are unable to satisfy.

One could redirect the funds currently tax-spent on housing and tax relief to provide for the same needs among the poor by means of direct or tax expenditures; however, such revisions, though significant, would be but partial approaches to the basic problem of deprivation, that is, the problem of guaranteeing each person an income sufficient to provide the basic essentials of a civilized existence. The Code offers opportunities for escape from the fiscal constraints that have ostensibly blocked a serious attack on the income maintenance problem; for the Code contains a variety of implicit programs directed in one way or another at the maintenance of income. These programs involve annual expenditures well in excess of $25 billion. The amount required to support an adequate income maintenance program of universal coverage is no greater.

Looking beyond the possibilities of redirecting tax expenditures for housing, tax relief, and income maintenance to serve those same purposes in ways that benefit the deprived, one comes finally to the sheer size of the tax expenditure program. That program involved an aggregate revenue loss of over $70 billion in fiscal 1968. Though limiting the efficacy of certain tax avoidance techniques, the Reform Act left the basic structure of the tax expenditure program intact. Indeed, the Reform Act resulted in an increase in the aggregate revenue lost through tax expenditures and its achievments in redirecting these tax expenditures to benefit the deprived are modest indeed. Redirection of a significant proportion of these tax revenues to serve the public and private needs of the deprived would dramatically improve their condition. Whether the interests sacrificed by redirection are of such great relative social value as to warrant their continued support is to my mind highly doubtful. Unhappily, the opportunities afforded by massive redirection of our current tax expenditure program and the moral issues implicated by our current refusal to undertake such redirection have yet to be conscientiously explored by our political leaders.

### FOOTNOTES

[1] Act of Dec. 30, 1969, Pub. L. No. 91–172, 83 Stat. 487, codified in various sections of Int. Rev. Code of 1954.

[2] *See* section IV C(1) *infra.*

[3] *See id.*

[4] The concept is normally named for Professors Richard Haig and Henry Simons whose publications—R. Haig The Federal Income Tax (1921), and H. Simons, Personal Income Taxation (1938)—are credited with the early development of the concept. *See also* Schanz, *Der Einkommensbegriff und die Einkommen Steuergesetze,* 13 Finanz Archiv 1 (1896), for an earlier discussion of the concept.

[5] H. Simons, *supra* note 4, at 55. *See also* Pechman, *Erosion of the Individual Income Tax,* 10 Nat'l Tax J. 1 (1957).

[6] *See generally* Surrey, *Tax incentives as a Device for Implementing Government Policy: A comparison with Direct Government Expenditures,* 83 Harv. L. Rev. 705 (1970).

[7] *See* 1968 Sec'y of Treas. Ann Rep 322–41 for official discussion of the tax expenditure concept.

[8] *See, e.g.,* H. Simons, *supra* note 4.

[9] Bittker, *Accounting for Federal "Tax Subsidies" in the National Budget,* 22 Nat'l Tax J. 244 (1969); *contra,* Surrey & Telmuth, *The Tax Expenditure Budget—Response to Professor Bittker,* 22 Nat'l Tax —. 528 (1969). *See also* Bittker, *"A Comprehensive Tax Base" as a Goal of Income Tax Reform,* 80 Harv. L. Rev. 925 (1967); Musgrave, *In Defense of an Income Concept,* 81 Harv. L. Rev. 44 (1967); Pechman, *Comprehensive Income Taxation; A Comment,* 81 Harv. L. Rev. 63 (1967).

[10] Table I is set out in section II C *infra.*

[11] 1968 Sec'y of Treas. Ann. Rep. 327.

[12] *Id.* at 326–30.

[13] *See, e.g.,* Surrey, *supra* note 6.

[14] H.R. Rep. No. 91–413, 91st Cong., 1st Sess., pt. 1, at 8–12 (1969).

[15] *See* section II *infra.*

[16] *See* section III *infra.*

[17] *See* section IV *infra.*

[18] H.R. Rep. 91–413, *supra* note 14, pt. 1, at 201–04.

[19] Tax Reform Act of 1969, § 802 [hereinafter cited as Reform Act], Int. Rev. Code of 1954, § 141.

[20] *See* section IV *infra.*

[21] *See* section V *infra.*

[22] Table I is set out at the end of this section II, *infra.*

[23] *See* Table I: item 25, exclusion of the imputed net rental value of owner-occupied housing; item 44, standard deduction; items 45 and 46, low income allowance; item 47, personal exemptions; item 60, capital gains treatment changes; item 61, minimum tax; item 62, trust rule changes.

[24] 1970 Council of Economic Advisors Ann. Rep. 249.

[25] *Id.*

[26] *See* Table I, *infra.*

[27] *See generally* Pechmann, *supra* note 5.

[28] H.R. Rep. No. 91–413, *supra* note 14, pt. 1, at 8–12.

[29] Reform Act § 301, Int. Rev. Code of 1954, §§ 56–58.

[30] *See* section II B(3)(a) *infra.*

[31] Reform Act §301, Int. Rev. Code of 1954, § 57.

[32] Reform Act § 301, Int. Rev. Code of 1954, § 56(a).

[33] The .0087 figure is calculated by dividing total income ($250,000) into the minimum tax ($2,171).

[34] Reform Act § 511, Int. Rev. Code of 1954, § 1201.

[35] Reform Act § 513(a), Int. Rev. Code of 1954, § 1211(b).

[36] Reform Act § 513(b), Int. Rev. Code of 1954, § 1212(b).

[37] Reform Act § 515, Int. Rev. Code of 1954, §§ 72, 402–03.

[38] Treas. Reg. § 1.421–6(d) (1959).

[39] Reform Act § 321, Int. Rev. Code of 1954 § 83.

[40] 157 F.2d 235 (2d Cir. 1946), *cert. denied,* 330 U.S. 826 (1947).

[41] Bell v. Harrison, 212 F.2d 253 (7th Cir. 1954).

[42] Reform Act § 516(a), Int. Rev. Code of 1954, § 1001(e).

[43] Reform Act § 804, Int. Rev. Code of 1954, § 1348.

[44] Reform Act § 804, Int. Rev. Code of 1954, § 1348(b)(1).

[45] Reform Act § 804, Int. Rev. Code of 1954, § 1348(a).

[46] Reform Act § 804, Int. Rev. Code of 1954, § 1348(b)(2)(B)(ii).

[47] 364 U.S. 361 (1960).

[48] Reform Act § 301, Int. Rev. Code of 1954, § 57(b).

[49] Reform Act § 221, Int. Rev. Code of 1954, § 163(d).

[50] Reform Act § 301, Int. Rev. Code of 1954, § 57(b).

[51] *See also* Int. Rev. Code of 1954, §§ 264–65, which limit the deductibility of interest paid on funds borrowed to buy tax exempt securities or to carry life insurance.

[52] Reform Act § 201, Int Rev. Code of 1954, § 170(e)(1)(A).

[53] Int. Rev Code of 1954, § 170(e), as in force prior to the Reform Act.

[54] Reform Act § 201, Int. Rev. Code of 1954, § 170(e)(1)(B).

[55] Reform Act § 201, Int. Rev. Code of 1954, § 170(e)(2).

[56] Reform Act § 201, Int. Rev. Code of 1954, § 170(f)

[57] *Id.*

[58] Reform Act § 201(c), Int. Rev. Code of 1954 § 673(b).

[59] Reform Act § 201, Int. Rev. Code of 1954, § 170(b)(1).

[60] Reform Act § 201, Int. Rev. Code of 1954, § 170(b)(1)(D).

[61] Reform Act of § 703, Int. Rev. Code of 1954 § 49.

[62] Reform Act of § 521(a), Int. Rev. Code of 1954, §§ 167(j)-(k).

[63] Reform Act § 521(b), Int. Rev. Code of 1954, § 1250.

[64] Reform Act §§ 521, 704–07, Int. Rev. Code of 1954, §§ 165(k), 169, 184, 185, 187, and 263.

[65] Reform Act § 501, Int. Rev. Code of 1954, § 613.

[66] *Id.*

[67] A typical transaction would be the sale by an oil well owner of 25% of the proceeds to be received from the sale of oil from his oil well up to $10,000, with the sale price being discounted to take account of both the anticipated timing of the payments and the risk of interruption in production or payment.

[68] Reform Act § 503, Int. Rev. Code of 1954, § 636.

[69] For example, *A* might sell an oil property to *B* for $1,000,000, retaining an interest in 75% of the proceeds subsequently to be received from the sale of oil from that property, up to a maximum of $2,000,000; *A* simultaneously sells this retained interest to *C* for an amount discounted to take account of the anticipated timing of the payments and the risk of interruption in production or payment.

[70] *See* section II B(1) *supra.*

[71] The so-called phase-out of Low Income Allowance is a provision designed to ensure that the benefits of the Allowance accrue only to the poor. As more fully described below (section IV B *infra*), the Low Income Allowance has the effect of shielding from tax $1,100 of a taxpayer's income in excess of his personal exemptions. To limit the benefit of the Low Income Allowance to lower income groups, the Reform Act provided that the amount of the allowance in excess of whatever minimum standard deduction would have been available to the taxpayer prior to the Reform Act should be reduced as a taxpayer's income increased. This excess of the Allowance over the previously available minimum standard deduction was dubbed the Additional Allowance; and for every dollar that a taxpayer's income exceeded the sum of the Low Income Allowance plus applicable personal exemptions (a sum equalling $1,700 in the case of a single individual), this Additional Allowance was reduced by 50 cents. This reduction (dubbed the phase-out), was, however, only a transitional mechanism effective for 1970. For 1971 the phase-out reduction is only 6⅔ cents per dollar, rather than the 50 cents per dollar for 1970. For all years after 1971, the phase-out is eliminated, and the cost of its elimination is estimated at $2.027 billion more than three times the cost of the Low Income Allowance prior to the phase-out elimination. *See* note 151 *infra.*

[72] Due to the difference in base years, the magnitude of changes in tax expenditures resulting from the Reform Act is overstated. *See* note 74 *infra* for further explanation.

[73] These accomplishments should not be overlooked. By limiting the rate of tax applicable to earned income to 50% while eliminating the alternative rate of tax for capital gains over $25,000 and subjecting capital gains to the minimum tax, the Reform Act substantially narrowed the disparity between taxes imposed on capital gains and earned income.

[74] Except as noted below, the amounts shown in Table I for each tax expenditure are taken from the 1968 Sec'y of Treas. Ann. Rep. 322–41, and the amounts shown for the change in tax expenditure arising from the Reform Act are taken from H.R. Rep. No. 91–413, *supra* note 14, or S. Rep. No. 91–552, 91st Cong., 1st Sess. (1969), or estimated from the foregoing reports and H.R. No. 91–782, 91st Cong., 1st Sess. (1969) as appropriate. Inasmuch as the amounts shown in the 1968 Sec'y of Treas. Ann. Rep. refer to the fiscal year 1968 and the amounts shown in the reports pertaining to the Reform Act are longrun estimates, the amount of charge in tax expenditure relative to the absolute amount of tax expenditure shown should be discounted to take account of rising tax revenues and expenditures. The following entries are not based upon the above-mentioned sources but upon the author's estimates: item 47, personal exemptions, and item 25, exclusion of the imputed net rental value of owner-occupied building.

[75] The figure of $1,005 million includes reduction in depreciation allowances with respect to housing depreciation which appears in item 26.

[76] This figure is also shown in item 24 under Community Development and Housing.

[77] *See* 1968 Sec'y of Treas. Ann. Rep. 322–41.

[78] *See* Keith, *An Assessment of National Housing Needs,* 32 Law & Contemp. Prob. 209, 209–13 (1967).

[79] *See* C. Rapkin, The Private Rental Housing Market in New York City (1965).

[80] P. Dodyk *et al.*, Cases and Materials on Law and Poverty 1–3 (1969).

[81] Keith, *supra* note 19, at 215–18.

[82] *See* Table I, section II *supra,* items, 23, 24, and 25.

[83] Int. Rev. Code of 1954, § 163.

[84] Int. Rev. Code of 1954, § 164(a)(1).

[85] *See* Table I, section II *supra,* items 23 and 24. Estimates of tax loss are taken from 1968 Sec'y of Treas. Ann. Rep. 337.

[86] No official estimate of the tax loss arising from the exclusion of owner-occupied housing for any relevant period could be located. The author's estimate of $2.6 billion is based on the estimate made by R. Goode, The Individual Income Tax 120–30 (1964), and adjusted to 1968.

[87] This justification becomes increasingly difficult to maintain as the Treasury makes more and more inroads on the deductibility of interest in other contexts. *See* Int. Rev. Code of 1954, §§ 163(d), 265.

[88] *See* R. Goode, *supra* note 86, at 175–79.

[89] 1970 Council of Economic Advisors Ann. Rep. 251. Including net lending, community development and housing expenditures for 1968 aggregated $4.076 billion.

[90] A taxpayer's marginal rate of tax is, of course, the rate of tax applicable to the last or highest dollar of income he received. Thus, under the rates in effect for 1970, a married taxpayer filing a joint return with a taxable income of $25,000 would pay $5,660 plus 36% of the excess over $24,000. Such a taxpayer's marginal rate of tax is thus 36%. The appropriate measure of the tax benefit to him of a deduction of $1,000 is the $360 in tax saved by reducing his taxable income from $25,000 to $24,000.

[91] Table II is set out at the end of section III.

[92] Table IV is set out in section IV C(1) *infra.*

[93] The amounts shown in Table II for real estate taxes and mortgage interest deducted are taken from Int. Rev. Serv., 1968 Statistics of Income 68, 71. The amount of the exclusion shown for the imputed rental value of owner-occupied housing was determined as described in note 86 *supra.* The amounts shown are for taxable returns only, the data being insufficient to distribute deductions appearing on nontaxable returns among the adjusted gross income classes. The figures shown accordingly exclude $427,694,000 of real property taxes and $471,136,000 of mortgage interest deducted on nontaxable returns. The amounts of excluded net rental value of owner-occupied housing have been distributed among adjusted gross income classes in the same proportion as real estate tax deductions. The revenue loss for real estate tax deductions, mortgage interest deductions, and exclusion of the imputed rental value of owner-occupied housing for each adjusted gross income class has been computed by calculating the average taxable income per return for each such class and multiplying the rate of tax applicable to such taxable income by the aggregate amount of deduction or exclusion shown for that class. The figures derived by such computations are significantly higher than those shown in the 1968 Sec'y of Treas. Ann. Rep. 340 and in Table I. The distribution of housing benefits among adjusted gross income classes is distorted by the above-mentioned exclusion of nontaxable returns and by disregard of the effect of the standard deduction. If one accepts the view that some portion of the revenue lost by virtue of the standard deduction is properly attributable to the real estate tax and mortgage interest deductions in lieu of which, *inter alia,* the standard deduction is taken, some adjustment of Table III would be required, for inclusion of some part of the standard deduction would doubtless increase the relative amounts of housing aid accruing to the lower and the lower-middle adjusted gross income classes.

[94] "It is almost unanimously agreed that some exemption keyed to at least a minimum subsistence standard of living is desirable." Blum & Kalven, *The Uneasy Case for Progressive Taxation,* 19 U. Chi. L. Rev. 417, 420 (1952).

[95] A single taxpayer with an adjusted gross income of $667 would be entitled to take a standard deduction of $67 and a personal exemption of $600, thereby reducing his taxable income to zero.

[96] Int. Rev. Code of 1954, § 141.

[97] House Ways and Means Comm., 91st Cong., 1st Sess., United States Treasury Department, Tax Reform Studies and Proposals (Comm. Print 1969).

[98] *Id.*, pt. 1, at 74.

[99] *Id.*

[100] *Id.*

[101] H.R. Rep. No. 91–413, *supra* note 14, at 204.

[102] 1970 Council of Economic Advisors Ann. Rep. 209.

[103] Figures for the "Post Reform Act Taxability Threshold" and the "1966 H.E.W. Poverty Threshold plus 6%" columns are taken from H.R. Rep. No. 91–413, *supra* note 14, at 204, 206.

[104] 1964 Council of Economic Advisors Ann. Rep.

[105] Orshansky, *Counting the Poor: Another Look at the Poverty Profile,* 1965 Social Security Bull. 3, 6.

[106] *Id.*

[107] *Id.* at 5.

[108] *Id.* at 10.

[109] *Id.* at 7–9.

[110] Orshansky, *Who Was Poor in 1966,* in Children's Allowances and the Economic Welfare of Children 20–21 (E. Burns ed. 1968).

[111] It is, of course, "normative"—that is, an attempt to state the quantity of funds a family should have to meet minimal standards of health and common decency—to the extent that it is based on the Department of Agriculture's nutritional standards.

[112] "Post Reform Act Taxability Threshold" figures are taken from H.R. Rep. No. 91–413, *supra* note 14, pt. 1 at 204; "New York State Maximum Welfare Budget" figures were obtained from the New York City Human Resources Administration.

[113] Rev. Rul. 68–38, 1968–1 Cum. Bull. 446; Rev. Rul. 57–102, 1957–1 Cum. Bull. 26; I.T. 3447, 1941–1 Cum. Bull. 191–92.

[114] Tax Foundation, Tax Burdens and Benefits of Government Expenditures by Income Class, 1961 & 1965, at 14, 24. To compare the relative impact of different federal taxes on the poor, of course, requires certain assumptions concerning the incidence of indirect taxes, and these assumptions may be questioned. Without arguing the point, it

should be noted that the impact of the different taxes shown in Table V assumes that excise, customs, and payroll taxes fall on the consumer and that corporate taxes fall equally on the consumer and the shareholder.

[115] 1970 Council of Economic Advisors Ann. Rep. 251.

[116] Tax Foundation, *supra* note 114, at 14, 24.

[117] 1970 Council of Economic Advisors Ann. Rep. 257.

[118] J. Pechman, Federal Tax Policy 275 (1971).

[119] The $6.2 billion figure is taken from Table VII and derived as described in note 93 *supra*. For the reasons there stated, this figure is significantly higher than those shown in the 1968 Sec'y of Treas. Ann. Rep.

[120] *See* items 54–59 of Table 1, section II C *supra*.

[121] Table II is set out in section III *supra*.

[122] The amounts shown in Table VII for real estate taxes, general sales taxes, state and local income taxes, and total taxes are taken from Int. Rev. Serv., 1968 Statistics of Income 68. *See* note 93 *supra*, for explanation of the derivation of the revenue loss by adjusted gross income class. The "Total Taxes" column includes taxes other than those detailed in the previous three columns: the table consequently does not "cross-foot."

[123] This is the amount of revenue loss anticipated to accrue to taxpayers recognized by the Congress as poor by virtue of the Low Income Allowance. *See* item 45 of Table I, set out in section II C *supra*. It should be noted that since the Congress defined the target class to be benefitted by the Low Income Allowance in an excessively restrictive fashion but at the same time allowed all taxpayers to claim the benefit of the Low Income Allowance, some portion of the $2.027 billion in revenue lost due to elimination of the phaseout (item 46 of Table I) will accrue to persons who by any reasonable definition are deprived.

[124] P. Dodyk, *supra* note 80, at 1–3.

[125] *Id.*

[126] *Id.* at 2.

[127] *See* section IV D *supra*.

[128] It would be possible to integrate into the Internal Revenue Code a transfer mechanism that would pay over to the poor taxpayer the difference between the amount of his housing expenditure and a certain percentage of his income, subject to whatever limitations might be thought appropriate. For example, the program might be designed to pay to the deprived taxpayer the amount by which his housing costs exceeded 25% of his income up to a limit of $250 per family member per year. A family of four with an income of $3,000 paying $1,200 annually in rent would then receive $450 (*i.e.*, $1,200–[.25 x $3000]).

[129] That is, the tax relief and housing subsidy possibilities mentioned above. *See* section IV D and note 128 *supra*.

[130] *See* note 113 *supra*.

[131] Int. Rev. Code of 1954, §§ 37, 151 (c).

[132] *See* item 27 of Table II, section II C *supra*.

[133] Int. Rev. Code 1954, §§ 104 and 105; *see* item 29 of Table I, section II C *supra*.

[134] I.T. 3230, 1938–2 Cum. Bull. 136–37; Rev. Rul. 55–652, 1955–2 Cum. Bull. 21; *see* item 30 of Table I, section II C *supra*.

[135] Rev. Rul. 54–19, 1954–1 Cum. Bull. 179; *see* item 31 of Table I, section II C *supra*.

[136] Rev. Rul. 57–102, 1957–1 Cum. Bull. 26; *see* item 32 of Table I, section II C *supra*.

[137] *But see* Rev. Rul. 56–249, 1956–1 Cum. Bull. 488; *see* item 38 of Table I, section II C *supra*.

[138] Int. Rev. Code of 1954, §§ 401–07, 501; *see* item 33 of Table I, section II C *supra*.

[139] Int. Rev. Code of 1954, §§ 401–07; *see* item 34 of Table I, section II C *supra*.

[140] Int. Rev. Code of 1954, §§ 801–20; *see* item 40 of Table I, section II C *supra*.

[141] Tax expenditures taken from 1968 Sec'y of Treas. Ann. Rep. 322–41.

[142] Of all transfer payments made in the United States, only about 50% reach the poor. *See generally* C. Green, Negative Taxes and the Poverty Problem (1967). Green's estimates of the proportion of Social Security and other transfer payments accruing to the needy is based on 1961 data.

[143] *See* section IV C(1) and text accompanying notes 124–26 *supra*.

[144] The simplest program of transfer mechanisms designed to assure acceptable minimum standards of income would pay to the needy individual the difference between his income and such minimum standard. However, for all individuals whose employment brought them an income less than or approximating this standard, the prospect of receiving the same income without working might prove an irresistible temptation to lassitude. Consequently, most proposals designed to assure acceptable minimum standards of income also incorporate provisions designed to encourage employment by permitting the taxpayer to retain some portion of the government payment, even though such payment, when added to that person's earnings, would result in his receiving more than the minimum income established by the standard. A typical example of such provision would reduce the government payment by $1 for every $2 received through employment. Such a policy would encourage the retention of employment, but would involve substantial costs in excess of the so-called poverty gap.

[145] *See* P. Dodyk, *supra* note 80, at 305–17.

[146] Reform Act § 801, Int. Rev. Code of 1954, § 151.

[147] *See* item 47 of Table I, section II C *supra*.

[148] Exemptions claimed taken from Int. Rev. Serv. 1968 Statistics of Income. *See* note 93 *supra* for explanation of the derivation of the revenue lost by adjusted gross income class.

[149] A taxpayer with a family and an income of $10,000 receives a tax reduction equal to his marginal rate of tax multiplied by $625 for each dependent. However, a family with an income of $2,300 would receive no tax benefit because of dependent children, their income being fully shielded from tax by virtue of the husband's and wife's personal exemptions and their Low Income Allowance.

[150] *See* note 71 *supra* for an explanation of the "phase-out" and its relation to the Low Income Allowance. It should be noted that the $2.027 billion is an estimate of the revenue loss arising from elimination of the particular "phase-out" of benefits adopted by Congress as a transitional measure. That phase-out was the reduction of the Low Income Allowance by $1 for every $2 by which the taxpayer's income exceeded the congressionally adopted Taxability Threshold. Different patterns of phase-out would entail greater or lesser revenue losses depending on the degree to which the Allowance is reduced as income rises.

[151] Table X sets forth the distribution among adjusted gross income classes of the benefits of the Low Income Allowance. The revenue loss shown under the caption "Low Income Allowance" represents the loss of tax revenue by virtue of the Allowance being claimed by the poor (as defined by Congress). The revenue loss shown under the caption "Elimination of Phaseout" represents the loss of tax revenue by virtue of the programmed abolition of the reduction of the Allowance by $1 for each $2 by which the taxpayer's income exceeds the Reform Act's Taxability Thresholds. H.R. Rep. No. 91–413, *supra* note 14, pt. 1 at 13. *See also* note 71 *supra*.

Mr. HOLLINGS. Mr. President, before directing my remarks specifically to the President's program and the bill at hand and in time my amendments, let me emphasize that I do not come with tears for the hungry poor. I come with economic sense and justice for all America.

Already tax experts steeped in the field have analyzed the pinch.

Already States within this Republic responding to this pinch have enacted specialized tax measures to really give for the first time relief to the needy.

During the past decade the States of Wisconsin, Minnesota, California, Vermont, and Kansas have all enacted the circuit-breaker tax.

These measures recognize the tax overload that has fallen upon aged citizens in the property tax field, that the real estate tax as a percentage of income on these senior citizens is far out of proportion to their ability to pay.

These tax measures are similar in principle to the circuit-breaker that prevents electrical overload.

My measure is not presented as a half-baked gimmick but one going to the heart of the problem, one that is economically sound, fiscally responsible and legal.

It promotes social justice as well.

Mr. President, any economic legislation which wins the imprimatur of the United States Congress should answer in the affirmative two central questions:

First. Is it fair?

Second. Will it work?

I submit today that the economic program put forward by the administration falls short in both respects. It is not the most efficient of the methods available. And in many important respects, it is not equitable. It is laced with intolerable favoritism.

Nobody faults the President for changing course. Lord knows how many of us stood in the well of the Senate and pleaded for new directions in policy. And some of the initiatives taken should command the support of us all. I supported the freeze, and I support the implementation of the Pay and Price Boards. I support the import surcharge. And I support the cut in Government spending, although not the discrimination against Government employees.

But from there on, I find the administration proposals contrary to good economic sense and contrary to elemental fairness toward the average American. I find the President seeking refuge—or escape—in the shopworn theories of the long-dead past. He is the prisoner of that old shibboleth—the percolater theory of economic progress. According to that dismal and long since disproved concept, the way to bring prosperity is to enrich the wealthy few at the top, and then sit back and wait until some of their money trickles slowly through to the rest of the people. When the captains of industry and the leaders of finance prosper, so the percolator has it, everyone will prosper. It is the old idea that "What is good for General Motors is good for the country."

The fact of the matter is that the President's economic proposals are blatantly probusiness. He has come forward with plans to grant tremendous tax concessions to business and industry, on the theory that if big business is stimulated, every other sector of the economy will prosper. That, Mr. President, is economic nonsense.

We all know that the tax bill is going

to contain some kind of investment tax credit. The administration asked for 10 percent; the committee bills of the Congress provide 7 percent. Now, it is all well and good to modernize our industrial plant. If our hoped for prosperity is to be thorough and long-lasting, the American industrial sector is going to have to do more in the way of increasing productivity. The investment tax credit can help business do that.

But it cannot bring prosperity of and by itself.

Today we are utilizing 73 percent of America's productive capacity. Twenty-three percent of our machinery stands idle. Almost 6 percent of the labor force walks the street in joblessness. The economy needs a quick shot in the arm. And it will not get that needed shot by increasing our productive capacity so that instead of 27 percent we can have 40 percent or 50 percent of our industrial capacity going unused.

The advocates of reinstituting the investment tax credit argue that it brought us prosperity in the Sixties. Economists know differently. It was only when the tax credit for business was combined with the tax cuts for individuals that the economy really took off.

Mr. President, I have long advocated a program aimed at stimulating consumer demand. The only thing which can get those factory furnaces fired again is the purchasing power of the consumer. As I heard a distinguished economist say the other day, "The quickest way to profits is through the stomach of the consumer." You can have all the latest machinery, all the fancy technology and push-buttons in the world—but unless Mr. and Mrs. Average American have an incentive to buy, the economy is in deep trouble. The sooner that both Mr. Nixon and big business learn that lesson, the sooner they will have the prosperity they desire.

So, Mr. President, while the investment tax credit can serve a needed purpose in helping the economy toward long-term growth, its immediate effects are inadequate to the task of restoring prosperity. In order to encourage business to take advantage quickly of the investment tax credit, I believe there should be a time limit on its duration. A limitation on the order of 2 to 3 years would add push and impetus to the credit.

Earlier this year, business received a depreciation windfall of $3.9 billion. When combined with the investment credit we are considering today, these two tax breaks provide too much favoritism for business. Most economists believe that the stimulus of the investment tax credit is more direct and speedier than the depreciation write-off. I agree. And I would like to see accelerated depreciation end. The $3.9 billion break could much more effectively be distributed elsewhere in the economy.

When you come right down to it, there is precious little for the average taxpayer in the new proposals. Except for the low-income allowance, the tax reductions provided in the bill before us are simply speedups of changes approved by Congress in 1969. And I would suggest that we look at that $300 increase in the low-income allowance a little more closely. What that does is establish that families living in poverty simply will not have to pay income taxes in 1972 and thereafter. That is all well and good, Mr. President—but as you know, that principle was agreed to 3 years ago. When you clear away all the rhetoric, you can see that for a family of four with an income of $4,300—the poverty level—this bill is only going to save that family $20 this year. As far as meaningful tax relief and an economic incentive to spend go, $20 is a drop in the bucket.

The Senate must consider more direct and more effective individual tax incentives. The case for a postponement in scheduled social security tax increases is overwhelming. The scheduled $7.5 billion increases for 1972 would just about wipe out the gains from all the other tax incentives.

Mr. President, as we tackle the immense problem of putting our economic house in order, it is of paramount importance to guarantee simple justice to all members of American society. We have been witnessing since the mid-sixties an unprecedented erosion of confidence in Government. This loss of faith has already cost us far too much. Should it continue, our institutions will not escape profound, and unwise, change. Confidence in Government is founded on trust. And trust, in turn, depends upon simple equity. Unless every citizen knows that his or her Government is dealing fairly and without favoritism, there will be mistrust in the land. That applies to economic policy as much as to any other realm of decisionmaking.

What the economy needs as much or more than anything else is a return to confidence. The best way to get that kind of confidence is to return to our citizens the fullest possible measure of buying power.

Today I am introducing proposals on behalf of a large segment of Americans completely forgotten in the President's economic package. I am talking about direct financial relief for the poor. For those who reap no benefit from income tax exemptions. For those denied work. For the 15 million hard-core hungry in America. In the halls of government, the compromises and tradeoffs have always been between the haves and have-somes. The have-nots have almost always been overlooked. It is time we do something about them. In doing so, we will also be prodding the economy and moving it forward.

My program focuses on three of man's most basic needs—food, shelter, and education. It would return cash to eligible households for expenditures made on these essential items. This will stimulate more demand for goods and services. And, in turn, the fires of our factory furnaces will be lighted again.

First, I propose a direct payment to each poverty household in the form of sales tax relief based upon the amount of sales taxes paid in the purchase of food. The impact of sales taxes is far greater for those with little income, since a greater percentage of their meager funds must be spent on life's necessities. Indeed, in 1965, sales taxes took a 6.1-percent bite out of family incomes that were under $2,000, whereas a family making above $15,000 pays only about 1 percent in sales taxes. That is economic discrimination of the worst kind. It is unjust. And it makes no economic sense, either. A detailed explanation of the mechanics of this proposal accompanies the text of my amendment, and I ask unanimous consent at this time that both the amendment and the text of the explanation be included at the end of my remarks.

Mr. President, 30 months after the President's promise to end hunger in America, 45 percent of the poor remain unserved by a family feeding program. Two Thanksgivings after the President's promise to provide free or reduced-cost school lunches, nearly 2 million children are left without food. In denying them food, we break their human spirit. And we also wreak untold harm on the American economy.

Second, I will propose property tax relief to every poor household to reimburse it for State and local property taxes paid either as a homeowner or as a renter. The property tax is universal. It is also inequitable, falling hardest upon the poor. Families with incomes in excess of $15,000 require only 1.4 percent of their income to meet property taxes. Families whose income falls under $2,000 are compelled to spend an average 8.5 percent of their scarce dollars on property taxes. And over 3 million low-income homeowners pay over 10 percent of their incomes in property taxes.

Some States have already taken steps to provide property tax relief for the elderly. Five States—California, Minnesota, Wisconsin, Vermont, and Kansas utilize what is called the "circuit breaker" approach. Just as a mechanical circuit breaker prevents electrical overload, so does the circuit breaker I propose prevent a tax overload on the poor.

The property tax rebate would be equal to the State and local amount actually paid by homeowner households. We know also, of course, that persons who rent pay property taxes indirectly. So for those who pay rent, the relief would be calculated as 20 percent of their annual rental payments. A household of four paying $80 a month rent—$960 a year—would receive a $192 payment. I shall include a phase out provision, whereby the relief payment for sales and property taxes would be reduced by 50 cents for every $1 in income over the poverty level.

Third, I will propose tax relief to American families in the form of partial reimbursements for the cost of providing a child's trade school or higher education. A tax credit would be given for part of the expenses incurred for a dependent's schools tuition, books, and equipment. The credit would be calculated on a sliding scale with a $325 maximum. Should the credit exceed the tax liability, a positive payment would be made to the taxpayer.

The sliding scale favors those whose children attend low-tuition schools, because credit is given on a maximum $1,500 as follows: 75 percent of the first $200, 25 percent of the next $300, and only 10 percent of the remainder. To illustrate, a family earning $4,000 and spending $300 to put a child through trade school or college would receive a $175 credit. Seeing this family has no income tax liability, it would receive a payment in that amount. A family earning $15,000 and paying $1,200 toward a child's higher education would receive a credit of $295.

A similar provision has passed the Senate on two previous occasions. The most recent was in December 1969, when the distinguished Senator from Connecticut (Mr. RIBICOFF) sponsored it as an amendment to the Tax Reform Act. Regrettably, it was deleted in conference.

In the future, Mr. President, I would like to see us go far beyond the programs for education that we now have. I believe nobody should be deprived of an education because of financial inability to pay. I believe that every young man and woman with the desire to learn is entitled to a paid education. It is time to take the dollar sign off the development of the next generation's brains. It is time to guarantee free higher education to all.

The three specific measures which I will introduce would pump something on the order of $3.5 billion back into the economy. They put money into the hands of those who need it most and who are most likely to spend it, thereby giving an immediate shot in the arm to our ailing economy. I should also point out that these programs in no way interfere with State and local tax collections or revenue sources. The tax relief envisioned would come through payments on the Federal level.

My program meets the two crucial tests mentioned at the outset. Will it work? Yes. It is based on our real economic needs, and addresses itself to the critical problems of underconsumption and underutilization of our economic resources. Is it fair? Yes. It gives everyone a break and avoids the shameful favoritism running through the administration tax proposals. It recognizes that the backbone of America is still the little man—just as it has always been the little man.

The promise of America—the promise which uprooted 40 million people and brought them across the oceans to a new land—was liberty and justice for all. That is really what we are discussing today as we confront the parceling out of economic benefits. In the practical world of economics, a society's professed values and ideals are confronted and tested. I hope that in the decisions we take here in Congress, our deeds will match our rhetoric. The American people hope so, too.

Mr. President, the President's recommendations of August 15 almost become a matter of law. When he talks about automobile excise taxes, investment tax credit, accelerated depreciation, increasing the income tax exemptions and everything else, it almost automatically goes to the House Ways and Means Committee without any real chance of debate. All amendments almost automatically are passed by the House of Representatives. Then they are acted upon by the Finance Committee here. And for the first time on the floor do we have a chance to submit amendments to try to get for the poor of America some money which may go as a result immediately into consumerism or into the economic bloodstream.

Let me emphasize the number of poor families that this would immediately have an impact upon, because so often we miss the fact that we have in this country over 3,377,300 families—that is 6.7 percent of all families—who make under $2,500 a year. That is $200 a month. That comprises more than 10 million persons.

Let me emphasize this point. This is not a tax cut. We will hear all of the arguments about the cost of this measure and the deficit, I am sure.

We will say, "How will we balance the budget?"

I do not believe the President, when he spoke on television, was trying to balance the budget. He was trying to find out how to spread around $30 billion in the economy to get it moving. We spread it around.

On the one hand, he said:

> We will have a surcharge tax to help domestic industry. However, to make sure we help the multinational corporation, we will pick up $1 billion and put it in the direct sales thing. Then we have the investment tax credit.

Former Senator Everett Dirksen, the former distinguished minority leader, had something to say to this on July 30, 1969, a little over 2 years ago.

I was sitting in the Chair when former Senator Dirksen said that it was one of the worst things we had on the books, referring to the investment tax credit. He said that the Finance Committee had had extensive hearings and found that this was contributing more than any one thing to inflation.

When we get to the particular proposal of the President, he characterizes it as job development. Business also gets accelerated depreciation because they say they want to keep industry moving and they want to get the economy moving.

I will support the President in his economic mission. I will support the President's surcharge. I will support him in his restriction on salaries. I will support him in his cutting of Government employees. I will support the investment tax credit.

Mr. President, this whole thing is best exemplified by an article published in yesterday's Washington Post written by Walter Heller, Chairman of the President's Economic Advisory Council from 1961 to 1964.

He expresses my feelings on this particular score of investment tax credit and other economic measures taken by the President.

As Mr. Heller said in his article:

> For better balance in the tax bill and to protect the revenues for the longer pull, the Senate should drop the depreciation liberalization (ADR's) completely and limit the 7 percent investment credit to a 2 or 3 year period.

Mr. President, I ask unanimous consent that the entire article by Mr. Heller be printed at this point in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[From the Washington Post, Nov. 14, 1971]

### HELLER: EXPANSION A MUST

(By Walter Heller)

(NOTE.—Dr. Heller, a former Economic Council chairman under Presidents Kennedy and Johnson, wrote the following article at the request of The Washington Post. He presently is professor of economics at the University of Minnesota).

Conventional economic wisdom associates stimulation of demand with an increase in inflationary pressures. The fear of these pressures has perhaps stayed the hand of the White House in its new economic program. Why else would it have accompanied its bold wage-price and international monetary initiatives on Aug. 15 with such a weak-kneed program of fiscal stimulation?

The wait-and-see attitude at the Federal Reserve Board may also refleflct a fear of rekindled excess demand inflation—wait and see if that $100 billion year really develops without moving from a supportive to an aggressive policy of monetary expansion.

The traditional answer to the "take-it-easy, inflation-is-just-around-the-corner" approach to economic expansion is based on the existing $70 billion GNP gap, 6 per cent unemployment, and 73 per cent operating rates in manufacturing. With this much slack, and no bottlenecks in sight, rising demand will express itself in rising output, more jobs, and higher incomes, not in higher prices.

At a time when excess demand is $70 billion away—a time when it will take three consecutive annual $100 billion advances in GNP just to catch up once more with our economic potential—bold fiscal and monetary expansion carries little risk of inflation.

But to argue that economic slack will keep expansion from being converted into inflation is essentially a passive or negative argument. Less well understood is the positive argument that, given reasonably effective wage-price restraint in Phase II, strong expansion will actually help subdue inflation. Strong expansion will generate the rising productivity that provides the vital grist for the mills of the Price Commission and the Pay Board in grinding out a more moderate price and wage yardsticks as Phase II progresses.

Rising demand and rising output in today's slack economy quickly translate into rising output per man hour. Overhead costs are spread thinner. As more units of output are produced with the same machinery, equipment and plant, and without a carresponding increase in payrolls, average unit costs of output will fall.

Left to themselves, producers would be sorely tempted to capture most of this productivity surge in higher profits and higher wages, sharing little of their gains with consumers. The genius of an effective incomes policy, of successful Phase II wage-price restraints, will be to nudge business and labor into sharing their gains with consumers and thus convert rising output into receding inflation.

Within broad limits, the more rapidly output rises, the larger will be the productivity advance that the Price and Pay boards have to play with, i.e., to use in setting tough standards for prices and wages without unduly squeezing business profits and labor earnings.

For example, if productivity advances at a 4 per cent clip in 1972, the Pay Board's 5½ per cent yardstick for average pay advances would imply an increase in average unit labor costs of 1½ per cent. But if recovery lags and productivity crawls ahead at only a 2 per cent rate, a 5½ per cent wage standard would imply a 3½ per cent increase in unit labor costs, thereby making it far more difficult for the Price Commission to clamp a tight lid on prices.

On the more optimistic assumption of a 4 per cent productivity advance, converted into a tighter price yardstick and a consequent easing of inflation during 1972, the Pay Board would have less cost-of-living catch-up to build into its 1973 yardstick. It could then lower the 1973 pay standard a notch toward the 3 per cent trend growth in productivity.

In short, since productivity is the name of the game, rapid expansion is vital to the success of Phase II. And, in turn, success in Phase II with translate into more consumer and investor confidence and hence a stronger expansion.

Another vital interlock of expansion is with our international monetary and trade negotiations. On one hand, a successful reordering of exchange parities and a relaxing of trade barriers can make an important contribution to sound economic recovery. But again causation runs the other way as well. How can we expect our trading partners to bear the economic brunt of more expensive exports to us and cheaper imports from us unless we soften the blow by vigorous expansion of U.S. demand?

Given the current softness of many foreign economies, negotiations that will cut their exports and boost their imports are generating great unease and trepidation. To create an atmosphere within which our trading partners can come half way or even more, we must be able to assure them that vigorous U.S. economic expansion will offset much of the adverse trade effect of renegotiated parities and lowered trade barriers.

In other words, U.S. negotiators have to be able to hold out the prospect of a strong favorable income effect as a short-run offset to the negative price effects of U.S. initiative.

Give these imperatives, both the Price Commission and the Pay Board, not to mention our international monetary and trade negotiators, should exact a firm "do-all-possible" pledge from the administration and the Federal Reserve System to assure speedy economic recovery in 1972. With much of the economy other than autos and housing still listless, the President should be calling on the Congress to step up the temporary tax relief in the bill which is now before the Senate.

The Senate should sharply enlarge personal income tax relief. Without compromising federal revenues in the longer run—when they will be needed for high-priority social uses and for the renewed battle against demand inflation when we reach full employment—a temporary tax reduction—for example, a "recover tax credit" of perhaps $100 per married couple—should be enacted for 1972.

This would add another $5 billion to disposable income, thus energizing consumer spending and putting some of our grossly underutilized industrial capacity (roughly a quarter of our manufacturing capacity is idle today) back to work.

Side-by-side with this action, the Congress should declare a moratorium on further payroll tax increase. What economic sense does it make to cut income and automobile taxes to stimulate the economy and then let $7½ billion in new payroll tax hikes in 1972 ($3 billion already in the law plus $4½ billion on the way via H.R. 1) to nullify much of the stimulative effect?

For better balance in the tax bill and to protect the revenues for the longer pull, the Senate should drop the depreciation liberalization (ADR's) completely and limit the 7 per cent investment credit to a two- or three-year period.

In short, bolder expansionary policy is not only the fastest way to generate the jobs we desperately need, boost labor earnings and profits, and create incentives to increase capital spending for new capacity—but given reasonable vigilance in our price and wage boards in Phase II, it will also be an effective engine of disinflation.

Mr. HOLLINGS. Mr. President, I would go next to the property tax reimbursement.

### PROPERTY TAX REIMBURSEMENT

The property tax reimbursement provides tax relief to every household whose income is at or below the officially defined Census Bureau poverty level.

As with the food sales tax reimbursement, it would take the form of an annual payment through the Internal Revenue Service.

The payment would be equal to the State and local property taxes actually paid by homeowner households.

We all know that persons who rent pay property taxes indirectly.

Therefore, for those who pay rent, the tax relief would be 20 percent of their annual payments. The article published in the Columbia University Law Review that I just had printed in the RECORD speaks very eloquently on this point.

In operation, this proposal would mean that a household of four paying $80 in rent per month—$960 per year—would receive payment of $192.

The property tax is universal.

It accounts for more than one-fourth of all revenues raised by State and local governments from their own sources.

But its impact is inequitable, falling hardest upon the poor.

Families with over $15,000 in total annual income require only 1.4 percent of their income to meet property taxes.

Families whose income is less than $2,000 are compelled to spend an average 8.5 percent of their meager incomes on property taxes, while 3.1 million low-income nonfarm homeowners actually are assessed over 10 percent of their incomes for this purpose.

To offset the regressive nature of the property tax, particularly where the low-income elderly are concerned, five States—California, Kansas, Minnesota, Vermont, and Wisconsin—have adopted so-called "circuit-breaker" statutes.

These statutes provide a variety of income tax credits or rebates for elderly homeowners, and in some instances renters, whose incomes fall below fixed levels.

In no case, however, is full relief granted.

In other attempts to protect impoverished homeowners from property loss due to nonpayment of taxes, seven States have homestead exemptions and 16 States have a modified homestead exemption tailored to veterans, frequently limited to the disabled.

However, none of these methods is free of discriminatory characteristics.

The Advisory Commission of Intergovernmental Relations advocates the "circuit-breaker" approach as introducing "a badly needed element of modern economic realism and social justice into the administration of the property tax."

There is no reason for not extending such relief to a widow with a houseful of children or an unemployed father with a family since they, too, are forced to carry extraordinary residential tax loads in relation to their income.

The 20-percent figure assigned in connection with rent was selected to guarantee all renters relatively complete relief.

At the same time, calculation of the relief would be administratively simple.

The Wisconsin "circuit-breaker" law assumes that 25 percent of the rental payment goes for property taxes, while the other four States apply the 20-percent factor.

Assuming that all eligible households apply, this form of tax relief would total approximately $1.25 billion.

This projects an average rent for a family of four of $80 per month, or slightly over $190 in annual relief per family.

Written into the property tax reimbursement is a phaseout provision. Under it, the relief payment for the property taxes would be reduced by 50 cents for every $1 in income over the poverty level.

Mr. President, our amendment, No. 654, is the first proposal to help the really hardcore poor of America and reimburse them for taxes paid in accordance with the principle of our law, the principle of our economy, and the principle of our tax practice in this country, adopted and practiced over the years, but never applied to the poor.

Only 2 percent of the Federal income tax burden do the poor carry in America. Therefore, at this particular level it is difficult for us to grapple with the 2 percent.

I think the President has a good family assistance program. A number of Senators on both sides of the aisle have cosponsored revenue sharing to the States and localities for the very same reason. What we are doing is initiating revenue sharing for the poor of America on a merit basis without disturbing the tax base of the local community or the States themselves and without any real impact to the Federal Treasury, but with a tremendous impact to President Nixon's economic proposal before Congress at this time, because it really promotes consumerism more directly than any other measure proposed.

Mr. President, I yield the floor.

Mr. BENNETT. Mr. President, will the Senator yield to me for 15 minutes?

Mr. LONG. I yield 15 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. BENNETT. Mr. President, this proposal was presented to the Committee on Finance and we did not accept it for a number of reasons that seemed very convincing to us.

The Committee on Finance has before it H.R. 1, a bill to amend and improve the welfare program. We will take up that bill as soon as this bill is finally passed. This amendment, if agreed to, probably would make it difficult, if not impossible, for significant welfare amendments to be adopted in that bill because this amendment would cost $1.7 billion. If that much is going to be used for the benefit of the poor people of this country through this kind of device, then obviously we must reduce the amount we could give to them through a more orderly welfare program by a similar amount.

I know one of my colleagues apologized this morning for $1 billion, saying that it is only $1 billion but it is better than nothing. This is $1.7 billion, and it could have a very serious effect on our ability to handle the welfare program.

Second, the benefits of the amendment will be applied on a highly inequitable and unfair basis. I suppose my friend, the Senator from South Carolina, did not realize this, but under many State welfare laws every dollar a welfare recipient receives as a result of this program must be deducted from his present welfare payments. So the amendment would not be increasing his income but just shifting the sources of it.

There are 14 States in which if a person received $100 under this program, he would lose a full $100 of welfare payments. Those States are Colorado, Connecticut, Hawaii, Illinois, Massachusetts, Michigan, Minnesota, New Hampshire, New Jersey, North Dakota, Pennsylvania, Rhode Island, South Dakota, and Vermont. In the other States he would lose somewhat less than the full $100. The people who live in Mississippi would come off better than anyone else. They would be able to keep 70 percent of their $100 and would only lose $30. But everybody who receives money under this program would lose part of it immediately because under the law it would cause reductions in the person's welfare payments.

Another thing that bothers me about the proposal, and is evident to me that it is unfair, is that it proposes to reimburse the individual for the amount of money paid for State sales taxes on food. If I remember what the Senator said, there are 20 States that have no sales taxes on food. So, in these cases, the Federal Government would be giving these people money they never paid out, a pure windfall, while people who live in States that have paid sales taxes on food would only be reimbursed for all or part of what they have actually paid out.

The Senator assumes, in figuring the tax in those States where there is no sales tax that it should have been 4 percent, so he would "reimburse" the nonexistent tax at a 4-percent rate for food purchases. But what about a man who lives in a State where the tax is 3 percent? He actually paid that out but he would not get back as much as his neighbor in the next State who paid out nothing.

Then the Senator proposes to reimburse a person's property taxes, or if a family lives in rented property, they will be reimbursed for 20 percent of the rent they pay, excluding charges in the rent for facilities and services.

Mr. President, can you imagine the problems of a person who has to sit down and figure how much of his rental charge is for heat, how much is for water, how much is for electricity. He must figure this out because he is not going to be reimbursed for those expenses.

This is a problem that the ordinary taxpayer is going to have a great deal of difficulty figuring out. Moreover, for the first time many of these people will have to file what, in effect, is a tax return in order to get the payment. They do not now file Federal income tax returns. They have not had experience in filing returns. In fact, in recent years, and in this bill, we have eliminated the necessity for many, many low-income people to file tax returns. Now, the Senator, in effect, proposes to undo all this and require all those low-income people to, once again, have to file returns.

We have heard a lot said about the people who make a living making out tax returns and that sometimes their charges are unreasonable. This amendment would create an interesting new field in which they can operate and probably would have to operate because of the competition problems involved for the person on welfare who has never filed an income tax return and is now supposed to figure out how much of his rent is for services which are apart from the actual privilege of living in the building, such as heat, water, and electricity.

It also would seem to me that if this proposal were agreed to then, since local property taxes paid directly or indirectly by low-income taxpayers will be reimbursed by the Federal Government municipalities are going to say: "Let us double these property taxes. We will get twice as much money, but it won't cost our low-income taxpayers anything.

Mr. President, it seems to me that it is amply clear that there is no equity in this kind of proposal. Admittedly these low income people need help. Our committee expects to try to figure out the best way to provide them with help, but this is not the best way; it is arbitrary, it will produce different effects between people earning the same amount of money in different States and it will be a terrible thing to administer.

Imagine the job of checking all these statements of all these poor people with respect to how much of their rent is for water and heat or any other service. Think how much of a job it will be to find out whether the figure they present as 20 percent of their rent is in fact 20 percent of their rent not counting the types of items I mentioned.

These were the reasons, among others, why the committee decided not to add this provision to the tax bill when it was presented to us earlier. I hope the Senate will see it as we have been forced to see it, and not foreclose us from efforts to make proper improvements in the welfare program. Let us not kid these people into believing they are going to get a net increase in their income when actually what is paid to them must be offset against the welfare check they are now getting to the extent of between 30 and 100 percent.

Mr. President, I reserve the remainder of my time.

The PRESIDING OFFICER. Who yields time?

Mr. BYRD of West Virginia. Mr. President, will the Senator yield me 1 minute?

Mr. HOLLINGS. Mr. President, I yield 1 minute to the Senator from West Virginia.

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## UNANIMOUS-CONSENT AGREEMENTS

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that immediately following the disposition of the pending amendment by Mr. Bayh this afternoon, the amendment by Mr. Miller dealing with a tax credit be called up; that time on that amendment be limited to 30 minutes, to be equally divided between the mover of the amendment and the manager of the bill; provided further that debate on any amendment thereto be limited to 10 minutes, and that debate on any motion or appeal, with the exception of nondebatable motions, be limited to 10 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the disposition of the amendment by Mr. Miller, the amendment by Mr. Harris be called up, and that time for debate thereon be limited to 30 minutes to the side, to be controlled equally by the mover of the amendment and the manager of the bill; provided further, that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 20 minutes, to be equally divided between the mover of such and the manager of the bill. By way of identification of that amendment, it would extend the most-favored-nation status to all countries with which we have diplomatic relations.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at such time as the amendment by Mr. Roth is called up and made the pending business, there be a limitation of 2½ hours on that amendment, to be equally divided between the mover of the amendment and the manager of the bill; provided further, that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 20 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BENNETT. Mr. President, may I have 1 minute to address a question to the Senator from West Virginia?

Mr. BYRD of West Virginia. Yes.

Mr. BENNETT. In adding these additional amendments to the list of the Senator from West Virginia and then talking about how we would start in the morning, the Senator did not mean to assume that we would be handling all these amendments tonight, did he?

Mr. BYRD of West Virginia. It is the intention of the leadership to continue until a reasonably late hour tonight and, hopefully, to act on all the amendments I have enumerated, with the exception of the amendment by Mr. Roth.

Mr. BENNETT. Has the acting leader timed that out?

Mr. BYRD of West Virginia. Yes; it would be in the neighborhood of 8:30 or 9 o'clock if all time is used on the amendments. I do not think all time will be used on the second amendment to be offered by the distinguished Senator from South Carolina.

I ask unanimous consent that on the amendment to be offered by Mr. Percy, cosponsored by Mr. WEICKER, there be a limitation of 3 hours, to be equally divided between the mover of the amendment—either of the two Senators—and the manager of the bill; provided, further, that time on amendments thereto be limited to 30 minutes, to be equally divided between the mover of such and the manager of the bill; and the same request with regard to motions or appeals, except nondebatable motions. When I say "the same," I mean the same request as with respect to amendment in the second degree.

Mr. PERCY. Mr. President, reserving the right to object—and I do not intend to object—for the purpose of clarification, would it be the intention of the leadership that the amendment be laid before the Senate tonight?

Mr. BYRD of West Virginia. Yes.

Mr. President, I ask unanimous consent that the amendment by Mr. Percy be laid before the Senate tonight at the close of business.

Mr. BENNETT. Mr. President, would that put the Percy amendment ahead of the Roth amendment?

Mr. BYRD of West Virginia. It would.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request? Without objection, it is so ordered.

Mr. PASTORE. Mr. President, I want to congratulate the majority whip for the assiduous way in which he has been expediting the consideration of the amendments, but I was wondering if he could tell us when we might be able to get to third reading of this bill, the way we are going.

Mr. BYRD of West Virginia. Mr. President, I think the manager of the bill would be in a better position to answer that question. I would only hope that we could finish the bill tomorrow, or no later than Wednesday.

Mr. President, I ask unanimous consent that the last 2 minutes not be charged to the Senator from South Carolina.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

## ORDER FOR RECOGNITION FOR SENATOR PROXMIRE TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that following the recognition of the two leaders on tomorrow, the distinguished Senator from Wisconsin (Mr. PROXMIRE) be recognized for not to exceed 15 minutes.

The PRESIDING OFFICER. Without objection, it is so ordered.

## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. HOLLINGS. Mr. President, I would like to ask my distinguished colleague from Utah if it is the Senator's position that he supports the President's proposal on the family assistance plan? Is that the Senator's position? Does he oppose this proposal so we can go to work on the family assistance plan?

Mr. BENNETT. The Senator from Utah supports the objective of the family assistance plan and states that the committee should be able to work out a practical program to accomplish that purpose. The Senator from Utah is not particularly wedded to the details of the President's family assistance plan

Mr. HOLLINGS. How could this amendment interfere with the objectives of the President's family assistance plan? How would it interfere with that program in any way?

Mr. BENNETT. It would take away and commit $1.7 billion we might consider using for an orderly and equitable program of welfare reform.

Mr. HOLLINGS. Is it not the President's position, "Mr. Congress, you delay on welfare reform for 18 months. That is the way to get me by the election next year. Then bring it up"? Then when it comes up, I believe the Senator from Nebraska (Mr. CURTIS) asked in the Finance Committee how long it would take to get this razzmatazz program going, this really ominous program, which would take 80,000 employees, and it would be 18 months before they could pay the first check?

Is it the Senator's position that we ought to hold it up until that program is put into operation before we would have tax reform for the hungry and poor of America?

Mr. BENNETT. The reason for my opposition is that the suggestion made by the Senator from South Carolina is inequitable and uneven; in many cases it would not deliver the benefits it was thought to deliver. The Senator from Utah is opposed to it on the ground that it is not a satisfactory solution to the problem.

Mr. HOLLINGS. Well, I listened with interest to the Senator from Utah and went down as close as I could. I heard the Senator say it was unfair, inequitable, and that it would make it difficult to get something for the welfare recipient and the hungry and poor of America 2 years from now. The property tax, by the way, he said, was very, very difficult to understand. In fact, they were too dumb to figure it out. In fact, they would never get it figured out. When you thought of it, it would be the first time they would have to file a return. The Senator from Utah said it would be a terrible burden for the husband and wife to fill out the form showing what they paid on sales taxes on food. All they would have to do would be to give the income level and what the family size was, but he said it would be a terrible thing to fill out and a terrible thing to administer. They have these computers to figure out these involved tax returns, but when it comes to the hungry and the poor, with a very simplified problem, he says it is too complex.

Let me comment on how it works, because I have placed on each Senator's desk how I tried to work it out just as simply as I could.

I will be glad to yield to the Senator from Utah. Did he have a question?

Mr. BENNETT. No, I am just listening.

Mr. HOLLINGS. All right. Assuming that a family of four, two parents and two schoolchildren, live in a 4-percent sales tax area, pay a rent of $90 a month, $1,080 a year. The 1970 poverty level is $3,970; in 1971 it will be approximately $4,050. Under the low-cost food plan given by the Department of Agriculture, their food allowance would be $137.60 a month, or $1,651.20 a year.

You would be amazed how the hungry poor can learn that pretty quick. They have got a lot of friends around, all over, welfare recipients and otherwise, Government employees, assistants, and volunteers, that would help them figure that out right quick like in January. The food sales tax reimbursement would then be 4 percent of $1,651.20, or $66.04.

The property tax would depend essentially on the rent, without all the utilities—heat, light, water, and the other payments. We can take the rental payment at a 20-percent level, which would be 20 percent of the rent paid by the hungry poor; I do not know of any of them that do not own or rent, at least a little shack of some kind. All they would have to do is state how much they paid in tax on a home they own, or how much rent they paid. The IRS would take 20 percent of their rental payment, $1,080 in my example, and the property tax reimbursement would be $216. The total payment that this poor family would receive would be $282.04.

Mr. BENNETT. Maybe I misunderstand the Senator.

Mr. HOLLINGS. Yes.

Mr. BENNETT. But when I pay rent, I also receive for that rent electricity, heat, and water.

M. HOLLINGS. And, of course, in the slums they do not get any of it.

Mr. BENNETT. The Senator says, as I understand it, that the 20 percent of rent reimbursement must be minus those things.

Mr. HOLLINGS. Right.

Mr. BENNETT. So you cannot just say arbitrarily that you take their rent and reimburse 20 percent of it. From the rent they have to deduct the figure representing the value of the heat, the electricity, the water, or whatever else they get for their rental payment in addition to the lodging.

Mr. HOLLINGS. My distinguished friend from Utah and I met early this morning in Cleveland Park. These people we are talking about do not live in Cleveland Park. They are down in the slums. They have got to pay that man the rent. They know what the rental payment is, and they have got to pay him that rent.

It is not really too difficult to subtract the heat bill or the water bill, if you have to figure that, particularly when you are filling out a form to be reimbursed. That gives them a credit with the Government. It gives them a payment based in fairness and equity, and that is the reason I cannot understand my friend's opposition.

Mr. BENNETT. The reason I am so stupid and obtuse is that I do not know what my landlord's water bill or his heat bill is. I do not have access to that information. We rent our apartment, and the water, the electricity, and the heat are furnished, and the bill goes to the landlord. As a tenant, I cannot go to him and say, "I need to know what the share of your electricity, heat, and water bills for my apartment are, so I can deduct it from my return when I make out my request for a refund." The amounts are just not allocated that way and the information is not available to the tenants.

Mr. HOLLINGS. Well, if the Senator please, Mr. President, is it the case in America that we are going to say if you are a big corporation, if your are a big businessman, if you can hire a lawyer, if you can hire a tax auditor and a lawyer, then you are going to get some help out of this U.S. Senate, because they can understand it, but for the hungry poor, things are going to become obtuse, they are just not going to be able to figure this thing, and we do not want to bother our minds; is that the position the Senator takes?

Mr. BENNETT. No; my position is that they will not have the information on which to base the figures. That is in the possession of the landlord.

I live in an apartment project with 804 apartments, and I would hate to be the landlord, having to prorate the electric or water costs of 804 apartments in order to take care of the needs of a person on welfare—and there are some living in the apartments in which I live. So it seems to me it is an impossible calculation.

Mr. HOLLINGS. An impossible calculation. How do you help the poor? Here he is; he is paying his sales tax. We know how to calculate that. He is paying his property tax. The Government knows how to calculate that. Here he is; he is paying his payroll taxes and social security tax. We know how to figure out how that can be calculated. So he pays it. But there is one little consideration to be given on a basis of equity—not any wild-eyed giveaway of the money. Here he is, on a basis where he has a 28-percent tax burden, and we can compute it and say, "All right on the sales tax paid on food, but on the property tax represented in your rental payments we are not going to try to reimburse you."

Five States in America did not find it obtuse. California does it, and not just for citizens below the poverty level. Wisconsin does it for the senior citizens. Kansas is a good all-American State; they did not find it obtuse out there.

Mr. BENNETT. Does the State of Kansas ask the taxpayers to calculate that portion of their rent represented by the value of the water?

Mr. HOLLINGS. Yes; that is right. Mr. President, I ask unanimous consent to have printed in the RECORD at this point a publication of the Advisory Commission on Inter-Governmental Relations, an article entitled "A Circuit Breaker on Property Tax Overload," describing the system and how it works for the States of Wisconsin, Minnesota, California, Vermont, and Kansas. It is all right here in four neat pages, in black and white, not obtuse at all, and it has been working, and the senior citizens appreciate it.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### A CIRCUIT-BREAKER ON PROPERTY TAX OVERLOAD

Property taxation, as it is administered in communities across the Nation, often forces the elderly into real privation to finance the education of the young. The Advisory Commission on Intergovernmental Relations recommends an approach to relieve individuals of excessive tax burdens while not heaping new fiscal burdens on localities. The idea has been translated into model legislation which is available on request from the Commission.

The INTERGOV proposal is similar in principle to the circuit-breaker that prevents electrical overload. By means of tax credits and rebates, it protects the poor from tax overload without disrupting the flow of revenue from those able to pay. It is State financed to maintain the fiscal solvency of local governments and State administered to promote the greatest efficiency, provide the widest base, and maintain the dignity of the recipients. Four States have adopted it since 1963 and a fifth uses a variant of the same principle. Several other States have the circuit-breaker under serious consideration.

The average urban household pays about 4 percent of its income for the local residential property tax. But there are more than 3 million households that pay 10 percent or more, 2.5 times the average. And low-income families in substantial numbers turn over as much as 50 percent of their meager incomes for the local tax on shelter (see Table 1).

The property tax had its roots in a rural society where the value of a family's physical holdings, land and buildings, served as the single best measure of taxable capacity. Urbanization has changed the gauge—the most precise measure now of ability to pay taxes is annual flow of money income—but not the character of the property tax, and it is still the single most important revenue source for local government.

The four States that use the circuit-breaker approach are Wisconsin (adopted in 1963), Minnesota (1967), Vermont (1969) and Kansas (1970). California, in 1967, provided for a similar type of relief (see Table 2). These States all administer their programs in generally the same manner, but the principle of the circuit-breaker permits wide flexibility and adaptation to individual tax systems and State-by-State tax relief needs.

### HOW IT WORKS

This is a generalized picture of the program. Each State might have exceptions to many of the particulars. The circuit-breaker program is administered by the income tax division of the State tax department and funded entirely out of State money. The State determines the amount of property tax burden it deems excessive. The excessive amount—with certain restrictions to avoid abuse—is then rebated.

To obtain the relief, the applicant files a statement as a supplement to his income tax return. He lists all forms of money income, including all social security and veterans benefits and railroad retirement payments. After audit, he is allowed a credit against his State income tax liability—if he has sufficient income to pay an income tax—or he receives back in the mail a direct cash refund, the case with 98 percent of the recipients.

Although the circuit-breaker is part of the income tax process, the Wisconsin applicant does not have to pay his property tax bill and then wait until income tax filing time to get his refund. As soon as the property tax bill comes, he may file the statement and receive the cash when he needs it. Because the program is administered by the State tax department and the refund sent through the mails, there is no more stigma than when a Federal income taxpayer receives a tax reduction because he incurred extraordinary medical expenses. Local social welfare workers and county courthouse clerks are bypassed. If a State did not have an income tax, the circuit-breaker could be administered in the form of direct cash rebates to all eligible property taxpayers.

### DETERMINING OVERLOAD SITUATIONS

The property tax takes a different bite out of householders in different parts of the Nation. Because the average burden varies, what varies, what is excessive would also vary. The Minnesota circuit-breaker comes into play when the property tax burden exceeds 6 percent of household income; Vermont's cuts in at 7 percent; and under the 1969 Wisconsin formula, the circuit-breaker begins to work when the property tax reaches more than 11 percent of family income.

To avoid providing property tax relief to the little old lady who lives in the mansion on the hill, several of the States have written into the law income ceilings or limits on the amount of rebate. They also have progressive rates to provide the most relief to the most needy cases. California has a $3,350 income limit; Minnesota, a $3,500 limit; Wisconsin and Kansas a $3,700 limit. The ceiling in Vermont is not explicit.

### WHO SHOULD BE ELIGIBLE?

The flexibility of the circuit-breaker extends to the type of recipients as well as the amount of need. At present, all the States using the procedure grant relief only to persons age 65 or older. But death of the breadwinner, physical disability or severe unemployment would make the property tax just as devastating to a younger family as to the elderly.

Minnesota, Vermont and Wisconsin at present grant circuit-breaker relief to renters as well as homeowners, on the theory that most landlords pass on most of the property tax burden to their tenants. Wisconsin assumes that 25 percent of the rental payment goes for property taxes while Minnesota and Vermont use a 20 percent figure.

The possibilities don't stop here. A State wanting to provide relief for small farms or businesses could write circuit-breakers into their property taxes as well. The circuit-breaker would assure that the neediest taxpayers in any class would receive the most help. A circuit-breaker for corporations is now under consideration in Ohio, for instance.

This type of relief is objective, impartial, and legal. Property tax relief of the non-legal, non-objective variety is going on in many communities right now, especially where assessors are elected. Compassionate assessors may have a tendency not only to look at property merely as an object of value but also to take into account the circumstances of the owner. The harsh burdens that an objective assessment might bring can sway the valuation of the property. This might be humane, but it is not legal. The circuit-breaker promotes tax equity in a way that is legal and does not interfere with the orderly and impartial valuation process that is necessary if property is to be assessed fairly.

### HOW MUCH DOES IT COST?

One of the great advantages of the circuit-breaker is that it is a State-financed relief program. Too often State legislators grant relief in the form of partial tax exemptions but force the local governments and the school districts to pick up the tab. Local governments and local property owners should not be forced to underwrite property tax relief because it erodes their already precarious fiscal position and aggravates tax inequities. This is especially true in metropolitan areas where the poor tend to cluster together within the same jurisdiction. In sharp contrast, State-financed property tax relief in an indirect way tends to reduce intergovernmental fiscal disparities between high- and low-income communities within the same metropolitan area.

What is even better, the circuit-breaker is relatively inexpensive to the State. Take Wisconsin, for example. In 1968, the Wisconsin circuit-breaker program cost the State about $6.1 million—about $1.50 a person. Yet, this modest outlay enabled the State to extend aid to 66,000 elderly householders. About 7,000 of them had an income of less than $1,000 and would otherwise have had to pay out in residential taxes about 30 percent on the average of their total subsistence income.

The inexpensiveness of the Wisconsin program can be illustrated further by these comparisons. In 1968, relief cost was—

2 percent of the local residential real estate levies in the State;

1.5 percent of State personal income tax collections;

0.6 percent of total State tax collections;

0.4 percent of State-local tax collections; and

2.5 percent of State-local public welfare expenditures.

### ANSWERING THE OBJECTIONS

Like any innovative program, the circuit-breaker has opponents who raise various objections. Most of them can be answered quite simply.

Some complain that the circuit-breaker does not cure the real disease, poverty. True, but something must be done now, while the Federal Government is working out a broad program to eradicate poverty. The circuit-breaker makes sure that the government does not impose extraordinary burdens on the poor while poverty remains among us.

Others complain that the circuit-breaker approach makes welfare operators out of State tax collectors. This over-simplified worry is nullified by recent experience which indicates that this approach represents the most efficient and dignified way to administer a local property tax relief program.

There are some who claim that State-financed property tax relief might encourage local officials to adopt reckless spending policies. The small amount of relief to local governments that the circuit-breaker provides is not enough to make local officials spendthrifts. Besides, the majority of citizens paying property taxes without relief will continue to exert a powerful restraint on local budget expansion.

Those who wish to recover the relief after the death of the homeowner object that the circuit-breaker provides unwarranted aid to the children who will inherit the property. A man's home must be viewed as a rough yardstick of his—not his children's—ability to pay taxes out of current income. When this is demonstrably not the case, the homeowner should be entitled to unconditional relief. It is becoming increasingly repugnant to the public to force the liquidation of an estate in order to pay property taxes, even if the liquidation is held off until the death of the benefited homeowner.

Finally, some complain that tax relief for the elderly can enable a homeowner to hold his property off the market thereby working against the highest and best use of land. This cut-off-the-nose-to-spite-the-face logic would deny relief to a substantial body of taxpayers carrying extraordinary burdens in order to take care of a very few exceptional situations. Moreover, this objection vastly overstates the effect that a tax rebate of a couple hundred dollars can have on a person's decision either to sell or to hold the homestead.

### SUMMARY

The circuit breaker approach to property tax relief introduces a badly needed element of modern economic realism and social justice into the administration of the property tax. By extending relief to those who need it the most, it turns a highly regressive tax into an essentially proportional levy. In effect, the adoption of this plan can insure that the ancient property tax will no longer be allowed to do gross violence to our contemporary concept of ability to pay as determined by the taxpayer's annual income.

The circuit-breaker thus provides significant local property tax relief at modest State cost, to those who really need it without disrupting the regular property tax system. This distinguishes it from the more common kind of "homestead exemption" which may reduce the official tax base considerably, provide a benefit to high-income homeowners as well as others, and afford no relief to households living in rented homes.

For more information about the circuit-breaker, and a copy of the ACIR model State law to enable it, write to John Shannon, Assistant Director (Taxation and Finance), Advisory Commission on Intergovernmental Relations, 726 Jackson Place, N.W., Washington, D.C. 20575.

TABLE 1.—REAL ESTATE TAX RELATED TO INCOME FOR NONFARM HOMEOWNER PROPERTIES, 1960 AND 1968

| Real estate tax as a percent of income [1] | 1968 (estimate) Number | 1968 (estimate) Percent distribution | 1960 Number | 1960 Percent distribution |
|---|---|---|---|---|
| Total | 26,500,000 | 100.0 | 22,485,146 | 100.0 |
| Less than 1 | 3,066,000 | 11.6 | 3,573,291 | 15.9 |
| 1 to 1.9 | 3,940,000 | 14.9 | 4,592,195 | 20.4 |
| 2 to 2.9 | 3,633,000 | 13.7 | 4,239,356 | 18.9 |
| 3 to 3.9 | 2,611,000 | 9.8 | 3,043,484 | 13.5 |
| 4 to 4.9 | 3,818,000 | 14.4 | 2,028,333 | 9.0 |
| 5 to 7.4 | 4,641,000 | 17.5 | 2,465,970 | 11.0 |
| 7.5 to 9.9 | 1,721,000 | 6.5 | 913,631 | 4.1 |
| 10 or more | 3,070,000 | 11.6 | 1,628,886 | 7.2 |
| Median (percent) | 4.0 | | 2.7 | |

[1] Income of owner and relatives living with him.

Source: U.S. Bureau of the Census. U.S. Census of Housing 1960, vol. V, and unpublished data. 1968 data estimated by ACIR staff.

TABLE 2.—STATE FINANCED AND ADMINISTERED RESIDENTIAL PROPERTY TAX RELIEF FOR PROTECTING LOW-INCOME HOUSEHOLDS FROM PROPERTY TAX OVERLOADS (THE "CIRCUIT-BREAKER")

| State | Beneficiaries description | Income ceiling | Tax relief formula | Form of abatement and estimated per capita cost | Date of adoption | Statutory citation |
|---|---|---|---|---|---|---|
| Wisconsin | Homeowners and renters age 65 and older. | $3,700 | (1) | State income tax credit or rebate—Cost, $1.50 (1968). | 1963 | Ch. 71, sec. 71.09(7). |
| Minnesota | do | 3,500 | Relief ranges from 75 percent of taxpayment if household income is under $500 to 10 percent if family income is between $3,000 and $3,499. | State income tax credit or rebate—Cost, $0.50 (1968). (This aid is in addition to a general State-financed property tax relief that approximates 35 percent of the homeowners' tax bill.) | 1967 | Ch. 290, sec. 290.0601 et seq. |
| California | Homeowners age 65 and older; no relief for renters. | 3,350 | Relief ranges from 95 percent of tax payment if household income is less than $1,000 to 1 percent of tax payment if household income is $3,350. | State rebate only—Cost, $0.40 (1969). | 1967 | Revenue and taxation code division E., sec. 19501 et seq. |
| Vermont | Homeowners and renters age 65 and older. | (2) | Relief limited to that part of tax payment in excess of 7 percent of household income times a local rate factor that varies by tax rate of local community.[3] | State income tax credit or rebate—Cost, $1.25 (1969). | 1969 | H.B. 222. |
| Kansas | Homeowners age 65 and older; no relief for renters. | 3,700 | Same as Wisconsin tax relief formula | State income tax credit or rebate | 1970 | H.B. 1253. |

[1] Household income—$1,000 or less—relief ranges from 75 percent of amount by which property tax exceeds 3 percent of household income between $500 and $1,000; household income—over $1,000—60 percent of amount by which property tax exceeds 3 percent of household income between $500 and $1,000, 6 percent of income between $1,000 and $1,500, 9 percent of income between $1,500 and $2,000, 12 percent of income between $2,000 and $2,500, and 15 percent of all income over $2,500. The maximum property tax to be used for this credit is limited to $330.

[2] Not explicit.

[3] The commissioner shall annually prepare and make available the local rate factors by arraying all municipalities according to their effective tax rate and dividing the population of the State into quintiles from such array with those having the lowest effective tax rates being in the first quintile. The local rate factors shall be as follows: 1 quintile, 0.6; 2 quintile, 0.8; 3 quintile, 1; 4th quintile, 1.2; 5 quintile, 1.4. The amount of property taxes or rent constituting property taxes used in computing the credit are limited to $300 per taxable year.

Mr. BENNETT. Will the Senator take an example in Kansas, and tell me what proportion of a tenant's rent is calculated for a service, for example supplying water?

Mr. HOLLINGS. Well, in Kansas they have it for homeowners age 65 or older; there is no relief for renters in that particular State. The income ceiling is $3,700, and they figure it on a credit basis, a State income tax credit or rebate. They have a point down in here where they break down the quintiles, and I have assimilated just exactly what they have done here in this particular proposal. Does the Senator have a copy of this mimeographed sheet on his desk?

Mr. BENNETT. I have not seen it.

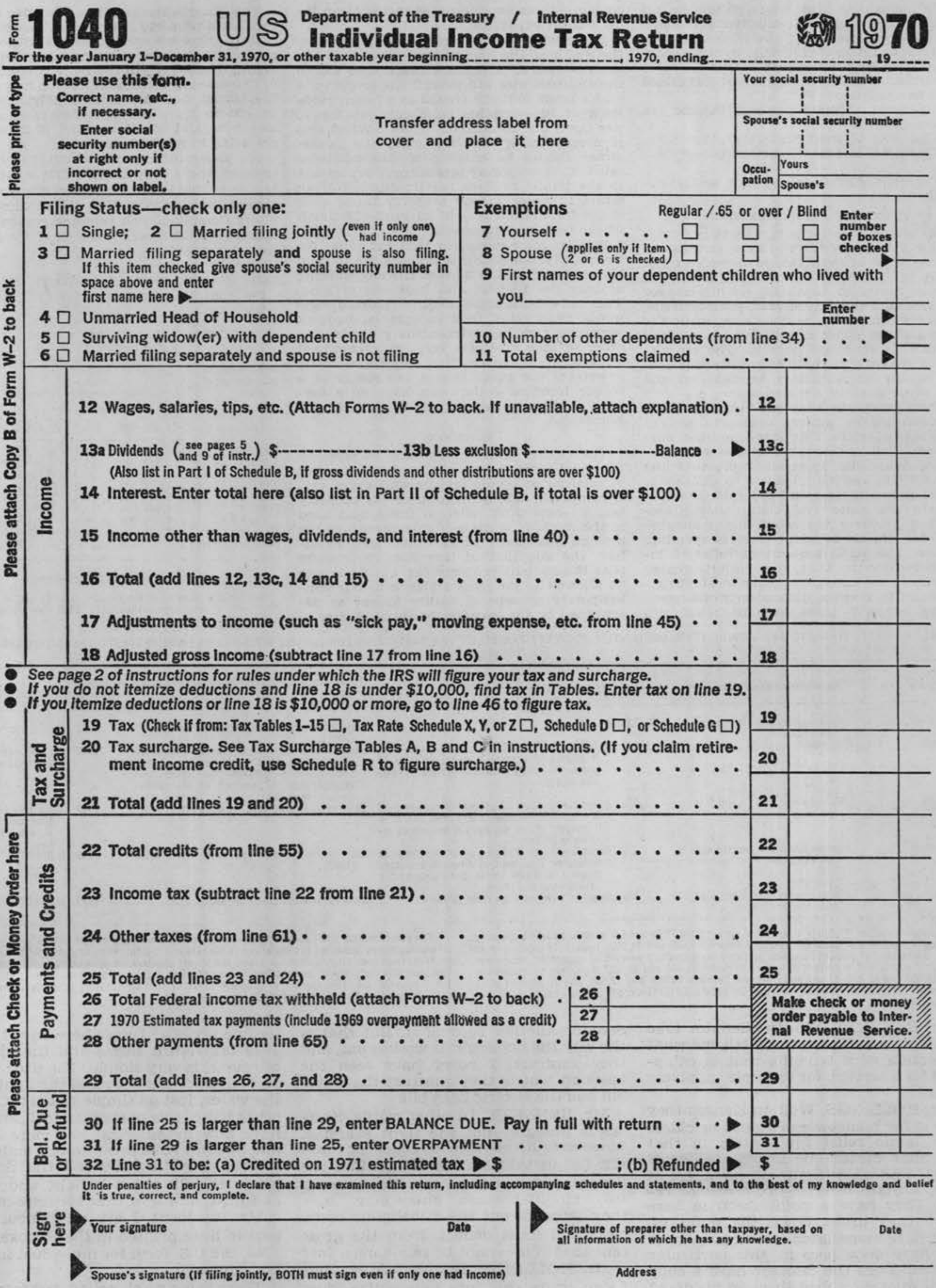
Mr. HOLLINGS. Well, we will get the Senator another copy of it. But that is the way the tax credit is worked out, and they subtract. I never have seen the basis on which they subtract the water bill and the electric light bill.

Mr. BENNETT. In other words, Kansas is probably not the right example. Since they do not provide relief for renters. Let us take another State. Can the Senator show me, in any State, under this circuit-breaker philosophy, how they separate out these ineligible costs, costs you must deduct from the gross rent that you cannot be reimbursed for?

Mr. HOLLINGS. Let me ask, so that I can bring this into perspective, does the distinguished Senator from Utah have any bills relative to the present income tax law? I have here one of these 1040 tax return forms and the answer, of course, is very simple. The poor would just subtract the heat and the lights and the water, just as simple as that. On the other hand, this particular 1040 form we have now in America, has more forms and lines and fine print, that, I maintain, it truly is obtuse. But all the Senator wants to talk about is light and water and heat, and how that becomes obtuse.

Mr. President, I ask unanimous consent to have printed in the RECORD form 1040, the U.S. form for individual income tax returns.

There being no objection, the form was ordered to be printed in the RECORD, as follows:



Form **1040** US Department of the Treasury / Internal Revenue Service

**Individual Income Tax Return** 1970

For the year January 1–December 31, 1970, or other taxable year beginning ____________, 1970, ending ____________, 19____

Please print or type

**Please use this form.** Correct name, etc., if necessary. Enter social security number(s) at right only if incorrect or not shown on label.

Transfer address label from cover and place it here

Your social security number ______

Spouse's social security number ______

Occupation Yours ______ Spouse's ______

**Filing Status—check only one:**

1 ☐ Single; 2 ☐ Married filing jointly (even if only one had income)

3 ☐ Married filing separately and spouse is also filing. If this item checked give spouse's social security number in space above and enter first name here ▶ ______

4 ☐ Unmarried Head of Household

5 ☐ Surviving widow(er) with dependent child

6 ☐ Married filing separately and spouse is not filing

**Exemptions** Regular / 65 or over / Blind

7 Yourself ☐ ☐ ☐

8 Spouse (applies only if item 2 or 6 is checked) ☐ ☐ ☐ — Enter number of boxes checked ▶ ______

9 First names of your dependent children who lived with you ______ Enter number ▶ ______

10 Number of other dependents (from line 34) ▶ ______

11 Total exemptions claimed ▶ ______

Please attach Copy B of Form W-2 to back

**Income**

12 Wages, salaries, tips, etc. (Attach Forms W-2 to back. If unavailable, attach explanation) — 12 ______

13a Dividends (see pages 5 and 9 of instr.) $______ 13b Less exclusion $______ Balance ▶ 13c ______
(Also list in Part I of Schedule B, if gross dividends and other distributions are over $100)

14 Interest. Enter total here (also list in Part II of Schedule B, if total is over $100) — 14 ______

15 Income other than wages, dividends, and interest (from line 40) — 15 ______

16 Total (add lines 12, 13c, 14 and 15) — 16 ______

17 Adjustments to income (such as "sick pay," moving expense, etc. from line 45) — 17 ______

18 Adjusted gross income (subtract line 17 from line 16) — 18 ______

- *See page 2 of instructions for rules under which the IRS will figure your tax and surcharge.*
- *If you do not itemize deductions and line 18 is under $10,000, find tax in Tables. Enter tax on line 19.*
- *If you itemize deductions or line 18 is $10,000 or more, go to line 46 to figure tax.*

**Tax and Surcharge**

19 Tax (Check if from: Tax Tables 1–15 ☐, Tax Rate Schedule X, Y, or Z ☐, Schedule D ☐, or Schedule G ☐) — 19 ______

20 Tax surcharge. See Tax Surcharge Tables A, B and C in instructions. (If you claim retirement income credit, use Schedule R to figure surcharge.) — 20 ______

21 Total (add lines 19 and 20) — 21 ______

Please attach Check or Money Order here

**Payments and Credits**

22 Total credits (from line 55) — 22 ______

23 Income tax (subtract line 22 from line 21) — 23 ______

24 Other taxes (from line 61) — 24 ______

25 Total (add lines 23 and 24) — 25 ______

26 Total Federal income tax withheld (attach Forms W-2 to back) — 26 ______

27 1970 Estimated tax payments (include 1969 overpayment allowed as a credit) — 27 ______

28 Other payments (from line 65) — 28 ______

Make check or money order payable to Internal Revenue Service.

29 Total (add lines 26, 27, and 28) — 29 ______

**Bal. Due or Refund**

30 If line 25 is larger than line 29, enter BALANCE DUE. Pay in full with return ▶ 30 ______

31 If line 29 is larger than line 25, enter OVERPAYMENT ▶ 31 ______

32 Line 31 to be: (a) Credited on 1971 estimated tax ▶ $______ ; (b) Refunded ▶ $______

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief it is true, correct, and complete.

**Sign here**

▶ ______ Your signature ______ Date

▶ ______ Spouse's signature (If filing jointly, BOTH must sign even if only one had income)

▶ ______ Signature of preparer other than taxpayer, based on all information of which he has any knowledge. ______ Date

______ Address

Page **2** Form 1040 (1970) **Attach Copy B of Form W-2 here. ▶**

**Foreign Accounts** (check appropriate box) ▶ Did you, at any time during the taxable year, have any interest in or signature or other authority over a bank, securities, or other financial account in a foreign country (except in a U.S. military banking facility operated by a U.S. financial institution)? . . . . . . . . . . . . . ☐ Yes ☐ No
If "Yes," attach Form 4683. (For definitions, see Form 4683.)

**PART I.—Additional Exemptions (Complete only for other dependents claimed on line 10)**

| 33 (a) NAME | (b) Relationship | (c) Months lived in your home. If born or died during year write "B" or "D" | (d) Did dependent have income of $625 or more? | (e) Amount YOU furnished for dependent's support, if 100% write "ALL" | (f) Amount furnished by OTHERS including dependent. |
|---|---|---|---|---|---|
| | | | | $ | $ |
| | | | | | |
| | | | | | |

**34 Total number of dependents listed above.** Enter here and on line 10 . . . . . . . . . . . . . . . . . ▶

**PART II.—Income other than Wages, Dividends, and Interest**

| | | |
|---|---|---|
| 35 Business income (or loss) (attach Schedule C) . . . . . . . . . . . . . . . . . . . . . | 35 | |
| 36 Sale or exchange of property (attach Schedule D) . . . . . . . . . . . . . . . . . . . . | 36 | |
| 37 Pensions and annuities, rents and royalties, partnerships, estates or trusts, etc. (attach Schedule E) . | 37 | |
| 38 Farm income (or loss) (attach Schedule F). . . . . . . . . . . . . . . . . . . . . . | 38 | |
| 39 Miscellaneous income (state nature and source)______________________________ | 39 | |
| 40 **Total** (add lines 35, 36, 37, 38, and 39). Enter here and on line 15 . . . . . . . . . . . . . . ▶ | 40 | |

**PART III.—Adjustments to Income**

| | | |
|---|---|---|
| 41 "Sick pay" if included in line 12 (attach Form 2440 or other required statement) . . . . . . . . | 41 | |
| 42 Moving expense (attach Form 3903). . . . . . . . . . . . . . . . . . . . . . . . | 42 | |
| 43 Employee business expense (attach Form 2106 or other statement) . . . . . . . . . . . | 43 | |
| 44 Payments as a self-employed person to a retirement plan, etc. (attach Form 2950SE) . . . . . | 44 | |
| 45 **Total adjustments** (add lines 41, 42, 43, and 44). Enter here and on line 17 . . . . . . . ▶ | 45 | |

**PART IV.—Tax Computation**

| | | |
|---|---|---|
| 46 Adjusted gross income (from line 18) . . . . . . . . . . . . . . . . . . . . . . . . | 46 | |
| 47 (a) If you itemize deductions, enter total from Schedule A, line 22<br>(b) If you do not itemize deductions, and line 46 is $10,000 or more, enter $1,000 ($500 if married and filing separately) . . . . . . . . . | 47 | |
| 48 Subtract line 47 from line 46 . . . . . . . . . . . . . . . . . . . . . . . . . . | 48 | |
| 49 Multiply total number of exemptions claimed on line 11, by $625. . . . . . . . . . . . . | 49 | |
| 50 Taxable income. Subtract line 49 from line 48. (Figure your tax on this amount by using Tax Rate Schedule X, Y, or Z unless the alternative tax or income averaging is applicable.) Enter tax on line 51 | 50 | |
| 51 **Tax.** Enter here and on line 19 . . . . . . . . . . . . . . . . . . . . . . . ▶ | 51 | |

**PART V.—Credits**

| | | |
|---|---|---|
| 52 Retirement income credit (attach Schedule R) . . . . . . . . . . . . . . . . . . . . | 52 | |
| 53 Investment credit (attach Form 3468) . . . . . . . . . . . . . . . . . . . . . . . | 53 | |
| 54 Foreign tax credit (attach Form 1116) . . . . . . . . . . . . . . . . . . . . . . . | 54 | |
| 55 **Total credits** (add lines 52, 53, and 54). Enter here and on line 22 . . . . . . . . . . ▶ | 55 | |

**PART VI.—Other Taxes**

| | | |
|---|---|---|
| 56 Self-employment tax (attach Schedule SE). . . . . . . . . . . . . . . . . . . . . . | 56 | |
| 57 Tax from recomputing prior-year investment credit (attach Form 4255) . . . . . . . . . . | 57 | |
| 58 Minimum tax. See instructions on page 7. Check here ☐, if Form 4625 is attached . . . . . . . | 58 | |
| 59 Social security tax on unreported tip income (attach Form 4137) . . . . . . . . . . . . | 59 | |
| 60 Uncollected employee social security tax on tips (from Forms W-2). . . . . . . . . . . . | 60 | |
| 61 **Total** (add lines 56, 57, 58, 59, and 60). Enter here and on line 24 . . . . . . . . . . . ▶ | 61 | |

**PART VII.—Other Payments**

| | | |
|---|---|---|
| 62 Excess F.I.C.A. tax withheld (two or more employers—see instructions on page 7) . . . . . . | 62 | |
| 63 Credit for Federal tax on gasoline, special fuels, and lubricating oil (attach Form 4136). . . . . | 63 | |
| 64 Regulated Investment Company Credit (attach Form 2439). . . . . . . . . . . . . . . | 64 | |
| 65 **Total** (add lines 62, 63, and 64). Enter here and on line 28 . . . . . . . . . . . . . ▶ | 65 | |

Mr. HOLLINGS. I want the Senator to look at this particular form, and see if this is not obtuse. Perhaps, we ought to both cosponsor a bill to do away with it.

Mr. BENNETT. The Senator from Utah has seen and looked at that form every year, unfortunately.

Mr. HOLLINGS. And that is not obtuse?

Mr. BENNETT. Mr. President, that is not the point. The Senator is evading my question. The Senator says, in his amendment:

> In the case of a residence which is rented by the family, an amount equal to 20 percent of the total rent paid by the family during the preceding calendar year, exclusive of any charges for utilities, services, furnishings, or appliances furnished by the landlord as part of the rental agreement.

I am saying that for the ordinary renter, even a man who is not at the poverty level, the job of finding out how much of his total rent is represented by what the landlord paid for water or for electricity or for heat or other services, or for the appliances which he furnished, is almost impossible to do. Yet he must do it so he can figure it into his request for a reimbursement payment.

Mr. HOLLINGS. Mr. President, if my distinguished colleague finds that obtuse or impossible to compute or determine from his landlord, I would be glad to take either his case or his landlord's case, because we are both paying it.

I will put it in the RECORD. With all the complex tax laws we have in America on income rebate, depreciation allowance, investment credit, direct investment sales credit, exemptions, deductions, and everything else, for someone to all of a sudden come along and tell a poor family it cannot receive some help in paying property taxes because the family is presumed to be unable to deduct his light, his water, his electricity, or any appliances furnished him. I think he is pulling my leg. I think that it can be computed easily. I am not evading the question. The answer is patent.

Mr. BENNETT. My answer is that the answer to that question does not exist. A landlord does not break down the cost of water and divide it among every apartment in his building. The tenants in our building have their electricity furnished, and I do not think it is possible to determine how much of the light bill the Bennett apartment actually created. Some of the tenants burn their lights 24 hours a day. We do not.

It seems to me that the Senator is putting an impossible condition into this amendment. It is not a question of being smart. It is just the fact that the information does not exist and the tenant can neither obtain it nor supply it to the Government.

Mr. HOLLINGS. Mr. President, I think I am taking up too much time on an obtuse point. Perhaps that is the strategy.

I will reserve the remainder of my time for the moment.

Mr. HANSEN. Mr. President, I wonder whether the distinguished chairman of the committee will yield me about 3 minutes to establish a little legislative history, in order to clear up a point that I think is important.

Mr. LONG. I yield to the Senator such time as he requires for that purpose.

Mr. HANSEN. Under the bill, is it intended that the 7-percent job development credit be allowed on the investment of U.S. international telegraph companies in submarine cable systems which originate within the United States and end without the United States when used predominantly for the transmission and receiving of messages in the United States?

Mr. LONG. Yes. For example, a cable system from the United States to Europe would receive the 7-percent investment tax credit to the midpoint of the Atlantic—that is, in the case of a submarine cable.

Mr. HANSEN. If the chairman would be kind enough to yield further, I should like to put the same question to the distinguished Senator from Utah, the ranking Republican member of the committee.

Mr. BENNETT. My answer would be the same as that of the chairman of the committee. This was thoroughly discussed during the committee's consideration of the bill, and I think we all understand it as the chairman has explained it.

Mr. HANSEN. I thank the chairman and the ranking minority member of the committee.

Mr. LONG. I yield myself 2 minutes.

Mr. President, when the Senator appeared before the committee, he inspired some of us to believe that we should do something in this direction. For one, I was inspired to think that it would be desirable to reimburse low-income earners for the amount of taxes generated by their efforts and paid into the Social Security fund. I had in mind that it would be well to make them a payment equal to both the employee as well as the employer part of the tax, which would increase their income by about 10 percent. That would cost more than $2 billion, and that would be a payment to offset a Federal tax that is collected.

The Senator is directing his amendment toward State taxes—both those that are paid and those that are not. It has considerable merit, but it does require further study and further sophistication to make it work out right.

For example, it is my impression that the Senator intends to rebate 4 percent for sales tax collections of a State that has no sales tax. That would seem appropriate, in view of the fact that one would not want to encourage a State to levy a sales tax on food just so that the Federal Government would reimburse it to the State; but if someone had a 2-percent sales tax, the people would be worse off, compared with what they would get if there were no sales tax on food in that State.

These types of things, I suppose, could be worked out if we had time to study them and to seek to perfect them, but we do not have that opportunity at this moment.

The proposal of the Senator should, in my judgment, be considered as an alternative to some of the proposals in H.R. 1, the so-called family assistance plan. I am very much convinced that it is a far better approach to pay back to the poor and the working people taxes that have been collected from them than if you just put them on welfare as a result of taxes that you collected from them.

So it would seem to this Senator that it would be better to wait and consider this in connection with the welfare bill when we have that matter before us. Something that would give poor people a rebate, or some payment, to offset their Federal and State taxes, social security, or other taxes that may be collected, would have much appeal when considered against the estimated first-year cost of $5 billion when that welfare program is in effect.

But I hardly think it would be appropriate to get into it at this time, in this bill. It seems to me that we would do better to wait and consider this, as well as well as some other suggestions which will be made—including one of my own which would cost, I believe, even more money than the Senator is asking for here for the poor—when we get around to H.R. 1. As far as the committee is concerned, that bill is scheduled to be the next item of business after we dispose of this major bill.

I think it would be best to reserve judgment on this matter until we do have the opportunity to look at the welfare bill. In connection with that, I think it would be appropriate to take a look at this suggestion of the Senator.

Mr. HOLLINGS. Mr. President, seemingly, the only point they can really make is the difference between a 3-percent and a 4-percent State.

Would there be any objection to amending the amendment? Mr. President, I ask unanimous consent to delete the language on lines 8 to 10, page 2, beginning with "There is no" and ending with "purchases of food" by just inserting in lieu thereof the words "the combined State and local sales tax rate is less than 4 percent on purchases of food, it shall for the purposes of this provision be considered to be 4 percent." That would equalize it, and there would not be any differentiation between a 3-percent and a 4-percent State. Is there objection?

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Will the Senator send the modification to the desk?

Mr. HOLLINGS. I just did it verbally, under the rules.

The PRESIDING OFFICER. Under the rules, the Senator must submit the modification in writing.

Mr. BYRD of West Virginia. He must do so only if there is a demand to submit it in writing.

The PRESIDING OFFICER. The Senator is correct.

Mr. HOLLINGS. I will be delighted to send it to the desk.

The assistant legislative clerk read as follows:

On page 2, change lines 1 to 13 to read as follows:

> (c) The amount payable to any family under subsection (a) as reimbursement for sales tax on food shall be determined by multiplying the combined State and local sales tax rate in effect for that calendar year in the locality in which such family lived by

the cost of the low-cost food plan established by the Department of Agriculture for that calendar year for a family of that size and composition. For the purpose of this subsection, any locality in which the combined State and local sales tax rate is less than 4 percent on purchases of food, it shall for the purposes of this provision be considered to be 4 percent.

(d) The amount payable to any family under subsection (a) as reimbursement for property tax imposed on that family's residence shall be:

Mr. HOLLINGS. Now, Mr. President, we have corrected the inequity part of the difference between a 3 percent and a 4 percent State. What would further study give us? We come back to the most equitable thing I know of. The trouble with the family assistance is that it is a misnomer and really it is a guaranteed annual income.

I advocate to all my colleagues a speech delivered on August 6, I believe, by the Senator from Louisiana, the distinguished chairman of the Finance Committee. Is this really welfare reform or not? I agree with the Senator from Louisiana (Mr. LONG) that it is not welfare reform but a tremendous departure and a fanciful guaranteed annual income.

The whole hang up is not how you get the money to the poor but how to get the poor to work. That is where it has been hung for the past several years. I hope it stays hung up there. As it stands now, it would be one of the worst things that ever passed.

The President says that we have to jazz up the economy, that we have to get the American industrial machine going, and that in addition to investment credit, you need consumer spending. What do you do, in the main, if you just have nothing but investment credit? You will buy what Senators were arguing about with respect to textiles and all the other industries—new machines, which will displace labor, which will displace jobs.

Now, what is going to really get it going is money in the hands of the consumers and particularly those in the lower end of the spectrum. The Senator from Utah, if he were here, and other Senators—because I have been listening to the debate—have said that purchasing power was needed. Every time one of our colleagues on this side would recommend some increased exemptions or a liberalization of credit, they say, "Oh, that gives the low man only $20 but the man in the $20,000 bracket, that gives him $185. What we need is a little bit of help where it does the most good for purchasing power down at the lower end of the spectrum." But when we propose to give it to the hungry poor of America, then they say, "Let us study it. This thing is impossible. Look out—wait a minute—that fellow is going to fill out that form for the first time. This is one of those things that cannot be worked out at all."

In order to get more food to them, in order to help this particular group, I would agree with the suggestion of the Senator from Utah if he had a more equitable way. He and I, and every other Senator knows, that every landlord in Washington—which he was using as an example—allocates his water, his light, and his heat per tenant. That is how he knows how much to charge that particular tenant. He allocates it around and he considers the person responsive to it. That is the reason we designed the second paragraph on page 2, line 11, subparagraph (d), reading:

(d) The amount payable to any family under subsection (a) as reimbursement for property tax imposed on that family's residence shall be:

(1) in the case of a residence owned by a family an amount equal to the property taxes paid by the family during the preceding calendar year;

(2) in the case of a residence which is rented by the family, an amount equal to 20 percent of the total rent paid by the family during the preceding calendar year, exclusive of any charges for utilities, services, furnishings, or appliances furnished by the landlord as part of the rental agreement.

That is why it was written that way. If that is bothering my friend, I would say, let us knock it out. But I was trying to do this in an equitable, fair, and businesslike fashion. When we get businesslike, for the poor, or equitable or fair, they say, "stop it. We have got to study it. Remember that this will be the first time the fellow will be filling out the form. It is a terrible thing to administer with all these different forms coming in."

I want to make one part of the RECORD clear: I was disturbed about these things because I knew the charges that would be made here. I talked to—you call him now the Commissioner—and he says that it can work. He can work it. He does not want it. I would agree with him. That is one of the real charges I thought they would have, that I do not like to burden the IRS with additional programs and paying money out on this particular basis, because it becomes controversial in our society. Our tax system functions because it is paid on a voluntary basis, and I do not want anything to be done to the particular office that would really go against their credibility and cause public controversy. So if we could get it enacted now, later on we might find that the Department of HEW could better handle this particular payment, and we could transfer it out of the IRS. We do not want to bring any controversy upon them.

The bill has got to go through the Ways and Means Committee and all the way through the House, then all the way through the Senate Finance Committee, and then when we finally get it up, they say, "We have got to study it. We are going to give a man a form to fill out that he never had before. It is a terrible thing to administer. They are too dumb to figure it. They make it difficult to pass the welfare program that we have in mind 2 years hence."

It is unfair and inequitable. They use nothing but adjectives. They cannot point to a single thing because by unanimous consent, when my distinguished colleague was on the floor, we got a 4-percent rate rather than a 3-percent level, because that could be considered inequitable, but I was trying to let it relate to the actual situation.

Mr. President, I reserve the remainder of my time. The Senator from Wisconsin will be on the floor shortly.

Mr. President, I suggest the absence of a quorum on my time.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. LONG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. LONG. Mr. President, I am ready to yield back the remainder of my time in opposition, if the Senator from South Carolina is ready to yield back his time.

Mr. HOLLINGS. Mr. President, I yield back the remainder of my time.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. BROCK). All time on the amendment having been yielded back, the question is on agreeing to the amendment of the Senator from South Carolina.

On this question the yeas and nays—

The Chair would inquire of the Senator from South Carolina, have the yeas and nays been ordered?

Mr. HOLLINGS. Yes, Mr. President, the yeas and nays have already been ordered. I asked for the yeas and nays.

Mr. PASTORE. Yes, the Senator from South Carolina did.

The PRESIDING OFFICER (Mr. BROCK). It is the memory of the Chair that the distinguished Senator from South Carolina is correct.

On this question the yeas and nays have been ordered and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I further announce that, if present and voting, the Senator from South Dakota (Mr. MCGOVERN), and the Senator from Washington (Mr. JACKSON) would each vote "yea."

I further announce that, if present and voting, the Senator from Iowa (Mr. HUGHES) would vote "nay."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from Idaho (Mr. JORDAN), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

If present and voting, the Senator from Nebraska (Mr. CURTIS), the Senator from South Carolina (Mr. THURMOND), and the Senator from Texas (Mr. TOWER) would each vote "nay."

The result was announced—yeas 26, nays 58, as follows:

[No. 335 Leg.]

YEAS—26

Bayh
Brooke
Case
Chiles
Cranston
Fulbright
Gambrell
Gravel
Harris
Hollings
Inouye
Javits
Kennedy
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Mondale
Nelson
Ribicoff
Sparkman
Stafford
Symington
Tunney
Williams

NAYS—58

Aiken
Allen
Anderson
Baker
Beall
Bellmon
Bennett
Bentsen
Bible
Boggs
Brock
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Church
Cook
Cooper
Cotton
Dole
Dominick
Eagleton
Eastland
Ellender
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hart
Hatfield
Hruska
Jordan, N.C.
Long
Mathias
Miller
Moss
Muskie
Packwood
Pastore
Pearson
Pell
Percy
Proxmire
Randolph
Roth
Schweiker
Scott
Smith
Spong
Stennis
Stevenson
Taft
Weicker
Young

NOT VOTING—16

Allott
Curtis
Hartke
Hughes
Humphrey
Jackson
Jordan, Idaho
McClellan
McGovern
Montoya
Mundt
Saxbe
Stevens
Talmadge
Thurmond
Tower

So Mr. Hollings' amendment (No. 654) was rejected.

The PRESIDING OFFICER. Under the previous order the Chair lays before the Senate amendment No. 653 of the Senator from South Carolina. The amendment will be stated.

The assistant legislative clerk proceeded to read the amendment.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment, ordered to be printed in the Record, is as follows:

At the appropriate place, insert the following:

Sec.—Higher Education Expenses Credit.

(a) Subpart A of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1954 (relating to credits allowable) is amended by renumbering section 39 as 40, and by inserting after section 38 the following new section:

"Sec. 39. Expenses of Higher Education.

"(a) General Rule.—There shall be allowed to an individual, as a credit against the tax imposed by this chapter for the taxable year, an amount, determined under subsection (b), of the expenses of higher education paid by him during the taxable year to one or more institutions of higher education in providing an education above the twelfth grade for himself or for any other individual.

"(b) Limitations.—

"(1) Amount per individual.—The credit under subsection (a) for expenses of higher education of any individual paid during the taxable year shall be an amount equal to the sum of—

"(A) 75 percent of so much of such expenses as does not exceed $200.

"(B) 25 percent of so much of such expenses as exceeds $200 but does not exceed $500, and

"(C) 10 percent of so much of such expenses as exceeds $500 but does not exceed $1,500.

"(2) Proration of credit where more than one taxpayer pays expenses.—If expenses of higher education of an individual are paid by more than one taxpayer during the taxable year, the credit allowable to each such taxpayer under subsection (a) shall be the same portion of the credit determined under paragraph (1) which the amount of expenses of higher education of such individual paid by the taxpayer during the taxable year is of the total amount of expenses of higher education of such individual paid by all taxpayers during the taxable year.

"(3) Reduction of credit.—The credit under subsection (a) for expenses of higher education of any individual paid during the taxable year, as determined under paragraphs (1) and (2) of this subsection, shall be reduced by an amount equal to 1 percent of the amount by which the adjusted gross income of the taxpayer for the taxable year exceeds $25,000.

"(c) Definitions.—For the purposes of this section—

"(1) Expenses of higher education.—The term 'expenses of higher education' means—

"(A) tuition and fees required for the enrollment or attendance of a student at a level above the twelfth grade at an institution of higher education and

"(B) fees, books, supplies, and equipment required for courses of instruction above the twelfth grade at an institution of higher education.

Such term does not include any amount paid, directly or indirectly, for meals, lodging, or similar personal, living, or family expenses. In the event an amount paid for tuition or fees includes an amount for meals, lodging, or similar expenses which is not separately stated, the portion of such amount which is attributable to meals, lodging, or similar expenses shall be determined under regulations prescribed by the Secretary or his delegate.

"(2) Institution of higher education.—The term 'institution of higher education' means—

"(A) an educational institution (as defined in section 151(3)(4))—

"(i) which regularly offers education at a level above the twelfth grade; and

"(ii) contributions to or for the use of which constitute charitable contributions within the meaning of section 170(c); or

"(B) a business or trade school, or technical institution or other technical or vocational school in any State, which (i) is legally authorized to provide, and provides within the State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; and (ii) is accredited by a nationally recognized accrediting agency or association listed by the United States Commissioner of Education; and (iii) has been in existence for 2 years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subparagraph.

"(3) State.—The term 'State' includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

"(d) Special Rules.—

"(1) Adjustment for certain scholarships and veterans' benefits.—The amounts otherwise taken into account under subsection (a) as expenses of higher education of any individual during any period shall be reduced (before the application of subsection (b)) by any amounts received by such individual during such period as—

"(A) a scholarship or fellowship grant (within the meaning of section 117(a)(1)) which under section 117 is not includable in gross income, and

"(B) education and training allowance under chapter 33 of title 38 of the United States Code or educational assistance allowance under chapter 35 of such title.

"(2) Noncredit and recreational, etc., courses.—Amounts paid for expenses of higher education of any individual shall be taken into account under subsection (a)—

"(A) in the case of an individual who is a candidate for a baccalaureate or higher degree, only to the extent such expenses are attributable to courses of instruction for which credit is allowed toward a baccalaureate or higher degree, and

"(B) in the case of an individual who is not a candidate for a baccalaureate or higher degree, only to the extent such expenses are attributable to courses of instruction necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective.

"(3) Payment of excess credit to taxpayer.—If the amount of the credit allowable under subsection (a) to a taxpayer for the taxable year exceeds the amount of the tax imposed on the taxpayer for that taxable year by this chapter, reduced by the sum of any credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property), then such excess shall be held and considered an overpayment and shall be paid to the taxpayer by the Secretary of the Treasury or his delegate as a refund for that taxable year. If no tax is imposed on the taxpayer for that taxable year, the total amount of the credit allowable under subsection (a) shall be paid to the taxpayer by the Secretary or his delegate.

"(e) Disallowance of Expenses as Deduction.—No deduction shall be allowed under section 162 (relating to trade or business expenses) for any expense of higher education which (after the application of subsection (b)) is taken into account in determining the amount of any credit allowed under subsection (a). The preceding sentence shall not apply to the expenses of higher education of any taxpayer who, under regulations prescribed by the Secretary or his delegate, elects not to apply the provisions of this section with respect to such expenses for the taxable year.

"(f) Regulations.—The Secretary or his delegate shall prescribe such regulations as may be necessary to carry out the provisions of this section."

(b) The table of sections for such subpart A, is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 39. Expenses of higher education.
"Sec. 40. Overpayments of tax."

(c) The amendments made by this section shall apply beginning with taxable year 1972.

The PRESIDING OFFICER. On this amendment there is 1 hour to be equally divided.

Mr. HOLLINGS. Mr. President, I yield at this time to the principal author of this amendment, which provides a tuition tax credit and which has been favorably acted on by this Senate on two occasions, most recently as a part of the Tax Reform Act of 1969.

Mr. COTTON. Mr. President, a point of order. We cannot hear the Senator.

The PRESIDING OFFICER. The Senator will suspend until the Senate is in order.

The Senator may proceed.

Mr. HOLLINGS. Mr. President, at this time I yield to the principal sponsor of the amendment, the senior Senator from Connecticut (Mr. Ribicoff).

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. COTTON. Mr. President, in view of the fact that the amendment was not read, would the Senator please enlighten us as to the number of the amendment? We cannot hear.

Mr. HOLLINGS. The amendment is No. 653.

Mr. COTTON. I thank the Senator.

The PRESIDING OFFICER. The Senator from Connecticut is recognized.

Mr. RIBICOFF. Mr. President, I am pleased to cosponsor the amendment being offered by the distinguished Senator from South Carolina.

Over 7 years ago, I first introduced legislation to provide tax relief for those families burdened with the rising costs of higher education. The Senate has passed this legislation two times, most recently as the Ribicoff-Dominick tuition tax credit amendment to the 1969 Tax Reform Act. A majority of Republicans as well as Democrats joined in passing the measure, only to see it deleted by the House in conference.

The need for this legislation is greater than ever before. Increasing tuition costs and Federal, State, and local taxation make it impossible for many low- and middle-income families to send a child to college without considerable financial assistance.

In the last 5 years, tuition costs of public institutions have risen by 50 percent. At private colleges and universities tuition has increased by 70 percent. The result is that today, it costs between $10,000 and $20,000 to obtain a bachelor's degree. Moreover, estimates by the Office of Education show that tuition alone will increase by 25 percent at public institutions of higher learning and by 38 percent at private institutions in the next 10 years.

The college scholarship service of the College Entrance Examination Board assists over 2,000 colleges and universities in setting guidelines for financial assistance. The service has made an authoritative study of what colleges must expect from students and their families toward covering the cost of education.

A family with one child in college and a pretax income of $10,000 is expected to pay $1,570 toward a year's college expenses.

Under the Federal tax laws, this family in 1972 would be expected to pay about $1,400 in income taxes. An additional $300 would generally be paid for State and local taxes. This leaves only $6,730 for all other living expenses for the entire family.

As we face the necessity of finding solutions to the complex social problems facing this Nation, we must recognize the essential role that education plays in our society. Our children's education is an investment in the future. A better educated population is the strongest tool for the continued growth and development of our Nation.

I know of no other amendment that would be of such help to the lower- and middle-income groups in our country, to those who are so sorely beset with expenses on all sides and at the same time find means to educate their children, knowing that the most important factor in their children's future is education.

I commend the Senator from South Carolina for offering this amendment.

Mr. DOMINICK. Mr. President, will the Senator yield me a couple of minutes?

Mr. HOLLINGS. I yield to the Senator from Colorado.

Mr. DOMINICK. I appreciate very much the Senator's yielding. I was somewhat surprised, but certainly not upset, by the offering of this amendment, because the Senator from Connecticut and I and the Senator from South Carolina have been working on this kind of proposal for a long time.

Not being on the Finance Committee—unfortunately I was not present when the Senator made his remarks—I do not know whether this amendment was discussed in the Finance Committee this year. It has, of course, been discussed at length on the floor on many other occasions, and we have not only lost by a very close vote, but we have also won by a very close vote.

The difference between the Ribicoff-Dominick amendment and the Hollings amendment is that this gives a little more edge to the lower income people who are educating their children. Heaven knows that with the costs of education going up and up it has been a difficult burden for many people. There are scholarships for people with low income, and there are fellowships and foundations for those with higher income. There is very little anywhere for the middle-income people. I shall support the amendment.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. PASTORE. Mr. President, the time has come when we must do something about this matter. It is an old chestnut; we have had it before us many times. There are many parents who, at great sacrifice, and with pride, want to pay for their children's education. They do not want a handout or a grant or a scholarship. They want to feel they are paying for their children's education. For that reason, we ought to give them a concession so they can do it. It costs anywhere from $3,000 to $7,000 to send a student to college. We ought to do something about it. This is a modest concession for those people who have pride and want to pay for their children's education.

Mr. RANDOLPH. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. RANDOLPH. The amendment that is offered by the able Senator from South Carolina, or its essence, as the Senator from Colorado (Mr. DOMINICK) has said, has had the attention of many Senators, including that of the Senator from Connecticut (Mr. RIBICOFF).

In the Subcommittee on Education of the Committee on Labor and Public Welfare, we have given attention to the general subject matter in terms of grant and loan programs. Of course, the approach under discussion rests with the Finance Committee.

Is it not, then, a subject which has been thoroughly considered by many Senators in several committees?

Mr. HOLLINGS. It very definitely has been. That is true.

Mr. RANDOLPH. I wish to associate myself with my colleagues, including the Senator from Rhode Island (Mr. PASTORE), who have risen to say that this is not a handout, but a helping hand to parents who need funds to pay for the costs of educating their children. This is a proposal which has had my support in the past.

Mr. HOLLINGS. I thank my distinguished colleague from West Virginia, who, for the last several years, has been primarily interested in this particular field, for his cooperation and support.

Mr. McGEE. Mr. President, will the Senator yield me some time?

Mr. HOLLINGS. I yield.

Mr. McGEE. What I would, frankly, ask for is a little clarification. In general in the past when we have had this issue, it has been suggested that the land-grant colleges are penalized by the proposal. This proposal used to be referred to as the Ivy League bill. Coming from a State that has only one land-grant university, we are not interested in penalizing our present status.

I would be grateful if the Senator from South Carolina could comment on the consequences of his proposal to those colleges and universities in the land-grant States.

Mr. HOLLINGS. I shall be delighted to answer. The amendment provides a tax credit for expenses paid not only for public but private institutions of higher learning. It applies not only to institutions of higher learning, but specifically to technical or trade schools for the poorer families who have to pay $100 to $200 to take specific courses in technical arts in order to obtain a technical training. So the amendment, rather than penalizing, would put them on an equal basis with other colleges and universities, as well as technical schools.

Mr. McGEE. I think the misgiving was not that they were not equal, but that right now they have an advantageous position in the income question. It was less a fear that we would not get as much but that, in effect, the others would be getting more than they now get and that that amount would have to come out of what now goes to land-grant colleges

Mr. RIBICOFF. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. RIBICOFF. Is it not true that the amount paid for tuition and books, whether in land-grant colleges or otherwise, today certainly exceeds the total amount that the credit would be allocated against? In other words, the Senator's proposal provides 75 percent or so much of the expenses that do not exceed $200. Therefore, there would be a credit of 75 percent to the student or family for the first $200 paid. I do not know of any college in the country where the fees do not exceed $200.

The next provision says 25 percent of so much of the expenses that exceeds $200 but does not exceed $500.

So the bulk of the credit being proposed by the Senator from South Carolina goes to those paying under $500 in tuition and fees. Therefore, the young man going to the University of Wyoming benefits in his tax payments as a result of this credit for his school expenses up to $500, and the parents are receiving as much of a tax credit as those of the boy who goes to Harvard, and who pays perhaps $3,000 for tuition and books a year.

Mr. McGEE. I think the point was that a higher percentage of young people in the land grant institutions would generally come from lower-income families; that we would find a larger percentage of lower-income groups sending their children, for the advantages of tuition and the like, to land-grant schools in their particular State.

Mr. RIBICOFF. Looking at my own State of Connecticut we have the University of Connecticut and our community colleges. Although we have many private institutions in my State, I would say that the overwhelming majority of the families today are sending their children either to the University of Connecticut or to the community colleges. If all my colleagues will examine the enrollments at their own State universities, I think they will find the overwhelming number of students are attending them, because of the much higher cost of private institutions. So, basically, every young man or woman at a State university or his parents would be able to take full advantage of the proposal put forth by the Senator from South Carolina.

Mr. McGEE. I thank the Senator from South Carolina for his courtesy.

Mr. CANNON. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. CANNON. Does that include also the community colleges, of which the Senator from Connecticut spoke?

Mr. HOLLINGS. yes.

Mr. CANNON. Because here is a 2-year college, not necessarily directed toward a degree, but directed toward training students to assume a proper productive role in the community.

Mr. HOLLINGS. That is exactly right. Under the definition, it would include higher education above the 12th grade level. It applies to junior colleges.

Mr. RIBICOFF. The Senator was very careful to define it as education above the 12th grade, so someone going to a junior college or to a technical school could take advantage of this credit, too.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. JORDAN of North Carolina. What has been the reaction, if any, of the universities and private institutions and technical schools to this proposal?

Mr. HOLLINGS. They are very much in favor if it. They are badly in need of help.

Mr. JORDAN of North Carolina. I know they are badly in need. Does the Senator think this provision will help those institutions get scholars?

Mr. HOLLINGS. Oh, yes.

Let me give an exact explanation of this.

Fifteen years ago there were 2.5 million students enrolled in college. Last year that figure reached 7.9 million, and it is estimated that by 1972 there will be an additional 1 million students enrolled.

The pressures of this influx of students has terrifically inflated educational costs, and a quality education is rapidly becoming prohibitively expensive. In 1958, colleges and universities spent $5.2 billion. Ten years later, this had increased to $17 billion, in 1970 it went to $28 billion, and the 1971 estimate is $31 billion. At the same time, the expenses borne by the students and their parents have been increased. Tuition costs at public institutions have more than doubled in the past 7 years, and at private institutions they have increased by over 70 percent. The cost of tuition alone averages $360 in public universities and $1,741 in private ones. The average minimum cost of a year of college is $2,844 at a private college, an increase of $500 in 2 years, and $1,324 at public institutions, an increase of over $300 in the past 2 years.

Because of the continued increase in student enrollment projected for the future, about one-half million per year, these educational costs are certain to continue to increase. In a country which places a premium on education, we are rapidly pricing the average family out of the market.

It is time to confront this problem head on. Individual families cannot do the job alone. Well educated and trained young people are an essential asset to this country. The tax credit which I propose is a form of assistance from which we will derive more value than the approximately $2 billion we would lose in tax revenues.

The amendment which I propose today would permit a tax credit for part of the expenses paid by a taxpayer to provide for his own, or another person, tuition, books, and equipment. Room and board expenses are excluded, and scholarship assistance can be deducted. Should the credit exceed the tax liability, a positive payment would be received by the taxpayer.

The credit would be calculated on a sliding scale which favors those who are attending low tuition schools. The maximum credit would be $325. The credit is given against allowable expenses of up to $1,500 as follows:

First, 75 percent of the first $200 of allowable expenses.

Second, 25 percent of the next $300 of allowable expenses.

Third, 10 percent of the remaining $1,000 of allowable expenses.

These expenses must be incurred at a qualified educational institution which includes recognized colleges, universities, vocational, business, and trade schools.

The credit favors those in lower-tax brackets by providing for reduction in the credit of $1 for each $100 in income over $25,000

To illustrate, a family earning $4,000 and spending $300 to put a child through a trade school or a public institution, would receive a $175 credit. Since this family probably would not pay income tax, it would receive a payment in this amount. A family which earns $15,000 and pays $1,200 toward a child's higher education, would receive a credit of $295.

Mr. President, visit Sweden. Go to Brazil. Go to Russia. In all those places, there is free tuition. Here is great America, premised on free public education, the most developed of all the nations on the face of this globe, and we are still turning down these proposals, and yet, come around to the 15th of August, when they are wanting to stir up the industrial machine, you have got to buy a $3,000 car to get a $200 credit. What kind of equity and justice is that?

Here is the Senate. The other body of Congress has passed this twice, and here, come August 15, we have a proposal to buy a $3,000 car to get a $300 credit, when we are paying for two wars.

I ask unanimous consent that the names of the Senator from Connecticut (Mr. RIBICOFF), the Senator from Nevada (Mr. CANNON), the Senator from South Dakota (Mr. MCGOVERN) the Senator from West Virginia (Mr. RANDOLPH), the Senator from Rhode Island (Mr. PASTORE) the Senator from Nevada (Mr. BIBLE), the Senator from West Virginia (Mr. BYRD) and the Senator from Washington (Mr. MAGNUSON) be added as cosponsors.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. RANDOLPH. Could I ask the Senator one question?

Mr. HOLLINGS. Yes.

Mr. RANDOLPH. As I understand it, and I think the Senate understands it—but I want the record to show it again because I missed parts of the Senator's excellent presentation—the money is not given to any institution. It is given to the family or the young person who is to go to college?

Mr. HOLLINGS. That is exactly right. This is a bill to make this credit directly available to aid in all post-secondary education.

Mr. MAGNUSON. Mr. President, will the Senator yield?

Mr. HOLLINGS. I yield.

Mr. MAGNUSON. Some years ago, a few of us tried to get a deduction——

Mr. MILLER. Mr. President, will the Senator yield for a question?

Mr. HOLLINGS. I shall be happy to in due course, but right now I am yielding to the Senator from Washington.

Mr. MAGNUSON. I merely wanted to say that some years ago, five or six Senators, I forget their names now, tried to get a deduction. So we have come a long way, and I am happy to support this amendment.

Mr. HOLLINGS. I thank the Senator, and I yield to the Senator from Iowa.

Mr. MILLER. Mr. President, do I understand the amendment correctly in this respect, that the maximum amount of the credit for one student would be $350?

Mr. HOLLINGS. It is $325.

Mr. MILLER. It is $325?

Mr. HOLLINGS. Yes.

Mr. MILLER. Now, Mr. President, in all deference to my friend from South Carolina, I am concerned about two aspects of this matter. The first aspect is that unless one is in a tax bracket, unless one is paying taxes, they get no benefit under this proposal.

Mr. HOLLINGS. No, sir.

Mr. MILLER. There is no income tax payable, and they derive no benefit from the measure, as I see it.

The second is that the Senate, by an overwhelming majority, voted to pass the Higher Educational Amendments Act of 1971 back before the August recess, in which I think we really did a job in this area by providing for a basic educational grant of up to $1,500, which would be scaled down, depending upon the income position of the parents, depending upon the number of children in the family who are going to college, and providing, in addition to that, a supplemental education allowance which could be used for those who needed more income or more of a stipend, and also covered those who would not be eligible for the basic education allowance, but would have to have some stipend in order to go through college.

This is a very expensive proposition, but it seemed to me that for the first time Congress really met the issue head on, at least the Senate did, and the Senate did a good job. As I recall, that measure passed practically unanimously.

If we are going to try to do something for people going to college, and cannot afford it, it is far better to give them $1,500 in a basic educational allowance than to give the parents $325. I wonder why we should not pursue the work the Senate did in the Higher Education Amendments Act, rather than try to do this on a tax bill, which at best will be woefully inadequate.

Mr. HOLLINGS. Mr. President, responding to my friend from Iowa, on page 6, line 11, we have included in the amendment a section on payment of excess credit to the taxpayer, which provides that if the amount of the credit allowable to the taxpayer exceeds the amount of the tax imposed on the taxpayer, then such excess shall be held and considered an overpayment, and be paid directly to the taxpayer by the Secretary of the Treasury. If no tax is imposed on the taxpayer for that taxable year, the total amount of the credit allowable under subsection (a) shall be paid to the taxpayer by the Secretary or his delegate.

So we do help the low income people. We have supplanted that particular vision.

Mr. MILLER. Mr. President——

The PRESIDING OFFICER. The Senate is not in order, and it is difficult to hear. The Senate will be in order.

The Senator from Iowa may proceed.

Mr. MILLER. Mr. President, I appreciate the Senator from South Carolina clearing that point up, but I would get back to the second point, which is the major one I had. What the Senator has just pointed out is that in a low-income family, where there are no income taxes due, that they can get a $325 refund, so to speak, with respect to a boy or girl that they have got going to college.

But what the Senate did before the August recess, in the Higher Education Amendments Act, was to provide that that boy or girl can get $1,500, and, if necessary, even an amount above that. I would guess that a $350 refund to a family like that probably would not make the difference between that boy's or that girl's receiving an education. But it would certainly make all the difference in the world if they could get a $1,500 basic grant, such as we provided in the Basic Education Act of 1971.

Mr. COOK. Mr. President, will the Senator from South Carolina yield me 2 minutes?

Mr. HOLLINGS. I yield.

Mr. COOK. Mr. President, I think the Senator from South Carolina should be commended. Frankly, I find myself in a position where I would love very much to vote for this amendment, but I have quite a conflict of interest. I have three children in college this year, and I listened with interest to what the distinguished Senator from Iowa (Mr. MILLER) said relative to the fact that someone would get a grant or a stipend. But there are many, many people in the country today who have two or three or more in college at the same time, who would not be entitled, nor would their students be entitled, to this.

I might suggest to the Members of the Senate that if they think inflation has run rampant in some fields of cost in the United States over the last few years, if they have not had any children in college, they have not seen anything, because inflation in the cost of education has been really rather remarkable. As a matter of fact, every year that I have received tuition bills, they are higher every year; and you hardly get a letter any more telling you that they are going to be higher, so you cannot even be prepared for it.

So I would say that there are many people in this country who followed the suggestion of their Government right after World War II when they were told, "if there is anything you do, remember to educate your children; remember to get them a college education." We picked up this challenge, and we saw our universities grow and grow and grow, and then we watched the cost grow and grow and grow.

So I merely say that there are many, many people in the United States who do not fall within the category set forth by the Senator from Iowa, who, even if they have exceptionally fine children, find themselves just at that category of income where there is no aid or assistance that the university could give them, because their child would not be eligible for it, anyway, and who find themselves in the position in which this Senator finds himself, with a senior, a sophomore, and a freshman in college.

Because I feel so strongly about it, I would implore Senators to vote in favor. But when it comes to me, I must confess that I have a little conflict of interest, and I will announce "present."

Mr. DOMINICK. Mr. President, will the Senator yield me 2 minutes?

Mr. HOLLINGS. I yield to the Senator.

Mr. DOMINICK. I thank the Senator.

Mr. President, I commend the Senator from Kentucky. I must say in all candor that I have a son in graduate school, I have a daughter in college, and I have another son coming up, and I have no intention of voting "present." I am going to vote according to what I think is right, because I have introduced this bill ever since 1961 and have been fighting for it all the way through.

With regard to what the Senator from Iowa said, I think this comment should be made. First of all, the higher education bill, as we all know, is in a great deal of trouble. We have a definite disagreement with the House. We have not yet gotten to conference, and we probably will not until next year. What will happen at that point, nobody knows.

Second, no matter what we did under the Higher Education Amendments of 1971, the fact remains that what this would tend to do would be to entice more people out of the private school area and into the public school area so they could get the benefit of this stipend. This is going to overload the universities more than they are now, and it could create a real problem in the educational field for the rest of the country.

I would prefer to see us go this way on the tax route. I am not naive enough to think that this is going to go swimmingly through. So far as the House is concerned, it is going to be a long, tough battle. I think we ought to put it up and say that this is the will of the Senate and try to get the House to consider this type of approach to these interminable costs of higher education.

Mr. HOLLINGS. Mr. President, I ask unanimous consent that the name of the distinguished Senator from Tennessee (Mr. BROCK) be added as a cosponsor of the amendment.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. DOMINICK. Mr. President, will the Senator also add my name?

Mr. HOLLINGS. Mr. President, the Senator from Colorado sponsored this measure long before I came here, and I am delighted to ask unanimous consent that his name be added.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HOLLINGS. I ask unanimous consent that the name of the Senator from Indiana (Mr. BAYH) also be added as a cosponsor.

The PRESIDING OFFICER. Without objection, it is so ordered.

The time of the Senator has expired.

The Senator from Louisiana has 30 minutes.

Mr. JORDAN of North Carolina. Mr. President, will the Senator yield me 1 minute?

Mr. LONG. I yield 1 minute to the Senator.

Mr. JORDAN of North Carolina. This does not preclude a private college at all, does it? It is the same for any institution?

Mr. HOLLINGS. The same for any institution. It takes care of the private instituton.

Mr. JORDAN of North Carolina. I thought that was correct.

Mr. HOLLINGS. Yes.

Mr PERCY. Mr. President, will the Senator from Louisiana yield me 2 minutes?

Mr. LONG. I yield 2 minutes to the Senator.

Mr. PERCY. Mr. President, I will have to oppose this amendment, and I am sorry that I must, because I am a cosponsor of the bill.

I think we have to do much more to help middle-income people educate their children, particularly those who have two or three children in institutions of higher education at one time. But I feel that the cost—$2.2 billion—simply cannot be afforded at this time. I feel that hearings should be held.

I think that a proposal as worthy as this one does deserve full hearings. But I believe there are alternative possibilities. One is the possibility of creating a tax deferral program to relieve the costs of higher education, and I am preparing legislation along this line.

It is not because I do not recognize the problem that the distinguished Senator is trying to solve. It is a very real and pressing problem, but I do not think we can afford so much money for it at this time. Particularly, I am not prepared to vote on this amendment because I think the subject matter is deserving of the fullest possible hearings and these have not been held.

Mr. HANSEN. Mr. President, will the Senator yield?

Mr. LONG. How much time does the Senator desire?

Mr. HANSEN. Three minutes.

Mr. LONG. I yield 3 minutes to the Senator.

Mr. HANSEN. Mr. President, I find myself in the unique position of having to oppose a measure in which I have found much merit over the past several years. As the distinguished Senator from Colorado knows, I was a cosponsor with him of his amendment which would have afforded some much-needed relief for the parents of youngsters going to colleges and universities. I still think this is a good bill, but it is a good bill at the wrong time, at a bad time.

The whole thrust of this effort that has resulted in the tax proposal package before the Senate has had several ideas in mind: No. 1, to try to stimulate the kind of business activity from which would develop jobs. I think it is going to be pretty difficult for anyone to relate the direct relationship that this kind of tax relief can have to the development of jobs.

I point out to my colleagues, as has already been done, that this is not an inexpensive measure. It will cost $2.2 billion, according to the latest Treasury estimates.

I would further remind my colleagues that, according to the running account that has been kept by the senior Senator from Utah, we have already added to the Treasury costs, in amendments that have been approved by the Senate, $2.6 billion. So that if this amendment were adopted, we would have a combined additional Treasury obligation of $4.8 billion.

This is a good bill. It is a good bill, but this is not the time for it. It is not the time for it for a number of reasons. The benefits of this proposal will not flow to all taxpayers with income below $25,000 but only to those who have children attending a college, university, or training school. To provide $2.2 billion of specific tax relief for a limited group of individual taxpayers will do nothing to provide needed support for colleges, universities, and vocational training schools. If funds were available, this same amount of direct aid could go a long way toward alleviating many of the problems facing our educational institutions and under the aid approach, no specific group of taxpayers would receive a disproportionate benefit.

Furthermore, the proposed credit will not be of much assistance to low-income families. In order to receive the maximum credit of $325 a family would have to expend $1,500 in addition to any scholarships or veterans' benefits available to the child and, obviously, few low-income families are in a position to expend this amount.

On the other hand, families whose incomes approach the $25,000 limit will no doubt incur tuition expenses in excess of $1,500 in any event and a credit of $325 will have no bearing on whether their children attend college.

In view of the high revenue cost of this proposal and the fact that it provides tax relief principally benefiting taxpayers with children in college and whose incomes approach $25,000, while doing nothing to expand opportunities for higher education in general, the amendment should not be accepted.

I would point out that we have made available for this year $7.5 billion in support of higher education. As has been stated, Congress now has before it a proposal to make grants to students who want to attend colleges and universities in this country. It seems to me that this is not the way to extend further aid for an additional number of objectives, so as to enable young people to continue their education beyond the high school level.

I regret that I shall be obliged to vote "nay" on a proposal that I think would have much merit at some other time.

Mr. LONG. Mr. President, I yield myself 2 minutes.

It would seem to me that it would be far more equitable to provide a tax deferral for persons who go to college rather than to provide a special tax benefit. The reason I say that is that colleges are very heavily subsidized both by the States making direct contributions to them and by Congress providing deductions for anyone who makes a contribution to a university by making charitable or educational gifts.

There are all sorts of laws that subsidize universities, directly or indirectly. The result of this amendment would be to further subsidize universities.

As I understand, we start by giving a 75-percent tax credit on the first $200 of expenses, then 25 percent on the next $300, and finally 10 percent on the next $1,000, making a total credit of $325.

My recollection is that Louisiana State University, which I attended, does not have tuition as high as $200. So the university would immediately raise the tuition to $200, at little cost to the student or his parents because of the 75-percent tax credit. In many instances, it is not the student who gets the benefit, so it is not a sensible way to use the money to assist education. It makes no difference to the youngsters anyway, if their families are able to put up the money for them to go to college.

After we get through subsidizing, we tax the benefits that already exist. For the most part, it is the sons and daughters of the affluent who go to college. After they have finished college, they become professional people—doctors, lawyers, and the like—and they have a better income in later life than others. This makes one ask, Why should the working people, whose sons and daughters will never go to college, have to pay taxes all their lives so that others can obtain a better advantage?

Then, as usually is the case with those who enjoy a tax benefit and are subsidized in order to go to college, when they graduate, they usually take advantage of the H.R. 10 benefits, the self-employment provision, which allows them to defer paying taxes on money set aside for retirement, even though they are making as large amounts as $50,000 or $75,000 a year. We just finished one amendment which I could not vote for because it had not been thoroughly considered and that was to subsidize the poor. In general terms, insofar as we look at classes of people, that is the effect of what it will do and who would get the advantage. So that first we hit from the left and then we hit from the right. First, we have the case of the poor and then someone proposes to take care of the sons of the affluent. I would think that if we want to load this thing on the bill, we should go back and reconsider the first Hollings amendment where he wanted to give things to the poor rather than where we now want to give it to those who are better off.

I would say to my friends who voted against the first Hollings amendment that we voted not to help the poor but now we turn around and are asked to vote for the welfare of sons of the affluent.

Now, of course, I know that is not the entire case but, generally speaking, to benefit from this, the money has to be available to the parents to send their child to school. If they do not have the money to send their youngster to a school, then the tax benefit is not going to do much good. A private school costs about $3,000 a year for one child, and if the parents do not have the money to send him, a $325 tax credit is not going to do very much good anyway.

So, Mr. President, I would think that there are better ways of doing this, ways that would have more justice and tax equity. I believe that a deferral proposal would be more fair. Those who benefit from all sorts of tax subsidies to give their children an education would be making more money in later life and therefore, better able to pay than those who cannot go to college.

This amendment should have a lower priority than those that would benefit all the taxpayers or those that would benefit the poor. So I hope, Mr. President, that this amendment will not be added to the bill.

The committee was given no opportunity at all to consider this proposition, even though the original sponsor, Senator RIBICOFF, is a member of the committee.

We had no chance to consider this proposition, or the alternatives to it. It was not even offered in committee. So there was no opportunity to conduct hearings, to consider the alternatives, or anything along that line.

I hope that the amendment will not be agreed to.

Mr. BUCKLEY. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield 2 minutes to the Senator from New York.

The PRESIDING OFFICER. (Mr. EAGLETON). The Senator from New York is recognized for 2 minutes.

Mr. BUCKLEY. Mr. President, I believe that this approach to relief from the heavy cost of higher education is undoubtedly a most correct one and a most balanced one, but I cannot see how the Senate, in good conscience, at this time, can suggest further ways to increase our deficit by $2.2 billion without, at the same time, pointing to areas where we can cut back existing costs by an equivalent amount.

So, although I am wholeheartedly in sympathy with the approach of the amendment, and although I hope that it will be pursued with adequate hearings, I trust that it will be pursued in the context of the educational package where we can shift some of the Federal grants under current programs and chain them down; so that we can give this type of relief to people who, especially in the middle-income brackets, are hardest hit to educate their children; so that we can continue to help parents help their children without, at the same time, having a Federal budget get so topheavy that we will spur the present inflationary pressures to a point where all these deductions and additions will prove meaningless in the long run.

Mr. President, because there is no indication that we will be saving somewhere in the neighborhood of $2.2 billion, I must, at this time, state that I will vote against the pending amendment.

Mr. GRIFFIN. Mr. President, I wish to associate myself with the remarks just made by the distinguished junior Senator from New York. I have been a cosponsor of this tax credit proposal for a number of years. I favor the objective of the amendment now before us. But how can I responsibly vote for it under the circumstances which now confront us?

Two of the young people in my own family are now in college. So, I am very conscious of what the proposal means. But this is the wrong way and the wrong time to legislate with respect to a measure that will cost the Treasury so much. The question at the moment is one of priorities. We should confine our consideration as closely as possible to the tax package that was considered and reported by the Finance Committee.

Then I would hope and urge that the Finance Committee would proceed to hold hearings on this college tax credit proposal—of which I am a cosponsor—and try to find a responsible way to report it favorably, taking into account its impact upon the Treasury.

Mr. BENNETT. Mr. President, will the Senator from Louisiana yield?

Mr. LONG. I yield 3 minutes to the Senator from Utah.

The PRESIDING OFFICER. The Senator from Utah is recognized for 3 minutes.

Mr. BENNETT. Mr. President, this matter has had careful study by a number of prestigious panels which have been studying the problem of higher education. President Nixon's task force on education, President Johnson's task force on education, the Carnegie Commission on Higher Education, the Association of American Universities, and the American Council on Education, have all recommended, if not recommended against this, have all indicated that they think this is not the right way to solve the problem.

I would be inclined to agree with them. This is a scatter gun approach. It would provide tax relief for the man who has $1 million to send his child to college. It provides no tax relief for the man who cannot raise the $1,500 to send his child to college. It is one of these things that, to me, seems worthy on the surface. No one can quarrel with its objective. But it really does not provide a fair and equitable solution to the problem.

As has been pointed out, it will help those in the middle brackets and provide no help at all for those with lower incomes that cannot spend enough money to justify the tax credit.

In view of the fact that there is a bill waiting to go to conference, a bill that this committee passed last August, a bill that had very extensive hearings and that has been studied very carefully, I think we would do well to have a chance to look at the results of that conference rather than to try to take this quick and not thought-through solution to the problem.

Therefore, I hope the Senate will stand with the committee and not add his amendment to the bill.

Mr. LONG. Mr. President, I yield 1 minute to the Senator from New Hampshire.

Mr. COTTON. Mr. President, I say to the Senator from Utah that I cosponsored and voted for a measure similar to this several times in years gone by. The situation is somewhat different now. As a matter of fact, the Senator from Washington and others who serve with me on the Appropriations Subcommittee on HEW are well aware that we are now, with authorization from Congress, giving more and more money every year in the form of scholarships to aid needy students and students from poor families. So, at the present time, we have spent a great deal of money. Perhaps in time to come we can do this again.

Although I agree that it is a scatter shot approach and helps the rich as well as the poor, at this time I am constrained to vote against it, even though I have sponsored such legislation in the past.

Mr. HOLLINGS. Mr. President, would the chairman of the committee yield me 2 minutes?

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I did not realize that there would be so much interest from my colleagues in this matter. I have a difficult enough time following this group that wants to help those who want to go to college and say they try to do that when they voted against the amendment. Now they say that this would help the millionaires.

That is quite inaccurate, for the total amount of credit allowed under subsecion (a) which shall be granted to the taxpayer, is reduced by 1 percent of the amount his income exceeds $25,000.

Second, this measure has been studied and has passed the Senate twice. When we talk about the fact that now is not the time, that no one on the Finance Committee proposed any of these things, I must ask when any Members of the Senate get a chance to propose anything. I am not a Member of the House. I am not on the House Ways and Means Committee. I am a Member of the Senate. I am not on the Senate Finance Committee.

The measure has been heard and considered and found to be a very fine and salutary approach to the matter of education.

It is not the automobile excise tax. It is not the accelerated depreciation. It is not a matter of machinery. It is not something that goes to the corporations that go overseas. It is something that is going to the average American, the man who is making this country work.

That is what it means. The measure has passed the Senate before. Now is the time to do this. We are two times late. The Senate has acted on this matter two times already.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time has expired. The question is on agreeing to the amendment of the Senator from South Carolina. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. COOK (when his name was called). Present.

The legislative clerk resumed and concluded the call of the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), and the Senator from New Mexico (Mr. MONTOYA) are necessarily absent.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) and the Senator from South Dakota (Mr. MCGOVERN) would each vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from Idaho (Mr. JORDAN), the Senator from Oregon (Mr. PACK-

Wood), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from Ohio (Mr. Saxbe) and the Senator from Alaska (Mr. Stevens) are absent on official business.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

On this vote, the Senator from Texas (Mr. Tower) is paired with the Senator from Nebraska (Mr. Curtis).

If present and voting, the Senator from Texas (Mr. Tower) would vote "yea" and the Senator from Nebraska (Mr. Curtis) would vote "nay."

The result was announced—yeas 56, nays 27, as follows:

[No. 336 Leg.]

YEAS—56

Allen
Baker
Bayh
Beall
Bentsen
Bible
Boggs
Brock
Brooke
Burdick
Byrd, W. Va.
Cannon
Case
Chiles
Church
Cranston
Dominick
Eagleton
Eastland
Ellender
Fong
Fulbright
Gambrell
Goldwater
Gravel
Harris
Hart
Hatfield
Hollings
Inouye
Jordan, N.C.
Magnuson
Mansfield
Mathias
McIntyre
Metcalf
Mondale
Moss
Nelson
Pastore
Pearson
Proxmire
Randolph
Ribicoff
Schweiker
Sparkman
Spong
Stafford
Stennis
Stevenson
Symington
Taft
Thurmond
Tunney
Weicker
Williams

NAYS—27

Aiken
Anderson
Bellmon
Bennett
Buckley
Byrd, Va.
Cooper
Cotton
Dole
Ervin
Fannin
Griffin
Gurney
Hansen
Hruska
Javits
Kennedy
Long
McGee
Miller
Muskie
Pell
Percy
Roth
Scott
Smith
Young

ANSWERED PRESENT—1

Cook

NOT VOTING—16

Allott
Curtis
Hartke
Hughes
Humphrey
Jackson
Jordan, Idaho
McClellan
McGovern
Montoya
Mundt
Packwood
Saxbe
Stevens
Talmadge
Tower

So Mr. Hollings' amendment (No. 653) was agreed to.

Mr. HOLLINGS. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

Mr. DOMINICK. Mr. President, I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the Chair lays before the Senate the amendment of the Senator from Indiana (Mr. Bayh) for himself and other Senators, which the clerk will read.

The legislative clerk read the amendment, as follows:

On page 36, lines 11 and 12, strike out the words "not more than 20 percent (rounded to the nearest half year) of such life." and in lieu thereof insert the following: "not more than 5 percent (rounded to the nearest half year) of such life. There shall be allowed a credit of $25 to an individual ($50 in the case of a married couple filing a joint return) against the tax imposed by this chapter for the taxable year ending before January 1, 1972, and beginning after December 31, 1970, except that such credit shall not exceed the amount of the tax imposed by this chapter for such taxable year reduced by the sum of the credits allowable under section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and section 38 (relating to investment in certain depreciable property)."

The PRESIDING OFFICER. The time is controlled. Who yields time?

Mr. BAYH. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

PRIVILEGE OF THE FLOOR

Mr. BAYH. Mr. President, I ask unanimous consent that my staff assistant, Mr. J. Berman, may stay with me on the floor through the vote.

The PRESIDING OFFICER. Without objection, it is so ordered.

May we have order? Will Senators who have conversations that are not on the present subject please take them elsewhere? Will Senators please take their seats? Will all staff employees not connected with the pending business please leave the Chamber?

Until that happens, the Senator will suspend.

May we have order in the Chamber, please?

The Senator from Indiana may proceed.

Mr. BAYH. Mr. President, pursuant to the unanimous consent agreement, there is a half-hour's limit on each side on the amendment offered by myself and the Senator from South Carolina (Mr. Hollings). I do not know whether it will be necessary to take that much of the Senate's time in view of the similarities between this amendment and the one which was offered on Friday and failed by two votes.

Specifically, our amendment would provide a $25 tax credit for each taxpayer, retroactive to January of this year, and thus applicable to this year's taxes. It would permit a $50 credit for a joint return.

It should be pointed out that this is a 1-year revenue loss only.

I have discussed this measure at some length with the chairman of the committee. He has been very patient. I apologize for taking so much of his time the last 3 or 4 days, when he has been involved in a number of matters.

A number of persons have asked, "Why don't you propose only the credit?"

Why did you bring in the second part of your amendment, which involves decreasing ADR?

This is an effort to be fiscally responsible. If we are going to give our taxpayers a break of $25 per individual and $50 per joint return, we have to have something to pay for it. I suppose we would have a better chance of passing the tax credit alone without tying it to ADR, because I know of Senators, on the other side particularly, who will vote against this amendment because it is tied to the ADR.

The amendment of the Senator from Indiana and the Senator from South Carolina that failed by 2 votes on Friday would have abolished ADR completely. I must admit that I feel this is the wisest approach. However, in an effort to accommodate those who feel there is a place for the accelerated depreciation, we have cut the range from 20 percent under the present bill to 5 percent. Thus, this matter will be thrashed out in the conference committee between the House and the Senate.

I feel we have to pay, in the long run, for the little goodies we are passing on to our constituents. Cutting ADR from 20 percent to 5 percent would provide a $500 million saving the first year, a $1.2 billion saving the second year, a $1.6 billion saving the third year, a $2 billion saving the fourth year, and a $2.5 billion saving the fifth year.

Thus, with reference to the tax credit that we propose be applicable to this year's tax return, which costs about $2.4 billion, cutting ADR would save a $7.8 billion drain on the economy in tax revenues. So we have a net revenue gain.

Mr. LONG. Mr. President, will the Senator yield?

Mr. BAYH. I yield.

Mr. LONG. As I understand it, if we were to assume that the investment tax credit together with the other measures being put into this bill are successful in getting this country moving again and, after about a year, we have full employment and we do not need any more stimulus in terms of additional accelerated depreciation or additional spending power to be passed through, is it true that this proposal would be a big revenue saver and that over a 10-year period we would save about $8 billion?

Assume for the sake of argument that, with the investment tax credit, the realinement of currencies for trade purposes, the various tax benefits that are elsewhere in the bill, plus the stabilization program, we are going to get the country moving again and that we are then able to achieve full employment. In that event, it would be a big revenue saver in the long run.

Is that correct?

Mr. BAYH. That is right, plus the fact that we would provide the stimulus when we need it. We know we have problems right now, and it seems to me the proposal of the Senator from North Carolina, the Senator from Indiana, and some of our other colleagues, has two or three things to recommend it. First of all, it tends to redress the balance of the President's tax plan, which is a bit heavy in giving tax breaks to industry and corporations. This would give a $2.4 billion tax break to the consumer.

Second to recommend it is the timing. As the Senator from Louisiana points out, now is when we need the stimulus. We had the $800 exemption adopted by the Senate, but it does not take effect until the following year. We need help now, and the 1-year benefit provided in our amendment would apply to this year's tax and would be available next year to spend and help stimulate the economy.

Next year, if we need some stimulus, we can make that determination then.

Mr. LONG. If we do not need it, then it helps balance the budget.

Mr. BAYH. That is right. It helps balance the budget and probably it will help pay for more of the goodies we have put in this bill.

Mr. LONG. Meanwhile, if we want to go ahead with the construction of roads and public projects and pollution control programs and others we would like to spend some money for, and do it a year from now, the money would be available for that. Is that correct?

Mr. BAYH. That is right. We would make that determination then.

Mr. HOLLINGS. Mr. President, I yield myself 2 minutes.

Mr. President, I think the RECORD should show, in trying to find the clue to President Nixon's budget message here, that he has sought the counsel of Democratic economists as well as Republicans. I put in the RECORD, during the debate earlier today on the other amendment, the article by Walter Heller in the Washington Post of yesterday. I know Dr. Heller, of the University of Minnesota, has been called in by President Nixon and his advisers, and all have had differing views to express.

We need to get the economy moving and still not waste tax moneys down the line, because this country is in need of tax revenue. We need to get back to the environment, the highways, the housing, the urban areas, the rural areas, and everything else. What this article pointed up in my mind was that he said:

> Yes, do away with the accelerated depreciation, but go ahead with the investment credit, and then spur it on by an increase in consumerism.

My distinguished colleague has been opposing amendments as fiscally irresponsible, including one we have now passed to provide for $2.2 billion in tax credits for tuition.

We can balance that off by the $8 billion saved. After all, this is not a budget balancing bill. The President, on August 15, did not come by and say, "Look, fellows, we have got a $23 billion deficit, and we are going to start balancing the budget." He said:

> We have got a stagnant economy, and we are about to devalue the dollar, and the American industrial machine is going down the drain. It must be saved. The question is how to do it as quickly, as promptly, and as fiscally soundly as we can.

This can be distinguished from the amendment lost by a vote of two on Friday by the fact that there we did away with the entire depreciation allowance. This one has an allowance of only 5 percent, which is considered fiscally sound by all the economists, and it meets a dual need: It puts $25 or $50 credit back to a couple and helps bring about consumerism, which is the best way to profits in America, and at the same time, over a 10-year period, saves some $8 billion in revenue.

The PRESIDING OFFICER. Who yields time?

Mr. LONG. Mr. President, I intend to vote for the amendment, so I yield the time in opposition to the distinguished Senator from Utah (Mr. BENNETT).

Mr. BENNETT. Mr. President, here we go again. The blow is not quite so heavy as it was on the last go around, but we are again being asked to believe something that is not true, in order to make this particular approach seem reasonable.

The thing we are being asked to believe is that the tax situation today, and in the bill as it came from the committee, is heavily loaded in favor of corporations and against the individual, and that it is necessary to redress that imbalance.

Taking the 1969 Tax Act and this bill, as it came from the committee, and projecting forward for 10 years, over that 10-year period, cumulatively, individual taxes would be reduced $157 billion, an average of about $16 billion a year.

The tax on corporations, leaving ADR at 20 percent over that 10-year period, would be cut by only $10 billion. So the tax cuts for individuals, under existing law and the bill as it came from the committee, are 15 times the tax cuts for corporations.

Under the Senator's amendment the $10 billion tax relief that would be provided for business over 10 years would be turned into a tax increase. Instead of receiving relief of $10 billion, corporations would have an increase in tax of $15 billion. How anyone can say that it is necessary to make this kind of a change in order to equalize cuts between business and individuals is more than I can understand, in the face of these figures.

I can understand the real argument of my friends who are the sponsors of this amendment. They do not like business to have any tax relief. They say, "Give it to the individual, and he will get out and spend it, and then, by a kind of trickle-up theory, suddenly business will be good."

On this, let me first say that already we have added, over the next 10 years, by actions on the floor of the Senate, an additional $41 billion of tax relief to individuals. So we are now up to $198 billion relief for individuals. This has been done in the name of equalizing the benefits to individuals with those provided to corporations. As I have shown, if this amendment passes, we will in fact have taken away the small tax benefits that corporations would have had under present law and the bill and turned it into an additional tax burden.

Second, I realize that many of my colleagues in the Senate have never been a part of the business system. They do not recognize what it takes to provide a job. It is easy to understand how they can think that business should somehow take care of itself and jobs should grow on trees. But that is not the way it is done. You can tax American business to the point where, facing the competition that comes from overseas, the companies will not be able to keep themselves operating, and the number of jobs will continue to shrink.

This whole bill started with the idea that we had to rearrange our tax priorities so that we could make American business more competitive, so that it could employ Americans. The ADR is one of the devices designed to do this. As I showed in the debate last Friday, even with the full ADR, American business is still in a worse position than its competitors in other countries when it comes to acquiring the new equipment which is needed to increase productivity and the competitive position of American business. Without the ADR, and with the 7-percent credit, the cost of capital in the United States in effect would be reduced by tax benefits from 100 down to 90.15. This amendment would further reduce it a tiny bit, perhaps from 90 down to 89.5.

But this must be compared with the effect the tax benefits provided by other countries have on the cost of capital there. In Great Britain, tax benefits reduce the cost of capital from $100 to $79; in Japan it is $81, in Italy $18, and West Germany $82. In other words, in all these countries, there are substantially more attractive climates for investment than exist in the United States. The ADR is a device by which we can make investment in American industry and American jobs more attractive. It has a very substantial long-range value in making U.S. industry more competitive in world markets.

And it has a long term, permanent effect upon the job producing capacity of American industry. If ADR is largely eliminated, as the Senator proposes, there will be a serious decline in that capacity and in the ability of American industry to provide the level of jobs to Americans that is desirable.

I yield to the Senator from Virginia.

Mr. BYRD of Virginia. Could the Senator from Utah inform the Senate as to what the net reduction of the revenue would be for fiscal 1972 if the amendment of the Senator from Indiana is adopted?

Mr. BENNETT. It is my understanding that the amendment of the Senator from Indiana does not affect 1972. It is a one-shot deal. It would cost about $2.4 billion for calendar 1971, and it would give relief to taxpayers, many of whom have already paid most of their taxes.

Mr. BYRD of Virginia. Not fiscal 1971.

Mr. BENNETT. Calendar 1971.

Mr. BYRD of Virginia. That brings me to fiscal 1972. It would have an effect on fiscal 1972?

Mr. BENNETT. The net loss from the amendment in fiscal 1972 would be approximately $1.7 billion.

Mr. BYRD of Virginia. $1.7 billion in fiscal 1972.

Mr. BENNETT. That is correct.

Mr. BYRD of Virginia. What would the loss be in fiscal 1973?

Mr. BENNETT. Since this is a one-shot deal, it would not produce a loss in fiscal 1973.

Mr. BYRD of Virginia. But for fiscal 1972, it would be $1.7 billion?

Mr. BENNETT. That is my understanding.

Mr. BYRD of Virginia. I thank the Senator.

Mr. BAYH. The whole purpose of this is to be just a one-shot deal—if all these things work, and the economy is supposed to be booming a year from now we will not need more stimulus. We need this now, and that is why we confine it to 1 year.

Mr. BENNETT. I would point out that as a stimulus it probably will not be felt until the middle of 1972, because the people will not get the effect of the savings in their tax until they file their tax returns and the Government processes their returns and then sends out the refunds. It will not put any more money into anybody's pocket in calendar year 1971.

Mr. BAYH. I am advised by the committee staff that anybody who claims a refund can get this money beginning in January and can start spending it right away, and that is when we need it. Nobody knows what the future holds, but we know the present, and the present is is not as good as we would like it nor as good as the President would like it. That is why we feel this additional buying power is needed. Nobody can guarantee that it is going to be spent. But we are taking out of the pocket of the taxpayer an additional social security tax, and this $25 and $50 will help fill that gap, so that buying power will stay about where it is.

Mr. BENNETT. As was pointed out this morning, there is already a substantial upturn in retail sales. The program that has been aimed at that goal is beginning to operate.

I cannot believe that it is sound to provide another $2.5 billion worth of relief in amounts which would mean very little to each individual taxpayer but which, added together, would mean approximately a $2.5 billion revenue loss to the Federal Government.

I cannot see that as a successful stimulus, and certainly not if it is provided at the cost of taking away from American business in the future its opportunity to increase its capacity to provide jobs for the American people.

Mr. LONG. Mr. President, will the Senator yield me 3 minutes?

Mr. BAYH. I yield.

Mr. LONG. Mr. President, a study has been made by the Brookings Institution to show what income tax as a percentage of full employment Gross National Product would be, and this relates to the changes that have been made in the tax law. The Brookings study takes into account something that the Senator from Utah has not considered, and that is the fact that as incomes rise, individuals pay a higher proportion of their income in taxes because they move into steeper income tax brackets, while the same is not true of corporations, because corporations are confronted with a flat tax which is not a graduated tax.

Therefore, if you look at what happens when we have a full employment Gross National Product—and that is what the administration wants to base its budget on, and does—you find that, based on the laws we had in 1961, individuals were paying 8.6 percent of Gross National Product in taxes, and corporations were paying 4.6 percent.

If you look at how it will be in 1972 under the House bill, individuals will be paying 8.6 percent, and corporations will be paying 3.6 percent. In other words, individuals will be paying about the same, while corporations will have had a cut of about 20 percent, if you look at what their taxes would be as a percentage of a full employment gross national product.

Mr. President, I ask unanimous consent that this chart, prepared for me by the staff, be printed at this point in the RECORD.

There being no objection, the chart was ordered to be printed in the RECORD, as follows:

INCOME TAX AS A PERCENT OF FULL EMPLOYMENT GNP

| | Individual | Corporate | Total |
|---|---|---|---|
| 1961 | 8.7 | 4.6 | 20.4 |
| 1970 | 9.2 | 4.3 | 20.5 |
| 1972 (House bill) | 8.6 | 3.6 | 20.0 |

Source: Compiled from data supplied by Brookings Institution.

Mr. LONG. So, as a practical matter, if you want to take into account what has happened since 1969—and that is going back a bit before the point the Senator had in mind—you include the Tax Reform Act and include the items that happened since that time; and by far the best benefit has gone to the corporations, because individuals, because of higher money incomes due in part to inflation have had higher taxes imposed, by virtue of the graduated income tax, which causes them to pay more tax as their dollar earnings increase.

So, taking that into account, one would find that the bill is loaded in favor of corporations, as against individuals, and the Senator's amendment would move in the direction of correcting some of that differential.

Furthermore—I should like the attention of the Senator from Indiana—the Senator from Utah makes an argument that assumes that everything was just hunkydory and just exactly the way it was supposed to be before we passed the Tax Reform Act of 1969. Some people do not think that. Some people think that there are altogether too many loopholes in the tax laws and that there was a prospect of a taxpayers' revolt, because it was possible for a man to make a million dollars and pay no taxes. Many people felt that after we passed the 1969 Tax Act, the tax burden was the way it should be, rather than before. You can pay your money and take your choice.

Congress did not seem to think that individuals were getting altogether too much the better of it and that corporations altogether too much the worse when Congress passed that Act; because if that had been the thought of Congress, they would not have passed it to begin with.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BAYH. Would not one be hard pressed to explain his vote for the tax reform bill of 1969 unless he thought provisions need to be changed?

Mr. LONG. Fundamental to the argument of the Senator from Utah is that the Tax Reform Act of 1969 should never have been passed, because the fundamental of his argument is that we did altogether too much for individuals and not enough for corporations in that law—that is, so far as the overall sharing of the burden is concerned. So that if one assumes that was a good bill and should have been passed, the entire argument falls.

Even if that is taken into account, look at what has happened and what does happen as people move up the income tax scale. The fact is that since 1961, the burden on individuals at a percentage of gross national product is just about what it was 10 years ago; and for corporations, by the same comparative standard, the burden is about 20-percent less.

Mr. BAYH. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. BAYH. I should like to read one paragraph from page 709 of this document studying this particular act as it was deliberated on in the Senate under the leadership of the distinguished Senator from Louisiana. I think it pretty well sums up his argument about why the type of amendment the Senator from Indiana, the Senator from South Carolina, and the Senator from Oklahoma, and the rest of us are proposing is not extreme—the Senator from Louisiana will recall this, but let me read it to the Senate:

> * * * if account is taken of the progressivity of individual income tax rates and the need to reduce personal taxes as nominal incomes rise—due to real growth or inflation, or both—then the tax cut for individuals under the combination of the 1969 Reform Act and the Ways and Means Committee action is negligible. For individuals, the combined actions return the 1972 relationship between taxes and income to that which held in 1967—before the 1968–70 surtax.

So we are about where we were when we started, despite the concern expressed by the Senator from Utah.

Mr. LONG. Mr. President, the fact is, every time we have put the investment tax credit on, to encourage business to buy more equipment, it has accelerated the economy to the extent that we had to take it off again. That has happened twice. So, against that background, what conceivable basis can there be to say that the investment tax credit is not enough; that we have to provide that much more in accelerated depreciation which actually exceeds the normal depreciation. Look what has happened with the investment tax credit at 7 percent. It has been enough to accelerate the economy and so denude the money markets for the purchase of new plants and equipment not necessarily needed, that we had to repeal it so that somebody else might be able to build a house or an office building. The past experience has been that the investment tax credit has accelerated the economy; so why put the accelerated depreciation into permanent law, since it would lose money on and on into the future, when we already have enough incentive to accelerate the economy based on the experience we have had every time we put the investment credit into operation.

Mr. HARRIS. Mr. President, will the Senator from Indiana yield?

Mr. BAYH. I yield 5 minutes to the Senator from Oklahoma.

The PRESIDING OFFICER (Mr. MCINTYRE). The Senator from Oklahoma is recognized for 5 minutes.

Mr. HARRIS. Mr. President, I want to commend the distinguished Senator from Indiana (Mr. BAYH) for the excellent leadership he has given on this whole question of the asset depreciation range plan of the Nixon administration. I am very much pleased that he has not quit with one or two efforts, and that he is still back here in the Senate trying to do something about repealing the inordinate windfall for business while the average taxpayer is paying more than his fair share of taxes.

May I say also, Mr. President, that since I was a student in college I have been a student of the history of Huey P. Long, late a member of this body. I think that what the distinguished chairman of the Finance Committee has said just now in regard to this whole ADR question is exactly in furtherance of what the late Huey P. Long had to say, that corporations and big business in Louisiana, in his day—and in my day in Oklahoma—around the country, have had too much of a preference in regard to taxes.

The average taxpayer in this country has been educated very well. He knows now, particularly in regard to what is called the Tax Reform Act we passed lately, that he pays much too much tax while a lot of rich people do not pay enough and corporations do not pay enough.

I am pleased to join with the chairman of the committee to redress that. Many Members of the Senate and a lot of politicians generally have not awakened to what is happening in this country.

Henry Howell was just elected Lieutenant Governor of Virginia on a populist government, on his idea that the average working man and woman in this country and the average taxpayer are being treated unfairly.

Rubin Askew, Governor of Florida, had overwhelming approval of a tax plan to tax corporations that he presented to the people of Florida. That would have been considered political suicide, I suppose, in a lot of other States—perhaps even in Florida, 5 or 10 years ago—but Governor Askew found overwhelming approval at the polls for his plan.

In my State of Oklahoma, Governor David Hall, an old classmate of mine in college, was elected Governor of Oklahome as the first Governor of Oklahoma to say that oil companies were not paying their fair share of taxes and also that they were not doing what they should do in regard to pollution.

Many people thought that was political suicide but it was not. As a matter of fact, Governor Hall was elected Governor of our State.

The truth is that the people of this country know that the average working man and woman are paying too much tax. They know that a lot of big corporations and others are not paying their fair share of taxes. Now the Nixon administration comes along and instead of giving relief to the average taxpayer, wants to give relief to the big corporations.

Mr. President, the asset depreciation range plan should be completely eliminated. It is nothing but a windfall on top of another windfall.

The average taxpayer should get a tax reduction. The pending amendment—of which I am pleased to be a cosponsor—would cut down on the ADR windfall to big business and give a much-needed tax break to the working people of this country. There does not seem to be any credible authority that will tell us that the ADR will help to stimulate the economy. What we do hear, however, are many economists telling us that the ADR plan will only result in a gross resource misallocation, will have very little stimulative effect on investment in the short run, will reward firms who have deliberately avoided meeting the existing reserve ratio test, and will remove pressure on inefficient producers to modernize. Since it applies to both old and new equipment, it is a windfall to a considerable extent, and the cost to the Treasury will be over $27 billion by 1980.

There are numerous programs needed in this country in these next years to increase the quality of life, reduce the tax burden on individuals, assure every able-bodied man a job, and improve our environment. Those programs could well use the $27 billion being given to big business by the ADR giveaway. Additionally, those necessary programs will be a direct stimulus to the economy and will directly affect the people who most need a stimulus—the lower and middle income persons who make up the bulk of our population.

The main argument given by the Treasury for the ADR is that it will stimulate investment and thus jobs. I can find absolutely no foundation for this claim. American industry is now using about 73 percent of its plant and equipment. Under such circumstances, businesses will have little reason to increase their purchases of equipment. The uselessness of the ADR as a stimulus is even admitted by those who will be taking full advantage of its benefits. John Roche, chairman of the board of General Motors—a man with whom I am not generally in agreement—said recently:

> It should be understood that most companies of any size determine their purchases of equipment by the needs of the business and not by any short-term tax advantages.

In other words, until business picks up and consumers start buying again, investment is unlikely to make major gains—even with both the investment credit and ADR.

Another administration story has been that we need to adopt the ADR as a means of lowering corporate income taxes, because they are "too high as compared with other industrialized countries." The facts just do not support that contention. U.S. corporate taxes are very much in line with those of our major international competitors—lower, in fact, than Canada, Germany, and France. In addition, most European countries impose a value added tax in addition to a corporate tax.

The Treasury has attempted to get around those facts by presenting a table that purported to show that the cost of capital in the United States is above other countries. But no one tells us how that table was computed, and in fact, reputable economists feel that the table must be based on a wrong conception.

The fact is that we do not know the facts. And since we do not, it seems incongruous to me that we should approve a $27.5 billion tax bonanza to big business. We agonize over every tax reduction to the individual to assure ourselves that we know the exact amount of revenue loss, expected stimulus, and a myriad of other considerations, before we give the little man a break. However, it seems easy and natural for this administration to send us proposals to make the rich richer and expect us to approve them without so much as a professional hearing and examination of valid facts. Well, I will not vote for this giveaway or for any other giveaway. I consider the ADR and the Investment Tax Credit as two proposals that do the same thing—provide more tax breaks to big business at the expense of the workingman. I do not see how any man in this Senate can go home and tell his constituents that he voted a $27.5 billion tax break to big business without knowing what he was voting for or why.

I intend, therefore, to support the Bayh amendment as our best chance to stop, at least in part, what the administration wants to do.

Mr. BENNETT. Mr. President, I yield 5 minutes to the Senator from Arizona.

The PRESIDING OFFICER (Mr. McINTYRE). The Senator from Arizona is recognized for 5 minutes.

Mr. FANNIN. Mr. President, as the Senator from Utah has brought out, we are behind the industrial nations of the world in encouraging job-producing investments if we take all tax benefits into consideration.

We know that when incomes rise, people have jobs. That is what we are trying to do, to get legislation through that will help us compete with the other nations of the world so that we will be in a position to hold jobs in the United States which at present we are not able to do.

Since 1965 we have gone downward so far as the other countries are concerned. Consider for a moment just what has happened to U.S. industry principally as a consequence of the lowest capital recovery tax allowances of any of the principal nations:

First. The United States has the lowest rate of investment in new plant and equipment in relation to GNP of any of the leading industrial nations.

Second. The United States has the highest percentage of overage, obsolete production facilities of any of the leading industrial nations. Sixty percent of all machine tools are obsolete.

Third. The United States in 1970 had a smaller percentage increase in investment in production facilities than Japan or West Germany, our principal competitors in world trade.

Fourth. The United States now ranks 20th—Japan is first—in productivity growth, with less than a 3-percent average annual growth rate of gross domestic product per employee for the period 1959–69. Japan's growth rate was 10 percent, over three times as much.

Our basic tax problem is, of course, that we rely more than any of these other industrial nations on the income tax which puts a premium on inefficiency—on high-cost production. The higher the costs, the lower the tax. Inefficient, marginal companies, losing money with obsolete facilities, are rewarded. They pay no income tax at all.

Foreign nations have been wise enough to discard outworn depreciation accounting concepts and procedures that chain taxpayers to their "historical replacement practices," and to the tax collector's arbitrary guesses about "anticipated useful life." These nations have been well aware for a long time of the unpredictable impact of technological change; and they have been entirely realistic about the absolute necessity of providing tax allowances that will insure the installation of all the industrial facilities they require. Accordingly, nearly all of them adopted some years ago the same kind of conventionalized capital recovery tax system that the President's task force recommended in 1970.

For some time now foreign nations have been giving us a tax lesson in just how capital cost allowances can stimulate productivity at home and exports abroad. In 1970, the President's task force made a diligent effort to get the Government to heed the lesson, but to no avail. Not until the ADR proposal, and the President finally took emergency action in August was there any indication that anyone in Government really understood the tax lesson and the reason we were losing out in world markets. Just 20 months earlier in December 1969, Congress had repealed the 7-percent credit upon its expressed conviction and the prior Treasury Secretary's quite ridiculous representation that inflation could be slowed by discouraging investment in the very facilities that would have reduced costs, increased productivity, and fought inflation in 1970 and 1971.

Understanding this tax lesson has seemed to be completely beyond the competence of those who so bitterly fought the ADR system tooth and nail on every conceivable political and legal ground, no matter how flimsy. They seem to have the mistaken notion that somehow or other U.S. industry will be resourceful and ingenious enough to work miracles of competition even in a straightjacket of inequitable taxation. They simply do not realize that the age of such miracles is over, that we can no longer be complacent and that industry, to a very considerable extent, has run out of capital and the investment momentum provided by the 7-percent credit in the 1960's.

The necessity for economic growth, and even survival, has taught our foreign competitors another lesson—that they can no longer afford to play politics with their tax structures by pitting individuals against business. Even the more Socialist nations have learned that in a ruthlessly competitive world, individuals and business, labor, and management, have a common interest in evolving a tax structure that will assure the requisite private investment for full employment and maximum productivity.

We have a great need for change in this situation so that we can become competitive with other countries. Let us look at what America can do. This has been brought out quite a few times during our debate in the Senate. Look at where our Nation is now. Nine out of 10 home radios are imported. One out of every six new cars sold is a foreign car. That is rapidly increasing. It is now about one out of four. Two out of every five pairs of shoes are imported and one out of every two black and white TV sets.

Hundreds of other import inroads could be cited: 96 percent of our motorcycles, 30 percent of ceramic tile, 90 percent of baseball gloves, 30 percent of bicycles, and 70 percent of tennis racquets are imported

Where are we going? We have seen figures that indicate what is happening. We can talk about textile plants, automobile plants, and other plants. Electronic equipment is a good example. The impact of these imports on our employment has been equally severe in many areas of the country.

Admitting that his statistics were only rough guesses, Andrew J. Biemiller, director of the AFL–CIO's Department of Legislation, estimates that approximately 700,000 American jobs were lost directly as a result of foreign competition between 1966 and 1969 alone.

What is going to correct this? Certainly we know that we must be competitive with the other countries in many other ways. As far as wage rates are concerned, that has not been accomplished even with some of the strides we have made. In fact, we are going the other way, the gap is widening. However, we have an opportunity in this bill to give an opportunity to business and industry to become more competitive, to have at least a chance to make the investments that are so necessary to help them to modernize and be able to provide jobs to American workers.

The countries of Europe and Japan have revealed what they do. The benefits they provide account for the many American companies which are now building companies abroad.

Thus without ADR we were behind every other industrialized nation. Thus without ADR—as modified by the House bill—and the level 7-percent credit proposed by the House, the U.S. figures would be 87.1, placing it behind six nations and ahead of only France, the Netherlands, and Canada. If ADR were not modified, the U.S. figure with a 7-percent credit would be 86.2 which is still higher than six major nations.

Other countries have many tax benefits that far more than offset what would be involved here if we had all the provisions we are talking about in the pending bill. If we take ADR out, we will weaken our position that much more.

We have this opportunity to go forward, if we will do so, and provide American industry with what is needed if it is to even begin to become competitive with foreign industry and to modernize our productive facilities and provide jobs for American workers.

Mr. BENNETT. Mr. President, I yield myself 2 minutes.

The PRESIDING OFFICER. The Senator from Utah is recognized for 2 minutes.

Mr. BENNETT. Mr. President, I am sorry the chairman of the committee left the room, because he made a statement that intrigued me. He indicated that in discussing the anticipated revenue losses from this bill and the 1969 act, I had not told the whole story because I did not go back of the 1969 act.

From 1962 to 1969, when the other party was in control, there were tax reductions every year both for individuals and for corporations.

The tax reductions between 1962 and 1969, inclusive, for individuals were $107 billion. The tax reductions for corporations were $28 billion.

As a result of the 1969 act in 1970, the tax reductions for individuals were seven times greater than the tax reductions for corporations. And for 1971 and 1972 were five times greater.

At no point does the record show that tax reductions for corporations have come anywhere near equal the tax reductions for individuals.

Mr. President, I now yield 7 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 7 minutes.

Mr. PERCY. Mr. President, I thank the distinguished Senator from Utah.

I would like to emphasize that the depreciation provision of this bill is one of the most important to be considered here. It goes back to the basic theory of how we want this country to grow and the fundamental difference between those who believe that all we have to do is to pump in consumer purchasing power, and those who feel that we have to do it systematically, as all other industrialized nations have, by taking into account that adequate incentives must be provided to keep industries efficient by purchasing modern capital equipment.

The very fact that we pump money into the consumer spending stream does not mean that it will benefit American industry. Consumers are quite ready to buy foreign imports. As, relatively, our tax laws do not take into account the need to provide incentives for capital investment, and other countries have provided those incentives year after year, American industry has been getting older. Our equipment is becoming outdated. Our steel industry has been grinding down and becoming obsolete. The industries of other countries have been becoming much more efficient.

Consumers in the American economy are free to buy where they want. And they have increasingly been buying from abroad.

That is why we had to take action to impose a surcharge on imports to temporarily restrain imports.

We know that other countries are going to retaliate. They are veterans at finding ways to exclude our products. If we lose this fight, the whole foreign economic policy of our country will have to change. It was a bipartisan policy. We have depended on our trade surplus to carry the cost of our military commitment abroad, and to carry our foreign humanitarian, cultural, and economic assistance programs. If we lose this competitive fight, as we are losing it now, we place our position in the world in danger.

I know it is very popular to be able to say, "I have given the consumer a tax cut or a credit or benefit." But I argue that we are in fact hypocritical if we do not go the next step and say, "I took it away from the very industry that is going to create the jobs for which you will be hired."

We had better find out why we are not creating jobs in America; why steel plants are leaving Indiana, and are being built all over the world, and why we are trimming down steel production in Illinois, Ohio, Pennsylvania, and other States. It is because other governments have provided incentives for capital investment.

We systematically are paying our labor much more. How can we afford to pay our labor so highly, put less and less into capital equipment, and then expect to be able to compete in the world market?

The key to our world economic position has to be our inventiveness; our products have to be better than the products of others. We know that technology is so available that we can get an idea on Monday, and in Japan they are starting to produce that idea on Friday.

I would like to direct the attention of my colleagues to the chart in the back of the Chamber. Since it is rather small we have placed on the desk of each Senator an identical copy of the chart showing the comparative capital costs of manufacturing machinery and equipment as influenced by income tax policies, corporate income tax rates, depreciation allowances, and investment credit, for major industrial countries in 1971. The chart shows the United States in 1970 as 100. What is the capital cost to manufacturing plants in other countries? I suggest that, as businessmen, my colleagues would wonder why they should invest in the United States with its high capital cost of 100, when they can go to the United Kingdom and have a relative cost of 78, or to France with a relative cost of 90, to Japan with a relative cost of 81, Italy 82, Sweden 83, West Germany 83, Belgium 85. Only when we get the Netherlands and Canada do we get to 94 and 97, which approach the cost of capital in the United States.

We well know, as pointed out by Dr. Henry Wallich, when he testified before the Joint Economic Committee on September 21, 1971:

> Prior at least to the introduction of the new depreciation rules, business was underdepreciating its capital investment at a rate of perhaps 15 percent below replacement requirements.

The U.S. schedules, outdated by economic change, had fallen well behind those of our foreign competitors prior to the Treasury's action. The President's Task Force on Business Taxation reported that U.S. rules permitted a cost recovery allowance of only 7.7 percent in the first year, against a first year write-off of 16.5 percent for West Germany, 20 percent for Italy, 21.5 percent for France, 34.5 percent for Japan, and 57.8 percent for the United Kingdom in the period 1967–68. It seemed to me, therefore, that the Treasury's proposed change in the "first year convention" to permit fuller depreciation of assets in the first year was necessary to make U.S. practice more comparable to foreign practice. And, the Treasury's action in shortening guideline lives by 20 percent was a necessary modernization of the schedules to reflect the many economic changes that have occurred during the past decade. I believe, as I testified at Treasury hearings, that these changes are necessary to increase our rate of reinvestment, which was 16.5 percent of GNP in 1967–68, compared with 23 percent in West Germany and 34 percent in Japan in the same period.

As the distinguished Senator from Indiana knows, when I appeared at the U.S. Treasury Department hearings to testify for the Asset Depreciation Range (ADR), the room was very crowded.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PERCY. Mr. President, will the Senator yield to me for 2 additional minutes?

Mr. FANNIN. Mr. President, how much time is remaining?

The PRESIDING OFFICER. The Senator has 4 minutes remaining.

Mr. FANNIN. I yield 2 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I thank the Senator.

As the Senator from Indiana will recall, because he also testified at the hearings, that room was crowded. I know organized labor has taken the position ADR is a windfall to American industry. But it is not looked upon as a gift by most other industrial nations in the world. It is taken into account that the cost of capital equipment is a very major factor in investment, productivity, economic growth, and jobs.

One reason other countries are attracting so much industry is that their laws are more reflective of the productive lines of capital equipment.

I challenged every labor union representative—and every major union was represented—to send their economists to my office and exchange ideas. I have no interest other than to create jobs and make our productive ability the greatest in the world so that we can continue to serve world markets, not just U.S. markets. I have repeated this offer several times to labor leaders and none of them has sent an economist to my office to express their position against ADR. It is called a giveaway, but I think the facts demonstrate that it is the best investment we can make in the American economy.

John F. Kennedy recognized this in 1962 when he offered a revised schedule which at that point helped generate one of the best stimulants we have had to create jobs and better products in America, sold in America and abroad. These are the reasons why I believe this amendment should be rejected.

Mr. HANSEN. Mr. President, will the Senator yield to me for 1 minute?

Mr. FANNIN. I yield.

Mr. HANSEN. Mr. President, I commend the distinguished Senator from Illinois for a very able presentation. I am sorry that the Chamber is not filled so that we might all have had the benefit of his observations.

As a member of the Committee on Finance I have listened to testimony from the chiefs in industry in this country. We had before us the chairman of the board of Zenith, Joseph Wright, the chairman of the board of General Electric, and the chairman of the board of Burlington. Each of them told us what the Senator from Illinois (Mr. PERCY) has said today, as he summarized the flight of industry from this country abroad. It is just that simple.

We can talk about trying to pass out a few crumbs, which this proposal would do, to make people feel good this year. If we want to do that, that is our choice. A far wiser course would be to see that we create jobs that could make it possible for people to work in this country.

Mr. HOLLINGS. Mr. President, will the Senator yield to me for 2 minutes?

Mr. BAYH. I yield 2 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized.

Mr. HOLLINGS. Mr. President, in response to the Senator from Illinois, yes, John F. Kennedy did institute the investment tax credit in 1962, but the former Chairman of the Council of Economic Advisers, Walter Heller, stated only yesterday and prior to that at a hearing with Senators last week that it did not have any effect until the tax cut of 1964 went into effect.

What are the facts? We had an investment tax credit for 7 of 9 years. That is the first fact.

What is the second fact? The second fact is that we have had an accelerated depreciation since January, when the President on January 2 at San Clemente gave a 20-percent depreciation allowance.

What is the third fact? The third fact is that just 3 days ago the New York Times, in an article entitled "Company Profits Up from One Year Ago," reported that third quarter profits of 1,267 nonfinancial corporations rose 11 percent to $7,010,800,000. That is 11 percent higher than the $6 billion and some odd million of the similar 3-month period last year, according to a tabulation by the First National City Bank.

What does the Wall Street Journal say? It says the corporations managed to rebuild cash. That is what they have, a cash problem.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. HOLLINGS. Mr. President, will the Senator yield to me for 1 additional minute.

Mr. BAYH. I yield 1 minute to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, the contest is not between the corporations and labor or who is going to get the most, the corporations or the individual. I would be in favor of giving it to anybody if we can get the economy moving.

I have been there with United States Steel. They had a tax investment credit for the last 10 years, I wish to say to the Senator from Wyoming—$206 million in the last 10 years, and yet they are operating at 73 percent capacity because it has not brought jobs. They do not need increased consumerism. That is what they need, and the very gentleman who put in the investment tax credit says, "Do away with ADR," and this amendment only puts it down to 5 percent, and lets us get some consumerism.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. BAYH. Mr. President, a few of my colleagues requested time, but they are not here.

Let me take this time to reemphasize what my distinguished colleague from South Carolina has said. I ask unanimous consent to put in the RECORD excerpts from the committee hearings, particularly the testimony of Mr. Charles Davenport, at page 745 of the hearings, a former member of the Tax Legislative Council in the U.S. Treasury Department, when he pointed out that the business of the cost of capital that was mentioned by our friend from Illinois really has little relevance to the problem before us.

There being no objection, the extract was ordered to be printed in the RECORD, as follows:

> It is sometimes argued that our depreciation system does not allow adequate capital cost recoveries. In support of this argument the proponents turn to the capital cost allowances of foreign nations. Let me point out that the Western European nation generally considered to have the most vigorous economy, Western Germany, allows somewhat slower recovery than is allowed in this country. On the other hand, the United Kingdom permits the speediest recovery. If we assume some connection between cost recoveries and economic vigor, these data support a constriction of depreciation rather than a liberalization. Or put another way, should we attempt to solve our present economic miseries by emulating the British?

Mr. BAYH. I would take the words of the Senator from Illinois as he quoted them. He talked about how fortunate Great Britain was. He said until we got down to the Netherlands and Canada——

The PRESIDING OFFICER. The time of the Senator has expired. He has 3 minutes more.

Mr. BAYH. I yield myself some time.

Not until we get to them does the cost of capital become comparable.

Interestingly, if we take the cost of capital in Great Britain, it is better than that of any of the other nations on the chart, but none of them would change their rate of growth with Great Britain, which also is the lowest. None of them would change their per capita gross national product.

The two nations on that chart that are closest to the United States in the cost of capital and closest to the United States in gross national product are the Netherlands and Canada.

So to suggest that the figures on that chart relate to productivity and business health is not borne out by the facts.

Our friend from Utah said some of us do not want to help business. I want to help business. That is why I want to see the investment tax credit. I also want to give some help to those who need to spend money next year. Hopefully, the other parts of the program will help the economy and we will not have to continue with the ADR, which is a permanent revenue loser.

The PRESIDING OFFICER. All time has now expired. The question is on agreeing to the amendment of the Senator from Indiana. The yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. RIBICOFF. Mr. President, on this vote I have a live pair with the Senator from Minnesota (Mr. HUMPHREY). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. PASTORE. Mr. President, on this vote I have a live pair with the Senator from Indiana (Mr. HARTKE). If he were present and voting, he would vote "yea." If I were permitted to vote, I would vote "nay." Therefore, I withhold my vote.

Mr. BYRD of West Virginia. I announce that the Senator from Louisiana (Mr. ELLENDER), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), and the Senator from South Dakota (Mr. MCGOVERN), are necessarily absent.

I further announce that the Senator from Georgia (Mr. TALMADGE) is absent on official business.

I further announce that, if present and voting, the Senator from Washington (Mr. JACKSON) would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from Oregon (Mr. PACKWOOD) and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

Also the Senator from Massachusetts (Mr. BROOKE) and the Senator from New York (Mr. JAVITS) are necessarily absent.

If present and voting, the Senator from Colorado (Mr. ALLOTT), the Senator from Massachusetts (Mr. BROOKE), the Senator from Nebraska (Mr. CURTIS), the Senator from South Dakota (Mr. MUNDT), and the Senator from Texas (Mr. TOWER) would each vote "nay."

The result was announced—yeas 39, nays 40, as follows:

[No. 337 Leg.]

YEAS—39

Bayh
Bentsen
Bible
Burdick
Byrd, W. Va.
Cannon
Case
Chiles
Church
Cranston
Eagleton
Fulbright
Gambrell
Gravel
Harris
Hart
Hollings
Inouye
Kennedy
Long
Magnuson
Mansfield
McGee
McIntyre
Metcalf
Mondale
Moss
Muskie
Nelson
Pell
Proxmire
Randolph
Sparkman
Spong
Stennis
Stevenson
Symington
Tunney
Williams

NAYS—40

Aiken
Allen
Anderson
Baker
Beall
Bellmon
Bennett
Boggs
Brock
Buckley
Byrd, Va.
Cook
Cooper
Cotton
Dole
Dominick
Eastland
Ervin
Fannin
Fong
Goldwater
Griffin
Gurney
Hansen
Hatfield
Hruska
Jordan, N.C.
Mathias
Miller
Pearson
Percy
Roth
Schweiker
Scott
Smith
Stafford
Taft
Thurmond
Weicker
Young

PRESENT AND GIVING LIVE PAIRS, AS PREVIOUSLY RECORDED—2

Pastore, against.
Ribicoff, against.

NOT VOTING—19

Allott
Brooke
Curtis
Ellender
Hartke
Hughes
Humphrey
Jackson
Javits
Jordan, Idaho
McClellan
McGovern
Montoya
Mundt
Packwood
Saxbe
Stevens
Talmadge
Tower

So Mr. BAYH's amendment was rejected.

Mr. BENNETT. Mr. President, I move to reconsider the vote by which the amendment was rejected.

Mr. HANSEN. I move to lay that motion on the table.

Mr. BAYH. I ask for the yeas and nays.

Mr. BENNETT. Mr. President, I withdraw my motion.

Mr. FULBRIGHT. Mr. President, I object. It requires unanimous consent to withdraw his motion.

The PRESIDING OFFICER. It takes unanimous consent to withdraw the motion.

The yeas and nays were not ordered.

Mr. BAYH. Mr. President, I ask for the yeas and nays. It is a matter that is very critical. There is a one-vote difference.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. MILLER. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. MILLER. Are we voting on the motion to table or the motion to reconsider?

The PRESIDING OFFICER. The motion to table the motion to reconsider.

Mr. LONG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The second assistant legislative clerk proceeded to call the roll.

Mr. HANSEN. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. No inquiries are in order while the quorum call is in progress.

The second assistant legislative clerk resumed the call of the roll.

Mr. BAYH. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BAYH. Mr. President, I ask unanimous consent that my request for a rollcall vote be retracted.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

The question is on the motion to table (putting the question).

The motion was agreed to.

Mr. MILLER. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The legislative clerk proceeded to read the amendment.

Mr. MILLER. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered; and, without objection, the amendment will be printed in the Record.

The amendment is as follows:

On page 41, line 11, insert the following:

(d) Credits Against Tax.—

(1) Subpart A of part IV of subchapter A of chapter 1 (relating to credits allowable against tax) is amended by inserting after section 41 the following new section:

"Sec. 42. Credit for Personal Exemption.

"(a) Allowance of Credit.—There shall be allowed as a credit against the tax imposed by this chapter the amount of $25 for each personal exemption for which a deduction is allowable under section 151.

"(b) Limitation on Amount of Credit.—The credit allowed by subsection (a) shall not exceed the amount of the tax imposed by this chapter for the taxable year, reduced by the sum of the credits allowable under section 32(2) (relating to tax withheld at source on tax-free covenant bonds), section 33 (relating to foreign tax credit), section 35 (relating to partially tax-exempt interest), section 37 (relating to retirement income), and 40 (relating to credit for expenses of work incentive programs).

"(c) Limitation on Deductions.—For years to which this section applies, the amount of the deduction allowable under section 151 shall not exceed $675 for each personal exemption."

(2) The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by adding at the end thereof the following:

"Sec. 42. Credit for personal exemption."

(3) Section 46(a)(3) (relating to definition of liability for tax) is amended by striking out "and" at the end of subparagraph (B), by striking out the period at the end of subparagraph (C) and inserting in lieu thereof ", and", and by adding after subparagraph (C) the following new subparagraph:

"(D) section 42 (relating to personal exemptions)."

(4) Section 56(a)(2)(A) (relating to minimum tax for tax preferences) is amended by striking out "and" at the end of clause (ii), by striking out "; and" at the end of clause (iii) and inserting in lieu thereof ", and", and by adding after clause (iii) the following new clause:

"(iv) section 42 (relating to personal exemptions); and".

(5) Section 154 (relating to cross references) is amended by adding after paragraph (4) the following new paragraph:

"(5) For credit against tax for personal exemptions, see section 42."

(6) Section 443(c) (relating to adjustment in deduction for personal exemption) is amended—

(A) by striking out "Deduction" in the heading and inserting in lieu thereof "Deduction or Credit"; and

(B) by striking out "deduction in lieu thereof)" and inserting in lieu thereof "deduction in lieu thereof) or credit under section 42".

(7) The amendments made by this subsection shall apply to taxable years beginning after December 31, 1971.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield?

Mr. MILLER. I yield.

Mr. BYRD of West Virginia. Mr. President, following the disposition of the pending amendment by Mr. Miller, there will be one more amendment—to be offered by the Senator from Oklahoma (Mr. Harris)—to be acted on tonight. I have discussed the two amendments with the authors thereof and the able manager of the bill.

I, therefore, ask unanimous consent that the time on the amendment by the Senator from Iowa (Mr. Miller) be reduced; that there be a limitation on the amendment of 20 minutes, to be equally divided between the mover of the amendment and the manager of the bill; that the time on the amendment by the Senator from Oklahoma (Mr. Harris) be likewise reduced to a total of 20 minutes, to be equally divided between the mover of the amendment and the manager of the bill; that, regarding both the Miller and Harris amendments, the time on any amendments in the second degree, motions, or appeals—with the exception of nondebatable motions—be limited to not to exceed 10 minutes on any such, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MILLER. Mr. President, may we have order in the Senate?

The PRESIDING OFFICER. The Senate will be in order.

Mr. MILLER. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

Mr. PASTORE. Mr. President, can we find out what the amendment is about?

Mr. MILLER. Mr. President, if the Senator from Rhode Island will indulge me, I will be happy to try to give him a quick explanation.

The PRESIDING OFFICER. Who yields time?

Mr. MILLER. I yield such time as I may require.

Mr. President, this amendment would do this: We have already gone on record as favoring an increase in the personal exemption to $800. What that means, as a practical matter, is that this year the exemption is $675 under present law. For 1972, we propose to make it $800. That is a $125 increase in the personal exemption. That is going to cost approximately $1.8 billion. But the tragedy of this $800 exemption is that the large income taxpayers get the lion's share, because all you have to do is to take the $125 increase in the personal exemption and multiply it by a 70-percent tax rate, and you come out with $87.50. But the low-income taxpayer, in the 14-percent tax bracket, would get only $17.50.

What I propose is to leave the $675 personal exemption alone for everyone, but anything above that will be in the form of a uniform credit of $25 for every exemption. If it is a single taxpayer, no matter what his tax bracket will be, he will get a $25 credit in addition to his $675 exemption. If it is a husband and wife and two children, the normal size family, they will have $100 in credits—four $25 credits.

I suggest to Senators that if they really are concerned about the low-income taxpayer—and I think most of us are—they would like this approach; because under the $800 exemption approach, they will only receive $17.50. I am talking about a $25 uniform credit. To give the 70 percent tax bracket taxpayer his $675 exemption and then, on top of that, the $87.50 tax bracket, I suggest, will not be putting the purchasing power in the hands of the people who really need it.

Mr. PASTORE. Mr. President, will the Senator from Iowa yield?

Mr. MILLER. I yield.

Mr. PASTORE. Is the Senator's amendment a substitute for the Bayh amendment?

Mr. MILLER. Not quite, may I say to my colleague from Rhode Island. There is a parliamentary problem, so that I cannot offer it as a substitute. It adds another section and is worded so as not to interfere.

Mr. PASTORE. The Senator's amendment does not affect the Bayh amendment then?

Mr. MILLER. It can, because it provides that for the years that this particular credit would be in effect, namely 1972, and thereafter, for those years, the $675 personal exemption would stay

Mr. PASTORE. I realize that it affects it, insofar as its substantive effect is on what the Bayh amendment would do or would not do; but on the other hand, it still leaves the Bayh amendment alive; is that not correct?

Mr. MILLER. It would still leave the Bayh amendment alive; yes. The Senator is correct.

My point is that I believe, as my colleagues know, that the Bayh amendment was adopted by a very narrow vote——

Mr. PASTORE. It was not adopted.

Mr. MILLER. I am sorry. The Hartke amendment was. But this does not interfere with the Bayh amendment, may I say to my friend from Rhode Island. This applies to 1972, not to 1971. I suggest that it is the equitable approach to do something about the regressive box we are in. Every time we start raising the personal exemptions, there are some who say that we should abolish personal exemptions altogether and replace it by a tax credit.

After checking into this, I do not think it is timely to do that. Too many people would be affected who are now in the middle and larger income tax brackets, and they would have their taxes increased as a result. So what this amendment does is not to increase anyone's taxes but to preserve the $675 personal exemption, and anything over and above that is a $25 credit for every personal exemption, regardless of whether it is a high income or a low income taxpayer.

Mr. PASTORE. I am very much amenable to the logic——

Mr. MILLER. Mr. President, we do not have order in the Chamber.

The PRESIDING OFFICER (Mr. Hart). Will the Senate please be in order? There is very little anyone can do about it, except by those who are distracting us.

The Senator may proceed.

Mr. PASTORE. I am very much amenable to the logic which is expressed by my good friend from Iowa, but what puzzles me is what he says about 1971 and 1972. When we file the tax return by April 15 of 1972, will we be able to make this deduction?

Mr. MILLER. No.

Mr. PASTORE. We have to wait until 1973?

Mr. MILLER. We will, because it is too

late, from a practical standpoint, to affect 1971. The tax returns have already been printed, and everything else, so that it does not take effect in 1972.

Mr. PASTORE. Will that not be too late? What we are trying to do is to put money in the hands of the consumer to do something about it now. I do not see why we have to wait until 1973. The picture may be a little different then, and then I might agree with the Senator, but I would hope that we could do this by April 15, 1972.

Mr. MILLER. May I say to my friend from Rhode Island that we are going to start on the first day of January 1972, because this will show up in the withholding tables.

Mr. PASTORE. That may be soon but the fact is, the money in hand will not be in until next year.

Mr. MILLER. Well, Mr. President, may I say to my good friend from Rhode Island that it is not going to be there until next year with respect to the $800 exemption, either.

Mr. PASTORE. That may be so, but——

Mr. MILLER. All I am trying to do is to have the same impact in 1972 as the $800 exemption. The effective date of January 1, 1972, will show up in the withholding tables, too. They are not going to save very much withholding by giving the low-income taxpayer a $17.50 tax break over 12 months.

Mr. PASTORE. Will it show up in the witholding tables? Is the Senator sure of that?

Mr. MILLER. Yes, indeed. The $800 exemption will show up, or my tax credit will show up.

Mr. PASTORE. All right.

Mr. MILLER. So I realize what the Senator is getting at and I want to assure him that this will help the purchasing power beginning early next year.

Mr. CASE. Mr. President, will the Senator from Iowa yield?

Mr. MILLER. I yield.

Mr. CASE. If the Senator's amendment is adopted, there will be one exemption for every person on his own account? Is that how it works?

Mr. MILLER. One exemption of $675 plus one credit of $25 for each person, for each dependent, and for each exemption. Everywhere we find an exemption on the tax return, whether it be one exemption or 10 exemptions, that exemption will be $675 as it is now and then, in addition, there will be a $25 tax cut or credit for each one of the exemptions.

Mr. CASE. I see. So this takes the place of the increase, in other words?

Mr. MILLER. That is correct.

Mr. CASE. Would the Senator allow one further question?

Mr. MILLER. Yes.

Mr. CASE. What would the effect of this be on the tax of the person earning $10,000, married, and with two children? That is the person we are talking about here and not the person in the 14-percent bracket.

Mr. MILLER. With a husband and wife and two children in the $10,000 bracket, we have got $2,400—$2,450—and we have roughly a $6,000 taxable base. I would say that would, probably, be about a 20-percent tax rate, showing the extra $125 at a 20-percent tax rate, which would be $25. So it probably would not make much difference.

Mr. CASE. Then the Senator says, at the $10,000 rate, that this would be washed out?

Mr. MILLER. I think it would or it would come pretty close to that. It might be a little better, depending on the size of the personal exemptions. It could be down to $20 in tax benefits.

Mr. CASE. What would the cost to the Treasury Department in each case be?

Mr. MILLER. I am glad the Senator asked that question——

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. MILLER. I ask unanimous consent that I may proceed for 3 additional minutes on my side because the Senate took that much time in trying to come to order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

Mr. MILLER. The Senator from New Jersey asked about the revenue impact on this, with the $25 credit. The way the amendment is set up—and I would particularly like to have the attention of my colleague from Utah, Mr. BENNETT, on this—I am pointing out that if we adopt the amendment there will be a $300 million in principal savings over the $800 exemption approach.

Mr. BENNETT. I am glad the Senator has that in the RECORD. I shall not take any of his time further.

Mr. MILLER. Mr. President, I reserve the remainder of my time.

Mr. COOPER. Mr. President, will the Senator from Iowa illustrate again regarding a husband and wife, with two children, earning $10,000 in income, as to what would be the impact on the $800 exemption as compared to the Senator's amendment. What would be the amount which would accrue to the family under the two plans?

Mr. MILLER. That would depend on the tax bracket they found themselves in——

Mr. COOPER. I know that.

Mr. MILLER. My guess would be they would be in a 20 percent bracket and with an $800 exemption, that is a $25 present exemption increase under present law, so that with the increase of 20 percent or $125, you have got a $25 in tax savings. My credit is $25. So I would say it would be a wash, although they would do better under the credit in that tax bracket because of their page 2 itemized deductions. But to be on the safe side, I do not want to mislead my colleague and I suggest that it will not be anything more than a wash.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. LONG. Mr. President, I yield 2 minutes to the Senator from Utah.

Mr. BENNETT. Mr. President, this adds another complexity to the tax system. Under this proposal, we first have to figure our personal exemption and then on top of that we have to figure the $25 credit. It is obvious that this is difficult to understand because during the debate here we have had Senators ask for an explanation.

I think the present system is simple. It is understandable. My own feeling is that we should leave it the way it is without adding this new feature. If in the future we should decide to substitute tax credits for personal exemptions, I think this matter should be carefully studied by both tax writing committees on its merits. However, to take this kind of hybrid approach at this late time does not make any sense to me.

Mr. LONG. Mr. President, in the committee the distinguished Senator from Iowa proposed that we simply change the whole system and eliminate all personal deductions so that we have tax credits. The committee thought about it and found that a great number of people would have to pay more taxes. They would have a difficult time understanding why they have to pay more taxes when others get a tax cut.

The committee thought we had better not go into this at this time but that in the future we might consider it in an overhaul of the tax structure. But as it stands now, the people will have read all across the country that we voted to give this $800 exemption.

As far as I am concerned, when the people in Louisiana have read that Senator LONG voted to give them an $800 exemption, I do not want to see them read in the papers that I voted to take it away.

Some people might benefit more and some might benefit less. I do not see why we should change it. If we are to change it, we should not have done it to begin with. We voted to give them the $800 exemption and we ought to leave it that way.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. MILLER. Mr. President, does not the Senator think it is more equitable to give a $25 tax break to a taxpayer in the 14 percent bracket than to give him $17.50 and give the 70 percent taxpayer an $82.50 tax cut.

Mr. LONG. Mr. President, it all depends on the point of view. The reason they get less by reason of a single exemption is because they pay less.

If they were to pay zero tax income, we could not do anything except to take something off of their income tax. That would be considered a welfare package. That could perhaps be done later, if we want to go beyond that. However, as a tax bill, it will be popular with the people to vote as we did vote the day before yesterday for a $800 tax exemption. That has been popular with the rank and file.

After having sent the word across the Nation that we have done this, I do not see why we should do something different. We should leave it that way.

Mr. MILLER. Mr. President, will the Senator from Utah yield to me for a question?

Mr. BENNETT. The time belongs to the Senator from Louisiana.

Mr. MILLER. Will the Senator from Louisiana yield me 1 minute in which to ask the Senator from Utah a question?

Mr. LONG. Mr. President, how much time do I have remaining?

The PRESIDING OFFICER. Four minutes.

Mr. LONG. I yield 1 minute to the Senator from Iowa.

The PRESIDING OFFICER. The Senator from Iowa is recognized for 1 minute.

Mr. MILLER. Mr. President, the Senator from Utah is troubled about what he calls the complexity of the amendment. Actually, I hope the Senator understands that all this would entail would be just adding the $25 credit or if it is a husband and wife and two children, four times that amount to what we already have.

Since this would save the revenue $300 million a year, does the Senator not think that would be worth that complexity to save that amount for the revenue while at the same time giving all income-tax payers a much fairer shake?

Mr. BENNETT. Mr. President, as I said earlier, I think we should make comparisons between the two approaches. But I do not think we should mix them up at this time.

Mr. LONG. Mr. President, I yield back the remainder of my time.

The PRESIDING OFFICER. All time having expired, the question is on agreeing to the amendment of the Senator from Iowa. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. BAYH), the Senator from Indiana (Mr. HARTKE), the Senator from Iowa (Mr. HUGHES), the Senator from Minnesota (Mr. HUMPHREY), the Senator from Washington (Mr. JACKSON), the Senator from Arkansas (Mr. MCCLELLAN), the Senator from South Dakota (Mr. MCGOVERN), the Senator from New Mexico (Mr. MONTOYA), and the Senator from Maine (Mr. MUSKIE) are necessarily absent.

I further announce that, if present and voting, the Senator from New Mexico (Mr. MONTOYA) and the Senator from Washington (Mr. JACKSON) would each vote "nay."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. ALLOTT), the Senator from Nebraska (Mr. CURTIS), the Senator from Idaho (Mr. JORDAN), the Senator from Oregon (Mr. PACKWOOD), and the Senator from Texas (Mr. TOWER) are necessarily absent.

The Senator from Ohio (Mr. SAXBE) and the Senator from Alaska (Mr. STEVENS) are absent on official business.

The Senator from South Dakota (Mr. MUNDT) is absent because of illness.

Also, the Senator from Massachusetts (Mr. BROOKE), the Senator from Arizona (Mr. GOLDWATER), the Senator from New York (Mr. JAVITS), and the Senator from Pennsylvania (Mr. SCHWEIKER) are necessarily absent.

If present and voting the Senator from Texas (Mr. TOWER), the Senator from Massachusetts (Mr. BROOKE), and the Senator from Nebraska (Mr. CURTIS) would each vote "nay."

The result was announced—yeas 20, nays 59, as follows:

[No. 338 Leg.]

YEAS—20

Baker
Boggs
Chiles
Cooper
Dominick
Fannin
Gravel
Gurney
Hansen
Harris
Kennedy
Miller
Mondale
Nelson
Pastore
Pell
Ribicoff
Stevenson
Thurmond
Tunney

NAYS—59

Aiken
Allen
Anderson
Beall
Bellmon
Bennett
Bentsen
Bible
Brock
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Case
Church
Cook
Cotton
Cranston
Dole
Eagleton
Eastland
Ellender
Ervin
Fong
Fulbright
Gambrell
Griffin
Hart
Hatfield
Hollings
Hruska
Inouye
Jordan, N.C.
Long
Magnuson
Mansfield
Mathias
McGee
McIntyre
Metcalf
Moss
Pearson
Percy
Proxmire
Randolph
Roth
Scott
Smith
Sparkman
Spong
Stafford
Stennis
Symington
Taft
Talmadge
Weicker
Williams
Young

NOT VOTING—21

Allott
Bayh
Brooke
Curtis
Goldwater
Hartke
Hughes
Humphrey
Jackson
Javits
Jordan, Idaho
McClellan
McGovern
Montoya
Mundt
Muskie
Packwood
Saxbe
Schweiker
Stevens
Tower

So Mr. MILLER's amendment was rejected.

The PRESIDING OFFICER (Mr. BENTSEN). Under the previous order, the Senator from Oklahoma (Mr. HARRIS) is recognized.

Mr. HARRIS. Mr. President, I call up my amendment, which is at the desk.

The PRESIDING OFFICER. The amendment of the Senator from Oklahoma will be read.

The legislative clerk proceeded to read the amendment.

Mr. HARRIS. Mr. President, I ask unanimous consent that further reading of the amendment may be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered, and the amendment will be printed in full in the RECORD.

The amendment is as follows:

In the Table of Contents after section 702, insert the following:

TITLE VIII—COMMERCIAL AGREEMENTS WITH CERTAIN COUNTRIES

Sec. 801. Authority To Enter into Commercial Agreements.
Sec. 802. Benefit To Be Provided by Commercial Agreements.
Sec. 803. Provisions To Be Included in Commercial Agreements.
Sec. 804. Extension of Benefits of Most-Favored-Nation Treatment.
Sec. 805. Requirements for Negotiations.
Sec. 806. Transmission of Reports to Congress.
Sec. 807. Relation to Other Laws.

On page 210, line 1, insert the following:

## TITLE VIII—COMMERCIAL AGREEMENTS WITH CERTAIN COUNTRIES

### AUTHORITY TO ENTER INTO COMMERCIAL AGREEMENTS

SEC. 801. In the case of a country with which the United States has diplomatic relations, but to the products of which it denies most-favored-nation treatment, the President may make a commercial agreeement with such country providing such treatment to one or more products of that country whenever he determines that such agreement is in the national interest and is likely to result in commercial benefits to the United States equivalent to those provided by the agreement to the other party.

### BENEFITS TO BE PROVIDED BY COMMERCIAL AGREEMENTS

SEC. 802. The commercial benefits to the United States to be obtained in a commercial agreement may be of the following kind, but need not be restricted thereto:

(a) arrangements for the protection of industrial rights and processes;

(b) arrangements for the settlement of commercial differences and disputes;

(c) arrangements for participation in trade fairs and exhibits, for sending of trade missions, and for facilitation of entry and travel of commercial representatives; or

(d) most-favored-nation treatment with respect to duties or other restrictions on the imports of the products of the United States, and other arrangements that may secure market access and assure fair treatment for products of the United States.

### PROVISIONS TO BE INCLUDED IN COMMERCIAL AGREEMENTS

SEC. 803. A commercial agreement shall—

(a) be limited to an initial period specified in the agreement which shall be no more than 3 years from the time the agreement becomes effective;

(b) be subject to suspension or termination in whole or in part at any time upon reasonable notice;

(c) provide for consultations at regular intervals for the purpose of reviewing the operation of the agreement and relevant aspects of relations between the United States and the other party; and

(d) be renewable for additional periods, each not to exceed 3 years.

### EXTENSION OF BENEFITS OF MOST-FAVORED-NATION TREATMENT

SEC. 804. (a) In order to carry out a commercial agreement and notwithstanding the provisions of any other law, the President may by proclamation extend, for the period of effectiveness of the agreement, most-favored-nation treatment to one or more products of the other party.

(b) The President may at any time suspend or terminate in whole or in part any proclamation issued under subsection (a). The President shall suspend or terminate such proclamation whenever he determines that—

(1) the other party is no longer fulfilling its obligations under the agreement; or

(2) the suspension or termination of the agreement is in the national interest.

### REQUIREMENTS FOR NEGOTIATIONS

SEC. 805. Before the negotiation of a commercial agreement under this title, the President—

(1) shall seek information and advice with respect to such agreement from the interested departments and agencies of the United States Government, from interested persons, and from such other sources as he may deem appropriate; and

(2) shall, upon the recommendation of the Speaker of the House of Representatives, select two members (not of the same political party) of the Committee on Ways and Means, and shall, upon the recommendation of the President of the Senate, select two members (not of the same political party) of the Committee on Finance, who shall be accredited as members of the United States delegation to such negotiation.

### TRANSMISSION OF REPORTS TO CONGRESS

SEC. 806. The President shall submit to the Congress an annual report on the commercial agreements program instituted under this title. Such report shall include information regarding negotiations, benefits obtained as a result of commercial agreements, the texts of any such agreements, and other information relating to the program.

### RELATION TO OTHER LAWS

SEC. 807. (a) This title shall not apply to any agreement made with a country whose products are receiving, when such agreement is made, the benefits of trade agreement concessions extended pursuant to section 231(b) of the Trade Expansion Act of 1962 (19 U.S.C. 1861(b)).

(b) Headnote 4 to part 5B of schedule 1 of the Tariff Schedules of the United States (19 U.S.C. 1202) is repealed.

The Senator has 20 minutes.

Mr. HARRIS. Mr. President, I yield myself 5 minutes.

Mr. President, this amendment gives discretion to the President of the United States, if he sees fit, to negotiate the most-favored-nation status with any country with which we have diplomatic relations.

During the latter part of this past April, I visited the Soviet Union, Rumania, Hungary, Czechoslovakia, and Poland. I went as a member of the Senate Finance Committee to discuss improved trade relations between the United States and these countries.

I learned our trade policy with the East penalizes ourselves most of all. It deprives our businessmen of needed sales. It exports precious American jobs and capital by forcing the location of plants abroad to serve these presently proscribed markets. It deprives us of foreign earnings to help offset our worsening balance of payments. It prevents us from getting to know better—and becoming better known by—millions of our fellow occupants of this globe.

While total annual exports to the Soviet Union and Eastern Europe, between 1948 and 1968, from the United States, Canada, Japan, and our NATO allies were increasing from $810 million a year to $4.5 billion a year, annual U.S. exports to these countries only increased from $123 million to $215 million.

Some liberalization in the laws caused our exports to these countries to go up to $353 million in 1970, but that still means that we account for only 1 percent of total Western nation exports to the Soviet Union and Eastern Europe.

In 1968, these Socialist countries bought $1.5 billion worth of capital equipment from the West. This is a field in which American business and labor excel, but you would not know it from the sales figures. That year, our total sales of machinery to the East was only $35 million. We simply gave the jobs and sales receipts and balance-of-payment earnings to others.

I visited the Soviet Union immediately following the 24th Party Congress and the announcement of a new 5-year plan. All of the countries of Eastern Europe plan large increases in Western purchases in the next half decade. In the Soviet Union the planned increase is 35 to 40 percent. These countries will never constitute our most important market. But they do represent what can become a significant market, and one we should begin now systematically to develop.

We need not fear that by selling the Eastern countries capital goods we will seriously undercut U.S. exports to third countries. We and the Eastern countries are at entirely different stages of economic development. Our fields of specialization—items of high technology and the products of a highly capitalized agricultural system—are not areas where the Eastern countries can compete with us effectively in international markets in the foreseeable future.

Now is the time for new action to normalize trade with the East—and to move toward better relations generally.

It cannot be said with a certainty that improved political relations will result from improved trade. But improved trade is a goal worth seeking for its own sake for commercial and economic reasons. And, if accompanied by wider citizen contact, broadened trade can result in less likelihood of mutual miscalculation. And any widening of contacts is worthwhile especially, as in the case of trade, when there are other good reasons.

Congress should free the President of the United States of unreasonable restrictions on his powers to broaden trade with the East.

The present law barring most-favored-nation status for the Soviet Union, China, and Eastern European countries should be repealed. This amendment, however, deals only with countries with which we have diplomatic relations. The President should have the power to negotiate such status for these countries—permitting them, if the President in his discretion so decides, to sell in our market on the same basis as others of our trading partners.

It would be particularly appropriate for the Congress to take action now. The President is planning a trip to Moscow where he will confer with top Soviet leaders. One of the principal areas for discussion will lie in the field of trade. We should give the President the authority he will need to carry on fruitful discussions with Soviet officials.

There are other steps besides MFN which I believe the administration should take. The President should seek to dramatize in several ways our new determination to normalize relations with the East in a way that would tend to draw affirmative reaction from each of the other countries. We should begin simultaneous negotiations in each country.

We should issue an Executive order agreeing to stretch out Poland's repayments to us for commodities we furnished them under Public Law 480. Poland is one of the few nations repaying us in cash and on time for these commodities. The new Government there has serious financial problems, but one way or another, they intend to maintain their good international credit rating by paying their debts when due. However, they would be willing to make a corresponding increase in purchases from us if the payments on this particular debt could be stretched out.

We should agree to return to Czechoslovakia their $20 million in gold bullion which we captured from the Germans at the end of World War II, and we should make a response, now, to their pending offer to settle the war claims and expropriation claims still in dispute between us.

We should return to the people of Hungary the Holy Crown of St. Stephen. This Hungarian national treasure is symbolic to the people of Hungary of their rich heritage. It belongs to them, and it is doing no one any good wherever it is now being kept.

By this and other means we should have our Nation make the first moves. And we should follow these moves with serious negotiations.

We should make clear that, as much as possible, trade and commercial matters are going to be separated from political matters. I believe that President Nixon has been wrong in tying them all together. We should make progress on better relations with these countries wherever we can and wherever it is in our mutual interests to do so.

We should immediately expand the commercial sections in our embassies in the Soviet Union and in the Eastern European countries. Basically, our Government needs to get out of the way of American businessmen; they can compete and take care of themselves pretty well. But we could be helpful in furnishing market information and getting them in touch with the right people.

The Soviet Union after the 24th party congress has embarked upon a great expansion of trade with the West. They realize they must make major improvements in their technology, and they are determined to do so. I think they recognize a dilemma which is for them as old as the czars: Improved technology requires increased contacts with the West; increased contacts with the West could mean greater internal political and economic dissatisfaction and ferment.

They need and seek greater trade with the West in general and with the United States in particular. They will not, however, in my judgment, submit to humiliation to secure it; neither will we. They will make no major political concessions to gain it; neither will we.

I believe they will agree to a settlement of our lend-lease claims against them as a part of negotiations for increased trade. There is also reason to believe, I think, that they may agree to a minimum amount of annual purchases from us in return for our relaxation of trade restrictions.

We should insist upon better treatment of our nationals in the Soviet Union and freer travel by them, particularly the right of our businessmen to visit plants and plant managers to develop markets—and for wider citizen contact generally.

The socialist group countries of Europe also need and seek increased western technology and trade. We should respond at once.

None of these countries are going to discard its basically socialist economic system nor break its ties with the Soviet Union in the foreseeable future. None can be expected to go past whatever line might bring on Soviet invasion.

A policy based solely on hope of dividing Eastern Europe countries from the Soviet Union will not work; negotiations should commence with the Soviet Union at the same time. Further, it is not wise to attempt to make progress on trade relations with Rumania alone or with any other single country, spotlighting it and perhaps causing reactive pressures on it.

Within these limits, progress can and should be made. Negotiations should begin in each Eastern European country simultaneously, though, obviously, for a variety of reasons, negotiations may not proceed at the same pace nor may agreements be reached at the same time. But we should begin now seriously to negotiate with each country concerning what might be expected in return for a relaxation of trade barriers on our part, including the settlement of pending war claims and expropriation claims.

There is growing fear in Eastern Europe of protectionism in the European Economic Community. There is a growing desire to become less fully dependent upon Western Europe—particularly the Federal Republic of Germany—for nonsocialist country trade. Maintaining our essential ties with Western Europe, we can, nevertheless, follow their own lead in expanded trade with the East, responding to the real desire for such trade which exists in the Eastern European countries.

There is no reason why American-based companies and workers should not have the benefit of sales in these countries, now already being heavily served by American-owned subsidiaries and foreign workers located in Western European countries.

The Federal Republic of Germany, for example, enjoys a tremendous amount of trade with these countries, even without diplomatic relations. We have diplomatic relations with them but deny ourselves and our workers most of the benefits of these markets.

We should move to take advantage of the opportunities in Hungary and Rumania, particularly, for joint ventures, encouraged by new laws there. They need technology which they hope to secure through internal enterprises jointly financed by the Government and American private businesses, with both sharing in the profits. All of these countries will, increasingly, view joint ventures as an acceptable means of gaining needed technology and management expertise to produce goods for internal consumption and for earning foreign credits, which are badly needed by most of these countries. Rumania and Hungary have changed their laws to allow within the framework of the socialist system, agreements to be entered into on an ad hoc basis with individual American companies to guarantee against brankruptcy and for shared ownership and assured repatriation of profits and capital.

Such joint ventures entered into under acceptable terms by American businesses would provide foreign earnings for us and develop continuing future markets for sales to the joint enterprises themselves.

But before any of these steps can be truly fruitful, we must clear away the trade disputes of the past and give the President the authority to restore MFN to nations in Europe not now enjoying this advantage.

I urge support for my amendment from all who wish to see the President's trip to Moscow take place in the most advantageous circumstances.

Mr. President, this amendment would free the Yankee merchant from unreasonable restrictions. Let us give the President the power, in his discretion, to negotiate for most favored nations status for all countries with which we have diplomatic relations.

I hope the amendment may be adopted.

Mr. LONG. Mr. President, I yield myself 4 minutes.

The administration is not asking for authority to make these concessions to various Communist countries to whom the Senator from Oklahoma would give the most favored nation treatment. As a matter of fact, the administration came before the committee and asked them authority to get rid of some protection for companies who are faced with competition from free-world countries. The committee turned them down. We said we would be willing to consider that as part of a trade package at a later date. We would be willing to consider it, but right now it appeared to us that, with our balance of payments in such bad shape, it would be better to take back some of the protections we had given away to protect our own businesses and protect our own people before we gave any more away. That is the position the administration took when it imposed the 10-percent surtax.

The Communist countries do not keep books anywhere near the same way we do. They will sell their products at any price they please, without any relation to their cost of production, whenever there is a market they want to penetrate.

Let me describe what some of the Communist countries such as Russia, Bulgaria, Czechoslovakia, and others are selling: steel, oil, manganese ore, machinery, aircraft.

Incidentally, I do not think they are more efficient than we are in the production of aircraft, but they are offering planes for sale at one-third the price of similar American planes.

If Senators would like to displace more American aircraft workers, there is no place we will displace them in a greater hurry.

In Czechoslovakia, they are big producers of machine tools, aircraft, textiles, shoes, and glassware, and I point out that under their way of doing business, they can sell all these articles for any price their fancy dictates. Those people do business on a state trading basis, so that they would have a life or death right of decision over every industry in the United States, unless someone took some care to protect American industry.

Who is going to protect it? If you have any manufacturing industry in your State, including textiles and shoes, who will protect you? You are not going to get any protection under this proposal, because when we pass it, we will have surrendered away all our rights to protect American industry. We will have to count on President Nixon to do it for us. Maybe he will.

However, we on the Finance Committee were not all that confident. We have looked at some of the things he wants to give away now. So we said:

> If it is all right with you, we suggest that you come in and tell us what you want to give away, and what we are going to get in return, and then we will talk to you about it.

We felt that was the least we could ask with regard to this proposal to trade with these Communist powers.

I would point out that we just got through getting the Japanese to enter into a voluntary agreement to permit our textile industry to exist at all. Now the President is headed for China, and the Senator wants to say, "Mr. President, before you get on your way, we want to give you some authority to give Red China, the power to liquidate our textile industry and our shoe industry and some others."

Mr. HARRIS. Mr. President, that does not apply to Red China.

Mr. LONG. It does not apply to Red China; I am glad to know that. But the day we extend diplomatic recognition to them it does, does it not?

Mr. HARRIS. It does and it should; yes.

Mr. LONG. I am glad the Senator corrected me. That will give us a little solace, until the President gets back from Red China, that he cannot yet put us out of the shoe and textile business.

The PRESIDING OFFICER. The Senator's 4 minutes have expired.

Mr. LONG. I yield myself 2 more minutes.

It seems to me the least thing we can do before we give the President any more power to liquidate American industry is wait until he asks for it, and then say, "Let us see what you want to do, have a hearing, and see what the proposed impact is, what industries are likely to be displaced, and see what the American industries themselves have to say about it."

Mr. SCOTT. Mr. President, will the Senator yield?

Mr. LONG. I yield.

Mr. SCOTT. The Senator is making the point I would like to have made myself. Moreover, suppose there are two countries which would like to have most-favored-nation treatment, and the President would like to do it for one and not the other. Would he not be better off to leave the decision to Congress, and have the protection of letting Congress decide?

I do not know why we would want to invest in the President more power in foreign policy than he asks for, when we spend most of our time talking about his having more power than we would like for him to have.

Mr. LONG. Mr. President, Senators may recall that we gave the President, under the Kennedy round of tariff negotiations, the right to cut tariffs. But we expressly did not give him the power, under that act, to dispense with the American selling price, and we did not give him the power to do anything about the anti-dumping statute situation, because we thought American industries were being injured too badly by dumping already. We did not want that. They went on and sought to negotiate it away at Geneva, but we passed resolutions by almost a unanimous vote saying, "If you try to give this away, we point out you do not have that authority."

They said, "We understand that, but notwithstanding that, we are still going to negotiate it away and present you with a fait accompli."

That is what they did. I was assistant Democratic leader of the Senate myself at that time, and I practically had to fight my own President to keep him from giving away things we told him we would not go along with if he did give them away.

This is the kind of thing the State Department people want to get their teeth in anyhow, to get the President to commit himself to something like that, and then trying to get all of us, under a spirit of loyalty, to go along with him.

I have fought my own President on this issue, and I say the least we can do is ask him, "What do you want to give away, what jobs and where?" before we give him all this authority. The least we can do is wait until the President asks for the authority.

Mr. FANNIN. Mr. President, I agree with the chairman of our committee that we have given the President sufficient authority already.

We do have a special subcommittee, under the chairmanship of the distinguished Senator from Connecticut (Mr. RIBICOFF), with jurisdiction in this area, and I would like to have his thoughts on this question, because I think it is very important; he has perhaps studied this subject more than anyone else in this body, and if he would like to respond on this subject, I would like to hear him.

Mr. RIBICOFF. Mr. President, I had not intended to make any comments at this time, but I do intend to support the amendment of the Senator from Oklahoma.

The Secretary of Commerce will soon be in Moscow to discuss trade questions with the Soviet Union. The President of the United States will soon go to China to discuss the problems that separate our two nations. Great changes are taking place in the entire trade picture throughout the world.

One of the great ironies of the current American position on East-West trade is that the nations that we are allied with and whom we have most-favored-nation treaties are doing some $18 billion worth of business a year with the East. But the United States does only $600 million worth of business with the Eastern countries.

The best remaining markets for the high technology content products in which the United States excels are in Eastern Europe, the Soviet Union, and mainland China. When you look at our balance of trade today, you will find that the only favorable balance we still have is in capital goods and high technology items. It is sad to state that the United States is no longer competitive——

Mr. LONG. Mr. President, has my time expired?

The PRESIDING OFFICER. The Senator has 1 minute remaining.

Mr. HARRIS. Mr. President, I yield 1 minute to the Senator from Connecticut.

Mr. RIBICOFF. The United States, unfortunately, is no longer as competitive in producing many consumer goods as Germany, Japan and the Common Market nations. But the level of United States technology is still higher than that of any other nation in the world, and the eastern countries need, and need desperately, the goods the United States can produce. Here we have a great potential market for the United States. It is my feeling——

Mr. FANNIN. Mr. President, before the Senator continues, will he yield for a question?

Mr. RIBICOFF. I yield.

Mr. FANNIN. Is the Subcommittee On International Trade inclined to hold hearings?

Mr. RIBICOFF. The Senator asked for my position on this amendment, and I am giving my opinion. It is my intention to have full hearings on the subject of American trade with the East. I am expressing my personal opinions now, not that of the subcommittee. I have arrived at these conclusions from my own study and observations; and I had not intended to debate the issue at this time.

Mr. FANNIN. I would think the Senator would desire to have these hearings before we enter into any transactions of this nature, so that we would be better prepared.

Mr. RIBICOFF. As I stated, I would hope to have lengthy hearings on the entire subject of East-West trade and its implications for this Nation. But the Senator from Arizona asked for my position, and I am in all candor expressing my personal opinion.

Mr. FANNIN. I understand the Senator holds that position, but at the same time, I think he will agree that these hearings are highly essential before we get too far along.

The PRESIDING OFFICER. The time of the Senator from Louisiana has expired.

Mr. RIBICOFF. I would say they are absolutely necessary. This country should be aware of all the implications of our East-West trade policies. My prediction would be that within a year or two, whoever is President of the United States will ask for the authority to grant most-favored-nation treatment to Eastern countries.

The PRESIDING OFFICER. The Senator's time has expired. The Senator from Oklahoma has 2 minutes remaining.

Mr. HARRIS. Has time on the other side expired?

The PRESIDING OFFICER. Time on the other side has expired.

Mr. HARRIS. Let me say these three quick things, Mr. President:

First of all, the restrictions in this bill and under present law in regard to tariffs, the 15-percent surcharge, and so forth, would apply to any of these countries, so we are not just opening the door to imports.

Second, Mr. President, we are penalizing ourselves. As the distinguished Senator from Connecticut has said, we are denying ourselves this market. That is all we are doing. Even American-owned subsidiaries with foreign workers, located in Germany—a country which does not even have diplomatic relations with these countries—and elsewhere are selling in these markets, and we cannot, with American workers. I want to open up these markets to American workers.

Mr. PASTORE. Mr. President, will the Senator yield?

Mr. HARRIS. I yield.

Mr. PASTORE. On the very day at the United Nations when they voted to seat Red China, Belgium entered into an agreement with Red China on trade, and 3 days later Italy did the same thing. That is what is happening to us.

Mr. HARRIS. The Senator is correct.

Mr. PASTORE. It is about time we got wise to ourselves.

Mr. HARRIS. We are denying the market to Rhode Island, Connecticut, and every American worker. We are sticking our head in the sand.

Second, we are not granting most-favored-nation status. We are saying that the President of the United States, in his discretion, can negotiate for it.

Third, this amendment says that the President must get commercial advantages in return.

The PRESIDING OFFICER. The Senator's time has expired.

There was a miscalculation as to the time. The Senator from Louisiana has 1 minute remaining.

Mr. LONG. Mr. President, so far as I am concerned, anyone who wants to can give away all the industry and jobs in his State, provided it does not affect Louisiana. I think that over a period of time they will come to see that that is not the thing to do.

So far as I am concerned, representing the State of Louisiana and speaking in that capacity, I am not willing to give anybody a blank check to give away the jobs we have left in my State until I see what we are supposed to get out of that deal. If Senators want to vote a blank check to give away their industries, that is their privilege. Go ahead.

Mr. HARRIS. Mr. President, I ask for the yeas and nays on the amendment.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Oklahoma. On this question the yeas and nays have been ordered, and the clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. BYRD of West Virginia. I announce that the Senator from Indiana (Mr. Bayh), the Senator from Arkansas (Mr. Fulbright), the Senator from Indiana (Mr. Hartke), the Senator from Iowa (Mr. Hughes), the Senator from Minnesota (Mr. Humphrey), the Senator from Washington (Mr. Jackson), the Senator from Arkansas (Mr. McClellan), the Senator from South Dakota (Mr. McGovern), the Senator from New Mexico (Mr. Montoya), the Senator from Maine (Mr. Muskie), and the Senator from Missouri (Mr. Symington), are necessarily absent.

I further announce that, if present and voting, the Senator from Washington (Mr. Jackson), would vote "yea."

Mr. GRIFFIN. I announce that the Senator from Colorado (Mr. Allott), the Senator from Nebraska (Mr. Curtis), the Senator from Idaho (Mr. Jordan), the Senator from Arizona (Mr. Packwood), and the Senator from Texas (Mr. Tower) are necessarily absent.

The Senator from Ohio (Mr. Saxbe) and the Senator from Alaska (Mr. Stevens) are absent on official business.

The Senator from South Dakota (Mr. Mundt) is absent because of illness.

Also, the Senator from Massachusetts (Mr. Brooke), the Senator from Arizona (Mr. Goldwater), the Senator from New York (Mr. Javits), and the Senator from Pennsylvania (Mr. Schweiker) are necessarily absent.

If present and voting, the Senator from Massachusetts (Mr. Brooke), the Senator from Nebraska (Mr. Curtis), and the Senator from Texas (Mr. Tower) would each vote "nay."

The result was announced—yeas 22, nays 55, as follows:

[No. 339 Leg.]

YEAS—22

Case
Church
Cranston
Gravel
Harris
Hart
Hatfield
Hollings
Inouye
Kennedy
Magnuson
McGee
McIntyre
Metcalf
Mondale
Nelson
Pastore
Pell
Ribicoff
Stevenson
Tunney
Weicker

NAYS—55

Aiken
Allen
Anderson
Baker
Beall
Bellmon
Bennett
Bentsen
Bible
Boggs
Brock
Buckley
Burdick
Byrd, Va.
Byrd, W. Va.
Cannon
Chiles
Cook
Cooper
Cotton
Dole
Dominick
Eagleton
Eastland
Ellender
Ervin
Fannin
Fong
Gambrell
Griffin
Gurney
Hansen
Hruska
Jordan, N.C.
Long
Mansfield
Mathias
Miller
Moss
Pearson
Percy
Proxmire
Randolph
Roth
Scott
Smith
Sparkman
Spong
Stafford
Stennis
Taft
Talmadge
Thurmond
Williams
Young

NOT VOTING—23

Allott
Bayh
Brooke
Curtis
Fulbright
Goldwater
Hartke
Hughes
Humphrey
Jackson
Javits
Jordan, Idaho
McClellan
McGovern
Montoya
Mundt
Muskie
Packwood
Saxbe
Schweiker
Stevens
Symington
Tower

So Mr. Harris' amendment was rejected.

Mr. MANSFIELD. Mr. President, I understand that there are two more amendments coming up which will be acceptable.

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## MILITARY CONSTRUCTION APPROPRIATIONS, 1972—CONFERENCE REPORT

Mr. MANSFIELD. Mr. President, I submit a report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H.R. 11418) entitled "An Act making appropriations for military construction for the Department of Defense for the fiscal year ending June 30, 1972, and for other purposes."

I ask unanimous consent for the present consideration of the report.

The PRESIDING OFFICER (Mr. Weicker). Is there objection to the present consideration of the report?

There being no objection, the Senate proceeded to consider the report.

(The conference report is printed in the House proceedings of the Congressional Record of November 10, 1971, at pp. 40425–40427.)

Mr. MANSFIELD. Mr. President, I ask unanimous consent that the requirement that the conference report be printed as a Senate report be waived, inasmuch as under the rules of the House of Representatives it has been printed as a report of the House.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. GRIFFIN. Mr. President, may I just state for the Record that I have conferred with the distinguished ranking minority member of the committee, the Senator from North Dakota (Mr. Young) and, of course, the conference report is agreeable with him and also with the distinguished Senator from Massachusetts (Mr. Brooke), who cannot be here at this time and asked that his remarks on this subject be printed in the Record; and I ask unanimous consent that that be done.

There being no objection, the remarks of Senator Brooke were ordered to be printed in the Record, as follows:

Mr. President, the conference report on appropriations for military construction, now pending before the Senate, contains a total of $2,037,097,000 for the Army, Navy, Air Force, military housing, and related agencies.

The bill which passed the Senate contained appropriations totalling $2,002,312,000 and the Senate conferees tried hard to maintain that level. On certain items, the House conferees were adamant and a compromise had to be reached. But in other areas the Senate succeeded in having its position approved. Two items of particular importance will, in fact, lead to longer-run cost savings.

Section 111 of the bill now includes a provision which will reduce the cost of construction by requiring a thorough and immediate investigation of charges by construction agencies for supervision, inspection and overhead. For far too long, the charges entered by agencies of the armed services have greatly exceeded comparable charges paid by private industry. The GAO must submit an interim report of its findings within six months, with a final report to be filed within 10 months. The Congress will thus have these figures to work with in preparing next year's legislation.

The conferees also agreed to strike the Army's request for $5,835,000 for conversion of heating plants from coal to oil in more than 16,000 housing units in West Germany now used to house American military personnel. These units are owned by the West German government, and any improvements will in the long run benefit the West Germans. It was consequently felt that *that* government should bear the costs of any improvements required in the Army family housing program.

Mr. President, I commend my distinguished chairman, Senator Mansfield, my fellow committee members, and the diligent and helpful committee staff, for a thorough investigation of the construction needs of our armed forces. I believe the bill before us represents a carefully pruned and responsible appropriations request, and I urge its adoption.

Mr. MANSFIELD. Mr. President, the conference committee agreed on an overall figure of $2,037,097,000 in new obligational authority for the military construction bill for fiscal year 1972. This is $34,785,000 over the amount allowed by the Senate, $24,651,000 over the figure approved by the House, and $92,708,000 under the budget estimate of $2,129,805,000, and, as an added note, I must say that the foregoing figures do not contain $183,570,000 for the Safeguard System construction and Safeguard family housing. This appropriation will appear as a line item in the defense appropriation bill.

The conference committee agreed on the following amounts for military construction and defense family housing:

| | |
|---|---|
| Military construction—Army | $438,316,000 |
| Military construction—Navy | 355,500,000 |
| Military construction—Air Force | 289,189,000 |
| Military construction—Air Force Reserve | 6,581,000 |
| Defense family housing | 933,955,000 |
| Army | 55,776,000 |
| Navy and Marine Corps | 135,717,000 |
| Air Force | 109,045,000 |

Mr. President, I wish to emphasize that the military construction bill this year is indeed an austere bill. Quite a few projects were deleted from this bill which were considered nonessential to the operation of the military services. I can state categorically that there are no moneys in this bill for plush accommodations for the military services.

I do not intend to make a long and involved statement of the action of the conference committee. The conference report explains in a succinct manner the complete actions of the conference committee.

Mr. President, this completes my statement. I shall be glad to answer any questions which individual Senators may have regarding construction projects in their States.

I ask unanimous consent that a tabulation containing a summary of the conference action on the military construction appropriation bill for fiscal year 1972 be printed in the Record.

There being no objection, the tabulation was ordered to be printed in the Record, as follows:

MILITARY CONSTRUCTION APPROPRIATION BILL FISCAL YEAR 1972—H.R. 11418

| Item (1) | New budget (obligational) authority, fiscal year 1971 (2) | Budget estimates of new (obligational) authority, fiscal year 1972 (3) | New budget (obligational) authority recommended in the House bill (4) | Amount recommended by Senate committee (5) | Conference action (6) |
|---|---|---|---|---|---|
| Military construction, Army | $646, 958, 000 | $642, 200, 000 | $437, 274, 000 | $432, 946, 000 | $438, 316, 000 |
| Military construction, Navy | 302, 483, 000 | 405, 500, 000 | 343, 766, 000 | 357, 536, 000 | 355, 500, 000 |
| Military construction, Air Force | 284, 147, 000 | 316, 600, 000 | 273, 031, 000 | 291, 954, 000 | 289, 189, 000 |
| Military construction, Defense Agencies | 46, 300, 000 | 25, 400, 000 | 14, 801, 000 | 14, 801, 000 | 14, 801, 000 |
| Transfer, not to exceed | (20, 000, 000) | (20, 000, 000) | (20, 000, 000) | (20, 000, 000) | (20, 000, 000) |
| Military construction, Army National Guard | 15, 000, 000 | 29, 000, 000 | 29, 000, 000 | 29, 000, 000 | 29, 000, 000 |
| Military construction, Air National Guard | 8, 000, 000 | 10, 600, 000 | 10, 600, 000 | 10, 600, 000 | 10, 600, 000 |
| Military construction, Army Reserve | 10, 000, 000 | 33, 500, 000 | 33, 500, 000 | 33, 500, 000 | 33, 500, 000 |
| Military construction, Naval Reserve | 5, 000, 000 | 10, 900, 000 | 10, 900, 000 | 10, 900, 000 | 10, 900, 000 |
| Military construction, Air Force Reserve | 4, 000, 000 | 5, 700, 000 | 6, 581, 000 | 5, 700, 000 | 6, 581, 000 |
| Family housing, defense | 806, 464, 000 | 919, 220, 000 | 938, 238, 000 | 900, 620, 000 | 933, 955, 000 |
| Portion applied to debt reduction | −90, 278, 000 | −92, 820, 000 | −92, 820, 000 | −92, 820, 000 | −92, 820, 000 |
| Homeowners assistance fund, defense |  | +7, 575, 000 | +7, 575, 000 | +7, 575, 000 | +7, 575, 000 |
| Subtotal, family housing | 716, 186, 000 | 833, 975, 000 | 852, 993, 000 | 815, 375, 000 | 848, 710, 000 |
| Grand total, new budget (obligational) authority | 2, 038, 074, 000 | [1] 2, 313, 375, 000 | [2] 2, 012, 446, 000 | 2, 002, 312, 000 | 2, 037, 097, 000 |

[1] Includes $334,000,000 for safeguard regular program and safeguard family housing.

[2] Includes $183,570,000 for safeguard regular program and safeguard family Housing.

Mr. ELLENDER. Mr. President, will the Senator yield?

Mr. MANSFIELD. I yield to the Senator from Louisiana.

Mr. ELLENDER. Mr. President, as a member of the conference committee, I reluctantly signed the report. Because of one item. The House provided $15 million of the $20 million budget request. The Senate had reduced this amount to $10 million. The conference agreed on $14 million.

Mr. President, my reason for objecting to this amount is that it strikes me that our erstwhile allies should bear a greater share of the costs of these infrastructure construction costs. It should be remembered that we spent hundreds of millions of dollars in France not too long ago, for which we received in settlement $96 million.

I tried to get the conferees to accept as part of this amount $26 million which we will receive from the NATO countries.

To prove my point I would like to quote from the NATO statement made by Mr. Loveland, who testified before the Appropriations Military Construction subcommittee in our hearing this year for fiscal year 1972 construction.

> We now expect to receive the $96 million payments from NATO as follows: the first $28 million from reimbursements (already received) for projects constructed under authority of FY 1969 and prior year military Construction programs; the remainder, or approximately $68 million, by direct NATO funding of US relocation projects. Included in the $68 million is the $26 million of US relocation projects approved by the Congress in the FY 1970 US Military Construction programs. In the March 10th letter from SecDef, you were advised that the $26 million would be prefinanced and later recouped from NATO. Since it is more advantageous for the US to use direct NATO funding, and since NATO has approved this procedure, we intend to use NATO direct funding to the maximum of $68 million, including FY 70 approved Military Construction projects. Approximately $26 million in US Military Construction funds which may be released subsequently will not revert to the Infrastructure account, but will become available under regular reprogramming procedures to US Military Construction appropriations.

It is my contention that this $26 million we are receiving from NATO in the form of recoupements, because of the move from France, should be used to finance infrastructure construction rather than come to the Congress for $15 million in appropriations.

However, I was informed by the House Members that we had no right to follow this procedure because the army intended to use this money for other purposes. The $26 million that I wanted to use in order to pay for these infrastructure construction will become available under the regular reprograming procedures of the U.S. military construction appropriations.

For that reason, Mr. President, I opposed that part of the conference, although I signed it. I want it to be known also that we are still paying for the expense of all our soldiers in Western Europe. We are still paying for all the bombers we have there and for all the airplanes we have there. We are still paying for the 6th Fleet in the Mediterranean. We are paying for the Atlantic Fleet in the eastern part of the ocean. All of that is at our expense. And in addition, we are being asked to put up more funds in order to construct more NATO construction.

I think we are paying more than our fair share. As far as that is concerned, if I had the chance to strike the $15 million from the bill, I would do it. However, the conferees outvoted me, and I presume we have to abide by it.

So we are putting up cash money from the Treasury which could be obtained from the NATO countries to finance NATO construction. I do not think we are in a financial position to continue spending this money in order to continue building structures for NATO. There must be a stopping point. I will continue my efforts in the future to try to get the NATO countries to shoulder a great share of their own defense burden.

Mr. MANSFIELD. Mr. President, I move the adoption of the conference report.

The conference report was agreed to.

Mr. MANSFIELD. Mr. President, I ask the Chair to lay before the Senate a message from the House of Representatives on H.R. 11418.

The PRESIDING OFFICER laid before the Senate the amendment of the House of Representatives to the amendment of the Senate numbered 1 with the following amendment:

> In lieu of the sum stricken and inserted by said amendment, insert "$438,316,000."

Mr. MANSFIELD. I move that the Senate concur in the amendment of the House to the amendment of the Senate numbered 1.

The motion was agreed to.

## REVENUE ACT OF 1971

The Senate resumed the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

Mr. BENNETT. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk proceeded to state the amendment.

Mr. BENNETT. Mr. President, I ask unanimous consent that further reading of the amendment be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment reads as follows:

> On page 5, before line 14, insert:
>
> (c) Accounting for Investment Credit in Financial Reports.—It was the intent of the Congress in enacting, in the Revenue Act of 1962, the investment credit allowed by section 38 of the Internal Revenue Code of 1954, and it is the intent of the Congress in restoring that credit in this Act, to provide an incentive for modernization and growth of private industry. Accordingly—
>
> (1) no taxpayer shall be required, without his consent, to use, for purposes of his financial reports, any particular method of accounting for the credit allowed by section 38, and
>
> (2) a taxpayer shall disclose, in any financial report made by him, the method of accounting for the credit allowed by section 38 used for purposes of such report.

Mr. BENNETT. Mr. President, the purpose of this amendment is to codify and put into the bill language which was put into the report for the purpose of making it clear that the committee "considers it undesirable to preclude the use of flow-through in the financial reporting of net income."

In a way it is a technical amendment because if the 7-percent investment credit remains in the bill it may either be considered as being available in the year in which it is allowed or spread over the life of the asset to which it is applied.

It was the committee's decision to give the taxpayer the right to make a choice. That was put in the report. This language gives that right in the bill.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a copy of a letter addressed to the chairman of the committee from Charls E. Walker, Acting Secretary of the Treasury, indicating the Treasury's support for the proposal.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
*Washington, November 12, 1971.*

Hon. RUSSELL B. LONG,
*Chairman, Senate Finance Committee, U.S. Senate, Washington, D.C.*

DEAR MR. CHAIRMAN: Questions have been raised about the position of the Treasury Department concerning the financial accounting treatment of the 7 percent Job Development Credit.

The Treasury Department's overriding interest in seeking the credit is to create jobs both in the short run and the long run by stimulating the purchase of new machinery and equipment. This will improve the productivity of our workers on a permanent basis and thereby will increase the output and competitiveness of U.S. industry.

For financial accounting purposes, companies previously have had the option of either—(1) treating the credit as an immediate reduction in tax liability in the year the assets are acquired, when the credit is allowed; or (2) spreading the benefit of the credit over the service life of the asset as if the credit, in effect, was a reduction in the cost of the asset.

The vast majority of the companies have followed the former alternative—reflecting the benefit of the credit immediately in earnings. It seems self-evident that these businessmen will have less motivation to purchase new equipment if the benefits of the credit are not reflected in operating results when realized, as they have been in the past in their case.

Accordingly, since any change in the preexisting well-established financial accounting practice might operate to diminish the job-creating effect of the credit, the Treasury Department strongly supports a continuation of the optional treatment.

The Treasury would prefer that the accounting profession on its own motion recognize the importance of continuing the prior practice so as not to interfere with the function of the credit to stimulate new capital investment. The Senate Finance Committee has expressed a similar view in its report.

If it is concluded that the desired objective—optional treatment for accounting purposes—cannot be achieved by committee report language, then the Treasury Department will support a legislative resolution of this matter.

Sincerely yours,
CHARLS E. WALKER,
*Acting Secretary.*

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Utah.

The amendment was agreed to.

Mr. MATHIAS. Mr. President, I send an amendment to the desk.

The PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows.

At the end of the bill insert: That (a) subchapter B of chapter 61 of the Internal Revenue Code of 1954 (relating to miscellaneous provisions relating to information and returns) is amended by renumbering section 6110 as 6111, and by inserting after section 6109 the following new section:

"SEC. 6110. CONSENT TO USE OR DISCLOSURE OF INFORMATION BY PERSONS PREPARING RETURNS.

"(a) ADDITIONAL DECLARATION.—In addition to the requirements of part IV of subchapter A, any return of the tax imposed by chapter 1, and any declaration of estimated tax required by section 6015, which is prepared by a person other than the taxpayer, shall contain a written declaration, under the penalties of perjury, by the person preparing the return or declaration that, either—

"(1) he has not used and will not use any information furnished by the taxpayer for any purpose other than the preparation of the return or declaration, and has not made and will not make any such information available to any other person for any such purpose, or

"(2) he has obtained a valid consent of the taxpayer to use such information for purposes other than the preparation of the return or declaration, or to make such information available to another person or persons foı such purposes.

"(b) FORM AND CONTENTS OF CONSENT.—For purposes of subsection (a)(2), a consent of a taxpayer shall be valid only if it—

"(1) is set forth in a separate document signed by the taxpayer,

"(2) is printed in eight point or larger type (or is typed or written in letters of comparable size), and

"(3) specifies the information which may be used by the preparer, or made available by him to another person or persons, and the purpose or purposes for which such information may be used or made available."

(b) The table of sections for such subchapter B is amended by striking out the last item and inserting in lieu thereof the following:

"Sec. 6110. Consent to use or disclosure of information by persons preparing returns.

"Sec. 6111. Cross references."

SEC. 2. Section 7213 of the Internal Revenue Code of 1954 (relating to unauthorized disclosure of information) is amended by redesigning subsection (e) as (f), and by inserting after subsection (d) the following new subsection:

"(e) PERSONS PREPARING RETURNS.—Any person who receives any information furnished by a taxpayer to enable such person to prepare or have prepared for such taxpayer a return of the tax imposed by chapter 1 or a declaration of estimated tax required by section 6015 and who—

"(1) uses any such information for any purpose other than the preparation of the return or declaration, or makes any such information available to any other person for any such purpose, unless a valid consent (as described in section 6110(b)) to so use such information, or to so make such information available, has been obtained, or

"(2) uses any such information, or makes any such information available, for a purpose not specified in such valid consent.

shall be guilty of a misdemeanor, and, upon conviction thereof, shall be fined not more than $1,000, or imprisoned not more than 1 year, or both, together with the costs of prosecution."

SEC. 3. The amendments made by this Act shall take effect on the first day of the first month which begins more than 20 days after the date of the enactment of this Act.

Mr. MATHIAS. Mr. President, this is a very simple amendment. It will not require any time to explain.

It simply preserves the confidentiality of information provided by the taxpayer to the one who prepares the returns as a professional act. It requires the one who prepares the tax return for another to certify that he will not disclose that information to any third party without the consent of the taxpayer. It provides a penalty of $1,000 and a year in prison for anyone who violates this provision. It is just as simple as that.

Mr. President, I understand that the Treasury Department has no objection. I believe the distinguished chairman of the committee is familiar with the amendment. I respectfully ask that the Senate approve the amendment and add it to the bill.

Mr. LONG. Mr. President, I have looked over the amendment. It seems that it is in order. The Treasury Department finds no objection to it, as the Senator has stated. In addition, I have no objection to it.

I would point out that the distinguished Senator from Connecticut (Mr. RIBICOFF) raised a number of questions dealing with the preparers of returns. The committee agreed that we would conduct hearings on that subject either during the remainder of this year or next year. We expect to act in greater detail in this area. However, for the time being we think it will be a forward step to agree to the amendment offered by the Senator from Maryland. I know of no objection.

Mr. MATHIAS. Mr. President, I thank the Senator from Louisiana.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Maryland.

The amendment was agreed to.

### AMENDMENT NO. 657

Mr. PERCY. Mr. President, I call up my amendment No. 657.

THE PRESIDING OFFICER. The amendment will be stated.

The assistant legislative clerk read as follows:

On page 2, in the table of contents, strike the item relating to section 402.

On page 122, beginning with line 4, strike out through line 2 on page 123.

Mr. PERCY. Mr. President, it shall be my intention to speak briefly this evening. Then, as I understand it, under the unanimous consent agreement, we have 3 hours on this amendment in the morning and it is to be the pending business.

Mr. BYRD of West Virginia. Mr. President, will the Senator yield for a unanimous consent request?

Mr. PERCY. I yield.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that the time on the pending amendment not start running until tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Now, will the distinguished Senator indicate how long he will be speaking?

Mr. PERCY. At the most 5 minutes.

Mr. BYRD of West Virginia. I thank the Senator.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. PERCY. Mr. President, I should like first of all to make perfectly clear that this amendment, intended to prevent funds from the alcohol excise tax being diverted to the Highway Trust Fund, is supported by the administration.

I have talked with representatives of the Treasury Department; and I talked to George Shultz, the Director of the Executive Office of the President, Office of Management and Budget, and I have his assurance that the administration supports my amendment.

Mr. President, I ask unanimous consent to have printed in the RECORD at this point a letter from Donald B. Rice, Assistant Director, Office of Management and Budget, dated November 15, 1971.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

EXECUTIVE OFFICE
OF THE PRESIDENT,
OFFICE OF MANAGEMENT AND BUDGET,
*Washington, D.C., November 15, 1971.*

Hon. CHARLES H. PERCY,
*U.S. Senate,*
*Washington, D.C.*

DEAR SENATOR PERCY: The Administration strongly supports your proposal to amend the pending tax bill to delete the provision which diverts alcohol tax revenues into the highway trust fund.

We believe that taxes paid by the user should bear a relationship to the benefits he receives and total user taxes levied should bear a relationship to the total level of services provided. Using alcohol taxes to fund highway programs does not meet these tests. Furthermore, reducing general revenues by diverting them to the highway trust fund further restricts the already limited funds available for other high priority national needs.

Sincerely,

DONALD B. RICE,
*Assistant Director.*

Mr. PERCY. Mr. President, the Committee on Finance approved an amendment to the Revenue Act which calls for the transfer of 7 percent of the receipts from the Federal excise tax on alcohol from the general revenues into the highway trust fund. This transfer represents a gain of approximately $350 million to the highway trust fund, and a loss of the same amount to the Treasury.

The committee justified its action on the grounds that repeal of the manufacturers' excise tax on light-duty trucks and trailers, as provided in the bill, would result in a net revenue loss of approximately $340 million to the trust fund; and because these additional funds will be necessary for the completion of the Interstate Highway System, the revenue loss should be recovered.

The committee suggested that, because alcohol abuse accounts for many highway accidents, it is appropriate to transfer alcohol tax receipts into a trust fund whose outlays go partially for highway safety programs. The $350 million allocated for the trust fund was not, however, specifically earmarked for highway safety programs.

### THE QUESTION OF THE NEED FOR ADDITIONAL TRUST FUND REVENUES

The Finance Committee maintains that the additional $350 million, and money accruing from the alcohol excise tax in the future, is necessary in order not to impair the completion of the Interstate Highway System. This assertion disregards that, at the end of fiscal year 1971, the highway trust fund had an accumulated balance of $3.648 billion. Even with the loss of the funds from the excise tax on light trucks and trailers, the trust fund would have a net increase in its balance of $796 million by the end of fiscal year 1972. This unspent balance is projected to rise to $10.7 billion by fiscal year 1977, when the authority for the fund expires.

Mr. President, I ask unanimous consent to insert at this point in the RECORD a table showing the fiscal status of the highway trust fund, fiscal year 1957—fiscal year 1970, and estimates for fiscal year 1971—fiscal year 1978.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

STATEMENT NO. 2.—STATUS OF HIGHWAY TRUST FUND, ACTUAL FISCAL YEARS 1957–70, AND ESTIMATES 1971–78, UNDER EXISTING LEGISLATION

[In millions of dollars]

| | Receipts | | | | | | | | | Expenditures | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|
| | Gross excise | Deductions | | | | | | | | | | | | |
| Fiscal year | Gross excise Taxes | Transfers [1] | Refunds | Net excise taxes | Interest (net) | General fund advances | Repayment of advances (deduct) | Reimbursements from general fund [2] | Total | Interstate highways | Primary, secondary, urban, rural, TOPICS, and urban system [3] | Other [4] | Total | Balance in the fund |
| Actual: | | | | | | | | | | | | | | |
| 1957 | 1,479 | | | 1,479 | 3 | | | | 1,482 | 208 | 743 | 15 | 966 | 516 |
| 1958 | 2,116 | | 90 | 2,026 | 18 | | | | 2,044 | 675 | 809 | 27 | 1,511 | 1,049 |
| 1959 | 2,171 | | 97 | 2,074 | [5]13 | | | | 2,087 | 1,501 | 839 | 273 | 2,613 | 523 |
| 1960 | 2,642 | | 103 | 2,539 | —3 | 359 | 359 | | 2,536 | 1,861 | 879 | 200 | 2,940 | 119 |
| 1961 | 2,924 | | 126 | 2,798 | [5]1 | 60 | 60 | | 2,799 | 1,719 | 877 | 23 | 2,619 | 299 |
| 1962 | 3,080 | | 131 | 2,949 | 7 | | | | 2,956 | 1,914 | 860 | 10 | 2,784 | 471 |
| 1963 | 3,405 | | 216 | 3,279 | 14 | | | | 3,293 | 2,109 | 906 | 2 | 3,017 | 747 |
| 1964 | 3,646 | | 127 | 3,519 | 20 | | | | 3,539 | 2,635 | 1,004 | 6 | 3,645 | 641 |
| 1965 | 3,786 | 4 | 123 | 3,659 | 11 | | | | 3,670 | 3,016 | 990 | 20 | 4,026 | 285 |
| 1966 | 4,065 | 28 | 120 | 3,917 | [5]7 | 70 | 70 | | 3,924 | 2,978 | 937 | 50 | 3,965 | 244 |
| 1967 | 4,684 | 31 | 212 | 4,441 | 14 | | | | 4,455 | 2,976 | 954 | 44 | 3,974 | 725 |
| 1968 | 4,523 | 30 | 114 | 4,379 | 34 | | | 15 | 4,428 | 3,207 | 947 | 17 | 4,171 | 982 |
| 1969 | 4,889 | 28 | 224 | 4,637 | 53 | | | | 9,690 | 3,149 | 984 | 18 | 4,151 | 1,521 |
| 1970 | 5,414 | 28 | 32 | 5,354 | 115 | | | | 5,469 | 3,289 | 1,043 | 46 | 4,378 | 2,612 |
| Estimate: | | | | | | | | | | | | | | |
| 1971 | 5,717 | 28 | 119 | 5,570 | 180 | | | | 5,750 | 3,481 | 1,147 | 86 | 4,714 | 3,648 |
| 1972 | 5,803 | 28 | 116 | 5,659 | 245 | | | | 5,904 | 3,304 | 1,301 | 163 | 4,768 | 4,784 |
| 1973 | 6,070 | 30 | 116 | 5,924 | 285 | | | 61 | 6,270 | 3,478 | 1,318 | 429 | 5,225 | 5,829 |
| 1974 | 6,302 | 31 | 116 | 6,155 | 330 | | | 27 | 6,512 | 3,802 | 1,364 | 582 | 5,748 | 6,593 |
| 1975 | 6,520 | 32 | 115 | 6,373 | 380 | | | 24 | 6,777 | 3,921 | 1,383 | 467 | 5,771 | 7,599 |
| 1976 | 6,722 | 33 | 114 | 6,575 | 440 | | | 23 | 7,038 | 3,941 | 1,398 | 469 | 5,808 | 8,829 |
| 1977 | 6,926 | 34 | 114 | 6,778 | 525 | | | 21 | 7,324 | 3,535 | 1,410 | 491 | 5,436 | 10,717 |
| 1978 [6] | [7] 2,114 | 11 | 84 | 2,019 | | | | 103 | 2,122 | 3,815 | 3,713 | 1,219 | [8] 8,747 | [9] 4,092 |
| Total | 94,998 | 376 | 2,519 | 92,103 | 2,692 | 489 | 489 | 274 | 95,069 | 60,514 | 25,806 | 4,657 | 90,977 | 4,092 |

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[1] Transfers to the land and water conservation fund in accordance with Public Law 88–578, approved Sept. 3, 1964 (78 Stat. 897).

[2] Reimbursements to the fund for emergency fund expenditures authorized by the 1964 amendments to the Alaska Omnibus Act, the Pacific Northwest Disaster Relief Act of 1965, and the Federal-aid Highway Act of 1966. Expenditures related to these reimbursements are included in "Other" expenditures (see footnote 4).

[3] Assuming authorizations will be extended for fiscal years 1974–78 at the annual rate of $1,100 million for the primary, secondary and urban program; $125 million for the rural program; $100 million for the TOPICS program and $100 million for the urban system program.

[4] Includes emergency relief funds; bridge and dam design and construction funds; advances to States; special $400 million of primary, secondary and urban funds; and $300 million transfer to the right-of-way revolving fund authorized by the Federal-aid Highway Act of 1968. Also includes programs designated for Trust Fund financing by the Federal-aid Highway Act of 1970—forest highways; public lands highways; economic growth center development highways; bridge replacement; Alaskan assistance; rail crossing demonstration projects; Baltimore-Washington Parkway; highway safety programs (23 U.S.C. 402) and highway safety research and development.

[5] Receipts of interest on investments netted by payments of interest on general fund advances of $5 million in 1960, $1 million in 1961, and $1,000 million in 1966.

[6] Through Sept. 30, 1977.

[7] Includes receipts on tax liabilities accrued prior to Oct. 1, 1977, but collected thereafter.

[8] Provides for complete disbursement of all funds authorized for fiscal year 1978 and prior fiscal years including expenditures estimated to occur after Sept. 30, 1977.

[9] Available for additional authorizations including $1,986 million Interstate system cost identified by 1970 Interstate cost estimate for which authorizations have not yet been provided.

Source: 15th Annual Report of the Secretary on the highway trust fund.

Mr. PERCY. Mr. President, I would like to make another point. I have been a great admirer of what has been done by the highway trust fund and by those Members of this body who have done so much to insure an interstate highway system. I want the Federal Government to fulfill its responsibility to help our States and counties with secondary roads. The role of the Federal Government in this matter has made possible the transportation on the roads we now have in this country.

Mr. President, I wish to commend the distinguished Senator from West Virginia (Mr. RANDOLPH), the chairman of the Committee on Public Works, and my distinguished colleague, the ranking minority member of the Committee on Public Works, the Senator from Kentucky (Mr. COOPER), for the work they have done.

Mr. President, I regret that this amendment necessarily has had to come up at a time when, because of other official business, the distinguished Senator from Tennessee (Mr. BAKER) will not be in the Chamber tomorrow, but he also has contributed greatly as a member of the Committee on Public Works to our highway system. It is not to detract from the magnificient job that has been done, but I feel we have a responsibility to other modes of transportation, and we have a moral commitment to not in any way rob general revenues, which are needed for such programs as education, health, and welfare, and other areas of vital interest to the Senate and to the national interest.

Mr. President, it is worth noting that the Ways and Means Committee reportedly discussed in executive session the question of replacing the money lost to the highway trust fund by removal of the excise tax on light trucks, and chose not to replace this loss with funds from another source.

I understand the concern of the distinguished chairman of the Public Works Committee that the removal of the 10-percent excise tax on light trucks might erode revenues accruing to the trust fund, and eventually impair its capacity to fund highway programs. But I suggest that the device of taking a percentage of the alcohol excise tax receipts, which now go into general revenues, and diverting them to the trust fund, is inappropriate and an unnecessary precaution. If the trust fund proves unable to fund highway programs deemed necessary in the future, then it would be more appropriate for Congress to increase revenues from remaining highway user taxes: For example, the tax on gasoline. This would retain the underlying principle that the trust fund should be financed by taxes on highway users—a concept in which fund supporters have taken great pride.

### ISSUE OF ALTERNATIVE USES OF THE DIVERTED $350 MILLION

While the highway trust fund maintains an accumulated balance of close to $4 billion, the Federal budget—Federal funds basis—now has an estimated deficit of $34 billion for this fiscal year—according to the most recent report of the Joint Committee on Reduction of Federal Expenditures.

The Finance Committee's view that a revenue loss to the trust fund should be recovered is double edged. It is equally fair and appropriate to ask: What will replace the $350 million lost in general revenues?

Many worthwhile programs financed partially from Federal dollars are suffering acutely from funding shortages and cutbacks. An example is our mass transit programs, which are facing severe funding shortages.

On the same day that the Finance Committee decided to divert $350 million to the highway trust fund, the Transportation Committee of the National Conference on Mayors called for an emergency appropriation of the same amount for urban mass transit systems.

There is presently a backlog of $2.6 billion in grant applications filed with the Urban Mass Transportation Administration, and bus systems across the country are having to raise fares as high as 40 and 50 cents or face bankruptcy.

We all know of other programs which are in trouble because of lack of funds from general revenues. Several weeks ago in the Senate, we were discussing the exclusion of thousands of schoolchildren from the school lunch program, and 5 months ago, we were battling to keep alive a very valuable program offering low-cost meals to the elderly poor.

### OPPORTUNITY FOR CONGRESSIONAL SCRUTINY OF EXPENDITURES OF PUBLIC FUNDS

With the exception of highways, virtually all Federal programs must come to Congress each year to prove their worth and obtain appropriations. Housing, health, school lunches, nutrition for the elderly, education, and not least of all, mass transit—all of these programs must compete annually for scarce Federal dollars.

By contrast, our interstate highway program has enjoyed relative insulation for 15 years from any real congressional examination through the annual appropriations and authorization process. In one sense, I am pleased that the Finance Committee injected this issue into the Revenue Act, as it gives this body a rare opportunity to discuss publicly the merits of the highway program and its trust fund financing.

### HIGHWAY "NEEDS"

One aspect of this discussion in which I am particularly interested is the manner in which highway "needs" are assessed. The 1970 national highway needs report—prepared every 2 years by the Federal Highway Administration—estimated that there is a "need" to allocate $320 billion to road construction over the next 15 years. But as a Joint Economic Committee report—dated August 17, 1970, by the Subcommittee on Economy in Government—points out, this estimate is based on the misleading concept of equating "need" with travel forecast. The "need" here refers to "capacity adequate to accommodate the highway travel forecast for the given target year."

The JEC report further explains that:

> Since funds are apportioned to the States in accordance with their estimated "needs," the financing system contains a considerable incentive to produce inflated travel forecasts. Furthermore, there is persuasive evidence that the "demand" for highways, as measured by traffic volume, is partly a function of highway availability. Increasing the highway mileage may merely stimulate more automobile travel.

### IMBALANCE IN PRESENT TRANSPORTATION OUTLAYS

There are serious imbalances in our Federal expenditures for various modes of transportation. According to the counter budget proposed by the Urban Coalition Federal Aid to Transportation was as follows in fiscal year 1971:

FEDERAL AID TO TRANSPORTATION

[In millions of dollars]

| | Outlays | Percent of transportation outlays |
|---|---|---|
| Mass transit | 215 | 2.8 |
| Highways | 4,880 | 62.9 |
| Aviation | 1,620 | 20.9 |
| Railroads | 48 | .6 |
| Water | 1,000 | 12.8 |
| Total | 7,763 | 100.0 |

It has been estimated that as much as 60 to 70 percent of our total population lives on less than 10 percent of the land—in crowded, metropolitan areas where mass transit is the most practical and efficient mode of transportation, and where highways are the least efficient and least economical. According to the 1969 copy of "America's Lifelines," a publication of the Department of Transportation, the average cost per mile of highways in rural areas is $887,000, whereas the average cost per mile of highways in urban areas is $4 million. It would seem more logical were the percentages of Federal funds going for mass transit and highways reversed; that is, were 62.9 percent of Federal outlays for transportation spent for mass transit and 2.8 percent spent for highways.

I should think that the highway interests themselves would be quite alarmed at the proposed change in the method of highway trust fund financing, for it will no doubt accelerate the movement for a more balanced and flexible national transportation system.

As a final note, I wish to reiterate my strongly held opinion that, at a time when we face a Federal deficit of over $30 billion and are witnessing critical budget cuts in numerous worthwhile programs, it is not appropriate to transfer $350 million from the deficit-ridden Federal budget into the oversubscribed highway trust fund.

Mr. LONG. Mr. President, I hope that tomorrow members of the Committee on Public Works will be present to discuss this amendment. The Committee on Finance agreed to maintain the amount of funds that would have been flowing into the highway trust fund under present law. This matter was brought to our attention by members of the Committee on Public Works who are more conversant with the need for going ahead with highway funds than those of us who are not on that committee.

Mr. President, the reason we have the surplus in the highway trust fund is because recent administrations have not done what Congress intended in connection with getting on with the program. There have been slow down orders and various administrative decrees not to do what Congress intended with the highway program.

We have lost tens of thousands of lives because the program has not been completed. Right now I challenge anyone to try to come from Virginia to the District of Columbia or from Maryland to the District of Columbia at working time in the morning, and try to get home at quitting time, if one has to travel beyond the circumferential highway. Highways and roads are jammed to capacity with the result that on magnificent roads designed for travel at 65 miles an hour, one has to stand still sometimes for 4 or 5 minutes waiting for a chance to move just a few feet.

We are far behind what we should have done. Frankly, it has always been my thought that we should build for tomorrow; that we should build a road system which at the time of its completion is adequate to fulfill the need for years in the future. Roads should be projected ahead so we would have what is needed in advance rather than making people spend their lives tied up for hours in bumper-to-bumper traffic fussing and perspiring with their cars burning out, with their automobile hoods lifted up because their cars are generating so much heat they will not operate any longer. This is a typical scene on the interstate highways of America today because of their inadequacy. The slowdowns that are imposed cause the construction of roads to take so long that no President expects to see some of these roads completed during his term. That is a sad commentary on the status of the highway program.

The idea of a separate fund for the construction of roads has actually resulted in a slowdown of the program. When we have a slack economy and cannot get things moving ahead, as we have now, because of a limitation on the use of funds, roads seem to be the first thing to be slowed down even though it was intended that money should be made available and spent.

So I do not want to participate in the deliberate decisions of the Executive during the last 10 years to postpone construction of much-needed highways, and which run up the death toll on those highways, by further postponing completion of this program.

Maybe we cannot get the executive to spend the money anyway, but if we do not put it there we cannot have it spent because that would provide one more excuse not to get on with the program. I believe most people think highways are one of the most pressing matters in this country.

## THE RETIREMENT OF PAUL G. HOFFMAN

Mr. PERCY. Mr. President, this January marks the retirement of Mr. Paul G. Hoffman, who will step down from his post as administrator of the United Nations development program. I am honored to salute Mr. Hoffman's distinguished record of service and proud to be able to call him my friend.

Paul Hoffman, who is 80 years of age, has had a long career in industry and international affairs. He was president of the Studebaker Corp. for 13 years before being appointed by President Truman in 1948 as the first Administrator of the Marshall plan for the economic recovery of war-torn Europe. Later, he was president of the Ford Foundation for 2 years before joining the world organization in 1959 as managing director of the United Nations Special Fund, created to stimulate investment opportunities in developing countries. In 1965, the special fund was merged with the expanded program of technical assistance into the United Nations development program, and in 1966 Mr. Hoffman took the reins as Administrator of this vitally important undertaking.

The U.N. development program assists low-income countries in making more fully productive the vastly underutilized, potential wealth of their human and natural resources. At the request of the governments of these developing countries, it works in carrying out preinvestment and technical assistance projects, with the aim of uncovering sound opportunities for capital investment and creating conditions under which such development financing and other growth resources can be used with maximum effectiveness.

I think that Mr. Hoffman has best stated the mission of the U.N. development program:

> It cannot be said too often that the poverty which dreadfully oppresses hundreds of millions of the world's people is unnecessary, simply and truly unnecessary. All the human, natural and technological resources needed to eradicate poverty from the low-income lands are available now, and a great deal is known about how to use these resources effectively.
>
> But the job can only be done if the richer and the poorer countries build a strong, dynamic partnership for development.

In his farewell address, Mr. Hoffman stated that he regards development "as one of the greatest causes to which mankind has ever devoted itself in all its long history—a cause which the future may reveal as the seedbed for a flowering of human well-being that could cover the face of this planet."

U.N. Secretary General U Thant calls Mr. Hoffman's contribution to the work of the United Nations in the economic and social field, and his services to the cause of multilateral ecnomic and social development, beyond praise. He said:

> His efforts have helped improve the lives of hundreds of millions of people throughout the world, and strengthened the cause of international cooperation.

Mr. President, the United Nations will be losing a gifted leader and a distinguished humanitarian. The world community is thankful for the work of Paul Hoffman, and I wish him well in his retirement years.

## THE "GOLD" AMENDMENT

Mr. MATHIAS. Mr. President, we frequently hear, the desirability of constructive alternatives to legislative proposals, and I should like to acknowledge one to my amendment to put income tax forms in simple American English. This alternative is the "Gold" amendment, proposed by the distinguished author of the District Line in today's Washington Post.

My only hestitation in calling the Senate's attention to it is that it may be considered coercive. At the very least, it may be unconstitutional as a violation of the eighth amendment. In any event, the "Gold" amendment speaks for itself. I ask unanimous consent that it be printed in the RECORD.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

### MAC'S TAX REFORM

> Sen. Charles McC. Mathias of Maryland has proposed that "common every-day American English" be made the official language of the Internal Revenue Service. Additionally, he wants tax return forms revised so that ordinary citizens can understand them.
>
> Sen. Mathias is to be commended, and I wish him a lot of luck. I have no pride of authorship in my own tax reform proposal, and would be happy to settle for his.
>
> However, if the Senate turns down the Mathias version of tax reform, I reserve the right to go back to plugging for my own idea: Just forbid any Congressman to use professional help in filling out his own tax return.
>
> If the men who pass our tax laws had to make them simple enough for Congressmen themselves to understand, the rest of us wouldn't have much trouble, either. Our problem right now is that the average Congressman can't make any more sense out of the tax laws he passes than the average citizen can, with the result that most returns that involve anything more than a standard deduction require professional assistance. And on returns of even minor complexity, even the professionals disagree among themselves. Ask six of them about your return and you'll get six different answers.

## H.R. 9961 RELATING TO FEDERAL CREDIT UNIONS—UNANIMOUS-CONSENT AGREEMENT

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at such time as the so-called credit union bill is called up—and that bill is numbered H.R. 9961—time on that bill be limited to 30 minutes, to be equally divided and controlled between the distinguished Senator from Alabama (Mr. SPARKMAN) and the distinguished ranking minority member of the committee (Mr. BENNETT); that time on any amendment thereto be limited to 30 minutes, to be equally divided between the mover of such amendment and the distinguished manager of the bill, with the exception of an amendment by the distinguished Senator from Wisconsin (Mr. PROXMIRE), on which there be a time limitation of 2 hours, to be equally divided between the mover of the amendment and the manager of the bill; provided further, that time on any amendment in the second degree, motion, and appeal, with the exception of nondebatable motions, be limited to 10 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President——

The PRESIDING OFFICER. The Senator from Michigan.

Mr. BYRD of West Virginia. Mr. President, may I say, in explanation of this request, it has been discussed with the distinguished manager of the bill (Mr. SPARKMAN), the distinguished ranking Republican Member (Mr. BENNETT), and the distinguished Senator from Wisconsin (Mr. PROXMIRE), and with the minority leadership.

Mr. GRIFFIN. Mr. President, it has been discussed with the distinguished ranking Republican Member, the Senator from Utah (Mr. BENNETT), and is agreeable. I wanted to indicate one concern that I had, however. The distinguished Senator from Tennessee (Mr. BAKER) is not on the floor, but the distinguished majority whip is limiting amendments here to 30 minutes with no requirement that amendments be germane. It bothers me a great deal to think we might be limiting the Senate, in the consideration of some extraneous amendment, the proportions of which we have no way of knowing, to 30 minutes. I wonder if we should do that.

Mr. BYRD of West Virginia. I thank the distinguished assistant Republican leader. He has certainly made reference to something that could become an eventuality here.

Could we agree that, in the event a nongermane amendment should be offered on which additional time over and above 30 minutes was desired, that amendment would not be under the restriction of the agreement?

Mr. GRIFFIN. I would accept that.

The PRESIDING OFFICER. Without objection——

Mr. SPARKMAN. Mr. President, reserving the right to object—and, of course, I shall not object—let me say that the bill itself is noncontroversial.

Mr. BYRD of West Virginia. Mr. President, the Senate is still in session. Would the Senate clerks take their seats or leave the Chamber?

The PRESIDING OFFICER. The point of the Senator from West Virginia is well made.

Mr. SPARKMAN. Controversy comes on one amendment that has been referred to. I have discussed with the Senator from Wisconsin (Mr. PROXMIRE) the idea of cutting that time down to 1 hour and a half. That can be taken up in the morning. I feel very strongly that the whole matter can be disposed of in not more than 2 hours. We will certainly cooperate.

Mr. BYRD of West Virginia. Yes. I share that hope.

Mr. President, was the request agreed to?

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from West Virginia, as modified by the request of the Senator from Michigan?

The Chair hears none, and it is so ordered.

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## REVENUE ACT OF 1971

The Senate continued with the consideration of the bill (H.R. 10947) to provide a job development investment credit, to reduce individual income taxes, to reduce certain excise taxes, and for other purposes.

### UNANIMOUS-CONSENT AGREEMENTS

Mr. BYRD of West Virginia. Mr. President, I have a number of requests which I shall propose. They have been cleared with the distinguished manager of the bill, with the distinguished ranking minority member of the committee and they have also been discussed with the distinguished assistant Republican leader, and have of course, been authorized and approved by the distinguished majority leader, and I make the requests at his direction.

Mr. President, I ask unanimous consent that upon the disposition of the pending amendment, the amendment by Mr. PERCY and Mr. WEICKER, the Senate then proceed to take up the amendment by Mr. ROTH, amendment No. 642.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, upon the disposition of the amendment by Mr. ROTH, amendment No. 642, the Senate proceed to consider an amendment by Mr. CRANSTON, amendment No. 640. That amendment, as I understand, would delete title VI of the bill. It would knock out the President's authority to impose import quotas.

I ask unanimous consent that the time hours, to be equally divided between the mover of the amendment and the manager of the bill; that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 30 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that, upon the disposition of amendment No. 640 by Mr. CRANSTON, the Senate proceed to consider an amendment by Mr. HARRIS. By way of identification, it would prohibit corporate tax deductions as business expenses for advertising on public questions.

I further ask unanimous consent that time on that amendment be limited to 30 minutes, to be equally divided between the mover of the amendment and the manager of the bill; that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 5 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that at such time on tomorrow as the Senate shall complete its business, a second amendment by Mr. CRANSTON, amendment No. 685, be laid before the Senate and made the pending question; that time on that amendment, which may be identified as dealing with the excise tax on autos, be limited to 2 hours, the time to be equally divided and controlled between the distinguished mover of the amendment (Mr. CRANSTON) and the distinguished manager of the bill (Mr. LONG); that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 20 minutes, to be equally divided between the mover of such and the manager of the bill.

Mr. GRIFFIN. Mr. President, reserving the right to object, I came to attention because that amendment deals with the auto excise tax. Can we lengthen the time for amendments to the amendment, if there are such offered, a little, from 20 to 30 minutes?

Mr. BYRD of West Virginia. Yes. I modify my request accordingly.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that upon disposition of amendment No. 685 by Mr. CRANSTON on Wednesday next, the Senate proceed to consider an amendment by Mr. HARRIS, which may be referred to as the combined DISC and foreign corporation tax amendment; that time on that amendment be limited to 1 hour, to be equally divided between the mover of the amendment and the manager of the bill; that time on any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions, be limited to 20 minutes, to be equally divided between the mover of such and the manager of the bill.

The PRESIDING OFFICER. Is there objection?

Mr. GRIFFIN. Mr. President, reserving the right to object—and I am conscious of the fact that this is a rather controversial matter—has this been cleared with the ranking minority Member?

Mr. BYRD of West Virginia. Yes. All of the requests have been so cleared.

Mr. GRIFFIN. Once again I think that I would like to suggest that perhaps amendments might be allotted 30 minutes.

Mr. BYRD of West Virginia. Very well. I so amend my request.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. BYRD of West Virginia. Mr. President, I think the distinguished assistant Republican leader would include with and amendment in the second degree, any motion, or appeal, with the exception of nondebatable motions, so that it would be clearly understood that they have the same time limitation as amendments in the second degree.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

Mr. President, I ask unanimous consent that on an amendment which may be identified as the tax deduction for political contributions amendment—to be offered by Mr. CRANSTON for himself and others, or by others—the time be limited to 6 hours, to be equally divided between and controlled by the mover of such amendment and the manager of the bill; and that time on any amendment in the second degree, motion, or appeal with the exception of nondebatable motions be limited to 1 hour, to be equally divided between the mover of such and the manager of the bill.

Mr. GRIFFIN. Is this the last amendment as to which the distinguished majority whip is going to ask unanimous consent?

Mr. BYRD of West Virginia. Yes.

Mr. GRIFFIN. And this has to do, not with the business for tomorrow, but for the day after tomorrow?

Mr. BYRD of West Virginia. This would be for the day after tomorrow, and I would hope that it could follow the second Harris amendment, but I hesitate to attempt to clock it in at this point.

Mr. HUMPHREY. Mr. President, will the distinguished majority whip yield?

Mr. BYRD of West Virginia. I yield.

Mr. HUMPHREY. I have an amendment, No. 693, relating to a low-income allowance, and I may want to call that up tomorrow. If I do, I would like to have the majority whip include that in his unanimous-consent request. I do not think I would need over 30 minutes. It seems to me that is a maximum amount of time, 30 minutes on a side, or a maximum of an hour to the two sides. I imagine I would be able to cut that down substantially, as we did on Saturday.

Mr. BYRD of West Virginia. Will the distinguished Senator hold that until we get the other requests cleared?

Mr. HUMPHREY. Yes. I understood the Senator was finishing his unanimous-consent requests, and I wanted to be sure to get it under the umbrella.

Mr. BYRD of West Virginia. Yes.

Mr. GRIFFIN. Mr. President, may I ask whether this amendment and the number of hours was cleared with the distinguished ranking Republican member of the committee (Mr. BENNETT)?

Mr. BYRD of West Virginia. Yes, the request for 6 hours was.

Mr. GRIFFIN. I have no objection.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. BYRD of West Virginia. I am sorry, Mr. President, that I cannot be more definite with respect to the identification of the author of that amendment. I discussed it with Mr. CRANSTON, and he gave me assurance that if he did not offer the amendment, he would be a cosponsor of it, and that the amendment, by whomsoever offered, would still come within the time limitation that has been agreed to.

Mr. GRIFFIN. Now, with respect to the request the distinguished Senator from Minnesota wants to make, here is the situation, and it is very awkward for the minority whip: Because the amendment, I take it, is one that the people on my side are not yet familiar with, particularly Senator BENNETT, the ranking minority Member, I do not know how I can agree to it, although I am sure the Senator will be reasonable about it tomorrow.

Mr. HUMPHREY. Yes; I was perfectly willing to wait until tomorrow. I understood that the majority whip was trying to complete a total roundup of the number of amendments pending with unanimous consent requests. But I shall raise this issue tomorrow.

Mr. GRIFFIN. Yes; the Senator can see the problem.

Mr. HUMPHREY. Yes.

Mr. GRIFFIN. These others have all been studied, and they are familiar with them and realize how much time they are willing to agree to.

Mr. BYRD of West Virginia. Mr. President, may I address this question to the able assistant Republican leader and the distinguished Senator from Minnesota (Mr. HUMPHREY)?

Could we agree to a time limitation on the amendment by Mr. HUMPHREY, so that the Senator from Minnesota would know where he stood with respect to a time limitation and with respect to the sequence?

Mr. GRIFFIN. May I suggest that he make it an hour and then, if he wants to reduce it, that would be fine?

Mr. HUMPHREY. Yes; an hour equally divided.

Mr. GRIFFIN. That would give adequate protection, I think.

Mr. BYRD of West Virginia. I was going to make this suggestion, which the Senators may or may not prefer: That the time be limited in accordance with the suggestion of the distinguished Senator from Minnesota, and conditioned on objection by the ranking Republican member of the committee or the chairman. In other words, if in the morning, Mr. BENNETT or Mr. LONG wishes to object, we will change the time to 2 hours to be equally divided.

Mr. HUMPHREY. Yes.

Mr. GRIFFIN. Fine.

Mr. BYRD of West Virginia. But unless Senator BENNETT or Senator LONG objects, then the time limitation would be understood; it would be 1 hour, to be equally divided, on the amendment, with 30 minutes allotted to any amendment in the second degree, motion, or appeal, with the exception of nondebatable motions.

Further, Mr. President, I ask unanimous consent that the amendment by Mr. HUMPHREY follow the amendment by Senator HARRIS on tomorrow.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. HUMPHREY. Mr. President, will the assistant majority leader yield for just one other observation?

Mr. BYRD of West Virginia. Yes.

Mr. HUMPHREY. It was necessary for the Senator from Minnesota to be absent today, on what I would call official business, to participate in the General Forum of the National League of Cities and Municipalities as one of the participants, together with former Governor Scranton of Pennsylvania and others, on the whole subject of revenue sharing—by the way, in support thereof—and of the Rural Development Bank proposal, at a conference that was held in Atlanta.

I make note of this because of the very important business that is before the Senate, and I deeply regret not having been able to be here today, but I had to either completely disappoint, because of the responsibility I have in that conference, an entire conference, or be absent from some votes here today.

As the majority whip knows, I was concerned about that on the weekend, and spoke to him about it.

Mr. BYRD of West Virginia. Yes, the able Senator did indeed, and the situation was such, as he has explained it, that it necessitated our having to move ahead with votes here, and we appreciate the explanation for the record by the distinguished Senator from Minnesota, of which I was already aware. It is regretted that the circumstances were such that the able Senator from Minnesota could not be present throughout the day, but it should be noted that, even at this late hour—and it will soon be 9 o'clock in the evening—he has returned to the Senate floor to help complete the business here.

## ORDER FOR TRANSACTION OF ROUTINE MORNING BUSINESS TOMORROW

Mr. BYRD of West Virginia. Mr. President, I ask unanimous consent that tomorrow, at the conclusion of the remarks by the distinguished Senator from Wisconsin (Mr. PROXMIRE), there be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes, at the conclusion of which the Chair lay before the Senate the pending question, which is the amendment by Mr. PERCY and Mr. WEICKER.

The PRESIDING OFFICER. Without objection, it is so ordered.

## PROGRAM

Mr. BYRD of West Virginia. Mr. President, the program for tomorrow is as follows:

The Senate will convene at 9 a.m.

After the two leaders have been recognized under the standing order, the distinguished Senator from Wisconsin (Mr. PROXMIRE) will be recognized for not to exceed 15 minutes, following which there will be a period for the transaction of routine morning business of not to exceed 15 minutes, with statements therein limited to 3 minutes.

At the conclusion of morning business, the Senate will resume its consideration of the amendment by Mr. PERCY and Mr. WEICKER, on which there is a time limitation of 3 hours.

Upon the disposition of that amendment, the Senate will proceed to the consideration of the amendment (No. 642) by Mr. ROTH, on which there is a time limitation of 2½ hours.

On the disposition of the amendment by Mr. ROTH, the Senate will proceed to the consideration of amendment No. 640 by Mr. CRANSTON, on which there is a time limitation of 3 hours.

When the Cranston amendment (No. 640) has been disposed of, the Senate will take up the first of the two Harris amendments, the amendment to prohibit the corporation tax deduction as a business expense, on which there is a time limitation of 30 minutes.

Following that, the Senate will consider the amendment by Mr. HUMPHREY on which there is a limitation of 1 hour.

At the close of business tomorrow, the Chair will lay before the Senate the second amendment by Mr. CRANSTON, amendment No. 685, the excise-tax-on-automobiles amendment. It will be made the pending question. A time limitation of 2 hours has been agreed to with respect to that amendment.

Following the disposition of the Cranston amendment—No. 685—on Wednesday, the Senate will proceed to consider the second amendment by Mr. HARRIS, the combined DISC and foreign corporation tax amendment—in other words, the old Gore amendment—on which there is a time limitation of 1 hour.

An agreement has been entered into with respect to the so-called political contributions amendment, with a limitation of 6 hours on the amendment. That amendment will be called up on Wednesday at some point.

Mr. President, there will be rollcall votes tomorrow. It is certainly hoped that the Senate will complete its consideration of the unfinished business on Wednesday. Of course, there will be rollcall votes on Wednesday as well. There will be a long day tomorrow and a long day on Wednesday.

Mr. GRIFFIN. Mr. President, will the majority whip yield for one further observation?

Mr. BYRD of West Virginia. I yield.

Mr. GRIFFIN. In the cases where reference has been made to numbered printed amendments, the Senators are on notice and can understand what is going to be taken up and can prepare themselves for the debate. In several instances, as the majority whip has indicated the reference has not been to a printed numbered amendment but has been identified with a description, which is helpful. But I would hope that perhaps tomorrow—I am thinking now of the so-called political contribution amendment, whatever that is—we could have something more definite as to what the amendment is, so that Senators could have notice and be able to prepare themselves.

Mr. BYRD of West Virginia. Mr. President, the point that has been made by the distinguished assistant Republican leader is well taken. Certainly, Mr. President, we are operating a little in the dark by virtue of the fact that we are unable to identify all amendments by number.

I think it can be explained by the fact that we are up against somewhat of a deadline, and that we hope to complete our work here on "must" legislation by December 1. In order to expedite the action on the unfinished business as early as possible, we are attempting to get time limitations on the various amendments.

Some amendments to which I have referred are printed, I am positive. For example, the amendment by the Senator from Oklahoma (Mr. HARRIS), the combined DISC and foreign corporation tax amendment, is a printed amendment, I am informed by the Senator. I do not have the number.

Mr. GRIFFIN. Perhaps tomorrow we will be better able to identify them.

Mr. BYRD of West Virginia. Perhaps tomorrow we can do so. I hope we can. I join in the remarks of the distinguished assistant Republican leader with respect to the importance of identifying the amendments by number where possible.

### ADJOURNMENT TO 9 A.M. TOMORROW

Mr. BYRD of West Virginia. Mr. President, if there be no further business to come before the Senate, I move, in accordance with the previous order, that the Senate stand in adjournment until 9 o'clock tomorrow morning.

The motion was agreed to; and (at 8 o'clock and 52 minutes p.m.) the Senate adjourned until tomorrow, Tuesday, November 16, 1971, at 9 a.m.

### NOMINATION

Executive nomination received by the Senate November 15, 1971:

NATIONAL SCIENCE FOUNDATION

H. Guyford Stever, of Pennsylvania, to be Director of the National Science Foundation for a term of 6 years, vice William David McElroy.

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# EXTENSIONS OF REMARKS

## PRESS ANGRY OVER U.N. ACTIONS

## HON. G. ELLIOTT HAGAN

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. HAGAN. Mr. Speaker, the press in the First Georgia District, as well as over the Nation, is fighting mad over the recent failures of the United Nations and the declining influence of the United States.

In strong editorials the papers denounce the U.N.'s ousting of Nationalist China, the joyous face-slapping of the United States, the failure of 15 nations to have the fortitude to vote, the dumping of the U.N.'s major expenses on the United States, and the general ineptness of the United States in foreign matters.

The value of the following three editorials in giving a cross section of the mood of the people in my area, is most evident.

The Savannah Press of October 27, 1971, in an editorial entitled "Appalling Decision" said:

> The appalling decision of the United Nations to cast out Taiwan should lead the United States to reconsider its role in that organization.
>
> What good can the U.S. accomplish if its members are going to defy the very principles on which the body was founded?
>
> The General Assembly's action was nothing more than capitulation to the Communist Chinese regime which demanded Taiwan's ouster as a price for acceptance of membership in the U.N.
>
> This action was taken despite the fact that Taiwan has observed the U.N.'s rules and Peking has observed none of them.
>
> Is Communist Chinese membership really all that important to the other nations of the world?
>
> At the present time, the United States pays 35 per cent of the expense of maintaining the U.N., an expense hardly justified when the organization bows and scrapes to a Communist nation that has engaged in war against the United Nations and is behind most of the conflict under way in the world.
>
> If Red China is so very important to the U.N., then Red China and those governments which believe in its being essential to the UN should begin to pay the freight now borne by American taxpayers.
>
> Some may argue that because Communist China has a tremendous population, Peking should be in the U.N. Well, what about Taiwan, which has a population larger than that of many U.N. members? Why shouldn't the people of Taiwan be represented?
>
> The outcome in the General Assembly, which was a crushing defeat for the so-called Two-China Policy, smacks suspiciously of a contrived deal by the United States, and it is only fair to ask if the Nixon Administration has provided the proper support for an ally who supported us in vote after vote.
>
> We will get none of that support from Peking. Quite the opposite. With the entrance of Peking as a replacement for a staunch ally, the influence of the United States in the U.N. is now but a wan echo of what it was at the U.N.'s birth.
>
> Other allies of the U.S. may well wonder if the day is coming when Washington will pull the carpet from under them as well. We have done ourselves no honor, and the U.N. has done itself even less.

The Dublin Courier-Herald of October 28, 1971, carried an editorial entitled "Take a New Look at the Sun," as follows:

> Almost since its inception, this country has underwritten the operation of the UN as far as finances are concerned. There are many of the larger nations who take active parts in the UN but refuse to contribute anything but a mere token contribution to the expenses of the world body.
>
> In the past this country has picked up the tab in the naive belief that the UN served as a place for the exchange of ideas and was thus a valuable organization to have around.
>
> But we are a bit weary of being "used" by the nations who make up the United Nations. There are far too many who are active, voting members who do not have as many people as most of the states in this nation.
>
> The two votes this week, one expelling Taiwan and the other admitting Red China to UN membership, demonstrated beyond any shadow of doubt that most UN nations no longer look to us for leadership. To them all we have become is a big, bumbling, simpleminded giant who can be bandied from pillar to post and stripped of its wealth to support every scheme they can conceive.
>
> For our part, we are ready to support the UN in the exact ratio of our vote to every other country's vote. After all, this nation through Supreme Court decisions is committed to the idea of one-man-one-vote. Why not in the United Nations when it comes to financially supporting the operations of that body?
>
> We must admit that our foreign policies have been amateurish and ineffective. Our efforts to buy friends with foreign aid and non-repayment loans have made us persona non grata to many nations, even those whose very existence today was made possible by sacrifices of American lives and millions of dollars in aid for reconstruction, all in one debt.

Thus we think this nation should reevaluate its financial support of a group that has placed itself over whelmingly the basic concepts of government that we believe in.

And we also think it is time for the Congress and the Administration to stand up and demand rather than following the pollyannaish policies we have followed since World War II. If we are as great and powerful as we are, let's act like it.

The Augusta Chronicle of October 28, 1971, in an editorial entitled "An Odd Situation," had this to say:

In the wake of the infamous decision by United Nations delegates to throw out a peaceful, law-abiding founding member and replace it with an outlaw nation, a very strange paradox develops.

On one hand, Free China, in the words of President Chiang Kai-shek, will "continue to be guided by the purposes and principles of the United Nations Charter."

On the other, the usurping Peking regime, although now in, will work against everything the UN was supposed to stand for. This is not opinion, but a realistic look at facts. The Associated Press, an objective news-gathering organization, states in a dispatch without qualification the obvious fact that the Mao dictatorship undertakes its UN "role while promoting 'people's wars' against regimes that fail to fit Peking's notions of ideological acceptability." Not "has promoted," mind you, but "while promoting"—a realization by hardheaded AP observers that this anti-peace process is due to continue while Chinese Communists hypocritically talk about peace in the UN deliberations.

The Associated Press appraisal of facts also noted that Red China is in a position "to wield a paralyzing veto over whatever peace-making efforts the Security Council might seek."

And it concluded that "there is a good chance that Peking will demand drastic restructuring of the UN and its agencies on the complaint that the poor nations are under-represented." The poor nations referred to also happen to be in many cases those in which Communist subversion has made them puppets—a fact that helped get the Republic of China thrown out in favor of Mao's gang. And their "under-representation" consists of each, no matter how small and lacking in its contribution to UN effectiveness, having the same vote as the United States, Britain, France and other major nations.

Maybe if Mao "restructures" sufficiently, he can get two votes each for Albania, Algeria and Cuba, as compared to the United States' one.

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## SCHOOL BUSING BECOMES A NATIONAL ISSUE

## HON. JOEL T. BROYHILL

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. BROYHILL of Virginia. Mr. Speaker, it seems to me quite significant that a large, liberal, Eastern newspaper, the New York Times, in a headline almost entirely across a page, has proclaimed that forced school busings has become a national issue. The Times article has pointed out that the issue has become a national one "primarily because this year, for the first time, a substantial number of urban school districts outside the South were faced with school desegregation plans, many of them requiring additional busing." The forced school busing problem is spreading throughout the country.

It is interesting to note that not only outraged parents—many blacks as well as whites—in the North as well as in the South, are angry over having their children forcibly bused away from their neighborhood schools, but also even a number of civil rights leaders have spoken out against forced busing, which represents a loss of freedom in America.

Mr. Speaker, at this point I insert in the RECORD the text of the New York Times article to which I refer. I hope that all who see it will give active support to House Joint Resolution 620, of which I am one of the sponsors. This resolution would initiate action to restore to the American people a part of the freedom which unwise judicial decree has taken away from them.

The article follows:

### SCHOOL BUSING BECOMES A NATIONAL ISSUE THAT MAY AFFECT 1972 PRESIDENTIAL RACE

(By John Herbers)

The busing of schoolchildren to achieve integration has emerged this fall as a national political issue.

Busing, which was formerly of interest largely in the South and border states, has become a factor and (sic) school board contests now under way in a number of Northern, and Western cities.

In Philadelphia, for example, both the Democratic and Republican nominees for Mayor in the November general election have come out strongly against a State Human Relations Commission order calling for integratiton that would require much additional busing.

Nationally, there is a consensus among political leaders that busing could have a significant impact on next year's Presidential race, particularly in some of the Democratic primaries. There is disagreement, however, about how important the busing issues will be.

The issue has become a national one primarily because this year, for the first time, a sugstantial number of urban school districts outside the South were faced with school desegragation plans, many of them requiring additional busing.

Before schools opened, President Nixon gave the issue prominence with a public statement opposing busing "simply for the sake of busing."

Democrats who are traveling the country as contenders or possible contenders for the Presidency have been asked at almost every stop to state their stand on busing, along with a number of other issues ranging from the economy to drugs.

Senator Edmund S. Muskie's recent experiences with the issues in California and Tennessee point up part of what is involved. Senator Muskie, who is considered the front-running candidate for the Democratic Presidential nomination, was asked about the issue on Sept. 7 in San Francisco, which was under court order to implement additional busing.

#### ORDER OPPOSED

The order was opposed by parents of Chinese and white pupils; and Mayor Joseph L. Alioto, a candidate for re-election this year, had added his voice to the opposition.

Senator Muskie voiced distaste for the busing of children to desegregate schools, but he sharply criticized President Nixon for asking Congress to prohibit the use of Federal funds to acquire buses.

He added that until the nation integrated housing patterns, "we're going to have to rely on busing to some extent to deal with the problem."

The comments did not stir much reaction in California, but when he appeared in Chattanooga later in the month and said essentially the same thing, with more emphasis on the need for busing, a number of Tennessee Democrats said that he killed his chances of winning the Presidential primary there next spring.

Tennessee Democrats, seeking a centrist candidate for next year, were reported to have tentatively chosen Senator Muskie to address a party fund-raising dinner in Nashville Nov. 18, but to have changed their minds after the Senator's Chattanooga statement, made in response to questions at a news conference.

"Muskie's appearance would have been totally successful," said Lieut. Gov. Frank Gorrell, "If he had not expressed himself on the busing question."

What the Senator said was this:

"All I can tell you is my view of busing and its relationship to the chief objective, which is to break down inequality of educational opportunity in this country. That is a wrong that must be righted. It's a wrong that's ingrained in our educational system, and to right it is going to require the use of means that are not always going to be comfortable, and we must face that as well.

"The courts have told us that busing is a way, and a legitimate way, and in many cases the only way to get at that wrong. So I don't think we ought to exclude it as a tool for doing just that."

Later, the Senator said that what all Americans wanted was "mobility" and that that was what blacks did not have. To deal with that, "we must from time to time use uncomfortable means that put us to inconvenience, that impose burdens, create risks and fears; but if we just are content to remain frozen in our present inequities all we do is exacerbate the problem," he said.

The issue has boiled up in Tennessee because of an integration order imposed this fall in Nashville and is not as likely to be as heated in other states. But it is an important issue in Florida, where Senator Muskie and other liberals hope to make a good showing early next year, and in some of the other primary states.

Gov. George C. Wallace of Alabama, who is expected to be an independent candidate for President next year, has indicated that he will run his campaign chiefly on an anti-busing program, contending that President Nixon "talks one way and acts another" and that all the Democratic candidates favor busing.

There is a wider range of opinion among Democrats than Governor Wallace suggests. Senator Henry M. Jackson of Washington, who is looking to the Florida primary to establish his candidacy, has said he favors busing if it enhances educational opportunity, does not impose hardships on the children and is not arbitrarily ordered. On a swing through North Carolina he left the impression that he opposed busing, at least in some degree.

"He is generally opposed to busing for busing's sake," said a spokesman for Senator Jackon. "He finds it a national issue. He runs into it in Seattle, and in San Francisco and the Northeast it is as validly an issue as in the South."

Representative Wilbur D. Mills of Arkansas, chairman of the House Ways and Means Committee, has said in his travels around the country that he opposes busing to achieve racial balance. Mr. Mills is reported to be gaining strength in Tennessee and other Southern states because of this stand.

Senators Fred R. Harris of Oklahoma and George McGovern of South Dakota, who are announced candidates for the Democratic nomination, and Birch Bayh of Indiana, Hubert H. Humphrey of Minnesota and Edward M. Kennedy of Massachusetts, who are considered possible candidates, are less equivocal than either Senators Jackson or Muskie in their support of busing as one tool to achieve equal education. They do not believe busing will be a major issue next year.

Senator McGovern has said he does not believe busing would have been a national issue this year if President Nixon had not made his statement against during the summer.

It is such an emotional issue, however, that liberals seldom bring it up themselves. Senators Walter F. Mondale, Democrat of Minnesota, and Jacob K. Javits, Republican of New York, were among the few liberals who spoke out voluntarily in favor of busing after President Nixon's statement.

On the other hand, a number of civil rights advocates have spoken out against busing. Senator Robert P. Griffin of Michigan, the Republican Senate whip, said in urging the Justice Department to intervene in court cases against busing:

"I am deeply concerned that forced busing solely for the purpose of achieving racial balance is counterproductive. Instead of helping in the effort to promote better race relations, it is resulting in more bitterness and more polarization."

How important an issue busing will be next year depends, some officials believe, on how much of it the courts order next fall.

On the other hand, they add, busing is an emotional issue that peaks in a city just before a busing order is carried out and then diminishes, as has happened many times in the South. By election time, they say, the issue may have declined in Tennessee and emerged elsewhere.

## GOVERNOR MILLIKEN'S DECISION AN APPEAL TO REASON

## HON. CHARLES E. CHAMBERLAIN

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. CHAMBERLAIN. Mr. Speaker, the recent controversial ruling by a U.S. district court with regard to the integration of Detroit public schools raised widespread concern over a number of fundamental questions. One of the most important of these derives from the court's suggestion that the busing of students across school district lines may be an appropriate remedy. To date the Supreme Court has upheld integration plans involving the use of busing within a single school district only. In order to obtain a full and complete review by higher Federal courts on this issue, Gov. William G. Milliken has announced that he will order a State appeal of the district court's decision as soon as it is finalized to insure that no new plan goes into effect until the Supreme Court has had the opportunity to examine its legality. The State Journal of Lansing, Mich., in a thoughtful editorial appearing November 7, 1971, supports the Governor's action and the need to encourage the rule of reason in this highly emotional issue, and I commend it to the attention of my colleagues.

### Milliken's Decision An Appeal to Reason

Like a small brush fire which suddenly becomes a raging inferno, the school busing integration issue has erupted in anger, shouting and fear. Reason, temporarily at least, seems to have gone out the window.

Sparking what has become a frenzied controversy in Michigan was a ruling by U.S. District Judge Stephen J. Roth that the Detroit public schools become racially segregated because of both official action and inaction. In both Detroit and Grand Rapids, one suggested remedy is court-ordered busing across school district lines.

Such an order, if it is given, would raise legal questions still untested by the U.S. Supreme Court in previous school bus integration rulings.

Because of the storm of controversy on the proposed crossing of district lines, Gov. William G. Milliken last week announced that he will order a state appeal of Roth's decision when it is finalized.

The governor, we believe, has made a reasoned and sensible decision in an attempt to restore some calm to a dispute which has caused an almost irrational drawing of battle lines and in which a crescendo of political shouting is drowning out common sense.

The issue involved in the Detroit dispute not only involves integration and methods of achieving this goal, but also concerns the independence of local school districts and future methods of state financing of schools.

If a cross-busing decision is made across school district lines it would indeed be a landmark ruling, one which would affect every major school district in the nation. The governor in reality is only asking that such a decision be given a full judicial review all the way to the U.S. Supreme Court.

In view of the Grand Rapids test case and others likely to arise, a Supreme Court appeal is almost certain in any event and Gov. Milliken has decided to take that step now because the state of Michigan is a defendant in the Detroit case.

We do not accept the shallow accusations being made by a few who are calling the governor a bigot, a racist and worse. Gov. Milliken is no racist and those making the charges are only pouring gasoline on the flames by such a tactic.

We also agree with the governor that any effort to prohibit all busing is wrong since that is going to another extreme and could scuttle much progress already made in integrating schools.

Some reasoned solutions must be found to bring about equal educational opportunity. It is correct and sensible, however, that these solutions, when they present wholly new concepts, be decided by the nation's highest legal tribunal.

We believe that was the reasoning behind the governor's announcement, and we support it.

## HAVE PLANT. WILL TRAVEL—THE MULTINATIONAL

## HON. JOSEPH M. GAYDOS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. GAYDOS. Mr. Speaker, the administration finally has recognized America's precarious position in the international trade market and taken some steps to alleviate the unfair competition now faced by the American industry and its workers. The 10-percent import surcharge is evidence of that.

However, there is another facet of the trade problem which is attracting ever increasing public attention. I refer to the multinational corporation which, for one reason or another, locates in countries throughout the world and produces goods there for sale here.

The November issue of Steel Labor contains an interesting article on these globe-circling firms. It states the number of U.S. affiliates abroad has skyrocketed from 10,000 in 1957 to 25,000 today. The direct investment of U.S. firms abroad has doubled in the decade from 1960 to 1970 from $31.9 billion to $77.4 billion. The price the United States has paid for this "Have Plant, Will Travel" shift is some 400,000 jobs, according to Steel Labor's story.

Mr. Speaker, I submit the article for the Record, and call it to the attention of my colleagues.

The article follows:

[From Steel Labor, November, 1971]

### Have Plant, Will Travel—The Multinational

On Oct. 31 and Nov. 1, as this issue of Steel Labor goes to press, the first worldwide conference of unions in the nickel industry is being held in Lausanne, Switzerland, sponsored by the International Metalworkers Federation in response to a suggestion by the United Steelworkers of America. Earlier this year, union leaders from 19 nations gathered in London to draw up a basic plan for collective bargaining in the worldwide auto industry.

Such international labor conferences can be expected to increase in frequency in the future. Why? Because the rapid rise of the multinational corporation—the company with holdings in two or up to two dozen or more countries—today confronts members of the USWA and all of organized labor with what well may be the most serious threat since the very inception of the trade union movement. This development, involving tremendous economic concentration at the same time that these corporations are spreading out over the world poses these grave problems:

1. For workers, a threat to existing wages and working conditions, as well as the very existence of their jobs.

2. For governments, founded upon the principle that elected officials represent the interests of the people, threat to their ability to carry out that political and social responsibility.

Time and again in recent years, USWA President I. W. Abel and other labor leaders have warned against the growth of conglomerates—widely diversified corporations operating in a variety of unrelated industries. To meet the serious difficulties in negotiating with such companies, unions increasingly have turned to coordinated collective bargaining.

If conglomerates are tough cookies with which to deal, however, multinational corporations may well prove to be even more so. Beyond their ability to endure lengthy shutdowns in any one segment of their operations, labor faces the additional threat that production at struck facilies may be shifted out of the country.

Both workers and government indeed have something to fear if some predictions are correct. Observers see fast-growing supercorporations becoming, in the near future, more powerful economically than all but the world's strongest nations. Howard V. Perlmutter of the Wharton School of Finance at the University of Pennsylvania is one who holds this viewpoint. "By 1985," he declares, "some 300 super-giants will dominate international business, producing more than half of the world's industrial output. The million-man company should not be unusual by the 1980s."

While many top international executives feel that this development will occur over the next 50 years, rather than the 15 years he projects, they generally share his predictions of the emergence of a global industrial system with huge "stateless worldwide firms" having fantastic business volumes. Assuming that many will be joint ventures between Communist governments and companies of the so-called free world, Perlmutter believes that, by the 1980s, each will be doing from eight to 160 billion dollars' worth of business annually. The nearly 19 billion in total sales reported last year by General Motors, the largest U.S. manufacturer, would rank in the lower end of such a spectrum.

What makes possible the type of corporate internationalism he envisions is modern technology. Through today's methods of communication and transportation, capital, management, technical achievement, and skill are all readily transferrable from one country to another. And what makes that transfer desirable in the search for high and easy profits is the availability, in other countries, or material resources and especially of labor—at cut-rate prices. The fact is that the direct investment of U.S. firms abroad has doubled during one short decade, from $31.9 billion in 1960 to $77.4 billion last year. Foreign sales of U.S. affiliates in manufacturing alone totaled almost $60 billion in 1968 and are estimated at between $70 and $75 billion in 1970, which is three times the figure at the beginning of the 1960s.

Since 1957, the number of U.S. affiliates abroad has skyrocketed from 10,000 to about 25,000. The degree of economic concentration that is taking place, however, is indicated by the additional fact that, during that period, the number of parent corporations controlling those foreign affiliates rose only from 2,800 to 3,500. Yet, figures on direct investment overseas tell only part of the story. Licensing and patent agreements with foreign producers also have grown, providing royalties and other advantages to the corporations, while depriving American workers of potential job opportunities. By 1968, some 800 American companies were reporting income from royalties and licensing fees paid by foreign concerns.

Out of the 200 biggest U.S. companies, 40 per cent are now doing one-fourth or more of their business in other countries. For some of these firms, the proportion of business abroad is as high as one-half. Corporations headquartered in other countries also, of course, are getting into the "multinational" game. Eighty of the 200 largest firms outside the U.S. also are doing 25 per cent or more of their business in foreign markets, and some foreign companies are establishing plants in the United States, often financing them with the extraordinary profits derived from low-wage exploitation in other areas. But the trend is mostly in the other direction. "By 1975, about 25 per cent of the approximately $1 trillion Gross National Product of the rest of the free world will come from branches and subsidiaries of U.S. corporations, and some 35 per cent will be 'U.S. tinged'—that is, would be associated with either direct or portfolio investment by Americans," according to a "Fortune Magazine" report of a National Industrial Conference Board appraisal.

The reasons for this are far from mysterious. Beyond living standards and wage differentials between the U.S. and other countries, current tax laws provide special advantages for American businessmen who control factories overseas. Among those tax breaks is one exempting foreign subsidiaries from American taxes on their profits until those profits are repatriated back to the U.S., which may seldom occur. Patent policies, too, encourage the transfer of technology. Finally, multinational firms can juggle their bookkeeping, their prices and their taxes.

Notes an article on multinational corporations, entitled "New Breed of International Cat," in a recent issue of the IUD's "Viewpoint," "When they have perfected their product, they are able to move production anywhere, to take advantage of low wages, benign governments, favorable tax laws, and any other factor that boosts profit. In effect, they have created an international economy of their own."

"The multinational," Andrew J. Biemiller, director of the AFL–CIO's Department of Legislation, told a Congressional subcommittee this summer, "is not simply an American company moving to a new locality where the same laws apply and where it is still within the jurisdiction of the Congress and the government of the United States. This is a runaway corporation, going far beyond our borders." Even Ellison L. Hazard, president and chairman of the Continental Can Company, itself an important international concern, has stated that tax and tariff and antitrust laws are inconsistent and discriminatory among the various countries of the world. "Tax havens abound. Fraudulent organizations, often operating with funds fleeced from trusting people, enjoy far-reaching immunity by operating from countries which have no meaningful regulations or supervision to restrict illicit operations, actions that bring disrepute upon private enterprise," he has said.

As the multinational corporations shift operations to areas of the world where living standards and wages are low, American jobs are lost in staggering numbers. Such production shifts have been responsible for U.S. firms eliminating some 400,000 American jobs between 1966 and 1969, the AFL–CIO estimates. Thus, American workers are denied many opportunities for producing goods for export to other countries, and, in many cases, goods imported into the U.S. are produced in factories abroad which are owned or controlled by American manufacturers. Organized labor maintains this is now true of about 25 per cent of all American imports. The Bureau of Labor Statistics has estimated a theoretical loss in 1969 of 2.5 million jobs due to imports, of which almost two-thirds are in manufacturing.

A very large proportion of imported footwear is produced in American-owned factories abroad, according to George O. Fecteau, president of the United Shoe Workers of America. Yet, he continued, "it is sold in the American market at the same price it would command if it had been made here. Thus the cost differential between the low-wage foreign operation and the modest wages of American shoe workers becomes a profit differential for manufacturers, wholesalers and retailers. The consumer gets no share in it."

Nor can it be said that America's loss brings a proportionate gain to the lucky nations visited by the multinational corporations. They are in business to make profits, not to spread social advancement. By adroit management, multinational corporations escape obligations and elude government regulations in both their parent countries and the nations in which they operate as foreign entities. Yet their expansion has often been encouraged by governments. Since 1967, when the Mexican government launched a program to attract U.S. companies into that country, the number of such firms operating in the border area has jumped from 30 to about 250—mostly in the electronics and garment industries. These U.S.-owned plants were granted special Mexican tax breaks as well as a special tariff break from the U.S. government, but the wages paid to their workers range from 20 to 46 cents an hour.

Like conglomerates (and many of the multinationals are conglomerate corporations as well), the company with operations in several countries can shift its production emphasis at will, compounding labor's collective bargaining difficulties. In addition, a multinational corporation can almost be said to benefit from a strike if it produces abroad the same product, which it can sell at prices driven higher in world markets because of the relative scarcity caused by the shutdown.

A huge conglomerate is but one example of a firm, with which the USWA has experience, that crosses both industry lines and national boundaries. Even a brief description of this family of companies, however, is enough to provide an indication of their growing economic power. Included is the eleventh largest steel company in the U.S. (58 per cent-owned by the corporation); the fourth largest aluminum producer in the world (39 per cent-owned); a cement and gypsum operation (37 per cent-owned); and aerospace and electronics, broadcasting, sand and gravel, and glass fiber operations (all wholly-owned by the conglomerate).

The aluminum and chemical operations alone are among the largest and most widespread in the world. Besides its major U.S. properties, scattered in 27 of the 50 states, this single branch of the conglomerate has its own or subsidiary bauxite mining properties in Jamaica, India, and Australia; primary aluminum production facilities in Germany, India, Ghana, Bahrein, Australia, and New Zealand; and aluminum fabricating plants in Brazil, Argentina, Belgium, Germany, Sweden, Switzerland, Turkey, the United Kingdom, India, Thailand, Singapore, Korea, Japan, and Australia.

Heribert Maier, an official of the International Confederation of Free Trade Unions, has summed up how the multinationals often approach collective bargaining: "By conceiving profitability on a worldwide rather than a national basis, and by centralizing decision-making at their international headquarters, they tend to exploit established industrial relations systems at national levels."

"The following," he continued, "are some of the grounds on which difficulties have arisen in dealing with multinational companies: preconceived anti-trade union policies; foreign managers unaware of or ignoring established industrial relations procedures; difficulties in identifying the real center of decision making; threats dangled during negotiations to shift production to other countries; difficulties in finding out the profit situation of the company because of the practice of 'profit smoothening' or because of transfer of profits to low tax countries."

The rise of the multinational corporation, of course, is partially responsible for the import problem that has alarmed the entire American labor movement. To help combat the problem, labor is mobilizing support for the Burke-Hartke bill recently introduced in the Congress. This proposal would revise our trade rules and plug some of the tax loopholes and wipe out financial incentives that have encouraged U.S. companies to expand abroad.

Several other countries have begun to react to the multinational threat. Certain of them now require that majority control companies operating within their borders be retained by indigenous investors. More drastically, as in Chile, foreign enterprise is being taken over by expropriation of other means. Further American action is needed, too, however, if the multinational corporations are to be brought under effective regulation and control. The failure to do so almost certainly will lead to destructive concentration of economic, political, and social power in the hands of a few unregulated entities that are without any obligation to use those powers for constructive social advancement.

In testifying during the 1911 hearings which led to passage of the Clayton Anti-Trust Act, Louis D. Brandeis declared, "You cannot preserve political liberty, you cannot secure American standards of living, unless some degree of industrial liberty accompanies it." Compared with today's industrial elite, the early 28th century business monarchs ruled very modest domains.

## BRITAIN'S INVOLVEMENT IN NORTHERN IRELAND

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### HON. SAMUEL L. DEVINE

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. DEVINE. Mr. Speaker, I call to the attention of my colleagues the following editorials found in the Philadelphia Inquirer, the Philadelphia Bulletin, the Oregonian, the Portland Press Herald, the Arizona Republic, and the Detroit News. Referring to American comment on Britain's involvement in Northern Ireland, the Inquirer's editorial states:

> We Americans have enough unsolved problems of our own without blundering into someone else's and making them worse.

I enter in the RECORD six editorials from the newspapers previously cited in hopes that most Americans will refrain from making further rash demands:

[From the Philadelphia Inquirer, Oct. 27, 1971]

#### GRATUITOUS AND MUDDLE-HEADED

Many Britons are infuriated over that congressional resolution introduced the other day by two Democratic senators, Abraham Ribicoff of Connecticut and Edward Kennedy of Massachusetts.

The resolution calls upon the British to withdraw the 14,000-man contingent of troops they have sent to keep order in Ulster, where Catholics and Protestants are at each other's throats, and urges that the province, a part of England, be unified with the Republic of Ireland.

The British minister of state for defense, in the House of Commons, said he "resented very much indeed" the resolution. One British newspaper, the Sun, called the speech Senator Kennedy gave in introducing the resolution "a blatant piece of electioneering." The Daily Telegraph advised Senator Kennedy not to interfere, "especially in such an irresponsible manner, in the internal affairs of another country."

Quite. The British have the right to be annoyed. We would suggest, though, that they keep their celebrated stiff upper lips. The Ribicoff-Kennedy resolution is only a mild exemplar of an old American political custom of playing politics with the Irish question.

That it is an old American political custom, however, does not make it any the less inexcusable. The recommendations in the resolution are not only gratuitous; they are muddle-headed. Those British troops are not in Ulster because they want to be or because the British Government wants them to be but because without them the violence would escalate and a satisfactory solution to an ancient problem would become even more difficult to find.

The solutions, though, are for those immediately concerned to find. We Americans have enough unsolved problems of our own without blundering into someone else's and making them worse.

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[From the Philadelphia Bulletin, Oct. 27, 1971]

#### UNWARRANTED INTRUSION

A great disservice has been done the people of Ulster—Catholics and Protestants alike—in the resolution sponsored by Senators Kennedy of Massachusetts and Ribicoff of Connecticut calling for withdrawal of all British troops from the riot torn country and reunification of the country.

Withdrawal of the troops at this juncture would almost certainly precipitate violence on an unprecedented scale, making a peaceful settlement that much harder to achieve.

Members of British Parliament and the Ulster government of Prime Minister Brian Faulkner have reacted with understandable anger to the senators' intrusion. The resolution has done the senators no credit.

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[From the Oregonian, Oct. 27, 1971]

#### SENATOR'S INTRUSION

Precedent is clear that the authority over U. S. foreign relations resides in the presidency. The Senate is confined to "advice and consent," and the Supreme Court has said that the chamber "is powerless to invade" the field of relations with other nations. But senators have, particularly in recent years, violated the spirit of that division of responsibility.

One of the latest instances of senatorial invasion of the field was the call by Sen. Edward M. Kennedy for immediate withdrawal of British troops from Northern Ireland. Teddy's speech may have been received warmly by his Irish constituents in Massachusetts; but it was not the same with the Irish of Ulster, about two-thirds of whom favor the current union with other parts of the United Kingdom.

Sen. Kennedy's pitch was for the Catholic one-third of the Ulster population, many of whom favor union with Ireland to the south.

Removing British troops (many of whom, by the way, are North Ireland residents) from the embattled counties would be a step toward full-scale civil war between extremists of both sides in Northern Ireland. The chief mission of the troops is to prevent such a major conflict. The Kennedy intrusion in foreign affairs amounts to a reckless political exploitation of the crisis in Ulster.

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[From the Portland Press Herald, Nov. 1, 1971]

#### KENNEDY IGNORED FACTS ABOUT IRELAND

(By Smith Hempstone)

WASHINGTON.—In aligning himself with the Green Panthers of the outlawed Irish Republic Army, Sen. Edward M. Kennedy has demonstrated yet again that in Irish affairs his passion is matched only by his prejudice.

The Massachusetts Democrat, in a resolution co-sponsored by Sen. Abraham Ribicoff, D-Conn., who may be forgiven if he sees the gunmen of the IRA as a Gaelic incarnation of the Stern Gang, has called for the "immediate withdrawal of (14,000) British troops from Ulster and the establishment of a United Ireland."

The six counties of Northern Ireland, Kennedy states, are "becoming Britain's Vietnam" and "Ulster teeters on the brink of a civil war that threatens to engulf all of Ireland." If only Britain will pick up its marbles and go home, Teddy asserts, Ulster's Protestants and Catholics more than likely "will work together in a new Ireland, to create the sort of political and social arrangements under which both can live and work in peace together, with full and mutual respect for the rights of all." Beautiful.

To prove his point, Kennedy, whose mathematics apparently are as weak as his Spanish, asserts that the Republic of Ireland's history of tolerance toward its "300,000 Protestants" (there are, in fact, less than 175,000 Protestants under Dublin's rule) shows that there will be no trouble if only the horrid British will go home.

Now Kennedy, like the rest of us, is entitled to think and say anything he wants. But as a putative candidate for the presidency of the United States, his suitability for that office must at least in some measure be judged by his public utterances.

Any examination of the present and future of Ulster must begin with one undisputed fact: For the past 50 years, Northern Ireland's one million Protestants have grievously discriminated against the province's 500,000 Catholics politically, socially and economically. But Kennedy, in his examination of the situation, chooses to ignore certain salient facts. Among them:

(1) While almost all of Ulster's 500,000 Catholics undoubtedly would welcome unification with the republic, its one million Protestants are equally fervently opposed to any such development and, presumably, they have the same right to self-determination as the Catholics.

(2) As to Ulster being "Britain's Vietnam," surely it is at least worth noting in passing that Northern Ireland is as much an integral part of the United Kingdom as Scotland, Wales or Cornwall and has been so for considerably longer than our own Southwestern states, which we took from Mexico, have been American.

(3) As for those Protestants "who feel they could not live in a united Ireland," Kennedy urges that "Britain could open its arms" to them, thus studiously ignoring the fact that the Protestants have been in Ulster for 30-years, which is to say considerably longer than the Kennedys have been in Massachusetts.

(4) British troops were dispatched to Ulster in 1969 to protect the Catholic minority from Protestant toughs. Since then, IRA gunmen, infiltrating from the republic (where the organization also is banned), have indulged in an indiscriminate orgy of sniping, nail-bombing, arson and high-explosive attacks which have resulted in the deaths of 28 persons on both sides of the barricades.

(5) Under British prodding the provincial government in Belfast has set in train a series of reforms which utlimately will go far toward eliminating many if not most of the inequities which Catholics have endured in Ulster.

The truth is that if Britain were to say it intended to pull out all its troops next week, Irish premier Jack Lynch would be on the first plane to London to urge them to stay a while. For Lynch knows, if Kennedy does not, that Ulster's one million Protestants, who are just as tough and well-armed as the Catholics, would fight to avoid domination by Dublin.

Finally, the intellectual process by which Kennedy determines that the United States has a right to intervene in the internal affairs of the United Kingdom is interesting. He simply states that, because the "Irish yield to none in their contributions to the peoples and culture of America," the principle of non-intervention "is utterly without application."

Under this reverse Brezhnev Doctrine, presumably the United States has an equally "irresistible" right to intervene in the internal affairs of Germany, Italy, Poland or any of the many other nations which have made weighty ethnic and cultural contributions to America. Or perhaps those nations have the right to intervene in our domestic matters since they created America.

In short while Kennedy's speech might have been eminently suitable if delivered before a St. Patrick's Day meeting of the Ancient Order of Hibernians in South Boston, its delivery on the floor of the Senate reflected small credit on that house or on the Senator from Massachusetts.

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[From the Arizona Republic, Oct. 28, 1971]

#### SOPHISTRY ABOUT NORTHERN IRELAND

Sen. Ted Kennedy's speech in the U.S. Senate of Oct. 20, a prelude to his introducing a resolution calling for the immediate withdrawal of British troops from Northern Ireland, was both irresponsible and uninformed. As even a Roman Catholic member of Ulster's new Alliance Party, Oliver Napier, noted, Kennedy's main proposals, if taken seriously, "would actually cause the civil war he wants to avoid."

Kennedy's speech and resolution (which would urge the U.S. government to pressure Britain) is an ideologically disoriented bit of flag waving designed to appeal to America's Irish Catholic voters. It is also a perfect example of liberal dogma in action.

For Kennedy, who was called to task by every responsible British official, suggested that Ulster was becoming Britain's Vietnam. In a letter to the Times of London, in which he claimed that the fierce reaction to his withdrawal proposal issued from "a guilty conscience," Kennedy said that the continuing presence of British troops in Ulster is compounding the violence.

Although Kennedy equated the British presence with colonialism, Jack Lynch, Prime Minister of the Republic of Ireland and an outspoken foe of the Ulster government, has said, "There is no real invader here. . . . This whole unhappy situation is an Irish quarrel."

Again and again British governments, Labor and Conservative, have indicated their willingness to allow Northern Ireland to join the Irish Republic. But the Protestant majority in Northern Ireland (approximately 1 million of Ulster's 1½ million population) is vehemently opposed. Protestants account for only 20 per cent of the population of the Emerald Isle, and they are determined to maintain their rule in Ulster where they are a majority.

Ostensibly, Northern Ireland's troubles are religious, but neither group is really interested in converting the other. It is a problem of "religious politics," involving primarily the lower economic Catholics and the lower economic Protestants.

There is no doubt that Ulster's Catholics have been discriminated against in jobs, housing and education. There is also no doubt that the ruling Unionist Party is a coalition of interests firmly united only in its determination to maintain Protestant rule. Therefore, there is good reason to condemn the ruling elite's refractory and even harsh (but not repressive) rule.

But Kennedy did not do that. He tried to blame the British, who are widely credited with preventing more blood from flowing than from the 137 who have already been killed in Ulster—most of them by terrorists—during the past two years.

Indeed, when the British troops entered Ulster in August 1969 they were eagerly welcomed by both sides, but particularly by the Catholics, who feared extermination by B-specials, the all-Protestant 8,000-man police reserve force, a group initially recruited in 1920 to back up Northern Ireland police in special emergencies but which over the years used its special status to intimidate Catholics.

Northern Ireland is confronted by an agonizing problem that affects us all. But it will not be solved by the shallow analysis and superficial comments of Teddy Kennedy, who, to be charitable, hasn't the slightest idea of what he is talking about.

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[From the Detroit News, Oct. 31, 1971]

### KENNEDY IN TROUBLE ABROAD

If Senator Edward Kennedy's recent performances in the field of foreign affairs suggest how he would conduct foreign policy as president of the United States, one can only hope that he means it when he says he's not a candidate.

His conduct on at least three occasions in the past six months provides classic examples of how to lose friends and alienate people.

Last April, the senator and his wife, Joan, descended upon Germany with a numerous personal entourage and the Boston Pops Orchestra, with which Mrs. Kennedy performed as reader for "Peter and the Wolf."

Although he must know that the Germans put great store in punctuality, Senator Kennedy consistently showed up late for appointments. He kept a chancellery minister waiting for half an hour, a minister president cooling his heels for 90 minutes and a foreign minister waiting dinner for two hours.

Last August, during a trip to the Far East, Senator Kennedy could not restrain himself from partisan comment on the tragic but politically sensitive situation in India and Pakistan. Pakistan, resentful because of his commitment to the Indian cause, declared him personna non grata and revoked permission for him to visit the country.

Recently, the redoubtable young senator severed his relationships with the British by demanding in a Senate speech that the British pull out of Ireland. The proposal, obviously a bid for the Irish-American vote in this country, drew the retort from the London Daily Mail that Kennedy is playing a "grim and cynical game" which callously ignores the loss of life that would occur if British troops were withdrawn.

Prime Minister Edward Heath was reported extremely angry at what he considered to be an irresponsible, ill-informed and provocative intervention, the U.S. embassy in London stated that Kennedy's proposal does not represent American policy.

Whether blundering or calculated, such disregard for diplomatic subtleties and foreign political issues provides but one more indication of the immaturity of Ted Kennedy. This immaturity has caused his family and associates great anguish, robbed him of his job as Senate Democratic whip, and may rob him of the Democratic presidential nomination, which otherwise—simply because his name is Kennedy—would probably have dropped in his lap like an overripe apple.

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## RICE POLICIES IN THE 1970'S

## HON. DONALD M. FRASER

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. FRASER. Mr. Speaker, Dr. Vernon W. Ruttan recently sent me a copy of his paper, "Rice Policies in the 1970's: A Perspective on the International Rice Research Institute (IRRI) Conference." It is a summary of the discussion that took place at the Rice Policy Conference held at the IRRI, Los Banos, Philippines, May 9–14, 1971.

Dr. Ruttan is a professor in the department of agricultural and applied economics, college of agriculture, University of Minnesota. His paper is a useful contribution to our knowledge of the "Green Revolution." It assesses the implications of this important development in national price and trade policies in south and Southeast Asia.

The article follows:

### RICE POLICIES IN THE 1970'S: A PERSPECTIVE ON THE IRRI CONFERENCE

(By Vernon W. Ruttan)

#### INTRODUCTION

What rice policies are currently being pursued by the rice producing countries of Asia? What are the policy implications of the rice problems these countries are facing, or will be facing in the near future? What policy options are open to governments in the region? What research related to rice policy issues is now being done, and what are the priority areas for policy or policy related research? These were the questions which provided a focus for a conference on rice policies held at the International Rice Research Institute (IRRI) in May 1971.

The conference was attended primarily by economists who are engaged in research related to rice policy or who are directly making policies. There was also participation from members of other social science fields, particularly sociology and communications. A number of IRRI staff members from agricultural science disciplines related to rice production also participated in one or more of the conference sessions.

During the first day of the conference, IRRI staff members reviewed their approach to research on rice problems, particularly those of rice production, and outlined the current status and potential developments in rice production technology in Asia. On the second day, the participants discussed policy issues related to farm resource utilization and the distribution of the benefits of new technology. The third day focused on the modernization of rice processing for domestic consumption and for export. The last day of the conference dealt with issues related to price and fiscal incentives for agricultural production and economic development. On the afternoon of the third day, participants visited rice milling facilities, irrigation systems, and rice farms near IRRI in the province of Laguna.

The format of the conference represented a departure from the usual system of formal papers and discussions. On arrival at Los Banos each participant received a set of papers on rice policy in various countries, papers related to rice technology, and reports or research on the economics of rice production, marketing, and policy. Each conference session then operated as an open forum under the direction of a discussion leader. Professor M. L. Dantwala, Director of the Department of Economics, Bombay University (India) served as the conference chairman.

Within this broader perspective, this summary attempts to give an insight into the major areas of agreement and disagreement rather than a precise record of the conference discussions.

#### RICE TECHNOLOGY IN THE 1970'S

Diffusion of the new rice (and wheat) technology in Asia has been extremely rapid during the last 5 years (Table 1). The initial diffusion of rice technology involved a limited number of new high yielding fertilizer-responsive varieties developed by IRRI and national research agencies. These varieties are now being succeeded by others which incorporate further advances in grain quality, resistance to pests and diseases, and adaptation to varying conditions of water control and weather (rainfall, temperature) uncertainty. Rice research in the 1970s, at IRRI and in many national programs, will place somewhat less emphasis on creating a new high yield potential. Rather somewhat greater priority will be given to realizing the yield capacity that has already been identified under a broader range of environmental and economic conditions.

Throughout the conference, a good deal of discussion related to the environmental, institutional, and economic conditions associated with performance of the new varieties relative to older varieties.

Considerable research has already been completed, particularly in the Philippines, Indonesia, and India on the performance of the "first generation" of new varieties under field conditions. Some discussants emphasized the extremely rapid diffusion of the new varieties in response to their substantial yield advantage in areas in which they are well adapted. Other discussants emphasized the limitations of the new varieties—lack of adaptation to extreme variations in water (under deep flooding, rainfed, and upland conditions), problems associated with disease and pest control, problems associated with market quality in domestic and export trade, and others.

The IRRI director, R. F. Chandler, Jr., emphasized the importance, for purposes of planning and policy, of assessing adequately the potential impact of the varieties that are currently being released or will be released over the next few years. He stressed the usefulness of feedback from micro-level studies in guiding further research. He also pointed out the danger, in a situation characterized by rapid technological change, of drawing policy implications from limited observations based on the performance of the "first generation" of new varieties.

Augustine Tan (Singapore) and others emphasized the difficulty of drawing inference for macro-economic behavior and policy from either experimental data or microeconomic observations during the initial stages of technological innovation and diffusion. This is clearly an issue to which statisticians and economists have not yet given sufficient attention. As a result, the macroeconomic implications of current or potential technical change are not treated with the same level of analytical and quantitative precision as other variables for which more reliable aggregate data are generated by national statistical systems.

The net effect of the discussion of technical change in rice production and processing, both during the first day and throughout the conference, was to reject any simplistic view regarding the characteristics and potential of the new rice technology. There was general agreement, however, that if the momentum of the present research effort in Asia can be maintained, rice producers will have access to new sets of varieties and production practices adapted to a much wider spectrum of environmental and economic conditions.

An important area of policy research emphasized by a number of conference participants is the quantification of several technical constraints on growth.

### SELF-SUFFICIENCY AS A POLICY GOAL

Several governments in Asia have identified self-sufficiency as a major policy goal. The goal reflects both political and economic considerations. For most countries of the region, foreign exchange earnings represent a major constraint on the capacity to import either consumption or investment goods. Even where imports of rice, or other food grains are available on concessional terms, dependence on another country for rice may be political suicide for many government leaders. The new rice technology has, in some countries, sharply reduced the cost of achieving self-sufficiency, but has at the same time reduced the cost of imports.

There are also several seeming inconsistencies in the self-sufficiency policies being pursued. In the Philippines, self-sufficiency in rice apparently has great political significance although the growing imports of wheat cause little apparent concern. In Malaysia, the high prices designed to encourage self-sufficiency in rice production impose higher labor costs on the nation's major export commodities. In India and Indonesia and in some other countries, the goal of self-sufficiency has in the past been pursued at the regional level at the expense, in the view of some participants, of national economic integration. These apparent contradictions led some participants to view self-sufficiency primarily in a political rather than in an economic context.

Hayami (Japan) said, however, that the concern with self-sufficiency has a national, though perhaps implicit, foundation in the long term decline in the terms of trade between wheat and rice. Before World War II the prices of wheat and of rice were quite similar. By the early 1960s, the price of rice relative to the price of wheat had increased in both international and domestic markets.

This sharply worsened the terms on which consumers in the rice producing countries of the tropics had access to food grains. It also weakened the competitive position of the rice producing countries of tropical Asia, in which rice is a wage good that enters directly into the cost of producing other (non-rice) agricultural products, industrial products, and other goods and services for domestic use or for export. He argued that the long run significance of the "green revolution" in rice production for Asia is that, if its momentum can be maintained, food grains may again become available to the underdeveloped countries of tropical Asia on terms that are as favorable as in the developed countries of the temperate region. The national basis of the quest for self-sufficiency becomes more apparent when it is put in the context of removing the food production constraint on economic growth rather than when it is cast in terms of self-sufficiency at any cost.

Discussion of the self-sufficiency issue carried over into the discussion of two closely related issues—trade and diversification.

### INTERNATIONAL TRADE IN RICE

For nearly 3 years the price of rice has been declining in international markets. Rice trade patterns have changed rapidly. The United States has replaced Thailand as the largest rice exporter. Japan has accumulated substantial surplus stocks. The Philippines is approximately self-sufficient in rice. Pakistan, India, and Indonesia have sharply reduced their imports. These changes lent considerable intensity to the discussion of trade policy.

The issue of whether a set of regional trade policies can be evolved that are consistent with comparative trade policies received vigorous discussion. Ruttan (U.S.) argued that agriculture is now a technology-based industry rather than a resource-based industry. Shifts in the production function are being achieved at a relatively low cost. In this dynamic environment the policy implications of traditional comparative advantage are somewhat less clear than in a world in which resource endowments represent the major source of output growth.

Sura (Thailand) pointed out that in spite of the rapid technical changes in rice production elsewhere in Southeast Asia, there can be little doubt that Thailand, where farmers have received less than $50 a metric ton during the last crop, remains a low cost producer. Noting the high prices of rice in Japan and the U.S., he claimed that the major source of distortion in price and trade relationships, at least up to 1970, has been the domestic price and trade policies in Japan and the U.S. The issue of whether Japan and the U.S. will be content to act as residual suppliers or will be major competitors in the international rice trade was regarded as a serious handicap for Asian countries as they try to plan national rice trade policies during the next decade.

Again the question was debated of whether rice trade policy is amenable to economic analysis or is subject primarily to political considerations. In spite of considerable skepticism, a view was expressed that present policies do reflect, to a considerable degree, the economic circumstances in which countries find themselves. The options available to small countries are clearly different from those available to larger countries. Thailand and Nepal are price takers in the export markets; they remain concerned with maintaining the volume of their exports in spite of adverse price movements. Malaysia and Korea continue talk about self-sufficiency but have not yet been willing to impose the full costs of achieving self-sufficiency on their consumers.

The Philippines, Indonesia, Pakistan, and India—where the proportion of the rice crop imported has now declined—indicate a major concern with stabilization policy. In the U.S. and Japan, the relatively high support prices for rice are viewed as part of the political cost of other policies which have greater national priority than efficiency in rice production. The conference reluctantly, and with considerable criticism, accepted the conclusion that neither Japan nor the U.S. is likely to bring production capacity in line with domestic consumption in the near future.

It was also generally conceded that the rice export market would remain depressed in the immediate future. There is a general tendency for wheat prices to move more in line with feed grain (corn and sorghum) prices than in the past, and it is possible that the gap between rice prices and wheat prices will continue to narrow in international markets. But in view of current rates of growth in population and per capita income, there was concern that pressure on food supplies might again emerge as a serious issue by the end of the decade.

### AGRICULTURAL DIVERSIFICATION

The emerging potential in some Asian countries to expand rice-producing capacity more rapidly than the growth in demand raises important problems of resource adjustment at least for the immediate future. If significant growth in rice exports is unlikely, the growth dividends from higher rice productivity must be taken through some combination of lower rice prices in domestic market and a shift of resources to the production of other commodities.

It was pointed out, however, that there are serious obstacles to diversification. Much of the rice production in Asia is in the great river valleys and deltas where water control and climate preclude the production of alternative crops. It was also suggested that a shift of resources from rice to other crops implies a type of resource adjustment that rich countries, such as the U.S. and Japan, have been unwilling to make. Can we assume that resource use is less rigid in the developing than in the developed countries?

There was rather general agreement that resources could be substantially readjusted through diversification, particularly in some upland rice areas and in some highly developed irrigated areas. Most countries have already experienced some diversification though not under as intensive systems of management as in the crop diversification studies now under way at IRRI.

The pace of diversification will reflect not only the rate of growth of productivity in rice but other constraints operating on both demand and supply. On the demand side, the growth of per capita income limits the ability of the market to absorb other crop and animal products. Economic policies which distort price incentives in favor of rice (Japan) or against rice (Thailand) also have important implications for diversification. It does appear, however, that at present income levels consumers will be ready to use a large part of their higher incomes to improve the quality of their diet. If both rice and alternative crop and livestock products can be made available at lower real prices, this tendency will be reinforced by the relatively high priced elasticities.

On the supply side, the potential for diversification is limited by the development of improved technology for alternative crop and animal production, by lack of environmental control, and by the fact that rice in many areas is a subsistence not a commercial crop. If productivity of rice (and other food grains) continues to advance satisfactorily, some research resources should be reallocated to make the production of vegetable proteins, green vegetables and fruits, feed grains, and livestock more efficient.

In his discussion of diversification, Mosher (ADC) placed particular emphasis on the development and management of water resources to achieve greater environmental control. He argued that an appropriate development strategy would aim for neutral policies with respect to the commodity composition of agricultural output. Future investments in water control—irrigation and drainage—should provide potential flexibility in cropping pattern to take advantage of future shifts in demand and technological opportunities.

### MODERNIZATION OF PRODUCT AND INPUT MARKETS

The session on modernization of processing and distribution systems focused primarily on two issues: economies of scale in processing, and the appropriate role of the public sector in marketing and distribution.

The initial discussion was characterized by considerable confusion with respect to the dichotomies—large vs. small and modern vs. traditional—as applied to the milling industry. The issue, as it finally emerged, centered on the question of the gain in milling efficiency and product quality in a large modern facility (25–30 tons/hour) as compared to either the existing (huller and sheller) small mills (2–4 tons/sour) or the modern small scale mills now in the development stage. Rawnsley (UNDP-Philippines) stated that the existing small scale mills, when properly operated and maintained, are relatively efficient. Khan (IRRI) indicated that development work now under way suggests that the efficiency of small scale drying and milling operations can be improved. Lele (India) underscored the loss in efficiency in large scale facilities resulting from higher assembly costs and deplored the social inefficiency of substituting capital-intensive milling and warehousing facilities for more labor-intensive systems in economies where labor is relatively cheap.

The view emerged, both among the economists and engineers, that there is a role for large modern drying, milling, and storage facilities to handle the export trade. But with this exception a small scale decentralized system is likely to be more efficient both economically and socially.

It was also observed by Ruttan (U.S.) that the growth dividends from improvements in the product marketing system would under any circumstances be relatively small except where substantial export opportunities existed. Available evidence suggests that in most countries of the region the private sector has performed much more effectively than is frequently assumed. It was suggested that there is an important role for the public sector in the establishment and enforcement of grades and standards, in the provision of market news, and in the stabilization of producer and consumer expectations.

Discussion about the modernization of factor markets (see, fertilizer, pesticides, credit) emphasized the relative under-development of factor markets, compared with product markets. Golden (IRRI-Ceylon), in particular, emphasized the constraints on producer response to the new varieties which are imposed by the lack of development of factor markets capable of making inputs available in rural areas.

In addition to the issues involved in the modernization of the marketing system, the issue of price supports and subsidies in factor and product markets was examined closely in several of the conference sessions. There was general agreement that in most countries, particularly those in transition from deficits to self-sufficiency or to surplus status, buffer stocks could play an important role in stabilizing prices and price expectations in producer and consumer markets. Serious reservations were expressed about the financial and administrative capacity of governments to manage stabilization schemes in which the differential between floor prices and ceiling prices is so narrow that a substantial share of total product is either acquired by or moved through public channels. Representatives of two exporting countries, Thailand and Nepal, said that their countries were so dependent on prices in external markets that any attempt to stabilize prices between "good" and "bad" years would be very expensive both financially and in terms of real resources.

Desai (India) indicated that he has concluded from his research, that price supports represent an effective device for speeding the rate of diffusion of new varieties and associated technology.

There was also considerable discussion on the effectiveness of input market subsidies vs. product market price support in facilitating the adoption of new technology. Park (Korea) argued that it is useful to distinguish between (a) production practices that depend only on better knowledge; (b) production practices that are embodied in inputs purchased from the industrial sector; and (c) production practices that are dependent on public infrastructure development (such as irrigation development). He contended that subsidies on inputs are less expensive than price supports when the constraints on production can be overcome through the purchase of inputs from the private sector. However, if such subsidies are continued for more than a few years, their effects on the marketing system and on public administration will become costly.

Desai (India) challenged the view that fertilizer should be subsidized at all. He argued that his own studies showed that when fertilizer is introduced it flows first to the crops that are of highest value and only later to lower value crops (such as rice). He stated that for such crops, technical changes leading to a steeper fertilizer response curve are much more significant than modest changes in the factor-product price ratio.

There was a consensus that generalizations with respect to factor-product price ratios had not given sufficient attention to the technical response of varieties or crops to fertilization. There was general agreement that in both factor and product markets the farmer would be better served by efforts to create a viable marketing system by attempts to use factor and product markets to achieve equity objectives. Park (Korea) observed that this good advice is more difficult to follow under democratic than under more authoritarian regimes.

### TECHNICAL CHANGES AND INCOME DISTRIBUTION

The implications of the new rice technology for income distribution in rural areas were discussed during the second conference session and emerged as a major item of concern throughout the conference.

On the basis of the questionnaires filled out by the participants before the conference, Mubyarto (Indonesia) suggested four generalizations with respect to the income distribution effects of the new cereals technology for which he found fairly widespread acceptance:

(a) That the new technology has resulted in cheaper rice production, but that it does not necessarily mean higher real income or greater benefits to all concerned, especially the rice producers.

(b) That the landowner and the larger farmers receive a large share and greater benefits than the tenant or the smaller farmers, which means an increase in the disparity in income distribution.

(c) That the new technology does not alleviate but even aggravates the problem of un- and under-employment in the rural areas because it encourages more mechanization in agriculture.

(d) That the general smallness of landholding makes it impossible to measure the farm viability by rice production alone.

There was, however, substantial disagreement with all four hypotheses. Chandler (IRRI) said that all four could be rejected for the Philippines. Ruttan (U.S.) said he would accept only the first part of hypothesis (a) regarding cheaper rice production. He criticized hypothesis (b), asserting that the new technology is neutral with respect to scale but not with respect to such institutions as land tenure, credit sources, village power structure, and others. He noted that political problems may have been increased because of the new technology as the several social classes and economic interests try to gain access to or control over the new income streams resulting from application of the new technology.

Hypothesis (c) was questioned by Rao (India) and Barker (IRRI). Rao cited Indian data for 1964–69 showing rising employment and real wages in areas that had adopted the new technology. He foresaw an increased demand for draft power, and felt that although the structure of employment might change, the total man-hours employed would not. Barker cited the stable demand for labor in Central Luzon in spite of new technology.

On the general effect of technology on equity, Ladejinsky (IBRD-India) cited the experience with wheat in the Punjab. With new technology, land values and land rents rose. Tenants found it difficult to remain as operators and began to be displaced and converted to agricultural laborers. Even in relatively developed areas where agricultural labor has gained from the new technology, there may be increasing mechanization and consequent problems in the future. Finally, access to credit was difficult for tenants and owners without ownership certificates. However, Dantwala (India) and Desai (India) argued that attention should be placed on the *absolute gain* to the small farm from new technology. Rao (India) disagreed, saying that standards of equity are offended when the relative share of large farms in total income is increased even though small farms also gain in absolute terms.

Managhas (Philippines) observed that the major income distribution problems occur within the rural sector and within the urban sector rather than between sectors. Dantwala said that with respect to the incomes of laborers, whether rural or urban, the most effective way to improve the income distribution is through a sufficiently rapid rate of productivity growth to permit the output of agricultural products to expand more rapidly than growth of demand. The effect would be a decline in the real prices of food to rural laborers in urban and rural areas. Falcon (USA) argued that in view of current population growth rates, large works programs are imperative in rural areas to absorb the unemployed and dampen rural-urban migration.

Perhaps the only level of agreement that was reached in this discussion centers around Mosher's (ADC) assertion that growth involves a continuous disequilibrium. Technical changes lead to new income streams that are distributed differently than earlier sources of growth. A society that achieves viable economic, social, and political development must institutionalize transfer mechanisms and redistribute the income streams in a manner that will reduce the social and political stress resulting from development.

### IMPLICATIONS FOR RESEARCH

In assessing the implications of the rice price policy conference for further research. it seems reasonable to assume that:

(a) During the 1970s, it will become feasible to shift away from a primary policy objective of simply meeting food needs to one which evaluates national investments in agricultural development in terms of contribution to national economic growth, the welfare of agricultural producers, and the generation of employment.

(b) The material and human resources available for organizing programs and projects will continue to be a major limitation in achieving agricultural development objectives, though clearly this is less serious than in the 1960s.

(c) The substitution of formal quantitative information and analysis for less formal qualitative judgments in economic policy and planning has a relatively high pay-off in achieving development objectives.

There seemed to be agreement that two areas of research deserved particularly high priority:

(1) Research designed to identify and evaluate quantitatively the technological investment and institutional constraints on growth of agricultural output. This research is essential if research resources, capital investment, and planned institutional changes are to be directed into high pay-off areas.

(2) Research related to the resolution of conflicts arising from the distribution of the new income streams resulting from technical and institutional change. The design of economic policies that are consistent with economic viability in factor and product markets and that distribute the gains of progress in a manner consistent with viable social and political development represents an important challenge to economic, social, and political innovation.

There was considerable disagreement about the skills and perspectives which economists must bring to this task. There was general agreement that the traditional pattern of academic organization of professional resources in the West, and in institutions based on Western models, wastes professional manpower. There also was disagreement about the role of the economist, as an economist, in the political process.

[In thousands of acres]

| | Rice | | | | Wheat | | | |
|---|---|---|---|---|---|---|---|---|
| | 1966–67 | 1967–68 | 1968–69 | 1969–70 | 1966–67 | 1967–68 | 1968–69 | 1969–70 |
| Turkey | | | | | 1 | 420 | 1,430 | 1,540 |
| Iran | | | | | | | 25 | 222 |
| Afghanistan | | | | | 5 | 54 | 302 | 361 |
| Nepal | | | 105 | 123 | 16 | 61 | 133 | 185 |
| West Pakistan | | 10 | 761 | 1,239 | 250 | 2,365 | 5,900 | 7,000 |
| East Pakistan | 1 | 166 | 382 | 652 | | | 30 | (1) |
| India | 2,195 | 4,408 | 6,625 | 10,800 | 1,270 | 7,270 | 11,844 | 15,100 |
| Ceylon | | | 17 | 65 | | | | |
| Burma | | 8 | 412 | 356 | | | | |
| Malaysia | 104 | 157 | 225 | 316 | | | | |
| Laos | 1 | 3 | 5 | 5 | | | | |
| Vietnam | | 1 | 100 | 498 | | | | |
| Indonesia | | | 488 | 1,850 | | | | |
| Philippines | 240 | 1,733 | 2,500 | 3,346 | | | | |
| Total | 2,505 | 6,486 | 11,620 | 19,250 | 1,542 | 10,170 | 19,654 | 24,409 |

[1] Not available.

Source: Dana G. Dalrymple, "Imports and Plantings of High-Yielding Varieties of Wheat and Rice in the Less Developed Nations," Foreign Economic Development Service, U.S. Department of Agriculture, in cooperation with Agency for International Development, (Washington, D.C. January 1971), pp. 35–36.

Mr. Speaker, my constituent, Dr. Ruttan, also forwarded me his observations on the NEP of President Nixon and its reception in Japan, Korea, and the Philippines. His remarks which follow, are helpful and I would like to share them with my colleagues:

OCTOBER 14, 1971.

Representative DONALD R. FRASER,
*U.S. House of Representatives,*
*Capitol Building,*
*Washington, D.C.*

DEAR CONGRESSMAN FRASER: I have recently returned from a trip to Japan, Korea and the Philippines. During the trip I was in contact with a number of economists closely identified with economic policy in the three countries. It occurred to me that you or your staff might find the following observations of interest.

In Japan there was clearly very great official concern with the "new economic policies" particularly the surcharge and the use of "voluntary" and other quota arrangements to regulate trade. At the same time, I sensed a good deal of confidence that the Japanese economy does have the capacity to adjust to the structural changes that may be necessary as a result of Japan's changing role in the Asian and world economy.

In Korea, I sensed much greater concern than in Japan, at both the official level and among economists who are not attached to the government. Korea has, in the last few years, begun to achieve substantial growth. This growth has been fueled to an important extent by exports to the U.S. and world markets.

There is real concern in Korea and in the Philippines that their development will be severely dampened as a result of a trade struggle between larger countries which the smaller or economically weak countries are powerless to influence. The economic growth of the smaller and less developed countries are more vulnerable to these policies since their economies do not have the capacity for structural change that the more developed countries possess. In my own judgment a strong case can be made for immediately removing the 10% surcharge on imports from the developing countries. This would not substantially weaken the value of the surcharge as a bargaining device in negotiations with the other industrial countries.

At a more general level I am personally concerned with two related issues. First, part of the pressure of Japanese imports on the U.S. market could be relieved by more liberal trading policies with respect to imports from Japan on the part of the European common market countries. I fear that the mutual interest of both the U.S. and Japan in trade liberalization in Western Europe may be obscured by the short-run struggle that is now going on between the United States and Japan. Secondly, I continue to be concerned with the lack of Congressional control over the executive action in the area of economic and foreign policy. The interpretation that the Trading with the Enemy Act gives the executive the right to impose quotas on imports without new Congressional sanction, in order to appease the interests of a particular industrial sector, is to me quite disturbing.

Your staff may find the enclosed paper "Rice Policies in the 1970's: A Perspective on the IRRI Conference" useful to have on file. The paper summarizes the results of a conference held to assess the implications of the "Green Revolution" on national price and trade policies in South and Southeast Asia.

Sincerely yours,

VERNON W. RUTTAN.

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## OFF-RESERVATION INDIAN LAND

## HON. MANUEL LUJAN, JR.

OF NEW MEXICO

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. LUJAN. Mr. Speaker, H.R. 7701 will provide 99-year lease authority for off-reservation Indian land in New Mexico. If passed, it will provide for the following:

First. Permit economic development. Off-reservation land cannot be leased for more than 30 days. The bill will permit leases up to 99 years which will spark increased interest in the area. Inquiries have already been received from companies interested in locating there.

Second. Extend coverage of existing legislation. Reservation land is already covered by 99-year lease authority. Unfortunately, the facilities—such as rail and interstate highway—that would be most useful are on the off-reservation Indian land. The bill would permit off-reservation land to be equal to reservation land in this respect.

Third. Would permit homeowners to qualify for FHA insurance under the National Housing Act, mortgage insurance is available for residential housing loans only if the lease on the land has less than 50 years to run. The bill would stimulate investing in homebuilding and homeownership.

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## THE 18- TO 21-YEAR-OLDS

## HON. LOUISE DAY HICKS

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mrs. HICKS of Massachusetts. Mr. Speaker, I am pleased to add my voice to those who have commented on the inconsistency between laws that recognize the maturity of persons between 18 and 21 years of age when it comes to the most important responsibility in a democracy—voting in Federal and State elections—and yet deny it in selection of jurors.

I am proud to be a sponsor of H.R. 11415, a step in the direction of giving full citizenship to persons between 18 and 21 who are old enough to fight, die for and pay taxes to their Government and have, by the recent ratification of the 26th amendment, been given the right to assist in choosing our national leaders at all levels of government.

It is inconsistent for us to say that our newly-enfranchised citizens can play such an important role in our political processes and yet be denied the equivalent role in the judicial process.

Furthermore, it is wrong to treat an 18-year-old as an adult when he is a criminal defendant in our courts—and all Federal courts and 49 of our State courts classify an 18-year-old offender as an adult—and yet deny the 18-year-old admission to the panel to consider the guilt or innocence of such young people.

The legal exclusion from juries of persons who can be convicted of crime is inconsistent with the oft-repeated constitutional requirement that the right to a trial by jury carries with it the right to be judged by a panel in which the peers of the defendant could serve.

The Supreme Court has repeatedly recognized that the Constitution requires that our juries consist of a cross-section of the community. Even before most of the civil rights cases were considered by the Court, in 1942, the Court in *Glasser* v. *United States*, 315 U.S. 60 at page 86, declared:

> The proper functioning of the jury system, and, indeed, our democracy itself, requires that the jury be a "body truly representative of the community" and not the organ of any special group or class . . . (Jury officials) must not allow the desire for competent jurors to lead them into selections which do not comport with the concept of the jury as a cross section of the community . . . If such practices are to be countenanced, the hard won right of trial by jury becomes a thing of doubtful value, lacking one of the essential characteristics that have made it a cherished feature of our institution.

From my exposure to persons between the ages of 18 and 21, I have not the slightest doubt of persons in this age bracket's ability to serve competently on juries in civil and criminal trials. There is nothing magic in the age of 21 that has not usually occurred earlier, as we recognized when we lowered the voting age.

A person of 18 is no more likely than a person of 30 to make a wise or a foolish voter. In the court system, we have greater safeguards than in the election registration system to keep incompetent or biased persons from service. In the power of trial counsel to exercise their power to strike jurors for cause or to a lesser extent by exercise of personal privilege to strike, we have a greater check on keeping unworthy or undesirable persons off juries than we do at the polls.

Furthermore, at a time when our Federal judicial system is creaking under the strain of huge backlogs, the additional manpower that would be available by lowering the minimum age for jurors is badly needed. Congress has not been reluctant to increase the number of judges in our district courts to meet the added demands upon our judicial system. Congress should not be reluctant to give these judges jurors to hear cases that are awaiting trial for often far too long periods of time.

It has often been difficult for persons advanced in their careers or with family responsibilities to serve as jurors. The time required away from occupation and family has often made jury service a burden from citizenship joyfully accepted. Persons between the ages of 18 and 21 often have not yet acquired the positions or responsibilities that have made jury service an unwelcome duty thus increasing the likelihood that from this source will come truly dedicated jurors.

I hope that Congress will set an example for the States as we did in our approval of the 26th amendment and promptly approve H.R. 11415.

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## MUSKIE'S SOUTHERN STRATEGY

### HON. JACK EDWARDS

OF ALABAMA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. EDWARDS of Alabama. Mr. Speaker, issues are certainly important in a campaign, yet one must avoid the opportunity to create or design issues for mere political gain. I call your attention to the following editorial from the Birmingham News in hopes that we follow the advice provided by a southern newspaper concerning the South and southern political strategy:

MUSKIE'S SOUTHERN STRATEGY

Sen. Edmund Muskie was at the University of Florida last week to make a speech which was, coincidentally, interrupted by a company of women's libbers.

If there were such a thing as "Southern lib," its members would be the ones who should have protested, for Muskie delivered still another in a seemingly endless series of denunciations of the so-called "Southern strategy" allegedly guiding the Nixon administration.

This "Southern strategy," Muskie said, is "an insult to the South" which must be rejected in 1972.

We understand Sen. Muskie's political motivation in making such charges. He (or almost any of the other national Democratic presidential aspirants) would be beaten badly by Mr. Nixon in most Southern states—although a "Southern strategist" headquartered in Montgomery could be a complicating factor if the '72 choice is three-way rather than two-way.

But the Maine senator should explain just what it is about the President's "Southern strategy" that is insulting to this region.

For that "strategy" is purely and simply to treat the South as an equal part of the Union.

This is not insulting to Southerners. What is insulting is the anti-South bias on the part of "liberals" who assume that every white Southerner is a racist who has only hidden his Kluxer sheet in the linen closet until another day, and that the South is a hopeless region that has to be governed by discriminatory policies and punitive legislation formulated by pure hearts elsewhere who know what's best for us.

It is these people, Sen. Muskie included, who are following a "Southern strategy."

Their strategy is to promote themselves in the rest of the country by trying to make it appear that anyone the South supports—especially if he is a Republican and his name is Richard Nixon—must be somehow un-American.

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## THE UNITED STATES AND THE MIDDLE EAST: A POLICY PAPER

### HON. MICHAEL HARRINGTON

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. HARRINGTON. Mr. Speaker, a thoughtful study prepared for the New England Leadership Conference on the Middle East has been brought to my attention. Prepared by Arnold M. Soloway and the ad hoc policy committee consisting of Sumner Z. Kaplan, Prof. Gerald Caplan, Prof. Ben Halpern, Prof. Marshall Goldman, Prof. David Landes, Dr. Herbert O. LeVine, Prof. Henry Rosovsky, Dr. Richard Wurtman, and Prof. Manuel Zymelman, the report is well worth reading by my colleagues as a cogent analysis of the situation. At this point, I wish to include the report in the RECORD:

THE UNITED STATES AND THE MIDDLE EAST: A POLICY PAPER

Shortly after the outbreak of the June 1967 War, it became evident that the third Arab attempt in twenty years to annihilate the State of Israel had failed. Only days earlier, Egypt, Syria and the U.S.S.R. had ridiculed Israel's and America's futile efforts to induce the strangely apathetic U.N. Security Council to take action following President Nasser's unexpected and unprovoked acts of war against Israel—his blockade of the Israeli port of Eilat, and mobilization and forward thrust of his army toward Israel's border. While the international community passively awaited Israel's doom, Israel's citizen army defeated the Soviet-equipped Arab military machine. In the wake of this self-inflicted catastrophe, the Arab-Soviet bloc initiated psychological and diplomatic warfare aimed at distracting world public opinion which overwhelmingly supported Israel.

With memories too fresh for the facts to be obscured by rhetoric, Moscow's and Cairo's first efforts to transform their intended victim, Israel, into the "aggressor" appeared patently absurd. Even the United Nations, where the numerical predominance of Soviet and Arab bloc votes for years had produced a one-sided pattern of anti-Israeli resolutions, found this too much to accept. However, the incessant reiteration of "anti-Zionist" slogans and slanders by the U.S.S.R. and its clients, abetted by France, showed its first effects in U.N. Security Council Resolution 242, of November 22, 1967. An avowed "compromise" between the victorious Israeli victim and the defeated Arab aggressors, in fact the Resolution was less than "even-handed": Israel, by name, was called upon to make only concrete and irreversible concessions such as "withdrawal from territories"—a major strategic sacrifice—while the Arab states, referred to only implicitly, were asked merely to make symbolic, verbal and easily reversible concessions.

Israel nevertheless accepted Resolution 242, hoping that this might, at long last, persuade Arab leaders to enter into the meaningful negotiations required by the Resolution, and trusting U.S. assurances on the operative meaning of 242.

Ever since its adoption, and as the true meaning and intent of Resolution 242 have faded with time, the Soviet-Arab bloc has solicited diplomatic support for an utterly distorted reading of the Resolution's key principles. In effect, Moscow has been attempting to fulfill its promise to its Arab clients that it will maneuver the international community, and especially the U.S., into forcing Israel to withdraw from all territories that the Arab states had occupied between 1949 and 1967, and, moreover, without a freely-negotiated peace treaty. Developments since 1969, have seemed to bring Moscow closer to gaining such a gratuitous victory, while also encouraging the Arab regimes to maintain a militantly uncompromising posture. Most regrettably, the U.S. State Department now appears to be joining the effor to "reinterpret" Security Council Resolution 242, and thus handing the U.S.S.R. its sought-after victory—even at the expense of any remaining trust that Israel, or *other* small nations, may have in the good faith and reliability of U.N. and U.S. undertakings.

The facts concerning Resolution 242 and the lamentable erosion in the posture of the U.S. State Department on this as on other Middle Eastern issues are of sufficient significance to require detailed analysis:

U.N. Security Council Resolution 242, adopted on November 22, 1967, recommended basic guidelines in its first operative paragraph for "the establishment of a just and lasting peace in the Middle East which should include the application of both the following principles:

"(i) Withdrawal of Israel armed forces from territories occupied in the recent conflict;

"(ii) Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every state in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force . . ."

These two principles were subjected to intensive debate and negotiation; their meaning and intent were amply clarified before the Security Council unanimously adopted the British-sponsored Resolution in its original English-language formulation.

Under these circumstances, it is all the more surprising that otherwise informed commentators have offered so little resistance to the Soviet-Arab-French campaign since 1967 to distort the meaning and intent of these two key principles in the carefully worded and delicately balanced Resolution.

The Arab-Russian claim is that the Resolution requires Israel's commitment to withdrawal from *all* occupied territories, and, moreover, *before* any negotiations can take place. (Hence, the argument that Big Four pressure is justified in order to force Israel to comply with that "requirement".)

In fact, of course, the precise wording of the Resolution reads "withdrawal of Israel armed forces from territories"—not withdrawal from *the* territories or from *all the* territories. The omission in the authoritative English text of the definite article before the word "territories" was not accidental or casual; the fact that the Resolution did not call for Israeli withdrawal from *all the* territories marked a deliberate and considered policy decision. Security Council Resolution 242 makes no reference to, nor even implies, re-establishment of the situation existing before June 5, 1967. On the contrary, it couples the withdrawal principle with that of each State's right to live in peace *"within secure and recognized boundaries"*.

The pro-Arab bloc in the United Nations made strong efforts to amend the British draft introduced by Lord Caradon, which eventually was adopted as Resolution 242:

On November 16, 1967, Arab delegates met with Mr. V. V. Kuznetsov of the Soviet Union, and insisted that the wording read either that Israeli forces would be withdrawn from *"all the* territories", instead of "territories", or that Israel should *"withdraw to the positions of June 4, 1967"*. The Arabs also stated their objection to the phrase *"recognized boundaries"*.

On November 17, 1967, Arab representatives argued the same points with Lord Caradon, who steadfastly refused to upset the delicate balance of the draft.

On November 20, 1967, the Soviet Union introduced a draft resolution calling for *withdrawal of all forces to the positions held before June 5, 1967*, which was not even put to a vote in the Security Council. Earlier, the Security Council had repeatedly rejected various Soviet-sponsored resolutions calling for *a return to the former armistice demarcation lines*.

On November 22, 1967, after these attempts to amend the text of the draft resolution had failed, Lord Caradon firmly rejected an Indian-Soviet maneuver to interpret the text as if it were in fact consonant wtih the amendments which the Security Council had refused to accept. The U.S. Representative, supporting Lord Caradon and the majority, emphasized that the voting would be on the draft resolution as it stood and "not on the individual discrete views and policies of various members". Israeli Foreign Minister Abba Eban similarly declared: "The resolution says what it says. It does not say that which it has specifically and consciously avoided saying."

The Resolution's primary territorial objective was the establishment of "secure and recognized boundaries" in the Middle East. It was precisely because the Arab delegates had clearly recognized the incompatibility between that requirement and the re-establishment of the fragile armistice lines of June 4, 1967, to which they aspired, that they had attempted to insert *"all the"* before "territories" and had sought to delete the requirement for "secure and recognized boundaries". The majority of the Security Council refused to accede to these Arab demands precisely because it considered the establishment of "secure and recognized boundaries" of primary importance, and regarded the old armistice lines as incompatible with the objective of a lasting peace.

Thus, the Security Council Resolution did not and does not require Israeli withdrawal from *all* the territories or the restablishment of the June 4, 1967, armistice demarcation lines. It does require the establishment of "secure and recognized boundaries", acknowledging that the pre-June, 1967 armistice demarcation lines were neither "boundaries" nor "secure" nor "recognized". In fact, Jordan's Permanent Representative to the United Nations had himself stressed this point before the Security Council on May 31, 1967, less than a week before the outbreak of the June War:

"There is an Armistice Agreement. The Agreement did not fix boundaries; it fixed the demarcation line. The Agreement did not pass judgment on right—political, military or otherwise. Thus I know of no boundary; I know of a situation frozen by an Armistice Agreement."

On June 19, 1967, one week after the June War, President Lyndon Johnson underlined this very point:

"The nations of the (Middle East) region have had only fragile and violated truce lines for twenty years. What they need now are recognized boundaries that will give them security against terror, destruction and war."

On November 15, 1967, the U.S. Representative told the Security Council:

"Historically there have never been secure or recognized boundaries in the area. Neither the armistice lines of 1949 nor the cease-fire lines of 1967 have answered that description. . . . Now such boundaries have yet to be agreed upon."

On September 10, 1968, President Johnson added:

"We are not the ones to say where other nations should draw lines between them that will assure each the greatest security. It is clear, however, that a return to the situation of June 4, 1967, will not bring peace. There must be secure and recognized borders. Some such lines must be agreed to by the neighbors involved as part of the transition from armistice to peace. At the same time, it should be clear that boundaries cannot and should not reflect the weight of conquest. Each side must have a reason, which each side, in honest negotiation, can accept as part of a just compromise."

The clear intent of Resolution 242 is that the parties to the conflict should arrive through negotiation at mutually determined "secure and recognized" boundaries, replacing the vulnerable June 4, 1967 armistice lines which had constituted a standing invitation to aggression.

That this indeed is the correct interpretation of the Security Council resolution of November 22, 1967, was made clear repeatedly by the sponsoring United Kingdom Government. On November 17, 1969, in the House of Commons, Mr. Stewart, the then Foreign Secretary, was asked about the "wording of the 1967 Resolution" and whether the right honourable Gentleman understands it to mean that the Israelis should withdraw from all territories taken in the late war". The Foreign Secretary replied:

"No Sir. That is not the phrase used in the Resolution. The Resolution speaks of secure and recognized boundaries. Those words must be read concurrently with the statement on withdrawal."

Some three weeks later, Sir Alec Douglas-Home, subsequently Mr. Stewart's successor as the Foreign Secretary, demanded that "the House should be told whether or not this Resolution requires the complete withdrawal of the Israelis." Mr. Stewart replied:

"As I have explained before, there is reference, in the vital Security Council Resolution, both to withdrawal and to secure and recognized boundaries. As I have told the House previously, we believe that these two things should be read concurrently and that the omission of the word 'all' before the word 'territories' is deliberate."

The fact that Resolution 242 can be implemented only through negotiations between the parties themselves, and not through Big Power dictates, was stressed on January 25, 1970, by President Richard Nixon:

"The United States believes that peace can be based only on agreement between the parties and that agreement can be achieved only through negotiations between them. We do not see any substitute for such negotiations if peace and security arrangements acceptable to the parties are to be worked out.

"The United States does not intend to negotiate the terms of peace. It will not impose the terms of peace. We believe a durable peace agreement is one that is not one-sided and is one that all sides have a vested interest in maintaining. The United Nations resolution of November, 1967, describes the principles of such a peace."

Despite all the evidence which the public record so amply provides, the Arab-Soviet campaign to distort Resolution 242—to rewrite it after the fact—has made ominous gains. Sir Alec Douglas-Home, now Britain's Foreign Secretary, has moved to reverse the United Kingdom's position. In his Harrogate speech, and more recently in Cairo, possibly motivated by oil and other commercial considerations, he called for virtually complete Israeli withdrawal from the territories. Thus, three of the Big Four have now undermined the balance and negated the intent of Resolution 242.

Somewhat more circuitously, the U.S. State Department has been moving in the same unfortunate direction. The speech delivered by Secretary Rogers on December 9, 1969, reflecting the customary attitude of the Department's Arab-Affairs specialists, diverged substantially from established U.S. policy and moved toward the Soviet-Arab position. Reneging on the commitments of Presidents Johnson and Nixon to leave the drawing of boundary lines to the parties themselves, the speech called for Israeli withdrawal to the old "international border" with Egypt—in fact, practically a return to the armistice lines of June 4, 1967. With respect to Jordan, the speech would allow nothing more than "insubstantial" alterations of the June 4, 1967 lines.

Yet, President Nixon, in a television interview on July 1, 1970, specifically stated:

"Israel's neighbors, of course, have to recognize Israel's right to exist. Israel must withdraw to borders—borders that are defensible."

Clearly, in speaking of "defensible" borders, the President could not have been referring to the ludicrously fragile lines of June 4, 1967. The contrast, therefore, between the President's concept and that of the State Department's Arab-Affairs specialists is obvious.

Nevertheless, the State Department has persisted with efforts to implement the so-called "Rogers Plan", thus fostering the illusion in Cairo that U.S. pressure will induce Israel to hand back the entire Sinai without meaningful negotiations. As in 1957, Egypt has again been insulated from the need for negotiating with Israel; Cairo believes that it need only deal with the Big Powers. Despite public assurances, the U.S. appears to be increasingly pressing Israel to surrender her rights under Resolution 242 to negotiate "secure and recognized boundaries" with the Arab states.

Moreover, this retreat from the intent of Security Council Resolution 242 has undermined the Jarring mission. Under the influence of the erosion in the U.S. State Department's posture, Jarring's controversial letter of February 23, 1971, in effect called on Israel to subscribe to the Soviet-Arab distortion of the Resolution. The letter asked Israel to make a prior commitment, without negotiations and without reaching an agreement with the Arabs, that she will withdrawn not to "secure and recognized boundaries" but—significantly repeating a phrase from the Rogers speech of December 9, 1969—to the old "international border" with Egypt.

It is Israel, in refusing to accept this distortion of Resolution 242, which is upholding the integrity of the U.N. Resolution.

One may ask why it is important that the meaning of a U.N. resolution accepted four years earlier is being reinterpreted in the light of 1971 political convenience. The importance, and it is crucial, involves both the issue of equity and fairness, upon which a viable United Nations must base its appeal for universal support, and also the issue of juridical contractual obligations incurred by signatories to a U.N. resolution. If each time the balance of political power shifts we permit a cynical departure by one side from positions that all parties previously accepted, resolutions will become meaningless pieces of paper, and the U.N. will fail in its mission of restraining the stronger and more violent national groupings from infringing on the security of their weaker fellows, who will then be forced into wars of desperate resistance to protect their integrity. And if the international community accepts the Rule of Law, a contract must bind those who sign it and must not be set aside by tendentious reinterpretations of its wording. If the U.N. is allowed by the United States to abandon these principles, it will become a dangerous instrument of international power politics rather than the instrument of reconciliation and peace that the world so desperately needs.

The erosion of 242 also has had its inevitable effect on chances for reaching a limited agreement covering the Suez Canal area. It has encouraged Egypt to insist that any such agreement can be only a first step toward a complete retreat by Israel to the old indefensible armistice lines of June 4, 1967. However, this is not the only damage resulting from the current posture of the State Department toward a limited as well as a complete Middle East settlement.

In this connection, it is necessary to recall the origin of the present concept of a limited Suez Canal area agreement: After suffering a devastating defeat in 1969/70, in his self-proclaimed "war of attrition" against Israel, declared in open defiance of the U.N.'s unlimited and unconditional cease-fire resolution of June 10, 1967, the late President Nasser sought a breathing spell for his shattered forces by suggesting a limited cease-fire of a few months, which would be made conditional on Israel's acceptance of the Egyptian interpretation of Resolution 242. The U.S. State Department adopted a major portion of this concept, even though a limited and conditional cease-fire at this stage gave Nasser ex-post-facto legitimization for having unilaterally broken the unconditional, unlimited U.N. cease-fire resolution.

Under heavy U.S. pressure, and with dire forebodings that such an arrangement would enable the Egyptians and Russians surreptitiously to push their sophisticated missiles to the very edge of the Canal, Israel accepted the cease-fire. However, Israel stressed that it regarded this step as a re-institution of the open-ended cease-fire of June 10, 1967, and that any subsequent Israeli withdrawal would not be to an Egyptian-dictated line, but to secure recognized and defensible frontiers to be negotiated between the parties.

Egypt and the U.S.S.R. immediately violated the cease-fire, as feared by Israel, by unlawfully introducing missiles into the cease-fire standstill zone adjoining the Canal, and the U.S. State Department proved incapable of making the violators respect the agreement they had only just concluded.

At this point of apparent deadlock, Israel's Defense Minister Dayan suggested the elements of a partial agreement covering the Suez Canal area: The Egyptians would withdraw their illegally-introduced missiles and other heavy war material from the west bank of the Canal; Israel would then thin out its forces on the Israeli side of the Canal, even though they had been positioned there prior to the cease-fire and did not constitute a violation of its clauses; the cease-fire would be unlimited and unconditional, as originally stipulated by the U.N.; the opposing forces would disengage from each other, diminishing the likelihood of conflagration and, in the semi-demilitarized zone thus created, Israel would allow Egypt to reopen the Canal to international shipping and to resume normal civilian life on both banks of the Canal.

Egyptian President Sadat subsequently altered Dayan's concept beyond recognition: Israel's troops were not only to be thinned-out along the eastern bank of the Canal, they were to be totally withdrawn into the heart of the Sinai peninsula; the Egyptians and Soviets not only would refuse to withdraw their unlawful missiles from the Canal, but would even insist on sending military units across to the Israeli side of the Canal, a feat they had been incapable of achieving in four years of sporadic warfare; the cease-fire would be prolonged for a mere few months and Egypt not only refused to commit herself to keep the peace without limitation, but specifically threatened to resume warfare unless Israel subsequently withdrew to the old armistice lines, as dictated by Moscow and Cairo; the Suez Canal would be cleared with no promise to permit Israeli shipping through the Canal, as specifically required by U.N. Resolution 242.

In other words, Egypt was to be rewarded for its unilateral and blatant violation of the original cease-fire as well as for its unlawful introduction of missiles into the standstill zone, and Israel was to pay a major strategic and political price for a development which, in fact, would benefit Egypt rather than Israel—namely, the re-opening of the Canal with the consequent flow of income to Egypt and the resumption of normal Egyptian civilian life on both banks. A most significant benefit would accrue to the U.S.S.R., whose warships would be able to debouch into the Indian Ocean.

The U.S. State Department initially described President Sadat's demands as unreasonable, especially his call for a crossing of the Canal by Egyptian military forces which would vitiate the very purpose of a limited settlement, namely, the disengagement of the opposing armies. Developments since then, however, including Secretary Rogers' U.N. speech of October 4, 1971, reveal that State Department officials have substantially acquiesced in President Sadat's ultimative demands.

It should be noted that Israel has consented to steps which require it alone to make all the concessions, such as an Israeli withdrawal without a corresponding Egyptian withdrawal of missiles, and the abandonment of the shortest and most defensible strategic line along the Canal without a final peace settlement, at a time when Soviet troops remain in Egypt to threaten Israel. Nevertheless, it is Israel that is deemed "intransigent" by State Department officials, and it is President Sadat's extravagant demands that are appeased.

Yet, the U.S. has repeatedly and solemnly declared that it does not expect and will not demand that Israel should withdraw "a single soldier or from a single inch of territory" except in the context of a final peace agreement freely negotiated between the parties.

However, this is precisely what State Department officials now are requesting Israel to do in return for a mere prolongation of the cease-fire for a limited period. Moreover, as part of this new posture, the State Department is putting heavy pressure on Israel, at the expense of Israel's vital security needs in the face of the common Soviet adversary, by withholding essential aircraft in spite of repeated solemn U.S. declarations that Washington will not permit the military balance in the Middle East to be affected to Israel's disadvantage.

In the face of the uninterrupted massive influx of ultramodern Soviet military equipment and personnel into Egypt, confirmed by U.S. officials, it is absurd to pretend that the Middle Eastern military balance has remained unaffected. A meaningful concept of balance can hardly be based on the assumption that Israel should be able merely to stave off defeat in a potential conflict, after heavy loss of life and materiel. If renewed warfare is to be avoided, Israel's strength must visibly suffice to deter and discourage the hostile Soviet-Egyptian force from implementing its openly proclaimed aggressive intentions. This deterrent strength is clearly undermined when the U.S. State Department, to all intents, imposes an embargo on aircraft requested by Israel.

President Nixon, in his press conference on March 4, 1971 told Robert Semple of the *New York Times* that

"The question is whether or not the United States will impose a settlement in the Mideast, and the answer is no . . . we can make suggestions, but we are going to have to depend upon the parties concerned to reach an agreement. And we, of course, will be there to see that the balance of power is maintained in the Mideast, which we shall continue to do. Because if that balance changes that could bring on war."

Unless State Department officials are instructed to desist from the erosion of President Nixon's clearly enunciated policy, a gratuitous victory will be handed to the Soviet Union. The U.S. will have undermined and abandoned Israel, its only dependable friend in the Middle East, for the sole benefit of its adversaries. The self-defeating posture of the State Department's Near Eastern section reflects not only the classic delusions of futile appeasement; it also demonstrates a pathetic blindness regarding Middle Eastern realities. Surely it is most unrealistic to believe that one can make "arrangements" for the region behind the backs of the leaders of the one modern, progressive, democratic nation in the area, whose people have repeatedly demonstrated an unshakable resolution and ability to defend their vital security interests.

Both the cause of a genuine, lasting Middle Eastern peace and a realistic evaluation of U.S. national interests, require the faithful and consistent implementation of America's solemn commitment and promises.

In President Nixon's own words:

"Peace can be based only on agreement between the parties and that agreement can be achieved only through negotiations between them. We do not see any substitute for such negotiations. The U.S. does not intend to negotiate the terms of peace. It will not impose the terms of peace."

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## UNVEILING OF CONGRESSMAN F. EDWARD HÉBERT'S PORTRAIT

### HON. HALE BOGGS

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. BOGGS. Mr. Speaker, recently many of us were privileged to gather in the chamber of the Committee on Armed Services and to pay tribute to its distinguished chairman, our friend and colleague, Congressman F. EDWARD HÉBERT. The occasion was the unveiling of the chairman's official portrait. It was a memorable ceremony, but it was made more memorable by the presence of his excellency Archbishop Philip M. Hannan who offered the invocation. Archbishop Hannan's prayer, I think, eloquently conveys our esteem for EDDIE HÉBERT and our best wishes to him as he conducts the important business of the Committee on Armed Services. I am inserting the text of Archbishop Hannan's invocation in the RECORD, and calling it to the attention of my colleagues of all faiths:

UNVEILING OF PORTRAIT OF CONGRESSMAN F. EDWARD HÉBERT, HOUSE OF REPRESENTATIVES, WASHINGTON, D.C., OCTOBER 12, 1971

(By Philip M. Hannan)

O God, our Father, we implore your special blessing today on your servant, F. Edward Hébert, his family and all assembled here on this memorable occasion.

As an institution is the lengthened shadow of a great man, so the work of defending freedom through the Armed Services Committee has been the achievement of the great men, past and present, who have served as chairmen and members of the Commtitee.

We ask you to continue your blessing on our Chairman and his colleagues so that our might will only be used to defend the right. Make us remember that while might does not make right, right will not prevail today unless supported by our might. O God, bless our honoree and his colleagues so that this Committee will continue to give an example to the world of the judicious use of means to protect the freedom of the family of man so that this nation under God will merit His blessing as we have received His bounty.

Bless our honoree and his colleagues with the highest dedication and loyalty so that they, and we, may serve our country as it deserves—with our minds to serve it, our strength to protect it, our hearts to love it so that it may be the beacon for the whole human family. Amen.

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## FACTS AND PROBLEMS FACING THE U.N.

### HON. WILLIAM L. HUNGATE

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. HUNGATE. Mr. Speaker, these recent articles in the Christian Science Monitor of October 29, 1971, outline the facts and problems involved in recent actions in the United Nations:

WE REPEAT, DON'T BLAME THE U.N.

Secretary of State William Rogers has stated the responsible and proper position for the United States to take on the subject of the United Nations and China. His position is:

The admission of Communist China to the U.N. "is consistent with the policy of the U.S."

While Washington regrets the unnecessary vote to expel Taiwan it must abide by the decision of the majority and "we, of course, accept that decision."

"We hope that the UN will not have been weakened by what it has done. We continue to believe in its principles and purposes . . . ."

"We will not support a reduction of funds for the United Nations in retaliation for this vote."

This position is consistent with the facts, which can stand repeating.

The admission of Communist China to the UN became inevitable from the moment President Richard Nixon disclosed his new policy toward China.

The effort to soften its impact by the campaign in the UN for the "two-China policy" was dubious from the beginning. Chiang Kai-shek and Mao Tse-tung are united on the one essential point of Chinese doctrine; that there is only one China. At no time did it seem probable that Peking China could enter the UN without Taiwan China going out.

It was not necessary for the UN to expel Taiwan. It would have gone out anyway, once Peking came in. Quite possibly, quiet diplomacy might have allowed Taiwan to go out quietly on its own, instead of being thrown out.

But Washington chose a visible campaign to achieve the impossible. Veteran diplomats say they have never even heard of such an extravagant pressure campaign as was waged. It proved to be counterproductive. The resentment which welled up last Monday night on the floor of the UN was a reaction not against the U.S. but in response to that pressure campaign, as the accompanying article by former UN Ambassador Charles W. Yost makes clear.

Even Israel voted against Washington on the Taiwan issue. Like others it had its own reasons; perhaps including not yet getting the promise of those Phantom jets.

We can understand (while regretting) the domestic political reasons why the Nixon White House unleashed the noisy campaign in the UN at the very moment that its emissary, Henry Kissinger, was in Peking. Mr. Nixon had shocked the right wing of his party by his opening to China.

But there is a disturbing and dangerous feature to this. Antiforeignism is a weapon used down through the ages for domestic political purposes. Russians and Chinese love to hurl the charge of "chauvinism" at others; and are themselves the most flagrant users of it.

There is latent chauvinism in the U.S., as in all countries. It can always be aroused, easily enough, as a smoke screen or turned against a scapegoat. But it is terribly dangerous to arouse it, particularly right now. Mr. Nixon is conducting one of the most difficult of all maneuvers in the affairs of great nations: a withdrawal from overextended positions. The U.S. was overcommitted in the world. The "Nixon doctrine" and "Vietnamization" both mean the same thing: getting back to commitments and positions which can be held within the range of available resources.

But the danger in any withdrawal is moving too fast and too far. And nothing could so speed the withdrawal as the unleashing of a wave of antiforeignism. The end result could be that very return to isolationism which Mr. Nixon himself warns against.

So it needs to be repeated, loud and clear, that all the UN did last Monday night was to make de jure what Washington had already made de facto. The deed came from Washington. To blame the UN can only be domestic politics, of a most dangerous variety.

SOUR GRAPES OR BITTER TEA

(By Charles W. Yost)

While it is natural for the administration and some members of Congress to express disappointment at the outcome of the UN vote on Chinese representation, the reactions are excessive and in some cases disingenuous. They taste more of sour grapes than of bitter tea.

When a simple majority of the General Assembly in November, 1970—a year ago—approved the Albanian resolution [attempting to substitute Peking for Taipei] it was quite clear that, whatever the United States might do, the days of Taiwan in the UN were numbered. It would clearly be impossible for the UN much longer to ignore that Mao, not Chiang, governs China.

President Nixon, presemably for this and other reasons, decided that a dramatic new departure in U.S. policy toward the People's Republic was in the United States national interest. That was a wise decision.

However, from the moment he announced his trip to Peking, it became extremely unlikely that a seat for Taiwan in the UN could be preserved. The final blow to the American attempt to preserve it through a "dual representation" formula was Henry Kissinger's second visit to Peking at the very moment the UN vote was about to be taken.

Prominent members of the Congress are now reproaching some of our friends for having "deserted" the U.S. on the vote, and are threatening in consequence either to cut aid to them or to the UN or both. Particularly at a time when an unhealthy trend toward "neoisolationism" is appearing in the U.S., members of Congress would do well to look at the other side of the picture.

What do our friends who voted "against us" say? First, they point out that the U.S. had for 20 years insisted that only one Chinese government should sit in the UN. Others had repeatedly proposed a "dual representation" formula, and we had repeatedly rejected it. Our sudden conversion to it in August, 1971, was simply too late.

Nor were our protestations that it would be outrageous to exclude the representatives of the 14 million people on Taiwan very persuasive, when we ourselves had for two decades been excluding the representation of the 700 million people on the mainland.

Second, it was clear that "dual representation" would not bring the People's Republic into the UN, as the U.S. now professed to desire, because Peking considered that its acceptance of such a formula would admit the existence of a rival Chinese government, which Chiang Kai-shek still unshakably claims to be.

Third and most important, as the representative of a NATO ally said to me, at the moment you are reestablishing your relations with Peking by setting up the President's visit, you are asking us to jeopardize ours by this vote. And you are exerting the crudest sort of pressure on us and others to to do so. Is that a proper way to treat your allies?

If the U.S. wishes the support of its friends and allies in a matter of major importance, it must hammer out with them a policy of common interest to all.

In this case a substantial majority of our allies had decided that it was in their interest to bring Peking into the world community and the UN, whatever might be the effects on Taiwan of doing so. They interpreted President Nixon's decision to visit Peking, over the strong objections of Taiwan, as a recognition of the wisdom of that policy.

From their point of view, therefore, it was the U.S., not they, which by its last-minute introduction of the dual-representation proposal was deviating irresponsibly from a policy in the interest of the alliance as a whole.

It seemed to them, moreover, that the administration was behaving in this contradictory way primarily for domestic political reasons—in an attempt to appease rightwing Republicans who had been outraged by the President's intention to visit Peking and to deflect their rage from him to the UN.

It is heartening that the administration has opposed "retaliation" against the UN through cutting our contributions to it, but unfortunate that the adminisration and some members of Congress have suggested that cuts might be appropriate because U.S. contributions to the UN are "disproportionate."

Of course the real sense in which our contributions are "disproportionate" is that they are considerably less than our share of the world's GNP would warrant. On that basis we should be contributing closer to 40 percent than to 30 percent of the regular budget, and more—rather than less, as the administration has itself proposed—to UN development programs.

Moreover, all the major UN programs to which we contribute are ones for which we voted—indeed, often ones we proposed and vigorously advocated on national as well as international grounds.

The overriding fact should be that it is clearly in the U.S. national interest to strengthen rather than weaken the UN.

## LANGUAGE OF HOUSE RESOLUTION 630

### HON. ANDREW JACOBS, JR.

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. JACOBS. Mr. Speaker, I was wondering if, at this late date, any Member of Congress or any member of the Executive branch would care to say he or she is willing, from this day forward, to give his or her life, limb, sanity or freedom—POW even for another day—further to prop up the Saigon dictatorship.

Other Americans are being ordered to do so today.

Following is the language of House Resolution 630, which I introduced on September 30, 1971:

Whereas the President of the United States on March 4, 1971, stated that his policy is that: "as long as there are American POW's in North Vietnam we will have to maintain a residual force in South Vietnam. That is the least we can negotiate for."

Whereas Madame Nguyen Thi Binh, chief delegate of the Provisional Revolutionary Government of the Republic of South Vietnam stated on July 1, 1971, that the policy of her government is: "If the United States Government sets a terminal date for the withdrawal from South Vietnam in 1971 of the totality of United States forces and those of the other foreign countries in the United States camp, the parties will at the same time agree on the modalities:

"A. Of the withdrawal in safety from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp;

"B. Of the release of the totality of military men of all parties and the civilians captured in the war (including American pilots captured in North Vietnam), so that they may all rapidly return to their homes.

"These two operations will begin on the same date and will end on the same date.

"A cease-fire will be observed between the South Vietnam People's Liberation Armed Forces and the Armed Forces of the other foreign countries in the United States camp, as soon as the parties reach agreement on the withdrawal from South Vietnam of the totality of United States forces and those of the other foreign countries in the United States camp."

Resolved, That the United States shall forthwith propose at the Paris peace talks that in return for the return of all American prisoners held in Indochina, the United States shall withdraw all its Armed Forces from South Vietnam within sixty days following the signing of the agreement: *Provided,* That the agreement shall contain guarantee by the Democratic Republic of Vietnam and the Provisional Revolutionary Government of the Republic of South Vietnam of safe conduct out of Vietnam for all American prisoners and all American Armed Forces simultaneously.

## SOVIET JEWS

### HON. PETER A. PEYSER

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. PEYSER. Mr. Speaker, last week I attended a rally in White Plains, N.Y., sponsored by the Westchester Conference on Soviet Jewry which was attended by more than 3,000 people who came to express their conviction that the struggle of the Jews of the Soviet Union shall not be forgotten.

These people turned out at this rally to express their outrage at the fact that the more than 3 million Jews of the Soviet Union are being exposed to a course of religious and cultural repression which is aimed at destroying their religious identity.

I feel that we in the Congress must view every abuse of the rights of a Russian Jew as a blow against the freedom of religion all over the world, and for this reason I urge my colleagues in the Congress to speak out on this matter and to tell the Soviets to end their repression of these people.

Furthermore, I urge the President to put discussion of the handling of Soviet Jews on this agenda for his upcoming trip to the Soviet Union, and for him to plead for more humane treatment of these people. It is my strong hope that by doing this, President Nixon will make it very clear to Soviet officials that we in this country are very concerned about this situation and world opinion is focused on this situation.

## OVERPOPULATION

### HON. LAWRENCE J. HOGAN

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. HOGAN. Mr. Speaker, there is a great deal of misinformation in circulation concerning overpopulation. It was refreshing to have the insights of Dr. Andre Hellegers, director of the Kennedy Institute for the Study of Reproduction and Bioethics, as set forth in the Evening Star today.

I include the article at this point in the RECORD:

#### THEY'RE ALL "OUT OF WHACK"

(By Mary Anne Dolan)

In the forensics of population debate, Andre Hellegers is something akin to Sir John Gielgud in a room full of cockneys. Most of his fellow spokesmen speak a markedly different language.

The hawks on the affirmative side of whether there is a "population explosion" in the U.S. say the country is overrun and the "baby boom" will soon suffocate us if we don't achieve a zero population rate by any means available—including sterilants in drinking water.

The negativist doves, on the other hand, say there's still plenty of room "out West," "on the frontier." If we hand out enough contraceptives, they claim, the "baby bust" (a reported 15.5 percent decrease in the under five population in 1970, the greatest in U.S. history, according to the Census Bureau) will take care of everything.

##### ACADEMIC SORT

Dr. Hellegers, a lean looking, academic sort of man who has been named director of the newly established Kennedy Institute for the Study of Reproduction and Bioethics at Georgetown University, thinks they're all "out of whack."

"It's absurd, if you take an aeroplane (sic) out of Washington to Los Angeles and take a window seat, to say the United States is too densely populated. The problem is that it's totally maldistributed.

"The population grows and contracts, grows and contracts and gives people all kinds of problems . . . We build a mass of schools and in a few years they're empty . . . We must decentralize, but decentralize with justice."

We cannot, says the Catholic executive of a Catholic-funded foundation located at a Catholic University, go by what "Catholic priests have been saying for years: 'There's no population problem because there's lots of room in Brazil.' "

##### HOLLAND-BORN

Born in Holland—a country 18 times more densely populated than the U.S., Hellegers is pleading for emphasis on planning based on demography (the statistical study of populations in regards to size, density, growth, distribution, migration, etc.)

Properly anticipated, he says, "a trip from Washington to Bethesda could have taken you through the country," as does a trip from Antwerp to Ghent, instead of, "what will be concentrated ugliness 50 years from now."

But we cannot plan, Hellegers says over and over again, until we approach the key question in population: not whether the American woman is having too many babies or not enough, but how many children she and her husband want to have and why:

"People who do not want to have children do not have them.

"In France in the early 19th century, they were at a state of two children per family and that was before IUDs, pills, condoms, diaphragms or even the vulcanization of rubber."

### LIKE A HEADMASTER

Sitting in his third floor office at Georgetown University Hospital, the 45-year-old professor of obstetrics and gynecology speaks in lengthy, thought-ridden sentences which are touched with a Flemish-British accent.

From apearances, Hellegers could be someone from a "think tank," or, maybe the prep school headmaster in a Louis Auchincloss novel, khaki pants, striped tie, blue blazer. Left hand in his pocket, right hand on his cigarette.

"In the United States in the 1950s, people suddenly liked having children. In the 30s, they did not like having children and they didn't have them. Today, they do not like having children."

But, says the expert populationist from beneath framed pictures of his four children, "If you were to come out tomorrow with the absolutely perfect contraceptive, and people want four children, chances are they will have them and will contribute to the population growth." (The present replacement rate is 2.2 children per family).

Hellegers jumps from his chair to a desk piled with books, pamphlets and reams of sheets carefully underlined with red magic marker. He pulls out a demographic curve prepared at Princeton University.

"In the white population of America in 1800, the average total fertility per childbearing woman was 7.2 children. Steadily decreasing, the average hit the four child family mark in the late 19th century.

By the Depression years of the 1930s, the average went down to slightly over two children. Then, in the prosperous '50s, families shot up to 3.6, before falling off again in the '60s and '70s.

"This question is, what is it that makes you determine to have four or one or none. That has nothing to do with contraceptive technology, it has to do with the sociology of family building, what factors make people decrease their family size. And that is precisely the part we know least about.

"Ironically," Hellegers adds with a mocking chuckle, "it is also the part which the United States government is the least interested in."

In fiscal 1971, the budget for contraceptive services was $39.6 million. The accepted proposal for 1972 was $90.9 million. The increase in the same period of time for what Hellegers would call "true population research" (demography, sociology, behavioral sciences) was a little over $1 million.

Hellegers' dream, after studying fetal physiology in Britain, lecturing in population dynamics at Johns Hopkins University, and participating in population research nationally (on President Lyndon Johnson's special committee) and internationally (on Pope John XXIII's commission on world population), was to "get it all together."

### GIVEN HIS CHANCE

He decided that "someplace I'd like to see established a unit in the study of 'bioethics' that would combine all the biological, ethical and social problems related to the whole question of reproduction."

Now, after nearly seven years as resident expert on population at Georgetown, Hellegers has been given his chance in the form of $1.35 million from the Joseph Kennedy Foundation.

There are several known answers which Dr. Hellegers mentioned as giving some light to the enigma of when, why and how many children people want.

Used properly, he adds, this knowledge renders "pleasant ways of inducing small family size."

For example, "is a very well established fact that migrants have a lower fertility rate than non-migrants . . . People that came off the farm in the South and moved into the big cities, had fewer children when they got through than they would have had they stayed on the farm . . . They were 'upward socially mobile,' and consequently they had smaller family sizes.

"Now we have taken the factories out of the cities . . . imprisoned the workers in the inner city and taken away their mobility.

"In other words, there are two ways of decreasing family size which are utterly reasonable. One is to give a job to the poor who have the larger family sizes and thereby give them some hope and upward social mobility.

"The other, which, up to now we have chosen is to take everything away, take the condoms in and stand surprised that they are not used."

Hellegers says too that "one of the greatest things to be done to decrease family size is to have women go to college. Then, there are a number of options open to her instead of sitting around and having a bunch of kids."

### VIEWS ON ISSUES

"We also know," Hellegers stressed, "that contrary to what the man in the street tends to think, middle and upper class negroes—income for income—have fewer children than whites of the same class. And, upward socially mobile negroes have smaller families than whites of equivalent income."

Hellegers also commented on these population-connected issues:

Abortion.—In the future, he feels abortion will probably resemble some sort of tribalistic ritual: "It is philosophically out of date and will not be viable historically. I have a suspicion that in 50 years, the idea of regulating family size by putting your legs in the stirrup and being scraped out is something we'll look back on as, my God . . . incredible.

". . . A large fraction of abortions—and much more than we thought—is used in the never pregnant or unmarried women, that is shown in the annual register of abortions performed.

"But—and here is the thing—the fact that in the unmarried state, she got an abortion does no at all mean that when she gets married she will have a fewer than 2.2 children.

"What we hope to find out is what happens to ultimate family size with those aborted in the unmarried state."

Catholic Church.—"I am perfectly convinced that, as far as the position of Catholicism is concerned, it is going to have to go for the perfect method of family planning (contraception) because people are just not going to have 7 or 12 children.

"By the same token, I think the church is on excellent historical grounds in holding on to the dignity of the fetus and considering it in the human race instead of out of it."

Divorce.—"I tend to believe that divorce is counter productive in terms of population decrease. There is an increase in the number of people who have the family size they intend having, say three kids, by the age of 24 or 25, who then at age 32 or 30 get divorced and remarried and then have another child to 'cement' the new marriage."

Male contraceptive.—"It's nowhere and it's got real problems. The thing is that with the pill, you do not hit the woman's ovaries. You fire at the pituitary and that takes care of the ovary.

". . . The difficulty in the male is that it's much harder not to hit the gonad itself. There is no nice indirect way of hitting it and that means your methodology endangers the sperm that you want to keep intact for the future.

". . . In the female, what you are after is the money that's in circulation. In the male, it's rather like attacking the mint."

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## A HARD LOOK AT BUSING

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## HON. DONALD W. RIEGLE, JR.

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. RIEGLE. Mr. Speaker, this past weekend I delivered a statement to the Rotary meeting in Flint, Mich., discussing our educational crisis today and the need for positive leadership to end school segregation and provide equal educational opportunities for all American children. With your permission, I would like to insert my remarks and add them to the ongoing congressional discussion of this important problem:

### A HARD LOOK AT BUSING

As we all know, recent court decisions have found numerous instances of deliberate school segregation and unequal educational opportunity based on race. Deliberate racial segregation—in schools, jobs, housing, or public accommodations—is a violation of our Constitution and Bill of Rights—and where found—must be corrected. This is the law of our land, and I support those laws as do virtually all of our citizens.

In an effort to remedy segregated schools and unequal educational opportunity, some courts in some instances have ordered busing plans to achieve racial integration and equal education.

Each case is different and each has to be weighed on its own individual merits.

As I review these cases one by one, some findings seem reasonable, some do not. For example, where busing has previously been used to create a separate black and white school system, as often was done in the South, I believe that same existing busing system can now be used to intelligently integrate these same schools. I do not believe black youngsters should be bused 25 miles past a white school because of race, or vice versa. And I think that is the view of most Americans. Further, I believe that in cases where the courts have imposed busing plans which have been implemented, the federal government should provide emergency funds for communities that otherwise will have to lay-off teachers, policemen or make other critical cutbacks.

In other cases we find school systems, in various regions of the country, where racial segregation was not practiced openly, but where school boundary lines have been deliberately drawn to prevent the natural integration of students. In these instances, a conscious effort was made to force black students and white students in adjoining neighborhoods to attend separate black and white schools. That practice is a violation of the law and, where it exists, must be stopped. It was in the Pontiac case here in Michigan that the courts found that school boundary lines had been redrawn repeatedly in order to keep students segregated on the basis of race.

We have not done that here in our own city of Flint. There has been no effort—that I am aware of—to segregate our school children based on race. In racially mixed areas we find racially mixed schools; in areas which are all black or all white, the neighborhood schools there reflect that fact. Although I have not done a detailed study of our school boundary line history here in Flint—as the court would if a suit were brought—it appears to me that a good faith effort has been made by local officials to avoid arbitrary school assignment based on race. And I congratulate our local school officials for this.

Flint is different in yet another respect. Virtually all of our neighborhood schools are also community schools offering a wide variety of after-hour activities. The community school idea—one of the best educational developments in the last century in America—works best if students are naturally assigned to the schools nearest their homes. I strongly favor neighborhood schools—especially for elementary school children—and I am personally committed to finding an answer that will produce racial integration and equal education within the framework of neighborhood schools.

We now face a new and difficult issue. It concerns the difference between deliberate school segregation on the basis of race (de jure) and unplanned school segregation based on housing patterns (de facto). Some courts seem on the verge of ordering massive cross-town, or cross-district, busing plans to overcome unplanned, or de facto, segregation.

Understandably, this has touched off great public concern and anxiety. And many of us who strongly support integrated schools and truly equal education are deeply troubled about the practical wisdom of large scale busing to overcome de facto segregation.

Many factors have to be considered and they include: cost of buses, student time spent on buses, safety of buses, traffic congestion, pollution—etc. Also, do we wish to see neighborhood schools eliminated with children sent to distant schools? In such cases after-school activities become harder to participate in, parents find it harder to serve as home-room mothers and in the PTA, and youngsters are harder for parents to get to in emergency situations—particularly those of elementary school age.

Also we must consider the general social disruption that occurs when citizens are asked to accept governmentally imposed programs they do not favor. While the law is the law—and we all should obey it—wise law is that which earns the support of reasonable people.

I personally see the benefits of racially integrated education. I endorse it and support it. I had the good fortune in Flint to attend school with students of all races, and I feel fortunate to have had that opportunity. Further I believe in equal education—and want to see each and every American youngster receive an equal educational opportunity. At the same time I support the neighborhood school/community school concept—and do not wish to see that system disrupted.

These goals necessarily bring me to the conclusion that the wholesale busing of students to overcome de facto segregation is not, in my judgment, a sound practical answer to the problem at hand. I believe better answers exist which can, and must, be found. I am personally dedicated to the search to find those better answers.

In that respect, several things seem clear. First, we must end racial discrimination in our society in all its forms so all our people are free to develop and succeed on the basis of their individual abilities. When this occurs, I believe economic equality will follow for all races and will substantially eliminate other racial inequities we now find in our society.

In housing integration, our community took the lead nationally and became the first major city in America to pass an open housing ordinance in a public referendum. When people of all races are free to move into neighborhoods of their own choosing, I believe the present heavily segregated housing patterns we find in our country will begin to dissolve.

Further, I am convinced we must find a new method of financing education—no longer relying mainly on property taxes—and then we must truly equalize the expenditure among our school children so that each youngster in America has an equal educational opportunity to learn and develop. Poor children in poor neighborhoods—whether black or white—must not be condemned to a second-class education in a run down school. That is wrong.

After long thought then, most citizens, myself included, have concluded that wholesale busing of students is not the best way to achieve the above goals. And so I have joined with others to seek to delay the implementation of court-ordered busing plans until all appeals have been heard and all other remedies considered. I strongly support the position Governor Milliken has taken in this regard and the general statement he made.

That would give us time—if we get busy—to figure out a better and permanent answer as an alternative to large scale busing. I think we can, but it will mean knowing more than just "what we are against"—it also means doing some work so we can decide "what we are for".

So I am asking each citizen to help find that answer. To engage in a thoughtful, reasoned search for alternatives based on an objective evaluation of the facts we have to work with. It will mean blacks and whites working together to find the answer that is best for all our people and for our country.

That means it is no longer a question of "which side you are on". Our job is to find an answer that can unite us—that will let us come together on the same side. If we remain divided and polarized, we hurt our country—and ultimately ourselves and our children.

Education in America has traditionally been a local responsibility. I favor that approach. I believe we have the creativity and devotion here in our communities to devise and operate our own school systems. I would prefer to see us keep the Federal Government out of the act as much as possible. But gentlemen, today—that requires leadership. And not just from those few people elected to local public office, but also from each of you as well. Your brains, problem solving ability, experience, and ability to persuade and *lead*, is essential at this time, and on this issue.

You, here in this room, will play an essential part in finding the "better answer" to our education problem. If your role is passive—and limited to armchair observations, our community faces a prolonged period of potential agony and turmoil. Frankly that would be inexcusable. If you invest yourselves actively and take your leadership out into the community and put it on the firing line, then we can start building the bridges and bring our people together behind new plans and ideas that can work.

I ask you—in behalf of every youngster in this district—to take up this challenge, and at this critical moment in our history, to use your talent to make self government work.

I believe there's a better answer than bussing—let's find it.

## MEMORIAM TO RICHARD EMBLY

### HON. LESTER L. WOLFF

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. WOLFF. Mr. Speaker, only a few men have had the front row vantage point and the backroom knowledge of history in the making as did Richard Embly, 58, a former superintendent of the House Press Gallery, who passed on November 11 after a heart attack at his home in his native Port Deposit, Md.

Before his retirement in 1969, Mr. Embly served 30 years in the gallery, the last 9 as superintendent. The daily flow of news releases, reports and other official paper plus the flood of telephone calls that engulf the gallery were always handled with efficiency and courtesy by Dick Embly and his staff. For a Congressman and his staff, Dick Embly always seemed to know here to find needed newspapermen, who can be just as elusive as Congressmen.

For 30 years Dick Embly watched Congressmen arrive and depart, newspapermen come and go, and he knew them all by sight and by name as well as much of their background. He was conversant with every move of the legislative battles on Capitol Hill which have done so much to shape the course of this Nation's history. Every 4 years, he was one of those who handled press arrangements at the national political conventions, so he knew Presidents before they became Presidents.

A member of my staff, Ed Edstrom, tells me that members of the Capitol's press galleries count the ballots at the often hotly contested annual elections of the National Press Club.

"I ran for office four times at the club and Dick was always one of those who tallied the votes," Ed says. "I won each time so I know that Dick was an honest man."

I think Dick Embly would have chuckled at that.

## NO JUSTIFICATION FOR MAYOR'S COMMITTEE TO SUPPORT HEROIN MAINTENANCE

### HON. EDWARD I. KOCH

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. KOCH. Mr. Speaker, there are proposals now being advanced in New York City to legalize the dispensing of heroin on a test basis. I am distressed to see that the city administration is giving support to these proposals by creating a committee to advance them. I am opposed to the legalization of heroin. Legalization in effect means that we are throwing in the towel and saying to the estimated 200,000 addicts in New York City "you can go on ruining your lives and the lives of your families and we the public will help you do exactly that." Not me.

I have been in communication with Dr. Vincent P. Dole who is the originator with his wife, Dr. Marie Nyswander of the methadone program and I have asked his opinion on the advisability of the proposed free heroin test program advocated by New York City's administration. For the interest and information of our colleagues, I am appending the correspondence with Dr. Dole.

Mr. Speaker, a board of education report in New York City shows that more than 25,000 youngsters are on heroin and I find it indefensible that anyone would suggest that we follow that habit.

The correspondence follows:

U.S. HOUSE OF REPRESENTATIVES,
*Washington, D.C., June 30, 1971.*
Dr. VINCENT DOLE,
*Beth Israel Hospital,*
*New York, N.Y.*

DEAR DR. DOLE: I hope you will recall that we met when I was in the City Council. At that time, I requested your assistance in obtaining a methadone bed for a young man who desperately wanted to go into your program. My recollection is that at the time you had 43 such beds. He was fortunate and went into the program in, as I recall, 1968.

About a month ago, I was standing at a subway at 8th Avenue and 57th Street handing out reports to my constituents. This young man came out of the subway and introduced himself to me and told me how his whole life had been changed. He has since married and is now working in the building construction trade. He is doing very well and is still, of course, on methadone maintenance.

I have taken a position in opposition to the Mayor's Committee which has proposed heroin maintenance. Aside from every other argument which one might use in opposition to heroin maintenance, my major argument is that there are thousands of heroin addicts who are standing in line waiting to get into the methadone program. And before we begin a heroin program, we ought to at least give to everyone eligible for methadone that opportunity.

I would appreciate your advising me as to how many methadone beds now exist, how many people are waiting to get into the program and how long one must wait before he or she is accepted. Whatever else you might give me by way of information in support of extending and funding the methadone pro-program would be very much appreciated.

With the thought it might be of interest, I am enclosing a recent statement I made on the subject of drug addiction.

Sincerely,
EDWARD I. KOCH.

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THE ROCKEFELLER UNIVERSITY,
*New York, N.Y., August 17,1971.*

DEAR CONGRESSMAN KOCH: I am very glad that you are taking a position in opposition to the Mayor's Committee on the issue of heroin maintenance This proposition is wholly unjustified in terms of social need or scientific merit. There are at least five thousand heroin addicts who have applied for methadone maintenance and are forced to remain on the street as heroin addicts for lack of facilities. Basically, this means lack of about $1,000 per man-year to provide maintenance treatment and the essential minimum of social supports.

As you probably know, I have been working in the Detention Prisons for the past five months. Here we have started an interview system to enable prisoners, while still in detention, to apply for aftercare in a treatment program of their choice. The great majority of these criminal addicts have asked for methadone maintenance treatment. All that we can do at present is to put their names on a list and assure them that we are trying to expand facilities to provide treatment in the future. If adequate facilities were available to meet the needs of every criminal addict who applied to us for treatment, I believe that within a two year period we could make a substantial impact on the problem of criminal addition.

Scientifically, the only justification offered by proponents of heroin maintenance is that it is an experiment. This label is hardly justification for doing something foolish. What we know from past experience is that it is not possible to stabilize an addict on heroin. With this drug he requires several injections per day and his need for the drug constantly increases. If he is not given increasing doses, he feels symptoms of abstinence and, of course, will go back to the street to seek supplementary drug. Moreover, it would be necessary to give large amounts of heroin and needles and syringes to addicts to take home to the neighborhoods. Experience in England has left no doubt that this procedure leads to a spread of heroin addiction.

I do not see any merit in distributing heroin, but if any competent professional feels that more pharmacological studies of heroin maintenance are indicated, the way is open to him now, and he need only follow normal procedure for research on human beings: He prepares a careful protocol of the proposed experiment, submits it to his institutional review group and then, with their support, makes application to a medical granting health agency, such as New York City's Health Research Council, or the National Institutes of Health. These agencies again subject the application to review, and if it meets their standards, funds and support are forthcoming. This is the procedure that I followed when, in a quiet, unpublicized series of experiments at Rockefeller University Hospital, I actually tested the effect of administering narcotic drugs in different doses and by different routes to volunteer addict subjects. It was clear to me from these experiments, as it has been clear to previous investigators at the Lexington Hospital in Kentucky, that heroin maintenance has no promise as an answer to our social problem of heroin addiction. I am afraid that the proposals generated by the Mayor's Council were more political than scientific.

I do indeed remember our first meeting when you were in the City Council and have followed with interest your career in the House of Representatives. It is good to know that you are there and although it has not been necessary to put the matter to test, I have always felt confident that you were there as a strength if I needed you.

With best wishes.

Sincerely yours,
VINCENT P. DOLE, M.D.,
*Professor and Senior Physician to the Hospital.*

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## NOVEMBER 1971, REPORT ON ENVIRONMENTAL QUALITY

## HON. JOHN D. DINGELL

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. DINGELL. Mr. Speaker, so that my colleagues may have an opportunity to be advised of its contents I insert the text of the November 1971 issue of the Council on Environmental Quality's "102 Monitor" to appear at this point in the CONGRESSIONAL RECORD:

### ONE HUNDRED TWO MONITOR COUNCIL ON ENVIRONMENTAL QUALITY

### TWENTY QUESTIONS AND ANSWERS EXPLAINING THE NEPA SECTION 102 ENVIRONMENT IMPACT STATEMENT PROCESS

(NOTE.—CEQ Weekly Notice of 102 Statements in Federal Register—Beginning this month, the CEQ will give faster public notice of the availability of 102 Statements and comments by inserting a weekly list in the *Federal Register.* You may subscribe to the *Federal Register* for $25 yearly by sending your name and address to the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402. You will also find copies of the *Federal Register* in many public libraries.)

Question. 1. What is a "102 statement"?

Answer. It is a detailed analysis of environmental aspects of proposed action which all Federal Government agencies are required to prepare and use in their agency review processes before they take any "major actions" (including recommendations and reports on legislation) which "significantly affect the quality of the human environment."

Question: 2. Why is it called a "102 statement"?

Answer: Section 102, in particular 102(2) (C), of the National Environmental Policy Act ("NEPA") (Public Law 91-190, 91st. Congress, January 1, 1970, 42 U.S.C. Sec. 4332(2) (C)) created the requirement for the statement, and set forth the procedure to be followed in its preparation and the topics it must discuss:

(i) The environmental impact of the proposed action

(ii) any unavoidable adverse effects

(iii) alternatives

(iv) the relationship of short-term uses and long-term productivity

(v) any irreversible and irretrievable commitments of resources.

The Council on Environmental Quality has issued Guidelines on how agencies are to meet this requirement (36 *Federal Register* 7724, April 23, 1971) and most agencies have set up procedures applying the requirement to their own programs.

Q: 3. Who prepares 102 statements?

A: The law says only that it shall be prepared by "the responsible official". Agencies are currently working to prepare final procedures for making their particular operations accord with the Act, and each agency's procedures identify which official must issue 102 statements.

Q: 4. Do agencies of State Government have to prepare these statements?

A: Unless the State requires this under its own law, States prepare statements only when their actions are supported by Federal contracts, grants, or permits, *and* the Federal agency procedures have delegated initial preparation of statements to the state level. An example is the Federal Highway Administration, which provides matching grants for many state highway construction programs. The draft statements here are generally prepared by the State Highway Departments; the Department of Transportation takes responsibility for the final statements.

Q: 5. Must industry prepare 102 statements?

A: Generally speaking, no. The exception comes when an industry action requires a Federal license or permit—such as a Corps of Engineers dredging permit, a transmission line right-of-way across Federal land, or Federal Power Commission license for a dam.

When a Federal regulatory or permit action calls for a statement, the Federal agency will still prepare the environmental statement, but may require the private industry proposing the action to file a preliminary environmental report analyzing the environmental aspects of what it proposes to do.

Q: 6. What if two or more agencies are involved in the same project?

A: One is chosen to be the "lead" agency and made responsible for the environmental impact statement.

Q: 7. How large must a project be before it is considered a "major action" with "significant impact"?

A: Again, this varies from department to department, as each applies NEPA to its own activities and problems. The CEQ Guidelines (§ 5(b)) indicate that "highly controversial" actions are to be covered, as well as decisions taken over a period of time which, though individually not major, have a "cumulatively significant impact."

To note some examples, the Corps of Engineers' proposed final procedures (*Federal Register*, June 11, 1971) call for statements not only on the Corps Water Resource Projects but also on "leasing of project lands for industrial uses, requests for overhead rights-of-way mineral extractions such as sand, gravel, rock, etc. . . ."

The Federal Power Commission's proposed regulations (36 *Federal Register* 13040, July 13, 1971) place the cutoff line for hydroelectric projects at 2,000 horsepower; above that, regulation involves a major action, while below it does not.

Q: 8. When are statements prepared?

A: The Council's Guidelines indicate that they must be made "early enough in the agency review process before an action is taken in order to permit meaningful consideration of the environmental issues involved" (§ 10(b)). In addition, the "action-forcing" 90 day waiting period requirements (see Q #17) means that the Federal agency considering a project must anticipate a minimum ninety day wait from filing the draft statement to beginning action.

Q: 9. How many 102's does the CEQ receive in a month? How many since enactment of NEPA?

A: The November 1971 Monitor listed 101 draft and 95 final statements, for a total of 196 of which over half related to highway construction. Since enactment of the National Environmental Policy Act on January 1, 1970, almost two thousand draft and 850 final statements have been catalogued, covering a total of 2040 actions (including legislative proposals and reports) subjected to environmental analysis under the Act.

Q: 10. What is the difference between a "draft" and a "final" statement?

A: The CEQ Guidelines require that each statement be prepared in two stages: first, the sponsoring agency prepares a draft statement using its own expertise and information. The draft is then reviewed and commented on by other agencies which have specialized expertise relating to the project. Finally, the sponsoring agency uses these comments to modify the project plans (if indicated) and to prepare a final statement.

Q: 11. Who is asked to comment?

A: The Guidelines contain an appendix which lists Federal agencies with expertise in particular aspects of the environment which should be asked to comment. In addition, when State or local review is relevant, copies of the draft are either sent to the State, regional, and metropolitan clearinghouses set up by Circular #A-95 of the Office of Management and Budget or directly to State and local agencies authorized to develop and enforce environmental standards. The CEQ receives ten copies of every statement and may also comment.

Q: 12. What role do members of the public have in the commenting process?

A: The agency preparing the draft statement is responsible for making it available to the public (under the Freedom of Information Act (5 U.S.C. § 552)—see Q #18). Any individual or organization may then comment on the draft; he may express support or opposition, suggest alternatives, or point out project effects that may have escaped the attention of its sponsors. These comments may be in the form of a letter, a critique, or even, as done by some citizen's groups, a "counter-102" setting forth their views and analysis in as great a depth as the draft itself.

Q: 13. How soon must comments be made?

A: Ordinarily agencies must allow at least thirty days for comments (forty-five for EPA comments on projects with effects in the areas of EPA jurisdiction). Some have written longer periods into their procedures. The Guidelines suggest that requests for 15 day extensions should be considered favorably.

Q: 14. How can people find out about comments?

A: The summary sheet attached to each draft statement lists the agencies consulted; the final statement is made available with copies of all comments received. The sponsoring agency is responsible for making comments available on request (under the Freedom of Information Act); such request should be directed either to the sponsoring agency's nearest regional office, or to its environmental liaison officer (listed in Appendix II of the Guidelines).

Q: 15. How can the public get copies of statements and comments on such statements?

A: All draft and final statements, unless classified are listed in the *102 Monitor;* since May they have been given a NTIS (National Technical Information Service) order number, and since August, an ELR (*Environmental Law Reporter*) order number. (see p. 8 for information on how to order the statements from NTIS or the Environmental Law Reporter). It is particularly important to a prompt response that the order number be sent to NTIS.

Copies of statements are also kept at the offices of the agency that prepared them, as well as being available to the public at the State and regional clearinghouses (see Q. #11).

Representatives of conservation groups who feel that they will want to comment on many of an agency's statements should contact either the nearest regional office or the agency's environmental liaison official (see Q #14) with the request that their names be added to the mailing list for commentators.

Q: 16. Is there any other way to involve the public in project review?

A: Yes—the public hearing. Some agencies (e.g., the Federal Highway Administration) are required to hold them as a matter of statute, while others are encouraged by Executive Order 11514 to hold them as a point of contact with public opinion. For non-regulatory hearings, the draft statement must be made available fifteen days in advance of the hearing.

Q: 17. What chance is there for the draft and final 102 statements to affect agency action?

A: CEQ's Guidelines § 10(b) provides that "to the maximum extent possible" no administrative action is to be taken within 90 days after the draft statement has been made available to the Council and the public, nor is it to be taken within thirty days of the final statement's availability (the time periods may overlap). In other words, an agency cannot start work until the public and the Executive have had at least 90 days to examine the environmental consequences of the plan—and if the final follows the draft by more than 60 days the review time is extended as well.

These waiting periods only apply to actions the agency can take itself—not legislative proposals or reports—and may be modified with the CEQ's consent when emergency circumstances, expense to the Government, or impaired program effectiveness make modification appropriate.

Q: 18. What is the CEQ's role in the 102 process?

A: As the agency supervising the whole § 102 process, the Council must pay special attention to maintaining the "traffic rules" for the flow of reports, leaving most substantive comments to the particular "expert" agencies.

The Council also serves as advisor to the President on environmental questions. In this capacity the Council may comment on particularly important or controversial projects and suggest what courses of action might be followed.

Q: 19. What effect has the § 102 process had?

A: Federal agencies have taken, modified, and avoided actions on the basis of the NEPA environmental analysis. For example, the Corps of Engineers refused to grant some dredge and fill permits in order to protect ecological and esthetic values. The Corps also has suspended some water resource projects pending consideration of the environmental impacts. The Coast Guard has denied several bridge construction permits to avoid adverse environmental consequences. The Forest Service switched from clearcutting to selective cutting in a National Forest, the Department of Transportation reconsidered several proposed Interstate Highway routes, and the Department of Defense amended plans for munitions disposal.

(For a fuller discussion of this question see the CEQ's Second Annual Report, pp. 25–27 and Chapter V, "The Law and the Environment.")

Q: 20. What legal rights does the citizen have under NEPA?

A: Most courts have concluded that the NEPA "102" environmental statement procedure is court enforceable at the suit of interested citizens. The extent of the citizen's right to sue is still being defined by the courts, particularly since it is linked to broader questions of administrative law, such as scope of judicial review, "standing," sovereign immunity, etc. (see Chapter V "The Law and the Environment," of the Council's Second Annual Report for more detailed information).

The 102 Monitor is published by the Council on Environmental Quality, 722 Jackson Place, N.W., Washington, D.C. 20006. If your address is incorrect, please write to Hope Hale, Acting Editor.

The title of this publication refers to Section 102(2)(C) of the National Environmental Policy Act (42 U.S.C. 4332(2)(c). File this and subsequent issues in a ring binder for handy reference.

### SOURCES FOR ENVIRONMENTAL IMPACT STATEMENTS

In order to receive more efficient and prompt service, requestors are urged to order draft and final impact statements from the Department of Commerce's National Technical Information Service (NTIS) rather than the preparing agency. Each statement will be assigned an order number that will appear in the 102 Monitor (at the end of the summary of each statement) and also in the NTIS semi-monthly Announcement Series No. 68, "Environmental Pollution and Control." (An annual subscription costs $5.00 and can be ordered from the NTIS, U.S. Department of Commerce, Springfield, Virginia 22151.)

Final statements will be available in microfiche as well as paper copy. A paper copy of any statement can be obtained by writing NTIS at the above address and enclosing $3.00 and the order number. A microfiche costs $0.95. (Paper copies of documents that are over 300 pages are $6.00.)

NTIS is offering a special "package" in which the subscriber receives all statements in microfiche for $0.35 per statement.

Statements will still be available for public scrutiny in the document rooms of the various agencies. However, only limited copies will be available for distribution.

Yet another possible source of statements is from the Environmental Law Institute, 1346 Connecticut Avenue, N.W., Washington, D.C. 20036. To order a document, please indicate the Department, date, and ELR Order No. (given at the end of each summary). The Institute charges $0.10 per page, and as you will note the number of pages is also given at the end of the summaries. Please enclose the correct amount of money with your order and mark the envelope to the attention to the "Document Service."

### SOURCE FOR BACK ISSUES OF THE 102 MONITOR

Because the supply of past issues of the 102 Monitor is not sufficient to meet all requests, a list is provided below indicating where the various issues of the 102 Monitor appeared in the *Congressional Record*. You may wish to order these *Congressional Records* from the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402 ($.25 per copy).

*Vol. 1, Nos. 1, 2 & 3—Congressional Record*—April 28 (Extension of Remarks), page E 3607.

*Vol. 1, No. 4—Congressional Record*—May 27 (Extension of Remarks), page E 5151.

*Vol. 1, No. 5—Congressional Record*—June 16 (Extension of Remarks), page E 6023.

*Vol. 1, No. 6—Congressional Record*—July 28 (Extension of Remarks), page E 8458.

*Vol. 1, No. 7—Congressional Record*—Sept. 13 (Extension of Remarks), page E 9483.

*Vol. 1, No. 8—Congressional Record*—Sept. 24 (Extension of Remarks), page E 10002.

*Vol. 1, No. 9—Congressional Record*—Nov. 1 (Extension of Remarks), page E 11596.

### ON THE FOLLOWING PAGES ARE ENVIRONMENTAL IMPACT STATEMENTS RECEIVED BY THE COUNCIL FROM OCTOBER 1 THROUGH OCTOBER 31, 1971

(NOTE: At the head of the listing of statements received from each agency is the name of an individual who can answer questions regarding those statements.)

### DEPARTMENT OF AGRICULTURE

Contact: Dr. T. C. Byerly, Office of the Secretary, Washington, D.C. 20250 (202) 388-7803.

#### *Agricultural Research Service*

**Draft**

Title, Description, and Date of Transmittal

Cooperative Diapause Control Program for Boll Weevil, *Texas* and *Mexico*. The statement describes present and future plans for controlling the spread of boll weevils in the Texas High Plains. Recommends the use of the insecticide, aldicarb, in order to reduce the use of malathion. Aldicarb is highly toxic and will be applied only to rows in the margins of selected fields near ideal overwintering quarters. Some studies have been done to determine aldicarbs effect on insects, animals, etc. (ELR Order No. 1069, 18 pages) (NTIS Order No. PB-203 608-D) 10/22.

#### *Forest Service*

**Draft**

Title, Description, and Date

Proposal to declassify the Uncompahgre Primitive Area, Uncompahgre National Forest, *Colorado:* consists of 53,252 acres of National Forest and 16,001 of privately owned lands that embody few characteristics of wilderness as defined in the Wilderness Act of 1964. (ELR Order No. 1050, 29 pages) (NTIS Order No. PB-203 515-D) 10/14.

Six Rivers Timber Management Plan, Six Rivers National Forest, *California*. Plan to use a combination of even-aged and all-aged management with emphasis on even-aged management for developing timber resource. Some 2,064 million board feed will be harvested over a 10 year period. Statement discusses impact on soil, water, wildlife, fish, etc. Thought had been given to making Six Rivers National Forest a Wilderness area. Comments made by DOI, various State of California agencies, Sierra Club, KIEM Television Station, Western Lumber Mfg. and consulting foresters. (ELR Order #1001, 49 pages) (NTIS Order #PB-203 319-F) 10/12.

#### *Soil Conservation Service*

**Draft**

Title, Description, and Date

Hollow Creek Watershed, Lexington and Saluda Counties, *South Carolina*. Proposes conservation land treatment over 2,700 acres supplemented by two floodwater retarding structures. Project will destroy agricultural use and wildlife habitat on 91 acres of pasture—and woodland. (ELB Order #936, 8 pages) (NTIS Order #PB-203 233-D) 10/6/71.

Carbon Hill Watershed project, *Montana*. Includes land treatment measures such as ditch lining, land leveling and water control structures. Other parts of the project are: 4 reservoirs, and open channel, floodway and drainage system, etc. Purpose: reduce flood water and sediment damages, etc. Requires 287 acres for these measures; may also increase salinity of the water. (ELR Order #998, 12 pages) (NTIS Order #PB-203 315-D) 10/8.

Palatlakaha River Watershed project, *Florida*. Involves installation of 19.4 miles of channel improvement, 10 grade stabilization structures and 11 water control structures. Purpose: reduce erosion, sediment, floodwater damages, etc. Will result in loss of 185 acres of sloughs, marshes and open water since will be used for spoil storage. (ELR Order #1014, 27 pages) (NTIS Order #PB-203 477—D) 10/13.

East Fork of Whitewater Watershed project, *Indiana*. Provides for land treatment practices on over 91,000 acres with 47 small dams, 3 multiple purpose structures for flood prevention and public recreation, 10.3 miles of stream environmental corridor development for public recreation, 19.6 miles of channel impovement, etc. Purpose: reduce flood damage, erosion of sediment. About 250 acres of woody wildlife habitat, 250 acres of grassland and 800 acres of cropland will be inundated or destroyed. (ELR Order No. 1044, 16 pages) (NTIS Order No. PB-203 512-D) 10/19.

Hurricane Creek Watershed structural project measure, Hopkins, *Kentucky*, in the Tradewater River Resource Conservation and Development Project (flood prevention). Consists of accelerating land treatment, installing 3 floodwater retarding structures, and improving 4 miles of channel. (ELR Order No. 1057, 10 pages) (NTIS Order No. PB-203 511-D) 10/20.

**Final**

Title, Description, and Date

Lost River Watershed project, *Indiana*. (An earlier statement was sent on August 11, 1970. It was considered a final, but in fact was a draft.) Plan calls for a comprehensive land treatment program, 11 floodwater retarding structures, 2 grade stabilization structures and 44 miles of stream channel improvement. Purpose: reduce erosion, flood damages, increase recreation area. Will result in a change of land use. For example, 327 acres of woodland and 52 acres along channel banks will be lost for its wildlife value, approximately 22 miles of River will be inundated. (ELR Order No. 903, 76 pages) (NTIS Order No. PB-202 976-F) 9/27.

Yaeger Ditch Project Measure, Southeast Texas Resource Conservation and Development Program, Orange County, *Texas*. Involves additional land treatment measures on 150 acres of pastureland supplemented by about 12,135 ft. of channel work. Of this 10,735 ft. will be to increase capacity of the Yaeger Ditch and about 1,400 ft. will be construction of a lateral channel. Purpose: reducing flooding, erosion and sediment damage. Comments made by Army COE, USDA, South East Texas Regional Planning Comm., EPA, various State of Texas agencies. (ELR Order No. 906, 14 pages) (NTIS Order No. PB-201 350-F) 9/29.

Sugar River Watershed project, *New Hampshire*. Includes land treatment on about 80,000 acres and installation of 10 impoundments. Purpose: to reduce annual flood damage. Will flood or cover by dams 1,198 acres of land and 4.4 miles of stream. (ELR Order No. 929, 49 pages) (NTIS Order No. PB-203 159-F) 9/30.

Headwater-Yellow River Project Measure, Gwinett County Resource Conservation and Development Project, *Georgia*. Consists of a floodwater retarding structure (earth embankment) and a spillway, designed to form a 32 acre sediment pool and work on 11.3 miles of channel (removal of trees and debris). Purpose: reduce flood damages, bank erosion, etc. Comments made by Army COE, DOI, USDA, EPA, various State of Georgia agencies (ELR Order No. 595, 18 pages) (NTIS Order No. PB-201 331-F) 10/8.

### DEPARTMENT OF DEFENSE

#### *Department of Air Force*

Contact: Col. Cliff M. Whitehead, Room 5E 425, Pentagon, Washington, D.C. 20330 (202) OX 5-2889.

**Draft**

Title, Description, and Date

National Guard Use of Arnold Engineering Development Center (AEDC), Coffee and Franklin Counties, *Tennessee*. Air Force proposes making available to Tennessee National Guard for training of mechanized units 2,500 acres of AEDC land near Tullahoma. Will involve conversion of land from wildlife management area. (ELR Order #948, 22 pages) (NTIS Order #PB-203 238-D) 10/4.

#### *Department of Army*

Corps of Engineers

Contact: Francis X. Kelly, Assistant for Conservation Liaison, Public Affairs Office; Office, Chief of Engineers, 1000 Independence Avenue, S.W., Washington, D.C. 20314 (202) 693-6329.

For the reader's convenience we have listed the numerous statements from COE by State in alphabetical order.

**Draft**

Title, Description, and Date

Fish and Wildlife Mitigation Plan, Cache River Basin Project, *Arkansas*. Modifies authorized project to acquire approximately 30,000 acres of woodland in the flood plains of lower Cache River and Bayou DeView and their development for mitigation of anticipated fish and wildlife losses. (ELR Order #924, 152 pages) (NTIS Order #UBX203 158-D) 9/30.

Columbia Drainage and Levee District No. 3, Monroe County, *Illinois*. Modification work on the levee project consists of constructing 2 pumping stations, 2,500 linear ft. of interception ditches, 36,160 linear ft. of drainage ditches, etc. Purpose: remove impounded interior drainage, reduce flooding. (ELR Order No. 1062, 13 pages) (NTIS Order PB-203 614-D) 10/20.

Falmouth Lake, Licking River, Pendleton County, *Kentucky* (flood control project). Consists of constructing dam and lake 9 miles upstream from Falmouth. Will inundate about 12,300 acres of land and convert 75 miles of free-flowing stream to a slack water impoundment, with concomitant loss of wildlife cover. (ELR Order No. 946, 4 pages) (NTIS Order No. PB-203 221-D) 10/7.

Bucks Harbor navigation project, Machiasport, *Maine*. Consists of dredging an 11 acre anchorage, 8 ft. deep along the southwesterly side of Bucks Harbor. Purpose: improve commercial fishing capability at the Harbor. Dredged materials will be placed at an offshore site, as yet not determined. (ELR Order No. 1095, 11 pages) (NTIS Order No. PB-203 693-D) 10/22.

Choptank River, Caroline County, *Maryland* (navigation project). Consists of dredging a navigation channel 12 ft. deep by 100 ft. wide from Pealiquor Shoals to Denton, Md. Will use hydralulic method for dredging. (ELR Order No. 1078, 30 pages) (NTIS Order No. ——) 10/22.

New Bedford and Fairhaven Harbor navigation project, *Massachusetts*. Provides for widening 1,100 ft. long section of 15 ft. deep channel by 100 ft; deepening 900 ft. long, 10 ft. deep channel to 15 ft. and widening it by 100 ft. and at a depth of 6 ft. Purpose: to upgrade navigation and to accommodate commercial fishing craft and recreation boats. (ELR Order No. 923, 103 pages) (NTIS Order No. PB-203 156-D) 9/23.

Mud Creek flood protection project, Broken Bow, *Nebraska*. Channel improvement involves enlarging and realigning, replacing 4 bridges, constructing levees, etc. Also involves diverting the South Branch Mud Creek into North Branch Mud Creek. Will reduce the amount of wildlife habitat. (ELR Order #1024, 12 pages) (NTIS Order # PB-203 473-D) 10/13.

Sugar and Briar Creeks project, Catawba River Basin, *North Carolina* (flood control project). Consists of creek channelization for a combined 7.5 miles from Archdale Dr., Charlotte, to Princeton Ave. on Little Sugar Creek and to Randolph Rd. on Briar Creek. (ELR Order #53, 16 pages) (NTIS Order No. PB-203 232-D) 10/5.

Jetties at Beaufort Inlet, Morehead City Harbor, *North Carolina*. Involves construction of an east and west jetty—the East Jetty tieing into the Shackleford Banks and the West Jetty tieing into the jetty in the Fort Macon State project. Purpose: improve navigation by reducing shoaling in the inlet. (ELR Order #1015, 8 pages) (NTIS Order # PB-203 478-D) 10/12.

Dyersburg, *Tennessee* (flood protection project). Consists of constructing a levee from Highway 51 Bypass, east to the leveed sewage treatment plant and northeast to a point south of the Illinois Central Railroad. Purpose: provide flood protection which will enable implementation of an urban renewal project. (ELR Order #954, 8 pages) (NTIS Order # PB-203 237-D) 10/4.

Arkansas-Red River Basins Water Quality Control Study, Part I, Areas VII, VIII and I, *Texas*. (This draft statement supersedes statement sent April 14, 1971 described as Arkansas-Red River Chloride Control Part 1.) Involves construction of 4-low-flow dams, 3 brine storage dams and about 37 miles of pipeline. Purpose: provide facilities for water quality control and control brines entering Lake Kemp. (ELR Order #1074, 26 pages) (NTIS Order # PB-203 603-D) 10/15.

Stonewall Jackson Lake, West Fork River, *West Virginia* (flood control project). Constructing a multipurpose dam 680 ft. long and 97 ft. high and a lake. Purpose: flood and water quality control, water supply, and recreation. Will inundate 3,470 acres of farmland and wildlife habitat and will result in loss of 35 miles of free flowing stream. (ELR Order #907, 10 pages) (NTIS Order #PB-202 980-D) 9/16.

### Final

### Title, Description, and Date

Chena River Lakes flood control project, Fairbanks, *Alaska*. Construction of 2 earthfill dams on the Chena and Little Chena Rivers and a levee system on the Tehana River. Project will impound 2 miles of free-flowing stream habitat and will inundate 10,000 acres of marsh and stream habitat during peak flood levels. Purpose: provide protection from flooding, recreation, etc. Comments made by DOI, USDA, EPA, various State of Alaska agencies. (ELR Order #1088, 72 pages) (NTIS Order #PB-201 532-F) 10/27.

Stockton Ship Channel, Venice Island to Stockton, *California* (bank protection project). Involves placement of 6,765 lineal ft. of rock revetment at 6 selected erosion sites on slope of levees, clearing and dredging. Purpose: to repair presently eroded levees, reduce future damage from wave action against levees. Comments made by DOI, Commerce, EPA, HEW, various State of California agencies. (ELR Order #1021, 62 pages) (NTIS Order #PB-199 873-F) 10/14.

Fort Myers Beach Channel, *Florida* (navigation project). Dredging a 2,000 ft. channel extension (11 ft. x 125 ft.) with a turning basin at the easterly end of the existing channel (adjacent to Matanzas Pass). Dredge material will be pumped across Estero Island and placed along the beach. Purpose: to facilitate shrimp boats and barge traffic to and from terminal facilities. Comments made by EPA, DOI, DOT, HUD, various State of Florida agencies. (ELR Order #999, 35 pages) (NTIS Order #PB-199 611-F) 10/11.

Okeechobee Waterway, vicinity of Ft. Meyers, *Florida* (navigation project). Involves enlarging a 5-mile reach of the Waterway in the Caloosahatchee River. Purpose: to improve navigation conditions for commercial use from the Gulf to Lake Okeechobee. Dredge material will be placed in upland diked area and 7 open water areas enclosed by barriers. Comments made by USDA, DOI, EPA, DOT, various State of Florida agencies. (ELR Order #1089, 44 pages) (NTIS Order #PB-199 872-F) 10/27.

Cottonwood Creek Dam, Cottonwood Creek, *Idaho*. Construction of an earth and rockfill structure 117 ft. high. Purpose: provide flood protection to eastern section of Boise. Comments made by EPA, DOI, USDA, Ada County, City of Boise, various State of Idaho agencies. (ELR Order #1090, 36 pages) (NTIS Order #PB-198 724-F) 10/27.

Martin Channel improvement project, *Kentucky*. Involves enlarging and realigning 4.5 miles of channel in Beaver Creek at the Levisa Fork of the Big Sandy River. Purpose: reduce flood stages in Martin. Will result in loss of some wildlife habitat. Comments made by EPA, DOI, Commonwealth of Kentucky Dept. of Natural Resources. No draft statement received. (ELR Order #933, 20 pages) (NTIS Order #PB-203 157-F) 9/30.

Taylorville Lake flood control project, *Kentucky*. Construction of a dam and lake about 25 miles southeast of Louisville. Will inundate 3,050 acres of land and 18 miles of stream, stream bank habitat and stream fishery. Comments made by USDA, EPA, DOI, various State of Kentucky agencies, Lincoln Trail Area Development District, Ind. (ELR Order #1091, 48 pages) (NTIS Order #PB-202 789-F) 10/27.

Mill Creek (Ohio River Basin), *Kentucky*. This channel improvement project involves work on about 3.5 miles of Mill Creek (located between Cane Run Road and US-3100, in southwestern Jefferson County). Purpose: flood relief, drainage control, etc. Comments made by USDA, EPA, DOI, various State of Kentucky agencies and Ohio Metropolitan Council of Governments. (ELR Order 1099, 18 pages) (NTIS Order #PB-202 653-F) 10/28.

Goose Creek navigation project, Somerset County, *Maryland*. Involves dredging channel to a depth of 6 ft. with an additional 2 foot overdepth by hydraulic dredge methods. Begins at Manokin River and extends for 4,400 ft. to a point about 500 ft. upstream of the county wharf at Rumbley. Purpose: improve navigation for commercial fisherman. Comments made by DOI, EPA, various State of Maryland agencies. (ELR Order #1048, 24 pages) (NTIS Order PB-202 642-F) 10/19.

Tocks Island reservoir project, *New Jersey, New York* and *Pennsylvania*. Proposed construction of a dam and 12,400-acre reservoir on the Delaware River. Purpose: flood control, water supply, hydroelectric power, etc. Will result in the loss of 37 miles of free-flowing streams and 10,000 acres of wildlife habitat. Comments made by DOI, HEW, FPC, EPA, Delaware River Basin Commission. Commonwealth of Pennsylvania, State of Delaware, State of New Jersey, State of New York, Del. Valley Conservation Assoc., Lenni Lenape League, Save. N.J.'s. Natural Environment, Sandyston Township Assoc., Inc., Sierra Club, Tocks Island Citizens Assoc., Tocks Island Regional Advisory Council, Trout Unlimited, Water Resources Assoc. of Delaware River Basin. (ELR Order #902, 214 pages) NTIS Order #PB-202 972-F) 10/1.

New Hope Lake project, Haw River Basin, *North Carolina*. Involves construction of an earth dam, forming lake with a surface area of 14,300 acres. Will inundate about 22 miles of free-flowing stream. Purpose: flood protection, water supply, water quality control, etc. Statement is divided into three volumes—Vol. 1 includes items required in a 102 statement; Vol. 2 provides additional correspondence received after March 30; and Vol. 3 contains the transcripts of depositions. Comments made by EPA, USDA, DOI, DOT, HUD, various State of North Carolina agencies, ECOS, Inc. N.C. State University. (NTIS has assigned a separate order number for each volume—Vol. 1: PB-198 999-F-1; Vol. 2: PB-198 999-F-2, Vol. 3: PB-198 999-F-3. Vol. 1 & 3 are over 300 pages and therefore cost $6.00 apiece.) 10/22.

Mill Creek Lake, Mill Creek, Scioto River Basin, Delaware and Union Counties, *Ohio*. Construction and operation of a dam and other facilities. Purpose: flood control, recreation and water quality control. It will regulate the runoff from a 181 square mile watershed. Will result in loss of farm land and some types of aquatic and terrestial habitat. Comments made by DOI, EPA, Ohio Historic Society. (ELR Order #1006, 54 pages) (NTIS Order #PB-200 949-F) 10/7.

Salt Creek Reservoir, Salt Creek, Scioto River Basin, *Ohio*. Involves construction of a dam and reservoir in Appalachian Region. Purpose: regulate runoff from a 285 square mile watershed. Comments made by Public Health Service, EPA, DOI, USDA, various States of Ohio Historical Society. (ELR Order #1022, 66 pages) (NTIS Order #PB-202 654-F) 10/28.

Los Esteros Lake, Santa Rosa, *New Mexico*. Involves construction of an access road, an earth and rolled rockfill dam, a tunnel type conduit, and an uncontrolled spillway channel in Guadalupe County. Purpose: flood control, irrigation, etc. 7,360 acres of wildlife habitat will be lost, and about 14 miles of free-flowing stream will become a slack water area. Comments made by DOI, EPA, various State of Mexico agencies, N.M. Ornithological Society, Sierra Club (ELR Order #1078, 69 pages) (NTIS Order #PB-202 431-F) 10/28.

Bristol Harbor navigation project, *Rhode Island*. Consists of an offshore breakwater 1600 ft. long. Purpose: to protect vessels and shore facilities from storms. Comments made by Commerce, EPA, DOI. (ELR Order #950, 31 pages) NTIS Order #PB-203 240-F) 10/6.

### *Office of the Assistant Secretary*

Contact: Col. William P. Gardiner, Chief of Construction Division, Office, Deputy Chief of Staff for Logistics, Washington, D.C. (202) OX4-4380.

### Draft

### Title, description, and date

Demilitarization of Toxic Munitions at U.S. Army Materiel Command Installations: Anniston Army Depot and Pine Bluff Arsenal, *Alabama;* Pueblo Army Depot, *Colorado; Lex-*

ington-Bluegrass Army Depot, *Kentucky;* Umatilla Army Depot, *Oregon;* and Tooele Army Depot, *Utah.* Involves disposal of toxic (6B, VX, and Mustard) filled munitions. (ELR Order No. 1046, 137 pages) (NTIS Order No. PB-203 509-D) 10/14.

Final

Title, description, and date

Phase 1 deployment of the SAFEGUARD Ballistic Missile Defense System, Grand Forks, North Dakota and Malmstrom AFB, *Montana.* (System must be located close to Minuteman fields in N.D. and Mont. to protect them.) System consists of Missile Site Radar (MSR) and Perimeter Acquisition Radar (PAR), two types of interceptor missiles (SPARTAN and SPRINT), a high speed computer system, etc. Purpose: protection from ICBM attack. Information attached on community impact (several thousand persons will move into the communities to work on the system). Comments made by USDA, HEW, AEC, EPA, DOI, Montana Water Resources Board and North Dakota State Planning Comm. (ELR Order No. 1008, 65 pages—does not include information on community impact) (NTIS Order No. PB-203 321-F—does not include information on community impact) 10/15.

ENVIRONMENTAL PROTECTION AGENCY

Contact: Mr. George Marienthal, Acting Director of Environmental Impact Statements Office, 1750 K Street, N.W., Room 440, Washington, D.C. 20460 (202) 254-7420.

Draft

Title, description, and date

Waste Treatment project, Spencer, *Iowa.* Application by City of Spencer for a grant to construct a system consisting of an anerobic-aerated-aerobic lagoon system, intercepting sewer, 2 pumping stations, odor control facility, etc. (ELR Order No. 1000, 17 pages) (NTIS Order No. PB-203 316-D) 10/4.

GENERAL SERVICES ADMINISTRATION

Contact: Rod Kreger, Deputy Administrator, GSA-AD, Washington, D.C. 20405, (202) 343-6077.

Alternate Contact: Aaron Woloshin, Director, Office of Environmental Affairs, GSA-AD, (202) 343-4161.

Draft

Title, Description, and Date

Disposal of portion of Camp Parks, Alameda County, *California.* Involves 4 parcels totaling about 767 acres and 245 buildings. Some of the land will be conveyed to schools. (ELR Order #908, 17 pages) (NTIS Order #PB-202 977-D) 9/29.

Final

Title, Description, and Date

Transfer of 12.36 acres of Los Alamitos Naval Air Station, Orange County, *California* to the Office of Education, HEW. Purpose: to enable the Office of Education to consolidate the Southwest Regional Educational Laboratory by constructing a building on this land. Comments made by HEW, DOT, DOI, EPA, City of Los Alamitos, Resources Agency of California. (ELR Order #1004, 13 pages) (NTIS Order #PB-199 459-F) 10/6.

Disposal of 35.3 acres comprising the Administrative and Launcher Areas, NIKE Batteries LA-70 and LA-73, Los Angeles, *California.* Proposes sale of this land to the Calif. Department of Airports. Comments made by DOT, HEW, EPA, City of Los Angeles. (ELR Order #969, 11 pages) (NTIS Order #PB-198 886-F) 10/12.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

Contact: Richard H. Broun, Director, Environmental and Land Use Planning Division, Washington, D.C., (202) 755-6186.

Draft

Title, Description, and Date

Marshall Union Manor Corporation Apartments, Portland, *Oregon.* (Section 236 Project No. 126-44802-NP.) The Union Labor Retirement Association has applied for mortgage and interest subsidy assistance for development of a high-rise designed for senior citizens. (ELR Order #993, 8 pages) NTIS Order #PBZ203 312-D) 10/1.

Final

Title, Description, and Date

New Community of Maumelle near Little Rock, *Arkansas.* Proposed offer of commitment to guarantee up to $7.5 million in obligations to finance costs of land development over a 20 year period to Maumelle Land Development, Inc. Projected population is between 45,000 and 60,000 on this 5,319 acre site. The site has a 3.5 mile frontage on the Arkansas River. (The Army Corps of Engineers has underway presently a flood control and navigation project in this area.) Comments made by EPA, Army COE, Metroplan, OEO. (ELR Order #928, 50 pages) (NTIS Order #PB-201 236-F) 10/1.

DEPARTMENT OF INTERIOR

Contact: Office of Communications, Room 7214, Washington, D.C. 20240 (202) 343-6416.

*Bureau of Land Management*

Draft

Title, Description, and Date

Jim Bridger Thermal-Electric Generation Project, *Wyoming* and *Idaho.* Includes a 1,500 MW coal-fired steam electric plant (under construction in Rock Springs, Wyoming.), a strip mine nearby, a 42-mile water delivery system, and rail and highway access. Distribution system includes three 345 KV transmission lines between plant and substations in Bingham and Bannock Counties, Idaho. (ELR Order No. 1045, 145 pages) (NTIS Order No. PB-203 520-D) 10/15.

Final

Title, Description, and Date

Proposed Oil and Gas Lease Sale, Outer Continental Shelf, Gulf of Mexico. Lease sale consists of 86 tracts of submerged lands offshore Louisiana, Mississippi and Alabama. Would add 396,250 acres to the total 3,782,796 presently under Federal lease offshore *Louisiana.* 75 to 125 additional platforms and other structures may be necessary to develop these tracts. Also may require 40 new pipelines. (ELR Order No. 1058, 129 pages) (NTIS Order No. PB-201 517-F) 10/21.

*Bureau of Mines*

Draft

Title, Description, and Date

Oil Shale Retort Research project, *Colorado.* Proposes further research on the development of surface retorting of oil shale (retorting is a process of extracting oil) at the Anvil Points Oil Shale Research Facility near Rifle, Colorado. In addition will provide information on how to dispose of retorted shale. Project is to be conducted over a 5-year period. (ELR Order No. 1003, 22 pages) (NTIS Order No. PB-203 318-D) 10/13.

*Bureau of Reclamation*

Draft

Title, Description, and Date

Huntington Canyon generating station and transmission line. The Utah Power & Light Co. plans to build a coal-fired thermal-electric generating plant at Huntington Canyon, *Utah.* (This draft statement is an updated version of the statements sent 4/23. It contains information from the Forest Service, Federal Highway Administration, Bureau of Land Management and Bureau of Sport Fisheries and Wildlife. See 102 Monitor, May 1971, p. 32, for more details on the project.) (ELR Order No. 925, 169 pages) (NTIS Order No. PB-198 736-D) 9/30.

Gila Gravity Main Canal: Yuma County, *Arizona* (irrigation project). Rehabilitation and betterment of approximately 14.7 miles of channel, consisting of access road construction, canal bank road improvement, and drainage structure construction. (ELR Order No. 951, 17 pages) (NTIS Order No. PB-203 222-D) 10/5.

Dust Abatement at Canyon Ferry Lake, Canyon Ferry Unit, Helena-Great Falls Division, Pick-Sloan Missouri Basin Program, *Montana.* Involves construction of dikes to form subimpoundments to cover exposed areas, dredging of fine material into subimpoundments, and flooding subimpoundments for development as wildlife habitat. (ELR Order No. 930, 11 pages) (NTIS Order No. PB-203 097-D) 10/5.

Navajo Project: *Arizona, Nevada, New Mevico,* and *Utah.* A consolidation of materials presented in 5 draft statements for: (1) Navajo Generating Station: construction begun April 1970 of coal-fired, 2.310-mw genearting station (see 102 Monitor, March 1971, p. 33); (2) Black Mesa and Lake Powell R.R. (formerly called Navajo-Black Mesa Coal Haul R.R.): electric railroad to haul coal to Navajo Generating Station (102 Monitor May 1971, p. 32); (3) Black Mesa Coal Mining Operation: development of strip mining operating to supply fuel for Navajo and Mohave Steam Generating Stations (102 Monitor, August 1971, p. 34); (4) Southern Transmission System (formerly called Navajo-Phoenix Transmission System): construction of two 250-mile, 500,000 v transmission lines (102 Monitor, May 1971, p. 31); and (5) Western Transmission System (formerly called Navajo-McCullough Transmission Line): construction of 500 kv transmission line (102 Monitor, July 1971, p. 34). (ELR Order No. 951, 279 pages) (NTIS Order No. PB-203 222-D) 10/5.

Final

Title, Description, and Date

Manson Unit, Chief Joseph Dam irrigation project, *Washington.* Works include a main pumping plant on Lake Chelan, 8 relift pumping stations, 12 regulating reservoirs, 71 miles of buried pipe. Conversion of grazing and dryland crop acreage to irrigated farmland. Will reduce winter range for deer, and reduce food for game-birds. Comments made by DOI, USDA, Commerce, DOT, FPC, Army COE, various State and local agencies in Washington. (ELR Order No. 1060, 86 pages) (NTIS Order No. PB-198 968-F) 10/18.

Mt. Elbert pumped-storage powerplant, Fryingpan-Arkansas Project, *Colorado.* Located on the north shore of Twin Lakes, construction includes a 100 megawatt reversible pump-turbine-motor generator unit and preparatory work on a second unit. Powerplant structure equivalent to a 15 story building. Will have an impact on marine life of Twin Lakes (a prize trout fishery is located there). Purpose: irrigation, hydroelectric power, flood control, industrial water, etc. Comments made by DOT, USDA, FPC, DOI, various State of Colorado agencies, National Wildlife Federation. (ELR Order No. 1059, 37 pages) (NTIS Order No. PB-203 507-F) 10/19.

*National Park Service*

Draft

Title, Description, and Date

Delaware Water Gap National Recreation Area: Northampton, Monroe, and Pike Counties, *Pennsylvania* and Warren and Sussex Counties, *New Jersey.* Establishment of 70,000-acre recreation area on the 12,000-

acre Tocks Island Reservoir and 60,000 acres of adjacent lands. Will involve Federal acquisition of 47,000 acres of land, most privately owned, and will create problems of water supply and waste disposal. (ELR Order No. 949, 59 pages) (NTIS Order No. PB–203 234–D) 10/6.

Recreation Development Plan for Lake Berryessa, *California*. Outlines land use and development of public recreation opportunities to serve San Francisco Bay, Sacramento and Stockton region. Proposes acquisition of approximately 4,300 acres. (ELR Order #1098, 108 pages) (NTIS Order #——) 10/27.

#### *Office of the Secretary*

Draft

Title, Description, and Date

Proposed Geothermal steam leasing program: *Alaska, California, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington* and prospectively *Arizona, Colorado, South Dakota,* and *Wyoming*. Implementation of the Geothermal Steam Act of 1970 involves adopting leasing and operating regulation redevelopment and production of geothermal resources in Federally owned lands. (ELR Order #931, 233 pages) (NTIS Order #PB–203 102–D) 10/6.

### NATIONAL AERONAUTICS AND SPACE ADMINISTRATION

Contact: Ralph E. Cushman, Special Assistant, Office of Administration, Washington, D.C. 20546 (202) 962–8107.

Final

Title, Description, and Date

John F. Kennedy Space Center, Cape Kennedy, *Florida*. Statement is a general description of the Space Center's programs, facilities and consequent environmental impact. (ELR Order #927, 13 pages) (NTIS Order #PB–203 059–F) 9/29.

Manned Spacecraft Center, Houston, *Texas*, and White Sands Test Facility, *New Mexico*. Describes environmental impact of these facilities and their current and planned activities. The test facility is in a remote location where NASA can run hazardous tests associated with development of the Apollo Spacecraft Propulsion Systems. (ELR Order #926, 48 pages) (NTIS Order #PB–203 160–F) 9/29.

### TENNESSEE VALLEY AUTHORITY

Contact: Dr. Francis Gartrell, Director, Environmental Research and Development, 720 Edney Building, Chattanooga, Tennessee 37401 (615) 755–2002.

Draft

Title, Description, and Date

Construction and operation of Sequoyah Nuclear Plant, Units 1 & 2, Hamilton County, *Tennesse*. To be located on a peninsula jutting out into the Tennessee River on the west shore of Chickamauga Lake about 18 miles northeast of Chattanooga. The plant will be composed of 2 reactor containment buildings, a turbine building, auxiliary building, 500–kv and 161–kv switchyard, etc. (ELR Order #1093, 293 pages) NTIS Order #PB–203 607–D) 10/19.

### DEPARTMENT OF TRANSPORTATION

Contact: Martin Convisser*, Director, Office of Program Co-ordination, 400 7th Street, S.W., Washington, D.C. 20590, (202) 462–4357.

For the reader's convenience we have listed the numerous statements from DOT by State in alphabetical order.

#### *Federal Aviation Administration*

Draft

Title, Description, and Date

Danbury Municipal Airport project, Danbury, *Connecticut*. Involves relocation of airfield lighting vault, installation of drainage culverts and security fencing, and runway end identifier lighting system (REILS). Purpose: to assist pilot identification of runway ends and provide circling guidance. (ELR Order No. 904, 14 pages) (NTIS Order No. PB–202 979–D) 9/28.

Honolulu International Airport project, Honolulu, *Hawaii*. Proposes construction of new runway, necessitating a breakwater to prevent storm wave damage, in order to reduce noise levels and improve safety. Involves loss of 1,240 acres of marine and wildlife habitat and aquatic recreational area. (ELR Order No. 952, 28 pages) (NTIS Order No. PB–203 235–D) 10/5.

Purdue University Airport project, West Lafayette, *Indiana*. Consists of lengthening and widening runways, constructing new taxiway and installing ALS. (ELR Order No. 1071, 55 pages) (NTIS Order No. PB–203 605–D) 10/16.

Fleming-Mason Airport project, Flemingsburg, *Kentucky*. Involves land reimbursement and acquisition, construction of runway and taxiway, etc. Purpose: provide a 24-hour landing area capability. (ELR Order #1072, 20 pages) (NTIS Order #PB–203 604–D) 10/26.

Pittsfield Municipal Airport project, Pittsfield, *Massachusetts*. Involves installation of runway lighting and relocation of approach lighting system. (ELR Order #1035, 22 pages) (NTIS Order #PB–203 471–D) 10/18.

Manchester Municipal Airport project, Hillsborough County, *New Hampshire*. Proposes acquisition of easements and removal of trees and poles obstructing approaches to a runway. (ELR Order #963, 10 pages) (NTIS Order #PB–203 226–O) 10/5.

Lorain County Regional Airport project, Lorain County, *Ohio*. Proposes construction of taxiway, expansion of pad, and acquisition of 27 acres. (ELR Order #947, 7 pages) (NTIS Order #PB–203 236–D) 10/5.

Abernathy Field airport project, Pulaski-Giles County, *Tennessee*. Consists of extending runway 500 feet, installing a medium intensity lighting system, and adding to apron. (ELR Order #955, 15 pages) (NTIS Order #PB–203 231–D) 10/5.

Shively Field airport project, Saratoga, *Wyoming*. Involves extending and paving runway, constructing taxiway, etc. (ELR Order 1010, 24 pages) (NTIS Order PB–203 475–D) 10/15.

Final Title, Description, and Date

Autuaga County Airport project, Prattville, *Alabama*. Construction of a General Aviation Airport to accommodate propellor aircraft under 12,500 pounds. Requires use of 55 acres of land for airport. Comments made by EPA, USDA, DOI, Army COE, HEW, Alabama Development Office, City of Prattville, Town of Autuagaville. (ELR Order #992, 26 pages) (NTIS Order #PB–201 580–F) 10/1.

Chandler Municipal Airport project, Chandler, *Arizona*. Involves extending runway, taxiway, paving access road, etc. Will result in shift in traffic pattern. Comments made by DOI, HEW, Army COE, HUD, USDA, City of Chandler Maricopa Assoc. of Governments and Ariz. Dept. of Economic Planning and Development. (ELR Order #885, 25 pages) (NTIS Order #PB–201 578–F) 10/1.

Nut Tree Airport project, Vacaville, *California*. Involves acquisition of land, extending, overlaying and widening of runway and taxiway, channel relocations, runway light system, etc. Comments made by USDA, DOI, Army COE, HEW, State Clearinghouse, Assoc. of Bay Area Governments, various State of California agencies. (ELR Order #984, 49 pages) (NTIS Order #PB–201 226–F) 10/1.

Santa Barbara Municipal Airport project, Santa Barbara, *California*. Involves constructing a portion of a parallel taxiway to serve the main instrument runway at the Municipal Airport and installing lights. A portion of this taxiway will be constructed on the edge of a tidal lagoon, which is a haven for birds and other small wildlife known as the Goleta Slough. Comments made by EPA, DOI, USDA, Army COE, HUD. (ELR Order #983, 107 pages) (NTIS Order #PB–201 533–F) 10/7.

Waterloo Municipal Airport project, Black Hawk County, *Iowa*. Extension of existing runway, connecting taxiway, and strengthening of taxiways, etc. Purpose: to accommodate the Boeing 727–200 aircraft. Comments made by USDA, Commerce, EPA, DOI, Army COE, various State and city agencies in Iowa. (ELR Order #1082, 25 pages) (NTIS Order #PB–201 686–F) 10/26.

McCarran International Airport project, Las Vegas, *Nevada*. Involves land acquisition, runway extension, etc. Purpose: accommodate larger aircarrier aircraft. Comments made by DOT, EPA, Army COE, DOI, USDA, AEC, HEW, and the State and Metropolitan Clearinghouses. (ELR Order #1086, 36 pages) (NTIS Order #PB–200 801–F) 10/26.

Sidney Municipal Airport project, Sidney, *New York*. Involves land acquisition, construction of runway, taxiway, apron, parking area, perimeter fencing, installation of medium intensity lights, etc. Will allow business jets to land. Comments made by Army COE, DOT, EPA, DOI. (ELR Order #997, 40 pages) (NTIS Order #PB–198 755–F) 10/1.

Grove City Airport project, *Pennsylvania*. Involves acquisition of land, construction and marking of runway, installation of medium intensity lighting system including VASI, etc. Comments made by DOT, HUD, Army COE. DOI and various State of Pennsylvania agencies. (ELR Order 965, 24 pages) (NTIS Order #PB–203 247–F) 10/1.

Wittman Field Airport project, Oshkosh, *Wisconsin*. Involves acquisition of land (117.43 acres) for clear zone, expansion of existing apron; construction of an entrance and service road, etc. Comments made by DOI, various State of Wisconsin agencies. (ELR Order #1083, 45 pages) (NTIS Order #PB–201 766–F) 10/26.

#### *Federal Highway Administration*

Draft

Title, Description, and Date

FAS Rte. 5313: Perry County, *Alabama*. Proposes replacing gravel road and steel truss bridge over Cahaba River to complete improvement of route. Will begin approximately 2 miles southeast of Marion at Rice Creek to Alabama Hwy. 14. at Fullers (5 miles). Highway project S–5313(102). (ELR Order #956, 7 pages) (NTIS Order #PB–203 230–D) 10/5

US–82: Pickens County, *Alabama*. Construction of a rural type 4-lane highway on new location between Alabama-Mississippi State Line and Reform, Alabama (16 miles). Rerouting will be in wooded undeveloped areas. Highway project F–432(2). (ELR Order #989, 9 pages) (NTIS Order #PB–203 218–D) 10/6.

Northway Road: Alcan Highway, *Alaska*. Realigning and constructing 7.4 miles of roadway between Northway Village and Northway Junction. Will include grading, alignment, drainage, bridges, and other minor construction. Highway project S–0791 (1). (ELR Order #912, 41 pages) (NTIS Order #PB–203 108–D) 9/27.

Winslow-Kayenta Highway, extension of SH–87: Navajo County, *Arizona*. Extending Rte. 87 making it a connecting link with the Black Mesa area, Peabody Coal operations and

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*Mr. Convisser's office will refer you to the correct regional office from which the statement originated. In the case of the Federal Highway Administration, a separate page is included in this Monitor giving the names of the Regional Administrators (see page 57).

Page. Will involve loss of approximately 1,300 acres of rangeland which is Indian land. Highway project S–244–507, 509, 510, 511. (ELR Order #913, 11 pages) (NTIS Order #PB–203 109–D) 10/1.

Santa Ana Freeway: Orange County, *California*. Constructing new overcrossing at Broadway and modifying interchange at Main St. Will require relocation of 130 residents. (ELR Order #915, 13 pages) (NTIS Order #PB–203 103–D) 10/1.

Route 405: Orange County, *California*. Modifying interchange between points 1 mile south of Seal Beach Blvd. and .4 mile south of Route 605 (San Diego Freeway). (ELR Order #908, 38 pages) (NTIS Order #PB–203 106–D) 10/1.

Route 20: Yuba County, *California*. Initial construction of a 2-lane expressway (ultimate conversion to a freeway) on new location between the east city limits of Marysville and the Nevada County Line. Replacement of this section of highway is necessary because of the Army Corps of Engineers' Marysville Dam project. Discusses different alternate locations—lengths vary between 15.7 miles and 17.5 miles. Project will intrude upon the Spenceville Wildlife Area. Highway project 03–YUB–20 P.M. 3.3/21.7 (ELR Order #1042, 37 pages) (NTIS Order #PB–203 519–D) 10/15.

SH–152: Los Banos, *California*. Construction of a pedestrian overcrossing at intersection of 7th and SH–152. Will affect the Los Banos Recreation Park. TOPICS Project T–3042( ). (ELR Order #1070, 22 pages) (NTIS Order #PB–203 612–D) 10/21.

SH–16: El Paso County, *Colorado*. Extension of highway to intersect the extension of Marksheffel Road. Ultimately will be constructed to expressway standards. Discusses different alternatives. Highway project S 0016 (34). (ELR Order #1063, 81 pages) (NTIS Order #PBZ203 617–D) 10/19.

A1A: Volusia County, *Florida*. Modernizing and expanding Ocean Shore Blvd. from 2- to 4-lane capacity between SR–40 (Granada Ave.) in Ormond Beach and a point approximately 6 miles north. State Job 79080–1509, Federal Highway project U–030–1(13). (ELR Order #937, 45 pages) (NTIS Order #PB–203 161–D) 9/29.

SR–24: Levy County, *Florida*. Replacing bridge No. 4 with a low-level concrete structure and realigning and replacing 8 curves with 1. Approaches will be a rural 2-lane roadway. Length of project will be about 1.5 miles. Will alter about 15 acres of salt marsh and natural vegetation. State Job 34070–1510, Federal project S–702(2). (ELR Order #909, 13 pages) (NTIS Order #PB–203) 162–D) 9/29.

SR–312: St. Johns County, *Florida*. Construction of a multi-lane facility, including a bridge across the Matanzas River, on a new alignment at SR–5 (US–1) east to SR A1A. State job # 7800 2–1502. (ELR Order #1016, 30 pages) (NTIS Order #PB–203 486–D) 10/12.

SR–50: Brevard County, *Florida*. Improvement of 5-mile facility to 4-lane highway from Orange-Brevard County line to I–95. Involves land under option by the Dept. of Interior for proposed St. Johns National Wildlife Refuge and will require a 4(f) determination. State Job 70110–1502; Federal Job F–022–1(10) 10/20.

SR–45 (US–41): Charlotte County, *Florida*. Construction of a multi-laned facility and bridge along same alignment northwesterly from the Lee County line, 15.3 miles to the 4-lane pavement at Charlotte Harbor. Bridge will go over the Peace River. Federal highway project F–011–1(11). (ELR Order #1079, 27 pages) (NTIS Order #PB–203 606–D) 10/21.

FAP Route 51, Ahukini-Nawiliwili Cutoff Road: Lihue, Kauai, *Hawaii*. Construction of 1.1 mile section of highway to provide a faster road between the Lihue Airport and the Lihue Industrial Park, Nawiliwili Harbor and resort areas. Will require agricultural land for right-of-way. Highway project F–051–1(1). (ELR Order #996, 9 pages) (NTIS Order #PB–203 313–D) 10/8.

Halawa Heights Road: Oahu, *Hawaii*. Extending road from Halawa Interchange to Salt Lake Blvd. Will provide a major access to the new Oahu Stadium. Highway project I–H1–1(94) (ELR Order #1066, 21 pages) (NTIS Order #PB–203 609–D) 10/21.

Illinois Route 4 (FAP Route 68), Section 11–R: Madison County, *Illinois*. Relocation of a 1-mile section of road about 25 miles easterly of St. Louis, Missouri. Involves replacing or upgrading structure of US–40. Highway project F 171 ( ). (ELR Order #990, 30 pages) (NTIS Order #PB–203 220–D) 10/5.

Harding Blacktop (County Highway 1, FAS Route 257): LaSalle County, *Illinois*. Reconstruction of 10 miles of road beginning at the intersection of US–52 and 23, north of Ottowa, and extending northwesterly through Harding to US–34. Will require a total right-of-way of 100 ft., presently 60 ft. Approximately 60 maple trees that are 100 years old will be removed. Highway project S–257(101), Section 129. (ELR Order #1012, 10 pages) (NTIS Order #PB–203 479–D) 10/14.

FAS Route 459 (North Ninth Street Road): Tippecanoe County, *Indiana*. Replacement of bridge and approaches over the Wabash River on adjusted alignment about 400 ft. east of present facility. Bridge is about 2 miles north of Lafayette. Highway projects S–154(11), S–154(12). (ELR Order #1011, 11 pages) NTIS Order #PB–203 476–D) 10/8.

E. Jacksonburg Road: Wayne County, *Indiana*. Involves relocating a bridge and approaches over to No Name Creek, just east of Jacksonburg. A 4(f) determination is attached describing .2 acre of land required for the right-of-way which belongs to the Martindale Lake Preserve. Highway project S–789(3). (ELR Order #1047, 13 pages) (NTIS Order #PB–203 517–D) 10/15.

SR–1 (FAS Route S–175): Franklin County, *Indiana*. Construction of a bridge over Whitewater River to replace present structure. Will be on new location. (ELR Order #1077, 15 pages) (NTIS Order #PB–203 689–D) 10/22.

US–65: Polk County, *Iowa*. Widening road by adding 2-lanes on northbound side. Begins just north of the I–80 interchange and extends northeasterly to junction with Iowa 238 in Bondurant (3 miles). (ELR Order #1065, 8 pages) (NTIS Order #PB–203 611–D) 10/21.

US 62 (Blandville Rd.): MacCracken County, *Kentucky*. Proposes widening section to 4-lane, divided roadway from Lone Oak Rd. (US–45) to Friendship Church Rd., excluding I–24 interchange limits. Highway project S 318, SP 73–132. (ELR Order #964, 9 pages) (NTIS Order #PB–203 233–D) 10/6.

I–69: Clinton and Eaton Counties, *Michigan*. Extending interstate from Charlotte to I–96 northwest of Lansing as a final line of a freeway network connecting all major State population centers. Highway project I–69–2(7)62, Item 1156. (ELR Order #911, 27 pages) (NTIS Order #PB–203 107–D) 10/1.

Trunk Highways 61 and 316: Goodhue and Dakota Counties, *Minnesota*. Relocating between points 1 mile south of Red Wing and 4 miles southeast of Hastings. Will involve acquisition of approximately 360 acres of tillable land. Highway project F 003–3, S.P. 1926, 2514, and 2518. (ELR Order #910, 37 pages) (NTIS Order #PB–203 104–D) 9/27.

County State Aid Highway 12: Olmstead County, *Minnesota*. Construction of two 12 ft. driving lanes generally on the same alignment between T.H. 52 at Oronoco and T.H. 63 about 8 miles north of Rochester (6.7 miles). There will be an entrance to an Olmstead County operated park. (ELR Order #985, 16 pages) (NTIS Order PB–203 215–D 10/6.

Bridge over Red Lake River: Polk County *Minnesota*. Replacement of existing bridge at Mallory at a different location. Discusses alternative locations. Will provide bypass of East Grand Forks. Highway project SP 60–663–01 ER 69 (11). (ELR Order #988, 17 pages) (NTIS Order #PB–203 217–D) 10/7.

US–71: Jackson County, *Missouri*. Constructing 4 lanes in either direction for portion of South Midtown Freeway extending south from 14th to 63rd Sts. in Kansas City. Will connect Rte. 71 into the Kansas City Freeway network. Relocation of 78 businesses and 1,626 residences required. Highway project U–71–4(15)–R/W. (ELR Order #938, 11 pages) (NTIS Order #PB–203 239–D) 9/27.

Howdershell Road: St. Louis County, *Missouri*. Extending and improving road from a point 450 ft. north of Utz Ln. to a point west of Brown Road Bridge to facilitate safe and efficient traffic movement. Highway project T–4189 (36). (ELR Order #934, 5 pages) (NTIS Order #PB–203 105–D) 10/4.

Route 86: Newton County, *Missouri*. Reconstruction of route between I–44 in Joplin to south of Spring City, generally on same alignment (about 4 miles). Will cross Silver Creek and Shoal Creek. 59 people will be displaced. Section 4(f) lands are involved since project requires use of land in Wildcat Park; a 4(f) determination is attached. (ELR Order #1096, 22 pages) (NTIS Order #PB–203 691–D) 10/26.

Nebraska Highway 100: Rockville, Jefferson County; and Highway 68: Buffalo County, *Nebraska*. Hard-surfacing of 2 sections of highway, N–100 for 8.1 miles from N–10 west of Rockville to N–58 in Rockville and N–68, which will be relocated, for 4.5 miles from .5 miles north of Ravenna to N–100. Highway projects S–36(4) and S–201(5). (ELR Order #921, 11 pages) (NTIS Order #PB–203 099–D) 9/30.

Nebraska Highway 10 (2nd Avenue): Kearney, *Nebraska*. Widening road between 31st and 39th St. on the same alignment (1.4 miles). Highway project U–73(10). (ELR Order #1041, 10 pages) NTIS Order PB–203 518–D) 10/18.

US–6 (FAP 4): Ely, *Nevada*. Relocation and construction from a point near intersection with Mill St. and Aultman St. to an intersection with Fayette Ave. (2 miles). (ELR Order #1067, 32 pages) (NTIS Order #PB–203 610–D) 10/14.

US–3: Tilton-Sanborton-Belmont, Belknap County, *New Hampshire*. Proposes construction of a bridge, improved bridge approaches, and a service road. Purpose: to replace inadequate bridge. State projects BR–S–319(1); P–1663–A; S–319(2); P–1663. (ELR Order #960, 11 pages) (NTIS Order #PB–203 227–D) 10/5.

SR–44: San Ysido, *New Mexico*. Construction work begins near the west boundary of the Zia Indian Pueblo Reservation and extends northwesterly for 8.6 miles. Highway projects F–033–1(13) & F–033–1(14). (ELR Order No. 986, 13 pages) (NTIS Order No. PB–203 214–D) 10/7.

Route 9: Westchester County, *New York*. Upgrading route between Tarrytown and Crotonville. Discusses various alternate routes ranging from reconstruction on existing location to an expressway on new location. All alternatives will have an impact on residences, churches, recreational areas, historical sites, etc. (ELR Order No. 991, 180 pages) (NTIS Order No. PB–203 219–D) 10/5.

Route 9D: Dutchess County, *New York*. Reconstruction of 3.5 miles of route beginning south of Dutchess Jct. extending northerly through Beacon to point just north of

I-84. A Section 4(f) determination is attached as project requires 8 acres from the Hudson Highlands State Park. Highway project PIN 8327.00. (ELR Order No. 1005, 30 pages) (NTIS Order No. PB-203 317-D) 10/8.

SR-2564: Raleigh, Wake County, *North Carolina*. Widening of Tarbor St. and Rock Quarry Rd. to 4-lane roadway from New Bern Ave. to Raleigh corporate limits (2.7 miles). State project 9.8052037. (ELR Order No. 961, 26 pages) (NTIS Order No. PB-203 224-D) 10/7.

US-17: Pasquotank and Camden Counties, *North Carolina*. Upgrading and widening highway to 4-lanes from end of present 4-lane facility near SR-1338 to Virginia State line (about 17 miles), including construction of 3 interchanges and dual bridges. Will necessitate relocation of 28 to 37 families and 3 to 10 businesses. State project 6.803143. (ELR Order No. 1051, 31 pages (NTIS Order No. PB-203 516-D) 10/20.

Charlotte Inner Loop: Mecklenburg County, *North Carolina*. Construction of the southwestern segment of the circumferential thoroughfare (between NC-49 to I-85). Right-of-way will require land from a proposed city recreational site; 4(f) submission attached. Highway project 6.801777. (ELR Order No. 1043, 36 pages) (NTIS Order PB-203 514D) 10/20.

Corporation Freeway: Forsyth County, *North Carolina*. Construction of freeway beginning at intersection of US-421 and I-40 to South Main St. in Winston-Salem. Project will require 6 acres of Bolton Street Park; a 4(f) determination is attached. Highway project 9.8091831 (ELR Order #1068, 44 pages) (NTIS Order #PB-203 613-D) 10/20.

Relocated Mason Road C.R. 13: Erie County, *Ohio*. Constructing and maintaining .84 miles of 2-lane roadway, including replacement of bridge over Huron River. Purpose: to correct deficiencies in alignment and grades. (NTIS Order #PB-203 164-D) (Cannot be reproduced by ELR) 9/28.

Succor Creek Secondary Highway No. 450: Malheur County, *Oregon*. Replacement of Ridgeview School-Mallory Ranch Section between Jordan Valley and Adrian, about 32 miles, 1.7 miles of which is within park boundary. Will require 4(f) determination. Highway project S-23-00(—). (ELR Order #1023, 127 pages) (NTIS Order #PB-203 472-D).

Pacific Highway West (Rte. 99W), Hess Creek-Chehalem Creek Section: Yamhill County, *Oregon*. Consists of separating the northbound and southbound traffic through the city center of Newberg, several streets are involved. (ELR Order #1097, 14 pages) (NTIS Order #PB-203 692-D) 10/27.

Tulleytown Bridge projects: Bucks County, *Pennsylvania*. Proposes new bridge over Penn-Central R.R. connecting US-13 (LR 778) with Bordentown Rd. (LR 09015), an interchange at US-13 and widening of US 13. Will involve channelization of highway drainage into Martin's Creek. Project S.P.N. 6:778:A:3:A10:061 (ELR Order #962, 10 pages) (NTIS Order #PB-203 225-D) 10/6.

SH-50: Yankton and Clay Counties, *South Dakota*. Providing additional lanes and upgrading road between Yankton and Vermillion (24 miles). Includes new structures across the Vermillion River and James River. Involves acquisition of additional right-of-way. Highway project F 012-3 and F 012-4. (ELR Order #995, 11 pages) (NTIS Order #PB-203 313-D) 10/1.

SH-36: Brazoria County, *Texas*. Construction of a 4-lane divided highway for about 2.5 miles on new location and a fixed structure over the Brazos River Diversion Channel. Located near Freeport. (ELR Order #987, 13 pages) (NTIS Order #PB-203 216-D) 10/12.

Park Road 100 on Padre Island: Cameron Island, *Texas*. Construction of 11.7 miles of new road from 7 miles north of Andy Bowie Park to the Cameron-Willacy County line. Will provide access to a large undeveloped section of the Island. (ELR Order #1013, 7 pages) (NTIS Order #PB-203 480-D) 10/15.

Vermont Route 30: Newfane, *Vermont*. Continuing reconstruction of substandard highway from a point adjacent to the Dummerston-Newfane Town Line 2.5 miles north to southerly Newfane Village limits. Will involve conversion of 11 acres of woodland to highway. Highway project S 0119. (ELR Order #934, 28 pages) (NTIS Order #PB-203 163-D) 9/29.

SR-83: Wise and Dickenson Counties, *Virginia*. Improving curvatures of 4.3 mile, 2-lane roadway beginning in Georges Fork and ending west of Pound. Rte. 83 is ultimately planned as a 4-lane divided facility. Will displace 22 families. Highway project F-DP-034-1(1). (ELR Order #917, 32 pages) (NTIS Order #PB-203 098-D) 9/29.

Route 612: Augusta County, *Virginia*. Reconstruction of route from west of the intersection with Rte. 626 (Quicks Mill) to the intersection with Rte. 11 (Verona) (1.6 miles). Will improve the horizontal alignment by reducing the curves and increasing the width. Highway project S-1128. (ELR Order #1009, 6 pages) (NTIS Order #PB-203 474-D) 10/14.

SR-82 (I-82): Yakima and Benton Counties, *Washington*. Construction of a 42 mile segment of divided highway beginning near Union Gap and ending near Prosser. Four alternate routes under consideration for 27 mile section. (Not available for ELR due to the size and shape of the document) (NTIS Order #PB-208 487-D—$3.00) 10/12.

US-51: Boulder Junction Road, County Trunk "M", Vilas County, *Wisconsin*, Reconstructing C.T.H. "M" in Boulder Junction 7.3 miles south to C.T.H. "N". A 4(f) determination included as approximately 90 acres of Highland State Forest lands will be converted to roadway and landscaping. Hwy. projects S 0811(2), (3) & 4; ID 9508-3-00, 9408-4-00, and 9508-5-00. (ELR Order #905, 12 pages) (NTIS Order #202 978-D) 9/27.

Robert Street Bridge and approaches: Fort Atkinson, Jefferson County, *Wisconsin*. Relocating structure and approaches, approximately 1,500 feet in length, to relieve congestion and unsafe conditions. (ELR Order #914, 12 pages) (NTIS Order #PB-203 096-D) 9/30.

S.T.H. 150: North County Line Road, US-41, Menasha, Winnebago County, *Wisconsin*. Proposes closure of public access by construction of roads paralleling US-41 from interchange with S.T.H. 150 to interchange with C.T.H. "BB" and construction of interchange for US-41 traffic and the proposed Little Lake Butte des Morts crossing of the ultimate Tri-County Expressway. Project ID 1122-0-00, F 03-2( ). (ELR Order #957, 11 pages) (NTIS ORDER #PB-203 229-D) 10/5.

S.T.H. 13 (Marshfield-Abbotsford Road, Marshfield Belt Line Section): Wood and Marathon Counties, *Wisconsin*. Construction of a freeway to the west of Marshfield to serve as a peripheral route around the City (11 miles). Approximately 450 acres of land presently used for dairy farming operation will be converted to highway use. Highway project F 04-4( ); ID 1623-0-00. (ELR Order #1030, 12 pages) (NTIS Order #PB-203 470-D) 10/15.

Sauk City-Utica Road: Dane County, *Wisconsin*. Construction of a freeway facility on relocation around the south and west sides of Madison to join with I-90-94 near Lake Delton (46 miles). Will pass through Stoughton, Fitchburg, Verona, Springfield, etc. Highway ID 1671-0-61. (ELR Order #1076, 21 pages) (NTIS Order #PB-203 688-D) 10/26.

### Final

### Title, Description, and Date

US-72: Madison and Jackson Counties, *Alabama*. Construction of a 4-lane highway from west of Gurley, Alabama to Ala. 79 south of Scottsboro (24.5 miles). Present facility is two lanes. 4(f) approval given by DOT for project utilizing 90 acres of land from the North Sauty Wildlife Refuge (130 acres on the south side will be isolated by the project). Highway project F-235(12) & S-182-E. Comments made by EPA, DOI, DOT, AEC, USDA, Commerce, TVA, FPC, Army, various State of Alabama agencies, City of Scottsboro. (ELR Order #980, 56 pages) (NTIS Order #PB-203 246-F) 10/6.

Eastern Bypass and US-80: Montgomery County, *Alabama*. Construction of a diamond interchange at the intersection of Montgomery Bypass and US-80. Involves relocation of existing frontage roads along Eastern bypass. Highway project F-352(5). Comments made by DOI, Army, DOT, HUD, EPA, various State of Alabama agencies. (ELR Order #1040, 23 pages) (NTIS Order #PB-203 508-F) 10/18.

I-65: Mobile-Baldwin Counties, *Alabama*. Projects I-65-1 (84), (85) & (87). The last gap to be closed in I-65 between Alabaster and Mobile. Route will bridge many rivers, lakes, and streams in an area with much wildlife. It will provide a bypass of Bay Minette. Project begins near US-43 (at end of construction project I-65-1(56)) and goes to project I-65-1(55) near Alabama 225. Comments made by HUD, DOI, DOT, EPA, various State of Alabama agencies. (ELR Order #1094, 44 pages) (NTIS Order #PB-203 696-F) 10/27.

Steese Highway: *Alaska*. Reconstruction of two portions: from Montana Creek to Eagle Summit, and from Eagle Summit to Central (44 miles). Alaska projects S-0670(8), S-0670 (9). Comments made by DOI, DOT, various State of Alaska agencies. (ELR Order #979, 54 pages) (NTIS Order #PB-199 147-F) 10/7.

SH-59: Benton County, *Arkansas*. Widening and straightening highway from Illinois River Bridge to Siloam Springs (5.5 miles) Highway project S-SU-444(4). Comments made by Commerce, DOI, various State of Arkansas agencies. (ELR Order #969, 16 pages) (NTIS Order #PB-199 630-F) 10/7.

Route 49: Amador County, *California*. Construction of a 4-lane controlled access highway from Rte. 88 at Martell, California to Rte. 16 at Central House, California (7.7 miles). Highway project FPA-76, 10-Ama-49. Comments made by Army COE, HEW, DOI, AEC, various State of California agencies, American Forest Products. (ELR Order #1031, 39 pages) (NTIS Order #PB-199 316-F) 10/18.

*Colorado* State Highway 340 (Grand Junction-West): construction of 2 additional lanes (to make a 4-lane divided facility) beginning 1.2 miles west of the junction of US-50 and SH-340, proceeding easterly for about 1.2 miles, to 1 block west of US-50 and SH-340 junction. Grand Junction, *Colorado*. Highway project SU 0340(2). Comments made by HUD, The Assoc. for Beautiful Colorado Roads, concerned citizens. (The statement was not changed from its draft form.) (ELR Order #1064, 19 pages) (NTIS Order #PB-199 320-F) 10/4.

*Colorado* State Highway 65: realignment and improvement from .75 mile south of Mesa, northwesterly for 2.6 miles. Highway project S 0065(4). Comments made by USDA, HUD, DOI, Col. Dept. of Natural Resources. (The statement was not changed from its draft form.) (ELR Order #1065, 23 pages) (NTIS Order #PB-198 672-F) 10/4.

SH-34: Weld County, *Colorado*. Extending the Greeley Bypass beginning at the South Greeley Interchange of US-34 and US-35 and ending near the community of Kuner

(11 miles). Highway project F-034-2(1). Comments made by Army COE, USDA, DOI, HUD, EPA, various State of Colorado agencies. (ELR Order #1007, 33 pages) (NTIS Order #PB-203 320-F) 10/13.

I-75E (Tampa Bypass): Hillsborough and Manatee Counties, *Florida*. Project diverges from alignment of proposed I-75 north of the Bradenton-Palmetto area. Merges with it about 3.5 miles south of Pasco-Hillsborough County Line. Federal job no. I-75E-6(31)435. Comments made by Army COE, EPA, USDA, DOT, HUD, DOI, various State of Florida agencies. (ELR Order #1502, 64 pages) (NTIS Order PB-199 006-D) 10/19.

I-95: Palm Beach, Martin and St. Lucie Counties, *Florida*. Construction of a multilane facility beginning at Monet Rd. in Palm Beach Gardens extending northward 59.6 miles to Indian River-St. Lucie County line. This will provide route along east coast of Florida. According to statement, the recommended corridor described above compared with the other alternate routes would have the least adverse effect on the Jonathan Dickenson State Park and Loxahatchee and St. Lucie Rivers. Federal job no. I-95-2(8) 88, I-95-1(142)78. Comments made by DOI, DOT, HUD, EPA, USDA, AVC, various State of Florida agencies. (ELR Order #1085, 92 pages) (NTIS Order #PB-203 624-F) 10/22.

Maitland Boulevard interchange and connector road (SR-528): Orange County, *Florida*. Provides for an interchange with SR-400 I-4) between existing interchange at SR-438 (Lee Road) and SR-436 and a connecting roadway corridor from SR-400 (I-4) to SR-600 near Maitland. Highway project UI-4-2(65)108, State project 75280-1438 and 75504-1601. Comments made by HUD, DOI, USDA, Commerce, various State of Florida agencies, City of Maitland. (ELR Order #1092, 75 pages) (NTIS Order #PB-200 536-F) 10/22.

Section of S-1010 (Secondary Route S-2481[2]): Gilmer and Fannin Counties, *Georgia*. Highway construction through scenic mountain and national forest area, from intersection of S-2481(1) to Newport Rd. Comments made by USDA, DOI, HUD, Army COE, various State of Georgia agencies. (ELR Order #1029, 24 pages) (NTIS Order #PB-203 242-F) 10/18.

US-27 (SR-1): relocation of 4 miles of 4-lane highway in Walker-Catoosa Counties, *Georgia*. Purpose: to provide for future development of Chickamauga-Chattanooga National Military Park, and eliminate through traffic within the park. 4(f) approval has been given. Comments made by USDA, EPA, Army COE, DOI, HUD, various State of Georgia agencies. (ELR Order #1025, 31 pages) NTIS Order #PB-203 481-F) 10/18.

US-441, SR-31: Douglas, Coffee County, *Georgia*. Constructing an urban type roadway through the city. Highway project F-075-1(4). Comments made by EPA, USDA, HUD, various State of Georgia agencies. (ELR Order #1084, 18 pages (NTIS Order #PB-203 626-F) 10/27.

Federal Aid Secondary Route S-644: Bartholomew County, *Indiana*. Involves replacing bridge over the East Fork of White River and the appurtenant approach work. 4(f) approval given for the required .49 acre permanent land use from the Azalia Public Fishing Site. Project will require removing several sand bars and relocating an overflow channel. Highway project S-834(2). Comments made by DOI, USDA, various State of Indiana agencies. (ELR Order #1032, 31 pages) (NTIS Order #PB-200 201-F) 10/18.

US-20: Black Hawk County, *Iowa*. Relocation of highway between Cedar Falls and Waterloo. Requires 13 acres of the Cedar River and George Wyth State Park; 4(f) approval has been given. Highway project U-20-6(9). Comments made by DOI, EPA, HUD, various State and local agencies in Iowa. (ELR Order #978, 28 pages) (NTIS Order #PB-203 242-F) 10/6.

US-50: Reno County, *Kansas*. Upgrading and widening road from Reno-Stafford County line to a point 1.5 miles north of Sylvia (about 4.8 miles). Discusses 2 location studies. Location A would require land from the city park and Sylvia Grade School. Highway project 50-78 RF 050-4(36) (ELR Order #971, 53 pages) (NTIS Order #PB-200 328-F) 10/7.

Kansas-96: two construction projects which are a part of the state freeway system and serve as the final link on K-96 from Hutchinson to Wichita, *Kansas*. Two alternate routes are under consideration. One would require all new right-of-way. Highway project (SF) 96-87 F-044-1(11) and (SF) 96-87 U-044-1(13). Comments made by USDA, HEW, DOI, Army COE, EPA, various State of Kansas agencies. (ELR Order #1026, 44 pages) (NTIS Order #PB-199 322-F) 10/18.

I-670: Wyandotte County, *Kansas*. Construction of 1.6 miles of new highway from I-70 near Mill St. easterly to the Kansas-Missouri line. All but 350 ft. of construction will consist of viaduct or bridge structures. Proposed segment of highway will provide interchange with I-70. Highway project 670-105 I-670-6(25). Comments made by USDA, HEW, DOI, DOT, Army COE, EPA, various State of Kansas agencies. (ELR Order #1055, 68 pages) (NTIS Order #PB-200 784-F) 10/19.

Donaldson-New Orleans Highway and Killona-Sunshine Bridge Highway (Westbank Expressway): St. James, St. John and Ascension Parishes, *Louisiana*. Project is part of long-range plan to have a 4-lane highway from Shreveport to New Orleans. Highway projects F-420(1), F-420(2). (ELR Order #1037, 34 pages (NTIS Order #PB-203 482-F) 10/18.

Industrial loop arterial in Shreveport, *Louisiana*. Construction of a 4-lane divided highway from Flournoy Interchange on I-20 to the east terminus of the Inner Loop Expressway (15 miles). Highway project 700-06-93. Comments made by DOI, Commerce, AEC, USDA, HEW, various State of Louisiana agencies. (ELR Order #1038, 30 pages) (NTIS Order #PB-203 485-F) 10/18.

Maryland Route 2: Baltimore, *Maryland*. Replacement of Hanover Street Bridge over the Patapsco River and upgrading approaches. Highway project U 903-1(300) Comments made by Army COE, various State of Maryland agencies. (ELR Order #972, 15 pages) (NTIS Order #PB-199 726-F) 10/17.

Route 61: Lewis County; Routes 24 and 66: Marion County, *Missouri*. Project is between communities of LaGrange and Palmyra, beginning at Wakonda State Park. Involves reconstruction and relocation of 5.4 miles of Rte. 61, as well as upgrading interchange at junction of Rtes. 24 and 61. Highway project F-FG-61-4(10, F-61-4(11). Comments made by USDA, DOI, EPA, various State of Missouri agencies. (ELR Order #918, 18 pages) (NTIS Order #PB-203 058-F) 9/30.

Route M: Iron County, *Missouri*. Construction of 4.3 miles of highway (2 miles over an existing country road) between the Johnson Shut-Ins State Park and towns of Pilot Knob, Ironton and Arcadia. Highway project S-329(2) Comments made by USDA, EPA, DOI and various State of Missouri agencies. (ELR Order No. 966, 15 pages) (NTIS Order No. PB-203 248-F) 10/1.

Route H: Boone and Callaway Counties, *Missouri*. Road construction from Route H east to Route J, partly on new location. Will serve as connecting link between US-63 and US-54. Project will require land from Cedar Creek Management Area. Highway project 5-S-9. Comments made by DOT, USDA, EPA, and State of Missouri. (ELR Order No. 944, 22 pages) NTIS Order No. PB-203 244-F) 10/1.

Route 65: Taney County, *Missouri*, Boone County, Arkansas. Involves improving alignment and surface of existing road from Rte. 165 8.6 miles to the Arkansas line (includes 2000 ft. of construction in Arkansas). Missouri project F-64-1(16). Comments made by HUD, DOI, HEW, State of Missouri. (ELR Order No. 975, 14 pages) (NTIS Order No. PB-203 251-F) 10/4.

Route B: Cole County, *Missouri*. Construction of a multi-lane, controlled access facility on new location from Ellis Blvd. in Jefferson City to Wardsville (4 miles) Highway project CO26-B(2). Comments made by USDA, DOI, EPA, and State of Missouri. (ELR Order No. 977, 19 pages) (NTIS Order No. PB-203 243-F) 10/4.

Midland Boulevard: St. Louis County, *Missouri*, Extension of roadway westwardly to Dorsett Road, with the construction of an interchange and grade separation at Lindbergh Blvd. Highway project T-4189(24). Comments made by USDA, HEW, EPA, East-West Coordinating Council, various State of Missouri agencies. (ELR Order No. 943, 17 pages) (NTIS Order No. PB-200 389-F) 10/4.

Route BB: Rolla, *Missouri*. Construction of road from 10th St.-Elm St. to Iowa St. providing a direct route to Rte. 63. Highway project US-USG-1176(4). Comments made by HEW, DOI, DOT, USDA, EPA, State of Missouri. (ELR Order No. 981, 18 pages) (NTIS Order No. PB-203 252-F) 10/5.

Route 50: Cole County, *Missouri*. About 5.7 miles of highway will be upgraded to a dual lane facility, from Moreau River to west of Osage River. Present route has poor alignment and is overloaded. Comments made by DOI, USDA, EPA, State of Missouri. (ELR Order #974, 18 pages) (NTIS Order #PBX 203 250-F) 10/7.

Route 61: Lincoln County, *Missouri*. Construction of 24 ft. lane along the west side of the present road between Bowling Green and Troy (6.5 miles). Job no. 3-P-61-1. Comments made by DOT, DOI, EPA, Mo. State Clearinghouse. (ELR Order #1019, 13 pages) (NTIS Order #PB-199 586-F) 10/13.

Route E: Newton County, *Missouri*. Relocation of route adjacent to north city limits of Granby, Missouri (4 miles). Involves replacing a 1-lane bridge over Shoal Creek, constructing new roadbed and bridge approaches and providing a grade separation between highway and St. Louis and San Francisco railroad. Job No. 7-S-E-8. Comments made by DOT, HUD, DOI, USDA, EPA, Mo. Dept. of Community Affairs and Ozark Gateway Regional Planning Comm. (ELR Order #1033, 16 pages) (NTIS Order #PB-203 483-F) 10/18.

Route 61-54: Pike County, *Missouri*. Involves upgrading 8.1 miles of road to dual lane, controlled access facility on new location from north of Bowling Green to south of Bowling Green. Highway project CO82-61 (6). Comments made by DOI, USDA, EPA. (ELR Order #1039, 16 pages) (NTIS Order #PB-203 505-F) 10/18.

Route 61: Lincoln County, *Missouri*. Widening 8.5 miles of the present road (from 2 to 4 lanes) between Bowling Green and Troy, ends just north of the Cuivre River crossing. Highway project F-61-4(17). Comments made by DOI, EPA, various State and local agencies in Missouri. (ELR Order #1053, 16 pages) (NTIS Order # PB-203 506-F) 10/19.

Route 13 (Crane Bypass): Stone County, *Missouri*. Construction/upgrading of highway from just north of Rte. 248 southerly to 1.2 miles south of Bailey Creek. Involves replacement of 3 bridges. Comments made by USDA, EPA, DOI, HUD, State Clearinghouse, Lakes Country Regional Planning Comm. ELR Order #1080, 7 pages) (NTIS Order #PB-201 246-F) 10/26.

Scottsbluff-Gering Bridge: Scotts Bluff County, *Nebraska*. New 2-lane structure for southbound traffic on Nebraska 71 across the

North Platte River. Nebraska project F-520 (5). Comments made by DOI, EPA, various State of Nebraska agencies, City of Scottsbluff. (ELR Order #973, 19 pages) (NTIS Order #PB-199 142-F) 10/7.

SR-22: Westchester County, *New York*. Widening route from 4- to 6-lanes between Katonah and Croton Falls (6.1 miles). Highway project PIN 8061.00. Comments made by DOI, USDA. (ELR Order #1016, 27 pages) (NTIS Order #PB-199 582-F) 10/13.

SH-12: Jefferson and Lewis County, *New York*. Reconstruction and resurfacing 3 segments of route, encompassing SH-147, SH-626, SH-1129 and SH-937. Highway project 7197.00 Comments made by USDA, FPC. (ELR Order #1018, 25 pages) (NTIS Order #PB-200 215-F) 10/13.

US-17: Chowan County, *North Carolina*. Relocation of highway to bypass Edenton, North Carolina (6.6 miles). Will displace 22 families and 1 business. Highway project F-75(9). Comments made by USDA, Army COE, GSA, HUD, DOI, OEO, Chowan County, Town of Edenton. (ELR Order #1028, 43 pages) (NTIS Order #PB-203 484-F). 10/18.

Licking Country Road 311: Heath, *Ohio*. Involves 1.8 miles of highway construction on new location. Consists of a new bridge over the South Fork of the Licking River, at-grade crossings, etc. Highway project S-SU-229(2). Comments made by DOI, Army COE, various State of Ohio agencies. (ELR Order #1017, 17 pages) (NTIS Order #PB-198 684-F) 10/13.

SH-63, SR-123: Warren County, *Ohio*. Construction begins on SR-63 at the West Corp. in Lebanon continuing to intersection with US-42 and SR-123. From this point the project continues along SR-123 to a point near interchange of SR-123 and I-71. Length of project (divided into urban and rural portion) is 3.5 miles. Comments made by DOI, HUD, DOT, City of Lebanon and Ohio-Kentucky-Indiana Regional Planning Authority. (ELR Order #1020, 20 pages) (NTIS Order #PB-200 387-D) 10/13.

SH-51: Payne County, *Oklahoma*. Addition of 2-lanes to existing highway beginning at Western Ave. in Stillwater continuing westerly 5.5 miles. Will result in loss of 100 acres of mixed pasture and cultivated land. Highway project F-176. Comments made by DOT, DOI and various State of Oklahoma agencies. (ELR Order #920, 12 pages) (NTIS Order #PB-199 590-F) 9/30.

US-169: Tulsa and Rogers Counties, *Oklahoma*. Upgrading of road on new alignment between Owasso and Collinsville (7.4 miles). Will require use of 270 acres of land. Highway project F-267. Comments made by DOI, various State of Oklahoma agencies, City of Tulsa, Town of Owasso, City of Collinsville, City of Claremore, Indian Nations Council of Government, NECO. (ELR Order #940, 38 pages) (NTIS Order #PB-200 214-F) 10/4.

Fairpark Blvd.: Stephens County, *Oklahoma*. Construction of highway on new alignment from a point east of 13th St., 0.6 mile to just east of East Rd. in Duncan. Highway project SU-6919 (100)c. Comments made by DOT, various State of Oklahoma agencies. (ELR Order #1034, 36 pages) (NTIS Order #PB-200 785-F) 10/18.

Snake River (Adrian) Bridge Section, Succor Creek Highway (Parma Spur): Malheur County, *Oregon*. Proposed project is to replace a bridge over the Snake River. Associated work such as approach construction, grading and paving will also be accomplished. Highway project S-23-015(1). Comments made by DOT, DOI, EPA, Army COE, City of Ontario, various State of Oregon agencies. (ELR Order 1054, 28 pages) (NTIS Order #PB-201 247-F) 10/19.

Legislative Route 14014, Section A01 (Whitehall Rd.): College Township and State College Borough, *Pennsylvania*. Relocation of 1.2 miles of 2-lane roadway. This study considers 2 alternate alignments. Comments made by USDA, DOT, Commerce, EPA, various Commonwealth of Pennsylvania agencies. (ELR Order #945, 35 pages) (NTIS Order #PB-198 919-F) 9/30.

Legislative Route 03013, Section 2, L.R. 10036, Section 1, L.R. 10037, Section 1: Armstrong and Butler Counties, *Pennsylvania*. Road construction on new location (3.7 miles). Purpose: to join the two plants of the Butler County Mushroom Farm. About 30 acres of farm land and 40 acres of woodland will be lost. Comments made by USDA, various Commonwealth of Pennsylvania agencies and local agencies. (ELR Order #919, 40 pages) (NTIS Order #PB-198 674-F) 9/30.

Legislative Route 10063, Section 2; L.R. 10068, Section 2; L.R. 60005, Section 2: Butler and Venango Counties, *Pennsylvania*. Project crosses large swamp. This relocation of Traffic Rte. 308 is 8.1 miles long. Comments made by various Commonwealth of Pennsylvania agencies, Supervisors of Venango, Marion and Clinton, Butler County Planning Comm. (ELR Order #1087, 52 pages) (NTIS Order #PB-198 681-F) 10/26.

US-377: Denton, *Texas*. Rerouting of about a mile from existing US-377 north along Carroll St. to Hickory St. Highway project F-143. Comments made by Commerce, North Central Texas Council of Governments. (ELR Order #939, 13 pages) (NTIS Order #PB-203 241-F) 10/4.

US-287: Hardeman County, *Texas*. Construction of 2 additional lanes from the Childress County line, southeast to a mile west of Acme (10.7 miles). Texas Highway project F 533. Comments made by Commerce and Nortex Regional Planning Commission. (ELR Order #982, 17 pages) (NTIS Order #PB-203 245-F) 10/5.

TOPICS Street 11: in Laredo on Washington St. between Santa Rita Ave. and Pinder Ave., *Texas*. Construction of a railroad overpass and approaches to serve as entrance to the old Fort McIntosh area (.3 mile). Highway project T-T6 9012(2). Comments made by Commerce, DOT, EPA, Texas Development Council. (ELR Order #1081, 17 pages) (NTIS Order #PB-203 625-F) 10/26.

US-340: construction of a bypass of Luray, *Virginia* along the existing Secondary Rte. 615. Project begins at intersection of US-340 and ends at Rte. 211. Length of project appears to be about 3 miles. Highway project F-010-( ). Comments made by HUD, EPA, various Commonwealth of Virginia agencies. (ELR Order #916, 17 pages) (NTIS Order #PB-199 317-F) 9/30.

Route 33: Green County, *Virginia*. Relocation of route to provide a 4-lane bypass of Stanardsville. The project requires 10.2 acres belong to the School Board; 4(f) approval has been given. Highway project F-016-1( ). Comments made by HUD, EPA, various Commonwealth of Virginia agencies. (ELR Order #942, 16 pages) (NTIS Order #PB-200 361-F) 10/1.

Rtes. 13, 58 and 460: Nansemond County and City of Chesapeake, *Virginia*. Widening existing section to 6-lanes. Project extends about 3 miles west and 1.6 miles east of the west corporate limits of Chesapeake. Project runs through Dismal Swamp (one of the largest swamp lands on east coast). Virginia projects F-024-3( ) and U-131-1( ). Comments made by DOT, EPA. (ELR Order # 976, 15 pages) (NTIS Order #PB-203 249-F) 10/4.

Route 640 (Appomattox Bypass): construction on new location of route around Appomattox, *Virginia* (2.9 miles). Highway project F-04-1(x). Comments made by DOI, HUD, HEW, EPA, Commonwealth of Virginia. (ELR Order #970, 16 pages) (NTIS Order #PB-199 261-F) 10/7.

S.R. 515: King County (Renton City), *Washington*. Reconstruction and realignment of route from 196th St. to Grady Way. Highway project S-0228. Comments made by DOT, HUD, Army COE, DOI, USDA, EPA, various State of Washington agencies. (ELR Order #1027, 62 pages) (NTIS Order #PB-198 920-F) 10/18.

### *FHWA 4(f) statements*

The following are not 102 statements. They are explanations of the Secretary of Transportation's approval of projects to be implemented under Section 4(f) of the Department of Transportation Act. 49, U.S.C. Section 1653(f).*

FAP-100 (Route 244): Sacramento, *California*. Highway requires about ⅔ acre of land from the Del Pasa Park. (ELR Order #893, 4 pages) 9/29.

SR-37: Solano County, *California*. Highway project requires use of 3 acres from the Vallejo Municipal Golf Course. (ELR Order #994, 3 pages) 10/1.

I-75: Charlotte County, *Florida*. Project, located between Punta Gorda and Fort Myers, requires use of land belonging to the C. M. Webb Wildlife Management Area. (ELR Order #892, 4 pages) 9/22.

US-51 and 66: Bloomington, *Illinois*. Project requires the taking of 1.3 acres of land from the Highland Park Golf Course. (Does not have ELR Order #—order by title, date and Department—6 pages) 10/22.

US-422: Cuyahoga County, *Ohio*. Highway project requires use of 3.31 acres of the Bedford-South Chagrin Parkway. Highway project U-468(8). (ELR Order #894, 3 pages) 9/29.

### U.S. WATER RESOURCES COUNCIL

### *Ohio River Basin Commission*

Contact: Fred E. Morr, Chairman, ORBC, 1427 4th and Walnut Building, Cincinnati, Ohio 45202 (513) 684-3831.

NOTE.—The Ohio River Basin Commission along with other River Basin Commissions in the United States are under the aegis of the U.S. Water Resources Council.

### Draft

### Title, Description, and Date

Wabash River Comprehensive Report, *Ohio, Indiana*, and *Illinois*. The report is of a general nature describing the conceptual basis for developing the plan, the alternate courses of action evaluated during the formulation period, and briefly the special project proposals. (Individual environmental impact statements will be prepared on each project.) Some of the projects recommended include: 13 major multipurpose reservoirs, 147 small watershed projects for flood control, 2 coal mine drainage pollution abatement projects, etc. These proposals are divided into early action and long range plans. (ELR Order #1066, 39 pages) (NTIS Order #PB-203 615-D) 10/18.

Kanawha River Comprehensive Report, *North Carolina, Virginia*, and *West Virginia*. Early action programs recommended include: 21 multipurpose reservoirs, 17 upstream watershed projects, a land stabilization and resource development special study, etc. Statement in general describes the basin area, its economy, the needs as relate to development of the water and land resources, etc. (ELR Order #1067, 18 pages) (NTIS Order #PB-203 616-D) 10/18.

### REGIONAL FEDERAL HIGHWAY ADMINISTRATORS

*Region 1 (Conn., N.H., R.I., Mass., Puerto Rico, Me., N.J., Vt., N.Y.)*

Administrator: Gerald D. Love, 4 Normanskill Blvd., Delmar, N.Y. 12054 Tel: (518) 472-6476

*Region 2 (Del., Ohio, Md., W.V., D.C., Penna., Va.)*

Administrator: August Schofer, Rm. 1633, George H. Fallon Federal Office Bldg., 31 Hopkins Plaza, Baltimore, Md. 21201 Tel: (301) 962-2361

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*These statements cannot be ordered through NTIS.

*Region 3 (Alabama, S.C., Georgia, N.C., Fla., Tenn., Miss.)*

Administrator: Harry E. Stark, Suite 200, 1720 Peachtree Rd, N.W., Atlanta, Georgia 30309 Tel: (404) 526-5078

*Region 4 (Ill., Ky., Wisc., Indiana, Mich.)*

Administrator: Fred B. Farrell, 18209 Dixie Hwy., Homewood, Ill. 60430 Tel: (312) 799-6300

*Region 5 (Iowa, Neb., Minn., Mo., Ka., N.D., S.D.)*

Administrator: John B. Kemp, P.O. Box 7186, Country Club Station, Kansas City, Missouri 64113 Tel: (816) 361-7563

*Region 6 (Ark., Oklahoma, La., Texas)*

Administrator: James W. White, 819 Taylor St., Ft. Worth, Texas 76102 Tel: (817) 334-3232

*Region 7 (Arizona, Hawaii, Calif., Nevada)*

Administrator: Sheridan E. Farin, 450 Golden Gate Ave., Box 36096, San Francisco, Calif. 94102 Tel: (415) 556-3951

*Region 8 (Alaska, Montana, Wash., Idaho, Oregon)*

Administrator: Ralph M. Phillips, Rm. 412, Mohawk Bldg., 222 Southwest Morrison St., Portland, Ore. 97204 Tel: (503) 226-3454

*Region 9 (Col., Utah, N.M., Wyoming)*

Administrator: William H. Baugh, Bldg. 40, Denver Federal Center, Denver, Colorado 80225 Tel: (303) 233-6721

### SUMMARY OF 102 STATEMENTS FILED WITH THE C Q THROUGH OCT. 31, 1970

BY AGENCY

| | Draft[1] | Final[2] | Total[3] |
|---|---|---|---|
| Agriculture, Department of | 40 | 87 | 128 |
| Appalachian Regional Commission | 0 | 0 | 0 |
| Atomic Energy Commission | 7 | 4 | 51 |
| Commerce, Department of | 0 | 7 | |
| Defense, Department of | 3 | 2 | 5 |
| Air Force | 4 | 0 | 4 |
| Army | 5 | 5 | 10 |
| Army Corps of Engineers | 153 | 249 | 402 |
| Navy | 5 | 4 | 9 |
| Delaware River Basin Commission | 3 | 0 | 3 |
| Environmental Protection Agency | 4 | 8 | 12 |
| Federal Power Commission | 15 | 4 | 19 |
| General Services Administration | 14 | 16 | 30 |
| HEW, Department of | 1 | 0 | 1 |
| HUD Department of | 8 | 9 | 17 |
| Interior, Department of | 48 | 34 | 82 |
| International Boundary and Water Commission—United States and Mexico | 3 | 2 | 5 |
| National Aeronautics and Space Administration | 16 | 6 | 22 |
| National Science Foundation | 2 | 0 | 2 |
| Office of Science and Technology | 0 | 1 | 1 |
| Tennessee Valley Authority | 12 | 1 | 13 |
| Transportation, Department of | 820 | 388 | 1, 208 |
| Treasury ,Department of | 1 | 3 | 4 |
| U.S. Water Resources Council | 4 | 0 | 4 |
| Total | 1, 190 | 850 | 2, 040 |

[1] 102's for actions on which no final 102's have yet been received.

[2] 102's on legislation and actions.

[3] Actions on which final or draft 102 statements for Federal cations have been received.

Note: Separate 4(f) statements not incorporated in 102 statements received from DOT are not included.

BY PROJECT TYPE

| | Draft[1] | Final[2] | Total[3] |
|---|---|---|---|
| AEC nuclear development | 8 | 7 | 15 |
| Aircraft, ships and vehicles | 2 | 3 | 5 |
| Airports | 27 | 109 | 136 |
| Buildings | 1 | 4 | 5 |
| Bridge permits | 14 | 4 | 18 |
| Defense systems | 1 | 2 | 3 |
| Forestry | 2 | 4 | 6 |
| Housing, urban problems, new communities | 7 | 5 | 12 |
| International boundary | 4 | 2 | 6 |
| Land acquisition, disposal | 10 | 21 | 31 |
| Mass transit | 3 | 1 | 4 |
| Mining | 5 | 1 | 6 |
| Military installations | 10 | 2 | 12 |
| Natural gas and oil: | | | |
| Drilling and exploration | 3 | 5 | 8 |
| Transportation, pipeline | 4 | 2 | 6 |
| Parks, wildlife refuges, recreation facilities | 9 | 12 | 21 |
| Pesticides, herbicides | 6 | 10 | 16 |
| Power: | | | |
| Hydroelectric | 18 | 4 | 22 |
| Nuclear | 24 | 16 | 40 |
| Other | 15 | 1 | 16 |
| Transmission | 7 | 5 | 12 |
| Railroads | 1 | 0 | 1 |
| Roads | 660 | 256 | 916 |
| Plus roads through parks | 114 | 16 | 130 |
| Space programs | 6 | 2 | 8 |
| Waste disposal: | | | |
| Detoxification of toxic substances | 4 | 1 | 5 |
| Munition disposal | 2 | 3 | 5 |
| Radioactive waste disposal | 1 | 1 | 2 |
| Recycling | 0 | 0 | 0 |
| Sewage facilities | 3 | 4 | 7 |
| Solid wastes | 1 | 0 | 1 |
| Water: | | | |
| Beach erosion, hurricane protection | 2 | 20 | 22 |
| Irrigation | 16 | 9 | 25 |
| Navigation | 38 | 89 | 127 |
| Municipal and industrial supply | 3 | 1 | 4 |
| Permit (Refuse Act, dredge and fill) | 4 | 0 | 4 |
| Watershed protection and flood control | 123 | 207 | 330 |
| Weather modification | 7 | 3 | 10 |
| Research and development | 13 | 6 | 19 |
| Miscellaneous | 12 | 12 | 24 |
| Total | 1, 190 | 850 | 2, 040 |

[1] Draft statements for actions on which no final statements have yet been filed.

[2] Final statements on legislation and actions.

[3] Total actions on which final or draft statements for federal actions have been received.

## MAYOR LINDSAY'S POLITICAL BELIEFS AND MOTIVATIONS

## HON. JOHN E. HUNT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. HUNT. Mr. Speaker, I have here an editorial and a column, both from the Indianapolis Star. These statements provide information on Mayor John Lindsay's political beliefs and motivations. I urge my colleagues to examine these entries as the analysis is worthy of our consideration.

### SIMMERING IN HIS OWN JUICE

An old political rule is: "If your own constituency, which knows you well, can't stomach you, seek a larger constituency, which knows you less."

New York Mayor John V. Lindsay is following that rule. The last time he ran for reelection, more New Yorkers voted for others than for him. Only because his opposition divided behind two mayoralty candidates did Lindsay manage to squeak through, under the Liberal Party banner, for another term. Unable to marshal the majority of New Yorkers behind him, he now seeks a larger constituency—the majority of Americans. Lindsay, it is all too apparent, wants to be President.

A Republican—at least in name—most of his life, Lindsay two months ago quit the GOP and joined the Democratic Party. This led one comedian to remark, "It was a brilliant move. Having ruined New York as a Republican, Lindsay became a Democrat so he can criticize what the other party did to the city."

But Lindsay is having troubles in his role as Democrat, mainly because the regular Democrats now regard him in the same way many Republicans always did—as an opportunist.

Further, Lindsay is in hot water even with the liberals, whose leader he always wanted to be, and often was. The liberals, too, are beginning to distrust him. Evidence of this was revealed in a letter to him from the New Democratic Coalition (NDC), which helped re-elect him in 1969. The letter expressed "deep disappointment" in what the NDC charged was the mayor's failure to work for a coalition of Democrats from "the liberal, progressive and reform elements in our party." The NDC looks with disdain upon some of the people Lindsay cozied up to in recent political jaunts out of New York.

The letter, written by NDC's New York State chairman Dan Collins, said, "We are quite distressed with your indorsements and accolades for persons like Mayor Joseph Alioto of San Francisco, Mayor Frank Sedita of Buffalo and various politicians in Indiana, including Controller Bob Pastrick of East Chicago, Ind."

The NDC was formed after the 1968 Democratic National Convention, largely from the ranks of those who had campaigned for the late Senator Robert F. Kennedy or Eugene McCarthy, former senator from Minnesota.

The letter puts Lindsay in a bind from which even a Houdini would have difficulty escaping. As a new Democrat, Lindsay is expected to earn his membership by displaying a certain amount of party loyalty, such as indorsing regular Democratic nominees for public office. But by such regularity Lindsay could alienate the very people he hoped to lead. Lindsay's hopes in this direction are based on his having taken Senator Edward M. Kennedy (D-Mass.) at his word that he will not be a presidential candidate in 1972.

It will be interesting to see how Lindsay tries to get himself out of his dilemma. If he doesn't indorse regular Democrats, he'll increase their distrust of him. If he does keep on indorsing them, he'll get more scathing letters from the liberals. This is one of those cases where the chameleon is caught on a Scotch plaid and doesn't know which color to turn.

### LINDSAY IS WRONG IN VIEW OF UNITED STATES

(By Alice Widener)

NEW YORK.—Trying to form a national political constituency of what he describes as "street people" or "outsiders," Mayor John Lindsay of New York City went to Laurel, Miss., to make one of the most outrageously demagogic, divisive and rabble-rousing speeches in recent American history. What he said was untrue and an insult to our country.

Mayor Lindsay had a right to reply to the charge of his being an "outsider" in his campaigning for a local candidate in Mississippi. But the mayor had absolutely no right to go on and define as outsiders "all the people who this country has closed the door on, people without power, and people who are poor, white people who have lost their jobs."

To say that our country has closed the door on all elderly shut-ins, on poor people and unemployed people is to impute a deliberate policy of calculated hard-heartedness to the United States government. That our country has such a policy is a downright lie and the official figures for the U.S. Budget for fiscal 1970 (see World Almanac 1971) prove it as a lie. In fact, no other country in the world does so much for its people as we do, including the young and old, the shut-ins and itinerants, the working people and jobless people.

Here are just a few of the U.S. Budget statistics for fiscal 1970:

Appalachian development program (for poor mining families), $191,986,000.

Disaster relief, $144,909,000.

Office of Economic Opportunity (for poor people), $1,807,607,000.

Family housing, $619,902,000.

Health, Education and Welfare, $52,286,856,000.

Housing and Urban Development (for lower income people), $3,027,536,000.

Civil Rights and Equal Employment Opportunity Commissions, $14,494,000.

As every American can see, the foregoing U.S. budget items make a total for 1970 of $58,093,317,000 which our country opened its Federal heart to pour out to young and old people, poor people and sick people, disabled people and people without power enough to help themselves.

To form an idea of how very much money that total is, perhaps it is helpful to take note that for fiscal 1951—just 20 years ago—the total of all U.S. Government receipts was $47,567,613,000. That 1951 total is approximately $10.5 billion less than our country spent in fiscal 1970 only to aid people!

When John Lindsay harangues prospective voters about "all the people who this country has closed the door on," he knows that nowhere in the entire world is there a country which has done nearly so much, either relatively or actually, to open the door of opportunity and good living to its people. Lindsay pictures Uncle Sam as a cold hearted skinflint; actually, Uncle Sam is the most generous world leader and the softest touch in the whole wide world.

## NATIONALIST CHINA OUSTER OF U.N.

### HON. ALBERT W. JOHNSON

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. JOHNSON of Pennsylvania. Mr. Speaker, the seating of Red China in the United Nations is history, but the world's inheritance is the memory of a Nationalist China that was ousted after a laudable record as a charter member. This act is discussed in a recent column by Newsday's Dick Thimmesch, and I offer it in the Record as one who deplores the action that was taken.

Following is the full text of Mr. Thimmesch's commentary:

[From Newsday, Oct. 30, 1971]

#### Nationalists Don't Deserve Thumbs Down

(By Dick Thimmesch)

Washington.—Kicking the Republic of China out of the United Nations is a disgrace. It's done now, but those who had a part of it win no salutes for goodwill. Red, whoops! mainland China was rightfully admitted, but the Republic of, whoops! Nationalist China deserved better treatment. This island sanctuary government has been a good citizen in the U.N. and in the world as well.

The Nixon Administration struggled to do the decent thing here, but it didn't work. The stored-up mean, petty feelings residing in the opulent U.N. body were vented on the beaten but still dignified Taiwan delegation. If anybody looked good in this sorry episode it was this delegation, heads high, as it walked out of the U.N. building from whence it rightfully entered a generation ago.

It seemed as if the world itself had succumbed to the relentless, exhausting barrage of anti-American propaganda Communist regimes have fired at us all these years. All that stuff about old (84) Chiang Kai-shek and his "bandits," straining to be unleashed for an attack on the mainland. Baloney.

In terms of deportment, the Republic of China was a charter member of the U.N. in good standing. It actively participated in the "good works" of the U.N., was a sponsor of the World Health Organization and through its "Vanguard" program quietly provided selfless aid to 30 African nations for several years.

Unlike many noisy members, the Republic of China played a role in such uplift work as UNICEF, telecommunication and meteorological studies beneficial to the whole world. Like many other U.N. members, this government was behind in its dues.

Moreover, whatever belligerence the Taiwan government manifested, it was mostly words. The debates over Matsu and Quemoy are well behind us. The Red Chinese and Nationalists haven't shelled each other in years. The Republic of China is infinitely better behaved than Red China which recorded some violent innings against United Nations forces in Korea and against U.N. consensus in India.

That seemed to matter little to the vast majority of U.N. members who also seemed to have forgotten the origins of this peace organization. The United Nations got started because the great nations which fought the two great aggressors of our time—Nazi Germany and Imperial Japan—called all "peace-loving" nations together at the Dumbarton Oaks Conference and others.

China was awarded one of the five seats on the Security Council because China had fought off Japanese invaders since 1931. This is the same China which was cruelly thrown out of that same United Nations this week.

The same kind of brutality, the same kind of Roman circus atmosphere which characterized the Nazi and Japanese Imperialist regimes was expressed in the U.N. General Assembly hall when the Republic of China was beaten down. It was death, not decency, for the loser.

"It was unbelievable," U.S. Ambassador George Bush told me. "The Chinese delegates took this massive punishment with great dignity. It was body punch after body punch, a thirst for blood like the gladiator was finishing his man. People jeering and shouting insults. I put my arm around Chow Shu-kai (foreign minister) when he left and told him it was just awful."

There they were, the great paragons of virtue, the delegates who live fat-cat lives in New York, thanks largely to the lavish contributions the United States makes to the U.N. There was sanctimonious Sweden, host to the Nazis in World War II, the pious nation which allowed our ambassador, a black man, to be assaulted with rocks and called "nigger"; the hypocrite which forgets its dalliance with Nazism and cries about blood on our hands in Vietnam. Sanctimonious Sweden jeered plenty.

Strong as my feelings are about the brutal handling of the Republic of China, reason dictates that mainland China must be recognized. What is, is. But the facts of life must also call for recognition of the reality of 14 million people on Taiwan, a country larger than 60% of the members of the U.N.

If Red China has any class, it will look down the road and one day, from the seat it got from the Republic of China, show some goodwill, sportsmanship perhaps, in moving to admit the Taiwan government to the U.N. Chiang and his old Nationalists will fade away and die.

When Sukarno misgoverned Indonesia it left the U.N. In 1966, when Suharto took over Indonesia, that troubled country re-entered. This is not analogy but precedent. Peking should one day give its blessing to Taiwan. There must be a way if there are men of goodwill. Isn't that what the United Nations is all about?

## WHITHER VIETNAM?

### HON. LEE H. HAMILTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. HAMILTON. Mr. Speaker, Peter Kann of the Wall Street Journal has written a penetrating article on the future of South Vietnam. The November 11 article offers a realistic assessment of the situation that balances the unceasing optimism coming from the administration.

I urge my colleagues to read this fine piece, which follows:

#### Whither Vietnam?—U.S. Aides in Saigon Are More Pessimistic as American Role Ebbs

(By Peter R. Kann)

Saigon.—"There will be no debacle here before the '72 election in the States. But in the longer term? My computer says: 'Do not compute.' "

"I'm not saying Thieu won't be around four years from now, but I'm sure not betting that he will."

"A degree of military stability to 1974."

"1965 by 1973."

The quotes are from recent conversations with four old Vietnam hands—U.S. officials with a total of nearly 40 years of Vietnam service. Obviously, they aren't in complete agreement on what the future holds for this country to which they have devoted much of their adult lives. But, if there is a mood common to these men—and others like them—it seems to be one of growing uncertainly and, among many, of gathering gloom.

In the last nine months or so it seems that the "new optimists" have become tired optimists and that traditionally cautious in-house critics are turning into outright, though not public, pessimists. The reasons have less to do with any specific setbacks than with a somewhat fuzzy feeling that security has slipped, that political opportunities have been lost and that the time for new starts has passed.

##### ANOTHER BLUE PERIOD

Moods are by nature vague and, on the basis of experience here, exaggerated and transitory. But perhaps the present one is different. During earlier blue periods (after the 1968 Tet offensive for example) Americans at least could go out and try to do something about it: chalk up higher body counts, start a new pacification program, stop bombing, start bombing again, invade a neighboring nation or two.

But not these days. A large part of the current low mood may simply be the realization that America's active role in Vietnam is pretty much over. The American military, with just under 200,000 men still in this country, has all but ceased ground combat. Indeed, sapped by problems of drugs, race, discipline and morale, the U.S. military's very ability to fight if called upon to do so is increasingly in question. And America's influence with its Saigon client appears to be at its nadir—as demonstrated by President Nguyen Van Thieu's victory last month in a one-candidate electoral charade that embarrassed and angered the U.S. Embassy.

America, of course, continues to perform important, perhaps vital, military and other functions for the Vietnamese. But how much longer and at what level America will aid the Vietnamese are in doubt. American and Vietnamese officials generally have been assuming that a U.S. "residual force" of about 40,000 men will be stationed in Vietnam for years to come. But wide disagreement has existed here as to what sort of functions that force should perform and how vital such a force really would be. Of late, there has been considerable concern as to whether there will be a residual force at all.

### CONFUSING THE ENEMY—AND ALLIES

Some of these questions may be answered by President Nixon in a Vietnam policy speech, expected within the next few days. But for some time, the President's policy has seemed to have his officials and his allies confused along with the enemy. Thus, the whole residual-force issue is adding to the mood of uncertainty and unease. The defeat by the U.S. Congress of the foreign-aid bill compounds this problem. Also adding to the mood is the President's planned visit to China. The White House says Vietnam won't be discussed in Peking. But many here still think (some hope, others fear) that the trip could influence Vietnam's future.

In Washington, the view on Vietnam is more optimistic than that held by many U.S. officials here. In fact, the Washington estimate is described as one of only slightly bounded optimism. A cross section of Washington officials believes that the security situation in Vietnam is improving, Saigon's army is fighting more efficiently, the economy is doing well and the political scene is at least tolerable.

Analysts in Washington say the pessimism often heard in Saigon comes from aides overly influenced by transitory or localized developments. They don't reflect the big picture, Washington's big-picture experts contend.

### THE FACTOR OF TIME

One reason for the differences of viewpoints in the two capitals may be a time factor. Many here in Saigon are concerned with the longer-term prospects of the Vietnam government and how well it will ultimately deal with its many problems. In Washington, officials put more emphasis on the short term; this results in an optimism that officials feel justifies continued troop withdrawals and slow political disengagement from the current Saigon government.

As ever, the question looming over all scenarios is what the aims and the capabilities of the Communists are. Hanoi, no less than Saigon, is worried over President Nixon's Peking visit and the possibility of some deal being made at its expense. Hanoi also has been indulging in increasing self-criticism over economic problems, poor public morale, crime and corruption. In June, North Vietnam was struck by its worst flood of the century. It may have left 10,000 dead and a third of the nation's rice crop destroyed. And Hanoi's manpower pool continues to be drained on the battlefields of South Vietnam, Cambodia and Laos.

"I think South Vietnam has a pretty good chance of surviving because I just don't see how the North Vietnamese can keep going," a senior U.S. official says. But another analyst puts it differently: "I would be optimistic about South Vietnam's future if it weren't for the dreadful ebullience of the enemy." How North Vietnam—which President Johnson is once said to have called "a raggedy-ass little country of 17 million people"—has been able to keep fighting this long against America's military might has confounded waves of U.S. war planners. The betting by most veteran analysts here seems to be that Hanoi will keep on fighting and thus confound some more.

The South Vietnamese, meanwhile, seem increasingly embittered by American policy. President Nixon's Vietnamization program will—sooner or later—get Americans out of the war. But no one has any indication that the President has a "game plan" for getting the Vietnamese out of it. The toll of combat deaths announced last week was down to two Americans, but the toll of South Vietnamese was 269. Indeed, South Vietnamese casualties this year are running ahead of 1968. Americans may view this as a success of the Vietnamization program, but that's little consolation to the Vietnamese.

As usual, the Vietnamese attitude is ambivalent and, at least to Western eyes, contradictory. On the one hand, there is resentment at America for "bugging out" and leaving Vietnam to cope with a continuing war. And among the Vietnamese the suspicion is growing that all the U.S. really cares about by now is a "decent interval" between withdrawal and collapse. "The stability here will last long enough to show that if the Vietnamese fall, it will be their own fault," says one ranking American official, who seems to confirm what the Vietnamese suspect.

On the other hand, the Vietnamese are increasingly open in their criticisms of the U.S. presence here; "Americans go home" is a fashionable non-Communist slogan these days. More and more Vietnamees are talking, in vague terms, about a "Vietnamese solution to a Vietnamese war" once the American presence—and U.S. backing for President Thieu—is withdrawn. In this view the American presence postpones peace. The view may be naive, but it is significant that even some traditionally staunch anti-Communist Catholic priests are talking in this vein, and so are some younger South Vietnamese army officers.

Few Americans, of course, are talking about outright collapse here—at least not for some time. Pacification statistics still show more than 95% of the people living under government control. The economy continues to display a remarkable degree of stability, and President Thieu's reelection at least demonstrated the ubiquity and even efficiency of the government's administrative apparatus on an issue that counts to its leader.

The South Vietnamese army (ARVN) has been assuming more combat and other responsibilities as Americans withdrew. While the army has suffered some reverses in Laos and Cambodia, the Communists right now don't seem capable of inflicting a major military defeat on ARVN forces within South Vietnam. Main-force Communist units are mostly operating near the Cambodian and Laotian borders and are generally avoiding sustained contact.

In short, compared with two years ago, the present South Vietnamese position seems stronger in almost every respect.

But, compared with about nine months ago the present situation shows signs of slippage. Some observers believe that a military high point may have been reached at the beginning of 1971 and that security has been on a very gradual decline ever since. Veteran officials speak of an increase in enemy attacks on Mekong Delta militia outposts, of roads being a bit less safe to travel, of enemy units appearing closer to Saigon, of an increase in enemy infiltration and activity in the northern I Corps, of enemy inroads in formerly pacified hamlets in the key coastal province of Binh Dinh, and of ARVN forces being stretched too thin to defend the Central Highlands against a slowly mounting enemy threat there.

Much of this slippage may be an inevitable effect of American withdrawal. It is hard to see how even an improved South Vietnamese military force of 1.1 million plus about 200,000 American noncombatants can be as potent a military power as 1.1 million South Vietnamese soldiers and a half-million American combatants.

Moreover, the grace periods purchased by the June 1970 invasion of Cambodia and the April 1971 invasion of Laos are about up. Both operations, whatever their failings, certainly bought some precious time for South Vietnam, but that time was never claimed to be unlimited.

And the chances of another dramatic time-buying foray seem nil. For one thing, South Vietnam has no more neighbors (except North Vietnam) left to invade. Mainly, however, the declining American presence and logistical support seem to rule out a repetition of the drive against the Ho Chi Minh Trail complex or even a major ARVN assault deep inside Cambodia. U.S. military sources, however, are talking about ARVN launching some far smaller, briefer and less ambitious cross-border operations in coming months, and the South Vietnamese still do have about 19,000 troops occupying Cambodian territory along the border.

Optimistic scenarios for South Vietnam's future aren't bolstered by retrospective assessments of that Ho Chi Minh Trail operation or of ARVN's performance at Snoul, in Cambodia, four months later. In the Laotian trail operations, despite massive American air support of all sorts, ARVN was forced to pull out of Laos well before planned, and the most favorable assessment that anyone now makes of the operation is to call it a standoff. It may have demonstrated that ARVN with U.S. air power is roughly equal to the enemy, but how long will ARVN have even a fraction of that level of air support? The combat, of course, took place on enemy turf, and that may be to ARVN's credit. But the set-pieces of 1972 or 1973 combat may have to be fought closer to home.

If that foray was in some sense a standoff, Snoul was more of a rout. There, with less U.S. air support but on much more favorable terrain, the ARVN Fifth Division withdrew in panic, abandoning at least 50 vehicles and three artillery batteries to the enemy and losing at least 450 men killed and another 300 listed as missing.

Last month's confrontation between the North and South Vietnamese armies near the Cambodian town of Krek turned out more favorably for ARVN, which managed to reinforce and thus cause the enemy to back off. But again there was heavy American air support and the ARVN division commander in charge stated: "American air power turned the tide; it was decisive, all-important." Once again, how long and at what level will ARVN have available to it American air power—helicopters for troop lift and resupply, Cobra gunships, tactical bombers and B52s? No one is sure.

The future test for ARVN, whatever its level of U.S. support, could well come in the Central Highlands of II Corps. The present Vietnamese strategy (approved, if not devised, by American advisers) is to concentrate most ARVN forces in that corps along the narrow coastal plain in which more than 90% of that area's population lives. American advisers express confidence that Saigon forces can hold the coast. "To get the willing cooperation of those people is a very difficult, very long-term objective, but to get their forced cooperation is easy because of the geography," a high-ranking American says. Meanwhile, he adds, "there will be no more stomping the Central Highland boondocks;

now the aim in the five Highland provinces is to just survive." He thinks that American bombing plus a few mobile ARVN units can prevent the Communists from overrunning Highland towns.

Other veteran American analysis question that strategy. One recalls that enemy inroads in the Highlands in 1965 nearly forced ARVN to withdraw from the Highland centers of Kontum and Pleiku. It was only the arrival of American forces that forestalled abandonment and prevented South Vietnam from being cut in two—in the view, among others, of Gen. William C. Westmoreland, the current Army chief of staff and former U.S. commander in Vietnam.

"If you control the Highlands, you eventually get the coast," one longtime analyst says. He sees a repetition of 1965 but without any Americans to ride in to the rescue—thus, "1965 by 1973." He and others suggest that enemy forces will try to consolidate control of the Highlands, adding the area to contiguous territory in southern Laos and northeast Cambodia that they already control. The Communists could then lay formal claim to a tri-country "liberated zone" in future peace talks. Or they could use the zone as a vast base for attacks on the central coast of Vietnam, the Mekong River towns of south Laos and the heartland of Cambodia.

Most experts questioned tend to believe that within two to three years Saigon will have abandoned to the enemy large chunks of territory, if not towns, in the Central Highlands and the western part of I Corps in the north. "There will be a northeast-southwest line along which two-thirds of the regular South Vietnamese army will be fighting in conventional format," a ranking official says. He thinks ARVN could hold that line, at least to 1974.

Others wonder if Saigon could ever get two-thirds of its regular army into sustained combat. The ARVN high command recently had to abandon efforts to send the Ninth Division north from its safer stomping grounds in the Mekong Delta; the division simply refused to go. In most ARVN units desertion rise dramatically when units are about to be shifted or sent into combat.

President Thieu frequently talks about a climactic showdown with the Communists in the dry season of 1973, but not all U.S. officials are confident that Mr. Thieu will be around by then. For public consumption the U.S. has tried to put the best possible face on his reelection, sending California Gov. Ronald Reagan and Treasury Secretary John Connally to congratulate him, stressing the dearth of democracy in most parts of the world, taking some solace from the Saigon government's election-day efficiency, telling the ARVN generals that President Thieu is still Washington's man and warning them against any thought of coups.

But, privately, U.S. officials' reactions to the election ranged from disappointment to dismay. Some believed democracy could be made meaningful here and thus see the Oct. 3 exercise in population control as a lost opportunity. Others are less concerned about Vietnamese democracy than about American leverage and thus see Mr. Thieu's election shenanigans as a kind of intramural contest between Mr. Thieu's palace and Ambassador Ellsworth Bunker's embassy, and, of course, the embassy lost.

There is a general American concern that the Vietnamese electorate, at least in urban areas, knows it was somehow cheated on Oct. 3 and that, as a result, Vietnam's numerous political factions may henceforth find more fertile ground for sowing seeds of political ferment. Officials also worry that an increasingly unpopular President Thieu will henceforth isolate himself further from his people and from social and political realities and that he will be more suspicious, more repressive, more reliant on vested interests, less reformist, less willing or able to deal with the moral malaise that infects almost every aspect of this society.

(One interesting indication of President Thieu's state of mind is the manner in which he has surrounded himself, politically and geographically, with members of a single trusted family. Le Van Tu, one of the president's closest cronies, is the chief of Gia Dinh Province, which surrounds Saigon. Tu's brother, his brother-in-law and two of his cousins are all chiefs in other provinces near Saigon—gateways for past military coups.)

While Mr. Thieu is markedly unamenable to U.S. influence, his fate ultimately remains tied to American aims. So long as America's paramount concern is stability under which orderly U.S. withdrawal can proceed, Mr. Thieu can presumably count on American backing. But if President Nixon chose rapid, complete withdrawal (or if a new American administration wanted to dump Mr. Thieu in hopes of achieving a political settlement with the Communists), President Thieu might be hard pressed to hang on. Even without any abrupt change in U.S. policy Mr. Thieu's position may get shakier. American influence with the ARVN generals is mostly based on American aid to fuel their patriotism and fatten their pocketbooks. And as U.S. aid inevitably declines, so may ARVN loyalty to American's man—Nguyen Van Thieu.

Pacification planners no longer seem to be bubbling with enthusiasm and new ideas. They find satisfaction in various developments of the last few years: improved performance by local militiamen, village and hamlet elections and land reform in the Mekong Delta. But public-works programs are being hurt by reduced American assets, a new program for "people's organizations" seems to have flopped, and the Phoenix program to attack the Vietcong infrastructure now is widely viewed as a failure. The program has been partly "Vietnamized," and, perhaps as a result, it is increasingly ineffectual and corrupted. There is also a feeling that the regional and popular forces that provide "territorial security" have gotten about as big and as good as they are going to get and that efforts to make them more mobile will probably fail.

An awareness is growing that Vietnam is an increasingly urbanized society (largely as a result of the war), that urban problems will worsen as American spending and employment decline and that the more politically sophisticated urban citizenry cannot be pacified with sheets of tin roofing or demonstration pigpens.

The expert who talks of gaining the "forced cooperation" of the people of the central coast is at least implying the crucial catch in pacification: Controlling people by military occupation or even pleasing them with increased prosperity is still some distance from really winning their hearts and minds. "These people are still Vietcong in their hearts," said an ARVN general recently of the people in some officially pacified hamlets of Binh Dinh Province.

Finally, pacification—whatever its failures and accomplishments—has always been a heavily American-motivated concept, and, as the American role in Vietnam diminishes, so probably will pacification.

Vietnam's economy, after years of inflationary crisis, now is something of a success story. At least galloping inflation has been checked. Economic controls are being relaxed. Rural prosperity is a reality in much of the Mekong Delta. A new round of economic reforms is expected to further stabilize and stimulate the economy.

But the longer-term outlook is gloomier. Vietnam's exports this year will total less than $15 million. Its imports, which keep inflation in check, total about $750 million a year, mostly financed by the U.S. Long-range plans for economic development remain hazy, and the most optimistic forecast one hears is $100 million in exports by 1975. Foreign private investment remains leery of Vietnam. There is talk of possible oil deposits off Vietnam's coasts, but so far it's only talk.

America is leaving behind here a vast complex of ports, airfields, bases and communications, but these aren't the kind of assets an underdeveloped economy can make good use of. For as far as anyone here is willing to peer into the future, Vietnam will be a beggar nation, overwhelmingly dependent on U.S. aid. And that aid is dependent on the whim of the American Congress.

The general view here is that without continued U.S. economic assistance at roughly the present level, the Vietnamese economy would collapse. Similarly, even the most critical or pessimistic U.S. officials seem to agree that to give the Saigon government even a fair chance of survival, America must continue providing military aid and material. A frequently mentioned figure for future military and economic assistance is $2.5 billion a year.

Another consensus is that some continued U.S. air power will be required, but no agreement exists on how much and what sort. Some analysts believe that the minimum requirements can be provided by planes based in Thailand and on aircraft carriers off Vietnam's coasts. Others see a need for at least a few Vietnam-based tactical air squadrons plus helicopters.

All sorts of "ideal" residual-force mixes are being mentioned these days. One, which assumes a residual force of about 40,000 men, breaks down like this: 500 helicopters with crews and maintenance and support units requiring about 10,000 men, three tactical air squadrons totaling about 4,000 men, four artillery battalions requiring a total of 5,000 men, a few thousand advisers, and another 20,000 logistics personnel with a small combat force to help protect their bases. The U.S. now has in Vietnam about 2,000 helicopters, a dozen artillery battalions, nine tactical air squadrons, 19 combat maneuver battalions and about 100,000 logistics personnel.

Other officials argue against any residual presence in Vietnam itself. Their reasons vary. One ranking official thinks the only way to assure the continuance of vital economic and military aid is to get all American soldiers out of Vietnam; this, he believes, might make a continued aid program more palatable to the U.S. public and its Congress.

Others fear for the safety of a residual force that would be largely dependent on ARVN troops for protection. Even enemy sapper attacks and mortar barrages could take a toll of American helicopter maintenance men or logistics units. An alternative would be to try to leave enough U.S. combat troops here to provide the protection.

However, the way the U.S. Army works it takes four or five support soldiers to back each combatant. Thus, the U.S. would wind up with a fat logistical structure to support the combat troops who would be protecting the logistical units that would be supporting the ARVN combat forces. And that would all add up to a very large residual force indeed.

Some officials see a residual force having adverse psychological effect on the Vietnamese. U.S. troops would be living in relative (to the Vietnamese) comfort in several big enclave bases. Their presence would continue to fuel various Vietnamese resentments (Americans living too well, warping their society, prostituting their women and so on) and there would no longer be the cogent counterargument that Americans are also out in the jungles dying for the Vietnamese. Rather, it would be a case of Vietnamese boys living in mud bunkers on the outskirts of U.S.

bases, protecting (or failing to protect) the Americans.

Some officers further fear that even with a compact, all-volunteer residual force, there would continue to be problems of drugs, discipline and morale.

And then there are those analysts who just don't see a residual force making much difference—except for delaying the inevitable. They figure that the only long-term hope for Vietnam is a political settlement with the Communists and that a U.S. residual presence only encourages the Saigon government to keep postponing that settlement.

In all the uncertainty and disagreement over residual forces, there is one thing that the old Vietnam hands seem to agree on: much of the current U.S. presence here could and should be reduced forthwith. One senior official says the mission council—the working committee of top U.S. officials in Vietnam—spends most of its time these days dealing with problems of the American presence in Vietnam rather than with the problems of Vietnam.

"We've just got to get leaner faster," another ranking officer says. And a third tells the story of discovering two adjacent military units on the sprawling U.S. logistics base at Cam Ranh. One was a signal unit and the other a base-support unit. The sole function of the signal unit, he says, was providing communications for the support unit, while the sole function of the support unit was providing services for the signal unit.

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## THE NATIONAL HUMANITIES SERIES: A SUCCESS STORY

### HON. FRANK THOMPSON, JR.

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. THOMPSON of New Jersey. Mr. Speaker, while the American people must read weekly kill statistics, must watch violence in the streets, must hear daily about drug addiction and domestic security problems, a Government funded experiment in public education and enrichment goes quietly into its third year of operation.

The National Humanities Series, a unique learning-by-entertainment venture, was established in June 1969, by the National Endowment for the Humanities in Washington, D.C. Administered by the Woodrow Wilson National Fellowship Foundation of Princeton, N.J., the series was fortunate in having access to the foundations' vast network of more than 18,000 outstanding young scholars plus over 2,000 established college professors and administrators all across the Nation.

Since those early days my vote in the House counted toward the creation of the National Endowment for the Humanities, I have followed its progress with special interest. The National Humanities Series is one of its most original and successful experiments. In it, an idea became a reality as teams of professors, performers, and creative artists traveled throughout the country, visiting small remote communities where they presented public humanities programs to nonacademic audiences. They sought out the local people in their clubs, churches, businesses, schools, and homes, and offered presentations which indicated the connections between the world of the humanities and the life of America today. By drawing upon history, philosophy, literature, and the arts, they demonstrated it is proper and desirable to place high value on the individual and his powers to reason and to see himself within the historical framework of the human race. I for one am pleased with the experiment, for, in an age of polarization, approaching our problems without partisanship, stressing what we have in common rather than what divides us, represents a significant step in the direction of national unity.

The aims of the National Humanities Series are set forth concisely by Dr. Barnaby Keeney, the first permanent chairman of the National Endowment for the Humanities:

> [It] will afford a wide variety of local and regional groups throughout the country an opportunity to hear humanists who are particularly effective in conveying humanistic knowledge in terms relevant for persons outside the academic community. It is hoped that public audiences will be encouraged to consider current issues in their broader historical and conceptual contexts, and that professors and other humanists will be encouraged to engage in meaningful discourse with people whose interests are not primarily scholarly. It is also hoped we will learn something about what formats and arrangements are most productive in pursuing these goals.

The National Humanities Series went into production in September of 1969 under the direction of Bill Fegan, managing director of the State Theatre of New Mexico at Raton. Since finishing college in his native Pennsylvania, Fegan, a deeply dedicated and talented producer and director, founded a succession of regional theaters, worked as a concert booking representative, created a series of successful literary-theatrical tours, and served as chairman of the department of drama at Stillman College in Alabama. In my view his achievements during the first 2 years of the National Humanities Series are truly remarkable.

Once Fegan has picked a possible community, he seeks a local person enthused enough by the idea of the series to gather together a group of influential citizens. A staff member from Princeton then meets with them, explains the series in detail, and arranges for the formation of a local humanities council. These committees, without whose working support the humanities teams could not succeed, served the role of involving as many townspeople as possible and also relieved the small Princeton staff of some of the routine chores of planning and arranging the scheduling, promotion, and transportation. Soon a chairman, known and active in the community, would be selected; he or she might be a minister, teacher, postmaster, storeowner, or housewife.

By October 1969 the first six "humanists" had been selected from some 75 candidates, and long weeks of planning, recruiting, performing, and rehearsing ensued. Planning sessions between professors and actors and singers were half rehearsal, half seminar; the professors outlined their programs and their expectations of the performers, and while they were at it might explain the difference between romanticism and neoclassicism or between Sophocles and Aeschylus. The actors suggested scenes, poems, readings and songs, and explained "upstage" and "downstage" to the scholars.

A word of caution to the humanist-chairman was sounded early by Dr. Hans Rosenhaupt, president of the Woodrow Wilson Foundation:

> We realize . . . a college professor is not used to receiving advice on his performance as a teacher or as a scholar. It is important from the beginning that you prepare yourself mentally to accept advice . . . Put yourself in the shoes of the hardware store owner in Liberal, Kansas. . . . What could you possibly say that would first of all make him want to hear you out, and secondly be of value to him?" He also suggested to the performers who asked "what is a humanist?" that . . . a humanist is to the arts what a scientist is to nature.

The "travelling intellectual circusses" set out early in 1970, headed for 41 communities in 19 States, from New England to the Rockies, and ranging in population from 1,500 to 70,000. Over the next 3 months, the series presented a total of 1076 programs. By the time the humanist-led team arrived, a series of appearances had been arranged, according to the needs and interests of that particular town or area, culminating in the major performance by the whole team on the last evening of the visit. Every effort was made to reach as wide an audience as possible, and there has never been a charge for admission of any sort.

The end of the first year of the National Humanities Series saw ever increasing requests for visits, both to the same towns and new ones, and requests to join the teams by both scholars and performers. Reports were coming in from all parts of the country. From Smethport, Pa.:

> The enthusiasm and response—exceeded all expectations—pages could be written providing testimonial evidence—Smethport has become more unified in this cooperative action than it has been in some time.

From Webster, S. Dak., where cumulative total attendance exceeded the population of the town:

> It seems to me that nothing greater could happen to this country than for the National Humanities Series to be so expanded until the spirit of it permeated the whole of the country.

From Toms River, N.J., a lady was overheard saying:

> They are marvelous performers. It really makes you stop and think; so many people doing so many creative things and all I worry about is getting to work on time.

A letter from the Institute for American Indian Art in Santa Fe said in part:

> The programs were absolutely terrific and the team which gave them exceptional.

In its second year, 1970–71, the National Humanities Series, continuing the theme, "Time Out For Man," grew in scope and reputation. For the fiscal year beginning July 1970, the National Endowment for the Humanities more than doubled last year's grant by providing for $420,000 outright, and $40,000 in matching funds for gifts. It was the hope of the endowment that the series would continue to "provide an exemplary pattern for conveying humanistic knowledge and insight to general public audiences." The series was to continue the pattern of visits by scholars and artists to audiences throughout the United States. Supplementary programs, including senior professors as lecturers, participants, and consultants, were made available. Furthermore, series communities were encouraged in the development of locally initiated humanistic programs and activities.

The summer of 1970 was devoted to the preparation of four major presentations of the fall tour and the organization of new series communities, "Face to Face"—"How and Why People Create"—incorporated the music of Bach, Bernstein, Simon and Garfunkle, and the Beatles; the poetry of T. S. Eliot, Dylan Thomas, Robert Frost, Langston Hughes, and Shakespeare. "Justice, Trial and Error," incorporated scenes from Anouilh's "Antigone," and Lerner and Lowe's "Camelot" with material from Locke, Plato, Judge Roy Bean, Thoreau, the "Ten Commandments," and A. E. Housman. "Poetry in Black" was a one-man show created by black actor Nat Simmons, who acted and read poetry and prose from Langston Hughes to Kahlil Gibran. This was to be one of the series' favorite performances with almost universal appeal especially among the younger audiences. One youngster wrote to Simmons, "Man, you just kept me in school." "Stop, Look, and Listen," a program on "The Good Life," dealt with the attempt to distinguish between illusion and reality and used folk music, scenes from Arthur Miller's "Death of a Salesman," and Shakespeare's "The Tempest," poetry of Hart Crane, readings from Plato's "Republic," films from the turn of the century as well as from new and experimental directors. These were some of the presentations for which scripts were created, supporting programs put together, team chairmen and members selected and rehearsed. Twenty-two of the first year communities were revisited, and another 22 were added to bring the initial total of communities to 44 in 28 States, all the way from Oregon to Georgia, and from Maine to Texas.

A planning conference was held in September 1970 for all participants in the National Humanities Series, as guests of the Johnson Foundation at Wingspread, Racine, Wis. Among those taking part were Wallace B. Edgerton, acting chairman of the National Endowment for the Humanities, whose address gave participants a firsthand account of the Endowment's objectives; others of his staff; program chairmen and performers; representatives from 35 series communities and the Princeton staff. This conference proved valuable in preparing for the second series year, for it cleared up ambiguities of purpose which arose during the first experimental season. Teams could compare notes and local chairmen could exchange ideas. Most important, local chairmen had a chance to meet some of the humanists and performers who would visit their communities.

By the second year of the series, any doubts about the Endowment's belief that "Humanities could be taken to the grass roots of America" must surely have evaporated. To be sure, only the surface had been scratched, but the yearning and even starvation for intellectual stimulus exceeded all expectations.

Eventually, an audience of approximately 225,000 was reached with over 1,648 presentations in 69 communities. But, far more impressive than sheer numbers were the results of series activities. Professors went out to instruct and learned from their audiences things they had never experienced in the classroom. People in small towns saw portrayed slices of life they had hitherto only imagined. Students, teachers, foresters, farmers, professional men, housewives, the young and the retired came together, and, in the discussions which grew out of each performance, found a new level of communication. In an exciting and unusual partnership of scholarship and "show biz," the generation gap, credibility gap, and people-gap were bridged here.

What happened in Waldwick, N.J., is typical of the kind of local initiative generated during the second series year. In this New Jersey town of 17,500, the public school administrators announced plans to integrate next year's humanities curriculum into the themes to be presented there by the series. Several communities expressed an interest in developing local versions of the series format; in Bartlesville, Okla., a high school sponsored humanities series is in formation. In Luverne, Minn., the series sparked monthly town meetings in which residents discuss community concerns; in the words of the local committee chairman—

> The Humanities Series taught us that we can enjoy discussing ideas.

Twenty of the series communities have begun to function as regional humanities centers, farming series programs out to neighboring towns or drawing audiences from a radius of up to 60 miles. Some Western communities have adopted the idea of bringing outlying audiences into a central location by using school buses.

Unsolicited reactions on many levels from all corners of the country arrived daily at the Princeton headquarters. They varied all the way from "your series stinks" to highest praise—negative opinions accounting for less than 1 percent. A presentation before a women's church group in Dalhart, Tex., drew the comment:

> Best thing to come out of it was the realization on the part of the white women who were there that the black women were more intelligent and informed than they had dreamed. Also, we discovered that the library didn't subscribe to any Negro periodicals, and the librarian, who were there, vowed to see that *Ebony, Black World,* etc. would be made available to the community.

At an Indian school in Stephen, S. Dak., Nat Simmons "Poetry in Black" produced an inspired, but perhaps not so unexpected, result—the children decided to put together a program of their own, a kind of "poetry in red" using American Indian material. A recent letter from Poplar Bluff, Mo., alluded to a social function of the humanities. After a brief description of previous attempts to make social changes in the community, the writer of the letter went on to describe the way in which the series may have induced change not directly through persuasion, but indirectly through its dramatic form—

> There was a dimension of sympathy and understanding achieved through this artistic and dramatic medium. I haven't seen this demonstrated before. I've been trying to work through social action myself, in the NAACP, but it hasn't worked. There were a lot of young people who expressed ideas and ideals last night who have never thought any adult would listen to them—The team acted as catalysts.

The response to "Poetry in Black" by actor Simmons who became—

> An absolute genius at getting people to open their mouths and hearts about racial tensions—broke down barriers to communication between parents and children, whites and blacks.

It would be impossible to list all the ideas and possibilities, the optimism and plans, generated by the series. But for the record, I should note that there were also misjudgments and even failures. At one evening performance in a southern town, only six persons showed up. Some of the communities were unable to draw an audience other than the "intellectual elite," who had no real need for what the series would give them. But how does one measure success and failure? Has a program really failed if only one person was reached?

The Cherokee, Iowa, Times editorialized aptly the meaning of series visits—

> Get off the treadmill long enough to gain perspective. Perhaps you are on your particular treadmill because you have never known anything else. Perhaps circumstances put you there. Or maybe unrealistic dreams. But have you taken time to consider that life goes around only once and that there might be more joy if you took another approach? Have you made your vocation your life because, in the beginning, you had to struggle—and now you are still struggling and have forgotten why, and in that forgetting not stopped long enough to look out into the broad world from your narrow, confined tunnel?

More eloquently than anything I could say of this valiant experiment, perhaps a new art form, in bringing Michelangelo and Shakespeare, Bach, and Robert Frost to our neighbors beyond the urban sprawls, is this tribute from the Webster, S. Dak, postmaster;

> The committee joins me in expressing hearty thanks . . . for a magnificent expe-

rience. I have lived in this community almost constantly all of my life and I can say unequivocally that nothing heretofore has struck this community which brought it so much joy as did the National Humanities Series. Joy which comes from something that is readily recognizable as being of lasting value. There remains so much to remember, to think about, and to guide. Thank you.

Here surely is recompense for this exciting and imaginitive undertaking, for the time, the work and the funds used to bring time out for man to our fellow citizens throughout this country.

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## KENNEDY AND IRELAND

## HON. WILLIAM J. SCHERLE

OF IOWA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. SCHERLE. Mr. Speaker, it is not the responsibility and it is a dubious right of any individual American, particularly a political spokesman, to make emotional and shortsighted demands on a foreign government's internal policy. I speak specifically of Senator KENNEDY's recent remarks on what Britain's role should be concerning the tragic situation in Northern Ireland. I call to the attention of my colleagues the following editorials from the Dallas News, the Christian Science Monitor, the Memphis Press Scimitar, the Richmond Times-Dispatch and the Omaha World Herald.

The articles follow:

[From the Dallas (Tex.) News, Oct. 23 1971]

### KENNEDY AND IRELAND

Sen. Edward Kennedy has invaded the affairs of another nation by taking sides in the Northern Ireland conflict. He demands that British troops stop persecuting Irish Catholics and go home.

The North Irish government accuses him of playing American politics with Irish lives—which is exactly what this unheard-of meddling amounts to.

If any world situation defies the power of anybody to short its rights and wrongs, it is the Irish one. Yet Kennedy ignores both history and reality in siding, perhaps emotionally, with one religious element while making the political demand that the North Irish government be dissolved and all Ireland united.

Protestants rule North Ireland, which is by no means an all-Irish country and one less than eager to unite with Eire. North Ireland, moreover, is British—a product of history too ancient to be undone in the name of one Ireland or even one religion.

British troops are there to keep warring Catholics and Protestants from one another's throats. Whatever the wrongs done the Catholic minority, it is no doing of the British trops. They die almost daily trying to control the immemorial prejudices of both sides.

Kennedy, as the North Irish government has retorted, reveals both prejudice and ignorance by treating the tragedy as an all-Irish question and the British troops as colonial dragoons.

The U.S. Government has rejected his interference. Most Americans will wonder how much of it is blind emotion and how much of it sense.

[From the Christian Science Monitor, Oct. 23, 1971]

### UNWARRANTED INTRUSION

Sen. Edward Kennedy's demand in Congress for the withdrawal of British troops from Ulster and the unification of Ireland can only be described as a totally unwarranted intrusion into British internal affairs.

It portrays a dismaying lack of sensitivity to the complexity of the tragic situation in Northern Ireland. It ignores the fact that Ulster is an integral part of the United Kingdom and that two-thirds of its population are ardently committed to preserving that relationship.

By urging the immediate withdrawal of British troops, Mr. Kennedy is doing just what the Irish Republic Army terrorists want. Their priority goal is to force the British Army out of Ulster as a first step to unification of the island.

But moderate opinion in Ireland, both north and south of the border, knows perfectly well that a solution to the Ulster problem is just not that simple. Both the British Government and the provincial government in Ulster are moving toward a broader concept of the political structure in the north, which would open the door to participation by the Roman Catholic minority in the administration.

But this can only come when terrorism in the north has been stamped out, and as of now the presence of British troops is essential to combat that terrorism. For the British this is a painful but unavoidable assignment. For them to throw in the sponge and quit would very probably lead to civil war in the north.

British newspapers justifiably point out that Senator Kennedy made no condemnation of the terrorists and are shocked at his calling the Ulster situation "Britain's Vietnam."

Politics apart—and the motive was, of course, purely political—Senator Kennedy's gesture hardly enhances his reputation on foreign policy matters.

Happily the Nixon administration was quick to disassociate itself from the Kennedy statement in Congress and from the resolution presented jointly by him and Sen. Abraham Ribicoff to the Senate Foreign Relations Committee. Reassurances by American officials both in Washington and London that the demands made in the resolution in no way reflect American policy should help to soothe the ruffled feelings of the British.

[From the Memphis (Tenn.) Scimitar, Oct. 25, 1971]

### ADVICE OF IRELAND

Senator Edward M. Kennedy is the prime mover of a resolution calling for the immediate withdrawal of British troops from Northern Ireland and the joining of that province to the Irish Republic.

The move has stirred accusations in the internal affairs of another country and, moreover, playing ethnic politics.

Such charges take the matter too seriously. It is characteristic of ambitious senators that they stick their noses in people's business all over the world. And Kennedy's special interest in Ireland is no more surprising, say, than those of Senators Jacob K. Javits in Israel, Edmund S. Muskie in Poland and John O. Pastore in Italy, or Vice President Agnew in Greece.

What is striking in Kennedy's intervention is that it carries such bad advice. A rapid withdrawal of British troops from Ulster would lead to bloodshed, perhaps civil war, in which the worst victims would be the Catholic minority.

People tend to forget that the British army was sent to Ulster in 1969 to protect the Catholics from attack by Protestant extremists. Its presence has made possible the disarming of Protestant police and auxiliary forces that were regarded as dangers by the Catholics.

Since then, the threat to peace has come from gunmen and bombers of the outlawed Irish Republican Army, who have infiltrated Ulster from the South.

They dream that their wave of terror will cause Britain to tire of its losses in Northern Ireland and withdraw its army. Then the IRA could count of undoing the partition of 1920 and unifying the six counties of Ulster with the Irish Republic.

In any event, such a trial at arms would be cruel, tragic and bloody. And that is precisely what politicians are risking when they say pull the 13,000 British soldiers out.

Quite sensibly, Prime Ministers Edward Heath of Britain and John Lynch of Ireland know that a political solution is essential. Heath is pressing Ulster's Protestant officials to give the Catholics fair play in voting, jobs and housing—which they have been deprived of for 50 years.

The hope is that equal treatment will undercut Catholic support for the IRA and that Ulster will be able to work out its future in peace. After so much hatred and violence, what Heath is trying is difficult and, in the end, may fail. But his chances are not helped by uninformed advice from abroad.

[From the Richmond (Va.) Times-Dispatch Oct. 25, 1971]

### KENNEDY AND THE IRISH

Sen. Edward M. Kennedy, D-Mass., stirred a hornet's nest in the United Kingdom last week when he presumptuously demanded that all British troops be immediately withdrawn from embattled Northern Ireland and that predominantly-Protestant Ulster and and predominantly-Catholic Eire be reunited as one Ireland.

"What Sen. Kennedy's remarks may do is to give support to the Belfast gunmen, for which he is likely to face criticism," the British Press Association roared. "As a Catholic of Irish descent himself, there will be an inevitable suspicion that he has political motives."

Sixth Conservative Party members of the British Parliament signed a motion stating, "This house deeply resents the quite unwarranted incursion of Sen. Kennedy into the domestic affairs of the United Kingdom, but is confident that it does not reflect the views of responsible American leaders."

Brian Faulkner, prime minister of Northern Ireland, observed that Kennedy "has shown himself willing to swallow the hoary old propaganda line that IRA (Irish Republican Army) atrocities are on behalf of the Irish people and the British army is here as a colonial power."

Since the IRA terrorists are currently trying to accomplish the two objectives Kennedy commends by force, and since they seem to have no compunction about murdering innocent men, women, and children in the process, and since the prime ministers of Britain, Ulster, and the Republic of Ireland, meeting jointly, have not solicited American advice on solving their problems, it does seem slightly increditable that Kennedy chooses at this moment in history to poke his nose into this explosive affair.

Ah ha, there is an explanation! Sen. Kennedy declared on the Senate floor that America cannot remain silent because "Britain has lost its way" and "Ulster is becoming Britain's Vietnam." But the Senator perhaps forgets (or fails to realize or admit) that America crossed the Rubicon into its own massive Vietnam involvement when the

Kennedy Administration, in 1963, meddled in another nation's internal affairs by supporting the overthrow of the established government of South Vietnam. The British may be forgiven for not exactly falling over backward, then, to take an American liberal's advice on how to "avoid a Vietnam," especially when the politician's name is Kennedy.

[From Omaha World Herald, Oct. 26, 1971]

### TED POINTS THE FINGER

Sen. Edward Kennedy's intervention in the troubles of Northern Ireland and his finger-pointing at the British government are not completely explained by the obvious fact that his words will sound sweet to the ears of some Irish-American voters.

In the first place, not all American Irish are sold on the virtues of the rebel cause in Northern Ireland. The extremism of Bernadette Devlin and her links with Communists have raised a caution flag in the minds of many who are sympathetic to the rebels.

It is not easy to sort out "good guys" and "bad guys" in this complicated struggle, but Sen. Kennedy's attitude suggests that he finds it easy: Simply blame the British. We expected a little better from Kennedy.

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## THE PUZZLE

## HON. GILBERT GUDE

OF MARYLAND

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. GUDE. Mr. Speaker, our Nation is facing a crisis in the disposal of solid waste. I would like to call to the attention of my colleagues the results of an extremely valuable Solid Waste Symposium that was organized by the Montgomery County Chamber of Commerce, the editors of Pollution Engineering, and my office:

### THE PUZZLE

Like every other county in the U.S., Montgomery County, Maryland, has environmental control problems. But, here solid waste disposal has reached a crisis stage. A new 1,300-ton-per-day incinerator does not meet state pollution control regulations and is not operating at maximum capacity. The county's landfill, which was supposed to be finished off level with the surrounding grade, is now a 5-acre mountain more than 50 ft. above grade, and growing. The site is far from sanitary and is plagued with sea gulls, rodents and blowing debris. Each time county officials have attempted to buy a new landfill site, they have met with strong opposition. It's the same old story—no one wants someone else's garbage. So, the county has had to continue using its existing facilities.

Montgomery County forms the northwest boundary of the District of Columbia and is the headquarters of many federal offices including the U.S. Department of Health, Education and Welfare; U.S. Bureau of Standards; Atomic Energy Commission; National Institute of Health; Army Map Service; Naval Ordnance Laboratory and the U.S. Environmental Protection Agency.

The county also has 7,600 other businesses and industries as well as many branch offices of other federal agencies. It is a highly professional community, with more than 30 percent of the residents being college graduates. It is the richest county per capita in the country; the average family income is in excess of $19,000. The population has tripled since 1950 to its present total of 522,000, and is expected to grow to over one million by the year 2000.

The editors of Pollution Engineering were already involved in the county assisting businesses in a self-evaluation pollution control program when the Montgomery County Chamber of Commerce decided to undertake a project to solve the county's most pressing problem. A. S. Damiani, facilities manager of Fairchild Industries and a vice president of the county chamber of commerce, joined by R. D. Wooten for the University of Maryland, set about creating a problem-solving program. Pollution Engineering's editors were asked to help provide technical support.

U.S. Congressman Gilbert Gude agreed to be honorary chairman. His office personally invited a key representative of every business, organization and association in the entire county to attend and participate in the program. Because of the large audience anticipated, it was decided to hold the program in the main auditorium of the National Bureau of Standards. Ultimately some 300 individuals from 7 states and one foreign country attended this unique symposium.

The two-day program was designed for total audience participation and education. On the first day a panel would present the problem, and then a panel of technical experts would discuss specific solutions and answer questions from the audience. On the following day the audience would be divided into small discussion groups to deliberate the problem and arrive at answers using information from the technical panel, while providing the necessary input of what was acceptable to the residents of the county.

Upon arriving at a concensus of all of the discussion groups, another panel would present the county officials with recommendations, as well as transcripts and tape recordings of the proceedings. Thus, the symposium was designed to provide the county government—without charge—expertise to resolve its problems, and to determine what the community leaders considered an acceptable solution.

The solid waste disposal problem of Montgomery County was presented to those attending the symposium by a panel of representatives from the county government and board, U. S. Environmental Protection Agency, State of Maryland's solid waste control office, and an individual representing the many citizens' organizations. Each panel member described the problem from his viewpoint, providing the audience with a total picture of the problem.

### THE SOLVERS

As explained by the county officials, the problem was simple—planty of refuse and no place to put it. The quantity of solid waste received at the county incinerator and landfill during fiscal year 1969–70 amounted to 282,000 tons of incinerable refuse (an average of 906 tons per working day) and approximately 69,000 tons of non-incinerable bulky refuse (an average of 222 tons per working day.) County officials estimate that these figures will increase to 920,000 tons per year of incinerables and 262,000 tons per year of non-incinerables by 1995—an increase of over 200 percent between 1971 and 1995. Adding to the difficulty, the state of Maryland adopted air pollution control regulations which will force shutdown of the incinerator facility by July 1973, if costly major redesign considerations are not carried out.

The State of Maryland and the U. S. Environmental Protection Agency are sympathetic and understanding of the problems involved, but to them the solution is clear-cut—just comply with the law. As viewed by the citizens, the problem becomes involved with personalities. The residents would like the county officials to be more open about the problem and what is being done to solve it.

Once the problem had been fully aired, Pollution Engineering's technical panel of solid waste disposal experts sat down to provide data on solving it. Extreme care had been taken in selecting the technical panel. It was important that all sides were represented including government, consultants, researchers and manufacturers. This also enabled the panel to discuss legislation, financing and projects in the development stage. To ensure that prejudice would not creep into the discussions, the panel was structured to include at least two individuals who could speak with authority on a specific facet of solid waste disposal, such as compacting.

However, the technical panel did deviate from what might be considered normal practice in its analysis. Most of the audience knew the many advantages of incineration, landfilling, pyrolysis, shredding, high temperature incineration, compacting and recycling. However, probably very few of them fully understood the limitations of the various processes. Since official recommendations from the symposium would be determined by the general audience, it was imperative that everyone be provided with a total unbiased picture of the methods and equipment available. Therefore, in its analysis of the problem, the panel stressed the limitations of the solid waste handling and disposal processes from equipment to economics.

Several weeks prior to the start of the symposium, each panel member reviewed the technical data furnished by the county and submitted in writing a detailed statement on how he proposed to solve the problem viewed only from his immediate field of expertise. This was done without collaborating with fellow panel members.

Then just before the symposium started, all panel members were given copies of the statements made by one another. This immediately provided a base for discussion between panel members with differing viewpoints. It also demonstrated to the audience how methods could be logically combined to form a complete solid waste disposal system.

During this discussion among panel members, the audience submitted questions for clarification and elaboration. For example, questions were directed to the federal government representatives asking about funding to relieve the cost burden. And, why are shredding demonstration programs being reevaluated? The panel was asked to discuss the problem of increased decomposition time in a landfill created by compaction and baling of refuse. Panel members were asked to discuss the use of ultraviolet radiation to increase the decomposition rate.

Industry's contribution to the solid waste problem was also dealt with at great length. It had been suggested before the symposium, that industries using the county's disposal services should be forced to carry a greater portion of the cost or find their own places for disposal. It had also been suggested in the press that industry should be required to perform some type of processing of refuse before it left the plants. This might range from separation of incinerables and non-incinerables all the way to required compaction and baling.

The panel members did not feel the problem was sufficient to require industry to find its own disposal sites. They did, however, feel that manufacturers should be investigating on-site preparation or disposal systems for the economic benefit to be derived. Many examples were presented detailing the cost advantages of on-site compaction, shredding, baling and incineration.

Legislation requiring homeowners to perform some type of refuse preparation were also thoroughly discussed. For example, it was requested that the panel consider possible legislation requiring home incineration. The panel determined that, considering the number of residences in the county and the operating efficiency of most home incinerators, required residential incineration would be prohibited by the air pollution control regulations of Maryland.

Advocates of recycling asked the technical panel to discuss required on-site segregation of materials. Though all the panel members were in favor of recycling, they felt that a sufficient, stable market for recycling paper did not exist in the immediate area, and therefore did not feel that requiring legislation to separate this material from refuse was justified.

However, the panel felt that possibilities for additional processing of the ash from the county incinerator showed promise for savings in operating costs. In addition, while the incinerator is not presently designed or equipped to capture heat and generate steam for sale, it was agreed that, if major modifications are required to meet state pollution standards, incorporation of this capability should be considered.

The technical panel then presented several workable solutions for the audience to consider. These recommendations encompassed the whole problem including collection, processing and disposal. It was stresed by one of the panel members, however, that several new disposal techniques are nearing completion of tests by the U.S. Bureau of Mines. Therefore, any final recommendations for long-range disposal planning should leave the door open for the county officials to investigate and incorporate newer and possibly more economical methods.

The audience left the first day's proceedings to personally consider the problems, solutions and limitations brought out by the panel. They were, however, requested to return the following day to deliberate this material in small discussion groups. In turn, these groups were to arrive at a series of guidelines that county officials could follow in proceeding to solve the problem.

### THE RESULTS

The success of any program should be measured by the results achieved.

Generally, people were unhappy with the amount of money they were paying for services received. Therefore, no one was in favor of additional costs to the homeowner and business for improving service.

One hot item which drew much discussion, but no results, was the question of imposing limitations on packaging materials. The discussion groups were made up of individuals with strong attitudes on both sides of the problem. Though people understood that plastic would not decompose in a landfill, some were willing to accept this environmental contaminant for the opportunity of see-through packaging materials when purchasing groceries such as meats.

Of major significance, however, was the concensus reached on the question of separating materials at their source for collection and possible recycling. The majority of people agreed that they did not want to be inconvenienced by this task and would do so only if compelled by law. This feeling also answered the question about the need to have pickup collection stations strategically located in the county to which individuals could voluntarily bring recyclable materials. Although these depositories would be used by a few people, the reduction in the overall amount of waste to be handled would be insignificant.

This question has extreme national importance. Practically every community in the country is considering the operation of some type of recycling program. Many cities have operated a one- or two-day collection project with great success. However, if the vast majority of community residents will not continually support and supply a recycling station, its impact will be negligible in terms of alleviating the solid waste problem. Americans must be educated about the problem and realize the necessity of some personal inconvenience.

The greatest benefit to the county officials came from the recommendations of the discussion groups to the question: "What do you feel would be the most feasible disposal system—present and future?" To solve the immediate situation the group concensus was that the present incinerator must be upgraded to comply with state pollution standards. Since a small landfill is required for incinerator residue, the county should take immediate steps to acquire property for that purpose only.

Also, since a vast number of individuals with solid waste interest and expertise live and work in the county, it was recommended that the government should immediately create a task force to continually investigate problems and techniques and report to the officials and the public.

Finally, the symposium recommended that the county government embark on a long-range education program to keep the public informed of the solid waste problem and attempt to change attitudes about recycling. This would be combined with a long-range program investigating high-temperature incineration, improved collection and operation of a processing/recycling facility.

We, the editors of Pollution Engineering, feel that the symposium accomplished far more than appears on the surface. For the first time all sides were able to unemotionally discuss the difficulties each was having with the other—citizens with the county, other governments with the county government, and Montgomery County officials with the residents. This did much to further the education of the people and to resolve many differences in understanding.

Additionally, county officials were provided with a fantastic amount of free expertise on their specific problem by the technical panel. The experts put the problem in its true perspective, and set out to educate the government and citizens alike. It was an outstanding display of dedicated men believing that pollution can be controlled through reason and understanding, giving of their time and abilities to meet that end.

Solid waste in Montgomery County is still of concern. But now county officials know what citizens consider acceptable to alleviate the situation. In turn, the people understand that there is not one easy, quick solution to the problem. As long as communication continues to exist between all parties, the problem will be controlled and soon solved.

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## GROUP PRACTICE

## HON. TIM LEE CARTER

OF KENTUCKY

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. CARTER. Mr. Speaker, the growth of group medical practice in this country has been quite steady for a number of years. As a physician, I find that the American Medical Association is often accused of opposing a group practice. I believe a recent editorial from the American Medical News states the position of the AMA on this topic and I insert the editorial in the RECORD at this point:

[From the American Medical News, Sept. 13, 1971]

### GROUP PRACTICE

Group practice has become a favorite topic in the continuing debate over America's health care system.

Some participants in the debate claim that group practice is the answer to many problems of health care delivery. Legislation has been introduced in Congress that would provide financial subsidies for the development of group practice, a move which the American Medical Association has opposed because it favors the development of one type of practice over all others. This opposition has led to rebirth of the oft-repeated myth that the AMA always has opposed group practice.

This is not true.

The AMA in the 1930s questioned so-called "contract" practice, in which entrepreneurs hired willing physicians and sold their services in such a way that both the physicians and the patients were exploited. This, however, is not group practice; it is "contract practice."

In 1933, the AMA House of Delegates said: "Those forming a group should be guided by the same principles regarding professional qualifications for practice, ethical relations to fellow practitioners, and consideration for the economic position of these whom they serve as should guide the individual practitioner."

In 1957, the House said: "It is within the limits of ethical propriety for physicians to join together as partnerships, associations, or other lawful groups provided that the ownership and management of the affairs thereof remain in the hands of licensed physicians."

In 1970, AMA recognized "the need for multiple methods of delivering medical services," and pledged to encourage and participate in efforts to develop them. It called for maintenance and creation of incentives in medical practice, and pointed out that "Among these incentives are a multiplicity of practice options, maximum professional independence, and freedom of choice for both physicians and patients."

Group practice has enjoyed a steady growth in the past few decades. Since physicians comprise those group practices, and since 82% of MDs involved in office-based patient care belong to the AMA, the continued charge of AMA opposition to group practice is difficult to uphold. Furthermore, two members of the AMA Board of Trustees are in group practice, and since 1962, the AMA has made available to MDs a book, *Group Practice—Guidelines to Joining or Forming a Medical Group.*

The AMA has stated on many occasions its belief that a pluralistic system of medical care, utilizing solo practice, group practice, group practice prepayment, and other mechanisms, is the best way to assure that the public will receive quality health care, with each patient and physician having the right to choose the type he prefers. What the AMA opposes is coercion—through legislative, financial, or other methods—to force physicians to practice in any setting, or to force patients to receive care from any one type of practice.

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## PHILLIPS PETROLEUM TAKES TOP HONORS IN ENVIRONMENTAL CONTROL DEVELOPMENT

## HON. JAMES M. COLLINS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. COLLINS of Texas. Mr. Speaker, Phillips Petroleum has won first place recognition for its innovations in resource utilization optimization of Petroleum

Engineer's environmental control program. Phillips was cited for its technique developed to utilize an off-gas produced at its Toledo, Ohio, carbon black plant.

Not only is the petroleum industry seeking new ways to prevent pollution, but as Phillips Petroleum has ably shown, they are developing positive uses for what was up to this time seen only as industrial waste. America salutes the petroleum industry as one of the leaders in her increasingly important program of environmental control.

The award to Phillips Petroleum stated:

> Industry has been spurred to seek imaginative ways of utilizing processing byproducts once regarded as "waste." Prime example of Phillips Petroleum Co.'s efforts in this area is a newly developed system to utilize an off-gas produced at its Toledo, Ohio, carbon black plant.
>
> The plant produces about 60 million lb of carbon black every year, made in a reactor by the partial combustion and thermal decomposition of oil in an atmosphere of limited oxygen. After reaction, carbon black-ladened gases flow from the reactor through a water quench, where they're cooled and into a complex filter system where the carbon black particles are separated from the gas.
>
> The remaining gas is roughly 50% water vapor formed during the cooling process and nitrogen, smaller amounts of carbon monoxide, hydrogen, carbon dioxide, unburned hydrocarbons, sulfur compounds, and a trace of carbon black. Normally produced at a rate of about 2.5 million cu ft/hr. this "off-gas" under many industrial situations would be vented to the atmosphere after filtration.
>
> To further protect the environment, however, as well as utilize the energy value of the gas, Phillips devised a method whereby the gas could be burned and the resulting heat put to a useful purpose
>
> Oxidization of this off-gas is more difficult than that of conventional fuels because of its low concentration of combustible materials and high concentration of water vapor. Off-gas heating value is extremely low—only 35 to 50 Btus/cu ft. By contrast, natural gas has a heating value of about 1000 Btus/cu ft, 60 times greater.
>
> The off-gas is used as fuel for the plant's two carbon black dryers as well as two boilers which supply steam for various processes. Because of the low Btu value, it was necessary to design these units with larger fire boxes than would be required had a conventional fuel been used. Technical problems also had to be overcome to accommodate the rapid fluctuation in the fuel's heating value. Extensive instrumentation was installed to constantly monitor and make automatic adjustments for these fluctuations.
>
> During partial plant shutdowns or other occasions where the off-gas output may be reduced, natural gas is introduced into the fire boxes to sustain adequate heat level. Should operating conditions result in more off-gas than can be consumed, the excess gas is sent to an incinerator, where it is burned.
>
> Although off-gas utilization at the Toledo plant has involved higher investment costs and closer operating supervision than would be required by conventional heat generating systems, Phillips believes the savings in fuel costs and the environment advantages outweigh these drawbacks. From a maintenance standpoint, the system has performed without major difficulty since its installation in June 1970, Phillips said.

## DEFEAT OF PRAYER AMENDMENT CREATES SNEAKY PRAYING

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### HON. JOHN R. RARICK

OF LOUISIANA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. RARICK. Mr. Speaker, I thought our colleagues would enjoy a bit of satire which appeared in the local paper following defeat of the prayer bill. There might well be more truth than humor in it.

The news clipping follows:

[From the Washington Star, Nov. 12, 1971]

#### THOSE SLY KIDS WILL PRAY ANYWAY

(By Arthur Hoppe)

> Is Congress out of its mind? Killing the constitutional amendment that would have allowed our little children to pray in school?
>
> It is obvious these venal politicians care more for the votes of their godless Communist constituents than they do for the needs and desires of our American youth.
>
> True, the amendment was not without its faults. While it would have guaranteed the right of children to pray in school, it said nothing about their right, for example, to pray on school buses.
>
> As anyone who has been aboard a brakeless school bus careening down a mountain road will testify, one right is surely the equal of the other.
>
> The school bus section of the prayer amendment was reportedly dropped as a sop to anti-busing forces. More mysterious was the failure of the amendment to say a word about the people's right to pray in other public structures such as libraries, football stadiums and the offices of the Internal Revenue Service.
>
> But wishy-washy as the amendment was, it was at least a start. And what a boon it would have been to our little children! For, after all, as long as they're going to do it anyway, we might as well let them do it openly and legally.
>
> The way it is now, of course, our little children in public school have to sneak their prayers when the authorities aren't looking. This not only creates a disciplinary problem for the teachers, but it instills in our young a disrespect for rules and regulations.
>
> Take a typical classroom scene these days. Take the scene in Miss Penelope Prudence's fifth grade class at the Garret A. Hobart Elementary School.
>
> Miss Prudence: All right, class. Let's open our Sex Education books to the center fold and . . . Just a minute! Herman, what are you mumbling under your breath?
>
> Herman (nervously): Just the Gettysburg Address, honest, Miss Prudence.
>
> Miss Prudence (frowning): Are you certain it wasn't the Lord's Prayer, Herman? I distinctly heard you say, "Our Father."
>
> Herman (quickly): Oh, no, Miss Prudence. "Our forefathers." You know, "who brought forth . . ."
>
> Miss Prudence: Hmmm. I needn't remind you, Herman, that you're on probation since the principal caught you in the boiler room with those sixth graders sneaking Hail Marys. All right, now, we'll . . . Martha Lynx, I saw Sparky pass you that note! Bring it up here this instant.
>
> Martha (blanching): It's just a mash note, Miss Prudence.
>
> Miss Prudence (grabbing it): Aha! Just as I thought. The Twenty-Third Psalm! Passing prayers in class again, eh? And what's that you've got hidden behind your sex education text? Ah, the Book of Common Prayer!
>
> Martha (in tears): I'm sorry, Miss Prudence. I was praying for a B-minus in sex education.
>
> Thats no excuse, Martha. I'll have to send a note to your poor parents. This illegal praying in school has got to stop!
>
> But keep the faith, fellow Americans. The prayer amendment is bound to be revived next year. Let us pray.
>
> Miss Prudence (sternly): It will be stronger, more inclusive and less wishy-washy. And let us pray it will be speedily passed. But let's not rely on the efficacy of prayer.
>
> After all, our congressmen begin each day's session by praying for divine wisdom. And look where that's got them.

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## EUPHORIA ON PRESIDENT NIXON'S COMING VISIT TO RUSSIA

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### HON. EDWARD J. DERWINSKI

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. DERWINSKI. Mr. Speaker, euphoria automatically develops when a U.S. President makes the predictable announcement that he will visit Moscow, and President Nixon's proposed trip next spring is no exception.

Therefore, it was with special interest that I studied and restudied the very penetrating column by Crosby Noyes in the October 24 Washington Sunday Star which, I believe, is well worth reviewing, especially among White House staffers.

#### DOUBTS ON COMMUNITY OF INTEREST WITH RUSSIA

(By Crosby S. Noyes)

> The makings of a sharp disagreement between the White House and the Pentagon over a reading of Russian military and political intentions could seriously affect the prospects for President Nixon's projected summit meeting in Moscow next May.
>
> The White House at this stage is uncharacteristically optimistic. In announcing his plan for the Moscow trip, Nixon is holding out the promise of "significant progress" in various areas of East-West negotiation and most especially in the area of armaments limitation.
>
> In the President's hopeful view, Moscow and Washington "can both agree that neither major power can get a decisive advantage over the other, an advantage which would enable it to launch a preemptive strike which might enable it to engage in international blackmail."
>
> This, in itself, is quite an assumption. If one buys it on the basis of what has gone on so far in the strategic arms limitation talks (SALT) at Helsinki and Vienna, then indeed a great deal may be possible. But there is fairly good evidence that Nixon's optimism is not shared by all of the top administration leadership.
>
> It was hardly coincidental that at the same time the President was explaining why the Russians would negotiate seriously on armaments limitations, the Pentagon broke out with a rash of announcements on Soviet activities that point toward considerably grimmer conclusions.
>
> First, the Air Force reported that the Russians had deployed operationally a new and potentially deadly nuclear delivery system

known as FOBS (Fractional Orbital Bombardment System). According to a spokesman, the new device represents a weapon "which can approach us from virtually any direction and without detection."

Next, it was disclosed that the Russians are continuing rapid construction of three different new types of missile silos. Although Soviet land-based missiles already outclass the American strategic arsenal in numbers (1,550 to 1,054) and size (up to 25 times the megatonnage of the largest American missiles), they are busily forging ahead on more than 90 large new emplacements.

And finally, Defense Secretary Melvin Laird warned that the Soviet Union is doubling its production facilities for nuclear missile-firing submarines. At the present rate of building, said Laird, the Soviets would match the American fleet of Polaris submarines by 1973 and possibly pull rapidly ahead thereafter. President Nixon's coming talks with the Soviet leaders, the secretary said, were "indeed very important."

It is possible to be cynical about these markedly different appraisals of what the Russians are really up to. Around appropriation time, it is not unusual for the Pentagon to come along with alarming data on Russian efforts in the field of weaponry. It is not surprising, either, that the President chooses to accentuate the positive in his analysis of the Russians' willingness to resolve major differences with the West.

But it also is possible to see in the various negotiations that have been going on a pattern which suggests that the Russians have a very clear concept of their own interests and objectives. And which suggests further that these interests and objectives may not coincide as closely with our own as Nixon apparently hopes.

The Russians, for example, have negotiated an agreement on Berlin which everyone accepts as being very much in the interests of the West. In return, however, they are confident of getting ratification of a treaty with West Germany which consecrates the division of Germany and the status quo in Eastern Europe for the foreseeable future. The Berlin agreement, furthermore, could clear the way for a negotiation on troop reductions in Europe, leading to substantial cuts in American forces assigned to NATO.

Again, in the area of arms limitation, the Russians seem to be having things so far very much their own way. From the beginning of the SALT talks, they have shown considerable interest in limiting defensive nuclear weapons systems and very little interest in putting a ceiling on the deployment of offensive weapons.

The United States, which entered the talks with the firm resolve to keep defensive and offensive systems linked in an inseparable package, apparently has abandoned that resolve in the hope of reaching at least an interim agreement at an early date. Last May, it was agreed to concentrate on a formula for limiting defense weapons by the end of this year "and on certain measures to limit offensive weapons."

Whether this vague phrase justifies Nixon's assertion that neither of the major powers will try to "get a decisive advantage over the other" remains to be seen. Apparently there are still a number of skeptics who believe that in the coming era of negotiation, the Russians may try very hard to do just that.

## WAR ON WILDLIFE

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## HON. G. WILLIAM WHITEHURST

OF VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. WHITEHURST. Mr. Speaker, a number of bills are now before the Subcommittee on Fisheries and Wildlife Conservation of the House Committee on Merchant Marine and Fisheries, chaired by Mr. DINGELL, and I am confident that some valuable, meaningful legislation will be the result.

I had the opportunity to submit testimony before this subcommittee on behalf of my own bills, H.R. 6804 and H.R. 7240. I pointed out the need to do away with such cruel and dangerous means of trapping and killing as steel jaw traps, coyote getters, and Compound 1080. Let me commend to my colleagues the following article by Faith McNulty, which has been reprinted from the National Parks and Conservation magazine. I regret that the RECORD cannot also reproduce the pictures which accompany it, because they are further testimony to the tragic effects of the encroachment of what we like to call civilization.

The article follows:

### WAR ON WILDLIFE

(By Faith McNulty)

Imagine you are standing and looking over the rolling grassland somewhere out West. The hill on which you stand is dotted with the small, earthen mounds of burrowing rodents called prairie dogs. Nearby is a little stream, its banks green with tall grass and brush. It is ideal wildlife habitat. The country is home to coyotes, badgers, foxes, raccoons, skunks, various rodents, and many birds. We will say that this is public land. (A third of the continent is still in the public domain.) Theoretically you, a citizen, own an interest in it no matter where you live.

A pick-up truck drives over the hill and stops. A man gets out carrying a shovel and walks toward the stream. You decide to accompany him. He pokes around in the shrubbery until he uncovers a trap. A badger, caught by the leg, snarls and cowers. The man hits the badger on the head with the shovel. Momentarily stunned, it lies still and he releases it. He resets the trap. The injured badger crawls away. Moving a little farther downstream, the man comes across the corpse of a coyote but continues until he finds an unusual object sticking up out of the ground. It looks like a piece of pipe some 6 inches tall. The man examines it briefly and turns away. He then goes to the pickup truck where he takes out a sack and slings it over his shoulder. He starts walking from one prairie dog hole to another, and at each he drops a tiny gift—a few grains of oats.

Imagine further that you question the man about what he is doing. You learn that he set the trap for bobcats, but caught the badger accidentally. The pipe device is called a coyote getter. It fires a dose of cyanide into the mouth of any animal that tugs at its scented wick. The oats dropped at the doorsteps of the prairie dogs are also lethal—they will kill 90 per cent of the dog town's population. Survivors will later be "cleaned-up" with cyanide cartridges thrown down the holes. This will also "clean up" any other denizens of the holes—burrowing owls, snakes, toads, rodents, and so on.) If it is winter, the man is likely to have set up a bait station somewhere in the vicinity. A bait station is a hunk of poisoned horsemeat—50 or 100 pounds—staked to the ground. It is designed to kill coyotes, but it is also capable of killing various other animals and birds. At some other location the man may have broadcast hundreds of small baits of poisoned tallow or distributed dozens of poisoned eggs.

Thus you have been introduced to the main weapons in a continuing war on wildlife carried on throughout the West under various names such as "husbandry," "conservation," and "multiple use."

Imagine that you continue your conversation with the man while he is poisoning the prairie dogs:

Q. "Why are you killing all these animals?"

A. "We don't call it killing. We call it 'animal damage control.' "

Q. "How do you control animal damage?"

A. "By killing the animal."

Q. "What damage do animals do?"

A. "Coyotes eat sheep. Prairie dogs eat grass. Bobcats kill game birds. The ranchers want to get rid of them. Then there are the 'nuisance' animals—skunks, badgers, 'coons. We kill them, too. And foxes."

Q. "But this is public land, isn't it? Doesn't the wildlife belong to the public?"

A. "We don't call predators and rodents 'wildlife.' The rancher who leases this land has the right to make the most possible profit out of it, and that means getting rid of the vermin."

Q. "How many animals do you kill?

A. "Nobody really knows. We can't go around and count every dead body. We think we kill a couple of hundred thousand coyotes a year. We poison maybe a million acres for rodents. The small animals and the animals that are killed accidentally we can only guess at."

Q. "What does all this poison do to the ecosystem?"

A. "Nobody knows. Every location is different. But it isn't economically important so it hasn't been studied very much."

Q. "Doesn't anybody object to your poisoning wildlife?"

A. "It sure drives the Protectionists up the wall!"

Q. "What's a Protectionist?"

A. "Protectionists are people who think wild animals are more important than a man's right to make a profit. Out here we think they ought to mind their own damn business. They don't live here."

Q. "Who is *we?* Who is doing all this killing?"

A. "*Please* don't call it 'killing'! That gets the public upset. Call it 'control' or 'management.' That's the scientific term."

Q. "Who is doing all this 'managing'?"

A. "The United States government. The Bureau of Sport Fisheries and Wildlife has overall responsibility for wild animals. The division that I work for that controls animals is called Wildlife Services. We think it sounds like something everybody can be in favor of."

The scene described may be imaginary, but the situation is real. It is one of the incongruities of our policy toward wildlife that the public agency charged with conserving it for all the people is also responsible for decimating large segments of it. It comes as a further shock to those of us who think of America as a nation of animal lovers to find that we do not in reality grant to wildlife the right to exist unless it pays its way. Game animals and birds are worth money—hunting is a billion-dollar business—so these species are fostered and fattened for the harvest. But species that have no dollar value—and this is a large group—have few rights and little protection. On the contrary, if they get in someone's way or conflict with maximum profit from the land, they are destroyed.

The federal government's official policy was expressed in a statement issued in 1967. Though it recognized the right of the public to enjoy wildlife, it also defined "animal damage control" as "the management of damaging bird and mammal populations at levels consistent with the needs and activities of man." Obviously, with ever-expanding human activity, this level can sink to zero.

Unwanted animals are killed by landowners, by farm and livestock associations, and by state agencies, but far and away the most lavish destroyer is the Bureau of Sport Fisheries and Wildlife, which is authorized by Congress to kill virtually any animal that can be accused of any damage. Funded by both state and federal money, the Bureau's "control" division spends over $7 million a year and employs nearly a thousand men. The necessity for this killing, its justification in economic or any other terms, its benefits to individuals versus the detriment to the public, and its ecological results have been challenged and debated for 40 years. And while the debate continues, so does the killing.

The Federal Government got into the animal killing business by accident. In the early days the only federal agency that dealt with wildlife was the Biological Survey. Its main functions were to carry out research and to advise farmers and ranchers on problems of husbandry, problems that included damage by predators and rodents. During World War I efforts were made to increase beef production. Congress appropriated $125,000 to kill the wolves that still sometimes harassed western herds. The money was given to the Biological Survey, which hired hunters and trappers.

Soon sheepmen wanted the same service to protect their flocks from coyotes. It was not long before western congressmen recognized the killing as a valuable subsidy for their constituents. The trappers and hunters were given more duties, and more and more money was appropriated for the Survey's animal-killing division, known then as Predator and Rodent Control (PARC). Bureaucratic prosperity set in. Supervisors in Washington mapped the west into districts, and a small army of field men was hired to shoot, trap, and poison everything from the lordly mountain lion to the lowly gopher. ("Gopher-choker" was the field man's unaffectionate nickname.)

Naturally, men hired to do a job want to make sure there is a continued demand for their services. PARC agents became propagandists against predators and rodents, searching out instances of alleged animal damage and working to convince landowners that "control" increased profits. They built an ever-widening constituency that brought pressure on Congress for more funds for PARC. More funds hired more field men, who in turn worked to increase demand, so that a circular system was established. PARC came to dominate the Survey's more benign and less profit-oriented activities. By 1930 PARC had a million-dollar budget.

The widespread killing so dismayed conservationists and scientists that the American Society of Mammalogists urged Congress to abolish PARC. Congress very nearly did so. But officials of the Biological Survey promised reform—less killing, less propagandizing and soliciting, more research. Their promises were accepted, and PARC made a new start. In 1940 the Biological Survey was transferred to the Department of the Interior and renamed the Fish and Wildlife Service. PARC became part of the Service's Bureau of Sport Fisheries and Wildlife.

After World War II the sheep industry encountered financial troubles and labor shortages. Owners began to employ fewer herdsmen and to run larger flocks. They demanded more federal control of coyotes. Once again PARC's appropriations, congressional support, labor force, and scope of killing began to increase. Its deadly work again dismayed conservationists, particularly when it killed wildlife on public land.

In the western states much of the sheep grazing and cattle raising, and consequently much of the poisoning, is carried out on public land. The Bureau of Land Management and the Forest Service control nearly 700 million acres—a vast domain, three times the area of Texas. Congress has declared a policy of leasing the land under the concept of "multiple use"—including sheep, cattle, mining, logging, and so forth. When wildlife conflicts with these commercial interests, lessees demand that it be eliminated. The Bureau of Land Management and the Forest Service employ the Bureau of Sport Fisheries and Wildlife to do the job.

Conservationists object. They declare that wildlife is public property of value to the nation as a whole and is a worthy use of the land. In the name of multiple use, they ask that holders of grazing leases coexist with wildlife even if this requires the sacrifice of a portion of their profit. Why, they ask, should the public sacrifice its irreplaceable heritage of wildlife in order to further subsidize leaseholders who in many cases are paying as little as a quarter of the open market value of the grazing they receive from the federal government?

The indignation of conservationists is further increased by PARC's use of a hideously lethal poison, sodium fluoroacetate, known as 1080, which was introduced in the mid-forties. From the point of view of those engaged in killing animals it is a great advance over earlier poisons. It is ordorless and tasteless so animals cannot detect it, soluble in water, slow to deteriorate, and extremely cheap. A few cents worth of 1080 injected into meat or absorbed by grain can make enough bait to kill thousands of animals. Bait can be broadcast from airplanes to "treat" hundreds of thousands of square miles. Thanks to 1080 it is now possible to wipe out animal life on an enormous scale.

Another disastrous property of 1080 is its stability. It does not break down in the body of its victim. Any animal or bird that feeds on the carcass of a 1080 victim may be poisoned. Its body in turn may become another lethal bait. Dying animals may travel some distance, vomiting deadly doses of undigested meat, attractive to many animals and birds, along their trail. The possibilities of a chain reaction are great. A Bureau of Sport Fisheries and Wildlife biologist described 1080 as having "the potential of a biological high explosive."

In the fifties conservation organizations criticized PARC with increasing bitterness. In 1963 Secretary of the Interior Stewart Udall responded by appointing a board to evaluate PARC's work. Its chairman was Dr. A. Starker Leopold of the University of California, and the other members were well known in wildlife circles: Dr. Ira N. Gabrielson, an NPCA trustee and president of the Wildlife Management Institute; Dr. Clarence Cottam, NPCA board chairman and a former assistant director of the Fish and Wildlife Service; Thomas L. Kimball, now executive director of the National Wildlife Federation; and Dr. Stanley A. Cain of the University of Michigan. These men were by no means "hysterical protectionists," as PARC customarily termed its critics.

The Leopold board proceeded from the premise that "local population control" is essential where a species of animal causes "significant" damage to property. But it coupled this with the relatively new concept that *all* native animals are resources of value to the people of the United States. This resource, it found, was being needlessly wasted by Bureau control. Its investigation of PARC revealed a situation every bit as ghastly as the conservationists had said it was. The board found that PARC men still pressed their services as though they were peddling vacuum cleaners. Killing was their business, dead animals their product. Field men competed to see who could kill the most animals. Killing, the board said, had become an end in itself.

The board found a number of factors accounting for this grisly situation. One is the psychological fact that hired killers can be expected to think of maximum killing as doing the "best" job. Another factor in overcontrol is the peculiar way the Bureau finances its killing. It gets money not only from Congress but also from those "benefiting" from the work. These may be other federal agencies (principally the Bureau of Land Management, the Forest Service, and the Bureau of Indian Affairs), state and county agencies, livestock associations, commercial firms, or private ranchers. To keep money flowing, the Bureau must satisfy its customers. Thus those who want control have a strong voice in determining how much killing is "necessary." On the other hand, conservationists are unrepresented in the Bureau's councils. In fact, the board found, their complaints about too much killing were customarily stifled and evaded by Bureau officials. Thus the system puts the fate of wildlife in the hands of its enemies and excludes its friends.

The Leopold board also found that the Bureau justified needless killing with unwarranted biological assumptions. It is, for instance, unproven that coyotes do significant damage to cattle, but the Bureau kills coyotes for the supposed benefit of cattlemen as well as for sheepmen. Bobcats are on the Bureau's death list although the board found their depredations "insignificant." The board declared that killing predators to protect game animals is biologically unsound. In most cases predators keep prey populations balanced and healthy. The board also found that the Bureau leans heavily on the fact that rabies flares up in wild animals from time to time and is very frightening to the public (even though few human cases occur). In truth no one knows how best to suppress rabies in the wild, short of total extermination of furbearers, but the Bureau responds to rabies outbreaks among animals with carloads of poisoned eggs and often cites rabies "suppression" to justify its claim that it "promotes human health and safety."

In going about their animal killing, Bureau field men theoretically were bound by rules designed to minimize damage to nontarget wildlife. Poisoned horsemeat, for instance, was supposed to be used only in winter when many small furbearers are inactive, and the baits were supposed to be spaced a certain distance apart. The board found that such safety rules often were violated and that these violations greatly increased the death toll.

In appraising 1080 the board gave a split verdict. It declared that 1080 is probably the best available poison for coyotes in that it is highly effective and, if the safety rules are followed, no more damaging to other wildlife than such substitutes as arsenic, strychnine, or thallium. On the other hand, it attacked the Bureau's heavy use of 1080 for rodents, which results in the death of countless innocent coyotes, badgers, bears, foxes, raccoons, skunks, opossums, eagles, hawks, and owls. The board recommended that legal means be found to control the use of 1080 to prevent ecological abuse.

Although the board conceded that some animals damage some property, it found that the Bureau worked more from assumption of damage than from knowledge. No reliable figures have been collected to show the extent of loss of crops or livestock to predators and rodents, nor is there any evaluation of property protected. This failure, the board found, made it impossible to reach an objective determination of the need for control.

In short, the board thoroughly damned the way the Bureau operated. "The program," it said, "has become an end in itself. . . . For more animals are being killed than would be required to protect livestock . . . , crops, wildland resources, and human health." It found "scant relationship to real need and even less to scientific management."

The Leopold board recommended a thorough overhauling of the system to end overcontrol. It conceded that in far western areas where large bands of sheep are the principal use of land, federally operated control may be the best system. But it found the federal program in the Midwest unnecessary. It recommended abolishing federal animal killing east of the 98th parallel (a line running through the eastern Dakotas and eastern Texas) and replacing it with the extension system that conservationists had long recommended.

This system is used in Missouri and Kansas, which never have subscribed to federal control. Instead, the state department of agriculture employs one or two specialists who are available to advise farmers or ranchers on how to protect their crops and livestock from animal damage or how to kill the offending animal without harming others. Experience in these states has shown that the system places animal control on a much more selective basis. Landowners who might casually subscribe to a federal program of wholesale killing are far less eager to do the work themselves unless the need is truly urgent. The net result is that fewer animals are killed.

In other recommendations, the board urged the creation of an advisory board to represent conservationists as well as economic interests; expanded research to find ways other than killing to prevent damage by animals; and a greater effort to determine the real economic need to kill animals, so that needless killing can be eliminated.

Secretary Udall accepted the Leopold Report in 1965, and conservationists waited hopefully for it to be implemented. PARC was rechristened with the soothing title Wildlife Services and put in the hands of a new director, Jack H. Berryman. He and the new Bureau director, John Gottschalk, promised vigorous reform. But soon it was clear that they planned to accomplish it not by any radical change in the system, as the Leopold Report had urged, but merely by trying to reeducate Bureau employees to the concept that wildlife has intrinsic value and only necessary control should be undertaken.

Berryman set to work to end such abuses as soliciting business, flouting rules, and killing without any economic need; but the system that had fostered these abuses went essentially unchanged. There is still no advisory board, no mechanism by which conservationists have equal representation with livestock men, no objective way to evaluate the need for control, no friend of wildlife present when a decision to kill is made. Killing remains the usual method for preventing damage by animals.

Although conservationists are bitter that the Leopold Report has been ignored, Bureau officials are equally angry that their reform efforts have not been appreciated. They claim that conservationists misrepresent them in order to appeal to the lunatic fringe of overwrought protectionists. In an effort to make their work more palatable, they attempt to "educate" the public with almost Orwellian language. Killing animals is often referred to as a "management plan." A recent poster shows a Bureau employe against a background of birds and animals caught in the act of destroying property or endangering humans. Its message reads: "Wildlife resources are of interest and value to all people of the United States. Basic policy is one of husbandry. Local population control is an essential part of management where a species is causing significant damage to resources and crops, or where human health and safety is endangered. Good conservation today—more sport tomorrow." Surely these sentiments are all faultless, but strangely they seem intended to add up to the conclusion that killing animals is "good conservation" of animals, when in fact its aim is conservation of property. The casual reader could easily conclude that the Bureau is helping wildlife by killing it, and that the only value wildlife has is "sport."

Equally odd is the opening of a description of Wildlife Services work prepared for the Bureau of the Budget: "The objective of the Wildlife Services program is to cooperate with federal, state, and local agencies in the conservation and management of the nation's wildlife resources for the use and enjoyment of the entire citizenry." Who would ever guess that this means the destruction of countless thousands of animals for the benefit of ranchers and farmers?

Conservationists have continued to press for replacement of federal control with the extension system. Livestock interests, however, have mounted a powerful defense of their subsidy. At the moment it is considered unlikely that the Leopold Report will be implemented further. However, conservationists are considering a new approach. Both Defenders of Wildlife and the Environmental Defense Fund are preparing lawsuits to assert the right of the public to preserve and enjoy wildlife.

Such lawsuits pose a question more fundamental than whether the Bureau of Sport Fisheries and Wildlife functions properly in killing unwanted wildlife, or whether the responsibility should lie elsewhere. The deeper question is of competition between man and animal for use of the land. To whom does wildlife belong? Who will share in the cost of supporting it? Can the landowner be forced to accept less than maximum profit in order to allow wildlife to coexist? Or should the public reimburse him? Will ecological research show that such "pests" as coyotes and prairie dogs contribute more to our total well-being than would the lambs and the grass that these wild animals consume? Can our economic system respond to intangible values so that an animal that cannot be directly used can compete with marketable goods? The way these questions are answered will determine what level of wildlife, if any, will still exist a few years hence.

We are just now in the midst of redefining a number of our values, attempting belatedly to paste price tage on such "free" commodities as sunshine, air, and water. Wildlife is in the same category. Unless value is assigned to all wildlife—even to the most "useless" species—it will be no match for its prime competitor, the dollar.

In the long war on wildlife, man has steadily advanced and wildlife retreated. We are now in danger of achieving total victory. We have the capability to wipe out competing life on a tremendous scale. In such a victory we would surely find catastrophic defeat.

## COMMISSION ON PENAL REFORM

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### HON. ROBERT McCLORY

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. McCLORY. Mr. Speaker, on November 3, my distinguished colleague from Missouri (Mr. HUNGATE) and I joined in introducing H.R. 11544, a bill to establish a Commission on Penal Reform.

In my remarks on the floor on that day I stated that we were fully cognizant of the fact that numerous commissions had been established in the past on a variety of issues only to have their findings and recommendations fade into oblivion.

Nevertheless, we are convinced that the subject of prison reform is so complex and riddled with problems, both substantive and procedural, that a Commission is essential.

Numerous proposals have been put forth in the House since Attica—all motivated by a sense of urgency. It is indeed commendable—and urgent—that Congress accept the responsibility for the reform of our Nation's penal system. And it is encouraging to note that Subcommittee 3 of the House Judiciary Committee is giving this matter its closest attention.

Mr. Speaker, I am submitting a copy of H.R. 11544 for insertion in the RECORD at this point, and I urge my colleagues to study its provisions, as Congressman HUNGATE and I intend to seek cosponsors during the next week.

The bill follows:

H.R. 11544

A bill to establish a Commission on Penal Reform

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,*

SHORT TITLE

SECTION 1. This Act may be cited as the "Commission on Penal Reform Act of 1971".

ESTABLISHMENT

SEC. 2. There is established a Commission to be known as the Commission on Penal Reform (hereinafter in this Act referred to as the "Commission").

FINDING OF FACT AND DECLARATION OF POLICY

SEC. 3. The Congress finds that conditions in many American penal institutions are deplorable and a matter of national concern. The problem, however, is not one which can be solved at any one level of government. For its part, the Federal Government has a responsibility to mount a concerted legal attack on the unconstitutional forms of punishment which are inflicted upon those incarcerated in American correctional facilities. Confinement within an institution where conditions are so bad as to be shocking to the conscience of a civilized people calls forth the urgent need to redress present grievances and to make a prompt start toward eliminating such conditions for all time. The State and local governments share responsibility on their respective levels, and any attempts to penetrate the closed doors behind which the lives, safety, and health of human beings, to say nothing of their dignity, are at stake, should be a coordinated effort at the various governmental levels. It is the purpose of this Act to establish a Commission whose purpose shall be to recommend advisable, appropriate, effective, and constitutional reforms of the Nation's penal system.

### MEMBERSHIP

Sec. 4. (a) Number and Appointment.—The Commission shall be composed of nine members as follows:

(1) Three members appointed by the President from persons in private life, one of whom shall be an individual who has been incarcerated for a period in excess of one year in a State or Federal correctional institution and has assumed a rehabilitated place in society,

(2) Three Members of the Senate appointed by the President pro tempore of the Senate, and

(3) three Members of the House of Representatives appointed by the Speaker of the House of Representatives.

(b) Chairman.—One of the individuals appointed by the President under paragraph (1) of subsection (a) shall be designated by him as Chairman of the Commission.

(c) Political Affiliation.—Not more than two members of the Commission appointed under paragraph (1) of subsection (a) shall be of the same political party. With respect to members of the Commission who are Members of Congress, not more than two Representatives and not more than two Senators shall be of the same political party.

(d) Vacancies.—Any vacancy in the Commission shall not affect its powers but shall be filled in the same manner in which the original appointment was made and subject to the same limitations with respect to party affiliations as applied to the original appointment.

(e) Quorum.—Five members of the Commission shall constitute a quorum, but a lesser number may conduct hearings.

### COMPENSATION OF MEMBERS OF THE COMMISSION

Sec. 5. (a) Members of Congress who are members of the Commission shall serve without additional compensation but shall be reimbursed for travel, subsistence, and other necessary expenses incurred in the performance of duties vested in the Commission.

(b) A member of the Commission from private life shall receive $75 per diem when engaged in the actual performance of duties vested in the Commission, plus reimbursement for travel, subsistence, and other necessary expenses incurred in the performance of such duties.

### STAFF OF THE COMMISSION

Sec. 6. The Chairman of the Commission is authorized to appoint and fix the compensation of such personnel as he deems necessary to carry out the Commission's functions. He is also authorized to procure services to the same extent as authorized for the executive departments by section 3109 of title 5, United States Code, at rates not to exceed $75 per diem for individuals.

### POWERS OF THE COMMISSION

Sec. 7. (a) Hearings and Sessions.—The Commission may for the purposes of carrying out this Act hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission may deem advisable.

(b) Obtaining Official Data.—The Commission, acting through its Chairman, is authorized to request from any executive department or agency any information and assistance deemed necessary to carry out its functions under this Act. Upon request of the Chairman of the Commission, the head of such department or agency shall, to the extent permitted by law, furnish such information to the Commission.

(c) Administrative Support Services.—The Administrator of General Services shall provide to the Commission on a reimbursable basis such administrative support services as the Commission may request.

(d) Subpena Power.—(1) The Chairman of the Commission shall have power to issue subpenas requiring the attendance and testimony of witnesses and the production of any evidence that relates to any matter under investigation by the Commission. Such attendance of witnesses and the production of such evidence may be required from any place within the United States at any designated place of hearing within the United States.

(2) If a person issued a subpena under paragraph (1) refuses to obey such subpena or is guilty of contumacy, any court of the United States within the judicial district within which such person is found or resides or transacts business may (upon application by the Chairman of the Commission) order such person to appear before the Commission to produce evidence or give testimony touching the matter under investigation. Any failure to obey such order of the court may be punished by such court as a contempt thereof.

(3) The subpenas issued by the Chairman of the Commission shall be served in the manner provided for subpenas issued by a United States district court under the Federal Rules of Civil Procedure for the United States district courts.

(4) All process of any court to which application may be made under this section may be served in the judicial district wherein the person required to be served resides or may be found.

### ESTABLISHMENT OF THE ADVISORY COMMITTEE

Sec. 8. (a) There is hereby established a committee of twenty-five members to be known as the Advisory Committee on Penal Reform (hereinafter referred to as the "Advisory Committee") to advise and consult with the Commission and otherwise assist the Commission in its work. The Advisory Committee shall be appointed by the Commission from among lawyers, judges, penologists, criminologists, and other persons knowledgeable and experienced in disciplines related to the Commission's objectives.

(b) Members of the Advisory Committee shall not be deemed to be officers or employees of the United States by virtue of such service and shall receive no compensation, but shall be reimbursed for travel, subsistence and other necessary expenses incurred by them by virtue of such service to the Commission.

### REPORT OF THE COMMISSION; TERMINATION

Sec. 9. The Commission shall transmit to the President and to each House of Congress an interim report not later than one year after the date of the enactment of this Act and shall transmit a final report to the President and to each House of Congress not later than two years after the date of the enactment of this Act. The final report shall contain a detailed statement of the findings and conclusions of the Commission, together with its recommendations for such legislative, administrative, and other action as it deems appropriate. The Commission shall cease to exist sixty days after submitting its final report.

### AUTHORIZATION OF APPROPRIATIONS

Sec. 10. There are hereby authorized to be appropriated out of any money in the Treasury not otherwise appropriated, such amounts, not to exceed a total of $300,000, as many be necessary to carry out the provisions of this Act. Authority is hereby granted for appropriated money to remain available until expended.

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## STUDY IN VALUES: PRAYERS IN SCHOOLS

## HON. DEL CLAWSON

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. DEL CLAWSON. Mr. Speaker, the Los Angeles Herald Examiner for Sunday, November 14 carries an editorial which places the vote in the House of Representatives on the prayer amendment and the surrounding controversy in proper perspective. Under leave to extend my remarks in the Record I hereby include the report by William Randolph Hearst, Jr., editor in chief of the Hearst newspapers which follows:

### Editor's Report—Study in Values: Prayers in School

(By William Randolph Hearst Jr.)

New York.—A curious aspect of our democracy, which is supposed to be government by the people, is that the Congress of the United States frequently ignores the will of the voters who elect its members as legislative proxies.

That is exactly what happened this week when the House, in a really classic disavowal of mandated responsibility, rejected a proposed constitutional amendment to permit voluntary prayers or meditation in public schools.

What makes the rejection so flagrant is the overwhelming public sentiment it simultaneously spurned. National opinion polls had consistently shown that up to 90 per cent of Americans favored adoption of the amendment.

The only remotely encouraging fact about the House action was that a considerable majority—240 members—actually did vote affirmatively in line with the clear wish of the electorate.

It was not enough. The measure failed by 28 votes to get its required two-thirds support when 162 other members voted no. A total of 29 more didn't vote at all.

When our so-called House of Representatives fails to give two-thirds support to an amendment favored by over 85 per cent of the people it is supposed to represent—then you have a situation which surely deserves some close inspection.

Plus a lot of indignation, if you happen to feel as I do about this.

It is happens I went to a Dutch reform grammar school—collegiate by name—as a kid. We went to chapel every morning and read and learned a bit about the world's all-time best seller—the Bible. Offhand I don't recall experiencing any ill effects from this habit. As a matter of fact, most of the great institutes of learning were founded under religious auspices, starting with Harvard. The list is too long to note here.

Starting the day with a prayer is good for kids. If nothing else the humbling practice teaches them that they are parts and not masters of the awesome mystery called creation.

Our Founding Fathers certainly knew this, and they took it for granted. In their day, in fact, the Puritan traditions were still so strong that daily prayers in public schools were a major rather than minor event.

The point is that prayers by school children could hardly have been an issue when the Bill of Rights was written and the following words set down:

"Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof . . ."

In those words is contained the basic principle of church and state separation which has resulted in so much confusion and misinterpretation in recent years. It is well to consider the original intent of the words.

When they were written, I submit, the idea was simply to stop the United States from ever setting up a state religion. Our forefathers had in mind the restrictions represented by the Holy Roman Empire and the Church of England. They wanted no part of that, yet religion itself should be free to flourish.

It was a sweeping, intelligent and foresighted concept. It was followed for more than 175 years—and in all that time no one came up with any serious challenge to prayers in public schools.

Then, suddenly, the nit-pickers and the trouble-makers got busy. Joined by atheists and others whose seeming desire is to tear down the finest traditions of American life, they made a Supreme Court case of the kiddies' prayers.

It was a terrible thing, they contended, for officially operated institutions to be mixed up with any kind of religious endeavor. School prayers, however innocuous in themselves, could lead to an eventual corruption of freedom itself.

This hogwash got a sympathetic hearing from the Supreme Court then headed by Earl Warren, the former California district attorney who had never sat in judgment on anything prior to his appointment to the Nation's highest tribunal.

In 1962 the court ruled that school prayers do, in fact, violate the Constitutional restrictions for separation of church and State. They were banned and have been banned ever since despite insistent public demand for a reversal.

To understand how Congress works, you have to realize that its members are subject to a wide variety of pressures—some legitimate, some questionable and others so vague yet powerful that resistance is difficult if not impossible.

In the first category, of course, is the pressure to do what the electorate back home wants done. In the second is the pressure from wealthy lobbies and special interest groups. The third is much more complicated.

It can and often does consist of fashionable ideas, usually backed by the liberal intellectual establishment and press, which are advanced with such force that common sense itself becomes the victim.

This is what happened in the latest school prayer defeat. It lost because enough members of Congress and even a sizeable number of church spokesmen, were sold on the notion that the principal of church-State separation was being dangerously threatened.

Following the vote, we were regaled with liberal press editorials hailing it as a triumphant reaffirmation of the Bill of Rights. Congressmen who voted against the amendment were congratulated for their "courage" in defying possible voter retaliation at the polls.

What the House did, in actual fact, was succumb to the pressure drive of the nit-pickers, trouble-makers, atheists and the kind of niggling legal mind that attacks the issuance of Christmas stamps as a threat to freedom.

In so doing it not only surrendered common sense—it acted with an irrationality which is almost beyond belief.

Consider this. When the House convened for the showdown vote its members, as first order of business, listened to their chaplain, The Rev. Dr. Edward Gardiner Latch, intoning as follows:

"Lord, teach us to pray . . ."

In other words it's all right and no violation of the Constitution for the nation's lawmakers to start off with a prayer—but when little children do the same thing it might destroy the fabric of democracy.

How can any sensible person justify this double standard?

If a harmless, non-partisan prayer in public school violates the principle of church and state separation, why doesn't a similar prayer in the halls of Congress?

If a church and state are to be totally separate, how come our officials take their oaths of office on the Bible?

And if the division is to be really complete, how come the teardown legal beagles haven't succeeded in purifying our very state-issued money by expunging the words : "In God We Trust?"

Non-sectarian prayers by school children are not a threat to our freedom.

That real threat comes from those who go about attacking and weakening our finest traditions in the name of spurious idealism.

And from those stupid enough to be duped by them.

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## MEYER KAHN TO RECEIVE "SHALOM AWARD"

## HON. JACK F. KEMP

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. KEMP. Mr. Speaker, on the evening of Wednesday, November 17, at Temple Beth Zion of Buffalo, N.Y., the National Israel Bond Organization will bestow its distinguished "Shalom Award" upon a constituent of mine who is well deserving of the honor. Mr. Meyer A. Kahn has shown himself to be an outstanding citizen of western New York, always displaying an unselfish dedication to his community and his country.

A graduate of the University of Buffalo Law School—1927, Mr. Kahn saw the need to do more than merely reflect upon the issues and concerns of the day. His willingness to participate and use his talents for the betterment of others is the finest example of good citizenship.

The award cites Mr. Kahn for his "deep devotion to . . . the land of Israel". As well as his efforts in Israel Bond Drives, Mr. Kahn has over the years served as president of the Montefiore Club, the Rosa Coplon Old Folks Home, advance gifts chairman of the United Jewish Fund, chairman of the board of the Anti-Defamation League of western New York, and he has been involved in numerous other campaigns whenever he felt his assistance could be of use. Currently, Mr. Kahn is the first vice president of Temple Beth Zion and serves as president of the Duo-Temp Corp., which makes him the largest employer in Depew, N.Y.

As a noted industrialist, humanitarian, and civic leader, Mr. Kahn has given a great deal of his time and energies in service to others, and at this point, Mr. Speaker, I would like to include in the RECORD excerpts from "Invest In A Growing Democracy" issued by the Development Corp. for Israel. Their words demonstrate quite clearly the successful efforts made by people such as Meyer A. Kahn. The article follows:

### INVEST IN A GROWING DEMOCRACY

The dramatic history of the State of Israel since its establishment in May, 1948 has provided a remarkable example of dedication to human freedom and the principles of democracy. It is no less remarkable that Israel has been able to make enormous progress in developing a modern and stable economy without compromising the rights of its citizens and despite almost constant siege and crisis on its borders.

Israel as a dynamic and growing democracy owes much of its success to the friendship and support of the United States. From the very first days of the proclamation of Israel's independence, the American people have welcomed the birth of the new nation as a significant addition to the community of the free world. To this very day the common interests and identity of national purpose shared by the United States and Israel have been reflected in an ever closer relationship and a continuing flow of material support.

One of the most important channels of financial aid for economic development has been the Israel Bond Organization (Development Corporation for Israel) which (as of the end of 1970) sold a total of $1.64 billion in Israel Bonds since May, 1951. The proceeds from the sale of Israel Bonds have been a decisive factor in stimulating the steady growth of the country's economy.

The confidence produced by the unusually impressive progress of Israel's economy has created a very favorable climate for the sale of State of Israel Bonds. For the past twenty years they have been a major source of capital for the development of agriculture, commerce, industry, mining and other branches of Israel's economy. They have also promoted trade between Israel and the U.S.

Various institutions have purchased Israel Bonds as an indication of their faith in Israel's future and in recognition of its achievements in building an economically sound democracy.

A special issue of Israel Bonds, with interest of 5½% per year, payable semi-annually, is offered for sale to banks, insurance companies, labor unions and employee benefit funds (pension funds, retirement and welfare plans, profit-sharing plans, etc.).

Credit unions, endowment funds, community funds (public funds of charitable, religious and educational organizations set up on a community-wide basis), city and state governmental pension and welfare funds, and building funds, including cemetery and perpetual care funds, are also eligible to subscribe to this security.

The $250 million issue of Dollar Bonds, known as the Third Development Investment Issue, consists of 20-year Coupon Bonds.

Within ninety days after written demand, the State of Israel will repurchase Bonds of the Third Development Investment Issue, as stated in the prospectus.

There has been a rising rate of Israel Bond purchases by both national and state banks. It is worth noting that 60% of the three hundred largest banks in the United States have added Israel Bonds to their portfolios. In all some 1900 banks have purchased Israel Bonds in amounts up to $2 million each.

The Controller of the Currency has ruled that Israel Bonds are a proper investment for national banks and banks which are part of the Federal Reserve System.

Israel Bond sales to trade unions have also shown a substantial increase. A total of 2100 pension funds have been enrolled as investors in Israel Bonds in the past six years.

A large proportion of the funds provided through Israel Bonds remains in the United

States, paying for the purchase of machinery and equipment which Israel needs. Israel's imports from the United States in 1970 amounted to $684 million. Its exports to this country last year totalled $298 million, thereby reflecting a trade balance substantially in favor of the United States.

The extent of Israel's economic reconstruction since the inception of the Israel Bond program in 1951 can be seen in the growth of its gross national product, which has increased at an average rate of 10% a year. The country's population has increased from 1,577,000 to 3,000,000 and its standard of living has risen steadily during the twenty-year period.

Since 1951 exports of goods and services have increased from $70 million to $1.315 billion in 1970. Industrial production in the same period jumped from $383 million to $3.050 billion and agricultural production climbed from $83 to $545 million.

Important basic development projects financed in part by Israel Bonds include the construction of the new deepwater harbor at Ashdod; the expansion of port facilities at Haifa and Elath; the exploitation of mineral resources, including the copper deposits at Timna and the construction of its refinery; the completion of the National Water Carrier, which is now irrigating much of the Negev; the extension of highways and railroads; the expansion of the merchant marine and development of El Al Israel Air lines.

Early in 1970 work was completed on a 163-mile-long 42-inch pipeline carrying 20 million tons of oil a year in its initial stage from Elath and Ashkelon on the Mediterranean coast. A new refinery is being built at Ashdod to process some of the oil from the new pipeline. Israel Bonds have also financed the expansion of the Dead Sea Works at S'dom and the construction of over 690,000 permanent housing units.

Israel Bonds are helping to expand industrial production for export through a shift to highly sophisticated industries such as electronics and chemicals to improve the country's balance of trade.

Through its accomplishments in human redemption and economic progress, Israel has shown the world what a small democracy can accomplish in the face of critical challenges. Many developing countries in Asia and Africa have drawn upon the example and know-how of Israel to improve their own economy as a foundation for progress under freedom.

## SCHOOL PRAYER AMENDMENT

## HON. JOHN P. HAMMERSCHMIDT

OF ARKANSAS

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. HAMMERSCHMIDT. Mr. Speaker, last week, Members of the House of Representatives failed to approve by two-thirds a joint resolution proposing an amendment to the Constitution of the United States, which would have provided for the offering of voluntary prayer or meditation in public schools and other public buildings. The vote was 240 for to 162 against, just 28 votes shy of passing.

I voted for the amendment.

In my judgment, the Supreme Court decisions of 1962 and 1963 imposed a restriction on Bible reading and recitation of the Lord's Prayer in public schools.

The decisions have been interpreted to be an infringement on a citizen's right to free religious exercise, as was guaranteed by the first amendment, before the Supreme Court ruling took that right from him.

The prayer amendment clearly would have reinstated the rights of those who wished to take part in a religious exercise of prayer and meditation in public places.

Those of us who believe in the sovereignty of the people should have had no hesitancy in submitting to them a proposed constitutional amendment in which there is great public interest. In fact, the Congress has an obligation to do so.

Mr. Speaker, we are a religious people. Religion is closely identified with our history and government. The Constitution never intended to forbid the recitation of voluntary prayers in public schools.

I subscribe to the language of the dissenting opinion written by Mr. Justice Stewart, which reads:

> To deny the wish of these school children to join in reciting this prayer is to deny them the opportunity of sharing in the spiritual heritage of our nation.

I wish to restate the reasons for my vote.

The resolution to propose an amendment to the constitution would have made prayer permissible in public buildings. It would have allowed children to use school buildings for voluntary prayer.

The resolution would have given the American people the opportunity to decide through their elected State legislative members if, in fact, a basic constitutional right was being taken away.

The opponents of the resolution, for whom I have the greatest respect, contended that such an amendment would violate the long-established principle of separation of church and state. I just do not share their apprehensions nor agree with their conclusions.

The first amendment directs that:

> Congress shall make no law respecting an establishment of religion or prohibiting the free exercise thereof.

This means that Congress and State legislatures are prohibited from establishing a state church. As far as government is concerned, there is to be no single "official" church or creed.

There is to be no religious examination as a prerequisite for citizenship, for voting, or holding office.

The first amendment did not mean, however, that there is to be no religion, or no religious prayer or expression in public places.

While we must forever respect and diligently protect the rights of all who disagree and must never require the minority to embrace the opinion of the majority, the fact remains that this Nation in solemn truth does believe in God.

This amendment seems in accordance with the wishes and desires of most of the people, certainly in my district. It seems harmonious with the doctrine of separation as most have understood it for 171 years.

After debate and just prior to the question of the joint resolution, House Members agreed to strike the term "nondenominational" and substitute "voluntary prayer or meditation." But that was not enough to gain the required two-thirds vote.

And after all was said, I draw the conclusion that not one of my colleagues is against prayer or a person praying in a public building.

Even though the proposed constitutional amendment failed to win two-thirds approval of the House, I do not believe the issue is dead.

## SPEECH AND HEARING HANDICAPPED CHILDREN WEEK

## HON. WILLIAM D. HATHAWAY

OF MAINE

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. HATHAWAY. Mr. Speaker, Gov. Kenneth M. Curtis of Maine recently proclaimed the week of October 17–23 "Speech and Hearing Handicapped Children Week" in the State of Maine. The Governor has taken this action in recognition of the outstanding work done by the speech and hearing profession in meeting the tremendous needs of speech and hearing handicapped children in the State.

For the benefit of my colleagues and in recognition of the work being done by members of the speech and hearing profession in Maine, I would like at this time to include in my remarks for the RECORD an article from the newsletter of the Maine Speech and Hearing Association, September 1971, describing the Governor's action, the progress that has been made by speech and hearing professionals in the last several years, and the needs still existing in this area:

### SPEECH AND HEARING HANDICAPPED CHILDREN WEEK—OCTOBER 17–23, 1971

Governor Curtis will again recognize the special assistance being provided to Maine children with speech and hearing problems, and call attention to our goals with reference to these children.

It is appropriate to recognize the progress that has been made in the delivery of speech and hearing therapy to our school age population. Looking back at the level of services just three years ago in the 1968–69 school year provides a very significant contrast with the level of services available during the current 1971–72 school year. Here is the picture, based on information provided by the Maine Department of Education:

1. School age pop. Grades K–12: 1968–69, 235,000; 1971–72,[1] 250,000.
2. Est. no. of child, with spch. and hear. problems[2]: 1968–69, 11,500; 1971–72,[1] 12,500.
3. Number of children receiving therapy in schools and clinics: 1968–69, 1,900; 1971–72,[1] 4,000.
4. Percentage of estimated number needing therapy act. receiving therapy (item No. 3/item No. 2): 1968–69, 16 percent; 1971–72,[1] 32 percent.
5. Number of in-school special-hearing therapy programs: 1968–69, 16; 1971–72,[1] 40.

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[1] Based on best estimates 9/15/71.

[2] Based on 5% prevalence in school age population.

An examination of the information indicates that the reported school age population three year period. However, the number of children receiving speech and hearing therapy has increased by approximately 110% in this same period of time—more than twice as many children are receiving speech and hearing therapy this year than received help in the 1968–69 school year.

It is important to note that since the 1968–69 school year, 24 new in-school speech and hearing therapy programs have been established. This is a 150% improvement in the number of school programs for these handicapped children.

It appears that a very substantial gain has been made with reference to that portion of this special group of children now receiving therapy. In 1968–69, only 16% of the estimated number of speech and hearing impaired children were receiving therapy. It appears that in the current school year approximately 32% of this group of 12,500 children will be receiving services.

These very dramatic improvements must be attributed to the increasing awareness of school committees and school administrators throughout the State of Maine. Making use of Maine's excellent reimbursement provisions for the education of handicapped children, in-school programs have been instituted. The benefits derived from the programs have been apparent to the children involved, their parents, and their teachers.

A share of the responsibility for these improved services belongs to two additional groups: the Maine Department of Education and the Maine Speech and Hearing Association. The Department of Education and the MSHA have worked cooperatively to bring the needs of these children to the attention of the public, school administrators, and school committees. Through workshops, consultive-advisory services, and a constant readiness to speak on behalf of those with impaired speech, the MSHA and the Department of Education deserve recognition.

And what of the future—the next three years? It is apparent that a significant leap has been made to narrow the gap in services to these children. However, it is equally obvious that there are still over 8,000 children in our schools now who are not receiving the special service they need for their speech or hearing impairments.

The answer is clear: more programs must be established; and existing programs must be expanded. It is well recognized that some established progams are necessarily limited in the number of children served. This limitation exists because the program is understaffed. While the maximum effective caseload for one speech and hearing clinician varies with a number of factors it is generally true that 50–70 children wih impairments constitutes a maximum load for one clinician. This is an area that must not be neglected.

Furthermore, it seems necessary that speech and hearing clinicians within the state continually strive to improve their professional competencies. The MSHA has supported the principles expressed in the proposed revision in school certification standards for speech and hearing personnel. The members of the profession must individually continue to work to improve their competencies. We must take advantage of the workshops now being offered by the Department of Education. The meetings of our association provide other opportunities. Demands must be made on the two speech and hearing programs of the University for course offerings that are relevant to the pofessional needs within Maine. We do have the resources. We do have the means to make these resources work on behalf of the speech and hearing impaired person.

What will the picture be in October, 1975, as we look back at the three years that have just elapsed? What you do today, tomorrow, and next week will determine a portion of that picture, because you own a piece of it right now.

Mr. Speaker, I insert the proclamation issued by Governor Curtis declaring the week of October 17 "Speech and Hearing Handicapped Children Week" at this point:

STATE OF MAINE PROCLAMATION

Whereas, over the past three years the number of children with speech and hearing impairments receiving speech therapy has more than doubled; and

Whereas, there are presently over 8,000 children in Maine with impaired speech and hearing who are not receiving the therapy they are entitled to receive; and

Whereas, during the past three years there has been a very substantial increase in services to speech and hearing impaired children in the State of Maine; and

Whereas, approximately 32% of the estimated 12,500 Maine school children with problems in speech and hearing are now receiving help, whereas in 1968–69 only 16% of these children were receiving the help they were entitled to under Maine law; and

Whereas, there is still a need for more in-school programs for these children, as well as the need to expand some existing programs;

"Now, therefore, I, Kenneth M. Curtis, Governor of the State of Maine, do hereby proclaim the week of October 17, 1971, as Speech and Hearing Handicapped Children Week in the State of Maine and commend the Maine Speech and Hearing Association and the Maine State Department of Education for the outstanding job they have done in providing increased services to the school children in need of speech and hearing services.

Given at the office of the Governor at Augusta, and sealed with the Great Seal of the State of Maine, this Seventh day of October, in the Year of Our Lord, One Thousand Nine Hundred and Seventy-one, and of the Independence of the United States of America, the One Hundred and Ninety-sixth.

KENNETH M. CURTIS.

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## THE YOUTH CONSERVATION CORPS OF THE DEPARTMENTS OF AGRICULTURE AND INTERIOR

### HON. BOB BERGLAND

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

*Monday, November 15, 1971*

Mr. BERGLAND. Mr. Speaker, I would like to call to the attention of the House one of the most successful, yet unsung, youth programs that has ever been sponsored by the Congress of the United States. I refer to the Youth Conservation Corps, administered jointly by the Departments of Agriculture and Interior.

This program has completed the first of a 3-year pilot project. Operating under severe funding limitations imposed by the Office of Management and Budget, 2,800 young people lived and worked in 36 camps under the jurisdiction of the Forest Service of the Department of Agriculture and 28 camps on lands operated by the National Park Service of the Department of the Interior. Under this program young people from all background were brought together to engage in meaningful and valuable tasks to improve Federal park and forest lands and to gain a greater awareness and appreciation of our environment.

This program has received much and frequent praise from the President of the United States, Congress, and administering agencies. But none of us can give the more practical and down-to-earth evaluations which can be provided by the young people who took part in it. I am fortunate to have such an evaluation from Miss Laura Campbell of East Grand Forks, Minn., who worked at the Youth Conservation Corps camp located in the Chippewa National Forest of my district. I would like to share her letter to Mr. M. K. Lauritsen, supervisor of the Chippewa National Forest:

EAST GRAND FORKS, MINN.,
*October 11, 1971.*

DEAR MR. LAURITSEN, I'm not sure where to begin, but I'd just like to give a few afterthoughts about camp, after being away nearly two months.

Quite obviously, the hardest thing to get used to upon returning home was the absence of such a close-knit community. It's really rare to feel so close to kids and really feel like you've gotten to be a part of them, and they a part of you. Even more rare though, I think, is the fact that it didn't stop with kids. There seemed to be almost no generation gap. In fact, such total reasonableness and willingness to change in the interest for advancement seems almost unreal now. Authority was so flexible. Like some sort of Utopia gone forever, or until a much future time at least. Other campers have mentioned the fairyland type thing too. Some of us had more trouble returning to society than others, but living this kind of existence, if only for a month, left a lasting impression on almost everyone. I'll always be glad that we appreciated it even when we had it, not just in retrospect.

There are some things that I appreciate more in the absence of them. Like going on a picnic with people who found it more natural to pick up a few extra pop cans than throw out their own. Having everyone around me very, very interested, in a practical way, in conservation.

How lucky I was to be with people who were careful of forests and wildlife because they really loved it. They really cared.

Actually, it's not that I live in an uncooperative community. But that's the thing; they cooperate with, rather than initiate. I always seem to be in the position of one trying to convince.

Probably the best thing about Y.C.C. is that it gives kids a chance to taste a different kind of life. Not really a Thoreau-type existence, but something they can achieve if they want it bad enough. Because, without tasting it, you can't tell what you're looking for. You can take anything if you have a goal.

I've thought of reapplying for Y.C.C., but I don't really think it would be fair not to give someone else a chance. Just the chance to get to know some people in forestry and actually DO some of the work is really an experience. To work with adults who love their work and know the forest because they love it is really great.

Thank you for everything.

Sincerely,

LAURA CAMPBELL.

During this Congress, I am hopeful that we will have the opportunity to expand and extend this program by enact-

**ing H.R. 10456 introduced by the distinguished gentleman from Washington (Mr. MEEDS). H.R. 10456 would expand the program to allow 100,000 young people to become part of the Youth Conservation Corps. It should be noted that an estimated 126,000 students applied for the program which only had room for 2,800 and that the only criticism that can be made of the program is that too many enthusiastic potential participants were turned away. H.R. 10456 would also allow cost sharing with State governments so they may sponsor similar programs on State-owned lands. In addition, during the times that YCC camps are not being utilized for their primary purpose they would be made available to schools, colleges, and universities as centers for the study of our environment.**

**I fully endorse this project and I hope that every Member of the House of Representatives and Senate will give it their full support.**